



## Affirmatively Furthering Fair Housing (AFFH) Policy Tips Memo

### Learning from Southern California & Sacramento: Early Experiences in Complying with AB686

This memo outlines findings from a review of eleven draft or final Southern California and Sacramento region Housing Elements to better understand how jurisdictions are integrating new state Affirmatively Furthering Fair Housing (AFFH) requirements. The goal of this review is to highlight common challenges and the feedback jurisdictions received from the Department of Housing and Community Development (HCD), to aid Bay Area jurisdictions in complying with these rules.

Bay Area jurisdictions are fortunate to learn from the experience of other regions that were required to submit their Housing Elements earlier in this sixth cycle of RHNA. This extra time, however, comes with more experience and oversight from HCD reviewers. It is therefore important to consider the findings and recommendations below to expedite their review processes and to meet the intended outcomes of AB686 to “overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity” for protected classes.

#### Methodology

Eleven Housing Elements – recommended by HCD or planning consultants – were reviewed, along with HCD’s response letters to the jurisdictions. Housing Elements were examined for their consistency with the format and content laid out according to HCD’s AFFH guidance, with acknowledgement that many of the reviewed Housing Elements were drafted before statewide guidance was released. The review was conducted not to observe how well jurisdictions followed HCD guidance, but rather to understand what worked and what needed improvement from the first several rounds of submissions in complying with State law. The following Housing Elements were reviewed:

Chula Vista	Culver City	Escondido	Long Beach
Los Angeles (City)	Los Angeles (County)	Rancho Cucamonga	Sacramento
San Diego (City)	San Juan Capistrano	West Hollywood	

#### Findings

Based on the review of these Housing Elements and HCD response letters, below are six observations and five recommendations for Bay Area jurisdictions to consider during Housing Element drafts. The five recommendations are:

1. Include place-based strategies, naming specific neighborhoods or geographies and articulating why certain strategies are best suited to tackle geographically-specific problems.
2. Ensure that strategies will address the disparate outcomes and segregation patterns of impacted racial and ethnic groups identified in the Assessment of Fair Housing portion of the Housing Element.

3. Include actions that are specific and time bound with commitments, metrics and milestones. Avoid policies with vague words like “explore” that are unaccompanied by more detailed, concrete actions.
4. Use HCD’s five fair housing categories for goals, policies and actions: (i) Outreach Capacity and Enforcement; (ii) Segregation/Integration Patterns; (iii) Racially and/or Ethnically Concentrated Areas of Poverty; (iv) Disparities in Access to Opportunity; and (v) Disproportionate Housing Need for Low-income Households and Protected Classes.
5. Follow HCD’s AFFH guidance closely, making sure to include each section and subsection in the outlined order.

### **Observation 1: Few and Vague Place-Based Strategies are Included in the Housing Elements**

Statewide AFFH requirements seek to address inequitable access to opportunity for protected classes, which plays out geographically at the neighborhood level. HCD recommends, therefore, that successful AFFH policy frameworks should include place-based responses and activities oriented around specific locations. Several Southern California jurisdictions successfully outline policies intended to tackle specific neighborhood housing and resource inequities, for example:

- *Los Angeles County describes community development work in specific low-income areas including the East San Gabriel Valley area and the Florence-Firestone Transit District.*<sup>1</sup>
- *San Juan Capistrano describes specific community development plans including Los Rios Park Improvements and a neighborhood-specific senior mobility program.*<sup>2</sup>

However, few other jurisdictions include this level of place-based specificity in their policy frameworks. Many rely on policies and programs that are not place-based at all. Others employ strategies that are place-based in theory but fail to articulate which neighborhoods these activities target and how they will tackle geographically-specific issues.

**Recommendation:** To tackle place-based inequity, jurisdictions should aim to articulate place-based responses, naming specific neighborhoods or geographies and articulating why certain strategies are best suited to tackle geographically-specific problems.

### **Observation 2: Few Housing Elements Articulate the Connection Between Policy Goals and Racial Segregation or Disproportionate Housing Need for Protected Classes**

One of the central goals of statewide AFFH requirements is replacing segregated housing patterns with truly integrated living patterns. HCD requires jurisdictions to design AFFH-responsive policies and actions that are “significant and meaningful enough to overcome identified patterns” of segregation and other housing inequities, specifically those identified in the jurisdictions’ Assessment of Fair Housing.

