

TO: Housing Methodology Committee

DATE: April 27, 2020

FR: Deputy Executive Director, Policy

RE: Fair Housing Issues, Strategies, and Actions in the Bay Area

Background

Housing Element Law requires each Council of Governments (COG) to survey its member jurisdictions during the Regional Housing Needs Allocation (RHNA) process to gather information on the statutory housing and land use factors.¹ Recent legislation also requires ABAG to collect information on jurisdictions' fair housing issues and strategies for achieving fair housing goals.² In addition to surveying local jurisdictions on these topics, ABAG staff reviewed the fair housing reports that jurisdictions submit to the federal government if they receive block grant funding from the Department of Housing and Urban Development (HUD). Appendix A contains a summary of responses to the fair housing section of the Local Jurisdiction Survey, while Appendix B discusses common themes from Bay Area jurisdictions' fair housing reports.

Issues

The data and information collected in the Local Jurisdiction Survey can help Bay Area jurisdictions understand the framework needed for assessing fair housing issues, which state law now requires for the next Housing Element update in 2022. Notably, several jurisdictions reported in the survey that they lack data on segregation patterns and have not previously set goals in their Housing Elements related to removing barriers to housing choice. However, this type of analysis will likely be needed for the upcoming Housing Element update. Accordingly, the survey results can help ABAG staff identify assistance that they can offer through the Regional Early Action Planning (REAP) grants program to help local jurisdictions comply with new Housing Element requirements. Additionally, both the Local Jurisdiction Survey and the review of Bay Area jurisdictions' fair housing reports to HUD identified regional themes regarding both barriers to fair housing choice and strategies to further fair housing. This knowledge can inform how ABAG designs technical assistance and grant programs in the future to help local jurisdictions implement successful fair housing strategies.

¹ See State of California [Government Code Section 65584.04\(b\)\(1\)](#).

² See State of California [Government Code Section 65584.04\(b\)\(2\)](#).

Appendix A. Summary of Survey Responses

Overview

ABAG staff presented the Housing Methodology Committee (HMC) with a draft of the Local Jurisdiction survey in November 2019. Staff revised the survey to incorporate feedback from HMC members, local jurisdiction staff, and other stakeholders, and the ABAG Regional Planning Committee approved the survey in December 2019. The survey became available online on January 8, 2020, and city managers, county administrators, community development and planning directors, and housing staff in all 109 jurisdictions were notified by email.

The deadline for completing the survey was February 5, 2020, at which point ABAG received 72 responses, a response rate of 66%.³ Table 1 shows the response rates for each of the nine Bay Area counties.

Table 1. Local jurisdiction survey response rate by county.

| County | Responses | Response Rate |
|---------------|------------------|----------------------|
| Alameda | 9 | 60% |
| Contra Costa | 14 | 70% |
| Marin | 8 | 73% |
| Napa | 3 | 50% |
| San Francisco | 1 | 100% |
| San Mateo | 14 | 67% |
| Santa Clara | 13 | 81% |
| Solano | 4 | 50% |
| Sonoma | 7 | 70% |

Survey Responses

The survey consisted of 53 questions in two sections. At the HMC's March 2020 meeting, staff presented a summary of the first survey section, which contained questions related to housing and land use factors.⁴ The following is a summary of responses to the second survey section, which collected information on local jurisdictions' fair housing issues as well as strategies and actions for achieving fair housing goals. This section included 14 questions divided into three topics: Fair Housing Planning and Data Sources; Diversity/Segregation, Access to Opportunity, and Housing Needs; and Fair Housing Goals and Actions.

³ The summary of survey results presented at the HMC's March 2020 meeting reported 71 responses to the survey. However, an additional printed survey response was received via mail after the March 2020 summary was prepared. This response was postmarked before the survey deadline, and its responses are included in this summary.

⁴ See <http://mtc.legistar.com/gateway.aspx?M=F&ID=6b572dad-e960-4c4f-8bff-27a5650bc534.pdf> for the memo containing this summary.

Topic 1: Fair Housing Planning and Data Sources

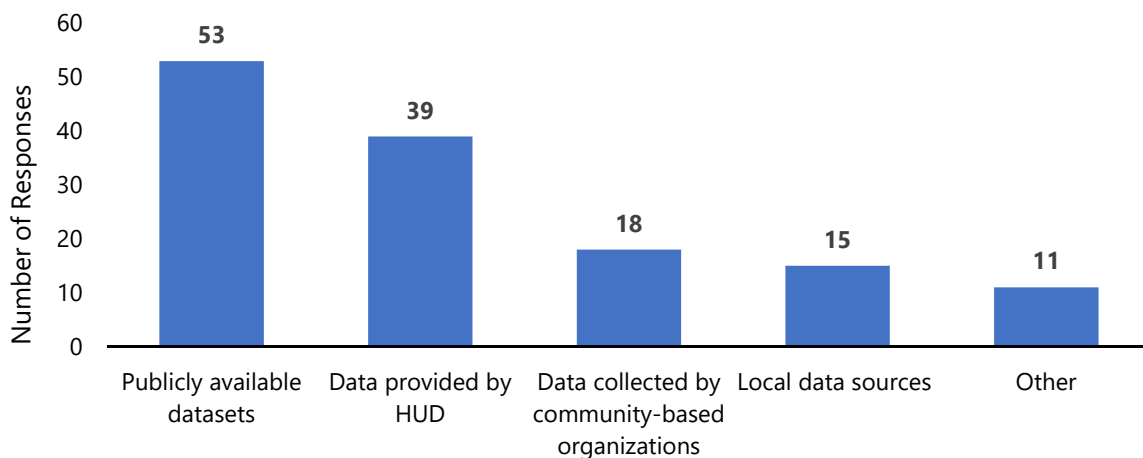
The eight questions in this topic area centered on jurisdictions' processes for assessing fair housing issues in their communities. Federal law obligates jurisdictions receiving block grant funding from HUD to submit a Consolidated Plan to HUD every five years, and this process requires jurisdictions to assess local fair housing issues (see Appendix B for more details on federally mandated fair housing reporting). While the Local Jurisdiction Survey did ask whether jurisdictions currently submit fair housing reports to HUD, all questions on the survey could be applicable to jurisdictions regardless of whether they participate in federal fair housing reporting. This portion of the survey also asked about the data jurisdictions use for fair housing planning and the efforts they have made to elicit public participation in their fair housing planning processes.

Key Takeaways from Respondents' Comments

Fair housing reporting to HUD: According to the results of the local jurisdiction survey, 37 respondents (51%) have submitted a fair housing report to HUD. Because these reports are submitted as part of five-year planning cycles, most of these jurisdictions recently submitted a report for the years 2020-2025 or are currently working on a report for this cycle, though a few jurisdictions' Consolidated Plans are on a different timeline. While some reports are submitted to HUD by individual jurisdictions, this reporting can also be completed as a collaborative effort between a county government and local jurisdictions within the county.

