ITEM NO. 17

STAFF REPORT

CITY OF OCEANSIDE

DATE: May 6, 2015

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **RESOLUTION APPROVING THE 2015–2020 ANALYSIS OF IMPEDIMENTS**

SYNOPSIS

Staff recommends that the City Council adopt a resolution approving the 2015/2016–2019/2020 San Diego Regional Analysis of Impediments to Fair Housing Choice (2015-2020 AI); and authorize the City Manager to submit and execute all related documents.

BACKGROUND

The Housing and Community Development Act of 1974 [42 U.S.C. §§ 5301 et. seq.] is the dominant governing statute for the City's Community Development Block Grant (CDBG) Program. It requires that each federal entitlement grantee certify to the satisfaction of the U.S. Department of Housing and Urban Development (HUD) that (1) an awarded federal grant will be carried out and administered in accordance with the federal Fair Housing Act and (2) the grantee will work diligently to affirmatively further fair housing.

Therefore, as a recipient of federal entitlement funds, the City of Oceanside is required to affirmatively further the fair housing objectives of the Fair Housing Act of 1968, as amended [42 U.S. Code, §§ 3601-3631]. The Fair Housing Act prohibits discrimination based on race, color, religion, sex, national origin, familial status or disability in all aspects of housing, including the sale, rental, lease or negotiation for real property. The State of California's Fair Housing and Employment Act [CA Government Code §§ 12900 et. seq.] includes additional protected classes.

In addition, pursuant to CDBG regulations [24 CFR Subtitle A, § 91.225(a)(1)], in order to receive CDBG funds, each jurisdiction must:

1. Complete an Analysis of Impediments to Fair Housing Choice,
2. Take action to eliminate identified impediments; and
3. Maintain fair housing records

The Analysis of Impediments to Fair Housing Choice (AI) presents a demographic profile of San Diego County, assesses the extent of housing needs among specific income

groups, and evaluates the availability of a range of housing choices for residents. It also 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. As the name of the report suggests, the document reviews "impediments" to fair housing. While an AI also considers the nature and extent of housing discrimination, the focus is on identifying impediments that may prevent equal housing access and developing solutions to mitigate or remove such impediments.

San Diego Regional Alliance for Fair Housing

The San Diego Regional Alliance for Fair Housing (SDRAFFH) works to ensure that all residents in the San Diego region have equal access to housing. It is comprised of fair housing service providers, enforcement agencies, and government entities. The municipal members of the SDRAFFH oversee the preparation of the regional AI, which has historically been funded with CDBG and other local funds contributed by the entitlement jurisdictions in San Diego County on a pro rata basis. The SDRAFFH successfully collaborated on the development of the 2005-2010 and 2010-2015 AIs and the municipal members of the SDRAFFH are taking the lead in the development of the 2015-2020 AI as well.

ANALYSIS

As the result of a region-wide Request for Proposals (RFP) process in 2014, the County of San Diego and the entitlement jurisdictions within the San Diego region (including the City of Oceanside) contracted with Veronica Tam and Associates (VTA) to assist with the development of the 2015-2020 AI. Preparation of the 2015-2020 AI included an extensive community outreach process; the review of previous San Diego Regional AIs, Housing Elements, regional planning documents, lending industry research, discrimination complaints, and random fair housing test results; and interviews with municipal staff, housing providers, fair housing providers and oversight agencies.

The draft 2015-2020 AI has been available for public review and comment from April 10, 2015 through May 10, 2015. The document is on file with Neighborhood Services Department at 321 N. Nevada and also online at https://www.ci.oceanside.ca.us/gov/ns/housing/fair/default.asp.

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

Chapter 7 of the 2015–2020 AI addresses the Regional and Jurisdiction specific impediments. A summary of impediments identified that are specific to Oceanside or

that are identified as regional issues that may affect Oceanside are provided, (Exhibit 1). Public notice was published inviting public review from April 10, 2015, to May 10, 2015.

