

## Affirmatively Furthering Fair Housing Report

A  
APPENDIX

## Appendix A. AFFH Report

### A.1 What is AFFH?

The State of California's 2018 Assembly Bill (AB 686) requires that all public agencies in the state affirmatively further fair housing (AFFH) beginning January 1, 2019. Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The Federal obligation stems from the fair housing component of the Federal Civil Rights Act mandating Federal fund recipients to take "meaningful actions" to address segregation and related barriers to fair housing choice.

AB 686 requires all public agencies to "administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing and take no action inconsistent with this obligation."<sup>1</sup>

AB 686 also makes changes to Housing Element Law to incorporate requirements of AFFH as part of the Housing Element and General Plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

#### Affirmatively Furthering Fair Housing

**"Affirmatively furthering fair housing"** means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd.(a)(1).)"

Source: California Department of Housing and Community Development Guidance, 2021, page 14.

## Analysis of the 5<sup>th</sup> Cycle Housing Element

### Goals of the Previous Housing Element

Many of the goals, policies, and programs that were presented in the 5<sup>th</sup> Cycle Housing Element are still applicable to the current 6<sup>th</sup> Cycle Housing Element. Some of the goals, policies, and programs included in this Housing Element serve as a continuation of policies identified within the previous Housing Element; whereas, others are new and concentrate more on promoting AFFH. The following are a list of goals from the 5<sup>th</sup> Cycle Housing Element:

- Goal HOU-1: Expand the choice of housing opportunities for all economic segments of the community by supporting the development of affordable housing in a variety of types and sizes, including a mixture of ownership and rental housing.
- Goal HOU-2: Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing that is compatible with the neighborhood and the community.
- Goal HOU-3: Preserve existing residential opportunities, including the existing affordable housing stock.

<sup>1</sup> California Department of Housing and Community Development Guidance, 2021, page 9.

- Goal HOU-4: Ensure that all persons have equal access to housing opportunities.
- Goal HOU-5: Retain and expand affordable housing opportunities for seniors.
- Goal HOU-6: Mitigate Town governmental constraints to affordable and special needs housing development.
- Goal HOU-7: Encourage residential construction that promotes green building and energy conservation practices.
- Goal HOU-8: Ensure that the Town has sufficient resources and takes appropriate measures to implement the Housing Element.
- Goal HOU-9: Maintain the Town's 2005 jobs-to-household ratio of 1.5 jobs per household.

The goals listed above are still applicable and support producing, providing, and retaining housing within the Town. The goals of the 6<sup>th</sup> Cycle Housing Element have refined the goals of the 5<sup>th</sup> Cycle Housing Element to state six clear goals that complement the policies and implementation programs, further strengthening the Town's housing goals.

## Production of Housing

The 5<sup>th</sup> Cycle Housing Element identified a Regional Housing Needs Allocation (RHNA) of 619 housing units in Los Gatos between January 1, 2015, and January 31, 2023. The RHNA was divided into the following income categories:

- 100 units affordable to extremely low-income households.
- 101 units affordable to very low-income households.
- 112 units affordable to low-income households.
- 132 units affordable to moderate-income households.
- 174 units affordable to above moderate-income households.

During the 2015–2023 planning period, as of December 31, 2022, 683 new units were added to the Town's housing stock, achieving approximately 110 percent of the Town's RHNA. Units affordable to moderate- and lower-income households that were created during the planning period include density bonus senior rental units (North Forty Phase I), an attached condominium (Union Avenue), detached townhomes (Knowles Avenue) produced through the BMP program, and accessory dwelling units. The Town exceeded the required housing units per RHNA in the moderate and above moderate-income categories; however, fell short in the very low- and low-income categories. Many of the goals, policies, and programs added and modified in this document have the goal and objective of increasing the total production of very low- and low-income category housing units during the 6<sup>th</sup> Housing Element cycle. For a deeper analysis of the previous Housing Element Update, refer to Appendix E.

## Meaningful Steps towards AFFH

The Town's overarching goal of furthering AFFH and creating more housing opportunities has made a concentrated effort to assist the most vulnerable populations. These vulnerable populations include, but are not limited to: the elderly; large households; extremely low income households; individuals experiencing homelessness; and individuals with disabilities. Many of the programs identified in this 6<sup>th</sup> Cycle Housing Element are designed to create a measurable impact on the affordable housing options provided to the afore-mentioned populations. These policies include:

- Implementation Program I: Senior Housing Resources
- Implementation Program N: Funds for Development for Extremely Low Income (ELI) Households
- Implementation Program AI: Countywide Home Repair Program
- Implementation Program U: Increased Range of Housing Opportunities for the Homeless
- Implementation Program V: Housing Opportunities for Persons Living with Disabilities
- Implementation Program AP: Special Needs Housing
- Implementation Program X: Assistance for Persons with Developmental Challenges

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- Implementation Program Y: Supportive Services for the Homeless
- Implementation Program Z: Stabilize Rents
- Implementation Program AY: Housing Mobility

The Town of Los Gatos implements these programs through funding allocation or through partnerships with other local organizations and jurisdictions.

### A.2 History of Segregation in the Region

The United States' oldest cities have a history of mandating segregated living patterns and Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay Area to historically discriminatory practices, highlighting redlining and discriminatory mortgage approvals as well as "structural inequities" in society, and "self-segregation" (i.e., preferences to live near similar people).

Researcher Richard Rothstein's 2017 book *The Color of Law: A Forgotten History of How Our Government Segregated America* chronicles how the public sector contributed to the segregation that exists today. Rothstein highlights several significant developments in the Bay Area region that played a large role in where the region's non-White residents settled.

In 1955, builders began developing workforce housing for the Ford Corporation's plant in the Bay Area, including Santa Clara County. Initially the units were segregated as no one would sell to the local Black/African American workers. The American Friends Service Committee (AFSC) worked to find builders who would build integrated subdivisions. Unfortunately, after four purchased plots were subsequently rezoned to prevent integrated housing, the original builder quit. After multiple additional iterations, Black/African American workers had "become so discouraged about finding housing opportunities" that they began carpooling from outside cities such as Richmond<sup>2</sup>.

A 2018 Berkeley publication titled, *Racial Segregation in the San Francisco Bay Area*, describes Los Gatos among the "most segregated, heavily white cities in the county" with Santa Clara County containing "no truly integrated city"<sup>3</sup>. The study also delved into the history of segregation, highlighting 1960s-era laws and practices connected to urban renewal projects that displaced established communities of color. This was coupled with the building of transportation infrastructure that resulted in a net loss of affordable housing due to a lack of one-for-one replacement.

#### History of Segregation in the Region

This history of segregation in the region is important not only to understand how residential settlement patterns came about, but, more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field in part determines why residents have different housing needs today.

In addition to historical discriminatory practices that embedded segregation into living patterns throughout the Bay Area, it's also necessary to recognize the historical impacts of colonization and genocide on Indigenous populations and how the effects of those atrocities are still being felt today. The original inhabitants of present-day San Mateo County are the Ramaytush Ohlone, who have "...lived on the San Francisco Peninsula for thousands of years and continue to live here as respectful stewards of the land"<sup>4</sup>. However, "[d]ue to the devastating policies and practices of a succession of explorers, missionaries, settlers, and various levels of government over the centuries since European expansion, the Ramaytush Ohlone lost the vast majority of their

<sup>2</sup> Source: book *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein, p 121.

<sup>3</sup> [Racial Segregation in the San Francisco Bay Area, Part 1 | Othering & Belonging Institute \(berkeley.edu\)](https://oer.berkeley.edu/2018/06/12/racial-segregation-in-the-san-francisco-bay-area-part-1/)

<sup>4</sup> <https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html>

population as well as their land<sup>5</sup>. The lasting influence of these policies and practices have contributed directly to the disparate housing and economic outcomes collectively experienced by Native populations today<sup>6</sup>.

The timeline of major Federal Acts and court decisions related to fair housing choice and zoning and land use appears on the following page.

As shown in the timeline, exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory and allowed those that would be considered today to have a “disparate impact” on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Amherst Realty Co.* (272 U.S. 365) supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as “mere parasite(s)” with the potential to “utterly destroy” the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial Zoning Ordinances appeared in U.S. cities. This coincided with a shift away from Federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies), the latter of which is only effective when adequate affordable rental units are available.

Racial covenants were used across the United States, and though they are now illegal, the language remains in many property records. A homeowner may not even know that their deed includes a racial covenant, it is easily missed in the paperwork that comes with buying a home.

This section illustrates the demographic distribution of residents in Los Gatos and Santa Clara County compared to the Bay Area region.

These analyses offer important in-sight on patterns of segregation and integration as well as equitable access to opportunity for residents across the Bay Area. Primary findings from these comparative analyses are bulleted and provided before figures/maps.

Figures A-1 and A-2 show the percent of non-White residents by block group in Los Gatos and the region in 2020.

Key differences between Santa Clara County and the Bay Area include:

- Los Gatos is far less diverse than surrounding cities and the county overall: of census tracts with non-White residents, groups comprise less than half of the total resident population. Saratoga and Cupertino follow different patterns with non-White residents comprising more than 60% of the population in particular tracts.
- Areas of Santa Clara County with the largest share of non-White residents include San Jose, Sunnyvale, and Santa Clara, all of which have census tracts where non-White residents comprise up to 100 percent of the total resident population.
- These trends are similar for the region overall though non-White groups are significantly more likely to live in San Francisco, Daly City, Palo Alto, San Leandro, Hayward, and Fremont. There are similar concentrations in South San Francisco and Redwood City.

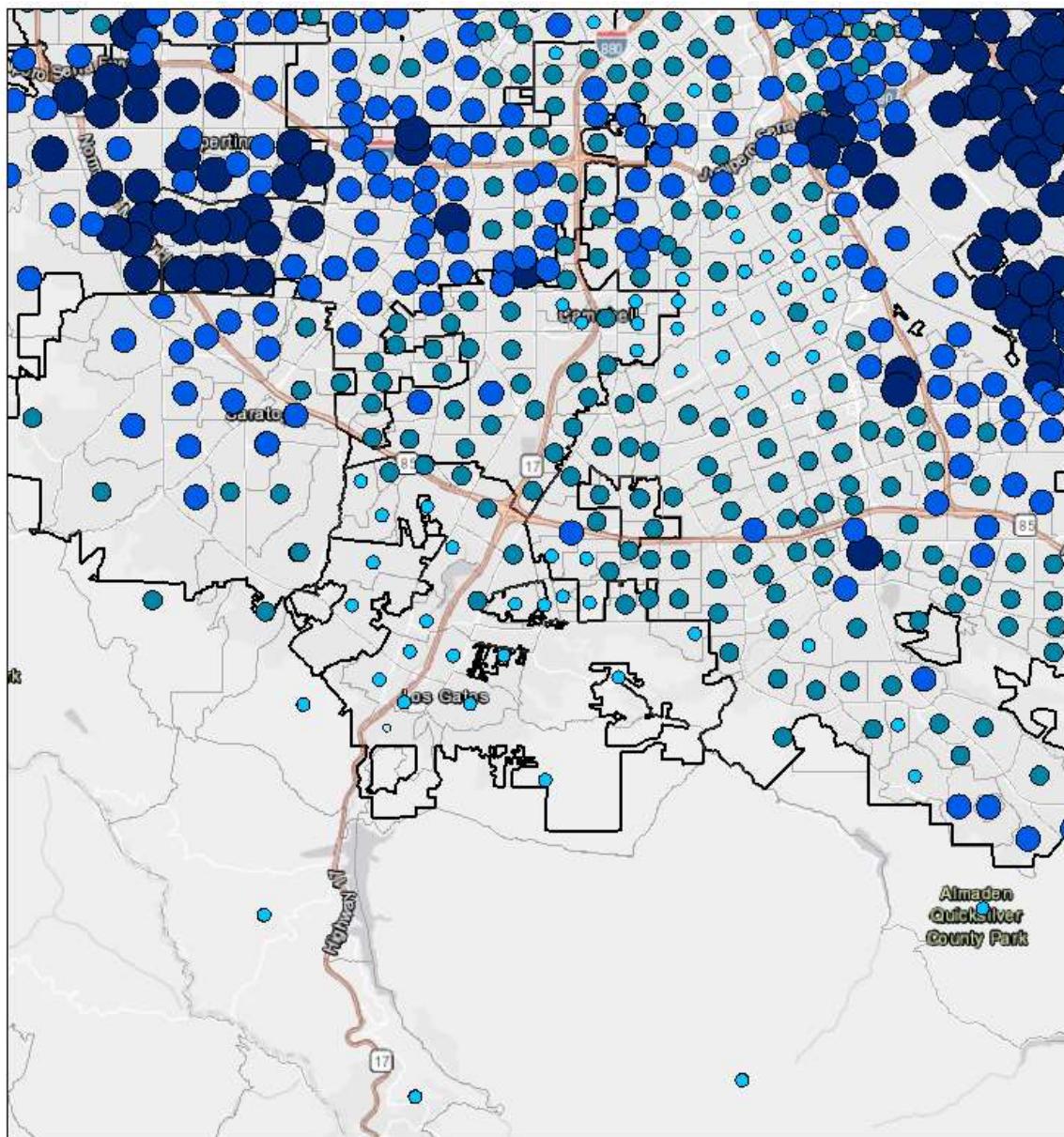
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<sup>5</sup> <https://www.smcoe.org/for-communities/indigenous-people-of-san-mateo-county.html>

<sup>6</sup> <https://www.americanprogress.org/article/systemic-inequality-displacement-exclusion-segregation/>

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**Figure A-1. Racial Demographics by Block Group, Los Gatos, 2020**



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Racial Demographics (Census, 2020) - Block Group

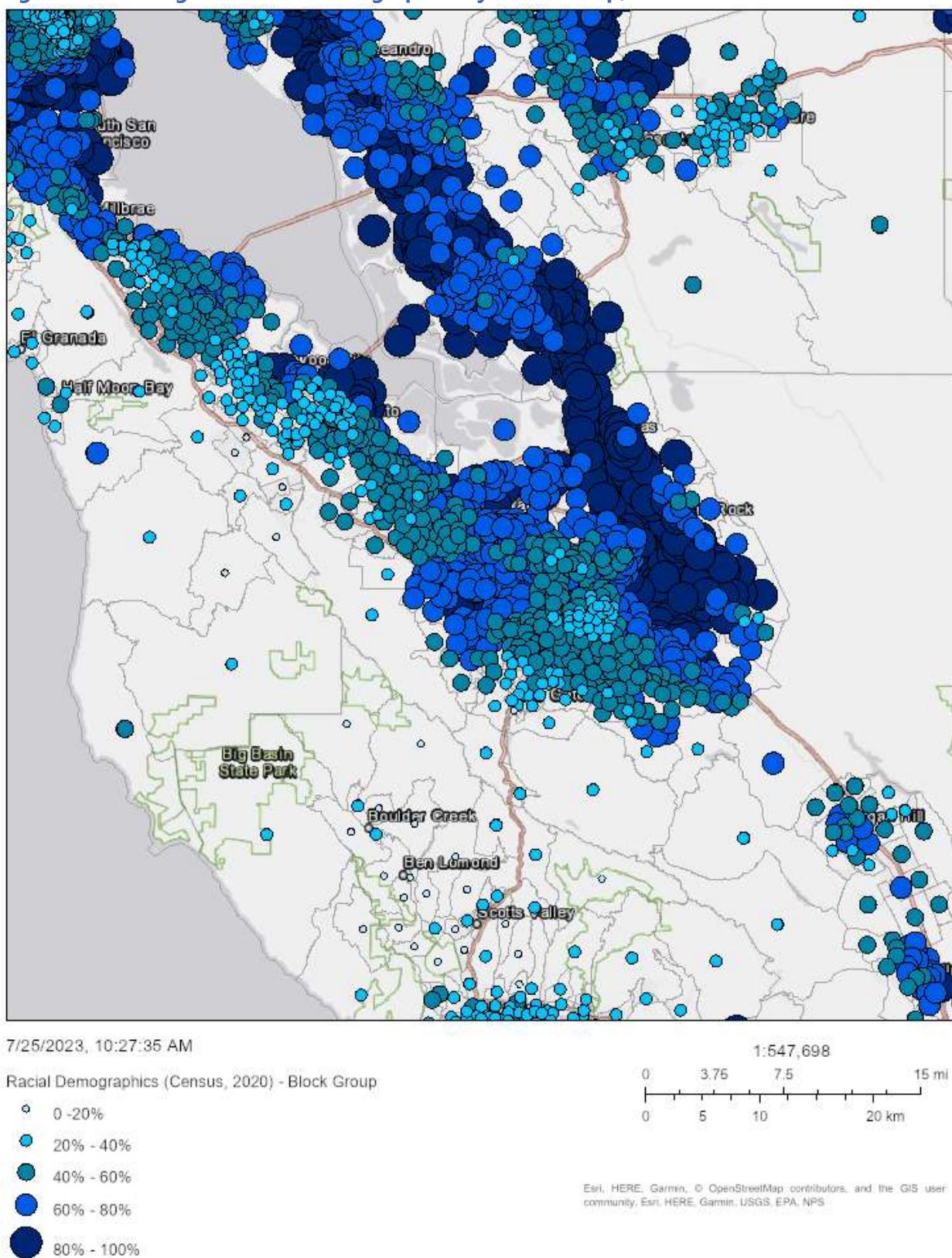
0 0.75 1.5 3 6 km  
 0 1.5 3

- 0 - 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- 80% - 100%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-2 Regional Racial Demographics by Block Group, 2020**

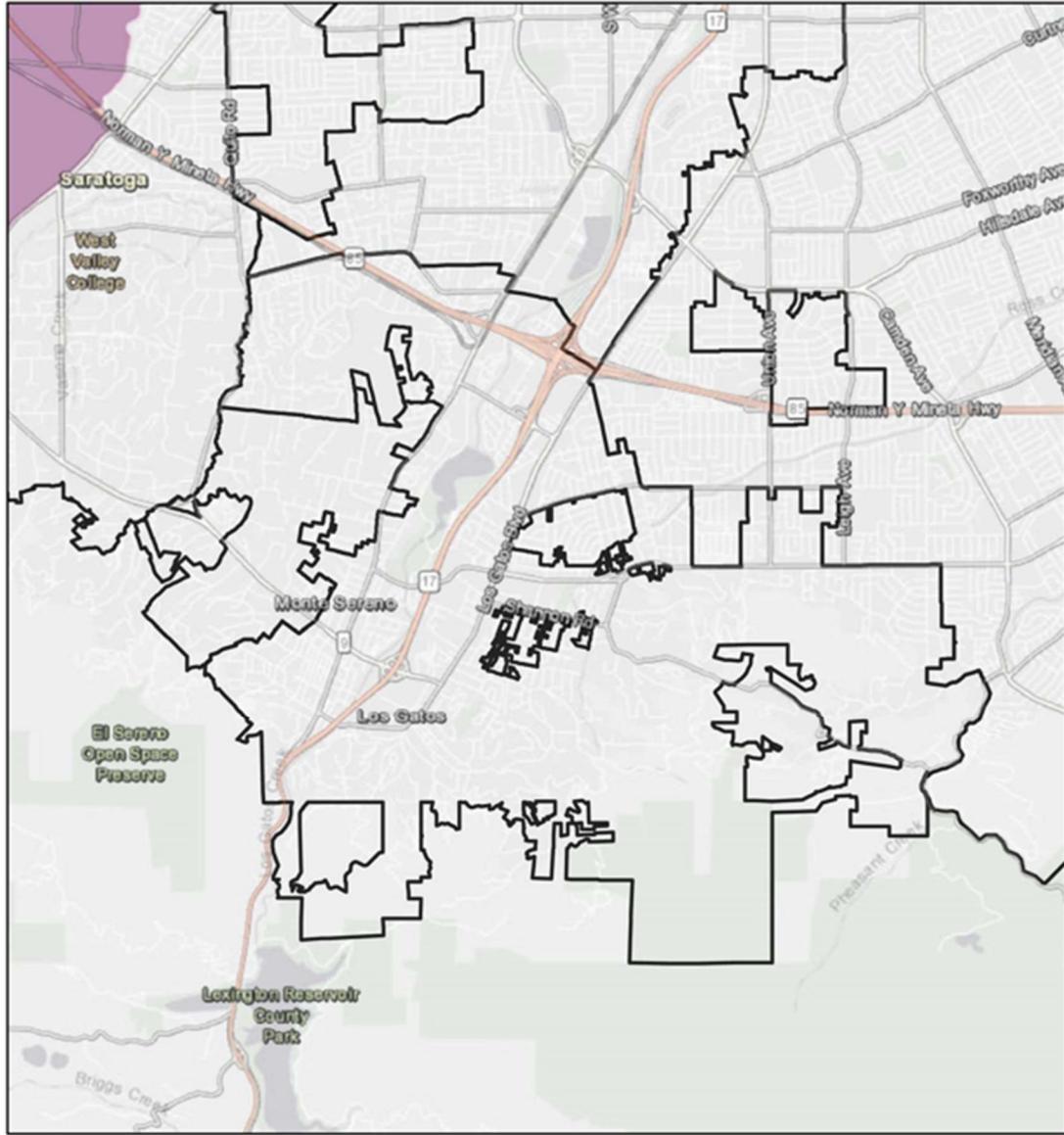


Source: California Department of Housing and Community Development AFFH Data Viewer

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Figure A-3 shows census tracts in Los Gatos where Asian residents are the predominant population. As shown in the map, Los Gatos has no predominantly Asian census tracts. Comparatively, Saratoga has Asian majority census tracts with a sizeable gap between 10 percent and 50 percent.

**Figure A-3 Asian Majority Census Tracts, Los Gatos, 2018**



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0 0.5 1 2 mi  
 0 0.75 1.5 3 km

 City/Town Boundaries

 (R) Predominant Population - Asian Majority Tracts

 Sizeable (gap 10% - 50%)

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD

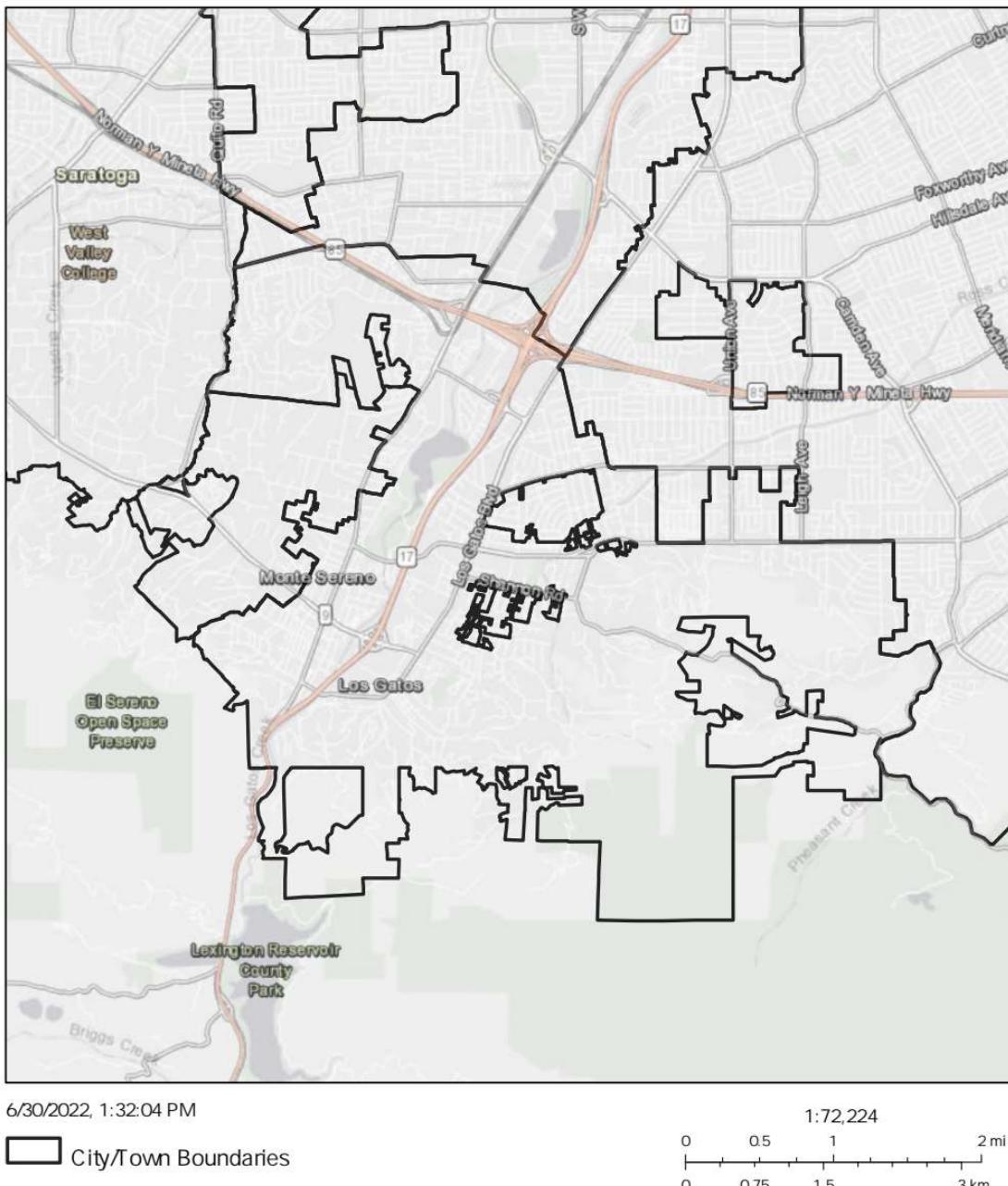
City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks

Source: California Department of Housing and Community Development AFFH Data Viewer.

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In line with these trends, there are no census tracts in Los Gatos where Hispanic or Latino residents are the predominant population similar to census tracts surrounding communities (Figure A-4).

**Figure A-4 Hispanic Majority Census Tracts, Los Gatos, 2018**



City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks

Source: California Department of Housing and Community Development AFFH Data Viewer

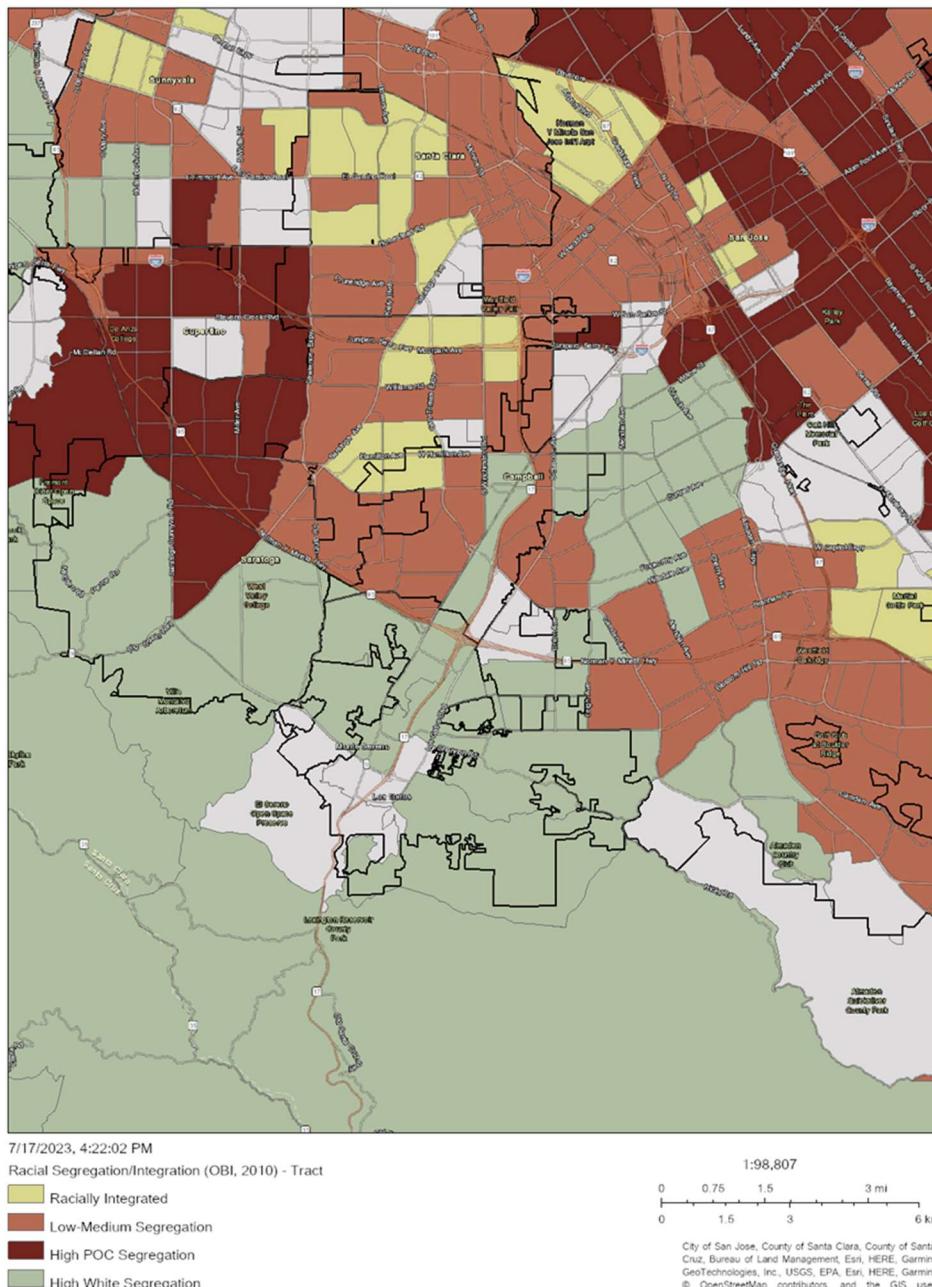
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Figures A-5 and A-6 show racial segregation and integration patterns in 2010 and 2020 for Los Gatos and Santa Clara County.

Key differences between Los Gatos and the county include:

- Los Gatos has not changed since 2010 while surrounding areas have experienced substantial shifts in racial segregation trends. This is particularly notable in Saratoga which shifted from high White segregation to high POC segregation.
- The number of census tracts that are racially integrated increased over the last decade, the majority of which are located around Campbell and Santa Clara.
- Los Gatos was the only municipality in Santa Clara County where all census tracts are highly segregated for White residents in both 2010 and 2020.

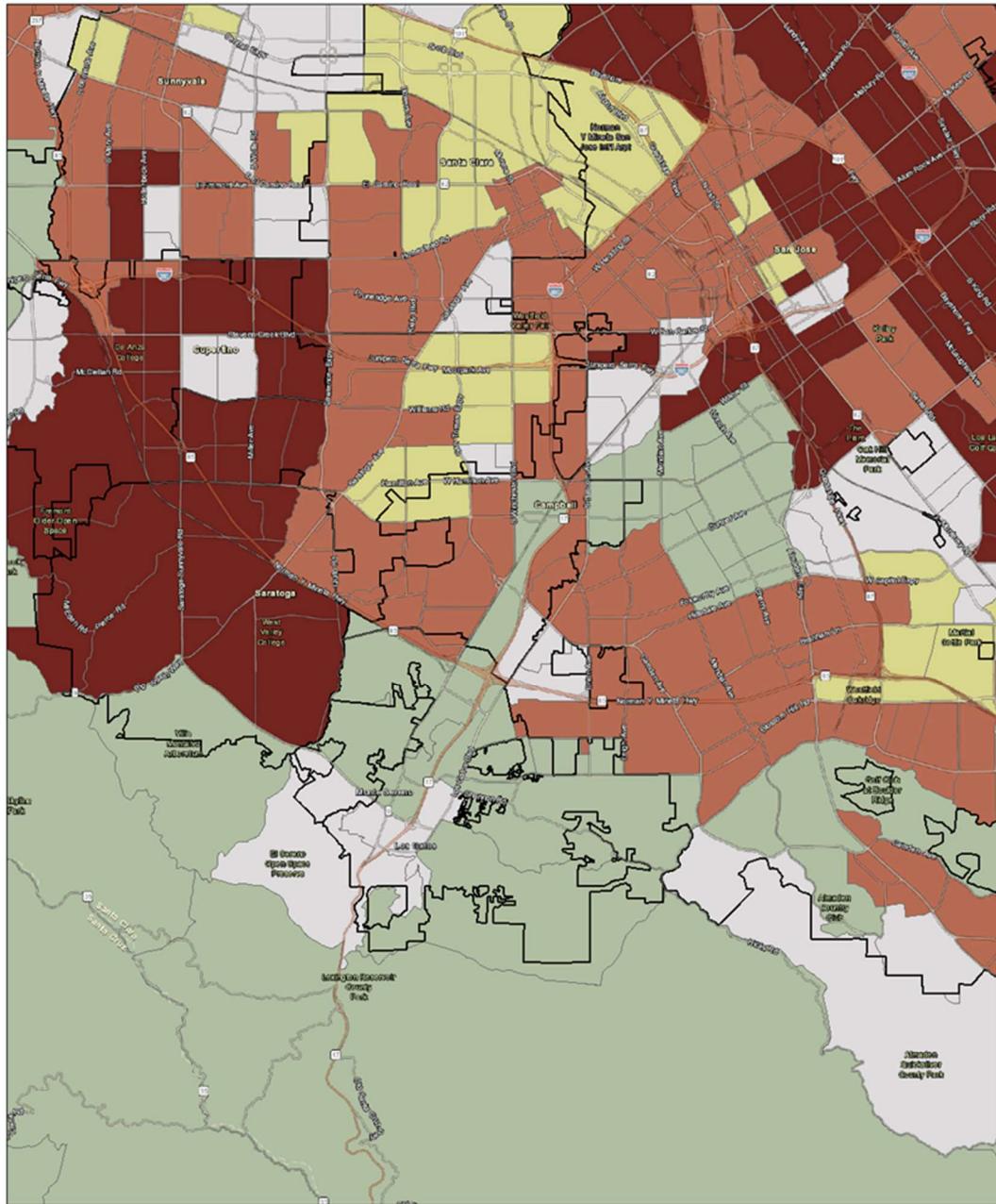
**Figure A-5. Racial Segregation/Integration by Census Tract, Los Gatos and Santa Clara County, 2010**



Source: California Department of Housing and Community Development AFFH Data Viewer.

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**Figure A-6. Racial Segregation/Integration by Census Tract, Los Gatos and Santa Clara County, 2020**

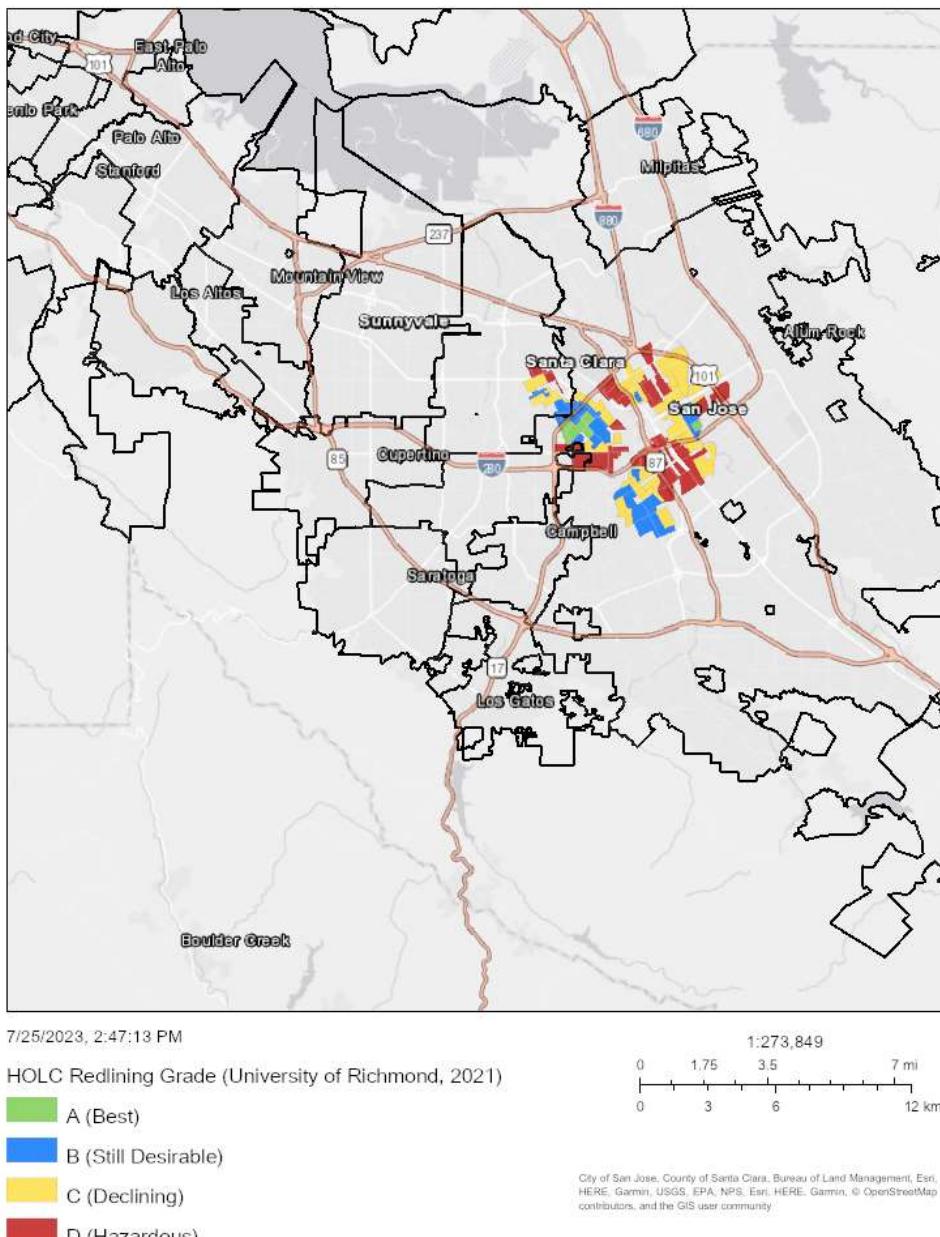


Source: California Department of Housing and Community Development AFFH Data Viewer.

Figure A-7 illustrates the Home Owners' Loan Corporation (HOLC) redlining grades for Santa Clara County. Created during the New Deal Era, the HOLC established a neighborhood ranking system known as redlining to reflect the demographic and socioeconomic composition of varying neighborhoods across cities in California. Maps and neighborhood ratings set the rules for real estate practice: with support from the federal government,

many banks used the grading system for mortgages and denied approval in areas with the lowest grade.<sup>7</sup> These practices made it nearly impossible for individuals in these areas to transition to homeownership. In Santa Clara County, grades were largely assigned to neighborhoods in Santa Clara and San Jose with grades ranging between B (still desirable) and D (hazardous). Los Gatos was not formed when the HOLC maps were active and, as such, redlining grade maps do not exist.

**Figure A-7. HOLC Redlining Grade, Santa Clara County, 2021**



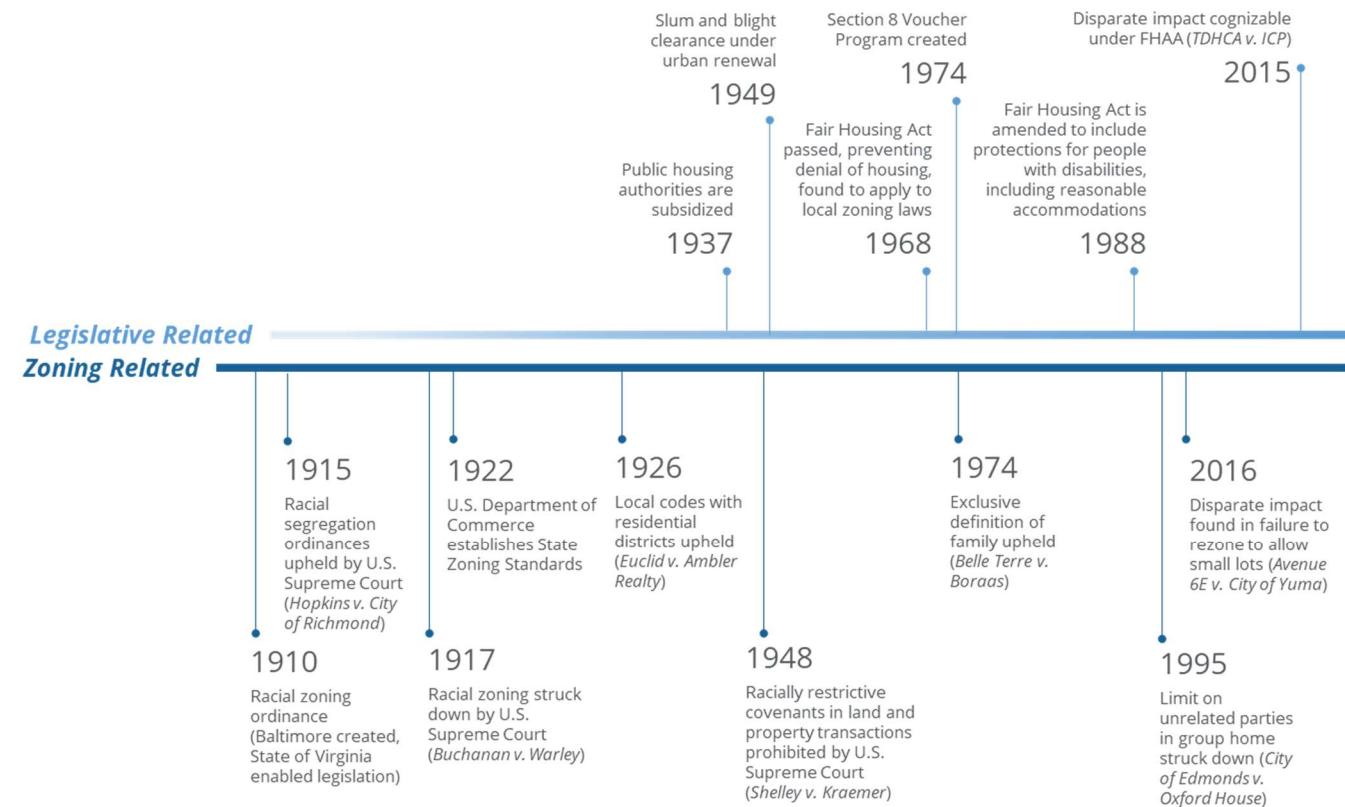
Source: University of Richmond and California Department of Housing and Community Development AFFH Data Viewer.

<sup>7</sup> University of Richmond's Digital Scholarship Lab and HCD, 2021.

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Current patterns and trends of segregation and integration in Los Gatos, Santa Clara County, and the Bay Area are provided by race and ethnicity, disability status, median household income, and familial status in the following sections.

### Major Public and Legal Actions that Influence Fair Access to Housing



### A.3 Town History

Los Gatos is located at the base of the Santa Cruz Mountains at the southwest edge of Santa Clara County and approximately 50 miles south of San Francisco. The natural landscape includes picturesque hillsides, creeks, and valley flatlands. Los Gatos is in an area once occupied by Indigenous People, which extends from the point where the San Joaquin and Sacramento rivers flow into the San Francisco Bay to Point Sur, with the interior Coastal Ranges most likely constituting the inland boundary. The Indigenous People lived sustainably in the area rich with fertile soils, abundant wildlife, and other natural resources. Before colonization, Indigenous People lived in base camps of tule-reed houses and seasonal specialized camps. Indigenous People ate food gained by hunting, gathering, and fishing. Mussels were particularly important to their diet, as well as sea mammals and acorns.

Seven Franciscan missions were built in Indigenous People's territory in the late 1700s, and all Indigenous People were eventually forced into the mission system. After the establishment of the missions, the population of Indigenous People of this area was decimated from roughly 10,000 people in 1770 to 1,300 in 1814. In 1973, the population of Indigenous People of this area was estimated at fewer than 300 after what is widely cited as a genocide. The descendants of Indigenous People of this area united in 1971 and have since arranged political and cultural organizations to revitalize, maintain, and pass on their culture.

In 1839, El Rancho de Los Gatos was established by a Mexican land grant and was so named because of the large number of mountain lions in the area. Agriculture and timber harvesting were mainstays of the local economy. In 1854, James Alexander Forbes built a flour mill along Los Gatos Creek. In 1860, the first hotel was

opened to provide a stage stop on a toll road between San Jose and Santa Cruz. The railroad reached Los Gatos in 1878, catalyzing residential and commercial growth. By 1887, the population had grown to 1,500 and the Los Gatos community voted to incorporate.

Because of its distance from other centers of population, Los Gatos developed as a complete community including residential, business, and industrial elements. Today, Los Gatos is part of the Silicon Valley and its fast-paced economy. Los Gatos has more than 3,000 businesses with a full range of services for its approximate 30,000 residents. The Town is a destination for visitors who are attracted to its small-town feel, beautiful natural setting, recreation opportunities, restaurants, and specialty shopping within a pedestrian friendly, historic downtown setting.

As with many of its neighboring jurisdictions, the historic land use patterns of Los Gatos – predominantly single-family housing around a downtown core – is discriminatory by nature.<sup>8</sup> The Town's land use and zoning policies have traditionally limited housing types allowed in the Town to medium to low density residential, favoring single-family detached projects.

Racially restrictive covenants and property deed restrictions were popular in the 1920s. Though no longer in effect, these covenants have lasting impacts on the racial and ethnic makeup of the Town. However, the effect of the racial covenants has diminished with time, and the Town has gone from approximately 86 percent White in 2000 to approximately 72 percent White in 2020. The increasing diversity of the Town indicates that impacts of racial covenants are decreasing and the primary factors limiting housing mobility and choice in the Town currently are household wealth, low density zoning, and high housing costs. Los Gatos will rezone approximately 86 acres with a Housing Element Overlay Zone (HEOZ) to allow for higher densities to encourage mixed-use and multi-family development. The HEOZ, along with ADUs, and SB 9 will accommodate the Town's need for lower and moderate-income housing.

## A.4 Report Content and Organization

This Fair Housing Assessment follows the April 2021 State of California State Guidance for AFFH.

**Section I. Fair Housing Enforcement and Outreach Capacity** reviews lawsuits/enforcement actions/complaints against the jurisdiction; compliance with State fair housing laws and regulations; and jurisdictional capacity to conduct fair housing outreach and education.

**Section II. Integration and Segregation** identifies areas of concentrated segregation, degrees of segregation, and the groups that experience the highest levels of segregation.

**Section III. Access to Opportunity** examines differences in access to education, economic development, and healthy environments.

**Section IV. Disparate Housing Needs** identifies which groups have disproportionate housing needs including displacement risk.

**Section V. Contributing Factors and Fair Housing Action Plan** identifies the primary factors contributing to fair housing challenges and the Plan for taking meaningful actions to improve access to housing and economic opportunity.

### Appendices

- Map and Data packet, including Fair Housing Organizations in Santa Clara County mission, services, and contact information.

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<sup>8</sup> "Single-family zoning emerged and replaced race-based zoning as a tool for segregating communities by restricting more affordable housing options, such as apartments or condominiums." Affirmatively Furthering Fair Housing: Guidance for All Public Entities and for Housing Elements (HCD: April 2021) p. 6, available at [https://www.hcd.ca.gov/communitydevelopment/affh/docs/affh\\_document\\_final\\_4-27-2021.pdf](https://www.hcd.ca.gov/communitydevelopment/affh/docs/affh_document_final_4-27-2021.pdf)

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- State Fair Housing Laws and Regulations, summary of key State laws and regulations related to mitigating housing discrimination and expanding housing choice.

### A.5 Primary Findings

This section summarizes the primary findings from the Fair Housing Assessment for Los Gatos including the following sections: fair housing enforcement and outreach capacity, integration and segregation, access to opportunity, disparate housing needs, and contributing factors and the Town's Fair Housing Action Plan.

- Population growth trends in Los Gatos are significantly lower than the county and regional index rates. The Town has grown 15 percent since 1990, while Santa Clara County grew by 31 percent.
- Los Gatos diverges from the county and region overall in racial composition with more than double the county share of non-Hispanic White population (72 percent versus 32 percent for Santa Clara County). Yet Los Gatos' residents have grown more racially diverse since 2000 with the non-Hispanic white population declining by 14 percentage points and Asian residents increasing in population from eight percent to 15 percent in 2019.
- Conversely, the types of households in Los Gatos mirror the county and are similar to the Bay Area with 58 percent married couples (57 percent in Santa Clara County and 51 percent in the Bay Area). Household size is in line with the county, except for five or more person households, for which Los Gatos has a smaller share.
- Los Gatos has a higher share of high-income earners (greater than 100 percent AMI) than the county and Bay Area (65 percent versus 55 percent and 52 percent respectively). Accounting for race and ethnicity, Asian households are much more likely to comprise high income earners (72 percent), especially when compared to Black/African American and Hispanic households (50 percent and 46 percent, respectively).
- In 2015, the income segregation in Los Gatos between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions. Segregation also exists among racial groups, yet is slowly declining.
- Poverty rates are minimal but do vary across races and ethnicities with Hispanic residents experiencing the highest poverty rate (although still a very low six percent) and Black/African Americans the lowest (0.7 percent).
- The job to household ratio for Los Gatos tracks closely with Bay Area and is lower than Santa Clara County's, indicating that Los Gatos is less of a commuter Town than surrounding jurisdictions with much higher job to household ratios. This differs, however, by wage, with jobs to household ratios much higher for low wage workers who cannot afford to live in the Town. Los Gatos has twice as many jobs as households for low wage jobs.
- Los Gatos' housing opportunities are limited by pricing, and both rental and home values are higher than the county median. Eighty-three percent of houses are valued at more than one million dollars; Zillow reports Los Gatos' market average value at more than three million dollars. The average value of homes in Los Gatos is 63 percent higher than the County's 1.3-million-dollar average value. Sixty-three percent of rentals charge 2,000 dollars or more a month, compared to 56 percent in Santa Clara County. Los Gatos does not have any public housing and only a small portion of the Town contains any Housing Choice Voucher usage, a minimal 0-5 percent.
- Nearly three-quarters of the Town's housing are single-family units.
- Housing cost burden in Los Gatos is lower than nearby cities but differs by race and ethnicity, and by tenure (renters/owners). Asian households experience the lowest rates of cost burden (30 percent) in the Town, followed by non-Hispanic White households (31 percent). This is followed by Black/African American household (34 percent) and Hispanic households (37 percent). Other/Multiple Race households (45 percent) are the most likely to be cost burdened (45 percent). Owners experience cost burden at a lower rate (28 percent) than renters (42 percent).
- Mortgage denial rates vary little by race and ethnicity, with 55 percent to 65 percent of loans originated. Other than Asian applicants, however, applications from non-White applicants are very low in numbers.
- Saratoga Elementary School, Los Gatos Union Elementary School, and Los Gatos-Saratoga Union High School Districts serve the majority of Los Gatos residents. The most up-to-date performance rankings show that the Los Gatos-Saratoga high school with very few Black/African American or Native American

students. Asian students experienced higher educational outcomes compared to other students, scoring 93.8 percent in a 2019 College/Career Indicator metric. White and Hispanic students scored 71 percent and 64.6 percent, respectively.

## A.6 Contributing Factors and Fair Housing Issues

The disparities in housing choice and access to opportunity discussed above stem from historical actions in the broader region, socioeconomic factors that have limited employment and income growth among non-White and Hispanic residents, and a shortage of housing units built to accommodate growth.

### **Fair Housing Issue**

The Town lacks information on fair housing law and discrimination complaint filing procedures on the Town website. Current outreach practices may not provide sufficient information related to fair housing, including federal and state fair housing law, and affordable housing opportunities.

**Priority Level:** High

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#### **Contributing factors:**

- The Town currently lacks adequate fair housing testing, monitoring, or targeted outreach. Specifically, Town efforts should include outreach to specific communities where housing needs are more prevalent. The Town may lack sufficient education and outreach related to reasonable accommodations and ADA laws based on the proportion of complaints related to disability status. Further, while fair housing testing was conducted in the County, fair housing tests in Los Gatos may be insufficient for monitoring housing discrimination.
  - To address this issue, the 6th cycle Housing Element includes several outreach efforts to affirmatively further fair housing, including targeted outreach and annual efforts.
  - Outcomes of meaningful actions related to fair housing include, but are not limited to, adding 50 subscribers to the Notify me subscriber list, counseling 10 tenants annually on tenant/landlord concerns, assisting three senior households annually through senior resources, and increasing ADU and SB 9 permit applications by 25 and 9, respectively.

### **Fair Housing Issue**

Los Gatos' very low production of affordable and market rate housing limits housing choices of all but the highest income households.

**Priority Level:** High

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#### **Contributing factors:**

- Since 2010, Los Gatos' population has increased, while not producing the amount of housing units to match the population growth. This lack of production has exacerbated an already tight housing market. The lack of production is due to land costs, construction costs, availability of land, availability of financing, duration of permitting process, cost of permitting process, and environmental constraints.
  - To address this issue, the 6th cycle Housing Element includes Implementation Program B: "Large Site Program" and Implementation Program D: "Additional Housing Capacity", along with other implementation programs, as a means to increase affordable housing production.

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- Meaningful actions to affirmatively further fair housing outlined in this Housing Element specifically aim to facilitate the construction of 45 new homes for lower-income households (North Forty Specific Plan), subsidize five developments which include extremely low-income households, and facilitate up to 350 ADUs with affordability of five percent. The housing that was added in Los Gatos between 2015 and 2019 was largely priced for above moderate-income households. Only 1.5 percent of housing permits approved were for low- or very-low-income housing. The lack of production of low- or very-low-income housing units is due to high land costs, high construction costs, limited availability of land, limited availability of financing, duration of permitting process, cost of permitting process, and lack of incentives.
- Under the 6<sup>th</sup> cycle Housing Element, the Town will improve the Below Market Price (BMP) Program by conducting a study to evaluate the existing BMP Program and recommend changes to the program to increase the number of units constructed. The Town aims to increase BMP units by five units annually.
- In addition to the actions and outcomes outlined above, the Town will implement Program O to facilitate the construction of 460 new homes for moderate to lower-income households

### Fair Housing Issue

Los Gatos' lack of affordable housing has a disproportionate impact on low- and moderate-income households who are more likely to be households of color. As such, Los Gatos lacks racial and ethnic diversity relative to the County overall. Racial/ethnic minority populations are also more likely to experience housing problems, such as cost burden and overcrowding, and have reduced access to opportunities, such as employment opportunities and better environmental conditions, compared to White populations.

**Priority Level:** Medium

#### Contributing factors:

- Black or African American and Hispanic residents typically work lower wage jobs, stemming from historical employment discrimination and lack of access to quality educational environments. These jobs do not support the Town's very high housing costs.
- Low wage jobs are necessary to support higher wage industries. Los Gatos' employment growth has not been adequately supported by affordable housing development. As such, there are twice as many low wage jobs as residents in Los Gatos who work those jobs.
  - To address these particular contributing factors, the 6<sup>th</sup> cycle Housing Element includes Implementation Program AT: "Affirmative Marketing" to work with affordable and market rate housing developers to ensure that affordable housing is affirmatively marketed to households with disproportionate housing needs, including Hispanic and Black households who work in and live outside of Los Gatos (e.g., materials in Spanish and English, distributed through employers). The Town will notify a broad representation of the community to solicit ideas for housing strategies when they are discussed at Planning Commission or Town Council meetings.
  - Additional meaningful actions to promote housing mobility seek to facilitate the development of 150 units of small multi-unit housing ("missing middle"), initiate a marketing plan and coordinate efforts for HCVs and homesharing programs, facilitate five homesharing matches per year, and facilitate 96 SB 9 entitlements over eight-years.
- Los Gatos lacks proper outreach efforts for housing programs, services, and fair housing laws and regulations. Los Gatos is a high opportunity area with large White, owner, and moderate/above moderate-income household populations. Increasing outreach to communities outside of the Town about housing opportunities in Los Gatos may promote mixed income communities.

- The Town will participate in housing outreach outside of the Town boundaries to the greatest extent possible. Outreach activities are further detailed in Section 10.6, Implementation Programs of this Housing Element. Specifically, the Town will annually affirmatively market all affordable housing opportunities through notices and flyers for school districts. Outreach activities are further detailed in Section 10.6, Implementation Programs of this Housing Element.

### **Fair Housing Issue**

Los Gatos' households are segregated by income, and income segregation is higher in the Town than in other Bay Area jurisdictions. Further, most of the Town is considered an RCAA, with non-Hispanic White and higher income household majority populations. While the Town has median incomes comparable to neighboring jurisdictions, the proportion of non-Hispanic White residents in Los Gatos is higher than the countywide trend. The Town may lack sufficient housing opportunities suitable for lower income households and outreach about such opportunities for protected groups including communities of color.

**Priority Level:** High

#### **Contributing factors:**

- Lack of affordable housing overall is due to the high percentage of above moderate rate single-family housing stock in Town.
  - The Town will address this issue by allocating a percentage of the Town Affordable Housing (Below Market Price) Fund to subsidize housing for extremely low-income households as identified in Implementation Program N. The Town seeks to increase BMP units by five units annually from the 257 baseline.
- Segregation of the limited affordable housing in Town is predominately located in the central portion of Town due to a limited area of where multi-family dwelling units are permitted.
- Past priorities for single-family residential land uses through planning and zoning efforts as well as historical restrictive covenants have contributed to the prevalence of RCAs in the Town.
  - The Town will use "Affirmative Marketing" strategies, as described in Implementation Program ATI, to work with affordable and market rate housing developers to ensure that affordable housing is affirmatively marketed to households with disproportionate housing needs, including Hispanic and Black households who work in and live outside of Los Gatos (e.g., materials in Spanish and English, distributed through employers). The Town will also amend its Zoning Ordinance in order to increase the development of affordable housing.
  - The adoption of the North Forty Specific Plan by the Town Council in 2015 provided diversity in the housing stock for the Town. As described in Implementation Program D, the Town will amend the North Forty Specific Plan to allow for an increase in the density from 30 dwelling units per acre to 40 dwelling units per acre and will remove the housing unit cap.
- Opportunities, including employment, environmental, economic, and housing may not be accessible to all residents, especially those in vulnerable populations.
  - In addition to Program AT described above, Los Gatos will implement programs to facilitate the development of affordable housing, including special needs housing, to increase housing opportunities in the Town (Programs D, E, L, N, O, W). The Town will also serve vulnerable populations through Senior Housing Resources (Program I), Housing Opportunities for the Homeless (Program U), Assistance for Persons with Developmental Challenges (Program V), and Supportive Services for the Homeless (Program Y). The Town also aims to increase

## Appendix A. AFFH Report

transportation opportunities for new households through Program AF, Transit Oriented Development.

- In addition to actions to facilitate new affordable housing opportunities described previously, the Town has outlined place-based strategies for neighborhood improvement with the following metrics to develop better access to opportunities (environmental, housing, etc.). Specifically, the Town will complete three minor home repairs or accessibility improvements for lower income households annually, provide rehabilitation to five low-income homeowner units annually, and complete three projects related to public facilities and transportation infrastructure.

### **Fair Housing Issue**

Los Gatos feeds to high performing schools, yet, except for Asian students, students of color cannot take advantage of these learning opportunities because they cannot afford to live in Los Gatos.

**Priority Level:** High

#### **Contributing factors:**

- Lack of affordable housing overall due to high land costs, high construction costs, limited availability of land, limited availability of financing, duration of permitting process, cost of permitting process, and lack of incentives.
- The Town will address this issue by allocating a percentage of the Town's Affordable Housing (Below Market Program) Fund to subsidize housing for extremely low-income households and by including housing development sites on the Sites Inventory in all areas of Town. The Town aims to increase BMP units by five units annually in addition to other actions to facilitate affordable housing development outlined in this Housing Element.

## Other Contributing Factors

### Historic Land Use Practices

The Town was incorporated in 1887, has an approximate population of 30,000 and is 11.5 square miles. The Town originally developed at a distance from other population centers and therefore evolved as an independent community having residential, commercial, and industrial areas. The economics of the Town have changed from the wheat farming, milling, logging, orchard, and cannery businesses in the 19<sup>th</sup> and early 20<sup>th</sup> centuries to the suburban, high tech, and visitor destination businesses of today. The rapid increase in home values over the past decades have resulted in some of the most expensive property values in the country.

### Opposition to Housing Development

A portion of the Town's identity is maintaining its small-town character and feel. This can manifest itself in opposition to development of higher density housing or a variety of housing types other than from single family housing. The most common responses from the Renter's Survey for enhancing housing opportunities in Los Gatos was the creation of a variety of housing types for all income levels Town-wide and through mixed-use development (refer to Section B.6 of Appendix B). Historic and contemporary attitudes of opposition to new housing development may have made it difficult to develop more dense housing projects in the past. Implementation Program AN proposes to provide education on the problems and needs of affordable housing as a means of changing negative attitudes towards the provision of affordable housing.

### Local Knowledge and Other Relevant Factors

Housing opportunities in the Town are limited by pricing and both rental and home values. While the population of the Town has increased, the required number of housing units to match the population growth, as well as new

affordable housing has not. Based on Town knowledge and working with service providers, the lack of production of affordable housing units is due to high land costs, high construction costs, limited availability of land, limited availability of financing, duration of permitting process, cost of permitting process, a high percentage of above moderate rate single-family housing stock in Town, and the overall lack of incentives available to affordable housing developers. This was also acknowledged when the Town Council discussed the Town's 2022 through 2024 strategic priorities on January 24, 2023, and included affordable housing partnerships as a strategic priority for the Town. Additionally, based on Town knowledge and working with service providers, the Town's outreach efforts for housing programs, services, and fair housing laws and regulations can be improved through implementation of the 6<sup>th</sup> cycle Housing Element to increase outreach to communities outside of the Town about future housing opportunities in Los Gatos.

### **Summary of Fair Housing Issues, Contributing Factors, and Meaningful Actions**

Table A-1 on the following page identified fair housing issues, contributing factors, relative priority, and meaningful actions drawn from the analysis of fair housing. Higher priority is given to factors that limit fair housing choice and/or negatively impact fair housing, per Government Code Section 65583(c)(10)(A)(iv). A detailed overview of actions included in Housing Element Programs that are aimed at affirmatively furthering fair housing is included in the Housing Resources section of this Housing Element.

## Appendix A. AFFH Report

**Table A-1. Contributing Factors**

| Identified Fair Housing Issue  | Contributing Factor  | Action  | Priority |
|--|--|---|----------|
| Outreach and Enforcement   | <ul style="list-style-type: none"> <li>Lack of adequate fair housing testing, monitoring, or targeted outreach.</li> </ul>   | <ul style="list-style-type: none"> <li>Program A: Developer Forum</li> <li>Program O: Affordable Housing Development</li> <li>Program W: Rental Dispute Resolution Program</li> <li>Program AE: Fair Housing Law Education</li> <li>Program AM: Santa Clara County Fair Housing Consortium</li> <li>Program I. Senior Housing Resources</li> <li>Program X. Developmental Challenges</li> <li>Program AN. Use a Variety of Communication Methods</li> <li>Program AO. Educate Single-Family Property Owners Regarding In-Fill Housing Options</li> <li>Program AT. Affirmative Marketing</li> </ul> | High     |
| Integration and Segregation (Outreach and Enforcement, New Housing Opportunities in High Resource Areas, and Housing Mobility) | <ul style="list-style-type: none"> <li>Concentrated wealth and White populations in the Town as compared to the region.</li> <li>Past priorities for single-family residential land uses and historical restrictive covenants.</li> </ul>  | <ul style="list-style-type: none"> <li>Program O. Affordable Housing Development</li> <li>Program AM. Santa Clara County Fair Housing Consortium</li> <li>Program AN. Use a Variety of Communication Methods</li> <li>Program AT. Affirmative Marketing</li> <li>Program D. Additional Housing Capacity for North Forty Specific Plan</li> <li>Program J. Small Multi-Unit "Missing Middle" Housing</li> <li>Program L. Below Market Price Program</li> <li>Program AP. Special Needs Housing</li> <li>Program AY: Housing Mobility</li> </ul>  | High     |
| Access to Opportunities (New Housing Opportunities in High Resource Areas)   | <ul style="list-style-type: none"> <li>Lack of diverse housing stock such as multifamily housing.</li> <li>Lack of affordable housing overall due to high land costs, high construction costs, limited availability of land, limited availability of financing, duration of permitting process, cost of permitting process, and lack of incentives.</li> </ul> | <ul style="list-style-type: none"> <li>Program D. Additional Housing Capacity for North Forty Specific Plan</li> <li>Program N. Funds for Development for Extremely Low Income (ELI) Households</li> <li>Program O. Affordable Housing Development</li> <li>Program Q. ADUs</li> <li>Program AB. Allow for 100 Percent Affordable Residential Development in Mixed-Use General Plan Designations</li> </ul>   | Medium   |
| Disproportionate Housing Needs (Housing Mobility and Place-based Strategies for Neighborhood Improvement)                      | <ul style="list-style-type: none"> <li>Lack of diverse housing stock such as multifamily housing.</li> <li>Disproportionate need for housing and assistance for special needs populations.</li> </ul>  | <ul style="list-style-type: none"> <li>Program V. Housing Opportunities for Persons Living with Disabilities</li> <li>Program AP. Special Needs Housing</li> <li>Program X. Assistance for Persons with Developmental Challenges</li> <li>Program T: Nonprofit Affordable Housing Providers</li> <li>Program AI. Countywide Home Repair Programs</li> <li>Program AJ. Residential Rehabilitation Program</li> <li>AFFH: CIP Projects</li> </ul>   | Medium   |

### A.7 Fair Housing Enforcement and Outreach Capacity

This section discusses fair housing legal cases and inquiries, fair housing protections and enforcement, and outreach capacity. Figure A-8 provides a summary of fair housing complaints and inquiries in Los Gatos and the County.

Nationally, the National Fair Housing Alliance (NFHA) reported a “negligible” decrease in the number of complaints filed between 2019 and 2020. The primary bases for complaints nationally of disability (55 percent) were represented in Santa Clara County at a much lower rate (16 percent). Familial status represented eight percent of complaints nationally, similar to the six percent of cases in the County. Figure A-11 and Figure A-12 show the share of population by disability status within Santa Clara County and the distribution by census tract, respectively.

NFHA identifies three significant trends in 2020 that are relevant for this AFFH:

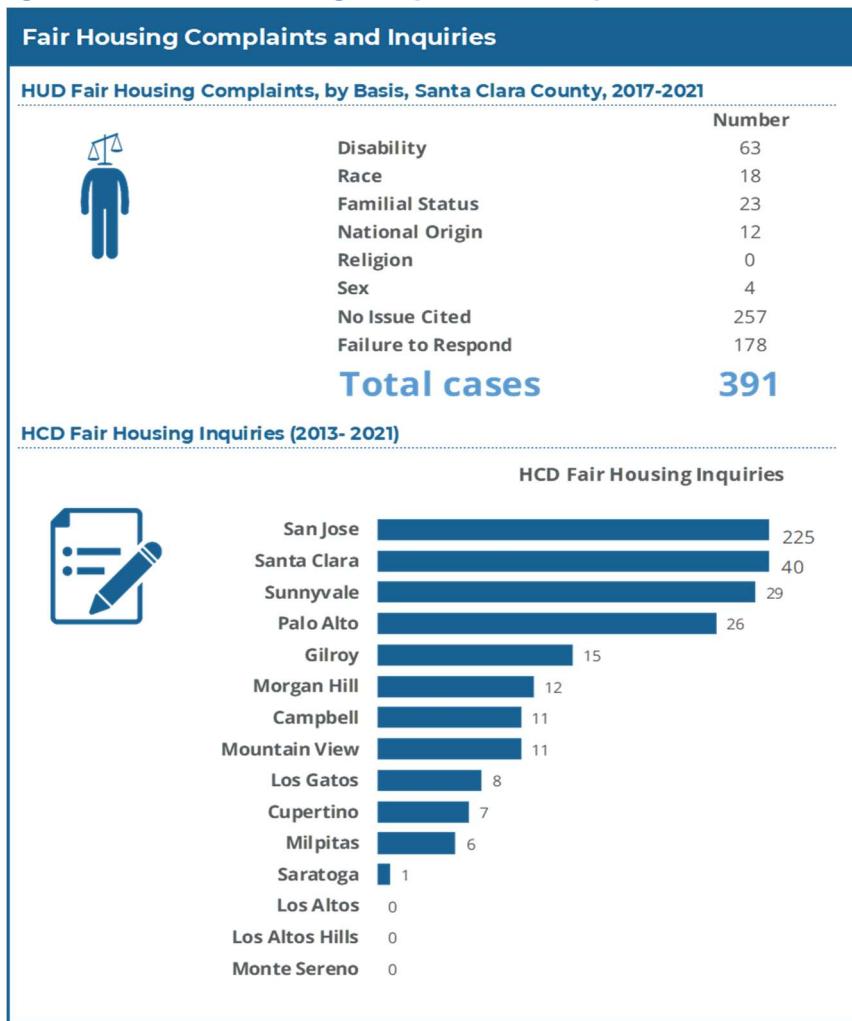
- First, fair lending cases referred to the Department of Justice from Federal banking regulators has been declining, indicating that State and local government entities may want to play a larger role in examining fair lending barriers to homeownership.
- Second, NFHA identified a significant increase in the number of complaints of harassment - 1,071 complaints in 2020 compared to 761 in 2019.
- Finally, NFHA found that 73 percent of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than State, local, and Federal government agencies, reinforcing the need for local, active fair housing organizations and increased funding for such organizations<sup>9</sup>.

