

bae urban economics

DRAFT Analysis of Impediments to Fair Housing Choice

Prepared for the City of Stockton

February 4, 2020



bae urban economics

February 4, 2020

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Dear Ms. Wilson-Robinson:

We are pleased to present the enclosed Public Review Draft of the Analysis of Impediments to Fair Housing Choice (AI) for the City of Stockton 2020-2025 Consolidated Plan.

Under current HUD regulations (Title 24, Part 91), jurisdictions that participate in HUD's entitlement programs, including Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and the HOME Investment Partnerships Program, are required to prepare a Consolidated Plan (Con Plan) that guides the use of federal entitlement funding during each five-year planning cycle. As part of the Con Plan, participating jurisdictions are required to self-certify that they are doing everything reasonably within their power to affirmatively further fair housing. To provide support for this certification, each Entitlement jurisdiction is required to document impediments to fair housing choice within their jurisdictions. Subsequently, each jurisdiction is required to maintain records verifying that the fair housing analysis was prepared and to document what actions were taken in response.

This document represents the initial draft of the required AI document and is being made available to the public, who are highly encouraged to review and provide comment. Following completion of the mandatory 30-day review period, BAE will work with City staff to document and respond to all of the comments received during the review period. The document will then be revised and the final document being presented to the City Council.

It has been a pleasure working with you and your staff on this important project. If you have any questions or comments, please do not hesitate to contact us.

Sincerely,



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EXECUTIVE SUMMARY

OVERVIEW

The purpose of the Analysis of Impediments to Fair Housing Choice (AI) is broad, and includes analysis of public and private policies, practices, and procedures that influence housing choice within a jurisdiction. The AI serves as the logical basis for fair housing planning and coordination. It also provides essential information to policy makers, planning staff, housing providers, lending institutions, and fair housing advocates. Stakeholders can then use this information to address impediments to fair housing and the information can help to build support for both public and private sector fair housing initiatives.

What is an Impediment to Fair Housing Choice?

While there are many factors in the public and private domains that have the potential to prevent or delay equal access to housing, HUD defines impediments to fair housing choice as:

- 1) Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice;
- 2) Any actions, omissions, or decisions that have this effect.

An evaluation of potential impediments to fair housing choice must also distinguish between access to housing based on cost and affordability, versus access to housing based on illegal discrimination. Affordability, by itself, is not a fair housing issue. When a household has problems accessing housing due to cost alone, no fair housing law is violated. However, when affordability disproportionately impacts protected classes, additional analysis is necessary to identify whether impediments to fair housing exist, and whether or not illegal discrimination has occurred.

Existing Conditions and Socioeconomic Context

The City of Stockton is the largest population center in San Joaquin County and the second largest city in the larger San Joaquin Valley. The available demographic data indicate that the city also represents one of the most diverse communities in the region, where members of racial and ethnic minority groups, when considered together, account for nearly 76 percent of the population. In other words, Stockton is a “minority-majority” community. An evolution of the relative distribution of minority residents indicated that such households are more evenly distributed throughout the community than in other jurisdictions throughout California. Despite this, there are a number of areas of the city with disproportionate concentrations of minority residents. The AI analysis also included a brief evaluation of isolation index values, which indicate relatively low levels of racial and ethnic segregation.

Additional analysis indicated that areas of high minority concentration also generally correspond with areas with high concentrations of low- and moderate-income households, as identified by HUD. Lower income households, particular renter households, tend to experience housing problems, such as housing cost overpayment (i.e., more than 30 percent of household income), crowding (i.e., more than 1.5 persons per room), and substandard housing (i.e., unit lacks necessary infrastructure or appliances). Generally, lower income neighborhoods, such as downtown and northern Stockton, have adequate access to employment opportunities and public transportation. However, the analysis found that south Stockton is relatively isolated from employment opportunities and lacks sufficient public transportation infrastructure necessary to facilitate timely transit to and from employment and other amenities and services. Additionally, the analysis found that overall, the City's existing public transportation system does not provide access to industrial employment areas, making it difficult for many lower income residents throughout the city to secure and maintain gainful employment.

The background analysis also identified a variety of special needs populations that may require special consideration with regard to fair housing issues. These generally include seniors, persons with disabilities, large households, farmworkers, homeless persons, and person diagnosed with AIDS and related diseases, among other populations at-risk for special housing discrimination.

Housing Characteristics and Condition

Like most Central Valley communities, the housing stock in Stockton is skewed toward lower-density single-family housing units. Just over one quarter of the housing stock is comprised of multifamily housing units, which is below the statewide average of 31 percent. With the exception of southern Stockton, the city's multifamily housing stock tends to be located in areas that correspond with high concentration of minority and lower income residents. Though the city experienced considerable growth in recent decades, the majority of this growth has occurred in the form of single-family housing developments, primarily located on the urban fringe. Stockton's housing stock tends to be comprised of larger units, with very few studio- and one-bedroom units, which are typically more affordable housing options for smaller renter and owner households. As such, many smaller lower income households are likely overpaying for units that are larger than necessary for their needs or living together with other families in order to afford larger housing units.

The Neighborhood Services Division (NSD) of the Stockton Police Department carries out code enforcement activities, processing an average of 811 housing code cases each year. These violations include structural issues, exposed wiring, and exterior housing problems. Additionally, the NSD implements the Residential Rental Inspection Program (RRIP), which specifically targets inspection of residential rental properties. Most of the housing code enforcement and RRIP cases involve single-family units and are geographically concentrated in the city's older neighborhoods, such as the downtown, midtown and South Stockton areas, due to the presence of many buildings that were constructed in the late 19th and early 20th

centuries and have not received substantial rehabilitation. Other areas with large concentrations of housing code enforcement and RRIP cases include residential neighborhood to the south east of March Lane and El Dorado Street, and in north Stockton north of East Hammer Lane.

The Housing Authority of the County of San Joaquin (HACSJ) operates two below market rate public housing communities in Stockton, including Conway Homes and Sierra Vista Homes, which currently contain a total of 741 subsidized housing units. The HACSJ is currently in the second phase of a multiphase redevelopment of Sierra Vista. Prior to the redevelopment project, Sierra Vista had 396 units. By the end of the redevelopment project these units will be replaced by 500 to 550 new units depending on the final project specifics, resulting in a net increase of 104 to 154 new units. This would bring the total number of public housing units in Stockton to between 936 and 986 units once redevelopment of Sierra Vista is complete. Additionally, there are 3,608 housing units affordable to lower-income households that are contained in 53 projects throughout the City of Stockton.

The HACSJ currently administers 5,174 the Housing Choice Voucher (HCV) throughout San Joaquin County, 3,611 of which are utilized in the City of Stockton. The majority of HCVs are tenant-based, meaning the vouchers are issued to individual households who are then responsible for locating suitable housing. However, many HCV holders struggle to the ability to find landlords willing to accept HCV's. As such, 22 percent, or 1,150 HCVs, remain unutilized countywide.

Public and Private Sector Impediments

For a number of legal and legislative reasons, the City of Stockton completed an update to the General Plan, which was adopted in December 2018. The Envision 2040 General Plan represents a significant shift away from the City's historical pattern of periphery development to urban infill development and redevelopment by allowing for more flexible development standards and higher permitted densities in more urban areas of the city. These code changes will allow the City to implement not just procedural changes, but to update and streamline outdated land use practices. The existing municipal code is in compliance with applicable fair housing laws, both state and federal. These include the City's density bonus ordinance, provisions for second units, and policies associated with the siting of homeless shelters and transitional housing facilities. Based on a review of the City's existing development impact fee schedule, a 2013 review identified the need to conduct a comprehensive update of the Capital Facilities Fees, as well as reform of the Community Development Department fees, in order to ensure that the fees charged are commensurate with the impact and sufficient to offset departmental costs. In 2019 the Until resolved, these issues may represent potential public sector impediments.

An additional analysis of potential private sector impediments to fair housing choice indicates that low- and moderate-income households, as well as minority households, are not

significantly underrepresented among home loan approvals and originations within the City of Stockton. As a result, mortgage lending practices are not considered to represent an impediment to fair housing, though vigilant efforts should continue, to prevent discrimination and discourage predatory lending.

Assessment of Fair Housing Services

Complaints alleging housing discrimination can be filed with either the state or federal government. Federal housing complaints are filed with the HUD Office of Fair Housing and Equal Employment Opportunity (FHEO), while state housing complaints are filed with the California Department of Fair Employment and Housing (DFEH). Overall, there are relatively few fair housing complaints filed within the City of Stockton, with a large proportion being dismissed due to a lack of cause. Consultation with the San Joaquin Fair Housing Association (SJFH) indicates that the majority of fair housing complaints submitted by complainants within the City of Stockton are not based on discrimination but are the result of landlord-tenant disputes. Additional data regarding hate crimes, which can represent an impediment to the degree that events discourage households from residing in certain areas, indicate that Stockton has a lower prevalence of hate-based crimes than does the state as a whole.

Fair housing services within the broader San Joaquin County community are primarily provided by SJFH. Based out of their offices on North El Dorado Street in downtown Stockton, the association offers education, outreach, training, and referral services, as well as tenant-landlord mediation services. SJFH staff also work to facilitate the fair housing complaint submittal and investigation process and provides fair housing testing on a case-by-case basis.

Recommended Actions

Following are actions recommended to address fair housing issues within the City of Stockton during the 2020-2025 time period.

General Recommendations

Action 1: Use the Consolidated Plan and AI as mechanisms to increase awareness and participation in fair housing issues. The City should utilize the Consolidated Plan and AI adoption and implementation processes to raise community awareness of the identified barriers to fair housing choice. Hearings and public meetings associated with the planning and implementation should be advertised in the media and members of the public should be invited to participate and provide substantive input.

Action 2: Periodically monitor progress toward implementation of the AI recommendations. City staff should utilize the existing Consolidated Plan reporting process to consistently monitor and track the progress made toward implementation. This could also include an annual report on the actions taken by area fair housing service providers, including an inventory of the

services provided, the number of clients served, the results of fair housing testing, and a breakdown of fair housing cases by type, including evaluation of key client characteristics.

Access to Information

Action 3: Maintain links on appropriate pages of the City’s website that direct visitors to housing services and resources, fair housing information, and consumer information. Ensure that information regarding the housing services provided by the City and its partners, including SJFH, is available at designated locations throughout the community, including but not limited to City offices, public libraries, community and civic centers, and other public facilities, particularly those public offices frequented by members of vulnerable populations, such as the elderly, disabled, minorities, and low-income households.

Action 4: Conduct annual trainings, seminars, and information sessions with key City staff who administer and oversee housing programs and code enforcement activities to ensure that these staff are able to accurately provide guidance and referrals with regard to fair housing and landlord-tenant issues.

Action 5: To the extent possible with limited funding, support SJFH in expanding access to its services by increasing the number of hours the office is open and the number of hours that the phones are answered.

Action 6: Continue to support and, where possible, expand programs that provide credit counseling, homebuyer counseling and education, and education on tenant rights and responsibilities for households entering or re-entering the rental market, such as formerly homeless households and those entering the homeownership market. This may include providing support to SJFH, as well as other agencies and organizations, including providing funding to continue and expand existing city programs.

Fair Housing Services and Outreach

Action 7: Collaborate with other local jurisdictions to explore additional funding sources that may be leveraged to develop and maintain a program for comprehensive fair housing testing. This should include a dialogue intended to identify the most appropriate provider of these services (e.g., SJFH), as well as to determine ways in which each jurisdiction can contribute, so as to preserve and expand the capacity of organization that administers the testing program.

Action 8: Maintain and intensify code enforcement efforts focused on identifying substandard housing units and ensure, to the extent practicable given available resources, supplemental funding for lower-income households necessary to facilitate prompt and satisfactory remediation of identified issues and avoid displacement. Efforts should be coordinated with

other appropriate code and law enforcement activities, as well as the provision of assorted supportive and fair housing services.

Action 8: Maintain and expand support necessary for fair housing service providers to conduct fair housing trainings, workshops, and information sessions for residents, property managers and landlords, providing appropriate translation services where possible and necessary.

Home Purchase, Lending, and Foreclosure

Action 9: Work with financial institutions to encourage marketing of financial services to all segments of the community. For example, lenders in the subprime market were effective in utilizing community resources, local “cultural brokers,” and affinity group marketing strategies, which indicates that lenders operating in the prime market may also benefit from similar marketing approaches, which can improve access to financing for lower-income and minority populations.

Public Policies and Programs

Action 9: Leverage the ongoing comprehensive amendment process to address potential barriers to affordable and fair housing, including those identified in the Housing Element. This may also include policies intended to encourage additional affordable housing development in areas of high opportunity, such as moderate- and above moderate-income neighborhoods, though policies should not be crafted in such a way as to discourage affordable housing in any location area otherwise deemed appropriate for residential uses.

Action 10: Pursue a comprehensive update of the City’s development impact fees, including the Capital Facilities Fees and Community Development Department fees to ensure that the fees charged are commensurate with the impact and sufficient to offset departmental costs.

Action 11: Continue to comply with applicable antidiscrimination requirements, including, but not limited to, all applicable federal regulations associated with the use of CPD grant funds under the CDBG, HOME, and ESG programs

Action 12: Work with local and regional public transportation service providers to expand and enhance access connections between lower income neighborhoods such as south Stockton employment centers not well served by public transit.

Action 13: Support efforts to rehabilitate or newly construct smaller studio- and one-bedroom units which are affordable to lower-income households.

Action 14: Work with the Central Valley Low Income Housing Corporation and the Housing Authority of San Joaquin County to support and enhance programs to incentivize acceptance of Housing Choice Vouchers.

Action 15: Explore the need for and feasibility of policies which protect renters from eviction or retaliatory measures from landlords (i.e., retaliation for code enforcement complaints, particularly for undocumented renters).

SECTION 1 – INTRODUCTION

1.1 – Purpose

The Consolidated Plan regulations – under Title 24, Part 91, of the Code of Federal Regulations – require that communities that receive funding from the U.S. Department of Housing and Urban Development (HUD) on an entitlement basis submit a certification that they are affirmatively furthering fair housing.¹ To provide support for this certification, each Entitlement jurisdiction is required to conduct an Analysis of Impediments to Fair Housing Choice (AI) and to outline the actions that would be appropriate to overcome the impediments identified in the analysis. Subsequently, each jurisdiction is required to maintain records verifying that the AI was conducted and identifying the actions that were taken.

The purpose of the Analysis of Impediments is broad, and includes analysis of public and private policies, practices, and procedures that influence housing choice within a jurisdiction. The AI serves as the logical basis for fair housing planning. It also provides essential information to policy makers, planning staff, housing providers, lending institutions, and fair housing advocates. Stakeholders can then use this information to address impediments to fair housing and the information can help to build support for both public and private sector fair housing initiatives.

The following AI, for the City of Stockton, California, identifies actions to be taken between July 2020 and June 2025. The AI will be submitted along with the City of Stockton Consolidated Plan to the U.S. Department of Housing and Urban Development (HUD) to support grant applications for federal entitlement funding for housing programs. The AI is divided into five distinct sections, which are as follows:

Section 1 – Introduction and overview of the Analysis of Impediments to Fair Housing Choice

Section 2 – Analysis of demographic and economic characteristics, housing stock and affordability, geographic distribution of minority and low-income populations, and information on assisted housing resources

Section 3 – Assessment of public and private sector impediments

Section 4 – Assessment of fair housing practices and evaluation of 2015 to 2020 AI action item implementation

Section 5 – Recommended action items for the 2020 to 2025 reporting period

¹ U.S. Department of Housing and Urban Development. (1996). Fair Housing Planning Guide (HUD-1582B-FHEO). Available at: <http://www.hud.gov/offices/fheo/images/fhpg.pdf>

What is an Impediment to Fair Housing Choice?

While there are many factors in the public and private domains that have the potential to prevent or delay equal access to housing. HUD defines an impediment to fair housing choice as:

- 1) Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice;
- 2) Any actions, omissions, or decisions that have this effect.²

According to HUD's 1996 *Fair Housing Planning Guide*, an impediment to fair housing choice constitutes a violation, or potential violation, of the Fair Housing Act, and is counterproductive to fair housing choice, having the effect of restricting housing opportunities for members of federally protected classes (i.e., race, color, religion, national origin, age, sex, pregnancy, citizenship, familial status, disability, veteran status, genetic information).

The Unruh Civil Rights Act – Section 51 of the Civil Code of California – ensures equal status and protection from discrimination by all business establishments, including housing and accommodations. It expands the list of Federal protected classes (i.e., race, color, religion, national origin, age, sex, pregnancy, citizenship, familial status, disability, veteran status, genetic information) to also include ancestry, medical condition, HIV or AIDS status, and sexual orientation. The Supreme Court of California has further clarified that protections under the Unruh Act are not necessarily restricted to the above characteristics. As a result, the Act covers all arbitrary and intentional discrimination by a business establishment on the basis of any personal characteristics similar to those listed above.

Affordability is Not a Fair Housing Issue

An evaluation of potential impediments to fair housing choice must distinguish between access to housing based on cost and affordability versus access to housing based on illegal discrimination. Affordability, by itself, is not a fair housing issue. When a household has problems accessing housing due to cost, no fair housing law is violated. However, when affordability disproportionately impacts protected classes, additional analysis is necessary to identify whether impediments to fair housing exist and whether legal discrimination has occurred. The degree to which protected classes are impacted by housing affordability is documented, to the extent possible, later in this report. This is accompanied by an evaluation of the degree to which affordability constitutes an impediment to fair housing.

² *Ibid.*

1.2 – Regulatory Setting

Federal Fair Housing

The Federal Fair Housing Act (1968) and the Fair Housing Amendments Act (1988) represent federal fair housing legislation that prohibits discrimination in all aspects of housing, including the sale, rental, lease, or negotiation for real property. The 1968 Fair Housing Act prohibits discrimination based on race, color, national origin, religion, or sex (i.e., protected classes). The 1988 the Fair Housing Act was amended to also prohibit discrimination based on familial status and physical or mental disability. The amendment to the Fair Housing Act also instituted housing code standards for new multifamily dwellings to accommodate persons with disabilities and establishes the right to “reasonable accommodations.” The reasonable accommodations rule ensures the rights of tenants to make reasonable modifications to a dwelling, at their own expense, to accommodate the needs of persons with disabilities, and prohibits landlords from refusing reasonable requests for modifications to rules, policies, practices, or services, if they are necessary to accommodate persons with disabilities.

State Fair Housing

The Fair Employment and Housing Act (FEHA) – Part 2.8 of the California Government Code – and the Unruh Civil Rights Act – Section 51 of the California Civil Code – represent principal legislative statutes in the State of California that prohibit discrimination against protected classes and which promote fair housing. The FEHA prohibits housing discrimination and harassment in all its forms, including all practices, policies, and regulations relating to the rental and sale of real property, eviction, mortgage lending, insurance, and land use and zoning. The FEHA also prohibits retaliation against individuals or entities who have filed a complaint with the California Department of Fair Employment and Housing, participated in a Department investigation, or opposed any prohibited activity.

1.3 – Key Terms

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

Impediments: HUD defines impediments to fair housing choice as: 1) any actions, omissions or decisions taken because of race, color, religion, sex, disability, familial status or national origin, which restrict housing choice or the availability of housing choices; 2) any actions, omissions, or decisions that have the effect of restricting housing choices on the basis of race, color, religion, sex disability, familial status or national origin.

Persons with Disabilities: Federal laws define a person with a disability as "any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment." In general, a

physical or mental impairment includes hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex, and mental disability that substantially limits one or more major life activities. Major life activities include walking, talking, hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself.

Reasonable Accommodations: A reasonable accommodation is a change in rules, policies, practices, or services so that a person with a disability will have an equal opportunity to use and enjoy a dwelling unit or common space. A housing provider should do everything possible to assist, but is not required to make changes that would fundamentally alter the program or create an undue financial and administrative burden. Reasonable accommodations may be necessary at all stages of the housing process, including application, tenancy, or to prevent eviction.

Protected Class: A characteristic of a person, which cannot be used as the basis for discrimination or discriminatory actions or omissions. The following are protected classes:

Under Federal Law

- Race
- Color
- Religion
- National Origin
- Age
- Sex
- Pregnancy
- Citizenship
- Familial Status
- Disability
- Veteran Status
- Genetic Information

Under California Law

- Race
- Color
- Religion
- National Origin
- Sex
- Disability
- Age
- Ancestry
- Medical Condition,
- HIV or AIDS Status
- Marital Status
- Source of Income
- Sexual Orientation
- Other Arbitrary Characteristics

1.4 – Methodology

The format of the AI report and the analysis contained therein adheres to recommendations contained in HUD's 2010 Fair Housing Planning Guide. The analysis incorporates information collected from the 2015-2023 City of Stockton General Plan Housing Element, the 2015-2020 San Joaquin County and City of Stockton Consolidated Plan, and the draft 2020-2025 City of Stockton Consolidated Plan. The analysis also utilizes data from the U.S. Census Bureau (Census), the California Department of Finance (DoF), the California Department of Housing and Community Development (HCD), U.S. Department of Housing and Urban Development (HUD), and the Federal Financial Institutions Examination Council (FFIEC), among other sources. To supplement these quantitative data sets, the consultant team also interviewed a variety of local housing specialists, fair housing advocates, and private sector housing professionals. The information collected via the qualitative interview process was incorporated throughout the AI report and was used to identify recommended action items.

1.5 – Outreach and Public Participation

HUD regulations for the development of the AI require jurisdictions to consult with public agencies and organizations to identify impediments to fair housing choice within the City of Stockton and develop clear strategies and implementing actions to overcome them.

To facilitate preparation of the AI, the City of Stockton and its consultant conducted one-on-one consultations with various agencies and organizations located throughout the city and county, including public and assisted housing providers and developers, an assortment of government agencies, as well as private and public health, mental health, and social service agencies. Additionally, the City held four focus group meetings with key stakeholders including some of the organizations that participated in one-on-one consultations in addition to local chambers of commerce, business owners, professional organizations, and members of the public. The focus group topics included: housing, business development, economic development, and issues pertinent to the Central City. These meetings were open to the public and advertised in the local newspaper. In most cases, these consultations represent a continuation of ongoing interactions between the City and the organizations described. In total, the City consulted with 25 organization one-on-one, with an additional 38 organizations or community members participating in one or more of the focus groups. Some organizations participated in both the consultations and focus group discussions. In total, the City consulted 58 unique organizations or members of the public. See Appendix A for a list those organization and individuals who participated in the focus group meetings and one-on-one consultations.

SECTION 2 – EXISTING CONDITIONS

2.1 – Population and Age Trends Ethnic

According to Census and DoF data, San Joaquin was the second fastest growing county in California, between 2010 and 2018 in terms of average annual growth rate and the 12th fastest growing county in terms of total population growth. During this period, the county gained 73,438 new residents. With an average annual growth rate of around 1.3 percent per year, the countywide population grew 0.4 percentage points per year faster than the statewide population. Reflecting a return to pre-recession levels in the economy, the population growth rate began to slowly pick up its pace in the later part of the 2010 to 2018 time-period. From 2010 to 2014, the county population grew at an annual average of 0.9 percent, while from 2014 to 2018 it grew at an annual average of 1.2 percent. Though this growth rate is still behind the 2000 to 2010 growth rate of two percent per year, this demonstrates an upward trend as the economy moves farther from the 2008 economic recession.

The City of Stockton represents the largest incorporated community in San Joaquin County and the third largest city in the San Joaquin Valley, behind Fresno and Bakersfield. Between 2010 and 2018, the city gained 23,396 new residents, at an annual average rate of 1.0 percent per year, which is below the countywide average of 1.3 percent per year but above the statewide average of 0.8 percent per year. Similar to the county as a whole, population growth in the city slowed considerably between 2010 and 2014 but began recovering from 2014 to 2018. During the period between 2014 and 2018, the city gained approximately 14,800 new residents. This equals an average annual growth rate of 1.2 percent, which, again, was slightly below the countywide average of 1.6 percent, but above the statewide rate of 0.8 percent per year.

Table 1: Population Growth Trends, City of Stockton and San Joaquin County, 2000 to 2018

| Year | City of Stockton | San Joaquin County |
|------------------------------|-------------------------|---------------------------|
| 2000 | 243,771 | 563,598 |
| 2001 | 248,520 | 578,121 |
| 2002 | 254,469 | 596,039 |
| 2003 | 261,710 | 612,295 |
| 2004 | 270,136 | 629,787 |
| 2005 | 277,485 | 645,059 |
| 2006 | 282,869 | 656,247 |
| 2007 | 285,750 | 665,304 |
| 2008 | 287,093 | 672,492 |
| 2009 | 288,591 | 677,833 |
| 2010 | 291,707 | 685,306 |
| Annual Change '00-'10 | 1.8% | 2.0% |
| 2011 | 291,712 | 691,689 |
| 2012 | 295,346 | 698,555 |
| 2013 | 297,637 | 704,739 |
| 2014 | 300,275 | 712,134 |
| 2015 | 305,303 | 723,856 |
| 2016 | 308,746 | 735,319 |
| 2017 | 311,724 | 747,263 |
| 2018 | 315,103 | 758,744 |
| Annual Change '10-'18 | 1.0% | 1.3% |

Sources: California Department of Finance, E-4, 2018; BAE, 2019.

Corresponding with broader trends throughout California and nation, both the City of Stockton and San Joaquin County shows signs of an aging population, though the population in the City of Stockton appears somewhat younger on average, compared to the county as a whole. For example, the median age in the City of Stockton was in 2010 was 30.8 years, which increased to an average 32.2 years between 2013 and 2017. The median age in San Joaquin County as a whole was 32.7 in 2100, which increased to an average of 33.9 between 2013 and 2017. The City of Stockton shows two clear waves moving through the age categories. For example, while the proportion of residents who are under the age of 18 declined by 2.6 percent and the proportion of residents between 18 and 24 years of age declined two percent, the proportion of residents who are age 25 through 4 increases 12.1 percent. There is a similar, more dramatic shift among middle age residents, with limited growth in the proportion of the population between the ages of 35 and 54, which corresponds to an increase in the proportion of residents who are 55 years or older. Additional data for San Joaquin County as a whole, shown in Table 2, show a similar trend, except that countywide the proportion of residents age 18 to 24 years increased.

Table 2: Age Distribution, City of Stockton and San Joaquin County, 2000 and 2013-2017

| Age Range | City of Stockton | | | |
|------------------------|------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Under 18 | 87,338 | 29.9% | 85,060 | 27.9% |
| 18-24 | 34,126 | 11.7% | 33,431 | 11.0% |
| 25-34 | 40,162 | 13.8% | 45,039 | 14.8% |
| 35-44 | 36,529 | 12.5% | 37,014 | 12.2% |
| 45-54 | 35,398 | 12.1% | 35,738 | 11.7% |
| 55-64 | 28,902 | 9.9% | 32,292 | 10.6% |
| 65-74 | 15,823 | 5.4% | 21,205 | 7.0% |
| 75-84 | 9,192 | 3.2% | 9,691 | 3.2% |
| 85 years & older | 4,237 | 1.5% | 4,888 | 1.6% |
| Total, All Ages | 291,707 | 100% | 304,358 | 100% |

| Age Range | San Joaquin County | | | |
|------------------------|--------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Under 18 | 200,724 | 29.3% | 200,364 | 27.7% |
| 18-24 | 71,312 | 10.4% | 72,932 | 10.1% |
| 25-34 | 90,815 | 13.3% | 99,215 | 13.7% |
| 35-44 | 90,738 | 13.2% | 93,186 | 12.9% |
| 45-54 | 91,839 | 13.4% | 92,299 | 12.7% |
| 55-64 | 68,697 | 10.0% | 79,619 | 11.0% |
| 65-74 | 38,530 | 5.6% | 50,648 | 7.0% |
| 75-84 | 22,709 | 3.3% | 24,910 | 3.4% |
| 85 years & older | 9,942 | 1.5% | 10,980 | 1.5% |
| Total, All Ages | 685,306 | 100% | 724,153 | 100% |

Sources: U.S. Census Bureau, 2000 Census and ACS 2017 5-year sampling period, P12, B01001; BAE, 2019.

2.2 – Racial and Ethnic Characteristics

In 1970, more than 90 percent of the countywide population identified as non-Hispanic White. Over the past 40 plus years, San Joaquin County and the City of Stockton have become considerably more diverse, in terms of both race and ethnicity. As reported in Table 3, an estimated 24.3 percent of Stockton residents identified as non-Hispanic White, according to the 2006-2010 ACS. The remaining 75.7 percent belonged to one or more of the city’s minority populations. The most prevalent minority groups included Hispanic/Latino individuals, who comprised 38.8 percent of the population. Other important minority groups included non-Hispanic Asians which accounted for 21.2 percent of the city’s population, and Black or African American individuals who accounted for 11.4 percent of the population.

According to the 2013-2017 ACS, the proportion of Stockton residents who identify as non-Hispanic White decreased to 21.2 percent. Consequently, the proportion of minority residents residing in the city increased to 78.8 percent. Of these, Hispanic and Latino residents still account for the largest share, representing 42.2 percent of the citywide population. The proportionate representation of Asian and Black or African American residents remained

relatively stable, with these two groups accounting for an estimated 21.2 percent and 11.1 percent of the citywide population, respectively.

Table 3: Population by Race and Ethnicity, City of Stockton and San Joaquin County, 2006-2010 and 2013-2017

| | City of Stockton | | | |
|--|--------------------|---------------|----------------|---------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Non-Hispanic or Latino | | | | |
| White alone | 69,727 | 24.3% | 64,568 | 21.2% |
| Black or African American alone | 32,665 | 11.4% | 33,699 | 11.1% |
| American Indian and Alaska Native alone | 1,216 | 0.4% | 695 | 0.2% |
| Asian alone | 61,000 | 21.2% | 64,403 | 21.2% |
| Native Hawaiian and Other Pacific Islander alone | 1,543 | 0.5% | 2,207 | 0.7% |
| Some other race alone | 333 | 0.1% | 296 | 0.1% |
| Two or more races | 9,366 | 3.3% | 10,039 | 3.3% |
| Subtotal, All Non-Hispanic or Latino | 175,850 | 61.2% | 175,907 | 57.8% |
| Hispanic or Latino | | | | |
| White alone | 63,102 | 22.0% | 69,053 | 22.7% |
| Black or African American alone | 1,806 | 0.6% | 1,325 | 0.4% |
| American Indian and Alaska Native alone | 2,020 | 0.7% | 1,283 | 0.4% |
| Asian alone | 1,633 | 0.6% | 1,509 | 0.5% |
| Native Hawaiian and Other Pacific Islander alone | 13 | 0.0% | 230 | 0.1% |
| Some other race alone | 34,999 | 12.2% | 35,549 | 11.7% |
| Two or more races | 7,954 | 2.8% | 19,502 | 6.4% |
| Subtotal, All Hispanic or Latino | 111,527 | 38.8% | 128,451 | 42.2% |
| Total, All Races and Ethnicities | 287,377 | 100.0% | 304,358 | 100.0% |
| | San Joaquin County | | | |
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Non-Hispanic or Latino | | | | |
| White alone | 251,081 | 37.3% | 240,170 | 33.2% |
| Black or African American alone | 46,449 | 6.9% | 48,175 | 6.7% |
| American Indian and Alaska Native alone | 3,101 | 0.5% | 1,668 | 0.2% |
| Asian alone | 93,909 | 13.9% | 106,817 | 14.8% |
| Native Hawaiian and Other Pacific Islander alone | 3,180 | 0.5% | 3,781 | 0.5% |
| Some other race alone | 1,258 | 0.2% | 874 | 0.1% |
| Two or more races | 20,864 | 3.1% | 27,062 | 3.7% |
| Subtotal, All Non-Hispanic or Latino | 419,842 | 62.3% | 428,547 | 59.2% |
| Hispanic or Latino | | | | |
| White alone | 147,658 | 21.9% | 164,636 | 22.7% |
| Black or African American alone | 2,812 | 0.4% | 2,258 | 0.3% |
| American Indian and Alaska Native alone | 3,982 | 0.6% | 2,636 | 0.4% |
| Asian alone | 2,670 | 0.4% | 2,542 | 0.4% |
| Native Hawaiian and Other Pacific Islander alone | 131 | 0.0% | 452 | 0.1% |
| Some other race alone | 79,634 | 11.8% | 79,662 | 11.0% |
| Two or more races | 16,884 | 2.5% | 43,420 | 6.0% |
| Subtotal, All Hispanic or Latino | 253,771 | 37.7% | 295,606 | 40.8% |
| Total, All Races and Ethnicities | 673,613 | 100.0% | 724,153 | 100.0% |

Sources: U.S. Census Bureau, American Community Survey (ACS) 2010 5-year and 2017 5-year sampling period, B03002; BAE, 2019.

The data described above indicate that minority residents account for a larger share of the population than they did in the year 2010. While Asian and African American residents have maintained their proportionate share of the total citywide population, Hispanic residents account for a much larger share of the total population than they did almost a decade prior. As a result, Asians and African Americans account for a slightly smaller share of the citywide minority population than they did in 2010, while Hispanic residents account for a larger share of the city's minority residents.

Table 4: Minority Populations, City of Stockton and San Joaquin County, 2006-2010 and 2013-2017

| Minority Groups | City of Stockton | | | |
|-----------------------------------|------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Black or African American | 32,665 | 15.0% | 33,699 | 14.1% |
| Asian | 61,000 | 28.0% | 64,403 | 26.9% |
| Hispanic | 111,527 | 51.2% | 128,451 | 53.6% |
| Other Minority | 12,458 | 5.7% | 13,237 | 5.5% |
| Total, All Minority Groups | 217,650 | 100% | 239,790 | 100% |
| % of total Populaton | 75.7% | | 78.8% | |

| Minority Groups | San Joaquin County | | | |
|-----------------------------------|--------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Black or African American | 46,449 | 11.0% | 48,175 | 10.0% |
| Asian | 93,909 | 22.2% | 106,817 | 22.1% |
| Hispanic | 253,771 | 60.1% | 295,606 | 61.1% |
| Other Minority | 28,403 | 6.7% | 33,385 | 6.9% |
| Total, All Minority Groups | 422,532 | 100% | 483,983 | 100% |
| % of total Populaton | 62.7% | | 66.8% | |

Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, B03002; BAE, 2019.

