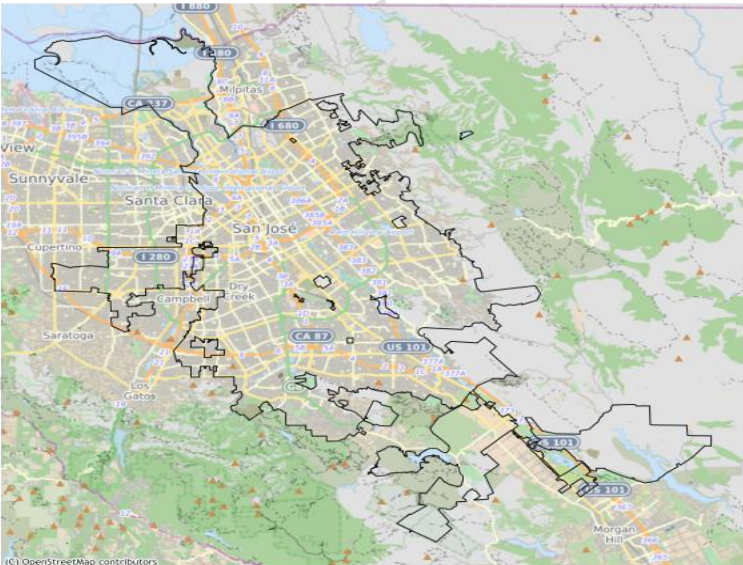


# APPENDIX A

## HOUSING NEEDS DATA: SAN JOSE

ABAG/MTC Staff and Baird + Driskell Community Planning + City of San José



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ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION



Technical Assistance  
for Local Planning  
**HOUSING**

# 1 INTRODUCTION

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, contributing to the housing shortage that communities are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people across incomes being able to purchase homes or meet surging rents.

The 2023-2031 Housing Element Update provides a roadmap for how to meet our growth and housing challenges. Required by the state, the Housing Element identifies what the existing housing conditions and community needs are, reiterates goals, and creates a plan for more housing. The Housing Element is an integral part of the General Plan, which guides the policies of San Jose.

## 2 SUMMARY OF KEY FACTS

- **Population** - Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of San Jose increased, changing by 10.9% from 2010 to 2020<sup>1</sup>, which is above the growth rate of the region. The Association of Bay Area Governments (ABAG) projects that the City's population will grow by about 15% to 1,189,660 in 2030<sup>2</sup>, by the end of this Sixth Cycle Housing Element.
- **Age** - In 2019, San Jose's youth population under the age of 18 was 230,598<sup>3</sup> (22% of total) and senior population 65 and older was 128,611<sup>3</sup> (13% of total). Seniors ages 65 & older are the fastest growing age group and are expected to grow 39% to 178,100 by 2030<sup>2</sup>. Working age population between the ages of 20 and 64 (63% of total) are expected to grow 10% by 2030<sup>2</sup>, (from 645,892 to 710,050).
- **Race/Ethnicity** - Approximately 25.7% of San Jose's population is White while 2.8% is African American and 36.1% is Asian. Within the Asian Population, 30% are Vietnamese, 24% are Chinese and 19% are Asian Indian origin. The percentage of Latinx population is 31.6%. People of color in San Jose comprise a proportion above the overall proportion in the Bay Area as a whole.<sup>4</sup>
- **Number of Homes** - San Jose has 338,509<sup>3</sup> housing units. The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in San Jose increased, changing by 7.2% from 2010 to 2020, which is *above* the growth rate of the region.
- **Home Prices** - A diversity of homes at all income levels creates opportunities for all San Jose residents to live and thrive in the community.
  - **Ownership** The median home price was \$1.4 million in Q3 2021. Median home prices increased by 200% from Q3 2000 to Q3 2021.<sup>5</sup>
  - **Rental Prices** - The average rent for an apartment in San Jose was \$2,531 in Q3 2021. Rental prices increased by 58% from Q3 2000 to Q3 2021.<sup>6</sup> To rent a 2 bedroom apartment without cost burden, a family would need to make \$112,080 per year.
- **Housing Type** - It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020, 62.3% of homes in San Jose were single family, 6.9% were small multifamily (2-4 units), and 27.5% were medium or large multifamily (5+

<sup>1</sup> CA Department of Finance E5 Series

<sup>2</sup> ABAG [Projections 2040 by Jurisdiction](#)

<sup>3</sup> ACS 2019 5 Year S0101

<sup>4</sup> The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source.

<sup>5</sup> SCCAOR - Sept 2000-Sept 2021

<sup>6</sup> Costar Average Effective Rents - Sept 2000 - Sept 2021



units). [San Jose has about 11,395 mobile homes, 3% of total housing units.](#) Between 2010 and 2020, the number of multi-family units increased more than single-family units. Generally, in San Jose, the share of single family homes is similar to that of other jurisdictions in the region.

- **Displacement/Gentrification** - According to research from The University of California, Berkeley, 14.2% of households in San Jose live in neighborhoods that are experiencing or at risk of displacement or gentrification. 39.3% of households in San Jose live in neighborhoods where significant portions of the workforce are excluded due to prohibitive housing costs. There are various ways to address displacement including ensuring new housing at all income levels is built.
- **Neighborhood** 32.5% of residents in San Jose live in neighborhoods identified as *highest* or *high resource* areas by State-commissioned research. This neighborhood designation is based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors, building on a body of research documenting the benefits of growing up in these high resource areas.

**Note on Data**

*Many of the tables in this report are sourced from data from the Census Bureau's American Community Survey or U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data, both of which are samples and as such, are subject to sampling variability. This means that data is an estimate, and that other estimates could be possible if another set of respondents had been reached. We use the five-year release to get a larger data pool to minimize this "margin of error" but particularly for the smaller cities, the data will be based on fewer responses, and the information should be interpreted accordingly.*





## 3 LOOKING TO THE FUTURE: REGIONAL HOUSING NEEDS

### 3.1 Regional Housing Needs Determination

The Plan Bay Area 2050<sup>7</sup> Final Blueprint forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.<sup>8</sup> This calculation, known as the Regional Housing Needs Determination (RHND), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households, and seek to bring the region more in line with comparable ones.<sup>9</sup> These new laws governing the methodology for how HCD calculates the RHND resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles.

### 3.2 Regional Housing Needs Allocation

A starting point for the Housing Element Update process for every California jurisdiction is the Regional Housing Needs Allocation or RHNA - the share of the RHND assigned to each jurisdiction by the Association of Bay Area Governments (ABAG). State Housing Element Law requires ABAG to develop a methodology that calculates the number of housing units assigned to each city and county and distributes each jurisdiction's housing unit allocation among four affordability levels. For this RHNA cycle, the RHND increased by 135%, from 187,990 to 441,776. For more information on the RHNA process this cycle, see ABAG's website: <https://abag.ca.gov/our-work/housing/rhna-regional-housing-needs-allocation>

Almost all jurisdictions in the Bay Area are likely to receive a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles.

In January 2021, ABAG adopted a Draft RHNA Methodology, which is currently being reviewed by HCD. For San Jose, the proposed RHNA to be planned for this cycle is 62,200 units, a slated increase from the last cycle. **Please note that the previously stated figures are merely illustrative, as ABAG has yet to issue Final RHNA allocations. The Final RHNA allocations that local jurisdictions will use for their**

---

<sup>7</sup> Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing and transportation

<sup>8</sup> HCD divides the RHND into the following four income categories:

Very Low-income: 0-50% of Area Median Income

Low-income: 50-80% of Area Median Income

Moderate-income: 80-120% of Area Median Income

Above Moderate-income: 120% or more of Area Median Income

<sup>9</sup> For more information on HCD's RHND calculation for the Bay Area, see this letter sent to ABAG from HCD on June 9, 2020: [https://www.hcd.ca.gov/community-development/housing-element/docs/abagrhna-final060920\(r\).pdf](https://www.hcd.ca.gov/community-development/housing-element/docs/abagrhna-final060920(r).pdf)



**Housing Elements will be released at the end of 2021.** The potential allocation that San Jose would receive from the Draft RHNA Methodology is broken down by income category as follows:

**Table 1: Illustrative Regional Housing Needs Allocation from Draft Methodology**

Income Group	San Jose Units	Santa Clara County Units	Bay Area Units	San Jose Percent	Santa Clara County Percent	Bay Area Percent
Very Low Income (<50% of AMI)	15088	32316	114442	24.3%	24.9%	25.9%
Low Income (50%-80% of AMI)	8687	18607	65892	14.0%	14.4%	14.9%
Moderate Income (80%-120% of AMI)	10711	21926	72712	17.2%	16.9%	16.5%
Above Moderate Income (>120% of AMI)	27714	56728	188130	44.6%	43.8%	42.6%
<b>Total</b>	<b>62200</b>	<b>129577</b>	<b>441176</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Association of Bay Area Governments Methodology and tentative numbers were approved by ABAG's Executive board on January 21, 2021 (Resolution No. 02-2021). The numbers were submitted for review to California Housing and Community Development in February 2021, after which an appeals process will take place during the Fall of 2021.

**THESE NUMBERS SHOULD BE CONSIDERED PRELIMINARY AND SUBJECT TO CHANGE PER HCD REVIEW**

## 4 POPULATION, EMPLOYMENT AND HOUSEHOLD CHARACTERISTICS

### 4.1 Population

The Bay Area is the fourth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Most cities in the region experienced a similar pattern of job and population growth during this time, yet the production of housing did not meet the demand. This has resulted in higher housing costs and insufficient housing to meet the needs of communities.

Founded on November 29, 1777, San Jose was the first town in the Spanish colony Nueva California. When California became a state, in 1850, San Jose was the first incorporated city in the new state and served as the state capital for two years until 1851. San Jose is located in Santa Clara County California. It is the largest city in Santa Clara County, 3rd largest city in California (after Los Angeles and San Diego) and the 10th largest city in the United States. The Association of Bay Area Governments (ABAG) projects that the City's population will grow by about 15% to 1,189,660 in 2030, by the end of this Sixth Cycle Housing Element.

Since 2000, San Jose has grown 10.9%; this rate is *above* that of the region as a whole, at 8.9%.

**Table 2: Population Growth Trends**

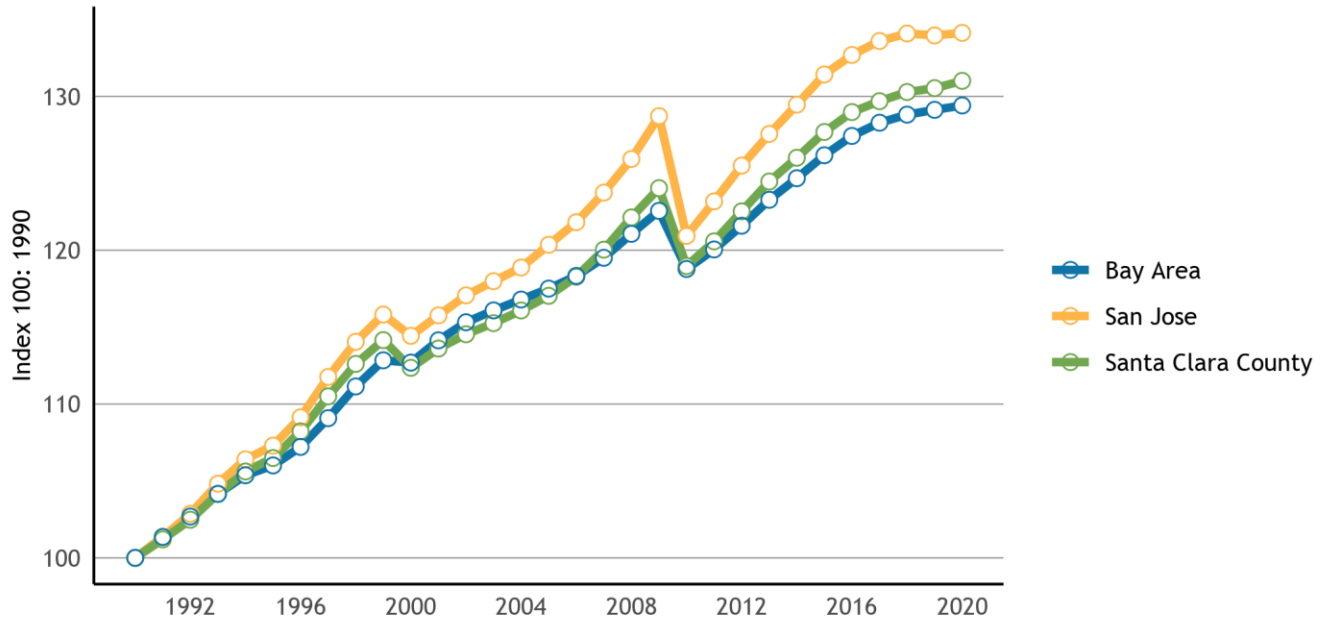
Geography	1990	1995	2000	2005	2010	2015	2020
San Jose	782,224	839,319	895,131	941,435	945,942	1,028,040	1,049,187
Santa Clara County	1,497,577	1,594,818	1,682,585	1,752,696	1,781,642	1,912,180	1,961,969
Bay Area	6,020,147	6,381,961	6,784,348	7,073,912	7,150,739	7,595,694	7,790,537

*Universe: Total population - The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. - For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates.*

*Source: California Department of Finance, E-5 series*

In 2020, the population of San Jose was estimated to be 1,049,187 (see Table 2). From 2010 to 2020, the population increased by 10.9%, compared to 14.4% during the 1990s and 5.7% during the first decade of the 2000s. The population of San Jose makes up 53.5% of Santa Clara County.<sup>10</sup>

<sup>10</sup> To compare the rate of growth across various geographic scales, Figure 1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e. percent change) in each of these geographies relative to their populations in 1990.



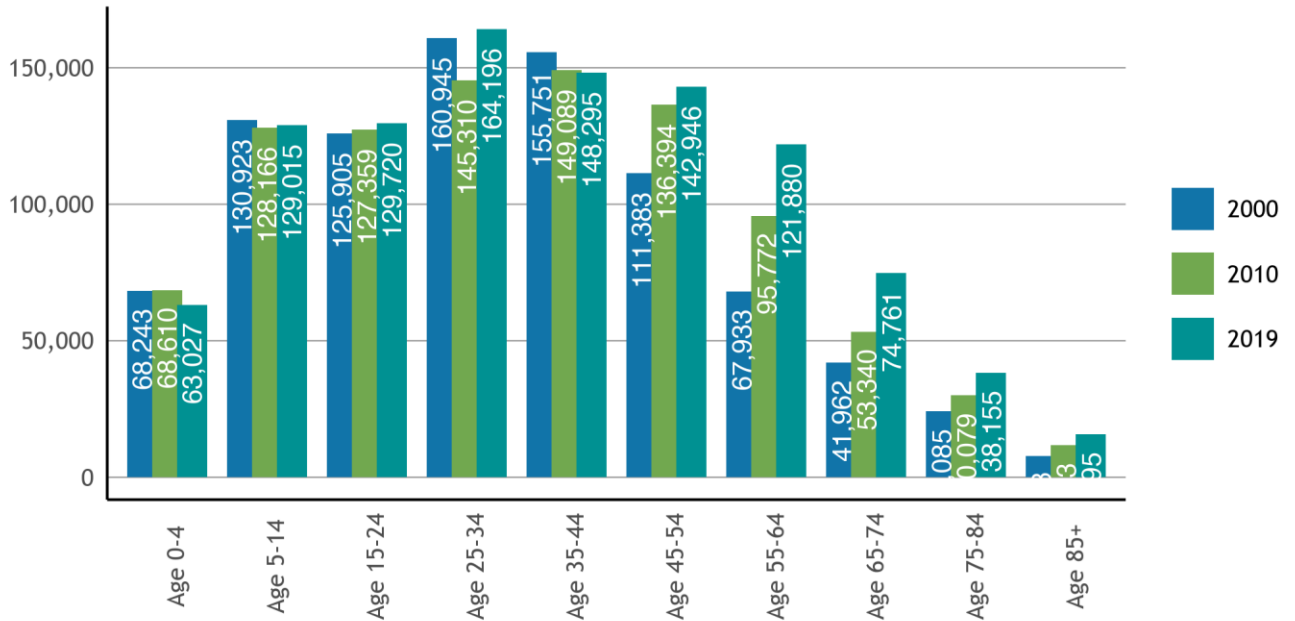
**Figure 1: Population Growth Trends**

Source: California Department of Finance, E-5 series - The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. - For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates.

## 4.2 Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population can mean there is a need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In San Jose, the median age in 2000 was 31.8; by 2019, this figure had increased, landing at around 36.7 years. More specifically, the population of those under 14 has largely remained steady since 2010, while the 65-and-over population has increased (see Figure 2). This points to an increasing demand for senior housing in the future.



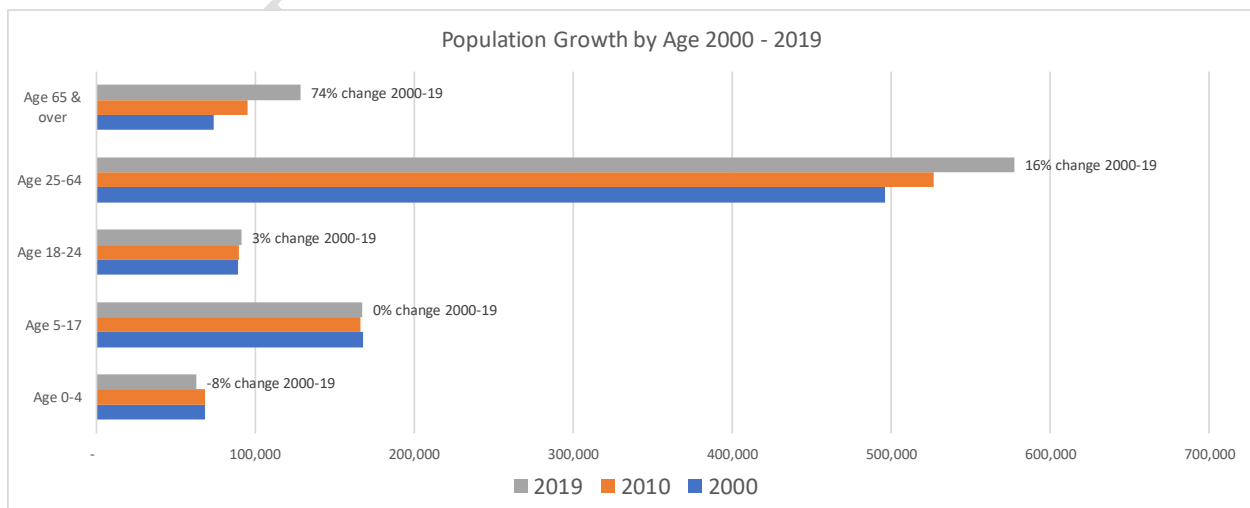
**Figure 2: Population by Age, 2000-2019**

Universe: Total population

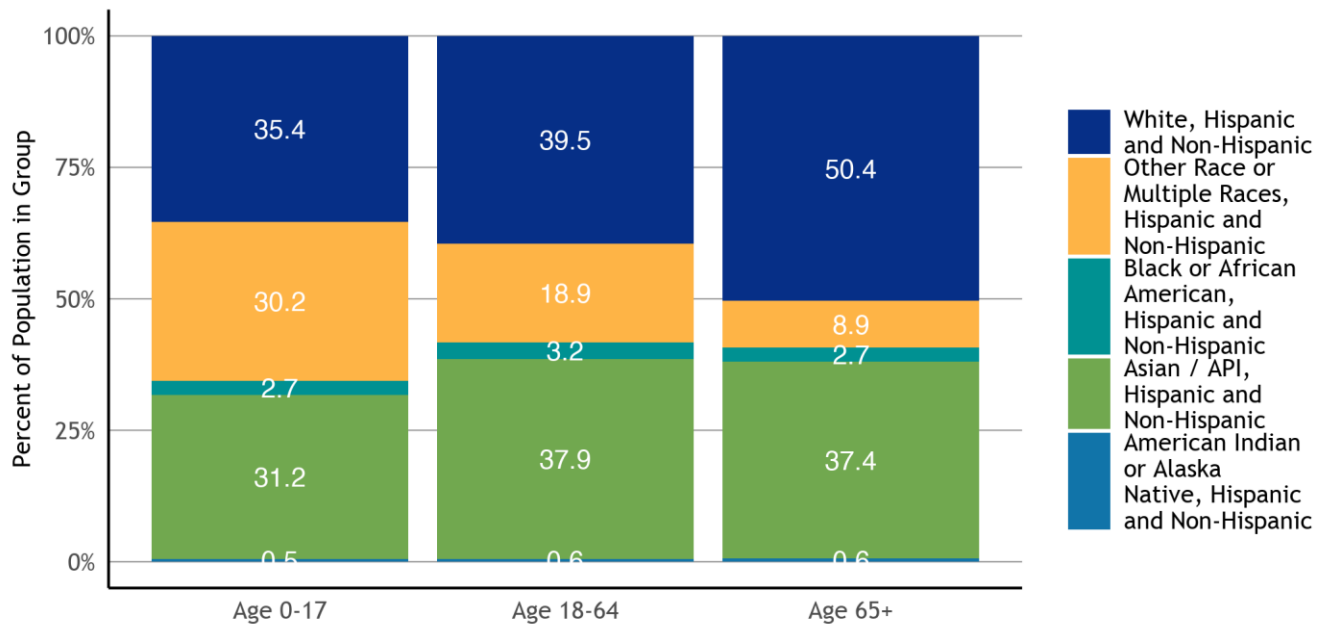
Source: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001

The percentage of Seniors (65& over) has been growing steadily from 8.3% in 2000 to 12.5% in 2019. ABAG’s *Projections 2040* indicates that this percentage will rise to 14% by 2030.

Seniors have also been the fastest growing population in San Jose from 2000 to 2019, as is shown by the chart below:



Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color<sup>11</sup> make up a large proportion of both seniors and youth - 50% of seniors and 65% of youth under 18 (see Figure 3).



**Figure 3: Senior and Youth Population by Race**

*Universe: Total population Notes: In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity, and an overlapping category of hispanic / non-hispanic groups has not been shown to avoid double counting in the stacked bar chart. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G)*

<sup>11</sup> Here, we count all non-white racial groups

### 4.3 Race and Ethnicity

Understanding the racial makeup of a city and region is important. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today<sup>12</sup>.

San Jose is a diverse community with a non-White majority.

San Jose Population by Race

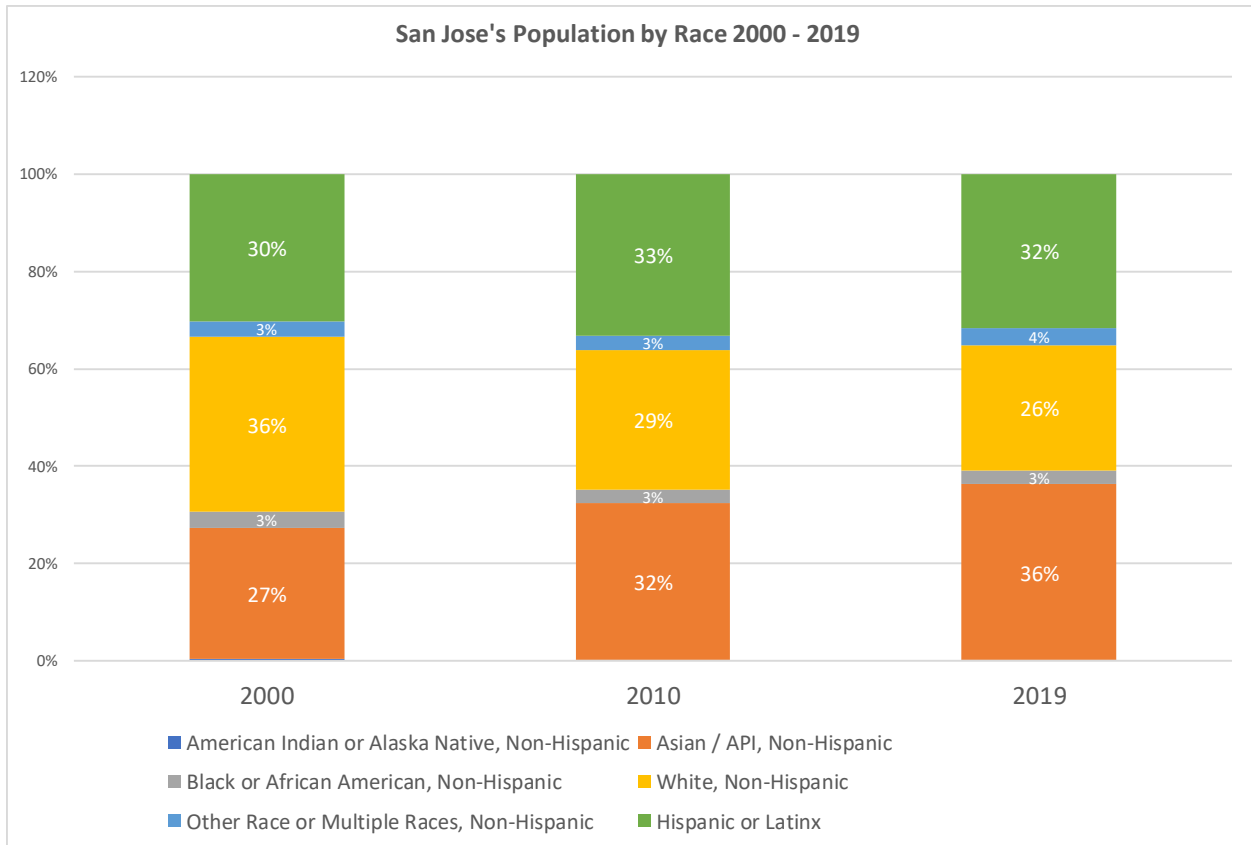
Race/Ethnicity	Population	Percent
American Indian or Alaska Native, Non-Hispanic	1,836	0.2%
Asian / API, Non-Hispanic	370,962	36.1%
Black or African American, Non-Hispanic	29,129	2.8%
White, Non-Hispanic	264,374	25.7%
Other Race or Multiple Races, Non-Hispanic	36,541	3.6%
Hispanic or Latinx	324,848	31.6%
<b>TOTAL</b>	<b>1,027,690</b>	<b>100.0%</b>

Source: ACS 2019 5 Year B03002

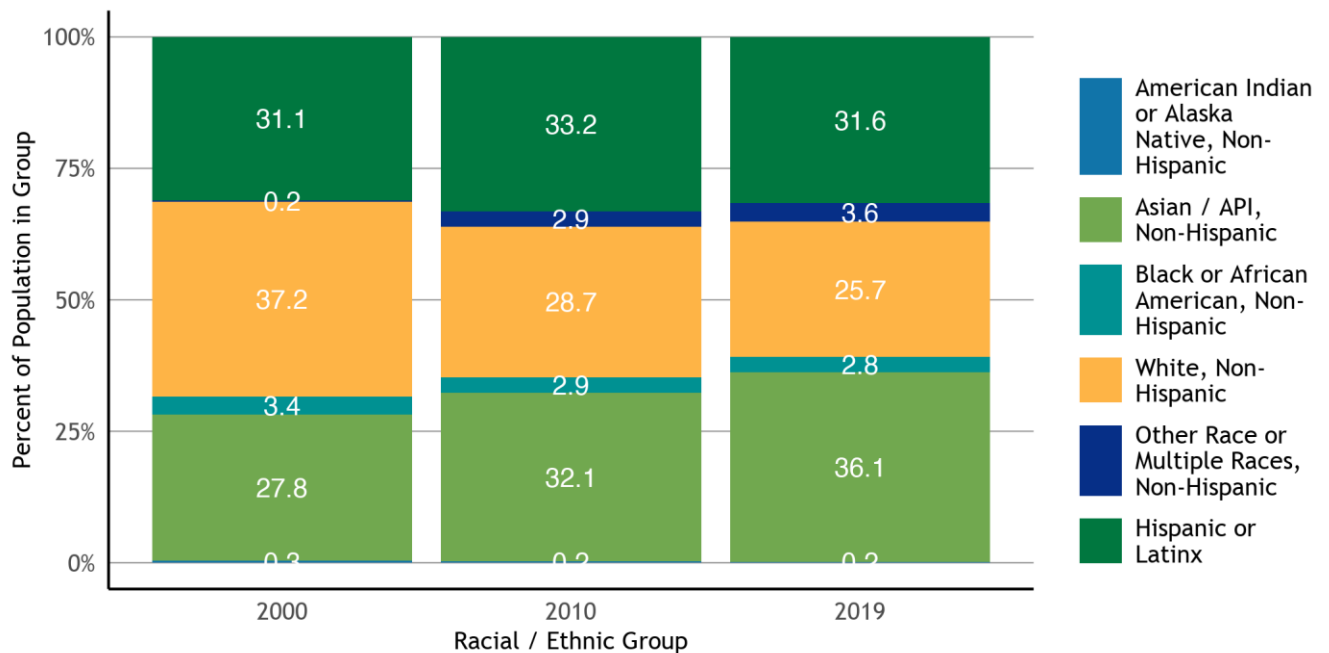
The share of the Asian and Hispanic populations has grown since 2000, while the share of non-Hispanic White population has fallen from 36% in 2000 to 26% in 2019.

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<sup>12</sup> See, for example, Rothstein, R. (2017). The color of law : a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.



Since 2000, the percentage of residents in San Jose identifying as White has decreased, changing by - 30.8%, with the 2019 population standing at 264,374 (see Figure 4). By comparison, all other races and ethnicities increased by 18.2%. Overall, the *Asian / API, Non-Hispanic* population increased the most while the *White, Non-Hispanic* population decreased the most.

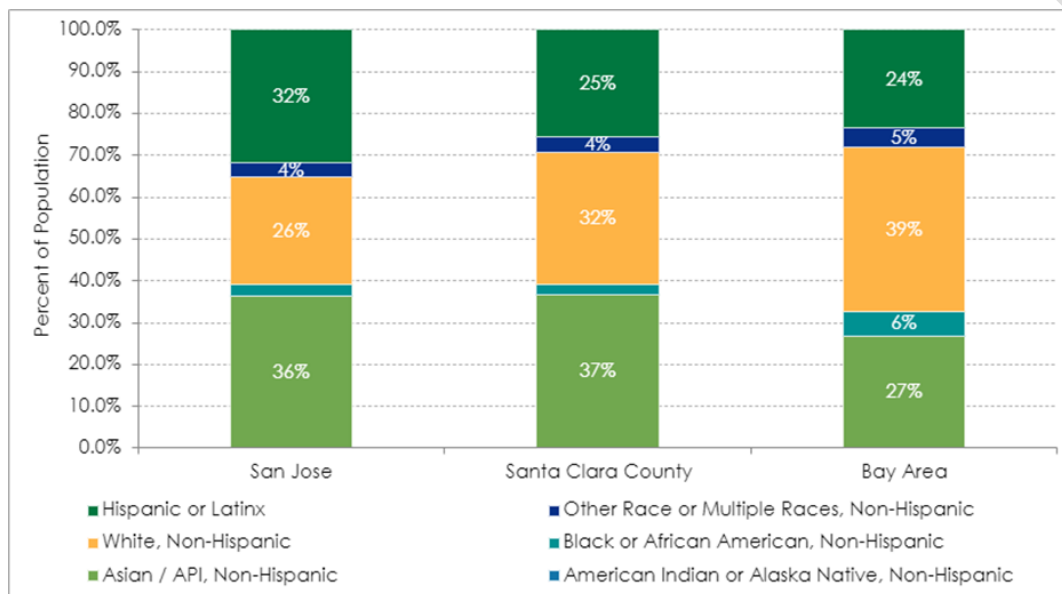




## Figure 4: Population by Race, 2000-2019

Universe: Total population Notes: Data for 2019 represents 2015-2019 ACS estimates. -The Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories. For the purposes of this graph, the “Hispanic or Latinx” racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity. Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

When compared with the rest of the Bay Area, San Jose has a higher share of Asians and Hispanic and a lower share of White, Non-Hispanic population.

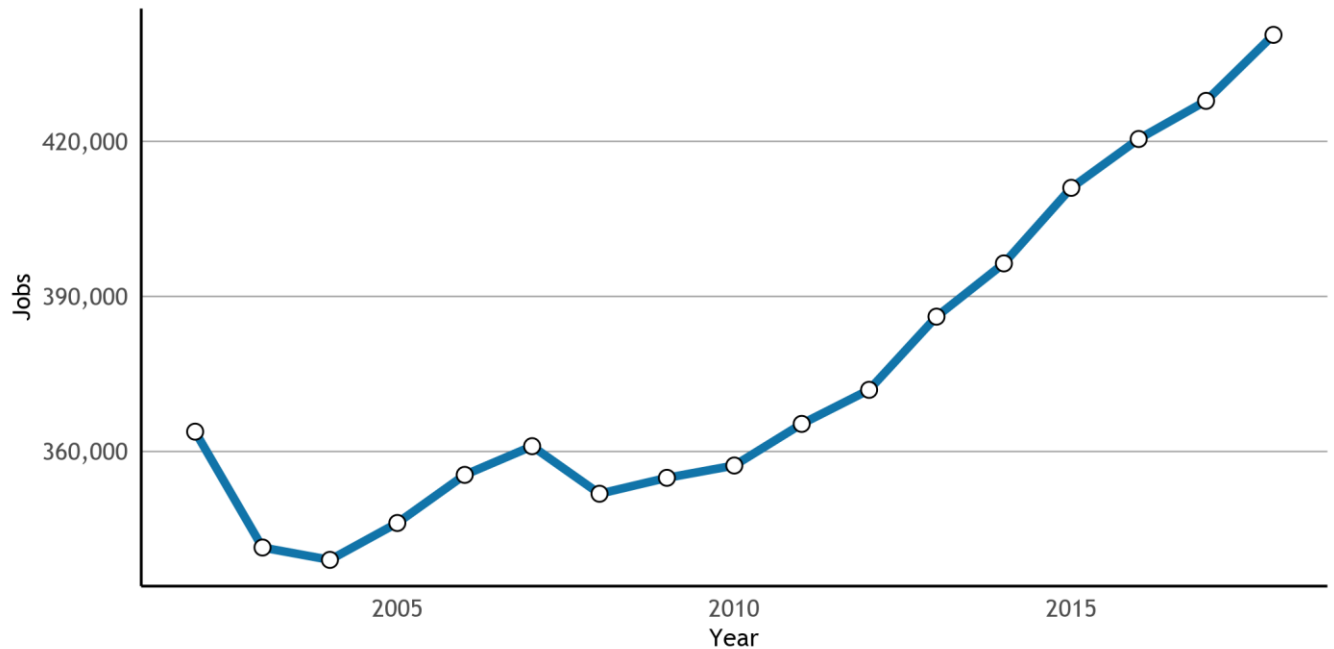


## 4.4 Employment Trends

### 4.4.1 Balance of Jobs and Workers

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city, but more often employ workers commuting from outside of it. Smaller cities typically will have more employed residents than jobs there and export workers, while larger cities tend to have a surplus of jobs and import workers. To some extent the regional transportation system is set up for this flow of workers to the region’s many job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale.

One measure of this is the relationship between *workers* and *jobs*. A city with a surplus of workers “exports” workers to other parts of the region, while a city with a surplus of jobs must conversely “import” them. Between 2002 and 2018, the number of jobs in San Jose increased by 21.1% (see Figure 5).



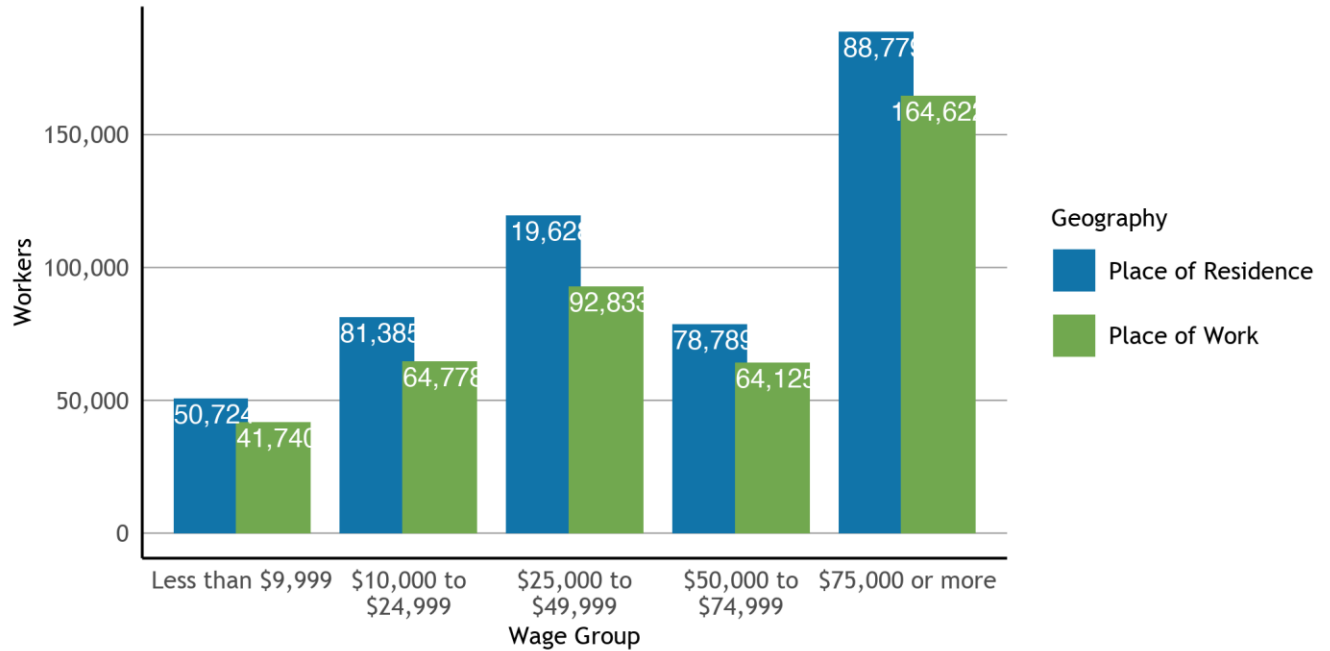
**Figure 5: Jobs in a Jurisdiction**

*Universe: Jobs from unemployment insurance-covered employment (private, state and local government) plus United States Office of Personnel Management-sourced Federal employment Notes: The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018*

There are 519,305 employed residents, and 428,098 jobs<sup>13</sup> in San Jose - the ratio of jobs to resident workers is 0.82; San Jose is a *net exporter of workers*.

Figure 6 shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively low-income workers but have relatively few housing options for low-wage workers - or conversely, it may residents who are low wage workers but few employment opportunities for them. Such relationships cast extra light on potentially pent-up demand for housing in particular price categories. A relative *surplus* of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear. San Jose has more low-wage *residents* than low-wage *jobs* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000). (see Figure 6).

<sup>13</sup> Employed *residents* in a jurisdiction is counted by place of residence (they may work elsewhere) while *jobs* in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure 5 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.

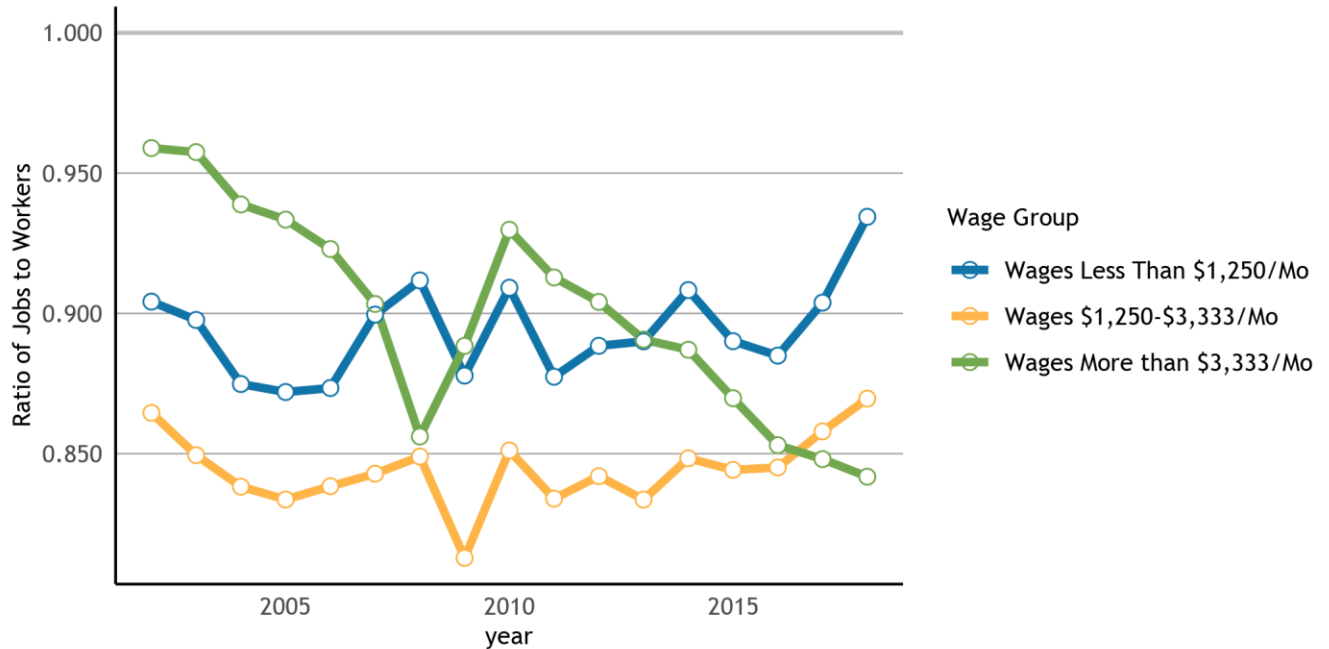


**Figure 6: Workers by Earnings, by Jurisdiction as Place of Work and Place of Residence**

Universe: Workers 16 years and over with earnings

Source: U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519

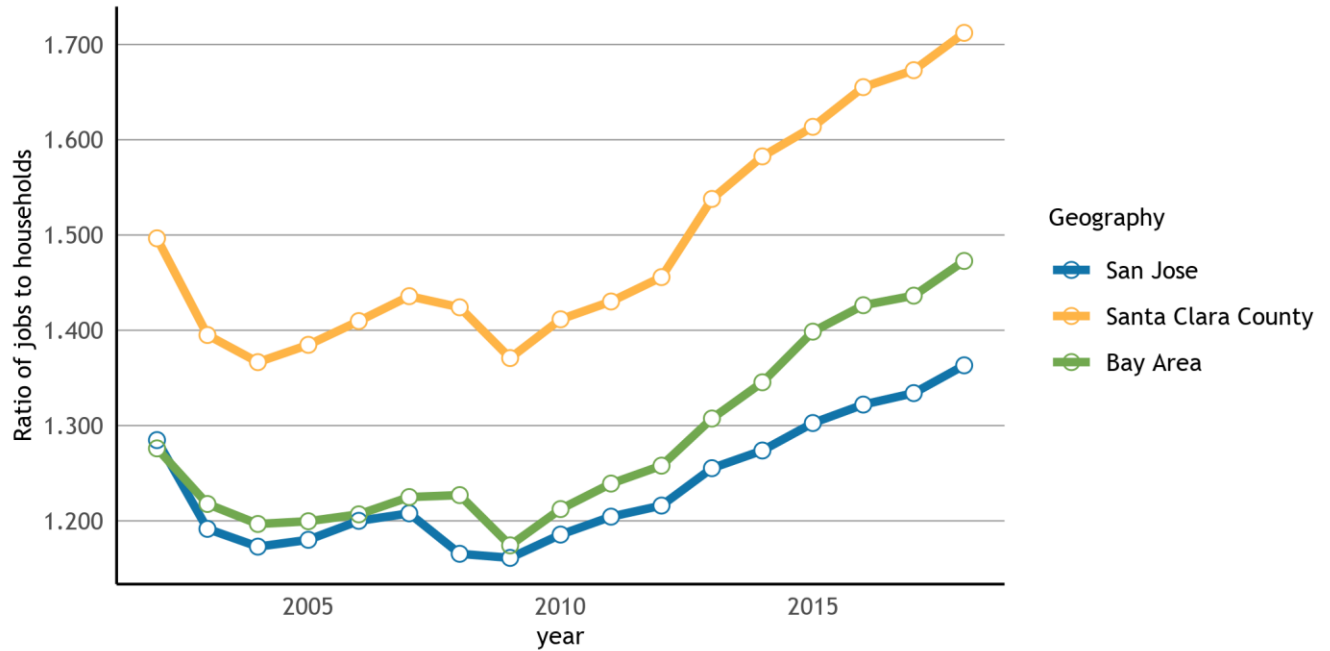
Figure 7 shows the balance of a jurisdiction’s resident workers to the jobs located there for different wage groups as a ratio instead - a value of 1 means that a city has the same number of jobs in a wage group as it has resident workers - in principle, a balance. Values above 1 indicate a jurisdiction will need to import workers for those jobs. At the regional scale, this ratio is 1.04 jobs for each household, implying a modest import of workers from outside the region (see Figure 7).



**Figure 7: Jobs-Worker Ratios, By Wage Group**

*Universe: Jobs located in a jurisdiction; Workers located in a jurisdiction. See Tbl 06b for details on the jobs. Notes: The ratio compares a place of work and place of residence jobs by wage group. Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018*

Such balances between jobs and workers may directly influence the housing demand in a community. New jobs draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work. This dynamic not only contributes to traffic congestion but also means community members have to burden the additional strain and cost of commuting while being unable to live in the places they would like to call home. If there are more jobs than employed residents, it means a city is relatively jobs-rich, with a high jobs to household ratio. Bringing housing into the measure, the *jobs-household ratio* in San Jose has *increased* from 1.28 in 2002, to 1.36 jobs per household in 2018 (see Figure 8).

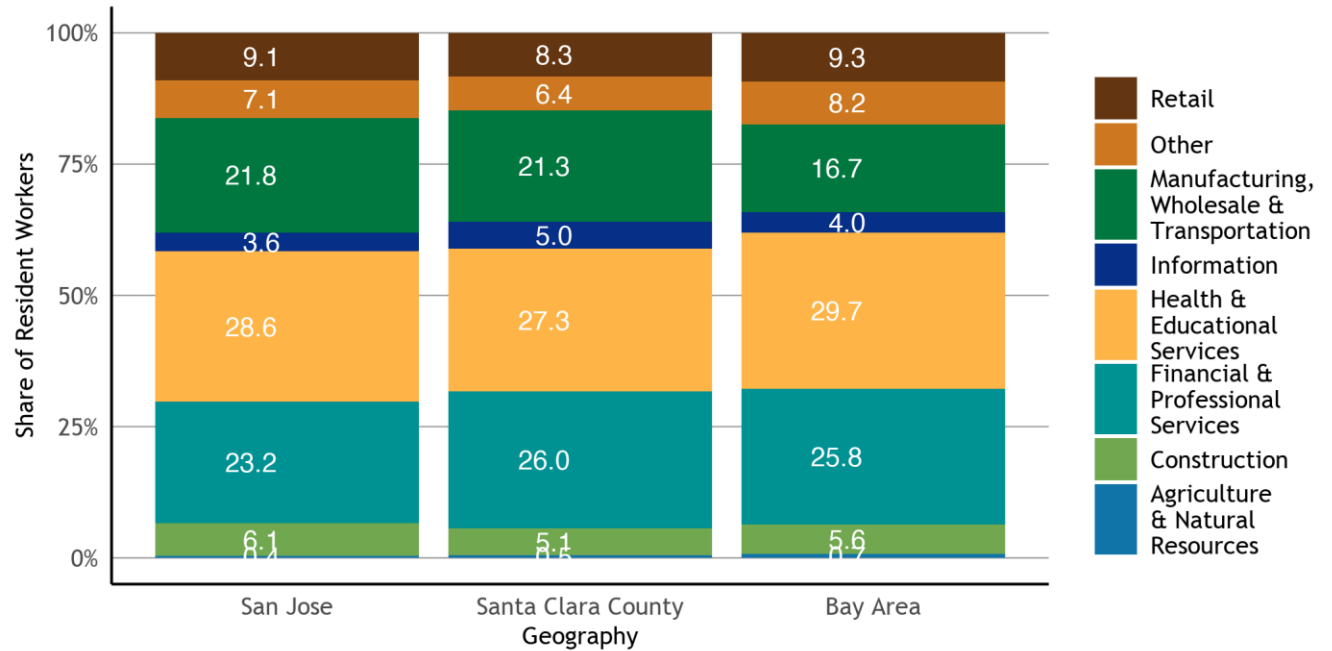


**Figure 8: Jobs-Household Ratio**

*Universe: Jobs located in a jurisdiction; households in a jurisdiction. See Tbl 06b for details on the jobs. Notes: The ratio compares place of work wage and salary jobs with households, or occupied housing units. -A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied. The difference between a jurisdiction's jobs-housing ratio and jobs-household ratio will be most pronounced in jurisdictions with high vacancy rates, a high rate of units used for seasonal use, or a high rate of units used as short-term rentals. Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2010-2018; California Department of Finance, E-5 (Households)*

#### 4.4.2 Sector Composition

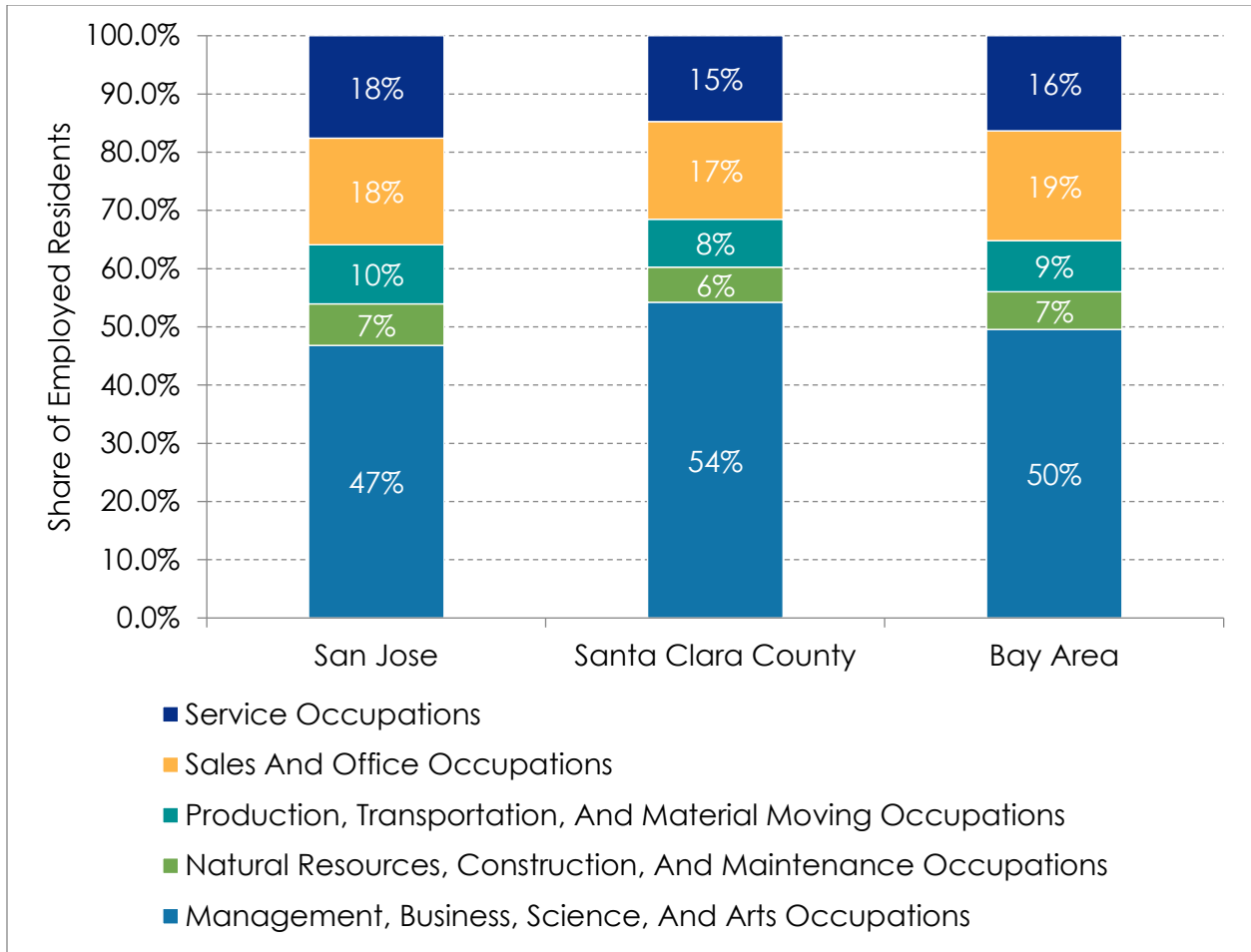
In terms of sectoral composition, the largest industry in San Jose, Santa Clara County and the Bay Area is *Health & Educational Services*, followed by *Financial & Professional Services*. (see Figure 9).



**Figure 9: Resident Employment by Industry**

*Universe: Civilian employed population age 16 years and over Notes: The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030*

In terms of occupation, San Jose mirrors the County and the Bay Area. Most of San Jose’s residents (47%) work in Management, Business, Science and Arts, while 36% work in Sales, Office and Service occupations.

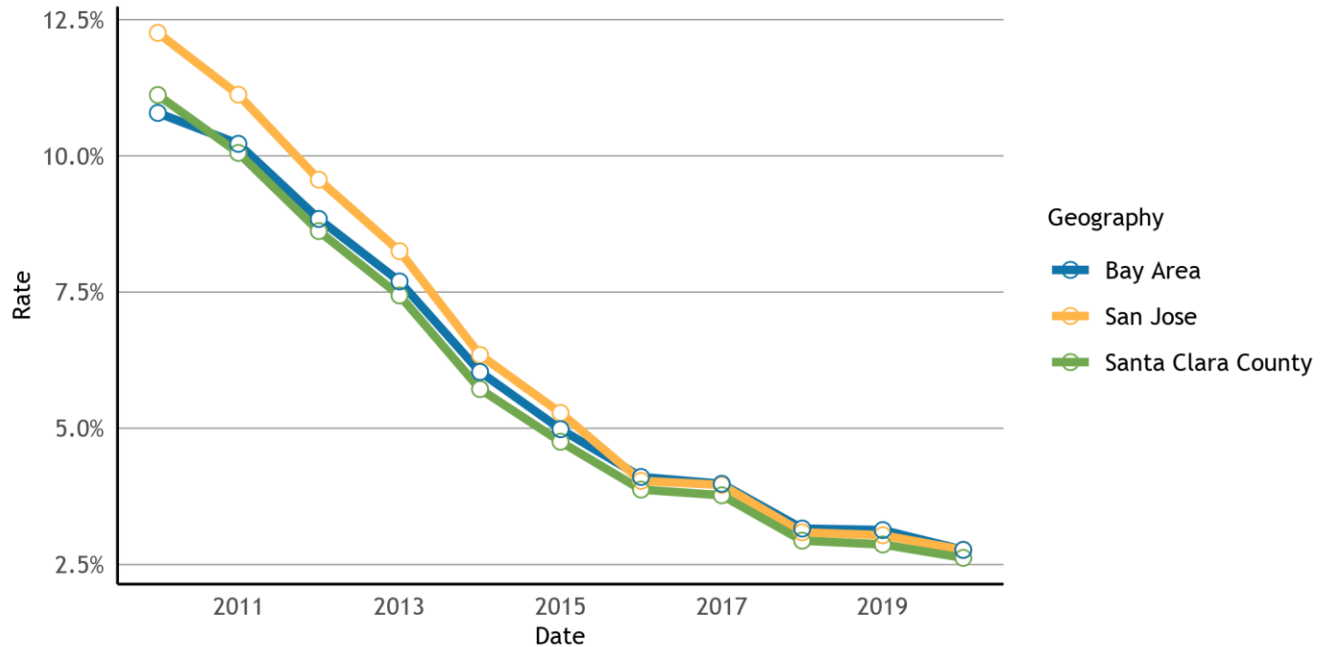


**Resident Employment by Occupation:**

The data displayed shows the occupations of jurisdiction residents, regardless of the location where those residents are employed (whether within the jurisdiction or not). Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24010

**4.4.3 Unemployment**

In San Jose, there was a -9.5% percentage point decrease in the unemployment rate between 2010 and January 2020. Jurisdictions through the region experienced a sharp rise in unemployment in 2020 due to impacts related to the Covid-19 pandemic, though with a general reduction in the later months of 2020 (see Figure 10).



**Figure 10: Unemployment Rate**

Universe: Civilian noninstitutional population ages 16 and older

Source: California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2020.

## 4.5 Income

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state<sup>14</sup>.

