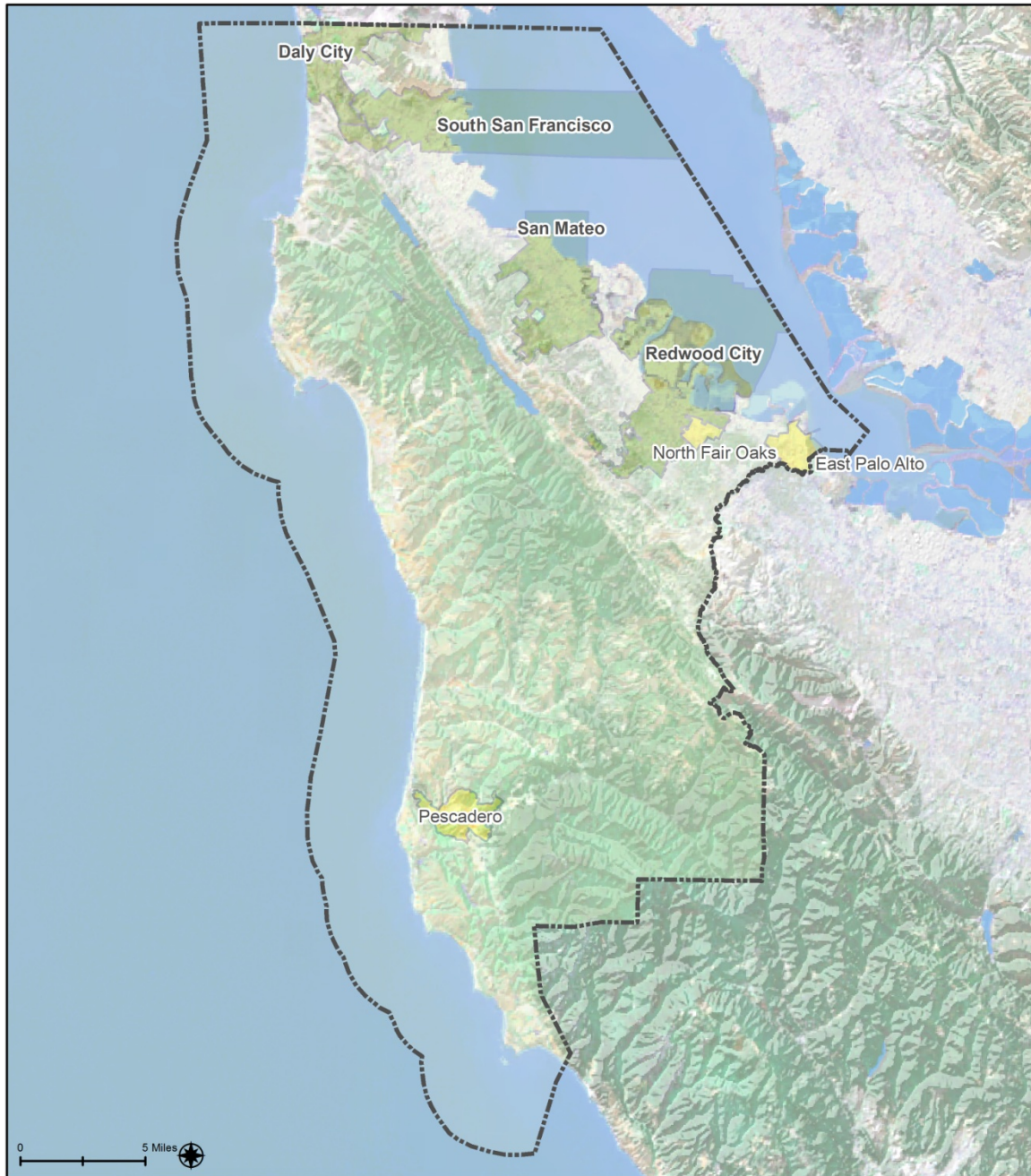


**2012 SAN MATEO COUNTY
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE:
FOR THE JURISDICTIONS OF THE COUNTY OF SAN MATEO AND THE CITIES OF
DALY CITY, SOUTH SAN FRANCISCO, SAN MATEO, AND REDWOOD CITY
VOLUME I**



2012 SAN MATEO COUNTY
ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE:
FOR THE JURISDICTIONS OF THE COUNTY OF SAN MATEO AND THE CITIES OF
DALY CITY, SOUTH SAN FRANCISCO, SAN MATEO, AND REDWOOD CITY

VOLUME I

Adopted May 1, 2013
By Resolution #36-2013

Prepared for:
County of San Mateo
City of Daly City
City of South San Francisco
City of San Mateo
City of Redwood City

With Special Focus on:
North Fair Oaks
East Palo Alto
Pescadero

Prepared by:
Western Economic Services, LLC
212 SE 18th Avenue
Portland, OR 97214
Phone: (503) 239-9091
Toll Free: (866) 937-9437
Fax: (503) 239-0236
Website: <http://www.westernes.com>





If you feel you have experienced discrimination in the housing industry, please contact:

San Francisco Regional Office
U.S. Department of Housing and Urban Development
600 Harrison Street, 3rd Floor
San Francisco, CA 94107-1300
(415) 489-6400
<http://www.HUD.gov>

California Department of Fair Employment and Housing
San Jose Office
2570 N. First Street, Suite 480
San Jose, CA 95131
(408) 325-0344
(800) 884-1684
<http://DFEH.ca.gov/complaints.htm>

Project Sentinel
Redwood City Office
525 Middlefield Road, Suite 200
Redwood City, CA 94063
Phone (650) 321-6291
(888) FAIR-HOUSING
<http://housing.org>

For addition information about the participating jurisdictions, please contact:

County of San Mateo
Marina Yu, Affordable Housing Administrator
(650) 802-5039, myu@smchousing.org

Daly City
My Do-Kruse, Community Development Specialist
(650) 991-8068, mdu@dalycity.org

South San Francisco
Alin Lancaster, Community Development Specialist
(650) 829-6621, alin.lancaster@ssf.net

City of San Mateo
Chris Wahl, Program Manager
(650) 522-7229, cwahl@cityofsanmateo.org

Redwood City
Rhonda Coffman, CDGB/HOME Administrator
(650) 780-7229, rcoffman@redwoodcity.org

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
SECTION I. INTRODUCTION	15
SECTION II. SOCIO-ECONOMIC CONTEXT	26
Demographics	26
Economics	43
Housing	53
SECTION III. FAIR HOUSING LAW, STUDY, AND CASE REVIEW	72
Fair Housing Laws	72
Fair Housing Studies	73
Fair Housing Cases	78
SECTION IV. REVIEW OF THE EXISTING FAIR HOUSING STRUCTURE	82
Fair Housing Agencies	82
Complaint Process Review	87
SECTION V. FAIR HOUSING IN THE PRIVATE SECTOR	91
Lending Analysis	91
Fair Housing Complaints	121
Fair Housing Survey – Private Sector Results	130
SECTION VI. FAIR HOUSING IN THE PUBLIC SECTOR	135
Public Services	135
Policies and Codes	141
Fair Housing Survey – Public Sector Results	159
SECTION VII. PUBLIC INVOLVEMENT	165
Fair Housing Survey	165
Fair Housing Forums	170
SECTION VIII. SUMMARY OF FINDINGS	172
SECTION IX. IMPEDIMENTS AND SUGGESTED ACTIONS	178
Impediments to Fair Housing Choice And Suggested Actions	179
SECTION X. GLOSSARY	208
SECTION XI. FAIR HOUSING ACTION PLAN	211

EXECUTIVE SUMMARY

AI PURPOSE AND PROCESS

As a requirement of receiving funds under the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), and the Emergency Solutions Grant (ESG), entitlement jurisdictions must submit certification of affirmatively furthering fair housing to the U.S. Department of Housing and Urban Development (HUD). This certification has three elements:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified, and
3. Maintain records reflecting the actions taken in response to the analysis.

In the *Fair Housing Planning Guide*, page 2-8, HUD provides a definition of impediments to fair housing choice as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices [and]
- Any actions, omissions, or decisions which have [this] effect.¹

The list of protected classes included in the above definition is drawn from the federal Fair Housing Act, which was first enacted in 1968. However, state and local governments may enact fair housing laws that extend protection to other groups, and the AI is expected to address housing choice for these additional protected classes as well.

The AI process affirmatively furthers fair housing involves a thorough examination of a variety of sources related to housing, the fair housing delivery system, and housing transactions, particularly for persons who are protected under fair housing law.

The development of an AI also includes public input and review via direct contact with stakeholders, public meetings to collect input from citizens and interested parties, distribution of draft reports for citizen review, and formal presentations of findings and impediments, along with actions to overcome the identified impediments.

METHODOLOGY

As part of the consolidated planning process, and as a requirement for receiving HUD formula grant funding, the County of San Mateo and the participating entitlement cities of

¹ U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. *Fair Housing Planning Guide*. Vol. 1, p. 2-8. http://www.hud.gov/offices/cpd/about/conplan/fairhousingexs/Module5_TopSevenAFFH.pdf

Daly City, South San Francisco, San Mateo, and Redwood City (“the five jurisdictions”) are jointly undertaking this AI to evaluate impediments to fair housing choice within the County.

In San Mateo County, fair housing law is covered by the federal Fair Housing Act—which includes protections based on race, color, religion, national origin, sex, disability, and familial status—and the California Fair Employment and Housing Act—which extends additional protections based on sexual orientation, ancestry, source of income, and marital status. The Unruh Civil Rights Act provides further protection from discrimination by business establishments, including housing providers, based on age. Fair housing choice in San Mateo County was evaluated in relation to this list of protected classes.

The purpose of this report is to determine current impediments to fair housing choice at work in San Mateo County and to suggest actions that the five jurisdictions can consider in order to overcome the identified impediments. Thus, this report represents only the first step in the three-part certification process presented on the previous page.

This AI was conducted through the assessment of a number of quantitative and qualitative sources. Quantitative sources used in analyzing fair housing choice in San Mateo County included:

- Socio-economic and housing data from the U.S. Census Bureau,
- Employment data from the U.S. Bureau of Labor Statistics,
- Economic data from the U.S. Bureau of Economic Analysis,
- Investment data from the Community Reinvestment Act,
- Home loan application data from the Home Mortgage Disclosure Act, and
- Housing complaint data from HUD and Project Sentinel.

Qualitative research included evaluation of relevant existing fair housing research and fair housing law cases from San Mateo County. Additionally, this research involved the evaluation of information gathered from several public input opportunities conducted in relation to this AI. This included a 2012 Fair Housing Survey of 179 stakeholders throughout the County, conducted from April to mid-July 2012 to investigate fair housing issues in the private and public sectors. Also included were two forums held in the County in June 2012 to allow public input and reaction to preliminary findings of the AI.

Ultimately, a list of potential impediments was drawn from these sources and further evaluated based on HUD’s definition of impediments to fair housing choice, as presented on the previous page. Potential impediments to fair housing choice present within each of the five jurisdictions and the remainder of the County were identified, along with actions to consider in order to overcome or ameliorate the possible impediments.

OVERVIEW OF FINDINGS

This AI reviews both the public and private sector contexts for San Mateo County’s housing markets, in order to determine the effects these forces have on housing choice. As part of

that review, analysis of demographic, economic, and housing data provide background context for the environments in which housing choices are made. Demographic data indicate the sizes of racial and ethnic populations and other protected classes; economic and employment data show additional factors in influencing housing choice; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the County's residents.

This contextual review of the factors that influence housing choice is essential to a holistic analysis that covers the variety of challenges that San Mateo County residents may face while exercising a housing choice. Once this contextual background analysis has been performed, detailed review of fair housing laws, cases, studies, complaints, and public involvement data can be better supported by the background information. The structure provided by local, state, and federal fair housing laws shapes the complaint and advocacy processes available in the County, as do the services provided by local, state, and federal agencies. Private sector factors in the homeownership and rental markets, such as home mortgage lending practices, have substantive influence on fair housing choice. While the five jurisdictions may not have the influence or resources to fully address such issues, the analysis provided in this AI assists with the recognition and consideration of potential private sector barriers. In the public sector, policies and codes of local governments and a limited location of affordable rental units can significantly affect the housing available in each area, as well as neighborhood and community development trends.

Complaint data and AI public involvement feedback further help define problems and possible impediments to housing choice for persons of protected classes, and confirm suspected findings from the contextual and supporting data. Combined, these diverse sets of data provide a robust analysis identifying impediments to fair housing choice for San Mateo County residents and residents of each of the five jurisdictions.

Alone, findings from any one of the following sources do not undeniably indicate the existence of an impediment to fair housing choice. However, when combined with results of other AI research, prospective impediments can be found, and in some cases, additional results directly indicate the cause of an impediment to fair housing choice.

Socio-Economic Context

Analysis of demographic, economic, and housing data provided background context for the environments in which housing choices are made. Demographic data indicated the sizes of populations and protected classes; economic and employment data showed economic factors; and counts of housing by type, tenure, quality, and cost indicated the ability of the housing stock to meet the needs of the County's residents.

According to the Census Bureau, between 2000 and 2010, the population in San Mateo County grew from 707,161 to 727,209 persons, or by 2.8 percent. Data for population by

age showed that the County's population slowly shifted to represent more persons over the age of 55, although the age groups with the largest populations comprised persons aged 5 to 19 and 35 to 54.

Census Bureau data showed that since 2000, the racial and ethnic composition of the County also changed. While the white and black populations decreased by 8.8 and 17.7 percent, respectively, between 2000 and 2010, most racial and ethnic minorities showed increases in population share. Asian, Hispanic, and "other" groups all showed percentage increases of more than 17 percent. Further evaluation of Asian and Hispanic population data, in geographic terms, showed large increases in concentration of these groups in Census tracts in and around several larger cities in the County from 2000 to 2010.

Economic data for San Mateo County demonstrate the impact of the recent recession. Data from the Bureau of Labor Statistics showed that while the labor force—defined as persons either working or looking for work—did not increase significantly from 2000 to 2010, employment figures declined more dramatically after 2008. As a result, the countywide unemployment rate increased to 8.9 percent but varied widely across the County. Data from the Bureau of Economic Analysis showed that average earnings per job in San Mateo County decreased after 2000 and 2005 but remained far above national figures. The poverty rate average in the County was 7 percent from 2006 through 2010, with 48,744 persons considered to be living in poverty. This group was concentrated primarily in and around North Fair Oaks and East Palo Alto.

The number of housing units in the County increased by 3.6 percent between 2000 and 2010, or from 260,576 to 270,039 units. Of the housing units reported in the County in the 2000 Census, more than 66 percent were single-family units, and more recent data from the Census Bureau showed that this percentage remained very similar from 2006 to 2010. The 2010 Census showed that 95.1 percent of units were occupied; of these, 59.4 percent were owner-occupied and 40.6 percent were renter-occupied. Of the 6,473 unoccupied housing units counted in San Mateo County in 2000, 1,440 were "other vacant" units, which are not available to the marketplace and can contribute to blighting influences. However, data from the 2010 Census showed that the percentage of this type of unit increased by more than 120 percent, to 3,173 units. At the time of the 2000 Census, 4.8 percent of households were overcrowded and another 7.4 percent were severely overcrowded; this housing problem was more common in renter households than in owner households. In 2000, 0.5 and 0.8 percent of all households were lacking complete plumbing or kitchen facilities, respectively, and the number of incomplete kitchen facilities had increased in more recent data. Additionally, in 2000, 21 percent of households had a cost burden and 13.9 percent of households had a severe cost burden, and 2006 to 2010 data averages showed that both of these percentages had increased since 2000.

Average rental costs increased moderately from 2000 to 2010, and were highest in some of the entitlement cities and around major highways, as shown in geographic maps. The

median home value of owner-occupied homes increased dramatically over that period, and was highest in large, low-population density tracts.

Review of Fair Housing Laws, Studies, and Cases

A review of laws, studies, cases, and related materials relevant to fair housing in San Mateo County demonstrated the complexity of the fair housing landscape. The fair housing laws in the State of California offer protections beyond the scope of the federal Fair Housing Act to protect persons based on sexual orientation, ancestry, source of income, marital status, and in some cases, age. Review of fair housing cases in San Mateo County revealed issues of unlawful racial and gender-based discrimination in the rental housing market.

Fair Housing Structure

A review of the fair housing profile in San Mateo County revealed that several organizations provide fair housing services, including outreach and education, complaint intake, and testing and enforcement activities for both providers and consumers of housing. These organizations include HUD, the California Department of Fair Employment and Housing (DFEH), and Project Sentinel.

Fair Housing in the Private Sector

Evaluation of the private housing sector included review of home mortgage loan application information, as well as mortgage lending practices, fair housing complaint data, and results from the private sector section of the 2012 Fair Housing Survey.

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in home mortgage application denial rates in San Mateo County by race, ethnicity, sex, income, and Census tract. Evaluation of home purchase loan applications from 2004 through 2010 showed that there were 55,516 loan originations and 14,321 loan denials, for a seven-year average loan denial rate of 20.5 percent. Denial rates fell from 24.9 percent in 2006 to 15 percent in 2010. These HMDA data also showed that American Indian, black, and Hispanic applicants experienced higher rates of loan denials than white or Asian applicants, even after correcting for income in most cases. Further, these more frequently denied racial and ethnic groups may have been disproportionately impacted in some specific areas of the County.

Analysis of originated loans with high annual percentage rates showed that American Indian, black, and Hispanic populations were also disproportionately issued these types of lower-quality loan products. Hispanic borrowers experienced a rate more than three times that of white applicants, and American Indian and black borrowers saw rates more than double the 10.8 percent rate for white applicants. With high proportions of low-quality,

high-annual percentage rate loans being issued to these particular groups, the burden of foreclosure may fall more heavily upon them.

Analysis of data from the Community Reinvestment Act (CRA), which is intended to encourage investment in low- and moderate-income areas, showed that business loans did not tend to be directed toward the areas with lower incomes in San Mateo County as frequently as they were toward higher income areas.

Fair housing complaint data was requested from HUD, the DFEH, and Project Sentinel, the County's local fair housing advocacy organization. HUD data showed that 221 fair housing-related complaints were filed in the County from 2004 through March 2012. The number of complaints filed with this agency varied by year, ranging from 21 to 36. The protected classes most impacted by discrimination, based on successfully conciliated complaints, were disability and familial status, and the most common complaint issues related to:

- Discriminatory refusal to rent or negotiate for rental;
- Failure to make reasonable accommodation;
- Discriminatory refusal to rent;
- Discriminatory terms, conditions, or privileges relating to rental; and
- Discriminatory terms, conditions, privileges, or services and facilities.

Results from the private sector portion of the 2012 Fair Housing Survey, conducted from April to mid-July 2012 as part of the AI process, showed that some respondents saw possible issues of housing discrimination in San Mateo County's private housing sector. Issues described by respondents regarding the rental markets suggested that landlords discriminate based on race, ethnicity, familial status, and disability; this problem may be worse for individual landlords renting single-family homes. In the home sales and lending markets, respondents noted discrimination and steering based on race on the part of real estate agents, predatory lending based on race, and discrimination for persons buying homes in minority areas.

Fair Housing in the Public Sector

The status of affirmatively furthering fair housing within San Mateo County's public sector was evaluated through review of the placement of several types of assisted housing in the County, the relationship between the location of public transit and assisted housing, and the results of the public sector section of the 2012 Fair Housing Survey.

Evaluation of the distribution of housing vouchers, HUD-assisted rental properties, and other affordable housing in the County demonstrated that these assisted housing options were more plentiful in a few of the larger cities in the County, although some were largely absent from a few tracts with the highest poverty rates. Many of the affordable and HUD-

assisted developments were served by public transit, but large areas of the County were not covered despite the location of some low-income housing.

An analysis of the policies and codes of the four entitlement cities, the special focus area of East Palo Alto, and the County of San Mateo showed that all of these jurisdictions have in place some basic housing definitions such as “dwelling unit” and “family,” and most are not unfairly restrictive. Almost all communities have policies in place to encourage affordable housing development, and all jurisdictions allow mixed-use housing, with a few offering incentives. No communities define “disability” in their codes, but some provide incentives for the development of accessible housing, and most offer options for persons in need of modifications to policies for reasonable accommodation. Housing for seniors and group housing are incentivized in several communities as well.

Representatives from the planning and zoning departments within the five jurisdictions were interviewed for this AI. While several of the jurisdictions address fair housing issues throughout their Housing Elements, there appeared to be some gaps in the knowledge of many of the staff interviewed regarding the existence or absence of an official fair housing policy statement. The lack of such knowledge might indicate that more education is needed among agency departments. If no fair housing ordinances exist, the creation of a resolution, regulation, or other policy may further support commitment to fair housing practices. Such a policy would define protected classes and discrimination, reinforce fair housing laws, and address rights and responsibilities of all parties.

Results from the public sector section of the 2012 Fair Housing Survey revealed that some respondents in San Mateo County believe there are problematic practices or policies within the public sector. Some respondents noted policies and code enforcement practices that allow for substandard housing conditions, particularly impacting protected class populations, and others suggested that public transit and employment services are lacking. Several comments indicated that public sector policies do not sufficiently allow for housing for large families, disabled persons, and some racial and ethnic minorities, and that development of many types of housing is restricted to less desirable areas.

Public Involvement

Public involvement opportunities were an intrinsic part of the development of this AI. Activities included the 2012 Fair Housing Survey to evaluate current fair housing efforts and the two public forums wherein citizens were offered the chance to comment on initial findings of the AI and offer feedback on prospective impediments.

Results of the 2012 Fair Housing Survey showed that the majority of respondents felt that fair housing laws are useful, whereas some respondents were not familiar with fair housing law and few respondents showed familiarity with the classes of persons protected by fair housing law in the County. Many respondents were not aware of appropriate venues to

which to refer a victim of housing discrimination. Of the respondents who answered the question, many noted the need for increased fair housing education and outreach activities, and a moderate need was indicated for increased fair housing testing activities. Several respondents expressed that fair housing law should be more carefully enforced, and additional legal services should be available.

The public forums held in Redwood City and South San Francisco in June 2012, allowed citizens and agencies to voice concerns about barriers to fair housing choice. Comments received at these forums focused on rental market issues, such as discrimination toward disabled and Section 8 renters, as well as additional services Project Sentinel may need to provide.

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

The 2012 AI for the County of San Mateo and the Cities of Daly City, South San Francisco, San Mateo, and Redwood City uncovered several potential issues regarding fair housing in the County and entitlement cities. Identification of these items as probable impediments to fair housing choice was based on HUD's definition of impediments as actions, omissions, or decisions that restrict housing choice due to protected class status or actions, omissions, or decisions that have this effect. The identified impediments are supported by evidence uncovered during the AI process, with impediments of higher need being those identified in multiple sources.

These probable impediments are presented on the following pages for the entirety of San Mateo County; they cover the four entitlement cities, three special focus areas, and the remainder of the County. They are accompanied by suggested actions that the jurisdictions may implement in order to alleviate or eliminate these impediments, and are accompanied by measurable objectives. The goal of these actions and measurable objectives is to assist the five jurisdictions in offering greater housing choice for all citizens within all of San Mateo County.

On page 14, following the list of private and public sector impediments for the County in its entirety, is a matrix documenting the impediment, data source that indicated its existence, protected classes most affected, and ranking of need for action. Impediments that were identified in only one data source, such as the review of HUD complaint data, were indicated as having a relatively low need for action. Impediments found in two to three data sources were deemed to be of medium need, and impediments documented in four areas of research were noted to be of high need for action. The actions and measurable objectives identified for each impediment are aimed to address and ameliorate the effects of the possible barrier to fair housing choice, to the fullest of the five jurisdictions' abilities.

The recommended actions and measurable objectives presented on the following pages also refer to the entire County. Impediments and recommendations were also identified as

they occur in each of the entitlement jurisdictions and the remainder of the County; these are separated by area in **Section IX** of this report, where separate matrices documenting the data sources indicating each impediment have also been produced. While there are common trends across all jurisdictions, there are clear differences; these matrices can be used if the reader wishes to inspect just one of the five jurisdictions.

SAN MATEO COUNTY (SUMMARY OF THE FIVE ENTITLEMENT JURISDICTIONS)

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . The existence of this impediment was suggested in the HUD and Project Sentinel complaint data, respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Discriminatory refusal to rent or negotiate for rental. The existence of this impediment was suggested in the review of complaints filed with HUD and Project Sentinel; it was the most common complaint filed with Project Sentinel and the second most common complaint filed with HUD.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: Increase number of testing and enforcement activities conducted

Action 2.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 2.2: Increase number of outreach and education activities conducted

Action 2.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 2.3: Increase number of outreach and education activities conducted

Impediment 3: Failure to make reasonable accommodation or modification. The existence of this impediment was suggested in the review of complaints filed with Project Sentinel, from the responses to the 2012 Fair Housing Survey, and through the topics discussed at the Fair Housing Forums, particularly in regard to persons with disabilities.

Action 3.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted

Action 3.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 3.2: Increase number of training sessions conducted

Impediment 4: Statement of preferences in advertising for rental properties. Evidence of this impediment was found through a review of two existing cases of fair housing law violations, as well as a review of complaints filed with HUD Project Sentinel.

Action 4.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 4.1: Increase number of testing and enforcement activities conducted

Action 4.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 4.2: Increase number of outreach and education activities conducted

Impediment 5: Discriminatory patterns in home purchase loan denials. Evidence of this impediment was seen in the HMDA data, which indicated higher denial rates among racial and ethnic minorities, even when correcting for income, as well as higher denial rates for women applicants.

Action 5.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 5.1: Increase number of outreach and education activities conducted

Impediment 6: Discriminatory patterns in predatory lending. Evidence of this impediment was seen in the HMDA data, which showed higher rates of subprime loans among black, American Indian, and Hispanic applicants. It was also indicated in respondents' answers provided in the 2012 Fair Housing Survey, who felt that racial and ethnic minorities were disproportionately offered subprime loans.

Action 6.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 6.1: Increase number of outreach and education activities conducted

Impediment 7: Steering in residential real estate market. This impediment was suggested in some responses to the 2012 Fair Housing Survey, particularly in relation to race and ethnicity.

Action 7.1: Conduct education, outreach, and enforcement with real estate agents

Measurable Objective 7.1: Increase number of education, outreach, and enforcement activities conducted

Impediment 8: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in the County went disproportionately to areas with more than 80 percent of the median family income.

Action 8.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 8.1: Increase number of monitoring activities conducted

Action 8.2: Explore ways to engage the investment community and encourage the development of a countywide investment approach that benefits protected classes

Measurable Objective 8.2.a: Increase number of discussions held

Measurable Objective 8.2.b: Develop plan or approach

Measurable Objective 8.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in respondents' answers to the 2012 Fair Housing Survey.

Action 2.1: Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, responses to the 2012 Fair Housing Survey, comments made during the Fair Housing Forums, and other stakeholder feedback, which suggested that more targeted activities may be needed to address the needs of the five jurisdictions.

Action 3.1: Work with Project Sentinel to improve documentation of activities such as testing and enforcement and focus on sensitive populations

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

Impediment 4: Insufficient commitment by some local governments to affirmatively furthering fair housing choice. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and in review of the five jurisdictions' planning policies; while some staff could cite practices or incentives that serve protected class populations, no clear, official fair housing statements could be found outside some of the jurisdictions' housing elements or departments.

Action 4.1: Review, create, enhance, or improve fair housing ordinance, resolution, policy, or other commitment to affirmatively furthering fair housing, such as a fair housing ordinance that defines protected classes and discrimination, reinforces fair housing laws, and addresses rights and responsibilities of parties

Measurable Objective 4.1: Present policies or other methods to Board of Supervisors

Action 4.2: Educate local government staff about fair housing regulations and the agency's jurisdiction-wide commitment

Measurable Objective 4.2: Increase number of education activities conducted

Action 4.3: Increase monitoring and enforcement of policies that affirmatively further fair housing choice, such as accessibility requirements

Measurable Objective 4.3: Increase number of monitoring and enforcement activities conducted compared to past

Impediment 5: Land use policies that may lead to racial and ethnic segregation. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other stakeholder feedback. In addition, Census Bureau data illustrated that disproportionate shares of racial and ethnic groups existed in particular parts of the County.

Action 5.1: Perform a neighborhood analysis of the current locations of affordable, assisted, and multi-family housing to identify overconcentration of racial and ethnic minorities

Measurable Objective 5.1: Increase number of analyses conducted

Action 5.2: Evaluate and implement policies that consider the racial and socio-economic impacts of affordable housing placement

Measurable Objective 5.2: Increase number and quality of policies implemented

Impediment 6: Unequal access to public services such as public transit, health care, and employment services. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other sources. 2012 Fair Housing Survey respondents indicated that employment services were limited and difficult to access with public transportation, and geographic analysis of transit routes showed limited availability in some areas.

Action 6.1: Evaluate planning decisions in relation to placement and availability of government services

Measurable Objective 6.1: Increase number of decisions and policies reviewed

Action 7.2: Create and implement policies that respond to community needs and serve protected classes equitably

Measurable Objective 6.2: Increase number of policies and services

Table I.1 Impediments Matrix San Mateo County 2012 AI Data												
Impediment	Source									Protected Classes Most Affected	Need for Action	
	Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ²			
Private Sector												
1	Discriminatory terms, conditions, privileges, or services and facilities in the rental markets						X	X			All	Med
2	Discriminatory refusal to rent or negotiate for rental						X				All	Low
3	Failure to make reasonable accommodation or modification						X	X			Disability	Med
4	Statement of preferences in advertising for rental properties			X			X				Age, familial status, religion	Med
5	Discriminatory patterns in home purchase loan denials				X						Race, color, national origin, sex	Low
6	Discriminatory patterns in predatory lending				X			X			Race, color, national origin	Med
7	Steering in residential real estate market							X			Race, color, national origin	Low
8	Unequal distribution of small business loans					X					All	Low
Public Sector												
1	Lack of 2012 HUD funding for Project Sentinel		X								All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel							X			All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel							X	X	X	All	High
4	Insufficient commitment by some local governments to affirmatively furthering fair housing choice							X		X	All	Med
5	Land use policies that may lead to racial and ethnic segregation	X ³						X		X	All	Med
6	Unequal access to public services such as public transit							X		X	All	Med

² Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

³ Census Bureau data, presented in tabular and geographic map form, indicate if concentrations of many protected class populations exist within the jurisdiction. They do not demonstrate that an impediment exists; rather, they identify areas where discrimination may have led to disproportionate concentration.

SECTION I. INTRODUCTION

Title VIII of the 1968 Civil Rights Act, also known as the Federal Fair Housing Act, made it illegal to discriminate in the buying, selling, or renting of housing based on a person's race, color, religion, or national origin. Sex was added as a protected class in the 1970s. In 1988, the Fair Housing Amendments Act added familial status and disability to the list, making a total of seven federally protected classes. Federal fair housing statutes are largely covered by the following three pieces of U.S. legislation:

1. The Fair Housing Act,
2. The Housing Amendments Act, and
3. The Americans with Disabilities Act.

The purpose of fair housing law is to protect a person's right to own, sell, purchase, or rent housing of his or her choice without fear of unlawful discrimination. The goal of fair housing law is to allow everyone equal access to housing.

WHY ASSESS FAIR HOUSING?

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD's) housing and community development programs. These provisions come from Section 808(e) (5) of the federal Fair Housing Act, which requires that the Secretary of HUD administer federal housing and urban development programs in a manner that affirmatively furthers fair housing.

In 1994, HUD published a rule consolidating plans for housing and community development programs into a single planning process. This action grouped the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG),⁴ and Housing Opportunities for Persons with AIDS (HOPWA) programs into the Consolidated Plan for Housing and Community Development, which then created a single application cycle.

As a part of the consolidated planning process, states and entitlement communities that receive such funds as a formula allocation directly from HUD are required to submit to HUD certification that they are affirmatively furthering fair housing. This certification has three parts:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified through the analysis, and

⁴ The Emergency Shelter Grants program was renamed the Emergency Solutions Grants program in 2011.

3. Maintain records reflecting the analysis and actions taken.

In the *Fair Housing Planning Guide*, page 2-8, HUD notes that impediments to fair housing choice are:

- “Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices [and]
- Any actions, omissions, or decisions which have [this] effect.”⁵

State and local governments may enact fair housing laws that extend protection to other groups as well. For example, the California Fair Employment and Housing Act extends additional protections based on sexual orientation, ancestry, source of income, and marital status.⁶ The Unruh Civil Rights Act provides further protection from discrimination by business establishments, including housing providers, based on age.⁷ A comparison of protections by federal and state law is presented below in Table I.1.

Table I.1			
Comparison of Fair Housing Laws			
State of California			
Protected Group	Federal Fair Housing Act	California Fair Employment and Housing Act	Unruh Civil Rights Act
Race	X	X	X
Sex	X	X	X
Religion	X	X	X
Familial Status	X	X	
Disability (including HIV/AIDS)	X	X	X
National Origin	X	X	X
Color	X	X	X
Sexual Orientation		X	X
Ancestry		X	X
Age			X
Source of Income		X	X
Marital Status		X	X

It is essential to distinguish between fair housing and housing production. As discussed above, fair housing protections do not include consideration of income and do not address housing affordability outside the context of housing discrimination. While lack of affordable housing can be a significant concern to policymakers, it is not, on its own, a fair housing problem unless members of protected classes face this issue disproportionately. In fact, a large increase in affordable units in close proximity to one another can cause a problem for fair housing choice in some cases, such as the segregation of racial or ethnic minorities. In

⁵ *Fair Housing Planning Guide*.

⁶ “Discrimination Prohibited: Housing.” *Fair Employment and Housing Act* Title 2, Div. 3, Pt 2.8 <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=12001-13000&file=12980-12989.3>

⁷ Cal. Civ. Code § 51.2 <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=civ&group=00001-01000&file=43-53>

addition, the AI does not seek to address future affordable housing needs or specific affordable housing production issues; these concepts are discussed in the Consolidated Plan and Annual Action Plans of the five jurisdictions.

PURPOSE OF THIS RESEARCH

HUD interprets the broad objectives of affirmatively furthering fair housing to include:

- “Analyzing and working to eliminate housing discrimination in the jurisdiction;
- Promoting fair housing choice for all persons;
- Providing opportunities for racially and ethnically inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all persons, particularly individuals with disabilities; and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act.”⁸

The objective of the 2012 AI process was to research, analyze, and identify prospective impediments to fair housing choice throughout the County. The goal of the completed AI is to suggest actions that the sponsoring jurisdictions can consider when working toward eliminating or mitigating the identified impediments.

LEAD AGENCY

The San Mateo County Department of Housing and the Cities of Daly City, South San Francisco, San Mateo, and Redwood City (“the five jurisdictions”) were the lead agencies for the preparation of the 2012 Analysis of Impediments to Fair Housing Choice. Western Economic Services, LLC, a Portland, Oregon-based consulting firm specializing in analysis and research in support of housing and community development planning, prepared this AI and incorporated comments from the five jurisdictions.

Commitment to Fair Housing

In accordance with the applicable statutes and regulations governing the Consolidated Plan, the County and entitlement cities certify that they will *affirmatively further fair housing*. This statement means that they have conducted an AI, will take appropriate actions to overcome the effects of any impediments identified through that analysis, and will maintain records that reflect the analysis and actions taken in this regard.

⁸ *Fair Housing Planning Guide*, p.1-3.

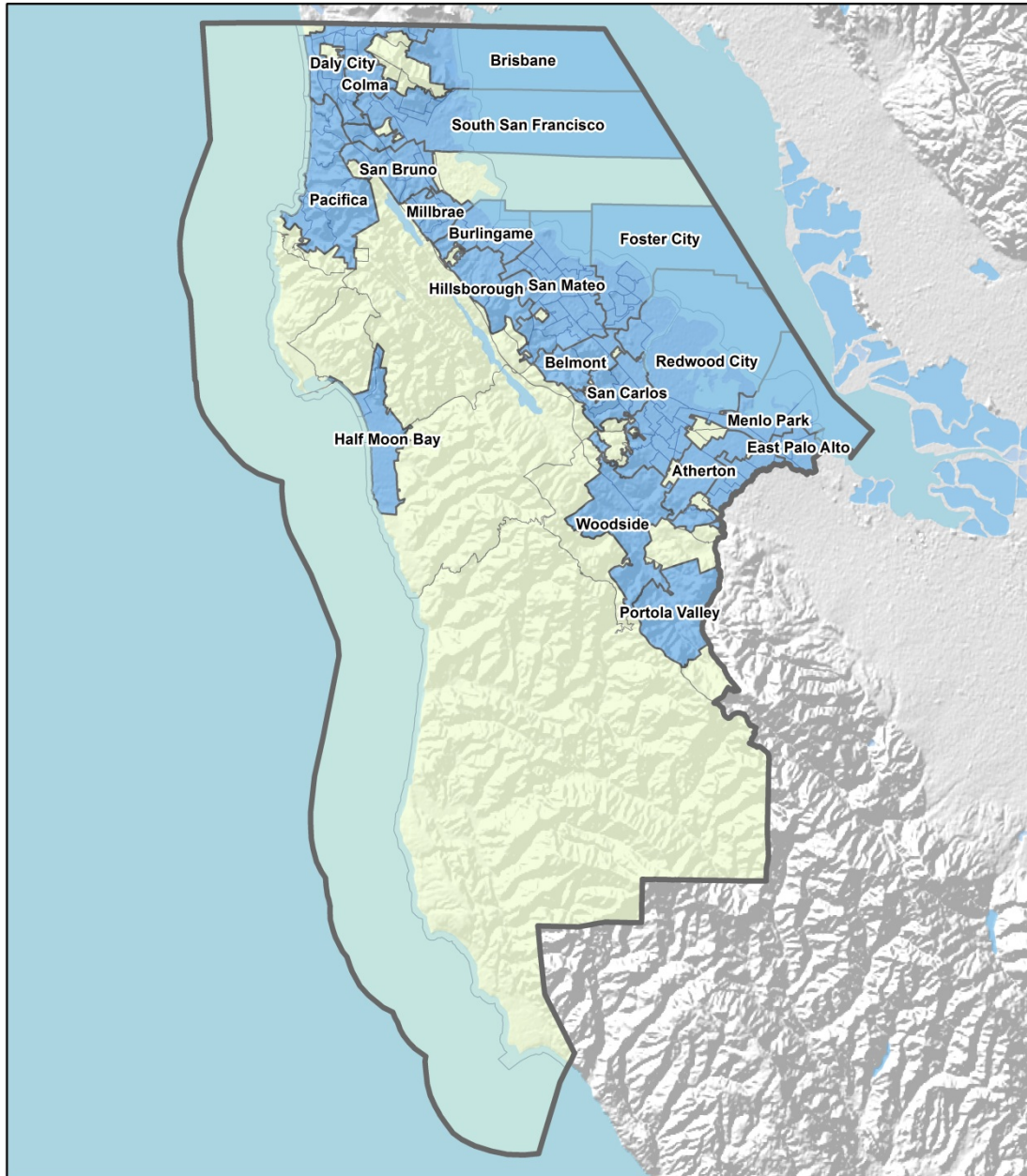
GEOGRAPHIC SCOPE OF THE ANALYSIS

This AI addresses the status of fair housing within San Mateo County. Specific data on the entitlement cities of Daly City, South San Francisco, San Mateo, and Redwood City, each with populations of 50,000 or more, are also addressed, and special focus was given to the City of East Palo Alto and the communities of North Fair Oaks and Pescadero. Map I.1, on page 19, shows the incorporated cities and towns in San Mateo County, as well as Census tract boundaries for the areas outside those jurisdictions.

Map I.2, on page 20, displays San Mateo County, the four entitlement cities participating in this AI, and the special focus areas of particular regard in the analysis. When available by city, Census-designated place, or Census tract, data are separated for each of these areas. As shown in both maps, the size of Census tracts varied widely across the County; Census tract boundaries, which are updated with each decennial census, are drawn based on population size, and ideally represent approximately the same population for each. As such, data for densely populated tracts, such as those within some of the entitlement cities, are more geographically specific than data for communities in less-populated tracts.




Because each of these communities has unique concerns and challenges, the uncovered impediments to fair housing choice may impact some more than others. Because data are separated by city or area when possible, impediments can be identified by area as well as for the County as a whole. Impediments are presented by city for the four entitlement cities and for the remainder of the County in **Section IX**, following the countywide impediments.

Map I.1
Cities of San Mateo County
San Mateo County
2010 Census Bureau Data




LEGEND

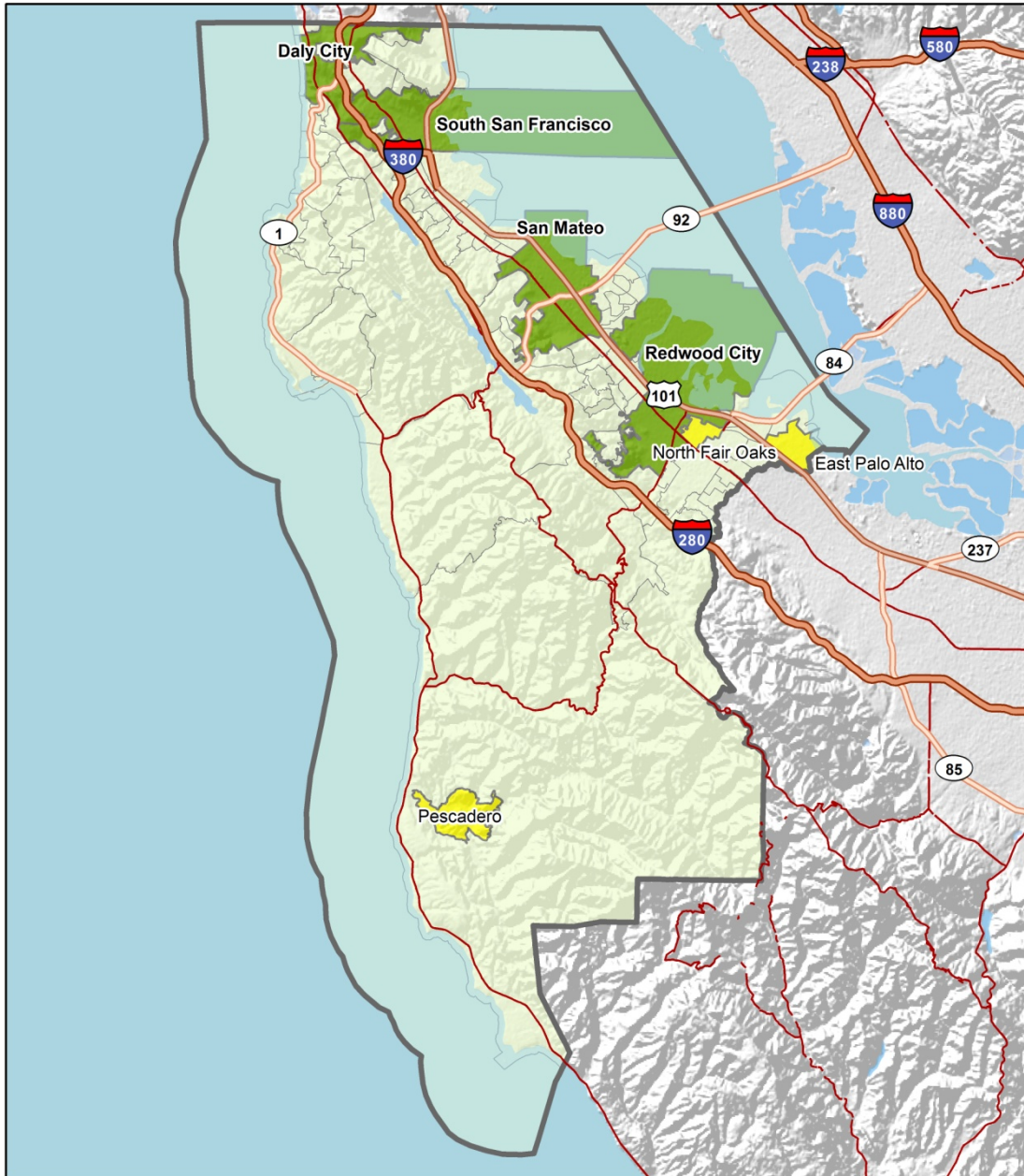
Incorporated Cities in San Mateo County

-  San Mateo County Boundary
-  Incorporated Cities and Towns
-  Census Tracts

Data Source: ESRI Datasets, 2010 TIGER Data

0 5 Miles 

Map I.2
Participating Cities and Special Focus Areas
 San Mateo County
 2010 Census Bureau Data



LEGEND

San Mateo County

-  San Mateo County Boundary
-  Entitlement Cities
-  Special Focus Areas
-  Census Tracts
-  Interstate Freeway
-  Major Roads

Data Source: ESRI Datasets, 2010 TIGER Data

0 5 Miles 

RESEARCH METHODOLOGY

The AI process involves a thorough examination of a variety of sources related to housing, particularly for persons who are protected under fair housing laws. AI sources include Census data, employment and income information, home mortgage application data, business lending data, fair housing complaint information, surveys of housing industry experts and stakeholders, and related information found in the public domain. Relevant information was collected and evaluated via four general approaches:

1. *Primary Research*, or the collection and analysis of raw data that did not previously exist;
2. *Secondary Research*, or the review of existing data and studies;
3. *Quantitative Analysis*, or the evaluation of objective, measurable, and numerical data; and
4. *Qualitative Analysis*, or the evaluation and assessment of subjective data such as individuals' beliefs, feelings, attitudes, opinions, and experiences.

Some baseline secondary and quantitative data were drawn from the Census Bureau, including 2000 and 2010 Census counts, as well as American Community Survey data averages from 2006 through 2010. Data from these sources included population, personal income, poverty, housing units by tenure, cost burdens, and housing conditions. Other data were drawn from records provided by the Bureau of Labor Statistics, the Bureau of Economic Analysis, and a variety of other sources. The following narrative offers a brief description of other key data sources employed for the 2012 AI for the County of San Mateo and the Cities of Daly City, South San Francisco, San Mateo, and Redwood City.

Home Mortgage Disclosure Act Data

To examine possible fair housing issues in the home mortgage market, Home Mortgage Disclosure Act (HMDA) data were analyzed. The HMDA was enacted by Congress in 1975 and has since been amended several times. It is intended to provide the public with loan data that can be used to determine whether financial institutions are serving the housing credit needs of their communities and to assist in identifying possible discriminatory lending patterns. HMDA requires lenders to publicly disclose the race, ethnicity, and sex of mortgage applicants, along with loan application amounts, household income, the Census tract in which the home is located, and information concerning prospective lender actions related to the loan application. For this analysis, HMDA data from 2004 through 2010 were analyzed, with the measurement of denial rates by Census tract and by race and ethnicity of applicants the key research objectives. These data were also examined to identify the groups and geographic areas most likely to encounter higher denial rates and receive loans with unusually high interest rates.

Fair Housing Complaint Data

Housing complaint data were used to analyze discrimination in the renting and selling of housing. HUD provided fair housing complaint data for the County from January 2004 through March 2012. This information included the basis, or protected class pursuant to the complaint; the issue, or prospective discriminatory action, pursuant to the grievance; and the closure status of the alleged fair housing infraction, which relates to the result of the investigation. The review of 221 fair housing complaints from within the County allowed for inspection of the tone, the relative degree and frequency of certain types of unfair housing practices, and the degree to which complaints were found to be with cause. Project Sentinel also provided housing complaint and intake information for 637 complaints. Analysis of complaint data focused on determining which protected classes may have been disproportionately impacted by housing discrimination based on the number of complaints, while acknowledging that many individuals may be reluctant to step forward with a fair housing complaint for fear of retaliation or similar repercussion.

Fair Housing Survey

One of the methods HUD recommends for gathering public input about perceived impediments to fair housing choice is to conduct a survey. As such, the five jurisdictions elected to utilize a survey instrument as a means to encourage public input in the AI process. This step was a cost-effective and efficient method to utilize research resources.

The survey targeted individuals involved in the housing arena, although anyone was allowed to complete the survey. The prospective contact list was assembled by the County, with the goal of targeting experts in at least the following areas:

- Residential and commercial building codes and regulations;
- Residential health and safety codes and regulations (structural, water, and sewer);
- Local land use planning;
- Banking industry;
- Real estate industry;
- Renter rights and obligations, including civil rights; and
- Fair housing, disability, social service, and other advocacy organizations.

Furthermore, these entities were utilized to help promote public involvement throughout the AI process. The San Mateo County 2012 Fair Housing Survey, an internet-based instrument, received 179 responses.

As part of the survey process for involving the public in the development of the AI, each participating entitlement jurisdiction sent out an email announcement to prospective respondents with an introduction to the survey, its purpose, and its intent. A link was provided that directed respondents to the online survey. The email message also urged respondents to forward the survey announcement to other individuals and agencies

involved in housing. Furthermore, the announcement and survey link were posted on each jurisdiction's website, and printed copies were made available during public meetings. The survey was also offered in Spanish, but received no responses in Spanish.

The survey was designed to address a wide variety of issues related to fair housing and affirmatively furthering fair housing. If limited input on a particular topic was received, it was assumed that the entirety of stakeholders did not view the issue as one of high pervasiveness or impact. This does not mean that the issue was nonexistent in the County, but rather that there was not a large perception of its prevalence, as gauged by survey participants.

The following narrative summarizes key survey themes and data that were addressed in the survey instrument.

Federal, State, and Local Fair Housing Laws

The first section of the survey asked respondents to address a number of questions related to fair housing laws, including assessment of their familiarity with and understanding of these laws, knowledge of classes of persons protected by these laws, the process for filing fair housing complaints, and an inquiry into whether or not fair housing laws should be changed.

Fair Housing Activities

The second section of the survey evaluated stakeholders' awareness of and participation in fair housing activities in the County, including outreach activities such as trainings and seminars, as well as monitoring and enforcement activities such as fair housing testing exercises.

Barriers to Fair Housing Choice in the Private Sector

This section addressed fair housing in San Mateo County's private housing sector and offered a series of two-part questions. The first part asked respondents to indicate awareness of questionable practices or barriers to fair housing choice in a variety of private sector industries, and the second part requested a narrative description of these questionable practices or concerns if an affirmative response was received. The specific areas of the private sector that respondents were asked to examine included the:

- Rental housing market,
- Real estate industry,
- Mortgage and home lending industries,
- Housing construction or accessible housing design fields,
- Home insurance industry,
- Home appraisal industry, and

- Any other housing services.

The use of open-ended questions allowed respondents to address any number of concerns such as redlining, neighborhood issues, lease provisions, steering, substandard rental housing, occupancy rules, and other fair housing issues in the private housing sector of the County.

Fair Housing in the Public Sector

In a manner similar to the previous section, respondents were asked to offer insight into their awareness of questionable practices or barriers to fair housing in the public sector. A list of areas within the public sector was provided, and respondents were asked first to specify their awareness of fair housing issues within each area. If they were aware of any fair housing issues, they were asked to further describe these issues in a narrative fashion. Respondents were asked to identify fair housing issues within the following public sector areas related to housing:

- Land use policies,
- Zoning laws,
- Occupancy standards or health and safety codes,
- Property tax policies,
- Permitting processes,
- Housing construction standards,
- Neighborhood or community development policies, and
- Any other public administrative actions or regulations.

The questions in this section were used to identify fair housing issues in the County regarding zoning, building codes, accessibility compliance, subdivision regulations, displacement issues, development practices, residency requirements, property tax policies, land use policies, and NIMBYism.⁹

Additional Questions

Finally, respondents were asked about their awareness of any local fair housing plans or specific geographic areas of the County with fair housing problems. Respondents were also asked to leave additional comments.

Research Conclusions

The final list of impediments to fair housing choice for San Mateo County was culled from all quantitative, qualitative, and public input sources, and was based on HUD's definition of

⁹ "Not In My Backyard" mentality.

an impediment to fair housing choice as any action, omission, or decision that affects housing choice because of protected class status. The determination of qualification as an impediment was derived from the frequency and severity of occurrences drawn from quantitative and qualitative data evaluation and findings.

PUBLIC INVOLVEMENT

The five jurisdictions conducted the public input process associated with this AI. The key actions that were used to notify the public of the AI process included email announcements, public postings, newspaper advertisements and notices, phone calls, and other communication activities directed to citizens and stakeholders in the fair housing arena.

As part of the process of involving the public in the development of the AI, the five jurisdictions conducted two fair housing forums on June 20 and 21, 2012. The forums were designed to offer the public the opportunity to supply commentary on the status of fair housing in San Mateo County as well as provide feedback on the initial findings of the AI. A detailed discussion of these sessions is presented in **Section VII**.

The public review period for the AI Draft for Public Review occurred in November and December of 2012. This AI is available online at <http://www.co.sanmateo.ca.us/>.

SECTION II. SOCIO-ECONOMIC CONTEXT

This section presents demographic, economic, and housing information collected from the Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics, and other sources. Data were used to analyze a broad range of socio-economic characteristics, including population growth, race, ethnicity, disability, employment, poverty, and housing trends; these data are also available by Census tract, and are shown in geographic maps. Ultimately, the information presented in this section helps illustrate the underlying conditions that shape housing market behavior and housing choice in San Mateo County by presenting the demographic, economic, and housing stock context.

To supplement 2000 and 2010 Census data, information for this analysis was also gathered from the Census Bureau's American Community Survey (ACS). The ACS data cover similar topics to the decennial counts but include data not appearing in the 2010 Census, such as household income and poverty. The key difference of these datasets is that ACS data represent a five-year average of annual data estimates as opposed to a point-in-time 100 percent count; the ACS data reported herein span the years from 2006 through 2010. The ACS figures are not directly comparable to decennial Census counts because they do not account for certain population groups such as the homeless. However, percentage distributions from the ACS data can be compared to distributions from the 2000 and 2010 Censuses.

DEMOGRAPHICS

As part of the essential review of the background context of the San Mateo County markets in which housing choices are made, detailed population and demographic data describe the County's residents. These data summarize not only the protected class populations, but characteristics of the total population for the entire County, entitlement cities, special focus areas, and the remainder of the County, as well as the outcome of housing location choices. These data help to address whether overconcentrations of racial and ethnic minorities exist, and if so, which areas of the County are most affected. Extreme concentrations of protected class populations do not necessarily imply impediments to fair housing choice, but may represent the results of impediments identified in other data.

Year	Population	% Yearly Change
2000	707,161	.
2001	705,621	-0.2%
2002	697,628	-1.1%
2003	693,057	-0.7%
2004	690,161	-0.4%
2005	690,078	0.0%
2006	690,176	0.0%
2007	693,849	0.5%
2008	703,830	1.4%
2009	713,617	1.4%
2010	718,451	0.7%
2011	727,209	1.2%
% Change 00-11	2.8%	.

POPULATION DYNAMICS

Table II.1, at right, presents population counts in San Mateo County, as drawn from the 2000 and 2010 Censuses and intercensal estimates for 2001 through 2009 and 2011. In total, population in the County increased from 707,161 persons in 2000 to 727,209 in 2011, or by 2.8 percent. This compares to a statewide population increase of 10 percent from 2000 to 2010.

POPULATION BY AGE

Data on population by age in 2000 and 2010 in San Mateo County, presented below in Table II.2, showed that the largest population groups in both Census counts represented persons aged 5 to 19 and 35 to 54. However, these two age cohorts, along with persons aged 20 to 24, decreased between 2000 and 2010. The percentage change for the population aged 25 to 34 was as low as negative 11.4 percent, but the group aged 55 to 64 showed a significant increase of 40.4 percent during this time. The oldest and youngest population groups, those aged 4 and below and 65 and over, were the only other groups to increase over the decade.

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
Under 5	45,374	6.4%	46,360	6.5%	2.2%
5 to 19	131,912	18.7%	128,441	17.9%	-2.6%
20 to 24	40,897	5.8%	40,098	5.6%	-2.0%
25 to 34	112,122	15.9%	99,334	13.8%	-11.4%
35 to 54	225,258	31.9%	218,769	30.5%	-2.9%
55 to 64	63,513	9.0%	89,187	12.4%	40.4%
65 and Over	88,085	12.5%	96,262	13.4%	9.3%
Total	707,161	100.0%	718,451	100.0%	1.6%

As shown in Appendix A, data were relatively similar for the entitlement cities and in the remainder of the County—although, most notably, the 65 and over population grew by 12.7 percent in the remainder of the County but by only 5.5 percent in the cities.

More information regarding the elderly population was also collected from the 2000 and 2010 Census counts. As shown below in Table II.3, in both 2000 and 2010, the largest age cohorts among the elderly population represented persons in the age ranges of 70 to 74 and 75 to 79. However, these populations both decreased in share, by 1.3 and 12.8 percent, respectively. The age groups that showed the largest increases over the decade were those at the youngest and oldest sides of the spectrum, or the populations aged 65 to 66 and 85 and over.

Age	2000 Census		2010 Census		% Change 00-10
	Population	% of Total	Population	% of Total	
65 to 66	9,483	10.8%	12,522	13.0%	32.0%
67 to 69	13,468	15.3%	15,963	16.6%	18.5%
70 to 74	21,791	24.7%	21,500	22.3%	-1.3%
75 to 79	19,375	22.0%	16,888	17.5%	-12.8%
80 to 84	12,625	14.3%	14,085	14.6%	11.6%
85 and over	11,343	12.9%	15,304	15.9%	34.9%
Total	88,085	100.0%	96,262	100.0%	9.3%

Appendix A shows that the elderly population grew by more than twice as much in the remainder of the County than it did in the entitlement cities over the decade. Most significantly, the youngest elderly age groups, those aged 65 to 66 and 67 to 69, grew by considerably more in the remainder of the County than they did in the entitlement cities.

POPULATION BY RACE AND ETHNICITY

In both 2000 and 2010, the white population represented the largest racial group, although it decreased by 8.8 percent over the decade. The black population decreased by 17.7 percent over the decade, but that decrease did not represent a large number of individuals. Some racial groups showed significant growth, such as the Asian population, which grew by 25.7 percent, and the "other race" population, which grew by 17.5 percent. In terms of ethnicity, which is defined separately from race, the Hispanic population increased by 18 percent between 2000 and 2010, as shown below in Table II.4.

Race	2000 Census		2010 Census		% Change 00-10
	Population	% of Total	Population	% of Total	
White	420,683	59.5%	383,535	53.4%	-8.8%
Black	24,840	3.5%	20,436	2.8%	-17.7%
American Indian	3,140	0.4%	3,306	0.5%	5.3%
Asian	141,684	20.0%	178,118	24.8%	25.7%
Native Hawaiian/Pacific Islander	9,403	1.3%	10,317	1.4%	9.7%
Other	71,910	10.2%	84,529	11.8%	17.5%
Two or More Races	35,501	5.0%	38,210	5.3%	7.6%
Total	707,161	100.0%	718,451	100.0%	1.6%
Hispanic (Ethnicity)	154,708	21.9%	182,502	25.4%	18.0%

Appendix A presents these data separated by entitlement city and the remainder of the County. As shown, much of the growth of the Asian and two or more races populations occurred in the remainder of the County, but the American Indian, Native Hawaiian, "other" race, and Hispanic ethnicity populations grew more in the entitlement cities. Still, in all areas, the American Indian and Native Hawaiian/Pacific Islander populations represented very small portions of the overall population.

The geographic distribution of racial and ethnic minorities can vary significantly throughout a community. The U.S. Department of Housing and Urban Development (HUD) has determined that an area demonstrates a disproportionate share of a population when the percentage of that population is 10 percentage points or more above the study area average. For example, San Mateo County's Hispanic population represented 25.4 percent of the population in 2010. Therefore, any area in the County that showed a Hispanic population in excess of 35.4 percent held a disproportionate share of that population.

