Assessment of Fair Housing 2018-2023 Fair Housing Goals and Priorities

### V. Fair Housing Goals and Priorities

## GOAL 1: INCREASE THE STOCK OF AFFORDABLE HOUSING THROUGHOUT THE CITY, PARTICULARLY IN NEIGHBORHOODS OF OPPORTUNITY.

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
1.1	High	Adopt an Affordable Housing Linkage Fee to fund the City's affordable housing programs and to encourage developers to produce affordable housing in new housing developments	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs; Fair Housing Enforcement, Outreach Capacity and Resources	Displacement Due to Economic Pressures; Location/Type of Affordable Housing; Community opposition	Successful introduction and passage of proposed ordinance, amount of money in fees collected, 1-2 Years, development of approximately 1000 units annually with a \$100,000/unit contribution from the linkage fee, 3-5 years	HCIDLA, DCP, Mayor, City Council
1.2	High	Study the Affordable Housing Linkage Fee's economic impact on the development market and make recommendations to Elected Local Officials for strengthening the inclusionary set-aside requirements of the policy for new housing developments	Segregation/Integration; R/ECAPs; Disparities in Access to Opportunity; Disproportionate Housing Need; Fair Housing Enforcement, Outreach Capacity and Resources	Location and Type of Affordable Housing; Displacement of Residents Due to Economic Pressures; Community Opposition	After the completion of two years of adoption for the linkage fee ordinance, complete an analysis of the policy's impacts and the potential for stronger inclusionary housing requirements, 3-5 Years	HCIDLA, DCP

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
1.3	High	Identify and allocate city- owned land for affordable housing, particularly in current and emerging high- opportunity areas	Segregation/Integration, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and Type of Affordable Housing; Displacement of Residents Due to Economic Pressures; Community Opposition; Availability of affordable units in a range of sizes; Private Discrimination; Impediments to Mobility	Number of parcels and acreage of land acquired for housing, proportion that is within high opportunity areas, 1-5 Years	HCIDLA, HACLA
1.4	High	Remove barriers to producing affordable housing by streamlining the development process, including in high-opportunity neighborhoods to decrease segregation and increase integration of protected classes (e.g., people with disabilities)	Disparities in Access to Opportunity, Publicly Supported Housing, Segregation/Integration, R/ECAPs	Community Opposition; Zoning and Land Use Laws	Update all 35 community plans by 2024 that will focus on zoning; remove barriers through re:code LA and other city-wide land-use policies; maximize Transit-Oriented Communities development, adoption of a Value Capture Ordinance, and adoption of the Permanent Supporting Housing Ordinance to streamline approvals, Years 1-2; Implementation of newly enacted State housing laws, including SB 35 and related Housing Element changes).  Ongoing through Year 5	HCIDLA, DCP, DBS

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
1.5	High	Increase the stock of affordable housing for people experiencing homelessness using the follow tools/resources:  • Measure HHH • Transit Oriented Communities Program • Updated Density Bonus • Unpermitted Dwelling Unit Ordinance • Shallow Subsidy Program • Comprehensive Homeless Strategy	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Siting selection policies, practices and decisions for publicly supported housing; Community opposition; Displacement of Residents due to Economic Pressure; Community Opposition	Number of affordable units built for people experiencing homelessness increases at a rate of 1000 units per year, 1-10 Years	HCIDLA, HACLA
1.6	High	Develop a siting policy for permanent supportive housing development projects and a geographic distribution policy to be presented to Local Elected Officials for consideration and adoption.	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Siting selection policies, practices and decisions for publicly supported housing; Community Opposition	In Year 1 adopt a siting and geographic distribution policies for the development of permanent supportive housing projects in the City. Including the adoption of the PSH Streamlining Ordinance and a Geographic distribution policy to be included in notices of funding issued by the City.	HCIDLA, DCP HACLA

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
1.7	Medium	Explore the feasibility of adopting and implementing the City's Motel Interim Conversion Ordinance as HACLA proceeds with its HUD-Veteran Affairs Supportive Housing motel conversion program.	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Siting selection policies, practices and decisions for publicly supported housing; Community opposition; Displacement of Residents due to Economic Pressure; Community Opposition	Successful adoption of the Motel Interim Conversion Ordinance and use of 500 HUD-VASH Project-Based Vouchers, Year 1-5	HCIDLA, HACLA

### Discussion

### Background

Los Angeles (LA) has a significant shortage of housing affordable to lower-income households. There are 713,710 households in the City that make less than 80% of Area Median Income (AMI).<sup>260</sup> Housing prices in Los Angeles have grown four times faster than incomes since 2000. And almost two-thirds of all households in the City are rent burdened (meaning they spend more than the recommended 30% of their income on rent or mortgage payments).<sup>261</sup> This shortage of affordable homes disproportionately affects people of color and individuals with disabilities. Within both the City of Los Angeles and the broader region, most racial or ethnic minority groups experience higher rates of housing problems, including but not limited to severe housing cost burden, than do non-Hispanic White households.<sup>262</sup> And there is a significant need for accessible housing in the City of Los Angeles. Over 200,000 Los Angeles households include an individual with an ambulatory disability, and over 170,000 include an individual with a visual or hearing disability. People with mobility and sensory disabilities face unique disadvantages when seeking affordable, accessible, community-

<sup>&</sup>lt;sup>260</sup> Publicly Supported Housing Analysis

<sup>&</sup>lt;sup>261</sup> Disproportionate Housing Needs Analysis

<sup>&</sup>lt;sup>262</sup> Disproportionate Housing Needs Analysis

based housing, not only due to cost, but also because most housing does not include necessary accessibility features. This is especially significant in affordable housing, given the large percentage of people with disabilities whose income is below the poverty line.

However, the existing stock of affordable housing falls well short of the need. As of 2016, the total stock of all housing units in Los Angeles was 1,453,271. The total stock of Publicly Supported Housing (including public housing, project-based Section 8, and other HUD multi-family units) is 34,661 units. There are 28,830 low-income units in Low Income Housing Tax Credit (LIHTC) developments in the City of Los Angeles. However, between 2017 and 2020, 24% of units are set to expire, with another 35% expiring between 2020 and 2025, and 36% expiring between 2026 and 2030. And there are approximately 46,000 Housing Choice Vouchers (HCVs) in use in Los Angeles. And there are approximately 46,000 Housing Choice Vouchers (HCVs) in use in Los Angeles. And there are approximately 46,000 Housing Choice Vouchers (HCVs) in use in Los Angeles. And there are approximately 46,000 Housing Choice Vouchers (HCVs) in use in Los Angeles. And there are approximately 46,000 Housing Choice Vouchers accounts for only about 8% of all housing units in the City of Los Angeles and, therefore, can serve only a small fraction of households making less than 80% of AMI. There are also roughly 631,000 units that fall under the City's Rent Stabilization Ordinance (RSO). However, due to vacancy decontrol, where rents can be increased to market rate if a tenant voluntarily moves out or is evicted with cause, it is unclear how many of those units are affordable to lower-income households since the RSO does not require that tenants qualify to rent based on their income. The high percentage of households who are rent burdened indicates that, while RSO housing can help keep rents below market by preventing rental increases, many RSO renters may still be rent-burdened.

In addition, the affordable housing that does exist is disproportionately concentrated in R/ECAPs, which are some of the lowest-opportunity neighborhoods in Los Angeles.<sup>270</sup> For example, 9,533, or 27.5%, of the 34,611 Publicly Supported Housing units are in R/ECAPs while only 9.75% of the City's population resides in R/ECAPs.<sup>271</sup> Public Housing and LIHTC housing are largely located in segregated, predominantly Hispanic, Asian, and Black neighborhoods. HCV usage is largely located in segregated, predominantly Black neighborhoods on the western side of the central part of the City.<sup>272</sup> By contrast, notably less affordable housing is available in neighborhoods of high opportunity in the Northwest and West parts of Los Angeles. Several factors likely contribute to protected classes concentrating in areas that have high exposure to poverty and less access to other amenities such as proficient schools and access to grocery stores and fresh produce.<sup>273</sup> The high cost of land and community opposition from residents in high-opportunity areas creates barriers to affordable housing there.

<sup>&</sup>lt;sup>263</sup> https://www.scag.ca.gov/Documents/LosAngeles.pdf

<sup>&</sup>lt;sup>264</sup> Publicly Supported Housing Analysis

<sup>&</sup>lt;sup>265</sup> Disability and Access Analysis

<sup>&</sup>lt;sup>266</sup> https://www.realpage.com/mpf-research/where-affordable-housing-greatest-risk-expiring/

<sup>&</sup>lt;sup>267</sup> Publicly Supported Housing Analysis

<sup>&</sup>lt;sup>268</sup> Over 700,000 households in the City of Los Angeles make less than 80% AMI as per the Publicly Supported Housing Analysis.

<sup>269</sup> http://HCIDLAla.lacity.org/What-is-Covered-under-the-RSO

<sup>&</sup>lt;sup>270</sup> Disparities in Access to Opportunity Analysis

<sup>&</sup>lt;sup>271</sup> Publicly Supported Housing Analysis

<sup>&</sup>lt;sup>272</sup> Publicly Supported Housing Analysis

<sup>&</sup>lt;sup>273</sup> Disparities in Access to Opportunity Analysis

#### **Strategies**

# 1.1 Adopt an Affordable Housing Linkage Fee to fund the City's affordable housing programs and to encourage developers to produce affordable housing in new housing developments

To ensure that the City's significant new market-rate development supports the creation of new affordable housing, the City is in the process of adopting its first mandatory inclusionary program, called the Affordable Housing Linkage Fee. Both new commercial and new residential development generate a need for more affordable homes, either for low-income workers employed in new commercial buildings or for low-income workers needed to provide local services (such as child care, restaurant workers, and landscape workers) to residents of new residential buildings. This puts additional strain on the existing limited affordable housing stock. A linkage fee is an essential tool to address the affordable housing demand created by new commercial development and by new market-rate rental development. In addition to charging a linkage fee on new commercial and single-family developments, the proposed linkage fee policy will provide an exemption for all new multifamily residential development, both homeownership and rental developments, that include a certain percentage of their units as covenanted affordable housing, with 40% of total units affordable at moderate income levels, 20% at low income, or 11% at very low-income levels. In-lieu of providing those units on-site, developers can choose to pay a fee that was deemed feasible by an independent economic analysis.

# 1.2 <u>Study the Affordable Housing Linkage Fee's economic impact on the development market and make recommendations to Elected Local Officials for strengthening the inclusionary set-aside requirements of the policy for new housing developments</u>

After two years of the linkage fee's implementation, the City will study the economic impacts of the policy, and whether the market could support stronger on-site affordability requirements and/or fee levels in particular submarket regions.

Alternatively, the City could study the adoption of a mandatory inclusionary zoning policy *without* an in-lieu fee option as proposed for the Affordable Housing Linkage Fee. This policy proposal has its challenges, however, because of a prior court decision, which precludes the City from implementing such a mandatory inclusionary policy on rental developments across California. However, there is new State legislation, AB 1505 (Bloom),<sup>274</sup>that was recently signed into law by the Governor in September 2017. This new law will now provide localities the authority to adopt inclusionary zoning ordinances that require, as a condition of development of residential rental units, that the development include a certain percentage of residential rental units affordable to, and occupied by, moderate-income, lower-income, very low-income, or extremely low-income households. The City of Los Angeles took a position in support of this legislation and has similarly gone on record supporting past bills with the same intent. The City will explore next steps considering the passage AB 1505.

Similarly, the City is considering how to prioritize meaningful inclusionary requirements and affordable housing funding within any tax increment financing (TIF) program adopted by the City such as Enhanced Infrastructure Finance Districts (EIFDs) and Community Revitalization Investment

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<sup>&</sup>lt;sup>274</sup> https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB1505

Areas (CRIAs). However, the limitations on this approach should be noted—EIFDs are adopted by resolution, do not have a mandatory affordable housing set-aside and may take upwards of a decade to generate meaningful returns. EIFDs are not required to have affordable housing set-asides, but may be included on an ad-hoc basis.

The monitoring and enforcement of any mandatory inclusionary zoning policies will be particularly important to determine whether and to what extent these measures are producing the desired outcomes.

### 1.3 <u>Identify and allocate city-owned land for affordable housing, particularly in current and emerging high-opportunity areas</u>

One significant barrier to increasing the stock of affordable housing is access to land. The City is exploring mechanisms to reserve publicly-owned land, especially in neighborhoods of opportunity, for affordable housing. These mechanisms include the Naturally Occurring Affordable Housing (NOAH) pilot program and the disposition of former Community Redevelopment Agency of the City of LA's land for affordable housing. The City of LA is also changing zoning rules on City-owned land that apply to Public Facility zones (which applies on most City owned sites) to facilitate development. This was done in TOC (and several projects plan to use) and go even further in Permanent Supportive Housing (PSH) Ordinance to target those at the deepest affordability levels (0-30% AMI). The City is also exploring ways to support strategic land acquisition by nonprofit developers and community land trusts, including by acquiring smaller multi-family properties that currently provide below market rents and converting them into regulated affordable housing. The New Generation Fund could support these acquisitions, in part, but additional funding sources would need to be identified to support this effort. Flexible funding from a Linkage Fee could support this type of program. HACLA also incentivizes developers of permanent supportive housing to site projects in areas of opportunity through its Project Based Voucher Notice of Funding Availability process which provides bonus points to proposals that locate developments in these areas.

# 1.4 Remove barriers to producing affordable housing by streamlining the development process, including in high-opportunity neighborhoods to decrease segregation and increase integration of protected classes (e.g., people with disabilities)

To make it easier to build affordable housing throughout the City, and particularly in high-opportunity areas, the City is working to reduce barriers that make affordable housing more difficult, costly, and time-consuming to produce. California Government Code Section 65915, the Density Bonus Program, already offers a menu of incentives to developers to build affordable housing units, while reducing some of the barriers to do so. In addition to the density bonus, these include reduced parking requirements, additional building height, and more. The City will continue to remove barriers that increase the cost and reduce the feasibility of affordable housing production. Key proposed ordinances the City is moving forward on to address existing barriers include the Permanent Supportive Housing Ordinance which would qualify Permanent Supportive housing projects to be eligible for an expedited public benefit application through the Department of City Planning's Priority Housing Project (PHP) Program. The goal of the PHP program is to provide priority case processing for housing projects that include affordable housing, to cut down on the overall timeline and cost of securing planning entitlements.

Further, the State legislature passed a historic housing legislative package which was signed by the Governor in September 2017. Among some of the key new laws is SB 35 that seeks to streamline the approval of affordable housing projects that meet approved criteria as well as many Housing Element law changes that seek to remove further barriers to create new affordable housing. The City will fully engage in the implementation of these new laws as they increase the tools available to the City in addressing barriers to access to affordable housing.

Furthermore, HACLA will also explore the feasibility of using accessory dwelling units as special housing type. Current HUD regulations allow six special housing types where families can reside: Single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home, and cooperative housing. The unit must meet Housing Quality Standards, including but not limited to sanitary facilities, food preparation and refuse disposal, space and security, thermal environment, illumination and electricity, structure and materials, interior air quality, water supply, lead-based paint, access, site and neighborhood, sanitary condition, and smoke detectors. Special provisions may also be required for utility allowances.

