

# EXECUTIVE SUMMARY

## INTRODUCTION

The Los Angeles Housing Department (LAHD) and the Housing Authority of the City of Los Angeles (HACLA) collaborated and retained Mosaic Community Planning to produce this joint 2023-2028 Assessment of Fair Housing (AFH) for Los Angeles. This AFH contains an extensive examination of the barriers to fair housing choice and access to housing opportunities. The U.S. Department of Housing and Urban Development's (HUD) 2015 final rule on Affirmatively Furthering Fair Housing (AFFH) for jurisdictions who participate in HUD programs defined AFFH as taking meaningful actions, beyond combating housing discrimination, that overcome patterns of racial segregation and foster inclusive communities free from barriers that restrict access to opportunity. AFFH requires that jurisdictions promote fair housing choices and provide opportunities for racially and ethnically inclusive patterns of housing occupancy, identify structural and systemic barriers to fair housing choice, and promote housing that is physically accessible and usable by persons with disabilities.

This 2023-2028 Assessment of Fair Housing builds on previous fair housing work completed for Los Angeles, including the City's 2018-2023 Assessment of Fair Housing and its 2021 Housing Element Assessment of Fair Housing analysis. The 2023-2028 AFH also helps to inform the goals set forth in the City's 2023-2027 Consolidated Plan which demonstrates how the City will maximize federal grants that the City receives annually from HUD to address areas of the City with the greatest need. This AFH follows HUD's Assessment of Fair Housing requirements and includes elements of HUD's proposed Equity Plan. This AFH also examines local fair housing enforcement, existing laws and resources, government supported housing, and fair housing issues for persons with disabilities. The AFH concludes with Goals and Strategies to address these fair housing issues.

## COMMUNITY ENGAGEMENT

An important component of the Los Angeles Assessment of Fair Housing involved conducting a robust community engagement process to gather input regarding fair and affordable housing needs and conditions, community development activities, and access to opportunity and resources in Los Angeles. Meaningful engagement with residents and stakeholders included holding community meetings, stakeholder forums, one-on-one sessions with different City and County department representatives, and distributing community-wide surveys. Priorities identified during the public engagement process were instrumental in guiding the AFH, including the development of the five-year goals and strategies. Discussion topics included barriers to fair housing, housing discrimination, access to opportunity, and fair housing resources.

This section of the AFH provides an overview of the community engagement activities conducted for the AFH, identifies themes heard through the community outreach effort, and summarizes responses from various discussion sessions and public surveys. Complete survey results and evidence of outreach materials are found in the appendix.

## COMMUNITY MEETINGS

**Residents:** Through a series of seven virtual community meetings, a total of 120 attendees raised concerns regarding housing discrimination and housing barriers experienced by low-income renters in Los Angeles. There are concerns related to

gentrification, displacement and rising rental rates across the City. Existing housing services and resources are not widely known or easily identifiable; existing ordinances need more enforcement; enforcement has not been adequately funded and tenants have been subject to discrimination based on their income, race, sex, disability status, etc.; homelessness has increased dramatically and will continue to increase as more unhoused people are seen on the streets; existing rent subsidy programs are insufficiently funded and difficult to navigate; rents continue to increase or have not been reduced to more affordable rates; and evictions are increasing.

**Service providers, community based organizations, and housing providers:** A total of 252 attendees participated in meetings and raised fair housing issues that included insufficient income as a barrier to housing putting residents at risk of discrimination when seeking housing and barriers related to existing housing programs, rental assistance, and other services provided by the City that are insufficient, need better coordination and need to be better explained to potential participants. In addition, there is a need for expanded protections for vulnerable community members such as domestic violence survivors, unhoused community members, LGBTQ+ residents, transgender, gender non-conforming, and intersex (TGI) residents, undocumented individuals, and Black, Indigenous, People of Color (BIPOC) residents. Source of income discrimination and poorly maintained housing were also provided as barriers to fair housing.

**Focus groups:** The City and non-profit partner agencies held 12 focus group meetings both virtually and in person throughout Los Angeles. The goal was to engage and capture feedback from people and places traditionally underrepresented in large-scale public engagement efforts, particularly low-income people, Black, Latinx, Indigenous, Asian American, and Pacific Islander communities, seniors, and youth. The focus groups identified the following themes: Housing is not affordable for most protected groups because of historic and current systemic racism. Available housing is uninhabitable and far away from resources like food, education, green space, and cultural networks. Neighborhood improvements result in community displacement and unregulated development. People with different physical, emotional, and social abilities still face significant challenges in accessing housing. Some participants felt abandoned, underinformed and lacked faith in existing systems and programs.

