



REPORT TO 2023-2031 SAN RAFAEL HOUSING ELEMENT WORKING GROUP

Subject: Affirmatively Furthering Fair Housing

EXECUTIVE SUMMARY

The next meeting of the Housing Element Working Group will focus on the importance of “Affirmatively Furthering Fair Housing” (AFFH) and how this principle can be advanced through the 2023-2031 San Rafael Housing Element. The AFFH mandate was initially established by the 1968 Fair Housing Act and applied to programs funded by the US Department of Housing and Urban Development (HUD). It has not historically been part of California’s housing element law. In 2018, the State legislature passed AB 686, requiring that housing elements be prepared through an AFFH lens, thereby supporting more equitable and inclusive housing programs.

The State Department of Housing and Community Development (HCD) has provided detailed guidance for addressing AFFH in local housing elements. This report provides a summary of those requirements.

REPORT

Overview

Assembly Bill 686 (AB 686, signed by the Governor on 9/30/18), created new requirements for jurisdictions to affirmatively further fair housing (AFFH). According to AB 686, affirmatively furthering fair housing means to take “meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”

The [four main goals](#) of AFFH are to:

1. Address significant disparities in housing needs and in access to opportunity.
2. Replace segregated living patterns with truly integrated and balanced living patterns.
3. Transform racially and ethnically concentrated areas of poverty into areas of opportunity.
4. Foster and maintain compliance with civil rights and fair housing laws.

AB 686 sets forth the duty to advance these goals in two broad categories:

1. Public Agencies- All public agencies, departments and programs are required to administer programs and activities relating to housing and community development in a manner that furthers fair housing, and to take no action that is materially inconsistent with this obligation.

2. Housing Elements- New requirements for housing elements due on or after January 1, 2021 direct local decision-makers to incorporate fair housing into the housing element, create land use and funding opportunities to increase affordable housing in high resource neighborhoods, and bring additional resources to traditionally under-resourced neighborhoods.

Intent of AFFH

Fair housing laws are intended to ensure that people have access to housing and the resources attached to place of residence regardless of their race, national origin, family status, religion, sex or disability (often referred to as “protected classes”). The 1968 Fair Housing Act attempted to remedy and prevent policies and practices that are discriminatory as well as those that contribute to racially segregated communities. Over 50 years later, the Department of Housing and Community Development (HCD) acknowledges that “historic patterns of segregation persist in California despite this long-standing federal mandate.”¹ [Assembly Bill 686](#) (AB 686) requires jurisdictions to “explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities.”²

San Rafael is located in one of the most prosperous regions in the world, but this prosperity is not evenly shared. In 2019, over three quarters of White and Asian Bay Area residents lived in neighborhoods considered to be “moderate to high resource” areas, as classified by the State. By contrast less than half of Latino and Black residents lived in moderate to high resource areas.³ In 2021, the Othering and Belonging Institute at UC Berkeley identified the Canal neighborhood as the “most segregated neighborhood in the Bay Area” based on its racial and ethnic composition.⁴ Many Canal households face extreme housing cost burdens, overcrowding, poor housing conditions, and housing insecurity.

The racial inequities seen today evolved through historical policies and practices enacted at federal, state, regional and local levels and across the public and private sectors. Though many explicit forms of discrimination have been outlawed, the results of these systems have left a lasting imprint on the region. Racial covenants have been replaced with race-neutral land use policies that may have the net effect of excluding people of color from predominantly white neighborhoods. Meanwhile, increasing housing costs have deepened racial and economic segregation, displacing many low income people to the peripheries of the region or out of the Bay Area all together⁵.

The effects of segregation affect all Bay Area residents. As noted in [Momentum for Lasting Solutions](#): “the Bay Area’s inability to adequately house all its residents, especially close to job centers, has led to a host of other challenges such as crippling traffic, attendant greenhouse gas emissions, and labor shortages.”⁶ Today, there is an opportunity to address segregation and racial inequities in California’s communities and the Bay Area.

Snapshot of Segregation and Fair Housing in San Rafael

Segregation can exist at various scales. The [Othering and Belonging Institute](#) has developed indices to measure both *inter*-municipal segregation (i.e., comparative race-ethnicity mix *between* different cities)

¹ https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf#page=7

² https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf#page=7

³ <https://bayareaequityatlas.org/indicators/neighborhood-opportunity#/?breakdown=2>

⁴ *San Francisco Chronicle*, October 7, 2021

⁵ https://www.urbandisplacement.org/sites/default/files/images/bay_area_re-segregation_rising_housing_costs_report_2019.pdf

⁶ https://abag.ca.gov/sites/default/files/documents/2021-02/Launching%20BAHFA-Regional%20Housing%20Portfolio_2-24-21_v6.pdf

and *intra*-municipal segregation (i.e., race-ethnicity mix in the different neighborhoods *within* each city). Table 1 compares racial distribution in San Rafael with Marin County and the nine-county region. As the citywide level, San Rafael has a more diverse population than the County as a whole as well as the other cities in Marin County. However, at the neighborhood level, San Rafael is heavily segregated. The AFFH analysis compares the city to the region, while also evaluating neighborhood level data to identify patterns within each community.

**Table 1.
Racial/Ethnic Composition of San Rafael, Marin County, and Bay Area, 2010 and 2020**

	San Rafael		Marin County		9-County Bay Area	
	2010	2019	2010	2019	2010	2020
White, Non-Hispanic	59%	52%	73%	66%	42%	39%
Black	2%	2%	3%	2%	6%	6%
Latino/Hispanic	30%	34%	16%	19%	24%	24%
Asian or Pacific Islander	6%	7%	6%	6%	24%	27%
Mixed/Other	3%	6%	4%	7%	4%	5%

Source: US Census, 2010 and 2020

What are the AFFH requirements for Housing Element Updates?