Data sources for fair housing planning processes: Jurisdictions primarily rely on publicly available datasets (e.g. data from the Census Bureau) to assess fair housing issues, with 74% of respondents indicating they use this data source. The other data source that a majority of respondents reported using was data provided by HUD (see Figure 1). In addition to the options listed on the survey, respondents noted that they collect and maintain various data sources to inform fair housing planning, including rental vacancy surveys, inventories of affordable housing, landlord registries, code enforcement complaints, surveys of residents, and data from community outreach. Beyond the data collected by jurisdictions themselves, respondents also discussed using data collected by local nonprofits providing fair housing services as well as analyses prepared by county governments and Public Housing Agencies.

Figure 2. Which of the following data sources does your jurisdiction maintain or use to assess fair housing issues in the community? (Question 39)

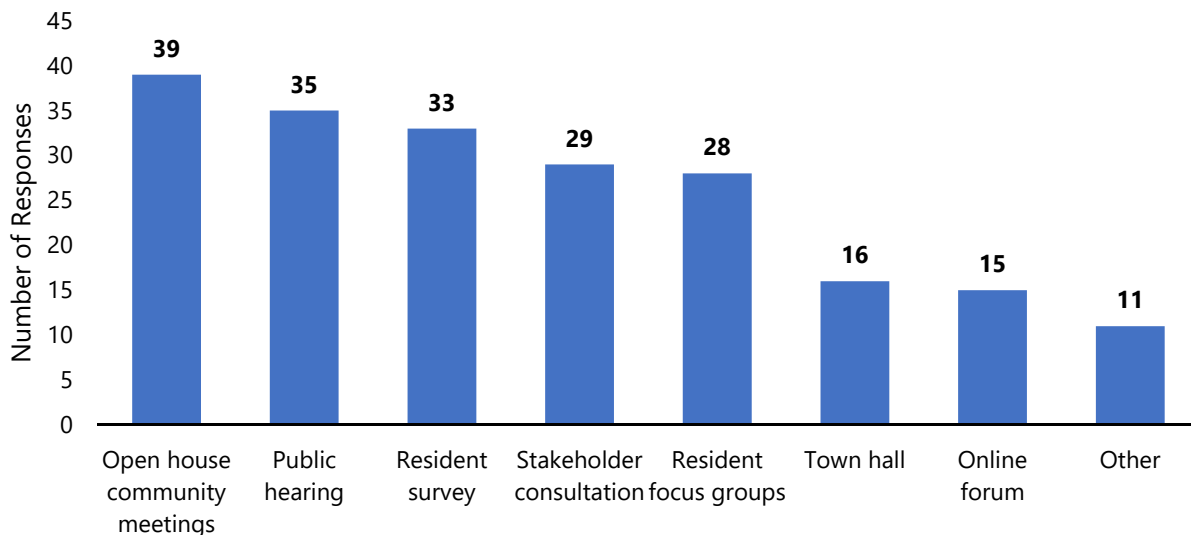


Community participation in fair housing processes: Jurisdictions were most likely to use public forums to incorporate community participation in their fair housing planning, with open house community meetings (54%) and public hearings (49%) being the most common outreach activities reported by respondents. Respondents were also likely to solicit information directly from residents, with 46% using resident surveys and 39% using resident focus groups. Additionally, 40% of respondents reported consulting with stakeholder groups during fair housing planning processes (see Figure 2). Based on information respondents shared in their surveys, jurisdictions most often worked with the following types of stakeholder groups:

- School districts
- Faith-based groups
- Community-based organizations and neighborhood associations
- Advocacy organizations representing the following constituencies:
 - People of color
 - People with disabilities
 - Immigrants and people with limited English proficiency
 - Seniors
 - Youth
- Affordable housing providers and residents
- Homelessness services providers
- Housing Choice Voucher applicants
- Nonprofits providing fair housing services
- Legal aid organizations
- Healthcare and social services providers

15 respondents noted that they collected demographic information for community members who participated in the fair housing planning process. This demographic data typically included data on participants’ racial/ethnic background, English language proficiency, age, income, household size, and housing situation.

Figure 2. Which of the following outreach activities has your jurisdiction used to encourage community participation in planning processes related to fair housing? (Question 40)



The survey also provided respondents with an opportunity to discuss their goals for the community outreach process and their success with achieving these goals. According to the survey responses, jurisdictions' goals for community outreach during fair housing planning can be summarized as the following:

- Gather input from a broad and diverse range of residents and community groups.
- Encourage participation from those most impacted by fair housing issues.
- Engage community members who may face barriers to participation, such as those with limited English proficiency.
- Build trust with community members and encourage future participation in planning processes.
- Ensure that federal fair housing reports and other housing planning processes reflect community conditions.
- Obtain data to effectively assess fair housing barriers.
- Develop targeted and feasible fair housing goals and strategies for achieving them.

Respondents indicated that they were largely successful in achieving their goals for community outreach during fair housing planning (see Figure 3). Notably, one-third of respondents did not answer this question, which could indicate a hesitancy to comment on the success of community outreach efforts. It is also possible that jurisdictions who do not engage in planning processes explicitly focused on fair housing skipped this question rather than selecting "N/A." Respondents who did answer also described the reasons their jurisdictions were able to achieve their goals for the community outreach process as well as the factors that inhibited success with these goals. Table 2 below provides a summary of these reasons.

Figure 3. How successful was your jurisdiction in achieving its goals for the process to elicit community participation for fair housing planning? (Question 43)

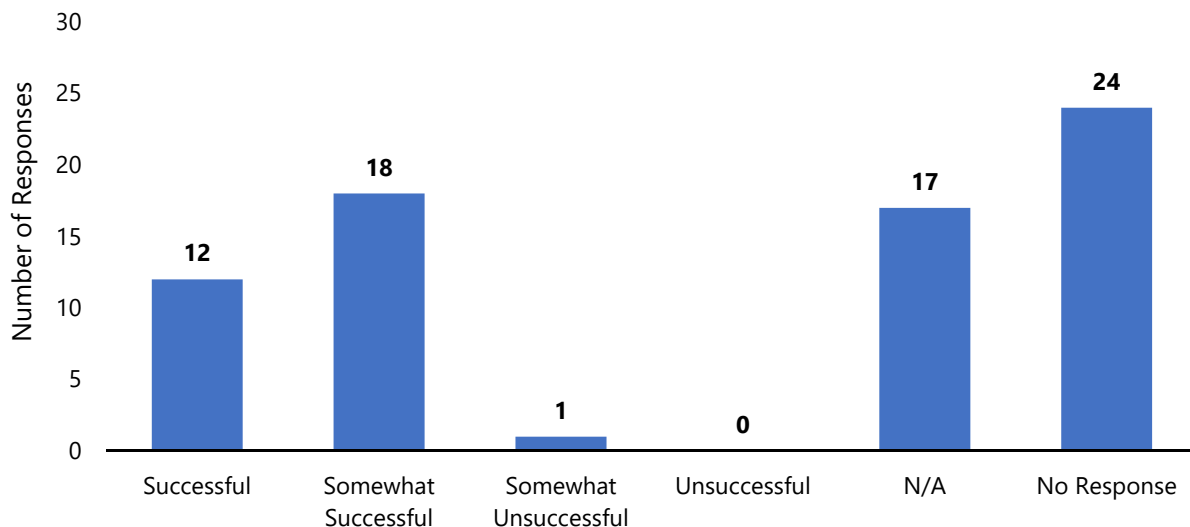


Table 2. Describe the reasons for the success or lack of success of your jurisdiction's community engagement efforts. (Question 44)