Geographic Concentrations of Race and Ethnicity

For the purpose of this report, census block groups with high geographic concentrations of minority residents and Hispanic/Latino residents are defined as those with concentrations that are 20 percent above the citywide average. Because non-White residents account for a majority of the population in Stockton, it is impractical to apply the typical threshold of twice the citywide share for the identification of high geographic concentrations, since in many cases twice the citywide share would necessarily equal greater than 100 percent of the population. Figure 1 illustrate the geographic distribution of residents by race and ethnicity for Census Block Groups located in the City of Stockton, as reported by the 2013-2017 ACS, with Block Groups containing a high concentration of minority and Hispanic/Latino residents outlined in red. It is important to recognize that the proportionate concentration of minority residents within each area is calculated based on estimates of the minority population residing within a given Block Group, divided by the estimated total population. Note that if the resident

population within a given Block Group is relatively small, even a small number of minority residents can result in a high proportionate minority concentration.

As illustrated in Figure 1, there are above average concentrations of minority residents in downtown Stockton, particularly in the area south of West Park Street and east of the San Joaquin River. This concentration also extends southward to include most of the Block Groups located south of the Ort. J. Lofthus Freeway (Hwy 4) and extends southward toward the Stockton Metropolitan Airport. The city also has above average concentrations of minority residents in areas of north Stockton extending from the Calaveras River northward toward East Morada Lane. This area extends from the railroad tracks near Holman Road, westward to North El Dorado Street, and Lower Sacramento Road. The data also indicate a smaller concentration of minority residents located along Interstate 5 (I-5) near West Hammer Lane.

Figure 2 through Figure 6 illustrate the city's minority concentrations in greater detail. For example, Figure 2 illustrates that American Indian residents are primarily concentrated in downtown Stockton, as well as in isolated pockets scattered throughout the city. Asian residents, by comparison, are more highly concentrated in the northeastern and southwestern quadrants of the city. The northeastern concentration includes an area that extends north of March Lane and east from the railroad tracks near Tam-O-Shanter Drive, as can be seen in Figure 3. The other main concentration of Asian residents is in Stockton's southwestern quadrant, which extends southward from Highway 4 and to the west from Interstate 5.

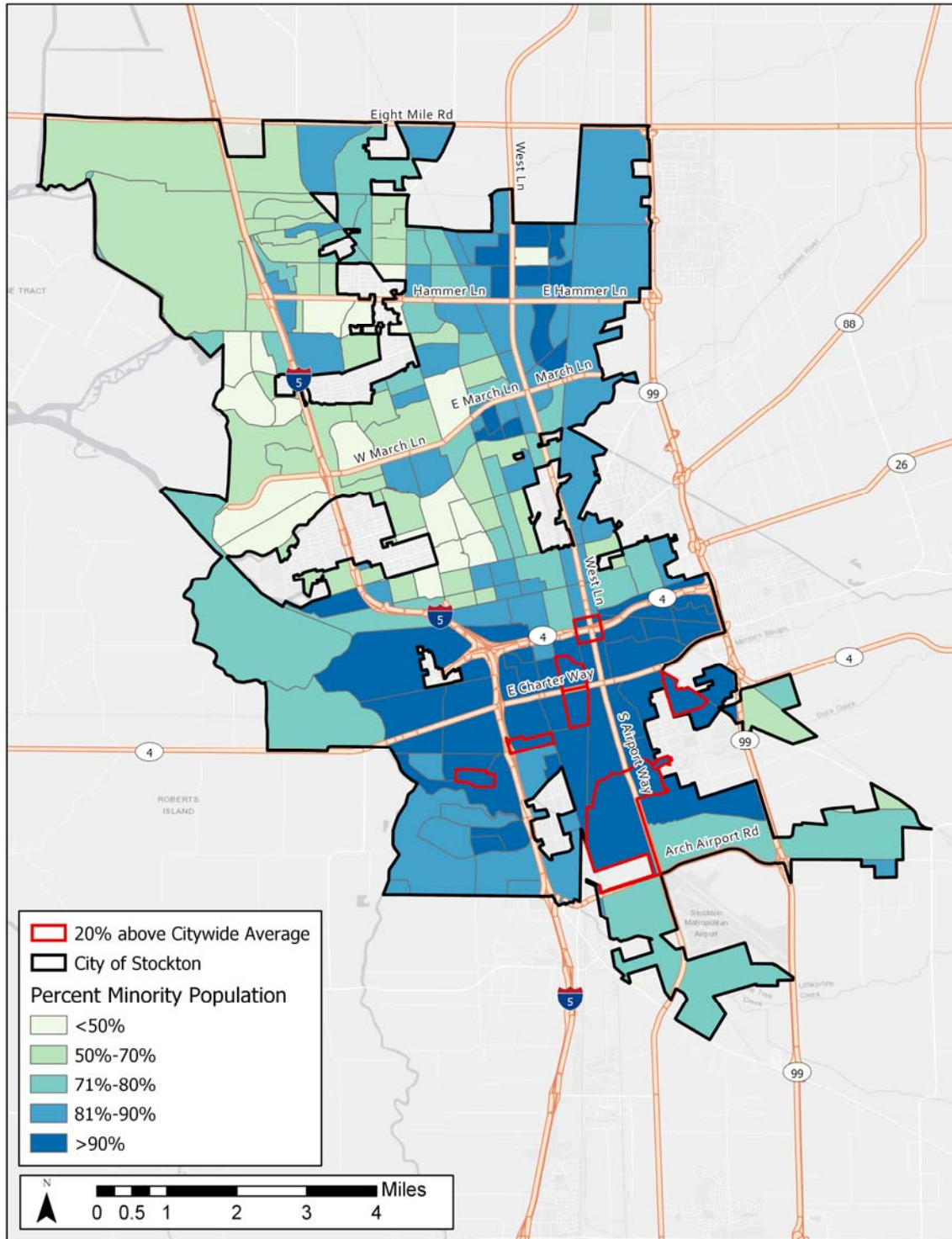
Figure 4 shows there are a number of neighborhoods throughout Stockton with high proportionate concentrations of Black or African American residents. The areas with the highest proportionate representation include parts of downtown Stockton, as well as a portion of southern Stockton that extends southward from Dr. Martin Luther King Jr. Boulevard to Arch Airport Road, to the east of the railroad lines. There is also a notable concentration of African American residents in the southwestern quadrant of the city, which extends south of Highway 4 and west of I-5, as well as in other scattered pockets located throughout the city.

As noted earlier, Hispanic and Latino residents make up the largest individual minority group within the city. Figure 5 illustrates that large portions of the city, including the central city, and most of south Stockton, feature above average concentrations of Hispanic and Latino residents. It is also notable that several Block Groups had a percentage of Hispanic and Latino residents that was 20 percent greater than the citywide average. In addition to large areas of central Stockton, there is a significant concentration of Hispanic and Latino residents in south Stockton, as well as throughout the census tracts that are directly adjacent to the western border of the city.

Native Hawaiian or Pacific Islander residents tend to live in scattered areas throughout the northern portion of the city, as shown in Figure 6. Notable concentrations include the neighborhoods in and around Hammer Lane and the City's northern boundary, as well as the

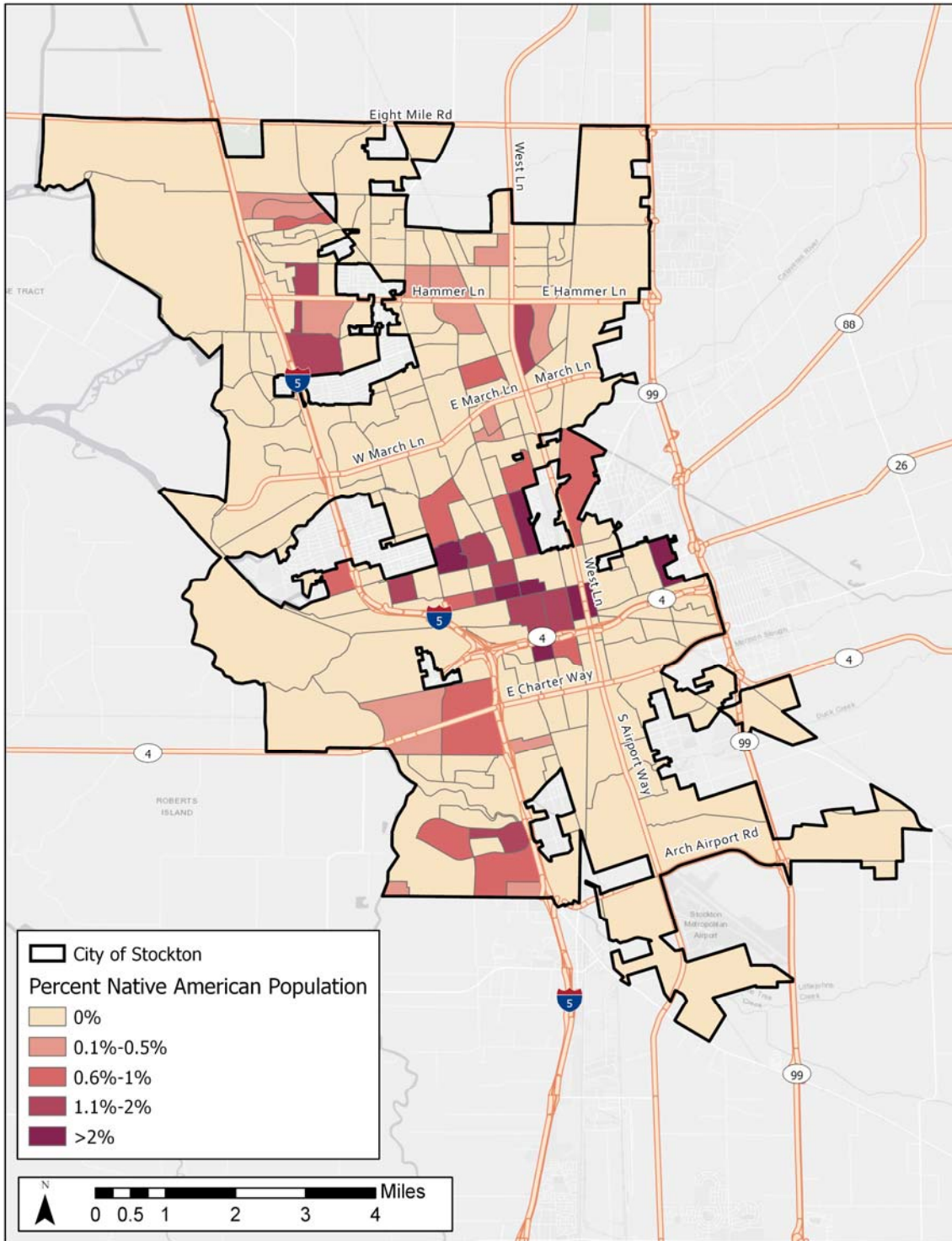
portion of the city between Hwy 99 and Hwy 88. There are also notable concentrations of Native Hawaiian or Pacific Islander residents in the southwest quadrant of the city between Charter Way and Hwy 4, as well as the corner of the city where French Camp Road and I-5 intersect.

Figure 1: Percent Minority by Census Block Group, City of Stockton, 2013-2017



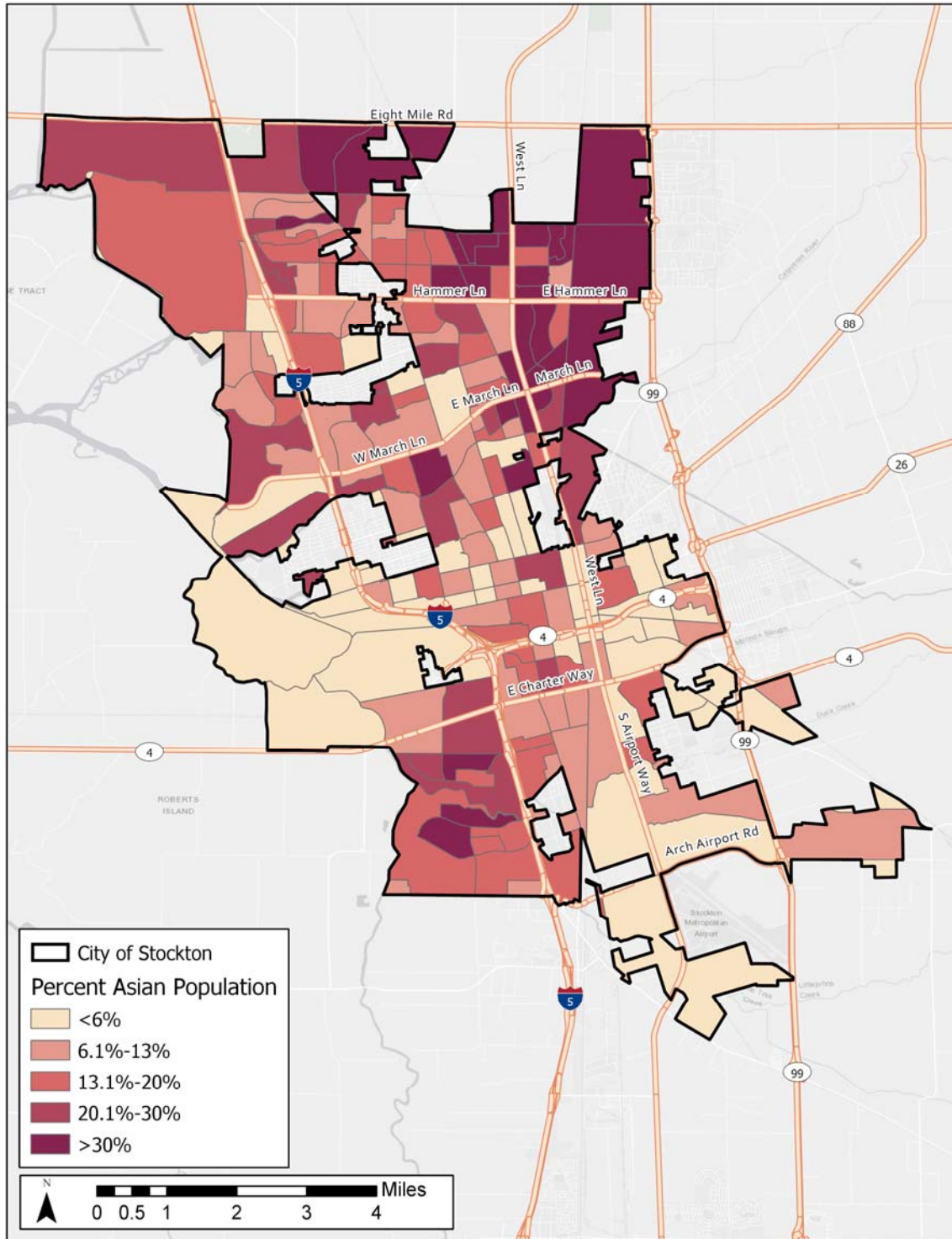
Sources: City of Stockton, 2019; U.S. Census Bureau, TIGER, 2018, ACS 2017 5-year sampling period, B03002; BAE, 2019.

Figure 2: Percent American Indian by Census Block Group, City of Stockton, 2013-2017



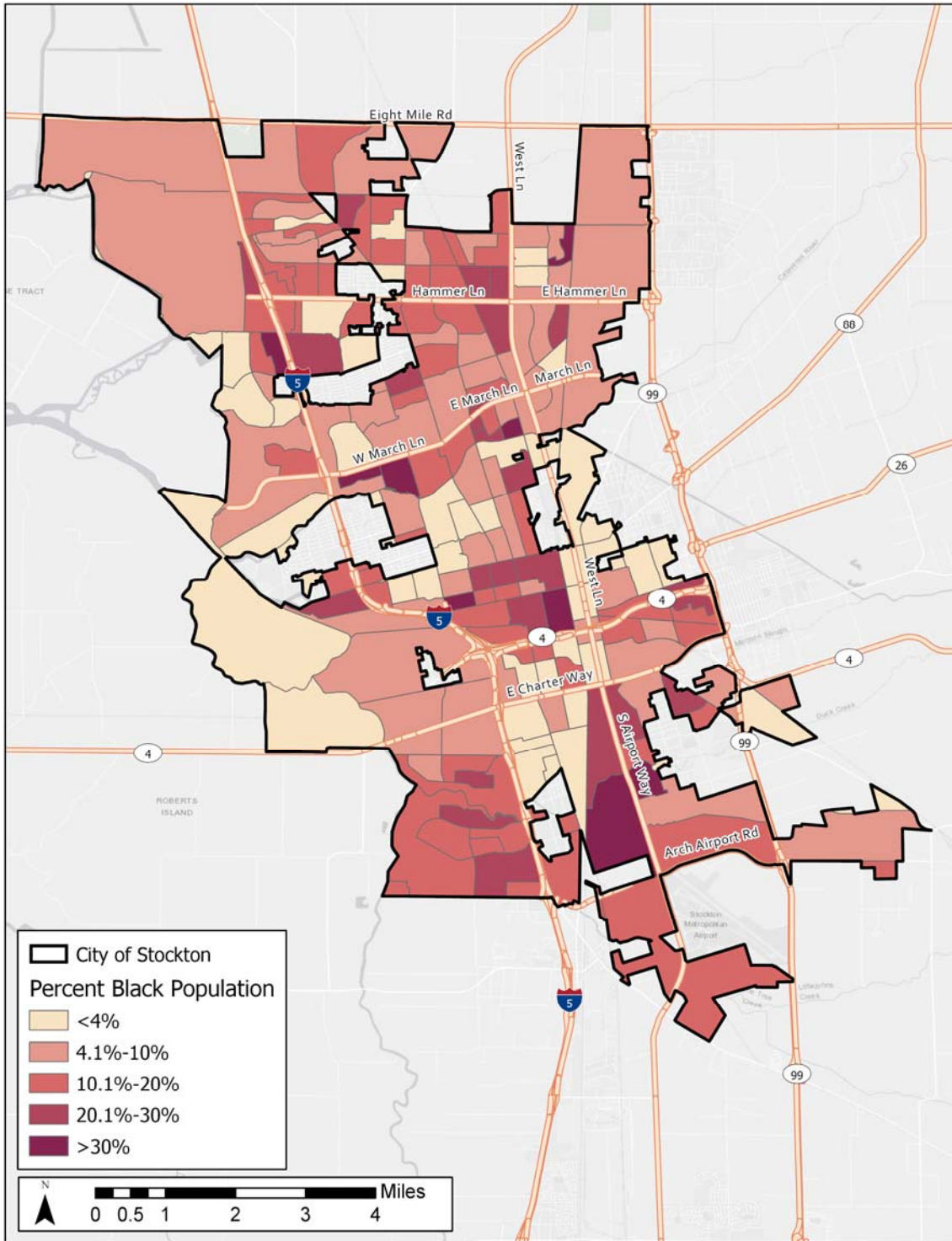
Sources: City of Stockton, 2019; U.S. Census Bureau, TIGER, 2018, ACS 2017 5-year sampling period, B03002; BAE, 2019.

Figure 3: Percent Asian by Census Block Group, City of Stockton, 2013-2017



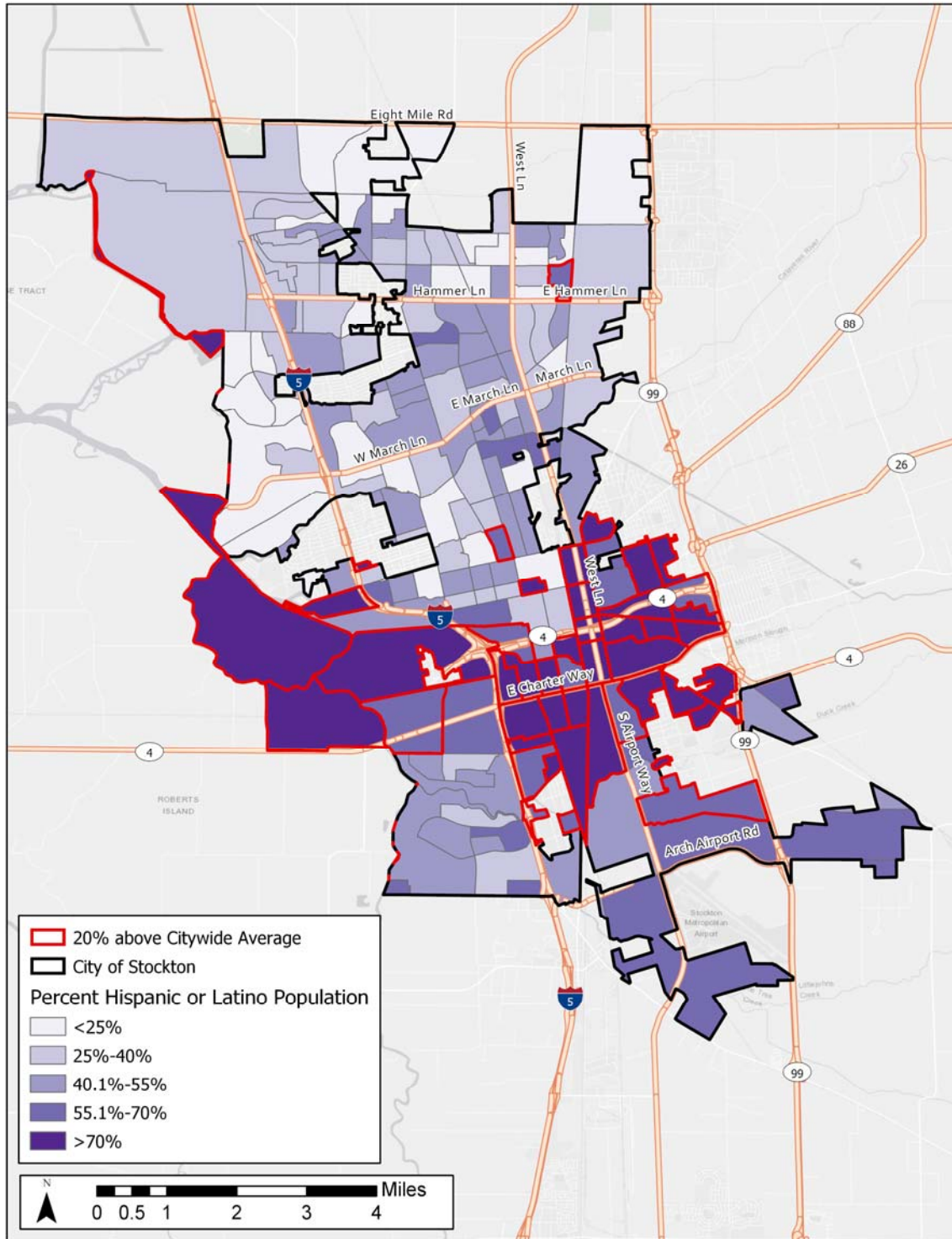
Sources: City of Stockton, 2019; U.S. Census Bureau, TIGER, 2018, ACS 2017 5-year sampling period, B03002; BAE, 2019.

Figure 4: Percent Black/African American by Census Block Group, City of Stockton, 2013-2017



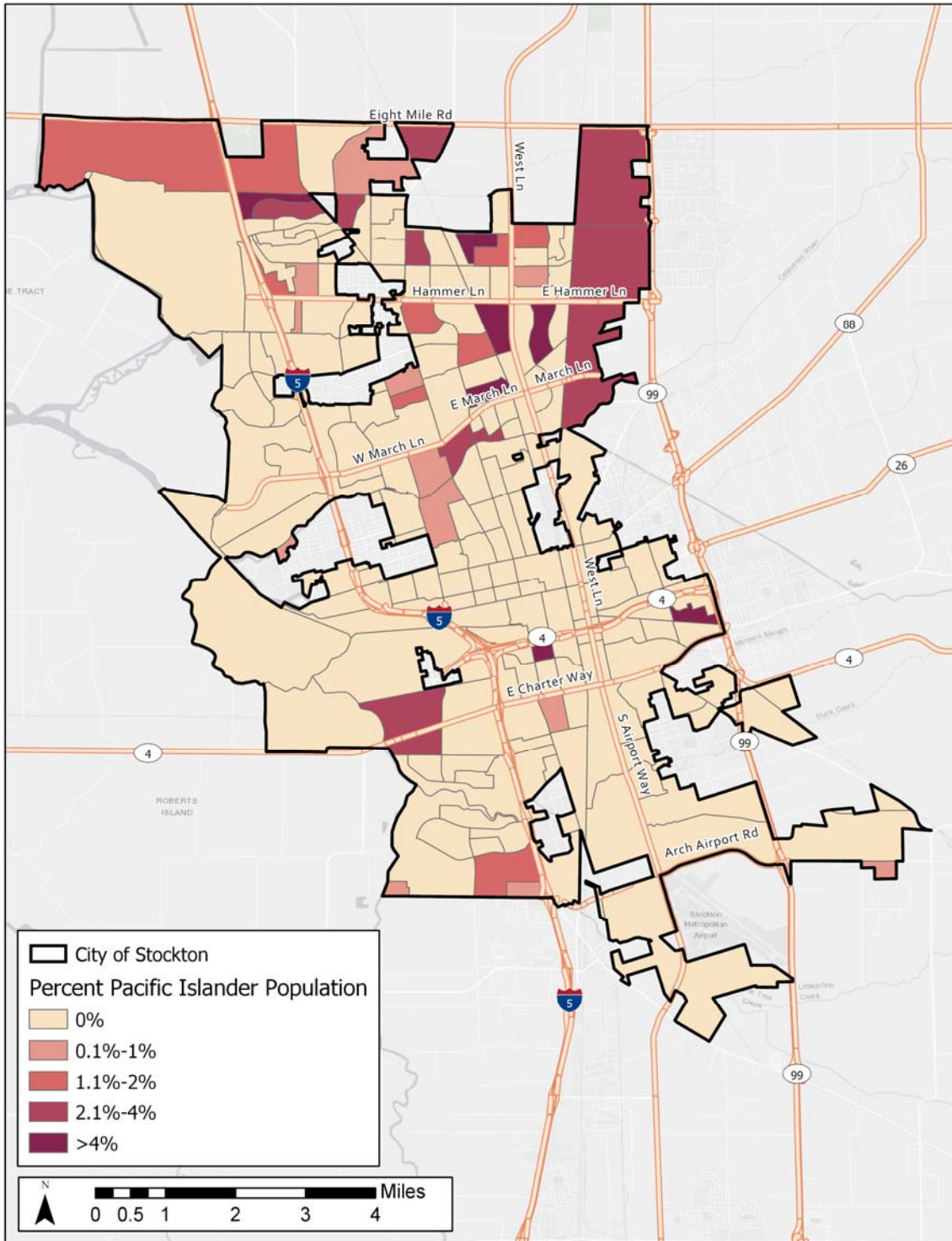
Sources: City of Stockton, 2019; U.S. Census Bureau, TIGER, 2018, ACS 2017 5-year sampling period, B03002; BAE, 2019.

Figure 5: Percent Hispanic/Latino by Census Block Group, City of Stockton, 2013-2017



Sources: City of Stockton, 2019; U.S. Census Bureau, TIGER, 2018, ACS 2017 5-year sampling period, B03002; BAE, 2019.

Figure 6: Percent Pacific Islander by Census Block Group, City of Stockton, 2013-2017



Sources: City of Stockton, 2019; U.S. Census Bureau, TIGER, 2018, ACS 2017 5-year sampling period, B03002; BAE, 2019.

Isolation Index

Another common quantitative metric for identifying patterns of geographic segregation is the isolation index, which compares a group's share of the overall population to the average share within a given Block Group. Ranging from 0 to 1, the isolation index represents the ratio of residents of a given race or ethnicity in a Block Group where the average resident of that group lives, correcting for the fact that this number increases mechanically with that group's share of the overall citywide population. Using Hispanic or Latino residents as an example, an aggregate isolation index of 0.40 indicates that the average Hispanic or Latino resident lives in a Block Group where the Hispanic share of the population exceeds the overall citywide average by roughly 40 percent. Isolation index values that equal close to zero indicate that members of that minority group live in relatively integrated neighborhoods.^{3 4}

The formula for calculating the isolation index for the City of Stockton, by Census Block Group, is as follows: $I = \sum | P_{ig}/P_g * P_{it} - P_g/P_t | / 1 - P_g/P_t$

- P_{ig} is the population of group g in Census Block Group i
- P_{it} is the total population in Census Block Group i
- P_g is the total population of group g in the City
- P_t is the total population in the City

Table 5 reports the isolation index scores for each major racial and ethnic group within the City of Stockton based on Block Group level data collected from the 2010 Decennial Census and the 2013-2017 ACS. According to this metric, the City of Stockton generally exhibits relatively low levels of racial and ethnic segregation. The isolation index values for the seven of the eight racial and ethnic groups were calculated to equal less than 0.5 during both time periods, indicating that most lived in fairly integrated neighborhoods. However, the isolation index for Hispanic or Latino residents increased from 0.49 to 0.53 between the two study periods, indicating that Hispanic and Latino residents are more than twice as likely to be geographically segregated than residents citywide. This coincides with the finding that there are significant concentrations of Hispanic and Latino residents in south Stockton and directly adjacent to the western border of the city, such that Hispanic and Latino residents account for a disproportionate share of the population of those Census Block Groups, as discussed previously.

³ HUD. (2013). *AFFH Data Documentation*. Available at: http://www.huduser.org/portal/publications/pdf/FR-5173-P-01_AFFH_data_documentation.pdf

⁴ Glaeser, E. and Vigdor, J. (2001). *Racial Segregation in the 2000 Census: Promising News*. Washington, DC: The Brookings Institution, Center on Urban and Metropolitan Policy. Available at: <http://www.brookings.edu/es/urban/census/glaeser.pdf>

Table 5: Isolation Index, City of Stockton, 2010 and 2013-2017

| Racial and/or Ethnic Group | Isolation Index | |
|--|------------------------|------------------|
| | 2010 | 2013-2017 |
| Non-Hispanic White | 0.36 | 0.34 |
| Black or African American alone | 0.14 | 0.16 |
| American Indian and Alaska Native alone | 0.01 | 0.02 |
| Asian alone | 0.29 | 0.31 |
| Native Hawaiian and Other Pacific Islander alone | 0.01 | 0.04 |
| Some other race alone | 0.00 | 0.01 |
| Two or more races | 0.04 | 0.06 |
| Hispanic or Latino | 0.49 | 0.53 |

Sources: U.S. Census Bureau, 2010 Decennial Census, P9, ACS 2013-2017 5-year sampling period, B03002; BAE, 2019.

2.3 – Household Characteristics

Household Size and Type

Often, household characteristics, such as type, size, and income level can affect access to housing. According to the U.S. Census Bureau, a household includes all persons occupying a housing unit. Note that, according to official definitions, households exclude persons living in group quarters facilities, such as residence halls, treatment centers, group homes, nursing facilities, military barracks, correctional facilities, and workers’ dormitories. A family is a type of household that includes a group of two or more people residing together, related by birth, marriage, or adoption. A family household consists of a householder, the members of his or her family, as well as any unrelated people who may reside with them. Non-family households may contain only one person (i.e. a single-person living alone) or may contain additional persons who are not related – by birth, marriage, or adoption – to the householder.

Between 2010 and 2017, household growth in the City of Stockton occurred at an average annual rate of 0.5 percent between 2010 and 2017, based on data shown in Table 6. This brought the total number of households in the City of Stockton from 90,375 in 2010 to 93,746 in 2017. Of the 3,371 new households, approximately 33 percent were families. Since 2010, the proportional share of family households decreased by a marginal 1.4 percentage points to 71.6 percent. As shown in the Table, this decrease is partially attributable to a roughly six percent decrease in the number of families with children under the age of 18. Consequently, the share of non-family households increased to 28.4 percent over the same time period. As a comparison, the number of households in San Joaquin County increased at a rate of 0.7 percent per year, resulting in the addition of around 10,903 new households. The available data suggest that the number of both family and non-family households grew at similar rates, resulting in a relatively stable distribution of households by type, countywide.

As suggested by the household definitions discussed above, the composition and size of a household are often interrelated. For example, communities with large proportions of family

households with children often exhibit larger than average household sizes. As a result of these household characteristics, communities with greater numbers of large households often have greater need for larger housing units, which can better accommodate multiple residents. Communities with a preponderance of large households often exhibit a greater prevalence of residential overcrowding, which occurs when households occupy quarters that are too small to adequately suit their needs. These communities also often require better access to schools, open space, and recreational opportunities for children. As shown in Table 6, below, the average household size in the City of Stockton increased somewhat, from 3.11 persons in 2010 to an estimated 3.18 in 2017, which is relatively consistent with the countywide average household size.

Table 6: Household Characteristics, City of Stockton and San Joaquin County, 2006-2010 and 2013-2017

| Household Type | City of Stockton | | | |
|-----------------------------------|------------------|-------------|---------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Family Households | 65,958 | 73.0% | 67,080 | 71.6% |
| <i>With Own Children Under 18</i> | 36,806 | 40.7% | 34,436 | 36.7% |
| Non-Family Households | 24,417 | 27.0% | 26,666 | 28.4% |
| <i>Single Person</i> | 19,285 | 21.3% | 21,164 | 22.6% |
| Total, All Households | 90,375 | 100% | 93,746 | 100% |
| Average Household Size | 3.11 | | 3.18 | |

| Household Type | San Joaquin County | | | |
|-----------------------------------|--------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Family Households | 158,997 | 74.7% | 166,555 | 74.4% |
| <i>With Own Children Under 18</i> | 85,626 | 40.2% | 83,556 | 37.3% |
| Non-Family Households | 53,908 | 25.3% | 57,253 | 25.6% |
| <i>Single Person</i> | 42,394 | 19.9% | 45,453 | 20.3% |
| Total, All Households | 212,905 | 100% | 223,808 | 100% |
| Average Household Size | 3.07 | | 3.17 | |

Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, S1101, B11001; BAE, 2019.

Household Income

Income is a primary indicator of standard of living and is a critical factor in determining the ability of a household to balance housing costs with other basic needs, such as food and transportation. While housing affordability, in and of itself, does not constitute a fair housing issue, income bias (e.g., the denial of housing due to negative perceptions of lower income individuals and households) can represent an important fair housing concern. According to the data provided in Table 7, the median income for households residing in the City of Stockton increased, in nominal dollars, from \$47,946 in 2010 to \$48,396 in 2017. The median income in San Joaquin County also increased, in nominal terms, from \$54,341 in 2010 to \$57,813 in 2017. Once adjusted for inflation using the Bureau of Labor Statistics (BLS) California Consumer Price Index (CPI), the median income in both Stockton and San

Joaquin County decreased in real terms during this period. Specifically, the inflation-adjusted median annual income declined by an estimated \$7,132 in Stockton and by \$5,121 in San Joaquin County as a whole.