## SURVEYS

**Community member resident survey:** A Housing and Community Needs Survey was made available to City residents in seven languages electronically on the project website and on paper. A total of 500 responses were received. The community survey asked residents and stakeholders about barriers to fair housing access, affordable housing needs, and provision of public services in the City. Key themes and findings about housing affordability and disparities in access to community assets include: the lack of affordable housing as a top concern, the shortage of available housing that is accessible to persons with disabilities, and suitable for large families and senior residents, and the need to be in proximity to work opportunities. Other than high rents, most surveyed like or are at least satisfied with their neighborhood overall. When asked about the availability of housing in Los Angeles, the majority of survey respondents noted the following in order of need: affordable housing, homeownership assistance, Section 8 voucher acceptance, housing suitable for children and persons with disabilities, and senior housing.

Almost forty percent of survey respondents reported experiencing housing discrimination when searching for housing in Los Angeles. Over 78.4% of respondents who have experienced housing discrimination in Los Angeles noted they were discriminated against by a landlord or property manager. Over 29.5% noted they were discriminated against by a City or County staff person.

The following reasons for discrimination were the most common among responses in order of occurrence: race, source of income, age, ethnicity, disability, familial status, sex, and language.

**Agency and organization survey:** A Housing and Community Needs Survey for the City's service providers and agency/organization representatives asked questions about fair housing barriers for those they serve - 75 responses included these major barriers to fair housing: discrimination from housing providers, displacement due to high housing costs, lack of affordable housing, and lack of housing options for persons with disabilities and seniors, the underinvestment in neighborhoods throughout Los Angeles, most often in Black and other communities of color.

## SEGREGATION AND ACCESS TO COMMUNITY ASSETS

While very diverse, Los Angeles is extremely segregated among ethnic and racial groups, and limited English proficient (LEP) groups. Segregation is considered low when there are similar portions of racial and ethnic groups in a census tract or similar small geographic area. According to HUD's data, Los Angeles' segregation is high between Black or African American and white residents, and high between Hispanic or Latino and white residents. In relation to the City's segregationist history, the AFH examined disparities in access to community assets.

Access to community assets is lacking for Black or African American residents and Hispanic or Latino residents in environmentally healthy neighborhoods, health care, fresh food, education, reliable broadband/Wi-Fi, employment, household income, proximity to jobs, and access to vehicles.

An analysis of the high cost of housing in Los Angeles found it restricts access to housing for the City's lower-income households, which are disproportionately, Black or African American, and Hispanic or Latino. Housing subsidy programs are not effective tools in addressing high housing costs as discrimination against Section 8 vouchers continues to be pervasive despite legal protections. Discrimination against Section 8 vouchers disproportionately impacts Black or African American and Hispanic or Latino voucher holders as they also face higher levels of discrimination based on race, ethnicity, or national origin.

**Environmental health of Los Angeles' neighborhoods:** Exposure to pollution and proximity of toxic sites create negative health outcomes for residents living nearby and constitute fair housing issues when they disproportionately impact protected classes. Twenty-one Los Angeles census tracts have extremely high levels of pollution burden and are located in neighborhoods with substantial numbers of Blacks or African Americans and Hispanics or Latinos. Los Angeles neighborhoods with lower pollution burdens tend to be located within or adjacent to the City's racially concentrated areas of affluence.

**Health care including mental health care:** City residents who struggle to pay for housing or have unsafe or unstable housing are less likely to have access to healthcare including mental health care and struggle with negative health outcomes. Housing discrimination also contributes to negative health outcomes.

**Grocery stores and fresh food:** In 2023, the number of households in Los Angeles County experiencing food insecurity jumped to one in three, with rates more than two times higher among Hispanic or Latino and Black or African American residents than among white residents. Healthy and fresh food retailers are almost nonexistent in some neighborhoods with Black or African American and Hispanic or Latino populations. Lack of access to vehicles is also a contributing factor.

Several disparities in access to opportunity by race and ethnicity in Los Angeles were noted, in particular, Black or African American, Hispanic, or Latino, Asian, and Native American residents have significantly less access to proficient schools, lower levels of labor market engagement, and less access to low poverty neighborhoods, than do white residents. East and South Los Angeles have low access ratings for school proficiency, employment opportunities, healthcare, and healthy food. Disparities in broadband (Internet) access reduce residents' access to employment, education, and other enrichment programs. Los Angeles implemented the Get Connected Los Angeles site to increase broadband access. In 2024, Los Angeles became the first city in the nation to pass an anti-digital discrimination law.