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<sup>9</sup> <https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/>

## Appendix A. AFFH Report

**Figure A-8 Fair Housing Complaints and Inquiries in Los Gatos and Santa Clara County**



Source: Root Policy Research

*Outreach and capacity.* Santa Clara County, including Los Gatos, has a number of organizations dedicated to assisting residents with legal services related to housing discrimination and general housing disputes. These organizations are listed in Figure I-1 of the map and data appendix.

The Town also maintains a resource guide that highlights service providers across multiple categories focused on housing and quality of life for underserved members of the community<sup>10</sup>. Additionally, the Town provides links and email addresses for citizens to participate in the ongoing Housing Element Update process, including links to the agendas and staff reports for the Housing Element Advisory Board (HEAB) in-person meetings.

Finally, the Town has a strong statement about inclusivity and directly addresses hate speech on its website<sup>11</sup>.

*Compliance with State law.* Los Gatos is compliant with the following State laws that promote fair and affordable housing. The Town has not been alleged or found in violation of the following:

- Housing Accountability Act (Gov. Code. Section 65589.5) requiring adoption of a Housing Element and compliance with RHNA allocations;

<sup>10</sup> [Los-Gatos-Housing-Resources-Guide \(losgatoscagov\)](http://Los-Gatos-Housing-Resources-Guide (losgatoscagov).)

<sup>11</sup> <https://www.losgatoscagov/2604/Becoming-an-Inclusive-Community>

- No Net Loss Law (Gov. Code Section 65863) requiring that adequate sites be maintained to accommodate unmet RHNA allocations;
- Least Cost Zoning Law (Gov. Code. Section 65913.1);
- Excessive Subdivision Standards Law (Gov. Code. Section 65913.2); and
- Limits on Growth Controls Law (Gov. Code. Section 65589.5).

Housing specific policies enacted locally:

- Los Gatos offers a density bonus program to comply with State law;
- The Town allows relative diverse type of housing in residential zones. However, minimum lot area for duplexes is quite generous (8,000 square feet). The Town could add flexibility for affordable duplexes, particularly in areas near and within downtown;
- The Town requires that development of Accessory Dwelling Units under Town incentive programs be affordable, and deed restricted to 80 percent AMI households; and
- The Town's Below Market Price program requirements apply to developments of five units and more and require between 10 percent and 20 percent of units to be affordable to low- and moderate-income households. In-lieu fees are only allowed in limited circumstances, which prioritizes unit development.

Fair housing legal cases and inquiries. California fair housing law extends beyond the protections in the Federal Fair Housing Act (FHA). In addition to FHA protected classes, race, color, ancestry/national origin, religion, disability, sex, and familial status. California law offers protections for age, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, and source of income (including Federal housing assistance vouchers).

The California Department of Fair Employment in Housing (DFEH) was established in 1980 and is now the largest civil rights agency in the United States. According to their website, DFEH's mission is, "to protect the people of California from unlawful discrimination in employment, housing and public accommodations (businesses) and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act"<sup>12</sup>.

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in Federal legislation and, therefore, not investigated by HUD. DFEH's website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions<sup>13</sup>. Fair housing complaints can also be submitted to HUD for investigation.

Additionally, Santa Clara County has a number of local resource and enforcement organizations:

- Project Sentinel: Assists with housing discrimination, mortgage foreclosures, rental issues, and more.
- Housing and Economic Rights Advocates (HERA) provides legal and advocacy for vulnerable Californians facing discrimination and economic abuses.
- Bay Area Legal Aid engages in broad advocacy focused on helping low-income Bay Area residents lead stable lives, including housing stability.
- The Law Foundation of Silicon Valley provides legal advocacy for social change with a focus on finding stable homes for low-income residents.
- Senior Adults Legal Assistance is a law office dedicated to supporting elder residents obtain independent living.

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<sup>12</sup> <https://www.dfeh.ca.gov/aboutdfeh/>

<sup>13</sup> <https://www.dfeh.ca.gov/complaintprocess/>

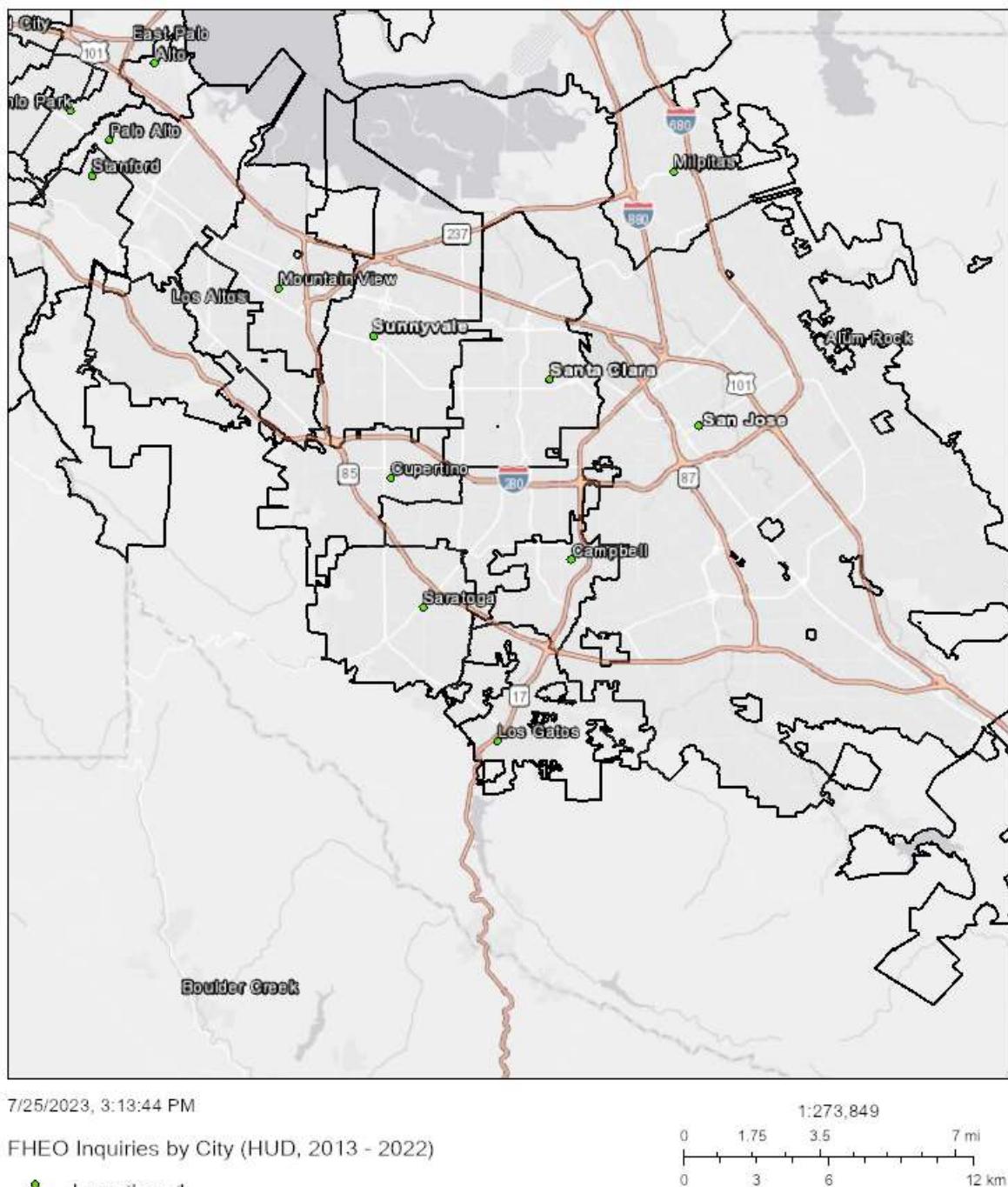
## Appendix A. AFFH Report

From 2013 to 2021, 391 fair housing complaints in Santa Clara County were filed with the U.S. Department of Housing and Urban Development (HUD) or Fair Housing Advocates of Northern California (FHANC). Most of the county's valid complaints cited disability status as the bias. Of these complaints, 69 percent were considered valid and proceeded to actionable responses. Los Gatos had eight total Fair Housing and Equal Opportunity (FHEO) complaints and less than 0.5 FHEO inquiries. Figures A-9 and A-10 show the number of FHEO complaints in Los Gatos and the region overall.

Key differences between county and regional trends are summarized below.

- According to HUD, between 2013 and 2022, there were less than one FHEO inquiry in Los Gatos similar to surrounding cities including Saratoga, Cupertino, and Campbell.
- For the region, FHEO inquiries are largely concentrated near San Francisco, Concord, Santa Cruz, and Fairfield, all of which show up to five FHEO inquiries.
- The largest number of inquiries were located near Fairfield and Antioch with five to ten FHEO inquiries.

**Figure A-9. FHEO Inquiries by City, Los Gatos, 2022**

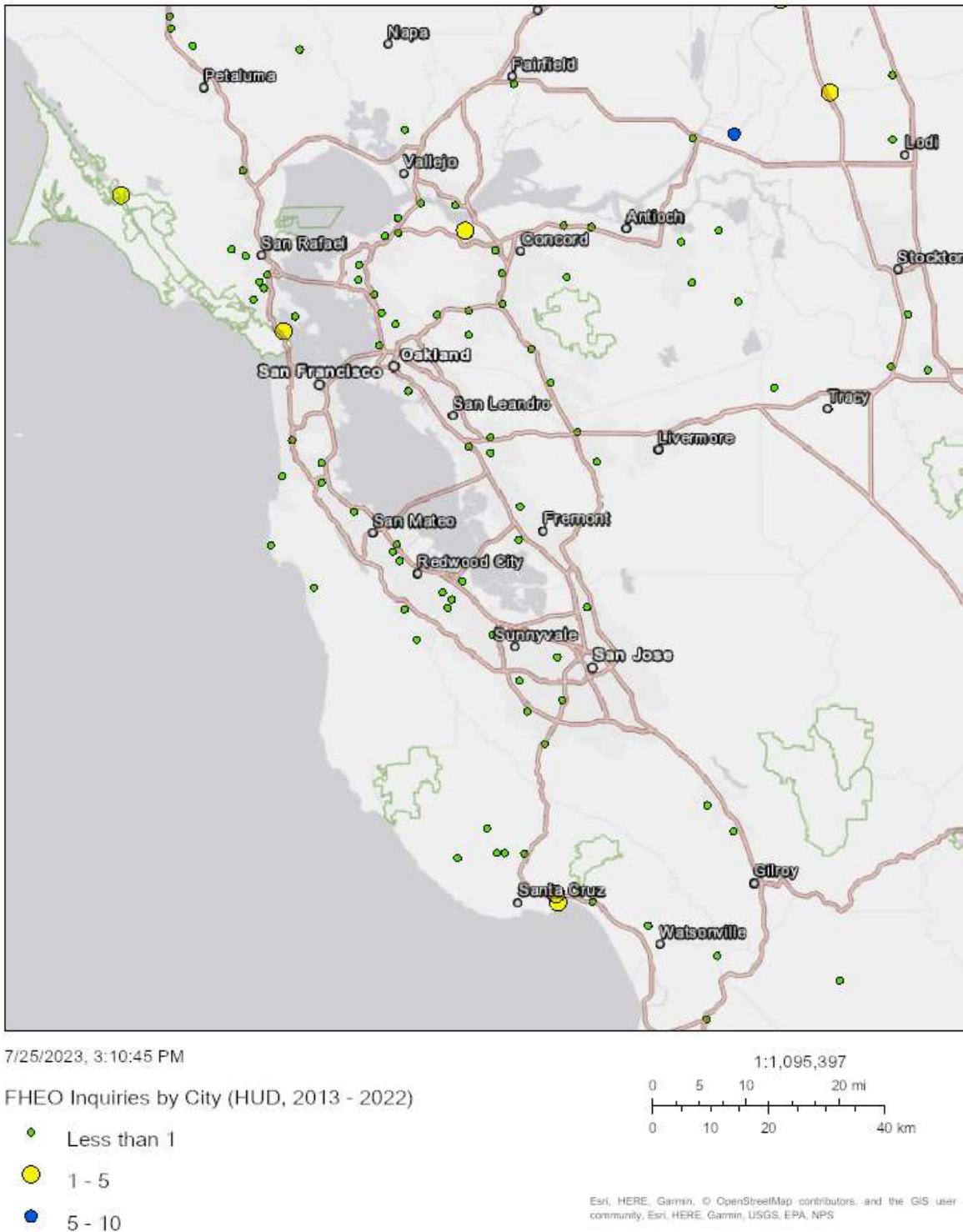


City of San Jose, County of Santa Clara, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

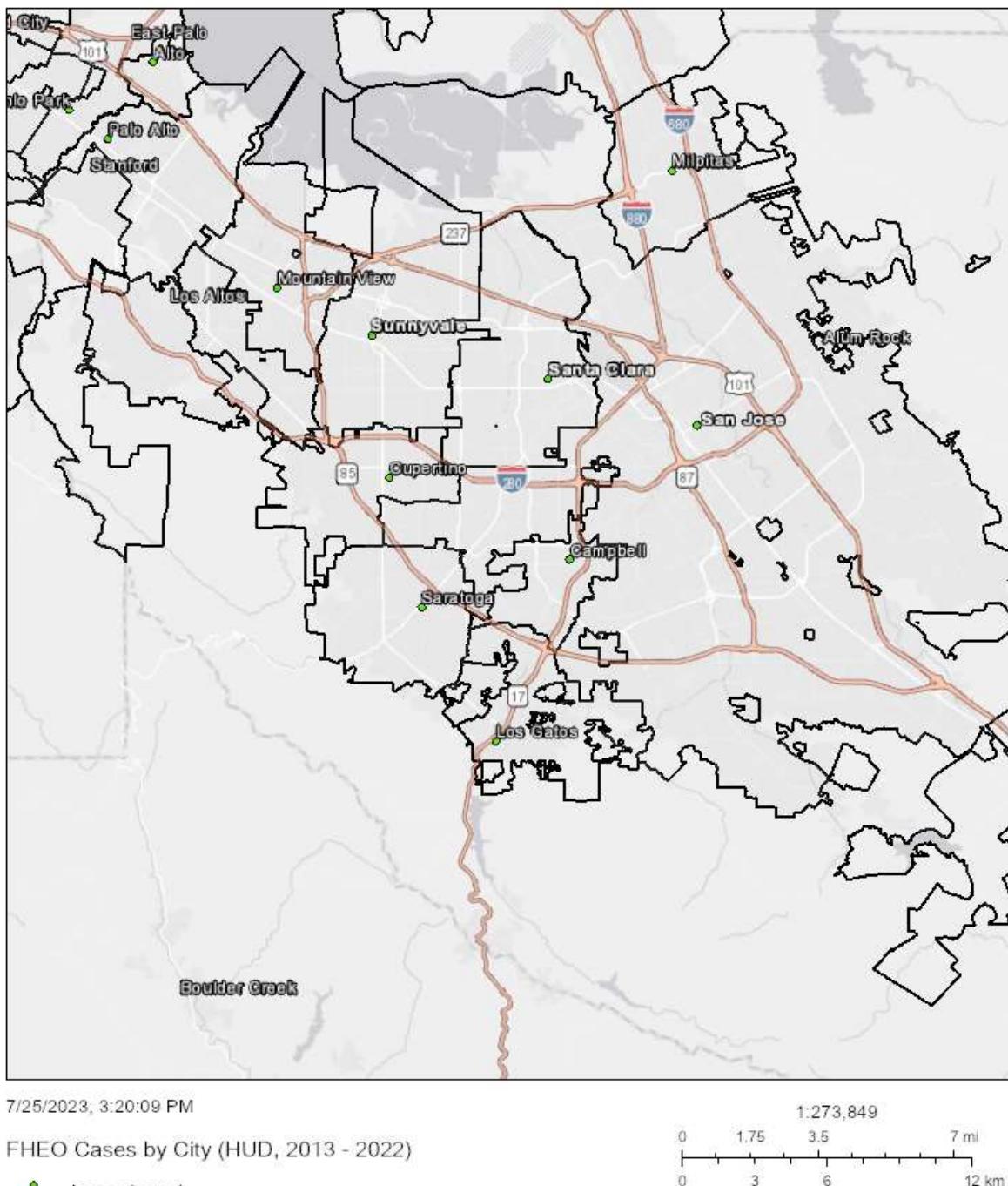
Figure A-10. FHEO Inquiries, Bay Area Region, 2022



Source: California Department of Housing and Community Development AFFH Data Viewer.

Figures A-11 and A-12 show FHEO cases in Los Gatos and the Bay Area. Trends in Los Gatos are similar to the region overall though Watsonville had a comparatively larger number of FHEO cases at more than 20 cases between 2013 and 2022.

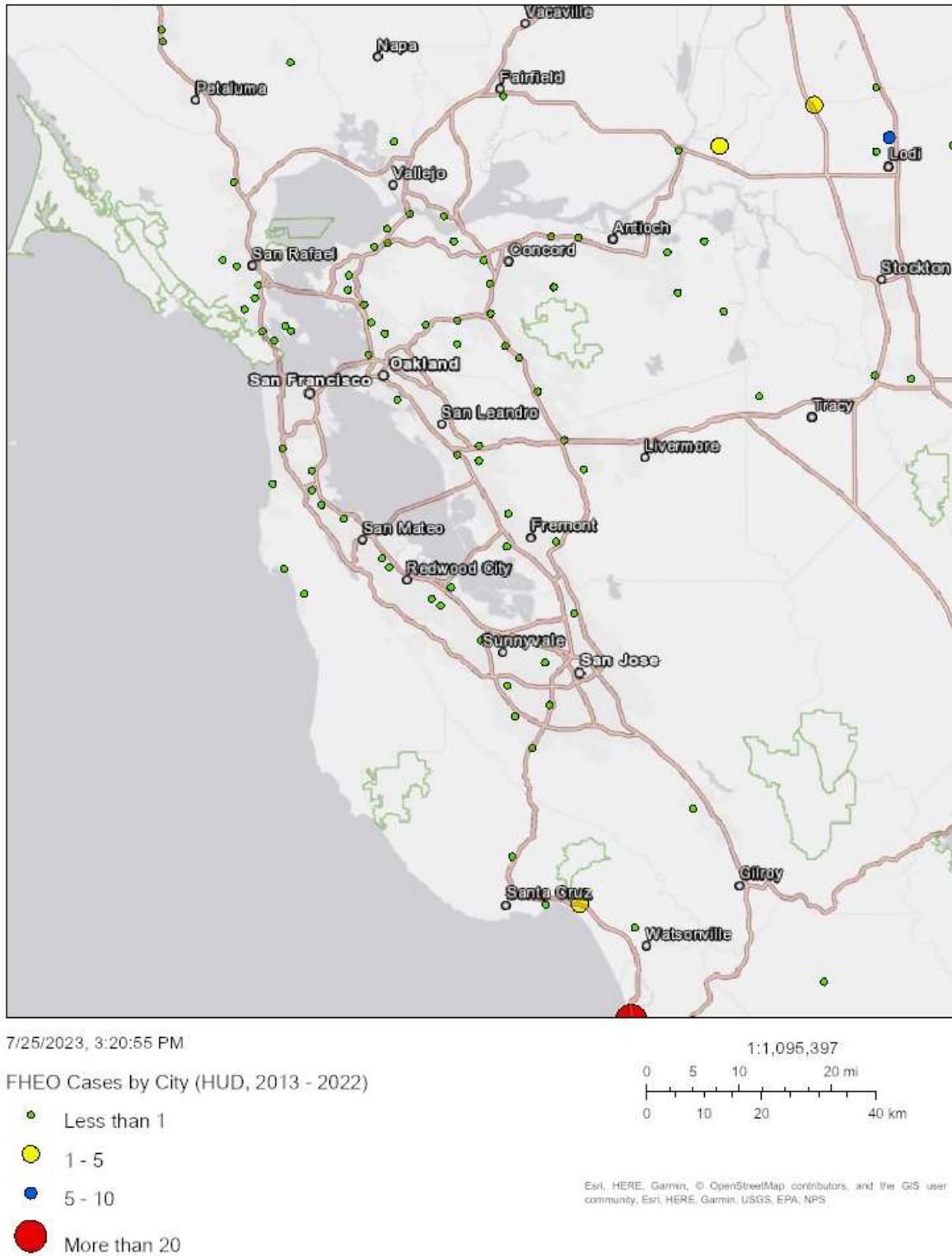
Figure A-11. FHEO Cases by City, Los Gatos, 2022



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Figure A-12. FHEO Cases, Bay Area Region, 2022

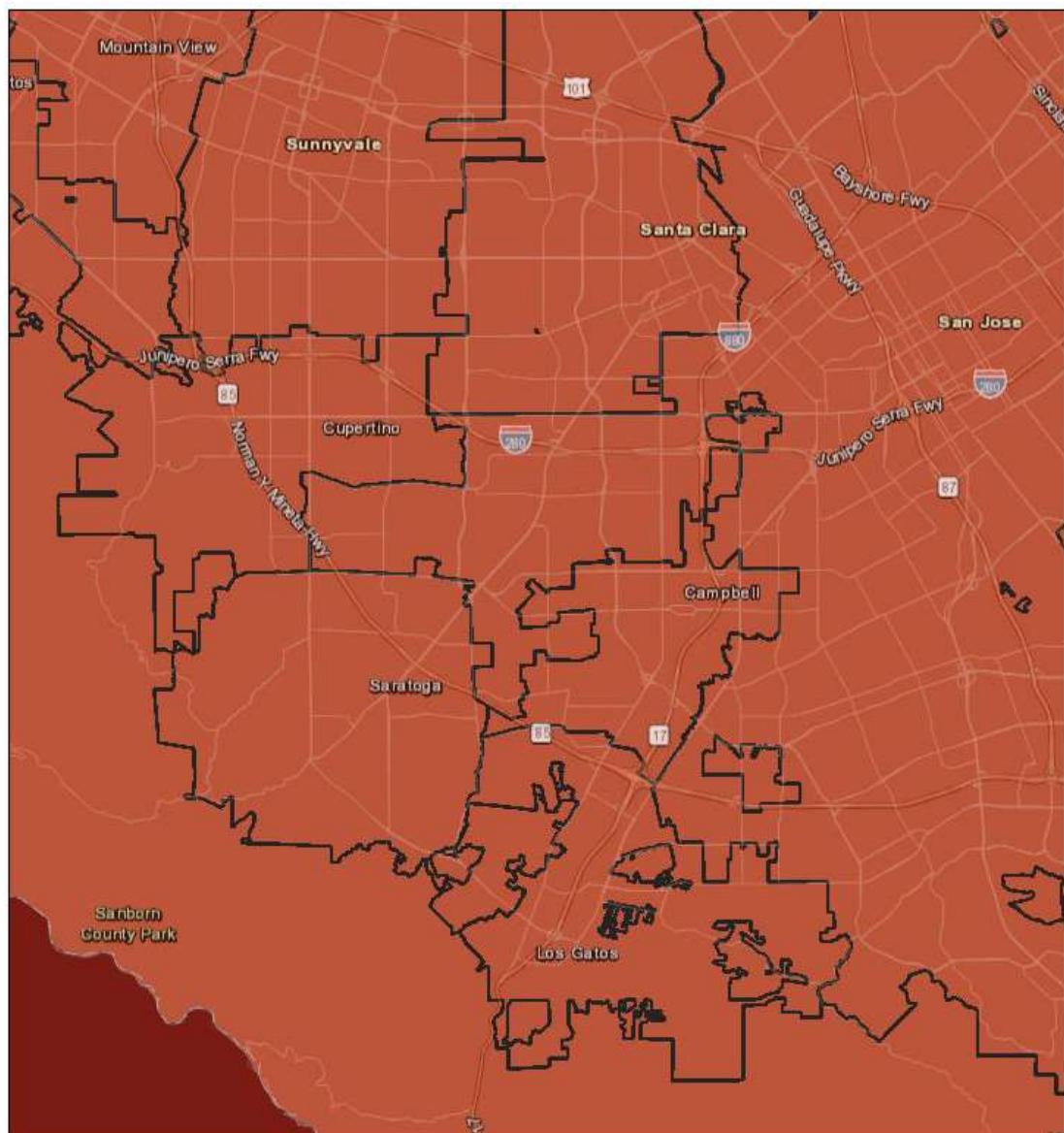


Source: California Department of Housing and Community Development AFFH Data Viewer.

Figure A-13 illustrates FHEO Cases of Disability Bias in Los Gatos and surrounding cities in 2020. As shown in the figure, Los Gatos and Santa Clara County experienced 40 percent to 65 percent disability bias in FHEO cases

during this time. This compares to less than 25 percent of FHEO complaints between 2013-2021, which may be indicative of a recent rise in a lack of accessible housing in the local housing market.

**Figure A-13. FHEO Cases – Disability Bias by County, Los Gatos, 2020**



1/4/2023, 1:21:59 PM

1:144,448

0 1 2 3 4 mi  
0 1.5 3 6 km

City/Town Boundaries

(A) FHEO Cases - Disability Bias (2020) - County

40.01% - 65%

> 85%

City of San Jose, County of Santa Clara, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD

City of San Jose, County of Santa Clara, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS, PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, HUD 2020 | PlaceWorks 2021

Source: California Department of Housing and Community Development AFFH Data Viewer.

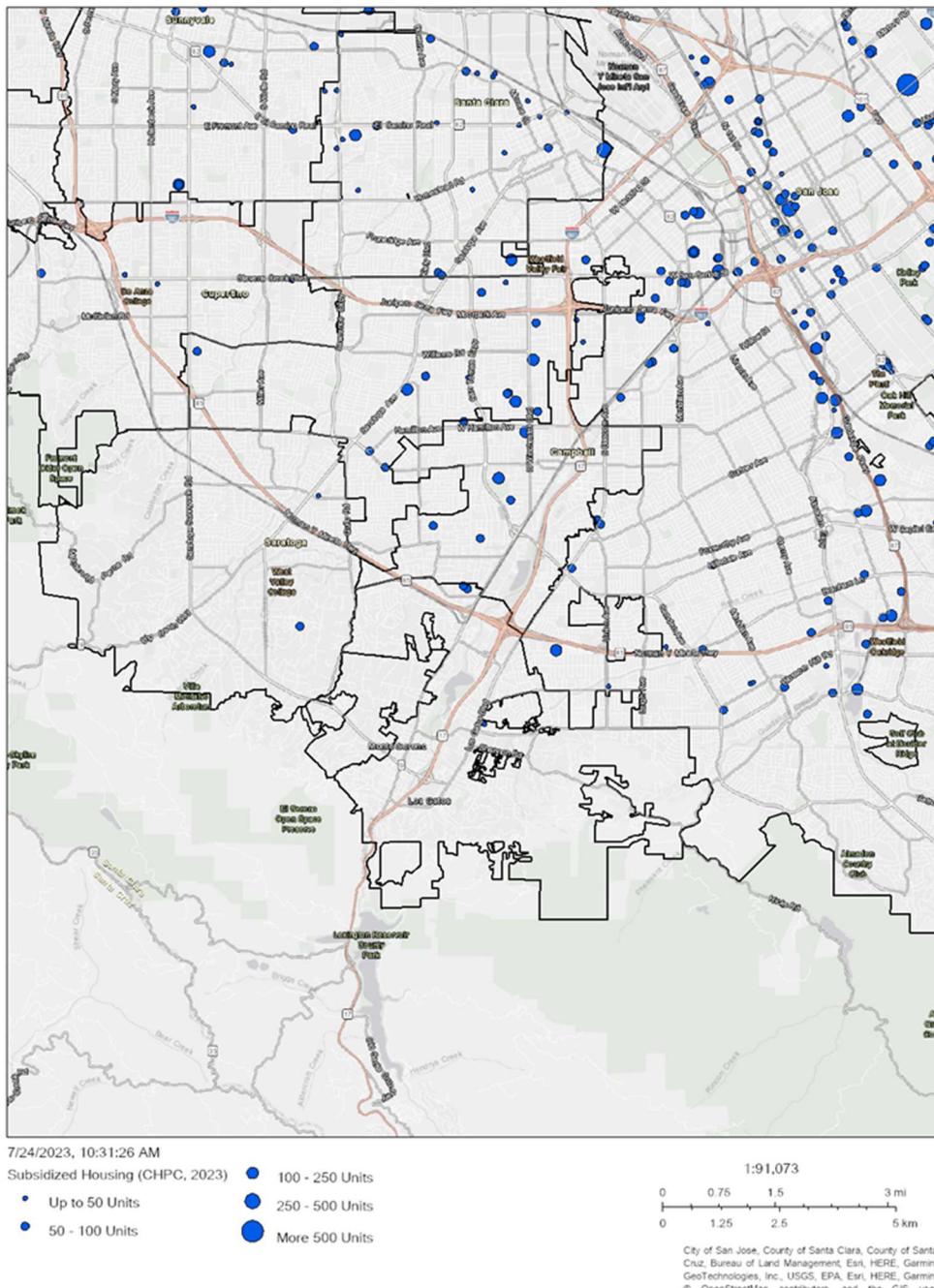
## Appendix A. AFFH Report

### A.7 Existing Affordable Housing Assets

*Publicly Assisted Housing.* According to the California Department of Housing and Community Development AFFH Data Viewer (HCD data viewer), Los Gatos does not have any public housing buildings (Figure A-13).

There is a significant lack of subsidized housing units in Los Gatos and neighboring communities including Saratoga and Cupertino. Subsidized units are concentrated north and east of Los Gatos as well as San Jose (Figure A-14).

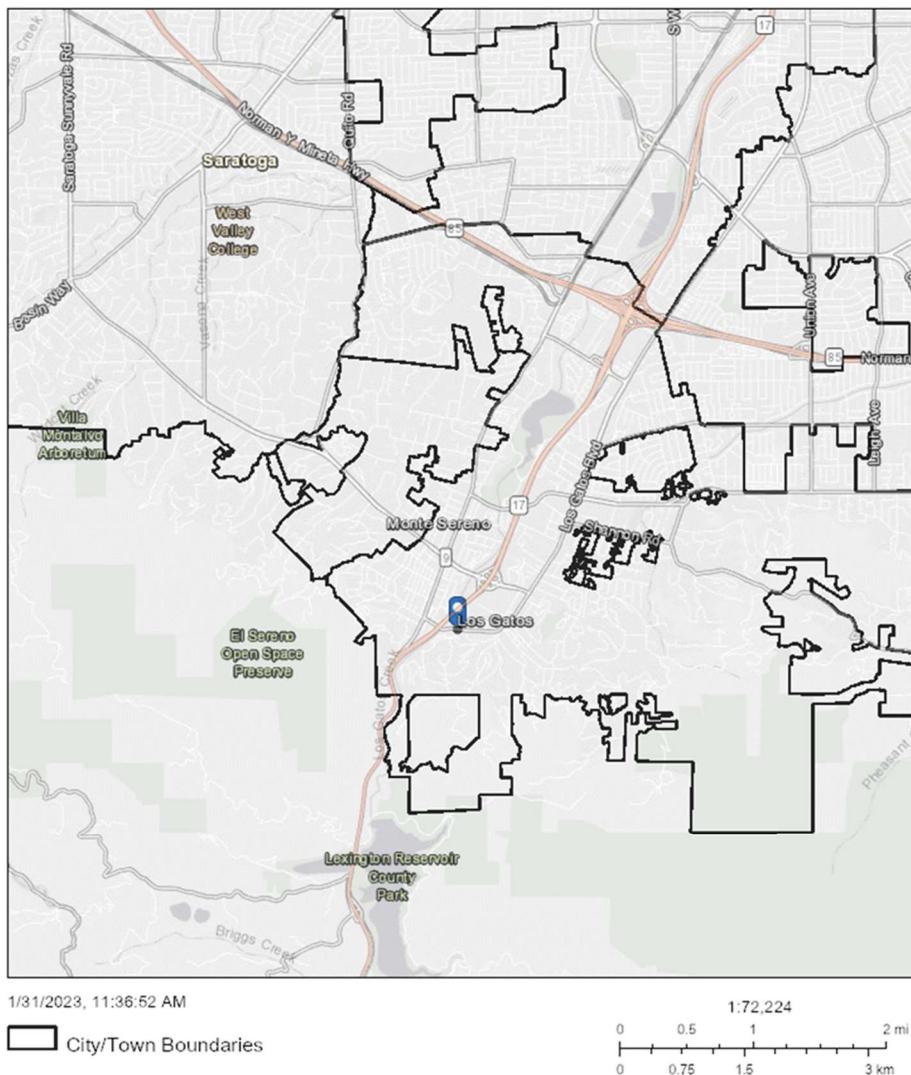
**Figure A-14 Subsidized Housing, Los Gatos and the Region, 2023**



Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-15 shows the distribution of public housing in Los Gatos and surrounding communities of which there are zero public housing buildings.

**Figure A-15 Public Housing Buildings, Los Gatos, 2021**

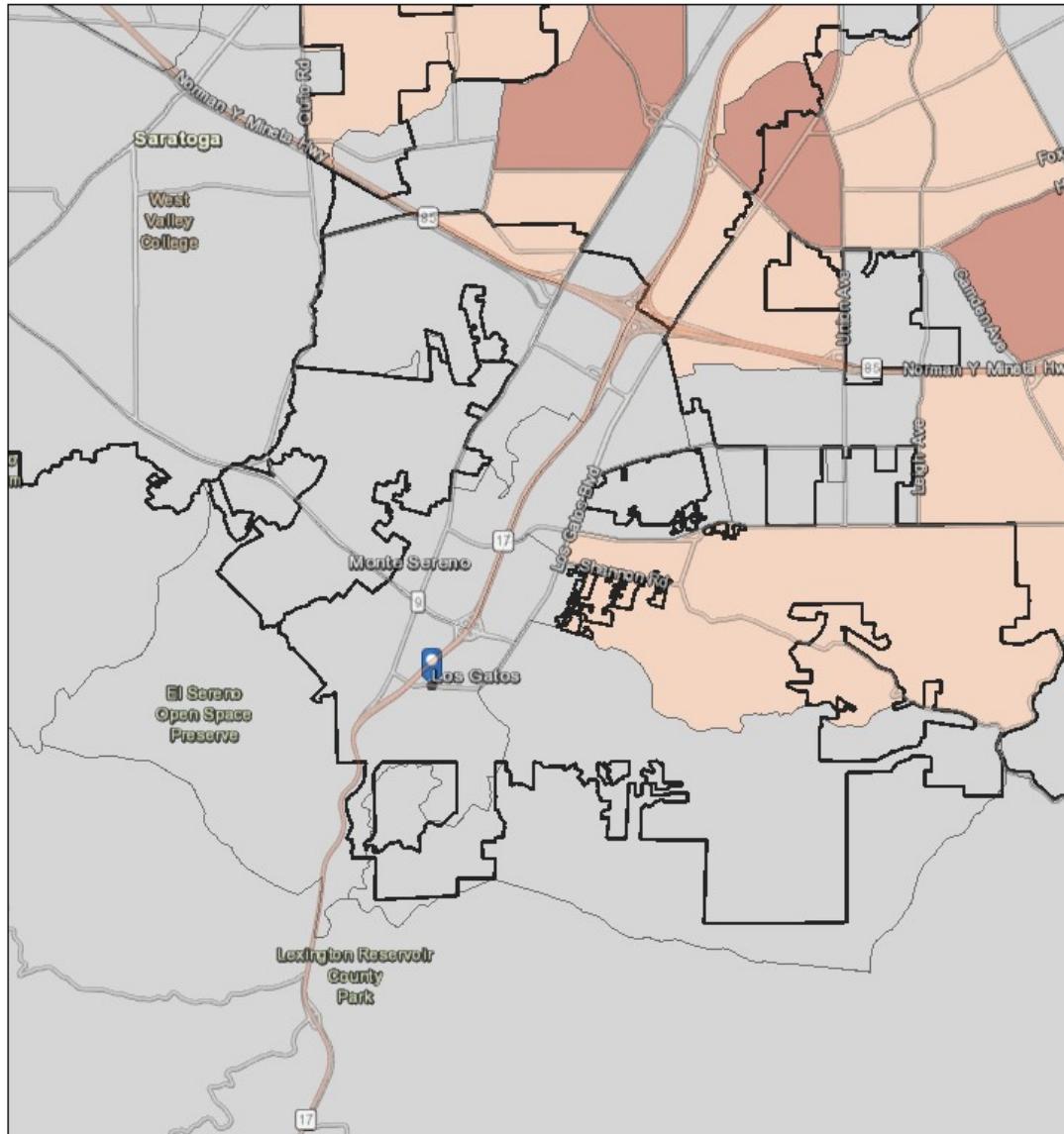


Source: California Department of Housing and Community Development AFFH Data Viewer

Very few residents in Los Gatos are voucher holders. The only census tract with available data show less than five percent of residents having a housing voucher (Figure A-16). These patterns could be related to the Town's smaller population of low-income residents who need and qualify for vouchers and or voucher discrimination. Patterns of voucher discrimination correlate with the number of FHEO cases and inquiries for disability bias in Los Gatos.

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**Figure A-16 Housing Choice Vouchers by Census Tract, Los Gatos, 2021**



1/31/2023, 11:43:00 AM

1:72,224

0 0.5 1 1.5 2 mi  
 0 0.75 1.5 3 km

 City/Town Boundaries

(R) Housing Choice Vouchers - Tract

 No Data

 > 0 - 5%

 > 5% - 15%

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

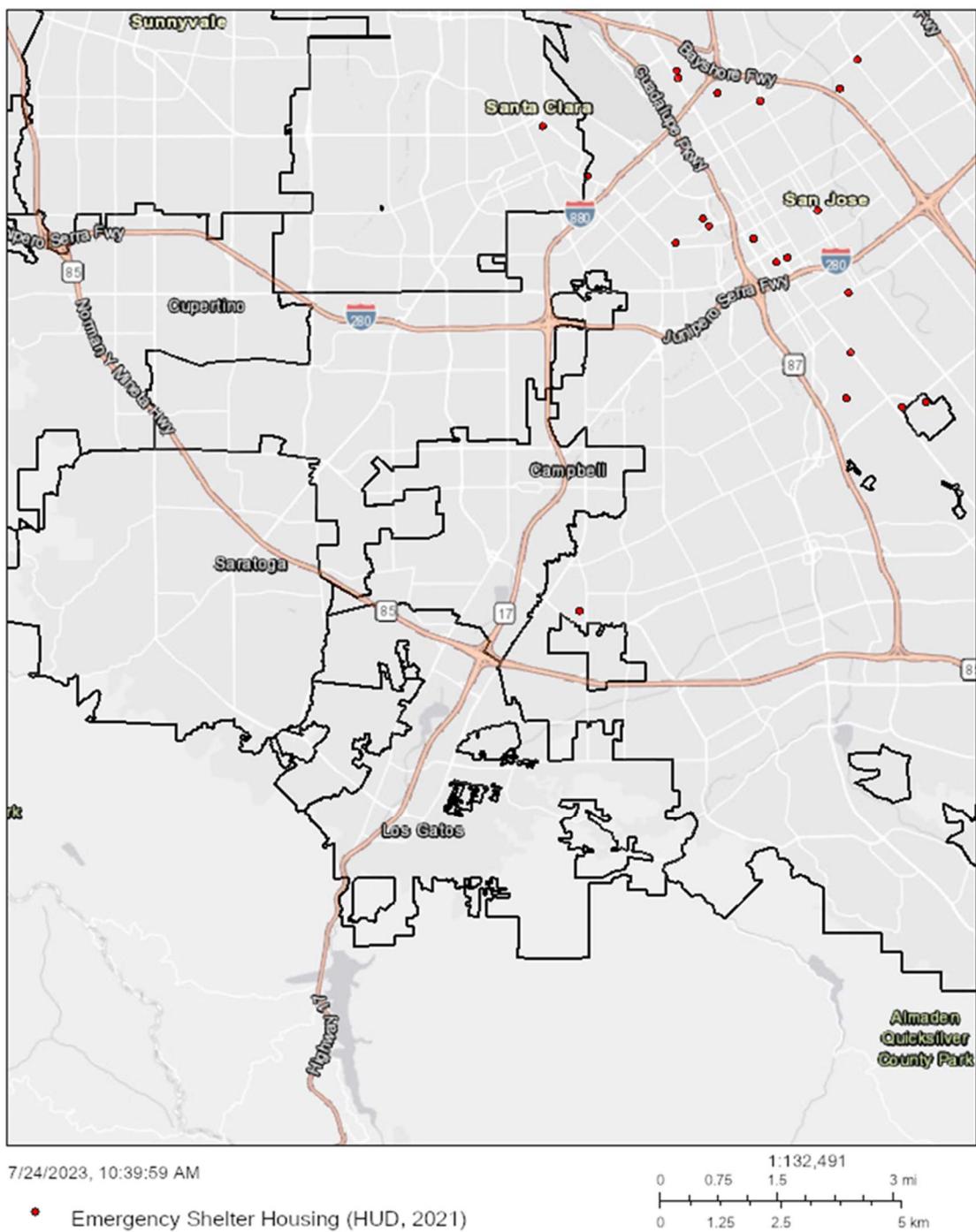
CA HCD

PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, HUD 2020 | PlaceWorks 2021, ESRI, U.S. Census | ESRI, TCAC 2022, HCD 2022, PlaceWorks 2022 | PlaceWorks 2021, U.S. Department of

Source: California Department of Housing and Community Development AFFH Data Viewer

Los Gatos, along with Saratoga, Cupertino, Sunnyvale, and Campbell have no emergency shelter housing available (Figure A-17). There are a few emergency shelters in San Jose and Santa Clara, but the region is generally limited in emergency shelter housing overall.

**Figure A-17 Emergency Shelter Housing, Los Gatos, 2021**



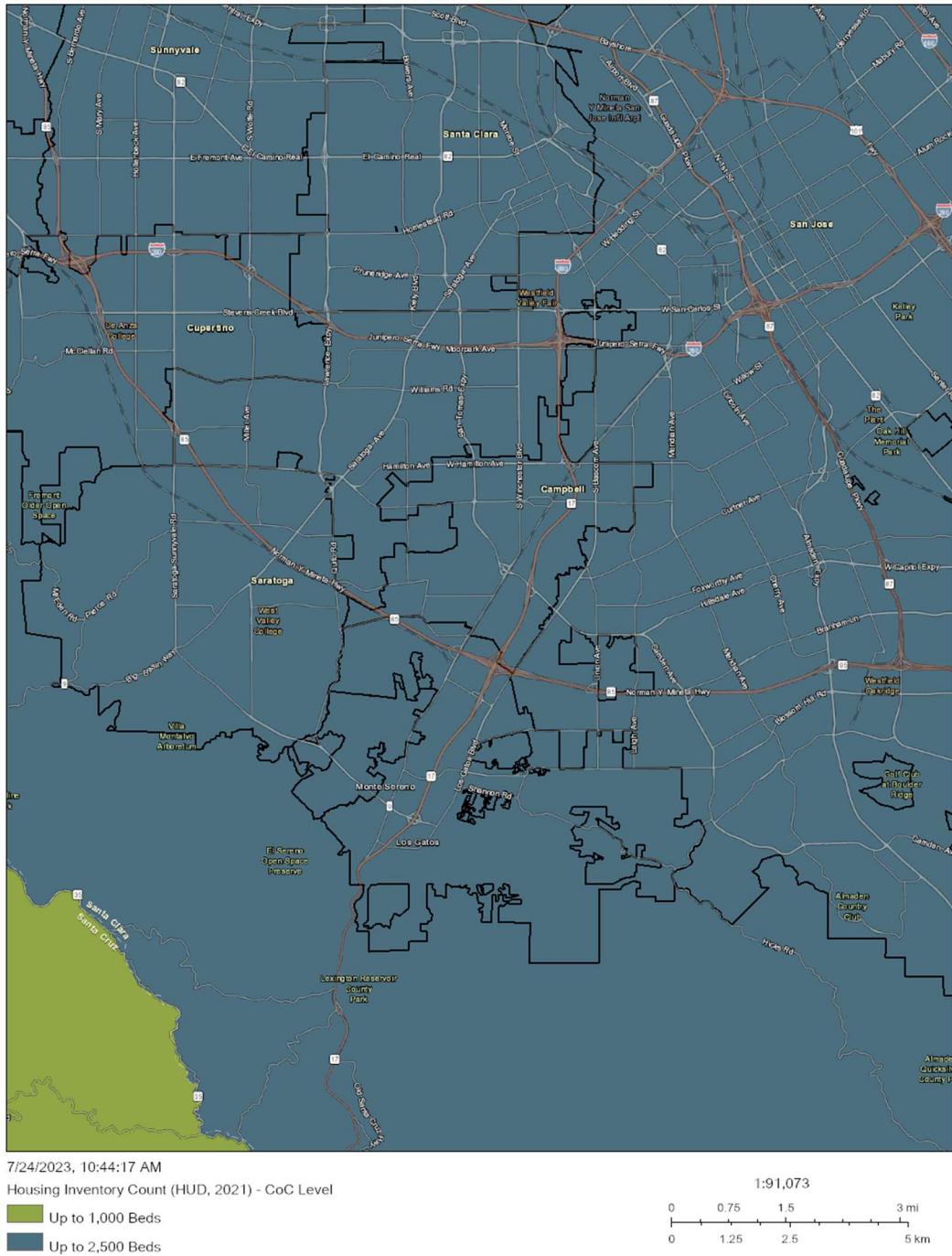
Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer

Figure A-18 shows HUD's Housing Inventory Count (HIC) for Los Gatos and surrounding areas. In 2021, Los Gatos and neighboring areas had up to 2,500 beds for special needs populations, persons experiencing homelessness, and or persons at-risk of homelessness. This is promising for Los Gatos given the high cost of housing across Los Gatos and the Bay Area.

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**Figure A-18 Housing Inventory Count, Los Gatos and Santa Clara County, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer

## A.8 Integration and Segregation

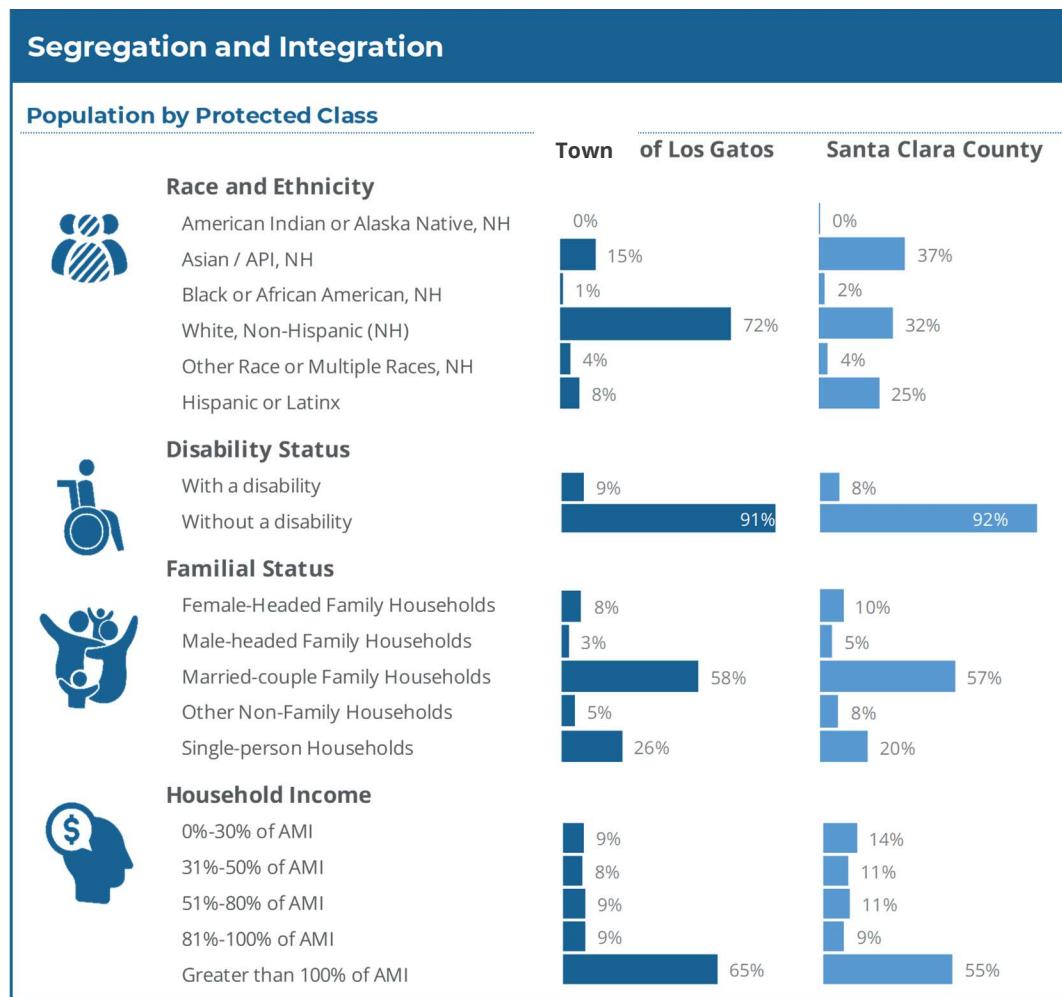
This section discusses integration and segregation of the population by protected classes including race and ethnicity, disability status, familial status, and income status. The section concludes with an analysis of racially and ethnically concentrated areas of poverty and affluence. Figure A-19 provides a summary of segregation and integration in Los Gatos and the County.

### Integration and Segregation

**Integration** generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

**Segregation** generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area.”

**Figure A-19 Segregation and Integration, Los Gatos and Santa Clara County**



Source: Root Policy Research

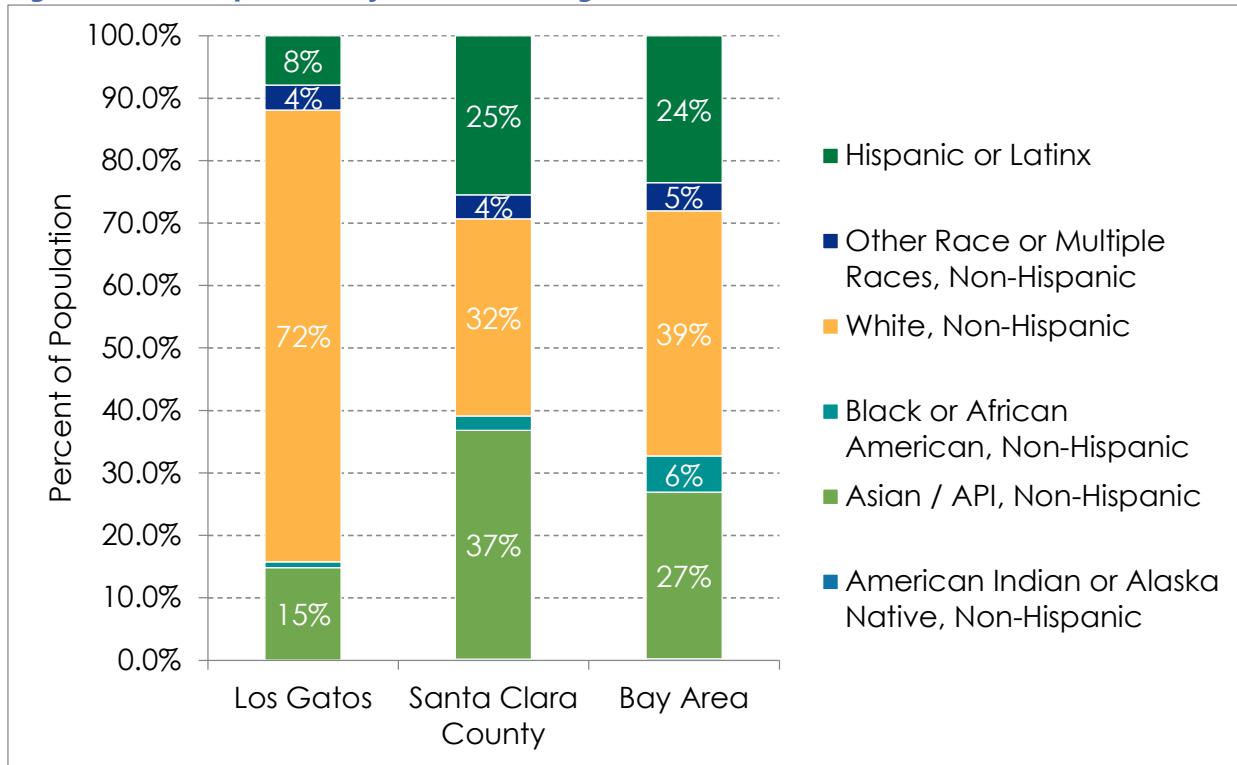
## Appendix A. AFFH Report

### Race and Ethnicity

Los Gatos differs from the county and Bay Area overall for its relatively high proportion of residents identifying as non-Hispanic White (72 percent in Los Gatos compared to 32 percent in Santa Clara County) and small Hispanic population (eight percent in Los Gatos and 25 percent in the county) (Figure A-20).

- Los Gatos' proportion of Black/African American and Other and mixed-race residents is less proportional to the County and the Bay Area overall (Figure A-20).
- Los Gatos' residents have grown more racially diverse since 2000 largely due to growth in Asian and Hispanic residents (Figure B-4).
- Older residents are less racially diverse than other age groups, with 87 percent of the population older than 65 years identifying as White compared to 77 percent of those aged 18 to 24 and 75 percent of children less than 18 years old. The main shift is the inclusion of more diverse populations in younger age groups, especially among Asian/API and Other/Multiple race residents (Figure B-3).
- Poverty rates are very low for all residents including residents of color. Black/African American have the lowest poverty rate at less than 1 percent. The highest poverty rate was 6.1 percent among Hispanic residents (Figure B-13).

**Figure A-20 Population by Race in the Region**



Source: ABAG Housing Needs Data Workbook

Table A-2 shows racial/ethnic composition trends in the County and Los Gatos over the last decade. According to the 2017-2021 ACS, the White population represents 29.9 percent of the population in the County and 70.1 percent of the population in Los Gatos. In both the County and Town, the White population has decreased since the 2006-2010 ACS. During the 2006-2010 ACS, 36.6 percent of the population countywide and 80.9 percent of the population in the Town were White. In Los Gatos, the Asian population and population of a race not listed ("some other race") saw the largest increases during this period. The population of two or more races and Hispanic Latino population also grew between 2010 and 2021.

Compared to neighboring jurisdictions, Los Gatos has a racial/ethnic minority population similar to Monte Sereno (29.8 percent), but significantly smaller than most cities including Campbell (51.7 percent), Cupertino (77.5 percent), San Jose (75.6 percent), Santa Clara (69.8 percent), and Saratoga (61 percent).

**Table A-2. Change in Racial/Ethnic Composition – Santa Clara County and Los Gatos (2010-2021)**

| Race/Ethnicity                                   | Santa Clara County |                  |              | Los Gatos     |               |              |
|--|--------------------|------------------|--------------|---------------|---------------|--------------|
|  | 2010               | 2021             | % Change     | 2010          | 2021          | % Change     |
| White alone                                      | 36.6%              | 29.9%            | -9.3%        | 80.9%         | 70.1%         | 0.0%         |
| Black or African American alone                  | 2.4%               | 2.3%             | 7.8%         | 1.6%          | 0.8%          | -41.9%       |
| American Indian and Alaska Native alone          | 0.3%               | 0.2%             | -33.6%       | 0.0%          | 0.0%          | --           |
| Asian alone                                      | 31.2%              | 37.9%            | 35.0%        | 9.5%          | 16.6%         | 101.6%       |
| Native Hawaiian and Other Pacific Islander alone | 0.3%               | 0.3%             | 1.2%         | 0.1%          | 0.0%          | -100.0%      |
| Some other race alone                            | 0.4%               | 0.4%             | 15.3%        | 0.1%          | 0.4%          | 207.5%       |
| Two or more races                                | 2.6%               | 3.9%             | 67.1%        | 2.5%          | 3.9%          | 81.3%        |
| Hispanic or Latino                               | 26.2%              | 25.1%            | 6.3%         | 5.3%          | 8.3%          | 79.3%        |
| <b>Total</b>                                     | <b>1,739,396</b>   | <b>1,932,022</b> | <b>11.1%</b> | <b>28,878</b> | <b>33,309</b> | <b>15.3%</b> |

Source: 2006-2010 and 2017-2021 ACS 5-Year Estimates).

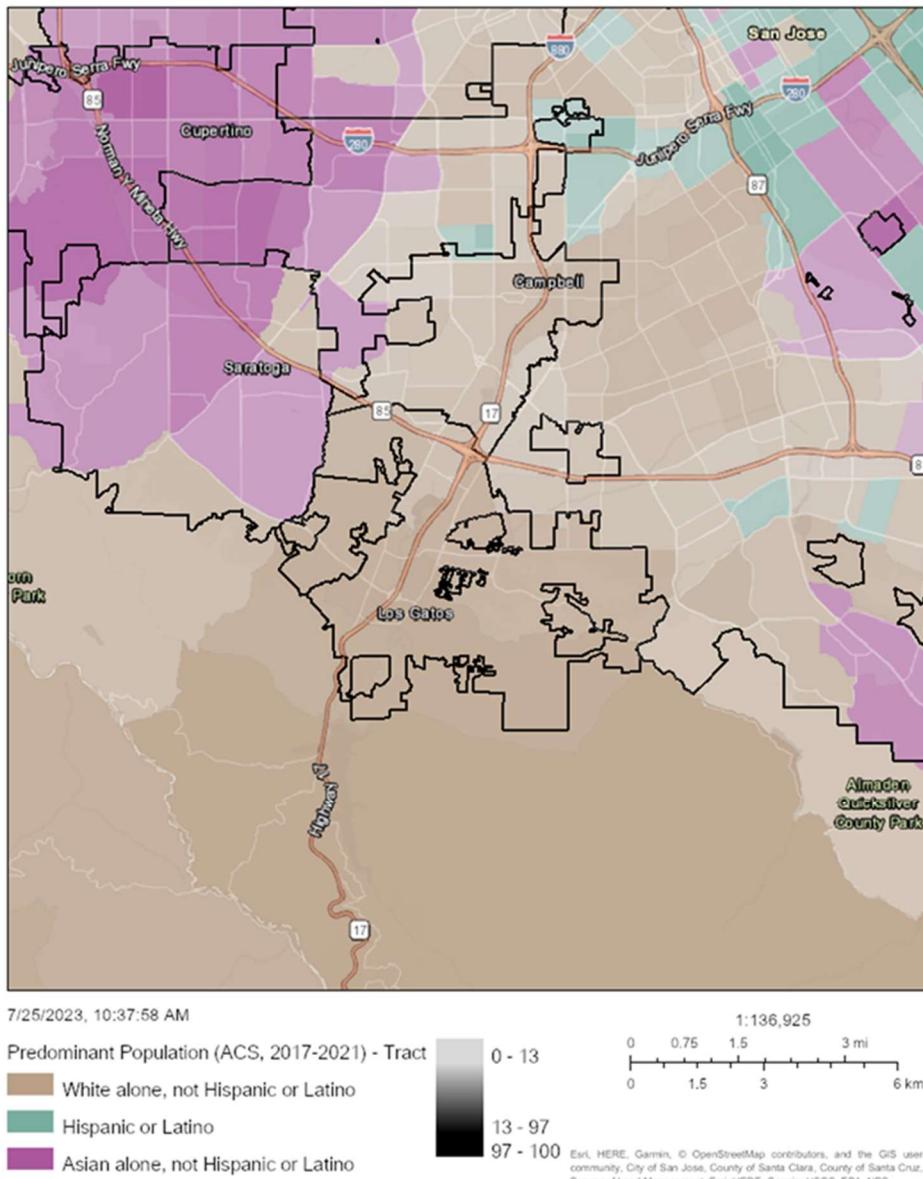
Geospatially, almost all census tracts in Los Gatos have a predominantly White population. Figures A-21 and A-22 show the predominant population by census tract in Los Gatos and the Bay Area region for 2021. Los Gatos is predominantly White and comparatively less diverse than Santa Clara County and the Bay Area.

Key regional differences include the following:

- Communities in Saratoga, Cupertino, and San Jose are more diverse with larger populations of Asian and Hispanic or Latino residents.
- Hispanic or Latino residents are largely concentrated in East Palo Alto, Redwood City, and San Jose census tracts. These concentrations could be influenced by a range of factors particularly discriminatory redlining practices and affordability challenges.
- Very few census tracts in the region show Black or African American residents as the predominant population. These tracts are located north of South San Francisco and around San Leandro.

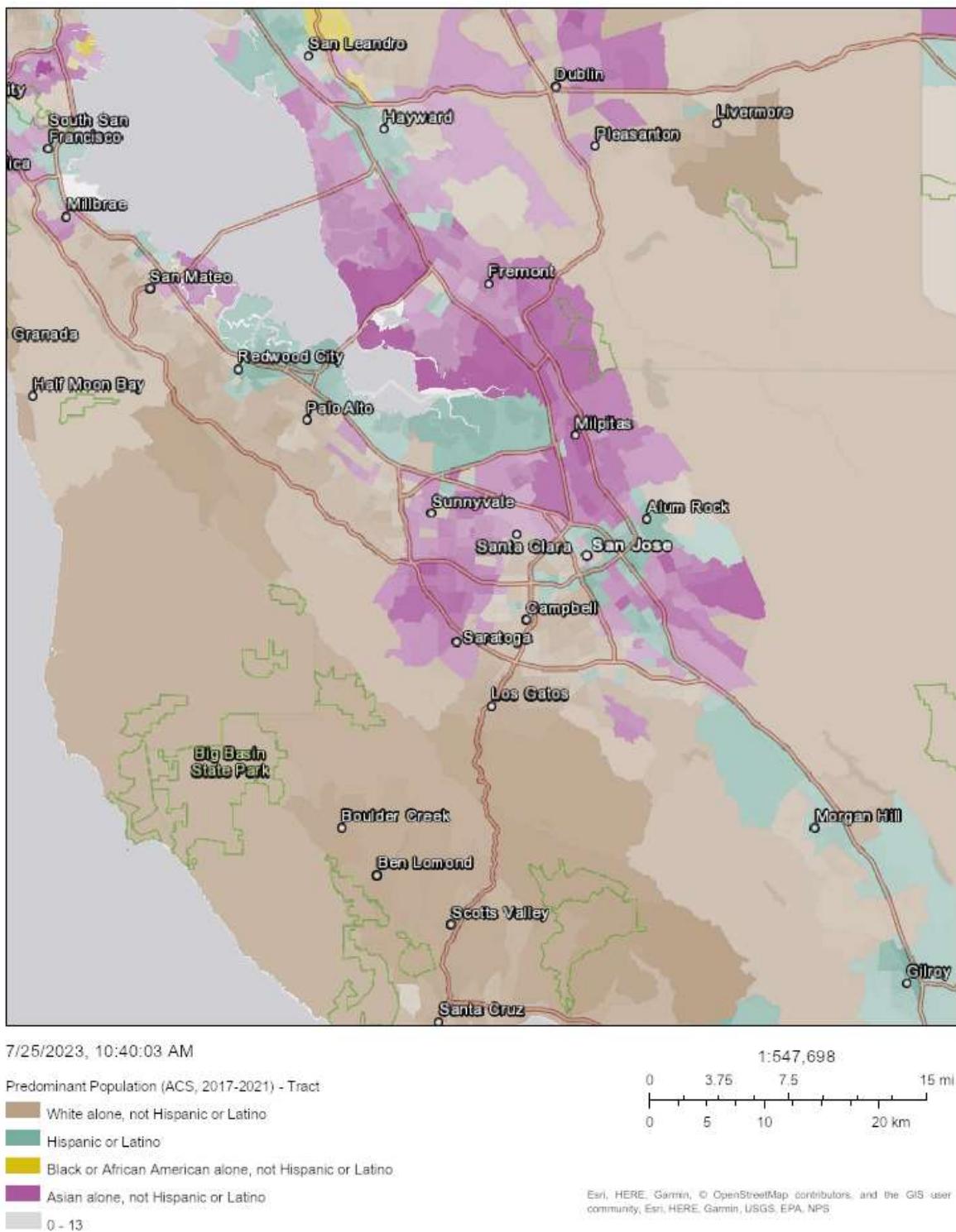
## Appendix A. AFFH Report

**Figure A-21. Predominant Population by Census Tract, Los Gatos, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

Figure A-22. Predominant Populations in the Region by Census Tract, 2021



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

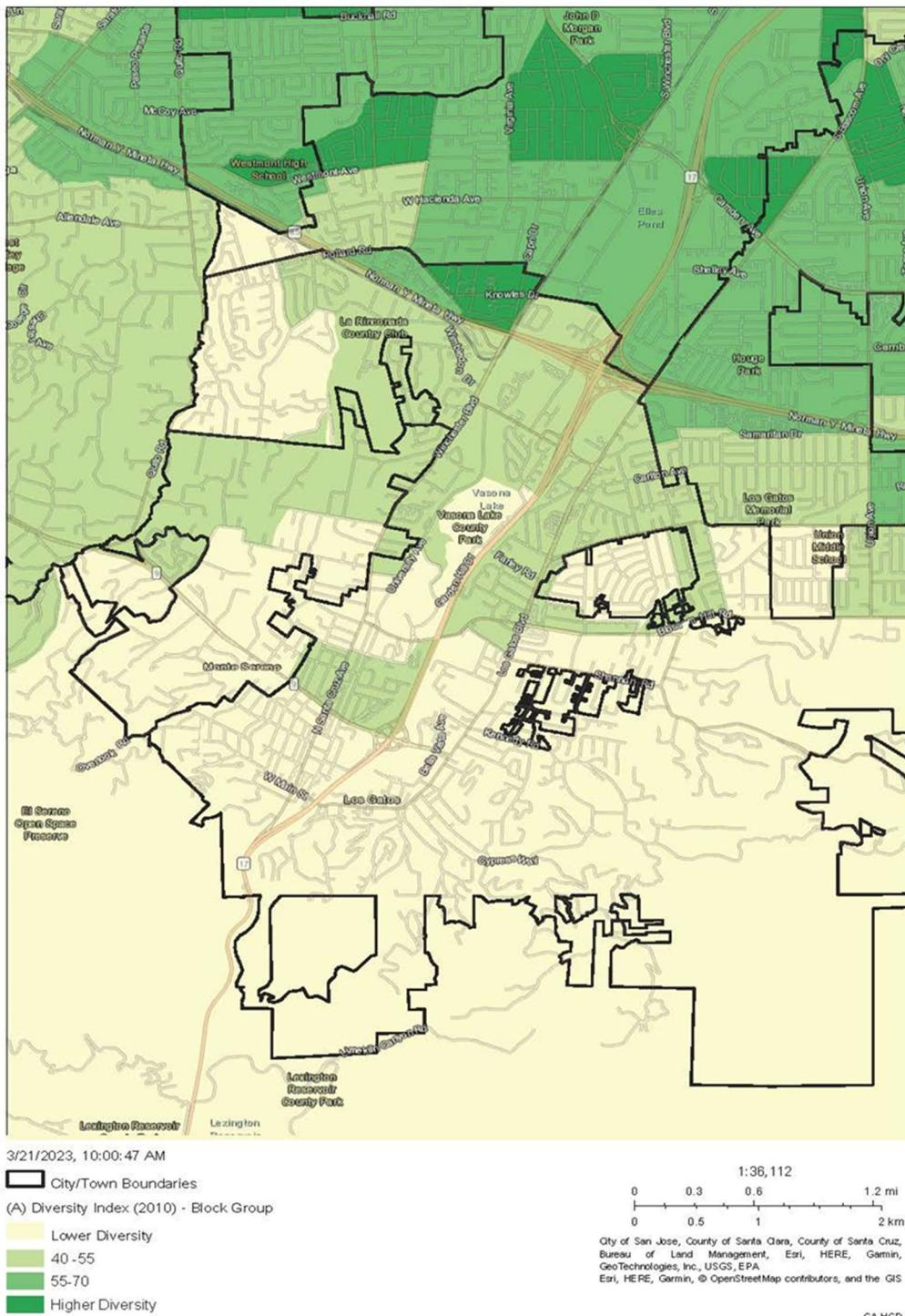
The Town's diversity index has improved since 2010 due to changes in racial and ethnic diversity in the northern and eastern portions of Town, but constraints on development in the form of zoning restrictions and discretionary permit reviews have slowed this progress. The Association of Bay Area Governments (ABAG), working with UC Merced, created a 2021 report on segregation in Los Gatos that measured racial and income segregation within the community. This report, in its entirety, can be found in Appendix G. That report utilized several common measures of segregation:

- The Dissimilarity Index, or DI, is a common tool that measures segregation in a community. DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area. DI represents the percentage of a group's population that would have to move for each area in the county to have the same percentage of that group as the county overall. DI values range from zero to 100, where zero is perfect integration and 100 is complete segregation. Dissimilarity index values between zero and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.
- The isolation index is interpreted as the probability that a randomly drawn minority resident shares an area with a member of the same minority, it ranges from zero to 100 and higher values of isolation tend to indicate higher levels of segregation.