Table 7: Household Income Distribution and Median Income Estimates, City of Stockton and San Joaquin County, 2006-2010 and 2013-2017

| Household Income | City of Stockton | | | |
|--------------------------------|------------------|-------------|-----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Less than \$14,999 | 12,212 | 13.5% | 14,188 | 15.1% |
| \$15,000 to \$24,999 | 10,268 | 11.4% | 11,011 | 11.7% |
| \$25,000 to \$34,999 | 10,189 | 11.3% | 10,143 | 10.8% |
| \$35,000 to \$49,999 | 14,227 | 15.7% | 12,764 | 13.6% |
| \$50,000 to \$74,999 | 17,445 | 19.3% | 16,930 | 18.1% |
| \$75,000 to \$99,999 | 10,669 | 11.8% | 10,025 | 10.7% |
| \$100,000 to \$149,999 | 10,191 | 11.3% | 11,243 | 12.0% |
| \$150,000 and above | 5,174 | 5.7% | 7,442 | 7.9% |
| Total Households | 90,375 | 100% | 93,746 | 100% |
| Median Household Income | \$47,946 | | \$48,396 | |
| <i>Inflation Adjusted (a)</i> | \$55,528 | | \$48,396 | |

| Household Income | San Joaquin County | | | |
|--------------------------------|--------------------|-------------|-----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Less than \$14,999 | 23,590 | 11.1% | 25,441 | 11.4% |
| \$15,000 to \$24,999 | 21,885 | 10.3% | 22,844 | 10.2% |
| \$25,000 to \$34,999 | 21,915 | 10.3% | 20,963 | 9.4% |
| \$35,000 to \$49,999 | 31,032 | 14.6% | 28,028 | 12.5% |
| \$50,000 to \$74,999 | 39,894 | 18.7% | 40,801 | 18.2% |
| \$75,000 to \$99,999 | 27,695 | 13.0% | 27,923 | 12.5% |
| \$100,000 to \$149,999 | 29,289 | 13.8% | 33,278 | 14.9% |
| \$150,000 and above | 17,605 | 8.3% | 24,530 | 11.0% |
| Total Households | 212,905 | 100% | 223,808 | 100% |
| Median Household Income | \$54,341 | | \$57,813 | |
| <i>Inflation Adjusted (a)</i> | \$62,934 | | \$57,813 | |

Notes:

(a) CHAS data reflect HUD-defined household income limits, for various household sizes, which are calculated for San Joaquin County.

(b) Figures may not sum to totals due to rounding.

Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, B19001 and B19013; California Department of Industrial Relations, Consumer Price Index, 2018; BAE, 2019.

Table 8 reports the number of households residing in the City of Stockton and San Joaquin County by HUD-defined income category. For the purpose of this analysis, Extremely Low-Income households are assumed to earn incomes equal to or less than 30 percent of the HUD Adjusted Median Family Income (HAMFI). Very Low-Income households earn 30 to 50 percent of HAMFI, Low-Income households earn 50 to 80 percent of HAMFI, Moderate-Income households earn 80 to 120 percent of HAMFI, and Above Moderate-Income households earn greater than 120 percent HAMFI. According to these definitions, around 43,810 households (47.4 percent) were categorized as Extremely Low-, Very Low-, or Low-Income between 2011 and 2015. By comparison, there were 48,630 Moderate- and Above Moderate-Income

households (52.6 percent). Overall, lower income households are more likely to rent housing, while moderate and above moderate households are more likely to own their home.

Table 8: Households by Income Category, City of Stockton and San Joaquin County, 2011-2015

| Income Category (a) | City of Stockton | | | | | |
|--|------------------|--------------|-------------------|--------------|----------------|-------------|
| | Owner Households | | Renter Households | | All Households | |
| | Number | Percent | Number | Percent | Number | Percent |
| Extremely Low Income (30% of HAMFI or Less) | 2,915 | 3.2% | 12,180 | 13.2% | 15,095 | 16.3% |
| Very Low Income (30% to 50% of HAMFI) | 3,590 | 3.9% | 10,100 | 10.9% | 13,690 | 14.8% |
| Low Income (50% to 80% of HAMFI) | 6,540 | 7.1% | 8,485 | 9.2% | 15,025 | 16.3% |
| Moderate Income (80% to 120% of HAMFI) | 8,865 | 9.6% | 7,870 | 8.5% | 16,735 | 18.1% |
| Above Moderate Income (Above 120% of HAMFI) | 23,405 | 25.3% | 8,490 | 9.2% | 31,895 | 34.5% |
| All Income Levels (b) | 45,310 | 49.0% | 47,130 | 51.0% | 92,440 | 100% |

| Income Category (a) | San Joaquin County | | | | | |
|--|--------------------|--------------|-------------------|--------------|----------------|-------------|
| | Owner Households | | Renter Households | | All Households | |
| | Number | Percent | Number | Percent | Number | Percent |
| Extremely Low Income (30% of HAMFI or Less) | 6,840 | 3.1% | 19,390 | 8.9% | 26,230 | 12.0% |
| Very Low Income (30% to 50% of HAMFI) | 9,030 | 4.1% | 17,995 | 8.2% | 27,025 | 12.3% |
| Low Income (50% to 80% of HAMFI) | 16,140 | 7.4% | 18,420 | 8.4% | 34,560 | 15.8% |
| Moderate Income (80% to 120% of HAMFI) | 22,280 | 10.2% | 17,270 | 7.9% | 39,550 | 18.1% |
| Above Moderate Income (Above 120% of HAMFI) | 69,800 | 31.9% | 21,905 | 10.0% | 91,705 | 41.9% |
| All Income Levels (b) | 124,085 | 56.6% | 94,985 | 43.4% | 219,075 | 100% |

Notes:

(a) CHAS data reflect HUD-defined household income limits, for various household sizes, which are calculated for San Joaquin County.

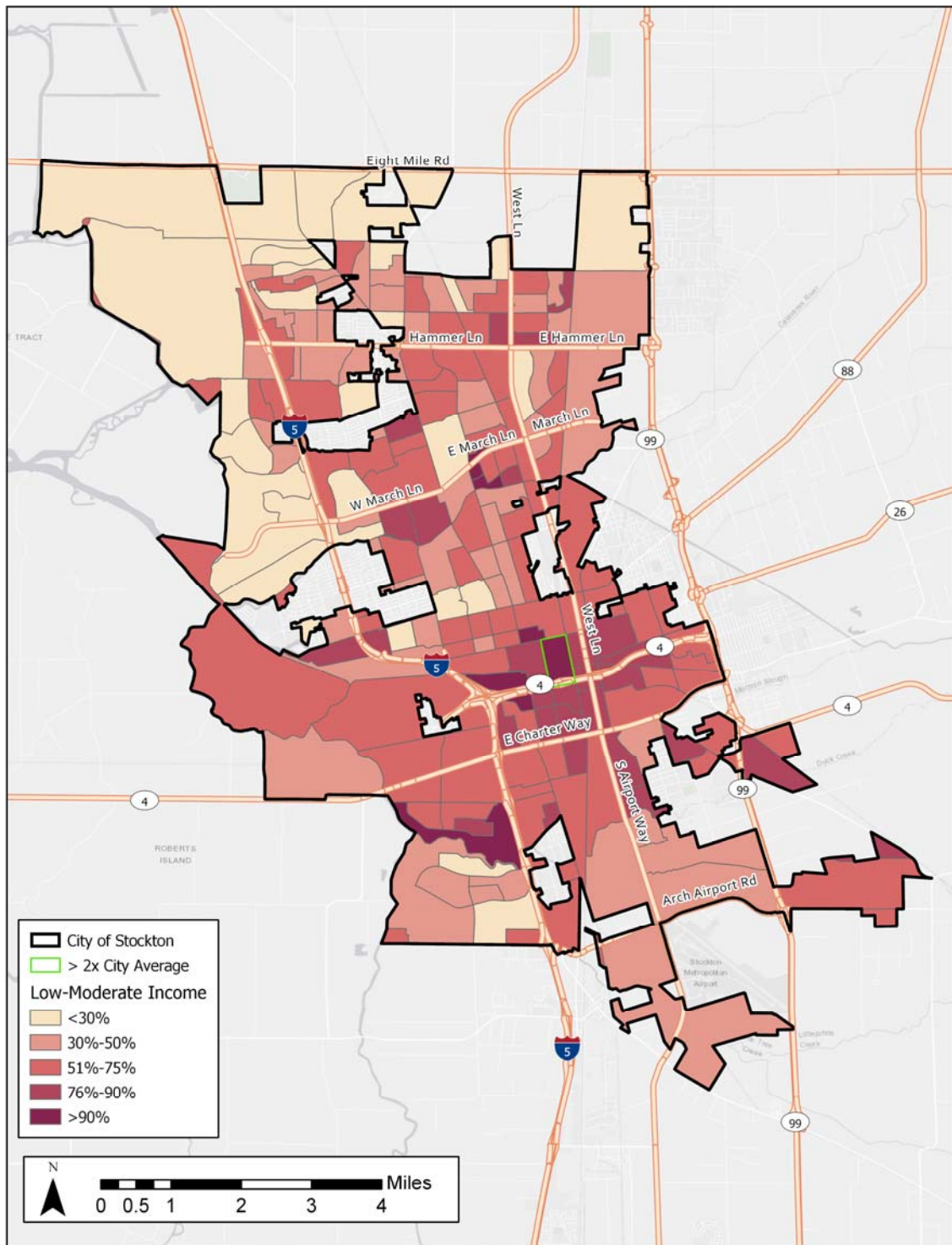
(b) Figures may not sum to totals due to rounding.

Sources: HUD, 2011-2015 CHAS, 2018; BAE, 2019.

Geographic Concentrations of Low- and Moderate-Income Households

Figure 7, on the following page, identifies the Block Groups within the City of Stockton based on the proportion of low- and moderate-income households. The maps feature data from the HUD fiscal year 2019 Low- and Moderate-Income Individuals dataset (LMISD), which is based on the 2011-2015 ACS. For the purpose of this analysis, a high concentration of low- and moderate-income households is any level higher than the citywide average of 48.9 percent. The figure identifies the Block Groups with concentrations that are more than twice the citywide average with a green outline. Based on these data, there is only one block group that fits the criteria, which is located in central Stockton north of Highway 4. As shown in the figure, most areas with high concentrations of low- and moderate-income households correspond with areas of high minority resident concentration, as discussed in a previous section, and renter households, as will be discussed in a later section.

Figure 7: Low- and Moderate-Income Households by Census Block Group, 2013-2017



Sources: City of Stockton, 2019; HUD, LMISD 2011-2015, 2019; BAE, 2019.

2.4 - Poverty Characteristics

According to the 2013-2017 ACS,⁵ an average of 22.4 percent of the population in the City of Stockton lived below the poverty line, representing an average of approximately 66,939 impoverished residents. Table 9 reports the average poverty rate between 2013 and 2017 by race and ethnicity.⁶ Note that the figures for each racial groups include persons of Hispanic or Latino descent, while figures for Hispanic or Latino residents include persons of all racial groups. According to these data, five out of the nine identified racial and ethnic groups have poverty rates that are above the citywide average for all residents. With a poverty rate of 35.2 percent, Black or African American individuals had the highest poverty rate. The remaining minority groups had poverty rates closer to the citywide average, with Native Hawaiian and Other Pacific Islander and Asians being the only minority groups with poverty rates below the citywide average. An evaluation of the distribution of persons in poverty by race and ethnicity indicates that White residents were underrepresented by approximately 6.5 percentage points. Black or African American residents, by comparison were overrepresented by around 6.6 percentage points, compared to their share of the population as a whole. Ethnically Hispanic or Latino residents were overrepresented by three percentage points, while the remaining minority groups with poverty rates above the citywide average were over represented by less than two percentage points.

Geographic Concentration of Poverty

An additional evaluation of the relative geographic concentration of poverty by Block Groups throughout the City of Stockton identified a number of areas where the proportion of the population living below the poverty level exceeded 40 percent. HUD considers Census Tracts or Block Groups with 40 percent or more of the population living at or below the poverty line to be areas of “extreme poverty.”⁷ Based on the Block Groups level data from the 2013-2017 ACS, an average of 41 to 65 percent of the population in the 26 Block Groups were living below the poverty line. This represents a total of more than 5,880 individuals. As illustrated in Figure 8, these block groups include downtown Stockton; parts of south Stockton along Highway 4, west of I-5, and east of South Airport Way; neighborhoods in north Stockton along March Lane and Hammer Lane as well as a few pockets in between these two streets. Two other isolated Block Groups where more than 40 percent of the population live below the poverty line include one Block Group in east Stockton to the south of Highway 4 and I-99, and in west Stockton to the west of I-5 and south east of the unincorporated Country Club neighborhood. Only two of these

⁵ Note that the 2009-2013 ACS is the most recent available data source that provided full detail on the number of individuals living in poverty by racial and ethnic group. The poverty rate may differ from that reported elsewhere

⁶ For additional information regarding the relative prevalence of poverty among sensitive populations other than the identified racial and ethnic minority groups, please refer to the section entitled *Special Needs Populations*.

⁷ HUD. (2013). AFFH Data Documentation. FR-5173-P-01. Available at: http://www.huduser.org/publications/pdf/FR-5173-P-01_AFFH_data_documentation.pdf

Block Groups also had above average concentrations of minority residents (as shown in Figure 1). Both of these Block Groups are located in South Stockton.

Table 9: Poverty by Race and Ethnicity, City of Stockton, 2013-2017

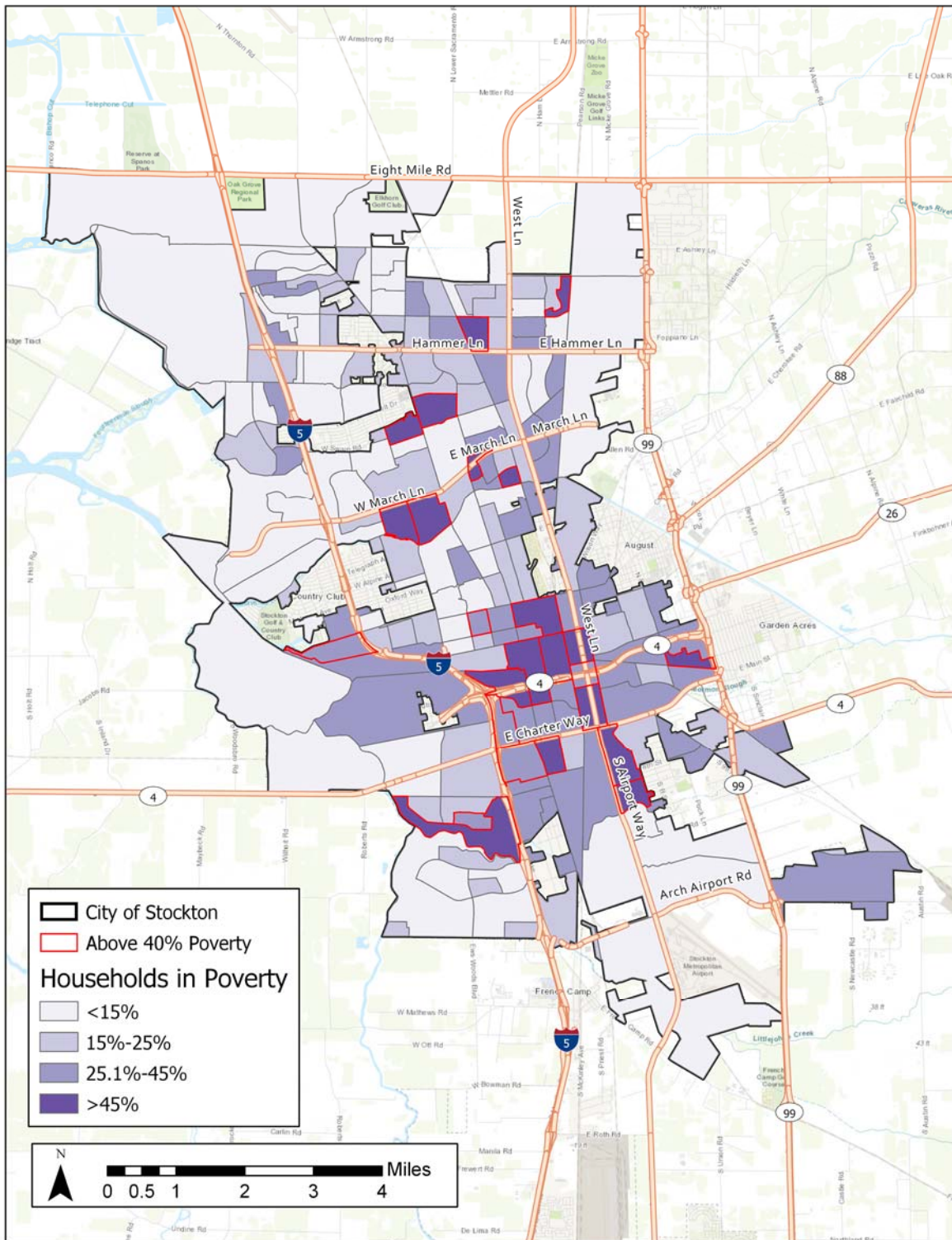
| Hispanic or Latino by Race | Below Poverty Line | | | Total Population | | Share in Poverty Minus Share of Total Population |
|--|---------------------------|---------------------|---------------------------------------|-------------------------|----------------|---|
| | Number | Poverty Rate | Share of Total Pop. In Poverty | Number | Percent | |
| White | 24,892 | 19.1% | 37.2% | 130,571 | 43.7% | -6.5% |
| Black or African American | 12,162 | 35.2% | 18.2% | 34,531 | 11.6% | 6.6% |
| American Indian and Alaska Native | 466 | 23.8% | 0.7% | 1,957 | 0.7% | 0.0% |
| Asian | 13,220 | 20.5% | 19.7% | 64,414 | 21.6% | -1.8% |
| Native Hawaiian and Other Pacific Islander | 428 | 17.8% | 0.6% | 2,401 | 0.8% | -0.2% |
| Some other race alone | 8,761 | 24.6% | 13.1% | 35,576 | 11.9% | 1.2% |
| Two or more races | 7,010 | 24.1% | 10.5% | 29,095 | 9.7% | 0.7% |
| Total, All Races | 66,939 | 22.4% | 100% | 298,545 | 100% | |
| Hispanic or Latino | 30,540 | 24.0% | 45.6% | 127,193 | 42.6% | 3.0% |
| Not Hispanic or Latino | 36,399 | 21.2% | 54.4% | 171,352 | 57.4% | -3.0% |
| Total, All Ethnicities | 66,939 | 22.4% | 100% | 298,545 | 100% | |

Note:

(a) Includes only those residents for whom poverty status was determined.

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, S1701; BAE, 2019.

Figure 8: Percent of Population Living in Poverty, City of Stockton, 2013-2017

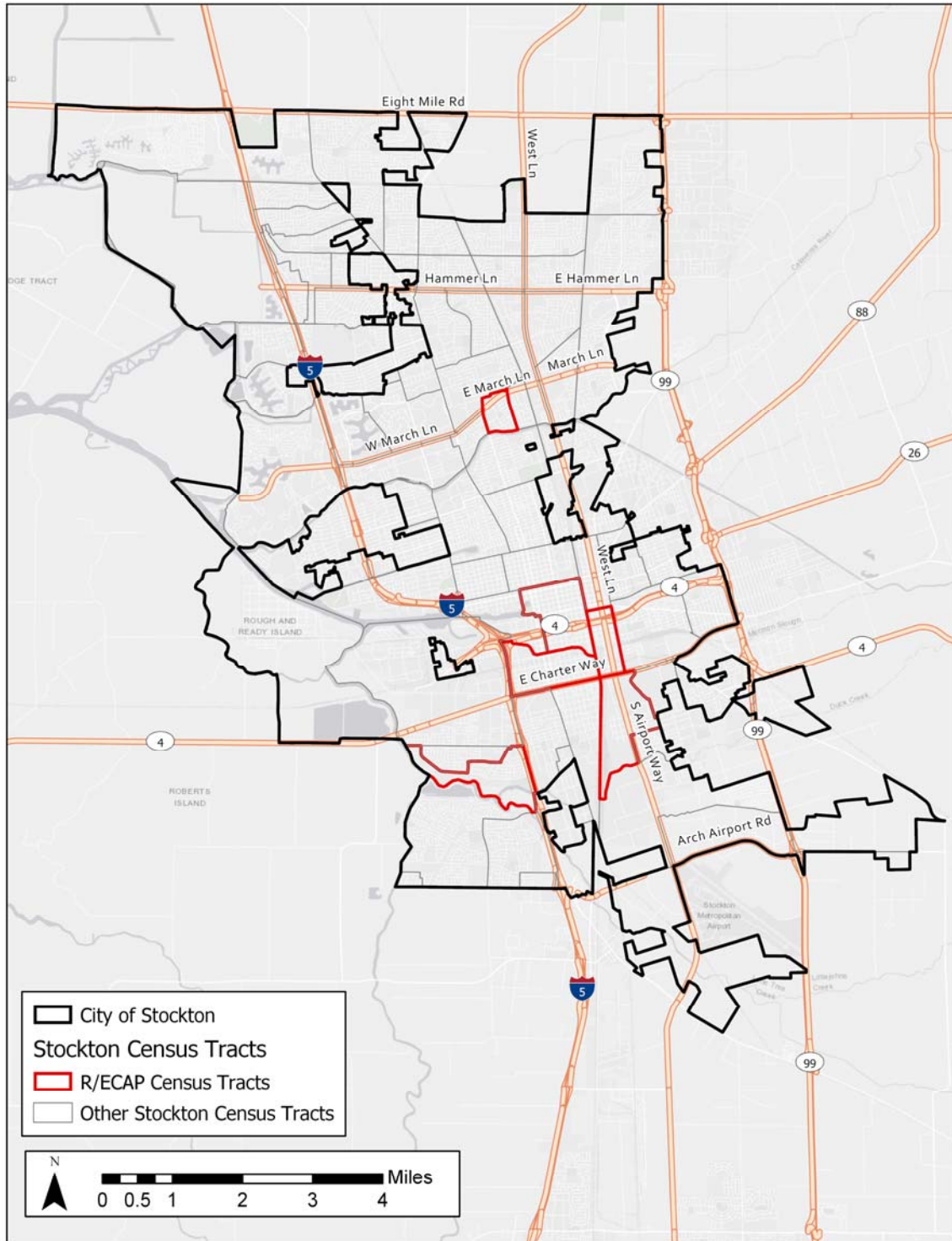


Sources: U.S. Census Bureau, 2013-2017 American Community Survey; BAE, 2019.

Racially and Ethnically Concentrated Areas of Poverty (RCAP and ECAP)

To assist communities in identifying racially and ethnically concentrated areas of poverty (also known as RCAPs and ECAPs), HUD developed a definition that relies on a racial and ethnic concentration threshold, as well as a poverty test. The racial and ethnic concentration threshold requires that a RCAP or ECAP (R/ECAP) have a non-White population of 50 percent or more. The poverty test defines areas of “extreme poverty” as those where 40 percent or more of the population lives at or below the federal poverty line, or those where the poverty rate is three times the average poverty rate in the metropolitan area, whichever is less. Based on these criteria, six census tracts within the City of Stockton qualify as RCAP and ECAP areas which are shown in Figure 9. Four of these census tracts are located between the downtown and the Stockton Metropolitan airport, while another census tract is located in the northern part of the city generally between Bianchi and East Swain Road. The final R/ECAP census tract is located to the west of Interstate 5, south of Highway 4 and north of Walker Slough.

Figure 9: RCAP and ECAP Areas



Sources: City of Stockton, 2019; U.S. Census Bureau, ACS 2017 5-year sampling period, S1701; BAE, 2019.

2.5 – Special Needs Populations

Due to a variety of constraints, certain types of households often have greater difficulty locating suitable housing that both meets their needs and their budget. Various factors can contribute to a household's inability to locate suitable housing, such as the presence of elderly relatives or a household member's physical or mental handicap. The remainder of this subsection provides information regarding a number of subgroups or populations that often possess special housing needs, including seniors, large households, persons with disabilities, farmworkers, homeless persons, and persons diagnosed with AIDS and related diseases.

Seniors

Often living with fixed incomes, limited mobility, physical or mental impairments or disabilities, and numerous other constraints, seniors possess unique housing needs. For example, fixed incomes and often high health care costs can place a strain on household budgets, making affordability an important issue. With limited mobility, the design of housing units can significantly impact quality of life by making it easier or more difficult to enter and exit the unit, access kitchen and bathroom facilities, and access various parts of the unit, such as upstairs bedrooms.

According to the 2013-2017 ACS, approximately 19,047 households in the City of Stockton included a householder that was age 65 or over. This accounts for roughly 20.3 percent of all households in the city. Overall, the majority of elderly households (67.4 percent) owned their own home, while a minority (32.6 percent) rented their accommodations. In San Joaquin County as a whole, there were 47,300 households headed by persons age 65 or over, accounting for 21.1 percent of all households, countywide. The county as a whole has a slightly lower percentage of elderly renters, at 26.9 percent, and a higher percentage of elderly owners, at 73.1 percent.

Table 10: Households by Age of Householder and Tenure, 2013-2017

| Age of householder | City of Stockton | | | | | |
|------------------------------|------------------|--------------|-------------------|--------------|----------------|--------------|
| | Owner Households | | Renter Households | | All Households | |
| | Number | Percent | Number | Percent | Number | Percent |
| 15 to 24 years | 302 | 0.7% | 3,881 | 7.9% | 4,183 | 4.5% |
| 25 to 34 years | 4,963 | 11.1% | 12,041 | 24.6% | 17,004 | 18.1% |
| 35 to 44 years | 7,161 | 16.0% | 10,282 | 21.0% | 17,443 | 18.6% |
| 45 to 54 years | 9,348 | 20.8% | 9,550 | 19.5% | 18,898 | 20.2% |
| 55 to 59 years | 5,079 | 11.3% | 3,917 | 8.0% | 8,996 | 9.6% |
| 60 to 64 years | 5,157 | 11.5% | 3,018 | 6.2% | 8,175 | 8.7% |
| 65 to 74 years | 7,696 | 17.2% | 3,464 | 7.1% | 11,160 | 11.9% |
| 75 to 84 years | 3,399 | 7.6% | 1,804 | 3.7% | 5,203 | 5.6% |
| 85 years and over | 1,747 | 3.9% | 937 | 1.9% | 2,684 | 2.9% |
| Total, All Households | 44,852 | 100% | 48,894 | 100% | 93,746 | 100% |
| Age 65 and Over | 12,842 | 28.6% | 6,205 | 12.7% | 19,047 | 20.3% |

| Age of householder | San Joaquin County | | | | | |
|------------------------------|--------------------|--------------|-------------------|--------------|----------------|--------------|
| | Owner Households | | Renter Households | | All Households | |
| | Number | Percent | Number | Percent | Number | Percent |
| 15 to 24 years | 787 | 0.6% | 6,739 | 6.8% | 7,526 | 3.4% |
| 25 to 34 years | 12,110 | 9.7% | 23,406 | 23.6% | 35,516 | 15.9% |
| 35 to 44 years | 21,178 | 17.0% | 22,564 | 22.8% | 43,742 | 19.5% |
| 45 to 54 years | 27,471 | 22.0% | 20,098 | 20.3% | 47,569 | 21.3% |
| 55 to 59 years | 14,981 | 12.0% | 7,317 | 7.4% | 22,298 | 10.0% |
| 60 to 64 years | 13,632 | 10.9% | 6,225 | 6.3% | 19,857 | 8.9% |
| 65 to 74 years | 20,226 | 16.2% | 7,024 | 7.1% | 27,250 | 12.2% |
| 75 to 84 years | 9,941 | 8.0% | 3,681 | 3.7% | 13,622 | 6.1% |
| 85 years and over | 4,408 | 3.5% | 2,020 | 2.0% | 6,428 | 2.9% |
| Total, All Households | 124,734 | 100% | 99,074 | 100% | 223,808 | 100% |
| Age 65 and Over | 34,575 | 27.7% | 12,725 | 12.8% | 47,300 | 21.1% |

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, B25007; BAE, 2019.

Additional data from the ACS shown in Table 11 indicate that there were around 34,441 individuals age 65 or over residing in the City of Stockton in 2017, representing 11.5 percent of the total population. Of these, 4,010 elderly individuals (around 11.6 percent) reported having incomes that were below the federal poverty level in 2017. The remaining 30,431 elderly individuals (88.4 percent) had incomes that were at, or above, the federal poverty level. Countywide, approximately 8,338 elderly individuals (9.9 percent) had incomes below the poverty level, while 75,606 elderly individuals (90.1 percent) had incomes at or above the federal poverty level in 2017.

As is illustrated in Table 12, an estimated average of 14,890 individuals age 65 and over were living in the City of Stockton with some type of disability, between 2013 and 2017. This accounts for around 43.2 percent of the total senior population. Of those seniors with some type of disability, 70.9 percent reported some degree of ambulatory difficulty, while 27.8 percent reported having difficulty providing self-care, and 53.3 percent reported having difficulty with independent living. A total of 34.6 percent reported some hearing difficulty, while 19.1 percent reported having difficulty with their vision and 31.2 percent reported having some cognitive difficulty. Data for San Joaquin County suggest a similar distribution overall.

Note that an individual can have more than one disability, meaning that the percentages reported above will sum to more than 100 percent.

Table 11: Population by Age and Poverty Status, 2013-2017

| Age Category | City of Stockton | | | | | |
|------------------------------|---------------------|--------------|---------------------------|--------------|--------------------|--------------|
| | Below Poverty Level | | At or Above Poverty Level | | Total, All Persons | |
| | Number | Percent | Number | Percent | Number | Percent |
| Under 15 years | 21,472 | 32.1% | 48,922 | 21.1% | 70,394 | 23.6% |
| 15 to 24 years | 12,017 | 18.0% | 32,115 | 13.9% | 44,132 | 14.8% |
| 25 to 34 years | 10,133 | 15.1% | 34,799 | 15.0% | 44,932 | 15.1% |
| 35 to 44 years | 7,060 | 10.5% | 29,913 | 12.9% | 36,973 | 12.4% |
| 45 to 54 years | 6,926 | 10.3% | 28,696 | 12.4% | 35,622 | 11.9% |
| 55 to 64 years | 5,321 | 7.9% | 26,730 | 11.5% | 32,051 | 10.7% |
| 65 to 74 years | 2,444 | 3.7% | 18,403 | 7.9% | 20,847 | 7.0% |
| 75 years and over | 1,566 | 2.3% | 12,028 | 5.2% | 13,594 | 4.6% |
| Total, All Households | 66,939 | 100% | 231,606 | 100% | 298,545 | 100% |
| Age 65 and Over (a) | 4,010 | 11.6% | 30,431 | 88.4% | 34,441 | 11.5% |

| Age Category | San Joaquin County | | | | | |
|------------------------------|---------------------|-------------|---------------------------|--------------|--------------------|--------------|
| | Below Poverty Level | | At or Above Poverty Level | | Total, All Persons | |
| | Number | Percent | Number | Percent | Number | Percent |
| Under 15 years | 38,311 | 31.6% | 124,989 | 21.2% | 163,300 | 23.0% |
| 15 to 24 years | 20,828 | 17.2% | 82,116 | 13.9% | 102,944 | 14.5% |
| 25 to 34 years | 16,948 | 14.0% | 80,628 | 13.7% | 97,576 | 13.7% |
| 35 to 44 years | 14,548 | 12.0% | 77,812 | 13.2% | 92,360 | 13.0% |
| 45 to 54 years | 12,684 | 10.5% | 78,717 | 13.4% | 91,401 | 12.9% |
| 55 to 64 years | 9,639 | 7.9% | 69,317 | 11.8% | 78,956 | 11.1% |
| 65 to 74 years | 4,894 | 4.0% | 45,021 | 7.6% | 49,915 | 7.0% |
| 75 years and over | 3,444 | 2.8% | 30,585 | 5.2% | 34,029 | 4.8% |
| Total, All Households | 121,296 | 100% | 589,185 | 100% | 710,481 | 100% |
| Age 65 and Over (a) | 8,338 | 6.9% | 75,606 | 12.8% | 83,944 | 11.8% |

Note:

(a) Percentage figure represents the percent of total persons age 65 and over.

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, B17001; BAE, 2019.

Persons with Disabilities

A variety of factors can influence housing choice for persons with disabilities, including the nature of the disability itself, among others. For example, persons with physical disabilities may face discrimination in the housing market due to biases and misperceptions about the use of adaptive equipment, such as wheelchairs and walkers. Additional issues can arise in instances when modifications or accommodations are necessary to improve or provide accessibility, when an owner or property manager is concerned over the possibility of damage being caused by the use of adaptive equipment (e.g., wheelchair), and/or when the property owner must provide reasonable accommodation for the use of a service animal, especially when the property would normally enforce a no-pet policy. Not only do some landlords occasionally refuse to rent to prospective tenants with a history of mental illness, whole neighborhoods sometimes object to the establishment of group homes for persons with disabilities and/or mental illness. Some jurisdictions have also been known to apply

restrictive permitting or zoning requirements to effectively deny or restrict the provision of housing for persons with disabilities, especially in the case of cognitive impairments.

According to data from the ACS, there was an average of 41,502 individuals in the City of Stockton with one or more disabilities between 2013 and 2017. There were approximately 3,173 residents under the age of 18 who reported having one or more disabilities. An estimated 23,299 disabled residents fell into the 18 to 64 age group. Of these, approximately 55.6 percent had ambulatory difficulty, 45.4 percent had cognitive difficulty, and 36.7 percent had difficulty with independent living.

