STAFF REPORT

ITEM NO. 15

CITY OF OCEANSIDE

DATE: August 18, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **ACCEPTANCE OF THE DRAFT ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE BY VERONICA TAM AND ASSOCIATES, LLC.**

SYNOPSIS

Staff recommends that the City Council accept the draft Analysis of Impediments to Fair Housing Choice (AI) conducted by Veronica Tam and Associates, LLC, of Pasadena and authorize the Mayor to sign the document.

BACKGROUND

The City entered into a contract with Veronica Tam and Associates, LLC, (Tam and Associates), to conduct a joint Assessment of Impediments to Fair Housing Choice. This Contract authorized Tam and Associates to include the City of Oceanside in a study of impediments along with all other cities in San Diego County.

Regulations for the new Consolidated Submission for Community Planning and Development (24 CFR 91) require each state and local government to submit a certification that it is affirmatively furthering fair housing. This regulation requires that the agency (1) conduct an analysis of impediments to fair housing choice once each five years, (2) take appropriate actions to overcome the effects of impediments identified through that analysis, and (3) maintain records reflecting the AI and actions. This AI should be consistent with the Consolidated Plan Cycle and Update and, (4) the AI should be signed by an elected official.

The Department of Housing and Urban Development (HUD) has urged municipalities to collaborate in the AI process, to achieve a more comprehensive look at the regional area. The AI is a vehicle that enables cooperation in eradicating impediments as well as results in a reduction in total cost to each of the members of the consortium.

ANALYSIS

The cities of San Diego County have joined in an organization of members named the "Fair Housing Resource Board" (FHRB). The FHRB issued a Request for Proposal to qualified fair housing agencies to conduct an area-wide AI with eighteen cities and the

unincorporated county; each jurisdiction will pay for a prorated share of the AI contract. The City of Oceanside as a joint member of this process paid $6,821.30 (5.81%) of the total $113,960 cost for the AI.

The City of Oceanside, by entering into the proposed regional AI, received; 1) a comprehensive review of the laws, regulations and administrative policies, procedures and practices; 2) an assessment of how those laws, regulations, policies and practices affect the locations, availability and accessibility of housing; and 3) an assessment of conditions, both public and private, affecting fair housing choice.

The City has its own section of the regional AI, in which information and conclusions specific to Oceanside are identified. The City's suggested actions to reduce or overcome the impediments to fair housing are included in Chapters 7 and 8. Public notice was published inviting public review from April 17, 2010, to May 18, 2010. A copy of the Draft Area-wide AI is available for viewing online at http://www.ci.oceanside.ca.us/Datarelation.aspx?Content=186 or available for viewing in hardcopy form in the City Clerk's Office or in the Neighborhood Services Department Office at 321 North Nevada St.

A summary of impediments identified that are specific to Oceanside or that are identified as regional issues that may affect Oceanside are attached as Attachment A.

FISCAL IMPACT

Funds for the City's share of the AI in the amount of $6,821.30 were paid from CDBG Housing Program Development Account (921477200237).

COMMISSION OR COMMITTEE REPORT

At its July 27, 2010 meeting the Housing Commission unanimously recommended that the City Council accept the Analysis of Impediments to Fair Housing Choice (AI) conducted by Veronica Tam and Associates, LLC, of Pasadena and authorize the Mayor to sign the document.

CITY ATTORNEY'S ANALYSIS

Does not apply.

RECOMMENDATION

Staff recommends that the City Council accept the draft Analysis of Impediments to Fair Housing Choice (AI) conducted by Veronica Tam and Associates, LLC, of Pasadena and authorize the Mayor to sign the document.

PREPARED BY:

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SUMMARY OF IMPEDIMENTS IDENTIFIED and SUGESTED ACTIONS TO REDUCE OR OVERCOME IMPEDIMENTS

Regional Impediments from past AIs [pages 8-7 to 8-15]: The following impediments were identified as County-wide issues in past AIs which may require a unified approach by all the jurisdictions in San Diego County. The City of Oceanside will address these impediments at the local level, but will also seek to create a more unified approach through regional cooperation when possible.