ABAG's assessed measures of segregation above highlighted White residents as the most segregated in Los Gatos. White residents are more likely than any other racial group to live in a neighborhood where they are unlikely to come into contact with other racial groups. However, White residents are becoming less isolated over time, and segregation in Los Gatos is decreasing.

Figure A-22 shows the diversity index by block group for Los Gatos in 2010. During this time, Los Gatos had a low diversity score with few census tracts assigned indexes of 40 to 55. Campbell is far more diverse than Los Gatos with census tracts showing higher diversity indexes.

**Figure A-22 Diversity Index by Block Group, Los Gatos, 2010**

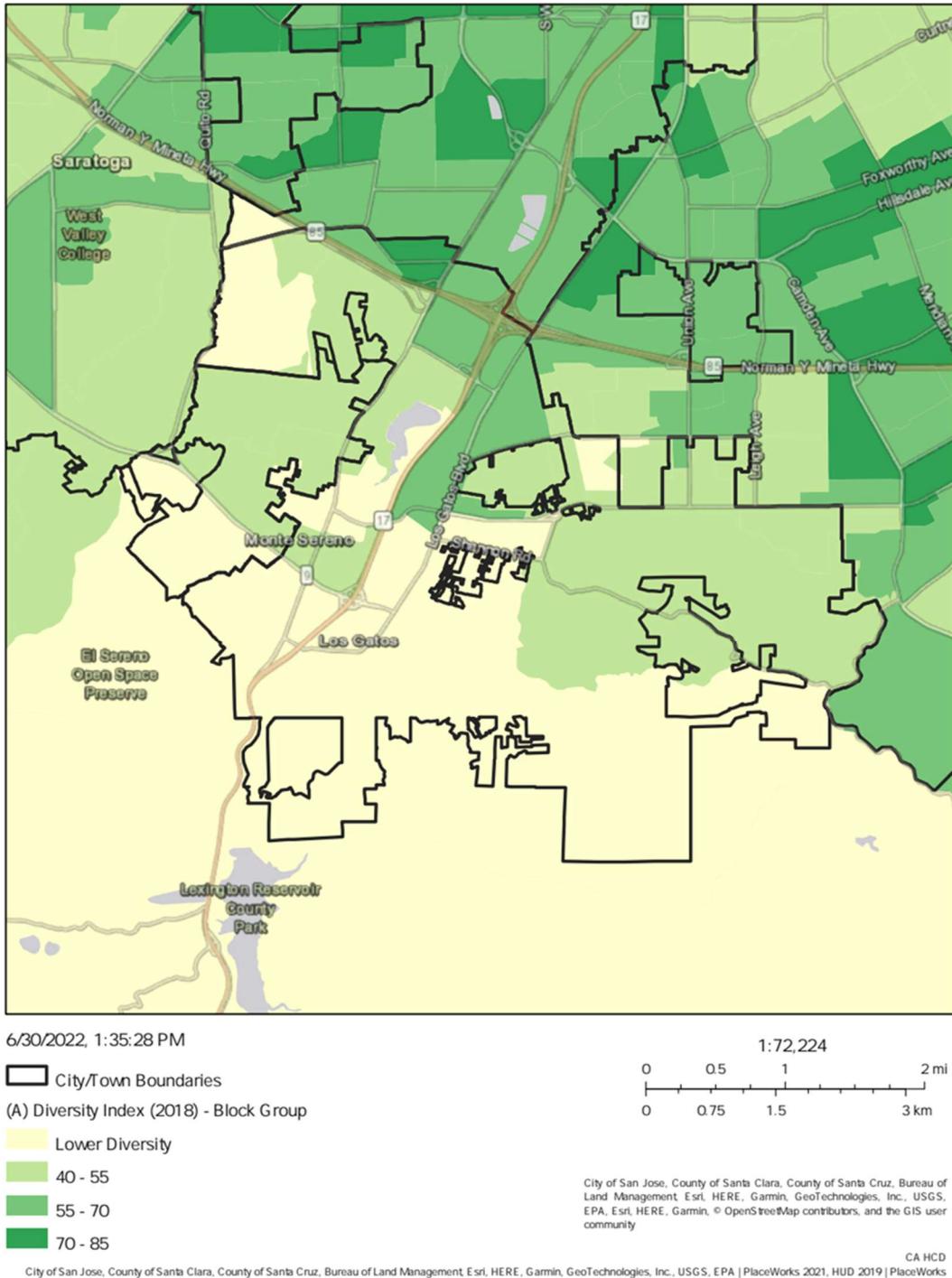


Source: California Department of Housing and Community Development AFFH Data Viewer.

Figure A-23 shows diversity index by block group for Los Gatos in 2018. Diversity in Los Gatos has remained low; however, census tracts with higher diversity indexes in 2010 shifted to the eastern edge of the town by 2018.

## Appendix A. AFFH Report

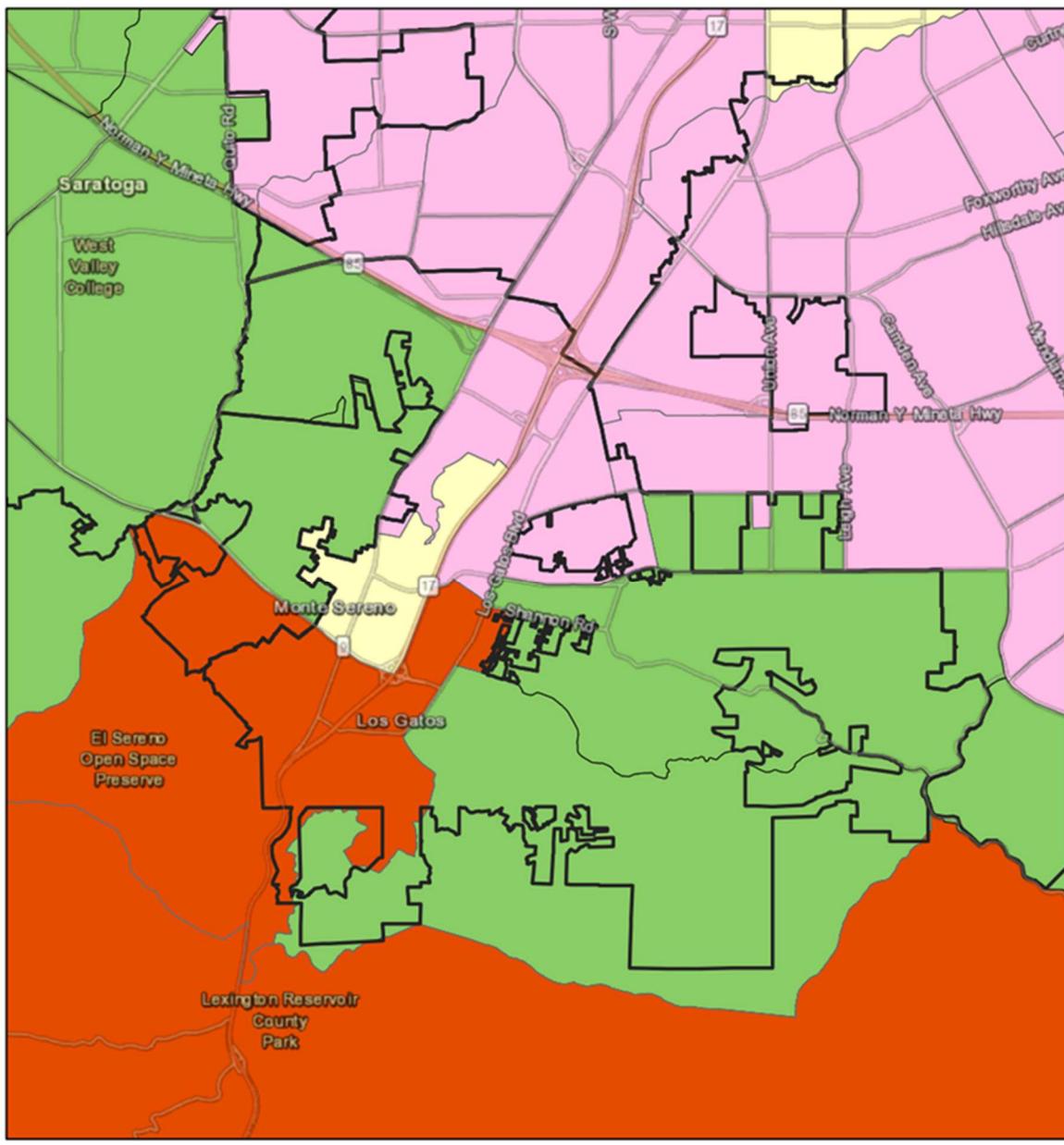
**Figure A-23. Diversity Index by Block Group, Los Gatos, 2018**



Source: California Department of Housing and Community Development AFFH Data Viewer.

Compared with neighboring Monte Sereno, Los Gatos has a more varied neighborhood composition map and a more even dispersion of residents of varied races and ethnicities. Figure A-24 shows neighborhood segregation by census tract in Los Gatos in 2019. The majority of census tracts in the town are Asian-White though census tracts located in the western portions of Los Gatos have neighborhoods with White segregation. This is substantially different from segregation in Campbell's neighborhoods which show most neighborhoods as segregated by three racial/ethnic groups.

Figure A-24. Neighborhood Segregation by Census Tract, Los Gatos, 2019



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1:72,224

0 0.5 1 1.5 2 mi  
0 0.75 1.5 3 km

City/Town Boundaries

(A) Neighborhood Segregation (UC Berkeley, 2019) - Tract

Asian-White

Latinx-White

Mostly White

3 Group Mix

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks

Source: California Department of Housing and Community Development AFFH Data Viewer.

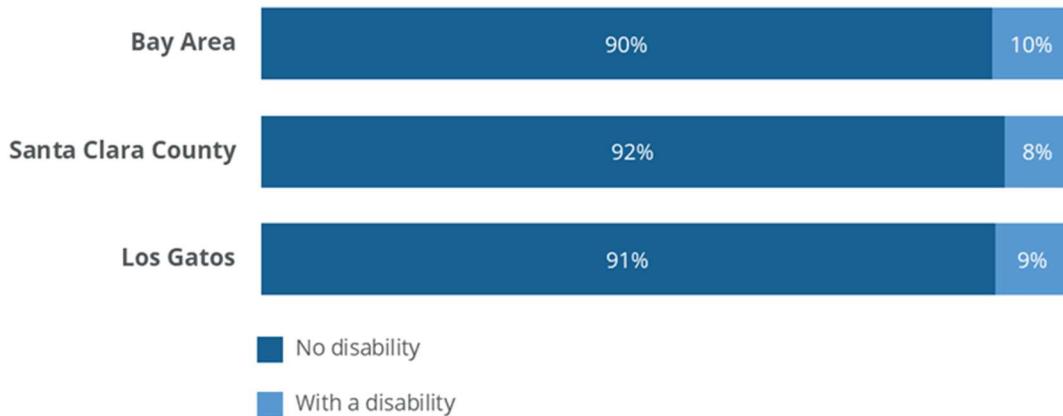
## Appendix A. AFFH Report

Segregation by income increased between 2010 and 2015. In 2015, the income segregation in Los Gatos between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions.

### Disability Status

The share of the population living with at least one disability is nine percent in Los Gatos compared to eight percent in Santa Clara County (Figure A-25). Roughly a third of census tracts in Los Gatos contain 10 percent to 20 percent of persons with a disability, higher than most of the surrounding jurisdictions.

**Figure A-25. Share of Population by Disability Status, Los Gatos and the Region, 2019**



Source: ABAG Housing Needs Data Workbook.

According to the 2017-2021 ACS, in Santa Clara County, the American Indian and Alaska Native population has the highest disability rate (13.1 percent), followed by the Native Hawaiian and other Pacific Islander population (11.4 percent), Black/African American population (11.3 percent), and non-Hispanic White population (10.7 percent). During this period, approximately 8.2 percent of the population experiences a disability countywide. In Los Gatos, 7.8 percent of the population experiences a disability according to the 2017-2021 ACS. The non-Hispanic White population has the highest disability rate (8.5 percent), followed by the Hispanic/Latino population (7.8 percent), and population of some other race (7.3 percent).

The change in populations of persons with disabilities between the 2008-2012 and 2017-2021 ACS is shown in Table A-3. The population experiencing a disability countywide increased from 7.7 percent during the 2012 ACS to 8.2 percent during the 2021 ACS. This can be attributed to the growing elderly population Statewide and in the County. During the 2008-2012 ACS, the population aged 65 and older represented 11.1 percent of the population compared to 13.6 percent during the 2017-2021 ACS. In comparison, the elderly population aged 65 and older currently represents 20.2 percent of the population in Los Gatos (2017-2021 ACS). During the 2008-2012 ACS, the Town had a similar population of elderly adults, representing 19 percent of the population. This is consistent with the Townwide trend of persons with disabilities shown in Table A-3.

**Table A-3. Change in Populations of Persons with Disabilities – County and Los Gatos (2012-2021)**

| Subpopulation                         | Santa Clara County |             | Los Gatos   |             |
|---------------------------------------|--------------------|-------------|-------------|-------------|
|                                       | 2012               | 2021        | 2012        | 2021        |
| <b>Age</b>                            |                    |             |             |             |
| Under 5 years                         | 0.5%               | 0.5%        | 0.0%        | 0.0%        |
| 5 to 17 years                         | 2.9%               | 3.5%        | 1.9%        | 1.8%        |
| 18 to 64 years                        | 5.4%               | 5.4%        | 4.3%        | 3.5%        |
| 65 years and over                     | 33.7%              | 30.7%       | 27.9%       | 27.9%       |
| <b>Type</b>                           |                    |             |             |             |
| With a hearing difficulty             | 3.7%               | 2.3%        | 2.8%        | 2.8%        |
| With a vision difficulty              | 3.9%               | 1.4%        | 3.0%        | 0.7%        |
| With a cognitive difficulty           | 4.2%               | 3.3%        | 2.9%        | 3.1%        |
| With an ambulatory difficulty         | 4.3%               | 4.3%        | 3.0%        | 4.6%        |
| With a self-care difficulty           | 4.2%               | 2.0%        | 3.0%        | 2.3%        |
| With an independent living difficulty | 4.2%               | 4.5%        | 3.2%        | 4.9%        |
| <b>Total Population</b>               | <b>7.7%</b>        | <b>8.2%</b> | <b>7.9%</b> | <b>7.8%</b> |

Source: 2008-2012 and 2017-2021 ACS (5-Year Estimates).

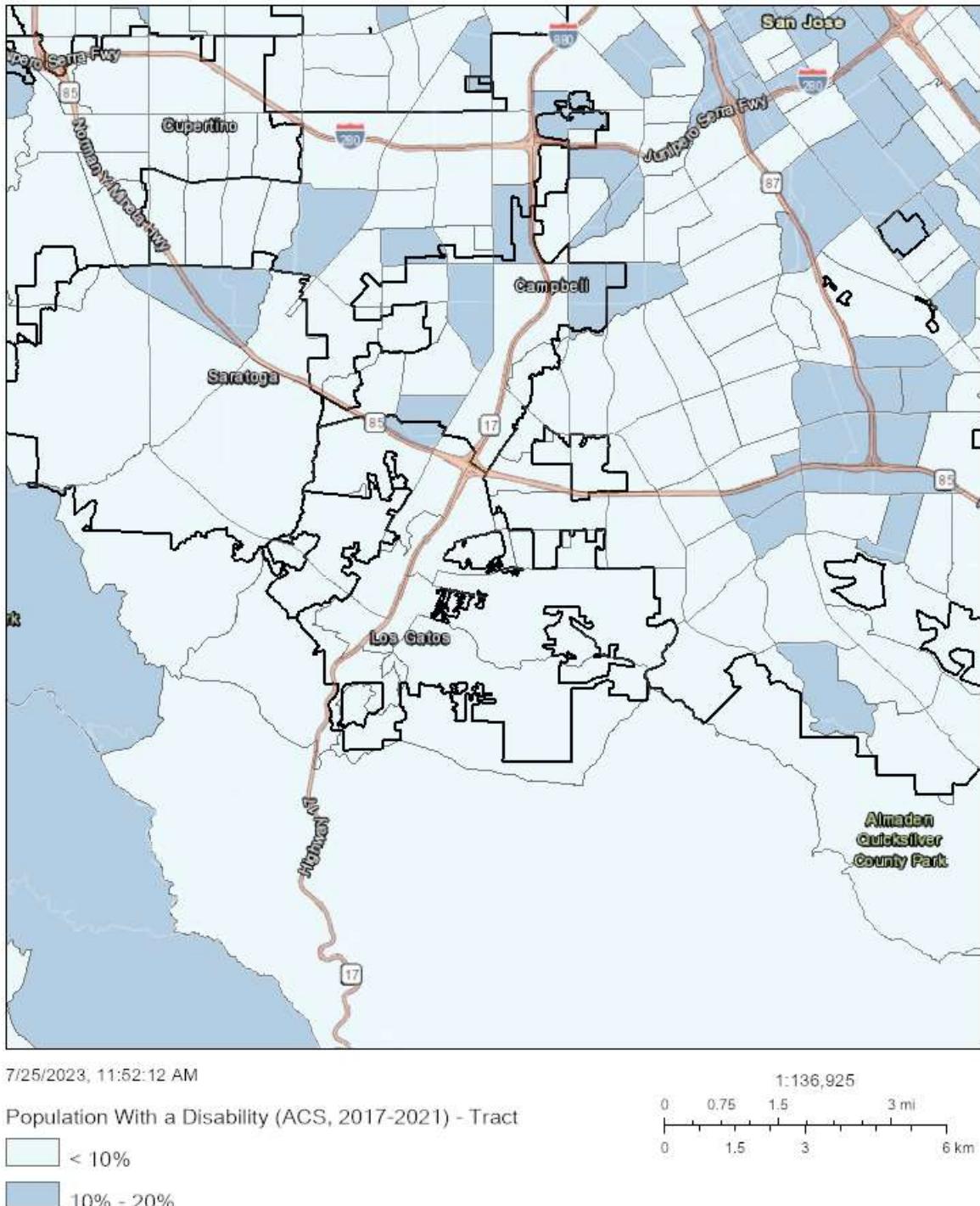
Note: 2010 5-Year Estimates are not available for disability status; therefore, this dataset utilized the 2008-2012 dataset.

Figures A-26 and A-27 illustrate the distribution of disabled persons in Los Gatos and the region overall. The Los Gatos community has a very small percentage of residents living with disabilities at less than 10 percent meaning there are no concentrations of disability in the town. Regional trends compared to Los Gatos are summarized below.

- San Francisco has the largest concentration of disabled persons at more than 40 percent;
- Saratoga follows similar trends as Los Gatos, only one census tract in the town shows disabled residents as comprising 10 percent to 20 percent of the total population; and
- Surrounding cities have disabled residents ranging from less than ten percent to 20 percent of the total population though San Jose has one tract where residents with a disability comprise 20 percent to 30 percent of the total population.

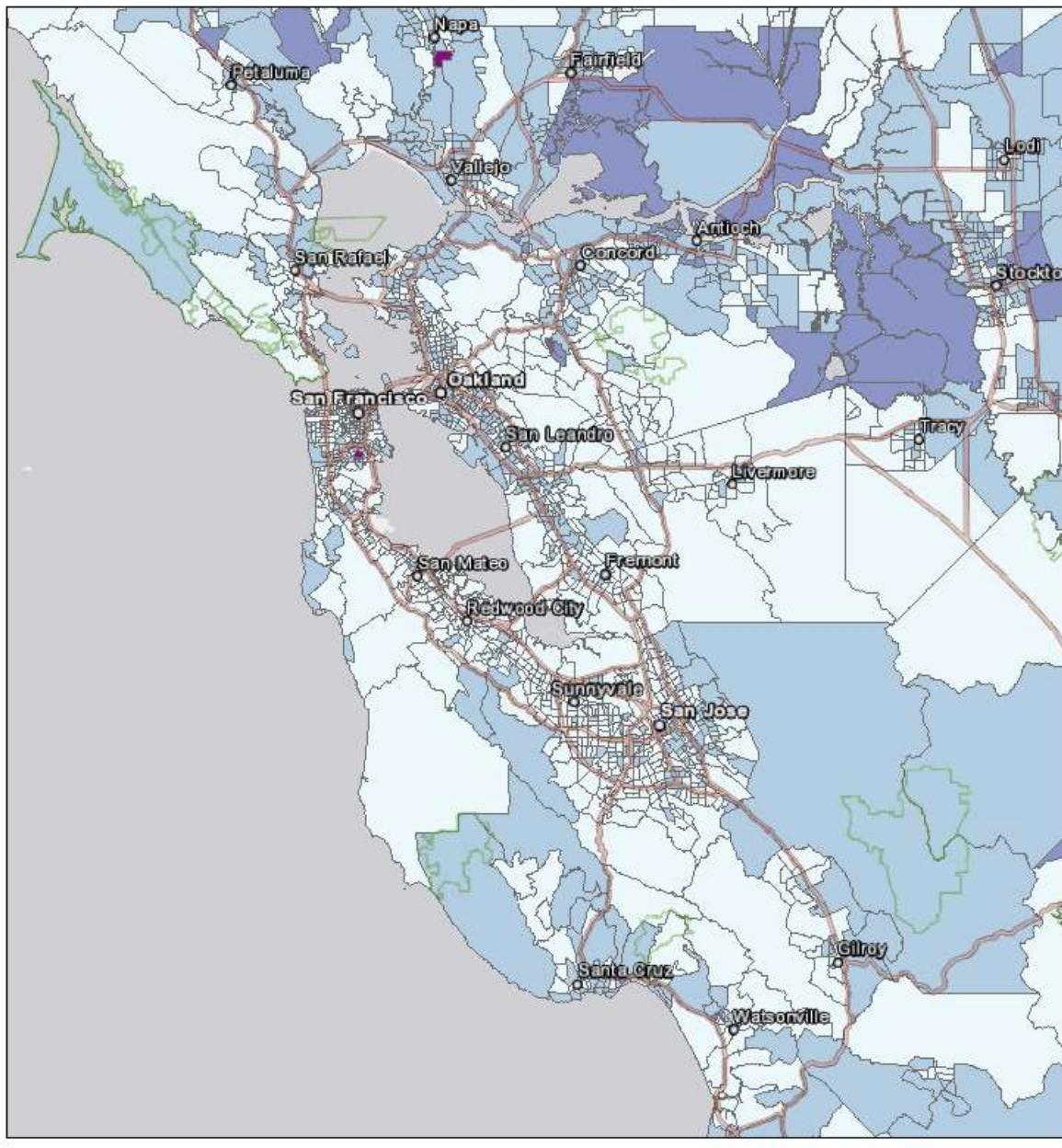
## Appendix A. AFFH Report

**Figure A-26. Population with a Disability by Census Tract, Los Gatos, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-27. Population with a Disability by Census Tract, Bay Area Region, 2021**



Esi, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. Esi, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

### Familial Status

Familial status can indicate specific housing needs and preferences. A larger number of non-family or single person households indicates a higher share of seniors living alone, young adults living alone or with roommates, and unmarried partners. Higher shares of nonfamily households indicate an increased need for one- and two-bedroom units.

Los Gatos' households are as likely to be three to four person households (34 percent) as two person households (35 percent). Compared to the county and Bay Area overall, Los Gatos mirrors the share of one person households (26 percent compared to 20 percent in the county and 25 percent for the Bay Area). Married couple households were the majority household type (58 percent) and 31 percent of all households have at least one child under the age of 18. The share of single persons and female-headed households mirror the makeup in the Bay Area. The Town has no concentrations of adults living alone, suggesting that access to in-home services and care for single, older adults is less critical for Los Gatos than some surrounding communities within the county. However, the Town's age distribution has shifted upwards since 2000 (Appendix B, Figure B-2) and these accommodations may grow in demand if older adults, 55 and older, in Los Gatos age in place.

Los Gatos' married couples overwhelmingly own housing: seventy-seven percent of married couple families in the Town own their homes. Renters are more likely to occupy studios and one- and two-bedroom units than owners (Appendix B, Figure B-36), and owners are more likely to be occupying three to four- and 5 or more-bedroom units. Owners and renters are equally as likely to live alone.

Trends in housing types in the County and Los Gatos are presented in Table A-4. Data differs slightly between the 2006-2010 and 2017-2021 ACS. For example, the 2006-2010 ACS does not include cohabiting couple households like the 2017-2021 ACS. However, these datasets can still be used to show the general trend over time. The proportion of married couple households in both the County and Town have increased during this period. The proportion of married couple households with children in Los Gatos has also increased while the proportion countywide has decreased. Populations of single-parent households, both male-headed and female-headed, have decreased in the County and Town. The County and Town have also seen increases in households with one or more people aged 65 and over during this period.

**Table A-4. Change in Household Type – County and Los Gatos (2010-2021)**

| Household Type  | Santa Clara County |                | Los Gatos     |               |
|---|--------------------|----------------|---------------|---------------|
|   | 2010               | 2021           | 2010          | 2021          |
| <b>Married-couple household</b>                             | <b>54.9%</b>       | <b>56.1%</b>   | <b>55.7%</b>  | <b>61.6%</b>  |
| With children of the householder under 18 years             | 27.9%              | 26.3%          | 24.3%         | 27.8%         |
| <b>Cohabiting couple household</b>                          | <b>--</b>          | <b>5.8%</b>    | <b>--</b>     | <b>3.9%</b>   |
| With children of the householder under 18 years             | --                 | 1.7%           | --            | 1.3%          |
| <b>Male householder, no spouse/partner present</b>          | <b>5.3%</b>        | <b>17.0%</b>   | <b>3.1%</b>   | <b>12.8%</b>  |
| With children of the householder under 18 years             | 2.2%               | 1.1%           | 1.3%          | 0.6%          |
| Householder living alone                                    | --                 | 10.1%          | --            | 10.1%         |
| <b>Female householder, no spouse/partner present</b>        | <b>10.4%</b>       | <b>21.1%</b>   | <b>6.6%</b>   | <b>21.7%</b>  |
| With children of the householder under 18 years             | 5.3%               | 3.2%           | 4.8%          | 1.5%          |
| Householder living alone                                    | --                 | 10.6%          | --            | 15.0%         |
| <b>Nonfamily households</b>                                 | <b>29.4%</b>       | <b>--</b>      | <b>34.6%</b>  | <b>--</b>     |
| Householder living alone                                    | 23.0%              | --             | 30.1%         | --            |
| <b>Households with one or more people under 18 years</b>    | <b>38.4%</b>       | <b>35.2%</b>   | <b>31.0%</b>  | <b>32.5%</b>  |
| <b>Households with one or more people 65 years and over</b> | <b>21.7%</b>       | <b>27.2%</b>   | <b>28.5%</b>  | <b>35.2%</b>  |
| <b>Total households</b>                                     | <b>596,747</b>     | <b>646,847</b> | <b>12,064</b> | <b>13,036</b> |

Source: 2006-2010 and 2017-2021 ACS (5-Year Estimates).

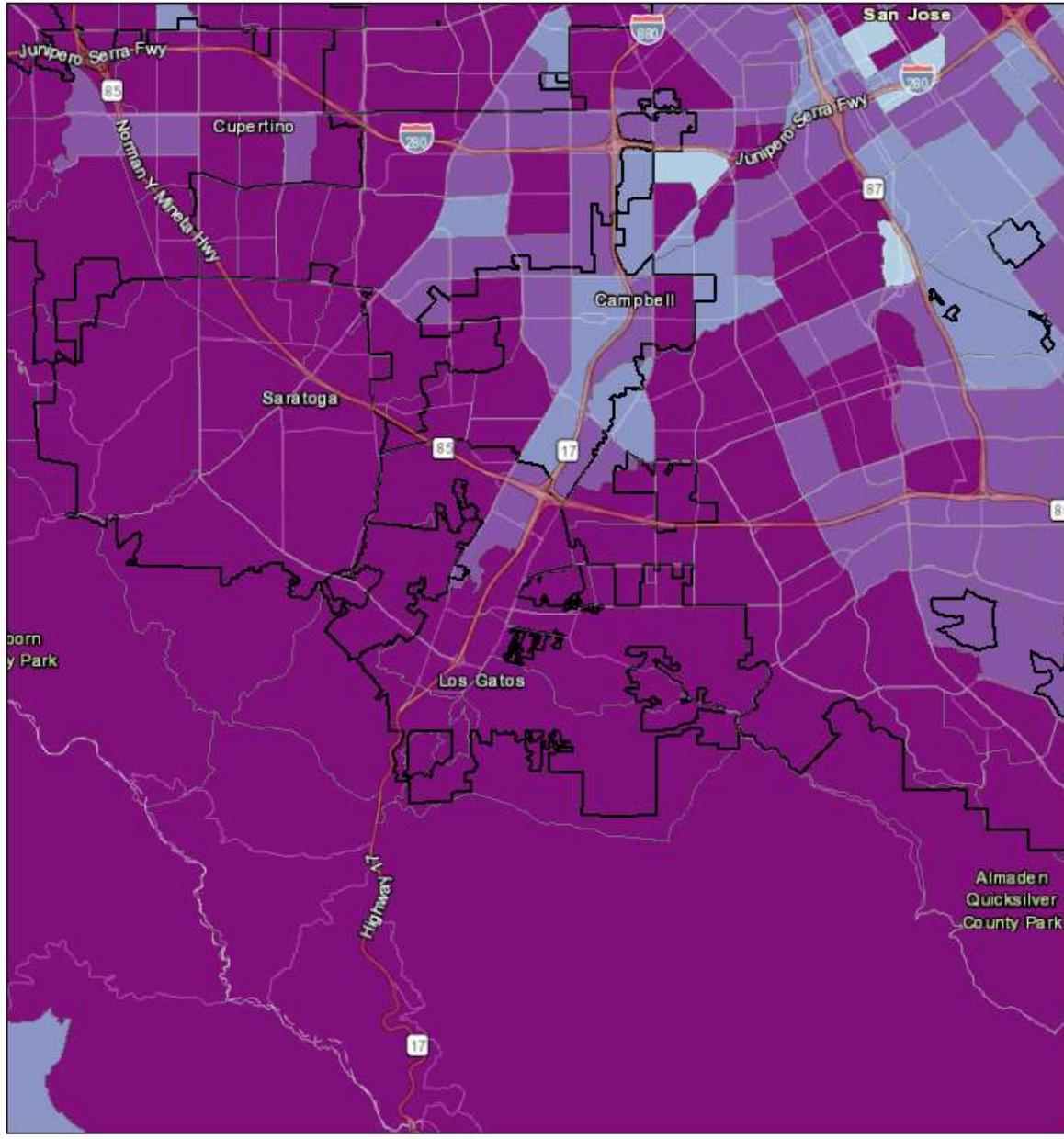
Understanding household composition is critical for Los Gatos' planning efforts as households with children often have unique needs compared to households without children. Figures A-28 and A-29 illustrate the distribution of households by the number of children in married couple households in Los Gatos and across the region.

Primary findings presented in the figures include:

- 80-100 percent of all children in Los Gatos live in married couple households, similar to Saratoga and Cupertino.
- Campbell and San Jose follow different trends than Los Gatos with census tracts showing only 20 percent to 60 percent of children living in married couple households.
- Regional trends are similar to that in Los Gatos and Santa Clara County though Redwood City has a lower percentage of children in these households.

## Appendix A. AFFH Report

**Figure A-28. Children in Married Couple Households by Census Tract, Los Gatos, 2021**



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0 0.75 1.5 3 6 km  
 0 1.5 3 6 mi

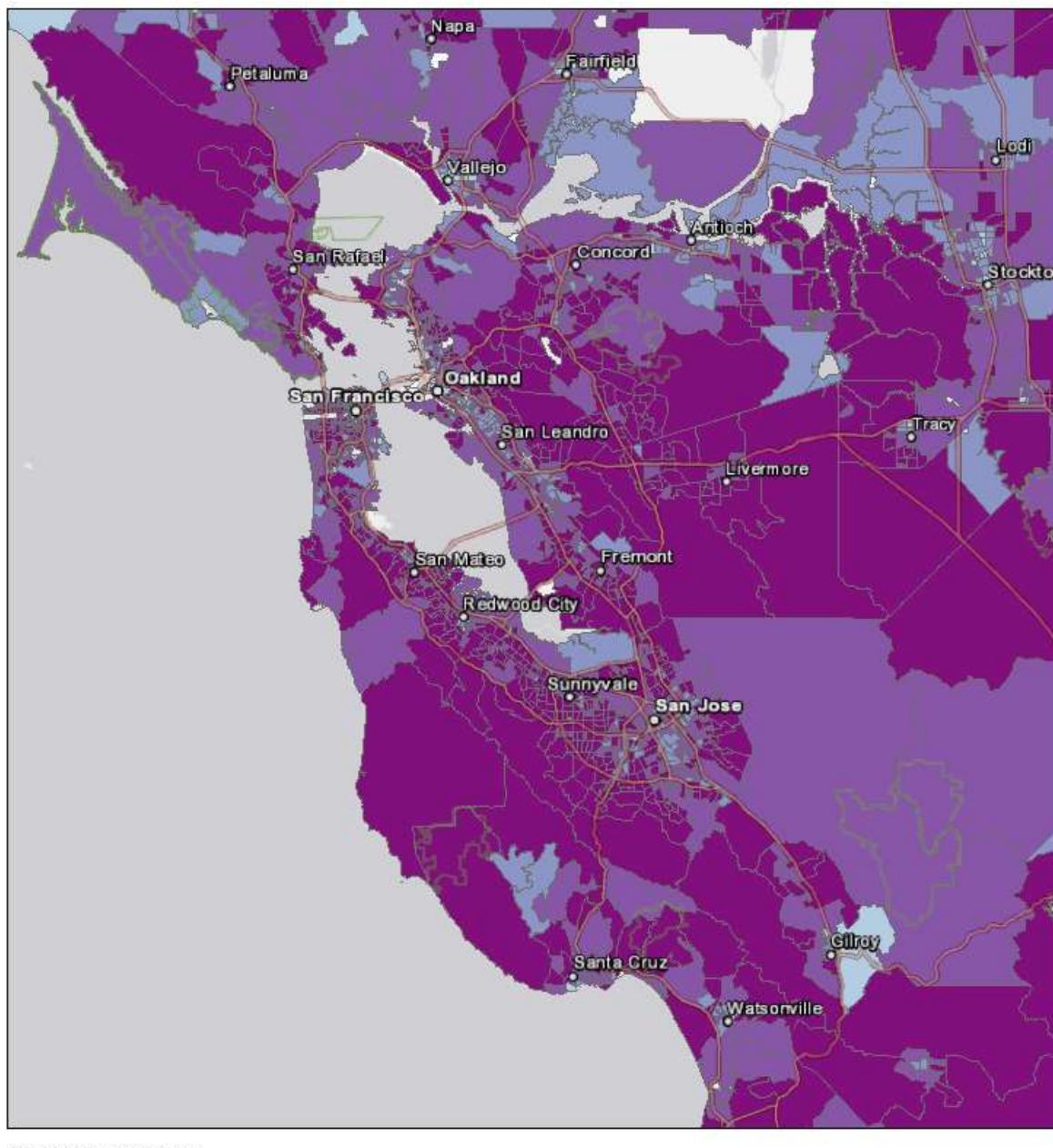
Percent of Children in Married Couple Households (ACS, 2017-2021) - Tract

- 20% - 40%
- 40% - 60%
- 60% - 80%
- 80% - 100%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-29. Children in Married Couple Households, Bay Area Region, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

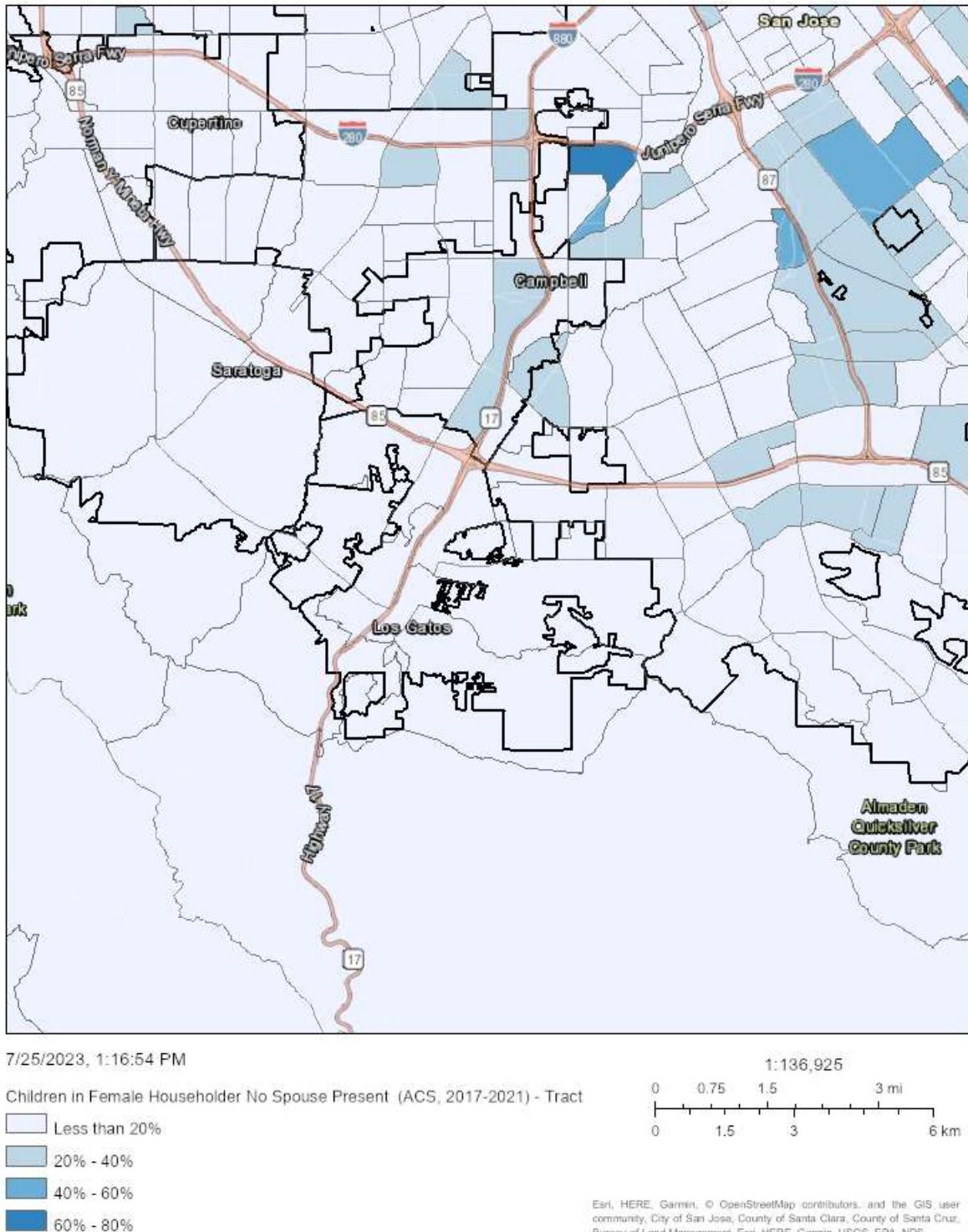
## Appendix A. AFFH Report

Figures A-30 and A-31 show the percent of children living with a female householder and no spouse in Los Gatos and the region. Less than 20 percent of children in Los Gatos live in a household with a female householder in line with Saratoga and Cupertino.

Regional differences are summarized below.

- San Jose has a comparatively larger number of children living in households with a female householder compared to surrounding communities though there is one census tract in Campbell where 60 percent to 80 percent of children are living in households with a female householder and no spouse.
- For the region overall, female householders with children are largely concentrated around San Francisco, San Mateo, Redwood City, San Leandro, and Hayward.
- Concentrations in San Mateo and Redwood City could be related to comparatively lower housing prices as households with one earner are more likely to have lower incomes.

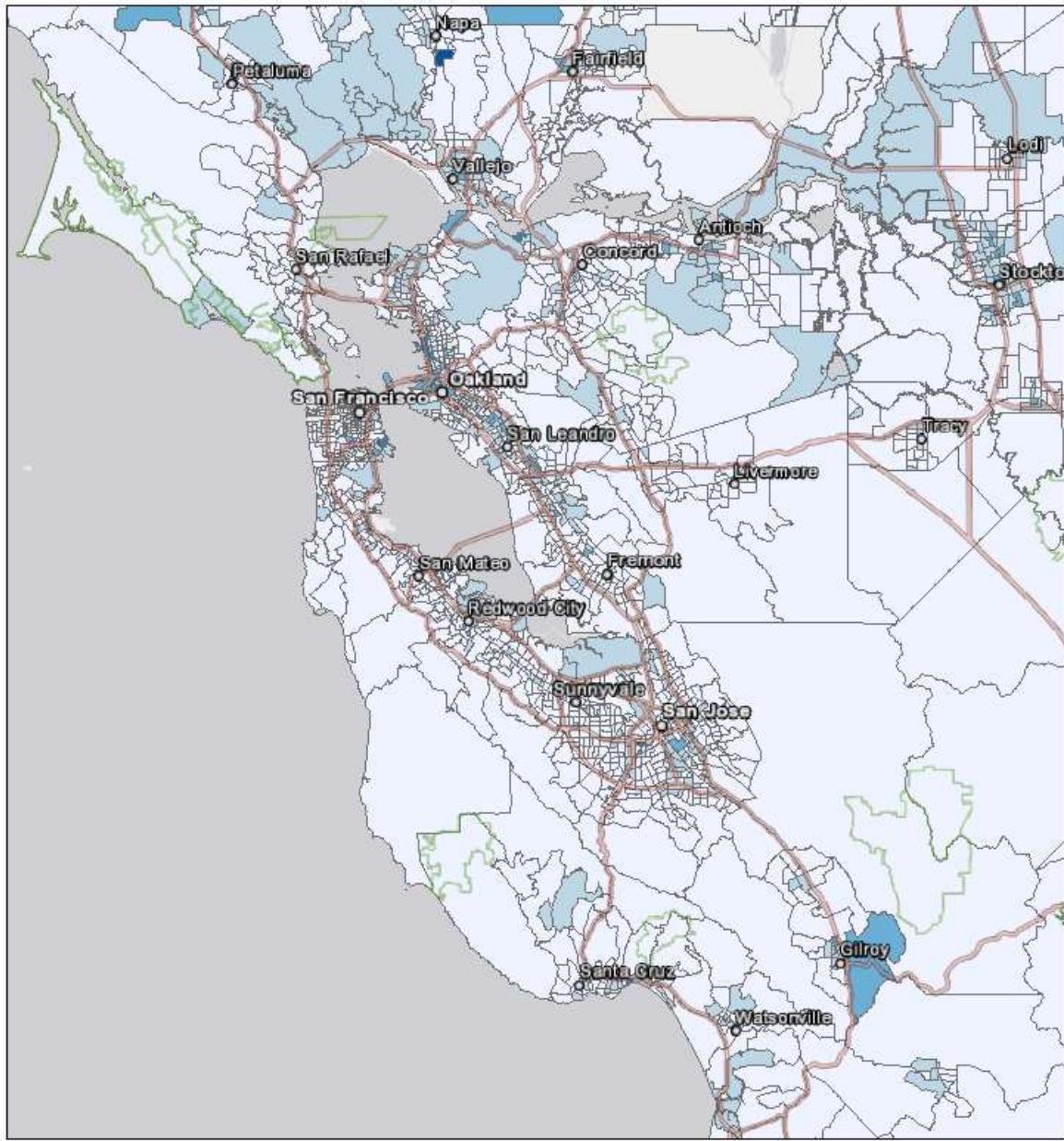
**Figure A-30. Children in Female Householder Households by Census Tract, Los Gatos, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

**Figure A-31. Children in Female Householder Households by Census Tract, Bay Area Region, 2021**



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Children in Female Householder No Spouse Present (ACS, 2017-2021) - Tract

- Less than 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- 80% - 100%

0 5 10 20 40  
0 10 20 30 40 mi km

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Source: California Department of Housing and Community Development AFFH Data Viewer.

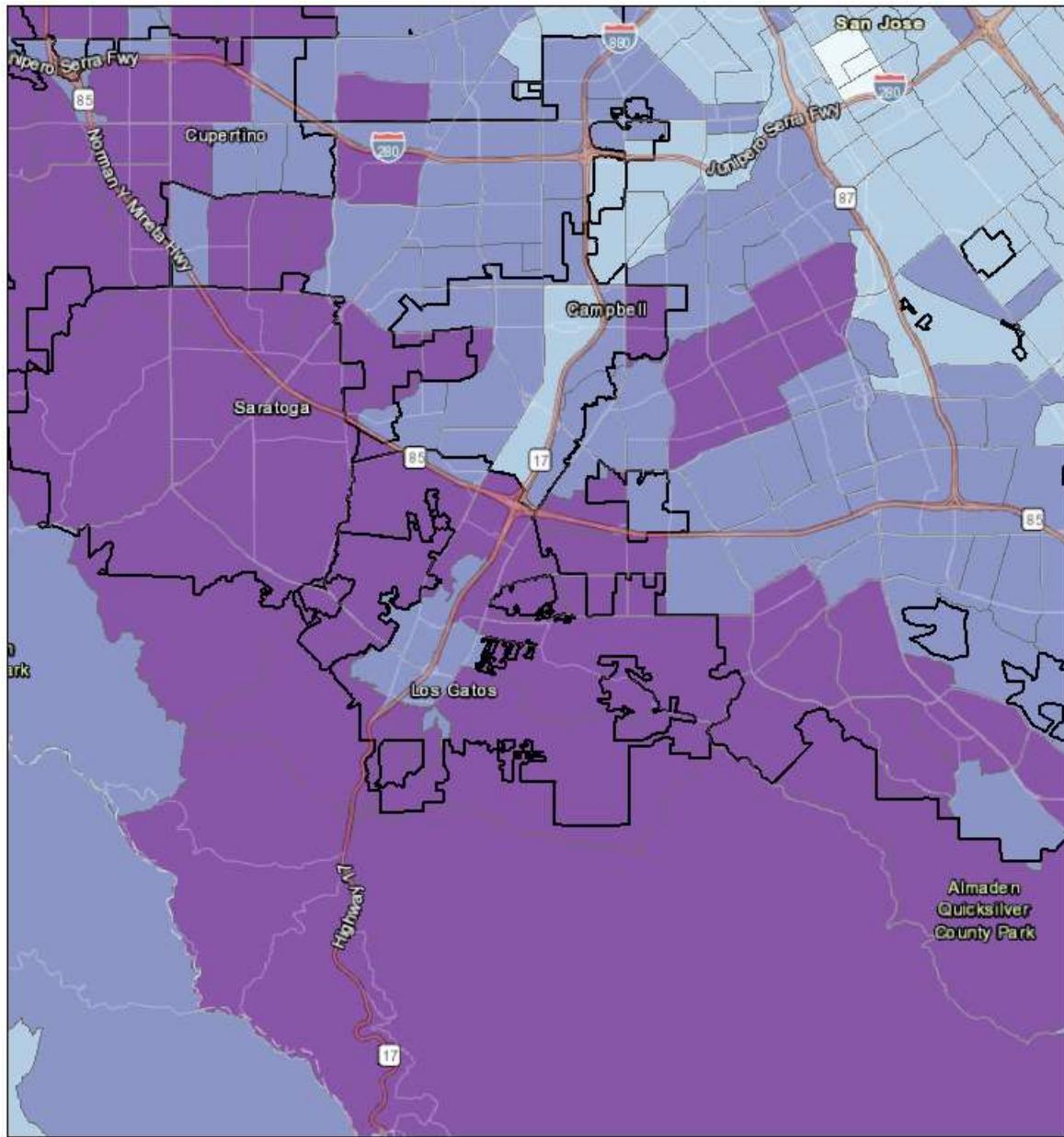
Figures A-32 and A-33 show the percentage of residents living with their spouse in Los Gatos and the region.

Primary findings presented in the figures include:

- More than 60 percent of the population in Los Gatos lives with a spouse. Only one census tract in the town shows 40 percent to 60 percent of the population living with a spouse. Comparatively larger households with married couples is likely related to the large number of households in Los Gatos with incomes above \$175,000.
- Trends in Los Gatos are similar in Cupertino and Saratoga, though Saratoga does not have any census tracts with less than 60 percent of the population living with a spouse.
- For the region overall, there is more diversity in household types, specifically in San Jose where several census tracts show less than 20 percent of the population living with a spouse.
- The greatest regional concentration of these households are located near Sunnyvale and Livermore with 80 percent to 100 percent of residents living with a spouse.

## Appendix A. AFFH Report

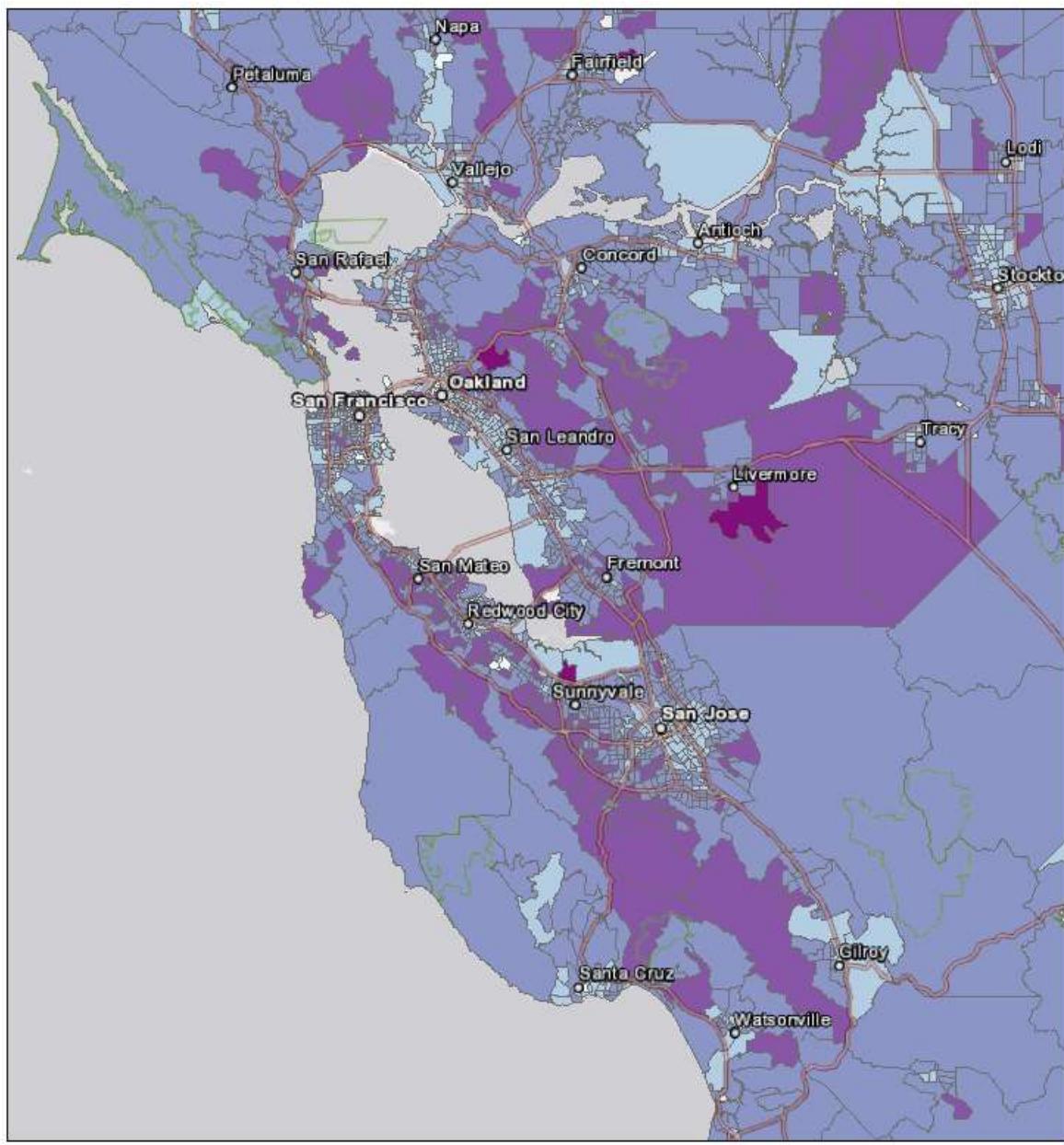
**Figure A-32. Percent of Population Living with Spouse by Census Tract, Los Gatos, 2021**



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Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-33. Population Living with Spouse, Bay Area Region, 2021**



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1:1,095,397

Percent of Population Living with Spouse (ACS, 2017-2021) - Tract

0 5 10 20 20 mi  
0 10 20 40 km

- 0% - 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- 80% - 100%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

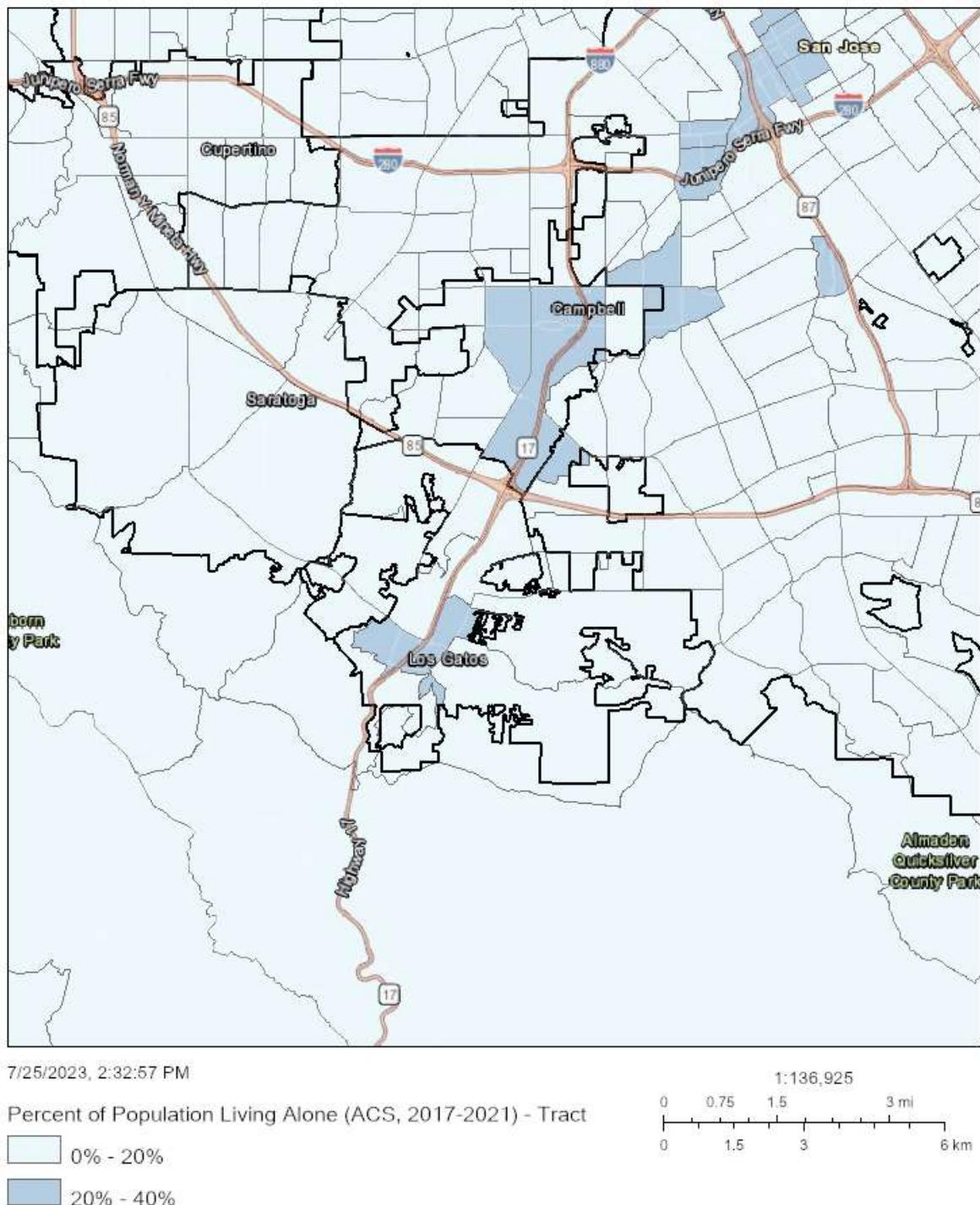
## Appendix A. AFFH Report

Figures A-34 and A-35 present the distribution of residents living alone in Los Gatos and the region. Very few residents live alone in Los Gatos: the majority of the town shows less than 20 percent of residents living alone though there is one census tract where 20 percent to 40 percent of the population live alone.

Primary findings from the county and regional analysis are summarized below.

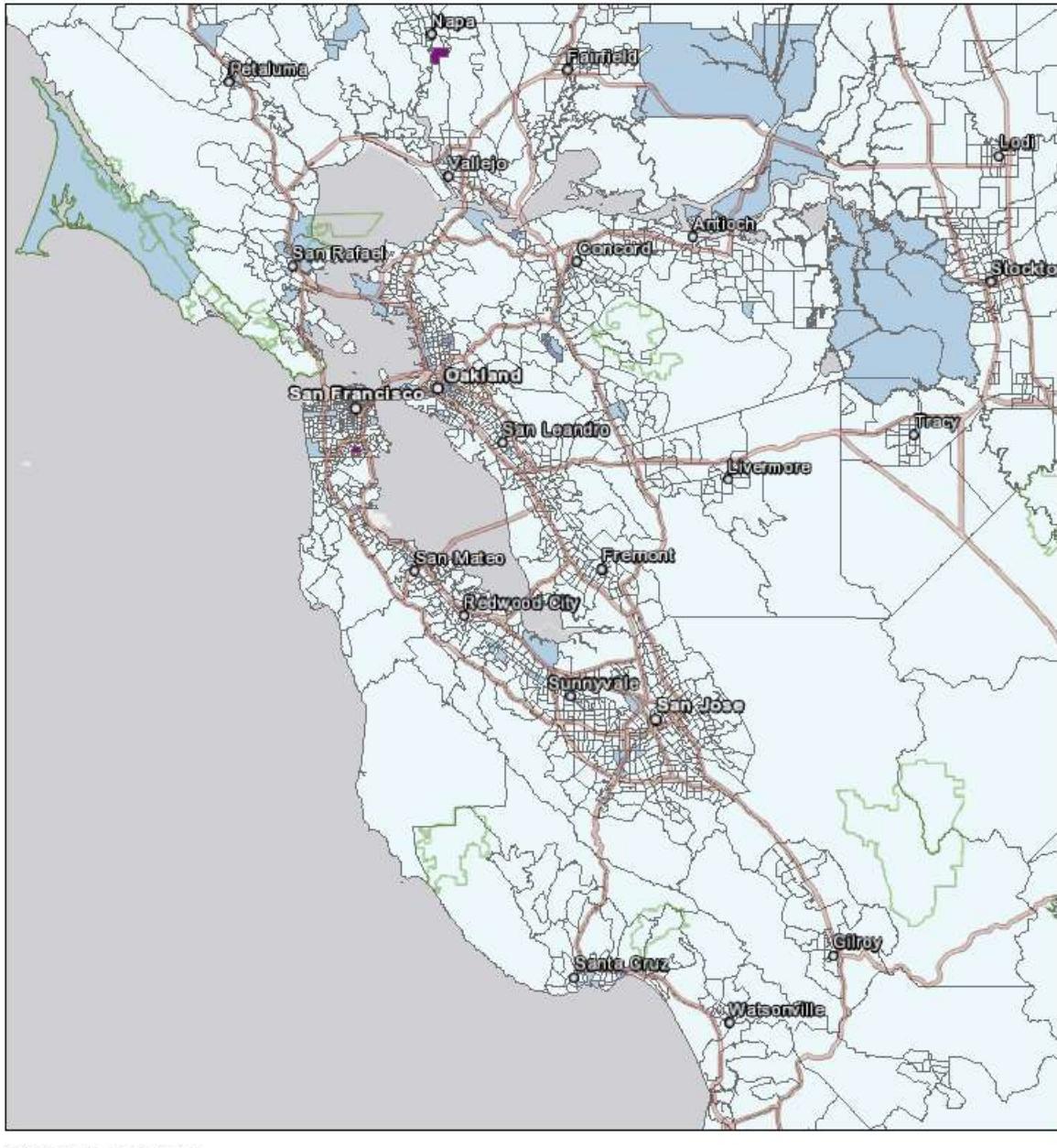
- Saratoga and Cupertino are in line with Los Gatos though both cities have a lower percentage of residents living alone at less than 20 percent. San Jose has a comparatively larger population living alone though it is still less than half of residents.
- The distribution of residents living alone in Los Gatos is similar to the region overall, excluding cities near the Bay. In San Francisco, residents are more likely to live alone with one census tract showing almost all residents living alone.
- The difference between Los Gatos and San Francisco is likely the result of San Francisco's larger supply of housing units that are not single-family detached homes as well as living costs. In other words, residents living alone are more likely to be able to afford a unit in the Bay Area than in Los Gatos and surrounding communities.

Figure A-34. Percent of Population Living Alone by Census Tract, Los Gatos, 2021



## Appendix A. AFFH Report

**Figure A-35. Percent of Population Living Alone in the Region, 2021**



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Percent of Population Living Alone (ACS, 2017-2021) - Tract

0 5 10 20 40  
0 10 20 40 km

- 0% - 20%
- 20% - 40%
- 40% - 60%
- 80% - 100%

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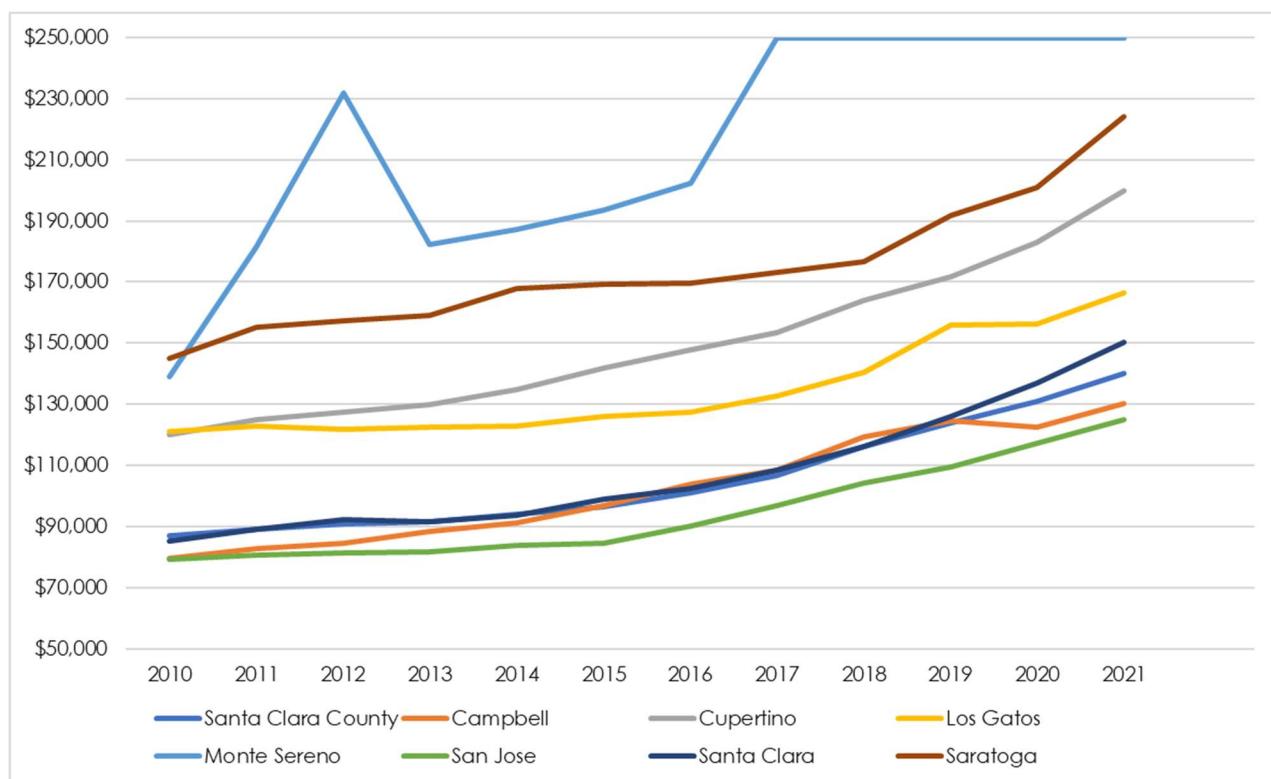
Source: California Department of Housing and Community Development AFFH Data Viewer.

## Household Income

Los Gatos' households are higher-income than the county and Bay Area overall: 65 percent of Los Gatos households earn more than 100 percent of the AMI, compared to 55 percent for the county and 52 percent for the Bay Area (Appendix B, Figure B-11). In the Town, Hispanic or Latinx and Other Race or Multiple Races (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by White (Hispanic and Non-Hispanic) residents (Figure B-13).

Figures A-37 and A-38 show the distribution of households by median household income for 2021 in Los Gatos and the region overall. As shown in the figure below, the majority of Los Gatos households have incomes above \$175,000. Households with incomes between \$125,000 and \$175,000 are concentrated in the town's inner census tracts which could suggest patterns of income segregation. This could be related to lower housing prices in these areas. According to the 2017-2021 ACS, the median household income in Los Gatos is \$166,642, compared to \$140,258 in the County. The median household income in the Town is higher than the neighboring cities of Campbell (\$130,171), San Jose (\$125,075), and Santa Clara (\$150,244), but lower than Cupertino (\$199,778) Monte Sereno (\$250,000+), and Saratoga (\$224,179). Half or more than half of households in Cupertino, Monte Sereno, and Saratoga earn more than \$200,000 compared to 42.9 percent in Los Gatos. The change median household incomes since 2010 for the County, Town, and neighboring cities is shown in Figure A-36.

**Figure A-36. Change in Median Household Income – County, Los Gatos, and Neighboring Cities (2010-2021)**



Source: 2006-2010 through 2017-2021 ACS (5-Year Estimates).