The AFH addresses fair housing barriers that deny access for persons with disabilities including the need for reliable and accessible transportation. The City's Safe Sidewalks LA program to make sidewalks compliant with the Americans with Disabilities Act was implemented but much of the repair work remains to be done. The AFH also examines the availability of accessible schools and educational programs and employment opportunities. LAHD's Accessible Housing Program is designed to ensure people with disabilities have equal opportunities to rent, use, and enjoy affordable, accessible housing.

**Access to affordable housing opportunities:** Housing Authority of the City of Los Angeles (HACLA) administers the City's public housing and Section 8 voucher programs. The City of Los Angeles Housing Department also maintains some affordable housing projects and programs. Several City ordinances have been enacted or expanded to regulate rent increases and evictions, especially due to the crisis created by the COVID-19 pandemic. Annual rent increases were prohibited for most rental units from March 30, 2020 through January 31, 2024.

The AFH provides data on the City's housing needs by race, ethnicity, familial status, geography, public housing agency (PHA) assistance, and other housing needs. More than half (55%) of all Angeleno households have at least one housing problem. A large percentage of housing owners and renters report being cost burdened and 17% of renters also report overcrowding. Households that include persons with disabilities have an even greater likelihood of experiencing housing problems. Black or African American households, closely followed by Hispanic or Latino households, have the highest incidence of cost burden (spending more than 30% of income on housing) and were most likely to have at least one housing problem. The extreme shortage of affordable housing in the City of Los Angeles has led to an ongoing homelessness crisis. In 2022, Mayor Karen Bass declared a state of emergency and issued executive directives to address homelessness.

**Access to homeownership and economic opportunity:** In the discussion on access to homeownership, the AFH found past and present impediments to access have had a significant impact on the homeownership rates of Black or African American and Hispanic or Latino populations. The AFH provides mapping based on 2020 U.S. Census Tract data showing that in Los Angeles, white households have the highest homeownership rate at 47%, followed by Asian households at 38%. Thirty percent (30%) of Hispanic or Latino households own their own homes, while Black or African American homeownership rate is 25% and Pacific Islander homeownership rate is at 24%. In Los Angeles, the majority of homeowners (59%) are over 75 years old while just 12% of homeowners are under 35. The San Fernando Valley section of the City contains neighborhoods with the highest share of homeownership at 73% of units owner occupied. Neighborhoods in Central Los Angeles have the highest renter rates with over 86% of units being renter occupied. Households that are Black or African American, Pacific Islander, immigrant – particularly from Mexico or Central America – or have a person with a disability are more likely to experience barriers to homeownership opportunities.

The City of Los Angeles offers three programs for first-time home buyers which include the Low-Income Purchase Assistance (LIPA), Moderate-Income Purchase Assistance (MIPA), and Mortgage Credit Certificate (MCC).

The AFH describes other access to homeownership issues as barriers to fair housing including the lack of access to credit, affordable financial services, reputable financial counselling, and steady employment with livable wages. Financial literacy and credit resources are provided by various City, Los Angeles County and non-profit financial programs in efforts to address these barriers.

**Access to fair real estate appraisals and valuations:** The AFH describes redlining and the devaluation of Black or African American homes and neighborhoods as race-based barriers to fair housing that continue today with appraisal bias against Black owned homes. In L.A. County, recent research found that appraisal bias was more likely to occur with white appraisers undervaluing Black or African American and Hispanic or Latino owned homes. These homes in majority-Black or African American and Hispanic or Latino communities are twice as likely to be under-appraised.

## FAIR HOUSING POLICIES AND PRACTICES

The AFH examines factors that have had a fair housing impact on the location and use of housing in Los Angeles. Factors include those impacting segregation, integration, and access to affordable housing are discussed. This analysis contains a description of the policies, practices and programs of the City's Public Housing Agency, the Housing Authority of the City of Los Angeles (HACLA).

This section examines the discriminatory history of zoning in Los Angeles including the pervasiveness of racially restrictive covenants in most Los Angeles deeds which, while illegal today, continue to impact economic and job opportunities, housing choice and residential wealth-building opportunities, educational attainment, and health and life outcomes of generations of families who were victims of public and private exclusion from the neighborhoods of their choice.

