

Fair Housing Webinar: Urban

Analysis of Impediments to Fair Housing Choice (AI)

Community Standards

Raise Zoom hand to provide feedback

Use "I" statements

Use Q&A (reminder: this is not a Q&A session; we want to hear your comments)

Help explore and develop fair housing impediments and goals

Be mindful of different styles of communication & learning when speaking

For questions, comments and feedback, email us at:

aifairhousingreport@hcd.ca.gov.

Be Curious



Agenda



AI TIMELINE, OUTREACH, AND ENGAGEMENT



TRENDS & EXISTING CONDITIONS



HOUSING ACCOUNTABILITY WORK



FEEDBACK AND LISTENING



Al Timeline, Outreach, and Engagement

Al Timeline

Kick-off Webinar January 4, 2024

Listening Sessions & Webinars

January 31, – March 20, 2024 Community Needs

Assessment

Survey

January 31, 2024,

to April 1, 2024

30 Day Public

Comment &

Hearings

July 12, 2024, to

August 13, 2024

Publish Fair Housing Plan August 30, 2024



Listening Sessions

Homelessness:

Completed: January 31, 2024, 1:00 PM - 2:30 PM

• Disability & Aging Population:

Completed: February 7, 2024, 10:30 AM - 12:00 PM

Persons who are Immigrants:

Completed: February 14, 2024, 1:00 PM - 2:30 PM

• Indigenous, Tribal, and Native Peoples:

Completed: February 21, 2024, 1:30 PM - 3:00 PM

• Tenant Protections:

Completed: February 28, 2024, 10:30 AM - 12:00 PM

Mobilehome Parks:

Completed: March 5, 2024, 10:30 AM - 12:00 PM

Webinars

• Urban:

March 13, 2024, 1:00 PM to 2:30 PM

• Rural:

March 20, 2024, 1:30 PM to 3:00 PM

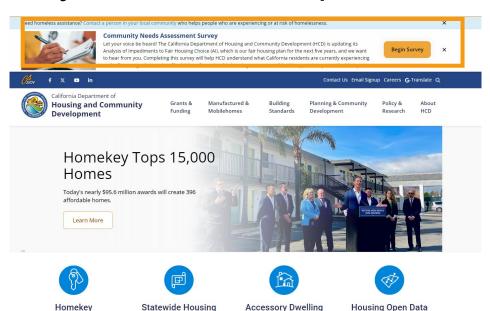
Public Hearings will be held between July 13th and August 13th, 2024.

- Northern CA
- Sacramento
- Central Valley
- Southern CA



Community Needs Assessment Survey

- Online survey to assess issues and barriers related to fair housing choice is available in English, Spanish, Chinese, Korean, Tagalog, and Vietnamese
- Available from January 30, 2024, to April 1, 2024



Visit www.hcd.ca.gov



Current Trends and Existing Conditions:

Urban California

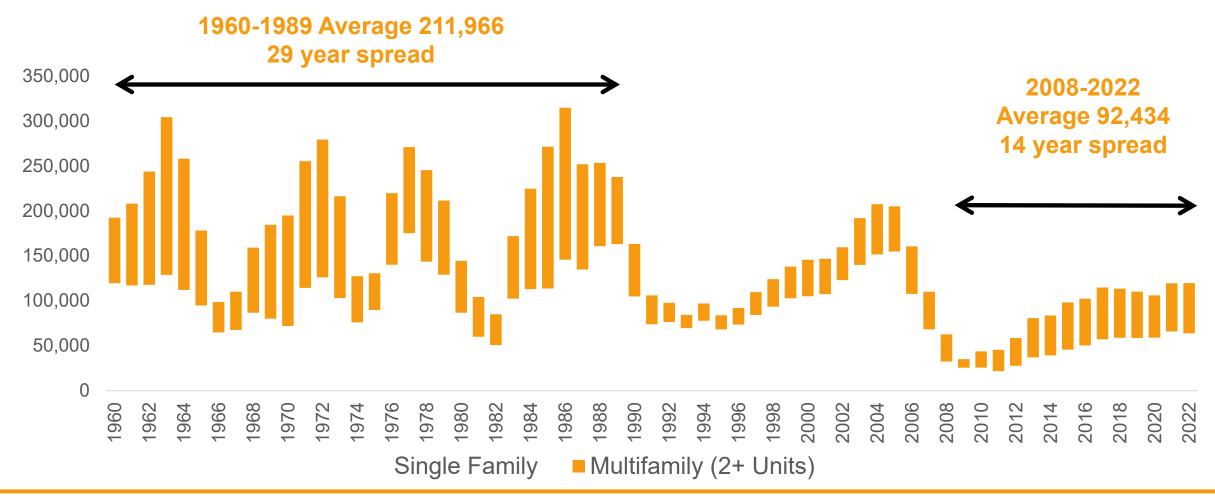
California's Housing Problem

California's housing crisis is a half century in the making. Decades of underproduction underscored by exclusionary policies have left housing supply far behind need and costs soaring.