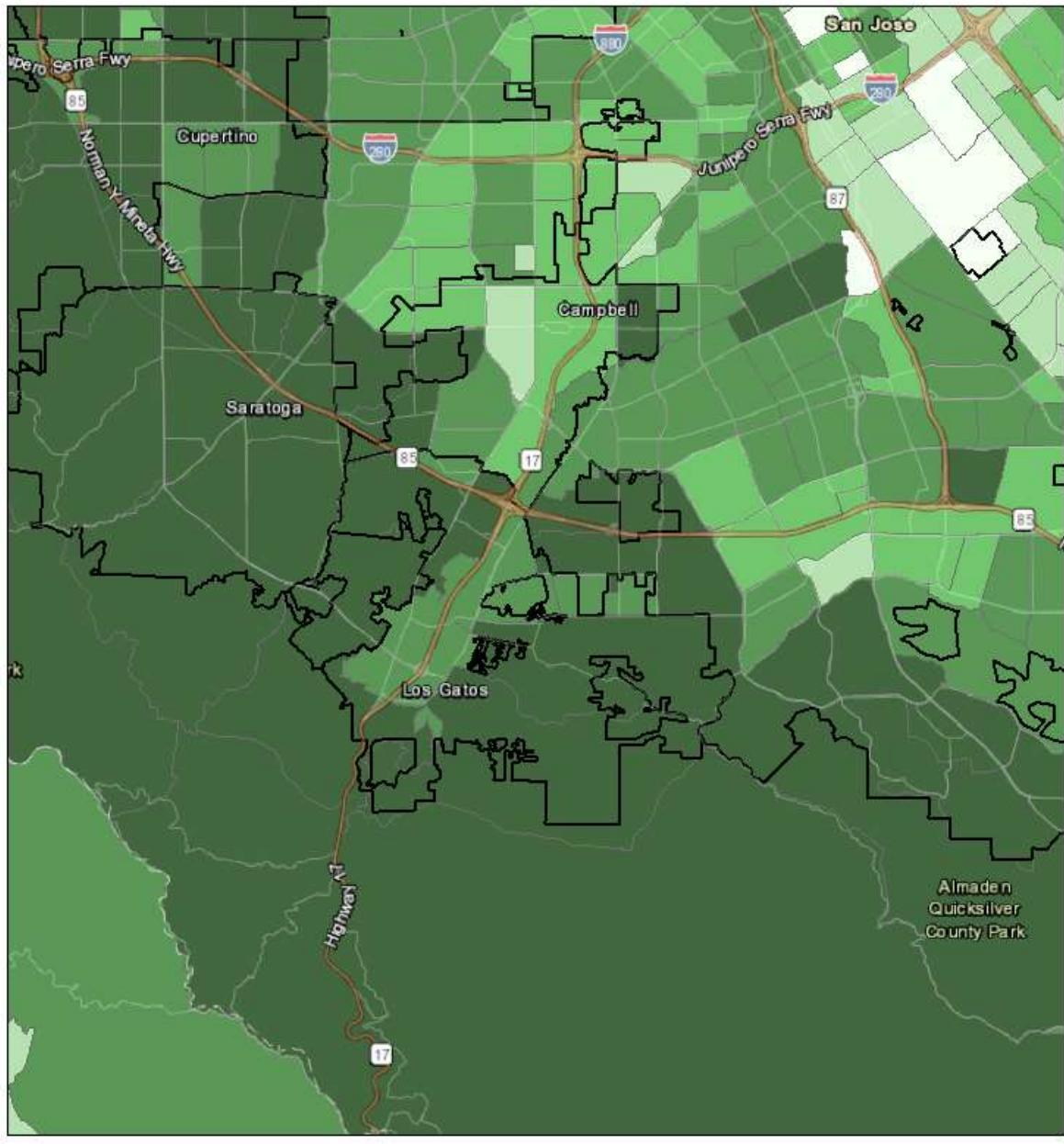
Note: The median household income in Monte Sereno for 2017 through 2021 is recorded as "\$250,000+" in the ACS datasets.

## Appendix A. AFFH Report

Primary findings from the comparative analysis are summarized below.

- Income distribution in Los Gatos is similar to Cupertino though more diverse than Saratoga which does not have a concentration of households with median incomes below \$175,000. This is particularly important for these cities as many households may need to leave the area for more affordable housing options, especially as housing prices continue to increase.
- San Jose is the only city in the region to have income diverse households. Census tracts in San Jose have households with median incomes at less than \$55,000 with other tracts ranging from \$55,000 to \$120,000.

**Figure A-37. Median Income by Census Tract, Los Gatos, 2021**



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1:136,925

0 0.75 1.5 3 6 km  
0 1.5 3 mi

Median Income (ACS, 2017-2021) - Tract

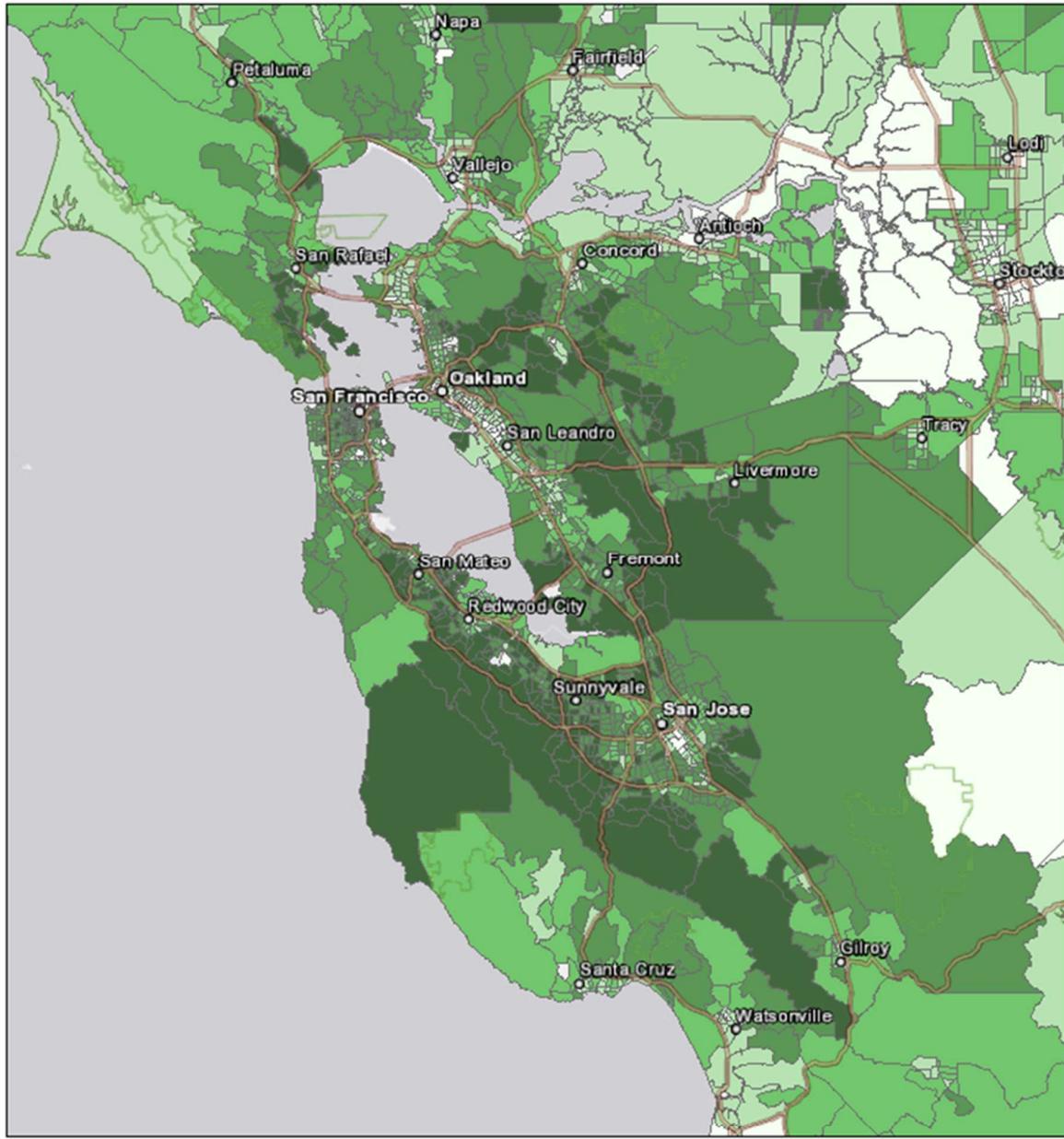
- Less than \$55,000
- \$55,000 - \$90,100
- \$90,100 - \$120,000
- \$120,000 - \$175,000
- Greater than \$175,000

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS.

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

**Figure A-38. Regional Median Income by Census Tract, 2021**



7/26/2023, 4:47:49 PM

1:1,095,397

0 5 10 20 40 mi  
0 10 20 40 km

Median Income (ACS, 2017-2021) - Tract

- Less than \$55,000
- \$55,000 - \$90,100
- \$90,100 - \$120,000
- \$120,000 - \$175,000
- Greater than \$175,000

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Source: California Department of Housing and Community Development AFFH Data Viewer.

The population of persons living below the poverty line is relatively low in Santa Clara County. According to the 2017-2021 ACS, only 6.7 percent of the County population is below the poverty level. Counties surrounding Santa Clara County, including Alameda County (8.9 percent), Merced County (19.4 percent), San Benito County (7.7 percent), Santa Cruz County (10.9 percent), and Stanislaus County (13.6 percent). San Mateo County has a poverty rate of only 6.2 percent.

Los Gatos has a smaller population below the poverty level, representing only 3.5 percent of the Town population. The Town has a lower poverty rate compared to the nearby jurisdictions of Campbell, Cupertino, San Jose, and Santa Clara, but higher than Monte Sereno and Saratoga.

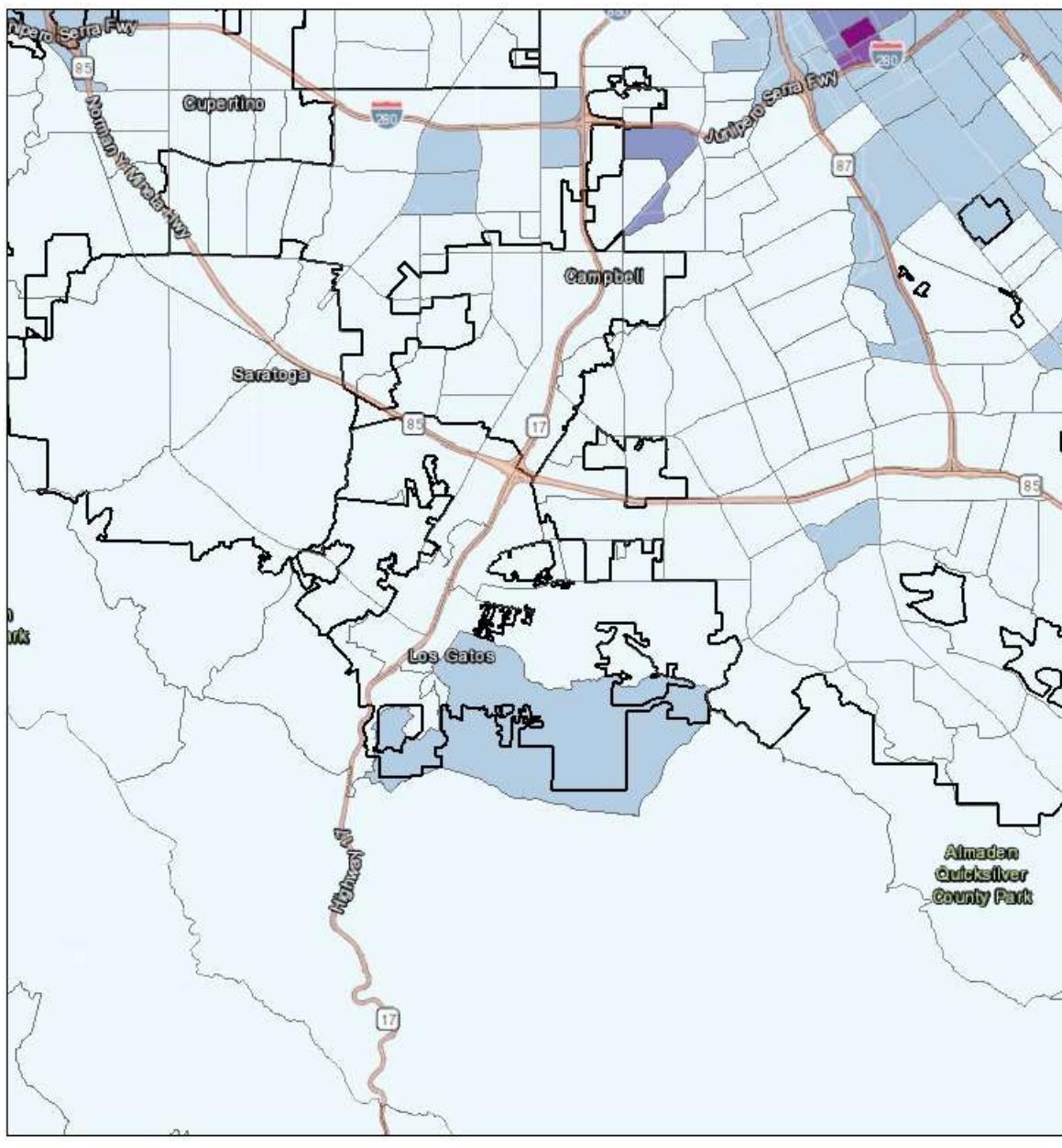
The southern strip of Los Gatos houses a population in which 10 to 20 percent of the people are living in poverty. All of the immediate surrounding areas have less than 10 percent of the population living in poverty, with the percentages increasing slightly in North East in San Jose area, as shown in Figures A-38 and A-39.

Primary findings from the regional analysis are summarized below.

- Poverty is concentrated in the southern portions of Los Gatos with 10 percent to 20 percent of the total resident population experiencing poverty. These patterns suggest that income segregation is occurring across Los Gatos.
- Stanford, East Palo Alto, Santa Clara, and San Jose have comparatively larger concentrations of residents living in poverty compared to the region overall.
- Saratoga, Campbell, and the majority of Cupertino do not have any poverty concentrations with less than ten percent of residents below the poverty level. This is expected given the large number of households with incomes above \$175,000.

## Appendix A. AFFH Report

**Figure A-38. Poverty Status by Census Tract, Los Gatos, 2021**



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1:136,925

Poverty Status (ACS, 2017-2021) - Tract

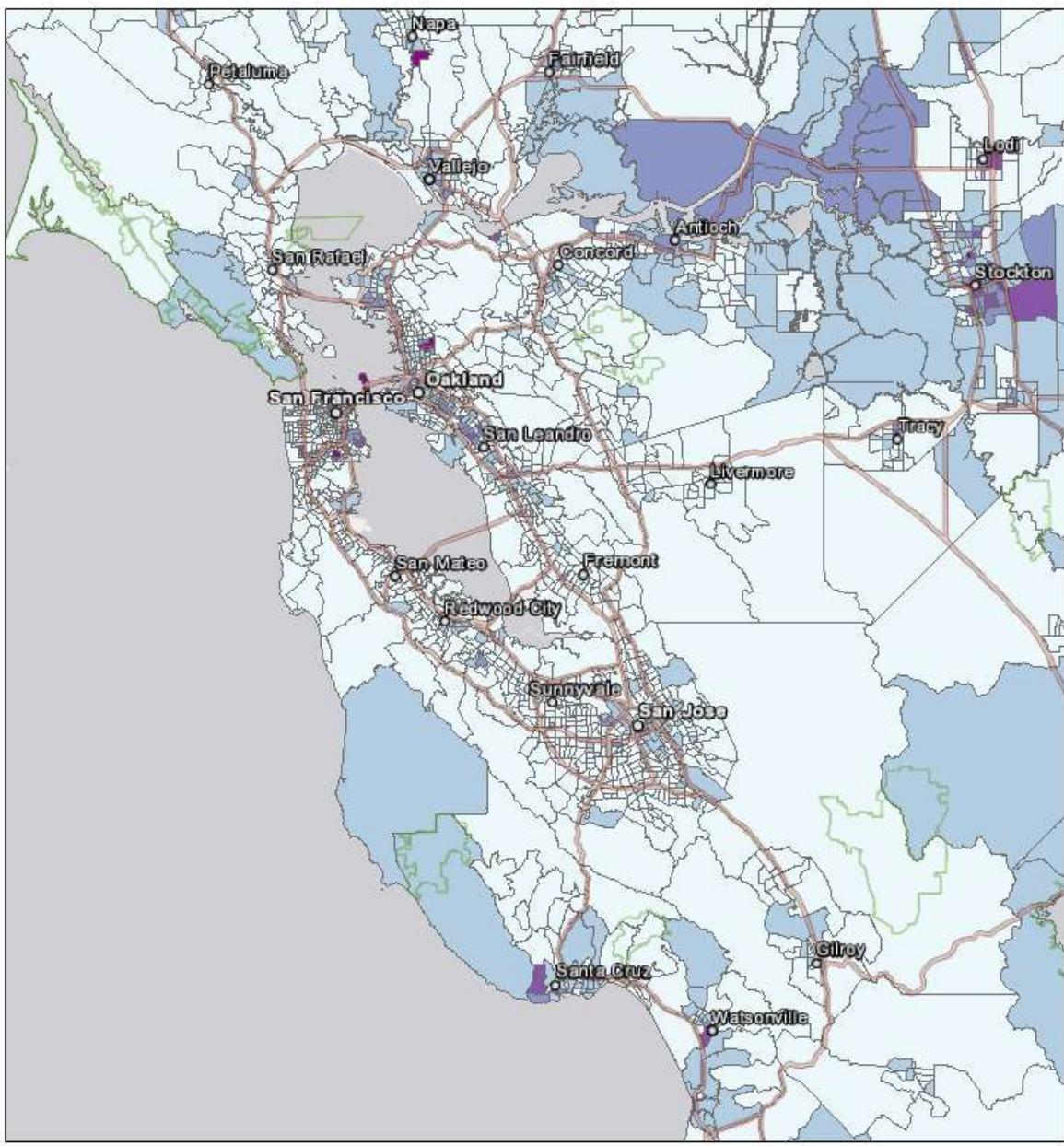
0 0,75 1,5 3 3 mi  
 0 1,5 3 6 km

- < 10%
- 10% - 20%
- 20% - 30%
- 30% - 40%
- > 40%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

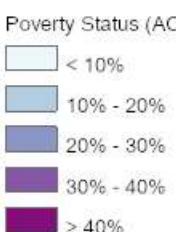
Source: California Department of Housing and Community Development AFFH Data Viewer.

### Figure A-39. Regional Poverty by Census Tract, 2021



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1:1,095,397



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

### **Racially or Ethnically Concentrated Areas of Poverty and Affluence.**

Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) and Racially Concentrated Areas of Affluence (RCAAs) represent opposing ends of the segregation spectrum from racially or ethnically segregated areas with high poverty rates to affluent predominantly White neighborhoods. Historically, HUD has paid particular attention to R/ECAPs as a focus of policy and obligations to AFFH. Recent research out of the University of Minnesota Humphrey School of Public Affairs argues for the inclusion of RCAAs to acknowledge current and past policies that created and perpetuate these areas of high opportunity and exclusion<sup>14</sup>.

It is important to note that R/ECAPs and RCAAs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity, and conversely, RCAAs are meant to identify areas of particular advantage and exclusion.

#### **R/ECAPs**

HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:

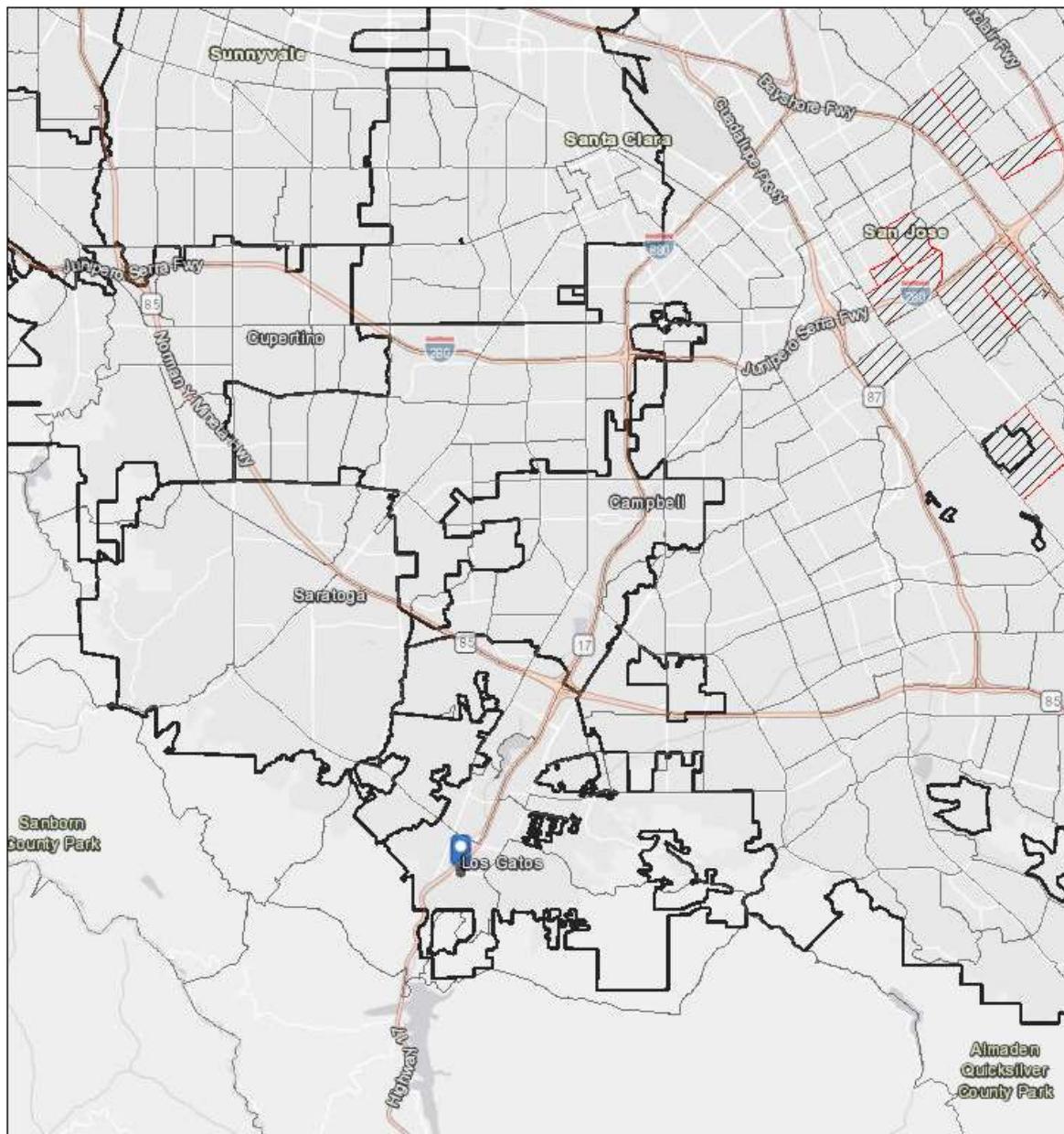
- A census tract that has a non-White population of 50 percent or more (majority-minority) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR
- A census tract that has a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

Source: California Department of Housing and Community Development Guidance, 2021.

For this study, the poverty threshold used to qualify a tract as an R/ECAP was three times the average census tract poverty rate countywide, or 22.5 percent. Similar to many jurisdictions in Santa Clara County, there are no census tracts in Los Gatos that qualify as R/ECAPs. R/ECAPs in the County are all located in San Jose (Figure A-40).

<sup>14</sup> Goetz, E. G., Damiano, A., & Williams, R. A. (2019). Racially Concentrated Areas of Affluence: A Preliminary Investigation. *Cityscape: A Journal of Policy Development and Research*, 21(1), 99–124

Figure A-40 R/ECAPS, Santa Clara County



1/31/2023, 11:22:56 AM

1:144,448

City/Town Boundaries

0 1 2 3 4 mi  
0 1.5 3 6 km

(R) Racially or Ethnically Concentrated Areas of Poverty  
"R/ECAP'S" (HUD, 2009 - 2013) - Tract

Current R/ECAP Score

1 - R/ECAP

0 - Not a R/ECAP

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CA HCD

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS | PlaceWorks 2021, HUD 2019 | PlaceWorks 2021, HUD 2020 |

Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

RCAAs. An RCAA is a census tract (1) with a percentage of its total White population that is 1.25 times higher than the average percentage of the COG region's White population; and (2) has a median income that is 2 times higher than the COG Area Median Income (AMI). Generally, these are understood to be neighborhoods in which there are both high concentrations of non-Hispanic White households and high household income rates. As shown in Figure A-19, when comparing Los Gatos to the surrounding county and region, it is safe to speculate that the Town has more RCAAs than other communities, the county, and the region. The majority of the Town is located within an RCAA with the exception of census tract 5067.03 located in the northern portion of the Town, north of Interstate Highway 85 and west of California State Route 17.

Figures A-41 and A-42 show RCAAs in Los Gatos and the region. Los Gatos a racially concentrated area of affluence (RCAA). Saratoga only has few census tracts identified as RCAAs similar to Southern San Jose and parts of Campbell. Cupertino, Santa Clara, and Sunnyvale have no areas with a high enough concentration of racial affluence to be identified as an RCAA. These trends are similar to the region overall which shows several census tracts as an RCAA.

As discussed above, Los Gatos has a median income comparable to many neighboring cities. The median household income in the Town is lower than Cupertino, Monte Sereno, and Saratoga. Despite having a lower median household income, Los Gatos has a higher concentration of RCAA tracts compared to Cupertino and Saratoga. This is likely due to the racial/ethnic minority populations in these cities. Also discussed above, Saratoga and Cupertino have non-White populations of 61 percent and 77.5 percent, respectively, compared to only 29.9 percent in Los Gatos. While the proportion of White residents has decreased in the Town and County over the last decade, Los Gatos still has a significantly higher population of White residents (72 percent) compared to the County (32 percent) and the Bay Area (39 percent). As discussed above, 65 percent of Los Gatos households earn more than 100 percent of the AMI, compared to 55 percent for the county and 52 percent for the Bay Area.

As shown in Figure A-22 above, most Los Gatos and Campbell tracts have non-Hispanic White majority populations while Saratoga, Cupertino, and Sunnyvale have Asian majority populations. Despite being comprised of tracts with median incomes similar to these jurisdictions (Figure A-38), Los Gatos has more RCAAs. As mentioned above, this is likely due to the larger White populations in Los Gatos. However, concentrations of RCAAs in Los Gatos are similar to other jurisdictions west of the 101 Freeway, stretching from the west side of Gilroy to Pacifica. Jurisdictions along the 85 and 280 Highways, from Los Gatos to Burlingame (San Mateo County) are also comprised of mostly TCAC highest resource tract (Figure A-45).

All tracts in Los Gatos, except tract 5067.03 in the northeast corner of the Town, also encompassing part of the City of Campbell, are considered RCAAs. Tract 5067.03 is a high resource area. The remaining RCAA tracts in Los Gatos are described in detail in Table A-4. All RCAAs are also highest resource areas with majority non-Hispanic White populations. All the RCAAs in the City also have median household incomes exceeding \$150,000.

All RCAA tracts are also TCAC highest resource areas. RCAA tracts do not correlate with a specific pattern of cost burdened renters or owners. Tracts that are considered RCAAs in Los Gatos have populations of overpaying renters ranging from less than 20 percent to 60 percent and overpaying owners ranging from 20 percent to 60 percent. Most tracts in the Town have populations of overcrowded households representing less than 5 percent of the total households in the respective tract. According to the HCD AFFH Data Viewer 2.0, there is one tract in Los Gatos where more than 5 percent of households are overcrowded (tract 5072.03, 5.1% overcrowded). However, this tract is also categorized as an RCAA. There is also one tract in the Town (tract 5068.01) where 2.7 percent of households lack complete plumbing facilities and 6.1 percent of households lack complete kitchen facilities. Less than 2 percent of households in the remaining tracts lack complete plumbing or kitchen facilities. However, this tract is also still considered an RCAA. Further, none of the RCAA tracts are categorized as sensitive communities at risk of displacement.

According to the HCD AFFH Data Viewer 2.0, there are three subsidized housing projects in Los Gatos. One has 49 affordable units and is located in tract 5068.01, which is considered an RCAA. The other affordable projects, Villa Vasona (105 affordable units for seniors/persons with disabilities) and Open Doors (64 affordable units), are

in tract 5067.03, the only tract in Los Gatos that is not considered an RCAA. This tract, and the areas along State Route 17, have higher concentrations of areas zoned for multi-family housing. Nearly all of the areas in the central and eastern areas of the Town are zoned for single-family residential uses. The Town's Zoning Map is presented in Figure A-43.

As discussed previously, Los Gatos' historic land use patterns allowing for predominantly single-family housing around a downtown core are discriminatory by nature. The Town's land use and zoning policies have traditionally limited housing types allowed in the Town to medium to low density residential, favoring single-family detached projects. As such, Los Gatos has fewer multi-family units that tend to be more suitable for households earning moderate or lower incomes. These zoning and historic land use trends have directly impacted current RCAA trends in the Town. Additionally, racially restrictive covenants and property deed restrictions were popular in the 1920s. Though no longer in effect, these covenants have lasting impacts on the racial and ethnic makeup of the Town. However, the effect of the racial covenants has diminished with time, and the Town has gone from approximately 86 percent White in 2000 to approximately 72 percent White in 2020. The increasing diversity of the Town indicates that impacts of racial covenants are decreasing and the primary factors limiting housing mobility and choice in the Town currently are household wealth, low density zoning, and high housing costs.

NRCAAs are prevalent in Los Gatos due to the small racial/ethnic minority population and to limited affordable housing projects and multi-family zoned areas. However, programs outlined in this Housing Element promote fair housing through increased housing opportunities in these high resource RCAs. Specifically, as described in Section 10.5, *Goals, Policies, and Implementation Programs*, the Town will facilitate the buildout of the North Forty Specific Plan and increase allowed density (Program D), subsidize housing for extremely low-income households (Program N), and provide incentives for affordable housing development (Program O). The Town will also implement affirmative marketing strategies for affordable housing opportunities in the Town.

**Table A-5. Los Gatos RCAA Tracts and Other Fair Housing Factors**

| RCAA Tract | TCAC Composite Score | Median Household Income | Predominant Population | RCAA? |
|------------|----------------------|-------------------------|------------------------|-------|
| 5068.01    | Highest Resource     | \$164,195               | Non-Hispanic White     | Yes   |
| 5068.04    | Highest Resource     | \$172,222               | Non-Hispanic White     | Yes   |
| 5069       | Highest Resource     | \$188,585               | Non-Hispanic White     | Yes   |
| 5070.02    | Highest Resource     | \$250,001               | Non-Hispanic White     | Yes   |
| 5070.03    | Highest Resource     | \$221,442               | Non-Hispanic White     | Yes   |
| 5070.04    | Highest Resource     | \$168,015               | Non-Hispanic White     | Yes   |
| 5071       | Highest Resource     | \$153,125               | Non-Hispanic White     | Yes   |
| 5072.03    | Highest Resource     | \$179,006               | Non-Hispanic White     | Yes   |
| 5072.05    | Highest Resource     | \$186,250               | Non-Hispanic White     | Yes   |

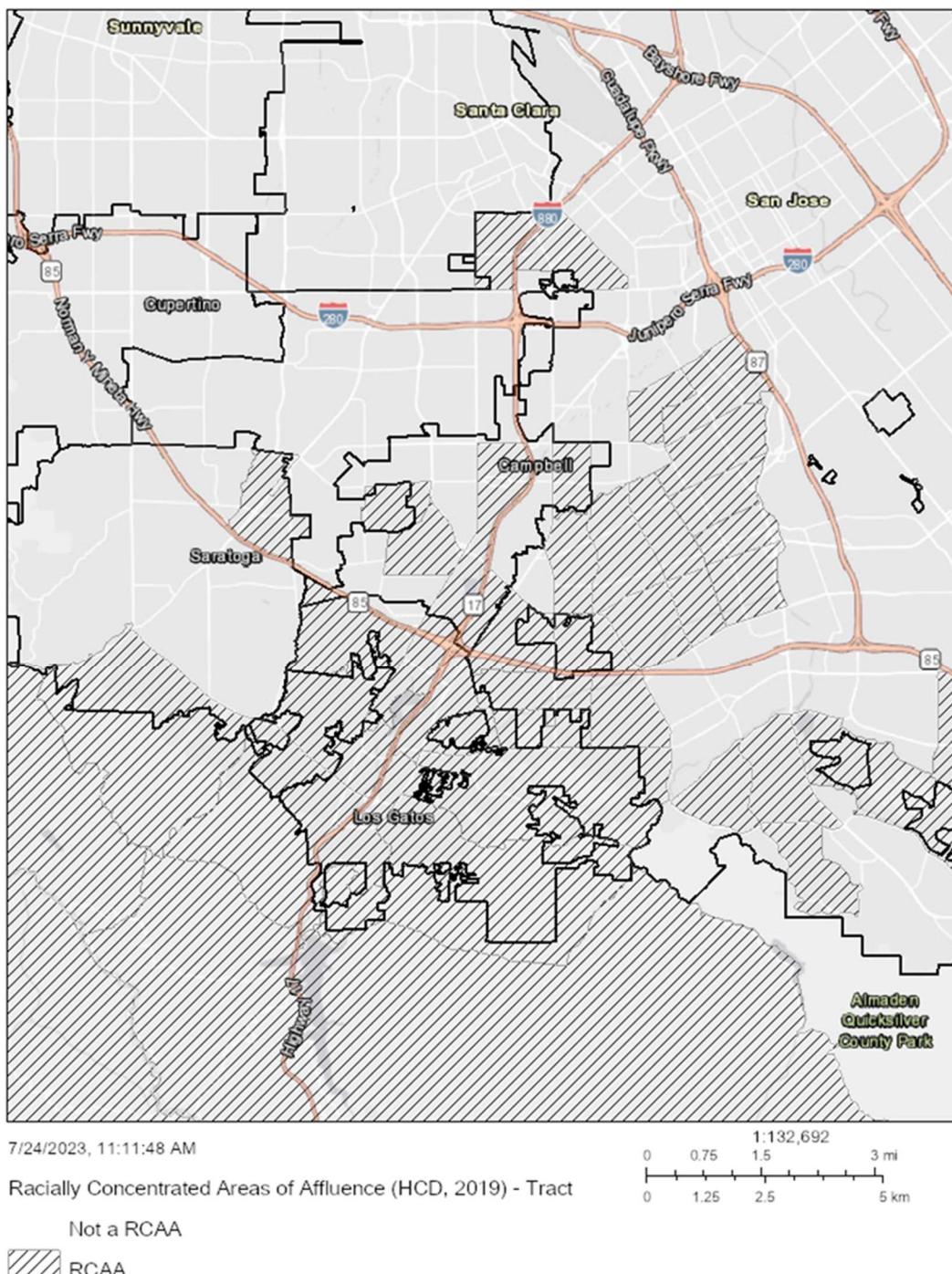
Source: California Department of Housing and Community Development AFFH Data Viewer 2.0.

This documents that Los Gatos is largely an area of affluence and does not have any areas of concentrated poverty. Much of the root causes associated with this demographic trend are related to the type of housing stock that is available in Los Gatos, which has typically consisted of single-family detached homes and lower density multi-family development. Past strategies to mitigate the RCAA trend in the Town have focused mainly on promoting the development of affordable housing, this includes the North Forty Specific Plan Area. The first phase of the North Forty has been mostly developed and was successful in adding affordable senior housing units to the Town's housing stock. However, these strategies should be expanded upon to better promote and facilitate affordable housing. Further, because the RCAA designations in Los Gatos relate mainly to the concentration of White residents, outreach for affordable housing opportunities should be expanded to include communities beyond the Town's boundaries to promote more inclusive neighborhoods. In order to address and remedy these root causes that have led to a historic pattern of exclusion, the Town's 2023-2031 Housing Element sets forth concrete actions to address longstanding fair housing issues. The Town will create a new Housing

## Appendix A. AFFH Report

Element Overlay Zone, allowing for increased development standards such as density, height, and floor area that will increase the diversity of housing types and increase affordable housing supply. In addition, the Town will implement multiple programs that will support affordable housing development, including modification to the Town's Inclusionary Ordinance and amendment of the Accessory Dwelling Unit Ordinance and State Density Bonus Ordinance. The Town is implementing programs that will increase housing diversity in its single-family neighborhood areas, including promotion of ADUs and allowance for lot splits and duplexes in accordance with SB 9. Implementation Programs AO and AV are proposed to monitor units produced through SB 9. The SB 9 programs, along with the Sites Inventory seek to integrate affordable units into these concentrated areas of affluence.

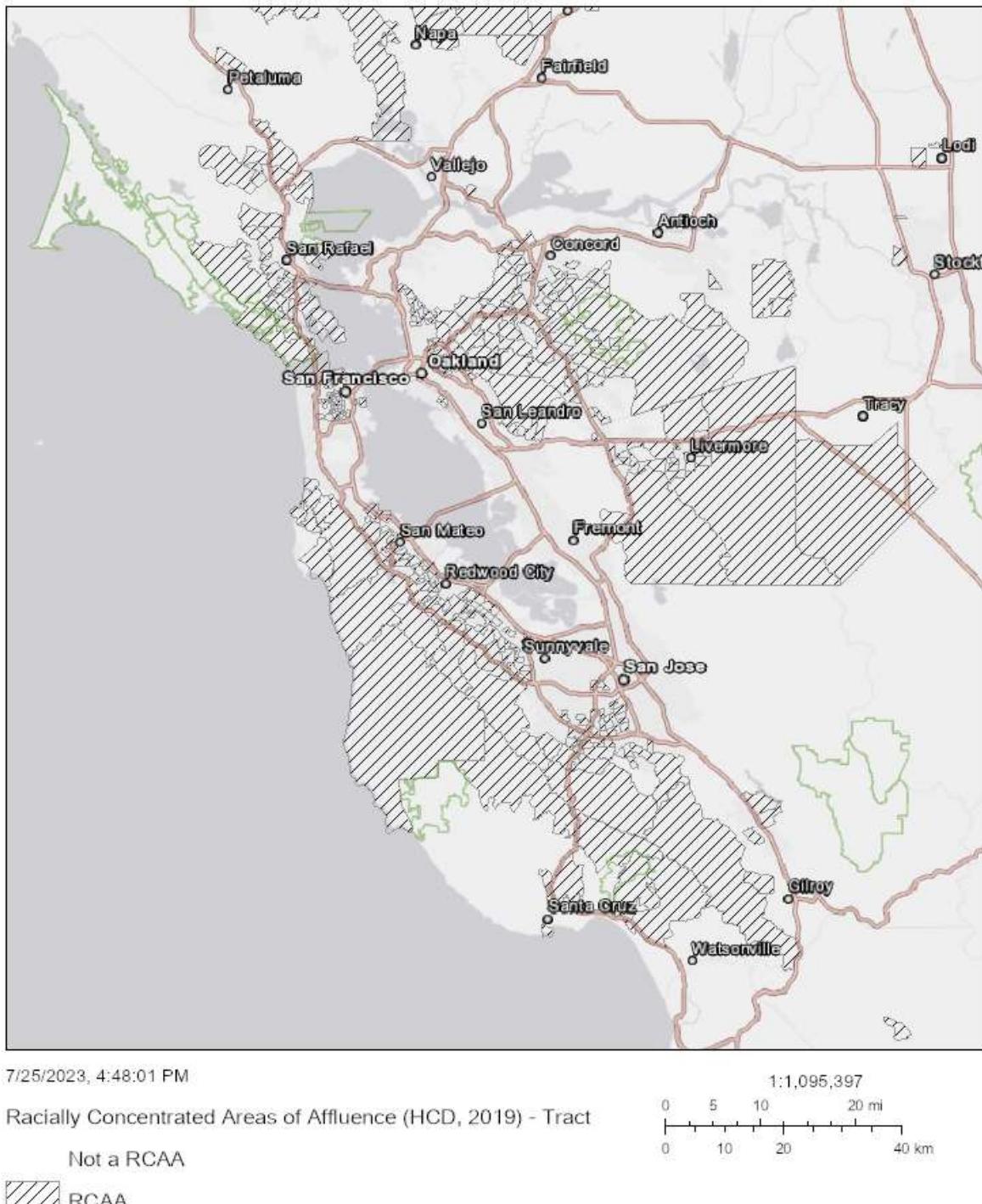
Figure A-41 Racially Concentrated Areas of Affluence by Census Tract, Los Gatos, 2019



Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

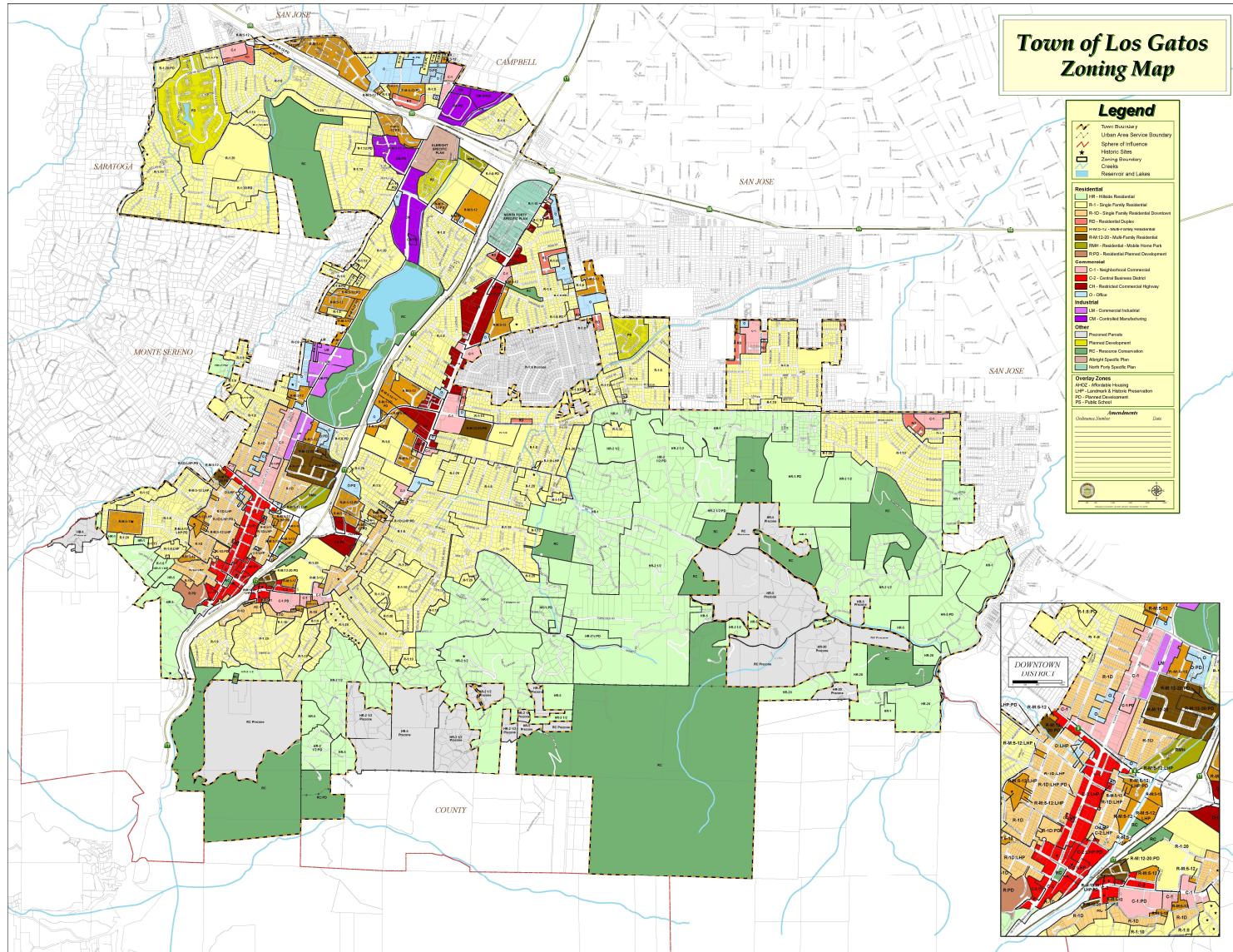
**Figure A-42. Regional RCAAs, 2019**



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Figure A-43. Town of Los Gatos Zoning Map

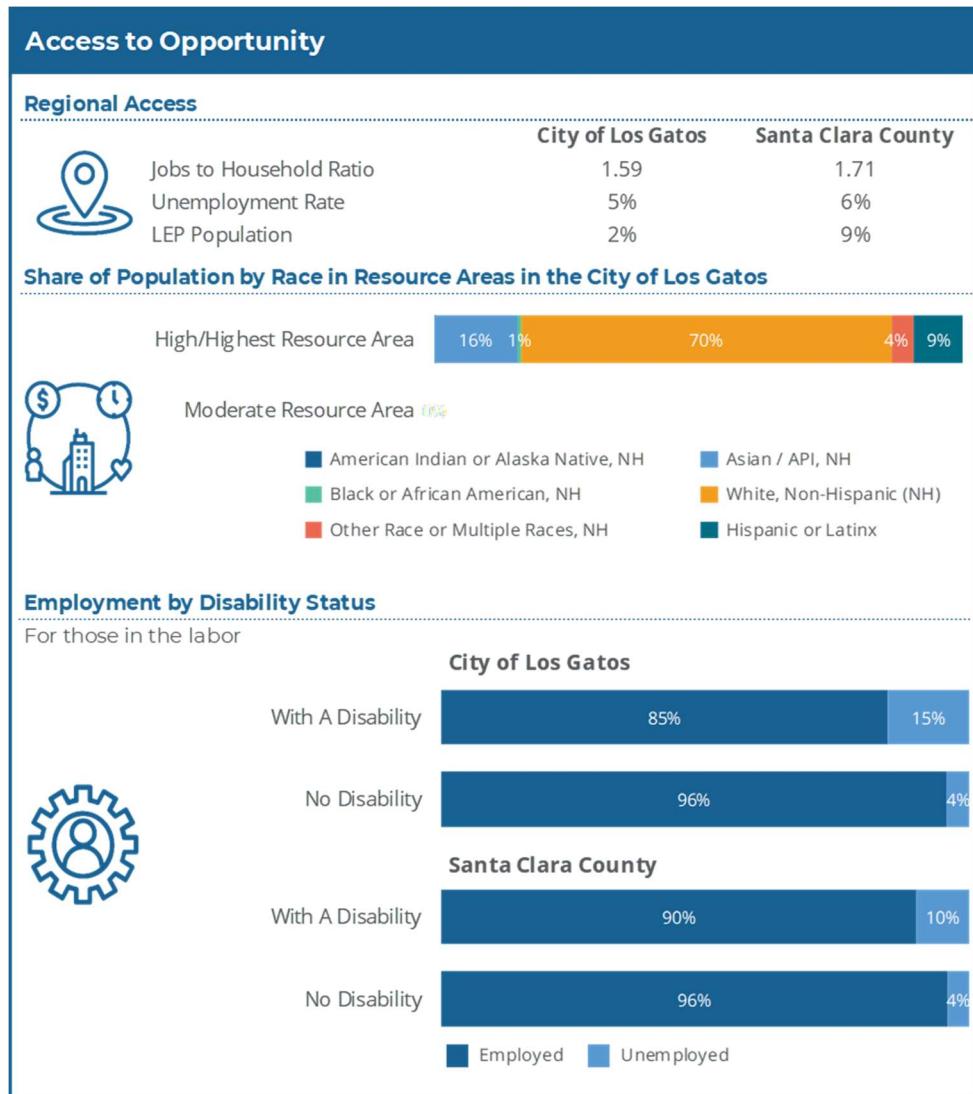


## Appendix A. AFFH Report

### A.9 Access to Opportunity

This section discusses disparities in access to opportunity among protected classes including access to quality education, employment, and environment. Figure A-43 provides a summary of access to opportunity demographics in Los Gatos and the County.

**Figure A-43. Access to Opportunity in Los Gatos and Santa Clara County**



Source: Root Policy Research.

### Access to Opportunity

“Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to ‘high resource’ neighborhoods. This encompasses education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, and other opportunities, including recreation, food and healthy environment (air, water, safe neighborhood, safety from environmental hazards, social services, and cultural institutions).”

Source: California Department of Housing and Community Development Guidance, 2021, page 34.

HUD developed an index for assessing fair housing by informing communities about disparities in access to opportunity based on race/ethnicity and poverty status. HUD only provides indicator scores for jurisdictions receiving CDBG funding. Because Los Gatos receives CDBG funds through the County, opportunity indicator scores are not available. Index scores are based on the following opportunity indicator indices (values range from 0 to 100):

- **Low Poverty Index:** The higher the score, the less exposure to poverty in a neighborhood.
- **School Proficiency Index:** The higher the score, the higher the school system quality is in a neighborhood.
- **Labor Market Engagement Index:** The higher the score, the higher the labor force participation and human capital in a neighborhood.
- **Transit Trips Index:** The higher the transit trips index, the more likely residents in that neighborhood utilize public transit.
- **Low Transportation Cost Index:** The higher the index, the lower the cost of transportation in that neighborhood.
- **Jobs Proximity Index:** The higher the index value, the better access to employment opportunities for residents in a neighborhood.
- **Environmental Health Index:** The higher the value, the better environmental quality of a neighborhood.

HUD Opportunity Indicator scores for Santa Clara County are shown in Table A-6. Opportunity Indicator scores are calculated based on race/ethnicity and poverty status. In the County, the non-Hispanic White population, regardless of poverty status, received the highest index scores for low poverty, school proficiency, labor market, and jobs proximity. This indicates that the non-Hispanic White population countywide has the lowest exposure to poverty, best access to higher quality school systems, highest labor force participation, and best access to employment opportunities compared to other racial/ethnic groups. Of the total population, Black residents are most likely to utilize public transit and have lower transportation costs. The Asian/Pacific Islander community scored highest for environmental health. Based on County HUD Opportunity Indicators, the Hispanic community has the highest exposure to poverty, lower quality school systems, lowest labor force participation, and poorest environmental quality compared to other racial/ethnic groups

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**Table A-6. HUD Opportunity Indicators by Race/Ethnicity – Santa Clara County (2020)**

|  | Low Poverty | School Prof. | Labor Market | Transit | Low Transp. Cost | Jobs Prox. | Env. Health |
|--|-------------|--------------|--------------|---------|------------------|------------|-------------|
| <b>Total Population</b>                      |             |              |              |         |                  |            |             |
| White, non-Hispanic                          | 76.38       | 77.08        | 78.89        | 75.69   | 93.23            | 52.48      | 46.10       |
| Black, non-Hispanic                          | 64.92       | 65.05        | 66.57        | 79.05   | 94.30            | 49.55      | 41.09       |
| Hispanic                                     | 56.19       | 59.03        | 55.93        | 76.54   | 93.74            | 41.88      | 40.99       |
| Asian or Pacific Islander, non-Hispanic      | 71.84       | 71.51        | 72.42        | 78.43   | 93.55            | 50.48      | 47.15       |
| Native American, non-Hispanic                | 65.48       | 66.00        | 65.61        | 76.27   | 93.62            | 47.76      | 42.60       |
| <b>Population below federal poverty line</b> |             |              |              |         |                  |            |             |
| White, non-Hispanic                          | 69.49       | 71.96        | 73.88        | 78.15   | 94.10            | 55.65      | 42.92       |
| Black, non-Hispanic                          | 62.04       | 61.26        | 61.26        | 79.45   | 94.25            | 49.74      | 40.54       |
| Hispanic                                     | 48.55       | 54.67        | 50.31        | 78.16   | 94.36            | 43.19      | 39.13       |
| Asian or Pacific Islander, non-Hispanic      | 61.92       | 64.74        | 61.89        | 79.76   | 94.17            | 48.91      | 43.05       |
| Native American, non-Hispanic                | 58.98       | 55.74        | 58.53        | 80.11   | 94.25            | 53.36      | 42.28       |

Source: HUD AFFH Database – Opportunity Indicators, 2020.

The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents, particularly children.

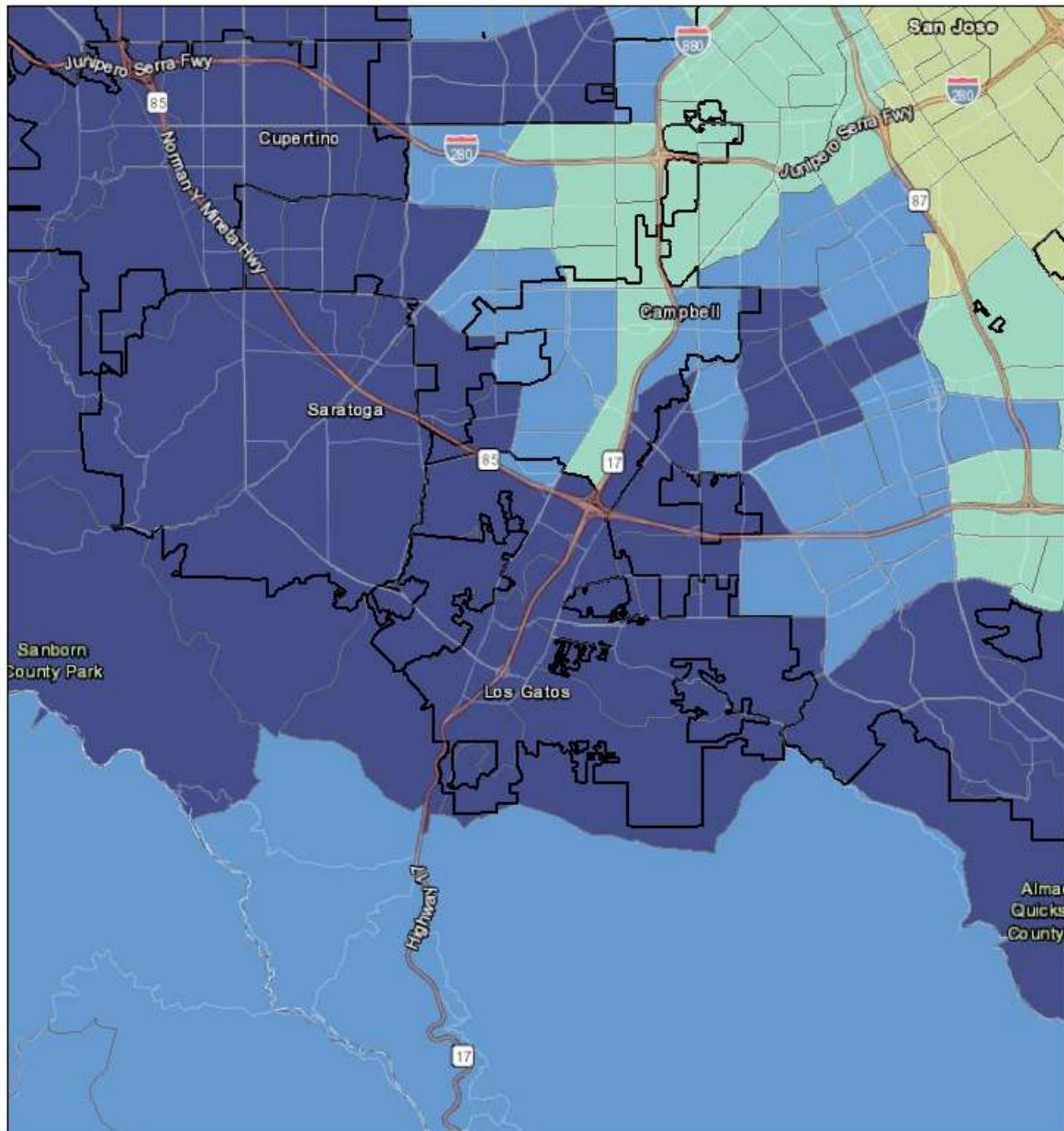
The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

Figures A-44 and A-45 show the TCAC Opportunity Score for Los Gatos and the region in 2023. Los Gatos is scored as an area with the highest resources, similar to surrounding areas.

Primary findings among the region include:

- Los Gatos is considered to be a high resource area (or highest resource area), similar to neighboring cities including Saratoga and Cupertino. These trends are likely the result of higher household incomes in these areas.
- Campbell and San Jose follow different trends: a few census tracts in Campbell are highest resource areas though much of the city ranges from moderate to high resource. San Jose has a large number of census tracts that are of low resources. Very few census tracts are scored as the highest resource area.
- Only one census tract in San Jose was scored as high segregation and poverty. A few areas in San Francisco and San Leandro also have high segregation and poverty.
- Across the region, the highest resource areas are located along the western coast and spans from San Mateo to Los Gatos. South San Francisco and Redwood City (in part) have lower opportunity scores. These patterns are likely related to the median household incomes in the region: areas with lower resources are more likely to have lower incomes than households earning over \$175,000 in Los Gatos and neighboring communities.

**Figure A-44 TCAC Opportunity Areas Composite Score by Census Tract, Los Gatos, 2023**



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1:136,925

0 0.75 1.5 3 3 mi 6 km

COG Geography TCAC/HCD Opportunity Map - Composite Score (HCD, 2023) - Tract

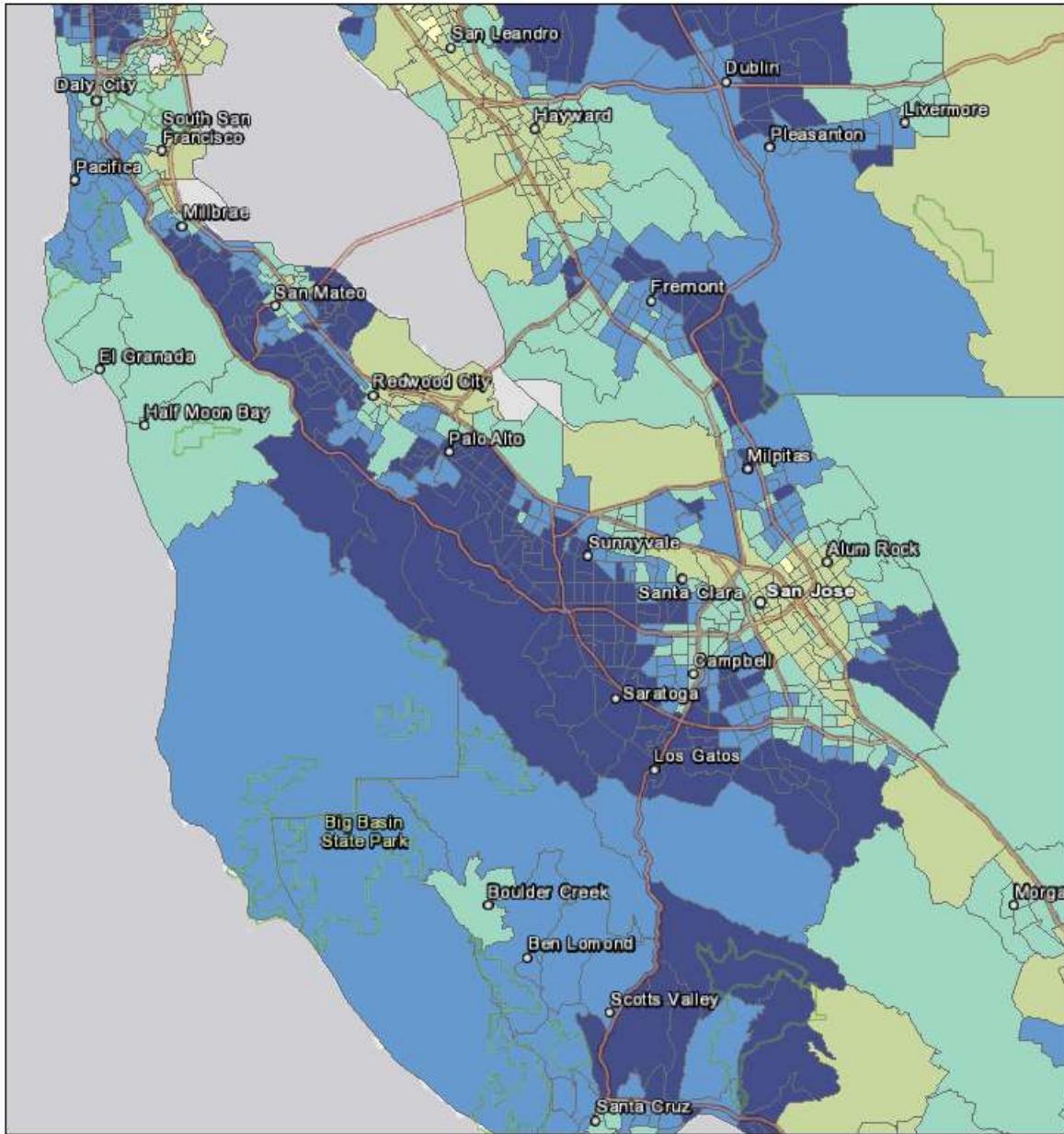
- █ Highest Resource
- █ High Resource
- █ Moderate Resource
- █ Low Resource

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Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Figure A-45 Regional COG Geography TCAC/HCD Opportunity Map by Census Tract, 2023



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1:547,698

COG Geography TCAC/HCD Opportunity Map - Composite Score (HCD, 2023) - Tract

0 3.75 7.5 10 15 mi  
 0 5 10 20 km

Highest Resource

High Resource

Moderate Resource

Low Resource

High Segregation & Poverty

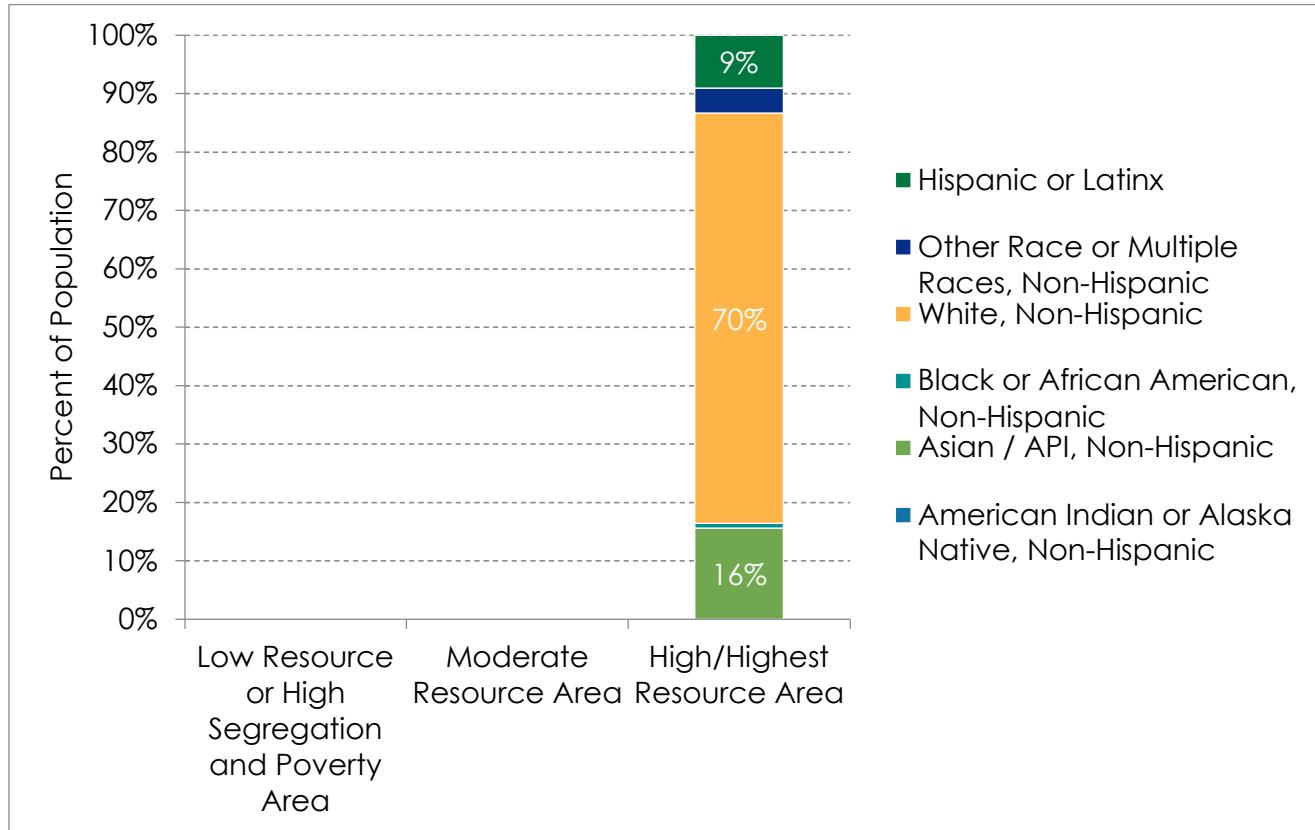
No Data

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

Figure A-46 illustrates the population living in high resource areas by race in Los Gatos.

**Figure A-46 Population Living in High Resource Areas by Race**



Source: ABAG Housing Needs Data Workbook, California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2020); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

### **Economic Opportunity**

Economic outcomes are an important indicator in identifying economic disparities including job access and career development (among others). This section provides employment and job growth, economic opportunity scores for Los Gatos and the region as well as job proximity analyses.

The job to household ratio for Los Gatos is in line with the Bay Area but lower than Santa Clara County's (Appendix B, Figure B-8), indicating that Los Gatos is less of a commuter town than surrounding jurisdictions with much higher job to household ratios. This differs, however, by wage (Figure B-7), with jobs to household ratios much higher for low wage workers who cannot afford to live in the Town. Los Gatos has twice as many jobs as workers for low wage jobs.

- Notably, Los Gatos had 19,843 jobs in 2018 compared to 14,573 job holders (Appendix B, Figure B-5), indicating a healthy job market for local residents and a need for in-commuting to fill the unoccupied jobs.
- Most jobs in Los Gatos are in Financial and Professional Services and Health and Educational Services .
- Unemployment in Los Gatos is five percent, below the county and area averages (Appendix B, Figure B-10).

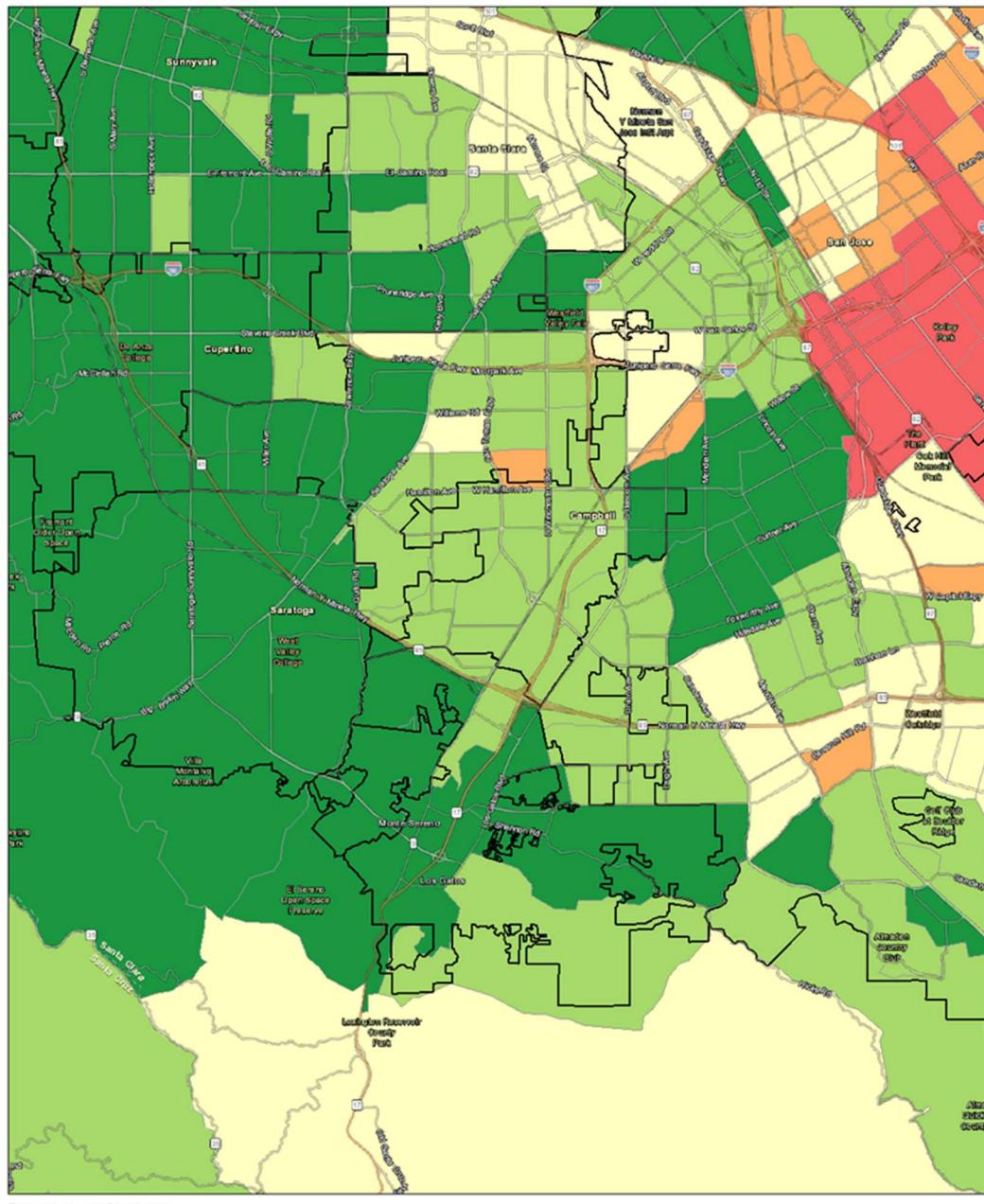
Similar to the resource opportunity map, Figure A-47 shows a concentration of economic opportunities in Saratoga and Cupertino. Opportunity is also concentrated in Los Gatos, though there are some areas with less positive economic outcomes than other areas in the town. However, the area generally benefits from positive economic opportunity, in contrast to San Jose, which showcases large economic opportunity disparity.

