

Draft Report

Analysis of Impediments to Fair Housing Choice

City of Las Vegas



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**City of Las Vegas Analysis of
Impediments to Fair Housing Choice**

Prepared for

City of Las Vegas
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Executive Summary

EXECUTIVE SUMMARY:

Las Vegas Fair Housing Study

This document is the 2010 Analysis of Impediments to Fair Housing Choice (AI) for the City of Las Vegas. This report is an update to the AI that was conducted for the City of Las Vegas in 2003. Where possible, the study compares fair housing barriers and conditions from 2003 to the present.

Analysis of Impediments Background

An Analysis of Impediments to Fair Housing Choice, or AI, is a U.S. Department of Housing & Urban Development (HUD) mandated review of impediments to fair housing choice in the public and private sector. The AI is required for the City of Las Vegas to receive federal housing and community development block grant funding¹.

The AI involves:

- A review of a city's laws, regulations, and administrative policies, procedures and practices;
- An assessment of how those laws, policies and practices affect the location availability and accessibility of housing; and
- An assessment of public and private sector conditions affecting fair housing choice.

According to HUD, impediments to fair housing choice are:

- 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 choices.
- Any actions, omissions or decisions that have the effect of restricting housing choices or the availability of housing choices *on the basis of* race, color, religion, sex, disability, familial status or national origin.

HUD guidance. HUD has recently released brief guidance to communities about the department's expectations of AIs. In this guidance, HUD clarifies that "affordable housing, in and of itself, is not an impediment to fair housing unless it creates an impediment to housing choice because of membership in a protected class."

HUD further defines fair housing choice as "the ability of persons of similar incomes to have available to them the same housing choices regardless of race, color, religion, sex, disability, familial status or national origin. Policies, practices or procedures that appear neutral on their face but operate to deny or adversely affect the provisions of housing to persons (in any particular protected class) may constitute such impediments."

¹ The city is also required to submit a Consolidated Plan for Housing and Community Development and an annual performance report to receive funding each year. These reports were prepared separately from the AI and are available from the city.

This report is an update to the 2003 Analysis of Impediments to Fair Housing Choice (AI) for the City of Las Vegas. This update was prepared by BBC Research & Consulting (BBC) of Denver. BBC is an economic research and consulting firm with a specialty in housing studies, including fair housing.

Fair Housing Act

The Federal Fair Housing Act, passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender, familial status and disability. The Fair Housing Act covers most types of housing including rental housing, home sales, mortgage and home improvement lending, and land use and zoning. Excluded from the Act are owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members, and housing for older persons².

HUD has the primary authority for enforcing the Fair Housing Act. HUD investigates the complaints it receives and determines if there is a “reasonable cause” to believe that discrimination occurred. If reasonable cause is established, HUD brings the complaint before an Administrative Law Judge. Parties to the action can also elect to have the trial held in a federal court (in which case the Department of Justice brings the claim on behalf of the plaintiff)³.

Methodology

BBC’s approach to the City of Las Vegas’ AI was based on the methodologies recommended in HUD’s Fair Housing Planning Guide, Vol. I, our experience conducting AIs for other cities, and the specific needs of the city according to project managers. The workscope consisted of the following:

- **Public participation.** BBC and the City of Las Vegas held three community meetings open to the public and stakeholders to gather input about fair housing concerns. BBC also consulted with the Southern Nevada Housing Authority about their policies and procedures and compliance with fair housing law.
- **Analysis of data.** In this task, data on mortgage lending approvals, subprime mortgages (from Home Mortgage Disclosure Act or HMDA data), income distribution, race and ethnicity, disability and affordable housing opportunities, recent legal cases and fair housing complaints were analyzed to detect potential discriminatory patterns.
- **Zoning, land use and housing policy review.** BBC reviewed city zoning, land use and planning and housing policies pertaining to residential housing for any potential barriers to fair housing and fair housing concerns.

² This is a very general description of the Fair Housing Act and the actions and properties covered by the Act. For more detailed information on the Fair Housing Act, please see the full text, which can be found on the U.S. Department of Justice’s website, www.usdoj.gov/crt/housing/title8.htm.

³ “How Much Do We Know? Public Awareness of the Nation’s Fair Housing Laws”, The U.S. Department of Housing and Urban Development, Office of Policy and Research, April 2002.

- **Identification of impediments.** In this task, we compiled the fair housing concerns identified through public participation, data analysis and review of land use policies into impediments to fair housing choice.
- **Actions to address past and current impediments.** In this final task, BBC developed a recommended Fair Housing Action Plan (FHAP) for the city to use to address unresolved impediments from the 2003 AI and impediments identified in the current AI update.

AI Findings

- The past two decades in the City of Las Vegas have been ones of extreme change. Between 1990 and 2000, the city's population increased by about 325,000 people. About one-third of this growth took place in the past decade.
- Housing price trends during the 2000s resemble a roller coaster! The city started the decade as relatively affordable with a median home value of \$133,000. Home values jumped substantially during the decade and are now back down to 2000 levels. The median home price in Las Vegas in May 2010 was estimated at \$133,800.
- Rents in the Las Vegas area remain high, with HUD reporting the fair market rent for a 2-bedroom unit in Clark County at \$1,063 for 2010. The Census estimates that the 2008 median rent is \$861 for the City of Las Vegas, compared with \$632 in 2000. This means that renters are paying about \$230 more a month for rent than in 2000. The good news is that the drop in for sale home prices means that the city's renters may now be able to buy and pay less than if they were renting.
- An examination of concentrations of the city's predominant racial and ethnic households found concentrations of Hispanic households in East Las Vegas. African Americans had much smaller concentrations and the White population was distributed throughout the city. Although minority populations live in the city's northern portion, which is also heavily occupied by non-minorities, few minorities live in the western portion of the city.
- Low-income households in the city are concentrated along the I-15 corridor. This concentration has not changed since 2000.
- A review of the policies and practices of the Southern Nevada Regional Housing Authority and the city's zoning and land use regulations found no concerns and only a few items recommended to be addressed.
- Fair housing complaints have increased in Las Vegas during the past 6 years. On average, the volume of fair housing complaints received by HUD from Las Vegas residents has increased by 116 percent from 2003 to 2009.
- Residents who file complaints do so because they feel they have been discriminated on the basis of disability (33 percent of complaints) and race (25 percent of complaints).

- The majority of the legal cases filed recently in the Las Vegas area involved developers, builders, engineers, and architects who failed to comply with the accessibility requirements of the federal Fair Housing Act and/or who failed to make reasonable accommodations for persons with disabilities. We found 9 cases that had been resolved since 2000 which involved such violations.
- An analysis of home mortgage lending data (HMDA data) found small disparities in both loan denials and subprime lending between Whites and African Americans and Whites and Hispanics.
- Focus groups and interviews with residents and stakeholders found little awareness about fair housing complaint filing procedures.

Impediments to Fair Housing Choice

This section presents the impediments to fair housing choice BBC has identified in Las Vegas. It reports impediments for both 2003 (previous AI) and 2010 (current AI).

- **Impediment No. 1: Residents are unaware about how to report fair housing/ violations.** Citizens, landlords, property managers, Realtors, developers, and city building inspectors could all benefit from education and training about fair housing issues, according to focus groups conducted for the 2010 AI and surveys and interviews conducted for the 2003 AI. *This impediment was found to exist in both 2003 and 2010.*
- **Impediment No. 2: Builders avoid or are unaware of ADA requirements.** In the past few years, builders in the city have lost fair housing lawsuits related to their noncompliance with ADA (accessibility) requirements for new construction. This appears to be a common problem in the city, although it is unknown how many builders are not in compliance and have not been identified.
- **Impediment No. 3. Residents experience discrimination.** More fair housing complaints are being filed with HUD, which could indicate that discrimination has increased, but also shows that residents have greater awareness of fair housing issues and are more willing to take action when they feel they have been discriminated against. The main reason that complaints have been filed in the past 10 years is alleged discrimination on the basis of disability. This is not surprising, given the number of recent lawsuits related to noncompliance of builders with ADA.

In the 2003 study, mail survey of housing and social service professionals conducted for the AI showed that, in the opinion of survey respondents, as many as 25 to 30 percent of Las Vegas residents have experienced some form of housing discrimination. *This impediment was found to exist in both 2003 and 2010.*

- **Impediment No. 4. There are parts of the city where Hispanics are highly concentrated and other areas where very few minorities live.** East Las Vegas has a very high concentration of persons of Hispanic descent. It is unclear if this concentration is related to choice or existing barriers to housing. We did not identify city policies that created barriers for minorities to live throughout the city, although we acknowledge that not all areas have the same level of affordability.

Fair Housing Action Plan

Based on our research for this AI, BBC recommends the City of Las Vegas adopt the following Action Plan and activities for reducing fair housing impediments:

1. *Increase citizens' understanding of fair housing laws.* The city needs to play a stronger role in educating citizens about fair housing rights. Although the San Francisco office of HUD receives and investigates fair housing complaints brought by Las Vegas residents, enforcement of Fair Housing Law is often more powerful and effective at the local level.
 - Implement a fair housing campaign targeted at the city's Hispanic, African American, and disabled populations:
 - Place Public Service Announcements (PSA) on radio stations, the city's television station, and newspaper ads as appropriate for each targeted population.
 - Sponsor fair housing presentations in neighborhoods where Hispanic, and African American populations are concentrated as indicated by Census data (largely East Las Vegas).
 - Attend neighborhood meetings and talk about fair housing rights and how to file complaints
 - Distribute information about fair housing to public schools in this area; send information flyers home twice a year with the children.
 - Dedicate a portion of the city's website to fair housing, with a link to HUD's site that can be used to submit a fair housing complaint.
2. *Improve the ability of building inspectors to detect non-compliance with ADA in new construction.*
 - More aggressively monitor compliance during construction process.
 - Require ADA compliance training for builders who are active in the city.
3. *Monitor ethnic concentration in the city and areas of high mortgage loan denials.* The 2010 AI found areas in the city where Hispanics and African Americans are concentrated and loan denials are high—although these areas do not always overlap. Racial/ethnic concentrations and higher denial rates for minorities do not necessarily indicate fair housing problems. Without a detailed analysis of loans, it is unclear if the reason for the difference is due to variables other than income that are considered in making the lending decision (e.g., credit history, debt to income ratios) or if discrimination could be occurring. That said, the consistently large difference in denial rates for some Las Vegas neighborhoods and concentrations of minorities warrant further investigation to explain the disparities and identify strategies to assist residents in these areas obtain needed credit. To better understand if disinvestment or discrimination is occurring, the city should attend neighborhood meetings in these areas, distribute fair housing information and have discussions with residents, to identify any fair housing concerns.

4. Update the city's zoning code to include the following:

1. Define the term "handicap." The Federal Fair Housing Act also uses the term "handicap" (not "disability") and defines handicap as: "with respect to a person...

1. a physical or mental impairment which substantially limits one or more of such person's major life activities,
2. a record of having such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802))."

Since the City of Las Vegas' code uses the same term as the FHA, the same meaning is likely intended. However, the city may want to include the federal definition in its code for clarification.

2. Revisit occupancy restrictions for group residential facilities. During the review of the city's zoning codes, we asked this question: *Does the jurisdiction policy allow any number of unrelated persons to reside together, but restrict such occupancy, if the residents are disabled?* The answer is no, not directly. However, city restricts occupancy for transitional living for released offenders, halfway houses for recovering alcohol and drug abusers and group residential facilities—but not for other types of uses (that are more likely to be occupied by unrelated persons). The city should examine this restriction to see if it has a disproportionate impact on persons with disabilities.

A recent legal case, although not in the Las Vegas area, suggests that the protected of class of disability may be extended to persons with substance abuse handicaps:

United States v. City of Columbus. On September 30, 2009, United States has filed a lawsuit against the City of Columbus, Indiana, for violating the Fair Housing Act by refusing to grant a nonprofit organization a permit to operate a group home for 11 men recovering from drug and alcohol addiction. The lawsuit, filed in the U.S. District Court for the Southern District of Indiana, charges that the Columbus Board of Zoning Appeals discriminated on the basis of disability by refusing a permit because of discriminatory attitudes toward recovering addicts among neighboring property owners.

This lawsuit arose because of complaints filed with HUD by Addiction Counseling Treatment Services, the agency that wanted to establish the group home, to be called Bethesda House. HUD referred the cases to the Justice Department after conducting an investigation and issuing a charge of discrimination. The suit seeks a court order prohibiting future discrimination by the city and requiring the city to grant the requested permit, revise its procedures to assure fair treatment for future housing projects for people with disabilities, pay monetary damages to compensate victims and pay a civil penalty.

3. Consider adopting special provisions for making housing accessible for persons with disabilities. Because there have been so many violations of ADA in new construction and the main reason complaints are filed is related to disability discrimination, the city should take a stronger stance on facilitating and encouraging accessible housing.

SECTION I.
Housing Policies and Land Use

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Housing Policies and Land Use

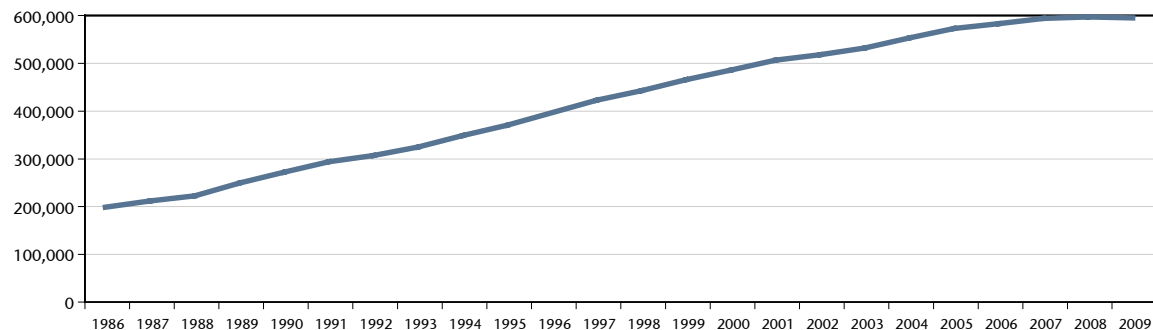
This section contains an analysis of public and private sector barriers to fair housing choice in the context of housing affordability and land use policies. It begins with an analysis of the demographics and affordability of housing in Las Vegas, including how the city has changed since 2000. This analysis also contains an examination of racial and ethnic concentration in Las Vegas.

The section then discusses the role of the Southern Nevada Public Housing Authority in facilitating housing affordability and fair housing choice. This section concludes with an analysis of the city's land use and zoning policies in the context of fair housing.

Demographics and Housing

The past two decades in the City of Las Vegas have been ones of extreme change. In 2000, the city's population reported by the U.S. Census was 478,434—an increase of 220,000 from 1990. The Nevada State Demographer estimates the city's population at 591,411 as of July 2009—about 113,000 more people than in 2000. Exhibit I-1 shows population increase in Las Vegas since 1986.

Exhibit I-1.
Population Change, City of Las Vegas, July 1986 - July 2009



Source: Nevada State Demographer.

As shown in the exhibit, after two decades of consistent, strong growth, the city's population growth has tapered off. The State Demographer estimates a slight decline in population from July 2008 to July 2009 (a loss of about 2,000 people).

Race and ethnic concentrations. One of the key components of fair housing analysis is an examination of the concentration of racial and ethnic minorities within a jurisdiction to detect evidence of segregation. In some cases, minority concentrations are a reflection of preferences—e.g., minorities may choose to live where they have access to grocery stores or restaurants that cater to them. In other cases, minority populations are intentionally steered away or discouraged from living in certain areas. Housing prices can also heavily influence where minorities live.

Las Vegas is very diverse racially and ethnically, especially for a city in the Western U.S. As of 2008, 51 percent of the population was White, Non-Hispanic. This compares with 58 percent in 2000. Ten percent of the population is Black/African American; 30 percent is Hispanic; 6 percent is Asian and the balance is made up of other races and ethnicities. Exhibit I-2 presents the breakdown of Las Vegas residents by race and ethnicity in 2008 compared to 2000.

**Exhibit I-2.
Population by Race and
Ethnicity, Las Vegas,
2000 and 2008**

Source:
U.S. Census Bureau, 2000 and 2008 American
Community Survey 1-year estimates.