| Factors enabling success in achieving community outreach goals: | Factors preventing success in achieving community outreach goals: |
|--|--|
| <ul style="list-style-type: none"> • Reaching out to a diverse group of community stakeholders • Effective marketing efforts that broadly distributed information throughout the community • Dedicated staff and resources for the outreach and engagement process • Multiple opportunities to participate throughout engagement process • Variety of ways to participate in multiple settings (online surveys, community meetings, small group discussions, etc.) • Partnerships with nonprofit organizations providing fair housing services | <ul style="list-style-type: none"> • Event attendees disproportionately from certain segments of the community, such as long-term homeowners • Difficulty engaging populations with less housing stability, such as renters or people experiencing homelessness • Outreach does not reflect opinions of those who have been excluded from the community due to high cost of housing • Lack of housing staff and resources • Need for a variety of participation formats as well as more outreach online and using social media • Limited time for completing a robust outreach process • Residents lacking time and resources to participate in community meetings • Lack of childcare provided at meetings • Confusion about the fair housing topics discussed at meetings |

Topic 2: Diversity/Segregation, Access to Opportunity, and Housing Needs

The two questions within this topic area focused on the conditions that restrict fair housing choice and access to opportunity in Bay Area jurisdictions. These questions focused on four fair housing issues: limited access to housing in a jurisdiction, segregated housing patterns and concentrated areas of poverty, disparities in access to opportunity, and disparities in housing cost burdens and overcrowding. The survey sought to contextualize respondents' answers by providing each respondent with data specific to their jurisdiction on geographic concentrations of poverty and race-based disparities in access to opportunity, housing cost burden, overcrowding, and segregated housing patterns. For more information on the impediments to fair housing that Bay Area jurisdictions have described in their fair housing reports to HUD, see Appendix B.

Key Takeaways from Respondents' Comments

Factors contributing to fair housing issues: Respondents most commonly reported that fair housing issues in their jurisdictions stem from factors related to displacement, affordable housing, and barriers to development (see Table 3, which shows how many respondents indicated whether a factor contributes to each of the four fair housing issues). When the factors are ranked in terms of which were selected by the most jurisdictions for each fair housing issue, there are three factors among the five most selected across all four fair housing issues: community opposition to development, displacement due to increased rents, and displacement of low-income and/or person-of-color (POC) residents. Two other factors ranked in the top five for three out of four of the fair housing issues: availability of larger affordable units and land use/zoning laws. These five factors are highlighted in Table 3 below.

The survey results show the most consensus around factors contributing to limited access to housing in jurisdictions as well as disparities in housing cost burdens and overcrowding. 32 respondents (44%) indicated that the availability of larger affordable units contributes to a lack of access to housing in their jurisdiction. Additionally, displacement due to increased rents, displacement of low-income residents and/or residents of color, and community opposition to development were all listed by more than one-third of jurisdictions as contributing to limited housing access. These same four factors were also the most commonly indicated causes of disparities in housing cost burdens and overcrowding, with 42% of respondents stating that displacement due to increased rents contributes to these disparities.

For the issues of segregated housing patterns/concentrated areas of poverty and disparities in access to opportunity areas, no contributing factor was selected by more than 12 respondents (17%). However, respondents did report similar causes for these fair housing issues: displacement due to increased rents, displacement of low-income residents and/or residents of color, community opposition to development, location of affordable housing, and availability of larger affordable units.

Table 3. Which of the following factors contribute to fair housing issues in your jurisdiction? Check all that apply. (Question 45)

| | Fair Housing Issues | | | |
|---|---|--|--|--|
| | Limited access to housing in a jurisdiction | Segregated housing patterns or concentrated areas of poverty | Disparities in access to opportunity areas | Disparities in housing cost burdens and overcrowding |
| Factors Contributing to Fair Housing Issues | | | | |
| Access to financial services | 5 | 1 | 1 | 1 |
| Access to grocery stores and healthy food options | 3 | 4 | 7 | 2 |
| Access to healthcare facilities and medical services | 3 | 2 | 2 | 2 |
| **Availability of larger affordable units | 32 | 9 | 9 | 18 |
| Availability, frequency, and reliability of public transit | 20 | 5 | 8 | 6 |
| CEQA and the land use entitlement process | 14 | 4 | 6 | 6 |
| **Community opposition to development | 24 | 10 | 9 | 15 |
| Creation and retention of high-quality jobs | 8 | 0 | 5 | 7 |
| Deteriorated/abandoned properties | 2 | 2 | 0 | 3 |
| **Displacement due to increased rents | 30 | 11 | 9 | 30 |
| Displacement due to natural hazards | 3 | 1 | 1 | 4 |
| **Displacement of low-income/POC residents | 25 | 12 | 11 | 24 |
| Foreclosure patterns | 2 | 3 | 2 | 4 |
| Impacts of natural hazards | 8 | 1 | 2 | 3 |
| Lack of community revitalization strategies | 2 | 3 | 2 | 3 |
| Lack of private investments in low-income/POC communities | 6 | 6 | 6 | 5 |
| Lack of public investments in low-income/POC communities | 4 | 3 | 4 | 2 |
| Lack of regional cooperation | 7 | 2 | 6 | 6 |
| **Land use and zoning laws | 20 | 10 | 7 | 9 |
| Lending discrimination | 2 | 2 | 2 | 4 |
| Location of affordable housing | 16 | 11 | 8 | 7 |
| Location of employers | 8 | 2 | 3 | 8 |
| Location of environmental health hazards | 2 | 2 | 0 | 2 |
| Location of proficient schools and school assignment policies | 3 | 5 | 6 | 4 |
| Occupancy standards limiting number of people per unit | 4 | 0 | 0 | 3 |
| Private discrimination | 4 | 2 | 2 | 3 |
| Range of job opportunities available | 7 | 0 | 5 | 5 |
| Other | 2 | 0 | 1 | 1 |

Respondents were also asked to select the top three factors contributing to fair housing issues in their jurisdiction and to describe the reason for these selections. Below are the factors most commonly listed by jurisdictions as the main contributors to fair housing issues as well as a summary of why respondents selected these factors. The factors appear in order of how frequently they were cited by respondents as top contributors to fair housing issues, with the most frequently listed factors first.

