

## 5. FAIR HOUSING

### Introduction

Assembly Bill (AB) 686 requires that all housing elements due on or after January 1, 2021, contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal AFFH Final Rule of July 16, 2015.

Under state law, affirmatively furthering fair housing means to take “meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”

AB 686 requires the City of Placerville, and all jurisdictions in the state, to include the following in the Housing Element:

- A summary of fair housing issues in the jurisdiction and an assessment of the City’s fair housing enforcement and outreach capacity;
- An analysis of available federal, state, and local data and knowledge to identify integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs within the City, including displacement risk;
- An assessment of the contributing factors for the fair housing issues identified in the analysis;
- An identification of the City’s fair housing priorities and goals, giving highest priority to the greatest contributing factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance; and
- Concrete strategies and actions to implement the fair housing priorities and goals in the form of programs to affirmatively further fair housing.

Appendix B contains the City’s Housing Element Fair Housing Assessment prepared by BAE Urban Economics. Pages B-72 and B-73 of the Fair Housing Assessment provide a summary of the known fair housing issues, their contributing factors, and where applicable notations of instances where protected classes are disproportionately impacted. Due to the community’s relative size and historically rural character, the available data, supplemented by local knowledge and experience, indicates that lower-income households, and the housing and fair housing issues which they often face, are generally distributed throughout the City of Placerville, with no notable concentrations of lower-income or more affluent households. While potential displacement remains a distinct concern among lower-income households, and particularly among renters, these households are widely dispersed throughout the community. Therefore, the policies, programs, and actions pertaining to fair housing are not geographically targeted but are rather aimed at addressing needs within the community wherever they arise.

Pages B-73 through B-75 of the Fair Housing Assessment summarizes the City's fair housing priorities and goals and identifies recommended policies and programs to affirmatively further fair housing (Tables 17 and 18). The recommendations prioritize actions that address the fair housing issues identified that impede fair housing choice or access to opportunity, or that negatively impact civil rights compliance. As a result of the Fair Housing Assessment, the following Housing Element goals, policies and implementation programs address and implement the City's fair housing strategy are provided as Table 5-1:

**Table 5-1: Fair Housing Implementation Programs to Address Fair Housing Goals and Strategies**

Fair Housing Assessment Goal	Fair Housing Assessment Strategy	Housing Element Implementation Program (see Programs in Policy Document)
<p>1. Expand and preserve affordable housing opportunities, both rental and for sale.</p>	<p>1.a. Encourage reasonable policies for tenant criminal history, rental history, credit history, and reasonable accommodations</p>	<p>D-1. Create Resource Base Information and Materials on Fair Housing; D-3. Landlord Education of Fair Housing</p>
	<p>1.b. Increase accessibility and affordable housing opportunities.</p>	<p>A-1. RHNA Residential Land Inventory; A-2. Infill Development Sites; A-3. High-Density Development Land Inventory and Objective Design Standards A-5. Multi-Family Residential Zone Minimum Densities and Development Regulations; B-1. Public Outreach for special needs households; B-3. Accommodate Housing for Persons with Disabilities; B-5. Housing for Developmentally Disabled Persons B-6. Senior Housing; B-8. Residential Care Facilities; C-1. Density Bonus; C-2. Accessory Dwelling Units (ADUs); C-3. Prototype ADU Plans; C-4. Pursue State and Federal Funding; C-5. Permit and Development Impact Fees; C-6. Self-Help Housing C-7. Statewide Community Infrastructure Program (SCIP); E-1. Expand Public Transportation and Alternative Transportation Infrastructure.</p>