Race/Ethnicity	2000	2008
American Indian and Alaska Native	1%	0%
Asian	5%	6%
Black or African American	10%	10%
Native Hawaiian and Pacific Islander	0%	0%
White	58%	51%
Other race	4%	3%
Hispanic or Latino	24%	30%
Not Hispanic or Latino	76%	70%

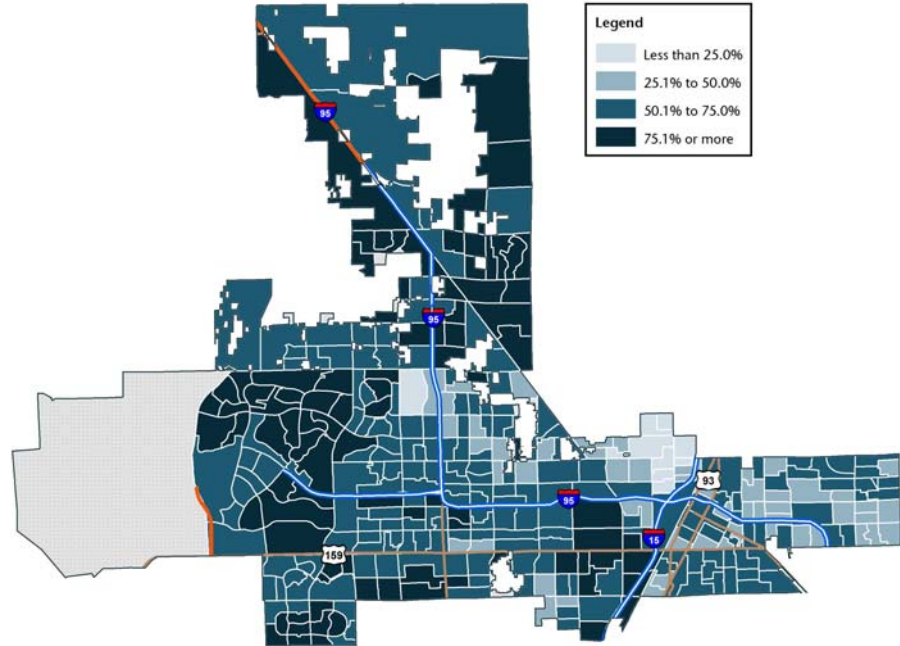
In the Las Vegas Valley, only North Las Vegas is more racially and ethnically diverse.

Recent Census data on migration from mid-2007 to mid-2008 show that the city’s predominant minority populations moved into the city as frequently (or more frequently) as Whites. About 9 percent of the city’s Black/African American population moved into the City of Las Vegas during this one-year period, compared to 4.4 percent of the Hispanic population and 5 percent of the White population. This movement suggests that minorities feel welcome and/or are able to obtain affordable housing that meets their needs in Las Vegas.

Exhibits I-3 through I-8 show where the city’s major races and ethnicities—White, Hispanic and Black/African American—reside in the city. The exhibits show both: 1) The overall racial composition of each Census block group; and 2) How the three distinct racial categories of persons are distributed throughout the city.

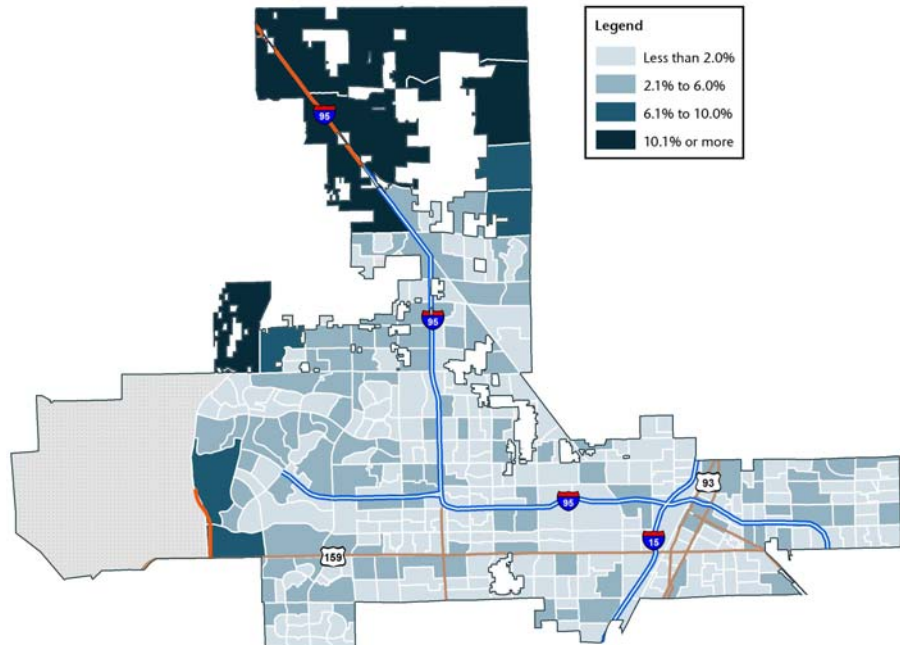
**Exhibit I-3.
Percent of Block
Group Population
that is White by
Block Group, Las
Vegas, 2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



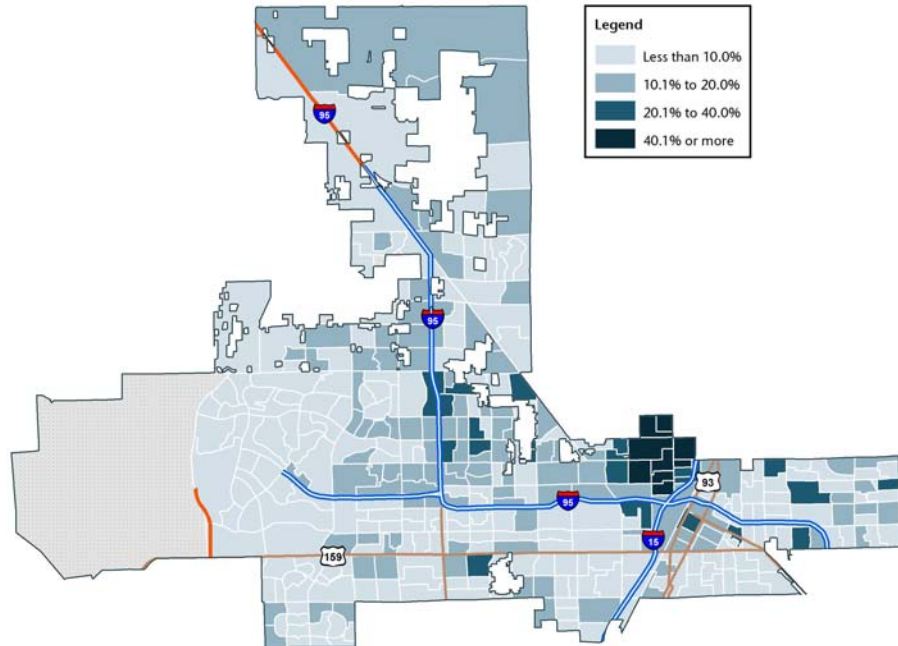
**Exhibit I-4.
Distribution of
Population that
is White by Block
Group, Las Vegas,
2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



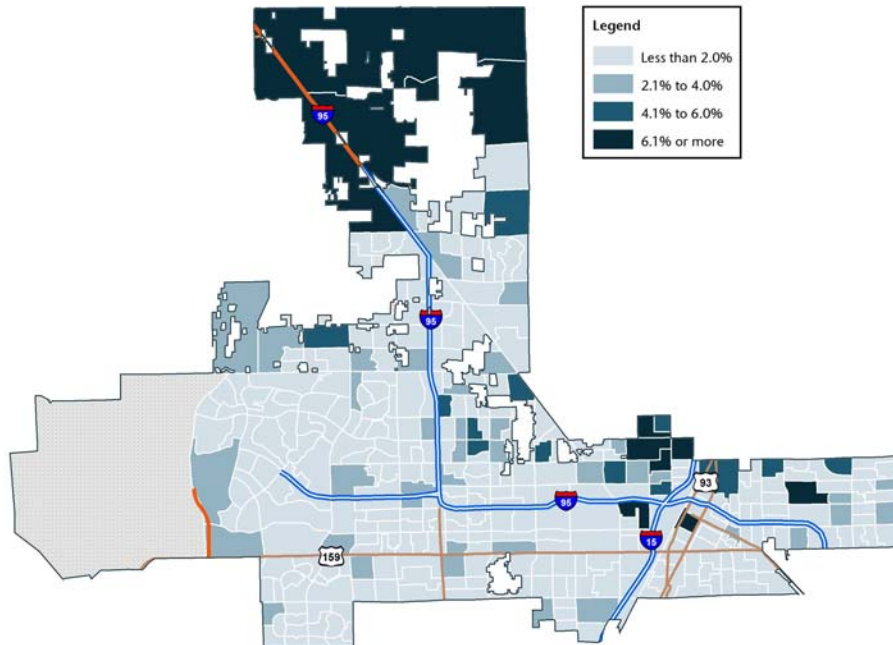
**Exhibit I-5.
Percent of
Population
that is African
American by
Block Group,
Las Vegas, 2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



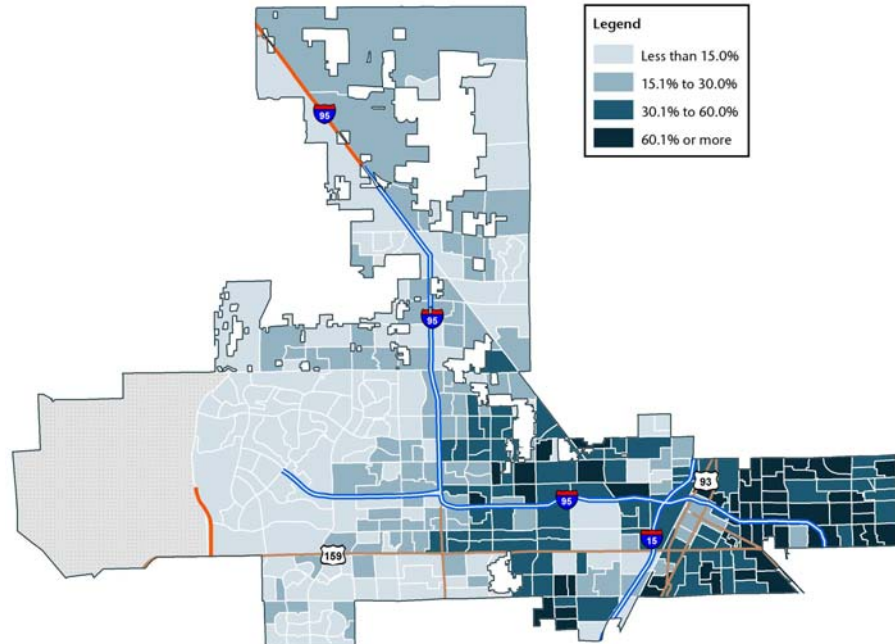
**Exhibit I-6.
Distribution of
Population
that is African
American by
Block Group, Las
Vegas, 2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



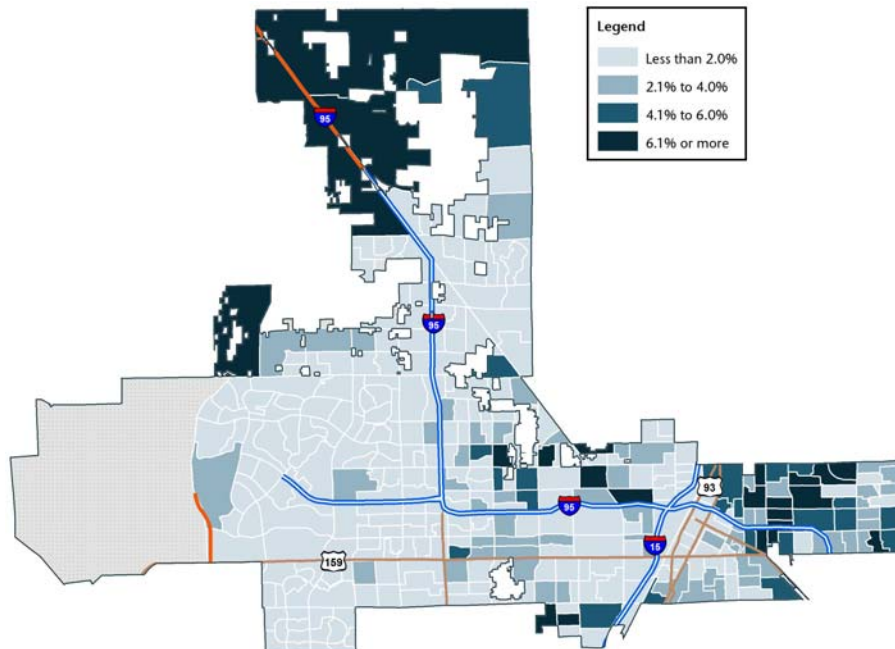
**Exhibit I-7.
Percent of
Population
that is Hispanic
by Block Group,
Las Vegas, 2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



**Exhibit I-8.
Distribution of
Population
that is Hispanic
by Block Group,
Las Vegas, 2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



The race and ethnicity concentration exhibits reveal the following:

- Many areas in the city have households that are more than 50 percent White. The exception is some parts of East Las Vegas.
- When the distribution of the city's White households is mapped (Exhibit I-4), concentrations of the city's White population is shown in the northern part of the city, and to a lesser extent, West Las Vegas.

- There are several block groups in the northern part of East Las Vegas with concentrations of African American households. However, when the distribution of the African American households is examined, the map shows that many African Americans live in the northern part of the city, similar to White households. In contrast, few African Americans live in West Las Vegas.
- The city's Hispanic population mostly lives in East Las Vegas. This portion of the city has many block groups with very high concentrations of Hispanics.

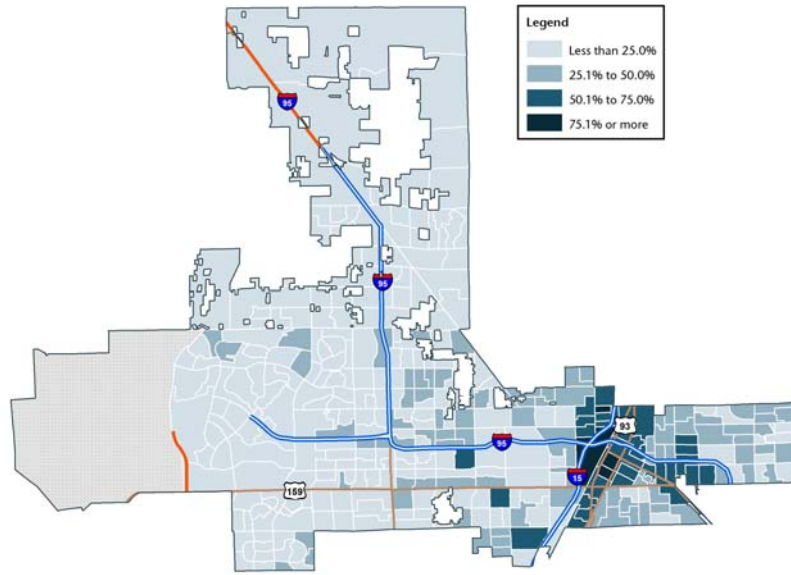
The Lewis Mumford Center and the University at Albany recently conducted an analysis of how the has shifted during the past decade. The study used exposure indices, racial and ethnic composition of metropolitan areas which measure the racial and ethnic composition of a Census tract where the average member of a given racial and ethnic group lives, to measure residential segregation. For the central city in Las Vegas, the study found that in 2000, the average white person lived in a Census tract that was 66 percent white. The average African American lived in a Census tract that was 22 percent African American. The study also ranked Las Vegas 231 nationally out of 331 metropolitan areas in terms of Black-white segregation. The report also concluded that segregation in Las Vegas has increased since 1980.

Income and low-income concentration. In 2008, the city's median household income was \$53,097, up almost \$10,000 from the median of \$44,616 in 2000. Between 2000 and 2008, the median household income in Las Vegas increased by 19 percent and inflation increased 25 percent. By comparison, between 1990 and 2000, the median income rose by 44 percent and inflation increased by 32 percent. Therefore, incomes kept up with inflation during the 1990s, but not in the 2000s.

Exhibit I-9 shows the proportion of each Census block group in Las Vegas that contains low income households—those earning less than \$25,000, or less than half of the city's median household income. Those with proportions greater than 24 percent have low-income households exceeding the citywide average. Exhibit I-10hows the proportion of low-income households (those earning less than \$20,000) for 1999, for comparison. The comparison reveals that low-income household concentration has changed little since 2000.

**Exhibit I-9
Proportion of Block Group that is Low Income (earning less than \$25,000), Las Vegas, 2009**

Source:
Claritas 2009 and BBC Research & Consulting.



**Exhibit I-10.
Location of Households Earning Less than \$20,000 Income, Las Vegas, 1999**

Source:
U.S. Census Bureau 2000 and BBC Research & Consulting.

