

2020 AI Implementation Status Report

Impediment #1: Supply and Production of Affordable Homes

Inadequate supply and production of affordable homes available to lower-income households and persons in protected classes.

Impediment #2: Housing Preservation

Vulnerable supply of affordable homes threatens housing options for lower-income households and persons in protected classes.

Impediment #3: Housing Instability and Homelessness

Unequal access to supportive services, shelter, and affordable housing opportunities increases housing instability and risk of homelessness for protected classes. The Coronavirus pandemic has exacerbated existing inequalities and vulnerabilities.

Impediment #4: Fair Housing Education and Enforcement

Limited community awareness of fair housing protections and enforcement resources.

Impediment #5: Tenant Protections and Anti-Displacement

Lack of uniform enforcement and adequate anti-displacement protections have left protected classes more vulnerable to displacement.

Impediment #6: Disparities in Housing Quality and Infrastructure

Lower-income households, rural communities, and persons in protected classes, are disproportionately experiencing severe housing problems, a lack of adequate housing options, and disparities in infrastructure.

Impediment #7: Climate and Environmental Vulnerabilities

Lower-income households and protected classes are often disproportionately impacted by climate change, environmental injustice, or unsustainable land use and development practices.

Impediment #8: Historic and Lasting Impact of Segregation

Despite the repeal of explicitly racist and discriminatory housing laws, there remains a lasting legacy of segregation and resource disparities. Housing choice is often limited for persons of protected classes, including communities of color, to segregated concentrated areas of poverty.

Impediment #9: Local Resistance and Exclusionary Land Use Policies Constrain Access to Opportunity

Denying, preventing, or rendering infeasible multifamily housing development, alternative housing strategies, and affordable housing limits access for lower-income households, protected classes, and persons experiencing homelessness.

Impediment #10: Insufficient Accessible Housing Stock

Lack of adequate accessible housing options, compared to the need, limits housing choice for people with disabilities.

Status update:

- Maintain and expand resources available for the production and preservation of rental housing for households earning less than 30 percent AMI.
- HCD administers state, federal, and bond funded programs to benefit low and moderate-income households for construction, rehabilitation, preservation, and rental and mortgage subsidies. In 2019-2020 HCD awarded 958 grants and loans totaling more than \$2.5 billion. For HCD's program award information see <https://www.hcd.ca.gov/grants-funding/active-funding/index.shtml>.
- In 2019-2020 HCD's asset management and compliance division oversaw nearly 1,110 affordable housing developments with a total loan balance of \$2.2 billion for approximately 121,000 Californians.
- No Place Like Home (NPLH) includes up to \$2 billion in bond proceeds towards the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness.
- The Department continues to implement the Section 811 Project Rental Assistance program in collaboration with the State Department of Health Care Services (DHCS), California Department of Developmental Services (DDS), California Housing Finance Agency (CalHFA), and TCAC. The program provides project-based rental assistance to affordable housing projects to serve persons ages 18-61 exiting long-term care facilities, such as nursing homes, as well as persons at-risk of returning to these settings due to loss of housing. For more information, see <https://www.calhfa.ca.gov/multifamily/section811/factsheet/index.htm>
- Under the Homekey Program HCD administered \$600 million in grant funding to house vulnerable populations during the COVID-19 global pandemic. HCD worked with local public entities, including cities, counties, or other local public entities, including housing authorities or federally recognized tribal governments within the state to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing. The program was targeted to assist vulnerable Californians experiencing homelessness who were at high risk for serious illness and were impacted by COVID-19. Funds were expended by December 30, 2020.
- Continued administration of the Regional Housing Need Allocation (RHNA) process and State Housing Element law. The housing element contains information about the availability of sites and infrastructure to accommodate new housing needs and requires an analysis of governmental constraints to the production and preservation of housing. Housing element law requires cities and counties to have land-use plans and regulatory policies that facilitate the

development of a range of housing types to meet the needs of all income groups and must be developed with public input and participation as it serves as the basis for land-use and assistance programs to address local, regional and state housing needs. Staff are reviewing 6th cycle Housing Element updates.