		<ul style="list-style-type: none"> <li>F-1. Housing Rehabilitation;</li> <li>F-2. Conduct Housing Conditions Survey;</li> <li>F-3. Code Enforcement;</li> <li>F-4. Historic Preservation;</li> <li>F-5. Demolition Regulations</li> </ul>
	1.c. Encourage residential infill opportunities.	<ul style="list-style-type: none"> <li>A-1. RHNA Residential Land Inventory</li> <li>A-2. Infill Development Sites;</li> </ul>
	1.d. Engage the private sector in solutions.	<ul style="list-style-type: none"> <li>B-1. Public Outreach for special needs households;</li> <li>F-3. Code Enforcement;</li> <li>F-4. Historic Preservation;</li> <li>F-5. Demolition Regulations;</li> <li>G-2. Preservation of "At-Risk" Units;</li> <li>G-3. Mobile Home Park Conversion</li> </ul>
2. Address disproportionate housing needs of minorities and people with disabilities	2.a. Ensure that under-represented communities and people with disabilities are aware of opportunities to access affordable housing and housing related services.	<ul style="list-style-type: none"> <li>B-1. Public Outreach for special needs households;</li> <li>B-3. Accommodate Housing for Persons with Disabilities;</li> <li>B-5. Housing for Developmentally Disabled Persons</li> </ul>
3. Proactively provide resources and education on fair housing right, responsibilities, and services	3.a. Make fair housing educational materials and referral information available on the City's website and at key locations (e.g., City Hall, libraries, etc.) for the public and other community gathering places.	D-1. Create Resource Base Information and Materials on Fair Housing
	3.b. Ensure that all relevant materials are appropriately translated for use by persons with limited English proficiency.	D-1. Create Resource Base Information and Materials on Fair Housing

	<p>3.c. Conduct outreach to community organizations, churches, etc., that have connections to key non-White populations to proactively provide information on fair housing.</p>	<p>D-2. Community Outreach</p>
	<p>3.d. Encourage reasonable policies for tenant criminal history, rental history, credit history, and reasonable accommodations.</p>	<p>D-3. Landlord Education of Fair Housing</p>
<p>4. Close gaps in transportation to promote fair housing and access to opportunity.</p>	<p>4.a. Consider extending public transportation and/or alternative transportation infrastructure to expand accessibility into underserved areas and/or times of day when transit is not otherwise available.</p>	<p>E-1. Expand Public Transportation and Alternative Transportation Infrastructure.</p>

### **Fair Housing Assessment of the Housing Element Sites Inventory**

Prior to AB 686, State Housing law required jurisdictions to identify sites that are appropriately zoned and available to accommodate its Regional Housing Need Allocation (RHNA). AB 686 now requires that a jurisdiction identify sites throughout the community in a manner that is consistent with its duty to affirmatively further fair housing pursuant to Government Code Section 65583 (c) (10) (A). In the context of affirmatively furthering fair housing, the site identification requirement involves not only an analysis of site capacity to accommodate the RHNA, but also whether the identified sites serve the purpose of replacing:

*"...segregated living patterns with truly integrated and balanced living patterns, and transforming racially and ethnically concentrated areas of poverty into areas of opportunity."*<sup>1</sup>

The following summarizes the review of the City of Placerville Housing Element Sites Inventory. The sites inventory is provided in Section 6. Resources. Maps and analytical techniques developed by the U.S. Department of Housing and Urban Development (HUD) as part of the implementation tool for the 2015 Affirmatively Furthering Fair Housing (AFFH) rule, which was recently endorsed by HCD, were used in the review. A key consideration is to ensure that housing sites proposed for development to accommodate lower-income and moderate-income households are not unduly concentrated and/or segregated and/or located in areas of low opportunity.

#### ***Housing Element Sites Inventory***

There are 46 sites included in the City's regional housing needs allocation (RHNA) inventory (see Section 6. Resources: Tables 6-4, 6-5 and 6-6, and Figure 5-1 of this Section). This inventory was updated based on recommendations provided by BAE Urban Economics in its conduction of a Fair Housing Assessment (Appendix B) for the City. BAE suggested the City evaluate the extent to which sites exist within the two California Tax Credit Allocation Committee (TCAC) Opportunity Map moderate opportunity areas that could be designated for lower-income and moderate-income housing development at adequate densities.

Opportunity areas refer to geographic areas that have access to resources (goods, and services including employment, education, and transportation) that offer individuals, particularly low-income households and individuals, the best chance at economic advancement, high educational attainment, and good physical and mental health. Low-income communities and communities of a culturally, ethnically, or racially distinct group often have disproportionate access to opportunity. Access to opportunity is generally expressed as "high resource," "moderate resource," or "low resource."