1. Educational and outreach literature regarding fair housing issues, rights, services on websites or at public counters is limited:

    - The City of Oceanside will continue in its membership to the Fair Housing Resource Board (FHRB) in developing pamphlets and informational literature to inform members of the public who have been discriminated against, of agencies who will assist them in making a fair housing complaint. The FHRB is currently establishing a website with information to find assistance in the area they live in.
    - The City contracts with North County Lifeline to provide fair housing services which include extensive outreach and educational activities in the North County area.

2. As many individual homeowners enter the business of being a landlord by renting out their homes, many may not be aware of the current laws:

    - The City of Oceanside contracts with North County Lifeline to provide services to both tenants and landlords in tenant-landlord fair housing disputes. This service includes mediation and when needed, helps tenants to file fair housing complaints with HUD and DFEH. Landlords are counseled on their rights, but are also informed of their obligations and the requirements of the law. North County Lifeline makes fair housing presentations to the North San Diego County Association of Realtors, Faith Based Community Development Corporation and Oceanside's Crime Free Multi-Family Housing Program.

3. Many fair housing violations are committed by small "mom and pop" rental operations:

    - The City of Oceanside contracts with North County Lifeline to conduct services to both tenants and landlords in tenant-landlord fair housing disputes. This service includes mediation and when needed, helps tenants to file fair housing complaints with HUD and DFEH. Landlords are counseled on their rights but are also informed of their obligations and

the legal requirements. North County Lifeline makes fair housing presentations to the North San Diego County Association of Realtors, Faith Based Community Development Corporation and Oceanside's Crime Free Multi-Family Housing Program.

4. Hispanics and African Americans continue to be underrepresented in the homebuyer market and experienced large disparities in loan approval rates among the 19 jurisdictions:

    - The City of Oceanside administrates the Cal Home First Time Homebuyer Program. Prospective homebuyers are required to attend classes through Faith Based Community Development Corporation which informs applicants of their rights and obligations as borrowers. Applicants are further informed of lender's obligations to obtain the most advantageous loan product that an applicant homebuyer is qualified to receive.

5. Many of the reasons for application denial, whether in the rental market or in the home purchase market, relate to credit history and financial management factors:

    - Faith Based Community Development will continue to conduct credit history and financial management classes for prospective Cal Home Homebuyers.
    - The City will partner with Community Housing Works to help families improve or repair their credit history.

6. Housing discrimination persists throughout the County, which is supported by general literature, statistical data, cases filed with DFEH, and recent fair housing discrimination testing (2004 and 2009) conducted in the region:

    - The City of Oceanside, as a member of the Fair Housing Resource Board (FHRB) will work with other members to identify resources to conduct comprehensive and countywide random testing in the future.
    - The City contracts with North County Lifeline to screen fair housing complaints and as part of that service, assists complainants in filing fair housing complaints with HUD and DFEH.
    - North County Lifeline, as a fair housing service provider for the City of Oceanside, provides an extensive outreach to landlords in North County in general, and in Oceanside in particular, to apprise them of their obligations and requirements under fair housing law.

7. Both the 1988 and the 2005 AIs identified patterns of racial and ethnic concentrations that are present within particular areas of San Diego County:

    - The City has identified 28 sites suitable for development in its 2005-2010 Housing Element and an additional nine sites that are vacant land with the potential to convert or intensify to residential land uses and an additional seven sites which are existing or planned commercial sites with mixed use potential. All the above may provide opportunities for future low or low-mod housing development opportunities within the City in areas throughout the City.
    - The City's Neighborhood Services Department staff speak English, Spanish and Samoan.
    - The Neighborhood Services Department administers the Section 8 Housing Voucher Program and encourages recipients of Section 8 vouchers to rent in neighborhoods of their choice.

8. Due to the geographic disparity in terms of rents, concentrations of Section 8 voucher use has occurred:

    - Oceanside will continue to identify sites and apply for funding for low or low/mod projects within the City of Oceanside.
    - Oceanside will continue to follow plans to retain existing low or low/mod housing projects currently within the City.
    - City wide, Oceanside has not experienced a concentration of Section 8 vouchers in impacted areas. Current lease rates approach 100%.
    - The City's Neighborhood Services Department works with neighboring Section 8 voucher programs in the County, Carlsbad, Encinitas and San Diego, to allow Section 8 recipients to transfer to or from other jurisdictions.

