



Monterey County Analysis of Impediments to Fair Housing Choice

2019

Collaborating Entities

City of Monterey | City of Salinas | City of Seaside
Monterey Urban County (Cities of Del Rey Oaks, Greensfield, Gonzales, Sand
City and Unincorporated County Areas) | Housing Authority of the County of
Monterey

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Monterey County

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City of Salinas (Lead Agency)

City of Monterey

City of Seaside

Monterey Urban County

(Cities of Del Rey Oaks, Greenfield, Gonzales, and Sand City, and
Unincorporated County areas)

Housing Authority County of Monterey

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Chapter 1

Introduction

The County of Monterey is located on the central coast of California and is one of the largest counties geographically in the State of California. The County covers more than 3,300 square miles and is comprised of diverse natural habitats and residential communities. Monterey County is bordered by Santa Cruz County to the north, San Benito, Fresno and King Counties to the east, and San Luis Obispo County to the south. The County’s northwestern section forms the southern half of Monterey Bay.

Collaborating Entities

This report covers the entitlement jurisdictions of Monterey, Salinas, and Seaside, as well as the Monterey Urban County Entitlement Area, which is comprised of the cities of Del Rey Oaks, Gonzales, Greenfield, Sand City (participating cities), and the unincorporated areas of Monterey County. The Housing Authority County of Monterey (HACM) is also a collaborating entity in this study. For the purposes of public housing and other HACM-administered programs, this report covers the entire service areas of HACM.

The cities of Carmel, King, Marina, Pacific Grove, and Soledad did not participate in this effort and do not receive entitlement funds from HUD. Therefore, this report does not cover these localities.

A. Purpose of the Report

The Collaborating Entities have established a commitment towards providing equal housing opportunities for their residents. Through the federally funded programs such as the Community Development Block Grant (CDBG), HOME Investment Partnership, and Emergency Solutions Grant programs, and other state and local programs, the Collaborating Entities work to provide a decent living environment for all. Pursuant to CDBG regulations [24 CFR Subtitle A §91.225(a)(1)], to receive CDBG funds, a jurisdiction must certify that it “actively furthers fair housing choice” through the following:

- Completion of an Analysis of Impediments to Fair Housing Choice (AI);
- Actions to eliminate identified impediments; and
- Maintenance of fair housing records.

This report, the Analysis of Impediments to Fair Housing Choice (commonly known as the “AI”), presents a demographic profile of the Collaborating Entities, assesses the extent of fair housing issues among specific groups, and evaluates the availability of a range of housing choices for all residents. This report also analyzes the conditions in the private market and public sector that may limit the range of housing choices or impede a person’s access to housing.

B. Legal Framework

Fair housing is a right protected by both Federal and State of California laws. Among these laws, virtually every housing unit in California is subject to fair housing practices.

1. Federal Laws

The federal **Fair Housing Act of 1968** and **Fair Housing Amendments Act of 1988** (42 U.S. Code §§ 3601-3619, 3631) are federal fair housing laws that prohibit discrimination in all aspects of housing, including the sale, rental, lease, or negotiation for real property. The Fair Housing Act prohibits discrimination based on the following protected classes:

- Race or color
- Religion
- Sex
- Familial status
- National origin
- Disability (mental or physical)

Specifically, it is unlawful to:

- Refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, disability, familial status, or national origin.
- Discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, disability, familial status, or national origin.
- Make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, disability, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.
- Represent to any person because of race, color, religion, sex, disability, familial status, or national origin that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available.
- For profit, induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, disability, familial status, or national origin.

Reasonable Accommodations and Accessibility: The Fair Housing Amendments Act requires owners of housing facilities to make “reasonable accommodations” (exceptions) in their rules, policies, and operations to give people with disabilities equal housing opportunities. For example, a landlord with a "no pets" policy may be required to grant an exception to this rule and allow an individual who is blind to keep a guide dog in the residence. The Fair Housing Act also requires landlords to allow tenants with disabilities to make reasonable access-related modifications to their

private living space, as well as to common use spaces, at the tenant's own expense. Finally, the Act requires that new multi-family housing with four or more units be designed and built to allow access for persons with disabilities. This includes accessible common use areas, doors that are wide enough for wheelchairs, kitchens and bathrooms that allow a person using a wheelchair to maneuver, and other adaptable features within the units.

HUD Final Rule on Equal Access to Housing in HUD Programs: On March 5, 2012, HUD published the Final Rule on "Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity." It applies to all McKinney-Vento-funded housing programs, as well as to other housing assisted or insured by HUD. The rule creates a new regulatory provision that generally prohibits considering a person's marital status, sexual orientation, or gender identity (a person's internal sense of being male or female) in making housing assistance available.

2. California Laws

The State Department of Fair Employment and Housing (DFEH) enforces California laws that provide protection and monetary relief to victims of unlawful housing practices. The **Fair Employment and Housing Act** (FEHA) (Government Code Section 12955 et seq.) prohibits discrimination and harassment in housing practices, including:

- Advertising
- Application and selection process
- Unlawful evictions
- Terms and conditions of tenancy
- Privileges of occupancy
- Mortgage loans and insurance
- Public and private land use practices (zoning)
- Unlawful restrictive covenants

The following categories are protected by FEHA:

- Race or color
- Ancestry or national origin
- Sex
- Marital status
- Source of income
- Sexual orientation
- Gender identity/expression
- Genetic information
- Familial status (households with children under 18 years of age)
- Religion
- Mental/physical disability
- Medical condition
- Age

In addition, the FEHA contains similar reasonable accommodations and accessibility provisions as the federal Fair Housing Amendments Act.

The **Unruh Civil Rights Act** provides protection from discrimination by all business establishments in California, including housing and accommodations, because of age, ancestry, color, disability, national origin, race, religion, sex, and sexual orientation. While the Unruh Civil Rights Act specifically lists “sex, race, color, religion, ancestry, national origin, disability, or medical condition” as protected classes, the California Supreme Court has held that protections under the Unruh Act are not necessarily restricted to these characteristics.

Furthermore, the **Ralph Civil Rights Act** (California Civil Code Section 51.7) forbids acts of violence or threats of violence because of a person’s race, color, religion, ancestry, national origin, age, disability, sex, sexual orientation, political affiliation, or position in a labor dispute. Hate violence can be: verbal or written threats; physical assault or attempted assault; and graffiti, vandalism, or property damage.

The **Bane Civil Rights Act** (California Civil Code Section 52.1) provides another layer of protection for fair housing choice by protecting all people in California from interference by force or threat of force with an individual’s constitutional or statutory rights, including a right to equal access to housing. The Bane Act also includes criminal penalties for hate crimes; however, convictions under the Act are not allowed for speech alone unless that speech itself threatened violence.

And, finally, **California Civil Code Section 1940.3** prohibits landlords from questioning potential residents about their immigration or citizenship status. Landlords in most states are free to inquire about a potential tenant’s immigration status and to reject applicants who are in the United States illegally. In addition, this law forbids local jurisdictions from passing laws that direct landlords to make inquiries about a person’s citizenship or immigration status.

In addition to these acts, **Government Code Sections 11135, 65008, and 65580-65589.8** prohibit discrimination in programs funded by the State and in any land use decisions. Specifically, recent changes to State law require local jurisdictions to address the provision of housing options for special needs groups, including:

- Housing for persons with disabilities
- Housing for homeless persons, including emergency shelters, transitional housing, and supportive housing
- Housing for extremely low income households, including single-room occupancy units
- Housing for persons with developmental disabilities

3. Fair Housing Defined

In light of the various pieces of fair housing legislation passed at the federal and state levels, fair housing throughout this report is defined as follows:

A condition in which individuals of similar income levels in the same housing market have a like range of choice available to them regardless of their characteristics as protected under State and Federal laws.

The housing markets across the Monterey region are very different. Therefore, in most cases, discussions and assessments on housing options and choices are made in the context of the local communities, particularly relating to local policies that would impact the range of housing choices available.

Housing Issues, Affordability, and Fair Housing

HUD's Fair Housing and Equal Opportunity (FHEO) Division draws a distinction between housing affordability and fair housing. Economic factors that affect a household's housing choices are not fair housing issues per se. Only when the relationship between household income, household type, race/ethnicity, and other factors create misconceptions, biases, and differential treatments would fair housing concerns arise.

Tenant/landlord disputes are also typically not related to fair housing. Most disputes between tenants and landlords result from a lack of understanding by either or both parties on their rights and responsibilities. Tenant/landlord disputes and housing discrimination cross paths when the disputes are based on factors protected by fair housing laws and result in differential treatment.

4. Impediments Identified

Within the legal framework of federal and state laws, and based on the guidance provided by HUD's *Fair Housing Planning Guide*, impediments to fair housing choice can be defined as:

- Any actions, omissions, or decisions taken because of the characteristics protected under State and Federal laws, which restrict housing choices or the availability of housing choices; or
- Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of characteristics protected under State and Federal laws.

To affirmatively promote equal housing opportunity, a community must work to remove impediments to fair housing choice.

5. Organization of the Report

This report is divided into eight chapters:

Chapter 1: Introduction defines “fair housing” and explains the purpose of this report.

Chapter 2: Community Participation describes the community outreach program and summarizes comments from residents and various agencies on fair housing issues such as discrimination, housing impediments, and housing trends.

Chapter 3: Community Profile presents the demographic, housing, and income characteristics in the Collaborating Entities. Major employers and transportation access to job centers are identified. The relationships among these variables are discussed. In addition, this section evaluates if community residential care facilities, public and assisted housing projects, as well as Housing Choice Voucher recipients in the three jurisdictions, are unduly concentrated in low and moderate income areas. Also, the degree of housing segregation based on race is evaluated by computing the Index of Dissimilarity.

Chapter 4: Lending Practices assesses the access to financing for different groups. Predatory and subprime lending issues are discussed.

Chapter 5: Public Policies analyzes various public policies and actions that may impede fair housing within the three jurisdictions.

Chapter 6: Fair Housing Profile evaluates existing public and private programs, services, practices, and activities that assist in providing fair housing in the three jurisdictions. This chapter also assesses the nature and extent of fair housing complaints and violations in the Collaborating Entities. Trends and patterns of impediments to fair housing, as identified by public and private agencies, are included.

Chapter 7: Fair Housing Action Plan summarizes the findings regarding fair housing issues in the three jurisdictions and provides a plan of action for furthering fair housing practices.

At the beginning of this report are Signature Pages that include the signatures of the Chief Elected Officials, together with a statement certifying that the Analysis of Impediments represents the jurisdictions’ official conclusions regarding impediments to fair housing choice and the actions necessary to address identified impediments.

Chapter 2

Public Participation

This Analysis of Impediments to Fair Housing Choice (AI) report has been developed to provide an overview of laws, regulations, conditions, or other possible obstacles that may affect an individual's or a household's access to housing. As part of this effort, the report incorporates the issues and concerns of residents, housing professionals, and service providers. To assure the report responds to community needs, a community outreach program consisting of an online fair housing survey, stakeholder interviews, partner forums, and community workshops, was conducted in the development of this report. This chapter describes the community outreach program conducted and the outcomes of each of its components.

A. Fair Housing Survey

The Fair Housing Survey sought to gain knowledge about the nature and extent of fair housing issues experienced by County residents. The survey consisted of 28 questions designed to gather information on a person's experience with fair housing issues, perception of fair housing issues in his/her neighborhood, and information about the person taking the survey. The survey instrument and summary of survey responses are provided in the *Analysis of Impediments to Fair Housing Choice: Public Participation Summary* bound under separate cover.

1. Survey Outreach

The survey was conducted online to collect information from community members and stakeholders on fair housing and discrimination throughout Monterey County. The survey was available starting from November 2017 and remained open for approximately seven months until June 2018. During this time, 464 responses were gathered.

The survey was available in English and Spanish and was prompted by:

- Posting to City and County websites
 - County of Monterey
 - Housing Authority County of Monterey
 - City of Salinas
 - City of Seaside
 - City of Monterey
 - City of Gonzales
 - City of Greenfield
- Posting to social media platforms
 - Facebook
 - Twitter
 - Next Door
- Phone calls to 142 organizations in the stakeholder database

- Personal emails sent to 181 email addresses from the 142 organizations in the stakeholder database
- Article in the Gonzales Tribune
- City of Salinas City Manager Newsletter

2. Discrimination

Of the 402 respondents that answered the question about discrimination in housing, about 64 percent of the respondents had not experienced housing discrimination. Approximately 146 of the respondents (26 percent) however, indicated that they had personally experienced discrimination when trying to find housing. A majority of the respondents believe they were discriminated against based on their family status and or their race. Respondents were allowed to choose more than one category when stating what they believed to be the basis of the discrimination against them.

3. Hate Crimes

Of those responding to the questions relating to hate crimes (364 respondents), only 24 people had indicated that they were aware of a hate crime being committed in their neighborhood. Out of those respondents, all but one person identified the area in which they believe the hate crime occurred. Salinas and Monterey were mentioned the most making up 43 percent of the responses.

B. Stakeholder Interviews

During February and March 2018, interviews were conducted with key housing and community stakeholders in order to gather information on housing barriers, housing discrimination and fair housing priorities across Monterey County. The stakeholder meetings were arranged by making phone calls to 142 organizations in the stakeholder database and sending out personal emails to 181 email addresses provided for the 142 organizations and agencies.

Eight individuals from different organizations were interviewed and their answers to questions were synthesized to encourage the interviewees to speak freely. A full summary of the Stakeholder interviews is included in the *Analysis of Impediments to Fair Housing Choice: Public Participation Summary* bound under separate cover.

C. Partner Forums

There were two partner forums held in order to collect input on fair housing needs and disparities of access. The audience targeted for these forums included housing providers, advocacy organizations and public agencies. Digital flyers in English and Spanish were emailed to 142 organizations and agencies in a stakeholder database and e-blast reminders were sent to all of them two to three times before each forum. Eighteen individuals attended the partner forums.

The Seaside Community Development Advisory Committee in Seaside hosted the first partner forum on May 16, 2018 and had ten attendees representing the Community Development Advisory Committee, City of Salinas, City of Seaside, Legal Services for Seniors, Seaside Homeless Committee, ECHO Housing, and other organizations.

The City of Salinas hosted the second forum on May 17, 2018 and had eight attendees representing the Central Cost Center for Independent Living, Housing Authority of Monterey County, City of Salinas, and the Maria J. Torres-Gil Community Center. During each of the forums, presentations were delivered in order to provide an overview of fair housing and to review the purpose of the AI. ECHO Housing also presented the fair housing services and resources they provide in Monterey County.

After the presentations, participants were able to share their thoughts on fair housing barriers and the needs of their communities. Discussion questions from the partner forums are included in the *Analysis of Impediments to Fair Housing Choice: Public Participation Summary* bound under separate cover.

During the partner forums, the participants stated that some of the most common barriers to housing in the community were the affordability of units already present, the lack of affordable units to fit the demand, the access to affordable units in relation to jobs, the income level of those seeking housing, and the high “price setting” of the County. Participants shared that the profit driven landlords and the location of rental housing has driven up the cost to live in many communities. The lack of affordable housing to fit the demand has made the access to housing difficult for community members.

The greatest challenges that organizations face when assisting with fair housing needs of residents are the lack of funding and resources that they can provide. Agencies made it clear that the lack of awareness of potential fair housing impediments and ways to address those impediments with the resources they have available is challenging. Participants encouraged that collaboration between housing services, public agencies and the like, could better assist the County as a whole when it comes to addressing fair housing.

D. Community Workshops

Four community workshops were conducted in May and June of 2018 throughout the County. All workshops were held in ADA accessible venues that were located close to public transit. The workshops were scheduled at varying times and days of the week to accommodate the needs of residents and the employees who were to facilitate each workshop. The workshops were as follows:

Thursday May 24, 2018 6:30 – 8:30 PM Maria J. Torres-Gil Community Center, Salinas	Tuesday June 19, 2018 6:30 – 8:30 PM Monterey Public Library, Monterey
Wednesday June 20, 2018 6:00 – 8:00 PM Castroville Branch Library, Castroville	Saturday June 23, 2018 12:00 – 2:00 PM Gonzales Branch Library, Gonzales

The workshops were done in an interactive format that included brief presentations to describe fair housing and protected classes and the purpose of the AI. ECHO Housing representatives presented an overview of the fair housing services and resources that they provide throughout the County. The attendees were then encouraged to participate in a large group discussion regarding fair housing barriers and issues facing the protected classes in Monterey County. Approximately 50 people attended the community workshops. The full list of discussion questions from the community

workshops is included in the *Analysis of Impediments to Fair Housing Choice: Public Participation Summary* bound under separate cover.

During all of the community workshops, the residents of the County agreed on the common barriers to housing within their communities. Some of those barriers included:

- Housing affordability
- Demand for affordable housing exceeding the supply
- Housing habitability issues with older housing stock
- Waitlist length for housing

(However, these are primarily economic barriers, which are not fair housing concerns per se. See discussions under Chapter 1, Introduction, Subsection B.3, Fair Housing Defined.)

Within each community workshop there were findings specifically designated for the area in which the workshop was held. During the Castroville workshop, participants identified that the distribution of affordable housing does not reflect the needs of the residents specifically when it came to accessing jobs. Castroville residents also had not experienced discrimination personally, but did work with clients who do regularly report incidents of discrimination in the area.

In the Gonzales workshop, participants noted the lack of farmworker housing within the city and the need for the South County to improve access to housing services and resources to fit the population. During this workshop, participants noted that flyers, radio announcements, and television commercials, can be better utilized to help address fair housing within the community. However, the City denied the CHISPA housing development proposal that would have provided affordable housing opportunities for farmworkers. Community acceptance of affordable and special needs housing is generally an issue.

During the Monterey workshop, participants stated that new housing is being built in order to target wealthier residents making it more difficult for other residents to find housing. The “invasion of Silicon Valley” was of great concern for the residents in Monterey. The residents in Monterey want to see ECHO Housing be used more to address fair housing concerns in the community.

The Salinas workshop participants noted that in the community individuals with domestic pets are limited to their choice of available housing options. It is even harder for those with animals and housing choice vouchers to find housing. Homeless persons also have difficulty utilizing their vouchers. The community believes that creating commercials, flyers, and radio announcements will assist the community and provide information on how to get the assistance they need with fair housing.

E. Public Review Draft of AI

The Draft AI was made available for a 45-day public review from April 1, 2019 through May 16, 2019. Notices of availability of the document and/or public hearings were published in the following newspapers:

- El Sol
- Gonzales Tribune
- Greenfield News
- King City Rustler
- Monterey Herald
- Monterey County Weekly
- Salinas Californian
- Soledad Bee

The Collaborating Entities will be conducting public hearings to receive comments on the AI:

- City of Salinas: April 9, 2019
- City of Monterey: April 16, 2019
- City of Seaside: May 2, 2019
- County of Monterey: May 7, 2019
- City of Salinas: May 14, 2019
- HACM: May 20, 2019

Chapter 3

Community Profile

As one of the larger counties in the State of California in terms of geographic coverage, Monterey County covers close to 3,400 square miles and is comprised of diverse natural habitats and residential communities. This diversity ranges from rich farmland located within the Salinas Valley to the tall peaks of the Santa Lucia Mountains whose fast steep incline helps make up the dramatic Big Sur coastline along the Pacific Ocean. The rich agricultural land, mild climate, and spectacular coastline have made Monterey County famous throughout the world. Located in the central coast region of California, Monterey County is a highly desirable location for families and individuals seeking residence in a semi-rural setting. Historically, there had been a strong military presence in the area with Fort Ord along the coast and Camp Roberts at the southern end of the County. Base closures, however, have resulted in reducing the military presence and the reuse of major portions of the former Fort Ord. The County also has a long farming history. Farming and related industries are the bedrock of the County's economic base. Accommodating the need for new housing and commercial services for incoming residents while balancing the desire to preserve the pristine natural environment, as well as prime farmland, may affect fair housing choice and opportunities in the County.

A key goal for fair housing programs is to foster an inclusive environment, one in which people of all socio-economic backgrounds have the opportunity to live in decent and suitable homes and are treated equally in the rental, sale, or occupancy of housing, and one in which underserved and disadvantaged groups would have the opportunity to live in a location of their own choice. The community profile chapter provides background information on demographics, housing, employment, special needs groups, and other characteristics that describe the Collaborating Entities. All of these factors can affect housing choice, housing opportunities, and the type of fair housing issues people in a community may encounter. This overview provides the context for discussing and evaluating fair housing in the following chapters.

A. Demographic Profile

Examination of demographic characteristics provides some insight regarding the need and extent of equal access to housing in a community. Factors such as population growth, age characteristics, and race/ethnicity all help determine a community's housing needs and play a role in exploring potential impediments to fair housing choice.

1. Population Growth

On February 18, 1850, the Monterey Bay region was officially split into two counties—Monterey County and Santa Cruz County. At that time, the total population count in Monterey County was 1,872 persons. By 1900, the population of Monterey County had grown to 19,380, and in 1950, the total countywide population had increased to 130,498 persons. The 2000 U.S. Census reported 401,762 residents in the County as of January 1, 2000. In 2000, Monterey County ranked 18th in

population size among the 58 counties in California. By 2010, the total population in Monterey County had grown to 415,057, a 17-percent increase since 1990.

According to the Census, between 1990 and 2010, Monterey and Seaside experienced a 13-percent and a 15-percent decline in population, respectively – while Salinas experienced an overall 38-percent increase – greater than the County’s growth during that same period (Table 1).

Over the last eight years, the unincorporated County population increased by over six percent unlike the previous two decades when the population had declined. The population in all areas analyzed has increased since 2010.

Jurisdiction	1990 Population	2000 Population	2010 Population	2018 Population	% Change 1990-2000	% Change 2000-2010	% Change 2010-2018
Monterey County	355,660	401,762	415,057	443,281	13.0%	3.3%	6.8%
Monterey	31,954	29,674	27,810	28,323	-7.1%	-6.3%	1.8%
Salinas	108,777	151,060	150,441	161,784	38.9%	-0.4%	7.5%
Seaside	38,901	31,696	33,025	34,270	-18.5%	4.2%	3.8%
Urban County	114,456	122,271	126,688	135,944	6.8%	3.6%	7.3%
Unincorporated Monterey County	100,479	100,252	100,213	107,264	-0.2%	0.0%	7.0%
Del Rey Oaks	1,661	1,650	1,624	1,692	-0.7%	-1.6%	4.2%
Gonzales	4,660	7,525	8,187	8,587	61.5%	8.8%	4.9%
Greenfield	7,464	12,583	16,330	18,007	68.6%	29.8%	10.3%
Sand City	192	261	334	394	35.9%	28.0%	18.0%

Source: Bureau of the Census, 1990-2010. California Department of Finance, Population and Housing Estimates 2018.

Approximately 50 percent (50,128 persons) of the County’s 2010 unincorporated population resided in a “Census Designated Place (CDP).” A full list of CDPs in Monterey County, along with corresponding population data, is presented in Table 2. The largest of the CDPs is Prunedale, which had 17,560 residents in 2010. Between 2000 and 2010, the Urban County as a whole experienced a minimal increase in population (less than four percent), which was mostly due to population growth in the City of Greenfield.

The 2018 Department of Finance and the 2012-2016 American Community Survey do not provide population counts for unincorporated areas. The 2010 Census remains the most accurate data to describe these communities, including small cities such as Del Rey Oaks, Greenfield, Gonzales, and Sand City.

Table 2: Population Growth by Subarea (2000-2010)

Area	2000	2010	Percent Change
Entitlement Jurisdiction			
Monterey	29,674	27,810	-6.3%
Salinas	151,060	150,441	-0.4%
Seaside	31,696	33,025	4.2%
Urban County			
Unincorporated Monterey County			
Aromas	2,797	2,650	-5.3%
Boronda	1,325	1,710	29.1%
Bradley	120	93	-22.5%
Carmel Valley Village	4,700	4,407	-6.2%
Castroville	6,724	6,481	-3.6%
Chualar	1,444	1,190	-17.6%
Del Monte Forest	4,531	4,514	-0.4%
Elkhorn	1,591	1,565	-1.6%
Las Lomas	3,078	3,024	-1.8%
Lockwood	--	379	--
Moss Landing	300	204	-32.0%
Pajaro	3,384	3,070	-9.3%
Pine Canyon	--	1,822	--
Prunedale	16,432	17,560	6.9%
San Ardo	501	517	3.2%
San Lucas	419	269	-35.8%
Spreckels ¹	485	673	38.8%
Balance of Unincorporated County	52,421	50,085	-4.5%
Total Unincorporated County	100,252	100,213	<-0.1%
Cities			
Del Rey Oaks	1,650	1,624	-1.6%
Gonzales	7,525	8,187	8.8%
Greenfield	12,583	16,330	29.8%
Sand City	261	334	28.0%
Total			
Urban County	122,271	126,688	3.6%
Monterey County	401,762	415,057	3.3%

Note 1: The growth in Spreckels is tied to a one-time event that probably will not be repeated – the Spreckels subdivision that relied on a subdivision map that was approved prior to the Map Act.

Source: Bureau of the Census, 2000-2010.

2. Age Characteristics

Housing demand is affected by the age characteristics of residents in a community. Different age groups are often distinguished by important differences in lifestyle, family type, housing preferences and income levels.

In Salinas and Seaside about 40 percent of residents were ages 20 to 44, and closer to 30 percent were older adults and seniors (persons age 45 and older). In Monterey, a similar proportion of residents were ages 20 to 44 (40 percent); however, a higher proportion of residents were older adults and seniors (40 percent).

Residents of the Urban County, overall, were slightly older than the County as a whole. The Urban County had a larger proportion of older adults and seniors (persons age 45 and older) than the County, and a lower proportion of younger adults, ages 20 to 44 (Table 3). Del Rey Oaks had a high median age of 46.2.

Table 3: Age Characteristics by Subarea (2010)

Area	Under 5	5 to19	20 to 24	25 to 44	45 to 65	65+	Total	Median Age
Monterey	5.1%	13.8%	10.2%	30.5%	24.9%	15.5%	27,810	36.9
Salinas	9.5%	25.3%	8.5%	29.9%	19.3%	7.5%	150,441	28.8
Seaside	8.9%	23.3%	8.3%	30.7%	20.2%	8.6%	33,025	30.6
Urban County								
Unincorporated Monterey County								
Aromas	4.6%	21.4%	6.6%	20.8%	36.1%	10.5%	2,650	42.1
Boronda	10.6%	25.9%	9.2%	27.8%	19.5%	6.9%	1,710	27.2
Bradley	1.1%	26.9%	1.1%	25.8%	35.5%	9.7%	93	39.8
Carmel Valley Village	3.6%	15.6%	3.2%	16.5%	40.6%	20.6%	4,407	51.7
Castroville	10.3%	27.1%	9.8%	28.9%	17.5%	6.4%	6,481	26.7
Chualar	9.2%	30.6%	7.7%	27.7%	19.7%	5.0%	1,190	26.6
Del Monte Forest	2.2%	17.2%	1.9%	12.0%	32.1%	34.6%	4,514	57.8
Elkhorn	6.5%	19.5%	6.8%	22.3%	33.2%	11.8%	1,565	41.5
Las Lomas	9.2%	27.9%	8.2%	29.8%	18.5%	6.4%	3,024	27.7
Lockwood	5.8%	22.2%	2.1%	20.6%	36.9%	12.4%	379	44.5
Moss Landing	3.9%	12.7%	2.9%	26.5%	41.2%	12.7%	204	46.5
Pajaro	12.1%	26.9%	9.8%	31.6%	15.3%	4.2%	3,070	25.6
Pine Canyon	6.2%	27.3%	5.4%	26.1%	24.9%	10.0%	1,802	34.4
Prunedale	6.3%	21.3%	6.1%	22.4%	32.2%	11.7%	17,560	40.1
San Ardo	10.6%	29.2%	8.7%	26.9%	16.1%	8.5%	517	26.6
San Lucas	8.2%	28.3%	10.0%	27.5%	21.6%	4.5%	269	26.3
Spreckels	6.2%	21.8%	4.0%	25.7%	30.9%	11.3%	673	39.4
Balance of Unincorporated County	5.1%	18.7%	5.6%	20.8%	31.1%	18.7%	50,085	N/A
Total Unincorporated County	6.0%	20.6%	6.0%	22.0%	29.7%	15.6%	100,213	N/A
Cities								
Del Rey Oaks	4.9%	14.5%	3.7%	25.4%	32.5%	19.0%	1,624	46.2
Gonzales	10.2%	28.1%	8.2%	28.8%	18.7%	6.0%	8,187	27.0
Greenfield	11.6%	28.1%	9.2%	30.8%	15.5%	4.7%	16,330	25.5
Sand City	6.0%	13.5%	8.1%	44.0%	25.7%	2.7%	334	34.1
Total								
Urban County	7.0%	22.0%	6.6%	23.7%	27.2%	13.6%	126,688	N/A
Monterey County	7.8%	22.2%	7.8%	28.2%	23.2%	10.7%	415,057	32.9

Note: Median age is a calculated field by the Census Bureau. The Census Bureau does not provide a median age calculation for the unincorporated areas that are not within a Census Designated Plan.

Source: Bureau of the Census, 2010.

3. Race and Ethnicity

Housing needs and preferences are sometimes influenced by cultural practices. Race and ethnicity are sometimes confusing concepts. For example, Hispanic is an ethnicity, not a race. However, when asked to identify a race, many Hispanics would either choose to leave the information blank or to choose “Other” as a race. Even many datasets provided by HUD, such as the Comprehensive Housing Affordability Strategy (CHAS) and the Affirmatively Furthering Fair Housing Tool (AFFHT) group race and ethnicity together.

The majority of Salinas’s residents are Hispanic, a higher proportion than in the overall region. Salinas has larger proportions of Hispanic residents (75 percent) than Seaside (43 percent), Monterey (14 percent), or the Urban County (50 percent).

As part of the Urban County, Greenfield (91 percent) and Gonzales (89 percent) also have high proportions of Hispanic residents. According to the 2010 Census, the racial/ethnic composition of the Urban County's population was: 44 percent White (non-Hispanic); 49 percent Hispanic; four percent Asian and Pacific Islander; one percent Black; and two percent indicating other ethnic groups (see Table 4).

In comparison, the State-wide ethnic distribution was slightly more diverse, with 40 percent White (non-Hispanic); 38 percent Hispanic; 13 percent Asian and Pacific Islander; six percent Black; and three percent other ethnic groups.

Table 4: Racial and Ethnic Composition (2010)

Area	Non-Hispanic White	Non-Hispanic Black	Non-Hispanic Asian/Pac. Islander	Hispanic	Non-Hispanic Other
Monterey	71.1%	2.6%	8.1%	13.7%	4.4%
Salinas	15.5%	1.6%	6.0%	75.0%	1.9%
Seaside	32.5%	7.9%	10.9%	43.4%	5.3%
Urban County					
Unincorporated Monterey County					
Aromas	59.1%	0.4%	1.9%	34.9%	3.8%
Boronda	6.4%	0.3%	6.1%	85.2%	2.0%
Bradley	86.0%	0.0%	0.0%	11.8%	2.2%
Carmel Valley Village	87.6%	0.4%	1.8%	7.4%	2.7%
Castroville	5.8%	0.7%	2.2%	90.1%	1.1%
Chualar	1.8%	0.1%	0.6%	96.7%	0.8%
Del Monte Forest	84.3%	0.9%	8.6%	3.7%	2.4%
Elkhorn	54.9%	0.6%	3.8%	37.6%	3.1%
Las Lomas	7.7%	0.2%	1.6%	89.2%	1.4%
Lockwood	67.3%	1.1%	0.5%	26.4%	4.7%
Moss Landing	67.6%	3.4%	1.5%	22.5%	4.9%
Pajaro	3.4%	0.2%	1.3%	94.1%	1.0%
Pine Canyon	42.0%	1.0%	0.8%	54.0%	2.2%
Prunedale	50.1%	0.8%	3.7%	41.7%	3.6%
San Ardo	26.9%	0.2%	1.0%	70.2%	1.7%
San Lucas	8.9%	0.0%	2.2%	83.3%	5.6%
Spreckels	65.1%	0.0%	3.7%	28.7%	2.5%
Balance of Unincorporated County	62.1%	1.2%	4.7%	29.0%	3.0%
Total Unincorporated County	52.6%	0.9%	4.0%	39.7%	2.8%
Cities					
Del Rey Oaks	76.2%	0.8%	8.0%	10.4%	4.6%
Gonzales	7.9%	0.3%	1.7%	88.9%	1.1%
Greenfield	5.7%	0.8%	1.0%	91.3%	1.1%
Sand City	49.7%	3.9%	4.2%	36.8%	5.4%
Total					
Urban County	44.0%	0.9%	3.5%	49.2%	2.5%
Monterey County	32.9%	2.7%	6.2%	55.4%	2.8%

Source: Bureau of the Census, 2010.

Areas of Minority Concentrations

Areas with concentrations of minority residents may have different needs. A "concentration" is defined as a block group whose proportion of minority households is greater than the overall Monterey County average of 67.1 percent.¹ As summarized in Table 4, racial and ethnic composition varies considerably across the region and Figure 1 illustrates concentrations of minority households by Census block group in the County. Minority concentration areas are found in Salinas and Seaside. Specifically, in comparison to the countywide average, almost the entire City of Salinas is considered minority concentrated. Minority workers also tend to work in the hospitality industry on the peninsula but face significant affordability barriers to living on the peninsula. Within the Urban County, minority concentrations are located primarily in the eastern portions of the County, including Gonzales, where vegetable growing is a key industry. Northern portions of the unincorporated County also have minority concentration areas. Specifically the CDPs of Boronda, Moss Landing, and Pajaro have significant concentrations of minority residents.

Dissimilarity Index

Dissimilarity Index is a measurement of housing segregation. The index, presented in Table 5, represents the percentage of one group that would have to move into a new neighborhood to achieve perfect integration with another group. An index score can range in value from 0, indicating complete integration, to 100, indicating complete segregation. A value of 60 (or above) is considered very high, values of 40 or 50 are usually considered a moderate level of segregation, and values of 30 or below are considered to be fairly low. A high value indicates that the two groups tend to live in different census tracts.