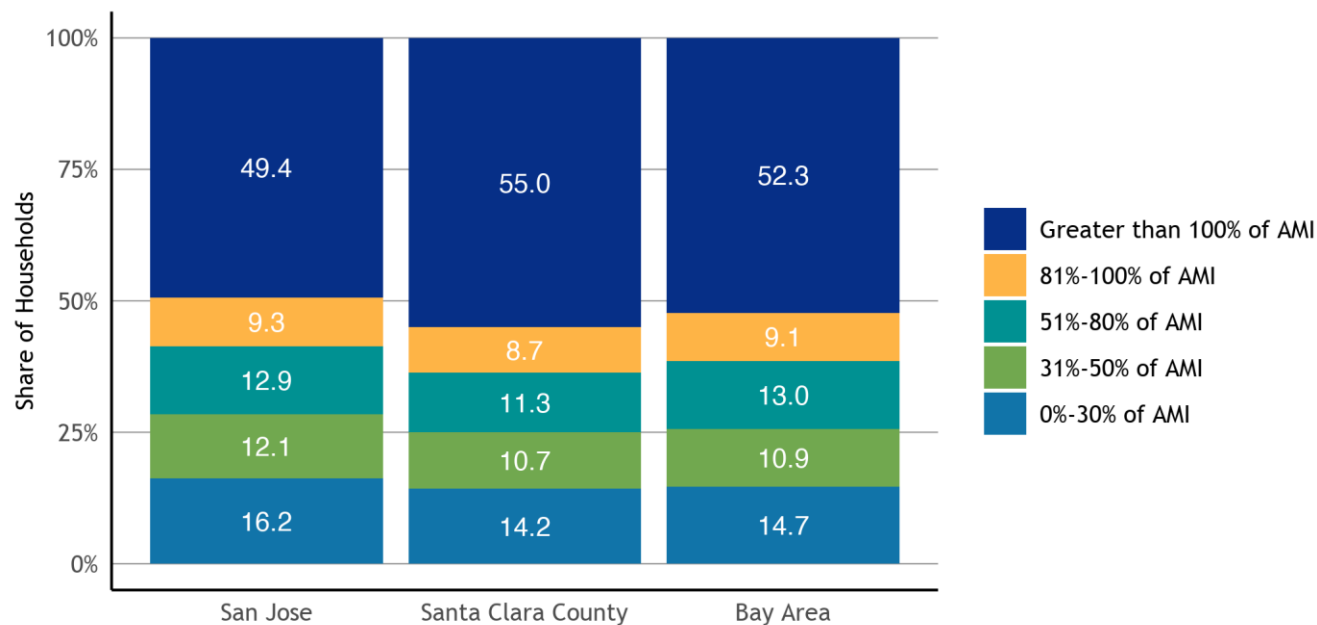
In San Jose, 49.4% of households make more than 100% of the Area Median Income (AMI)<sup>15</sup>, while 50.6% of households make less than 100% of the AMI. 16.2% of San Jose households make less than 30% of AMI, which is considered extremely low-income (see Figure 11).

<sup>14</sup> Bohn, S. et al. 2020. Income Inequality and Economic Opportunity in California. *Public Policy Institute of California*.

<sup>15</sup> Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between 80 and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.



Regionally, a slightly higher percentage of households make more than 100% AMI, while a slightly lower percentage make less than 30% AMI.



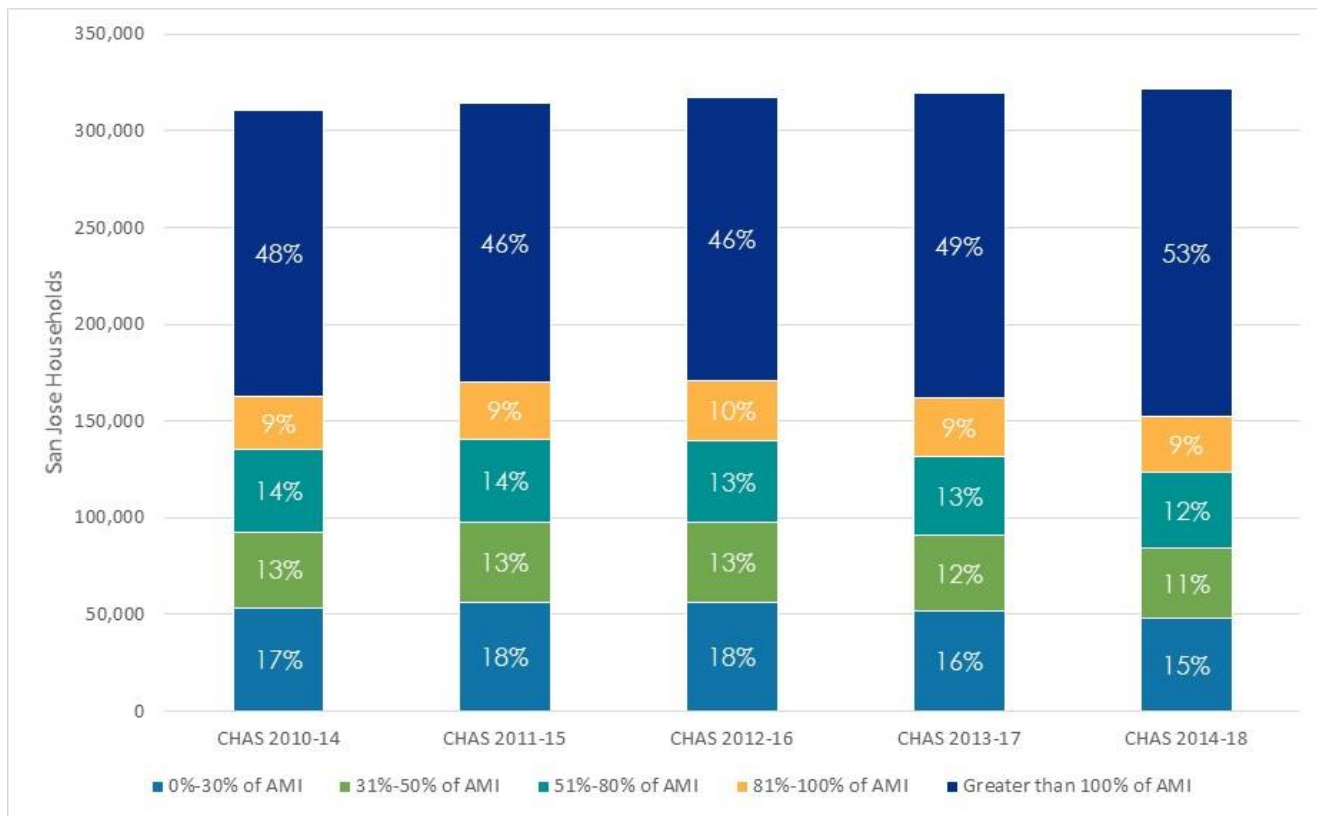
**Figure 11: Households by Household Income Level**

*Universe: Occupied housing units Notes: Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release*

#### 4.5.1 Extremely Low-Income Households

In Santa Clara County, Extremely Low-Income (ELI) households are defined as those earning less than or equal to 30% of the Area Median Income (AMI). 30% AMI is the equivalent to the annual income of \$49,700 for a family of four, according to the 2021 HCD Income Limits. Many households with multiple wage earners - including food service workers, full-time students, teachers, farmworkers and healthcare professionals - can fall into lower AMI categories due to relatively low and stagnant wages in many of these service industries. These ELI households face significant challenges, especially in a high cost economy like the Silicon Valley. Limited supply of low-income housing also adds to the problem, resulting in overcrowding, high cost burden and homelessness.

The percentage of ELI Households in San Jose has dropped slightly over time, as shown in Figure 11a below. Even though the percentage has dropped, over 47,000 households in San Jose remain unable to afford a decent standard of living for themselves and their families.



**Figure 11a: Households by Household Income Level Over Time**

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

According to The Gap, a 2021 report published by the National Low Income Housing Coalition, there are just 29 homes available for every 100 extremely low-income households in the San Jose-Sunnyvale-Santa Clara metro area. This number was reported pre-pandemic and does not include the housing needs of the homeless population. The COVID pandemic most certainly has exacerbated this already critical situation.

Because there are so few homes affordable to people in this lowest income bracket, and many of those that are affordable are rented by people who make more money, the Bay Area’s lowest earners end up spending so much of their paychecks on rent, that they have little or nothing left over for other expenses. According to 2014-18 CHAS data, 81% of the San Jose area’s ELI households are cost burdened, paying 30% or more of their income on rent and 63% are severely cost burdened, paying 50% or more of their income on rent.

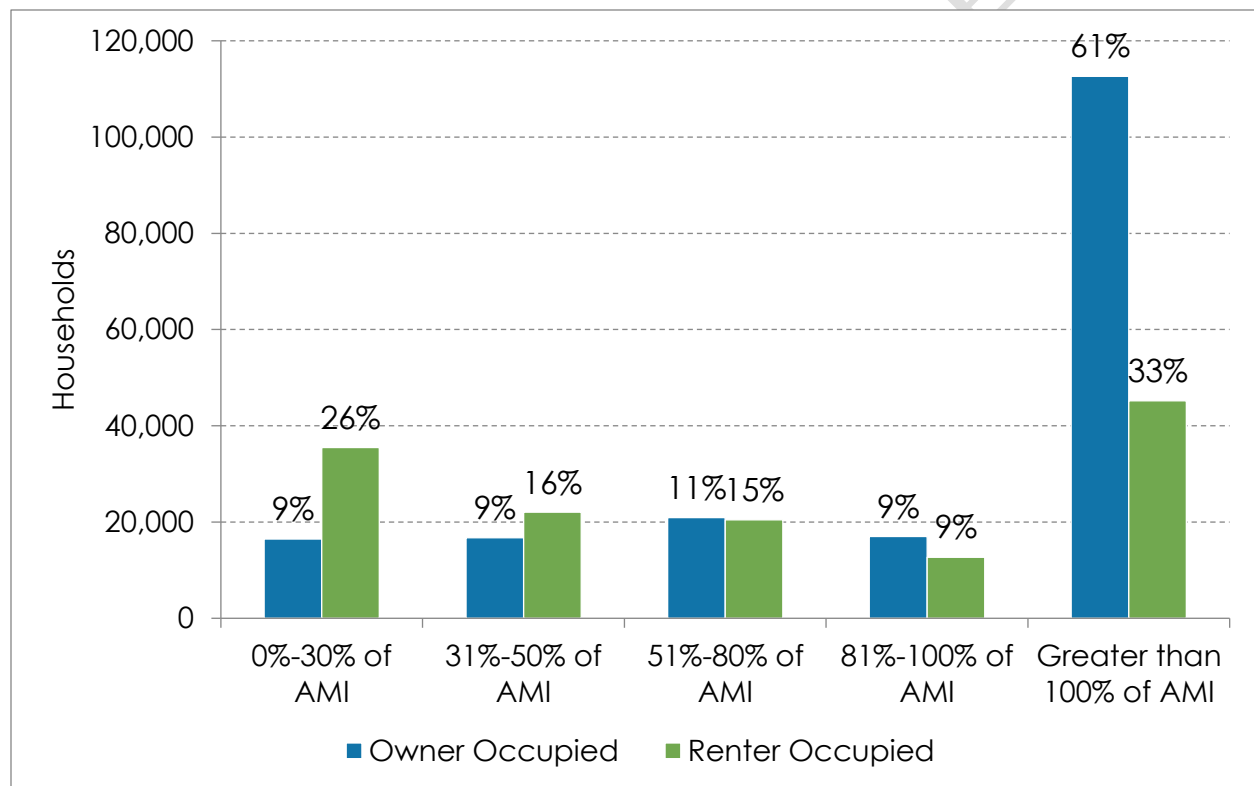
For this current RHNA cycle, the City has been able to meet only 13% of its ELI housing goal. This slower pace in building affordable units generally reflects the time and difficulty in assembling competitive affordable housing financing layers, as well as the scarcity of local, State and federal subsidies that are needed to build affordable homes.

The City Council has proposed many initiatives to increase the supply of ELI housing. In June 2018, the City adopted a Housing Crisis Workplan, which proposed strategies and policy actions to enable the facilitation of 25,000 new housing units by 2023 that included 10,000 affordable units, including ELI housing. The Affordable Housing Siting Policy adopted in the Fall of 2022 attempts to locate affordable housing including ELI housing in areas of high opportunity.

#### 4.5.2 Income disparity by Tenure

If we take into consideration the tenure of the households, there are significant disparities between the incomes of homeowners and the incomes of renters.

In San Jose, 61% of homeowners are found in the *Greater than 100% of AMI* group (see Figure 12), while only 33% of renters falls in the *Greater than 100% of AMI* income group. Owners have higher incomes and a greater chance of creating generational wealth, when compared to renters.

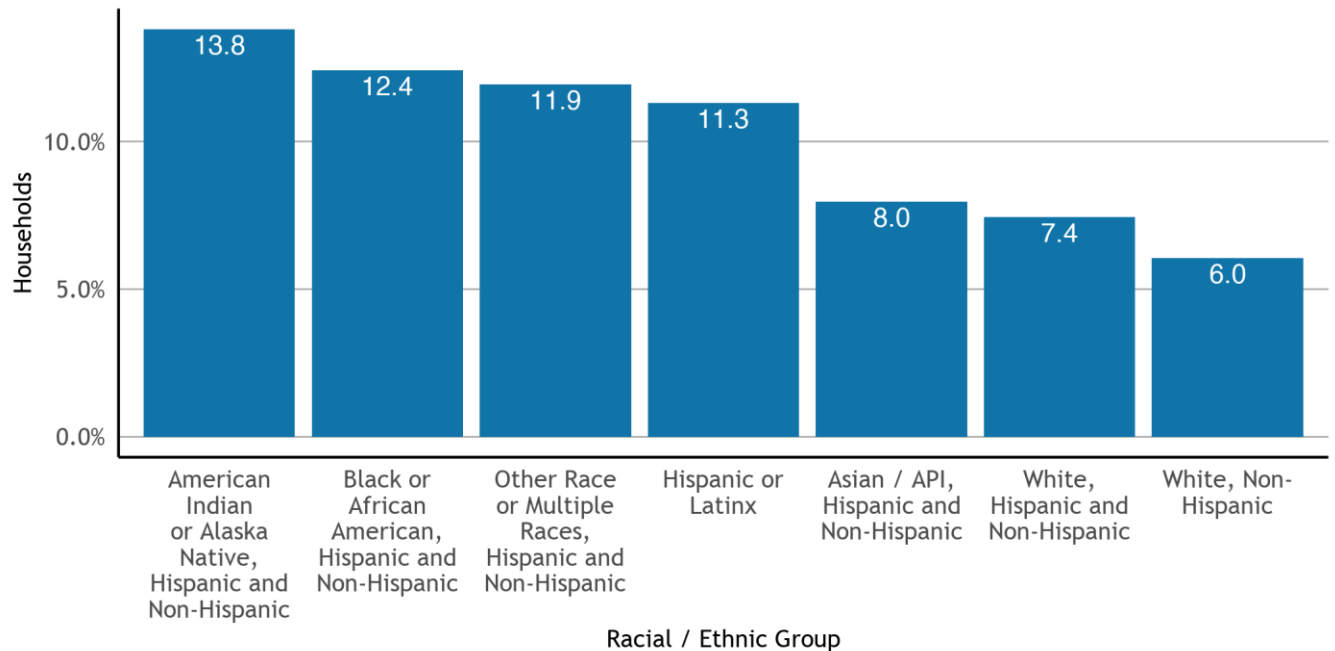


**Figure 12: Household Income Level by Tenure**

Universe: Occupied housing units Notes: Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

### 4.5.3 Poverty

About 8.7% of San Jose’s general population have income below poverty levels<sup>16</sup>. Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents.<sup>17</sup> These economic disparities also leave communities of color at higher risk for housing insecurity, displacement or homelessness. In San Jose, American Indian or Alaska Native (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by Black or African American (Hispanic and Non-Hispanic) residents. (see Figure 13).



**Figure 13: Poverty Status by Race**

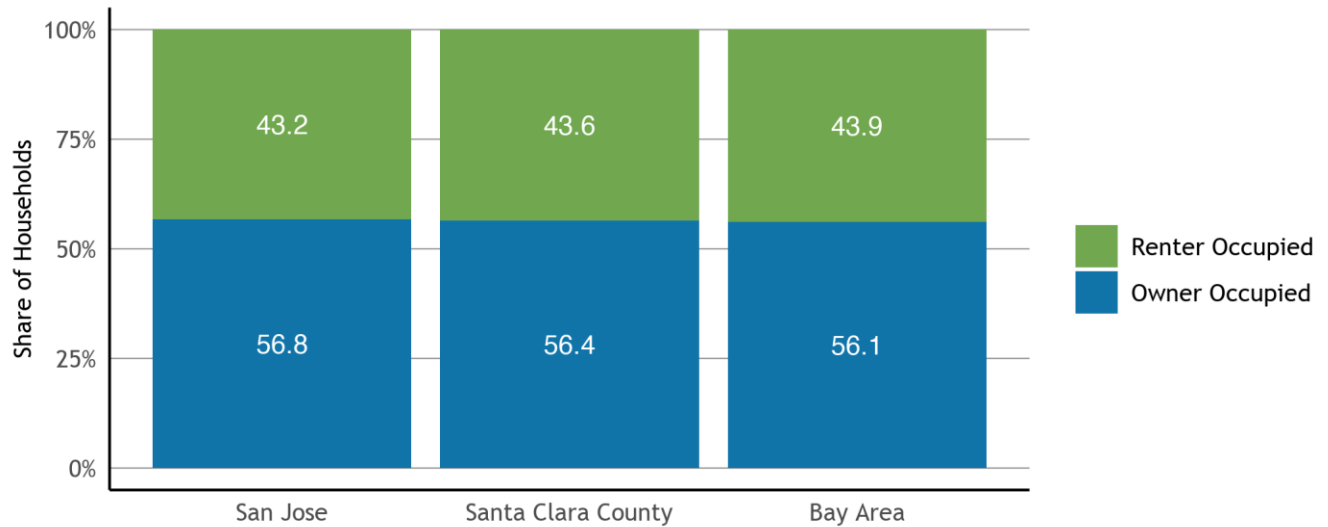
*Universe: Population for whom poverty status is determined Notes: The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. -For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. -The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled “Hispanic and Non-Hispanic” are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I)*

### 4.6 Tenure

<sup>16</sup> B17001, ACS 2019 5 Year Estimates

<sup>17</sup> Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity - ability for individuals to stay in their homes - in a city and region. Generally, renters may be displaced more quickly if prices increase. In San Jose there are a total of 325,114 housing units, and less residents rent than own their homes: 43.2% versus 56.8% (see Figure 14). This is similar to the trend in Santa Clara County and in the Bay Area.



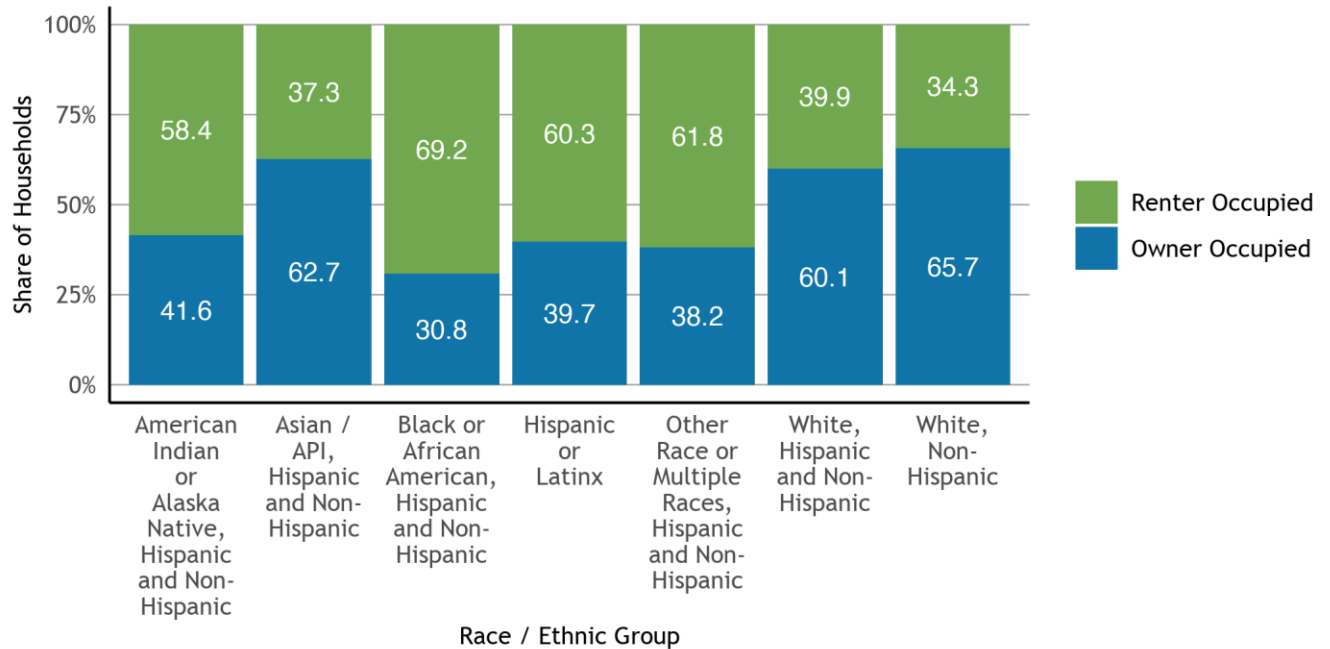
**Figure 14: Housing Tenure**

*Universe: Occupied housing units*

*Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003*

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for white residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.<sup>18</sup> In San Jose, only 30.8% of Black households 39.7% for Latinx households owned their homes. The homeownership rates were much higher for Asian households (62.7%) and for White households (60.1%). Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

<sup>18</sup> See, for example, Rothstein, R. (2017). *The color of law : a forgotten history of how our government segregated America*. New York, NY & London, UK: Liveright Publishing.

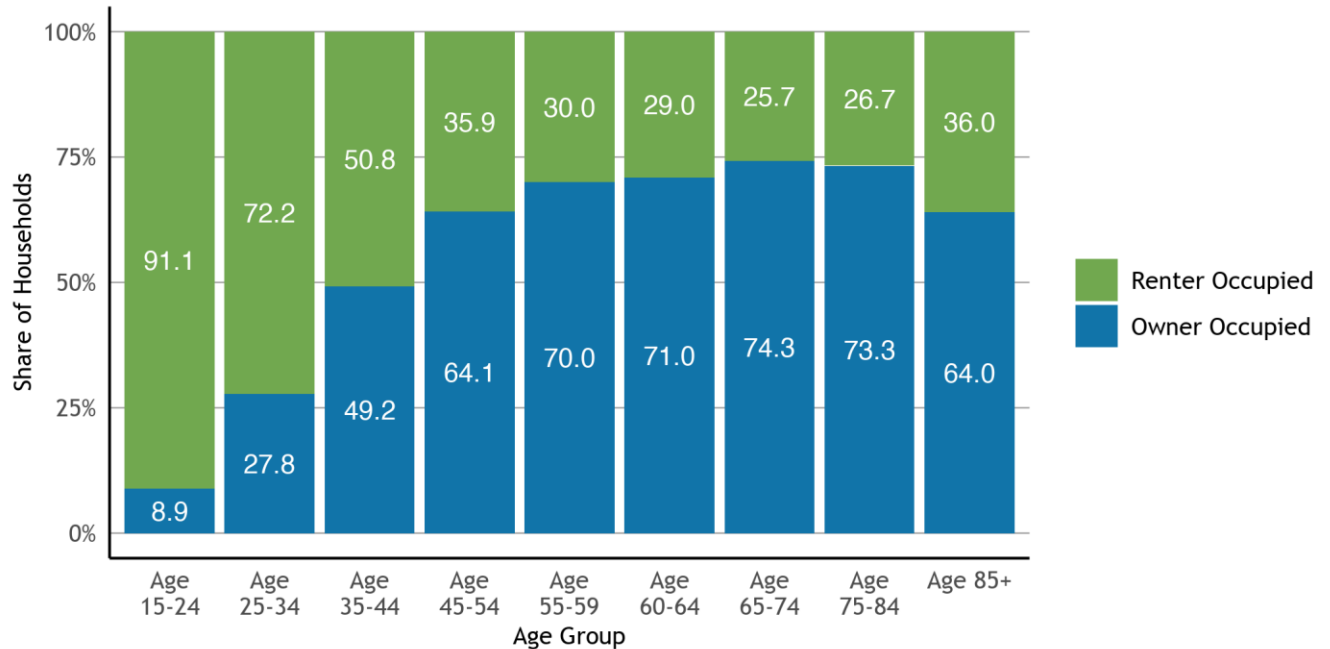


**Figure 15: Housing Tenure by Race of Householder**

*Universe: Occupied housing units Notes: For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. -The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled “Hispanic and Non-Hispanic” are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I)*

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

In San Jose, 60.1% of householders between the ages of 25 and 44 are renters, while 27.3% of householders over 65 are renters (see Figure 16).

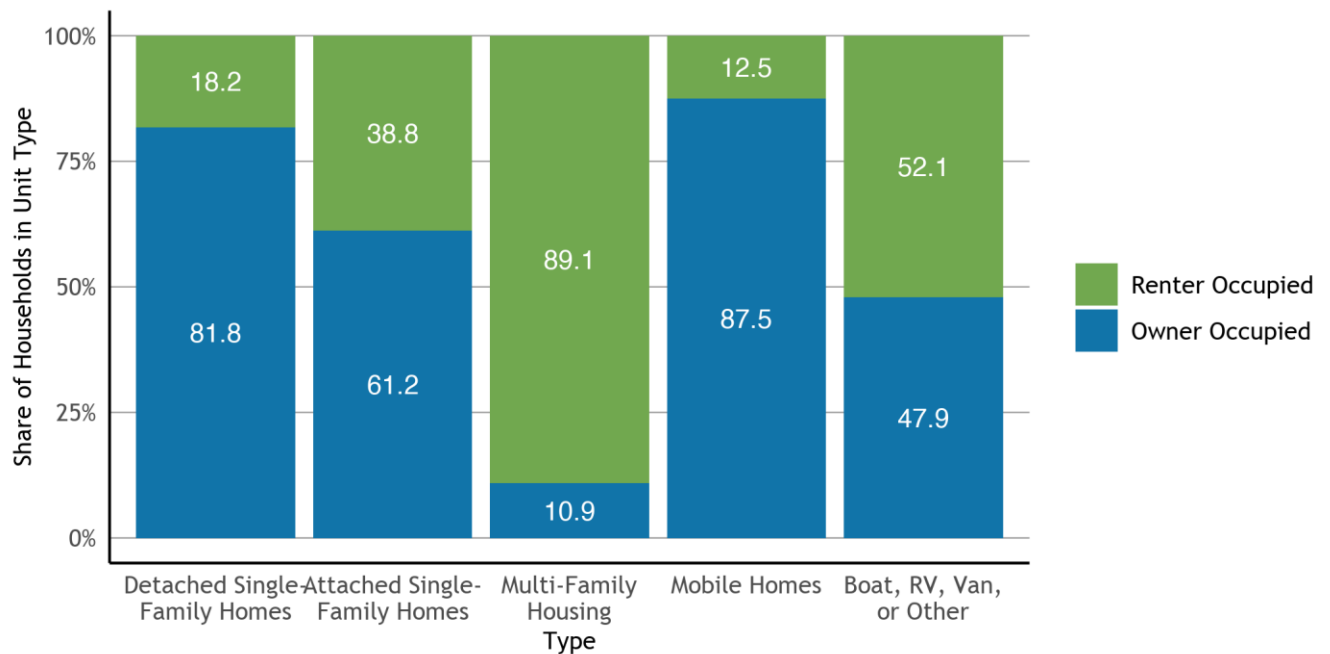


**Figure 16: Housing Tenure by Age**

Universe: Occupied housing units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In San Jose, 81.8% of households in detached single-family homes are homeowners, while 10.9% of households in multi-family housing are homeowners (see Figure 17).



## Figure 17: Housing Tenure by Housing Type

Universe: Occupied housing units

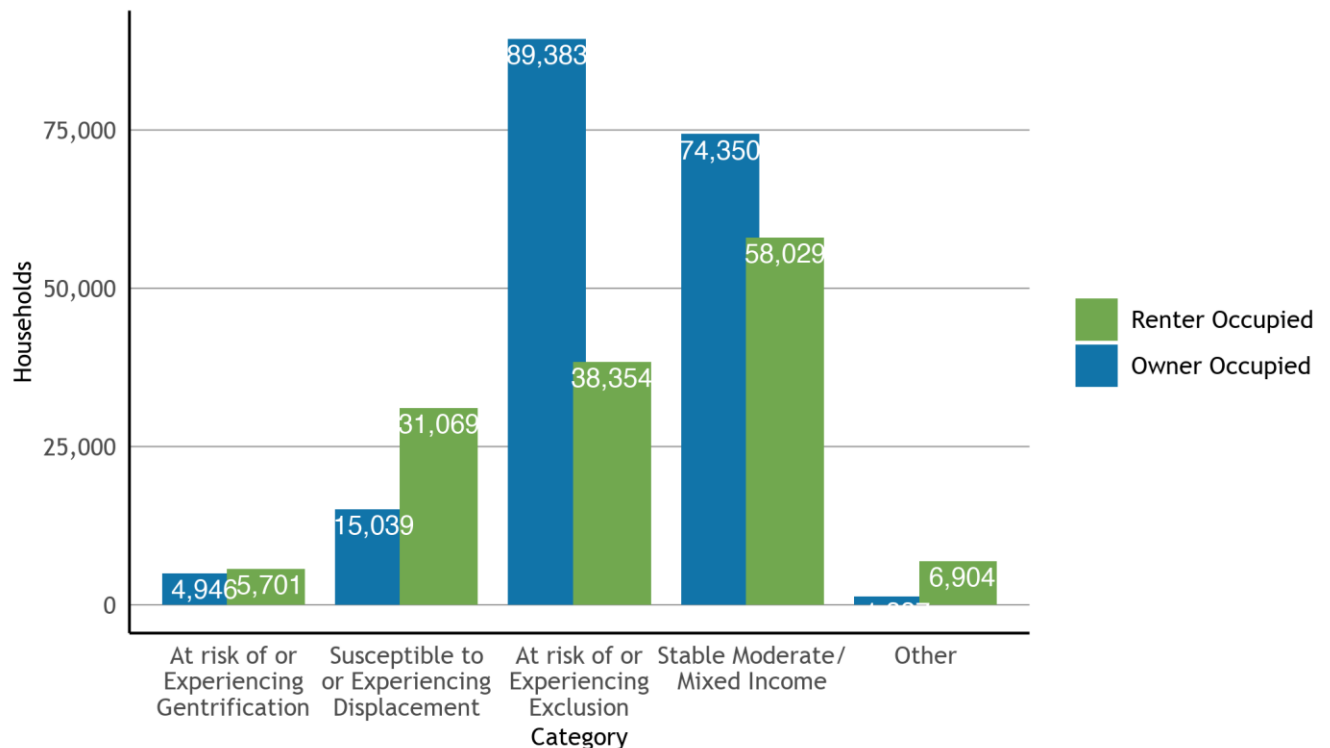
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032

### 4.7 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in San Jose, 14.2% of households live in neighborhoods that are susceptible to or experiencing displacement and 3.3% live in neighborhoods at risk of or undergoing gentrification. However, the displacement risk is higher for renter households - 22% live in neighborhoods that are susceptible to or experiencing displacement compared to 8% of owner households who live in such neighborhoods.

Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that 39.3% of households in San Jose live in neighborhoods where significant portions of the workforce are excluded due to prohibitive housing costs.<sup>19</sup>



<sup>19</sup> More information is available at <https://www.urbandisplacement.org/>



## Figure 18: Households by Displacement Risk and Tenure

*Universe: Households Notes: Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. -Categories are combined as follows for simplicity: -At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive -At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification - Stable Moderate/Mixed Income: Stable Moderate/Mixed Income -Susceptible to or Experiencing Displacement: Low-Income/Susceptible to Displacement; Ongoing Displacement -Other: High Student Population; Unavailable or Unreliable Data Source: Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure*

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DRAFT PENDING HCD REVIEW

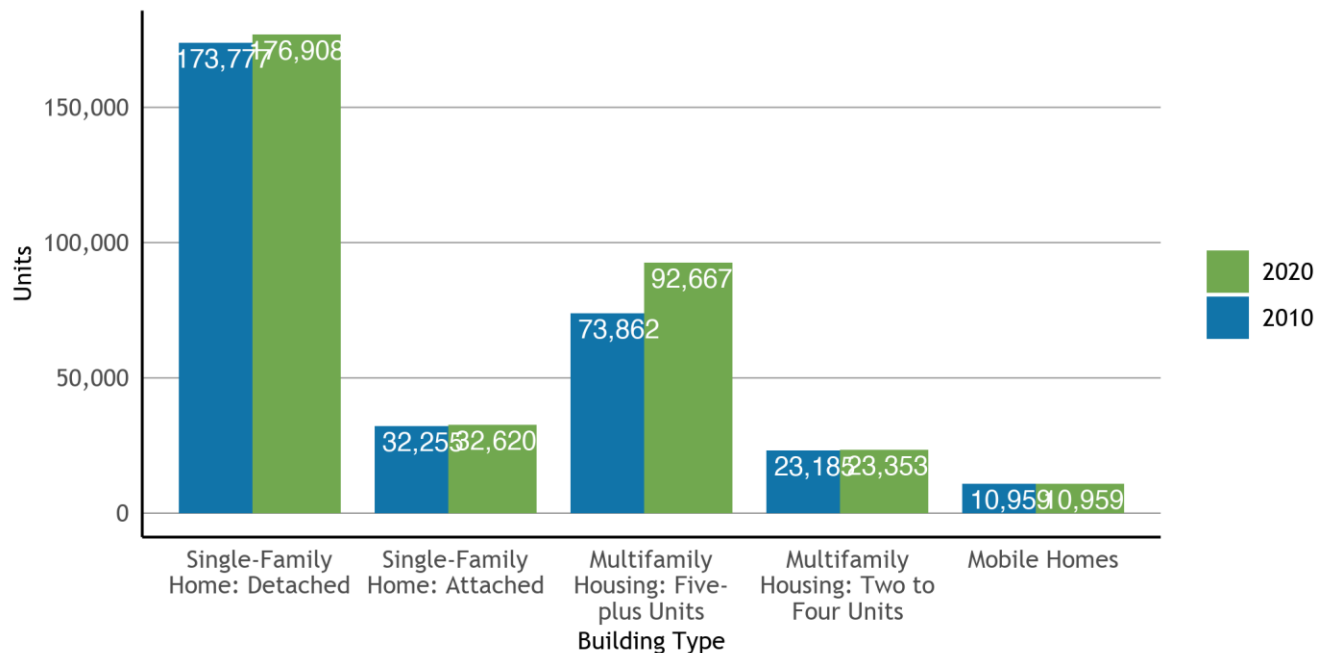


## 5 HOUSING STOCK CHARACTERISTICS

### 5.1 Housing Types, Year Built, Vacancy, and Permits

In recent years, most housing produced in the region and across the state consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in “missing middle housing” - including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of San Jose in 2020 was made up of 52.6% single family detached homes, 9.7% single family attached homes, 6.9% multifamily homes with 2 to 4 units, 27.5% multifamily homes with 5 or more units, and 3.3% mobile homes (see Figure 19). In San Jose, the housing type that experienced the most growth between 2010 and 2020 was *Multifamily Housing: Five-plus Units*, up 25%.

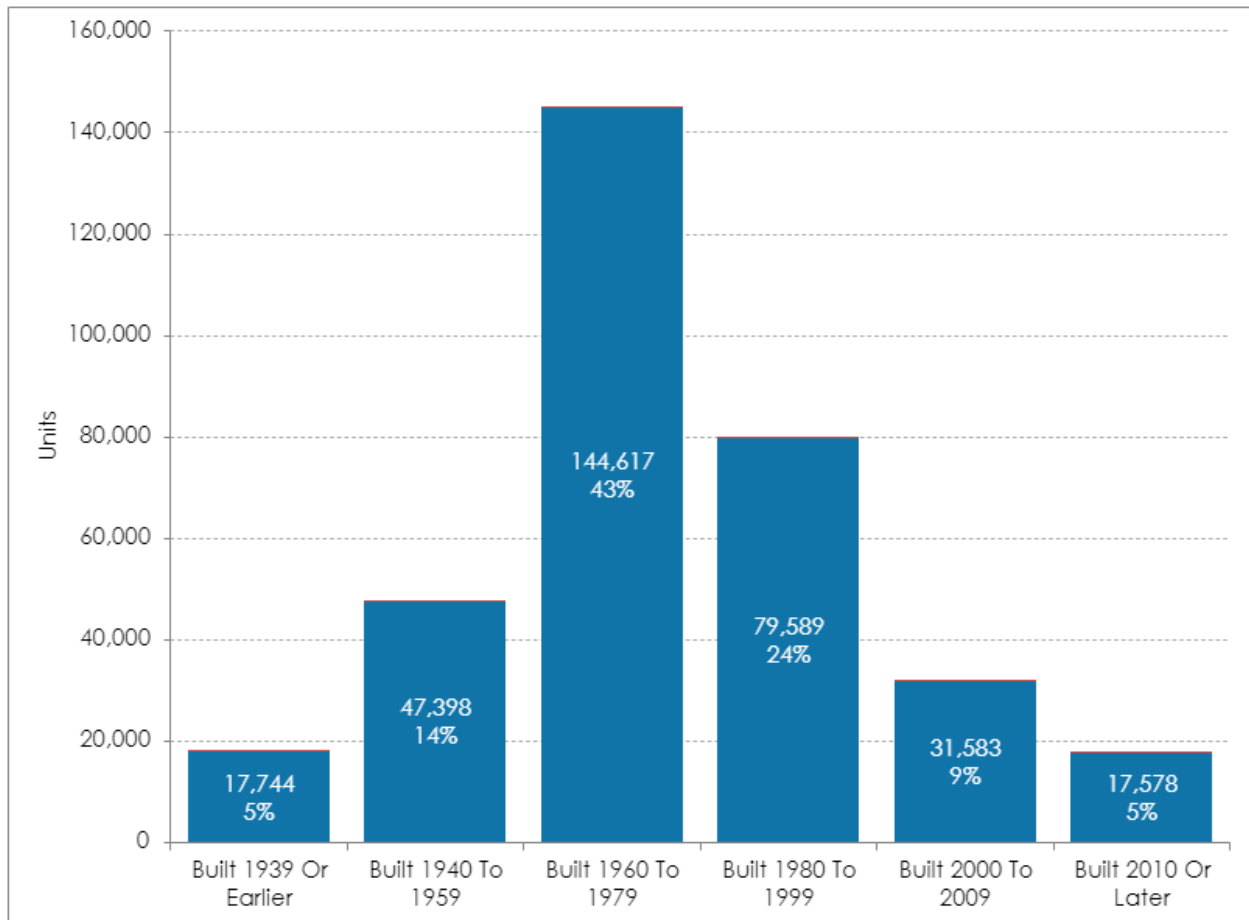


**Figure 19: Housing Type Trends**

Universe: Housing units

Source: California Department of Finance, E-5 series

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the region. In San Jose, the largest proportion of the housing stock is built 1960 to 1979, with 144,617 units built during this period (see Figure 20). Since 2010, 5.2% of the current housing stock was built, which is 17,578 units.



**Figure 20: Housing Units by Year Structure Built**

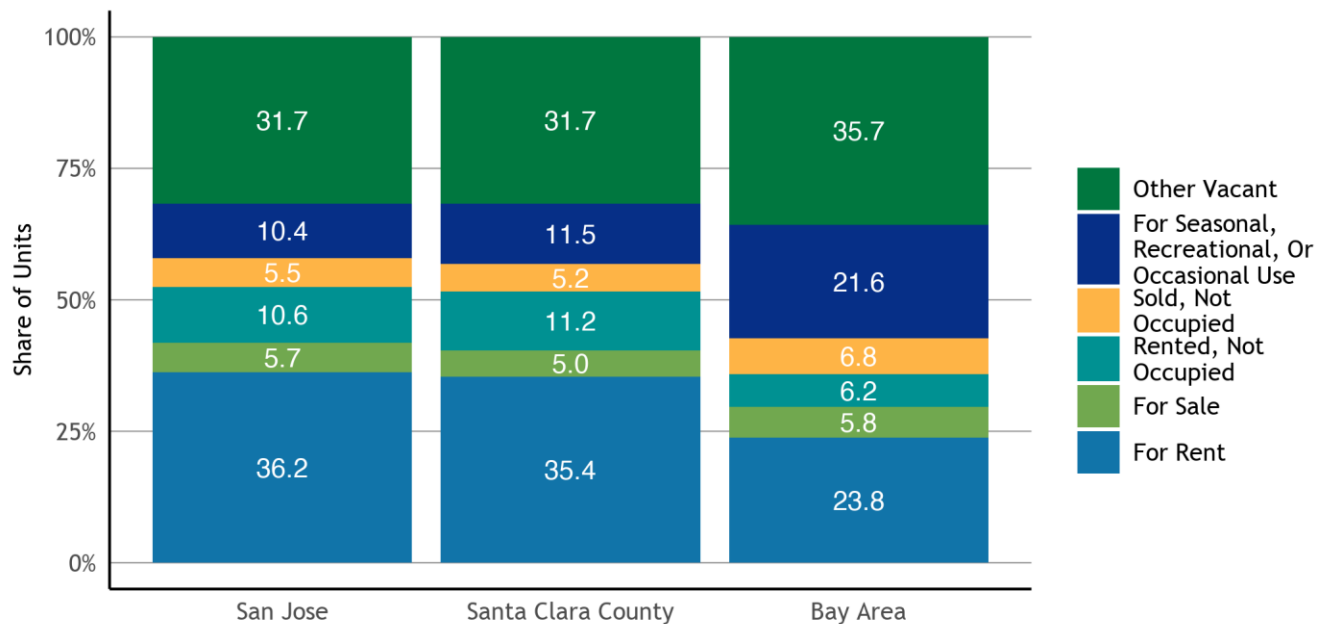
Universe: Housing units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034

Vacant units make up 4.0% of the overall housing stock in San Jose. The rental vacancy stands at 4.3%, while the ownership vacancy rate is 0.8%. Of the vacant units, the most common type of vacancy is *For Rent*. (see Figure 21).

Throughout the Bay Area, vacancies make up 2.6% of the total housing units, with homes listed for rent; units used for *recreational or occasional use*, and units not otherwise classified (*other vacant*) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as “for recreational or occasional use” are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like AirBnB are likely to fall in this category. The Census Bureau classifies units as “other vacant” if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such

as a work assignment, military duty, or incarceration.<sup>20</sup> In a region with a thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the “other vacant” category. Additionally, the need for seismic retrofitting in older housing stock could also influence the proportion of “other vacant” units in some jurisdictions.<sup>21</sup>



**Figure 21: Vacant Units by Type**

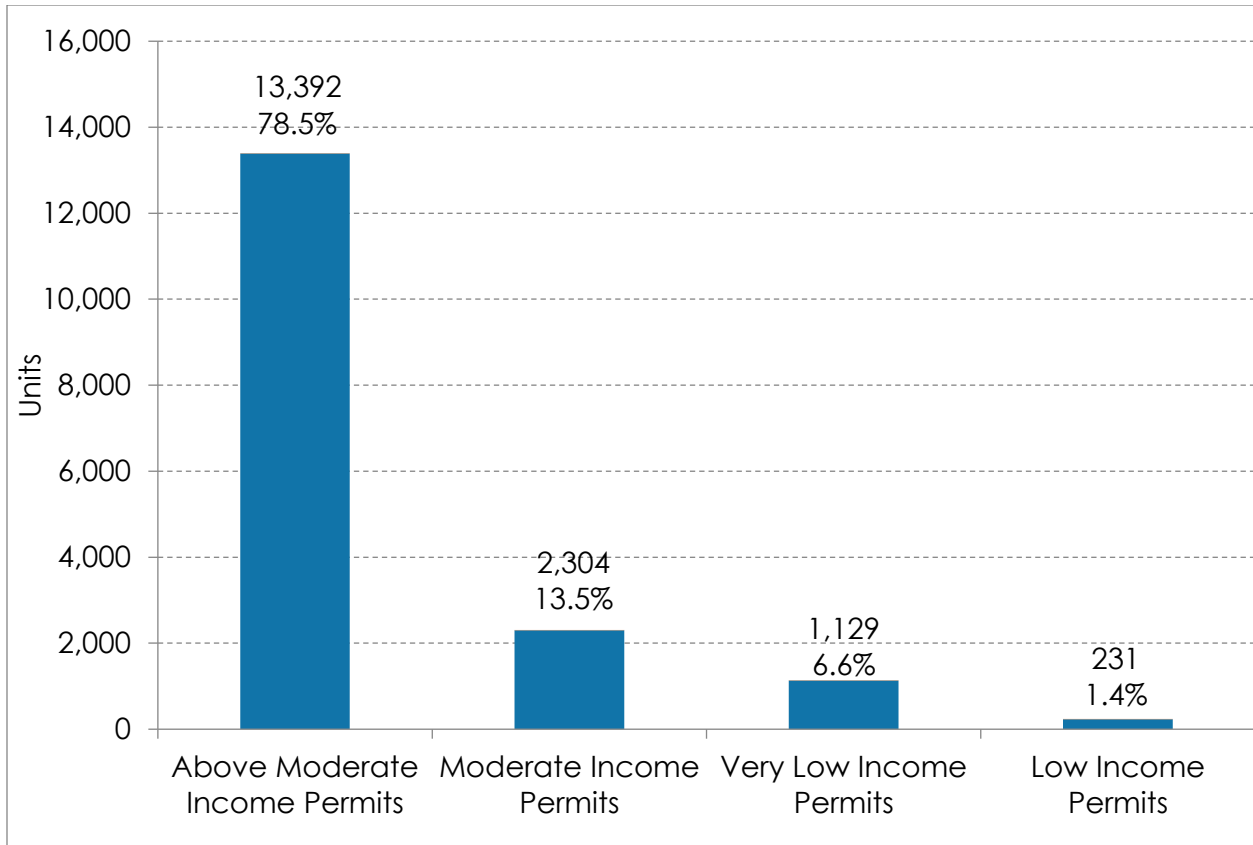
Universe: Vacant housing units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004

Between 2015 and 2019, 92.0% of permits issued in San Jose were for moderate and above-moderate income housing and 8.0% were for low or very low income housing (see Figure below).

<sup>20</sup> For more information, see pages 3 through 6 of this list of definitions prepared by the Census Bureau: <https://www.census.gov/housing/hvs/definitions.pdf>.

<sup>21</sup> See Dow, P. (2018). Unpacking the Growth in San Francisco’s Vacant Housing Stock: Client Report for the San Francisco Planning Department. University of California, Berkeley.



Source: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020)

## 5.2 Assisted Housing Developments At-Risk of Conversion

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data in the table below comes from the California Housing Partnership’s Preservation Database, the state’s most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the state, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table. There are 20,359 assisted units in San Jose in the Preservation Database. Of these units, 0.8% are at *High Risk* or *Very High Risk* of conversion.<sup>22</sup>

<sup>22</sup> California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

**Table 3: Assisted Units at Risk of Conversion**

Income	San Jose	Santa Clara County	Bay Area
Low	19196	28001	110177
Moderate	995	1471	3375
High	0	422	1854
Very High	168	270	1053
<b>Total Assisted Units in Database</b>	<b>20359</b>	<b>30164</b>	<b>116459</b>

*Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included. Notes: While California Housing Partnership’s Preservation Database is the state’s most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the state. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. -California Housing Partnership uses the following categories for assisted housing developments in its database: -Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. -High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. -Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. -Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer. Source: California Housing Partnership, Preservation Database (2020)*

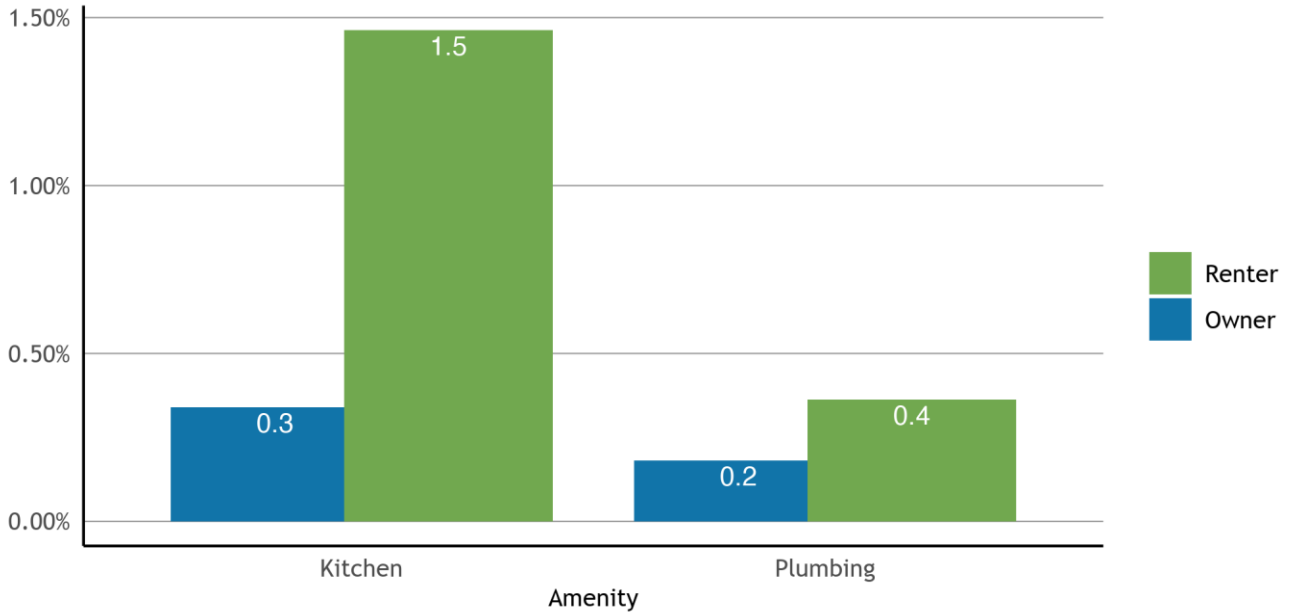
### 5.3 Substandard Housing

Housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau data included in the graph below gives a sense of some of the substandard conditions that may be present in San Jose. For example, 1.5% of renters in San Jose reported lacking a kitchen and 0.4% of renters lack plumbing, compared to 0.3% of owners who lack a kitchen and 0.2% of owners who lack plumbing.

High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.



**Figure 22: Substandard Housing Issues**

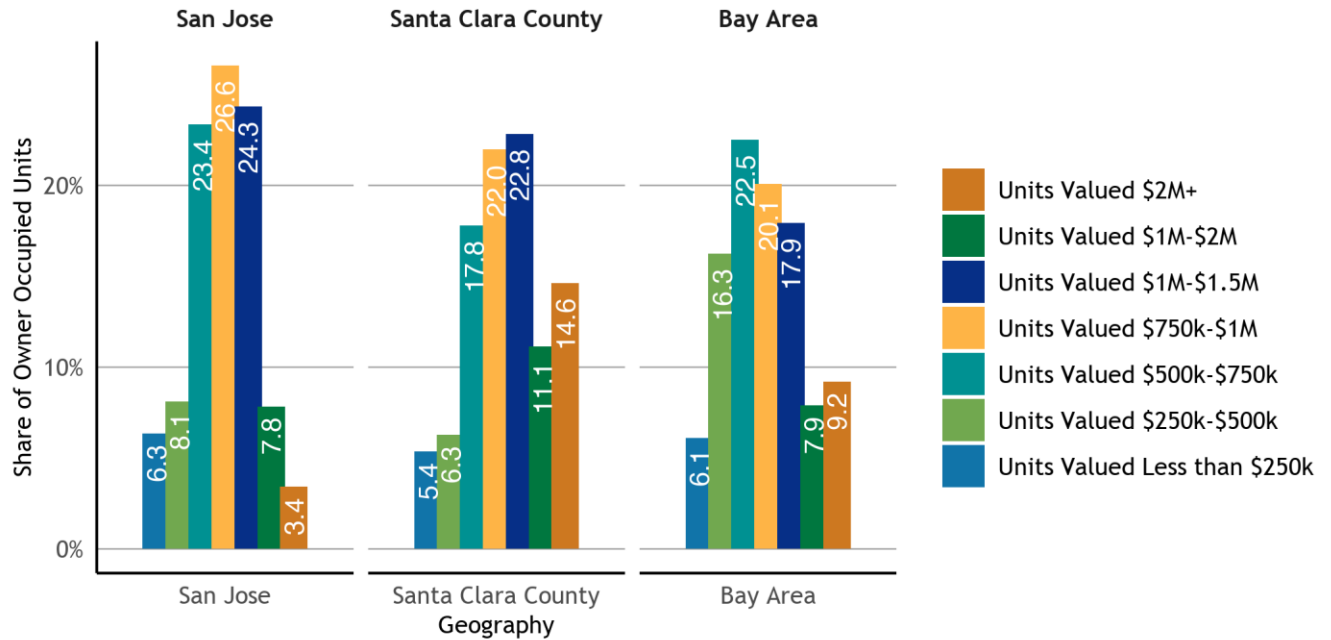
*Universe: Occupied housing units*

*Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049*

## 5.4 Home and Rent Values

While there are a variety of reasons that home values increase, the cost of housing is consistently rising throughout the region. The typical home value in San Jose was estimated at \$1,116,000 by January of 2020, per data from Zillow. The largest proportion of homes were priced between \$750k-\$1M (see Figure 23). By comparison, the typical home value is \$1,290,900 in Santa Clara County and \$1,077,200 the Bay Area, with the majority of units valued \$1m-\$1.5m (county) and \$500k-\$750k (region).

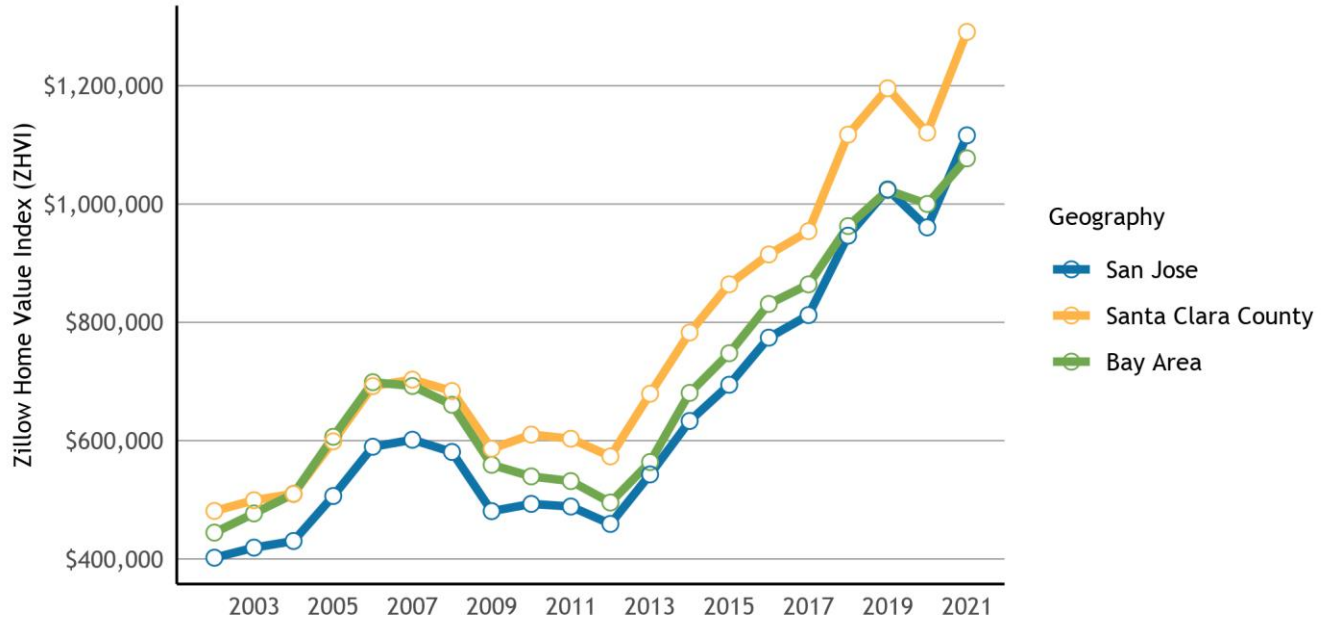
The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2000, the typical home value has increased 178% in San Jose from \$402,000 to \$1,116,000. This change is above the change in Santa Clara County (168%), and above the change for the region (142%) (see Figure 24).



**Figure 23: Home Values of Owner-Occupied Units**

Universe: Owner-occupied units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075



**Figure 24: Zillow Home Value Index (ZHVI)**

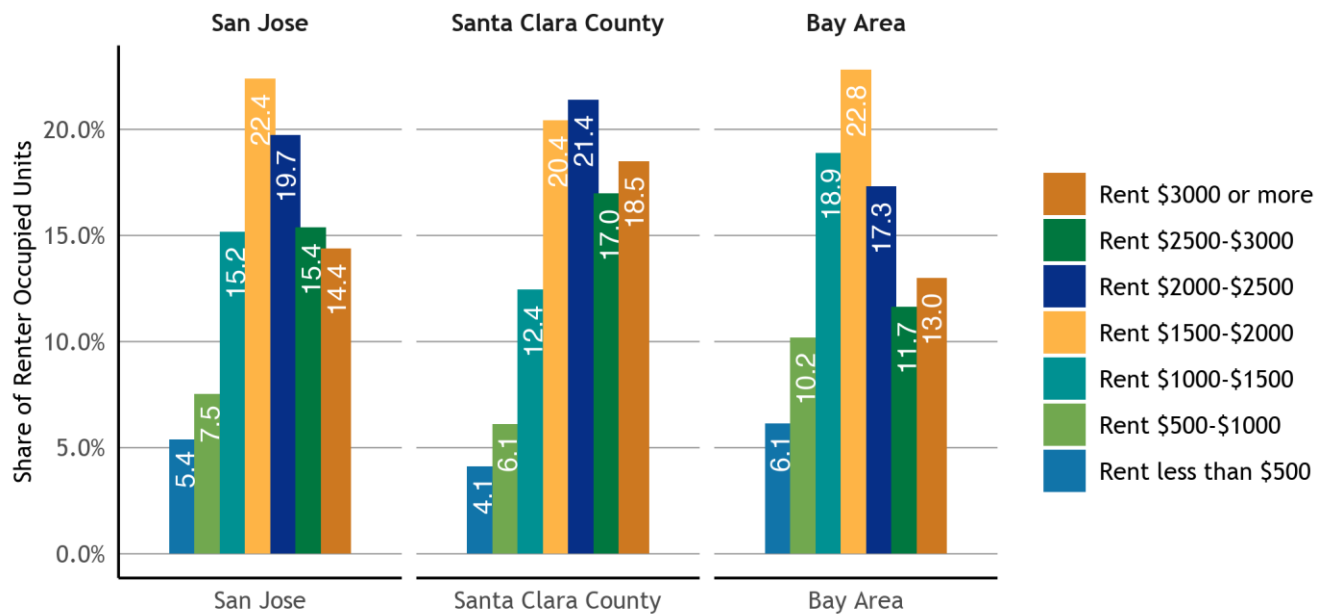
Universe: Owner-occupied housing units Notes: Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing



units, including both single-family homes and condominiums. More information on the ZHVI is available from Zillow. Source: Zillow, Zillow Home Value Index (ZHVI)

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

In San Jose, the largest proportion of rental units rented in the *Rent \$1500-\$2000* category, totaling 22.4%, followed by 19.7% of units renting in the *Rent \$2000-\$2500* category (see Figure 25). In Santa Clara County and the Bay Area, the largest share of units is in the \* \$2000-\$2500\* category (county) compared to the *\$1500-\$2000* category for the region as a whole.

