Image Source: CNN

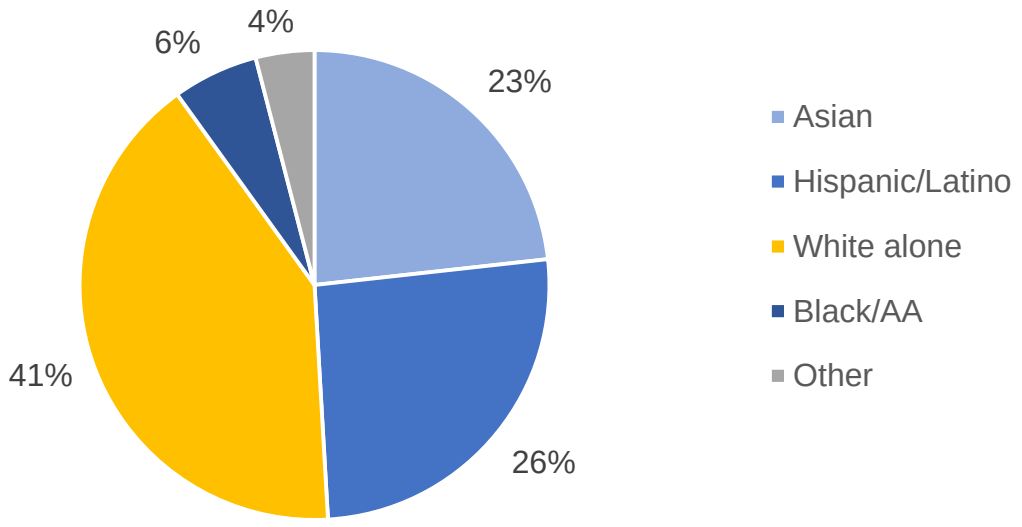
Racial Equity Analysis for the

CASA Compact

November 30th, 2018

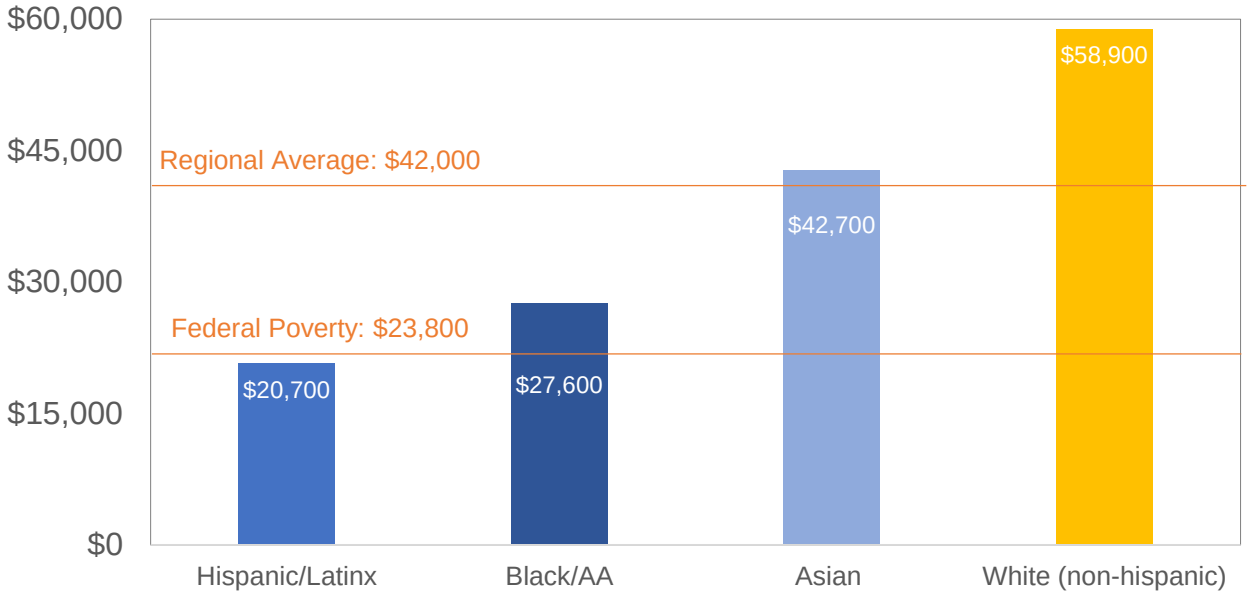
Population by Race, Bay Area, 2016

Source: US Census ACS, 2012-2016 5-Yr. Avg.



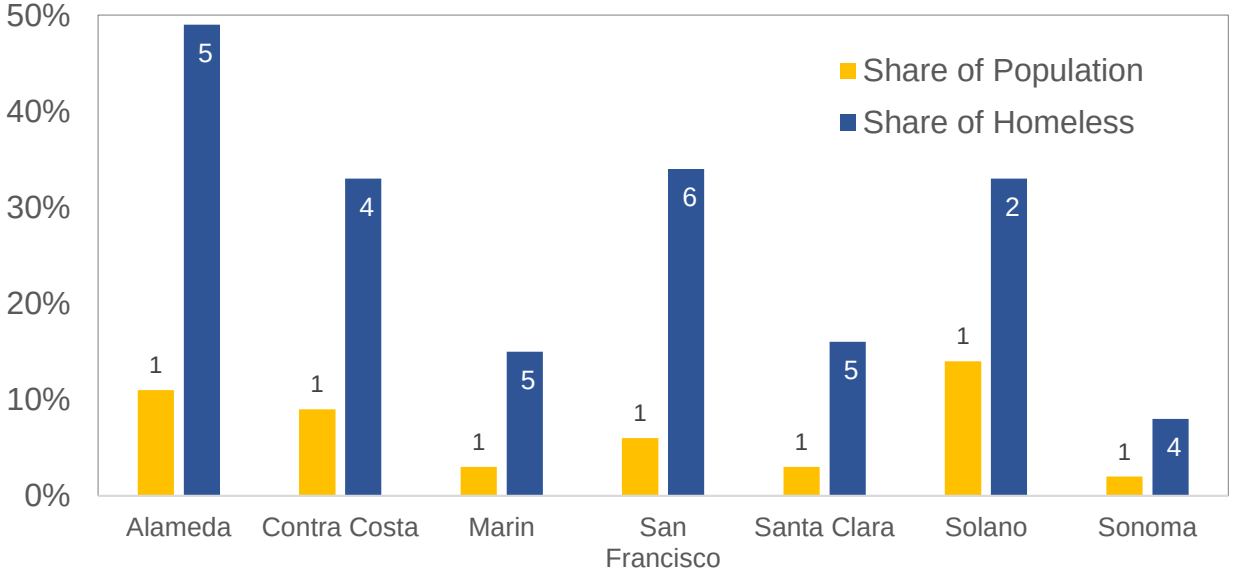
Per Capita Income by Race, Bay Area, 2016

Source: US Census, ACS, 2012-2016, 5-Yr. Avg.



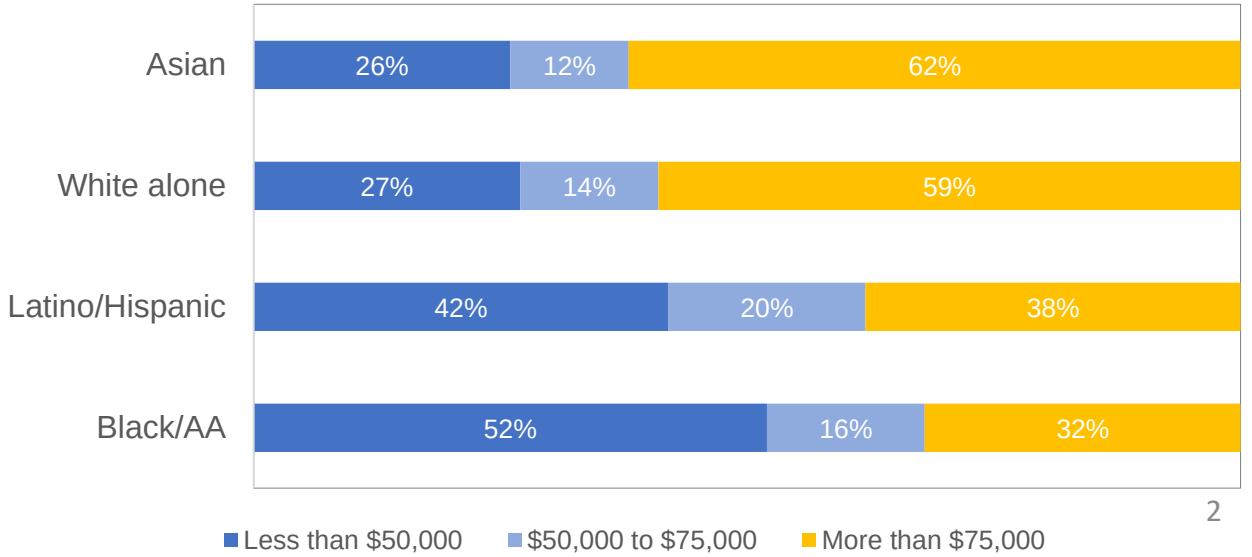
Homelessness, Blacks/African Americans

Source: County Homeless Census, 2017/2018



Household Income by Race, Bay Area, 2016

Source: US Census, ACS, 2012-2016, 5-Yr. Avg.