- HCD staff 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. All 539 jurisdictions in California are required to include a housing element within their general plans. Housing elements are required to be updated periodically (either every 5 years or every 8 years) and must be reviewed by HCD to determine compliance or noncompliance with State Housing Element Law (Article 10.6 of the Government Code).
- As of April 1, 2021, every California city and county are required to have a central inventory of surplus and excess land and must report this inventory to HCD on the Housing Element Annual Progress Report (APR) form. HCD launched the [Housing Element implementation and APR data dashboard](#), providing interactive data on jurisdictions' progress toward housing goals across the state. The interactive database provides self-reported information on a jurisdiction's compliance with state housing goals, progress towards regional housing needs allocation, SB 35 projects reported, permitted units by structure type, housing construction activity, inclusionary units, and housing element programs.
- Develop and deliver technical assistance on recently enhanced statutory requirements related to planning and zoning for affordable homes, including broad sixth cycle housing element support and specific guidance on [AB 686](#), [SB 330](#), [SB 35](#), [AB 2162](#), [AB 1397](#), and [SB 166](#).
- Encourage housing supply strategies that implement state and local government requirements to Affirmatively Further Fair Housing under [AB 686](#).
- Review programs to ensure compliance with state and federal relocation laws. Support other state housing entities in ensuring their programs do not contribute to displacement.
- Conduct statewide training on the requirements of AB 686.
- Effective in 2019, all housing elements must include a program that promotes and affirmatively further fair housing opportunities throughout the community. In April 2020, HCD [released a summary of requirements in housing element law related to Affirmatively Furthering Fair Housing](#). Housing Elements include five new components to address AFFH: outreach, assessment of fair housing, site inventory, identification and prioritization of contributing factors, and goals and actions/programs.
- In April 2021, HCD released [Affirmatively Furthering Fair Housing \(AFFH\) guidance for all public entities and for housing elements](#). This robust document assists public entities in meeting their AFFH obligations under state law.

Attachment A

- In April 2021, HCD released the [AFFH data viewer](#), an interactive map with 60+ data layers that address fair housing enforcement, segregation and integration, disparities in access to opportunity, disproportionate housing needs, and racially concentrated areas of poverty and affluence.
- In 2021, HCD launched the AFFH inbox to respond to AFFH related questions and provide technical assistance. HCD staff presented to various councils of governments and urban planning associations throughout the state.
- Develop partnerships with and provide technical assistance to other state department and community development entities responsible for non- housing community investments (schools, economic development, parks and gardens, public health programming, climate adaptation, etc.) and infrastructure (water, transit, public utilities, internet, etc.) on their Affirmatively Furthering Fair Housing obligations and need for investments in under resourced communities.
- Research and lift up best practices for community investment without displacement.
- Promote place-based investments in areas that have experienced historical inequity and under investment, including rural communities with infrastructure disparities, segregated concentrated areas of poverty, and communities of color that have experienced historic disinvestment.
- Encourage greater community engagement in local governments adoption of housing elements, particularly the identification of sites for the housing element. Increase technical assistance and depth of review related to housing element sites to confirm sites are affirmatively furthering fair housing and meet other legal mandates (under [AB 1397](#) and [AB 686](#)) for projected income levels.
- Identify state surplus and excess local public land suitable for housing development, connect available land with affordable housing developers ([AB 1486](#) and [Executive Order N-06-19](#)). HCD has released 16 excess sites for developer solicitation, awarded 10 sites to qualified developers of affordable homes, and amassed a pipeline of roughly 13,000 units.
- The Department continues to work with several different stakeholder groups to address the specific housing needs of particular populations of low-income households, including but not limited to, homeless persons, and persons with disabilities, veterans, and Native Americans.
- Support the conversion of hotel/motel/other non-housing to affordable housing.
- Maintain and expand technical assistance on state laws and strategies that promote zoning for a variety of housing types, including multifamily housing, low-barrier navigation centers, group homes, supportive housing, and accessible units affordable to lower-income households.
- Staff provide technical assistance to the public as well as jurisdiction on Accessory Dwelling Unit (ADU) laws across California. As of January 1, 2020, every lot previously zoned for one single-family home is now eligible to have one

detached ADU and one junior ADU, over time this has the potential to triple the housing stock in areas that were previously zoned for single family residential. HCD staff manages the ADU inbox and sent nearly 2,400 responses to technical assistance questions.

- Support Preservation Notice law ([AB 1521](#) and Government Code Sections [65863.10](#), [65863.11](#), and [65863.13](#)) by providing technical assistance to owners, residents, affected public entities, and qualified entities interested in preservation purchases. Continue notifying owners of non-compliant preservation notices and providing technical assistance to support preservation transactions.
- In 2019-2020 HCD developed financial workout arrangements, extensions, and modifications for 8 affordable rental housing developments, avoiding \$7.3 million in potential loss of public investment, while preserving greatly needed affordable housing.
- Continue expanding the Affordable Housing Preservation Database with additional local and state data to identify affordable properties that are at risk and should be targeted for preservation.
- Ongoing through Housing Element reviews. Also coordinating with California Housing Partnership Corporation to expand technical assistance resources to address preservation issues. In 2019, HCD expanded preservation efforts through outreach, data collection and pilots, and certifying qualifying entities. Additional information is available at: <https://www.hcd.ca.gov/policy-research/preserving-existing-affordable-housing.shtml>.
- Help to preserve Naturally Occurring Affordable Housing, such as Mobilehome parks.
- Building Codes and Standards staff adopted permanent amendments to the California Building Code and California Residential Code, so local agencies have standards to create emergency housing or shelter ordinances and can safely house people during times of disasters and other emergencies.
- Building Codes and Standards staff analyzed and approved six local emergency housing ordinances to ensure local governments adhere to minimum health and safety standards while utilizing innovative emergency housing strategies.
- Continue statewide response to the novel Coronavirus, including protections from evictions, housing solutions for those experiencing homelessness, and prevention of further foreclosure and evictions as at-risk households navigate economic recovery, transitioning to permanent housing, and generally support post-pandemic community and economic recovery.
- Support efforts of the California Homeless Coordinating and Financing Council to develop a Homeless Data Integration System to make data-driven policy decisions aimed at preventing and ending homelessness.
- Provide technical assistance on AB 2162, which requires supportive housing developments, that meet certain criteria, to be allowed by-right.

Attachment A

- Explore various data strategy options to monitor evictions.
- Amplify the California Department of Fair Employment and Housing's education efforts on their new fair housing regulations.
- In partnership with DFEH, provide HCD program and policy staff, and project sponsors, with fair housing training, including equity, implicit bias, tenant selection best practices, and accessibility requirements and best practices.
- On-going collaboration between Department staff and DFEH to provide technical assistance to jurisdictions and stakeholders.
- In 2019, the Department entered into a Memorandum of Understanding with the California Department of Fair Employment and Housing (DFEH) to partner on fair housing enforcement and education.
- The Department continues to offer translation services as necessary including publication of notices in English and Spanish. HCD website does include Spanish translations of several of our most used documents at <https://www.hcd.ca.gov/servicios-bilingues.shtml>. Website has been updated to include translation referral service information.
- Support efforts to provide sustainable, ongoing legal assistance to California renters and homeowners facing eviction through local nonprofit organizations ([SB 113](#)).
- Support the California Department of Real Estate's efforts to update the [Department of Consumer Affairs' Guide to Residential Tenants' and Landlords' Rights and Responsibilities](#).
- Support efforts to keep people housed by preventing foreclosures through California Housing Finance Agency's [Keep Your Home California program](#).
- Support education efforts on housing protections and resources for survivors of domestic and sexual violence, for example the [Violence Against Women Reauthorization Act of 2013 \(VAWA\)](#), [HUD's final rule on the Implementation of VAWA in HUD programs](#), and [HUD guidance on nuisance and crime-free ordinances that may violate victims' rights under the Fair Housing Act](#).
- Explore potential expansion of eligible uses for the Mobilehome Park Rehabilitation and Resident Ownership Program to address code violations, accessibility, and habitability issues.
- Promote affordable and accessible housing opportunities in communities with greater resources, functioning infrastructure, less pollution exposure, climate change mitigation policies, access to transit and active transportation mobility choices such as walking and biking, jobs, high-performing schools, open space, and other community needs linked to long term positive outcomes for residents.
- Encourage cross sector collaborations on program guideline development and grant reviews. Incorporate housing, equity, and affirmatively furthering fair housing principles throughout transportation, climate, adaptation, energy, natural