FISCAL IMPACT

Funds for the City's share of the AI in the amount of $6,490.12 were allocated and a Professional Services Agreement (Document No. 15-D0109-4) was executed with Veronica Tam and Associates, Inc. As tasks are completed invoices are processed and staff anticipates the tasks and final payment will be prior to June 30, 2015. The funds are from the CDBG Housing Program Development Account (921477200237.5305) professional services account.

COMMISSION OR COMMITTEE REPORT

Staff presented the 2015/2016–2019/2020 San Diego Regional Analysis of Impediments to Fair Housing Choice (2015–2020 AI) to the Housing Commission at the Commission's April 28, 2015 meeting.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council adopt the Resolution approving the 2015/2016–2019/2020 San Diego Regional Analysis of Impediments to Fair Housing Choice (2015-2020 AI); and authorize the City Manager to submit and execute all related documents.

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Interim City Manager

REVIEWED BY:

Margery M. Pierce, Neighborhood Services Director
Jane McPherson, Interim Financial Services Director

Exhibits: 1. Summary of Regional & Oceanside Specific Impediments to Fair Housing Choice
2. Resolution

Exhibit One

Summary of Regional & Oceanside specific Impediments to Fair Housing Choice

1. Education and Outreach

<u>Impediments:</u> Educational and outreach literature regarding fair housing issues, rights, and services on websites or at public counters is limited.

The cities of Carlsbad, Imperial Beach, and Solana Beach do not have links to fair housing resources on city websites, and Coronado does not have the most up to date information on its website.

Ongoing - Ensure ease of access to information about fair housing on websites with links between jurisdictions and contracted service provider. Prominently display information on public counters and other points of public contact such as libraries
Ongoing - Increase knowledge of the process of reporting complaints and access/referral to government entities (i.e. DFEH/HUD/DOJ).

2. Lending and Credit Counseling

<u>Impediments:</u> Hispanics and Blacks continue to be under-represented in the homebuyer market and experienced large disparities in loan approval rates.

White applicants were noticeably overrepresented in the loan applicant pool, while Hispanics were severely underrepresented. The underrepresentation of Hispanics was most acute in the cities of Imperial Beach (-33 percent), Vista (-35 percent), and Escondido (-36 percent).

Approval rates for Black and Hispanic applicants were well below the approval rates for White and Asian applicants in the same income groups. Specifically, Black applicants consistently had the lowest approval rates compared to other racial/ethnic groups in the same income groups. The largest discrepancies (between loan approval rates for White and Asian applicants versus Black and Hispanic applicants) in 2013 were recorded in the cities of El Cajon, Poway, and San Diego.

Black and Hispanic applicants continued to get higher-priced (subprime) loans more frequently than White and Asian applicants.

Ongoing - Collaborate with the San Diego City-County Reinvestment Task Force to monitor lender performance and provide homebuyer education.

3. Overconcentration of Housing Choice Vouchers

<u>Impediments:</u> Due to the geographic disparity in terms of rents, concentrations of Housing Choice Voucher use have occurred.

El Cajon and National City continue to experience high rates of voucher use.

Ongoing – Expand the affordable housing inventory.
Ongoing – Promote the Housing Choice Voucher program to rental property owners.
Ongoing – Increase education of Housing Choice Voucher recipients as to choice and availability.
Ongoing – Work collaboratively with local housing authorities and affordable housing providers to ensure affirmatively fair marketing plans and deconcentration policies are implemented.

4. Housing Options

Impediments: Housing choices for special needs groups, especially persons with disabilities, are limited.

Housing options for special needs groups, especially for seniors and persons with disabilities, are limited. Affordable programs and public housing projects have long waiting lists. More than 25 percent of the applicant-households on the waiting lists for Housing Choice Vouchers or Public Housing include one disabled member. Approximately eight percent of the applicant-households on the waiting list for Public Housing and 10 percent on the waiting list for Housing Choice Vouchers are seniors.