9. Housing Choices for persons with disabilities are limited:

    - The City will continue its efforts to expand the variety of available housing types and sizes.
    - The City's Neighborhood Services Department will continue to apply for additional Section 8 Vouchers on a proactive basis.

10. As of the writing of the 2005 AI, none of the jurisdictions had adopted a universal design ordinance.

- The City has determined that a requirement for universal design in new construction would be financially infeasible. Developers are encouraged to incorporate elements of universal design where feasible. Developers are required to meet ADA requirements in all new construction.
- The City administers a CDBG home rehabilitation program. This program specifically includes and encourages ADA-compliant upgrades to homes.
- The City administers a CDBG Rental Rehabilitation Program. Rental owners are encouraged to include ADA-compliant upgrades as part of upgrades to their rental units.

11. Lead-based paint hazards often disproportionately affect minorities and families with children:

    - The City of Oceanside's homebuyer and rehabilitation programs require that all homes either purchased or rehabilitated, are tested for lead paint (Homes built after 1978 or homes in senior communities are exempt). Units which are identified as having a lead paint hazard must remediate the hazard as part of the purchase or rehabilitation.

12. At the time the 2005 AI was completed, only minimal successes in regional collaboration had been documented:

    - The City of Oceanside attends the quarterly meeting of the Fair Housing Resource Board (FHRB) and continues to work to affirmatively further fair housing in the region.
    - Oceanside contracts with North County Lifeline to provide fair housing services. North County Lifeline, South Bay Community Services and The Center for Social Advocacy, are currently conferring to create one uniform reporting form and consistent categories for reporting fair housing and affirmative action data.
    - Oceanside will continue to be a member of FHRB and support a collaborative effort to affirmatively further fair housing in the region.

13. At the writing of the 2010 AI, fair housing statistics are supposed to be reported using HUD's standard reporting categories in reporting fair housing statistics. However, based on the statistics collected for the 2010 AI, inconsistencies and discrepancies in data are still present.

    - Oceanside contracts with North County Lifeline to provide fair housing services. North County Lifeline, South Bay Community Services and The

Center for Social Advocacy, are currently conferring to create one uniform reporting form and consistent categories for reporting fair housing and affirmative action data.

14. While education and outreach efforts are clear priorities of all agencies involved, a previous review of sub-recipient contracts, Action Plans, CAPER reports, and annual accomplishments indicated a lack of quantifiable goals, objectives, and accomplishments to gauge success or progress. Most jurisdictions report that they have developed outcome based performance measures in addition to statistics on clients served. The City of Oceanside, however, has indicated that it has not established outcome-based performance measures:

    - Oceanside will encourage North County Lifeline to publicize the outcome of fair housing complaints.
    - Oceanside will establish outcome-based performance measures for affirmatively furthering fair housing.

15. Fair Housing services vary across the region based on the agency providing the services and the work scopes of each sub-recipient:

    - See recommendations for Fair Housing services (p. 8-15)

16. Fair Housing service provider contracts with the jurisdictions do not allow for random testing audits:

    - Funds for random testing audits are not available at this time.
    - Oceanside will collaborate with North County Lifeline to apply for FHIP grants to conduct random testing audits in North County jurisdictions.
    - Oceanside will collaborate with the FHRB to explore options to identify a service provider to apply for FHIP grants to conduct random testing audits throughout San Diego area jurisdictions.

17. While tenant/landlord disputes are not fair housing issues in general, providing dispute resolution services may prevent certain situations from escalating to discrimination issues:

    - The City of Oceanside contracts for fair housing services with North County Lifeline. Lifeline administers 50 different programs and services. These include an Alternative Dispute Resolution Program, Legal Advice Clinic, Small Claims Court Mediation Services, and Family Self-

Sufficiency Program. Tenants seeking advice or information are also screened for fair housing issues.

