

November 18, 2021

Paul McDougall, Housing Policy Manager California Department of Housing and Community Development 2020 W. El Camino Ave, Suite 500, Sacramento, CA 95833

Dear Paul McDougall,

Re: City of Sacramento's Adopted 2021-2029 Housing Element

On August 17, 2021, City Council adopted the <u>City of Sacramento's 2021-2029 Housing Element</u> (Housing Element). The adopted Housing Element was submitted to the California Department of Housing and Community Development (HCD) on August 20, 2021.

During a meeting on November 17, 2021, HCD staff requested revisions to Housing Element Appendix H-3 Fair Housing Assessment. The specific revision request was to include numeric targets in Table H 3-3: Factors Contributing to Fair Housing Issues. Pages HE-127 and HE-129 of the City of San Diego's Housing Element, which received HCD certification on September 10, 2021, was provided to City staff as an example of the requested changes.

In response to this request, please find below, revisions to Table H 3-3. The City of Sacramento's Planning Division staff can use this revised table to report on the progress of achieving these numeric targets each year to HCD as part of the Housing Element's Annual Progress Report. Additionally, in fulfillment of the adopted Housing Element Program H22: Mid-term Evaluation of Implementation Programs (pg. 52), in 2023 the City shall evaluate the effectiveness of each of the Housing Element implementation programs in meeting their stated objectives. City staff will then recommend adjustments to implementation programs that are not on-track to meeting their stated objectives by the Winter of 2024.

If HCD requires the revisions to Table H 3-3 to be included in the adopted 2021-2029 Housing Element, the Housing Element would need to be amended by City Council.

We appreciate the opportunity to work collaboratively with HCD staff to achieve substantial compliance with State Housing Element Law and obtain HCD certification of the City of Sacramento's 2021-2029 Housing Element.

Sincerely,

Greg Sandlund Planning Director, City of Sacramento

> 300 Richards Blvd., 3rd Floor Sacramento, CA 95811

Help Line: 916-264-5011 CityofSacramento.org/cdd

Assessment of Fair Housing Identified Issue	Contributing Factor	Meaningful Actions	Targets and Timelines
Patterns of segregation based on race and income; presence of R/ECAPs and RCAAs	Past practices of nationwide	Short-Term (2021-2022)	Short-Term (2021-2022)
	redlining, documented evidence of racially restrictive covenants, and lending discrimination Patterns of public and private investments including	Review the Mixed Income Housing Ordinance to evaluate feasibility of amendments to the ordinance, including the consideration of an inclusionary housing component, with the goal of increasing the amount of affordable housing built throughout the City (Program H1) Facilitate more equitable land use patterns and targeted investment in underserved communities by conducting neighborhood-level planning and preparing specific plans and actions plans (Program H9) Rezone sites in high resource areas to create more opportunities for lower-income housing throughout the City (Program H12)	50 percent increase in projected available total affordable and workforce housing funding in comparison to the 2013-2021 housing element period (H1, H3) 60 percent of affordable and workforce
	redevelopment programs Zoning and land use practices resulting in predominately single-unit neighborhoods that are predominately occupied by White non-Hispanic		housing funding spent in high resource/high opportunity areas (Figure 3- 3) and areas at risk or are already experiencing gentrification/and or displacement (Figure 4-6) (H1, H36)
	homeowners with higher median household incomes Limited affordable housing available for low-income residents throughout the City		Initiate one specific plan or action plan every 1-2 years during the planning period in Sacramento's in infill areas and along commercial corridors that have been historically underserved (H9)
	The location of available sites for lower income housing has the potential to exacerbate patterns of segregation	Annual and Ongoing (2021-2029) Support affordable housing development throughout the City particularly in high resource areas (Program H36) Increase housing choice voucher mobility throughout the City and in high resource areas	Annual and Ongoing (2021-2029) 60 percent of new affordable units are located in high resource/high opportunity areas (Figure 3-3) and areas at risk or are already experiencing gentrification and/or displacement (Figure 4-6) (H1, H9, H12, and H36)
		(Program H40)	10 percent increase in housing choice voucher usage in high resource/high opportunity areas (Figure 3-3). (H40)

Table H 3-3: Factors Co	ntributing to Fair Housing	Issues	
Assessment of Fair Housing Identified Issue	Contributing Factor	Meaningful Actions	Targets and Timelines
Disproportionate access to opportunities in areas identified as low resource/ high segregation and poverty in the Central City, Fruitridge-Broadway, Arden-Arcade, and North Sacramento communities	Lack of investments in low resource neighborhoods resulting in less proficient schools and poorer environmental conditions than the rest of the City Lack of infrastructure which limit opportunities to develop housing	Short-Term (2021-2022) Facilitate inclusive infill and economic development in Sacramento's historically disenfranchised and disinvested neighborhoods (Programs H9 and H10) Target investment in underserved communities and areas being prioritized for inclusive economic and community development (Program H10)	Short-Term (2021-2022) Initiate one specific plan or action plan every 1-2 years during the planning period in Sacramento's infill areas and along commercial corridors that have been historically underserved (H9, H10) Conduct geographic specific infrastructure analysis every 1-2 years during the planning period in low resource / high segregation and poverty areas of the city (Figure 3-3) (H9, H10)
		Annual and Ongoing (2021-2029) Pursue funding to provide critical infrastructure, amenities, and services in areas targeted for inclusive economic and community development (Program H46)	Annual and Ongoing (2021-2029) During the planning period, obtain an average of \$5 million annually in grants, investments and allocations from federal, state, and regional government sources to invest in areas targeted for inclusive economic and community development (H46)
Disproportionate housing needs including cost burden, risk of displacement, and risk of homelessness for renters and households of color	Increased market demand for luxury apartments and single-unit housing is causing housing costs to rise dramatically Lack of economic mobility for marginalized residents Limited financial and legal assistance available for	Short-Term (2021-2022) Develop a coordinated response plan to address homelessness, with a focus on addressing disparities for marginalized populations (Program H13) Connect lower-income residents to homeownership and equity-building opportunities in their communities by supporting community ownership models (Program H18)	Short-Term (2021-2022) Serve 2,500 unhoused residents annually (H13) Bring 10 shelter and housing sites online annually that have been identified in the Council adopted Comprehensive Siting Plan to Address Homelessness (H13) 10% increase in homeownership of lower income residents in comparison to the