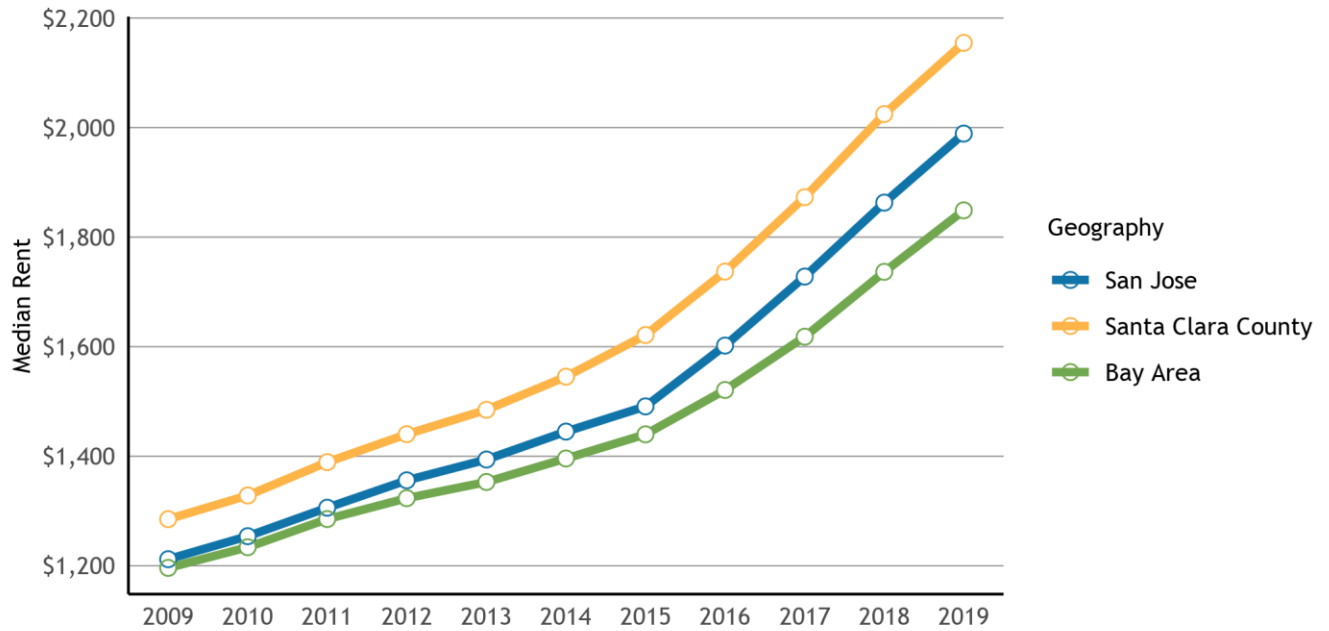


**Figure 25: Contract Rents for Renter-Occupied Units**

Universe: Renter-occupied housing units paying cash rent

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056

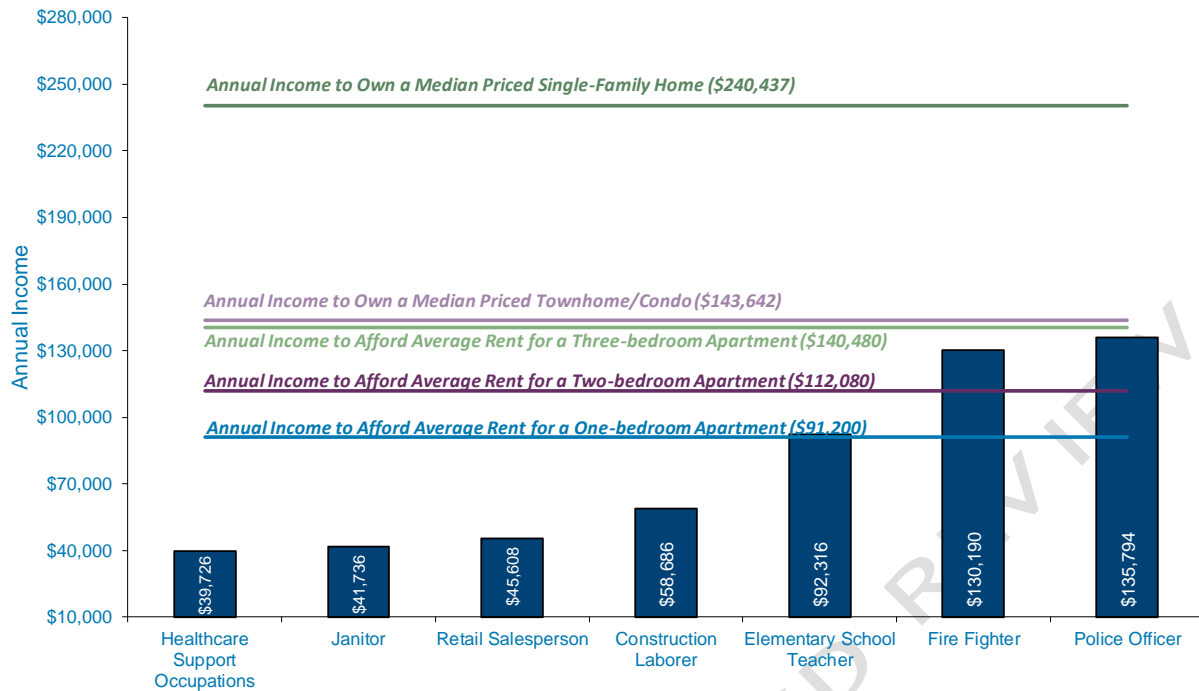
Since 2014, the median rent has increased by 37.6% in San Jose, from \$1,400 to \$1,900 per month (see Figure 26). In Santa Clara County, the median rent has increased 39.4%, from \$1,500 to \$2,100. The median rent in the region has increased significantly during this time from \$1,400 to \$1,850, a 32.2% increase.



**Figure 26: Median Contract Rent**

*Universe: Renter-occupied housing units paying cash rent Notes: For unincorporated areas, median is calculated using distribution in B25056. Source: U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year.*

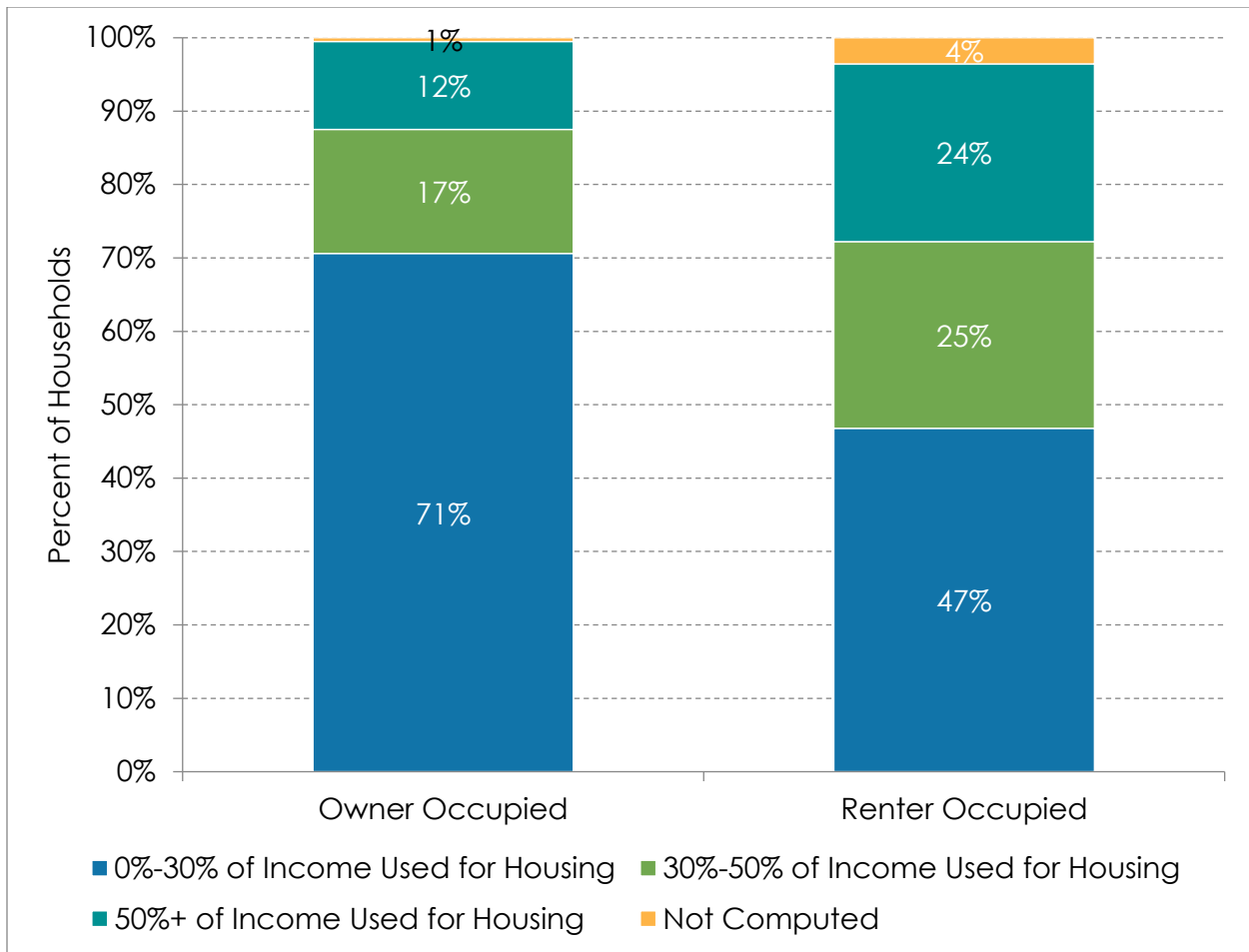
**San Jose’s homes and rents remain unaffordable to many of its residents. Many essential workers are unable to afford average rents for even a one-bedroom apartment unless they are working multiple jobs. The chart below shows the affordability of rents and homes to some of San Jose’s workforce. Income to rent calculation assumes rent payments at 30% of income and a single-income household. Income to mortgage calculations assume mortgage payments at 30% of income, 20% down, 2.9% interest, 1.1% Property Tax, \$300 HOA dues for condos, and a single-income household.**



Source: Employment Development Department (EDD) - First Quarter 2021 Wages; Costar Q3 2021 Average Effective Rents; SCCOAR September 2021 median home sales prices;

## 5.5 Overpayment and Overcrowding

A household is considered “cost-burdened” if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered “severely cost-burdened.” Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

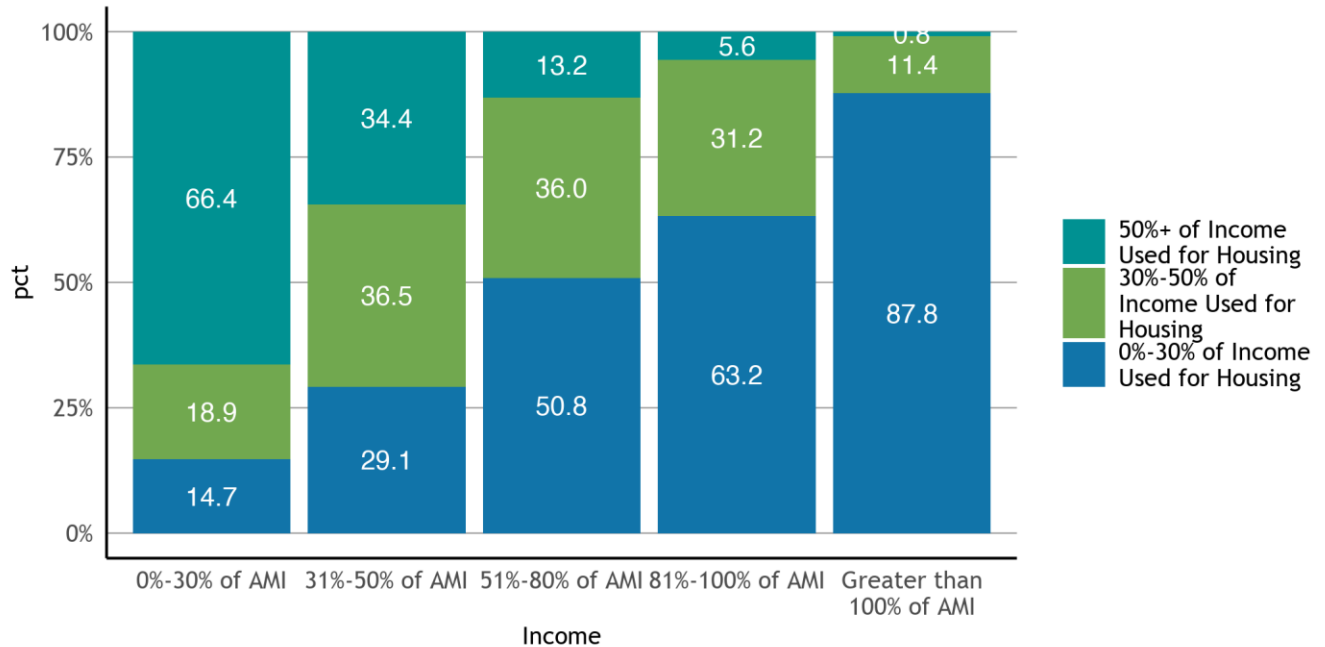


**Figure 27: Cost Burden by Tenure**

*Universe: Occupied housing units Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091*

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in San Jose, 25.4% of renters spend 30% to 50% of their income on housing compared to 16.9% of those that own (see Figure 27). Additionally, 24.2% of renters spend 50% or more of their income on housing, compared to 12.0% of owners who spend 50% or more of their income on housing.

In San Jose, as a whole, 17.1% of households spend 50% or more of their income on housing, while 20.7% spend 30% to 50%. However, these rates vary greatly across income categories (see Figure 28). For example, 66.4% of households making less than 30% of AMI spend 50% or more of their income on rent. For residents making more than 100% of AMI, just 0.8% spend 50% or more, with 87.8% of these residents spending less than 30% of their income on rent.

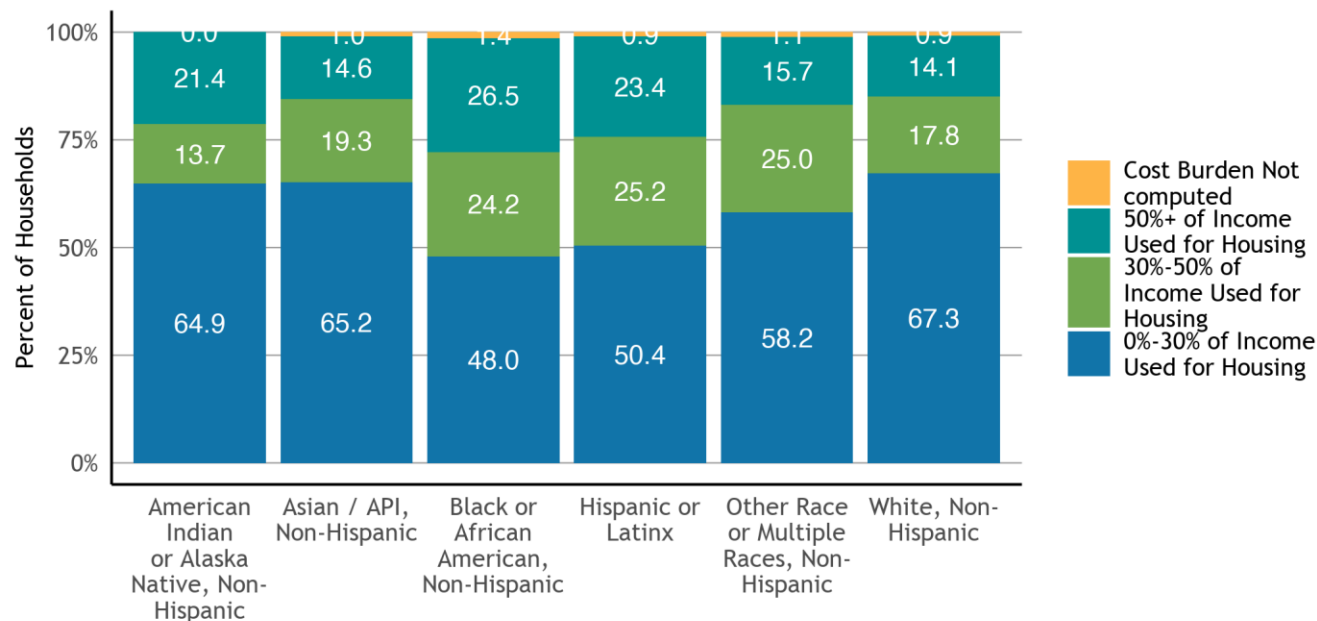


**Figure 28: Cost Burden by Income Level**

*Universe: Occupied housing units Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. -Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release*

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

*In San Jose, Black or African American, Non-Hispanic residents are the most severely cost burdened with 26.5% spending more than 50% of their income on housing, and Hispanic or Latinx residents are the most cost burdened with 25.2% spending 30% to 50% of their income on housing (see Figure 29).*

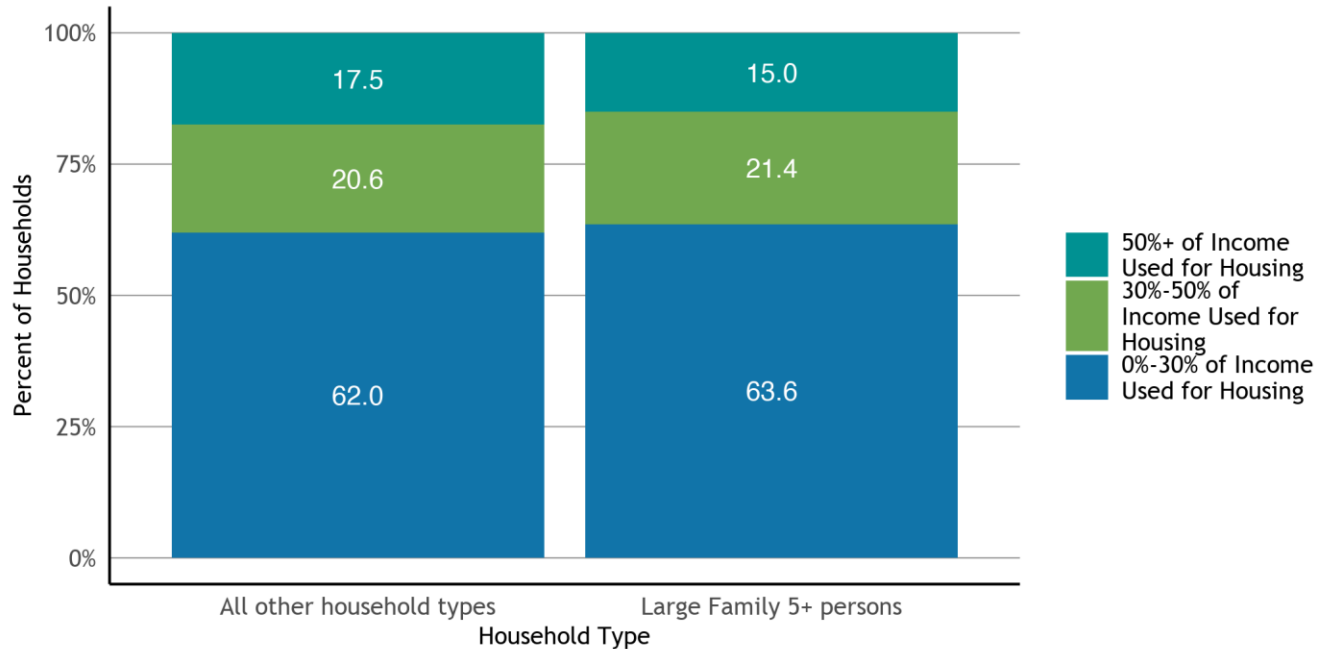


**Figure 29: Cost Burden by Race**

*Universe: Occupied housing units Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. -For the purposes of this graph, the “Hispanic or Latinx” racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release*

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

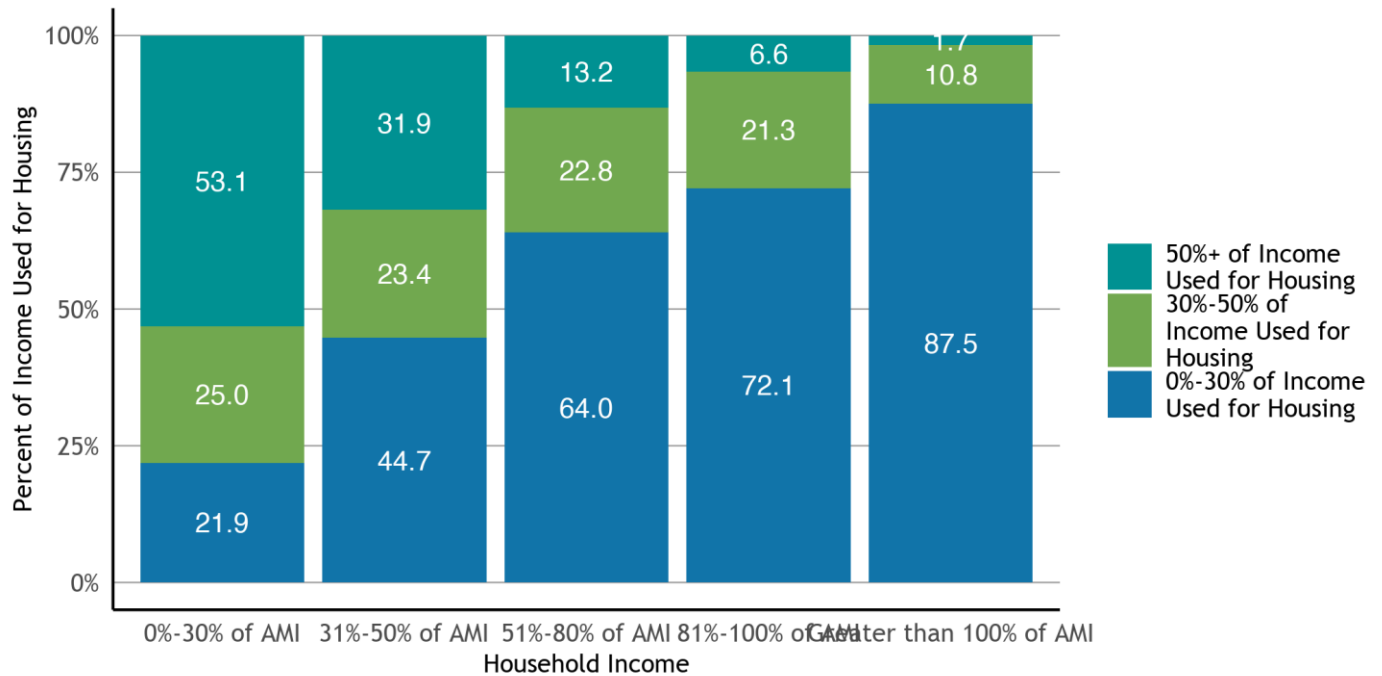
In San Jose, 21.4% of large family households experience a cost burden of more than 30%. Additionally, 15.0% of large family households spend more than half of their income on housing. Some 20.6% of all other households have a cost burden of more than 30% and 17.5% spend more than 50% of their income on housing (see Figure 30).



**Figure 30: Cost Burden by Household Size**

*Universe: Occupied housing units Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release*

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. 53.1% of seniors making less than 30% of AMI are spending the majority of their income on rent. For seniors making more than 100% of AMI, that percentage drops to 1.7%(see Figure 31).



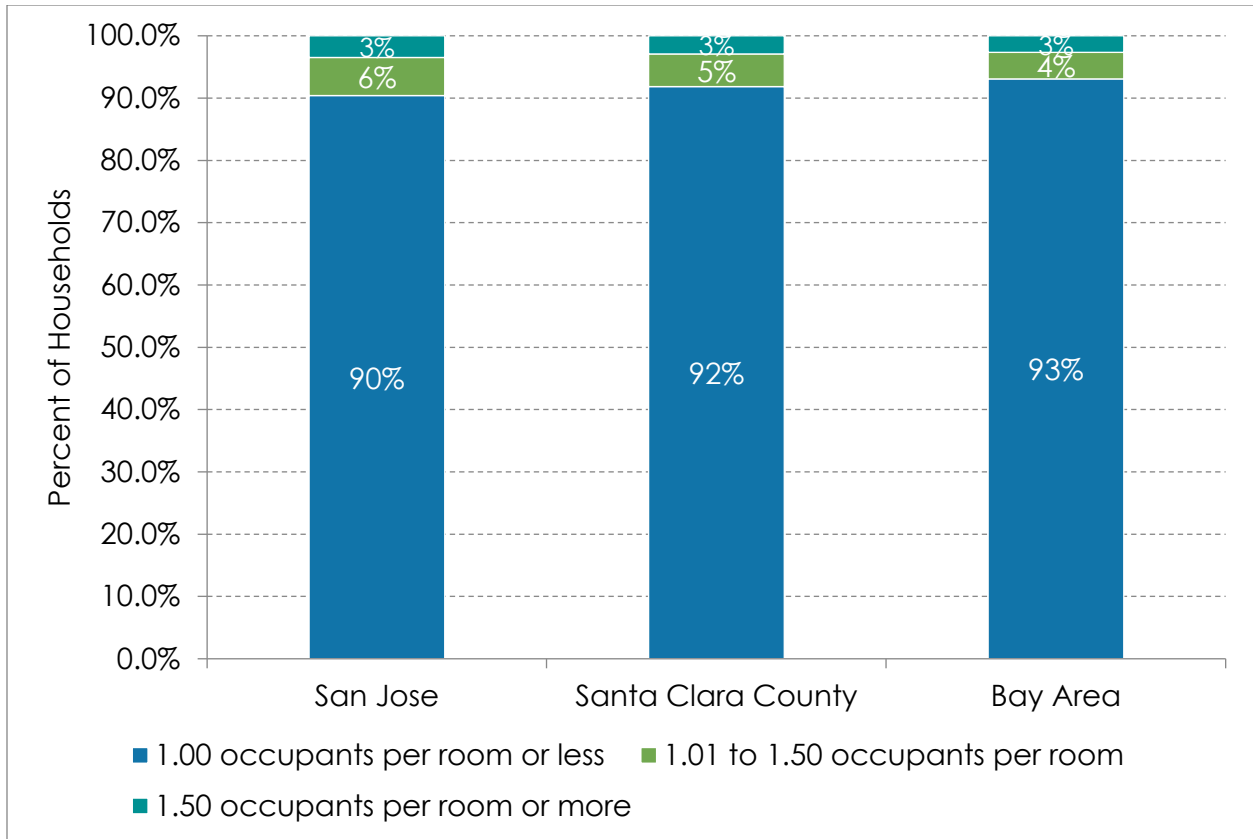
**Figure 31: Cost-Burdened Senior Households by Income Level**

*Universe: Senior households Notes: For the purposes of this graph, senior households are those with a householder who is aged 62 or older. -Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is “select monthly owner costs”, which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. -Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release*

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Compared to the County and Bay Area, San Jose households experience a slightly higher percentage of overcrowding as is shown below. 6% of San Jose households have 1 - 1.5 occupants per room, compared to 5% in the County and 4% in the Bay Area.

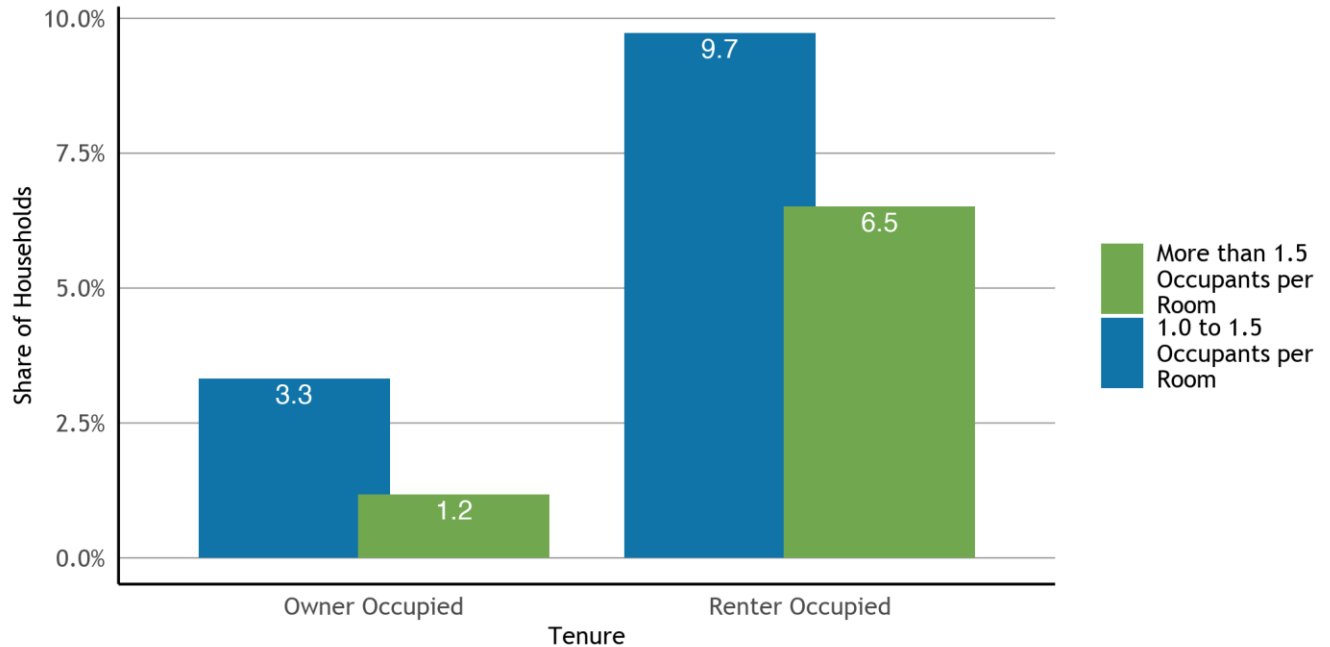




Source:

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

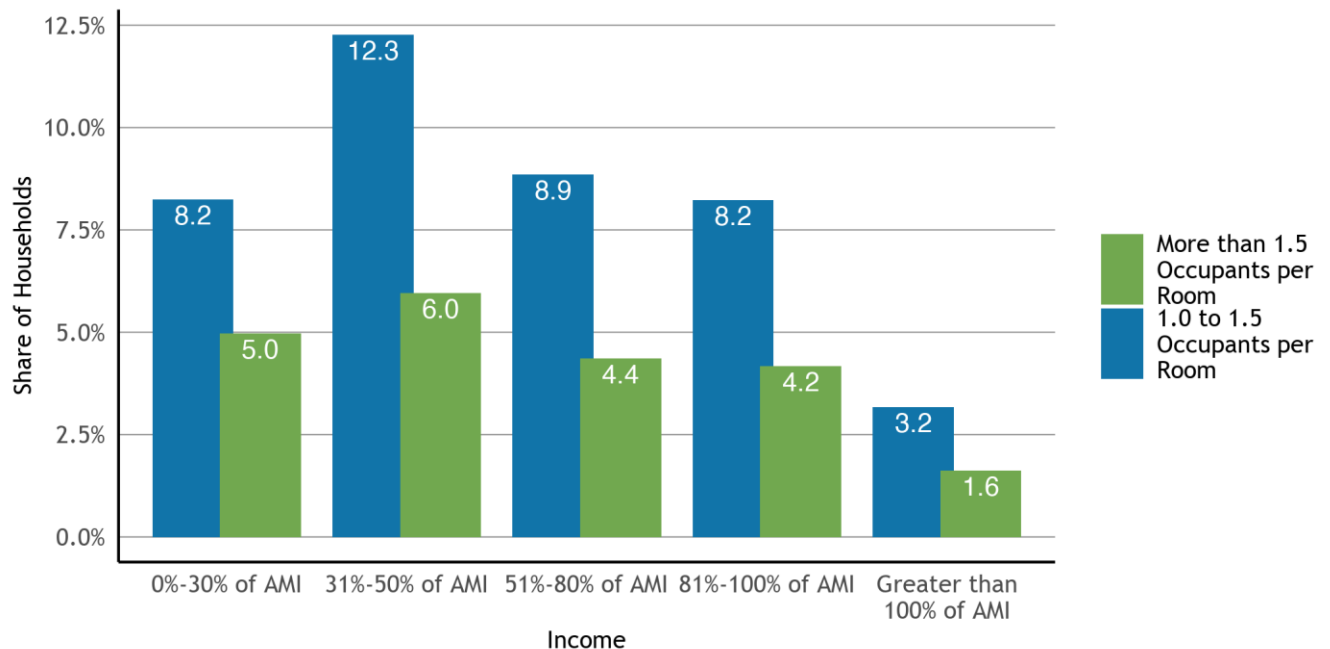
Overcrowding is often related to the cost of housing and can occur when demand in a city or region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. In San Jose, 6.5% of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 1.2% of households that own (see Figure 32). In San Jose, 9.7% of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to 3.3% for those own.



**Figure 32: Overcrowding by Tenure and Severity**

*Universe: Occupied housing units* Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

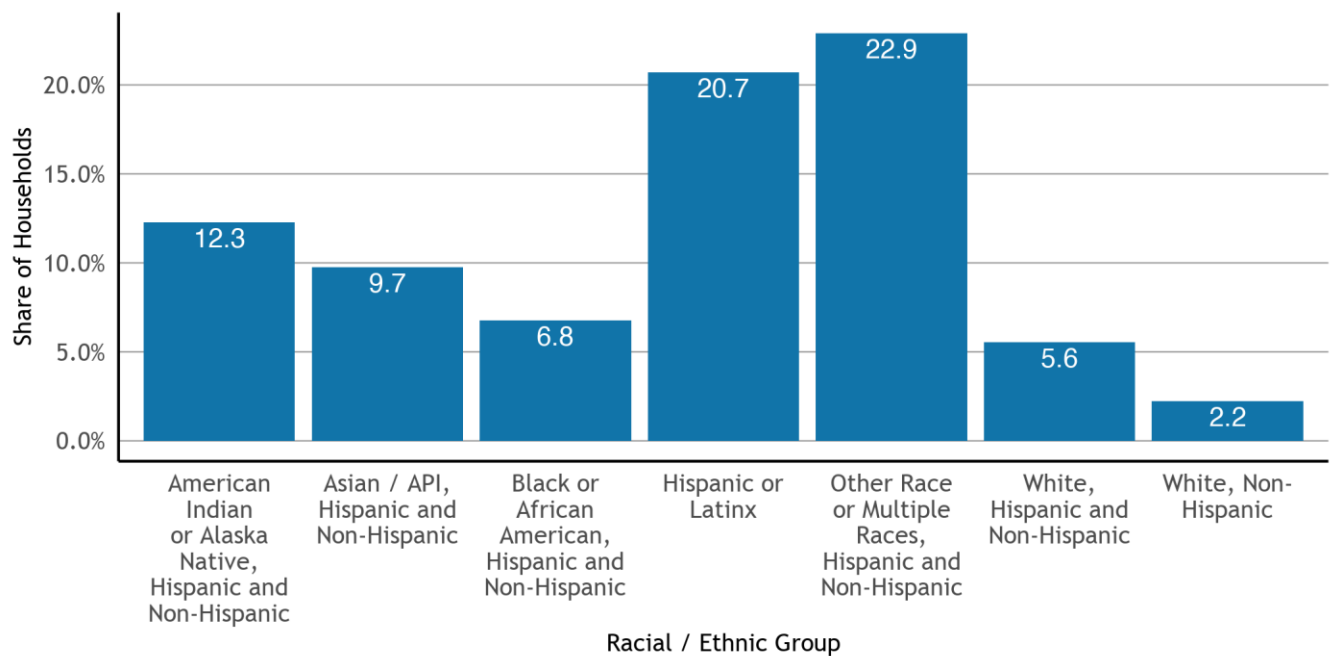
Overcrowding often disproportionately impacts low-income households. 5.0% of very low-income households (below 50% AMI) experience severe overcrowding, while only 1.6% of households above 100% experience this level of overcrowding (see Figure 33).



### Figure 33: Overcrowding by Income Level and Severity

Universe: Occupied housing units Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. -Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

Communities of color are more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White residents. In San Jose, the racial group with the largest overcrowding rate is *Other Race or Multiple Races, Hispanic and Non-Hispanic* (see Figure 34)



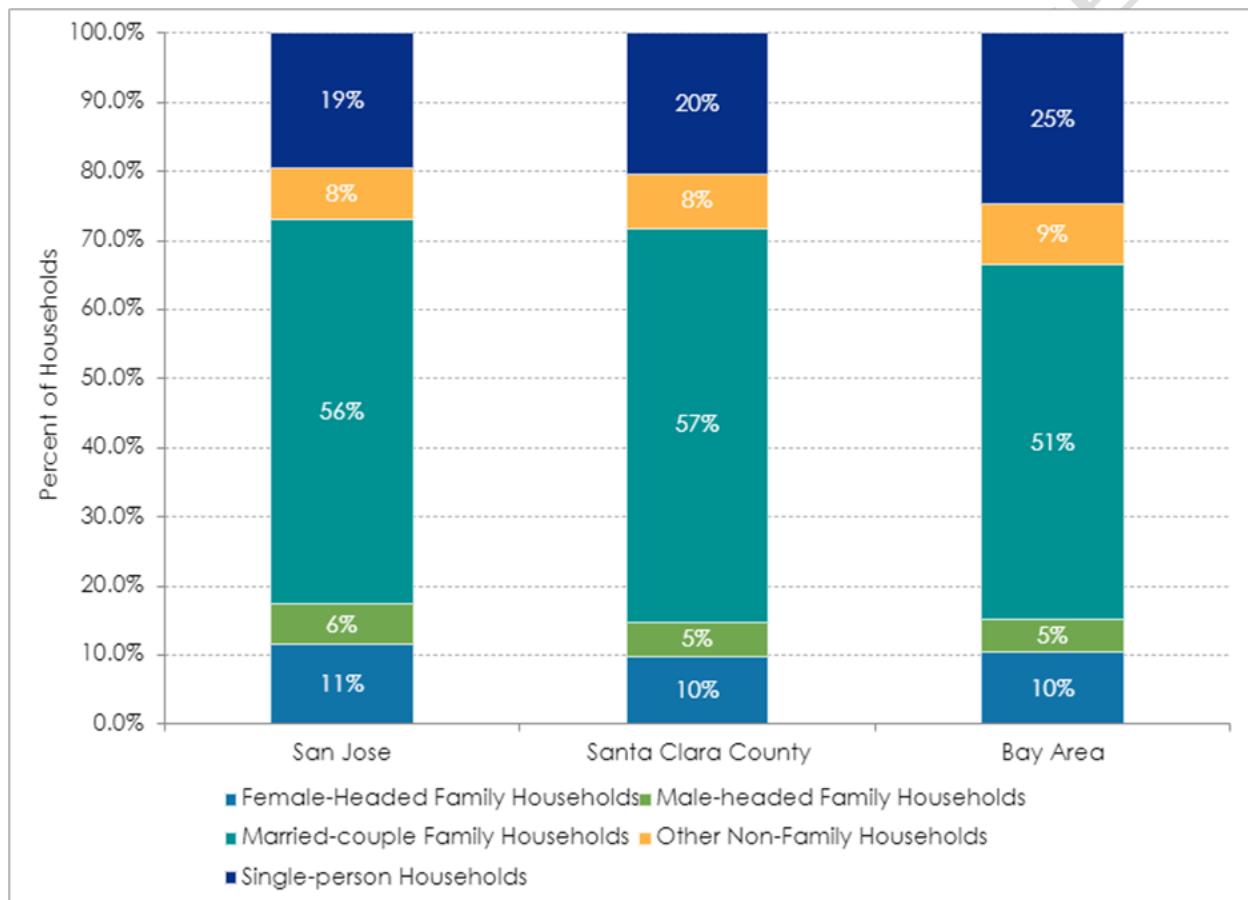
### Figure 34: Overcrowding by Race

Universe: Occupied housing units Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. -For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. -The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled “Hispanic and Non-Hispanic” are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014

## 6 SPECIAL HOUSING NEEDS

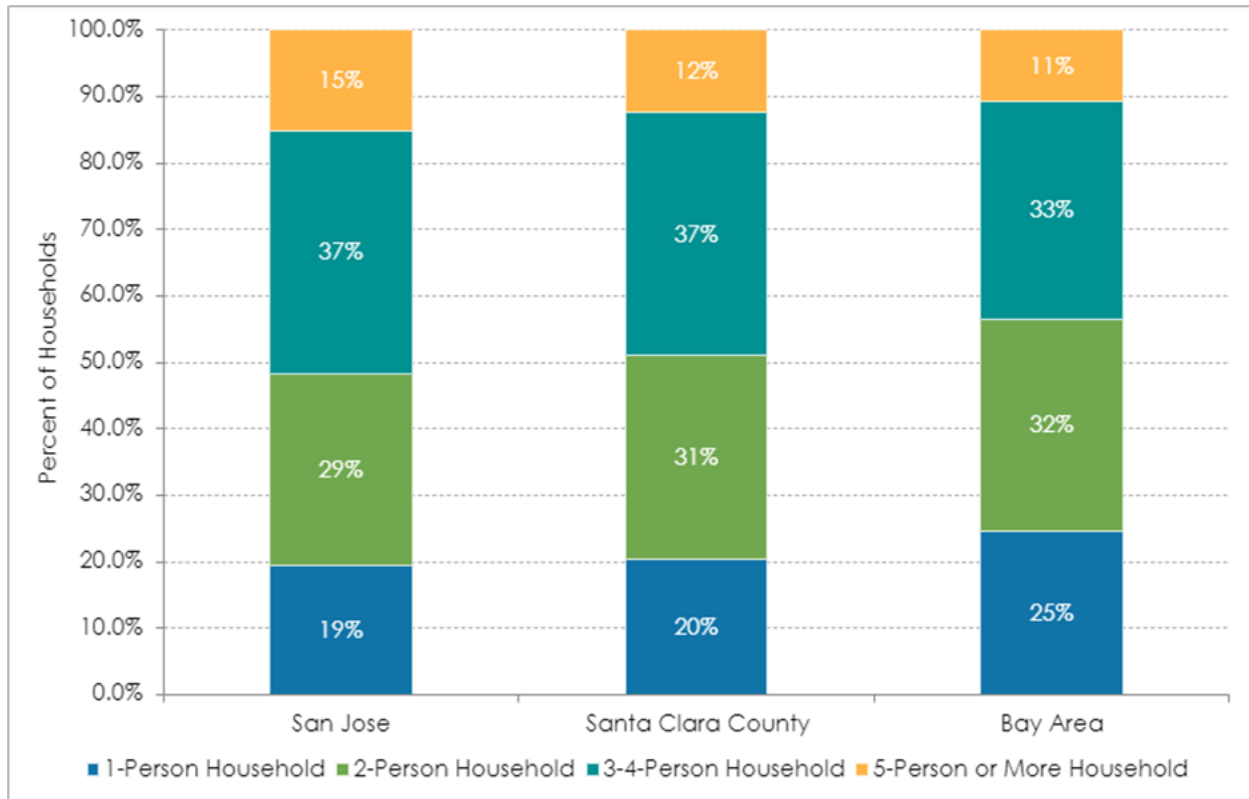
### Household Types and Size of Households

Most of San Jose's Households are Married-couple Family Households (56%), followed by Single-Family Households (19%). San Jose has almost double the number of Female Headed Households than Male Headed Households. In general, San Jose mirrors Santa Clara County's composition but varies from the rest of the Bay Area in one respect - it has a lower percentage of Single-person Households.



Consequently, in terms of Household size, there are fewer one-person households in San Jose and Santa Clara County than in the Bay Area. 66% of San Jose households are 2 to 4 person households. San Jose has a higher share of 5 or more persons households than the County or the Bay Area.

Average household size in San Jose is 3.12 per ACS 2019, down from 3.2 per the Census 2000 and slightly from 3.09 per Census 2010.



#### City of San Jose Household Size

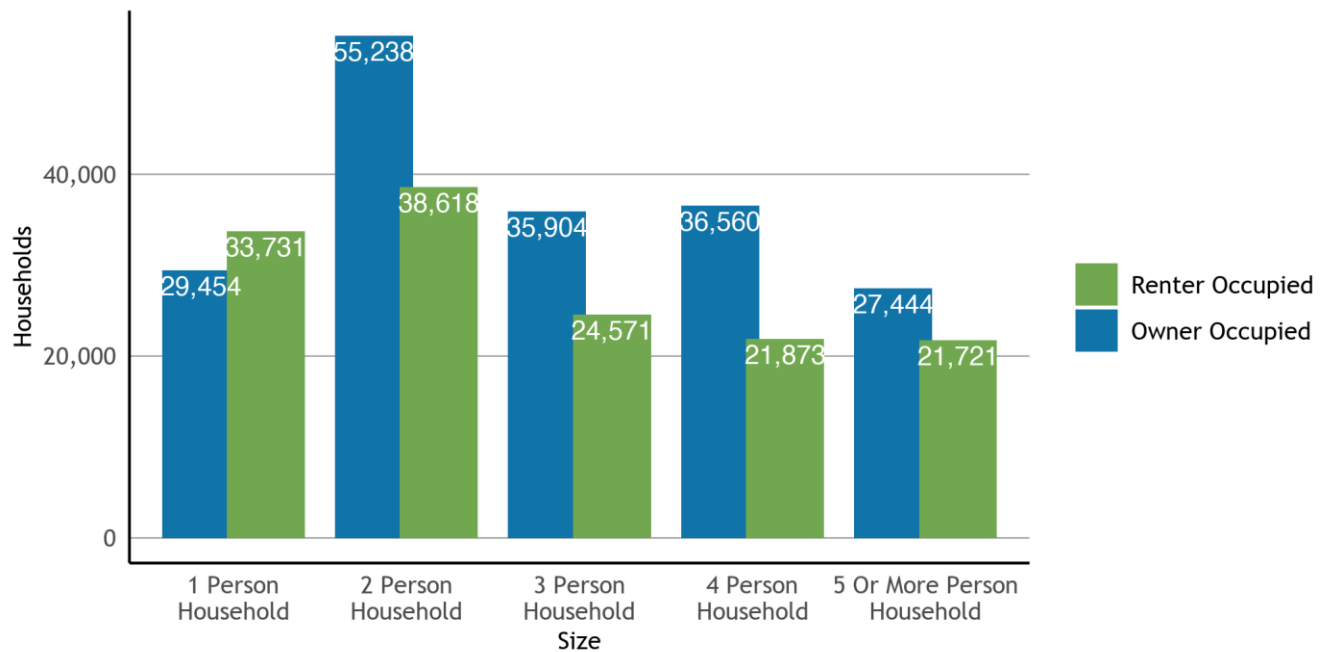
Number of Persons Per Household	Number of Households	Percent
1-Person Household	63,185	19%
2-Person Household	93,856	29%
3-Person Household	60,475	19%
4-Person Household	58,433	18%
5-Person or More Household	49,165	15%
<b>TOTAL</b>	<b>325,114</b>	<b>100%</b>

Source: ACS 2019 5 Year B11016 –  
Includes Family & Non-Family Households

## 6.1 Large Households

Large families are defined by the U.S. Department of Housing and Urban Development (HUD) as families with five or more members. Large families or households often have different housing needs than smaller households. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions.

15% of San Jose's households have 5 or more members. San Jose's Household size by Tenure indicates that only one person households have more renters than owners. For all other household sizes, there are significantly more owners than renters. For large households with 5 or more persons, 56% are owner occupied and 44% are renter occupied. (see Figure 35).

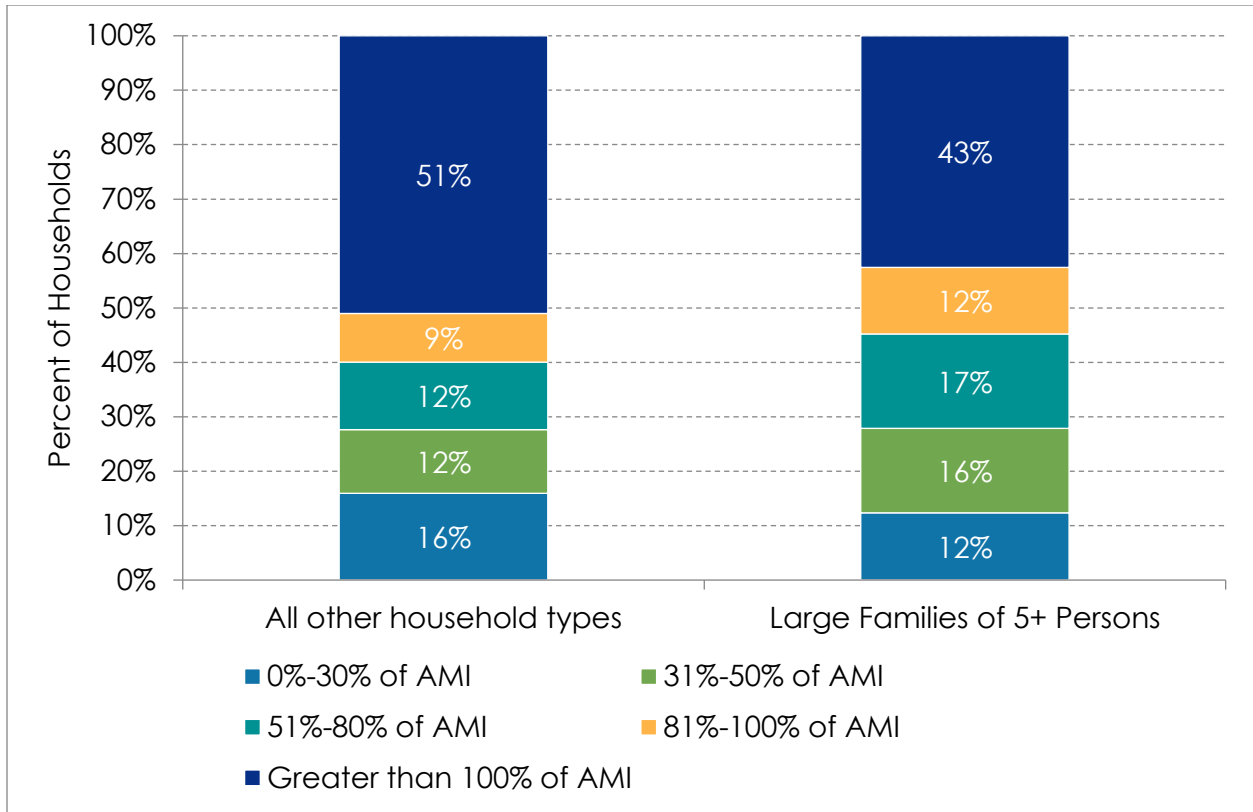


**Figure 35: Household Size by Tenure**

Universe: Occupied housing units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009

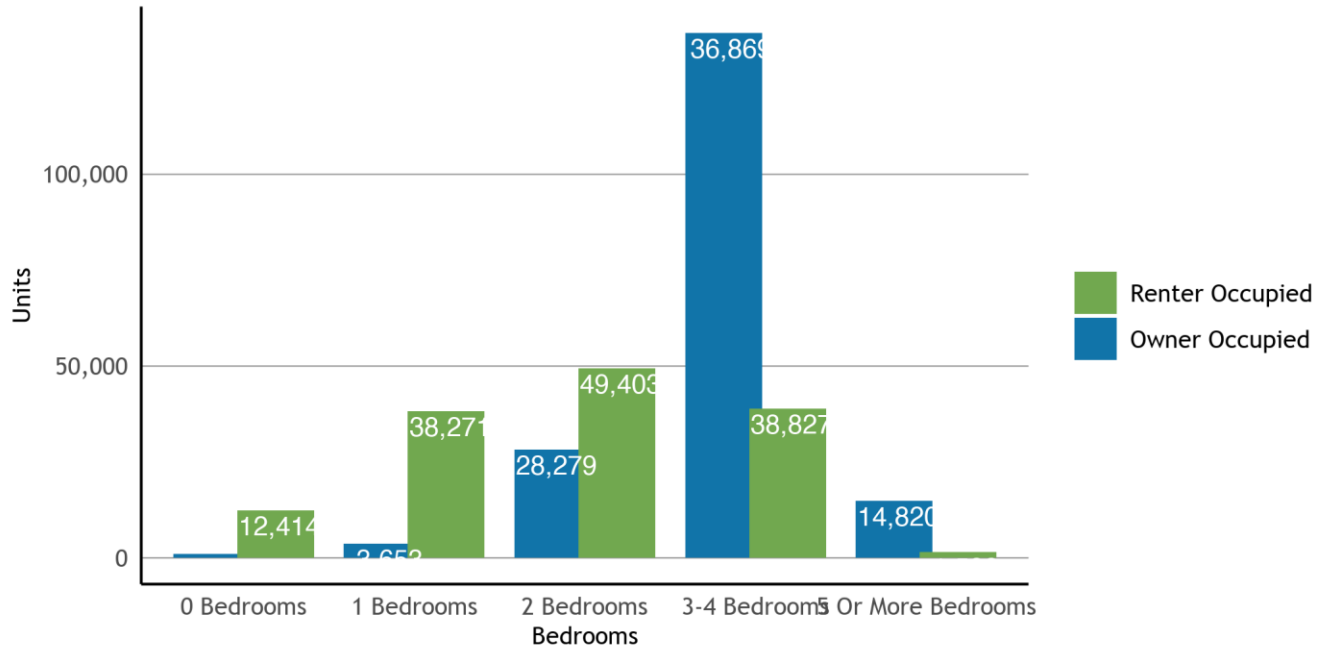
In 2017, 27.9% of large households were extremely or very low-income, earning less than 50% of the area median income (AMI), not any different from smaller households. However, 29% of large households were in the 50% - 100% income category vs 21% for smaller households. 43% of large households earned 100% or more of the AMI compared with 51% for smaller households.



Source:

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

The unit sizes available in a community affect the household sizes that can access that community. Large families are generally served by housing units with 3 or more bedrooms, of which there are 192,115 units in San Jose, 59% of San Jose’s housing stock. Among these large units with 3 or more bedrooms, 21.0% are renter-occupied and 79.0% are owner occupied (see Figure 36).



**Figure 36: Housing Units by Number of Bedrooms**

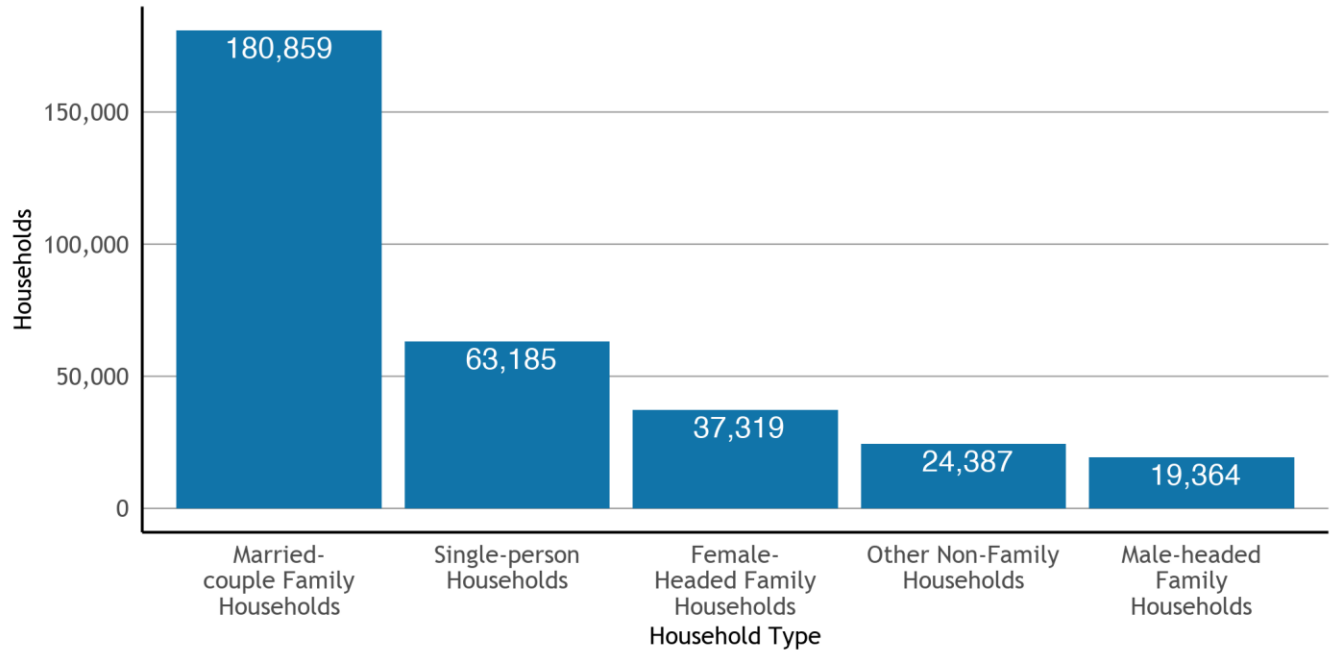
Universe: Housing units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042

## 6.2 Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income. In San Jose, the largest proportion of households is *Married-couple Family Households* at 55.6% of total, while *Female-Headed Households* make up 11.5% of all households.



