

I. Executive Summary

Los Angeles (LA) is a city facing a pivotal moment. Although LA remains one of the premier cities in the United States, it faces a variety of serious fair housing challenges. The City and broader region are in the midst of an affordable housing crisis. Gentrification and other structural forces, including but not limited to restrictive land use policies in high opportunity areas, have led to rising housing prices and the loss of affordable housing stock. The need for affordable housing outstrips the current supply. Large numbers of low- and moderate-income residents, who are disproportionately people of color and persons with disabilities, spend at least 30% and sometimes 50% of their income on housing payments. Los Angeles has one of the highest housing costs in the country; as a result, many low-income residents are now at risk of being displaced from their homes and communities. Social and economic opportunity is increasingly out of reach in LA for many people of color, persons with disabilities, and large families with children. The City of Los Angeles must continue to take strong action to meet these challenges.

This joint Assessment of Fair Housing (AFH) for the City of Los Angeles and the Housing Authority of the City of Los Angeles (HACLA) provides a comprehensive framework for improving access to housing and opportunity for all Los Angeles residents and promoting equity and justice for historically marginalized groups. The AFH provides an overview of demographic data, examines fair housing issues, evaluates contributing factors for each issue, and outlines meaningful goals as well as strategies to implement in order to achieve positive change and overcome those fair housing issues and contributing factors.

The AFH process has its roots in the Fair Housing Act of 1968. The Fair Housing Act not only prohibited discrimination in housing on the basis of protected characteristics but also created a duty to affirmatively further fair housing through actions designed to overcome the legacy of segregation, unequal treatment, and historic lack of access to opportunity in housing. In 2015, the U.S. Department of Housing and Urban Development (HUD) adopted a final rule to improve the manner in which its grantees comply with the duty to affirmatively further fair housing. The rule replaced the Analysis of Impediments to Fair Housing Choice planning process approach, which had been in place for two decades, with the AFH. The AFH strengthens the process by which certain HUD grantees assess fair housing issues in their jurisdictions and establish goals and strategies to address them. HUD requires grantees to use an assessment tool to identify fair housing issues and provides data relating to certain key issues. The AFH process recognizes the importance of local decision-making and establishes guidelines to help HUD program participants make well-informed decisions about fair housing issues and ultimately to meet their obligation to further fair housing.

The Los Angeles Housing and Community Investment Department (HCIDLA), which is a Department of the City of Los Angeles, and HACLA have retained Enterprise Community Partners (Enterprise) and the Lawyers' Committee for Civil Rights Under Law (Lawyers' Committee) to prepare this Joint AFH. To complete the AFH, HCIDLA, HACLA, Enterprise and the Lawyers' Committee engaged in an extensive community participation process and received input from a wide range of stakeholders. Additionally, Enterprise and the Lawyers' Committee conducted thorough research on a variety of issues and reviewed and analyzed a wealth of data provided by HUD, HACLA, and the City.

The AFH analyzes a variety of fair housing issues including patterns of integration and segregation of members of protected classes; racially or ethnically concentrated areas of poverty (R/ECAPs) within Los Angeles and regionally; disparities in access to opportunity in education, employment, transportation, environmental health, and exposure to poverty; and disproportionate housing needs. The AFH also examines publicly supported housing, fair housing issues for persons with disabilities, and private and public fair housing enforcement, outreach capacity, and resources. In order to best position HCIDLA and HACLA to address these fair housing issues, the AFH analyzes contributing factors for each fair housing issue. Some of the key contributing factors identified during the AFH process include the availability of affordable units in

a range of sizes, displacement of residents due to economic pressures, lack of access to opportunity due to high housing costs, land use and zoning laws, loss of affordable housing, private discrimination, and source of income discrimination.