This analysis of racial and ethnic distribution was conducted by calculating race or ethnicity as the percentage of total population and then plotting the data on a geographic map of Census tracts in San Mateo County. While disproportionate and high shares of minority racial or ethnic populations may cause some concern, they do not on their own imply impediments to fair housing choice; rather, they may be the result of an impediment, such as real estate or rental steering or land use policies that lead to segregation in some parts of the County. However, in some cases, these concentrations may also be due to natural factors that do not imply discrimination, such as employment or cultural factors.

For the purposes of this AI, maps were produced for several racial and ethnic groups based on both 2000 and 2010 Census data in order to examine how the concentrations of these populations changed over time. These maps are discussed below and presented on the following pages.

Map II.1, on page 32, shows that in 2000, the black population in San Mateo County was disproportionately concentrated in a few Census tracts, primarily in East Palo Alto and one in Redwood City. In addition, some tracts in the northwestern parts of the County had rates above the average of 3.5 percent.

The average percent black population per tract in San Mateo County decreased from 3.5 percent in 2000 to 2.8 percent in 2010. Map II.2, on page 33, reveals that in 2010, the black population remained most highly concentrated in a few tracts in and around East Palo Alto, with rates as high as 21.7 percent. A few tracts in the County became slightly less relatively concentrated by 2010.

Map II.3, on page 34, presents the concentration of the Asian population in San Mateo County, as of the 2000 Census. The strongest concentrations of Asian residents, in some tracts as high as 69.1 percent, were seen in the northern parts of the County, such as in Daly

City. Some tracts along Interstate 280 were also above the average of 20 percent, and more disproportionate shares were seen east and south of San Mateo.

The distribution of the Asian population in San Mateo County, as of the 2010 Census, is shown on page 35 in Map II.4. The average percent of Asian population per tract increased by 4.8 percent from 2000, and in 2010, more tracts displayed shares above the disproportionate share threshold. The highest rate of concentration in the County increased to 74.3 percent, again in Daly City. Shares increased around South San Francisco and east of San Mateo.

The concentration of the Hispanic population, at the time of the 2000 Census, is presented on page 36 in Map II.5. This group averaged 21.9 percent per tract, and several tracts were above the average or the disproportionate share threshold. The highest shares were seen in East Palo Alto, North Fair Oaks, the City of San Mateo, and South San Francisco, with the highest concentration reaching 79.3.

Census Bureau data showed that the Hispanic population increased from an average of 21.9 percent in 2000 to 25.4 percent in 2010. Map II.6, on page 37, reveals that concentrations in several larger tracts—such as those in Redwood City and west of Interstate 280 near the center of the County—increased in share and held disproportionate levels in 2010. East Palo Alto and North Fair Oaks remained very highly concentrated, up to 84.2 percent, and some tracts in the latter became more concentrated.

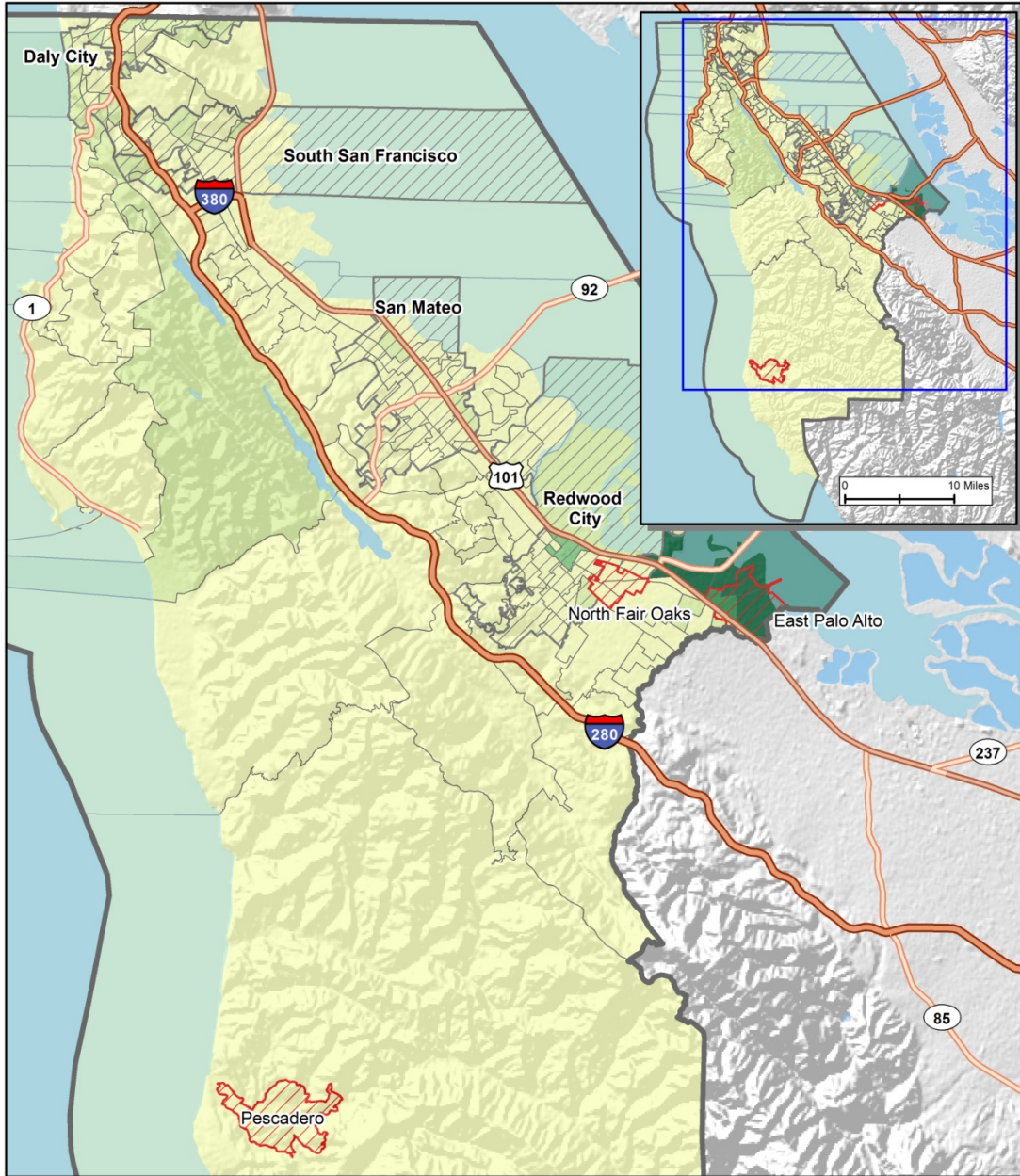
Map II.7, on page 38, shows that in 2000, the white population in San Mateo County, which averaged 59.5 percent, was disproportionately concentrated in large parts of the County in the largest Census tracts, and in a few tracts in San Mateo and Redwood City, in some places as high as 92.5 percent. No disproportionate shares were seen in Daly City, South San Francisco, or East Palo Alto, and shares were lower than the average in parts of North Fair Oaks and the City of San Mateo.

The average percent white population per tract in San Mateo County decreased from 59.5 percent in 2000 to 53.4 percent in 2010. Map II.8, on page 39, reveals that in 2010, the white population became less concentrated in several areas, relative to the countywide average. This occurred in the larger, southern tracts in the County as well as in the City of San Mateo, Redwood City, and north and west of South San Francisco.

In summary, both Asian and Hispanic populations experienced increasing population share concentrations between 2000 and 2010, while black and white populations decreased in share average. A rise in rates of minority racial and ethnic persons can be attributable to several factors, including historical or geographical influences, socio-economic status, cultural and self-segregation, and even public policy housing standards and practices. In some cases, these factors act as impediments to fair housing choice, but such impediments cannot be identified with geographic racial concentration data alone. When analyzed in

combination with data from other sources, some of these patterns may be found to be the results of impediments to fair housing choice in some areas of the County.

Map II.1
Percent Black Population by Census Tract
 San Mateo County
 2000 Census Data



LEGEND

2000 Black Population
 2000 Average Percent Black Population in San Mateo County = 3.5%
 Disproportionate Share Threshold = 13.5%

Percent Black	Color
0.0 - 3.5	Lightest Yellow
3.6 - 13.5	Light Yellow
13.6 - 20.0	Yellow-Green
20.1 - 25.0	Green
25.1 - 32.2	Darkest Green

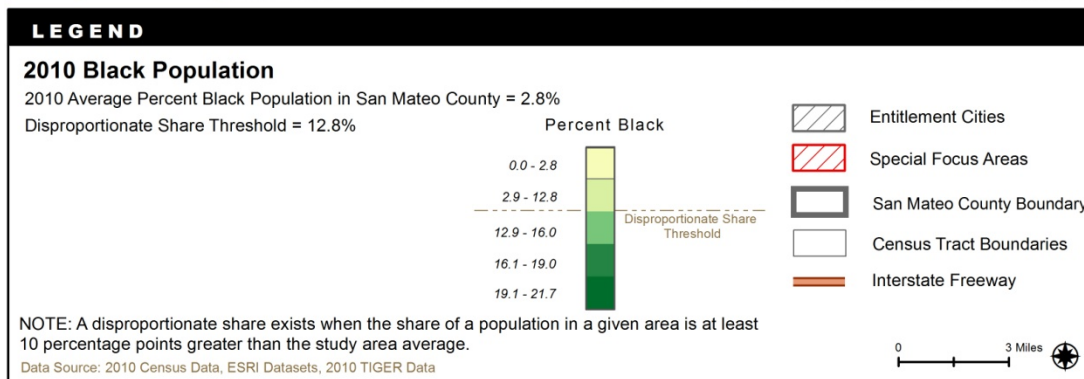
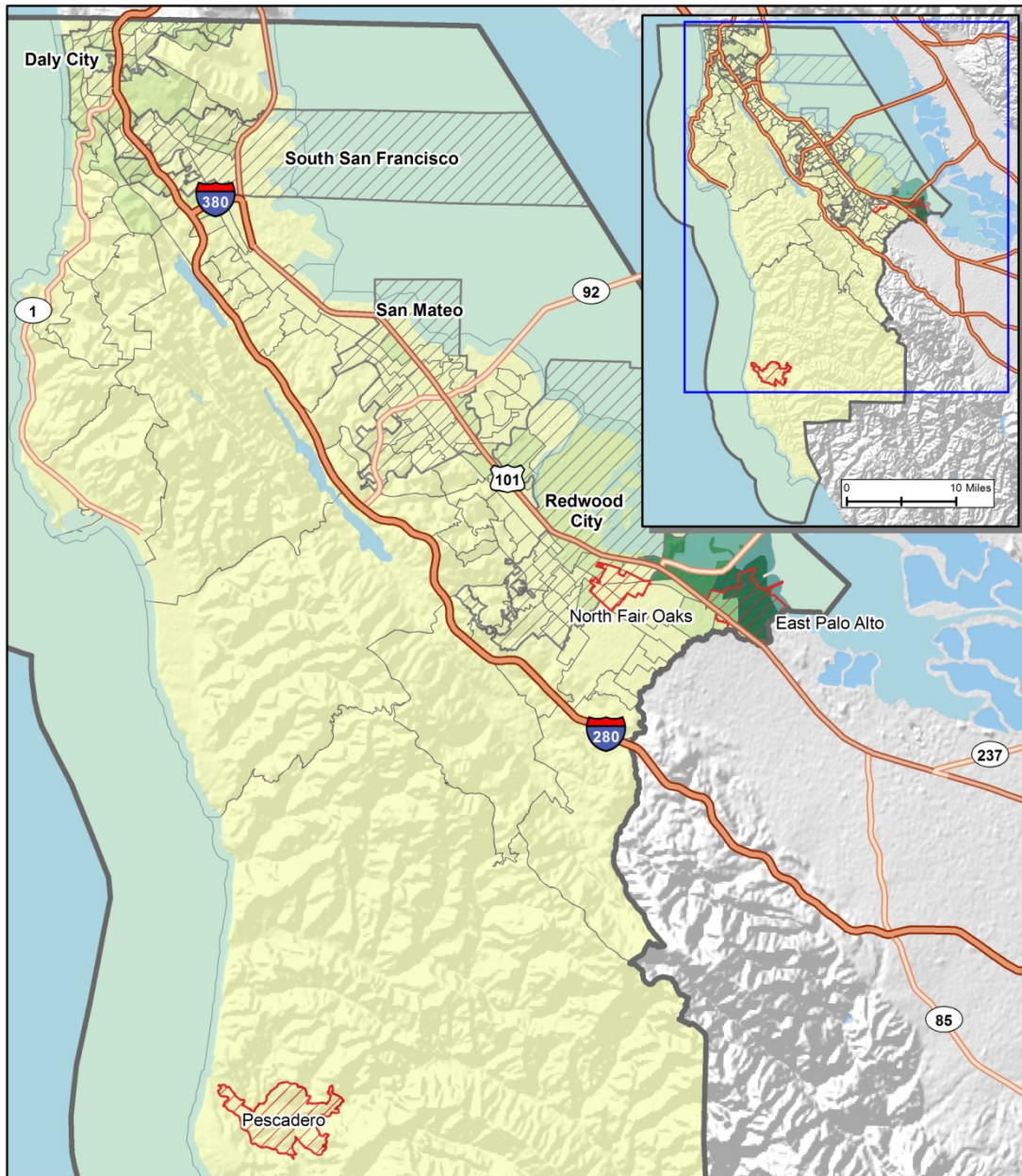
Disproportionate Share Threshold (indicated by a dashed line between 13.5% and 20.0% on the scale)

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

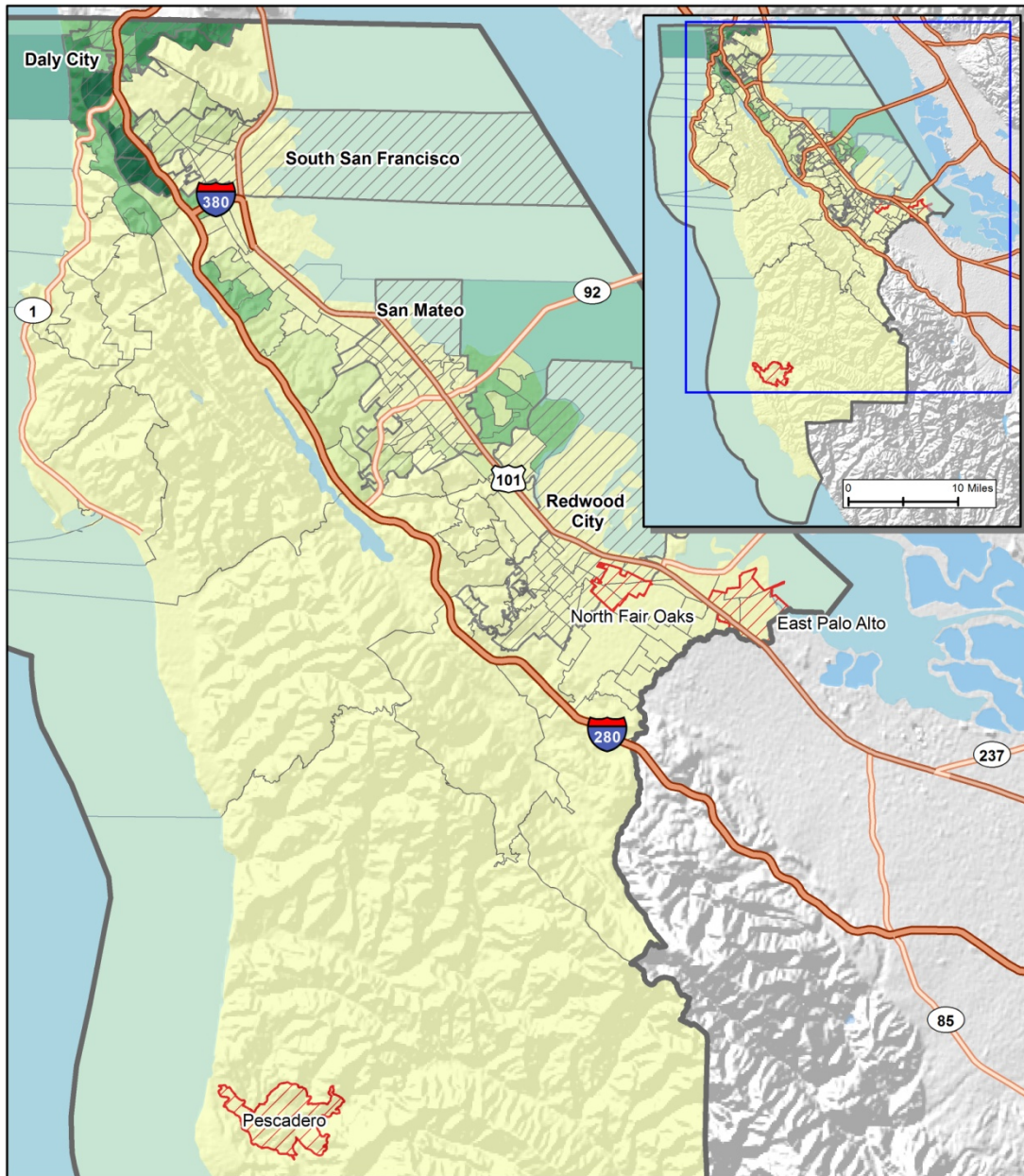
NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2000 Census Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map II.2
Percent Black Population by Census Tract
 San Mateo County
 2010 Census Data



Map II.3
Percent Asian Population by Census Tract
 San Mateo County
 2000 Census Data



LEGEND

2000 Asian Population
 2000 Average Percent Asian Population in San Mateo County = 20.0%
 Disproportionate Share Threshold = 30.0%

Percent Asian	Color
0.0 - 20.0	Light Yellow
20.1 - 30.0	Yellow-Green
30.1 - 45.0	Light Green
45.1 - 60.0	Medium Green
60.1 - 69.1	Dark Green

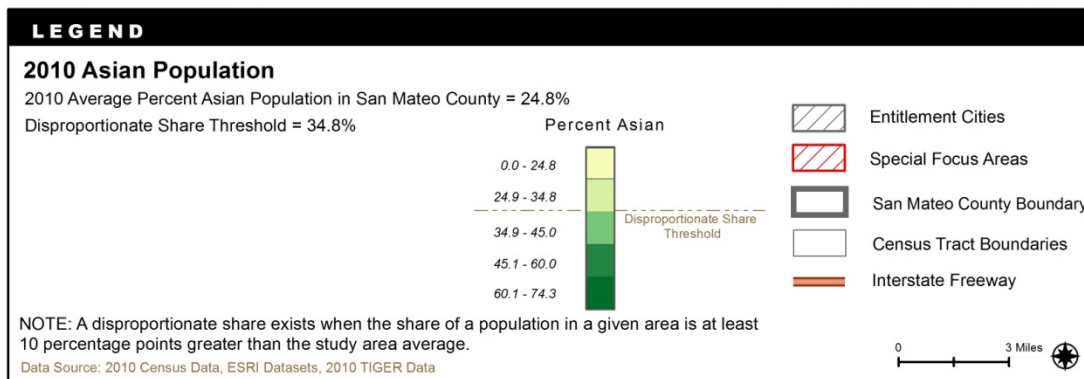
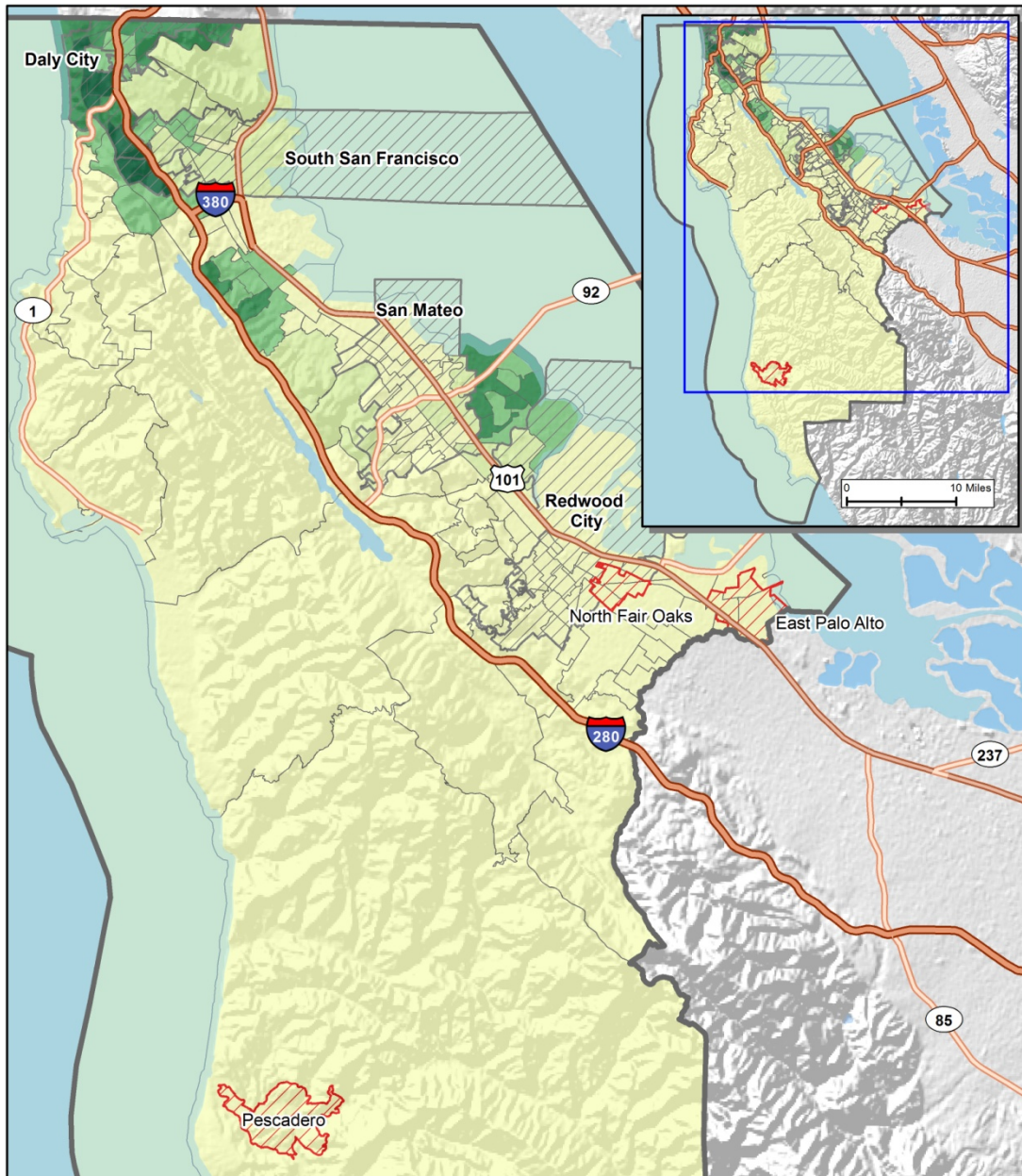
Disproportionate Share Threshold (indicated by a dashed line at 30.0% on the scale)

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

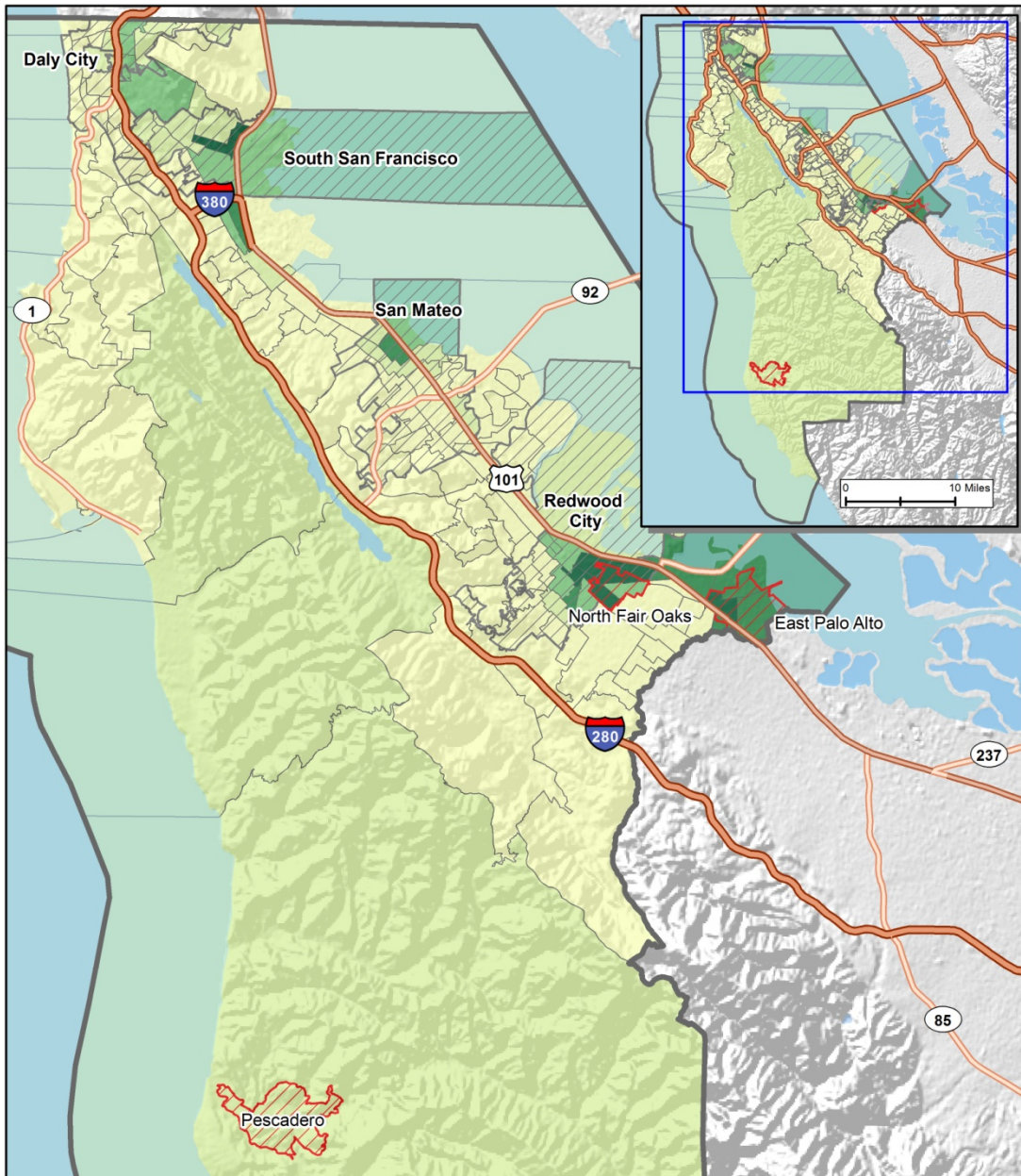
NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2000 Census Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map II.4
Percent Asian Population by Census Tract
 San Mateo County
 2010 Census Data



Map II.5
Percent Hispanic Population by Census Tract
 San Mateo County
 2000 Census Data



LEGEND

2000 Hispanic Population
 2000 Average Percent Hispanic Population in San Mateo County = 21.9%
 Disproportionate Share Threshold = 31.9%

Percent Hispanic	Color
0.0 - 21.9	Lightest Yellow
22.0 - 31.9	Light Yellow
32.0 - 45.0	Yellow-Green
45.1 - 60.0	Green
60.1 - 79.3	Darkest Green

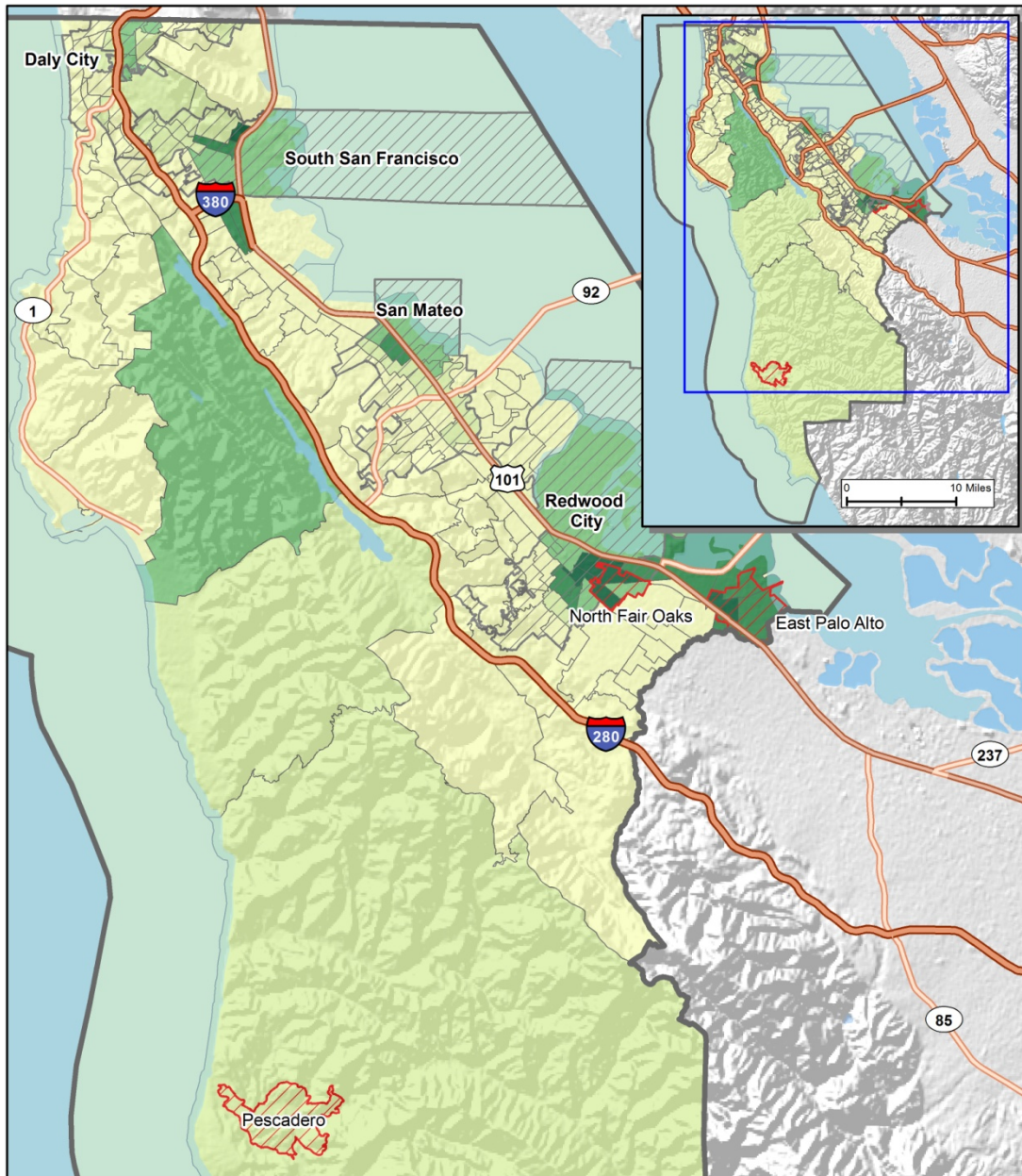
Disproportionate Share Threshold (indicated by a dashed line between 31.9% and 32.0% on the scale)

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2000 Census Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map II.6
Percent Hispanic Population by Census Tract
 San Mateo County
 2010 Census Data



LEGEND

2010 Hispanic Population
 2010 Average Percent Hispanic Population in San Mateo County = 25.4%
 Disproportionate Share Threshold = 35.4%

Percent Hispanic	Color
0.0 - 25.4	Light Yellow
25.5 - 35.4	Yellow-Green
35.5 - 50.0	Light Green
50.1 - 70.0	Medium Green
70.1 - 84.2	Dark Green

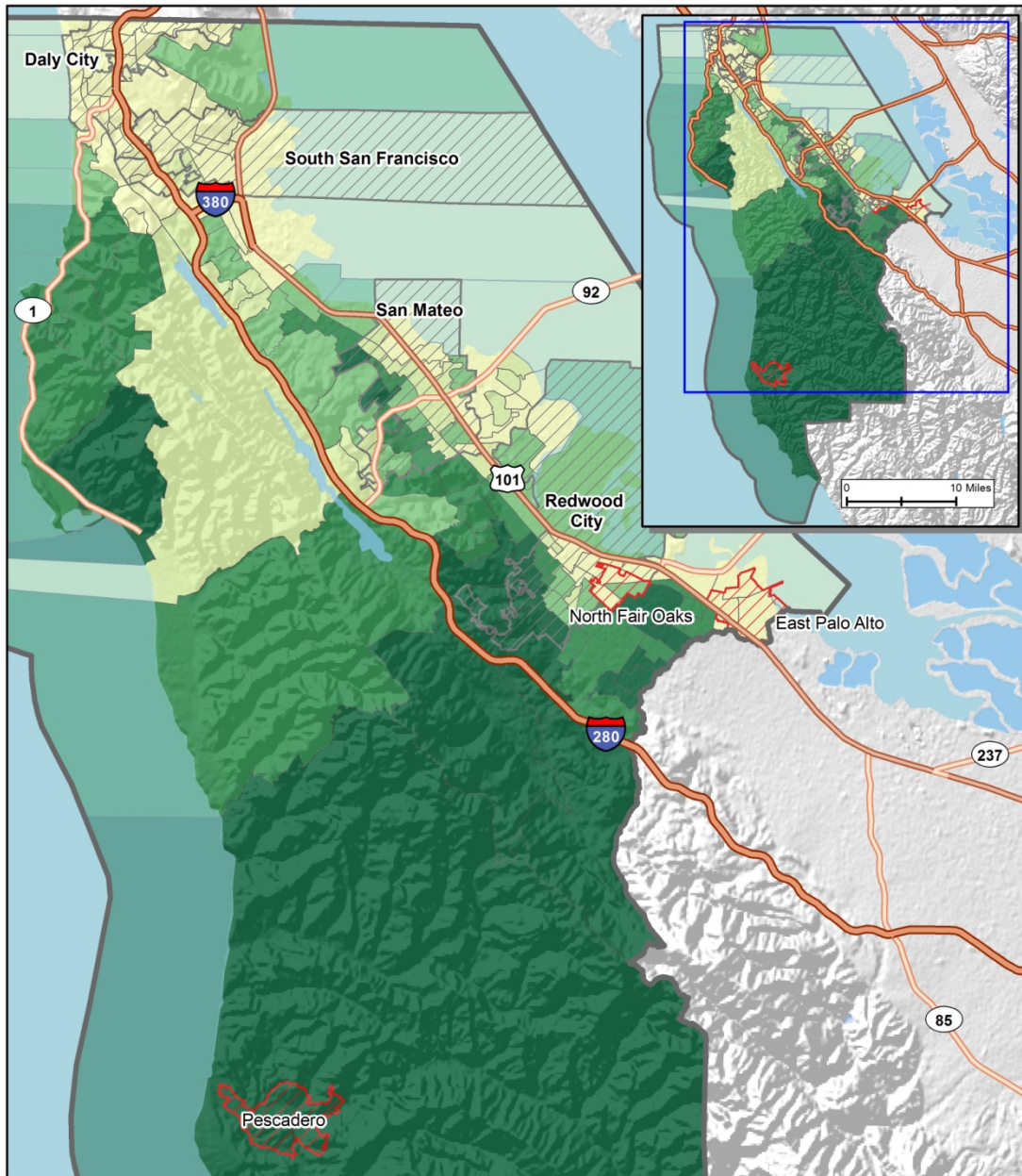
Disproportionate Share Threshold (indicated by a dashed line between 35.4% and 35.5% on the scale)

- Entitlement Cities (diagonal hatching)
- Special Focus Areas (red outline)
- San Mateo County Boundary (thick black line)
- Census Tract Boundaries (thin grey line)
- Interstate Freeway (thick orange line)

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2010 Census Data, ESRI Datasets, 2010 TIGER Data

0 3 Miles

Map II.7
Percent White Population by Census Tract
 San Mateo County
 2000 Census Data



LEGEND

2000 White Population
 2000 Average Percent White Population in San Mateo County = 59.5%
 Disproportionate Share Threshold = 69.5%

Percent White	Color
0.0 - 59.5	Light Yellow
59.6 - 69.5	Light Green
69.6 - 78.0	Medium Green
78.1 - 85.0	Dark Green
85.1 - 92.6	Very Dark Green

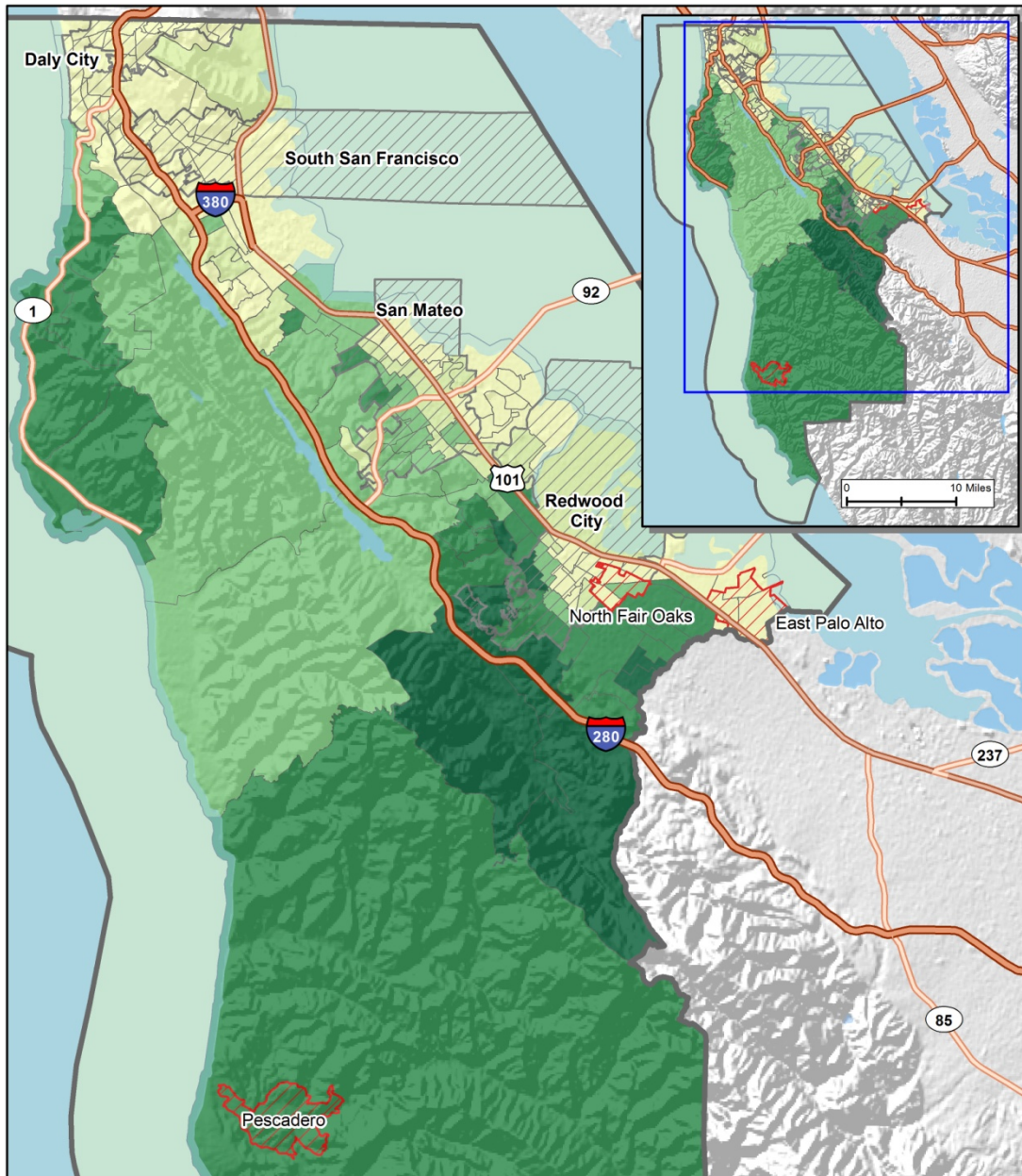
Disproportionate Share Threshold (indicated by a dashed line between 69.5% and 78.0% on the scale)

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2000 Census Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map II.8
Percent White Population by Census Tract
 San Mateo County
 2010 Census Data



LEGEND

2010 White Population
 2010 Average Percent White Population in San Mateo County = 53.4%
 Disproportionate Share Threshold = 63.4%

Percent White	Color
0.0 - 53.4	Light Yellow
53.5 - 63.4	Light Green
63.5 - 75.0	Medium Green
75.1 - 85.0	Dark Green
85.1 - 92.0	Very Dark Green

Disproportionate Share Threshold (indicated by a dashed line between 63.4% and 63.5% on the scale)

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2010 Census Data, ESRI Datasets, 2010 TIGER Data

0 3 Miles

DISABILITY STATUS

The Census Bureau defines disability as a lasting physical, mental, or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes him or her from being able to go outside the home alone or to work.

Among all persons aged 5 years or older, 16.4 percent were disabled in San Mateo County in 2000, a slightly lower figure than the 19.4 percent national disability rate at that time. This share represented 107,440 persons living with a disability in the County, including 3,769 persons between the ages of 5 and 15 and 30,397 persons aged 65 or older. The 2010 three-year ACS estimates showed that only 7.9 percent of persons of all ages were disabled, and the rates for younger and older persons with disabilities decreased as well. These data are displayed below in Table II.5.

Table II.5		
Disability by Age		
San Mateo County		
2000 Census & 2010 3-Year ACS Data		
Age	San Mateo County	
	Disabled Persons	Percent per Age Group
2000 Census		
5 to 15	3,769	3.8%
16 to 64	73,274	15.5%
65 and Over	30,397	35.9%
Total	107,440	16.4%
2010 3-Year ACS		
Under 5	219	0.5%
5 to 17	3,546	3.2%
18 to 64	23,505	5.1%
65 and Over	28,876	31.2%
Total	56,146	7.9%

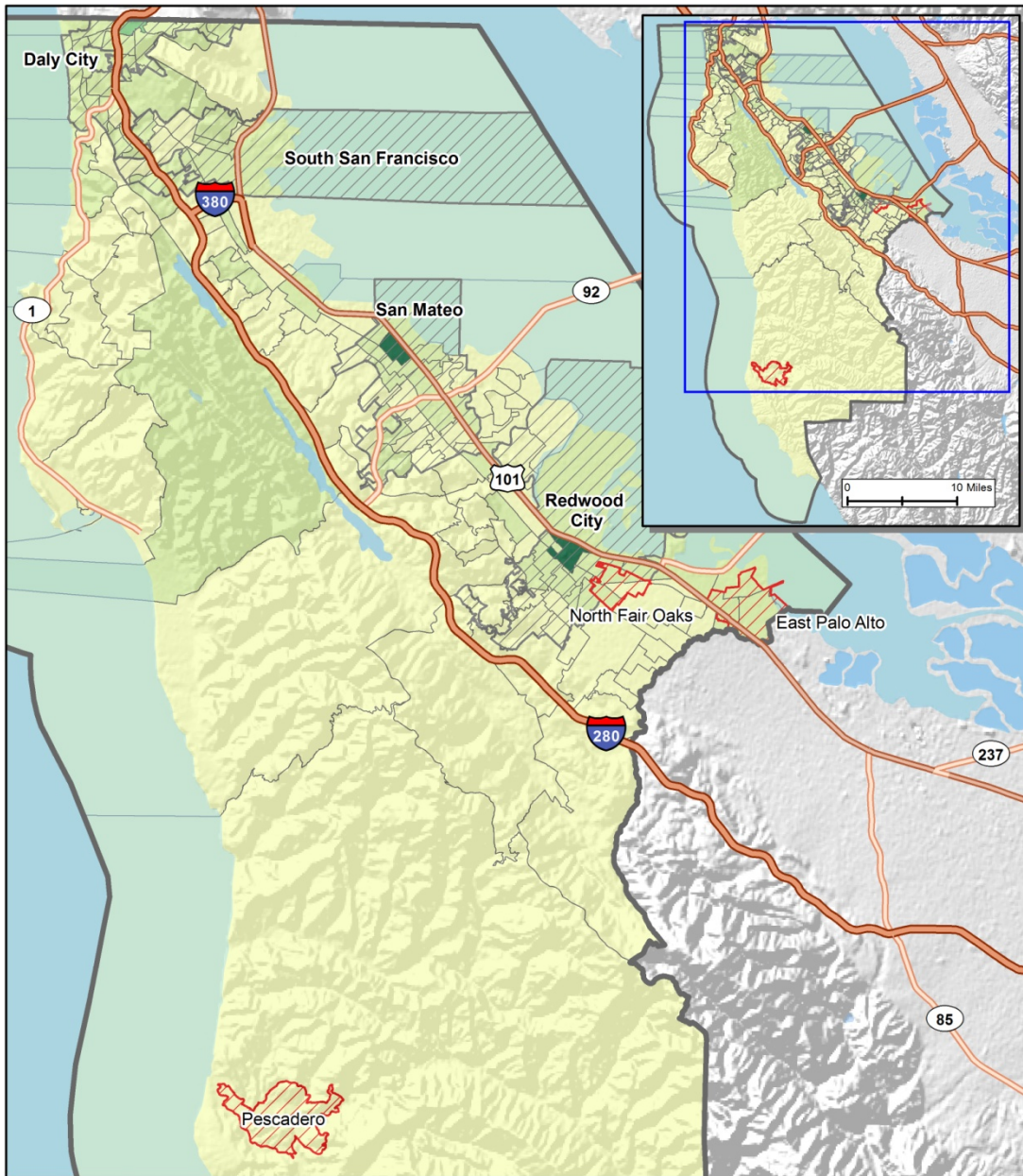
Appendix A details the disabled population by gender and community using the 2007 to 2010 ACS estimates. As shown, disability rates were slightly higher in Daly City and South San Francisco than in the other entitlement cities or the remainder of the County. In both Daly City and the City of San Mateo, more than 50 percent of the population ages 75 and above was disabled; this rate was slightly lower in the other cities and as much as 10 percentage points lower in the remainder of the County.

As with racial and ethnic concentrations, high shares of disabled persons in particular Census tracts do not necessarily point to an impediment to fair housing choice, although they may be the direct result of impediments, such as policies that limit accessible multi-family housing.

Data from the 2007 to 2010 ACS are not available by Census tract, so geographic distribution of the disabled population in San Mateo County as of the 2000 Census is

presented in Map II.9, on the following page. As shown, only a few Census tracts held disproportionate shares of the disabled population; shares of up to 35.8 percent were seen. Redwood City, Daly City, and the central portion of the City of San Mateo held the highest concentrations of disabled persons, and very few tracts across the County had disabled populations above the average but below the disproportionate share.

Map II.9
Disabled Population by Census Tract
 San Mateo County
 2000 Census Data



LEGEND

2000 Percent Disabled Population
 2000 Average Percent Disabled Population in San Mateo County = 16.4%
 Disproportionate Share Threshold = 26.4%

Percent Disabled	Color
0.0 - 16.4	Light Yellow
16.5 - 26.4	Yellow-Green
26.5 - 30.0	Light Green
30.1 - 33.0	Medium Green
33.1 - 35.8	Dark Green

Disproportionate Share Threshold (dashed line at 26.4%)

- Entitlement Cities (diagonal hatching)
- Special Focus Areas (red hatching)
- San Mateo County Boundary (thick black line)
- Census Tract Boundaries (thin grey line)
- Interstate Freeway (thick orange line)

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2000 Census Data, ESRI Datasets, 2000 TIGER Data

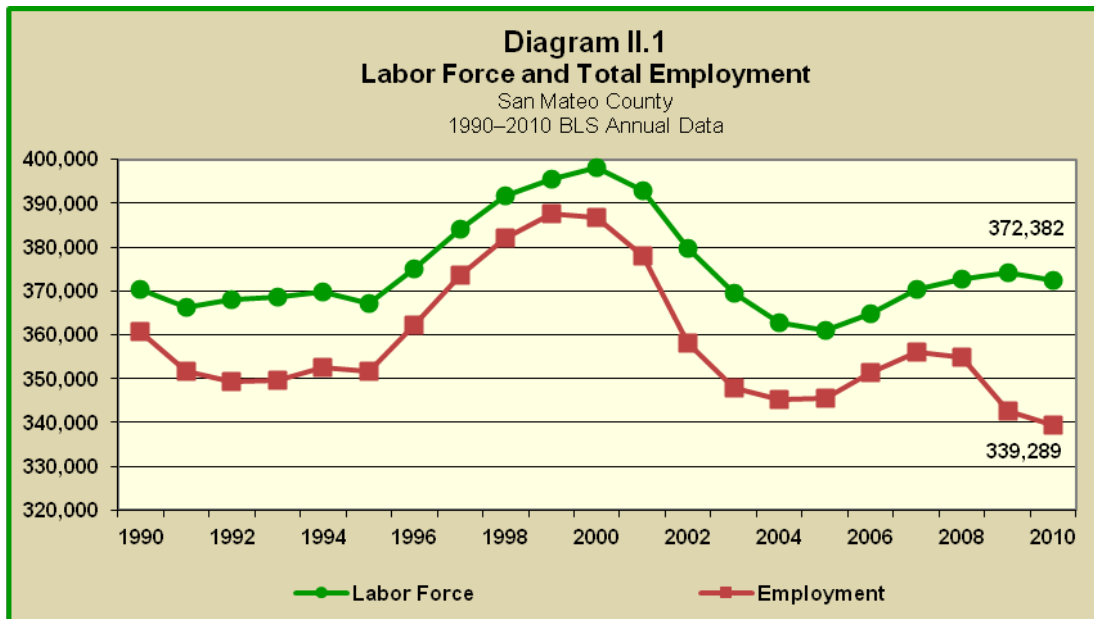
0 3 Miles

ECONOMICS

Data indicating the size and dynamics of San Mateo County’s job markets, workforce, incomes, and persons in poverty provide essential contextual background and indicate the potential buying power or other limitations of County residents when making a housing choice. A review of the County’s residents in such a context shows where additional concern may be needed to address needs and challenges.

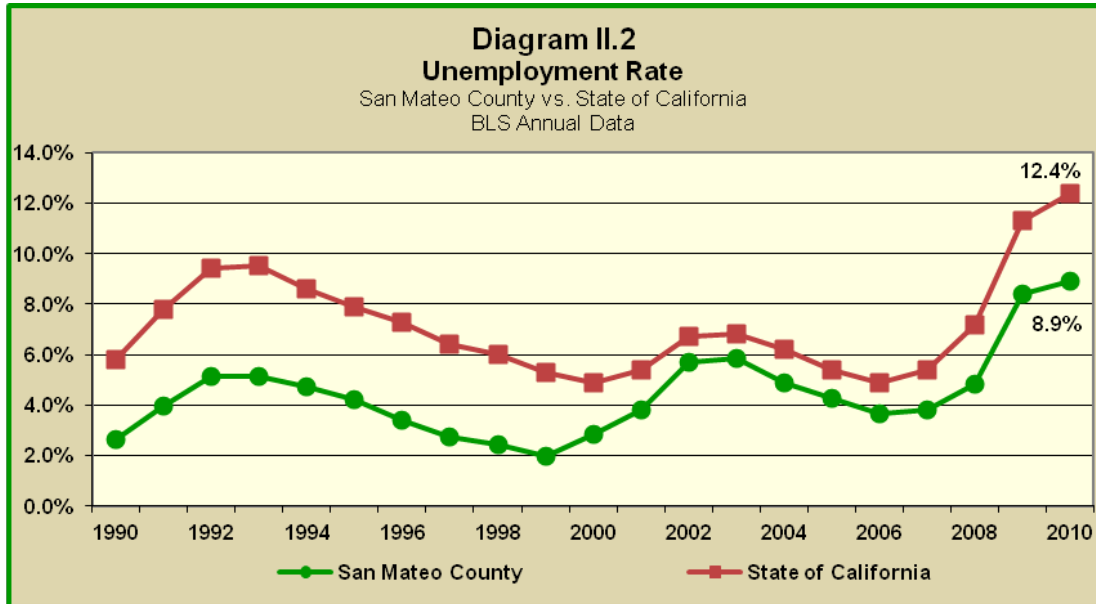
LABOR FORCE AND EMPLOYMENT

Data regarding the labor force, defined as the total number of persons working or looking for work and gathered from the Bureau of Labor Statistics (BLS), and can be segmented by city for cities of 25,000 or more but are not available for smaller communities and CDPs. Labor force and employment figures in San Mateo County, presented below in Diagram II.1, showed a general increase until 2000, and a general decrease after that time. However, labor force statistics are derived from sampling, employer reporting, and statistical estimation, and both the methodology and base reporting values are periodically revised. These revisions account for the dramatic increases in both the labor force and employment in 2000 and affected these figures in 2008. After 2008, employment declined far more dramatically than did the labor force, indicating a large gap. This trend matches national figures of economic downturn.



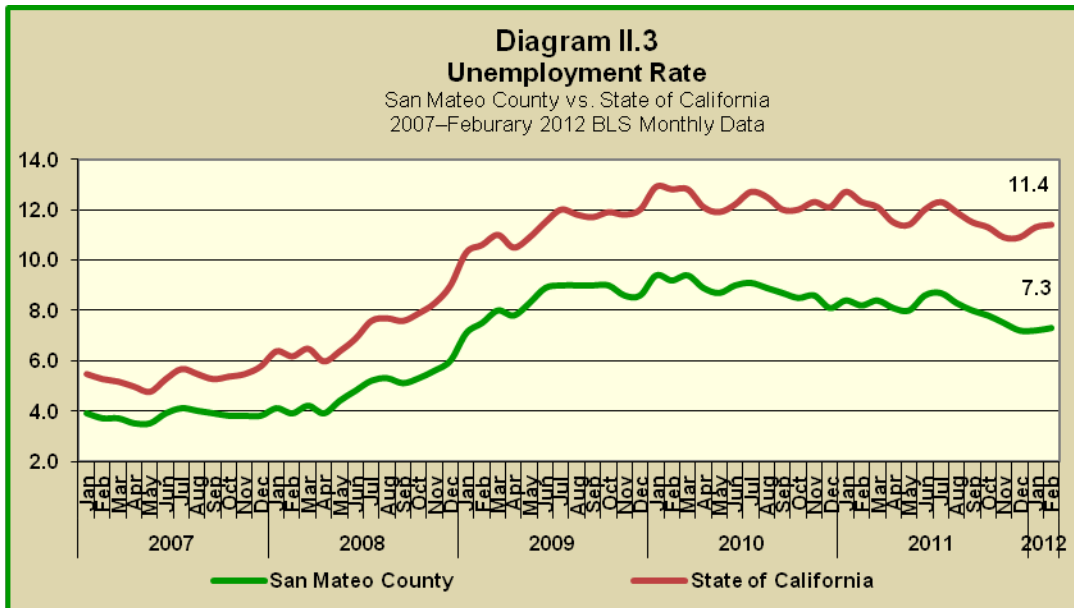
Appendix B presents diagrams of labor force and employment in the entitlement cities and the special focus area of East Palo Alto. The entitlement cities had similar trends to the countywide figures presented above, although in Daly City and the City of San Mateo, employment fell most dramatically. However, an opposite change was seen in East Palo Alto,

where an increase in labor force in 2010 caused a wider gap. The gap between the labor force and the number of employed persons represents the unemployment rate. Diagram II.2, on the following page, presents the yearly unemployment rates in San Mateo County as compared to those seen statewide in California from 1990 through 2010. As a result of the fairly stable labor force and decline in employment, the unemployment rate in the County rose from 3.7 percent in 2006 to 8.9 percent in 2010; however, the County's rates were consistently lower than statewide figures.



Yearly unemployment rates are shown for each of the entitlement cities and East Palo Alto in Appendix B. In Redwood City and San Mateo, rates were similar to or lower than countywide averages, but Daly City and South San Francisco had slightly higher rates. In East Palo Alto, the 2010 unemployment rate was more than twice as high as the County's average in that year.

More recent monthly unemployment rate data are presented below in Diagram II.3. As shown, the unemployment rate in San Mateo County increased after 2008 but fluctuated between 2009 and 2012, ranging from 6 to 9.4 percent. Some seasonal employment changes were seen in the spring and late fall months of most years. By February 2012, the County's unemployment rate stood at 7.3 percent compared to the statewide rate of 11.4 percent.

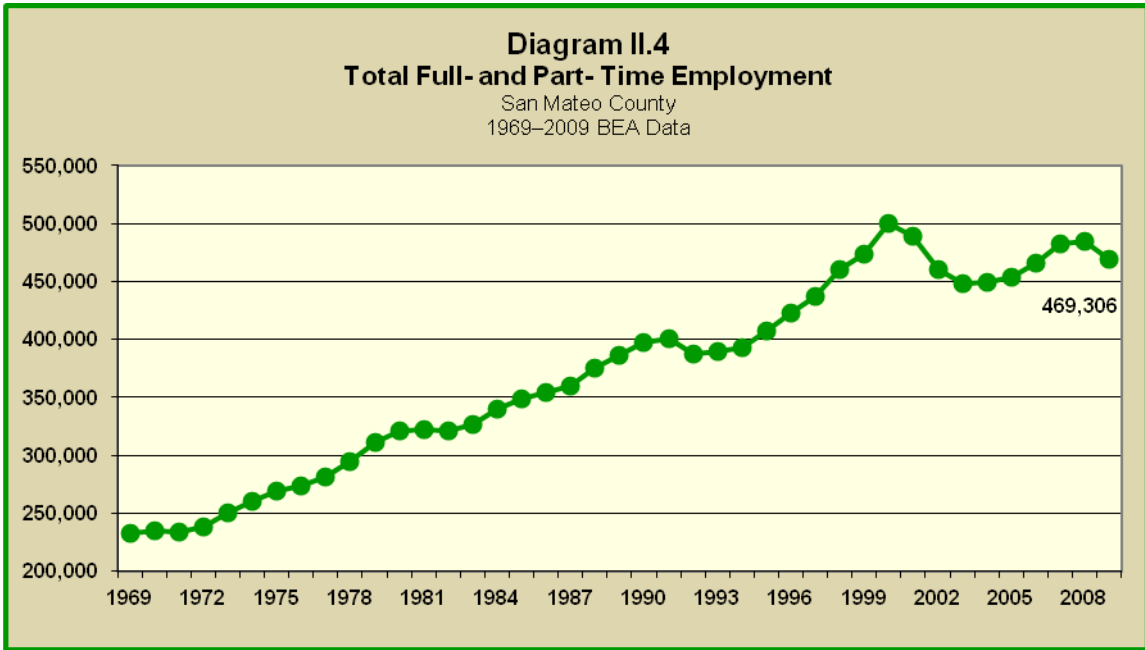


Appendix B demonstrates monthly employment figures in each of the entitlement cities and East Palo Alto as compared to figures for the County. It shows that unemployment rates were consistently higher than those of the County in Daly City and South San Francisco, lower in the City of San Mateo, and almost identical in Redwood City. However, in February 2012 the unemployment rate in East Palo Alto was more than twice as high as the County's. Across all areas, patterns of increase and decrease over the period were very similar to County trends.