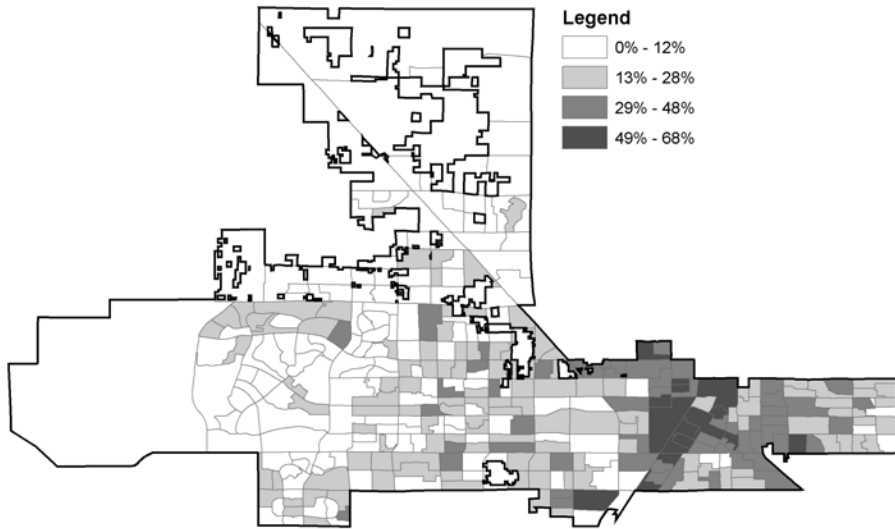


Exhibit I-11 shows how median incomes in Las Vegas vary by race and ethnicity, for 2000 and 2008. Compared to many other cities, Las Vegas has a smaller variance in median household income between Whites and minorities.

**Exhibit I-11.
Median Household
Income by Race and
Ethnicity, Las Vegas,
2000 and 2008**

Source:
U.S. Census Bureau 2000.

Race and Ethnicity	Median Income	
	2000	2008
American Indian and Alaska Native alone	\$37,500	\$57,627
Asian alone	\$47,069	\$64,068
Black or African American alone	\$30,430	\$36,710
Hispanic or Latino	\$37,122	\$44,128
Native Hawaiian and Other Pacific Islander alone	\$41,833	N/A
Other Race	\$38,265	\$40,852
Two or more races	\$39,169	\$62,192
White alone	\$47,166	\$55,229
Las Vegas Median Income	\$44,069	\$53,097

Familial status and disability. Other types of people who may be more vulnerable than others in facing housing discrimination and/or have greater challenges in finding affordable, appropriate housing include single parents and persons with disabilities. Fair housing surveys conducted by BBC have shown that public support is lowest for fair housing laws that protect families with children; many people believe landlords should be able to deny families with children rental units.

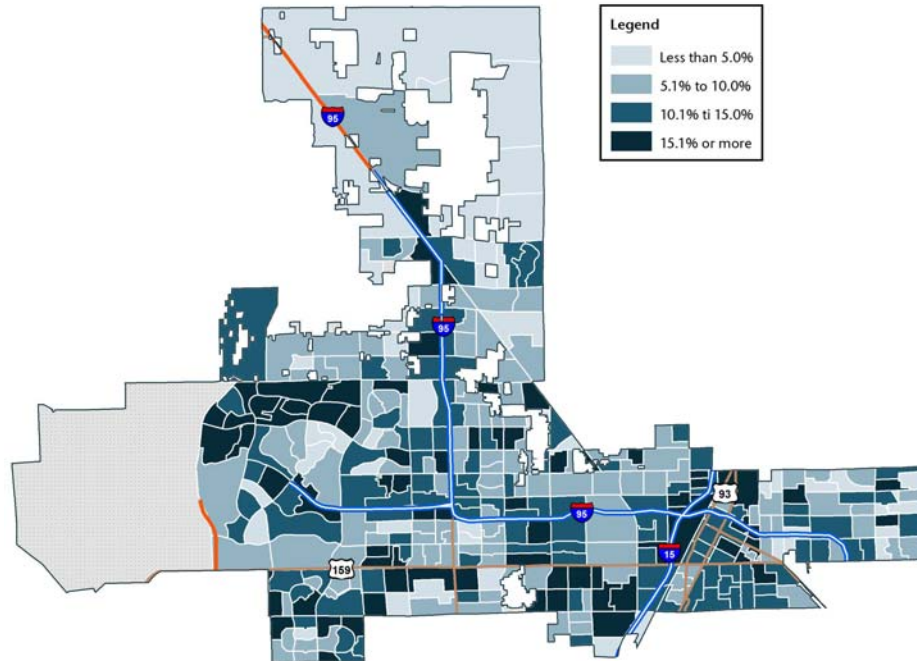
Many persons with disabilities require housing that has accessibility features, is near public transit and supportive services, and is affordable. Persons with disabilities are also at greater risk of experiencing housing discrimination, oftentimes due to a lack of knowledge about laws governing accommodations for the disabled.

As of 2009, an estimated 19,600 households in Las Vegas were made up of single-parent families. This represents about 9.5 percent of all households in the city. Most of these households (71 percent) were female-headed. In 2009, the percent of female-headed households was 6.7 percent—about the same as in 2000.

Exhibit I-12 shows where female-headed households reside in the city. Except for the northern part of the city, female-headed households are distributed fairly evenly throughout the city.

**Exhibit I-12.
Proportion of
Female-Headed
Households in
Block Group,
Las Vegas, 2009**

Source:
Claritas 2009 and BBC
Research & Consulting.



The 2008 Census American Community Survey reports that about 10 percent of Las Vegas’ population has a disability¹. This is a much lower proportion than that estimated by the 2000 Census (22 percent). This suggests that the city’s recent growth has been in the younger age cohorts, where the incidence of disability is much lower (the presence of a disability increases dramatically as one ages). Recent data showing where persons with disabilities live is not available.

Affordability. A recent report by a California-based real estate consultant called affordability in Las Vegas “the best it has been in 30 years.” The consultant also reports that affordability levels in Las Vegas have “corrected back” to 2000 levels. The median home price in the city is currently \$133,800 (just about the median in 2000). This compares to \$267,000 in 2008, according to the Census. This means that the city’s core workforce—cab drivers, hotel workers—can afford to buy in the city².

The drop in prices has been felt throughout the city, with previously expensive areas like Summerlin (north/west Las Vegas) becoming much more affordable than they were even 2 years ago. This means that residents may be able to move into areas in the city that have been unaffordable to them, which will add to the diversity in affordability in the city’s more expensive neighborhoods.

The Census’ 2008 American Community Survey (ACS) estimated that about 13 percent of the city’s housing stock was vacant—and most of these units were vacant rentals. The ACS estimates that about 57 percent of households in the city are owners; 43 percent are renters.

¹ The term “disability” for Census purposes includes persons with mental, physical, and sensory disabilities, as well as limitations of going outside of one’s home or caring for oneself

² <http://www.lvrj.com/news/las-vegas-housing-affordability-best-in-30-years--analyst-says-92920669.html>

Rent prices in the Greater Las Vegas area remain high, with HUD reporting the fair market rent for a 2 bedroom unit in Clark County at \$1,063 for 2010. The Census estimates that the 2008 median rent is \$861 for the City of Las Vegas, compared with \$632 in 2000. This means that renters are paying about \$230 more a month for rent than in 2000. The good news is that the drop in for sale home prices means that the city's renters may now be able to buy and pay less than if they were renting.

Southern Nevada Regional Housing Authority

When the 2003 AI was completed, the Las Vegas metropolitan area had three housing authorities: the Las Vegas Public Housing Authority, the North Las Vegas Public Housing Authority, and the Clark County Public Housing Authority. During the past 2 years, there have been ongoing efforts to consolidate these three PHAs into one, the Southern Nevada Public Housing Authority³. A recent bill that was passed by the state legislature required that the housing authorities "regionalize" in 2010.

The PHA's current (interim) executive director is a seasoned professional with many years of both public and private experience (including leading both the former City of Las Vegas and Clark County housing authorities) and is familiar with the fair housing issues with which the city's housing authority has encountered in the past.

This section discusses the policies and procedures of the new Southern Nevada Regional Housing Authority (PHA). As part of this study, we interviewed staff at the PHA, using the questions suggested by HUD in its fair housing planning guide. The interview discussed policies and procedures of placing residents in PHA developments and in distributing Section 8 vouchers, procedures to mitigate racial and ethnic segregation, and efforts to provide housing to persons who require accessibility accommodations. Significant findings are included below.

Intake and wait lists. The PHA has a standardized intake procedure for individuals inquiring about affordable housing that is owned or managed by the housing authorities and Section 8 vouchers. First, individuals are given a pre-application. After the application is completed, it is time and date stamped. Completion of a pre-application is necessary to be placed on the PHA's waiting list. *No pre-applications are denied* and no screening for eligibility takes place at this point in the process.

The PHA was in the process of consolidating the wait lists of the PHAs at the time this study was completed. The consolidation began with staff manually reconciling the individuals on the three separate wait lists of the former housing authorities. Then, the PHA wrote letters to all of the individuals on the wait lists asking: 1) Are they still interested in public housing and/or Section 8 vouchers? , and 2) What preferences do they qualify for?

³ When this report was being prepared, the North Las Vegas Housing Authority consolidation had not yet been completed.

Preferences for residents applying for PHA housing and vouchers include:

- Veterans;
- Local residents (of Clark County);
- Elderly;
- Disability (physician verification is required);
- Affected by a natural disaster (e.g., Hurricane Katrina); and
- Working families (at least 20 hours per week) or disabled and unable to work.

The wait lists were consolidated for those residents still interested based on preferences and the date residents filled out an application.

Because the wait lists are so long, the PHA opens the wait list only every 2 to 3 years. When the wait list is open, a notice is published in local newspapers. Interested residents are instructed to call a telephone number on a certain date to express interest in housing. This number and the calls are monitored by a third party that records the numbers, dates and time when the calls were placed. This data is used to check against the wait lists if problems arise.

PHA properties. When persons who have applied for properties owned and managed by the PHA reach the top of the waiting list, they are notified that they will need to complete a tenant application. This is done in advance of properties becoming available to ensure that apartments are filled quickly after they are vacated. Once the tenant is approved, they are offered an available unit. The PHA makes only one offer of an “appropriate unit” to individuals who reach the top of the waiting list. If they reject the unit, they are removed from the waiting list. A unit may be considered inappropriate if it does not accommodate a disability or special need.

Section 8. The PHA holds introductory sessions for voucher holders. The PHA maintains lists of landlords who participate in the Section 8 program and distributes the lists to voucher holders during orientation sessions. The lists contain information on the accessibility of units within the developments.

Voucher holders have a 60-day period to secure a housing unit and can ask for a 30-day extension. Persons with disabilities can receive a 60-day extension. The PHA will provide transportation to applicants to look at properties if no other means of transportation is available.

The PHA requires that the lease form used for Section 8 recipients is the standard form used for other unassisted tenants. The PHA mandates that the security deposit cannot exceed one month’s rent. The lease term for voucher holders is one year.

In the current economic environment, landlords in the Greater Las Vegas area are eager to participate in the Section 8 program. The supply of landlords who accept Section 8 is reportedly adequate to meet demand.

Voluntary Compliance Agreement. In the mid-1990's, the Las Vegas Housing Authority entered into an Amended Voluntary Compliance Agreement (VCA) with HUD to remedy the Authority's alleged violations of the Civil Rights Act.⁴ According to HUD, the PHA had been treating African American applicants differently than other applicants and had excluded and/or limited their participation in PHA developments, particularly in certain areas in Las Vegas. Under the VCA, the PHA undertook a number of activities to resolve the inequities resulting from the Authority's past activities:

- Vouchers and public housing units were offered to individuals who had been or were likely to have been affected by the Authority's procedures;
- The Authority established a complaint taking process for affected individuals; and
- The Authority implemented a number of reporting tools to monitor and audit its procedures of selecting potential tenants and voucher holders and placing tenants in PHA developments.

The PHA completed its requirements of the VCA in 2000. The new Regional PHA maintains a staff member who ensures that the PHA is in compliance with Fair Housing Law and who has implemented and manages a deconcentration effort. The PHA carefully monitors and attempts to mitigate racial and ethnic concentration in its developments.

Section 504 compliance. When the Regional PHA was formed, both the Las Vegas Housing Authority and Clark County Housing Authority were under VCAs for noncompliance with Section 504 (i.e., the PHAs did not have enough accessible units). The PHA is in the process of complying with the VCA to make at least 5 percent of its units accessible. The PHA is also examining how it can improve reasonable accommodation requests of tenants and has just adopted the forms that HUD recommends.

Zoning Codes, Comprehensive Plans, Planning Fees and Codes

As part of the AI, we reviewed the City of Las Vegas' zoning regulations, comprehensive plan and planning fees to assess potential fair housing concerns or opportunities resulting from the development process. This section summarizes the findings from this review.

Zoning code. To evaluate potential fair housing concerns within the city's zoning code, BBC utilized a "Review of Public Policies and Practices (Zoning and Planning Codes)" form recently circulated by the Los Angeles fair housing office of HUD. This section poses the questions from this checklist, along with responses about the city's code.

Does the code definition of "family" have the effect of discriminating against unrelated individuals with disabilities who reside together in a congregate or group living arrangement? No, the city's code does not use the term "family."

⁴ The interim director of the Southern Nevada Regional Housing Authority became executive director of the Las Vegas Housing Authority during the VCA negotiation. As such, he is very familiar with the reason for the VCA and required mitigation.

Zoning Regulation Impediment: Does the Code definition of “family” have the effect of discriminating against unrelated individuals with disabilities who reside together in a congregate or group living arrangement? N/A, see above.

Zoning Regulation Impediment: Does the Code definition of “disability” the same as the Fair Housing Act? “Handicap” is used in the definition of the types of occupants in group residential facilities, but the term is not defined.

The Federal Fair Housing Act also uses the term “handicap” (not “disability”) and defines handicap as: “with respect to a person--

1. a physical or mental impairment which substantially limits one or more of such person's major life activities,
2. a record of having such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).”

Since the city code uses the same term as the FHA, the same meaning is likely intended. However, the city may want to include the federal definition in its code for clarification.

Practice Impediment: Does the zoning ordinance restrict housing opportunities for individuals with disabilities and mischaracterize such housing as a “boarding or rooming house” or “hotel”? No.

Practice Impediment: Does the zoning ordinance deny housing opportunities for disability individuals with on site housing supporting services? No.

Does the jurisdiction policy allow any number of unrelated persons to reside together, but restrict such occupancy, if the residents are disabled? Not directly, although the occupancy restrictions for group residential facilities could be an issue. The city restricts occupancy for transitional living for released offenders, halfway houses for recovering alcohol and drug abusers and group residential facilities—but not for other types of uses (that are more likely to be occupied by unrelated persons).

Does the jurisdiction policy not allow disabled persons to make reasonable modifications or provide reasonable accommodation for disabled people who live in municipal-supplied or managed residential housing? No.

Does the jurisdiction require a public hearing to obtain public input for specific exceptions to zoning and land-use rules for disabled applicants and is the hearing only for disabled applicants rather than for all applicants? No.

Does the zoning ordinance address mixed uses? Yes, the code contains regulations on permitted mixed use properties.

How are the residential land uses discussed? Mixed use is defined as: The vertical integration of residential uses and commercial or civic uses within a single building or a single development, where the uses share pedestrian access, vehicular access, parking functions, or any combination thereof.

What standards apply?

Conditional Use Regulations:

1. Residential uses permitted as of right in the R-3, R-4 and R-5 Zoning Districts are permitted as conditional uses within an N-S, C-1, C-2 or C-PB Zoning District.
2. Commercial uses or civic uses shall be located at the ground level fronting the primary public rights-of-way, and the principal entryway for those uses shall be directly accessed from and oriented to the public sidewalk.
3. Residential uses shall not be permitted on the ground floor fronting on primary public rights-of-way, but may be located at or above the second level of the building. Residential uses may be located on the ground floor of any building or portion thereof that is located at the interior of the development site and does not front on an arterial or collector street.
4. Surface parking lots shall be located to the side or the rear of the principal building(s) on the site, and shall be screened from view of the adjacent rights-of-way by the principal building(s) or a landscape buffer in conformance with the requirements of LVMC Chapter 19.10. Parking structures shall not be located along the street frontages of the development site, but shall be screened from view of the adjacent rights-of-way by the principal building(s).

Minimum Special Use Permit Requirements:

1. Residential uses permitted as of right in the R-3, R-4 and R-5 Zoning Districts may be permitted by means of a Special Use Permit within a P-R or O Zoning District.
2. Nonresidential uses permitted as of right in the P-R, N-S, O and C-1 Zoning District may be permitted by means of a Special Use Permit within an R-3, R-4 or R-5 Zoning District.
3. Commercial uses or civic uses shall be located at the ground level fronting the primary public rights-of-way, and the principal entryway for those uses shall be directly accessed from and oriented to the public sidewalk.
4. Residential uses shall not be permitted on the ground floor fronting on primary public rights-of-way, but may be located at or above the second level of the building. Residential uses may be located on the ground floor of any building or portion thereof that is located at the interior of the development site and does not front on an arterial or collector street.
5. Surface parking lots shall be located to the side or the rear of the principal building(s) on the site, and shall be screened from view of the adjacent rights-of-way by the principal building(s) or a landscape buffer in conformance with the requirements of LVMC Chapter 19.10. Parking structures shall not be located along the street frontages of the development site, but shall be screened from view of the adjacent rights-of-way by the principal building(s).