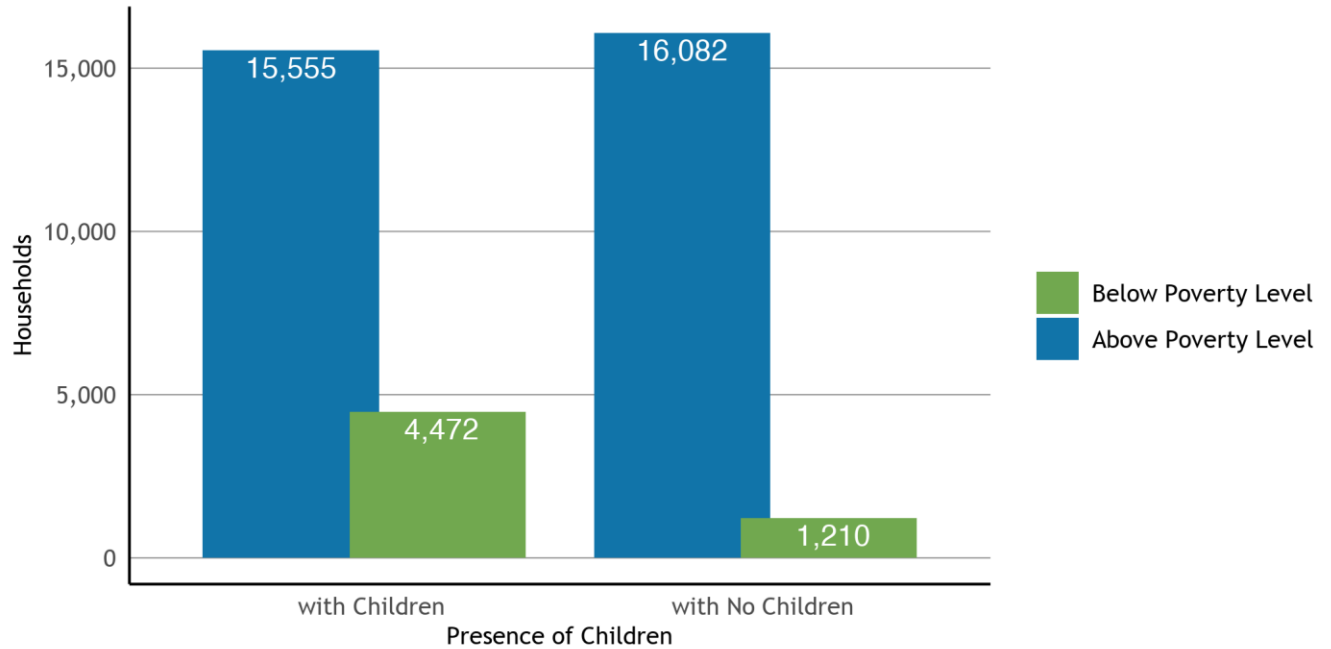


**Figure 37: Household Type**

*Universe: Households Notes: For data from the Census Bureau, a “family household” is a household where two or more people are related by birth, marriage, or adoption. “Non-family households” are households of one person living alone, as well as households where none of the people are related to each other. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001*

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In San Jose, 22.3% of female-headed households with children fall below the Federal Poverty Line, while 7.0% of female-headed households *without* children live in poverty (see Figure 38).



**Figure 38: Female-Headed Households by Poverty Status**

*Universe: Families Notes: The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012*

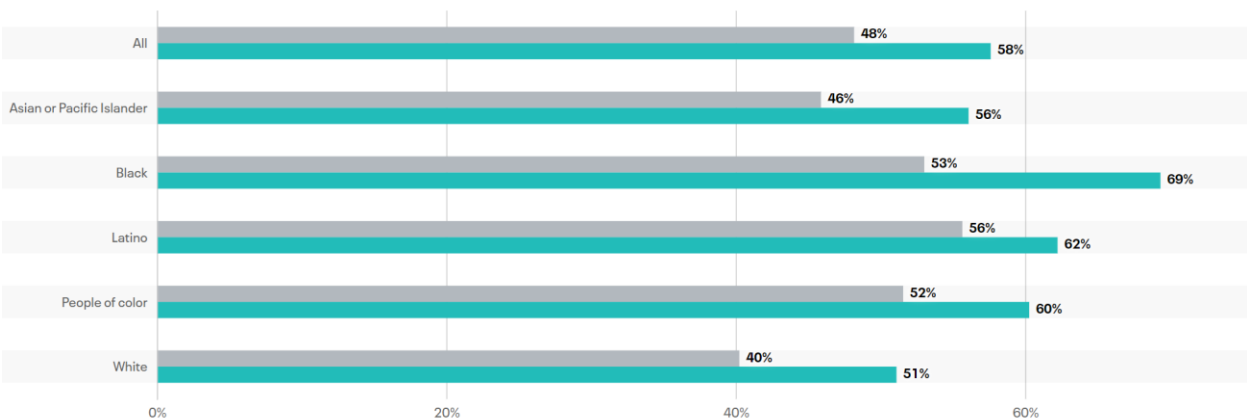
The Bay Area Equity Atlas adds yet another dimension by daylighting the cost burden experienced by females. 2019 IPUMS data for San Jose indicates that, while 58% of all female renters in San Jose are cost burdened (compared with 48% of males), 69% of female black renters and 62% of female latino renters in San Jose are cost burdened. Women of color face significantly worse housing problems than any other group in San Jose.

### Housing burden San Jose City, CA

Housing burden by tenure, severity, race/ethnicity, and gender: San Jose City, CA; **Tenure:** Renters; **Severity:** Burdened; **Poverty:** All income levels; **Year:** 2019

Male Female

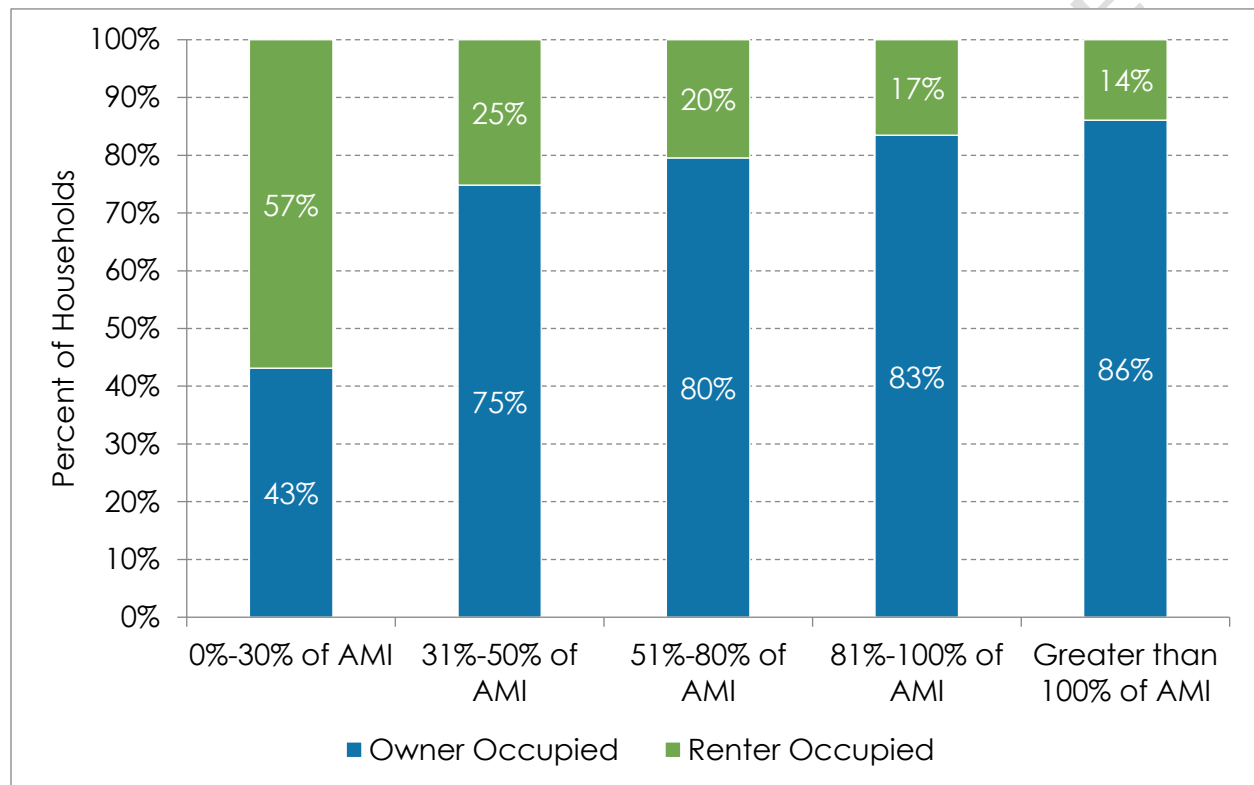
SELECT BREAKDOWN FILTERS: TENURE SEVERITY POVERTY YEAR



### 6.3 Seniors

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges than those who own, due to their limited earning capacity. San Jose's Seniors earning less than 30% of AMI seem to be the most vulnerable. 57% of San Jose's Extremely Low-Income Seniors are renters. Comparatively, most higher income Seniors own their homes. 86% of Seniors earning over 100% AMI are homeowners. (see Figure 39).



**Figure 39: Senior Households by Income and Tenure**

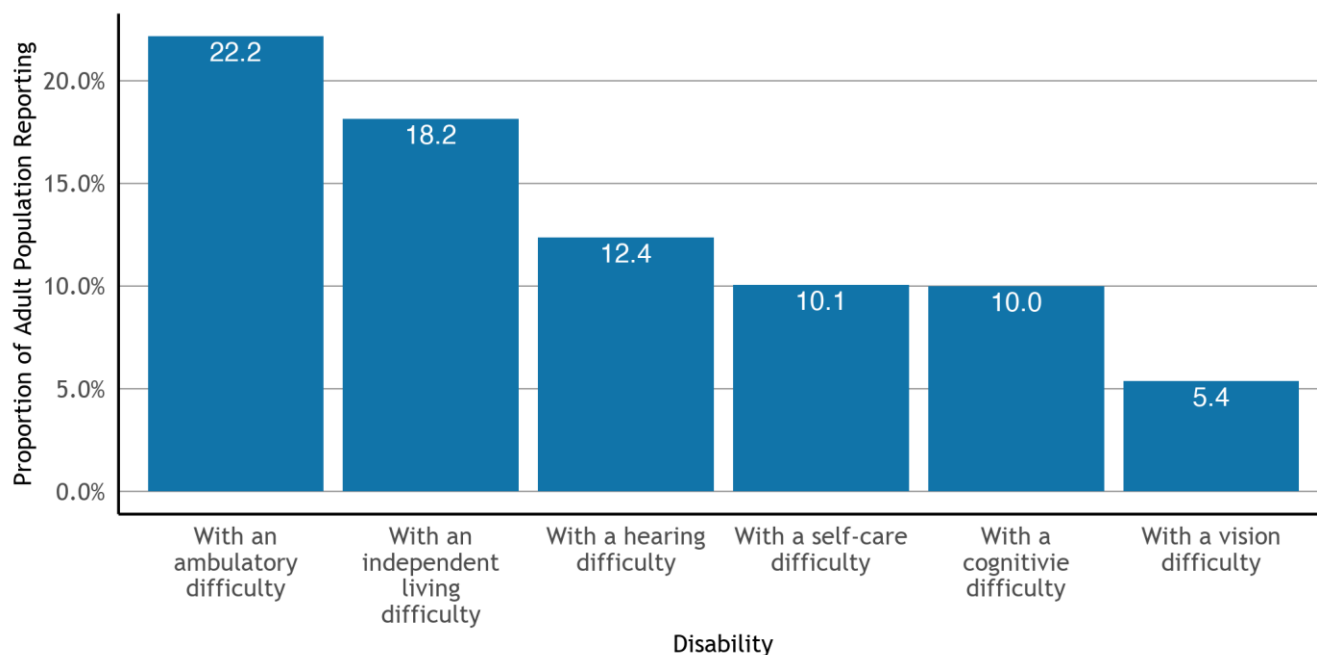
*Universe: Senior households Notes: For the purposes of this graph, senior households are those with a householder who is aged 62 or older. -Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release*

### 6.4 People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive and sensory impairments, many people with disabilities live

on fixed incomes and are in need of specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness and institutionalization, particularly when they lose aging caregivers. Figure 40 shows the rates at which different disabilities are present among residents of San Jose.<sup>23</sup>



**Figure 40: Disability by Type - Seniors (65 and over)**

*Universe: Civilian noninstitutionalized population 65 years and over* Notes: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. -The Census Bureau provides the following definitions for these disability types: -Hearing difficulty: deaf or has serious difficulty hearing. -Vision difficulty: blind or has serious difficulty seeing even with glasses. -Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. - Ambulatory difficulty: has serious difficulty walking or climbing stairs. -Self-care difficulty: has difficulty dressing or bathing. -Independent living difficulty: has difficulty doing errands alone such as visiting a doctor’s office or shopping. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down’s Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with

<sup>23</sup> These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.<sup>24</sup>

In San Jose, the proportion of the population with a developmental disability under the age of 18 is 2.6%, while the proportion of adults 10.4%.

**Table 4: Population with Developmental Disabilities by Age**

Age Group	value
Age 18+	4238
Age Under 18	3246

*Universe: Population with developmental disabilities Notes: The California Department of Developmental services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020)*

The most common living arrangement for individuals with disabilities in San Jose is the *home of parent /family /guardian* (see Table 6).

**Table 5: Population with Developmental Disabilities by Residence**

Residence Type	value
Home of Parent /Family /Guardian	5806
Community Care Facility	969
Independent /Supported Living	471
Intermediate Care Facility	138
Other	105
Foster /Family Home	93

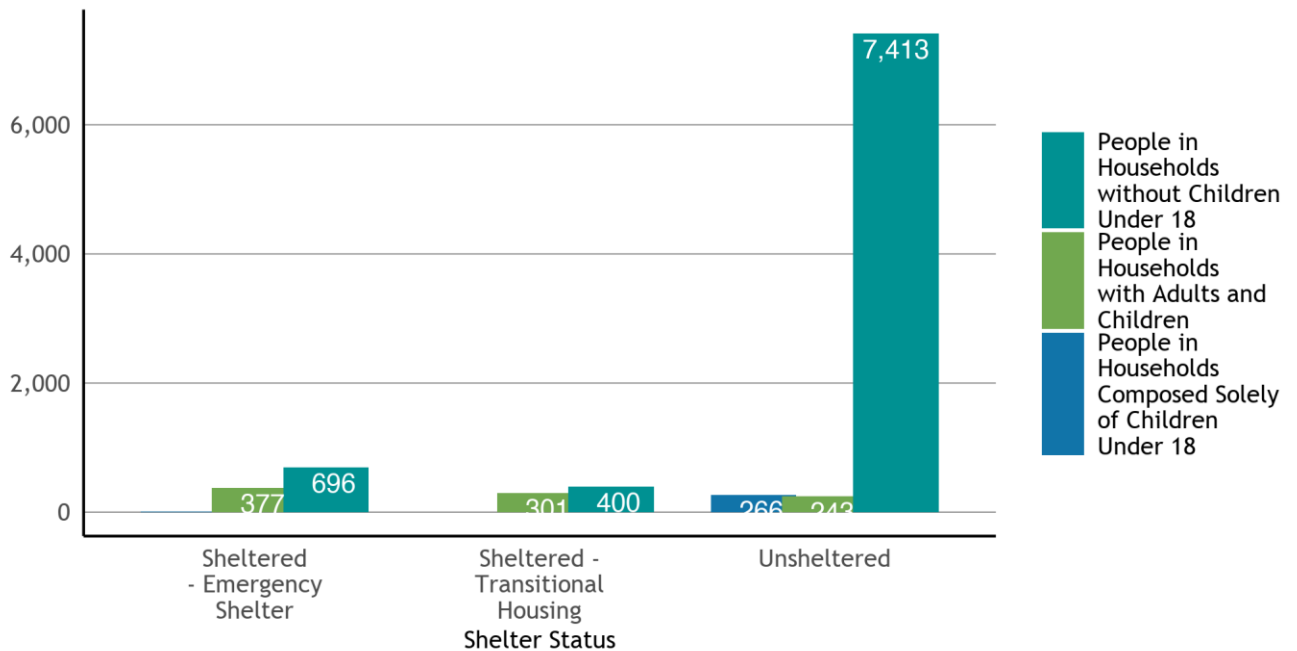
*Universe: Population with developmental disabilities Notes: The California Department of Developmental services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020)*

## 6.5 Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing

<sup>24</sup> For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

insecure have ended up unhoused or homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances. In Santa Clara County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 87.1% are unsheltered. Of homeless households with children, most are sheltered in emergency shelter (see Figure 41).



**Figure 41: Homelessness by Household Type and Shelter Status, Santa Clara County**

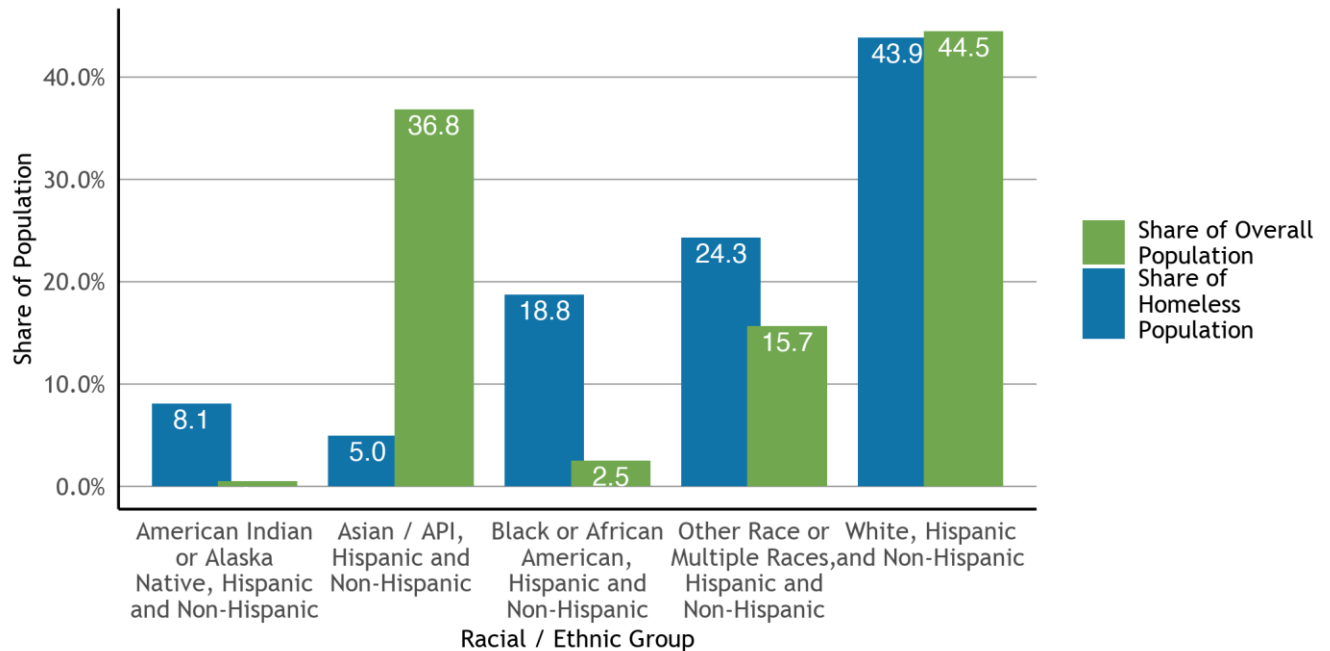
*Universe: Population experiencing homelessness Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. -Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)*

Homelessness, as well as the lack of available housing for extremely low-income populations, continues to be a pressing issue for the City of San José, the County of Santa Clara and the region. According to the U.S. Department of Housing and Urban Development's (HUD) 2019 Annual Homeless Assessment Report, among the 48 Major City Continuums of Care, the County of Santa Clara has:

- the fourth largest homeless population;
- the second largest unsheltered homeless population;
- the third largest chronically homeless population; and
- the third largest unaccompanied homeless youth (under 25) population.

Locally, the January 2019 homeless census and survey counted 6,097 persons experiencing homelessness in San José, which was an increase of 40% from the 2017 homeless census. Of the 6,097 people counted, 5,117 were unsheltered. This means that 84% of San José’s homeless population sleeps outdoors on the street, in parks, tents, encampments, vehicles, abandoned properties and/or bus and train stations.

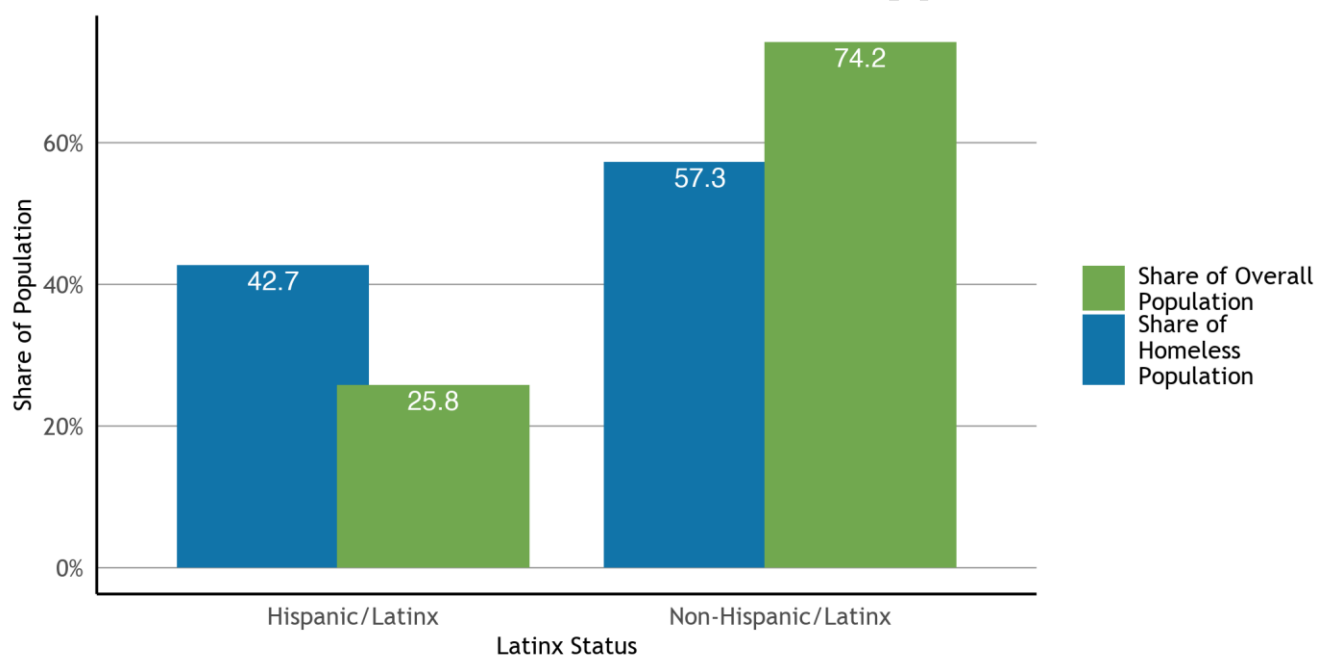
People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to white residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area. In Santa Clara County, White (Hispanic and Non-Hispanic) residents experiencing homelessness are the largest racial group and account for 43.9% of the homeless population, while making up 44.5% of the overall population (see Figure 42).



## Figure 42: Racial Group Share of General and Homeless Populations, Santa Clara County

*Universe: Population experiencing homelessness* Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. -Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. -HUD does not disaggregate racial demographic data by Hispanic/Latinx ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latinx ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latinx and non-Hispanic/Latinx individuals. Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I)

In San Jose, Latinx residents are disproportionately represented in the homeless population. They represent 42.7% of the population experiencing homelessness, while Latinx residents comprise 25.8% of the general population (see Figure 43).



## Figure 43: Latinx Share of General and Homeless Populations, Santa Clara County

*Universe: Population experiencing homelessness* Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. -Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. -The data from HUD on Hispanic/Latinx ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latinx or non-Hispanic/Latinx) could be of any racial background. Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I)

Between January 29 and February 28, 2019, the City of San Jose administered a survey of its homeless population to a randomized sample of individuals and families currently experiencing homelessness.





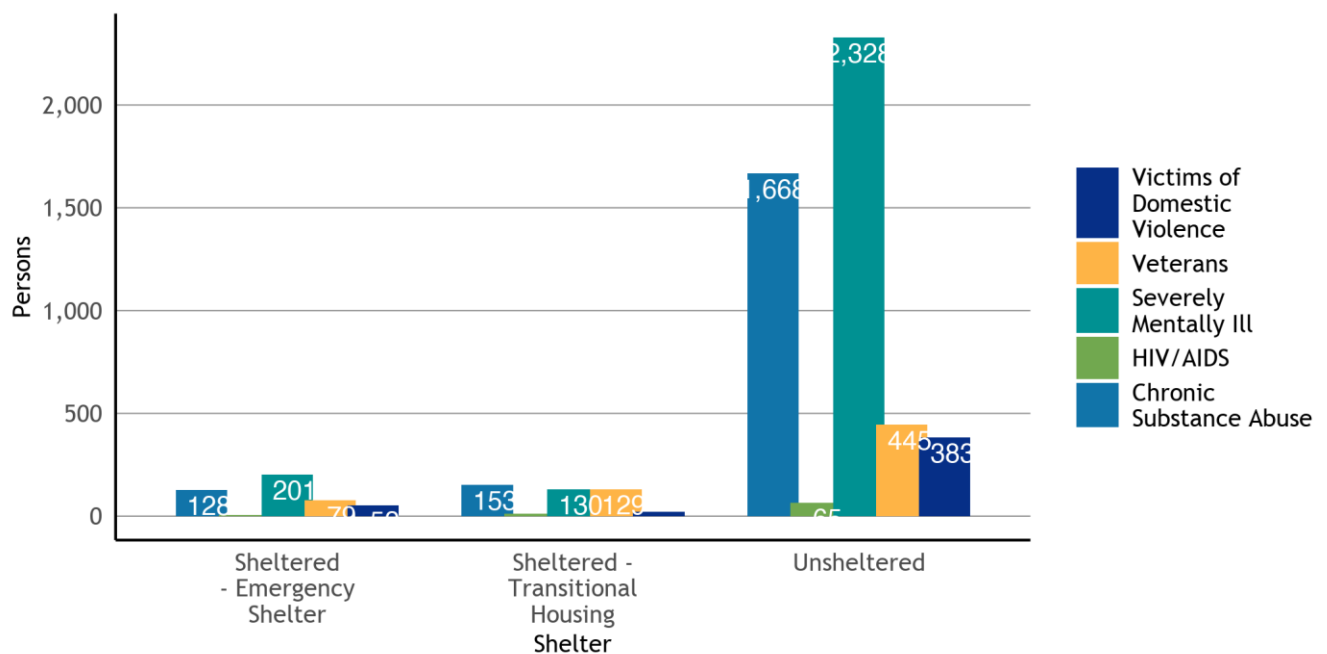
The Homeless Survey effort resulted in 925 unique, complete, and valid surveys collected in the City of San José. In order to gain a more comprehensive understanding of the experiences of individuals and families experiencing homelessness in the City of San José, respondents were asked basic demographic questions including age, gender, sexual orientation, and ethnicity.

Fifteen percent (15%) of survey respondents were under the age of 25 at the time of the 2019 survey. One-fifth (20%) of respondents were between the ages of 25 and 40, and 65% were 41 years or older.

Nearly two-thirds (65%) of survey respondents identified as male, 34% identified as female, 1% identified as transgender, and <1% did not identify as male, female, or transgender. Among the female respondents, 2% indicated that they were currently pregnant.

In comparison to the general population of San José, a higher percentage of homeless survey respondents identified as Hispanic or Latinx (42% homeless respondents compared to 32% in the general population). A much higher proportion of homeless survey respondents identified as Black or African-American when compared to the general population (19% compared to 3%), whereas a smaller percentage of the homeless survey population identified as Asian (4% compared to 36%).

Many of those experiencing homelessness are dealing with severe issues - including mental illness, substance abuse and domestic violence - that are potentially life threatening and require additional assistance. In Santa Clara County, homeless individuals are commonly challenged by severe mental illness, with 2,659 reporting this condition (see Figure 44). Of those, some 87.6% are unsheltered, further adding to the challenge of handling the issue.



**Figure 44: Challenges and Other Characteristics for the Population Experiencing Homelessness, Santa Clara County**

*Universe: Population experiencing homelessness Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count*

*of sheltered and unsheltered homeless persons on a single night during the last ten days in January. -Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. -These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed. Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)*

In order to adequately address the diversity within the population experiencing homelessness, the federal government identifies four subpopulations with particular challenges or needs, including:

- Individuals with disabilities experiencing chronic homelessness;
- Veterans experiencing homelessness;
- Families with children experiencing homelessness; and
- Youth and young adults experiencing homelessness.

### Chronic Homelessness

Over the last decade, the estimate of individuals in San José experiencing chronic homelessness has fluctuated, and was highest in 2019. There were a total of 1,553 individuals experiencing chronic homelessness in 2019, representing 25% of the overall Point-in-Time homeless population in San José.

The percentage of individual experiencing chronic homelessness who were sheltered in San José increased from 11% to 15% between 2017 and 2019.

San Jose's Homeless Survey data sheds further light on the demographics of its chronically homeless residents. The majority (70%) of survey respondents experiencing chronic homelessness identified as male, slightly higher than the non-chronically homeless population (63%). A similar percentage of respondents experiencing chronic homelessness identified as Hispanic or Latinx (40%), compared to non-chronically homeless respondents (41%). Further, 3% of individuals experiencing chronic homelessness were veterans. In terms of race, 39% of the chronically homeless residents were White 31% were multi-race, 17% were Black or African American and 10% were American Indian or Alaskan Natives. To meet the definition of chronic homelessness, an individual must be experiencing at least one disabling condition. In general, higher rates of health conditions were reported among those who were chronically homeless compared to their non-chronically homeless counterparts. Of the survey respondents experiencing chronic homelessness, 61% reported experiencing a psychiatric or emotional condition, 55% reported experiencing drug/alcohol abuse, and 50% reported experiencing PTSD.

### Veterans experiencing homelessness:

There were 476 veterans experiencing homelessness identified in San José in 2019, representing 8% of the total Point-in-Time homeless population. Sixty-one percent (61%) were unsheltered, while 39% were sheltered. A large majority (88%) of veterans experiencing homelessness identified as male and nearly one-third (29%) identified as Hispanic or Latinx. In terms of racial identity, well over half (58%) identified as White, while 20% identified as Black/African American and another 12% identified as multi-race or other. More than half (52%) of veteran survey respondents experiencing homelessness reported having one or more disabling conditions. The most commonly reported condition homeless

veterans reported experiencing was PTSD (45%). This was followed by a physical disability (42%), a psychiatric or emotional condition (38%), drug/alcohol abuse (38%), and chronic health problems (32%).

#### Families with children experiencing homelessness:

Since 2013, the estimate of homeless families in San José has steadily declined to its lowest in 2019. There were a total of 98 families consisting of 313 individual family members experiencing homelessness in San José in 2019. The families experiencing homelessness subpopulation represented 4% of the Point-in-Time homeless population. The majority (84%) of homeless families were sheltered, while the remaining 16% were unsheltered. Female family members accounted for 54% of the families experiencing homelessness subpopulation, while males accounted for 46%. Further, 47% identified as being of Hispanic/Latinx origin. In terms of racial identity, 42% of family members experiencing homelessness identified as White, while 23% identified as Black/African American. Among families experiencing homelessness, a psychiatric or emotional condition was the most frequently reported health condition (35%), followed by PTSD (24%) and drug/alcohol abuse (19%).

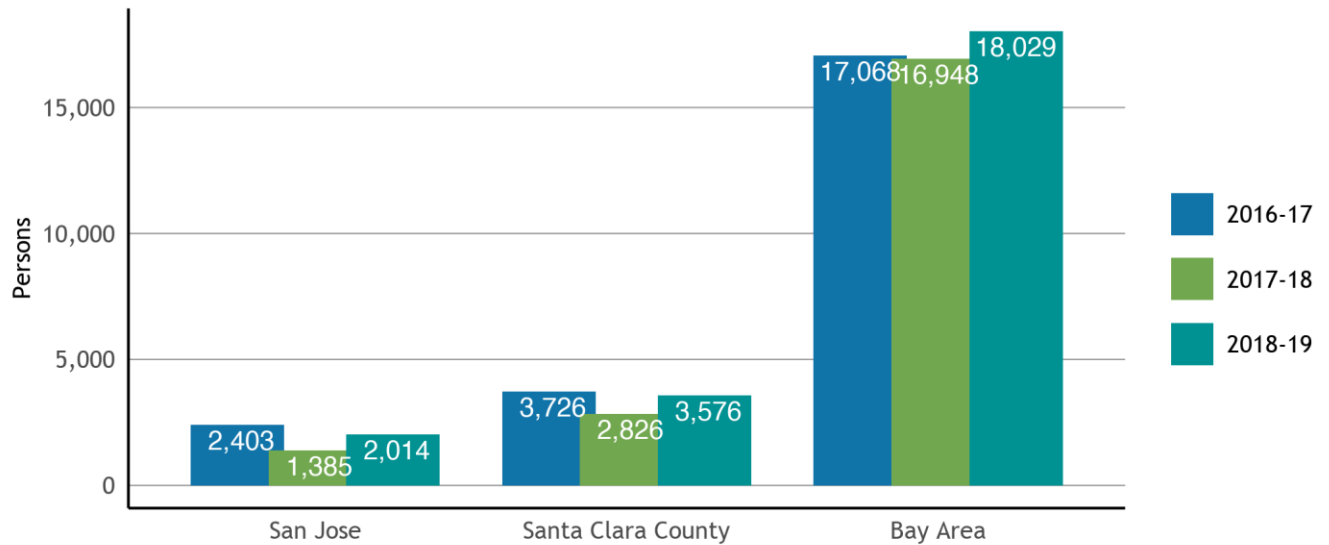
#### Youth and young adults homelessness:

Homelessness among youth and young adults is a difficult problem to identify. Youth and young adults experiencing homelessness are less likely to be found among the adult population experiencing homelessness, preferring locations and times of day that make traditional efforts at enumeration difficult due to living in many different unstable housing situations such as couch surfing, hotel/motel sharing, and non-traditional unsheltered locations. Accordingly, a separate youth count effort was put in place, relying on knowledge gathered from youth currently experiencing homelessness as well as their participation in the count itself. The 2019 Point-in-Time count identified 1,391 youth and young adults experiencing homelessness in San José. This represents an 18% decrease since 2017. Evidence suggests that youth and young adults stay away from shelters, fearing that they will be reported to law enforcement and/or their families. In 2019, the vast majority (94%) of youth and young adults were unsheltered. The youth and young adults experiencing homelessness subpopulation represents almost one-quarter (23%) of the overall homeless population in the City of San José. Over half (52%) of youth and young adults experiencing homelessness identified as male, 39% identified as female, 8% identified as transgender, and 1% didn't identify as male, female, or transgender. Forty-five percent (45%) identified as being of Hispanic/Latinx origin, and racially, 35% identified as White, 29% as Black/African American, and 10% as American Indian or Alaska Native. A substantial number of youth and young adults experiencing homelessness reported experiencing health issues, and surprisingly in some cases, at higher rates than their adult counterparts. Forty-nine percent (49%) of respondents under age 25 reported experiencing a psychiatric or emotional condition, 41% reported experiencing PTSD, and 36% reported experiencing drug/alcohol abuse.

In San Jose, the student population experiencing homelessness totaled 2,014 during the 2018-19 school year and decreased by -16.2% between since the 2016-17 school year (see Figure 45). By comparison, Santa Clara County has seen a -4.0% decrease in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness increased, by 5.6%.

The number of students in San Jose experiencing homelessness in 2019 represents 56.3% of the Santa Clara County total and 11.2% of the Bay Area total.

Students in Local Public Schools Experiencing Homelessness  
Academic Years 2016-2019



**Figure 45: Students in Local Public Schools Experiencing Homelessness**

*Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30) Notes: The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. -The data was reported at school site level, and was assigned to jurisdiction boundaries based on site location. Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019)*

## 6.6 Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In some cases, there is limited data about farmworker housing. However, we can gain a better understanding through what information is available about the children of migrant workers. In San Jose, the migrant worker student population totaled 162 in the 2019-20 school year and decreased by -56.9% of students between since the 2016-17 school year. By comparison, the change at the county level is a -49.7% decrease since the 2016-17 school year, and the Bay Area has seen a -14.1% decrease in the number of migrant worker students since the 2016-17 school year.

## FARM-01: Migrant Worker Student Population

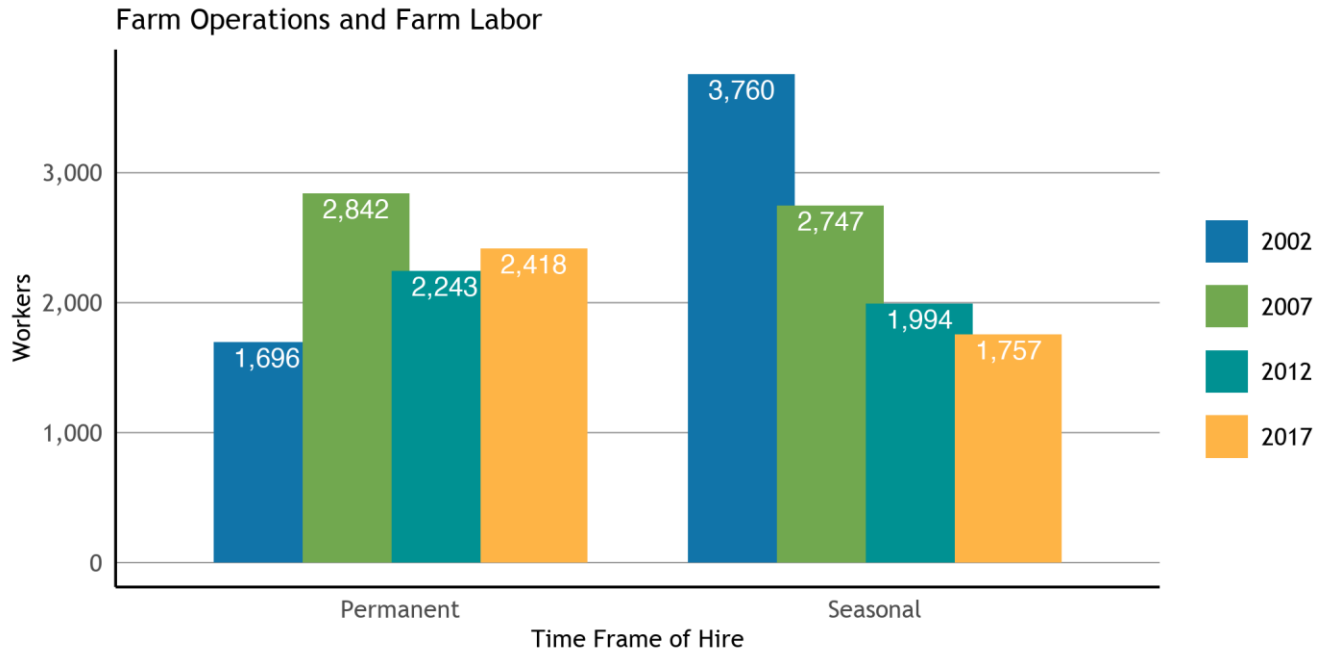
Geography	2016-17	2017-18	2018-19	2019-20
San Jose	376	200	206	162
Santa Clara County	978	732	645	492
Bay Area	4,630	4,607	4,075	3,976

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020)

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in Santa Clara County has increased since 2002, totaling 2,418 in 2017, while the number of seasonal farm workers has decreased, totaling 1,757 in 2017 (see Figure 46).



**Figure 46: Farm Operations and Farm Labor by County, Santa Clara County**

Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors) Notes: Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm. Source: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor

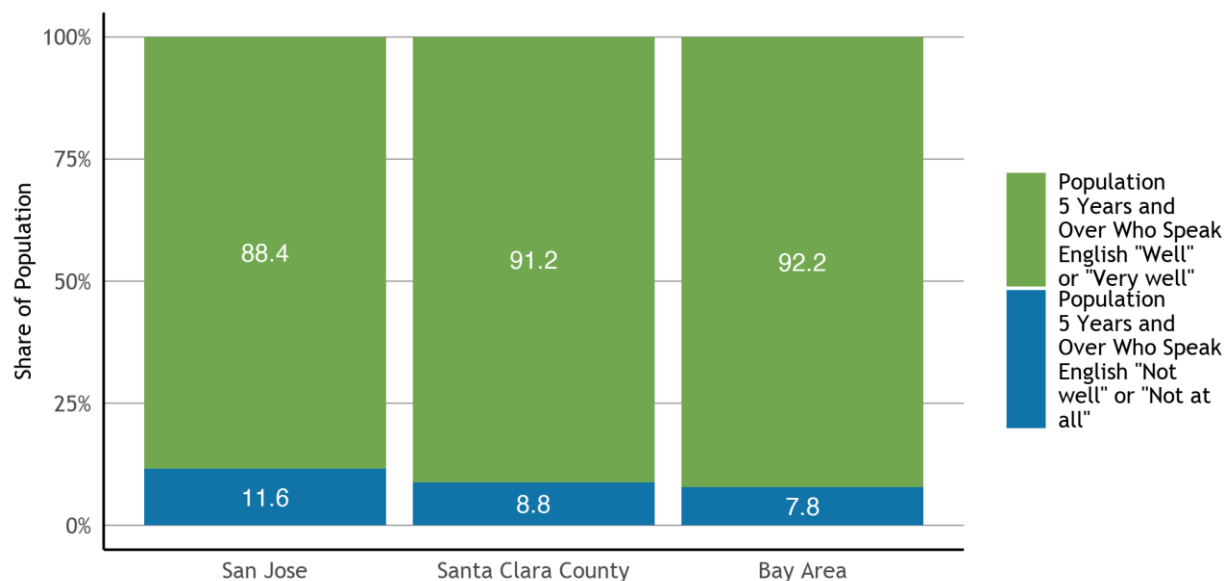
## 6.7 Non-English Speakers

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally



challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns. Cities must also tailor their outreach materials and plans to include those communities with limited English proficiency.

In San Jose, 11.6% of residents 5 years and older identify as speaking English not well or not at all, which is above the proportion for Santa Clara County. Throughout the region the number of residents 5 years and older with limited English proficiency is 8%.



**Figure 47: Population with Limited English Proficiency**

Universe: Population 5 years and over

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005

39% of the households in San Jose speak only English. Spanish is the language most spoken among the 61% of the non-English speaking households, followed by Chinese and Vietnamese. Koreans, Vietnamese and Chinese non-English speaking households have the most difficulty with English as is evidenced by the high proportion of limited English-speaking households within those groups - see table below.

Household Language	Total H.holds	% of H.holds	Limited English speaking H.holds	% Limited English speaking H.holds
English only	127,904	39.0%	NA	NA
Spanish:	66,575	20.3%	9,405	14%
French, Haitian, or Cajun:	1,215	0.4%	0	0%

German or other West Germanic languages:	1,763	0.5%	334	19%
Russian, Polish, or other Slavic languages:	4,727	1.4%	876	19%
Other Indo-European languages:	23,946	7.3%	2,440	10%
Korean:	4,276	1.3%	1,702	40%
Chinese (incl. Mandarin, Cantonese):	32,588	9.9%	10,261	31%
Vietnamese:	32,229	9.8%	12,360	38%
Tagalog (incl. Filipino):	11,746	3.6%	984	8%
Other Asian and Pacific Island languages:	15,651	4.8%	1,555	10%
Arabic:	1,295	0.4%	43	3%
Other and unspecified languages:	3,979	1.2%	431	11%
<b>TOTAL</b>	<b>327,894</b>	<b>100.0%</b>	<b>40,391</b>	<b>12%</b>

Universe: Households in San Jose

B16002: Detailed Household Language by Household Limited English-speaking Status

ACS 2019 One Year

## 6.8 Voucher Recipients

Source of income is a protected characteristic under California State Fair Housing Law. In San José, there are almost 13,000 total households who receive Section 8 vouchers and have the following demographic characteristics:

Race/Ethnicity (by head of household)	Number of Households Receiving Vouchers	% of Total Voucher Households
Non-Hispanic White	1,537	12.0%
Black/African American	1,737	13.5%
Native American	237	1.8%
AAPI	5,496	42.2%
Latino/a/x	3,830	29.8%
<b>TOTAL</b>	<b>12,837</b>	
Household Size	Number of Households Receiving Vouchers	% of Total Voucher Households
1-person Household	6,129	47.7%
2-person Household	3,027	23.6%
3-person Household	1,587	12.4%
4-person Household	960	7.5%
5-person & larger Household	1,134	8.8%
Other Demographic Characteristic (by head of household)	Number of Households Receiving Vouchers	% of Total Voucher Households
Seniors (age 62 & older)	6,621	51.6%
Householders w/ Disabilities	7,044	54.9%
Female-headed Households	8,461	65.9%



Veterans (VASH holders only, veteran status not tracked for general voucher population)	713	NA
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Source: Santa Clara County Housing Authority, 2022

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DRAFT PENDING HCD REVIEW



Attachment B

City of San José Assessment of Fair Housing

Contents

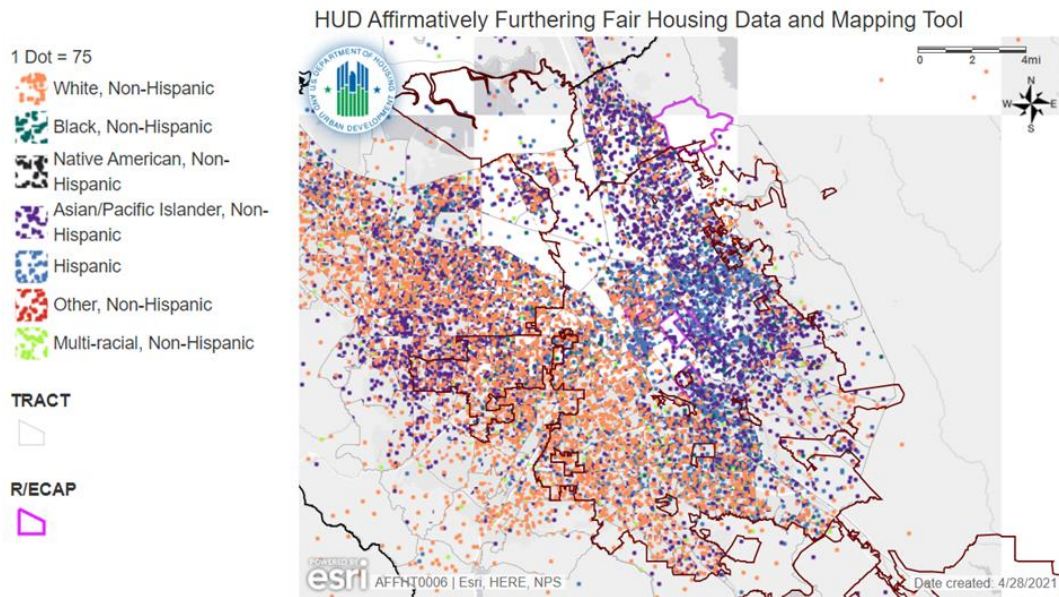
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# I. Introduction

## A. The Legacy of Segregation

San José, like so many other American cities, is segregated.

While preparing the Assessment of Fair Housing (AFH), the map below was our strongest, most visceral, visual aid in establishing the fact that San José is a segregated city. In the map, each dot represents 75 persons. The clustering of dots by color is so clear, so evident. Orange dots (white, non-Hispanic persons) are strongly in the west and the south. Blue dots (Latino/a/x persons) are prevalent in the east. Purple dots (Asian Americans and Pacific Islanders) are in the north, east, and west. During our community engagement process, there were two basic reactions to the map. Community members who experienced first-hand the negative effects of segregation – mostly people of color who lived in the eastern portion of the City – confirmed the distinct boundaries. People who had not as viscerally experienced the negative effects of segregation – mostly white people who lived in the south and west of the City – often commented along the lines that this map helped open their eyes to see that segregation was real in our City, that they hadn't realized that "things were so bad."



Map 1: U.S. HUD AFH Map

But dots on a map are insufficient to describe the true legacy of segregation in our community. Segregation is about denial of opportunities for that have lasting consequences to life outcomes for generations.

There are decades of research, including dozens of important published studies which talk about the negative impacts of segregation in terms of health, education, income, wealth, and other dimensions of opportunity and quality of life. And this scholarly work, while necessary, is also somehow insufficient.

The legacy of segregation – the ongoing, still living and still growing legacy of segregation – is in trauma. It is in the daily traumas of individuals. It is in the generational trauma of families, passed down over decades. It is in the aggregate trauma of communities.

The loss of opportunity for some becomes the legacy of wealth and privilege for others. As was so integral to San José’s growth and development, racist and segregationist housing policies contributed to a historic expansion of the American middle class and created generational wealth (for some people but not others) at an unprecedented scale.

Together, this intertwined amalgam of lost opportunity and wealth, is the true legacy of segregation.

In this document’s scope and in its presentation, we generally address segregation at what might be characterized at a technocratic level (maps, stats, and policies). However, we acknowledge the true, human scale of segregation – our shared legacy of loss for some coupled with wealth and privilege for others. We hope that the policies and actions proposed in this document will be the first steps towards acknowledging and addressing this deep and complicated legacy.

## B. Strategies to Affirmatively Further Fair Housing

San Joséans conceive of themselves as innovative and cutting-edge. San José calls itself the “Capital of Silicon Valley.” San José is at the center of the technological revolution that is remaking our world. In terms of fair housing, San José was among the first municipalities in the country to pass a fair housing ordinance<sup>1</sup>, which was in place before the State of California’s Fair Employment Act Housing Act (1964), which was in place before the Federal Fair Housing Act (1968). Similarly, in the 1950s, a group of activists from San José were at the forefront in the fight against racially restrictive covenants.<sup>2</sup> San José’s challenge to today is to revitalize this commitment to fairness in housing and to transmute a landscape formed through segregation and violence into one of hope and opportunity – and to do so in ways that are bold, groundbreaking, to live up to Silicon Valley’s reputation as a place that is innovative and cutting-edge.

This document represents the City’s commitment to a set of strategies to affirmatively further fair housing across the entirety of our City. It is an attempt to incorporate a “BOTH/AND” approach to fair housing: one that BOTH increases access to opportunity, opening new housing opportunities in parts of the City that have excluded protected classes AND increasing investment in and resources to communities that have suffered discrimination and disinvestment.

This document is the culmination of over three years of community outreach and engagement (please see Appendix A: Community Outreach Process for more description) in which City staff conducted over 100 community meetings, focus groups, and stakeholder meetings.

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<sup>1</sup> Get cite from Jacklyn

<sup>2</sup> Get cite from Jacklyn

## II. Segregation History

### A. Overview

There are ways in which San José's history of segregation is typical to cities across California and across the country. The root causes – racism, greed, exploitation – are the same. The story's starting point – land theft – is the same for all cities across the country. In San José, as in other cities across the American West/Southwest, the history of land theft has the added dimension of theft of land from Mexican citizens as well as from indigenous peoples.

But there are also ways in which the history of segregation is uniquely manifested in San José.

For over a century and a half, San José was a relatively small city. Then, after World War II, San José boomed. The forces that defined segregation in midcentury America – redlining, suburbanization, white flight, urban renewal – shaped San José uniquely. No other large city in America is as suburban in form, so deeply shaped by Post-War suburban growth.

Because of this growth and because of the ascendancy of Tech, San José is a world city – a diverse, cosmopolitan metropolis that has been grafted onto an archetypical suburb. As a proud world city, we celebrate our diversity. And yet, we have not fully reckoned with either our racist past or our currently segregated reality.

The first steps in this reckoning involve an understanding of our history.

Please note, the history provided in this section is not intended to be comprehensive, but rather a snapshot of the past, to give an illustrative sense of where we came from and the work we have yet to do.

### B. Early Statehood to Pre-War

#### 1. A War of Extermination

When California became a state in 1850, San José was the first capital city. In his 1851 state of the State address, delivered in San José, Governor Peter Hardeman Burnett declared, “[A] war of extermination will continue to be waged between the two races until the Indian race becomes extinct...” Burnett was a former slaveholder who came west to seek his fortune. He was a proponent of a vision of the American West for White people only and actively pushed for laws excluding African Americans and Chinese immigrants from California (well in advance of the federal Chinese Exclusion Act (1882)).<sup>3</sup>

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<sup>3</sup> <https://calmatters.org/commentary/my-turn/2019/06/native-american-genocide/>

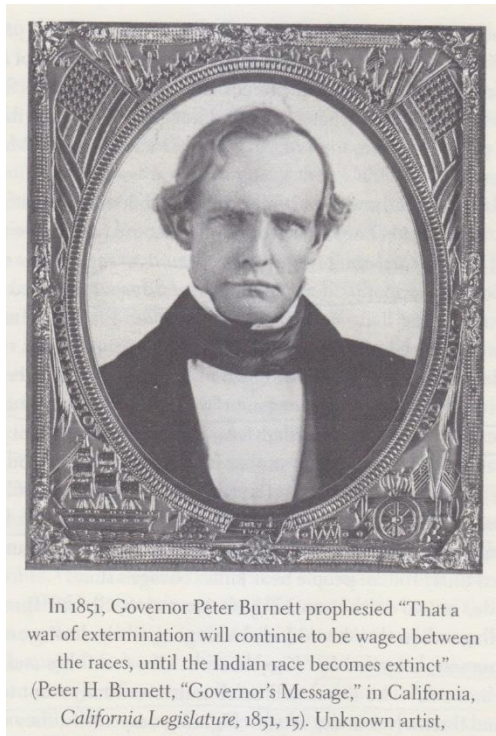


Figure 1: Portrait of Governor Peter Hardeman Burnett

And, of course, it was more than words. California State and local jurisdictions created laws that explicitly targeted Native Americans and provided resources to support their persecution. For example, in 1850, the California Legislature appropriated nearly \$1.3 million (close to \$50 million in today's dollars) to support private militias to seize land from Native Americans in military style "expeditions." The federal government paid an additional approximately \$200,000 (an additional approximately \$8 million in today's dollars) to these militias. From 1850 to 1859, these federal and State funds paid for at least 18 "expeditions," involving an estimated 35,000+ militiamen across the various campaigns, killing thousands of Native Americans and seizing their lands.<sup>4</sup>

## 2. Bad Faith Adventurers and Squatters

"Of all the California families, perhaps ours can most justly complain about the bad faith adventurers and squatters and about the illegal activities of the American lawyers." —Antonio Berryessa<sup>5</sup>

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<sup>4</sup> Johnston-Dodds, Kimberly *Early California Laws and Policies Related to California Indians* (2002), <https://www.courts.ca.gov/documents/IB.pdf>, California Research Bureau, p. 15-18

<sup>5</sup> Quoted in Pitti, Stephen *The Devil in Silicon Valley: Northern California, Race, and Mexican Americans* (2003), University of Princeton Press, p. 42



Figure 2: *Berryessa Family Portrait, date unknown*

Under the Treaty of Guadalupe Hidalgo which ended the Mexican-American War in 1848, Mexico ceded lands which became New Mexico, Arizona, Nevada, Utah, and California and the United States agreed to honor the holdings of Mexican citizens who owned property within these ceded lands. However, in the early days of the young State of California, state and local government officials conspired with white settlers to undermine the title of Mexican families and to illegally transfer lands to white squatters.

As one example, the Berrelleza / Berryessa family, the namesake of the Berryessa district in Northeast San José, was a prominent Californio family who owned land across the Bay Area, including San José holdings which stretched from Almaden (in Southern San José, including the land which became the New Almaden mercury mines) to Berryessa (in Northern San José) and on into the North Bay (Napa and Solano Counties). In a period of roughly a decade starting with the Bear Flag Revolt of 1846, historians document that eight members of the Berryessa family were murdered by white settlers, including through two lynchings, and their properties taken from them. With these violent appropriations combined with a string of legal losses in the courts, by 1880, the Berryessa family's massive land holdings were whittled down to a single property at the northern end of Napa. By the turn of the century, the family was landless.<sup>6</sup>

### 3. A Free State?

California joined the Union as a Free State, meaning that slavery was not legal in the new state. However, in a concession to slave holding states, California was required to enforce the Fugitive Slave Act, which required that formerly enslaved people who escaped from slave-holding jurisdictions were to be recaptured and returned.

In addition, even though California was a Free State, there are accounts of several rich and prominent California families who owned slaves illegally and of local authorities turning a blind eye. As a local

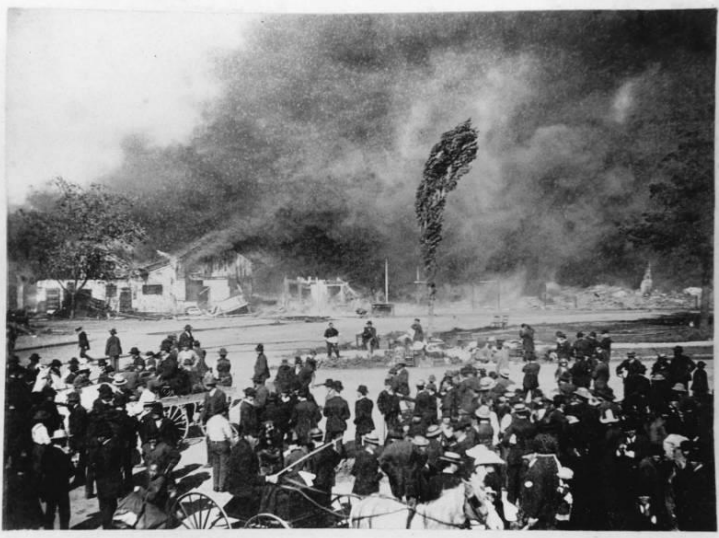
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<sup>6</sup> Heidenreich, Linda *This Land Was Mexican Once: Histories of Resistance from Northern California* (2006), University of Texas Press, p. 86-87

example, the namesake of the Bascom Avenue in San José, Dr. L. H. Bascom is reported to have purchased and enslaved a young man listed by the first name “David” on the 1850 census.<sup>7</sup>

#### 4. San José’s 5 Chinatowns

On September 29, 2021, on the former site of the second Market Street Chinatown, in a ceremony to commemorate the adoption of a historic City Council resolution apologizing for the City’s roles in acts of discrimination against the Chinese immigrant community and its descendants, Mayor Sam Liccardo said, “[W]ith each new generation, we must reemphasize our commitment to justice and renew our contrition, not just for these failings [the destruction of San José’s Chinatowns], but for all the acts of disrespect and violence against our Black, Latino, Indigenous, and AAPI community members.”