FULL- AND PART-TIME EMPLOYMENT AND EARNINGS

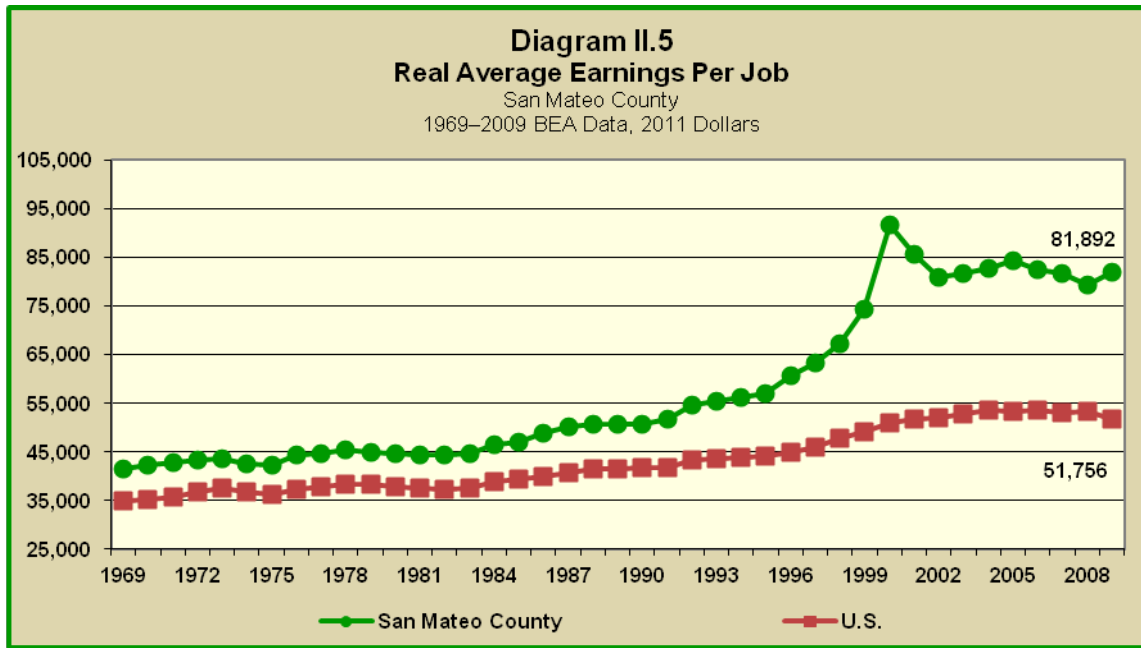
The Bureau of Economic Analysis (BEA) provides an alternate view of employment: a count of both full- and part-time jobs.¹⁰ Thus, a person working more than one job can be counted more than once. BEA data are only available by county. As shown in Diagram II.4, below, the total number of full- and part-time jobs in San Mateo County more than doubled from 1969 through 2009, increasing by more than 237,000 jobs. The number of jobs was highest in 2000, however, and several noticeable dips in employment began in 1992, 2001, and 2008.

¹⁰ Data are, in part, from administrative records, and the most current BEA data available were through 2009.



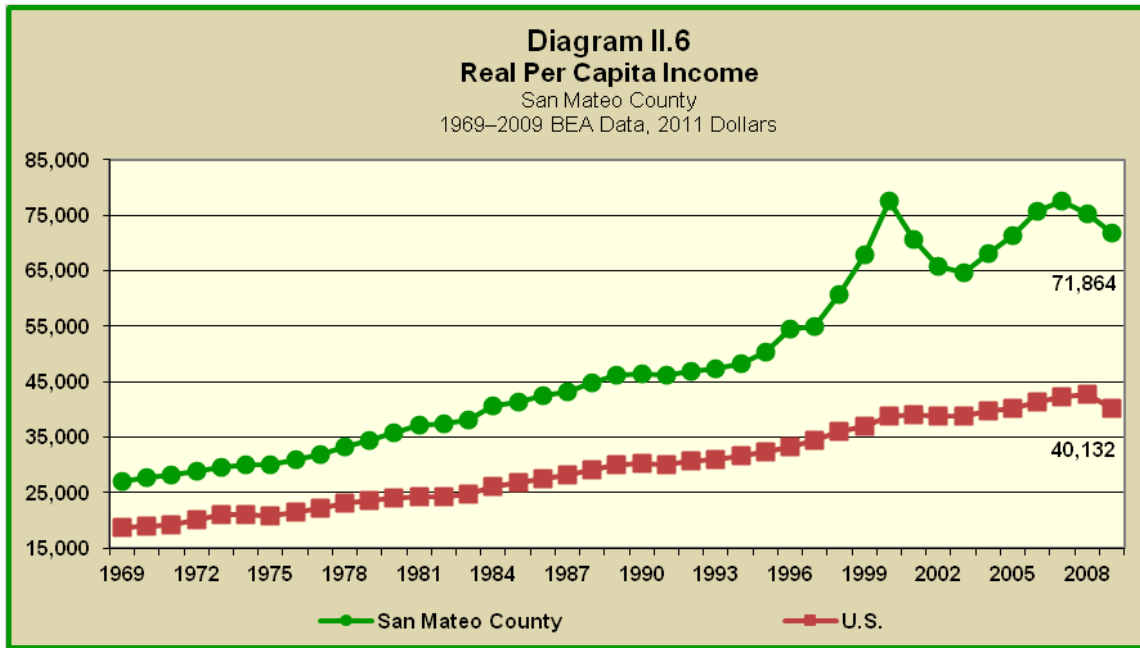
Because BEA employment data are only available by county, they are not segmented for each entitlement city and special focus area. However, Appendix C presents detailed figures on total employment and income for each year shown in the diagram above.

When the total earnings from employment is divided by the number of jobs and then deflated to remove the effects of inflation, average real earnings per job is determined. Diagram II.5, on the following page, shows that average earnings per job in San Mateo County in 2011 dollars rose from under \$42,000 in 1969 to \$81,892 by 2009, and was consistently higher than the U.S. average over this time period. However, the gap widened after the early 1990s when real average earnings figures began to grow considerably higher than national averages, reaching a high of nearly twice the U.S. figure in 2000.



Appendix C details data on average real earnings per job as well as employment and earnings by industry. It shows that from 2001 to 2009, average earnings per job in 2011 dollars decreased for all industries by 4.4 percent, but increased significantly in some fields such as utilities, manufacturing, government, and health care and social assistance. Most other industries saw a drop in real average earnings per job over the nine-year period.

Another gauge of economic health involves income from all sources: wages earned; transfer payments; and property income such as dividends, interest, and rents. When these figures are added together and divided by population, per capita income is determined. Diagram II.6, on the following page, compares real per capita income in San Mateo County to that in the U.S. from 1969 through 2009. This diagram shows that per capita income in the County was consistently higher than the nation's over the period, but the difference grew more dramatic after the mid-1990s. Real per capita income in the County staggered considerably between 1998 and 2009.



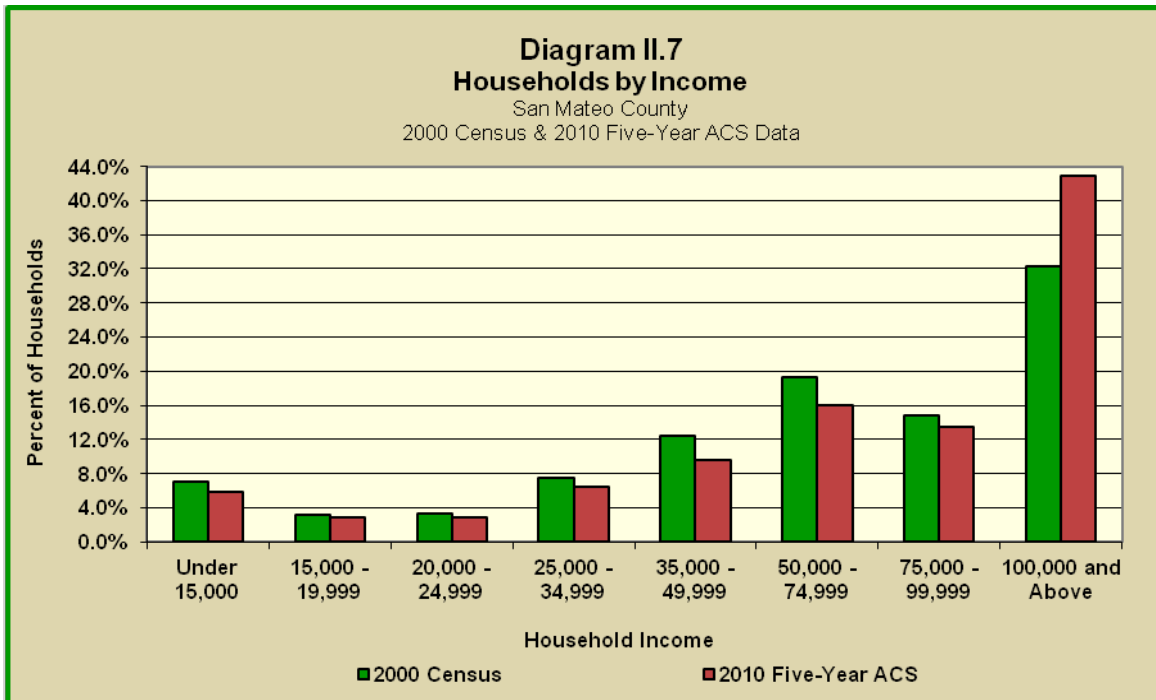
HOUSEHOLD INCOME

Table II.6, below, presents the number of households in San Mateo County by income range, as derived from the 2000 Census count and the 2010 five-year ACS estimates. In 2000, 7.1 percent of households had incomes under \$15,000, and an additional 6.5 percent had incomes between \$15,000 and \$24,999. In general, however, incomes were relatively high in the County, and the majority of households made \$50,000 or more. More recent ACS data showed that the percentage of households with incomes of \$100,000 or above increased from 32.3 percent in 2000 to 42.9 percent in 2010, and the shares that represented all other income categories decreased. These findings suggest that incomes in the County improved significantly over the decade.

Income	2000 Census		2010 Five-Year ACS	
	Population	% of Total	Population	% of Total
Under \$15,000	17,967	7.1%	14,887	5.8%
\$15,000–\$19,999	8,133	3.2%	7,471	2.9%
\$20,000–\$24,999	8,305	3.3%	7,292	2.9%
\$25,000–\$34,999	19,254	7.6%	16,606	6.5%
\$35,000–\$49,999	31,588	12.4%	24,443	9.6%
\$50,000–\$74,999	49,266	19.4%	40,946	16.0%
\$75,000–\$99,999	37,665	14.8%	34,327	13.4%
\$100,000 and Above	82,041	32.3%	109,786	42.9%
Total	254,219	100.0%	255,758	100.0%

Appendix A shows that in the remainder of the County, households making \$100,000 and above made up a higher share than they did in the entitlement cities, and households at the lowest end of the scale made up less of the population. The shares of households making between \$35,000 and \$99,999 were noticeably higher in the entitlement cities.

Diagram II.7, below, presents these income distributions graphically and further demonstrates the shift from lower- to medium- and higher-income households over time.



POVERTY

The Census Bureau uses a set of income thresholds that vary by family size and composition to determine poverty status. If a family’s total income is less than the threshold for its size, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index. The official poverty definition counts income before taxes and does not include capital gains and non-cash benefits such as public housing, Medicaid, and food stamps. Poverty is not defined for persons in military barracks, institutional group quarters, or for unrelated individuals under age 15 such as foster children.

In San Mateo County, the poverty rate in 2000 was 5.8 percent, with 40,692 persons considered to be living in poverty, as shown on the following page in Table II.7. Nearly 3,400 children aged 5 and below were counted as living in poverty at that time, in addition to nearly 4,350 persons aged 65 and older. The 2006 to 2010 ACS data showed that poverty in

the County increased to 7 percent. These data may seem to contradict the household income data presented previously, however poverty rates decreased for those in their primary earning years of 18 to 64 and increased for persons aged 5 years and younger, 6 to 17, and 65 and over.

Age	2000 Census		2010 Five-Year ACS	
	Population	% of Total	Population	% of Total
5 and Below	3,382	8.3%	5,177	10.6%
6 to 17	6,903	17.0%	8,971	18.4%
18 to 64	26,059	64.0%	28,410	58.3%
65 and Above	4,348	10.7%	6,186	12.7%
Total	40,692	100.0%	48,744	100.0%
Poverty Rate	5.8%	.	7.0%	.

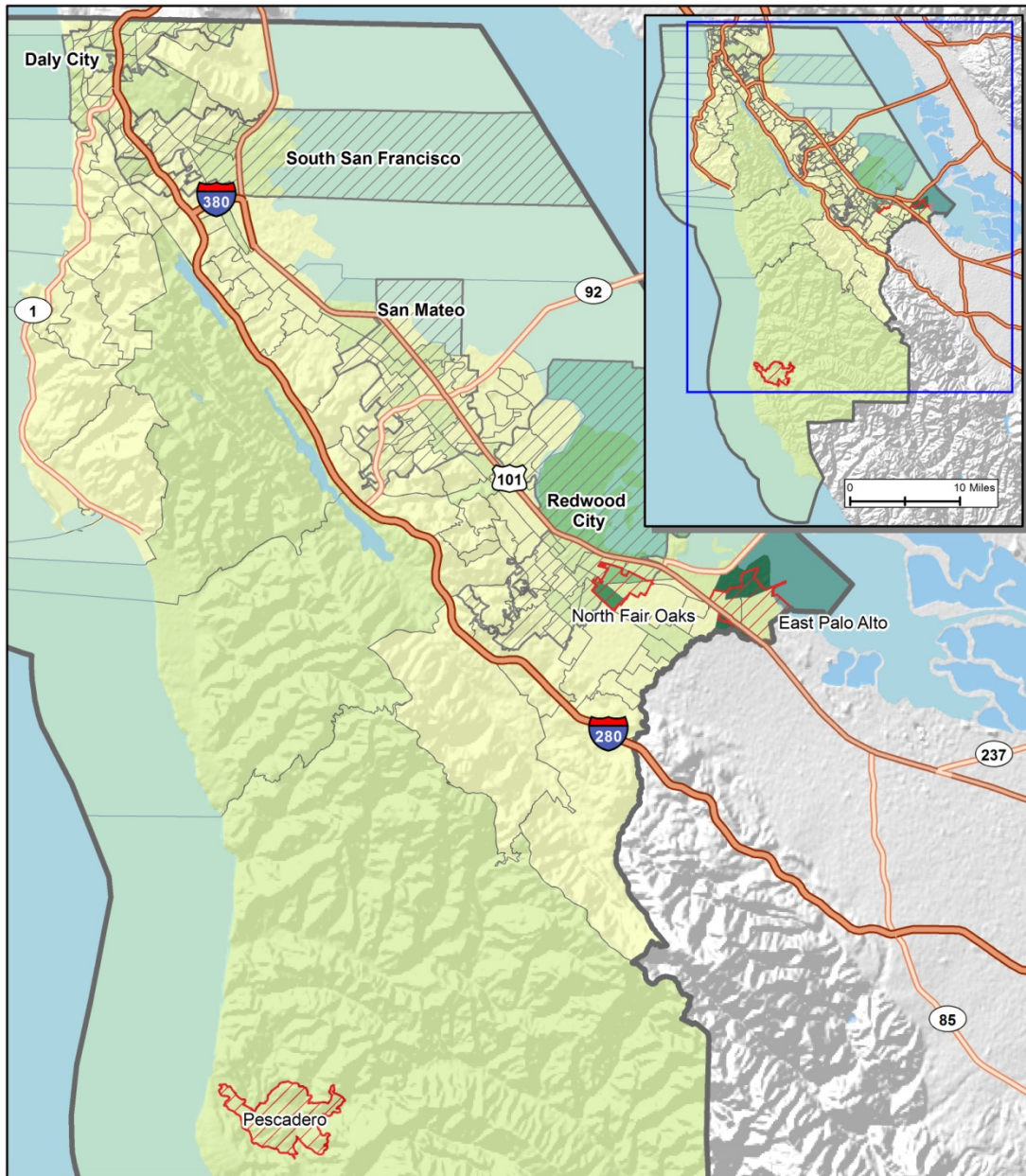
Appendix A shows very similar figures for the entitlement cities and the remainder of the County. Poverty rates were very slightly higher in the entitlement cities than in the remainder.

Poverty was not spread evenly throughout the County, as some Census tracts had much higher rates of poverty than others. While disproportionate and high shares of persons in poverty can be troubling, they do not on their own imply impediments to fair housing choice and do not necessarily affect persons in protected classes. However, these shares may be the result of an impediment, such as a lack of adequate job opportunities that disparately impacts members of protected classes.

Map II.10, on the following page, presents the poverty rates in 2000 geographically. Census tracts that had a disproportionate share of persons living in poverty were those areas where the poverty rate was greater than 15.8 percent. The highest levels of poverty were seen in East Palo Alto, North Fair Oaks, and Redwood City.

By 2010, while parts of the County such as in Redwood City and some of East Palo Alto had become less poor, the countywide average poverty rate and the maximum percentage of persons per tract in poverty had increased. Map II.11, on page 52, presents poverty data for San Mateo County as derived from 2006 through 2010 ACS averages and shows that in many tracts—including in those with high poverty rates in 2000—relative poverty rates increased. Some tracts that did not display disproportionate shares in 2000 did display disproportionate shares in 2010, such as some of those in Redwood City and Daly City.

Map II.10
Poverty Rate by Census Tract
 San Mateo County
 2000 Census Data



LEGEND

2000 Poverty Rates
 2000 Average Poverty Rate for San Mateo County = 5.8%
 Disproportionate Share Threshold = 15.8%

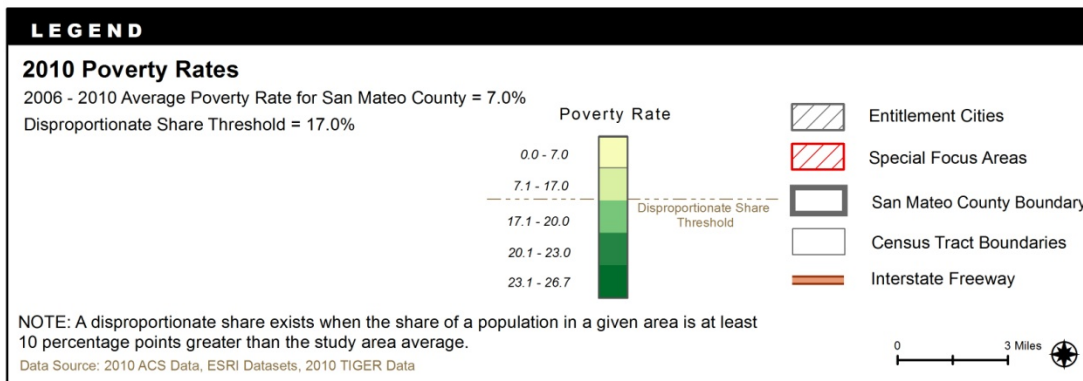
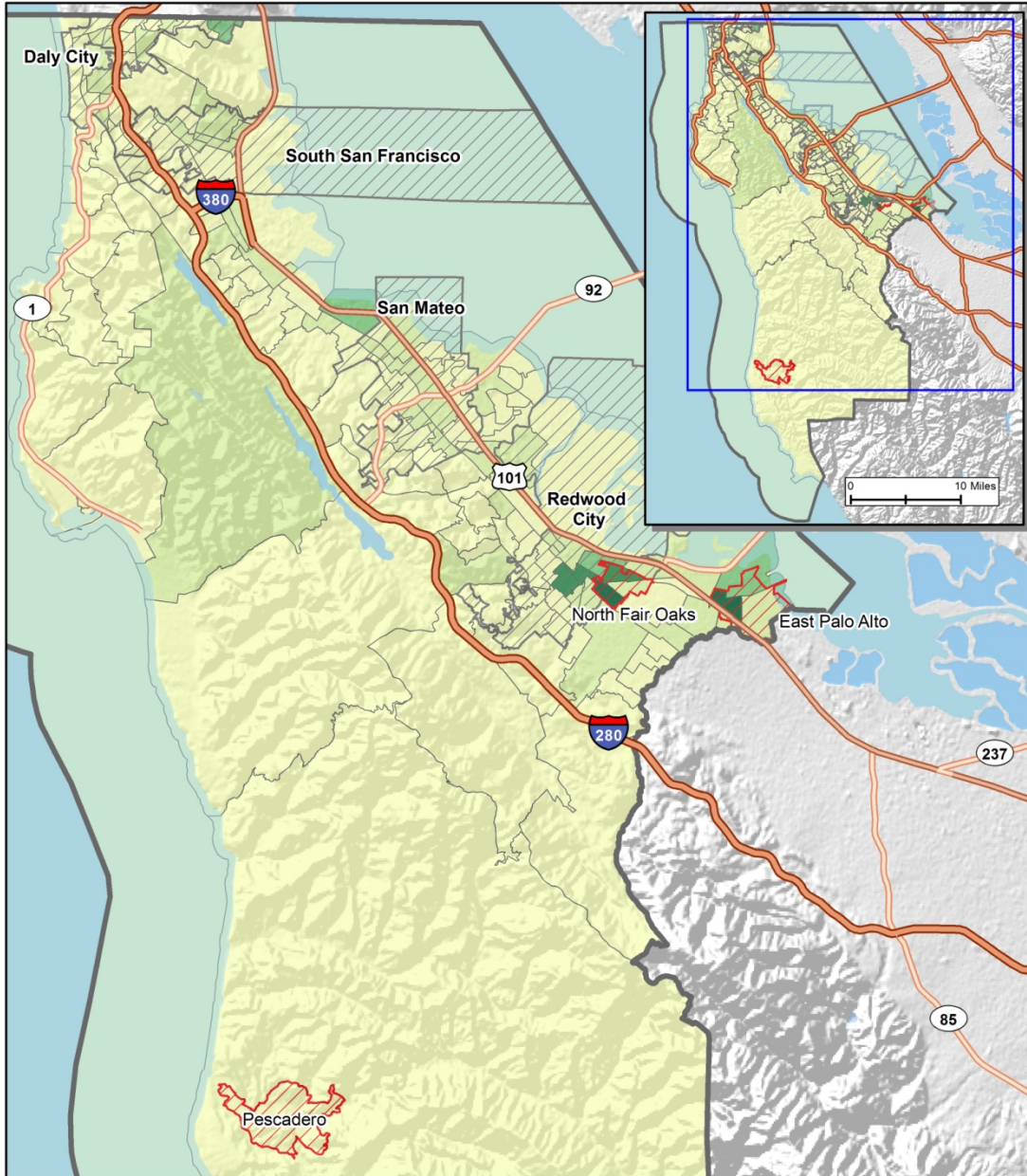
Poverty Rate	Disproportionate Share Threshold
0.0 - 5.8	
5.9 - 15.8	
15.9 - 17.0	Disproportionate Share Threshold
17.1 - 18.0	
18.1 - 19.5	

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2000 Census Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map II.11
Poverty Rate by Census Tract
 San Mateo County
 2010 Five-Year ACS Data



HOUSING

Simple counts of housing by age, type, tenure, and other characteristics form the basis for the housing stock background, suggesting the available housing in the County from which residents have to choose. Examination of households, on the other hand, shows how residents use the available housing, and shows household size and housing problems such as incomplete plumbing and/or kitchen facilities. Review of housing costs reveals the markets in which housing consumers in the County can shop, and may suggest needs for certain populations.

CHARACTERISTICS OF THE HOUSING STOCK

Data regarding the number of housing units counted in San Mateo County are presented in Table II.8, at right. In total, the number of housing units increased by 3.6 percent between 2000 and 2010, from 260,576 to 270,039 units. During this time, the population of San Mateo County increased by only 2.8 percent, which suggests that housing production slightly outpaced population growth.

Year	Housing Units
2000 Census	260,576
2010 Census	270,039
% Change	3.6%

Table II.9, below, shows that as of 2000, the largest group of housing units was those built between 1950 and 1959. This era produced 64,205 units, or 24.6 percent of all units counted in the County. The 2006 to 2010 ACS data show that the shares of housing units constructed during most time periods before 2000 fell slightly due to the construction of units built from 2000 on. Between 2000 and 2004, 8,797 units were constructed, and 3,161 units were built in 2005 or later. Due to the different collection methods of decennial Census and five-year ACS estimates, only the percent shares of total units in each decade of construction are comparable.

Era	2000 Census		2010 Five-Year ACS	
	Housing Units	% of Total	Housing Units	% of Total
1939 or Earlier	24,472	9.4%	25,312	9.4%
1940 to 1949	32,708	12.6%	31,244	11.6%
1950 to 1959	64,205	24.6%	66,718	24.7%
1960 to 1969	51,676	19.8%	46,720	17.3%
1970 to 1979	45,968	17.6%	46,331	17.2%
1980 to 1989	24,422	9.4%	25,560	9.5%
1990 to 1999	17,125	6.6%	16,196	6.0%
2000 to 2004	.	.	8,797	3.3%
2005 or Later	.	.	3,161	1.2%
Total	260,576	100.0%	270,039	100.0%

These data are separated by area in Appendix A, and show that more units were built in the remainder of the County after 2000 than were built in the entitlement cities. Units built between 1950 and 1959 represented about one quarter of homes in both areas.

Of the 260,576 housing units reported in San Mateo County in the 2000 Census, 66.4 percent were single-family homes. An additional 25.3 percent of units were counted as apartments, 2.3 percent were duplex units, and 4.7 percent were tri- or four-plex units. ACS data for 2010 represented a 2006 to 2010 data average, which showed that the share of single-family units and apartments increased very slightly, while the shares of duplexes, tri- and four-plexes, and mobile homes decreased slightly. These data are presented below in Table II.10.

Unit Type	2000 Census		2010 Five-Year ACS	
	Housing Units	% of Total	Housing Units	% of Total
Single-Family Unit	173,002	66.4%	179,450	66.5%
Duplex	6,122	2.3%	5,545	2.1%
Tri- or Four-Plex	12,128	4.7%	11,859	4.4%
Apartment	65,834	25.3%	70,022	25.9%
Mobile Home	2,969	1.1%	2,642	1.0%
Boat, RV, Van, Etc.	521	0.2%	521	0.2%
Total	260,576	100.0%	270,039	100.0%

Appendix A shows that the remainder of the County had a higher share of single-family units than did the entitlement cities, and lower shares of duplexes, tri- and four-plex units, and apartments.

Housing units can also be examined by tenure. Between 2000 and 2010, the number of occupied housing units increased by 1.5 percent, from 254,103 to 257,837 units. The share of owner-occupied versus renter-occupied units showed a slight shift to a greater share of renter-occupied units over the time period, with the rate of homeownership slipping from 61.5 percent to 59.4 percent. The number of vacant units showed a marked increase of 103.8 percent between 2000 and 2010. These data are presented below in Table II.11.

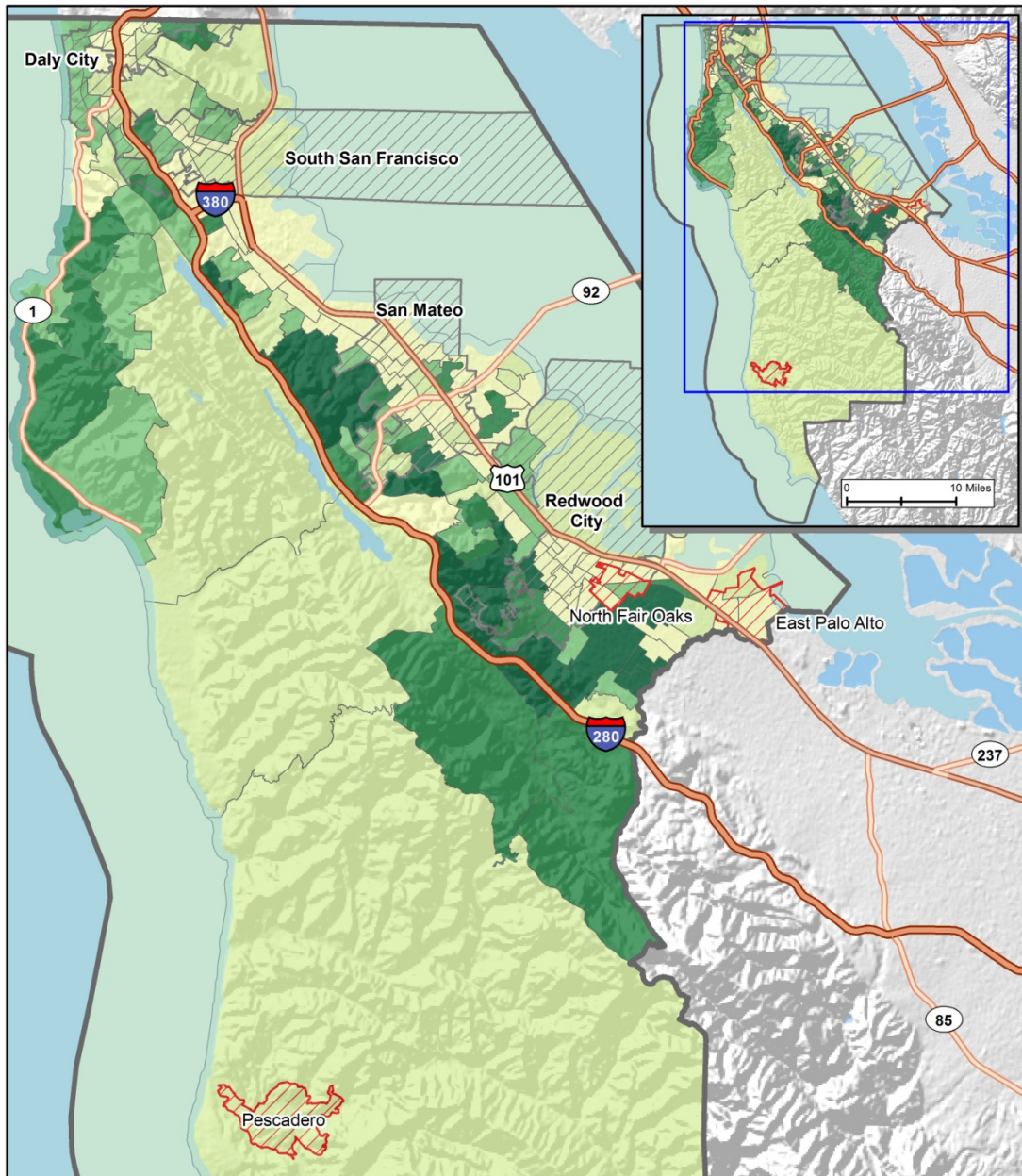
Table II.11					
Housing Units by Tenure					
San Mateo County					
2000 & 2010 Census Data					
Tenure	2000 Census		2010 Census		% Change 00-10
	Housing Units	% of Total	Housing Units	% of Total	
Occupied Housing Units	254,103	97.5%	257,837	95.1%	1.5%
Owner-Occupied	156,264	61.5%	153,110	59.4%	-2.0%
Renter-Occupied	97,839	38.5%	104,727	40.6%	7.0%
Vacant Housing Units	6,473	2.5%	13,194	4.9%	103.8%
Total Housing Units	260,576	100.0%	271,031	100.0%	4.0%

These figures were generally similar for the entitlement cities and the remainder of the County, as shown in Appendix A. However, homeownership was higher in both years in the remainder of the County, and the share of vacant housing units was also higher there—110.1 percent versus 95.3 percent in the cities in 2010.

The geographic dispersal of owner-occupied units in San Mateo County in 2010 is presented on the following page in Map II.12. The average percentage of owner-occupied housing was 59.4 percent in 2010, making the disproportionate share threshold 69.4 percent. Concentrations of owner-occupied housing above the disproportionate share threshold were seen throughout the County, particularly in the southeastern parts, along Interstate 280, and along Highway 1 on the coast.

Conversely, the average rate of renter-occupied housing per tract was 40.6 percent in 2010. Map II.13, on page 57, shows the distribution of renter-occupied housing in San Mateo County. Many of the heaviest concentrations of renter households were located in the largest cities, with a few tracts in Daly City and South San Francisco and many tracts in the City of San Mateo and Redwood City demonstrating disproportionate shares.

Map II.12
Owner-Occupied Housing Units
 San Mateo County
 2010 Census Data



LEGEND

2010 Owner-Occupied Housing Units
 2010 Average Percent Owner-Occupied Units in San Mateo County = 59.4%
 Disproportionate Share Threshold = 69.4%

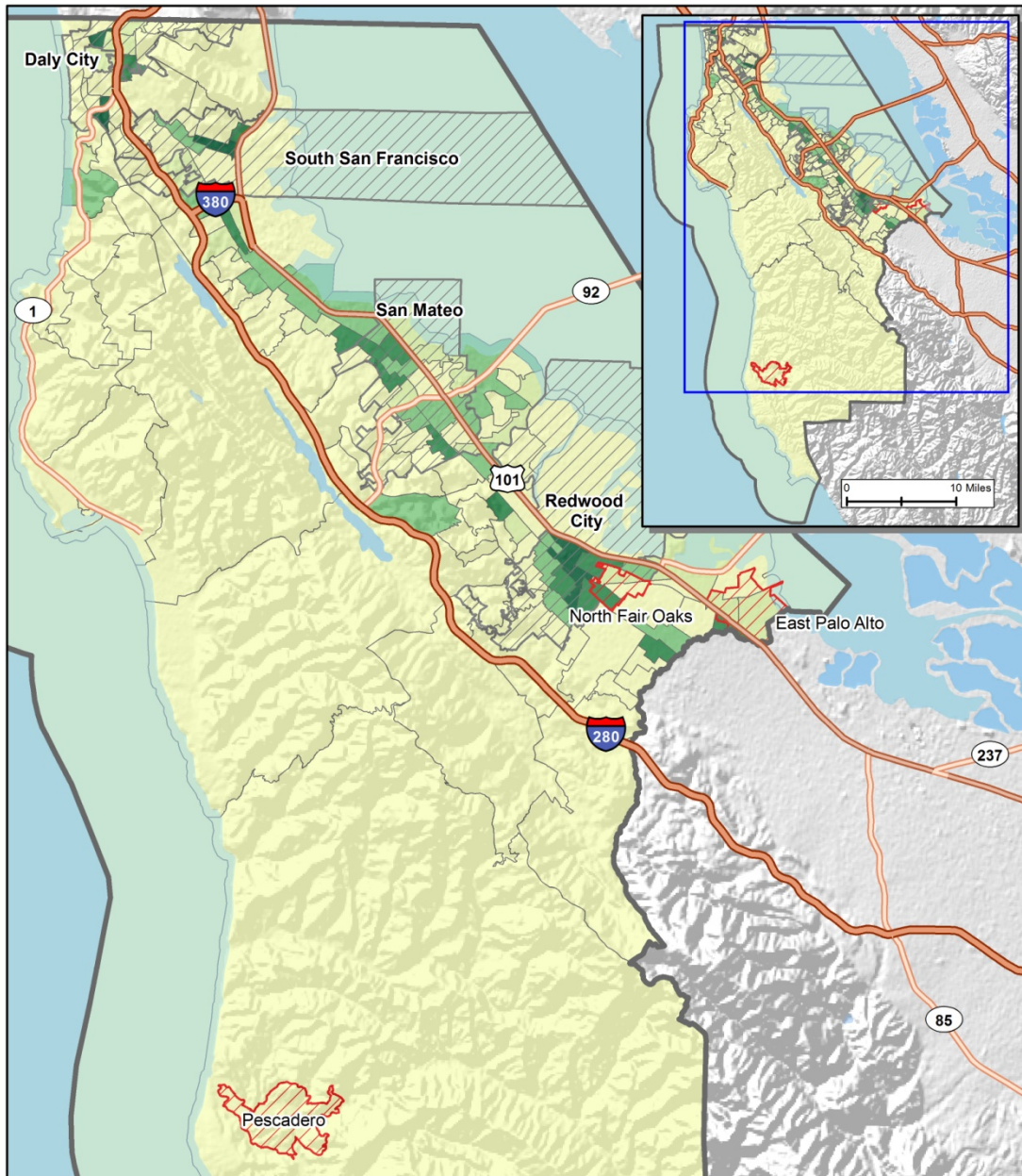
0.0 - 59.4	
59.5 - 69.4	
69.5 - 80.0	
80.1 - 88.0	
88.1 - 95.0	

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2010 Census Data, ESRI Datasets, 2010 TIGER Data

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

0 3 Miles

Map II.13
Renter-Occupied Housing Units
 San Mateo County
 2010 Census Data



LEGEND

2010 Renter-Occupied Housing Units
 2010 Average Percent Renter-Occupied Units in San Mateo County = 40.6%
 Disproportionate Share Threshold = 50.6%

Percent Renter-Occupied		
0.0 - 40.6		
40.7 - 50.6		
50.7 - 65.0		
65.1 - 80.0		
80.1 - 95.1		

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2010 Census Data, ESRI Datasets, 2010 TIGER Data

0 3 Miles

VACANT HOUSING

As shown below in Table II.12, at the time of the 2000 Census, the vacant housing stock represented 6,473 units, and by 2010, this figure reached 13,194. A good portion of the vacant units in 2000 and 2010 were for sale or for seasonal or recreational use, but in total, the number of vacant housing units increased by a remarkable 103.8 percent, and most of these increases came from the number of for-rent, for-sale, or "other vacant" units. For-rent and for-sale units increased by the extremely high figures of 180.5 and 159.8 percent by 2010, respectively, suggesting that the housing market was still recovering from the national housing market boom of 2007 and 2008; these numbers may have fallen since the data were collected. The for-sale units include those in foreclosure or short sale, perhaps due to higher value when they were purchased, and the for-rent units may have represented such high numbers due to homeowners who, unable to sell, elected to rent out their homes instead. Still, "other vacant" units showed a high increase of 120.3 percent, from 1,440 units to 3,173 units. "Other vacant" units include units that are not for sale or rent, which may contribute to blight if grouped in close proximity.

Table II.12					
Disposition of Vacant Housing Units					
San Mateo County					
2000 Census SF1 & 2010 Census Data					
Disposition	2000 Census		2010 Census		% Change 00-10
	Housing Units	% of Total	Housing Units	% of Total	
For Rent	1,823	28.2%	5,113	38.8%	180.5%
For Sale	749	11.6%	1,946	14.7%	159.8%
Rented or Sold, Not Occupied	817	12.6%	960	7.3%	17.5%
For Seasonal, Recreational, or Occasional Use	1,626	25.1%	1,998	15.1%	22.9%
For Migrant Workers	18	0.3%	4	0.0%	-77.8%
Other Vacant	1,440	22.2%	3,173	24.0%	120.3%
Total	6,473	100.0%	13,194	100.0%	103.8%

Appendix A shows these data for the entitlement cities and the remainder of the County, and indicates that while the total number of vacant units increased at a higher rate in the remainder of the County, for-sale units increased by significantly more in the entitlement cities. However, the figures were nearly reversed for for-rent units, which increased by much more in the remainder. Other vacant units increased by 100 percent or more in both areas, but climbed by a larger rate in the remainder as well. These figures echo the data for housing units by tenure presented previously, which also suggest that the demand for rental units was higher in the entitlement cities and the demand for for-sale units was higher in the remainder; this could account for such high numbers of vacant for-rent and "other vacant" units in this area. Additional analysis of housing demand factors, such as cost, is addressed in the following pages.

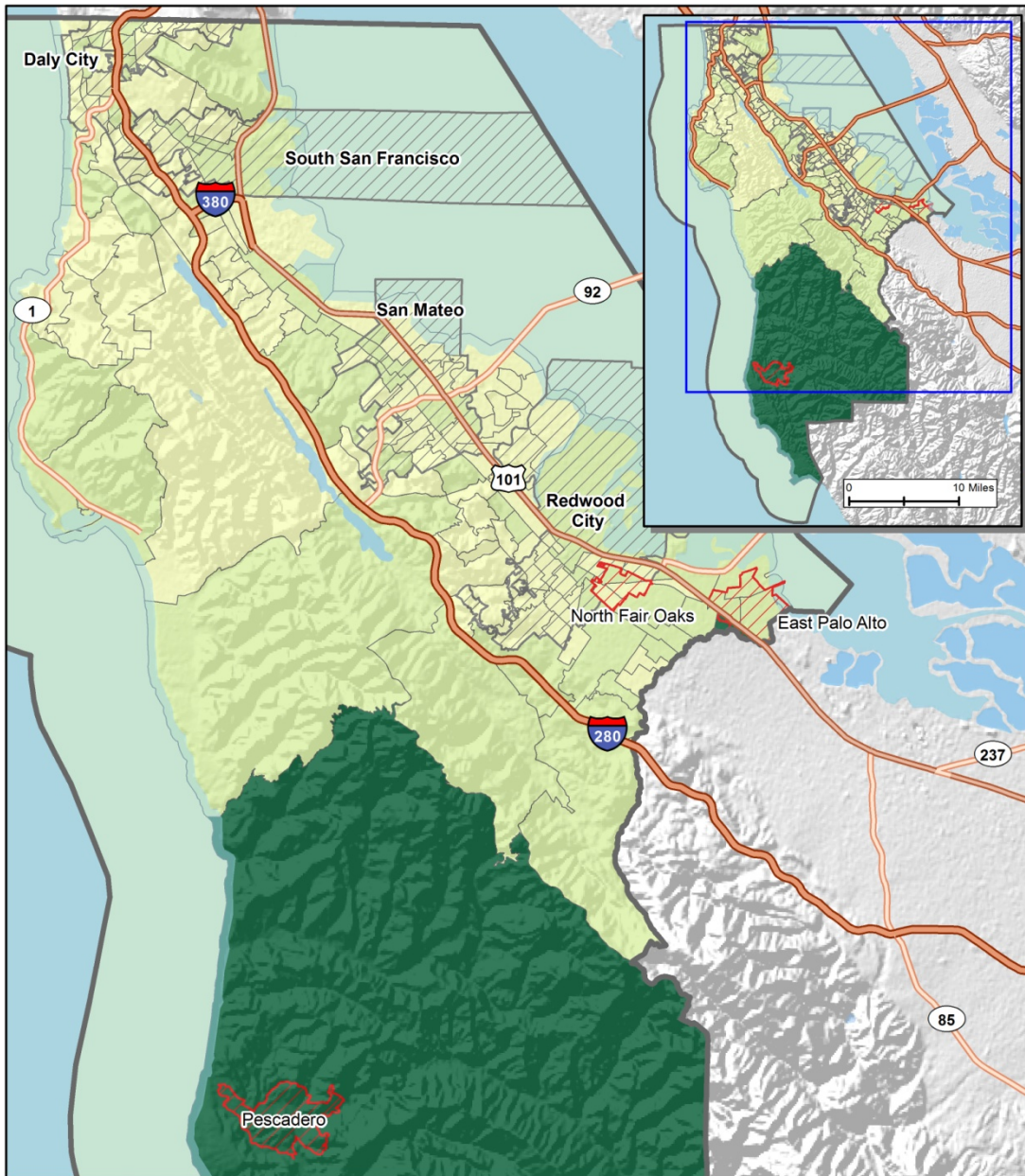
Map II.14, on page 60, shows the concentration of vacant units per tract in 2010. The countywide vacancy rate was 4.9 percent. Only two tracts demonstrated shares of more than

the disproportionate share threshold of 14.9 percent: a tract in the southwestern part of East Palo Alto, and most noticeably, the large tract in the southwest part of the County containing Pescadero. The rest were below average.

While high numbers of vacant units can be problematic, the reasons for vacancy vary and can be temporary, as explained above. Of most concern are the "other vacant" units, because these represent units that are not available to the marketplace and can negatively affect neighborhoods. When "other vacant" units are seen disproportionately in areas with high poverty rates or large low-income populations, protected classes can be more heavily affected. High rates of "other vacant" units do not imply impediments to fair housing choice on their own, but can be the result of impediments, such as uneven distribution of home improvement funding assistance due to discrimination. Areas with very high rates of "other vacant" units can suggest the existence of impediments if they coincide with areas of disproportionate racial or ethnic minority or other protected class concentrations.

Map II.15, on page 61, shows the concentration of units per tract described as "other vacant" in the 2010 Census. The average percentage of "other vacant" units was 24 percent, so the disproportionate share threshold was 34 percent. Tracts with the highest shares of "other vacant" units were generally located in the central County along Interstate 280, for the most part outside of the entitlement cities, but also in a few tracts in the City of San Mateo and Daly City.

Map II.14
Vacant Housing Units
 San Mateo County
 2010 Census Data



LEGEND

2010 Percent Vacant Housing
 2010 Average Percent Vacant Housing in San Mateo County = 4.9%
 Disproportionate Share Threshold = 14.9%

Percent Vacant	Color
0.0 - 4.9	Light Yellow
5.0 - 14.9	Yellow-Green
15.0 - 17.0	Light Green
17.1 - 19.0	Medium Green
19.1 - 20.7	Dark Green

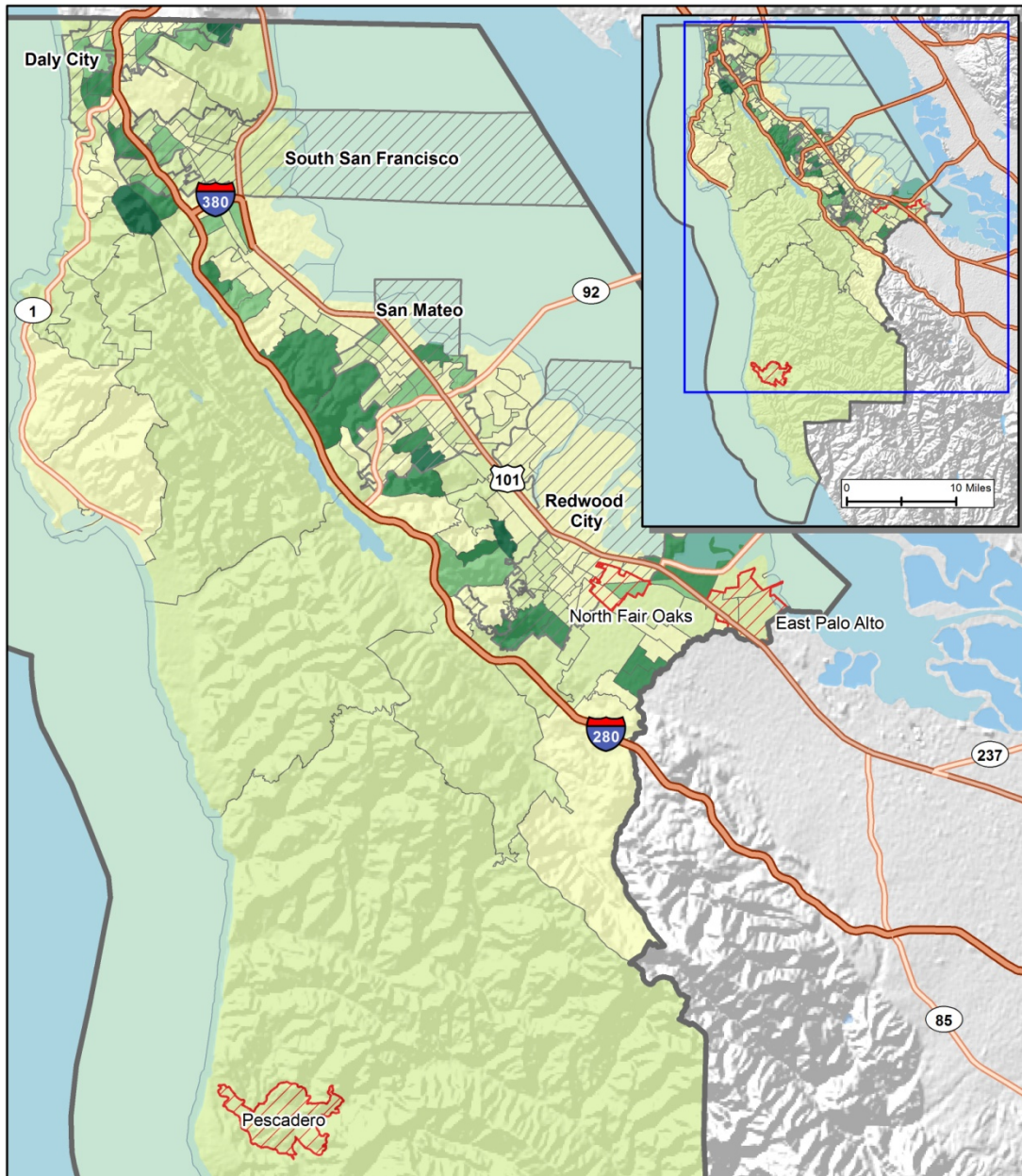
Disproportionate Share Threshold

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract Boundaries
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2010 Census Data, ESRI Datasets, 2010 TIGER Data

0 3 Miles

Map II.15
“Other Vacant” Housing Units
 San Mateo County
 2010 Census Data



LEGEND

2010 "Other Vacant" Housing Units
 2010 Average Percent Vacant Units Classified as "Other Vacant" in San Mateo County = 24.0%
 Disproportionate Share Threshold = 34.0%

<p>Percent "Other Vacant"</p> <p>0.0 - 24.0</p> <p>24.1 - 34.0</p> <p>34.1 - 40.0</p> <p>40.1 - 50.0</p> <p>50.1 - 59.8</p>	<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> Entitlement Cities Special Focus Areas San Mateo County Boundary Census Tract Boundaries Interstate Freeway
---	---	--

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2010 Census Data, ESRI Datasets, 2010 TIGER Data

0 3 Miles

HOUSEHOLD SIZE

Housing patterns can also be examined by household size. The number of persons per household, as counted in the County at the time of the 2000 and 2010 Censuses, is presented below in Table II.13. As shown, in 2000, more than 55 percent of households represented one- or two-person households, more than 30 percent represented three- or four-person households, and the remainder represented households with five persons or more. Similar patterns were seen in 2010, although small family households seemed to slow with a slight increase in one-person households and a decrease in two-person households. Large families showed growth increases in three-, four-, five-, and seven or more person households. Also indicating this shift, the total number of households grew by 1.5 households while the population of the County grew by 2.8 percent, as presented previously.

Persons	2000 Census		2010 Census		% Change 00-10
	Households	% of Total	Households	% of Total	
One Person	62,647	24.7%	63,219	24.5%	0.9%
Two Persons	81,009	31.9%	78,802	30.6%	-2.7%
Three Persons	41,060	16.2%	43,092	16.7%	4.9%
Four Persons	36,661	14.4%	39,427	15.3%	7.5%
Five Persons	16,868	6.6%	17,614	6.8%	4.4%
Six Persons	7,954	3.1%	7,513	2.9%	-5.5%
Seven or More Persons	7,904	3.1%	8,170	3.2%	3.4%
Total	254,103	100.0%	257,837	100.0%	1.5%

The data for each geographic area in Appendix A noted similar trends, but show a larger increase in one-person homes in Daly City and South San Francisco and a much larger decrease in six-person homes in all the entitlement cities except the City of San Mateo. However, also in these cities, three-, four-, five-, and seven or more person households increased by a higher total rate than they did in the remainder of the County.

HOUSING PROBLEMS

While the 2000 Census did not report significant details regarding the physical condition of housing units, some information can be derived from the one-in-six sample, which is also called SF3 data.¹¹ These data relate to overcrowding, incomplete plumbing or kitchen

¹¹ Summary File 3 (SF3), as defined by the U.S. Census Bureau, "consists of 813 detailed tables of [the 2000 Census'] social, economic, and housing characteristics compiled from a sample of approximately 19 million housing units (about one in six households) that received the 2000 Census long-form questionnaire." <http://www.census.gov/census2000/sumfile3.html>. These sample data include sampling error and may not sum precisely to the 100 percent sample typically presented in the 2000 Census.

facilities, and cost burdens. While these data were not collected during the course of the 2010 Census, data were available for comparison from the 2006 to 2010 ACS averages.

Overcrowding occurs when a housing unit has more than one person per room but less than 1.5, with severe overcrowding occurring with 1.5 persons per room or more. At the time of the 2000 Census, 12,226 households, or 4.8 percent, were overcrowded, and another 18,906, or 7.4 percent of households, were severely overcrowded, as shown below in Table II.14. This housing problem was considerably more prevalent in renter-occupied households compared to owner-occupied households. Lower figures were found in the more recent ACS data, with the share of severely overcrowded households decreasing significantly for renter-occupied households.

Table II.14 Overcrowding and Severe Overcrowding San Mateo County 2000 Census & 2010 Five-Year ACS Data							
Census	No Overcrowding		Overcrowding		Severe Overcrowding		Total
	Households	%	Households	%	Households	%	
Owner							
2000 Census	145,793	93.3%	5,335	3.4%	5,136	3.3%	156,264
2010 Five-Year ACS	151,191	96.8%	3,858	2.5%	1,100	0.7%	156,149
Renter							
2000 Census	77,178	78.9%	6,891	7.0%	13,770	14.1%	97,839
2010 Five-Year ACS	86,821	87.2%	7,896	7.9%	4,892	4.9%	99,609
Total							
2000 Census	222,971	87.7%	12,226	4.8%	18,906	7.4%	254,103
2010 Five-Year ACS	238,012	93.1%	11,754	4.6%	5,992	2.3%	255,758

Appendix A shows that overcrowding and severe overcrowding were somewhat more prevalent in the entitlement cities than in the remainder of the County, although all rates for both owner- and renter-occupied households decreased over the decade.

Incomplete plumbing or kitchen facilities are other indicators of potential housing problems. According to the Census Bureau, a housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower. Likewise, a unit is categorized as deficient when any of the following are missing from the kitchen: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

At the time of the 2000 Census, a total of 1,362 units, or 0.5 percent of all housing units in the County, were lacking complete plumbing facilities, as shown below in Table II.15. The 2006 through 2010 ACS data averages showed that the percentage of units with this housing problem decreased an estimated 1,183 units, or 0.4 percent.

Table II.15		
Housing Units with Incomplete Plumbing Facilities		
San Mateo County		
2000 Census & 2010 Five-Year ACS Data		
Facilities	2000 Census	2010 Five-Year ACS
Complete Plumbing Facilities	259,214	268,856
Lacking Complete Plumbing Facilities	1,362	1,183
Total Housing Units	260,576	270,039
Percent Lacking	0.5%	0.4%

Appendix A shows that the rate of housing units lacking complete plumbing facilities in 2010 was slightly higher in the remainder of the County, but in 2000 was higher in the entitlement cities.

Table II.16, below, shows the number of housing units with incomplete kitchen facilities in the County. Both datasets reported higher percentages of units with complete kitchen facilities than incomplete plumbing facilities, with 0.8 percent of total units counted as incomplete in 2000. ACS data averages showed that the percentage of units with incomplete kitchen facilities increased to 0.9 percent.

Table II.16		
Housing Units with Incomplete Kitchen Facilities		
San Mateo County		
2000 Census & 2010 Five-Year ACS Data		
Facilities	2000 Census	2010 Five-Year ACS
Complete Kitchen Facilities	258,620	267,698
Lacking Complete Kitchen Facilities	1,956	2,341
Total Housing Units	260,576	270,039
Percent Lacking	0.8%	0.9%

Appendix A shows that in 2000, homes lacking complete kitchen facilities were more commonly seen in the entitlement cities, but more recent ACS data show a reverse in this incidence and a large increase in these homes for the remainder of the County.

The third type of housing problem reported in the 2000 Census was cost burden, which occurs when a household has gross housing costs that range from 30 to 49.9 percent of gross household income; severe cost burden occurs when gross housing costs represent 50 percent or more of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent plus utility charges.

Table II.17, on the following page, shows that 21 percent of households were cost burdened and 13.9 percent were severely cost burdened in 2000. Nationally at that time, the average

Census figures were 16.2 and 11.5 percent, respectively. This comparison indicates that despite the high incomes in the County, housing costs were still too high for many households, more so than nationwide.

In San Mateo County, more than 24.6 percent of homeowners with a mortgage had a cost burden and 13.9 percent had a severe cost burden, while 22.7 percent of renters had a cost burden and 17.2 percent had a severe cost burden. ACS data averages for 2006 through 2010 showed that the overall countywide percentages of cost burden and severe cost burden increased to 23.5 and 19.7 percent, respectively.

The rates also increased for the subcategories. For example, the rate of cost burden for owners with a mortgage increased to 28.7 percent and the rate of severe cost burden for this group increased dramatically to 22.7 percent. For renters, the cost burden rate rose to 23.8 percent, and the severe cost burden rate rose to 21.5 percent.

Table II.17									
Cost Burden and Severe Cost Burden by Tenure									
San Mateo County									
2000 Census & 2010 Five-Year ACS Data									
Census	Less Than 30%		31%–50%		Above 50%		Not Computed		Total
	Households	%	Households	%	Households	%	Households	%	
Owner With a Mortgage									
2000 Census	62,510	61.1%	25,187	24.6%	14,240	13.9%	372	0.4%	102,309
2010 Five-Year ACS	56,441	48.3%	33,549	28.7%	26,516	22.7%	455	0.4%	116,961
Owner Without a Mortgage									
2000 Census	29,884	89.8%	1,689	5.1%	1,299	3.9%	424	1.3%	33,296
2010 Five-Year ACS	33,650	85.9%	2,806	7.2%	2,444	6.2%	288	0.7%	39,188
Renter									
2000 Census	54,644	56.1%	22,063	22.7%	16,772	17.2%	3,858	4.0%	97,337
2010 Five-Year ACS	50,806	51.0%	23,680	23.8%	21,412	21.5%	3,711	3.7%	99,609
Total									
2000 Census	147,038	63.1%	48,939	21.0%	32,311	13.9%	4,654	2.0%	232,942
2010 Five-Year ACS	140,897	55.1%	60,035	23.5%	50,372	19.7%	4,454	1.7%	255,758

Geographically detailed data in Appendix A do not show large differences in cost burden rates by area, although at both time periods the rates of cost burden and severe cost burden were consistently slightly higher in the entitlement cities than in the remainder of the County.

Renters with a severe cost burden are at risk of homelessness. Cost-burdened renters who experience one financial setback often must choose between rent and food or rent and health care for their families. Similarly, homeowners with a mortgage who have just one unforeseen financial constraint—such as temporary illness, divorce, or the loss of employment—may face foreclosure or bankruptcy. Furthermore, households that no longer have a mortgage yet still experience a severe cost burden may be unable to conduct periodic maintenance and repair of their homes, and in turn, may contribute to a

dilapidation and blight problem. All three of these situations should be of concern to policymakers and program managers.

HOUSING COSTS

The five-year ACS estimates also report data on housing costs. The median home value of owner-occupied homes was \$449,900 across the County in 2000, but increased dramatically to \$784,800 by 2010, as shown in Table II.18, at right. This represents a nearly 75 percent increase, despite the large increase in the overall vacancy rates presented previously. Median gross rent—which refers to monthly contracted rental fees plus average monthly utility costs, including electricity, water and sewer services, and garbage removal—increased by about 26 percent. This figure includes rents for units of all sizes, and increased from \$1,144 in 2000 to \$1,443 in 2010.

Table II.18	
Median Housing Costs	
San Mateo County	
2000 Census & 2010 Five-Year ACS Data	
Housing Cost	San Mateo County
2000	
Median Home Value	\$449,900
Median Gross Rent	\$1,144
2010	
Median Home Value	\$784,800
Median Gross Rent	\$1,443

Appendix A details these numbers by entitlement city and shows similar increases in all areas, although median home values were higher than the countywide average in Redwood City in 2010 and much lower in Daly City and South San Francisco. Median gross rents in each city were similar to the countywide median in 2010, but were lowest in Daly City and South San Francisco.