Table 12: Persons with Disabilities by Age and Disability Type, 2013-2017

| Age Range and Disability Type | City of Stockton | | San Joaquin County | |
|--|------------------|-------------|--------------------|-------------|
| | Number | Percent | Number | Percent |
| Persons With One or More Disabilities, Ages 5-17 | | | | |
| With a hearing difficulty | 228 | 7.2% | 765 | 11.1% |
| With a vision difficulty | 433 | 13.6% | 970 | 14.0% |
| With a cognitive difficulty | n.a. | n.a. | n.a. | n.a. |
| With an ambulatory difficulty | n.a. | n.a. | n.a. | n.a. |
| With a self-care difficulty | n.a. | n.a. | n.a. | n.a. |
| Subtotal: Ages 5-17 (a) | 3,173 | n.a. | 6,905 | n.a. |
| Persons With One or More Disabilities, Ages 18-64 | | | | |
| With a hearing difficulty | 3,856 | 16.6% | 8,516 | 17.9% |
| With a vision difficulty | 5,031 | 21.6% | 9,302 | 19.5% |
| With a cognitive difficulty | 10,574 | 45.4% | 20,626 | 43.3% |
| With an ambulatory difficulty | 12,948 | 55.6% | 24,951 | 52.4% |
| With a self-care difficulty | 4,600 | 19.7% | 9,279 | 19.5% |
| With an independent living difficulty | 8,546 | 36.7% | 17,630 | 37.0% |
| Subtotal: Ages 18-64 (a) | 23,299 | n.a. | 47,657 | n.a. |
| Persons With One or More Disabilities, Age 65+ | | | | |
| With a hearing difficulty | 5,156 | 34.6% | 13,260 | 39.2% |
| With a vision difficulty | 2,838 | 19.1% | 6,192 | 18.3% |
| With a cognitive difficulty | 4,652 | 31.2% | 9,378 | 27.7% |
| With an ambulatory difficulty | 10,561 | 70.9% | 23,061 | 68.2% |
| With a self-care difficulty | 4,144 | 27.8% | 8,654 | 25.6% |
| With an independent living difficulty | 7,935 | 53.3% | 16,569 | 49.0% |
| Subtotal: Ages 65 and over (a) | 14,890 | n.a. | 33,817 | n.a. |
| Total, All Ages (a)(b) | 41,502 | | 88,704 | |

Notes:

(a) Totals may be less than sum of list of disabilities since a person may have more than one disability.

(b) Figures may not sum to totals due to rounding.

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, S1810; BAE, 2019.

Large Households

HUD defines large households, and large family households, to include five or more members. Large households are often families with two or more children, or households that include extended family members, such as in-laws or grandparents. Large households are often considered a special needs group due to the frequent undersupply of adequately-sized, affordable housing units. Due to the higher costs associated with larger housing units, lower-

income large households are typically more likely than other households to experience excessive housing costs. Most conventional apartment complexes also do not offer units with three, four, or five bedrooms. Many multifamily developers dedicate only a small portion, if any, of the unit mix to units with three or more bedrooms, such as would be suitable for such families. If available, larger units can also cost substantially more to rent than smaller units. As a result, large households often occupy housing units that are smaller than would otherwise be suitable, which typically results in overcrowded conditions. Furthermore, families with children can face discrimination and differential treatment in the housing market, such as denying renting to families altogether, as well as requiring higher rent or security deposits and the imposition of special restrictions.

According to the data presented in Table 13, approximately 22.6 percent of all households in the City of Stockton included only a single individual, while the majority, at 58.2 percent were smaller, multi-person households with between two and four members. The data indicate that there were more than 17,980 large households, as defined above, which accounted for 19.1 percent of all households in the city. Almost all of these large households were family households, as defined by the Census Bureau.

Table 13: Family and Non-Family Households by Size, 2013-2017

| Household Type | City of Stockton | | San Joaquin County | |
|-----------------------------------|------------------|-------------|--------------------|-------------|
| | Number | Percent | Number | Percent |
| Single Person Households | 21,164 | 22.6% | 45,453 | 20.3% |
| Small Multi-Person Households (a) | 54,593 | 58.2% | 136,395 | 60.9% |
| <i>Family</i> | 49,152 | 52.4% | 124,788 | 55.8% |
| <i>Non-Family</i> | 5,441 | 5.8% | 11,607 | 5.2% |
| Large Multi-Person Households (b) | 17,989 | 19.2% | 41,960 | 18.7% |
| <i>Family</i> | 17,928 | 19.1% | 41,767 | 18.7% |
| <i>Non-Family</i> | 61 | 0.1% | 193 | 0.1% |
| Total, All Households | 93,746 | 100% | 223,808 | 100% |

Notes:

- (a) Small multi-person households include households with two to four persons.
- (b) Large multi-person households include households with five or more persons.

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, B11016; BAE, 2019.

Compared to the distribution of housing units by size, discussed in greater detail on the Housing Profile section, there appears to be a generally sufficient supply of housing units to accommodate the City's larger households, with some caveats. For example, housing units with three or more bedrooms accounted for example, housing units with three or more bedrooms accounted for more than 65 percent of the total housing stock between 2013 and 2017, representing approximately 58,920 housing units (see Table 18). This included 38,590 owner-occupied units (41.2 percent), and 20,336 renter-occupied units (21.7 percent). While this indicates that there is a sufficient stock of housing to accommodate the City's 17,989 large households. However, because larger housing units tend to be owner-occupied single-family structures, larger renter households are more likely to have difficulty finding housing.

Additionally, there are other factors that can make it difficult for large households to secure housing, such as restrictions under some housing programs that stipulate that a child cannot occupy the same bedroom as an adult.⁸

Limited English Proficiency

Persons with a limited knowledge of the English language can often experience discrimination in housing due to racial, ethnic, or cultural bias. Due to their limited language abilities, these persons can also face unscrupulous leasing and lending practices that take advantage of their inability to read, interpret, and/or understand leasing agreements and loan documents. Persons with limited proficiency with the English language can also face difficulties once housing is secured, such as the difficulties with interpreting posted notices and correspondence. As a result, persons with limited English proficiency (LEP) are identified as a protected class under the Fair Housing Act, as well as applicable California law.

Table 14 reports the total population in the City of Stockton and San Joaquin County by primary language spoken and identifies the proportion of LEP households in each jurisdiction. Based on these data, the primary language spoke at home for 53 percent of Stockton Resident between 2013 and 2017 was English. An estimated 47 percent of residents spoke another language when at home. This represents around 131,427 individuals. The most prevalent language spoken at home other than English was Spanish, followed by Asian and Pacific Island languages. The table also reports the percent of households where non one age 14 or over spoke English “very well”. These data indicate that approximately 26 percent of households where Asian or Pacific Island languages were spoken had limited English proficiency. This was relatively similar to Spanish speaking households where 22 percent had limited English proficiency, and 24.1 percent of households that spoke other languages not previously identified. While very little attribute data are available regarding LEP households, the information available from the 2013-2017 AVC indicate that households who spoke a language other than English were just as likely to be in poverty as English-speaking households in Stockton, but were significantly less likely to have completed high school. While 12.7 percent of English-speaking households had not graduated from high school, 37.8 percent of non-English speaking households had not graduated from high school.

⁸ Meaning, for example, that a two-person single-parent household would need to secure a two-bedroom unit.

Table 14: Population by Language Spoken at Home and Percent of Households with Limited English Proficiency, City of Stockton and San Joaquin County, 2013-2017

| Language Spoken | City of Stockton | | | |
|------------------------------------|---|--------------|---|---|
| | Population by Primary Language Spoken (a) | | Population with Limited English Proficiency (b) | Households with Limited English Proficiency (c) |
| | Number | Percent | | |
| Spanish | 77,560 | 27.6% | 40.9% | 22.1% |
| Other Indo-European languages | 10,791 | 3.8% | 40.1% | 16.0% |
| Asian and Pacific Island languages | 41,092 | 14.6% | 52.8% | 26.1% |
| Other languages | 1,984 | 0.7% | 27.8% | 24.1% |
| Total, All Non-English | 131,427 | 46.8% | 44.30% | n.a. |
| English Only | 149,549 | 53.2% | n.a. | n.a. |
| Total, All Languages | 280,976 | 100% | 20.7% | 10.9% |
| Language Spoken | San Joaquin County | | | |
| | Population by Primary Language Spoken (a) | | Population with Limited English Proficiency (b) | Households with Limited English Proficiency (c) |
| | Number | Percent | | |
| Spanish or Spanish Creole | 178,672 | 26.6% | 41.1% | 20.9% |
| Other Indo-European languages | 34,283 | 5.1% | 40.3% | 14.2% |
| Asian and Pacific Island languages | 59,819 | 8.9% | 48.3% | 22.5% |
| Other languages | 4,188 | 0.6% | 22.7% | 15.9% |
| Total, All Non-English | 276,962 | 41.2% | 42.30% | n.a. |
| English Only | 394,635 | 58.8% | n.a. | n.a. |
| Total, All Languages | 671,597 | 100% | 17.4% | 8.5% |

Notes:

- (a) Represents the population age five years and over by the primary language spoken at home.
- (b) Percent of population age five years and over who does not speak English or speaks English less than "very well."
- (c) Percent of households where no one age 14 and over speaks English only, or speaks English "very well."

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, S1601, S1602; BAE, 2019.

Farmworkers

Farmworkers and day laborers are an essential component of the regional agricultural system and function as the foundation of a broader food industry cluster that includes growers, harvesters, processors, suppliers, and distribution firms. While many farmworkers are single male individuals, many also live with their families, often including extended family members. This poses a problem for these farmworkers because most rental units that are currently available to migrant farmworkers are small and inadequate for housing large family households. Furthermore, farmworkers face distinctive housing challenges due to high poverty rates, large household sizes, linguistic isolation, and intimidation and fear due to citizenship status. With these combined challenges, the farmworking community oftentimes does not have enough capital to afford housing that meets their needs and thus must resort to the lowest cost and substandard housing. According to HCD, farmworker housing conditions are typically characterized by overcrowding, overpayment, substandard conditions, geographic isolation, and lack of access to transit, services, and shopping, as well as an above average risk for homelessness.

As shown in Table 15, the 2017 Census of Agriculture reports that there were about 12,097 migrant workers on 319 farms in San Joaquin County, with most typically requiring assistance securing affordable seasonal housing. The San Joaquin County General Plan Housing Element contains numerous policies and programs designed to address the needs of farmworkers, such as those identified above, including the provision of farmworker housing in agricultural zones. This includes the operation of farm labor housing projects and migrant labor camps, such as the Sartini Manor in Thornton, Harney Lane Migrant Center in Lodi, and the Joseph J. Artesi facility in French Camp. Though farm labor housing projects in the unincorporated county represent critical resources, many farmworker households still prefer to live in existing multi- and single-family rental housing in urban areas, which provide better access to amenities. For example, the neighborhood of South Stockton reportedly features a relatively high concentration of farmworker households, due to the presence of relatively low-cost housing and the neighborhood’s relative proximity to nearby farmland. While the City of Stockton continues to support countywide efforts to provide farmworker housing, the majority of City policies are geared toward supporting the provision of affordable housing, both single- and multifamily, for all households, including farmworkers, as well as other populations.

Table 15: Hired Farm Labor, San Joaquin County, 2017

| Hired Farm Labor | 2017 | |
|-----------------------------|---------------|-------------|
| | Number | Percent |
| Less than 150 days | 11,738 | 59.5% |
| 150 days or more | 8,003 | 40.5% |
| Total, Hired Workers | 19,741 | 100% |
| <i>Number of Operations</i> | 1,707 | |

| Migrant Farm Labor | 2017 | |
|-------------------------------|---------------|-------------|
| | Number | Percent |
| Hired labor | 9,297 | 76.9% |
| Contract labor only | 2,800 | 23.1% |
| Total, Migrant Workers | 12,097 | 100% |
| <i>Number of Operations</i> | 319 | |

Sources: U.S. Census of Agriculture, 2017; BAE, 2019.

Persons Diagnosed with AIDS and Related Diseases

Due largely to popular misconceptions, persons living with HIV and AIDS, and their families, can often be subject to housing discrimination. Though no reliable statistics exist regarding the degree of housing discrimination that occurs regarding this population, the available statistics from the California Department of Public Health’s 2017 HIV Surveillance Report indicate that there were approximately 135,000 persons living in California living with diagnosed HIV infection in 2017, which is an 8.7 percent increase from about 124,235 in 2013. San Joaquin County faced a higher 11.9 percent increase during the same time frame, increasing from 1,201 persons in 2013 to 1,344 persons living with diagnosed HIV infection in 2017. While the percent increase is higher than throughout California as a whole, San Joaquin County’s growth in the HIV-diagnosed population seems to have leveled off, whereas

the population diagnosed with HIV steadily increased statewide. For example, since 2014 the number of residents living with HIV remained at around 1,300 people countywide, whereas California's HIV-diagnosed population has been steadily increasing.

Homeless Persons

HUD generally defines homeless persons as those who lack fixed, regular, and adequate nighttime residence, as well as those residing in shelters or places not designed as regular sleeping accommodations. Most individuals and families become homeless because they are unable to afford housing in a particular community. The majority of the homeless population is typically comprised of single adults, who enter and exit the social support network fairly quickly. The remainder include homeless adults and families who remain a part of the homeless assistance system over long periods of time, primarily residing in shelters and on the street. Though representing a minority of the overall homeless population, unaccompanied minors represent an important and vulnerable sub-population.

Table 16 below, identifies the estimated number of unsheltered and sheltered homeless individuals and families located within the City of Stockton. An authorized Continuum of Care (CoC) representative provided the data, collected through the 2019 Point-in-Time Count (PITC). Consultation with Central Valley Low-Income Housing (CVLIHC) indicated that the observed increase in the number of unsheltered homeless residing in Stockton can be attributed to improvements in the survey method and increased outreach, though actual increases in the size of the unsheltered homeless population cannot be ruled out.

According to these data, there were 922 unsheltered homeless individuals identified in Stockton, as well as 659 individuals residing in emergency shelters and 173 persons living in transitional housing facilities. Overall the data indicate that homeless individuals in Stockton are primarily White and African American. For example, White individuals account for an estimated 51.6 percent of the unsheltered population, 45.7 percent of those in emergency shelters, and 61.3 percent of those residing in transitional housing. African American individuals, as the second largest racial cohort, account for an estimated 27.0 percent of the unsheltered count, 40.2 percent of the emergency shelter population, and 30.1 percent of transitional housing residents. On an ethnic basis, non-Hispanic and Latino individuals account for the majority of the homeless population, regardless of shelter status, though Hispanic individuals still account for an estimated 26.6 percent of the unsheltered population, 30.7 percent of the emergency shelter population, and 19.7 percent of the population living in transitional housing.

Table 16: Sheltered and Unsheltered Homeless by Population Type, 2019

| Age Group | Unsheltered | | Sheltered | | | |
|---------------------------------|--------------------|----------------|------------------|----------------|---------------------|----------------|
| | Number | Percent | Emergency | | Transitional | |
| | | | Number | Percent | Number | Percent |
| Adults | 799 | 86.7% | 435 | 66.0% | 118 | 68.2% |
| Children | 4 | 0.4% | 224 | 34.0% | 55 | 31.8% |
| Unknown | 119 | 12.9% | 0 | 0.0% | 0 | 0.0% |
| Total, All | 922 | 100.0% | 659 | 100.0% | 173 | 100.0% |
| Racial Group | | | | | | |
| American Indian | 11 | 1.2% | 7 | 1.1% | 0 | 0.0% |
| Asian | 25 | 2.7% | 18 | 2.7% | 4 | 2.3% |
| African American | 249 | 27.0% | 265 | 40.2% | 52 | 30.1% |
| Pacific Islander | 9 | 1.0% | 16 | 2.4% | 4 | 2.3% |
| White | 476 | 51.6% | 301 | 45.7% | 106 | 61.3% |
| Multi-Racial | 13 | 1.4% | 45 | 6.8% | 4 | 2.3% |
| Unknown | 139 | 15.1% | 7 | 1.1% | 3 | 1.7% |
| Total, All Racial Groups | 922 | 100.0% | 659 | 100.0% | 173 | 100.0% |
| Ethnic Group | | | | | | |
| Non-Hispanic/Latino | 488 | 52.9% | 449 | 68.1% | 133 | 76.9% |
| Hispanic/Latino | 245 | 26.6% | 202 | 30.7% | 34 | 19.7% |
| Unknown | 189 | 20.5% | 8 | 1.2% | 6 | 3.5% |
| Total, All Ethnic Groups | 922 | 100.0% | 659 | 100.0% | 173 | 100.0% |

Sources: Stockton/San Joaquin County Continuum of Care, Point-In-Time Count, 2019; BAE, 2019

2.4 – Housing Profile

The following section provides an overview of the characteristics of the local and regional housing markets, including the nature and condition of the existing housing stock, estimated occupancy and vacancy rates, and the cost of housing. For the purposes of this analysis, a housing unit is defined to include a house, apartment, mobile home, group or rooms, or single room that is occupied or intended for occupancy as a separate and independent living space.

Housing Stock Characteristics

As shown in Table 17, there were a total of approximately 101,764 housing units located within the City of Stockton in 2017. Of these, 72.7 percent were single-family structures, including both attached and detached units, and 26.2 percent were multifamily units. The majority of the multifamily units were larger with five or more units, though multifamily units of all sizes have decreased comparably since 2010. Multifamily units in San Joaquin County appear to follow similar trends, though the County has a much smaller share of multifamily units in its overall housing mix at 18.2 percent in 2017. The remaining 2.1 percent of Stockton’s housing stock are units that include mobile homes and other non-traditional residences, such as boats, RVs, and vans. As illustrated in Figure 10, the majority of the city’s multifamily housing stock is concentrated in the downtown and March Lane corridor. While these areas generally correspond to areas of low and moderate income and minority

households, the lack of multifamily rental housing options in southern Stockton may present barriers to fair housing choice for some households.

Table 17: Housing Stock Characteristics, 2006-2010 and 2013-2017

| Units in Structure | City of Stockton | | | |
|---------------------------------|------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Detached Single Family | 64,318 | 64.7% | 66,827 | 65.7% |
| Attached Single Family | 7,040 | 7.1% | 7,082 | 7.0% |
| 2 to 4 units | 9,046 | 9.1% | 8,787 | 8.6% |
| 5 or more units | 17,867 | 18.0% | 17,885 | 17.6% |
| Mobile Homes | 1,028 | 1.0% | 1,117 | 1.1% |
| Boats, RV's, Vans, Other | 77 | 0.1% | 66 | 0.1% |
| Total, All Housing Units | 99,376 | 100% | 101,764 | 100% |

| Units in Structure | San Joaquin County | | | |
|---------------------------------|--------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Detached Single Family | 167,175 | 72.3% | 175,178 | 73.2% |
| Attached Single Family | 12,137 | 5.3% | 11,794 | 4.9% |
| 2 to 4 units | 14,746 | 6.4% | 14,733 | 6.2% |
| 5 or more units | 28,545 | 12.4% | 28,665 | 12.0% |
| Mobile Homes | 8,122 | 3.5% | 8,535 | 3.6% |
| Boats, RV's, Vans, Other | 389 | 0.2% | 348 | 0.1% |
| Total, All Housing Units | 231,114 | 100% | 239,253 | 100% |

Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, B25024; BAE, 2019.

Table 18 reports the number of occupied housing units in the City of Stockton and San Joaquin County by size and tenure. According to these data, two- and three-bedroom units account for around 60 percent of Stockton's total housing stock. One-bedroom units, which represent an important affordable housing option, account for 10 percent of the city's housing stock, while studio units account for three percent. Larger housing units with four or more bedrooms account for a little more than one quarter of the total housing stock. In terms of household tenure, owner occupied units are clearly skewed towards the three- and four-bedroom range, while renter occupied units are skewed towards the two- and three-bedroom range. This indicates that smaller owner and renter households requiring studio's and one-bedroom units likely lack housing options which may present a barrier to fair housing choice. As a result, smaller, lower-income households likely reside within housing units that are larger than would otherwise be necessary to meet their needs, which is a contributing factor in the high prevalence of excessive housing costs among lower income households, which is discussed later. In some cases, lower income households are known to group together in order to better afford the costs associated with renting or purchasing larger housing units, which constitutes the majority of the citywide housing stock. This may, in some cases, contribute to incidences of overcrowding, which has been identified as one of the more prevalent housing problems experienced by lower income households.

Table 18: Housing Units by Size and Tenure, 2013-2017

| Occupied Housing Units by Bedrooms | City of Stockton | | | | San Joaquin County | | | |
|------------------------------------|------------------|--------------|---------------|--------------|--------------------|--------------|----------------|--------------|
| | 2010 | | 2017 | | 2010 | | 2017 | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Owner Occupied | | | | | | | | |
| <i>No Bedroom</i> | 143 | 0.2% | 232 | 0.2% | 438 | 0.2% | 557 | 0.2% |
| <i>1 Bedroom</i> | 456 | 0.5% | 383 | 0.4% | 1,852 | 0.9% | 1,607 | 0.7% |
| <i>2 Bedroom</i> | 7,104 | 7.9% | 5,647 | 6.0% | 18,798 | 8.8% | 15,948 | 7.1% |
| <i>3 Bedroom</i> | 23,716 | 26.2% | 21,460 | 22.9% | 64,406 | 30.3% | 59,976 | 26.8% |
| <i>4 Bedroom</i> | 14,113 | 15.6% | 13,346 | 14.2% | 36,120 | 17.0% | 35,956 | 16.1% |
| <i>5 Bedroom or More</i> | 3,506 | 3.9% | 3,784 | 4.0% | 9,743 | 4.6% | 10,690 | 4.8% |
| Subtotal, Owner Occupied | 49,038 | 54.3% | 44,852 | 47.8% | 131,357 | 61.7% | 124,734 | 55.7% |
| Renter Occupied | | | | | | | | |
| <i>No Bedroom</i> | 1,604 | 1.8% | 2,552 | 2.7% | 2,557 | 1.2% | 4,054 | 1.8% |
| <i>1 Bedroom</i> | 9,437 | 10.4% | 8,782 | 9.4% | 15,714 | 7.4% | 15,147 | 6.8% |
| <i>2 Bedroom</i> | 15,534 | 17.2% | 17,224 | 18.4% | 31,910 | 15.0% | 34,816 | 15.6% |
| <i>3 Bedroom</i> | 10,695 | 11.8% | 14,298 | 15.3% | 23,044 | 10.8% | 31,684 | 14.2% |
| <i>4 Bedroom</i> | 3,500 | 3.9% | 5,079 | 5.4% | 6,909 | 3.2% | 11,207 | 5.0% |
| <i>5 Bedroom or More</i> | 567 | 0.6% | 959 | 1.0% | 1,414 | 0.7% | 2,166 | 1.0% |
| Subtotal, Renter Occupied | 41,337 | 45.7% | 48,894 | 52.2% | 81,548 | 38.3% | 99,074 | 44.3% |
| Total, All Households | 90,375 | 100% | 93,746 | 100% | 212,905 | 100% | 223,808 | 100% |

Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, B25042; BAE, 2019.

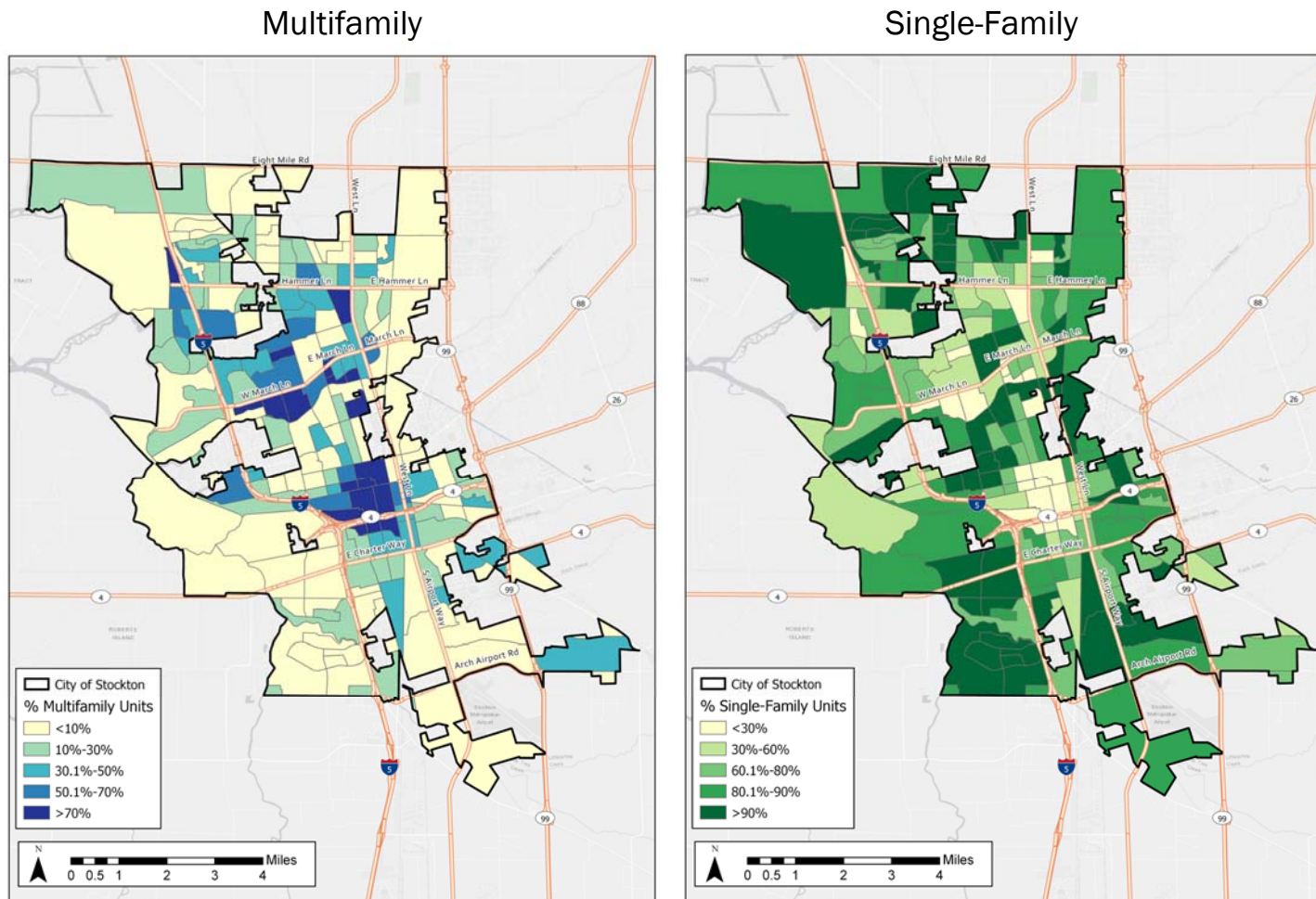
Table 19 reports the number of housing units by year built. The data indicate that the majority of Stockton's housing stock, about 63.4 percent of units, were built between 1970 and 2009. This is similar to the distribution at the regional level in San Joaquin County, though San Joaquin County units are slightly younger with 21.7 percent of units built 2000 or later compared to 18.1 percent in the City of Stockton. Though units built before 1969 account for nearly 35 percent of the city's housing stock, units built in any particular decade within this timeframe consistently account for less than ten percent of the total housing stock.

Table 19: Housing Units by Year Built, 2013-2017

| Year Built | City of Stockton | | San Joaquin County | |
|-------------------------|------------------|-------------|--------------------|-------------|
| | Number | Percent | Number | Percent |
| 1939 or earlier | 8,877 | 8.7% | 17,355 | 7.3% |
| 1940 to 1949 | 7,635 | 7.5% | 15,301 | 6.4% |
| 1950 to 1959 | 9,473 | 9.3% | 25,158 | 10.5% |
| 1960 to 1969 | 10,067 | 9.9% | 22,597 | 9.4% |
| 1970 to 1979 | 20,168 | 19.8% | 38,164 | 16.0% |
| 1980 to 1989 | 14,692 | 14.4% | 36,356 | 15.2% |
| 1990 to 1999 | 12,471 | 12.3% | 32,488 | 13.6% |
| 2000 to 2009 | 17,238 | 16.9% | 46,206 | 19.3% |
| 2010 to 2013 | 1,018 | 1.0% | 4,071 | 1.7% |
| 2014 or later | 125 | 0.1% | 1,557 | 0.7% |
| Total, All Years | 101,764 | 100% | 239,253 | 100% |

Sources: U.S. Census Bureau, ACS 2017 5-year sampling period, B25034; BAE, 2019.

Figure 10: Percent of Housing Units by Type, City of Stockton, 2013-2017



Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, B25024; BAE, 2019.

Lead-Based Paint Hazards

Lead-based paints were banned from use in 1978. As a result, all units constructed prior to 1980 could pose a potential lead-based paint hazard. As shown in Table 19 above, approximately 56,220 housing units, or 55 percent of the city’s housing stock, were constructed prior to 1980. Though not shown in the table, approximately 30,443 of the housing units constructed prior to 1980 are renter occupied. Housing units constructed prior to 1940 are especially considered at risk for lead-based paint hazard due to their advanced age and the frequent utilization of lead-based paint towards the beginning of the century.

Since children are most at risk for lead-based paint exposure, household constructed prior to 1980 with children present are considered some of the highest risk. While not directly comparable to the data presented in Table 19 due to the different study periods and data sources, CHAS data presented in Table 20 indicate that approximately 11.9 percent of the city’s housing stock was constructed prior to 1980 and was occupied by households that included children. Renter occupied housing units are more likely to have been constructed prior to 1980 and contain children and are also more likely to have lower income households due to the lower costs associated with older, less well-maintained housing units.

Table 20: Risk of Lead Based Paints by Income Category

| Housing Units built before 1980 with children present | Owner-Occupied | | Renter-Occupied | | Total | |
|--|-----------------------|-------------|------------------------|--------------|---------------|--------------|
| | Number | Percent | Number | Percent | Number | Percent |
| Extremely Low Income (30% of HAMFI or Less) | 235 | 0.5% | 2,565 | 5.4% | 2,800 | 3.0% |
| Very Low Income (30% to 50% of HAMFI) | 245 | 0.5% | 2,100 | 4.5% | 2,345 | 2.5% |
| Low Income (50% to 80% of HAMFI) | 575 | 1.3% | 1,430 | 3.0% | 2,005 | 2.2% |
| Moderate Income (80% to 100% of HAMFI) | 400 | 0.9% | 745 | 1.6% | 1,145 | 1.2% |
| Above Moderate Income (Above 100% of HAMFI) | 1,565 | 3.5% | 1,135 | 2.4% | 2,700 | 2.9% |
| All Income Levels | 3,020 | 6.7% | 7,975 | 16.9% | 10,995 | 11.9% |
| All Housing Units | 45,310 | | 47,130 | | 92,440 | |

Sources: 2011-2015 CHAS; BAE, 2019.

Household Tenure

Table 21 reports the number of occupied housing units by tenure in Stockton and San Joaquin County. According to these data, the majority of housing units in Stockton were owner-occupied in 2010 at 54.3 percent. However, the owner-occupied housing stock decreased to 47.8 percent as of 2017, indicating that owner households are becoming less prevalent in the City of Stockton. By comparison, renter-occupied housing units accounted for 45.7 percent of the occupied housing stock in 2010, increasing to 52.2 percent as of 2017. While the countywide proportion of owner-occupied housing units also declined during this period, the current share is roughly eight percentage points higher than in Stockton.

Additional data reported in Figure 11 illustrate the relative geographic concentrations of owner-occupied and renter-occupied housing throughout the City of Stockton. The data indicate clear concentrations of renter households in Stockton’s downtown area, as well as areas scattered throughout northern Stockton. Note that the two slivers of high concentration renter households in southern Stockton are misleading because these areas are mostly unpopulated. As noted previously areas with high concentrations of renter households also coincide with above average concentrations of low- and moderate-income households and concentrations of minority residents. Higher income areas in Stockton typically feature fewer renter households, which often occupy single-family units.

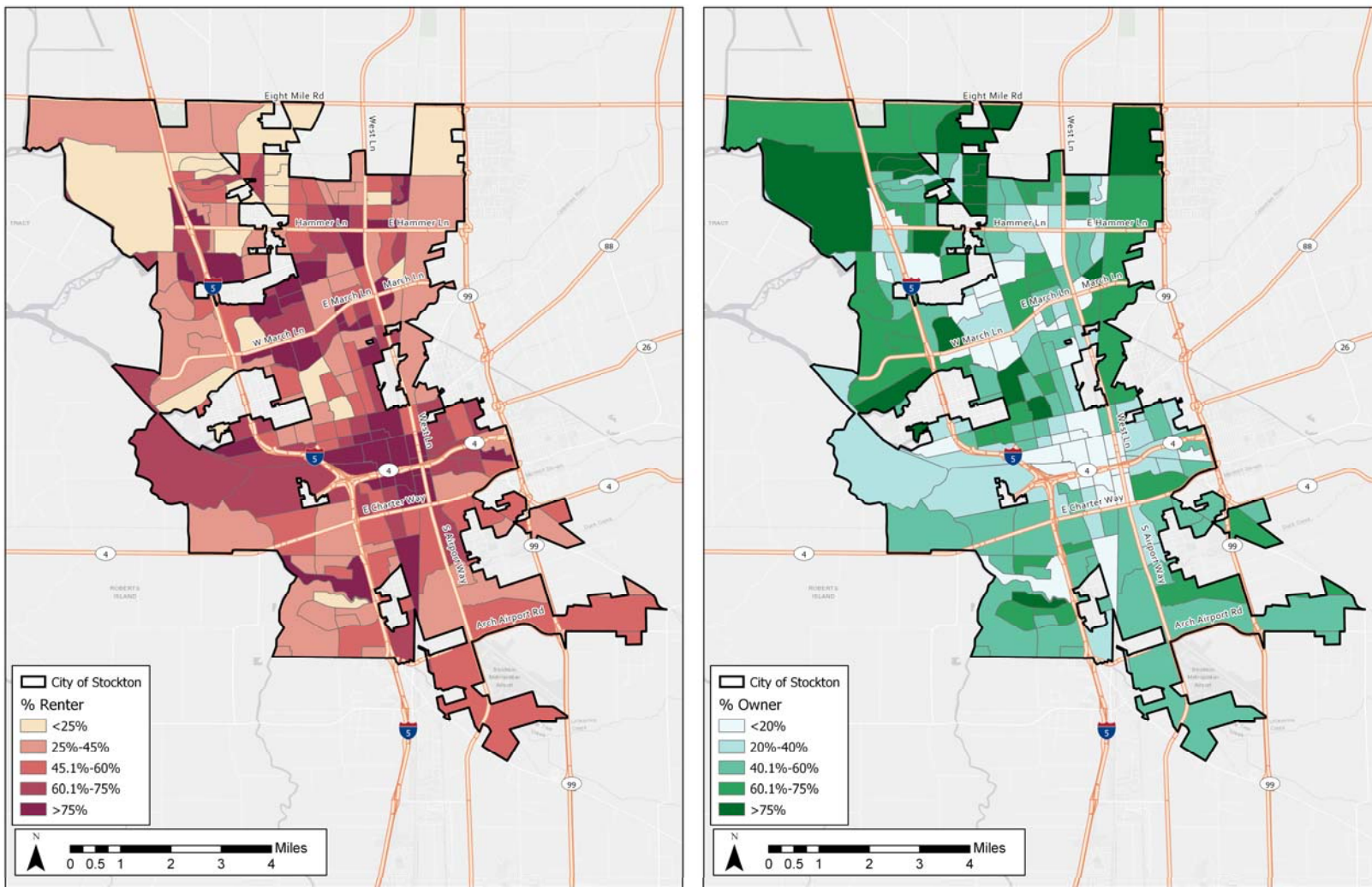
Table 21: Occupied Housing Units by Tenure, 2006-2010 and 2013-2017

| Tenure | City of Stockton | | | |
|------------------------------|-------------------------|----------------|---------------|----------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Owner Occupied | 49,038 | 54.3% | 44,852 | 47.8% |
| Renter Occupied | 41,337 | 45.7% | 48,894 | 52.2% |
| Total, All Households | 90,375 | 100% | 93,746 | 100% |

| Tenure | San Joaquin County | | | |
|------------------------------|---------------------------|----------------|----------------|----------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Owner Occupied | 131,357 | 61.7% | 124,734 | 55.7% |
| Renter Occupied | 81,548 | 38.3% | 99,074 | 44.3% |
| Total, All Households | 212,905 | 100% | 223,808 | 100% |

Sources: U.S. Census Bureau, ACS 2010 5-year and 2017 5-year sampling period, B25003; BAE, 2019.

