

Executive Summary

Identification of Impediments and Recommended Actions

As a condition of receiving Federal community development block grant funds, communities and states must certify that they are affirmatively furthering fairness and equal opportunity in housing for individuals and groups protected by the federal Fair Housing Act of 1968 and its amendments. Jurisdictions that administer or directly receive federal funds from the U.S. Department of Housing and Community Development (HUD) must meet this obligation by performing an Analysis of Impediments to Fair Housing Choice (AI) as part of their consolidated planning process for housing and community development programs under the Code of Federal Regulations (CFR) 24 Part 91. The AI is used to identify barriers to fair housing, and to develop and implement strategies and actions to overcome these impediments.

The California Department of Housing and Community Development (HCD), as a recipient of federal Home Investment Partnership (HOME) and Community Development Block Grant (CDBG) program funds has been designated as the department responsible for the preparation of California's Analysis of Impediments to Fair Housing and its plan to Affirmatively Further Fair Housing.

This AI broadly analyzes actions and conditions that may have the effect of restricting housing choice for people protected under State and federal fair housing laws. The AI not only identifies impediments to fair housing choice, but also makes recommendations to overcome the effects of those impediments and shall serve as the basis for fair housing planning, providing essential information to staff, policy makers, housing providers, lenders, and fair housing advocates, and assisting with garnering community support for fair housing efforts.

Description of Methodological Approach

The AI process involved a thorough examination of a variety of sources related to housing, affirmatively furthering fair housing, the housing delivery system and housing transactions, particularly for persons who are protected under federal and State fair housing laws.

The extensive data analysis conducted in this report revealed important information regarding the implementation of the State CDBG and HOME programs as well as general findings related to the implementation of fair housing laws.

The AI presents a demographic profile for the State, regions and counties, assessing the extent of housing needs among specific income groups, and evaluating the availability of a range of housing choices for residents and analyzes the conditions in the private market and public sector that may limit the range of housing choices or impede a person’s access to housing. In addition, extensive analysis was conducted on the implementation of the State administered CDBG and HOME programs including an analysis of disproportionate need based on income, ethnicity and poverty within State-CDBG eligible jurisdictions and identification of residential areas of over-representation for these groups to analyze the allocation and distribution of CDBG and HOME Program funded housing activities.

As the name of the report suggests the document reviews “impediments” to fair housing. While this report also assesses the nature and extent of housing discrimination, the focus is on identifying impediments that may prevent equal housing access and developing solutions within the HCD’s control to mitigate or remove such impediments.

Summary of Findings and Identified Impediments

Through the analyses and conclusions included in the AI, HCD developed a list of impediments and recommendations to help address the Impediments as appropriate. In identifying programmatic recommendations, the AI focuses on actions that are directly related to fair housing issues and can be implemented within the resources and authority of HCD and the State-eligible CDBG jurisdictions. Please note, existing State, local, and federal requirements, such as Affirmative Marketing Plans, and Relocation Plans are not re-stated in this AI.

Table Exec-1

Identified Impediments to Fair Housing	
Impediment #1	Inadequate supply of affordable housing available to lower-income and minority households
Impediment #2	Community resistance to development of multi-family rental housing and housing for lower-income or minority households
Impediment #3	Shortage of subsidies and strategies to promote affordable, accessible housing for low, very low, and extremely low-income households, including protected classes.
Impediment #4	Communities lack sufficient awareness of potential fair housing impediments, and ways to address those impediments

Impediment #5	Limited Coordination on Fair Housing Issues among State fair housing enforcement Agencies
Impediment #6	Local development standards and their implementation e.g. zoning, building or design standards, may constrain development of housing opportunities for minority and low income households
Impediment #7	Low-income households may be at risk of displacement in areas subject to strong new development pressure or activity.
Impediment #8	Inadequate access for minority households to housing outside of areas of minority concentration
Impediment #9	Minorities are being underserved by the State CDBG and HOME Programs in some instances
Impediment #10	Inadequate access to employment opportunities, transportation, public and social services infrastructure to support increased housing opportunities for lower income households