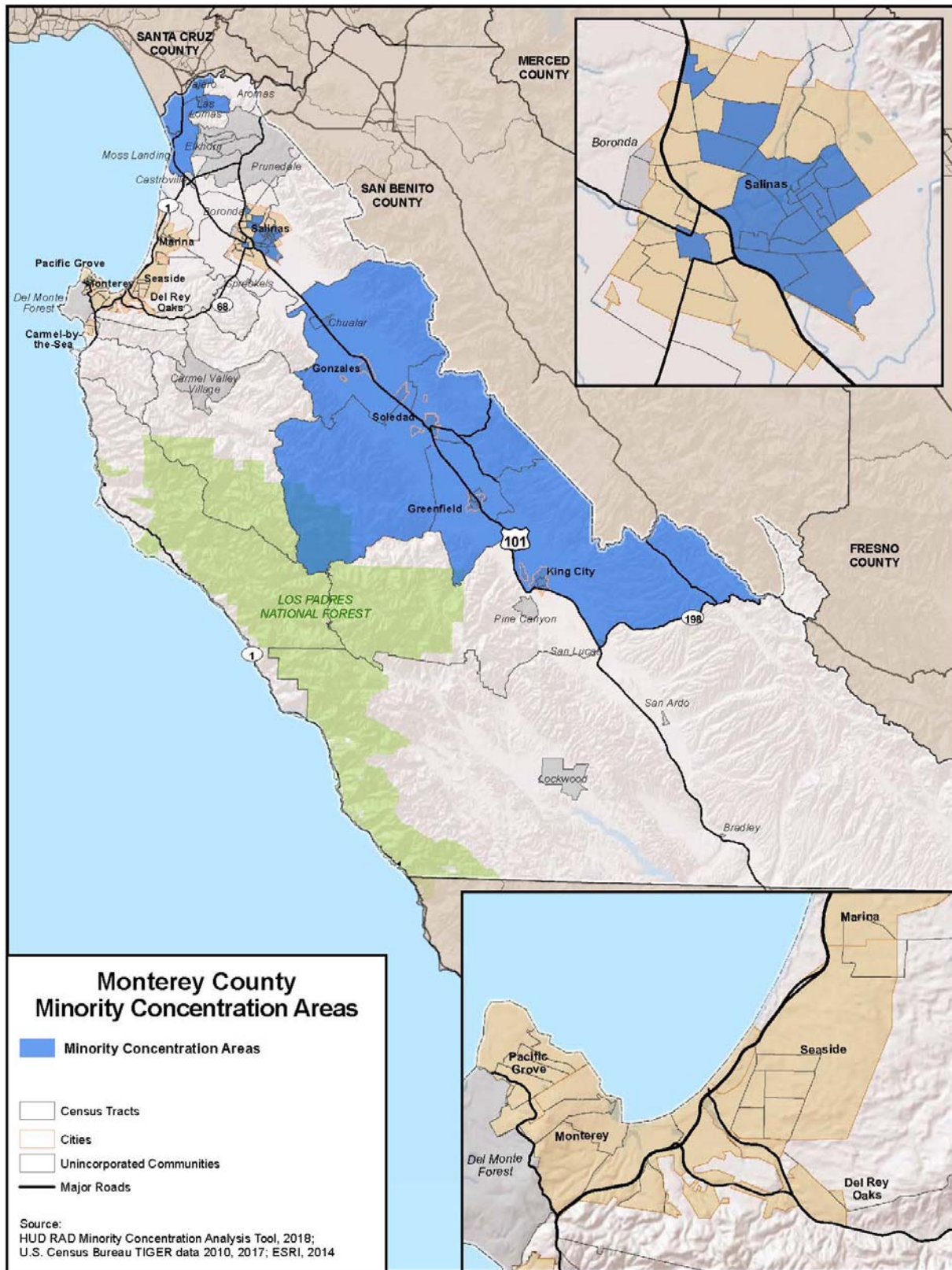
According to data provided by HUD's Affirmatively Furthering Fair Housing Tool (AFFHT), Monterey, Salinas, and Seaside are generally considered well integrated, although in comparison to other groups, Hispanics are slightly more segregated than other racial/ethnic groups. Countywide, however, moderate segregations are measured. The no growth policies of some communities have limited opportunities to integration.

¹ This definition of concentration is derived from the concept of Location Quotient (LQ), which is calculated by comparing the proportion of one group in a smaller geographic unit (e.g. block group) to the proportion of that group in the larger population (e.g. county).

Table 5: Racial/Ethnic Dissimilarity Trends			
Racial/Ethnic Dissimilarity Index	Monterey County		
	1990	2000	2010
Non-White/White	33.03	21.21	25.93
Black/White	56.18	34.46	28.90
Hispanic/White	26.92	30.33	35.36
Asian or Pacific Islander/White	17.34	14.87	17.05
			2010
Non-White/White	39.62	37.11	37.27
Black/White	25.61	31.72	27.98
Hispanic/White	45.86	41.93	40.06
Asian or Pacific Islander/White	20.79	27.25	30.58
			2010
Non-White/White	21.42	31.89	30.69
Black/White	21.66	42.87	38.60
Hispanic/White	24.78	36.44	37.94
Asian or Pacific Islander/White	30.97	31.20	21.06
			2010
Non-White/White	45.11	51.41	54.85
Black/White	57.83	53.81	51.63
Hispanic/White	56.64	58.69	60.91
Asian or Pacific Islander/White	35.26	38.29	37.28

Sources: Affirmatively Furthering Fair Housing Tool (AFFHT) Data Table 3; Decennial Census

Figure 1: Minority Concentrations



Linguistic Isolation

According to 2012-2016 ACS² estimates, about 30 percent of Monterey County residents were foreign-born. Compared to the County, Salinas (38 percent) and Seaside (30 percent) had similar proportions of foreign-born residents; however Monterey (17 percent) had a much lower proportion than in the region. In the Urban County, approximately 14 percent of Del Rey Oaks, 42 percent of Greenfield residents, 34 percent of Gonzales residents, and 13 percent of Sand City residents were foreign born.

A linguistically isolated household can be described as a household whose members have at least some difficulty speaking English. The ACS provides information on households with persons five years and over who speak English “less than very well.” In Monterey County, 29 percent of the population could be considered linguistically isolated. Spanish was the language most commonly spoken by residents who spoke English “less than very well.” Compared to the County, in Salinas higher proportions (39 percent) of foreign born residents were linguistically isolated, while in Monterey less than eight percent spoke English “less than very well.” Seaside had similar proportions to the County of linguistically isolated (25 percent).

Between 2012 and 2016, in Salinas about 39 percent of all households had members who spoke English “less than very well.” Reflective of the demographics in Salinas, 70 percent of all residents spoke languages other than English at home. Specifically, over half of these households spoke English “less than very well” (55 percent). Linguistic isolation is slightly more severe among Hispanic than among Asian households. In homes that primarily spoke “Spanish,” 56 percent of households spoke English “less than very well.” In comparison, in homes that primarily spoke Asian languages, 46 percent of households that spoke English “less than very well.”

In the Urban County, about five percent of Del Rey Oaks residents spoke English “less than very well.” Approximately 50 percent of Greenfield residents spoke English “less than very well” and can be considered linguistically isolated. In Gonzales, the proportion is lower at an estimated 38 percent of the population. Only 16 percent of the population in Sand City was considered linguistically isolated.

Language barriers may prevent residents from accessing services, information, and housing, and may also affect educational attainment and employment. Executive Order 13166 (“Improving Access to Services by Persons with Limited English Proficiency”) was issued in August 2000, which requires federal agencies to assess and address the needs of otherwise eligible persons seeking access to federally conducted programs and activities who, due to Limited English Proficiency (LEP), cannot fully and equally participate in or benefit from those programs and activities. This requirement passes down to grantees of federal funds as well. Therefore, the Collaborating Entities are responsible for ensuring compliance with this regulation.

² The 2010 Census contains only limited data about the population. The Census has instituted a new method of providing updates to socioeconomic data regarding the population using the American Community Survey (ACS). ACS is a limited sample of the population but is conducted more frequently than the Census. Sample data are averaged over a period of time. Also, different variables are surveyed at different frequency schedules depending on the size of the community, resulting in multiple sets of ACS data.

B. Household Profile

The household profile, which outlines household characteristics of the Collaborating Entities, aids in understanding housing needs. Households with different characteristics have unique housing needs and may face different impediments in the housing market. Various household characteristics may affect equal access to housing, including household type, size, and income level. A household, as defined by the U.S. Census Bureau, includes all the persons who occupy a housing unit, which may include a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. This section details the various household characteristics that may affect equal access to housing.

A. Household Composition and Size

Different household types generally have different housing needs. Seniors or young adults typically comprise a majority of single-person households and tend to reside in apartment units, condominiums or smaller single-family homes. Families, meanwhile, often prefer single-family homes. Household size can be an indicator of changes in population or use of housing. An increase in household size can indicate a greater number of large families or a trend toward overcrowded housing units. A decrease in household size, on the other hand, may reflect a greater number of elderly or single-person households or a decrease in family size. Household composition and size are often two interrelated factors. Communities that have a large proportion of families with children tend to have a larger average household size. Such communities have a greater need for larger units with adequate open space and recreational opportunities for children.

According to the 2010 Census, in Monterey County about 72 percent of households were family households – and similar proportions were reported in Salinas (78 percent) and Seaside (73 percent). However, Monterey had a significantly lower percentage of family households (49 percent).

Similar to the County as a whole, a majority of the households in the Urban County (76 percent) were family households (Table 7), although the proportion of family households varies widely among the four participating cities – Del Rey Oaks (63 percent), Gonzales (89 percent), Greenfield (90 percent), and Sand City (46 percent).

Families with children often face housing discrimination by landlords who fear that children will cause property damage, or the landlords have cultural biases against children of opposite sex sharing a bedroom. Certain Collaborating Entities had a higher than average proportion of family households with children and are, therefore, more vulnerable to this type of discrimination. The proportion of families with dependent children was highest in Greenfield and Gonzales, and the CDPs of Chualar, Pajaro, Castroville, San Lucas, and Las Lomas (Table 7).

The 2010 Census also documented household size by the race/ethnicity of the householder. In 2010, household size in Monterey County varied from 2.73 for White households to 4.38 persons for Hispanic households. As Greenfield, Gonzales, Salinas, and some unincorporated communities had a high concentration of Hispanic households, it is likely that Hispanic households in these cities are disproportionately impacted by overcrowding, given the larger average households size.

Table 6: Household Growth by Subarea (2000-2010)			
Area	2000	2010	Percent Change
Monterey	12,600	12,184	-3.3%
Salinas	38,298	40,387	5.5%
Seaside	9,833	10,093	2.6%
Urban County			
Unincorporated Monterey County			
Aromas	884	889	0.6%
Boronda	309	394	27.5%
Bradley	40	37	-7.5%
Carmel Valley Village	1,963	1,895	-3.5%
Castroville	1,434	1,470	2.5%
Chualar	279	245	-12.2%
Del Monte Forest	2,092	1,925	-8.0%
Elkhorn	523	532	1.7%
Las Lomas	584	598	2.4%
Lockwood	--	163	--
Moss Landing	125	100	-20.0%
Pajaro	634	621	-2.1%
Pine Canyon	--	554	--
Prunedale	5,440	5,703	4.8%
San Ardo	157	140	-10.8%
San Lucas	90	67	-25.6%
Spreckels ¹	171	229	33.9%
Balance of Unincorporated County	19,104	18,893	-1.1%
Total Unincorporated County	33,829	34,455	1.9%
Cities			
Del Rey Oaks	704	701	-0.4%
Gonzales	1,695	1,906	12.4%
Greenfield	2,643	3,460	30.9%
Sand City	80	128	60.0%
Total			
Urban County	38,951	40,650	4.4%
Monterey County	121,236	125,946	3.9%

Note 1: The growth in Spreckels is tied to a one-time event that probably will not be repeated – the Spreckels subdivision that relied on a subdivision map that was approved prior to the Map Act.

Source: Bureau of the Census, 2000-2010.

Table 7: Household Type and Size (2010)

Area	Average Household Size	Percent of Households with Elderly	Percent Families	Average Family Size	Percent of Families with Children	Percent of Female-Headed Households w/ Children
Monterey	2.08	25.5%	48.9%	2.81	18.8%	3.3%
Salinas	3.66	20.4%	78.0%	4.05	46.0%	10.1%
Seaside	3.16	21.6%	73.1%	3.57	38.5%	7.1%
Urban County						
Unincorporated Monterey County						
Aromas	3.00	22.6%	78.7%	3.36	32.0%	4.8%
Boronda	4.34	21.6%	86.3%	4.52	50.0%	11.2%
Bradley	2.51	21.6%	73.0%	2.85	29.7%	5.4%
Carmel Valley Village	2.32	35.9%	64.5%	2.77	21.8%	3.5%
Castroville	4.40	20.1%	88.4%	4.44	52.7%	10.1%
Chualar	4.86	20.0%	94.3%	4.79	61.6%	11.4%
Del Monte Forest	2.17	56.2%	70.2%	2.53	14.5%	1.4%
Elkhorn	2.94	25.2%	77.8%	3.21	30.6%	3.9%
Las Lomas	5.06	24.1%	88.8%	5.13	51.7%	3.7%
Lockwood	2.33	22.1%	55.8%	3.16	24.5%	6.1%
Moss Landing	2.04	23.0%	51.0%	2.76	19.0%	4.0%
Pajaro	4.80	15.8%	88.9%	4.82	61.2%	7.6%
Pine Canyon	3.28	24.0%	83.6%	3.58	40.4%	6.9%
Prunedale	3.08	26.4%	77.9%	3.45	31.6%	4.2%
San Ardo	3.69	22.9%	79.3%	4.13	46.4%	7.1%
San Lucas	4.01	14.9%	85.1%	4.23	52.2%	4.5%
Spreckels	2.94	25.8%	75.5%	3.38	34.5%	5.7%
Balance of Unincorporated County	N/A	38.7%	69.9%	N/A	26.4%	3.6%
Total Unincorporated County	N/A	33.7%	72.1%	N/A	29.1%	4.1%
Cities						
Del Rey Oaks	2.32	32.8%	63.2%	2.86	21.1%	2.4%
Gonzales	4.29	18.6%	89.4%	4.45	56.4%	9.6%
Greenfield	4.71	16.9%	89.6%	4.72	59.2%	9.6%
Sand City	2.27	5.5%	46.1%	2.98	25.8%	7.8%
Total						
Urban County	N/A	32.0%	75.5%	N/A	33.4%	4.9%
Monterey County	3.15	25.6%	71.8%	3.66	36.5%	7.0%

Note: The 2012-2016 American Community Survey does not provide details pertaining to households throughout the County such as average household size, average family size, or percent of families with elderly.

Source: Bureau of the Census, 2010.

C. Special Needs Population

Certain households, because of their special characteristics and needs, may require special accommodations and may have difficulty finding housing due to special needs. Special needs groups include seniors, persons with disabilities, persons with HIV/AIDS, families with children, single-parent households, large households, homeless persons and persons at-risk of homelessness, and farm workers.

1. Seniors

Seniors (persons age 65 and above) are gradually becoming a more substantial segment of a community's population. Americans are living longer and having fuller lives than ever before in our history and are expected to continue to do so. Elderly households are vulnerable to housing problems and housing discrimination due to limited income, prevalence of physical or mental disabilities, limited mobility, and high health care costs. The elderly, particularly those with disabilities, may face increased difficulty in finding housing accommodations and may become victims of housing discrimination or fraud.

Nearly eight percent of all residents in both Salinas and in Seaside were ages 65 and over, while in Monterey almost 16 percent were ages 65 and over. In the Urban County, about 14 percent of all residents were of the same age group, and specifically representing 19 percent of all residents in Del Rey Oaks, six percent in Gonzales, five percent in Greenfield, and only three percent in Sand City (Table 3). The proportion of senior residents in the Urban County (14 percent) was higher than that of the County as a whole (11 percent).

The 2010 Census data estimated that 31 percent of households in the Urban County had at least one individual who was 65 years of age or older. Countywide, about 26 percent of households had at least one senior member. Certain unincorporated communities in the Urban County had a higher than average proportion of households with seniors, including Del Monte Forest (56 percent) and Carmel Valley Village (36 percent). In comparison, Salinas, Seaside, and Monterey had lower percentages of households with senior members (between 20 and 26 percent).

Nearly half of all elderly households had lower and moderate income in Salinas (47 percent) and Monterey (43 percent), and an only slightly lower percentage in Seaside (39 percent). In Del Rey Oaks about 40 percent of senior households were of low and moderate income. While in Greenfield, Gonzales, and Sand City, each had close to two-thirds of their senior households of low and moderate income (Table 8). Countywide 40 percent of senior households experienced housing problems, but Gonzales and Sand City had the highest percentage of housing problems among seniors.

Table 8: Senior Profile (2012-2016)

Area	% of Population ¹	With a Disability ²	% of Senior Households with Low/Moderate Income ³	% of Senior Households with Housing Problems ³
Monterey	15.5%	31.4%	36.6%	43.3%
Salinas	7.5%	37.7%	58.1%	46.6%
Seaside	8.6%	41.5%	49.0%	38.7%
Urban County				
Unincorporated Areas				
Aromas	10.5%	27.9%	3.0%	51.5%
Boronda	6.9%	74.1%	29.4%	58.8%
Bradley	9.7%	57.1%	60.0%	40.0%
Carmel Valley Village	20.6%	29.9%	23.5%	48.3%
Castroville	6.4%	29.9%	78.6%	55.2%
Chualar	5.0%	11.7%	75.0%	12.5%
Del Monte Forest	34.6%	26.6%	21.6%	34.3%
Elkhorn	11.8%	22.1%	43.5%	47.8%
Las Lomas	6.4%	50.0%	70.4%	0.0%
Lockwood	12.4%	28.1%	31.8%	34.1%
Moss Landing	12.7%	0.0%	100.0%	50.0%
Pajaro	4.2%	80.4%	100.0%	48.3%
Pine Canyon	9.9%	40.4%	36.3%	11.3%
Prunedale	11.7%	29.9%	34.2%	27.2%
San Ardo	8.5%	6.3%	63.9%	41.0%
San Lucas	4.5%	28.9%	50.0%	0.0%
Spreckels	11.3%	54.9%	12.7%	12.7%
Total Unincorporated County	15.6%	29.5%	31.2%	34.9%
Cities				
Del Rey Oaks	19.0%	25.3%	41.6%	33.7%
Gonzales	6.0%	33.3%	66.4%	62.2%
Greenfield	4.7%	34.9%	68.7%	38.2%
Sand City	2.7%	28.0%	64.7%	76.5%
Total				
Urban County	13.8%	29.8%	35.9%	36.6%
Monterey County	10.7%	34.0%	40.2%	39.3%

Note: The American Community Survey (ACS) provides data on different variables for communities of different sizes at different frequency schedules.

Sources:

1. Bureau of the Census, 2010.
2. American Community Survey, 2012-2016.
3. HUD Comprehensive Housing Affordability Strategy (CHAS), based on 2010-2014 ACS.

2. Persons with Disabilities

The Americans with Disabilities Act (ADA) defines a disability as a “physical or mental impairment that substantially limits one or more major life activities.” Fair housing choice for persons with disabilities can be compromised based on the nature of their disability. Persons with physical disabilities may face discrimination in the housing market because of the use of wheelchairs, need for home modifications to improve accessibility, or other forms of assistance. Landlords/owners sometimes fear that a unit may sustain wheelchair damage or may refuse to exempt disabled tenants with service/guide animals from a no-pet policy. A major barrier to housing for people with mental disabilities is opposition based on the stigma of mental disability. Landlords often refuse to rent to tenants with a history of mental illness. Neighbors may object when a house becomes a group home for persons with mental disabilities. While housing discrimination is not covered by the ADA, the Fair Housing Act prohibits housing discrimination against persons with disabilities, including persons with HIV/AIDS.

According to the 2012-2016 ACS, nine percent of the Monterey County population had one or more disabilities (Table 9), compared to about eight percent of the population in the Urban County, and similar proportions in Salinas (eight percent), Seaside (10 percent), and Monterey (10 percent).

Special housing needs for persons with disabilities fall into two general categories: physical design to address mobility impairments and in-home social, educational, and medical support to address developmental and mental impairments. Among persons living with disabilities within the County, ambulatory disabilities were most prevalent (51 percent), followed by independent living disabilities (38 percent), and cognitive difficulties (37 percent) – generally similar to proportions of specific disabilities in the Urban County, and Monterey, Salinas, and Seaside (Table 9).

According to the California Department of Social Services, Community Care Licensing Division, the majority of the County’s adult residential care facilities for adults and elderly are located in Salinas (25 adult residential facilities and 21 elderly residential facilities). Additionally, there are five adult day care centers and one social rehabilitation facility in Salinas. In Seaside, there are two residential care facilities for the elderly and one adult residential facility. In Monterey, there are eight residential care facilities for the elderly and one social rehabilitation facility.

Within the Urban County, the supportive housing opportunities are more limited. There are one adult residential facility and two residential care facilities for the elderly. The adult residential facility (located in Greenfield) has the capacity to serve 40 persons, and the residential care facilities for the elderly (located in Carmel Valley and Castroville) have the capacity to serve six persons each.

From a housing perspective, there are several different housing needs of disabled persons. For those disabled with a developmental or mental disability, one of the most significant problems is securing affordable housing that meets their specialized needs. Housing needs can range from institutional care facilities to facilities that support partial or full independence (such as group care homes). Supportive services such as daily living skills and employment assistance need to be integrated into the housing situation also. The disabled person with a mobility limitation requires housing that is physically accessible.

Table 9: Persons with Disabilities Profile (2012-2016)

Area	% of Population	Hearing Disability	Vision Disability	Cognitive Disability	Ambulatory Disability	Self-Care Disability	Independent Living Disability
Monterey	10.4%	33.7%	18.4%	41.0%	55.4%	26.3%	40.4%
Salinas	7.7%	24.0%	17.7%	38.2%	52.6%	24.4%	35.3%
Seaside	9.9%	26.2%	13.8%	38.0%	53.0%	21.3%	35.3%
Urban County							
Unincorporated Areas							
Aromas	6.9%	35.1%	23.6%	31.6%	56.3%	10.9%	33.3%
Boronda	12.7%	47.7%	47.2%	14.2%	27.8%	0.0%	33.0%
Bradley	18.7%	8.0%	0.0%	20.0%	64.0%	44.0%	48.0%
Carmel	9.6%	49.3%	14.9%	33.9%	33.2%	35.1%	40.2%
Castroville	8.9%	21.5%	29.5%	42.9%	39.7%	14.6%	28.8%
Chualar	3.1%	26.3%	39.5%	15.8%	42.1%	21.1%	0.0%
Del Monte Forest	13.5%	56.5%	40.6%	49.0%	46.1%	40.8%	45.3%
Elkhorn	10.5%	38.3%	6.1%	44.3%	57.4%	32.2%	55.7%
Las Lomas	4.2%	26.0%	22.8%	33.9%	66.9%	42.5%	49.6%
Lockwood	7.0%	22.6%	9.7%	45.2%	80.6%	32.3%	45.2%
Moss Landing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pajaro	7.2%	35.7%	42.9%	52.4%	48.4%	27.8%	29.0%
Pine Canyon	22.3%	27.3%	32.8%	40.1%	71.7%	32.1%	28.8%
Prunedale	9.7%	37.2%	18.3%	34.9%	48.1%	19.4%	36.3%
San Ardo	2.4%	45.0%	15.0%	15.0%	55.0%	0.0%	15.0%
San Lucas	12.7%	26.1%	26.1%	26.1%	34.8%	19.6%	47.8%
Spreckels	10.7%	10.0%	0.0%	30.0%	55.0%	11.3%	36.3%
Balance of Unincorporated County	64.6%	6.9%	2.6%	5.7%	7.7%	3.8%	6.5%
Total Unincorporated County	36.6%	10.9%	5.6%	10.0%	13.0%	6.5%	10.4%
Cities							
Del Rey Oaks	11.0%	31.5%	10.9%	37.0%	53.8%	11.4%	27.7%
Gonzales	5.0%	20.4%	37.2%	22.3%	38.6%	32.4%	31.4%
Greenfield	6.6%	20.8%	18.1%	26.7%	58.9%	25.5%	32.1%
Sand City	10.0%	27.6%	6.9%	41.4%	31.0%	17.2%	34.5%
Total							
Urban County	7.7%	37.5%	20.9%	35.4%	48.7%	24.1%	37.5%
Monterey County	9.2%	30.3%	19.0%	37.4%	50.9%	23.9%	37.7%

Source: American Community Survey, 2012-2016.

3. Persons with HIV/AIDS

The **Fair Housing Amendments Act of 1988**, which is primarily enforced by HUD, prohibits housing discrimination against persons with disabilities, including persons with HIV/AIDS. According to the Monterey County Health Department Public Health Bureau, Communicable Disease Unit, approximately 738 persons with HIV/AIDS resided in and/or received services in Monterey County (as of September 30, 2017), approximately 0.2 percent of the countywide population.

As indicated in Table 10, the majority of People Living with HIV/AIDS (PLWH/A) within Monterey County reside in the geographic regions of Monterey Peninsula/Big Sur (265 PLWH/A) and the Salinas Urban Area (215 PLWH/A). Around 83 percent of reported HIV and AIDS cases in Monterey County affected men.³ Of the total HIV/AIDS population in the County, 32 percent were White, 12 percent were Black, 49 percent were Hispanic (all races), and the remaining seven percent were Asian/Pacific Islander, American Indian/Alaskan Native, or Other/Multi-Race.

Table 10: Monterey County HIV/AIDS Statistics through 2017		
	Monterey County	Percentage
Geographic Region HIV/AIDS		
Monterey Peninsula/Big Sur	309	42%
North County	61	8%
Salinas Urban Area	275	37%
South County	93	13%
Total Persons living HIV/AIDS¹	738	100%
Gender HIV/AIDS²		
Female	117	16%
Male	614	83%
Transgender	7	1%
Race/Ethnicity HIV/AIDS²		
African American, Not Hispanic	85	12%
Asian & Pacific Islander, Not Hispanic	29	4%
Hispanic, Any Race	360	49%
Multi-racial & Other, Not Hispanic	9	1%
Unknown	17	2%
White, Not Hispanic	238	32%

Notes

1. Estimate represents PLWH/A residing in and/or receiving services in Monterey County.
2. Gender and Race/Ethnicity estimates are based on a limited sample size and do not reflect the total Monterey County HIV/AIDS Population.

Sources:

1. Monterey County Health Department Communicable Disease Unit, data are current as of September 30, 2017.
2. State of California, Department of Finance, Race/Ethnic Population with Age and Sex Detail, 2000-2050, Sacramento, CA, July 2007.

³ Gender and Race/Ethnicity estimates are based on a limited sample size and do not reflect the total Monterey County HIV/AIDS population.

4. Families with Children

Families with children often face housing discrimination by landlords who fear that children will cause property damage. Some landlords may also have cultural biases against children of opposite sex sharing a bedroom. Differential treatments such as limiting the number of children in a complex or confining children to a specific location are also fair housing concerns.

Overall, in the County 37 percent of all households were households with children, and 19 percent of these were female-headed households. In Salinas, nearly half of all households were households with children – compared to 39 percent in Seaside, and a much lower proportion in Monterey (19 percent). In Salinas only a slightly higher proportion of family households with children were headed by female householders (22 percent), compared to Seaside (19 percent) and Monterey (18 percent). In the Urban County, the proportion of families with dependent children was highest in Greenfield and Gonzales and the CDPs of Chualar, Pajaro, Castroville, San Lucas and Las Lomas (see Table 11). These communities may be more vulnerable to familial discrimination in the housing market because of their higher than average proportion of families with children. Specifically as part of the Urban County, Sand City and the CDPs of Boronda, Lockwood, and Moss Landing have the highest proportions of female-headed families with children.

Table 11: Families with Children (2010)

Jurisdiction	Total Households	All Families with Children		Female Headed Households with Children	
		Number	% of Total Households	Number	% of all Families with Children
Monterey	12,184	5,963	18.8%	403	17.6%
Salinas	40,387	18,588	46.0%	4,066	21.9%
Seaside	10,093	3,884	38.5%	720	18.5%
Urban County					
Unincorporated Monterey County					
Aromas	884	283	32.0%	42	14.8%
Boronda	394	197	50.0%	44	22.3%
Bradley	37	11	29.7%	2	18.2%
Carmel Valley Village	1,895	414	21.8%	66	15.9%
Castroville	1,470	775	52.7%	149	19.2%
Chualar	245	151	61.6%	28	18.5%
Del Monte Forest	1,925	280	14.5%	27	9.6%
Elkhorn	532	163	30.6%	21	12.9%
Las Lomas	598	309	51.7%	22	7.1%
Lockwood	163	40	24.5%	10	25.0%
Moss Landing	100	19	19.0%	4	21.1%
Pajaro	621	380	61.2%	47	12.4%
Pine Canyon	554	224	40.4%	38	17.0%
Prunedale	5,703	1,801	31.6%	238	13.2%
San Ardo	140	65	46.4%	10	15.4%
San Lucas	67	35	52.2%	3	8.6%
Spreckels	229	79	34.5%	13	16.5%
Balance of Unincorporated County	18,952	5,496	29.0%	667	12.1%
Total Unincorporated County	34,509	10,722	31.1%	1,431	13.3%
Cities					
Del Rey Oaks	701	148	21.1%	17	11.5%
Gonzales	1,906	1,075	56.4%	183	17.0%
Greenfield	3,460	2,049	59.2%	333	16.3%
Sand City	128	33	25.8%	10	30.3%
Total					
Urban County	40,704	14,027	34.5%	1,974	14.1%
Monterey County	125,946	45,912	36.5%	8,786	19.1%

Source: Bureau of the Census, 2010.

5. Single-Parent Households

In 2010, Salinas had approximately 5,885 single-parent households while Seaside had 1,072 single-parent households, and Monterey had 560. Of the single-parent households in Salinas, 69 percent were headed by women (approximately 22 percent of all family households with children in the City) and 31 percent were headed by males. Similarly, in Seaside, 67 percent of single-parent households were headed by women (approximately 19 percent of all family households with children in the City), and 33 percent were headed by males. In Monterey, a slightly higher proportion of single-parent households are headed by women (72 percent), comprising 18 percent of City households). Within the Urban County, single-parent female-headed households with children represented approximately 65 percent of single-parent households and 14 percent of all families with children. In the overall Monterey County, 69 percent of single-parent households were headed by women (approximately 19 percent of all family households with children in the County).

Female single-parent family households are disproportionately affected by poverty. According to the 2012-2016 ACS, about 46 percent of female single-parent family households in Salinas lived below the poverty level (compared to less than 16 percent of all family households in the City). In Seaside, 39 percent of female single-parent family households lived below the poverty level (compared to only 11 percent of all family households in the City). While in Monterey, only nine percent of female single-parent family households lived below the poverty level (compared to only three percent of all family households in the City). In Monterey County as a whole, about 40 percent of female single-parent family households lived in poverty; by comparison, 12 percent of all family households in the County lived below the poverty level.

6. Large Households

Large households are defined as those with five or more members. These households are usually families with two or more children or families with extended family members such as in-laws or grandparents. It can also include multiple families living in one housing unit in order to save on housing costs. Large households often face discrimination in the housing market, particularly for rental housing. Property owners and managers may be concerned with the potential increase in wear and tear and liability issues related to large households, especially those with children.

Overall, in Monterey County, 21 percent of all households were large households. As indicated in Table 12, in 2010, approximately 30 percent of all households in Salinas had five or more members; specifically 28 percent of owner-households and 33 percent of renter-households in Salinas were large households. In Seaside, about 21 percent of households were made up of five or more household members – 28 percent of owner- and 33 percent of renter-households were large households. The proportion of large households in Monterey was significantly less (five percent overall). About four percent of owner-households and five percent of renter-households in Monterey were considered large.

In the Urban County, only about 20 percent of all households were comprised of five or more members. Specifically within the unincorporated areas of the County, large households represented 16 percent of all households. The proportion of large households was highest in the CDPs of Chualar (53 percent), Las Lomas (52 percent), and Pajaro (50 percent), indicating these CDPs may be the most vulnerable to housing discrimination based on family size. Similarly, in Gonzales (42 percent) and Greenfield (47 percent) nearly half of their households had five or more members.

The 2012-2016 ACS indicates that large households represented about 19 percent of the countywide households, a slight decrease from the 2010 Census. Detailed data for small cities and CPDs are not available in the ACS on this topic.

Table 12: Large Households (2010)

Jurisdiction	Total Large Households		Large Owner Households		Large Renter Households	
	#	% of Total Households	#	% of Owner Households	#	% of Renter Households
Monterey	587	4.8%	187	4.3%	400	5.1%
Salinas	12,293	30.4%	5,068	27.8%	7,225	32.6%
Seaside	2,094	20.7%	660	15.8%	1,434	24.3%
Urban County						
Unincorporated Monterey County						
Aromas	137	15.6%	99	14.6%	38	18.9%
Boronda	163	41.4%	74	40.4%	89	42.2%
Bradley	1	2.7%	0	0.0%	1	4.8%
Carmel Valley Village	126	6.6%	91	6.9%	35	6.2%
Castroville	641	43.6%	249	41.4%	392	45.1%
Chualar	129	52.7%	59	52.7%	70	52.6%
Del Monte Forest	78	4.1%	53	3.3%	25	7.7%
Elkhorn	82	15.4%	51	13.4%	31	20.4%
Las Lomas	311	52.0%	194	52.7%	117	50.9%
Lockwood	17	10.4%	8	8.2%	9	13.6%
Moss Landing	5	5.0%	2	3.6%	3	6.7%
Pajaro	313	50.4%	59	41.8%	254	52.9%
Pine Canyon	122	22.0%	86	19.2%	36	34.3%
Prunedale	1,076	18.9%	758	17.4%	318	23.5%
San Ardo	46	32.9%	8	17.0%	38	40.9%
San Lucas	22	32.8%	10	27.8%	12	38.7%
Spreckels	35	15.3%	22	13.8%	13	18.8%
Balance of Unincorporated County	2,167	11.5%	1,137	9.1%	1,030	16.1%
Total Unincorporated County	5,471	15.9%	2,960	12.8%	2,511	22.1%
Cities						
Del Rey Oaks	42	6.0%	30	5.8%	12	6.5%
Gonzales	794	41.7%	381	37.4%	413	46.6%
Greenfield	1,618	46.8%	761	41.6%	857	52.5%
Sand City	11	8.6%	2	11.1%	9	8.2%
Total						
Urban County	7,936	19.5%	4,134	15.6%	3,802	26.9%
Monterey County	26,956	21.4%	11,832	18.5%	15,124	24.4%

Source: Bureau of the Census, 2010.

7. Homeless Persons

HUD defines homelessness in the following categories:

- **Category 1 (Literally Homeless):** Individual or family who lacks a fixed, regular, and adequate nighttime residence.
- **Category 2 (Imminent Risk of Homelessness):** Individual or family who will imminently lose their primary nighttime residence.
- **Category 3 (Homeless under Other Federal Assistance):** Unaccompanied youth under 25 years of age, or families with Category 3 children and youth, who do not otherwise qualify as homeless under this definition.
- **Category 4 (Fleeing/Attempting to Flee Domestic Violence):** Any individual or family who is fleeing, or is attempting to flee, domestic violence; has no other residence; and lacks the resources or support networks to obtain other permanent housing.