## Appendix A. AFFH Report

Key differences between regional trends and Santa Clara County are summarized below.

- While many cities in Santa Clara County have positive economic outcomes, San Jose has a large concentration in the middle of the city where residents have less positive economic outcomes.
- Sunnyvale, Cupertino, and Saratoga residents are more likely than other county and regional residents to have the most positive economic outcomes which is likely related to higher household incomes in these areas.
- For the region overall, less positive economic outcomes are concentrated near San Leandro, Redwood City, Vallejo, Concord, Livermore, Gilroy, Antioch, and Watsonville. This could be related to numerous factors including job proximity, jobs available in the area, and or less resources available for economic development.
- Varying degrees of economic opportunity scores suggest disparities in accessing employment. Los Gatos and other cities located in Santa Clara County will need to address these disparities through policies and programs focusing on the economic development for lower income households.

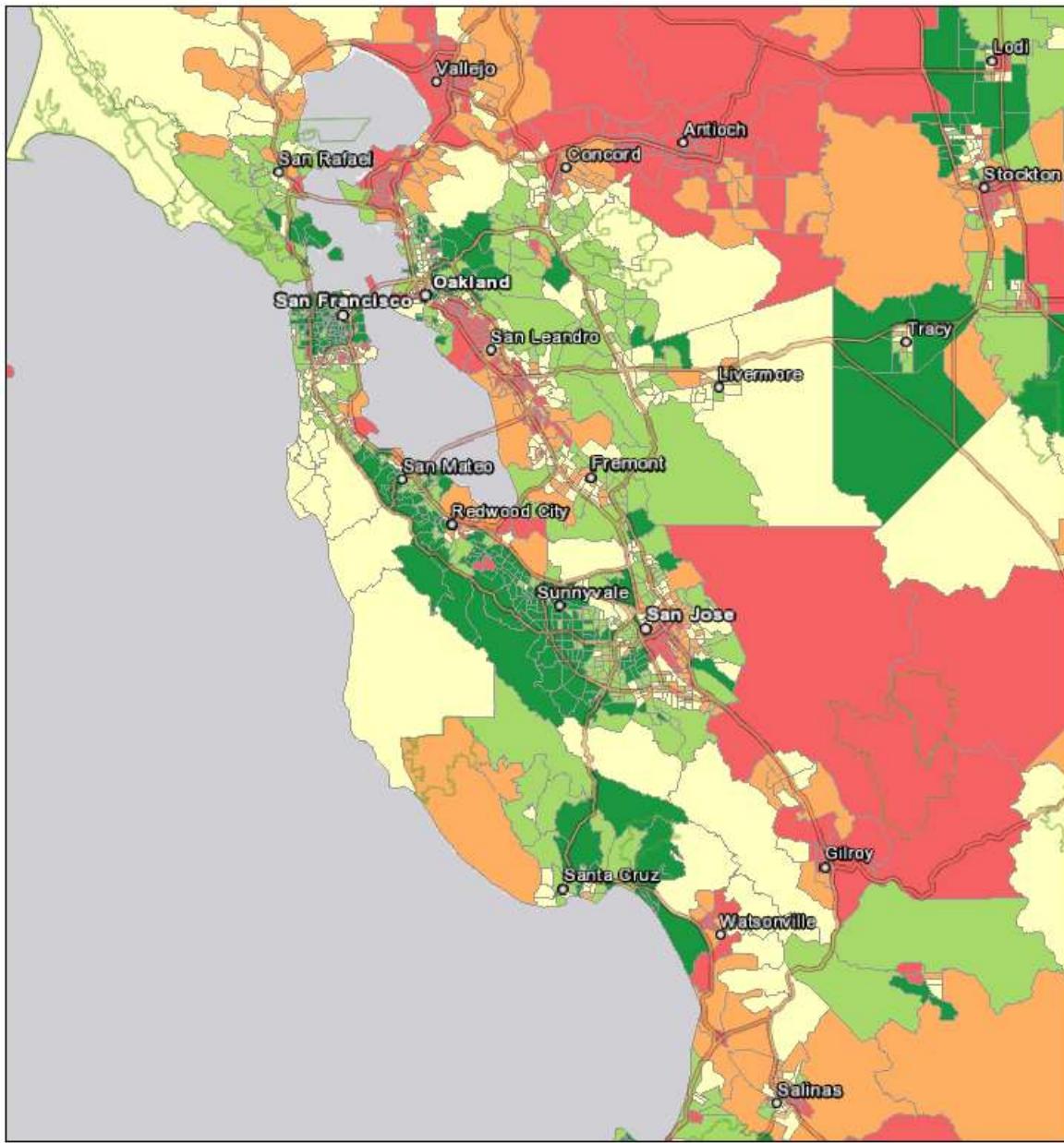
Figure A-47 COG Geography TCAC/HDC Opportunity Map – Economic Score 2023



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Figure A-48. Regional COG Geography TCAC/HDC Opportunity Map – Economic Score, 2023



7/26/2023, 8:54:24 AM

1:1,096,397

COG Geography TCAC/HDC Opportunity Map - Economic Score (HCD, 2023) - Tract

0 5 10 20 40 mi  
0 10 20 40 km

- 0 - 0.2 (Less Positive Economic Outcomes)
- > 0.2 - 0.4
- > 0.4 - 0.6
- > 0.6 - 0.8
- > 0.8 - 1 (More Positive Economic Outcomes)

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

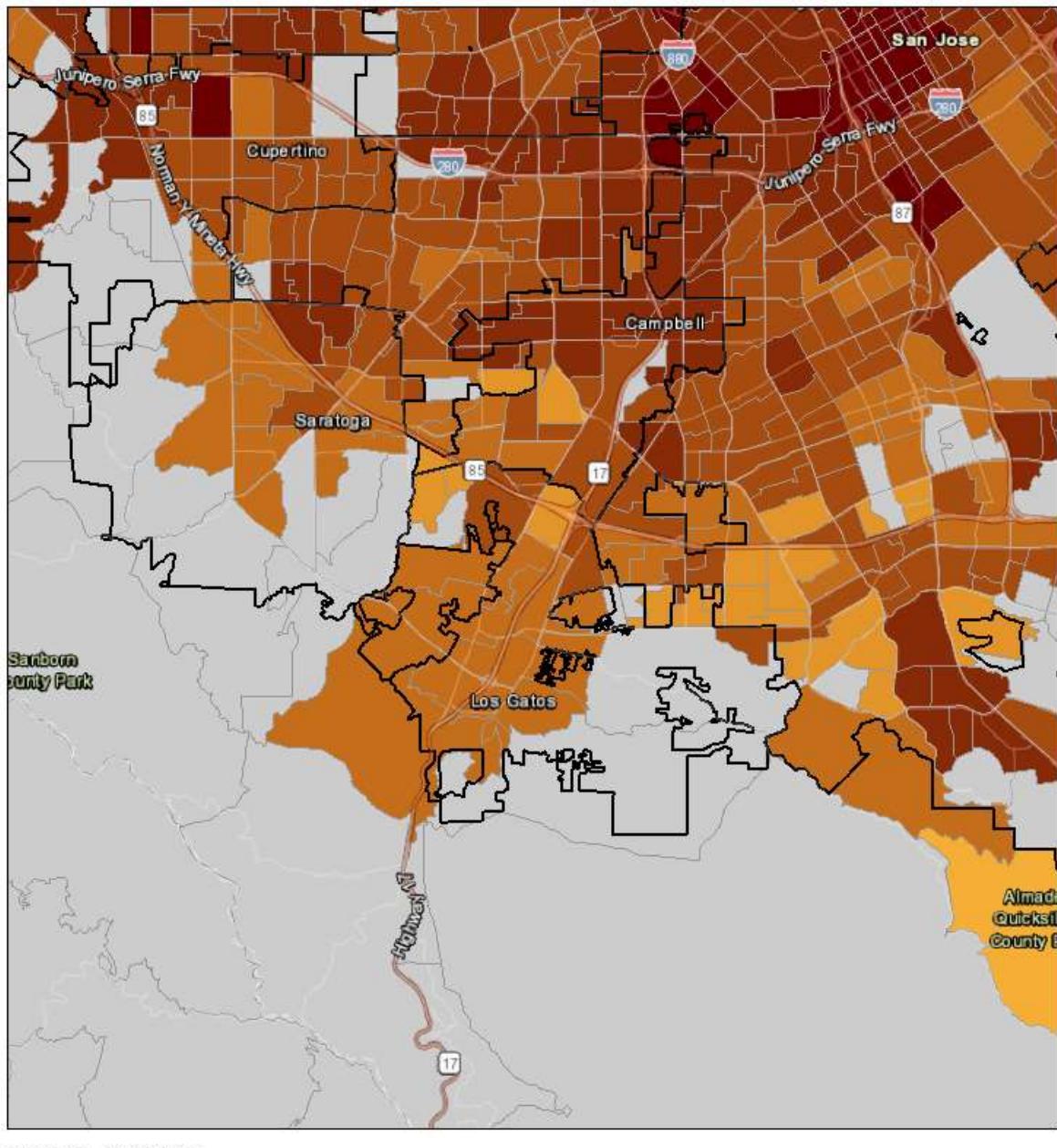
Job proximity is one of the most important indicators of equal economic opportunity. Based on the economic opportunity score illustrated above, Figure A-49 is unsurprising. Jobs accessible by transit lines are concentrated in San Jose, Sunnyvale and parts of Santa Clara and Campbell, all of which have larger transit systems for residents. For the areas without data, Saratoga and Los Gatos have a comparatively smaller share of jobs accessible to residents by transit rides less than 45 minutes long. These findings are presented in Figure A-49 along with a regional analysis in Figure A-50.

Key similarities and differences are outlined below.

- In Santa Clara County, Sunnyvale, Campbell, San Jose, and communities located east of Los Gatos have the largest number of jobs accessible by a 45-minute transit ride. Residents living near Almaden Quicksilver County Park have substantially few job opportunities accessible by transit.
- In the region, jobs accessible by transit are mainly concentrated in San Francisco, Oakland, Daly City, and communities located south of Palo Alto. This is likely the result of more transit systems available to residents as these are larger cities than that in Santa Clara County with more job opportunities concentrated where residents live.
- There are fewer jobs accessible in the northern parts of the region specifically in Vallejo, Stockton, Livermore, and Salinas though this is likely due to being more remote from areas with high concentrations of job opportunities for workers.

## Appendix A. AFFH Report

**Figure A-49. Jobs Within a 45 Minute Transit Ride by Block Group, Los Gatos, 2018**



7/26/2023, 9:31:10 AM

1:136,925

Jobs within 45 min transit ride (Smart Locations Database, 2018) - Block Group

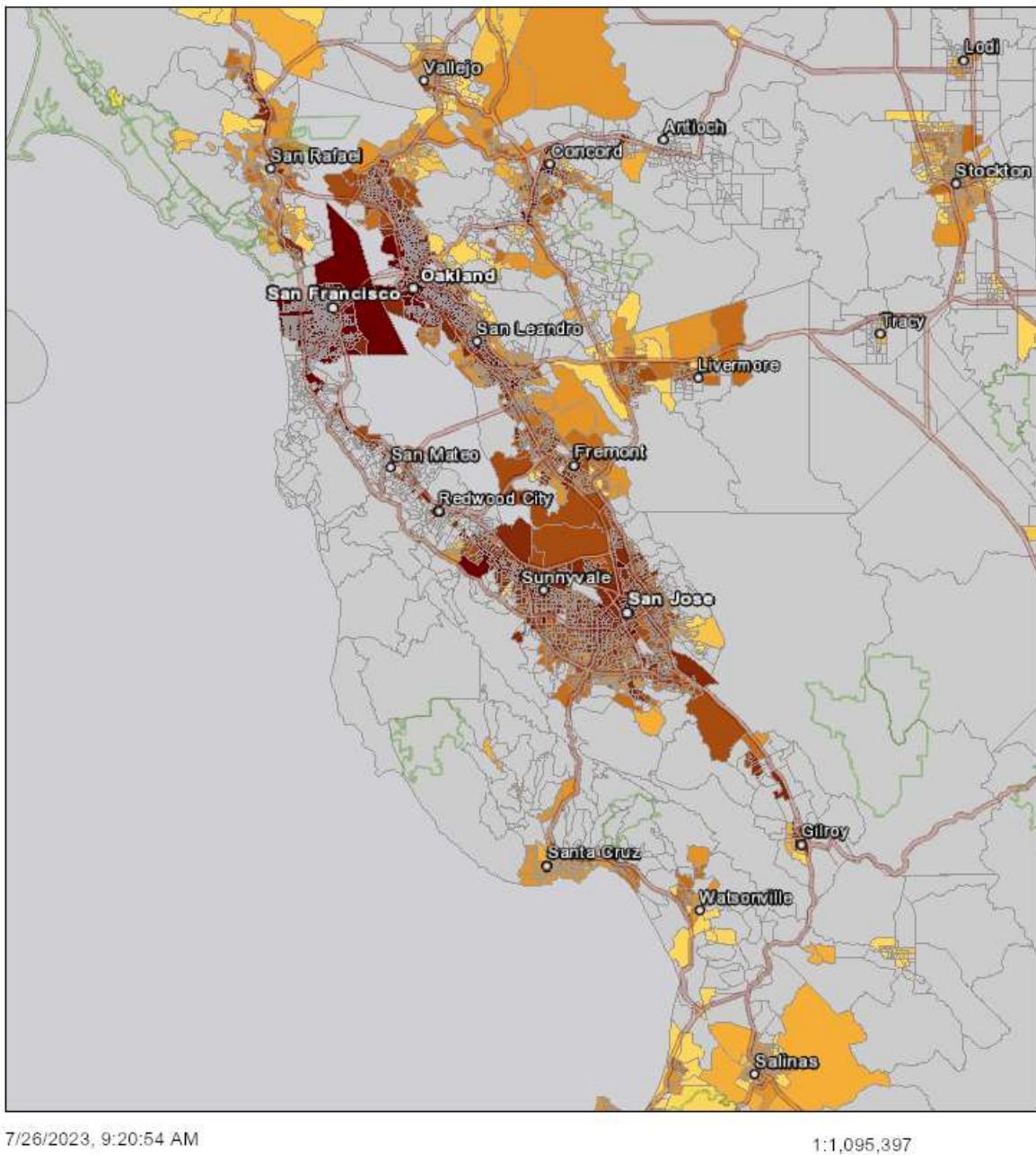
0 0.75 1.5 3 3 mi  
 0 1.5 3 6 km

- No Data
- 5,001 - 10,000
- 10,001 - 25,000
- 25,001 - 50,000
- 50,001 - 100,000
- 100,001 - 250,000

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

Figure A-50. Regional Jobs Within a 45 Minute Transit Ride by Block Group, 2018



7/26/2023, 9:20:54 AM

1:1,095,397

Jobs within 45 min transit ride (Smart Locations Database, 2018) - Block Group

0 5 10 20 20 mi  
0 10 20 40 km

- No Data
- 0
- 1 - 2,500
- 2,501 - 5,000
- 5,001 - 10,000
- 10,001 - 25,000

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

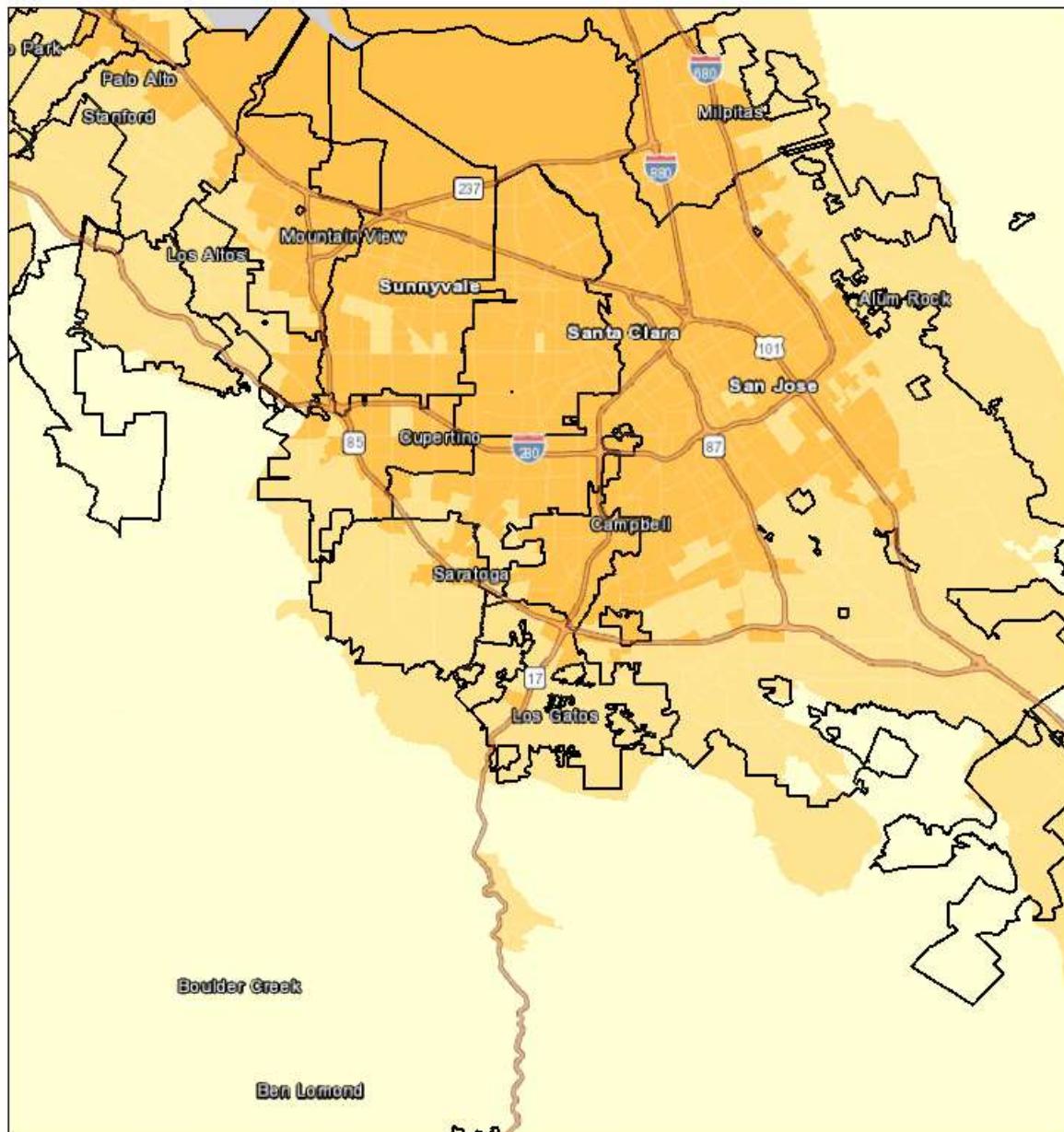
## Appendix A. AFFH Report

Expanding on the above analyses, Figures A-51 and A-52 show the number of jobs accessible by a 45-minute drive in Los Gatos and the region.

Primary findings include:

- Los Gatos and Saratoga have fewer jobs available to residents that are accessible by a 45-minute drive than other cities in Santa Clara County suggesting that residents in these cities have long commutes and or do not have equal access to a wide range of jobs located elsewhere.
- Sunnyvale, Santa Clara, Campbell, and San Jose (in part) have the largest concentration of jobs accessible within a 45 minute drive. Mountain View and Cupertino follow similar patterns as well.
- Regional patterns are similar to that shown above with the greatest concentration of jobs located in San Francisco, Oakland, San Leandro, San Mateo, and communities around Fremont.

**Figure A-41 Jobs Within a 45 Minute Drive by Block Group, Los Gatos, 2018**



7/26/2023, 9:29:40 AM

1:273,849

Jobs within a 45 minute drive (Smart Locations Database, 2018) - Block Group

0 1.75 3.5 7 mi  
0 3 6 12 km

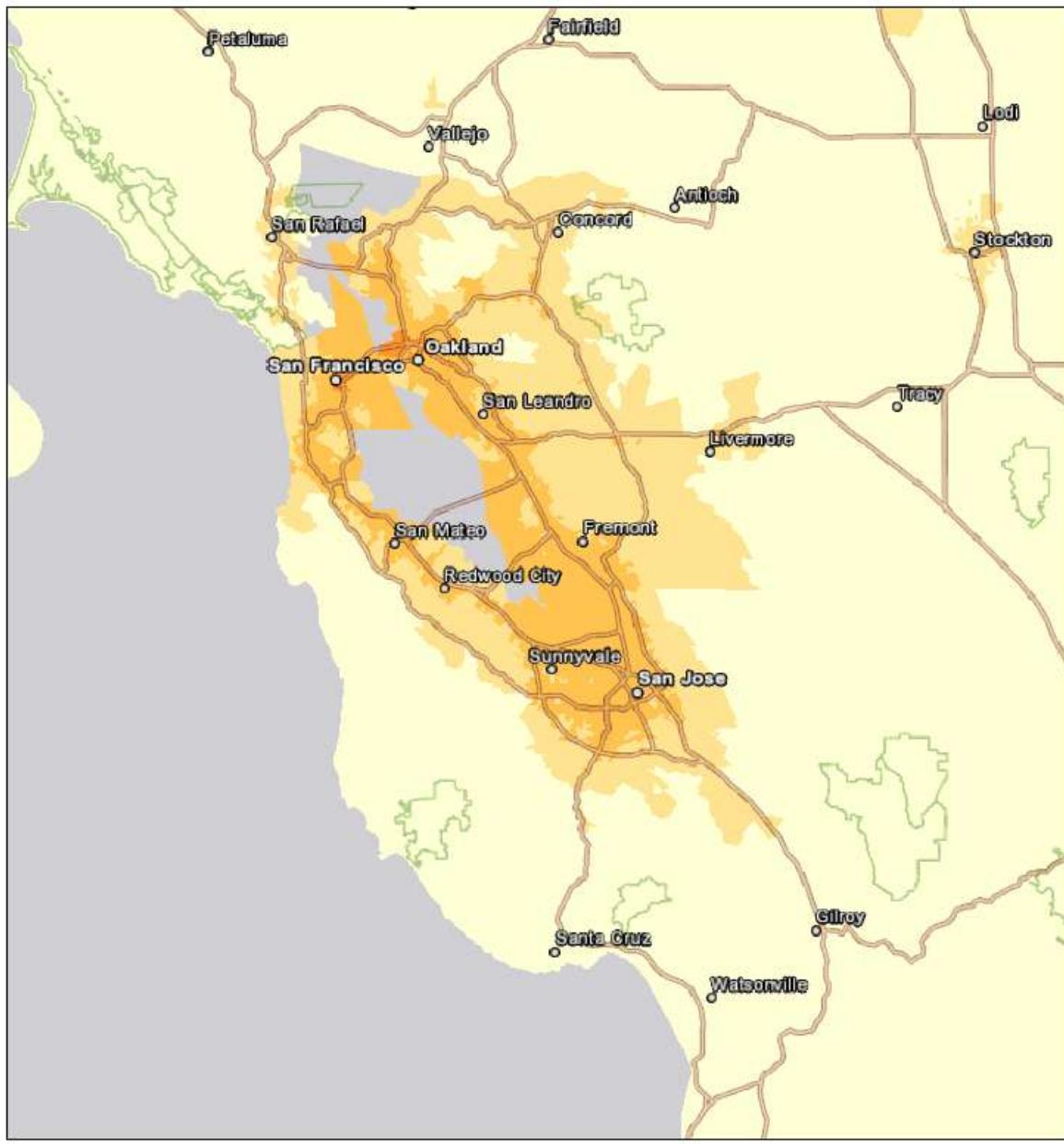
- 0 - 46,000
- > 46,000 - 115,000
- > 115,000 - 215,000

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

**Figure A-42. Regional Jobs Within a 45 Minute Drive by Block Group, 2018**



7/26/2023, 9:28:34 AM

1:1,095,397

Jobs within a 45 minute drive (Smart Locations Database, 2018) - Block Group

0 5 10 20 20 mi  
 0 10 20 40 km

- 0 - 46,000
- > 46,000 - 115,000
- > 115,000 - 215,000
- > 215,000 - 345,000

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

### ***Education***

Los Gatos is served by the Los Gatos-Saratoga Union High School District, the Los Gatos Union Elementary School, the San Jose Union School District, Campbell Union School District, and the Cambrian Elementary School District. The most complete data, due to halted data collection during the COVID pandemic, was from 2019 and highlights a 97.7 percent graduation rate among all students in the Los Gatos-Saratoga Union high school, a small increase over 2018 (97.1 percent). When broken down by race/ethnicity, Asian students graduated at a slightly higher rate of 98 percent, while Hispanic and White students graduated at 95 percent and 96.5 percent respectively. There were not enough African American students enrolled to provide accurate data (less than 11 total). The lowest graduation rate was among students with a disability, yet still relatively high at 88 percent.

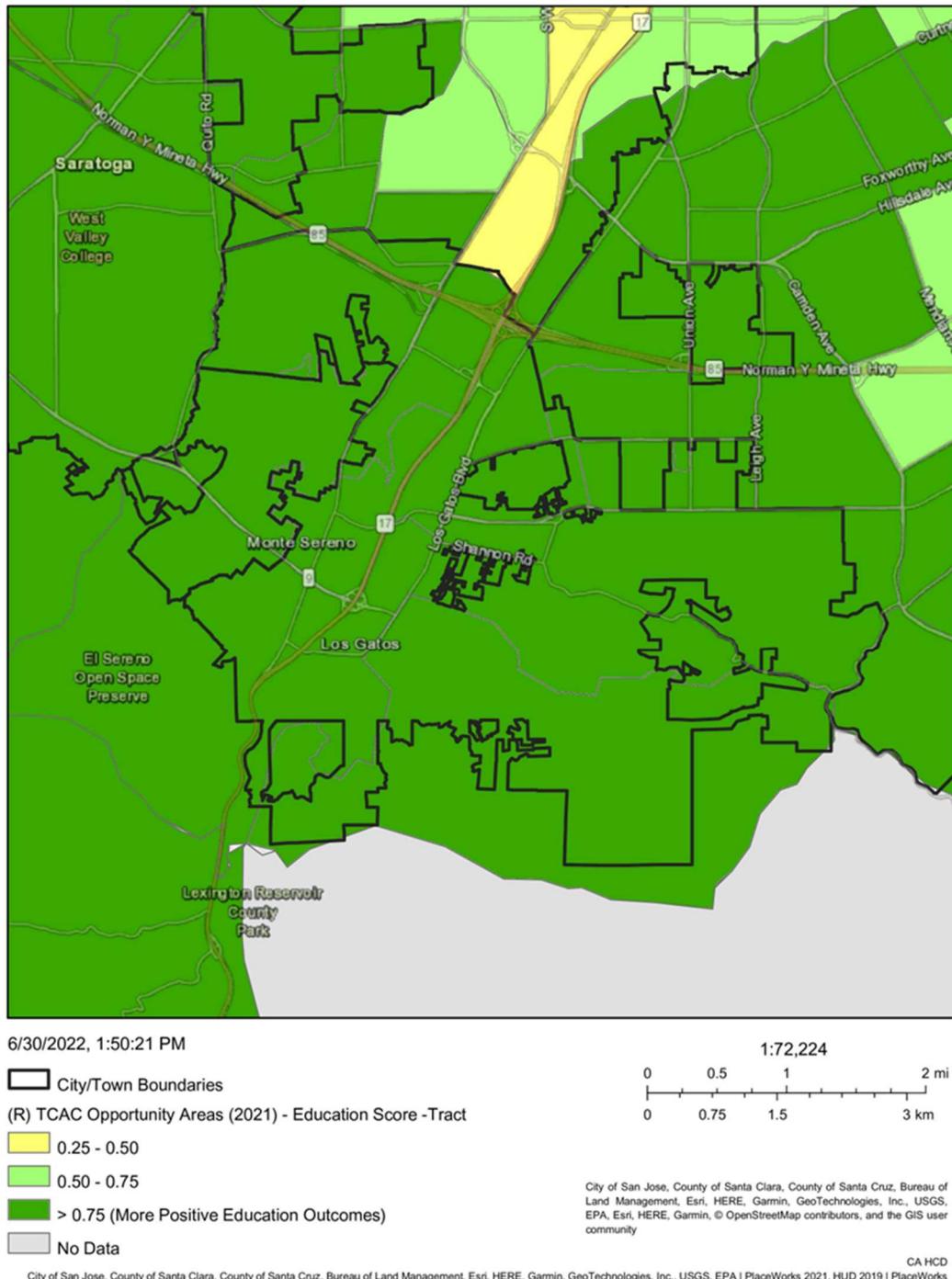
The Los Gatos Union Elementary served 2,710 students in 2021, down from 3,024 from 2019, the last year with complete data. White students accounted for 64 percent of the student body, with Asian (19 percent) and Hispanic students (9 percent) accounting for the majority of the remainder. The school included four percent socioeconomically disadvantaged students, one homeless student, and seven percent students with a disability.

Saratoga Elementary had 1,657 students in 2021 and 1,765 in 2019. At Saratoga, 57 percent of students are Asian and White students accounted for 26 percent and Hispanic students another six percent. Saratoga Elementary served a student population with 11 percent disabilities, two percent socioeconomically disadvantaged, and no homeless students.

TCAC's education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate and are presented on a scale from zero to one where higher numbers suggest more positive education outcomes. As shown in Figure A-43, all census tracts in Los Gatos show residents as having the most positive educational outcomes similar to Saratoga. Campbell has a mix of outcomes ranging from 0.25 to greater than 0.75.

## Appendix A. AFFH Report

**Figure A-43. TCAC Opportunity Areas Education Score by Census Tract, Los Gatos, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

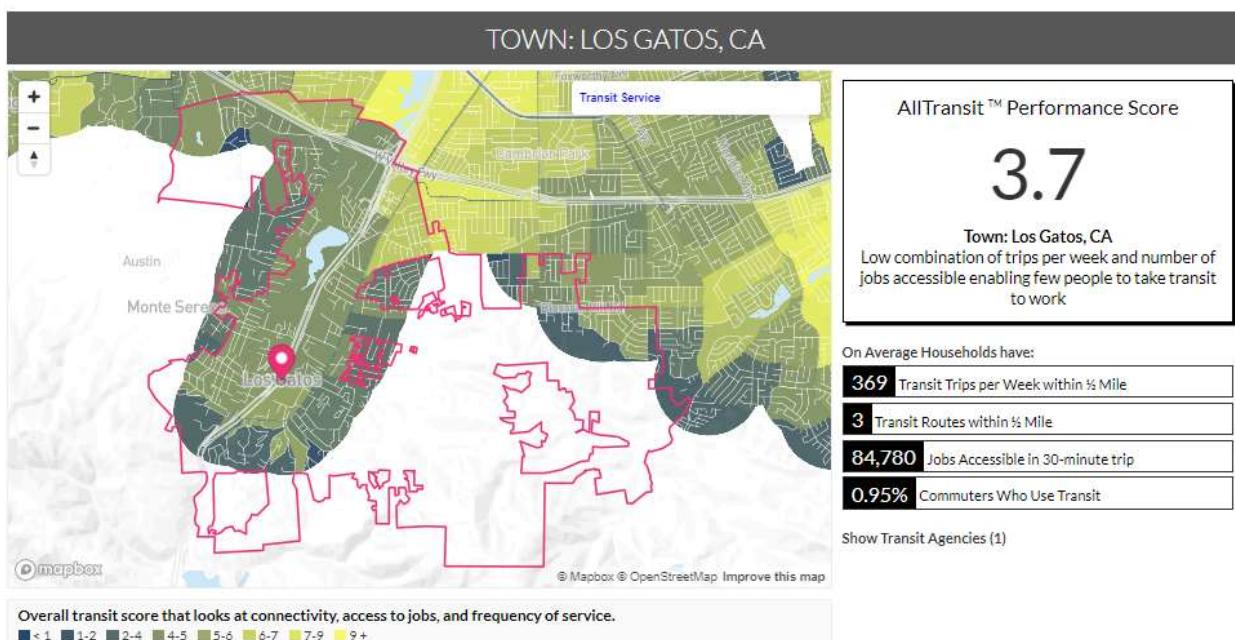
## Transportation

Transportation is heavily linked with housing choice opportunity as well as equal access to employment and quality education. High quality and accessible transit stops grant individuals without access to a vehicle and or individuals unable to drive the ability to get to work. Figures A-44 and A-45 show the number and distribution of high quality transit stops in Los Gatos and the region.

All Transit explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service.<sup>15</sup> All Transit provides data and rankings based on transit trips and employment opportunities accessible by transit. All Transit gave Santa Clara County a performance score of 6.5, indicating a “moderate combination of trips per week and number of jobs accessible enabling moderate number of people to take transit to work.” According to All Transit, 87.8 percent of jobs are located within a half mile of transit and 89.6 percent of workers live within a half mile of transit in the County. Transit connectivity in the County is best in and around the City of San Jose. Comparatively, Santa Cruz County and San Mateo County have lower performance scores while Alameda has a higher performance score.

The All-Transit performance score and connectivity map for Los Gatos is shown in Figure A-44. The Town received a performance score of only 3.7 indicating a low combination of trips per week and number of employment opportunities accessible by transit. The northwestern area of the Town has the best connectivity, access to jobs, and frequency of service. Approximately 94 percent of jobs are located within a half mile of transit but only 80.4 percent of workers live within a half mile of transit in the Town according to All Transit data.

**Figure A-44. All Transit Performance Score and Connectivity Map, Los Gatos, 2019**



Source: All Transit Metrics – Los Gatos, CA, 2019.

<sup>15</sup> AllTransit, TransitCenter, Bosch, and the Center for Neighborhood Technology (CNT). 2019. Accessed November 2023. <https://alltransit.cnt.org/>.

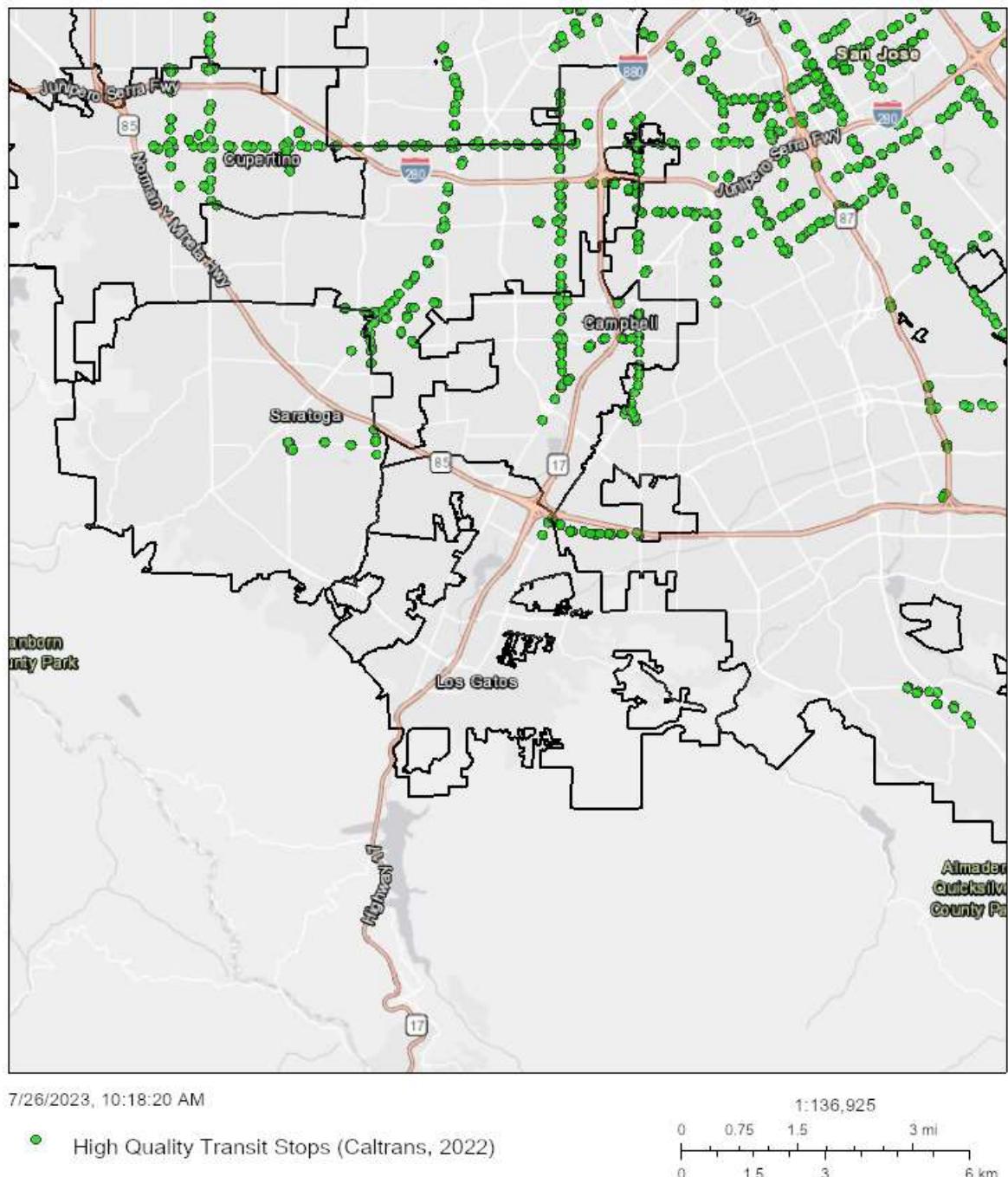
## Appendix A. AFFH Report

Los Gatos and Saratoga are both lacking in high quality, accessible transit stops. Most the region has more transit stops throughout their communities, the worst being Los Gatos with just a couple stops up North.

Primary findings from the local and regional analysis are provided below.

- There are very few high quality transit stops located in Los Gatos. For those available to residents, these stops are largely concentrated on the northern edges of the town. Conversely, Sunnyvale and San Jose have a large number of quality transit stops for residents.
- Saratoga follows similar patterns though there are multiple stops located near West Valley College and the outer edges of the city. Campbell has numerous transit stops of high quality and are distributed relatively evenly.
- Transportation in Los Gatos trails behind the region substantially. High quality transit stops are concentrated along the coasts of the Bay Area specifically San Francisco, San Mateo, Redwood City, Oakland, San Leandro, and Fremont. This could be related to high density in these areas and or the number of jobs available (among others).

**Figure A-44. High Quality Transit Stops, Los Gatos, 2022**

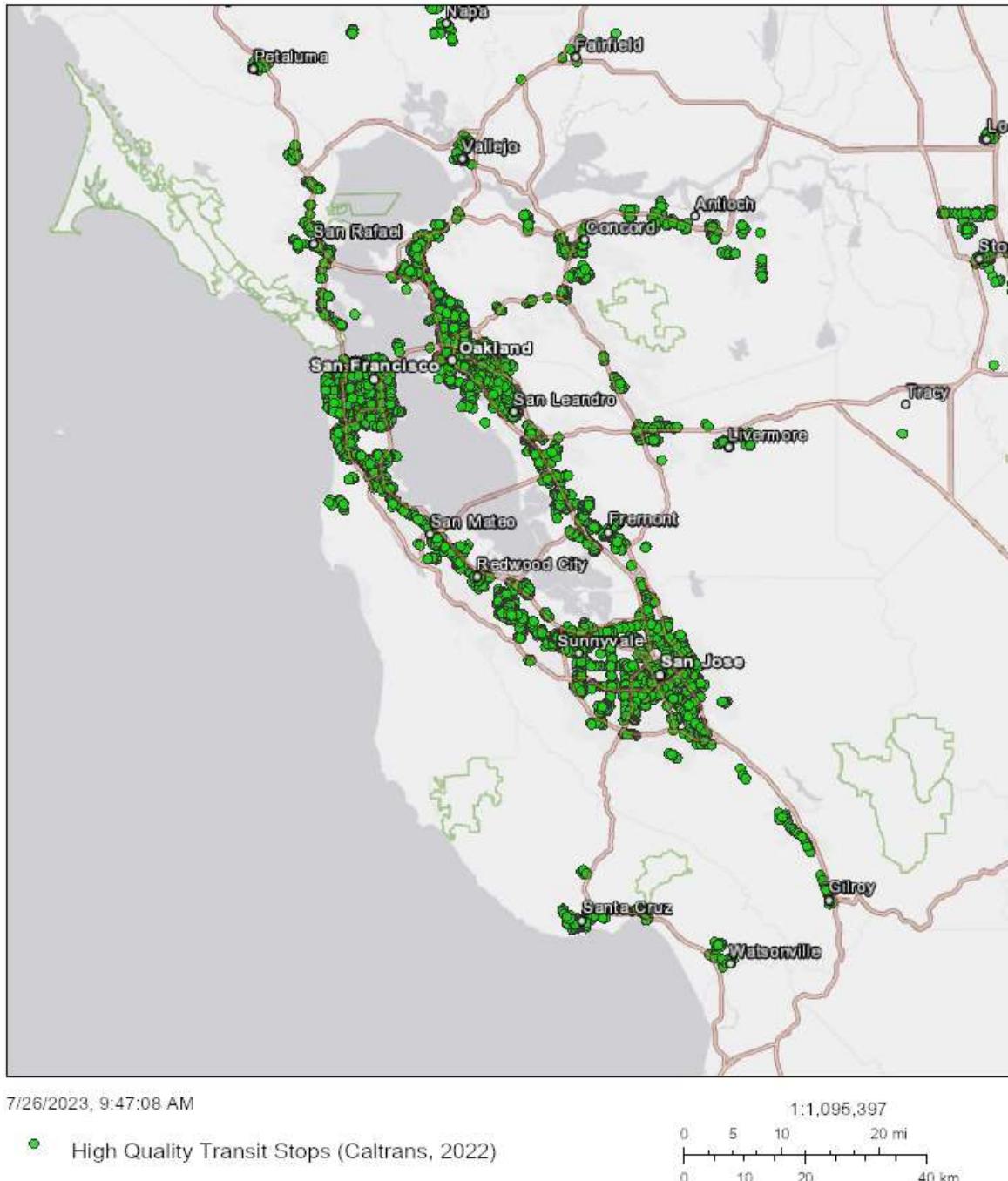


Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

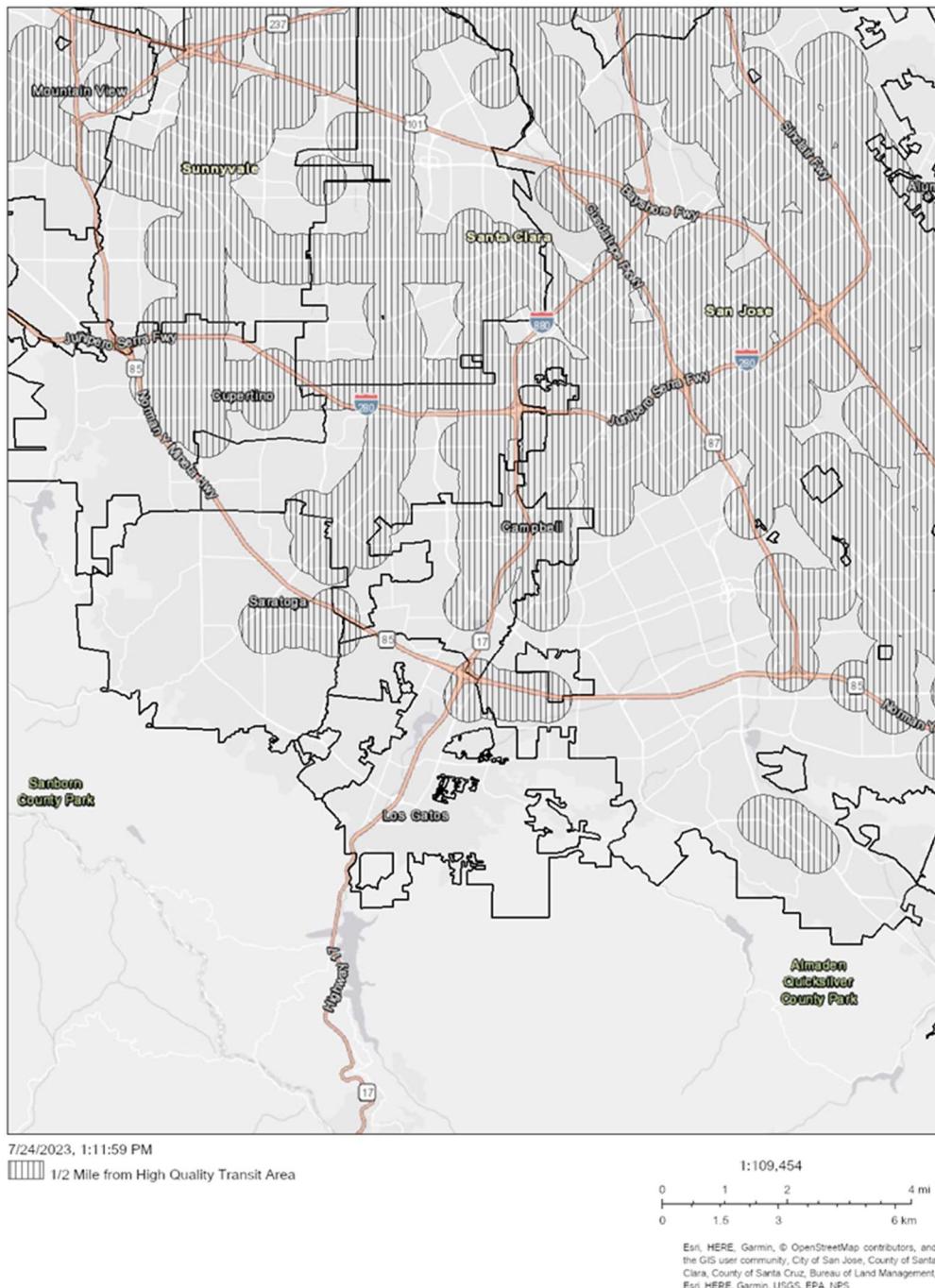
Figure A-45. High Quality Transit Stops In the Region, 2022



Source: California Department of Housing and Community Development AFFH Data Viewer.

Figures A-46 and A-47 map high quality transit areas in Los Gatos and the region. Given the primary findings presented above, it's unsurprising that most areas North of Los Gatos have high quality public transit. Los Gatos, along with Southern San Jose and parts of Saratoga and Cupertino lack enough transit systems to be high quality transit areas. For the region overall, high quality transit areas are concentrated in cities with several transit stops of high quality.

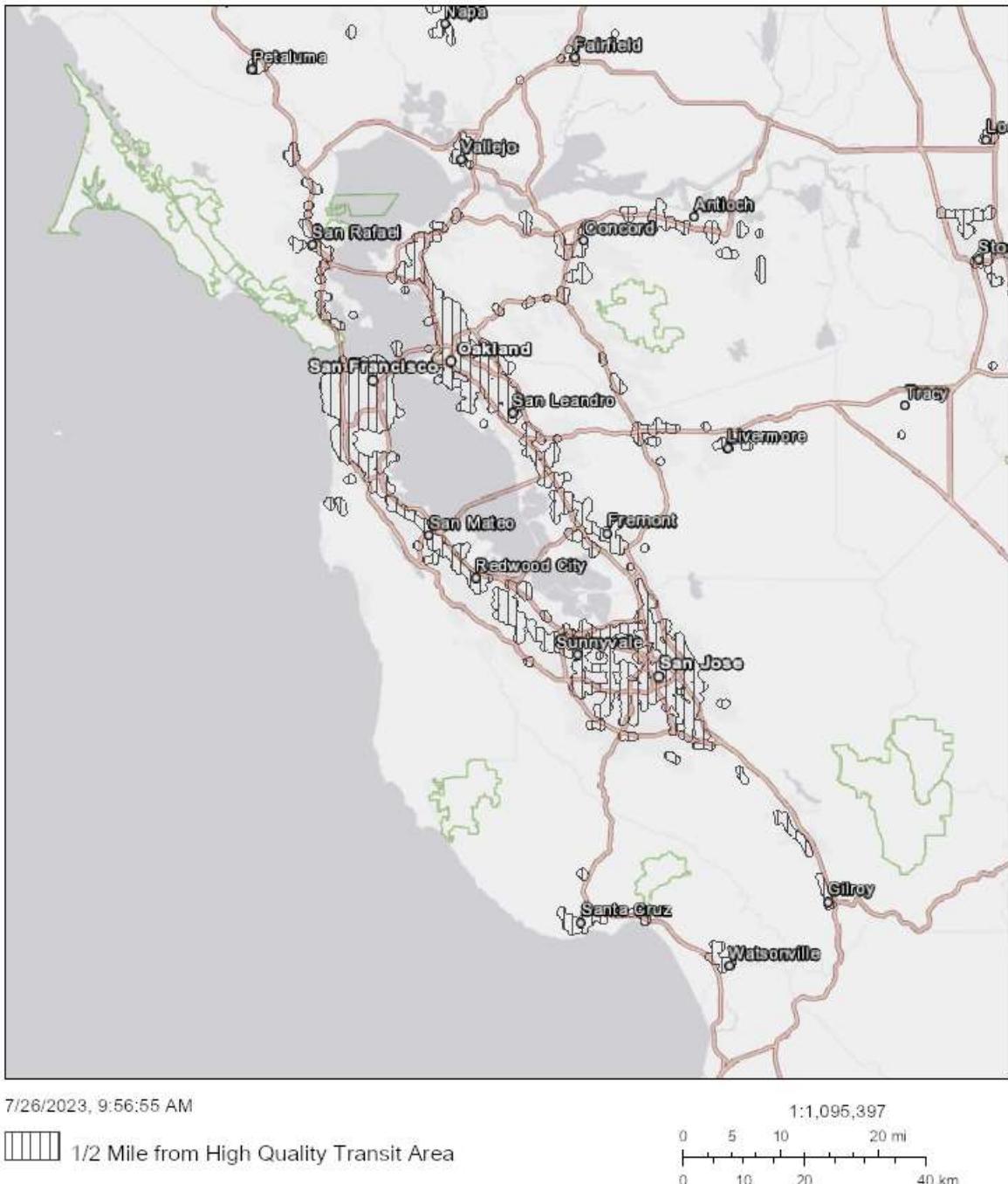
**Figure A-46 High Quality Transit Areas, Los Gatos, 2022**



Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

**Figure A-47. High Quality Transit Areas In the Region, 2022**



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

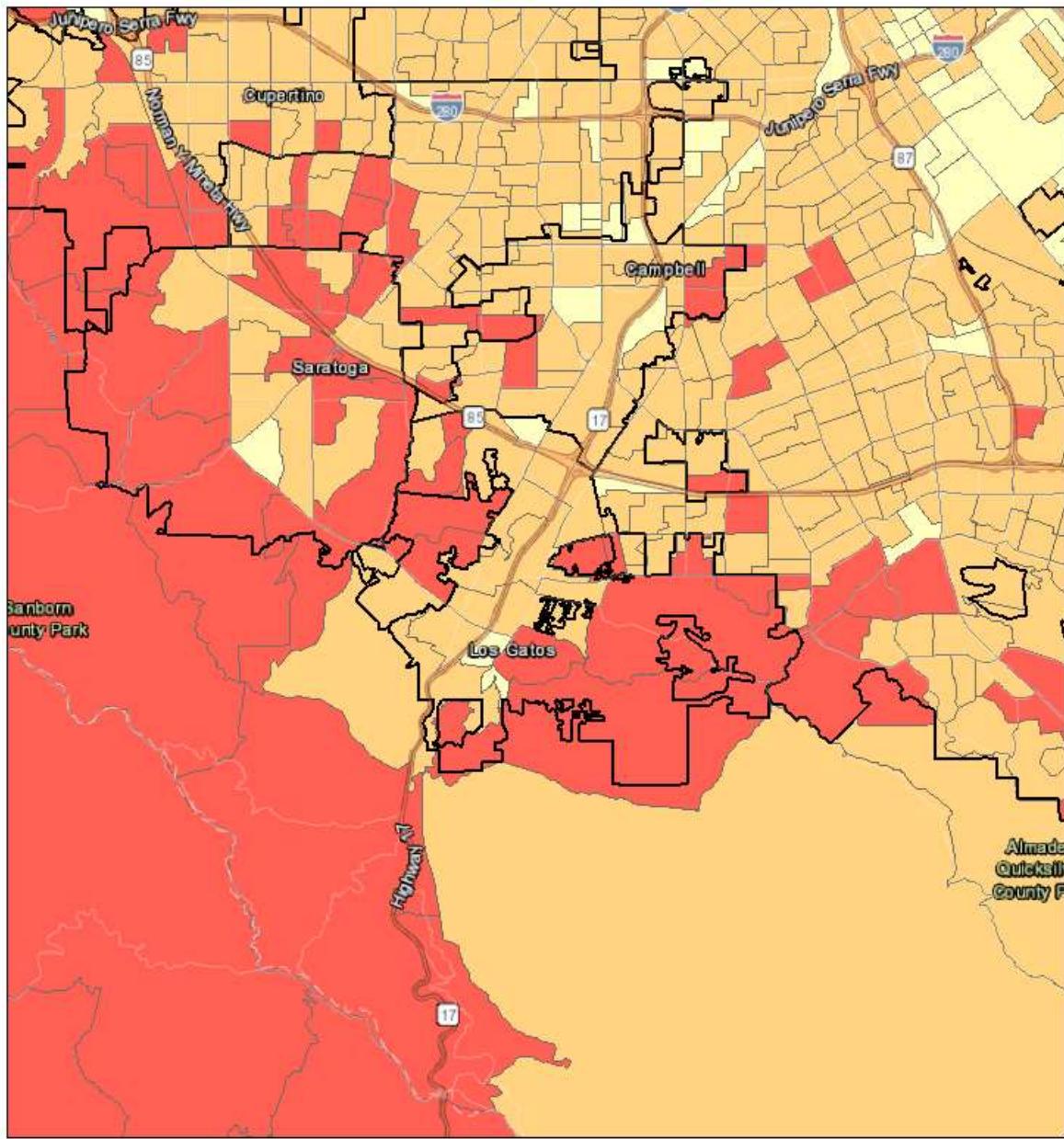
Figures A-48 and A-49 show the housing and transportation index by block group for Los Gatos and the region. Indexes are based on the percentage of household income spent on housing and transportation. Higher percentages indicate cost burden and severe cost burden among households in the town and region.

Key similarities and differences shown in the maps include:

- Most households in Los Gatos spend between 50 percent and 75 percent of their income on housing and transportation. These households are mainly concentrated on the eastern and southern portions of the town, similar to Saratoga. There is only one census tract in Los Gatos with households spending 30 percent or less of their income on housing and transportation.
- Trends in Los Gatos and Saratoga differ from Santa Clara County overall. Households in the county are more likely to be spending 30 percent (or less) to 50 percent of their income on housing and transportation. These differences may be the result of Los Gatos and Saratoga's high housing prices and limited options for public transportation which often provide a more affordable transportation option than owning a vehicle.
- Households spending between 50 percent and 75 percent of their income on housing and transportation are concentrated along the coast from San Mateo to Watsonville. Households in Tracy, Napa, and Watsonville are spending more than 75 percent of their income on housing and transportation costs.

## Appendix A. AFFH Report

**Figure A-48. Housing and Transportation Index by Block Group, Los Gatos, 2022**



7/26/2023, 9:44:22 AM

1:136,925

Housing and Transportation Index (CNT, 2022) - Block Group

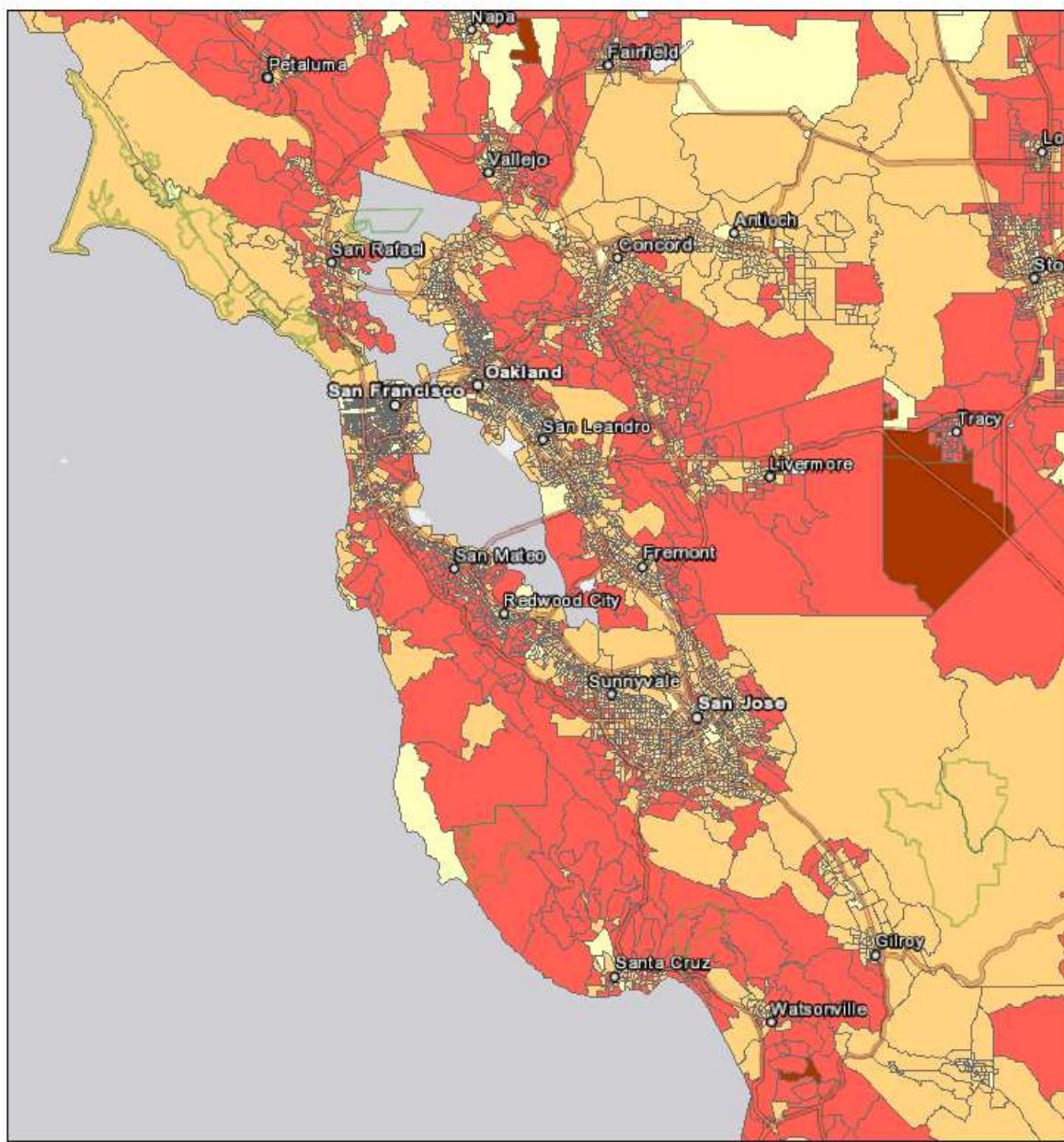
0 0.75 1.5 3 mi  
0 1.5 3 6 km

-  30% or less
-  30% - 50%
-  50% - 75%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-49. Regional Housing and Transportation Index by Block Group, 2022**



7/26/2023, 9:45:54 AM

1:1,095,397

Housing and Transportation Index (CNT, 2022) - Block Group

0 5 10 20 40 mi  
0 10 20 40 km

- 30% or less
- 30% - 50%
- 50% - 75%
- More than 75%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

### Environment

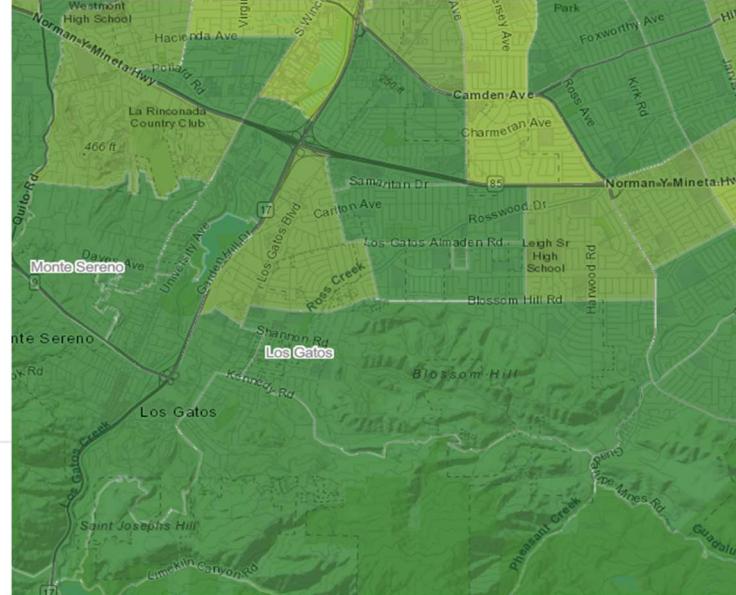
TCAC's opportunity areas environmental scores are based on the CalEnviroScreen four indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM2.5, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites.

Three-quarters of Los Gatos scores low on positive environmental outcomes, with no census tracts in the Town scoring over 0.5 out of one (Figure A-50). Los Gatos almost uniformly had the lowest possible scores according to the CalEnviroScreen metric for 2021 meaning the Town has more positive environmental factors.

**Figure A-50 CalEnviroScreen 4.0, Los Gatos**



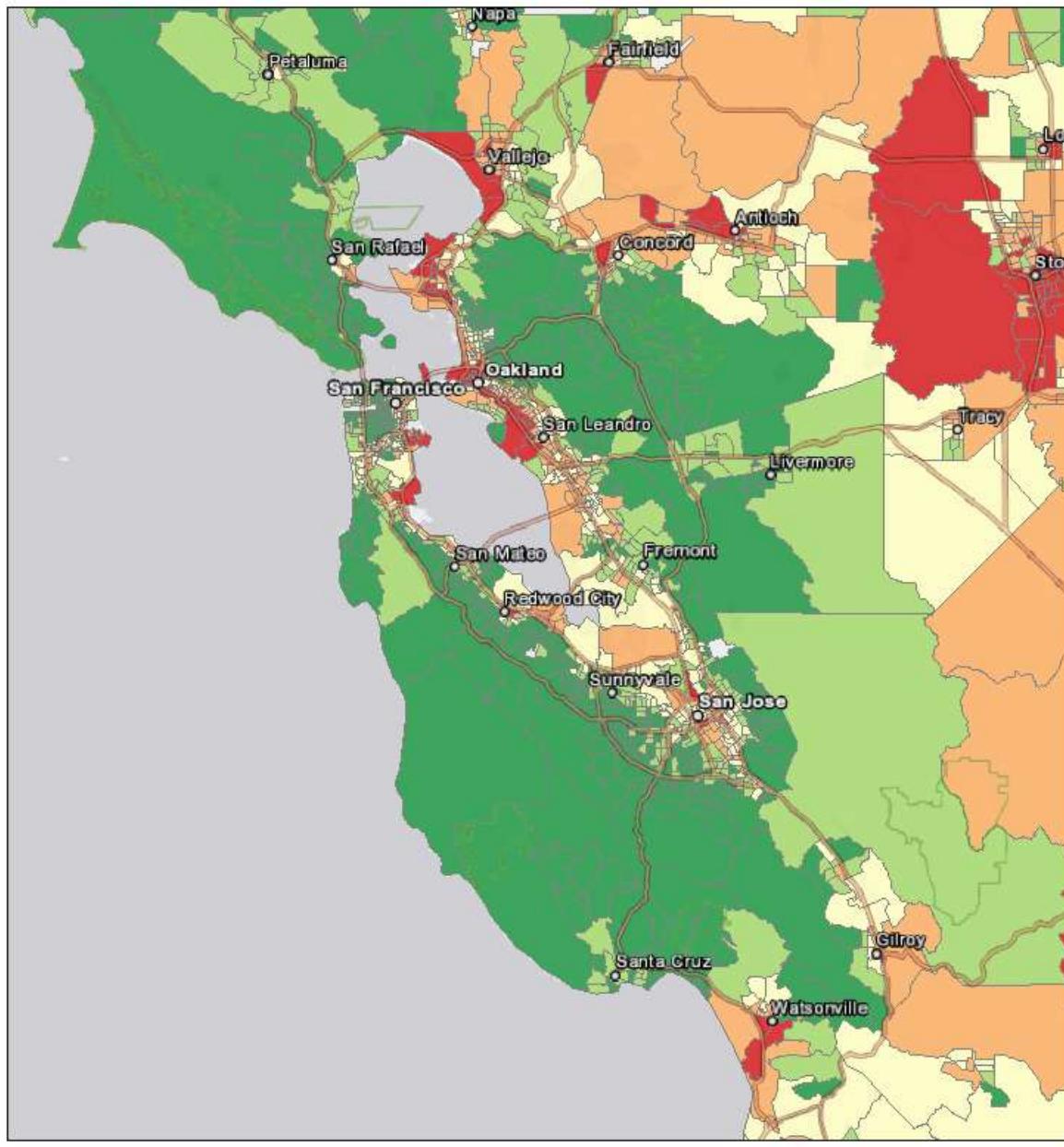
CalEnviroScreen 4.0 High Pollution, Low Population



Source: California Office of Environmental Health Hazard Assessment, CalEnviroScreen Maps and Data.

Figure A-51 shows the CalEnviroScreen score for the Bay Area region which shows areas with more negative environmental factors near San Francisco, Oakland, San Leandro, Vallejo, and Fairfield.

