

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: March 21, 2017

FROM: Megan Hunter, Community Development Director, and Community Development (CD) Department.

BY: Anastacia Wyatt, Planning Manager, Community Development (CD) Department.

SUBJECT: **Assessment of Fair Housing (AFH) Collaboration Agreement**

RECOMMENDATION:

Staff recommends that the City Council approve a Resolution authorizing the Assessment of Fair Housing (AFH) Regional Collaboration Agreement between the City of Salinas, County of Monterey – Urban County, City of Monterey, City of Seaside and Housing Authority of the County of Monterey (HACM).

DISCUSSION:

The purpose of this report is to provide the City Council with an overview of the United States Department of Housing and Urban Development (HUD) Affirmatively Furthering Fair Housing (AFFH) Final Rule, Assessment of Fair Housing (AFH) update and proposed AFH Collaboration Agreement with the City of Salinas, County of Monterey – Urban County, City of Monterey, City of Seaside and Housing Authority of the County of Monterey (HACM), hereinafter referred to as the Regional Collaboration (RC).

The City of Salinas is serving as the Lead Agency in this effort to provide day-to-day oversight and planning activities throughout the AFH update process, prepare a draft Request for Proposals (RFP) to select the Consultant for review and ultimately submit the collaborative AFH to HUD.

Affirmatively Furthering Fair Housing (AFFH) Final Rule

Affirmatively Furthering Fair Housing (AFFH) is a legal requirement that the Regional Collaboration (RC) as grantees receiving federal funds and Consolidated Plan program participants, further the purposes of the Fair Housing Act. This obligation has been in the Fair Housing Act since 1968 (and included in Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3608 and Executive Order 12892). For the past forty years, HUD funding recipients are obligated by law to reduce barriers to fair housing established in the Fair Housing Act of 1968. On July 16, 2015, HUD released the AFFH Final Rule. The purpose of the AFFH Final Rule is to equip communities that receive HUD funding with the data and tools that will help to meet long-standing fair housing obligations in utilizing HUD funds. The RC will use HUD's data tools to complete this study to determine patterns of integration and segregation, racially and ethnically concentrated areas of poverty, disproportionate housing needs, and disparities in access to opportunity.

The AFFH final rule requires communities to take meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination.

The AFH

The AFH refers to the analysis undertaken pursuant to 24 C.F.R. § 5.154. The RC will conduct the AFH in accordance with the requirements for consultation and community participation, outlined in 24 C.F.R. 5.158. As part of its continued fair housing efforts, the City recently prepared a HUD required fair housing plan called the “Analysis of Impediments to Fair Housing Choice” (AI) concurrent with its 2015-19 Consolidated Plan (Con Plan). The AFH will replace the current Analysis of Impediments (AI) process, conducted every five years. The City is committed to affirmatively furthering fair housing and overcoming identified impediments to fair housing choice. The AI included regional and local data sources along with planning documents to provide an overview of the laws, policies, procedures, and circumstances that shape housing choice for individuals and households in the City. The AFH requires communities to take the data and planning efforts one-step further by taking actionable steps to meet fair housing goals.

Assessment of Fair Housing (AFH) Collaboration Agreement

HUD encourages a “regional collaboration approach” that includes Public Housing Authorities (PHA) and neighboring jurisdictions to conduct and submit a regional collaborative AFH. Therefore, the proposed AFH collaboration includes the City of Salinas, County of Monterey – Urban County, City of Monterey, City of Seaside and Housing Authority of the County of Monterey (HACM) as Consolidated Plan program recipients conducting an Assessment of Fair Housing (AFH). The rationale for the collaborative effort is that fair housing issues cross-jurisdictional boundaries and all Consolidated Plan program participants are required to conduct a regional analysis whether or not they choose to work with regional partners. It is, therefore, in the City’s best interest to collaborate with neighboring jurisdictions and the PHA to share the costs of the AFH while participating in a regional analysis. The regional collaboration promotes fair housing goals and priorities in community development and housing planning processes and assists the region to target policies that would lead to meaningful actions that would overcome discrimination and promote fair housing choice throughout Monterey County.