As a result, millions of Californians, who are disproportionately lower income and people of color, must make hard decisions about paying for housing at the expense of food, health care, childcare, and transportation—one in three households in the state doesn't earn enough money to meet their basic needs.

Housing Production

Annual Production of Housing Units 1960-2022

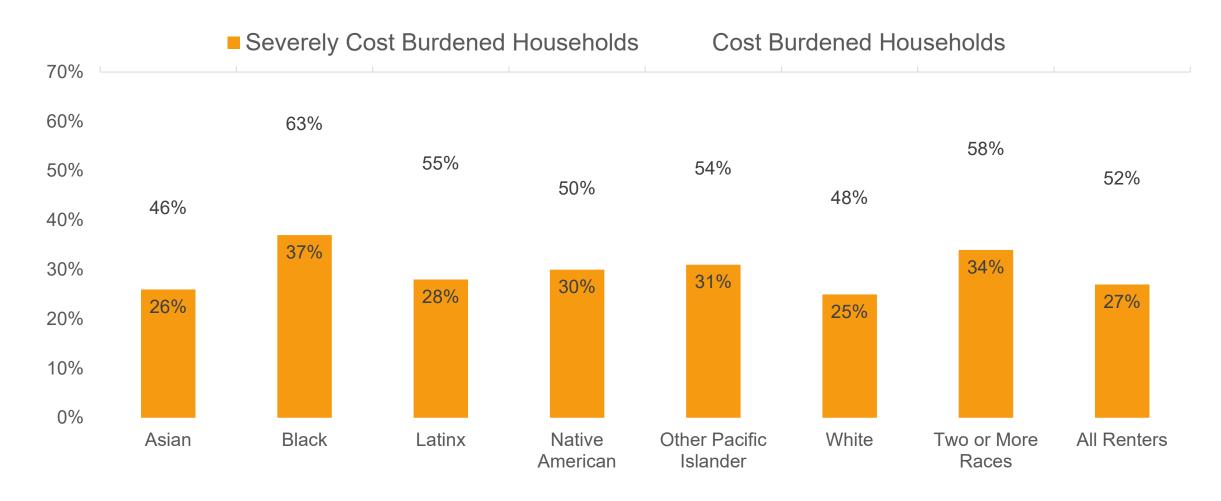


Source: United States Census Bureau Building Permit Survey; Graphic by HCD

Barriers to Development

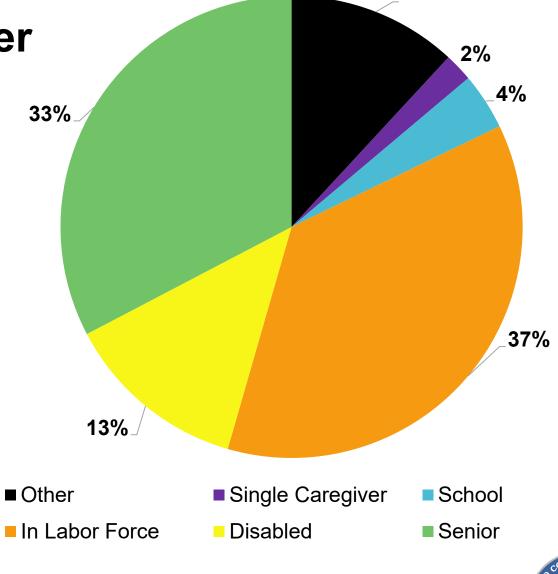
- Local opposition to new development can impact any community. It occurs when new development proposals like affordable housing, supportive housing, and shelters are delayed or rejected for subjective or irrelevant reasons.
- Excessive residential land use regulation in metropolitan regions creates equity concerns and impacts housing supply.
 - A study of local zoning requirements found that raising local minimum lot sizes by 1acre results in nearly a 10-percent increase in local house prices (Zabel, Dalton 2011)
 - Another study found that adding one additional land use regulation in an existing community reduces the number of local residential building permits issues by between 4 and 8 percent (Jackson, 2014).