On-site Parking Requirement: To be determined in accordance with the applicable parking standards for mixed-use developments.

Does the zoning ordinance describe any areas in this jurisdiction as exclusive? No.

Are there exclusions or discussions of limiting housing to any of the following groups? No. *If yes, check all of the following that apply:* N/A.

Are there any restrictions for Senior Housing in the zoning ordinance? If yes, do the restrictions comply with Federal law on housing for older persons (i.e., solely occupied by persons 62 years of age or older or at least one person 55 years of age and has significant facilities or services to meet the physical or social needs of older people)? The City of Las Vegas has a separate use for “Senior Citizen Apartments,” defined as “an apartment house or other multi-family dwelling in which each unit is occupied by at least one person 55 years of age or older, or in which the units are intended and operated for occupancy by persons 55 years of age or older.” This use includes an apartment house or other multi-family dwelling that qualifies as “housing for older persons” under the provisions of Federal law, including housing developments that:

1. Provide significant facilities and services specifically designed to meet the physical or social needs of older persons; and
2. Publish and adhere to policies and procedures that demonstrate an intent to provide housing for persons 55 years of age or older to the extent allowed by applicable state or federal law.

In Las Vegas, senior citizen apartments are permitted on a conditional basis in zones R-3, R-4 and R-5.

Does the zoning ordinance contain any special provisions for making housing accessible to persons with disabilities? No.

Does the zoning ordinance establish occupancy standards or maximum occupancy limits? Yes, for some uses: transitional living units for released sex offenders, halfway houses for recovering alcohol and drug abusers and group residential care facilities.

Does the zoning ordinance include a discussion of fair housing? No.

Describe the minimum standards and amenities required by the ordinance for a multiple family project with respect to handicap parking. Handicapped parking for all types of residential developments is discussed in Chapter 19.10 of the city’s zoning code. For multifamily uses, the requirement is as follows: “Handicapped parking for multifamily residential uses shall be provided at the rate of one space for each dwelling unit that is designed for occupancy by the handicapped.” The design standards for handicapped parking units appear reasonable.

Does the zoning code distinguish senior citizen housing from other single family residential and multifamily residential uses by the application of a conditional use permit (cup)? No. The code has a “Assisted Living Apartments” category that requires a Special Use Permit if it is proposed in a R-2, C-1 or C-2 zoning district.

Does the zoning code distinguish handicapped housing from other single family residential and multifamily residential uses by the application of a conditional use permit (cup)? No.

How are “special group residential housing” defined in the jurisdiction zoning code? The city has several types of uses that include group homes:

Group Residential Care Facility, defined as: “A dwelling of a residential character which is used or intended to be used to provide housing and care for up to ten elderly persons or persons with a handicap. This use does not include an individual residential care facility; convalescent care facility; nursing home; hospital; facility to provide testing, treatment, or counseling for drug or alcohol abuse.” Group residential facilities are permitted by conditional use.

The city zoning code stipulates that group residential care facilities must be 1,500 feet apart from other group residential care facilities, transitional living facilities for released offenders or homes that house recovering substance abusers. However, a waiver of the distance limitation may be obtained from the City Council, after a recommendation from the Planning Commission as follows:

- a. A public hearing must be conducted by both the Planning Commission and City Council, after notice of hearing has been provided as in the case of a Special Use Permit.
- b. The applicant must demonstrate to the satisfaction of the City Council that:
 - i. Approval of a waiver will not adversely affect the health and safety of the general public or the residents of any existing or proposed facility whose location is being considered in connection with the waiver; and
 - ii. The location of the proposed facility in proximity to the facilities whose location is being considered will not inhibit the integration of disabled persons into the community or neighborhood in question.

Convalescent Care facilities/Nursing Home are allowed in almost all residential zones by special permit.

Individual residential care facilities, allowed in almost all residential zones, are defined as home in which a natural person furnishes food, shelter, assistance and limited supervision, for compensation, to not more than 2 persons who are aged, infirm, mentally retarded or handicapped, unless the persons receiving those services are related within the third degree of consanguinity or affinity to the person providing those services.

Does the jurisdiction’s planning and building codes presently make specific reference to the accessibility requirements contained in the 1988 amendment to the Fair Housing Act? Yes. *Is there any provision for monitoring compliance?* Yes, an inspection takes place before a certificate of occupancy is signed off.

The city’s zoning regulations allow for a wide range of development types and specifically address both manufactured housing and multi-use developments. Overall, the zoning regulations appear appropriate. Items of note are outlined below.

The city has a minimum lot square footage requirement for single family housing that ranges from 3,500 to 40,000 square feet, depending on the dwelling district.

- The single family residential district's (R-1) zoning district is to provide for the development of the detached single-family dwelling in a suburban setting. The district is consistent with the policies of the Low Density Residential category of the General Plan. The minimum lot size is 6,500 square feet and the dwelling unit is allowed to cover 50 percent of the lot.
 - The single family compact lot (R-CL) district's minimum lot size is 3,500 square feet provided the minimum average lot size of all lots within the development is 3,750 square feet. The maximum lot coverage is 50 percent of the lot. This residential district also allows for zero lot line development. The district has historically provided smaller lot sizes for single-family units and other customary residential uses and the district has been considered to be consistent with the policies of the Medium-Low Density Residential category of the General Plan. *However, many types of development permitted within the R-CL District are inconsistent with development policies encouraged under the General Plan. Therefore, new development under the R-CL District is not favored and will be available only under very limited circumstances described in the Code.*
2. Manufactured homes that qualify for treatment as a single family detached dwelling are permitted in all residential districts except for the residential mobile/manufactured home park district. Otherwise, manufactured homes not qualifying as a single family detached dwelling are permitted in districts zoned primarily for mobile or manufactured homes. To qualify as a single family detached dwelling a manufactured home must have been built within the previous five years when it was affixed to the lot, consist of 1,200 square feet, be permanently affixed to the lot with the foundation covered by landscaping or architecturally, and be compatible structurally and visually with the surrounding homes.
 3. The City passed a Live-Work Ordinance (Ordinance #99-61) in 2000, allowing retail on the ground floor of a building and living quarters upstairs in any area zoned for commercial use within the City's Redevelopment Plan Area. This change is intended to encourage mixed-use development and to create an opportunity for affordable housing closer to work.
 4. The Residential Apartment District (R-5) has a minimum lot size of 7,000 square feet with unlimited dwelling units per acre. However, there are height restrictions of either 5 stories or 55 feet, whichever is less. This height restriction imposes a somewhat density limit in all district except the Downtown Overlay District where height is unlimited.
 5. The Downtown Overlay District has removed mandatory maximum building height, required building setback, maximum lot coverage, residential adjacency, standard landscaping requirements, and standard parking requirements in order to encourage mixed-use development.
 7. The Planned Development District was created to be a flexible district which may be applied to individual properties, larger planning areas or areas with multiple properties for redevelopment, economic development and cultural enrichment. The district may be used for mixed-used developments, therefore creating more residential development closer to commercial areas. The processing and review of the Site Development Plans involves a shortened process called a "minor review" which may be approved administratively by the Director.

Comprehensive Plan. The Las Vegas Master Plan is an important policy document in its guidance of the land use process. The Master Plan is a required component of the city's Strategic Plan, which was adopted by City Council in September 2000. Most elements of the Master Plan have been updated between 2005 and 2009.

Strategic plan. The Strategic Plan, updated in 2006, emphasized the need to revitalize the city's mature areas and urban core; provide a safe environment for residents, businesses and visitors using a community oriented approach; provide public facilities and services that promote healthy lifestyles for all segments of the community, including the disabled, homeless, low-income resident, seniors, and youth; provide affordable housing, improve streets and sidewalks, parks and recreation facilities that help revitalize and invigorate the city's urban core; and support diverse, safe sustainable and livable neighborhoods through the improvements to housing, facilities, infrastructure and services. Such efforts should have strong positive implications for fair housing, as the older portion of the city also contains the highest percentage of minority and low-income populations. Improvements to housing and community services in this area of the city should enhance the quality of life and opportunities for these target populations.

Housing element. The Master Plan and its housing policy component, the Housing Element, contain a number of planning goals and objectives that promote fair housing and reduce barriers to housing choice. Those that are likely to impact fair housing in the future are discussed in turn below.

Goal 1. The city's downtown will emerge as the hub of business, residential, governmental, tourism and gaming activities.

- **Objective 1.1:** Develop a "significant" housing component within the downtown area. New market rate, multi-unit, mixed-use residential development shall be encouraged on vacant or underutilized sites. Safe, affordable and mixed-income residential development shall continue to be developed within the downtown area. *These policies should improve the quality of life and community services of current residents of downtown.*
- **Objective 1.2:** Improve the livability of downtown through the creation of a series of safe, attractive, and interesting public open spaces. Downtown parks shall be linked with non-vehicular corridors or routes. The intent of the policies in this objective is to foster a safe, pleasant and convenient pedestrian environment. *These policies should create additional recreational opportunities for persons who are mobility impaired and make the city easier to navigate.*
- **Objective 1.6:** Provide high quality transit service including integrated bus and rapid transit. *This policy should improve the ability of persons who are mobility impaired, low-income populations, and persons without vehicles access employment, services, and recreational opportunities in the city.*

Goal 2. Mature neighborhoods will be sustained and improved through appropriate and selective high quality redevelopment and preservation.

- **Objective 2.1:** Focus residential reinvestment on transitional sites within the central city area at densities that support mass transit usage. Design commercial development in a walkable and non-vehicular friendly manner, providing shelter from sun and wind. Demand for transportation services shall be reduced by improving the balance between jobs and housing and by creating opportunities for people to live and work. *This policy should improve the ability of persons who are mobility impaired, low-income populations, and persons without vehicles access employment and services.*
- **Objective 2.1:** also includes a mixed use policy that senior citizens' and assisted living housing be encouraged to develop, both to meet the needs of community residents who wish to age in place in their neighborhoods and as a means of increasing residential densities in these areas. *This policy should increase housing opportunities for persons who are mobility impaired and elderly.*
- **Objective 2.4:** Ensure that the quality of existing residential neighborhoods within the City of Las Vegas is maintained and enhanced. Aggressively promote the acquisition and development of land for parks in central city locations and improve maintenance and overall appearance of existing parks. *This policy should contribute to improving the quality of life of central city residents.*
- **Objective 2.4.** States that crime prevention and public safety shall be the primary priority for the city's neighborhoods. *This policy should contribute to improving the quality of life of central city residents.* The city shall work to improve the quality and appearance of signage through review, amendment and consistent application of its Sign Code. *This policy should increase the safety of persons who are mobility impaired.*
- **Objective 2.6:** Includes an infill development policy that "the City investigate the development of an incentive program designed to encourage property owners to redevelop vacant or derelict sites within the Neighborhood Revitalization area." *This policy could contribute to improving the quality of life of low-income and minority residents and enhance their housing opportunities.*

Goal 3. Newly developing areas of the city will contain...recreational and open space...and be linked to major employment centers.

- **Objective 3.1:** New residential neighborhoods shall emphasize pedestrian linkages within the neighborhood and ready access to transit routes. *This policy should increase the safety of persons who are mobility impaired and improve their access to community services and employment, as well as offering them alternative housing opportunities.*
- **Objective 3.3:** Ensure that there is a diverse choice of affordable housing types and costs that meets the present and future needs of the city's population, provides more opportunities for home ownership, and *affords residents a greater opportunity to reside in the housing of their choice. This objective is an example of good fair housing policy in city planning.*

In addition to the above goals and objectives, *the more recent Housing Element of the Master Plan contains several additional components that strongly endorse address fair housing:*

- An action to “address the difficult issues of small parcel sizes and inflated land values. The City shall establish a special team to consider and resolve the problem of how to assemble, clear and prepare land for the production of new urban housing developments and mixed-use projects with a substantial residential component in Downtown Las Vegas”⁵;
- An action to “implement citywide special fast-track approval methods for selected Downtown housing development team projects”⁶;
- A newly developing area policy that “the City pursues a fair housing policy that discourages discrimination, avoids concentration of low-income housing, and encourages a wider range of housing types”⁷; and
- A newly developing area policy that “affordable housing, including quality mobile home parks, be encouraged, and that incentives be considered for projects containing affordable, owner-occupied housing.”⁸

Planning fees. As part of the land use review for the AI, we examined the level of fees for zoning changes, variance requests and the development of residential housing. The City of Las Vegas’ development fees were found to be similar or lower than those in surrounding communities; its zoning change and variance fees are a bit higher.

Exhibit I-13 shows the fees for zoning changes and variance requests.

**Exhibit I-13.
Change of Zoning
and Variance Fees
for Las Vegas and
Surrounding Cities**

Source:
City of Las Vegas, City of Henderson,
City of Mesquite and City of North Las Vegas.

	Zoning Change	Variance
Las Vegas	\$1,200 (\$700 plus \$500 notification fee)	\$800 (\$300 plus \$500 notification fee)
Henderson	\$670 (\$520 plus \$150 advertising fee)	\$436 (\$286 plus \$150 advertising fee)
Mesquite	\$900 (\$600 plus \$300 notification fee)	\$650 (\$350 plus \$300 notification fee)
North Las Vegas	\$700 (\$550 plus \$150 advertising fee)	\$550 (\$400 plus \$150 advertising fee)

⁵ Las Vegas Housing Element, p. 23.

⁶ Ibid, p. 23.

⁷ Ibid, p. 50.

⁸ Ibid, p. 50.

Exhibit I-14 on the following page displays the common building permits and impact fees assigned for building a \$150,000 or a home that has 2,000 square feet.

Sewer fees were the only fees that differed significantly among the cities. As of October 1, 2006, the cities of Las Vegas, Henderson and North Las Vegas joined together to help financially support the Clean Water Coalition (CWC). The additional \$874 in each city's sewer fee (set to increase to \$887 on July 1, 2010) is paid to the CWC for management of the Clark County Reclamation District. The CWC provides regional infrastructure between the participating cities and maintains a wastewater facility. The City of Mesquite has a considerably lower sewer fee because they are not a member of the CWC.

The Clark County Desert Conservation Fee is shared among all cities. The fee is assessed on non-municipal land zoned for private development (\$550 fee per acre). The cities of Las Vegas and Henderson have imposed additional administrative fees for handling the Desert Conservation fee. The \$550 per acre applies when more than half of each acre in a development is graded for construction. On plots that grade less than one-half acre (more than one-half acres remain natural), the Desert Conservation Fee is reduced.

**Exhibit I-14.
Common Building and Impact Fees for Las Vegas and Surrounding Communities**

	Building Permit	Sewer	Transportation	Park Impact	Desert Conservation Program ⁶	Electric, Mechanical, and Plumbing fees
Las Vegas	\$716 ⁵ (\$561 + \$3.10 for every additional \$1,000 of value above \$100,000)	\$2,807 ¹ (\$1,933 city fee + \$874)	\$885 (\$700 transportation tax + \$185 traffic signal impact fee)	\$720 (\$.36 per Sq. Ft. of habitable space) ^{2,3}	\$575 (\$550 for each acre + \$25 admin fee)	Plumbing Permit - 20% of Building Permit Fee Electric Permit - 20% of Building Permit Fee Mechanical Permit - 15% of Building Permit Fee
Henderson	\$1,350 ³	\$2,674 ¹ (\$1,800 city fee + \$874)	\$700 transportation tax	\$720 (\$.36 per Sq. Ft. of habitable space) ^{2,3}	\$625 (\$550 for each acre + \$75 admin fee)	Plumbing Permit - \$176; Plan Check (\$135 per hour + \$41 admin. fee) Electric Permit - \$176 Plan Check (\$135 per hour + \$41 admin. fee) Mechanical Permit - \$176 Plan Check (\$135 per hour + \$41 admin. fee)
Mesquite	\$1,121 ³	\$1,324 ⁴ city fee	\$700 transportation tax	\$1,000 (1 percent of valuation of structure) ^{2,3}	\$550 (\$550 for each acre)	Plumbing - Sq. Ft. x .035 = fee amount Electric - Sq. Ft. x .045 = fee amount Mechanical - Sq. Ft. x .030 = fee amount
North Las Vegas	\$730 ⁵ (\$566.67 + \$3.27 for every additional \$1,000 of value \$100,000)	\$2,604 ¹ (\$1,730 city fee + \$874)	\$700 transportation tax	\$1,000 (1 percent of valuation of structure) ^{2,3}	\$625 (\$550 for each acre)	Plumbing Permit - \$35 Electric Permit - \$35 Mechanical Permit - \$35

Note: Unless otherwise noted, each fee is assessed on a per-unit basis.

