ALAMEDA COUNTY HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT ADVISORY COMMITTEE

Staff Report

February 5, 2025

Analysis of Impediments to Fair Housing

BACKGROUND:

The 1990 National Affordable Housing Act allowed local governments to form consortia for the purpose of receiving and administering federal HOME funds. The County of Alameda and the cities of Alameda, Fremont, Hayward, Livermore, Pleasanton, San Leandro, Union City and the Urban County have formed the Alameda County HOME Consortium (Consortium) in accordance with the regulations of the Act. The Urban County consists of the cities of Albany, Dublin, Emeryville, Newark, Piedmont and the Unincorporated County. In May 2025, the Consortium will adopt a new five-year Consolidated Plan covering Fiscal Year 2025 through Fiscal Year 2029. A stand-alone part of the Consolidated Plan is the *Analysis of Impediments to Fair Housing* (AI), which is periodically updated. The AI was previously updated in January 2020.

DISCUSSION:

Under the Act, localities which are eligible to receive federal funding from housing and community development programs administered by the U.S. Department of Housing and Urban Development (HUD) are required to prepare an *Analysis of Impediments to Fair Housing*. The AI is a planning document built on public participation and intergovernmental consultation regarding fair housing. This time, HOME Consortium jurisdictions joined with the cities of Berkeley and Oakland and the five housing authorities in the County to develop a regional AI. It outlines County demographics, jurisdictional analysis of impediments, conclusions and recommendations for fair housing activities. It also includes a description of other actions that the jurisdictions will be taking on a regional basis to reduce barriers to fair housing choice.

HUD defines impediments to fair housing choice as any actions, omissions or decisions that have the effect of restricting housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.

The Regional AI was developed by TDA Consulting with input from jurisdictional staff and community stakeholders. Six community meetings were held across the County in Hayward, Berkeley, Dublin, Oakland, and Union City which garnered 91 participants. Community stakeholders with expertise in various topic areas were interviewed to provide in-depth commentary on their areas of expertise. In addition, a community survey was distributed, and more than 1,600 responses were gathered and analyzed. A draft of the Executive Summary is attached. The entire AI can be viewed on HCD's website at https://www.achcd.org/ under the "What's New" section.

The AI was distributed Consortium-wide for public review and comments via public notice in local papers and postings on jurisdictional web-sites from January 17, 2025 through February 17, 2025. A public hearing will be held at this HCDAC meeting on February 5, 2025. Pending any comments received during the public comment period the AI will be ready for adoption by the Alameda County Board of Supervisors. Upon adoption, it will be sent to HUD for approval. Much of the information will also be used in the Needs section of the upcoming Alameda County

HOME Consortium FY25 –FY29 Consolidated Plan to be adopted in May 2025.

Key Findings

Housing affordability and availability are the largest issues found to affect the residents participating in the community engagement process.

Key findings include:

- Across all participating jurisdictions, white (41.5%) and Asian Pacific (35%) residents make up the majority of homeowners. The percentage of black homeownership (6.5%) and Hispanic homeownership (12.6%) combined does not exceed the percentage of white homeownership. The cities of Emeryville, Pleasanton, Fremont and Union City have seen the biggest homeownership decreases at 4% or more.
- Segregation between white residents and people of color (POC) has increased in the last decade.
- The County's black resident population has decreased by over 7% since 1990.
- Overall, POC are being displaced from areas with a traditionally large POC population. Some specific POC majority cities, however, are seeing increases in POC populations.
- Areas with higher levels of POC residents have less access to proficient schools, jobs, and environmental health.
- Median rents have risen by 49% from $1,547 to $2,303 between 2017 and 2023.
- The average home sales price has increased from approximately $650,000 to over $1,000,000 since 2017.
- The wage needed to rent an average housing unit in the County is $51.58 an hour or $107,280 a year.
- Homelessness has increased by 47% since 2017.
- POC households, especially black and Hispanic households, have the highest rate of disproportionate housing needs, which include having incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room, and households with a housing cost burden greater than 30%.
- Overall, the rate of home loan approvals has gone down since the peak of 2020 and 2021 with only 41% being approved and originated. Black applicants continue to have the lowest approval rate at 71% (up from 59%) and Hispanic applicants have the second lowest at 73% (up from 61%) compared to white applicants at 81% (up from 70%). The top three application denial reasons within the County were debt-to-income ratio (47%), Collateral (14%) and credit history (13%), representing about 75% of the County's total denials.
- Based on community feedback, Housing Choice Voucher holders and those with disabilities often find it difficult to find an appropriate housing unit.
- From 2016 to 2023, 375 fair housing discrimination cases ranging from: disability, race, retaliation, and familial status were forwarded to the California Department of Fair Employment and Housing and the Office of Fair Housing and Equal Opportunity.

Participating jurisdictions identified additional contributing factors, which are italicized below.

Contributing factors affecting segregation

o Displacement of residents due to economic pressures;
o Location and types of affordable housing;

o Historical discrimination against people of color;
o Limited supply of affordable housing within neighborhoods;
o Lack of local taxation revenues (e.g., taxation limitations such as Prop 13) to support social services and affordable housing.

Contributing factors affecting displacement of residents due to economic pressures
o Lack of private investments in specific neighborhoods;
o Lack of public investment in specific neighborhoods, including services or amenities;
o Location and types of affordable housing;
o Lack of local taxation revenue to support social services and affordable housing;
o Limited supply of affordable housing within neighborhoods.