- **Displacement:** Respondents noted that displacement disproportionately affects low-income residents and residents of color, which can result in disproportionate overcrowding for these populations. Additionally, the rising housing costs in communities affected by displacement limit opportunities for racial and socioeconomic diversity and integration.
- **Community opposition to development:** Respondents reported that residents commonly oppose denser housing, affordable housing, or housing with supportive services for formerly homeless residents. This opposition can significantly increase the time to approve new development and drives up costs for both affordable and market-rate projects.
- **Lack of affordable housing, especially larger units:** Respondents described how rising housing costs and a limited supply of affordable housing cause the displacement of low-income residents and prevent low-income households from moving into communities.
- **Land use and zoning laws:** Some respondents noted that their jurisdictions are zoned primarily or entirely for single-family housing, and respondents also mentioned restrictions on multi-family development created by minimum lot sizes, density caps, height limits, and/or minimum parking requirements. These respondents reported that low-density zones cannot accommodate affordable housing, and current land use restrictions result in limited sites for multi-family projects. Consequently, affordable development is nearly impossible in some jurisdictions, while in other jurisdictions affordable developments are concentrated in the few areas with denser zoning. As a result, current land use and zoning codes perpetuate the segregation created by decisions of the past.
- **Barriers to development:** In addition to community opposition and land use laws, respondents described other barriers to development such as the availability of land suitable for development, the California Environmental Quality Act (CEQA) and the land use entitlement process, and the high cost of construction. Respondents discussed how their jurisdictions' approval processes for development and CEQA inhibit housing production. These respondents noted that CEQA slows down the entitlement process and enables groups opposed to development to threaten litigation and create additional delays. The project costs created by CEQA and lengthy entitlement processes can make housing development financially infeasible, particularly for affordable projects. Survey responses indicated that these barriers to development inhibit access to these communities generally and especially for lower-income populations.
- **Location of employers:** Respondents discussed how limited job options within their jurisdictions and lack of access to job centers increase the costs of living there, as residents need to travel farther for work. Additionally, some mentioned that a lack of

high-quality jobs within the jurisdiction prevents local jobholders from affording the high cost of housing.

- **Public transit availability:** Respondents suggested that a lack of public transit options inhibits those living in their jurisdiction from accessing jobs and services if they do not own a car, which makes the jurisdiction less accessible to a diverse range of households.

Topic 3: Fair Housing Goals and Actions

The four questions within this topic area discussed the actions jurisdictions have taken to remove barriers to equal housing opportunity and prevent the displacement of low-income households. Respondents were also asked to reflect on their goals for fair housing policies and whether the strategies they have implemented achieve these goals. For more information on the strategies to further fair housing that Bay Area jurisdictions have detailed in their fair housing reports to HUD, see Appendix B.

Key Takeaways from Respondents' Comments

Policies and initiatives to further fair housing: The survey results indicate that there are eight actions that a majority of respondents have taken to address existing segregation and enable equal housing choice (see Figure 4). Most of these actions center on increasing the number of affordable housing units. For example, 69% of respondents have supported the development of affordable housing for special needs populations such as seniors, people with disabilities, people experiencing homelessness, and/or those with mental health issues. The survey responses also indicate that most respondents have sought to increase the supply of affordable housing through inclusionary zoning, land use changes, developing affordable housing near transit, encouraging the construction of larger affordable units, using publicly owned land for affordable development, and establishing local funding sources for affordable housing construction. Other common strategies to advance fair housing focus on low-income homeownership, with 53% of respondents funding home rehabilitation and improvements for low-income homeowners and 49% of respondents providing resources to support low-income homebuyers.

Figure 4. What actions has your jurisdiction taken to overcome historical patterns of segregation or remove barriers to equal housing opportunity? (Question 47)



Goals for fair housing policies: Many of the jurisdictions' survey responses noted that a goal of their fair housing policies is facilitating equal housing opportunities by removing barriers to affordable housing. Specifically, respondents discussed the following objectives for their fair housing policies related to increasing the affordable housing supply:

- Financing affordable housing development through linkage fees and dedicated funding sources.
- Creating new affordable units and mixed-income development using inclusionary requirements for market-rate development.
- Providing support for nonprofit affordable housing developers.
- Preserving the existing affordable housing stock.

Additionally, respondents mentioned the following goals related to overcoming historic patterns of segregation and eliminating barriers to equal housing choice:

- Expanding affordable housing and homeownership opportunities for those who have been directly affected by the historic legacies of housing inequities and discrimination.
- Ensuring that affordable housing is spread throughout all communities.
- Creating affordable housing options in high opportunity neighborhoods.
- Increasing the diversity of housing types throughout all neighborhoods through land use changes.

- Reducing barriers to mobility for low-income households and residents of publicly-supported housing.
- Making fair housing resources more readily available online and coordinating with fair housing services nonprofits to disseminate information and reduce discrimination.

Respondents reported that their jurisdictions' policies and actions were mostly successful for achieving goals related to furthering fair housing (see Figure 5). Notably, one-third of respondents did not answer this question, which could indicate a hesitancy to comment on the success of efforts to further fair housing. It is also possible that jurisdictions who do not engage in planning processes explicitly focused on fair housing skipped this question rather than selecting "N/A." Respondents who did answer also discussed the reasons their jurisdictions were able to achieve fair housing goals as well as the factors that hindered the success of these efforts. Table 4 below provides a summary of these reasons.

Figure 5. How successful were your jurisdiction's past actions in achieving goals for overcoming historical patterns of segregation or removing barriers to equal housing opportunity? (Question 49)

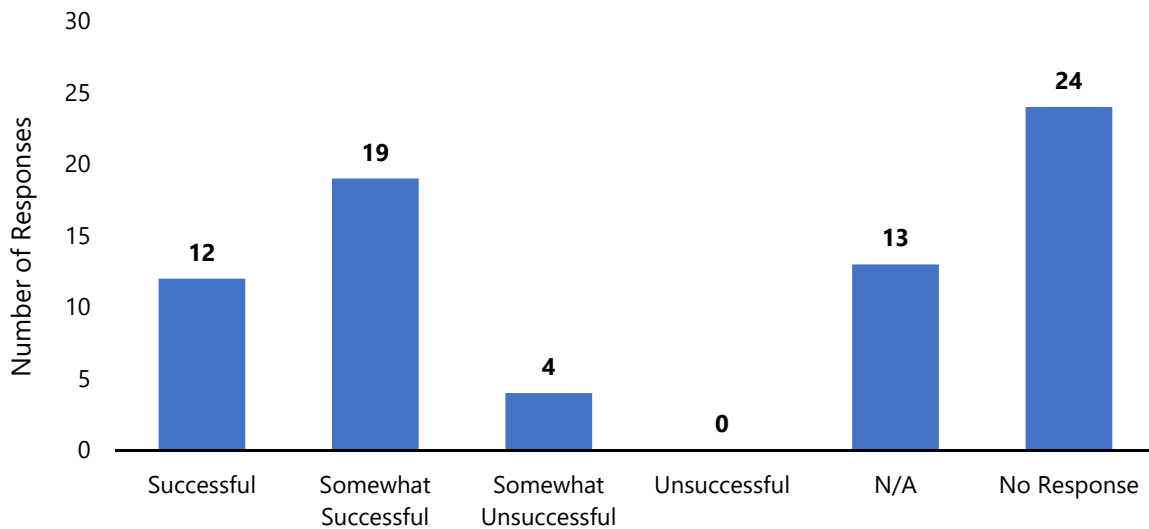


Table 4. Describe the reasons for the success or lack of success of your jurisdiction's actions to overcome historical patterns of segregation or remove barriers to equal housing opportunity. (Question 49)