- 1 The additional \$874 (set to increase to \$887 on July 1, 2010) is paid to Clean Water Coalition (CWC).
- 2 Capped at \$1,000
- 3 Assumes a 2,000 square foot single family home
- 4 The City of Mesquite is not part of the Clean Water Coalition
- 5 Estimated Value of home is \$150,000
- 6 The Desert Conservation Fee only applies to lots that are 1/2 acre or larger

Source: City of Las Vegas, City of Henderson, City of Mesquite and City of North Las Vegas.

Nevada State Law. Since the production of previous AIs for the City of Las Vegas, state law has changed to require a mandatory land use component within a master plan. This change in state law did not significantly affect planning for the City of Las Vegas since the city’s General Plan contains such a component. However, the state law may positively contribute to regional planning efforts.

Bureau of Land Management. The Nevada Bureau of Land Management (BLM) administers almost 48 million acres of public land and the lands make up 67 percent of the state.⁹ Sales of land are conducted every six months, in May and November. The land sales are conducted as oral auctions and bidding begins at the appraised value with the highest bidder taking the property.

Only the land within a specified boundary as identified in the Southern Nevada Public Land Management Act are eligible for sale. A parcel is nominated for sale when the BLM is contacted by a department of local government, who is typically approached by a potential buyer inquiring about the parcel. The land must be nominated to the BLM one year before the proposed sale date. This long and unsure process (due to the review process and then auction) provides a difficult atmosphere for developers of affordable housing.

The BLM has developed an Affordable Housing Sale Policy for Nevada (see http://www.blm.gov/pgdata/etc/medialib/blm/nv/field_offices/las_vegas_field_office/snplma/pdf/affordable_housing.Par.20350.File.dat/Nevada_Guidance.pdf).

According to the Public Law 105-263 Section 7(b) Affordable Housing, land may be made available at less than fair market value to State or Local government entities for the development of affordable housing for low-income families. However, only those proposed projects which commit 50 percent, or more, of living space to affordable housing shall be considered by BLM to be a project for “affordable housing purposes”

The “discount” from the market value of the land depends on the affordability of the project, as shown in the following exhibit:

**Exhibit I-15.
BLM Affordable
Housing Discount**

Source:
Bureau of Land Management.

Multifamily Development Income Level (5 or more units)	Percent of Median Income	Discount
Extremely Low	<60%	95%
Very Low/Low	61% to 80%	90%
Single Family Development Income Level (1 - 4 units)	Percent of Median Income	Discount
Extremely Low	<60%	95%
Very Low/Low	61% to 80%	90%

⁹ Nevada Bureau of Land Management, <http://www.blm.gov/nv/st/en.html>

Southern Nevada Regional Planning Coalition. The Southern Nevada Regional Planning Coalition (SNRPC) is made up by Clark County, the cities of Boulder City, Henderson, Las Vegas, North Las Vegas, and the Clark County School District. The SNRPC is required to develop a comprehensive regional policy plan and may undertake planning tasks that include: to develop Las Vegas Metropolitan Planning area policies; to manage and implement recommendation adopted by the Southern Nevada Strategic Planning Authority; and to consider land use and zoning issues adjacent to the boundaries of the entities.

SNRPC is made of ten members that consist of two elected officials appointed by the governing body of Las Vegas, Henderson, North Las Vegas, and Clark County, and one appointed member from Boulder City and the Clark County School District.

The SNRPC produced a policy plan in 2001 to guide future development in the region. Many components of the plan have significance for fair housing policy and are discussed below.

- **Land use.** The policy plan focused heavily on land use in the region and strategies to mitigate sprawl and encourage smart growth. The plan included a recognition of Las Vegas as the “downtown” for the region and as the governmental, financial, business and cultural center of the area. This could promote revitalization and redevelopment of the city core in Las Vegas, which could improve the quality of life and community services for lower income residents in the area. The plan also encouraged the creation of incentives for infill development in the downtowns of Las Vegas, Henderson, Boulder City and North Las Vegas; promotion of mixed-use development and better jobs/housing balances in employment centers; and a requirement that jurisdictions create and implement an infill and redevelopment policy within their Comprehensive Plans. These policies could all have the effect of creating additional affordable housing and/or adding to the diversity and choice of housing stock for Las Vegas and Clark County residents.
- **Cooperative Planning.** The SNRPC plan includes incentives for intergovernmental planning, which could promote fair housing if the planning involved a regional approach to fair housing.
- **Transportation.** A key component of the policy plan is the creation of a coordinated and integrated regional transportation system. Such a system would improve fair housing choice if it included affordable, accessible public transit.
- **Affordable housing?** The regional plan was basically silent on the creation of affordable housing, although many of the incentives in the plan might have the effect of producing affordable housing. The affordable housing imbalance in the Greater Las Vegas area is not severe. However, given the expected growth in the region and the potential for increasing housing prices, it would be prudent to focus on a regional approach to providing affordable housing.

Building, occupancy and health and safety codes. The City of Las Vegas' Department of Building and Safety administers and enforces the 2006 International Building Code (IBC). Along with the International Building Code, the Department of Building and Safety enforces the 2005 National Electrical Code, the 2006 Uniform Plumbing Code, the 2006 Mechanical Code, and the 2006 Southern Nevada Pool Code. The city's building plan review, permitting and inspection system is set up to provide safety precautions by confirming that: construction plans reflect the requirements of the building and planning codes, and the public work standards; and building and site improvements are built according to the plans.

An additional safety program is the Department of Neighborhood Services' Rapid Response Team and Housing Division. They identify structures that are dilapidated, condemn them, and either rehabilitate or demolish them.

The Americans with Disability Act Program (ADA) is administered and implemented by the Human Resources department. The City ADA program is intended to protect persons with disabilities from discrimination in employment, government services and programs, transportation, public accommodations, and telecommunications.

SECTION II.

Fair Lending and Complaint Analysis

SECTION II.

Fair Lending and Complaint Analysis

This section examines private barriers to fair housing choice, as well as violations of the Fair Housing Act. It analyzes the fair housing complaints received by HUD during the past 5 years, discusses legal cases concerning fair housing issues and ends with a quantitative evaluation of lending practices in the Las Vegas area.

Fair Housing Complaints

Citizens of Las Vegas who believe they have experienced discrimination may report their complaints to the following entities: HUD's Office of Fair Housing and Opportunity (FHEO), the Nevada Fair Housing Center, Inc., the Nevada Equal Rights Commission (NERC), and Clark County Legal Services. NERC refers housing discrimination complaints to HUD.

Complaints that were investigated by HUD between 2005 and 2009 were collected and analyzed for this AI; these complaints are compared with complaint trends captured in the 2003 AI. Both the City of Las Vegas and the Southern Nevada Regional Housing Authority refer residents who feel they have been discriminated against directly to HUD.

Housing discrimination complaints. Housing discrimination complaints filed with HUD may be done online at (<http://www.hud.gov/complaints/housediscrim.cfm>), toll free at 1-800-669-9777, or by contacting the Office of Fair Housing and Equal Opportunity in Washington D.C. or Nevada's Fair Housing HUB located in San Francisco, California.

When a complaint is received by HUD, HUD will notify the person who filed the complaint and will normally notify the alleged violator and allow that person to submit a response. The complaint will be investigated to determine whether there has been a violation of the Fair Housing Act.

A complaint may be resolved in a number of ways. First, HUD will try to reach an agreement between the two parties involved. A conciliation agreement must protect the filer of the complaint and public interest. If an agreement is signed, HUD will take no further action unless the agreement has been breached. HUD will then recommend that the Attorney General file suit.

If HUD has determined that a state or local agency has the same housing powers ("substantial equivalency") as HUD, they will refer the complaint to that agency and will notify the complainant of the referral. The agency must begin work on the complaint within 30 days or HUD may take it back. If, during the investigative, review, and legal process, HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days, unless either party prefers the case to be heard in Federal district court.

Complaint trends. From 2005 through 2009, 204 fair housing complaints from Las Vegas residents were filed with HUD—or an average of about 41 complaints per year. This compares with 77 housing discrimination complaints filed between October 1999 and March 2003 for all of Clark County (an average of about 22 complaints per year, 19 from Las Vegas residents). On average, the volume of fair housing complaints received by HUD has increased by 116 percent.

Exhibit II-1 shows the trends in complaint filings during the past decade.

**Exhibit II-1.
Fair Housing
Complaint Trends,
1999 to 2009**

Source:
U.S. Department of Housing & Urban
Development, Office of Fair Housing and
Equal Opportunity, San Francisco
Region.

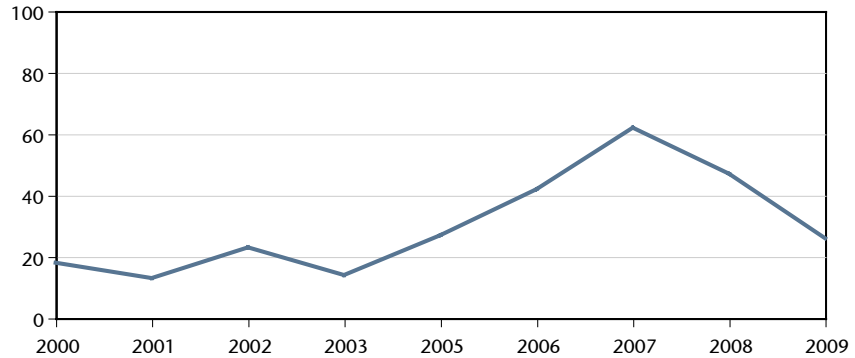
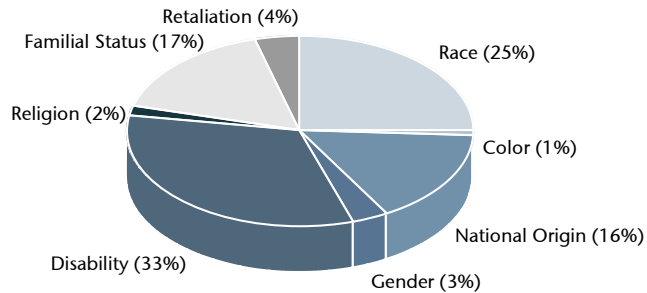


Exhibit II-2 shows the reasons complaints were filed during the past 5 years. The most common reason fair housing complaints were filed by Las Vegas residents in the past 5 years was discrimination on the basis of disability (32 percent of complaints), followed by race (25 percent) and national origin (16 percent).

**Exhibit II-2.
Basis of Housing
Discrimination Complaints
Filed with HUD, January
2005 to December 2009**

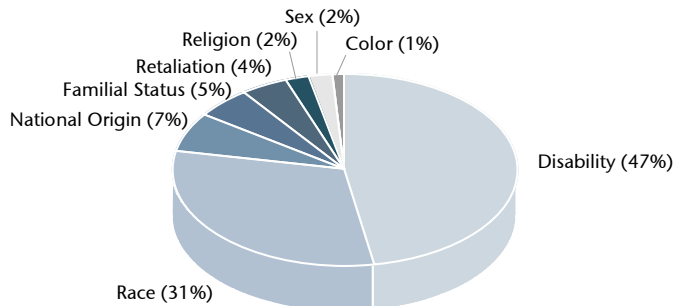
Source:
U.S. Department of Housing & Urban
Development, Office of Fair Housing and
Equal Opportunity, San Francisco Region.



Similar to the past 5 years, the most common reason for discrimination identified in Las Vegas (and Clark County) from late 1999 through early 2003 was disability. Disability cases made up 56 percent of the total complaints in Clark County received by HUD between 1993 and 2003. Discrimination on the basis of race was the next most common reason for complaints, representing 31 percent of the total complaints. In sum, the top reasons that complaints were filed have changed little during the decade.

**Exhibit II-3.
Basis of Housing
Discrimination Complaints
Filed with HUD, October 1999
to March 2003**

Source:
U.S. Department of Housing & Urban
Development, Office of Fair Housing and Equal
Opportunity, San Francisco Region.



Legal Cases

As part of the AI, recent legal cases were reviewed to determine trends in discriminatory behavior. The cases that are included below occurred or had activity within the past ten years.

Failure to comply with accessibility standards. The majority of the legal cases filed recently in the Las Vegas area involved developers, builders, engineers, and architects who failed to comply with the accessibility requirements of the federal Fair Housing Act and/or who failed to make reasonable accommodations for persons with disabilities.

U.S. Department of Housing & Urban Development v. Arbors Owners Association, Inc. and First Columbia Community Management, Inc. (2008). In September 2007, a complaint was filed with HUD on behalf of a Las Vegas resident alleging that Arbors Homeowners Association and First Colonial Community Management violated the Fair Housing Act by coercing, intimidating, threatening or interfering with the enjoyment of a property by denying the resident from making reasonable accommodations. The complainant is disabled and suffers from foot and ankle problems, which are painful and limit his ability to walk. The complainant purchased and lived in a condominium unit, which was damaged in May 2007 from flooding of the pipes of a neighboring unit. The complainant notified the owners association and management company of the damage and requested a reserved parking space to accommodate complainant's disability. The apartment association and management company refused to do so, even after the complainant agreed to provide them with documentation of the disability and need for a parking space. The apartment association and management company were found to be in violation of the Fair Housing Act.

United States v. Camden Property Trust. The complaint in this case alleged that two developers and an architect failed to design and construct several apartment complexes in Las Vegas with the features of accessible and adaptable design required by the Fair Housing Act. The violations include, steps into the individual units, inaccessible kitchens and bathrooms, no reinforcements in the bathroom walls for the installation of grab bars, and inaccessible public and common use areas. Under the terms of the consent decree, the defendants are required to pay nearly \$2 million to make retrofits to the apartment complexes, compensate aggrieved persons, and establish a retrofit fund. Specifically the defendants must: (1) pay approximately \$1.7 million to make retrofits to the public and common use areas and individual units at the apartment complexes; (2) pay \$25,000 to compensate aggrieved individuals; (3) pay \$247,500 to establish an accessibility fund which will be used to provide grants to persons with disabilities who live in Las Vegas to assist them in making retrofits to their homes. The architect who designed the apartment complexes is paying \$175,000 of the \$247,500 accessibility fund. Additionally, over the next five years, the architect is required to provide technical assistance to non-profit groups in the Las Vegas area which provide assistance in housing to persons with disabilities.

United States v. Torino Construction Corporation of Nevada, Inc., et al.(2004). This case was resolved by consent decree in January 2004. The complaint alleged that defendants, Torino Construction Corporation of Nevada, Inc., Sedona Corporation, Paradise Village F&B, and Canyon Willow II, LLC, failed to design and construct Canyon Willow Condominiums in Las Vegas in compliance with the design and construction provisions of the Act. Under the terms of the settlement, the defendants will pay \$1,500,000 to make the 360 covered ground-floor units as well as the public and common areas of the complex accessible to persons with disabilities. In addition, \$75,000 will be available to compensate individuals who may have been harmed as a result of defendants' conduct. The settlement also requires defendants to pay a civil penalty of \$5,000 to the United States. The consent decree will remain in effect for two and one-half years.

U.S. v. Tiberti-Blood, Inc., et al (2003). The United States entered into a Settlement Agreement with the developer, architect, site engineer, and homeowners association of Spanish Gardens Condominiums in Henderson, Nevada on April 1, 2003. The respondents were charged with failure to design and construct 112 ground-level apartments along with public and common use areas of the Spanish Gardens Condominiums to be accessible to persons with disabilities. The U.S. Department of Housing and Urban Development initiated the investigation and concluded the condominiums did not comply with the Fair Housing Act. The complaint was then referred to the Department of Justice.

Previous to the signing of the Agreement, the respondents had already retrofitted a portion of the common use and public areas. Following the Settlement Agreement, the respondents have 60 days to submit a plan for the completion of the remaining retrofits to the common areas, for approval by the Division. A fund will also be created for use by any homeowner to retrofit the interior of their apartment. After an initial notice, owners shall receive additional notices of the opportunity to retrofit their units, at no cost to them, on an annual basis for three years. The respondents shall also report information regarding future design or construction of multi-family housing and certify to the Department that such design or construction fully complies with the Act.

U.S. Department of Justice v. Wilmark Development Co., et al (2002). A lawsuit was filed against the owner, developer, architect, and site engineer of Green Valley Country Club Apartments in Henderson, Nevada. The suit alleges the defendants discriminated on the basis of disability by failing to construct the apartment complex in compliance with the Fair Housing Act that newly constructed multifamily housing contain certain features to make it accessible to persons with disabilities. The complaint alleges that 102 ground floor units of the complex's 204 units as well as the common and public area are inaccessible. The charges in the complaint are equivalent to those made in litigation concerning the same complex, *Nevada Fair Housing Center, Inc., et al. v. Green Valley Country Club Partnership, et al.*, that is also pending in the District of Nevada. The Division concurrently filed a motion to combine the two cases.