#### 1.5 Increase the stock of affordable housing for people experiencing homelessness using the follow tools/resources:

- Measure HHH
- TOC Guidelines
- Updated Density Bonus
- Unpermitted Dwelling Unit Ordinance
- Shallow Subsidy Program
- Comprehensive Homeless Strategy

The Permanent Supportive Housing (PSH) to be created through Measure HHH funding is intended to provide housing for people experiencing homelessness and in need of service enriched housing, including health services and mental health programs on-site. Homeless families and individuals are a group that consists of predominantly people with disabilities, people of color, and families with children--all are protected under federal fair housing laws. In the coming months, the City Council will review a draft ordinance to streamline the administrative clearance process for qualifying PSH projects. This is designed to facilitate construction of Measure HHH projects. To affirmatively further fair housing it is essential that this ordinance is finalized and passed to ensure the creation of this housing throughout the City.

Additionally, the City recently adopted the Unapproved Dwelling Unit (UDU) ordinance that creates a process by which certain illegal housing units in multi-family buildings can be brought into compliance, provide, certain life safety and affordability requirements are met. Further, the City adopted the TOC guidelines as outlined in Measure JJJ that will facilitate the creation of hundreds of units at 30% of AMI. The City understands the need to rezone appropriate areas and parcels for multi-family housing and make changes to the development and permit process that reduce the cost or time or increase the amount of land where affordable housing can be developed. The above initiatives in coordination with the City's Comprehensive Homelessness Strategy will remove barriers to and streamline the production of affordable housing in high-opportunity areas.

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## 1.6 <u>Develop a siting policy for permanent supportive housing development projects and a geographic distribution policy to be presented to Local Elected Officials for consideration and adoption</u>

The PSH to be created through Measure HHH funding is intended to provide housing for people experiencing homelessness and in need of service enriched housing, including health services and mental health programs on-site. Homeless families and individuals are a group that consists of predominantly people with disabilities, people of color, and families with children—all are protected under federal fair housing laws. In the coming months, to expedite the constructions of PSH projects, the City Council will review a draft ordinance to streamline the administrative clearance process for qualifying PSH projects. This ordinance is designed to facilitate the construction of PSH projects. To affirmatively further fair housing it is essential that this ordinance is finalized and passed to ensure the creation of this housing throughout the City. The City, HACLA and the County are also executing a Memorandum of Understanding to align resources to create the permanent supportive housing in the City of Los Angeles. The City will provide the capital financing for acquisition, rehabilitation, and construction; will donate land and expedite a process for siting projects. HACLA will provide rental assistance in the form of project-based vouchers for the tenants. The County will provide supportive services to the tenants in the form of intensive case management services, which includes connection to appropriate medical, mental health and substance abuse services, as well as rental assistance. In conjunction with the above efforts, the City will also work to develop and propose a Geographic Distribution criteria and policy for areas of opportunity as identified in the AFH Plan. Said geographic criteria is to be based on the geospatial analysis of HUD provided data and local data, including the concentration of affordable housing production, Project Based Section 8 Vouchers, low-income areas and other factors. The adopted Geographic Policy will then be included in City-issued notices of funding availability (e.g. HHH NOFA) to furt

# 1.7 Explore the feasibility of adopting and implementing the City's Motel Interim Conversion Ordinance as HACLA proceeds with its HUD-VASH motel conversion program

The City will work on the successful adoption and implementation of the Motel Interim Conversion Ordinance. HACLA will proceed with implementation of its 500 HUD-VASH Project-Based Vouchers in its motel conversion program. Under this program, eligible units are existing residential housing units requiring minimal rehabilitation, or other structure types such as motels and hospitals that can be converted to residential use. The goal is to provide affordable housing with an array of supportive services for homeless and chronically homeless veterans. Under the agreement, developers will purchase underutilized, often run-down motels from private owners and convert them to efficiency apartments. HACLA will provide housing assistance payments, which will cover veterans' rent and partnering agencies will provide supportive services, including case management and counseling.

### GOAL 2: PRESERVE THE EXISTING STOCK OF AFFORDABLE RENTAL HOUSING AND RENT STABILIZED HOUSING

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
2.1	High	Develop a citywide no-net- loss of affordable housing policy that is included in land-use plans, local laws, community plans, and RFPs for funding for affordable housing	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Lack of private investment in specific neighborhoods; Location and type of affordable housing; Availability of affordable units in a range of sizes	Net change in affordable housing, 1-5 Years	HCIDLA, DCP
2.2	High	Increase dedicated City staff to support non-financial restricted affordable housing preservation initiatives including the maintenance of an early warning system to track at-risk housing, notification enforcement, as well as property owner and tenant outreach and education efforts	R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and type of affordable housing; Displacement of residents due to economic pressures; Availability of affordable units in a range of sizes	Annual publication of reports documenting status of the affordable housing units at risk of expiring in the next 5 years, units lost, and other initiatives. Report on allocation of staff, enhancements and resources. 1-5 years	HCIDLA
2.3	High	Extend affordability restrictions through loan extensions, workouts and buy-downs of affordability	R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and type of affordable housing; Availability of affordable units in a range of sizes	Obtain approval and allocation of buy-down funding, Year 1; Preserve 50 units through buy-downs of affordability or extensions, 1-2 years; Offer incentives to City restricted properties expiring in the next 5 years	HCIDLA

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
2.4	High	Strengthen and expand education and outreach to tenants and owners of affordable rental housing at risk of conversion to market rents that include options for nonprofits and/or tenants to purchase expiring properties	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Displacement of residents due to economic pressures; Lack of affordable, accessible housing in a range of unit sizes; Community opposition; Impediments to mobility; Quality of affordable housing information programs	Annual publication of reports documenting funding for outreach services; outreach and education efforts; termination notices received and enforced, 1-5 years.	HCIDLA
2.5	Medium	Enhance enforcement of codes and regulations around habitability	R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and type of affordable housing; Displacement of residents due to economic pressures; Community opposition; Impediments to mobility; Lack of access to opportunity due to high housing costs	Quality and quantity of enforcement actions brought, rates and timeliness of compliance, 1-4 Years	HCIDLA
2.6	Medium	Preserve at-risk housing through the issuance of Tax- Exempt Bond financing	R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and type of affordable housing; Availability of affordable units in a range of sizes	Assist in the preservation of over 200 at-risk units through the issuance of Tax-Exempt Bond Financing, 1-5 years	HCIDLA

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
2.7	Medium	Explore the development of a pilot multi-family over-the-counter rehabilitation loan program	R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and type of affordable housing; Availability of affordable units in a range of sizes	Recommend and obtain funding and approval for pilot program, 1 year; Target 100 at-risk HUD Project-Based Section 8 properties, 1-2 years	HCIDLA
2.8	High	Support the implementation of mandatory seismic retrofits of soft-story buildings	Disparities in Access to Opportunity, Disproportionate Housing Needs	Lack of Outreach Capacity and Resources, Location and type of affordable housing; Lack of private investment in specific neighborhoods, Displacement of residents due to economic pressures	Develop outreach and education strategy and funding strategy, Year 1 (2018); Retrofit 1500 buildings, Year 2 (2019), Retrofit 2400 buildings per year, Years 3-7 (2020-2024); 13,500 buildings by 2024	HCIDLA, DBS, Mayor

### **Discussion**

### Background

As noted above, most racial or ethnic minority groups experience higher rates of housing problems, including but not limited to severe housing cost burden, than do non-Hispanic White households.<sup>275</sup> Given the shortage of housing affordable to lower-income households, to reduce (or at least not exacerbate) these disproportionate housing needs, it is essential that the existing stock of restricted affordable housing be preserved. However, these restricted affordable units are at risk of being lost through multiple mechanisms.

Regulated apartments in some neighborhoods have an economic incentive to exit from government restrictions and increase their asking rents to market-rate levels. This is particularly true in desirable, high-opportunity neighborhoods where apartments can command a high, market-rate rent. A series of affordability regulations on deed-restricted affordable units, particularly HUD-assisted units, are set to expire over the next five years.

<sup>&</sup>lt;sup>275</sup> Disproportionate Housing Needs Analysis

The California Housing Partnership Corporation projects that about 14,000 units spread across 232 buildings in Los Angeles County are at "very high" (within one year) or "high" (between one to five years) risk of being converted to market rates over the next five years with a significant percentage of those units residing within Los Angeles City limits.<sup>276</sup> HCIDLA's at-risk early warning system indicates there are 11,771 units that are at risk of being converted to market rates over the next five years as a result of a combination of termination of restrictions tied to covenants and termination of HUD rental assistance contracts. Approximately 55% of these units are at risk of expiration/termination through 2018.<sup>277</sup> These units have been priced at below-market rates for typically 20 to 40 years as a condition of obtaining public financing, rental assistance contracts or permission to build. But with these expiring affordability restrictions, some property owners are deciding to take advantage of the County's hot housing market.<sup>278</sup> The City is already experiencing a loss of rent-stabilized units; from 2001 to June 2017, the City of Los Angeles lost 22,131 Rent Control Units from the rental market for permanent removal or demolition.<sup>279</sup> Over the last five years, the City permanently lost approximately 2,205 restricted affordable housing units within 156 properties through a combination of covenant expirations, termination of restrictions and termination of rental assistance contracts.

At a time when the City is facing a severe housing crisis, the recently adopted Unapproved Dwelling Unit (UDU) ordinance will help protect the City's stock of affordable housing units. Each year, between 400 and 500 housing units are removed from the market as an unintended result of the Systematic Code Enforcement Program's periodic inspection of all multi-family units. This has resulted in the displacement of low- and moderate-income households. Most of these units are removed because of zoning violations which could not be easily addressed under the previous rules in existence. The recently adopted (May 2017) UDU ordinance creates a process by which certain illegal housing units in multi-family buildings can be brought into compliance, provided certain life safety and affordability requirements are met.

In addition, as described above, the City is in the process of significantly revising multiple land-use plans to allow more development. New development in neighborhoods that have under-resourced schools and lack access to adequate jobs and transportation options has the potential to increase access to opportunity for current residents of those neighborhoods—for example, new commercial space can bring new job opportunities to the neighborhood—if those current residents can afford to stay in the neighborhood when investment occurs. On the other hand, if existing affordable homes are demolished to accommodate newly-planned development, reducing the total stock of affordable homes that have the potential to increase housing cost burdens. And demolishing existing affordable homes in neighborhoods of high opportunity would reduce the ability for low-income residents to stay in or move to those neighborhoods, thereby reducing access to opportunity.

<sup>&</sup>lt;sup>276</sup> California Housing Partnership, Risk Level by County (2017)

<sup>&</sup>lt;sup>277</sup> (Department, HCIDLA Report Back: Regarding Preservation of At-Risk Affordable Housing Initiatives)

<sup>&</sup>lt;sup>278</sup> Disproportionate Housing Needs Analysis

<sup>&</sup>lt;sup>279</sup> City of Los Angeles Housing Element

#### **Strategies**

# 2.1 <u>Develop a citywide no-net-loss of affordable housing policy that is included in land-use plans, local laws, community plans, and Requests for Proposals for funding for affordable housing</u>

To address the challenges posed by the loss of the existing stock of affordable housing and to preserve as many units as possible, the City is considering including a "no net loss" policy, requiring one-for-one replacement of affordable units (regulated affordable housing, RSO units, and units in areas deemed low-income per State Density Bonus Law) that are to be demolished, have expired covenants/restrictions, or are removed from the rental market. A "no net loss" policy could apply to projects that receive public subsidy, zoning benefits, or use of public land. Given the significant number of land-use plans that are being updated in the near future, it is particularly essential that a "no net loss" policy be applied to any plan-wide upzoning or other increases in density.

The City already requires one-for-one replacement of recently constructed affordable, rent-stabilized housing <sup>280</sup> for projects that use the density bonus program<sup>281</sup> within five years of demolishing the original structure or the TOC Affordable Housing Incentive program.<sup>282</sup> The TOC program also requires one-for-one replacement of units occupied by lower income households.<sup>283</sup> These requirements can be expanded to apply more broadly to all types of affordable housing and in broader geographical areas. To prevent the loss of affordable apartments, the City may also consider limiting condominium conversions and demolitions—for example, placing a moratorium on condominium conversions when a certain vacancy rate is reached—and explore requiring a building permit to be secured before issuing a demolition permit. HCIDLA and the LA Department of City Planning are currently reviewing part of "Ellis Part II."

In addition to "no net loss" on a parcel-specific basis, the City will begin to examine the feasibility of designating "no net loss" zones on an area-wide basis. These zones could be designated based on the Los Angeles Index of Displacement Pressure, for example.<sup>284</sup> In these zones, the City may consider tracking RSO units removed and the corresponding rental rate at the time of removal. HCIDLA is currently implementing the pilot phase of the new Rent Registry Program that mandates the collection of rental rates for all units subject to the RSO. This new program will enable the City to respond more swiftly and to assist in identifying rental rate trends throughout the City to inform future policies to both help protect and build affordable housing.

Enforcement of these policies will require the City to dedicate the necessary resources to monitor and properly enforce existing and newly adopted ordinances and programs to address the potential loss of existing affordable housing.

<sup>&</sup>lt;sup>280</sup> No net less also applies to RSO properties that were demolished and replaced within five years. http://www.latimes.com/local/lanow/la-me-ln-housing-ellis-act-20170404-story.html

<sup>&</sup>lt;sup>281</sup> http://plan.lamayor.org/portfolio/housing-and-development/

<sup>282</sup> https://planning.lacity.org/ordinances/docs/TOC/TOC\_FAQ.pdf

<sup>&</sup>lt;sup>283</sup> Ibid

<sup>&</sup>lt;sup>284</sup> https://www.arcgis.com/home/item.html?id=70ed646893f642ddbca858c381471fa2

## 2.2 <u>Increase dedicated City staff to support non-financial restricted affordable housing preservation initiatives including the maintenance of an early warning system to track at-risk housing, notification enforcement, as well as property owner and tenant outreach and education efforts</u>

To respond to the threat of the expiration and termination of restricted affordable housing, HCIDLA re-established an enhanced preservation program (Program) in early 2016. The sole purpose of this Program is to integrate non-financial and policy components with financial initiatives to preserve at-risk restricted affordable housing. <sup>285</sup> Through the Program, HCIDLA manages an internal database that tracks and analyzes expiring Federal, State and local covenants and rental subsidy contracts in the City. The Program proactively tracks properties that file notifications of intent to terminate affordability restrictions or rental assistance. The Program also includes conducting outreach and education to property owners and residents living in at-risk housing with the goal of minimizing potential tenant displacement and incentivizing owners to stay in the Program by employing financial strategies to extend affordability through loan extensions and affordability buy-downs. The HCIDLA is working on recommendations for new financial and non-financial tools (see strategies below). The continuation and allocation of staff and resources are vital in realizing the preservation of at-risk affordable housing goals and strategies. As such, the City must add additional dedicated staff and funding to support these critical efforts.