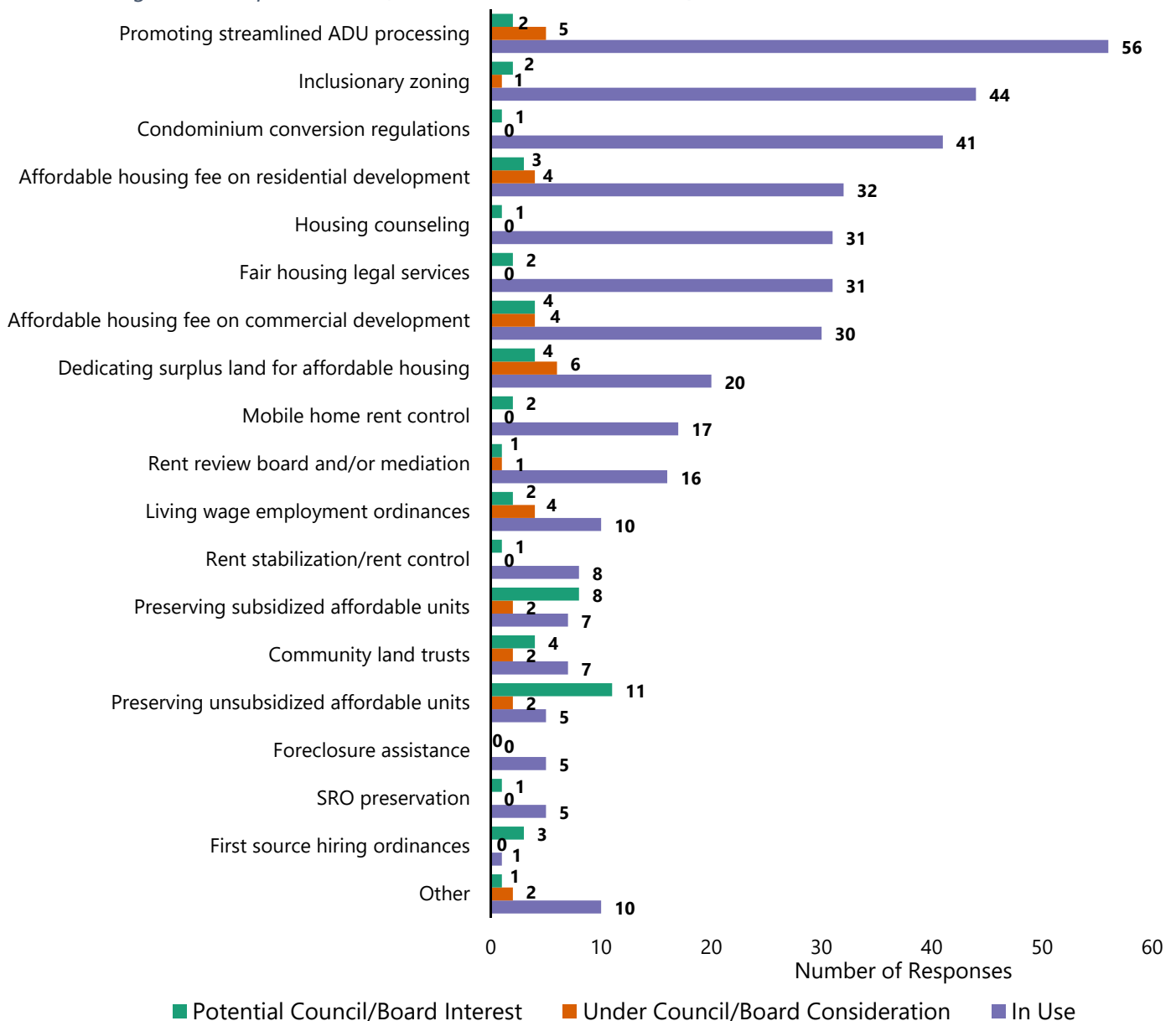
| Factors enabling success in achieving fair housing policy goals: | Factors preventing success in achieving fair housing policy goals: |
|---|---|
| <ul style="list-style-type: none"> • Creation of new local funding sources for affordable housing • Construction of 100% affordable housing developments with local financial support • Streamlined approvals processes for development, particularly for affordable housing and ADUs • Production of new affordable housing through inclusionary zoning • Affordable housing opportunities are not limited to low-income neighborhoods • Rezoning and other policies implemented through Housing Element updates resulting in increased development of both market-rate and affordable units • Ongoing funding for fair housing services providers • Strong leadership, political will, and community support for policies that advance fair housing goals | <ul style="list-style-type: none"> • Available funding inadequate for meeting the demand for affordable housing and other housing services • Land prices, land availability, and construction costs hamper affordable housing construction • Development of affordable housing cannot keep pace with the need • Longer timeframe required to see the effects of efforts to deconcentrate poverty and make affordable housing available throughout all neighborhoods • Lack of private investment, particularly in historically marginalized communities • Lack of staff to work on policy development and implementation • Community opposition to policies related to furthering fair housing |

Anti-displacement policies and initiatives in local jurisdictions: Jurisdictions throughout the region have adopted a variety of policies to prevent or mitigate the displacement of their low-income residents. The most common strategies focus on the production of affordable units as well as policies and programs to help low-income tenants remain in their current housing (see Figure 6). 78% of respondents indicated that their jurisdictions promote streamlined processing for ADU construction. Other policies enacted by the majority of respondents include inclusionary zoning and condominium conversion regulations. Additionally, more than 40% of respondents assess affordable housing fees on residential and/or commercial development, while a comparable number of respondents provide support for fair housing legal services and/or housing counseling. It is worth noting that efforts to preserve subsidized and unsubsidized affordable units have been made by few jurisdictions, but these two strategies were selected by the most respondents as being of potential interest to the councils/boards in their jurisdictions.

In addition to the options listed on the survey, respondents reported that the following anti-displacement policies and programs have been implemented by their jurisdictions:

- Relocation assistance for tenants displaced due to code enforcement actions, condo conversion, and demolition of housing units for redevelopment
- Programs and land use regulations to preserve affordable housing in mobile home parks
- Just cause eviction protections
- Downpayment assistance programs for residents
- Partnering with land trusts to acquire foreclosed homes and other for-sale properties to make them available for low- and moderate-income homebuyers
- Assisting landlords with low-cost loans and grants for property improvements in return for keeping long-time residents in place

Figure 6. Which of the following policies, programs, or actions does your jurisdiction use to prevent or mitigate the displacement of low-income households? (Question 50)



Appendix B. Summary of Bay Area Local Fair Housing Reports

Federally Mandated Fair Housing Reports

Federal law obligates state and local jurisdictions receiving block grant funding from the HUD to submit a Consolidated Plan every five years, and this process requires conducting an Analysis of Impediments to Fair Housing Choice (AI).⁵ In 2015, HUD released a final rule on affirmatively furthering fair housing (AFFH), which provided updated guidelines for assessing fair housing issues and created a new Assessment of Fair Housing (AFH) tool to replace the AI process. HUD's intent for this new process was to improve community planning around fair housing issues, as this new tool required public participation and increased data analysis.⁶ In 2018, however, HUD suspended the AFH tool and reinstated the previous requirement to complete an AI report.⁷ In response to HUD's decision, the California legislature passed Assembly Bill 686 in 2018, which states that AFFH obligations must be interpreted in a manner consistent with HUD's 2015 AFFH rule, regardless of subsequent amendments to or suspensions of the rule.⁸ As a result, some reports submitted by Bay Area jurisdictions for the 2020-2025 cycle are labeled AFH reports, while others are AI reports, but the content and format of reports submitted since the passage of Assembly Bill 686 are likely to be similar, regardless of whether the report is labeled an AI or AFH.