Proposed Actions to address Identified Impediments

To effectively combat housing discrimination and affirmatively further fair housing, HCD has identified a multi-pronged approach that includes implementing the following recommendations to address the 10 identified impediments to fair housing:

(SEE TABLE BEGINNING NEXT PAGE)

Table Exec-2

Impediment #1: Inadequate supply of affordable housing available to lower-income and minority households				
	Recommendation	Responsible Agency/Program	Resources Available/ Required	Timeframe
1-1	Promote increased housing supply for all income levels.	HCD (HPD): Continued administration of the Regional Housing Need Allocation process and State Housing Element Law.	Existing Staffing Resources Constrained. Will continue to implement through administrative efficiencies while working to identify additional funding sources ** see also recommendations 1-3, 2-2 and 4-1 below.	Ongoing - 5 th Cycle updates due beginning 2013.
1-2	Make funds available to benefit low- and moderate income households for construction, rehabilitation, preservation and rental and mortgage subsidies.	HCD (HPD and DFA) through administration of existing State, federal and Bond funded programs.	Use existing funding sources and staffing	Ongoing
1-3	Provide technical assistance and enhance available resources for local governments and individuals on State planning laws promoting the siting of and zoning for a variety of housing types including multifamily housing, emergency shelters, residential care facilities and accessible housing and land use related impediments to fair housing.	HCD (HPD)	Existing resources do not allow for expansion. Department will maintain existing resources and efforts	Maintain existing online resources and inclusion in Department workshops and trainings. By end of 2013, consult with other relevant agencies (HUD, DFEH), service providers, and fair housing organizations to identify additional technical assistance materials that may be made available.

Impediment #2: Community resistance to development of multi-family rental housing and housing for lower-income or minority households

	Recommendation	Responsible Agency/Program	Resources Available/ Required	Timeframe
2-1	Collect and disseminate information on resources to combat NIMBYism.	HCD (HPD)	Existing Resources	Update HCD Webpage as appropriate and send notice of updates through Department List-serve.
2-2	Continue to review local jurisdiction's housing elements for compliance with State housing element law, including an analysis of governmental constraints to the development of housing for the disabled other special needs groups and provide technical assistance in developing effective programs to remove or mitigate identified constraints.	HCD (HPD) through implementation of State housing element law and statutory requirements including but not limited to SB 520, SB 812 and SB2	Existing staffing resources constrained. Will continue to implement through administrative efficiencies while working to identify additional funding sources.	Ongoing Estimated # of jurisdictions due by year for forthcoming 5 th planning period. ¹ 2013 – 245 jurisdictions 2014 – 206 jurisdictions 2015 – 88 jurisdictions

¹ Total number jurisdictions with housing elements due by year is an estimate. Jurisdiction due date is subject to change based on changes to subject COG's estimated RTP adoption date. "Actual" date will be based on official RTP adoption date which, if different than the estimated date, changes the actual housing element due date. (GC 65588(e)(5)).

Impediment #3: Shortage of subsidies and strategies to promote affordable, accessible housing for low, very low, and extremely low-income households, including protected classes.

	Recommendation	Responsible Agency/Program	Resources Available/ Required	Timeframe
3-1	Support efforts to establish a statewide permanent source of revenue for affordable housing development and preservation.	HCD and CalHFA	Absorbable with Existing Resources	Ongoing
3-2	Promote housing opportunities for persons with disabilities and special needs populations.	HCD	Absorbable with existing resources	Ongoing
3-3	Monitor and support efforts to develop local funding resources to replace loss of redevelopment funds.	HCD	Absorbable with Existing Resources	Ongoing

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Impediment #4: Communities lack sufficient awareness of potential fair housing impediments, and ways to address those impediments