Rental Housing

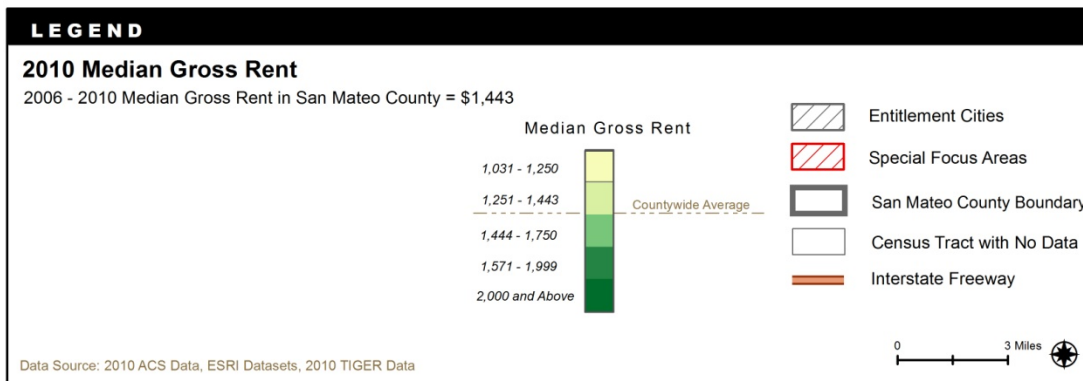
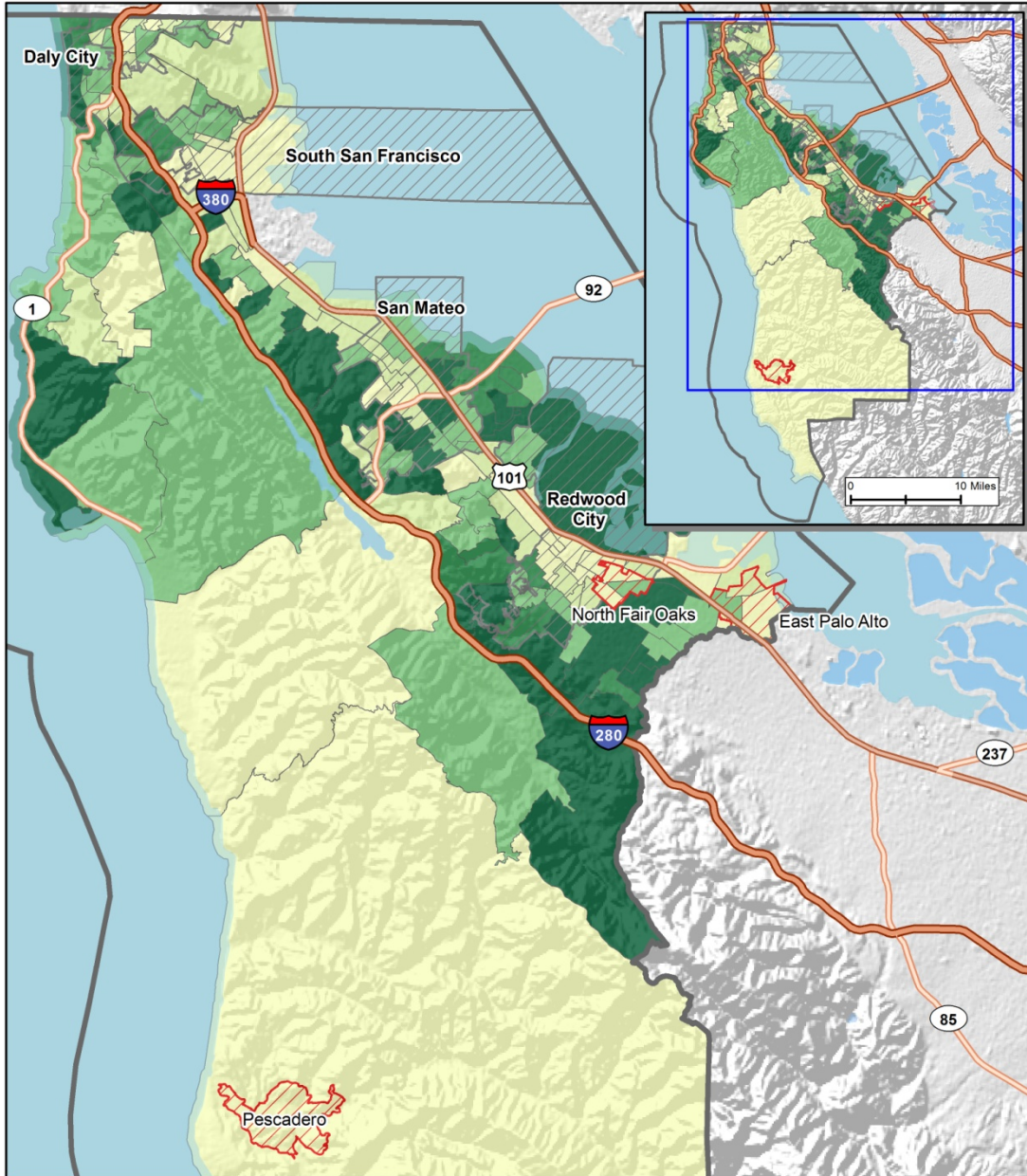
Map II.16, on the following page, illustrates data on median gross rent prices by Census tract. The median gross rent over the 2006 to 2010 period in the County was \$1,443 per month, and the lowest rents observed were around \$1,000. In general, the highest gross rents were along Interstate 280 and east of Highway 101, although some tracts along the west coast of the County also had high values. Tracts with the highest rental costs tended to be larger tracts surrounding the central city areas, suggesting that the larger, lower-density tracts were less affordable than the inner city. In fact, most of the entitlement cities and special focus areas represented primarily the lowest rents in the County, although the highest rents were seen in parts of Daly City, Redwood City, and the City of San Mateo.

Owner-Occupied Housing

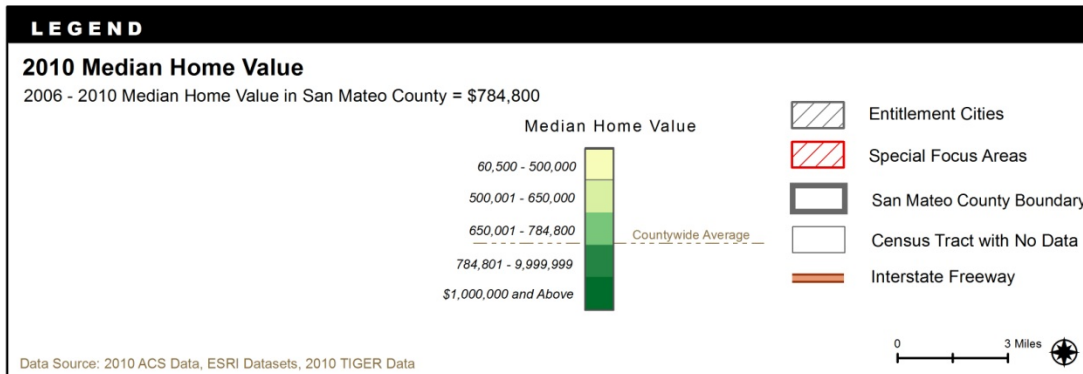
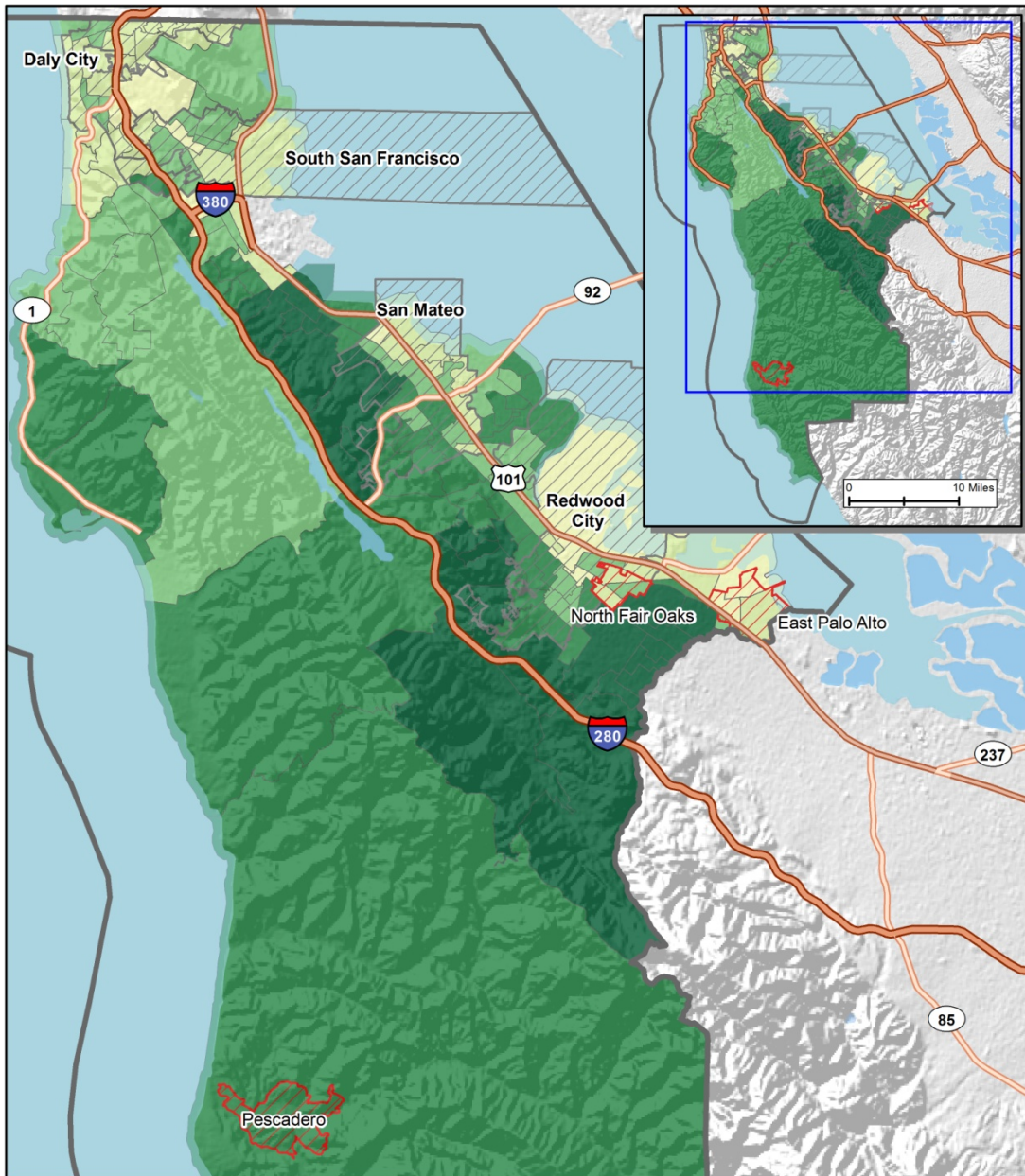
The distribution of owner-occupied home values in San Mateo County, as reported in the 2010 five-year ACS, is presented on page 69 in Map II.17. A few similarities can be seen when comparing this map to the previous map; the areas with the highest home value were also in some of the larger, lower-density tracts along Interstate 280. It should be noted that the Census Bureau does not record home values above \$1,000,000, so homes valued above this level are not segmented further by price and form the highest cost category in the map.

Still, the highest home values were seen in the large central and coastal tracts—generally outside the entitlement cities, but in some parts of Redwood City and the City of San Mateo. Some of these southeastern areas were also those with the highest concentrations of owner-occupied housing, as presented previously. The countywide median home value over the period was \$784,800. Values above this level were seen in several parts of the County, although were generally concentrated outside the entitlement cities and special focus areas. The lowest values were seen in North Fair Oaks, East Palo Alto, South San Francisco, Daly City and surrounding areas, and parts of Redwood City.

Map II.16
Median Gross Rent
 San Mateo County
 2010 Five-Year ACS Data



Map II.17
Median Home Value
 San Mateo County
 2010 Five-Year ACS Data



SUMMARY

Analysis of demographic, economic, and housing data provides background context for the environments in which housing choices are made. Demographic data indicate the sizes of populations and protected classes; economic and employment data show economic factors; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the County's residents.

According to the Census Bureau, between 2000 and 2010, the population in San Mateo County grew from 707,161 to 727,209 persons, or by 2.8 percent. Data for population by age showed that the County's population slowly shifted to represent more persons over the age of 55, although the age groups with the largest populations comprised persons aged 5 to 19 and 35 to 54.

Census Bureau data showed that since 2000, the racial and ethnic composition of the County also changed. While the white and black populations decreased by 8.8 and 17.7 percent, respectively, between 2000 and 2010, most racial and ethnic minorities showed increases in population share. Asian, Hispanic, and "other" groups all showed percentage increases of more than 17 percent. Further evaluation of Asian and Hispanic population data, in geographic terms, showed large increases in concentration of these groups in Census tracts in and around several larger cities in the County from 2000 to 2010.

Economic data for San Mateo County demonstrate the impact of the recent recession. Data from the BLS showed that while the labor force—defined as persons either working or looking for work—did not increase significantly from 2000 to 2010, employment figures declined more dramatically after 2008. As a result, the countywide unemployment rate increased to 8.9 percent but varied widely across the County. Data from the BEA showed that average earnings per job in San Mateo County decreased after 2000 and 2005 but remained far above national figures. The poverty rate average in the County was 7 percent from 2006 through 2010, with 48,744 persons considered to be living in poverty. This group was concentrated primarily in and around North Fair Oaks and East Palo Alto.

The number of housing units in the County increased by 3.6 percent between 2000 and 2010, or from 260,576 to 270,039 units. Of the housing units reported in the County in the 2000 Census, more than 66 percent were single-family units, and more recent data from the Census Bureau showed that this percentage remained very similar from 2006 to 2010. The 2010 Census showed that 95.1 percent of units were occupied; of these, 59.4 percent were owner-occupied and 40.6 percent were renter-occupied. Of the 6,473 unoccupied housing units counted in San Mateo County in 2000, 1,440 were "other vacant" units, which are not available to the marketplace and can contribute to blighting influences. However, data from the 2010 Census showed that the percentage of this type of unit increased by more than 120 percent, to 3,173 units. At the time of the 2000 Census, 4.8 percent of households were overcrowded and another 7.4 percent were severely overcrowded; this housing problem was

more common in renter households than in owner households. In 2000, 0.5 and 0.8 percent of all households were lacking complete plumbing or kitchen facilities, respectively, and the number of incomplete kitchen facilities had increased in more recent data. Additionally, in 2000, 21 percent of households had a cost burden and 13.9 percent of households had a severe cost burden, and 2006 to 2010 data averages showed that both of these percentages had increased since 2000.

Average rental costs increased moderately from 2000 to 2010, and were highest in some of the entitlement cities and around major highways, as shown in geographic maps. The median home value of owner-occupied homes increased dramatically over that period, and was highest in large, low-population density tracts.

SECTION III. FAIR HOUSING LAW, STUDY, AND CASE REVIEW

As part of the AI process, existing fair housing laws, studies, cases, and other relevant materials were reviewed on a national and local scale. Results of this review are presented below.

FAIR HOUSING LAWS

FEDERAL FAIR HOUSING LAWS

A myriad of federal laws provide the backbone for U.S. fair housing regulations. While some laws have been previously discussed in this report, a brief list of laws related to fair housing, as defined on the U.S. Department of Housing and Urban Development's (HUD's) website, is presented below:

Fair Housing Act. Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and persons securing custody of children under the age of 18), and handicap (disability).¹²

Title VIII was amended in 1988 (effective March 12, 1989) by the *Fair Housing Amendments Act* . . . In connection with prohibitions on discrimination against individuals with disabilities, the Act contains design and construction accessibility provisions for certain new multi-family dwellings developed for first occupancy on or after March 13, 1991.¹³

Title VI of the Civil Rights Act of 1964. Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973. Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974. Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in

¹² "HUD Fair Housing Laws and Presidential Executive Orders."

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws

¹³ "Title VIII: Fair Housing and Equal Opportunity."

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/progdesc/title8

programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.

Title II of the Americans with Disabilities Act of 1990. Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968. The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975. The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972. Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.¹⁴

STATE FAIR HOUSING LAWS

In addition to federal law, citizens of San Mateo County are also protected by two state laws, presented below.

California Fair Employment and Housing Act (FEHA). Extends additional protections based on sexual orientation, ancestry, source of income, and marital status.¹⁵

Unruh Civil Rights Act. Provides additional protection from discrimination by business establishments, including housing providers, based on age.¹⁶

FAIR HOUSING STUDIES

NATIONAL FAIR HOUSING STUDIES

In 2000, HUD released a publication entitled "Discrimination in Metropolitan Housing Markets," which measured the prevalence of housing discrimination based on race and ethnicity in the U.S. This was the third nationwide effort to measure discrimination against minority home seekers since 1977, conducted in three phases.

1. Phase 1 – Black and Hispanic Populations

¹⁴ HUD Fair Housing Laws and Presidential Executive Orders."

¹⁵ "Discrimination Prohibited: Housing." *Fair Employment and Housing Act Title 2, Div. 3, Pt 2.8* <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=12001-13000&file=12980-12989.3>

¹⁶ Cal. Civ. Code § 51.2 <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=civ&group=00001-01000&file=43-53>

The study, based on 4,600 paired tests in 23 metropolitan cities in the U.S., found large decreases in the levels of discrimination against black and Hispanic home seekers between 1989 and 2000. In the rental markets, a moderate decrease was seen in discrimination toward black individuals, who experienced adverse treatment more often than white individuals, whereas the Hispanic population was more likely to face discrimination in the rental markets than its black and white counterparts. Many black and Hispanic home seekers were told that units were unavailable, although the same units were available to white home seekers, and the black and Hispanic populations were also shown and told about fewer units. In addition, Hispanic individuals were more likely in 2000 than in 1989 to be quoted a higher rent than white individuals who sought to rent the same unit.

2. Phase 2 – Asian and Pacific Islander Populations

This study, conducted in 2000 and 2001 and based on 889 paired tests in 11 metropolitan areas in the U.S., showed that Asian and Pacific Islander individuals who sought to rent a unit experienced adverse treatment compared to white individuals in 21.5 percent of tests, which was similar to the rate black and Hispanic individuals saw. The study also showed that Asian and Pacific Islander prospective homebuyers experienced adverse treatment compared to white prospective homebuyers 20.4 percent of the time, with discrimination occurring in the availability of housing, inspections, assistance with financing, and encouragement by agents.

3. Phase 3 – American Indian Population

The last phase of HUD's nationwide effort to measure housing discrimination involved estimating the level of discrimination experienced by American Indian individuals in their search for housing in metropolitan areas across Minnesota, Montana, and New Mexico. The findings showed that the American Indian population experienced adverse treatments compared to white individuals in 28.5 percent of rental tests. White individuals were consistently told about advertised units, similar units, and more units than American Indian individuals with similar qualifications. The high level of discrimination experienced by the American Indian population in these areas surpassed rates seen by Hispanic, black, and Asian individuals in the metropolitan rental markets nationwide.¹⁷

In April 2002, HUD released a national study that assessed public awareness of and support for fair housing law titled *How Much Do We Know?: Public Awareness of the Nation's Fair Housing Laws*. The study found that only 50 percent of the population was able to identify most scenarios describing illegal conduct. In addition, 14 percent of the nationwide survey's adult participants believed that they had experienced some form of housing discrimination

¹⁷ "Discrimination in Metropolitan Housing Markets: National Results from Phase 1, Phase 2, and Phase 3 of the Housing Discrimination Study (HDS)." <http://www.huduser.org/portal/publications/hsgfin/hds.html>

in their lifetime. However, only 17 percent of those who had experienced housing discrimination had taken action to resolve the issue, such as filing a fair housing complaint. Finally, two-thirds of all respondents said that they would vote for a fair housing law.¹⁸

As a follow-up, HUD later released a study in February 2006 called *Do We Know More Now?: Trends in Public Knowledge, Support and Use of Fair Housing Law*. One aim of the study was to determine whether a nationwide media campaign had proven effective in increasing the public's awareness of housing discrimination, and another goal was to determine the public's desire to report such discrimination. Unfortunately, the study found that overall public knowledge of fair housing law did not improve between 2000 and 2005. As before, just half of the public knew the law regarding six or more illegal housing activities. The report showed that 17 percent of the study's adult participants experienced discrimination when seeking housing; however, after reviewing descriptions of the perceived discrimination, it was determined that only about 8 percent of the situations might be covered by the Fair Housing Act. Four out of five individuals who felt they had been discriminated against did not file a fair housing complaint, indicating that they felt it "wasn't worth it" or that it "wouldn't have helped." Others did not know where to complain, assumed it would cost too much, were too busy, or feared retaliation. One positive finding of the survey was that public support for fair housing law increased from 66 percent in 2000 to 73 percent in 2005.¹⁹

In 2004, the U.S. General Accounting Office's (GAO) released a report titled *Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process*. The GAO report found that between 1996 and 2003, the median number of days required to complete fair housing complaint investigations was 259 for HUD's Fair Housing and Equal Opportunity Offices and 195 for Fair Housing Assistance Program (FHAP) agencies—far above the 100-day mandate. However, the report did find a higher percentage of investigations completed within that time limit. The GAO report also identified the following trends between 1996 and 2003:

- The number of fair housing complaints filed each year steadily increased since 1998. An increasing proportion of grievances alleged discrimination based on disability and a declining proportion alleged discrimination based on race, although race was still the most cited basis of housing discrimination;
- FHAP agencies conducted more fair housing investigations than Fair Housing and Equal Opportunity (FHEO) agencies over the eight-year period. The total number of investigations completed each year increased slightly after declining in 1997 and 1998; and

¹⁸ U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *How Much Do We Know?: Public Awareness of the Nation's Fair Housing Laws*. April 2002. <http://www.huduser.org/portal/publications/fairhsg/hmwk.html>

¹⁹ U.S. Department of Housing and Urban Development, Office of Policy Development and Research. *Do We Know More Now?: Trends in Public Knowledge, Support and Use of Fair Housing Law*. February 2006. <http://www.huduser.org/portal/publications/hsgfin/FairHsngSurvey.html>

- Over this time period, an increasing percentage of investigations closed without finding reasonable cause to believe discrimination occurred. However, a declining percentage of investigations were resolved by the parties themselves or with help from FHEO or FHAP agencies.²⁰

In 2006, the University of Southern California and Oregon State University collaborated to study rental discrimination and race. The universities responded to 1,115 advertisements regarding apartment vacancies in Los Angeles County and signed the bottom of each email with Tyrell Jackson, a traditionally black name; Patrick McDougall, a traditionally white name; or Said Al-Rahman, a traditionally Arab name. Analysis indicated that individuals who were perceived as black were four times more likely to be discouraged from viewing an apartment than persons perceived as white, and individuals considered to be Arab were three times more likely to be discouraged from viewing an apartment than individuals who appeared white. The analysis also noted that applicants perceived as black were more likely to receive negative responses, such as the apartment was no longer available for market rate or above market rate apartments. For example, only an email signed Tyrell Jackson received a reply that reiterated the apartment cost to ensure the apartment was within the applicant's price range. The study also analyzed the responses from private property owners versus corporate property owners, but found no statistical difference in the way the two groups responded to applicants of different races.²¹

Released by the Poverty & Race Research Action Council in January 2008, *Residential Segregation and Housing Discrimination in the United States* asserts that many current governmental efforts to further fair housing actually result in furthering unfair housing practices across the U.S. This article suggests that fair housing efforts can cause residential segregation. For example, if the majority of public housing residents are non-white and most public housing accommodations are grouped in the same Census tracts, residential segregation is resultant. Similarly, many Section 8 voucher holders are racial or ethnic minorities, and most housing that accepts Section 8 vouchers is grouped in selected areas, which again results in residential segregation. The report offers recommendations to curb such residential segregation, including dispersing public housing developments throughout cities and communities and providing greater incentives for landlords with several properties to accept the vouchers.²²

Published in 2009 by the National Fair Housing Alliance, *For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination* presented research on the prevalence of discriminatory housing advertisements on popular websites such as Craigslist. According to the article, while newspapers are prohibited from publishing discriminatory housing

²⁰ U.S. General Accounting Office. "Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process." April 2004. <http://gao.gov/products/GAO-04-463>

²¹ Carpusor, Adrian and William Loges. "Rental Discrimination and Ethnicity in Names." *Journal of Applied Social Psychology* 36(4).

²² U.S. Housing Scholars and Research and Advocacy Organizations. *Residential Segregation and Housing Discrimination in the United States*. January 2008. <http://prrac.org/pdf/FinalCERDHOusingDiscriminationReport.pdf>

advertisements, no such law exists for websites like Craigslist, as they are considered interactive internet providers rather than publishers of content. As such, they are not held to the same legal standards as newspapers. While individual landlords who post discriminatory advertisements may be held responsible, there are no such standards for companies like Craigslist that post the discriminatory advertisements. Newspapers and other publishers of content are required to screen the advertisements they accept for publishing for content that could be seen as discriminatory. This may include phrases like “no children” or “Christian only,” which violate provisions of the Fair Housing Act that state families with children and religious individuals are federally protected groups.²³

In May 2010, the National Fair Housing Alliance published a fair housing trends report, *A Step in the Right Direction*, which indicated that recent years have demonstrated forward movement in furthering fair housing. The report began with a commendation of HUD’s federal enforcement of fair housing law and noted the agency’s willingness to challenge local jurisdictions that failed to affirmatively further fair housing. In response to the recent foreclosure crisis, many credit institutions have implemented tactics to reduce risk. However, this report suggests that policies that tighten credit markets—such as requiring larger cash reserves, higher down payments, and better credit scores—may disproportionately affect lending options for communities of color and women. *A Step in the Right Direction* concludes with examples of ways in which the fair housing situation could be further improved, including addressing discriminatory internet advertisements and adding gender identity, sexual orientation, and source of income as federally protected classes.²⁴

²³ National Fair Housing Alliance. *For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination*. August 2009. <http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=zgbukJP2rMM%3D&tabid=2510&mid=8347>

²⁴ National Fair Housing Alliance. *A Step in the Right Direction: 2010 Fair Housing Trends Report*. May 2010. <http://www.nationalfairhousing.org/Portals/33/Fair%20Housing%20Trends%20Report%202010.pdf>

FAIR HOUSING CASES

NATIONAL FAIR HOUSING CASES

As noted in the introduction to this report, provisions to affirmatively further fair housing are long-standing components of HUD's Housing and Community Development programs. In fact, in 1970, *Shannon v. HUD* challenged the development of a subsidized low-income housing project in an urban renewal area of Philadelphia that was racially and economically integrated. Under the Fair Housing Act, federal funding for housing must further integrate community development as part of furthering fair housing, but the plaintiffs in the *Shannon* case claimed that the development would create segregation and destroy the existing balance of the neighborhood. As a result of the case, HUD was required to develop a system to consider the racial and socio-economic impacts of their projects.²⁵ The specifics of the system were not decided upon by the court, but HUD was encouraged to consider the racial composition and income distribution of neighborhoods, racial effects of local regulations, and practices of local authorities.²⁶ The *Shannon* case gave entitlement jurisdictions the responsibility of considering the segregation effects of publicly-funded housing projects on their communities as they affirmatively further fair housing.

Much more recently, and in a landmark fraud case, Westchester County, New York, was ordered to pay more than \$50 million to resolve allegations of misusing federal funds for public housing projects and falsely claiming their certification of furthering fair housing. The lawsuit, which was filed in 2007 by an anti-discrimination center, alleged that the County failed to reduce racial segregation of public housing projects in larger cities within the County and to provide affordable housing options in its suburbs. The County had accepted more than \$50 million from HUD between 2000 and 2006 with promises of addressing these problems. In a summary judgment in February 2009, a judge ruled that the County did not properly factor in race as an impediment to fair housing and that the County did not accurately represent its efforts of integration in its AI. In the settlement, Westchester County was forced to pay more than \$30 million to the federal government, with roughly \$20 million eligible to return to the County to aid in public housing projects. The County was also ordered set aside \$20 million to build public housing units in suburbs and areas with mostly white populations.²⁷ As of August 2012, the County was still working to comply with the requirements of the settlement. The ramifications of this case are expected to affect housing policies of both states and entitlement communities across the nation; activities taken to affirmatively further fair housing will likely be held to higher levels of scrutiny to ensure that federal funds are being spent to promote fair housing and affirmatively further fair housing.

²⁵ U.S. HUD. *39 Steps Toward Fair Housing*. <http://www.hud.gov/offices/ftheo/39steps.pdf>

²⁶ Orfield, Myron. "Racial Integration and Community Revitalization: Applying the Fair Housing Act to the Low Income Housing Tax Credit." *Vanderbilt Law Review*, November 2005.

²⁷ <http://www.hud.gov/content/releases/settlement-westchester.pdf>

In 2008, \$3 billion of federal disaster aid was allotted to the Texas state government to provide relief from damage caused by hurricanes Ike and Dolly. These storms ravaged homes in coastal communities, many of which were owned by low-income families that could not afford to rebuild. However, instead of directing the federal funds to the areas most affected by the storms, the State spread funds across Texas and let local planning agencies spend at will. In reaction to this, two fair housing agencies in the state filed a complaint with HUD stating that the plan violated fair housing laws as well as federal aid requirements that specify half of the funds be directed to lower-income persons. In light of the complaint, HUD withheld \$1.7 billion in CDBG funds until the case was resolved. A settlement was reached in June 2010; the State was required to redirect 55 percent of the amount of the original funds to aid poorer families that lost their homes. The State was also asked to rebuild public housing units that were destroyed by the storms and to offer programs that aid minority and low-income residents in relocating to less storm-prone areas or areas with greater economic opportunities.²⁸

LOCAL FAIR HOUSING CASES

U.S. Department of Justice Cases

The U.S. Department of Justice (DOJ) enacts lawsuits on behalf of individuals based on referrals from HUD. Under the Fair Housing Act, the DOJ may file lawsuits in the following instances:

- Where there is reason to believe that a person or entity is engaged in what is termed a “pattern or practice” of discrimination or where a denial of rights to a group of people raises an issue of general public importance;
- Where force or threat of force is used to deny or interfere with fair housing rights; and
- Where persons who believe that they have been victims of an illegal housing practice file a complaint with HUD or file their own lawsuit in federal or state court.²⁹

No cases filed in San Mateo County were listed on the DOJ website as of July 2012.

California Department of Fair Employment and Housing Cases

Between 2002 and July 2012, two cases of violation of fair housing law in San Mateo County were listed on the DFEH’s website.³⁰

²⁸ <http://www.reلمانlaw.com/docs/FinalConciliationAgreementTexas.pdf>

²⁹ “The Fair Housing Act.” The United States Department of Justice. http://www.justice.gov/crt/about/hce/housing_coverage.php

³⁰ http://dfeh.ca.gov/Announcements_PressReleases.htm

In 2007, the DFEH settled a 2004 housing complaint based on race. In June 2004, the complainant, a black female, attempted to rent a condominium unit using a Section 8 voucher. After the owner of the unit discovered the complainant's race, she told her not to apply because the Section 8 requirements would cause too much complication. The owner also indicated the complainant's race was not acceptable, making an illegal statement of preference on the basis of race. Shortly thereafter, the owner rented the unit to a white female at a lower rental rate than she had offered the complainant, who filed her complaint in August 2004. The owner, the respondent, who denied any wrongdoing, was found to be in violation of the FEHA and the Unruh Civil Rights Act. She was ordered to pay the complainant \$75,000 in compensatory damages and complete the following requirements:

- Refrain from discriminating against current or prospective tenants,
- Distribute and conspicuously post a policy against discrimination in any properties she owns,
- Include a statement on all rental applications noting that she will not discriminate based on race and has paid damages in the past for doing so,
- Attend training on housing protections of the FEHA, and
- Delegate all selection and direct management tasks for any of her residential properties to a property management company for one year.³¹

In 2008, a 2004 case was settled and found an East Palo Alto apartment to have discriminated based on race and sex. In November 2004, a black male applied for an apartment in the building and was ignored, leaving several phone messages that were not answered. Project Sentinel identified discrimination when they sent several black males and several white females to the apartment to pose as prospective renters. The owners were friendly and encouraging to the females but did not return any calls to any of the males. DFEH found them to be in violation of the FEHA based on sex and race, and they were ordered to pay \$25,000 to settle the case.³²

The findings of these cases confirmed that discrimination occurred. While these cases alone do not imply the existence of impediments, when evaluated in combination with other findings, they may suggest larger patterns of discrimination that impede fair housing choice.

SUMMARY

A review of laws, studies, cases, and related materials relevant to fair housing in San Mateo County demonstrated the complexity of the fair housing landscape. The fair housing laws in the State of California offer protections beyond the scope of the federal Fair Housing Act to protect persons based on sexual orientation, ancestry, source of income, marital status, and

³¹ DFEH News Brief, <http://dfeh.ca.gov/res/docs/Announcements/PressReleases/75000%20SETTLEMENT%20OF.pdf>

³² DFEH News Brief, [http://dfeh.ca.gov/res/docs/Announcements/PressReleases/EAST%20PALO%20ALTO%20APARTMENT%20OWNERS%20PAY%20\\$25,000.pdf](http://dfeh.ca.gov/res/docs/Announcements/PressReleases/EAST%20PALO%20ALTO%20APARTMENT%20OWNERS%20PAY%20$25,000.pdf)

in some cases, age. Review of fair housing cases in San Mateo County revealed issues of unlawful racial and gender-based discrimination in the rental housing market.

SECTION IV. REVIEW OF THE EXISTING FAIR HOUSING STRUCTURE

The purpose of this section is to provide a profile of fair housing in San Mateo County based on a number of factors, including an enumeration of key agencies and organizations that contribute to affirmatively furthering fair housing, evaluation of the presence and scope of services of existing fair housing organizations, and a review of the complaint process.

FAIR HOUSING AGENCIES

FEDERAL AGENCIES

U.S. Department of Housing and Urban Development

The U.S. Department of Housing and Urban Development (HUD) oversees, administers, and enforces the federal Fair Housing Act. HUD's regional office in San Francisco oversees housing, community development, and fair housing enforcement in California, as well as Arizona, Hawaii, Nevada, American Samoa and Guam.³³ The Office of Fair Housing and Equal Opportunity (FHEO) within HUD's San Francisco office enforces the Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending, and other related transactions in California. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance with civil rights laws, and works with state and local agencies under the Fair Housing Assistance Program (FHAP) and Fair Housing Initiative Program (FHIP), as described below.

Fair Housing Assistance Program

In the U.S., many agencies receive funding directly from HUD as FHAP recipients, who requires an ordinance or law that empowers a state or local governmental agency to enforce the state or local fair housing law. If HUD determines that the local entity can operate on a "substantially equivalent" level to federal agency enforcement activities, HUD contracts with that agency to process fair housing complaints and reimburses the jurisdiction on a per case basis.³⁴ FHAP grants are awarded to public, not private, entities and are given on a noncompetitive, annual basis to substantially equivalent state and local fair housing enforcement agencies.

³³ "Fair Housing Regional Offices."

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/aboutfheo/fhhubs#hdwest2

³⁴ "Title VIII: Fair Housing and Equal Opportunity."

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/progdesc/title8

To create a substantially equivalent agency, a state or local jurisdiction must first enact a fair housing law that is substantially equivalent to federal law. In addition, the local jurisdiction must have both the administrative capacity and fiscal ability to carry out the law. With these elements in place, the jurisdiction may apply to HUD in Washington, D.C., for substantially equivalent status. The jurisdiction's law would then be examined, and the federal government would make a determination as to whether it is substantially equivalent to federal fair housing law.

When substantially equivalent status has been granted, complaints of housing discrimination are dually filed with the state or local agency and HUD, with the state or local agency investigating most complaints. When federally subsidized housing is involved, however, HUD will typically investigate the complaint. Regardless, the state or local agency is reimbursed for complaint intake and investigation and is awarded funds for fair housing training and education.

In the State of California, the State Department of Fair Employment and Housing (DFEH) exists as a substantially equivalent FHAP agency.

Fair Housing Initiative Program

A FHIP participant may be a government agency, a private nonprofit, or a for-profit organization. FHIPs are funded through a competitive grant program that provides funds to organizations to carry out projects and activities designed to enforce and enhance compliance with fair housing law. Eligible activities include education and outreach to the public and the housing industry on fair housing rights and responsibilities as well as enforcement activities in response to fair housing complaints, such as testing and litigation.³⁵

The following FHIP initiatives, as defined on HUD's website, provide funds and competitive grants to eligible organizations:

The Fair Housing Organizations Initiative (FHOI) provides funding that builds the capacity and effectiveness of non-profit fair housing organizations by providing funds to handle fair housing enforcement and education initiatives more effectively. FHOI also strengthens the fair housing movement nationally by encouraging the creation and growth of organizations that focus on the rights and needs of underserved groups, particularly persons with disabilities.

[Eligible Grantees:] Applicants must be qualified fair housing enforcement organizations with at least two years of experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the three years prior to the filing of their application.

³⁵ "Fair Housing Initiatives Program (FHIP)."

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/partners/FHIP

[Eligible Activities:] Grants may be used flexibly to support the basic operation and activities of new and existing non-profit fair housing organizations.³⁶

The Private Enforcement Initiative (PEI) offers a range of assistance to the nationwide network of fair housing groups. This initiative funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices.

[Eligible Grantees:] Fair housing enforcement organizations that meet certain requirements related to the length and quality of previous fair housing enforcement experience may apply for FHIP-PEI funding.

[Eligible Activities:] Funds such activities as conducting complaint-based and targeted testing and other investigations of housing discrimination, linking fair-housing organizations in regional enforcement activities, and establishing effective means of meeting legal expenses in support of fair housing litigation.³⁷

The Education and Outreach Initiative (EOI) offers a comprehensive range of support for fair housing activities, providing funding to State and local government agencies and non-profit organizations for initiatives that explain to the general public and housing providers what equal opportunity in housing means and what housing providers need to do to comply with the Fair Housing Act.

[Eligible Grantees:] State or local governments, qualified fair housing enforcement organizations (those with at least 2 years of experience), other fair housing organizations, and other public or private nonprofit organizations representing groups of persons protected by the Fair Housing Act may apply for FHIP-EOI funding.

[Eligible Activities:] Funds a broad range of educational activities that can be national, regional, local, or community-based in scope. Activities may include developing education materials, analyzing local impediments to housing choice, providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns. National projects that demonstrate cooperation with the real estate industry or focus on resolving the community tensions that arise as people expand their housing choices may be eligible to receive preference points.³⁸

³⁶ *Ibid.*

³⁷ "Fair Housing Initiatives Program (FHIP)."

³⁸ *Ibid.*

The Administrative Enforcement Initiative (AEI) helps State and local governments who administer laws that include rights and remedies similar to those in the Fair Housing Act implement specialized projects that broaden an agency's range of enforcement and compliance activities. No funds are available currently for this program.³⁹

Project Sentinel was the only HUD FHIP grant recipient operating in San Mateo County from 2007 through 2011, and in 2012 no agencies received FHIP funding.

In 2009, the Redwood City office of Project Sentinel was awarded \$273,787.67 to affirmatively further fair housing in San Francisco, San Mateo, Santa Clara, and Stanislaus Counties, as well as in the City of Fremont, through work with grassroots, legal services, and local government agencies.⁴⁰ Specifically, the funds went toward a 36-month project with four components: complaint-based testing; systemic investigations of discrimination based on race, national origin, familial status, and disability; raising public awareness of fair housing Issues; and addressing predatory and unfair lending issues.⁴¹

Project Sentinel in Redwood City received another \$273,787.67 in 2010 for similar project goals.⁴² The Redwood City location of Project Sentinel also received FHIP funds in 2011, but did not receive any HUD funding in 2012.⁴³ While the reason for HUD's denial of FHIP funding for Project Sentinel is not known, the lack of funding in San Mateo County for testing, investigation, education, and other services may have the effect of impeding fair housing choice.

STATE AGENCIES

California Department of Fair Employment and Housing

The California Department of Fair Employment and Housing (DFEH) is the largest civil rights agency in the County and was established in 1959 as the Division of Fair Employment Practices as part of the Department of Industrial Relations. In 1980, the DFEH became a separate department to enforce the state's employment, public accommodations, public service, and housing laws. The mission of the DFEH is to protect Californians from employment, housing, and public accommodation discrimination, and hate violence. The DFEH exists within the state as an FHAP, meaning that the agency is considered substantially equivalent to HUD. As an FHAP, the DFEH is able to accept fair housing and process fair housing complaints.

³⁹ *Ibid.*

⁴⁰ <http://www.gpo.gov/fdsys/pkg/FR-2011-09-22/pdf/2011-24291.pdf>

⁴¹ "FY2009 Fair Housing Initiatives Program. (FHIP)"

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/partners/FHIP/FY2009FHIP#ca

⁴² <http://portal.hud.gov/hudportal/documents/huddoc?id=fy2010fhipgrants.pdf>

⁴³ "Fair Housing Initiatives Program (FHIP)."

LOCAL AGENCIES

Project Sentinel

Project Sentinel currently acts as the single local fair housing enforcement agency in the County. It is a nonprofit organization whose function is to assist individuals with fair housing, housing affordability, and other housing issues. Founded in 1971, it is now the largest agency of its kind in Northern California, and serves 3.5 million residents of the Bay Area. Project Sentinel accepts housing discrimination complaints, processes landlord/tenant dispute cases, counsels homeowners, and offers workshops in these areas. It also provides technical assistance and operates a housing hotline.⁴⁴ A former FHIP participant, Project Sentinel received funds in 2009, 2010, and 2011, but did not receive funds in 2012.

The Five Jurisdictions

The five entitlement jurisdictions of the County of San Mateo and the Cities of Daly City, South San Francisco, San Mateo, and Redwood City receive federal funding from one or more HUD Community Development Programs, such as the CDBG and HOME programs, and use some of these funds for fair housing enforcement activities. Specifically, portions of CDBG and HOME Administrative funds are sometimes used. However, recent cuts to the CDBG and HOME programs have made substantial decreases to the funding available for administrative purposes; so some of the jurisdictions have chosen to use a portion of their CDBG Public Services funding for some fair housing activities.

When a CDBG entitlement such as the County or any of the cities distributes public service funds for specific activities, 51 percent or more of the persons served by those activities must be of low or moderate income.⁴⁵ The five jurisdictions sponsor fair housing activities by contracting such services with Project Sentinel. Because of this contracted relationship, clear reporting and communication are essential for the most effective use of funds. However, review of the existing roles among the five jurisdictions and the fair housing agency suggests that additional documentation and goal-focused activities may be needed to meet mutual needs. Additional partnership and collaboration may be necessary to identify areas of weakness and improve services.

⁴⁴ "About Us." Project Sentinel: A HUD-Approved Housing Counseling Agency. <http://housing.org/about-us/>

⁴⁵ "Basically CDBG" Course Training Manual, Chapter 4, <http://www.hud.gov/offices/cpd/communitydevelopment/training/basicallycdbgmanual/chapter4.pdf>

COMPLAINT PROCESS REVIEW

COMPLAINT PROCESSES FOR FAIR HOUSING AGENCIES

U.S. Department of Housing and Urban Development

According to HUD's website, any person who feels that his or her housing rights have been violated may submit a complaint to HUD via phone, mail, or the internet. A complaint can be submitted to the national HUD office at:

Office of Fair Housing and Equal Opportunity
 Department of Housing and Urban Development
 451 Seventh Street SW, Room 5204
 Washington, DC 20410-2000
 Telephone: (202) 708-1112
 Toll Free: (800) 669-9777
<http://www.HUD.gov/offices/fheo/online-complaint.cfm>

For California, the contact information for the regional HUD office in San Francisco is:

San Francisco Regional Office
 U.S. Department of Housing and Urban Development
 600 Harrison Street, 3rd Floor
 San Francisco, CA 94107-1300
 (415) 489-6400
<http://www.HUD.gov>

When a complaint is submitted, intake specialists review the information and contact the complainant in order to gather additional details and determine if the case qualifies as possible housing discrimination. Complaints specific to a state or locality that is part of HUD's FHAP organizations are referred to the appropriate parties, who have 30 days to address the complaint. If HUD is handling the case, the formal complaint is sent to the complainant for review and then sent to the alleged violator for review and response.

Next, the circumstances of the complaint are investigated through conducting interviews and examining relevant documents. During this time, the investigator attempts to rectify the situation through conciliation, if possible. The case is closed if conciliation of the two parties is achieved or if the investigator determines that there was no reasonable cause of discrimination. If reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.⁴⁶ A respondent may be ordered to:

⁴⁶ "HUD's Title VIII Fair Housing Complaint Process." <http://www.hud.gov/offices/fheo/complaint-process.cfm>

- Compensate for actual damages, including humiliation, pain, and suffering;
- Provide injunctive or other equitable relief to make the housing available;
- Pay the federal government a civil penalty to vindicate the public interest, with a maximum penalty of \$10,000 for a first violation and \$50,000 for an additional violation within seven years; and/or
- Pay reasonable attorneys' fees and costs.⁴⁷

California Department of Fair Employment and Housing

The DFEH processes complaints for those unlawfully discriminated against in the sale, rental, or financing of housing, with the complaint process occurring in up to six steps.

1. Intake. First, complainants must contact the DFEH Communication Center and fill out a pre-complaint questionnaire about the alleged discrimination. Once the questionnaire is completed, the DFEH interviews the complainant about the issue.
2. Filing. If the complaint is accepted as a violation of the Fair Housing and Employment Act, the complainant signs and files the complaint form, which is sent to the respondent.
3. Investigation. DFEH investigates the complaint to verify violation of the Fair Housing and Employment Act.
4. Conciliation. Conciliation conferences are scheduled, involving the complainant, the respondent, and the DFEH.
5. Litigation. If conciliation fails, DFEH legal staff litigates the case, either in front of the Fair Housing and Employment Commission or in civil court.
6. Remedies. The Commission or court may order remedies, including reimbursement, civil penalties, or in the event of a court case, punitive damages.⁴⁸

Project Sentinel

Project Sentinel accepts housing discrimination complaints from within San Mateo County as well as Alameda, Santa Clara, and Stanislaus Counties. Complainants can use the online form on the Project Sentinel website to submit a complaint, or file an anonymous complaint over the phone. The contact information for the San Mateo County offices of Project Sentinel is:

Project Sentinel
 Redwood City Office
 525 Middlefield Road, Suite 200
 Redwood City, CA 94063
 Phone (650) 321-6291

⁴⁷ "Fair Housing—It's Your Right." <http://www.hud.gov/offices/fheo/FHLaws/yourrights.cfm>

⁴⁸ "Housing Complaint Process." http://dfeh.ca.gov/Complaints_hCompProc.htm

(888) FAIR-HOUSING
<http://housing.org>

If a person in San Mateo County is interested in filing a complaint with Project Sentinel, he or she can do so by submitting the form on the agency's website or calling their anonymous hotline to speak with a counselor. The complaint process includes up to seven steps:

1. Intake. Complainants contact Project Sentinel, who collect necessary documentation (such as rental agreements or 30-day notices) and establish the who, what, when, and where of the complaint. The completed intake form is sent to the complainant for confirmation and signature. If needed, a property search is performed to gather additional information.
2. Investigation. If the case requires testing—either through site, phone, sales, lending, survey, or other methods—the appropriate tests are performed and the results analyzed. For complaints that can be conciliated through work with the housing provider, such as a reasonable accommodation request, communication with the provider begins. Complainants are encouraged to provide additional information should any new discriminatory practices arise.
3. Closing. If findings show evidence of discrimination, Project Sentinel will refer the complaint to:
 - HUD for administrative enforcement,
 - DFEH for administrative enforcement, or
 - A private attorney for enforcement via civil action.

Project Sentinel will also educate the housing provider through fair housing education materials. If no evidence is found, the file is closed as counseled. The complainant is informed of the closing status of his or her complaint.

4. Evaluation. The agency ensures proper filing of the case and completion of the case summary, reviewing the entire file.
5. Referral, as needed. This phase occurs only if evidence of discrimination is found; the case is referred to the proper agency along with complete documentation.
6. Settlement and Litigation, as needed. This phase establishes damages for the complainant and diversion of resources from the agency.
7. Training, as needed. Housing providers receive fair housing training and/or outreach education through a fair housing presentation.⁴⁹

SUMMARY

A review of the fair housing profile in San Mateo County revealed that several organizations provide fair housing services on the federal, state, and local levels. They all provide outreach and education, complaint intake, and testing and enforcement activities for both providers

⁴⁹ Information provided by Project Sentinel on June 22, 2012.

and consumers of housing. These organizations include HUD, the DFEH, and the local agency, Project Sentinel.

SECTION V. FAIR HOUSING IN THE PRIVATE SECTOR

As part of the AI process, the U.S. Department of Housing and Urban Development (HUD) suggests that the analysis focus on possible housing discrimination issues in both the private and public sectors. Examination of housing factors in San Mateo County's public sector is presented in **Section VI**, while this section focuses on research regarding the County's private sector, including the mortgage lending market, the real estate market, the rental market, and other private sector housing industries.

LENDING ANALYSIS

HOME MORTGAGE DISCLOSURE ACT

Since the 1970s, the federal government has enacted several laws aimed at promoting fair lending practices in the banking and financial services industries. A brief description of selected federal laws aimed at promoting fair lending follows:

- The 1968 *Fair Housing Act* prohibits discrimination in housing based on race, color, religion, and national origin. Later amendments added sex, familial status, and disability. Under the Fair Housing Act, it is illegal to discriminate against any of the protected classes in the following types of residential real estate transactions: making loans to buy, build, or repair a dwelling; selling, brokering, or appraising residential real estate; and selling or renting a dwelling.
- The *Equal Credit Opportunity Act* was passed in 1974 and prohibits discrimination in lending based on race, color, religion, national origin, sex, marital status, age, receipt of public assistance, and the exercise of any right under the Consumer Credit Protection Act.
- The *Community Reinvestment Act* was enacted in 1977 and requires each federal financial supervisory agency to encourage financial institutions in order to help meet the credit needs of the entire community, including low- and moderate-income neighborhoods.
- Under the *Home Mortgage Disclosure Act (HMDA)*, enacted in 1975 and later amended, financial institutions are required to publicly disclose the race, sex, ethnicity, and household income of mortgage applicants by the Census tract in which the loan is proposed as well as outcome of the loan application.⁵⁰ The analysis presented herein is from the HMDA data system.

⁵⁰ *Closing the Gap: A Guide to Equal Opportunity Lending*, The Federal Reserve Bank of Boston, April 1993.
<http://www.bos.frb.org/commdev/closing-the-gap/closingt.pdf>

The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related applications and loans.⁵¹ Both types of lending institutions must meet the following set of reporting criteria:

1. The institution must be a bank, credit union, or savings association;
2. The total assets must exceed the coverage threshold;⁵²
3. The institution must have had an office in a Metropolitan Statistical Area (MSA);
4. The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling;
5. The institution must be federally insured or regulated; and
6. The mortgage loan must have been insured, guaranteed, or supplemented by a federal agency or intended for sale to the Federal National Mortgage Association (FNMA or Fannie Mae) or the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac). These agencies purchase mortgages from lenders and repackage them as securities for investors, making more funds available for lenders to make new loans.

For other institutions, including non-depository institutions, additional reporting criteria are as follows:

1. The institution must be a for-profit organization;
2. The institution's home purchase loan originations must equal or exceed 10 percent of the institution's total loan originations, or more than \$25 million;
3. The institution must have had a home or branch office in an MSA or have received applications for, originated, or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year; and
4. The institution must have assets exceeding \$10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information available regarding home purchase originations, home remodel loan originations, and refinancing. The Federal Financial Institutions Examination Council (FFIEC) makes HMDA data available on its website. While HMDA data are available for more years than are presented in the following pages, modifications were made in 2004 for documenting loan applicants' race and ethnicity, so data are most easily compared after that point.

⁵¹ Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made substantive changes in reporting, particularly regarding ethnicity data, loan interest rates, and the multi-family loan applications.

⁵² Each December, the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

Home Purchase Loans

As presented on the following page in Table V.1, HMDA information was collected for tracts in San Mateo County from 2004 through 2010. During this time, 429,520 loan applications were reported by participating institutions for home purchases, home improvements, and refinancing mortgages. Of these loan applications, 118,201 were specifically for home purchases.

Purpose	2004	2005	2006	2007	2008	2009	2010	Total
Home Purchase	24,664	23,542	22,397	15,790	11,526	10,793	9,489	118,201
Home Improvement	3,729	5,366	5,342	3,836	2,020	1,683	1,167	23,143
Refinancing	57,673	48,481	41,031	35,866	22,303	42,394	40,428	288,176
Total	86,066	77,389	68,770	55,492	35,849	54,870	51,084	429,520

Within this set of data, it is important to evaluate only the owner-occupied home purchase transactions. Home purchases and access to homeownership are the focus of this particular analysis because other categories typically apply to units already purchased and do not reflect the ability of an individual to choose an owner-occupied home. As shown in Table V.2, below, of the 118,201 home purchase loan applications submitted during the time period, 108,946 were specifically for owner-occupied homes. The number of owner-occupied home purchase loan applications was highest in 2004 with 22,952 applications.

Status	2004	2005	2006	2007	2008	2009	2010	Total
Owner-Occupied	22,952	21,549	20,666	14,584	10,500	10,007	8,688	108,946
Not Owner-Occupied	1,381	1,792	1,538	1,078	873	759	716	8,137
Not Applicable	331	201	193	128	153	27	85	1,118
Total	24,664	23,542	22,397	15,790	11,526	10,793	9,489	118,201

Appendix D shows data about the purpose of loan applications, occupancy status of home purchase loan applications, and owner-occupied loan applications by type of loan, separated by area for the four entitlement cities and the remainder of the County.

Denial Rates

After the owner-occupied home purchase loan application is submitted, the applicant receives one of the following status designations:

- "Originated," which indicates that the loan was made by the lending institution;
- "Approved but not accepted," which notes loans approved by the lender but not accepted by the applicant;

- "Application denied by financial institution," which defines a situation wherein the loan application failed;
- "Application withdrawn by applicant," which means that the applicant closed the application process;
- "File closed for incompleteness" which indicates the loan application process was closed by the institution due to incomplete information; or
- "Loan purchased by the institution," which means that the previously originated loan was purchased on the secondary market.

These outcomes were used to determine denial rates presented in the following section. Factors in denial of home purchase loans, such as credit scores or down payment amounts, are not reported, so many of the reasons for loan denials cannot be accurately speculated.

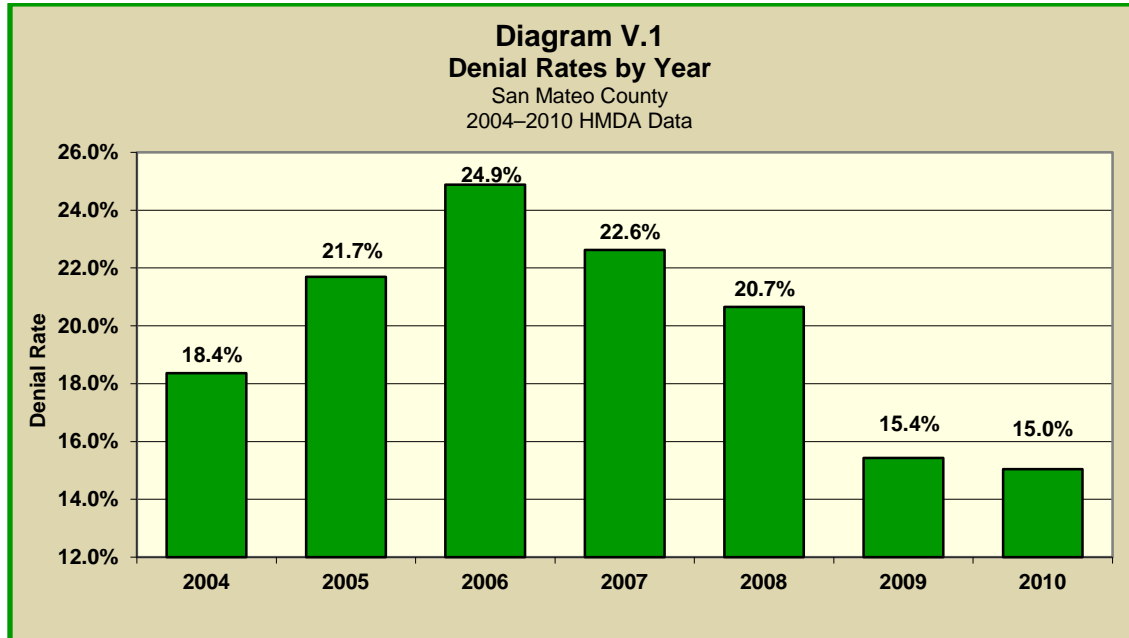
Only loan originations and loan denials were inspected as an indicator of the underlying success or failure of home purchase loan applicants. Altogether, there were 108,946 loan originations and 14,321 applications denied for an average seven-year denial rate of 20.5 percent, as shown below in Table V.3. Owner-occupied home purchase denial rates were highest in 2006 and declined after that year, with the 2010 rate at 15 percent. In comparison to the State of California from 2005 to 2009, the San Mateo County rate was dramatically lower; statewide, 27 percent of all such loans were denied.⁵³ Rough comparison can be made to national figures; in the U.S. in 2010 the denial rate for all home purchase loans, including those not for owner occupancy, was 21.1 percent.

Action	2004	2005	2006	2007	2008	2009	2010	Total
Loan Originated	12,591	11,135	9,617	7,315	5,042	4,922	4,894	55,516
Application Approved but not Accepted	1,878	1,784	1,943	1,608	1,084	613	530	9,440
Application Denied	2,833	3,086	3,185	2,139	1,313	898	867	14,321
Application Withdrawn by Applicant	1,578	1,527	1,306	794	913	675	589	7,382
File Closed for Incompleteness	327	386	292	261	239	158	155	1,818
Loan Purchased by the Institution	3,745	3,623	4,312	2,466	1,909	2,712	1,653	20,420
Preapproval Request Denied	0	8	10	1	0	29	0	48
Preapproval Approved but not Accepted	0	0	1	0	0	0	0	1
Total	22,952	21,549	20,666	14,584	10,500	10,007	8,688	108,946
Denial Rate	18.4%	21.7%	24.9%	22.6%	20.7%	15.4%	15.0%	20.5%

These data are segmented by area in Appendix D, and show denial rates for the four entitlement cities and the remainder of the County. Denial was highest in Daly City and South San Francisco, and lowest in Redwood City and the City of San Mateo. Denial rates in the remainder of the County averaged in between these extremes.

⁵³ Draft State of California Analysis of Impediments, http://www.hcd.ca.gov/hpd/hrc/rep/fed/hcd_ai_report061512.pdf

Denial rates varied widely by year, as shown on the following page in Diagram V.1. Overall, the share of loans denied in the County fell from a high of 24.9 percent in 2006 to 15 percent in 2010. This downward trend may be due to a number of economic and industry factors.