Of the 46 sites included in the inventory, 5 feature lower-income development capacity of up to 244 units, while 16 feature moderate-income development capacity of up to 52 units. The

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<sup>1</sup> Gov. Code, § 8890.50 (b).

remaining 25 are anticipated for low density, above moderate-income development capacity of up to 128 units. Sites selected meet the 6<sup>th</sup>-cycle regional housing needs allocation (RHNA) for the City of Placerville, which includes 90 lower-income units, 50 moderate-income units, and 119 above moderate-income units.

Figure 5-2 shows the location of the housing site inventory within the TCAC Block Group Opportunity Designation areas. The five low-income housing sites are located block groups 310001 and 310004. Both of these block groups are areas of low non-White concentration (see Figure 5-3). While these block groups are identified as low resource by the TCAC, these areas offer good pedestrian and bicycle access to employment opportunities and resident serving retail and services, including grocery, within the Placerville Drive commercial corridor. There are additional social amenities and services in this corridor's greater area including the main branch of the El Dorado County library system, El Dorado County government offices including Health and Human Services offices of employment and family services, a movie theater, performing arts theater, the El Dorado County Fairgrounds, the El Dorado Trail, the Joe Stancil Skate Park, the Boys and Girls Club of El Dorado County, and established in early 2021 two child care centers and farmer's markets. The Placerville Drive business corridor is also well served by public transportation, including a park and ride facility along Forni Road and US Highway 50. Though block group 31004 does not feature any schools, the adjacent block group 31001 includes both a middle school and a high school.

Of the 15 moderate-income sites, only three feature estimated capacities greater than one unit each. One is a high-density multifamily housing sites located in block group 312002, which is an area with a relatively low non-White concentration. The other two are low density multifamily housing sites located in block group 312003, which is an area with a moderate non-White concentration surrounding the greater Downtown. The remaining sites include two that are located in block group 310004 and 10 located in block group 312001, both of which have relatively low non-White concentrations. All of the block groups identified are listed as low resource according to TCAC, with the exception of block group 312001, which is identified as moderate resource (there are 10 moderate-income sites located within this block group). Despite the low resource designation, block groups 310001, 310004, and 312003 have good access to resident serving amenities (e.g., retail), employment, education, and transportation.