### 2.3 Extend affordability restrictions through loan extensions, workouts and buy-downs of affordability

The City, through HCIDLA, employs financial strategies to incentivize property owners to extend affordability restrictions through loan extensions and buy-downs for affordability. Within its portfolio, the City has at-risk covenanted properties with loan balances that mature prior- or post-covenant expiration. A loan balance provides potential leverage opportunities for HCIDLA to negotiate with owners and extend affordability restrictions through a loan and covenant extension. Also, HCIDLA can compensate owners of projects without debt for foregone revenues over the term of the extended covenant through a buy-down of affordability. HCIDLA uses a financial preservation model to evaluate the potential cost of buying affordability of units where an owner is interested in extending expiring restrictions. Based on HCIDLA's analysis and buy-down model of expiring CRA/LA properties in 2015, HCIDLA estimates that the average cost of buying down affordability is approximately \$53,000 per unit. HCIDLA is in the process of recommending flexible funding to continue to offer affordability buy-downs citywide.

# 2.4 <u>Strengthen and expand education and outreach to tenants and owners of affordable rental housing at risk of conversion to market rents that include options for nonprofits and/or tenants the opportunity to purchase expiring properties</u>

As part of its preservation initiatives, the City through HCIDLA proactively tracks Notices of Intent (a State law requirement) to terminate affordability covenants and rent subsidies at twelve and six months of the date of expiration. This law also provides the City and mission-driven developers with the opportunity to make an offer to purchase the property. HCIDLA also utilizes the law as a tool to provide sufficient time to create strategies that minimize impacts to residents. As outlined above, the HCIDLA conducts direct tenant outreach and education to residents and property

<sup>&</sup>lt;sup>285</sup> (Department, HCIDLA Report Back: Regarding Preservation of At-Risk Affordable Housing Initiatives)

owners of identified at-risk housing. Further enhancing and expanding these efforts is critical to ensure the preservation of this vulnerable expiring housing stock.

The tracking, notification, enforcement and tenant outreach initiatives are key strategies to ensure that properties remain affordable with a minimal risk of tenant displacement. To further the goal of preservation, HCIDLA is working with the City Attorney's Office to build on positive gains to-date. The City needs to continue to strengthen its capacity to preserve existing affordable housing by scaling its efforts to enforce State notice requirements when owners fail to comply with notice laws, which provide tenants, nonprofit housing providers, and local officials the necessary time to develop preservation strategies and acquire necessary and flexible financial resources to incentivize owners of this housing stock to expand the affordability restrictions. As such, the City Council directed HCIDLA to begin working on a draft local Notice Ordinance to adopt local notification requirements and formally scale the City's enforcement efforts. Meaningful outreach and education to tenants and owners of at-risk subsidized housing typically needs to begin at least three years prior to the expiration date. To implement these more proactive monitoring activities, the City must ensure additional dedicated staff and funding is in place to support these efforts.

#### 2.5 Enhance enforcement of codes and regulations around habitability

One strategy to preserve the existing stock of affordable housing is to ensure those homes remain habitable. The City of Los Angeles has made some notable and proactive efforts and improvements in enforcing rules and regulations around habitability like the Systematic Code Enforcement Program (SCEP). Since 1988, the City has been operating the Rent Escrow Account Program (REAP), which ensures that tenants throughout the City live in safe and habitable units by creating financial disincentives for the delinquent property owners to continue the habitability, health, and safety violations in their multi-family rental properties. By removing the Housing Code violations and maintaining their properties, the property owners restore their rental income, and going forward their rehabilitated properties can benefit from lower maintenance costs and vacancy rates. Consequently, the useful life of rental properties in Los Angeles is extended. The Los Angeles City Council recognized REAP in 2013 for its contributions to the City's goals of a safe, habitable, and sustainable housing stock.

Also, in response to stakeholder input, starting in FY 2017-18, HCIDLA will implement an Enhanced Repair Program and regular enforcement of lead-safe work practices utilizing containment. In addition, HCIDLA has established a system of pre-inspection and pre-repair conferences with property owners with the objective of achieving quality repairs. In collaboration with other organizations, HCIDLA has improved and shortened the complaint response time.

The City is assessing the enforcement of its program to track abandoned properties. The City is particularly interested in properties that, if brought back into habitable use, could be utilized for affordable housing.

### 2.6 Preserve at-risk housing through the issuance of Tax-Exempt Bond financing

The City of Los Angeles, through HCIDLA, acts as the primary issuer of tax-exempt and taxable multifamily housing bonds for qualified developments located in the City. The City maintains the role of primary issuer in view of the potentially substantial impact of housing development projects to the neighborhood, and citizens of the City of Los Angeles. The HCIDLA has the authority to issue bonds for affordable housing projects for their development, rehabilitation, and preservation. During 2015-2016, the HCIDLA assisted in the preservation of approximately 500 HUD assisted units through the issuance of tax-exempt bonds. The City must continue efforts to promote its program and issue tax-exempt bonds to help preserve at-risk affordable properties.

### 2.7 Explore the development of a pilot multi-family over-the-counter rehabilitation loan program

Most at-risk properties have been in service for more than 30 years and the stock continues to age. Property owners of small at-risk portfolios may not have the capacity or "know how" to go through a refinance and/or an allocation of Low Income Housing Tax Credits to rehabilitate their properties. Various cities around the country have established housing rehabilitation programs that provide funds to repair multi-family properties. HCIDLA is exploring a pilot multi-family over-the-counter rehabilitation program as a viable option to extend and repair the stock of restricted properties. This strategy must, to succeed, be funded with flexible funds to strategically target at-risk HUD Project-based Section 8 units.

#### 2.8 Support the implementation of mandatory seismic retrofits of soft-story buildings

In 2015, the City of Los Angeles established a historic mandatory building retrofit ordinance to ensure that LA's most vulnerable structures are strengthened to prevent loss of life in the event of a major earthquake. Approximately 13,500 soft-story multi-family buildings were identified for mandatory retrofits, which began in 2016. Building owners have a total of seven years to retrofit these buildings, nearly all of which are rent stabilized. Rent Stabilized properties reside, disproportionately, in R/ECAPs and areas with high percentages of racial and/or ethnic minorities. In 2018, the City will begin to identify properties that are not in compliance with the first of three deadlines for the soft-story retrofit program. These property owners may need additional public/private support to address any hardships that prevent the successful retrofitting of these vulnerable buildings.

GOAL 3: PREVENT DISPLACEMENT OF LOW- AND MODERATE-INCOME RESIDENTS

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
3.1	High	Expand and strengthen support against unjust evictions, including just cause evictions, rent control policies	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Location and Type of Affordable Housing; Displacement of	Introduction (1-4 years) and passage (5-10 years) of language designed to strengthen "just cause" eviction requirements,	HCIDLA, City Council, Mayor

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
				Residents Due to Economic Pressures	number of enforcement actions taken to implement new ordinance	
3.2	High	Develop and implement an acquisition and rehabilitation loan program for small multifamily properties located in areas experiencing displacement pressures. Use a set of identified metrics to help determine impacted areas in the City.	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Lack of private investment in specific neighborhoods; Location and type of affordable housing; Availability of affordable units in a range of sizes	Increase in the number of interventions to prevent the loss of affordable housing and older housing stock, 1-5 Years; Adopt LA NOAH Loan Program, Years 1-2	HCIDLA
3.3	High	Explore the feasibility of a "Right to Counsel" Ordinance to protect tenants' legal rights.	Disparities in Access to Opportunities, Disproportionate Housing Need	Private discrimination; Displacement of Residents due to Economic Pressures; Lack of affordable, accessible housing in a range of unit sizes; Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking; Lack of meaningful language access for individuals with Limited English	Publish feasibility report in Year 1 and draft Right to Counsel Ordinance and forward to Mayor and City Council for consideration, in Year 2 based on the outcome of the feasibility report	HCIDLA, HACLA, City Council, tenants' rights organizations, fair housing agencies, legal services organizations

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
				Proficiency; Impediments to mobility; Quality of affordable housing information programs		
3.4	High	HCIDLA to collaborate with HACLA to examine the feasibility of achieving consistency between standards (HQS, SCEP violations and LA Municipal Code standards) for privately owned housing to reduce displacement	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Private Discrimination; Displacement of Residents Due to Economic Pressures; Availability of Affordable Units in a Range of Sizes; Location and Type of Affordable Housing	Reduction in the number of individuals and families displaced, 1-5 Years	HACLA, HCIDLA
3.5	Medium	Establish a working group comprised of tenants, landlords, attorneys and judges to explore the creation of a housing court	Disparities in Access to Opportunity, Disproportionate Housing Needs	Displacement of Residents Due to Economic Pressures	Production of a report detailing the findings and recommendations of the working group, 1-2 Years	HCIDLA, Mayor, City Council and key City Departments and stakeholder groups
3.6	Medium	Strengthen the Rent Stabilization Ordinance awareness comprehensive tenant outreach and education campaign on tenants' rights, obligations, and resources in multiple languages; prioritize	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Private discrimination; Displacement of Residents due to Economic Pressures; Lack of affordable, accessible housing in a range of unit	Number of events held and publications created, number of attendees at events, number of copies of publications distributed, geographic location of inperson events, and ensure that all vital documents for program participation are	HCIDLA, Mayor's Office, HACLA, City Council, tenants' rights organizations, fair housing agencies, legal

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Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
		resources in areas most likely to experience displacement		sizes; Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking; Lack of meaningful language access for individuals with Limited English Proficiency; Impediments to mobility; Quality of affordable housing information programs	available in threshold languages 1-5 Years	services organizations
3.7	Medium	Stabilize families and neighborhoods by increasing homeownership opportunities to residents of the City of Los Angeles	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Displacement of Residents Due to Economic Pressures	Number of loans in high opportunity areas on an annual basis by council district, 2 – 5 Years	HCIDLA
3.8	Medium	Study the feasibility of a flexible rent subsidy program to stabilize low-income renters and homeowners and/or elderly residents and tenants occupying below market rate rent controlled units	Segregation/Integration, Disparities in Access to Opportunity, Disproportionate Housing Needs	Displacement of Residents Due to Economic Pressures	Publish feasibility report, 1-3 Years	HCIDLA

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Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
3.9	Medium	Use best practice models for meaningful community engagement in planning and development decisions	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Displacement of Residents Due to Economic Pressures; Availability of Affordable Units in a Range of Sizes; Location and Type of Affordable Housing; Community Opposition	Adoption of changes to Community Participation Plan, finalization and implementation of HACLA's Vision Plan, Community Plan Updates and the General Plan, 1-5 Years	HCIDLA, HACLA, DCP
3.10	Medium	Coordinate with LAPD on the review and potential revision of their training curriculum addressing landlord/tenant disputes and fair housing to ensure protections for all members of protected classes under Federal, State and Local laws	Disparities in Access to Opportunity, R/ECAPs, Segregation/Integration	Public and Private Discrimination; Displacement of Residents Due to Economic Pressures	Review LAPD training curriculum and present recommended revisions, Year 1; Identify and assign appropriate staff for delivery of updated trainings with LAPD, Years 1-5; LAPD will be better equipped to ensure protections for members of protected classes, Years 1-5	HCIDLA, HACLA, LAPD, and LADWP
3.11	Medium	Develop mechanisms to encourage landlords to accept third-party checks from tenants (e.g., domestic violence victims) to reduce payment discrimination through the creation of a task force	Disparities in Access to Opportunity, R/ECAPs, Segregation/Integration, Disproportionate Housing Needs	Private Discrimination; Displacement of Residents Due to Economic Pressures; Displacement of and/or lack of housing support for victims of domestic violence, dating	Develop task force group to explore City policy changes, convene landlord discussions, domestic violence shelter providers, and hold tenant/targeted group meetings to develop strategies, 1 – 3 years	HCIDLA, HACLA, and Family Source Centers

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
				violence, sexual assault, and stalking		

#### **Discussion**

### Background

Displacement of residents due to economic pressures is a significant contributing factor if not the largest contributing factor, to disproportionate housing needs in the City of Los Angeles and the broader region. Over the last decade, the City has faced a serious affordable housing crisis that was, in part, caused by decades of insufficient housing production, particularly in predominantly non-Hispanic White, high-opportunity areas, coupled with growing gentrification in more diverse neighborhoods. Mayor Garcetti has made housing production and affordability a key part of his "pLAn" for the City, including developing 100,000 new housing units as well as preserving and building 15,000 affordable units by 2021. However, some observers believe that the 100,000 planned units may not be enough to meet the demand and slow rent increases. Also, many landlords offer affordable units only because they are obligated to do so under the contracts they sign with the City when new projects are being developed. When those contracts expire, landlords can turn affordable units into more profitable, market-rate housing. The worst-case scenario is that as many as 15,000 affordable units will be converted to market rate by 2021, although it is expected that a significant percentage of these units will receive annual renewals.<sup>288</sup>

Also, unless steps are taken to mitigate the effects of development on low-income renters of color, the City's development strategy could have unintended consequences. For example, a disproportionate share of the City's new permitting has been concentrated in areas near Downtown and in transit corridors, areas that have limited though increasing overlap with high opportunity areas. Although the expansion of public transportation into West LA and the Valley through the Expo Line and the Red Line has increased new construction in high opportunity areas, if new development is going to further the goals of fair housing and desegregation, measures must be taken to ensure that new development is both available to members of protected classes and spread widely across the City, including in West LA and Valley neighborhoods not served by new transit lines.

When investments are made in majority-minority areas, the City must ensure that they do not displace current residents. For example, a University of California Los Angeles (UCLA) study shows that non-Hispanic White, college educated populations tend to move into areas with newly developed

<sup>&</sup>lt;sup>286</sup> http://www.abundanthousingla.org/2017/01/03/dont-call-it-a-boom-la-housing-growth/

<sup>&</sup>lt;sup>287</sup> http://plan.lamayor.org/portfolio/housing-and-development/

 $<sup>^{288}\</sup> http://www.scpr.org/news/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/03/53498/affordable-housing-disappearing-as-contracts-expir/2015/08/08/08/affordable-housing-disappearing-as-contracts-expir/2015/08/08/affordable-housing-as-contracts-expir/2015/08/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015/08/affordable-housing-as-contracts-expir/2015$ 

<sup>289</sup> http://www.abundanthousingla.org/2017/01/03/dont-call-it-a-boom-la-housing-growth/

public transportation.<sup>290</sup> While this may result in economic development and higher property values for homeowners in previously under-invested neighborhoods, in order for integration to be stable, the relocation of non-Hispanic White households to neighborhoods with concentrations of Black and Hispanic renters must not result in the wholesale displacement of people of color from those communities. Los Angeles has the highest rentership rate of any metropolitan area in the country.<sup>291</sup> Demographically, people of color and low-income tenants make up a disproportionately large share or the renter-population and therefore are most likely to be vulnerable to displacement.<sup>292</sup> In Echo Park, many Hispanic families that have been living there for decades have been displaced due to increasing demand to move into the neighborhood.<sup>293</sup> Similar trends are displacing residents across the City in neighborhoods like Koreatown, Mid-City, Westlake, and more.<sup>294</sup> Consequently, displaced low-income people of color are forced into an ever-decreasing stock of affordable housing, much of which is in relatively high-poverty areas, allowing R/ECAPs to emerge and perpetuating segregation.