According to the 2017 Monterey County Point-in-Time Homeless Census and Survey, in the overall County an estimated 2,837 homeless persons were identified (a 23-percent increase since 2015, see Table 13). In Salinas 1,361 homeless persons were counted, comprising approximately 48 percent of homeless in the County and of which 81 percent were unsheltered. Since 2015, Salinas has noted a nearly 60-percent increase in their homeless population. In Monterey, 338 homeless persons were identified (no increase since 2015), of which a large majority were unsheltered (86 percent). While in Seaside, 98 homeless persons were identified, a significant 62-percent decrease since the 2015 homeless count. In Seaside a smaller proportion of homeless were unsheltered (41 percent).

Of the available data collected in the County's unincorporated areas, 421 homeless persons were identified. Based on the 2017 estimates, a total of 569 homeless were identified in the Urban County (an increase of almost ten percent from 2015), all of which were identified as unsheltered. The homeless persons in the Urban County represented approximately 20 percent of the identified homeless within the County.

Table 13: Total Homeless Census Population by Jurisdiction and Family Status (2017)

Jurisdiction	Unsheltered		Sheltered		Total		2015-2017 % Change
	2015	2017	2015	2017	2015	2017	
Monterey	306	292	31	46	337	338	0%
Salinas	634	1,097	233	264	867	1,361	57%
Seaside	152	40	107	58	259	98	-62%
Urban County							
Unincorporated Monterey County							
Pajaro	144	14	77	0	221	14	-94%
Prunedale	8	16	0	0	8	16	-
Other Unincorporated County	178	391	0	0	178	391	119%
Total Unincorporated County	330	421	77	0	407	421	3%
Cities							
Del Rey Oaks	55	111	0	0	55	111	102%
Gonzales	0	0	0	0	0	0	--
Greenfield	2	6	0	0	2	6	--
Sand City	55	31	0	0	55	31	-44%
Total							
Urban County	442	569	77	0	519	569	9.6%
Total Monterey County	1,630	2,113	678	724	2,308	2,837	23%

Note: The survey does not provide estimates for the following CDPs: Aromas, Boronda, Bradley, Carmel Valley Village, Castroville, Chualar, Del Monte Forest, Elkhorn, Las Lomas, Lockwood, Moss Landing, Pine Canyon, Prunedale, San Ardo, San Lucas, and Spreckels. Percent Change was not calculated when jurisdiction was below 50 individuals.

Source: Monterey County Homeless Census and Survey Comprehensive Report, 2017.

8. Farmworkers

Agriculture contributes millions of dollars to the local economy and provides jobs to people throughout the Monterey Bay region. As traditionally defined, farm workers are persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farm workers tend to work in fields or processing plants. During harvest periods when workloads increase, the need to supplement the permanent labor force is satisfied with seasonal workers. Often these seasonal workers are migrant workers, defined by the inability to return to their primary residence at the end of the workday. The agricultural workforce in Monterey County does many jobs, including weeding, thinning, planting, pruning, irrigation, tractor work, pesticide applications, harvesting, transportation to the cooler or market, and a variety of jobs at packing and processing facilities. It is therefore difficult to estimate the number of farmworkers residing in the County.

According to the 2012-2016 ACS, about a quarter of the Salinas workforce population are employed in agriculture, forestry, fishing and hunting, and mining – compared to only about one percent of the workforce population in Monterey and Seaside. In the Urban County, about 19 percent of the workforce population was employed in farmworker occupations. Wine cultivation is a key industry in Gonzales. Civilians 16 years and over employed in agriculture, forestry, fishing and hunting, and mining represent a significant portion of the workforce in Greenfield (40 percent) and Gonzales (32 percent) (Table 14). In the unincorporated County, farmworkers represented approximately 15 percent of the employed population. Specifically the CDPs of Pajaro (49 percent) and San Ardo (45

percent) have significant concentrations of persons employed in farmworker occupations. In the County's overall workforce, about 18 percent were employed in farmworker occupations.

Housing needs of farmworkers vary depending on whether they are engaged in year-round farming operations or seasonal operations. Those who work year-round often are residents of the County and their housing needs may be more similar to other lower income households engaged in different occupations/industries. Migrant farmworkers on the other hand, typically only come to County during harvesting seasons and do not have families in toll.

Recognizing the importance of providing adequate housing for the region's farmworkers, the City of Salinas led a Farmworker Housing Study and Action Plan for Salinas Valley and Pajaro Valley. The Study establishes the following the goal to make available 5,300 permanent, affordable farmworker housing units over the next five years to stabilize the agriculture workforce in the Salinas and Pajaro Valley Region. Specific objectives include:

- Promote alternative farmworker housing tenure and development prototypes that have worked in Monterey Bay Region, California, and other parts of the nation.
- Collaborate among jurisdictions to identify appropriate locations for farmworker housing within cities and unincorporated counties to facilitate development of farmworker housing.
- Proactively pursue and leverage governmental and non-governmental funds to increase the inventory of farmworker housing.
- Capitalize on existing regional and local housing trust funds and create new local funding sources for the construction, rehabilitation, acquisition, and operation of farmworker housing.
- Change regulations to remove barriers, streamline processing, and reduce costs for the development of farmworker housing.

Table 14: Farmworkers (2012-2016)		
Jurisdiction	# of Farmworkers	% of Total Population
Monterey	154	1.2%
Salinas	17,246	25.7%
Seaside	211	1.4%
Urban County		
Unincorporated Monterey County		
Aromas	154	12.9%
Boronda	57	14.5%
Bradley	6	12.0%
Carmel Valley Village	69	3.1%
Castroville	1,011	34.0%
Chualar	166	32.5%
Del Monte Forest	24	1.6%
Elkhorn	58	8.6%
Las Lomas	343	23.8%
Lockwood	0	0.0%
Moss Landing	0	0.0%
Pajaro	638	48.6%
Pine Canyon	92	11.6%
Prunedale	1,232	13.3%
San Ardo	110	44.9%
San Lucas	22	19.1%
Spreckels	19	5.5%
Balance of Unincorporated County	2,902	13.1%
Total Unincorporated County	6,903	15.2%
Cities		
Del Rey Oaks	0	0.0%
Gonzales	1,022	32.2%
Greenfield	2,456	39.8%
Sand City	0	0.0%
Total		
Urban County	10,381	18.6%
Monterey County	32,414	17.9%

Source: American Community Survey, 2012-2016.

D. Income Profile

Household income is the most important factor determining a household's ability to balance housing costs with other basic life necessities. Households with lower incomes are limited in their ability to balance housing costs with other needs and often the ability to find housing of adequate size. While economic factors that affect a household's housing choice are not a fair housing issue per se, the relationships among household income, household type, race/ethnicity, and other factors often create misconceptions and biases that raise fair housing concerns.

HUD has established the following income categories based on the Area Median Income (AMI) for the Metropolitan Statistical Area (MSA):

- Extremely Low Income (0-30 percent of AMI)
- Low Income (31-50 percent of AMI)
- Moderate Income (51-80 percent of AMI)
- Middle/Upper Income (above 80 percent of AMI)

Collectively, extremely low and low incomes are referred to as "lower" income.

1. Median Household Income

According to the 2012-2016 American Community Survey (ACS), Monterey County households had a median income of \$60,889. Table 15 displays median household income throughout the County, as recorded by the 2000 Census and the 2012-2016 ACS. Overall, the median household income in Monterey was higher than in Salinas and Seaside and the County as a whole. These three cities and the County experienced increases in median income between 2000 and 2016, with Monterey's median income increasing the most dramatically (40 percent).

In the Urban County, Del Rey Oaks had a median income significantly higher than that of Monterey County, while Gonzales, Greenfield, and Sand City had median incomes significantly lower than that of the County. Similarly, throughout the County's unincorporated areas a number of CDPs recorded the lowest median incomes, including Boronda, Lockwood, and Pajaro. In contrast, the CDPs of Del Monte Forest, Elkhorn, and Carmel Valley Village had median household incomes that were significantly higher than the County as a whole.

Table 15: Median Household Income (2000-2016)			
Jurisdiction	Median Household Income		% Change
	2000	2012-2016	
Monterey	\$49,051	\$68,511	39.7%
Salinas	\$43,280	\$52,338	20.9%
Seaside	\$41,537	\$53,406	28.6%
Urban County			
Unincorporated Monterey County			
Aromas	\$75,622	\$84,609	11.9%
Boronda	\$47,500	\$33,712	-29.0%
Bradley	\$47,679	\$54,375	14.0%
Carmel Valley Village	\$70,507	\$90,813	28.8%
Castroville	\$40,254	\$50,949	26.6%
Chualar	\$42,589	\$54,306	27.5%
Del Monte Forest	\$97,721	\$105,208	7.7%
Elkhorn	\$70,694	\$103,750	46.8%
Las Lomas	\$49,833	\$66,693	33.8%
Lockwood	--	\$38,269	--
Moss Landing	\$67,237	--	--
Pajaro	\$37,772	\$39,205	3.8%
Pine Canyon	--	\$65,170	--
Prunedale	\$62,172	\$75,727	21.8%
San Ardo	\$27,321	\$43,281	58.4%
San Lucas	\$31,146	\$46,250	48.5%
Spreckels	\$55,357	\$89,250	61.2%
Balance of Unincorporated County	N/A	N/A	N/A
Total Unincorporated County	N/A	N/A	N/A
Cities			
Del Rey Oaks	\$59,423	\$86,806	46.1%
Gonzales	\$41,582	\$52,940	24.8%
Greenfield	\$37,602	\$46,506	27.2%
Sand City	\$34,375	\$45,000	26.8%
Total			
Monterey County	\$48,165	\$60,889	26.4%

Note: Median household income is a calculated field by the Census Bureau. Median Income data not available for the unincorporated County areas of Lockwood, Moss Landing, and Pine Canyon.

Sources:

1. Bureau of the Census, 2000.
2. American Community Survey (ACS), 2012-2016.

2. Income Distribution

HUD periodically receives "custom tabulations" of Census data from the U.S. Census Bureau that are largely not available through standard Census products. The most recent estimates are derived from the 2010-2014 ACS. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low and moderate income households. The CHAS cross-tabulates the Census data to reveal household income in a community in relation to the AMI. As defined by CHAS, housing problems include:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; and
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income.

According to the CHAS data in Table 16, approximately 23 percent of all Monterey County households were extremely low income (30 percent AMI) and low income (50 percent AMI). Another 17 percent were within the moderate income category (80 percent AMI), and 60 percent were within the middle/upper income category (greater than 80 percent AMI). In Monterey, Salinas, and Seaside, proportions of households by income category were similar to that in the County, with slightly higher proportions of extremely low and low income households in Salinas.

In the Urban County 21 percent of households were within the extremely low income and low income categories, 17 percent were within the moderate income category, and at 62 percent, the majority was within the middle/upper income category. Proportions of households by income category were similar in the County as a whole. Sand City (40.4 percent), Gonzales (30.4 percent), and Greenfield (37.4 percent) all had a larger proportion of households with extremely low/low incomes in comparison to the Urban County proportion, while in Del Rey Oaks, only nine percent of households had extremely low/low incomes.

3. Household Income by Household Type

Household income often varies by household type. Detailed information is not available for small cities and CPDs. Table 17 presents countywide information only. Small households had the highest proportion of extremely low income households, at 34 percent. Housing problems were most prevalent among large households, at 82 percent of renter-households and 62 percent of owner-households.

Table 16: Income Distribution (2010-2014)

Jurisdiction	Total Households	% Extremely Low Income	% Low Income	% Moderate Income	% Middle/Upper Income
Monterey	12,518	10.8%	8.2%	12.6%	68.4%
Salinas	40,460	12.7%	15.8%	21.6%	49.9%
Seaside	10,199	10.6%	13.9%	20.9%	54.6%
Urban County					
Unincorporated Monterey County					
Aromas	474	0.8%	0.0%	12.7%	86.5%
Boronda	383	20.9%	13.0%	23.5%	42.6%
Bradley	56	28.6%	14.3%	7.1%	50.0%
Carmel Valley Village	1,764	5.1%	2.3%	9.3%	83.3%
Castroville	1,419	15.0%	12.3%	26.5%	46.2%
Chualar	264	3.0%	4.6%	33.7%	58.7%
Del Monte Forest	1,839	4.6%	10.9%	6.3%	78.2%
Elkhorn	480	6.2%	14.6%	10.4%	68.8%
Las Lomas	594	6.5%	15.0%	20.9%	57.6%
Lockwood	153	9.8%	2.6%	9.2%	78.4%
Moss Landing	66	0.0%	37.9%	24.2%	37.9%
Pajaro	532	16.7%	37.6%	23.3%	22.4%
Pine Canyon	639	9.4%	6.3%	31.3%	53.0%
Prunedale	5,639	5.1%	9.1%	15.4%	70.4%
San Ardo	204	29.4%	13.7%	11.8%	45.1%
San Lucas	70	17.1%	17.1%	17.1%	48.7%
Spreckels	302	1.3%	0.0%	3.3%	95.4%
Total Unincorporated Monterey County	14,878	7.3%	9.9%	15.7%	67.1%
Cities					
Del Rey Oaks	643	4.4%	4.9%	12.8%	77.9%
Gonzales	1,955	16.6%	13.8%	22.5%	47.1%
Greenfield	3,542	10.4%	19.9%	21.7%	48.0%
Sand City	174	9.2%	28.2%	18.4%	44.2%
Total					
Urban County	21,192	8.6%	11.9%	17.3%	62.2%
Monterey County	125,100	10.8%	12.3%	17.6%	59.3%

Note: Data presented in this table is based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100% count due to the need to extrapolate sample data out to total households. Interpretations of this data should focus on the proportion of households in need of assistance rather than on precise numbers.

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey, 2010-2014 Estimates.

Table 17: Housing Problems (2010-2014) – Monterey County

Household by Type, Income, and Housing Problem	Renters				Owners				Total Households
	Elderly	Small Families	Large Families	Total Renters	Elderly	Small Families	Large Family	Total Owners	
Extremely Low Income (0-30% AMI)	1,910	3,805	1,665	10,155	1,680	840	380	3,365	13,520
# With Housing Problems	1,490	3,350	1,645	8,500	1,300	630	325	2,615	11,115
% With Housing Problems	78.0%	88.0%	98.8%	83.7%	77.4%	75.0%	85.5%	77.7%	82.2%
Low Income (31-50% AMI)	1,775	5,100	2,445	10,995	2,165	1,285	595	4,435	15,430
# With Housing Problems	1,465	4,770	2,235	10,015	1,175	925	575	2,990	13,005
% With Housing Problems	82.5%	93.5%	91.4%	91.1%	54.3%	72.0%	96.6%	67.4%	84.3%
Moderate Income (51-80% AMI)	1,405	6,445	3,715	13,705	3,290	2,665	1,820	8,330	22,035
# With Housing Problems	1,035	4,720	3,475	11,000	1,235	1,910	1,640	5,155	16,155
% With Housing Problems	73.7%	73.2%	93.5%	80.3%	37.5%	71.7%	90.1%	61.9%	73.3%
Middle/Upper Income (80%+ AMI)	3,355	13,110	4,230	28,165	14,860	20,390	6,465	45,950	74,115
# With Housing Problems	1,160	3,945	2,540	9,395	3,115	6,090	3,200	13,935	23,330
% With Housing Problems	34.6%	30.1%	60.0%	33.4%	21.0%	29.9%	49.5%	30.3%	31.5%
Total Households	8,445	28,460	12,055	63,020	21,995	25,180	9,260	62,080	125,100
# With Housing Problems	5,150	16,785	9,895	38,910	6,825	9,555	5,740	24,695	63,605
% With Housing Problems	61.0%	59.0%	82.1%	61.7%	31.0%	37.9%	62.0%	39.8%	50.8%

Note: Data presented in this table is based on special tabulations from sample Census data. The number of households in each category usually deviates slightly from the 100% count due to the need to extrapolate sample data out to total households. Interpretations of this data should focus on the proportion of households in need of assistance rather than on precise numbers.

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey, 2010-2014 Estimates.

4. Income by Race/Ethnicity

Race/ethnicity is also a characteristic that often is related to housing need. Overall, middle/upper income households comprised approximately 59 percent of all households in the County from 2010-2014 (Table 16). However, certain groups had higher proportions of lower and moderate income households. Specifically, Hispanic or Latino households had a considerably higher percentage of lower and moderate income households in comparison to the County as a whole (56 percent versus 41 percent).

Table 18: Income by Race/Ethnicity (2010-2014) – Monterey County

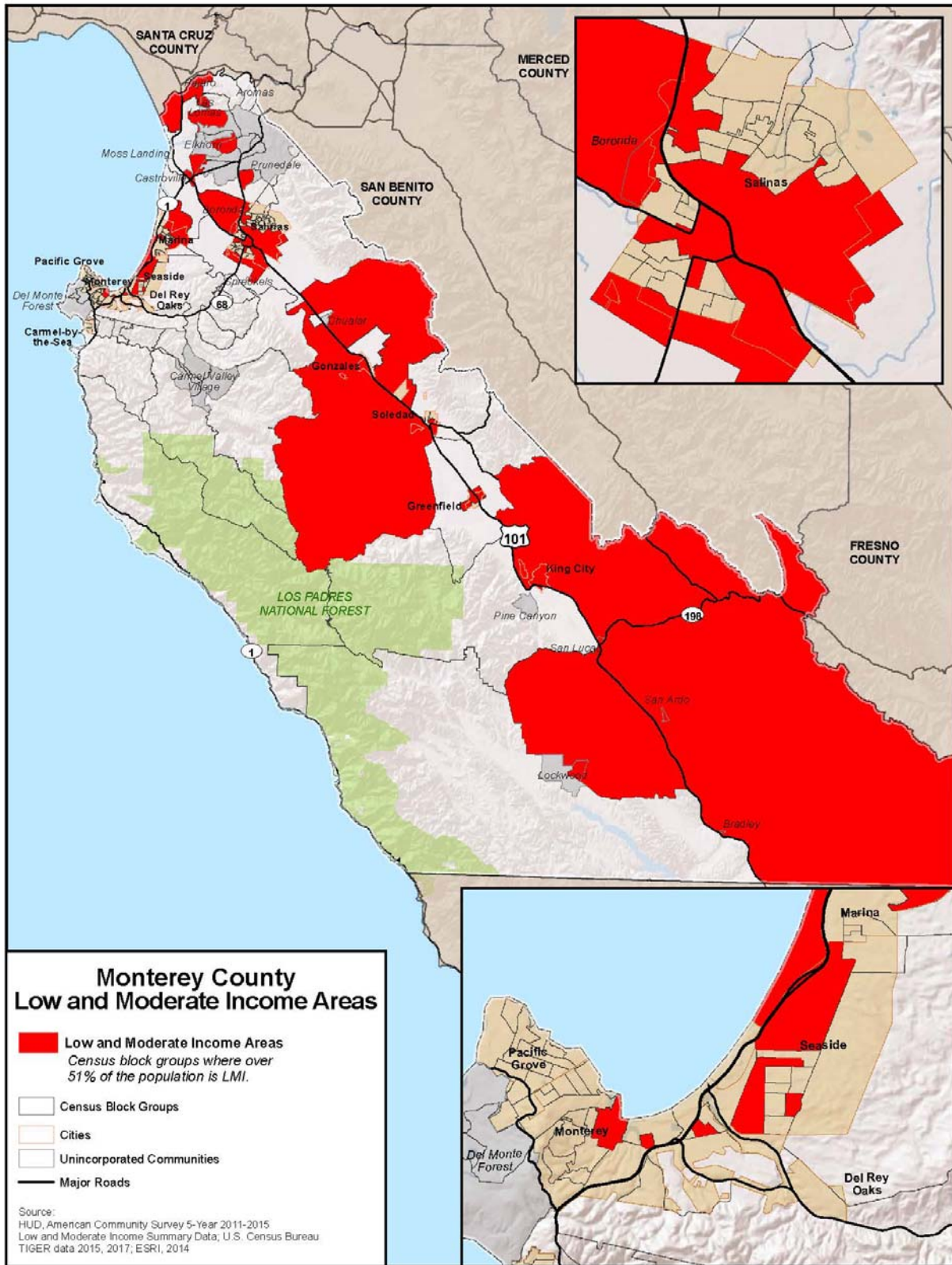
Income Level	Total HHs	Non-Hispanic White		Hispanic or Latino		Black or African American		Asian		Am. Indian or Alaska Nat./Other	
		HHs	Percent	HHs	Percent	HHs	Percent	HHs	Percent	HHs	Percent
Extremely Low	10.8%	4,470	7.7%	7,370	13.9%	490	15.3%	800	9.5%	404	16.0%
Low	12.3%	4,740	8.2%	9,420	17.8%	250	7.8%	785	9.4%	233	9.2%
Moderate	17.6%	7,180	12.4%	12,880	24.4%	450	14.0%	1,240	14.8%	282	11.2%
Middle/Upper	59.2%	41,710	71.8%	23,210	43.9%	2,019	62.9%	5,570	66.3%	1,610	63.7%
Total Lower/Moderate Income Households	100.0%	16,390	28.3%	29,670	56.1%	1,190	37.1%	2,825	33.7%	919	36.4%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey 2010-2014 Estimates.

5. Concentrations of Lower and Moderate Income Populations

HUD defines a “Low and Moderate Income Area” as a Census tract or block group where over 51 percent of the population is lower and moderate income. Figure 3 identifies the Low and Moderate Income Areas of the County, which are located generally in the North and in the eastern central portions of the County. Low and Moderate Income Areas in the north include neighborhoods in Monterey, Salinas, and Seaside, and in parts of the Urban County – Gonzales, Greenfield, and the CDPs of Boronda, Castroville, Moss Landing, Pajaro, and San Lucas. Many of these Low and Moderate Income Areas were also identified as minority concentration areas (in Figure 1 on page 22), an indication that certain parts of the County have a disproportionate number of lower income minority residents.

Figure 2: Low and Moderate Income Areas



E. Housing Profile

This section provides an overview of the characteristics of the local and regional housing markets. The Census Bureau defines a housing unit as a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or, if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall.

1. Housing Growth

According to the 2010 Census, the total number of housing units in Monterey County was 139,048 units, which represents an increase of six percent since 2000. In Salinas, there was similar growth in housing units, an eight-percent increase during the same period. Monterey (two percent increase) and Seaside (one percent decrease) noted only small changes in their available units.

In the Urban County, there was an overall six percent increase in housing units. Between 2000 and 2010, housing growth was the most significant in Sand City (67 percent) and Greenfield (38 percent) and in the CDPs of Spreckels (40 percent) and Boronda (24 percent). Of the CDPs in the unincorporated County, Prunedale, Del Monte Forest, and Carmel Valley Village were the largest, in terms of the number of housing units. Statewide, housing growth was almost 12 percent during the same period.

Table 19: Housing Unit Growth (2000-2010)			
Jurisdiction	2000	2010	Percent Change
Monterey	13,382	13,584	1.5%
Salinas	39,659	42,651	7.5%
Seaside	11,005	10,872	-1.2%
Urban County			
Unincorporated Monterey County			
Aromas	915	923	0.9%
Boronda	332	413	24.4%
Bradley	42	40	-4.8%
Carmel Valley Village	2,105	2,156	2.4%
Castroville	1,462	1,593	9.0%
Chualar	286	251	-12.2%
Del Monte Forest	2,647	2,811	6.2%
Elkhorn	542	565	4.2%
Las Lomas	596	623	4.5%
Lockwood	--	197	--
Moss Landing	135	108	-20.0%
Pajaro	667	655	-1.8%
Pine Canyon	--	587	--
Prunedale	5,591	6,047	8.2%
San Ardo	167	158	-5.4%
San Lucas	97	76	-21.6%
Spreckels ¹	176	246	39.8%
Balance of Unincorporated County	21,379	21,660	1.3%
Total Unincorporated County	37,139	38,186	2.8%
Cities			
Del Rey Oaks	727	741	1.9%
Gonzales	1,724	1,989	15.4%
Greenfield	2,726	3,752	37.6%
Sand City	87	145	66.7%
Total			
Urban County	42,403	44,813	5.7%
Monterey County	131,708	139,048	5.6%

Note 1: The growth in Spreckels is tied to a one-time event that probably will not be repeated – the Spreckels subdivision that relied on a subdivision map that was approved prior to the Map Act.

Source: Bureau of the Census, 2000-2010.

2. Housing Type

A housing stock is generally comprised of three categories: single-family dwelling units, multi-family dwelling units, and other types of units such as mobile homes. According to the 2012-2016 ACS, about 70 percent of all units in Monterey County were single-family units, of which most are detached units. Similarly, in Seaside about 73 percent of all units were single-family units, while Salinas (60 percent) and Monterey (53 percent) had slightly lower proportions of single-family units and higher proportions of multi-family housing.

Approximately 81 percent (37,554 units) of the housing stock within the Urban County consisted of single-family units, the majority of which (34,971 units) was single-family detached units (Table 20). Multi-family housing accounted for approximately 12 percent of the housing stock from 2012-2016, and mobile homes seven percent. The proportion of single-family units within Del Rey Oaks, Gonzales, and Greenfield was similar to that of the unincorporated County at about 80 percent.

Unit Type	2000		2012-2016	
	Number of Units	Percent of Total	Number of Units	Percent of Total
Monterey				
Single-Family	6,827	50.9%	7,252	53.2%
Detached	5,911	44.0%	6,442	47.2%
Attached	916	6.8%	810	5.9%
Multi-Family	6,572	49.0%	6,335	46.4%
2-4 Units	2,254	16.8%	2,279	16.7%
5+ Units	4,318	32.2%	4,056	29.7%
Mobile Homes, Boat, RV, Van, etc.	21	0.2%	52	0.4%
<i>Total</i>	<i>13,420</i>	<i>100%</i>	<i>13,639</i>	<i>100%</i>
Salinas				
Single-Family	24,401	61.6%	25,283	59.9%
Detached	20,966	52.9%	22,705	53.8%
Attached	3,435	8.7%	2,578	6.1%
Multi-Family	13,946	35.2%	15,429	36.5%
2-4 Units	3,450	8.7%	3,853	9.1%
5+ Units	10,496	26.5%	11,576	27.4%
Mobile Homes, Boat, RV, Van, etc.	1,265	3.2%	1,522	3.6%
<i>Total</i>	<i>39,612</i>	<i>100%</i>	<i>42,234</i>	<i>100%</i>

Table 20: Housing Unit Growth by Type (2000-2016)

Unit Type	2000		2012-2016	
	Number of Units	Percent of Total	Number of Units	Percent of Total
Seaside				
Single-Family	8,386	76.2%	7,949	73.3%
Detached	6,107	55.5%	6,491	59.8%
Attached	2,279	20.7%	1,458	13.4%
Multi-Family	2,187	19.9%	2,562	23.6%
2-4 Units	929	8.4%	1,222	11.3%
5+ Units	1,258	11.4%	1,340	12.3%
Mobile Homes, Boat, RV, Van, etc.	432	3.9%	340	3.1%
<i>Total</i>	<i>11,005</i>	<i>100%</i>	<i>10,851</i>	<i>100%</i>
Urban County				
Unincorporated Monterey County				
Single-Family	31,065	83.7%	32,415	82.1%
Detached	28,372	76.4%	30,041	76.1%
Attached	2,693	7.3%	2,374	6.0%
Multi-Family	3,143	8.5%	4,144	10.5%
2-4 Units	1,453	3.9%	1,972	5.0%
5+ Units	1,735	4.7%	2,172	5.5%
Mobile Homes, Boat, RV, Van, etc.	2,864	7.7%	2,916	7.4%
<i>Total</i>	<i>37,117</i>	<i>100%</i>	<i>39,475</i>	<i>100%</i>
Del Rey Oaks				
Single-Family	592	81.4%	607	82.4%
Detached	567	78.0%	571	77.5%
Attached	25	3.4%	36	4.9%
Multi-Family	132	18.2%	121	16.4%
2-4 Units	23	3.2%	19	2.6%
5+ Units	109	15.0%	102	13.8%
Mobile Homes, Boat, RV, Van, etc.	3	0.4%	9	1.2%
<i>Total</i>	<i>727</i>	<i>100.0%</i>	<i>737</i>	<i>100.0%</i>
Gonzales				
Single-Family	1,356	78.0%	1,457	72.8%
Detached	1,227	70.6%	1,429	71.4%
Attached	129	7.4%	28	1.4%
Multi-Family	382	22.0%	427	21.3%
2-4 Units	170	9.8%	64	3.2%
5+ Units	170	9.8%	363	18.1%
Mobile Homes, Boat, RV, Van, etc.	42	2.4%	118	5.9%
<i>Total</i>	<i>1,738</i>	<i>100%</i>	<i>2,002</i>	<i>100%</i>

Table 20: Housing Unit Growth by Type (2000-2016)

Unit Type	2000		2012-2016	
	Number of Units	Percent of Total	Number of Units	Percent of Total
Greenfield				
Single-Family	2,121	77.8%	3,015	77.1%
Detached	1,839	67.4%	2,879	73.6%
Attached	282	10.3%	136	3.5%
Multi-Family	521	19.1%	831	21.2%
2-4 Units	274	10.0%	290	7.4%
5+ Units	247	9.1%	541	13.8%
Mobile Homes, Boat, RV, Van, etc.	85	3.1%	65	1.7%
<i>Total</i>	<i>2,727</i>	<i>100%</i>	<i>3,911</i>	<i>100%</i>
Sand City				
Single-Family	58	63.0%	60	39.0%
Detached	53	57.6%	51	33.1%
Attached	5	5.4%	9	5.8%
Multi-Family	29	31.5%	94	61.0%
2-4 Units	19	20.7%	44	28.6%
5+ Units	10	10.9%	50	32.5%
Mobile Homes, Boat, RV, Van, etc.	5	5.4%	0	0.0%
<i>Total</i>	<i>92</i>	<i>100%</i>	<i>154</i>	<i>100%</i>
Total				
Urban County				
Single-Family	35,192	83.0%	37,554	81.1%
Detached	32,058	75.6%	34,971	75.6%
Attached	3,134	7.4%	2,583	5.6%
Multi-Family	3,918	9.2%	5,617	12.1%
2-4 Units	1,939	4.6%	2,389	5.2%
5+ Units	1,979	4.7%	3,228	7.0%
Mobile Homes, Boat, RV, Van, etc.	3,291	7.8%	3,108	6.7%
<i>Total</i>	<i>42,401</i>	<i>100.0%</i>	<i>46,279</i>	<i>100.0%</i>
Monterey County				
Single-Family	91,751	69.7%	96,749	69.0%
Detached	79,405	60.3%	87,859	62.7%
Attached	12,346	9.4%	8,890	6.3%
Multi-Family	34,314	26.1%	37,324	26.6%
2-4 Units	11,822	9.0%	12,278	8.8%
5+ Units	22,492	17.1%	25,046	17.9%
Mobile Homes, Boat, RV, Van, etc.	5,643	4.3%	6,096	4.3%
<i>Total</i>	<i>131,708</i>	<i>100%</i>	<i>140,169</i>	<i>100%</i>

Sources:

1. Bureau of the Census, 2000.
2. American Community Survey (ACS), 2012-2016.

3. Housing Condition

Assessing housing conditions can provide the basis for developing policies and programs to maintain and preserve the quality of the housing stock. Deteriorating housing can depress neighboring property values, discourage reinvestment, and eventually impact the quality of life in a neighborhood.

State and federal housing programs typically consider the age of a community's housing stock when estimating rehabilitation needs. In general, most homes begin to require major repairs or have significant rehabilitation needs at 30 or 40 years of age. In rental units, landlords may not complete needed maintenance or repairs requested by tenants as buildings begin to age. Furthermore, housing units constructed prior to 1979 are more likely to contain lead-based paint.

The majority of Monterey County housing units (63 percent) were built before 1979. The proportion of older housing units in Monterey and Seaside is slightly higher than in the County as a whole, with about a 75 percent of all units in each of these jurisdictions built before 1979. In Salinas, about 58 percent of all units are within this housing age. The Urban County's housing also has a majority of the housing units (60 percent) built before 1979.

Table 21: Age of Housing Stock (2012-2016)

Jurisdiction	Total Housing Units	% Built After 1979	% Built After 1969
Monterey	13,639	25.5%	47.6%
Salinas	42,234	42.2%	60.8%
Seaside	10,851	24.1%	38.3%
Urban County			
Unincorporated Monterey County			
Aromas	830	40.4%	64.0%
Boronda	432	38.2%	38.2%
Bradley	47	31.9%	40.4%
Carmel Valley Village	2,127	21.7%	44.2%
Castroville	1,641	32.4%	57.2%
Chualar	258	67.1%	76.0%
Del Monte Forest	2,875	26.4%	50.5%
Elkhorn	419	25.8%	59.4%
Las Lomas	572	34.4%	46.7%
Lockwood	148	48.0%	95.3%
Moss Landing	101	18.8%	43.6%
Pajaro	640	50.8%	66.3%
Pine Canyon	583	58.7%	81.8%
Prunedale	6,324	35.7%	70.9%
San Ardo	220	26.4%	35.5%
San Lucas	102	26.5%	38.2%
Spreckels	298	16.4%	33.6%
Balance of Unincorporated County	21,858	27.0%	48.2%
Total Unincorporated County	39,475	36.8%	59.8%
Cities			
Del Rey Oaks	737	21.8%	28.4%
Gonzales	2,002	61.3%	73.3%
Greenfield	3,911	69.4%	79.4%
Sand City	154	57.1%	63.0%
Total			
Urban County	46,279	40.5%	61.6%
Monterey County	140,169	37.2%	56.1%

Note: Percent built prior to 1969 is inclusive of all built prior to 1979.

Source: American Community Survey (ACS), 2012-2016.

Lead Based Paint Hazards

The potential for housing to contain LBP varies depending on the age of the housing unit. National studies estimate that 75 percent of all residential structures built prior to 1970 contain LBP. Housing built prior to 1940, however, is much more likely to contain LBP (estimated at 90 percent of housing units). About 62 percent of housing units built between 1960 and 1979 are estimated to contain LBP. Table 22 estimates the number of housing units containing LBP.

In Monterey County, LBP hazards are monitored by the California Department of Public Health (CPDH). According to the latest available data, as of 2014 the CPDH reported a total of 36 cases in Monterey County of persons age 21 and younger with elevated blood lead levels (of 9.5 micrograms per deciliter [mg/dL] or higher). This was a decrease from the 60 cases reported in 2013. The Center for Disease Control has determined that a child with a blood lead level of 15 to 19 mg/dL is at high risk for lead poisoning, while a child with a blood lead level above 19 mg/dL requires full medical evaluation and public health follow-up.