*Figure 3: Onlookers watching the burning of Market Street Chinatown, 1887*

From 1866 to 1931, Chinese immigrants in San José established and lost five Chinatowns<sup>8</sup>. These Chinatowns were a product of racism and segregation. Chinese immigrants were not allowed to own land and could only live in specific, proscribed locations. But as soon as these places became desirable (for the expansion of Downtown, as an example), Chinatown residents were displaced, often violently. Three of the five Chinatowns were destroyed by arson. Of which, one had been condemned by the City before it was burnt down. A similar pattern, in which segregated and previously undesirable neighborhoods are now subject to displacement, is playing out today – albeit in slower motion and with less explicit violence.

#### 4. The Valley of the Heart’s Delight

The Santa Clara Valley used to be covered with orchards. The fruits from the so-called “Valley of the Heart’s Delight” – whether fresh, dried, or canned – were known around the world. During this time, San José had a small urban core surrounded by farms and open space.

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<sup>7</sup> <https://historysanjose.org/two-years-a-slave-in-the-santa-clara-valley-sampson-gleaves-and-plim-jackson/>

<sup>8</sup> <https://www.kqed.org/news/11877801/san-José-had-5-chinatowns-why-did-they-vanish>



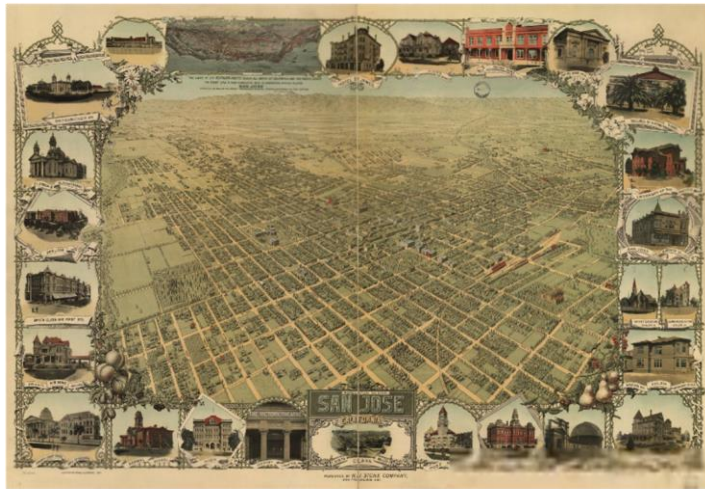


Figure 4: Pre-WWII San José

In 1880, there were over two million fruit trees in the Valley. By 1915, there were almost 8 million fruit trees. In the 1920s and 1930s, there were approximately 20 canneries, over a dozen dried-fruit packing houses, and a dozen fresh-fruit and vegetable shipping firms.<sup>9</sup>

Housing and employment were largely segregated by race and economic status, with farm-owners and landowners predominantly being white and farm and cannery workers largely being immigrants from places like Mexico, China, the Philippines, Japan, Italy, the Azores, the Punjab region of India, and Armenia. Farmworkers (migrant and not) lived in farmworker camps and in clusters of substandard housing throughout the Santa Clara Valley. These clusters of farmworker and cannery worker housing became the core of the neighborhoods that were redlined (see Map 2, below) and correlate with today's Racially and Ethnically Concentrated Areas of Poverty (R/ECAPs).

## C. Post WWII Growth

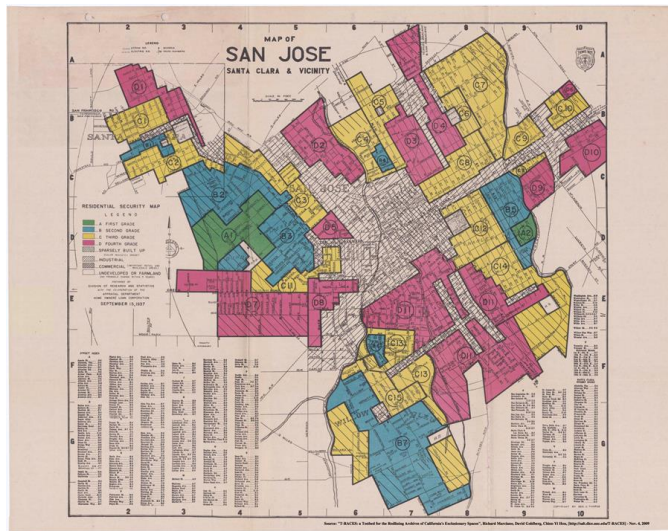
### 1. The Template for Growth

In the 1930s, the Home Owners' Loan Corporation (HOLC), a New Deal era federal agency, rated the investment risk of neighborhoods across approximately 200 American cities. The HOLC assessors created four categories of investment risk and mapped neighborhoods by these categories. In each local jurisdiction where these maps were created, HOLC assessors worked directly with the city's government – in San José representatives of the City Building Department assisted and signed-off on the maps. On the HOLC maps, the categories of risk were assigned colors from green ("Best") to red ("Hazardous"). As has now been widely documented, these maps – now popularly known as the redlining maps – explicitly and directly shaped public and private investment in neighborhoods' growth and development for over 3 decades before the practice of redlining was found to be illegal under the 1968 federal Fair Housing Act. The practice violated Fair Housing Act because the grounds for deeming places hazardous for investment were explicitly and consistently racist.

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<sup>9</sup> <https://www.sjpl.org/blog/looking-back-canning-valley-hearts-delight>

Map 2, below, is the 1937 HOLC redlining map showing the both the City of San José and the City of Santa Clara.



Map 2: San José Redlining Map

As examples of the explicit, overt racism in the classification of neighborhoods, HOLC's documentation<sup>10</sup> accompanying the map includes the following disparaging narrative descriptions and clarifying remarks:

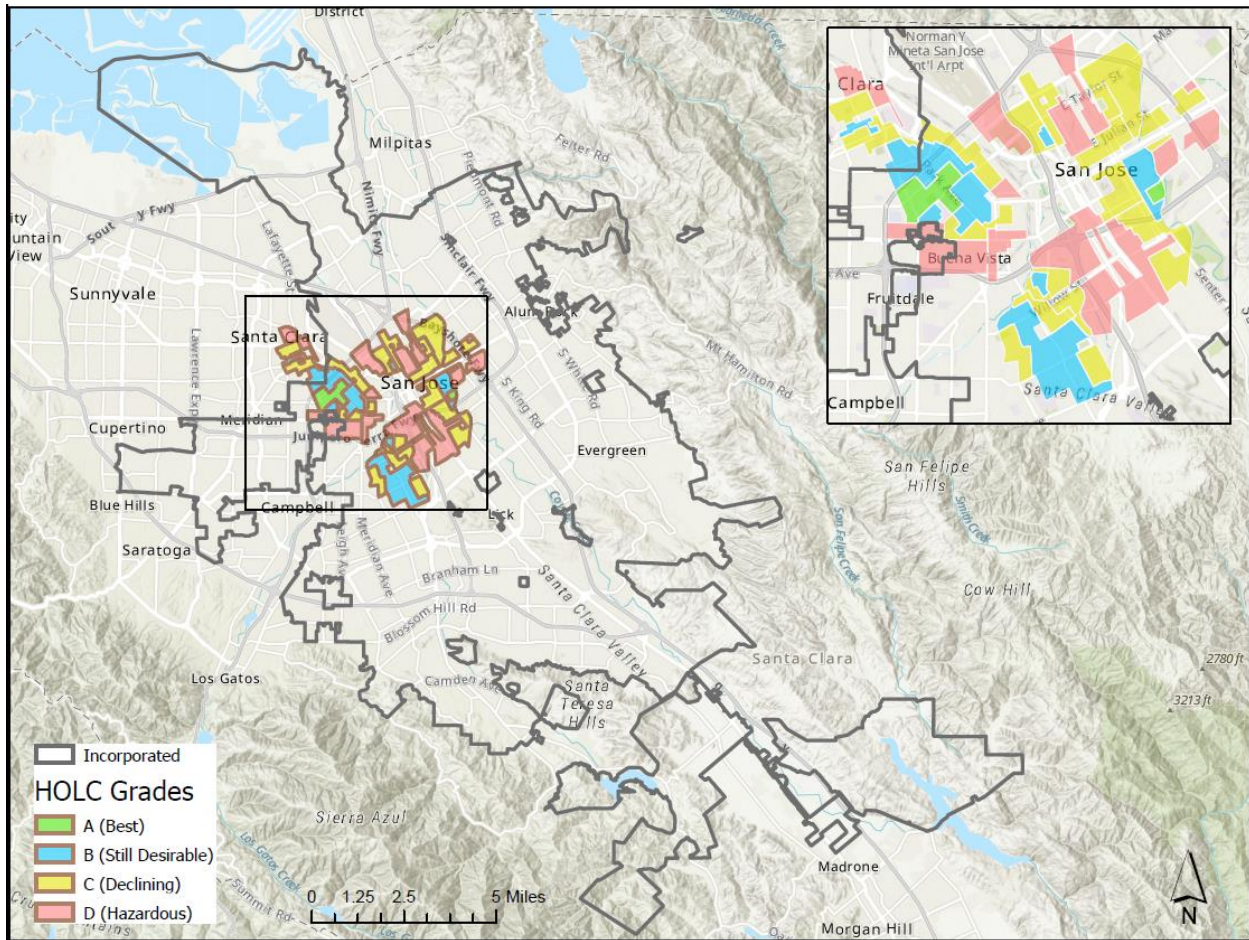
- For the redlined neighborhood identified as D3 in the North of the map (this area, now including Japantown and the Northside neighborhoods, was once one of the sites of the five disappeared Chinatowns described above): "This is typically an Oriental and Negro center and contains the largest concentration of these races in the city. It was originally known as 'Chinatown' but the Chinese have more or less [been] crowded out... A Negro church is located in the south-central part and a Japanese church in the north-central part... Detrimental Influences: [R]acial elements."
- For the redlined neighborhood labeled D10 at the Eastern edge of the map (this area, now overlapping with parts of the Mayfair and Little Portugal neighborhoods): "This section contains the largest concentration of Mexicans in the community. The northern section within the city limits is largely populated by a lower stratum of Italians and Portuguese. From a racial standpoint, this area is extremely undesirable... Detrimental Influences: Inharmonious racial elements."

## 2. The Unique Context of Redlining in San José

While the underlying, racist logic of redlining played a central role in the growth and development of San José, redlining (in and of itself) had less influence on San José than in most other major American cities. This is because, in the 1930s, when the HOLC first drew the infamous redlining maps, the city limits of San José were significantly different than they are today.

<sup>10</sup> <https://dsl.richmond.edu/panorama/redlining/#loc=13/37.328/-121.962&city=san-jose-ca&area=D10>

Map 3 shows the 1937 HOLC map superimposed within the current city limits. The portion of the City that was subject to the HOLC classification system was less than one-tenth of the City's current area. As described further, below, after World War II, San José grew dramatically and rapidly under an intentional, aggressive strategy of growth through annexation and conversion of agricultural lands to residential uses. This growth coincided with and encouraged the construction of single-family homes for the burgeoning post-War white middle-class – so, very much consistent with the underlying purpose and ideology of redlining. But, unlike as it functioned in most other major American cities, redlining was not the primary driver and delineator of segregation. It certainly was a factor. But for San José, as described below, large scale suburbanization (which was made in the same kiln as redlining) was the animating force.



Map 3: Redlining map vs. current city limits

## 2. Dutch's Vision

“He wanted San José to be a big city. I kept saying: ‘Dutch, this is going to be another Los Angeles.’ He said, ‘Good!’ It was just growth, growth, growth. That was everybody’s song. And Dutch sang it the loudest.” –Al Ruffo, Mayor of San José, 1946-1947<sup>11</sup>



*Figure 5: New homes in San Jose, circa 1963, photo via Getty Images*

Prior to World War II, San José was a small city in the heart of an agricultural area. In 1950, when Antony “Dutch” Hamann became City Manager, San José was of similar size and similar role as the City of Modesto. Hamann initiated an aggressive plan for growth: new infrastructure (a new sewage plant, new systems of roads and expressways) and new city limits (over 1,375 annexations during his term as City Manager). The result was that, in a relatively short time, San José transformed from a small agricultural city with a population in the tens of thousands to a large, sprawling, low-density city of over half a million.

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<sup>11</sup> Quoted in:

<https://web.archive.org/web/20050223144311/http://www.siliconvalley.com/mls/siliconvalley/living/2765036.htm>

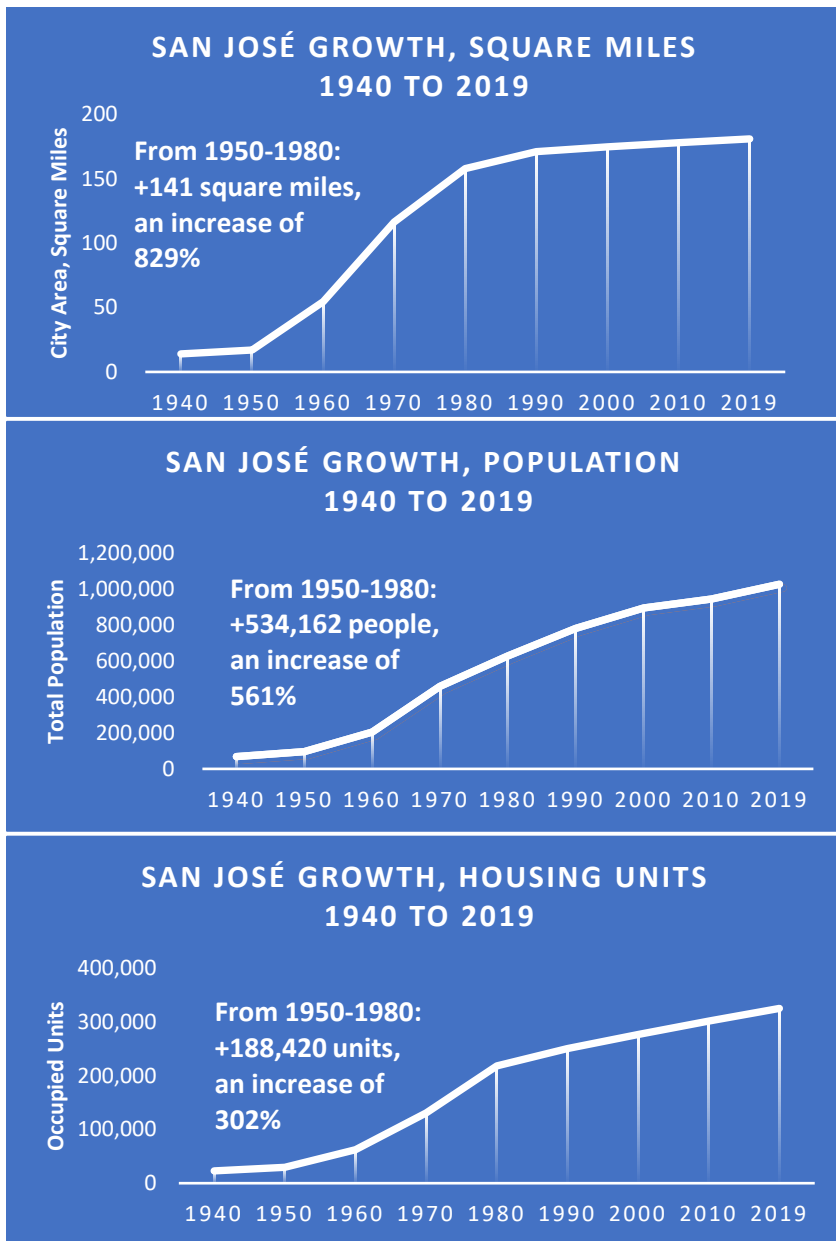


Figure 6: San José growth, 1950-1980 (U.S. Census)

### 3. Suburban Boom / White Flight

San José's Post War growth happened in a larger national context of suburbanization and white flight. While many larger, more established urban centers lost population as white people left central cities for the suburbs, cities that were more suburban in form and in demographics (such as San José and Phoenix) gained population.

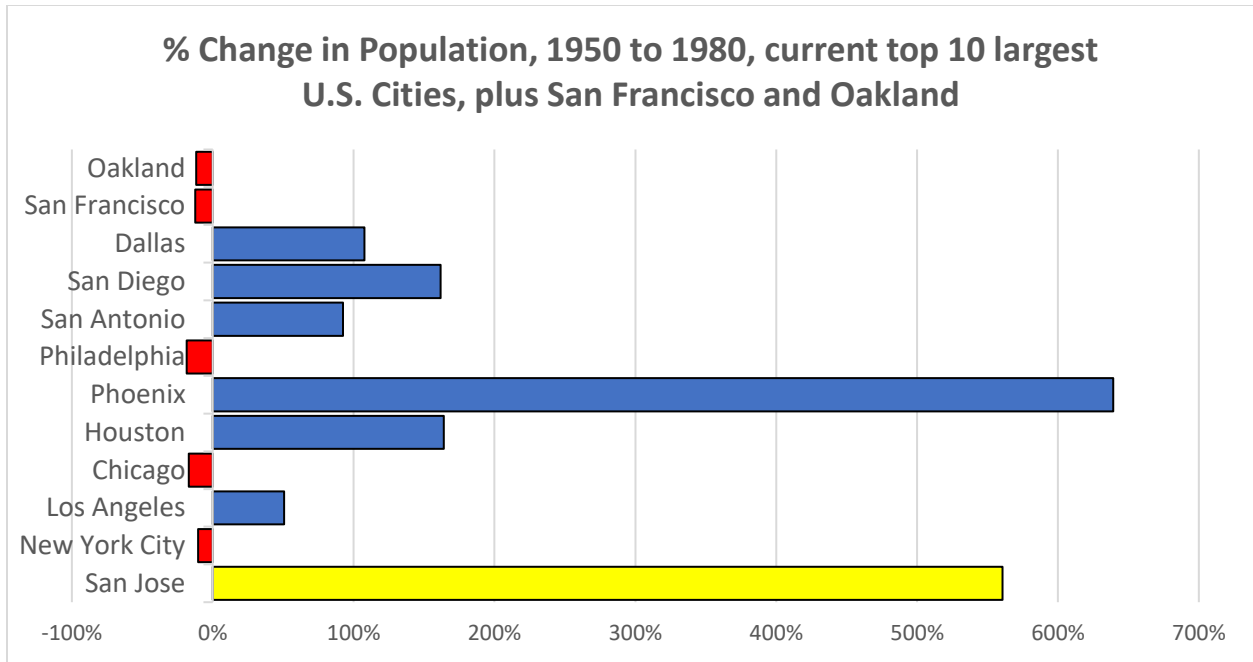


Figure 7: Current U.S. top 10 cities (plus San Francisco and Oakland) growth: 1940-1980 (U.S. Census)

In a greater Bay Area regional setting, from 1950 to 1980, the more urbanized cities of San Francisco and Oakland lost population while the suburbs of the region, including San José, grew. The Bay Area's post-war patterns of growth and depopulation are even more stark when focusing on the white population:

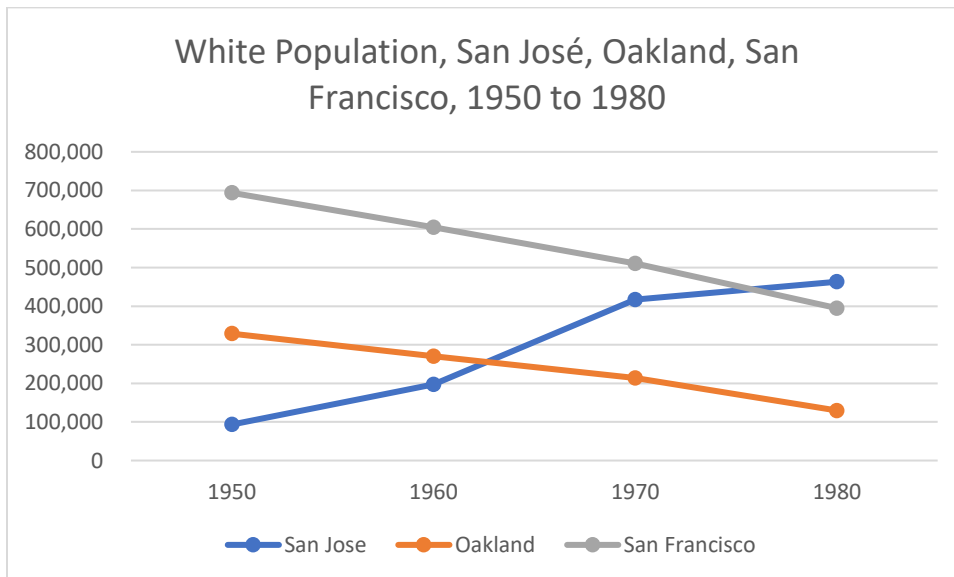


Figure 8: San José vs. San Francisco and Oakland, White population, 1950-1980 (U.S. Census)

During a time period when San Francisco's and Oakland's combined white population decreased by approximately half a million people (almost 50% of the two cities' combined white population), San José's white population increased by nearly 400% (adding over 370,000 white persons). In effect, San José was a city built by white flight.

#### 4. Zoning for the Suburban Boom

“To prevent lower-income African Americans from living in neighborhoods where middle-class whites resided, local and federal officials began in the 1910s to promote zoning ordinances to reserve middle-class neighborhoods for single-family homes that lower-income families of all races could not afford. Certainly, an important and perhaps primary motivation of zoning rules that kept apartment buildings out of single-family neighborhoods was a social class elitism that was not itself racially biased. But there was also enough open racial intent behind exclusionary zoning that it is integral to the story of de jure segregation.” –Richard Rothstein in *The Color of Law: A Forgotten History of How Our Government Segregated America*

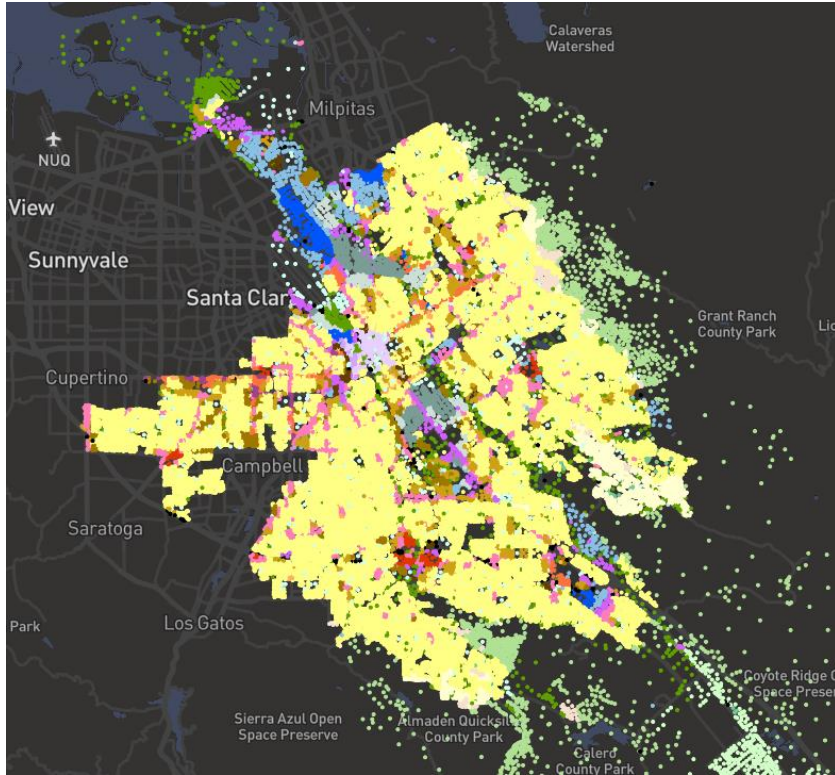
San José attracted white suburbanites because developers were building housing that was marketed towards them and that had easy financing (available only to them, as described below). Developers could build this housing because land was cheap and because the City had zoned it for single-family homes in alignment with developers’ business models.

During the post-war period, as San José’s city limits expanded, the City zoned agricultural lands for single family uses, paving the way for orchards to be replaced by residential subdivisions. This was a policy championed by the elites of the city, including its press (because, as Joe Ridder the owner/publisher of the *San Jose Mercury* and the *San Jose News* said, “Prune trees don’t buy newspapers”<sup>12</sup>). As a result, today, San José has over 90% of its residential land currently occupied by single family uses, the most of any major American city<sup>13</sup>. In the land use map below, the yellow dots are low-density residential zoned parcels.

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<sup>12</sup> <https://historysanjose.org/exhibits-activities/online-exhibits/750-ridder-park-drive-documenting-the-former-headquarters-of-the-mercury-news/3/>

<sup>13</sup> <https://www.nytimes.com/interactive/2019/06/18/upshot/cities-across-america-question-single-family-zoning.html>



Map 4: Single Family Parcels in 2021, prior to passage of SB9 and SB10

## 5. Financing for the Suburban Boom

“The federal government’s support of the housing delivery system was the biggest and most important policy to create segregation post World War Two. The conditions on the use of capital through underwriting criteria, what the agencies would finance, and what they required banks and developers to do, were all explicitly racist.” -Richard Rothstein

The suburban boom that built modern San José did not happen by accident. As referenced above, it was part of an aggressive growth plan initiated by the City. But even more than local civic boosterism, suburban growth was part of a larger national plan conceived and financed by the federal government during the Great Depression, which was further amped up after World War Two. And, as documented in *The Color of Law: A Forgotten History of How Our Government Segregated America* by Richard Rothstein, the plans, policies, programs, and practices to effectuate suburban growth and expand the white middle-class through public subsidization of mortgages for single family homes were explicitly racist. For example, from the 1938 Federal Housing Administration’s 1938 Underwriting Manual, there are many guidelines such as the following sentence about what covenants should be applied to new housing developments financed by FHA backed lending: “[R]estrictions should include... prohibition of the occupancy of properties except by the race for which they are intended.”



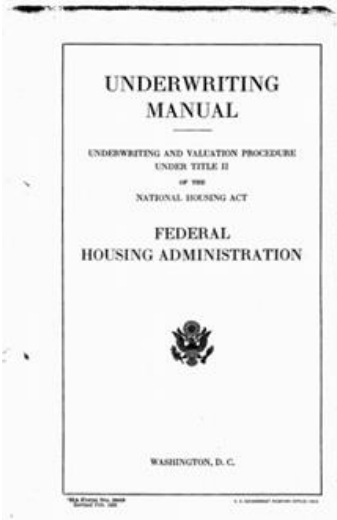


Figure 9: FHA Underwriting Manual

#### 6. The Infrastructure for the Suburban Boom / Regional Segregation

San José's rapid growth – like that of suburban regions and sunbelt cities across the country – never would have been possible without the massive public investment of multiple billions of dollars in infrastructure. Dutch Hamann's first major accomplishment in paving the way for growth was to arrange the financing for a major upgrade to the City's sewer system and the construction of a new sewage treatment plant.<sup>14</sup> Likewise, the City benefited from federal, state, and regional investments in transportation infrastructure which facilitated the redistribution of population from older central cities like San Francisco and Oakland to growing suburbs across the region, including San José.



Figure 10: The 680, 280, and 101 freeway interchange, under construction in 1976

Similar patterns of suburban growth and regional-scale segregation were happening on parallel tracks across the country. Starting in the 1950s and substantially completed in under two decades, the Federal government funded the creation of the interstate highway system with over 42,500 miles of new highways constructed in this time period. In aggregate, the creation and expansion of the federal

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<sup>14</sup> [https://www.sanjoseinside.com/news/dutch\\_hamann/](https://www.sanjoseinside.com/news/dutch_hamann/)

highway system demolished hundreds of thousands of people's homes, displacing over one million people, the vast majority of whom were people of color.<sup>15</sup>

In San José, during this period, freeway and expressway construction bulldozed multiple Latino/a/x neighborhoods, with required replacement housing never constructed.<sup>16</sup> As shown under construction in the photo above, four freeways converge (also including California State Route 87, built a little later) in the greater downtown area and their construction severely impacted predominantly Latino/a/x neighborhoods around downtown, including the Gardner and Horseshoe neighborhoods. On the eastside, US Route 101 bisects the Little Portugal neighborhood from the Mayfair neighborhood and Interstate 680 bisects Mayfair from the Alum Rock neighborhood. These freeways still stand as physical barriers between neighborhoods – as physical boundaries that mark and reinforce segregation – and remain on-going sources of pollution that harm the health of communities that are closest to them (i.e., environmental racism).

## D. Tech Boom to Real Estate Boom

### 1. The Birth of Silicon Valley

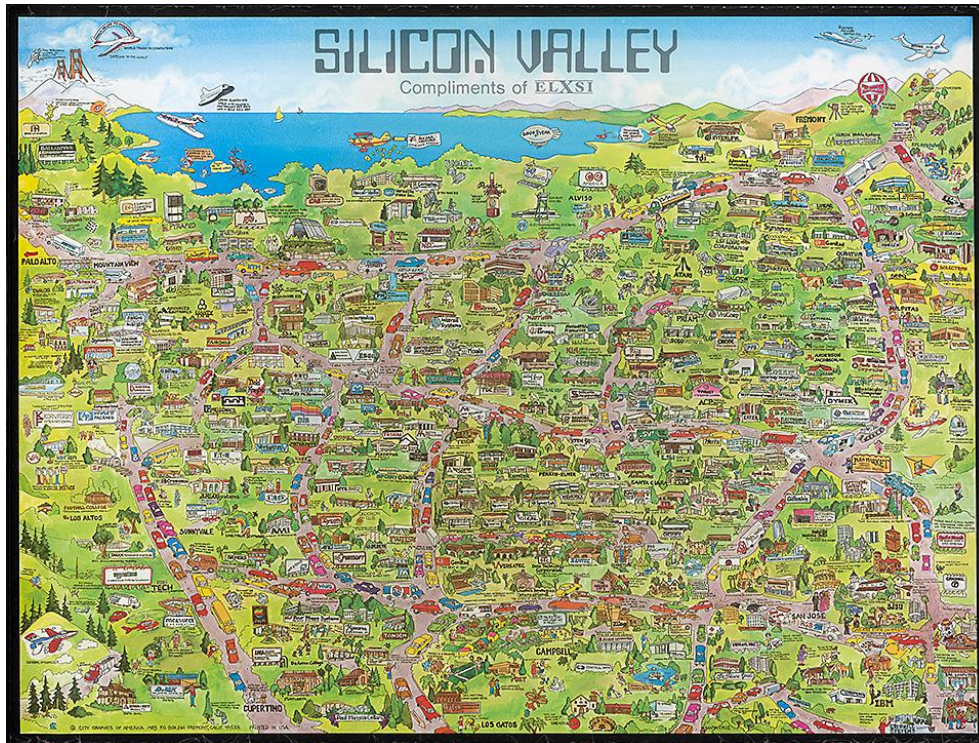
From the founding of Hewlett Packard in Palo Alto in 1938 to Shockley Semiconductor Labs in Mountain View in 1956 to Intel in Santa Clara in 1968, Santa Clara County had a long history as a center of the tech industry before becoming popularly known as Silicon Valley in the early 1970s<sup>17</sup>. During the 1970s, however, Silicon Valley was roughly comparable to several other tech hubs across the country (e.g., Boston, New York, Los Angeles) in terms of number of technology workers and size of firms headquartered in the region. However, starting in the 1980s, Silicon Valley companies began to grow faster than firms in other regions.

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<sup>15</sup> See for e.g., <https://www.prrac.org/pdf/mohl.pdf>, <https://journals.calstate.edu/tthr/article/download/2670/2339/>, also the note immediately following

<sup>16</sup> [https://belonging.berkeley.edu/rootsraceplace#footnote206\\_sz6x1q7](https://belonging.berkeley.edu/rootsraceplace#footnote206_sz6x1q7)

<sup>17</sup> <https://computerhistory.org/blog/who-named-silicon-valley/>



Map 5: Selected tech companies in Silicon Valley, 1983 (Computer History Museum/Maryanne Regal Hoburg)

And now, two of the largest, most valuable companies in the world (i.e., Apple and Alphabet, the parent company of Google) are headquartered in Santa Clara County, along with dozens of other major tech companies. The greater Bay Area (with Santa Clara County still in the lead) has become the tech center of the world.

## 2. Becoming a World City

In the years that San José was a hub for agriculture and industrial-scale processing of agricultural products, the region was a magnet for immigrants. After World War II, as documented above, San José's growth was driven by white suburbanites. And now, with tech ascendant, San José has once again become a magnet for successive waves immigrants and refugees. Once a predominantly white city, non-Hispanic Whites now are the third largest racial/ethnic group, trailing both Asian American and Latino/a/x populations.

Tech firms, with their demand for highly trained technical workers, recruit employees from around the world. Nationally, including renewals, there are over 600,000 highly educated, professional class visas issued<sup>18</sup> each year. At over 400,000 visas per year, the H-1B visa<sup>19</sup> is single largest and most well-known of these programs. Over 75% of H-1B visas are issued to immigrants from India and China. Country of origin statistics are similar across other categories of high-skill employment visas.<sup>20</sup> Tens of thousands of

<sup>18</sup> <https://travel.state.gov/content/travel/en/legal/visa-law0/visa-statistics.html>

<sup>19</sup> See for e.g., <https://www.pewresearch.org/fact-tank/2018/03/29/h-1b-visa-approvals-by-us-metro-area/>

<sup>20</sup> See for e.g., analysis at [https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN\\_AAPI\\_Fact\\_File\\_FINAL\\_11.10.20.pdf](https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN_AAPI_Fact_File_FINAL_11.10.20.pdf) showing over 50% of EB Visas issued to immigrants from China and India and <https://www.pewresearch.org/fact-tank/2017/05/18/more-foreign-grads-of-u-s-colleges-are-staying-in-the->

these visas are issued annually to firms in Santa Clara County.<sup>21</sup> Immigrants from Asia now lead San José’s population growth. In recent years, both the non-Hispanic White and Latino/a/x population shares in San José have declined, while the Asian Americans continues to grow.

### 3. A Rising Tide Does Not Raise All Boats

As the tech industry has grown, so has its appetite for real estate and tech workers’ demand for housing. All of which has meant that, even with Proposition 13 suppressing assessed valuations<sup>22</sup>, the total recorded value of properties in Santa Clara County have consistently risen (with a small dip in 2009 to 2011, during the Great Recession) from \$400 million in 1951 (the rough equivalent of \$4 billion in 2020 dollars) to over \$550 billion in 2020.

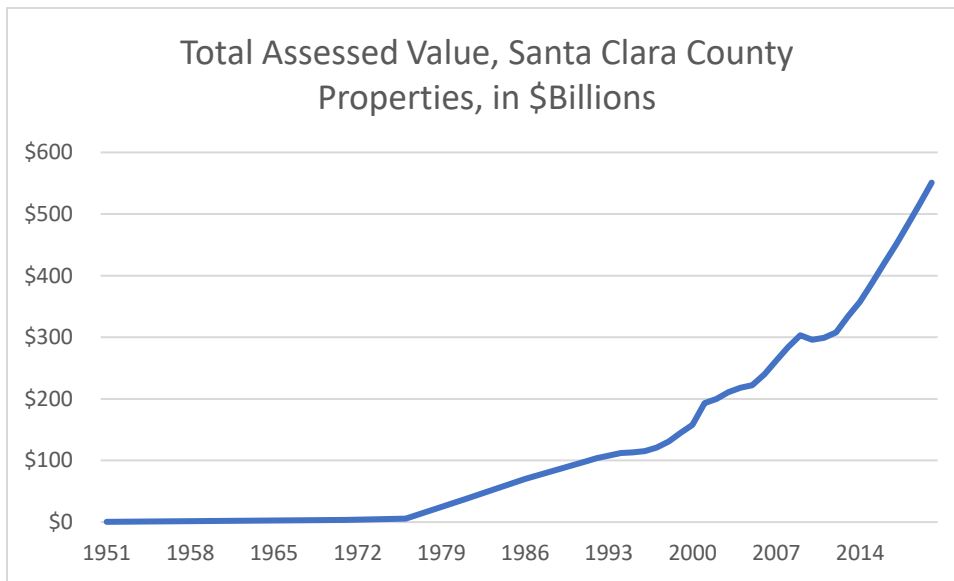


Figure 11: Santa Clara County Properties, Total Assessed Value, 1951-2020 (Santa Clara County Assessor’s Office)

These rising property values correlate with, are buoyed by, and reinforce the region’s rising housing costs. In the 1970s, at the beginning of the region’s long period of economic growth, housing in San José was relatively affordable. And now, San José (along with the rest of the greater Bay Area) is one of the most expensive places to live in the country.

	Value in 1970 Dollars	Equivalent 2021 Value	2021 Actual Value
Rent	\$135	\$950	\$2,450
Median Home Value	\$25,400	\$178,700	\$1,480,000

Table 1: San Jose housing costs, 1970-2021<sup>23</sup>

[country-to-work/](#) showing over 50% of OPT Visas issued to immigrants from China and India. Together, these 2 visa programs account for approximately 200,000 annual visa issuances.

<sup>21</sup> Interestingly, in terms of H-1B visas per 100 workers, the San José metro region is behind College Station, TX; Trenton, NJ; Durham-Chapel, NC; and New York City, NY-NJ-PA

<sup>22</sup> See for e.g., <http://scocablog.com/proposition-13-is-broken-annually-reassessing-commercial-properties-will-fix-it/>

<sup>23</sup> 2021 equivalent values calculated CPI-U inflation rate; 1970 values from 1970 U.S. Decennial Census; 2021 values from CoStar.com

People in San José who were able to buy a house prior to the 1970s saw tremendous appreciation of the value of their asset and were able to build great wealth, even if they did not work in the tech industry. But, as discussed above, the opportunity to buy a home was not open to all. In San José, there was only a brief window of time when housing was both affordable and legally open to all. If you did not catch the wave before it got big, you were crushed beneath it.

## E. Our Challenge Moving Forward

Article 34 of the California Constitution was passed by referendum in 1950, largely in response to the U.S. Housing Act of 1949. Article 34 requires approval by a referendum vote of any publicly-funded rental housing development in which over 49% of units that are affordable housing. From its passage, Article 34 has been instrumental in weakening efforts to integrate racially segregated suburban communities across California.<sup>24</sup> Even today, as housing-friendly jurisdictions have developed strategies for more efficient Article 34 compliance (for e.g., San José continues to operate under the limits established our Measure D, passed in 1994), Article 34 is estimated to add tens of thousands of dollars in added expenses to every new affordable housing development.<sup>25</sup>

In the late 1960s, Anita Valtierra, a mother of six from San José, was the lead plaintiff in a suit challenging Article 34. In 1971, in its decision in *James v. Valtierra*, the U.S. Supreme Court held that Article 34 did not rely on “distinctions of race” and was therefore constitutional. While the challenge was unsuccessful, the courage and vision of Anita Valtierra and her co-plaintiffs (also working class Latino/a/x and African American families from Santa Clara and San Mateo counties) stands as a local example what we need more of today.

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<sup>24</sup> <https://www.latimes.com/california/story/2022-03-14/why-killing-article-34-on-affordable-housing-has-been-hard>

<sup>25</sup> <https://www.latimes.com/politics/essential/la-pol-ca-essential-politics-may-2018-htmistory.html#state-senator-wants-to-eliminate-california-constitution-obstacle-to-low-income-housing>

1 IN THE SUPREME COURT OF THE UNITED STATES  
 2 OCTOBER TERM 1970  
 3 -----  
 4 RONALD JAMES, ET AL., )  
 5 Appellants )  
 6 vs ) No. 154  
 7 ANITA VALTIERRA, ET AL., )  
 8 Appellees )  
 9 -----  
 10 The above-entitled matter came on for argument  
 11 on Wednesday, March 3, 1971, at 2:20 o'clock p.m.  
 12 BEFORE:  
 13 WARREN E. BURGER, Chief Justice  
 14 HUGO L. BLACK, Associate Justice  
 15 WILLIAM O. DOUGLAS, Associate Justice  
 16 WILLIAM J. BREWSTER, JR., Associate Justice  
 17 POTTER STEWART, Associate Justice  
 18 BYRON R. WHITE, Associate Justice  
 19 THURGOOD MARSHALL, Associate Justice  
 20 HARRY A. BLACKMUN, Associate Justice  
 21 APPEARANCES:  
 22 DONALD C. NEKINSON, ESQ.  
 23 412 City Hall  
 24 San Jose, California 95110  
 25 On behalf of Appellants  
 ARCHIBALD COX, ESQ.  
 Cambridge, Massachusetts  
 On behalf of Appellees  
 1

Figure 12: *James v. Valtierra*

Alongside our history of segregation, we have had a history of resistance – a history of those who have fought for fair housing, for affordable housing, and for the rights of communities who have been too long denied their rights. In the 1950s, the San José Council for Civic Unity – a group of homeowners fighting housing discrimination – organized against restrictive covenants and pushed the City to pass one of the first municipal fair housing ordinances in the Country, predating California’s 1964 fair housing laws (which in turn predated the Federal Fair Housing Act of 1968). While the City never fully funded enforcement of the ordinance, it is an important example of progressive resident activism.

Our challenge moving forward is to acknowledge and learn from our multiple legacies – both our legacy of exclusion and exploitation and our legacy of resistance and being at the forefront of fighting for social change. We are a community of innovators, at the cutting edge of technologies changing the world. Our challenge moving forward is to turn this spirit of change and innovation inwards to address longstanding inequities and to do so in a way that lifts everyone up.

### III. Assessment of Fair Housing

Housing, demographic, economic, and a cavalcade of other data show that San José is a segregated city. As described in further detail below, this segregation negatively and measurably affects the health and welfare of our communities.

#### A. Integration and Segregation Patterns by Race

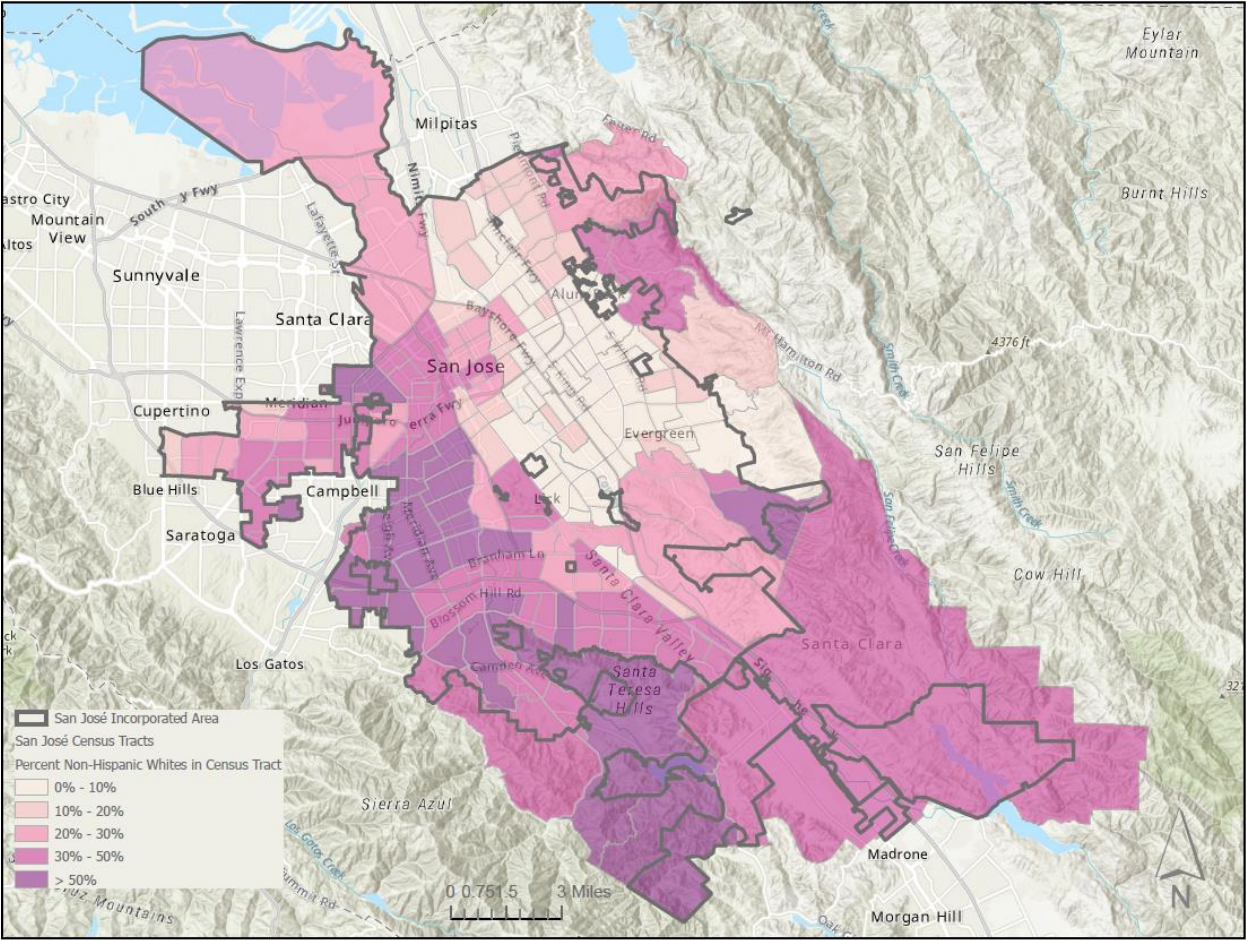
##### 1. Population distribution by race and ethnicity

San José is a diverse city, with no single racial or ethnic group as a majority in the City.<sup>26</sup> However, for the three largest racial/ethnic groups (in order by size of population: 1. Asian Americans, Native Hawaiians, and Pacific Islanders (APIs); 2. Latino/a/x; 3. Non-Hispanic Whites), there are parts of the City where one group or the other is a majority.

As can be seen in Map 6, below, non-Hispanic Whites (over 264,000 people or approximately 26% of the City) are the majority population (i.e., the darkest purple color on the map) in the southwestern part of the City.

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<sup>26</sup> For more demographic and housing data for the City of San José, please see Appendix B: Housing Needs Data Package: San José

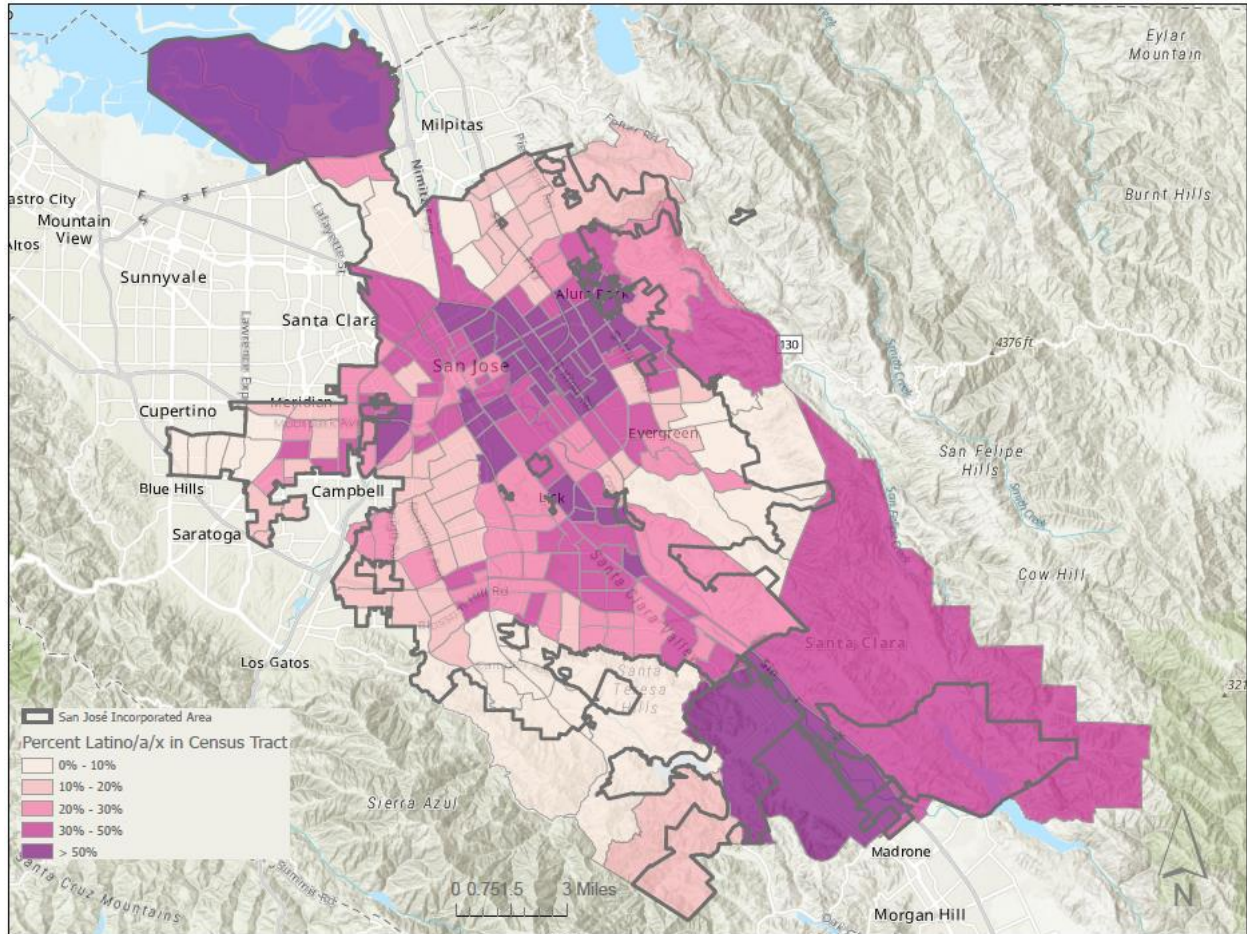


CSJ Housing January 2022  
 Source: Table B03002 ACS 2015-19

Map 6: Non-Hispanic White population in San José

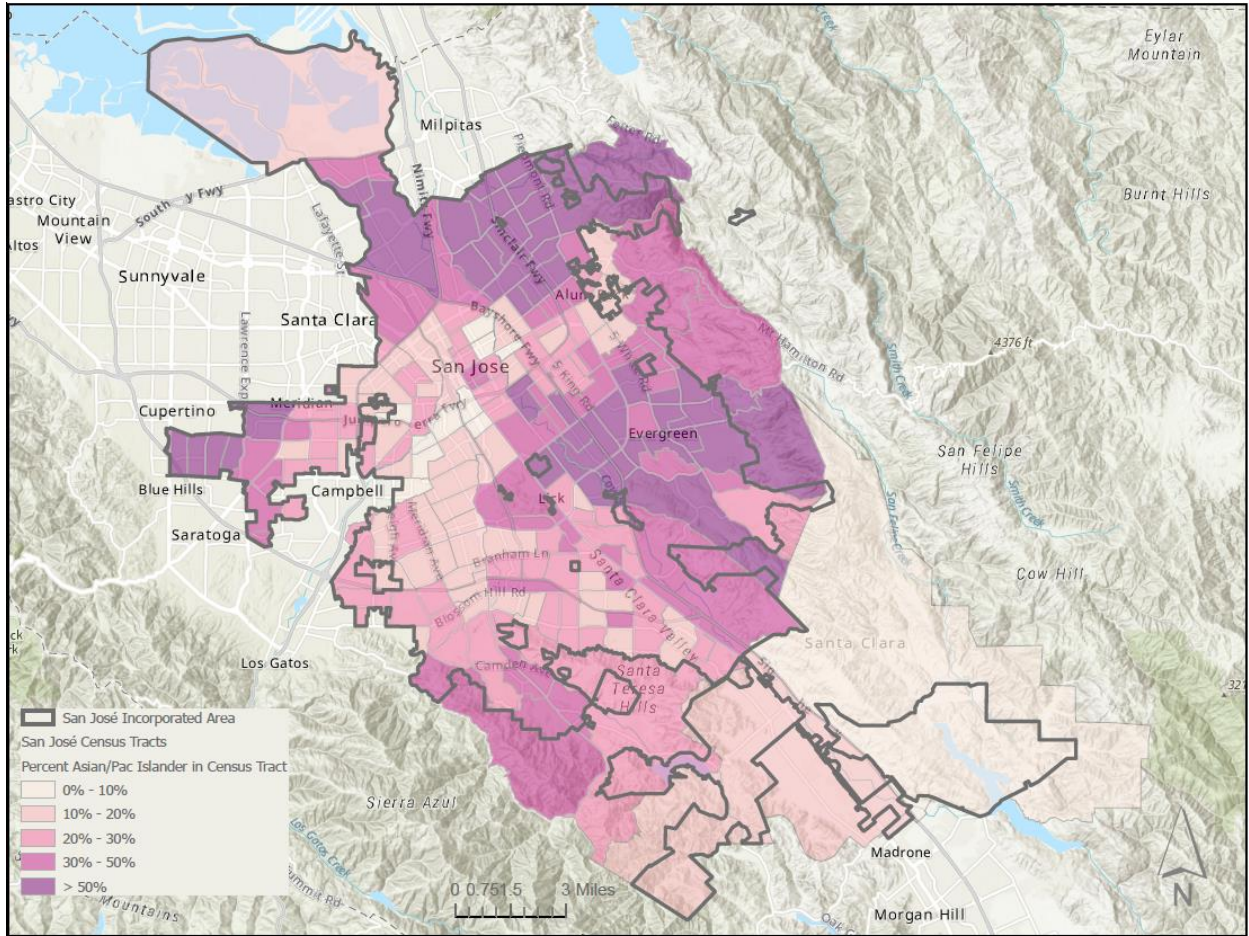
As can be seen in Map 7, below, the Latino/a/x population (approximately 325,000 people or approximately 32% of the population) is the majority population (i.e., the darkest purple color on the map) in the central and eastern central parts of the City.





Map 7: Latino/a/x population in San José

As can be seen in Map 8, below, AAPIs (over 370,000 people, or approximately 36% of the population), are the majority population (i.e., the darkest purple color on the map) in the northeast, east, and far west parts of the City.

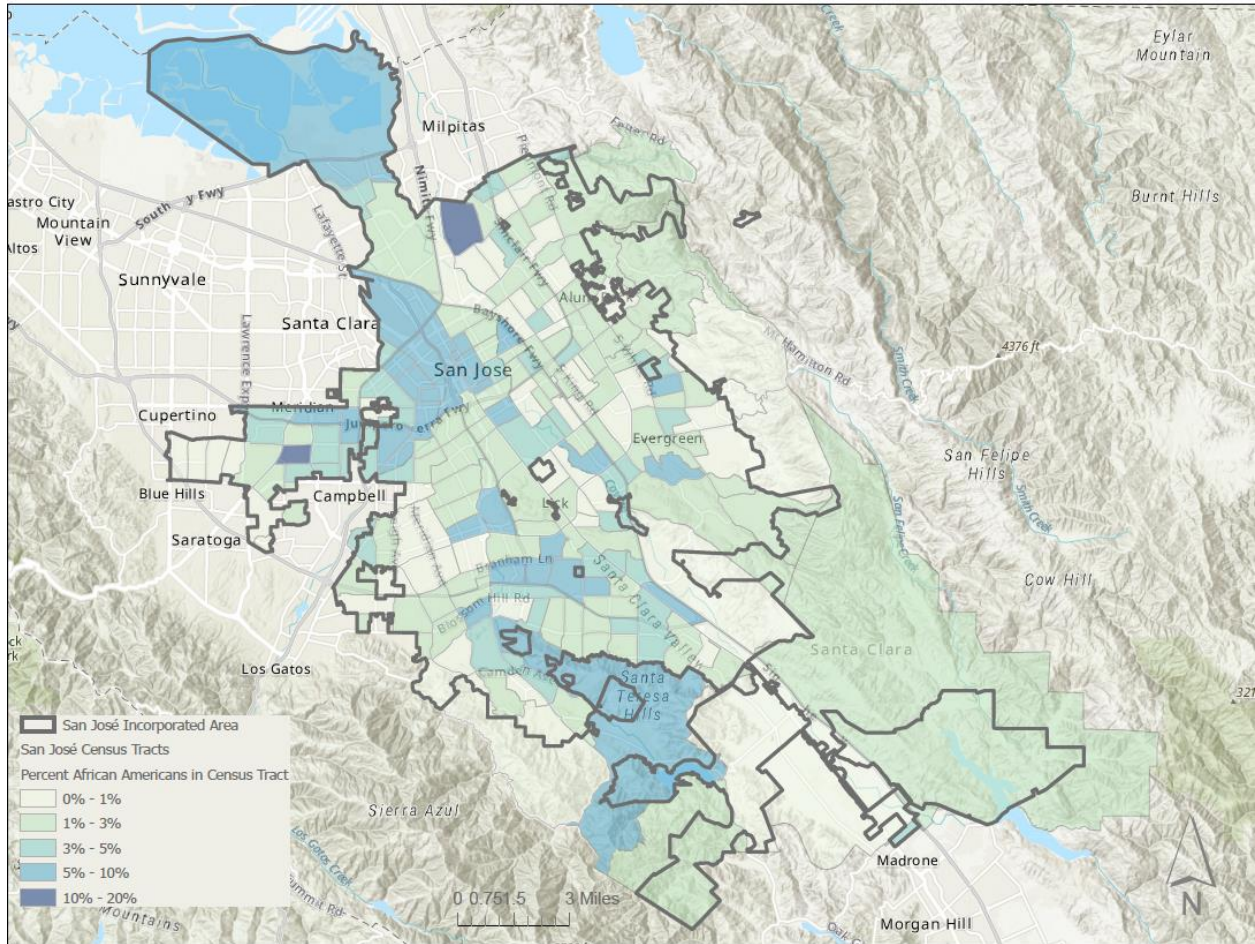


CSJ Housing January 2022  
 Source: Table B03002 ACS 2015-19

Map, NOAA, NOAA, 2012; County of Santa Clara, 1991, 1992; Census, San Jose, 1990/1991, 2000; Bureau of Land Management, 1991.