Figure 11: Percent of Occupied Housing Units by Tenure, City of Stockton, 2013-2017



Sources: City of Stockton, 2019; U.S. Census Bureau, ACS 2017 5-year sampling period, B25003; BAE, 2019.

Occupancy/Vacancy Status

Table 22 reports the occupancy and vacancy rates for housing units located in Stockton and San Joaquin County in both 2010 and 2017. According to these data, the residential vacancy rates in both areas decreased modestly during this period. In the year 2010, there were an estimated 9,001 vacant housing units in Stockton, which represented around 9.1 percent of the housing stock. As of 2017, ACS estimates indicate that there were 8,018 vacant housing units, which represented approximately 7.9 percent of the total housing stock. During this time period, the total housing stock also expanded by an estimated 2,388 units. San Joaquin County experienced similar trends, with a total vacancy rate of 7.9 percent in 2010, which declined to 6.5 percent as of 2017. These vacancy rates remain somewhat above what is typically considered normal (i.e., five to six percent) and provide valuable opportunities for improved access and affordability.

Table 22: Occupancy and Vacancy Status, 2006-2010 and 2013-2017

| Occupancy Status | City of Stockton | | | |
|---------------------------------------|------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Occupied Housing Units | 90,375 | 90.9% | 93,746 | 92.1% |
| Vacant Housing Units | 9,001 | 9.1% | 8,018 | 7.9% |
| <i>For rent</i> | 3,155 | 3.2% | 3,150 | 3.1% |
| <i>For sale only</i> | 1,625 | 1.6% | 594 | 0.6% |
| <i>Rented or sold, not occupied</i> | 1,099 | 1.1% | 795 | 0.8% |
| <i>For seasonal or occasional use</i> | 329 | 0.3% | 550 | 0.5% |
| <i>For migrant workers</i> | 29 | 0.0% | 0 | 0.0% |
| <i>Other vacant (a)</i> | 2,764 | 2.8% | 2,929 | 2.9% |
| Total, All Housing Units | 99,376 | 100% | 101,764 | 100% |

| Occupancy Status | San Joaquin County | | | |
|---------------------------------------|--------------------|-------------|----------------|-------------|
| | 2010 | | 2017 | |
| | Number | Percent | Number | Percent |
| Occupied Housing Units | 212,905 | 92.1% | 223,808 | 93.5% |
| Vacant Housing Units | 18,209 | 7.9% | 15,445 | 6.5% |
| <i>For rent</i> | 4,794 | 2.1% | 4,715 | 2.0% |
| <i>For sale only</i> | 4,071 | 1.8% | 1,195 | 0.5% |
| <i>Rented or sold, not occupied</i> | 2,324 | 1.0% | 2,563 | 1.1% |
| <i>For seasonal or occasional use</i> | 1,226 | 0.5% | 1,356 | 0.6% |
| <i>For migrant workers</i> | 106 | 0.0% | 66 | 0.0% |
| <i>Other vacant (a)</i> | 5,688 | 2.5% | 5,550 | 2.3% |
| Total, All Housing Units | 231,114 | 100% | 239,253 | 100% |

Note:

(a) If a vacant unit does not fall into any of the classifications specified above, it is classified as "other vacant." For example, this category includes units held for occupancy by a caretaker or janitor and units held by the owner for personal reasons.

Sources: California Association of Realtors, 2019; BAE, 2019.

Housing Prices

Between 1998 and 2009, the City of Stockton and surrounding areas experienced a dramatic boom and bust cycle in the housing market. Driven by robust local growth, and housing demand from households commuting into the San Francisco Bay Area for work, as well as by widespread sub-prime mortgage lending activity, the median home price escalated rapidly, more than doubling between January 2002 and June 2006, according to the California

Association of Realtors (CAR). As of June 2006, the median home price had reached a high of \$426,829, but by April 2009, the median single-family home price had fallen to \$147,053. Though similar trends were experienced throughout California and the nation, Stockton was among the markets most severely impacted by the rapid change in sales prices and the surge in foreclosures and other distressed sales. Figure 12 illustrates these trends, based on median single-family home sales data provided by CAR for the period from January 2000 to September 2013. Note that CAR does not report data for the period from September 2007 to January 2009 for San Joaquin County.

Since the end of the housing crisis, CAR reports that the median home price in San Joaquin County has recovered somewhat, increasing from \$160,000 in August 2009, to \$365,000 in December of 2018, representing an increase of than \$205,000, or 128 percent. Similarly, whereas the California Association of Realtors (CAR) reported that as of January 2009, approximately 90 percent of all home sales in San Joaquin County were distressed, the organization has discontinued their tracking of distressed sales due to the exceedingly low volume of such transactions in the current market. Additional data provided by CoreLogic, a private data vendor, indicate that the median single-family sales price in Stockton, between October and December of 2018, was approximately \$285,000, including both new and resale units. Based on standard industry loan terms, the purchase of a median-priced unit would require an annual household income of approximately \$82,986. This assumes that all housing costs would not exceed 30 percent of income, a down payment value of 3.5 percent of the purchase price, an annual interest rate of 4.5 percent, a 30 year loan term, an upfront mortgage insurance rate of 1.75 percent of purchase price and an annual rate of 1.35 percent of purchase price, a property tax rate of 1.18 percent of purchase price, and an annual hazard insurance rate of 0.34 percent of purchase price. Compared to the existing distribution of households by income, as reported by the 2013-2017 ACS, the median priced for-sale unit would likely be unaffordable to at least 71 percent of households within the City of Stockton.

Figure 12: Median Single-Family Sales Price Trends, Jan. 2010 to Dec. 2018



Sources: California Association of Realtors, 2019; BAE, 2019.

Table 23: Median Sales Price by Unit Size and Associated Income Requirements (a)

| Unit Size | # of Sales | Median Price | Home Ownership Cost Assumptions (b) | | | | | | Monthly Payment | Income Requirement |
|------------|------------|--------------|-------------------------------------|------------------------|--------------------|----------------|--------------------|---------|-----------------|--------------------|
| | | | Downpayment/Upfront Insurance | Principal and Interest | Mortgage Insurance | Property Taxes | Property Insurance | | | |
| 1 Bedroom | 10 | \$154,500 | \$8,111 | \$755 | \$174 | \$152 | \$44 | \$1,125 | \$44,987 | |
| 2 Bedroom | 149 | \$225,000 | \$11,813 | \$1,100 | \$253 | \$221 | \$64 | \$1,638 | \$65,515 | |
| 3 Bedroom | 341 | \$283,500 | \$14,884 | \$1,386 | \$319 | \$278 | \$80 | \$2,064 | \$82,549 | |
| 4 Bedroom | 165 | \$339,000 | \$17,798 | \$1,658 | \$381 | \$333 | \$96 | \$2,468 | \$98,709 | |
| 5+ Bedroom | 64 | \$382,500 | \$20,081 | \$1,870 | \$430 | \$375 | \$108 | \$2,784 | \$111,376 | |
| All Sizes | 729 | \$285,000 | \$14,963 | \$1,394 | \$321 | \$280 | \$81 | \$2,075 | \$82,986 | |

Notes:

(a) Includes single family residence, duplex, triplex, quadruplex, and townhouse properties with last market sales dates between October 1, 2018 and December 31, 2018.

(b) Home ownership cost assumptions include:

| | |
|-----------------------------|----------|
| % of income for housing: | 30% |
| Downpayment | 3.50% |
| Annual interest rate | 4.50% |
| Loan Term | 30 years |
| Upfront mortgage insurance | 1.75% |
| Annual mortgage insurance | 1.35% |
| Annual property tax | 1.18% |
| Annual hazard insurance (c) | 0.34% |

(c) Annual hazard insurance rate is based on quoted insurance premiums from the Homeowners Premium Survey, published by the California Department of Insurance, for a home valued at \$300,000.

Sources: ListSource, 2018; City of Stockton, 2019; California Department of Insurance, 2018; BAE, 2019.

Rents

The private data vendor, CoStar, reports that the average rental rate for all multifamily units in the City of Stockton was \$1,065 as of the fourth quarter of 2018. This is \$109 more than the average rental rate in the fourth quarter of 2016 and represents an 11.4 percent increase. As shown in Table 24, one- and two-bedroom units account for the majority of the city's multifamily housing stock. Studio's and one-bedroom units are the most affordable unit types, with average rental rates of \$943 and \$936, respectively. Larger two- and three-bedroom units are the most expensive unit types, renting for an average of \$1,192 and \$1,175, respectively. With a vacancy rate of 3.6 percent, Stockton's multifamily rental market is relatively tight.

Based on the 2018 utility allowance schedule published by the Housing Authority of the County of San Joaquin (HACSJ) and the average rent data discussed above, Table 24 identifies the income that would be required in order to afford an average-priced rental housing unit, assuming no more than 30 percent of household income is spent on rent and utilities. The required income necessary to afford a one-bedroom unit, which is the most prevalent unit size in the City of Stockton according to CoStar, is \$40,360. Though not a perfect comparison, 2017 ACS data indicate that there are approximately 39,859 households that earn less than \$40,000 annually. These households represent about 42.5 percent of all households within the city. Therefore, it can be inferred that more than two-fifths of households within Stockton would likely struggle to reasonably afford the average-priced one-bedroom apartment unit.

Table 24: Rental Market Overview, Q4 2018

| Unit Size | Total Units | Average Square Footage | Average Rent | Average Rent per Square Foot | Utility Allowance | Required Income |
|-------------------------|---------------|------------------------|----------------|------------------------------|-------------------|-----------------|
| Studio | 924 | 496 | \$943 | \$2.01 | \$52 | \$39,800 |
| 1 Bedroom | 7,513 | 624 | \$936 | \$1.52 | \$73 | \$40,360 |
| 2 Bedroom | 6,693 | 922 | \$1,192 | \$1.29 | \$89 | \$51,240 |
| 3 Bedroom | 1,036 | 1,220 | \$1,175 | \$0.96 | \$109 | \$51,360 |
| 4 or more Bedroom | 94 | 1,451 | \$981 | \$0.66 | \$145 | \$45,040 |
| Total, All Units | 17,131 | 779 | \$1,065 | \$1.35 | \$76 | \$45,647 |

Sources: CoStar, 2019; San Joaquin Housing Authority, 2018; BAE, 2019.

Overpayment

According to HUD standards, a household is considered "cost burdened" (i.e., overpaying for housing), if it spends more than 30 percent of gross income on housing-related costs. Households are "severely cost burdened" if they pay more than 50 percent of their income for housing costs. Table 26, in the following subsection, presents a breakdown of the prevalence of housing problems, including overpayment, among households with income equal to, or less than, the area median. According to these data, an average of 42 percent of renter-occupied households with incomes up to the median, and 18 percent of owner-occupied households with incomes up to the median overpaid for housing. Approximately one quarter of Stockton's renter households with incomes up to the median were severely cost burdened, while 10

percent of Stockton's owner households with incomes up to the median were severely cost burdened. Based on detailed data reported in Table 25, 70 percent of lower income households (i.e., 50 percent or less of AMI) that overpaid for housing were renters. Small family renter households were generally the most deeply impacted, accounting for more than one quarter of lower income households that were overpaying for housing. Large related and elderly renter households were the second and third largest cohorts, respectively.

Table 25: Households Overpaying for Housing by Tenure and Type, City of Stockton and San Joaquin County, 2011-2015

| Household Type | Renter-Occupied Households | | | | | | | |
|--|----------------------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | 0-30% AMI | | 30-50% AMI | | 50-80% AMI | | Total (a) | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Small Related | 4,395 | 10.0% | 4,165 | 9.5% | 2,660 | 6.1% | 11,220 | 25.6% |
| Cost Burden (b) | 325 | 0.7% | 1,960 | 4.5% | 2,095 | 4.8% | 4,380 | 10.0% |
| Severe Cost Burden (c) | 4,070 | 9.3% | 2,205 | 5.0% | 565 | 1.3% | 6,840 | 15.6% |
| Large Related | 1,510 | 3.4% | 1,750 | 4.0% | 725 | 1.7% | 3,985 | 9.1% |
| Cost Burden (b) | 155 | 0.4% | 895 | 2.0% | 670 | 1.5% | 1,720 | 3.9% |
| Severe Cost Burden (c) | 1,355 | 3.1% | 855 | 2.0% | 55 | 0.1% | 2,265 | 5.2% |
| Elderly (e) | 1,380 | 3.1% | 1,485 | 3.4% | 760 | 1.7% | 3,625 | 8.3% |
| Cost Burden (b) | 340 | 0.8% | 630 | 1.4% | 575 | 1.3% | 1,545 | 3.5% |
| Severe Cost Burden (c) | 1,040 | 2.4% | 855 | 2.0% | 185 | 0.4% | 2,080 | 4.7% |
| Other | 3,240 | 7.4% | 1,710 | 3.9% | 970 | 2.2% | 5,920 | 13.5% |
| Cost Burden (b) | 285 | 0.7% | 795 | 1.8% | 830 | 1.9% | 1,910 | 4.4% |
| Severe Cost Burden (c) | 2,955 | 6.7% | 915 | 2.1% | 140 | 0.3% | 4,010 | 9.2% |
| No Cost Burden | 835 | 1.9% | 995 | 2.3% | 3,365 | 7.7% | 5,195 | 11.9% |
| Cost not computed | 825 | 1.9% | 0 | 0.0% | 0 | 0.0% | 825 | 1.9% |
| Subtotal, Renter Households (d) | 12,180 | 27.8% | 10,100 | 23.1% | 8,485 | 19.4% | 30,765 | 70.2% |
| Household Type | Owner-Occupied Households | | | | | | | |
| | 0-30% AMI | | 30-50% AMI | | 50-80% AMI | | Total (a) | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Small Related | 665 | 1.5% | 795 | 1.8% | 1,585 | 3.6% | 3,045 | 7.0% |
| Cost Burden (b) | 60 | 0.1% | 145 | 0.3% | 985 | 2.2% | 1,190 | 2.7% |
| Severe Cost Burden (c) | 605 | 1.4% | 650 | 1.5% | 600 | 1.4% | 1,855 | 4.2% |
| Large Related | 320 | 0.7% | 405 | 0.9% | 765 | 1.7% | 1,490 | 3.4% |
| Cost Burden (b) | 70 | 0.2% | 125 | 0.3% | 595 | 1.4% | 790 | 1.8% |
| Severe Cost Burden (c) | 250 | 0.6% | 280 | 0.6% | 170 | 0.4% | 700 | 1.6% |
| Elderly (e) | 895 | 2.0% | 880 | 2.0% | 860 | 2.0% | 2,635 | 6.0% |
| Cost Burden (b) | 180 | 0.4% | 215 | 0.5% | 420 | 1.0% | 815 | 1.9% |
| Severe Cost Burden (c) | 715 | 1.6% | 665 | 1.5% | 440 | 1.0% | 1,820 | 4.2% |
| Other | 320 | 0.7% | 225 | 0.5% | 515 | 1.2% | 1,060 | 2.4% |
| Cost Burden (b) | 60 | 0.1% | 65 | 0.1% | 215 | 0.5% | 340 | 0.8% |
| Severe Cost Burden (c) | 260 | 0.6% | 160 | 0.4% | 300 | 0.7% | 720 | 1.6% |
| No Cost Burden | 315 | 0.7% | 1,285 | 2.9% | 2,810 | 6.4% | 4,410 | 10.1% |
| Cost not computed | 385 | 0.9% | 0 | 0.0% | 0 | 0.0% | 385 | 0.9% |
| Subtotal, Owner Households (d) | 2,915 | 6.7% | 3,590 | 8.2% | 6,540 | 14.9% | 13,045 | 29.8% |
| Total, All Households | 15,095 | 34.5% | 13,690 | 31.2% | 15,025 | 34.3% | 43,810 | 100% |

Notes:

- (a) Includes all households with incomes at or below the 80 percent of the area median income.
- (b) Housing costs greater than 30 percent and less than 50 percent of gross income.
- (c) Housing costs greater than 50 percent of gross income.
- (d) Totals may not equal the sum of parts due to rounding.
- (e) Includes elderly non-family households and family households with 2 persons that are either or both age 62 or over.

Sources: HUD, CHAS 2011-2015; BAE, 2019.

Table 26: Housing Problems by Tenure and Type, City of Stockton, 2011-2015

| Housing Problem Type | Renter-Occupied Households | | | | | | | | | |
|------------------------------------|----------------------------|--------------|---------------|--------------|---------------|--------------|--------------|--------------|---------------|--------------|
| | 0-30% AMI | | 30-50% AMI | | 50-80% AMI | | 80-100% AMI | | Total (a) | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Substandard Housing (b) | 410 | 0.8% | 215 | 0.4% | 115 | 0.2% | 150 | 0.3% | 890 | 1.7% |
| Severely Overcrowded (c) | 310 | 0.6% | 345 | 0.7% | 180 | 0.3% | 165 | 0.3% | 1,000 | 1.9% |
| Overcrowded (d) | 1,005 | 1.9% | 1,075 | 2.0% | 860 | 1.6% | 370 | 0.7% | 3,310 | 6.3% |
| Severe Housing Cost Burden (e) | 8,010 | 15.2% | 4,300 | 8.1% | 885 | 1.7% | 100 | 0.2% | 13,295 | 25.2% |
| Housing Cost Burden (f) | 880 | 1.7% | 3,310 | 6.3% | 3,620 | 6.8% | 1,230 | 2.3% | 9,040 | 17.1% |
| Zero/Negative Income | 745 | 1.4% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 745 | 1.4% |
| Subtotal, Housing Problems | 11,360 | 21.5% | 9,245 | 17.5% | 5,660 | 10.7% | 2,015 | 3.8% | 28,280 | 53.5% |
| Subtotal, Renter Households | 12,180 | 23.0% | 10,100 | 19.1% | 8,485 | 16.1% | 4,480 | 8.5% | 35,245 | 66.7% |
| Housing Problem Type | Owner-Occupied Households | | | | | | | | | |
| | 0-30% AMI | | 30-50% AMI | | 50-80% AMI | | 80-100% AMI | | Total (a) | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Substandard Housing (b) | 25 | 0.0% | 35 | 0.1% | 20 | 0.0% | 10 | 0.0% | 90 | 0.2% |
| Severely Overcrowded (c) | 55 | 0.1% | 75 | 0.1% | 150 | 0.3% | 60 | 0.1% | 340 | 0.6% |
| Overcrowded (d) | 50 | 0.1% | 175 | 0.3% | 455 | 0.9% | 390 | 0.7% | 1,070 | 2.0% |
| Severe Housing Cost Burden (e) | 1,725 | 3.3% | 1,635 | 3.1% | 1,445 | 2.7% | 485 | 0.9% | 5,290 | 10.0% |
| Housing Cost Burden (f) | 365 | 0.7% | 490 | 0.9% | 2,060 | 3.9% | 1,430 | 2.7% | 4,345 | 8.2% |
| Zero/Negative Income | 375 | 0.7% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 375 | 0.7% |
| Subtotal, Housing Problems | 2,595 | 4.9% | 2,410 | 4.6% | 4,130 | 7.8% | 2,375 | 4.5% | 11,510 | 21.8% |
| Subtotal, Owner Households | 2,915 | 5.5% | 3,590 | 6.8% | 6,540 | 12.4% | 4,570 | 8.6% | 17,615 | 33.3% |
| Total, All Households | 15,095 | 28.6% | 13,690 | 25.9% | 15,025 | 28.4% | 9,050 | 17.1% | 52,860 | 100% |

Notes:

- (a) Includes all households at or below the median income level.
- (b) Lacking complete plumbing or kitchen facilities
- (c) Greater than 1.5 persons per room.
- (d) 1.01 to 1.5 persons per room.
- (e) Housing costs greater than 50% of gross income.
- (f) Housing costs greater than 30% but less than 50% of gross income.

Sources: HUD, 2011-2015 CHAS; BAE, 2019.

Other Housing Problems

In addition to overpayment (including severe overpayment), HUD reports data on relative prevalence of a variety of housing problems, including overcrowding and substandard housing. Overcrowding is defined as the condition of having more than one person residing per room in a residence, excluding bathrooms, porches, foyers, halls, or half-rooms. Severe overcrowding is defined as the condition of having more than 1.5 persons per room. Substandard housing conditions exist when a housing unit lacks hot and cold piped water, and/or a flush toilet and a bathtub or shower; and/or kitchen facilities that lack a sink with piped water, and/or a range, stove, or refrigerator. According to data reported in Table 26, an average of 75 percent of households with incomes equal to, or less than, the area median experienced at least one of the four reported housing problems. This included approximately 80 percent of reported renter households and 65 percent of reported owner households. The relative prevalence of housing problems is generally inversely related to household income, with the lowest income household showing the highest incidence of housing problems. The exception to this generally trend is that very low-income (i.e., 50 to 80 percent of AMI) owner-occupied households had

the highest prevalence of housing problems, which is attributable to the relatively limited number of extremely low- (i.e., 0 to 30 percent of AMI) and very low-income (i.e., 30 to 50 percent of AMI) owner occupied households. The most prevalent type of housing problem is overpayment (i.e., cost burden) followed by overcrowding. According to the data, nearly 11 percent of households with incomes up to the median are overcrowded. Around two percent of households have zero or negative income, while a little less than two percent of households live in substandard housing conditions.

Housing Conditions

The City of Stockton Neighborhood Services Division (NSD) of the Stockton Police Department carries out enforcement of codes, laws, and regulations for the abatement of substandard housing conditions and blight issues within the City of Stockton. The NSD processed more than 4,000 housing code enforcement cases between 2015 and October 2019, with an average of 811 cases per year assuming a whole year for 2019. Of these cases, around 61 percent resulted in issuance of a Violation Warning indicating the presence of a housing code violation. While it is not possible based on the available data to determine the most common housing code violations cited during this period, housing code violations, by definition, include structural issues and electrical deficiencies as well as exterior housing problems. The majority of housing code enforcement cases during this time frame involved single-family properties. Many of the code enforcement issues which resulted in issuance of a Housing Code Violation Warning were geographically concentrated in the city's older neighborhoods, such as the downtown, midtown and South Stockton along Charter Way, due to the presence of many buildings that were constructed in the late 19th and early 20th centuries. Other areas with large concentrations of Housing Code Violation Warning issuance include the residential neighborhood to the south east of March Lane and El Dorado Street, and in north Stockton north of East Hammer Lane.

In addition to general code enforcement activities, the NSD also implements the Residential Rental Inspection Program (RRIP), which is required under Stockton Municipal Code, Section 8.32. The purpose of the program is to proactively identify blighted and deteriorating rental housing and ensure rehabilitation or the removal of housing units that do not meet minimum housing standards. Implementation of the RRIP began in December 2006 and occurs in stages, with one of four quadrants of the City undergoing inspection each year. Due to the large geographic size of Quadrant 4 relative to the other quadrants, the City inspects Quadrant 4 over a two-year period.

Quadrant 1, which represents an area of northwestern Stockton, between March Lane and Hammer Lane, was most recently inspected in 2017. The inspection included 287 unique properties. Approximately 51 percent of inspected properties in Quadrant 1 failed to pass inspection, with less than one percent (two properties) failing for hazardous reasons.

Quadrant 2, which includes areas to the north of the Stockton Downtown, roughly between March Lane and Harding Way, was most recently inspected in 2018. The inspection included

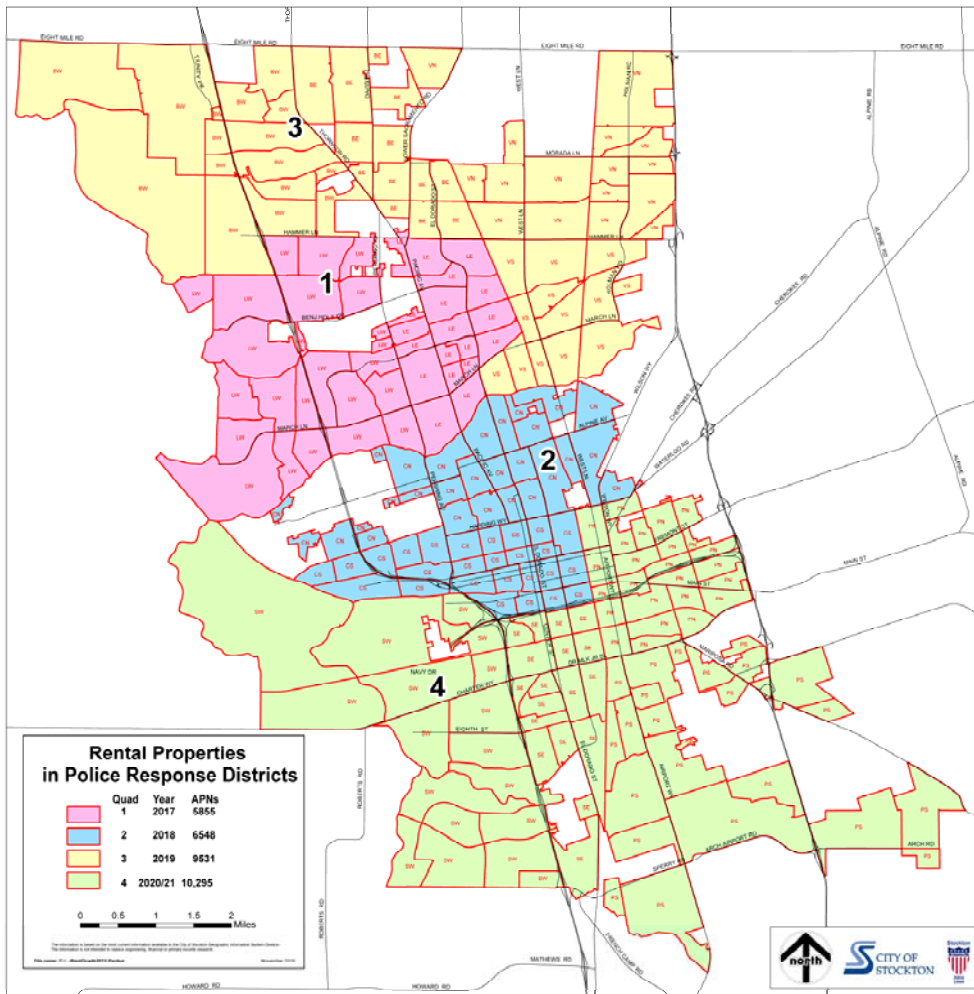
a total of 748 unique properties. Exactly half of the inspected properties failed to pass inspection, with three percent totaling 20 properties failing for hazardous reasons. Quadrant 3, located in upper north Stockton, roughly located north of Hammer Lane, is currently being inspected. As of October 2019, the Quadrant 3 inspection included a total of 706 unique properties. So far, 54 percent failed to pass inspection, with four percent totaling 26 properties failing for hazardous reasons. Quadrant 4, which represents the majority of the City of Stockton to the south of Harding Way, including both South Stockton and Downtown last underwent inspection in 2015 and 2016 and included a total of approximately 745 units. Around 46 percent of the inspected properties failed to pass inspection, with seven percent totaling 50 properties failing to pass inspection. See Figure 13 for additional detail regarding the geographic extent of the various RRIP quadrants

Of the properties inspected under the RRIP, 78 percent were single-family rental units, while 22 percent were multifamily units. This distribution was similar for properties that failed the inspection. While single-family properties still accounted for the majority of properties which failed to pass inspection for hazardous reasons, multifamily properties accounted for a greater share. Roughly 66 percent of properties that failed to pass inspection for hazardous reasons were single-family properties, while 34 percent were multifamily properties.

Quadrant 1, identified in Figure 13 on the following page, was most recently inspected in 2012. The inspection included 5,600 unique properties, with approximately 6.9 percent failing to pass inspection. Quadrant 2 was inspected in 2013 and included inspection of 4,900 properties, with 6.8 percent failing the inspection. Quadrant 3 was last inspected in 2014 and included 8,500 unique properties, with 9.4 percent failing inspection. Quadrant 4 is undergoing inspection in 2015 and 2016, and is expected to include a total of around 9,000 unique properties. Though the inspection has not yet occurred, NSD anticipates identifying an above average proportion of properties presenting a variety of code violations.

Consultations with key stakeholders identified pro-active and sustained code enforcement for single-family housing as well as market rate multi-family housing as well as with strong renter protections as a serious housing need. For example, numerous stakeholders indicate that lower income residents who live in poorly maintained rental units are hesitant to file a code enforcement complaint out of fear of retaliatory eviction. Fred Shiel of STAND Affordable Housing indicates this is especially true of the city's undocumented immigrant population who fear deportation in addition to eviction. However, one important caveat that was noted by stakeholders representing the city's elderly population is that code enforcement efforts must take into account the limited physical ability of many elderly residents to maintain their homes, and that punitive actions, such as fines, should not cause an undue burden which repeats a cycle of blight and fines without meaningful and attainable resolution.

Figure 13: Residential Rental Inspection Program Response Districts



Sources: City of Stockton, 2016.

2.5 – Assisted Housing Resources

Public and Private Assisted Housing

The availability and location of public and private assisted housing often represents a fair housing concern in communities throughout California. By intentionally locating subsidized housing in higher opportunity neighborhoods, local jurisdictions encourage the socioeconomic desegregation of their communities and promote equitable opportunities for all residents, though the prioritization of affordable housing options in higher opportunity areas should not come at the expense of disinvestment in lower opportunity areas. Residents of these areas, which are often lower-income and feature higher concentrations of minority residents, often value the amenities and sense of community present in their neighborhood and do not necessarily want to leave. Therefore, it is important to encourage the provision of sufficient affordable housing resources within areas that exhibit the highest need, while also ensuring

the availability of affordable housing in higher-cost, higher-income areas that can offer greater opportunities for employment, education, healthcare, and a host of other important services.

Public Housing

While the City of Stockton does not own or operate any public housing, the Housing Authority of the County of San Joaquin (HACSJ) owns and operates around 1,075 public housing units in four properties countywide. Due to redevelopment efforts underway at a number of HASJC owned complexes which involves demolition and replacement of units, there currently 986 public housing units located throughout the county. Two of the public housing complexes owned and operated by the HACSJ are located within the City of Stockton, including Conway Homes and Sierra Vista Homes. Conway Homes features 436 units, while Sierra Vista currently features 305 units. Combined, these properties currently include a total of 741 public housing units. The HACSJ is currently in the second phase of a multiphase redevelopment of Sierra Vista. Prior to the redevelopment project, Sierra Vista had 396 units. By the end of the redevelopment project these units will be replaced by 500 to 550 new units depending on the final project specifics, resulting in a net increase of 104 to 154 new units. This would bring the total number of public housing units in Stockton to between 936 and 986 units once redevelopment of Sierra Vista is complete.

In addition to Sierra Vista and Conway Homes, the HACSJ also owns and operates a number of market rate properties geared toward lower-income and special needs populations. These include Claremont Manor Apartments, Mourfield Avenue Apartments, and West Park Street Apartments, American Street Apartments, Washington Street Apartments, and a single-family home at 2282 East 8th Street. The Claremont Manor is an age-restricted (55 and over) property that offers 52 studio, one- and two-bedroom units. The Mourfield Avenue Apartment is a small property that includes two single-family and two duplex units, while West Park Street Apartments offers a total of 12 studio units. American Street Apartments offers four units, while Washington Street Apartments offers six units.