Cost Burdened Renter Households by Race & Ethnicity



Extremely Low-Income Renter Households

- Renter households that are extremely low-income: 1,308,328 or 22%
- Shortage of rental homes affordable and available for extremely low-income renters: -988,510
- Annual household income needed to afford a twobedroom rental home at HUD's Fair Market Rent: \$87,877



12%



HCD's Accountability and Enforcement Work

Overview of the Housing Accountability Unit (HAU)

- Who we are
- What we do
- How we do it
- How to collaborate



Purpose and Strategies

Ensure all local jurisdictions meet their fair share of the state's housing needs and promote housing production at all income levels

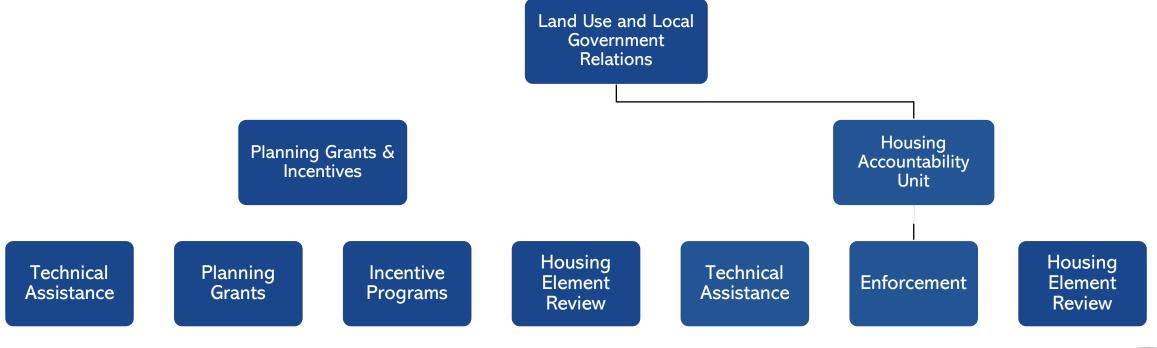
- 1. Support jurisdictions in promoting housing production through incentives and planning grants
- 2. Provide education and technical assistance to help jurisdictions understand and implement the law
- 3. Hold jurisdictions accountable for following the law through enforcement actions as needed

Background

- Formed in September 2021 by Governor Newsom
- Located in HCD's Housing Policy Development Division
- Includes about 40 staff members on 5 teams

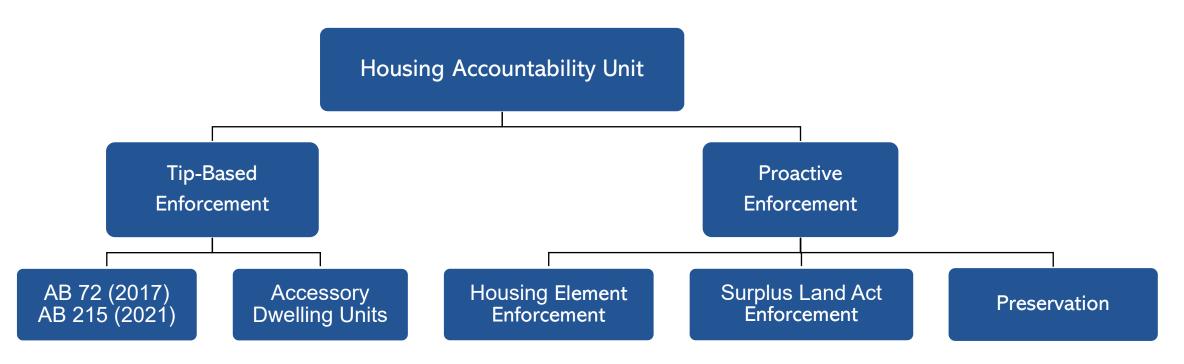


HAU in Context





HAU Structure





The Extended Team

- HCD's Housing Accountability Unit (HAU)
- HCD's Legal Affairs Division (LAD)
- Attorney General's Housing Justice Team



Authority

Government Code section 65585(j)