The case began when the Nevada Fair Housing Center, Inc., a fair housing rights organization, filed a complaint with HUD. HUD then referred the case to the Department of Justice who conducted an investigation and determined the property did not comply with the Fair Housing Act.

On November 29, 2004, the court entered a consent decree. The defendants have agreed to pay a total of \$718,000 to make the complex accessible to persons with disabilities.

U.S. Department of Justice v. Raintree Condominiums in Las Vegas (2002). This case was resolved by consent decree, in which the developer of Raintree Condominiums agreed to retrofit its condominium complex to make it accessible to persons with disabilities and to compensate persons who had been harmed by the lack of accessible features at the complex. The developer will pay \$280,000 to modify the condominium complex and \$70,000 to 8 households who were harmed by the lack of features in the complex.

U.S. Department of Justice v. Falcon Development Corp., et al (2002). The United States filed a complaint and consent decree on July 30, 2002, alleging that the defendants discriminated on the basis of disability by failing to design and construct units at Serenade Condominiums in Las Vegas to make them accessible to persons with disabilities. The defendants have agreed to pay \$390,000 to make the complex accessible to persons with disabilities and to compensate those who have been harmed by the lack of accessibility throughout the complex. The agreement also requires that defendants provide training to their employees on the requirements of the Act, notify the Justice Department of any future construction of multifamily dwellings, and ensure that such housing complies with the requirements of the Act.

This case began when the Disabled Rights Action Committee, a Utah-based disability rights organization, filed a complaint with HUD. HUD then refereed the case to the Department of Justice, which conducted an investigation and determined the condominiums did not comply with the Fair Housing Act.

U.S. Department of Justice v. Pacific Properties, et al (2007 and 2001). The complaint, filed November 15, 2005, alleged that the designers and builders of Pacific Legends West, a condominium complex in Las Vegas with 92 ground floor units, violated the Fair Housing Act. Specifically, the complaint alleged that the defendants failed to design and construct the units and public and commons areas with features necessary to make them readily usable by and accessible to persons with disabilities. Under the terms of the consent decree, the defendants must retrofit the covered ground floor units upon the request of the homeowners; retrofit the public and common use areas; provide accessible pedestrian routes; pay \$100,000 in damages to nine aggrieved individuals; and undergo training on the requirements of the Fair Housing Act. The consent decree will remain in effect for two years and six months.

In the earlier case, the United States filed a complaint and consent decree alleging that the defendant discriminated on the basis of disability by failing to design and construct units at four complexes—two rental properties and two condominium complexes—in Las Vegas to make them accessible to persons with disabilities. Under the terms of the settlement, defendant has agreed to spend approximately \$208,000 to retrofit the public and common use areas, as well as the interior of the units at the four properties. Additionally, defendant will contribute \$30,000 to an organization in the Las Vegas metropolitan area whose purpose is to serve the housing needs of persons with disabilities and pay \$1,200 to two residents at one of the complexes who were required to pay for modifications that would not have been necessary had defendants designed the unit to comply with the accessibility requirements of the Act.

U.S. Department of Justice v. Pulte Homes (2001). The United States signed a modification agreement with Pulte Home Corporation (Pulte) to supplement and amend a Settlement Agreement previously entered into with Pulte in July 1998. The 1998 settlement agreement resolved the United States' allegations that Pulte had failed to design and construct certain developments in Florida, Illinois, and Virginia to be accessible to persons with disabilities as required by the Fair Housing Act. The Modification Agreement covers three additional properties in Las Vegas and includes provisions requiring Pulte to annually notify current owners, for a period of three years, of their option to have Pulte retrofit their units at no expense to them in order to bring them in compliance with the Act, as well as to report to the United States the names and addresses of those persons who elect to have their units retrofitted.

Race, disability and familial status cases. In addition to the above cases, there were several recent lawsuits in the Las Vegas area concerning discrimination on the basis of race and familial status.

United States v. Realty One, et al. (2010). In March 2010, the United States filed a complaint against Realty One, et al., which was initiated by a referral from HUD. The complaint alleges that the defendants discriminated on the basis of familial status against a mother who wanted to rent a house in Las Vegas for herself, her three biological children, and three children whom she planned to adopt. The case had not been resolved at the time this report was written.

United States v. Grand Canyon Enterprises, et al. (2006). The complaint, filed on February 7, 2005, alleged the defendants discriminated on the basis of race and disability they refused to rent an apartment to the complainants in violation of the Fair Housing Act. The complainants intervened in the complaint and had private legal counsel. The consent order requires the defendants to pay the three complainants \$40,000, inclusive of attorney's fees, and also contains injunctive relief. The case was referred to the Division after the Department of Housing & Urban Development (HUD) received a complaint, conducted an investigation, and issued a charge of discrimination.

Department of Justice v. Bonanza Springs Apartments (2002). On December 12, 2002, the United States filed a lawsuit against the owner and rental agent of the Bonanza Springs Apartments in Las Vegas alleging the defendants discriminated on the basis of race, disability, and familial status. The complaint alleges that the defendants steered African American apartment seekers to the least desirable apartments or said that there were no apartments available while at the same time telling white applicants that apartments were available for rent. In addition, the complaint alleges that defendants failed to make reasonable accommodations to persons with disabilities, refused to rent to families with children, and intimidated and interfered with the rights of those persons who complained to the U.S. Department of Housing and Urban Development (HUD) regarding their fair housing rights.

On March 20, 2007, the court entered a on the case. Under the terms of the consent decree, the defendants must pay \$285,000 to identified victims of discrimination and \$165,000 to the government as a civil penalty. The Department of Housing & Urban Development originally referred the case to the Department of Justice as a potential pattern or practice of discrimination.

U.S. Department of Justice v. Dutcher (2001). The complaint alleges the owner of a rental property in Las Vegas consisting of a single-family home and a one-bedroom apartment violated the Fair Housing Act by making statements with respect to the rental of a dwelling that indicated a preference, limitation, or discrimination based on familial status. A complaint was originally filed with HUD and an investigation was conducted and conciliation was attempted with out success. This is a HUD election case brought on behalf of a married couple and their minor son, alleging that the owner made discriminatory statements to the family in effort to have the family move from the home they had rented from the owner. Because Ms. Dutcher does not own more than three single-family homes, the case is limited to discriminatory statements made by Ms. Dutcher.

Fair Lending Analysis

This section contains an analysis of home loan and community reinvestment data. Community Reinvestment Act (CRA) ratings and Home Mortgage Disclosure Act (HMDA) data are commonly used in AIs to examine fair lending practices within a jurisdiction. As of 2004, HMDA data contain interest rates of high cost loans, which allows an analysis of high cost lending patterns.

Community Reinvestment Act (CRA). The CRA requires that financial institutions progressively seek to enhance community development within the area they serve. On a regular basis, financial institutions submit information about mortgage loan applications as well as materials documenting their community development activity. The records are reviewed to determine if the institution satisfied CRA requirements. The assessment includes a review of records as related to the following:

- Commitment to evaluating and servicing community credit needs;
- Offering and marketing various credit programs;
- Record of opening and closing of offices;
- Discrimination and other illegal credit practices; and
- Community development initiatives.

The data are evaluated and a rating for each institution is determined. Ratings for institutions range from substantial noncompliance in meeting credit needs to an outstanding record of meeting community needs. Exhibit II-4 shows the results of recent CRA exams for banks in the City of Las Vegas. As the exhibit demonstrates the banks all have strong ratings—all are rated “Satisfactory” or “Outstanding.” None were rated “Needs Improvement” or in “Substantial Noncompliance.” In 2002, 4 percent of banks in Las Vegas had a “Needs Improvement” rating (none had “Substantial Noncompliance”).

**Exhibit II-4.
CRA Ratings,
Las Vegas,
April 2010**

Source:
FFIEC Interagency CRA
Rating, October 2002.

Exam Date	Bank Name	City	CRA Rating
03/01/2005	BANK OF COMMERCE	LAS VEGAS	Satisfactory
03/01/2010	BANK OF GEORGE	LAS VEGAS	Satisfactory
01/01/2010	BANK OF LAS VEGAS	LAS VEGAS	Satisfactory
01/01/2007	BANK OF NEVADA	LAS VEGAS	Outstanding
03/01/2004	BANKWEST OF NEVADA	LAS VEGAS	Outstanding
10/01/2006	BEAL SAVINGS BANK	LAS VEGAS	Satisfactory
01/10/2005	BUSINESS BK OF NV	LAS VEGAS	Satisfactory
03/31/2003	CITIBANK (NEVADA), N.A.	LAS VEGAS	Outstanding
11/01/2009	COMMUNITY 1ST BANK LAS VEGAS	LAS VEGAS	Satisfactory
09/29/2008	COMMUNITY BK OF NV	LAS VEGAS	Satisfactory
03/31/2007	CREDIT ONE BANK, N.A.	LAS VEGAS	Outstanding
02/01/2007	DESERT COMMUNITY BANK	LAS VEGAS	Satisfactory
03/01/2010	FIRST ASIAN BANK	LAS VEGAS	Satisfactory
07/01/2005	FIRST REPUBLIC BANK	LAS VEGAS	Satisfactory
09/01/2009	FIRST SECURITY BANK OF NEVADA	LAS VEGAS	Satisfactory
08/25/2008	HSBC BANK NEVADA, N.A.	LAS VEGAS	Outstanding
12/11/2008	M & I BANK FSB	LAS VEGAS	Satisfactory
11/01/2007	NEVADA COMMERCE BANK	LAS VEGAS	Satisfactory
11/15/2004	NEVADA FIRST BK	LAS VEGAS	Satisfactory
01/07/2008	NEVADA STATE BANK	LAS VEGAS	Outstanding
09/01/2007	RED ROCK COMMUNITY BANK	LAS VEGAS	Satisfactory
09/01/2009	SERVICE1ST BANK OF NEVADA	LAS VEGAS	Satisfactory
07/05/2008	SOUTHWESTUSA BANK	LAS VEGAS	Satisfactory
11/01/2009	SUN WEST BANK	LAS VEGAS	Satisfactory
05/01/2005	THE BANK OF LAS VEGAS	LAS VEGAS	Outstanding
03/01/2007	TOWN & COUNTRY BANK	LAS VEGAS	Satisfactory
09/05/2008	USAA SAVINGS BANK	LAS VEGAS	Outstanding
06/30/2006	WELLS FARGO FINANCIAL NB	LAS VEGAS	Outstanding

Mortgage lending data. HMDA data are widely used to detect evidence of discrimination in mortgage lending. In fact, concern about discriminatory lending practices in the 1970s led to the requirement for financial institutions to collect and report HMDA data. The variables contained in the HMDA dataset have expanded over time, allowing for more comprehensive analyses and better results. However, despite expansions in the data reported, HMDA analyses remain limited because of the information that is *not* reported.

As such, studies of lending disparities that use HMDA data carry a similar caveat: HMDA data can be used to determine disparities in loan originations and interest rates among borrowers of different races, ethnicities, genders, and location of the property they hope to own. The data can also be used to explain many of the reasons for any lending disparities (e.g., poor credit history). Yet HMDA data do not contain all of the factors that are evaluated by lending institutions when they decide to make a loan to a borrower. Basically, the data provide *a lot* of information about the lending decision—but *not all* of the information.

Beginning in 2004, HMDA data contained the interest rates on higher-priced mortgage loans. This allows examinations of disparities in high-cost, including subprime, loans among different racial and ethnic groups. It is important to remember that subprime loans are not always predatory or suggest fair lending issues, and that the numerous factors that can make a loan “predatory” are not adequately represented in available data. Therefore, actual predatory practices cannot be identified through HMDA data analysis. However, the data analysis can be used to identify where additional scrutiny is warranted, and how public education and outreach efforts should be targeted.

HMDA data report several types of loans. These include loans used to purchase homes, loans to make home improvements and refinancing of existing mortgage loans, as defined below.

- **Home purchase loan.** A home purchase loan is any loan secured by and made for the purpose of purchasing a housing unit.
- **Home improvement loan.** A home improvement loan is used, at least in part, for repairing, rehabilitating, remodeling, or improving a housing unit or the real property on which the unit is located.
- **Refinancing.** Refinancing is any dwelling-secured loan that replaces and satisfies another dwelling-secured loan to the same borrower. The purpose for which a loan is refinanced is not relevant for HMDA purposes.

The HMDA data are separated into two primary loan categories: conventional loans and government-guaranteed loans. Government-guaranteed loans are those insured by the Federal Housing Administration and Veterans Administration.

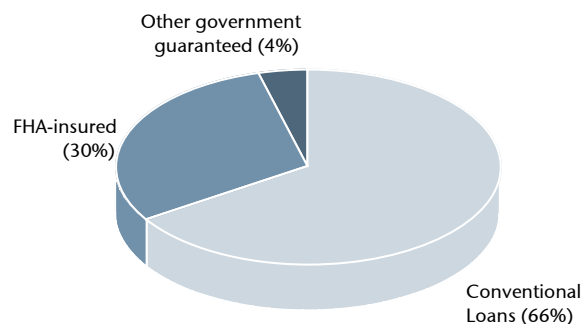
This section uses the analysis of HMDA data to uncover:

- The geographic areas in Las Vegas where high-cost lending and loan denials are concentrated, and the correlation of these areas with concentrations of minority and low income households;
- Disparities in high-cost lending and loan denials across different racial and ethnic groups.

Loan denials. The most recent HMDA data available are for the 2008 calendar year. During 2008, there were about 80,000 loan applications made in the City of Las Vegas MSA for owner-occupied homes. Sixty-six percent of these loans were conventional loans; 30 percent were FHA-insured; and the balance were VA- or other guaranteed, as shown in the following exhibit.

**Exhibit II-5.
Mortgage Loan Applications,
Las Vegas MSA, 2008**

Source:
Home Mortgage Disclosure Act (HMDA), 2008.



Over half these applications were for home purchases; 43.5 percent were for refinances. The balance consisted of home improvement loans.

Of all of the loan applications, 47 percent were approved and 32 percent were denied. Other loans were not initiated because of various reasons, as shown in Exhibit II-6.

Exhibit II-6.
Action Taken on Mortgage Loan Applications, Las Vegas MSA, 2008

Source: Home Mortgage Disclosure Act (HMDA), 2008.

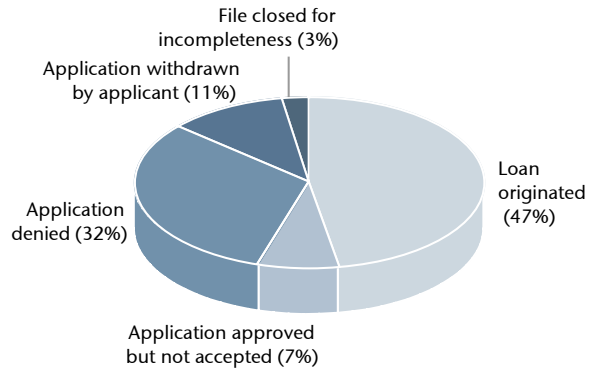
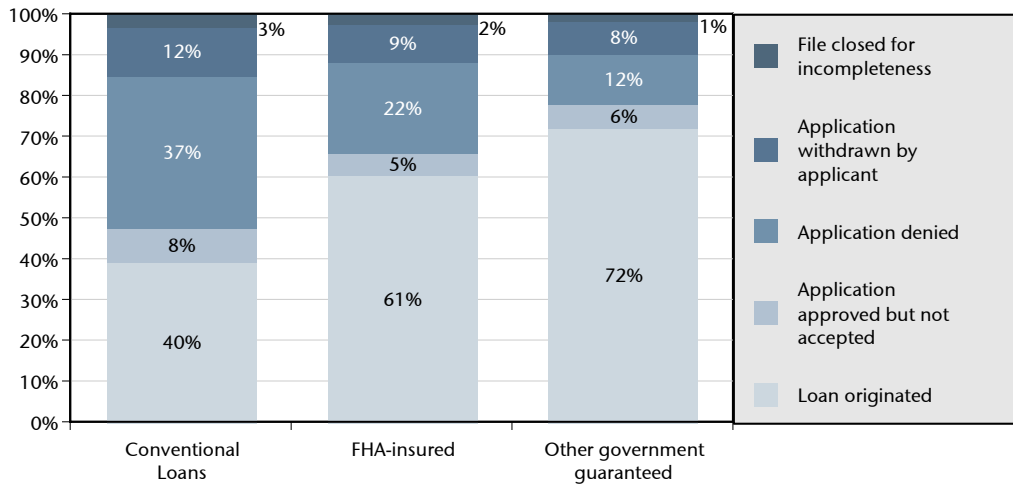


Exhibit II-7 shows the result of the loan application by type of loan (conventional, FHA-insured). Government guaranteed loan applications had much higher origination rates—and much lower denial rates—than conventional loans in 2008.