Other Affordable Housing Projects

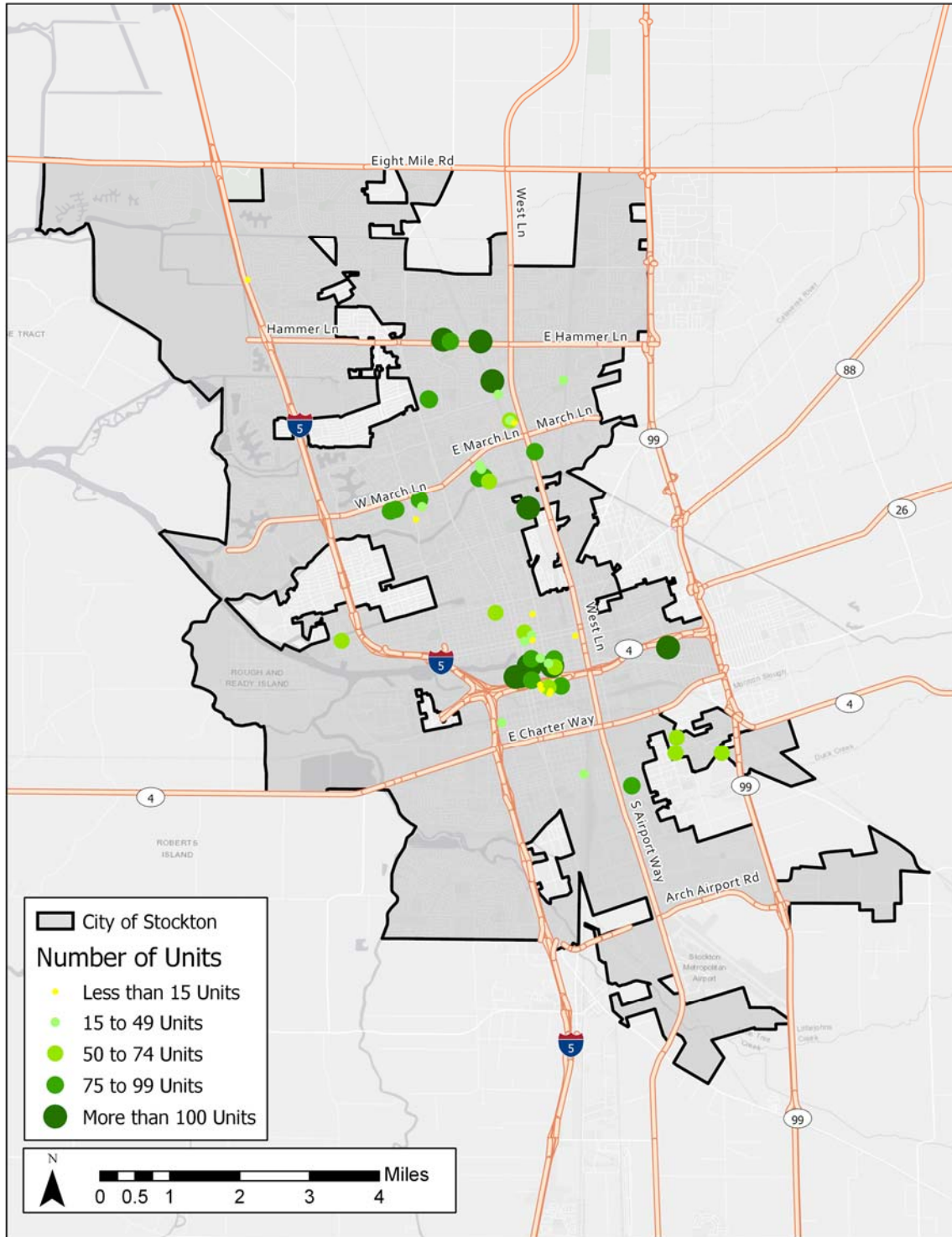
In addition to the housing projects owned and operated by the HACSJ, there are 53 existing or under construction publicly assisted rental housing projects that provide 3,608 units for lower-income households. Four other affordable rental housing projects totaling approximately 383 rental units are in the development pipeline. This includes the Liberty Square project which is anticipated to adaptively reuse 74 rental housing units, as well as Grand View Village which is anticipated to result in 106 new affordable rental units. Both projects are being developed by Visionary Home Builders. In 2017 the State awarded the Liberty Square project \$8.8 million in four percent federal tax credits. Visionary Home Builders has applied for an additional \$13.8 million in highly competitive nine percent federal tax credits, with a determination expected in fall of 2019. In 2019, the State awarded Visionary Builders \$17.9 million from the Affordable Housing and Sustainable Communities (AHSC) Program to develop the Grand View Village Project. In addition to these two projects, the State awarded the HACSJ \$49.3 million in highly

competitive nine percent tax credits for Phases I and II of the Sierra Vista Phase redevelopment project, which is currently underway and will result in a net increase of 110 affordable multifamily units.

Another publicly funded affordable housing project on Turnpike Road between Third and Lincoln Streets that is still in the concept development phase will develop eight to 14 studio- to three-bedroom permanent supportive housing units targeting singles and families coming directly from homeless shelters. This project by the Delta Community Development Corporation (DCDC) is the result of a partnership between the HACSJ, CVLIHC, STAND, and Stockton Shelter for the Homeless. Funding for the project comes from \$3.25 million in State Homeless Emergency Aid Program (HEAP) funding allocated through the CoC, as well as \$300,000 in CDBG funds from the City of Stockton, and an additional \$300,000 loan from the City of Stockton to purchase the property and fund the development costs associated with building the affordable housing units.

Figure 14 illustrates the distribution of public and publicly assisted housing projects throughout the City of Stockton. Comparing this figure with Figure 7 indicates that the public and assisted housing stocked is fairly heavily concentrated within low- and moderate-income areas, including downtown Stockton, as well as northeast Stockton along and in between the March Lane and Hammer Lane corridors, with additional public and publicly supported housing in southern Stockton generally east of South Airport Way.

Figure 14: Public and Assisted Housing Projects, 2019



Sources: City of Stockton, 2019; BAE, 2019

Housing Choice Vouchers

The HCV program, previously known as Section 8, is a rental subsidy program designed to assist very low-income households to secure adequate and affordable housing provided by private sector property owners. Under the program, participating households are eligible to pay no more than 30 percent of their income for housing and are permitted to do their own research to identify a housing unit that would most appropriately suit their needs. The rent for the identified unit must be not greater than the associated Fair Market Rent (FMR), which is the maximum rent that can be paid under the program for a unit of a certain size, as determined by HUD. The difference between the amount that the tenant can pay, capped at 30 percent of income, and the FMR, is equal to the value of the voucher provided to the property owner.

HACSJ administers the HCV program in San Joaquin County, including within the City of Stockton. According to the HACSJ, a total of 5,174 households participated in the HCV program countywide as of October 2019, with 3,611 participants (70 percent) residing in units located within the City of Stockton. The majority of the vouchers utilized in Stockton are tenant-based, meaning that vouchers are issued to individual households, who are then responsible for locating suitable housing. Of the total tenant-based and project-based vouchers utilized in Stockton 145 vouchers are issued through the Veterans Affairs Supportive Housing (VASH) program, 55 vouchers issued through the Family Unification program, and eight vouchers are issues through the Mainstream voucher program, which assists non-elderly persons with disabilities.

Consultations with public and private housing and supportive service providers indicate that many HCV holders struggle to find landlords willing to accept HCV's, and as such, many HCVs remain unutilized. For example, data provided by the HACSJ shows that that of the 5,174 HCVs issued countywide, only 78 percent were utilized as of October 2019. This indicates that 1,150 HCV recipients are unable to secure housing despite having an HCV. This is due to a confluence of factors including the stigma associated with HVC recipients and the difficulty of finding a willing landlord who has a vacant unit that also meets quality standards and rental limits set by HUD. Stakeholders report that in many cases, landlords are discouraged from accepting HCVs because the per unit operating costs and restricted rental rates exceed the Fair Market Value set by HUD, which would result in a net deficit to the landlord. As an incentive for landlords to accept HCVs, in 2018 the CVLIHC began offering one-time up-front cash payment of \$1,500 for units rented below FMR, and \$500 for units rented above FMR. Additionally, the CVLIHC hired a staff person whose sole job is to build relationships with landlords and encourage them to rent to HVC holders. While CVLIHC staff indicate the housing locator and cash incentives have expanded the pool of landlords willing to accept HCVs, demand for HCV unit still dramatically exceeds supply which results in an impediment to fair housing choice for lower-income residents.

Table 27: Housing Choice Voucher (HCV) Participants by Type, City of Stockton

| Racial Category | Vouchers | | | Special Purpose Vouchers (a) | | | |
|-------------------------------|---------------|--------------|--------------|------------------------------|----------------------------|--------------|------------|
| | Project Based | Tenant Based | Total | Veterans Affairs Supportive | Family Unification Program | Disabled (b) | Total |
| | | | | | | | |
| White | 121 | 1,112 | 1,233 | 89 | 38 | 5 | 132 |
| Black/African American | 139 | 1,647 | 1,786 | 54 | 9 | 3 | 66 |
| Asian | 14 | 449 | 463 | 2 | 5 | 0 | 7 |
| American Indian/Alaska Native | 3 | 46 | 49 | 0 | 0 | 0 | 0 |
| Pacific Islander | 5 | 13 | 18 | 0 | 0 | 0 | 0 |
| Other | 3 | 59 | 62 | 0 | 3 | 0 | 3 |
| Total, All | 285 | 3,326 | 3,611 | 145 | 55 | 8 | 208 |

Notes:

(a) Special purpose voucher participants are a subset of project based and tenant-based voucher holders.

(b) Data reported for disabled special purpose voucher holders refers to participants of the Mainstream housing voucher program.

Licensed Community Care Facilities

The Community Care Licensing Division (CCLD) of the California Department of Social Services (DSS) provides oversight and licensing for care facilities for persons who cannot live alone, but who do not need extensive medical services. The services provided in these facilities vary according to the needs of the individual, but typically include help with managing medications, assistance with personal hygiene, dressing and grooming, as well as other tasks associated with daily living. The facilities may also provide supervision and programs for individuals with Alzheimer’s disease and other forms of dementia. The CCLD provides oversight for a variety of facility types, including child care facilities, residential children’s homes, adult and elderly care facilities, and other homes for special needs groups.

According to records maintained by the CCLD and summarized in Table 28, there are a total of 498 licensed community care facilities located in Stockton. This includes a diversity of facilities and specialized service providers ranging from adoption agencies and child care centers, small-family homes, adult daycare facilities, residential care facilities for adults and the elderly, and social rehabilitation facilities, among others. Figure 15, on the following page, shows the distribution of these facilities throughout Stockton. The figure and the table do not include residential care facilities for children, such as foster care facilities and group homes, which the CCLD does not report in order to protect the clients served by these facilities. Based on this representation, community care facilities appear fairly well distributed throughout the community, with facilities available in both lower-income and upper-income neighborhoods. However, there is some concentration of certain types of facilities within certain areas. For example, there is a portion of southwestern Stockton, south of Highway 4 and west of I-5, which shows a clear concentration of elder care and adult residential facilities.

Table 28: Licensed Community Care Facilities, 2019

| | Licensed Facilities | | Pending Licensure | | Total, All Facilities | |
|----------------------------------|----------------------------|-----------------|--------------------------|-----------------|------------------------------|-----------------|
| | Number | Capacity | Number | Capacity | Number | Capacity |
| Foster Family Agencies | 11 | 184 | 0 | n.a. | 11 | 184 |
| Residential Elder Care Facility | 59 | 1,828 | 5 | 326 | 64 | 2,154 |
| Residential Care for Children | | | | (a) | | |
| Child Care Centers | 141 | 6,396 | 6 | 178 | 147 | 6,574 |
| <i>Capacity of 8 or less</i> | 3 | 710 | 1 | 55 | 4 | 765 |
| <i>Capacity of more than 8</i> | 138 | 1,694 | 5 | 30 | 143 | 1,724 |
| Adult Residential Facilities | 146 | 2,404 | 13 | 85 | 159 | 2,489 |
| Total, All Facilities (b) | 498 | 13,216 | 30 | 674 | 528 | 13,890 |

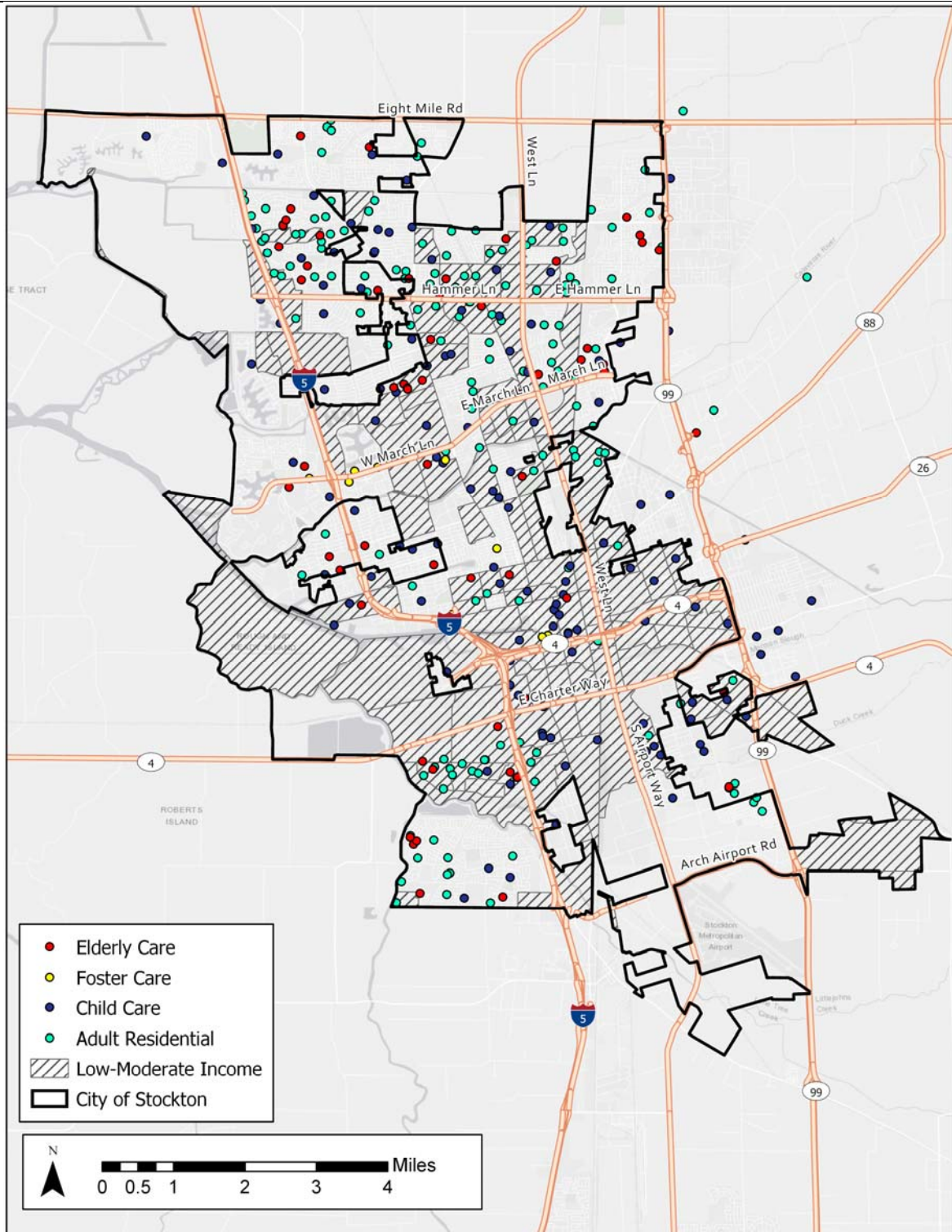
Notes:

(a) Residential care facilities for children not reported to protect the clients served by the facilities.

(b) Does not include residential care facilities for children.

Sources: California Social Services, Community Care Licensing Division, 2019; BAE, 2019.

Figure 15: Community Care Facilities



Note:

(a) Figure does not include data on 24-hour child residential care centers due to confidentiality issues.

Sources: City of Stockton, 2019; California Social Services, Community Care Licensing Division, 2019; BAE, 2019.

2.6 – Economic Profile

Impediments to fair housing choice may also exist in those instances where members of protected classes have limited access to economic opportunity. For example, persons who depend on public transportation, such as lower-income households and disabled persons, are not only more limited in their housing options, but also in their employment options, since they must not only secure suitable and affordable housing within a reasonable distance from a transit stop, but must also locate and secure employment that meets their needs and is similarly accessible using public transportation if they are not able to walk, bicycle, or use some other means of transportation aside from a personal vehicle. The remainder of this subsection identifies major employment centers within the City of Stockton and evaluates access to employment and economic opportunity for members of protected classes.

Major Employment Centers

According to projections by the San Joaquin Council of Governments (SJCOG), there were approximately 234,859 jobs in San Joaquin County in 2015, which is the base year for SJCOG’s projections. By 2020, SJCOG anticipates this number will increase to approximately 256,019 jobs. An estimated 47 percent of the county’s jobs will be located in the City of Stockton by 2020, continuing Stockton’s role as the largest employment center in the county, followed by the unincorporated county, which will account for around 23 percent of countywide employment. Other notable employment centers include the Cities of Lodi and Tracy, which will each account for around 10 percent of countywide employment, respectively, by 2020.

Table 29: Employment Projections, San Joaquin County, 2015-2045

| Jurisdictions | 2015 | 2020 | 2025 | 2030 | 2040 | 2045 | Avg. Annual Change 2015-2040 |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------------------------|
| Escalon | 1,838 | 1,982 | 2,070 | 2,164 | 2,255 | 2,350 | 0.8% |
| Lathrop | 5,984 | 7,459 | 8,629 | 9,709 | 10,756 | 11,805 | 2.3% |
| Lodi | 23,605 | 25,389 | 26,801 | 28,284 | 29,858 | 31,438 | 1.0% |
| Manteca | 16,231 | 17,592 | 18,631 | 19,770 | 20,968 | 22,146 | 1.0% |
| Ripon | 3,653 | 4,053 | 4,312 | 4,555 | 4,802 | 5,053 | 1.1% |
| Stockton | 112,225 | 121,350 | 128,522 | 136,280 | 144,228 | 151,979 | 1.0% |
| Tracy | 21,702 | 24,651 | 25,833 | 27,100 | 28,382 | 29,616 | 1.0% |
| Unincorporated | 49,622 | 53,543 | 55,388 | 57,233 | 58,668 | 60,156 | 0.6% |
| San Joaquin County | 234,859 | 256,019 | 270,185 | 285,095 | 299,918 | 314,544 | 1.0% |

Sources: San Joaquin Council of Governments (SJCOG), County Forecast Summary, 2017; BAE, 2019.

Consistent with the above data on the distribution of employment by jurisdiction, the Stockton area hosts 12 of the county’s 25 largest employers, which are listed in Table 30. Reflecting the city’s relatively diverse employment base, these employers represent a number of industries, including medical, agricultural, manufacturing, educational, and public sector industries. This includes three County Government offices including Foster Care Services, Human Services, and general governmental services, as well as the N.A. Chaderjian Youth Correctional Facility operated by the California Department of Corrections (CDC). Another three of the county’s largest employers located in Stockton are educational institutions, such

as the San Joaquin County School District, the Stockton Unified School District, and the University of the Pacific. Two medical facilities, including Dameron Hospital and St. Joseph's Cancer Center are also some of the county's largest employers, as are O-G Packing and Cold Storage Company and Morada Produce, which are both fruit and vegetable growers and shippers. Inland Flying Services, an aircraft service and maintenance company, is another large employer. The majority of the county's largest employers located in Stockton employ between 1,000 and 4,900 employees, while the remainder employ between 500 and 999 employees.

Table 30: Major Employers, San Joaquin County, 2018

| Company | Location | Employer Size Class | Business Type |
|--------------------------------|---------------|---------------------|--|
| San Joaquin General Hospital | French Camp | 1,000-4,999 | Hospitals |
| A Sambado & Sons Inc | Linden | 1,000-4,999 | Nuts-Edible |
| Prima Frutta Packing Inc | Linden | 1,000-4,999 | Fruit & Produce Packers |
| Blue Shield of California | Lodi | 5,000-9,999 | Insurance |
| Lodi Health Home Health Agency | Lodi | 1,000-4,999 | Home Health Service |
| Lodi Memorial Hospital | Lodi | 1,000-4,999 | Hospitals |
| Pacific Coast Producers | Lodi | 1,000-4,999 | Canning (mfrs) |
| Derby International | Not Available | 1,000-4,999 | Telecommunications Services |
| North Ca Correctional Youth | Not Available | 1,000-4,999 | Police Departments |
| Dameron Hospital Assn | Stockton | 1,000-4,999 | Hospitals |
| Foster Care Svc | Stockton | 500-999 | Government Offices-County |
| Inland Flying Svc | Stockton | 1,000-4,999 | Aircraft Servicing & Maintenance |
| Morada Produce | Stockton | 500-999 | Fruits & Vegetables-Grow ers & Shippers |
| NA Chaderjian Youth | Stockton | 1,000-4,999 | State Govt-Correctional Institutions |
| O-G Packing & Cold Storage Co | Stockton | 1,000-4,999 | Fruits & Vegetables-Grow ers & Shippers |
| San Joaquin County Human Svc | Stockton | 500-999 | Government Offices-County |
| San Joaquin County Sch | Stockton | 1,000-4,999 | Schools |
| Sjgov | Stockton | 1,000-4,999 | Government Offices-County |
| St Joseph's Cancer Ctr | Stockton | 1,000-4,999 | Cancer Treatment Centers |
| Stockton Unified School Dist | Stockton | 1,000-4,999 | School Districts |
| University of the Pacific | Stockton | 500-999 | Schools-Universities & Colleges Academic |
| Amazon Corpnet | Tracy | 1,000-4,999 | Internet & Catalog Shopping |
| Deuel Vocational Institution | Tracy | 1,000-4,999 | City Govt-Correctional Institutions |
| Leprino Foods Co | Tracy | 1,000-4,999 | Cheese Processors (mfrs) |
| Safeway Distribution Ctr | Tracy | 1,000-4,999 | Distribution Centers (whls) |

Sources: California Employment Development Department, Major Employers by County, 2019; BAE, 2019.

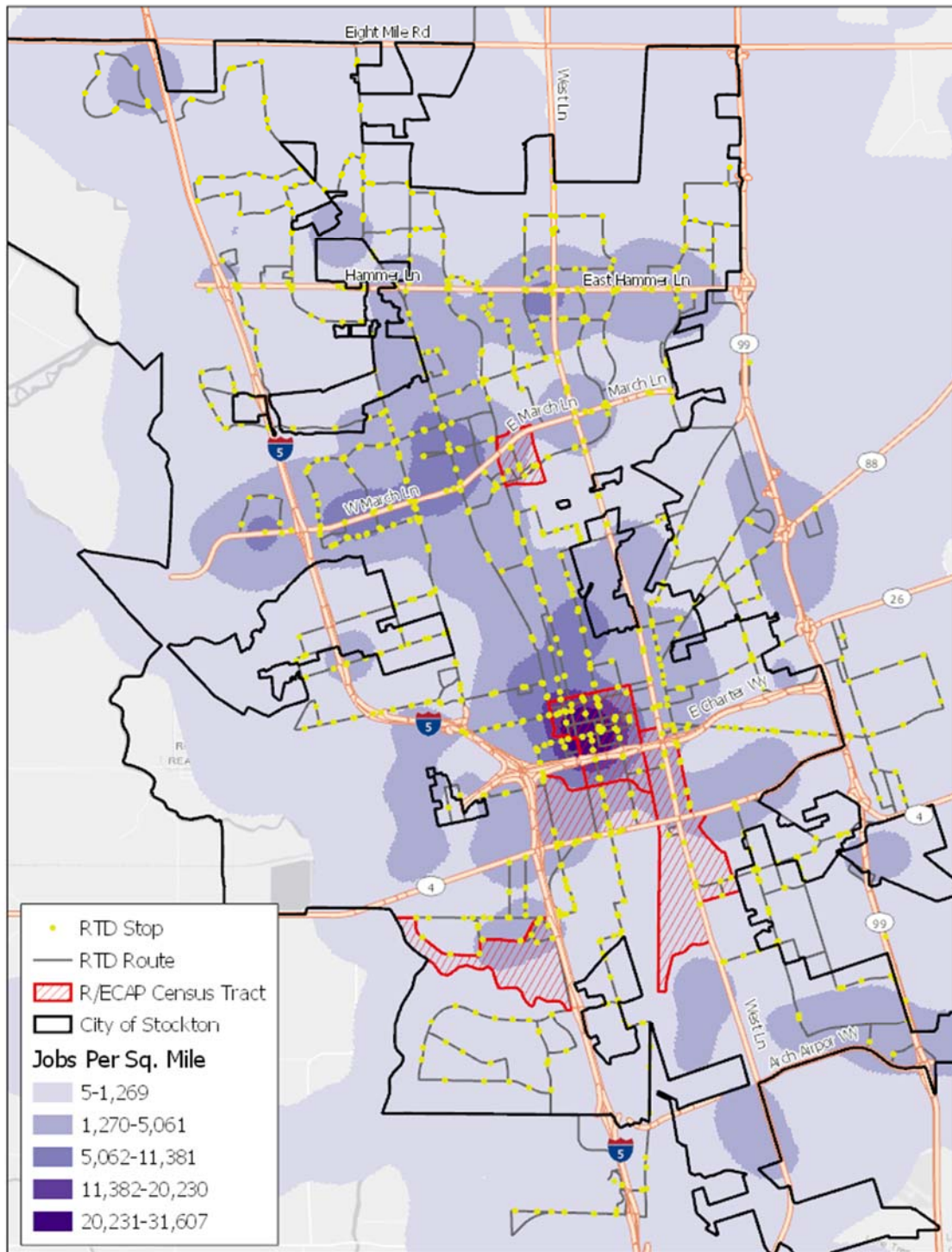
Access to Employment

Figure 16 illustrates the distribution of employment throughout the City of Stockton on a jobs per square mile basis, in relation to existing San Joaquin Regional Transit District (RTD) bus stops and routes, as well as the R/ECAP census tracts identified earlier. As shown in the figure, the downtown area is Stockton's major employment center, with peripheral employment centers in norther Stockton along March Road between Pacific Avenue and I-5 and around the intersection of East Hammer and West Lanes. Employment centers in central and northern Stockton either overlap or are in close proximity to R/ECAP areas and are generally well served by public transportation. Comparison with the location of publicly assisted housing facilities, as shown in Figure 14, indicates that residents of publicly assisted

housing facilities in central and northern Stockton are also generally in close proximity to employment centers and public transit access.

However, Figure 16 also shows that residents in R/ECAP Census Tracts in southern Stockton have much more limited access to employment opportunities and public transportation facilities. This includes residents of Conway Homes and Sierra Vista, which are both located in south Stockton. Resident Council presidents from both Conway Homes and Sierra Vista indicate that access to timely and efficient public transportation is one of the greatest issues facing public housing residents, both in terms of residents' ability to access and maintain employment opportunities, but also residents' ability to access key amenities such as grocery stores, medical services and other supportive services such as food banks. Additionally, numerous public, private, and non-profit service providers indicate that the existing public transportation system is not robust enough to get workers to and from their jobs in a timely manner, particularly for those who work in many of the industrial areas which are not well serviced by public transit, such as the area around the airport in South Stockton. This has made it difficult for lower-income residents to maintain steady employment and the earned income stream necessary to afford stable housing.

Figure 16: Concentration of Jobs, City of Stockton, 2015



Sources: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap, 2015, ACS 2017 5-year sampling period, S1701; BAE, 2019. BAE, 2019.

SECTION 3 – IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE

3.1 – Impediments in the Public Sector

Public policies, established at all levels of government, can affect the nature and extent of housing development and, therefore, may impact the type and location of the available housing stock. Fair housing laws are designed to encourage an inclusive residential environment. To this end, a periodic assessment of public policies and procedures can facilitate the identification of real and potential impediments to fair housing opportunity and choice. The remainder of this section presents an overview of regulations, policies, and practices established by local government agencies. The analysis primarily focuses on those items that are under the direct purview of the City of Stockton.

General Plan

The City of Stockton is required under the laws of the State of California to establish a comprehensive, long-term general plan that functions as a guide for growth and development within its jurisdictional boundaries and provides direction for making decisions regarding land use and public service provision. All specific plans, subdivisions, public works projects, and zoning decisions must be consistent with the general plan. The current Envision Stockton 2040 General Plan, which was adopted by the City Council on December 4, 2018, represents a comprehensive revision to previously adopted 2035 General Plan, that shifts the focus of development away from urban fringe development to more centralized development within the City's existing limits.

This fundamental shift in the City's land use policy was spurred by a number of legal and legislative factors. Following the adoption of the 2035 General Plan in 2007, the Sierra Club filed a suit against the City of Stockton, claiming inadequacies in the environmental documentation, as well as other parts of the general plan document. In 2008, the City entered into a Settlement Agreement that obligated the City to consider adoption of a Climate Action Plan, a Green Building Program, and a Transit Gap Study, among other amendments and requirements. However, as of mid-2014, the City of Stockton had not yet satisfied these obligations. Per the Settlement Agreement, any amendment to the general plan must balance development on the urban fringe with accompanying infill development in order to be consistent with the state mandate, under Assembly Bill (AB) 32, of reducing greenhouse gas (GHG) emissions, since unbalanced development will cause increased driving and motor vehicle emissions. While compliance with the terms of the agreement requires the City to encourage significant infill housing development, the 2010 Housing Element indicated that the implementation of a Green Building Program could potentially add to the upfront costs of producing housing.

Other significant legislative factors that spurred the General Plan Update include the implementation of Senate Bill (SB) 375, among other pieces of legislation. According to the legislation, in order for the City to maintain eligibility for transportation funding, the General Plan must be consistent with the San Joaquin Council of Governments' (SJCOG) regional Sustainable Community Strategy (SCS) and Regional Transportation Plan (RTP) plans; however, the 2035 General Plan growth projection and boundary policies differed greatly from the SCS and RTP. The adoption of SB 375 also eliminated two influential components of California transportation planning policy that previously discouraged investments in urban infill development, including the resolution that level of service (LOS) and parking impacts can no longer be viewed as significant impacts during the environmental review process under the California Environmental Quality Act (CEQA). This consequently facilitates attempts to promote infill development in established pedestrian-capable areas without obligatory regard for localized traffic and/or parking impacts.

Other non-legislative factors included the elimination of Community Redevelopment Law as a tool for directing investment, as well as the recognition that changes may be necessary with regard to the City's growth management policies. As part of the 2011 Budget Act, the State of California dissolved more than 400 existing redevelopment agencies, including an agency that managed redevelopment in downtown Stockton and surrounding areas. Development of the 2035 General Plan occurred during a time when the resources and powers of redevelopment were available. In the wake of dissolution, the City needed to re-assess its resources and identify alternative funding sources and implementation tools and develop a new approach to public/private partnerships. In addition, the City approved the development of nearly 26,500 additional housing units during the early 2000s through Vested Tract Maps and Development Agreements. If developed, this would represent a substantial increase in the city's housing supply that could go forward without regard to changes in housing policy. As a result, the 2040 General Plan considers how to recognize the obligations associated with these prior approvals and accommodate them with similar recognition to the City's commitments under the Sierra Club settlement and the adopted SCS, among others, as well as in light of the City's efforts to maintain solvency and improve basic services.

Housing Element

One of the seven elements of the general plan that are mandated by the State of California, the housing element is subject to review and certification by the California Department of Housing and Community Development (HCD). State housing element law, enacted in 1969, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law is predicated on the assumption that in order for the private market to adequately satisfy housing demand, and address housing needs as they may arise, local governments must adopt land use plans and regulatory frameworks that do not unduly constrain, and provide opportunities for, housing development that is characterized by a variety of housing types that are affordable at a variety of income

levels. As a result, effective housing policy in California necessitates the effective implementation of local general plans and, in particular, local housing elements. The Stockton City Council adopted the current housing element on April 12, 2016 and HCD reviewed it and found it in compliance with state housing element law in June of the same year. It should be noted that the current housing element reflects the 2035 General Plan policies and has not yet been updated according to the 2040 General Plan.

Key components of the housing element include, but are not limited to, the following:

- Identify actions that will be taken to make sites available with appropriate zoning and development standards and with services and facilities to accommodate the jurisdiction's share of the regional housing need at all income levels, including multi-family rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing;
- Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households;⁹
- Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities;
- Conserve and improve the condition of the existing affordable housing stock; and
- Promote housing opportunities for persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.¹⁰

Land Use Element

The land use element of the general plan designates the general distribution, location, and extent of uses for land planned for housing, business, industry, open space, community facilities, and other land uses. As it applies to housing, the land use element establishes a range of potential land use categories that may be permitted within the jurisdiction, and describes the types of housing permitted within each and identifies the characteristics associated with that development, including density, setbacks, and other development standards. Residential land use policy is subsequently implemented through zoning districts and development standards specified in the zoning ordinance, which must be consistent with the general plan, and the land use element more specifically.

⁹ Housing element law identifies income categories which are somewhat different than those defined by HUD. These include extremely low-income (30 percent AMI), very low-income (50 percent AMI), low-income (80 percent AMI), moderate-income (120 percent AMI), and above moderate-income (greater than 120 percent AMI).

¹⁰ Housing element law does not cover all classes protected under state and federal fair housing laws. The AI report expands the definition of a protected class beyond that prescribed under housing element law.

The nine residential land use designations established under the 2040 General Plan permit a range of residential development types and densities, including those identified in Table 31. The general plan permits some flexibility by allowing certain residential uses in specified non-residential land use categories, including Commercial, Administrative Professional, and Open Space/Agriculture. For the higher-density residential designations – including High Density Residential (HDR), Administrative Professional (AP), and Commercial (C) – maximum allowable densities differ based on the location of development. For example, development in Stockton’s outside greater downtown area is permitted at densities up to 30 dwelling units per acre (du/ac), while development on land with higher-density designations that is located inside greater downtown is permitted at densities up to 90 du/ac. The highest residential density in Stockton is allowed inside the downtown core, at a maximum of 136 du/ac. Given existing land purchase prices and anticipated development costs, multifamily housing densities of 30 du/ac or more are typically considered adequate to allow for the production of affordable housing. Likewise, single-family residential designations that allow densities greater than six du/ac should provide opportunities to construct moderate-cost single-family residential development.