LA is the nation's second largest city, and the Los Angeles-Long Beach-Anaheim, CA Metropolitan Statistical Area (MSA) is the nation's second largest metropolitan area. With a population of 3,971,896 as of the 2015 American Community Survey 1-Year Estimates, up from 3,792,621 as of the 2010 Census, the City is also undergoing rapid growth. The same is true of the metropolitan region, which has grown to 13,340,068 as of 2015 from 12,828,835 in 2010. If anything, the picture this data paints is of a misleadingly small region. Although Riverside, San Bernardino, and Ventura Counties are not included in the MSA, the population centers of those counties are very much a part of regional housing, transportation, and employment networks. When economically mobile households leave disinvested portions of the City of Los Angeles for greater access to opportunity, affluent Ventura County suburbs like Simi Valley and Thousand Oaks are as frequent destinations as Rancho Palos Verdes or Newport Beach, both of which are located within the MSA. Likewise, when low-income people of color are displaced from gentrifying neighborhoods in Central LA, they are as likely to move to Inland Empire destinations like San Bernardino and Moreno Valley as they are to Palmdale and Lancaster in the Antelope Valley in Northern LA County.

In addition to its sheer size, both the City and the region are notable for the extent of their diversity. No racial or ethnic group comprises a majority of the population of either the City or the region, and there are significant populations of Black, Asian or Pacific Islander, non-Hispanic White, and Hispanic residents, with Hispanics comprising a plurality of the population citywide and regionally. In general, Black and Hispanic residents are more concentrated in the City, and non-Hispanic White and Asian or Pacific Islander residents are more likely to live in suburban communities within the region. Over time, the Black and non-Hispanic White populations of both the City and the region have been decreasing while the Hispanic and Asian or Pacific Islander populations have been increasing.

LA's diversity, however, is not reflective of residential racial and ethnic integration. In fact, the City and the region remain starkly segregated with Black and Hispanic residents facing the highest levels of segregation and often having limited residential options outside of R/ECAPs, which are majority non-White census tracts with poverty rates of 40% or more. Black Angelenos primarily live in South LA and in cities and unincorporated areas in LA County that border South LA, such as Inglewood, Compton, Carson, and Gardena. The Antelope Valley and farther areas of the County such as Lancaster and Palmdale also have significant Black populations who have migrated from the City. Hispanics primarily live in East LA, the Westlake District and Pico-Union near Downtown LA, South and Southeast LA, the Gateway Cities in Southeast LA County, the eastern San Fernando Valley, and Santa Ana and Anaheim in LA County.

This segregation as well as a myriad of other factors discussed in this AFH have had significant and pervasive harmful effects on quality of life and access to opportunity for Black and Hispanic residents of the City and the region. The neighborhoods in which Black and Hispanic residents disproportionately reside have chronically low access to proficient schools and clean air. Many are areas of concentrated poverty where households experience overcrowding and severe housing cost burden. Private discrimination coupled with low economic mobility and public policies that reinforce existing demographic patterns have limited the ability of residents to achieve the widely shared goal of providing a better life for their children. And, when historically segregated neighborhoods that are plagued by disinvestment begin to see an inflow of private capital and public improvements, displacement to newly emerging R/ECAPs on the periphery of the region often follows close behind.

For persons with disabilities, the dimensions of segregation and lack of access to opportunity are not primarily spatial. Instead, the structural challenges facing persons with disabilities often relate to insufficient resources for home and community-based services, a shortage of integrated housing in the community, including permanent supportive housing, and ineffective coordination between housing and service delivery systems. The combination of resource shortages, discrimination in the private market and the failure to provide reasonable accommodations may push persons with disabilities into congregate settings like large group homes and institutions like nursing homes. Lack of access to opportunity

for persons with disabilities is particularly acute in the area of employment where labor force participation is chronically low and persons with disabilities who have jobs often work for less than minimum wage.

During the AFH process, the City, HACLA, Enterprise, the Lawyers' Committee, and numerous community stakeholders proposed several broad goals and specific strategies to address the types of fair housing issues and contributing factors affecting people of color, large families with children, and persons with disabilities discussed. These include:

Goal 1: Increase the stock of affordable housing throughout the city, particularly in neighborhoods of opportunity.

Strategies

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 development.
2. 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.
3. Identify and allocate city-owned land for affordable housing, particularly in current and emerging high-opportunity areas.
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).
5. Increase the stock of affordable housing for people experiencing homelessness using the following tools/resources:
 - Measure HHH
 - Transit Oriented Community Program
 - Updated Density Bonus
 - Unpermitted Dwelling Unit Ordinance
 - Shallow Subsidy Program
 - Comprehensive Homeless Strategy
6. 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.
7. 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.

Goal 2: Preserve the existing stock of affordable rental housing and rent stabilized housing.