Exhibit II-7.
Action Taken on Mortgage Loan Applications, 2008, Las Vegas MSA

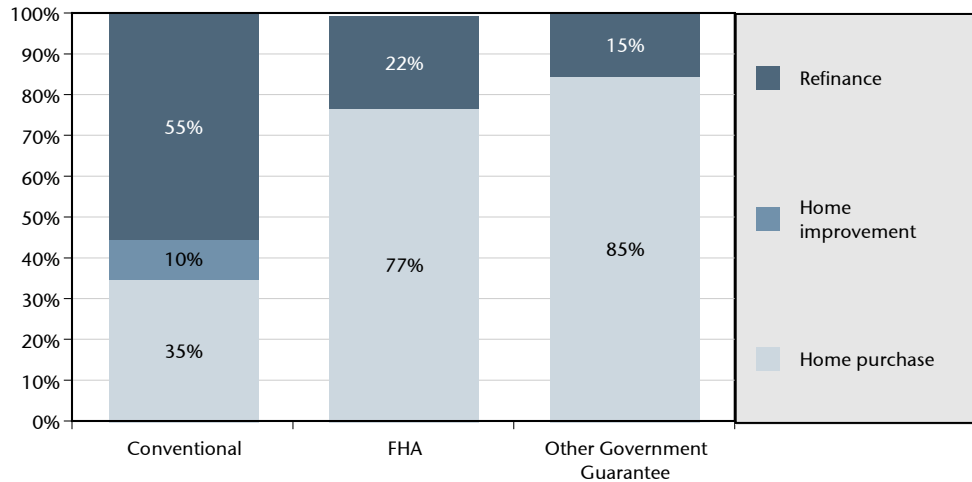


Source: Home Mortgage Disclosure Act (HMDA), 2008.

Sixty-percent of the applications for FHA-insured loans were originated and 22 percent of these applications were denied. The success rate is much lower for conventional loans, with conventional mortgages originated 40 percent of the time and denied 37 percent of the time.

Part of the reason for this discrepancy is the type of loans made by the different originators. Government-guaranteed loan applications are primarily for home purchases (not home improvement or refinances)—which have much higher approval rates—while conventional loan applications are mostly for refinances, as shown below.

Exhibit II-8.
Type of Mortgage Loan Applications by Loan Type, 2008, Las Vegas MSA



Source: Home Mortgage Disclosure Act (HMDA), 2008.

Applications for home purchases were much more likely to be approved than loans for refinances and/or home improvements, as shown in Exhibit II-9. For example, home purchase loans were originated 62 percent of the time, compared with 29 percent for home improvement loans and 33 percent for refinances.

Exhibit II-9.
Result of Mortgage Loan Applications by Loan Type, Las Vegas MSA, 2008

Loan Purpose	Loan Originated	Application Approved But Not Accepted	Application Denied	Application Withdrawn by Applicant	File Closed For Incompleteness
Home purchase	62.3%	7.2%	19.4%	9.3%	1.9%
Home improvement	28.8%	9.5%	51.9%	7.1%	2.8%
Refinance	32.8%	7.1%	43.0%	13.8%	3.4%

Source: Home Mortgage Disclosure Act (HMDA), 2008..

Denial rates by race and income. This section presents an analysis of denial rates by race and income, categorized by income level and loan type. The analysis focuses on the largest racial and ethnic groups in the Las Vegas MSA: Black/African American, Hispanic and White.

Exhibit II-10 presents the results of loan applications by race and ethnicity. As demonstrated by the exhibit, Whites have higher loan approval rates and lower denial rates than Blacks/African Americans or Hispanics—but the differences are fairly small. (The differences in denial rates were slightly smaller for Hispanics and about the same for Blacks/African Americans as in 2001). However, as shown in Exhibit II-10, there are large differences in loan approvals and denials by how minority-concentrated a Census Tract is.

**Exhibit II-10.
Result of Mortgage Loan Applications by Race/Ethnicity, 2008, Las Vegas MSA**

Loan Purpose	Loan Originated	Application Approved But Not Accepted	Application Denied	Application Withdrawn by Applicant	File Closed For Incompleteness
Black/African American	40.5%	5.7%	41.1%	10.4%	2.3%
Hispanic	42.4%	7.2%	37.6%	9.9%	2.9%
White	50.2%	7.3%	30.0%	10.1%	2.5%
Black/White difference	-9.7%	-1.5%	11.1%	0.3%	-0.2%
Hispanic/White difference	-7.8%	-0.1%	7.6%	-0.2%	0.4%

Note: * There were 20 American Indian/Alaskan Native applicants for a home improvement loan. "Joint" race means white and minority group co-applicants.
Source: FFIEC HMDA Aggregate Reports, 2001, and BBC Research & Consulting.

Approval rates by minority concentration. Exhibit II-11 examines the disposition of loan applications from different census tracts in the Las Vegas market in 2001 compared to 2008. The tracts are grouped by proportion of minority residents. The HMDA data show that origination rates decline and denial rates rise as minority concentration increases.

The exhibit reveals a very striking result: Originations in minority-concentrated areas were lower in 2008 compared to 2001, but about the same for areas with less than 10 percent minority populations. Denial rates increased substantially in minority-concentrated areas between 2001 and 2008.

**Exhibit II-11.
Loan Disposition by Minority Concentration, All Loan Types Las Vegas MSA, 2001 and 2008**

	Less Than 10% Minority	10% to 19% Minority	20% to 49% Minority	50% to 79% Minority	80% to 100% Minority
2001					
Loan originated	59%	56%	53%	44%	40%
Approved, not accepted	8%	8%	8%	9%	6%
Denied	19%	21%	24%	30%	36%
Withdrawn	11%	11%	11%	12%	13%
Determined incomplete	3%	4%	4%	5%	4%
Total	100%	100%	100%	100%	100%
2008					
Loan originated	57%	52%	47%	35%	30%
Approved, not accepted	9%	8%	7%	8%	6%
Denied	20%	27%	32%	43%	48%
Withdrawn	10%	11%	11%	12%	12%
Determined incomplete	2%	2%	3%	3%	3%
Total	100%	100%	100%	100%	100%

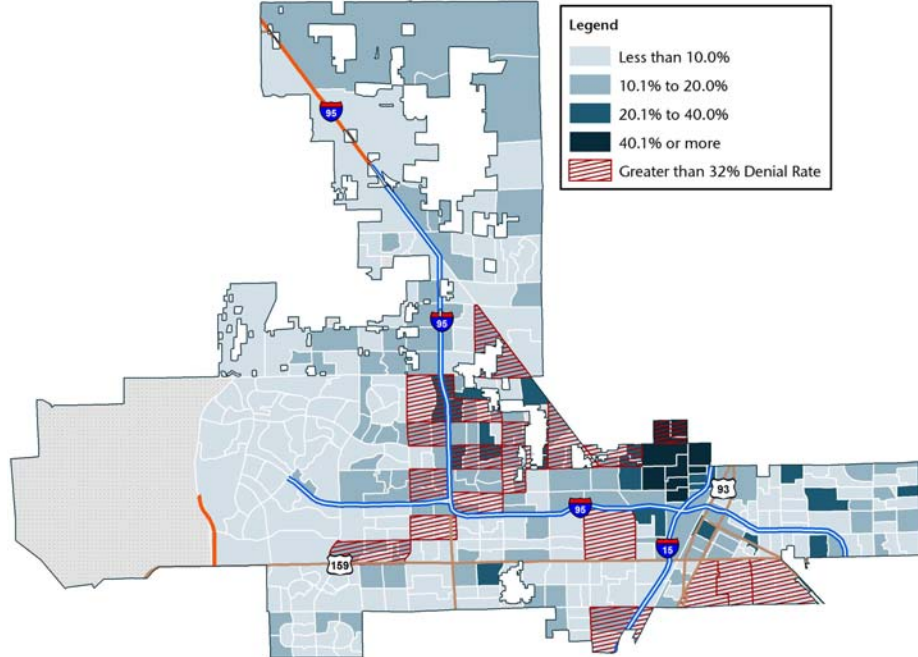
Source: FFIEC HMDA Aggregate Reports, 2001, and BBC Research & Consulting.

Denial rate by race/ethnicity by census tract. A further examination of loan approvals by race/ethnicity is provided in the exhibits that follow. As seen in the maps, there are some census tracts with high percentages of minorities and above average denial rates—however, the high-denial areas and minority-concentrated areas are not strongly aligned.

**Exhibit II-12.
Higher than
Average Denials
by Percent
Black/African
American, 2008**

Note:
The denial rate for all loans in
the city overall was 32
percent.

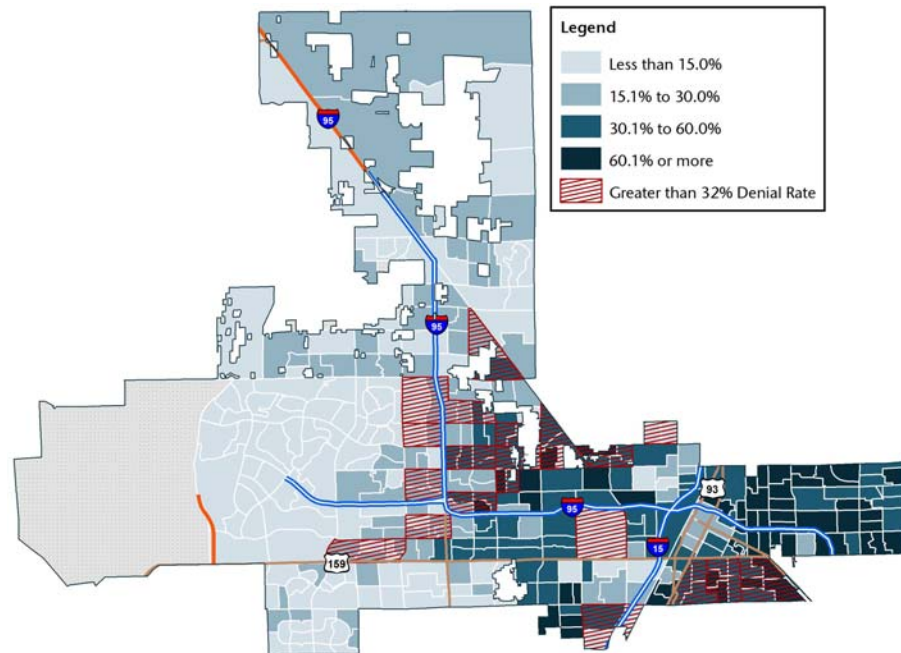
Source:
Home Mortgage Disclosure
Act (HMDA), 2008 and BBC
Research & Consulting.



**Exhibit II-13.
Higher than
Average Denials
by Percent
Hispanic, 2008**

Note:
The denial rate for all loans in
the city overall was 32
percent.

Source:
Home Mortgage Disclosure
Act (HMDA), 2008 and BBC
Research & Consulting.



A higher denial rate for minorities does not necessarily indicate fair housing problems. It can be explained, in part, by minorities having lower incomes than non-minorities. It is also possible that credit histories vary among applicants with different racial/ethnic characteristics. Without a detailed analysis of each applicant (such data are unavailable in the HMDA records due to confidentiality), it is unclear if the reason for the difference is due to variables other than income that are considered in making the lending decision (e.g., credit history, debt to income ratios) or if discrimination in lending could be occurring.

That said, the consistently large difference in denial rates for some Las Vegas neighborhoods warrant further investigation to explain the disparity in loan originations and identify strategies to assist residents in these areas obtain needed credit. The inability of these residents to secure home mortgage and improvement loans over time indicates a trend of disinvestment in the area, which is of concern.

Reasons for denial. HMDA data also contain summary information on the reasons for denial by type of loan and applicant characteristics, which can help explain some of the variation in approval rates among applicants. As demonstrated in the exhibit that follows, inadequate collateral is the major reason for application denials across race and loan type (this is a change from recent years, where poor credit history was the primary factor). High debt-to-income ratios and credit history are another important reasons that loans are denied.

**Exhibit II-14.
Reasons for Denial
by Loan Type and
Race/Ethnicity,
2008**

Note:
Shaded areas show the top
reasons loans were denied.

Source:
Home Mortgage Disclosure Act
(HMDA), 2008.

	Loan Type		Other
	Conventional Loans	FHA-insured	Government Guaranteed
Debt-to-income ration	20%	31%	27%
Employment history	1%	3%	3%
Credit history	19%	19%	23%
Collateral	32%	21%	17%
Insufficient downpayment, closing costs	2%	4%	2%
Unverifiable information	6%	5%	5%
Credit application incomplete	7%	9%	11%
Mortgage insurance denied	0%	0%	0%
Other	12%	9%	12%
Total	100%	100%	100%
	Black/African American	Hispanic	White
Debt-to-income ration	22%	28%	23%
Employment history	2%	2%	2%
Credit history	25%	19%	17%
Collateral	27%	24%	30%
Insufficient downpayment, closing costs	3%	3%	3%
Unverifiable information	4%	6%	6%
Credit application incomplete	6%	7%	8%
Mortgage insurance denied	1%	0%	0%
Other	10%	11%	11%
Total	100%	100%	100%

Subprime analysis. This section examines how often minorities in Las Vegas received subprime loans compared to Whites. For the purposes of this section, we define “subprime” as a loan with an APR of more than 3 percentage points above comparable Treasuries. This is consistent with the intent of the Federal Reserve in defining “subprime” in the HMDA data.

We also call loans “super subprime” which have APRs of more than 7 percentage points above comparable Treasuries. This is our own definition, created to identify very high-cost loans.

For home purchase loan applications made in 2008, about 1,800 in the Las Vegas MSA were flagged as subprime loans in the HMDA data. Just 12 had interest rates so high that we considered them “super” subprime. Of the subprime loans, 78 percent were made to White borrowers, 6 percent to Black/African American borrowers and the remainder (16 percent) to borrowers of other races. Overall, 73 percent of the conventional loans were made to Whites and 5 percent were made to Blacks/African Americans, which is fairly close to the distribution of subprime loans. This suggests that minorities were not necessarily made subprime loans at higher rates than Whites in 2008.

Our analysis of subprime loans by ethnicity found that Hispanics received subprime loans 18.6 percent of the time, compared to 19.4 percent of home purchase loan applications made by Hispanics—suggesting no disparity in subprime lending based on ethnicity in 2008.

This analysis found the same results when examined for refinancing applications. This is good news for the Las Vegas area and is likely related to the dramatic drop in subprime lending from its high in the middle part of the past decade.

SECTION III.
Public Outreach

SECTION III. Public Outreach

The Las Vegas AI update included the opportunity for the public and stakeholders to comment on fair housing needs in the city through several public meetings. This section summarizes the findings from those meetings.

On April 5 and 6, 2010, BBC conducted three open forums for stakeholders and residents to attend and discuss their fair housing concerns. The forums were held in locations throughout the city with the highest populations of low-income and minority residents. All of the forum sites were accessible to persons with disabilities. A copy of the presentation given at the public meetings is located at the end of this section. Flyers announcing the forums were circulated to stakeholders who work closely with the city's lowest income residents. A copy of the flyer is attached to the end of this section.

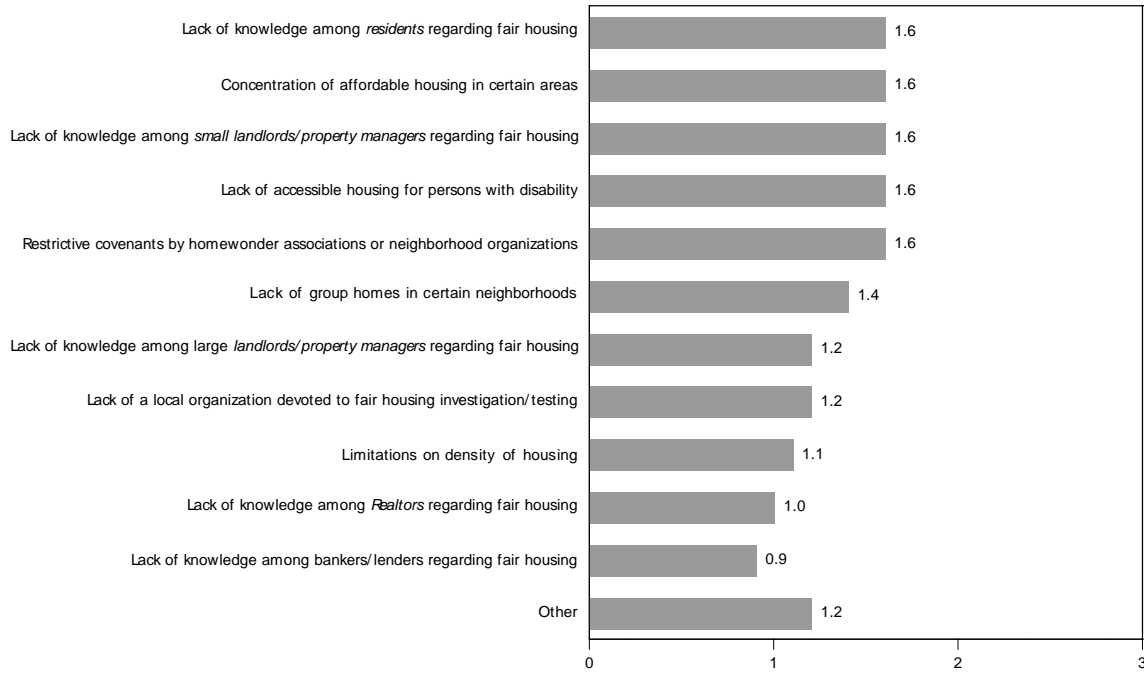
Attendees at the forums were mostly landlords and property managers, who spoke about their clients' experiences with fair housing.