The AFH describes the City's recently enacted laws implemented to extend the coverage of fair housing and eviction defense protections to those facing discrimination and potential housing loss due to their use of a Section 8 voucher or loss of income due to COVID-19 or bad relationship with a landlord who harasses them. These laws include a Source of Income (including Section 8) protection for tenants who use rental assistance and attention on education, enforcement, and programs that protect tenants from direct or indirect displacement/eviction from affordable housing, including:

- **RSO Rent Control Enforcement:** Regulates rent increases and evictions for covered properties and requires relocation assistance for evicted tenants.
- **Ellis Act Enforcement:** L.A. has passed ordinances to better protect tenants from displacement caused by Ellis Act evictions.
- **Just Cause Eviction Protection Program:** Further limits the reasons for legal termination of a residential tenancy and provides for higher relocation assistance.
- **Home Sharing Ordinance (HSO) Enforcement:** Prevents the conversion of dwelling units into short-term rentals.

- **Eviction Defense Program:** Educates landlords and tenants of their rights and responsibilities under the various COVID-19 emergency orders, grants short-term rental assistance, and provides pre-eviction and ongoing legal assistance.
- **Tenant Anti-Harassment Ordinance (TAHO):** Holds abusive landlords accountable for manipulating, threatening, or harassing tenants into constructive evictions (or voluntary abandonment).
- **Affordable Housing Unit Replacement Enforcement:** The City enforces the “no net loss” and the affordable housing replacement requirements under the California Housing Crisis Act of 2019 (as amended by SB 8) for development incentive programs (State Density Bonus Law, Transit-Oriented Communities, etc.), existing units identified on the City’s 2021-2029 Housing Element’s Inventory of Sites list, discretionary multifamily projects under SB 330 (2019), and ministerial (by-right) projects. Owners of proposed housing developments subject to the replacement obligations must complete a Replacement Unit Determination application (SB 8 RUD).
- **Tenant Right of Return Enforcement:** Low-income tenants of applicable “protected units” have the right to remain prior to planned demolition, a right to relocation benefits and the right to return.
- **Tenant Habitability Ordinance (THO) Enforcement:** Requires an approved tenant habitability plan and relocation plan during renovations.
- **Unpermitted Dwelling Unit Ordinance:** Provides a voluntary process for bringing certain unpermitted units in multifamily buildings into compliance with zoning and building code regulations and includes safety and affordability requirements.
- **Nonpayment Threshold Ordinance:** Tenants owing less than one month’s worth of fair market rent cannot be evicted for nonpayment of rent.
- **Relocation Assistance for Economic Displacement Ordinance:** Requires landlords to provide relocation assistance to tenants forced to leave due to a rent increase by more than 10%, or 5% plus inflation. The relocation payment will generally be three times the fair market rent of the unit (based on the HUD figures) plus \$1,411 in moving costs.

In addition, as temporary pandemic-related protections expired, the City replaced emergency orders with more permanent support systems. The City has adopted ordinances and programs to help preserve existing housing units and help keep tenants from being displaced from their homes and communities. The City also passed Measure United to House LA (ULA) to address its homelessness crisis by providing rental assistance and further funding for affordable housing production.

## FAIR HOUSING COMPLAINTS, INVESTIGATIONS, COMPLIANCE AND ENFORCEMENT

In this section, the AFH describes three significant federal cases related to the City’s fair housing obligations. A False Claims Act lawsuit against the City and two ADA/FHA accessibility cases under settlement agreements allege the City and its now defunct Redevelopment Agency falsely certified compliance with federal accessibility laws—including Section 504 of the Rehabilitation Act, the Fair Housing Act, and the duty to affirmatively further fair housing—in connection with claims submitted to HUD for housing grants. The other two related cases have settlement agreements requiring the City to produce or retrofit

thousands of affordable housing units. The City also established the Accessible Housing Program (AcHP) to implement and manage its obligations under the settlement agreements.

The AFH describes other significant fair housing advocacy efforts and partnerships to combat housing discrimination by accepting and investigating complaints and by filing complaints and taking legal action when necessary. The Housing Rights Center received almost 8,000 complaints and inquiries into housing discrimination in Los Angeles between 2016 and 2022. The majority of these discrimination complaints and inquiries were based on physical and mental disability, then familial status, race, gender, national origin, source of income, sexual orientation, religion, age, and marital status.

In this section, the AFH describes fair housing rights under federal, state and local laws.

To assist in resolving civil rights enforcement cases, the City adopted the Civil and Human Rights Ordinance in 2019. The ordinance prohibits discrimination in the City of Los Angeles, in private employment, housing, education, and commerce based on a person's actual or perceived race, color, ethnicity, creed, age, national origin, religion, citizenship status, gender, gender identity or expression, sexual orientation, disability, medical condition, genetic information, marital status, partnership status, employment status, source of income, military status, veteran status, or primary language. Additionally, the City established the Civil and Human Rights Commission. In December of 2020, the City established the Los Angeles Civil + Human Rights and Equity Department (CHRED) to ensure greater accountability for local housing providers and relief and protection for tenants and prospective homebuyers. The CHRED can investigate some fair housing violations.