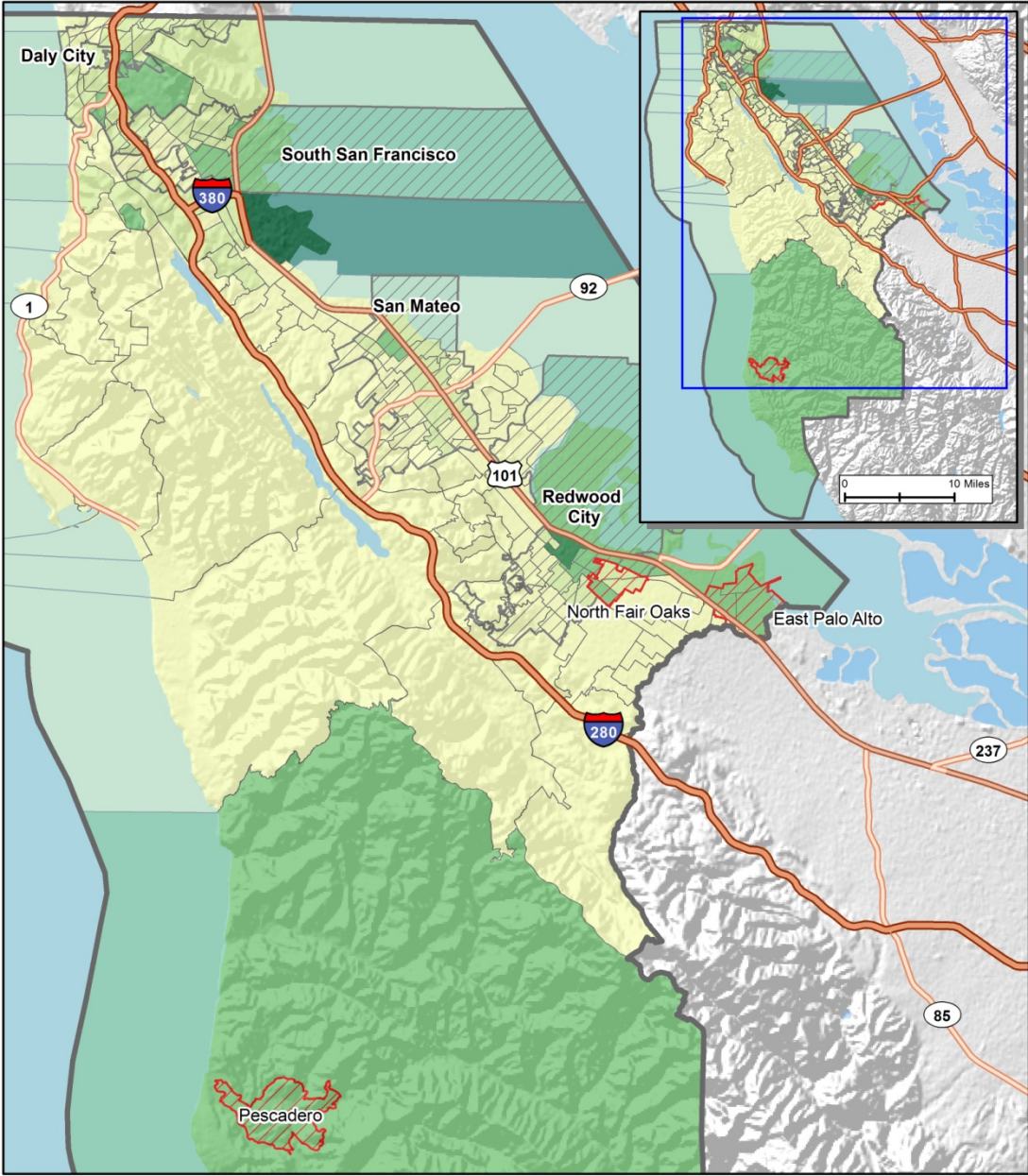


Appendix D presents similar diagrams for the four cities and the remainder of the County, and shows nearly identical patterns for the remainder but lowest denial rates in 2009 in the entitlement cities. South San Francisco had a different denial rate pattern than the other areas, however, peaking in 2007 with a 30.1 percent denial rate.

While the countywide average denial rate was lower than recent state and national figures, rates were not evenly distributed by community. As shown in Map V.1, on the following page, several Census tracts had average denial rates above the San Mateo County average of 20.5 percent and above the disproportionate share threshold 10 percentage points higher. Disproportionate and extremely high denial rates on their own do not imply impediments to fair housing choice, but when seen in areas of high protected class population concentrations or when not affected by income level, they can suggest that these groups may be disparately treated or impacted by lenders' decisions.

Parts of South San Francisco, Redwood City, the City of San Mateo, and North Fair Oaks, as well as the area southeast of Daly City showed disproportionate shares of denial. The tracts containing East Palo Alto and Pescadero also had disproportionate rates, and one tract, just south of South San Francisco, showed a rate as high as 100 percent. However, further investigation showed that this rate represented only two loan applications and that this tract is primarily made up of the San Francisco International Airport rather than many residential areas. Tracts with 0 or a 100 percent denial rates typically have very few applicants, so inferences about these areas must be made with extreme care.

Map V.1
Denial Rates by Census Tract
 San Mateo County
 2004-2010 HMDA Data



LEGEND

2004 - 2010 Loan Denial Rate for All Applicants
 Average Denial Rate for All Applicants in San Mateo County = 20.5%
 Disproportionate Share Threshold = 30.5%

Denial Rate for All Applicants	Color
0.0 - 20.5	Lightest Yellow
20.6 - 30.5	Light Yellow
30.6 - 50.0	Yellow-Green
50.1 - 75.0	Green
75.1 - 100.0	Darkest Green

----- Disproportionate Share Threshold

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract with No Data
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2004-2010 HMDA Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

HMDA data were also used to determine denial rates by gender. Table V.4, below, shows that denial rates were uneven, with females experiencing higher denial rates compared to males until 2010. Between 2004 and 2010, on average, male applicants experienced a denial rate of 19.5 percent, while female applicants experienced a denial rate of 22.2 percent. The difference between denial rates for males and females hovered around 3 percentage points in most years, although it was lower in 2005 and 2006, and then changed dramatically in 2010 when females saw slightly lower denial rates on average. On average over the period, the denial rate for female applicants was 2.7 percentage points higher than that for males. This pattern on its own does not imply a countywide impediment to fair housing choice, but may contribute to the identification of discriminatory lending practices acting as a barrier.

Year	Male	Female	Not Available	Not Applicable	Total
2004	17.0%	20.2%	23.7%	15.8%	18.4%
2005	20.8%	23.1%	23.7%	14.3%	21.7%
2006	24.0%	26.4%	24.6%	0.0%	24.9%
2007	21.5%	24.5%	24.5%	0.0%	22.6%
2008	19.6%	22.6%	22.2%	0.0%	20.7%
2009	14.4%	17.5%	16.7%	0.0%	15.4%
2010	15.0%	14.6%	17.8%	0.0%	15.0%
Total	19.5%	22.2%	22.5%	8.9%	20.5%

These data were slightly different for the entitlement cities and remainder of the County, as shown in Appendix D. The largest seven-year average gender disparity was seen in Daly City, but in South San Francisco, the average denial rate for males was actually very slightly higher than that for females. Figures in the City of San Mateo and the remainder of the County were similar to County rates.

Denial rates were also calculated by race and ethnicity of loan applicants, presented on the following page in Table V.5. As shown, minority race and ethnicity applicants experienced higher denial rates than white applicants. Black applicants had the highest denial rate during this time period at 33.1 percent, followed by American Indian applicants at 30.1 percent and Hispanic applicants at 29.8 percent. These denial rates were much lower than national 2010 figures for these groups, but higher than the average white applicant rate of 18.3 percent in San Mateo County.

These rates varied by year, however, and there were some exceptions to the pattern, such as in 2009 where the rates for American Indian and black applicants were lower than that for white applicants. Denial rates for minority applicants trended downward over the period, a pattern consistent with the overall trend in declining denial rates. While these data on their

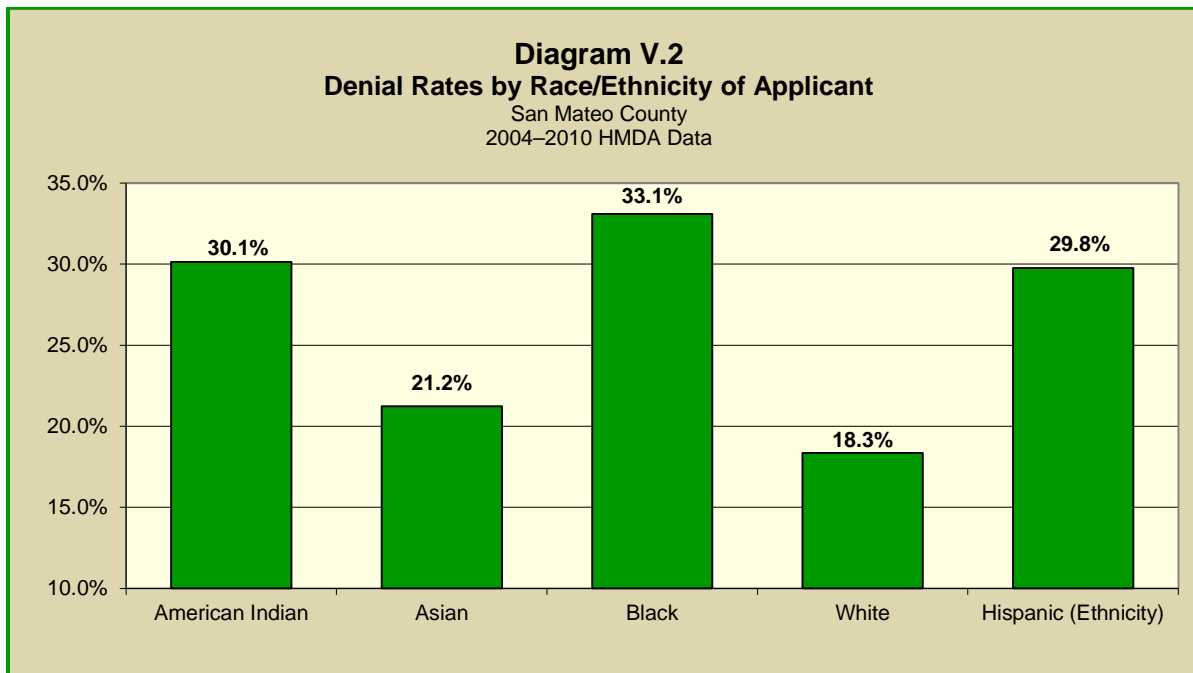
own do not imply that impediments to fair housing exist, the higher rates of denial among minority applicants could be caused by discrimination against residents in some areas.

Table V.5
Denial Rates by Race/Ethnicity of Applicant
San Mateo County
HMDA Data

Year	American Indian	Asian	Black	White	Not Available	Not Applicable	Total	Hispanic (Ethnicity)
2004	22.4%	19.7%	28.0%	15.1%	23.8%	44.7%	18.4%	22.3%
2005	36.3%	23.2%	28.7%	18.8%	27.4%	12.5%	21.7%	28.9%
2006	35.7%	25.2%	44.5%	22.7%	30.2%	0.0%	24.9%	33.2%
2007	32.2%	23.3%	40.5%	21.0%	25.3%	0.0%	22.6%	39.3%
2008	27.0%	20.7%	29.6%	19.8%	23.0%	0.0%	20.7%	36.0%
2009	12.5%	15.6%	14.6%	14.7%	18.3%	16.7%	15.4%	23.9%
2010	25.0%	16.6%	23.1%	13.3%	17.3%	0.0%	15.0%	22.4%
Total	30.1%	21.2%	33.1%	18.3%	24.9%	39.7%	20.5%	29.8%

As shown in Appendix D, in Daly City, Redwood City, and South San Francisco, denial rates for Asian applicants were lower than those for white applicants, on average over the period. In all four cities and in the remainder of the County, however, rates were consistently higher on average for American Indian, black, and Hispanic applicants than for white applicants, although in South San Francisco these differences were minimal for most groups.

Diagram V.2, below, shows overall denial rates by race and ethnicity from 2004 through 2010.



Denial rates by race and ethnicity were plotted on several maps to examine the geographic concentration of loan denials, beginning on page 92. Disproportionate and very high denial rates to minority groups in certain tracts may imply impediments to fair housing choice; reviewing these rates on geographic maps can indicate areas where these problems are most prevalent.

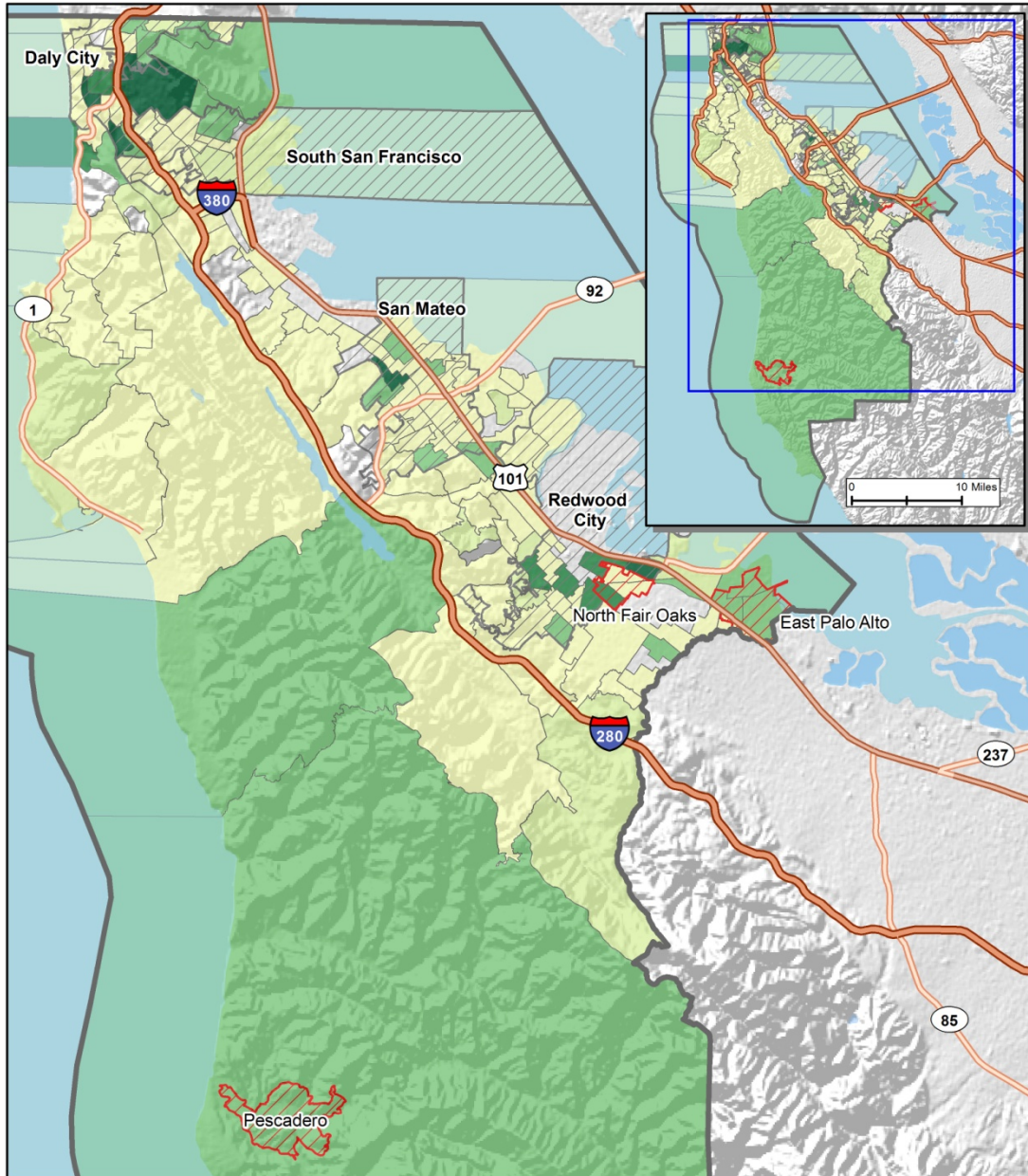
Data regarding the concentration of denial rates for black applicants in San Mateo County are presented on page 92 in Map V.2. In many tracts, denial rates for black applicants were above the disproportionate share threshold of 43.1 percent and as high as 100 percent. Tracts with the highest concentrations were located in all the entitlement cities and special focus areas, although parts of the County around Daly City, South San Francisco, Redwood City, North Fair Oaks, and the City of San Mateo showed the highest concentrations.

Map V.3, on page 101, presents geographic data on denial rates for Asian applicants in the County. Several tracts had shares above the disproportionate share threshold of 31.2 percent. Though some areas with high denial rates were the same as those seen in the previous map, for Asian applicants denial was very heavily concentrated in the large tract containing Pescadero, parts of East Palo Alto, and parts of Redwood City and the areas just southeast of Daly City.

Map V.4, on page 102, shows home loan application denial rates for Hispanic applicants, who experienced an average denial rate of 29.8 percent. Interestingly, many tracts in the County had no data for Hispanic applicant applications, but among those who did, several showed rates higher than the disproportionate share threshold of 39.8 percent, with some as high as 64.4 percent. The highest rates were not seen in any of the entitlement cities or special focus areas, however, with the exception of Pescadero and part of Daly City. These data suggest that Hispanic applicants encountered more difficulty applying for home loans in more rural parts of the County, and in some cases did not apply for any loans in more urban areas.

Data regarding denial rates for white applicants are presented on page 103 in Map V.5. As shown, several Census tracts in the area had denial rates in excess of the disproportionate share threshold of 28.3 percent. Denial rates for white applicants tended to be lowest in the City of San Mateo and in the remainder of the County, while substantial parts of South San Francisco, Redwood City, East Palo Alto, and Pescadero had disproportionately high rates.

Map V.2
Denial Rates for Black Applicants by Census Tract
 San Mateo County
 2004-2010 HMDA Data



LEGEND

2004 - 2010 Loan Denial Rate for Black Applicants
 Average Denial Rate for Black Applicants in San Mateo County = 33.1%
 Disproportionate Share Threshold = 43.1%

Denial Rate for Black Applicants	Color
0.0 - 31.2	Light Yellow
31.3 - 43.1	Yellow-Green
43.2 - 60.0	Light Green
60.1 - 80.0	Medium Green
80.1 - 100.0	Dark Green

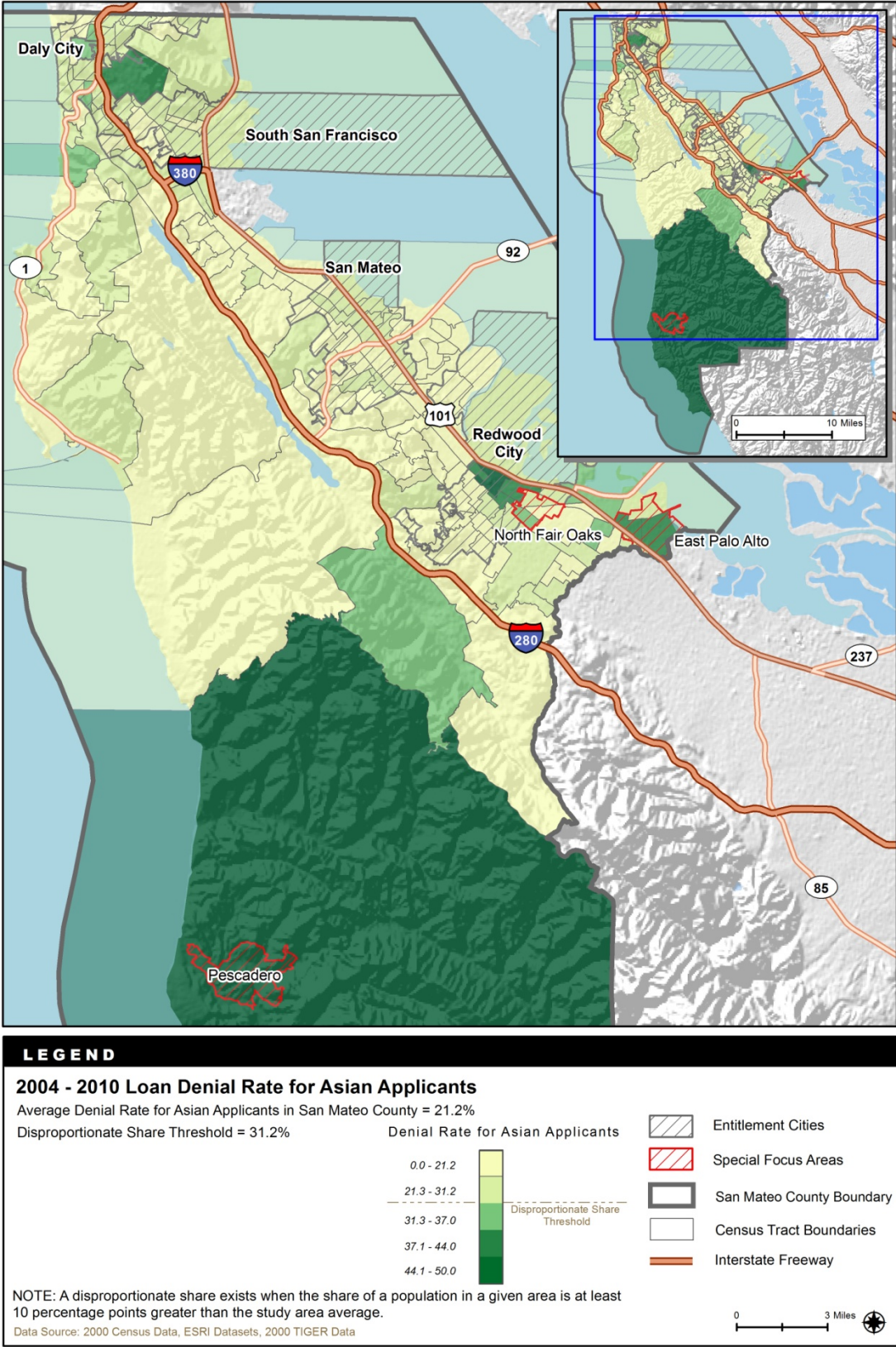
Disproportionate Share Threshold (indicated by a dashed line on the color scale)

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract with No Data
- Interstate Freeway

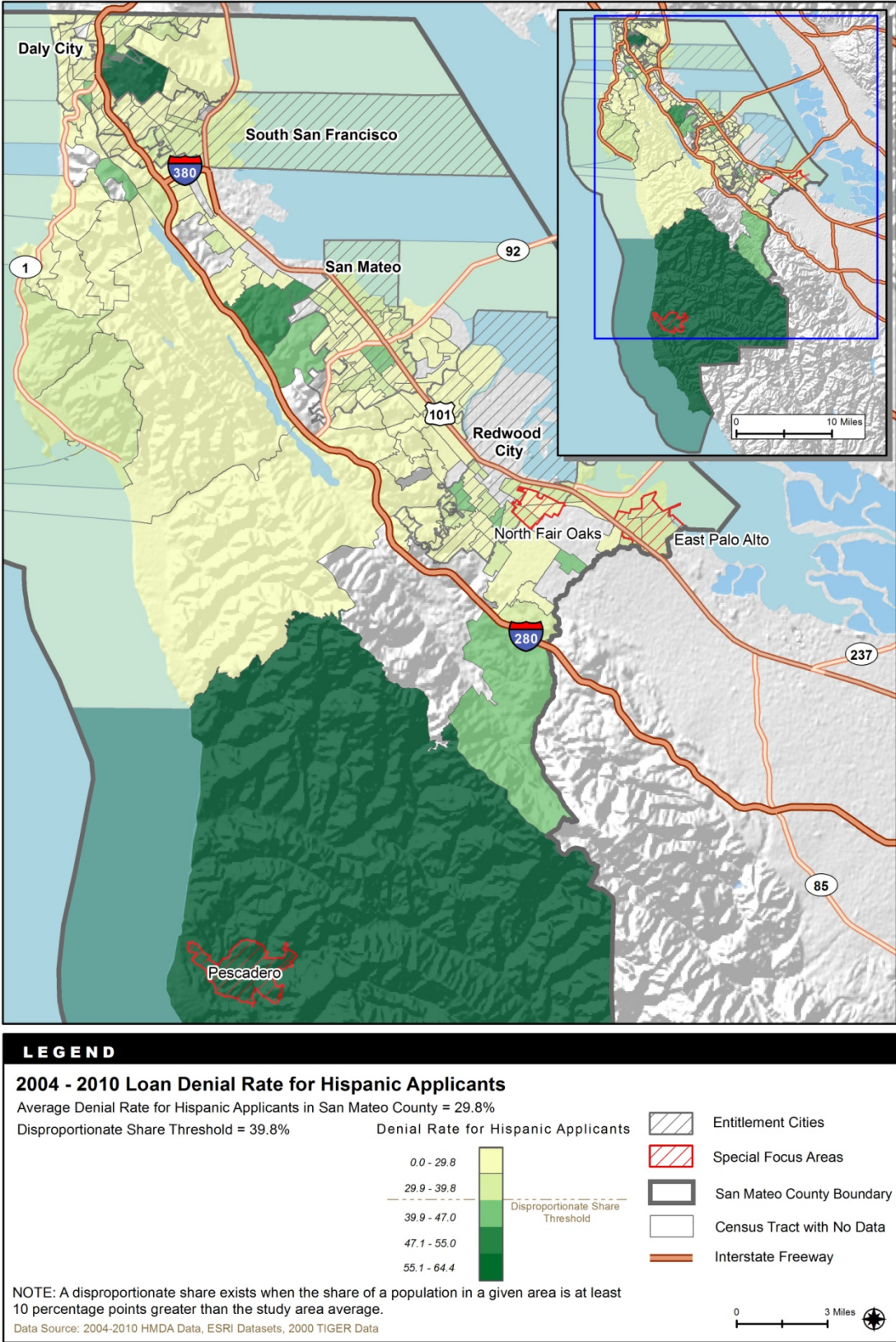
NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2004-2010 HMDA Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

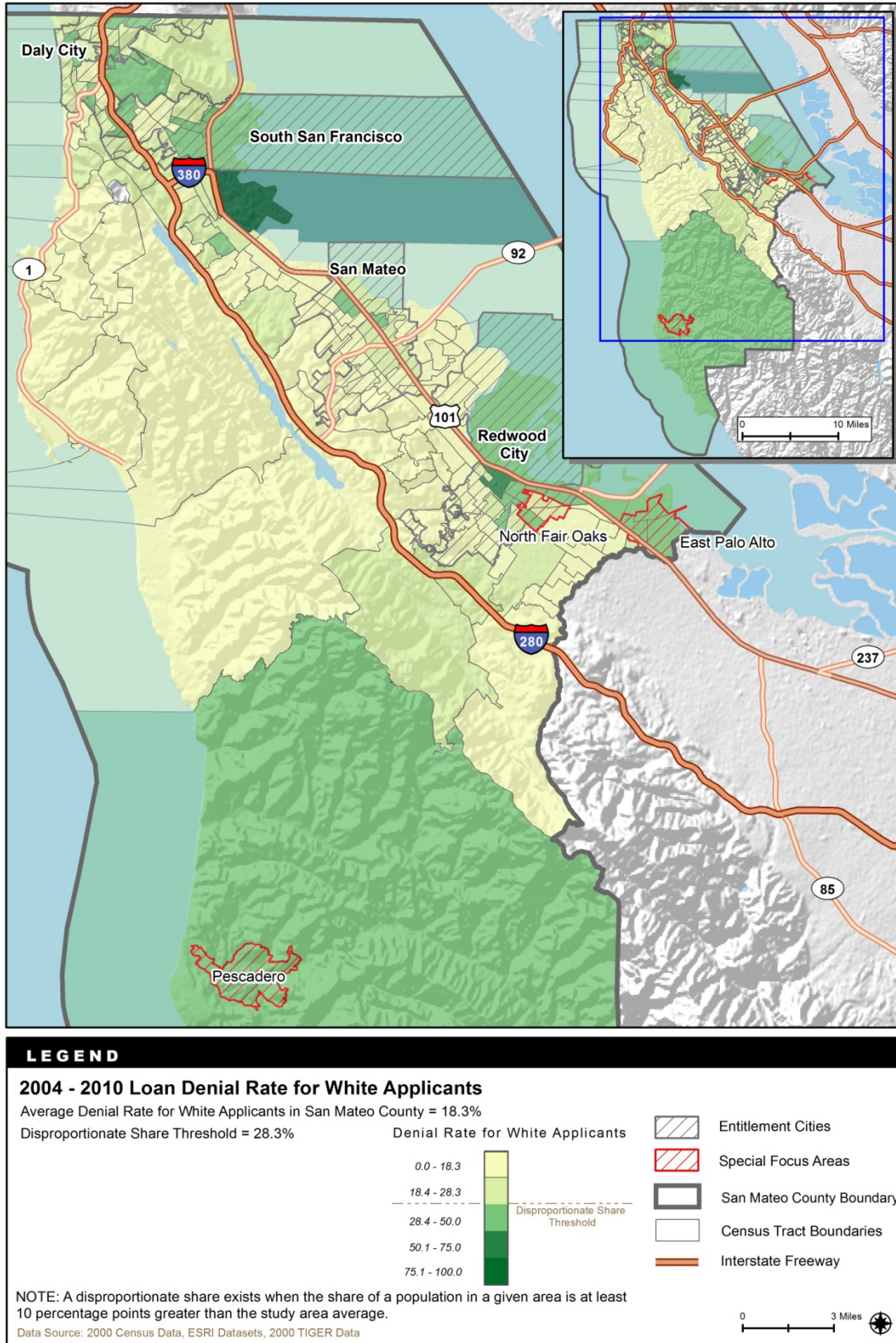
Map V.3
Denial Rates for Asian Applicants by Census Tract
San Mateo County
2004-2010 HMDA Data



Map V.4
Denial Rates for Hispanic Applicants by Census Tract
 San Mateo County
 2004-2010 HMDA Data



Map V.5
Denial Rates for White Applicants by Census Tract
 San Mateo County
 2004–2010 HMDA Data



Part of the HMDA requirements include information regarding the reason for a loan denial, although financial institutions are not uniformly required to fill out this field. Nevertheless, the most frequently cited categories of denials were incomplete credit application and unverifiable information, as shown below in Table V.6. These problems were most prevalent in 2005, 2006, and 2007, however, and slowed very significantly after that time, suggesting that in more recent years, banks have more diligently collected complete application information. Consistently across the seven-year period, the most common reasons for loan denial were credit history, collateral, and debt-to-income ratio. Often, occurrences of these problems can be reduced through enhancing programs for consumers to better understand the importance of establishing and keeping good credit.

Denial Reason	2004	2005	2006	2007	2008	2009	2010	Total
Credit Application Incomplete	317	420	314	495	177	83	98	1,904
Unverifiable Information	440	505	416	250	140	64	57	1,872
Debt-to-Income Ratio	304	233	229	200	354	237	223	1,780
Collateral	282	355	248	174	152	164	187	1,562
Credit History	370	352	334	219	99	73	75	1,522
Insufficient Cash	103	69	65	71	63	30	30	431
Employment History	24	38	45	56	17	15	17	212
Mortgage Insurance Denied	2	1	1	0	10	6	2	22
Other	521	673	686	378	191	118	106	2,673
Missing	470	440	847	296	110	108	72	2,343
Total	2,833	3,086	3,185	2,139	1,313	898	867	14,321

Table V.7, below, shows denial rates by income in San Mateo County. As expected, households with lower incomes tended to be denied for loans more. Households with incomes from \$15,001 to \$30,000 were denied an average of 67.1 percent of the time, while those with incomes above \$75,000 were denied 19.6 percent of the time on average; this rate is still relatively high.⁵⁴

Income	2004	2005	2006	2007	2008	2009	2010	Total
\$15,000 or Below	64.3%	79.4%	15.4%	75.0%	66.7%	60.0%	100.0%	64.2%
\$15,001–\$30,000	63.3%	88.5%	71.4%	69.2%	66.7%	53.8%	59.1%	67.1%
\$30,001–\$45,000	33.3%	52.2%	58.7%	44.7%	32.1%	32.9%	35.6%	38.0%
\$45,001–\$60,000	23.2%	35.5%	34.6%	29.8%	34.1%	24.1%	25.3%	27.7%
\$60,001–\$75,000	22.9%	22.9%	23.7%	15.3%	21.6%	18.5%	22.5%	21.1%
Above \$75,000	17.5%	20.9%	24.3%	21.7%	19.7%	13.3%	12.5%	19.6%
Data Missing	24.7%	24.7%	29.2%	44.1%	24.6%	28.1%	27.6%	29.2%
Total	18.4%	21.7%	24.9%	22.6%	20.7%	15.4%	15.0%	20.5%

⁵⁴ Among this HMDA sample, the median household income for applicants was \$195,100; average denial rates may have been much lower for households in the highest income categories.

Appendix D shows similar figures for the entitlement cities and the remainder of the County, although the cities generally showed higher denial rates for the lowest income categories. Interestingly, in Daly City, South San Francisco, and the City of San Mateo, denial rates were slightly lower for the \$60,001 to \$75,000 income households than for those above \$75,000.

Table V.8, below, presents denial rates segmented by race or ethnicity and income. Minority racial and ethnic applicants often faced much higher loan denial rates than white applicants, even after correcting for income. For example, black applicants experienced higher loan denial rates than white applicants across all income levels; at incomes of \$30,001 to \$45,000, black applicants experienced a denial rate of 68.8 percent compared to the white denial rate of 37.5 percent for that group. At incomes over \$75,000, black applicants had a denial rate of 31.4 percent compared to 17.6 percent for white applicants. Interestingly, for many minority groups the denial rate was slightly lower for the \$60,001 to \$75,000 income earners than for the \$75,000 and above category; this may suggest loan denial based on factors other than financial status, possibly representing discrimination.

Race	<= \$15K	\$15K– \$30K	\$30K– \$45K	\$45K– \$60K	\$60K– \$75K	Above \$75K	Data Missing	Total
American Indian	55.6%	66.7%	66.7%	16.7%	36.8%	27.6%	65.2%	30.1%
Asian	50.0%	60.6%	28.4%	24.7%	18.8%	20.6%	32.0%	21.2%
Black	100.0%	66.7%	68.8%	41.2%	27.8%	31.4%	45.2%	33.1%
White	76.2%	63.4%	37.5%	25.9%	19.2%	17.6%	25.5%	18.3%
Not Available	72.0%	82.9%	50.8%	40.2%	33.6%	23.0%	31.7%	24.9%
Not Applicable	0.0%	0.0%	100.0%	66.7%	71.4%	44.3%	10.3%	39.7%
Total	64.2%	67.1%	38.0%	27.7%	21.1%	19.6%	29.2%	20.5%
Hispanic (Ethnicity)	66.7%	76.7%	45.0%	30.7%	28.6%	29.0%	38.0%	29.8%

Appendix D shows these data for each entitlement city and for the remainder of the County, and indicates similar patterns.

Predatory Lending

In addition to modifications implemented in 2004 for documenting loan applicants' race and ethnicity, the HMDA reporting requirements were changed in response to the Predatory Lending Consumer Protection Act of 2002 as well as the Home Owner Equity Protection Act (HOEPA). Consequently, loan originations are now flagged in the data system for three additional attributes:

1. If they are HOEPA loans;⁵⁵

⁵⁵ Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. "HMDA Glossary." <http://www.ffiec.gov/hmda/glossary.htm#H>

2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of high annual percentage rate (APR) loans (HALs), defined as more than three percentage points higher than comparable treasury rates for home purchase loans, or five percentage points higher for refinance loans.⁵⁶

For the 2012 AI analysis, only originated owner-occupied home purchase loans qualifying as HALs were examined for 2004 through 2010. These high APR loans are considered predatory in nature, and owner-occupied home purchase loans are the greatest concern when examining access to fair housing opportunities. Table V.9, below, shows that between 2004 and 2010, there were 6,849 HALs for owner-occupied homes originated in San Mateo County, representing 12.3 percent of the total. The number of HALs was highest by far in 2005 and 2006 and decreased afterward, and by 2010, the rate of HALs was low, at 0.4 percent. These rates were much lower than statewide figures; from 2005 to 2009, across California the rate of HALs was 23 percent.⁵⁷

Loan Type	2004	2005	2006	2007	2008	2009	2010	Total
Other	11,656	8,599	7,189	6,682	4,856	4,811	4,874	48,667
HAL	935	2,536	2,428	633	186	111	20	6,849
Total	12,591	11,135	9,617	7,315	5,042	4,922	4,894	55,516
Percent HAL	7.4%	22.8%	25.2%	8.7%	3.7%	2.3%	0.4%	12.3%

These data are shown for each entitlement city and the remainder of the County in Appendix D, and indicate that, as compared to the County as a whole, the average rate of HALs was much higher in Daly City and much lower in Redwood City and the City of San Mateo. In all areas, the annual pattern was very similar, with the highest rates in 2005 and 2006 and a very low rate in 2010.

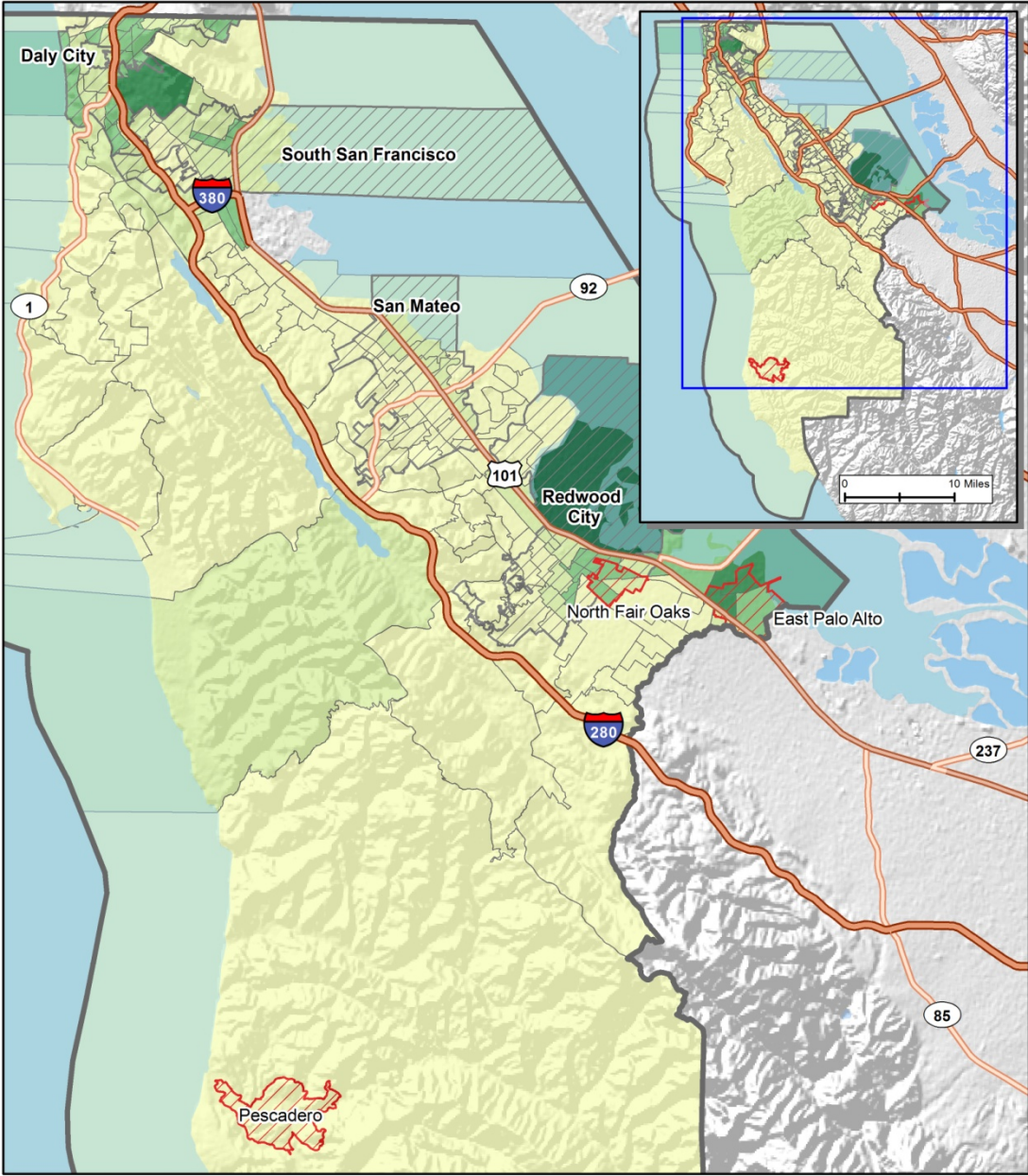
The geographic distribution of HALs in San Mateo County is presented on the following page in Map V.6. When disproportionate shares of HAL borrowers are seen in areas with high protected class populations, they can suggest that these groups receive disparate treatment and that discriminatory patterns in predatory lending is an impediment to fair housing choice. The following map presents the beginning of this analysis. Several tracts in the County showed average proportions of borrowers who received HALs in excess of the disproportionate share threshold of 22.3 percent, and several others were above the average but below the disproportionate share threshold. Large parts of Redwood City, North Fair Oaks, East Palo Alto, and the Daly City area had disproportionate shares of HAL borrowers over the period, and most of the remainder of the County displayed rates below

⁵⁶ 12 CFR Part 203, http://www.ffiec.gov/hmda/pdf/regc_020702.pdf

⁵⁷ *Draft State of California AI*, http://www.hcd.ca.gov/hpd/hrc/rep/fed/hcd_ai_report061512.pdf

the average. Predatory loans are most commonly seen for moderately priced homes, and these data show the highest HAL rates in areas with the County's lowest median home values, as presented previously.

Map V.6
Rate of HALs by Census Tract
 San Mateo County
 2004-2010 HMDA Data



LEGEND

2004 - 2010 Rate of HALs to All Applicants
 Average Rate of HALs to All Applicants in San Mateo County = 12.3%
 Disproportionate Share Threshold = 22.3%

Rate of HALs to All Applicants	Color
0.0 - 12.3	Lightest Yellow
12.4 - 22.3	Light Yellow
22.4 - 35.0	Yellow-Green
35.1 - 50.0	Green
50.1 - 67.2	Darkest Green

--- Disproportionate Share Threshold

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract with No Data
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2004-2010 HMDA Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Though the average rate of HALs was 12.3 percent, it varied widely over the period and was most recently very low. But while HAL figures improved significantly after 2006, they are a measure of San Mateo County's underlying foreclosure risk for recent homeowners, and it is important to examine characteristics of applicants who received these HALs in the seven-year time period and may still be paying the high rates. As shown in Table V.10, below, the group with the greatest number of HALs between 2004 and 2010 was white applicants, with 3,138 such loans. Asian applicants took out 2,526 home purchase HALs, and Hispanic applicants received 2,306 HALs over the seven-year period. Fortunately, the number of HALs decreased significantly from 2007 to 2010 for most racial and ethnic groups.

Race	2004	2005	2006	2007	2008	2009	2010	Total
American Indian	14	45	39	3	1	1	1	104
Asian	337	907	959	232	46	38	7	2,526
Black	18	54	37	13	4	4	0	130
White	390	1,150	1,119	309	110	49	11	3,138
Not Applicable	167	380	274	76	25	19	1	942
No Co-Applicant	9	0	0	0	0	0	0	9
Total	935	2,536	2,428	633	186	111	20	6,849
Hispanic (Ethnicity)	314	919	854	168	38	9	4	2,306

Appendix D shows that while these figures were similar in many subareas, Asian applicants received much higher numbers of HALs in Daly City and South San Francisco than did any other groups, including white applicants.

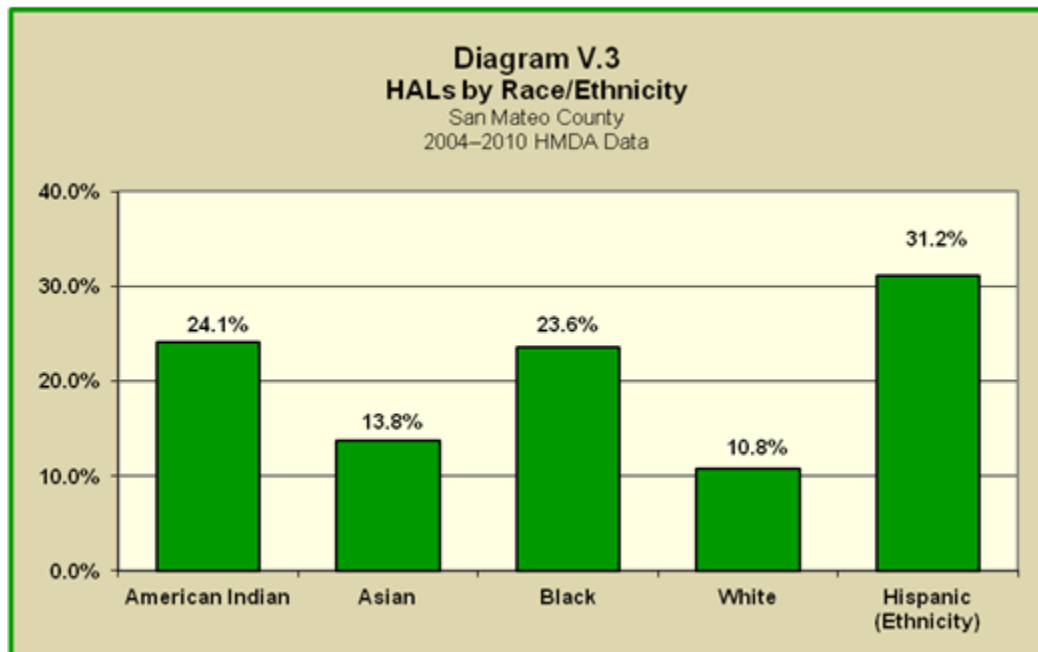
While the highest numbers of HALs were often seen for white applicants, further evaluation of the HMDA data revealed that HALs were issued to Hispanic, American Indian, and black applicants in unusually high proportions, as shown below in Table V.11. In total, 31.2 percent of loans taken by Hispanic applicants were HALs, while American Indian borrowers received HAL loans at a rate of 24.1 percent and black applicants at 23.6 percent. White applicants, however, received such loans at an average rate of only 10.8 percent during the time period. While these data on their own do not imply that impediments to fair housing exist, the higher rate of HALs among black, American Indian, and Hispanic applicants could be caused by discrimination.

Table V.11
Rate of HALs by Race/Ethnicity of Borrower
San Mateo County
2004–2010 HMDA Data

Race	2004	2005	2006	2007	2008	2009	2010	Total
American Indian	10.6%	38.8%	47.0%	7.5%	3.7%	4.8%	8.3%	24.1%
Asian	8.5%	26.2%	30.9%	10.1%	2.5%	2.0%	0.4%	13.8%
Black	13.7%	41.9%	33.3%	18.1%	10.5%	9.8%	0.0%	23.6%
White	6.0%	19.1%	21.5%	7.8%	4.4%	2.0%	0.4%	10.8%
Not Applicable	9.6%	27.4%	24.6%	8.1%	3.8%	3.5%	0.2%	13.6%
No Co-Applicant	10.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.6%
Total	7.4%	22.8%	25.2%	8.7%	3.7%	2.3%	0.4%	12.3%
Hispanic (Ethnicity)	17.4%	46.1%	47.4%	20.3%	12.1%	2.8%	1.2%	31.2%

Similar trends occurred in data for each entitlement city and the remainder of the County, as shown in Appendix D, although HAL rates were noticeably lower to American Indian borrowers in Redwood City and South San Francisco, although in many years for some subareas and groups, no HALs were reported.

Diagram V.3, below, shows the rates of HALs issued to applicants by race and ethnicity and visually demonstrates that American Indian, black, and Hispanic applicants were issued HALs more frequently over other loans than white and Asian applicants. These groups may face high foreclosure risk.



These data are presented in diagram form in Appendix D for the four entitlement cities and the remainder of the County.

Geographical examination of HALs by race or ethnicity of borrowers can be meaningful when identifying barriers to fair housing choice. Areas with tracts that have disproportionate

shares of HALs to racial or ethnic minority borrowers may have impediments to fair housing choice in the lending market. These rates can suggest that discriminatory patterns in predatory lending occur in some areas.

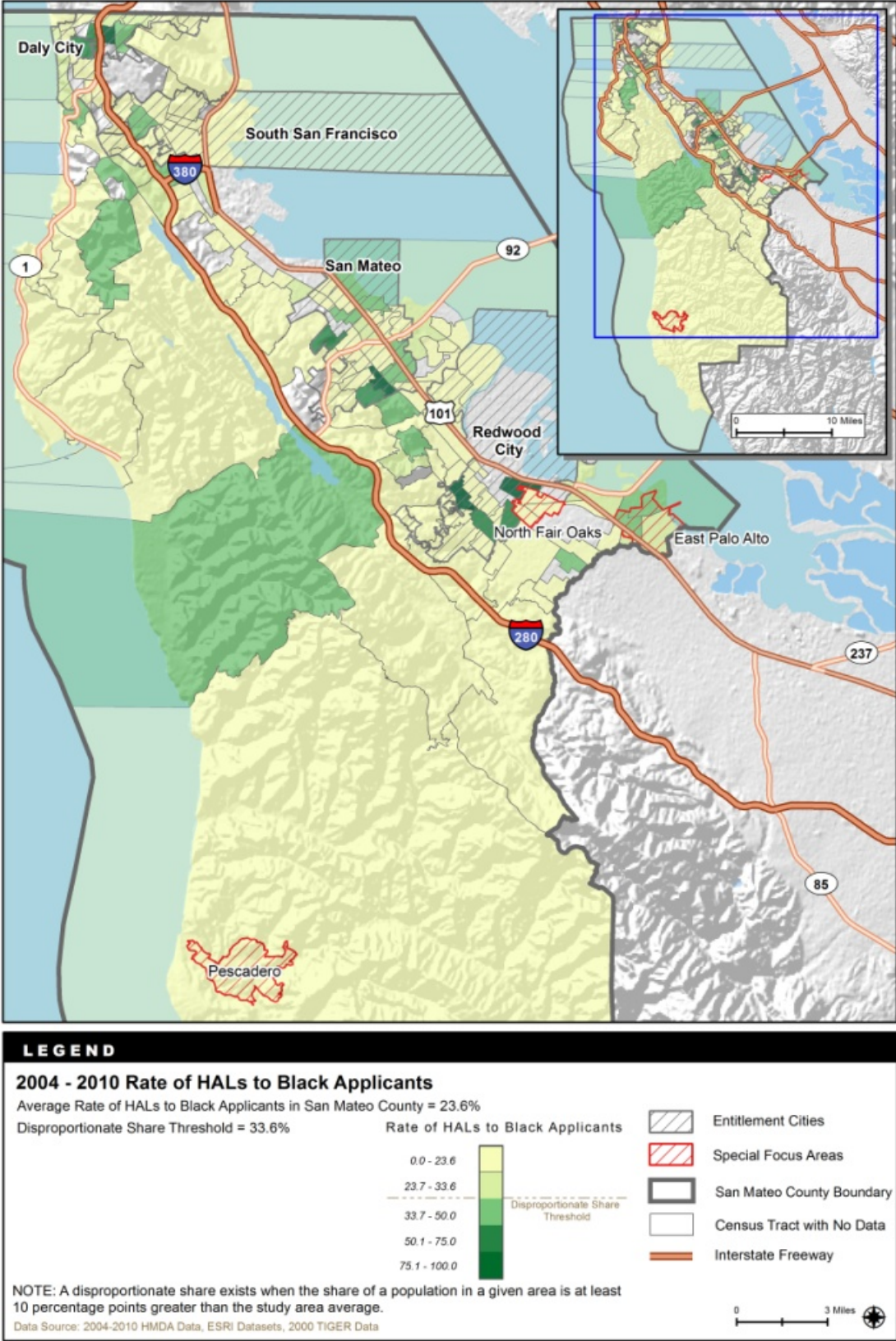
The concentration of HALs for black applicants is shown on page 112 in Map V.7. Tracts with the highest rates of HALs to black applicants were scattered across the County, and the highest shares were seen in Daly City, the City of San Mateo, Redwood City, East Palo Alto, and the large tract along the coast. Some tracts showed rates as high as 100 percent.

Data on the rate of HALs for Asian applicants are presented on page 113 in Map V.8. The disproportionate share threshold was 23.8 percent, and only a few tracts had disproportionate shares of HALs, generally southeast of Daly City and in Redwood City and East Palo Alto.

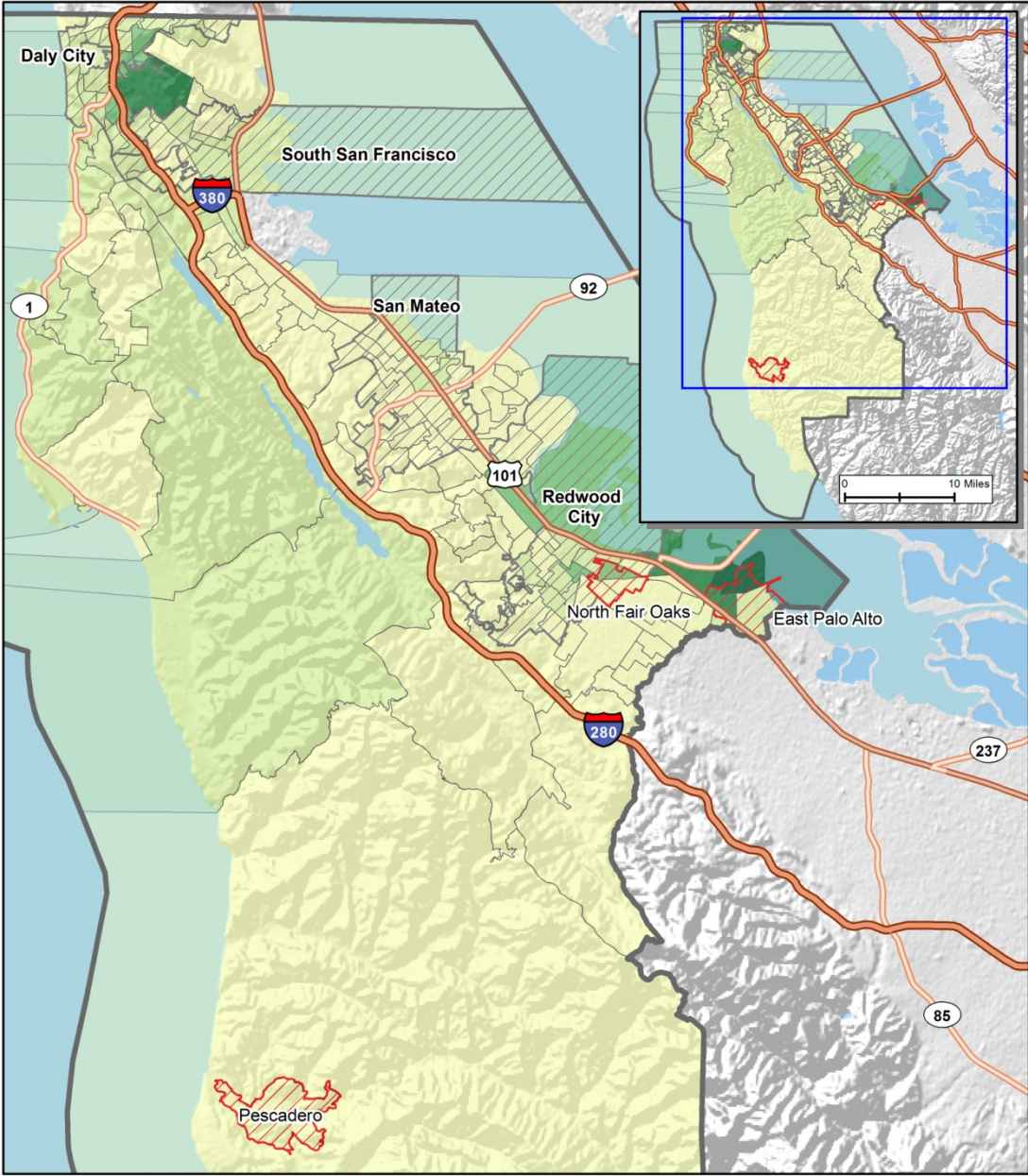
Map V.9, on page 114, presents the distribution of HALs for Hispanic applicants in the County. The disproportionate rate for Hispanic applicants was 41.2 percent, and a high of 87.5 percent was seen in Redwood City. Other tracts with disproportionate shares of HALs to Hispanic applicants were scattered along the bay and west coast areas of the County.

The rates of HALs to white applicants are presented on page 115 in Map V.10, which shows that tracts with high shares of HALs were, like those to Hispanic and Asian borrowers, generally located around Daly City and in Redwood City, North Fair Oaks, and East Palo Alto. countywide, the rate of HALs issued fell appreciably by 2010.