**Figure A-51. Regional CalEnviroScreen 4.0 by Census Tract, 2021**



7/26/2023, 9:57:19 AM

1:1,095,397

CalEnviroScreen 4.0 (OEHHA, 2021) - Tract

0 5 10 20 40 mi  
0 10 20 40 km

- █ 0 - 20 (More positive environmental factors)
- █ > 20 - 40
- █ > 40 - 60
- █ > 60 - 80
- █ > 80 - 100 (More negative environmental factors)

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

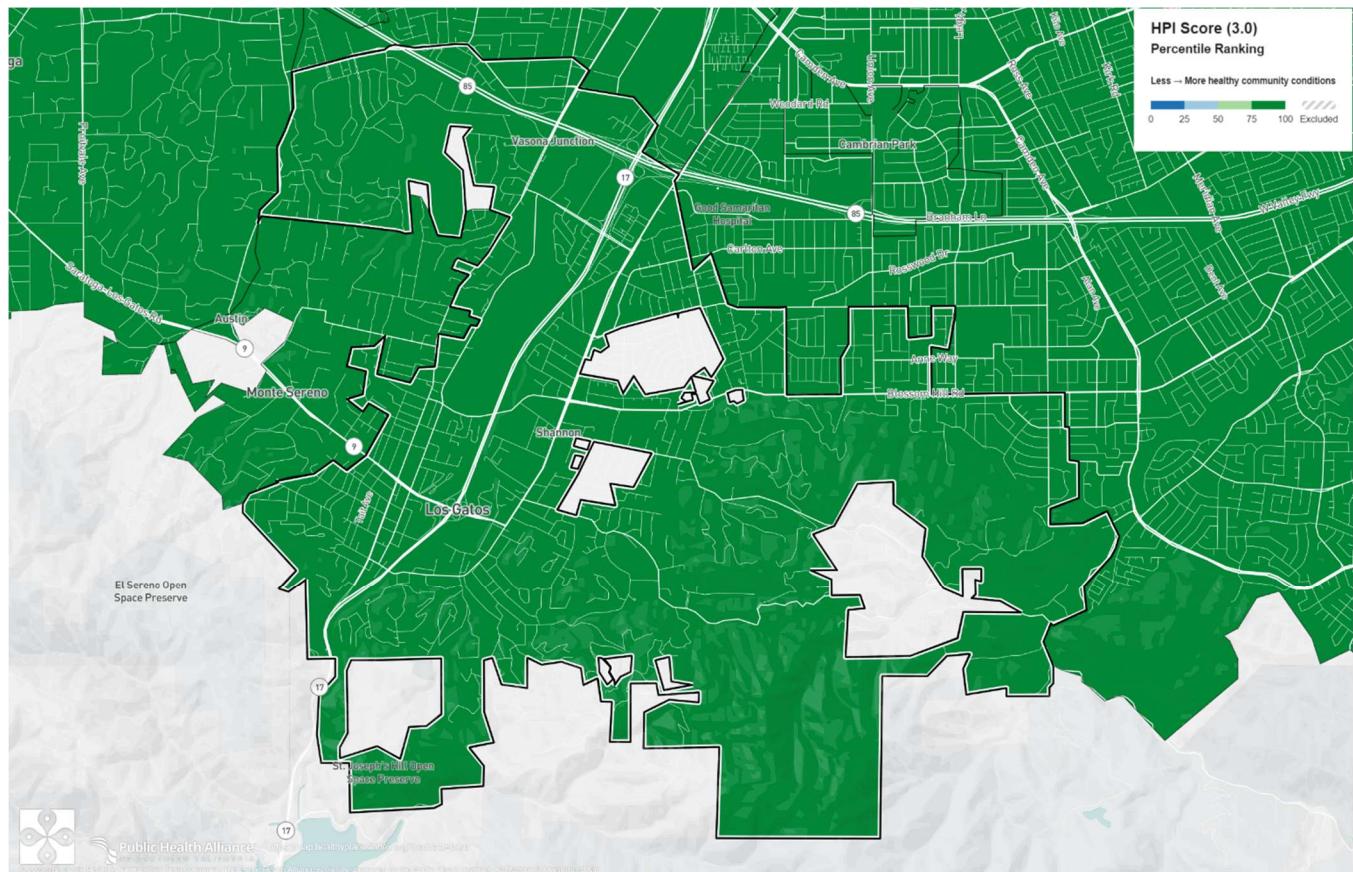
Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Developed by the Public Health Alliance of Southern California (PHASC), the Healthy Places Index (HPI) is based on 25 community characteristics in eight categories including economic, social, education, transportation, neighborhood conditions, housing, clean environment, and healthcare.<sup>16</sup>

As shown in Figure A-52, Los Gatos scores high on the HPI meaning residents in the city have more healthy communities and outcomes. This is similar to much of the region excluding census tracts near Vallejo, Redwood City, San Francisco, Oakland, San Leandro, and San Jose.

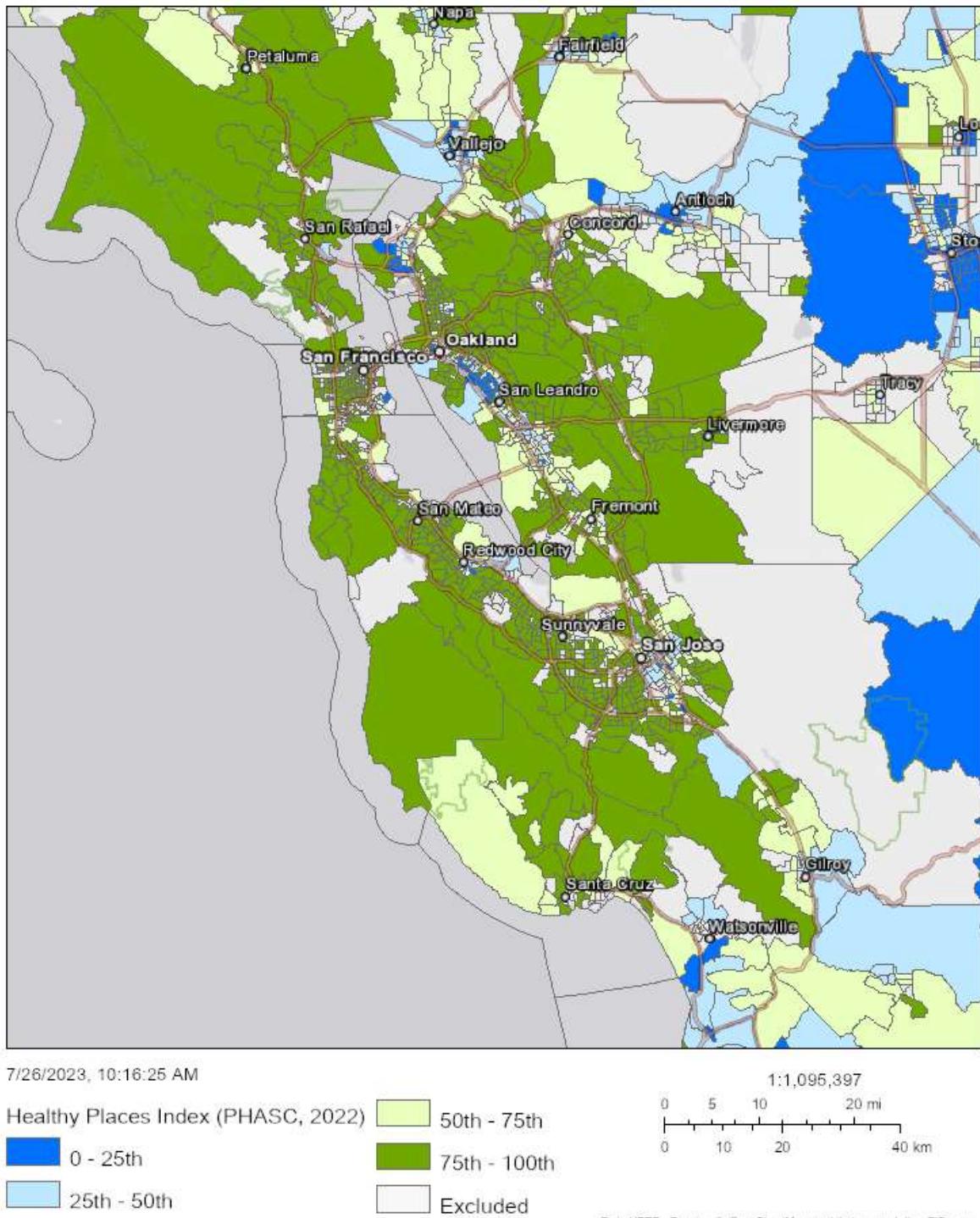
**Figure A-52 California Healthy Places Index, Los Gatos**



Source: Public Health Alliance of Southern California, California Healthy Places Index.

<sup>16</sup> <https://healthyplacesindex.org/about/>

**Figure A-53. Healthy Places Index In the Region, 2022**

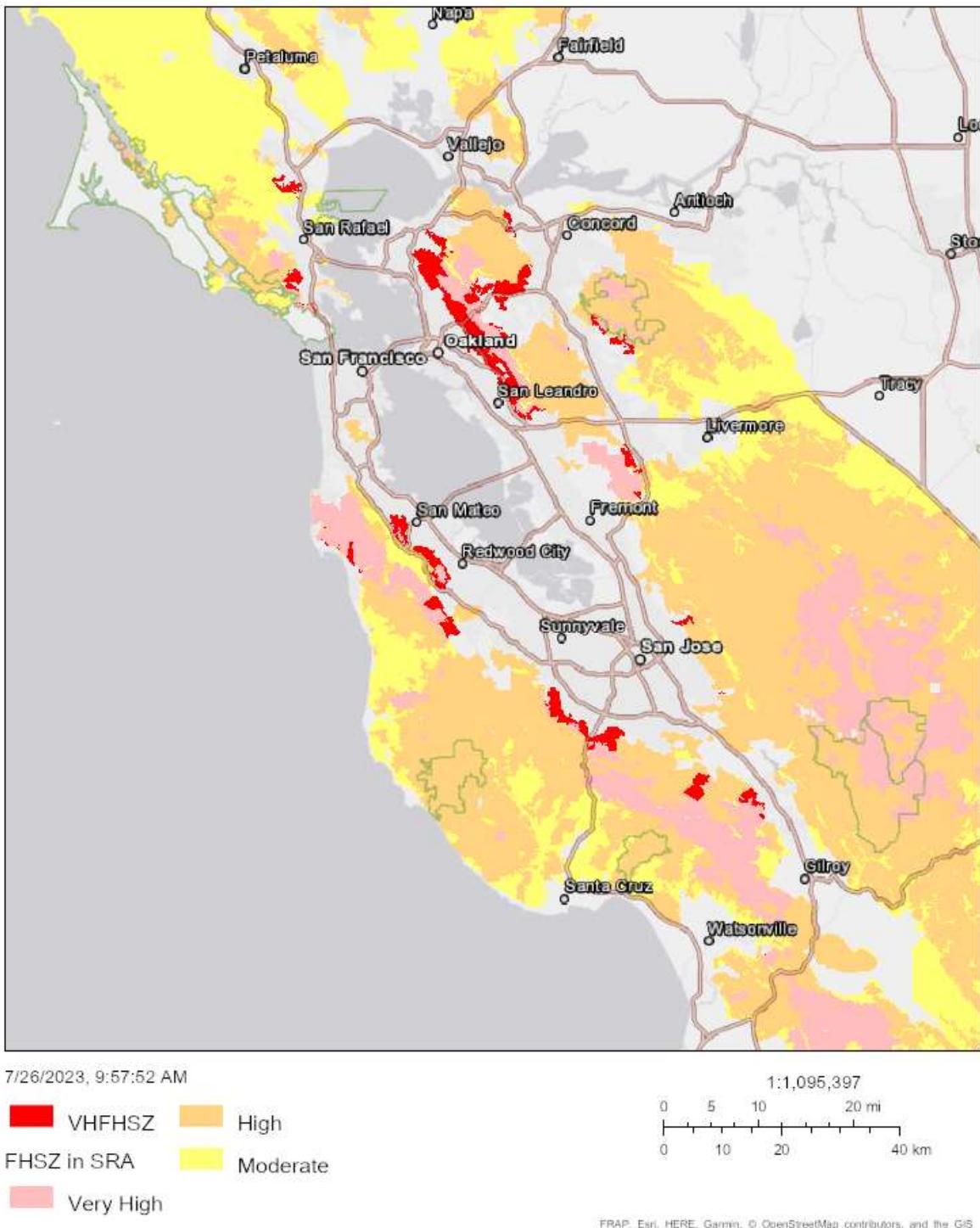


Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Figure A-54 shows fire hazard severity zones as identified by CalFire for the region. As shown in the figure, much of the region is at risk specifically in Santa Clara County and cities including San Mateo, Redwood City, and Oakland. These patterns are particularly important for the Bay Area region especially as climate change is worsening conditions of fire hazards.

**Figure A-54. Regional Fire Hazard Severity Zones, 2022**



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Disparities in Access to Opportunity

All residents live in highly resourced areas, regardless of race or ethnicity Los Gatos and other surrounding areas are entirely high opportunity jurisdictions.

The Social Vulnerability Index (SVI) provided by the Center for Disease Control (CDC) ranks census tracts based on their ability to respond to a disaster and includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. Figure A-55 illustrates SVI across the region and Figure A-56 provides a closer look at SVI within Los Gatos, showing no neighborhoods are ill equipped to respond to disasters.

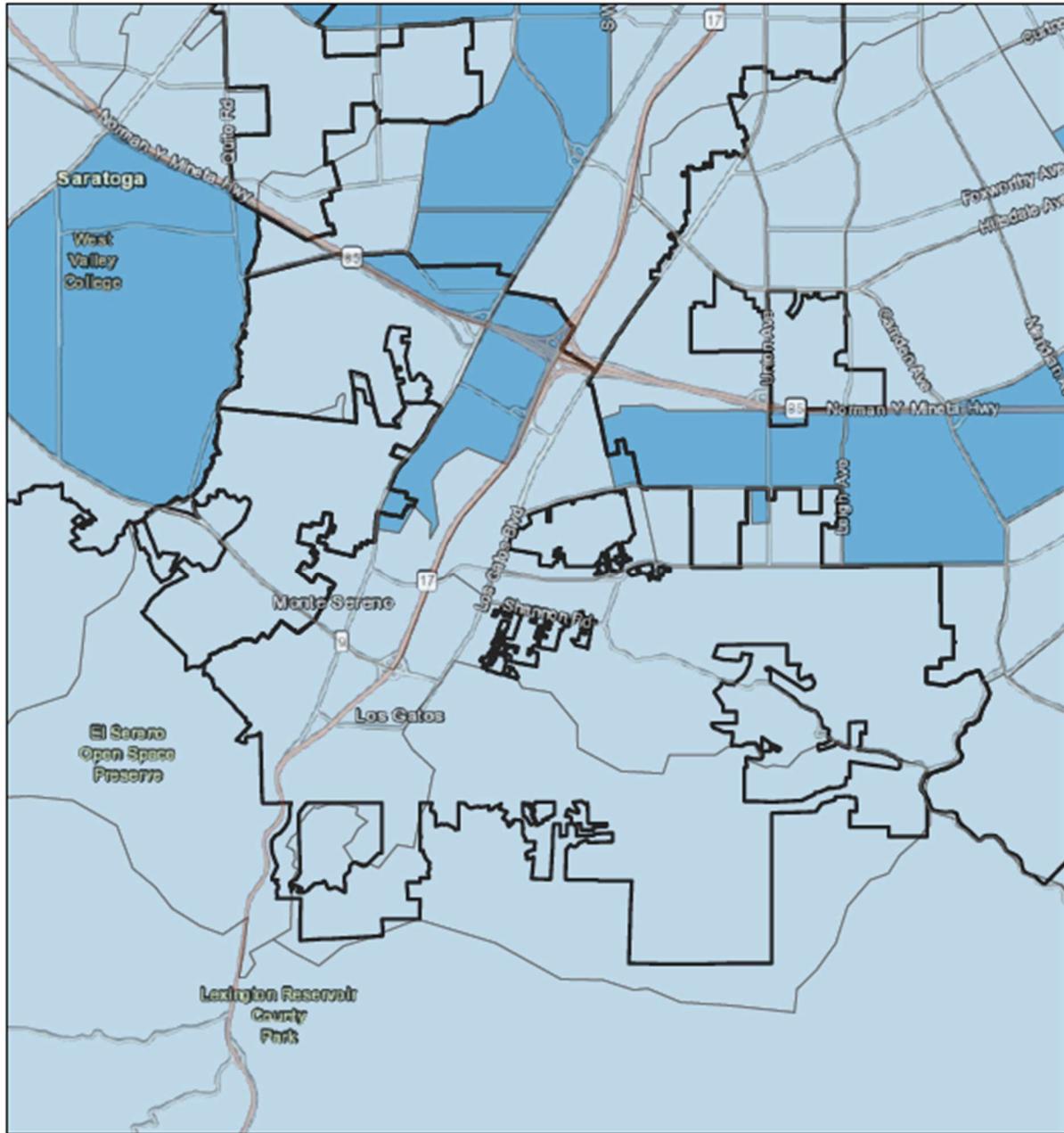
**Figure A-55 CDC/ATSDR Social Vulnerability Index 2020, Santa Clara County**



Source: CDC/ATSDR/GRASP, US Census Bureau, Esri StreetMapTM Premium

## Appendix A. AFFH Report

**Figure A-56 Social Vulnerability Index by Census Tract, Los Gatos, 2018**



6/30/2022, 1:58:13 PM

1:72,224

0 0.5 1 1.5 2 mi  
 0 0.75 1.5 3 km

 City/Town Boundaries

(A) Social Vulnerability Index (CDC, 2018) - Tract

 Lower Vulnerability

 Higher Vulnerability

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks

Source: California Department of Housing and Community Development AFFH Data Viewer

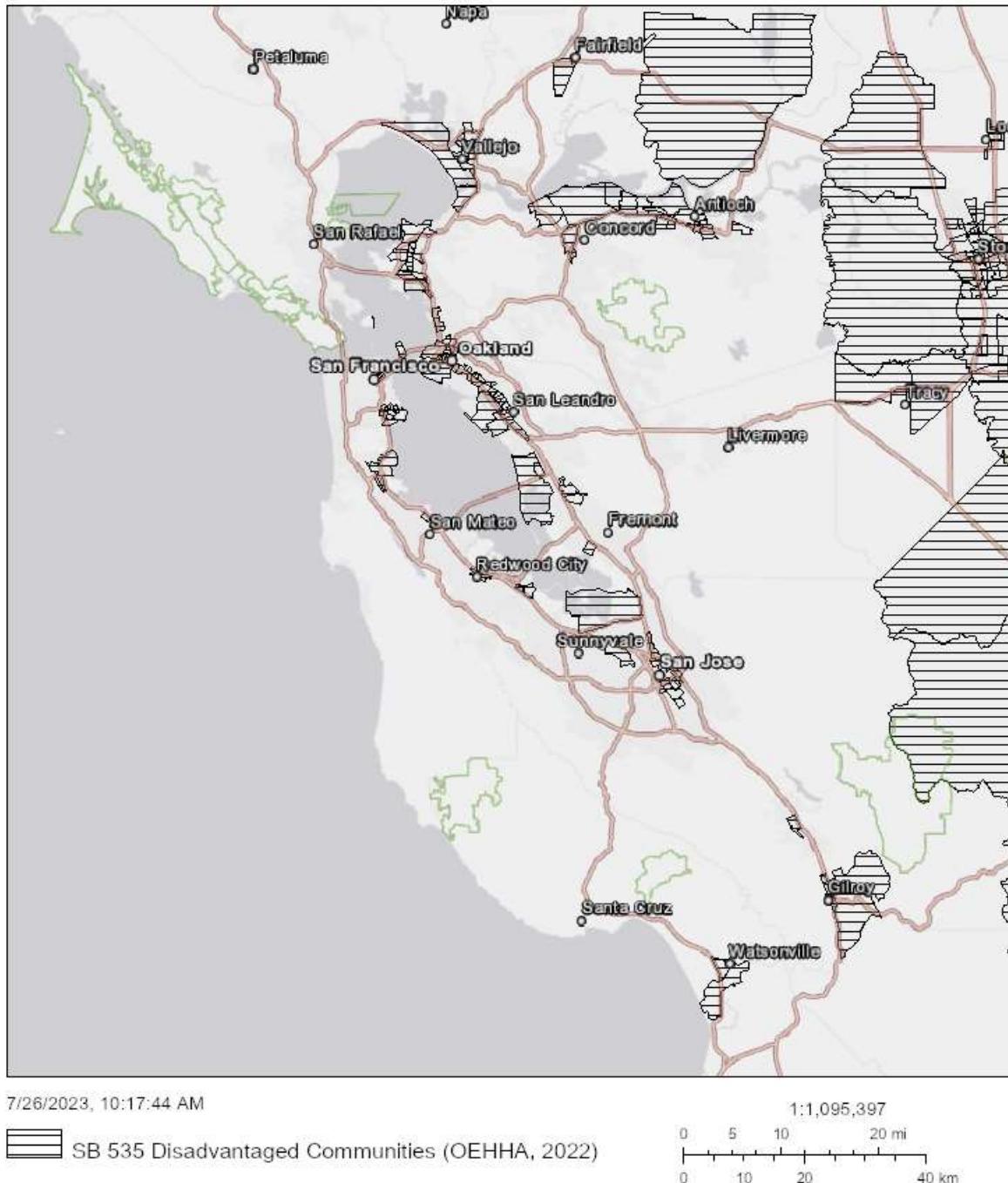
Los Gatos does not have any disadvantaged communities as defined under SB 535 as, “the top 25 percent scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations.”<sup>17</sup> However, there are disadvantaged communities in Santa Clara County and across the region. Disadvantaged communities are mainly concentrated in Sunnyvale, San Jose, Oakland, and San Leandro (Figure A-57).

---

<sup>17</sup> <https://oehha.ca.gov/calenviroscreen/sb535>

## Appendix A. AFFH Report

**Figure A-57. SB 535 Disadvantaged Communities In the Region, 2022**



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

## Disparities Specific to the Population Living with a Disability

Nine percent of the population in Los Gatos is living with at least one disability, compared to eight percent in the county. The most common disabilities in Los Gatos are ambulatory (4.8 percent), independent living difficulty (4.3 percent), and hearing difficulty (3.6 percent).

For the population 65 and over, the share of the population with ambulatory difficulties increases to 18.4 percent, independent living difficulty increase to 15.2 percent, and hearing difficulty was 13.8 percent. 15 percent of residents with a disability were unemployed in 2019, while only four percent unemployment for residents without a disability. Of the population of residents in Los Gatos that are between the ages of 18 and 64, and live with one or more disabilities, approximately 12.5 percent earned an income that was below the poverty level.

Living with one or more disabilities may create challenges in terms of accessibility to transportation, supportive services, and accessible housing units. The Town recognizes these challenges and intends to: allocate funds towards rehabilitating existing units to become more accessible; continue enforcing the “Reasonable Accommodations Ordinance;” promote accessibility design features; and create other housing opportunities for persons living with disabilities.

### Disability

“**Disability types** include hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty.”

Source: California Department of Housing and Community Development Guidance, 2021, page 36.

## A.10 Disproportionate Housing Needs

This section discusses disparate housing needs for protected classes including cost burden and severe cost burden, overcrowding, substandard housing conditions, homelessness, displacement, and other considerations. Figure A-58 provides a summary of disproportionate housing needs in Los Gatos and the County.

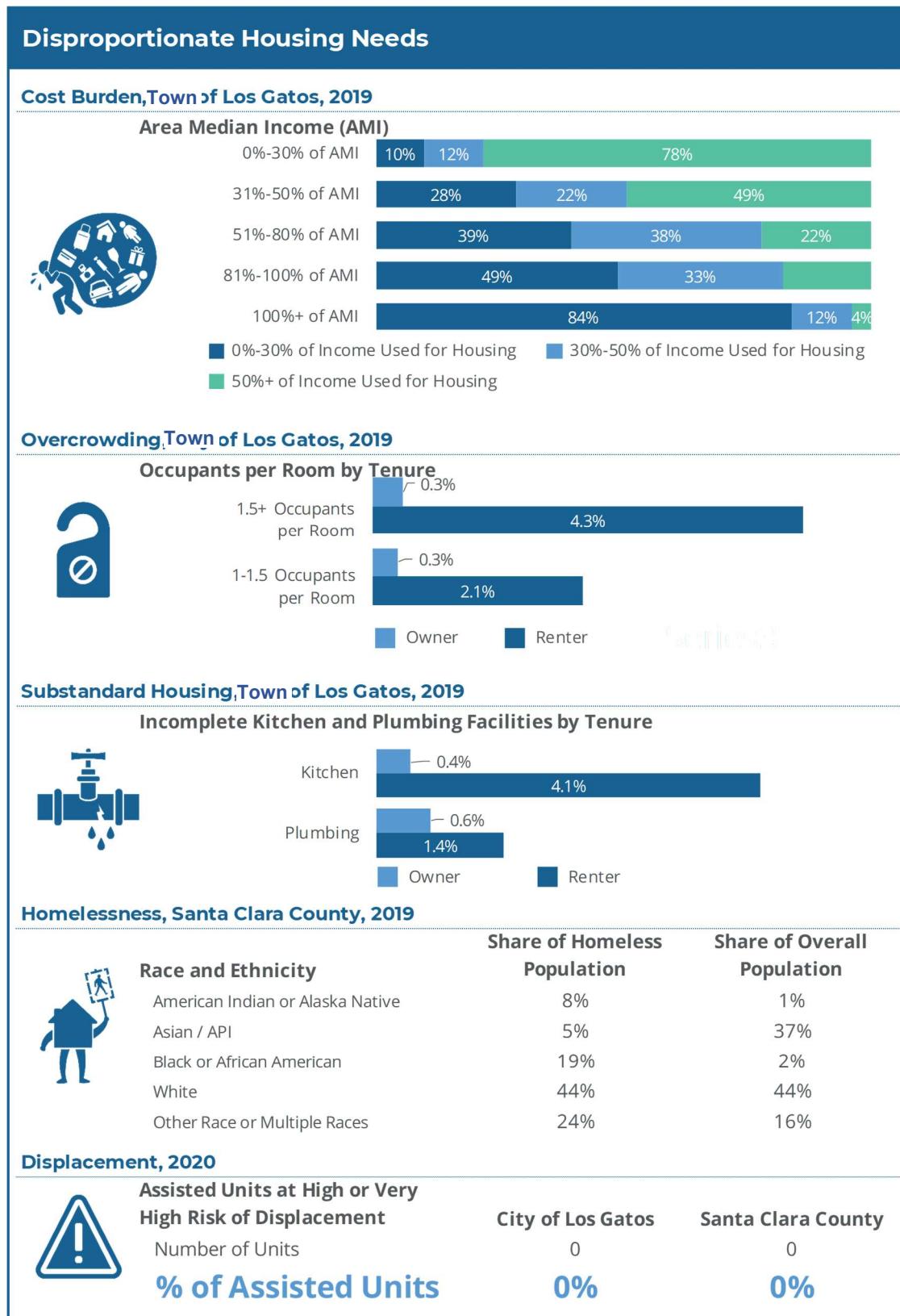
### Disproportionate Housing Needs

“**Disproportionate housing needs** generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.”

Source: California Department of Housing and Community Development Guidance, 2021, page 39.

## Appendix A. AFFH Report

Figure A-58 Disproportionate Housing Needs in Los Gatos and Santa Clara County



Source: California Department of Housing and Community Development AFFH Data Viewer

## **Housing Needs**

Since 2015, the housing that has received permits to accommodate growth has almost exclusively been priced for the higher incomes, with only two units permitted for low-income households and none for very low-income households.

- The vast majority of the Town's homes were built between 1940 and 1979 (69 percent). After this period, housing production slowed, with only three percent of units built since 2010.
- Los Gatos housing is becoming more limited by type with 76 percent single-family units, up from 71 percent in 2010. Multifamily housing, with five or more units, made up the second highest category of units (18 percent); there were sixty-four mobile/manufactured homes in Los Gatos<sup>18</sup>.
- Eighty-four percent of owner-occupied homes in Los Gatos are valued over one million dollars with another 39 percent valued above two million dollars. This compares to 48 percent for the county and 35 percent for the Bay Area overall (Appendix B, Figure B-23). According to the Zillow Home Value Index, home values in Los Gatos are 63 percent higher than home values for the county and almost double the cost of housing in the Bay Area (Appendix B, Figure B-24).
- Rents in Los Gatos are most likely to be at least \$2,000 per month (63 percent); 24 percent rent for \$3,000 per month. While the Town's rental costs higher than in the county, the trend of increasing rental costs matches the changes in the county and Bay Area overall.
- Special needs of individuals with disabilities vary depending on the particular disability. For example, the needs of a blind person differ greatly from those of a person confined to a wheelchair. Special facilities, such as ramps, elevators, or specially designed restrooms necessary for wheelchair access are architectural features needed to make dwellings suitable for persons confined to wheelchairs. Special features needed by ambulatory persons constrained by other disabilities may not be architectural; rather, these might be simple alternatives to conventional dwelling units or furnishings and appliances that make ordinary tasks of housekeeping and home life less trying and more enjoyable. In families, the needs of persons with disabilities, in terms of special features, are fewer than those of a single person. Nevertheless, a person with a disability in a family would still have special needs. Special architectural features could be valuable in giving this person greater independence, dignity, and quality of living.

The 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data indicates there were approximately 2,255 extremely low- and very low-income households living in Los Gatos. Extremely low-income households are those that earn less than 30 percent of the median family income (MFI). Very low-income households are those that earn 50 percent or less of the MFI. There are approximately 1,320 extremely low-income households in Los Gatos (owners and renters). Table A-7 provides data characterizing affordability and cost burden by income group. A total of 670 extremely low-income households in Los Gatos are living in renter-occupied housing units with at least one of the four housing problems. The housing problems identified by CHAS include the following:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burdens, including utilities, exceeding 50 percent of gross income.

For renter-occupied units, extremely low-income households occupied the most units (670) with at least one housing problem. In contrast, owners earning an above moderate-income occupied the most housing units (820) with at least one housing problem. As the income level increases for owner-occupied units, the number of housing units with housing problems decreases with the exception of above moderate-income households.

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<sup>18</sup> Housing Needs Data Report: Los Gatos, ABAG/MTC Staff and Baird + Driskell Community Planning, 2021.

## Appendix A. AFFH Report

Above moderate-income households show a sudden increase in the number of units with at least one housing problem. This may be an indicator of cost burden among above moderate-income households.

**Table A-7 Housing Problems for all Households by Tenure, Los Gatos**

| Income by Housing Problem       | Household has at least 1 of 4 Housing Problems | Household has none of the 4 Housing Problems or Cost Burden not available, no other problems |
|---------------------------------|--|--|
| <b>Owners</b>                   |  |  |
| Less-than or = 30% MFI          | 485  | 110  |
| >30% to less-than or = 50% MFI  | 250  | 275  |
| >50% to less-than or = 80% MFI  | 280  | 355  |
| >80% to less-than or = 100% MFI | 290  | 340  |
| >100% MFI                       | 820  | 4,635  |
| <b>Total</b>                    | <b>2,130</b>                                   | <b>5,710</b>   |
| <b>Renters</b>                  |  |  |
| Less-than or = 30% MFI          | 670  | 55   |
| >30% to less-than or = 50% MFI  | 315  | 95   |
| >50% to less-than or = 80% MFI  | 400  | 165  |
| >80% to less-than or = 100% MFI | 305  | 225  |
| >100% MFI                       | 290  | 1,725  |
| <b>Total</b>                    | <b>1,980</b>                                   | <b>2,260</b>   |

\*The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.

\*\*The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2013-2017.

Note: MFI = HUD Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. MFI will not necessarily be the same as other calculations of median incomes (such as Census number), due to a series of adjustments that are made.

The projected RHNA for extremely low-income households was based on the assumption that 50 percent of very low-income households qualify as extremely low-income households.<sup>19</sup> The very low-income housing need is 537 housing units, which allows the Town to estimate 268 housing units as the extremely low-income housing need.

To address the needs of extremely low-income households, the Town will adopt housing programs to facilitate the construction of affordable and supportive housing for extremely low-income households. Programs that will directly impact extremely low-income households include:

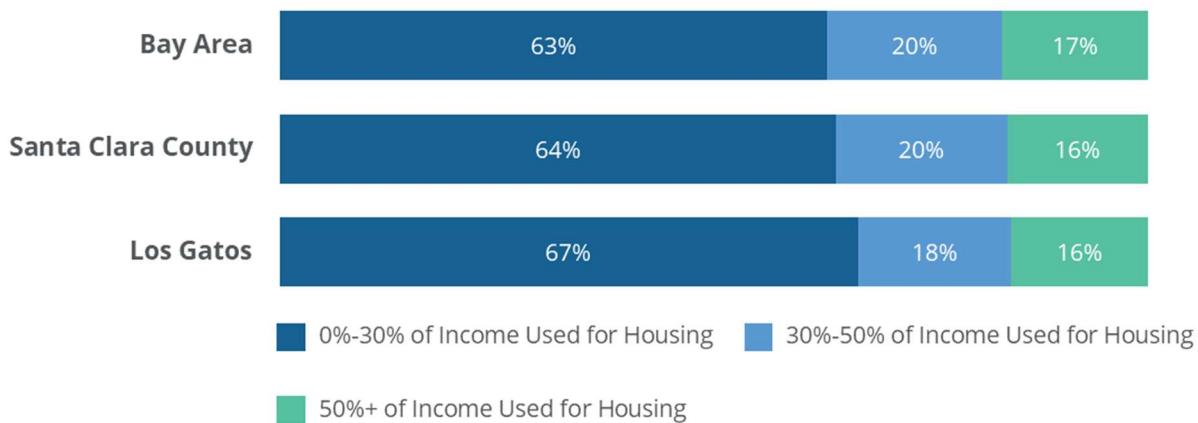
- Implementation Program N: Funds for Development for Extremely Low-Income (ELI) Households;
- Implementation Program AI: Countywide Home Repair Program; and
- Implementation Program O: Affordable Housing Development.

All housing policies and programs can be found in Section 10.6 of the Housing Element.

### **Cost Burden and Severe Cost Burden**

Cost burden occurs when household spend more than 30 percent of their gross household income on housing costs. Despite Los Gatos' comparably high housing costs, rates of cost burden are slightly better than the County and Bay Area (Figure A-59). This is indicative of a market with high barriers to entry meaning households need higher incomes to live in Los Gatos and surrounding areas.

**Figure A-59 Overpayment (Cost Burden) by Jurisdiction, 2019**



Source: ABAG Housing Needs Data Workbook

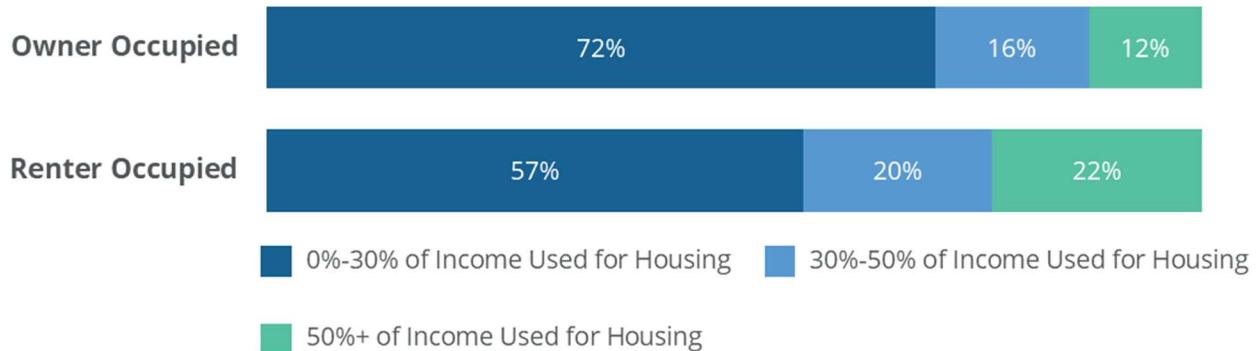
Cost burden does vary by tenure (renter or ownership) in Los Gatos, Figure A-60 with more renters experiencing cost burden and severe cost burden than owners.

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<sup>19</sup> <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs>

## Appendix A. AFFH Report

**Figure A-60 Overpayment (Cost Burden) by Tenure, Los Gatos, 2019**



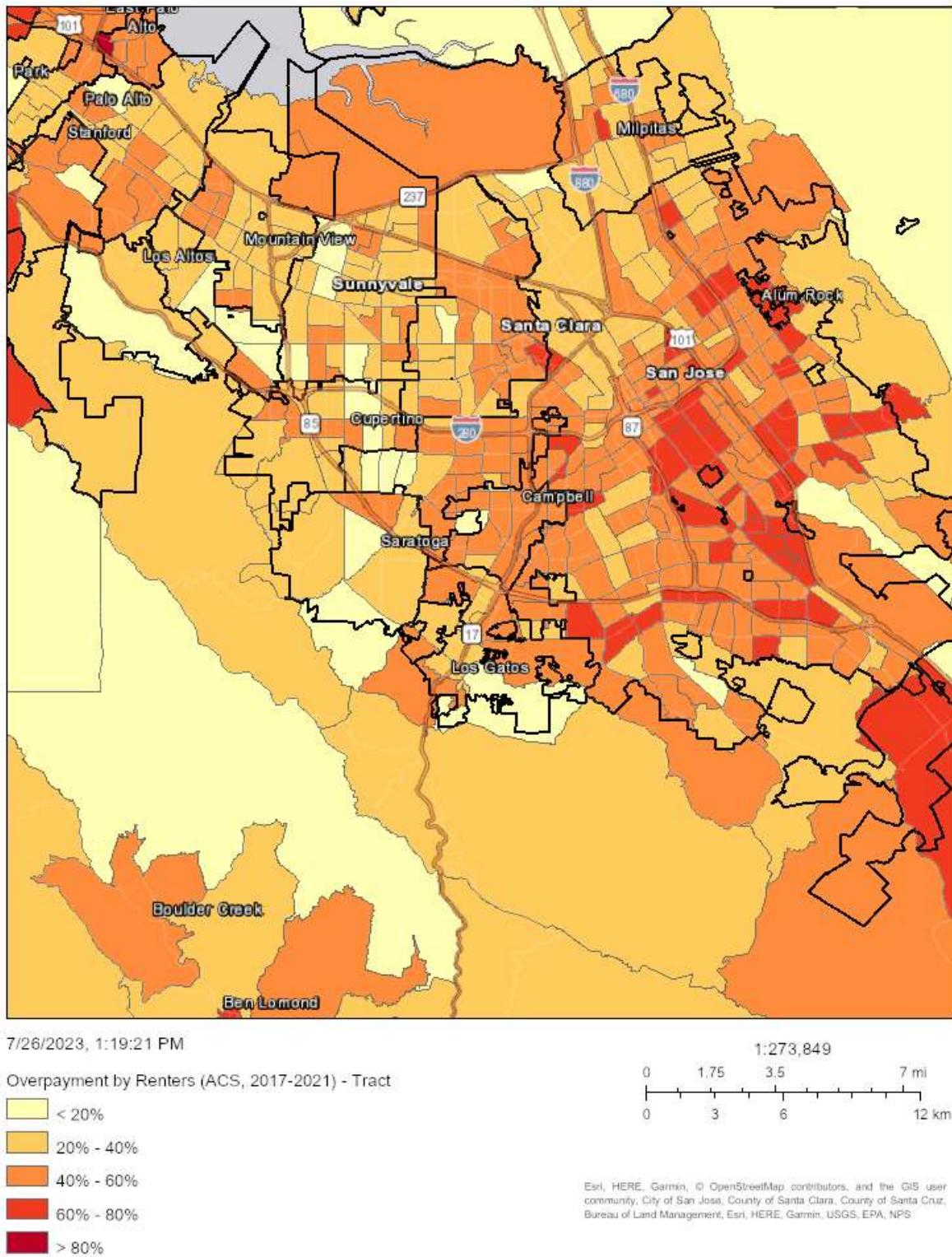
Source: ABAG Housing Needs Data Workbook

Figures A-61 and A-62 map the distribution of cost burdened renters overpaying for their housing in Los Gatos and the region overall.

Key findings at the town, county, and regional levels include:

- There is only one census tract in Los Gatos where less than 20 percent of renters are overpaying for their housing. The rest of the city ranges between 20 percent to 60 percent of cost burdened renters. These patterns are relatively similar to Saratoga but far different from Campbell and San Jose where most renters are cost burdened.
- In Santa Clara County, San Jose has a comparatively larger share of cost burdened renters with multiple census tracts showing 60 percent to 80 percent of renters as cost burdened. This could be related to San Jose's comparatively low household income.
- The region overall follows similar trends though cost burden is substantially more prominent among renters in Napa, Vallejo, Fairfield, Concord, Oakland, Santa Cruz, and Watsonville. These trends are unsurprising given rising housing costs across the Bay Area.

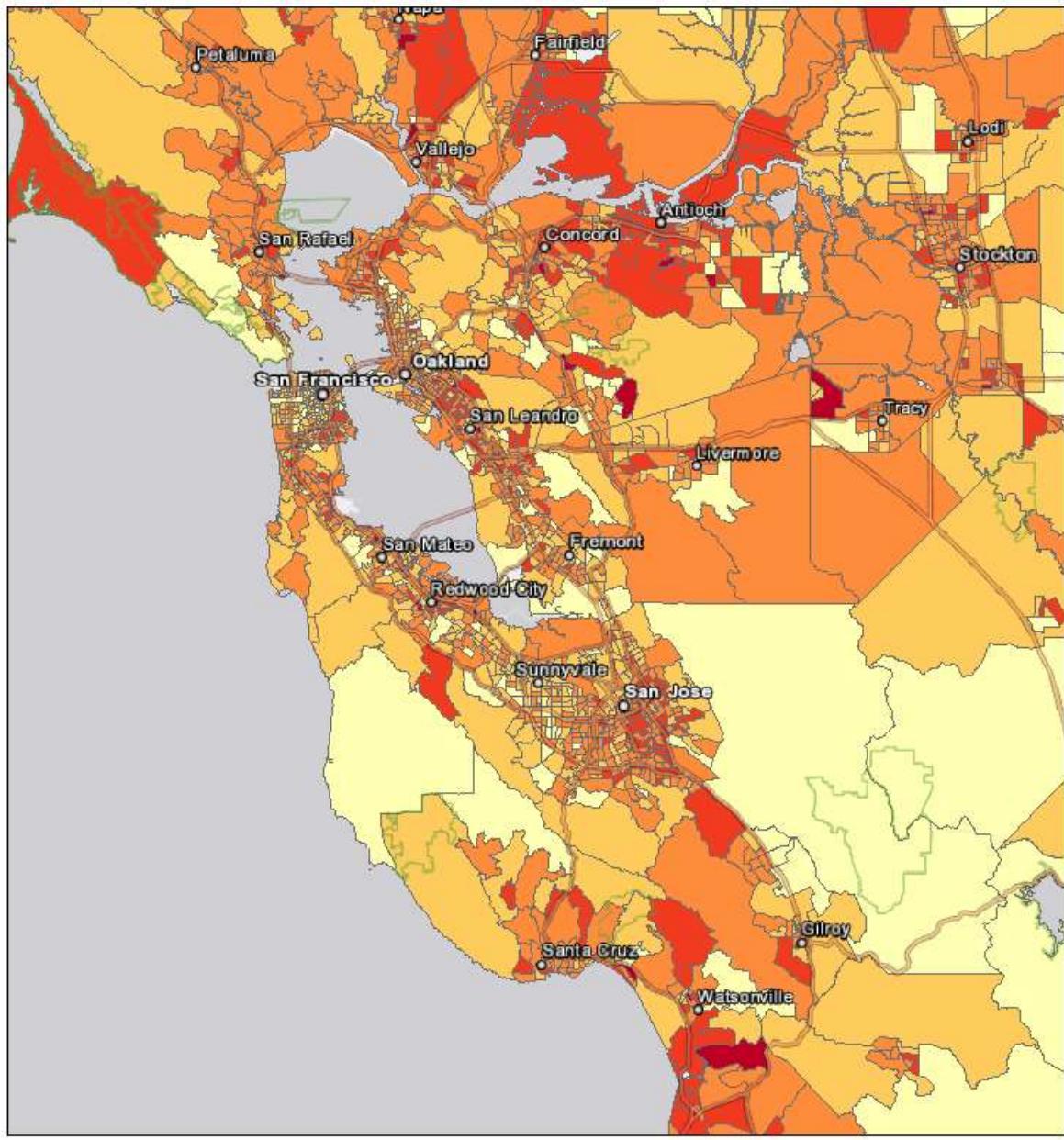
**Figure A-61. Overpayment (Cost Burden) by Renters by Census Tract, Los Gatos, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

**Figure A-62. Overpayment (Cost Burden) by Renters in the Region by Census Tract, 2021**



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Overpayment by Renters (ACS, 2017-2021) - Tract

0 5 10 20 20 mi  
0 10 20 40 km

- █ < 20%
- █ 20% - 40%
- █ 40% - 60%
- █ 60% - 80%
- █ > 80%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

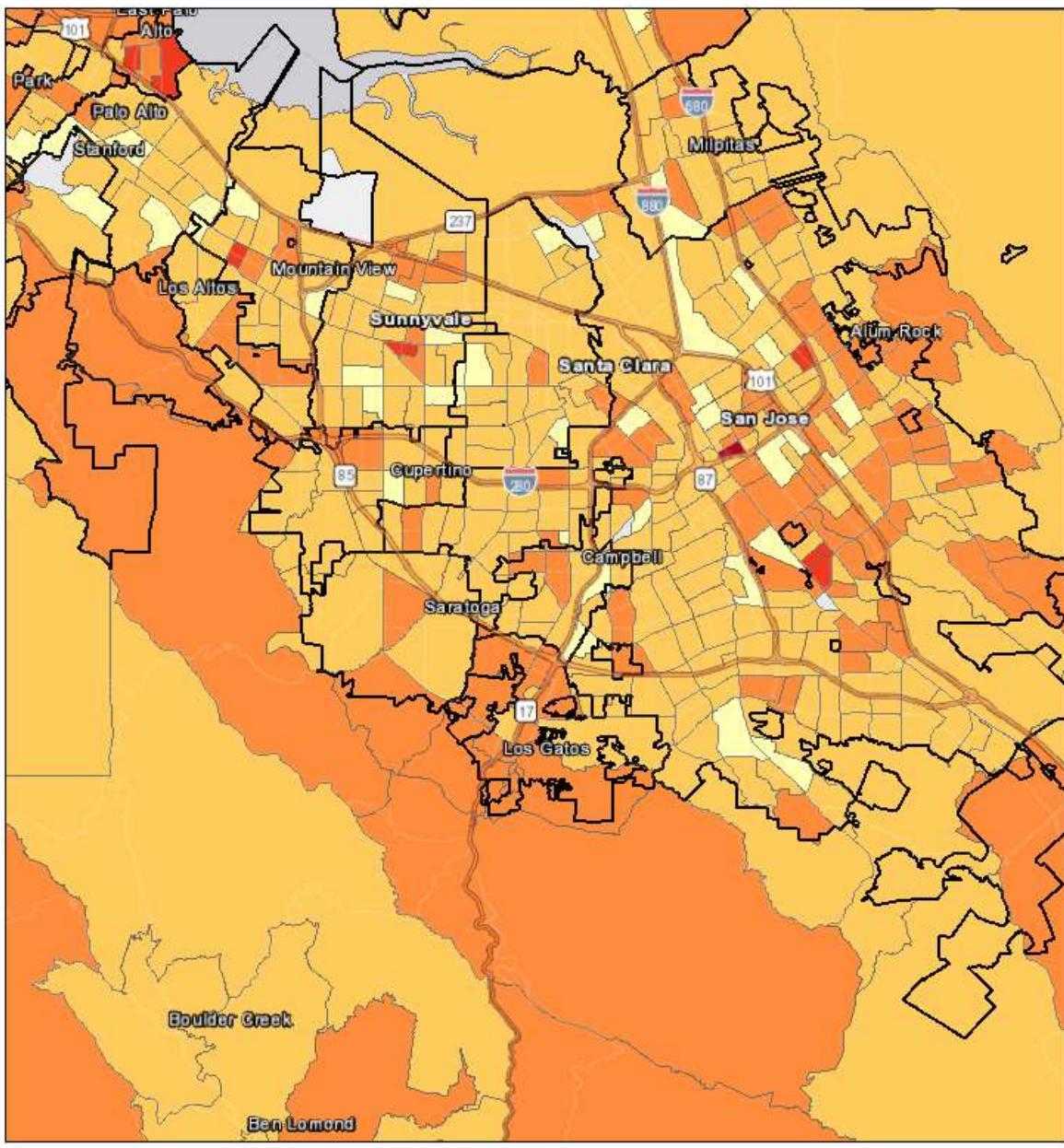
Source: California Department of Housing and Community Development AFFH Data Viewer.

Figures A-63 and A-64 show cost burden by owner households in Los Gatos and the region. As shown in the maps:

- Census tracts in Los Gatos with the smallest concentration of cost burdened renters has the largest concentration of homeowners overpaying for their housing;
- Homeowners are more likely to be cost burdened in Los Gatos than surrounding areas, excluding San Jose which has a census tract where more than 80 percent of owners are cost burdened;
- Homeowners are cost burdened across the Bay Area region specifically in San Francisco, Redwood City, Watsonville, Santa Cruz, and areas neighboring Stockton and Tracy; and
- These patterns indicate a widespread housing affordability problem where owners are occupying units they cannot afford. Exacerbated by rising housing costs, owners across the region are at a greater risk of displacement and or long-term housing instability.

## Appendix A. AFFH Report

**Figure A-63. Overpayment (Cost Burden) by Homeowners by Census Tract, Los Gatos, 2021**



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Overpayment by Homeowners (ACS, 2017-2021) - Tract

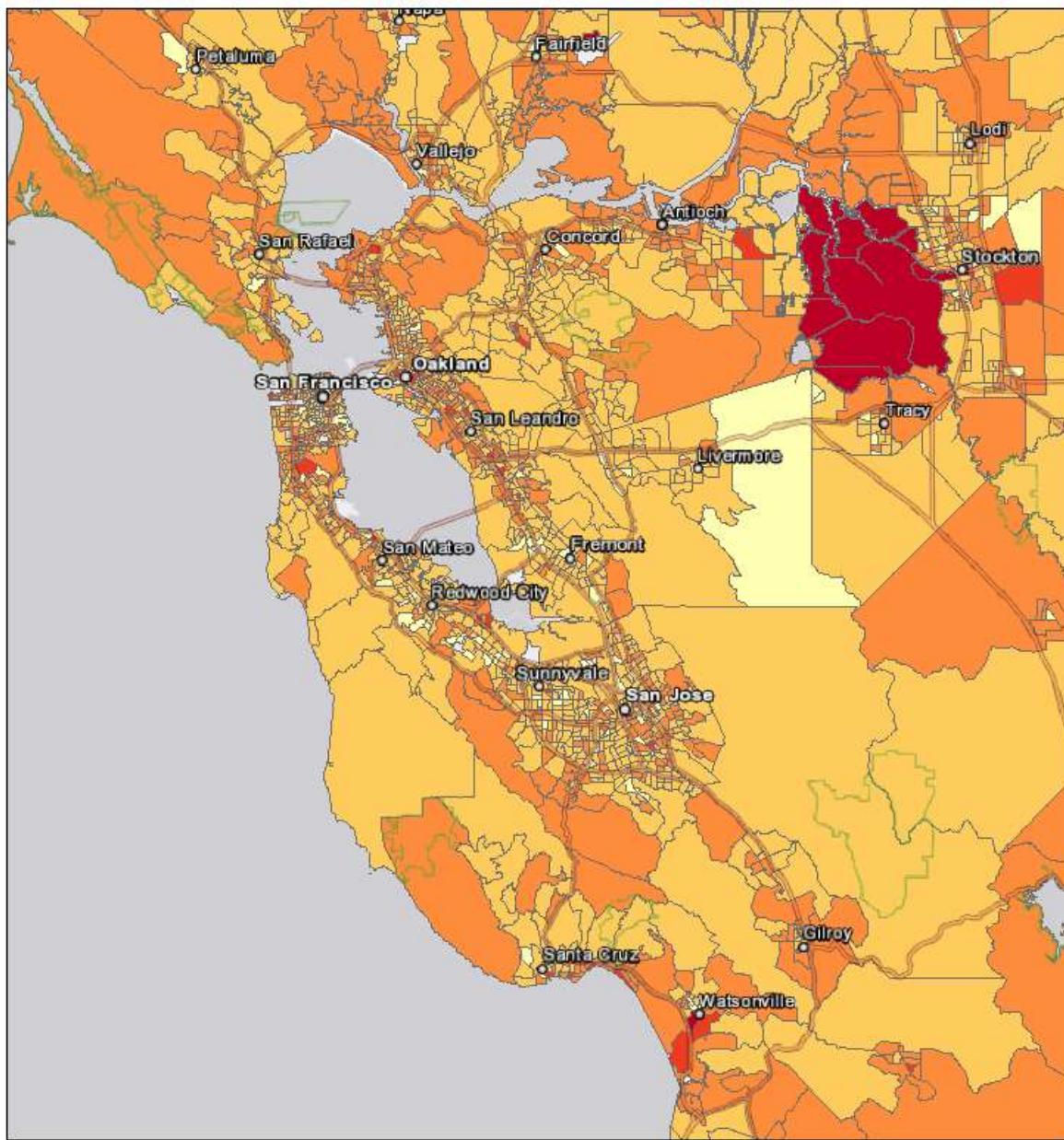
- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%
- > 80%

0 1.75 3.5 6 7 mi  
 0 3 6 12 km

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-64 Overpayment (Cost Burden) by Homeowners In the Region 2021**



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS.

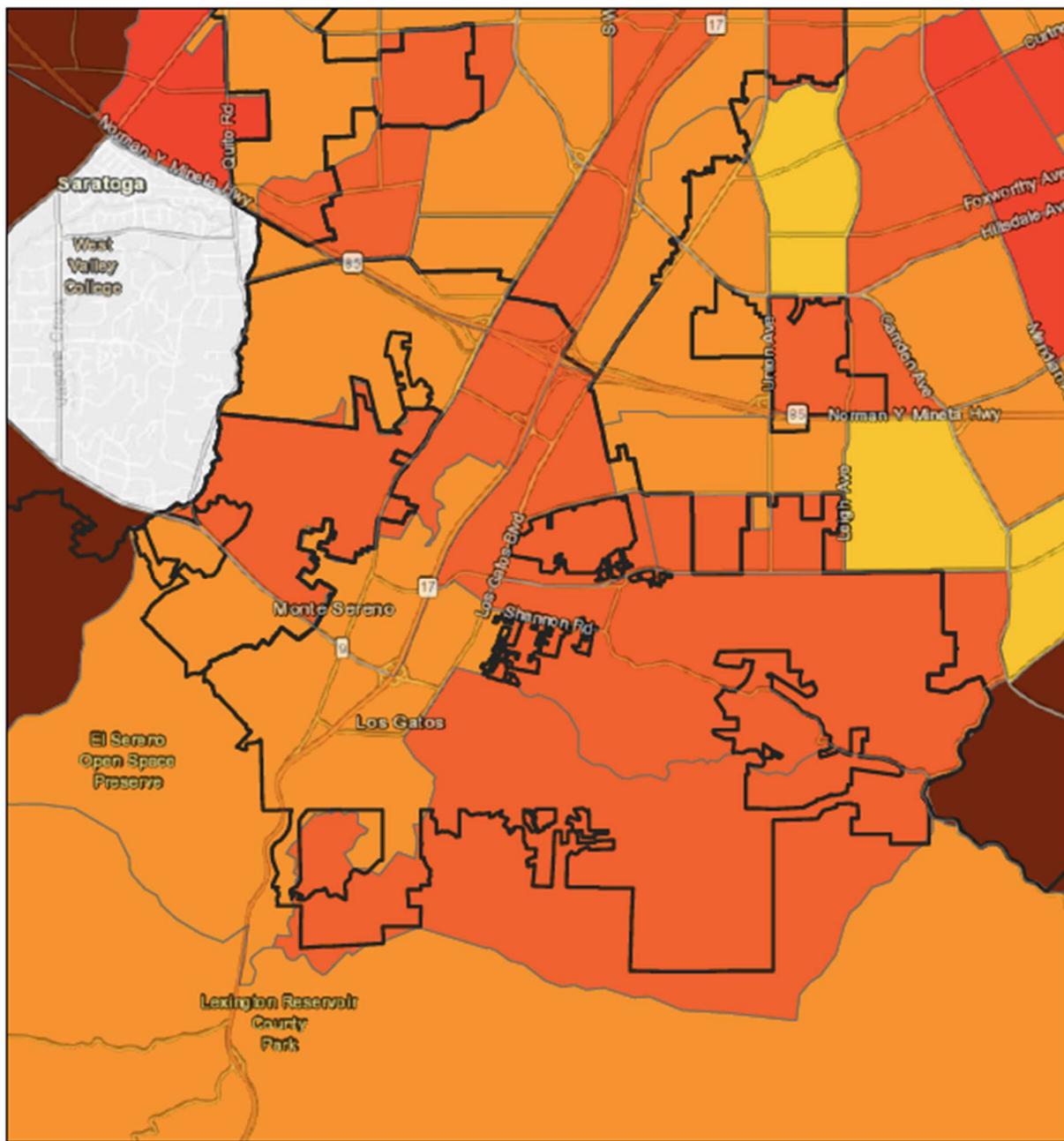
Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

Figure A-65 illustrates the Location Affordability Index (LAI) for Los Gatos, which is an indicator of housing and transportation costs at the neighborhood level. The Town's LAI suggests that the majority of residents are estimated to spend between \$2,000 and \$2,500 per month on housing and transportation costs combined.

When comparing cost burden for renter households by census tract (Figure A-31) and LAI (Figure A-33), it can be inferred that concentrations of renter cost burden are highest (40-60 percent concentration) where LAI are actually lower (estimated to spend less than \$2,000). As stated earlier, this is indicative of a market with high barriers to entry.

Figure A-65 Location Affordability Index by Census Tract, Los Gatos, 2019



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City/Town Boundaries

<\$2,500

0 0.5 1 2 mi

(R) Location Affordability Index (HUD) - Tract

<\$3,000

0 0.75 1.5 3 km

<\$1,500

<\$2,000

City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD

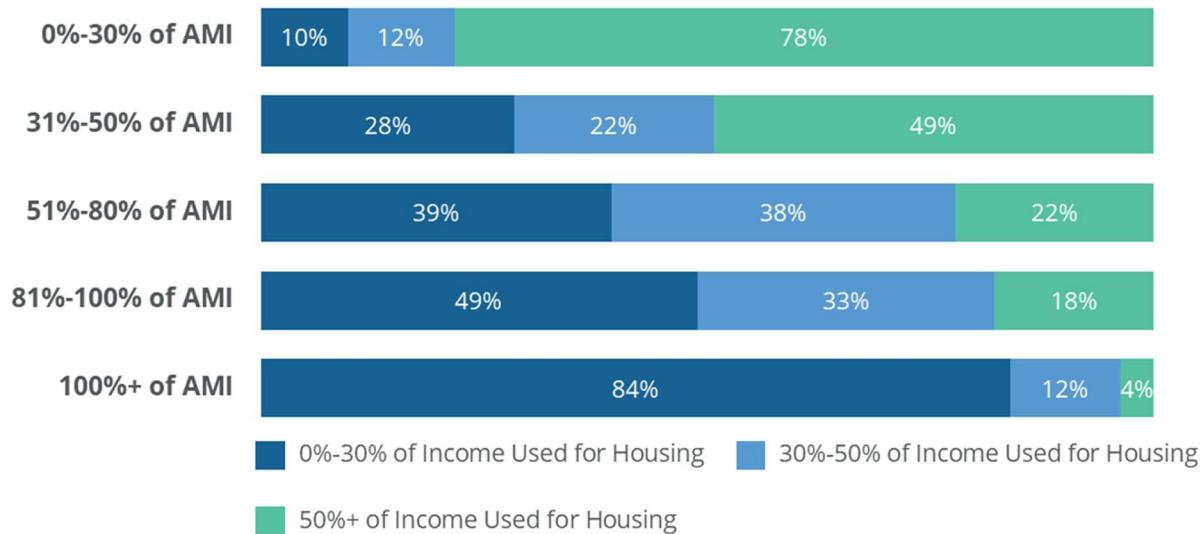
City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA | PlaceWorks 2021, HUD 2019 | PlaceWorks

Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

Cost burden by income in Los Gatos decreases for each increase in earned income (AMI category) with a vast difference between the highest and lowest income groups (Figure A-66). Seventy-eight percent of the lowest income group (zero percent to 30 percent of AMI) pay more than 50 percent of their gross household incomes in housing costs.

**Figure A-66 Overpayment (Cost Burden) by AMI, Los Gatos, 2019**

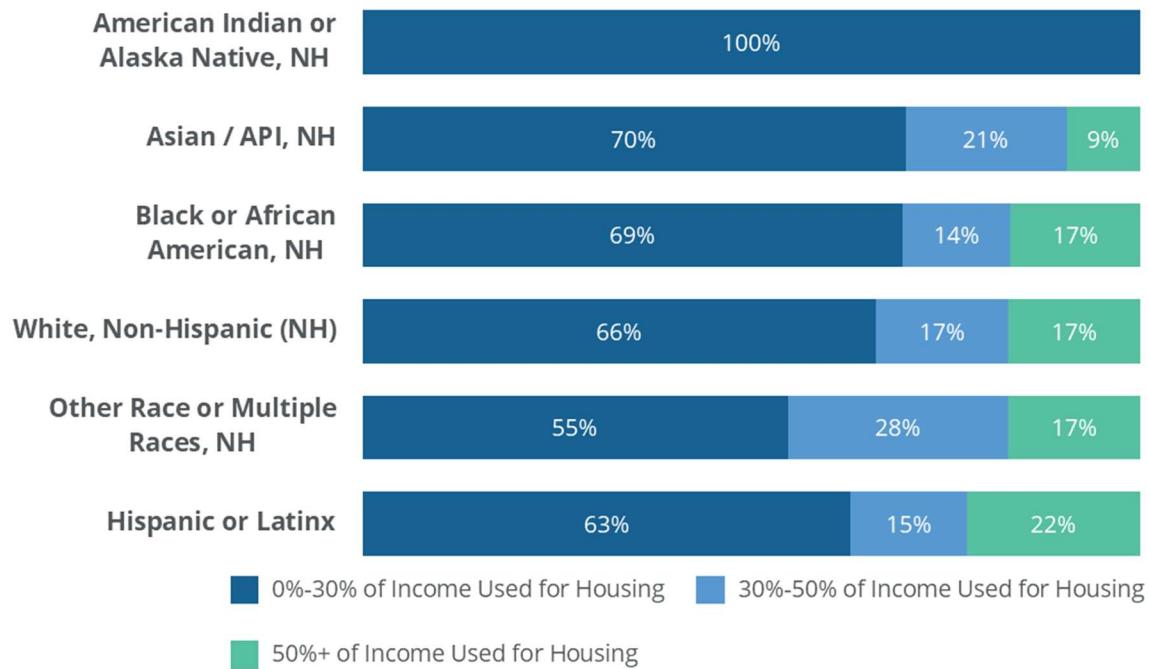


Source: ABAG Housing Needs Data Workbook

The lack of publicly subsidized housing and opportunity for use of Housing Choice Vouchers limits the ability of low-income households (who are typically cost burdened) to live in the Town.

There is consistency in housing cost burden in Los Gatos by race and ethnicity. All households have similar shares of residents paying less than 30 percent of their income on housing. Hispanic and Black/African American residents were the only groups to experience a greater percentage of households spending 50 percent or more of their income than 30 percent to 50 percent of their income, indicating larger shares of extreme cost burdens.

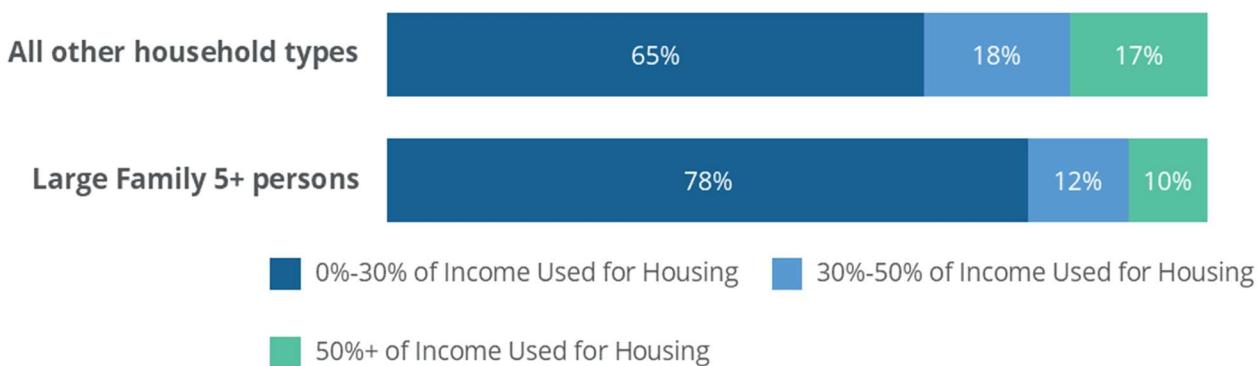
**Figure A-67 Overpayment (Cost Burden) by Race and Ethnicity, Los Gatos, 2019**



Source: ABAG Housing Needs Data Workbook

When analyzing cost burden by family size in Los Gatos, households with five or more persons experience less cost burden (22 percent) compared to all other household types (35 percent) (Figure A-72).

**Figure A-68 Overpayment (Cost Burden) by Family Size, Los Gatos, 2019**



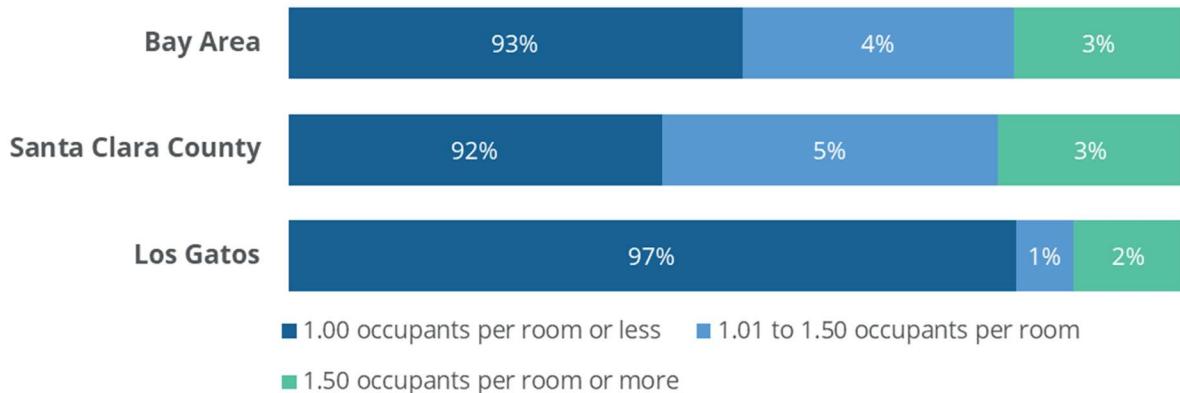
Source: ABAG Housing Needs Data Workbook

## Overcrowding

The vast majority of households (97 percent) in Los Gatos are not overcrowded (less than the County and Bay Area) as indicated by more than one occupant per room (Figure A-73). Renter households are more likely to be overcrowded, with approximately four percent of renter households with more than one occupant per room (Figure A-69).