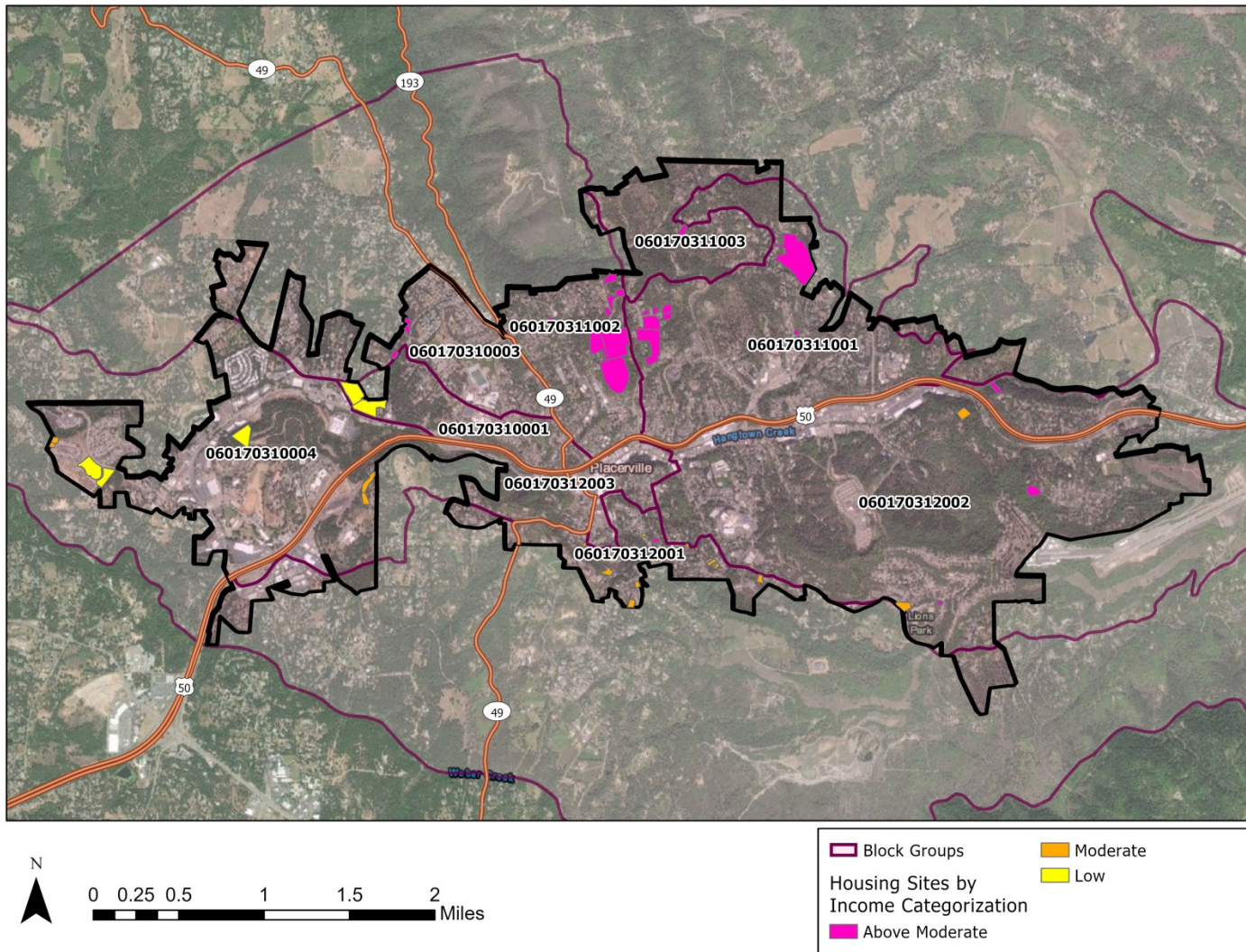
There are 26 sites identified for development that serves above moderate-income households, including seven that can accommodate multiple units. These sites are located in block groups 310003, 311001, 311002, 312001, and 312002. These bock groups are primarily located to the east of Highway 49, further from the resources that are present in the Downtown area and along the Placerville Drive corridor. These areas are also less well served by public transportation, though higher-income households generally have better access to personal vehicles. These block groups are all identified as being low resource with the exception of block groups 310003 and 312001 which are identified as moderate resource. All of these block groups also show relatively low amounts of non-White concentration, with the exception of block group 310003,

which has the highest non-White share of all of the block groups in Placerville, including Hispanics, Asians, American Indians, and persons of two or more race.

All of the sites in the inventory are privately owned and are both vacant and available. All sites have adequate water, sewer, and dry utilities (electricity, cable, and telephone) that are both adequate and available. Figure 5-1 illustrates the location of the Housing Element sites in comparison to the City boundary and the current Census block group boundaries, which are used throughout this analysis.

