

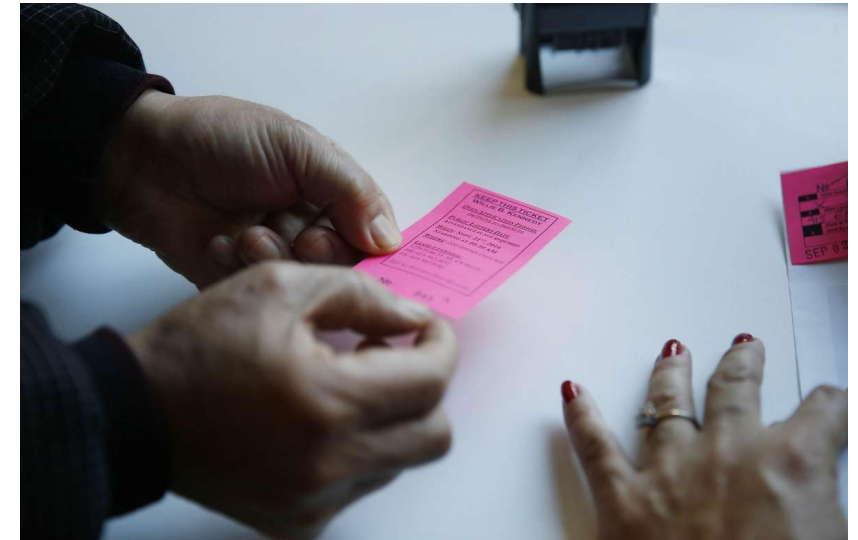
# The Use of Preferences in HCD Administered Programs





# Preference Policies

- Establish characteristics that are used in tenant selection to determine which applicants are chosen for units.
- Changes in a selection criteria may mean the difference between an eligible household waiting a few months versus years for an affordable unit.





# Protected Characteristics in California

- Race, color
- Ancestry, national origin
- Religion
- Disability
- Sex, gender
- Sexual orientation
- Gender identity
- Gender expression
- Genetic information
- Familial status
- Marital Status
- Source of income (including forms of rental assistance)
- Military/Veteran status
- Primary language\*
- Immigration status\*
- Age\*
- Citizenship\*

\*Covered under the Unruh Civil Rights Act, which applies to most housing accommodations in California.



## Context Matters

- If implemented poorly, preference policies may result in the exclusion of persons with protected characteristics from residing in the area.
- Preference policies that maintain the status quo in segregated communities or disproportionately segregate a community from the general population may be problematic.



# Displacement

Displacement is fueled by a combination of rising housing costs, rising income inequality, stagnant wages, and insufficient market-rate housing production.





## Ability to AFFH

- An anti-displacement preference for affordable housing in a lower-income, predominately Latinx neighborhood that is experiencing gentrification should be analyzed in terms of the AFFH goals of preventing displacement and reducing racial segregation, along with any requisite disparate treatment and disparate impact analysis.
- A preference for people with disabilities can increase access to housing and neighborhood choice for people and populations that have historically experienced institutionalization, segregation, and discrimination.



## Preference Policies within HCD Programs

Must demonstrate:

- The public policy purpose;
- Document all of the strategies and policies implemented to address the availability of affordable units; and
- Provide legal reasoning that the preference policy is in conformity with fair housing laws.