Map 8: AAPI population in San José

In contrast, as can be seen in Map 9, below, the Black or African American population (almost 30,000 people, or approximately 3% of the population) is dispersed through the City with no single census tract above 20% in concentration.



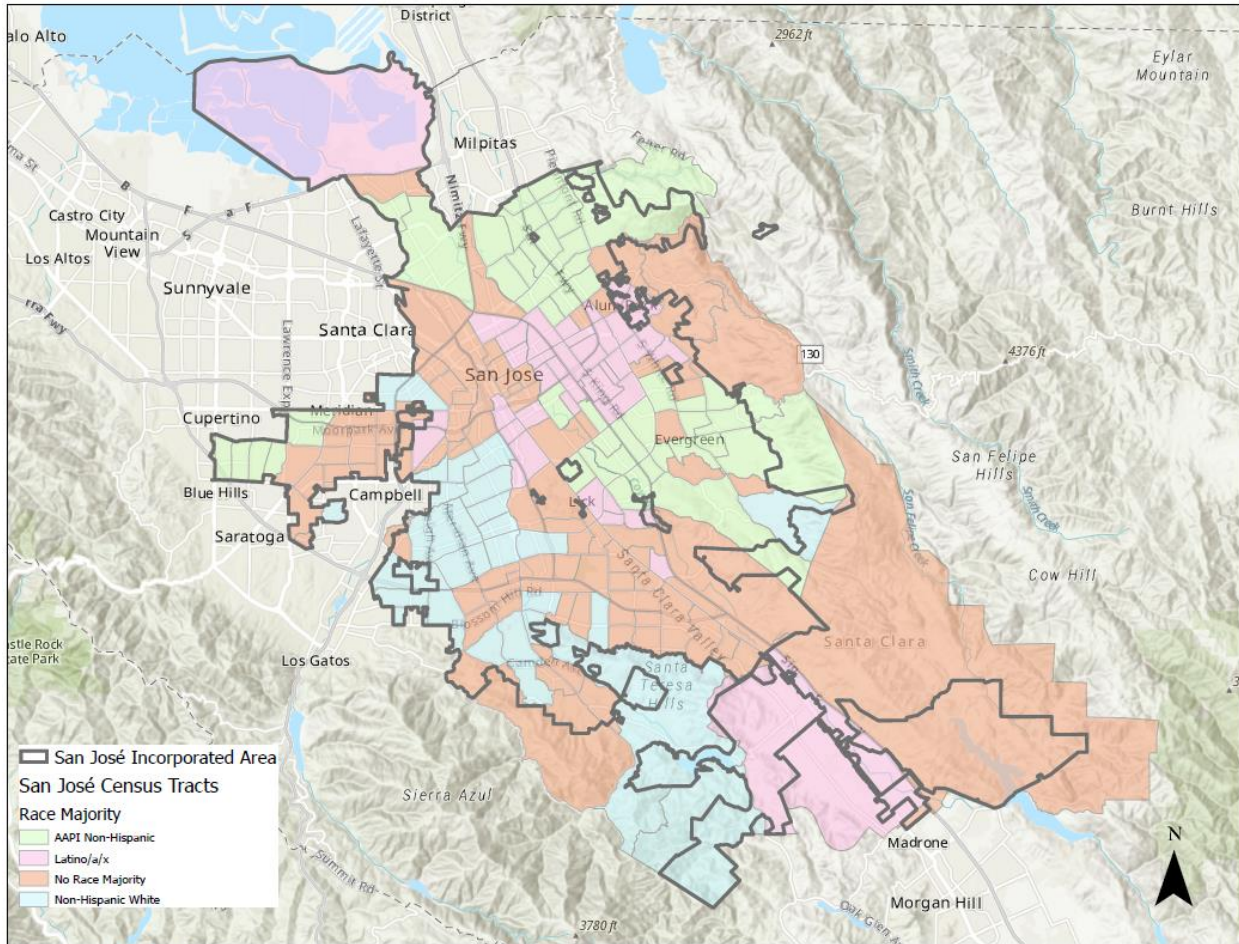
CSJ Housing January 2022  
 Source: Table B03002 ACS 2015-19

© 2018, 2020, 2022, County of Santa Clara, Inc. All Rights Reserved. MapInfo, 2020, Bureau of Land Management, 2018, 2019

Map 9: Black & African American population in San José

As seen in Map 10, below, overlaying the above maps show that much of the City roughly evenly split between majority non-Hispanic White, majority Latino/a/x, majority AAPI, and neighborhoods that have no majority (i.e., are more consistent with the larger City's proportion). These no majority areas tend to be either in sparsely populated areas of the City (e.g., Coyote Valley in southern San José) or in the transition zones between areas that are more clearly defined by a single majority population.

For more of San José's demographic and housing data, please see Appendix B.



CSJ Housing Aug 2022  
Source: Table B03002 ACS 2015-19

Map 10: San José census tracts by majority/no-majority racial group

## 2. Segregation Analysis

### a. Overview

By standard segregation metrics, San José is one of the most segregated cities in the Bay Area.<sup>27</sup>

Making the segregation analysis more locally-specific to Silicon Valley by disaggregating AAPI data into three subgroups (see below for more discussion/description):

- High proportion of tech-related immigration: Asian Indian, Chinese (including Taiwanese);<sup>28</sup>

<sup>27</sup> In large regions, when using segregation metrics that measure distribution *within* a city, larger cities will tend to register as more segregated than smaller jurisdictions. However, as discussed further below, smaller jurisdictions may be highly segregated within the regional context but register as non-segregated because the population is homogeneous.

<sup>28</sup> As discussed in more detail in Appendix D, the vast majority of high-skill, high-education employment visas are issued to immigrants from India and China (75% of H-1B visas, for example). Many of the Tech companies headquartered in Silicon Valley are among the top-10 beneficiaries of these visas and many immigrants who came to this country under these Visa programs have settled in the South Bay. Because of this specific local history and conditions, City of San José staff would caution applying this methodology universally in jurisdictions outside of

- Southeast Asians: Cambodian, Hmong, Laotian, Vietnamese;
- All other AAPI subgroups.<sup>29</sup>

Overlaying TCAC/HCD Opportunity Map categories reveals a more nuanced picture of how the specific patterns of segregation in San José disadvantage some residents while privileging others. Characterizing each major racial/ethnic by which TCAC/HCD Opportunity area most of the specific population yields the following:

- Populations that the majority or plurality of which live in High Resource neighborhoods:
  - Asian Indian and Chinese Americans (55.1% of this population lives in High Resource census tracts)
  - Non-Hispanic Whites (48.2%)
- Populations that the plurality of which live in Medium Resource neighborhoods:
  - African Americans / Black (48.5% of this population lives in in Medium Resource census tracts)
  - All other AAPI populations (36.6%)
- Populations that the majority or plurality of which live in Low Resource neighborhoods:
  - Latino/a/x (54.4% of this population lives in Low Resource census tracts)
  - Southeast Asian Americans (50.4%)
  - Native Hawaiian and Pacific Islanders (49.3%)<sup>30</sup>
  - Native American / indigenous people (42.5%)

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Silicon Valley. The ethnic dynamics of immigration and employment are likely nuanced differently in different places. For example, cities like San Francisco, Oakland, and Los Angeles – those with historic Chinatowns (jurisdictions that were not as successful a century ago in purging their Chinese immigrant population as San José was) have higher proportions of Chinese residents from different waves of immigration and who did not arrive in this country with professional degrees and a high-tech job awaiting them. Likewise, in the Central Valley, there are communities with higher proportions of Punjabi/Sikh (who also would be classified as Asian Indian in the census) immigrants who came to the U.S. as agricultural workers and who do not have the same economic and educational profile as Silicon Valley tech workers. Making blanket assumptions about the immigration history and economic status of any jurisdiction’s ethnic community solely based on a community’s shared country of origin is not appropriate without further context and analysis.

<sup>29</sup> The majority of the category “all other AAPI subgroups” are Filipino/a/x people. This category of “all other AAPI subgroups” should probably be further disaggregated in that many of sub-populations have distinctly different immigration histories, geographic distributions, and housing/economic stats. However, for statistical validity of the Dissimilarity analysis, we tried to create groups that had a total population of at least 100k (or approximately 10% of the City). For e.g., Native Hawaiians and Pacific Islanders probably should be disaggregated into their own category based on geographic and demographic similarity. However, this category would be less than 5,000 persons (or 0.4% of the City’s population), a smaller proportion of the population than advisable for segregation analyses. However, if Native Hawaiians and Pacific Islanders were analyzed as a separate subgroup, they would have the plurality of their population in Low Resource census tracts (49.3%), with the rest of the population split almost evenly between High Resource (26.2%) and Medium Resource (24.5%) census tracts.

<sup>30</sup> This data point is included as context. Native Hawaiians and Pacific Islanders, as discussed above, were not analyzed as a separate category because the total population of this subgroup is less than 5,000 persons. Instead, Native Hawaiians and Pacific Islanders are included in the “all other AAPI populations” category. See further discussion in Appendix D and in Section IV.2.d., below.

With the above categorizations, the two racial/ethnic groups with the largest proportion of their populations in High Resource areas were compared analyzed for similarity/dissimilarity<sup>31</sup> against all other groups:

Group or Subgroup <sup>32</sup>	Dissimilarity Index vs. Non-Hispanic Whites	Dissimilarity Index vs. Asian Indian and Chinese Americans
Non-Hispanic Whites	NA	0.454
Asian Indian and Chinese American	0.454	NA
All other AAPIs	0.435	0.333
Latino/a/x	0.487	0.557
Southeast Asian American	0.656	0.530
People of Color <sup>33</sup> minus Asian Indian and Chinese Americans	0.455	0.461

Table 2: Dissimilarity Indexes between Racial/Ethnic Groups in San Jose (2019 5-yr ACS)

Non-Hispanic Whites have a moderate degree of segregation between all racial/ethnic groups except Southeast Asian Americans, where there is a high degree of segregation. Asian Indians and Chinese have a moderate degree of segregation between all racial/ethnic groups except Latinx, where there is a high degree of segregation, and all other AAPIs, where there is a low degree of segregation. Overall, there is a moderate degree a segregation between the more privileged racial/ethnic groups (i.e., non-Hispanic Whites, Asian Indians, and Chinese) and everybody else (i.e., people of color minus high proportion tech Asian Indians and Chinese).

There are several implications of this level of segregation analysis that apply elsewhere in the AFH:

- **Racially Concentrated Areas of Affluence:** In Silicon Valley, an analysis of racially concentrated areas of affluence (RCAs) must account for high-income Asian Americans, many of whom are recipients of visas for tech workers, as beneficiaries of racially exclusionary policies and practices.
- **Sub-regional Diversity:** In Silicon Valley, many jurisdictions that are majority non-White remain segregated and exclusionary communities. Many of these jurisdictions have metrics that indicate low or moderate segregation, but this is because of their relative homogeneity and because the majority of their people of color population consists of Asian Indian and Chinese Americans.
- **Anti-Displacement:** In this more nuanced racial/ethnic analysis, San José (as segregated as we are and as problematic as our history has been) is the primary home for diversity and inclusion in the Silicon Valley. And there are intense market pressures that would cause the demographics

<sup>31</sup> A Dissimilarity Index of less than 0.40 is considered Low Segregation. A Dissimilarity Index of 0.40 to 0.55 is moderate segregation. Dissimilarity Index scores of above 0.55 are considered High Segregation.

<sup>32</sup> Because dissimilarity analyses are unreliable for population groups that represent less than 5% of a jurisdiction's total population, African Americans and Native Americans (both populations are less than 5% of the City's population) are not included on this table. However, per the unreliable numbers, African Americans have a Moderate Segregation score with respect to both non-Hispanic Whites and tech visa Asian Americans. Native Americans have a High Segregation score with respect to both non-Hispanic Whites and tech visa Asian Americans.

<sup>33</sup> This category includes African Americans and Native Americans.

of San José to become more like the rest of the Silicon Valley. So, in this context of regional equity, preventing displacement of low-income people of color from San José becomes all the more important.

- Policies and Programs to Affirmatively Further Fair Housing:** In this more nuanced racial/ethnic analysis, there are multiple AAPI subgroups (e.g., Southeast Asians) that have been materially disadvantaged by segregation and by racist housing policies and practices. Policies and programs to affirmatively further fair housing, therefore, need to take the specific needs and context of these communities into account. Community outreach to these communities needs to be specific and intentional. Policies and programs need to held accountable to whether these communities are impacted.

*b. Standard Metrics in a Regional Context*

By multiple, standard measures of segregation, San José is one of the most segregated cities in the Bay Area (for a more detailed analysis of San José’s standard segregation metrics with respect to the greater Bay Area, please see Appendix C). Per the figure below, of the 100+ jurisdictions in the Bay Area, San José has a higher-than-average dissimilarity score (generally, the higher the dissimilarity index is between white and non-white populations, the more segregated a place is).

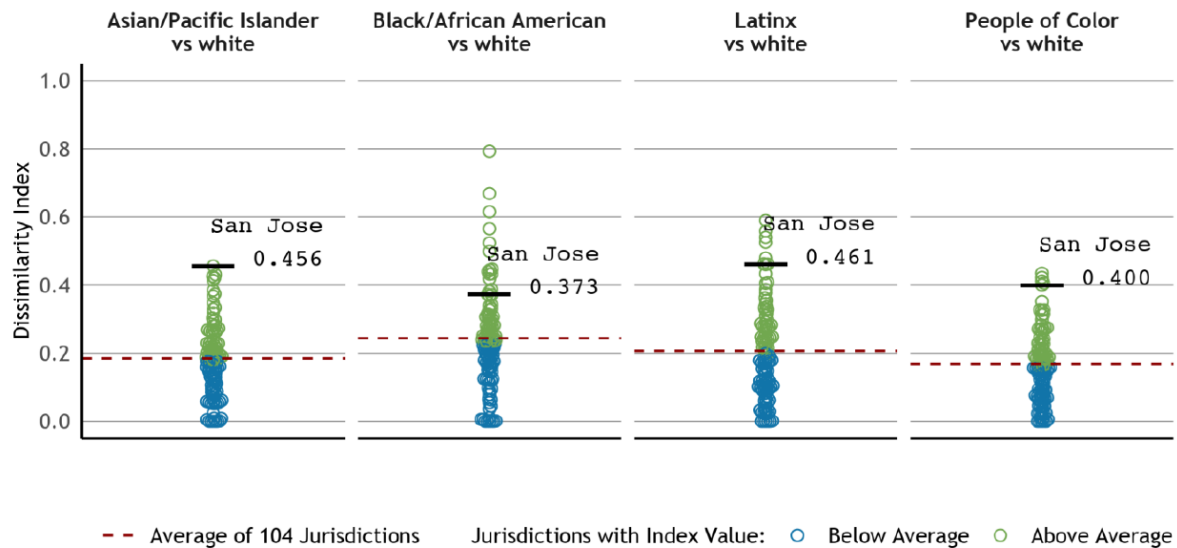


Figure 13: Dissimilarity Indexes for 9 County Bay Area Jurisdictions (2020)

For measures of racial isolation in the greater Bay Area, San José has higher than average rates of isolation (i.e., generally more segregated) for the AAPI and for Latino/a/x populations. And for all populations, the Isolation Index represents that the average person of each population lives in a neighborhood with a higher concentration of other people like them than would be suggested by a strict percentage breakdown per the overall proportion of the population in the City.

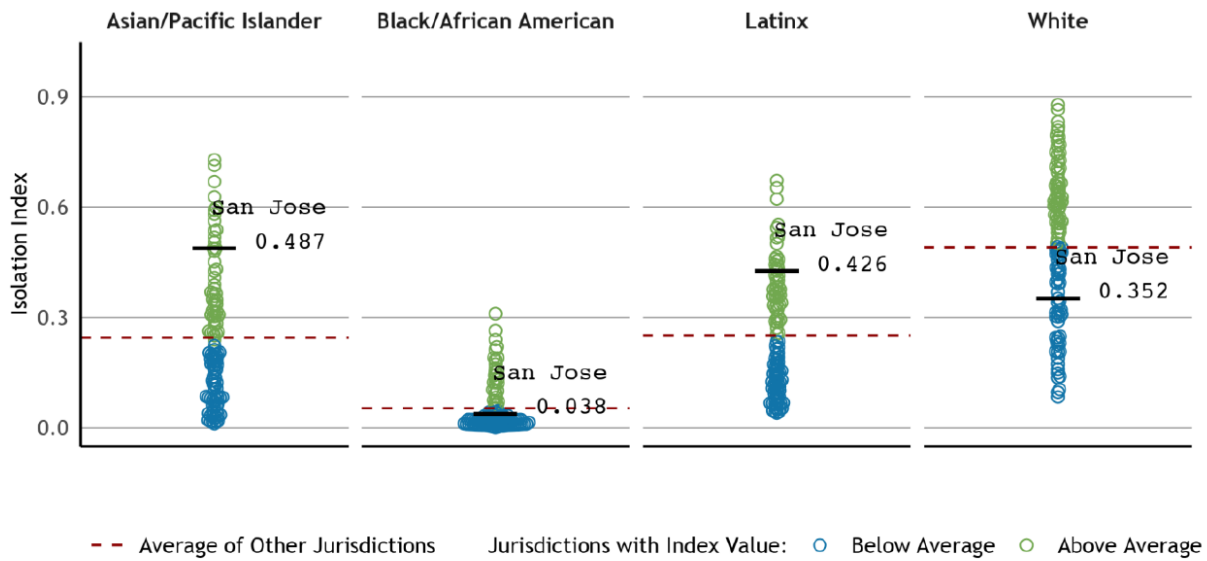


Figure 14: Isolation Indexes for 9 County Bay Area Jurisdictions (2020)

Finally, for Theil's H Index, San José is also amongst the jurisdictions in the Bay Area with the highest score (indicating that individuals are less likely to live in a neighborhood that has a demographic breakdown that is proportionate to the jurisdiction as a whole).

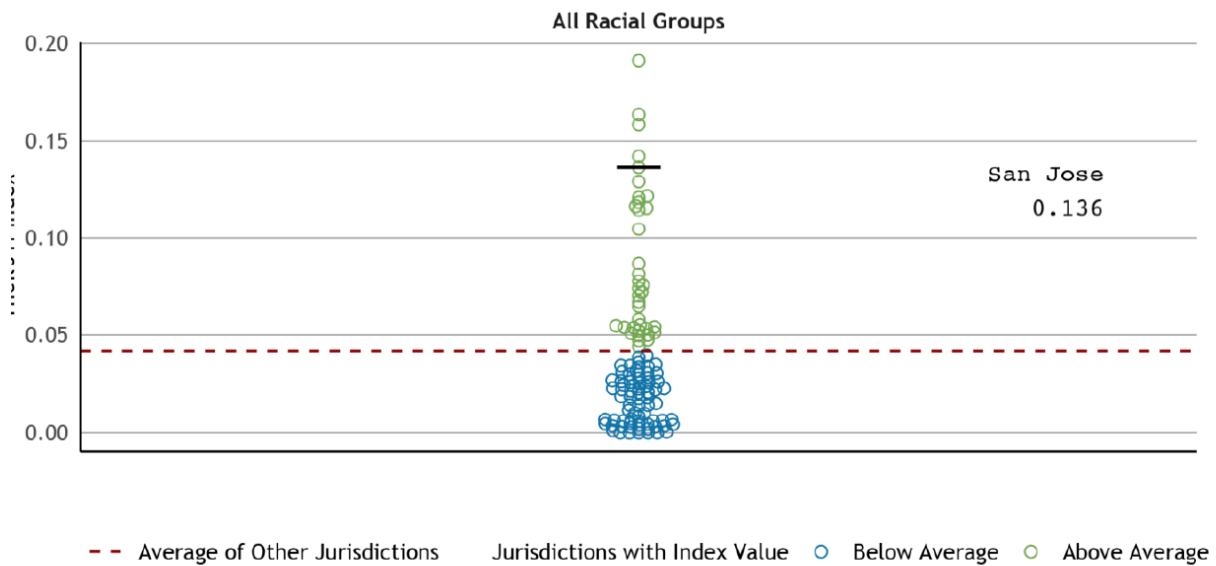


Figure 15: Theil's H Index for 9 County Bay Area Jurisdictions

*c. Alternative Segregation Analysis – Population Distribution by TCAC/HCD Opportunity Categories*

Another test for racial segregation is to benchmark racial composition against other socio-economic analyses of spatial distribution of population. This type of analysis reveals more about the relationship between segregation and socio-economic inputs and outcomes.



For example, breaking down the TCAC/HCD Opportunity Map<sup>34</sup> into three major categories Higher Resource (a combination of the categories “Highest Resource” and “High Resource”), Middle Resource (“Moderate Resource”), and Low Resource (a combination of the categories “Low Resource” and “High Segregation & Poverty”) yields three areas of the City with roughly 1/3 of the City’s total population in each. All things being equal, one might expect that each major racial/ethnic group would also be evenly distributed in each neighborhood type.

<b>TCAC/HCD Opportunity Category</b>	<b>% of City’s Total Population in Category</b>	<b>% of City’s N-H White Population in Category</b>	<b>% of City’s Black Population in Category</b>	<b>% of City’s Native American Population in Category</b>	<b>% of City’s AAPI Population in Category</b>	<b>% of City’s Latino/a/x Population in Category</b>
High	33.3%	48.2%	22.4%	19.8%	38.8%	14.4%
Medium	34.7%	38.6%	48.5%	37.7%	28.3%	41.9%
Low	31.9%	13.2%	29.1%	42.5%	33.0%	54.4%

*Table 3: Population distribution by Race/Ethnicity by major TCAC/HCD Opportunity Map category (the largest % group is highlighted in each column)*

Instead, close to half of the City’s non-Hispanic White population lives in High Resource tracts (with only 13% of the City’s non-Hispanic White population living in Low Resource tracts) while the majority of the City’s Latino/a/x population lives in Low Resource tracts (with only 14% of the City’s Latino/a/x population living in High Resource tracts). Of all the major racial/ethnic groups in the City, non-Hispanic Whites have the highest proportion of their population living in High Resource areas and the lowest proportion of their population living in Low Resource areas. On the other end of the spectrum, the City’s Latino/a/x population has the highest proportion of their population living in Low Resource areas and the lowest proportion of their population living in High Resource areas. All other racial/ethnic groups fall someplace in between, with the City’s AAPI population most closely approximating the citywide distribution of total population (more about the distribution of AAPI population, below).

*d. Alternative Segregation Analysis – Disaggregating AAPI Data*

The standard methods of quantifying segregation are insufficient when applied to San José because the largest racial/ethnic group in the City – AAPIs – are a non-homogenous, diverse collection of distinct communities with vastly different histories, pathways to this country, and geographies

For these reasons, City of San José staff disaggregated AAPI data and created separate sub-categories of AAPI subgroups and applied dissimilarity analyses to these subgroups with respect to each other and to the larger, traditional racial/ethnic categories (see “Overview” section, above). To create coherent categories that would be the basis of a statistically valid segregation analysis, the goal was that each subgroup would be at least 100,000 people and for all members of the subgroup to have similar housing and economic statistics and immigration history. For more about this methodology and the overall importance of disaggregating AAPI data, please see Appendix D.

These groups’ distributions across the City by TCAC/HCD Opportunity map categories is as follows.

<sup>34</sup> <https://belonging.berkeley.edu/2022-tcac-opportunity-map>

TCAC/HCD Opportunity Category	% of City's Total Population in Category	% of City's AAPI Population in Category	% of City's Asian Indians and Chinese Population in Category	% of City's SE Asian Population in Category	% of City's All Other AAPI Population in Category
Population <sup>35</sup>	1,027,690	373,753	175,831	117,048	105,223
High	33.3%	38.8%	55.1%	18.8%	34.2%
Medium	34.7%	28.3%	32.5%	30.8%	36.6%
Low	31.9%	33.0%	12.4%	50.4%	29.1%

Table 4: Disaggregated AAPI Categories population distribution by Race/Ethnicity by major TCAC/HCD Opportunity Map category

The majority of high proportion of Asian Indian and Chinese Americans live in High Opportunity areas while the majority of Southeast Asian Americans live in Low Resource areas. The all other AAPI population category has a distribution that is more evenly distributed, with the plurality living in medium resource areas. That is, in terms of living in high/low resource neighborhoods, Southeast Asian Americans have a distribution pattern more similar to the Latino/a/x community; Asian Indian and Chinese Americans have a distribution similar to non-Hispanic Whites; and all other AAPIs have a distribution that more closely approximates the City as a whole.

#### 4. San José's Segregation in the Context of the Subregion's Segregation

Of the 15 incorporated jurisdictions in Santa Clara County, nine cities (San José, Cupertino, Gilroy, Milpitas, Morgan Hill, Mountain View, Santa Clara, Saratoga, Sunnyvale) are majority people of color. At this level of analysis, San José seems like a diverse city within a diverse subregion. However, disaggregating AAPI data shows that a significant proportion (i.e., nearly one-fifth) of the subregion's people of color population are Asian Indians and Chinese (i.e., a relatively privileged population). Within this context, per Table 5 below, San José is one of only three jurisdictions that are majority people of color minus Asian Indian and Chinese Americans.

Place	% People of Color	% Asian Indian and Chinese Americans	% People of Color minus Asian Indians and Chinese
9-County Bay Area	57.0%	14.5%	42.5%
Santa Clara County	65.3%	19.7%	45.6%
San José	71.5%	15.3%	56.3%
Campbell	43.2%	12.0%	31.2%
Cupertino	72.1%	55.0%	17.1%
Gilroy	70.6%	3.3%	67.3%
Los Altos	36.4%	23.1%	13.4%
Los Altos Hills	37.5%	25.1%	12.4%
Los Gatos	23.7%	8.9%	14.8%
Milpitas	85.4%	33.9%	51.5%
Monte Sereno	31.0%	13.0%	18.0%

<sup>35</sup> Note: total population for AAPI subgroups is based upon the sum of all census tracts in the City and may exceed the actual City population because some census tracts also include parts of directly adjacent unincorporated areas.

Morgan Hill	51.5%	5.2%	46.4%
Mountain View	52.4%	22.9%	29.5%
Palo Alto	40.2%	24.4%	15.8%
Santa Clara	64.8%	27.9%	36.8%
Saratoga	51.4%	38.1%	13.3%
Sunnyvale	65.5%	34.5%	31.0%

Table 5: Majority community of color jurisdictions in Santa Clara County (2019 1-year ACS)

Many of the cities in the subregion have lower nominal segregation scores than San José. But this is because they are smaller, more homogenous, and more exclusionary. These cities do not have the same proportion of the populations disadvantaged by segregation (i.e., African Americans, Native Americans, Latino/a/x populations). And the AAPIs that live in these cities are disproportionately Asian Indian and Chinese. San José represents 53% of the County’s population but has over 66% of the County’s Latino/a/x population and 81% of the County’s Southeast Asian American population. Conversely, non-Hispanic Whites (44% of the County’s non-Hispanic Whites live in San José) and Asian Indian and Chinese Americans (41% of the County’s population live in San José) are under-represented in comparison to the County as a whole. In this context, surrounded by smaller cities that are more expensive and more exclusionary, San José is the leader in diversity for the subregion.

## 5. Emerging trends and demographic shifts

### a. Segregation metrics over time

Since 2000, as measured by the Dissimilarity Index, overall segregation in San José has declined.

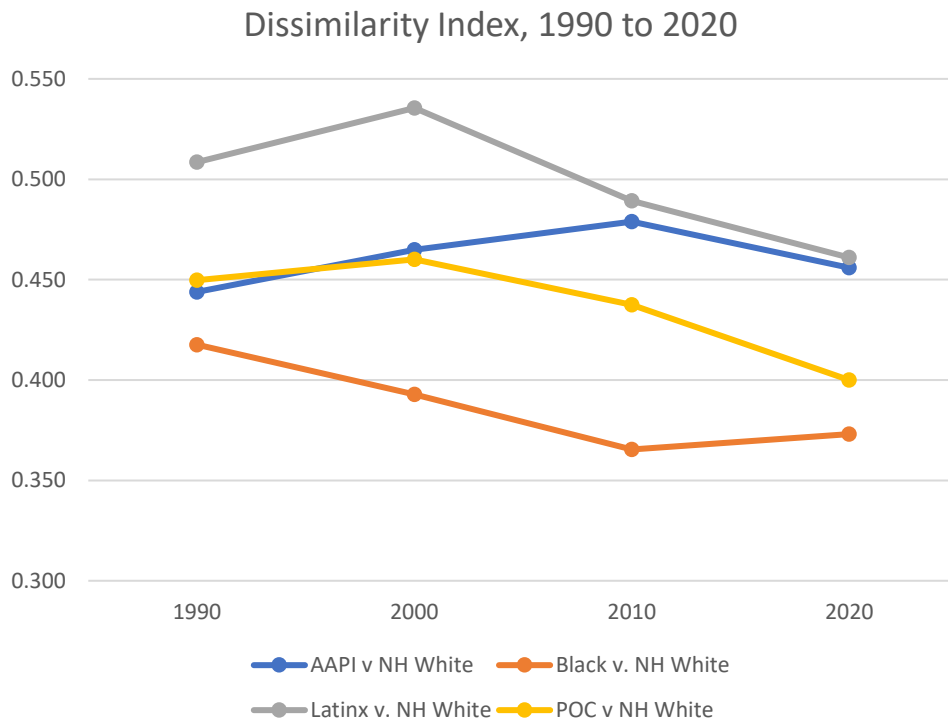


Figure 16: Segregation over time, City of San José

Further research is needed to discern whether this trend is positive or whether it is tracking other changes that are not necessarily linked to increased racial equity – for example, this could be an artifact of displacement of Latinx households (see discussion below) or the increase of Asian immigrant high tech workers in exclusionary neighborhoods. Both of these factors could change dissimilarity metrics without substantially addressing underlying equity dynamics.

*b. Declining Latino/a/x population*

From a peak population of 330,827 in 2017, San José’s Latino/a/x population has declined to 319,028 in 2020, for an annual average net loss of almost 4,000 people.

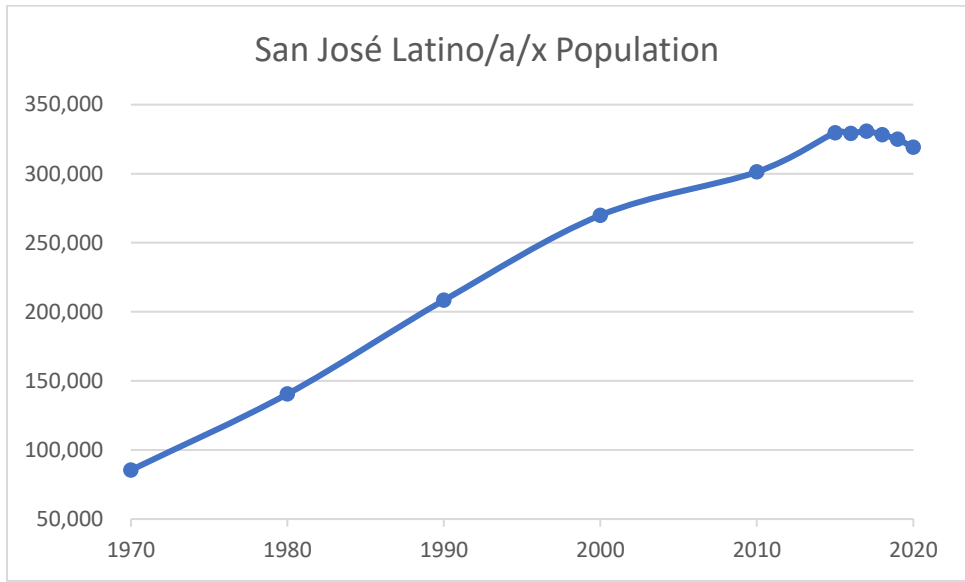


Figure 17: Latino/a/x population in San José, 1970 to 2020 (U.S. Census, various years)

City staff and local residents hypothesize that this decline in Latino/a/x population is related to displacement. In community outreach and stakeholder engagement meetings for the Housing Element and the Assessment of Fair Housing, City staff have heard multiple anecdotal accounts from Latino/a/x residents and community-based organizations that family and community members have been moving from San José because of rising housing costs. These community testimonials align with data that Latino/a/x residents are disproportionately concentrated in areas of the City with the highest risk of displacement (see below and Appendix F, for further analysis and discussion of displacement issues). This data will need to continue to be closely monitored to determine the extent of the problem.

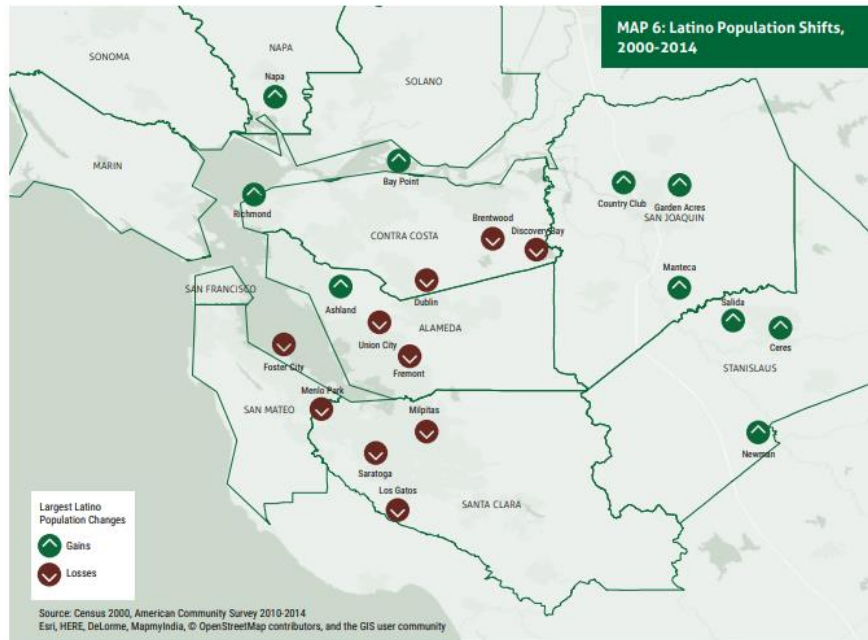
*c. Race, Inequality, and Resegregation in the Bay Area*

San José’s declining Latino/a/x is happening in the context of larger regional population shifts. In 2016, Urban Habitat published a report, *Race, Inequality, and Resegregation in the Bay Area*<sup>36</sup>, that documented these demographic trends, saying:

<sup>36</sup> <https://urbanhabitat.org/sites/default/files/UH%20Policy%20Brief2016.pdf>

Inequality is redrawing the geography of the Bay Area. Low-income communities and communities of color are increasingly living at the expanding edges of our region. There they often struggle to find quality jobs and schools, decent affordable housing and public transportation, adequate social services, and environmentally safe and healthy neighborhoods. Those who do live closer to the regional core find themselves unable to afford skyrocketing rents and other necessities...

Map 11, below, is from Urban Habitat’s 2016 report (labelled “MAP 6” in the report), showing decreasing Latino/a/x populations in the Bay Area’s core and increasing populations in the periphery.



Map 11: Regional shifts in Bay Area Latino/a/x population

In 2016, when this map was generated, Latino/a/x population in San José was still stable/rising. However, in recent years, some threshold has been passed and San José has also begun to lose Latino/a/x population. This is especially worrisome in the context that, as described above, San José anchors diversity in the subregion – loss of diversity in San José means that the South Bay subregion is becoming less diverse and more exclusionary. It is part of a larger, super-regional pattern of population re-distribution in which the Bay Area is becoming more unaffordable, less equitable, and less diverse and where we are losing members of our community who have contributed so much to make the Bay Area a successful, vital region.

## B. Analysis of Disparities in Housing and Opportunity

### 1. Racially/Ethnically Concentrated Areas of Poverty and of Affluence

#### a. Overview

With Census Tracts as a base geographic unit, City of San José staff used the following criteria (please see Appendix E for further discussion and analysis of staff's methodology) to identify Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs):

- HUD-identified R/ECAPs,<sup>37</sup>
- San José updated list of R/ECAP tracts, using HUD's criteria but with 2019 5-year ACS, per the following:
  - Population less than 50% non-Hispanic White,
  - Poverty rate greater than 22.5%<sup>38</sup>;
- San José additional extremely low-income tracts, using 2019 5-year ACS, per the following:
  - Population less than 50% non-Hispanic White,
  - 40% of the tract households had an annual income less than \$35,000 (the 2019 California Poverty line for a family of four, as determined by the Public Policy Institute of California<sup>39</sup>).

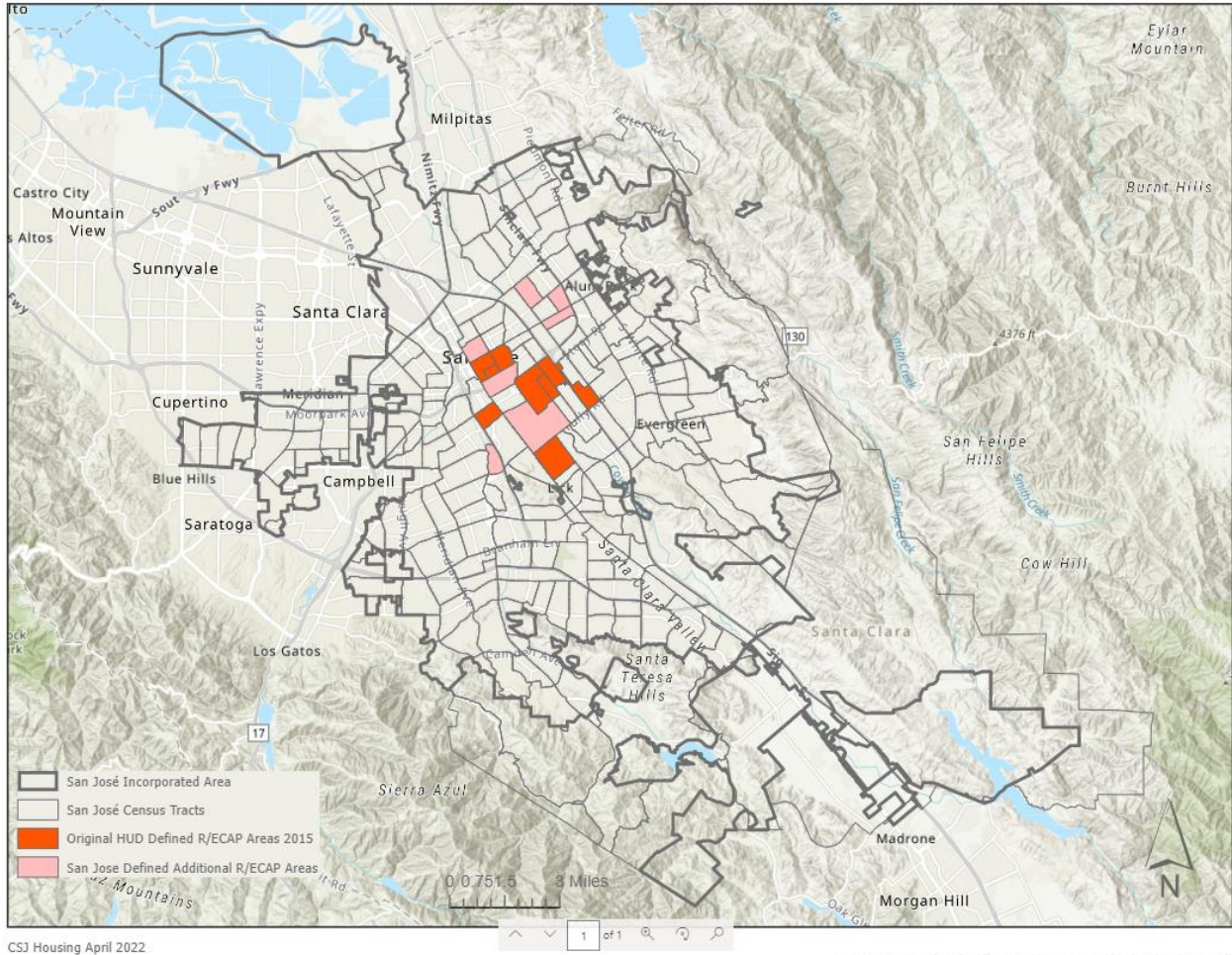
Based upon the combined criteria above, there are 16 total R/ECAP tracts in San José, with a total population of 78,493 (or approximately 8% of the City's total population). Per Map 11, below, these tracts are generally in the center of the City, around Downtown, and slightly to the east and the south of Downtown.

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<sup>37</sup> Per <https://egis.hud.gov/affht/>. This data tool uses 2011-2015 5-year ACS data. In a rapidly changing, hot market city like San José, data that is a few years old is already stale.

<sup>38</sup> HUD defined poverty rate for R/ECAPs is the *lower* of 3x the MSA poverty rate OR a 40% poverty rate. Per the 2019 5-year ACS, the Santa Clara County poverty rate is 7.5%. Three times this rate is 22.5%.

<sup>39</sup> <https://www.ppic.org/publication/poverty-in-california/> -- Because of the higher cost of living in California than for the nation as a whole, the Public Policy Institute of California calculates an alternative poverty threshold to the federal Poverty Line, more aligned to California's generally higher costs.



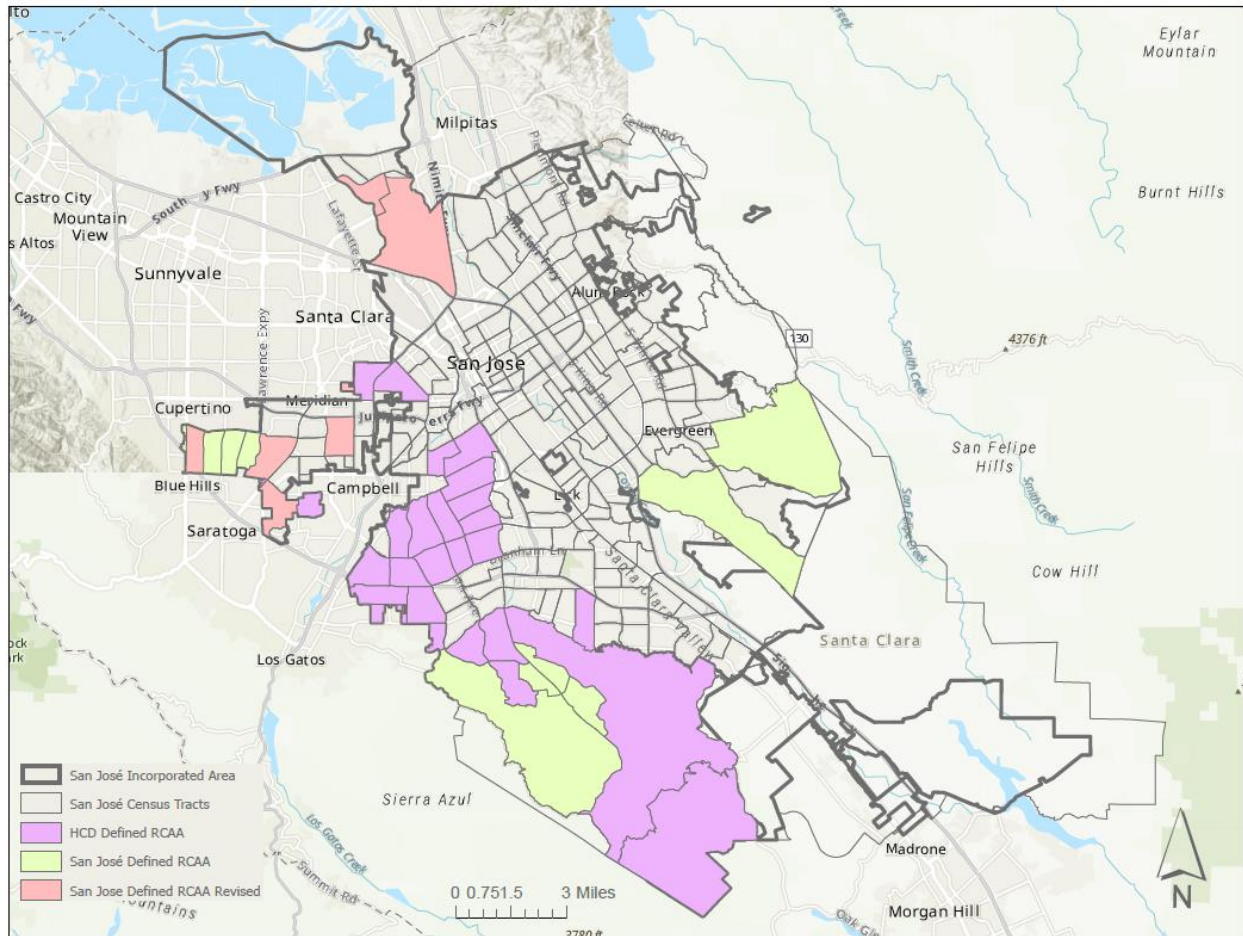
Map 12: Combined R/ECAP map

San José staff used the following criteria (please see Appendix E for further discussion and analysis of staff’s methodology) to identify Racially Concentrated Areas of Poverty and Affluence:

- Census tracts where the population is greater than 67.3% non-Hispanic White plus high proportion tech visa Asian Americans (i.e., Asian Indians and Chinese Americans) -OR- where the non-Hispanic White population is greater than 49.1% of the total tract population;<sup>40</sup>
- Census tracts where the median income is above \$112,852.50.

With these criteria and using the 2019 5-year ACS, there are 46 total RCAA tracts in San José, with a total population of 260,394 (or approximately 25% of the City’s total population). Per Map 12, below, these tracts are generally in identifiable clusters: in the Evergreen Hills, in west San José between Cupertino and Saratoga, in the Willow Glen neighborhood, in North San José, and in the Almaden Hills.

<sup>40</sup> This prong of the test incorporates both a locally-specific criterion (i.e., adding Asian Indian and Chinese Americans as racially advantaged groups) and HCD’s recommended criteria for RCAs.



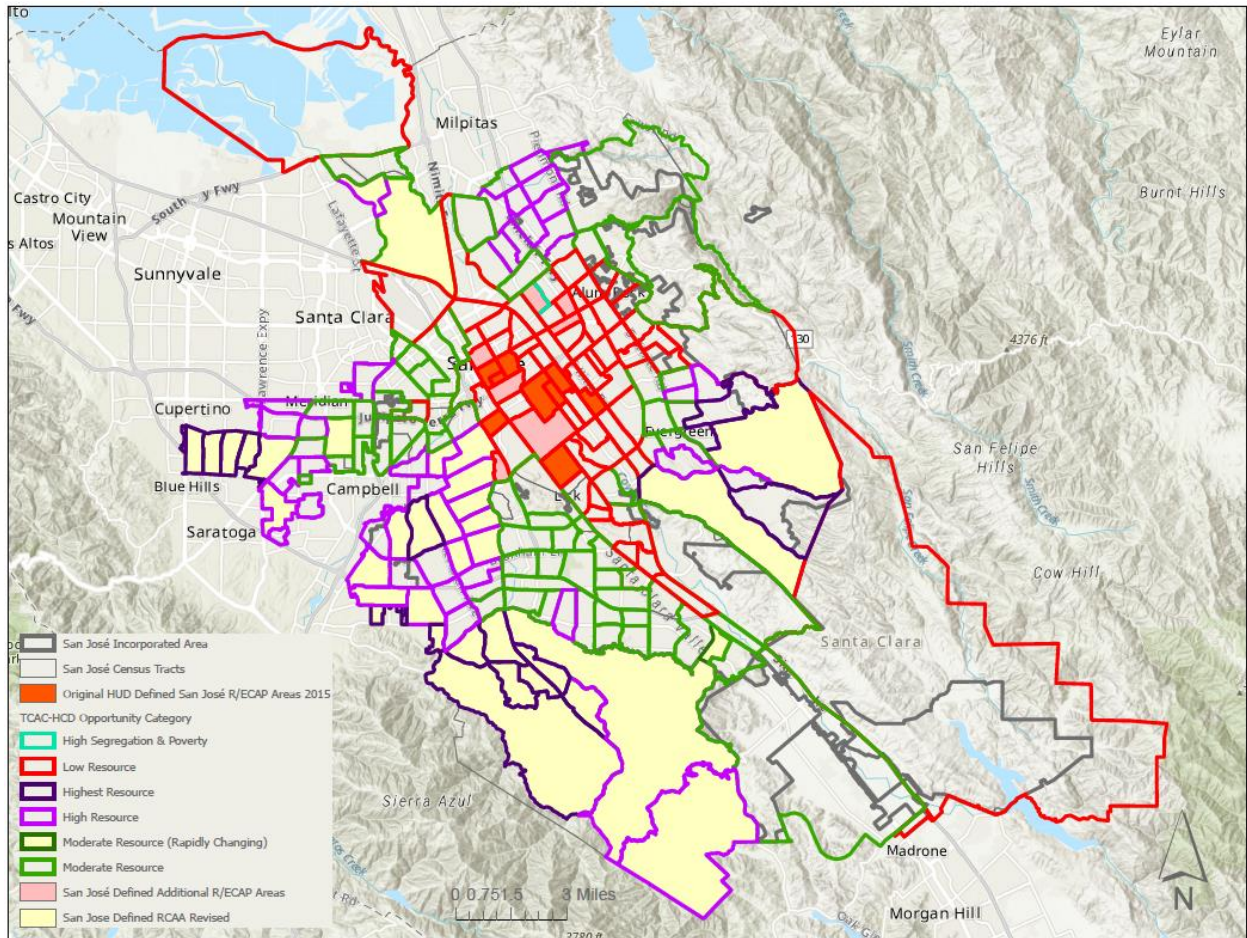
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Map 13: CSJ defined RCAA Map

Overlaying the R/ECAP and RCAA maps with the TCAC/HCD Opportunity Map shows that

- All R/ECAPs are in census tracts that are classified as “Low Resource” or “High Segregation and Poverty;”
- Almost all RCAAs are in census tracts that are classified as “High Resource” or “Highest Resource.”





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Map 14: TCAC/HCD Opportunity Map overlay

*b. R/ECAP and RCAA demographic and housing analysis*

Per the series of tables below, across a wide variety of demographic, housing, and economic metrics, R/ECAP and RCAA areas are very different. As per the definitions of each area, the metrics for RCAAs are consistent with concentrated affluence and the metrics for R/ECAPs are consistent with concentrated poverty.

The combined population of the RCAAs is over 72% non-Hispanic Whites and Asian Indian and Chinese Americans. The combined population of the R/ECAPs is approximately 65% Southeast Asian and Latino/a/x residents.

Category	Non-Hispanic White	Black/African American	Native American/Indigenous	Asian Indian and Chinese	Southeast Asian Americans	All other AAPIs	Latino/a/x
HUD-only R/ECAPs	13.6%	3.0%	0.5%	6.7%	19.6%	9.2%	46.2%
CSJ R/ECAPs	13.9%	2.9%	0.8%	7.3%	17.9%	9.3%	46.5%

HCD RCAAs	58.1%	2.2%	0.4%	10.9%	2.7%	5.9%	15.6%
CSJ RCAAs	46.6%	1.8%	0.3%	25.7%	2.6%	7.7%	11.5%
San José TOTAL	25.7%	3.0%	0.6%	15.3%	11.1%	9.5%	31.6%

Table 6: Race/Ethnicity by R/ECAPs and RCAAs (2019 5-year ACS)

The contrast between R/ECAPs and RCAAs is even more stark when overlaid with TCAC/HCD opportunity mapping:

Category	High	Medium	Low
HUD-only R/ECAPs	0%	0%	100%
CSJ R/ECAPs	0%	0%	100%
HCD RCAAs	91%	9%	0%
CSJ RCAAs	91%	9%	0%
San José TOTAL	33%	35%	32%

Table 7: Population in TCAC/HCD Opportunity Zones by R/ECAPs and RCAAs (2019 5-year ACS)

Similarly, R/ECAPs and RCAAs are distinct from each other in terms of displacement typologies per the Urban Displacement Project (UDP):<sup>41</sup>

Category	Exclusionary / Becoming Exclusive	Moderate	Displacement / Susceptible to Displacement
HUD-only R/ECAPs	0%	0%	100%
CSJ R/ECAPs	0%	0%	100%
HCD RCAAs	61%	35%	4%
CSJ RCAAs	77%	22%	2%
San José TOTAL	42%	39%	20%

Table 8: Population in UDP Simplified Typologies by R/ECAPs and RCAAs (2019 5-year ACS)

R/ECAP areas have larger households but a lower percentage of children and seniors than the City as a whole – this is likely because of the presence of larger, more multi-generational households, with more adult wage-earners needed in household formation in order to be able to afford housing costs. RCAA areas have smaller households but a higher percentage of children and seniors than the City as a whole.

Category	Population per Households	# of Children (ages 0-17)	% Children	# Seniors (ages 65&up)	% Seniors
HUD-only R/ECAPs	3.80	8,793	20.4%	4,314	10.0%
CSJ R/ECAPs	3.32	16,303	20.8%	8,891	11.3%
HCD RCAAs	2.84	29,130	23.5%	8,356	16.0%
CSJ RCAAs	2.84	60,420	23.2%	19,859	14.4%

<sup>41</sup> <https://www.urbandisplacement.org/maps/sf-bay-area-gentrification-and-displacement/>; see Appendix E for more analysis of displacement in San José.

San José TOTAL	3.16	230,226	22.4%	128,611	12.5%
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Table 9: Population per households; % of children and seniors by R/ECAPs and RCAAs (2019 5-year ACS)

R/ECAP areas have lower rates of English proficiency than the City as a whole and the primary languages spoken by LEP residents of R/ECAP areas are Spanish, Vietnamese, and Chinese (includes multiple dialects). RCAA areas have higher rates of English proficiency than the City as a whole (approximately 90% English proficiency in the RCAAs vs. 75% for the City as a whole) and the predominant language spoken by LEP residents of R/ECAP areas is Chinese (includes multiple dialects). In RCAAs the majority of persons aged 5 and older speak only English (this is compared to approximately 40% of the City and 30% of R/ECAP areas).

Category	% of Persons (aged 5&up) who speak English "less than very well"	Primary languages spoken at home for Limited English Proficiency population	% of Persons (aged 5&up) who speak English well AND speak another language at home	% of Persons (aged 5&up) who speak only English
HUD-only R/ECAPs	35.5%	Spanish (6,595) Vietnamese (5,502) Chinese (792)	36.1%	28.4%
CSJ R/ECAPs	36.0%	Spanish (12,231) Vietnamese (9,336) Chinese (2,228)	33.8%	30.3%
HCD RCAAs	9.2%	Chinese (2,550) Spanish (2,483) Vietnamese (1,360)	21.9%	70.0%
CSJ RCAAs	11.5%	Chinese (11,397) Spanish (3,864) Other AAPI (3,073)	30.5%	58.5%
San José TOTAL	24.3%	Spanish (86,287) Vietnamese (61,668) Chinese (36,983)	32.7%	42.8%

Table 10: Limited English Proficiency by R/ECAP and RCAA areas (2019 5-year ACS)

R/ECAPs have higher unemployment and a lower median household income than the City. RCAAs have lower unemployment and a substantially higher median income than the City.

Category	# of Persons Unemployed	Unemployment Rate	Median Household Income <sup>42</sup>
HUD-only R/ECAPs	1,529	6.9%	\$70,639
CSJ R/ECAPs	2,862	7.0%	\$56,722
HCD RCAAs	2,516	3.9%	\$154,562
CSJ RCAAs	4,832	3.5%	\$166,580
San José TOTAL	26,543	4.7%	\$109,593

Table 11: Income and Unemployment by R/ECAP and RCAA areas (2019 5-year ACS)

Breaking down income by race, interestingly, AAPIs have the highest median household income of all major racial/ethnic groups in RCAAs and the *lowest* median household income of all major racial/ethnic groups in R/ECAPs. This reinforces that the AAPIs that tend to live in R/ECAP areas and the AAPIs that tend to live in RCAAs are categorically different populations, with the AAPI population in R/ECAPs primarily consisting of Southeast Asian American residents and the AAPI population in RCAAs primarily consisting of Asian Indian and Chinese American residents.

Category	Non-Hispanic White	Black/African American	Native American	AAPI	Latino/a/x
HUD-only R/ECAPs	\$101,015	\$88,718	NA	\$46,154	\$57,499
CSJ R/ECAPs	\$68,159	\$56,594	NA	\$40,029	\$54,774
HCD RCAAs	\$152,706	\$134,662	NA	\$171,595	\$126,433
CSJ RCAAs	\$155,549	\$147,495	NA	\$193,468	\$117,090
San José TOTAL	\$123,708	\$70,123	\$67,237	\$133,583	\$72,203

Table 12 Income by Race by R/ECAP and RCAA areas (2019 5-year ACS)

For housing costs, while R/ECAPs are some of the lowest cost neighborhoods in the city, a high proportion of R/ECAP residents are cost burdened. Conversely, RCAAs are among the most expensive neighborhoods in the city but have high rates of homeownership and low rates of renters who are cost burdened.