Assessment of Fair	Contributing Factor	Meaningful Actions	Targets and Timelines
to i Systo conection hor coldimit distribution saf	Ilnerable residents, leading increases in homelessness vistemic issues contributing disproportionate housing eds and rise in omelessness for people of older include but are not nited to: economic slocation, reduced social after the new policy, ass incarceration, family stability, structural racism, and other individual causes	Medium-Term (2023-2025) Raise awareness on Sacramento Tenant Protection Act. Continue to protect tenants who have resided in a rental unit for more than 12 months by maintaining limits on rent increases and prohibiting evictions without "just cause." (Program H25) Reduce barriers to housing opportunities for formerly incarcerated individuals throughout the City (Program H27) Long-Term (2026-2029) Provide support to vulnerable individuals and households through a rental assistance program,	2013-2021 housing element period (H18 and H39) Conduct outreach 3 times annually with community-based organizations (CBOs) and other potential community partners that are working with interested lowincome community members to develop new forms of community-driven, collectiv ownership models and wealth building strategies for lower-income residents (H18) Medium-Term (2023-2025) Conduct 2-3 workshops per year on fair housing rights and resources (including the City's Tenant Protection Program) located in areas at risk of displacement in collaboration with CBOs and Sacramente Housing Alliance (H25) Through the Renter's Helpline, conduct 1 Renter's Helpline and Project Sentinel presentations per year and investigate 3 cases per year (H25) Increase access to housing by formerly incarcerated individuals by 15% (H27) Long-Term (2026-2029) \$250,000 awarded annually for rental assistance (application fees, security

Assessment of Fair Housing Identified Issue	tributing to Fair Housing Contributing Factor	Meaningful Actions	Targets and Timelines
nousing identified issue		poverty or classified as low resource (Program H34)	Assist 4,500 households with rental assistance during the planning period (H34)
		Annual and Ongoing (2021-2029)	50 percent of households receiving renta assistance will be located in areas at rist or are already experiencing gentrification and/or displacement (Figure 4-6) (H34)
		Increase homeownership opportunities throughout the City, particularly areas at risk of displacement or classified as low resource, by continuing to support first-time homebuyer assistance programs (Program H39)	Annual and Ongoing (2021-2029) Conduct annually, 4 education campaign (emails, workshops, flyers distributed, etc.) for first time home buyer program resources (H39)
		Continue to use available housing resources including subsidies, Housing Choice Vouchers, and grant funding to ensure housing for Extremely Low-Income households (Program H43)	Apply for \$3 million annually to state and federal funding opportunities for rental construction and operating subsidies an additional housing choice vouchers for the state of the state o
		Preserve as many units as possible that are "at risk" of conversion to market rate and minimize loss of affordable housing inventory (Program H47)	provision of housing for extremely low- income households (H43) Preserve 50 units "at risk" of conversion annually (H47)
		Conduct rental home inspections to ensure sanitary and habitable conditions throughout the City (Program H48)	Inspect 3,000 housing units annually to ensure sanitary and habitable conditions throughout the City (H48)

Table H 3-3: Factors Contributing to Fair Housing Issues				
Assessment of Fair Housing Identified Issue	Contributing Factor	Meaningful Actions	Targets and Timelines	
Outreach and education for vulnerable and marginalized populations	Households that are most vulnerable are not receiving enough information about existing City programs and resources available Lack of sufficient accommodations for hearing or visually impaired residents and non-English speakers	Short-Term (2021-2022) Perform outreach to tenants and landlords on fair housing rights, responsibilities, and resources available (Program H17)	Short-Term (2021-2022) Conduct 2-3 workshops per year on fair housing rights and resources (including the City's Tenant Protection Program) located in areas at risk of displacement in collaboration with CBOs and Sacramento Housing Alliance (H17)	
		Long-Term (2026-2029) Affirmative Marketing Education to promote equal access to housing (Program H32)	Long-Term (2026-2029) Conduct 2 educational campaigns per year (emails, workshops, flyers distributed) to spread awareness of affirmative marketing methods (H32)	
		Annual and Ongoing (2021-2029) City will work with community-based organizations to provide culturally competent education to both tenants and landlords about the Rental Home Inspection Program (Program H48)	Annual and Ongoing (2021-2029) Conduct 4 educational workshops per year for tenants and landlords in collaboration with the California Apartment Association, Sacramento Association of Realtors and Sacramento Self Help Housing (H48)	