Challenges and Opportunities

Racial Equity Lens for CASA

Access to Opportunity

Community Reinvestment

Stability and Protections

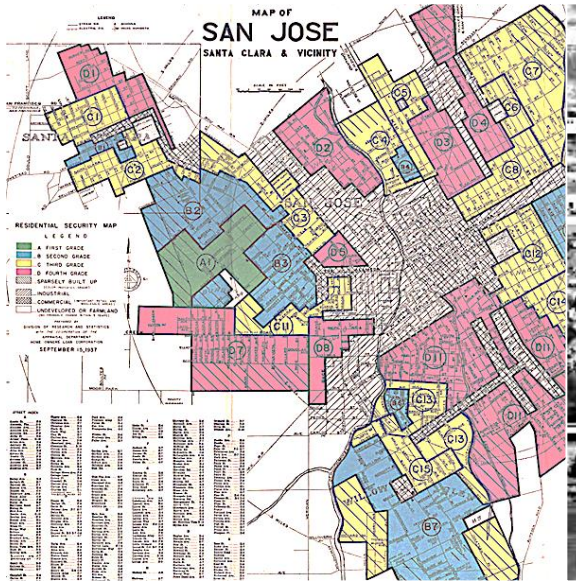
Cumulative Benefits

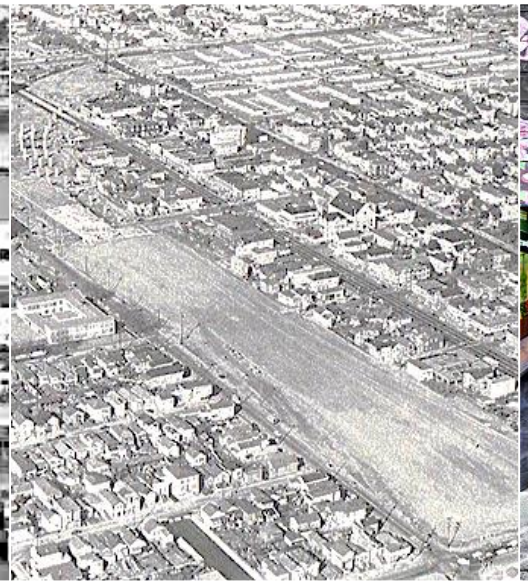
Equity- and Wealth-Building

Empowerment

Historic Patterns of **Exclusion**

Gentrification and **Displacement**





Disinvestment and Urban Renewal

Housing **Discrimination**

Foreclosure **Crisis**

Overall Approach

Racial Equity Analysis for the CASA Compact

Purpose

The analysis does not attempt to provide conclusive evidence or numeric results. But rather a framework for shaping policy and setting priorities.

Placeholder for Sensitive Communities (SCs)

Defined for now as the overlap of communities of concern adopted by regional agencies: MTC,BCDC and BAAQMD.

Geographic Focus

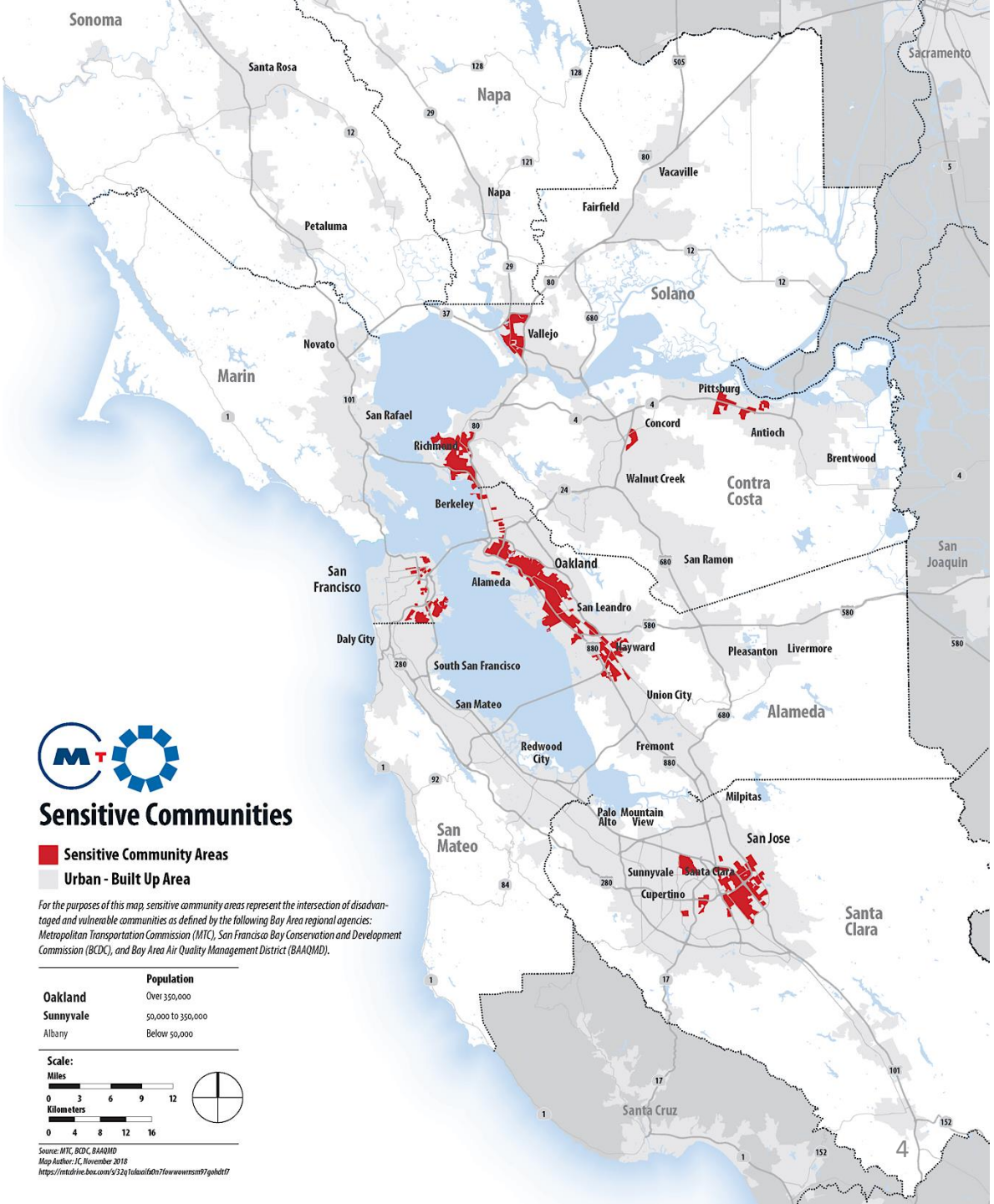
Most Compact Elements have a geographic component, which, for this analysis is evaluated using “policy overlays.”

Policy Overlays

This analysis uses three policy overlays: transit access areas (TAAs), high-opportunity areas (HOAs) and displacement risk areas (DRAs).

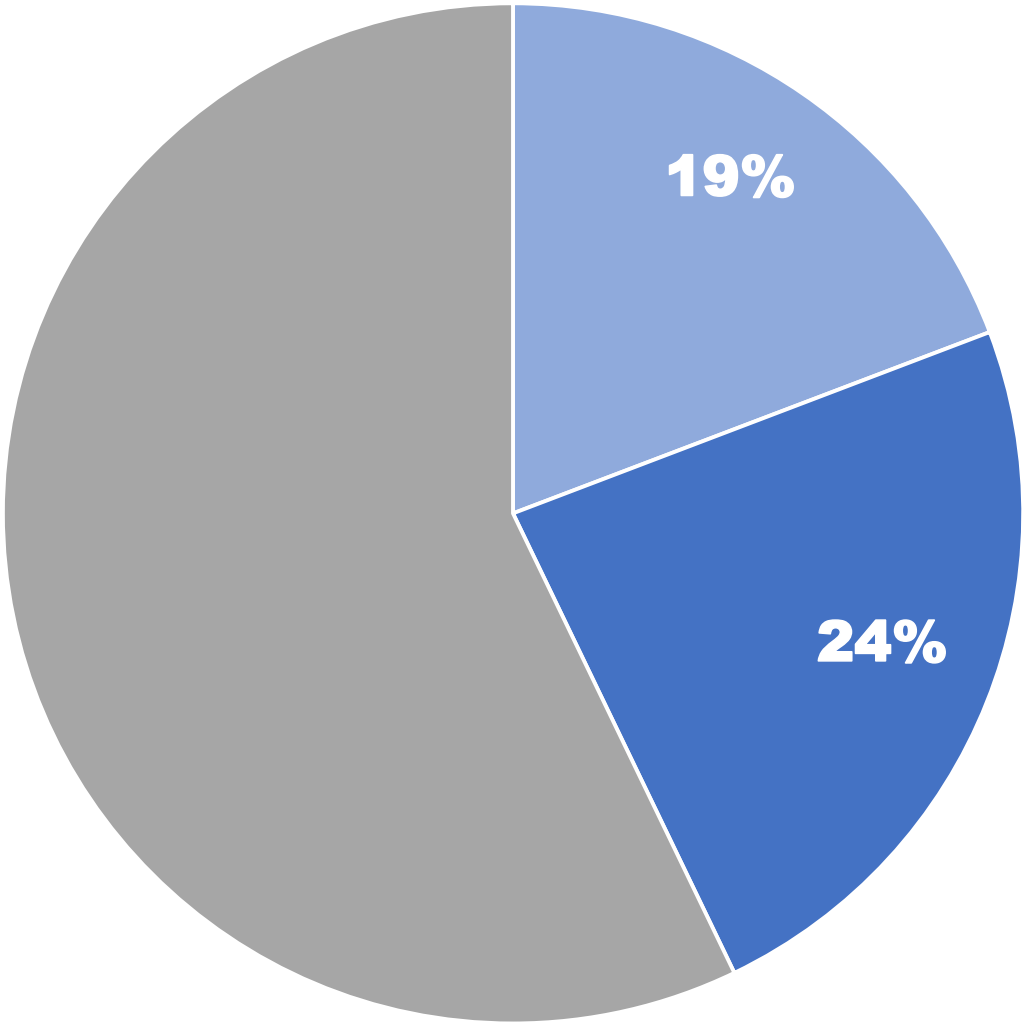
Income Used Where Race Data Unavailable

At a smaller geography, the analysis uses income instead of race.



Low-Income Renter Households

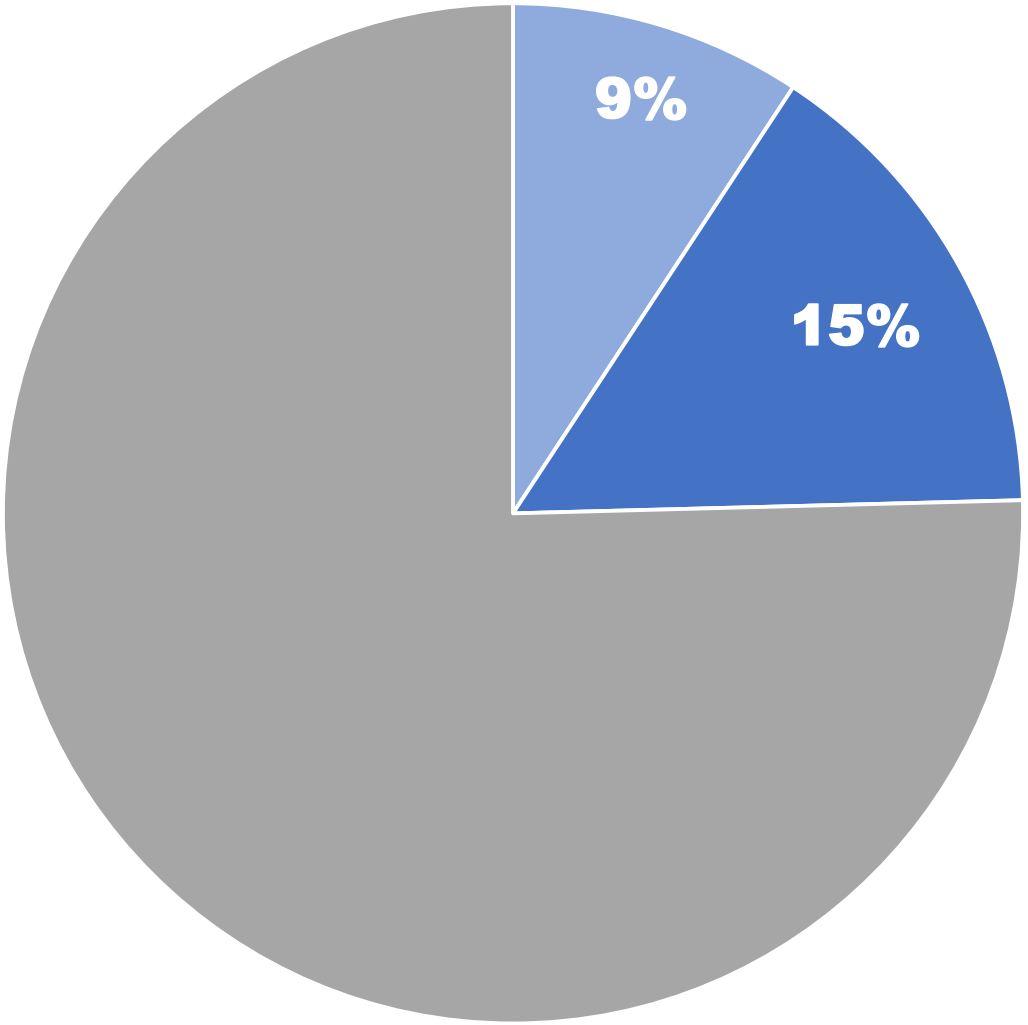
Source: US Census ACS 2012-2016 5-Yr. Avg.
Low-Income – Earning $75,000 or Less



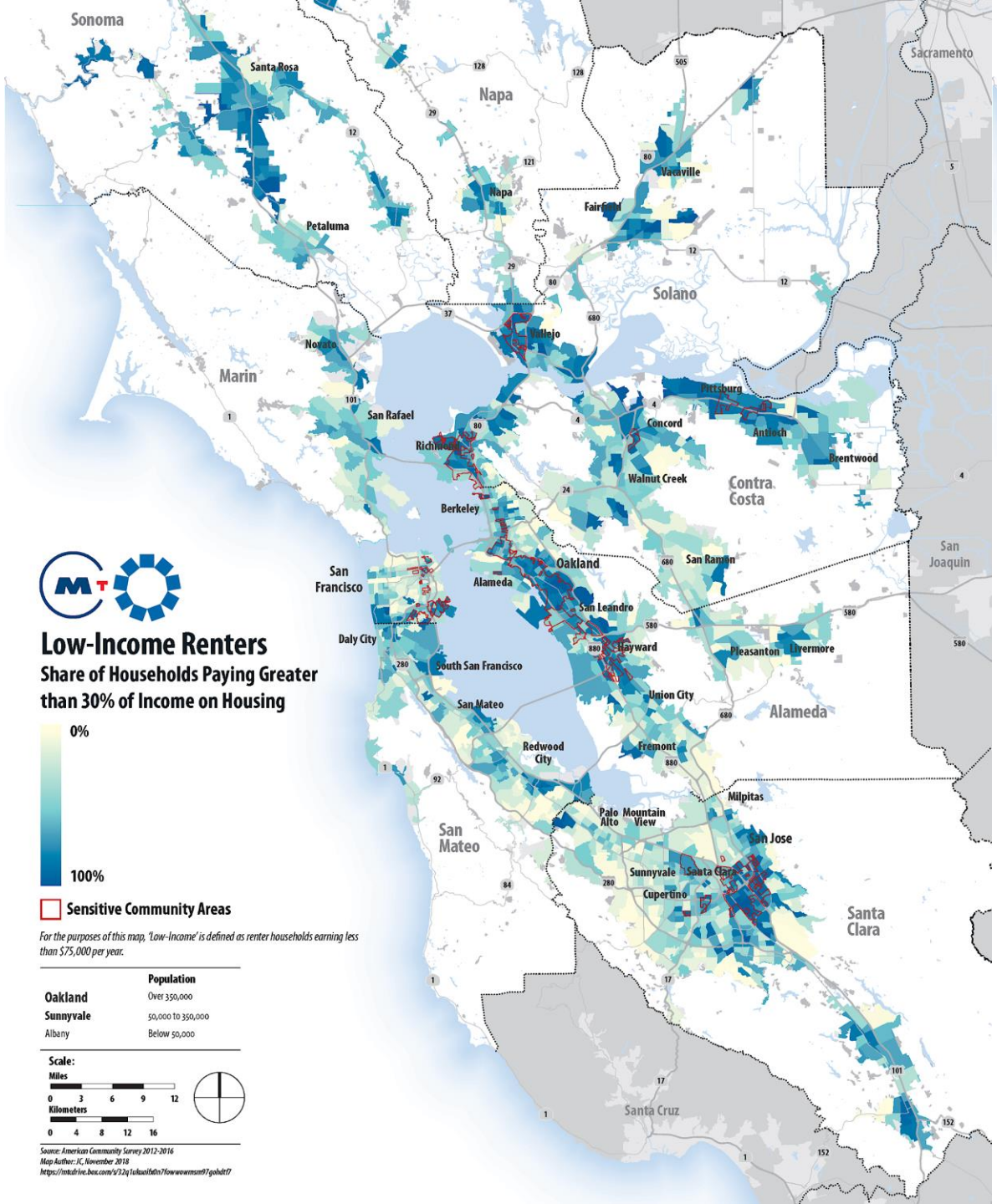
- LI Renter HHs Paying 30-50% of Income on Housing
- LI Renter HHs Paying >50% of Income on Housing
- All Other Renter HHs

Low-Income Minority Renters

Source: US Census PUMS 2012-2016 5-Yr. Avg.
Low Income – 200 percent below Federal Poverty Level



- LI Minority Renters Paying 30-50% of Income on Housing
- LI Minority Renters Paying >50% of Income on Housing
- All Other Renters



Low-Income Renters

Share of Households Paying Greater than 30% of Income on Housing

0%

100%

Sensitive Community Areas

For the purposes of this map, 'Low-Income' is defined as renter households earning less than $75,000 per year.

	Population
Oakland	Over 350,000
Sunnyvale	50,000 to 350,000
Albany	Below 50,000

Scale:

Miles: 0 3 6 9 12

Kilometers: 0 4 8 12 16

Source: American Community Survey 2012-2016
Map Author: JC, November 2018
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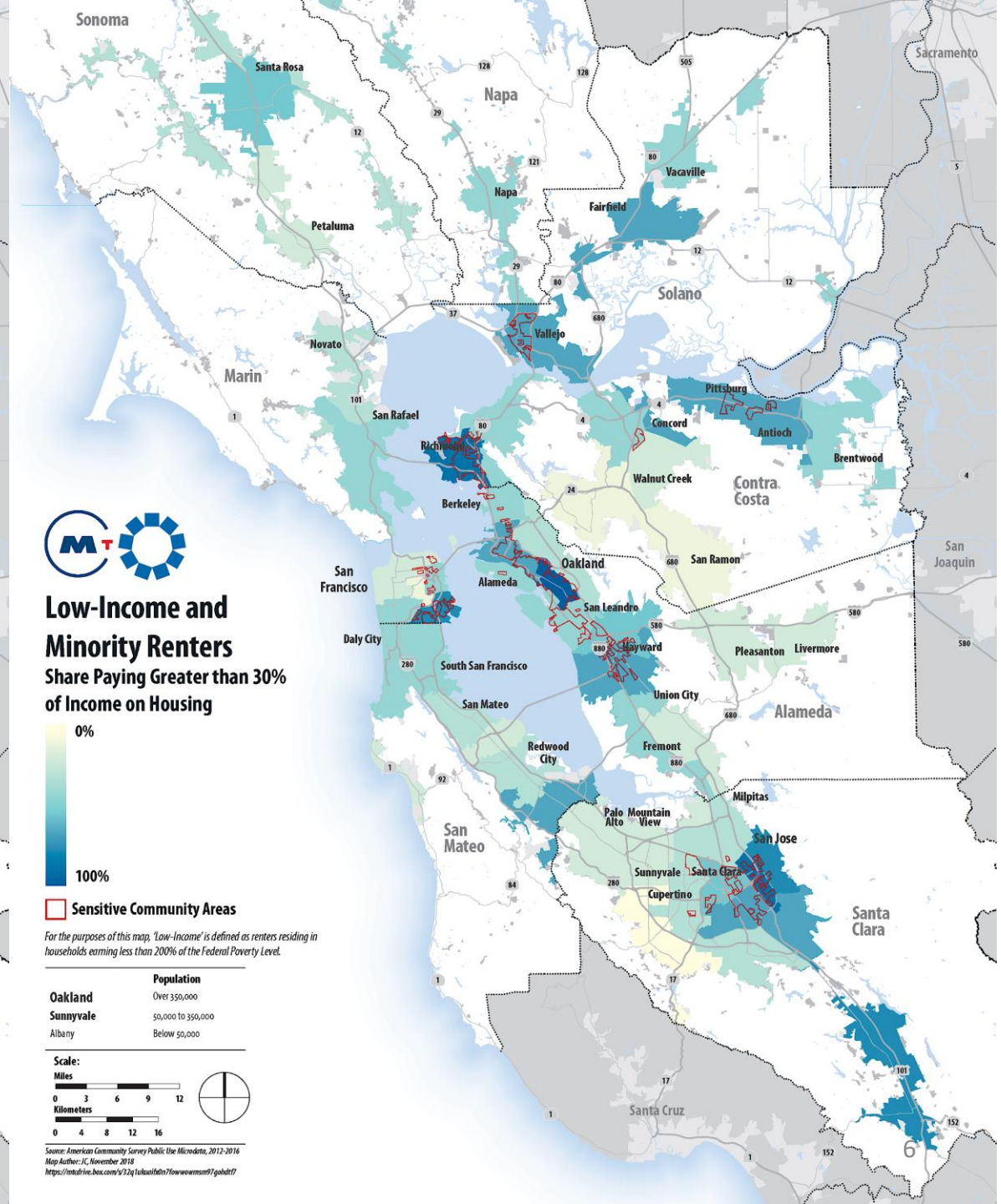

Low-Income and Minority Renters

Share Paying Greater than 30% of Income on Housing

0%

100%

Sensitive Community Areas

For the purposes of this map, 'Low-Income' is defined as renters residing in households earning less than 200% of the Federal Poverty Level.

	Population
Oakland	Over 350,000
Sunnyvale	50,000 to 350,000
Albany	Below 50,000

Scale:

Miles: 0 3 6 9 12

Kilometers: 0 4 8 12 16

Source: American Community Survey Public Use Microdata, 2012-2016
Map Author: JC, November 2018
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Displacement Risk Areas

Policy Overlay

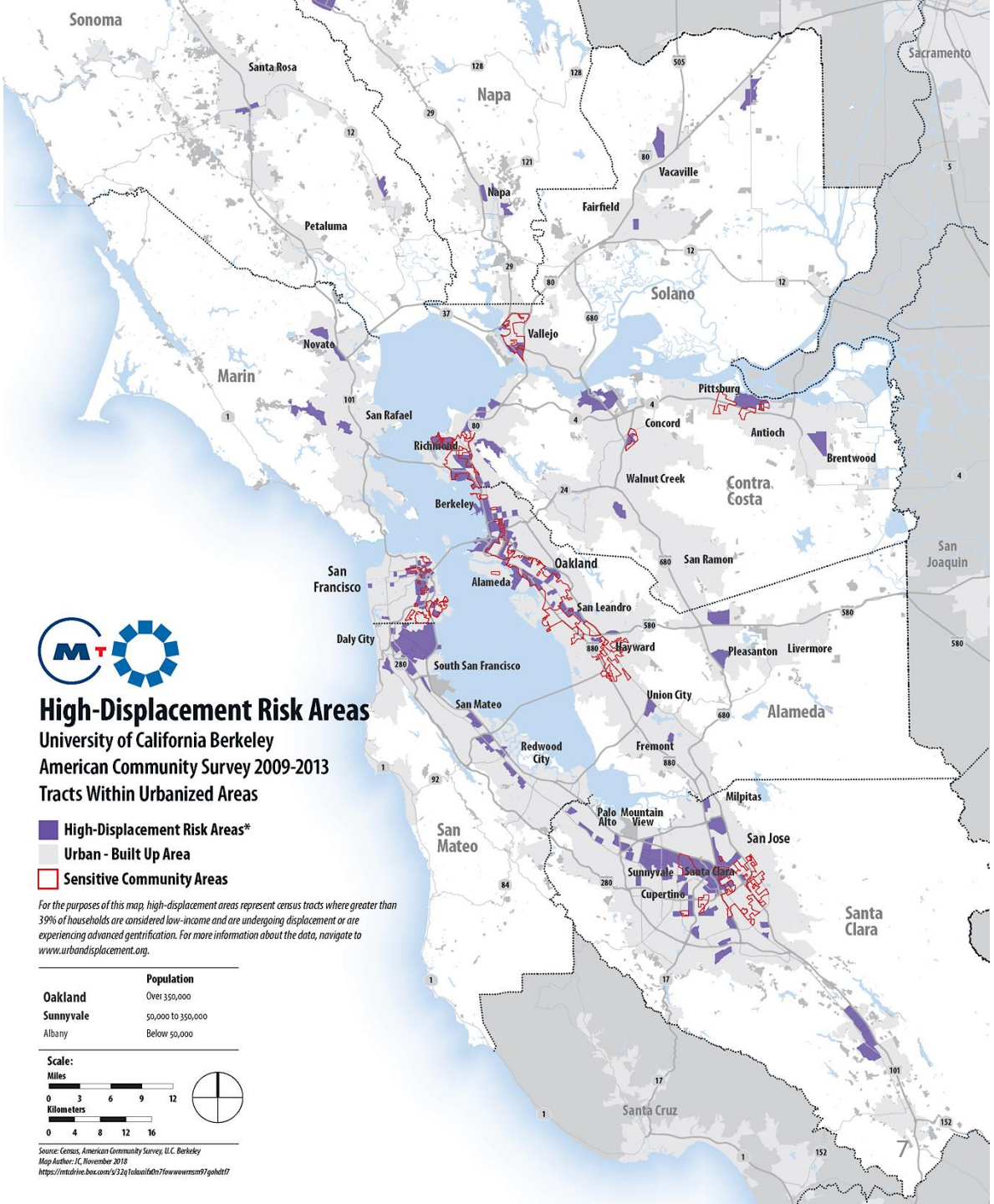
Stability and Protections

18 percent of low-income* (LI) renter households (HHs) that pay more than 30 percent of income on housing live in DRAs

DRAs do not entirely overlap with SCs, including in San Francisco and Oakland

DRAs represent areas that are undergoing displacement or are in advanced stages of gentrification

* HHs that earn less than $75,000



High-Opportunity Areas

Policy Overlay

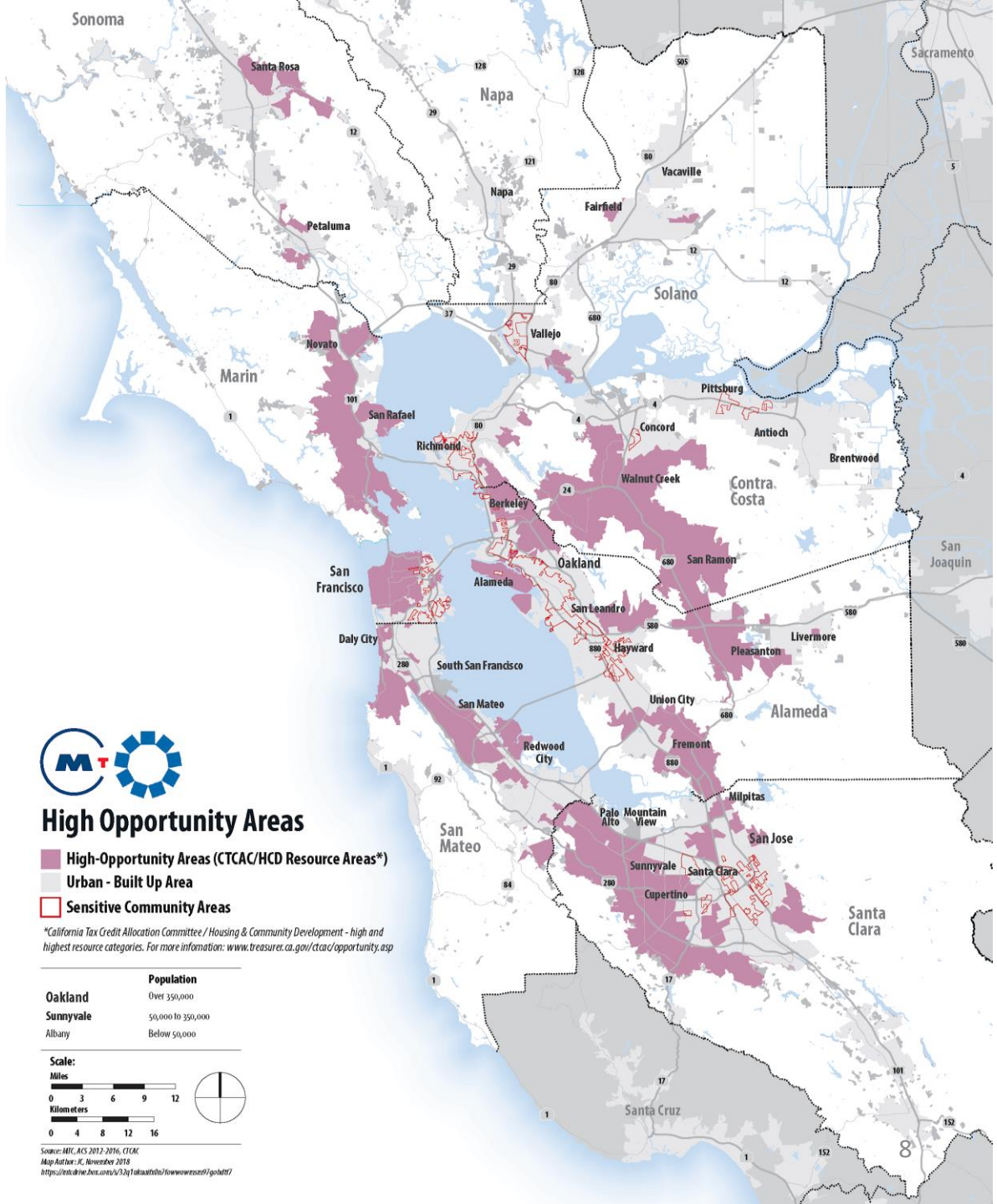
Access to Opportunity

26 percent of LI* renter HHs that pay more than 30 percent of income on housing live in HOAs

HOAs and SCs are almost completely exclusive geographies, which reflects Bay Area's segregation challenges

HOAs are considered "exclusion areas" that provide limited housing opportunities for LI / MI renter HHs

* HHs that earn less than $75,000



Transit Access Areas

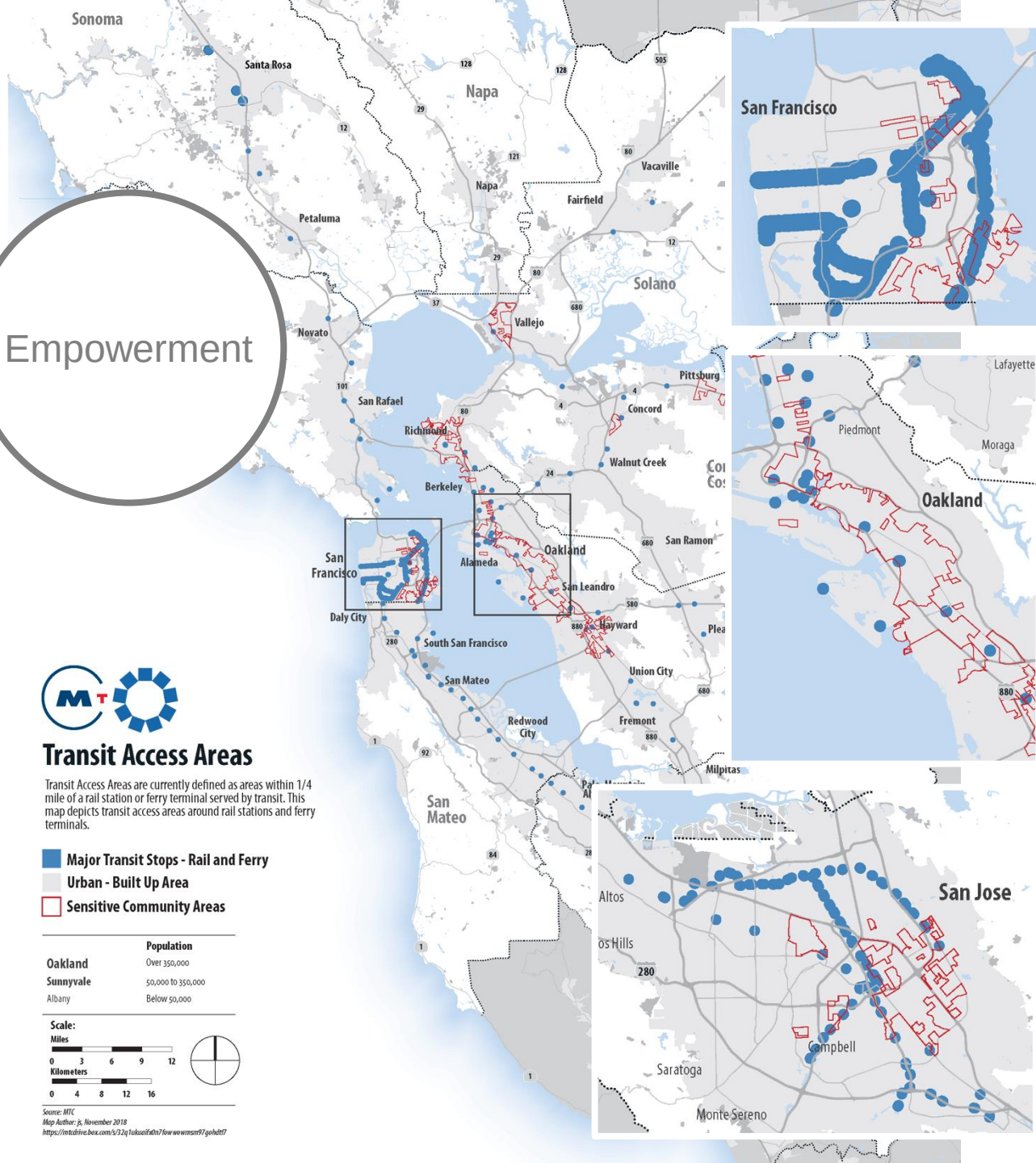
Policy Overlay

Stability and Protections

Community Reinvestment

Equity- and Wealth-Building

Empowerment

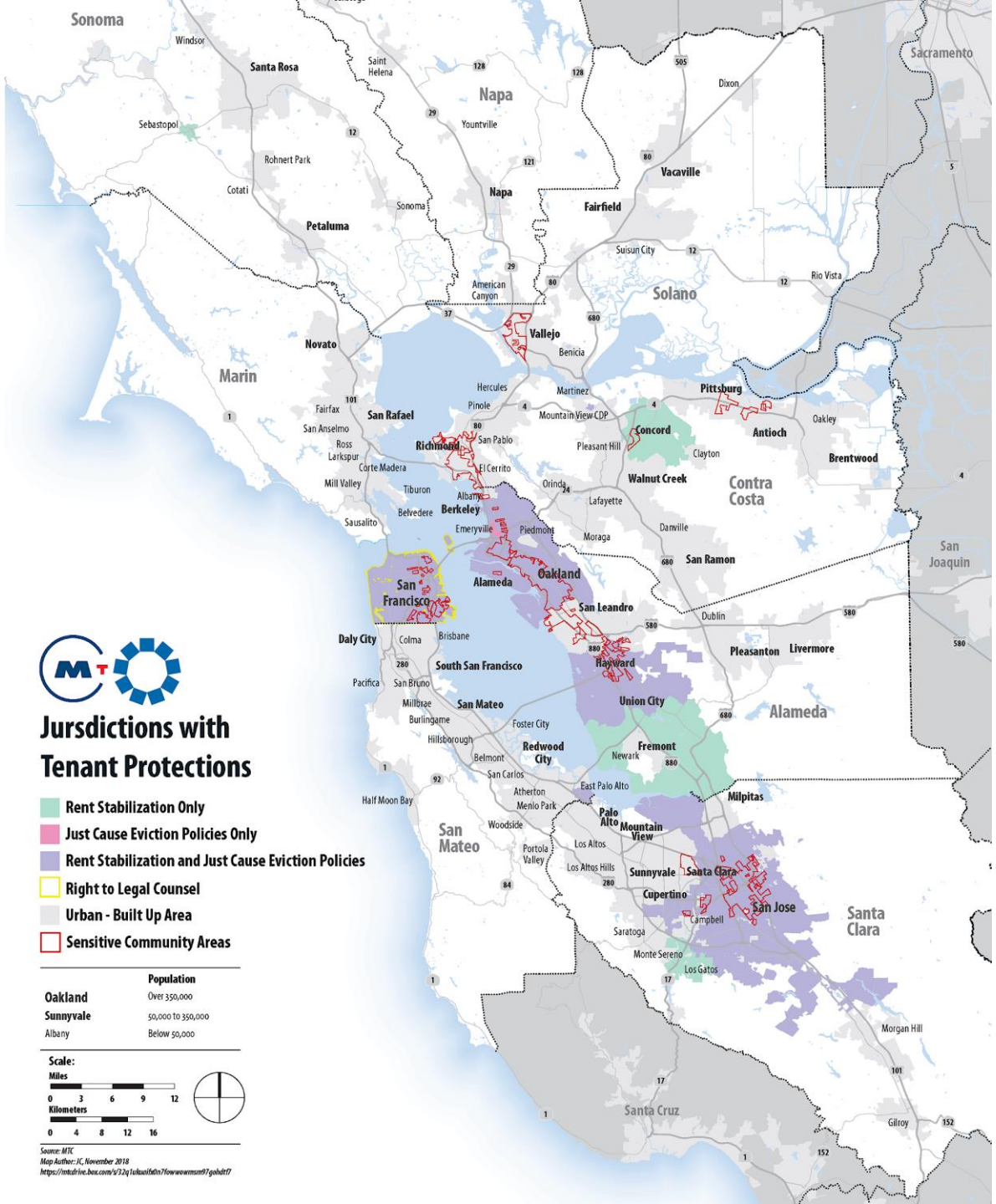


33 percent of LI* renter HHs that pay more than 30 percent of income on housing live in TAAs

TAAs and SCs overlap in most areas, especially in the core urban communities such as San Francisco, Oakland and San Jose

Plan Bay Area 2040 promotes higher density infill development in TAAs, which helps the region meet its greenhouse gas targets

* HHs that earn less than $75,000



Tenant Protections

1. Just Cause Eviction Policy
2. Renter Assistance and Access to Legal Counsel
3. Emergency Rent Cap

Findings:

- Most SCs are in cities that have rent stabilization and just cause eviction policies
- SCs in parts of Richmond, Vallejo and Pittsburg have no protections

Opportunities:

- Adopting region-wide tenant protection policies will cover all tenants
- CASA could potentially prioritize tenant services in SCs, DRAs and TAAs

Housing Inclusion and Capacity

4. Remove Barriers to Accessory Dwelling Units

Approval Process and Timeline

6. Good Government Reforms to Local Approval Process

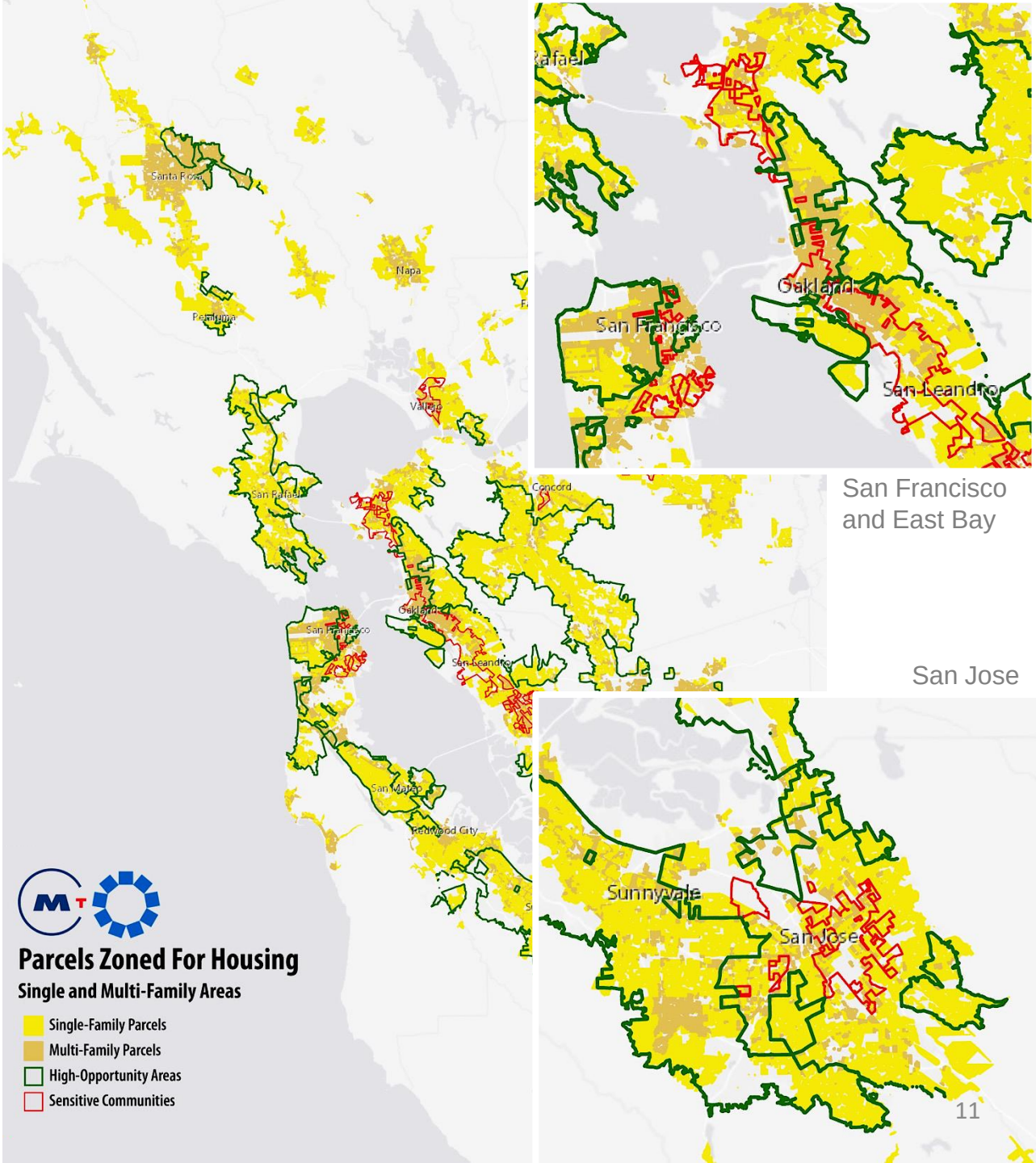
Key Findings:

- Over 1.6 million parcels in the region are zoned for single- or multi-family housing*
- Over 700,000 of these parcels are in HOAs, 301,000 in TAAs and 120,600 in SCs
- 15 percent of single-family parcels within TAAs already have a second unit

Opportunities:

- ADUs / new units within HOAs will provide access to opportunity at scale
- ADUs / new units in TAAs and DRAs could provide homeownership / wealth-building opportunities, as well as mitigate displacement risk by increasing supply

* Includes already built up parcels or acres

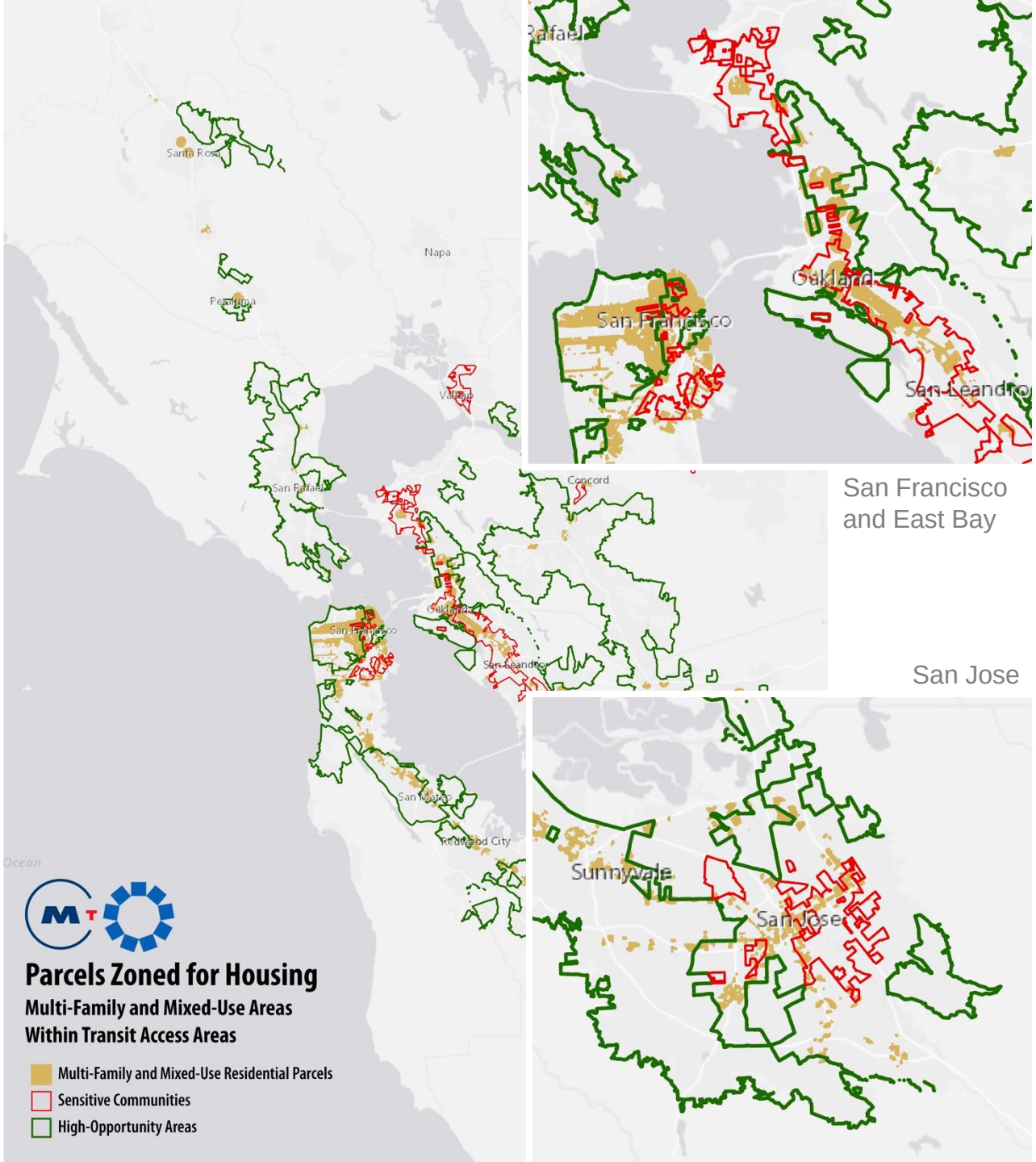


San Francisco and East Bay

San Jose

Housing Inclusion and Capacity

5. Minimum Zoning for Housing Near Transit



San Francisco and East Bay

San Jose

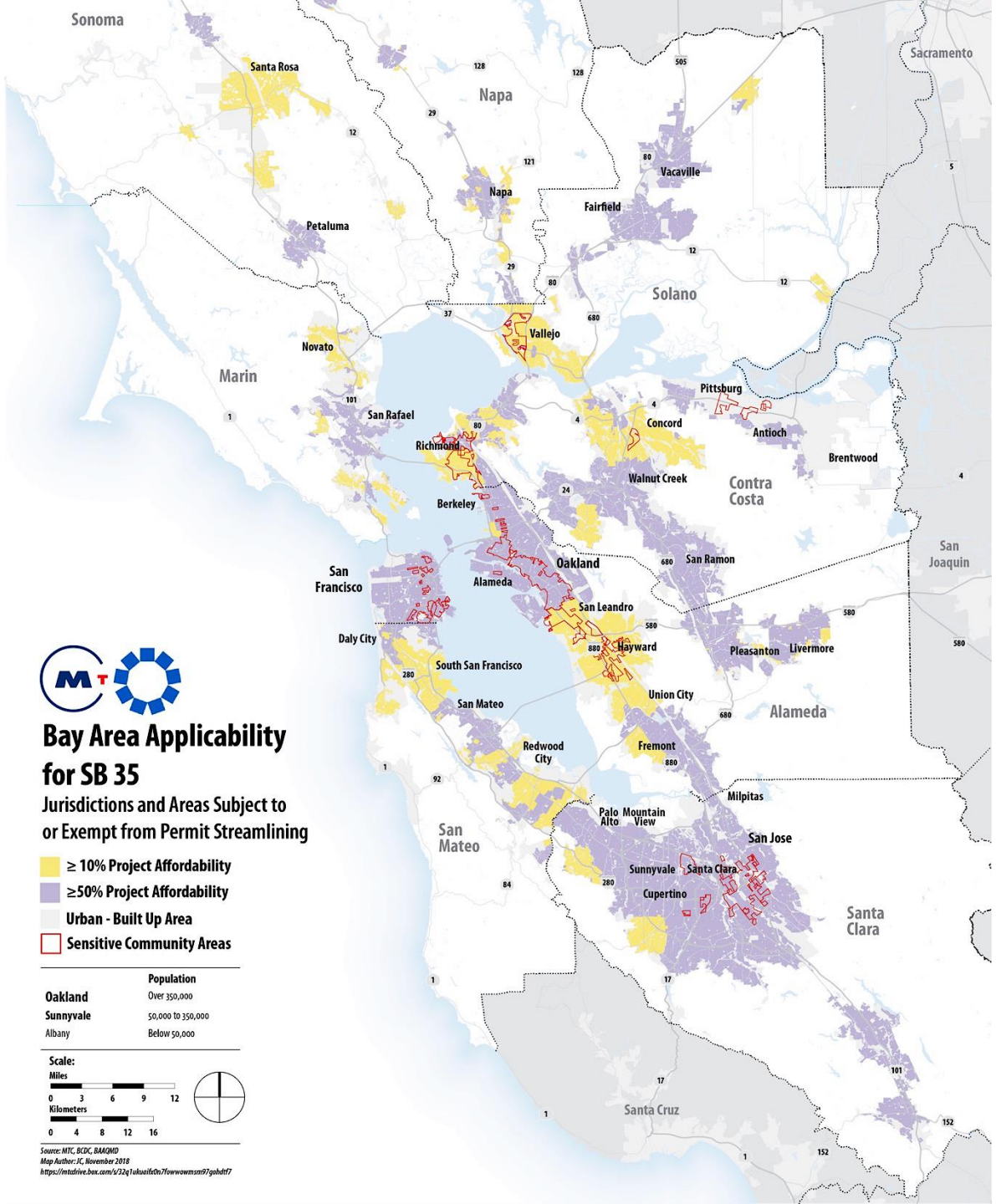
Key Findings:

- A high-quality transit stop is within or adjacent to all SCs, enhancing regional access
- A deferral in SCs would affect a third of the area that is eligible for up-zoning*
- That still leaves 19,200 acres outside SCs, 8,900 of which are in HOAs and 5,000 in DRAs

Opportunities:

- Expanding development capacity for subsidized and mixed-income housing in HOAs will vastly expand access to opportunity
- And, in TAAs and DRAs, provide homeownership / wealth-building opportunities, as well as mitigate displacement risk by increasing supply of affordable units

* Includes already built up parcels or acres



Approval Process and Timeline

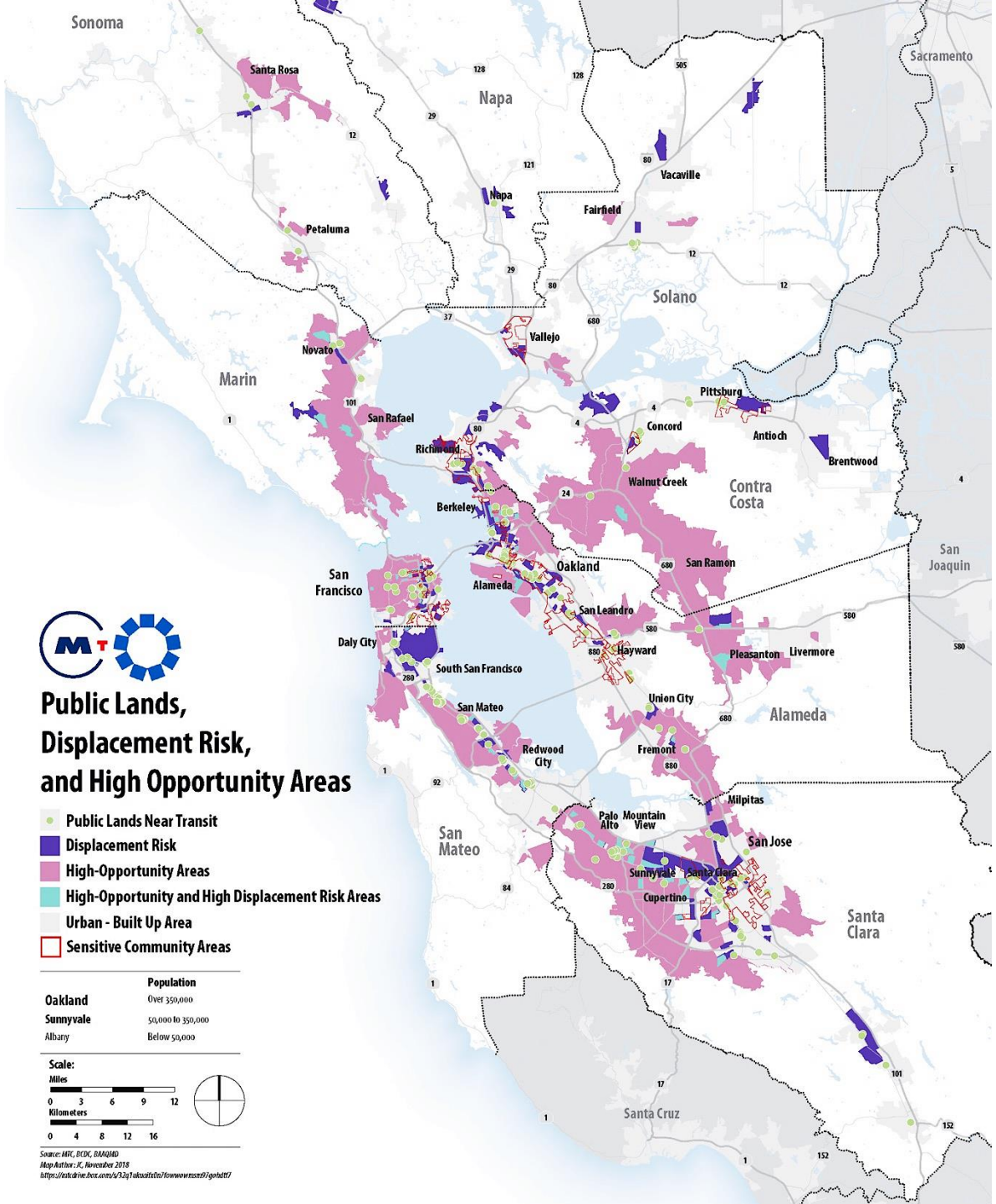
7. Expedited Approvals and Financial Incentives

Key Findings:

- Most jurisdictions failed to meet RHNA targets in one or more income categories, triggering SB 35 streamlining
- The three large cities with sizable SCs fell short on affordable units, while weaker markets with SCs (Vallejo, Hayward and Richmond) fell short on market-rate units

Opportunities:

- Streamlining for subsidized housing in HOAs (North Bay, Tri-Valley and South Bay) will expand access to opportunity
- Streamlining for subsidized housing in TAAs / DRAs will mitigate displacement risk



Approval Process and Timeline

8. Public Land for Subsidized Housing

Key Findings:

- Public agencies own 700 acres of land suitable for housing near transit
- Two transit agencies are the largest landowners

Opportunities:

- Prioritizing land near transit for subsidized housing anywhere in region will benefit LI people of color
- Prioritizing land in HOAs for subsidized housing will expand access to opportunity
- And in DRAs, TAAs or SCs will help mitigate displacement risk

Funding and Coordination

9. New Revenue to Implement the CASA Compact
10. Regional Housing Enterprise

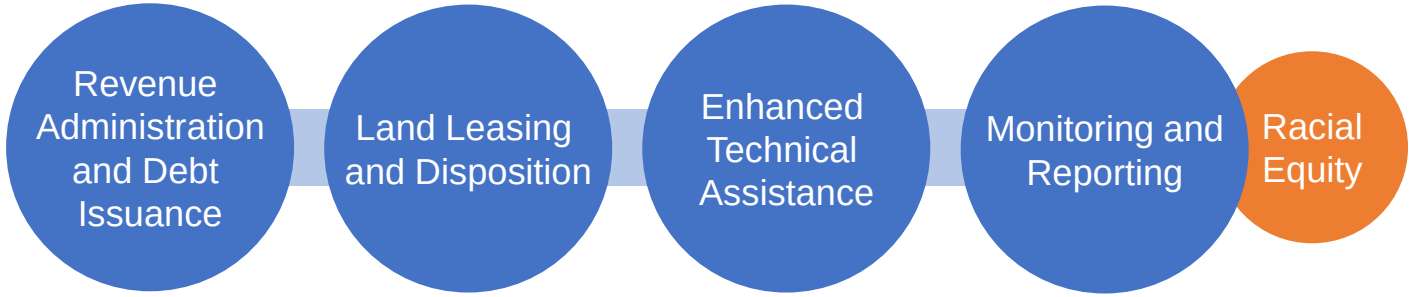
Revenue Allocation Assumed for Analysis

Investment Buckets	*Lower-Income ($1.3 billion)*	*Moderate-Income ($60 million)*	*Market-Rate*	*Total ($1.5 billion)*
Local Jurisdiction Incentives	**$120 million**			**$120 million**
Tenant Protection	**$60 million** (24,000 LI-HHs)	**$30 million** (12,000 MI-HHs)	**Direct Benefit** (e.g., deterrence)	**$90 million**
Preservation	**$200 million** (2,000 units)			**$200 million**
Production	**$1.1 billion** (7,300 units)	**$30 million** (750 units)	**Direct Benefit** (e.g., streamlining)	**$1.1 billion**

Direct Benefits:
- Access to legal counsel
- Short-term rental assistance
- Subsidy for production
- Subsidy for preservation
- Homeownership opportunities
- Construction jobs

Indirect Benefits:
- Stability through deterrence
- Access to opportunity
- Improved health outcomes
- Capacity-building (public, private and non-profit sector)
- Data

Regional Housing Enterprise Roles



Provisional Findings

Overall, impacts should be positive

With an emphasis on 3 Ps, the Compact has the potential to improve housing outcomes for low-income residents, and by extension for low-income minorities.

Implementation will take collective action

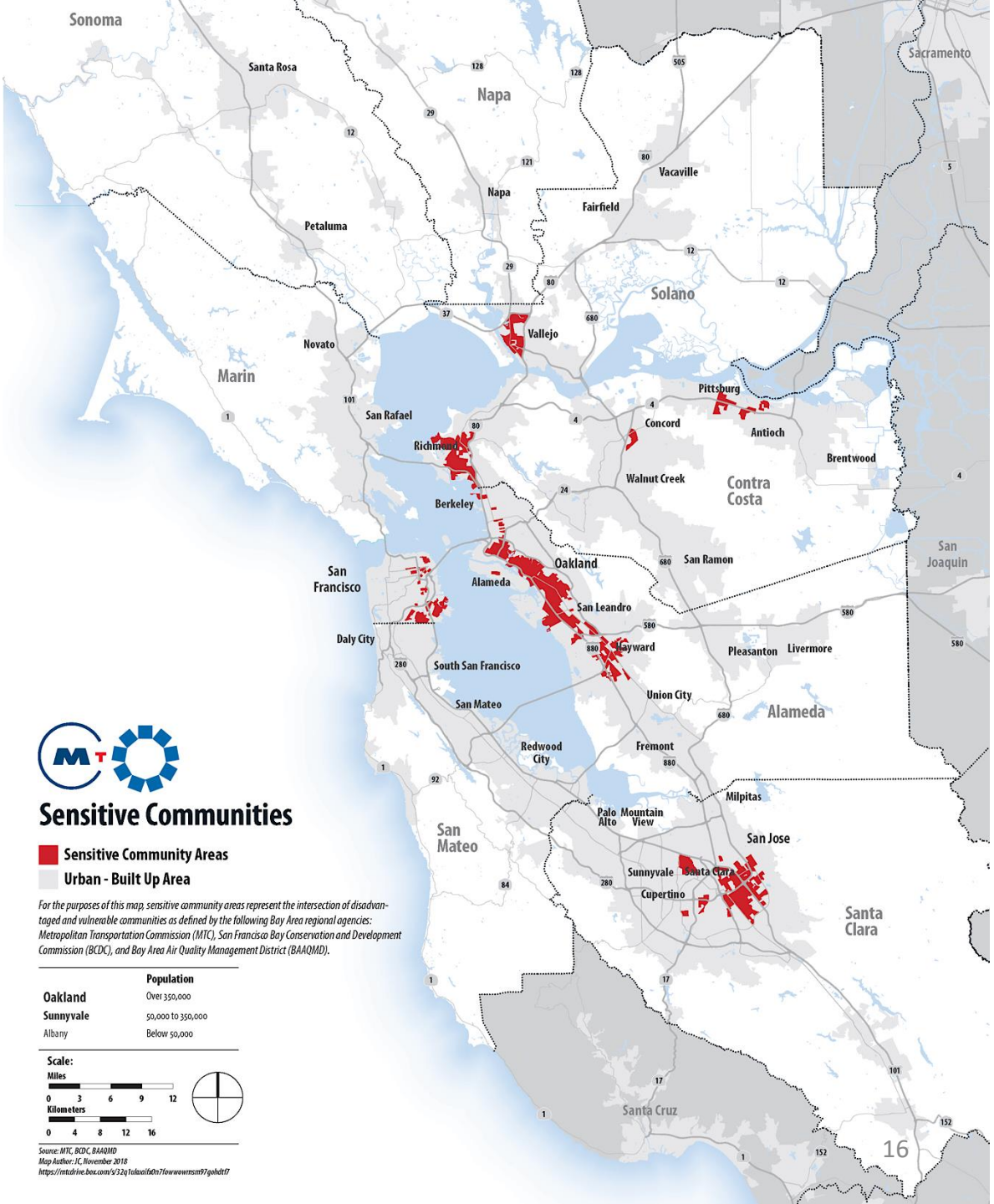
How the Compact is implemented will determine if the potential benefits are realized. CASA can utilize best practices to shape effective policies and strategies.

Geography could help inform priorities

Historically, public and private actions at CASA's scale have negatively impacted minorities. So, sequencing and phasing implementation is critical.

RHE could provide institutional support

A regional entity focused on housing can play a critical role by setting effective program guidelines, monitoring / reporting on progress and providing technical assistance.



Benefits / Impacts of Compact Elements

NOTE: this table will be populated through an outreach process with impacted communities

Key	**X** *Beneficial but Mitigation Needed*	**XX** *Beneficial and Mitigation Not Needed*	**XXX** *Element itself is the Mitigation*	
CASA Compact Elements	Displacement Risk Areas (DRAs)	High Opportunity Areas (HOAs)	Transit Access Areas (TAAs)	Mitigation Measures
1/2/3. Just Cause / Rent Cap / Legal Counsel				
4/6. Accessory Dwelling Units / Good Govt. Reforms				
5. Minimum Zoning for Housing Near Transit*				
7. Expedited Approvals and Financial Incentives				
8. Public Land for Affordable Housing				
Preservation of Existing Affordable Units				

* Deferred in Sensitive Communities