Bay Area Reports

Currently, 41 Bay Area cities and counties participate in the Consolidated Plan process and have submitted AI or AFH reports to HUD. Because these reports are submitted as part of five-year planning cycles, most of these jurisdictions recently submitted a report for the years 2020-2025 or are currently working on a report for this cycle, though reporting in some jurisdictions occurs on a different timeline. While some reports are submitted to HUD by individual jurisdictions, this reporting can also be completed as a collaborative effort between a county government and local jurisdictions within the county.

Below is a summary of the 16 AI and AFH reports, which are the most recently submitted fair housing documents from Bay Area jurisdictions available to the public. These reports cover the following jurisdictions:

- Alameda County collaborative report: the cities of Alameda, Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, and Union City as well as Alameda County
- Contra Costa County collaborative report: the cities of Antioch, Concord, Pittsburg, and Walnut Creek as well as Contra Costa County
- Marin County
- City and County of San Francisco

⁵ See <https://www.hudexchange.info/programs/consolidated-plan/consolidated-plan-process-grant-programs-and-related-hud-programs/> for more information on the Consolidated Plan process.

⁶ See <https://files.hudexchange.info/resources/documents/AFFH-Fact-Sheet.pdf> and <https://www.hudexchange.info/programs/affh/overview/> for more information on the 2015 AFFH rule and AFH tool.

⁷ See <https://files.hudexchange.info/resources/documents/FR-Notice-AFFH-AI-Notice.pdf> for the 2018 HUD notice.

⁸ See https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB686 for text of Assembly Bill 686.

- San Mateo County collaborative report: the cities of Daly City, San Mateo, South San Francisco, Redwood City, as well as San Mateo County
- Santa Clara County
- Sonoma County collaborative report: cities of Santa Rosa and Petaluma as well as Sonoma County
- City of Cupertino
- City of Fairfield
- City of Milpitas
- City of Mountain View
- City of Napa
- City of San Jose
- City of Sunnyvale
- City of Vacaville
- City of Vallejo

Reported Fair Housing Impediments, Strategies, and Actions

This summary focuses on common impediments to fair housing experienced by Bay Area jurisdictions, and it also lists specific strategies proposed and actions taken in response to these obstacles. While each AI or AFH report contains extensive city/county demographic information, housing equity history, and details on how the report was produced, including community engagement efforts, this summary does not focus on the individual circumstances of each jurisdiction. Rather, it collates these jurisdictions' most significant barriers to affirmatively furthering fair housing, as self-reported, and lists the strategies they have taken to overcome them, in an attempt to draw out common themes at the regional level.

The top themes to emerge at the regional level are:

1. There is a severe lack of affordable housing amidst already-high housing costs regionwide.
2. The lack of affordable housing leads to displacement and gentrification, impacting access to employment, transportation, and education for low-income people.
3. Communities often oppose new housing construction, especially when it is dense, affordable housing. While framed as an issue of "local control," in some circumstances this opposition to housing may be rooted in implicit discrimination based on race and class/income.
4. Jurisdictional zoning and approval policies and practices reflect this community opposition and contribute to the lack of affordable housing supply.
5. Lack of investment in specific neighborhoods is the result of longstanding explicit housing segregation, leading to racially-concentrated areas of poverty that persist today.
6. Outreach, education, and enforcement of fair housing activities are contracted out to nonprofits with insufficient resources.
7. There are significant accessibility barriers to housing for disabled, non-English-speaking, formerly incarcerated, formerly homeless, and other specific populations.

8. Discrimination in the private housing market is prevalent, both in the rental market and in lending policies and practices that impede home ownership.
9. There is much room for improvement in coordination and cooperation regionwide, both between jurisdictions and among different housing advocacy groups.

Below are more details on these highly interrelated obstacles to fair housing in the Bay Area, as well as actions and strategies that may offer solutions. Nearly all of the reports considered each of the following nine impediments, but they were inconsistent in clarifying whether the strategies noted have actually been implemented or are simply being considered. This high-level summary includes all strategies that local fair housing reports listed as potential solutions to these nine impediments. However, ABAG staff could not determine from these reports how many jurisdictions had implemented each strategy versus how many were considering the strategy but had not yet adopted it. The following list orders both the impediments and the strategies by approximate frequency and importance to the collective jurisdictions (i.e., the most frequently reported, most important ideas across reports are listed first), as interpreted by ABAG staff who compiled the summary after reviewing the reports.

IMPEDIMENT 1: Lack of Affordable Housing

A lack of affordable housing means a lack of racially and ethnically integrated and balanced communities. Every Bay Area jurisdiction examined in this summary reports a shortage of affordable housing for those who need it, in both rental and ownership markets. The inadequate supply of affordable housing creates a severe housing shortage for communities of color, which are disproportionately economically disadvantaged.⁹

Strategies and Actions for Overcoming this Impediment

1. Seek funding for new affordable housing construction

- Pursue dedicated sources of funding for affordable housing (citywide, countywide, or regionwide), including:
 - Affordable housing bonds
 - Local sales tax, transit occupancy tax, or vacant home tax
 - Housing trust funds for affordable housing development
- Explore state and national funding, such as CA Senate Bill 2
- Increase in-lieu fees¹⁰ to reflect actual cost of affordable housing development
- Pool in-lieu fees among cities
- Adopt inclusionary housing policies to bolster funds to support affordable housing

⁹ For more information on economic disparities across racial/ethnic groups in the Bay Area, see An Equity Profile of the Nine-County San Francisco Bay Area Region, by PolicyLink and PERE, the Program for Environmental and Regional Equity at the University of Southern California. Read at:

https://nationalequityatlas.org/sites/default/files/Final_9_County_BayAreaProfile.pdf.

¹⁰ In-lieu fees are fees paid by developers of market rate housing to satisfy affordable housing requirements in jurisdictions with inclusionary housing ordinances. The fee is paid in-lieu of providing on-site affordable housing, and jurisdictions typically use the fee to finance affordable housing development at a different site.