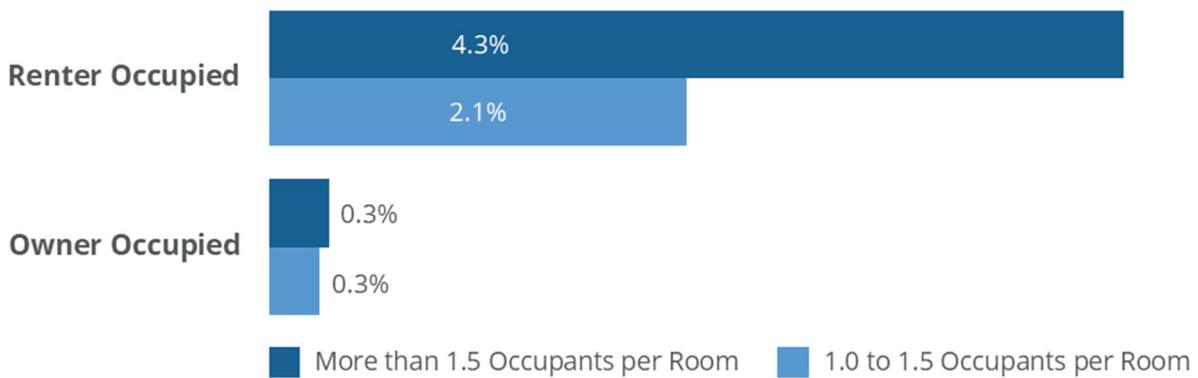
## Appendix A. AFFH Report

**Figure A-69 Occupants per Room by Jurisdiction, 2019**



Source: ABAG Housing Needs Data Workbook

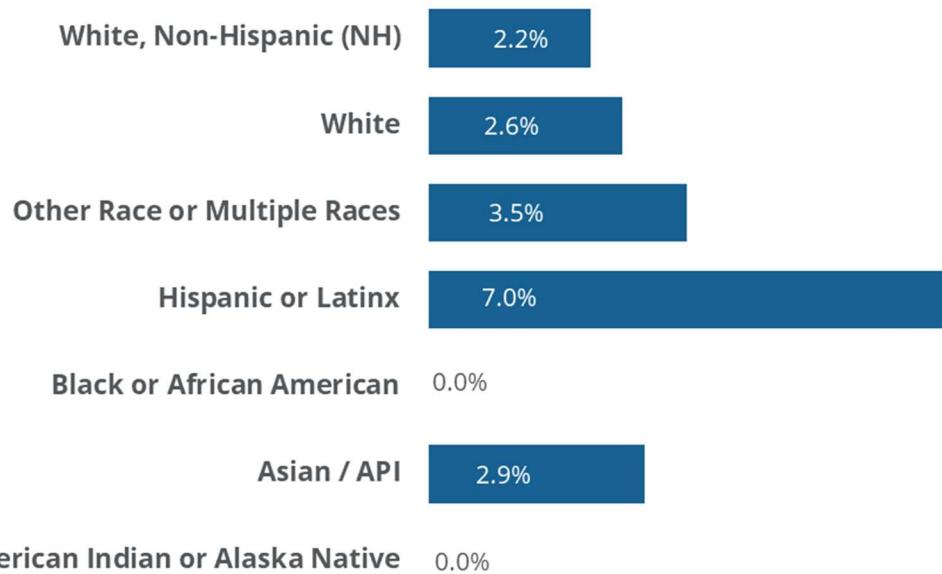
**Figure A-70 Occupants per Room by Tenure, Los Gatos, 2019**



Source: ABAG Housing Needs Data Workbook

Hispanic residents experience the highest rates of overcrowding (Figure A-71). The rest of the Town's population experiences approximately 2 percent to 3.5 percent overcrowding.

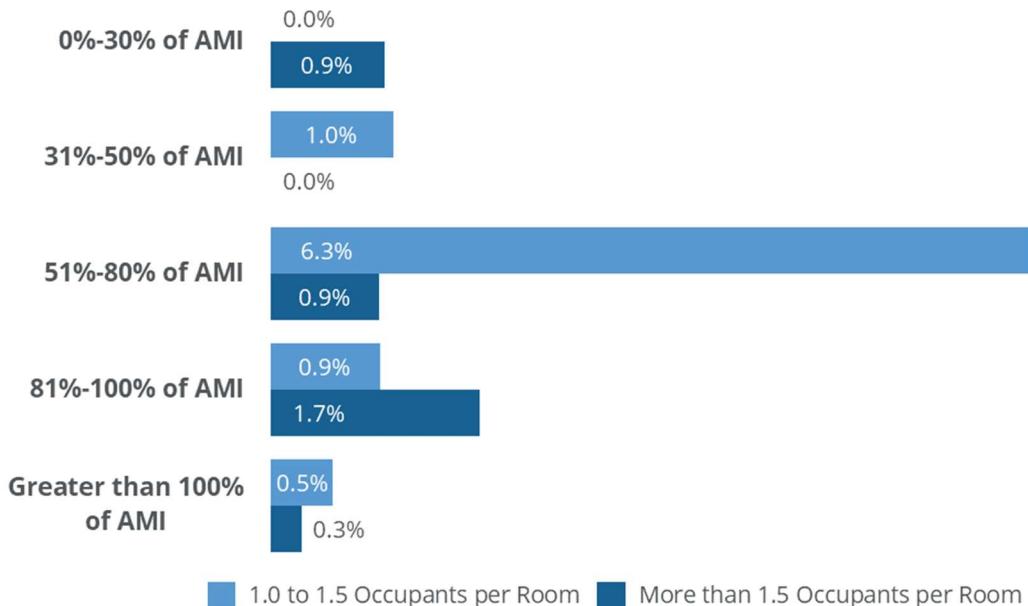
**Figure A-71 Overcrowding by Race and Ethnicity, Los Gatos, 2019**



Source: ABAG Housing Needs Data Workbook

Figure A-72 illustrates occupants per room by AMI in Los Gatos. In Los Gatos, moderate-income households experience the highest rate of overcrowding (1.7 percent) followed by low-income households (0.9 percent) and extremely low-income households (0.9 percent). Moreover, extremely low-income households report only experiencing overcrowded housing conditions (0.9 percent). This may be an indicator of limited housing options for extremely low-income households in the Town.

**Figure A-72 Occupants per Room by AMI, Los Gatos, 2019**



Source: ABAG Housing Needs Data Workbook

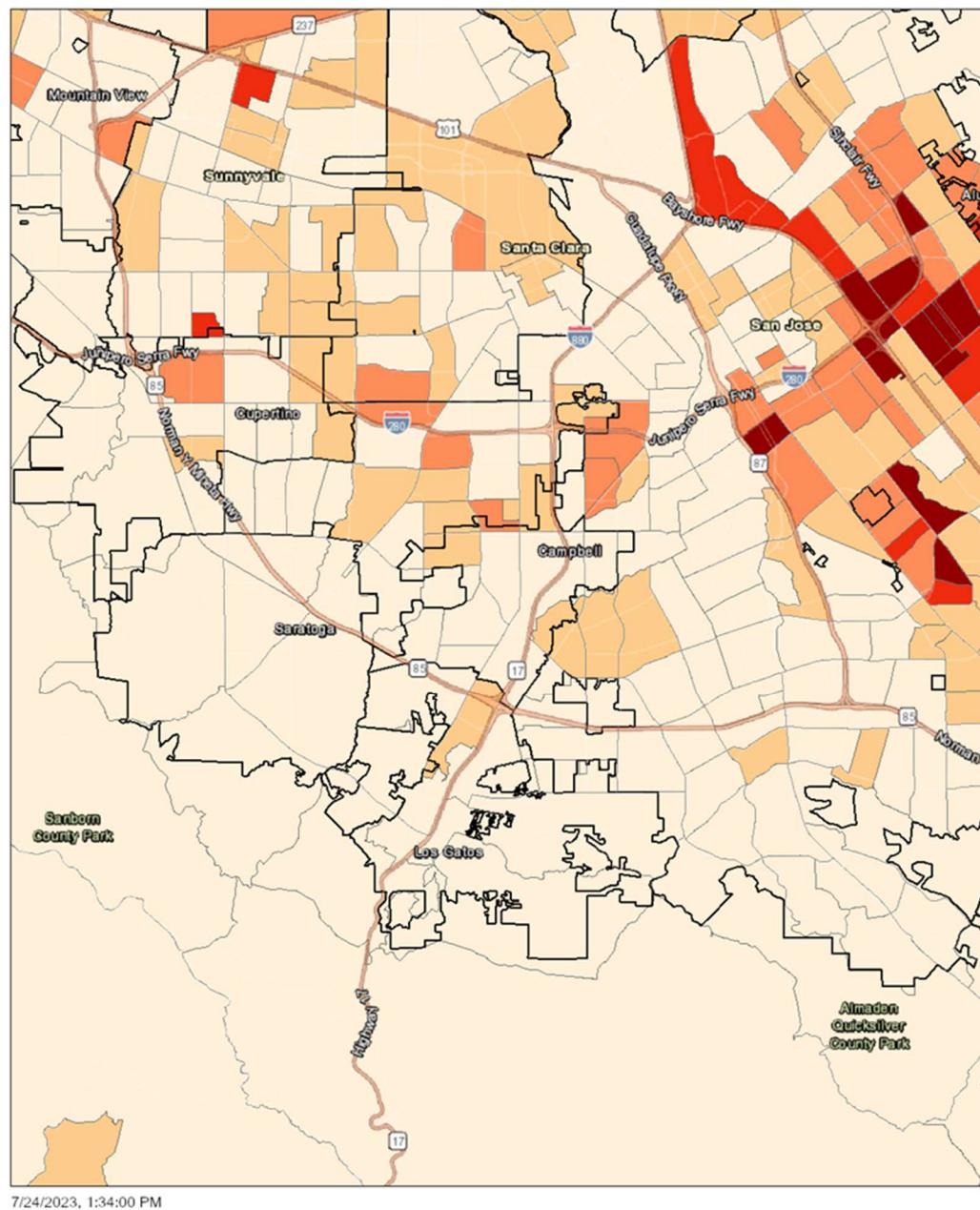
## Appendix A. AFFH Report

Figures A-73 and A-74, illustrate the percentage of overcrowded households in Los Gatos and the Bay Area region. Los Gatos and surrounding areas of Campbell, Saratoga and most of Cupertino have similar rates of overcrowding at less than 5 percent of the total resident population. Percentages of overcrowding are higher in San Jose and Santa Clara census tracts along with a few areas in Sunnyvale.

Key findings from the regional analysis include:

- Overcrowding is most prominent in areas near Oakland, San Leandro, Redwood City, San Jose, Stockton, and Watsonville.
- San Francisco has surprisingly lower rates of overcrowding in line with Los Gatos and Santa Clara County (in part). This could be the result of larger units available to residents and or high household incomes in these areas. With more income, households are able to rent/purchase larger homes that meet their size needs.

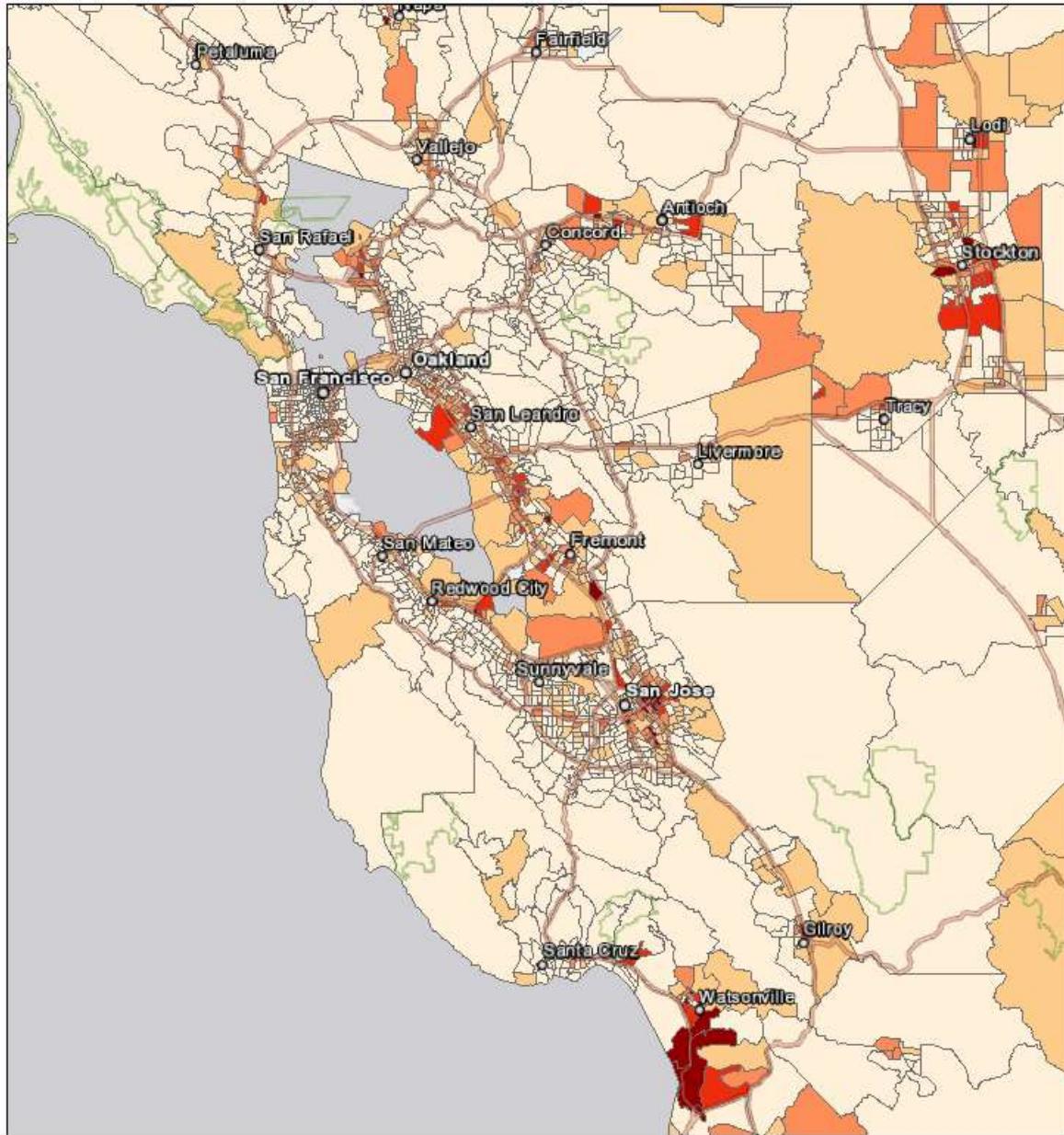
Figure A-73 Overcrowding by Census Tract, Los Gatos, 2021)



Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

**Figure A-74. Regional Overcrowding by Census Tract, 2021**



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Overcrowding (ACS, 2017 - 2021) - Tract

0 5 10 20 20 mi  
 0 10 20 40 km

- Less than 5%
- 5% - 10%
- 10% - 15%
- 15% - 20%
- More than 20%

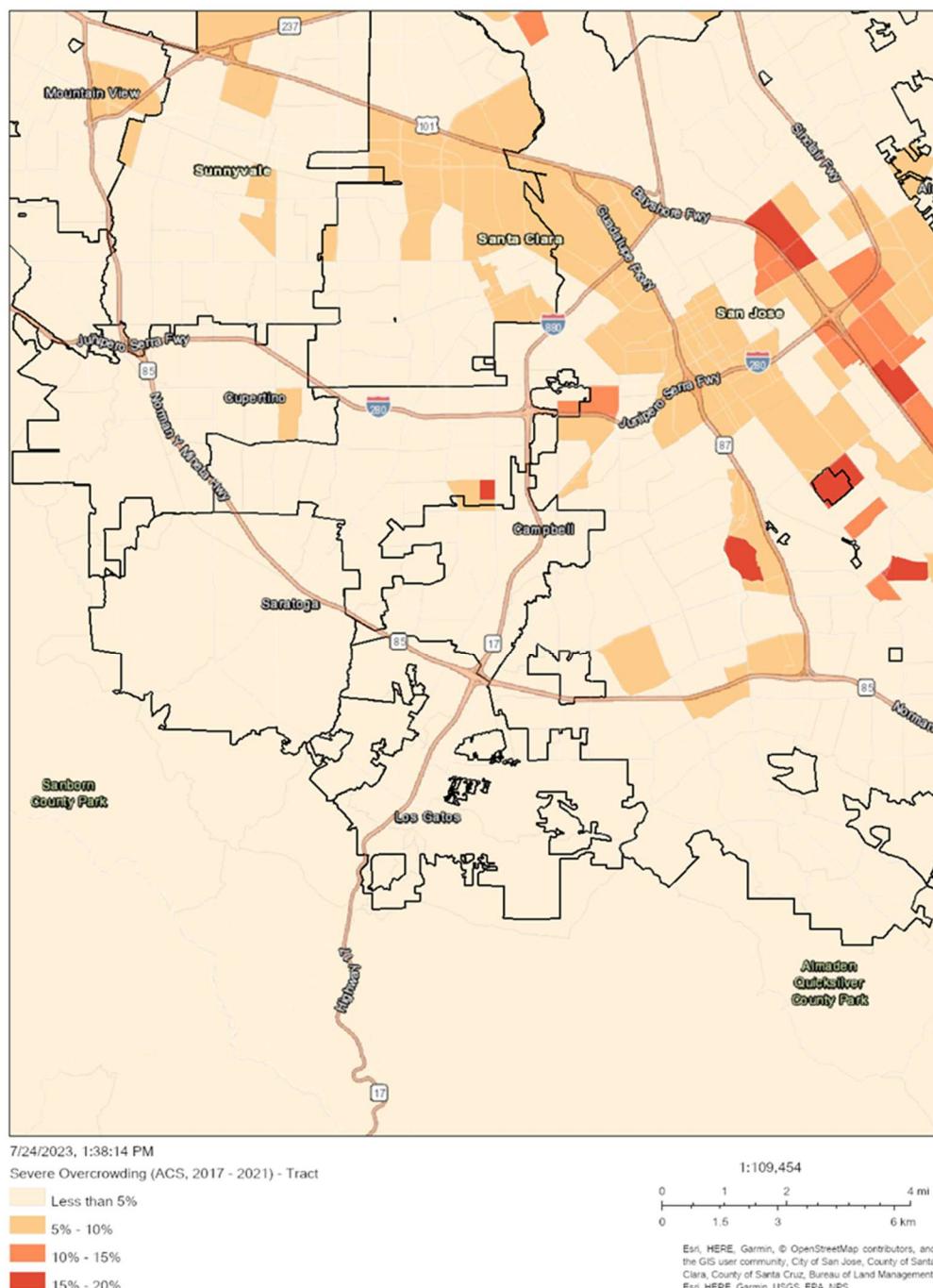
Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer

Given patterns of overcrowding in Los Gatos and the county, severe overcrowding is most notable in San Jose, Santa Clara, and parts of Sunnyvale. These areas overlap with areas that have greatest shares of overcrowding. Less than five percent of households in Los Gatos, Saratoga, Campbell and the immediate surrounding areas are severely overcrowded.

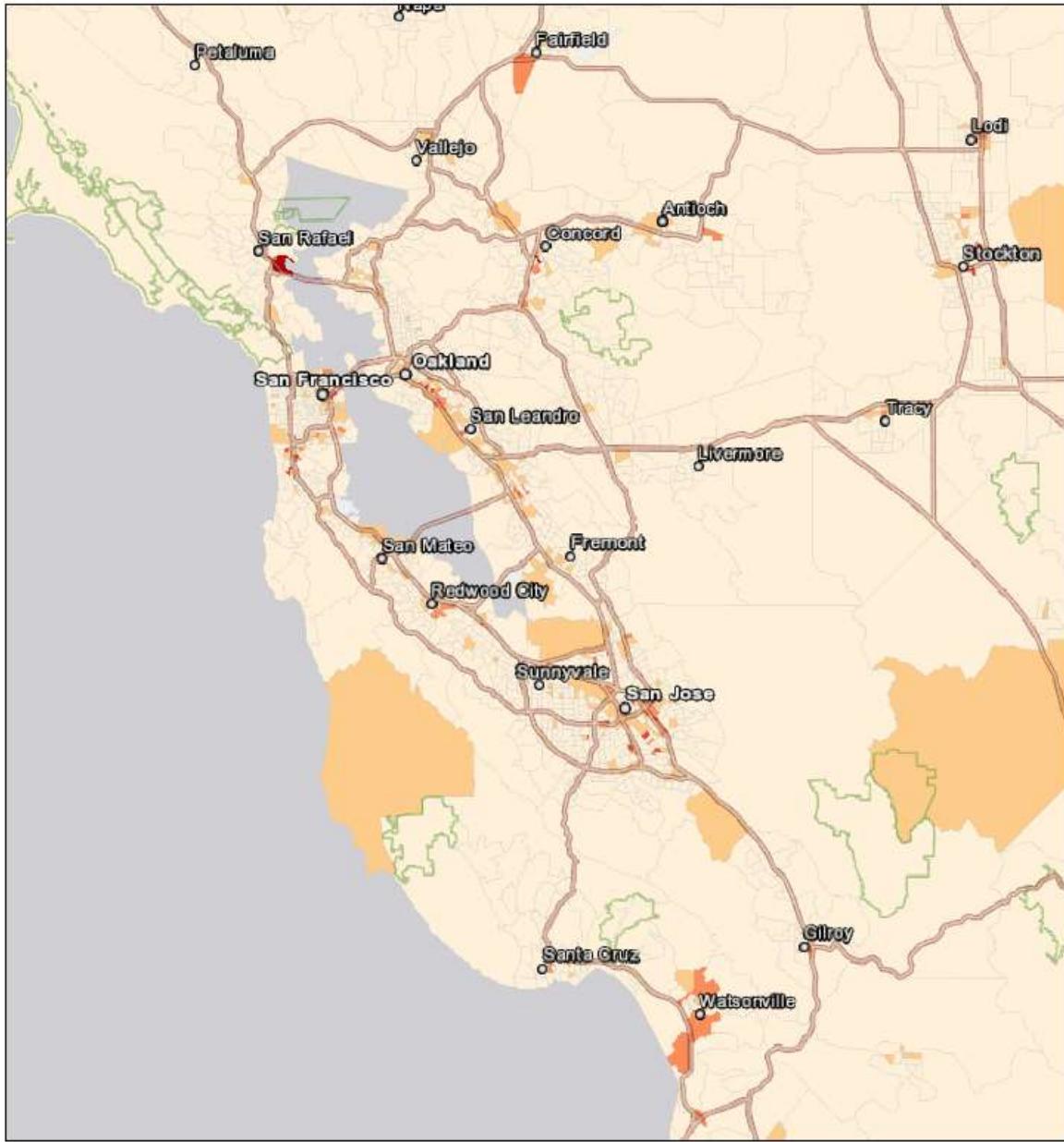
These findings are consistent with the Bay Area overall with the largest concentration of severely overcrowded households located in San Rafael followed by areas in San Francisco, Oakland, San Jose, and Watsonville.

**Figure A-75 Severe Overcrowding by Census Tract, Los Gatos, 2021**



## Appendix A. AFFH Report

**Figure A-76. Serve Overcrowding by Census Tract In the Region, 2021**



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Severe Overcrowding (ACS, 2017 - 2021) - Tract

0 5 10 20 40 mi  
 0 10 20 40 km

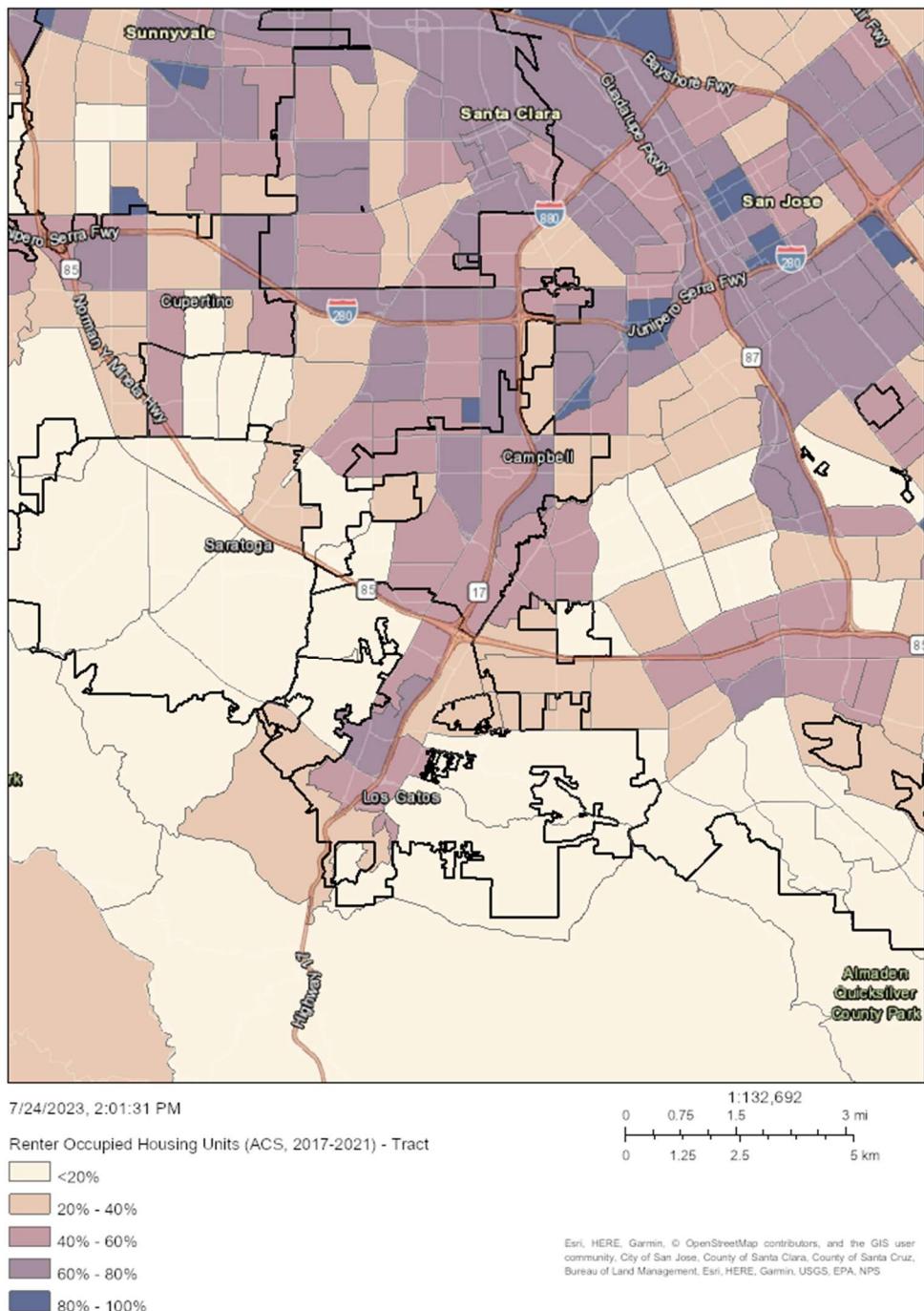
- Less than 5%
- 5% - 10%
- 10% - 15%
- 15% - 20%
- More than 20%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

Los Gatos does not have a large area occupied by a high percentage of renters. There are fewer renters in Saratoga with only one section of Saratoga with 20 percent to 40 percent of residents being renters. San Jose, Sunnyvale, Santa Clara, and Campbell all have higher percentages of renters than Los Gatos.

**Figure A-77 Renter Occupied Housing Units (ACS, 2017-2021)**



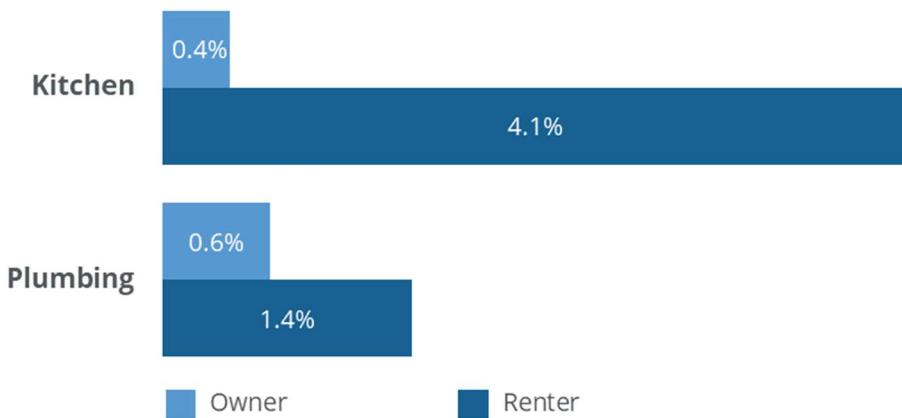
Source: California Department of Housing and Community Development AFFH Data Viewer

## Appendix A. AFFH Report

### Substandard Housing

Data on housing condition are limited, with the most consistent data available across jurisdictions found in the American Community Survey (ACS), which captures units in substandard condition as self-reported in Census surveys. Renters in Los Gatos report living in substandard housing in 5.5 percent of housing units, with the more units lacking complete kitchen facilities (4.1 percent). As shown in Figure A-78, about 0.4 percent of owner households are lacking complete kitchens and 0.6 percent lack complete plumbing.

**Figure A-78 Percent of Units Lacking Complete Kitchen and Plumbing Facilities, Los Gatos, 2019**



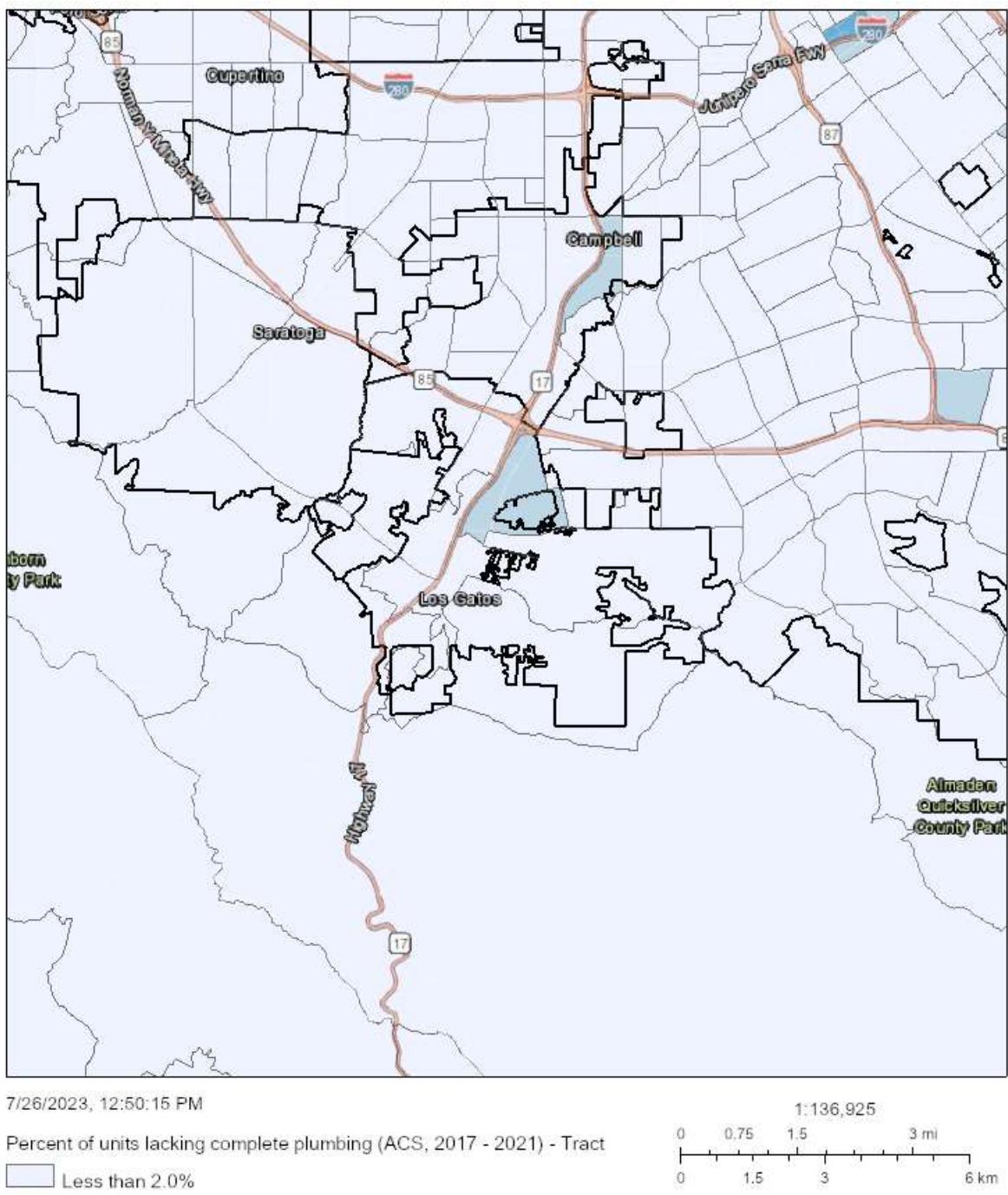
Source: ABAG Housing Needs Data Workbook

Figures A-79 and A-80 show the percent of units lacking complete plumbing facilities in Los Gatos and the region.

Primary findings and regional differences are summarized below.

- Only one census tract in Los Gatos show two to five percent of units as lacking complete plumbing facilities. Less than two percent of units lack complete plumbing for the rest of the town.
- Campbell follows similar trends as Los Gatos with one census tract having a larger supply of units without complete plumbing. Saratoga and Cupertino have no concentrations of such units with less than two percent of units lacking plumbing across both cities.
- Regional trends are similar to Santa Clara County: very few census tracts have a large supply of units lacking complete plumbing. Comparatively greater concentrations are located in Sunnyvale, San Jose, Santa Cruz, San Francisco, and Brentwood.

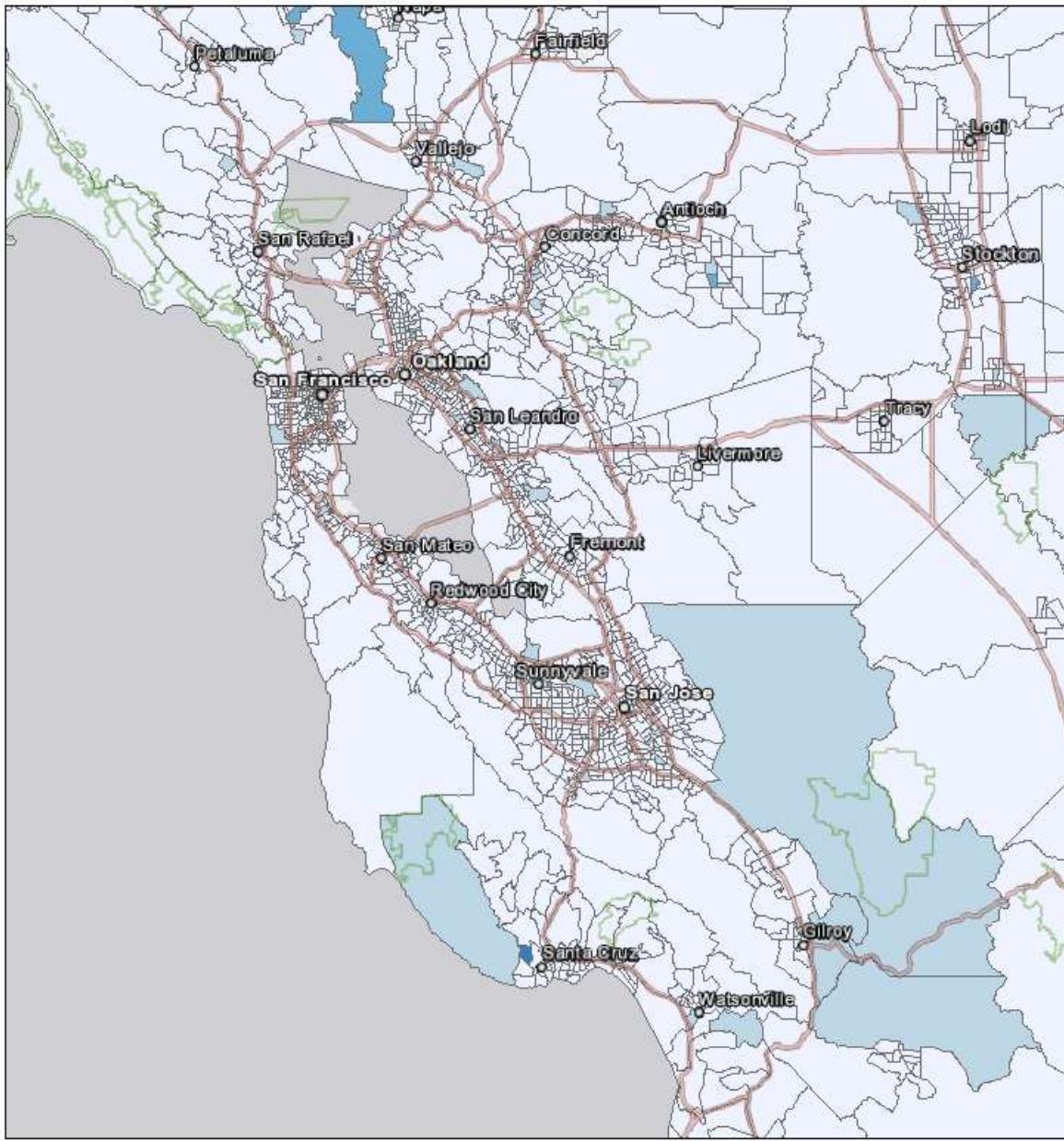
Figure A-79. Percent of Units Lacking Complete Plumbing by Census Tract, Los Gatos, 2021



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

**Figure A-80. Units Lacking Complete Plumbing In the Region by Census Tract, 2021**



Earl, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

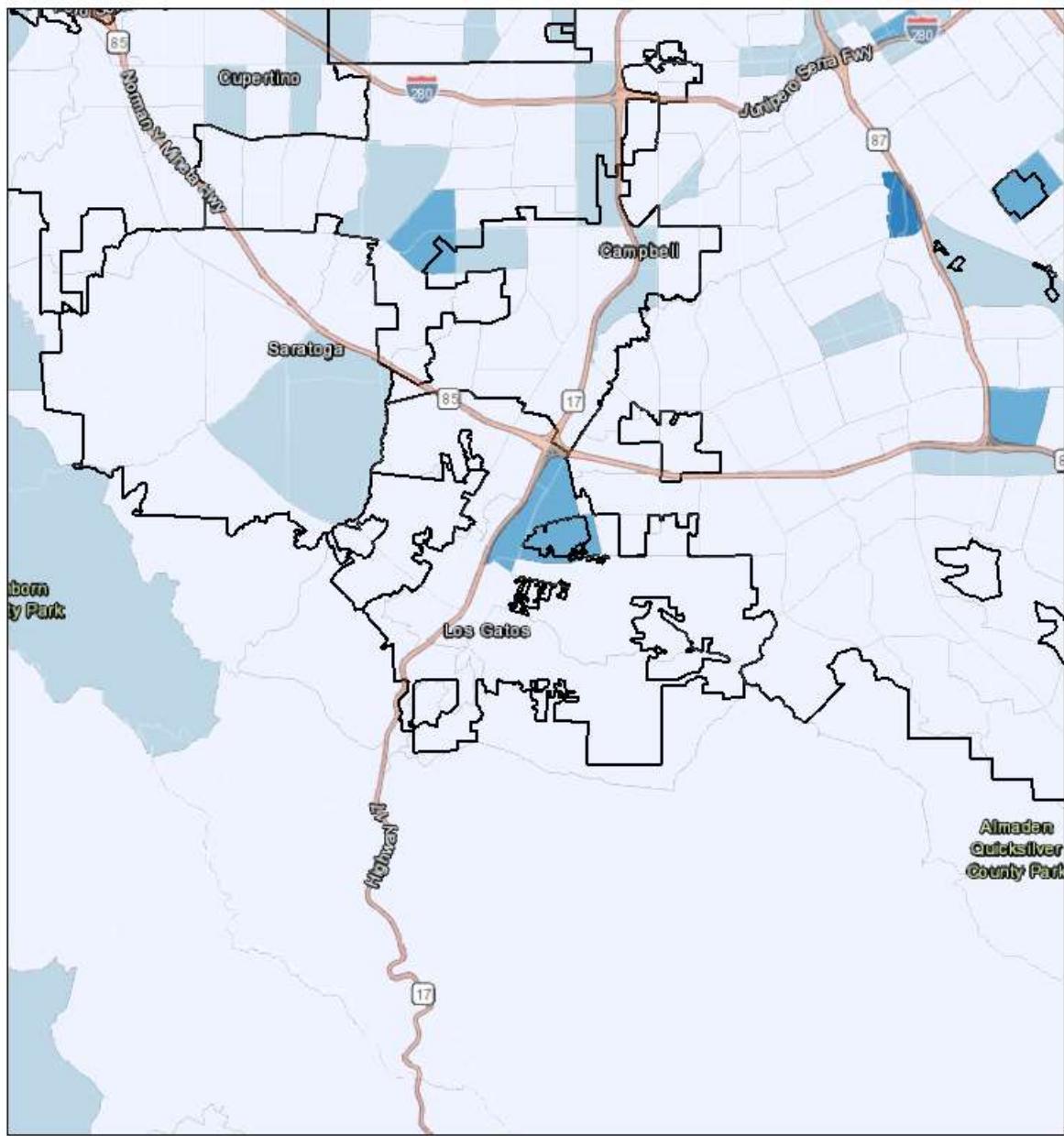
Expanding on the analysis above, Figures A-81 and A-82 show the percent of units lacking complete kitchen facilities in Los Gatos and the region. Importantly, the only census tract in Los Gatos with units that lack complete plumbing is also the only tract to have a higher percentage of units lacking complete kitchen facilities at around five percent to ten percent of units. This is a greater share than Saratoga and similar to Campbell.

Primary findings illustrated in the following maps include:

- There is one census tract located east of Campbell where ten percent to fifteen percent of units lack complete kitchen facilities. Despite having less than two percent of units without plumbing, multiple census tracts in Cupertino have a greater supply of units without complete kitchens.
- San Francisco is the only city in the region to have a census tract where more than 15 percent of units lack complete kitchen facilities. Areas with higher shares of these units are located near Redwood City, Sunnyvale, San Jose, Fremont, and Concord.

## Appendix A. AFFH Report

**Figure A-81. Percent of Units Lacking Complete Kitchens by Census Tract, Los Gatos, 2021**



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Percent of units lacking complete kitchen (ACS, 2017 - 2021) - Tract

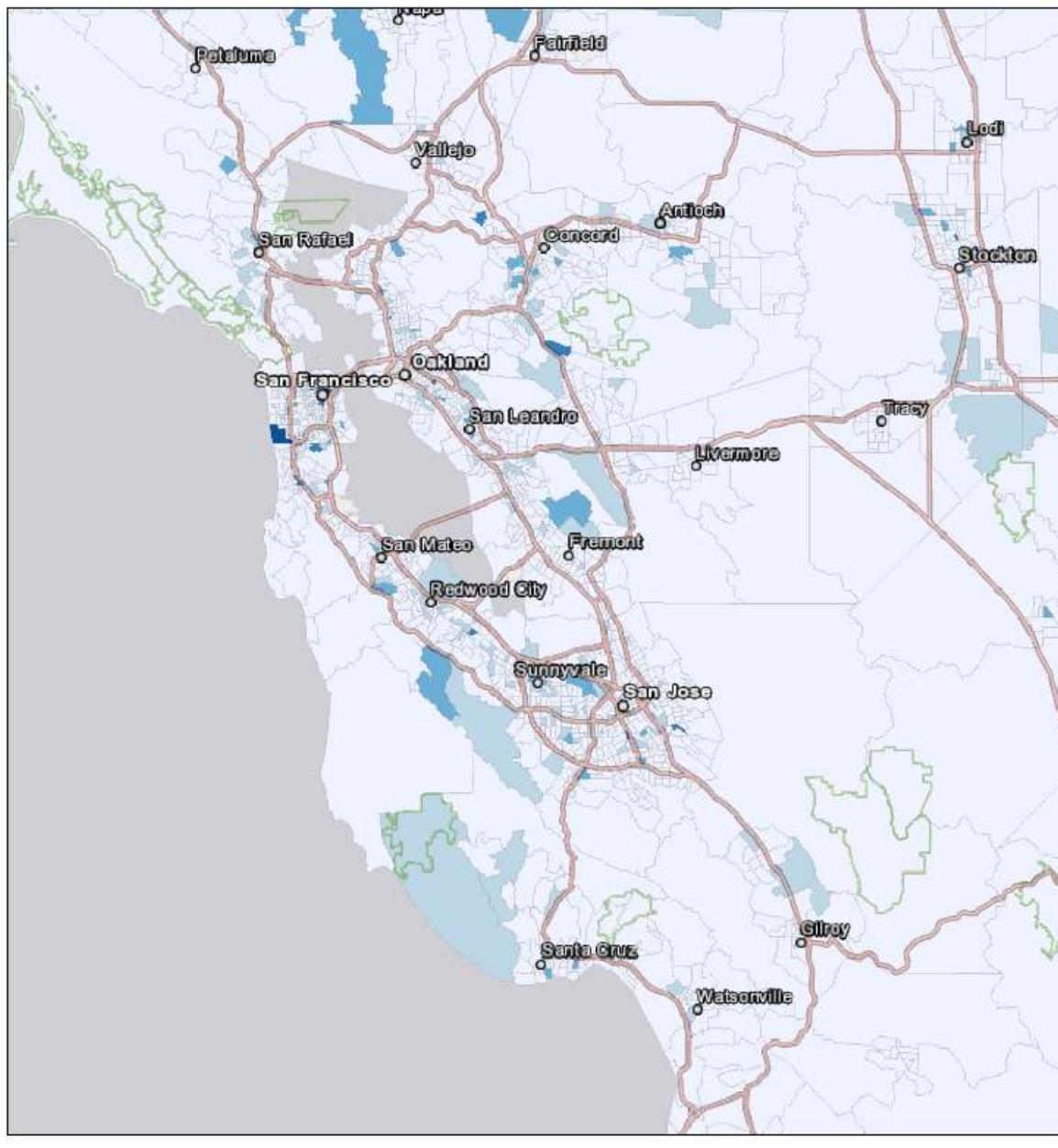
0 0.75 1.5 3 3 mi  
 0 1.5 3 6 km

- Less than 2.0 %
- 2% - 5%
- 5% - 10%
- 10% - 15%

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-82. Units Lacking Complete Kitchens In the Region by Census Tract, 2021**



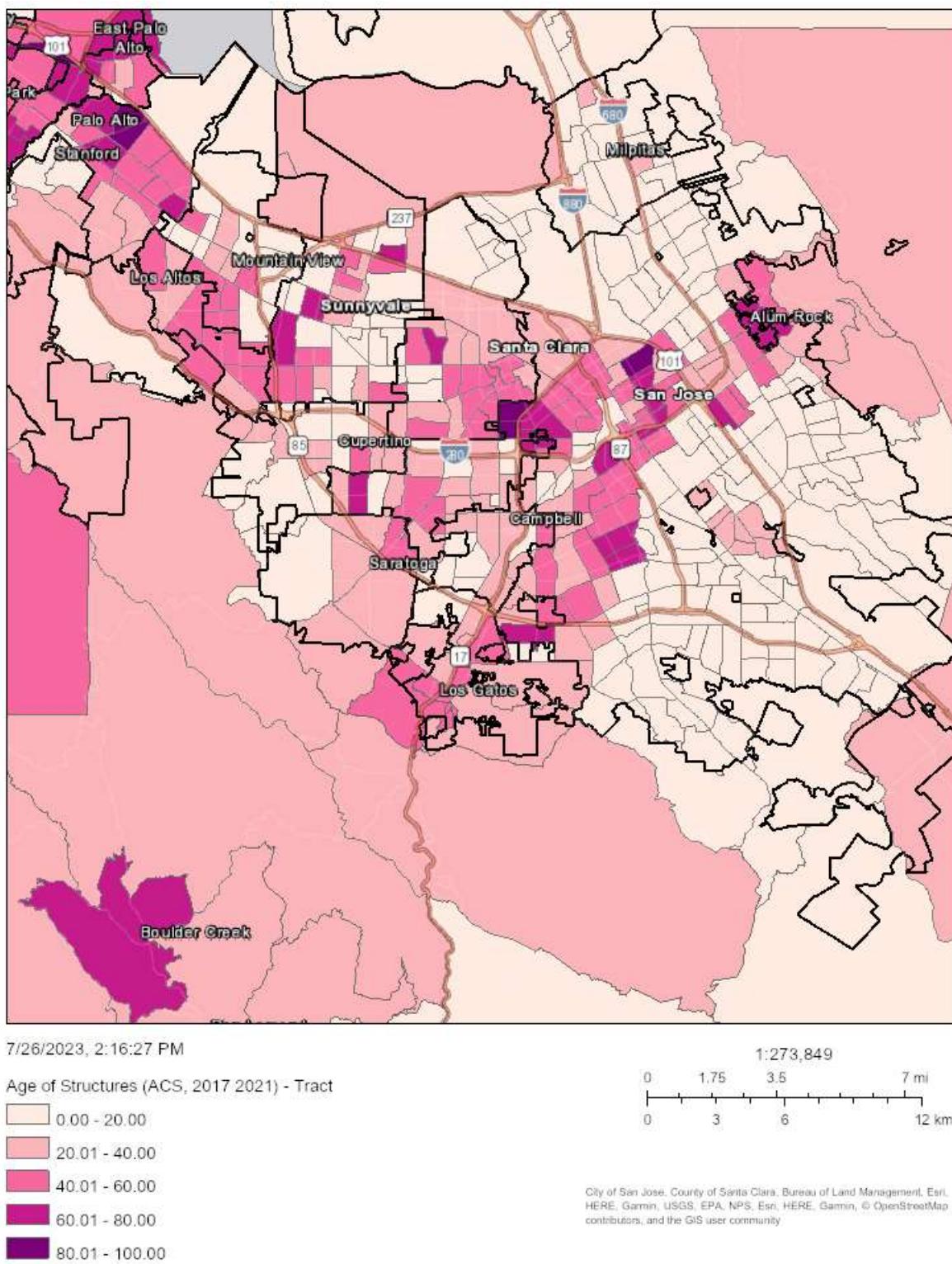
Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

Patterns of substandard housing conditions (e.g., lacking complete plumbing/kitchen facilities) across Santa Clara County and the Bay Area region are supported by the large number of housing units built before 1960. Figures A-83 and A-84 show the distribution of units built before 1960 in the county and region. As shown in the maps below:

- Census tracts in Los Gatos with concentrations of substandard units have a comparatively larger supply of units built before 1960 at between 40 percent and 60 percent of total units. This contrasts with most of Saratoga, which has a smaller supply of older units.
- Census tracts in Santa Clara and San Jose have older units: nearly all units in these tracts were built in or before 1960.
- Compared to the Bay Area region, Santa Clara County has a smaller supply of units built before 1960 though the housing of housing does vary across the region. The largest concentrations of old units are in San Francisco, San Mateo, Redwood City, Oakland, and San Leandro.

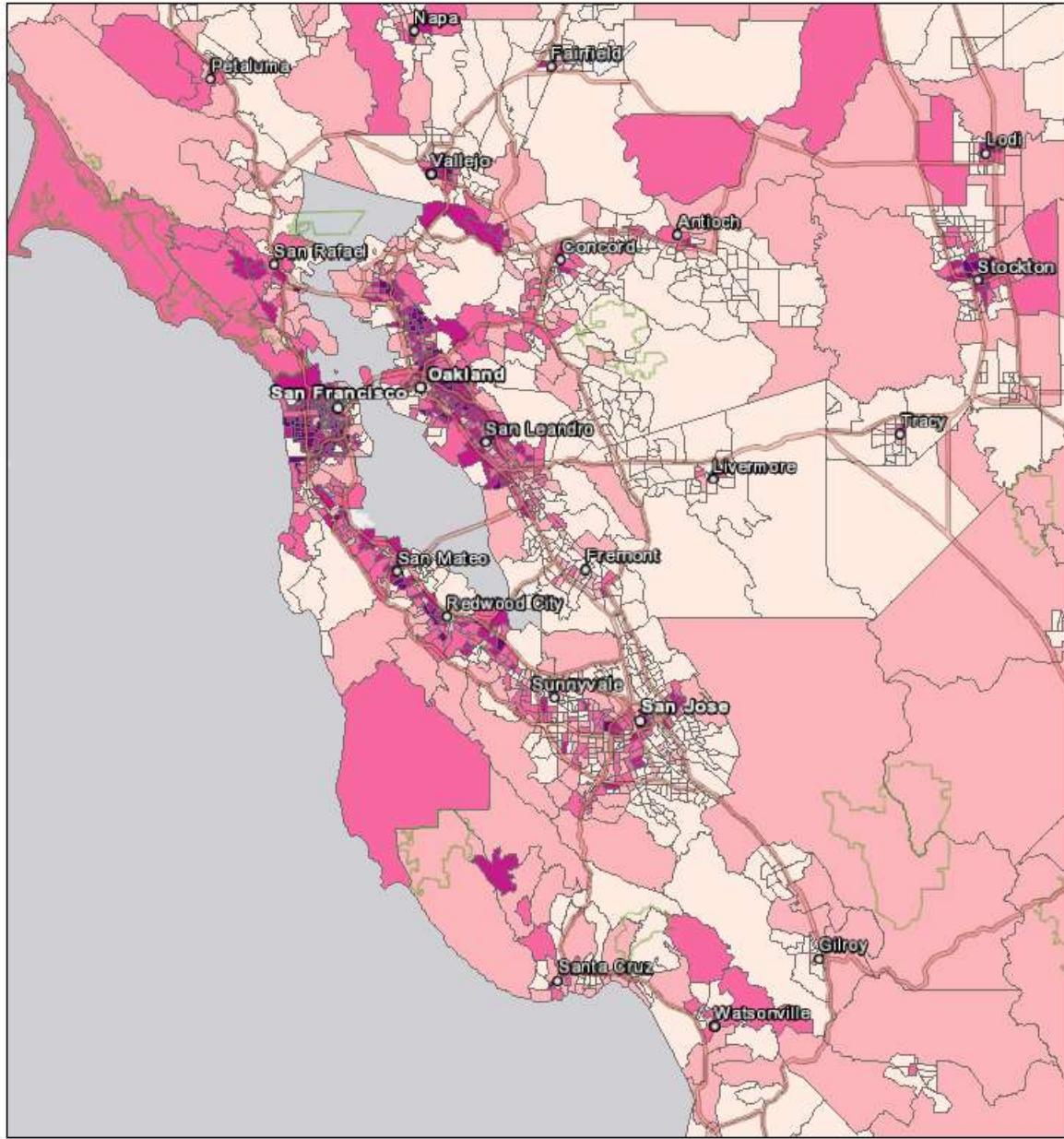
**Figure A-83. Age of Structures by Census Tract, Los Gatos, 2021**



Source: California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

**Figure A-84. Age of Structures In the Region by Census Tract, 2021**



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Age of Structures (ACS, 2017 2021) - Tract

0 5 10 20 40  
0 10 20 30 40 km

- 0.00 - 20.00
- 20.01 - 40.00
- 40.01 - 60.00
- 60.01 - 80.00
- 80.01 - 100.00

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

### **Homelessness**

In 2019, 9,706 people were experiencing homelessness in the County during the one-day count (point-in-time), with only 18 percent of people in emergency or transitional shelter while the remaining 82 percent were unsheltered. In Los Gatos the count was 16, all of whom were unsheltered. In 2022 the number of homeless counted in Los Gatos increased to 58. The majority of unsheltered people experiencing homelessness were in households without children. The majority of people in transitional housing were in households with children or people without children, as shown in Figure A-85.

**Figure A-85 Homelessness by Household Type and Shelter Status, Santa Clara County, 2019**

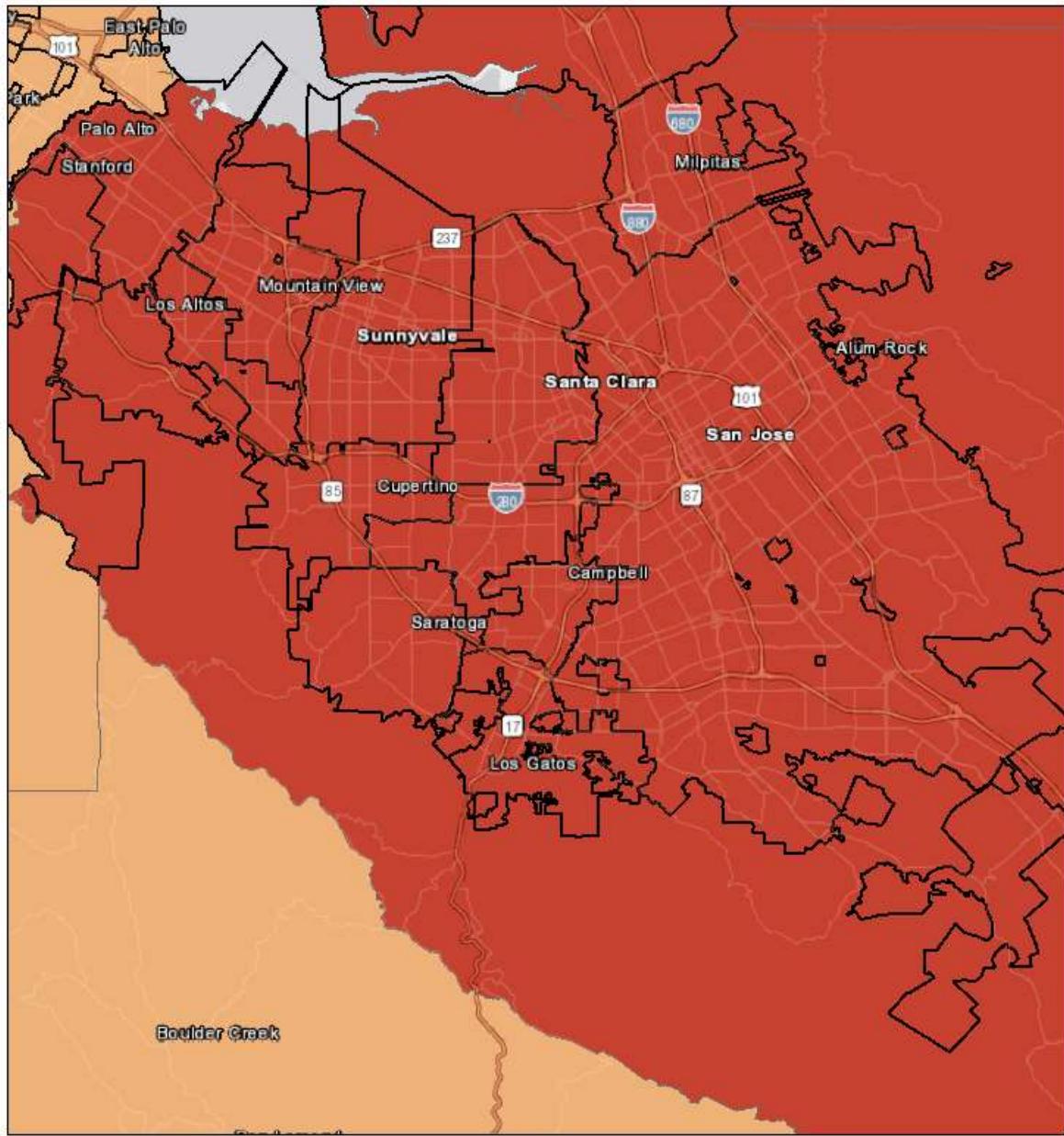
|                                  | People in<br>Households<br>Solely Children | People in<br>Households<br>with Adults<br>and Children | People in<br>Households<br>Without<br>Children |
|----------------------------------|--|--|--|
| Sheltered - Emergency Shelter    | 7  | 377  | 696  |
| Sheltered - Transitional Housing | 3  | 301  | 400  |
| Unsheltered                      | 266  | 243  | 7,413  |

Source: ABAG Housing Needs Data Workbook

Figures A-86 and A-87 illustrate HUD's Point In Time (PIT) Count for 2021 in Los Gatos and the Bay Area. Given the region's housing costs which continue to increase, it is unsurprising that more than 5,000 people in most Santa Clara County communities are homeless. For the region overall, San Francisco and cities across the Bay have the largest concentrations of individuals experiencing homelessness. Homelessness is less concentrated in areas near San Mateo, Redwood City, Santa Cruz, and Watsonville, all of which have a homeless population of up to 1,000 people.

## Appendix A. AFFH Report

**Figure A-86. Point In Time Count by CoC Level, Los Gatos, 2021**



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Point In Time Count (HUD, 2021) - CoC Level

0 1.75 3.5 7 mi  
 0 3 6 12 km

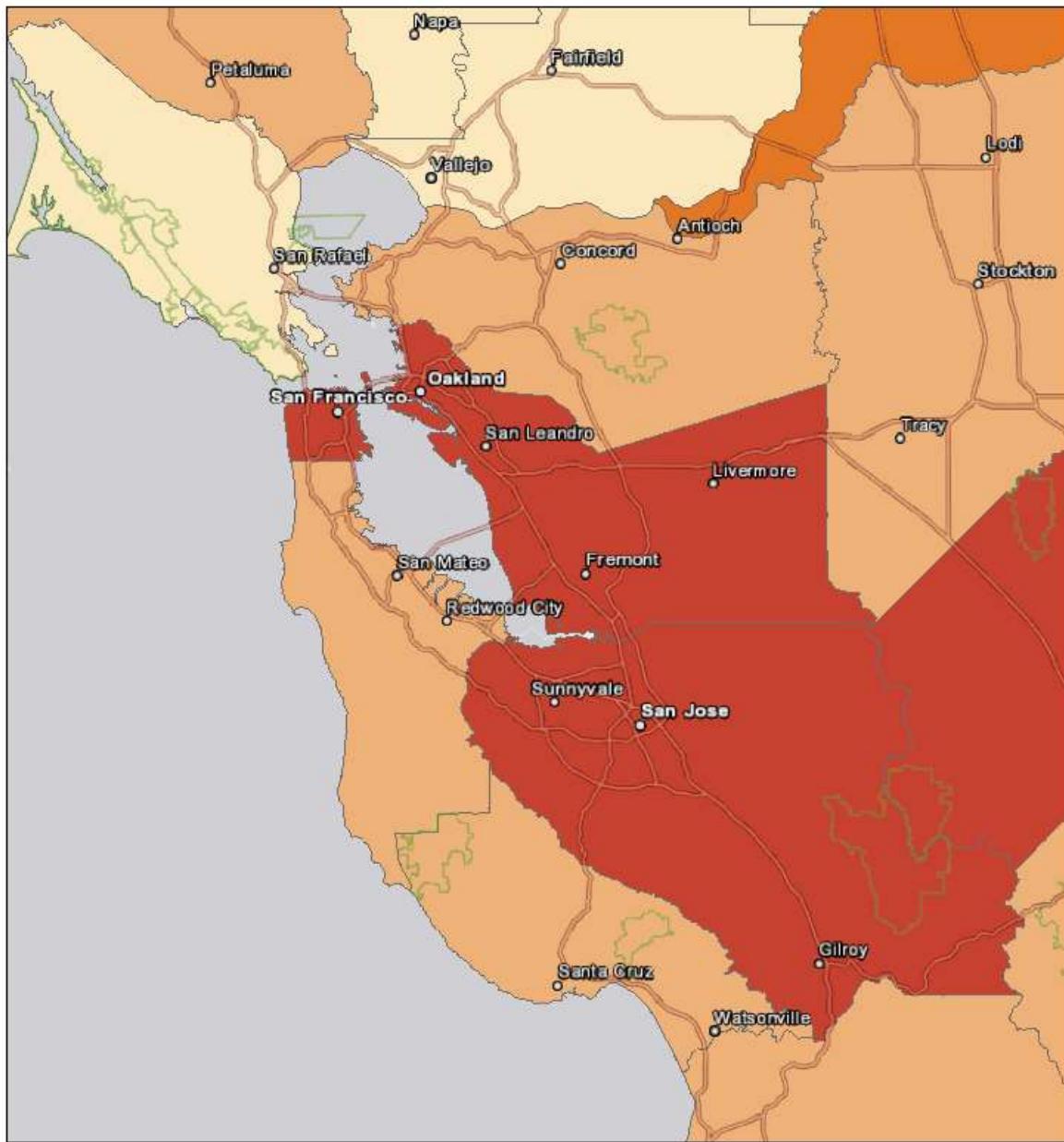
 Up to 1,000 People

 Up to 5,000 People

City of San Jose, County of Santa Clara, Bureau of Land Management, Esri, HERE, Garmin, USGS, EPA, NPS, Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

Source: California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-87. Regional Point In Time Count by CoC Level, 2021**



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1:1,095,397

Point In Time Count (HUD, 2021) - CoC Level

0 5 10 20 40 mi  
0 10 20 30 km

- Less than 500 People
- Up to 1,000 People
- Up to 2,000 People
- Up to 5,000 People

Eri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community. Eri, HERE, Garmin, USGS, EPA, NPS

Source: California Department of Housing and Community Development AFFH Data Viewer.

Homelessness in Los Gatos will likely grow in the coming years if there are no affordable options for low-income residents, especially given the Town's small supply of affordable housing, shelters, and transitional housing units.

## Appendix A. AFFH Report

### Displacement

According to the Sensitive Communities map of vulnerable communities, one area north of Highway 9 and west of Highway 17 were vulnerable to displacement (Figure A-27). The Town has 169 assisted units, but all were rated as low risk of conversion.

#### *Displacement Sensitive Communities*

“According to the Urban Displacement Project, communities were designated sensitive if they met the following criteria:

- They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
- Share of very low-income residents is above 20 percent, 2017 AND the tract meets two of the following criteria:
- Share of renters is above 40 percent, 2017
- Share of people of color is above 50 percent, 2017
- Share of very low-income households (50 percent AMI or below) that are severely rent burdened households is above the county median, 2017
- They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as:
- Percent change in rent above county median for rent increases, 2012-2017

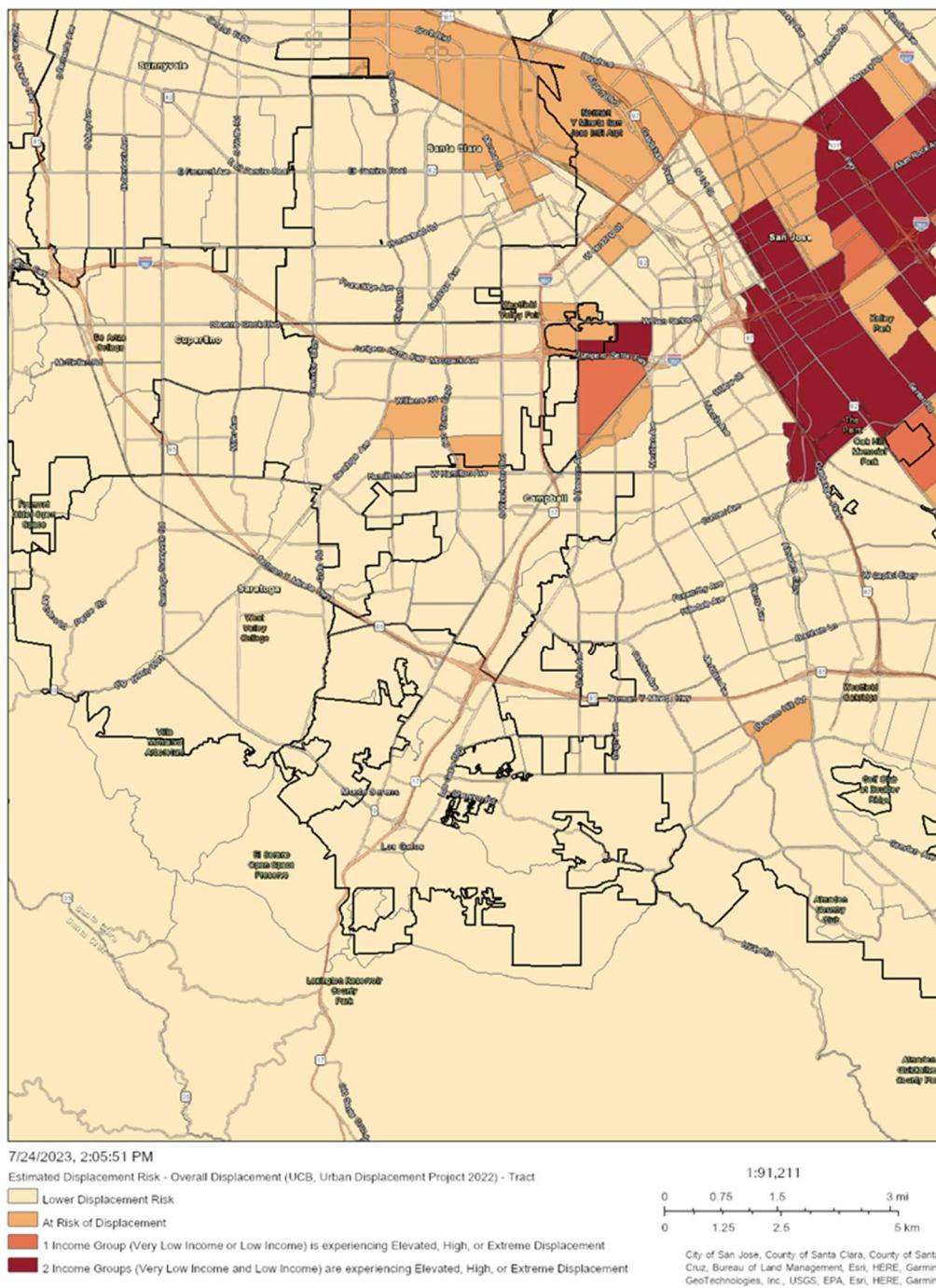
OR

- Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017”

Source: <https://www.sensitivecommunities.org/>.