Contributing factors affecting access to opportunity
o Access to financial services;
o Lack of private investments in specific neighborhoods;
o Location of employers;
o Location of proficient schools and school assignment policies;
o Location and types of affordable housing;
o Lack of local taxation to support social services and affordable housing;
o Administration of public funds makes utilization of public funding for affordable housing and social services costly;
o Limited supply of affordable housing in areas with access to opportunity.

Contributing factors affecting disproportionate housing needs
o Lack of private investments in specific neighborhoods;
o Availability of affordable units in a range of sizes;
o Displacement of residents due to economic pressures;
o Land use and zoning laws;
o Lending discrimination;
o High cost of development;
o Limited supply of affordable housing within neighborhoods.

Contributing factors affecting publicly supported housing
o Land use and zoning laws;
o Community opposition;
o Source of income discrimination;
o Administration of public funds makes utilization of public funding for affordable housing and social services costly.

Contributing factors affecting disability and access
o Access to publicly supported housing for persons with disabilities;
o Lack of affordable housing for individuals who need supportive services;
o Lack of assistance for housing accessibility modifications;
o Location of accessible housing;
o Limited supply of affordable housing within neighborhoods;
o Administration of public funds makes utilization of public funding for affordable housing and social services costly.

Contributing factors affecting fair housing
o Lack of local private (nonprofit) fair housing outreach and enforcement;
o Lack of local public (local, state, federal) fair housing enforcement;
o Lack of resources for fair housing agencies and organizations;
o Lack of federal, state, and local funding to support affordable housing.

<u>Proposed Urban County Goals:</u>

The proposed Regional policies and specific Actions to be undertaken are outlined below. Please note that not every Action is being proposed for adoption by the Urban County members and not every Urban County jurisdiction is adopting every listed Action (See "Summary of Proposed Goals and Actions" on page.185 that are specific to jurisdictions). The Actions listed are the ones that they felt that they could carry out in the five-year time period. Key factors cited for not adopting a specific Action are lack of a policy for action and lack of staff to implement those activities.

GOAL ONE: PROMOTE FAIR HOUSING ENFORCEMENT AND EDUCATION THROUGH INTERAGENCY COLLABORATION.

ACTION 1A: Continue to contract with 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 ADA, protections for source of income, and the impact of using credit, criminal, and eviction history to assess tenant applications.

ACTION 1B: Coordinate with other jurisdictions on the creation of tenant advocacy materials that will provide easy to understand summaries of tenant rights and information on resources that can help with housing challenges including where to find housing assistance and where to report housing concerns. These materials will be available in multiple languages and digitally and on paper for those who do not regularly access the internet.

ACTION 1C: Seek ways to increase resident access to fair housing services, such as improved marketing of services, strategies for bringing opportunities into the community through partnership with service organizations, and incorporating fair housing considerations as a routine practice of program administration.

GOAL TWO: ADDRESS CHALLENGES OF DISPLACEMENT AMONG RESIDENTS IN HIGH COST AND GENTRIFYING AREAS.

ACTION 2A: Encourage landlords in high resource areas to market their available units to Housing Choice Voucher Holders through education, incentives, and interagency coordination that may help to streamline housing navigation and inspection processes.

ACTION 2B: Work to connect tenants at risk of eviction or displacement with services that stabilize housing.

ACTION 2C: Monitor the status of units at risk of conversion and work proactively with property owners to identify strategies that will allow units to remain affordable.

ACTION 2D: Explore options for limiting redevelopment of existing affordable housing projects to other uses and to require replacement housing be provided when project will result in loss of low-moderate income housing units.

ACTION 2E: Provide home repair assistance to income-qualified homeowners to allow homeowners to maintain housing safety and remain in their homes.

GOAL THREE: CONTINUE TO SUPPORT THE CREATION OF NEW AFFORDABLE HOUSING OPPORTUNITIES

ACTION 3A: Continue to encourage construction of affordable housing throughout the region, including through the use of public land and enhanced coordination with nonprofit developers.

ACTION 3B: Encourage construction of accessory dwelling units.

ACTION 3C: Increase housing density consistent with state requirements and encourage applicants to apply for density bonuses as a tool to produce affordable housing and promote new housing.

ACTION 3D: Explore enhanced incentives for developers of affordable housing including incentives such as reduced fees, expedited processing, and regulatory streamlining.

GOAL FOUR: EXPAND HOUSING OPPORTUNITIES FOR PEOPLE WITH SPECIAL NEEDS

ACTION 4A: Provide accessibility improvements in rehabilitation activities to increase the ability of physically disabled people to obtain and retain appropriate housing and live independently.

ACTION 4B: Facilitate housing development and assistance programs for special needs households, including seniors, farmworkers, persons with disabilities, and the unhoused.

ACTION 4C: Continue outreach and engagement efforts to assist unhoused residents in securing safe affordable shelter and associated supportive services.

GOAL FIVE: ENHANCE COORDINATION ACROSS JURISDICTIONS TO PROMOTE COLLABORATION IN MEETING REGIONAL CHALLENGES

ACTION 5A: Meet quarterly with the Participating Jurisdictions to discuss fair housing strategies, share information, and provide updates on goals to better coordinate regional fair housing efforts.

RECOMMENDATION

Staff recommends that the HCDAC:

1. Recommend the adoption of *the FY25-29 Regional Analysis of Impediments to Fair Housing* in substantially the form submitted.