Table 31: General Plan Land Use Designations Allowing Residential Uses

| Land Use Designation | Code | Uses | Maximum Net Density (du/ac) | | | | Consistent Zoning Districts |
|-----------------------------------|------|---|---|-----------------|----------------|-----------------|-----------------------------|
| | | | Citywide | Outside Greater | Inside Greater | Inside Downtown | |
| | | | | Downtown | Downtown | Core | |
| Residential Estates | RE | Single-family residential units, public and quasi-public uses, second units, and other similar compatible uses. | 1 | n.a. | n.a. | n.a. | RE |
| Low Density Residential | LDR | Single-family residential units, duplexes, triplexes, semi-detached patio homes, townhomes, public and quasi-public uses, second units, and other similar and compatible uses. | 8.7 | n.a. | n.a. | n.a. | RL |
| Medium Density Residential | MDR | Single-family residential units, duplexes, triplexes, semi-detached patio homes, townhomes, public and quasi-public uses, second units, and other similar and compatible uses. | 17.4 | n.a. | n.a. | n.a. | RM |
| High Density Residential | HDR | Multifamily residential units, apartments, dormitories, group homes, guest homes, public and quasi-public uses, and other similar and compatible uses. | n.a. | 30 | 90 | 136 | RH |
| Administrative Professional | AP | Business, medical, and professional offices, residential uses, and public and quasi-public uses, and other similar and compatible uses. Ancillary retail uses that provide office workers and residents in the immediate area with convenient access to daily services and necessities near their work are allowed. This use is appropriate on the borders of residential areas | n.a. | 30 | 90 | 136 | CO, UC |
| Commercial | C | A wide variety of retail, service, and commercial recreational uses, business, medical and professional offices, residential uses, public and quasi-public uses and other similar and compatible uses. Community or regional commercial centers as well as freestanding commercial establishments are permitted. Limited indoor industrial uses are allowed. | 30 | 90 | 136 | | CN, CG, CD, CL, CA |
| Open Space/ Agriculture | OSA | Agriculture, parks, single-family residential units, farmworker housing, wetlands, wildlife reserves, and other similar and compatible uses and structures related to the primary use of the property for preservation of natural resources or agriculture. Lands under this designation are intended to remain unincorporated and under the jurisdiction of San Joaquin County. | 1 du/parcel (40 acre minimum parcel size) | n.a. | n.a. | n.a. | OS |
| Mixed Use | MU | A mixture of compatible land uses including residential, administrative and professional offices, retail and service uses, industrial, and public and quasi-public facilities to be determined through a Master Development Plan adapted concurrently with the designation of the property as MX. Development is intended to support the City's economic development goals by attracting new businesses, industries, and/or educational institutions that provide high-quality jobs to the local workforce. Business envisioned for this designation include those in the following industries: education; healthcare and medical facilities; high-tech manufacturing; agricultural technologies; energy resources and technologies; and professional and information technologies. | 30 (100 acres minimum development size) | n.a. | n.a. | n.a. | MX |
| Economic and Education Enterprise | | | 24 (a) | n.a. | n.a. | n.a. | (b) |

Notes:

- (a) This zoning designation allows for variation from development standards, as approved by the City, in order to meet economic development goals.
- (b) Any zoning district that allows uses that are consistent with the intended uses of this designation and the project.

Sources: City of Stockton 2040 General Plan, 2018; BAE, 2019.

Zoning Ordinance and Other Regulations

The City of Stockton regulates the type, location, and scale of residential development through its Development Code (Title 16 of the Stockton Municipal Code), which establishes a set of zoning districts that correspond with each of the previously identified general plan land use designations. The zoning districts identify permitted uses and associated development standards. Several aspects of the zoning ordinance may affect access to housing, or limit the range of available housing choices, which are described in greater detail below. Unless otherwise noted, most of these potential impediments have either been addressed, or will be addressed, through implementation of the adopted housing element.

Provisions for Second Units

Second dwelling units, or accessory dwelling units, are attached or detached dwellings with complete living facilities that are located on the same lot as a single-family home. The unit must be self-contained and include facilities for cooking, eating, and sleeping, as well as complete sanitation facilities. Due to their smaller size, second units can often provide opportunities for housing that would be affordable to lower-income households, as well as seniors and/or persons with disabilities. Local land use policies that constrain the development of second units may, therefore, have a negative impact on housing for special needs populations. Second units can also provide supplemental income for the homeowner, which can improve the affordability of home ownership for lower-income households and households on fixed incomes, such as the elderly and persons with disabilities.

To encourage the development of second units, state law requires jurisdictions to adopt ordinances that establish the conditions under which second units will be permitted, or to follow the State provisions governing second units (Government Code, Section 65852.2). The existing zoning code enacted within the City of Stockton allows second units in all residential zoning districts with administrative approval, so long as the unit complies with all applicable development standards. The adopted development code dictates that the floor area of an attached second unit cannot exceed 50 percent of the living area of the main dwelling, while the floor area of detached units cannot exceed 1,200 square feet. Depending on the design configuration, second units are subject to the same development standards as other accessory and residential structures, including setbacks, height limits, and maximum lot coverage requirements, except that accessory dwelling units are not subject to minimum parking requirements.

Density Bonus Provisions

State law (Government Code, Section 65915) requires local governments to grant a density bonus and/or financially equivalent incentives to developers that agree to provide a specific percentage of affordable housing, or childcare facilities, for lower-income households as part of an approved development. The magnitude of the incentive depends on the total share of development that is designated affordable. In 2004, amendments to the state code lowered the thresholds necessary to qualify for density bonuses and increased the concessions and

incentives that local governments must provide. The provisions outlined under Chapter 16.40 of the Stockton Municipal Code are in compliance with state laws and indicate that residential developments can qualify for a density bonus if they dedicate at least ten percent of the total unit count for occupancy by low-income households, or if they dedicate five percent of the total unit count for occupancy by very low-income households. Senior housing developments and mobile home parks that limit residency based on age are also eligible, as are condominium projects that offer for-sale housing to moderate-income households.

Definition of Family

A jurisdiction's zoning ordinance can potentially constrain access to housing if it contains a definition of a family that is overly restrictive. For example, a definition of family that limits the number of persons and differentiates between related and unrelated individuals living together can be used to discriminate against nontraditional families and illegally limit the development and siting of group homes for individuals with disabilities. California case law (City of Santa Barbara v. Adamson, 1980 and City of Chula Vista v. Pagard, 1981) have ruled that a zoning ordinance is invalid if it defines a "family" as (a) an individual; (b) two or more persons related by blood, marriage, or adoption; or (c) a group of not more than a specific number of unrelated persons as a single housekeeping unit. Under these rulings, the definition of a family in such a way as to distinguish between blood-related and non-blood-related individuals does not serve a legitimate or useful objective or purpose that can be recognized under the zoning and/or land use planning powers afforded to local governments and subsequently violates privacy rights under the California Constitution.

The adopted zoning ordinance of the City of Stockton does not define what constitutes a "family." The municipal code, instead, defines a "household" as "one or more persons occupying a dwelling." The code places no numerical limits on the number of unrelated persons living in homes, and no occupancy standards based on family status, which would otherwise constitute discriminatory practices under federal fair housing law.

Manufactured Homes and Mobile Home Parks

State law (Government Code, Sections 65852.3 and 65852.4) specifies that a jurisdiction must allow the installation of manufactured housing on all "lots zoned for conventional single-family residential dwellings," so long as they meet federal safety and construction standards and are placed on permanent foundations. State law (Government Code, Section 69852.7) also specifies that mobile home parks shall be a permitted use on "all land planned and zoned for residential land use." However, local jurisdictions are allowed to require use permits for mobile home parks. Manufactured housing is often considered an important housing option for lower-income households. As a result, regulations that restrict the siting of such units are considered an impediment to fair housing choice.

Under the existing Stockton municipal code, individual manufactured homes on a permanent foundation are defined as single-family dwellings and are permitted in all residential zones.

Mobile home parks are permitted with an Administrative Use Permit in the Residential Low-Density (RL), Residential Medium-Density (RM), Residential High-Density (RH), General Commercial (CG), and Commercial Downtown (CD) zoning districts with an administrative use permit. The municipal code (Section 16.72.210) identifies a set of development standards specific to mobile home parks, including minimum gross area of five acres and a minimum of 50 mobile home spaces, along with assorted siting requirements that are in compliance with applicable state law and, as such, do not constitute an impediment.

Emergency Shelters, Transitional Housing, and Supportive Housing

Local land use controls can constrain the availability of emergency shelters, transitional housing, and permanent supportive housing for homeless individuals, if the existing zoning code restricts the areas in which these uses are permitted, or if discretionary permits are required for their approval. State legislation (Government Code, Sections 65582, 65583, and 65589.5), enacted in 2008, attempts to better address the needs of homeless persons by requiring all jurisdictions to identify a zone or zones where emergency shelters are allowed by-right as a permitted use, without the need for discretionary approval. The legislation also indicates that emergency shelters “may only be subject to those development and management standards that apply to residential or commercial development within the same zone,” but includes a list of exceptions. Local governments that already have one or more emergency shelters within their jurisdiction, or are part of a multi-jurisdictional agreement that accommodates that jurisdiction’s need for emergency shelter, are only required to identify a zone or zones where new emergency shelters are allowed with a conditional use permit. Jurisdictions with outstanding unmet needs must identify a zone, or zones, with adequate capacity for by-right development of emergency shelter facilities sufficient to meet the outstanding needs. Under the City of Stockton Zoning Code, emergency shelters for the homeless are permitted by-right in the PF, IG, IL zoning districts, and with a Commission Use Permit in the RH, Com CG, and CD zoning districts. State housing element law also requires that “transitional housing and supportive housing shall be considered a residential use of property, and shall be subject only to those restrictions that apply to other residential dwellings of the same time in the same zone.” Under Stockton’s existing zoning code, transitional housing facilities are permitted in all zones allowing residential uses, subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone.

Community Care Facilities

Local zoning ordinances also may affect the availability of community care facilities serving special needs populations. In particular, zoning ordinances often include provisions regulating community care facilities and outlining processes for reasonable accommodation. The Lanterman Developmental Disabilities Services Act requires jurisdictions to treat licensed group homes and residential care facilities with six or fewer residents no differently than other permitted residential uses. Cities must allow these licensed residential care facilities in any area zoned for residential use, and may not require conditional use permits or other

discretionary approvals. In conformance with state law, the City of Stockton permits residential care facilities with six or fewer clients by-right in the five zoning districts (RL, RM, RH, CD, and PF). Family care homes with seven or more clients are allowed with a Commission Use Permit in the RE, RH, and CD zones, and with a Land Development Permit in the PF zone. Senior care facilities with seven or more clients are allowed with an Administrative Use Permit in the RM, RH, CO, and CD zones, and with a Land Development Permit in the PF zone. Assisted living facilities are allowed by-right in the RH, CO, CN, CG, and CD zones, with an Administrative Use Permit in the RE zone, with a Commission Use Permit in the RM zone, and with a Land Development Permit in the PF zone.

Building Codes and Enforcement

Building codes and their enforcement influence the style, quality, size, and costs of residential development. Such codes can impact the cost and subsequent feasibility of housing development and rehabilitation due to the requirements imposed. In this way, building codes and associated enforcement procedures can act to constrain the development and affordability of housing and are, as a result, a possible impediment to fair housing choice. Like many jurisdictions, the City of Stockton utilizes the California Building Code, which is updated periodically both at the state and local levels. As of January 2017, the City adopted the 2016 edition, which remains in effect as of this writing. Because the City's building codes are consistent with the codes applied in most other jurisdictions throughout California, they are not perceived to negatively impact the construction of affordable housing and do not, therefore, represent an impediment to fair housing choice.

Parking Standards

In many cases, off-street parking requirements can require the dedication of a significant amount land to accommodate vehicles, and can significantly reduce the buildable area available for development of housing units, particularly for infill projects, which can significantly impact project feasibility. Many jurisdictions have adopted parking standards that greatly exceed the current anticipated parking needs. Developing housing to these standards subsequently increases the overall cost of development, which can have an impact on affordability. Stockton's off-street parking standards for residential uses include two spaces per single-family dwelling, townhouse, duplex or triplex unit. Senior housing projects must provide one covered space for every two units, reflecting the reduced propensity of seniors to drive and own cars. Multifamily developments must provide one and half parking spaces per unit. Rooming and boarding houses are required to offer one space for every two beds, while residential care facilities are required to offer one space for every five beds, or two spaces for every single-family unit. The municipal code allows the Director or the Commission to grant up to a 20 percent reduction in the number of required off-street parking spaces with an approved variance. In order to qualify for a variance, the developer must demonstrate a reduced need for parking. Overall, the adopted parking standards are relatively low and do not represent a significant constraint or impediment to affordable and infill housing development,

among other housing types. However, some affordable housing developers indicate they struggle to receive approval of modified parking standards in areas outside the downtown.

Development Fees and Other Exactions

Like many jurisdictions, the City of Stockton collects various fees from developers to cover the costs of processing permits and providing necessary services and infrastructure. Building permit and planning fees fund planning and building department activities, with the total amount charged depending on factors such as the valuation of the project, time required to process the permits, or project attributes that dictate the impact that the project has on public facilities or services. Other impact fees for agriculture and open space are charged based on gross acreage of the site and are designed to mitigate the loss of productive farmland and, as such, are only applicable to greenfield development.

In 2013, the City of Stockton Development Oversight Commission presented the results of a development impact fee review. The analysis identified that the City's impact fee schedule is generally sound, but that the Capital Facilities Fees (CFF) need to be updated and the Community Development Department (CDD) permit and processing fees are in need of reform. The study indicates that the City is functioning under a reduced fee schedule that was put in place as a response to the economic downturn. The study recommends a full technical update of the CFF, though incremental adjustments should be made in the near-term, with a complete update occurring in conjunction with the comprehensive general plan amendment. Though the fees paid by developers can vary greatly from project to project, the analysis indicates that the costs associated with a typical single-family home were equal to \$49,800 in 2013, based on a survey conducted in 2012 by the San Joaquin Partnership. At this level, the fees are similar to those charged for similar projects in the City of Sacramento and other municipalities.

It is unclear how the 2040 General Plan's directive to conduct a study to explore the feasibility of inclusionary housing requirements, in-lieu fees, density bonus, modified fee structures, and/or tax incentives to promote the inclusion of a meaningful percentage of affordable units within market rate housing projects would impact the overall cost to construct housing in the City of Stockton. On the one hand, increasing or modifying these requirements could result in additional funding for affordable housing or the construction of new housing units as part of market rate developments, thereby increasing the City's overall affordable housing stock. On the other hand, requirements that are overly onerous could result in fewer new homes being built. The potential impacts of such changes will hinge on the forthcoming feasibility analysis.

3.2 – Impediments in the Private Sector

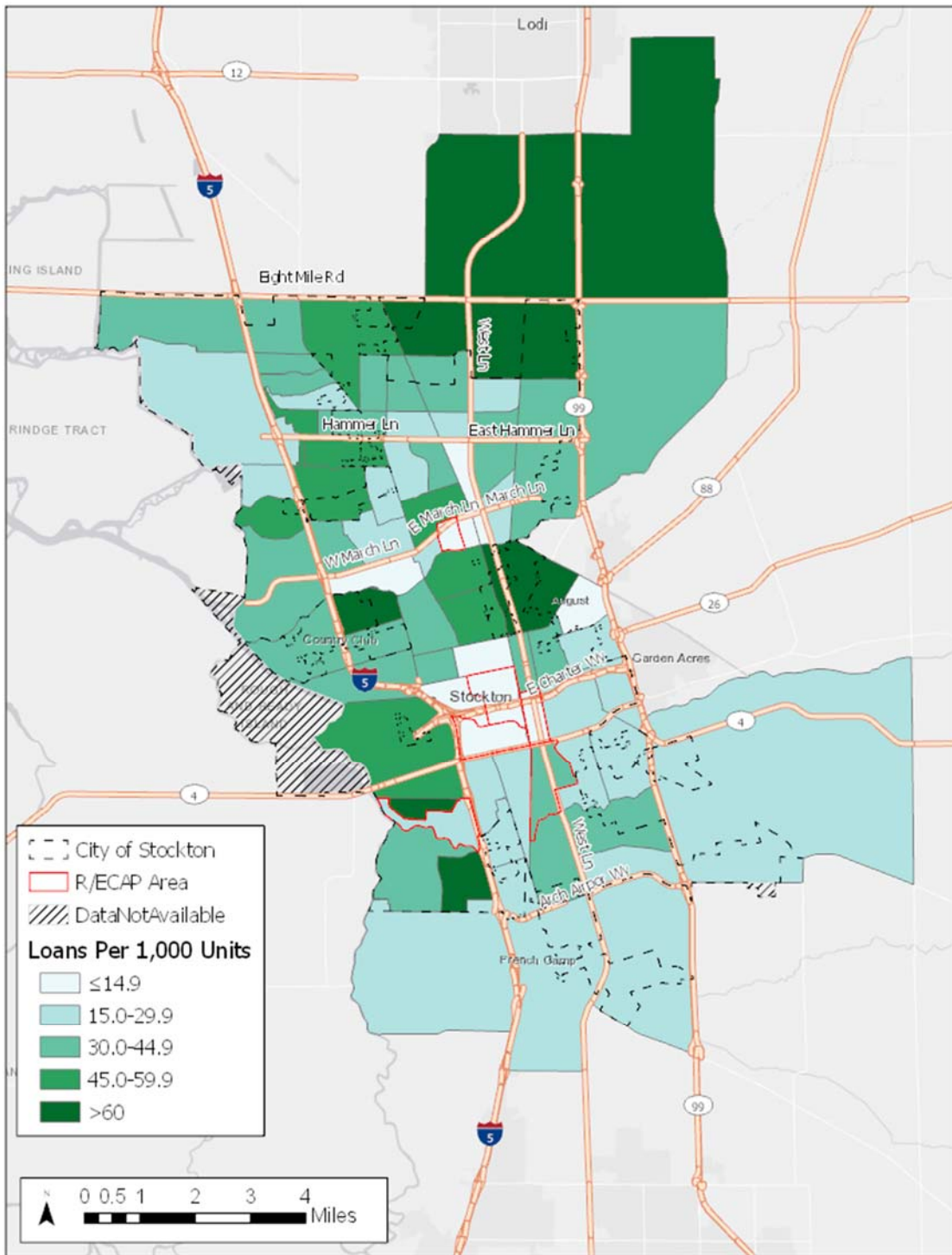
Equal Opportunity in Mortgage and Home Improvement Financing

Geography of Mortgage Lending

Figure 17 illustrates the geographic distribution of mortgage lending by Census Tract within the City of Stockton. Based on these data, some of the areas with the lowest lending rates include downtown Stockton, as well as areas in northern Stockton between the Calaveras River and March Lane and the portion of the city between the Calaveras River and East Hammer Lane bordered by West Lane to the east and the railroad tracks to the west. Comparison with the R/ECAP area boundaries indicate that lending rates are relatively low in these areas.

Some of the areas with above-average lending rates include parts of northern Stockton east of I-5 and north of West Benjamin Holt Drive, as well as neighborhoods in the northeastern corner of the city, to the north of March Lane and east of the railroad tracks, and directly north of the downtown. Some of the neighborhoods in southern Stockton east of I-5 also show relatively high lending rates, though these are also located on the city's periphery. They include the areas around Carolyn Weston Boulevard, as well as the area between the Port of Stockton and Houston Avenue and Lever Boulevard.

Figure 17: Number of Loans Originated Per 1,000 Housing Units, 2017



Sources: FFIEC, Home Mortgage Disclosure Aggregate Reports, 2017; Census Bureau American Community Survey 2013-2017; BAE, 2019.

Race and Ethnicity of Borrowers

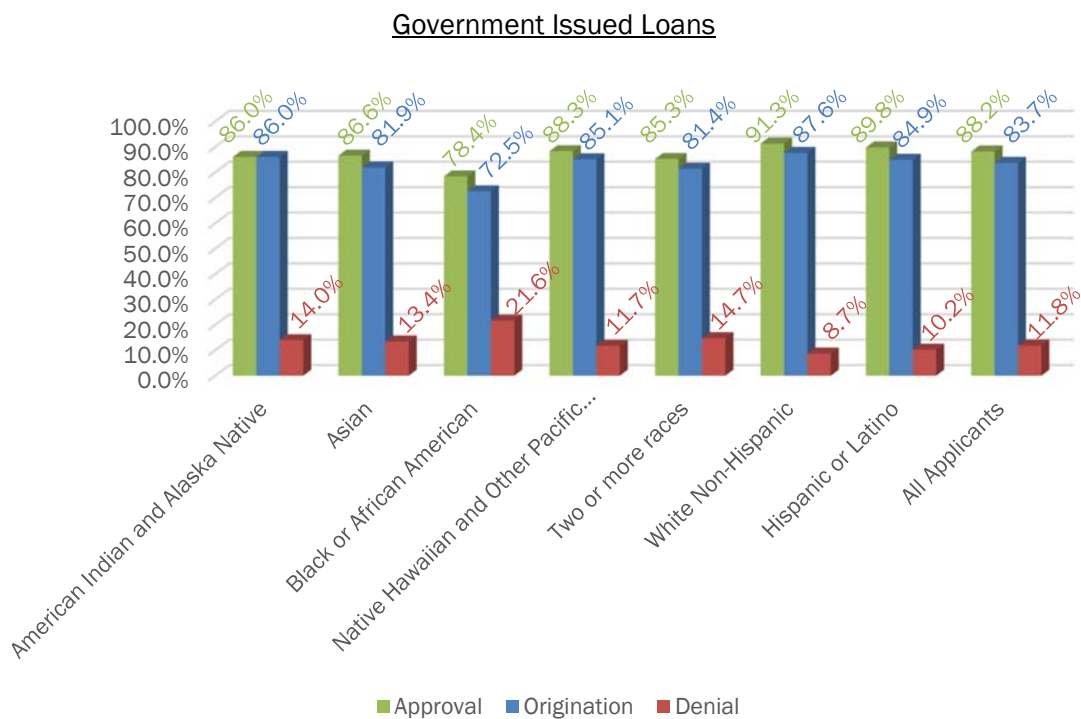
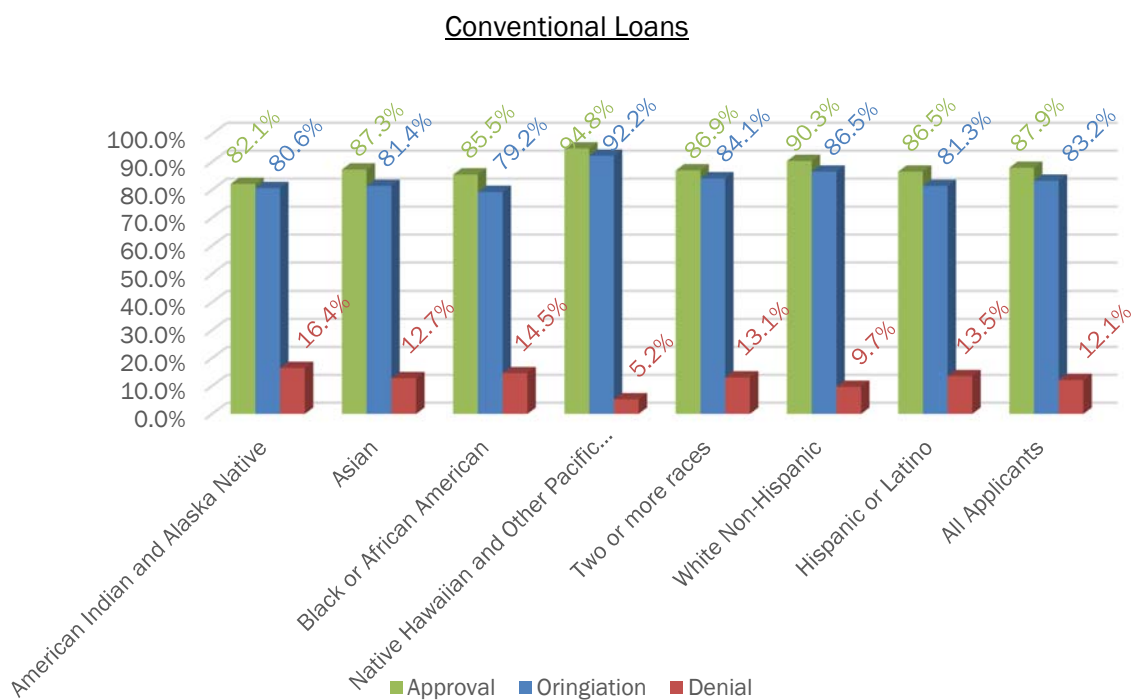
Success rates and market shares of mortgages across racial and ethnic groups were determined utilizing HMDA data on the race and ethnicity of borrowers and Census data on the race and ethnicity of San Joaquin County residents. The HMDA categorizes applicant racial characteristics into a number of distinct groups, including American Indian/Alaska Native, Asian, Black/African American, Native Hawaiian/Pacific Islander, White, Joint (White and a Minority), Two or More Minorities, and Race Not Available. "Ethnicity" is reported separately and includes Hispanic/Latino, Non-Hispanic/Latino, Joint (Hispanic/Latino and Non-Hispanic Latino), and Ethnicity Not Available.

According to these data, prospective borrowers submitted 8,915 applications for conventional mortgage financing to financial institutions in San Joaquin County in 2017. Of those, 20 percent were either withdrawn or determined to be incomplete, leaving 7,132 valid applications. Applicants belonging to a minority racial or ethnic groups accounted for the majority of loan applicants. For example, there were a total of 5,966 conventional loan applications submitted by minority individuals or households in 2017,¹¹ which accounted for nearly 67 percent of all applications. Considering minority residents accounted for approximately 67 percent of the population in San Joaquin County according to the 2013-2017 ACS, minority groups as a whole are proportionally represented. This trend also holds true for government issues loan applications, where minority residents accounted for around 70 percent of loan applications. Asian, American Indian, Native Hawaiian or Pacific Islander racial groups are relatively well represented in conventional mortgage applications. Groups that are notably under-represented include African Americans, Hispanic or Latinos. For government issues loans, Asian and Hispanic or Latino applicants were proportionally underrepresented.

The data indicate that around 92 percent of all valid conventional loan applications were approved, while 87 percent were also accepted by the borrower, resulting in the origination of a loan. An average of 13 percent of valid conventional loan applications were denied. Overall, White applicants experienced the highest approval and origination rates, at 90.2 and 86.5 percent, respectively. The denial rate among White applicants was, in contrast, below the average, at 9.7 percent. Applicants belonging to a minority racial or ethnic group, by contrast, experiencing below average approval and origination rates for conventional loans, at 86.7 percent and 81.5 percent, respectively. Consequently, denial rate among minority applicants was above average, at 13.3 percent. Although they account for 115 valid loan

¹¹ This figure includes only those applications that were not withdrawn or determined to be incomplete.

Figure 18: Loan Origination and Denial Rates by Race and Ethnicity, 2017



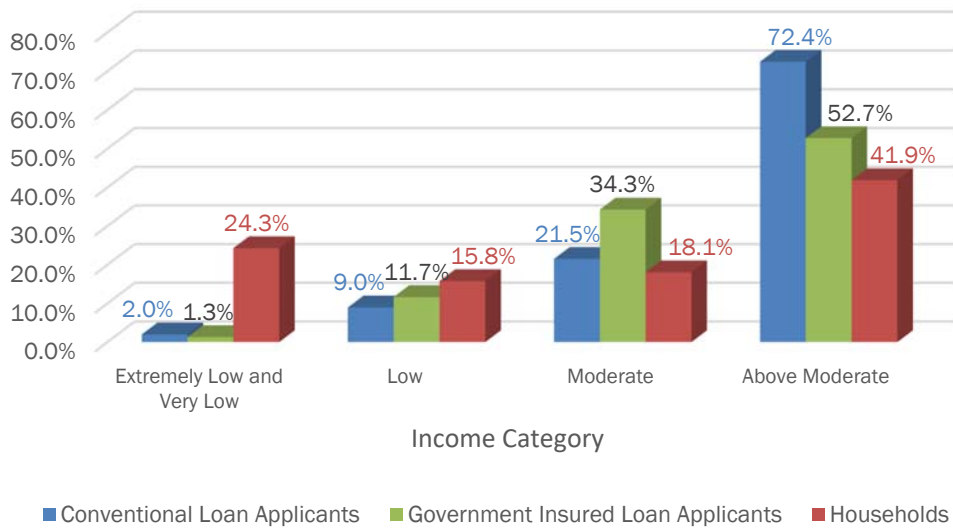
Sources: FFIEC, Home Mortgage Disclosure Aggregate Reports, 2017; Census Bureau American Community Survey 2013-2017; BAE, 2019

applications and 106 loan originations, Native Hawaiian and Pacific Islander applicants had an approval rate of 94.8 percent and an origination rate of 92.2 percent, with an associated denial rate of only 5.2 percent. Applicants belonging to two or more races accounted for 176 valid applications for conventional loans, had a below average approval rate of 86.9 percent, but an above average origination rate of 81.4 percent, with an above average denial rate of 13.1 percent. The remaining racial groups had approval and origination rates that were below the countywide average, with the highest denial rates evident among American Indian and African American applicants. Hispanic and Asian applicants also had below average approval and origination rates, though they differed from the average by less than two percent. Among government insured loans, White applicants had the highest approval and loan origination rates, with minority applicants generally having below average approval rates but above average loan origination rates. Hispanic applicants were the exception, having above average approval and loan origination rates. Denial rates were highest among African American applicants, with 21.6 percent of their valid applications denied.

Broken down by income category, lower-income applicants are generally under-represented, compared to their higher income counterparts. For example, the 2011-2015 CHAS data indicate that approximately 40.1 percent of all households in San Joaquin County had incomes of 80 percent of AMI or less. The HMDA data indicate that only 10.9 percent of valid conventional loan applications and 13.0 percent of valid government insured loan applications received in 2017 were submitted by lower-income applicants. By comparison, above moderate-income households (incomes equal to, or greater than, 120 percent of AMI) account for 72.4 percent of households in San Joaquin County, as well as 41.9 percent of the valid conventional loan applications, and 52.9 percent of valid government insured loan applications received in 2017. The data presented in Table 32 and Figure 19, also indicate that moderate-income households (incomes between 80 and 120 percent of AMI) are relatively well represented among home loan applicants. For example, moderate-income households accounted for 21.5 percent of valid conventional loan applications and 34.3 percent of government issued loan applications submitted within San Joaquin County in 2017 but accounted for around 18.1 percent of all households in the county between 2011 and 2015.

Overall, these data do not indicate the presence of discriminatory lending practices, since minorities and lower- or moderate-income households do not seem to be under-represented among loan approvals and originations.

Figure 19: Loan Applications by Income Category, 2017



Sources: FFIEC, Home Mortgage Disclosure Aggregate Reports, 2017; Census Bureau American Community Survey 2013-2017; BAE, 2019

Table 32: Disposition of Home Loans by Income Category and Race/Ethnicity, 2017

| | Less than 50% AMI | | 50% to 79% of AMI | | 80% to 99% of AMI | | 100% to 119% of AMI | | 120% of AMI or More | | All Income Levels | | Total |
|--|--------------------------|---------------------|--------------------------|---------------------|--------------------------|---------------------|----------------------------|---------------------|----------------------------|---------------------|--------------------------|---------------------|--------------|
| | White (a) | Minority (b) | White (a) | Minority (b) | White (a) | Minority (b) | White (a) | Minority (b) | White (a) | Minority (b) | White (a) | Minority (b) | |
| Conventional Loans (c) | | | | | | | | | | | | | |
| Applications Received | 33 | 134 | 206 | 548 | 212 | 665 | 266 | 710 | 2,232 | 3,909 | 2,949 | 5,966 | 8,915 |
| Withdraw n or Incomplete | 6 | 20 | 30 | 85 | 31 | 133 | 39 | 115 | 305 | 669 | 411 | 1,022 | 1,783 |
| % Withdraw n or Incomplete | 18% | 15% | 15% | 16% | 15% | 20% | 15% | 16% | 14% | 17% | 14% | 17% | 20% |
| Valid Applications (d) | 27 | 114 | 176 | 463 | 181 | 532 | 227 | 595 | 1,927 | 3,240 | 2,538 | 4,944 | 7,132 |
| Applications Approved | 19 | 76 | 145 | 373 | 156 | 453 | 209 | 514 | 1,763 | 2,868 | 2,292 | 4,284 | 6,576 |
| % Valid Applications | 70% | 67% | 82% | 81% | 86% | 85% | 92% | 86% | 91% | 89% | 90.3% | 86.7% | 92.2% |
| Loans Originated | 18 | 69 | 139 | 352 | 150 | 423 | 197 | 477 | 1,691 | 2,710 | 2,195 | 4,031 | 6,226 |
| % Valid Applications | 67% | 61% | 79% | 76% | 83% | 80% | 87% | 80% | 88% | 84% | 86.5% | 81.5% | 87.3% |
| Applications Denied (d) | 8 | 38 | 31 | 90 | 25 | 79 | 18 | 81 | 164 | 372 | 246 | 660 | 906 |
| % Valid Applications | 30% | 33% | 18% | 19% | 14% | 15% | 8% | 14% | 9% | 11% | 9.7% | 13.3% | 12.7% |
| Government Insured Loans (c)(e) | | | | | | | | | | | | | |
| Applications Received | 11 | 47 | 121 | 398 | 156 | 548 | 216 | 592 | 786 | 1,458 | 1,290 | 3,043 | 4,333 |
| Withdraw n or Incomplete | 2 | 8 | 20 | 73 | 21 | 102 | 32 | 107 | 100 | 221 | 175 | 511 | 686 |
| % Withdraw n or Incomplete | 18% | 17% | 17% | 18% | 13% | 19% | 15% | 18% | 13% | 15% | 14% | 17% | 16% |
| Valid Applications (d) | 9 | 39 | 101 | 325 | 135 | 446 | 184 | 485 | 686 | 1,237 | 1,115 | 2,532 | 3,647 |
| Applications Approved | 6 | 26 | 80 | 269 | 119 | 380 | 172 | 416 | 641 | 1,107 | 1,018 | 2,198 | 3,216 |
| % Valid Applications | 67% | 67% | 79% | 83% | 88% | 85% | 93% | 86% | 93% | 89% | 91% | 87% | 88% |
| Loans Originated | 5 | 22 | 75 | 250 | 112 | 359 | 166 | 392 | 619 | 1,053 | 977 | 2,076 | 3,053 |
| % Valid Applications | 56% | 56% | 74% | 77% | 83% | 80% | 90% | 81% | 90% | 85% | 88% | 82% | 84% |
| % Applications Received | 27% | 28% | 17% | 14% | 10% | 12% | 6% | 12% | 6% | 9% | 8% | 11% | 10% |
| % Valid Applications | 33% | 33% | 21% | 17% | 12% | 15% | 7% | 14% | 7% | 11% | 9% | 13% | 12% |

Notes:

(a) Includes applicants that identify as non-Hispanic White.

(b) Includes applicants that identify as non-White or Hispanic.

(c) Excludes refinance loans and those originated by lenders not subject to HMDA.

(d) Excludes applications that were withdrawn and files that were closed due to incompleteness.

