



# Memorandum

**TO:** CITY COUNCIL

**FROM:** Vice Mayor Chappie Jones, Council Member Magdalena Carrasco

**SUBJECT:** ASSESSMENT of FAIR HOUSING

**DATE:** June 4, 2021

---

**APPROVED:** *Chappie Jones*

**DATE:** June 4, 2021

*Magdalena Carrasco*

---

## RECOMMENDATIONS

Accept staff recommendation and include the following:

1. Extend the timeline of the draft Assessment of Fair Housing (AFH) Plan to no earlier than November 2021 to allow Staff adequate time to gather extensive community outreach on Fair Housing prior to presenting strategies to the Housing and Community Development Commission.
2. When staff returns to Council with a draft Assessment of Fair Housing (AFH) Plan, evaluate and include:
  - a. a specific strategy that increases African American and Latino home ownership opportunities, considering any best practices or guidance that may be developed by the US Department of Housing and Urban Development (HUD); and
  - b. evaluate local, state and federal funding, and identify which sources are eligible to support the proposed home ownership opportunities program.
  - c. An analysis on how creative land use policies that increase historically marginalized communities in areas of opportunity can work to address fair housing.
3. Expand Anti Retaliation Policy based on the findings that discrimination is continuing to take place and stems from various factors (race, gender, size of family.)
4. Conduct further analysis on housing conditions among low-income tenants of color, develop policy to address this issue including mechanisms of enforcement for landlords unwilling to address properties/units experiencing poor habitability.
5. Evaluation of current anti-displacement strategies as it relates to the findings of this report.

## **BACKGROUND**

More than 60 years after passage of the California Fair Employment and Housing Act of 1959 and 50 years after passage of the Federal Fair Housing Act of 1968, segregation remains remarkably high and has led to unfair burdens on Latino and Black people, even when they have the same income or education levels as Whites. Based on the data included in staff's report, it is apparent that housing segregation poses one of the largest threats to racial equity in our City, state, and nation.

Typically, higher levels of education and income translate into access to high-opportunity neighborhoods and the possibility of accumulating greater wealth. In the case of African Americans, residential segregation has clearly impeded access to housing and neighborhoods with strong schools and strongly appreciating home values, thereby preventing them from participating in economic empowerment opportunities and access to high-quality education, employment, transit, and adequate healthcare.

According to local author Richard Rothstein of "The Color of Law: A Forgotten History of How Our government Segregated America," by the time the Fair Housing Act was passed, the patterns of segregation had been firmly entrenched through rezoning and racially exclusive deeds across the country. Unfortunately, simply passing a Fair Housing Act did not enable Latinos and African Americans to have access to neighborhoods from which they had been excluded. They continued to lose opportunities to build their wealth, unlike white working-class families who were able to purchase homes at affordable prices and build their generational wealth over the years. Today, the US Census shows that in San Jose, only 21% of Black or African American households are homeowners, compared with 36.6% Latino or Hispanic and 63.5% of Non-Hispanic White households.<sup>1</sup>

While Whites continued to benefit from equity appreciation in past decades, Latinos and African Americans were prohibited from moving to the suburbs, lived in rented apartments, and thus gained none of that appreciation. As indicated in the staff report, it is likely that over the years, Latinos and African Americans were inherently displaced from our City. In 1990, Blacks made up 4.7% of our population<sup>2</sup>; today, that population has declined by nearly half and continues to be impacted disproportionately in its housing needs, health, and income levels. For example, while Blacks or African Americans make up 2.5% of our population today, they experience:

- homelessness at 16% and over six times their general population;
- health inequities; for example, their COVID-19 death rate is significantly higher when compared to their general population, whites and other communities of color; and
- income levels at 61% of White incomes, and wealth at 5 to 7 percent of White wealth<sup>3</sup>.

Latinos are facing high displacement rates due to economic and educational barriers, further exacerbated by the pandemic. The spirit of this memo bridges together the shared experiences of

---

<sup>1</sup> 2019 5-yr American Community Survey (ACS) conducted by the US Census, <https://www.census.gov/programs-surveys/acs>.

<sup>2</sup> Bay Area Census, <http://www.bayareacensus.ca.gov/cities/SanJose70.htm>.

<sup>3</sup> Valerie Wilson, "Racial Disparities in Income and Poverty Remain Largely Unchanged Amid Strong Income Growth in 2019," Economic Policy Institute, September 16, 2020, <https://www.epi.org/blog/racial-disparities-in-income-and-poverty-remain-largely-unchanged-amid-strong-income-growth-in-2019/>.

the Black and Latino communities in San José, specifically emphasizing the rapid rate at which they experience displacement.

The Latino and Black community has deep roots in San José, and we need to make sure we strengthen those roots for generations to come.

Regarding funding, it is likely it may be available through local, state, or federal opportunities, especially considering the recent direction issued by the Biden Administration as an effort to address racial discrimination in housing. The US Department of Housing and Urban Development is expected to appropriate \$100 million towards an initiative to increase black homeownership in traditionally redlined neighborhoods.

It is obvious that historical legacies and failed policies have created racial inequities in housing long before COVID-19. We commend the Housing Department for their leadership and due diligence in bringing forward a proposal to provide an AFH plan. They have provided us with an opportunity to address systemic racism in our housing policies and repair the harms that have resulted in racial segregation, displacement, and inequitable communities across our City.

Foremost, we would like to acknowledge the leadership of a group of stakeholders, made up of faith-based organizations and community partners, that approached us to forge an ongoing, fair and equitable partnership with the African American and African Ancestry communities of San José. The Black Agenda Committee includes such organizations as African American Community Services Agency, Unity Care, Ujima Adult and Family Services, PARTI Program, San Jose State University, Minority Business Consortium, and PACT. Their agenda includes addressing areas of concern and ongoing disparities, with one of them being economic empowerment and expanding opportunities for housing and land ownership as an effort to address the wealth gap that has led to the social and structural vulnerabilities that impede their community.

Historically, the Mexican/African-American community has roots in Santa Clara County dating back to 1777 where those of Mexican/African Ancestry were some of the earliest settlers. Over the years the community continued to grow, leading to the downtown area of San José serving as a vital hub and gathering space for the community. Accompanying the rich history of contributions made to the San José area by those of Mexican/African Ancestry, is the history of policies, systems, and institutions built on beliefs of exclusion and injustice. To achieve justice, it is imperative that we as elected leaders find the will to implement the necessary changes in our policies and institutions.

*The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.*