### Strategies

#### 3.1 Expand and strengthen support against unjust evictions, including just cause evictions, rent control policies

The City of Los Angeles has a Rent Stabilization Ordinance (RSO and requires "just cause" before tenants in rent-controlled buildings can be evicted. The City also has adopted numerous ordinances to strengthen its RSO in the past year and a half, including: Tenant Buy-out Notification Program, 14 RSO Technical Amendments, and RSO Ellis Amendments. The LA Rent Registry Ordinance went into effect in October 2016, began implementation in 2017, and has tenant notifications scheduled to go out in 2018. The City is also reviewing additional motions and recommendations to expand protections against unjust evictions.

These protections preserve and create more affordable housing and make it harder to displace, otherwise compliant, low-income tenants. The City is exploring expansion of the "just cause" eviction policy beyond just RSO units. Given the correlation between race and income in the City, this often means people of color being pushed out and White people moving in. Additionally, voucher holders with disabilities are being evicted before they can find alternate housing, effectively forcing tenants to move outside of LA City or LA County and, thereby, increasing lengths of commutes and travel costs, and potentially rendering some of the City's most vulnerable residents homeless. If people cannot afford to live close to their employment it makes LA less competitive as it becomes increasingly difficult for corporations to attract talent due to the lack of affordability. The City is advocating for state repeal of the Costa-Hawkins Act, and continues to pursue ways to strengthen its RSO should such state action occur the City will consider applying the RSO to new rental properties, including single-family homes.

<sup>&</sup>lt;sup>290</sup> http://www.urbandisplacement.org/case-studies/ucla

<sup>&</sup>lt;sup>291</sup> Harvard Joint Center for Housing; America's Rental Evolution -- Evolving Markets and Needs

<sup>&</sup>lt;sup>292</sup> Id.

 $<sup>^{293}\</sup> http://www.latimes.com/local/california/la-me-0315-lopez-echo-20150313-column.html$ 

 $<sup>^{294}\</sup> https://la.curbed.com/2016/8/30/12712942/gentrification-map-los-angeles-county$ 

3.2 <u>Develop and implement an acquisition and rehabilitation loan program for small multi-family properties located in areas experiencing displacement pressures.</u> Use a set of identified metrics to help determine impacted areas in the City

Naturally Occurring Affordable Housing (NOAH) refers to residential rental properties that lack public subsidy and whose rents are relatively low compared to the regional housing market. Due to the City's existing need for additional affordable housing it cannot afford to lose any of its NOAH stock.

The City is developing a model to proactively incentivize the acquisition and rehabilitation of this specific smaller housing stock. In addition to the development of this new loan program, in Fiscal Year (FY) 2018-19, the City is planning to transition to a two-tiered system for the Systematic Code Enforcement Program (SCEP) program, in which noncompliant properties will be moved into an every two-years cycle for inspection. This will be a key step to increasing the frequency of inspections of non-compliant properties. This new component of the SCEP program can be used as a tool to assist in identifying older and smaller multi-family properties that may require intervention and potential candidates for the new loan program.

### 3.3 Explore the feasibility of a "Right to Counsel" Ordinance to protect tenants' legal rights

Thousands of residents are displaced annually due to evictions. According to the LA Superior Court, 47,966 eviction actions were filed in LA County in Fiscal Year 2016-2017.<sup>295</sup> In past years, that figure has surpassed 72,000. These numbers do not account for tenants that have other types of problems including illegal lock outs, illegal utility terminations, notices to quit, severe breaches of warranty of habitability leading to "slum" conditions, and discrimination cases.

Per tenants' rights advocates, many evictions occur because tenants do not understand their rights and/or their obligations and because they lack representation even though California's Sargent Shriver Civil Counsel Act provides low-income tenants free legal representation in all eviction matters, including nonpayment of rent. In 2016, existing services met just under 13% of the needs of tenants facing eviction, leaving an "access to justice" gap of 87%. This is a marked improvement from 2002 when 72,000 evictions were filed and 1,300 households were represented, leaving an access justice gap of more than 98%. This decrease in the number of filings is likely the result of increased representation; New York City had a similar experience as representation increased.

The Inner City Law Center estimates that 98% of tenants who go to court without representation lose, even when they have a viable defense. On the other hand, studies have found that evictions decrease by 77% when tenants have access to a lawyer.<sup>296</sup> The Inner City Law Center reports that, of the clients it represents, 42% defeat eviction and 58% negotiate a "soft landing" where clients settle with a transition plan to ensure stability. The Eviction Defense Network (EDN) also reports that, while in previous years 96-99% of its clients settled with a transition plan that ensured stability

 $<sup>{\</sup>color{blue} {}^{295}} \, \underline{\text{http://www.lacourt.org/newsmedia/uploads/142017105142756AnnualReport2017-compressedfile.pdf} \\$ 

<sup>&</sup>lt;sup>296</sup>http://www2.nycbar.org/pdf/report/uploads/SRR Report Financial Cost and Benefits of Establishing a Right to Counsel in Eviction Proceedings.pdf

to the household, in the first quarter of 2017, 87% of the EDN caseload was waiting for a trial assignment rather than settling. This may be attributable to rents that acutely escalated in the last quarter of 2016 which is forcing tenants to fight to remain in their units.

Although the Sargent Shriver Civil Counsel Act expanded resources for eviction defense in Los Angeles, the level of state funding provided is not sufficient to ensure that representation is a right that can be fulfilled on demand. Legal services providers in Los Angeles do not currently have the resources to guarantee representation to every income-eligible tenant involved in an eviction proceeding. Measure H funding for homelessness prevention can be used for outreach, education and tenant legal representation in eviction proceedings.

3.4 <u>HCIDLA to collaborate with HACLA to examine the feasibility of achieving consistency between standards—Housing Quality Standards and Systemic Code Enforcement Program violations and LA Municipal Code standards—for privately owned housing to reduce displacement</u>

HACLA conducts Housing Quality Standards (HQS) inspections of program participant units to ensure that the units are in decent, safe and sanitary condition. When deficiencies are cited, the landlord is required to repair them or face termination of the rental assistance contract/subsidy. To reduce the number of instances where contracts are terminated, HACLA will coordinate with HCIDLA to exchange information that would enable HCIDLA to notify landlords when HACLA HQS deficiencies/violations are also SCEP (Systematic Code Enforcement Program) violations that need to be corrected to gain better compliance for both programs.

3.5 Establish a working group comprised of tenants, landlords, attorneys and judges to explore the creation of a housing court

Housing Courts have proven to be an effective tool to reduce evictions by providing alternative resolutions. The first step toward creating a Housing Court in LA would be to establish a working group comprised of tenants, landlords, attorneys and judges to assess its feasibility and applicability.

The goal of the Housing Court would be to reduce the number of evictions by:

- 1. Increasing renters' access to information, legal advice, and representation through a Right to Counsel Ordinance;
- 2. Providing one-time emergency assistance to low-income tenants to stop evictions from proceeding;
- 3. Encouraging fair out-of-court resolutions through negotiation and mediation;
- 4. Reducing legal fees for landlords associated with evictions by simplifying the eviction process;
- 5. Exploring the establishment of escrow accounts for conditions that constitute a threat to life, health, or safety when the landlord fails to repair serious or dangerous defects in a rental unit; and
- 6. Proposing anti-displacement mechanisms for tenants in below market subsidized or rent controlled units.

Partners to support a venture like a Housing Court in Los Angeles may include the State Bar Association, which would be similar to the District of Columbia Bar Association's support of counsel for tenants of subsidized housing. Additional partners may include local law schools.

3.6 <u>Strengthen the Rent Stabilization Ordinance awareness comprehensive tenant outreach and education campaign on tenants' rights, obligations, and resources in multiple languages; prioritize resources in areas most likely to experience displacement.</u>

When investments are made in majority-minority areas, the City must ensure that they do not displace current residents. For example, a University of California Los Angeles (UCLA) study shows that non-Hispanic White, college educated populations tend to move into areas with newly developed public transportation.<sup>297</sup> While this may result in economic development and higher property values for homeowners in previously under-invested neighborhoods, in order for integration to be stable, the relocation of non-Hispanic White households to neighborhoods with concentrations of Black and Hispanic renters must not result in the wholesale displacement of people of color from those communities. Demographically, people of color and low-income tenants make up a disproportionately large share of the renter-population and therefore are most likely to be vulnerable to displacement.<sup>298</sup> In Echo Park, many Hispanic families that have been living there for decades have been displaced due to increasing demand to move into the neighborhood.<sup>299</sup> Similar trends are displacing residents across the City in neighborhoods like Koreatown, Mid-City, Westlake, and more.<sup>300</sup> Consequently, displaced low-income people of color are forced into an ever-decreasing stock of affordable housing, much of which is in relatively high poverty areas, allowing R/ECAPs to emerge and perpetuating segregation.

The City has already done significant work to identify specific neighborhoods that are most at risk of displacement, through the Los Angeles Index of Neighborhood Change and the Los Angeles Index of Displacement Pressure. The Mayor's Office Innovation Team, or i-team, used this work to assist with site selection for the RSO Outreach Campaign, the Secondary Unit Prototyping Project, the Legacy Business Program, and the Youth in Neighborhood Councils project.

The City will consider the i-team's model and their data tools to prioritize resources for tenant outreach, education, and services in areas most likely to experience displacement. More specifically, HCIDLA has heightened its RSO education/awareness campaign since 2011 when HCIDLA engaged a consultant with a focus on social/community outreach to design the new outreach campaign. Further, in 2016 HCIDLA worked with the i-team to design a program to expand RSO awareness, with a focus on preventing the displacement of Los Angeles renter residents and ensuring that renters know about the protections under the RSO. The new outreach efforts have included: creation of a special internet address "HomeforLArenters" that links to renters' information on the HCIDLA website; collaboration with tenant advocacy groups; creation of new informational materials, which have been widely distributed; and development of a special transit-focused campaign with advertisements featuring real Los Angeles renters throughout the City on LA Metro and DASH buses, bus shelters, and transit stations. This campaign will be enhanced further with development of a second phase and round of new written outreach materials. This second phase will feature information on the City's recently adopted protections regulating Tenant Buy-Out and "Cash for Keys" agreements, which often are the first sign of threatened tenant displacement, as well as information on the Rent Registry Program implemented in 2017. The current and upcoming campaign will also focus on fair housing and rights of immigrant tenants. The second round of transit advertisements is slated for 2018. Data mining and research are being utilized to target outreach efforts to the

<sup>&</sup>lt;sup>297</sup> http://www.urbandisplacement.org/case-studies/ucla

<sup>&</sup>lt;sup>298</sup> Id.

 $<sup>^{299}\</sup> http://www.latimes.com/local/california/la-me-0315-lopez-echo-20150313-column.html$ 

<sup>300</sup> https://la.curbed.com/2016/8/30/12712942/gentrification-map-los-angeles-county

areas housing the City's most vulnerable tenants. New technologies are being utilized to expand access to RSO information, such as the implementation of an RSO "Text-It" tool that will provide information on the RSO status of a property through texting. Lastly, in 2018, HCIDLA will outreach to all RSO units for the first time through a Rent Registry notification/verification program.

### 3.7 Stabilize families and neighborhoods by increasing homeownership opportunities to residents of the City of Los Angeles

Homeownership is a vitally important element in stabilizing and sustaining neighborhoods and communities in Los Angeles. Unfortunately, the ability to afford a home in Los Angeles has become increasingly difficult for low-and moderate-income residents. Currently, the City's homeownership rate is the lowest in the nation at just 35.97%, which is a decrease of 2.67% from 38.64% in 2008.<sup>301</sup> This is 27.53% less than the current overall national average of 63.5%.<sup>302</sup> Based on reported trends, the City's low homeownership rate is widely attributed to factors such as income inequality, housing unaffordability and rising housing costs<sup>303</sup>.

According to the Los Angeles Times, home prices in Southern California and across the nation have risen steadily in recent years--the result of an improving economy, low mortgage interest rates and a shortage of available homes for sale.<sup>304</sup> Additionally, Los Angeles home values have increased 8.6% over the past year and are expected to rise 1.3% within the next year.<sup>305</sup> As mentioned above, contributing to the steady rise in home prices is the low inventory of homes for sale and the scarcity and high cost of land, which has resulted in an increase to the median home value in Los Angeles that now has risen to \$616,900. In evidence of the above, the high cost of purchasing a home in Los Angeles is an overwhelming obstacle for first-time homebuyers, especially for low- and moderate-income homebuyers who often have lower credit scores, less savings and irregular income. These barriers to homeownership are even more significant for those homebuyers that lack sufficient funds for down payment, closing costs, acquisition financing and affordable mortgages. Collectively, these barriers make it very difficult for first-time borrowers to enter the homeownership market.

As a result, HCIDLA staff will begin an outreach program to provide information regarding the City's homeownership programs to faith-based and community-based organizations, Neighborhood Councils and to the City's largest employers. HCIDLA will also increase its social media footprint to promote the programs including updates to the homeownership program. Further, the City recently approved HCIDLA's efforts to expand the homeownership first-time purchase assistance program to reach households earning up to 150% of AMI.

3.8 Study the feasibility of a flexible rent subsidy program to stabilize low-income renters and homeowners and/or elderly residents and tenants occupying below market rate rent controlled units

305 Source: Zillow.com

<sup>&</sup>lt;sup>301</sup> Source: U.S. Census Bureau 2015 and 2008 American Community Surveys

<sup>&</sup>lt;sup>302</sup> Source: U.S. Census Bureau, Residential Vacancies and Homeownership in the Third Quarter 2016

<sup>&</sup>lt;sup>303</sup> Source: UCLA Report Impacts of the Widening Divide, August 5, 2015

<sup>&</sup>lt;sup>304</sup> Khouri, A., November 29, 2016, Southern California home prices jump, U.S. values surpass bubble-era peak. The Los Angeles Times

Studies have demonstrated the success of shallow, short-term or onetime rent subsidy programs with services coordination support for low- and very low-income renters and homeowners who are already stably housed. As of 2014, there were 25 state-funded homelessness prevention programs that provide assistance to prevent households from becoming homeless. This supports recent federal policy priorities embracing these interventions as best practices for people at-risk of homelessness. Homelessness prevention assistance involves the provision of funds to address a temporary crisis, such as rent or utility arrears. Due to the level and type of intervention, homeless prevention models of assistance are designed to target those households that have fewer barriers to housing and that have resources to sustain that housing after the assistance ends. Homelessness prevention models of assistance ends.

### 3.9 Use best practice models for meaningful community engagement in planning and development decisions

Community opposition is a significant contributing factor to segregation in the City of Los Angeles and the broader region. In recent years, community opposition has played a role in hindering the development of high-density or affordable housing, both of which are disproportionately occupied by people of color. Examples of Not in My Backyard (NIMBY) activism include community opposition against a new zoning plan for Hollywood that would have allowed for the construction of buildings with greater density and height, especially around transit areas. Best practices models for community engagement have proven to be effective in combating NIMBY efforts.