Strategies

1. 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.
2. 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.

3. Extend affordability restrictions through loan extensions, workouts and buy-downs of affordability.
4. 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.
5. Enhance enforcement of codes and regulations around habitability.
6. Preserve at-risk housing through the issuance of Tax-Exempt Bond financing.
7. Explore the development of a pilot multifamily over-the-counter rehabilitation loan program.
8. Support the implementation of mandatory seismic retrofits of soft-story buildings.

Goal 3: Prevent displacement of low- and moderate-income residents.

Strategies

1. Expand and strengthen support against unjust evictions, including just cause evictions and rent control policies.
2. Develop and implement an acquisition and rehabilitation loan program for small multi-family properties located in areas experiencing displacement pressures. Use a set of identified metrics to help determine impacted areas in the City.
3. Explore the feasibility of a “Right to Counsel” Ordinance to protect tenants’ legal rights.
4. HCIDLA to collaborate with HACLA to examine the feasibility of achieving consistency between standards--Housing Quality Standards, Systemic Code Enforcement Program violations and LA Municipal Code standards--for privately owned housing to reduce displacement.
5. Establish a working group comprised of tenants, landlords, attorneys and judges to explore the creation of a housing court.
6. 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.
7. Stabilize families and neighborhoods by increasing homeownership opportunities to residents of the City of Los Angeles.
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.
9. Use best practice models for meaningful community engagement in planning and development decisions.
10. Coordinate with the 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.

11. 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.

Goal 4: Ensure equal access to housing for persons with protected characteristics, lower-income, and homeless residents.

Strategies

1. Study the feasibility to develop a pilot County-funded Rental Assistance Program.
2. 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.
3. Establish a working group consisting of stakeholders to study the feasibility of implementing an anti-tenant harassment ordinance.
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).
5. Enforce fair housing protections for LGBT protected classes, including gender non-conforming and non-binary persons.
6. 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.
7. Ensure the Coordinated Entry System matches people with physical disabilities with designated accessible housing units.
8. Ensure people with disabilities who cannot provide detailed personal/medical information still have access to the Coordinated Entry System.

Goal 5: Expand access to opportunity for protected classes.

Strategies

1. Implement Equitable Transit-Oriented Development utilizing Measure JJJ and TOC.
2. Maximize and secure fair share of funding from the State of California's Cap & Trade Program (the Greenhouse Gas Reduction Fund), to improve housing opportunities, increase economic investments and address environmental factors in disadvantaged communities.
3. Encourage mobility among residents living in subsidized housing in areas of poverty, particularly in R/ECAPs.
4. Enhance the City's partnership with LA Metro and further the implementation of the City's Memorandum of Understanding with LA Metro to expand the development and preservation of affordable housing and related programs as prioritized by the LA Metro Board.
5. Partner with Los Angeles Unified School District to expand access to proficient schools through housing and community development programs and activities.

6. Adopt the Clean Up Green Up 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.
7. Partner with LAPD to evaluate the feasibility and efficacy of creating a dedicated Hate Crimes Investigative Division.
8. Implement developer incentives to promote increased local hiring preferences on all housing projects.
9. Target workforce development resources in R/ECAPs to improve economic mobility.
10. Explore the feasibility of additional educational resources for public housing residents to improve educational outcomes including Saturday and Summer programs.
11. Enhance partnerships that improve environmental and health outcomes for low-income and public housing residents.
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.

Goal 6: Increase community integration for persons with disabilities.

Strategies

1. Require at least 10% of total units in all multi-family developments receiving public funds or funded with multi-family 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.
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.
3. 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.
4. 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.
5. Provide training to service providers on adapting their models to meet the needs of individuals with disabilities in scattered sites.

These goals and strategies are crucial for improving fair housing opportunities in LA and will inform the City's and HACLAs plans going forward. Some of these goals and strategies build upon foundations that have already been created while others will require more work. Although there may be challenges in implementing the strategies laid out in this AFH, the City and HACLAs have already demonstrated a proactive and collaborative approach that will aid future efforts to realize the goals of the AFH. Fully achieving these goals not only will allow Los Angeles to meet its obligation to affirmatively further fair housing, but also will establish the City as a nationwide leader in promoting access to opportunity for members of protected classes.