Regional Impediments 2010-2015 [page 8-28]: The following impediments were identified as County-wide issues in the 2010- 2015 AI which may require a unified approach by all the jurisdictions in San Diego County. Where possible, the City of Oceanside will address these impediments at the local level, but will also seek to create a more unified approach through regional cooperation when possible.

1. Substandard housing conditions tend to impact minority households disproportionately:

    - The City of Oceanside offers the Cal-Home Homebuyer Program and a CDBG home rehabilitation program.
    - The City of Oceanside's homebuyer and rehabilitation programs require that all homes either purchased or rehabilitated, are tested for lead paint [homes built after 1978 and homes in senior communities are exempt]. Units which are identified as having a lead paint hazard must remediate the hazard as part of the purchase or rehabilitation.

2. Fair housing service providers should actively pursue Fair Housing Initiative Program (FHIP) funds:

    - Oceanside will collaborate with North County Lifeline to apply for FHIP grants to conduct random testing audits in North County jurisdictions.
    - Oceanside will collaborate with the FHRB to explore options to identify a service provider to apply for FHIP grants to conduct random testing audits and enforcement throughout San Diego area jurisdictions.

Jurisdiction-Specific Impediments Carried over from Previous AIs [pages 8-23 & 8-24, pages 7-24 & 7-25]: The following impediments were identified as specific to the City of Oceanside in past AIs.

1. The City amended its definition of family as part of an update to its City Code. Oceanside no longer regulates residential land use by differentiating between biologically related and unrelated persons. However, the City's definition of a family excludes individuals. Such a definition may still be considered an impediment because it may give landlords the opportunity to deny renting single-family or multi-family dwelling units to single persons:

    - Oceanside will amend its Zoning Ordinance to include a definition of "family" that does not impede fair housing choice.

2. Oceanside has not yet amended its density bonus ordinance to be consistent with State law:

    - The City will update its density bonus ordinance in order to comply with the new SB 1818.

3. The City of Oceanside has not yet established formal procedures for obtaining reasonable accommodations pursuant to ADA. However, individuals with disabilities can telephone the City, send an email, write a letter, drop by City offices, or appear at a City meeting to request special accommodation under the building code or variance from the requirements of City zoning code due to a disability. Applications involving these exceptions are handled administratively by the Planning Department.

    - Oceanside will adopt a written reasonable accommodation ordinance to provide exception in zoning and land-use for housing for persons with disabilities. This will be a ministerial process with a minimal processing fee.

Jurisdiction-Specific Impediments 2010-2015 [page 8-33]: The following impediments were identified as specific to the City of Oceanside in the 2010 Analysis of Impediments to Fair Housing:

1. Oceanside conditionally permits emergency shelters but does not meet the legal requirements to permit emergency shelters by right in at least one zoning district where adequate capacity is available to accommodate at least one year-round shelter.

    - The City will amend its Zoning Ordinance to permit emergency shelters by right in at least one zone to comply with State law.

2. The City of Oceanside conditionally permits transitional housing, which can limit the housing choices of special needs groups such as homeless individuals and families:

    - The City will amend the Zoning Ordinance to permit transitional housing, supportive housing, and SROs in compliance with State law.

3. Oceanside's Zoning Ordinance does not provide for supportive housing and Single Room Occupancy (SRO) as required by State law (SB 2 and AB 2634):

    - The City will amend the Zoning Ordinance to permit transitional housing, supportive housing, and SROs in compliance with State law.

MEMORANDUM

DATE: August 18, 2010

TO: Honorable Mayor and Councilmembers

FROM: Patricia Allison, City Manager's Office

SUBJECT: **AVAILABILITY OF DOCUMENT FOR REVIEW**

Due to its size, the Draft Analysis of Impediments to Fair Housing Choice has not been included in the packet. A copy of this document is available for review in the Housing Division, the City Manager's Office, and the City Clerk's Office.

To view the document electronically, please go to:
http://www.ci.oceanside.ca.us/Datarelation.aspx?Content=186
and click on the appropriate link, near the bottom of the page.