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
4-1	<p>Provide technical assistance and materials to assess fair housing implications of local ordinances, zoning requirements, building codes, and development standards and recommend actions to mitigate impediments to fair housing</p> <p>(Will be addressed in similar manner to Recommendations 1-1, 1-3, and 2-2 as detailed above.)</p>	HCD (HPD)	<p>Existing resources do not allow for expansion.</p> <p>Department will maintain existing resources and efforts and work with other entities to provide/enhance resources available.</p>	<p>Maintain existing online resources and include information and relevant materials in Departmental workshops and trainings.</p> <p>By end of 2014, consult with other relevant agencies (HUD, DFEH), service providers and fair housing organizations to identify additional technical assistance materials and process to ensure effective and timely assistance.</p>
4-2	<p>Through the housing element review process, monitor fair housing program implementation at the local level including:</p> <ul style="list-style-type: none"> • Who serves as the responsible organization • What is the current fair housing complaint process • Dissemination of information on how to file a complaint. Where, how? Is it readily available to the public? • Review that the complaint process includes a policy for maintaining records on fair housing inquiries, complaints filed, and referrals for fair housing assistance. 	HCD (HPD)	Existing Resources	<p>By end of 2013 develop survey instrument for Housing Element Reviewers to facilitate collection and analysis of information.</p> <p>By end of 2014 complete summary analysis for inclusion in HCD's 2015-2020 Consolidated Plan.</p>

Impediment #4 (continued)				
	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
4-3	<p>Develop a page on the Department's website dedicated to fair housing and Anti-NIMBY resources both for use by Local Governments and the general public.</p> <p>Provide information in English and Spanish. If resources permit, expand website to include fair housing information relevant to landlords and real-estate professionals</p>	HCD (HPD)	Existing Resources	<p>Complete website for launch during Fair Housing Month in 2014. Update website regularly as information is available and notify interested parties of updated information through the Department's List-Serve</p> <p>Monitor website traffic bi-annually.</p>
4-4	<p>Publish on the HCD website (described above) a fair housing complaint contact for every county, including contacts for DFEH and HUD.</p>	HCD (HPD) in coordination with DFEH and HUD	Existing Resources	See above
4-5	<p>Provide training to jurisdictions on AI related topics, including, but not limited to:</p> <ul style="list-style-type: none"> • overall AI implementation responsibilities, • fair housing laws, • affirmative marketing, • assistance to persons of Limited English Proficiency, and • NIMBY issues. <p>Make training resources available on Department's website. Market and monitor jurisdictions' attendance at these trainings.</p>	HCD (CDBG, HOME, and HPD) in coordination with HUD	Existing Resources	Ongoing

Impediment #4 (continued)				
	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
4-6	Gather info on fair housing trainings provided at the local level. Develop incentives for training of staff, local elected officials, board members of private organizations, and members of the general public.	HCD (DFA and HPD)	Existing Resources	Annually
4-7	Make LEP resources and referrals available on the HCD website to facilitate expansion of local resources and notifications in multiple languages	HCD (HPD)	Existing Resources	Ongoing

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Impediment #5: Limited Coordination on Fair Housing Issues among State fair housing enforcement agencies

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
5-1	Increase training on fair housing issues for HCD program and policy staff to strengthen general knowledge for all staff and expertise for designated fair housing specialists	HCD in coordination with DFEH	Existing Resources	Begin 2013 and at least every 2 years thereafter, or as needed.
5-2	To increase cooperation among State fair housing enforcement agencies convene a bi-annual meeting of State fair housing enforcement agencies to discuss opportunities for increased cooperation and coordination.	HCD in coordination with DFEH	Existing Resources	Begin 2013. Convene meetings at least every two years. Note: annual meetings may be warranted based on objectives agreed upon in initial meeting.

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Impediment #6: Local development standards and their implementation e.g. zoning, building or design standards, may constrain development of housing opportunities for minority and low income households

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
6-1	Convene AI working group to discuss progress on AI Recommendations and solicit feedback for future AI updates	HCD (CDBG, HOME and HPD)	Existing Resources	Begin 2014 and Annually thereafter
6-2	Encourage city and county planning departments to implement land use policies which encourage fair housing and the construction of housing affordable to lower-income families and workers through the administration of State housing element law	HCD (HPD)	Existing Resources	Ongoing

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Impediment #7: Low-income households may be at risk of displacement in areas subject to strong new development pressure or activity.