Jurisdiction	Year Built	Percent		Estimated No. of Units with LBP
		Units	With LBP	
Monterey	1960-1979	5,100	62% + 10%	29,791 ± 4,805
	1940-1959	3,371	80% + 10%	23,206 ± 2,901
	Before 1940	1,685	90% + 10%	9,904 ± 1,100
	Total Units before 1980	10,156	62% + 10%	54,598 ± 8,806
Salinas	1960-1979	13,905	62% ± 10%	8,621 ± 1,391
	1940-1959	8,044	80% ± 10%	6,435 ± 804
	Before 1940	2,449	90% ± 10%	2,204 ± 245
	Total Units before 1980	24,398	62% ± 10%	15,127 ± 2,440
Seaside	1960-1979	3,988	62% ± 10%	2,473 ± 399
	1940-1959	3,858	80% ± 10%	3,086 ± 386
	Before 1940	394	90% ± 10%	355 ± 39
	Total Units before 1980	8,240	62% ± 10%	5,109 ± 824
Urban County				
Unincorporated Monterey County	1960-1979	15,153	62% + 10%	9395 ± 1,515
	1940-1959	7,530	80% + 10%	6,024 ± 753
	Before 1940	2,246	90% + 10%	2,021 ± 225
	Total Units before 1980	24,929	62% + 10%	15,456 ± 2,493

Table 22: Lead-Based Paint Estimates (2012-2016)

Jurisdiction	Year Built	Percent		Estimated No. of Units with LBP
		Units	With LBP	
Del Rey Oaks	1960-1979	150	62% + 10%	93 ± 15
	1940-1959	411	80% + 10%	329 ± 41
	Before 1940	15	90% + 10%	14 ± 2
	Total Units before 1980	576	62% + 10%	357 ± 58
Gonzales	1960-1979	519	62% + 10%	322 ± 52
	1940-1959	183	80% + 10%	146 ± 18
	Before 1940	72	90% + 10%	65 ± 7
	Total Units before 1980	774	62% + 10%	480 ± 77
Greenfield	1960-1979	724	62% + 10%	449 ± 72
	1940-1959	326	80% + 10%	261 ± 33
	Before 1940	146	90% + 10%	131 ± 15
	Total Units before 1980	1,196	62% + 10%	742 ± 120
Sand City	1960-1979	18	62% + 10%	11 ± 2
	1940-1959	34	80% + 10%	27 ± 3
	Before 1940	14	90% + 10%	13 ± 1
	Total Units before 1980	66	62% + 10%	41 ± 7
Total				
Urban County	1960-1979	16,564	62% + 10%	10,270 ± 1,656
	1940-1959	8,484	80% + 10%	6,787 ± 848
	Before 1940	2,493	90% + 10%	2,244 ± 249
	Total Units before 1980	27,541	62% + 10%	17,075 ± 2,754
Monterey County	1960-1979	48,050	62% + 10%	29,791 ± 4,805
	1940-1959	29,007	80% + 10%	23,206 ± 2,901
	Before 1940	11,004	90% + 10%	9,904 ± 1,100
	Total Units before 1980	88,061	62% + 10%	54,598 ± 8,806

Source: American Community Survey (ACS), 2012-2016.

4. Housing Tenure and Vacancy

Housing tenure describes the arrangement by which a household occupies a housing unit; that is, whether a housing unit is owner-occupied or renter-occupied. A person may face different fair housing issues in the rental housing market versus in the for-sale housing market. Tenure preferences are primarily related to household income, composition, and age of the householder. Communities need to have an adequate supply of units available both for rent and for sale in order to accommodate a range of households with varying needs.

A household is an occupied housing unit. Table 23 summarizes the tenure (owner-occupied versus renter-occupied) and vacancy rate of the entire housing stock. In Monterey County, 9.4 percent of the housing units were vacant. Among the occupied units (90.6 percent of the housing stock), about half of households are owner-occupied. This homeownership rates was slightly higher than in Salinas (45 percent), Seaside (41 percent), and Monterey (36 percent). The majority of households within the Urban County owned their homes (65 percent); however, Sand City (86 percent) and

several CDPs did have a significant proportion of renter households. Specifically, Aromas (81 percent), Pajaro (77 percent), San Ardo (66 percent), and Castroville (59 percent) had the highest proportions of renter households of any of the CDPs within the Urban County, and far exceeded the proportion of renter households within the Urban County as a whole (35 percent).

A certain number of vacant units are needed to moderate the cost of housing, allow sufficient choice for residents, and provide an incentive for unit upkeep and repair. A healthy vacancy rate, one that permits sufficient choice and mobility among a variety of housing units, is considered to be two to three percent for ownership units and five to six percent for rental units. However, some communities tend to have a high proportion of homes being used as second/vacation homes. These communities, such as Carmel Valley Village and Del Monte Forest, have unusually high vacancy rates but the units are not actually available as permanent housing.

As indicated in Table 24, in Monterey County, renter-households are more likely to be lower and moderate income and are somewhat more likely to experience housing problems such as cost-burden and substandard housing conditions.

Table 23: Housing Tenure and Vacancy (2010)			
Area	Tenure of Occupied Units		Overall Vacancy Rate
	Renter	Owner	
Monterey	64.2%	35.8%	10.3%
Salinas	54.9%	45.1%	5.3%
Seaside	58.6%	41.4%	7.2%
Urban County			
Unincorporated Monterey County			
Aromas	23.1%	76.9%	4.2%
Boronda	53.6%	46.4%	4.6%
Bradley	56.8%	43.2%	7.5%
Carmel Valley Village	30.0%	70.0%	12.1%
Castroville	59.1%	40.9%	4.5%
Chualar	54.3%	45.7%	2.4%
Del Monte Forest	16.9%	83.1%	31.5%
Elkhorn	28.6%	71.4%	5.8%
Las Lomas	38.5%	61.5%	4.0%
Lockwood	40.5%	59.5%	17.3%
Moss Landing	45.0%	55.0%	7.4%
Pajaro	77.3%	22.7%	5.2%
Pine Canyon	19.0%	81.0%	5.6%
Prunedale	23.7%	76.3%	5.7%
San Ardo	66.4%	33.6%	11.4%
San Lucas	46.3%	53.7%	11.8%
Spreckels	30.1%	69.9%	6.9%
Balance of Unincorporated County	33.8%	66.2%	14.3%
Total Unincorporated County	32.9%	67.1%	12.6%
Cities			
Del Rey Oaks	26.2%	73.8%	5.4%
Gonzales	46.5%	53.5%	4.2%
Greenfield	47.1%	52.9%	7.8%
Sand City	85.9%	14.1%	11.7%
Total			
Urban County	34.8%	65.2%	11.7%
Monterey County	49.1%	50.9%	9.4%

Source: Bureau of the Census, 2010.

Table 24: Tenure Profile (2010-2014)			
Tenure	Percent of All Households	Percent Low and Moderate Income	Housing Problems
Monterey			
Owner-Occupied	34.1%	24.4%	33.7%
Renter-Occupied	65.9%	35.3%	51.8%
All Households	100%	31.6%	45.6%
Salinas			
Owner-Occupied	42.7%	28.8%	44.0%
Renter-Occupied	57.3%	65.9%	67.5%
All Households	100%	50.1%	57.5%
Seaside			
Owner-Occupied	38.1%	29.0%	39.7%
Renter-Occupied	61.9%	55.5%	64.3%
All Households	100%	45.4%	54.9%
Urban County			
Unincorporated Monterey County			
Owner-Occupied	66.8%	24.3%	42.2%
Renter-Occupied	33.2%	50.0%	58.1%
All Households	100%	32.9%	47.5%
Del Rey Oaks			
Owner-Occupied	78.7%	20.9%	37.0%
Renter-Occupied	21.3%	26.3%	35.8%
All Households	100%	22.1%	36.7%
Gonzales			
Owner-Occupied	51.7%	33.2%	57.4%
Renter-Occupied	48.3%	74.1%	74.6%
All Households	100%	52.9%	65.7%
Greenfield			
Owner-Occupied	46.6%	33.9%	50.4%
Renter-Occupied	53.4%	67.8%	68.6%
All Households	100%	52.0%	60.1%
Sand City			
Owner-Occupied	21.8%	42.1%	52.6%
Renter-Occupied	78.2%	59.6%	72.8%
All Households	100%	55.7%	68.4%
Total			
Urban County			
Owner-Occupied	62.0%	26.1%	44.2%
Renter-Occupied	38.0%	57.0%	62.4%
All Households	100%	37.8%	51.1%

Tenure	Percent of All Households	Percent Low and Moderate Income	Housing Problems
Monterey County			
Owner-Occupied	49.6%	26.0%	39.8%
Renter-Occupied	50.4%	55.3%	61.7%
All Households	100%	40.8%	50.8%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey (ACS), 2010-2014.

F. Housing Cost and Affordability

One of the most important factors in evaluating a community’s housing market is the cost of housing and, even more significant, whether the housing is affordable to households who live there or would like to live there. The Monterey Bay area is viewed as a very desirable place to live and, consequently, housing costs have become increasingly less affordable over the years. This section evaluates the affordability of the housing stock in the County to lower and moderate income households.

1. Ownership Housing Costs

The cost of homeownership varies quite dramatically within Monterey County depending on the community. Of the available data for CDPs within the County, Carmel Valley Village experienced a 20 percent decrease in median sales price, while home value in Aromas increased by 22 percent during the same period. Among the incorporated cities, Greenfield had the lowest median sale price at \$382,000. Both Seaside and Salinas had moderate home prices compared to the County as a whole but the prices were on an increasing trend.

Jurisdiction	Units Sold in November 2018	Median Sale Price November 2018	Median Sale Price November 2017	Percent Change
Monterey	22	\$726,500	\$792,500	-8.3%
Salinas	108	\$496,000	\$441,000	12.5%
Seaside	19	\$499,750	\$459,000	8.9%
Aromas	5	\$847,500	\$685,000	21.9%
Carmel Valley Village	9	\$812,550	\$1,015,000	-19.9%
Castroville	3	\$385,000	\$367,750	4.7%
Moss Landing	2	\$940,500	n/a	n/a
Greenfield	5	\$382,000	\$315,500	21.1%
Monterey County	288	\$589,750	\$580,000	1.7%

Note: Home sales data are not available for all communities in Monterey County, either due to community size or limited number of sales.

Source: Corelogic.com, accessed February 2019.

2. Rental Housing Costs

As with home prices, rental rates in the County vary dramatically by community. Overall, rents were highest in Monterey and Seaside (Table 26). Salinas and the County’s unincorporated areas had the lowest average rents. However, due to the limited number of units for rent in smaller communities, a few outliers would skew the average rents.

Table 26 also illustrates the Payment Standard established by the Housing Authority County of Monterey (HACM) for participation in the Housing Choice Voucher (HCV) program. Compared to the market rents, the Payment Standard does not offer financial incentives to most landlords to participate in the program.

Table 26: Average Rental Housing Prices (2018)					
	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedrooms
Housing Authority Payment Standard	\$283-\$683	\$828	\$1,000	\$1,235	\$1,350-\$1,700
Community	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4+Bedrooms
Monterey	\$1,289	\$1,734	\$2,236	\$3,015	\$4,788
Salinas	\$850	\$1,563	\$1,915	\$2,618	\$2,780
Seaside	\$1,490	\$1,460	\$2,030	\$3,028	\$3,350
Urban County					
Unincorporated Monterey County	\$1,370	\$1,803	\$1,977	\$3,090	\$2,632
Cities					
Del Rey Oaks	\$862	\$995	\$2,537	--	--
Gonzales	--	--	--	\$1,525	\$3,200
Greenfield	--	\$1,550	--	\$1,493	\$1,840
Sand City	\$1,805	--	\$2,750	\$2,650	--

Note: -- : no units of this size were available for rent.

Sources:

1. www.craigslist.org, accessed March - April 2018, March 2019.
2. Housing Authority County of Monterey, Payment Standard and Utility Allowance, effective October 1, 2018.

3. Housing Affordability

Housing affordability can be inferred by comparing the cost of renting or owning a home in a community with the maximum affordable housing costs for households at different income levels. While housing affordability alone is not a fair housing issue, fair housing concerns may arise when housing affordability interacts with factors covered under the fair housing laws, such as household type, composition, and race/ethnicity.

The federal Department of Housing and Urban Development (HUD) conducts annual household income surveys nationwide to determine a household’s eligibility for federal housing assistance. Households in the lower end of each category can afford less by comparison than those at the upper end. Table 27 shows the annual household income by household size and the maximum affordable housing payment based on the standard of 30 to 35 percent of household income. General cost assumptions for utilities, taxes, and property insurance are also shown.

Essentially, lower and moderate income households in the County have very limited affordable housing opportunities. Few could afford to purchase a home and most could not afford adequately sized rental units. Housing becomes moderately affordable only when household incomes reach the middle income level.

Table 27: Housing Affordability (2018)								
Household	Annual Income	Affordable Costs (All Costs)		Estimated Utilities		Taxes and Insurance	Affordable Price	
		Rental Costs	Ownership Costs	Renters	Owners		Renters	Owners
Extremely Low Income (0-30% AMI)								
1-Person	\$17,550	\$439	\$439	\$107	\$177	\$154	\$332	\$25,179
2-Person	\$20,050	\$501	\$501	\$117	\$191	\$175	\$384	\$31,376
3-Person	\$22,550	\$564	\$564	\$157	\$242	\$197	\$407	\$28,961
4-Person	\$25,100	\$628	\$628	\$210	\$305	\$220	\$418	\$23,943
5-Person	\$29,420	\$736	\$736	\$265	\$373	\$257	\$471	\$24,455
Low Income (31-50%)								
1-Person	\$29,250	\$731	\$731	\$107	\$177	\$256	\$624	\$69,428
2-Person	\$33,400	\$835	\$835	\$117	\$191	\$292	\$718	\$81,864
3-Person	\$37,600	\$940	\$940	\$157	\$242	\$329	\$783	\$85,879
4-Person	\$41,750	\$1,044	\$1,044	\$210	\$305	\$365	\$834	\$86,912
5-Person	\$45,100	\$1,128	\$1,128	\$265	\$373	\$395	\$863	\$83,755
Moderate Income (51-80% AMI)								
1-Person	\$46,800	\$726	\$846	\$107	\$177	\$296	\$619	\$86,859
2-Person	\$53,450	\$829	\$967	\$117	\$191	\$339	\$712	\$101,894
3-Person	\$60,150	\$933	\$1,088	\$157	\$242	\$381	\$776	\$108,317
4-Person	\$66,800	\$1,037	\$1,209	\$210	\$305	\$423	\$827	\$111,948
5-Person	\$72,150	\$1,119	\$1,306	\$265	\$373	\$457	\$854	\$110,757
Median Income (81-100% AMI)								
1-Person	\$48,350	\$1,088	\$1,270	\$107	\$177	\$444	\$981	\$150,885
2-Person	\$55,300	\$1,244	\$1,451	\$117	\$191	\$508	\$1,127	\$175,067
3-Person	\$62,200	\$1,399	\$1,632	\$157	\$242	\$571	\$1,242	\$190,637
4-Person	\$69,100	\$1,555	\$1,814	\$210	\$305	\$635	\$1,345	\$203,415
5-Person	\$74,650	\$1,679	\$1,959	\$265	\$373	\$686	\$1,414	\$209,540
Middle Income (101-120%)								
1-Person	\$58,050	\$1,330	\$1,552	\$107	\$177	\$543	\$1,223	\$193,569
2-Person	\$66,300	\$1,520	\$1,774	\$117	\$191	\$621	\$1,403	\$223,849
3-Person	\$74,600	\$1,710	\$1,995	\$157	\$242	\$698	\$1,553	\$245,517
4-Person	\$82,900	\$1,900	\$2,217	\$210	\$305	\$776	\$1,690	\$264,392
5-Person	\$89,550	\$2,052	\$2,394	\$265	\$373	\$838	\$1,787	\$275,396

Sources: California Department of Housing and Community Development, 2017 Income limits; Housing Authority County of Monterey, 2018 Utility Allowance; and Veronica Tam and Associates, 2018.

Assumptions: 30% gross household income as affordable housing cost; 20% of monthly affordable cost for taxes and insurance; 10% downpayment; and 4.0% interest rate for a 30-year fixed-rate mortgage loan.

G. Housing Problems

A continuing priority of communities is enhancing or maintaining the quality of life for residents. A key measure of quality of life in the Urban County is the extent of “housing problems.” HUD assesses housing need within a community according to several criteria: (1) the number of households that are paying too much for housing; (2) the number of households living in overcrowded units; and (3) the number of households living in substandard housing conditions. Table 17 summarizes the extent of households facing some kind of housing problems. CHAS data provide further details on housing cost burden and overcrowding. These conditions are discussed below.

1. Cost Burden

According to the federal government, any housing condition where a household spends more than 30 percent of income on housing is considered cost-burdened. A cost burden of 30 to 50 percent is considered moderate; payment in excess of 50 percent of income is considered a severe cost burden. Cost burden is an important housing issue because paying too much for housing leaves less money available for basics such as food and living expenses as well as for emergency expenditures.

Countywide, 73 percent of low and moderate income households were affected by a housing cost burden, of which 43 percent were paying at least 50 percent of their income towards housing. In Monterey, Salinas, and Seaside, similar proportions of low and moderate income households were experiencing housing cost burdens. About 25 to 35 percent are experiencing a cost burden, while another 40 to 55 percent are experiencing a severe cost burden of at least 50 percent of their income spent on housing cost.

In the Urban County, the majority of lower and moderate income households experience a housing cost burden, with approximately 70 percent of all lower and moderate income households experiencing a severe housing cost burden (Table 28). The proportions of lower and moderate income households experiencing cost burden was slightly higher in both Sand City and Gonzales (97 percent and 82 percent, respectively). In Sand City, the majority of lower and moderate income households were likely to experience severe cost burden (66 percent). Renter-occupied households in all three jurisdictions are more likely to experience housing cost burden than owner-occupied households.

Table 28: Housing Cost Burden (2010-2014)

Cost Burden	Lower and Moderate Income Households			All Households		
	Cost Burden (>30%)	Severe Cost Burden (>50%)	Total	Cost Burden (>30%)	Severe Cost Burden (>50%)	Total
Monterey						
Owner-Occupied	28.9%	43.3%	72.2%	17.1%	15.7%	32.8%
Renter-Occupied	24.6%	58.5%	83.1%	24.4%	23.6%	48.0%
All Households	25.8%	54.5%	80.3%	22.0%	20.9%	42.9%
Salinas						
Owner-Occupied	22.9%	42.9%	65.8%	23.1%	15.4%	38.5%
Renter-Occupied	38.1%	39.1%	77.2%	30.5%	25.9%	56.4%
All Households	34.4%	40.1%	74.5%	27.3%	21.4%	48.7%
Seaside						
Owner-Occupied	13.2%	44.7%	57.9%	21.7%	16.7%	38.4%
Renter-Occupied	27.7%	51.3%	79.0%	26.2%	30.5%	56.7%
All Households	24.1%	49.7%	73.0%	24.5%	25.2%	49.7%
Urban County						
Unincorporated Monterey County						
Owner-Occupied	24.0%	40.2%	64.2%	23.8%	14.8%	38.6%
Renter-Occupied	26.5%	42.6%	69.1%	23.9%	23.5%	47.4%
All Households	25.3%	41.4%	66.7%	23.8%	17.7%	41.5%
Del Rey Oaks						
Owner-Occupied	11.3%	54.7%	66.0%	18.4%	16.0%	34.4%
Renter-Occupied	0.0%	61.1%	61.1%	16.1%	16.1%	32.1%
All Households	8.5%	56.3%	64.8%	17.9%	16.0%	33.9%
Gonzales						
Owner-Occupied	32.5%	46.3%	78.8%	28.6%	18.3%	46.9%
Renter-Occupied	36.4%	46.4%	82.8%	28.6%	34.4%	63.0%
All Households	35.2%	46.4%	81.6%	28.6%	26.1%	54.7%
Greenfield						
Owner-Occupied	23.1%	36.0%	59.1%	22.4%	14.2%	36.6%
Renter-Occupied	41.2%	35.0%	76.2%	30.0%	23.8%	53.8%
All Households	35.7%	35.3%	71.0%	26.4%	19.3%	45.7%
Sand City						
Owner-Occupied	25.0%	75.0%	100.0%	21.1%	31.6%	52.7%
Renter-Occupied	32.1%	64.2%	96.3%	35.3%	38.2%	73.5%
All Households	30.9%	66.0%	96.9%	32.2%	36.8%	69.0%
Urban County						
Owner-Occupied	24.3%	40.7%	65.0%	23.8%	15.1%	38.9%
Renter-Occupied	32.1%	41.6%	73.7%	26.0%	25.0%	51.0%
All Households	28.7%	41.2%	69.9%	24.6%	18.8%	43.4%

Table 28: Housing Cost Burden (2010-2014)						
Cost Burden	Lower and Moderate Income Households			All Households		
	Cost Burden (>30%)	Severe Cost Burden (>50%)	Total	Cost Burden (>30%)	Severe Cost Burden (>50%)	Total
Monterey County						
Owner-Occupied	20.9%	42.8%	63.7%	20.4%	15.5%	35.9%
Renter-Occupied	33.3%	44.0%	77.3%	27.5%	25.5%	53.0%
All Households	29.4%	43.6%	73.0%	24.0%	20.6%	44.6%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey (ACS), 2010-2014.

2. Overcrowding

According to state and federal guidelines, an overcrowded housing unit is defined as a unit with more than one person per room, including dining and living rooms but excluding bathrooms, kitchens, hallways, and porches. Severe overcrowding is described as households with more than 1.5 persons per room. Household overcrowding is reflective of various living situations: (1) a family lives in a home that is too small; (2) a family chooses to house extended family members; or (3) unrelated individuals or families are doubling up to afford housing. Some landlords or apartment managers may be more hesitant to rent to larger families, thus making access to adequate housing even more difficult.

According to the 2012-2016 ACS, nine percent of owner-occupied households and 25 percent of renter-occupied households in Salinas were overcrowded, for an overall 18 percent overcrowded households in the City. According to Salinas' Code Enforcement staff and the Farmworker Housing Study, overcrowding conditions in the City have been even more severe than reported by the ACS. In comparison, the extent of overcrowding was more severe in the Urban County (Table 29). Some unincorporated communities, Gonzales and Greenfield all had at least 30 percent of overcrowded households. Countywide, six percent of owner-households and 20 percent of renter-households were considered overcrowded, for an average of 13 percent households in the County.

Table 29: Overcrowding (2012-2016)		
	Household Tenure	
	Owner-Occupied	Renter-Occupied
Monterey		
Occupied Units	4,175	7,739
Overcrowded	24	226
Severely Overcrowded	34	153
Percent Overcrowded	1.4%	4.9%
Salinas		
Occupied Units	17,461	23,000
Overcrowded	1,202	3,897
Severely Overcrowded	375	1,877
Percent Overcrowded	9.0%	25.1%

Table 29: Overcrowding (2012-2016)		
	Household Tenure	
	Owner-Occupied	Renter-Occupied
Seaside		
Occupied Units	3,903	6,225
Overcrowded	112	636
Severely Overcrowded	45	317
Percent Overcrowded	4.0%	15.3%
Urban County		
Unincorporated Areas		
Occupied Units	22,744	11,134
Overcrowded	1,790	5,132
Severely Overcrowded	246	900
Percent Overcrowded	9.0%	54.2%
Del Rey Oaks		
Occupied Units	453	192
Overcrowded	11	5
Severely Overcrowded	0	0
Percent Overcrowded	2.4%	2.4%
Gonzales		
Occupied Units	965	1,021
Overcrowded	106	242
Severely Overcrowded	22	224
Percent Overcrowded	13.3%	45.6%
Greenfield		
Occupied Units	1,786	1,905
Overcrowded	193	366
Severely Overcrowded	115	514
Percent Overcrowded	17.2%	46.2%
Sand City		
Occupied Units	15	125
Overcrowded	0	12
Severely Overcrowded	0	5
Percent Overcrowded	0.0%	13.6%
Total		
Urban County		
Occupied Units	25,963	14,377
Overcrowded	2,100	5,757
Severely Overcrowded	383	1,643
Percent Overcrowded	9.6%	51.5%

	Household Tenure	
	Owner-Occupied	Renter-Occupied
Monterey County		
Occupied Units	62,601	63,315
Overcrowded	2,703	7,379
Severely Overcrowded	1,039	5,017
Percent Overcrowded	6.0%	19.6%

Notes:

1. Overcrowded: (1+ occupants per room)
2. Severely Overcrowded (1.5+ occupants per room)

Source: American Community Survey (ACS), 2012-2016.

H. Publicly Assisted Housing

1. Housing Authority Properties

The Housing Authority County of Monterey (HACM) is a public agency that provides rental assistance, develops, and manages affordable housing throughout Monterey County. In addition to the Housing Choice Voucher program (discussed below), the HACM owns and manages over 1,000 units of affordable rental housing throughout the County. Most of these units were originally developed as public housing units. However beginning in 2015, HACM initiated the process of converting the public housing developments into project-based rental assistance units. That conversion process has been completed. A detailed inventory of HACM-owned affordable units can be found in Table 30.

The majority of affordable units are located in Salinas. Five HACM managed affordable housing projects are located in the Urban County area. Specifically, the 20-unit Casa de Oro and 30-unit Casa Santa Lucia located in Gonzales, and 50-unit Los Ositos (Senior Housing) located in Greenfield, 48-unit Paseo de las Rosas in Castroville, and 29-unit Vista del Valle in Chualar. As shown in Figure 3 on page 74, the majority of the HACM units are concentrated in Salinas and the South County, as well as in the City of Monterey.

Project	Address	Community	Unit Breakdown	Total Units
Casa de Oro (Senior Housing)	48 C Street	Gonzales, CA 93926	18 One BR 2 Two BR	20
Casa Santa Lucia	Belden St., Alta St., 8th, 9th, & 10 th St.	Gonzales, CA 93926	Mix of 1, 3, 4, & 5 BR	12
Casanova Plaza	800 Casanova Avenue	Monterey, CA 93940	83 One BR 3 Two BR	86
Del Monte Estates	1415 Del Monte Ave.	Salinas, CA 93905	Mix of 1 & 2 BR	89
El Gin Village	350 Casentini Street	Salinas, CA 93907	40 Three BR 10 Four BR	50
Jardines del Monte	1253 Del Monte	Salinas, CA 93905	11 Three BR	11
King City Migrant Center	440 Jayne St	King City, CA 93930	79 Two BR	79
Leo Meyer Senior Plaza	425 Queen St.	King City, CA 93930	44 One BR	44

Table 30: HACM Units (2018) – Monterey County				
Project	Address	Community	Unit Breakdown	Total Units
Los Ositos (Senior Housing)	1083 Elm Avenue	Greenfield, CA 93927	Mix of 1 & 2 BR	50
Northridge Plaza	1511, 1513, & 1515 Wheeler Drive	Salinas, CA 93906	10 One BR 60 Two BR 10 Three BR	80
Oak Grove	1100 Second Street	Monterey, CA 93940	5 Two BR	5
Ocean View Apartments	44 Natividad Rd.	Salinas, CA 93906	8 One BR 19 Two BR 13 Three BR	40
Parkside Manor	1112 Parkside St.	Salinas, CA 93906	Mix of 1, 2, 4, and 5 BR	88
Portola Vista	20 Del Monte Ave.	Monterey, CA 93940	64 One BR	64
Pueblo del Mar	3043 MacArthur Dr.	Marina, CA 93933	56 Two BR	56
Tesoro del Campo	42 La Posada Dr.	Salinas, CA 93906	Mix of 2, 3, and 4 BR	57
Vista del Valle	24477 Grant St.	Chualar, CA 93925	Mix of 2, 3, and 4 BR	29
Scattered Sites				
Del Monte Townhouse Apts.	1259 Del Monte Ave.	Salinas, CA 93905	8 Three BR 9 Four BR	17
Montecito	242 Montecito St.	Monterey, CA 93940	8 Two BR	8
Watson	531 Watson St.	Monterey, CA 93940	5 Two BR	5
Rider Manor	1030 Rider Ave.	Salinas, CA 93905	1 Three BR 17 Two BR	18
Sanborn Arms	1058 N. Sanborn Rd.	Salinas, CA 93905	Mix of 1 & 2 BR	16
Sanborn Estates	1025 N. Sanborn Rd.	Salinas, CA 93905	Mix of 1 & 2 BR	14
Sanborn Plaza	1039 N. Sanborn Rd.	Salinas, CA 93905	14 Two BR	14
No Name	1029 Rider Ave.	Salinas, CA 93905	NA	8
	540 Williams Rd.	Salinas, CA 93905	3 Three BR	3
	775 Elkington Ave.	Salinas, CA 93905	7 Three BR	7
	780 Elkington Ave.	Salinas, CA 93905	NA	8
	24 N. Wood St.	Salinas, CA 93905	4 Four BR	4
	1012 N. Sanborn Rd.	Salinas, CA 93905	Mix of 3 & 5 BR	11
	312 Williams Rd.	Salinas, CA 93905	3 Four BR	3
	737 Mae Ave.	Salinas, CA 93905	2 Three BR	2
	747 Mae Ave.	Salinas, CA 93905	2 Three BR	2
	1113 D Street	Salinas, CA 93905	Mix of 2, 3, & 4 BR	6
	1011 E. Laurel Dr.	Salinas, CA 93907	NA	NA
	1111 Alamo Way	Salinas, CA 93905	Mix of 2 & 3 BR	25
	1112 Alamo Way	Salinas, CA 93905	NA	NA
1062 Sanborn Rd.	Salinas, CA 93905	10 Three BR	10	
Total				1,041

Source: County of Monterey Housing Authority, 2018.

NA = Information not available.

2. Housing Choice Vouchers

The Housing Choice Voucher is a rent subsidy program that helps lower income (up to 50 percent AMI)⁴ families and seniors pay rents in private units. Voucher recipients pay a minimum of 30 percent of their income toward their contract rent, and the local housing authority pays the difference through federal funds up to the payment standard (fair market rent) established by the HACM. The HACM administers the Housing Choice Voucher program on behalf of jurisdictions within Monterey County. According to the Housing Authority data provided in the Affirmatively Furthering Fair Housing Tool (AFFHT) developed by HUD, as of 2017, 3,077 households in Monterey County was receiving Housing Choice Vouchers. The racial/ethnic composition of the voucher recipients was: 25.8 percent White; 6.7 percent Black; 2.8 percent Asian; and 64.1 percent Hispanic.

Waiting List

As of July 2015, 1,459 households were on the Housing Choice Voucher waiting list and 6,521 households were on the Public Housing waiting list. As shown in Table 31, the majority of households seeking assistance were White and of Hispanic origins, reflecting the County's income and demographic profile. The number of families on the waiting list for public housing far exceeds current capacity, resulting in long wait periods.

	Housing Choice Vouchers	Public Housing ²
Number of Families on Waiting List	1,459	6,521
Extremely Low Income (0-30% AMI) ¹	70%	80%
Very Low Income (31-50% AMI)	27%	18%
Low Income (51-80% AMI)	6%	3%
Families with Children	82%	76%
Elderly Families	6%	7%
Families with Disabilities	9%	14%
Race:		
White	82%	77%
Black	13%	8%
Asian	2%	2%
American Ind/Native Hawaiian	3%	3%
Unknown/Multiple	1%	13%
Ethnicity:		
Hispanic	69%	74%
Non-Hispanic	31%	24%

Notes:

1. HA income categories are named differently than the CDBG program.
2. The HACM completed conversion of all public housing units into project-based rental assistance program. Due to lag time in transitioning the data from public housing, no new data is available at this time.

Source: Housing Authority County of Monterey, Five-Year and Annual Plan, 2015.

⁴ The Housing Choice Voucher Program refers to households with incomes below 50 percent of the AMI as "very low income." For consistency throughout this document, households qualifying for Housing Choice Vouchers (incomes <50 percent AMI) are referred to as lower income households.

3. Other Assisted Housing Projects

Housing developments utilizing federal, state, and/or local programs, including state and local bond programs, Low-Income Housing Tax Credits (LIHTC), density bonus, or direct assistance programs, are often restricted for use as low income housing and provide another source of affordable housing for a jurisdiction. The location of these assisted housing units is partly the result of economic feasibility. Affordable housing is more likely to be developed in high density areas, where the lower land costs per unit (i.e. more units on a piece of property) can result in lower development costs and associated lower housing payments.

Table 32 summarizes the inventory of assisted housing in the geographic areas covered by the Collaborating Entities. (This list is intended to demonstrate the general geographic pattern of affordable housing and is not intended to be used as an exhaustive inventory of affordable housing resources. Affordable ownership units are not included in this list, and scattered sites of affordable single-family or duplex units used as rentals are also not listed.)

The distribution of these developments is displayed in Figure 3. As shown, the majority of the affordable housing developments are located in Salinas, where there are high concentrations of low and moderate income persons, and with the most urbanized neighborhoods. The City of Monterey also has a large inventory of affordable units through a successful inclusionary housing program.