However, the reviewed Housing Elements largely fail to connect policies and actions directly to the issues producing residential segregation and to the issues affecting racialized groups. This observation is perhaps related to the tension between AFFH goals and antidiscrimination laws, which prohibit

---

<sup>1</sup> [Los Angeles County Housing Element](#), pages 19, 25.

<sup>2</sup> [San Juan Capistrano Housing Element](#), page 213.

jurisdictions from targeting protected classes (like racial groups) for programmatic support. Only one Housing Element reviewed successfully identifies a housing access issue which disproportionately impacts communities of color and articulates specifically how a proposed response policy – though not racially targeted – will work to address this pattern.

- *Long Beach:*
  - *AFFH goal: “Pursue homeownership opportunities with an emphasis on providing affordable options for lower and moderate income households, with a particular focus on Black households.”<sup>3</sup>*
  - *Policy and program description: “Homeownership remains a city goal, as it allows lower income households to build wealth through equity and eventually move towards financial independence. This has become an even greater priority since the City’s Framework for Reconciliation in 2020 through which Black residents and communities of color underscored the criticality of homeownership as a pathway to wealth that has been and remains less accessible to people of color. In response, new funds have been allocated for a down payment assistance program.”<sup>4</sup>*

Other jurisdictions reference an intention to target policy work “in communities of color” or “in disadvantaged communities.” But the policies, strategies and actions corresponding to these goals fail to concretely address issues faced by these communities.

- *One city in Los Angeles County aims to “Protect communities, especially communities of color, from predatory lending, land acquisition, speculative real estate transactions, and any other practices that undermine intergenerational wealth accumulation and housing stability.” However, the only corresponding supporting actions concern mobile home parks writ-large: “Support legislation that expands local authority over conversion of mobile home parks to ownership structures.”*

Still others avoid mentioning race altogether or identifying policies to address the findings of the fair housing assessments. Several jurisdictions propose policy interventions aimed at dismantling socioeconomic neighborhood segregation or expanding housing access for low-income households but fail to expressly connect these policies and actions to goals of *racial* desegregation and *racialized* housing disparity.

**Recommendation:** Jurisdictions should identify housing issues that disproportionately impact communities of color and racialized households (e.g., housing cost burden, lack of homeownership opportunities, etc.) and should incorporate policy responses that — while not racially targeted — address these issues. Jurisdictions should articulate the connection between these policies and AFFH goals related to racial desegregation and other racialized housing inequities. In particular, jurisdictions must connect the issues facing members of protected classes as identified in their Assessment of Fair Housing to their proposed list of policies and programs. Jurisdictions may in addition indicate an intention to practice affirmative outreach – the targeted advertising of policies and programs in impacted communities.

### **Observation 3: Many Policies and Actions Are Insufficiently Specific**

Statewide AFFH guidance requires jurisdictions to outline concrete policies and actions in response to local fair housing issues. Specifically, HCD requires time bound actions with “specific commitments [from local actors], metrics, and milestones.” Several jurisdictions outline policies that meet this requirement, for instance:

- *Los Angeles County: By 2023, complete equity audit of all land use plans and zoning code. Amend land use plans and zoning code to address findings of the equity audit and to ensure consistency with racial justice initiatives. By October 2029, achieve a 10% increase in multifamily housing approvals in high or highest*

---

<sup>3</sup> [City of Long Beach Housing Element](#), page 69.

<sup>4</sup> [City of Long Beach Housing Element](#), page 87.

*resource areas as determined by TCAC.*<sup>5</sup>

However, the policies and actions of many jurisdictions are not sufficiently specific – they are not time bound and they fail to include commitments from local officials or staff, metrics and milestones. Many rely heavily on vague words like “explore,” “study,” and “convene,” words HCD expressly discourages jurisdictions from using. Furthermore, there are many examples where a higher-level policy meets HCD’s specificity criteria, but corresponding actions remain non-specific and not time bound.

**Recommendation:** Jurisdictions should ensure that all policies and all corresponding actions are specific and time bound, and include commitments, metrics and milestones. Jurisdictions should avoid policies with vague words like “explore” that are unaccompanied by more detailed actions.