For example, HACLA is currently undertaking a twenty-five-year Vision Plan to address and prioritize capital investments in its existing assets, develop strategies to improve the Authority's current affordable housing programs, provide impact-driven services and enrichment opportunities to its residents and increase the City's supply of affordable housing. The Vision Plan intends to integrate and transform HACLA's existing housing into communities of opportunity. Rehabilitation and new construction projects recommended under the Vision Plan will bring HACLA's housing stock into the 21st Century; including meeting modern standards for unit size, meeting and exceeding ADA compliance, energy efficiency and building in space for co-located amenities. Much of HACLA's existing housing stock is sited in disadvantaged communities. The investment in these properties will be accomplished through strong community input and will ensure non-displacement of existing tenants. The sites are large enough that any new construction project can typically support the incorporation of enhanced or new services and amenities, like fresh food access, green space, improved security and street grids allowing improved mobility, as well as after school and job training programs offering economic equity.

Additionally, the City is engaged in an aggressive schedule to update all its Community Plans and the update of the City's General Plan. This Planning related initiative will include robust community engagement to help inform these plans.

3.10 Coordinate with Los Angeles Police Department on the review and potential revision of their training curriculum addressing landlord/tenant disputes and fair housing to ensure protections for all members of protected classes under Federal, State and Local laws

<sup>&</sup>lt;sup>306</sup> United States Interagency Council on Homelessness. (2010). Opening Doors: Federal Strategic Plan to Prevent and End Homelessness. www.usich.gov/opening doors/

<sup>&</sup>lt;sup>307</sup> Technical Assistance Collaborative. (2014). State Funded Housing Assistance Programs. http://www.tacinc.org/media/43566/State%20Funded%20Housing%20Assistance%20Report.pdf

Police Officers often serve as the first responders to landlord/tenant or neighbor/neighbor disputes. Many of these issues can be resolved in civil court. These disputes can be related to many issues including unlawful lockouts and evictions; unlawful entry; no heat and termination of essential services; and, criminal damage to a landlord's property. The laws, ordinances, policies and procedures tend to be prescriptive for the responding officers. However, how to deal with issues pertaining to fair housing tends not to be quite as clear. And, at times, the landlord/tenant or neighbor/neighbor dispute can be based on membership in a protected class.

The Fair Housing Act states, that "it shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed, or on account of that person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by this part.

- (c) Conduct made unlawful under this section includes, but is not limited to, the following:
  - (1) Coercing a person, either orally, in writing, or by other means, to deny or limit the benefits if person relating to the sale or rental of a dwelling or relating to a residential real estate-related transaction because of race, color, religion, sex, handicap, familial status, or national origin.
  - (2) Threatening, intimidating or interfering with persons in their enjoyment of a dwelling because of the race, color, religion, sex, handicap, familial status, or national origin of such persons, or of visitors or associates of such persons.
  - (3) Threatening an employee or agent with dismissal or an adverse employment action, or taking such adverse employment action, for any effort to assist a person seeking access to the sale or rental of a dwelling or seeking access to any residential real estate-related transaction, because of the race, color, religion, sex, handicap, familial status, or national origin of that person or of any person associated with that person.
  - (4) Intimidating or threatening any person because that person is engaging in activities designed to make other persons aware of, or encouraging such other persons to exercise, rights granted or protected by this part.
  - (5) Retaliating against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Fair Housing Act.
  - (6) Retaliating against any person because that person reported a discriminatory housing practice to a housing provider or other authority."

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Additionally, when a policy or practice that restricts the availability of housing on the basis of nuisance conduct and has a disparate impact on individuals of a particular protected class (race, religion, color, national origin, sex, familial status, disability, sexual orientation, gender identity, medical condition, age, marital status and others), the policy or practice is unlawful under the Fair Housing Act if it is not necessary to serve a substantial, legitimate, nondiscriminatory interest of the local government, or if such interest could be served by another practice that has a less discriminatory effect.

The purpose of this strategy is to work with LAPD to ensure they have the latest information related to landlord/tenant disputes and fair housing incorporated into their officer training curriculum. HCIDLA will work with LAPD to review and update their training curriculum to addresses landlord/tenant laws and disputes and fair housing laws.

3.11 <u>Develop mechanisms to encourage landlords to accept third party checks from tenants (e.g., domestic violence victims) to reduce payment discrimination through the creation of a task force</u>

An issue exists with some landlords refusing to accept third party checks from tenants. For example, survivors of domestic violence experience difficulty from some landlords who do not want to accept rental payment from a service provider. This results in survivors considering unsafe living arrangements or being exposed to a threatening living environment due to a landlord's refusal to accept third party checks.

GOAL 4: ENSURE EQUAL ACCESS TO HOUSING FOR PERSONS WITH PROTECTED CHARACTERISTICS, LOWER-INCOME, AND HOMELESS RESIDENTS.

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
4.1	High	Study the feasibility to develop a pilot County-funded Rental Assistance Program	Segregation/Integration, Disparities in Access to Opportunities, Disproportionate Housing Needs	Displacement of Residents due to Economic Pressures; Lack of affordable, accessible housing in a range of unit sizes; Community opposition; Impediments to mobility; Lack of access to opportunity due to high housing costs	Create an ad hoc committee of landlords, landlord industry groups, property management companies, government agencies, tenants and tenant advocates to study and design a pilot Cityfunded Rental Assistance Program, Year 1; Send request for proposed pilot for Elected Officials for consideration and approval of pilot and identification of funding, Year 2	HCIDLA, HACLA, Los Ángeles County
4.2	High	Expand source of income protections to include Housing Choice Vouchers and seek improvements to the Section 8 program to incentive landlords to participate in the program	Segregation/Integration, Disparities in Access to Opportunities, Disproportionate Housing Needs	Displacement of Residents due to Economic Pressures; Lack of affordable, accessible housing in a range of unit sizes; Community opposition; Impediments to mobility; Lack of access to opportunity due to high housing costs	Introduction and passage of proposed ordinance, reduction in number of facially discriminatory housing advertisements; 3-5 Years	HCIDLA, HACLA, City Council

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
4.3	High	Establish a working group consisting of stakeholders to study the feasibility of implementing an anti-tenant harassment ordinance	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Displacement of Residents due to Economic Pressures; Lack of affordable, accessible housing in a range of unit sizes; Community opposition; Impediments to mobility; Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking	Develop feasibility report for adoption of a Tenant Harassment Ordinance with recommended model based on analysis of similar ordinance, Year 1	HCIDLA, HACLA, City Council
4.4	High	Ensure HACLA policies and practices advance equal access to housing (reasonable accommodation, eligibility discretion, partnership with law enforcement in evictions, use of arrest records)	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs	Private Discrimination; Displacement of Residents Due to Economic Pressures; Availability of Affordable Units in a Range of Sizes; Location and Type of Affordable Housing; Displacement of and/or lack of housing support for victims of domestic violence	Incorporation of changes into Annual Plan, ACOP, and Section 8 Administrative Plan, 1-5 Years	HACLA

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
4.5	High	Enforce fair housing protections for LGBT protected classes, including gender non-conforming and non-binary persons	Disparities in Access to Opportunity	Lack of Local Public Fair Housing Enforcement; Lack of Local Private Fair Housing Enforcement, Private Discrimination	Number of complaints filed with DFEH by Housing Rights Center (HRC), 1-5 Years	HCIDLA, HACLA, Mayor, City Council
4.6	High	Strengthen fair housing protections regarding ancestry and national origin (including immigrants and refugees) that prevent disclosure or threats to disclose tenants' immigration or citizenship status to authorities.	Disparities in Access to Opportunity	Lack of Local Public Fair Housing Enforcement; Lack of Local Private Fair Housing Enforcement, Private Discrimination	Introduction and passage of proposed ordinance, number of complaints filed, 1-5 Years	HCIDLA, HACLA, Mayor, City Council
4.7	High	Ensure the Coordinated Entry System matches people with physical disabilities with designated accessible housing units	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs; Fair Housing Enforcement, Outreach Capacity and Resources	Inaccessible government facilities or services; Community Opposition	Implement and enforce appropriate waiting list policies for people with physical disabilities in the CES	HCIDLA, HACLA, Los Angeles Homeless Services Authority (LAHSA), United Way of Greater LA (local Continuum of Care/CES Provider)

egy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
e people with disabilities annot provide detailed hal/medical information ave access to the inated Entry System	Segregation/Integration, R/ECAPs, Disparities in Access to Opportunity, Disproportionate Housing Needs; Fair Housing Enforcement, Outreach Capacity and Resources	Inaccessible government facilities or services; Community Opposition	Implement training and policies for CES addressing the needs of people with disabilities and reasonable accommodations	HCIDLA, HACLA, United Way (local Continuum of Care)

encing unprecedented housing burdens. Residents in the City of Los Angeles tend to have higher rent burdens as compared at large. Within the City of Los Angeles, the areas with the greatest housing burdens are in the San Fernando Valley, the Heights, and South LA. These areas have higher minority populations, are more segregated, and have higher concentrations the City's segregated, heavily non-Hispanic White areas have relatively low levels of housing burden. Also, although Asian lents have a relatively low rent burden overall, Koreatown, Chinatown, and Little Tokyo all have concentrations of foreignful housing burden.

Los Angeles and the broader region, most racial or ethnic minority groups experience higher rates of housing problems, it to severe housing cost burden, than do non-Hispanic White households. The only exception to this is the Asian Pacific ch experiences higher rates of housing problems than non-Hispanic White households but lower rates of severe housing cost lor ethnic groups, Hispanic households are most likely to experience severe housing problems and Black households are severe housing cost burden. Families with five or more members experience housing problems at the highest rate, followed ds. Small families with four or fewer members experience housing problems at the lowest rate of any household type. It and large families are less pronounced for severe cost burden than they are for other types of housing problems. The total is with housing problems and severe housing problems is greater in the City than in the region.

of homelessness is not reflected in HUD-provided data regarding the prevalence of housing problems, the homelessness by one of the most pressing housing problems in Los Angeles and provides a stark illustration of the disproportionate housing as in the area. The 2017 Greater Los Angeles Homeless Count revealed that the number of homeless people grew by 20% in the twide in just one year. Mayor Eric Garcetti and other City officials have cited many of the factors that contribute to

homelessness in the City.<sup>308</sup> Of the around 34,000 people who are experiencing homelessness in Los Angeles, only one in four is sheltered – either in long-term transitional housing or temporary emergency shelter.<sup>309</sup> The vast majority of LA's homeless population is living on the streets.

Homelessness, like other issues of displacement and housing burdens, particularly impacts protected classes. People of color are heavily overrepresented in the area's homeless population, specifically Black and Hispanic individuals. Although just under 10% of the City's population identifies as Black, Black individuals and families represent 44% of the City's homeless population. Together, Black and Hispanic individuals make up almost 75% of the City's homeless population. Hispanic population is also the fastest growing demographic newly experiencing homelessness.

A significant and growing portion of the homeless population also reports one or more serious disability. From 2016 to 2017, the homeless population reporting a developmental disability and HIV/AIDS grew by 90% and 86% respectively.<sup>313</sup> Those that report a disability are also less likely to be sheltered than their non-disabled counterparts.<sup>314</sup> Other groups that have experienced marked increases in homelessness are unaccompanied minors, veterans, and those who are homeless as a result of domestic violence, increasing by 152%, 137%, and 128% respectively between 2016 and 2017.<sup>315</sup>

### Strategies

### 4.1 Study the feasibility to develop a pilot City-funded Rental Assistance Program

During the community engagement process, landlords cited the administrative burden of the federally funded, locally administered Housing Choice Voucher Program (HCVP) that helps low-income families, the elderly and persons with disabilities afford decent, safe housing in the private market as a deterrent to participating in the program. Together, landlords, landlord industry groups, government agencies, tenants, tenant advocates and the City can design a more flexible and practical locally funded Rental Assistance Program as a pilot program approach to address current administrative barriers.

### 4.2 Expand source of income protections to include Housing Choice Vouchers and seek improvements to the Section 8 program to incentivize landlords to participate in the program

To allow more low-income residents who hold Housing Choice Vouchers (HCV) more equal access to housing opportunities, the City acknowledges the value in expansion of source-of-income protections to include Housing Choice Vouchers. Consequently, the City will continue to advocate for State-level legislation providing this protection. Source-of-income protections would greatly increase Los Angeles' HCV success rate from the

<sup>&</sup>lt;sup>308</sup> http://www.latimes.com/local/lanow/la-me-ln-homeless-count-20170530-story.html

<sup>&</sup>lt;sup>309</sup> 2017 Greater Los Angeles Homeless Count - Data Summary - City of Los Angeles

 $<sup>^{310}</sup>$  Id

<sup>&</sup>lt;sup>311</sup> Id

<sup>&</sup>lt;sup>312</sup> Id

<sup>&</sup>lt;sup>313</sup> Id

<sup>&</sup>lt;sup>314</sup> Id

<sup>&</sup>lt;sup>315</sup> Id

current 67%, helping 13,000 or more Angelenos with vouchers obtain affordable homes in higher-opportunity areas. This protection would also address pretextual discrimination. Elsewhere in California, Santa Clara County has banned HCV discrimination in its unincorporated areas, Santa Monica has passed a law prohibiting the practice in City limits, and San Jose is considering a similar measure. The City is researching the lessons learned from the development, implementation, and enforcement of these measures and apply them to its approach. HACLA to convene a working group of landlords to seek input on improvements to the program to incentivize landlords to participate.

#### 4.3 Establish a working group consisting of stakeholders to study the feasibility of implementing an anti-tenant harassment ordinance

There are two proposed City ordinances aimed at addressing gaps in tenant protections against landlord harassment based on national origin. CF # 17-0461 asks the City to mirror and expand protections cited in state bill AB 291, a bill which the City supported. CF #14-0268-S13 asks the City to, based upon a review of other California cities' ordinances, protect tenants from harassment that forces them to "voluntarily move out" rather than being evicted. The City is evaluating the potential of combining both motions. The City adopted the Tenant Buyout Program (also known as Cash for Keys) on January 25, 2017. Through its third week of September 2017, the Program has received just under 700 filings from its adoption; 142 RSO tenant complaints have been filed during this period for alleged Tenant Buyout Program violations (i.e., tenant wants to cancel buyout, owner failed to give disclosure notice, landlord verbally offers money in exchange to move out).

### 4.4 Ensure HACLA policies and practices advance equal access to housing (reasonable accommodation, eligibility discretion, partnership with law enforcement in evictions, use of arrest records)

The Americans with Disabilities Act and Section 504 of the Rehabilitation Act require that federally-assisted programs like the Housing Authority provide reasonable accommodations for persons with disabilities. HACLA has a policy and mechanism in place to grant reasonable accommodations when clients request them. While the policy indicates that "it is the responsibility of the Client to identify the type of accommodation best suited to their disability needs," the policy also states that "HACLA will seek to identify and eliminate conditions that create barriers to equal opportunity and, whenever possible, will make physical and procedural changes in order to reasonably accommodate people with disabilities." <sup>317</sup>

HACLA is interested in proactively working with disability advocates to minimize termination of tenancy, when avoidable, for residents/participants with disabilities. This is especially critical for participants with disabilities that inhibit their ability to complete their housing search before their voucher expires and for participants who require additional time to complete renewal paperwork because of their disabilities.

As part of the 2018 Agency Plan process, the Housing Authority is proposing to amend the criminal background screening for HCV admissions. If approved by HUD, prior drug-related and violent criminal activity will not be grounds for denial of admission.