Map V.7
HALs to Black Applicants by Census Tract
 San Mateo County
 2004-2010 HMDA Data



Map V.8
HALs to Asian Applicants by Census Tract
 San Mateo County
 2004-2010 HMDA Data



LEGEND

2004 - 2010 Rate of HALs to Asian Applicants
 Average Rate of HALs to Asian Applicants in San Mateo County = 13.8%
 Disproportionate Share Threshold = 23.8%

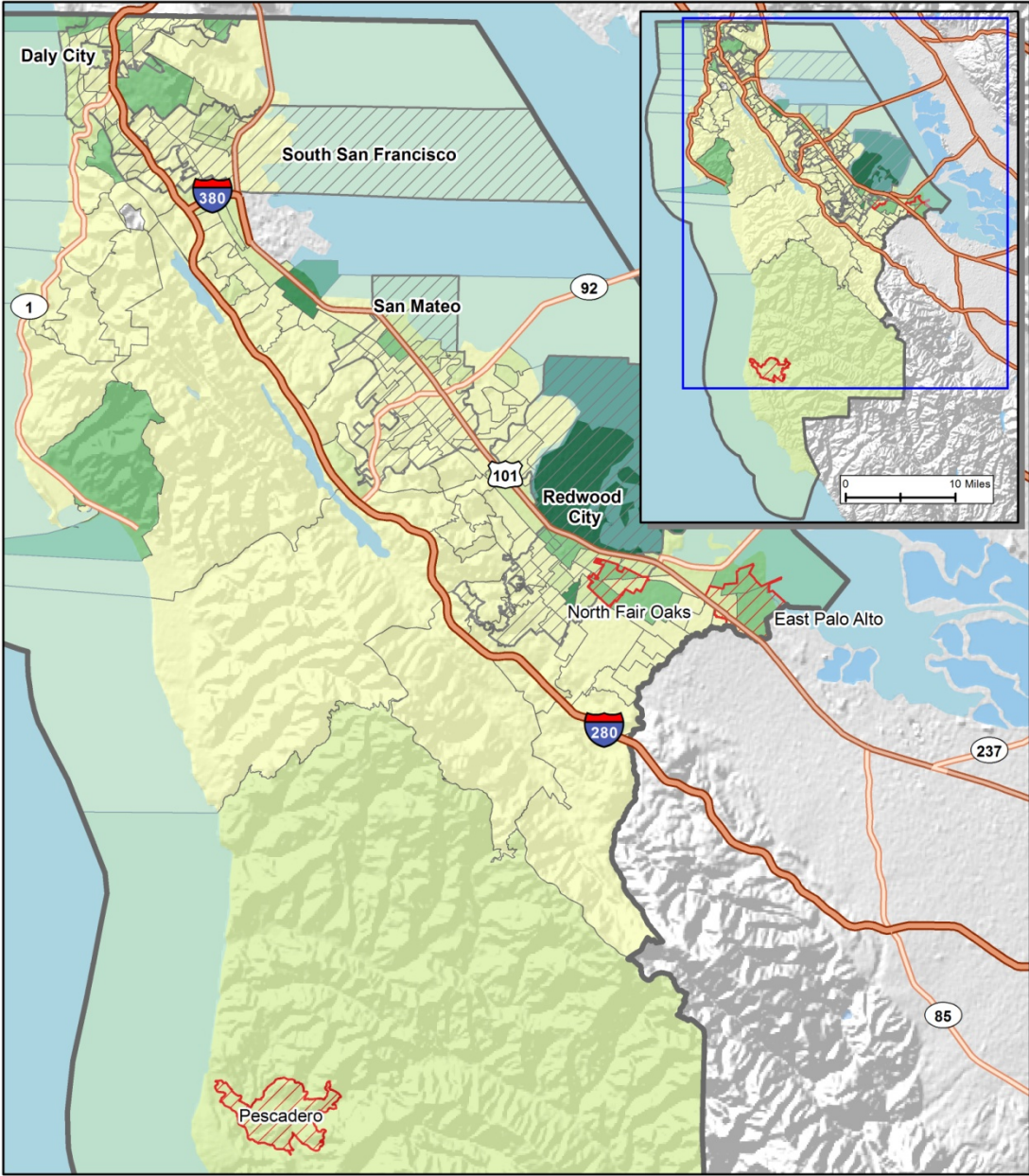
Rate of HALs to Asian Applicants	Disproportionate Share Threshold
0.0 - 13.8	23.8
13.9 - 23.8	
23.9 - 35.0	
35.1 - 50.0	
50.1 - 60.4	

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract with No Data
- Interstate Freeway

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2004-2010 HMDA Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map V.9
HALs to Hispanic Applicants by Census Tract
 San Mateo County
 2004-2010 HMDA Data



LEGEND

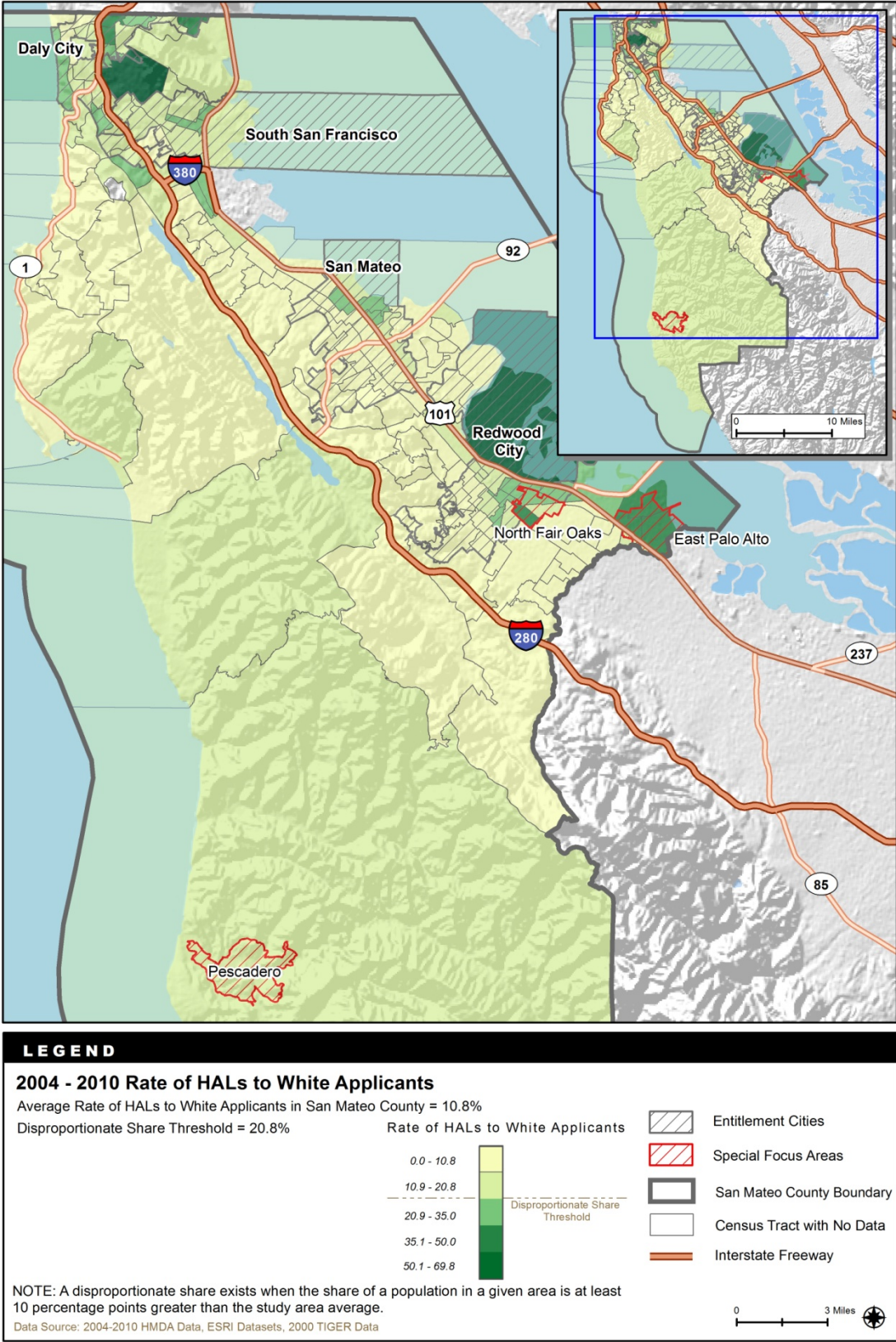
2004 - 2010 Rate of HALs to Hispanic Applicants
 Average Rate of HALs to Hispanic Applicants in San Mateo County = 31.2%
 Disproportionate Share Threshold = 41.2%

<p>Rate of HALs to Hispanic Applicants</p> <ul style="list-style-type: none"> 0.0 - 31.2 31.3 - 41.2 41.3 - 55.0 55.1 - 72.0 72.1 - 87.5 	<p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> Entitlement Cities Special Focus Areas San Mateo County Boundary Census Tract with No Data Interstate Freeway
---	---	--

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.
 Data Source: 2004-2010 HMDA Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map V.10
HALs to White Applicants by Census Tract
 San Mateo County
 2004-2010 HMDA Data



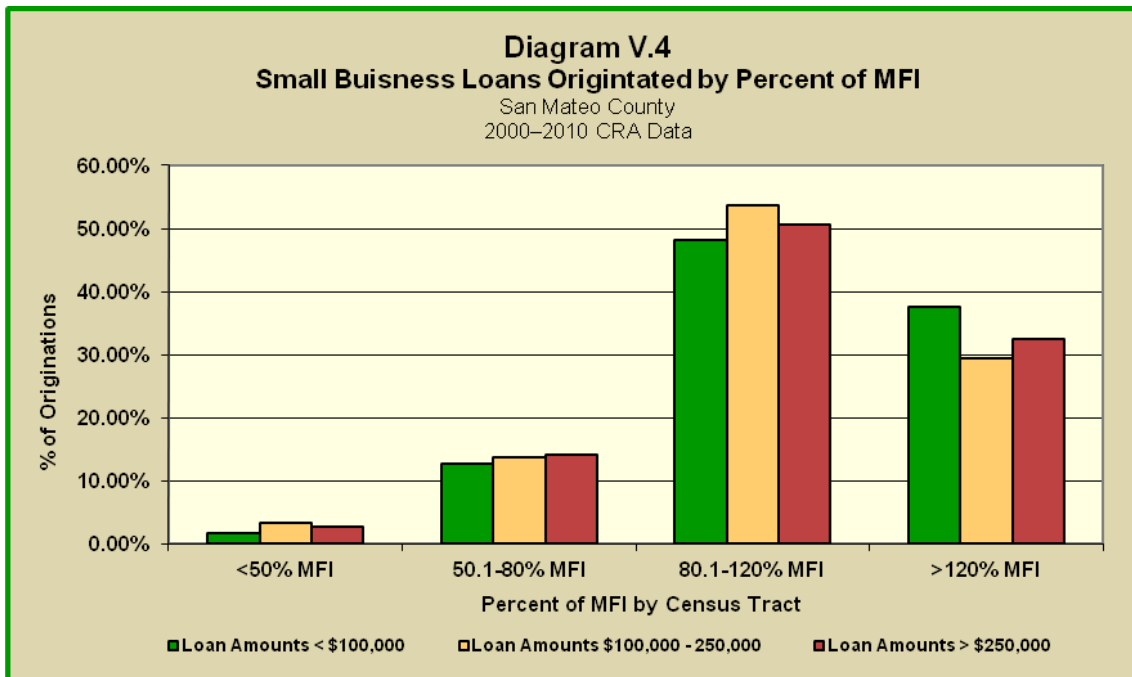
COMMUNITY REINVESTMENT ACT DATA

Adequate provision of neighborhood services is one element of fair housing choice, in that fair housing options are increased when desirable services such as good schools or health care are available to all persons, in many kinds of neighborhoods. Neighborhood services can often be absent in low- and moderate-income areas where persons of protected classes are often most concentrated. Neighborhood revitalization efforts can encourage the provision of essential services in these areas, leading to better neighborhoods and housing choice. The quality and availability of public services and facilities can be lower in these areas as well, but small business and economic development lending on the part of financial institutions can also be unevenly distributed. Investment in declining neighborhoods is critical to neighborhood vitality and adequate housing choice, measured by the presence or absence of residential and commercial investment in struggling areas by banks and other financial institutions.

While home mortgage and improvement loans are important for improving residential areas, small and disadvantaged business loans are essential for many commercial services. Economic aid to businesses can be measured through the Community Reinvestment Act (CRA) data. As mentioned in the beginning of this section, the CRA was enacted in 1977 and is intended to encourage lending institutions to meet the credit needs of the communities in which they operate, including low- and moderate-income areas. Along with the HMDA data presented previously, the FFIEC also releases data mandated by the CRA.

Examination of CRA data revealed that between 2000 and 2010, 323,101 small business loans were extended to businesses in tracts that make up San Mateo County. Of these, 121,541 loans went to businesses with annual revenues of less than \$1 million. The large majority of all loans, 311,970, were valued under \$100,000. Tables with complete CRA data are presented in Appendix E. These data are also presented segmented by the entitlement cities and the remainder of the County and show similar trends.

Small business loans were also analyzed to determine the location of funding in relation to median family income (MFI) levels. Diagram V.4, on the following page, presents the distribution of small business loans by value and by percent of MFI by Census tract. As shown, very few loans went to areas with 80 percent or less of the MFI, despite the fact that these loans were designed to aid low- and moderate-income areas. The highest value loans, those for more than \$250,000, were also mostly distributed in tracts with 80.1 percent of MFI and above; these distributions could represent an impediment in the housing market.



Appendix E includes these tables for entitlement cities and the remainder of the County as well, and shows similar distribution of loans in the remainder of the County. Within the boundaries of the entitlement cities, there were no tracts below the 50 percent of MFI level, and in these areas, about three-fourths of all small business loans went to tracts in the 80.1 to 120 percent of MFI range.

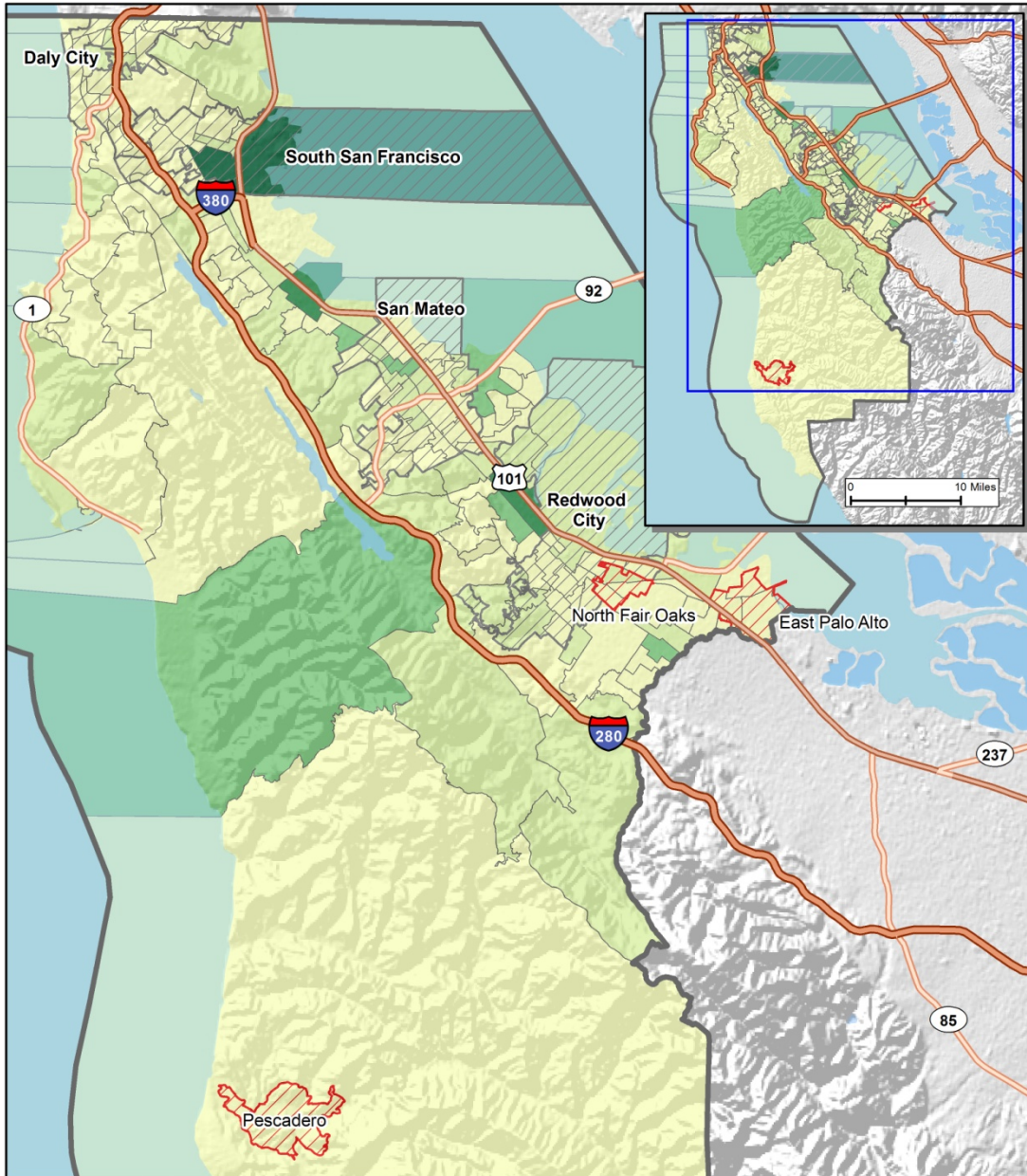
An uneven investment of small business loans can indicate an impediment to fair housing choice when lower-income areas receive fewer loans than more affluent neighborhoods and when protected class populations are more concentrated in these areas; this can suggest they were offered fewer commercial services and opportunities. Geographic analysis by Census tract shows where the most loans and the most valuable loans were distributed; when compared to poverty rates or other indicators, impediments can be identified.

Map V.11, on the following page, illustrates the number of loans issued to businesses in the County from 2000 through 2010. The tracts that received the highest numbers of loans were generally located along Highway 101 in Redwood City, the City of San Mateo, and South San Francisco, where one tract received 15,709 loans. A large tract on the west coast also received a much higher number than the average of 2,044 loans per tract, as did a number of smaller tracts scattered across the County. Comparison to maps indicating poverty rates across the County in 2010 shows that none of the highest-poverty tracts had higher-than-average numbers of loans.

Map V.12, on page 120, illustrates the dispersal of loan funding for businesses by total amount of loan dollars per tract. It shows that the highest community funding amounts were in some cases in tracts that received the highest number of loans; however, this was not true in all places. Some of the tracts surrounding the City of San Mateo, for example,

received a relatively small monetary amount in loans compared to a higher number of loans, suggesting that many of these loans were low in value. On this map as well, none of the tracts with high or disproportionate shares of poverty received more loans than the County average.

Map V.11
Number of Small Business Loans
 San Mateo County
 2000–2010 CRA Data



LEGEND

Number of Small Business Loans Invested from 2000 - 2010
 Average Number of Loans Distributed Per Tract in San Mateo County = 2,044

Number of Small Business Loans

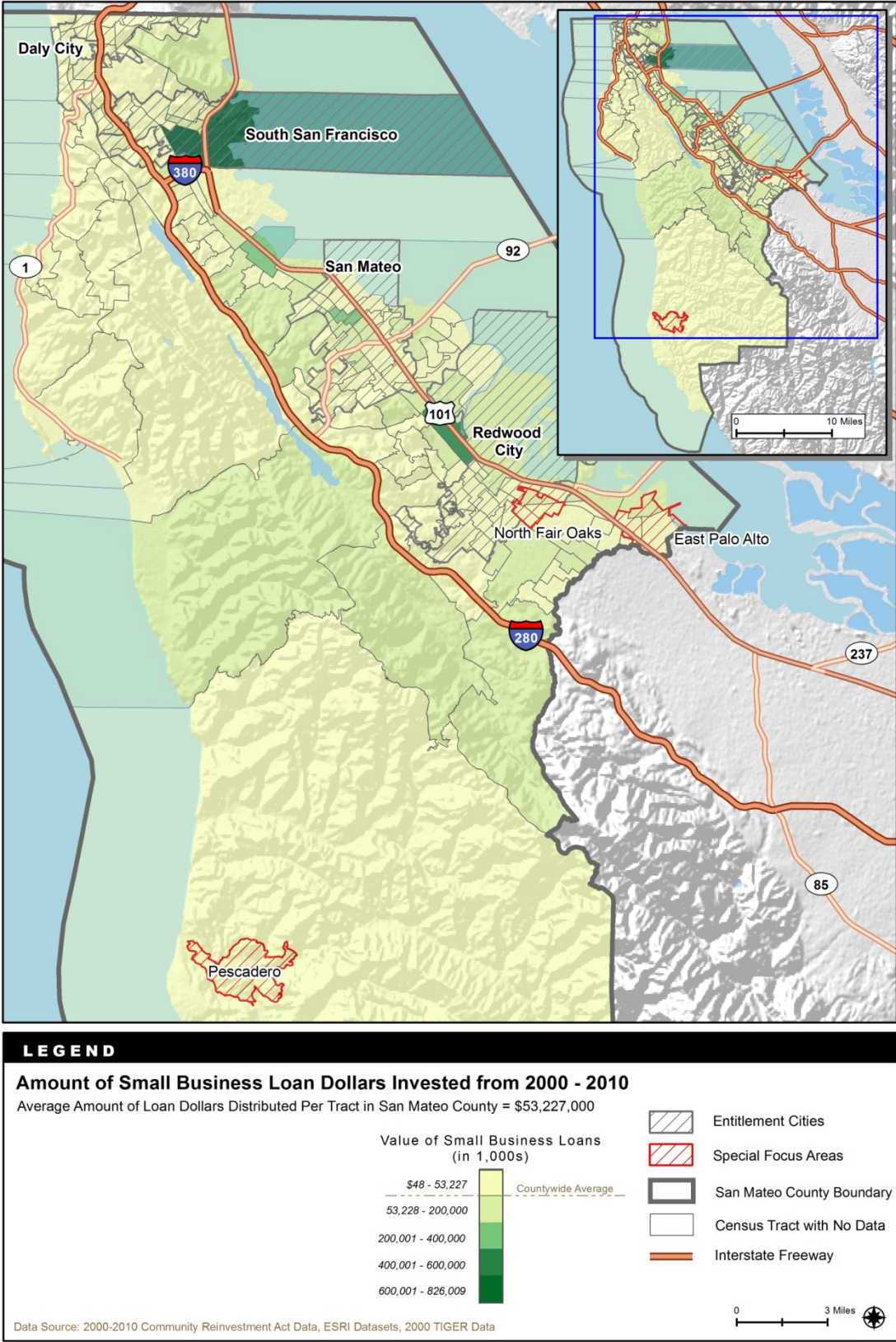
4 - 2,044	Countywide Average
2,045 - 5,000	
5,001 - 8,000	
8,001 - 11,000	
11,001 - 15,709	

- Entitlement Cities
- Special Focus Areas
- San Mateo County Boundary
- Census Tract with No Data
- Interstate Freeway

Data Source: 2000-2010 Community Reinvestment Act Data, ESRI Datasets, 2000 TIGER Data

0 3 Miles

Map V.12
Amount of Small Business Loan Dollars
 San Mateo County
 2000–2010 CRA Data



FAIR HOUSING COMPLAINTS

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HUD maintains records of complaints that represent violations of federal housing law, as described previously in the Complaint Process Review. Over the January 2004 through March 2012 period, HUD reported 221 complaints filed in the County, as shown below in Table V.12.⁵⁸ The total number of complaints ranged from a low of 21 in 2004 to a high of 36 in 2006, excluding 2012 as a partial year.

This table also presents complaint data by basis, or the protected class status of the person allegedly aggrieved in the complaint. Complainants may cite more than one basis, so the number of bases cited can exceed the total number of complaints. As shown, a total of 252 bases were cited in relation to the 221 complaints filed. Disability was the most commonly cited basis, with 113 bases, followed by familial status, with 62.

Basis	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Disability	6	15	13	10	23	13	12	17	4	113
Familial Status	8	7	8	8	2	10	10	8	1	62
Race	5	5	10	7	3	1	3	5	1	40
National Origin	3	3	5	3	4	.	3	3	.	24
Sex	2	2	5	1	.	.	2	.	.	12
Religion	.	.	.	.	.	.	1	.	.	1
Total Bases	24	32	41	29	32	24	31	33	6	252
Total Complaints	21	30	36	24	30	23	25	27	5	221

Appendix F separates complaints by basis and issue, and shows that among the entitlement cities and special focus areas, the City of San Mateo and Redwood City had the most fair housing complaints, the majority of which were based on disability and familial status. The City of San Mateo had no complaints related to sex, national origin, or religion over the period, and complaints based on race and sex a less common complaint in the remainder of the County than in the entitlement cities.

In addition to the basis for discrimination, HUD records the issue, or alleged discriminatory action related to each complaint. These are presented in Table V.13, on the following page. In the same way that bases are reported, more than one issue may be associated with each complaint. In San Mateo County, 391 issues were cited, with failure to make reasonable accommodation cited 71 times, discriminatory refusal to rent and negotiate for rental cited 60 times, discriminatory refusal to rent cited 58 times, and discrimination in terms,

⁵⁸ Data were provided by HUD's San Francisco Regional Office in April 2012.

conditions, or privileges relating to rental cited 47 times. Discriminatory acts under Section 818, which refers to issues of intimidation or coercion, was also frequently cited, as was discriminatory terms, conditions, privileges, or services and facilities. The most commonly cited issues in this complaint dataset related predominantly to rental transactions, which suggests that discriminatory acts leading to the filing of fair housing complaints more commonly occurred within the rental market. When received in high complaint numbers, these issues may represent commonly occurring impediments to fair housing choice in the County.

Table V.13
Complaints by Issue
San Mateo County
2004–2012 HUD Data

Issue	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Failure to make reasonable accommodation	4	11	6	6	15	11	7	10	1	71
Discriminatory refusal to rent and negotiate for rental	2	10	14	6	9	10	7	2	.	60
Discriminatory refusal to rent	6	3	8	7	9	4	4	15	2	58
Discrimination in terms, conditions, or privileges relating to rental	6	6	9	4	5	6	5	6	.	47
Discriminatory acts under Section 818 (coercion, etc.)	2	3	8	7	9	3	5	3	2	42
Discriminatory terms, conditions, privileges, or services and facilities	4	7	6	8	5	2	3	2	.	37
Discriminatory advertising, statements, and notices	5	4	5	3	4	3	5	4	.	33
Failure to permit reasonable modification	.	.	1	.	1	.	2	2	.	6
Other discriminatory acts	.	3	1	.	.	1	1	.	.	6
Non-compliance with design and construction requirements (handicap)	2	.	2	.	.	.	1	.	.	5
Discrimination in the selling of residential real property	.	2	.	2	.	.	.	.	.	4
Discriminatory advertisement–rental	.	.	.	.	.	.	2	1	1	4
Discrimination in services and facilities relating to rental	.	.	1	.	1	.	1	.	.	3
Discriminatory financing (includes real estate transactions)	.	.	1	1	.	.	.	.	1	3
False denial or representation of availability–rental	.	.	.	2	.	.	.	1	.	3
Discrimination in terms, conditions, privileges relating to sale	.	.	.	.	1	.	.	.	1	2
Discrimination in making of loans	.	.	.	.	.	.	.	.	1	1
Discriminatory refusal to negotiate for rental	.	.	.	.	.	1	.	.	.	1
Discriminatory refusal to negotiate for sale	.	1	.	.	.	.	.	.	.	1
Discriminatory refusal to sell	.	1	.	.	.	.	.	.	.	1
Discriminatory refusal to sell and negotiate for sale	.	.	1	.	.	.	.	.	.	1
False denial or representation of availability–sale	.	1	.	.	.	.	.	.	.	1
Steering	.	.	.	1	.	.	.	.	.	1
Total Issues	31	52	63	47	59	41	43	46	9	391
Total Complaints	21	30	36	24	30	23	25	27	5	221

As shown in Appendix F, complaints related to rental and reasonable accommodation were also recorded more than other issues in each entitlement city and the remainder of the County. However, discriminatory refusal to rent and negotiate for rental was more common than failure to make reasonable accommodation in Daly City and South San Francisco. In addition, discrimination in terms, conditions, or privileges relating to rental was identified as the second or third most common issue in Daly City, Redwood City, and East Palo Alto, suggesting that rental properties in these areas may tend to have discriminatory policies more than do properties in other areas.

Housing complaints filed with HUD can also be examined by closure status, as shown on the following page in Table V.14. Of the 221 total complaints, 77 were found to have a no cause determination, which means that discrimination was not found. This and other inconclusive closure statuses can indicate that residents are unfamiliar with their fair housing rights, and may turn to the complaint system instead of a more appropriate venue to resolve issues. In an additional 74 complaints, or just over one-third, cause was found, and the problems were successfully conciliated or settled. The rate of successful conciliation varied considerably throughout the time period, ranging from a low of around 15 percent in 2004 and 2007 to a high of more than half of all complaints in 2010. Cases that were still open as of March 2012 are indicated in the table as well; these complaints were also found to be with cause.

Closure	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
No cause determination	9	14	11	13	9	6	10	5	.	77
Conciliation/settlement successful	3	7	14	4	14	11	13	8	.	74
Complaint withdrawn by complainant after resolution	3	4	5	3	3	3	1	5	.	27
Complainant failed to cooperate	.	2	2	1	.	1	.	2	.	8
FHAP Judicial consent order	4	2	.	.	.	.	.	.	.	6
FHAP judicial dismissal	1	.	.	1	2	1	.	.	.	5
Litigation ended—discrimination found	1	1	1	.	.	.	.	.	.	3
Unable to locate complainant	.	.	.	.	1	1	.	.	.	2
Complaint withdrawn by complainant without resolution	.	.	.	1	1	.	.	.	.	2
Administrative hearing ended—discrimination found	.	.	2	.	.	.	.	.	.	2
Dismissed for lack of jurisdiction	.	.	.	1	.	.	.	.	.	1
ALJ consent order entered after issuance of charge	.	.	1	.	.	.	.	.	.	1
Case still open	.	.	.	.	.	.	1	7	5	13
Total	21	30	36	24	30	23	25	27	5	221

No cause determination was the most common closure status for complaints in Daly City and Redwood City, but in South San Francisco and the remainder of the County, complaints were more frequently successfully conciliated or settled, and in the City of San Mateo and East Palo Alto, these outcomes occurred equal numbers of times. These data are shown in Appendix F.

Table V.15, below, presents the bases cited for the complaints found to be with cause, many of which were successfully conciliated or settled. The 79 complaints found to be with cause over the period were those in which the issue was conciliated/settled, the litigation ended, or the administrative hearing ended. Of those 79 complaints, there were 88 bases cited, with 42 related to disability and 27 related to familial status. These bases represented classes of persons protected under the federal Fair Housing Act.

Basis	2004	2005	2006	2007	2008	2009	2010	2011	Total
Disability	2	4	6	.	8	6	9	7	42
Familial Status	1	3	6	2	2	6	4	3	27
Race	1	1	3	2	2	.	1	.	10
National Origin	.	.	3	1	2	.	.	.	6
Sex	.	.	3	3
Total Bases Found With Cause	4	8	21	5	14	12	14	10	88
Total Complaints Found With Cause	4	8	17	4	14	11	13	8	79

Appendix F shows similar patterns for most of the entitlement cities and the remainder of the County, although in the City of San Mateo, disability and familial status were the only bases for complaints found to be with cause, and in East Palo Alto only disability and race were the bases for these complaints.

The 79 complaints found to be with cause are separated by issue, or discriminatory action, in Table V.16, below. The most commonly cited issues in these 79 complaints were discriminatory refusal to rent and negotiate for rental; failure to make reasonable accommodation; discriminatory refusal to rent; and discrimination in terms, conditions, or privileges relating to rental. While failure to make reasonable accommodation was the most common issue for all complaints, its lower position in this table indicates that a larger proportion of complaints with this issue were not found to be with cause. Still, it was a common issue for complaints along with issues of rental discrimination. These data reinforce the inference that violation of fair housing law was more prevalent in the County's rental market, suggesting that impediments to fair housing choice exist.

Table V.16
Complaints Found With Cause by Issue
 San Mateo County
 2004–2012 HUD Data

Issue	2004	2005	2006	2007	2008	2009	2010	2011	Total
Discriminatory refusal to rent and negotiate for rental	1	4	9	.	6	9	4	.	33
Failure to make reasonable accommodation	.	3	2	.	5	5	4	3	22
Discriminatory refusal to rent	1	1	4	2	4	1	2	6	21
Discrimination in terms, conditions, or privileges relating to rental	.	3	5	.	5	3	2	.	18
Discriminatory terms, conditions, privileges, or services and facilities	.	2	4	2	2	2	.	.	12
Discriminatory acts under Section 818 (coercion, etc.)	.	.	3	.	5	2	1	.	11
Discriminatory advertising, statements, and notices	1	.	2	1	2	1	1	1	9
Non-compliance with design and construction requirements (handicap)	2	.	2	.	.	.	1	.	5
Discriminatory advertisement—rental	.	.	.	.	.	.	2	1	3
Failure to permit reasonable modification	.	.	.	.	1	.	2	.	3
Discrimination in services and facilities relating to rental	.	.	.	.	1	.	1	.	2
Other discriminatory acts	.	1	.	.	.	.	1	.	2
Discrimination in the selling of residential real property	.	.	.	1	.	.	.	.	1
Discriminatory financing (includes real estate transactions)	.	.	.	1	.	.	.	.	1
Discriminatory refusal to negotiate for rental	.	.	.	.	.	1	.	.	1
False denial or representation of availability—rental	.	.	.	.	.	.	.	1	1
Steering	.	.	.	1	.	.	.	.	1
Total Issues Found With Cause	5	14	31	8	31	24	21	12	146
Total Complaints Found with Cause	4	8	17	4	14	11	13	8	79

Within each subarea and in the remainder of the County, rental and reasonable accommodation issues were also most frequent among complaints found to be with cause. In Redwood City, failure to make reasonable accommodation was most common, but in Daly City and South San Francisco, discriminatory refusal to rent was the most frequently cited issue.

CALIFORNIA DEPARTMENT OF FAIR EMPLOYMENT AND HOUSING

The California DFEH processes housing discrimination complaints as well, following the process described previously in the Complaint Process Review. Complaint data were requested from the DFEH in March of 2012 by both email and paper mail; however, no data were received from the agency by the publication of this report.

PROJECT SENTINEL

Data on complaints of fair housing problems were received from Project Sentinel, with 637 complaints reported to this agency in San Mateo County from July 2004 through December 2011, as shown below in Table V.17.⁵⁹ These data represent nearly three times as many complaints as were filed with HUD over a similar time period in the County. The total

⁵⁹ Data were provided by Project Sentinel on April 16, 2012.

number of complaints to Project Sentinel ranged from a low of 66 in 2008 to a high of 102 in 2010, excluding 2004 as a partial year.

This table also presents complaint data by basis, or the protected class status of the person allegedly aggrieved in the complaint. Project Sentinel reports one basis for each complaint. The most common bases for complaints cited in these data were handicap/disability, with 275 complaints; familial status, with 195 complaints; and race, with 88 complaints. These were the most common bases for complaints filed with HUD, further suggesting that much of the discrimination that occurs in San Mateo County affects persons with disabilities, large or nontraditional families, and racial minorities.

Basis	2004	2005	2006	2007	2008	2009	2010	2011	Total
Handicap/Disability	15	29	26	33	30	36	54	52	275
Familial Status/Child	9	18	19	28	21	31	38	31	195
Race	6	18	14	18	11	13	6	2	88
National Origin	8	10	12	6	.	4	2	1	43
Age	1	2	1	1	1	1	2	1	10
Gender	1	2	2	2	.	2	.	1	10
Sexual Orientation	2	.	.	.	1	3	.	.	6
Source of Income	.	1	.	.	.	3	.	1	5
Arbitrary	.	.	.	.	2	.	.	1	3
Religion	.	.	1	.	.	.	.	1	2
Total	42	80	75	88	66	93	102	91	637

As shown in Appendix G, among the entitlement cities, the most complaints were received from within the City of San Mateo, and the least from South San Francisco. However, more than 40 percent of all complaints received in the County came from the non-entitlement remainder areas. In all cases, disability and familial status were the most common reasons for complaints. Though less common, national origin was mentioned more than race in Daly City and South San Francisco.

Project Sentinel reports the issue of each complaint, or the discriminatory action alleged to occur, in addition to the basis. Table V.18, on the following page, shows that the most common problem was refusal to rent, which represented 263 or more than 41 percent of complaints. Reasonable accommodation and different terms/conditions applied to the applicant were also commonly cited, 117 and 112 times, respectively, each representing about 18 percent of complaints. Different terms/conditions refers to cases where additional requirements or limitations are imposed on the complainant but not on other persons who do not belong to the protected class. Eviction, hostile environments, and coercion/intimidation were also cited regularly, as were modifications/accessibility and accessibility compliance. These findings further describe the problems that disabled persons and families may have when trying to rent from a discriminating landlord in the County, and

reflect possible impediments to fair housing choice. Additionally, these findings indicate that issues were more concentrated in the rental market, with discriminatory actions relating to home sales less commonly cited.

Issue	2004	2005	2006	2007	2008	2009	2010	2011	Total
Refuse to Rent	19	36	34	32	5	28	52	57	263
Reasonable Accommodation	11	14	15	16	8	15	27	11	117
Different Terms/Conditions	4	6	6	16	29	28	15	8	112
Eviction	2	9	6	1	12	6	2	6	44
Hostile Environment	.	6	2	3	3	7	.	2	23
Coercion/Intimidation	2	2	1	10	1	.	.	2	18
Modifications/Accessibility	1	.	.	6	3	1	5	1	17
Accessibility Compliance	.	6	5	2	.	.	.	.	13
Falsely Denied	3	.	.	.	4	4	.	.	11
Sales Compliance	.	.	4	.	.	1	.	1	6
Sexual Harassment	.	1	1	1	.	1	.	1	5
Complaint Not Stated	.	.	.	.	.	1	.	1	2
Repairs not Done	.	.	.	.	1	.	1	.	2
Mobile home Park Compliance	.	.	1	.	.	.	.	.	1
Refuse to Sell	.	.	.	.	.	.	.	1	1
Refused Loan	.	.	.	.	.	1	.	.	1
Missing	.	.	.	1	.	.	.	.	1
Total	42	80	75	88	66	93	102	91	637

Refusal to rent was the most commonly cited issue in all of the entitlement cities and the remainder of the County, as shown in Appendix G. However, reasonable accommodations was more common than different terms/conditions in Redwood City and the City of San Mateo, and the two issues occurred equally in Daly City.

In addition to the alleged issue that occurred for each complaint, Project Sentinel records the outcome of each case. Counseled cases are those where work was done, but no evidence of discrimination was found. Educated cases are those with some evidence of discrimination, wherein the housing provider or respondent was educated on fair housing laws, and in some cases, additional testing was done. When Project Sentinel's fair housing coordinators work directly with the housing provider to ensure fair housing laws are followed, cases are considered conciliated; these cases are often reasonable accommodation or modification issues that can be addressed through this discussion. In some cases, complainants decline to pursue their complaints.

The majority of complaints, 245 or more than two-thirds, were counseled by Project Sentinel, as shown below in Table V.19. Other common outcomes for complaints were education, conciliation, or referral to HUD.⁶⁰ Some complaints were referred to other

⁶⁰ Some complaints are recorded in both HUD and Project Sentinel data.

agencies such as the DFEH, and some were still pending investigation when the data were processed. In only 32 cases, or 5 percent of the total, Project Sentinel declined to pursue complaints. These outcome statuses are vastly different from the outcomes reported for HUD complaints, where most commonly no cause or discrimination was determined for alleged complaints.

Disposition	2004	2005	2006	2007	2008	2009	2010	2011	Total
Counseled	21	18	34	40	31	36	36	29	245
Educated	.	17	15	18	8	10	6	30	104
Conciliated	9	20	13	16	8	11	8	12	97
HUD Referral	5	16	5	5	11	15	31	9	97
Declined to Pursue	3	3	3	5	5	7	3	3	32
Pending Further Investigation	3	.	.	3	2	8	8	6	30
DFEH Referral	.	2	2	1	.	2	3	.	10
Attorney Referral	1	4	1	.	.	1	1	1	9
Other Referral	.	.	1	.	.	.	3	.	4
FHLP Referral	.	.	.	.	1	.	.	.	1
Not Stated	.	.	1	.	.	.	.	.	1
Missing	.	.	.	.	.	3	3	1	7
Total	42	80	75	88	66	93	102	91	637

Appendix G separates complaints by outcome and geographical area, and shows that in most subareas, counseling, education, and conciliation were also most common. However, HUD referral was the third most common outcome in Redwood City and the remainder of the County.

The 637 complaints received are separated by the race and ethnicity of the complainant in Table V.20, on the following page. The majority of complainants were white, with their 437 complaints representing nearly 70 percent of all of those received over the period. There were 91 black complainants, 14 percent of the total, and only 34, or 5 percent, Asian complainants. Hispanic complainants of any race represented about 17 percent of all complaints, at 106. When compared to Census Bureau population data for a similar time period, these data indicate that white persons were somewhat overrepresented, black residents were significantly overrepresented, and Asian persons were significantly underrepresented. These populations made up 53.4 percent, 2.8 percent, and 24.8 percent of the County in 2010, respectively.⁶¹ This may not indicate that white residents were victims of housing discrimination more frequently than were non-white residents; this pattern could also occur if the complaint process was more accessible to English-speaking white residents. This problem could be addressed through fair housing outreach in multiple languages.

⁶¹ 2010 Census data, tabulated on page 27 of this AI.

Table V.20									
Race/Ethnicity of Complainants									
San Mateo County									
July 2004–December 2011 Project Sentinel Data									
Race	2004	2005	2006	2007	2008	2009	2010	2011	Total
White	23	48	53	62	47	73	76	55	437
Black	8	19	16	14	11	11	6	6	91
Asian	4	2	4	2	2	3	8	9	34
Native American/Pacific Islander	7	6	2	6	1	1	.	.	23
Other / N.A.	.	5	.	4	5	5	12	21	52
Total	42	80	75	88	66	93	102	91	637
Hispanic (Ethnicity)	8	15	12	18	8	15	11	19	106

Appendix G shows similar proportions for each of the entitlement cities and the remainder of the County, where white, black, and Asian complainants were most frequently recorded. However, the numbers of black and Asian complainants were equal or almost equal in Daly City and Redwood City. In addition, the proportion of complainants with Hispanic ethnicity varied across the subareas, with these complainants making up as much as 20 percent or more of the totals within Daly City, the City of San Mateo, and South San Francisco.

Table V.21, below, presents the income level category of all complainants for the 637 complaints received. As shown, the majority of complainants were considered very low income or low income, suggesting that these populations were more likely to be affected by discrimination when searching for housing. When also considering the complaint issue data presented previously, these data suggest that very low and low income renters most frequently face fair housing challenges. Only about 10 percent of complainants were of medium or high incomes, a total of 69 persons.

Table V.21									
Income Level of Complainants									
San Mateo County									
July 2004–December 2011 Project Sentinel Data									
Income	2004	2005	2006	2007	2008	2009	2010	2011	Total
Very Low Income	32	54	41	45	27	51	59	17	326
Low Income	8	23	29	39	26	26	15	37	203
Medium Income	2	1	1	1	9	15	14	15	58
High Income	.	2	3	2	2	1	.	1	11
Missing	.	.	1	1	2	.	14	21	39
Total	42	80	75	88	66	93	102	91	637

Appendix G shows these data by entitlement city and remainder of the County, and shows similar patterns in most subareas. However, in Redwood City and the remainder of the County, very low income persons filed complaints at least twice as frequently as did low income renters. In contrast, in South San Francisco, these two income groups were almost equally represented.

FAIR HOUSING SURVEY – PRIVATE SECTOR RESULTS

Additional evaluation of fair housing within San Mateo County was conducted via an online survey of stakeholders conducted from April to mid-July 2012. The purpose of the survey, a relatively qualitative component of the AI, was to gather insight into the knowledge, experiences, opinions, and feelings of stakeholders and interested citizens regarding fair housing. Results and comments related to the questions in the private sector are presented in the following narrative, and additional survey results are discussed in **Sections VI** and **VII**.

The San Mateo County 2012 Fair Housing Survey was completed by 179 persons and was conducted entirely online. Individuals solicited for participation included representatives of housing groups, minority organizations, disability resource groups, real estate and property management associations, banking entities, and other groups involved in the fair housing arena. Most questions in the survey required simple “yes,” “no,” or “don’t know” responses, although many questions allowed the respondent to offer written comments. When many respondents reported that they were aware of questionable practices or barriers, or when multiple narrative responses indicated similar issues, findings suggested likely impediments to fair housing choice.

Numerical tallies of results and summaries of some comment-driven questions are presented in this section. A complete list of written responses is available in Appendix H.

FAIR HOUSING IN THE PRIVATE SECTOR

In order to address perceptions of fair housing in San Mateo County’s private housing sector, survey respondents were asked to identify their awareness of possible housing discrimination issues in a number of areas within the private housing sector, including the:

- Rental housing market,
- Real estate industry,
- Mortgage and home lending industry,
- Housing construction or accessible housing design fields,
- Home insurance industry,
- Home appraisal industry, and
- Any other housing services.

If respondents indicated that they were aware of possible discriminatory issues in any of these areas, they were asked to further describe issues in a narrative fashion. Tallies for each question are presented on the following page in Table V.22.

Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
The rental housing market?	35	35	42	67	179
The real estate industry?	15	34	63	67	179
The mortgage and home lending industry?	20	23	69	67	179
The housing construction or accessible housing design fields?	13	32	68	66	179
The home insurance industry?	4	27	80	68	179
The home appraisal industry?	15	24	75	65	179
Any other housing services?	9	28	74	68	179

Rental Housing

Regarding barriers to fair housing choice in the rental housing market, 35 respondents, or nearly 20 percent, noted awareness of fair housing issues in this area; however, 67 respondents did not answer this question. Many respondents—42, or nearly 25 percent—did not know about rental housing barriers, and 35 respondents reported negatively. As indicated previously, respondents were also asked to discuss questionable practices or barriers specifically in narrative format. Comments on this question related to discrimination based on:

- Race and ethnicity,
- Disability, including mental disability,
- Families with children and single parents, and
- Persons using housing assistance such as Section 8.

Language barriers were also noted as a reason for discrimination, and though language on its own is not protected by fair housing law, race, national origin, and color are and may be relevant in these cases of discrimination.

Real Estate Industry

Less than 9 percent of respondents, 15, reported awareness of barriers to fair housing choice in the real estate industry, although nearly 75 percent did not know or did not respond. Comments received for this question indicated discrimination on the part of some real estate agents based on race and ethnicity, in the form of steering to particular neighborhoods and limiting services in general.

Mortgage and Home Lending Industry

Regarding barriers to fair housing choice in the lending or mortgage industries, 20 respondents noted awareness of fair housing issues in this area. Again, many respondents did not answer the question or did not know, so about 18 percent of persons who answered the question showed awareness of possible discrimination in the mortgage and home

lending markets. However, many of the 20 respondents who reported affirmatively felt that racial and ethnic minorities were disproportionately offered subprime, high-interest rate loans; many had heard cases of this or studied lending data in minority areas. Some reluctance to lend to women was also noted.

In addition, some comments indicated that low-income and less educated applicants, often with a language barrier, were often given subprime loans. Fair housing law offers no protection for these groups alone, although racial minorities in the County tended to be low-income as well. In total, these comments and results indicate that more homebuyer education courses, offered to people of a range of incomes and races, would improve access to fair home purchase opportunities for many protected class and other persons in the County.

Housing Construction or Accessible Housing Design Fields

Barriers to fair housing choice in the housing construction or accessible housing design fields were also addressed in the survey. Thirteen respondents were aware of fair housing issues in these areas, which equated to about 9 percent of persons who answered this question. Persons who were aware of issues in the housing construction or accessible housing design fields were also asked to provide specific examples of these issues. Comments indicated that some new construction developments do not meet accessibility codes and that it is difficult to enforce these code standards for technical reasons, although code enforcement is largely a public sector issue. This finding suggests that a review of international building code standards for accessibility and increased compliance enforcement may be necessary in some communities.

Home Insurance Industry

Only four respondents noted barriers to fair housing choice in the home insurance industry, although nearly 83 percent of those who took the survey did not respond or said that they did not know. The comments that alluded to fair housing issues noted discrimination based on race or ethnicity and perceived income and behaviors.

Home Appraisal Industry

The home appraisal industry was also investigated as part of the survey. Fifteen respondents noted that they were aware of barriers to fair housing choice in the home appraisal industry, or more than 13 percent of respondents who answered the question. Many of their comments suggested that heavily concentrated minority race and ethnicity neighborhoods are appraised at lower levels than other neighborhoods in some communities.

Any Other Housing Services

Respondents were also asked to discuss their awareness of barriers to fair housing in any other area of the private housing sector. Nine respondents noted awareness of other issues, but close to 80 percent did not know or did not respond. Comments relevant to fair housing in the private sector indicated issues of individual landlords' unfamiliarity with fair housing law, and lack of enforcement or surveillance of these individuals allowed them to discriminate without consequences, particularly against those with disabilities.

SUMMARY

Evaluation of the private housing sector included review of home mortgage loan application information, as well as mortgage lending practices, fair housing complaint data, and results from the private sector section of the 2012 Fair Housing Survey.

HMDA data were used to analyze differences in home mortgage application denial rates in San Mateo County by race, ethnicity, sex, income, and Census tract. Evaluation of home purchase loan applications from 2004 through 2010 showed that there were 55,516 loan originations and 14,321 loan denials, for a seven-year average loan denial rate of 20.5 percent. Denial rates fell from 24.9 percent in 2006 to 15 percent in 2010. These HMDA data also showed that American Indian, black, and Hispanic applicants experienced higher rates of loan denials than white or Asian applicants, even after correcting for income in most cases. Further, these more frequently denied racial and ethnic groups may have been disproportionately impacted in some specific areas of the County.

Analysis of originated loans with high annual percentage rates showed that American Indian, black, and Hispanic populations were also disproportionately issued these types of lower-quality loan products. Hispanic borrowers experienced a rate more than three times that of white applicants, and American Indian and black borrowers saw rates more than double the 10.8 percent rate for white applicants. With high proportions of low-quality, high-annual percentage rate loans being issued to these particular groups, the burden of foreclosure may fall more heavily upon them.

Analysis of data from the CRA, which is intended to encourage investment in low- and moderate-income areas, showed that business loans did not tend to be directed toward the areas with lower incomes in San Mateo County as frequently as they were toward higher income areas.

Fair housing complaint data was requested from HUD, the California DEFH, and Project Sentinel, the County's local fair housing advocacy organization. HUD data showed that 221 fair housing-related complaints were filed in the County from 2004 through March 2012. The number of complaints filed with this agency varied by year, ranging from 21 to 36. The protected classes most impacted by discrimination, based on successfully conciliated

complaints, were disability and familial status, and the most common complaint issues related to:

- Discriminatory refusal to rent or negotiate for rental;
- Failure to make reasonable accommodation;
- Discriminatory refusal to rent;
- Discriminatory terms, conditions, or privileges relating to rental; and
- Discriminatory terms, conditions, privileges, or services and facilities.

Results from the private sector portion of the 2012 Fair Housing Survey, conducted from April to mid-July 2012 as part of the AI process, showed that some respondents saw possible issues of housing discrimination in San Mateo County's private housing sector. Issues described by respondents regarding the rental markets suggested that landlords discriminate based on race, ethnicity, familial status, and disability; this problem may be worse for individual landlords renting single-family homes. In the home sales and lending markets, respondents noted discrimination and steering based on race on the part of real estate agents, predatory lending based on race, and discrimination for persons buying homes in minority areas.

SECTION VI. FAIR HOUSING IN THE PUBLIC SECTOR

While the previous section presented a review of the status of fair housing in the private sector, this section will focus specifically on fair housing in the public sector. The U.S. Department of Housing and Urban Development (HUD) recommends that the AI investigate a number of housing factors within the public sector, including health and safety codes, construction standards, zoning and land use policies, tax policies, and development standards. The AI should also examine the placement of public housing as well as its access to government services.

PUBLIC SERVICES

Community features, including public services and facilities, are essential parts of good neighborhoods, leading to a more desirable community and more demand for housing in these areas. Lack of such healthy neighborhood elements can indicate public sector impediments to fair housing choice when these shortcomings occur more in neighborhoods with high concentrations of protected class populations. Often these are low- and moderate-income areas, where the quality and availability of public services can also have significant effects on housing choice.

In particular, services and programs to improve living conditions are important in areas of poverty and low incomes, where minority race and ethnicity persons, families with children, and persons with disabilities tend to be highly concentrated. Thus, efforts to improve housing choice in these areas should not be limited to housing options but should consider the availability of services such as public transit, health care, and employment resources. For such services in particular, inter-jurisdictional coordination is essential to connect the region and lessen neighborhood concentrations of need.⁶²

ASSISTED HOUSING AND TRANSIT LOCATIONS

Public or assisted housing can exist in several forms, including low-income housing projects, housing voucher programs, and supportive housing. The objective of public and other forms of assisted housing is to provide housing that is suitable for persons with special needs or families of low- to moderate-income levels and to promote access to jobs, transportation, and services. The geographic distribution of such services can indicate the existence of an impediment to fair housing choice, if these services are lacking in areas with high populations of protected class persons. Uneven distribution of public and assisted housing

⁶² In February 2012, the County of San Mateo released its *Transportation Plan for Low-Income Populations*, in which it identified the existing conditions of the public transit system and proposed strategies to improve it for both low-income persons and overall communities. Their recommended strategies included improvements to transit stops and pedestrian and bicycle safety amenities; increasing public understanding of the transit system; and providing discounted fares and voucher programs. http://www.ccag.ca.gov/pdf/plans-reports/2012/FINAL_CountywideLowIncomeTransportationPlan.pdf

can also be the result of an impediment such as land use policies that discourage multi-family or low-income housing in some areas, thus leading to segregation of low-income and other populations.

The Housing Authority of the County of San Mateo (HACSM) records the use of housing vouchers in the County by city. As of April 2012, there were 4,707 housing vouchers in use countywide, with the majority used for housing in the City of San Mateo and Daly City. Of the special focus areas, only East Palo Alto was represented with housing vouchers, with 470 in use in that city. No units were listed in the Census-designated place of Pescadero, and North Fair Oaks homes use Redwood City post office addresses, so the number of vouchers in use in the North Fair Oaks boundaries cannot be shown in these data. The only vouchers in use in unincorporated San Mateo County were the six in the communities of El Granada and Montara. These data are presented in Table VI.1, at right.

City	Number of Units
San Mateo	770
Daly City	764
Redwood City	698
South San Francisco	572
East Palo Alto	470
San Bruno	362
Menlo Park	227
Pacifica	210
Belmont	127
Burlingame	120
San Carlos	84
Millbrae	76
Foster City	69
Half Moon Bay	69
Colma	63
Brisbane	20
El Granada	5
Montara	1
Total	4,707

Map VI.1, on page 138, shows proportional symbols indicating the number of housing vouchers used in each city, along with the concentration of poverty across the County. It also shows the relationship between housing vouchers and Bay Area Rapid Transit, SamTrans, and Caltrain transportation options; public transit availability can help measure the accessibility of housing and other services for low-income residents.

However, the locations of the housing units paid for by vouchers are approximated by city only, and the graduated symbols, indicating one to 770 vouchers, do not indicate where in each city the housing is located. As shown, the majority of the cities were served by public transit, and only the cities along the west and central east coastlines were not. Only cities where housing vouchers were in use are shown; of these, Pacifica, Montara, El Granada, Half Moon Bay, and Forster City were not along major public transit routes.

The Department of Housing of the County of San Mateo maintains an inventory of affordable housing units in the County, including group homes, institutions, temporary housing, and apartment buildings. Map VI.2, on page 139, presents the location of a variety of affordable housing units in addition to poverty rates and public transit routes in San Mateo County. The map shows there were a number of small (25 or fewer units) affordable housing projects located along Highway 101 from San Mateo to North Fair Oaks, and affordable units were also concentrated in eastern Daly City and western East Palo Alto.

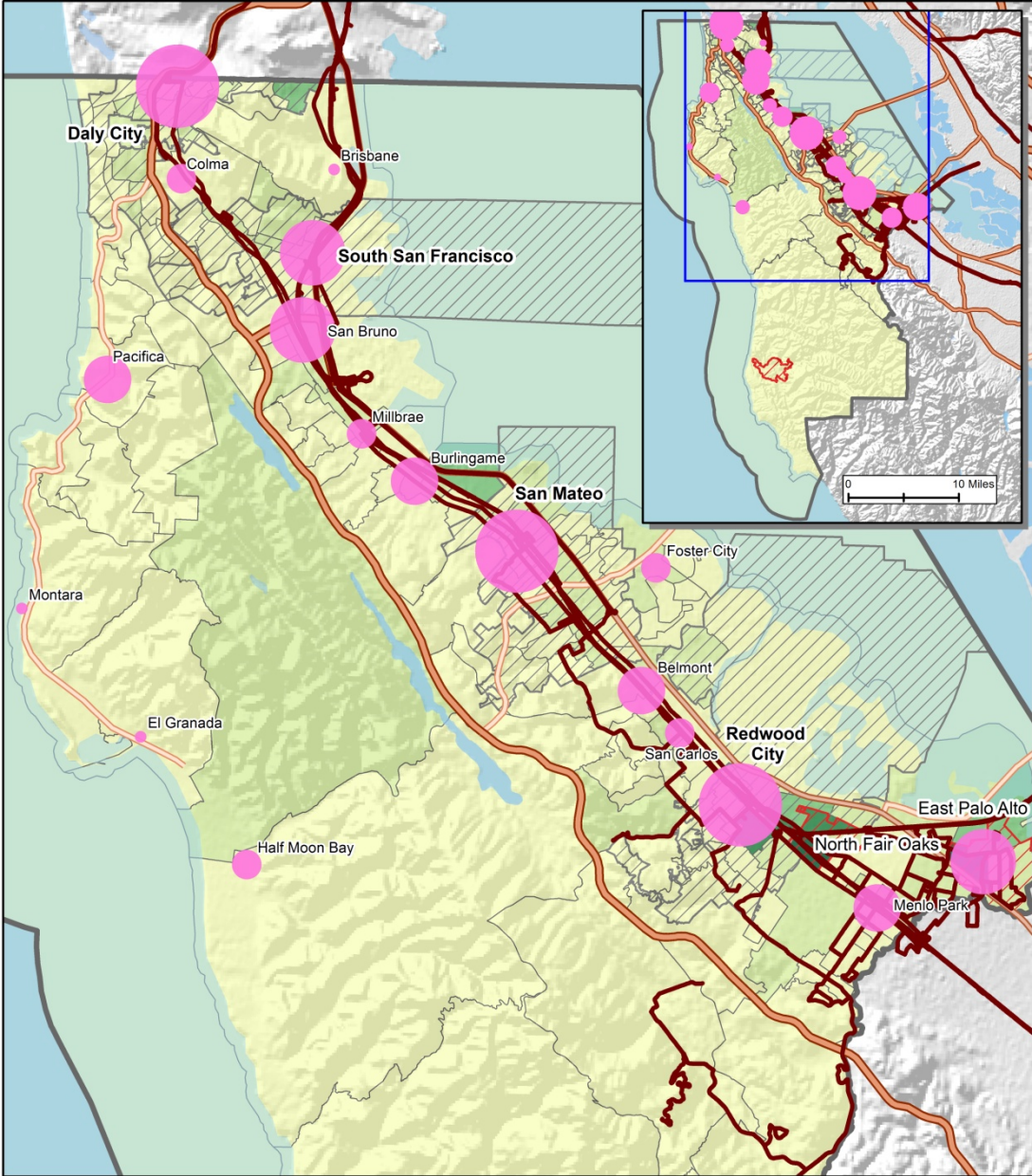
Some parts of tracts with poverty rates above the disproportionate share threshold—such as in parts of East Palo Alto, North Fair Oaks, eastern Daly City, and west of the City of San Mateo—were not served with transit, as with the large tract west of Interstate 280 that demonstrated poverty above the average of 7 percent. Public transit routes shown indicate

that a number of the units along the Bay and eastern County area were served, but much of the southern and western parts of the County were not, despite the location of several affordable housing properties in some western coastal cities.

Map VI.3, on page 140, shows multi-family housing properties funded by HUD rental assistance and their relation to areas of poverty.⁶³ As shown, these units were primarily located in the northern and eastern parts of the County, and they were somewhat concentrated in higher poverty tracts in Redwood City and East Palo Alto. However, they were absent from high poverty tracts in North Fair Oaks, where poverty was above the disproportionate share threshold. Some of the units in Daly City, South San Francisco, the City of San Mateo, Redwood City, and East Palo Alto were served by public transit service, but others in the central western parts of the County were not.