Key findings from the forums include the following:

- Most of the attendees at the forums did not know what they would do if they experienced housing discrimination—and they were uncertain about where they would refer clients who felt discriminated against.
- Attendees believe the city should do more to educate citizens about Fair Housing Law and housing discrimination, including making more community presentations.
- NIMBYism does exist in Las Vegas; however, city leaders and staff have been good at communicating the positives of proposed developments to opponents of affordable housing.
- Las Vegas' diversity can both help and harm the image that people have of affordable housing. The city is truly a melting pot and diversity is appreciated by the majority of residents. On the other hand, some people use diversity negatively to promote stereotypes.
- The rental property owner Nevada HAND provides a good model for how landlords should address fair housing issues. The organization conducts internal testing of staff to ensure that they are following fair housing guidelines and requires that staff attend fair housing training and presentations (and allows room in their schedules to do so). If other landlords in the city adopted the same practices, it might strengthen the fair housing environment for renters.

These findings are consistent with the top barriers identified in the 2003 AI, as shown in the exhibit below. In 2003, participants were asked to evaluate a number of possible barriers to housing choice in Las Vegas and to rate those impediments on a scale of zero to three. Zero indicates no barrier and three indicated a serious barrier. Exhibit III-I arrays these barriers and their average score, from lowest (least serious) to highest (most serious).

**Exhibit III-I.
Severity of Barriers to Fair Housing in Las Vegas, 2003**



Note: 0=not a barrier, 1=a minor barrier, 2=a modest barrier, 3=a serious barrier.

Source: BBC Research & Consulting.

Respondents also reported that, in their opinions, 57 percent of Las Vegas residents were not aware of how to report fair housing impediments and/or violations. When asked about the organizations to which fair housing violations are reported, 21 percent of respondents identified HUD, 9 percent identified a housing authority, and 7 percent listed the Nevada Fair Housing Center.

“Clients do not report discriminatory treatment...because they do not realize that they are being discriminated against...or they are afraid of being evicted from their residence.”



City of Las Vegas Fair Housing Study

If it has always been easy for you to find an apartment to rent or a home to buy, you may not have thought much (or at all) about housing discrimination. But for some people, housing discrimination and other barriers to housing choice are a very real problem.

The City of Las Vegas is currently conducting a study to identify barriers to housing choice, including discriminatory activities. The study will investigate many different types of impediments to housing choice and develop a plan for the City to address the identified barriers.

We need your input into the study! Please join us at one of the meetings listed below.



April 5, 2010

	Session 1	Session 2
<i>Time:</i>	11:00 am—1:00 pm	3:00 pm—5:00 pm
<i>Location:</i>	Downtown Senior Service Center	Veterans Memorial

April 6, 2010

	Session 1
<i>Time:</i>	8:30 am— 10:30 am
<i>Location:</i>	Downtown Senior Service Center

If you have questions about the forums, or need special accommodations for the meetings, please contact:

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City of Las Vegas

Analysis of Impediments to Fair Housing Choice

Presented by:

Heidi Aggeler and Rachel Thompson



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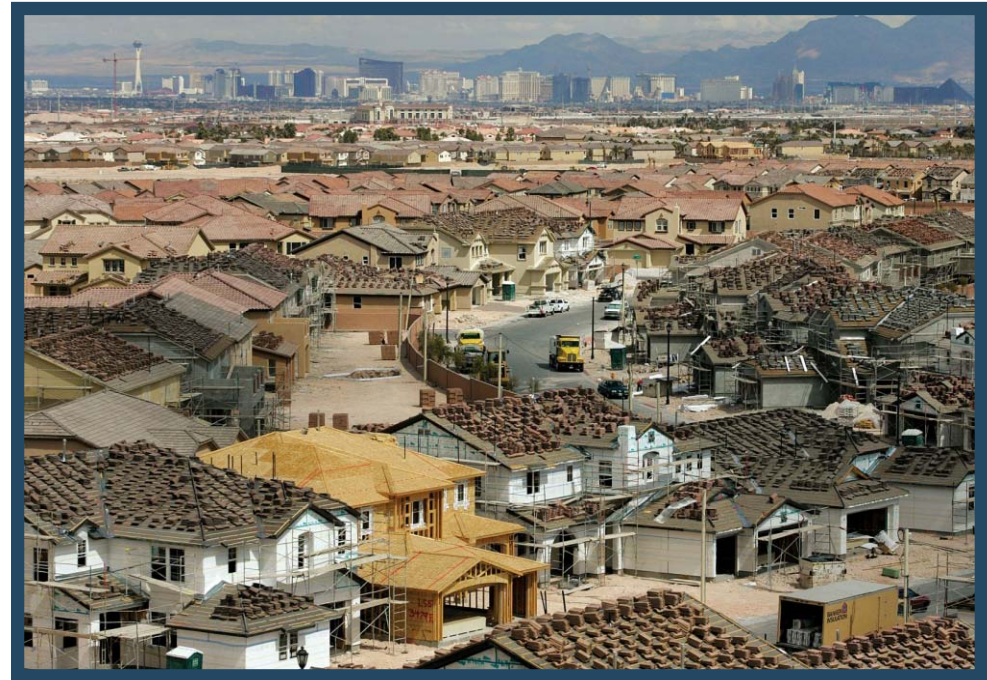


Community Forums
April 5-6, 2010



Today's Agenda

- Fair housing AI background
- Discussion of fair housing needs





What is Fair Housing?

Fair Housing Act (FHA):

- Title VIII of the Civil Rights Act of 1968, prohibits discrimination in the sale, rental and financing of dwellings based on race, color, religion, sex and national origin.
- Amended in 1988 to prohibit discrimination on the basis of disability or familial status.

Exemptions from FHA:

- Housing developments for seniors, housing strictly reserved for members of religious organizations or private clubs, multifamily housing of four units or less with the owner occupying one unit.



Protected Classes

- **Race**
- **Color**
- **Sex**
- **Religion**
- **National origin/ancestry**
- **Disability**
- **Familial status**



Examples of Prohibited Activities

- **Refusing to rent or sell housing**
- **Imposing different terms or conditions on sale, rental, and/or financing**
- **Steering by Realtors**
- **Discriminatory advertising**
- **Refusing to make reasonable accommodations for persons with disabilities**
- **Not complying with accessibility standards for multifamily units built after 1991**



Fair Housing Issues Can be Complex

- **How are fair housing and affordable housing related?**
- **Are low-income households members of a protected class?**
- **Fair housing violations can be difficult to detect:**
 - Underreporting of discrimination
 - Lack of awareness, knowledge of fair housing laws
 - Difficulty in defining discriminatory behavior (e.g., predatory lending)



Violation or Not?

APARTMENT FOR RENT

Two bedroom, nice, play area for children, laundry on-site, off-street parking. Near shopping/grocery. East Las Vegas. English speakers only.



Violation or Not? (continued)

An apartment building owner is renting to a tenant who uses a wheelchair. The building is old and does not have a wheelchair ramp. The tenant asks if he could arrange to have a ramp built so he can get into the building more easily. The tenant has offered to pay for the ramp. The owner thinks a ramp will ruin the look of the building, so he refuses to have one built.



Violation or Not? (continued)

A single mother of a 13 year old made an appointment to look at an apartment for rent in a large apartment complex. The landlord met her at the apartment. When he discovered that she had a child, he told her he doesn't allow children in his apartment complex.



Violation or Not? (continued)

- **A couple selling their home tells their real estate agent that they only want to sell their house to a Christian family. The real estate agent receives a call from another agent who is representing a Jewish family interested in looking at the home. The agent for the Christian couple refuses to show them the home.**



What is the Reason for This Study?

- **Full name: Analysis of Impediments to Fair Housing Choice**
- **Required by HUD through Consolidated Plan regulations**
- **CDBG and HOME grantees must certify that they will affirmatively further fair housing (AFFH)**



Fair Housing Impediments Identified in 2003

- 1. Lack of awareness about fair housing issues and how to report violations**
- 2. Lack of accessible housing and general accessibility in the City**
- 3. Discrimination in housing transactions (surveys revealed 25-30% of residents experience discrimination)**
- 4. Racial and economic concentrations**
- 5. Lack of affordable housing**



What Can the City Do About Fair Housing Problems?

- Fair housing education, outreach?
- Education about complaint taking process?
- Fair housing testing?
- Changes to city laws, regulations?



Your Input

- **Help us identify fair housing problems in the city**
- **Help us identify actions to solve problems**



SECTION IV.

Fair Housing Impediments and Action Plan

SECTION IV.

Fair Housing Impediments and Action Plan

Summary of Impediments to Fair Housing Choice

Sections I through III present the research and public outreach processes conducted as part of the City of Las Vegas' 2010 AI, an update to the AI conducted in 2003. This research identified the following impediments to fair housing choice in Las Vegas:

- **Impediment No. 1: Residents are unaware about how to report fair housing/ violations.** Citizens, landlords, property managers, Realtors, developers, and city building inspectors could all benefit from education and training about fair housing issues, according to focus groups conducted for the 2010 AI and surveys and interviews conducted for the 2003 AI. *This impediment was found to exist in both 2003 and 2010.*
- **Impediment No. 2: Builders avoid or are unaware of ADA requirements.** In the past few years, builders in the city have lost fair housing lawsuits related to their noncompliance with ADA (accessibility) requirements for new construction. This appears to be a common problem in the city, although it is unknown how many builders are not in compliance and have not been identified.
- **Impediment No. 3. Residents experience discrimination.** More fair housing complaints are being filed with HUD, which could indicate that discrimination has increased, but also shows that residents have greater awareness of fair housing issues and are more willing to take action when they feel they have been discriminated against. The main reason that complaints have been filed in the past 10 years is alleged discrimination on the basis of disability. This is not surprising, given the number of recent lawsuits related to noncompliance of builders with ADA.

In the 2003 study, mail survey of housing and social service professionals conducted for the AI showed that, in the opinion of survey respondents, as many as 25 to 30 percent of Las Vegas residents have experienced some form of housing discrimination. *This impediment was found to exist in both 2003 and 2010.*

- **Impediment No. 4. There are parts of the city where Hispanics are highly concentrated and other areas where very few minorities live.** East Las Vegas has a very high concentration of persons of Hispanic descent. It is unclear if this concentration is related to choice or existing barriers to housing. We did not identify city policies that created barriers for minorities to live throughout the city, although we acknowledge that not all areas have the same level of affordability.

Positive Fair Housing Actions

There is much good news about the state of fair housing in the City of Las Vegas:

- In contrast to 2003, when lack of affordability housing was a barrier to fair housing choice, it is much less expensive to buy a home in Las Vegas. Development of new homes and the downturn in the housing market has brought for sale prices back down to 2000 levels. The drop in for sale home prices means that the city's renters may now be able to buy and pay less than if they were renting.
- NIMBYism does exist in Las Vegas; however, city leaders and staff have been good at communicating the positives of proposed developments to opponents of affordable housing.
- Las Vegas' diversity positively affects the image that people have of affordable housing. The city is truly a melting pot and diversity is appreciated by the majority of residents.
- The city's nonprofit property owners have adopted strong fair housing policies, which provide a good model for how other landlords should address fair housing issues.
- More complaints are being filed with HUD, which could indicate that discrimination has increased, but also shows that residents have greater awareness of fair housing issues and are more willing to take action when they feel they have been discriminated against.
- A review of mortgage lending data found small disparities in loan denials and subprime lending between Whites, African Americans and Hispanics.

Action Plan

Based on our research for this AI, BBC recommends the City of Las Vegas adopt the following Action Plan and activities for reducing fair housing impediments:

1. *Increase citizens' understanding of fair housing laws.* The city needs to play a stronger role in educating citizens about fair housing rights. Although the San Francisco office of HUD receives and investigates fair housing complaints brought by Las Vegas residents, enforcement of Fair Housing Law is often more powerful and effective at the local level.
 - Implement a fair housing campaign targeted at the city's Hispanic, African American, and disabled populations:
 - Place Public Service Announcements (PSA) on radio stations, the city's television station, and newspaper ads as appropriate for each targeted population.
 - Sponsor fair housing presentations in neighborhoods where Hispanic, and African American populations are concentrated as indicated by Census data (largely East Las Vegas).
 - Attend neighborhood meetings and talk about fair housing rights and how to file complaints

- Distribute information about fair housing to public schools in this area; send information flyers home twice a year with the children.
 - Dedicate a portion of the city’s website to fair housing, with a link to HUD’s site that can be used to submit a fair housing complaint.
2. *Improve the ability of building inspectors to detect non-compliance with ADA in new construction.*
- More aggressively monitor compliance during construction process.
 - Require ADA compliance training for builders who are active in the city.
3. *Monitor ethnic concentration in the city and areas of high mortgage loan denials.* The 2010 AI found areas in the city where Hispanics and African Americans are concentrated and loan denials are high—although these areas do not always overlap. Racial/ethnic concentrations and higher denial rates for minorities do not necessarily indicate fair housing problems. Without a detailed analysis of loans, it is unclear if the reason for the difference is due to variables other than income that are considered in making the lending decision (e.g., credit history, debt to income ratios) or if discrimination could be occurring. That said, the consistently large difference in denial rates for some Las Vegas neighborhoods and concentrations of minorities warrant further investigation to explain the disparities and identify strategies to assist residents in these areas obtain needed credit. To better understand if disinvestment or discrimination is occurring, the city should attend neighborhood meetings in these areas, distribute fair housing information and have discussions with residents, to identify any fair housing concerns.
4. *Update the city’s zoning code to include the following:*

1. **Define the term “handicap.”** The Federal Fair Housing Act also uses the term “handicap” (not “disability”) and defines handicap as: “with respect to a person...

1. a physical or mental impairment which substantially limits one or more of such person's major life activities,
2. a record of having such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).”

Since the City of Las Vegas’ code uses the same term as the FHA, the same meaning is likely intended. However, the city may want to include the federal definition in its code for clarification.

2. Revisit occupancy restrictions for group residential facilities. During the review of the city’s zoning codes, we asked this question: *Does the jurisdiction policy allow any number of unrelated persons to reside together, but restrict such occupancy, if the residents are disabled?* The answer is no, not directly. However, city restricts occupancy for transitional living for released offenders, halfway houses for recovering alcohol and drug abusers and group residential facilities—but not for other types of uses

(that are more likely to be occupied by unrelated persons). The city should examine this restriction to see if it has a disproportionate impact on persons with disabilities.

A recent legal case, although not in the Las Vegas area, suggests that the protected of class of disability may be extended to persons with substance abuse handicaps:

United States v. City of Columbus. On September 30, 2009, United States has filed a lawsuit against the City of Columbus, Indiana, for violating the Fair Housing Act by refusing to grant a nonprofit organization a permit to operate a group home for 11 men recovering from drug and alcohol addiction. The lawsuit, filed in the U.S. District Court for the Southern District of Indiana, charges that the Columbus Board of Zoning Appeals discriminated on the basis of disability by refusing a permit because of discriminatory attitudes toward recovering addicts among neighboring property owners.

This lawsuit arose because of complaints filed with HUD by Addiction Counseling Treatment Services, the agency that wanted to establish the group home, to be called Bethesda House. HUD referred the cases to the Justice Department after conducting an investigation and issuing a charge of discrimination. The suit seeks a court order prohibiting future discrimination by the city and requiring the city to grant the requested permit, revise its procedures to assure fair treatment for future housing projects for people with disabilities, pay monetary damages to compensate victims and pay a civil penalty.

3. Consider adopting special provisions for making housing accessible for persons with disabilities. Because there have been so many violations of ADA in new construction and the main reason complaints are filed is related to disability discrimination, the city should take a stronger stance on facilitating and encouraging accessible housing.