(e) Includes FHA, FSA/RHS, and VA home loans on 1-4 family and manufactured dwellings by income, race, and ethnicity of applicant.

Sources: FFIEC, Home Mortgage Disclosure Act (HMDA), 2017; BAE, 2019.

Subprime Loans and Predatory Mortgage Lending

Subprime lending refers to the issuance of loans to persons who are less credit-worthy than those typically offered credit, known as prime borrowers. Subprime mortgage lending inherently carries greater risk for the lender, and to mitigate that risk, subprime loans carry terms and conditions less favorable to the borrower because the borrower is less qualified to take on a loan due to credit history, employment, and debt-to-income ratio levels. Subprime loans can be a valuable tool for community development, particularly in communities that are underserved by traditional financial institutions. However, as was made apparent during the recent housing crisis, the subprime market poses certain risks for predatory lending. The California Analysis of Impediments also indicates that subprime and predatory lending activity often disproportionately impacts low-income populations and communities of color.¹² Compared to other regions, the San Joaquin Valley had rates of subprime lending that were equal to or greater than the statewide average among Asians, African Americans, Latinos, and Whites during the lead up to the housing market crash of 2008.

Though subprime loans represent an important tool for serving the financial needs of the underbanked and those of limited assets and income, these financial tools are often issued in such a way as to constitute a predatory practice. The California Reinvestment Coalition (CRC) defines predatory mortgage lending as including excessively high interest rates, points or fees, and unnecessarily burdensome terms. Using misleading and/or aggressive sales tactics, predatory lenders tend to target persons that may be uneducated regarding financial management and commercial lending, which often also correspond to lower-income populations, the elderly, and people of color. Predatory practices often target vulnerable neighborhoods and populations, marketing financial instruments known as “flipping mortgages” that are designed to be refinanced much too frequently, as well as instituting prepayment penalties, overly high fees, balloon (i.e., interest only) payment structures, and deceptive mortgages with adjustable rate schedules. On the run up to the recent housing crisis, many such lenders also failed to accurately confirm the borrower’s ability to pay. These types of practices are shown to lead to greater mortgage foreclosure risk, notwithstanding other risk factors, and are far more prevalent in the subprime market than in the conventional or federally-backed mortgage market.

¹² California Department of Housing and Community Development. (2012). Analysis of Impediments to Fair Housing. Available at: http://www.hcd.ca.gov/hpd/hrc/rep/fed/state_of_ca_analysis_of_impediments_full%20report0912.pdf

SECTION 4 – FAIR HOUSING ASSESSMENT

4.1 – Fair Housing Compliance and Enforcement

Fair Housing Complaints

Complaints alleging housing discrimination can be filed at either the state or federal level. Federal housing discrimination complaints are filed with the HUD Office of Fair Housing and Equal Employment Opportunity (FHEO). The FHEO administers the Fair Housing Assistance Program (FHAP), which awards and manages the program grants and works with lawmakers to develop and refine fair housing legislation. Formal complaints can be filed either with the central HUD office, or at any of the field offices located within each state.

Table 33 identifies the number of fair housing complaints filed with the FHEO between January 1, 2014 and August 28, 2019. According to these data, there were 79 complaints filed within San Joaquin County during this time period, 41 of which were filed with regard to violations that occurred within the City of Stockton. Within both areas, the FHEO dismissed the majority of complaints for lack of cause, while other complaints were dismissed due to: failure to cooperate on behalf of the complainant, the office was unable to locate the complainant, lack of jurisdiction, or the complaint was withdrawn without or after resolution. For example, in Stockton, 75.6 percent of cases filed during this period were dismissed for no cause, while 4.9 percent were withdrawn without resolutions. This left a total of eight cases, or 19.5 percent, that were conciliated or settled, six of which resulted in monetary settlements, with the smallest being \$200 and the largest being \$5,000.

Housing discrimination complaints can also be filed with the California Department of Fair Employment and Housing (DFEH), which receives and investigates complaints filed under the California Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and the Ralph Civil Rights Act. The DFEH has jurisdiction over both private and public entities operating in California. The department investigates discrimination complaints through five district offices which handle all employment, housing, public accommodations, and hate violence cases, along with special investigations associated with systemic discrimination. The department also conducts outreach and advocacy through a variety of channels. The nearest DFEH office is located on Kausen Drive in Elk Grove, CA.

Table 33: FHEO Fair Housing Complaints by Resolution Type, 2014-YTD 2019

| City of Stockton | | | | | | | | |
|-------------------------------|----------------------|-------------|-------------|-------------|-------------|-----------------|-----------------------------|-----------------------------|
| Resolution | Year Resolved | | | | | | Total, All Years | Percent of Total |
| | 2014 | 2015 | 2016 | 2017 | 2018 | YTD 2019 | | |
| Conciliated/Settled | 2 | 0 | 0 | 4 | 1 | 1 | 8 | 19.5% |
| No Cause | 4 | 2 | 9 | 7 | 8 | 1 | 31 | 75.6% |
| Withdrawal Without Resolution | 0 | 1 | 0 | 1 | 0 | 0 | 2 | 4.9% |
| Total, All | 6 | 3 | 9 | 12 | 9 | 2 | 41 | 100% |

| San Joaquin County | | | | | | | | |
|-------------------------------|----------------------|-------------|-------------|-------------|-------------|-----------------|-----------------------------|-----------------------------|
| Resolution | Year Resolved | | | | | | Total, All Years | Percent of Total |
| | 2014 | 2015 | 2016 | 2017 | 2018 | YTD 2019 | | |
| Conciliated/Settled | 3 | 2 | 2 | 6 | 3 | 1 | 17 | 21.5% |
| No Cause | 6 | 5 | 11 | 13 | 12 | 5 | 52 | 65.8% |
| Unable to Locate Complainant | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1.3% |
| Lack of Jurisdiction | 0 | 1 | 0 | 0 | 1 | 0 | 2 | 2.5% |
| Failure to Cooperate | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 1.3% |
| Withdrawal Without Resolution | 0 | 1 | 0 | 1 | 0 | 0 | 2 | 2.5% |
| Withdrawal After Resolution | 0 | 2 | 0 | 2 | 0 | 0 | 4 | 5.1% |
| Total, All | 9 | 12 | 14 | 22 | 16 | 6 | 79 | 100% |

Sources: HUD, Office of Fair Housing and Equal Opportunity, 2019; BAE, 2019.

Table 34 identifies the number of fair housing complaints filed for incidents in Stockton between 2014 and 2019, as reported by the DFEH. The data are broken down to identify the primary protected class(es) affected, the discriminatory act(s) taken, as well as the method of resolution for each case. Note that each case may impact more than one protected class and involve more than one discriminatory practice. According to these data, there were 41 fair housing complaints filed with the DFEH between 2014 and 2019. Of those, 44.4 percent involved a disabled person. The race/color, source of income, and gender of the complainant were each involved in 9.3 percent of the cases. An additional 7.4 percent were based on the familial status of the complainant. In terms of the cited discriminatory action or practice, nearly 25 percent of complaints filed involved the denial of rental, lease, or sale, and another 25 percent involved the denial of a reasonable accommodation. An additional 13 percent involved evictions, while 11.7 percent involved harassment and another 11.7 percent involved the subjection to discriminatory statements and/or advertisements. In terms of complaint resolution, 51.2 percent of the filed complaints were investigated and dismissed due to a lack of evidence, while 2.4 percent were dismissed because of an absence of a basis to proceed and another 2.4 percent were dismissed due to a resolution between parties. An additional 22 percent had no cause determinations, while 17.1 percent were resolved with settlements.

Table 34: DFEH Fair Housing Complaints by Basis, Discriminatory Practice, and Resolution Type, 2014-YTD 2019

| Basis Type (a) | Year Filed | | | | | | Total, All Years | Percent of Total |
|---|------------|----------|-----------|-----------|----------|----------|---------------------|---------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | YTD 2019 | | |
| Race/Color | 2 | 0 | 0 | 2 | 0 | 1 | 5 | 9.3% |
| Source of Income | 1 | 1 | 1 | 0 | 1 | 1 | 5 | 9.3% |
| Disability | 4 | 3 | 9 | 5 | 2 | 1 | 24 | 44.4% |
| Familial Status | 1 | 0 | 0 | 2 | 0 | 1 | 4 | 7.4% |
| National Origin | 2 | 1 | 0 | 0 | 0 | 0 | 3 | 5.6% |
| Sex - Pregnancy | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1.9% |
| Sex - Gender | 0 | 2 | 1 | 1 | 0 | 1 | 5 | 9.3% |
| Sex - Gender Identity | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1.9% |
| Sexual Orientation | 0 | 0 | 1 | 2 | 0 | 0 | 3 | 5.6% |
| Association with a member of a protected class | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 1.9% |
| Sexual Harassment | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1.9% |
| Other | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 1.9% |
| Total, All Complaints | 10 | 7 | 14 | 13 | 4 | 6 | 54 | 100% |
| Discriminatory Practice (a) | | | | | | | | |
| Harassed | 5 | 1 | 2 | 1 | 0 | 0 | 9 | 11.7% |
| Evicted | 3 | 1 | 1 | 3 | 1 | 1 | 10 | 13.0% |
| Denied rental/lease/sale | 4 | 3 | 7 | 5 | 0 | 0 | 19 | 24.7% |
| Denied reasonable accommodation | 4 | 2 | 9 | 3 | 1 | 0 | 19 | 24.7% |
| Denied reasonable accommodation for a disability or medical condition | 0 | 0 | 0 | 0 | 1 | 2 | 3 | 3.9% |
| Subjected to discriminatory statements/advertisements | 3 | 0 | 3 | 3 | 0 | 0 | 9 | 11.7% |
| Denied equal terms and conditions | 1 | 1 | 0 | 0 | 0 | 2 | 4 | 5.2% |
| Subjected to restrictive/covenant | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 1.3% |
| Other | 0 | 0 | 1 | 1 | 1 | 0 | 3 | 3.9% |
| Total, All Practices | 20 | 8 | 24 | 16 | 4 | 5 | 77 | 100% |
| Resolution | | | | | | | | |
| Complaint Withdrawn by Complainant Without Resolution | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 2.4% |
| Conciliation/Settlement Successful | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 2.4% |
| Investigated and Dismissed - Insufficient Evidence | 5 | 6 | 9 | 1 | 0 | 0 | 21 | 51.2% |
| Investigated and Dismissed - No Basis to Proceed | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 2.4% |
| Investigated and Dismissed - Withdrawn - Resolved between parties | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 2.4% |
| No Cause Determination | 0 | 0 | 0 | 7 | 1 | 1 | 9 | 22.0% |
| Settlement - Settled by Enforcement | 1 | 0 | 0 | 1 | 0 | 1 | 3 | 7.3% |
| Settlement - Settled by Mediation - Mandatory 1038 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 2.4% |
| Settlement - Settled by Mediation - Voluntary | 0 | 0 | 2 | 1 | 0 | 0 | 3 | 7.3% |
| Total, All Resolutions | 8 | 6 | 12 | 11 | 2 | 2 | 41 | 100% |

Note:

(a) Each complaint may involve more than one basis type or discriminatory practices, but there is only one resolution per complaint.

Sources: California Department of Fair Employment and Housing, 2019; BAE, 2019.

Section 504 Compliance

Section 504 of the Federal Rehabilitation Act of 1973 prohibits discrimination based on disability in any program receiving federal financial assistance. This includes provisions for providing reasonable modifications in all rules, policies, and procedures. Programs must be readily accessible to, and usable by, individuals with disabilities. Major alterations to existing residential housing projects, or the construction of dwelling units, must include at least five percent of the developed units to be accessible to persons with mobility impairments. Projects

must also include at least two percent of the units in such a way as to be accessible to the visually and hearing impaired.

Hate Crimes

The relative prevalence of hate-based crimes within a community can also function as an impediment to fair housing and can represent a fair housing enforcement issue, in cases where hate crimes function as a deterrent to protected classes of individuals who are seeking housing within a certain community, due to fear of harassment or physical harm. Hate crimes, by definition, are committed due to a bias against persons of a certain race, religion, disability, ethnicity, or sexual orientation, among other possible characteristics. The Federal Bureau of Investigations (FBI) Uniform Crime Reporting (UCR) program collects statistics on hate-based crimes that occur throughout the United States. Table 35 reports the number of hate crimes reported to have occurred in the City of Stockton between 2012 and 2017. On average, the City of Stockton experienced between one and two crimes reportedly motivated by a demonstrated bias based on a person’s race or ethnicity or religion each year, while the city experienced less than one crime per year motivated by a demonstrated bias towards a person’s sexual orientation, disability, or gender identity. There were no reported crimes based on a demonstrated bias towards a person’s gender in the City of Stockton during this time-period. On a standardized basis, this equals an average rate of between 0.00 and 0.53 cases per 100,000 residents. To put this in perspective, there were 843 reported hate crimes in California in 2013, which equals a rate of 2.77 crimes per 100,000 residents, indicating that on the whole, the Stockton community has a below average rate of hate crime.

Table 35: Hate Crime Statistics, Stockton, 2012-2017

| Year | Number of Incidents per Bias Motivation | | | | | |
|-----------------------|---|------------|-----------------------|------------|------------|--------------------|
| | Race/ Ethnicity | Religion | Sexual Orientation | Disability | Gender | Gender Identity |
| 2013 | 1 | 0 | 1 | 0 | 0 | 0 |
| 2014 | 2 | 1 | 0 | 0 | 0 | 0 |
| 2015 | 1 | 1 | 1 | 0 | 0 | 1 |
| 2016 | 2 | 0 | 0 | 1 | 0 | 0 |
| 2017 | 2 | 3 | 1 | 0 | 0 | 0 |
| 5-Year Average | 1.6 | 1.0 | 0.6 | 0.2 | 0.0 | 0.2 |

Sources: Federal Bureau of Investigation (FBI), Uniform Crime Reporting Program, 2018; BAE, 2019.

4.2 – Fair Housing Services, Education and Outreach

The following sub-section discusses fair housing practices in the ownership and rental housing markets, as well as additional fair housing services provided by local government and non-profit agencies. Since housing discrimination can originate from a wide variety of sources and in a wide variety of situations, it is important to evaluate the actions being taken to address housing discrimination where it exists and, where possible, to prevent its occurrence.

Fair housing services for renters and homebuyers typically include the investigation and resolution of housing discrimination complaints, discrimination auditing and testing, tenant-landlord mediation and counseling, and education and outreach activities. The former is primarily carried out by federal and state agencies, as discussed in the prior section. Discrimination auditing and testing, as well as tenant-landlord mediation and counseling, are typically carried out by both local government institutions and non-profit agencies that help to inform both landlords and tenants of their rights and responsibilities under the federal and state laws and provide additional intervention where appropriate. Education and outreach activities, including the dissemination of fair housing information through the distribution of written materials, and the hosting of educational workshops and seminars, is carried out by local governments and non-profits, as well as certain private sector institutions associated with the sale and lease of real property, such as Realtor and landlord associations.

San Joaquin Fair Housing, Inc.

Established in 1983, the San Joaquin Fair Housing Association (SJFH) provides an assortment of fair housing services to the broader San Joaquin County community. Based out of their offices on North El Dorado Street in downtown Stockton, the association offers education, outreach, training, and referral services, as well as tenant-landlord mediation services. SJFH staff also work to facilitate the fair housing complaint submittal and investigation process.

Table 36, below, summarizes the services provided by SJFH. The data were collected from the SJFH annual performance reports for fiscal years 2015-2016 through 2018-2019. According to this data, SJFH conducts ongoing advertising and outreach via an assortment of local news outlets, including local access television channels 26 and 97, as well as the Stockton Record, among others. Additionally, SJFH conducts outreach via social media including Facebook, Twitter and Instagram. They distribute fliers to an assortment of locations located throughout the city, including municipal offices, rental offices and associations, local educational institutions, and community-based organizations, such as the Annunciation Church. SJFH also conducts outreach via community events or SJFH sponsored community seminars. For example, during the 2018-2019 fiscal year, SJFH participated in the STAND's Summer Wellness Festival, numerous HACSJ Resident Fairs, and hosted three Landlord and Tenant Trainings/Workshops.

Table 36: San Joaquin Fair Housing Accomplishments, FY 16-17 to FY 18-19

| | FY 2016-2017 | FY 2017-2018 | FY 2018-2019 |
|---------------------------------|---|--------------|--------------|
| Advertising/Media Outreach | Local Access 26 & 97 Stockton Record Manteca Bulletin Tracy Press Lodi News Sentinel Facebook Twitter Instagram | Same | Same |
| Filer Distribution | City Code Enforcement City Hall Public Library CalWorks Rental Property Assoc. Cal Rural Legal Assist. El Concillio Delta College Cal Human Dec. Corp. SJC Mental Health Services Annunciation Church Boys and Girls Club Comm. Partners for Families | Same | Same |
| Individuals Receiving Services | 6,047 | 7,261 | 9,032 |
| Formal Cases/Individuals Served | 271 / 871 | 320 / 926 | 368 / 1,161 |
| Formal Cases Resolved | 159 | 196 | 244 |

Sources: San Joaquin Fair Housing, 2019; BAE, 2019.

In addition to providing outreach and education regarding fair housing issues, SHFH provides a variety of services to individuals and organizations. In fiscal year 2016-2017, the most recent year for which comparable data is available, SJFH provided direct services, including initial consultations, as well as addressing telephone and in-office inquiries to 6,047 individuals living in the City of Stockton. This number increased to 9,032 as of the end of fiscal year 2018-2019. Similarly, the number of cases formally opened by SJFH also increased during this time frame from 271 cases representing 871 individuals in fiscal year 2016-2017 to 368 cases representing 1,161 individuals in fiscal year 2018-2019. Of the formal cases opened by SJFH in fiscal year 59 percent were resolved that same year. By the end of fiscal year

2018-2019, SJFH’s resolution rate was 66 percent, despite the increase in the number of cases opened. According to Robert Munoz, Executive Director of SJFH, the increase in the number of people receiving services and the number of cases opened is largely due to an increase in evictions of lower income tenant from older more affordable units which were bought by investors in the wake of the housing market collapse of 2008. As the housing market in Stockton improves, many property owners have begun to renovate these units and rent them at market rate rents that are above what the existing tenants can afford.

As shown in Table 37, the overwhelming majority of cases in fiscal year 2018-2019 affected households in the extremely low-, very-low, and low-income categories. Only 14.4 percent of cases were in the moderate-income category. For additional data regarding the breakdown of SJFH cases by race, ethnicity, and special needs group, please refer to Table 37.

Table 37: San Joaquin Fair Housing, Client Characteristics, FY 2018-2019

| Racial Group (Persons) | Number of Cases | Percent of Total |
|--|--------------------------------|-----------------------------|
| White | 88 | 23.9% |
| Black/African American | 98 | 26.6% |
| American Indian and Alaska Native | 5 | 1.4% |
| Asian | 8 | 2.2% |
| Native Hawaiian and Other Pacific Islander | 3 | 0.8% |
| Two or More Races | 6 | 1.6% |
| Other Multiracial or Did Not Report | 160 | 43.5% |
| Total, All | 368 | 100.0% |
| Ethnic Group (Persons) | | |
| Hispanic or Latino | 160 | 43.5% |
| Not Hispanic or Latino | 208 | 56.5% |
| Total, All | 368 | 100.0% |
| Special Needs Group | | |
| Disabled HH Member | 79 | 21.8% |
| Senior Headed Household | 18 | 5.0% |
| Female Headed Household | 182 | 50.1% |
| Five or More Member Household | 81 | 22.3% |
| UD | 3 | 0.8% |
| Veteran HH Member | 0 | 0.0% |
| Homeless | 0 | 0.0% |
| Total, All | 363 | 100.0% |
| Income Category (Households) | | |
| Extremely Low -Income (<30% AMI) | 112 | 30.4% |
| Very Low -Income (30%-50% AMI) | 119 | 32.3% |
| Low -Income (50%-80% AMI) | 84 | 22.8% |
| Moderate-Income (>80% AMI) | 53 | 14.4% |
| Total, All | 368 | 100.0% |

Sources: San Joaquin Fair Housing, 2019; BAE, 2019.

4.3 – Evaluation of 2015-2019 AI Report Actions

The following section details the City’s accomplishments and efforts to further fair housing choice within the City of Stockton and San Joaquin County. Note that actions recommended in the 2015-2020 AI were developed for joint implementation by jurisdictions throughout San Joaquin County, including the County itself, as well as the City of Stockton. The accomplishments and efforts described below for each action are based on those reported in the Comprehensive Annual Performance and Evaluation Reports submitted by the City of Stockton as part of the monitoring and evaluation process associated with the 2015-2020 Consolidated Plan. Additional information was provided by City staff, as appropriate.

General Recommendations

Action 1: Use the Consolidated Plan and AI as mechanisms to increase awareness and participation in fair housing issues. The City should utilize the Consolidated Plan and AI adoption and implementation processes to raise community awareness of the identified barriers to fair housing choice. Hearings and public meetings associated with the planning and implementation should be advertised in the media and members of the public should be invited to participate and provide substantive input.

Response: The City greatly expanded public outreach efforts associated with the 2020-2025 Consolidated Plan and AI update. Public outreach efforts included one-on-one consultations with key agencies and organizations throughout Stockton and San Joaquin County, including the CoC, public and assisted housing providers and developers, an assortment of government agencies, as well as private and public health, mental health, and social service agencies. Additionally, the City held four focus group meetings with key stakeholders including some of the organizations that participated in one-on-one consultations in addition to local chambers of commerce, business owners, professional organizations, and members of the public. The focus group topics included: housing, business development, economic development, and central city issues. These meetings were open to the public and advertised in the local newspaper. In total, the City consulted with 25 organization one-on-one, with an additional 38 organizations or community members participating in one or more focus groups. Some organizations participated in both the one-on-one consultations and focus group discussions. In total, the City consulted 58 unique organizations or members of the public.

Action 2: Periodically monitor progress toward implementation of the AI recommendations. City staff should utilize the existing Consolidated Plan reporting process to consistently monitor and track the progress made toward implementation. This could also include an annual report on the actions taken by area fair housing service providers, including an inventory of the services provided, the number of clients served, the results of fair housing testing, and a breakdown of fair housing cases by type, including evaluation of key client characteristics.

Response: The City of Stockton uses the Comprehensive Annual Progress Report (CAPR) to track progress made towards implementation of AI recommendations. Additionally, SJFH issues quarterly and annual reports which track services provided, the number of clients served, and key client characteristics.

Access to Information

Action 3: Maintain links on appropriate pages of the City’s website that direct visitors to housing services and resources, fair housing information, and consumer information. Ensure that information regarding the housing services provided by the City and its partners, including SJFH, is available at designated locations throughout the community, including but not limited to City offices, public libraries, community and civic centers, and other public facilities, particularly those public offices frequented by members of vulnerable populations, such as the elderly, disabled, minorities, and low-income households.

Response: The City has established links on its website to direct visitors to the SJFH website and to websites associated with other housing-related organizations. Additionally, SJFH distributes flyers at key locations such as City Hall, County offices, public libraries, CalWorks, Delta College, El Concillio, and rental property associations, just to name a few.

Action 4: Conduct annual trainings, seminars, and information sessions with key City staff who administer and oversee housing programs and code enforcement activities to ensure that these staff are able to accurately provide guidance and referrals with regard to fair housing and landlord-tenant issues.

Response: SJFH works closely on an ongoing basis with City and County code enforcement officials, providing both education and training to local government staff, including a review of methods for responding to in-person and telephone inquiries and complaints regarding fair housing and landlord/tenant issues.

Action 5: To the extent possible with limited funding, support SJFH in expanding access to its services by increasing the number of hours the office is open and the number of hours that the phones are answered.

Response: With continued support from the City’s annual allocations of Community Development Block Grant (CDBG) funds, SJFH has expanded the number of people receiving fair housing services. In fiscal year 2016-2017, the most recent year for which comparable data is available, SJFH provided direct services, including initial consultations, as well as addressing telephone and in-office inquiries to 6,047 individuals living in the City of Stockton. This number increased to 9,032 as of the end of fiscal year 2018-2019. Similarly, the number of cases formally opened by SJFH also increased during this time frame from 271 cases representing 871 individuals in fiscal year 2016-2017 to 368 cases

representing 1,161 individuals in fiscal year 2018-2019. Of the formal cases opened by SJFH in fiscal year 59 percent were resolved that same year. By the end of fiscal year 2018-2019, SJFH's resolution rate was 66 percent, despite the increase in the number of cases opened.

Action 6: Continue to support and, where possible, expand programs that provide credit counseling, homebuyer counseling and education, and education on tenant rights and responsibilities for households entering or re-entering the rental market, such as formerly homeless households and those entering the homeownership market. This may include providing support to SJFH, as well as other agencies and organizations, including providing funding to continue and expand existing city programs.

Response: The City continues to support SJFH through annual allocations of Community Development Block Grant (CDBG) funds; however, given the current reduction in funding provided to the City through the Community Planning and Development (CPD) grant programs, the City has not been able to allocate significant additional funds to SJFH to expand their services. Nonetheless, SJFH has partnered with fair housing service providers in Stanislaus and Sacramento Counties to try and expand the availability of fair housing education and outreach services.

Fair Housing Services and Outreach

Action 7: Collaborate with other local jurisdictions to explore additional funding sources that may be leveraged to develop and maintain a program for comprehensive fair housing testing. This should include a dialogue intended to identify the most appropriate provider of these services (e.g., SJFH), as well as to determine ways in which each jurisdiction can contribute, so as to preserve and expand the capacity of organization that administers the testing program.

Response: SJFH and the jurisdictions which support it continue to explore funding sources to allow a comprehensive fair housing testing program.

Action 8: Maintain and intensify code enforcement efforts focused on identifying substandard housing units and ensure, to the extent practicable given available resources, supplemental funding for lower-income households necessary to facilitate prompt and satisfactory remediation of identified issues and avoid displacement. Efforts should be coordinated with other appropriate code and law enforcement activities, as well as the provision of assorted supportive and fair housing services.

Response: Code Enforcement efforts have also continued. The implementation of a Rental Inspection Ordinance has continued in an effort to ensure that rental housing is maintained to the required standards.

Action 9: Maintain and expand support necessary for fair housing service providers to conduct fair housing trainings, workshops, and information sessions for residents, property managers and landlords, providing appropriate translation services where possible and necessary.

Response: The City continues to support SJFH through annual allocations of Community Development Block Grant (CDBG) funds and relies on SJFH to provide workshops and information sessions in a variety of venues. In addition, the City of Stockton maintains links to SJFH and other housing organizations, such as the HACSJ, on its webpage. City staff also provide referrals on a case-by-case basis and assist with advertising outreach and educational events.

Home Purchase, Lending, and Foreclosure

Action 10: Work with financial institutions to encourage marketing of financial services to all segments of the community. For example, lenders in the subprime market were effective in utilizing community resources, local “cultural brokers,” and affinity group marketing strategies, which indicates that lenders operating in the prime market may also benefit from similar marketing approaches, which can improve access to financing for lower-income and minority populations.

Response: The City continues to work with financial institutions through support provided to fair housing advocate groups, such as SJFH, to improve access to financing for lower-income and minority homebuyers.

Public Policies and Programs

Action 11: Leverage the ongoing comprehensive amendment process to address potential barriers to affordable and fair housing, including those identified in the Housing Element. This may also include policies intended to encourage additional affordable housing development in areas of high opportunity, such as moderate- and above moderate-income neighborhoods, though policies should not be crafted in such a way as to discourage affordable housing in any location area otherwise deemed appropriate for residential uses.

Response: In the Fall of 2019, Community Development Department staff initiated a comprehensive update of the Development Code and citywide rezoning to be consistent with the City’s Envision Stockton 2040 General Plan, which was adopted in December 2018. The 2040 General Plan represents a significant shift away from the City’s historical pattern of periphery development to urban infill development and redevelopment by allowing for more flexible development standards and higher permitted densities in more urban areas of the city. These code changes will allow the City to implement not just procedural changes, but to update and streamline outdated land use practices.

Action 12: Pursue a comprehensive update of the City's development impact fees, including the Capital Facilities Fees and Community Development Department fees to ensure that the fees charged are commensurate with the impact and sufficient to offset departmental costs.

Response: The City is concluding a service fee analysis to identify the costs of City services among the various departments. The analysis will identify best practices from neighboring jurisdictions to continue the improvements being made in the processing of development applications.

Action 13: Continue to comply with applicable antidiscrimination requirements, including, but not limited to, all applicable federal regulations associated with the use of CPD grant funds under the CDBG, HOME, and ESG programs.

Response: The City of Stockton complies with all antidiscrimination requirements as identified by the applicable legislation and HUD regulations.

SECTION 5 – RECOMMENDED ACTIONS

The purpose of the AI is to identify barriers to fair housing choice, identify recommended actions that may be pursued to facilitate the resolution of those barriers, and to monitor progress in achieving the recommendations adopted during the prior cycle. The AI finds an ongoing need to address fair housing issues in the City of Stockton, given general concerns regarding affordability, access, segregation and isolation, potential discrimination, and a continued need for outreach and education regarding fair housing rights and obligations.

General Recommendations

Action 1: Use the Consolidated Plan and AI as mechanisms to increase awareness and participation in fair housing issues. The City should utilize the Consolidated Plan and AI adoption and implementation processes to raise community awareness of the identified barriers to fair housing choice. Hearings and public meetings associated with the planning and implementation should be advertised in the media and members of the public should be invited to participate and provide substantive input.

Action 2: Periodically monitor progress toward implementation of the AI recommendations. City staff should utilize the existing Consolidated Plan reporting process to consistently monitor and track the progress made toward implementation. This could also include an annual report on the actions taken by area fair housing service providers, including an inventory of the services provided, the number of clients served, the results of fair housing testing, and a breakdown of fair housing cases by type, including evaluation of key client characteristics.

Access to Information

Action 3: Maintain links on appropriate pages of the City's website that direct visitors to housing services and resources, fair housing information, and consumer information. Ensure that information regarding the housing services provided by the City and its partners, including SJFH, is available at designated locations throughout the community, including but not limited to City offices, public libraries, community and civic centers, and other public facilities, particularly those public offices frequented by members of vulnerable populations, such as the elderly, disabled, minorities, and low-income households.

Action 4: Conduct annual trainings, seminars, and information sessions with key City staff who administer and oversee housing programs and code enforcement activities to ensure that these staff are able to accurately provide guidance and referrals with regard to fair housing and landlord-tenant issues.

Action 5: To the extent possible with limited funding, support SJFH in expanding access to its services by increasing the number of hours the office is open and the number of hours that the phones are answered.

Action 6: Continue to support and, where possible, expand programs that provide credit counseling, homebuyer counseling and education, and education on tenant rights and responsibilities for households entering or re-entering the rental market, such as formerly homeless households and those entering the homeownership market. This may include providing support to SJFH, as well as other agencies and organizations, including providing funding to continue and expand existing city programs.

Fair Housing Services and Outreach

Action 7: Collaborate with other local jurisdictions to explore additional funding sources that may be leveraged to develop and maintain a program for comprehensive fair housing testing. This should include a dialogue intended to identify the most appropriate provider of these services (e.g., SJFH), as well as to determine ways in which each jurisdiction can contribute, so as to preserve and expand the capacity of organization that administers the testing program.

Action 8: Maintain and intensify code enforcement efforts focused on identifying substandard housing units and ensure, to the extent practicable given available resources, supplemental funding for lower-income households necessary to facilitate prompt and satisfactory remediation of identified issues and avoid displacement. Efforts should be coordinated with other appropriate code and law enforcement activities, as well as the provision of assorted supportive and fair housing services.

Action 8: Maintain and expand support necessary for fair housing service providers to conduct fair housing trainings, workshops, and information sessions for residents, property managers and landlords, providing appropriate translation services where possible and necessary.

Home Purchase, Lending, and Foreclosure

Action 9: Work with financial institutions to encourage marketing of financial services to all segments of the community. For example, lenders in the subprime market were effective in utilizing community resources, local “cultural brokers,” and affinity group marketing strategies, which indicates that lenders operating in the prime market may also benefit from similar marketing approaches, which can improve access to financing for lower-income and minority populations.

Public Policies and Programs

Action 9: Leverage the ongoing comprehensive amendment process to address potential barriers to affordable and fair housing, including those identified in the Housing Element. This may also include policies intended to encourage additional affordable housing development in areas of high opportunity, such as moderate- and above moderate-income neighborhoods, though policies should not be crafted in such a way as to discourage affordable housing in any location area otherwise deemed appropriate for residential uses.

Action 10: Pursue a comprehensive update of the City's development impact fees, including the Capital Facilities Fees and Community Development Department fees to ensure that the fees charged are commensurate with the impact and sufficient to offset departmental costs.

Action 11: Continue to comply with applicable antidiscrimination requirements, including, but not limited to, all applicable federal regulations associated with the use of CPD grant funds under the CDBG, HOME, and ESG programs

Action 12: Work with local and regional public transportation service providers to expand and enhance access connections between lower income neighborhoods such as south Stockton employment centers not well served by public transit.

Action 13: Support efforts to rehabilitate or newly construct smaller studio- and one-bedroom units which are affordable to lower-income households

Action 14: Work with the Central Valley Low Income Housing Corporation and the Housing Authority of San Joaquin County to support and enhance programs to incentivize acceptance of Housing Choice Vouchers.

Action 15: Explore the need for and feasibility of policies which protect renters from eviction or retaliatory measures from landlords (i.e., retaliation for code enforcement complaints, particularly for undocumented renters).

APPENDIX A – KEY INFORMANT INTERVIEWS

The list below identifies those organizations that are active in affordable and fair housing issues and were invited to participate in key informant interviews for the purposes of developing the City of Stockton 2020-2025 Consolidated Plan and AI:

- A.G. Spanos Company
- Arnaiz Development Company
- Bay Area Home Options
- Building Industry Association of the Greater Valley
- Catholic Charities of the Diocese of Stockton
- Conway Homes Resident Council President – Pandora Crowder
- Financial Center Credit Union
- Housing Authority of the County of San Joaquin
- San Joaquin County Commission on Aging
- San Joaquin County Economic Development
- San Joaquin County Human Services Agency
- San Joaquin Fair Housing, Inc.
- San Joaquin Partnership
- Sierra Vista Resident Council President – Georgia Brownlee
- STAND Affordable Housing
- Visionary Home Builders
- Fathers and Families of San Joaquin County