Category	Median <sup>43</sup> Home Value	Homeownership Rate	Median Gross Rent	% Rent Burdened (renters who pay over 30% of their monthly income in rent)
HUD-only R/ECAPs	\$516,670	34.0%	\$1,581	59.8%
CSJ R/ECAPs	\$495,765	27.3%	\$1,454	63.5%

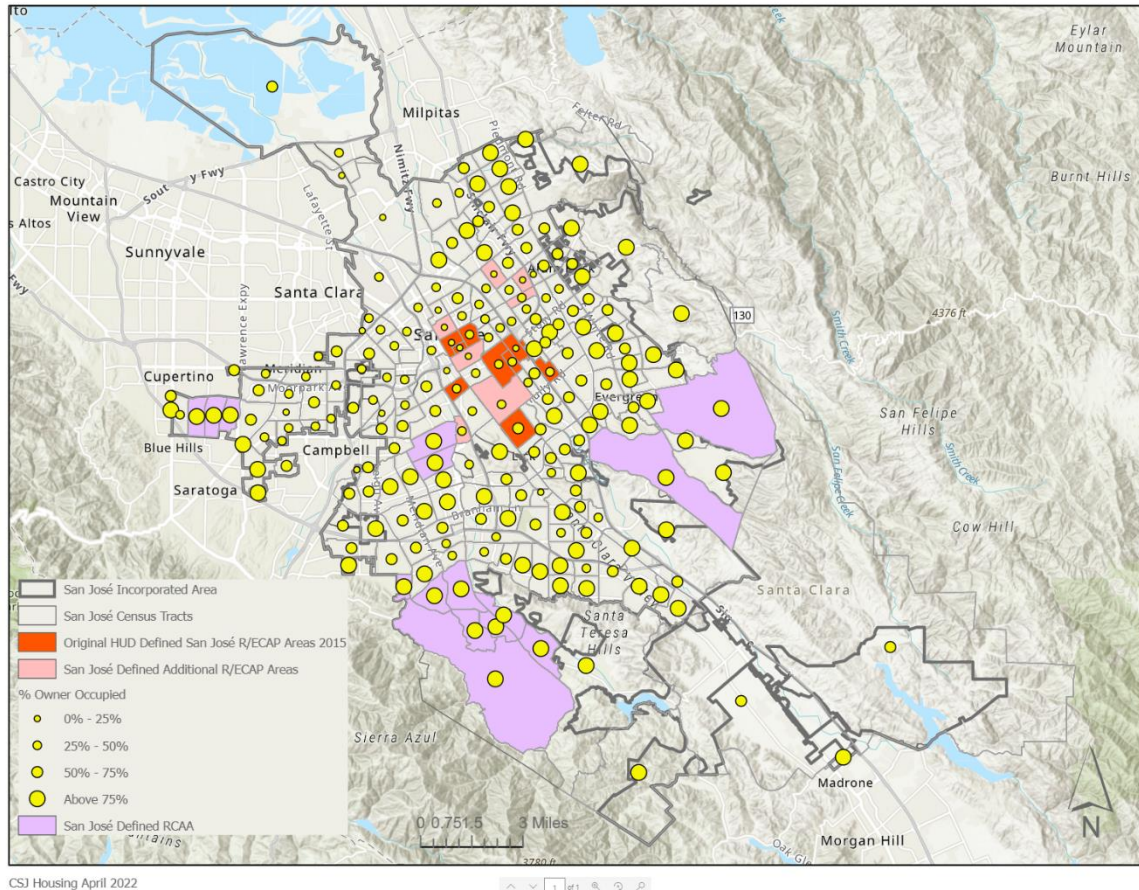
<sup>42</sup> Median household income for R/ECAPs and RCAAs are estimated using a weighted average of median household income for the census tracts comprising the area.

<sup>43</sup> Median home values and median gross rent for R/ECAP and RCAA areas are estimated using a weighted average of median values for the census tracts comprising the area.

HCD RCAAs	\$1,135,911	76.5%	\$2,372	44.0%
CSJ RCAAs	\$1,274,613	69.6%	\$2,590	37.4%
San José TOTAL	\$864,600	56.8%	\$2,107	51.5%

Table 13 Tenure Data by R/ECAP and RCAA areas (2019 5-year ACS)

Per the map below, R/ECAPs are clustered in areas of the city that have lower homeownership rates and RCAAs are clustered in areas of the city that have higher homeownership rates.



Map 15: Homeownership rates, with R/ECAP and RCAA overlays

## 2. Disparities in access to opportunity

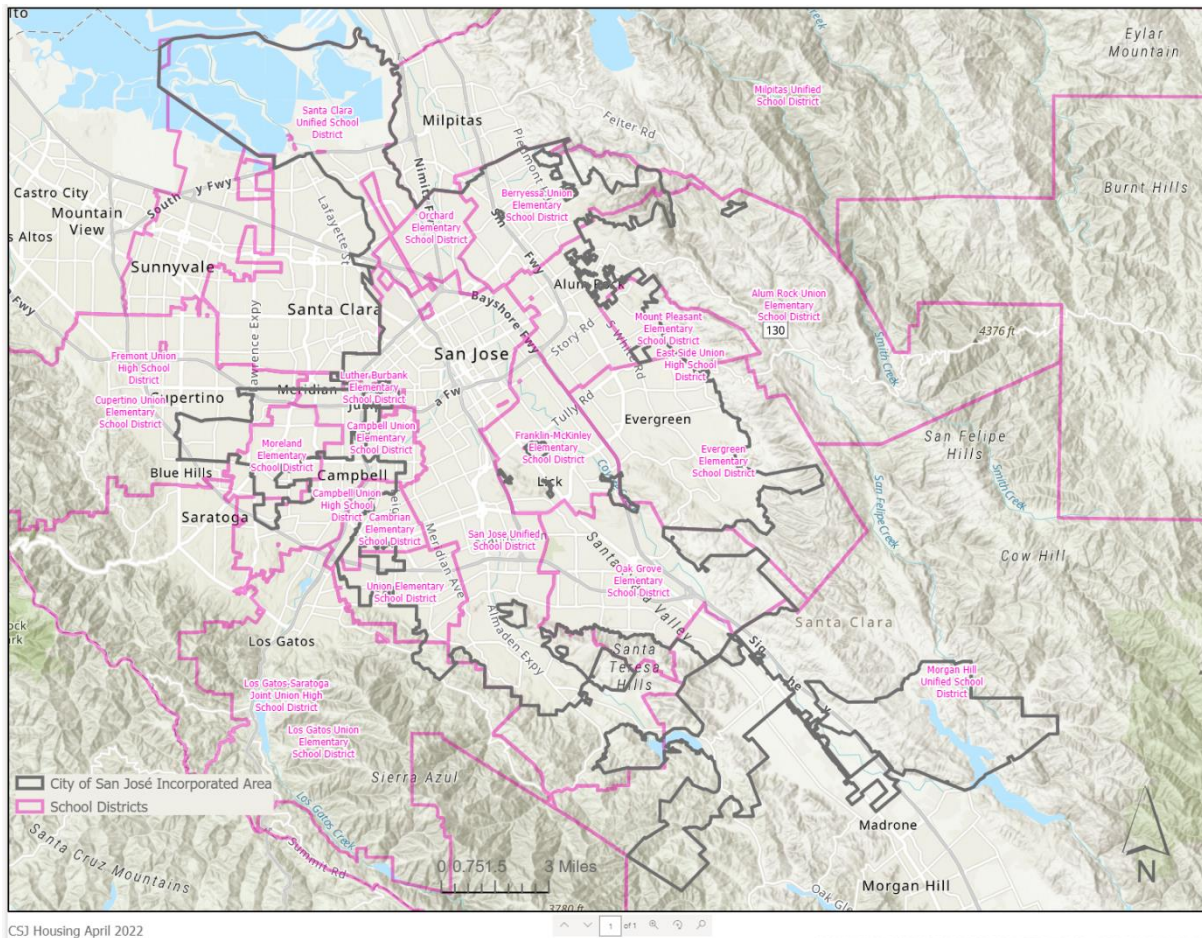
### a. Overview

Across multiple metrics, the patterns of segregation established during San José’s post-war growth have impacted and continue to impact quality of life for generations of San Joséans. Generally, parts of the City that have higher concentrations of non-Hispanic Whites and Asian Indian and Chinese Americans – i.e., the southern and western parts of the City – have metrics related to education, health, the environment, and other social and economic factors that correlate with higher resources and increased access to opportunity. Conversely, parts of the City that have higher concentrations of Black, Native American, Latino/a/x, and Southeast Asian American communities – i.e., the central and eastern parts of the City – have metrics that correlate with lower resources and diminished access to opportunity.

*b. Education*

As compared to other large cities in California, school segregation in the City of San José is uniquely structured and entrenched.

There are 16 school districts that serve children living in the City of San José. Twelve of these school districts are headquartered in San José and four of these schools are headquartered in cities other than San José but have catchment areas that include parts of the City of San José with at least one school located in the City of San José. Combined there are almost 170,000 students attending these school districts, or a little more than 10,000 students per district. San José serving school districts are shown on Map 21, below:



Map 16: School districts in San José

In other large California cities, as shown in the table below, there are not nearly as many school districts per jurisdiction, meaning that school districts in these major California cities are over three times larger on average than school districts in San José. Three of these largest California cities – Los Angeles, San Francisco, and Oakland – only have one school district (i.e., the Los Angeles Unified School District, the San Francisco Unified School District, and Oakland Unified School District, respectively) which serves the entire city. And, in contrast to San José, in the other larger California cities where there

are multiple districts serving the residents of the city, there is one larger school district which serves a supermajority of city public school students. In San Diego, the San Diego Unified School District serves 69% of the city’s students; in Fresno, the Fresno Unified School District serves 79%; in Long Beach, the Long Beach Unified School District serves 84%; and, in Sacramento, the Sacramento Unified School District serves 73%. By comparison, the largest school district in San José – the San José Unified School District – serves less than one-fifth of students in the city.

City	Total Population of City	# of Public School Districts Serving City Residents	# of Students Enrolled in Public Schools	# of Students per School District	Notes
Los Angeles	3,996,936	1	483,234	483,234	
San Jose	1,027,690	16	168,974	10,561	17% of students in largest school district (San Jose Unified)
San Diego	1,409,573	4	147,463	36,866	69% of students in San Diego Unified School District
San Francisco	874,961	1	52,811	52,811	
Fresno	525,010	3	89,792	29,331	79% of students in Fresno Unified School District
Long Beach	466,776	2	86,997	43,496	84% of students in Long Beach Unified School District
Sacramento	500,930	3	42,232	19,356	73% of students in Sacramento Unified School District
Oakland	425,097	1	36,154	36,154	

Table 14: School districts in major California cities (population 400,000+)

San José has an atypical number of school districts in large part due to its history of growth through annexation and suburbanization, following World War II. As described earlier in this document in the “History of Segregation in San José” section, this rapid growth occurred within the time’s suburban growth patterns and technocratic segregationist policy framework (restrictive covenants, redlining, FHA underwriting standards, etc.). Likewise, the proliferation of school districts followed a similar template. Many of the unincorporated areas of Santa Clara County that San José annexed were served by pre-existing school districts. Most of these school districts, instead of merging with San José Unified School District, opted to remain as autonomous entities. In this way, San José became a patchwork of school districts that were fed by newly developed suburban subdivisions. School districts themselves became (and continue to be) a real estate agent’s marketing tool in that there was local control of schools and schools were suburban in character (no mixing with urban school districts required). It allowed San José to achieve big city population numbers and urban style economic

growth but with suburban housing (i.e., a preponderance of single-family homes) and suburban school districts (smaller, more homogenous districts).

The result is that there is a high degree of segregation *between* school districts that serve San José, with smaller school districts that serve narrower populations and smaller geographies than in any other large city in California. In the table below, the school districts that have scored the lowest on state proficiency exams also have the highest proportion of low-income students (as indicated by the proportion of students who are eligible for free or reduced lunch) and the lowest proportion of non-Hispanic White students. These school districts serve the neighborhoods with the highest racially and ethnically concentrated areas of poverty. Conversely, the schools serving racially concentrated areas of affluence have high test scores, low proportions of low-income students, and high concentrations of non-Hispanic Whites and/or AAPIs of specific ethnicities (especially Asian Indian and Chinese American).

District	Students	Schools in San José / Total Schools	Overall Proficiency Score (CA avg. is 45%)	Race	Free or Reduced Lunch Eligible (CA avg. is 59%)
Alum Rock Union Elementary School District	9,118	25/25	34%	NH White: 2% Black: 1% Latino/a/x: 80% AAPI: 17% AIAN: 1%	81%
Berryessa Union Elementary School District	6,842	14/14	62%	NH White: 5% Black: 1% Latino/a/x: 25% AAPI: 68% AIAN: 1%	30%
Cambrian School District	3,366	6/6	65%	NH White: 45% Black: 3% Latino/a/x: 26% AAPI: 26% AIAN: 1%	15%
Campbell Union High School District	8,465	4/6	57%	NH White: 39% Black: 3% Latino/a/x: 36% AAPI: 22% AIAN: 1%	26%
East Side Union High School District	22,576	16/16	52%	NH White: 6% Black: 2% Latino/a/x: 46% AAPI: 46% AIAN: 1%	43%
Evergreen Elementary School District	10,426	18/18	64%	NH White: 6% Black: 1% Latino/a/x: 26% AAPI: 67% AIAN: 1%	29%
Franklin McKinley Elementary School District	6,872	16/16	41%	NH White: 2% Black: 2% Latino/a/x: 61% AAPI: 34% AIAN: 0%	73%
Moreland School District	4,683	7/7	67%	NH White: 25% Black: 4%	27%

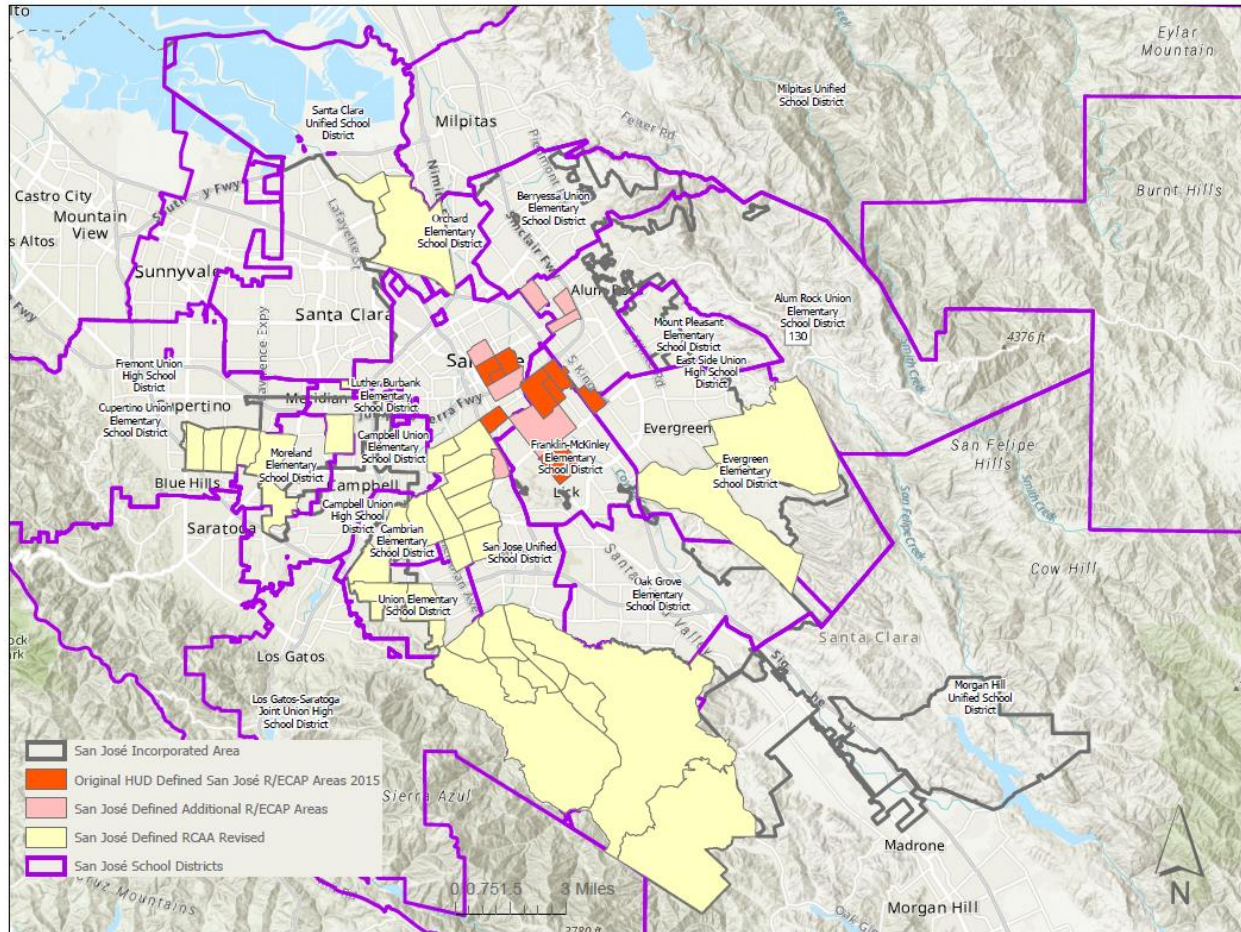


				Latino/a/x: 33% AAPI: 37% AIAN: 1%	
Mount Pleasant Elementary School District	2,110	5/5	32%	NH White: 3% Black: 2% Latino/a/x: 78% AAPI: 15% AIAN: 1%	70%
Oak Grove Elementary School District	9,757	18/18	51%	NH White: 17% Black: 3% Latino/a/x: 52% AAPI: 26% AIAN: 1%	38%
San José Unified School District	28,830	42/42	49%	NH White: 26% Black: 3% Latino/a/x: 54% AAPI: 17% AIAN: 1%	41%
Union Elementary Schools	5,860	7/8	77%	NH White: 45% Black: 1% Latino/a/x: 17% AAPI: 36% AIAN: 0%	9%
Campbell Union School District (District not headquartered in San José)	6,974	2/9	55%	NH White: 25% Black: 4% Latino/a/x: 51% AAPI: 19% AIAN: 1%	41%
Cupertino Union School District (District not headquartered in San José)	16,718	4/25	86%	NH White: 15% Black: 1% Latino/a/x: 6% AAPI: 79% AIAN: 0%	4%
Fremont Union High School District (District not headquartered in San José)	11,071	1/6	80%	NH White: 17% Black: 1% Latino/a/x: 16% AAPI: 66% AIAN: 0%	12%
Santa Clara Unified School District (District not headquartered in San José)	15,306	1/27	57%	NH White: 21% Black: 3% Latino/a/x: 36% AAPI: 39% AIAN: 1%	35%

Data from <https://www.neighborhoodscout.com/ca/san-josé/schools>

Table 15: San José school district data

These school districts overlay with R/ECAP and RCAA areas per the following:



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Map 17: R/ECAPs, RCAAs and school districts

R/ECAP neighborhoods are primarily in three elementary school districts – Franklin McKinley, Alum Rock, and San José Unified School Districts – and 2 high school districts – Eastside Union High School District and San José Unified School District. RCAA neighborhoods are in primarily five elementary school districts – Cupertino Union, Evergreen, Union Elementary, Moreland, and San José Unified School District – and 4 high school districts Fremont Union High School District, Eastside Union High School District, Campbell Union High School District, and San José Unified School District.

Because each of these school districts are their own jurisdictional entity – each with their own school boards, their own rules, regulations, and policies – addressing educational equity in a comprehensive, citywide, coordinated way is more difficult in San José than in other large California cities. Even at the level of a single student’s access to school choice, a multiplicity of small school districts limits the options of available schools. Within a smaller, more homogeneous district there are fewer different types of schools. And, while most school districts allow some form of *intra*-district transfers, *inter*-district transfers are difficult and exceedingly rare. Only San José Unified School District and the Eastside Union High School District contain both R/ECAP and RCAA neighborhoods.

*c. Employment and transportation*

Lower-income neighborhoods generally have higher rates of unemployment and slightly lower labor force participation rates than the City as a whole. While higher-income neighborhoods generally also have lower labor force participation rates than the City as a whole (largely due to the higher concentration of retirees in these areas), unemployment rates are lower than for the City as a whole.

<b>Geographic Area</b>	<b>Civilian Population in Labor Force, Aged 16 and Up</b>	<b>Labor Force Participation Rate</b>	<b>Unemployment Rate</b>
San José	562,588	68.4%	4.7%
TCAC/HCD: High Resource	300,694	66.2%	3.8%
TCAC/HCD: Medium Resource	311,720	70.4%	4.5%
TCAC/HCD: Low Resource	291,988	67.6%	5.7%
UDP: Exclusive	345,002	66.9%	4.3%
UDP: Moderate	199,328	71.3%	4.6%
UDP: Displacement	76,037	65.1%	6.2%
HUD R/ECAPs	22,079	62.7%	6.9%
All R/ECAPs	40,680	63.6%	7.0%
HCD RCAAs	64,874	66.2%	3.9%
CSJ RCAAs	137,709	66.6%	3.5%

*Table 16 - Unemployment and labor force participation by geographic areas (2019 5-yr ACS)*

Table 17, below, summarizes unemployment and labor force participation in the City by race. Please note that the AAPI data is not disaggregated.

<b>Race/Ethnicity</b>	<b>Civilian Population in Labor Force, Aged 16 and Up</b>	<b>Labor Force Participation Rate</b>	<b>Unemployment Rate</b>
TOTAL San José Population	562,588	68.4%	4.7%
Non-Hispanic White	151,370	65.7%	4.3%
Black/African American	17,676	69.9%	5.7%
Native American	2,980	64.2%	3.5%
AAPI	209,837	67.7%	4.6%
Latino/a/x	168,568	71.3%	5.1%

*Table 17 - Unemployment and labor force participation by race/ethnicity (2019 5-yr ACS)*

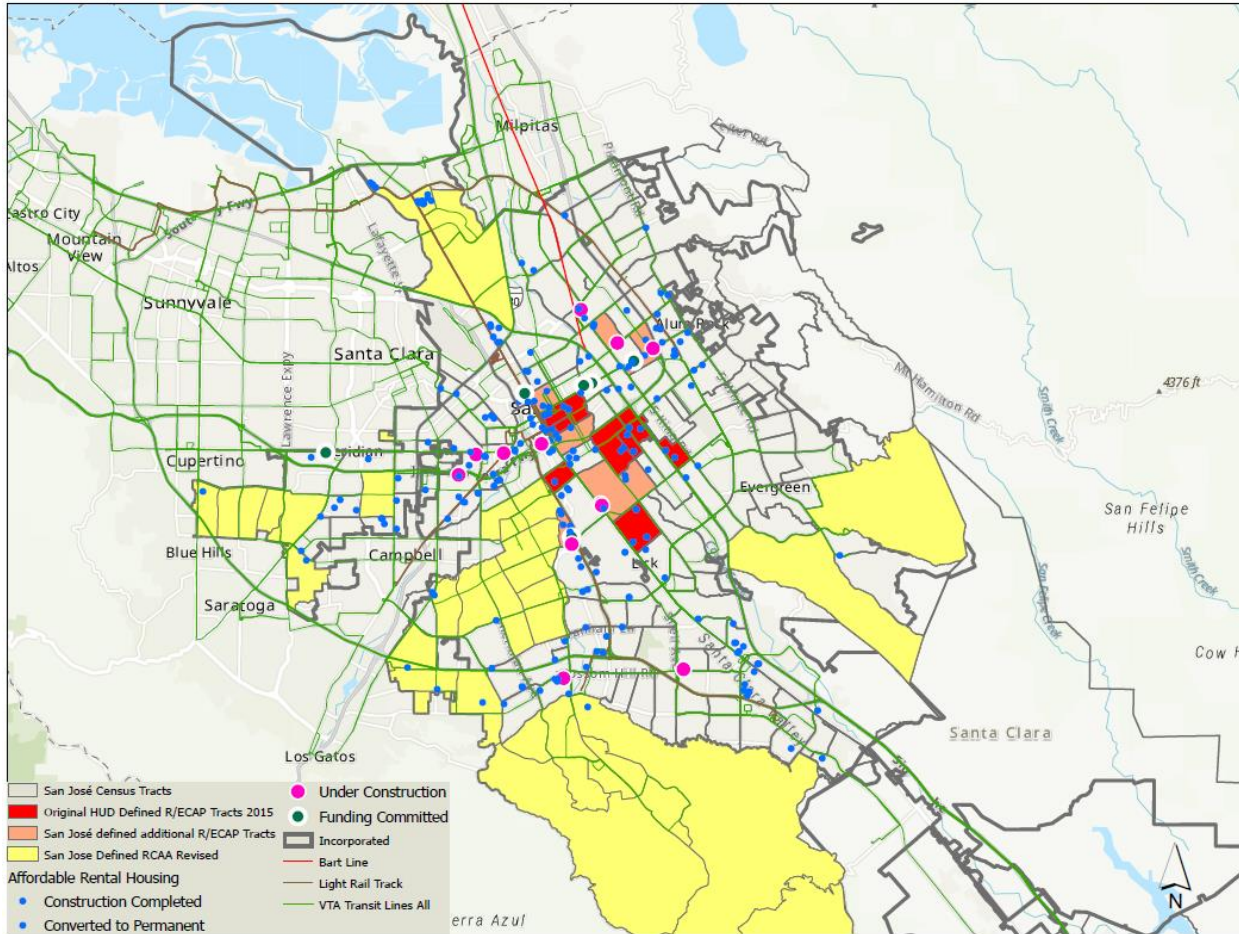
Because lower-income neighborhoods in San José are generally clustered around and within the center of the City, commute times are slightly lower and transit usage and other alternative modes of commuting are higher than in the City as a whole. Higher-income neighborhoods in the City are generally at the periphery of the City and in the hills and have higher rates of solo driving and longer commute times.

<b>Geographic Area</b>	<b>Commuting Mode: Drive Alone</b>	<b>Commuting Mode: Carpool</b>	<b>Commuting Mode: Transit</b>	<b>Commuting Mode:</b>	<b>Commute Time (minutes)</b>
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				<b>Walking + Other</b>	
San José	75.8%	11.7%	4.5%	3.9%	30.9
TCAC/HCD: High Resource	79.4%	9.0%	3.2%	3.1%	31.7
TCAC/HCD: Medium Resource	76.3%	11.2%	4.0%	4.6%	31.3
TCAC/HCD: Low Resource	72.5%	14.5%	5.4%	4.4%	29.7
UDP: Exclusive	78.2%	10.9%	3.3%	2.5%	32.2
UDP: Moderate	76.4%	11.5%	4.0%	4.0%	30.8
UDP: Displacement	72.3%	13.4%	5.9%	5.4%	29.7
UDP: Student/NA	59.3%	9.1%	9.2%	17.9%	24.6
HUD R/ECAPs	64.0%	14.0%	7.5%	11.6%	27.8
All R/ECAPs	66.5%	13.3%	7.2%	10.6%	28.0
HCD RCAAs	79.9%	7.2%	3.2%	3.0%	30.6
CSJ RCAAs	79.0%	7.7%	3.6%	3.5%	31.2

*Table 18: Commuting Mode and Commute Time by Geographic Area (2019 5-year ACS)*

Per Map 18, below, increased rates of transit use generally correlate with the location of affordable housing along transit lines and the central location of many R/ECAP neighborhoods.



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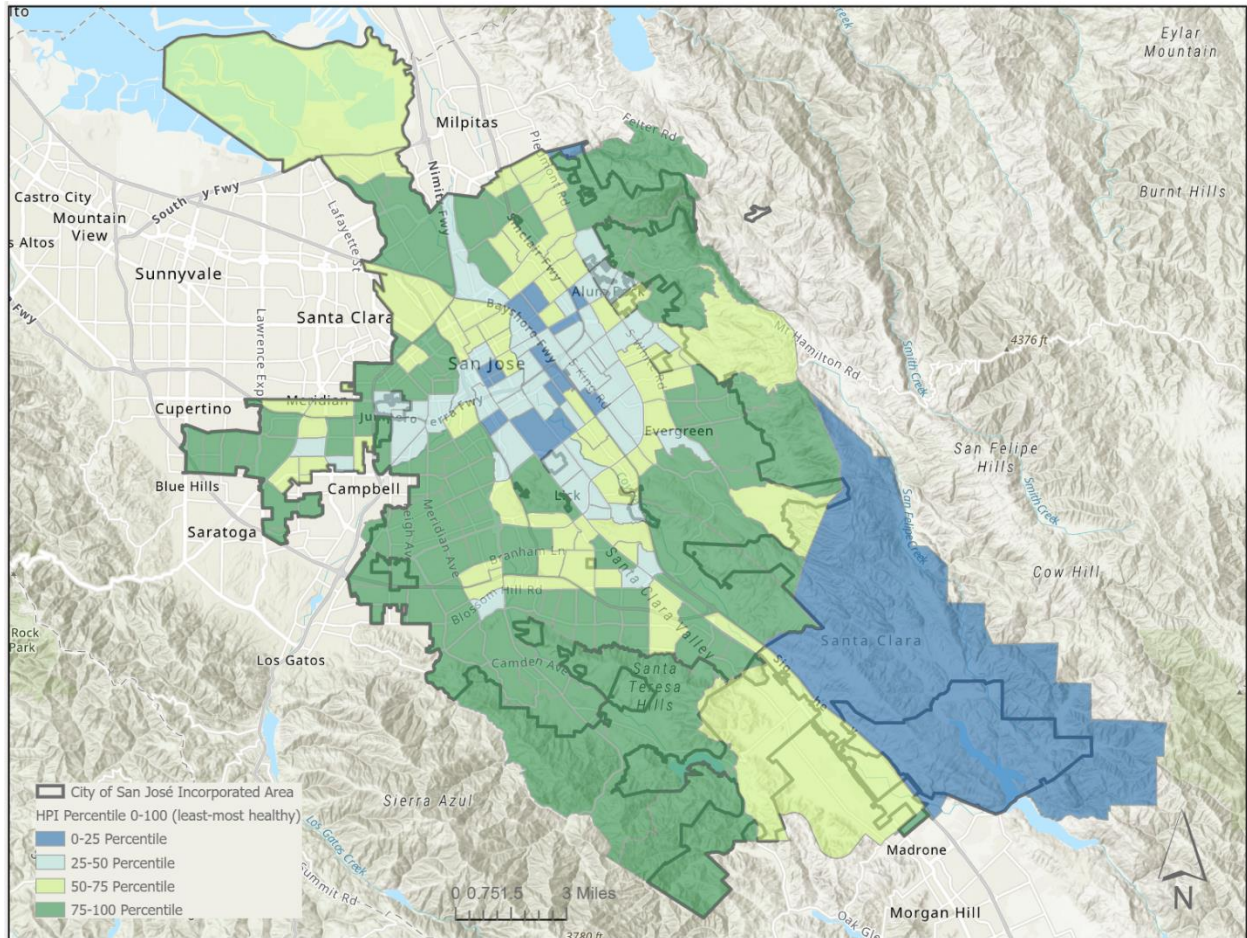
Map 18: Access to transit from existing affordable housing

Map 18: Access to transit from existing affordable housing

#### d. Health and healthy environment

Health and environmental outcomes are closely intertwined. Comparing Map 18– the Healthy Places Index<sup>44</sup> -- and Map 19 – the CalEnviroScreen, the census tracts with the lowest scores on health indicators roughly overlap with the places with the highest concentration of environmental risk and hazards. And, as can be seen in Tables 19 and 20, below, these areas also correlate with areas of higher displacement risk and higher segregation by race/ethnicity and income.

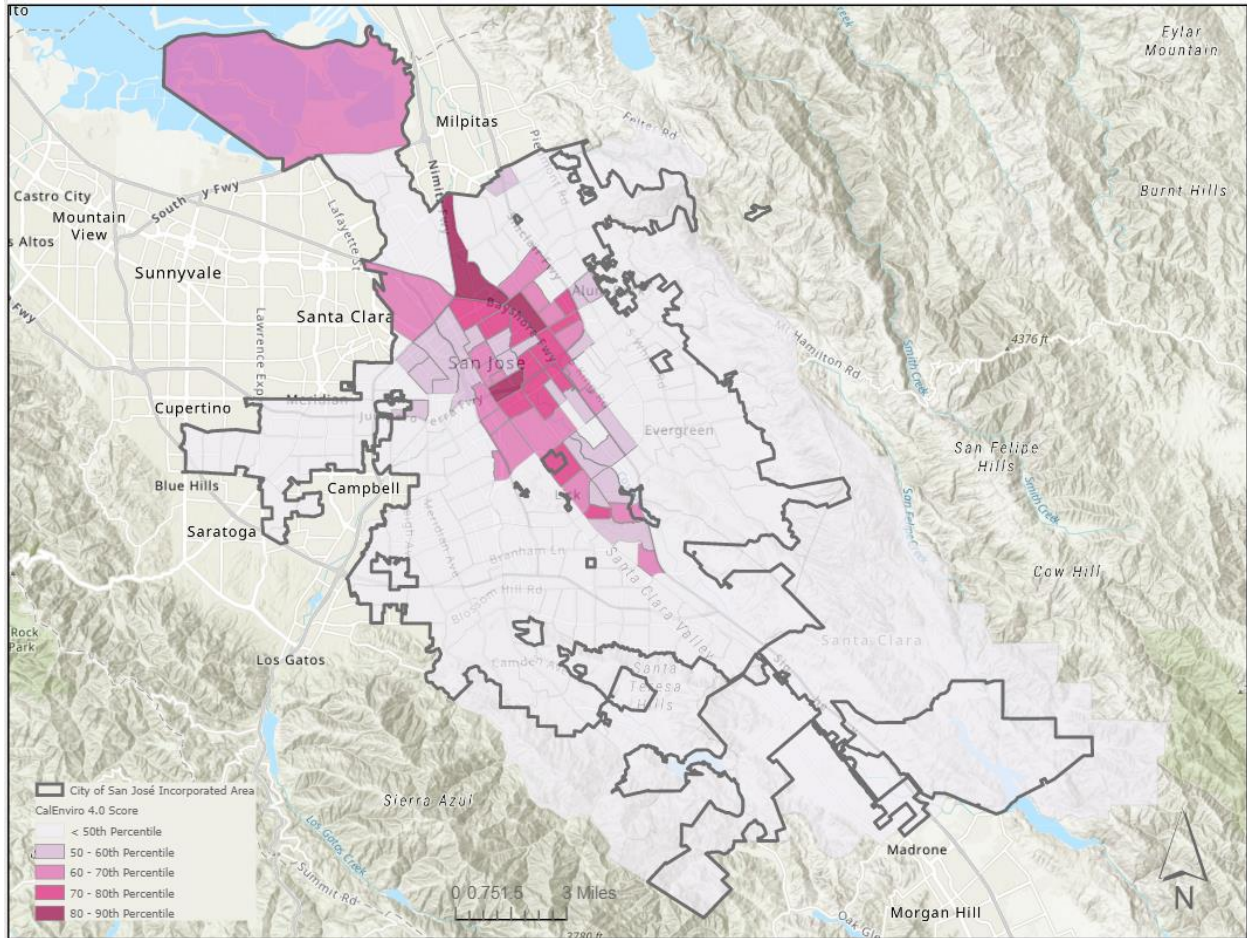
<sup>44</sup> <https://www.healthyplacesindex.org/>



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Map 19: Healthy Places Index

Geographic Area	Tract Average HPI (2021) Score	Tract Average HPI (2021) Approximate Percentile	Percentile Range / Map Color
San José	0.27	66	50-75
TCAC/HCD: High Resource	0.67	88	75-100
TCAC/HCD: Medium Resource	0.34	70	50-75
TCAC/HCD: Low Resource	(0.15)	40	25-50
UDP: Exclusive	0.47	78	75-100
UDP: Moderate	0.33	70	50-75
UDP: Displacement	(0.26)	34	25-50
HUD R/ECAPs	(0.39)	26	25-50
All R/ECAPs	(0.38)	27	25-50
HCD RCAAs	0.77	92	75-100
CSJ RCAAs	0.81	93	75-100



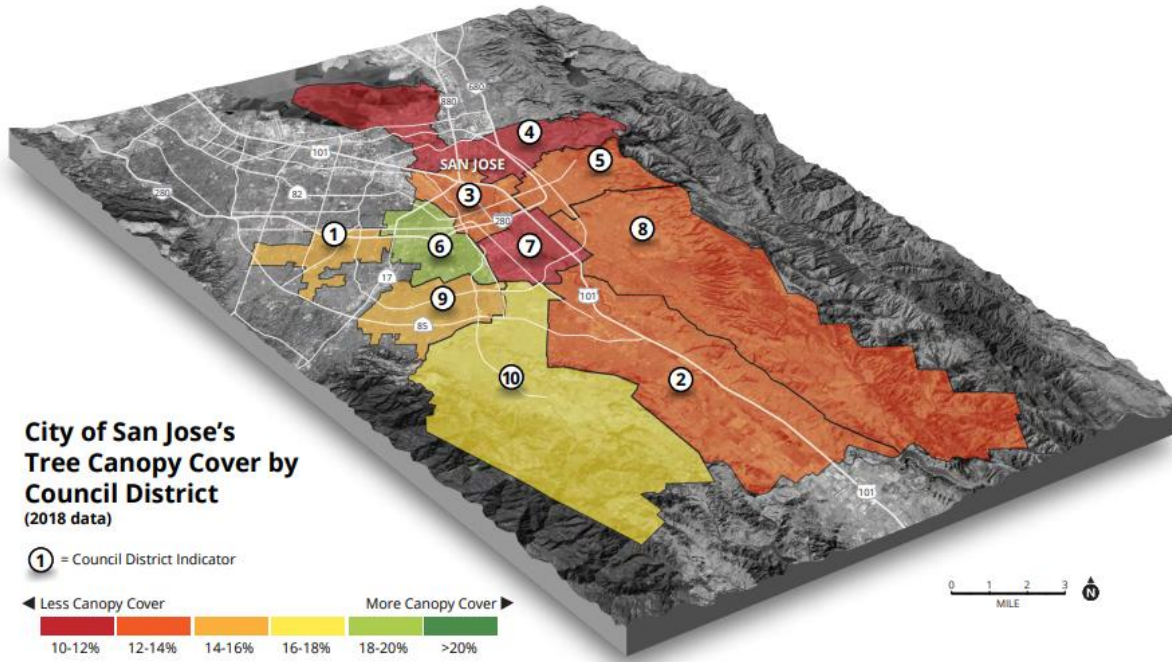
CSJ Housing January 2022

Map 20: CalEnviroScreen 4.0

Geographic Area	Tract Average CES 4.0 Score	Tract Average CES 4.0 Percentile	Percentile Range / Map Color
San José	19.07	33.84	30-35%
TCAC/HCD: High Resource	9.79	13.31	10-15%
TCAC/HCD: Medium Resource	17.29	30.70	30-35%
TCAC/HCD: Low Resource	29.60	56.39	55-60%
UDP: Exclusive	13.24	21.36	25-30%
UDP: Moderate	22.66	42.08	40-45%
UDP: Displacement	34.48	65.50	65-70%
HUD R/ECAPs	35.46	67.81	65-70%
All R/ECAPs	36.43	69.27	65-70%
HCD RCAAs	9.93	13.59	10-15%
CSJ RCAAs	9.08	11.70	10-15%

Table 19: CalEnviroScreen 4.0 by Geographic Area (2019 5-year ACS)

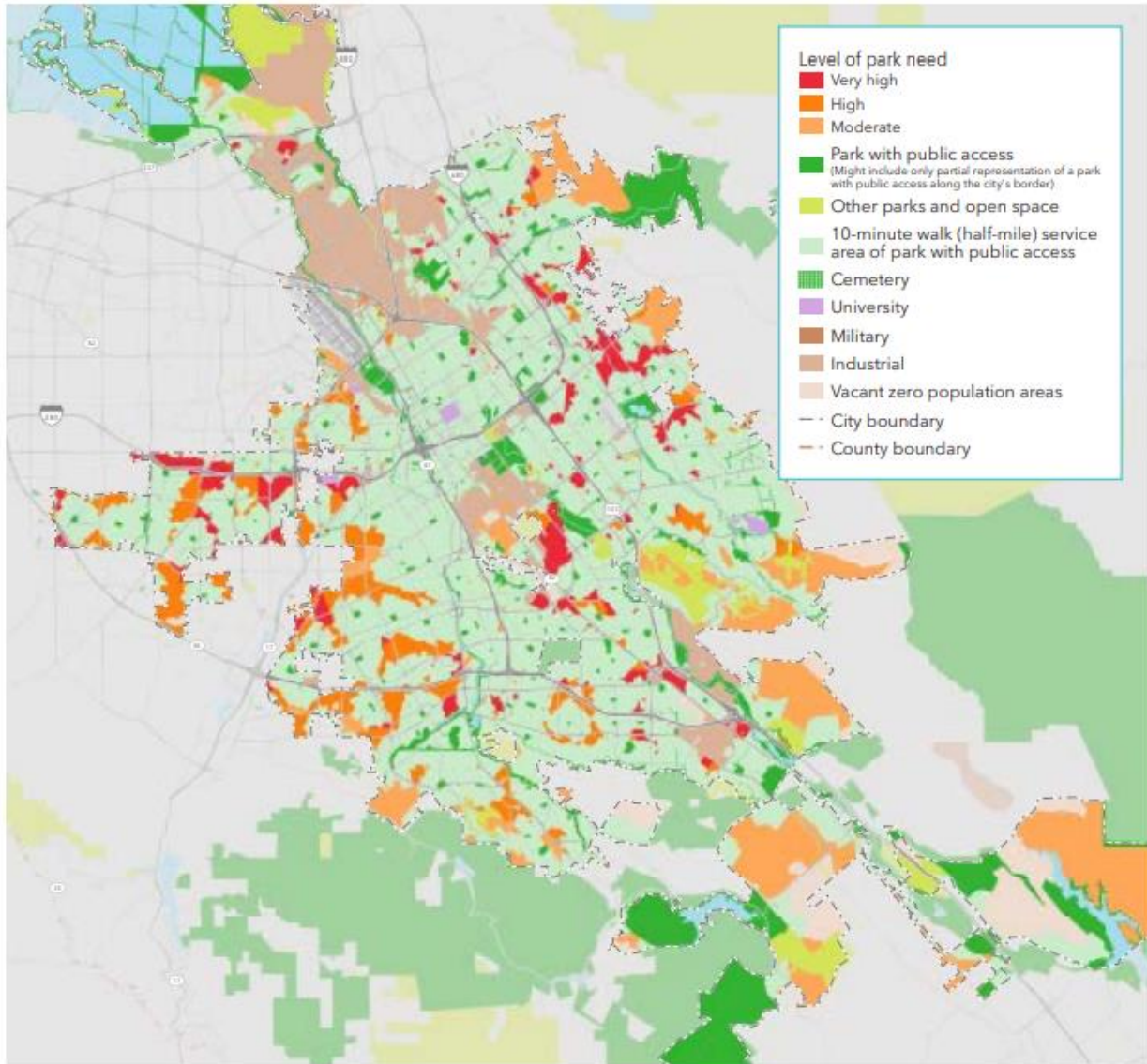
There are multiple contributing factors to inequitable health and environmental outcomes. As one of many possible examples, inequitable distribution and maintenance of tree canopy has negative health and environmental impacts. Street trees provide environmental benefits such as cleaner air (trees absorb airborne pollutants) and cooler temperatures (shade) which translate to health benefits such as reduced asthma and fewer extreme heat days. In San José, as can be seen in Map 20, below, there is an east/west divide in tree canopy cover, with generally less canopy cover in the east and more canopy cover in the west.



Map 21: Tree canopy in San José

Similarly, the distribution of parks and open space follows a similar spatial distribution (see Map 21 below), with areas of very high park need (i.e., dark red) in the east and central/central-east parts of the City.





Map 22: Parks and Open Space need based upon the Trust for Public Land's Parkscore<sup>45</sup>

*e. Limited English Proficiency*

According to the 2019 5-year ACS, for all San José residents aged 5 and older, only 42.8% of the population speaks only English at home – this is compared to the U.S. as a whole, where 78.5% of the population speaks only English at home. I.e., in San José, over half of the population speaks a language other than English at home. Of this population, a little less than half are limited English proficient (LEP). That is, roughly one-quarter (234,476 persons, or 24.3% of the population 5 and older) of the total population of persons aged 5 and older in San José is LEP. This is compared to the U.S. as a whole where 8.2% of the population aged 5 and older is LEP.

<sup>45</sup> As reported in City of San José Parks, Recreation, and Neighborhood Services' 2020-2040 [strategic plan](#)

In San José, the largest populations of LEP speakers by language are:

1. Spanish: 86,287 LEP persons aged 5 and older
2. Vietnamese: 61,668
3. Chinese (includes multiple dialects): 36,983
4. Tagalog: 13,231

Spanish speaking LEP individuals are relatively concentrated in central San José and its surrounding areas, especially to the east and to the south of downtown. Vietnamese- and Tagalog-speaking LEP individuals are relatively concentrated in east San José, with concentrations of Vietnamese-speaking LEP individuals both in North Valley and Evergreen and concentrations of Tagalog-speaking LEP individuals in North Valley and Berryessa. Chinese-speaking LEP individuals are concentrated in north and west San José.

Additional language populations with over 1,000 LEP persons aged 5 and older include (listed in order of largest number of speakers to smallest):

- Korean,
- Persian,
- Russian,
- Amharic, Somali, or other Afro-Asiatic languages,
- Ilocano, Samoan, Hawaiian, or other Austronesian languages,
- Punjabi,
- Hindi,
- Japanese,
- Thai, Lao, or other Tai-Kadai languages,
- Khmer, and
- Portuguese.

For more analysis of the overlay between LEP populations and R/ECAP and RCAA neighborhoods, please see Section B.1., above.

### 3. Disproportionate “Housing Problems”

#### *a. Overview and Regional Analysis of Housing Problems*

Through its Comprehensive Housing Affordability Strategy (CHAS) dataset, HUD tracks the severity of four “housing problems”: (1) cost burden, (2) overcrowding, (3) household lacks complete plumbing facilities, (4) household lacks complete kitchen facilities. Compared to Santa Clara County and the greater Bay Area region, problems relating to cost and overcrowding are manifest at greater frequency and severity in San José. Problems related to the quality of housing for which the U.S. Census Bureau collects data (e.g., whether a household lacks plumbing or a kitchen) are less common in San José.

<b>Housing Need (All Households)</b>	<b>San José</b>	<b>Santa Clara County</b>	<b>9-County Bay Area</b>
Housing cost burden	38.6%	35.9%	36.9%
Severe housing cost burden	17.6%	16.1%	16.8%

Overcrowding	9.6%	8.2%	6.9%
Severe overcrowding	3.5%	2.9%	2.7%
Lacks complete plumbing	0.2%	0.4%	0.6%
Lacks complete kitchen	0.8%	0.9%	1.3%

Table 20: Housing Problems in San Jose, Santa Clara County, and the Bay Area, all households

As shown in greater detail below, these housing problems disparately impact people of color and renters and are disproportionately concentrated in the areas of the City which have more lower resources (per TCAC/HCD opportunity mapping), greater risk of displacement (per the UDP analysis), and more likely to be segregated by race and poverty (i.e., R/ECAP areas).

*b. Cost Burden and Severe Cost Burden*

As summarized above, 38.6% of households in San José are cost burdened (i.e., pay 30% or more of the household’s monthly income for rent or mortgage), with 17.6% of all households are extremely cost burdened (i.e., pay 50% or more of the household’s monthly income for rent or mortgage). Renters are more cost burdened and more severely cost burdened than homeowners:

Tenure	Number of Households for whom cost burden is calculated	Cost Burdened (30%+ income for housing costs)	Severely Cost Burdened (50%+ income for housing costs)
Homeowner	183,636	29.0%	12.0%
Renter	135,509	51.5%	25.1%
TOTAL	319,145	38.6%	17.6%

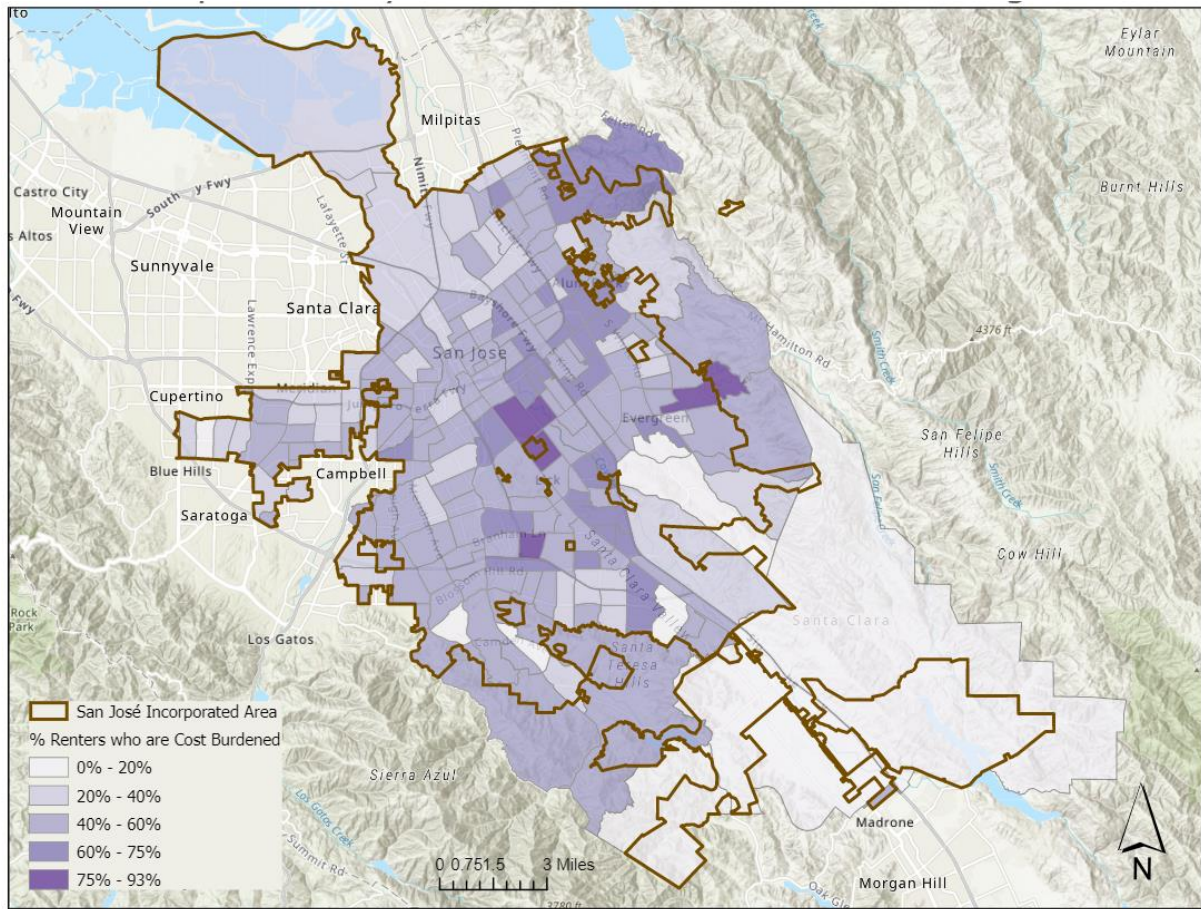
Table 21: Housing Cost Burden by Tenure (2019 5-yr ACS)

Likewise, most communities of color are more cost burdened and/or more severely cost burdened than the general population. Non-Hispanic Whites and Asian Indian and Chinese Americans are less housing cost burdened than the general population.

Race	Number of Households for whom cost burden is calculated	Cost Burdened (30%+ income for housing costs)	Severely Cost Burdened (50%+ income for housing costs)
Non-Hispanic White	114,705	32.1%	14.2%
Black/African American	10,405	51.4%	26.9%
Native American	655	35.1%	21.4%
AAPI	105,884	34.2%	14.7%
Asian Indian and Chinese	47,186	26.2%	NA <sup>46</sup>
Southeast Asian	31,981	51.7%	NA
All other AAPIs	24,851	40.8%	NA
Latino/a/x	77,120	49.1%	23.6%
TOTAL	316,554	37.8%	17.1%

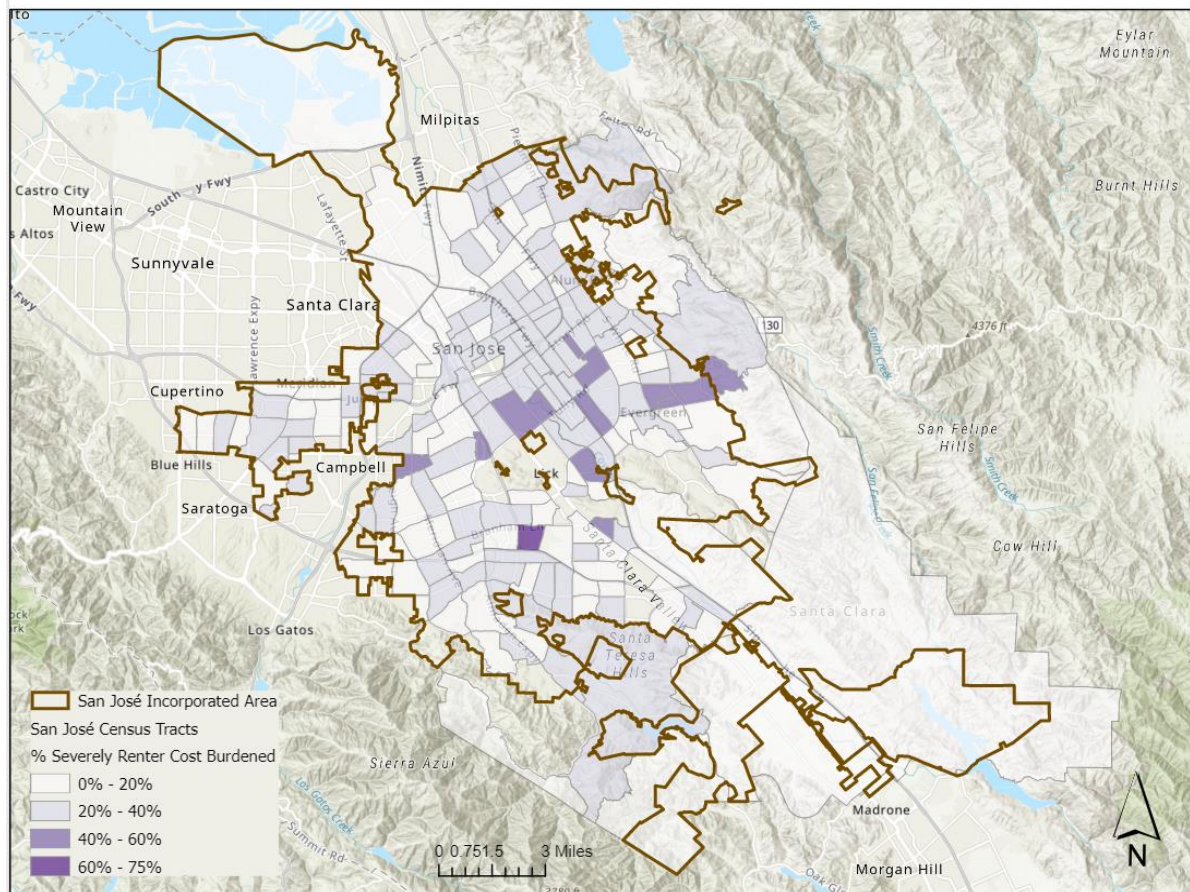
<sup>46</sup> Disaggregated AAPI data not available for severely cost burdened category

Table 22: Housing Cost Burden by Race/Ethnicity (2019 5-yr ACS, 2019 1-yr ACS)



CSJ Housing January 2022  
Source: CHAS 2014-18 Table 9

Map 23: Rent burdened households



CSJ Housing January 2022  
Source: CHAS 2014-18, Table 9

Map 24: Severely rent burdened households

### c. Overcrowding

As summarized above, 9.6% of households in San José are overcrowded (i.e., with over 1.01 occupants per room, excluding bathrooms and kitchens) and 3.5% of households are severely overcrowded (i.e., with over 1.51 occupants per room, excluding bathrooms and kitchens). Disaggregating this data by tenure shows that renter households are more commonly overcrowded than owner households:

Tenure	Number of Households for which overcrowding is determined	Overcrowded (1.01+ persons per room)	Severely Overcrowded (1.51+ persons per room)
Homeowner	183,600	4.5%	1.2%
Renter	140,514	16.2%	6.5%
<b>TOTAL</b>	<b>325,114</b>	<b>9.6%</b>	<b>3.5%</b>

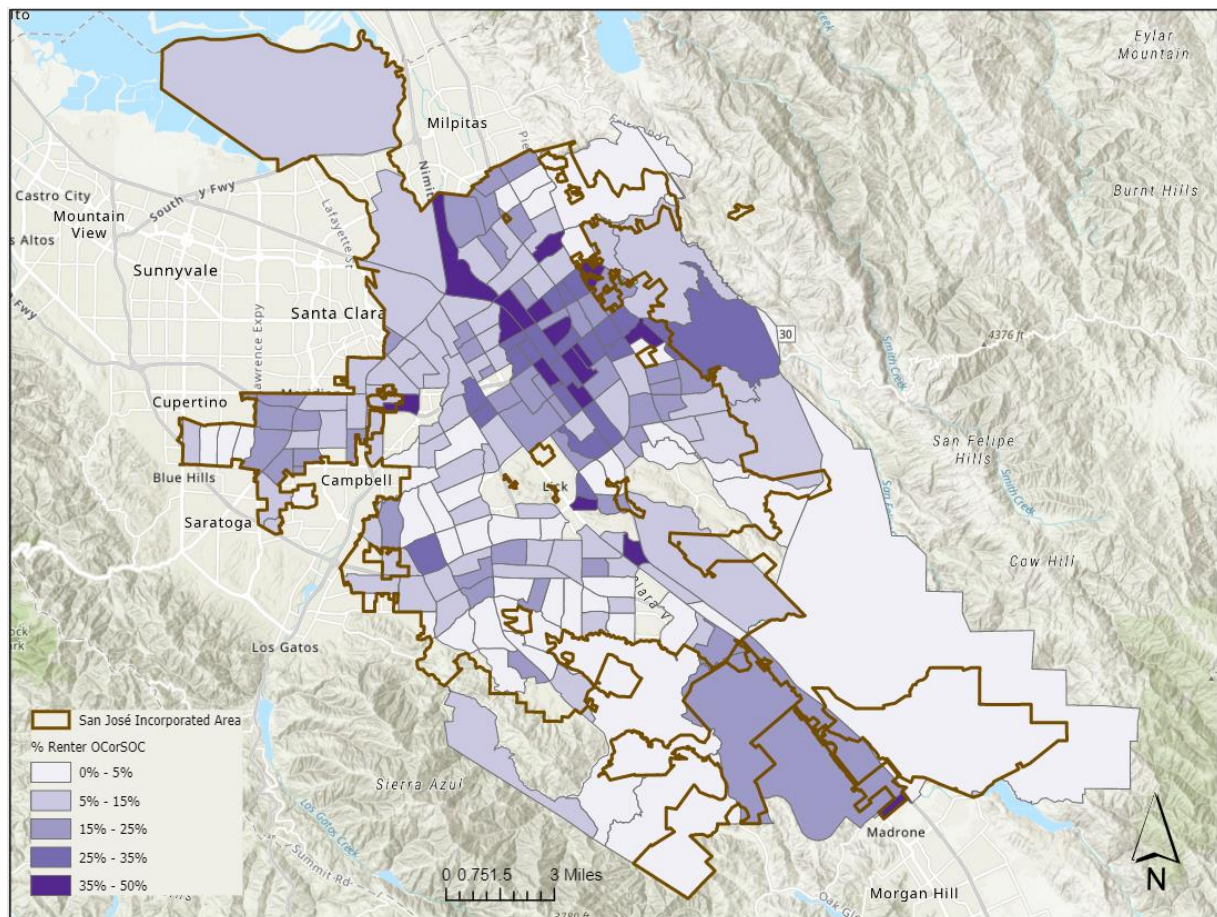
Table 23: Overcrowding by Tenure (2013-2017 CHAS)

Likewise, most communities of color are more overcrowded than the general population. Non-Hispanic Whites and Asian Indian and Chinese Americans are less overcrowded than the general population. Severely overcrowded data is not available disaggregated by race/ethnicity.