2. Identify new sites for affordable housing

- Prepare and publicize available and easily obtainable maps of all incorporated and unincorporated vacant and underutilized parcels
- Create a public database of potential sites that can be updated regularly

3. Incentivize developers to build new affordable units

- Prioritize the production of affordable housing units in sizes appropriate for the population and based on family size
- Reduce developer fees for affordable housing
- Encourage market rate housing to include affordable units, such as by promoting use of density bonuses
- Identify underutilized parcels to acquire, convert and develop into affordable housing
- Award higher points in housing developer applications to projects that offer units of 3+ bedrooms
- Support [Project-Based Voucher \(PBV\)](#) developments¹¹
- Promote objective development and design standards for housing development projects that qualify for streamlined permit review
- Provide assistance to developers to secure entitlements and county funding for extremely low-income/special needs units
- Coordinate use of housing subsidies to build affordable housing in high-opportunity areas in order to increase low-income households' access to designated opportunity areas with low poverty rates, healthy neighborhoods, and high-performing schools
- Explore the production of units that are affordable by design, such as Accessory Dwelling Units (ADUs) and micro-units

4. Consider existing units: Protect currently affordable housing from becoming market-rate, and/or convert currently market-rate housing to affordable housing

- Provide technical assistance and funding application assistance to retain affordable units at risk of converting to market rate
- Develop and implement a small site acquisition and rehabilitation program that effectively channels fees paid to the city, leveraged with other public and private resources, to the preservation of small buildings serving low-income tenants
- Leverage financial resources from state and federal programs to rehabilitate existing affordable housing projects nearing the end of their affordability restrictions and extend their subsidy into the future
- Donate municipally-owned, tax-foreclosed properties to nonprofit community land trusts to be rehabilitated, as needed, and preserved for long-term affordable housing

¹¹ Under the Project-Based Voucher program, a Public Housing Agency enters into an assistance contract with a development owner. This assistance subsidizes the rents for up to 25% of the units in the development for a specified term. Households living in units subsidized by PBVs pay 30% of their income toward rent, and the Public Housing Agency pays the development owner the difference between the rent the household pays and the gross rent for the unit. PBVs can enable an affordable housing development to charge more deeply affordable rents and better serve extremely low-income households.

IMPEDIMENT 2: Displacement and Gentrification

As defined by the Urban Displacement Project at UC Berkeley, gentrification is a process of neighborhood change in a historically disinvested neighborhood that includes both economic and demographic change. These changes occur as a result of both real estate investment and new higher-income residents moving in, which results in corresponding changes in the education level or racial makeup of residents.¹² Gentrification often causes displacement, which prevents long-term residents from benefitting from new investments in their neighborhood. Moreover, when low-income families are displaced from their homes, they typically move to lower-income neighborhoods, which generally lack options for high-quality employment, transportation, and schools.¹³

Strategies and Actions for Overcoming this Impediment

1. Adopt tenant protections

- Adopt tenant protections, such as relocation costs, increased noticing, just cause for eviction, and rent control ordinances
- Promote new fair housing laws, including AB 1482,¹⁴ including posting information on jurisdiction websites
- Collaborate with regional efforts such as established countywide homeless action plans/goals/programs that may provide one-time rent assistance to low-income people in jeopardy of being evicted due to life emergency or hardship
- Commission market-based rent surveys to seek adjustments to the fair market rents (FMRs) for the federal Housing Choice Voucher program
- Use eminent domain to block home foreclosures
- Fund and support multi-agency collaborative efforts for legal services, including organizations that do not receive Legal Services Corporation funding (federal funds) and are able to represent undocumented residents

2. Prioritize existing and new affordable housing, specifically in gentrifying areas

- Develop displacement mitigation or replacement requirements for any rezoning activities that could displace existing residents
- In tandem with investments in affordable housing development in low-poverty areas, provide funds for the preservation of affordable housing in areas that are undergoing gentrification or are at risk of gentrification, in particular in areas of high environmental health
- Donate municipally-owned, tax-foreclosed properties to nonprofit community land trusts to be rehabilitated, as needed, and preserved for long-term affordable housing

¹² For more information on gentrification, see <https://www.urbandisplacement.org/gentrification-explained>.

¹³ For more information on the impacts of displacement, see <https://www.urbandisplacement.org/pushedout>.

¹⁴ For more information on the statewide rent caps and just cause for eviction protections instituted by AB 1482, see <https://sfrb.org/article/summary-ab-1482-california-tenant-protection-act-2019>.

- Explore the development of policy that will allow a set-aside in affordable housing developments that prioritizes residents who are being displaced from low-income neighborhoods undergoing displacement and/or gentrification
- Offer minor home repair grants to help homeowners remain in their homes

IMPEDIMENT 3: Community Opposition to New Housing

Communities often prefer single-family homes in their neighborhoods, which residents typically describe as based on fear of lowered property values, overcrowding, or changes in the character of the neighborhood. When communities resist new housing, it often results in the exclusion of people of color and low-income households.

Strategies and Actions for Overcoming this Impediment

- Develop growth management programs intended to concentrate urban development and preserve agriculture and open space
- Provide ongoing community engagement to educate, include and inform residents about the challenges with housing, and to highlight the jurisdiction’s prior achievements in developing affordable housing and addressing racial disparities in housing choice
- Develop strategies and talking points to address topics cited in opposition to housing development, including the impact on schools, water, transportation and traffic
- Include and expand the number of participants who engage in discussions about barriers to fair housing and disparities in access and opportunities, and provide opportunities to advance recommendations to address housing challenges

IMPEDIMENT 4: Zoning Practices and Building Approvals

Local land use controls, zoning regulations, and impact fees are major impediments to constructing and preserving affordable housing. Unlike many other impediments to fair housing, jurisdictions have the authority to directly address these issues.

Strategies and Actions for Overcoming this Impediment

1. Evaluate and update zoning

- Evaluate and update existing zoning to ensure compliance with state-mandated streamlining requirements
- Rezone and repurpose underdeveloped areas
- Modify current zoning and other local policies regulating housing development that pose a direct or indirect constraint on the production of affordable housing
- Update zoning and programs to incentivize accessory dwelling units (ADUs)
- Explore revisions to building codes or processes to reduce the costs of ADU construction and/or allow a greater number of ADUs
- Encourage mixed-use transit-oriented development for affordable housing sites that are located near transportation facilities and employment centers by appropriately zoning

for higher density residential and mixed-use developments, maximizing the linkages between employers and affordable housing

- Consider rezoning sites for affordable housing outside of racially segregated areas that are predominantly residents of color
- Consider reduced development standards, specifically parking requirements, to incentivize the development of specific housing types, including units with affordability covenants, units for special needs individuals, higher density residential development, and developments near public transit

2. Evaluate and update fees, processing times, ordinances

- Review existing inclusionary housing in-lieu fees, housing impact fees, and jobs-housing linkage fee programs to maximize number of units, as consistent with current housing market conditions and applicable law
- Evaluate options for streamlined processing of affordable housing developments
- Discourage or eliminate live/work preferences in inclusionary ordinances

IMPEDIMENT 5: Segregation, Lack of Investment in Specific Areas, Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs)

Public and private disinvestment in certain areas has resulted in racially/ethnically concentrated areas of poverty (R/ECAPs). In these neighborhoods, lack of tax revenue and funds for services has led to deteriorated and abandoned properties and areas where communities of color cannot access amenities needed for a healthy life.