- 1. Housing Element Law
- 2. Housing Accountability Act
- 3. Density Bonus Law
- 4. No Net Loss Law
- 5. Land Use Discrimination Law
- 6. Housing Crisis Act of 2019 (SB 330)
- 7. Permit Streamlining Act
- 8. Affirmatively Furthering Fair Housing
- 9. Streamlined Ministerial Permit Processes (SB 35)
- 10. By Right Supportive Housing (AB 2162)
- 11. By Right Low Barrier Navigation Centers (AB 101)
- 12. Limitations on Development Standards (SB 478)
- 13. Parking requirements (AB 2097)
- 14. Affordable Housing and High Road Jobs Act of 2022 (AB 2011)
- 15. Five Hearings Rule
- 16. ADU & JADU Law
- 17. Duplexes and Lot Splits (SB 9)
- 18. Middle Class Housing Act of 2022 (SB 6)
- 19. Affordable Housing on Faith and Higher Education Lands Act of 2023 (SB 4)
- 20. Demolition of Housing Units

Other housing laws

- 1. Surplus Land Act
- 2. Affordable Housing Preservation Noticing Law
- 3. Rental Inclusionary Housing



Housing Element Law – Proactive Enforcement

A housing element is no longer a paper exercise – it's a contract with the state of housing commitments for eight years and the Housing Accountability Unit will hold jurisdictions to those commitments.



Proactive Enforcement

Housing element draft never submitted

Housing element remains out of compliance

AB 1398 (rezone) implementation

Long term housing element implementation



Consequences of Housing Element Noncompliance

Ineligibility or delay in receiving state funds

Permanent Local Housing Allocation
Local Housing Trust Fund
Infill Infrastructure Grant Program
SB 1 Caltrans Sustainable Communities Grants
Affordable Housing and Sustainable Communities

"Builder's Remedy" – cannot use inconsistency with zoning and general plan standards to deny an affordable housing project

(Housing Accountability Act)

Legal ramifications

HCD may notify the AG, legal remedies include \$10,000-\$100,000 per month in fines x 6 for continuing noncompliance

Broad discretion for court to impose other remedies

Private parties can sue for HE compliance as well



How We Do It

Collaboration with Stakeholders

- Developers, advocates, local jurisdictions, and other stakeholders share complaints about potential violations of housing laws and requests for TA
 - HAU Portal HCD's <u>Accountability & Enforcement webpage</u>
 - ADU Portal HCD's <u>ADU webpage</u>
 - SLA Portal HCD's <u>Public Lands webpage</u>
 - HousingElements@hcd.ca.gov
 - Preservation@hcd.ca.gov



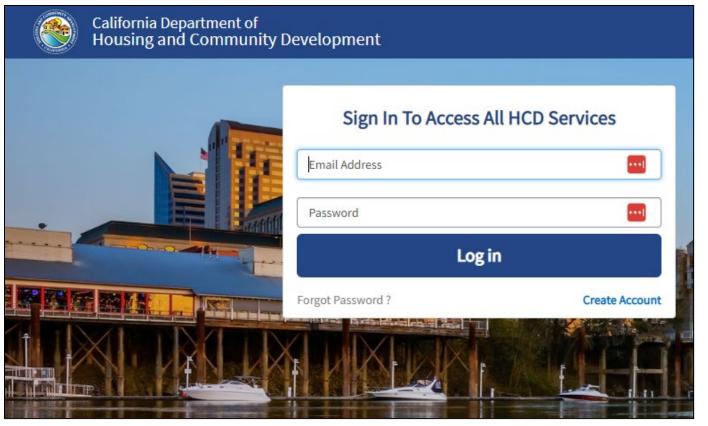
File a Request for Technical Assistance

- Go to www.hcd.ca.gov
- Hover over "Planning and Community Development" to show a drop-down menu
- Click "Accountability and Enforcement"
- Click "Submit Technical Assistance Requests and Potential Violations to HCD for Review"



File a Request for Technical Assistance (continued)

- Create an Account
- Fill in a good number of blanks on an online form and attach documents





What Happens After You Submit a Request

- The system creates a case number (e.g., HAU 0932)
- Analyst is assigned
- Analyst reviews submitted materials/researches
- Analyst schedules a meeting with requester and a meeting with the local agency (separately)
- Analyst presents preliminary findings to team
- "Next Step" decision made