Project Name	Address	Type	Funding Source	Total Units	Affordable Units (up to 80% AMI)
Interim Inc.	604, 606, 608 Pearl Street Monterey, CA	Special Needs	County Affordable Housing Funds	19	19
Osio Plaza	355 Calle Principal Monterey, CA	Family	Inclusionary	30	6
Monterey Hotel Apartments	406/410 Alvarado Street Monterey, CA	Family	Inclusionary	18	12
Community Human Services	544 Pearl Street Monterey, CA	Special Needs	Inclusionary	6	6
Casa de la Estrella	420 Estrella Avenue Monterey, CA 93940	Family	Inclusionary	8	8
Centennial Gardens	399 Drake Avenue Monterey, CA	Family	NA	6	4
Dream Theatre Site	675 Lighthouse Avenue Monterey, CA	Family	Inclusionary	3	1
Sunrise Assisted Living	1125 Cass Street Monterey, CA	+Senior	Inclusionary	12	6
Skyline Townhomes	1330 Skyline Drive Monterey, CA	Family	Inclusionary	8	2
Van Buren Senior Housing	613 Van Buren Street Monterey	Senior	LIHTC	19	18
Casa de Los Robles	504 W. Franklin St. Monterey, CA 93940	Family	LIHTC	6	6
Dela Vina Apartments	345 Dela Vina Avenue Monterey, CA 93940	Family	NA	14	14
El Estero Senior Apartments	151 Park Avenue Monterey, CA 93940	Senior	NA	26	26

Table 32: Assisted Housing Projects (2018)

Project Name	Address	Type	Funding Source	Total Units	Affordable Units (up to 80% AMI)
California House	436 California St. Salinas, CA 93901	Family	HOME, SRA, MHSA	8	8
Creekbridge Apartments	1701 Independence Blvd. Salinas, CA 93906	Family	Inclusionary	220	12
Forester Building	369 Main St. Salinas, CA 93901	Family	SRA	10	10
Gabilan Hills Townhomes	1051 Paseo Grande Salinas, CA 93905	Family	Inclusionary	100	99
Gabilan Plaza Apts.	730 Williams Rd. Salinas, CA 93905	Family	HUD Assisted	20	20
Gabilan Plaza II	736 Williams Rd. Salinas, CA 93905	Family	HUD Assisted	100	20
Gateway Apartments	25 Lincoln Ave. Salinas, CA 93901	Senior	HOME, SRA, Inclusionary	52	51
Harden Ranch Apts.	1907 Dartmouth Way Salinas, CA 93906	Family	Inclusionary	100	95
Hacienda I	233 Calle Cebu Salinas, CA 93901	Family	HOME, SRA, Inclusionary	53	52
Hacienda II	275 Calle Cebu Salinas, CA 93901	Family	HOME, Inclusionary	46	46
La Gloria Apartments	539 E. Market St. Salinas, CA 93905	Senior	HOME, SRA, Inclusionary, Density Bonus	22	22
Las Casas de Madera	510 E. Market St. Salinas, CA 93905	Family	CDBG, Salinas HTF	75	75
Loma el Paraiso	541 Roosevelt St. Salinas, CA 93905	Family	CDBG	43	42
Los Abuelitos Senior Apartments	528 E. Market St. Salinas, CA 93905	Senior	SRA	25	12
Lupine Gardens	306 Soledad St. Salinas, CA 93901	Disabled	CDBG, HOME, SRA, Inclusionary	20	20
Mariposa Apartments	300 Casentini St. Salinas, CA 93907	Family	HUD Assisted	20	20
Montecito Senior Apts.	1598 Mesquite Dr. Salinas, CA 93905	Senior	HOME, Inclusionary	132	132
Mountain View Townhomes	1580 Falcon Dr. Salinas, CA 93905	Family	Inclusionary	68	68
Nantucket Bay Apts.	950 Nantucket Blvd. Salinas, CA 93906	Family	LIHTC	160	158
Dai Ichi Village Apts.	34 Rossi Street Salinas, CA 93901	Senior	HOME, Inclusionary	41	11
Pajaro Triplex	139 Pajaro St. Salinas, CA 93901	Family	SRA	3	3
Plaza Club Apts.	100 Harden Parkway Salinas, CA 93096	Family	LIHTC	208	42
Plaza Grande	50 E. Market Salinas, CA 93901	Family	SRA	92	72
Plaza Hotel	30 E. Market Salinas, CA 93901		LIHTC	27	27

Table 32: Assisted Housing Projects (2018)

Project Name	Address	Type	Funding Source	Total Units	Affordable Units (up to 80% AMI)
Regency Court	472 Regency Circle Salinas, CA 93906	Senior	Inclusionary	120	119
Roosevelt Street Townhomes	522 Roosevelt St. Salinas, CA 93905	Family	LIHTC	22	21
Roosevelt Street Townhomes II	504 Roosevelt St. Salinas, CA 93905	Family	LIHTC	22	21
Salinas Bay Apartments	920 Larkin St. Salinas, CA 93907	Family	LIHTC	95	92
Salinas Point (aka Los Padres) Apts.	1260 John St. Salinas, CA 93905	Family	HOME, SRA	219	164
Sherwood Village	808 N. Main St. Salinas, CA 93906	Senior	CDBG, HOME, Inclusionary	125	124
Soledad House	439 Soledad St. Salinas, CA 93901	Disabled	HOME, SRA	8	8
Steinbeck Commons Apartments	10 Lincoln Ave. Salinas, CA 93901	Senior	HUD Assisted, LIHTC	100	99
Sun Street Apartments	34 Sun St. Salinas, CA 93901	Family	Inclusionary	17	2
Sunflower Gardens	29 Sun St. Salinas, CA 93901	Family	CDBG, SRA, Inclusionary	23	23
Tresor Apartments	1041 Buckhorn Dr. Salinas, CA 93905	Family	HOME, SRA, Inclusionary	81	80
Tynan Village	325 Front St. Salinas, CA 93901	Family	HOME, SRA, Inclusionary, Density	171	106
Wesley Oaks	138 Carr Ave. Salinas, CA 93905	Family	HOME, Salinas HTF, Inclusionary	10	6
917 E. Markey Street	917 E. Market St. Salinas, CA 93905	Family	Inclusionary	48	48
401 Monterey Street	401 Monterey St. Salinas, CA 93905	Family	Density Bonus	16	2
Jardines Del Monte	1253 Del Monte Ave. Salinas, CA 93905	Family	HOME, SRA, Inclusionary	11	11
Vista de la Terraza	165 Carr Ave. Salinas, CA 93905	Family	CDBG	41	40
Haciendas Phase III	131 E. Rossi St. Salinas, CA 93901	Family	HOME, Inclusionary	50	50
Canyon Creek Apartments	1834 Chablis Way Gonzales, CA 93926	Family/ Farmworker	LIHTC	36	36
Fanoe Vista Apartments	550 Fanoe Road, #17 Gonzales, CA 93926	Family	LIHTC	44	43
La Casa Grande	353 Ventana Ave. Greenfield, CA 93927	Family	LIHTC	1	1
Magnolia Place Senior Apartments	92 12 th St. Greenfield, CA 93927	Senior	LIHTC	32	31
Terracina Oaks Apt.	252 13 th St. Greenfield, CA 93927	Family	LIHTC	41	40
Tyler Park Townhomes	1120 Heidi Dr. Greenfield, CA 93927	Family	LIHTC	60	30

Table 32: Assisted Housing Projects (2018)

Project Name	Address	Type	Funding Source	Total Units	Affordable Units (up to 80% AMI)
Villa Santa Clara	225 Third St. Greenfield, CA 93927	Family	LIHTC	30	30
Vineyard Green Townhomes	130 13 th Street Greenfield, CA 93927	Family	LIHTC	40	39
Walnut Place Townhomes	500 12 th St. Greenfield, CA 93927	Family	LIHTC	40	39
Artichoke Inn	11050, 11060, 11070, 11080, 11090, 11100 Mead St. Castroville, CA	Family	Inclusionary Housing	6	6
Belmont Heights	102 & 104 Spreckels Ave. 5 & 7 Llano Ave.	Family	Inclusionary Housing	4	4
Brooklyn Street	58A & B Brooklyn St. Pajaro, CA	Family	HOME	2	2
Camphora Project	32101 McCoy Road Soledad, CA 93960	Farm Worker	RDA Set-Aside, USDA, HOME, CDBG	44	44
Castroville Farm Labor Housing – Site A (formerly Paseo de las Rosas)	11541 Speegle St. Castroville, CA 95012	Farm Worker	HOME/CDBG/ USDA RHS 514/USDA RHS 521	18	44
Castroville Farm Labor Housing – Site B	11204 Haight St. Castroville, CA 95012			36	
Chualar Farm Labor Center	24487 Grant St. Chualar, CA 93925	Farm Worker	USDA	29	29
Cynara Court	10860 Merritt Street Castroville, CA 95012	Family	Redevelopment Set-Aside	58	57
El Cerrito Townhomes	8860 Vista De Tierra Circle Castroville, CA 95012	Family	LIHTC	60	59
Geil St. Apartments	11299 Geil Street Castroville, CA 95012	Family	CDBG, Redevelopment Set-Aside	11	2
Grey Goose Townhomes	5499 Grey Goose Gulch Drive Carmel Valley, 93924	Family	LIHTC/ Inclusionary Housing	9	9
Jardines de Boronda	15087 Canario St. Salinas, CA 93907	Family	Redevelopment Set-Aside	16	15
Manzanita Place	17500 Reynolds Street, East Garrison, CA 93908	Family	Redevelopment Set-Aside	66	65
Moro Lindo Townhomes	8757 Sabino Drive Castroville, CA 95012	Family	LIHTC	30	30
Nuevo Amenecer	15 Salinas Rd. Pajaro, CA	Family	Redevelopment Set-Aside, HOME	63	62
Oak Hills Infill	10541 #1-6 Geil St. Castroville, CA	Family	Inclusionary	25	2
Pacific Meadows	5315 Carmel Valley Road Carmel Valley, CA 93923	Senior	LIHTC, HOME	200	200
Rippling River Apartments	53 E Carmel Valley Road, Carmel Valley, CA 93924	Senior	LIHTC, HOME, CDBG	79	78

Table 32: Assisted Housing Projects (2018)

Project Name	Address	Type	Funding Source	Total Units	Affordable Units (up to 80% AMI)
Sea Garden Apartments (previously Axtell Apartments)	10603 Axtell St. Castroville, CA 95012	Family	Redevelopment Set-Aside	59	58
The Commons at Rogge Road	1001 A-E & 1003 Rogge Road Salinas, CA 93906	Family	Redevelopment Set-Aside, LIHTC	48	48

NA = Information Not Available

Sources: Housing Elements of the cities of Monterey, Salinas, Seaside, Gonzales, Greenfield, and Sand, and the County of Monterey; www.affordablehousingonline.com

4. Distribution of Affordable Housing

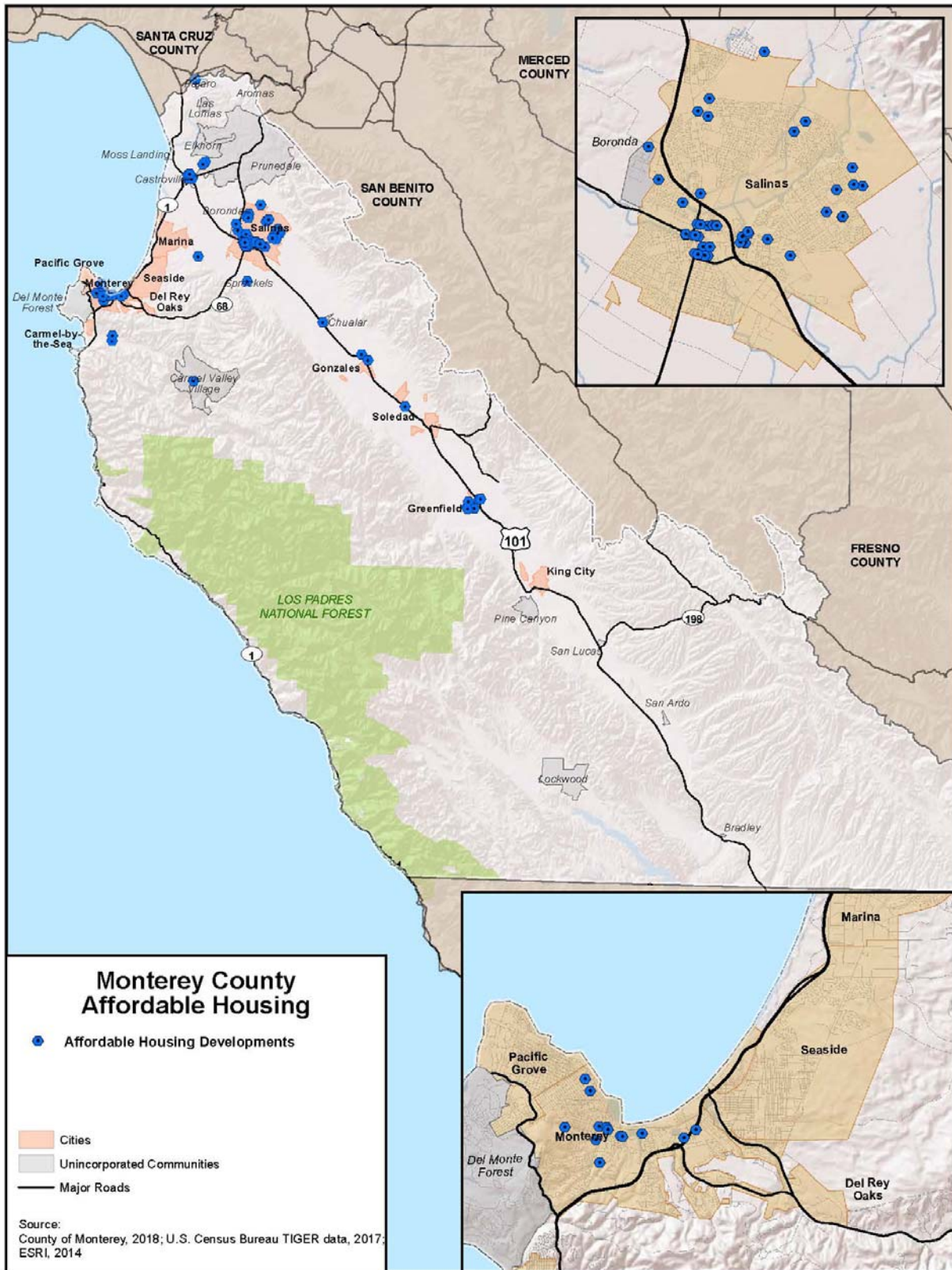
While this inventory of affordable housing is not intended as an exhaustive list, it captures the majority of affordable rental housing in the service area covered by the Collaborating Entities. Overall, more than 100 developments offer over 5,200 units of rental housing, including about 4,400 units are set aside as affordable housing for those earning up to 80 percent of the County AMI.

However, the majority of these affordable units are concentrated in just a few communities (see Table 33 and Figure 3). Specifically, over 63 percent of the affordable units are located in Salinas, followed by a distant second of Monterey, where about seven percent of the affordable units are located.

Table 33: Distribution of Affordable Units

Community	Total Units in Development	Units Affordable to 80% AMI	Percent of Total Affordable units
Salinas	3,471	2,779	63.1%
Monterey	343	296	6.7%
Carmel Valley	288	287	6.5%
Castroville	303	258	5.9%
Greenfield	294	260	5.9%
King City	123	123	2.8%
Gonzales	112	111	2.5%
E Garrison	66	65	1.5%
Pajaro	65	64	1.5%
Chualar	58	58	1.3%
Marina	56	56	1.3%
Soledad	44	44	1.0%
Spreckels	4	4	0.1%
Total	5,227	4,405	100.0%

Figure 3: Affordable Housing



5. Licensed Community Care Facilities

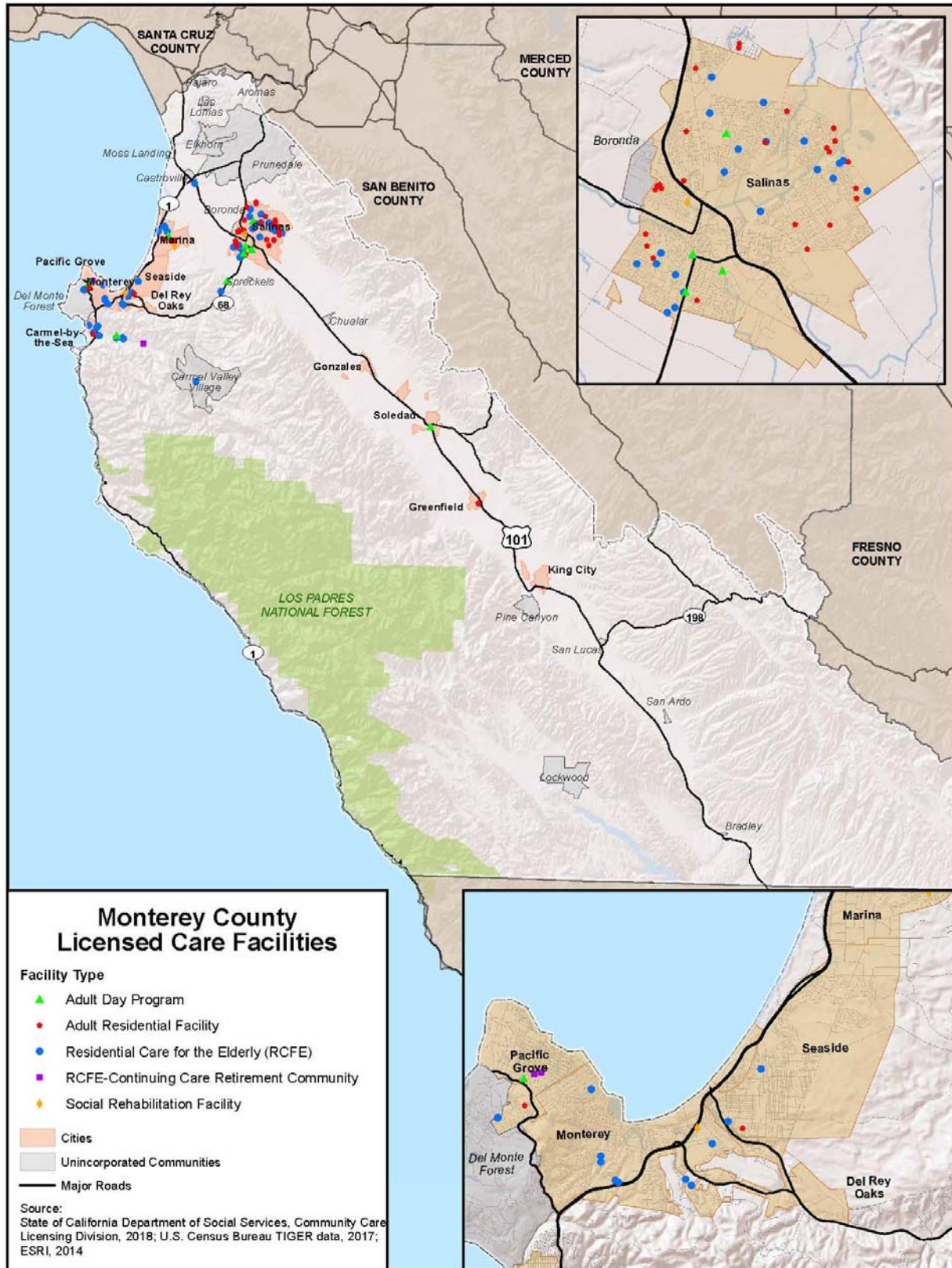
Persons with special needs, such as the elderly and those with disabilities, must also have access to housing in a community. Community care facilities provide a supportive housing environment to persons with special needs in a group situation. Restrictions that prevent this type of housing represent a fair housing concern.

As of 2018, according to the California Department of Social Services, Community Care Licensing Division, there are 48 community care facilities for the elderly, 32 adult residential care facilities, nine adult day care centers, three continuing care retirement communities, and three social rehabilitation facilities located in all of Monterey County. Adult day care facilities in the County have the capacity to serve 651 elderly persons, while residential care facilities have the capacity to serve 1,206 persons (Table 34). The majority of the facilities are located in Salinas. Seaside and Gonzales have indicated in the Housing Element that amendments are needed to bring the cities to compliance with Lanterman Act. (See further discussions and analysis in Chapter 5: Public Policies.)

Jurisdiction	Number of Facilities	Capacity		Zoning Compliant with Lanterman Act
		Beds	Beds/1,000 Population	
Monterey	9	513	<1	Yes
Salinas	52	1,046	<1	Yes
Seaside	3	115	<1	No
Urban County				
Del Rey Oaks	0	0	<1	No
Gonzales	0	0	<1	No
Greenfield	1	40	<1	Yes
Sand City	0	0	<1	Yes
Monterey County	96	2,823		Yes

Source: Number of licensed facilities and capacities obtained from the State of California Department of Social Services, Community Care Licensing Division, 2018.

Figure 4: Licensed Care Facilities in Monterey County



I. Access to Opportunities

Decisions regarding housing are often influenced by costs (affordability) but also by access to opportunities such as jobs and services (including quality schools). Public transportation allows many low and moderate income persons, who tend to be transit dependent, to have a wider locational choice. The quality of public schools is also a primary reason for many households with children to prefer certain neighborhoods over others.

1. Public Transit

Monterey-Salinas Transit (MST) provides bus service to the greater Monterey and Salinas areas, as far south as Paso Robles and Big Sur and as far north as Watsonville and San Jose. Service originates from two primary locations—the Monterey Transit Plaza, in downtown Monterey, and the Salinas Transit Center, in downtown Salinas. MST also provides customers with connections to a variety of bus and rail lines for travel outside of Monterey County. However, for many communities in south County and unincorporated north County, services are only offered hourly, which could limit the viability of public transportation.

2. Major Employers

According to the State of California’s Employment Development Department, there are major employees spread out through the County. For the purpose of this report, a major employer is defined as one with 500 or more employees. As a small city, Gonzales is home to seven major employers in the agriculture industry. However, the City most recently denied an affordable housing development for farmworkers. In the County as a whole, top employers include providers of government, agriculture, and health services.

Table 35: Major Employers in Monterey County (2018)

Employer	Location	Number of Employees	Industry
Al Pak Labor	Soledad	500-999	Labor Contractors
Azcona Harvesting	Greenfield	1,000-4,999	Harvesting-Contract
Bud of California	Soledad	1,000-4,999	Fruits and Vegetables-Growers and Shippers
Community Hospital	Monterey	1,000-4,999	Hospitals
County of Monterey	Salinas	5,000+	Government - County
Dole Fresh Vegetables Co	Soledad	500-999	Fruits and Vegetables-Growers and Shippers
Dutra Farms	Royal Oaks	1,000-4,999	Grocers-Wholesale
Hilltown Packing Co	Salinas	500-999	Harvesting-Contract
Mann Packing Co	Salinas	500-999	Fruits and Vegetables-Growers and Shippers
Misionero Vegetables	Gonzales	500-999	Fruits and Vegetables-Growers and Shippers
Pebble Beach Company	Pebble Beach	1,000-4,999	Resorts
Quality Farm Labor	Gonzales	500-999	Labor Contractors
R C Packing	Gonzales	500-999	Packing and Crating Service
Salinas Valley Memorial Hospital	Salinas	1,000-4,999	Hospitals
Taylor Farms	Salinas	1,000-4,999	Fruits and Vegetables-Growers and Shippers
Department of Defense	Seaside	5,000+	Government Offices-U.S.

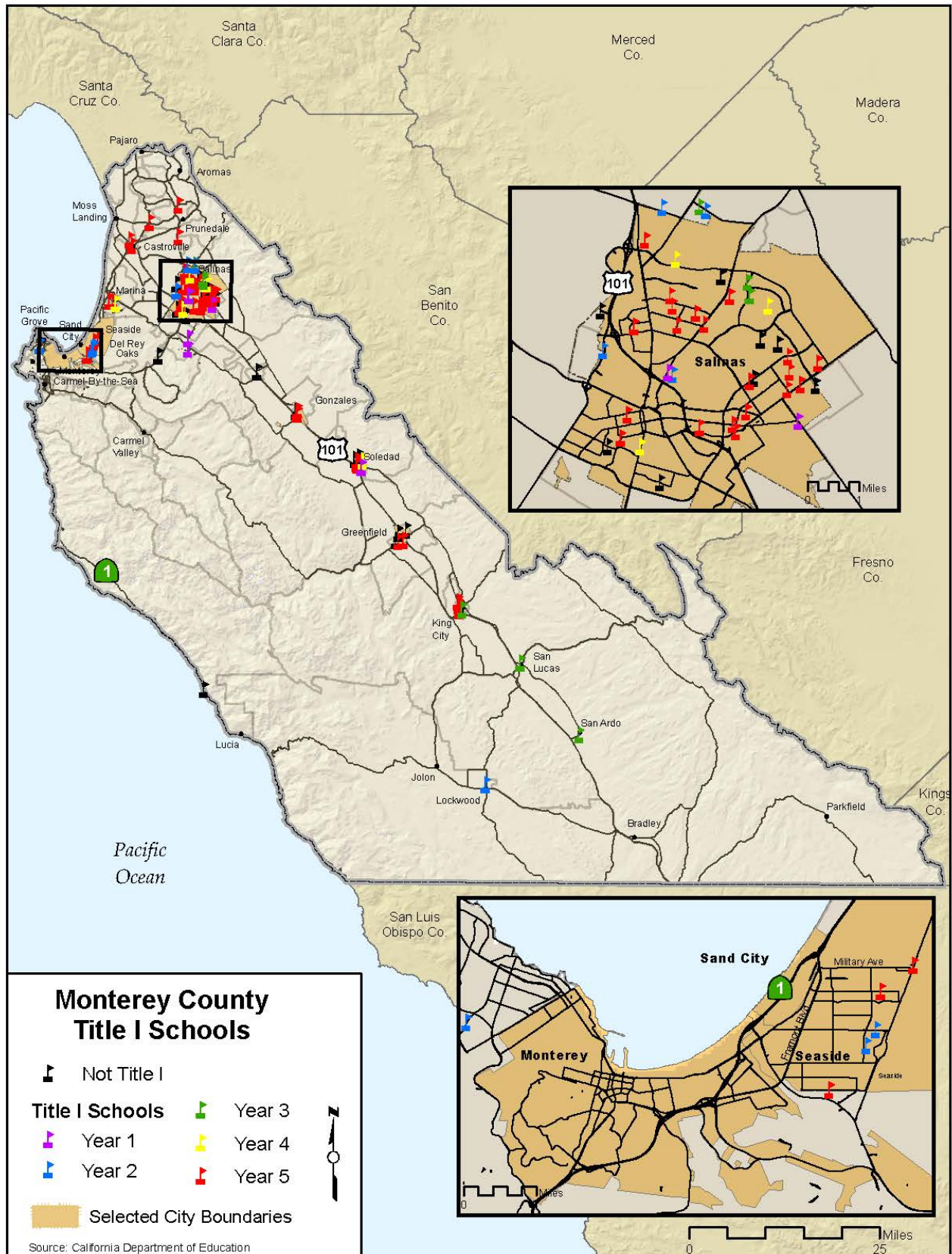
Source: State of California Employment Development Department, 2018.

3. Public Schools

The Monterey County Office of Education (MCOE) provides vital resources to support the County's 24 school districts, two community colleges, and state university. MCOE provides teacher, administrator, and instructional support services to improve teaching and learning in the classroom and increase achievement for all students.

As part of President Johnson's "War on Poverty," the Elementary and Secondary Education Act (ESEA) was passed in 1965. The act is an extensive statute that funds primary and secondary education, while emphasizing equal access to education and establishing high standards and accountability. A major component of ESEA is a series of programs typically referred to as "Title I." Title I programs distribute funding to schools and school districts with a high percentage of students from low income families. To qualify as a Title I school, a school typically must have around 40 percent or more of its students coming from families who are low income. The programs also give priority to schools that are in obvious needs of funds, low-achieving schools, and schools that demonstrate a commitment to improving their education standards and test scores. Figure 5 illustrates the location of Title I schools in Monterey County. Most of these schools are located in areas with minority concentrations. These areas generally correlate with the low and moderate income areas.

Figure 5: Title I Schools



4. Opportunity Indices

While the Federal Affirmatively Furthering Fair Housing (AFFH) Rule has been suspended, the data and mapping developed by HUD for the purpose of preparing the Assessment of Fair Housing (AFH) can still be useful in informing communities about segregation in their jurisdiction and region, as well as disparities in access to opportunity. This section presents the HUD-developed index scores based on nationally available data sources to assess County residents' access to key opportunity assets. Table 36 through Table 39 provide index scores or values (the values range from 0 to 100) for the following opportunity indicator indices:

- **Low Poverty Index:** The low poverty index captures poverty in a given neighborhood. The poverty rate is determined at the census tract level. *The higher the score, the less exposure to poverty in a neighborhood.*
- **School Proficiency Index:** The school proficiency index uses school-level data on the performance of 4th grade students on state exams to describe which neighborhoods have high-performing elementary schools nearby and which are near lower performing elementary schools. *The higher the score, the higher the school system quality is in a neighborhood.*
- **Labor Market Engagement Index:** The labor market engagement index provides a summary description of the relative intensity of labor market engagement and human capital in a neighborhood. This is based upon the level of employment, labor force participation, and educational attainment in a census tract. *The higher the score, the higher the labor force participation and human capital in a neighborhood.*
- **Transit Trips Index:** This index is based on estimates of transit trips taken by a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region (i.e. the Core-Based Statistical Area (CBSA)). *The higher the transit trips index, the more likely residents in that neighborhood utilize public transit.*
- **Low Transportation Cost Index:** This index is based on estimates of transportation costs for a family that meets the following description: a 3-person single-parent family with income at 50 percent of the median income for renters for the region/CBSA. *The higher the index, the lower the cost of transportation in that neighborhood.*
- **Jobs Proximity Index:** The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region/CBSA, with larger employment centers weighted more heavily. *The higher the index value, the better the access to employment opportunities for residents in a neighborhood.*
- **Environmental Health Index:** The environmental health index summarizes potential exposure to harmful toxins at a neighborhood level. The higher the index value, the less exposure to toxins harmful to human health. *Therefore, the higher the value, the better the environmental quality of a neighborhood, where a neighborhood is a census block-group.*

Using the countywide index scores as benchmarks, Monterey residents generally have better access to opportunities compared to residents in Salinas and Seaside, even to the County as a whole. Compared to other race groups countywide, Hispanic residents are more likely to be exposed to poverty, have less access to quality schools, lower labor participation rate, higher transportation costs, and higher exposure to environmental hazards.

Table 36: Opportunity Indicators, by Race/Ethnicity – County of Monterey

County of Monterey	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
Total Population							
White, Non-Hispanic	60.66	38.17	57.18	41.71	51.27	53.66	73.38
Black, Non-Hispanic	41.63	25.96	33.95	37.12	54.26	39.60	72.28
Hispanic	33.80	16.69	29.16	50.96	56.46	43.15	62.84
Asian or Pacific Islander, Non-Hispanic	50.60	27.73	47.01	48.03	56.78	46.87	69.32
Native American, Non-Hispanic	45.82	24.42	39.49	42.73	52.77	48.93	69.98
Population below federal poverty line							
White, Non-Hispanic	52.63	40.56	53.82	43.99	55.39	53.76	67.99
Black, Non-Hispanic	40.33	26.77	42.51	50.99	60.48	37.58	69.76
Hispanic	27.35	16.94	27.82	54.77	60.16	41.71	59.17
Asian or Pacific Islander, Non-Hispanic	47.94	30.88	50.15	51.96	62.12	50.16	61.49
Native American, Non-Hispanic	25.22	11.06	26.33	52.03	47.05	48.33	75.27

Note: American Community Survey Data are based on a sample and are subject to sampling variability.

Source: AFFHT Data Table 12; Note 1: Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Table 37: Opportunity Indicators, by Race/Ethnicity – City of Monterey

County of Monterey	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
Total Population							
White, Non-Hispanic	75.33	59.38	70.81	48.87	66.75	54.33	77.69
Black, Non-Hispanic	69.80	58.87	64.63	46.58	67.62	54.51	76.54
Hispanic	65.70	50.34	66.81	51.80	69.69	53.73	74.54
Asian or Pacific Islander, Non-Hispanic	71.56	57.39	71.50	52.35	68.81	54.78	75.93
Native American, Non-Hispanic	72.67	58.71	68.21	46.74	67.39	54.03	77.20
Population below federal poverty line							
White, Non-Hispanic	70.35	61.29	73.32	55.31	73.05	54.45	72.23
Black, Non-Hispanic	72.93	70.00	80.73	62.41	80.59	36.43	56.00
Hispanic	63.78	46.58	67.01	55.55	72.04	56.14	74.39
Asian or Pacific Islander, Non-Hispanic	73.29	60.68	75.02	56.89	73.17	50.28	75.08
Native American, Non-Hispanic	48.00	30.00	57.00	53.00	70.00	65.20	73.00

Note: American Community Survey Data are based on a sample and are subject to sampling variability.

Source: AFFHT Data Table 12; Note 1: Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Table 38: Opportunity Indicators, by Race/Ethnicity – City of Salinas

County of Monterey	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
Total Population							
White, Non-Hispanic	45.21	19.58	41.04	54.63	63.97	49.24	61.29
Black, Non-Hispanic	41.43	18.23	35.97	55.80	64.51	45.24	62.70
Hispanic	30.67	16.68	27.90	58.15	66.43	38.34	58.19
Asian or Pacific Islander, Non-Hispanic	46.66	20.35	39.38	53.77	61.25	44.08	65.64
Native American, Non-Hispanic	38.39	18.84	35.08	56.20	64.66	42.50	61.38
Population below federal poverty line							
White, Non-Hispanic	40.12	19.55	37.59	55.77	67.35	54.12	57.56
Black, Non-Hispanic	43.67	18.40	32.49	53.20	61.99	40.20	68.79
Hispanic	23.39	16.64	25.48	60.43	68.71	35.54	54.66
Asian or Pacific Islander, Non-Hispanic	34.73	14.10	30.89	53.07	65.77	54.97	55.36
Native American, Non-Hispanic	16.65	18.13	28.36	66.02	74.77	29.60	55.90

Note: American Community Survey Data are based on a sample and are subject to sampling variability.

Source: AFFHT Data Table 12; Note 1: Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Table 39: Opportunity Indicators, by Race/Ethnicity – City of Seaside

County of Monterey	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
Total Population							
White, Non-Hispanic	48.08	25.78	43.63	38.61	57.98	38.12	73.94
Black, Non-Hispanic	45.25	23.75	41.47	45.61	58.98	27.32	74.74
Hispanic	34.53	22.45	42.44	48.16	64.60	38.00	71.60
Asian or Pacific Islander, Non-Hispanic	44.07	22.83	40.16	43.74	59.76	38.76	74.10
Native American, Non-Hispanic	41.98	23.92	43.72	44.05	61.12	34.52	73.95
Population below federal poverty line							
White, Non-Hispanic	49.07	26.13	40.72	35.14	57.20	43.82	73.28
Black, Non-Hispanic	42.84	25.20	44.98	49.07	60.27	18.27	74.43
Hispanic	30.96	22.35	45.56	51.17	66.65	36.72	72.07
Asian or Pacific Islander, Non-Hispanic	37.91	21.41	45.75	50.50	63.22	27.25	75.25
Native American, Non-Hispanic	38.63	23.12	34.29	43.09	61.87	44.86	67.55

Note: American Community Survey Data are based on a sample and are subject to sampling variability.

Source: AFFHT Data Table 12; Note 1: Data Sources: Decennial Census; ACS; Great Schools; Common Core of Data; SABINS; LAI; LEHD; NATA

Chapter 4

Lending Practices

A key aspect of fair housing choice is equal access to credit for the purchase or improvement of a home, particularly in light of the recent tightening of lending/credit markets. This chapter reviews the lending practices of financial institutions and the access to financing for all households, particularly minority households and those with lower incomes. Lending patterns in lower and moderate income neighborhoods and areas of minority concentration are also examined. However, publicly available data on lending does not contain detailed information to make conclusive statements of discrimination, but can only point out potential areas of concerns. Furthermore, except for outreach and education efforts, a local jurisdiction's ability to influence lending practices is limited. Such practices are largely governed by national policies and regulations.

