

December 12, 2018

Susan Naramore  
Department of Housing and Community Development  
Division of Financial Assistance  
2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833

Dear Ms. Naramore:

The Disaster Housing Recovery Coalition (DHRC), which includes California organizations that are signatories below, would like to thank you for the opportunity to submit the following comments on the draft State Action Plan for Disaster Recovery. California faces significant recovery challenges following the 2017 wildfires, mudflows, and debris flows, and we appreciate that the California Department of Housing and Community Development (HCD) has dedicated most of the Community Development Block Grant – Disaster Recovery (CDBG-DR) funding to housing, including the construction of new multi-family housing.

The DHRC is coordinated by the National Low Income Housing Coalition and includes more than 860 local, state, and national organizations committed to ensuring that disaster housing recovery and rebuilding efforts are complete and equitable for all affected individuals, households, and communities, including people with the lowest incomes and hard to reach populations, such as farmworkers, rural residents, immigrant groups, tribal communities and others, who are often hardest hit by disasters and have the fewest resources to recover.

The California wildfires and subsequent mudslides and debris flow areas disproportionately impacted largely invisible populations with little access to decent, affordable housing. This includes farmworkers in agricultural areas who found themselves unemployed or under-employed following the wildfires. In addition to losing housing and income, those in more isolated, rural communities have been forced to commute long distances to find work. Displacement also occurs for those in mobile-home communities serving low income families and seniors, as well as homeless populations living in hidden and unconventional housing. Many of these populations require services that are no longer readily available to them when they must move away.

We propose the following changes to the California State Action Plan to make it more consistent with the purpose of the program and address the most pressing needs:

1. **Deploy housing recovery funds and implement cost-effective measure to ensure that all households – including homeowners, renters, farmworkers, rural residents, Native American nations, and those who were experiencing homelessness before the wildfires – receive the decent, affordable, and accessible housing they need to recover.**
  - a. Require a longer affordability period – preferably 50 years or longer – to avoid exacerbating the current shortage of affordable rental housing in the state and to maximize the federal and state investment. The National Low Income Housing

Coalition's 2018 report *The Gap* shows that prior to the 2017 wildfires and mudflows, California had only 22 affordable and available rental homes for every 100 extremely low income households. As a result, 77% of these households pay at least half of their income on housing costs, leaving few resources for their other basic needs. The state generally requires a 30- to 55-year extended use period of the Low Income Housing Tax Credit (LIHTC), the principal source of financing for affordable housing properties, but the Action Plan only requires 15 or 20 years, depending on the type of project.

- b. Require that every unit of damaged or destroyed federal or state subsidized rental housing is replaced on a one-for-one basis. HCD is well-aware of the growing shortage of affordable rental housing in the state, and the action plan should ensure CDBG-DR funds are used to prevent the crisis from worsening.
- c. Provide deeper low-income targeting of proposed housing programs. The action plan notes that federal disaster recovery funds will not meet all the unmet rental housing needs following DR-4344 and DR-4353. The State should ensure that these scarce resources are allocated equitably between homeowners and renters at all income levels, proportional to damage assessments and unmet needs. Funds should be targeted to lower-income and special population needs. This will require the state to analyze damage and unmet need by income beyond the basic category of low-and moderate-income persons (80% of Area Median Income) to include very low-income (31-50% of Area Median Income) and extremely low-income (0-30% of Area Median Income). This analysis will help ensure new affordable rental housing is targeted equitably.

Protected racial, ethnic and disability categories as well as farmworkers and rural residents – who receive the fewest housing services – are disproportionately represented in low-income communities. A recent study, “Damages Done: The Longitudinal Impacts of Natural Hazards on Wealth Inequality in the US” (Howell, Elliot 2018), confirmed that natural disasters, such as the Northern California Wildfires, contribute to wealth inequity in the United States as those with less financial means tend to come out of a disaster recovery process in a worse financial condition than the one they were in prior to disaster. Those with better financial means tended to come out of the recovery process better off financially than they were before the disaster. Affirmative steps need to be taken to assure a more equitable result. This means providing adequate assistance to meet the needs of low income and vulnerable populations.

- d. Comply with Affirmatively Furthering Fair Housing (AFFH) obligations when allocating housing resources. We support the Action Plan's commitment to developing policies and procedures for compliance with AFFH requirements during the implementation of this Action Plan. HCD and selected grant recipients must make investments in a manner that meets the needs of existing low-income communities and areas of concentrated poverty and race and fosters affordable housing in high-opportunity neighborhoods. All investment should be made in a manner that prevents displacement and provides affected residents with the ability to remain in their existing communities or relocate to other desired locations. AFFH requirements must ensure that protected groups and special

populations, like farmworkers and immigrant populations, are provided with sufficient disaster recovery housing.

- e. Provide explicit assurance that those who lost their mobile home parks and mobile homes – one of the only affordable housing options in the most impacted wildfire and mudslide areas – can receive assistance under the Owner Occupied Housing Rehabilitation and Reconstruction Program. The action plan notes that the fires damaged a total of 774 mobile housing units but does not affirm that these survivors are eligible for assistance. The plan states that “new home purchase or new construction off-site” is ineligible. Owners of mobile homes are homeowners, but they do not own the land and will not be able to replace their home on the same site, such as the residents of Journey’s End in Santa Rosa. HCD has under-utilized Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRROP) funds that can be combined with CDBG-DR funds in an effective mobile home park rehabilitation and replacement housing program that would repair parks, repair and replace homes, ensure relocation assistance, and prevent displacement. These funds must be flexible enough to address special disaster recovery needs.
- f. Request that FEMA and the U.S. Department of Housing and Urban Development (HUD) make the Disaster Housing Assistance Program (DHAP) available to survivors of DR-4344 and DR-4353 to help address the needs of tenants who were displaced due to fire damage and need housing now. The State should also consider allocating a portion of CDBG-DR funds for direct rental assistance on a temporary basis until such assistance is available from DHAP or alternative sources.
- g. Ensure that CDBG-DR funds are appropriately targeted to low-income communities in rural areas and that the special needs of rural and farmworker communities are addressed. This includes addressing the infrastructure needs that enable housing rehabilitation and development.