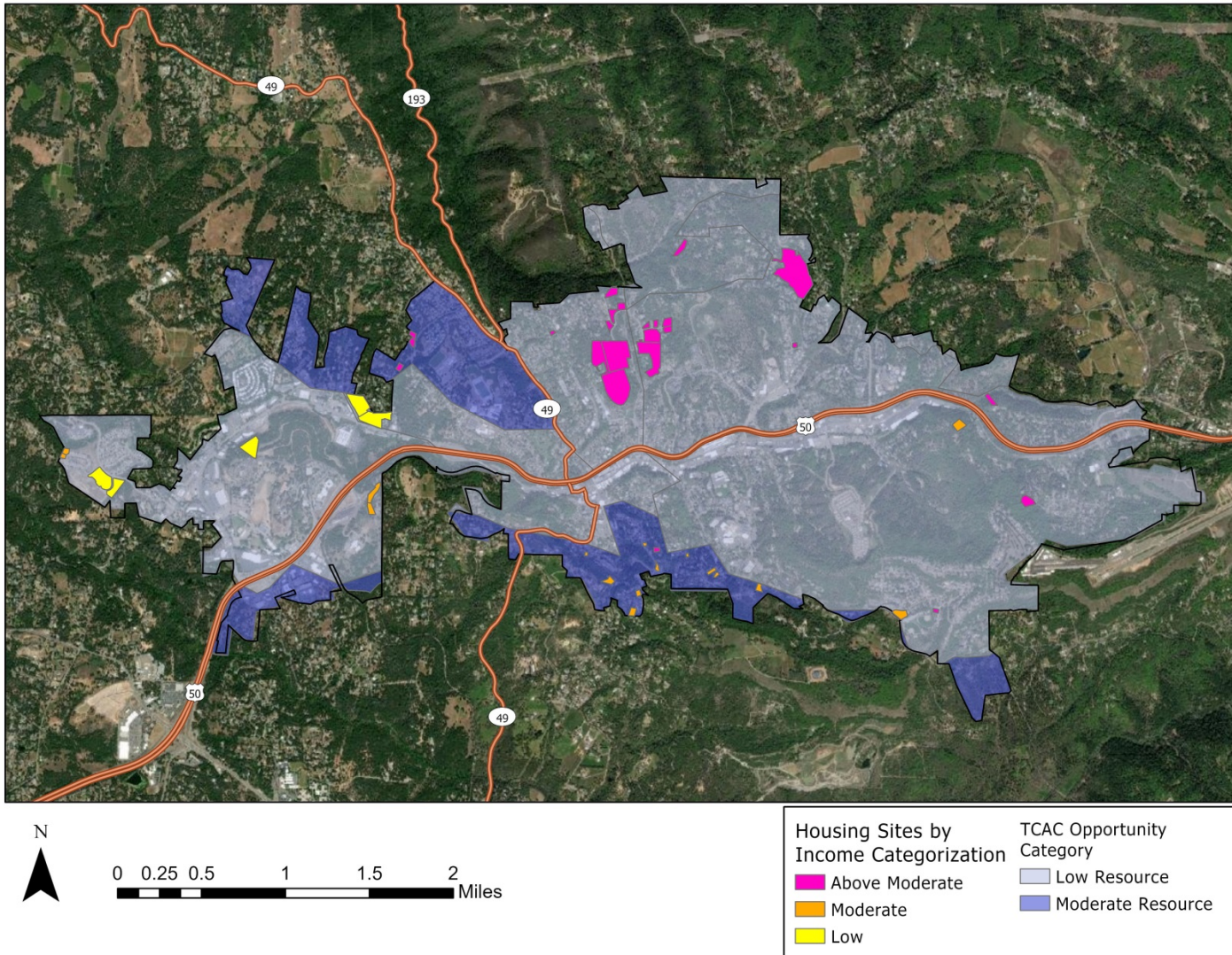


Figure 5-1: Housing Element Sites Inventory, with City Limits and Census Block Group Boundaries