<sup>316</sup> Disability and Access Analysis

<sup>&</sup>lt;sup>317</sup> Nondiscrimination on the basis of disability and reasonable accommodation policy. (2013) http://www.hacla.org/Portals/0/Attachments/Residents/MPP% 20125% 20-% 201-11-2013% 20FINAL.pdf

The HACLA does not utilize arrest records by themselves in determining eligibility for admission or continued participation in any of its housing programs. HACLA's policies has been, even prior to the HUD November 2015 PIH notice, an attempt to "achieve a sensible and effective balance between allowing individuals with a criminal record to access HUD-subsidized housing and ensuring the safety of all residents of such housing." HACLA does not have a "one-strike" policy regarding criminal records and admission, except for those federally mandated items regarding lifetime sex-offender registrars and past eviction from federally assisted housing due to production of methamphetamines and drug related activity. In accordance with the PIH Notice, it has always been HACLA's policy and practice to "consider all of the circumstances relevant to the particular admission or eviction decision, including but not limited to: the seriousness of the offending action; the effect that eviction of the entire household would have on family members not involved in the criminal activity; and the extent to which the leaseholder has taken all reasonable steps to prevent or mitigate the criminal activity."

HACLA will annually analyze its denial, termination, and eviction statistics to ensure that there is no systemic or unattended pattern of denial towards any protected class due to its policies. HACLA continues to work with law enforcement to incorporate reasonable safeguards and it conducts, annually, a review to ensure compliance with the HUD guidance including its compliance regarding the use of arrest records in housing decisions, including terminations. HACLA will review its Community Safety Partnership program with the LAPD and the joint HACLA and LAPD searches of public housing tenants.

To address the comments received during the 2018 Agency Plan process that "HACLA could help house approximately 1,000 homeless individuals each year" by removing eligibility barriers that stand in the way of the City's Comprehensive Homeless Strategy, HACLA has agreed to eliminate its ban for violent and drug related criminal activity for applicants. HACLA is concerned about applicants remaining successfully housed over time, however, and to address that issue is asking the advocate community to assist in identifying and/or providing supportive services to those clients from programs that do not receive that assistance. It is also worth noting that HACLA has also implemented a Re-entry Demonstration Program to reunify formerly incarcerated persons with their families receiving Section 8 assistance.

The HACLA is reducing barriers to admission to its programs while balancing the need to maintain program integrity through enforcement of program rules with adequate due process safeguards for participants. This proposed criterion for new admissions, if approved by HUD, will apply to families who submit an online application to participate in a lottery for a position on the Section 8 Waiting List. The Section 8 Waiting List Lottery opens at 6:00 AM on Monday, October 16, until 5:00 PM (Pacific Time), on Sunday, October 29, 2017. A random lottery will decide who gets placed on the Waiting List, so applications can be submitted at any time during the two-week open application period. A preference for housing assistance will be given to applicants who live, work, or have been hired to work within the City of Los Angeles, and to applicants who are veterans or have a household member who is a veteran of the US military, released from such military service under conditions other than dishonorable. After the open period closes, a lottery will be conducted to select 20,000 applications to be placed on the Waiting List for the Section 8 program. An outreach process was developed that allows equal access for submission of applications by all eligible persons from throughout the Housing Authority's jurisdiction, including but not limited to persons with disabilities, seniors and individuals with limited English proficiency, which complies with Section 8's Equal Opportunity Housing Plan. Partnerships were established with key agencies and community organizations to train them to provide assistance to applicants in completing on-line applications during the two-week open application period. A call center would also provide special assistance to applicants requiring reasonable accommodations due to a disability, including the need for communication in an alternative format as well as for those who require language translation services.

## 4.5 Enforce fair housing protections for LGBT protected classes, including gender non-conforming and non-binary persons

Transgender, gender non-conforming and non-binary persons, particularly African American and Latina transgender, gender non-conforming and non-binary persons, face additional barriers to accessing affordable housing. After holding a discussion group specifically with the LGBTQ community as part of the City's AFH community engagement process, participants in the discussion explained that the discrimination that many within this group have faced have led transgender, gender non-conforming and non-binary persons to turn to illegal ways to earn income. This criminal activity, consequently, may reduce their chances at accessing publicly-supported housing that requires a criminal background check. The City of Los Angeles is interested in partnering with advocates of transgender, gender non-conforming and non-binary persons to review and, potentially, revise shelter and homeless service policies that disproportionately impact their ability to access, safe, decent, and affordable housing.

The Urban Institute study demonstrates that gay men and transgender, gender non-conforming and non-binary persons are disproportionately discriminated against in access to housing compared to cisgender<sup>318</sup> and straight men. The City must better enforce fair housing laws and regulations with respect to this protected class.

4.6 <u>Strengthen fair housing protections regarding ancestry and national origin (including immigrants and refugees) that prevent disclosure or threats to disclose tenants' immigration or citizenship status to authorities.</u>

The City supported the passage of Assembly Bill 291<sup>319</sup> to strengthen legal protections for immigrants. This bill would:

- Prohibit landlords from threatening to report tenants to immigration authorities, either in retaliation for asserting their rights or to evict them.
- Bar landlords from disclosing a tenant's immigration status.
- Allow tenants to sue landlords who disclose their immigration status to law enforcement.
- Prohibit questions about a tenant's immigration status during a trial.
- Prohibit attorneys from reporting or threatening to report the immigration status of people involved in housing cases.

The City also supported AB-686 Housing discrimination: affirmatively further fair housing AB-686 would require public agencies to administer housing and community development programs and activities in a manner to affirmatively further fair housing, and to not take any action that is inconsistent with this obligation. Failure to meet this standard would be a discriminatory act under the California Fair Employment and Housing Act. The bill would define the term "public agency" to mean any state or local agency, regional transportation agency, or council of governments.

## 4.7 Ensure the Coordinated Entry System matches people with physical disabilities with designated accessible housing units

People with physical disabilities must be given priority for City-assisted dwelling units that have features designed for people with those disabilities. For example, a unit that meets the requirements of the Uniform Federal Accessibility Standards for a mobility- or sensory-impaired person should be given to a qualified individual with a disability-related need for those accessibility features. HCIDLA, HACLA, United Way, and LAHSA (the

<sup>&</sup>lt;sup>318</sup> Denoting or relating to a person whose sense of personal identity and gender corresponds with their birth sex

<sup>319</sup> https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\_id=201720180AB291

local CES provider) will ensure that the Coordinated Entry System (CES) is designed to allow for this prioritization, including by tracking whether people on the CES list need mobility- or sensory-accessible units and prioritizing those people for accessible units.

## 4.8 Ensure people with disabilities who cannot provide detailed personal/medical information still have access to the Coordinated Entry System

The CES is the primary means for homeless persons to be placed into immediate shelter and longer-term housing. However, the CES protocol calls the person to provide for detailed personal information and that often presenting a barrier for people with disabilities who are currently and/or chronically homeless and must access CES to obtain immediate shelter and be placed in longer term housing. Generally, applicants are expected to answer extensive questions about their personal history, including physical and mental health, and other extremely intimate details of their lives. Moreover, the applicant must consent for their responses to be shared within the system. Furthermore, people with certain psychiatric disabilities or who have experienced past violations of trust by relatives or authority figures may simply not be willing or able, due to their disability or their past experience, to share such information. HCIDLA, HACLA, LAHSA and United Way will work together to remove these barriers to people with disabilities. They will train CES workers in disability competence and ensure that there is a clear reasonable accommodation process to ensure people with disabilities have equal access and opportunity to enter the CES.

## GOAL 5: EXPAND ACCESS TO OPPORTUNITY FOR PROTECTED CLASSES

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
5.1	High	Implement Equitable Transit- Oriented Development utilizing Measure JJJ and TOC	Disparities in Access to Opportunity	Location and Type of Affordable Housing	Increase percentage of units within TOD projects that are affordable, increase depth of affordability of affordable TOD units, 1-5 Years	HCIDLA, DCP

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
5.2	High	Maximize and secure fair share of funding from the State of California's Cap & Trade Program (Greenhouse Gas Reduction Fund), to improve housing opportunities, increase economic investments and address environmental factors in disadvantaged communities	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing; Location of Environmental Health Hazards; Quality of Affordable Housing Information Programs; Source of Income Discrimination, Displacement of residents due to economic pressures	Number of applications submitted for funding for the Affordable Housing & Sustainable Communities (AHSC) program, annually, 1-5 Years; Inclusion of affordable housing, anti-displacement and sustainable components in City submitted Transformative Climate Communities (TCC) funding program.	HCIDLA, DOT, LA METRO, BOE, DCP and other key City Departments, Mayor, City Council, Environmental Justice organizations
5.3	High	Encourage mobility among residents living in subsidized housing in areas of poverty, particularly in R/ECAPs	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing	Explore the incorporation of mobility counseling into annual recertification for all participants in HACLA's housing programs and City funded subsidized housing programs, Year 1; Evaluate housing mobility counseling program annually, 1-5 Years	HACLA and LAHSA
5.4	High	Enhance the City's partnership with LA Metro and further the implementation of the City's MOU with LA Metro to expand the development and preservation of affordable housing and related programs as prioritized by the LA Metro Board	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing; Quality of Affordable Housing Information Programs; Source of Income Discrimination	Convene appropriate parties from HCIDLA and LA METRO to identify at least one LA Metro-owned property eligible for potential development of affordable housing, 1-2 years	LA METRO, City

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Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
5.5	High	Partner with LAUSD to expand access to proficient schools through housing and community development programs and activities	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing; Quality of Affordable Housing Information Programs; Source of Income Discrimination	Convene appropriate parties from HCIDLA and LAUSD to identify at least one LAUSD owned property near a proficient elementary school eligible for potential development of affordable housing, 1-2 Years	LAUSD, City
5.6	Medium	Adopt the Clean Up Green Up (CUGU) ordinance's regulations on new or expanding industrial operations and other increased land use protections to diminish the public health threats of subject uses in close proximity to publicly habitable space	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing; Location of Environmental Health Hazards; Quality of Affordable Housing Information Programs; Displacement of Residents Due to Economic Pressures	Implement ordinance, thereafter implement the provisions therein three pilot "green zones" in Pacoima/Sun Valley, Wilmington, and Boyle Heights, 1 -5 years	City, Environmental Justice Organizations
5.7	Medium	Partner with LAPD to evaluate the feasibility and efficacy of creating a dedicated Hate Crimes Investigative Division	Disparities in Access to Opportunity	Public and Private Discrimination; Displacement of and/or lack of housing support for victims of domestic violence	Create a 5-person ad hoc committee made up of representatives from LAPD, HCIDLA, HACLA, Transgender Advisory Council and Housing Rights Center (HRC), Year 1; Prepare and publish report with findings of feasibility and efficacy study, Year 2	City, HACLA, LAPD, Transgender Advisory Council, HRC

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
5.8	Medium	Implement developer incentives to promote increased local hiring preferences for residential and nonresidential projects as outlined in Measure JJJ and, potentially, the Linkage Fee	Disparities in Access to Opportunity	Location and Type of Affordable Housing; Location of Employers	Report, annually, on compliance with local hiring preferences, 1-5 Years	HCIDLA, Economic Workforce Development Department (EWDD)
5.9	Medium	Target workforce development resources in R/ECAPs to improve economic mobility	Disparities in Access to Opportunity; R/ECAPs	Lack of private investment in specific neighborhoods; Lack of public investment in specific neighborhoods, including services or amenities; Location of employers; The availability, type, frequency, and reliability of public transportation	Coordinate with the Workforce Innovation and Opportunity Act Board to target workforce development resources, expand Section 3 hiring opportunities, 1-3 Years	EWDD, HCIDLA, HACLA

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
5.10	Medium	Explore the feasibility of additional educational resources for public housing residents to improve educational outcomes including Saturday and Summer programs	Disparities in Access to Opportunity	Lack of public investment in specific neighborhoods, including services or amenities	Develop partnerships with organizations that promote and develop youth services highlighting educational advancement and leadership. (Measured by expansion of programs to PH sites and residents served); Partner with the Los Angeles Area Chamber of Commerce for the Cash for College Initiative to provide college prep technical assistance to students and families, continue to pursue grants that promote educational success and college access.	City, HACLA, LAUSD
5.11	Medium	Enhance partnerships that improve environmental and health outcomes for low-income and public housing residents	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing; Location of Environmental Health Hazards	Evaluate the impact of redevelopment at Jordan Downs on its residents, Years 1-10  Achieve a reduction of units who report a household member who smokes from established baseline and increase positive health outcomes and healthy living practices  Decrease factors associated with childhood asthma, Year 1	HACLA, HCIDLA, and County Health Department and community health-based organizations

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
5.12	Medium	Partner with Los Angeles County to further explore ways to expand access to quality affordable housing through housing and community development programs and activities	Disparities in Access to Opportunity; R/ECAPs; Segregation	Location and Type of Affordable Housing; Quality of Affordable Housing Information Programs; Source of Income Discrimination	Convene appropriate parties from HCIDLA and LA County to identify at least one LA County owned property for potential development of affordable housing, 1-2 Years	LA County, City

### Discussion

Background

## **Employment**

Using HUD provided data through the AFFH tool, the Labor Market Index analyzes the extent of engagement in the labor market and overall human capital in a neighborhood. The Labor Market Index examines the level of employment, participation in the labor force, and educational attainment in a census tract, evaluating the unemployment rate and percent of adults age 25 or older with a bachelor's degree or higher. The values range from 0-100 and the higher the score, the higher the labor force participation and human capital in a neighborhood.

Within the region, the City of Los Angeles has the lowest neighborhood-level scores for labor market participation and human capital. Parts of the San Fernando Valley and West LA boast higher scores in the Labor Market Index. Further examination of the distribution of race and ethnicity and national origin demographics shows that areas with low labor market access also have a high concentration of racial and ethnic minority groups. Examining unemployment for the region using labor statistics, the City has a slightly higher unemployment rate of 4.4% compared to the region unemployment.

#### **Environment**

The majority of the City of Los Angeles has poor quality environmental health access, with the exception of West LA and portions of the Valley area where scores are moderate rather than low. The HUD-provided data shows that areas within R/ECAPs have some of the worst Environmental Health Index scores. HUD's Environmental Health Index measures exposure based on the Environmental Protection Agency's (EPA) estimates of

Human Capital: "the skills the labor force possesses and is regarded as a resource or asset". Handbook on Cliometrics: Human Capital, February 2014 <a href="http://scholar.harvard.edu/files/goldin/files/human capital handbook of cliometrics 0.pdf">http://scholar.harvard.edu/files/goldin/files/human capital handbook of cliometrics 0.pdf</a>.

air quality and carcinogenic, respiratory, and neurological toxins by neighborhood. The Index measures risk across broad geographic areas with values ranging from 0 – 100. Higher index values are associated with less exposure to toxins and reflect better environmental quality in neighborhoods. Residents of the R/ECAPs within the Harbor area of the City along with R/ECAPs in Southeast LA have some of the lowest access to environmentally healthy neighborhoods. In addition, according to the California Environmental Protection Agency's CalEnviro Screen 3.0 tool, the City of Los Angeles has 62% of all the Disadvantaged Communities in Los Angeles County. Disadvantaged Communities are communities designated by CalEPA pursuant to Senate Bill 535 using the CalEnviro 3.0 tool. This tool identifies communities in California most burdened by pollution from multiple sources and most vulnerable to its effect, considering socioeconomic factors and underlying health status. Disadvantaged communities are identified by census tract and are those that score at or above the 75<sup>th</sup> percentile.