A. Background

1. Legislative Protection

The Community Reinvestment Act (CRA) in 1977 and the subsequent Home Mortgage Disclosure Act (HMDA) were designed to improve access to credit for all members of the community and hold the lender industry responsible for community lending.

Community Reinvestment Act and Home Mortgage Disclosure Act

The CRA is intended to encourage regulated financial institutions to help meet the credit needs of their entire communities, including lower- and moderate-income neighborhoods. Depending on the type of institution and total assets, a lender may be examined by different supervising agencies for its CRA performance. However, the CRA rating is an overall rating for an institution and does not provide insights regarding the lending performance at specific locations by the institution.

Home Mortgage Disclosure Act

In tandem with the CRA, the HMDA requires lending institutions to make annual public disclosures of their home mortgage lending activity. Under HMDA, lenders are required to disclose information on the disposition of home loan applications and on the race or national origin, gender, and annual income of loan applicants. HMDA data provide some insight into the lending patterns that exist in a community. However, HMDA data are only an indicator of potential problems; the data cannot be used to conclude definite redlining or discrimination practices due to the lack of detailed information on loan terms or specific reasons for denial.

Conventional versus Government-Backed Financing

Conventional financing involves market-rate loans provided by private lending institutions such as banks, mortgage companies, savings and loans, and thrift institutions. To assist lower and moderate income households that may have difficulty in obtaining home mortgage financing in the private market, due to income and equity issues, several government agencies offer loan products that have

below market rate interests and are insured (“backed”) by the agencies. Sources of government-backed financing include loans insured by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), California Housing Finance Agency (CalHFA), and the Rural Housing Services/Farm Service Agency (RHA/FSA). Often, government-backed loans are offered to the consumers through private lending institutions. Local programs such as first-time homebuyer and rehabilitation programs are not subject to HMDA reporting requirements.

Financial Stability Act

The Financial Stability Act of 2009 established the Making Home Affordable Program, which assists eligible homeowners who can no longer afford their home with mortgage loan modifications and other options, including short sale or deed-in-lieu of foreclosure. The program is targeted toward homeowners facing foreclosure and homeowners who are unemployed or “underwater” (i.e., homeowners who owe more on their mortgage than their home is worth).

Helping Families Save Their Homes Act

The Helping Families Save Their Homes Act was passed by Congress in May 2009 and expands the Making Home Affordable Program. This Act includes provisions to make mortgage assistance and foreclosure prevention services more accessible to homeowners and increases protections for renters living in foreclosed homes. It also establishes the right of a homeowner to know who owns their mortgage and provides over two billion dollars in funds to address homelessness. Under this bill, tenants also have the right to stay in their homes after foreclosure for 90 days or through the term of their lease.

Fraud Enforcement and Recovery Act

The Fraud Enforcement and Recovery Act (FERA) enhances the criminal enforcement of federal fraud laws by strengthening the capacity of federal prosecutors and regulators to hold accountable those who have committed fraud. FERA amends the definition of a financial institution to include private mortgage brokers and non-bank lenders that are not directly regulated or insured by the federal government, making them liable under federal bank fraud criminal statutes. The law also makes it illegal to make a materially false statement or to willfully overvalue a property in order to manipulate the mortgage lending business.

B. Overall Lending Patterns

1. Data and Methodology

The availability of financing affects a person’s ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This applies to all loan applications for home purchases, improvements and refinancing.

HMDA data are submitted by lending institutions to the FFIEC. Certain data is available to the public via the FFIEC site either in raw data format or as pre-set printed reports. The analyses of HMDA data presented in this AI were conducted using Lending Patterns™. Lending Patterns is a web-based data exploration tool that analyzes lending records to produce reports on various aspects

of mortgage lending. It analyzes HMDA data to assess market share, approval rates, denial rates, low/moderate income lending, and high-cost lending, among other aspects.

2. Summary of Loan Disposition

Table 40 summarizes the disposition of loan applications submitted to financial institutions in 2017 (the most recent HMDA data available) for home purchase, refinance, and home improvement loans in Monterey County. Approval rates in the County varied by community in 2017 and ranged from 54 percent in Greenfield to 64 percent in Monterey. Countywide, approximately 62 percent of all loan applications were approved and 16 percent were denied. About 22 percent of applications were withdrawn or closed for incompleteness.

Table 40: Disposition of Home Loans (2017)				
Loan Type	Total Applicants	Percent Approved	Percent Denied	Percent Other
Del Rey Oaks				
Government-Backed Purchase	4	50.0%	0.0%	50.0%
Conventional Purchase	16	87.5%	0.0%	12.5%
Refinance	47	63.8%	12.8%	23.4%
Home Improvement	7	57.1%	14.3%	28.6%
Total	74	67.6%	9.5%	23.0%
Greenfield				
Government-Backed Purchase	11	100.0%	--	--
Conventional Purchase	18	72.2%	16.7%	11.1%
Refinance	185	48.6%	22.2%	29.2%
Home Improvement	14	64.3%	14.3%	21.4%
Total	228	53.9%	20.2%	25.9%
Gonzales				
Government-Backed Purchase	29	75.9%	17.2%	6.9%
Conventional Purchase	17	64.7%	23.5%	11.8%
Refinance	43	44.2%	30.2%	25.6%
Home Improvement	5	--	80.0%	20.0%
Total	94	55.3%	27.7%	17.0%
Monterey				
Government-Backed Purchase	49	65.3%	12.2%	22.4%
Conventional Purchase	422	73.2%	7.8%	19.0%
Refinance	599	57.3%	18.9%	23.9%
Home Improvement	70	70.0%	15.7%	14.3%
Total	1,140	64.3%	14.3%	21.4%
Salinas				
Government-Backed Purchase	512	71.9%	13.1%	15.0%
Conventional Purchase	664	70.5%	12.0%	17.5%
Refinance	2,705	57.0%	17.3%	25.7%
Home Improvement	239	51.0%	30.5%	18.4%

Table 40: Disposition of Home Loans (2017)

Loan Type	Total Applicants	Percent Approved	Percent Denied	Percent Other
Total	4,120	60.7%	16.7%	22.6%
Sand City				
Government-Backed Purchase	6	66.7%	16.7%	16.7%
Conventional Purchase	18	61.1%	16.7%	22.2%
Refinance	44	50.0%	25.0%	25.0%
Home Improvement	2	100.0%	--	--
Total	70	55.7%	21.4%	22.9%
Seaside				
Government-Backed Purchase	133	75.2%	6.0%	18.8%
Conventional Purchase	400	75.8%	7.3%	17.0%
Refinance	645	53.5%	19.4%	27.1%
Home Improvement	75	58.7%	18.7%	22.7%
Total	1,253	63.2%	14.0%	22.7%
Monterey County				
Government-Backed Purchase	1,285	72.4%	10.6%	17.0%
Conventional Purchase	3,186	72.0%	10.8%	17.3%
Refinance	7,627	56.1%	18.4%	25.6%
Home Improvement	769	56.8%	23.8%	19.4%
Total	12,867	61.7%	16.0%	22.3%

Source: www.lendingpatterns.com, 2018.

Home Purchase Loans

In Monterey County, 3,186 households applied for conventional home loans in 2017. In general, home purchase loan applications had higher approval rates than other types of residential lending such as refinancing and home improvements. Government-backed home purchase loans also had higher approval rates than conventional loans in most cases, except in Monterey. Among the 1,285 applications for government-backed home purchased loans in the County, 72 percent were approved. In 2017, government-backed purchase loan applications comprised ten percent of all loan applications in the County.

Home Improvement Loans

Historically, home improvement loan applications have a higher rate of denial when compared to home purchase loans. Part of the reason is that an applicant's debt-to-income ratio may exceed underwriting guidelines when the first mortgage is considered with consumer credit balances. Another reason is that many lenders use the home improvement category to report both second mortgages and equity-based lines of credit, even if the applicant's intent is to do something other than improve the home (e.g., pay for a wedding or college). Loans that will not be used to improve the home are viewed less favorably since the owner is divesting in the property by withdrawing accumulated wealth. From a lender's point of view, the reduction in owner's equity represents a higher risk. As shown in Table 40, comparatively few applicants for home improvement loans were filed (about ten to 15 percent of home purchase loans), and the approval rates were generally lower

than home purchase loans. Specifically Salinas and Gonzales had lower approval rates than the countywide average.

Refinancing

Homebuyers will often refinance existing home loans for a number of reasons. Refinancing can allow homebuyers to take advantage of better interest rates, consolidate multiple debts into one loan, reduce monthly payments, alter risk (i.e. by switching from variable rate to fixed rate loans), or free up cash and capital. As shown in Table 40, applications for refinancing represented the most frequent type of financing needed. Approval rates for refinancing were also generally low, around 50 to 65 percent. Seaside, Gonzales, and Greenfield had lower approval rates than countywide average.

C. Lending Patterns by Race/Ethnicity and Income

The federal Fair Housing Act prohibits discrimination in mortgage lending based on race, color, national origin, religion, sex, familial status or handicap (disability). It is, therefore, important to look not just at overall approval and denial rates for a jurisdiction, but also whether or not these rates vary by other factors, such as race/ethnicity.

The applicant pool for mortgage lending should be reflective of the demographics of a municipality. When one racial/ethnic group is overrepresented or underrepresented in the total applicant pool, it could be an indicator of a possible fair housing issue. Such a finding may be a sign that access to mortgage lending is not equal for all individuals. As shown in Table 41, White applicants were overrepresented in the applicant pools in Monterey County, whereas Hispanic applicants were significantly underrepresented.

	Percent of Applicant Pool	Percent of Total Population	Variation (Percentage Points)
White	42.3%	32.9%	+9.4%
Black	1.5%	2.7%	-1.2%
Hispanic	33.2%	55.4%	-22.2%
Asian	5.9%	6.2%	-0.3%

Source: www.lendingpatterns.com, 2018.

In addition to looking at whether access to lending is equal, it is important to analyze lending outcomes for any signs of potential discrimination by race/ethnicity. As discussed above, approval rates for loans generally increased as household income increased; however, lending outcomes should not vary significantly by race/ethnicity among applicants of the same income level.

Table 42 below summarizes lending outcomes by race/ethnicity and income in Monterey County. In general, approval rate increased as income of the applicant increased for White and Hispanic applicants. For two other minority groups – Asians and Blacks – approval rate was higher at the low income level than at the moderate income level. A number of factors may explain this pattern - limited loan applications from Black and Asian households means that the results may not be representative; and low income households may be purchasing/refinancing much smaller/less expensive homes.

In comparison, the disparities appeared to be more exaggerated statewide. For example, in California, the approval rate for upper income Asians (66 percent) was almost ten percentage points higher than Hispanic applicants in the same income level (57 percent).

Table 42: Lending Patterns by Race/Ethnicity and Income – Monterey County (2017)			
	Approved	Denied	Withdrawn/ Incomplete
White			
Low (0-49% AMI)	37.6%	35.2%	27.2%
Moderate (50-79% AMI)	46.4%	30.7%	22.9%
Middle (80-119% AMI)	62.0%	16.3%	21.7%
Upper (≥120% AMI)	68.1%	11.3%	20.5%
Black			
Low (0-49% AMI)	50.0%	50.0%	0.0%
Moderate (50-79% AMI)	36.4%	36.4%	27.3%
Middle (80-119% AMI)	36.4%	36.4%	27.3%
Upper (≥120% AMI)	65.9%	15.4%	18.7%
Hispanic			
Low (0-49% AMI)	35.1%	41.1%	23.8%
Moderate (50-79% AMI)	49.3%	25.9%	24.8%
Middle (80-119% AMI)	61.1%	17.2%	21.8%
Upper (≥120% AMI)	63.7%	16.0%	20.4%
Asian			
Low (0-49% AMI)	52.9%	17.6%	29.4%
Moderate (50-79% AMI)	37.5%	34.4%	28.1%
Middle (80-119% AMI)	63.3%	10.0%	26.7%
Upper (≥120% AMI)	64.3%	13.2%	22.4%

Source: www.lendingpatterns.com, 2018.

D. Lending Patterns by Census Tract Characteristics

To identify potential geographic differences in mortgage lending activities, an analysis of the HMDA data was conducted by census tract. Based on the Census, HMDA classifies census tracts by the following income levels:⁵

- Low Income Tract – Tract Median Income ≤ 49 percent AMI
- Moderate Income Tract – Tract Median Income between 50 and 79 percent AMI
- Middle Income Tract – Tract Median Income between 80 and 119 percent AMI
- Upper Income Tract – Tract Median Income ≥120 percent AMI

⁵ These income definitions are different from those used by HUD to determine Low and Moderate Income Areas.

In addition, HMDA also classifies census tracts by percentage of minority (non-White) population:

- Substantially Minority – Tract with more than 50 percent non-White population
- Not Substantially Minority – Tract with less than 50 percent non-White population

Table 43 summarizes the countywide loan approval and denial rates by census tract income level and minority status in 2017. As shown, the majority of the loan applications were made in upper income census tracts and the approval rate increased as the tract income level increased. Given racial/ethnic composition of County residents, 63 percent of the loan applications were made in census tracts that are considered substantially minority. Approval rate was also slightly higher in tracts that are not substantially minority. Combined, tracts that are not low and moderate income and/or not substantially minority had a slightly better chance of getting loan approvals.

Table 43: Outcomes Based on Census Tract Income – Monterey County (2017)								
	Total Applicants		Approved		Denied		Other	
	#	%	#	%	#	%	#	%
Tract Income Level								
Low	126	1.0%	66	52.4%	28	22.2%	32	25.4%
Moderate	2,092	16.3%	1,214	58.0%	378	18.1%	500	23.9%
Middle	4,777	37.1%	2,971	62.2%	765	16.0%	1,041	21.8%
Upper	5,840	45.4%	3,674	62.9%	884	15.1%	1,282	22.0%
NA	32	0.3%	11	34.4%	8	25.0%	13	40.6%
Minority Concentration								
Substantially Minority	8,106	63.0%	4,884	60.3%	1,376	17.0%	1,846	22.8%
Not Substantially Minority	4,733	36.8%	3,044	64.3%	680	14.4%	1,009	21.3%
Combined Characteristics								
Low/Moderate Income and/or Substantially Minority	8,106	63.0%	4,884	60.3%	1,376	17.0%	1,846	22.8%
All Other Census Tracts	4,761	37.0%	3,052	64.1%	687	14.4%	1,022	21.5%
Total	12,867	100.0%	7,936	61.7%	2,063	16.0%	2,868	22.3%

Source: www.lendingpatterns.com, 2018.

E. Major Lenders

Table 44 summarizes the top ten lenders in Monterey County in 2017, as well as their underwriting outcomes. These ten lenders received a combined 40 percent market share. Wells Fargo was the clear top lender in the County, with its share being doubled that of the second lender Quicken Loans.

Loan approval rates varied significantly among the top lenders. Approval rate for Wells Fargo was on par with the countywide average. However, Nationstar (now dba Mr. Cooper), the fourth top lender in terms of applications received, approved only 24 percent of the applicants. On the other end of the spectrum was American Pacific Mortgage, which approved 81 percent of the applicants. Such a range of discrepancies may be a reason for concern if these lenders targeted specific populations. As shown in Table 45, the primary clientele for Bay Equity and Finance of America Mortgage in 2017 was Hispanic applicants. Of the 243 loan applications received by Bay Equity in

2017, 82 percent were from Hispanic applicants. Similarly, over 70 percent of the loan applications received by Finance of America Mortgage were from Hispanic applicants. For Asian applicants, Bank of America and Caliber Home Loans were the top lenders. Caliber Home Loans and Nationstar Mortgage had the highest percentage of loan applications from Black applicants. However, Nationstar also had the lowest loan approval rates among the top lenders.

Table 44: Top Lenders – Monterey County (2017)				
	Overall Market Share	Approved	Denied	Withdrawn or Closed
Wells Fargo Bank	10.1%	57.3%	24.5%	18.2%
Quicken Loans, Inc.	5.1%	68.4%	24.7%	6.9%
Finance of America Mortgage	4.5%	74.2%	6.4%	19.4%
Nationstar Mortgage	3.9%	24.0%	17.4%	58.7%
JP Morgan Chase Bank	3.8%	66.3%	17.3%	16.5%
Bank of America	3.1%	66.8%	16.1%	17.1%
Shore Mortgage	3.0%	78.5%	7.8%	13.7%
Summit Funding	2.5%	70.1%	4.3%	25.6%
American Financial Network	2.2%	63.2%	1.8%	35.1%
American Pacific Mortgage	2.2%	81.0%	6.0%	13.0%
Other Lenders	59.6%	55.0%	16.2%	28.7%
All Lenders	100.0%	58.2%	16.0%	25.7%

Source: www.lendingpatterns.com, 2018.

Table 45: Top Lenders by Race/Ethnicity of Applicant – Monterey County (2017)					
Black		Hispanic		Asian	
Lender	% of Total Applicants	Lender	% of Total Applicants	Lender	% of Total Applicants
Caliber Home Loans	3.3%	Bay Equity	81.9%	Bank of America	8.9%
Nationstar Mortgage	2.4%	Finance of America Mortgage	70.4%	Caliber Home Loans	8.6%
Paramount Equity Mortgage	2.2%	Shore Mortgage	47.4%	Loandepot.com	6.6%
American Financial Network	1.8%	Nationstar Mortgage	40.3%	Nationstar Mortgage	6.4%
JP Morgan Chase Bank	1.6%	Wells Fargo Bank	39.2%	Summit Funding	5.9%
Bay Equity	1.6%	Caliber Home Loans	36.4%	Wells Fargo Bank	5.6%
Loandepot,cin	1.6%	American Financial Network	35.1%	JP Morgan Chase Bank	4.9%
Summit Funding	1.5%	JP Morgan Chase Bank	31.1%	American Financial Network	4.9%
Shore Mortgage	1.3%	Paramount Equity Mortgage	30.2%	Quicken Loans	4.8%
RMR Financial	1.3%	American Pacific Mortgage	29.2%	Shore Mortgage	4.1%

Source: www.lendingpatterns.com, 2018.

F. Subprime Lending

According to the Federal Reserve, “prime” mortgages are offered to persons with excellent credit and employment history and income adequate to support the loan amount. “Subprime” loans are loans to borrowers who have less-than-perfect credit history, poor employment history, or other factors such as limited income. By providing loans to those who do not meet the critical standards for borrowers in the prime market, subprime lending can and does serve a critical role in increasing levels of homeownership. Households that are interested in buying a home but have blemishes in their credit record, insufficient credit history, or non-traditional income sources, may be otherwise unable to purchase a home. The subprime loan market offers these borrowers opportunities to obtain loans that they would be unable to realize in the prime loan market.

Subprime lenders generally offer interest rates that are higher than those in the prime market and often lack the regulatory oversight required for prime lenders because they are not owned by regulated financial institutions. In the recent past, however, many large and well-known banks became involved in the subprime market either through acquisitions of other firms or by initiating subprime loans directly. Though the subprime market usually follows the same guiding principles as the prime market, a number of specific risk factors are associated with this market.

Subprime lending can both impede and extend fair housing choice. On the one hand, subprime loans extend credit to borrowers who potentially could not otherwise finance housing. The increased access to credit by previously underserved consumers and communities contributed to record high levels of homeownership among minorities and lower income groups. On the other hand, these loans left many lower income and minority borrowers exposed to default and foreclosure risk. Since foreclosures destabilize neighborhoods and subprime borrowers are often from lower income and minority areas, mounting evidence suggests that classes protected by fair housing faced the brunt of the recent subprime and mortgage lending market collapse.⁶

While HMDA data does not classify loans as subprime, it does track the interest rate spread on loans. An interest rate spread refers to the difference between two related interest rates. For HMDA data, spread specifically refers to the difference between the annual percentage rate (APR) for a loan and the yield on a comparable-maturity Treasury security.

	Frequency of Spread		Average Spread	
	2011	2017	2011	2017
White	1.17%	2.32%	2.58%	2.67%
Black	4.17%	1.90%	4.20%	1.96%
Hispanic	2.23%	5.05%	2.84%	2.14%
Asian	0.64%	2.41%	2.61%	3.04%

Source: www.lendingpatterns.com, 2018.

⁶ Association of Community Organizations for Reform Now. September 2007. “Foreclosure Exposure: A Study of Racial and Income Disparities in Home Mortgage Lending in 172 American Cities.”

As shown in Table 46, the frequency of loans with reported spread increased significantly between 2011 and 2017 for all groups except for Blacks. However, the number of loan applications filed by Black households was limited. Specifically, in 2011, 2.23 percent of the loan applications by Hispanic applicants were offered subprime loan. In 2017, the proportion increased to 5.05 percent, more than doubled. The magnitude of the spread increased for Whites and Asians, but decreased significantly for Hispanics. Therefore, while more Hispanics were being offered subprime loans, the rate differences were narrower than in 2011.

Chapter 5

Public Policies

Public policies established at the federal, state, and local levels can affect housing development and therefore may have an impact on the range and location of housing choices available to residents. Fair housing laws are designed to encourage an inclusive living environment and active community participation. An assessment of public policies and practices enacted by jurisdictions within the Collaborating Entities can help determine potential impediments to fair housing opportunity. This section presents an overview of government regulations, policies, and practices enacted by each of the jurisdictions that may impact fair housing choice.

The General Plan of a jurisdiction establishes a vision for the community and provides long-range goals and policies to guide the development in achieving that vision. Two of the seven State-mandated General Plan elements – Housing and Land Use Elements – have direct impact on the local housing market in terms of the amount and range of housing choice. The Zoning Ordinance, which implements the Land Use Element, is another important document that influences the amount and type of housing available in a community – the availability of housing choice.

A. Housing Element Law and Compliance

As one of the State-mandated elements of the local General Plan, the Housing Element is the only element with specific statutory requirements and is subject to review by the State Department of Housing and Community Development (HCD) for compliance with State law. Housing Element law requires that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law acknowledges that, for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. Specifically, the Housing Element must:

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

Compliance Status

A Housing Element found by HCD to be in compliance with State law is presumed to have adequately addressed its policy constraints. According to HCD, as of January 2019, the Housing Element compliance status among Monterey County jurisdictions is as follows:

In Compliance

Carmel-by-the Sea
Gonzales
Greenfield
King City
Monterey
Pacific Grove
Salinas
Sand City
Soledad
Monterey County

Out of Compliance

Del Rey Oaks
Marina
Seaside

The City of Seaside updated the Housing Element as part of the comprehensive General Plan update. The HCD-reviewed Draft Housing Element received a Finding of Substantial Compliance from HCD in December 2017, pending adoption of the Housing Element. However, adoption of the General Plan has been delayed due to the environmental clearance process, subsequently delaying the adoption of the Housing Element. As of February 2019, Seaside has initiated a process to pursue adoption of the Seaside Housing Element independent of the overall General Plan process. The City of Del Rey Oaks has not yet submitted a draft Housing Element for the fifth cycle update for HCD review.

It should be noted that the cities of Carmel, King, Marina, Pacific Grove, and Soledad are not Collaborating Entities of this Regional AI. These are small communities not eligible as Entitlement Jurisdictions to receive funding directly from HUD and do not participate in the Urban County program.

B. Land Use Element

The Land Use Element of a General Plan designates the general distribution, location, and extent of uses for land planned for housing, business, industry, open space, and public or community facilities. As it applies to housing, the Land Use Element establishes a range of residential land use categories, specifies densities (typically expressed as dwelling units per acre [du/ac]), and suggests the types of housing appropriate in a community. Residential development is implemented through the zoning districts and development standards specified in the jurisdiction's zoning ordinance.

Residential Densities

A number of factors, governmental and non-governmental, affect the supply and cost of housing in a local housing market. The governmental factor that most directly influences these market conditions is the allowable density range of residentially designated land. In general, higher densities allow developers to take advantage of economies of scale, reduce the per-unit cost of land and improvements, and reduce developments costs associated with new housing construction.

Reasonable density standards ensure the opportunity for higher-density residential uses to be developed within a community, increasing the feasibility of producing affordable housing. Minimum required densities in multi-family zones ensure that land zoned for multi-family use, the supply of which is often limited, will be developed as efficiently as possible for multi-family uses.

Table 47 presents a summary of allowable densities by land use type within the Collaborating Entities. All communities offer a range of residential densities that allow single-family and multi-family housing. Salinas and Seaside, through specific plans and mixed use zoning, offer the highest residential densities of over 50 units per acre.

Table 47: Typical Land Use Categories & Permitted Density by Jurisdiction

Generalized Land Use (By Density)	Density Range (du/ac)	Typical Residential Type	Monterey	Salinas	Seaside	Del Rey Oaks	Gonzales	Greenfield	Sand City	County
Single-family										
Low	<3.1	Single-family homes on large lots	■	---	■	■	■	■	■	■
Medium	3.1-6.0	Single-family homes on medium-sized lots	■	■	■	■	■	■	■	■
High	6.1-14.0	Smaller single-family homes	■	■	■	■	■	■	■	■
Multiple-family										
Low	6.1-16.0	Town homes, duplexes, condominiums, and small single-story apartments	■	■	■	■	■	■	■	■
Medium	16.1-20.0	One and two-story apartment complexes	■	■	■	*	■	■	■	■
High	20.1-30.0	Two and three-story apartment complexes	■	■	■		■	---	■	■

Note: This table represents a summary of typical land use categories, as defined by density. These categories are not necessarily representative of a specific jurisdiction's General Plan Land Use categories. Instead, they are meant to provide an overview of the type of land uses and densities permitted in that jurisdiction. The squares identify a jurisdiction as supporting land use densities within the identified range (according to the General Plan's Land Use Element). However, a jurisdiction's land use category might not include all the densities listed in that range. For example, the "NR High" land use sub-designation in the City of Gonzales supports densities between 15 and 24 du/ac, so the Multiple-family Low, Medium, and High categories are checked since the range covers all three categories.

*Zoning Ordinance allows up to 18 du/ac in the "D" zone with CUP.

Sources:

City of Monterey General Plan, 2005

City of Salinas General Plan, 2002

City of Seaside General Plan, 2003

City of Del Rey Oaks General Plan Land Use Element, 1997

City of Gonzales General Plan Land Use Element, 2011.

City of Greenfield General Plan, 2005

City of Sand City General Plan, 2002

County of Monterey General Plan Land Use Element, 2010.

C. Zoning Ordinance

The Zoning Ordinance implements the General Plan by establishing zoning districts that correspond with General Plan land use designations. Development standards and permitted uses in each zoning district are specified to govern the density, type, and design of different land uses for the protection of public health, safety, and welfare (Government Code, Sections 65800-65863). Several aspects of the Zoning Ordinance that may affect a person's access to housing or limit the range of housing choices available are described below.

As part of the Housing Element update, jurisdictions are required to evaluate their land use policies, zoning provisions, and development regulations, and make proactive efforts to mitigate any constraints identified. The following review is based on the current Zoning Ordinances as of the writing of this AI (see Table 48).

Accessory Dwelling Units (ADU)

In recent years, State law on accessory dwelling units (formerly known as secondary units) has gone through major changes. Most communities have not revised their Zoning Codes to reflect the new State law. The existing second unit ordinances have become null and void in 2017. Communities either adopt their own ordinance in compliance with new State law, or State law preempts local ordinances. Among the Collaborating Entities, only Monterey, Sand City, and Salinas had adopted an ADU ordinance and submitted for HCD review as required.

Definition of Family

A community's Zoning Ordinance can potentially restrict access to housing for households failing to qualify as a "family" by the definition specified in the Zoning Ordinance. For instance, a landlord may refuse to rent to a "nontraditional" family based on the zoning definition of a family. A landlord may also use the definition of a family as an excuse for refusing to rent to a household based on other hidden reasons, such as household size. Even if the code provides a broad definition, deciding what constitutes a "family" should be avoided by jurisdictions to prevent confusion or give the impression of restrictiveness.

California court cases⁷ have ruled that a definition of "family" that: 1) limits the number of persons in a family; 2) specifies how members of the family are related (i.e. by blood, marriage or adoption, etc.), or 3) a group of not more than a certain number of unrelated persons as a single housekeeping unit, is invalid. Court rulings stated that defining a family does not serve any legitimate or useful objective or purpose recognized under the zoning and land planning powers of the jurisdiction, and therefore violates rights of privacy under the California Constitution. A Zoning Ordinance also cannot regulate residency by discrimination between biologically related and unrelated persons. Furthermore, a zoning provision cannot regulate or enforce the number of persons constituting a family. All the Collaborating Entities, except for Del Rey Oaks, either do not have a definition of family in their Zoning Code or the definition is inclusive and does not serve to impede housing choice.

⁷ City of Santa Barbara v. Adamson (1980), City of Chula Vista v. Pagard (1981), among others.

Residential Care Facilities

The Lanterman Developmental Disabilities Services Act (Sections 5115 and 5116 of the California Welfare and Institutions Code) declares that mentally and physically disabled persons are entitled to live in normal residential surroundings and that the use of property for the care of six or fewer disabled persons is a residential use for zoning purposes. A state-authorized, certified, or licensed family care home, foster home, or group home serving six or fewer persons with disabilities or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards on these homes (commonly referred to as “group” homes) of six or fewer persons with disabilities than are required of the other permitted residential uses in the zone. The Lanterman Act covers only licensed residential care facilities. Del Rey Oaks does not have provisions for residential care facilities of any size in its Zoning Ordinance. The Gonzales Housing Element and Seaside Housing Element indicate that zoning amendments would be required to make provisions for residential care facilities. Such amendments have not been completed.

Emergency Shelters

An emergency shelter provides housing with minimal supportive services for homeless persons and is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay (Health and Safety Code Section 50801[e]). State law requires jurisdictions to identify adequate sites for housing which will be made available through appropriate zoning and development standards to facilitate and encourage the development of a variety of housing types for all income levels, including emergency shelters and transitional housing (Government Code Section 65583[c][1]). Changes to State law (SB 2) in 2008, require that local jurisdictions make provisions in the zoning code to permit emergency shelters by right and with a ministerial approval process in at least one zoning district where adequate capacity is available to accommodate at least one year-round shelter. Local jurisdictions however, may establish limited and objective standards to regulate the development of emergency shelters.

All Collaborating Entities, except for Del Rey Oaks, have completed the zoning revisions necessary to permit emergency shelters for the homeless by right in at least one zone. However, the County’s ordinance includes a distance requirement – within 2,500 feet of an existing transit station – that is not allowed under State law. While the distance requirement was established with good intentions, State law allows only one distance requirement for the siting of emergency shelters for the homeless – a 300-foot separation from another similar facility.

Transitional and Supportive Housing

State law (SB 2) requires local jurisdictions to address the provisions for transitional and supportive housing. Under Housing Element law, transitional housing means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance (California Government Code Section 65582(h)).

Supportive housing means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her

ability to live and, when possible, work in the community. Target population means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people (California Government Code Sections 65582(f) and (g)).

Pursuant to SB 2, transitional and supportive housing constitutes a residential use and therefore local governments cannot treat it differently from other types of residential uses (e.g., requiring a use permit when other residential uses of similar function do not require a use permit). The County of Monterey and Gonzales allows transitional and supportive housing by right in residential zones, subject to the same development standards and permitting processes as other residential uses; however, the County of Monterey and City of Gonzales do not allow transitional or supportive housing in its agriculture zones, where single-family housing is allowed. Del Rey Oaks, Seaside and Sand City have yet to amend the Zoning Codes to address the provision of transitional and supportive housing.

Single-Room Occupancy (SRO)

AB 2634 amending the State Housing Element law also mandates that local jurisdictions address the provision of housing options for Extremely Low income households. SRO units are small, one-room units intended for occupancy by a single individual. California HCD considers SRO units to be a suitable housing type to meet the needs of Extremely Low income individuals. It is distinct from a studio or efficiency unit in that each is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other. SRO units are one of the most traditional forms of affordable private housing for lower income individuals, including seniors and persons with disabilities. These protected classes are required to have suitable housing options and SROs provide these options. Del Rey Oaks, Seaside, Greenfield, and Sand City have yet to amend the Zoning Codes to address the provision of SRO housing.

Farm Employee Housing

The California Employee Housing Act requires that housing for six or fewer employees be treated as a regular residential use. The Employee Housing Act further defines housing for agricultural workers consisting of 36 beds or 12 units as an accessory agricultural use in agricultural zones, subject to the same permit process as the primary agricultural use.

Currently, Del Rey Oaks and Gonzales do not have provisions in the Zoning Code that treat housing for six or fewer employees as a regular residential use. Gonzales also allows commercial agricultural operations; however, its Zoning Code does not treat farm employee housing consistent with the Employee Housing Act. Monterey and Greenfield do not have provisions for employee housing or farm employee housing in the Zoning Codes. Del Rey Oaks does not allow commercial agriculture operations and therefore does not require provisions for farm employee housing. Seaside's Zoning Code addresses farmworker housing but not employee housing.

Reasonable Accommodation

Under State and federal law, local governments are required to “reasonably accommodate” housing for persons with disabilities when exercising planning and zoning powers. Jurisdictions must grant variances and zoning changes if necessary to make new construction or rehabilitation of housing for persons with disabilities feasible but are not required to fundamentally alter their Zoning Ordinance.

Although most local governments are aware of State and Federal requirements to allow reasonable accommodations, if specific policies or procedures are not adopted by a jurisdiction or a jurisdiction requires a public hearing or discretionary decision, residents with disabilities may be unintentionally displaced or discriminated against. Del Rey Oaks, Seaside and Greenfield have yet to establish specific policies for reasonable accommodation.

Table 48: Zoning Provisions for Special Needs Housing								
	Monterey	Salinas	Seaside	Del Rey Oaks	Greenfield	Gonzales	Sand City	County
Accessory Dwelling Unit	✓	✓	*	*	*	*	✓	*
Definition of Family	✓	✓	✓	*	✓	✓	✓	✓
Emergency Shelters	✓	✓	✓	*	✓	✓	✓	*
Transitional Housing	✓	✓	*	*	✓	*	*	*
Supportive Housing	✓	✓	*	*	✓	*	*	*
Residential Care Facilities	✓	✓	*	*	✓	*	✓	✓
Single Room Occupancy	✓	✓	*	*	*	✓	*	✓
Farmworker Housing	*	✓	✓	*	*	*	✓	✓
Employee Housing	*	✓	*	*	*	*	✓	✓
Reasonable Accommodation	✓	✓	*	*	*	✓	✓	✓

✓ = Compliant with laws

* = Potential issues or not addressed in Zoning

Chapter 6

Fair Housing Profile

This chapter provides an overview of the institutional structure of the housing industry with regard to fair housing practices. In addition, this chapter discusses the fair housing services available to residents in the County, as well as the nature and extent of fair housing complaints received by the fair housing provider(s). Typically, fair housing services encompass the investigation and resolution of housing discrimination complaints, discrimination auditing/testing, and education and outreach, including the dissemination of fair housing information. Tenant/landlord counseling services are usually offered by fair housing service providers but are not considered fair housing services.