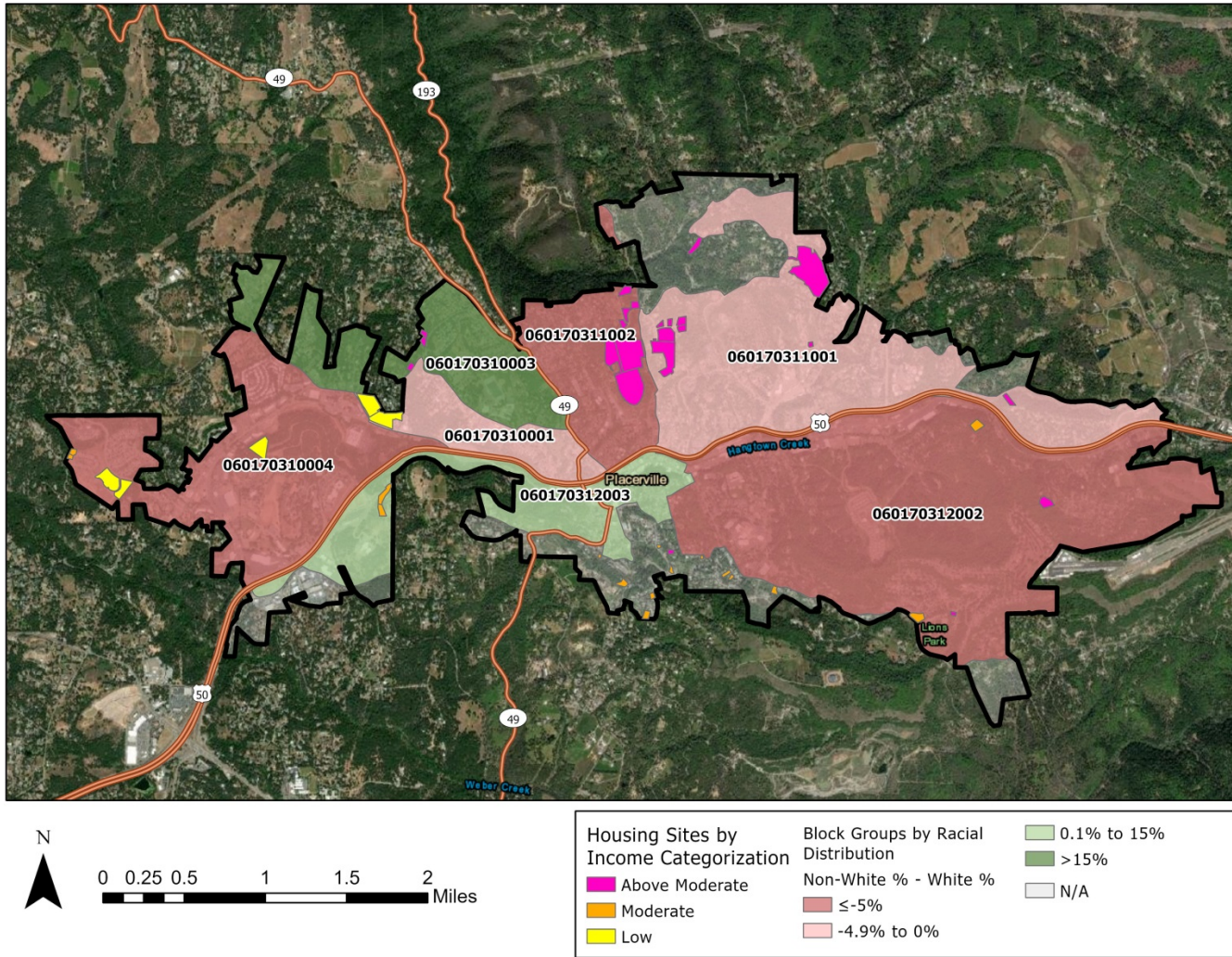
Sources: City of Placerville; U.S. Census Bureau; BAE, 2021.

Figure 5-2: Housing Sites and TCAC Block Group Opportunity Designations



Sources: City of Placerville; TCAC; BAE, 2021.

Figure 5-3: Non-White Share Minus Non-Hispanic White Share by Block Group, City of Placerville, 2014-2018



Sources: City of Placerville; U.S. Census Bureau; BAE, 2021.

### ***R/ECAP Areas***

As documented in the Fair Housing Assessment, there are no Census block groups within the City of Placerville that meet the federal definition of a racially or ethnically concentrated area of poverty (R/ECAP). Under the existing guidance from HUD, the definition of an R/ECAP involves both a racial and ethnic concentration threshold, as well as a poverty test. The racial and ethnic concentration threshold requires that an R/ECAP have a non-White population of 50 percent or more. The poverty test defines areas of “extreme poverty” as those where 40 percent or more of the population lives at or below the federal poverty line, or those where the poverty rate is three times the average poverty rate in the metropolitan area, whichever is less. In areas that are unlikely to have racial or ethnic concentrations as high as 50 percent, such as Placerville, the R/ECAP is adjusted to 20 percent. There are no block groups located within the City of Placerville that meet either of these definitions according to data collected from the 2014-2019 American Community Survey (ACS).

### ***Areas of Non-White Concentration***

Recognizing the lack of R/ECAP areas, which are a primary point of concern when evaluating the sites inventory (i.e., that none of the identified sites are located within known R/ECAP areas), this analysis further compares the location of Housing Element sites to areas of relatively high non-White concentration. Figure 5-3 illustrates the extent to which Census block groups within the City of Placerville show an overconcentration of non-White residents compared to non-Hispanic Whites. More specifically, the values identified in the legend reflect the relative concentration of non-White residents (i.e., non-White residents in the block group divided by the total non-White population of the study area) in each block group compared to the relative concentration of non-Hispanic White residents (i.e., non-Hispanic Whites in the block group divided by the total non-Hispanic White population of the study area).