### **Low-Poverty Neighborhoods**

Access to low-poverty neighborhoods is an integral aspect of opportunity. Studies have demonstrated the link between living in (or moving to) low-poverty neighborhoods and higher earnings as an adult, higher college attendance, and reduced out-of-wedlock births.<sup>321</sup> Likewise, living in areas with high concentrations of poverty can contribute to the "perpetuation of poverty and the production of neighborhoods with high levels of crime and violence and low levels of high-school completion, marriage, and labor force attachment."<sup>322</sup>

Visualized through the HUD data, the Low Poverty Index (the Index), measures the poverty rate in each neighborhood. <sup>323</sup> A higher value on the Index is associated with a higher probability that a household is likely to live in a low poverty neighborhood. The core area of the City that encompasses Central, South and East Los Angeles score low on the Index and show high-poverty neighborhoods. Often, these same areas within the City including, West Adams, Mid-City, Westlake, Pico Union, Boyle Heights, Lincoln Heights, South Central, Vernon, and Watts, have a higher proportion of Hispanics and Blacks compared to other parts of the City. This same area also has a higher proportion of individuals with physical, auditory and cognitive disability. Most of the City's R/ECAPs are in areas that perform poorly on the Index.

## **Transportation**

Using HUD-provided data and specifically looking at demographics and transit trips, it is apparent that Downtown LA and the southern part of Central LA boast the City's highest Transit Trips Index scores with access to public transportation, including access to Metro stations, multiple rail lines, and stops for both bus and Bus Rapid Transit (BRT) lines. There are up to 20 R/ECAPs concentrated in this same area. This network of public transportation offers critical connections between East and Central LA and the Valley and Harbor areas. Additionally, the Metro Expo line also provides connections to West LA. The Transit Trips Index reflects estimates from the Location Affordability Index of transit trips by a three-person

<sup>&</sup>lt;sup>321</sup> The Effects of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects (with Nathaniel Hendren), National Bureau of Economic Research Working Paper No. 23001, Revised Version (May 2017)

<sup>&</sup>lt;sup>322</sup> Jargowsky, Paul. "Concentration of Poverty in the New Millennium: Changes in Prevalence, Composition, and Location of High Poverty Neighborhoods." (2013). The Century Foundation and Rutgers Center for Urban Research. Referencing William Julius Wilson's findings from "The Truly Disadvantaged" (1987). <sup>323</sup> Specifically, the uses both family poverty rates and public assistance receipt, in the form of cash-welfare, such as Temporary Assistance for Needy Families (TANF). https://data.world/hud/low-poverty-index

single parent family with income at 50% median income for renters for the region. Values in the Transit Trip Index are ranked with values ranging from 0 - 100 and the higher value is associated with residents within a census tract that utilize public transportation and have better access to transit.

During the Transportation and Jobs Focus Group Meeting, stakeholders provided feedback on several issues pertaining to transportation. The first issue raised was the hours of operation for public transit and the lack of available public transportation to serve individuals working graveyard shifts. Without access to reliable transportation during shift hours early in the morning or late at night, it is difficult to secure employment that requires commuting. The lack of available transportation disparately limits access to employment for all protected classes who are disproportionately reliant on the public transportation system in LA Specifically, this limits access to employment centers and other community amenities outside of the central core of the city. South and East LA also have high concentrations of publicly supported housing, which has a high representation of racial and ethnic minorities.

The distribution of individuals with disabilities by age indicates significant concentrations of persons with disabilities in areas with concentrations of R/ECAPs in South LA, East LA and further north in the San Fernando Valley area. For individuals with disabilities, using public transportation can involve a time-consuming network of lines and transfers that is challenging to navigate and especially burdensome for individuals with mobility limitations. With multiple transfer points, it is critical that the transit user is on time, and missing one bus can easily result in a significant delay. Bus Rapid Transit such as the Orange Line in the San Fernando Valley can be transformative for transit dependent individuals. The Orange Line has arrival times that are accurate to within two to three minutes and operates on a dedicated busway with limited competing traffic, thus allowing commuters to consistently plan travel times. According to a study completed by Southern California Public Radio, KPCC, the Orange Line arrived late at stops just 5.4% of the time, unlike the majority of the bus lines in the system.

#### **Education**

Using HUD provided data through the AFFH tool, it is evident that children residing in large portions of the City of Los Angeles have low access to proficient schools. Values in the HUD School Proficiency Index are ranked from 0 to 100 with higher scores indicating higher quality schools in a neighborhood. Census tracts near and around R/ECAPs have particularly low access to proficient schools. Neighborhoods in East LA, Central LA, and South LA have the least access to proficient schools. Moving further south into the Harbor section of the City, levels of access begin to improve. However, the Valley area of the City encompassing North, South and West Valley has the greatest access to proficient schools. This signals a correlation between patterns of segregation and integration and access to quality schools.

Overlaying racial and ethnic demographics over school proficiency levels further demonstrates disparities in accessing proficient schools based on residency patterns and proximity to proficient schools.

### **Strategies**

### 5.1 Implement Equitable Transit Oriented Development utilizing Measure JJJ and TOC

Transit Oriented Development is happening in Los Angeles. The City seeks to ensure that any plans that are developed and implemented also focus on equitability. In addition to Measure JJJ's Transit Oriented Communities Affordable Housing Overlay, the City seeks to apply similar affordability requirements to Transit Neighborhood Plans. The Mayor's Sustainable City pLAn calls for 275,000 new homes by 2035, with 65% of them (178,750) within 1,500 feet of transit. Applying the Measure JJJ TOC Overlay affordable housing ratios more broadly could create up to 44,688 affordable homes.

With the passage of Measure M, the sales tax increase to expand transit in LA, it is critical to ensure that housing is at the center of the planning process for expansion project. Most important is to ensure the local hiring provision outlined in the recently approved Measure M guideline is implemented to increase employment and job training opportunities to protected classes. Considerations for affordable housing preservation and developing additional affordable units near transit will help ensure that low income households currently living near transit stations are not displaced. Early data analysis demonstrates that recent changes to public transportation routes and schedules reduced efficiency of some of the primary bus lines servicing major corridors. Bus ridership declined by 8.9% while subway and light rail increased by 4.4%; which is largely attributed to the Gold Line and Expo Line extensions.

# 5.2 <u>Maximize and secure a fair share of funding from the State of California's Cap & Trade Program (Greenhouse Gas Reduction Fund), to improve housing opportunities, economic investments and address environmental factors in disadvantaged communities</u>

The California Greenhouse Gas Reduction Fund contributes funding for place-based strategies to improve environmental health, access to affordable housing in location-efficient areas, and economic investment in disadvantaged communities. However, the program is nascent and overall results on the impact of these funds in disadvantaged areas is incomplete. Billions in loan and grant funding will be made available to the State's Disadvantaged Communities through the various California Greenhouse Gas Reduction Fund programs including the Affordable Housing and Sustainable Communities (AHSC) and the Transformative Climate Communities (TCC) programs over the next 14 years. The City will enhance its current work on these two funding programs and improve its coordination work in maximizing and leveraging other Cap and Trade funds to ensure a fair share of funds for the City of Los Angeles. This is particularly important as the City has over 60% of the total Disadvantaged Communities (DACs) census tracks in the Los Angeles County Region. The State legislature overwhelmingly supported legislature enacted by the Governor to extend the Cap & Trade program through 2030 in July 2017.

## 5.3 Encourage mobility among residents living in subsidized housing in areas of poverty, particularly in R/ECAPs

Even after obtaining a HCV, many people throughout the City are unable to find housing because landlords choose not to participate in the HCV program. This reality, in combination with time limits imposed on voucher holders for finding and securing housing, may result in the return of the

housing voucher despite the voucher holder's need for affordable housing. Regions across the country are adopting the use of housing mobility counselors to assist people-- especially seniors and people with disabilities-- in locating units for which their vouchers will be accepted, and in advising them about the mobility benefits of obtaining housing in higher opportunity neighborhoods.<sup>324</sup> First-time voucher holders and tenants looking to move or "port" their vouchers benefit from housing mobility counseling. Through the Affordable Housing Trust Fund the City may be able to prioritize HCV holders in project wait lists.

5.4 Enhance the City's partnership with LA Metro and furthering the implementation of the City's MOU with LA Metro to expand the development and preservation of affordable housing and related programs as prioritized by the LA Metro Board

The HCIDLA successfully executed the County's first Joint Development Agreement MOU between Metro and the City of Los Angeles in 2016. The MOU outlines the coordination, negotiation, and collective responsibilities between the two agencies to preserve and create covenant-controlled income-restricted, subsidized housing for residents earning at or below 60% of the area median income within a half mile of a fixed guideway bus or rail station. Enhancing and furthering the implementation of the MOU between the City and LA METRO will continue to create opportunities to connect housing to other opportunities including transportation, employment and education. LA Metro-owned properties present the opportunity to develop affordable housing to help stabilize families and increase their access to opportunity.

5.5 Partner with LAUSD to explore ways to expand access to proficient schools through housing and community development programs and activities

By partnering with LAUSD, HCIDLA and HACLA can help address challenges outside school such as housing instability and access to high performing schools. HCIDLA and HACLA, in their roles as developers and landlords, creates opportunities to connect housing and education. LAUSD owned property near high performing schools can be an opportunity to develop affordable housing. This in turn can potentially stabilize families and help to ensure greater academic success for children leading to economic success.

5.6 Adopt the Clean Up Green Up (CUGU) ordinance's regulations on new or expanding industrial operations and other increased land use protections to diminish the public health threats of subject uses in close proximity to publicly habitable space

In April 13, 2016, the City of Los Angeles adopted the Clean Up Green Up Ordinance. This ordinance amended Sections 12.04, 12.20,12.24 and 12.32 of Article 2 of Chapter 1 of the Los Angeles Municipal Code, and Sections 13.03, 13.18 and 13.19 of Article 3 of Chapter 1 of the Los Angeles Municipal Code in order to authorize the establishment of a Clean Up Green Up Supplemental Use District within Boyle Heights, Pacoima/Sun Valley, and Wilmington to reduce cumulative health impacts resulting from incompatible land uses, establish a citywide Conditional Use for asphalt manufacturing and refinery facilities, and increase the notification requirement for projects within a surface mining district. The neighborhoods of Boyle Heights, Pacoima/Sun Valley, and Wilmington are within R/ECAPs.

<sup>324</sup> http://www.housingmobility.org/

The City will work with environmental justice organizations to implement the ordinance's regulations on new or expanding industrial operations and other increased land use protections to diminish the public health threats of subject uses which are near publicly habitable space. These provisions of the ordinance will be carried out in the three pilot "green zones" located in Pacoima, Wilmington, and Boyle Heights. The five year goal is to improve the environmental health of these neighborhoods that largely consists of low-income families impacted by poor air quality, which have serious long term emotional, physical, and mental health effects on members of these communities.

## 5.7 Partner with LAPD to evaluate the feasibility and efficacy of creating a dedicated Hate Crimes Investigative Division

In 2016, LAPD adopted the Hate Crime Supplemental Report, Form 03.01.05, to document investigations of hate crimes or hatred incident investigations. LAPD developed the Hate Crime Supplemental Report in partnership with the City of LA Human Relations Commission's Transgender Working Group (TWG), the Mayor's Office, and with advocates and representatives of the transgender, gender non-conforming and non-binary persons' community.

Hate crimes against the transgender, gender non-conforming, and non-binary persons' community are both the most prevalent hate crimes committed in Los Angeles and also the fastest rising target of reported hate crimes.<sup>11</sup> From January 1, 2017 through June 30, 2017, the City has seen a 900% increase in reported hate crimes against members of the transgender, gender non-conforming and non-binary persons' community over the same period in 2016.<sup>12</sup>

Currently, LAPD operates seven divisions under the Detective Bureau that investigates topic specific crimes. Hate Crimes fall under the Detective Support and Vice Division (DSVD) which is responsible for investigating missing persons, hate crimes, threats made to public officials/prominent persons, aggravated stalking, piracy and counterfeit sales/goods, animal cruelty, pimping/pandering, pornography, and prostitution/human trafficking.<sup>325</sup>

HCIDLA and HACLA will work with LAPD to create a 5-person ad hoc committee made up of representatives from LAPD, HCIDLA, HACLA, Transgender Advisory Council and Housing Rights Center (HRC) in Year 1, and, will prepare and publish a report with findings of feasibility and efficacy study in Year 2.

## 5.8 Implement developer incentives to promote increased local hiring preferences on all housing projects

Local hire policies can be effective strategies to expose disadvantaged communities to good paying jobs, but the programs need to target those with the greatest need. Consistent with much of the rest of the United States, the benefits of economic investment in Los Angeles rarely find its way to

<sup>&</sup>lt;sup>325</sup> Official Site of The LOS ANGELES POLICE DEPARTMENT, <a href="http://www.lapdonline.org/DETECTIVE\_BUREAU/CONTENT\_BASIC\_VIEW/6261">http://www.lapdonline.org/DETECTIVE\_BUREAU/CONTENT\_BASIC\_VIEW/6261</a>, accessed October 09, 2017

those that need it most. Lack of economic benefit combined with increasing housing cost burden exacerbates inequality. As more private and public investment finds its way into Los Angeles, the City is committed to promoting local hiring preferences.<sup>326</sup> For example, the City has already adopted Measure JJJ which sets affordable housing mandates and hiring restrictions favoring local laborers working on residential projects requiring a zoning change or an amendment to the City's General Plan. An effective strategy to prevent displacement of existing low-income residents when new investment is directed to their neighborhoods is to use the new development as an opportunity for residents to gain employment and therefore improve their ability to afford housing. The City has already adopted Measure JJJ which sets affordable housing mandates and hiring restrictions favoring local laborers working on residential projects requiring a zoning change or an amendment to the City's General Plan. This approach can be expanded to pursue local hiring policies for all new development projects (i.e. commercial) along with investment in local workforce development programs to ensure a pipeline of skilled workers for the newly-created jobs.

### 5.9 Target workforce development resources in R/ECAPs to improve economic mobility

The Housing Authority of the City of Los Angeles (HACLA) Housing Services Department has the Workforce Development Unit which operates employment preparation, training and placement services in the City and County of Los Angeles serving all residents at HACLA as well as vulnerable populations in LA County which includes Compton, CA. The Watts Los Angeles WorkSource Center is a core component of this Unit with separate funding from the City of Los Angeles' Economic Workforce Development Department (EWDD) which administers the Workforce Innovation and Opportunity Act (WIOA) funds. This unit also administers the City's Hire LA's Youth program and other grants from LA County.