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
7-1	Provide technical assistance for anti-displacement strategies and efforts to increase or preserve affordability in existing neighborhoods and neighborhoods at risk of gentrification.	HCD: (HOME and HPD)	Given limited and uncertain resources, will implement to the extent feasible based on available future resources.	<p>Ongoing through review of housing element submittals, program administration and associated technical assistance as well as information collected for dissemination.</p> <p>Prepare materials for distribution at HCD convened workshops and to place on Fair Housing Webpage complete by 2014</p>

Impediment #8: Inadequate access for minority households to housing outside of areas of minority concentration

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
8-1	Encourage more single family housing acquisition with CDBG funds through the use of incentives such as application rating points	HCD (CDBG)	Absorbable within existing resources.	Implementation to begin in 2013
8-3	Assign application rating points to increase competitiveness to HOME projects not located in areas of minority concentration. (CDBG to provide points in future funding rounds on infrastructure for a HOME project not located in an area of minority concentration.)	HCD (HOME and CDBG)	Absorbable within existing resources	Ongoing
8-4	Track siting of HOME activities relative to minority concentration (Jurisdiction siting practices over time)	HCD (HOME)	Absorbable within existing resources	Develop tracking system by end of 21012 Begin monitoring siting and report on implementation and outcomes in forthcoming CAPERs.
8-5	Consider ways to increase applications from inactive jurisdictions, including but not limited to individual meetings to discuss what particular barriers to participation exist for the locality.	HCD (HOME and CDBG)		Ongoing

**Impediment #8
(continued)**

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
8-6	<p>Coordinate with PHAs within State-CDBG eligible jurisdictions on best practices related to utilization rates, increasing property portfolio outside areas of concentration etc. Survey participating PHAs for best practices on:</p> <ul style="list-style-type: none"> • The extent to which finding landlords willing to accept Section 8 vouchers outside of areas of minority concentration is a problem; and • How PHAs are marketing available vouchers to underserved populations who may be least likely to apply. 	HCD (HPD)	Existing Resources and in coordination with CHPC.	<p>To begin in 2013-2014.</p> <p>Timeline for Completion of survey; follow-up actions to be determined (could include providing best practice models on the Department's website).</p>

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Impediment #9: Minorities are being underserved by the State CDBG and HOME Programs in some instances

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
9-1	Require affirmative marketing analysis for CDBG housing, public services, and microenterprise activities in order to outreach to those least likely to apply	HCD CDBG		Implementation to Begin in 2013
9-2	Encourage more infrastructure projects in areas of greatest need	HCD (CDBG)		Implementation to Begin in 2013
9-3	Develop affirmative marketing procedures for HOME activities that currently do not have them (i.e. first-time homebuyer, owner-occupied rehabilitation, and tenant-based rental assistance programs) to facilitate outreach to those least likely to apply. Continue affirmative marketing procedures for project activities.	HCD (HOME)		Ongoing
9-4	Revise application scoring method so communities are scored based on jurisdictional-wide poverty rate, rather than poverty rates for a target area.	HCD (CDBG)	Absorbable within existing resources	Currently implemented (Implementation began with 2012 NOFA). Will monitor and report on outcomes/impacts in future CAPERS beginning in 2013.

Impediment #10: Inadequate access to employment opportunities, transportation, public and social services infrastructure to support increased housing opportunities for lower income, minority and disabled households

	Recommendation	Responsible Program	Resources Available/ Required	Timeframe
10-1	Provide training in HUD Section 3 requirements, and require funded jurisdictions to submit Section 3 implementation plans	HCD (CDBG and HOME)		To begin in 2014
10-2	Establish working group to study model county analysis and develop criteria incorporate relevant information into ongoing education and technical assistance to local governments and consider incorporation in rating and ranking in federal programs and future AI updates as appropriate.	HCD (HPD and DFA)	Existing Resources	Begin in 2013. HCD will initiate one working group in 2013 and make recommendations and then implement second working group thereafter with the goal of completing and implementing recommendations of both working groups within the timeframe of the AI and the 2015-2020 Consolidated Plan update.
10-3	Convene working group of local jurisdictions and developers in rural areas to address improving the siting of housing and access to jobs, transportation, and social services	HCD (CDBG, HOME, HPD) in coordination with rural and fair housing advocacy organizations		