⁶³ HUD Multifamily Assistance and Section 8 Contracts database, January 2012, http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/exp/mfhdiscl

Map VI.1
Housing Vouchers and Public Transit Routes
 San Mateo County
 2012 HACSM Data



LEGEND

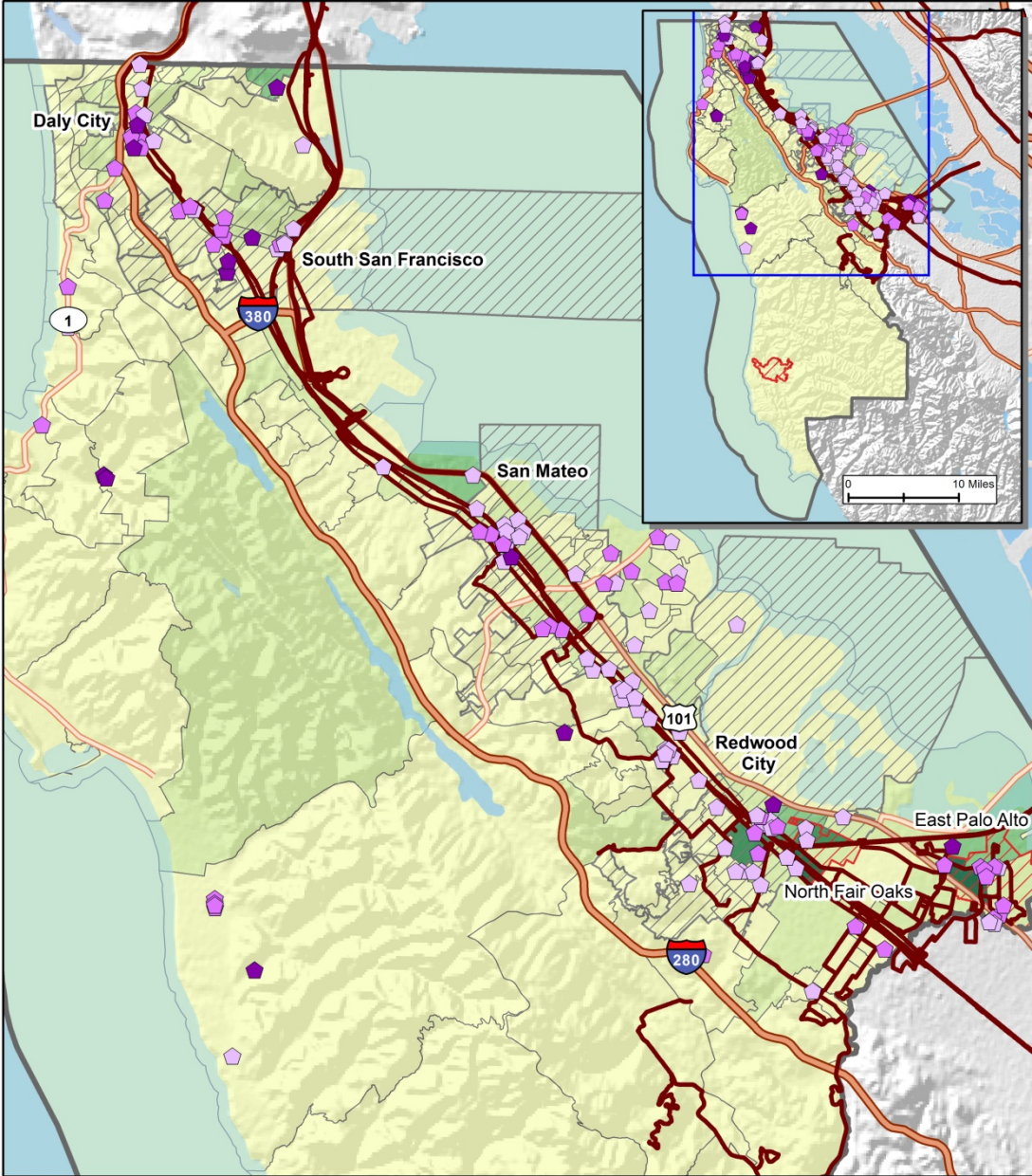
Housing Vouchers by City and Public Transit Routes
 2005 - 2010 Average Poverty Rate for San Mateo County = 7.0%
 Disproportionate Share Threshold = 17.0%

<p>Poverty Rate</p> <table border="0"> <tr> <td style="text-align: center;">0.0 - 7.0</td> <td rowspan="5" style="text-align: center;"> </td> </tr> <tr> <td style="text-align: center;">7.1 - 17.0</td> </tr> <tr> <td style="text-align: center;">17.1 - 20.0</td> </tr> <tr> <td style="text-align: center;">20.1 - 23.0</td> </tr> <tr> <td style="text-align: center;">23.1 - 26.7</td> </tr> </table> <p style="text-align: center;">Disproportionate Share Threshold</p>	0.0 - 7.0		7.1 - 17.0	17.1 - 20.0	20.1 - 23.0	23.1 - 26.7	<p>Number of Units in City</p> <table border="0"> <tr> <td style="text-align: center;">●</td> <td>1 - 20</td> </tr> <tr> <td style="text-align: center;">●</td> <td>21 - 100</td> </tr> <tr> <td style="text-align: center;">●</td> <td>101 - 350</td> </tr> <tr> <td style="text-align: center;">●</td> <td>351 - 600</td> </tr> <tr> <td style="text-align: center;">●</td> <td>601 - 770</td> </tr> </table>	●	1 - 20	●	21 - 100	●	101 - 350	●	351 - 600	●	601 - 770	<table border="0"> <tr> <td style="border-bottom: 2px solid brown; width: 20px;"></td> <td>Public Transit Route</td> </tr> <tr> <td style="border: 1px dashed gray; width: 20px;"></td> <td>Entitlement Cities</td> </tr> <tr> <td style="border: 1px dashed red; width: 20px;"></td> <td>Special Focus Areas</td> </tr> <tr> <td style="border: 1px solid gray; width: 20px;"></td> <td>San Mateo County Boundary</td> </tr> <tr> <td style="border: 1px solid gray; width: 20px;"></td> <td>Census Tract Boundaries</td> </tr> <tr> <td style="border-bottom: 2px solid orange; width: 20px;"></td> <td>Interstate Freeway</td> </tr> </table>		Public Transit Route		Entitlement Cities		Special Focus Areas		San Mateo County Boundary		Census Tract Boundaries		Interstate Freeway
0.0 - 7.0																														
7.1 - 17.0																														
17.1 - 20.0																														
20.1 - 23.0																														
23.1 - 26.7																														
●	1 - 20																													
●	21 - 100																													
●	101 - 350																													
●	351 - 600																													
●	601 - 770																													
	Public Transit Route																													
	Entitlement Cities																													
	Special Focus Areas																													
	San Mateo County Boundary																													
	Census Tract Boundaries																													
	Interstate Freeway																													

Data Source: 2012 San Mateo County Data, 2012 San Mateo County Transit District Data, 2010 ACS Data, ESRI Datasets, 2010 TIGER Data

0 2 Miles

Map VI.2
Affordable Housing Units and Public Transit Routes
 San Mateo County
 2012 San Mateo County Data



LEGEND

Affordable Housing Units and Public Transit Routes
 2005 - 2010 Average Poverty Rate for San Mateo County = 7.0%
 Disproportionate Share Threshold = 17.0%

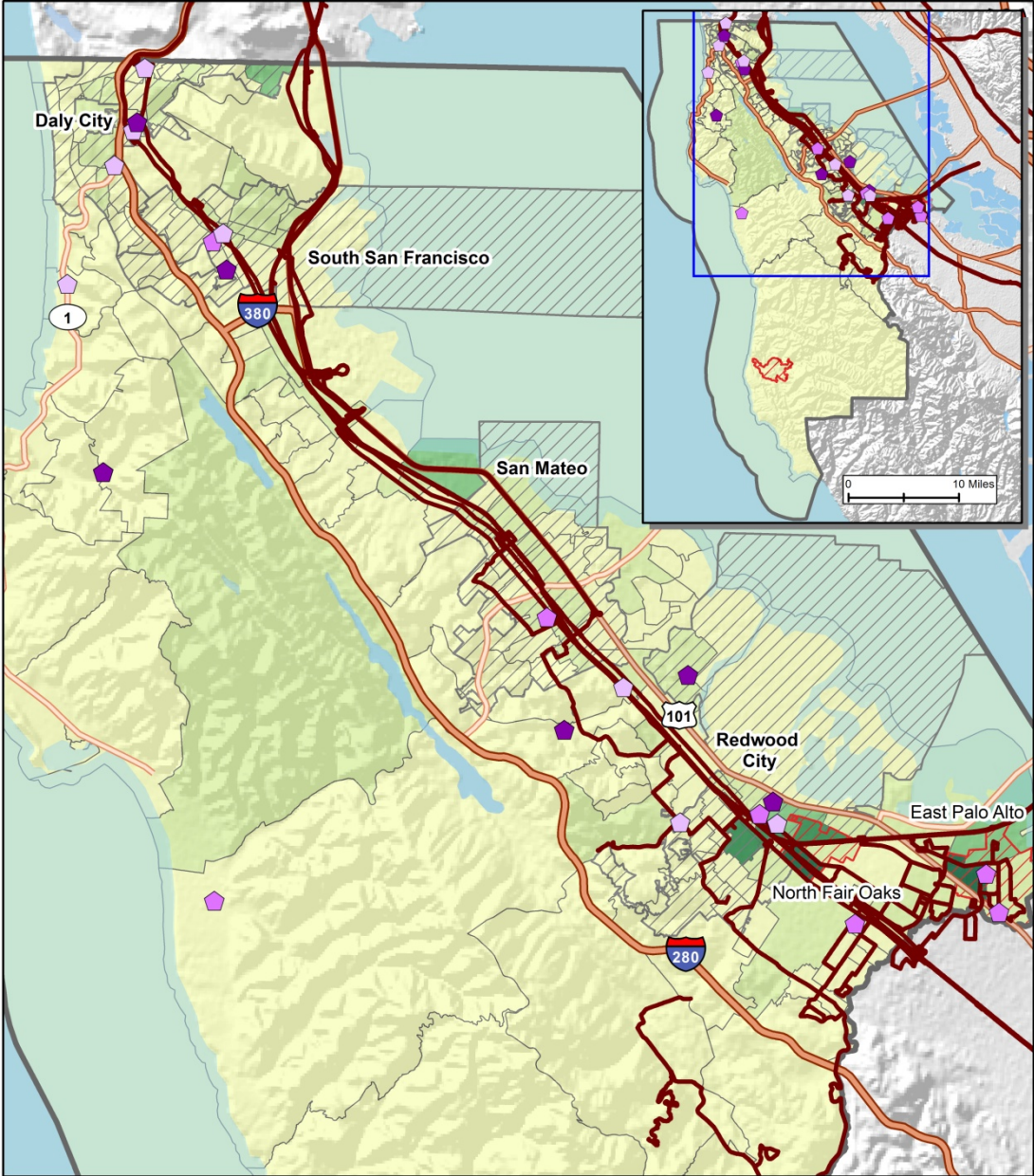
<p>Number of Affordable Units</p> <ul style="list-style-type: none"> ◡ 1 - 25 ◡ 26 - 100 ◡ 101 - 228 	<p>Poverty Rate</p> <ul style="list-style-type: none"> 0.0 - 7.0 7.1 - 17.0 17.1 - 20.0 20.1 - 23.0 23.1 - 26.7 <p>----- Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> — Public Transit Route Entitlement Cities Special Focus Areas San Mateo County Boundary Census Tract Boundaries — Interstate Freeway
--	---	---

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.

Data Source: 2012 San Mateo County Data, 2012 San Mateo County Transit District Data, 2010 ACS Data, ESRI Datasets, 2010 TIGER Data

0 2 Miles

Map VI.3
Multi-Family HUD-Assisted Rental Units and Public Transit Routes
 San Mateo County
 2012 HUD Data



LEGEND

Multi-Family HUD-Assisted Rental Units and Public Transit Routes
 2005 - 2010 Average Poverty Rate for San Mateo County = 7.0%
 Disproportionate Share Threshold = 17.0%

<p>Number of Units Under Contract</p> <ul style="list-style-type: none"> ◆ 4 - 50 ◆ 51 - 100 ◆ 101 - 181 	<p>Poverty Rate</p> <ul style="list-style-type: none"> 0.0 - 7.0 7.1 - 17.0 17.1 - 20.0 20.1 - 23.0 23.1 - 26.7 <p>Disproportionate Share Threshold</p>	<ul style="list-style-type: none"> — Public Transit Route Entitlement Cities Special Focus Areas San Mateo County Boundary Census Tract Boundaries — Interstate Freeway
--	--	---

NOTE: A disproportionate share exists when the share of a population in a given area is at least 10 percentage points greater than the study area average.

Data Source: 2011 HUD Data, 2012 San Mateo County Transit District Data, 2010 ACS Data, ESRI Datasets, 2010 TIGER Data

0 2 Miles

POLICIES AND CODES

Municipal codes, ordinances, and other policies of the four entitlement cities, the special focus area of East Palo Alto, and the County of San Mateo were analyzed through July 2012 phone interviews with city and County staff as well as reviews of each jurisdiction's codes and Housing Elements. Policies relating to housing development, special needs housing, and fair housing were addressed for each area in order to evaluate the public sector environment for a variety of housing types, including affordable housing, mixed-use housing, senior housing, and group homes. Because the policy environment of a jurisdiction can have a large effect on the type and quantity of housing built, in order to affirmatively further fair housing choice for all residents, local governments must consider the effects of their regulations.

City and County planning and community development staff provided details on many elements of their jurisdictions' policies, and additional review was performed online. Each jurisdiction's codes and policies were unique, however there were some commonalities.

Fair housing laws seek to protect classes of persons with certain attributes from discrimination, including individuals with disabilities, seniors, and families with children. In order to support these protected classes, it is helpful to have accurate definitions of these classes and to consider the potential effects of zoning and land use policies when it concerns them. Some definitions of "dwelling" or "residential unit" can hinder the provision of housing for disabled or other special needs persons, and can inadvertently discriminate against boarding or care facilities. All but one jurisdiction has a definition for "dwelling unit," and while Redwood City does not, its codes do define "dwelling." All cities and the County define "family" in their ordinances, and the majority of these definitions do not exclude households of non-related persons. The "family" definition in Daly City's codes do, but staff noted that it was not enforced as such and will soon be updated. No jurisdictions have limiting policies that restrict the number of residents allowed per dwelling unit, other than safety and building codes required by federal law.

Additionally, almost all jurisdictions, through their State-required Housing Elements, have policies encouraging the development of affordable housing units, and inclusionary zoning—wherein a portion of units built in a project must be affordable—is a commonly imposed tool. As mentioned previously, the availability of affordable housing is not a direct factor to fair housing choice. It can become one, however, if members of protected classes disproportionately make up the majority of those in need of affordable housing, or if there is a geographic concentration of affordable housing that affects these persons most. Most agencies noted potential barriers to affordable housing, most commonly citing high property values and loss of redevelopment agency funding from the February 2012 state elimination of redevelopment agencies due to the state budget crisis. All five entitlement jurisdictions were affected by State law eliminating redevelopment agencies (RDAs). RDA

funding mandated that recipients set aside funding for low- and moderate-income housing programs.

The Housing Endowment and Regional Trust of San Mateo County (HEART), a public/private partnership aimed at creating more affordable housing in the County, identified possible barriers to affordable housing development in the Draft Plan for its Opening More Doors Campaign in October 2012.⁶⁴ The Plan identified the following categories of barriers:

- Cuts to HUD-administered programs (CDBG, HOME, and Section 8) could represent as much as 20% of the funding pool for affordable housing financing in the County, or a total of \$5 million per year;
- Federal tax credits require community matching, and cities previously used RDA funding which is no longer available;
- California RDAs are now closed, and RDA-funded land may be sold on the market;
- A loss of city-level control and funding for affordable housing, involving an end to inclusionary zoning for affordable rental housing;⁶⁵
- Housing development trends, which lead to slow growth after the 1970s and opposition to higher density development; and
- City and County policies such as:
 - Separate land use designations and hard-to-change zoning;
 - Small parcels, difficult to assemble;
 - Height, density, and parking requirements;
 - The permit approval process; and
 - Site clean-up regulations and other environmental requirements.⁶⁶

Some of these considerations can also present barriers for other nontraditional housing development, potentially limiting the variety of housing in the County. For example, mixed-use development that includes housing can represent both an opportunity and a challenge for fair housing choice. Allowing nontraditional dwelling units can provide housing opportunities in a variety of areas; however, insufficiently regulated projects can be inaccessible to disabled persons. Any building, set of buildings, or neighborhood used for more than one purpose is considered mixed-use, as are housing units included in such a property or development. The codes of all of the jurisdictions in this analysis allow mixed-use development housing, with four citing incentives such as floor area ratio or density exceptions or financial assistance. Staff from the other communities noted that they hope to provide incentives in the future. Barriers to mixed-use housing development exist in about half of the jurisdictions, ranging from environmental to policy-related, such as height restrictions. Often these factors are in place to improve communities, such as height or

⁶⁴ From 2003 to 2012, HEART membership included County of San Mateo and all of its 21 jurisdictions; however, Daly City no longer participates due to budgetary shortages.

⁶⁵ Preston, Dean. "Supreme Court Refuses to Protect Inclusionary Housing." *BeyondChron*, October 26, 2009. www.beyondchron.org/news/index.php?itemid=7485

⁶⁶ HEART Opening More Doors Draft Plan, October 2012, pg. 19–20

setback regulations that allow sun access or improve aesthetics; however, they can have negative implications on other housing goals.

Almost no communities define “disability” in their policies, and none include this definition in their zoning or municipal codes, although State and federal codes require that multi-family housing or housing receiving federal funding assistance meet accessibility codes. Defining the term “disability” better enables local government decisions that address the needs of disabled persons, and creates a policy environment attuned to their needs. Two jurisdictions outwardly encourage the development of accessible projects with policies and plan actions, and most communities offer administrative approval options for persons with disabilities who need to request reasonable accommodation for accessible housing. All five jurisdictions defer to Title 24 of the California Statutes, which holds a comprehensive set of standards for the construction of housing that is accessible for disabled persons. Title 24 requirements meet and exceed those set out by federal fair housing and Americans with Disabilities Act policies. However, with 21 different jurisdictions across all of San Mateo County, some may administer Title 24 more strictly than others.

Policies and codes of all entitlement and special focus areas and the County make some provisions for accessible multi-family housing, senior housing, and group homes. However, in recent years, several communities around the country have adopted visitability ordinances that offer additional assurances that such housing will be available; these ordinances require some or all newly constructed homes to offer specific features that make the home easier for persons with mobility limitations to visit or live in. “Visitable” homes must include at least one zero-step entrance on an accessible route, wide passage doors, and at least a half bathroom on the first floor, but are encouraged to also have accessible light switches and reinforced bathroom walls that can support a railing. After the 1992 passage of such a law in Atlanta, cities in Ohio, Illinois, Iowa, Texas, and Arizona have created strategies for inclusive home access.⁶⁷ Implementing such a visitability policy works to increase the availability of accessible housing.

In some jurisdictions, housing for senior citizens is distinguished from other multi-family residential uses, and incentives for the development of senior housing are offered by almost all communities, such as lower parking requirements and density bonuses that allow more units to be constructed on the site. The five jurisdictions provide funding to nonprofits for minor home repair programs that offer assistance for low-income senior or disabled households. These programs include Rebuilding Together Peninsula, Senior Coastsiders, and the Center for Independence of the Disabled, which provides retrofits for rental households as well.

⁶⁷ Concrete Change. <http://concretechange.org/>

According to State law, group homes of six persons or fewer are allowed in residential zones across the State, and the County of San Mateo and the Cities of South San Francisco and East Palo Alto offer incentives or tools that make the siting of such housing easier.

Many of the staff who provided information on city and County policies was the lack of knowledge of the jurisdiction's fair housing plan, ordinance, resolution, or policy. While some staff could cite agency practices or incentives that encouraged housing for protected class members, no clear, official fair housing regulations could be found outside some of the jurisdictions' housing elements or departments. A review of jurisdiction codes did show that fair housing issues are among important priorities of the County of San Mateo and the Cities of Daly City, South San Francisco, and East Palo Alto, but for all agencies, establishing a clear fair housing policy or ordinance might further ensure their commitment to affirmatively furthering fair housing. This priority may need to be more clearly distinguished in all areas order to fully serve protected class members; without a stated policy or code, fair housing issues may not be considered in other agency decisions, possibly impeding fair housing choice. A fair housing ordinance can simply define protected classes and discrimination, reinforce fair housing laws, and address rights and responsibilities in order to accomplish these goals.

As identified in the interviews and research for each jurisdiction, a variety of policies and practices govern the provision and development of housing and neighborhoods. While this factor alone does not necessarily create an impediment to fair housing choice for County residents, if policies are administered inconsistently, this could lead to oversights in some areas or cause developers and other stakeholders to be unsure of what to expect in each city. It may be necessary to streamline the funding and regulation processes across the County and develop best practices to be implemented in all communities.

DALY CITY

Daly City has the largest population of all of the cities in San Mateo County including a large Asian population, and is located directly south of San Francisco. It contains several neighborhoods with historic, small urban layouts as well as a planned, large-tract lower-density area. The western side of the City is adjacent to the Pacific Ocean.

The City's zoning ordinance defines a "dwelling unit" as:

...a room or suite of two or more habitable rooms which are occupied or designed to be occupied by one family with facilities for living, sleeping, cooking and eating and having one kitchen.⁶⁸

⁶⁸ Daly City Municipal Code. <http://library.municode.com/index.aspx?clientID=16311&stateID=5&statename=California>

This relatively broad definition does not discriminate against any particular housing types, such as mobile homes or group homes, although it does exclude homes with more than one kitchen and living area and it does clarify its intent for families. However, the City's current definition of "family" could be limiting:

...a person or group of persons related by blood, marriage or adoption living together as a single housekeeping unit as distinguished from a group occupying a hotel, club, fraternity, sorority or boardinghouse. A family shall be deemed to include necessary employees.⁶⁹

City staff commented that the definition is outdated and is not enforced in practice, and Task 2 of Goal 16 of the City's Draft Housing Element involves amending the current Zoning Ordinance to redefine "family" without distinction between related and unrelated persons or limit on number of persons, in compliance with state and federal fair housing laws. A definition that does not exclude households of unrelated members will be helpful for some families, and the inclusion of group homes could help provide more housing for special needs persons. The City does not have any residential occupancy standards, such as per bedroom or per square foot, that limit the number of persons allowed in a dwelling unit.

However, the City does encourage the development of affordable housing through its inclusionary ordinance. Depending on the project and developer, 10 to 20 percent of new units in projects of four or more units must be affordable; for rental projects, developers may choose to make 10 percent affordable to persons of 50 percent or less of area median income (AMI) or 20 percent affordable to persons of 60 percent or less of AMI. For affordable for-sale housing projects, developers can choose to make 10 percent affordable to persons of 60 percent or less of AMI or 20 percent affordable to persons of 100 percent or less of AMI. They may also customize the requirements to adjust to their needs while still meeting or matching the minimum levels. Smaller developments can pay an in-lieu fee to meet the inclusionary requirement.

Despite these efforts, some barriers to affordable housing development exist in Daly City; however, these are largely based on property values and are difficult for the City to affect. While it is the case in most parts of the County, Daly City staff in particular noted that landowners can choose to sell their land for high prices, so there is a natural disincentive to build or provide affordable housing at a lower profit. Staff did not feel that community resistance was a significant barrier to affordable housing development.

The income limits applicable to Daly City are based on average household incomes across the San Francisco metropolitan area. Because Daly City's median household income is generally less than that of the surrounding areas, the minimum income required to qualify for affordable housing is comparatively relatively high, and many community members

⁶⁹ *Ibid.*

themselves qualify. Once residents understand the types of housing and residents that can qualify for affordable housing, neighbors tend to become more comfortable.

The City of Daly City allows mixed-use housing, but does not currently provide any incentives. A Draft General Plan update proposes rezoning of the City's urban corridor area for mixed-use to encourage such development there, and the City hopes to offer creative non-financial incentives to developers such as height bonuses, parking reductions, or other tools. Potential barriers to the development of mixed-use housing projects include height and lot coverage restrictions, although many developers are able to meet the current requirements. Flexibility allowing partial relief from parking requirements is often requested.

The City's planning department does not define "disability" or provide standards or policies about the construction of accessible multi-family housing, though it follows the requirements of the State building code in relation to accessibility. Currently, no options are established for persons with disabilities to request reasonable accommodations or modifications to City policies as necessary for accessible housing, but Goal 15 of the City's Draft Housing Element involves requiring adaptability and accessibility of residential units for disabled occupants, with tasks including:

- Actively encourage accessibility based on state and local codes and regularly monitor the implementation of City codes to ensure compliance,
- Amend the Zoning Ordinance to establish clear policies and regulations that are flexible enough to accommodate the needs of disabled persons, and
- Amend second unit regulations to allow administrative relief from second unit requirements that would prevent the construction of a second unit with accessibility.⁷⁰

No specific standards are set for the development of housing for elderly persons, but the City does distinguish some senior housing from other multi-family uses—it offers a 75 percent parking reduction for affordable senior housing projects.

The City's Draft Housing Element also identifies a particular area in the City where conditional permitting is not necessary for group shelters. While this area has been identified, it is not currently part of the City's codes. Goal 14 of its Draft Housing Element requires that it assure access for homeless persons and families to services that meet their special needs, and includes tasks such as amending the Zoning Ordinance to allow emergency shelters as a permitted use and to permit transitional and supportive housing in residential zones.⁷¹

⁷⁰ *Daly City 2030: A Plan for the Future*, Revised Draft, October 10, 2012, <http://www.dalycity.org/Assets/Departments/Economic+and+Community+Development/planning/gpu/docs/ADGP+-+October+2012.pdf>

⁷¹ ⁷¹ *Daly City 2030: A Plan for the Future*, Revised Draft, October 10, 2012, <http://www.dalycity.org/Assets/Departments/Economic+and+Community+Development/planning/gpu/docs/ADGP+-+October+2012.pdf>

A commitment to fair housing does exist in the City's Fair Housing Action Plan, administered through the Housing and Community Development division. Residents are encouraged to use resources such as Project Sentinel and the Legal Aid Society's Homesavers Program, which provides free legal assistance to low-income residents.⁷² Interviews with planning staff, however, suggest that there may be gaps in knowledge and understanding of the City's fair housing policy and that fair housing policy could be better integrated among both the planning and building departments of the City in order to facilitate city procedures that affirmatively further fair housing. In addition, Goal 16 of the City's Draft Housing Element—to prevent housing discrimination based on protected class status—states the City's commitment to assisting with the implementation and enforcement of fair housing laws. Goal 16 also includes the task of educating the public, stakeholders, and community groups of fair housing laws via several channels; responding to complaints; and referring complainants to appropriate agencies for services.⁷³

SOUTH SAN FRANCISCO

South San Francisco is located south of Daly City and north of the San Francisco International Airport, and is adjacent to the San Francisco Bay. It contains a small downtown and several residential subdivisions, most of which are located west of Highway 101.

To create the framework for housing and land use policies, South San Francisco's municipal code defines a "dwelling unit" as:

Any building or portion thereof which contains living facilities, including provisions for sleeping, eating, cooking, and sanitation, for not more than one family.⁷⁴

This definition could be exclusionary of some households, without also defining "family" in such a way that group homes or large households are considered. However, in the City code, "family" is defined as:

One or more persons living together as a single nonprofit housekeeping unit and sharing common living, sleeping, cooking and eating facilities. Members of a family need not be related by blood but are distinguished from a group occupying a hotel, club, fraternity or sorority house.⁷⁵

⁷² Interviews conducted with My Do-Kruse and Tatum Mothershead, July 10, 2012.

⁷³ ⁷³ *Daly City 2030: A Plan for the Future*, Revised Draft, October 10, 2012, <http://www.dalycity.org/Assets/Departments/Economic+and+Community+Development/planning/gpu/docs/ADGP+-+October+2012.pdf>

⁷⁴ South San Francisco Municipal Code. <http://qcode.us/codes/southsanfrancisco/>

⁷⁵ South San Francisco Municipal Code. <http://qcode.us/codes/southsanfrancisco/>

This definition allows for a family of any size made up of related or unrelated persons, and so does not prevent a large nontraditional family or group of unrelated persons from living together. It does distinguish a family from a group of persons sharing group homes for the specified types, although special needs housing is not likely to fall into the categories listed. South San Francisco does not impose occupancy standards for housing based on square footage or number of bedrooms.

South San Francisco has several policies that encourage the development of affordable housing, in accordance with its State-certified Housing Element. Among the City's policies that address affordable housing and housing for persons with special needs are its inclusionary requirements (20 percent of developments must be affordable), density bonuses for affordable projects, and efforts to remove constraints to affordable housing development. The City and many of its residents are supportive of such housing, and have seen many affordable projects built in recent years. Unfortunately, barriers exist to providing more affordable housing, though they are out of direct City control: recent court decisions and corresponding legal changes regarding inclusionary zoning, as well as the loss of RDA funding were noted by City staff.

Mixed-use housing is allowed and encouraged in South San Francisco, although much of the funding that used to be available to incentivize such projects has been cut. RDA funds that South San Francisco and all of the entitlement cities receive are divided into general purpose funding (80 percent) and Housing Successor Agency funding (20 percent). A small amount of this RDA funding will be available for future projects, and CDBG funds are occasionally used for mixed-use development partnerships as well. The City has assisted nonprofit mixed-use housing developers by buying land, paying for energy conservation efforts, or maintaining properties, usually in partnership with the agency. Few barriers to mixed-use housing development exist, as the City has evaluated individual areas for their compatibility and ensured that many of them allow it and do not have conflicting height or density restrictions.

Another definition that can be helpful for a city is "disability." South San Francisco does not define "disability" in its ordinances, but refers to State law standards for the construction of accessible multi-family housing, as explained in the City's General Plan policies. All housing projects of five or more units are required to contain at least 5 percent accessible units; this policy is part of State law, but the City has its own standards to this effect as well. In addition, zoning exceptions that are required for reasonable accommodation can be made administratively, requiring staff-level approval rather than City Council or other elected body approval, making the process easier for applicants.

South San Francisco's municipal code contains a section solely about the provision of senior housing, encouraging its development among local developers and nonprofits. Residential care facilities are allowed in residential districts, and the City offers density bonuses and parking reductions for these projects. RDA funding used to allow the City to make senior

projects a priority. However, the City still funds North Peninsula Neighborhood Services Center, a financial assistance program that funds minor home repairs with CDBG dollars, typically for low-income seniors who cannot afford or perform home maintenance or improvements. In these ways, the City provides for senior housing both in institutional and single-family home forms, and provides a supportive public policy atmosphere for elderly persons.

Housing for other special needs populations is also encouraged and supported in the City's Housing Element. As per State law, group homes with no more than six residents are allowed in residential zones, and the City is also consistent with State standards regarding the geographical concentration of group homes within a neighborhood. Special requirements for group homes include specifications on fencing, usable open space, and State licensing for certain kinds of residential treatment facilities, but the City has supplemental standards that make it easier for agencies to apply to build a group home. Additionally, a recent change to zoning codes allowed secure uses, such as transitional housing for victims of domestic violence, to be approved without a public discretionary review process, protecting future residents.⁷⁶

South San Francisco's Housing Element has a large focus on the availability of housing for many persons, and a chapter in the zoning code ensures compliance with the Federal Fair Housing Act, Americans with Disabilities Act, and California Fair Employment and Housing Act.

CITY OF SAN MATEO

The City of San Mateo is one of the County's largest cities, in population and in land area. Located on the San Francisco Bay, it is surrounded by other incorporated cities, and contains a large downtown, several townhouse and multi-family housing developments, and a number of older neighborhoods.

The City of San Mateo has a definition for "dwelling unit" as well as a definition for "primary dwelling unit":

...one or more rooms, in a residential structure which are arranged or designed for use by one family, plus not more than two paying guests, which includes provisions for living, sleeping, eating, cooking and sanitation, and if located on multiple levels/stories, the unit provides interior connections from a common living area (including the living room, family room, dining room, kitchen, and other common living areas as determined by the Zoning Administrator). In addition, a "primary residential dwelling unit" means a building or separate portion thereof designated and/or customarily used as a residence by not more than one (1) family and situated

⁷⁶ Interview conducted with Gerry Beaudin, July 11, 2012.

on a parcel or lot on which no other primary dwelling is located. The primary residential dwelling unit shall be larger, in terms of floor area, than any other residential structure situated on the same parcel or lot.⁷⁷

These definitions are highly detailed, but allow for many types of housing units and for accessory dwelling units such as “granny flats.” The code does specify that only one family may live in a dwelling unit, however the City’s definition of “family” allows flexibility, reducing the impact on large, nontraditional households:

...a person or a group of persons living together and maintaining a common household.⁷⁸

This definition allows for a related or unrelated family of any number of persons to live together, offering equal housing opportunity to such families. Additionally, the City does not have any occupancy standards that impose limits on the number of persons allowed per bedroom or square footage.

Affordable housing is encouraged in the City of San Mateo through its inclusionary zoning requirement for all new residential projects. It also imposes density bonuses, as specified by the State, on a sliding scale of additional density allowed per share of affordable units. The State-imposed policies have led to an increase in affordable housing, due to several projects being permitted to exceed typical City density limits, although the State-level policy control may cause some discomfort for the City. Few barriers exist to the development affordable housing, with occasional community resistance being the primary issue.

Mixed-use housing is allowed in the City of San Mateo, with tools available for developers in some cases; for example, these projects can receive flexibility on floor area ratio requirements. In transit-oriented development zones—which are meant specifically for mixed-use development—developers are excused from some parking requirements. However, despite these options, there are some notable barriers to mixed-use development in the City, particularly due to height and density restrictions. The maximum density allowed is 50 units per acre, and some projects may call for a higher limit. The maximum height allowed in most places is 55 feet, or five stories, meaning standard wood frame construction is sufficient for most projects. When developers want to build significantly taller buildings, a more expensive steel frame is required, and in order to be financially sound, such a project may need to be more than 75 feet high or more—nowhere near the allowed height. The height restrictions are particularly problematic in downtown and transit-oriented development areas, where both the City and housing developers desire more intense uses. A proposed General Plan in the 1980s would have allowed buildings up to 120 feet high, with high densities, but public backlash led to a vote that limited heights to the current 55

⁷⁷ City of San Mateo Zoning Codes. <http://www.cityofsanmateo.org/index.aspx?NID=771>

⁷⁸ City of San Mateo Zoning Codes. <http://www.cityofsanmateo.org/index.aspx?NID=771>

feet. Any changes to the height restrictions would require amending the General Plan, which is difficult to do until the current Plan sunsets.

The inclusion of provisions for accessibility for persons with disabilities, as well as plan-checking for accessibility compliance, can help ensure the availability of housing for disabled persons. The City of San Mateo does not have specific standards for the construction of accessible multi-family housing other than standard building codes, and has no clear policies for persons with disabilities to request reasonable accommodations or modifications to city policies if necessary for accessible housing. Examples include defining “disability” in city codes and implementing an incentive program or requirements to make a portion of units in a project accessible.

The City does provide standards for the development of senior housing with its Senior Citizen Overlay District. Through a special use permit, senior housing in this district is subject to criteria that better reflect the needs of senior citizens. These include reduced parking requirements and specific floor area ratio requirements.

Group homes of many kinds are allowed in single-family zones of the City as permitted uses, provided that they contain six or fewer residents. Larger group homes are allowed in other zones and are subject to other standards for residential care. The City monitors the location of group homes due to the dispersion requirements of some that ensure the distance between facilities. A number of group homes exist in the City, many of which are residential care facilities for the elderly. A policy in the City’s Housing Element addresses special needs housing in particular.

San Mateo City staff did not identify a fair housing ordinance, resolution, or plan, and none could be found on the City’s website.⁷⁹ The City passed fair housing resolutions in 1969 and 1970, which led to the display of the fair housing logo on all of its marketing materials and its housing assistance web pages for rental and first-time buyer assistance.

REDWOOD CITY

Redwood City, on the San Francisco Bay in the southeastern part of San Mateo County, is the County’s largest city land area. The City’s downtown was boosted with redevelopment efforts in the mid- to late-2000s, and its strong, involved neighborhoods are supported by the City. While housing is available in many price ranges, many of Redwood City’s neighborhoods are very affordable for the region.

“Dwelling unit” is not defined by the Redwood City Zoning Code, but “dwelling” is defined as:

⁷⁹ Interview conducted with Stephen Scott, July 10, 2012.

A building or portion thereof designed or used exclusively for residential occupancy, including one (1)-family, two (2)-family, and multi-family dwellings, but not including hotels, motels, boarding houses, tents or trailers.⁸⁰

Each type of dwelling is also defined in the ordinance based on the number of families each building is designed for, and necessary employees of each family are allowed. The City's definition of "dwelling" is broad and general, and does not exclude types of families. However, it does exclude some group homes and trailers. A simple definition of "dwelling unit" provides a helpful background for the specifications of each type of unit and of dwellings in general.

Evaluating such a definition of "dwelling," with its mention of "family," requires evaluating that definition as well. In Redwood City, the following applies:

One (1) person living alone, two (2) or more persons related by blood, marriage, or legal adoption, or two (2) or more persons living as a single housekeeping unit.⁸¹

This definition includes singles, related families, and unrelated households, and includes classes protected by Fair Housing Laws.

No occupancy standards or any guidelines that encourage the development of affordable housing, particularly for larger families, were mentioned by City staff. In order to provide opportunities for the production of housing for large families and households seeking affordable housing, jurisdictions often find it necessary to implement such policies.

Mixed-use housing is allowed in Redwood City, and the city offers a floor area bonus for mixed-use projects in its General Commercial District and areas zoned commercial/residential. The City does not impose density restrictions, but there are height and setback requirements that may present issues to developers of mixed-use housing, the possible limitations of which were discussed previously.

While City staff did not note any particular standards for the construction of accessible multi-family housing or a definition of "disability," the City does have a process to grant reasonable accommodation exceptions to disabled persons for housing. While informal, the process entails submitting an application to the planning and building departments and administrative-level decision making. However, formal standards for accessible housing—including definitions, requirements for a portion of large developments, or bonuses or incentives—often improve the supply of such housing and better serve the needs of disabled persons.

⁸⁰ Redwood City Zoning Code. <http://library.municode.com/index.aspx?clientId=16091>

⁸¹ *Ibid.*

No specific standards apply to the development of senior housing, nor is senior housing distinguished from other residential uses by code. No formal exceptions are provided for senior housing projects, although some projects are considered for special conditions on a case-by-case basis. Similarly, formal codes or policies regarding senior or other group housing could lead to the production of additional suitable housing for elderly persons. As per State law, group homes of six or fewer persons are allowed in Redwood City in residential areas.

No policies or codes for affirmatively furthering fair housing practices, nor a fair housing ordinance or resolution, are in place the City, as noted by planning staff, suggesting that the current level of attention on fair housing may not be sufficient to affirmatively further fair housing.⁸²

SPECIAL FOCUS AREAS

The areas identified by the County of San Mateo and the four entitlement cities as communities needing additional focus in the AI were North Fair Oaks, Pescadero, and East Palo Alto. The former two communities are Census-designated places, and housing development in these areas is done in accordance with County of San Mateo planning codes. East Palo Alto is a small, non-entitlement city, whose planning department administers its zoning ordinance and housing element.

Fair housing in the public sector of North Fair Oaks and Pescadero can be evaluated along with unincorporated San Mateo County, discussed previously.

East Palo Alto

Several local policies in the City of East Palo Alto can be examined in the context of their implications on fair housing choice. East Palo Alto was part of the unincorporated San Mateo County until it became an incorporated city the 1980s, and is located on the edge of the County, southeast of Redwood City and several other, smaller communities. East Palo Alto has a number of relatively affordable housing opportunities, and has seen some redevelopment in recent years.

The City of East Palo Alto defines a "dwelling unit" as:

A room or suite of two or more rooms, which is designed for, intended for, or is occupied by, one family doing its own cooking therein and having only one kitchen.⁸³

⁸² Interview conducted with Michelle Littlefield, July 10, 2012.

⁸³ City of East Palo Alto Zoning Ordinance, <http://www.ci.east-palo-alto.ca.us/EPA%20Zoning%20Regs%20-%202003%20Edition.pdf>

On its own, this definition could discriminate against nontraditional households; however, the City defines “family” as:

One or more persons occupying a premises and living as a single non-profit housekeeping unit as distinguished from persons occupying a hotel, club, fraternity, or sorority house. A family shall be deemed to include necessary servants.⁸⁴

This definition allows for a related family or unrelated household of any number of persons, but may exclude some group homes from the category. The City has no occupancy standards other than health and safety codes that establish the square footage required for one resident.

The City encourages affordable housing with a number of in-depth policies. An entire chapter of its code addresses below-market rate housing, and will soon be amended to further encourage such housing. Within the Community Development Department, the Housing Services division exists to increase the availability of affordable rental and for-sale housing.⁸⁵ As East Palo Alto is the only city in the County with rent control, the City’s Rent Stabilization program aims for additional affordable housing opportunities, with its mission of “Providing protections to rental residents against excessive rent increases and unjust evictions, while ensuring an economically vital and affordable rental market.”⁸⁶ The City also imposes an inclusionary zoning policy, wherein at least 20 percent of all new units must be affordable. Specific rules exist for single-family housing, and for multi-family housing, the affordable units must be divided as such:

- 25 percent must be affordable for households earning 35 percent or less of area median income (AMI),
- 50 percent must be affordable for households earning 50 percent or less of AMI, and
- The other 25 percent must be affordable for households earning 60 percent or less of AMI.

However, potential barriers to the development of affordable housing exist. City staff see current trends in the housing market showing a large percentage of homes, particularly the low-priced foreclosures and short sales, being purchased for cash by investors, leaving little selection for nonprofits and moderate income households who wish to purchase homes.

The City allows mixed-use housing development, and offers density bonuses and a streamlined permitting process to encourage it. However, as nearly half of the land area of the City is located in the flood plain, developers who want to build mixed-use housing there face further barriers. Building done in this area must conform to the City’s Flood Plan

⁸⁴ City of East Palo Alto Zoning Ordinance, <http://www.ci.east-palo-alto.ca.us/EPA%20Zoning%20Regs%20-%202003%20Edition.pdf>

⁸⁵ City of East Palo Alto Housing Services Department, <http://www.ci.east-palo-alto.ca.us/housingdiv/index.html>

⁸⁶ City of East Palo Alto Rent Stabilization Department, <http://www.ci.east-palo-alto.ca.us/manager/rent.html>

guidelines, and the necessary measures add to the cost of development. East Palo Alto's municipal code includes a definition of "disabled" in one of its chapters; this can be helpful to fully address the needs of disabled persons. According to the code, "'[d]isabled' means a person with a disability, as defined in Section 12955.3 of the California Government Code."⁸⁷ This definition ensures compliance with the State code and acknowledges accessibility needs, offering protections for disabled tenants in any other City policies. In addition, specific types of disabilities and limitations are defined in the City's Housing Element, which also addresses the needs of these persons in its Special Needs Groups housing assessment. Other efforts to encourage accessible housing provision include actions passed by the City Council in July 2011, such as actions to reduce housing barriers for persons with disabilities and allow transitional and supportive housing as permitted uses in single-family residential zones.⁸⁸ This meeting also led to the adoption of a reasonable accommodation ordinance, which provides a process for persons with disabilities to request reasonable accommodations to city codes if necessary for accessible housing and further reduce housing barriers for these persons.⁸⁹

Housing provision for the senior population is also addressed in the City's Housing Element, and reduction in parking requirements are offered as an incentive to developers.

The City also has provisions for group housing for other special needs populations. Actions specified for the implementation of the Housing Element in July 2011 codified some of these goals:

- Allow emergency shelters in the light industrial district,⁹⁰
- Make transitional and supportive housing allowed as permitted uses in the single-family zones,
- Reduce the distance required between residential care facilities of ten or more residents, from 1,000 to 750 feet.⁹¹

East Palo Alto has adopted policies that affirmatively further fair housing practices and affirm the City's commitment; however, no formal fair housing ordinance could be found. The City's Rent Stabilization and Just Cause Eviction Ordinance exists to protect tenants from unreasonable rent increases; arbitrary, discriminatory, or retaliatory evictions; and speculation in rental property, and to assure landlords the right to a fair return.⁹² The City

⁸⁷ East Palo Alto Municipal Code, Title 14, Chapter 14.08,

<http://library.municode.com/index.aspx?clientID=16328&stateID=5&statename=California>

⁸⁸ Agenda for City of East Palo Alto joint City Council/Redevelopment Agency meeting, July 5, 2011, <http://www.ci.east-palo-alto.ca.us/uploads/4585/07-05-2011%20Jnt%20CC%20RDA%20Mtg%20Agenda.pdf>

⁸⁹ City of East Palo Alto joint City Council/Redevelopment Agency public hearing, July 5, 2011, <http://www.ci.east-palo-alto.ca.us/citycouncil/reports/Jul52011/Item15PubHrgHousingElement.pdf>

⁹⁰ The Emergency Shelter Grants program was recently renamed the Emergency Solutions Grants program, shifting its focus to providing more permanent, stable housing for homeless persons and those at risk of homelessness. Consequently, the City may wish to align its goals to provide housing transitional housing and stabilization services rather than emergency shelters.

⁹¹ Interview conducted with Brent Butler, July 10, 2012.

⁹² City of East Palo Alto Rent Stabilization and Just Cause Eviction Ordinance, March 11, 2010, http://www.ci.east-palo-alto.ca.us/manager/pdf/Rent_Stabilization_Ordinance.pdf

also has a Rent Stabilization department and Board for this purpose; for persons receiving disparate treatment due to protected class status, these functions of the City would offer some fair housing protection.⁹³ Additionally, the City's Housing Element mentions encouraging fair housing practices in several of its goals, in some cases in partnership with local fair housing agencies.⁹⁴

County of San Mateo: Unincorporated County

Zoning codes and building regulations imposed by the County of San Mateo affect the unincorporated areas where no city laws apply. The County's public policies can shape the fair housing environment in these areas.

The County of San Mateo has definitions for "dwelling unit" and for "family," and these definitions help shape the County's neighborhoods. The County of San Mateo defines a dwelling unit as:

A room or suite of two or more rooms which is designed for, intended for, or is occupied by, one family doing its own cooking therein and having only one kitchen.⁹⁵

This definition is flexible for housing units of many types, including mobile homes and accessory dwellings, but on its own may not include some types of housing that may be required for persons of special needs, such as group homes, because only one family is permitted in a dwelling unit. However, the County defines "family" as:

One or more persons occupying a premises and living as a single non-profit housekeeping unit as distinguished from persons occupying a hotel, club, fraternity, or sorority house. A family shall be deemed to include necessary servants.⁹⁶

This definition allows for a family of any number of persons, related or unrelated, to share a housekeeping unit, and can include unrelated persons who choose to share a dwelling or who require special needs housing, such as a group home.

There are no occupancy limits imposed by the County of San Mateo per bedroom or per square footage, other than standard health and safety building code regulations.

While definitions and standards can have impacts on housing affordability, in the unincorporated County of San Mateo, affordable housing development is encouraged

⁹³ City of East Palo Alto Rent Stabilization Department, <http://www.ci.east-palo-alto.ca.us/manager/rent.html>

⁹⁴ City of East Palo Alto Housing Element, Chapter 5, http://www.ci.east-palo-alto.ca.us/planningdiv/pdf/Chapter_5_Housing_Element.pdf

⁹⁵ County of San Mateo Zoning Regulations. http://www.co.sanmateo.ca.us/vgn/images/portal/cit_609/9441580Zregs-wp.pdf

⁹⁶ *Ibid.*

rather than discouraged. The County has zoned a few affordable housing districts specifically for the purpose of providing affordable housing, and in developments in all areas of the unincorporated County, an inclusionary zoning requirement ensures that at least 20 percent of all units in developments of more than five units are affordable. To further address the issue of affordability, County land use policies encourage increased density of development—higher densities per acre can bring in more units and increase the number of lower-cost units. In addition, the County gives priority to affordable housing that is near transit when distributing CDBG and HOME funds.

The County of San Mateo allows mixed-use developments in several districts, and encourages it in the Planned Colma District and Palomar Park areas of the unincorporated County. While no financial or other incentives are currently available for developers of such projects, the County intends to offer these in the future, particularly for areas such as North Fair Oaks—currently being studied by the County and one of the AI’s special focus areas—during the rezoning process.

Challenges exist for developers of mixed-use projects, however; height restrictions in many zones are 36 feet or three stories, though in some areas the maximum height allowed is only one or two stories.⁹⁷ The maximum height permitted of all areas of the County is 150 feet, although these zones are often for commercial or industrial uses, less likely to receive mixed-use projects. Residential density restrictions also exist, and may limit the number of units a developer is allowed to put in a mixed-use housing project.

The inclusion of provisions for accessibility for persons with disabilities, as well as plan-checking for accessibility compliance, can help ensure the availability of housing for disabled persons. The County of San Mateo does not currently have any accessibility or universal design standards, but is considering implementing a similar policy in the future. In addition, the Commission on Disabilities of the County of San Mateo has made recommendations for accessible housing in the past, suggesting modifications to the interior, exterior, and siting of such housing. In practice, persons with disabilities can request modifications to County development policies based on reasonable accommodation needs, but the code currently lacks a formalized policy that could make this process easier and more available for these persons.

The senior population often requires specialized housing and a variety of housing opportunities. Seniors can be disabled or on limited incomes, and policies based on minimum age limits often help provide housing to those over certain age limits. In the unincorporated County of San Mateo, assisted living facilities are allowed by right in many areas, but are not distinguished from other multi-family uses with special standards or exceptions. The County’s density bonus rules do allow for density bonuses for affordable senior housing projects. In addition, the County has a rehabilitation funding program that

⁹⁷ Count of San Mateo Planning & Building Department. “Maximum Building Heights in Unincorporated San Mateo County.” http://www.co.sanmateo.ca.us/Attachments/planning/PDFs/Regulations/Max%20Bldg%20Hgt%20%28Uninc%20SMC%29_upda...pdf

funds home improvement projects to increase accessibility for qualifying seniors and disabled persons.⁹⁸ In addition, the County funds several home improvement programs for seniors such as Senior Coastsiders, serving residents of western coastal communities, and Rebuilding Together's Peninsula location.⁹⁹

The County Housing Department has developed several plans and programs to provide additional senior housing. The Half Moon Bay Senior Campus Plan was developed with the input of the City of Half Moon Bay; the Housing Authority of the County of San Mateo; and local senior advocates, including three nonprofit senior providers: Leslie Senior Communities, Senior Coastsiders, and Coastside Adult Day Health Center. The plan calls for 200 new and redeveloped senior units and a ground floor senior services center. These 200 will add to the existing 64 senior units at Leslie Gardens and include the redevelopment of 60 units at the Housing Authority-owned Half Moon Village. The Senior Campus is scheduled to break ground on 85 units in two senior developments at the end of 2012.¹⁰⁰

Housing for other special needs populations can include group homes or care facilities for homeless persons, those afflicted by substance abuse, HIV/AIDS survivors, youth in crisis, and victims of domestic violence. These groups often require group or temporary housing in dedicated homes, often in residential areas. Group homes of six persons or fewer are allowed in most residential zones of the County of San Mateo, and can be allowed in all residential areas with a conditional use permit. In single-family residential areas, small facilities with six or fewer residents are allowed, but larger, institutional facilities are allowed in some multi-family residential zones. In some cases, the County has helped fund these housing uses, such as when the County Mental Health Division purchased land for a mental illness home. The County Department of Housing provided additional funds. In addition, the County's home rehabilitation funding program is available to qualifying disabled residents.¹⁰¹

The County of San Mateo addresses fair housing throughout its Housing Element, and encourages equal housing opportunity for all persons through its programs. While the County planning department does not receive many fair housing complaints, any fair housing issues they encounter are referred to the local office of Project Sentinel.

⁹⁸ Interview conducted with Will Gibson, July 11, 2012.

⁹⁹ The Senior Coastsiders program can be used in most parts of the County, even in the entitlement cities, as many cities have been forced to eliminate their rehabilitation programs due to RDA cuts.

¹⁰⁰ Comments received from Marina Yu, August 24, 2012.

¹⁰¹ Interview conducted with Will Gibson, July 11, 2012.

FAIR HOUSING SURVEY – PUBLIC SECTOR RESULTS

As mentioned previously, further evaluation of the status of fair housing within San Mateo County was conducted via an online 2012 Fair Housing Survey, which was completed by 179 stakeholders and citizens. Those solicited for participation included a wide variety of individuals from the fair housing arena. Most questions in the survey required “yes,” “no,” or “don’t know” responses, and many allowed the respondent to offer written comments. While the numerical tallies of results are presented in this section, along with summaries of some comment-heavy questions, a complete list of written responses is available in Appendix H. Other survey results are also discussed in **Sections V** and **VII**.

FAIR HOUSING IN THE PUBLIC SECTOR

Public sector effects on housing can be complex and varied. The questions in this section of the survey asked respondents to think about possible barriers to fair housing choice within very specific areas of the public sector, as follows:

- Land use policies,
- Zoning laws,
- Occupancy standards or health and safety codes,
- Property tax policies,
- Permitting processes,
- Housing construction standards,
- Neighborhood or community development policies,
- Access to government services, and
- Any other public administrative actions or regulations.

If respondents indicated affirmatively that they were aware of possible discriminatory issues in any of these areas, they were asked to further describe issues in a narrative fashion. Tallies for each question are presented in Table VI.2, below. Narrative responses and practices noted by high numbers of respondents suggest that the issues raised are potential impediments to fair housing choice in parts of the County.

Table VI.2					
Barriers to Fair Housing in the Public Sector					
San Mateo County					
2012 San Mateo Fair Housing Survey Data					
Question	Yes	No	Don't Know	Missing	Total
Are you aware of any questionable practices or barriers to fair housing choice in:					
Land use policies?	20	34	52	73	179
Zoning laws?	19	31	55	74	179
Occupancy standards or health and safety codes?	28	24	49	78	179
Property tax policies?	7	24	72	76	179
Permitting process?	9	28	68	74	179
Housing construction standards?	7	27	67	78	179
Neighborhood or community development policies?	12	28	62	77	179
Limited access to government services, such as transportation or employment?	26	30	43	80	179
Public administrative actions or regulations?	9	27	68	75	179

Land Use Policies

Twenty respondents, or more than 18 percent of those who answered this question, noted that they were aware of barriers to fair housing choice related to land use policies. As indicated previously, respondents were also asked to discuss questionable practices or barriers specifically in narrative format. Comments about land use policies related to:

- Lack of city guidance through reasonable accommodation policy,
- Multi-family developments too heavily concentrated in small, higher-cost areas such as near transit, and
- Multi-family housing allowed only on periphery land sites, far from transit and other services.

While the last two comments may seem contradictory, both opinions were reported by respondents from different areas of the County. In addition, while not strictly a fair housing issue, lack of sufficient provision for multi-family housing was noted as well; this can affect low-income, minority, and large family households more than others.

Zoning Laws

Zoning laws were also investigated as part of the survey. Nineteen respondents noted awareness of barriers to fair housing choice due to zoning laws, although more than 72 percent did not know or did not respond. Narrative comments received in relation to this question suggested that shelters and other group homes, particularly for the disabled but also for other sensitive populations, are often not allowed or only allowed in undesirable areas. "Not in my backyard" or NIMBYism was also reported on the part of neighbors, city zoning laws, and housing developers.

Occupancy Standards or Health and Safety Codes

More than a quarter of respondents who answered the question, 25 persons, noted awareness of fair housing issues caused by occupancy standards or health and safety codes. Comments ranged widely and fell into two distinct categories: those suggesting inadequate enforcement and allowance of overcrowded conditions, and those referencing local policies that are too strict and discriminate against large families and households. Narrative responses included the following issues:

- Inadequate enforcement in both single-family and multi-family units, particularly in low-income minority neighborhoods and in farm worker housing,
- Disproportionate occurrence of housing problems for immigrant families with many household members,
- Overconcentration of substandard housing and overcrowding issues in a few areas, due to the high cost of housing in the Bay Area in general,
- Slow response times to enforce housing problems,
- Lax regulations that allow the responsible party to cover up out-of-compliance issues,
- Discrimination in County courts and lack of legal advocates for code enforcement cases, and
- Policies that do not allow higher occupancy for large families, potentially discriminating against low-income minority and immigrant populations.

Property Assessment and Tax Policies

When asked about barriers to fair housing choice in property tax policies, only seven respondents were aware of such issues, and close to 83 percent did not know or did not answer the question. While no comments were strictly related to fair housing issues, some respondents indicated that high home values and property taxes in the County discourage landlords and property owners to subdivide or improve their properties, leading to blighted areas, and that there are not enough tax incentives to encourage the construction of new affordable rental housing. These issues could affect fair housing in that low-income, blighted areas may be disproportionately occupied by racial and ethnic minorities and large families.

Permitting Processes

The survey also addressed permitting processes as potential barriers to fair housing. Only nine respondents noted limited access to these services as a problem in San Mateo County, but a few left comments that addressed fair housing issues. These reported the following issues:

- Materials primarily available in English, leaving some minority communities out,

- Uneven application of permit requirements between areas,
- Complicated process even for simple permits, sometimes requiring expensive but minor changes to the building; such difficulty with the process discourages owners from making modifications legally, leading to unsafe housing conditions, and
- No permitting process for farm worker housing.

Housing Construction Standards

Barriers to fair housing choice in housing construction standards were also addressed in the survey. Only seven respondents noted fair housing issues in this area, and relevant comments indicated that accessible housing standards are not enforced. In addition, although not specifically related to fair housing, comments suggested that building standards for affordable housing are confusing and discourage its construction, and that in some areas, requirements are not enforced evenly between projects, and some lower-cost multi-family projects do not receive the necessary scrutiny.

Neighborhood or Community Development Policies

Twelve respondents noted awareness of barriers to fair housing choice in neighborhood or community development policies, and specific comments stated that group housing, such as for special needs populations and farm workers, is discouraged in many areas. Additionally, while not related to fair housing on its own, housing costs were mentioned, as well as lack of housing for low-income residents in several cities. One respondent noted a lack of policy or funding encouragement to build or renovate housing.

Limited Access to Government Services

The survey was also used to examine awareness of situations wherein groups faced limited access to government services, including public transportation and employment services. More than a quarter of those who answered the question, 26 respondents, noted limited access to these services as a problem in San Mateo County. Narrative input suggested that while public transit is available in some parts of the County, it is not sufficient due to the following issues:

- It does not extend to many areas that need it,
- The cost may be prohibitive for some working low-wage jobs such as farm workers,
- It may not be available the hours some residents need it, and
- Facilities may not be maintained due to lack of funding, causing accessibility issues.

In addition, employment and health care services were mentioned as needing additional support; respondents commented that these services may not be available to many residents due to their location and hours of service. In addition, some comments said that

services were primarily available to young adults seeking employment, leaving out older adults.

Any Other Public Administrative Actions or Regulations

Respondents were also asked to discuss their awareness of barriers to fair housing in any other public administrative actions or regulations. Nine respondents noted awareness of other issues, although nearly 80 percent of respondents did not know or did not answer. Of those who reported barriers, some related to:

- Lack of education and understanding of countywide housing issues, leading to NIMBYism,
- Lack of funding for legal services to support fair housing rights, and
- Excessive restrictions from regional or neighborhood controls such as HOAs.

SUMMARY

The status of affirmatively furthering fair housing within San Mateo County's public sector was evaluated through review of the placement of several types of assisted housing in the County, the relationship between the location of public transit and assisted housing, and the results of the public sector section of the 2012 Fair Housing Survey.

Evaluation of the distribution of housing vouchers, HUD-assisted rental properties, and other affordable housing in the County demonstrated that these assisted housing options were more plentiful in a few of the larger cities in the County, although some were largely absent from a few tracts with the highest poverty rates. Many of the affordable and HUD-assisted developments were served by public transit, but large areas of the County were not covered despite the location of some low-income housing.

An analysis of the policies and codes of the four entitlement cities, the special focus area of East Palo Alto, and the County of San Mateo showed that all of these jurisdictions have in place some basic housing definitions such as "dwelling unit" and "family," and most are not unfairly restrictive. Almost all communities have policies in place to encourage affordable housing development, and all jurisdictions allow mixed-use housing, with a few offering incentives. No communities define "disability" in their codes, but some provide incentives for the development of accessible housing, and most offer options for persons in need of modifications to policies for reasonable accommodation. Housing for seniors and group housing are incentivized in several communities as well.

Representatives from the planning and zoning departments within the five jurisdictions were interviewed for this AI. While several of the jurisdictions address fair housing issues throughout their Housing Elements, there appeared to be some gaps in the knowledge of some staff interviewed regarding the existence or absence of an official fair housing policy statement. The lack of such knowledge might indicate that more education is needed

among some agency departments. If no fair housing ordinances exist, the creation of a resolution, regulation, or other policy may further support commitment to fair housing practices. Such a policy would define protected classes and discrimination, reinforce fair housing laws, and address rights and responsibilities of all parties.

Results from the public sector section of the 2012 Fair Housing Survey revealed that some respondents in San Mateo County believe there are problematic practices or policies within the public sector. Some respondents noted policies and code enforcement practices that allow for substandard housing conditions, particularly impacting protected class populations, and others suggested that public transit and employment services are lacking. Several comments indicated that public sector policies do not sufficiently allow for housing for large families, disabled persons, and some racial and ethnic minorities, and that development of many types of housing is restricted to less desirable areas.

SECTION VII. PUBLIC INVOLVEMENT

This section discusses analysis of fair housing in San Mateo County as gathered from various public involvement efforts conducted as part of the AI process. Public involvement feedback is a valuable source of qualitative data about impediments, but, as with any data source, citizen comments alone do not necessarily indicate the existence of countywide impediments to fair housing choice. However, survey and forum comments that support findings from other parts of the analysis can more solidly identify impediments to fair housing choice.

FAIR HOUSING SURVEY

As discussed in previous sections, a 2012 Fair Housing Survey comprised a large portion of the public involvement efforts associated with the development of the 2012 AI. While data from the survey regarding policies and practices within the private and public sectors have already been discussed, the remaining survey findings are presented in the narrative below.

The purpose of the 2012 Fair Housing Survey, a relatively qualitative component of the AI, was to gather insight into knowledge, experiences, opinions, and feelings of stakeholders and interested citizens regarding fair housing as well as to gauge the ability of informed and interested parties to understand and affirmatively further fair housing. Many organizations throughout the County were solicited to participate.