Strategies and Actions for Overcoming this Impediment

1. Target economic investment opportunities in R/ECAPS while protecting against displacement

- Fund home-based childcare projects and microenterprise projects with Community Development Block Grant (CDBG) funds
- Provide Family Self-Sufficiency program participants with job training referrals and career networking¹⁵
- Explore financially supporting economic development activities and initiatives in and around R/ECAPs
- Prioritize economic development expenditures in and around R/ECAPs
- Prioritize funding for job training programs in and around R/ECAPs, including industrial jobs
- Prioritize infrastructure and streetscaping improvements in R/ECAPs in order to facilitate local retail development
- Engage with small business incubators to expand to R/ECAPs or to provide technical assistance to start-up incubators

¹⁵ Family Self-Sufficiency is a program that enables HUD-assisted families to increase their earned income and reduce their need for welfare assistance and rental subsidies.

- Explore methods for providing low-interest loans and below-market leases for tax-foreclosed commercial properties to low-income residents seeking to start businesses within R/ECAPs

2. Improve access to home renting and buying for residents in R/ECAPS

- Work with communities to develop a community land trust for low-income residents that creates opportunities for affordable housing and home ownership, with specific inclusion for residents of color with historic connections to the area
- Build affordable housing projects in middle- and upper-income neighborhoods to the maximum degree possible
- Create more standardized screening policies and procedures for city-sponsored affordable housing
- First-time homebuyer down payment assistance programs

IMPEDIMENT 6: Outreach, Education, Enforcement

Nearly all jurisdictions report contracting with nonprofit organizations (partly funded by city and county grants) to provide local fair housing services and education, including counseling, language services, and handling of fair housing complaints. Despite these efforts, the region lacks sufficient housing search assistance, voucher payment standards, landlord outreach, mobility counseling, and education about fair housing rights. Inadequate funding and organizational capacity of the nonprofits providing services plays a role.

Strategies and Actions for Overcoming this Impediment

1. Better fund all fair housing services

- Allocate more federal, state, and local funding for nonprofit organizations providing fair housing services
- Fund and support multi-agency collaborative efforts for legal services, including organizations that do not receive Legal Services Corporation funding (federal funds) and are able to represent undocumented residents

2. Promote better fair housing outreach and education services

- Continue to contract with fair housing service providers to educate home seekers, landlords, property managers, real estate agents, and lenders regarding fair housing law and recommended practices, including the importance of reasonable accommodation under the Americans with Disabilities Act; to mediate conflicts between home seekers, landlords, property managers, real estate agents, and lenders; and to continue fair housing testing and audits
- Implement annual training programs for property managers and residents
- Seek ways to increase resident access to fair housing services, such as improved marketing of services, improved landlord education, and improved tenant screening services to avoid owner bias
- Educate tenants and landlords on new fair housing laws

- Provide financial literacy and homebuyer education classes
- Continue to fund housing placement services for people with disabilities to assist them in finding accessible housing
- Develop and distribute informational brochure on inclusionary leasing practices, including with licenses where applicable
- Continue and increase outreach and education activities for all protected classes
- Include education on new requirements of [Assembly Bill 2413 \(Chiu\), the Right to a Safe Home Act](#), in outreach activities to both landlords and the public¹⁶
- Explore alternative formats for fair housing education workshops such as pre-taped videos and/or recordings, which could serve persons with more than one job, families with young children and others who find it difficult to attend meetings in person

3. Better advertise affordable housing opportunities

- Create a database of all restricted housing units citywide/countywide/regionwide that could be posted online to provide user-friendly information about the location and application process for each development
- Advertise the availability of subsidized rental units via the jurisdictions' websites and or apps, the 2-1-1 information and referral phone service, and other media outlets

IMPEDIMENT 7: Accessibility for Specific Populations

Many jurisdictions report a lack of accessible housing for persons with disabilities, non-English-speaking people, formerly incarcerated people, formerly homeless people, seniors, and other specific populations—all direct fair housing issues.

Strategies and Actions for Overcoming this Impediment

- Fund housing placement services for people with disabilities to assist them in finding accessible housing
- Offer landlord incentives, such as leasing bonuses, for specific populations
- Conduct a research effort in collaboration with an academic institution to better understand the landlord population and create more evidence-based policy initiatives
- Increase marketing efforts of affordable housing units to people that typically face barriers and discrimination in fair housing choice, such as persons with disabilities, people of color, low-income families, seniors, new immigrants, and people experiencing homelessness
- To the extent practicable, use affordable housing funds for the construction of permanent supportive housing in developments in which 10-25% of units are set aside for persons with disabilities. Affirmatively market units to individuals with intellectual and developmental disabilities, their families, and service providers

¹⁶ The Right to a Safe Home Act (Assembly Bill 2413) was passed by the California legislature in 2018 and protects victims of crime or abuse, as well as individuals in emergencies, from being evicted or otherwise penalized for calling law enforcement or emergency assistance.

- Explore methods for nonprofit partners to assist in purchasing or master leasing affordable units within inclusionary market-rate developments, and set a portion of those units aside for persons with disabilities
- Develop and disseminate a best practices guide to credit screening in the rental housing context in order to discourage the use of strict credit score cut-offs and overreliance on eviction records
- For publicly-supported housing, develop protocols to ensure responsiveness to reasonable accommodation requests

IMPEDIMENT 8: Discrimination in Home Ownership and Rental Markets

Over time explicit, legal discrimination has given way to implicit, unwritten biases in mortgage access and lending policies and practices for people of color—specifically in high rates of denial of mortgages for African American and Hispanic households. In the rental housing market, discrimination against low-income people, minorities, immigrants, and LGBTQ people is also prevalent. People using Housing Choice Vouchers also face discrimination for their source of income.

Strategies and Actions for Overcoming this Impediment

- Work with communities to develop a community land trust for low-income residents that creates opportunities for affordable housing and home ownership, with specific inclusion for residents of color with historic connections to the area
- Explore creating incentives for landlords to rent to Housing Choice Voucher holders, such as a leasing bonus, damage claim reimbursement, security deposit and utility assistance
- Streamline Housing Choice Voucher administration so participation is easy for landlords
- Increase outreach to LGBTQ and immigrant stakeholder groups to provide “know your rights” materials regarding housing discrimination
- Emphasize bilingual fair housing services and activities to ensure all members know their housing rights and the benefits
- Proactively enforce source of income discrimination laws¹⁷
- Contract with local service providers to conduct fair housing testing in local apartment complexes
- Modify and standardize screening criteria to ensure access to housing for otherwise qualified applicants with credit challenges or criminal histories
- Educate landlords on criminal background screening in rental housing (using HUD fair housing guidance) and explore the feasibility of adopting ordinances

¹⁷ Senate Bill 329, enacted in 2019, prohibits landlords from discriminating against tenants who use Housing Choice Vouchers or other government assistance to pay their rent.

IMPEDIMENT 9: Coordination and Cooperation

There is fragmentation among jurisdictions and among fair housing advocacy groups. More regional cooperation is needed to address disproportionate housing needs and the jobs-housing balance across the region.

Strategies and Actions for Overcoming this Impediment

- Expand ongoing interagency connections to support weatherization, energy efficiency, and climate adaptation for low-income residents
- Create a shared list of lenders countywide/regionwide that can help buyers access below-market-rate loans and sponsor down payment and mortgage assistance programs
- Collaborate on cross-jurisdictional informational databases or other resources for all aspects of housing
- Consider a sub-regional approach to share resources and possibly units to increase collaboration and production