HACLA is the only public housing agency in the nation that operates an on-site WorkSource Center. HACLA's Watts/Los Angeles WorkSource Center, is a full-service center and it is one of sixteen (16) centers and 3 portal offices across the City to be awarded with federal funds. It serves over 1,600 public housing residents and other residents of the community annually and has placed nearly 15,000 residents in sustainable employment opportunities. At most public housing developments, HACLA operates Employment Technology Centers (ETCs) or Computer Labs. These ETCs offer tutoring for youth and job skills training, including computer classes for adults. The ETCs are points of entry for HACLA residents to receive services offered by the WorkSource Center expanding our reach by co-locating services in various geographical areas of the City.

HACLA had expanded its Section 3 hiring requirements beyond the imposition of Section 3 to non-federally funded contracts, and, when employment is not feasible, works with vendors to develop other economic opportunities for residents such as training and mentoring programs. Section 3 outreach and education to vendors is provided at pre-bid conferences and business events, through the development of supporting materials and communications, ensuring that Section 3 obligations are clearly spelled-out in all solicitations and monitoring contractual compliance with Section 3 commitments.

5.10 Explore the feasibility of additional educational resources for public housing residents to improve educational outcomes including Saturday and Summer programs

<sup>&</sup>lt;sup>326</sup> Making a Success of Local Hire, <a href="https://shelterforce.org/2016/10/21/making-a-success-of-local-hire-work/">https://shelterforce.org/2016/10/21/making-a-success-of-local-hire-work/</a>

Schools often struggle to better meet the needs of low-income students and to connect them to resources that can stabilize their lives and strengthen their academic competencies. By partnering with schools and school districts, housing providers can help address challenges outside school that can become barriers to learning. Their roles as developers and landlords create opportunities to connect housing and education. As developers, housing authorities can build or repurpose facilities and bring education supports closer to assisted housing developments.<sup>327</sup>

HACLA has no means to fund this type of initiative, however, HACLA will continue to take advantage of grant opportunities as available to help achieve this strategy. HACLA will continue to expand partnerships with organizations like the Boys and Girls Club, Soledad Enrichment Action, El Proyecto Pastoral and College Track, the LA Chamber of Commerce and Community Colleges which provide support services in educational advancement and college preparation. HACLA has recently been awarded a two-year HUD grant for project SOAR. The ROSS for Education program (also known as Project SOAR (Students + Opportunities +Achievements = Results) is a new demonstration program reflecting HUD's commitment to expand educational services to youth living in HUD-assisted housing. Research shows there are large gaps in college attendance by family income that are not driven by level of preparation. A key barrier to college attendance is that low-income youth are least likely to complete the Free Application for Federal Student Aid (FAFSA) even though they are most in need of financial aid.

The HUD ROSS for Education program provides grant funding to public housing authorities to deploy education navigators to provide individualized assistance to public housing youth between the ages of 15-20 and their families in FAFSA completion, financial literacy and college readiness, post-secondary program applications and post-acceptance assistance. HACLA is committed to continuing public-private partnerships in this area.

## 5.11 Enhance partnerships that improve environmental and health outcomes for low-income and public housing residents

HACLA engages in toxic remediating measures for any of its redevelopment projects. The majority of HACLA's public housing sites are over fifty years old and were constructed in neighborhoods adjacent to industrial corridors or in communities where zoning conflicts and historic land uses have created negative environmental impacts to entire neighborhoods. HACLA has undergone modernization projects under HUD's guidance during the 1990's and early 2000's and remediated much of the lead-based paint and asbestos flooring, which was common in buildings of this era. It is very difficult to fully remediate these toxins and HACLA follows strict State and Federal requirements for abatement whenever undertaking substantial rehabilitation of its properties or when opportunities present themselves during unit turnover. When undertaking a new construction, HACLA believes in holistically addressing environmental impacts. This includes conducting Phase I studies on its properties and Phase II, as necessary, prior to initiating any substantial construction project. Any contaminants found are remediated under the direction of appropriate state or local agencies and follow up testing is done to ensure all remediation standards are met or exceeded. New soil, landscaping and building materials are utilized to reduce environmental impacts of new development with the goal of creating net zero developments, greening areas to combat carbon emissions and increasing security and mobility opportunities to encourage walking, biking and public transit.

<sup>&</sup>lt;sup>327</sup> Developing Housing and Education Partnerships, <a href="https://www.urban.org/sites/default/files/publication/49021/2000181-Developing-Housing-and-Education-Partnerships.pdf">https://www.urban.org/sites/default/files/publication/49021/2000181-Developing-Housing-and-Education-Partnerships.pdf</a>

# 5.12 Partner with Los Angeles County to further explore ways to expand access to quality affordable housing through housing and community development programs and activities

By partnering with LA County, HCIDLA and HACLA can help address challenges such as housing instability. HCIDLA and HACLA, in their roles as either developers (HCIDLA) and landlords (HACLA), creates opportunities to connect housing to other opportunity including transportation, employment and education. LA County owns property that can be an opportunity to develop affordable housing that stabilizes families and increases their access to opportunity.

GOAL 6: INCREASE COMMUNITY INTEGRATION FOR PERSONS WITH DISABILITIES.

Goal	Priority	Strategy	Fair Housing Issues	<b>Contributing Factors</b>	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
6.1	High	Require at least 10% of total units in all multi-family developments receiving public funds or funded with multifamily mortgage revenue bonds to be accessible to persons with mobility disabilities and at least 4% of total units to be accessible for persons with hearing and/or vision disabilities	Segregation/Integration, Disparities in Access to Opportunity	Lack of affordable, integrated housing for individuals with mobility and/or hearing/vision disabilities who need supportive services	At least 10% of total new construction units for persons with mobility disabilities and at least 4% of total units for persons with hearing/vision disabilities by development	HCIDLA, HACLA
6.2	High	Require at least 10% and no more than 25% of units in all special needs developments or permanent supportive housing developments receiving public funds to be set aside for persons with disabilities, including individuals transitioning from institutional settings and individuals who are at risk of institutionalization	Segregation/Integration	Lack of affordable, integrated housing for individuals with mobility and/or hearing/vision disabilities who need supportive services	Number of accessible mobility and hearing/vision units up to a total of 20% in each housing development, 1-2 Years.	HCIDLA, HACLA
6.3	High	Provide equal accessibility design training for housing developers, architects, and contractors as well as fair housing training for housing developers and property managers who receive public funds	Disparities in Access to Opportunity, Segregation/Integration, Disproportionate Housing Needs	Lack of affordable, accessible housing in a range of unit sizes	Increased compliance by housing developers, architects, property managers and contractors with ADA and Fair Housing Act (reasonable accommodations and	HCIDLA

Goal	Priority	Strategy	Fair Housing Issues	Contributing Factors	Metrics, Milestones, Timeframe for Achievement	Responsible Program Participant(s)
					modifications) requirements, 1-2 years	
6.4	Medium	Increase access to integrated employment for persons with intellectual and developmental disabilities by partnering with the regional centers to connect individuals to job opportunities with public entities	Segregation/Integration, Disparities in Access to Opportunity	Inaccessible government facilities or services	Formalization of partnerships between City, such as EWDD and HACLA and the regional centers, establishment of hiring goals for public agencies, 1-3 Years	City of Los Angeles Personnel Department, HACLA, EWDD, Workforce Development Board
6.5	Medium	Provide training to service providers on adapting their models to meet the needs of individuals with disabilities in scattered sites	Segregation/Integration	Lack of affordable in- home or community based services	Number of trainings conducted, number of service providers supporting individuals in integrated settings, 1- 3 Years	Department on Disability, HCIDLA, other Departments as applicable and ILC's.

## **Discussion**

# Background

On January 13, 2012, the Independent Living Center of Southern California (ILCSC), Fair Housing Council of San Fernando Valley (FHCSFV), and Communities Actively Living Independent and Free (CALIF) filed a lawsuit against the City alleging that the City and the Community Redevelopment Agency of Los Angeles (CRA/LA) failed to ensure that housing developments funded, developed, or significantly assisted by the City or the CRA/LA had the required number of Accessible Units for people with Mobility and Hearing/Vision disabilities and were made available to people with disabilities, and further failed to operate other aspects of the City's housing program in compliance with Section 504 of the

Rehabilitation Act, the Americans with Disabilities Act, the Fair Housing Act, and California state law. See *Independent Living Center of Southern California, et al. vs. City of Los Angeles*, Case No. 2:12-cv-00551-SJO (PJW) (C.D. Cal.). On August 30, 2016, the Los Angeles City Council agreed to settle litigation, and the settlement was approved by the court on or about September 5, 2016. The settlement provides that, over the next 10 years, the City will ensure that at least 4,000 of its affordable housing units meet architectural accessibility standards under Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and California Government Code Section 11135.

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To implement the Agreement, the City will also:

- Ensure that all future construction of multi-family housing units overseen by the City fully comply with Section 504 of the Rehabilitation Act, the ADA, the federal Fair Housing Amendments Act, and the California Building Code, and when those requirements conflict, comply with those requirements that provide the greatest accessibility;
- Ensure that non-discriminatory rental occupancy policies are adopted and implemented by Owners and Property Management Agents for covered housing developments;
- Redesign the City's rental housing website, www.housing.lacity.org, to provide an Accessible Housing Registry that lists all accessible units
  and their features and allows individuals with disabilities the opportunity to be notified of vacant units and apply for the units online or
  through a call center;
- Provide effective communications for applicants, tenants, and the public that includes large print and Braille documents, auxiliary aids and services, hearing devices, and other services to ensure that communications with applicants and tenants with disabilities are as effective as communications with people without disabilities;
- Train City staff, owners, and their property managers on federal and state laws relating to nondiscrimination regarding people with disabilities;
- Respond to concerns and resolve grievances by people with disabilities in a timely manner; and
- Provide detailed semi-annual reports to the Plaintiffs and City management regarding all the activities undertaken to carry out these requirements.

## Strategies

6.1 Require at least 10% of total units in all multi-family developments receiving public funds or funded with multifamily mortgage revenue bonds to be accessible to persons with mobility disabilities and at least 4% of total units to be accessible for persons with hearing and/or vision disabilities

There is a significant need for additional affordable housing that is accessible to persons with disabilities in LA. 206,091 City residents have ambulatory or mobility disabilities while 88,327 have hearing disabilities and 74,408 have vision disabilities. These categories are not mutually exclusive, and some persons with disabilities have multiple disabilities. Although not all persons with disabilities in LA are low-income, a disproportionate percentage are low-income and in need of affordable housing. In the City of LA, there are roughly 90,000 units, many of them not affordable that are subject to the Fair Housing Act's design and construction standards as well as about 40,000 publicly supported units. Under Section 504 of the Rehabilitation Act, 5% of units in publicly supported developments must be accessible to persons with mobility disabilities, and

2% must be accessible to persons with hearing and vision disabilities. This strategy proposes to expand upon the base provided by Section 504 to strengthen accessibility requirements, both regarding the percentage of accessible units required and the range of funding streams to which accessibility requirements apply. There is a compelling need to take this step-in light of the significant gap between the number of persons with disabilities who need affordable accessible units and the actual supply. The City is also required to take the steps contemplated by this strategy as a result of the settlement agreement in *Independent Living Center of Southern California*, et al. vs. City of Los Angeles.

6.2 Require at least 10% and no more than 25% of units in all special needs developments or permanent supportive housing developments receiving public funds to be set aside for persons with disabilities, including individuals transitioning from institutional settings and individuals who are at risk of institutionalization.

Although the City of Los Angeles and the State of California have made great strides in reducing the number of persons with disabilities who reside in segregated settings, the shift away from large institutional settings like Developmental Centers and State Hospitals has not resulted in full community integration in all cases. All too often, persons with disabilities who are at the greatest risk of institutionalization, including persons with psychiatric disabilities and persons with intellectual and developmental disabilities, have been subject to homelessness or residence in segregated congregate settings like nursing homes, intermediate care facilities, board and care homes, and large group homes. Where there has been the development of permanent supportive housing, some of those buildings consist entirely of special needs units rather than containing a mix of units for individuals with and without disabilities. There has been a national shift in the dominant approach to providing permanent supportive housing that is best captured by the changes that Congress made to the Section 811 program when it passed the Frank Melville Supportive Housing Investment Act in 2010. That statute prohibits developments that receive Section 811 Project Rental Assistance funds from setting aside more than 25% of units for persons with disabilities. By not allowing a higher set-aside, the program increases the likelihood that residents with disabilities will have opportunities for meaningful interactions with people without disabilities. Setting the low end of the set-aside range at 10% effectively balances the need to ensure community integration and prevent segregation with the need to ensure that development activity results in the production of a significant number of units.

6.3 <u>Provide accessibility design training for housing developers, architects, and contractors as well as fair housing training for housing developers and property managers who receive public funds.</u>

To ensure the success of efforts to increase the supply of affordable, accessible housing through the implementation of the settlement agreement in *Independent Living Center of Southern California, et al. vs. City of Los Angeles*, it is necessary to provide training and education for the wide range of stakeholders who are involved in the production and ongoing maintenance of properties that are subject to the agreement. As discussed above, there is a glaring shortfall of affordable, accessible units in LA. It will always be more efficient to invest in ensuring accessibility before there is the potential for noncompliance instead of waiting until after a property is constructed when the retrofit process is much costlier.

6.4 <u>Increase access to integrated employment for persons with intellectual and developmental disabilities by partnering with the regional centers to connect individuals to job opportunities with public entities.</u>

Data from the regional centers paints a stark picture of the extremely limited access that persons with intellectual and developmental disabilities have to employment, in general, and to jobs paying above minimum wage, in particular, in LA. The American Community Survey confirms that labor force participation is low and unemployment is high among persons with disabilities, regardless of the type of disability. City entities such as the Economic & Workforce Development Department, the Personnel Department, and the Workforce Development Board, along with HACLA, can play a role in increasing access to employment for persons with disabilities by collaborating with the regional centers on the placement of individuals with intellectual and developmental disabilities in jobs that they can perform with the appropriate services and supports, which may be funded by Medi-Cal. Over the longer term, agencies should set hiring goals for the employment of persons with intellectual and developmental disabilities. If the City and HACLA are active partners in increasing paid employment for persons with disabilities, in addition to reducing disparities in access to opportunity, they may be able to realize greater cost efficiencies in the provision of publicly supported housing for persons with disabilities. With increasing income levels, the tenant's share of rent for Housing Choice Voucher holders and others with deep subsidies will increase, thus allowing more households to benefit from publicly supported housing.

### 6.5 Provide training to service providers on adapting their models to meet the needs of individuals with disabilities in scattered sites.

As the City and HACLA prioritize the development of publicly supported housing that is available to persons with disabilities in scattered sites where no more than 25% of units are set aside for persons with disabilities, Medi-Cal-funded services providers that are accustomed to serving individuals in group homes or in 100% special needs multi-family properties will need to adapt their delivery models. Challenges such as increased travel times between consumers and ensuring safety without a 24-hour live-in aide are real, but they are also obstacles that forward-thinking service providers across the country have effectively surmounted through the innovative use of technology and other changes. Some of the service providers that specialize in serving individuals with disabilities, including persons with intensive and complex needs, in integrated, scattered site settings also offer technical assistance and training. By contracting with an experienced service provider that has successfully overcome the barriers that local service providers are likely to face to provide training, the City and HACLA can ensure that the process of transitioning to a more integrated model of permanent supportive housing is as smooth as possible.