**2. Adopt transparent data and reporting standards to ensure that federal and state resources are allocated fairly and adequately to meet the needs of low-income people and protected and special populations.**

- a. Collect and make public comprehensive demographic data at the most granular level possible on the impact of the disaster and how resources are allocated. Data should be collected on all protected classes covered by the *Stafford Act*, the *Americans with Disabilities Act*, *Fair Housing Act*, *Title VI* of the Civil Rights Act, and other federal and state civil rights protections, including, but not limited to, race/ethnicity, income and economic status, age, disability, and gender. Data should also be collected and presented on the most granular level possible on the location and tenure type of both housing need and assistance ultimately provided, education levels, vulnerability for gentrification and future displacement, and transportation dependence. Collecting and making such data available at the most granular level possible is essential for the public to undertake meaningful analysis. Periodic reports, quarterly or semi-annual, will assure transparency and fairness.

- b. Provide oversight by HCD of these programs, including reports demonstrating compliance with program requirements and law.
- 3. Ensure that the lowest income households can fully benefit from federal disaster housing resources and have meaningful choices over where to live and opportunities for work.**
- a. Prohibit sub-grantees of federal and state disaster recovery funds from refusing to rent to Housing Choice Voucher holders. While California law does not expressly require landlords to participate in the voucher program, this provision would ensure that disaster recovery funds are used effectively.
  - b. Ensure that individuals experiencing homelessness prior to the disaster have access to the same disaster relief assistance as those who were renting or owned their homes prior to the disaster. This will address the undercount of disaster survivors who lived in hidden and unconventional housing or were homeless or near homeless prior to the fires.
  - c. Provide employment opportunities to low-income residents of impacted communities, as well as contracting opportunities to small businesses located in low-income communities impacted by the disasters by making mandatory for any entity receiving CDBG-DR funding directly or indirectly the suggested levels of employment and contracting found in Section 3 of the Housing and Urban Development Act of 1968, 12 USC 1701u. Many affected disaster victims lost jobs as a consequence of wildfire disasters and have not recovered.
  - d. Offer the opportunity for reimbursement for eligible expenses incurred while building new affordable multi-family development. The unmet housing needs in the affected communities are urgent, and some, such as Burbank Housing, have already begun to develop new multi-family housing for displaced residents. The plan states that reimbursement may be possible under the Owner Occupied Housing Rehabilitation and Reconstruction Program, but does not mention a similar possibility under the Multifamily Housing Program.
  - e. Ensure that there are sufficient funds and mechanisms for inclusive outreach to displaced low-income renters, owners and mobile home park residents. Such outreach should be consistent with the language access requirements of Title VI, California Government Code 11135 and the HUD and USDA language access plans.

Thank you for your consideration of these recommendations.

Please contact Sonya Acosta, Policy Analyst at the National Low Income Housing Coalition, at [sacosta@nlihc.org](mailto:sacosta@nlihc.org) or Ilene Jacobs, Director of Litigation, Advocacy and Training at California Rural Legal Assistance, Inc, at [ijacobs@crla.org](mailto:ijacobs@crla.org) if you have any questions or would like to discuss our recommendations.

Sincerely,

**National Organizations**

Disaster Housing Recovery Coalition  
National Low Income Housing Coalition

**California Organizations**

California Coalition for Rural Housing  
California Housing Partnership  
California Rural Legal Assistance, Inc.  
California Rural Legal Assistance Foundation  
Fair Housing Advocates of Northern California  
Fair Housing Council of Orange County  
Fair Housing Council of Riverside County, Inc.  
Fair Housing Council of the San Fernando Valley  
Fair Housing Napa Valley  
Housing California  
Western Center on Law and Poverty

## **California Members of the Disaster Housing Recovery Coalition**

Abode Communities  
Age Well Senior Services  
Asian Pacific Institute on Gender-Based Violence  
Burbank Housing  
California Coalition for Rural Housing  
California Department of Housing and Community Development  
California Housing Consortium  
California Housing Partnership Corporation  
California Rural Legal Assistance  
Center for Sustainable Neighborhoods  
Century Housing Corporation  
City of Thousand Oaks  
Colchester Creek  
Community Housing Improvement Program  
Disability Rights Education and Defense Fund  
Downtown Women's Center  
EAH Housing  
Fair Housing Advocates of Northern California  
Fair Housing Council of Orange County  
Fair Housing Council of Riverside County, Inc.  
Fair Housing Council of the San Fernando Valley  
Fair Housing Napa Valley  
Greater Napa Valley Fair Housing Center  
Housing California  
Housing Rights Center  
Los Arcos  
Orange County United Way  
Project Sentinel  
Sacramento Regional Coalition to End Homelessness  
Southern California Association of Non-Profit Housing  
St. Pete Progressives  
State of California, Housing and Community Development  
SV@Home  
Western Center on Law and Poverty