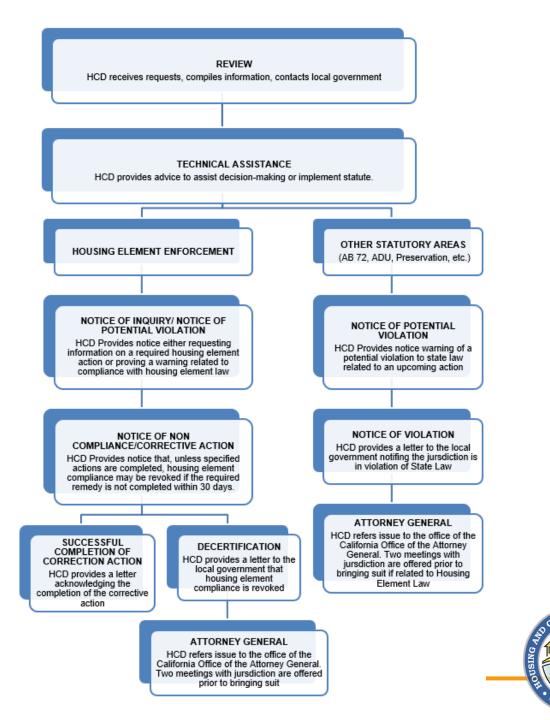
Potential Next Steps

- Additional Review Needed
- HAU Declines to Take Case
- Technical Assistance is Provided
 - Verbal
 - Email
 - Formal Letter of Technical Assistance (Available Online)
- Enforcement Action follows Technical Assistance



HCD'S ACCOUNTABILITY AND ENFORCEMENT

Moving from Technical Assistance to Enforcement



Wins

| Jurisdiction | Action | Total Units | Affordable Units |
|-----------------|-----------|--------------------|------------------|
| Burbank | NOV | 92 | 10 |
| Claremont | TA Letter | 33 | 33 |
| Cloverdale | TA Letter | 75 | 75 |
| Colton | NOV | 86 | 0 |
| Encinitas | NOV | 250 | 50 |
| Fillmore | NOPV | 50 | 50 |
| Hanford | TA Letter | 72 | 72 |
| Manhattan Beach | NOV | 79 | 6 |
| Mill Valley | NOPV | 25 | 6 |
| Oakland | TA | 222 | 16 |
| Oceanside | TA Letter | 146 | 15 |
| Ojai | LOS | 49 | 49 |
| San Jose | TA Letter | 271 | 268 |
| Santa Cruz | TA Letter | 140 | 71 |
| St. Helena | LOS | 87 | 18 |

> 40 ADU ordinances revised, including Palo Alto, Pittsburg, Rancho Palos Verdes, West Covina



Results

| A & E | | | Accountability Letters Sent | | Closed Cases |
|-------|-------|-------|--------------------------------|-----|-----------------|
| | 6,313 | 2,172 | 338 | 341 | 810 |

| | | Standard SLA Dispositions | Exempt Dispositions | Total |
|-------|----------------------|---------------------------|------------------------|--------|
| SLA - | Market-Rate Units | 1,570 | 3,691 | 5,531 |
| | Affordable Units | 2,032 | 6,773 | 8,805 |
| | Total | 3,602 | 10,734 | 14,336 |



Enforcement - HCD & DOJ

- Lawsuits
 - Anaheim
 - Elk Grove
 - Huntington Beach
 - La Canada Flintridge
- Stipulated Judgments
 - Fullerton
 - Coronado
 - San Bernardino
- Amicus Brief
 - Costa Mesa



Conclusion

- HCD is here to help, starting with technical assistance, and moving to enforcement if necessary
- Our involvement makes a difference it can help unlock homes
- We can't do it without community members, advocates, developers, local jurisdictions, and other stakeholders



Pro-housing Designation

Provides funding incentives and additional resources to communities that commit to reducing construction and development costs and create housing policies that advance Fair Housing goals.



https://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program

Pro-housing jurisdictions commit to:

- 1. Continued compliance with existing housing laws.
- 2. Avoiding practices that inhibit housing production, such as requiring local voter approval for development proposals, downzoning lots, or requiring burdensome permitting or fees.
- 3. Following best practices from the United States Interagency on Homelessness.

Feedback and Listening

Discussion Questions

- 1. What's the biggest challenge people living in urban areas of California face in finding and securing housing?
- 2. Have you ever wanted to live somewhere but couldn't? What prevented you from living there?
- 3. What does your ideal urban community or place look like? Does it exist? What would need to happen for it become a reality?
- 4. What do you want the government to do to make your community better?