Ongoing - Increase housing options for special need populations, including persons with disabilities, senior households, families with children, farmworkers, the homeless, etc.
Ongoing - Encourage universal design principles in new housing development.

5. Regional Collaboration and Fair Housing Reporting

Impediments: Inconsistent reporting among fair housing service providers persists.

As jurisdictions change their fair housing service providers, inconsistent level and format of reporting makes data collection and analysis difficult.

By July 2016 - Fair housing services focus primarily on outreach and education; less emphasis is placed on enforcement.
Work with the SDRAFFH to develop a standardized reporting system for collecting fair housing data.

Semi-annually - Provide press releases to local media on outcomes of fair housing
By July 2016

6. Outreach and Education

Impediment: Today, people obtain information through many media forms, not limited to traditional newspaper noticing or other print forms.

Increasingly fewer people rely on the newspapers to receive information. Public notices and printed flyers are costly and ineffective means to reach the community at large.

Frequent workshops with targeted population should be conducted to allow for meaningful discussions and dissemination of useful information.

Ongoing - Education and outreach activities need to be expanded to have a multi-media coverage, including social media such as Facebook, Twitter, and Instagram, as well as other meeting/discussion forums such as chat rooms and webinars.
Ongoing - Involve neighborhood groups and other community organizations when conducting outreach and education activities.
Ongoing - Include fair housing outreach as part of community events.

2. Racial Segregation and Linguistic Isolation

<u>Impediment:</u> Patterns of racial and ethnic concentration are present within particular areas of the San Diego region.

Regarding Hispanic/White segregation among the largest 200 cities in the country in 2010, San Diego County ranked 12th most segregated.

In San Diego County, 16.3 percent of residents indicated they spoke English "less than very well" and can be considered linguistically isolated.

The cities of National City, Vista, and Escondido have the highest percentage of total residents who spoke English "less than very well". Most of these residents were Spanish speakers.

Within San Diego County, there are RECAPs (Racially/Ethnically Concentrated Areas of Poverty) scattered in small sections of Oceanside, San Marcos, Escondido, El Cajon, La Mesa, Lemon Grove, National City, Chula Vista and Imperial Beach. Larger RECAP clusters can be seen in the central/southern portion of the City of San Diego. In 2010, there were 173,692 persons living in a RECAP in the County, or 5.6 percent of the County's total population.

Ongoing - Diversify and expand the housing stock to accommodate the varied housing needs of different groups.
Ongoing - Promote equal access to information for all residents.
Ongoing – Work collaboratively with local housing authorities and affordable housing providers to ensure affirmative fair marketing plans and deconcentration policies implemented.

EXHIBIT 2

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE APPROVING THE 2015/2016 – 2019/2020 SAN DIEGO REGIONAL ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE (2015 – 2020 AI), AND AUTHORIZING THE CITY MANAGER TO SUBMIT THE 2015 – 2020 AI, AND EXECUTE ALL RELATED DOCUMENTS.

WHEREAS, as a recipient of federal entitlement funds, the City of Oceanside is required to affirmatively further the fair housing objectives of the Fair Housing Act of 1968, as amended [42 U.S. Code, §§ 3601-3631];

WHEREAS, CDBG regulations [24 CFR Subtitle A, § 91.225(a)(1)] require that the City of Oceanside complete an Analysis of Impediments to Fair Housing Choice;

WHEREAS, the San Diego Regional Alliance for Fair Housing (SDRAFFH) works to ensure that all residents in the San Diego region have equal access to housing and the City of Oceanside is a member of SDRAFFH; and

WHEREAS, the municipal members of the SDRAFFH oversee the preparation of the regional AI, which has historically been funded with CDBG and other local funds contributed by the entitlement jurisdictions in San Diego County on a pro rata basis.

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

1. The above recitations are true and correct.

2. The 2015 – 2020 AI is hereby approved. The City Manager is hereby authorized to submit the 2015 – 2020 AI and execute all related documents.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this _____day of _____, 2015, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

MAYOR OF THE CITY OF OCEANSIDE

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney