

Appendix M: Affirmatively Furthering Fair Housing Sites Inventory Analysis

Affirmatively Furthering Fair Housing Sites Inventory Analysis

County of Santa Clara Housing Element Update (2023-2031)

AB 686 requires an analysis of sites identified by the County to meet RHNA obligations for their ability to affirmatively further fair housing (AFFH). The County's proposed RHNA sites can accommodate approximately **6,198 new units**—1,075 for very low-income households, 622 for low-income households, 636 for moderate-income households, and 3,865 for above moderate-income households.

Figure A-1 shows the location of Census Tracts in unincorporated Santa Clara County, while Figure A-2 shows the geographic distribution of the proposed RHNA sites. The proposed RHNA sites are distributed throughout the most urban areas of the county (northwest portion of the county), which provides the most opportunities for new and infill development, as well as proximity to transportation options, amenities, and other services.

Figures A-3 and A-4 present the distribution of the County's proposed RHNA units by Census Tract, income level, and AFFH indicators. Figures A-5 through A-9 map the location of proposed RHNA units compared to several AFFH indicators.

The analysis of the RHNA unit location against these indicators demonstrates that:

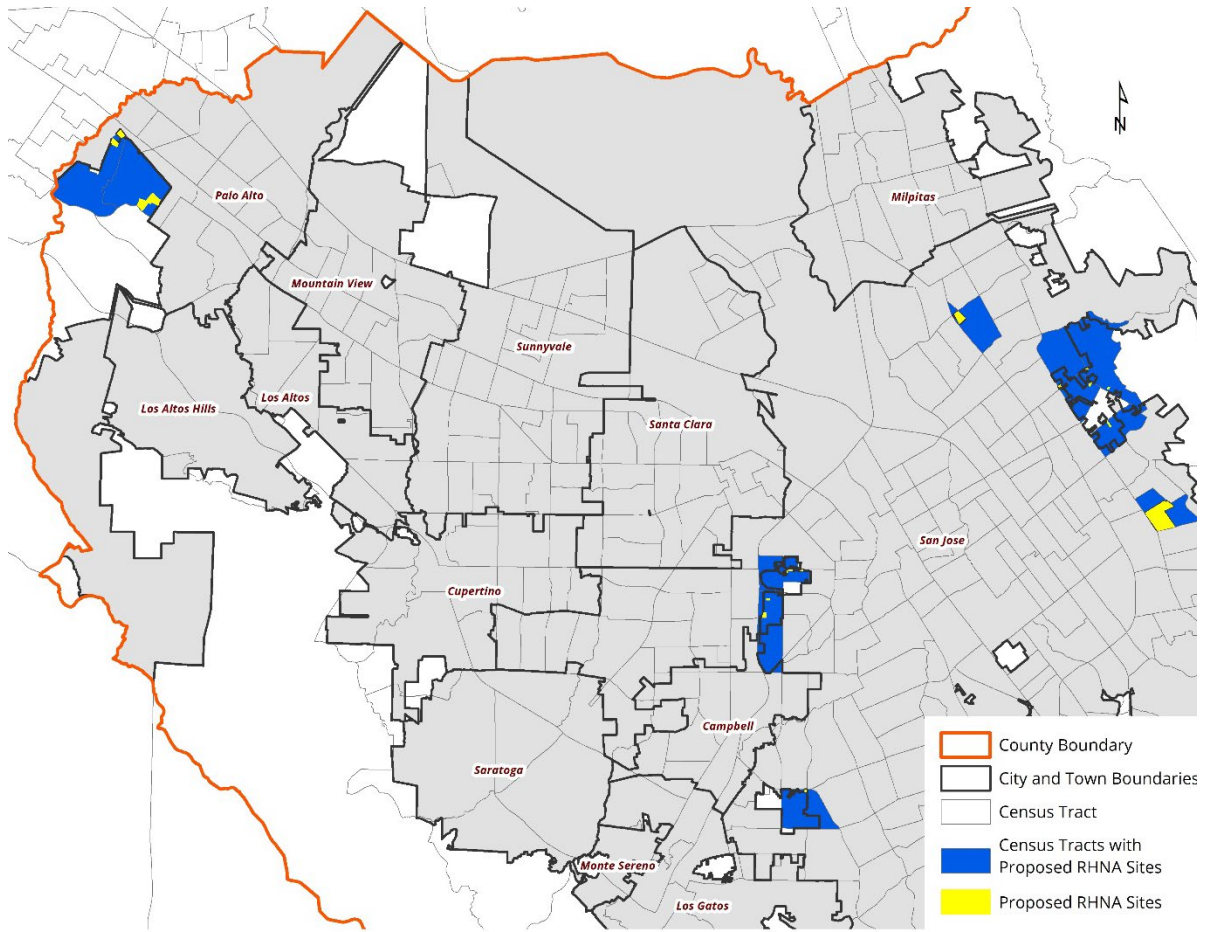
- There are four Census Tracts with populations of non-White residents at least ten percentage points higher than the county average. Of these Census Tracts, three are located in moderate and high-resource areas. The distribution of the proposed RHNA units within these Tracts will broaden housing choices for households of all income levels and not have the effect of increasing minority concentration in low-resource areas.
- There are 1,680 proposed RHNA units located in Census Tracts designated as R/ECAPs. However, due to their non-traditional demographic and socioeconomic conditions, these Census Tracts are designated as high-resource areas. The location of these units will offer more access to opportunity, particularly for very low- and low-income households in unincorporated Santa Clara County.
- Less than 1% of RHNA units are placed in low-resource areas (just 17 units out of approximately 6,200).
- RHNA units are well-distributed among income groups within high opportunity areas, particularly units for lower-income households (65% of all units proposed for very low- and low-income households are located in high-resource areas).

Figure A-1.
County of Santa Clara Census Tracts



Source: U.S. Census and Root Policy Research.

Figure A-2.
Geographic Distribution of Proposed RHNA Sites by Census Tract



Source: U.S. Census and Root Policy Research.

Figure A-3.
County of Santa Clara Proposed RHNA Units by Income and Census Tract

Census Tract	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Census Tract 5020.01	0	0	14	62	76
Census Tract 5021.01	186	69	45	0	300
Census Tract 5028	0	0	1	7	8
Census Tract 5033.22	228	114	114	2,394	2,850
Census Tract 5038.02	0	0	2	13	15
Census Tract 5039.02	0	0	1	6	7
Census Tract 5041.02	0	0	2	8	10
Census Tract 5042.01	0	0	5	21	26
Census Tract 5043.21	325	187	200	514	1,226
Census Tract 5116.08	196	147	147	490	980
Census Tract 5130	140	105	105	350	700
Total	1,075	622	636	3,865	6,198

Source: County of Santa Clara and Root Policy Research.

Figure A-4.
Proposed RHNA Sites by Census Tract, Income Level, and AFFH Indicators

Census Tract	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Percent Non-White Population	Median Household Income	TCAC Opportunity Area Category	Percent Overpayment by Renters	Percent Overcrowded Households	Displacement Risk
Census Tract 5020.01	0	0	14	62	51%	\$ 101,250	Moderate Resource	49%	8%	At Risk of Displacement
Census Tract 5021.01	186	69	45	0	49%	\$ 117,852	Moderate Resource	42%	4%	Lower Displacement Risk
Census Tract 5028	0	0	1	7	36%	\$ 181,083	High Resource	33%	0%	Lower Displacement Risk
Census Tract 5033.22	228	114	114	2,394	76%	\$ 99,821	Moderate Resource	41%	7%	Lower Displacement Risk
Census Tract 5038.02	0	0	2	13	79%	\$ 120,278	Moderate Resource	55%	10%	Lower Displacement Risk
Census Tract 5039.02	0	0	1	6	72%	\$ 94,583	Low Resource	77%	19%	At Risk of Displacement
Census Tract 5041.02	0	0	2	8	69%	\$ 94,375	Low Resource	63%	20%	Lower Displacement Risk
Census Tract 5042.01	0	0	5	21	53%	\$ 167,120	Moderate Resource	49%	3%	Lower Displacement Risk
Census Tract 5043.21	325	187	200	514	87%	\$ 146,941	High Resource	54%	13%	Lower Displacement Risk
Census Tract 5116.08	196	147	147	490	49%	\$ 42,279	High Resource	55%	4%	Low Data Quality
Census Tract 5130	140	105	105	350	49%	\$ 48,507	High Resource	66%	9%	Two Income Groups At Risk of Displacement
Total Units	1,075	622	636	3,865						

Note: No 2021 5-year ACS median household income estimate for Census Tract 5116.08; the 2020 5-year ACS estimated is provided.

Source: HCD AFFH Data Viewer, 2020 and 2021 5-year ACS, County of Santa Clara, and Root Policy Research.

Segregation and Integration

According to 2021 5-year ACS data, the majority of residents in Santa Clara County identify as non-White (61%). Asian (38%) and Hispanic (25%) residents represent the greatest non-White populations in the county. Of the Census Tracts within unincorporated Santa Clara County with proposed RHNA sites, there are four Census Tracts with populations of non-White residents at least ten percentage points higher than the county average. The Census Tracts with the greatest concentrations of non-White populations are Census Tract 5043.21 (87%), Census Tract 5038.02 (79%), Census Tract 5033.22 (76%), and Census Tract 5039.02 (72%).

All four Census Tracts are located near the eastern area of San José. Specifically:

- Census Tract 5043.21 is located in the northern part of San José in the Berryessa neighborhood;
- Census Tract 5038.02 is located just east of the Berryessa neighborhood, and west of the San José Country Club;
- Census Tract 5033.22 is located directly east of Lake Cunningham and Reid-Hillview Airport and south of Mount Pleasant High School and August Boeger Junior High School; and
- Census Tract 5039.02 is located in Alum Rock, east of James Lick High School and west of Joseph George Middle School.

Within these four Census Tracts, the County's RHNA sites inventory proposes 553 units for very low-income households, 301 units for low-income households, 317 units for moderate-income households, and 2,927 units for above moderate-income households. This represents 51% of the County's proposed units for very low-income households, 48% of units for low-income households, 50% of units for moderate-income households, and 76% of units for above moderate-income households.

According to the TCAC opportunity area maps, one of the Census Tracts is designated as "high-resource", two tracts are designated as "moderate-resource" and one tract is designated as "low-resource" (Figure A-4). Of the total units proposed in these four Census Tracts (4,098 units), 59% of the units for very low-income households, 62% of the units for low-income households, 63% of the units for moderate-income households, and 18% of the units for above moderate-income households are located in high-resource areas. In the context of segregation and integration, the County's Sites Inventory prioritizes the location of units targeted at very low- and low-income households in high-resource areas of unincorporated Santa Clara County, which will help broaden housing choices in high opportunity areas.

Racially and Ethnically Concentrated Areas of Poverty and Affluence

Per HUD's definition, there are three Census Tracts designated as racially and ethnically concentrated areas of poverty (R/ECAP) in unincorporated Santa Clara County. The three Census Tracts designated as R/ECAPs are located:

1. In south-central San José. This Census Tract includes the county fairgrounds, which is an unincorporated enclave with no population, along with the adjoining residential areas that are within city limits **(There are no proposed RHNA sites in this Census Tract)**;
2. Partially in Milpitas and partially covering parkland in an unincorporated area to the east of the city, with very few people residing there **(There are no proposed RHNA sites in this Census Tract)**; and
3. Stanford University's campus. This R/ECAP is the only one that includes a significant population in the Unincorporated County. However, the reasons for its race/ethnicity and socioeconomic demographics are very different from the vast majority of R/ECAPs. **(The Census Tracts with proposed RHNA sites are Census Tracts 5116.08 and 5130).**

According to 2021 5-year ACS data, the median household income in Santa Clara County is \$140,258. Of the Census Tracts with proposed RHNA sites in unincorporated Santa Clara County, the two Census Tracts with significantly lower median household incomes than the county average — Census Tract 5116.08 (\$42,279) and Census Tract 5130 (\$48,507)—are R/ECAPs. Census Tract 5130 is also designated as vulnerable to displacement. As noted above, these Census Tracts do not reflect the conditions of a traditional R/ECAP. Specifically, Stanford has a comparatively larger student population than surrounding communities. Full-time students tend to have lower incomes and are more diverse than overall populations in Santa Clara County and unincorporated areas.

Within these two census tracts, the County's Sites Inventory proposes 336 units for very low-income households, 252 units for low-income households, 252 units for moderate-income households, and 840 units for above moderate-income households. These units account for 31% of very low-income units, 41% of low-income units, 40% of moderate-income units, and 22% of above moderate-income units in the County's overall Sites Inventory. This distribution of units not only allows lower-income households to access more affordable housing options but provides the opportunity for households of all incomes to have increased access to high-resource areas in the county.

Conversely, there is one Census Tract with proposed RHNA sites in unincorporated Santa Clara County that meets the definition of a Racially Concentrated Area of Affluence—Census Tract 5028. This Census Tract is located in the southwestern area of San José and falls mostly in the unincorporated census-designated place called Cambrian Park. The Census Tract is in close proximity to health care services, numerous parks and schools, and the West Valley Freeway.

The County's Sites Inventory proposes eight units for this Census Tract—one for moderate-income households and seven for above moderate-income households. While no units are designated for very low- and low-income households in this Census Tract, the majority of the County's proposed units for very low- and low-income households overall are located in high-resource areas throughout the county.

Disparities in Access to Opportunity

Of the 11 Census Tracts in unincorporated Santa Clara County with proposed RHNA sites, five Census Tracts are designated as “moderate-resource”, four Census Tracts are designated as “high-resource”, and two Census Tracts are designated as “low-resource” areas. The Census Tracts designated as “high-resource” are located throughout the county—Census Tracts 5116.08 and 5130 are located on Stanford University’s campus in Palo Alto in the northwest area of the county, Census Tract 5043.21 is located in the Berryessa neighborhood in the northern part of the county, and Census Tract 5028 is located in Cambrian Park in the southwestern part of the county. These Census Tracts provide robust access to transportation options, amenities, such as health facilities and schools, and other services.

The County’s RHNA Sites Inventory proposes 661 units for very low-income households, 439 units for low-income households, 453 units for moderate-income households, and 1,361 units for above moderate-income households in the County’s “high-resource” areas. Overall, these units account for 61% of very low-income units, 71% of low-income units, 71% of moderate-income units, and 35% of above moderate-income units in the County’s proposed Sites Inventory. When the units for very low-income and low-income households are combined, 65% of all units targeted at very low-income and low-income households are located in high-resource areas throughout unincorporated Santa Clara County.

Disproportionate Housing Needs

Cost burden, or households paying more than 30% of their household income on housing costs, is a significant challenge currently facing residents living in unincorporated Santa Clara County, particularly for renters and racial and ethnic minority populations. Of the 11 Census Tracts in unincorporated Santa Clara County with proposed RHNA sites, the majority of renter households in six Census Tracts experience cost burden. Only one Census Tract has less than 40% of their renter households that experiences cost burden (Census Tract 5028, 33%).

The six Census Tracts with more than half of their renter households experiencing cost burden include Census Tract 5039.02 (77% of renter households are cost burdened), Census Tract 5130 (66%), Census Tract 5041.02 (63%), Census Tracts 5038.02 and 5116.08 (55%), and Census Tract 5043.21 (54%).

Within these six Census Tracts, the County proposes 661 units for very low-income households, 439 units for low-income households, 457 units for moderate-income households, and 1,381 units for above moderate-income households. This accounts for 61% of all proposed units for very low-income households, 71% of low-income units, 72% of moderate-income units, and 36% of above moderate-income units. Collectively, these units make up 47% of the County’s total RHNA Sites Inventory. Moreover, 65% of all proposed lower income units (very low-income + low-income) are located in these Census Tracts.

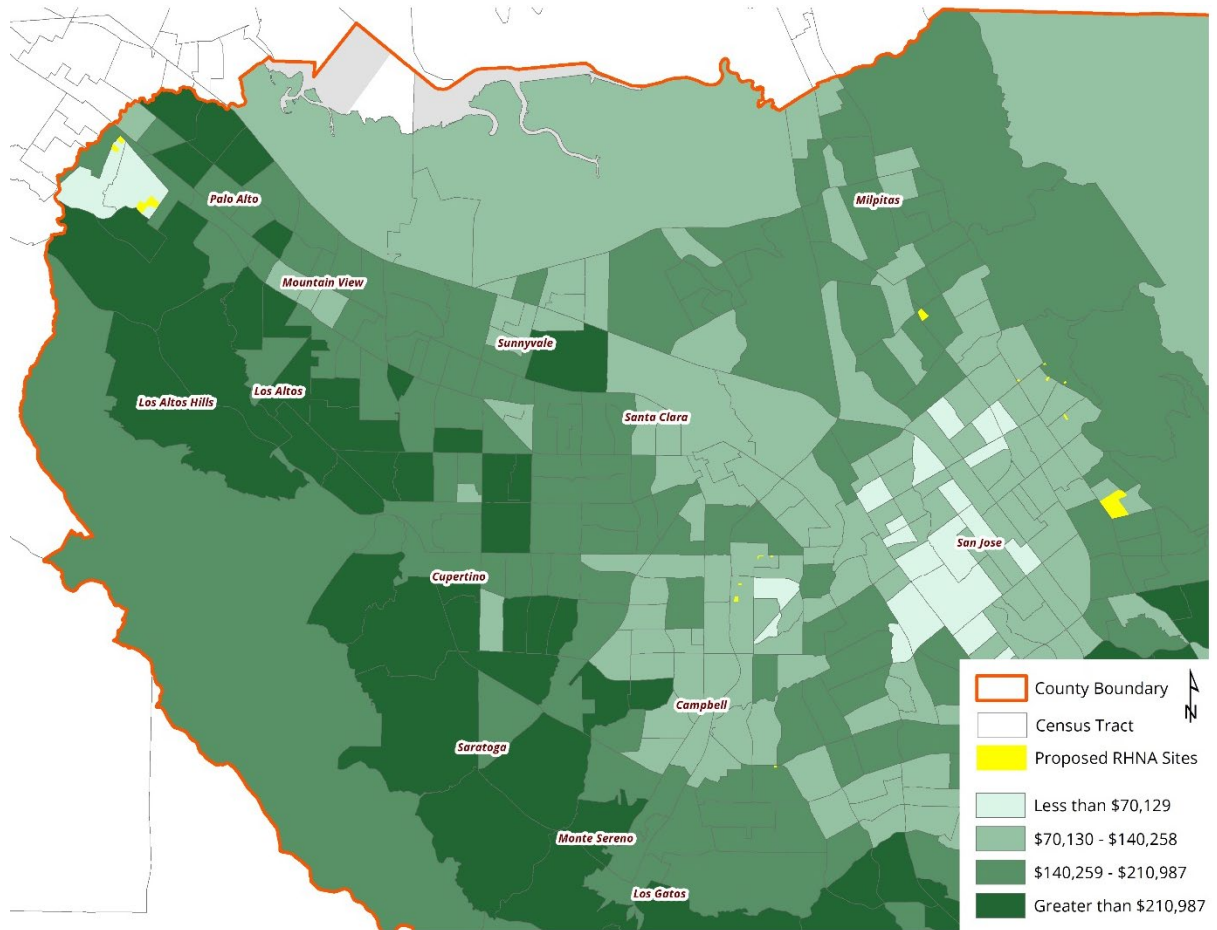
Three of the six Census Tracts—Census Tracts 5130, 5116.08, and 5043.21—are designated as high-resource areas. Of the proposed sites located within these six Census Tracts, 100% of the very low-income units (661) and low-income units (439), 99% of the moderate-income units

(452), and 98% of the above moderate-income units are located in high-resource areas. The addition of these units should help provide more opportunities for low- and moderate-income households to find affordable housing options and lessen the number of households experiencing cost burden.

In addition to cost burden, overcrowded households can signify a mismatch between the types of housing needed by residents and the types of housing available and affordable to households. In 2021, 8% of the county's households were considered overcrowded, defined as more than one person per bedroom in a household. There are two Census Tracts in unincorporated Santa Clara County where there are at least 50% more households experiencing overcrowding compared to the county overall—Census Tract 5041.02 (20% of households are overcrowded and Census Tract 5039.02 (19%). The County's Sites Inventory proposes no units for very low-income or low-income households, three units for moderate-income households, and 14 units for above moderate-income households. Collectively, these units make up less than 1% of the County's proposed RHNA sites.

According to the UC Berkeley Urban Displacement Project, lower-income residents living in Census Tract 5039.02 are at risk of displacement. While the addition of the units in this Census Tract will not contribute to more affordable housing choices, the relatively low number of units will likely not exacerbate the risk of displacement faced by lower-income residents.

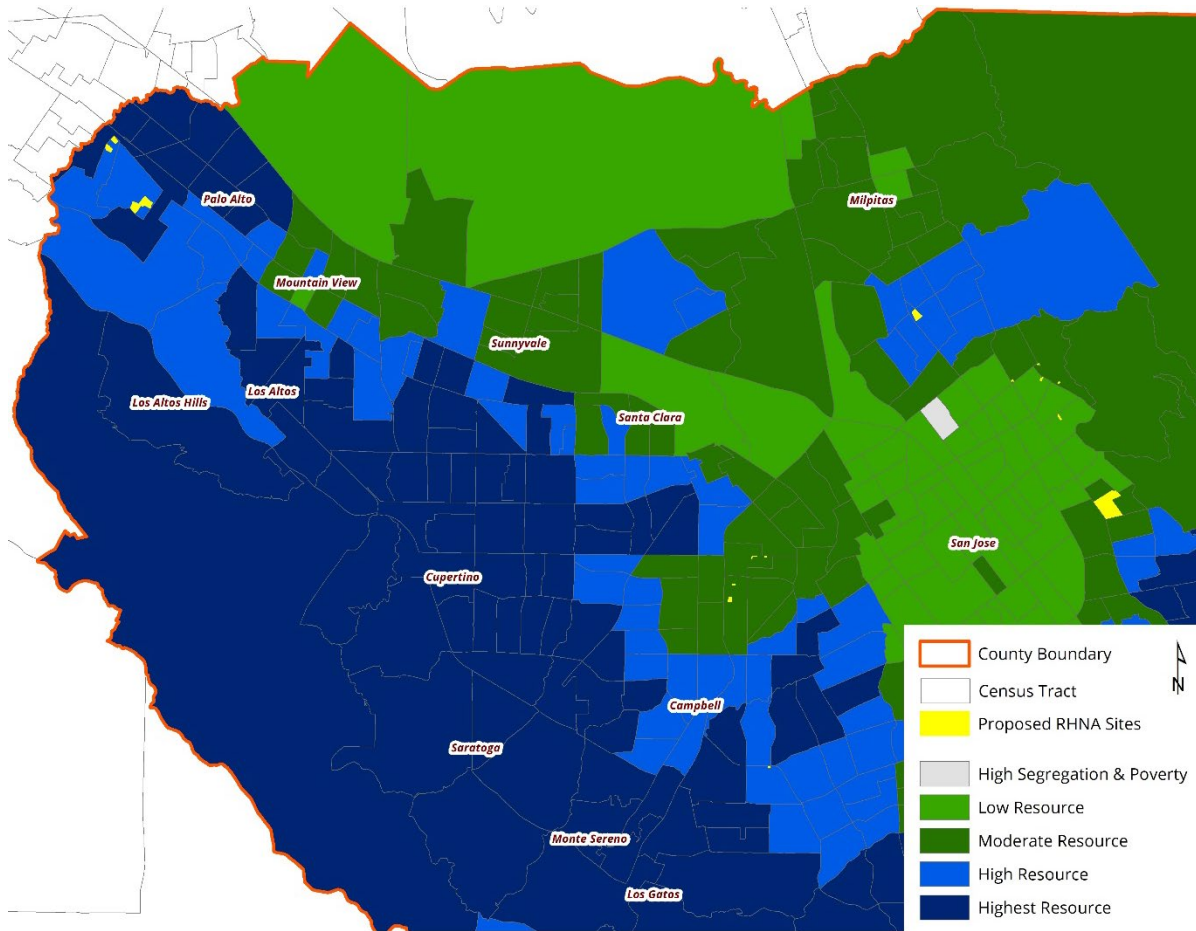
Figure A-5.
Proposed RHNA Sites by Median Household Income and Census Tract, 2021



Note: The category breaks are 50% and 150% of the County's median household income (\$140,258) in 2021.

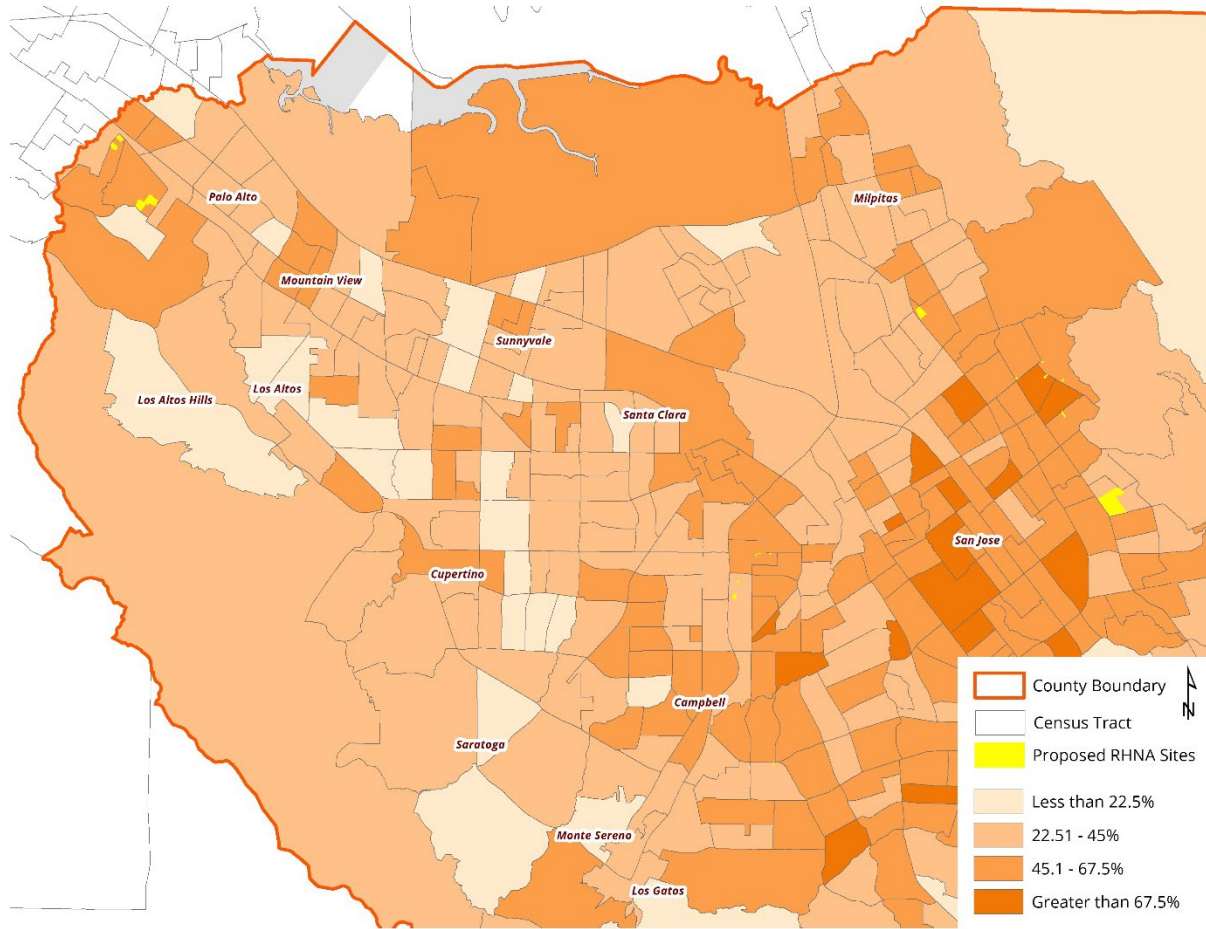
Source: 2021 5-year ACS and Root Policy Research.

Figure A-6.
Proposed RHNA Sites by TCAC Opportunity Resource Area Designation and
Census Tract, 2022



Source: HCD AFFH Data Viewer (California's Tax Credit Allocation Committee) and Root Policy Research.

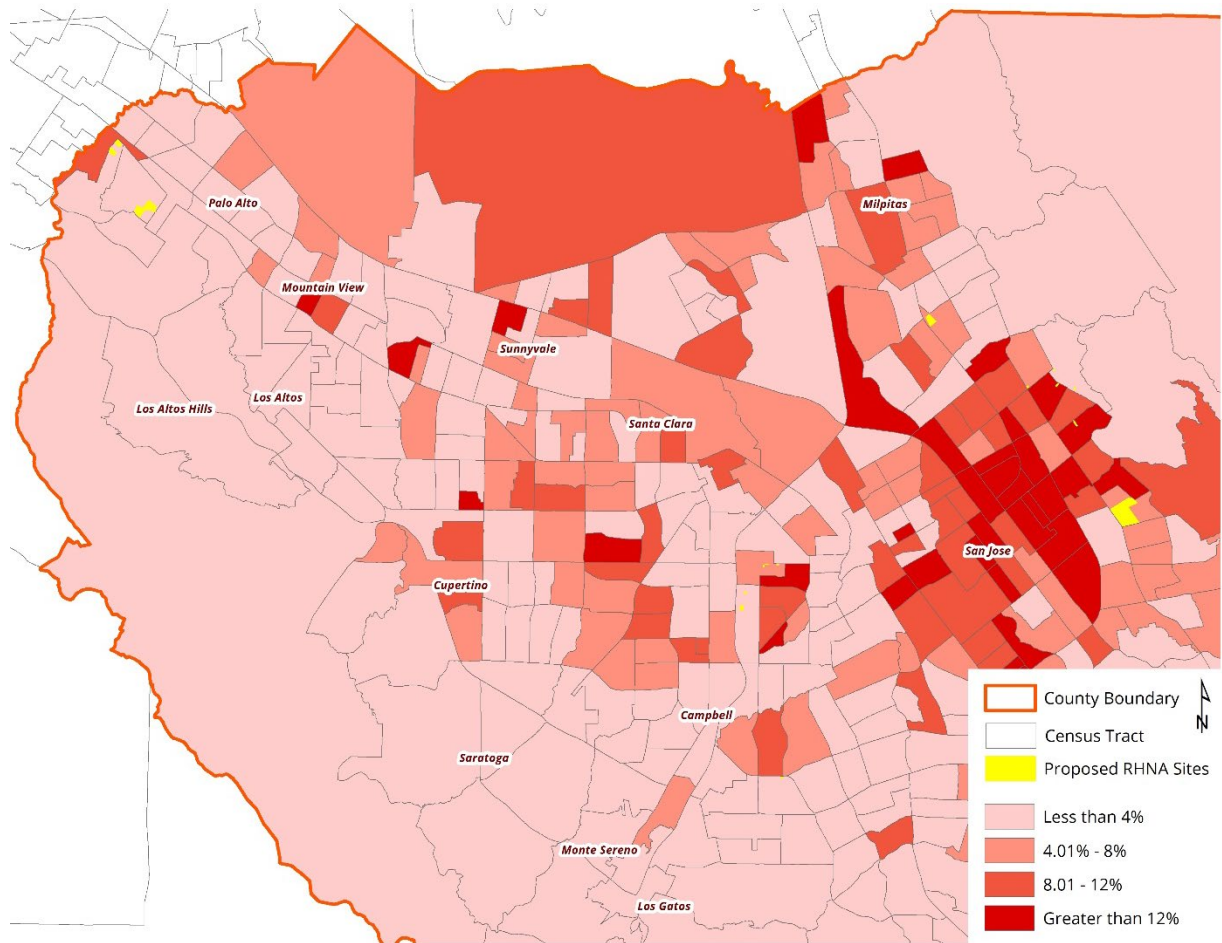
Figure A-7.
Proposed RHNA Sites by Percent of Renter Overpayment (Cost Burden) and
Census Tract, 2021



Note: The category breaks are 50% and 150% of the County's percent of cost burdened renters (45%) in 2021.

Source: 2021 5-year ACS and Root Policy Research.

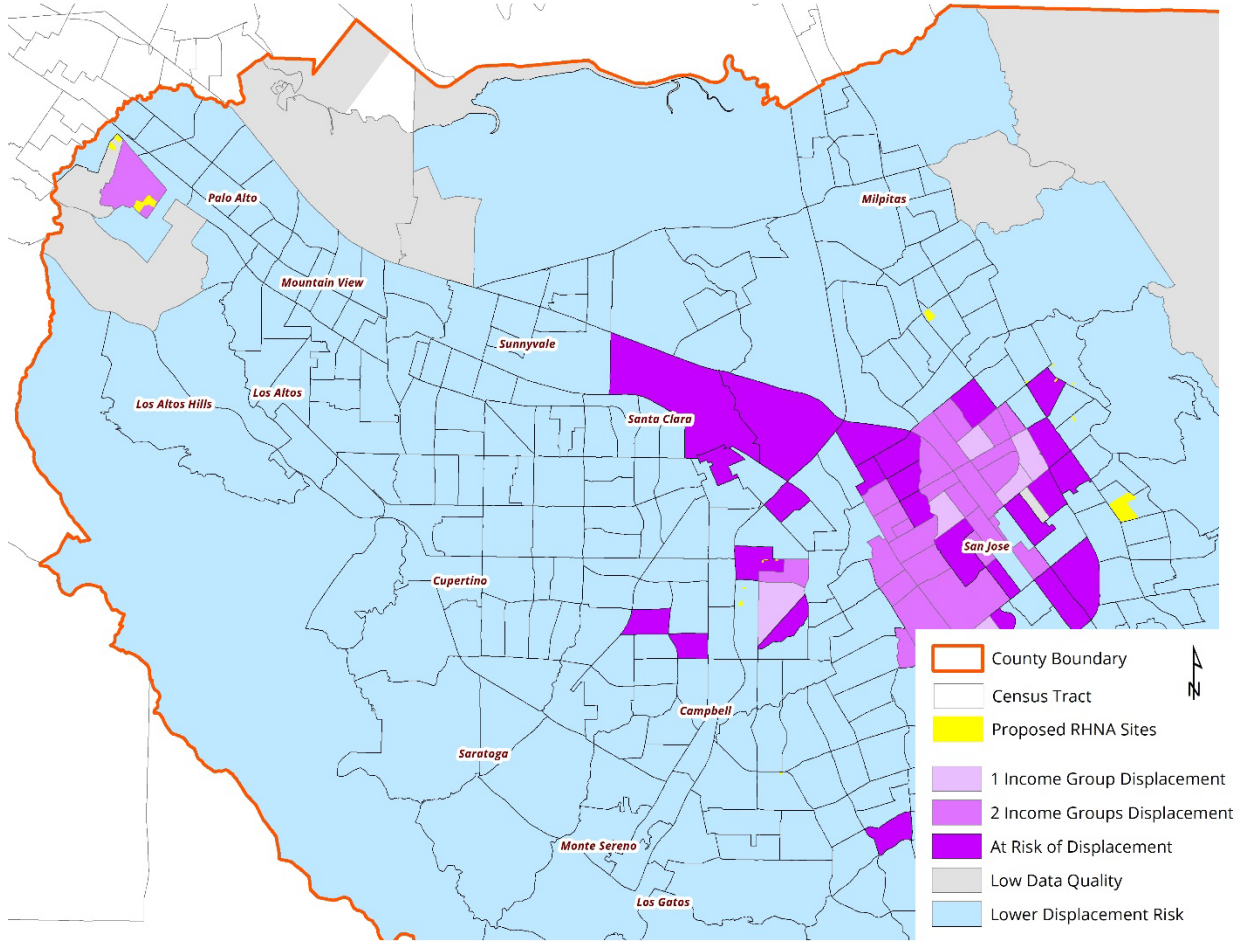
Figure A-8.
Proposed RHNA Sites by Percent of Overcrowded Households and Census Tract,
2021



Note: The category breaks are 50% and 150% of the County's overcrowding rate (8%) in 2021.

Source: 2021 5-year ACS and Root Policy Research.

Figure A-9.
Proposed RHNA Sites by Vulnerability to Displacement and Census Tract, 2022



Source: HCD AFFH Data Viewer (Sensitive Communities UCB, Urban Displacement Project) and Root Policy Research.