The AFH provides the list of preferences HACLA uses when administering its Section 8 Housing Choice Voucher program. It also provides HACLA's Reasonable Accommodation Rules which apply to all HACLA clients and programs administered by HACLA for both physical alterations to tenant units or common areas and exceptions, changes, or adjustments to program rules and policies. For Section 8 tenant-based vouchers, clients are required to obtain owner's approval before making any physical modification to units/common areas. Depending on the situation, it may be the responsibility of the client or the owner to pay for the modification. For HACLA owned units, HACLA offers available and accessible units to eligible program applicants with a disability first.

## FAIR HOUSING ISSUES, GOALS AND STRATEGIES

The AFH Plan provides these five specific goals for affirmatively furthering fair housing:

### **Goal 1: Increase Access to and Supply of Affordable Housing, Especially in Higher Opportunity Areas, Where High Housing Costs are a Significant Barrier.**

More than half of Los Angeles renters pay more than 30% of their income on housing. A severe shortage of affordable housing has led to a pressing need for increased production of affordable housing, accessible housing, and increased access to existing affordability opportunities.

### **Goal 2: Preserve and Maintain the Quality of Existing Affordable Housing, Including Subsidized and RSO Units.**

Quality affordable housing is an issue in any major city, but is of particular concern in Los Angeles, where the majority of renters report issues including cost burdens, overcrowding, or a lack of complete kitchen or plumbing facilities. Residents most likely to

face housing discrimination, including Hispanic or Latino renters, Black or African American renters, households with a member with a disability, and elderly households, are also more likely to be impacted by housing problems.

### **Goal 3: Prevent Displacement of People in Protected Classes and Low- and Moderate-Income Households.**

As described in Goals #1 and #2, the severe need for affordable housing in Los Angeles means that both new development and preservation of existing affordable units are crucial for the City to provide an adequate supply of housing for its residents. Along with these goals, the City must also protect residents' abilities to remain in the housing of their choice once they have secured a unit. While this need for housing stability exists citywide, it is especially prominent in gentrifying neighborhoods, where rising housing costs have the potential to displace existing residents who are disproportionately Black or African American and Hispanic or Latino compared to demographics citywide.

### **Goal 4: Ensure Equal Access to Housing for People in Protected Classes, Extremely Low- to Moderate-Income Households, and People Experiencing Homelessness.**

As described in Goal #1, housing needs related to affordability disproportionately impact several groups in Los Angeles, including Hispanic or Latino households, Black or African American households, foreign-born residents, people with disabilities, seniors, and lower-income households. Many of these groups also face difficulty accessing housing of their choice due to discrimination, discriminatory barriers, housing segregation, and a lack of access to resources or services. Available housing stock shortages increase barriers for extremely low- to moderate-income households, as well as highly discriminated populations including BIPOC residents, LGBTQ+ individuals, seniors, and people with disabilities. Some landlords are using stricter acceptance measures including higher income and credit score requirements and requiring no criminal record to qualify for a rental unit. Homeownership is also unobtainable for many households, particularly for BIPOC residents, who experience barriers such as reduced access to home loans, other predatory lending practices, discrimination in home appraisals, and real estate steering and redlining.

### **Goal 5: Expand Access to Opportunity and Community Assets in Neighborhoods with Limited Resources.**

Residents of the City's R/ECAPs and other high-poverty areas tend to have lower levels of access to community resources and opportunities, impacting a range of outcomes including residents' health, life expectancy, and financial wellbeing. Driven by a history of inequitable distribution of resources and City policies promoting residential segregation, the need for neighborhood investment is particularly acute in parts of East, Central, and South L.A. and the San Fernando Valley that have the highest poverty rates and lowest levels of access to vital resources such as high-performing schools, employment, environmental quality, fresh food retailers, healthcare, and parks and open space. Access to affordable transportation is notably limited in parts of West and North Los Angeles. Certain segments of the City face lower levels of access to high-quality community facilities, infrastructure, resources, and services.

Together, these indicators show that a lack of access to high-quality community facilities, resources, and services in some areas of the City restrict access to fair housing choice by limiting opportunity for residents. To address disparities in community resources and associated lack of access to opportunity, community members during the AFH process called for continued investment in neighborhood services, facilities, and infrastructure in these communities.