This data indicates that block group 310003 features a disproportionate concentration of non-White residents in general (23.4 percentage points), as well as among American Indians (54.8 percentage points), Asians (57.6 percentage points), persons of two or more races (34.6 percentage points), and Hispanics or Latinos (18.4 percentage points). Block group 310003 is identified in the California Tax Credit Allocation Committee’s (TCAC) data as a moderate resource area. This block group contains three housing sites that are all under one-half acre in size and are anticipated for development of above moderate-income housing. There are no lower-income or moderate-income sites located in block group 310003.

Block group 312003 also shows a disproportionate concentration of non-White residents in general (11.1 percentage points), as well as among African Americans (15.3 percentage points), American Indians (15.2 percentage points), persons of two or more races (2.1 percentage points), and Hispanics or Latinos (14.3 percentage points). This block group contains two housing sites that are both anticipated for moderate-income housing.

In addition, block groups 310001, 311001, and 312002 also show disproportionate concentrations of non-White residents within certain racial and ethnic categories. More specifically, block group 310001 shows a modest (5.5 percentage points) overconcentration of Asian residents. As noted above, block group 310001 includes two of the City's two lower-income housing sites. Block groups 311001 shows a small (0.8 percentage points) overconcentration of persons of two or more races, and contains a total of 11 housing sites, which are anticipated for above moderate-income housing. Block group 312002 shows a significant overconcentration (48.7 percentage points) of African American residents, and hosts one moderate-income and three above moderate-income housing sites.

### ***Areas of High vs. Low Opportunity***

As illustrated in Figure 5-2, none of the City's lower-income or moderate-income housing sites are located in either of the two block groups that are identified in the TCAC Opportunity Maps as being moderate opportunity areas (note that Placerville has no high opportunity areas). The TCAC Opportunity Maps do not adequately reflect the on-the-ground reality regarding access to opportunities in Placerville. As analyzed in this Section, the Downtown and the Placerville Drive corridor represent areas with some of the best access to residential amenities, employment opportunities, and transportation options within the City of Placerville, yet due to the size of the block group areas resulting from the community's relatively low population density these areas are shown as being low resource. By placing low-income housing sites primarily within the Placerville Drive corridor and the surrounding area they provide better access to opportunity than in other parts of Placerville.

### ***Access to Transportation***

Figure 5-4 illustrates the location of the City's housing sites in relation to the El Dorado Transit bus routes and stops. Based on this information the lower-income and moderate-income housing sites appear well served by public transit. To address housing sites located in block group 312002 (e.g., the area around Lion's Park) that have substandard access to public transportation and alternative travel infrastructure, as this area was identified in the Fair Housing Assessment, Implementation Program E-1 will address the potential expansion of public transportation routes and frequency to serve this and other areas currently underserved.