resource, and sustainability programs.

- AB 72 provided HCD with new enforcement and accountability powers related to discriminatory practices that inhibit the development of housing for persons and families of very low, low, moderate, and middle incomes. Staff regularly receive, research, and process complaints regarding fair housing issues under AB 72.
- Utilize AB 72 enforcement authority as a strategy to ensure compliance with state affordable housing laws. In 2020, [HCD issued 37 letters](#) related to housing element law, fair housing issues, housing accountability act, no net loss, or SB 330 designations.
- Recognize where jurisdictions act to perpetuate existing patterns of segregation, refer to DFEH.
- Utilize HCD's racial equity plan, developed in cooperation with the Government Alliance for Racial Equity (GARE), to fully integrate racial equity into all of HCD's practices, policies, and programs. In 2021, HCD entered into a three-year membership with GARE. Through this membership all HCD employees will be able to utilize GARE's online platform, providing access to webinars, discussion boards, and member groups.
- Continue to analyze HCD's funding programs to assess, review, and seek opportunities to more affirmatively further fair housing. Partner with other agencies, such as California Housing Finance Agency, Tax Credit Allocation Committee, and California Debt Limit Allocation Committee to share lessons learned and support them in completing similar analysis.
- Continue partnership with councils of government to improve Regional Housing Need Allocations (RHNA) under [AB 1771](#), which requires RHNA to further all five statutory objectives including: 1) increasing housing supply and a mix of housing types, tenure, and affordability in an equitable manner, 2) promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns, 3) promoting jobs-housing fit, 4) balancing disproportionate household income distributions, and 5) affirmatively further fair housing.
- In partnership with DFEH and HUD, continue to provide guidance and, as necessary, accountability and enforcement, on the fair housing implications of local ordinances, zoning requirements, building codes, and development standards.
- In collaboration with DFEH, staff provided fair housing training to all HCD staff. The training was recording and is available for staff to view.
- Continue to enforce Housing Element Law, the Housing Accountability Act, Density Bonus Law, and other laws to discourage local land use policies and implementation from acting as barriers to housing opportunities for lower-income residents and protected classes.
- Promote education and additional research on how restrictions on multifamily housing, such as limited multifamily zoning, and height and density limitations,

Attachment A

impact inclusive communities.

- Improve compliance with state and federal building codes related to the number of accessible units in HCD funded activities through monitoring and technical assistance.
- Further integrated housing options for persons with disabilities. Require accessible units to be distributed throughout projects and sites (to the maximum extent feasible) and available in a range of sizes and amenities.
- Research and lift up strategies to increase the utilization of accessible units by individuals with disabilities who need the accessibility features of the units.
- Evaluate and develop a plan to increase the percentage of mobility and sensory accessible units across state housing programs (from 2 percent and 5 percent to 4 percent and 10 percent) in new construction developments.