A total of 179 persons in San Mateo County completed the survey, which was conducted entirely online. Individuals solicited for participation included representatives of housing groups, minority organizations, disability resource groups, real estate and property management associations, banking entities, fair housing advocates, and other groups involved in the fair housing arena. An identical version of the survey was also offered in Spanish, but no Spanish responses were received. A complete list of responses is included in Appendix E. Other survey results are also discussed in **Sections V and VI**. Narrative responses and practices noted by high numbers of respondents suggest that the issues raised are impediments to fair housing choice.

Respondents of the 2012 Fair Housing Survey were asked to identify their primary role within the housing industry. As shown in Table VII.1, at right, 55 respondents identified themselves as advocates or service providers, while 30 respondents were homeowners, 23 were tenants of rental housing, 17 were in property management, and 16 were representatives of local government.

Role	Total
Advocate/Service Provider	55
Homeowner	30
Renter/Tenant	23
Property management	17
Local government	16
Construction/Development	7
Law/Legal services	7
Real estate	5
Banking/Finance	2
Other (please specify)	12
Missing	5
Total	179

The next question asked respondents about their familiarity with fair housing laws. Results of this question are presented below in Table VII.2. As shown, many respondents, more than 58 percent, indicated that they were somewhat familiar or very familiar with fair housing law, and 20.7 percent said that they were unfamiliar.

Table VII.2		
Familiarity with Fair Housing Laws		
San Mateo County 2012 San Mateo Fair Housing Survey Data		
Familiarity	Respondents	% of Total
Not Familiar	37	20.7%
Somewhat Familiar	69	38.5%
Very Familiar	35	19.6%
Missing	38	21.2%
Total	179	100.0%

Table VII.3, below, shows the responses to a number of questions regarding federal, state, and local fair housing laws. First, respondents were asked to indicate their perceptions of the usefulness of fair housing laws in their communities. As shown, 120 respondents, or nearly 87 percent of those who answered the question, indicated that fair housing laws are useful, and only 4 respondents believed that fair housing laws are not useful.

Respondents were also asked if fair housing laws are difficult to understand or follow. As shown, 45 respondents said that fair housing laws are difficult to understand or follow, which represents a third of respondents who answered this question and indicates that additional education and outreach about fair housing law may be necessary.

The third question of this section inquired if fair housing laws should be changed. More than 25 percent of those who answered this question, or 34 respondents, indicated that fair housing laws should be changed, and written responses suggested the following:

- Modifying the law to provide further enforcement and harsher penalties for violation,
- Requiring more education for the public about fair housing protections, and
- Requiring additional protection or housing options for persons with developmental and physical disabilities.

Table VII.3					
Federal, State, and Local Fair Housing Laws					
San Mateo County 2012 San Mateo Fair Housing Survey Data					
Question	Yes	No	Don't Know	Missing	Total
Do you think fair housing laws are useful?	120	4	14	41	179
Are fair housing laws difficult to understand or follow?	45	58	32	44	179
Do you think fair housing laws should be changed?	34	35	63	47	179
Do you think fair housing laws are adequately enforced?	34	44	55	46	179

The next section in the survey related to fair housing activities, including outreach and education and testing and enforcement. As shown on the following page in Table VII.4, when asked if there was a training process available to learn about fair housing laws, 61 respondents indicated affirmatively, and 52 respondents noted that they had participated in fair housing training; the latter group represents about 29 percent of all respondents to the survey. Respondents were also asked about their awareness of fair housing testing; 30 respondents, or about 17 percent, were aware of such activity.

Questions in this section also invited respondents to gauge the current levels of fair housing activities in their communities. More than half of all respondents who answered the question, 63 persons, suggested that there is too little fair housing outreach and education activity in the County, and only 22 respondents said that outreach and education activities are sufficient. In terms of fair housing testing, about a quarter of those who answered indicated that there is too little testing; however, many respondents, 134, did not appear to understand fair housing testing activities because most said they did not know or opted not to answer the question.

Table VII.4						
Fair Housing Activities						
San Mateo County						
2012 San Mateo Fair Housing Survey Data						
Question	Yes	No	Don't Know	Missing	Total	
Is there a training process available to learn about fair housing laws?	61	55	8	55	179	
Have you participated in fair housing training?	52	26	3	98	179	
Are you aware of any fair housing testing?	30	72	22	55	179	
Testing and Education	Too Little	Right Amount	Too Much	Don't Know	Missing	Total
Is there sufficient fair housing outreach and education?	63	22	1	38	55	179
Is there sufficient fair housing testing?	32	9	4	78	56	179

As part of the process of measuring understanding of fair housing law through the survey instrument, respondents were asked to list their awareness of classes of persons protected by fair housing laws on federal, state, and local levels. Race and disability were offered as examples of protected classes in the question narrative, encouraging respondents to list other protected classes. Results of this question are presented at right in Table VII.5. Some respondents were able to correctly identify several of the protected classes, including sexual orientation, religion, familial status, age, and national origin. Of the respondents, between 24 and 17.9 percent, in descending order, identified these groups. Still, respondents indicated some confusion as to protected classes when several listed marital status, income or low income status, veteran status, and political beliefs as grounds for fair housing protection; these class distinctions have no such protection. In addition, research presented in the literature review section of this document suggests that, nationally, many persons are not able to correctly list classes of persons protected by fair housing law in their community; this generalization may be accurate in San Mateo County as well.

Protected Class	Total
Sexual Orientation	43
Religion/Creed	43
Familial Status	38
Age	37
Gender	32
National Origin	25
Marital Status	21
Sex	18
Income/Low Income	16
Ethnicity	12
Color	10
Ancestry	6
Veteran Status	4
Language Barrier	3
Political Beliefs	3
Illegal Immigrant Status	2
Other	38
Total	351

Respondents were also asked to indicate their awareness of where to refer persons who wish to file a fair housing complaint. Many respondents said that they did not know, but 20 suggested Project Sentinel and 10 suggested the U.S. Department of Housing and Urban Development (HUD), both of whom collect housing complaints. However, many respondents suggested less appropriate avenues such as their city, the housing authority, or the County of San Mateo. These results suggest that, though many respondents indicated they were familiar with fair housing law, few are aware of where to refer a person with a housing complaint. Responses are presented in Table VII.6, below.

Table VII.6	
Fair Housing Violation Referrals	
San Mateo County	
2012 San Mateo Fair Housing Survey Data	
Referral	Total
Don't know	32
Project Sentinel	20
City	13
HUD	10
San Mateo County	8
Legal Aid	8
Housing Authority	6
Department of Housing	4
Court	3
Fair Housing	2
State	2
Would Not Refer	2
Other	8
Total	118

Table VII.7, below, presents tallied responses to survey questions related to the status of fair housing in San Mateo County. First, respondents were asked if they were aware of a fair housing plan in their communities. Many respondents, 44, indicated affirmatively, but another 57, or more than 56 percent of those who answered the question, said that they were not aware of such a plan or did not know.

Respondents were also asked to offer information regarding any specific geographic areas within the County that might have increased fair housing issues. While a number of respondents elected not to answer the question or indicated that they did not know, 24 respondents, nearly a quarter of those who answered, noted that certain geographic areas of the County had fair housing issues. Written comments listed several cities in the southern parts of the County as having more problems, including East Palo Alto, North Fair Oaks, Menlo Park, Atherton, and the more rural areas. However, many of these comments also suggested that cost was a large issue in these areas, and high cost of housing is not necessarily a fair housing issue. Fair housing-specific comments indicated that rather than geographical areas, some property management companies and apartments in particular had fair housing problems.

Table VII.7					
Local Fair Housing					
San Mateo County					
2012 San Mateo Fair Housing Survey Data					
Question	Yes	No	Don't Know	Missing	Total
Are you aware of a fair housing plan in your community?	44	33	24	78	179
Are there geographic areas that have fair housing problems?	24	13	62	80	179

Respondents were also asked to offer any additional comments that they might have regarding fair housing in their communities. Many respondents commented that they were not very familiar with fair housing laws and that the survey had shown them they would benefit from training. Additionally, several comments relating to fair housing issues were noted:

- Need for public sector policy to address the housing needs of farm workers,
- Lack of redevelopment funding, which will increase the competitiveness of affordable fair housing for many residents,
- Discrimination across the County for the disabled and minority racial and ethnic residents, and
- Lack of enforcement of fair housing laws and legal advocacy to address fair housing issues in court.

Any one of the responses presented in the previous pages *on their own* may not necessarily be considered an impediment to fair housing choice, but the high number of “don’t know” or missing responses may be due to a lack of fair housing knowledge among public sector stakeholders. This is more likely an indicator indicate that fair housing outreach and education efforts were insufficient or ineffective, which could represent a persistent impediment to fair housing choice.

FAIR HOUSING FORUMS

Public input opportunities, or fair housing forums, were held in the Redwood City Council Chamber and South San Francisco Municipal Services Building on June 20 and 21, 2012, respectively. The purpose of the forums was to allow the public the chance to learn more about the AI process, including why the AI was conducted, as well as view the preliminary findings. Public involvement was also solicited at the forums, and comments were collected from the attendees. The complete minutes of the forums are presented in Appendix I.

Guests at the forums included housing advocates, representatives of local service agencies, real estate agents, property owners, and others. Discussions and comments at the forums focused on several issues, largely relating to the rental markets. In particular, needs of the following were mentioned:

- Section 8 and disability voucher users who are denied rentals and therefore may face unlawful discrimination based on their source of income,
- Disabled persons on disability assistance who cannot afford large rental deposits or cannot find first-floor or accessibility-compliant apartments,
- Tenants in foreclosed-upon homes who do not receive adequate notice and are evicted; this problem is worse for non-English speakers,
- Laborers in farm labor housing, who may not know or be able to access Project Sentinel or other resources with their fair housing complaints, and

- All renters, because more policies relating to rental housing may be needed.

Among the attendees at both focus groups were Project Sentinel staff, who noted that in recent years the majority of the complaints they have received have been based on disability rather than other protected classes, as in previous years. Staff also acknowledged that Project Sentinel should perform additional outreach to farm laborers, former foster care residents, and other groups that have not been targeted with educational activities but may likely need fair housing assistance. Staff pointed to the AI as an important resource for guidance in directing their limited resources, and stated that, in general, the agency should do more outreach and community collaboration to fully serve the County's residents with fair housing services.

SUMMARY

Public involvement opportunities were an intrinsic part of the development of this AI. Activities included the 2012 Fair Housing Survey to evaluate current fair housing efforts and the two public forums wherein citizens were offered the chance to comment on initial findings of the AI and offer feedback on prospective impediments.

Results of the 2012 Fair Housing Survey showed that the majority of respondents felt that fair housing laws are useful, whereas some respondents were not familiar with fair housing law and few respondents showed familiarity with the classes of persons protected by fair housing law in the County. Many respondents were not aware of appropriate venues to which to refer a victim of housing discrimination. Of the respondents who answered the question, many noted the need for increased fair housing education and outreach activities, and a moderate need was indicated for increased fair housing testing activities. Several respondents expressed that fair housing law should be more carefully enforced, and additional legal services should be available.

The public forums held in Redwood City and South San Francisco in June 2012, allowed citizens and agencies to voice concerns about barriers to fair housing choice. Comments received at these forums focused on rental market issues, such as discrimination toward disabled and Section 8 renters, as well as additional services Project Sentinel may need to provide.

SECTION VIII. SUMMARY OF FINDINGS

This AI reviews both the public and private sector contexts for San Mateo County's housing markets, in order to determine the effects these forces have on housing choice. As part of that review, analysis of demographic, economic, and housing data provide background context for the environments in which housing choices are made. Demographic data indicate the sizes of racial and ethnic populations and other protected classes; economic and employment data show additional factors in influencing housing choice; and counts of housing by type, tenure, quality, and cost indicate the ability of the housing stock to meet the needs of the County's residents.

This contextual review of the factors that influence housing choice is essential to a holistic analysis that covers the variety of challenges that San Mateo County residents exercising a housing choice may face. Once this contextual background analysis has been performed, detailed review of fair housing laws, cases, studies, complaints, and public involvement data can be better supported by the background information. The structure provided by local, state, and federal fair housing laws shapes the complaint and advocacy processes available in the County, as do the services provided by local, state, and federal agencies. Private sector factors in the homeownership and rental markets, such as home mortgage lending practices, have substantive influence on fair housing choice. In the public sector, policies and codes of local governments and a limited location of affordable rental units can significantly affect the housing available in each area, as well as neighborhood and community development trends.

Complaint data and AI public involvement feedback further help define problems and possible impediments to housing choice for persons of protected classes, and confirm suspected findings from the contextual and supporting data. Combined, these diverse sets of data provide a robust analysis identifying impediments to fair housing choice for San Mateo County residents and residents of each of the five jurisdictions.

Alone, findings from any one of the following do not undeniably indicate the existence of an impediment to fair housing choice. However, when combined with results of other AI research, prospective impediments can be found, and in some cases, additional results point directly to the cause of an impediment to fair housing choice.

Socio-Economic Context

Analysis of demographic, economic, and housing data provided background context for the environments in which housing choices are made. Demographic data indicated the sizes of populations and protected classes; economic and employment data showed economic factors; and counts of housing by type, tenure, quality, and cost indicated the ability of the housing stock to meet the needs of the County's residents.

According to the Census Bureau, between 2000 and 2010, the population in San Mateo County grew from 707,161 to 727,209 persons, or by 2.8 percent. Data for population by age showed that the County's population slowly shifted to represent more persons over the age of 55, although the age groups with the largest populations comprised persons aged 5 to 19 and 35 to 54.

Census Bureau data showed that since 2000, the racial and ethnic composition of the County also changed. While the white and black populations decreased by 8.8 and 17.7 percent, respectively, between 2000 and 2010, most racial and ethnic minorities showed increases in population share. Asian, Hispanic, and "other" groups all showed percentage increases of more than 17 percent. Further evaluation of Asian and Hispanic population data, in geographic terms, showed large increases in concentration of these groups in Census tracts in and around several larger cities in the County from 2000 to 2010.

Economic data for San Mateo County demonstrate the impact of the recent recession. Data from the Bureau of Labor Statistics showed that while the labor force—defined as persons either working or looking for work—did not increase significantly from 2000 to 2010, employment figures declined more dramatically after 2008. As a result, the countywide unemployment rate increased to 8.9 percent but varied widely across the County. Data from the Bureau of Economic Analysis showed that average earnings per job in San Mateo County decreased after 2000 and 2005 but remained far above national figures. The poverty rate average in the County was 7 percent from 2006 through 2010, with 48,744 persons considered to be living in poverty. This group was concentrated primarily in and around North Fair Oaks and East Palo Alto.

The number of housing units in the County increased by 3.6 percent between 2000 and 2010, or from 260,576 to 270,039 units. Of the housing units reported in the County in the 2000 Census, more than 66 percent were single-family units, and more recent data from the Census Bureau showed that this percentage remained very similar from 2006 to 2010. The 2010 Census showed that 95.1 percent of units were occupied; of these, 59.4 percent were owner-occupied and 40.6 percent were renter-occupied. Of the 6,473 unoccupied housing units counted in San Mateo County in 2000, 1,440 were "other vacant" units, which are not available to the marketplace and can contribute to blighting influences. However, data from the 2010 Census showed that the percentage of this type of unit increased by more than 120 percent, to 3,173 units. At the time of the 2000 Census, 4.8 percent of households were overcrowded and another 7.4 percent were severely overcrowded; this housing problem was more common in renter households than in owner households. In 2000, 0.5 and 0.8 percent of all households were lacking complete plumbing or kitchen facilities, respectively, and the number of incomplete kitchen facilities had increased in more recent data. Additionally, in 2000, 21 percent of households had a cost burden and 13.9 percent of households had a severe cost burden, and 2006 to 2010 data averages showed that both of these percentages had increased since 2000.

Average rental costs increased moderately from 2000 to 2010, and were highest in some of the entitlement cities and around major highways, as shown in geographic maps. The median home value of owner-occupied homes increased dramatically over that period, and was highest in large, low-population density tracts.

Review of Fair Housing Laws, Studies, and Cases

A review of laws, studies, cases, and related materials relevant to fair housing in San Mateo County demonstrated the complexity of the fair housing landscape. The fair housing laws in the State of California offer protections beyond the scope of the federal Fair Housing Act to protect persons based on sexual orientation, ancestry, source of income, marital status, and in some cases, age. Review of fair housing cases in San Mateo County revealed issues of unlawful racial and gender-based discrimination in the rental housing market.

Fair Housing Structure

A review of the fair housing profile in San Mateo County revealed that several organizations provide fair housing services, including outreach and education, complaint intake, and testing and enforcement activities for both providers and consumers of housing. These organizations include HUD, the California Department of Fair Employment and Housing (DFEH), and Project Sentinel.

Fair Housing in the Private Sector

Evaluation of the private housing sector included review of home mortgage loan application information, as well as mortgage lending practices, fair housing complaint data, and results from the private sector section of the 2012 Fair Housing Survey.

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in home mortgage application denial rates in San Mateo County by race, ethnicity, sex, income, and Census tract. Evaluation of home purchase loan applications from 2004 through 2010 showed that there were 55,516 loan originations and 14,321 loan denials, for a seven-year average loan denial rate of 20.5 percent. Denial rates fell from 24.9 percent in 2006 to 15 percent in 2010. These HMDA data also showed that American Indian, black, and Hispanic applicants experienced higher rates of loan denials than white or Asian applicants, even after correcting for income in most cases. Further, these more frequently denied racial and ethnic groups may have been disproportionately impacted in some specific areas of the County.

Analysis of originated loans with high annual percentage rates showed that American Indian, black, and Hispanic populations were also disproportionately issued these types of lower-quality loan products. Hispanic borrowers experienced a rate more than three times that of white applicants, and American Indian and black borrowers saw rates more than

double the 10.8 percent rate for white applicants. With high proportions of low-quality, high-annual percentage rate loans being issued to these particular groups, the burden of foreclosure may fall more heavily upon them.

Analysis of data from the Community Reinvestment Act (CRA), which is intended to encourage investment in low- and moderate-income areas, showed that business loans did not tend to be directed toward the areas with lower incomes in San Mateo County as frequently as they were toward higher income areas.

Fair housing complaint data was requested from HUD, the DEEH, and Project Sentinel, the County's local fair housing advocacy organization. HUD data showed that 221 fair housing-related complaints were filed in the County from 2004 through March 2012. The number of complaints filed with this agency varied by year, ranging from 21 to 36. The protected classes most impacted by discrimination, based on successfully conciliated complaints, were disability and familial status, and the most common complaint issues related to:

- Discriminatory refusal to rent or negotiate for rental;
- Failure to make reasonable accommodation;
- Discriminatory refusal to rent;
- Discriminatory terms, conditions, or privileges relating to rental; and
- Discriminatory terms, conditions, privileges, or services and facilities.

Results from the private sector portion of the 2012 Fair Housing Survey, conducted from April to mid-July 2012 as part of the AI process, showed that some respondents saw possible issues of housing discrimination in San Mateo County's private housing sector. Issues described by respondents regarding the rental markets suggested that landlords discriminate based on race, ethnicity, familial status, and disability; this problem may be worse for individual landlords renting single-family homes. In the home sales and lending markets, respondents noted discrimination and steering based on race on the part of real estate agents, predatory lending based on race, and discrimination for persons buying homes in minority areas.

Fair Housing in the Public Sector

The status of affirmatively furthering fair housing within San Mateo County's public sector was evaluated through review of the placement of several types of assisted housing in the County, the relationship between the location of public transit and assisted housing, and the results of the public sector section of the 2012 Fair Housing Survey.

Evaluation of the distribution of housing vouchers, HUD-assisted rental properties, and other affordable housing in the County demonstrated that these assisted housing options were more plentiful in a few of the larger cities in the County, although some were largely absent from a few tracts with the highest poverty rates. Many of the affordable and HUD-

assisted developments were served by public transit, but large areas of the County were not covered despite the location of some low-income housing.

An analysis of the policies and codes of the four entitlement cities, the special focus area of East Palo Alto, and the County of San Mateo showed that all of these jurisdictions have in place some basic housing definitions such as “dwelling unit” and “family,” and most are not unfairly restrictive. Almost all communities have policies in place to encourage affordable housing development, and all jurisdictions allow mixed-use housing, with a few offering incentives. No communities define “disability” in their codes, but some provide incentives for the development of accessible housing, and most offer options for persons in need of modifications to policies for reasonable accommodation. Housing for seniors and group housing are incentivized in several communities as well.

Representatives from the planning and zoning departments within the five jurisdictions were interviewed for this AI. While several of the jurisdictions address fair housing issues throughout their Housing Elements, there appeared to be some gaps in the knowledge of some staff interviewed regarding the existence or absence of an official fair housing policy statement. The lack of such knowledge might indicate that more education is needed among some agency departments. If no fair housing ordinances exist, the creation of a resolution, regulation, or other policy may further support commitment to fair housing practices. Such a policy would define protected classes and discrimination, reinforce fair housing laws, and address rights and responsibilities of all parties.

Results from the public sector section of the 2012 Fair Housing Survey revealed that some respondents in San Mateo County believe there are problematic practices or policies within the public sector. Some respondents noted policies and code enforcement practices that allow for substandard housing conditions, particularly impacting protected class populations, and others suggested that public transit and employment services are lacking. Several comments indicated that public sector policies do not sufficiently allow for housing for large families, disabled persons, and some racial and ethnic minorities, and that development of many types of housing is restricted to less desirable areas.

Public Involvement

Public involvement opportunities were an intrinsic part of the development of this AI. Activities included the 2012 Fair Housing Survey to evaluate current fair housing efforts and the two public forums wherein citizens were offered the chance to comment on initial findings of the AI and offer feedback on prospective impediments.

Results of the 2012 Fair Housing Survey showed that the majority of respondents felt that fair housing laws are useful, whereas some respondents were not familiar with fair housing law and few respondents showed familiarity with the classes of persons protected by fair housing law in the County. Many respondents were not aware of appropriate venues to

which to refer a victim of housing discrimination. Of the respondents who answered the question, many noted the need for increased fair housing education and outreach activities, and a moderate need was indicated for increased fair housing testing activities. Several respondents expressed that fair housing law should be more carefully enforced, and additional legal services should be available.

The public forums held in Redwood City and South San Francisco in June 2012, allowed citizens and agencies to voice concerns about barriers to fair housing choice. Comments received at these forums focused on rental market issues, such as discrimination toward disabled and Section 8 renters, as well as additional services Project Sentinel may need to provide.

SECTION IX. IMPEDIMENTS AND SUGGESTED ACTIONS

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD's) housing and community development programs. In exchange for receiving federal funds from HUD, the County of San Mateo and the Cities of Daly City, South San Francisco, San Mateo, and Redwood City ("the five jurisdictions") certify that they are affirmatively furthering fair housing. The requirements of such certification comprise the following elements:

1. Conduct an Analysis of Impediments to Fair Housing Choice,
2. Take actions to remedy impediments if impediments are identified, and
3. Maintain records of the analysis and actions taken.

This report, which represents the first element in the certification process noted above, has resulted in the finding of several impediments to fair housing choice. HUD defines impediments to fair housing choice, reprinted here from the *Fair Housing Planning Guide*, page 2-8, as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices [and]
- Any actions, omissions, or decisions which have [this] effect.¹⁰²

While several issues within the housing market were uncovered in the process of conducting this AI, only issues that qualify as impediments to fair housing choice were included based on the definition printed immediately above, albeit with the inclusion of the additional classes of persons protected by state law.

The identified impediments are listed on the following pages for both the private and public sectors and are accompanied by specific actions that the five jurisdictions will follow in an attempt to remedy these issues.¹⁰³

Presented first are the impediments seen across the County, with descriptions of where in the research they were evidenced. The countywide list includes all of the impediments noted in any of the four entitlement cities or the remainder of the County.

Following each list of private and public sector impediments is a matrix documenting the impediment, data source that indicated its existence, protected classes most affected, and level of need for action. Impediments that were identified in only one data source, such as

¹⁰² U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. *Fair Housing Planning Guide*. Vol. 1, p. 2-8. http://www.hud.gov/offices/cpd/about/conplan/fairhousingexs/Module5_TopSevenAFFH.pdf

¹⁰³ Specific details regarding funding activities and timelines will be included in the next Annual Action Plan.

the review of HUD complaint data, were indicated as having a relatively low need for action. Impediments found in two to three data sources were deemed to be of medium need, and impediments documented in four areas of research were noted to be of high need for action. Corresponding to each set of geographically based impediments, matrices were produced for the entire County, each entitlement city, and the remainder of the County.

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

SAN MATEO COUNTY (SUMMARY OF THE FIVE ENTITLEMENT JURISDICTIONS)

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . The existence of this impediment was suggested in the HUD and Project Sentinel complaint data, respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Discriminatory refusal to rent or negotiate for rental. The existence of this impediment was suggested in the review of complaints filed with HUD and Project Sentinel; it was the most common complaint filed with Project Sentinel and the second most common complaint filed with HUD.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: Increase number of testing and enforcement activities conducted

Action 2.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 2.2: Increase number of outreach and education activities conducted

Action 2.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 2.3: Increase number of outreach and education activities conducted

Impediment 3: Failure to make reasonable accommodation or modification. The existence of this impediment was suggested in the review of complaints filed with Project Sentinel, from the responses to the 2012 Fair Housing Survey, and through the topics discussed at the Fair Housing Forums, particularly in regard to persons with disabilities.

Action 3.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted

Action 3.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 3.2: Increase number of training sessions conducted

Impediment 4: Statement of preferences in advertising for rental properties. Evidence of this impediment was found through a review of two existing cases of fair housing law violations, as well as a review of complaints filed with HUD Project Sentinel.

Action 4.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 4.1: Increase number of testing and enforcement activities conducted

Action 4.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 4.2: Increase number of outreach and education activities conducted

Impediment 5: Discriminatory patterns in home purchase loan denials. Evidence of this impediment was seen in the HMDA data, which indicated higher denial rates among racial and ethnic minorities, even when correcting for income, as well as higher denial rates for women applicants.

Action 5.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 5.1: Increase number of outreach and education activities conducted

Impediment 6: Discriminatory patterns in predatory lending. Evidence of this impediment was seen in the HMDA data, which showed higher rates of subprime loans among black, American Indian, and Hispanic applicants. It was also indicated in respondents' answers provided in the 2012 Fair Housing Survey, who felt that racial and ethnic minorities were disproportionately offered subprime loans.

Action 6.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 6.1: Increase number of outreach and education activities conducted

Impediment 7: Steering in residential real estate market. This impediment was suggested in some responses to the 2012 Fair Housing Survey, particularly in relation to race and ethnicity.

Action 7.1: Conduct education, outreach, and enforcement with real estate agents

Measurable Objective 7.1: Increase number of education, outreach, and enforcement activities conducted

Impediment 8: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in the County went disproportionately to areas with more than 80 percent of the median family income.

Action 8.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 8.1: Increase number of monitoring activities conducted

Action 8.2: Explore ways to engage the investment community and encourage the development of a countywide investment approach that benefits protected classes

Measurable Objective 8.2.a: Increase number of discussions held

Measurable Objective 8.2.b: Develop plan or approach

Measurable Objective 8.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in respondents' answers to the 2012 Fair Housing Survey.

Action 2.1: Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, responses to the 2012 Fair Housing Survey, comments made during the Fair Housing Forums, and other stakeholder feedback, which suggested that more targeted activities may be needed to address the needs of the five jurisdictions.

Action 3.1: Work with Project Sentinel to improve documentation of activities such as testing and enforcement and focus on sensitive populations

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

Impediment 4: Insufficient commitment by some local governments to affirmatively furthering fair housing choice. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and in review of the five jurisdictions' planning policies; while some staff could cite practices or incentives that serve protected class populations, no clear, official fair housing statements could be found outside some of the jurisdictions' housing elements or departments.

Action 4.1: Review, create, enhance, or improve fair housing ordinance, resolution, policy, or other commitment to affirmatively furthering fair housing, such as a fair housing ordinance that defines protected classes and discrimination, reinforces fair housing laws, and addresses rights and responsibilities of parties

Measurable Objective 4.1: Present policies or other methods to Board of Supervisors

Action 4.2: Educate local government staff about fair housing regulations and the agency's jurisdiction-wide commitment

Measurable Objective 4.2: Increase number of education activities conducted

Action 4.3: Increase monitoring and enforcement of policies that affirmatively further fair housing choice, such as accessibility requirements

Measurable Objective 4.3: Increase number of monitoring and enforcement activities conducted compared to past

Impediment 5: Land use policies that may lead to racial and ethnic segregation. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other stakeholder feedback. In addition, Census Bureau data illustrated that disproportionate shares of racial and ethnic groups existed in particular parts of the County.

Action 5.1: Perform a neighborhood analysis of the current locations of affordable, assisted, and multi-family housing to identify overconcentration of racial and ethnic minorities

Measurable Objective 5.1: Increase number of analyses conducted

Action 5.2: Evaluate and implement policies that consider the racial and socio-economic impacts of affordable housing placement

Measurable Objective 5.2: Increase number and quality of policies implemented

Impediment 6: Unequal access to public services such as public transit, health care, and employment services. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other sources. 2012 Fair Housing Survey respondents indicated that employment services were limited and difficult to access with public transportation, and geographic analysis of transit routes showed limited availability in some areas.

Action 6.1: Evaluate planning decisions in relation to placement and availability of government services

Measurable Objective 6.1: Increase number of decisions and policies reviewed

Action 7.2: Create and implement policies that respond to community needs and serve protected classes equitably

Measurable Objective 6.2: Increase number of policies and services

Table IX.1 Impediments Matrix San Mateo County 2012 AI Data											
Impediment	Source									Protected Classes Most Affected	Need for Action
	Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ¹⁰⁴		
Private Sector											
1	Discriminatory terms, conditions, privileges, or services and facilities in the rental markets					X	X			All	Med
2	Discriminatory refusal to rent or negotiate for rental					X				All	Low
3	Failure to make reasonable accommodation or modification					X	X			Disability	Med
4	Statement of preferences in advertising for rental properties		X			X				Age, familial status, religion	Med
5	Discriminatory patterns in home purchase loan denials			X						Race, color, national origin, sex	Low
6	Discriminatory patterns in predatory lending			X			X			Race, color, national origin	Med
7	Steering in residential real estate market						X			Race, color, national origin	Low
8	Unequal distribution of small business loans				X					All	Low
Public Sector											
1	Lack of 2012 HUD funding for Project Sentinel		X							All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel						X			All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel						X	X	X	All	High
4	Insufficient commitment by some local governments to affirmatively furthering fair housing choice						X		X	All	Med
5	Land use policies that may lead to racial and ethnic segregation	X ¹⁰⁵					X		X	All	Med
6	Unequal access to public services such as public transit						X		X	All	Med

¹⁰⁴ Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

¹⁰⁵ Census Bureau data, presented in tabular and geographic map form, indicate if concentrations of many protected class populations exist within the jurisdiction. They do not demonstrate that an impediment exists; rather, they identify areas where discrimination may have led to disproportionate concentration.

DALY CITY**Private Sector Impediments, Suggested Actions, and Measurable Objectives**

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . The existence of this impediment was suggested in the HUD and Project Sentinel complaint data, Daly City respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums regarding Daly City.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Discriminatory refusal to rent or negotiate for rental. The existence of this impediment was suggested in the HUD and Project Sentinel complaint data as the most common complaint filed with both entities in Daly City.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: Increase number of testing and enforcement activities conducted

Action 2.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 2.2: Increase number of outreach and education activities conducted

Action 2.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 2.3: Increase number of outreach and education activities conducted

Impediment 3: Failure to make reasonable accommodation or modification. The existence of this impediment was suggested in the HUD and Project Sentinel complaint data, from Daly City respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums regarding Daly City, particularly in regard to persons with disabilities.

Action 3.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted

Action 3.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 3.2: Increase number of training sessions conducted

Impediment 4: Discriminatory patterns in home purchase loan denials. Evidence of this impediment was seen in the HMDA denial rate data, which indicated slightly higher denial rates among black, American Indian, Hispanic, and female applicants in Daly City.

Action 4.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 4.1: Increase number of outreach and education activities conducted

Impediment 5: Discriminatory patterns in predatory lending. This impediment was suggested by the HMDA data, which showed higher rates of subprime loans among American Indian and Hispanic applicants, as well as answers provided in the 2012 Fair Housing Survey.

Action 5.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 5.1: Increase number of outreach and education activities conducted

Impediment 6: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in Daly City went disproportionately to areas with more than 80 percent of the median family income.

Action 6.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 7.1: Increase number of monitoring activities conducted

Action 6.2: Discuss findings with bankers' association and local jurisdictions to encourage the development of a countywide investment approach

Measurable Objective 6.2.a: Increase number of discussions held

Measurable Objective 6.2.b: Development of plan or approach

Measurable Objective 6.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in Daly City respondents' answers to the 2012 Fair Housing Survey.

Action 2.1: Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, in responses to the 2012 Fair Housing Survey, in comments made during the Fair Housing Forums in regard to Daly City, and in other stakeholder feedback.

Action 3.1: Improve documentation of activities such as testing and enforcement

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

Table IX.2 Impediments Matrix Daly City 2012 AI Data											
Impediment	Source									Protected Classes Most Affected	Need for Action
	Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ¹⁰⁶		
Private Sector											
1	Discriminatory terms, conditions, privileges, or services and facilities in the rental markets					X	X	X		All	Med
2	Discriminatory refusal to rent or negotiate for rental					X				All	Low
3	Failure to make reasonable accommodation or modification					X	X	X		Disability	Med
4	Discriminatory patterns in home purchase loan denials			X						Race, color, national origin, sex	Low
5	Discriminatory patterns in predatory lending			X			X			Race, color, national origin	Med
6	Unequal distribution of small business loans				X					All	Low
Public Sector											
1	Lack of 2012 HUD funding for Project Sentinel		X							All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel						X			All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel		X				X	X	X	All	High

¹⁰⁶ Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

SOUTH SAN FRANCISCO

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . The existence of this impediment was suggested in South San Francisco respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums regarding South San Francisco.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Discriminatory refusal to rent or negotiate for rental. Evidence of this impediment was seen in HUD and Project Sentinel complaint data.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: Increase number of testing and enforcement activities conducted

Action 2.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 2.2: Increase number of outreach and education activities conducted

Action 2.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 2.3: Increase number of outreach and education activities conducted

Impediment 3: Failure to make reasonable accommodation or modification. Evidence of this impediment was seen in HUD and Project Sentinel complaint data and comments received at the Fair Housing Forums, particularly in regard to persons with disabilities.

Action 3.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted
Action 3.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 3.2: Increase number of training sessions conducted

Impediment 4: Discriminatory patterns in predatory lending. This impediment was suggested by the HMDA data, which indicated higher rates of subprime loans among Hispanic applicants in South San Francisco, as well as in responses to the 2012 Fair Housing Survey.

Action 4.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 4.1: Increase number of outreach and education activities conducted

Impediment 5: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in South San Francisco went disproportionately to areas with more than 80 percent of the median family income.

Action 5.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 6.1: Increase number of monitoring activities conducted

Action 5.2: Discuss findings with bankers' association and local jurisdictions to encourage the development of a countywide investment approach

Measurable Objective 5.2.a: Increase number of discussions held

Measurable Objective 5.2.b: Development of plan or approach

Measurable Objective 5.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in South San Francisco respondents' answers to the 2012 Fair Housing Survey.

Action 2.1: Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, in responses to the 2012 Fair Housing Survey, in comments made during the Fair Housing Forums in regard to South San Francisco, and in other stakeholder feedback.

Action 3.1: Improve documentation of activities such as testing and enforcement

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

<p align="center">Table IX.3 Impediments Matrix South San Francisco 2012 AI Data</p>												
Impediment	Source									Protected Classes Most Affected	Need for Action	
	Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ¹⁰⁷			
Private Sector												
1	Discriminatory terms, conditions, privileges, or services and facilities in the rental markets						X	X			All	Med
2	Discriminatory refusal to rent or negotiate for rental					X					All	Low
3	Failure to make reasonable accommodation or modification					X		X			Disability	Med
4	Discriminatory patterns in predatory lending			X			X				Race, color, national origin	Med
5	Unequal distribution of small business loans				X						All	Low
Public Sector												
1	Lack of 2012 HUD funding for Project Sentinel	X									All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel						X				All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel	X					X	X	X		All	High

¹⁰⁷ Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

CITY OF SAN MATEO

Private Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . Evidence of this impediment was seen HUD and Project Sentinel complaint data.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Failure to make reasonable accommodation or modification. The existence of this impediment was suggested in HUD and Project Sentinel complaint data, City of San Mateo respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums, particularly in regard to persons with disabilities.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted

Action 2.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 2.3: Increase number of training sessions conducted

Impediment 3: Discriminatory patterns in home purchase loan denials. Evidence of this impediment was seen in the HMDA denial rate data, which indicated higher denial rates among Hispanic applicants in the City of San Mateo.

Action 3.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 3.1: Increase number of outreach and education activities conducted

Impediment 4: Discriminatory patterns in predatory lending. This impediment was suggested by the HMDA data, which indicated higher rates of subprime loans among black, American Indian, and Hispanic applicants in the City of San Mateo. Responses to the 2012 Fair Housing Survey also suggested this issue.

Action 4.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 4.1: Increase number of outreach and education activities conducted

Impediment 5: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in the County went disproportionately to areas with more than 80 percent of the median family income.

Action 5.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 5.1: Increase number of monitoring activities conducted

Action 5.2: Discuss findings with bankers' association and local jurisdictions to encourage the development of a countywide investment approach

Measurable Objective 5.2.a: Increase number of discussions held

Measurable Objective 5.2.b: Development of plan or approach

Measurable Objective 5.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in the City of San Mateo respondents' answers to the 2012 Fair Housing Survey.

Action 2.1: Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, in responses to the 2012 Fair Housing Survey, in comments made during the Fair Housing Forums in regard to the City of San Mateo, and in other stakeholder feedback.

Action 3.1: Improve documentation of activities such as testing and enforcement

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

Table IX.4 Impediments Matrix City of San Mateo 2012 AI Data												
Impediment	Source									Protected Classes Most Affected	Need for Action	
	Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ¹⁰⁸			
Private Sector												
1	Discriminatory refusal to rent or negotiate for rental					X					All	Low
2	Failure to make reasonable accommodation or modification					X	X	X			Disability	Med
3	Discriminatory patterns in home purchase loan denials				X						Color, national origin	Low
4	Discriminatory patterns in predatory lending				X		X				Race, color, national origin	Med
5	Unequal distribution of small business loans					X					All	Low
Public Sector												
1	Lack of 2012 HUD funding for Project Sentinel		X								All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel						X				All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel		X				X	X	X		All	High

¹⁰⁸ Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

REDWOOD CITY**Private Sector Impediments, Suggested Actions, and Measurable Objectives**

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . Evidence of this impediment was seen in HUD and Project Sentinel complaint data and comments received in the Fair Housing Forums regarding Redwood City.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Discriminatory refusal to rent or negotiate for rental. Evidence of this impediment was seen in the review of HUD and Project Sentinel complaint data.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: Increase number of testing and enforcement activities conducted

Action 2.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 2.2: Increase number of outreach and education activities conducted

Action 2.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 2.3: Increase number of outreach and education activities conducted

Impediment 3: Failure to make reasonable accommodation or modification. Evidence of this impediment was seen in HUD and Project Sentinel complaint data and in comments during the Fair Housing Forums, particularly in regard to persons with disabilities.

Action 3.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted

Action 3.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 3.2: Increase number of training sessions conducted

Impediment 4: Discriminatory patterns in home purchase loan denials. Evidence of this impediment was seen in HMDA data which indicated higher denial rates among black, American Indian, and Hispanic applicants in Redwood City.

Action 4.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 4.1: Increase number of outreach and education activities conducted

Impediment 5: Discriminatory patterns in predatory lending. Evidence of this impediment was seen in HMDA data, which showed higher rates of subprime loans among black, American Indian, and Hispanic applicants in Redwood City.

Action 5.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 5.1: Increase number of outreach and education activities conducted

Impediment 6: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in Redwood City went disproportionately to areas with more than 80 percent of the median family income.

Action 6.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 6.1: Increase number of monitoring activities conducted

Action 6.2: Discuss findings with bankers' association and local jurisdictions to encourage the development of a countywide investment approach

Measurable Objective 6.2.a: Increase number of discussions held

Measurable Objective 6.2.b: Development of plan or approach

Measurable Objective 6.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in Redwood City respondents' answers to the 2012 Fair Housing Survey. *Action 2.1:* Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, in responses to the 2012 Fair Housing Survey, in comments made during the Fair Housing Forums in regard to Redwood City, and in other stakeholder feedback.

Action 3.1: Improve documentation of activities such as testing and enforcement

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

Impediment 4: Insufficient commitment to affirmatively furthering fair housing choice. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other stakeholder feedback. Redwood City staff did not know of any policies or codes for affirmatively furthering fair housing practices, nor a fair housing ordinance or resolution.

Action 4.1: Review, create, enhance, or improve fair housing ordinance, resolution, policy, or other commitment to affirmatively furthering fair housing, such as a fair housing ordinance that defines protected classes and discrimination,

reinforces fair housing laws, and addresses rights and responsibilities of parties

Measurable Objective 4.1: Present policies to City Council

Action 4.2: Educate local government staff about fair housing regulations and the agency's jurisdiction-wide commitment

Measurable Objective 4.2: Increase number of education activities conducted

Action 4.3: Increase monitoring and enforcement of policies that affirmatively further fair housing choice, such as accessibility requirements

Measurable Objective 4.3: Increase number of monitoring and enforcement activities conducted compared to past

Impediment 5: Land use policies that may lead to racial and ethnic segregation. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other stakeholder feedback. In addition, Census Bureau data illustrated that disproportionate shares of racial and ethnic groups existed in particular parts of the Redwood City.

Action 5.1: Analyze the current locations and surrounding areas of affordable, assisted, and multi-family housing to identify overconcentration of racial and ethnic minorities

Measurable Objective 5.1: Increase number of areas analyzed

Action 5.2: Evaluate and implement policies that consider the racial and socio-economic impacts of affordable housing placement

Measurable Objective 5.2: Increase number and quality of policies implemented

Table IX.5 Impediments Matrix Redwood City 2012 AI Data												
Impediment		Source								Protected Classes Most Affected		Need for Action
		Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ¹⁰⁹		
Private Sector												
1	Discriminatory terms, conditions, privileges, or services and facilities in the rental markets						X		X		All	Med
2	Discriminatory refusal to rent or negotiate for rental						X				All	Low
3	Failure to make reasonable accommodation or modification						X		X		Disability	Med
4	Discriminatory patterns in home purchase loan denials				X						Race, color, national origin	Low
5	Discriminatory patterns in predatory lending				X						Race, color, national origin	Low
6	Unequal distribution of small business loans					X					All	Low
Public Sector												
1	Lack of 2012 HUD funding for Project Sentinel		X								All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel							X			All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel		X					X	X	X	All	High
4	Insufficient commitment to affirmatively furthering fair housing choice							X		X	All	Med
5	Land use policies that may lead to racial and ethnic segregation	X ¹¹⁰						X		X	All	Med

¹⁰⁹ Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

¹¹⁰ Census Bureau data, presented in tabular and geographic map form, indicate if concentrations of many protected class populations exist within the jurisdiction. They do not demonstrate that an impediment exists; rather, they identify areas where discrimination may have led to disproportionate concentration.

REMAINDER OF SAN MATEO COUNTY**Private Sector Impediments, Suggested Actions, and Measurable Objectives**

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets . The existence of this impediment was suggested HUD and Project Sentinel complaint data, respondents' answers to the 2012 Fair Housing Survey, and comments received at the Fair Housing Forums.

Action 1.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 1.1: Increase number of testing and enforcement activities conducted

Action 1.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 1.2: Increase number of outreach and education activities conducted

Action 1.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 1.3: Increase number of outreach and education activities conducted

Impediment 2: Discriminatory refusal to rent or negotiate for rental. Evidence of this impediment was seen in the HUD and Project Sentinel complaint data as the most common complaint filed with both entities in the remainder of the County.

Action 2.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 2.1: Increase number of testing and enforcement activities conducted

Action 2.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 2.2: Increase number of outreach and education activities conducted

Action 2.3: Continue to educate housing consumers in fair housing rights

Measurable Objective 2.3: Increase number of outreach and education activities conducted

Impediment 3: Failure to make reasonable accommodation or modification. The existence of this impediment was suggested in the HUD and Project Sentinel complaint data, from respondents' answers to the 2012 Fair Housing Survey, and

comments received at the Fair Housing Forums, particularly in regard to persons with disabilities.

Action 3.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 3.1: Increase number of testing and enforcement activities conducted

Action 3.2: Educate housing providers about requirements for reasonable accommodation or modification

Measurable Objective 3.2: Increase number of training sessions conducted

Impediment 4: Statement of preferences in advertising for rental properties. Evidence of this impediment was seen in the HUD and Project Sentinel complaint data.

Action 4.1: Enhance testing and enforcement activities and document the outcomes of enforcement actions

Measurable Objective 4.1: Increase number of testing and enforcement activities conducted

Action 4.2: Continue to educate landlords and property management companies about fair housing law

Measurable Objective 4.2: Increase number of outreach and education activities conducted

Impediment 5: Discriminatory patterns in home purchase loan denials. Evidence of this impediment was seen in the HMDA denial rate data, which indicated higher denial rates among minority and women applicants in the remainder of the County.

Action 5.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 5.1: Increase number of outreach and education activities conducted

Impediment 6: Discriminatory patterns in predatory lending. This impediment was suggested by the HMDA data, which indicated higher rates of subprime loans among black, American Indian, and Hispanic applicants in the remainder of the County. Responses to the 2012 Fair Housing Survey indicated this issue as well.

Action 6.1: Educate buyers through credit counseling and home purchase training

Measurable Objective 6.1: Increase number of outreach and education activities conducted

Impediment 7: Unequal distribution of small business loans. Evidence of this impediment was seen in the CRA data, which indicated that small business loans in the remainder of the County went disproportionately to areas with more than 80 percent of the median family income.

Action 7.1: Monitor Community Reinvestment Act lending practices

Measurable Objective 7.1: Increase number of monitoring activities conducted

Action 7.2: Discuss findings with bankers' association and local jurisdictions to encourage the development of a countywide investment approach

Measurable Objective 7.2.a: Increase number of discussions held

Measurable Objective 7.2.b: Development of plan or approach

Measurable Objective 7.2.c: Increase number of incentives or other tools offered by jurisdictions

Public Sector Impediments, Suggested Actions, and Measurable Objectives

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency. Project Sentinel did not receive HUD funding in 2012 for testing, investigation, and other fair housing projects, as seen in the review of the fair housing structure.

Action 1.1: Work with Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012

Measurable Objective 1.1: Increase number of causes identified and resolved

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel. The existence of this impediment was suggested in the respondents' answers to the 2012 Fair Housing Survey in regard to the remainder of the County.

Action 2.1: Work with Project Sentinel to evaluate current fair housing outreach and education efforts and identify improvements to make them more effective

Measurable Objective 2.1: Increase number of improvements identified and implemented

Action 2.2: Enhance fair housing outreach and education activities

Measurable Objective 2.2: Increase number and quality of activities compared to past

Measurable Objective 2.3: Increase outreach and education in a variety of languages and formats to increase availability

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel. The existence of this impediment was suggested in the review of the fair housing structure, in responses to the 2012 Fair Housing Survey, in comments made

during the Fair Housing Forums in regard to the remainder of the County, and in other stakeholder feedback.

Action 3.1: Improve documentation of activities such as testing and enforcement

Measurable Objective 3.1.a: Increase number of activities documented compared to numbers from previous years

Measurable Objective 3.1.b: Improvements in documentation compared to past

Impediment 4: Insufficient commitment by some local governments to affirmatively furthering fair housing choice. The existence of this impediment was suggested in respondents' answers to the 2012 Fair Housing Survey in regard to the remainder of the County as well as in review of the five jurisdictions' planning policies; while some staff could cite practices or incentives that serve protected class populations, no clear, official fair housing statements could be found outside some of the jurisdictions' housing elements or departments.

Action 4.1: Review, create, enhance, or improve fair housing ordinance, resolution, policy, or other commitment to affirmatively furthering fair housing, such as a fair housing ordinance that defines protected classes and discrimination, reinforces fair housing laws, and addresses rights and responsibilities of parties

Measureable Objective 4.1: Present policies to Board of Supervisors

Action 4.2: Educate local government staff about fair housing regulations and the agency's jurisdiction-wide commitment

Measurable Objective 4.2: Increase number of education activities conducted

Action 4.3: Increase monitoring and enforcement of policies that affirmatively further fair housing choice, such as accessibility requirements

Measurable Objective 4.3: Increase number of monitoring and enforcement activities conducted compared to past

Impediment 5: Land use policies that may lead to racial and ethnic segregation. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other stakeholder feedback. In addition, Census Bureau data illustrated that disproportionate shares of racial and ethnic groups existed in particular parts of the remainder of the County.

Action 5.1: Analyze the current locations and surrounding areas of affordable, assisted, and multi-family housing to identify overconcentration of racial and ethnic minorities

Measurable Objective 5.1: Increase number of areas analyzed

Action 5.2: Evaluate and implement policies that consider the racial and socio-economic impacts of affordable housing placement

Measurable Objective 5.2: Increase number and quality of policies implemented

Impediment 6: Unequal access to public services such as public transit, health care, and employment services. The existence of this impediment was suggested in responses to the 2012 Fair Housing Survey and other stakeholder responses. Both sources indicated a severe lack of access to public transportation in the remainder of the County.

Action 6.1: Evaluate planning decisions in relation to placement and availability of government services

Measurable Objective 6.1: Increase number of decisions and policies reviewed

Action 6.2: Create and implement policies that respond to community needs and serve protected classes equitably

Measurable Objective 6.2: Increase number of policies and services

Table IX.6 Impediments Matrix Remainder of County 2012 AI Data												
Impediment	Source										Protected Classes Most Affected	Need for Action
	Census Data	Review of Fair Housing Structure	Literature/Case Review	HMDA Data	CRA Data	Housing Complaint Review	Fair Housing Survey	Fair Housing Forums	Other ¹¹¹			
Private Sector												
1	Discriminatory terms, conditions, privileges, or services and facilities in the rental markets					X	X	X			All	Med
2	Discriminatory refusal to rent or negotiate for rental					X					All	Low
3	Failure to make reasonable accommodation or modification					X	X	X			Disability	Med
4	Statement of preferences in advertising for rental properties					X					Age, familial status, religion	Low
5	Discriminatory patterns in home purchase loan denials				X						Race, color, national origin, sex	Low
6	Discriminatory patterns in predatory lending				X			X			Race, color, national origin	Med
7	Unequal distribution of small business loans					X					All	Low
Public Sector												
1	Lack of 2012 HUD funding for Project Sentinel		X								All	Low
2	Ineffective fair housing outreach and education efforts by Project Sentinel							X			All	Low
3	Failure to adequately document fair housing activities done by Project Sentinel		X					X	X	X	All	High
4	Insufficient commitment by some local governments to affirmatively furthering fair housing choice							X			All	Low
5	Land use policies that may lead to racial and ethnic segregation	X ¹¹²						X		X	All	Med
6	Unequal access to public services such as public transit							X		X	All	Med

¹¹¹ Other sources of data regarding possible issues or impediments include interviews with planning and other staff at the entitlement jurisdictions, geographic data from local sources, additional stakeholder feedback, and any other data sources that informed specific, focused parts of the AI.

¹¹² Census Bureau data, presented in tabular and geographic map form, indicate if concentrations of many protected class populations exist within the jurisdiction. They do not demonstrate that an impediment exists; rather, they identify areas where discrimination may have led to disproportionate concentration.

SECTION X. GLOSSARY

Accessible housing: Housing designed to allow easier access for physically disabled or vision impaired persons.

ACS: American Community Survey

AI: Analysis of Impediments to Fair Housing Choice

AMI: Area median income

BEA: Bureau of Economic Analysis

BLS: Bureau of Labor Statistics

CDBG: Community Development Block Grant

Census tract: Census tract boundaries are updated with each decennial census. They are drawn based on population size and ideally represent approximately the same number of persons for each tract.

Consolidated Plan: Consolidated Plan for Housing and Community Development

Cost burden: Occurs when a household has gross housing costs that range from 30 to 49.9 percent of gross household income.

County of San Mateo: Refers to the governmental agency providing information for and action in response to this AI. For the geographic area, see **San Mateo County**.

CRA: Community Reinvestment Act

Disability: A lasting physical, mental, or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes him or her from being able to go outside the home alone or to work.

Disproportionate share: Exists when the percentage of a population is 10 percentage points or more above the study area average.

DOJ: U.S. Department of Justice

ESG: Emergency Shelter Grants

Fannie Mae: Federal National Mortgage Association (FNMA), a government-sponsored enterprise that purchases mortgages from lenders and repackages them as mortgage-backed securities for investors.

Family: A family is a group of two people or more related by birth, marriage, or adoption and residing together.

Five Jurisdictions: The County of San Mateo and the Cities of Daly City, South San Francisco, San Mateo, and Redwood City.

FFIEC: Federal Financial Institutions Examination Council

FHAP: Fair Housing Assistance Program

FHEO: Fair Housing and Equal Opportunity

FHIP: Fair Housing Initiative Program

Floor area ratio: The ratio of the total floor area of a building to the land on which it is situated, or the limit imposed on such a ratio.

Freddie Mac: Federal Home Loan Mortgage Corporation (FHLMC), a government-sponsored enterprise that purchases mortgages from lenders and repackages them as mortgage-backed securities for investors.

GAO: U.S. General Accounting Office

Gross housing costs: For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent and electricity or natural gas energy charges.

HAL: High annual percentage rate (APR) loan, defined as more than three percentage points higher than comparable treasury rates for home purchase loans, or five percentage points higher for refinance loans.¹¹³

HMDA: Home Mortgage Disclosure Act

HOME: HOME Investment Partnerships

HOPWA: Housing Opportunities for Persons with AIDS

Household: A household consists of all the people who occupy a housing unit. A house, an apartment or other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live with any other persons in the structure and there is direct access from the outside or through a common hall.

Housing problems: Overcrowding, incomplete plumbing or kitchen facilities, or cost burdens

HUD: U.S. Department of Housing and Urban Development

Incomplete kitchen facilities: A housing unit is classified as lacking complete kitchen facilities when any of the following are not present: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

Incomplete plumbing facilities: A housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower.

Labor force: The total number of persons working or looking for work

MFI: Median family income

Mixed-use development: The use of a building, set of buildings, or neighborhood for more than one purpose.

MSA: Metropolitan Statistical Area

NIMBYism: "Not in my backyard" mentality among community members, often in protest of affordable or multi-family housing.

Other vacant units: Housing units that are not for sale or rent

Overcrowding: Overcrowding occurs when a housing unit has more than one to 1.5 persons per room.

Poverty: The Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using Consumer Price Index (CPI-U). The official poverty definition uses money

¹¹³ 12 CFR Part 203, http://www.ffiec.gov/hmda/pdf/regc_020702.pdf

income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps).

Predatory loans: As defined by the Predatory Lending Consumer Protection Act of 2002 as well as the Home Owner Equity Protection Act (HOEPA), loans are considered predatory based on:

1. If they are HOEPA loans;¹¹⁴
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of HALs. For full definition, see **HAL**.

Project Sentinel: A nonprofit organization whose function is to assist individuals with fair housing, housing affordability, and other housing issues in Northern California. The Redwood City office of Project Sentinel serves San Mateo County.

Protected Class: Group of people protected from discrimination and harassment. California residents are protected from housing discrimination based on race, sex, religion, familial status, disability, national origin, color, sexual orientation, ancestry, age, source of income, and marital status.

Public housing: Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

RDA: Redevelopment agency

San Mateo County: Refers to the entire geographic area of San Mateo County, including Daly City, South San Francisco, San Mateo, and Redwood City, as well as the non-entitlement cities and the unincorporated areas. For the governmental agency, see **County of San Mateo**.

Severe cost burden: Occurs when gross housing costs represent 50 percent or more of gross household income.

Severe overcrowding: Occurs when a housing unit has more than 1.5 persons per room.

Steering: Actions of real estate agents or landlords to discourage a prospective buyer or tenant from seeing or selecting properties in certain areas due to their racial or ethnic composition.

Tenure: The status by which a housing unit is held. A housing unit is "owned" if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is "owned" only if the owner or co-owner lives in it. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

¹¹⁴ Loans are subject to the HOEPA if they impose rates or fees above a certain threshold set by the Federal Reserve Board. "HMDA Glossary." <http://www.ffiec.gov/hmda/glossary.htm#H>

SECTION XI. FAIR HOUSING ACTION PLAN

City of South San Francisco Fair Housing Action Plan Adopted May 1, 2013 by Resolution #36-2013

INTRODUCTION

As a requirement of receiving funds under the Community Development Block Grant (CDBG) Program, the City of South San Francisco must submit certification of affirmatively furthering fair housing to the U.S. Department of Housing and Urban Development (HUD). This certification has three elements:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified, and
3. Maintain records reflecting the actions taken in response to the analysis.

In 2012, the City of South San Francisco, along with the County of San Mateo and the participating entitlement cities of Daly City, San Mateo, and Redwood City jointly developed an Analysis of Impediments to Fair Housing Choice (AI).

The City used the private and public sector impediments and suggested actions identified in the AI to develop its Fair Housing Action Plan. Below describes the actions the City will take to overcome the effects of the identified impediments. The plan and the actions described are also incorporated into the City's Five Year Consolidated Plan (2013-2017) and will be updated, as needed. The City will also maintain records of the actions that have been taken to address the impediments listed below.

PRIVATE SECTOR IMPEDIMENTS & ACTIONS

Impediment 1: Discriminatory terms, conditions, privileges, or services and facilities in the rental markets.

Action 1.1: Continue to support testing and enforcement activities and document the outcomes of enforcement actions

Action 1.2: Continue to support efforts to educate landlords and property management companies about fair housing law

Action 1.3: Continue to support efforts to educate housing consumers in fair housing rights

Impediment 2: Discriminatory refusal to rent or negotiate for rental.

Action 2.1: Continue to support testing and enforcement activities and document the outcomes of enforcement actions

Action 2.2: Continue to support efforts to educate landlords and property management companies about fair housing law

Action 2.3: Continue to support efforts to educate housing consumers in fair housing rights

Impediment 3: Failure to make reasonable accommodation or modification.

Action 3.1: Continue to support testing and enforcement activities and document the outcomes of enforcement actions

Action 3.2: Support efforts to educate housing providers about requirements for reasonable accommodation or modification

Impediment 4: Discriminatory patterns in predatory lending.

Action 4.1: Support efforts by outside groups to educate buyers through credit counseling and home purchase training

Impediment 5: Unequal distribution of small business loans.

The City of South San Francisco does not have the capacity or resources to monitor or enforce equal distribution of small business loans however should an opportunity become available to do so, the City would consider it.

Action 5.1: Support efforts by outside groups to monitor small business loan distributions

PUBLIC SECTOR IMPEDIMENTS & ACTIONS

Impediment 1: Lack of 2012 HUD funding for Project Sentinel, local Fair Housing Initiative Program agency.

Action 1.1: Encourage Project Sentinel to identify and evaluate causes of denial of HUD funding in 2012 and to diversify its funding sources

Impediment 2: Ineffective fair housing outreach and education efforts by Project Sentinel.

Action 2.1: Collaborate with the County and other entitlement jurisdictions to evaluate Project Sentinel's current fair housing outreach and education efforts and to identify improvements to make them more effective

Action 2.2: Support efforts to enhance fair housing outreach and education activities

Impediment 3: Failure to adequately document fair housing activities done by Project Sentinel.

Action 3.1: Require Project Sentinel to improve documentation of activities such as testing and enforcement