



# MEMORANDUM

## TOWN OF PORTOLA VALLEY

---

TO: Ad Hoc Housing Element Committee

FROM: Laura C. Russell, Planning & Building Director

DATE: April 18, 2022

RE: **Affirmatively Furthering Fair Housing Policies**

### I. Affirmatively Furthering Fair Housing (AFFH) Background

State law requires jurisdictions to administer Housing Element programs in a manner that actively seeks to achieve fair housing. Pursuant to AFFH law, the Town has a legal obligation to take meaningful acts in addition to combating discrimination that 1) overcome patterns of segregation and 2) foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. AFFH rules go further and require jurisdictions actively work to dismantle the legacy of segregation and to create equal housing opportunities. While the Housing Element will contain a separate required section devoted to AFFH, it must also be woven into the Town's goals, policies and programs, including identification of fair housing goals and actions, demonstrating new affordable housing in opportunity areas.

### III. Portola Valley Fair Housing Issues and Contributing Factors

21 Elements with Root Policy Research prepared a Fair Housing Assessment for Portola Valley. Below are fair housing issues identified for the Town and factors contributing to these issues.

**Fair housing issue #1:** No residents file fair housing complaints, indicating a potential lack of awareness about fair housing rights.

Contributing factors:

- Lack of access to information about fair housing rights.
- Limited knowledge of fair housing by residents.

**Fair housing issue #2:** The Town of Portola Valley has limited racial and ethnic diversity (18% of residents are non-White Hispanic) compared to San Mateo County (61%) and the Bay area overall, and very limited economic diversity (73% of households earn more than 100% AMI compared to 49% in the county overall).

Contributing factors:

- There is a lack of affordable housing opportunities throughout the town.
- There are no areas of the town that are zoned to allow moderate or high density residential development.

**Fair housing issue #3:** Hispanic and Asian households face very high rates of mortgage loan denials when trying to purchase homes in Portola Valley (50% and 25%, respectively).

Contributing factors:

- It is well documented that persons of color—particularly African American residents—were denied loans to purchase homes, were not allowed to buy in many neighborhoods because of restrictive covenants, and were harassed if they managed to purchase a home in a predominantly White neighborhood. These historical actions have led to a significant homeownership gap among racial and ethnic minorities.

### III. Potential Policies

Staff and consultants reviewed best practices from other communities to develop potential policies to address the fair housing issues outlined above as. Staff requests that the Committee review the proposed list, provide any comments, and suggest any other AFFH policies.

- 1. Increase Workforce Rental Housing:** Rezone properties in Town to allow multifamily housing with a range of affordability levels and deed restrictions to ensure affordability over time. Affirmatively market the housing to households with disproportionate housing needs including Black and Hispanic households.
- 2. Regional Housing Trust Fund or Other Regional Collaboration:** Support a regional Housing Trust Fund that is funded by a diversity of jurisdictions and allocated to communities based on poverty, cost burden, and segregation. Fund could support affordable housing production, community amenities, last/first month's security deposits, downpayment assistance, etc. Pair assistance with affirmative marketing to households with disproportionate housing needs including Black and Hispanic households (e.g., Spanish and English).
- 3. Promote Affordable ADUs and JADs:** Investigate the feasibility of a program that would connect service providers that help displaced renters with ADU owners in Portola Valley that want to rent to low-income renters.

Develop assistance programs for JADUs to make alterations easier and more cost effective so that additional units can be developed within the existing building envelope of houses and made available at more affordable rates.

- 4. Rental Assistance Program:** Engage through the Race and Equity Committee to convene a discussion with BIPOC populations who are experiencing comparatively high rates of cost burden to discuss solutions for relief and consider a rental assistance program tailored to extremely high cost burdened residents.

5. **Promote Fair Housing Information:** Update the Town's housing webpage to include fair housing including resources for residents who feel they have experienced discrimination, information about filing fair housing complaints with HCD or HUD, and information about protected classes under the Fair Housing Act.
6. **Fair Housing Training:** Race and Equity Committee partner with Project Sentinel, or another affordable housing organization, to perform fair housing training for property owners, real estate agents, and tenants across the region. Focus enforcement efforts on race based discrimination and reasonable accommodations.