There are five elements that all jurisdictions must incorporate into their Housing Elements to comply with AFFH requirements. These are: (1) Targeted Community Outreach, (2) Assessment of Fair Housing, (3) Site Inventory, (4) Identification and Prioritization of Contributing Factors, and (5) Goals Policies and Actions. Each of these is discussed below.

1. Targeted Community Outreach

In addition to traditional housing element outreach, AB 686 requires “meaningful, frequent, and ongoing community participation, consultation and coordination” to ensure that input has been received from groups most impacted by fair housing issues and that local knowledge is incorporated.

To meet these requirements, it is recommended that:

- Community outreach occurs in multiple languages
- Engagement be conducted in various locations and venues and during non-working hours
- A wide set of stakeholders that serve and represent protected classes are engaged
- The effectiveness of outreach efforts be evaluated by monitoring and comparing demographics of who participates for representativeness

2. Assessment of Fair Housing

The Assessment of Fair Housing describes the jurisdiction’s unique fair housing circumstances and must include a summary and analysis of:

- 1) Fair housing outreach capacity and enforcement
- 2) Segregation and integration patterns
- 3) Racially and/or ethnically concentrated areas of poverty (R/ECAPs)

- 4) Disparities in access to opportunity (e.g., education, transportation, economic and environmental)
- 5) Disproportionate housing needs (e.g., overpayment, overcrowding, and displacement risk) for low-income households and protected classes.⁷

Jurisdictions must include input from the community in the assessment and must document the existence or absence of local policies and programs such as local rental assistance programs, code enforcement activities, homeless services, foreclosure prevention, planned affordable housing development, etc. and how these may address or exacerbate the situation.

3. Site Inventory

The State of California now requires an analysis of how the sites identified to accommodate the regional housing needs allocation (RHNA) can either improve or exacerbate segregation and access to opportunity in the jurisdiction. This step requires answering questions like:

- Are sites concentrated in specific geographies (e.g., are all sites to accommodate low-income households are clustered in one specific area)?
 - What are the demographics and resources in those geographies?
 - What policies and plans are in place to avoid concentrated poverty in these areas?
- How will the sites impact the potential for displacement⁸?

4. Identification and Prioritization of Contributing Factors

Based on the results of the first three steps, factors that create, perpetuate, or increase the severity of one or more fair housing issues must be identified. These are referred to as “contributing factors.” HCD requires that contributing factors be prioritized in an actionable list of 4-6 factors based on those that most limit or deny fair housing choice and access to opportunity. The [AFFH guidance](#) document prepared by HCD provides a list of over 50 common contributing factors (p. 68- 70) as a first step.

5. Goals, Policies and Actions

Identification of goals and policies with concrete steps, timelines, and outcomes relating to the contributing factors are required. These must be linked to the fair housing issues that they are designed to address, and may include utilizing:

- (1) human resources: outreach, education, marketing, collaboration
- (2) land use resources: general plans, zoning, specific plans, ordinances and procedures
- (3) financial resources.

Some of the goals, policies, and actions may reference fair housing directly (for instance, increasing fair housing enforcement capacity or tenant awareness of their rights). Others may have an indirect relationship (for instance, producing more affordable housing, assisting disabled residents with home retrofits, etc.).

⁷ HCD’s [AFFH guidance](#) provides detail for each of these elements (p. 28-44)

⁸ Detailed instructions for this analysis are given in the [AFFH guidance](#) (p. 46-49)

Conclusions and Attachments

The new AFFH requirement adds several analyses and steps to the traditional Housing Element update process. While resources have been developed by HCD and ABAG to assist local jurisdictions, each jurisdiction is ultimately responsible for tailoring the analysis, findings, and recommendations to reflect their circumstances. The specific policies and actions included in the Housing Element must reflect the unique history, sociology, demographics, and market conditions in each community, as well as the priorities expressed by the public. In this regard, each member of the Working Group can help by offering their perspectives on issues and priorities in San Rafael.

DESIRED OUTCOMES

The May 19 Working Group meeting provides an opportunity for the Working Group to review AFFH maps and data and discuss fair housing issues in San Rafael. As noted on the agenda, we will be providing a “map book” prior to the meeting with AFFH data. We have also invited two guests to facilitate a discussion of fair housing issues and strategies with the Working Group.

We hope to achieve the following outcomes through this meeting:

1. Shared understanding of what it means to “affirmatively further fair housing,” including recent City efforts and underlying challenges
2. Discussion of past, present, and potential future efforts to achieve more inclusive and authentic community engagement
3. Identification of key strategies for improving housing equity and security in San Rafael. The discussion can help the staff/consultant team identify priorities as Housing Element programs are drafted in the coming month.

Staff will be returning to the Working Group in four to six weeks with the full AFFH analysis, including working draft policies and programs. The date for the next meeting has not been set but will be in the second half of June. We will be reaching out to Working Group members to schedule this meeting. We anticipate a final meeting of the Working Group in July to review the completed Draft Housing Element.

ATTACHMENTS

- A. AFFH Map Book (to be provided Monday, May 16)
- B. Link to [Nov 1, 2021 San Rafael City Council meeting](#) (presentation on AFFH from County staff, followed by City Council discussion. Begins 1:00 (one hour) into meeting and runs 37 minutes.
- C. [State Guidance on AFFH](#) (hyperlink)