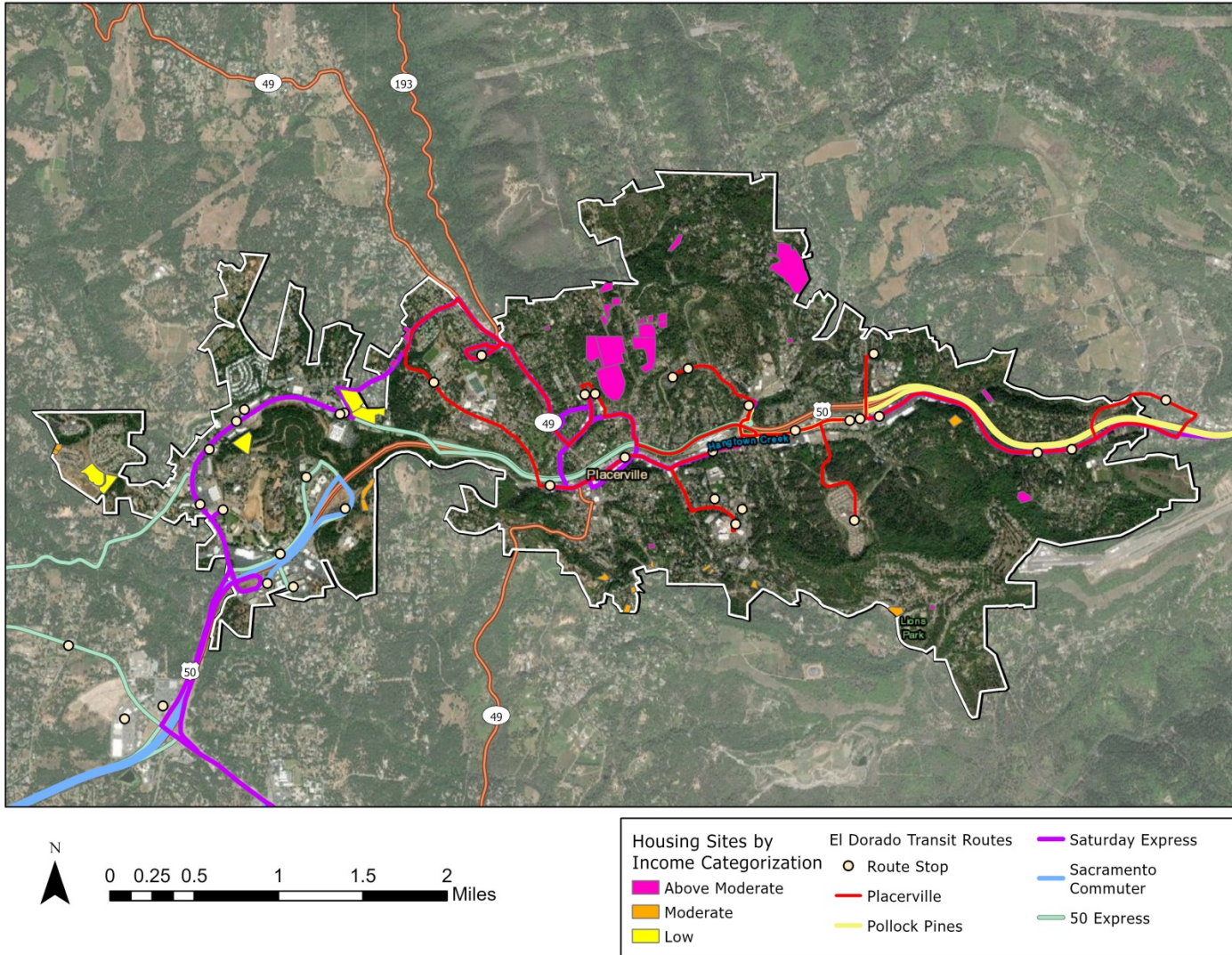
### ***Resident Displacement***

While there is no single accepted definition for displacement risk, this analysis assumes that any lower-income renter household that is experiencing one or more of the HUD defined housing problems, discussed above, may be at risk for displacement. This is because, as lower-income renters, these households are more exposed to increases in housing costs and, due to the nature of rental contracts, are subject to issues such as the non-renewal of leases, refusal to conduct or substandard maintenance of properties over which the renter has no control, etc. Nonetheless, lower-income owner households may also be at some risk for displacement resulting from disruptions to their income, such as temporary unemployment or illness resulting in missed mortgage payments, as well as due to issues like deferred maintenance. The available data indicate that there were 1,360 lower-income renter households and 630 lower-income owner

households in Placerville between 2013 and 2017 who experienced one of the four HUD defined housing problems. The data, as well as local knowledge and experience, indicate that these households are generally distributed throughout the community, without any discernable patterns of concentration.

Staff identified the potential future expansion of capacity of Highway 50 through Placerville as being one of the only known planned public or private investments that may pose a potential to displace existing households. On a smaller scale, reinvestment and rehabilitation of existing single-family homes may pose some risk for resident displacement; though many of the units undergoing rehabilitation were previously in poor condition and do not create displacement concern. Rather, rehabilitation activity in Placerville often functions to bring previously disused property back into active residential use, which represents a functional expansion of the local housing stock. Lastly, stakeholders noted a perceived increase in the prevalence of residential units providing short-term visitor accommodation. To defer impacts to the local housing stock and minimize displacement pressure resulting from short-term rental (STR) activity, the City proposes to develop explicit policies to prohibit short-term rental activities within dedicated residential zones in Placerville. While the future expansion of Highway 50 would impact properties in proximity to the right of way, those improvements are likely to occur outside of the current Housing Element planning period. Meanwhile, the rehabilitation and STR activity noted above is distributed throughout the community.

Figure 5-4: Housing Sites and El Dorado Transit Routes



Sources: City of Placerville; El Dorado Transit; BAE, 2021.