Residents in Santa Clara County are at low risk of displacement, excluding households in San Jose which has several census tracts at elevated, high, or extreme displacement risk. This is in line with displacement risks in Los Gatos and surrounding cities specifically Cupertino, Saratoga, and Campbell (in part). These findings are illustrated in Figure A-88.

Figure A-88. Estimated Displacement Risk – Overall Displacement by Census Tract, Los Gatos, 2022



Source: University of California Berkely (UCB) Urban Displacement Project and California Department of Housing and Community Development AFFH Data Viewer.

Figure A-89 shows displacement risk for households across the Bay Area as identified by the University of California Berkely Urban Displacement Project. As shown in the figure, households in several cities are at the highest risk for displacement specifically Richmond, Oakland, Hayward, San Francisco (and South San Francisco), Daly City, Redwood City, and Palo Alto. Berkely has one census tract at elevated, high, or extremely displacement risk though this may be driven by the city's large college population.

## Appendix A. AFFH Report

**Figure A-89. Regional Estimated Displacement Risk – Overall Displacement by Census Tract, 2022**



Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

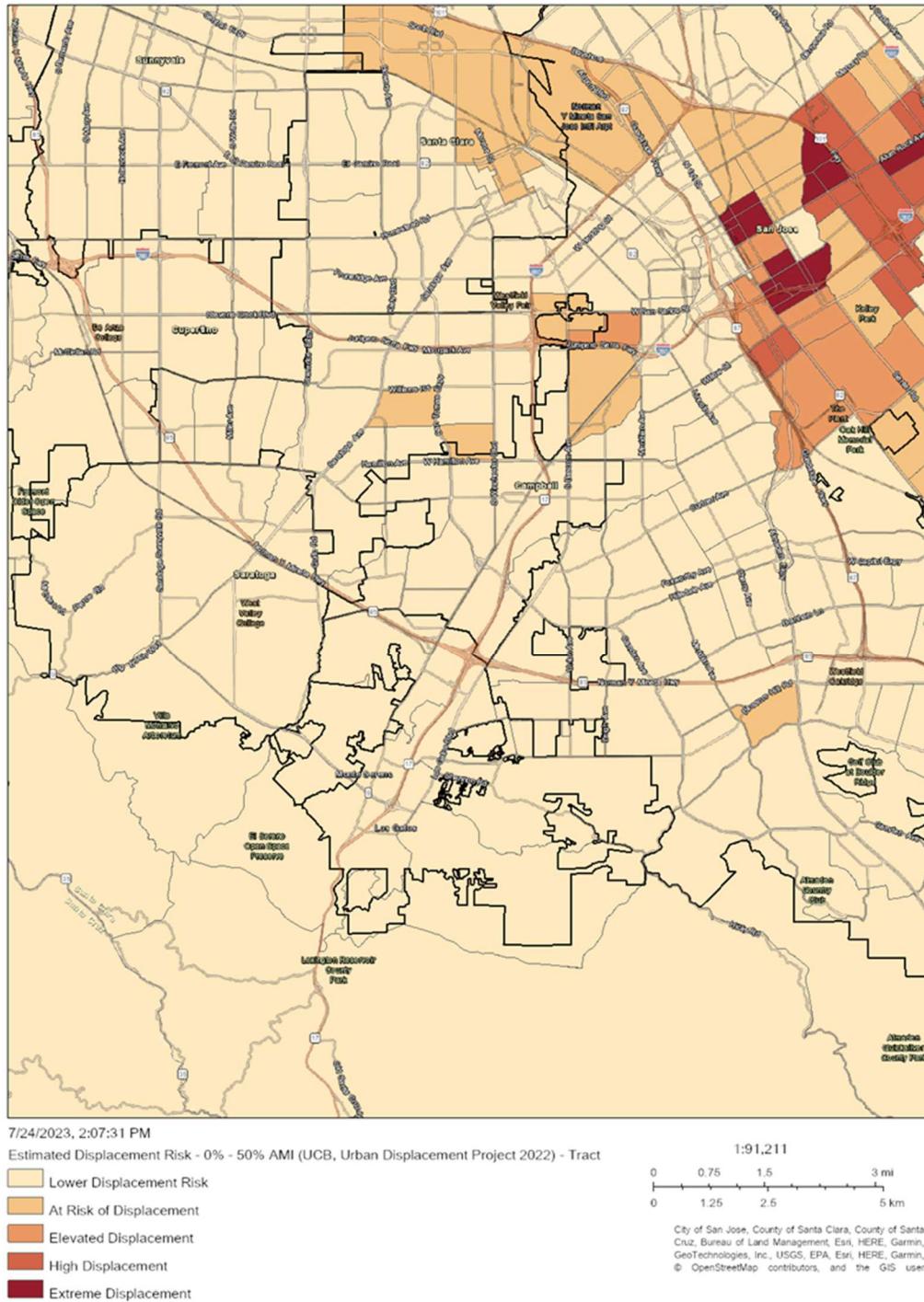
Source: University of California Berkeley (UCB) Urban Displacement Project and California Department of Housing and Community Development AFFH Data Viewer.

Figures A-90 and A-91 show risk of displacement for households with incomes at or below 50 percent Area Median Income (AMI) in Los Gatos and the Bay Area. Similar to overall displacement, households with incomes at or below 50 percent AMI in Los Gatos are at lower risk, consistent with surrounding cities. San Jose is the only city to have a high concentration of at-risk households which is likely related to the city's larger population of lower income households. As shown throughout the report, households need incomes above 50 percent AMI to live in Los Gatos without being cost burdened or homeless.

These patterns are consistent with most of the region though key differences exist in San Francisco and adjacent cities where displacement is a high risk for households at this income level. This is most notable in San Francisco, Richmond, Oakland, and part of Daly City.

## Appendix A. AFFH Report

**Figure A-90 Estimated Displacement Risk – 0 – 50% AMI by Census Tract, Los Gatos, 2022**



Source: University of California Berkeley (UCB) Urban Displacement Project and California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-91. Regional Estimated Displacement Risk – 0 – 50% AMI by Census Tract, 2022**



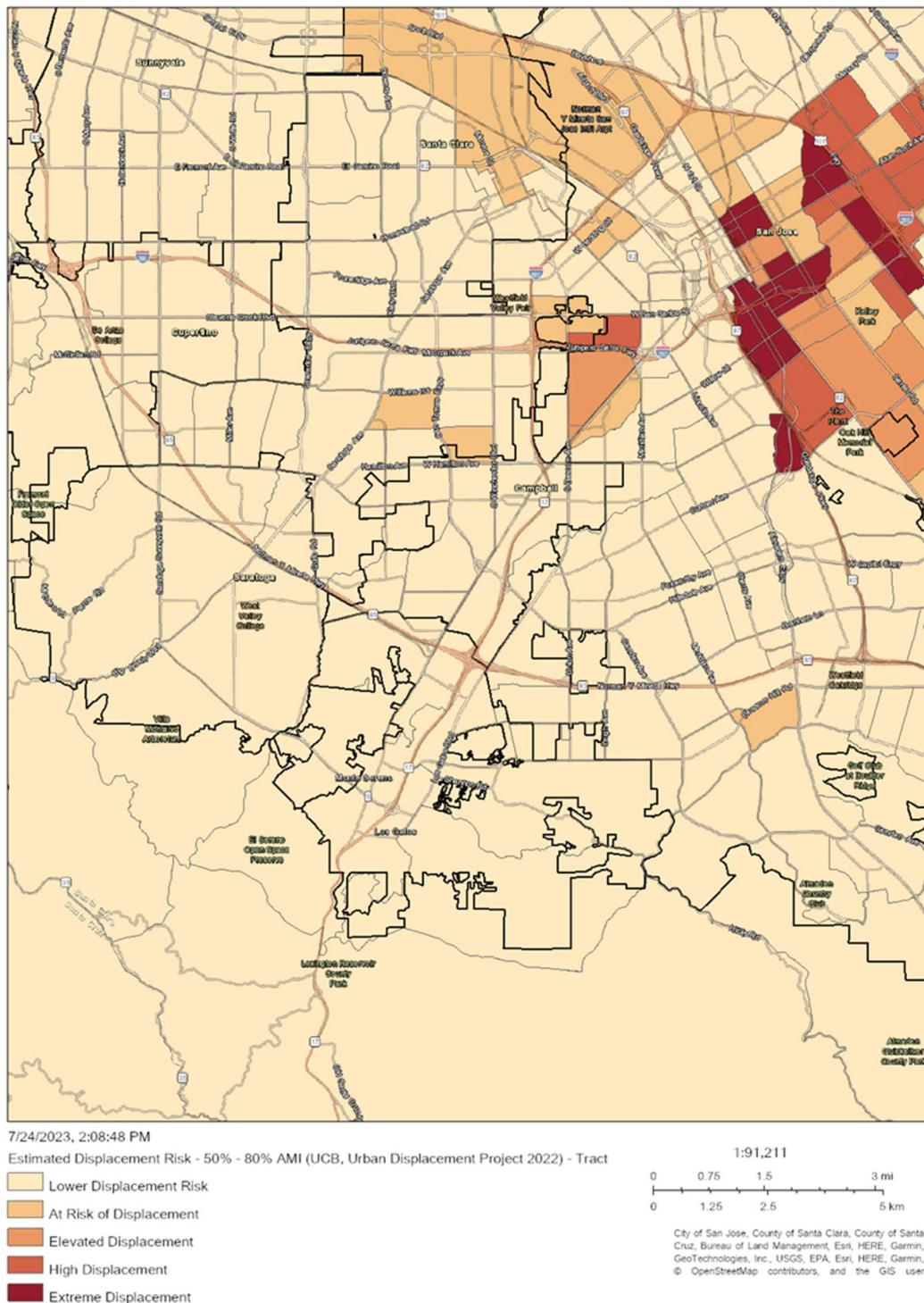
Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community, Esri, HERE, Garmin, USGS, EPA, NPS

Source: University of California Berkeley (UCB) Urban Displacement Project and California Department of Housing and Community Development AFFH Data Viewer.

Figures A-92 and A-93 show risk of displacement for households with incomes at or between 50 percent and 80 percent AMI in Los Gatos and the region. Risk of displacement for these households are similar for lower income households in both Santa Clara County and the Bay Area. This is likely related to rising housing prices across the region that has made it increasingly difficult for households in this income range to keep their housing.

## Appendix A. AFFH Report

**Figure A-92 Estimated Displacement Risk – 50%-80% AMI by Census Tract, Los Gatos, (UCB, Urban Displacement Project 2022)**



Source: University of California Berkely (UCB) Urban Displacement Project and California Department of Housing and Community Development AFFH Data Viewer.

**Figure A-93. Regional Estimated Displacement Risk – 50%-80% AMI by Census Tract, 2022**



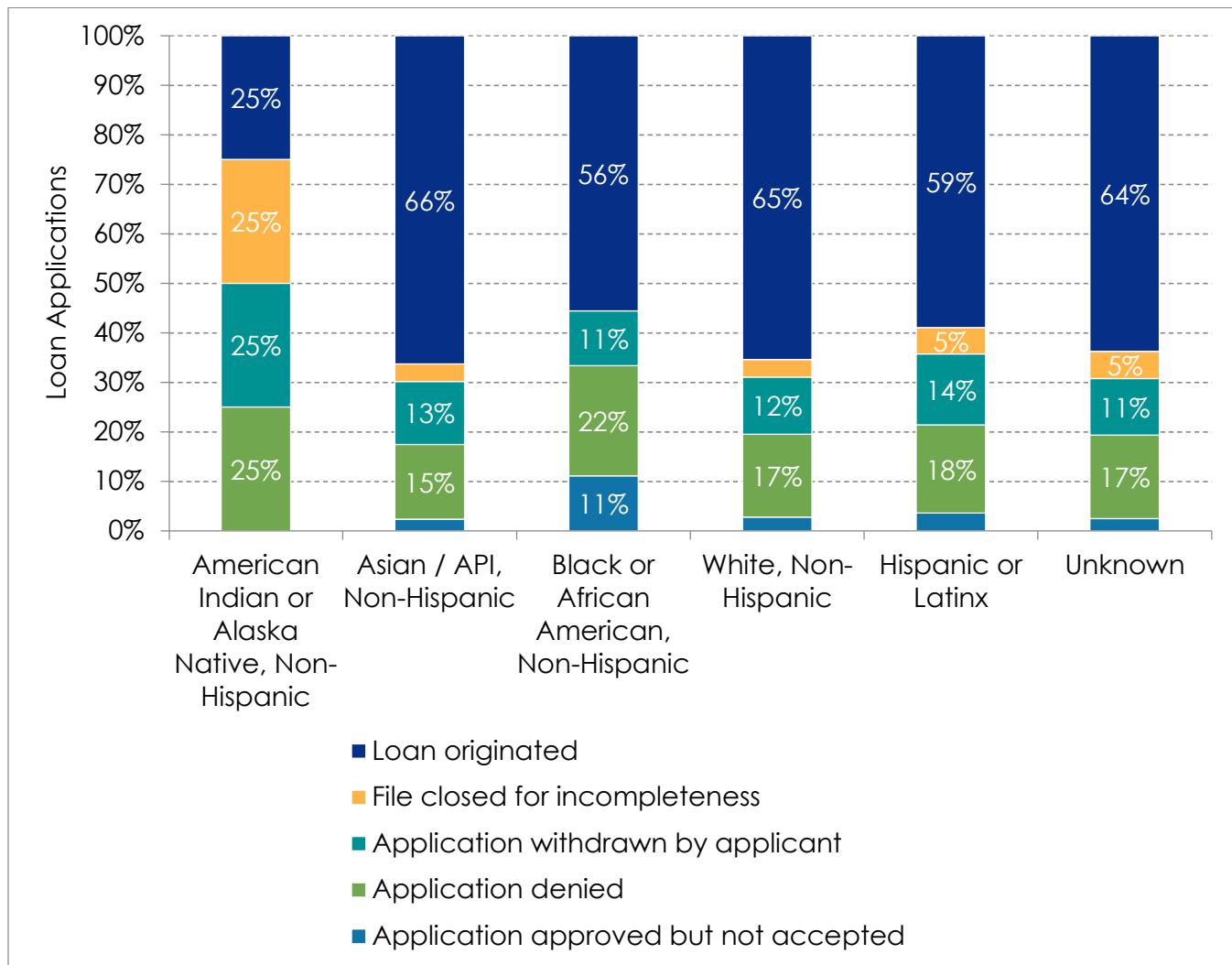
Source: University of California Berkely (UCB) Urban Displacement Project and California Department of Housing and Community Development AFFH Data Viewer.

## Appendix A. AFFH Report

### Access to Mortgage Loans

In many communities, disparities by race and ethnicity are prevalent for home mortgage applications, particularly in denial rates. This is less true in Los Gatos (Figure A-94). Mortgage denial rates range from 17 percent to 25 percent. American Indian or Alaska Native, Non-Hispanic and Black/African American residents experienced the next highest rejection rate at 25 percent and 22 percent.

**Figure A-94 Mortgage Applications and Acceptance by Race, 2018 and 2019**



Source: ABAG Housing Needs Data Workbook, Federal Financial Institutions Examination Council's (FFIEC) Home Mortgage Disclosure Act loan/application register (LAR) files.

## A.11 Distribution of Sites Inventory

The proposed housing sites in the Sites Inventory are well distributed to increase opportunities throughout the Town. In addition, Accessory Dwelling Units and Senate Bill 9 units have been distributed throughout the Town, where single-family neighborhoods are the most prominent housing type. The distribution of RHNAs by AFFH variable is described below.

### **Potential Effects on Segregation and Integration**

#### **Race/Ethnicity**

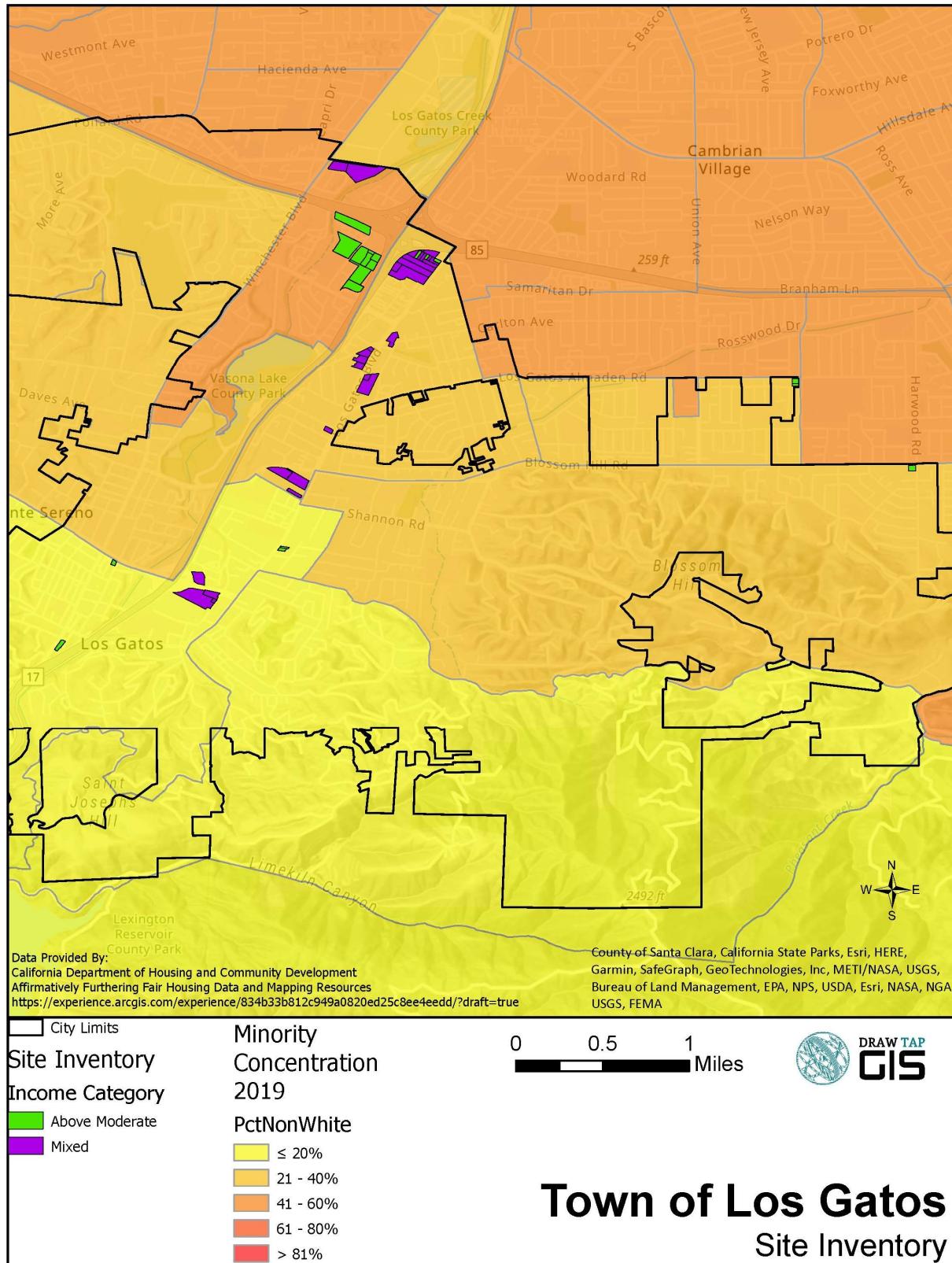
As discussed above, Los Gatos is primarily comprised of White majority populations. The distribution of RHNAs by racial/ethnic minority population at the tract level is shown in Table A-8 and Figure A-95. More than half of units selected to meet the RHNAs are in tracts where 20 percent to 40 percent of the population belongs to a racial or ethnic minority group, including 68 percent of very low income RHNAs, 58.5 percent of low-income units, 63.5 percent of moderate-income units, and 40 percent of above moderate-income units. A significantly larger proportion of above moderate-income units (43 percent) are in tracts where 40 percent to 60 percent of the population belongs to a racial or ethnic minority group compared to very low (18.5 percent), low (16.2 percent), and moderate-income units (17.1 percent). The Town's RHNAs strategy does not disproportionately allocate lower or moderate-income units in areas with larger non-White populations. RHNAs sites suitable for housing of all affordability levels are distributed throughout Los Gatos to the greatest extent possible.

**Table A-8 Distribution of RHNAs by Racial/Ethnic Minority Population (2019)**

| Racial/Ethnic Minority Population (Tract) | Very Low Income |               | Low Income |               | Moderate Income |               | Above Moderate Income |               | Total       |               |
|---|-----------------|---------------|------------|---------------|-----------------|---------------|-----------------------|---------------|-------------|---------------|
|   | Units           | Percent       | Units      | Percent       | Units           | Percent       | Units                 | Percent       | Units       | Percent       |
| <20%                                      | 86              | 13.6%         | 90         | 25.2%         | 66              | 19.4%         | 109                   | 17.0%         | 351         | 17.8%         |
| 20-40%                                    | 431             | 68.0%         | 209        | 58.5%         | 216             | 63.5%         | 256                   | 40.0%         | 1112        | 56.4%         |
| 40-60%                                    | 117             | 18.5%         | 58         | 16.2%         | 58              | 17.1%         | 275                   | 43.0%         | 508         | 25.8%         |
| 60-80%                                    | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| >80%                                      | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| <b>Total</b>                              | <b>634</b>      | <b>100.0%</b> | <b>357</b> | <b>100.0%</b> | <b>340</b>      | <b>100.0%</b> | <b>640</b>            | <b>100.0%</b> | <b>1971</b> | <b>100.0%</b> |

## Appendix A. AFFH Report

**Figure A-95 Sites Inventory and Racial/Ethnic Minority Population by Tract (2019)**



Source: HCD AFFH Data Viewer 2.0, 2023.

## Persons with Disabilities

Based on the HCD Data Viewer 2.0 and 2017-2021 ACS estimates, there are no Los Gatos tracts containing RHNA sites where more than 10 percent of the population experiences a disability. Sites selected to meet the Town's RHNA do not exacerbate conditions related to populations of persons with disabilities.

## Familial Status

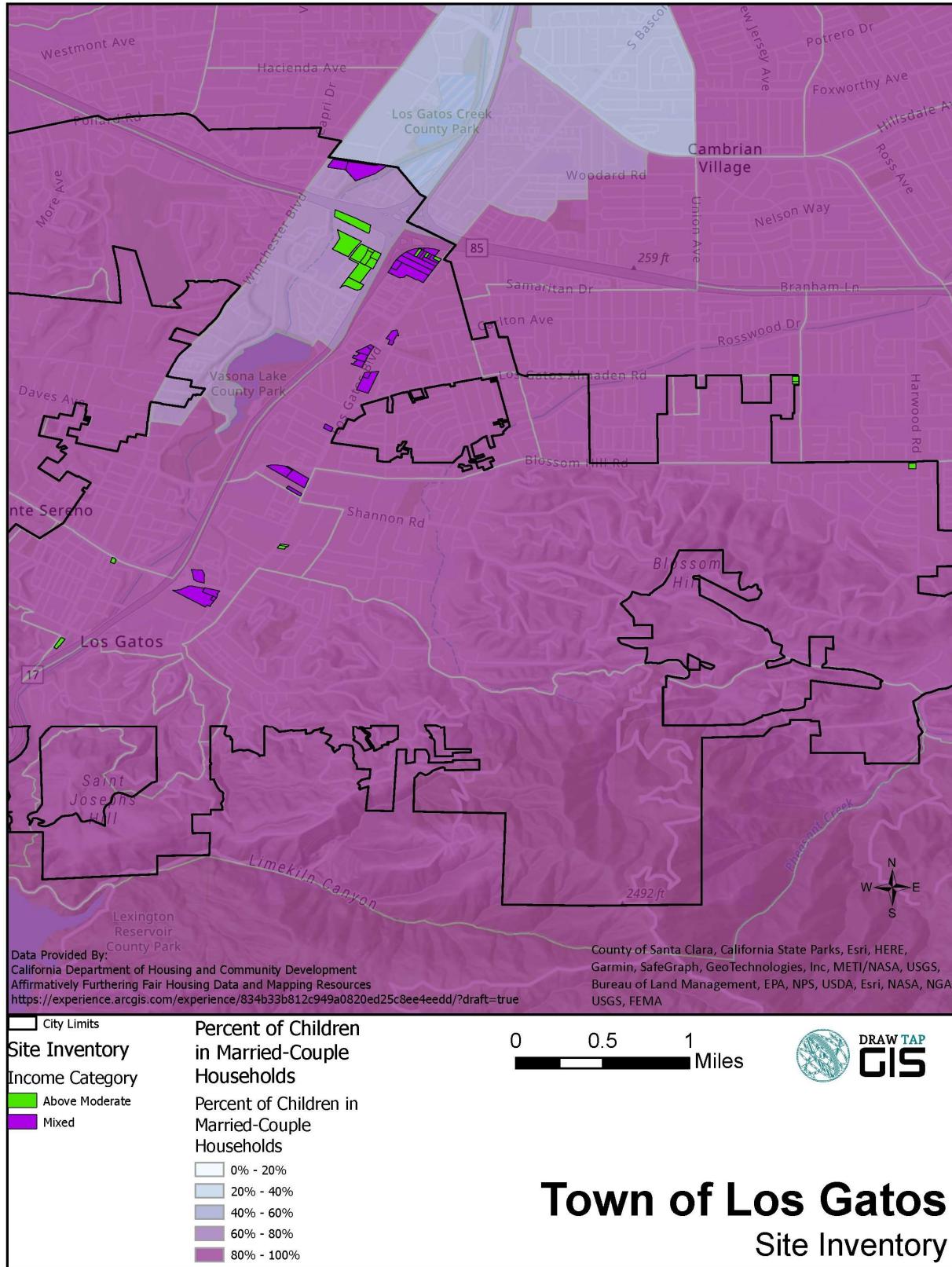
The distribution of RHNA units by population of children residing in married couple households is presented in Table A-9 and Figure A-96. According to the HCD AFFH Data Viewer 2.0, based on 2017-2021 ACS estimates, more than 80 percent of children reside in married couple households in all but one tract. Consistent with the trend townwide, 74 percent of RHNA units are in tracts where more than 80 percent of children are in married couple households. The remaining 26 percent of RHNA units are in the tract where only 68 percent of children are in married couple households. A larger proportion of above moderate-income units are in this tract (43 percent) compared to lower and moderate-income units. There are no tracts in Los Gatos where more than 20 percent of children reside in single-parent female-headed households. The Town's RHNA strategy does not disproportionately place lower or moderate-income units in areas with higher rates of children in single-parent households.

**Table A-9 Distribution of RHNA Units by Children in Married Couple Households (2021)**

| Population of Children in Married Couple HHs (Tract) | Very Low Income |               | Low Income |               | Moderate Income |               | Above Moderate Income |               | Total       |               |
|--|-----------------|---------------|------------|---------------|-----------------|---------------|-----------------------|---------------|-------------|---------------|
|  | Units           | Percent       | Units      | Percent       | Units           | Percent       | Units                 | Percent       | Units       | Percent       |
| <20%   | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 20-40%   | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 40-60%   | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 60-80%   | 117             | 18.5%         | 58         | 16.2%         | 58              | 17.1%         | 275                   | 43.0%         | 508         | 25.8%         |
| >80%   | 517             | 81.5%         | 299        | 83.8%         | 282             | 82.9%         | 365                   | 57.0%         | 1463        | 74.2%         |
| <b>Total</b>   | <b>634</b>      | <b>100.0%</b> | <b>357</b> | <b>100.0%</b> | <b>340</b>      | <b>100.0%</b> | <b>640</b>            | <b>100.0%</b> | <b>1971</b> | <b>100.0%</b> |

## Appendix A. AFFH Report

**Figure A-96 Sites Inventory and Children in Married Couple Households by Tract (2021)**



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

### Income

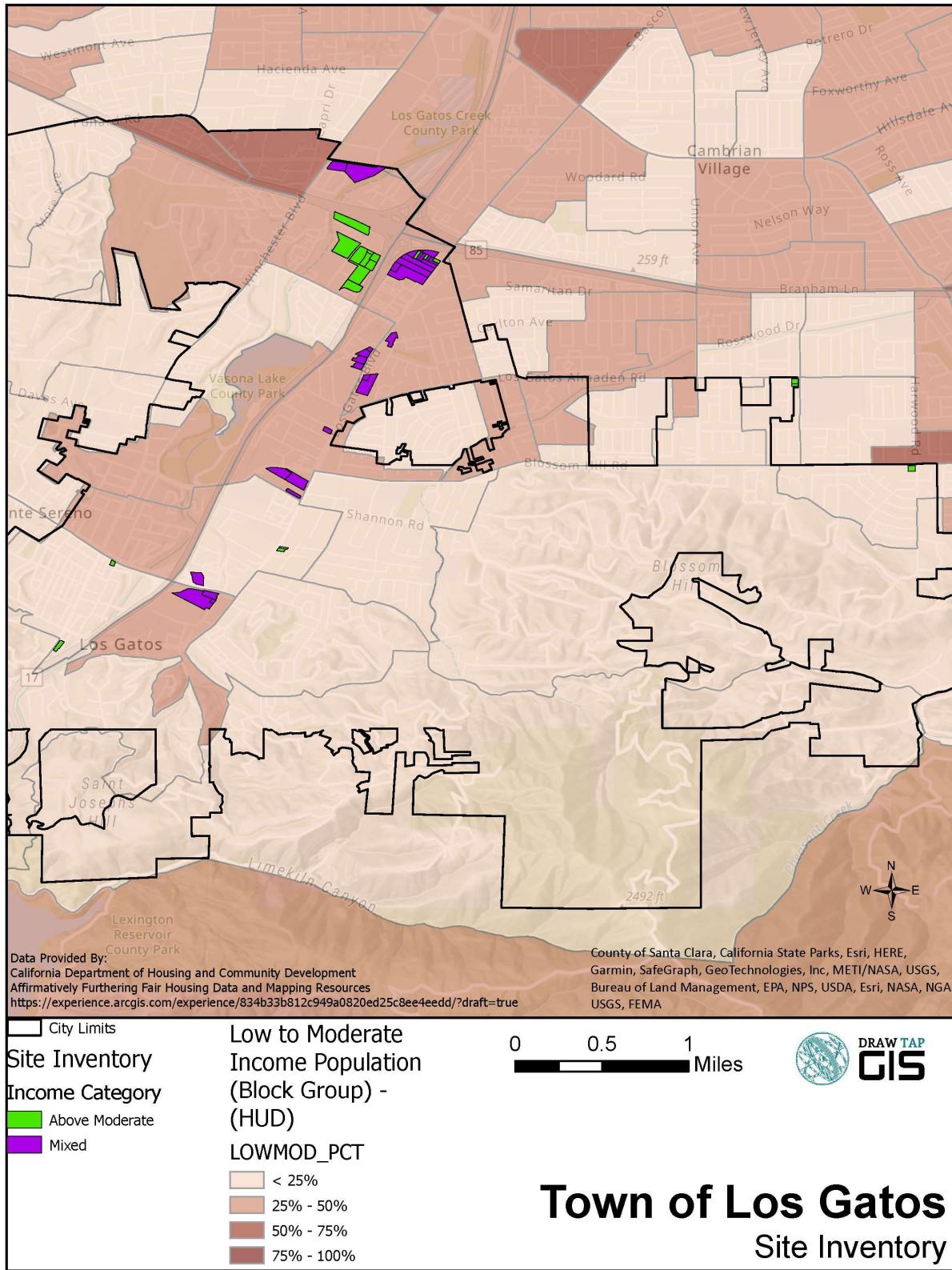
Low- and Moderate Income (LMI) areas are defined by HUD as tracts or block groups where at least 51 percent of households are in low- or moderate-income categories. As shown in Figure A-97, there are no block groups containing RHNAs that are considered LMI areas. Nearly 95 percent of RHNAs are in block groups where 25 percent to 50 percent of households are LMI (Table A-10). Only 1.1 percent of low-income units, 1.2 percent of moderate-income units, and 15 percent of above moderate-income units are in block groups where less than 25 percent of households are LMI. The Town's RHNAs strategy distributes sites throughout tracts with variable LMI populations to the greatest extent possible given the existing conditions.

**Table A-10 Distribution of RHNAs by Population of LMI Households (2021)**

| LMI Households<br>(Block Group) | Very Low Income |               | Low Income |               | Moderate Income |               | Above Moderate Income |               | Total       |               |
|---------------------------------|-----------------|---------------|------------|---------------|-----------------|---------------|-----------------------|---------------|-------------|---------------|
|                                 | Units           | Percent       | Units      | Percent       | Units           | Percent       | Units                 | Percent       | Units       | Percent       |
| <25%                            | 0               | 0.0%          | 4          | 1.1%          | 4               | 1.2%          | 96                    | 15.0%         | 104         | 5.3%          |
| 25-50%                          | 634             | 100.0%        | 353        | 98.9%         | 336             | 98.8%         | 544                   | 85.0%         | 1867        | 94.7%         |
| 50-75%                          | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 75-100%                         | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| <b>Total</b>                    | <b>634</b>      | <b>100.0%</b> | <b>357</b> | <b>100.0%</b> | <b>340</b>      | <b>100.0%</b> | <b>640</b>            | <b>100.0%</b> | <b>1971</b> | <b>100.0%</b> |

## Appendix A. AFFH Report

**Figure A-97 Sites Inventory and LMI Households by Block Group (2015)**



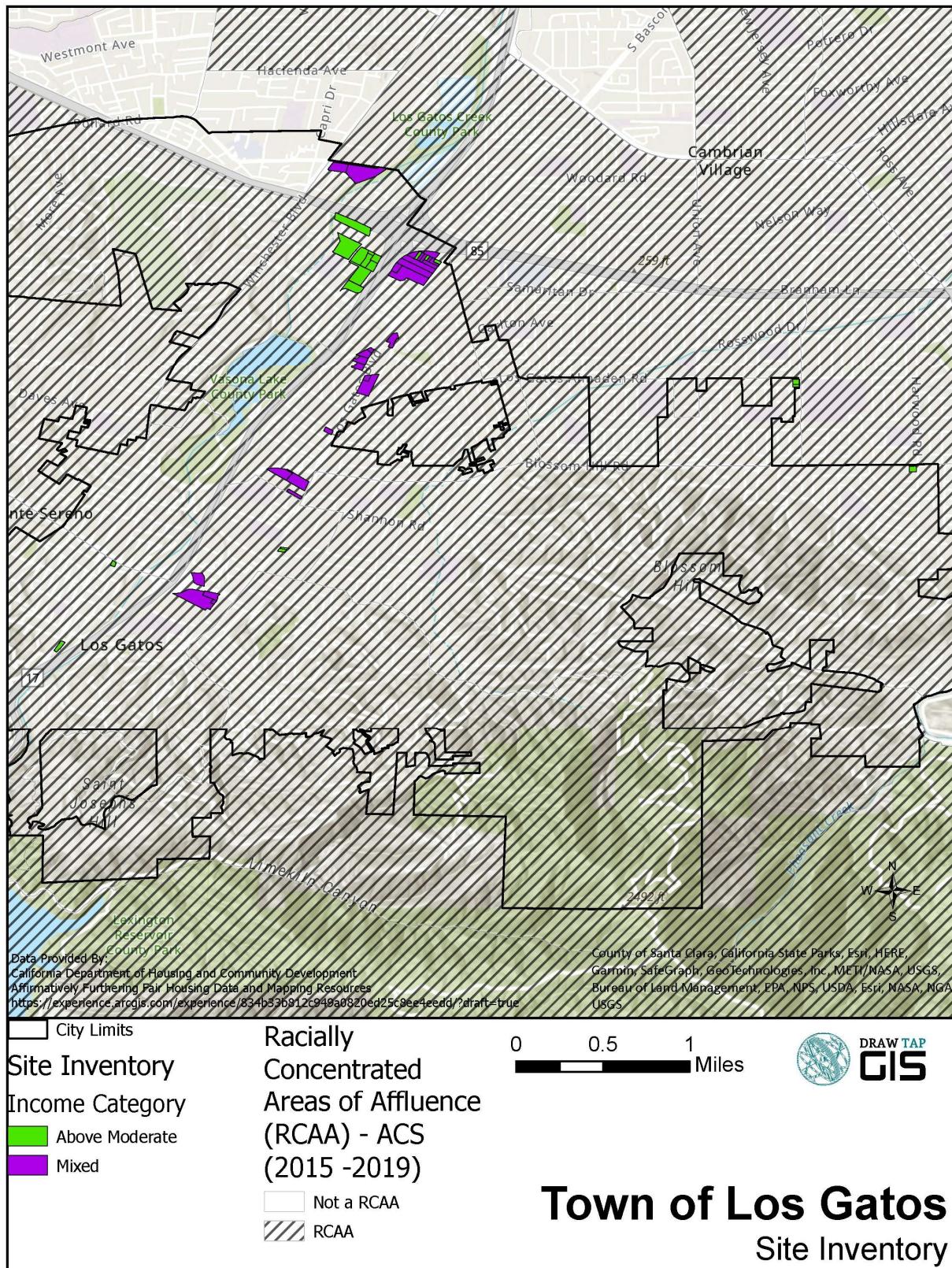
Source: HCD AFFH Data Viewer 2.0 (HUD 2011-2015), 2023.

### Racially/Ethnically Concentrated Areas

As discussed above, there are no TCAC designated areas of high segregation and poverty in Los Gatos. In 2023, HCD released a new methodology with mapping to measure Racially Concentrated Areas of Affluences (RCAA). To develop the RCAA layer, staff first calculated a Location Quotient (LQ) for each California census tract representing the percentage of total white population (White Alone, Not Hispanic or Latino) for each census tract compared to the average percentage of total white population for all census tracts in a given COG region. For example, a census tract with a LQ of 1.5 has a percentage of total white population that is 1.5 times higher than the average percentage of total white population in the given COG region. Based on HCD's methodology, RCAs tracts have an LQ of more than 1.25 and a median income 1.5 times higher than the COG AMI (or 1.5x the State AMI, whichever is lower). All tracts in Los Gatos are considered RCAs; therefore, all sites selected to meet the RHNA are also in RCAA areas (Figure A-98).

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**Figure A-98 Sites Inventory and RCAs by Tract (2019)**



Source: HCD AFFH Data Viewer 2.0 (2015-2019 ACS), 2023.

## Summary

While Los Gatos does not have significant segregation issues within the Town, from a broader regional perspective, providing increased lower-income housing opportunities in a high resource community like Los Gatos will help overcome Countywide and regional patterns of segregation, disparate impacts for impacted racial and ethnic groups, and foster more inclusive communities free from barriers that restrict access to opportunity. Housing opportunities in Los Gatos are limited by the pricing of both rental and market rate units. Additionally, approximately three-quarters of the housing in Town are single-family units, further reducing housing opportunities for smaller sized rental units. Sites proposed for very low- and low-income units have been distributed evenly throughout the Town and will not result in dense areas of income segregation.

## ***Potential Effects on Access to Opportunity***

### **Access to Opportunity**

Figure A-44 shown previously shows that nearly all Los Gatos tracts are TCAC designated highest resource areas. There is one tract in the northernmost area of the Town, also encompassing part of the City of Campbell, that is a high resource area. All sites selected to fulfill the Town's RHNA are in highest resource tracts.

### **Environment**

As presented in Figure A-50 above, all Los Gatos tracts scored within the lowest percentile range (most positive environmental factors) under OEHHA's CalEnviroScreen 4.0. Therefore, all sites selected to meet the RHNA are in areas with the most positive environmental conditions.

## Summary

The Town-wide distribution of housing sites will provide housing options for lower income households to choose housing that is close to amenities and services, such as parks, schools, transit, or other features (refer to Appendix D, Sites Inventory Analysis). The sites in the Sites Inventory do not saturate one specific set of income category in a specific location, rather they are spread throughout the Town. The sites in the Sites Inventory are spread throughout Town and were selected for their proximity to Town services and amenities, such as parks, high quality schools, shopping, and local Valley Transportation Authority bus transit that links to regional light rail transit.

In evaluating the selected sites from a broader, Countywide perspective, providing increased lower income housing opportunities in a high resource community such as Los Gatos will help overcome Countywide and regional patterns of disparate impacts for impacted racial and ethnic groups by providing more affordable housing choices near desirable resources such as employment and high-quality education. This will allow for more inclusive communities that are free from barriers that restrict access to opportunity.

## ***Potential Effects on Disproportionate Housing Needs***

### **Cost Burden**

The distribution of RHNA units by percentage of cost burdened owner-occupied households at the tract-level is shown in Table A-10 and Figure A-99. Between 20 percent and 60 percent of owner-occupied households are cost burdened in all Los Gatos tracts. Nearly all RHNA units (99.2 percent) are in tracts where 40 percent to 60 percent of owners with a mortgage overpay for housing. There are only 15 units allocated towards the above moderate income RHNA in tracts where less than 40 percent of owners are cost burdened.

Renters are cost burdened at similar rates to owners in Los Gatos tracts. Like owner-occupied households, in most tracts in the Town cost burdened renters represent 20 percent to 60 percent of the total tract households. As presented in Table A-12 and Figure A-100, 56 percent of RHNA units are in tracts where 40 percent to 60 percent of renters are cost burdened including 68 percent of very low-income units, 58.5 percent of low income units, and 63.5 percent of moderate income units, and 38.8 percent of above moderate income units. A larger proportion of above moderate-income units are in tracts where less than 40 percent of renters overpay for

## Appendix A. AFFH Report

housing compared to lower and moderate-income units. However, tracts with RHNA sites generally have comparable cost burdened renter populations ranging from 23 percent to 46 percent. Further, there are only 8 above moderate-income units in the tract with a cost burdened renter population of 23 percent.

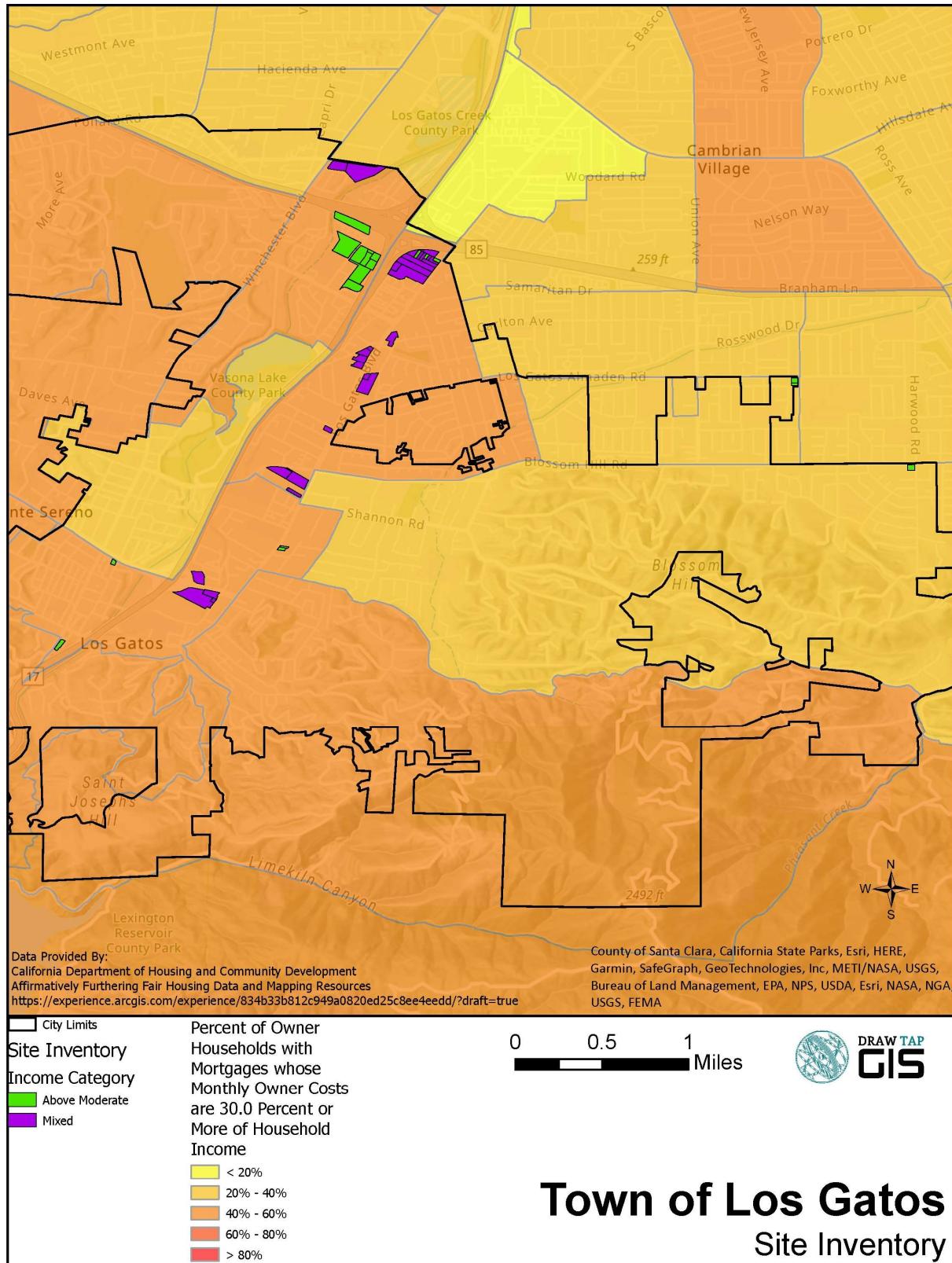
**Table A-11 Distribution of RHNA Units by Population of Cost Burdened Owners (2021)**

| Cost Burdened Owners (Tract) | Very Low Income |               | Low Income |               | Moderate Income |               | Above Moderate Income |               | Total       |               |
|------------------------------|-----------------|---------------|------------|---------------|-----------------|---------------|-----------------------|---------------|-------------|---------------|
|                              | Units           | Percent       | Units      | Percent       | Units           | Percent       | Units                 | Percent       | Units       | Percent       |
| <20%                         | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 20-40%                       | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 15                    | 2.3%          | 15          | 0.8%          |
| 40-60%                       | 634             | 100.0%        | 357        | 100.0%        | 340             | 100.0%        | 625                   | 97.7%         | 1956        | 99.2%         |
| 60-80%                       | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| >80%                         | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| <b>Total</b>                 | <b>634</b>      | <b>100.0%</b> | <b>357</b> | <b>100.0%</b> | <b>340</b>      | <b>100.0%</b> | <b>640</b>            | <b>100.0%</b> | <b>1971</b> | <b>100.0%</b> |

**Table A-12 Distribution of RHNA Units by Population of Cost Burdened Renters (2021)**

| Cost Burdened Renters (Tract) | Very Low Income |               | Low Income |               | Moderate Income |               | Above Moderate Income |               | Total       |               |
|-------------------------------|-----------------|---------------|------------|---------------|-----------------|---------------|-----------------------|---------------|-------------|---------------|
|                               | Units           | Percent       | Units      | Percent       | Units           | Percent       | Units                 | Percent       | Units       | Percent       |
| <20%                          | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 20-40%                        | 203             | 32.0%         | 148        | 41.5%         | 124             | 36.5%         | 392                   | 61.3%         | 867         | 44.0%         |
| 40-60%                        | 431             | 68.0%         | 209        | 58.5%         | 216             | 63.5%         | 248                   | 38.8%         | 1104        | 56.0%         |
| 60-80%                        | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| >80%                          | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| <b>Total</b>                  | <b>634</b>      | <b>100.0%</b> | <b>357</b> | <b>100.0%</b> | <b>340</b>      | <b>100.0%</b> | <b>640</b>            | <b>100.0%</b> | <b>1971</b> | <b>100.0%</b> |

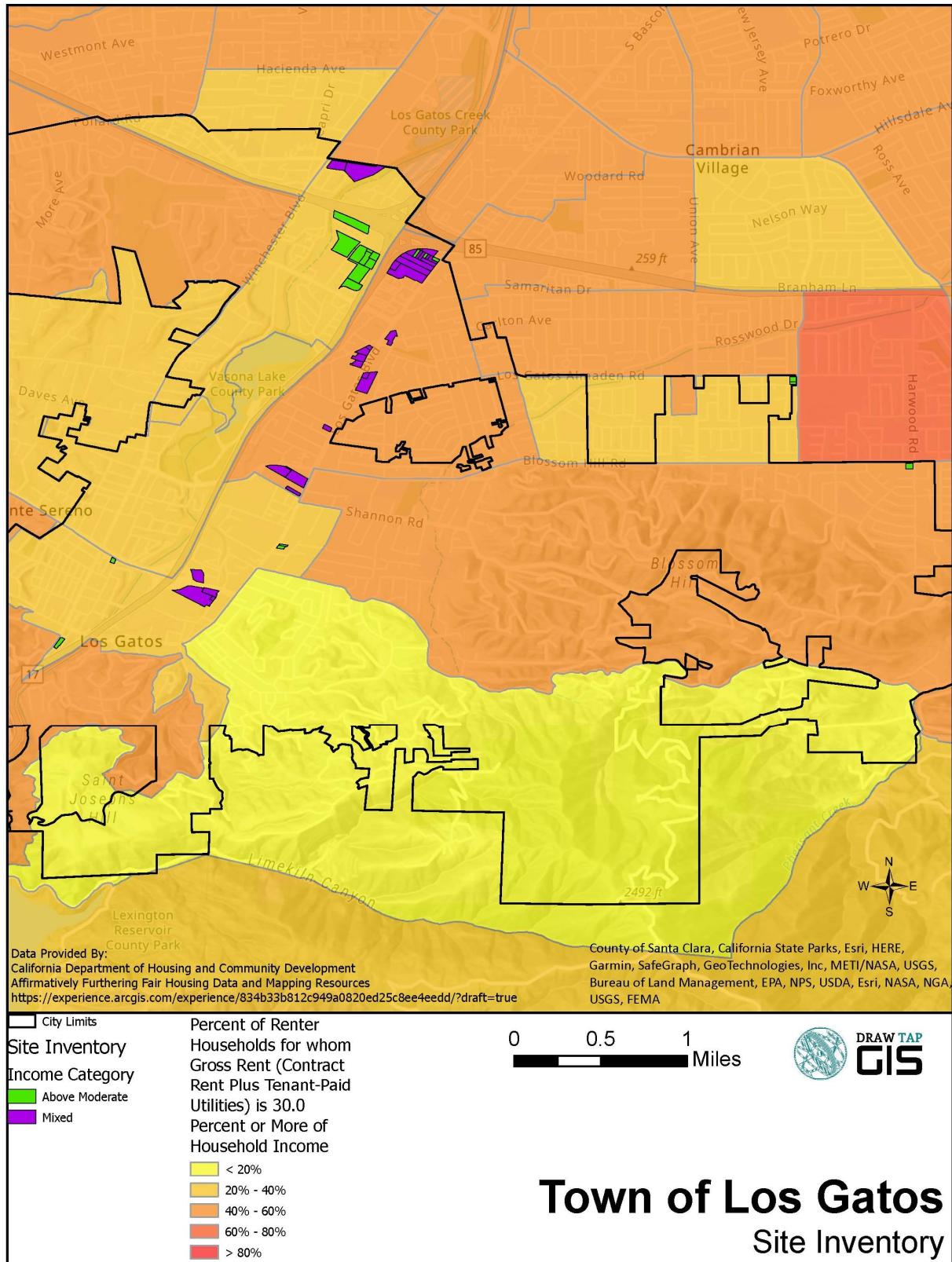
**Figure A-99 Sites Inventory and Cost Burdened Owner HH Population by Tract (2021)**



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

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**Figure A-100 Sites Inventory and Cost Burdened Renter HH Population by Tract (2021)**



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

### Overcrowding

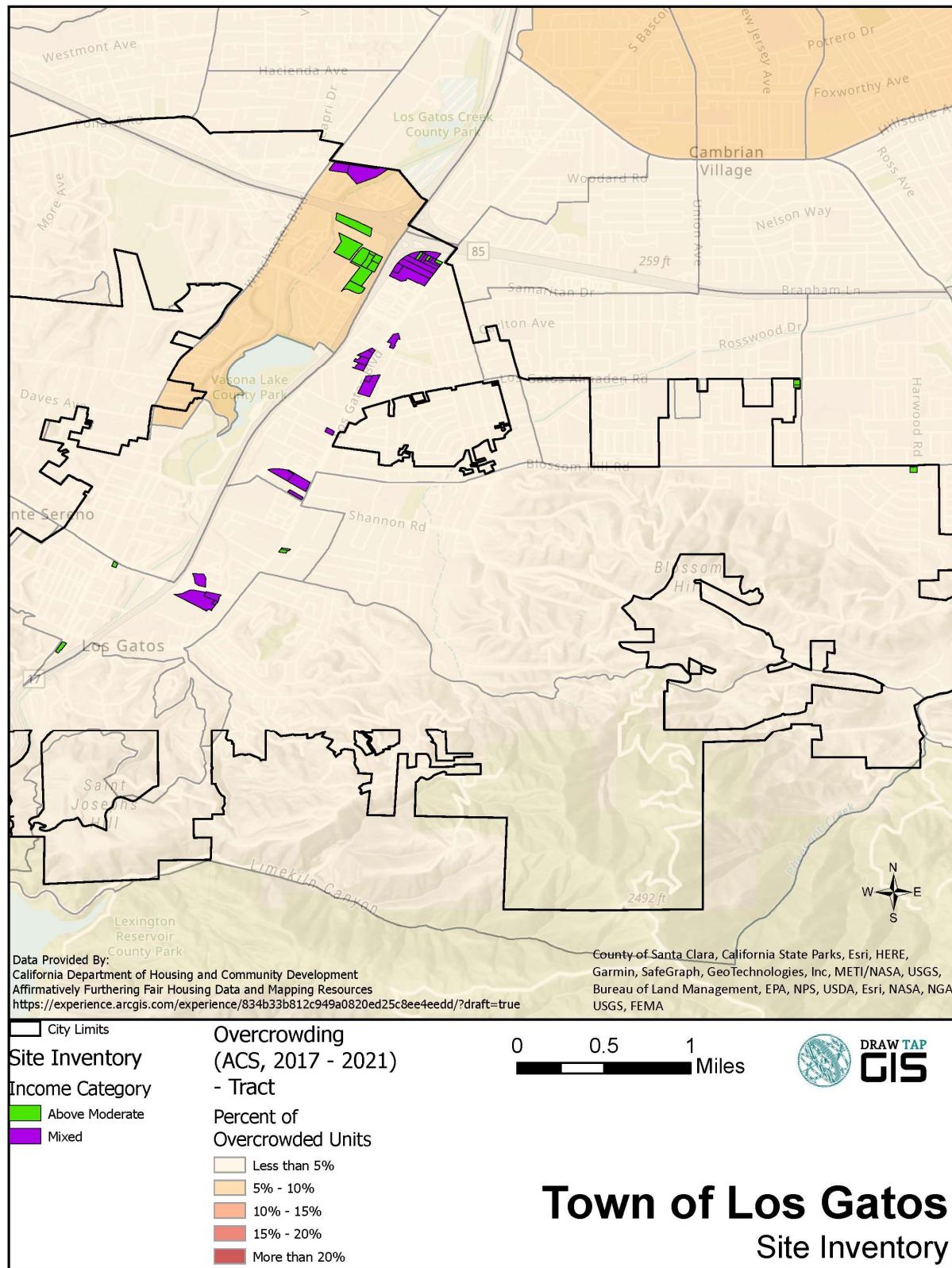
According to the HCD AFFH Data Viewer 2.0, based on the 2017-2021 ACS, there is only one tract in Los Gatos where more than 5 percent of households are overcrowded. Table A-13 and Figure A-101 show that 26 percent of RHNA units are in the northern tract where 5.1 percent of households experience overcrowding. A larger proportion of above moderate-income units are allocated in this tract (43 percent) compared to very low (18.5 percent), low (16.2 percent), and moderate-income units (17.1 percent). The Town's RHNA strategy aims to promote housing opportunities townwide, including areas with need, such as overcrowded populations. The RHNA strategy does not disproportionately place lower or moderate income RHNA units in areas where overcrowding is more prevalent.

**Table A-13 Distribution of RHNA Units by Overcrowded Households (2021)**

| Overcrowded Households (Tract) | Very Low Income |               | Low Income |               | Moderate Income |               | Above Moderate Income |               | Total       |               |
|--------------------------------|-----------------|---------------|------------|---------------|-----------------|---------------|-----------------------|---------------|-------------|---------------|
|                                | Units           | Percent       | Units      | Percent       | Units           | Percent       | Units                 | Percent       | Units       | Percent       |
| <5%                            | 517             | 81.5%         | 299        | 83.8%         | 282             | 82.9%         | 365                   | 57.0%         | 1463        | 74.2%         |
| 5-10%                          | 117             | 18.5%         | 58         | 16.2%         | 58              | 17.1%         | 275                   | 43.0%         | 508         | 25.8%         |
| 10-15%                         | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| 15-20%                         | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| >20%                           | 0               | 0.0%          | 0          | 0.0%          | 0               | 0.0%          | 0                     | 0.0%          | 0           | 0.0%          |
| <b>Total</b>                   | <b>634</b>      | <b>100.0%</b> | <b>357</b> | <b>100.0%</b> | <b>340</b>      | <b>100.0%</b> | <b>640</b>            | <b>100.0%</b> | <b>1971</b> | <b>100.0%</b> |

## Appendix A. AFFH Report

**Figure A-101 Sites Inventory and Overcrowded HH Population by Tract (2021)**



Source: HCD AFFH Data Viewer 2.0 (2017-2021 ACS), 2023.

## **Displacement**

As shown above in Figure A-92, there are no sensitive communities at risk of displacement in Los Gatos. All tracts in the Town are considered “lower displacement risk” areas. Therefore, there are no RHNA sites in communities vulnerable to displacement.

## **Summary**

“Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.”<sup>20</sup>

Overpayment for housing is a significant challenge for low-income residents in Town. Cost burden does vary by tenure (renter or ownership) in Los Gatos. Renters tend to experience a greater share of all forms of cost burden while owners experienced less of a cost burden. When analyzing cost burden by family size, households with five or more persons experience less cost burden compared to all other household types.

Housing cost burden in Los Gatos is lower than nearby cities, but differs by race and ethnicity and by tenure (renters or owners). Asian households experience the lowest rates of cost burden (30 percent) in the Town, followed by non-Hispanic White households (31 percent). This is followed by Black/African American household (34 percent) and Hispanic households (37 percent). Other/Multiple Race households (45 percent) are the most likely to be cost burdened (45 percent). Owners experience cost burden at a lower rate (28 percent) than renters (42 percent). This may be likely due to the relatively high cost of living in Los Gatos and the greater Bay Area region.

The quantity and Town-wide distribution of affordable housing within the Sites Inventory will concentrate on the disproportionate housing needs by providing affordable housing dispersed throughout the Town, nearby high need services and amenities.

## **Sites Inventory Summary**

The Town’s sites inventory is shown in Figure A-102. Sites are also shown by tract and respective AFFH variables in Table A-14. The sites inventory as it relates to affirmatively furthering fair housing is discussed below.

**Tract 5068.01** encompasses the central area of the Town and is bound by Highway 17 to the west, National Avenue and Camino del Cerro to the east, Blossom Hill Road to the south, and the northern Town boundary to the north. This tract is primarily zoned for Single Family Residential (R-1:8) and Restricted Commercial Highway (CH) uses. The North Forty Specific Plan is also located in this tract. Tract 5068.01 contains the largest proportion of RHNA units. More than half of units selected to meet the RHNA, including 431 very low income, 209 low income, 216 moderate income, and 241 above moderate-income units, are allocated to sites in tract 5068.01. Like Los Gatos as a whole, this section is a highest resource area with few fair housing issues. None of the block groups in this tract are considered LMI areas and only 1.9 percent of households are overcrowded. The Town’s RHNA strategy in this area of Los Gatos promotes mixed income communities in an opportunity-rich area. Sites identified in this tract would not exacerbate conditions related to fair housing.

**Tract 5068.04** is in the northeastern area of Los Gatos and is bound by Los Gatos Almaden Road to the north, Camino del Cerro to the west, Leigh Avenue to the east, and Blossom Hill Road to the south. This neighborhood is comprised predominantly of R1 zoning designations. There is only one RHNA site in this tract. Site G-1 has a capacity to accommodate eight above moderate-income units.

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<sup>20</sup> California Department of Housing and Community Development Guidance, 2021, page 39.

## Appendix A. AFFH Report

**Tract 5069** is the largest tract, encompassing the area east of Los Gatos Boulevard, south of Blossom Hill Road, and north of Kennedy Road. The majority of the area in tract 5069 is zoned for Hillside Residential (HR) and Resource Conservation (RC) uses. Site H-1, with the capacity to accommodate seven above moderate-income units, is the only site that has been identified in tract 5069.

**Tract 5070.04** is in southern Los Gatos and is generally bound by Los Gatos Boulevard to the east, the Town boundary and Highway 17 to the west, and Roberts Road, Shannon Road, and Saratoga Los Gatos Road to the north. Tract 5070.04 is predominantly zoned R1 east of Highway 17- and Single-Family Residential Downtown (R-1D) and Central Business District (C-2) west of Highway 17. A total of five RHNA sites have been identified in tract 5070.04. These sites have a total capacity of 335 units, including 86 very low, 90 low, 66, moderate, and 93 above moderate. Like tract in 5068.01, the RHNA strategy proposes sites with the ability to accommodate a variety of income levels in this area. This tract is a highest resource area will few fair housing issues. RHNA sites in this tract promote mixed income communities and increased housing opportunities in high resource areas.

**Tract 5072.03** is west of tract 5068.01 and is bound by the northern Town boundary, Winchester Boulevard to the east, and Highway 17 to the west. Zoning designations in this section of Los Gatos include R-1, Multi-Family Residential (R-M), Residential Mobile Home Park (RMH), Controlled Manufacturing (CM), and the Albright Specific Plan. There are 508 RHNA units (117 very low, 58 low, 58 moderate, and 275 above moderate income) allocated in this section of the Town over five sites. While this is a highest resource area, it does have larger non-White, LMI household, and overcrowded populations compared to other areas of the Town. However, the RHNA strategy does not allocate sites accommodating the lower or moderate income RHNA in this tract alone. Over half of the units identified in this tract are allocated towards the above moderate income RHNA. Further, sites accommodating lower and moderate-income units are distributed throughout other areas of the Town.

### Summary

The Town's RHNA strategy identifies sites throughout the Town, serving various existing populations, to the greatest extent possible given the overall character of Los Gatos. The RHNA strategy ensures sites with the capacity to accommodate lower and moderate-income units are not concentrated in one area of the Town alone. All sites identified promote the increase of housing units, including affordable housing, in high resource areas with accessible services and amenities. The sites inventory, in conjunction with programs and supplemental AFFH actions outlined in this Housing Element, aims to foster inclusive communities through promoting affordable housing in resource-rich areas, like Los Gatos. The Town's sites inventory does not exacerbate negative fair housing conditions in Los Gatos.

## Appendix A. AFFH Report

**Table A-14 Sites Inventory by Tract and AFFH Variable**

| Tract/Site #  | # of HHs in Tract | Total Capacity (Units) | Income Distribution (Units) |     |          |                | % Non-White | % LMI HHs* | TCAC Opp. Area   | Overpay Renter | Over-crowded HHs |
|---------------|-------------------|------------------------|-----------------------------|-----|----------|----------------|-------------|------------|------------------|----------------|------------------|
|               |                   |                        | Very Low                    | Low | Moderate | Above Moderate |             |            |                  |                |                  |
| Tract 5068.01 | 2,064             | 1,097                  | 431                         | 209 | 216      | 241            | 27.5%       | 37.0-47.0% | Highest Resource | 42.3%          | 1.9%             |
| C-1           |                   | 48                     | 19                          | 9   | 10       | 10             |             |            |                  |                |                  |
| C-2           |                   | 86                     | 35                          | 17  | 17       | 17             |             |            |                  |                |                  |
| C-3           |                   | 33                     | 13                          | 6   | 7        | 7              |             |            |                  |                |                  |
| C-4           |                   | 19                     | 7                           | 4   | 4        | 4              |             |            |                  |                |                  |
| C-5           |                   | 24                     | 9                           | 5   | 5        | 5              |             |            |                  |                |                  |
| C-7           |                   | 106                    | 42                          | 21  | 21       | 22             |             |            |                  |                |                  |
| C-8           |                   | 79                     | 31                          | 16  | 16       | 16             |             |            |                  |                |                  |
| C-9           |                   | 134                    | 54                          | 26  | 26       | 28             |             |            |                  |                |                  |
| D-1           |                   | 452                    | 184                         | 89  | 92       | 87             |             |            |                  |                |                  |
| D-2           |                   | 37                     | 16                          | 7   | 7        | 7              |             |            |                  |                |                  |
| D-3           |                   | 7                      | 0                           | 0   | 0        | 7              |             |            |                  |                |                  |
| D-4           |                   | 12                     | 0                           | 0   | 0        | 12             |             |            |                  |                |                  |
| D-5           |                   | 23                     | 10                          | 4   | 5        | 4              |             |            |                  |                |                  |
| D-6           |                   | 27                     | 11                          | 5   | 6        | 5              |             |            |                  |                |                  |
| D-7           |                   | 10                     | 0                           | 0   | 0        | 10             |             |            |                  |                |                  |
| Tract 5068.04 | 1,612             | 8                      | 0                           | 0   | 0        | 8              | 35.9%       | 5.0%       | Highest Resource | 23.4%          | 0.0%             |
| G-1           |                   | 8                      | 0                           | 0   | 0        | 8              |             |            |                  |                |                  |
| Tract 5069    | 2,856             | 7                      | 0                           | 0   | 0        | 7              | 34.1%       | 21.0%      | Highest Resource | 45.9%          | 0.0%             |
| H-1           |                   | 7                      | 0                           | 0   | 0        | 7              |             |            |                  |                |                  |
| Tract 5070.04 | 1,753             | 335                    | 86                          | 90  | 66       | 93             | 17.4%       | 15.0-26.0% | Highest Resource | 33.4%          | 0.0%             |
| A-3           |                   | 7                      | 0                           | 0   | 0        | 7              |             |            |                  |                |                  |

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| Tract/Site #         | # of HHs in Tract | Total Capacity (Units) | Income Distribution (Units) |            |            |                | % Non-White  | % LMI HHs*   | TCAC Opp. Area          | Overpay Renter | Over-crowded HHs |
|----------------------|-------------------|------------------------|-----------------------------|------------|------------|----------------|--------------|--------------|-------------------------|----------------|------------------|
|                      |                   |                        | Very Low                    | Low        | Moderate   | Above Moderate |              |              |                         |                |                  |
| B-1                  |                   | 262                    | 86                          | 86         | 62         | 28             |              |              |                         |                |                  |
| C-6                  |                   | 6                      | 0                           | 0          | 0          | 6              |              |              |                         |                |                  |
| I-1                  |                   | 60                     | 0                           | 4          | 4          | 52             |              |              |                         |                |                  |
| <b>Tract 5072.03</b> | <b>1,229</b>      | <b>508</b>             | <b>117</b>                  | <b>58</b>  | <b>58</b>  | <b>275</b>     | <b>40.8%</b> | <b>35.0%</b> | <b>Highest Resource</b> | <b>37.7%</b>   | <b>5.1%</b>      |
| E-1                  |                   | 121                    | 0                           | 0          | 0          | 121            |              |              |                         |                |                  |
| E-2                  |                   | 26                     | 0                           | 0          | 0          | 26             |              |              |                         |                |                  |
| E-3                  |                   | 69                     | 0                           | 0          | 0          | 69             |              |              |                         |                |                  |
| F-1                  |                   | 220                    | 88                          | 44         | 44         | 44             |              |              |                         |                |                  |
| F-2                  |                   | 72                     | 29                          | 14         | 14         | 15             |              |              |                         |                |                  |
| <b>Total</b>         |                   | <b>1,971</b>           | <b>634</b>                  | <b>357</b> | <b>340</b> | <b>640</b>     |              |              |                         |                |                  |

\* LMI household percentage is presented at the block group level and may be shown as a range as sites may be located in different block groups within the same tract.

## Appendix A. AFFH Report

**Figure A-102 Sites Inventory**