#### **Observation 4: Many Policies have the Potential to Impact AFFH if Linked to Segregation Patterns and Informed by Geography**

Many Housing Elements feature strong policy platforms with actions ranging from permit streamlining and inclusionary zoning, to first time home buyer assistance and tenant-based rental assistance.

However, as a result of the three preceding observations, many of these policies and actions are insufficiently focused on fair housing issues. Instead, the policy approach appears to rest on an unstated assumption that by tackling issues of supply and affordability more broadly, fair housing goals will also be achieved. Absent more specific language targeting place-based inequities and racial segregation, it is unclear whether or how these policies will advance AFFH goals. If jurisdictions effectively link, define, and target their otherwise strong policy platforms, however, these platforms have potential to impact AFFH. Examples of this include:

- *A city in Los Angeles County references the City’s 2022 budget allocation of \$3 million for economic empowerment zones, including dedicated funding for community land trusts (CLTs), stating as an AFFH goal the provision of “technical assistance to community groups in establishing CLTs for community ownership of affordable housing.”* Like many others, this goal could have a significant AFFH-related impact if linked to segregation patterns and geographically targeted.

**Recommendations:** See Observations #1, #2, and #3

#### **Observation 5: HCD is looking for Cities to Organize their Housing Elements according to the AFFH Guidance**

HCD outlines a specific organizational system for addressing AFFH requirements in Housing Elements. State guidance lays out a template, requiring jurisdictions to:

1. Assess five discrete components of fair housing issues: (i) Outreach Capacity and Enforcement; (ii) Segregation/Integration Patterns; (iii) Racially and/or Ethnically Concentrated Areas of Poverty; (iv) Disparities in Access to Opportunity; and (v) Disproportionate Housing Need for Low-income Households and Protected Classes.
2. Identify the primary causes of these fair housing issues (or “contributing factors”) and list these causes *for each of the same five categories*.
3. Identify fair housing solutions (or goals, policies and actions) that connect conceptually to the preceding assessment and organize these policy solutions *again into the same five categories*.

Many jurisdictions effectively identified goals/policies/actions that responded to their fair housing assessments and contributing factors. However, most jurisdictions did not use HCD’s organizational system — using the five conceptual buckets only for the fair housing assessment and forgoing them in

---

<sup>5</sup> [Los Angeles County Housing Element](#), pages 31-37.

later sections. These jurisdictions received letters from HCD in response to their draft submissions asking them to reorganize their Housing Elements.

**Recommendation:** Jurisdictions should use HCD's five fair housing categories to organize multiple sections of AFFH analysis: fair housing assessment, contributing factors, and goals/policies/actions.

### **Observation 6: HCD is doing a Thorough Review**

HCD is doing a thorough review of Housing Element drafts and connecting the dots between APRs, current goals/policies/actions, site analyses and fair housing assessments. It is clear from comment letters that HCD is reviewing Housing Element drafts in their entirety using an AFFH lens, rather than only examining AFFH sections, when providing comments on AFFH requirements. Many jurisdictions have received comments from HCD for failing to connect all of these pieces:

- *HCD comments to a city in Los Angeles County: "Goals, actions and metrics must be modified based on the outcomes of more complete [fair housing and site] analyses."*
- *HCD told many jurisdictions that their goals/policy actions must be "significant and meaningful enough to overcome identified patterns" and that their actions should have "specific commitments, metrics and milestones."*
- *HCD comment to another city in Los Angeles County: "Programs for anti-displacement and new housing in high opportunity areas do not appear adequate to address the fair housing issues described in the element."*

HCD is reviewing Housing Elements to make sure that jurisdictions cover all the section/subsection requirements in a sensible order. Many jurisdictions received comments from HCD about missing specific elements of the AFFH guidance:

- *For example, several jurisdictions missed required components of the fair housing analysis like "Local Data and Knowledge" and "Other Relevant Factors."*
- *Other jurisdictions effectively listed contributing factors but failed to prioritize these factors by salience.*

**Recommendation:** Jurisdictions should follow HCD's guidance closely, making sure to include each section and subsection in the outlined order.