A. Fair Housing Practices in the Homeownership Market

Part of the American dream involves owning a home in the neighborhood of one's choice. Not all Americans, however, have always enjoyed equal access to homeownership due to credit market distortions, “redlining,” steering, and predatory lending practices.

1. The Homeownership Process

The following discussions describe the process of homebuying and likely situations when a person/household may encounter housing discrimination. However, much of this process occurs in the private housing market over which local jurisdictions have little control or authority to regulate. The recourse lies in the ability of the contracted fair housing service providers in monitoring these activities, identifying the perpetrators, and taking appropriate reconciliation or legal actions.

Advertising

The first thing a potential buyer is likely to do when they consider buying a home is search advertisements either in magazines, newspapers, or the Internet to get a feel for what the market offers. Advertisements cannot include discriminatory references such as the use of words describing:

- Current or potential residents;
- Neighbors or the neighborhood in racial or ethnic terms;
- Adults preferred (except for senior or active adult living);
- Perfect for empty nesters;
- Conveniently located by a Catholic Church; or
- Ideal for married couples without kids.

In November 2018, approximately, 1,400 homes were listed on for sale in Monterey County on Realtro.com. A random sample of 127 listings were reviewed, and 16 listings included references to something other than the physical description of the available home and amenities and services

included (Table 49). Fifteen of the advertisements were targeted specifically at families, one ad was targeted toward someone with a particular income level.

Table 49: Potentially Discriminatory Language in Listings of For-Sale Homes		
Discrimination Type	Number of Listings	Potentially Discriminatory Language*
No Discriminatory Language	111	n/a
Income Related	1	<ul style="list-style-type: none"> • For the executive who wants a quality living space or anybody who wants a property showing pride of ownership
Household Size/ Family Related	15	<ul style="list-style-type: none"> • Near School And Close To The New Starbucks In Greenfield • This is perfect for Tool Box Tony and not for Bulldozer Bill • Cesar Chavez Elementary School • Plenty of room for kid and pets

Source: www.realtor.com, accessed November 2018.

*Examples are direct quotes from the listings (including punctuation and emphasis).

Advertising has become a sensitive area in real estate. While real estate advertising can be published in other languages, by law an English version of the ad must also be published. Monitoring this requirement is difficult, if not impossible. Even if an agent does not intend to discriminate in an ad, it would still be considered a violation to suggest to a reader whether a particular group is preferred. Previous litigation has set precedence for violations in advertisements that hold publishers, newspapers, Multiple Listing Services, real estate agents, and brokers accountable for discriminatory ads.

Lending

Initially, buyers must find a lender that will qualify them for a loan. This part of the process entails an application, credit check, ability to repay, amount eligible for, choosing the type and terms of the loan, etc. Applicants are requested to provide a lot of sensitive information including their gender, ethnicity, income level, age, and familial status. Most of this information is used for reporting purposes required of lenders by the Community Reinvestment Act (CRA) and the Home Mortgage Disclosure Act (HMDA). The previous section of this AI provides a detailed analysis of HMDA data for the Collaborating Entities.

Appraisals

Banks order appraisal reports to determine whether a property is worth the amount of the loan they will be giving. Generally speaking, appraisals are based on the comparable sales of properties within the neighborhood of the property being appraised. Other factors are taken into consideration, such as the age of the structure, any improvements made, location, general economic influences, etc.

Real Estate Agents

Real estate professionals may act as agents of discrimination. Some unintentionally, or possibly intentionally, may steer a potential buyer to particular neighborhoods by encouraging the buyer to look into certain areas; others may choose not to show the buyer all choices available. Agents may also discriminate by whom they agree to represent, whom they turn away, and the comments they make about their clients.

The California Association of REALTORS® (CAR) has included language on many standard forms disclosing fair housing laws to those involved. Many REALTOR® Associations also host fair housing trainings/seminars to educate members on the provisions and liabilities of fair housing laws, and the Equal Opportunity Housing Symbol is also printed on all CAR forms as a reminder.

Covenants, Conditions, and Restrictions (CC&Rs)

Covenants, Conditions, and Restrictions (CC&Rs) are restrictive promises that involve voluntary agreements, run with the land they are associated with, and are listed in a recorded Declaration of Restrictions. The Statute of Frauds (Civil Code Section 1624) requires them to be in writing because they involve real property. They must also be recorded in the County where the property is located in order to bind future owners. Owners of parcels may agree amongst themselves as to the restrictions on use but, in order to be enforceable, they must be reasonable.

The California Department of Real Estate reviews CC&Rs for all subdivisions of five or more lots, or condominiums of five or more units. This review is authorized by the Subdivided Lands Act and mandated by the Business Professions Code, Section 11000. The review includes a wide range of issues, including compliance with fair housing law. The review must be completed and approved before the Department of Real Estate will issue a final subdivision public report. This report is required before a real estate broker or anyone can sell the units, and each prospective buyer must be issued a copy of the report. If the CC&Rs are not approved, the Department of Real Estate will issue a “deficiency notice”, requiring the CC&Rs be revised. CC&Rs are void if they are unlawful, impossible to perform or are in restraint on alienation (a clause that prohibits someone from selling or transferring his/her property). However, older subdivisions and condominium/townhome developments may contain illegal clauses which are enforced by the homeowners associations.

Homeowners Insurance Industry

Without insurance, banks and other financial institutions lend less. For example, if a company excludes older homes from coverage, lower income and minority households who can only afford to buy in older neighborhoods may be disproportionately affected. Another example includes private mortgage insurance (PMI). PMI obtained by applicants from Community Reinvestment Act (CRA) protected neighborhoods is known to reduce lender risk. Redlining of lower income and minority neighborhoods can occur if otherwise qualified applicants are denied or encouraged to obtain PMI.⁸

2. National Association of REALTORS® (NAR)

The National Association of REALTORS® (NAR) has developed a Fair Housing Program to provide resources and guidance to REALTORS® in ensuring equal professional services for all people. The term REALTOR® identifies a licensed professional in real estate who is a member of the NAR; however, not all licensed real estate brokers and salespersons are members of the NAR.

Code of Ethics

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

⁸ “Borrower and Neighborhood Racial Characteristics and Financial Institution Financial Application Screening”; Mester, Loretta J.; Journal of Real Estate Finance and Economics; 9 241-243; 1994

against any person or persons on the basis of race, color, religion, sex, handicap, familial status, or national origin.”

Additionally, Standard of Practice Article 10-1 states that “REALTORS® shall not volunteer information regarding the racial, religious or ethnic composition of any neighborhood and shall not engage in any activity which may result in panic selling. REALTORS® shall not print, display or circulate any statement or advertisement with respect to the selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, handicap, familial status, or national origin.”

Diversity Certification

NAR has created a diversity certification, “At Home with Diversity: One America” to be granted to licensed real estate professionals who meet eligibility requirements and complete the NAR “At Home with Diversity” course. The certification will signal to customers that the real estate professional has been trained on working with diversity in today’s real estate markets. The coursework provides valuable business planning tools to assist real estate professionals in reaching out and marketing to a diverse housing market. The NAR course focuses on diversity awareness, building cross-cultural skills, and developing a business diversity plan.

3. California Department of Real Estate (DRE)

The California Department of Real Estate (DRE) is the licensing authority for real estate brokers and salespersons. As noted earlier, not all licensed brokers and salespersons are members of the National or California Association of REALTORS®.

The DRE has adopted education requirements that include courses in ethics and in fair housing. To renew a real estate license, each licensee is required to complete 45 hours of continuing education, including three hours in each of the four mandated areas: Agency, Ethics, Trust Fund, and Fair Housing. The fair housing course contains information that will enable an agent to identify and avoid discriminatory practices when providing real estate services to clients.

The law requires, as part of the 45 hours of continuing education, completion of five mandatory three-hour courses in Agency, Ethics, Trust Fund Handling and Fair Housing and Risk Management. These licensees will also be required to complete a minimum of 18 additional hours of courses related to consumer protection. The remaining hours required to fulfill the 45 hours of continuing education may be related to either consumer service or consumer protection, at the option of the licensee.

3. California Association of REALTORS® (CAR)

The California Association of Realtors (CAR) is a trade association of 92,000 realtors statewide. As members of organized real estate, realtors also subscribe to a strict code of ethics as noted above. CAR has recently created the position of Equal Opportunity/Cultural Diversity Coordinator. CAR holds three meetings per year for its general membership, and the meetings typically include sessions on fair housing issues. Current outreach efforts in the Northern California area are directed to underserved communities and state-licensed brokers and sales persons who are not members of the CAR.

B. Fair Housing Practices in the Rental Housing Market

1. Rental Process

Advertising

Rental advertisements should not include discriminatory references. A random sample of 119 rental listings in November 2018 were reviewed. Among these ads, 47 (40 percent of all listings) were found to contain potentially discriminatory language (Table 50). A large portion of the problematic language involves “no pets” policies. Persons with disabilities are one of the protected classes, and apartments must allow “service animals” and “companion animals,” under certain conditions. Service animals are animals that are individually trained to perform tasks for people with disabilities such as guiding people who are blind, alerting people who are deaf, pulling wheelchairs, alerting and protecting a person who is having a seizure, or performing other special tasks. Service animals are working animals, not pets. Companion animals, also referred to as assistive or therapeutic animals, can assist individuals with disabilities in their daily living and, as with service animals, help disabled persons overcome the limitations of their disabilities and the barriers in their environment.

Persons with disabilities have the right to ask their housing provider to make a reasonable accommodation in a “no pets” policy in order to allow for the use of a companion or service animal. However, in the case of rental ads that specifically state “no pets,” some disabled persons may not be aware of their right to ask for an exception to this rule. A “no pets” policy could, therefore, be interpreted as potentially discriminatory. Of the 119 rental listings surveyed in November 2018, 23 ads (19 percent) included language to specifically ban pets.

A total of 23 ads included potentially discriminatory language based on household size or who will reside in the rental together. For example, a number of these ads used language to target families, especially those with younger children by mentioning the great schools nearby or mentioning that the rental is only available for a single-family occupancy (Table 55).

Table 50: Potentially Discriminatory Language in Rental Listings

Discrimination Type	Number of Listings	Potentially Discriminatory Language ¹
No Discriminatory Language	72	n/a
Disability Related	23	<ul style="list-style-type: none"> • No pets. • Sorry no animals allowed, please don't ask.
Household Size/ Family Related	23	<ul style="list-style-type: none"> • Single-family occupancy only. • Perfect for Students and Family Life! • Located in the Pacific Grove Unified School District • Located on a very quiet street. • This home is located near shopping, dining, NPS, DLI, MIIS, parks and schools. • Conveniently located down the street from Washington Middle School, and around the corner from Hartnell College and steps from Salinas High School and YMCA.

Sources: www.zillow.com, accessed November 2018.

Note: Examples are direct quotes from the listings (including punctuation and emphasis).

Responding to Ads

Differential treatment of those responding to advertisements is a growing fair housing concern. In a 2011 study conducted nationally, comprehensive audit-style experiments via email correspondence were used to test for racial discrimination in the rental housing market. This study was particularly unique because it tested for two variables—discrimination based on race *and* social class. By responding to online rental listings using names associated with a particular racial/ethnic group and varying message content grammatically to indicate differing levels of education and/or income (i.e. social class), researchers found that, overall, Blacks continued to experience statistically significant levels of discrimination in the rental housing market. This discrimination was even more pronounced when the housing inquiry was made to look like it originated from a Black individual of a lower social class.⁹

Viewing the Unit

Viewing the unit is the most obvious place where the potential renters may encounter discrimination because landlords or managers may discriminate based on race or disability, or judge on appearance whether a potential renter is reliable or may violate any of the rules.

In a follow up to the study discussed above, researchers developed an experiment to test for subtle discrimination. Subtle discrimination is defined as unequal treatment between groups that occurs but is difficult to quantify, and may not always be identifiable through common measures such as price differences. Researchers found that, in general, landlords replied faster and with longer messages to inquiries made from white names. The study also found that landlords were more likely to use descriptive language, extend invitations to view a unit, invite further correspondence, use polite language, and make a formal greeting when replying to e-mail inquiries from a white home seeker.¹⁰

Credit/Income Check

Landlords may ask potential renters to provide credit references, lists of previous addresses and landlords, and employment history/salary. The criteria for tenant selection, if any, are typically not known to those seeking to rent. Many landlords often use credit history as an excuse when trying to exclude certain groups. Legislation provides for applicants to receive a copy of the report used to evaluate applications.

The study on subtle discrimination mentioned earlier found no statistically significant evidence of discrimination in using language related to fees, asking for employment or rental history, or requesting background information.

The Lease

Typically, the lease or rental agreement is a standard form completed for all units within the same building. However, the enforcement of the rules contained in the lease or agreement may not be standard for all tenants. A landlord may choose to strictly enforce the rules for certain tenants based on arbitrary factors, such as race, presence of children, or disability.

⁹ Hanson, Andrew and Zackary Hawley. May 2011. “Do Landlords Discriminate in the Rental Housing Market? Evidence from an Internet Field Experiment in U.S. cities.”

¹⁰ Hanson, Andrew, Zackary Hawley, and Aryn Taylor. September 2011. “Subtle Discrimination in the Rental Housing Market: Evidence from E-mail Correspondence with Landlords.”

Lease-related language barriers can impede fair housing choice if landlords and tenants do not speak the same language. In California, applicants and tenants have the right to negotiate lease terms primarily in Spanish, Chinese, Tagalog, Vietnamese or Korean. If a language barrier exists, the landlord must give the tenant a written translation of the proposed lease or rental agreement in the language used in the negotiation before the tenant signs it.¹¹ This rule applies to lease terms of one month or longer and whether the negotiations are oral or in writing.

Security Deposit

A security deposit is typically required. To deter “less-than-desirable” tenants, a landlord may ask for a security deposit higher than for others. Tenants may also face discriminatory treatment when vacating the units. The landlord may choose to return a smaller portion of the security deposit to some tenants, claiming excessive wear and tear. A landlord may also require that persons with disabilities pay an additional pet rent for their service animals, a monthly surcharge for pets, or a deposit, which is also a discriminatory act.

During the Tenancy

During tenancy, the most common forms of discrimination a tenant may face are based on familial status, race, national origin, sex, or disability. Usually this type of discrimination appears in the form of varying enforcement of rules, overly strict rules for children, excessive occupancy standards, refusal to make a reasonable accommodation for handicapped access, refusal to make necessary repairs, eviction notices, illegal entry, rent increases, or harassment. These actions may be used as a way to force undesirable tenants to move on their own without the landlord having to make an eviction.

2. California Apartment Association

The California Apartment Association has developed the California Certified Residential Manager (CCRM) program to provide a comprehensive series of courses geared towards improving the approach, attitude and professional skills of on-site property managers and other interested individuals. The CCRM program consists of 31.5 hours of training that includes fair housing and ethics along with the following nine course topics:

- Preparing the Property for Market
- Professional Leasing Skills and the Application Process
- The Move-in Process, Rent Collection and Notices
- Resident Issues and Ending the Tenancy
- Professional Skills for Supervisors
- Maintenance Management: Maintaining a Property
- Liability and Risk Management: Protecting the Investment
- Fair Housing: It’s the Law
- Ethics in Property Management

The CAA supports the intent of all local, State, and federal fair housing laws for all residents without regard to color, race, religion, sex, marital status, mental or physical disability, age, familial status,

¹¹ California Civil Code Section 1632(b).

sexual orientation, or national origin. Members of the CAA agree to abide by the provisions of their Code for Equal Housing Opportunity.

3. The National Association of Residential Property Managers

The National Association of Residential Property Managers (NARPM) promotes a high standard of property management business ethics, professionalism and fair housing practices within the residential property management field. NARPM is an association of real estate professionals who are experienced in managing single-family and small residential properties. Members of the association adhere to a strict Code of Ethics to meet the needs of the community, which include the following duties:

- Protect the public from fraud, misrepresentation, and unethical practices of property managers.
- Adhere to the Federal Fair Housing statutes.
- Protect the fiduciary relationship of the client.
- Treat all tenants professionally and ethically.
- Manage the property in accordance with the safety and habitability standards of the community.
- Hold all funds received in compliance with state law with full disclosure to the client.

NARPM offers three designations to qualified property managers and property management firms:

1. Residential Management Professional, RMP ®
2. Master Property Manager, MPM ®
3. Certified Residential Management Company, CRMC ®

Various educational courses are offered as part of attaining these designations including the following fair housing and landlord/tenant law courses:

- Ethnicity (required for all members every four years)
- Habitability Standards and Maintenance
- Marketing
- Tenancy
- ADA Fair Housing
- Lead-Based Paint Law

4. Western Manufactured Housing Communities Association

Western Manufactured Housing Communities Association (WMA) is a nonprofit organization created in 1945 for the exclusive purpose of promoting and protecting the interests of owners, operators and developers of manufactured home communities in California. WMA assists its members in the operations of successful manufactured home communities in today's complex business and regulatory environment. WMA has over 1,700 member parks located in all 58 counties of California.

WMA offers a manager accreditation program as well as numerous continuing education opportunities. The Manufactured Home Community Manager (MCM) program is a manager accreditation program that provides information on effective community operations. WMA's industry experts give managers intensive training on law affecting the industry, maintenance standards, HCD inspections, discrimination, mediation, disaster planning, and a full range of other vital subjects.

C. Fair Housing Services

In general, fair housing services include the investigation and resolution of housing discrimination complaints, discrimination auditing and testing, and education and outreach, including the dissemination of fair housing information such as written material, workshops, and seminars. Landlord/tenant counseling is another fair housing service that involves informing landlords and tenants of their rights and responsibilities under fair housing law and other consumer protection legislations as well as mediating disputes between tenants and landlords.

The Collaborating Entities have struggled for many years to retain the services of a professional fair housing service provider. However, due to its geographic location and limited resources, the Collaborating Entities have not been able to offer consistent services due to need to constantly replace service providers. This section reviews the fair housing services available to the Collaborating Entities, the nature and extent of fair housing complaints, and results of fair housing testing/audits.

1. California Rural Legal Assistance

California Rural Legal Assistance (CRLA) is a nonprofit legal service program created to help California's low income individuals and communities. CRLA provides low income rural Californians with free legal assistance and a variety of community education and outreach programs. Half of its resources are committed to multi-client cases that grapple with the root causes of poverty, with the goal of improving conditions for farmworkers, single parents, school children, the elderly, people with disabilities, and entire communities. Specifically, CRLA provides a wide range housing protection including: foreclosure and eviction defense, housing discrimination, substandard housing, farmworker housing, lockout and utility shut-offs by landlords, and rent deposit refunds.

CRLA has a HUD-funded fair housing project providing a range of services to support fair housing and civil rights for rural populations facing housing discrimination. CRLA's work includes investigating violations of state and federal fair housing laws, filing administrative complaints and engaging in affirmative litigation, land use and housing element advocacy, and conducting education, outreach, workshops, and training. CRLA also works with state and local fair housing agencies, local governments, and other non-profits and community based organizations to remedy discrimination in public and private housing markets and to reduce the incidence of practices that perpetuate segregation.

2. Legal Services for Seniors

Legal Services for Seniors (LSS) serves Monterey County residents who are 60 years of age and older. LSS provides the following fair housing related services free of charge to all elderly County residents:

- Aid with most basic counsel and advice issues up to and including full legal representation in the local Superior Court with legal assistance in the areas of:
 - Health care, Medicare, Medi-Cal and private health insurance problems
 - Security, SSI, and private pension problems
 - Housing rights, landlord/tenant disputes, and other housing issues
 - Advanced Health Care Directives and long-term care problems
 - Simple wills
 - Consumer and debt collection problems
 - Guardianships
 - Elder abuse (financial, social, and physical)
- Provides education, training, and assistance to other County agencies and organizations such as Meals on Wheels, Alliance on Aging, and the Ombudsman who can pass along information of the existence of LSS to homebound and other seniors who may not know about the available services.

Between 2013 and 2017, LSS served 8,875 clients in the County. Among their clients, 84 percent were White, five percent were Asian, four percent were Black, and seven percent were other races or declined to answer. Approximately 65 percent of their clients were female-headed households. LSS handles a range of issues for seniors; about 14 percent of the clients requested assistance in housing-related issues including fair housing.

3. ECHO Housing

The Eden Council for Hope and Opportunity (ECHO Housing) was founded in 1964 and incorporated in 1965 by community volunteers dedicated to equal housing opportunities and the prevention and elimination of homelessness. Established as a fair housing agency, ECHO has expanded to a full service housing counseling organization providing services to very low and moderate income clients. ECHO's current service programs include:

- Fair Housing Services serving urban and unincorporated Alameda, Contra Costa, and Monterey Counties, and the Cities of Alameda, Antioch, Concord, Hayward, Livermore, Monterey, Oakland, Pleasanton, Richmond, Salinas, San Leandro, Seaside, Union City, and Walnut Creek;
- Tenant/Landlord Services serving urban and unincorporated Alameda, Contra Costa, and Monterey Counties, and the Cities of Alameda, Hayward, Livermore, Monterey, Pleasanton, Richmond, Salinas, San Leandro, Seaside, Union City, and Walnut Creek;
- Shared Housing Counseling Program serving the Cities of Livermore and Pleasanton;
- Homeless Prevention Program serving the City of Livermore;
- Rental Assistance Program and the Rent/Deposit Grant Program serving Alameda County,
- First-Time Homebuyer Education for those living or working in the Cities of Livermore and Pleasanton; and

- Rent Review and Eviction Harassment Programs for the Cities of Albany, Concord, Emeryville, and Union City; and unincorporated Alameda County.

Fair Housing Service Records

ECHO Housing began providing fair housing services to Monterey, Salinas, and Monterey Urban County residents in FY 2017. Based in the Bay Area, ECHO Housing has established offices in Salinas and Monterey. In one year, each jurisdiction had five clients filing fair housing complaints. The majority were White. Mental disabilities, followed by physical disabilities, were the most frequent alleged bases for discrimination. Among the 15 cases, however, only five allegations were sustained. Three of those were resolved through conciliation but two were referred to other agencies such as the DFEH and HUD.

Race	Monterey	Salinas	Monterey Urban County	Total
Asian	0	0	0	0
Asian/White	0	0	0	0
White	5	3	4	12
Black	0	2	0	2
Black/White	0	0	0	0
Other	0	0	1	1
Total	5	5	5	15

Source: ECHO Housing, 2019.

Race	Monterey	Salinas	Monterey Urban County	Total
Age	0	0	0	0
Familial Status	0	0	0	0
Gender	0	0	0	0
Mental Disability	3	1	2	6
National Origin	0	0	0	0
Physical Disability	1	1	1	3
Race	1	1	0	2
Religion	0	0	0	0
Sexual Orientation	0	0	0	0
Source of Income	0	0	1	1
Arbitrary	0	1	0	1
General Information	0	1	1	2
Total	5	5	5	15

Source: ECHO Housing, 2019.

Table 53: Findings and Disposition – ECHO Housing (2017)				
Race	Monterey	Salinas	Monterey Urban County	Total
Allegations	3	2	4	9
Cases	2	3	1	6
Findings				
Allegations Sustained	0	4	1	5
Inclusive Evidence	5	0	4	9
No Evidence	0	1	0	1
Pending	0	0	0	0
Disposition				
Successful Conciliation	2	1	0	3
No Enforcement Possible	3	2	4	9
Client Withdrew	0	0	1	1
Pending	0	0	0	0
Referred to Other Agencies	0	2	0	2

Source: ECHO Housing, 2019.

Fair Housing Audit Report

Auditing is a tool used to measure compliance with federal and state fair housing laws, and to determine if illegal patterns and practices are employed by the rental housing industry. Although most audits are educational in nature, the audit findings can be referred for litigation when patterns and practices of discrimination have become entrenched and the property owner is uncooperative or resistant to the educational process.

In FY 2017, ECHO also conducted a Fair Housing Audit that included the cities of Alameda, Antioch, Concord, Cupertino, Hayward, Livermore, Monterey, Oakland, San Leandro, Salinas, Union City, and Walnut Creek, and the urban areas of Contra Costa and Monterey Counties. A total of 134 properties were tested in this audit, including five in Monterey, ten in Salinas, and five in Monterey County. Properties were chosen from advertisements for available rental units found in www.forrent.com, www.craigslist.org, www.rent.com, www.apartmentguide.com, as well as some property management websites. Findings of the audit pertaining to Monterey County jurisdictions are summarized in this section.

In the first phase of the testing, communications began with emails. Among the 20 tests conducted in Monterey County communities, ten percent received differential treatment based on the name used in the emails (a minority name – Laquesha Jackson vs. a majority name – Megan O’Reilly). After the tests, ECHO followed up with an educational campaign directed at the owners and managers involved. Each property was emailed a report on their performance and encouraged to meet with ECHO’s Fair Housing Counselors to discuss findings at their properties, and in cases where differential treatment was found, ECHO suggested possible changes that could be made to bring their rental policies and practices in compliance with federal and state fair housing laws.

Jurisdiction	Differential Treatment		No differential Treatment		Total
	Number	Percent	Number	Percent	
Monterey	0	0%	5	100%	5
Monterey County	1	20%	4	80%	5
Salinas	1	10%	9	90%	10
Total Study	21	16%	113	84%	134

Source: ECHO Housing, 2018

4. California Department of Fair Employment and Housing

The mission of the Department of Fair Employment and Housing (DFEH) is to protect Californians from employment, housing and public accommodation discrimination, and hate violence. To achieve this mission, DFEH tracks and investigates complaints of housing discrimination as well as complaints in the areas of employment, housing, public accommodations and hate violence.

Between 2012 and 2017, 53 fair housing complaints in Monterey County had been filed with DFEH. Among the complaints countywide, most were related to physical disabilities (23 instances) and familial/marital status (ten instances). Discrimination based on race was also common (seven instances) (Table 55). A complaint may involve multiple acts of discrimination and vice versa. A total of 57 acts of discrimination were recorded in Monterey County. Refusal to rent (17 instances), discriminatory statements (12 instances), and denial of reasonable accommodation/modifications (12 instances) were the most common discriminatory acts in the County (Table 56).

Basis of Complaints	Number of Complaints
Physical Disability	23
Familial/Marital Status	10
Sex - (harassment, pregnancy, other allegations)	3
Race	7
National origin/ancestry	6
Religion	1
Age	1
No specific data	2
Total	53

Source: California Department of Fair Employment & Housing, 2018.

Table 56: Acts of Discrimination for Complaints Filed with DFEH - Monterey County (2012-2017)

Act of Discrimination	Number of Acts
Eviction	5
Harassment	7
Refusal to Rent	17
Denied Reasonable Accommodation/ Modification	12
Unequal Terms	2
Discriminatory Statements	12
No Specific Data	2
Total	57

Source: California Department of Fair Employment & Housing, 2018.
 Note: Each complaint can involve multiple acts of discrimination.

Approximately half of total fair housing cases (26 cases) in the County were found to have insufficient evidence and subsequently closed. An additional 14 cases were closed after successful mediation, while two cases were successfully conciliated between the two parties involved. (Table 57).

Table 57: Disposition of Fair Housing Complaints Filed with DFEH - Monterey County (2012-2017)

Closing Category	Number of Cases
Successful Conciliation	2
Insufficient Evidence	26
Settled by Enforcement	5
Successful Mediation	14
Administrative Dismissal	1
No Basis to Proceed	5
Total	53

Source: California Department of Fair Employment & Housing, 2018.

Investigations begin with the intake of a complaint. Complainants are first interviewed to collect facts about possible discrimination. Interviews are normally conducted by telephone. If the complaint is accepted for investigation, the DFEH drafts a formal complaint that is signed by the complainant and served. If jurisdictional under federal law, the complaint is also filed with the United States Department of Housing and Urban Development (HUD). As a substantially equivalent agency, DFEH's findings are usually accepted by HUD. The recipient of the complaint (usually a landlord, seller, property manager, seller, or agent) is required to answer and has the opportunity to negotiate resolution with the complainant. If the case is not resolved voluntarily, the DFEH conducts a formal investigation.

If the investigative findings do not show a violation of the law, DFEH will close the case. If investigative findings show a violation of law, the DFEH schedules a formal conciliation conference. During the conciliation conference, the DFEH presents information supporting its belief that there has been a violation and explores options to resolve the complaint. If formal conciliation fails, the DFEH Housing Administrator may recommend litigation. If litigation is required, the case may be

heard before the Fair Employment and Housing Commission (FEHC) or in civil court. Potential remedies for cases settled by the FEHC include out-of-pocket losses, injunctive relief, access to the housing previously denied, additional damages for emotional distress, and civil penalties up to \$10,000 for the first violation. Court remedies are identical to FEHC remedies with one exception; instead of civil penalties, a court may award unlimited punitive damages.

5. U.S. Department of Housing and Urban Development

HUD maintains a record of all housing discrimination complaints for jurisdictions, including the County of Monterey. According to the HUD website, any person who feels their housing rights have been violated may submit a complaint to HUD via phone, mail or the Internet. These grievances can be filed on the basis of race, color, national origin, sex, disability, religion, familial status and retaliation. HUD refers complaints to the California DEFH, which has 30 days to address the complaint. As a substantially equivalent agency, DFEH's findings are usually accepted by HUD. Thereafter, HUD tracks the complaint and its issues and outcomes as a “dually filed” complaint.

From 2012 to 2017, 78 fair housing cases in Monterey County were recorded by HUD. Cases involving discrimination based on disability, national origin, and familial/marital status were the most common (Table 58). Cases concerning national race, sex, and religion were also reported. Understandably, as the largest jurisdiction in the County and high concentrations of minority populations, Salinas had 46 percent of the reported cases. All 78 fair housing cases between 2012 and 2017 have been closed. Many of these cases (41 cases) were found to have no probable cause and subsequently closed. An additional 25 cases were closed after successful conciliation or resolution (Table 59).

Table 58: Basis for Discrimination of Cases filed with HUD – Monterey County (2012-2017)

Jurisdiction	Race	National Origin	Sex	Disability	Religion	Familial/ Marital Status	Total
Bradley	0	0	1	0	0	0	1
Carmel	0	0	0	0	0	1	1
Carmel Village	0	1	0	1	0	0	2
Gonzales	0	1	0	1	1	0	3
Greenfield	0	0	0	1	0	0	1
King City	0	0	1	3	0	0	4
Marina	1	1	0	6	0	1	9
Monterey	2	0	0	5	0	4	11
Moss Landing	0	1	0	0	0	0	1
Pacific Grove	0	0	0	0	0	1	1
Pebble Beach	0	0	0	0	0	1	1
Salinas	3	7	4	11	1	10	36
Seaside	0	1	1	3	0	0	5
Soledad	0	0	1	0	0	1	2
Total	6	12	8	31	2	19	78

Source: Department of Housing and Urban Development (HUD), 2018.

Table 59: Disposition of Fair Housing Cases Filed with HUD - Monterey County (2012-2017)

Jurisdiction	Conciliated/ Settled	No Cause	Withdraw After Resolution	Complainant Failed to Cooperate	Total
Bradley	0	1	0	0	1
Carmel	1	0	0	0	1
Carmel Valley	0	2	0	0	2
Gonzales	1	2	0	0	3
Greenfield	0	1	0	0	1
King City	0	3	1	0	4
Marina	2	6	0	1	9
Monterey	2	7	2	0	11
Moss Landing	0	1	0	0	1
Pacific Grove	0	1	0	0	1
Pebble Beach	0	1	0	0	1
Salinas	17	13	5	1	36
Seaside	2	1	1	1	5
Soledad	0	2	0	0	2
Total	25	41	9	3	78

Source: Department of Housing and Urban Development (HUD), 2018.

D. Hate Crimes

The **Bane Civil Rights Act** (California Civil Code Section 52.1) provides protection for all people in California from interference by force or threat of force with an individual’s constitutional or statutory rights, including a right to equal access to housing. Hate crimes are crimes committed because of a bias against race, religion, disability, ethnicity, or sexual orientation. In an attempt to determine the scope and nature of hate crimes, the Federal Bureau of Investigation’s (FBI) Uniform Crime Reporting Program collects statistics on these incidents.

To a certain degree, hate crimes are an indicator of the environmental context of discrimination. These crimes should be reported to the Police or Sheriff’s department. On the other hand, a hate incident is an action or behavior that is motivated by hate but is protected by the First Amendment right to freedom of expression. Examples of hate incidents can include name calling, epithets, distribution of hate material in public places, and the display of offensive hate-motivated material on one’s property. The freedoms guaranteed by the U.S. Constitution, such as the freedom of speech, allow hateful rhetoric as long as it does not interfere with the civil rights of others. Only when these incidents escalate can they be considered an actual crime.

Hate crime statistics compiled by the FBI show that a total of 21 hate crimes were committed in Monterey County over a six-year period. FBI data does not document specific areas within the unincorporated County. In the County as a whole, race-based hate crimes were the most prevalent (11 crimes), followed by hate crimes based on sexual orientation (8 crimes) (Table 60). Overall, the incidence of reported hate crimes in Monterey County was very low—less than one per 1,000 people (0.05 per 1,000 persons) between 2012 and 2017.

Table 60: Hate Crimes in Monterey County (2012-2017)							
Basis of Complaints	Race/ Ethnicity	Religion	Sexual Orientation	Disability	Gender	Gender Identity	Total
2012	2	0	0	0	*	*	2
2013	2	0	2	0	0	0	4
2014	1	0	2	0	0	0	3
2015	2	0	2	0	0	1	5
2016	1	1	0	0	0	0	2
2017	3	0	2	0	0	0	5
Total	11	1	8	0	0	1	21

Source: U.S. Department of Justice Federal Bureau of Investigation, 2012-2017.

*= "Gender" and "Gender Identity" were not recorded in 2012.

Chapter 7

Progress since Last AIs

Several previous AI reports have been developed among the Collaborating Entities. These include:

- City of Monterey 2017 AI
- City of Salinas 2015 AI
- Monterey Urban County 2013 AI

The City of Seaside has not prepared an AI report. Also, the 2013 Monterey Urban County AI covers the participating jurisdictions of Del Rey Oaks and Gonzales. The updated Urban County program participants now include the cities of Del Rey Oaks, Gonzales, Sand City, and Greenfield.

This section reviews the progress these communities have made in addressing the impediments identified in their previous AIs.