Alignment of Consolidated Planning and Public Housing Authority Planning Cycles

The Regional Collaboration program participants enter the AFH process with varying Consolidated Plan due dates. In order for the regional collaboration to align, the Regional Collaboration program participants requested HUD approval to submit a regional AFH. Alice Walkup, Community Planning and Development Representative at the San Francisco Regional Office of HUD approved the regional effort and agreed to align the due dates of the program participants. This will enable the submission of the collaborative AFH. Submission of the regional AFH planning document is due to HUD by October 5, 2019.

Next Steps

Consolidated Plan participants in the RC are taking this proposal to their councils this month. Once fully approved by each participant, the next step is to prepare a Request for Proposal (RFP) and secure a consultant to begin the update the AFH planning document.

ISSUE:

Shall the City Council approve the Resolution authorizing the Assessment of Fair Housing (AFH) Regional Collaboration Agreement between the City of Salinas, County of Monterey – Urban County, City of Monterey, City of Seaside and Housing Authority of the County of Monterey (HACM)?

COMMISSION, COMMITTEE, COUNCIL SUBCOMMITTEE RECOMMENDATIONS:

The staff report and proposed AFH Collaboration Agreement incorporates the CDBG/Housing Subcommittee’s formal recommendation from the January 19, 2016, meeting to the City Council. The subcommittee agreed that the City collaborate with the RC on the AFH.

FISCAL IMPACT:

The shared cost allocation is determined by a calculation of population by region or number served plus a \$10,000 base cost share. The estimated cost to the City of Salinas is up to \$42,754. The funding is part of CIP 9215 that included the HUD Consolidated Plan. This project funded by Measure G was originally budgeted at \$310,000 for FY 19-20. Due to HUD Requirements, funding priority will be given to this project and be included in FY 2017-18 Capital Improvement Budget. The estimated total cost of the study is \$125,000. However, this could change depending on the market conditions or consultant chosen. There are significant cost savings due to the shared cost among jurisdictions. The table below details the estimated costs to each jurisdiction involved in the study.

Program Participant	Population	Share of Population	Base Cost (6.2)	Population Share Cost (6.3)	Total
HACM Section 8	8,135	2.4%	\$10,000	\$1,771	\$11,771
City of Monterey	27,810	8.1%	\$10,000	\$6,055	\$16,055
City of Salinas	150,441	43.7%	\$10,000	\$32,754	\$42,754
City of Seaside	33,025	9.6%	\$10,000	\$7,190	\$17,190
Urban County	125,064	36.3%	\$10,000	\$27,229	\$37,229
Total	344,475		\$50,000	\$75,000	\$125,000

TIME CONSIDERATIONS:

The AFH submission due date to HUD is October 5, 2019. If the City does not submit this document in a timely manner, HUD could discontinue future HUD funding.

ALTERNATIVES/IMPLICATIONS:

Council may:

- 1) Approve the Resolution authorizing the Assessment of Fair Housing (AFH) Regional Collaboration Agreement between the City of Salinas, County of Monterey – Urban County, City of Monterey, City of Seaside and Housing Authority of the County of Monterey (HACM).
- 2) Direct staff to change the Agreement authorizing a Regional Collaboration of the AFH; or
- 3) Provide staff other direction.

CITY COUNCIL GOALS:

The proposed AFH Collaboration Agreement is consistent with the City Council Goal of Well Planned City and Excellent Infrastructure, more specifically with the objective of updating and implementing the Housing Element. This project furthers several of the Housing Element Policies H-1.6, H-3.6 and Action H-15, and ensures that we continue our commitment to Governing for Racial Equity.

CONCLUSION:

Staff recommend that City Council consider a resolution approving the AFH Collaboration Agreement and direct staff to move forward with conducting a regional AFH.

Back Up Pages:
AFH Collaboration Agreement Resolution
AFH Collaboration Agreement