Table 61: Summary of Accomplishments – City of Salinas

Impediment	Action	Timeline and Specific Accomplishments
<p>Impediment: Linguistic isolation is severe among Hispanics, with approximately 64 percent of Salinas residents speaking “Spanish or Spanish Creole⁵⁶” at home. Among “Spanish or Spanish Creole” speaking households approximately 58.3 percent spoke English “less than very well”. Language barrier can be an impediment to accessing housing of choice.</p>	<p>Ensure all outreach materials and information on City housing programs and services is available in Spanish, and Spanish-speaking staff is available to provide assistance to residents.</p>	<p>City program brochures and applications are available in both English and Spanish. Public notices are published in English (The Californian Newspaper) and Spanish (El Sol Newspaper) and posted on the City’s website. City staff also has in-house Spanish speaking employees to serve Spanish speaking members of the public.</p>
	<p>Periodically update the City’s Limited English Proficiency (LEP) plan to reflect the changing demographics in the community and adjust language skills of staff and outreach materials accordingly.</p>	<p>In September 2017, the City updated its Citizen Participation Plan, in which the City has also incorporated guidelines for Limited English Proficiency (LEP) requirements.</p>
<p>Impediment: The Alisal area includes some of the most distressed neighborhoods in Salinas. The area faces challenges such as inadequate public infrastructure, high levels of unemployment, high levels of poverty, and violent criminal activity. The Alisal area is also disproportionately burdened by multiple sources of pollution.</p>	<p>Continue to engage community stakeholders, business owners and non-profits in the assessment of priorities for the Alisal NRSA.</p>	<p>As part of the 2015-2019 Consolidated Plan and Alisal NRSA updates, the City conducted an extensive community outreach program to obtain input from neighborhood residents. Two of the five Community Workshops conducted specifically targeted Alisal residents.</p> <p>During the update of three major plans (Chinatown Revitalization Plan, Alisal Vibrancy Plan, and Parks, Recreation and Libraries Master Plan), multiple meetings and public events were conducted and outreach materials were distributed to Alisal area residents.</p>
	<p>Implement the Alisal Neighborhood Revitalization Strategy Area Plan, with focused efforts in building nonprofit capacity to serve residents in this neighborhood.</p>	<p>In conjunction with the 2015-2019 Consolidated Plan, the City also updated the Alisal Neighborhood Revitalization Strategy Area (NRSA) to identify opportunities for enhanced services to residents and businesses in this area. The City sought recertification by HUD.</p> <p>The Alisal Vibrancy Plan engagement began in September 2017, an action-oriented and comprehensive community strategy to address issues and opportunities specific to the Alisal/East Salinas neighborhoods.</p> <p>The City is proposing to work with local nonprofits to establish as Community-Based Development Organizations (CBDOs) that target their services in the Alisal NRSA. Once qualified CBDOs can be established, the City can potential increase the CDBG public service dollars in order to better serve the Alisal</p>

Table 61: Summary of Accomplishments – City of Salinas

Impediment	Action	Timeline and Specific Accomplishments
	<p>Ensure that annually, a portion of the City's CDBG and HOME funds is expended in the Alisal NRSA to help address housing issues in this area. Specifically, pursue strategies that take advantage of the NRSA designation to allow more flexible uses of CDBG funds in the Alisal NRSA.</p>	<p>NRSA.</p> <p>Annually, the City continued to fund housing rehabilitation loans, housing accessibility grants and lead-based paint grants to eligible residential property homeowners through its Housing Services Program and has increased overall rehab production and marketing of these programs in the Alisal NRSA.</p> <p>Annually, the City continued to fund a solar program with GRID Alternatives, which provides free solar panels for qualified low-income homeowners, which has also served residential property owners in the Alisal NRSA. GRID Alternatives continues to promote this program including distribution of flyers and brochures within the Alisal NRSA.</p> <p>Annually, the City continues to fund public service programs that serve the AlisalNRSA.</p> <p>In the City's 2015-2019 CP:</p> <ul style="list-style-type: none"> • The City proposed to expand eligibility for assistance to include median income households (100 percent AMI) in the Alisal NRSA. • The City focuses funding to enhance neighborhood conditions with an emphasis in the Alisal NRSA. <p>With the establishment of Community-Based Development Organizations (CBDOs) that target their services in the Alisal NRSA, the City can potential increase the CDBG public service dollars in order to better serve the Alisal NRSA.</p>
<p>Impediment: Affordable housing projects are primarily concentrated in the Alisal area and in the Downtown. While affordable housing is greatly needed in the community, the concentration of affordable housing limits the locational choice for low and moderate income residents, the majority of them are Hispanic.</p>	<p>As part of the update to the Inclusionary Housing Ordinance, explore incentives to provide affordable housing on site, encouraging mixed income housing throughout the community.</p>	<p>The City continues to explore additional incentives to provide affordable housing on site and encourage mixed income housing throughout the community. The City completed an update on the Inclusionary Housing Ordinance to increase affordable housing opportunities in the City. The new Inclusionary Housing Ordinance was adopted on June 6, 2017.</p>

Table 61: Summary of Accomplishments – City of Salinas

Impediment	Action	Timeline and Specific Accomplishments
		<p>The City also updated its Accessory Dwelling Unit (ADU) Ordinance, which was adopted on December 6, 2016 to better streamline approval and expand capacity to accommodate the development of ADU's throughout the community.</p> <p>This City is working on a Specific Plan called the West Area Specific Plan (WASP) which is the first of four designated planning areas within the Future Growth Area (FGA) located north of Boronda Road. The WASP is anticipated to be adopted in 2019. If adopted, the WASP will have the capacity to serve over 4,000 dwelling units. The total FGA is planned for over 11,000 dwelling units.</p>
<p>Impediment: Access to civic life by people with disabilities is a fundamental goal of the Americans with Disabilities Act (ADA). Many public and community facilities in the City, including some parks and recreation facilities, are not fully ADA-compliant.</p>	<p>Complete the ADA Transition Plan by the end of 2015.</p>	<p>The current ADA Transition Plan was completed on May 7, 1997; however, the City is in the process of updating the ADA Transition Plan and anticipates approval in 2019.</p>
	<p>Through the City's Capital Improvement Planning, identify resources to rehabilitate public and community facilities in a timely manner.</p>	<p>The City with CDBG funds is in the process of rehabilitating a public facility called the Sherwood Recreational Center. The project is proposed to be completed in 2019.</p>
<p>Impediment: In reviewing the HMDA data, several issues and trends are evident:</p> <ul style="list-style-type: none"> ▪ Few households applied for home improvement financing in the private market and approval rate was low at 41 percent. ▪ Hispanic households were underrepresented in the ownership housing market. While Hispanic households represented 75 percent of the City population, they represented only 42.5 percent of the applicants for home loans. ▪ Hispanic households consistently had lower loan approval rates across all income levels, compared to White households in the City. Low and moderate income Asians also had consistently lower approval rates compared to White households in the same income groups. 	<p>Periodically review the lending patterns of all financial institutions that provide financial services to the City. Special attention should be directed to home purchase lending in lower income and minority concentration areas.</p>	<p>The City contracts with both ECHO and Legal Services for Seniors for Fair Housing Services who assist with reviewing lending patterns.</p>
	<p>Provide financial literacy and loan acquisition trainings, with particular attention to outreach in minority populations.</p>	<p>Through the City's Inclusionary Housing Program, purchasers are required to receive HUD-approved first-time homebuyer education courses that cover financial literacy and basic lender and real estate education. These courses are offered in English and Spanish by a HUD-approved counselor.</p>
	<p>In selecting financial institutions to participate in housing programs, consider the lender's performance history with regard to home loans in low/moderate income areas and minority concentration areas, as well as the lender's activity in other Community Reinvestment Act (CRA) activities such as participation in affordable rental housing projects under programs such as bond financing, tax credit, or the Federal Home Loan Bank Affordable Housing Program.</p>	<p>The City encourages residents who are seeking residential financing to do extensive research of prospective lenders and available first-time homebuyer loan programs such as CalHFA and USDA.</p>
	<p>The fair housing service contractor(s) should monitor lending activities in the City and identify potential issues</p>	<p>The City contracts with ECHO for Fair Housing services in which they also conduct fair housing audits annually.</p>

Table 61: Summary of Accomplishments – City of Salinas

Impediment	Action	Timeline and Specific Accomplishments
<ul style="list-style-type: none"> ▪ Different lenders appeared to target different racial/ethnic groups. Hispanic households appeared to have been served primarily by smaller, lesser known lenders (many out of State). ▪ Black and Hispanic households were more likely to receive subprime loans compared to White and Asian households. The spread of the subprime rate was most pronounced among Black applicants. 	<p>regarding redlining, credit steering, predatory lending, and fraudulent activities. If feasible, fair housing service contractor(s) should conduct fair housing audits on for-sale units and the lending process.</p>	
<p>Impediment: Local governments are required to “reasonably accommodate” housing for persons with disabilities when exercising planning and zoning powers. The City of Salinas has not yet adopted a formal reasonable accommodations procedure.</p>	<p>Adopt a reasonable accommodation ordinance by the end of 2016, within one year of the adoption of the 2015 Housing Element.</p>	<p>The City contracts with ECHO for Fair Housing services in which they also conduct fair housing audits annually.</p>
<p>Impediment: Housing discrimination persists in the City, which is supported by general literature, statistical data from HUD and DFEH. In Salinas, discriminatory practices based on disability status and national origin were the top categories. Due to the turnover of fair housing service providers, limited fair housing records/statistics were available for analysis, and residents were probably not aware of resources available. As a result, few filed complaints with enforcement agencies such as DFEH and HUD.</p>	<p>Expand education and outreach efforts, with specific efforts outreaching to small rental properties where the owners/managers may not be aware of the fair housing laws.</p>	<p>The City contracted with ECHO for Fair Housing and Tenant/Landlord services. ECHO has conducted public educational meetings, distributed flyers, brochures, radio ads, reached out to property management companies in the community to help increase overall awareness.</p> <p>The City also funds Legal Services for Seniors for Fair Housing and they perform similar outreach as ECHO to the community.</p>
	<p>Support local groups to provide workshops informing tenants of their housing rights.</p>	<p>The City not only hosts public meetings regarding Fair Housing but also encourages and supports other local groups to provide workshops and distribute information.</p>
	<p>Ensure bilingual fair housing information and resources are available on City website and at public counters and community locations. Expand fair housing information to languages according to the City’s Limited English Proficiency (LEP) plan.</p>	<p>The City keeps bilingual (English and Spanish) flyers and brochures of Fair Housing provider information at the Community Development Department public counter. The City also distributes bilingual (English and Spanish) flyers and brochures to all of the City’s public libraries.</p>
	<p>Pursue random testing to identify issues, trends, and problem properties and expand testing to cover other protected classes, especially those with emerging trends of suspected discriminatory practices.</p>	<p>The City contracts with ECHO which performs random audit testing.</p>

Table 61: Summary of Accomplishments – City of Salinas

Impediment	Action	Timeline and Specific Accomplishments
	<p>Support enforcement activity by fair housing service providers and publicize outcomes of fair housing litigation as a means to deter discriminatory practices and to encourage reporting.</p>	<p>The City published an RFP for Fair Housing and Tenant-Landlord Services during the FY 17-18. Eden Council for Hope and Opportunity (ECHO) responded to the RFP and will begin to provide services during FY 17-18. Other jurisdictions (Monterey, Seaside, County of Monterey) also expressed interested for a collaborative effort to secure Fair Housing services.</p> <p>Annually, the City continued to fund Legal Services for Seniors for Fair Housing services as well.</p>
	<p>Celebrate Fair Housing Month and insert fair housing information into large community events.</p>	<p>The City has continued to celebrate Fair Housing month with a proclamation at City Council.</p> <p>The City is also partnering with the County of Monterey (Urban County), City of Monterey, City of Seaside, and Housing Authority County of Monterey for a Regional Analysis of Impediments to Fair Housing Choice (AI) update.</p>

Table 62: Summary of Accomplishments – City of Monterey

Impediment	Action	Timeline and Specific Accomplishments
<p>Impediment 1: Inadequate Analysis of Potential Discrimination in Lending Practices, and Lack of Information about How to Effectively Address It.</p>	<p>Action 1.1: Track HMDA data on an annual basis to collect a longitudinal data set that will help determine the extent of verifiable and persistent racial discrimination</p>	<p>As part of this Regional AI, a detailed assessment of lending patterns in Monterey County was conducted. Findings are presented in Chapter 4 of this AI.</p>
	<p>Action 2.2: Establish relationships with local lenders and real estate agent associations, to better understand what steps they are taking to promote borrowing opportunities for racial and ethnic minorities. Identify specific and concrete strategies that the City or the Housing Resource Center can take to help lenders affirmatively market to racial and ethnic minorities. The City may consider offering supportive resources to mortgage lender groups in the form of an annual workshop or event that provides a venue to review HMDA data, address potential problems regarding lending discrimination, and discuss fair housing law and how to best implement fair housing practices.</p>	<p>The City will offer supportive resources to mortgage lender groups in the form of an annual workshop or event that provides a venue to review HMDA data, address potential problems regarding lending discrimination, and discuss fair housing law and how to best implement fair housing practices.</p>
	<p>Action 2.3: Evaluate the Inclusionary Ordinance to identify incentives for the development of affordable three- and four-bedroom units. Incentives could include a reduction in parking and/or open space requirements, and/or a reduction in the affordable set-aside requirement, additional flexibility in addressing floor-area-ratio requirements, and other adjustments that could help encourage the development of new three- and four-bedroom units. The rationale for any of these incentives could be that the development with larger units is proposing a greater or equal number of affordable bedrooms than projects with smaller units. Update the Inclusionary Ordinance to include the incentives identified that will best encourage the development of larger units.</p>	<p>The City is in the process of reviewing their Inclusionary Ordinance. The City will provide an update in 2019, which will include new incentives to encourage the development of larger units.</p>
<p>Impediment 2: Public Policy Barriers to the Development of Affordable Housing throughout the City</p>	<p>Action 2.1: Assess how the City's discretionary approval process and incentives for multifamily housing impacts the production of very-low and low-income housing, including the impact on development timelines, risk, feasibility, cost, and availability in areas of opportunity. Findings may be presented to the</p>	<p>The City offers streamlined review and incentives for developments within specific plan areas, including allowing up to 30 units per acre by right.</p>

Table 62: Summary of Accomplishments – City of Monterey

Impediment	Action	Timeline and Specific Accomplishments
	Planning Commission and the City Council for their review and recommendation.	
	Action 2.2: Investigate how the Condominium Conversion Ordinance affects the availability of affordable rental housing, including an estimate of the number of rental units affordable to low-income households lost, and projected future losses of rental units affordable to low-income households. Findings may be reported to the Planning Commission and City Council for their review and recommendation	No conversions have been done since 2008. As such, the Condominium Conversion Ordinance is not currently having an effect on the affordable housing market. The City will consider the impacts to affordable rental housing and report to the Planning Commission and Council should condominium conversions start again.
	Action 2.3: Analyze the economic feasibility and/or needed incentives to develop very-low and low income multifamily housing inside of the Downtown and Special Planning Districts at current allowable densities. Model a range of incentives to determine what opportunities might be feasible under current densities. Findings may be reported to the Planning Commission and City Council for their review and recommendation.	The City will be pursuing a SB 2 grant in 2019 to fund these activities.
Impediment 3: Incomplete Information about Fair Housing Violations and Lack of Initiatives to Promote Fair Housing Awareness among Housing Providers	Action 3.1: Continue to allocate CDBG Public Services funds for agencies to represent low-income tenants in fair housing violation cases.	Annually the City allocates funds to CDBG Public Services. In FY 17-18 over \$100,000 were allocated to CDBG Public Services, of which about six percent were allocated to fair housing support services.
	Action 3.2: As discussed previous Action in Lending Practices, consider collaborating with local housing providers and real estate agent associations to sponsor an annual workshop or event that includes training or education in fair housing law. This training should expand awareness of fair housing regulations and best practices. Consider use of CDBG funds for this purpose.	The City is in the process of determining what level of fair housing support will be appropriate to address the fair housing impediments identified in the 2017 update to the City's Analysis of Impediments to Fair Housing Choice. In addition to completing this regional AFH, actions may include: <ul style="list-style-type: none"> • contracting with a third-party service provider, • providing services in-house, and • partnering with neighboring jurisdictions to provide regional services.
Impediment 4: Presence of Lead-Based Paint in Older Homes	Action 4.1: First, identify neighborhoods with concentrations of low-income and racial and ethnic minority households, and concentrations of older housing units with deferred maintenance. Second, identify structures within such	The City conducts assessments on any rehabilitation or loan grant project. In FY 2017-18, the City allocated about \$400,000 in funds for home rehabilitation/repairs. The City distributes educational materials regarding lead-based paint, such as HUD/EPA publications, "Protect Your Family from

Table 62: Summary of Accomplishments – City of Monterey

Impediment	Action	Timeline and Specific Accomplishments
	<p>neighborhoods that are in greatest need of repair based on visual surveys and code enforcement and building department records. Implement outreach to the homeowners and landlords of the identified structures to offer lead-based paint mitigation services with CDBG funds. The City will provide funding for lead based paint hazard assessment for all interior housing rehabilitation grant and loan activities. Mitigation will occur when approved scope of work encounters the lead based paint. The program should provide assessment of 30 homes over the next 3 years.</p>	<p>Lead in Your Home.” Publications and referral information will be placed on the City’s website for education of the public. [</p>
<p>Impediment 5: Barriers to Section 8 Housing Choice Voucher Use</p>	<p>Work with HACM to develop an outreach strategy to landlords who own rental housing in the City of Monterey. The strategy should include providing a “Section 8 Marketing Packet” that includes resources that assist landlords in addressing potential problems or concerns, and a description of the benefits of program participation that includes specific measurable outcomes and testimonials where possible. Hand deliver the Section 8 Marketing Packet to (15) landlords with rental units in the City of Monterey each year for the next three years.</p>	<p>Over the next three years, the City will continue to work with HACM to develop effective outreach strategies that include the Section 8 Marketing Packet and delivering packets to landlords with rentals in the City of Monterey.</p>

Table 63: Summary of Accomplishments – Monterey Urban County

Impediment	Action	Timeline and Specific Accomplishments
<p>Impediment: Minority and Low/Moderate Income Concentrations</p>	<p>Expand affordable housing opportunities throughout the Urban County</p>	<p>Since 2013, the County has increased the affordable housing supply by 279 units (list projects below):</p> <ul style="list-style-type: none"> • Sea Garden Apartments – 59 units • Spreckels Crossing (aka Tanimura and Antle Agricultural Employee Housing) – 100 units with capacity for up to 800 unaccompanied farmworkers • East Garrison Moderate Income Inclusionary - 21 units • Boronda Villas – 75 units with capacity for up to 600 unaccompanied farmworkers. • Morse Place (aka Pebble Beach Company Inclusionary) – 23 units
	<p>Promote economic development activities to improve employment skills and create high-paying jobs throughout the Urban County.</p>	<p>The County continues to work with educational institutions to upgrade labor force skills to higher wage employers. The County continues to work with cities to identify land for commercial and industrial development where higher wage employers can locate and/or expand operations.</p>
<p>Impediment: Public Transit and Access to Public and Supportive Services</p>	<p>Allocate CDBG funds to public and supportive service programs that benefit the geographically underserved communities.</p>	<p>As part of the CDBG Urban County program, funding has been allocated to public service providers to support programs that benefit low and moderate income, as well as special needs populations.</p>
	<p>Expand affordable housing opportunities throughout the Urban County.</p>	<p>Since 2013, the County has increased the affordable housing supply by 279 units (list projects below):</p> <ul style="list-style-type: none"> • Sea Garden Apartments – 59 units • Spreckels Crossing (aka Tanimura and Antle Agricultural Employee Housing) – 100 units with capacity for up to 800 unaccompanied farmworkers • East Garrison Moderate Income Inclusionary - 21 units • Boronda Villas – 75 units with capacity for up to 600 unaccompanied farmworkers. • Morse Place (aka Pebble Beach Company Inclusionary) – 24 units
	<p>Work with transit agencies to increase transit services.</p>	<p>The County continues to advocate for more frequent transit</p>

Table 63: Summary of Accomplishments – Monterey Urban County		
Impediment	Action	Timeline and Specific Accomplishments
		service in unincorporated communities and cites in the Salinas Valley.
Impediment: Sensitivity Training	Offer sensitivity training to City/County staff. An option is to require City/County staff who interact directly with the public on CDBG matters to attend fair housing workshops to be offered by the Urban County's fair housing service providers.	All employees of the County of Monterey are required to attend training bi-annually in the areas of nondiscrimination, sexual harassment, language access and effective communication, and reasonable accommodations. ECHO offers this training to city staff as part of the fair housing agreement with the Urban County.
Impediment: Housing Element Compliance	Update the Housing Elements by December 31, 2015 and pursue certification of compliance by the State Department of Housing and Community Development (HCD).	<p>County of Monterey: Adopted 5th cycle housing element on January 26, 2016.</p> <p>Gonzales: Adopted 5th cycle housing element on December 29, 2015.</p> <p>Del Rey Oaks: The City has not completed a Housing Element update since the fourth cycle.</p> <p>Sand City: New Urban County participant. Housing Element was adopted on March 15, 2016.</p> <p>Greenfield: New Urban County participant. Housing Element was adopted on April 12, 2016.</p>
Impediment: Development Regulations.	<p>Monterey County</p> <ul style="list-style-type: none"> • Use Permit for Multiple-Family Uses • SB 2 Compliance (Housing for the Homeless) • Employee Housing Act 	The County has yet to revise the Zoning Code to address the minor discrepancies between County codes and State law. However, no new emergency shelters have applied to be established in the County. Furthermore, the County approved farmworker housing developments in 2015 and 2018 that offer affordable housing opportunities for unaccompanied farmworkers.
	<p>Gonzales</p> <ul style="list-style-type: none"> • Definition of Dwelling Unit • Density Bonus • Residential Care Facilities • SB 2 Compliance • Employee Housing Act 	The City has updated their Zoning Ordinance to include the following code amendments: <ul style="list-style-type: none"> • Definition of Dwelling unit, 2014 • Density Bonus Ordinance, 2014 • Residential Care Facilities, consistent with Lanterman Act, permitted by right as other residential uses • SB 2 Compliance – Emergency shelters now permitted by right in the MU and MU-CC zoning districts
Impediment: Monitoring of Lending Practices	Provide financial literacy and homebuyer education for Urban County residents	The County contracted with the Housing Resource Center for these services between 2013 and 15. However, the HRC has changed the focus of its efforts and stopped applying for CDBG funding from the Urban County to provide these

Table 63: Summary of Accomplishments – Monterey Urban County

Impediment	Action	Timeline and Specific Accomplishments
		services in 2016 and the Urban County has been unsuccessful in identifying a replacement service provider.
	Coordinate with agencies that provide foreclosure assistance	The County contracted with the Housing Resource Center for these services between 2013-15. However, the HRC has changed the focus of its efforts and stopped applying for CDBG funding from the Urban County to provide these services in 2016 and the Urban County has been unsuccessful in identifying a replacement service provider.
Impediment: Discrimination in Home Sale and Rental Listings	Provide fair housing outreach and education to newspapers, listing agencies, real estate associations, apartment owners/managers associations, and homeowners association, etc.	The Urban County continues to use CDBG funds to fund fair housing investigations, mediation and education to property owners and renters. The County currently contracts with the Eden Council for Hope and Opportunity (ECHO) for these services.

Table 64: Summary of Accomplishments – City of Seaside

The City of Seaside has not previously prepared an Analysis of Impediments to Fair Housing Choice. However, the City continues to further fair housing. This section briefly summarizes the actions taken by the City.

Citizen Participation Plan (CPP): The City's CPP for the CDBG program establishes a Community Development Advisory Committee that oversees the use of CDBG funds. Ideally, the City Council approves committee members reflecting the ethnic diversity of the community, includes one senior or handicapped person, and must consist of at least three members from low income neighborhoods.

Public Policies: In March 2018, the City amended the Zoning Code to identify the Community Commercial (CC) zone and Census Tract 137 for by-right approval of emergency shelters.

Fair Housing Services: Annually, the City provides funding for the Legal Services for Seniors, which provides a range of services, including fair housing services for seniors in the community. ECHO's Fair Housing Services also became a public service subrecipient of Seaside CDBG grant funds in 2018.

Table 65: Summary of Accomplishments – Housing Authority County of Monterey

HACM has established that ensuring equal opportunity in housing for all Americans as a strategic goal. To implement this goal, HACM continues to affirmatively market its housing programs and make them accessible to those families with special needs or disabilities. HACM remains committed to meeting reasonable accommodation or modification requests in order to provide opportunities to disabled families or individuals.

HACM works with the Entitlement Jurisdictions to integrate outreach and fair housing training opportunities into existing actions which are planned by each jurisdiction. HACM provides landlord workshops and participates in community forums and events to market the Housing Choice Voucher program and to further fair housing opportunities for families.

Housing specialists work with families to promote portability and moves to neighborhoods of opportunity. During briefings, applicants are informed of available units and where they are located, emphasizing communities that are underutilized. The Housing Specialists describe Fair Housing and Discrimination laws and provide materials regarding Fair Housing and Discrimination complaints. The briefing sessions also contain information regarding areas of the community which are concentrations of minorities, poverty and crime. This information is given to the voucher holders to allow them to make housing choices which provide greater social amenities, greater educational and economic opportunities for their families.

It is expected that HACM's Annual and Long Range Plan will result in a greater housing choice for families, allow families to acquire housing which is of adequate size, and will reduce overcrowded conditions. All potential rental units must meet Housing Quality Standards and are inspected prior to move in and are subject to annual inspections to assure these standards are maintained. This factor promotes fair housing choice by eliminating blighted properties from Federal Housing Subsidies and betters the community overall. The tenants are assisted to obtain housing which meets the needs of their families and are assisted in negotiations with landlords.

Chapter 8

Fair Housing Action Plan

The following section outlines potential impediments to fair housing that exist within the Collaborating Entities and the corresponding actions that will be taken to mitigate or eliminate these impediments.

A. Disparities in Access to Opportunities

1. Opportunity Indices

The various indices developed by HUD in the Affirmatively Furthering Fair Housing Tool (AFFHT) reflect the discrepancies in access to opportunities regarding:

- Low poverty level
- Access to proficient schools
- Labor market participation
- Availability of public transit
- Transportation costs
- Location of jobs
- Environmental health

Specifically, Salinas and Seaside residents have limited access to opportunities compared to those Monterey and the County as a whole. Hispanic residents as a group have limited access to opportunities when compared to other race groups.

Affordable housing is also primarily concentrated in Salinas, with over 60 percent of the affordable units located in that City. Monterey has the second largest inventory of affordable units, but trailing Salinas in a distant second at seven percent of the affordable units.

Actions:

- Allocate CDBG funds to public and supportive service programs that benefit the geographically underserved communities.
- Expand affordable housing opportunities throughout the County, to disperse affordable housing in other communities in the Peninsula.
- Promote economic development activities to improve employment skills and create high-paying jobs throughout the County.
- Work with Monterey-Salinas Transit to expand transit services in areas with limited public transit services, especially the frequency of services.
- Promote the portability of Housing Choice Vouchers (HCV) to help tenants move to communities of opportunity. (HACM)
- Promote the benefits of the HCV program to landlords to expand the inventory of rental

properties accepting HCVs. (HACM)
Time Frame: Ongoing
Responsible Agencies: Collaborating Entities
Funding Sources: Various, including CDBG; HOME; Inclusionary Housing funds; Housing Assets funds; and HCVs.

B. Lending Practices

1. Monitoring of Lending Practices

In reviewing the Home Mortgage Disclosure Act (HMDA) data, several issues in lending patterns with potential fair housing implications were identified:

- **Access to Homeownership:** Hispanic households were significantly underrepresented in the homeownership market, consisting of 55 percent of the countywide population but only 33 percent of the applications for home loans.
- **Lending Institutions with Higher than Average Approval Rates:** Over half of the top ten lenders in the County had approval rates higher than the overall approval rate for all lenders. Specifically, American Pacific Mortgage and Shore Mortgage approval rates greater than 78 percent— 20 points higher than the overall approval rate for all lenders (58 percent). While high approval rates do not necessarily indicate wrongdoing by a specific institution, they can be a sign of aggressive lending practices on the part of the lender.
- **Fallout and Applications Closed due to Incompleteness:** In mortgage lending, fallout refers to a loan application that is withdrawn by the borrower before the loan is finalized. A significant disparity in fallout could suggest screening, differential processing, HMDA Action misclassification and/or the potential of discouragement of minority applications. Closed applications refer to applications that are closed by the lender due to incompleteness. A high rate of incomplete loans can indicate a lack of financial literacy on the part of the borrower. During 2017, Nationstar Mortgage (59 percent) and American Financial Network (35 percent) had noticeably high rates of withdrawn and closed applications in the County.
- **Minority Loan Applicants and Smaller Financial Institutions:** Different race groups tended to utilize different lenders tended to target certain race groups. Hispanic applicants comprised 82 percent of applications with Bay Equity and 70 percent of the applications with Finance of America Mortgage. Black applicants in the unincorporated County did not seem to prefer any one financial institution over any others, but Asian applicants did appear to prefer Bank of America and Calber Home Loans over other banks.
- **Subprime Loans and Minority Applicants:** While HMDA data does not classify loans as subprime, it does track the interest rate spread on loans. Loans with a reported spread are typically referred to as higher-priced or subprime loans. In 2011, 2.23 percent of the loan applications by Hispanic applicants were offered subprime loans. In 2017, the proportion increased to 5.05 percent, more than doubled. However, the magnitude of rate spread narrowed somewhat for Hispanic applicants.

Actions:
<ul style="list-style-type: none"> • Provide financial literacy and homebuyer education for residents. • Monitor lending patterns and potentially discriminatory practices and work with lenders to address identified issues. • Provide information of State and Federal homeownership assistance programs. • Provide and/or pursue funding for homebuyer assistance as well as housing rehabilitation assistance.
Time Frame: Ongoing
Responsible Agencies: Collaborating Entities; fair housing service providers
Funding Sources: CDBG; HOME; General Fund

C. Public Policies

1. Housing Element Compliance

A Housing Element found by HCD to be in compliance with State law is presumed to have adequately addressed its policy constraints and fulfilled its planning obligations to provide a range of housing options for all socioeconomic segments of the community. Specifically, the Housing Element law mandates the planning of housing for persons with special needs (including the elderly, disabled, homeless, female-headed households, large households, and farm workers). Special needs households often encounter fair housing issues in the housing market.

The City of Del Rey Oaks and the City of Seaside are the only jurisdictions among the Collaborating Entities that are out of compliance with the State Housing Element law.

Actions:
<ul style="list-style-type: none"> • Pursue Housing Element Compliance
Time Frame: 2019
Responsible Agencies: City of Del Rey Oaks, City of Seaside
Funding Sources: General Fund

2. Development Regulations

A jurisdiction’s development regulations directly regulate the types of housing that can be located within the community. Restrictive development regulations may limit the range of housing choices available for all but may disproportionately impact the available options for persons with special needs. Furthermore, development regulations should be reviewed and updated periodically to comply with changes in State laws. Review of the development regulations for the Collaborating Entities as presented before is provided again below. Discussions of this review have been provided in detail under Chapter 5 of this AI report.

Table 66: Zoning Provisions for Special Needs Housing								
	Monterey	Salinas	Seaside	Del Rey Oaks	Greenfield	Gonzales	Sand City	County
Accessory Dwelling Unit	✓	✓	*	*	*	*	✓	*
Definition of Family	✓	✓	✓	*	✓	✓	✓	✓
Emergency Shelters	✓	✓	✓	*	✓	✓	✓	*
Transitional Housing	✓	✓	*	*	✓	*	*	*
Supportive Housing	✓	✓	*	*	✓	*	*	*
Residential Care Facilities	✓	✓	*	*	✓	*	✓	✓
Single Room Occupancy	✓	✓	*	*	*	✓	*	✓
Farmworker Housing	*	✓	✓	*	*	*	✓	✓
Employee Housing	*	✓	*	*	*	*	✓	✓
Reasonable Accommodation	✓	✓	*	*	*	✓	✓	✓
✓ = Compliant with laws * = Potential issues or not addressed in Zoning								

Actions:
<ul style="list-style-type: none"> • Make appropriate code amendments to address the provision of a range of housing options pursuant to State laws as outlined above and discussed in this AI. • Monitor development regulations to ensure zoning provisions foster the development of housing in general and for special needs populations in particular.
Time Frame: Amend zoning provisions by 2020.
Responsible Agencies: Participating jurisdictions
Funding Sources: General Fund

D. Discrimination and Fair Housing Services

1. Discrimination in Home Sale and Rental Listings

A number of home sale and rental listings in the County contain potentially discriminatory language. For both home sale and rental listings, the most common instances involved references to families. However, one instance for home sale involved income bias, referencing the home as appropriate to executives. For rental listing, the no-pet policy also appeared frequently, potentially impeding housing options for persons with disabilities if the ads did not specify exceptions for service and companion animals.

Actions:
<ul style="list-style-type: none"> • Provide fair housing outreach and education to newspapers, listing agencies, real estate associations, apartment owners/managers associations, and homeowners association, etc.
Time Frame: Ongoing
Responsible Agencies: Fair housing service providers
Funding Sources: CDBG

2. Fair Housing Education

Outreach and education is the most cost-effective approach to addressing fair housing concerns. Many housing professionals, housing providers, and home seekers alike, are unaware of their rights and responsibilities, as well as resources available. Having a consistent fair housing service provider which could establish a strong presence and develop strong connections in the region would help foster fair housing.

Actions: <ul style="list-style-type: none">• Conduct annual presentations on fair housing for housing professionals, providers, and residents in communities across the County, with the goal of at least one annual presentation in Monterey, Salinas, and Seaside.
Time Frame: Annually
Responsible Agencies: Fair housing service providers
Funding Sources: CDBG

E. Regional Collaboration

Many issues, such as homelessness, affordable housing, jobs-housing balance, and access to frequent transit services, are regional issues that require the collaboration of communities throughout the region. In recent years, the County jurisdictions have undertaken multiple regional initiatives to addressing housing-related issues. These include the Regional Farmworker Housing Study, this Regional Analysis of Impediments to Fair Housing Choice, and the regional Emergency Solutions Grants. Continuing these planning efforts and implementation would bridge the gap of disparities among communities.

Actions: <ul style="list-style-type: none">• Convene a regional planning group to implement the plans of actions outlined in various regional planning efforts, to identify emergency trends, and to explore potential solutions/actions.
Time Frame: Quarterly
Responsible Agencies: Collaborating Entities
Funding Sources: General Fund