Race	Number of Households for which overcrowding is determined	Overcrowded (1.01+ persons per room)	Severely Overcrowded (1.51+ persons per room)
Non-Hispanic White	113,812	2.2%	NA
Black/African American	10,906	6.8%	NA
Native American	1,964	12.3%	NA
AAPI	113,869	9.8%	NA
Asian Indian and Chinese	57,197	5.3%	NA
Southeast Asian	31,981	11.2%	NA
All other AAPIs	30,051	12.1%	NA
Latino/a/x	78,210	20.7%	NA
TOTAL	325,114	9.6%	NA

Table 24: Overcrowding by Race/Ethnicity (2019 5-yr ACS)

Per Map 23, below, roughly correlating with other housing disparities, overcrowding is concentrated in the center and center-east of the City.



CSJ Housing May 2022  
Source: 5 Year ACS 2019, B25014

Map 25: Overcrowding and severe overcrowding

Correlated with the overall pattern of disparate housing needs, most communities of color tend to have larger household sizes while non-Hispanic Whites and Asian Indian and Chinese Americans tend to have smaller household sizes.

Race	Average Household Size	Average Household Size Owner-Occupied Units	Average Household Size Renter-Occupied Units
Non-Hispanic White	2.51	2.69	2.17
Black/African American	2.83	NA	NA
Native American	2.92	NA	NA
AAPI	3.32	3.53	2.98
Asian Indian and Chinese	2.98	3.22	2.66
Southeast Asian	3.56	3.99	3.00
All other AAPIs	3.69	3.72	3.52
Latino/a/x	4.06	3.89	4.19
TOTAL	3.17	3.22	3.10

Table 25: Average household size by race and tenure (2017 1-year ACS)

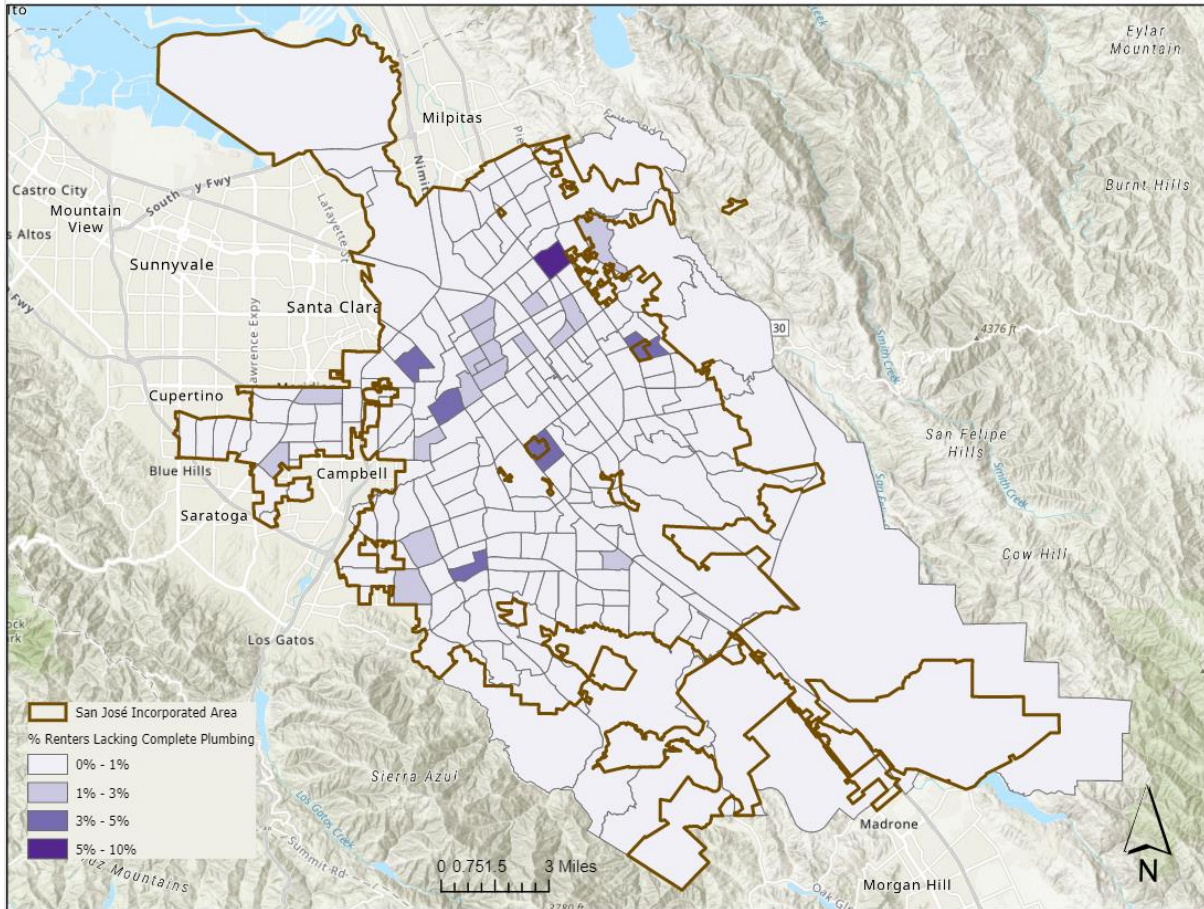
#### d. Substandard Housing

As summarized above, 0.2% of households in San José lack complete plumbing facilities and 0.8% of households lack complete kitchen facilities. Disaggregating this data by tenure reveals that substandard housing conditions are more of a problem in renter-occupied housing than in owner occupied housing:

Tenure	Number of Households for which complete facilities are determined	Lacks Complete Plumbing Facilities	Lacks Complete Kitchen Facilities
Homeowner	184,600	0.1%	0.3%
Renter	140,514	0.4%	1.5%
TOTAL	325,114	0.2%	0.8%

Table 26: Substandard housing by tenure (2019 5-year ACS)

Per maps 24 and 25, below, in addition to the correlation between substandard housing and areas of concentrated poverty and racial/ethnic segregation (i.e., concentrations of substandard housing in central and central-east census tracts), there are census tracts with even higher percentages of substandard housing towards the periphery of the City. These census tracts are in neighborhoods with higher proportions of single-family homes and high rates of homeownership, where small numbers of substandard rental housing (in accessory dwelling units, as an example) will skew the percentages, with a high percentage of substandard units actually corresponding to a small number of substandard units.

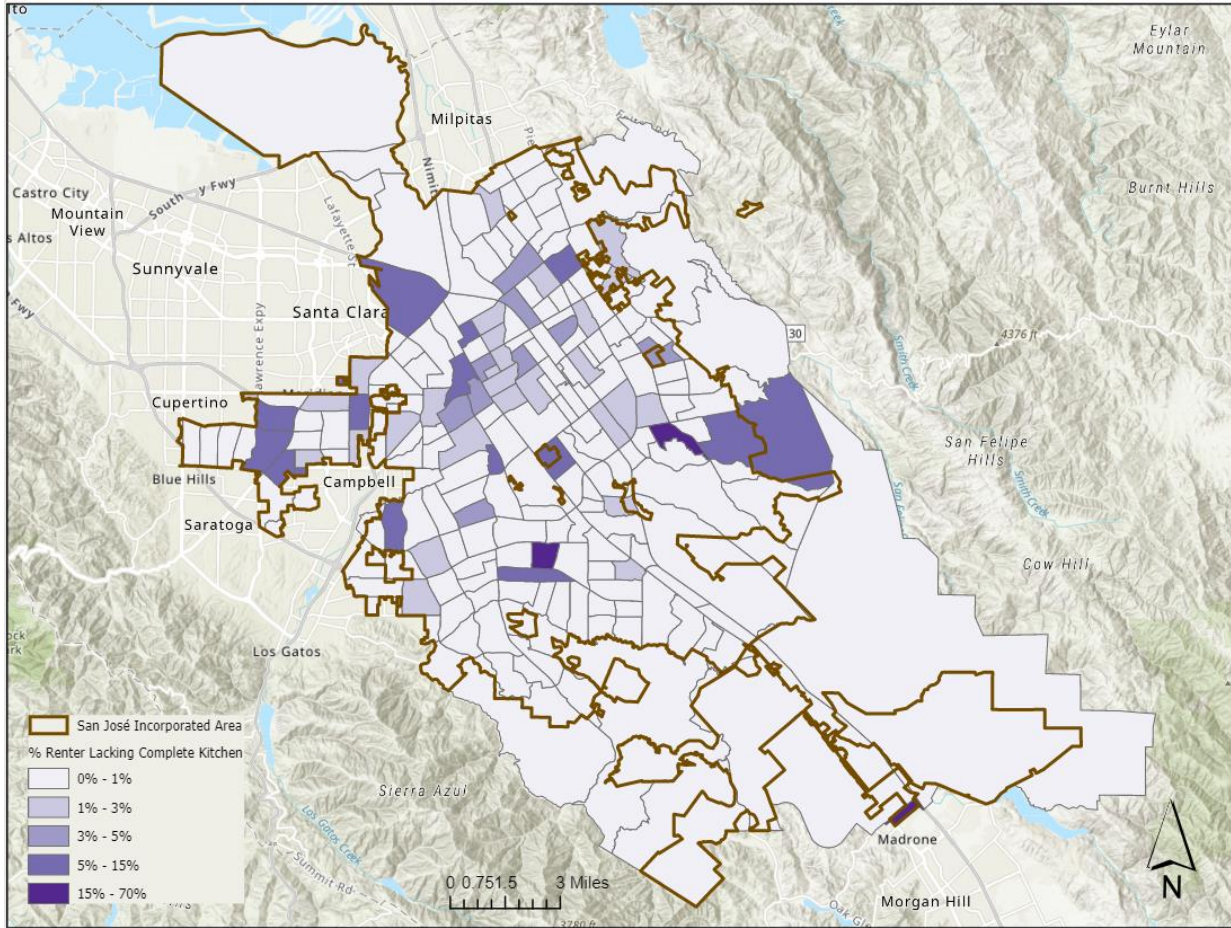


CSJ Housing May 2022  
 Source: 5 Year ACS 2019, B25049

ESRI, DELMI, 1992, County of Santa Clara, California State Parks, Esri, HERE, DeLorme, Swatchbird, ©2019, Esri, Source of Land Photographs, ©

Map 26: Rental households lacking complete plumbing facilities





CSJ Housing May 2022  
 Source: 5 Year ACS 2019, B25053

Map 27: Rental households lacking complete kitchen facilities

*e. Disproportionate Housing Problems by Neighborhood Type*

Per Table 27, below, housing problems are disproportionately concentrated in the areas of the City which have more lower resources (per TCAC/HCD opportunity mapping), greater risk of displacement (per UDP analysis), and more likely to be segregated by race and poverty (i.e., R/ECAP areas).

Geographic Area	Rent Burdened	Overcrowded (Renters)	Lacks Complete Plumbing (Renters)	Lacks Complete Kitchen (Renters)
San José	51.5%	16.2%	0.4%	1.5%
TCAC/HCD: High Resource	44.4%	11.3%	0.3%	1.6%
TCAC/HCD: Medium Resource	48.4%	12.1%	0.2%	1.3%
TCAC/HCD: Low Resource	58.8%	23.7%	0.7%	1.9%
UDP: Exclusive	46.5%	12.1%	0.1%	1.5%
UDP: Moderate	49.2%	14.3%	0.5%	1.8%
UDP: Displacement	62.4%	23.0%	0.5%	1.2%

HUD R/ECAPs	59.8%	22.9%	1.6%	2.0%
All R/ECAPs	63.5%	21.9%	1.0%	1.9%
HCD RCAAs	44.0%	8.3%	0.4%	1.1%
CSJ RCAAs	37.4%	9.5%	0.2%	1.6%

Table 27 - Housing problems by geographic area (2019 5-yr ACS)

#### 4. Other housing and neighborhood disparities

##### a. Displacement

##### i. Impacts of Displacement

A growing body of research is documenting the negative impacts of displacement, especially on low-income households of color.<sup>47</sup> Findings include the following:

- Displaced families more likely to live in precarious housing positions, more likely to become homeless;
- People displaced out of the market are likely to keep their current jobs in the region, leading to longer commutes, more vehicle miles travelled, more stress and time away from families;
- Displacement disrupts people’s lives, takes them away from their social and familial networks, from cultural institutions and places of worship;
- Displaced people are more likely to move to communities with higher rates of poverty, higher crime rates, and fewer social supports;
- Children experiencing displacement are more likely to have increased absences and experience educational delays; and,
- Displacement disproportionately impacts people of color.

##### ii. Economic/Investment-driven Displacement

In the midst of the Greater Bay Area’s hot housing market, UC Berkeley’s Urban Displacement Project (UDP) has observed a strong correlation between neighborhoods that were redlined and those currently experiencing displacement or are at risk of displacement.<sup>48</sup> Of areas in San José that the HOLC categorized as “hazardous” (red) or “definitely declining” (yellow), 87% of these areas are experiencing displacement or are at risk of displacement. This legacy means that people at most risk of displacement are lower-income people of color and that the burden of displacement and dislocation is inequitably distributed. The disproportionate risk of displacement on communities of color in the racial breakdown of residents of neighborhoods of major UDP categories is reflected below:

UDP Category	Non-Hispanic White	Black/African American	Native American	Asian Indian and Chinese	Southeast Asian Americans	All other AAPIs	Latino/a/x

<sup>47</sup> See for e.g., the Bay Area Regional Health Inequities Initiative’s [Displacement Brief](https://www.urbandisplacement.org/blog/disruption-in-silicon-valley-the-impacts-of-displacement-on-residents-lives/). See also, for a more South Bay focused piece: <https://www.urbandisplacement.org/blog/disruption-in-silicon-valley-the-impacts-of-displacement-on-residents-lives/>

<sup>48</sup> <https://youtu.be/IRiOCEaFr0U>; <https://www.urbandisplacement.org/about/what-are-gentrification-and-displacement/>

Exclusive/ At Risk of Exclusion <sup>49</sup>	39.1%	2.1%	0.6%	18.9%	8.3%	8.3%	19.8%
Moderate/ Mixed-Income <sup>50</sup>	28.2%	2.7%	0.5%	18.6%	10.6%	11.2%	25.3%
Displacement/ At Risk of Displacement <sup>51</sup>	14.0%	3.6%	0.6%	9.4%	11.2%	8.6%	53.1%
Student/NA <sup>52</sup>	25.7%	3.9%	0.4%	15.6%	9.3%	8.6%	33.0%
San José Total	25.7%	3.0%	0.6%	15.3%	11.1%	10.0%	31.6%

Table 28: Racial/ethnic breakdown of residents by displacement risk (2019 5-year ACS, highlighted values represent percentages higher than the Citywide proportion)

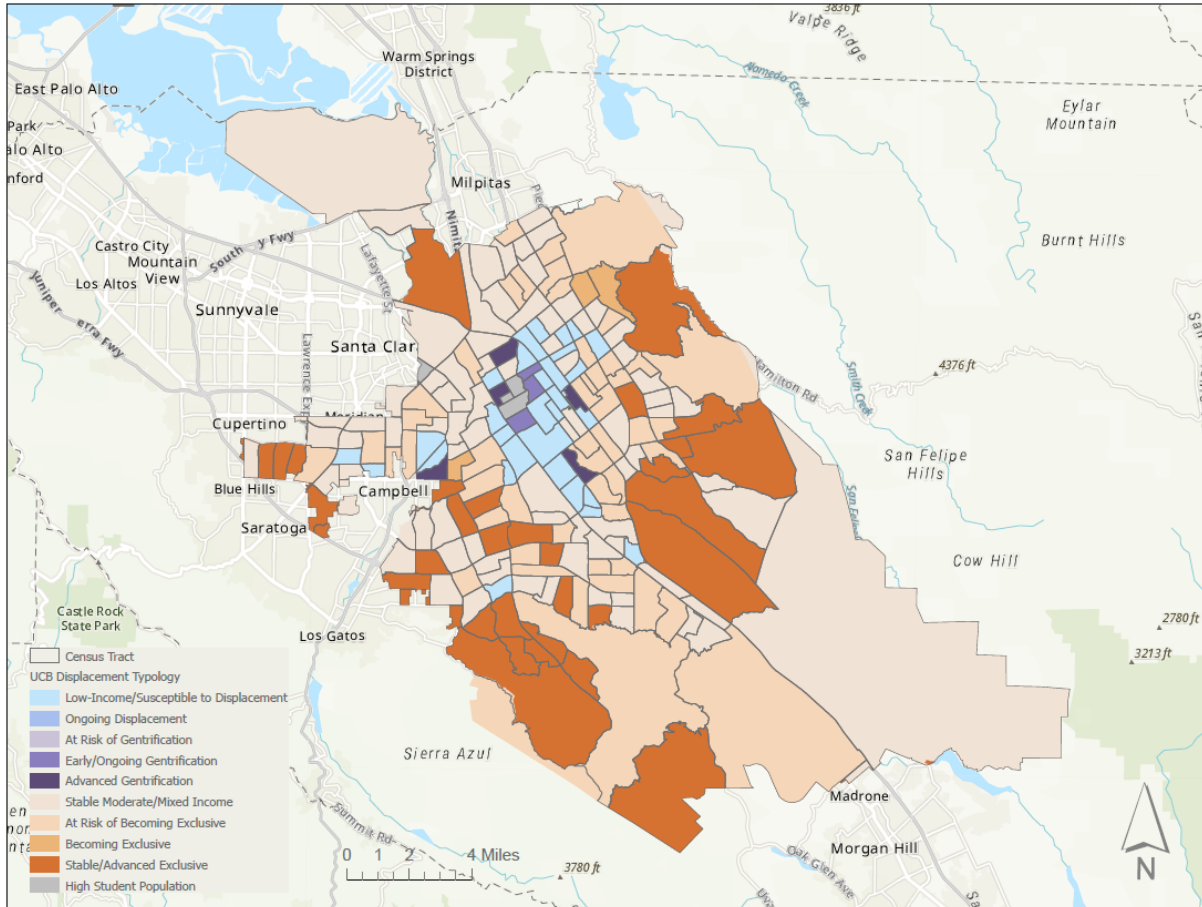
As shown in Map 26, below, the areas of City that are at higher risk of displacement are in the center and center-east. As described throughout this document, these parts of the City have higher concentrations of vulnerable communities of color. Latino/a/x, Southeast Asian, Black, and Native American residents disproportionately live in neighborhoods with greatest displacement risk. Non-Hispanic White and Asian Indian and Chinese Americans disproportionately live in neighborhoods that are exclusionary or are becoming more exclusionary. The disparate impact of these patterns of risk and exclusion necessitate that displacement be addressed as a fair housing issue.

<sup>49</sup> “Exclusive/At Risk of Exclusion” is the sum of 3 UDP neighborhood typologies: stable/advanced exclusive, becoming exclusive, and at risk of becoming exclusive

<sup>50</sup> “Moderate/Mixed Income” is the same as the UDP neighborhood typology of stable moderate/mixed income

<sup>51</sup> “Displacement/At Risk of Displacement” is the sum of 3 UDP neighborhood typologies: advanced gentrification, early/ongoing gentrification, and low-income/susceptible to displacement

<sup>52</sup> “Student/NA” is the sum of 2 UDP neighborhood typologies: high student population and unavailable or unreliable data



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Map 28: Displacement status by UCB Urban Displacement Project

Similarly, displacement risk correlates strongly with lower-resource census tracts – 84% of all tracts in San José that UDP designated as undergoing displacement or at risk of displacement are also designated low-resource census tracts.

UDP Category	Total # of Tracts	# / % of Tracts in UDP Category that are TCAC/HCD High Opportunity	# / % of Tracts in UDP Category that are TCAC/HCD Medium Opportunity	# / % of Tracts in UDP Category that are TCAC/HCD Low Opportunity
Exclusive/ At Risk of Exclusion	90	40 / 45.5%	33 / 37.5%	15 / 17.0%
Moderate/ Mixed-Income	85	30 / 35.3%	29 / 34.1%	26 / 30.6%
Displacement/ At Risk of Displacement	37	1 / 2.7%	5 / 13.5%	31 / 83.8%
Student/NA	6	2 / 33.3%	1 / 16.7%	3 / 50.0%

Table 29: UDP displacement risk analysis by TCAC/HCD opportunity map categories

R/ECAP and RCAA census tracts have the following UDP typologies:

UDP Category	Total # of Tracts	# / % of Tracts that are UDP Exclusive / At Risk of Exclusion	# / % of Tracts that are UDP Moderate / Mixed-Income	# / % of Tracts that are UDP Displacement / At Risk of Displacement
HUD R/ECAPs	9	0 / 0%	0 / 0%	7 / 77.8%
All R/ECAPs	16	0 / 0%	0 / 0%	13 / 81.3%
HCD RCAAs	23	14 / 60.9%	8 / 34.8%	1 / 4.3%
CSJ RCAAs	46	34 / 75.6%	10 / 22.2%	1 / 2.2%

Table 30: UDP displacement risk analysis by R/ECAP and RCAA census tracts

For more analysis of displacement in San José, including an analysis of displacement over time and a breakdown of displacement risk by City Council District, please see Appendix F.

### iii. Disaster-driven displacement

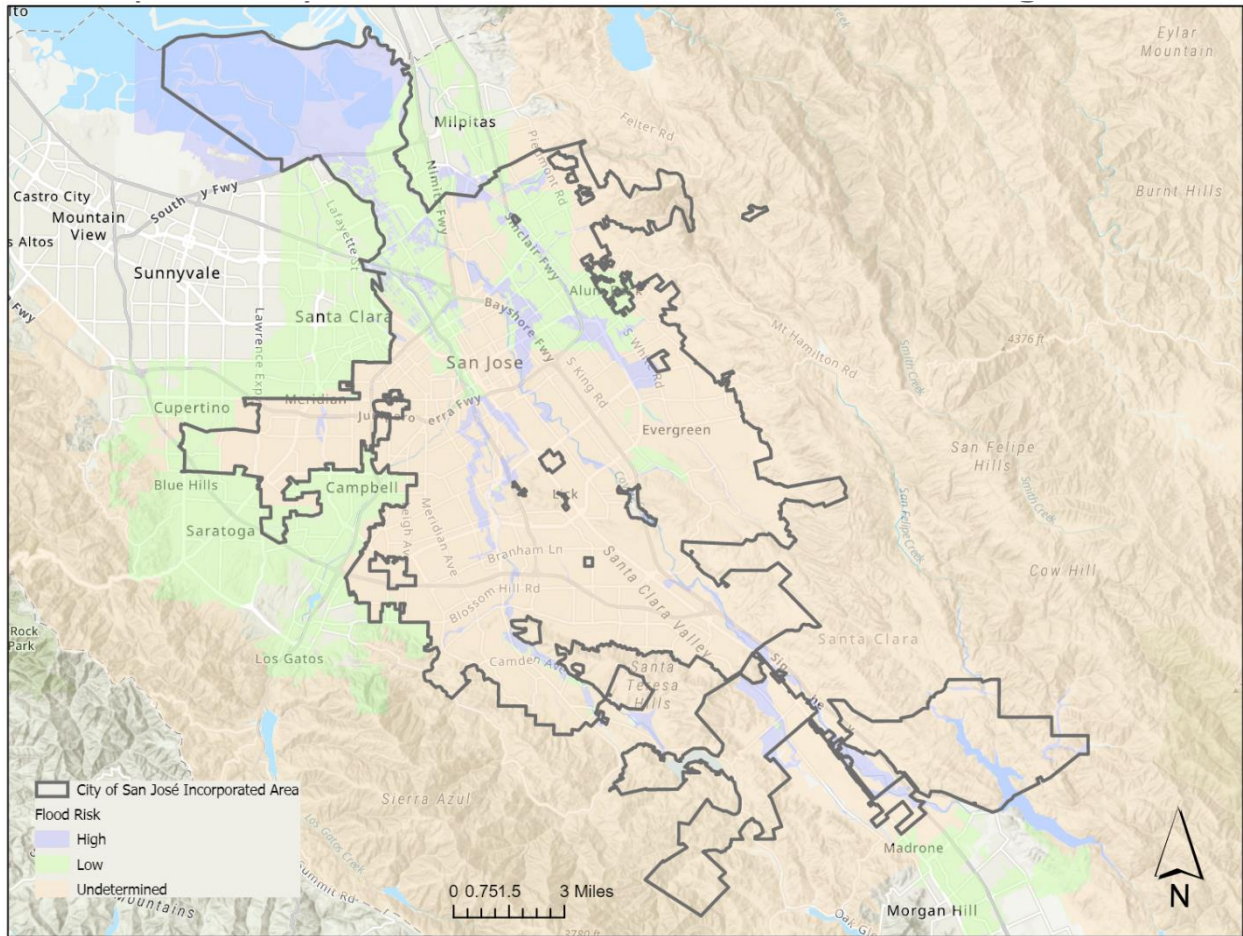
In addition to risks of displacement driven by the real estate market, geologic and climate forces can create environmental disasters that drive displacement. As made clear in recent (i.e., 2017) flooding in San José (where low-income renters, primarily Vietnamese and Latino/a/x immigrants were disproportionately affected), environmental hazards unequally impact lower income communities that do not have as many options to relocate during emergencies and who tend to be disproportionately located in heightened hazard risk areas, where there have also been unequal investments in risk mitigation. Similarly, people with disabilities are more likely to be left behind and left for dead during natural disasters and disaster responses often overlook the needs of disabled people<sup>53</sup>.



Figure 18: Flooding in San José, 2017 (photo credit: San Jose Mercury News)

In the flood risk map below, there are significant areas of higher risk of flooding in the central and center-east parts of the City. These areas overlap with the concentration of R/ECAP neighborhoods as well as areas of higher risk of economic displacement and lower resources per the TCAC/HCD opportunity maps.

<sup>53</sup> See for e.g., <https://disasterstrategies.org/blog-post/the-national-shelter-system-and-physical-accessibility-time-to-look-under-the-hood/>



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Map 29: Flood hazard zones (FEMA)

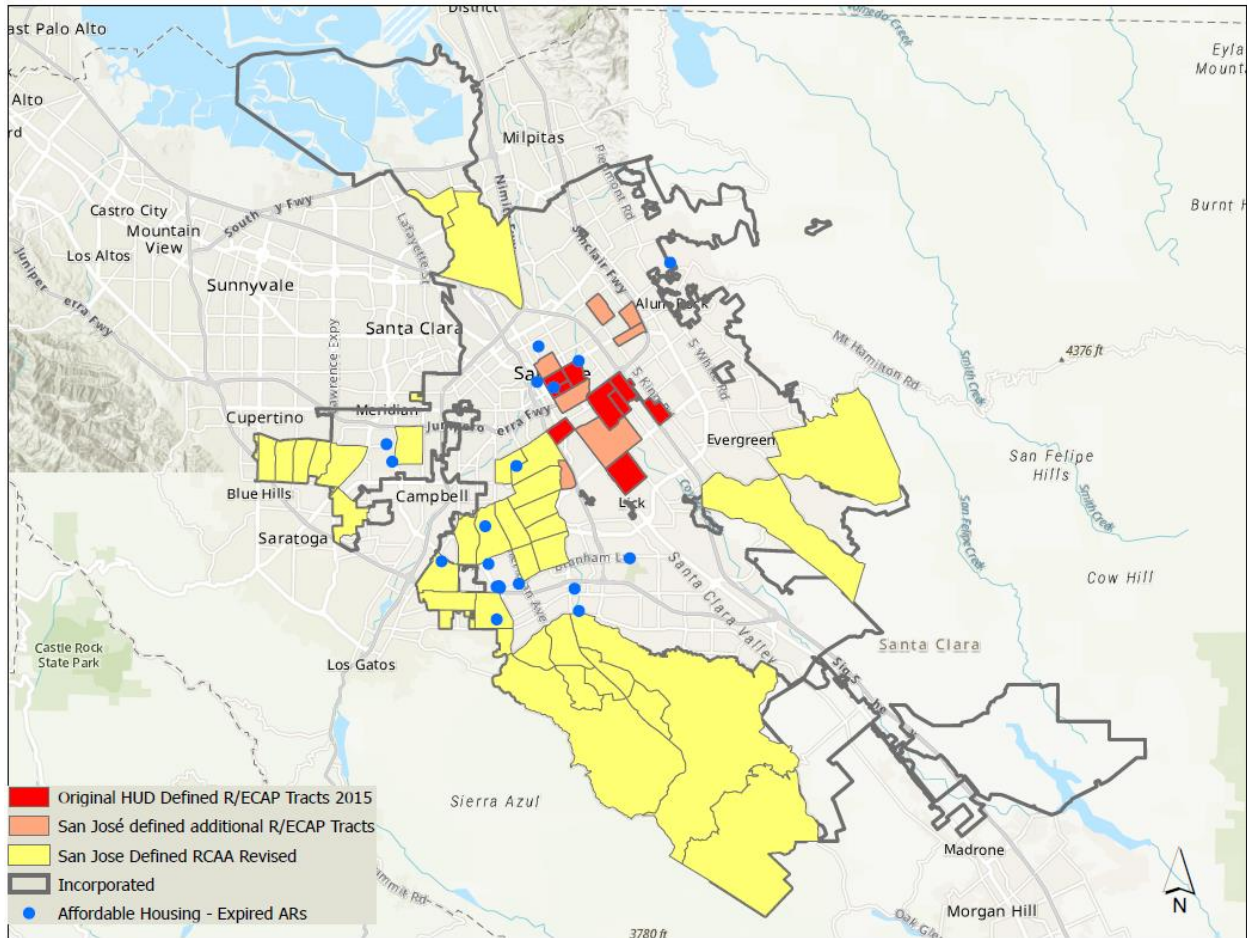
Lower-income renters – especially people of color – bear the brunt of the existing affordable housing shortage and their adaptive capability to cope and recover from the impacts of environmental hazards are reduced due to systemic inequities and limited resources. Therefore, lower-income renters of color are more likely to be displaced post-disaster.

*b. Expiring and At-risk Affordable Units*

From 2012 to 2022, the City lost 291 units of affordable housing due to expiring affordability restrictions.

AFFORDABLE HOUSING EXPIRED - 2012 TO 2022							
Name	Address	Type of Assistance Received	Non profit Developer?	AR Expiration Date	Total Affordable Units	Elderly Units	Non-Elderly Units
Almaden Lake Village	1045 Coleman Avenue	City issued tax exempt bonds		3/27/2012?	50		50
Carlton Plaza	380 Branham Lane	City issued tax exempt bonds		9/15/2014	28	28	
Miraido Village Mixed-use	566 N Sixth Street	Bond / Tax credits		7/20/2022	36		36
Foxchase Drive Apartments	1070 Foxchase Drive	City issued tax exempt bonds		11/15/2017	29		29
Fairway Glen	488 Toyon Avenue	Bond / Tax credits		11/17/2017	29		29
Vendome Apartments	155 W Santa Clara St	RDA funded		8/5/2018	32		32
Calvin	3456 Calvin Avenue	City funded	Y	8/29/2020	1		1
Mahalo House	1720 Merrill Drive	City funded	Y	8/29/2020	6		6
Homebase	865 Calhoun St.	City funded / HUD 202	Y	9/28/2020	12		12
Colonnade	201 S 4th Street			9/30/2020	16		16
1726 Ross	1726 Ross Cirde	City funded	Y	12/4/2020	4		4
Cape Cod Court	3680 Cape Cod Court	City funded	Y	8/15/2021	28		28
1713 Ross	1713 Ross Cirde	City funded	Y	9/1/2021	4		4
1731 Ross	1731 Ross Cirde	City funded	Y	9/1/2021	4		4
Barker	3825 Barker Drive	City funded	Y	9/1/2021	4		4
Branham	1579 Branham Lane	City funded	Y	9/1/2021	2		2
Curtner	1824 Curtner Avenue	City funded	Y	9/1/2021	1		1
Donna	1794 Donna Lane	City funded	Y	9/1/2021	4		4
Minnesota	1231 Minnesota Avenue	City funded	Y	9/1/2021	1		1
<b>TOTAL AFFORDABLE HOUSING LOST</b>					<b>291</b>	<b>28</b>	<b>263</b>

Table 31 - Affordable housing with expired affordability restrictions, 2012 to 2022



CSJ Housing August 2022

Map 30: Affordable housing with expired affordability restrictions, 2012 to 2022

Per Table 32, below, the majority of affordable units lost (i.e., approximately 70%) were in TCAC/HCD low resource neighborhoods with approximately 11% of units in high resource neighborhoods. The majority of units lost were in UDP moderate/mixed-income neighborhoods with 106 units (or 36%) lost in neighborhoods experiencing displacement or at risk of displacement.

Census Tract	# of Units of Affordable Housing w/ Restrictions that Expired, 2012-2022	R/ECAP or RCAA?	TCAC/HCD Opportunity Zone	UDP Displacement Typology
5008.00	32	Neither	Low	Moderate
5009.01	16	R/ECAP	Low	Displacement
5011.01	36	Neither	Low	Moderate
5014.02	12	Neither	Low	Displacement
5015.00	50	Neither	Low	Displacement
5023.01	1	HCD RCAA	High	Exclusive
5027.07	1	Neither	High	Moderate



5029.02	1	HCD RCAA	High	Moderate
5029.08	18	HCD RCAA	High	Moderate
5042.01	29	Neither	Moderate	Exclusion
5063.04	4	Neither	High	Moderate
5063.05	28	Neither	Moderate	Displacement
5068.03	6	Neither	High	Moderate
5120.25	28	Neither	Low	Moderate
5120.27	29	Neither	Low	Moderate

*Table 32: Expired affordable units from 2012-2022 by census tract typology*

Per Table 33, below, there are almost 30 properties that have affordable housing restrictions scheduled to expire by 2032, totaling 1,826 units.

**AFFORDABLE HOUSING EXPIRING BY 2032**

Name	Address	Type of Assistance Received	Non profit Developer?	AR Expiration Date	Total Affordable Units	Elderly Units	Non-Elderly Units	Notes
Kimberly Woods Apartments	925 Willowleaf Dr	City issued bonds		12/29/2024	42		42	Purchased by affordable housing firm and has high outstanding debt. Lower risk of conversion.
Arbor Apartments	1582 Kooser Road	HUD assisted		8/31/2025	122		122	High conversion risk per CHPC Preservation Report 2022
Villa Torino	29 West Julian Street	None		9/30/2025	85		85	
Almaden Garden Apartments	947 Branham Lane, #C	HUD assisted		4/30/2026	36		36	High conversion risk per CHPC Preservation Report 2022
San Jose Apartments	1500 Cunningham Avenue	HUD assisted		9/30/2026	214		214	High conversion risk per CHPC Preservation Report 2022
Willow Lake	1331 Lakeshore Circle	Inclusionary		8/4/2027	12		12	
YWCA Villa Nueva	375 South 3rd Street	City funded	y	3/4/2028	62		62	Moderate conversion risk per CHPC Preservation Report 2022
Enclave / Siena at Renaissance	4349 Renaissance Drive	City funded & Inclusionary		4/13/2028	271		271	Moderate conversion risk per CHPC Preservation Report 2022
Masson Building Rehabilitation	161 West Santa Clara Street	80% funds		7/31/2028	4		4	Moderate conversion risk per CHPC Preservation Report 2022
Giovanni	85 S. 5th Street	City funded & HUD 202		11/12/2028	24		24	
Hoffman - 5629	5629 Hoffman Court	City funded	y	10/28/2029	4		4	
Monterey Grove	6100 Monterey Rd	Inclusionary		11/4/2029	34		34	
Burning Tree	239 Burning Tree	City funded		4/1/2030	1		1	
Waterford Place	1700 N 1st Street	Inclusionary		4/5/2030	36		36	
Market Gateway Housing	535 S. Market St	Inclusionary		4/21/2030	22		22	
Village @ Museum Park	465 W San Carlos St	Developer agreement		2/1/2031	19		19	
101 San Fernando	101 E. San Fernando St	Inclusionary		8/29/2031	65		65	
North Park The Cypress I	65 Rio Robles East	Inclusionary		10/29/2031	35		35	
North Park The Cypress II	75 Rio Robles East	Inclusionary		10/29/2031	37		37	
College Park	190 Ryland Street	Inclusionary		12/14/2031	46		46	
Casa Camino	96 South 10th Street	City funded		4/1/2032	4		4	
Santa Familia	4984 Severance Drive	City funded	y	4/28/2032	79		79	
Avenida Espana Gardens	181 Rowls Ct.	City funded & Tax Credit	y	10/26/2032	84	84		
Moreland Apartments	4375 Payne Avenue	HUD assisted		2/1/2019	160		160	Moderate conversion risk per CHPC Preservation Report 2022
Las Casitas	632 N. Jackson Ave.	HUD assisted		2/28/2021	168		168	High conversion risk per CHPC Preservation Report 2022
Dent Commons	5363 Dent Ave	Tax credits	y	3/5/2021	23		23	
Lion Villas	2550 S. King Rd.	Tax credits		5/24/2029	109		109	
	1810 Alum Rock Avenue	HOME assisted		8/4/2026	24			
	88 Kentucky Place	HOME assisted		6/30/2023	4			
<b>TOTAL AFFORDABLE UNITS AT RISK OF EXPIRING</b>					<b>1,826</b>	<b>84</b>	<b>1,714</b>	

CHPC Preservation Report - California Housing Partnership - [https://chpc.net/?sfid=181&sft\\_resources\\_type=preservation](https://chpc.net/?sfid=181&sft_resources_type=preservation)  
 NHPD - National Housing Preservation Database - <https://preservationdatabase.org/>

Table 33: Affordable housing units with affordability restrictions expiring prior to 2032

These at-risk units are spread throughout the city with approximately 12% of the units in TCAC/HCD high resource areas and approximately 41% in low resource areas and 47% in moderate resource areas.

Census Tract	# of Units of Affordable Housing w/ Restrictions that are Scheduled to Expire by 2032	R/ECAP or RCAA?	TCAC/HCD Opportunity Zone	UDP Displacement Typology
5002	131	Neither	Moderate	Exclusive
5008	23	Neither	Low	Moderate
5009.01	151	R/ECAP	Low	Displacement
5013	4	R/ECAP	Low	High Student/NA
5017	22	Neither	Low	Displacement
5021.02	42	Neither	Moderate	Displacement
5029.06	23	Neither	High	Exclusive
5034.02	214	R/ECAP	Low	Displacement
5037.08	168	Neither	Low	Moderate
5037.1	137	R/ECAP	Low	Displacement
5043.22	12	Neither	Moderate	Moderate
5050.08	72	CSJ RCAA	High	High Student/NA
5050.09	271	Neither	Moderate	Moderate
5051	36	Neither	Low	Moderate
5063.05	160	Neither	Moderate	Displacement
5119.15	4	Neither	Moderate	Displacement
5119.16	122	Neither	High	Moderate
5120.05	36	Neither	Moderate	Exclusive
5120.24	79	Neither	Moderate	Exclusive
5120.32	1	Neither	Moderate	Exclusive
5120.35	84	Neither	Moderate	Moderate
5120.38	34	Neither	Moderate	Moderate

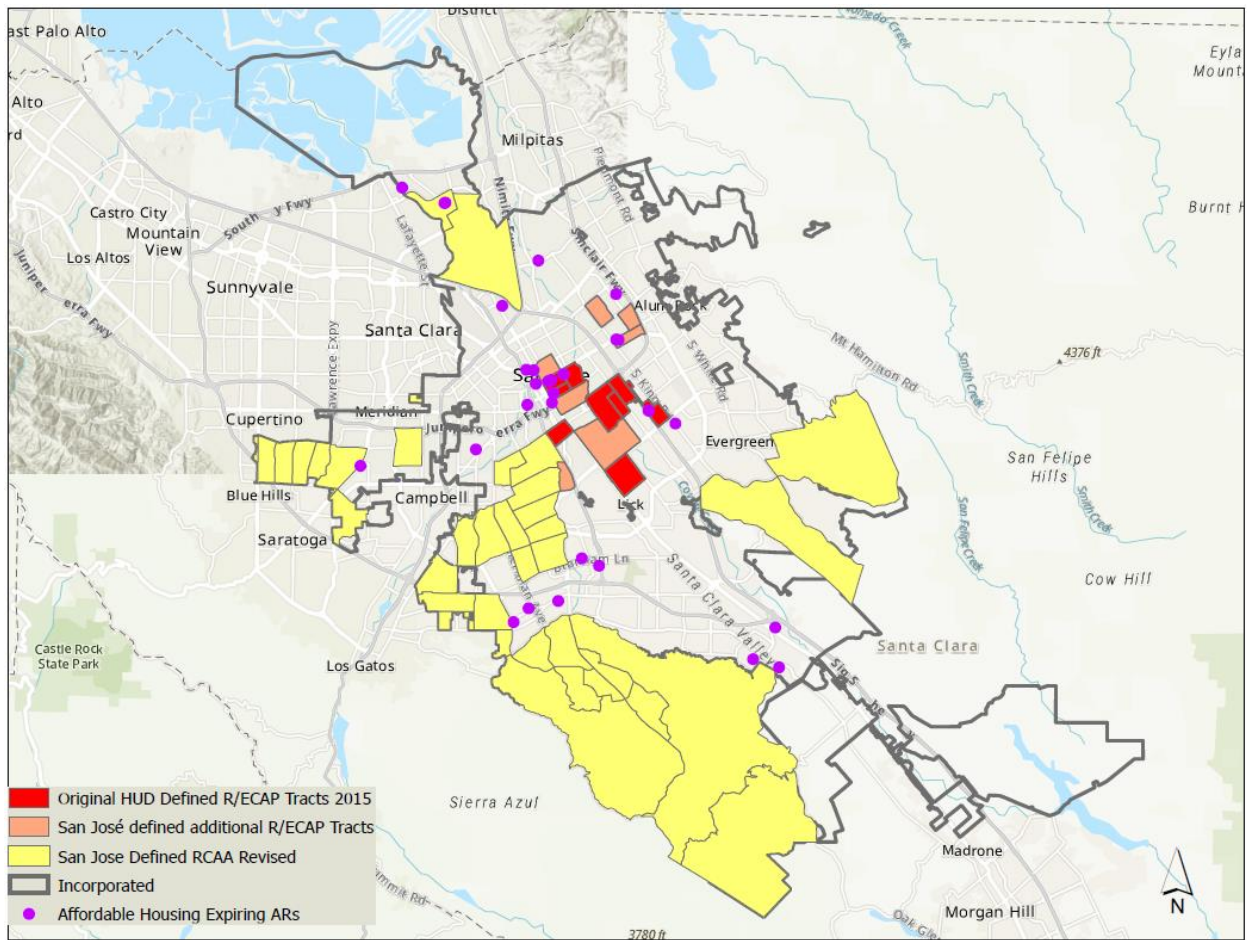
Table 34: At-risk affordable units, 2023-2032, by census tract typology

However, the at-risk units in high resource neighborhoods represent a higher percentage of existing affordable housing areas and, therefore, represent a significant threat to ongoing efforts by the City to make affordable housing siting and distribution more equitable.

Geographic Area	Number of Existing Affordable Housing Units	Units Lost from 2012-2022	Units Lost as a % of Existing Affordable Units	Units At-Risk from 2023-2032	Units At-Risk as a % of Existing Affordable Units
San José	24,999	291	1.2%	1,826	7.3%
TCAC/HCD: High Resource	2,550	31	1.2%	217	8.5%

TCAC/HCD: Medium Resource	7,522	57	0.8%	854	11.4%
TCAC/HCD: Low Resource	14,927	203	1.4%	755	5.1%
UDP: Exclusive	4,765	30	0.6%	270	5.7%
UDP: Moderate	7,522	155	2.1%	750	10.0%
UDP: Displacement	12,145	106	0.9%	730	6.0%
All R/ECAPs	7,309	16	0.2%	506	6.9%
HCD RCAAs	863	20	2.3%	0	0.0%
CSJ RCAAs	1,658	20	1.2%	72	4.3%

Table 35: Expired and at-risk affordable housing as a % of existing affordable housing, by geographic area



CSJ Housing August 2022

San Jose, CA, 2022. Courtesy of Santa Clara, California State Parks, Inc. 1990. Source: Santa Clara, CA, 2022. 1977/1984, 1985. Bureau of Land

Map 31: Affordable housing with affordability restrictions scheduled to expire by 2032

## C. Analysis of Demographics by Housing Type

### 1. Overview

As shown in further detail below, the geographic patterns of segregation described above – especially in terms of racial segregation – translate into disproportionate population distributions within different housing typologies and tenures. For example, homeownership is disproportionately non-Hispanic White while rent-stabilized apartment buildings are disproportionately Latino/a/x.

### 2. Race and Homeownership

According to the 2019 5-year ACS, there are approximately 185,000 owner-occupied housing units in the City of San José. Roughly 41% (or a little less than 75,000 households) of these homeowners are non-Hispanic White, in contrast to 26% of the City’s population being non-Hispanic White.

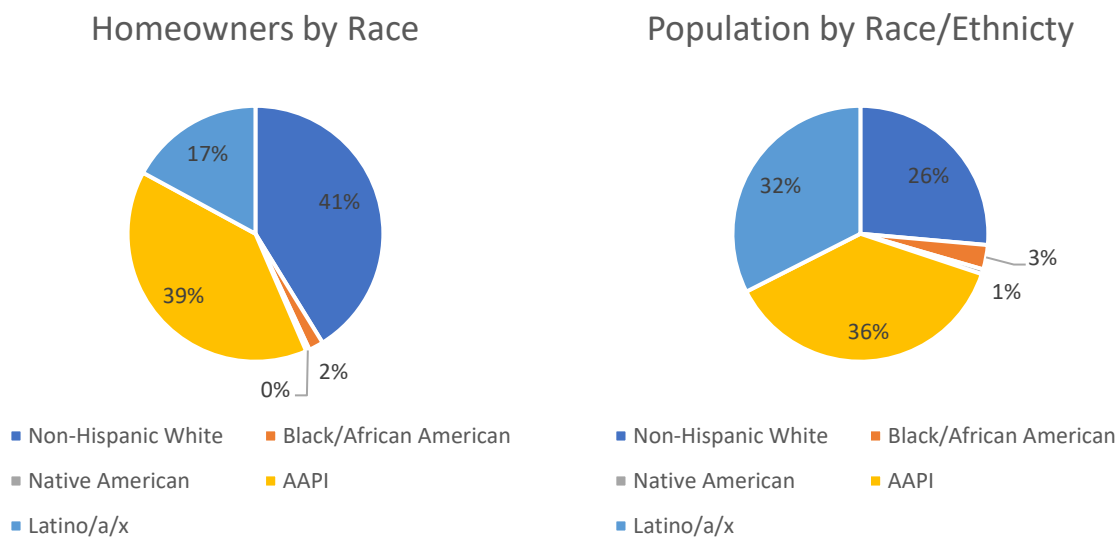


Figure 19: Race/ethnicity of homeowners vs. race/ethnicity of the City as a whole (2019 5-year ACS)

As can be seen in Table 33, below, this homeownership gap is consistent across different neighborhood types, except for RCAAs, where AAPIs have the highest rates of homeownership. For example, even though non-Hispanic Whites who live in R/ECAP areas have a lower homeownership rate than non-Hispanic Whites citywide, non-Hispanic Whites who live in R/ECAP areas have a higher homeownership rate than all other racial/ethnic groups living in R/ECAP areas. Please note that disaggregated AAPI tenure data is not available at the census tract level.

Category	Non-Hispanic White		Black		Latino/a/x		AAPI	
	#	%	#	%	#	%	#	%
San José	74,811	65.7%	3,361	30.8%	31,012	39.7%	71,152	63.1%
TCAC/HCD: High Resource	45,931	73.9%	950	38.7%	6,498	48.1%	35,012	72.9%
TCAC/HCD: Medium Resource	29,493	59.0%	1,459	27.5%	9,975	37.0%	24,967	58.6%
TCAC/HCD: Low Resource	10,535	55.9%	1,193	32.3%	17,431	40.0%	18,016	54.0%

UDP: Exclusive	45,293	75.7%	1,641	49.0%	14,164	51.7%	40,167	74.0%
UDP: Moderate	34,647	60.2%	1,528	27.8%	13,074	40.5%	30,956	59.2%
UDP: Displacement	5,169	44.8%	409	17.4%	6,561	28.1%	6,491	42.0%
HUD R/ECAPs	978	46.2%	34	8.4%	1,032	24.1%	1,764	40.2%
All R/ECAPs	1,785	37.9%	34	3.9%	1,753	19.6%	2,803	32.3%
HCD RCAAs	22,954	80.2%	381	51.0%	2,802	53.1%	6,507	81.2%
CSJ RCAAs	36,681	76.0%	566	38.8%	4,306	49.4%	20,821	66.8%

Table 36: Homeownership rates by race and geography (2019 5-year ACS)

### 3. Publicly Supported Housing Analysis

#### a. Overview of the Publicly Supported Housing Analysis

In 2021, the Lawyers' Committee for Civil Rights Under Law (LCCR) completed a Publicly Supported Housing Analysis for jurisdictions in Santa Clara County. The purpose of this analysis was to determine whether the need for affordable housing is being met and whether patterns of affordable housing siting concentrate communities of color or other protected classes in low-opportunity areas. Per the LCCR analysis, in Santa Clara County, each category of publicly supported housing (public housing, Project-based Section 8, other multifamily, Housing Choice Vouchers (HCV), and Low-Income Housing Tax Credit units (LIHTC)) is represented, although that representation varies greatly depending upon the individual municipality. Affordable housing (including LIHTC) makes up less than 5% of the total housing stock in all but two of the entitlement jurisdictions in Santa Clara County – the two jurisdictions are Gilroy and San José. Overall, it is clear the amount of publicly supporting housing available in Santa Clara does not rise to meet the level of need.

#### b. San José Publicly Supported Housing by Type

Per the LCCR analysis, San José has one of the highest proportions of its housing stock as affordable housing. LIHTC units predominate, with HCV units (which are not fixed units) following closely behind. It is important to note that there is frequently overlap between LIHTC units and HCV households as LIHTC owners have been required to accept vouchers for much longer than source of income discrimination protections have been in place and because LIHTC rents are typically within HCV payment standards. Relative to other jurisdictions in Santa Clara County, the City does not have a strong concentration of Project-Based Section 8 or other multifamily units, and there are no Public Housing units.

Category	# of Units	% of Total Housing Stock
Public Housing	NA	NA
Project-based Section 8	2,809	0.9%
Other Multifamily	201	0.1%
HCV Program	12,926	4.1%
LIHTC	16,606	5.3%

Table 37: San Jose Publicly Supported Housing by Type (LCCR analysis)

#### c. Demographics of San José Publicly Supported Housing

Overall, the racial/ethnic breakdown of the entire stock of publicly supported housing is similar to the racial/ethnic demographics of the City as a whole, but non-Hispanic Whites underrepresented within the affordable housing stock (17.7% of the publicly supported housing stock and 38.4% of the City's households) and Black/African American households overrepresented (8.3% of the publicly supported

housing stock and 3.3% of the City’s total households). There is greater variation within specific housing or program types (e.g., AAPIs are overrepresented in Project-based Section 8 properties and underrepresented in LIHTC properties).

Category	Non-Hispanic White		Black		Latino/a/x		AAPI	
	#	%	#	%	#	%	#	%
Project-based Section 8	560	19.9%	91	3.2%	510	18.2%	1,530	54.5%
Other Multifamily	29	14.3%	7	3.5%	60	29.8%	103	51.2%
HCV Program	1,429	11.1%	1,394	10.8%	3,222	24.9%	4,796	37.1%
LIHTC	3,731	22.6%	1,193	7.2%	5,270	31.9%	3,872	23.4%
Total Publicly Supported Housing	5,749	17.7%	2,685	8.3%	9,062	27.8%	10,301	31.7%
Total CSJ Households	117,782	38.4%	10,170	3.3%	77,280	25.2%	94,004	30.6%
0-30% of AMI	13,755	26.7%	2,370	4.6%	18,650	36.1%	15,660	30.4%
0-50% of AMI	21,915	24.6%	3,855	4.3%	34,600	38.5%	23,700	26.6%
0-80% of AMI	35,349	27.2%	5,600	4.3%	48,540	37.3%	34,250	26.3%

Table 38: Racial/Ethnic breakdown of Publicly Supported Housing (LCCR analysis)

#### 4. City of San José Affordable Housing Portfolio

##### a. Overview of the City of San José portfolio

The City of San José Housing Department has funded approximately 200 affordable housing developments, totaling over 16,000 units of affordable housing. As a subset of these properties, San José currently monitors a portfolio of 176 properties, totaling over 15,000 units of affordable housing.

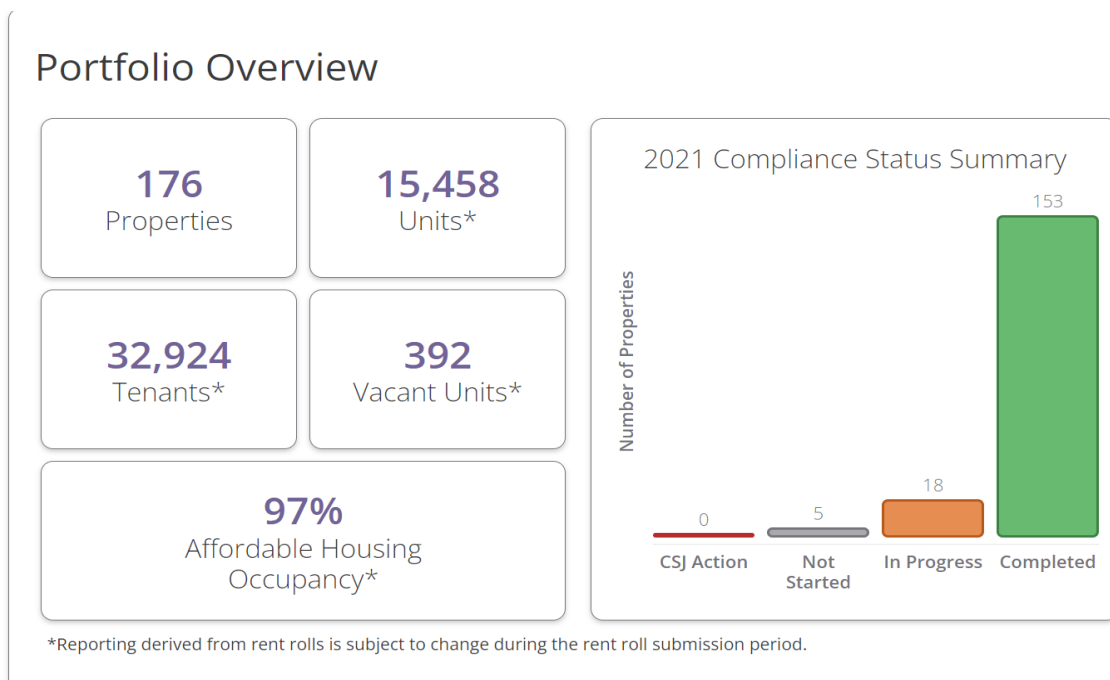


Figure 20: Snapshot of CSJ affordable housing portfolio<sup>54</sup>

<sup>54</sup> CSJ Rent Rolls Portal - <https://sanjose.dataportal.city/portal/reporting>

As part of monitoring the portfolio, the Housing Department tracks basic resident demographic information.

*b. Demographics of CSJ affordable housing residents*

*i. Race*

Of the approximately 33,000 tenants living in the CSJ monitored housing, there is self-identified racial/ethnic data for approximately 81% of the population (i.e., approximately 27,000 tenants). Of the tenants for whom data is known, the racial/ethnic breakdown is as follows:

<b>Category</b>	<b>Non-Hispanic White</b>	<b>African American</b>	<b>Native American</b>	<b>AAPI</b>	<b>Latino/a/x</b>	<b>Multi-racial/Other</b>
CSJ Affordable Housing Portfolio	10.0%	8.1%	3.7%	26.3%	36.2%	15.6%
Citywide (2019 5-year ACS)	25.7%	3.0%	0.6%	36.4%	31.6%	2.7%
Lower-income Households	27.2%	4.3%	NA	26.3%	37.3%	NA

*Table 39: Racial/ethnic breakdown of CSJ monitored affordable housing residents*

*ii. Income Levels*

Household income levels are known for effectively 100% of all tenants living in CSJ monitored affordable housing:

<b>Category</b>	<b>Moderate Income</b>	<b>Low Income</b>	<b>Very Low Income</b>	<b>Extremely Low Income</b>
CSJ Affordable Housing Portfolio	3.2%	34.7%	52.4%	9.6%

*Table 40: Income profile of CSJ monitored affordable housing residents*

*iii. Seniors and Disability Status*

Persons 55 and older constitute 44% of the tenants living in CSJ monitored affordable housing. Of this population 15% report having some form of disability. In contrast, 6% of the general population living in CSJ monitored affordable housing reported having some form of disability.

**5. Geographic Distribution of Affordable Housing**

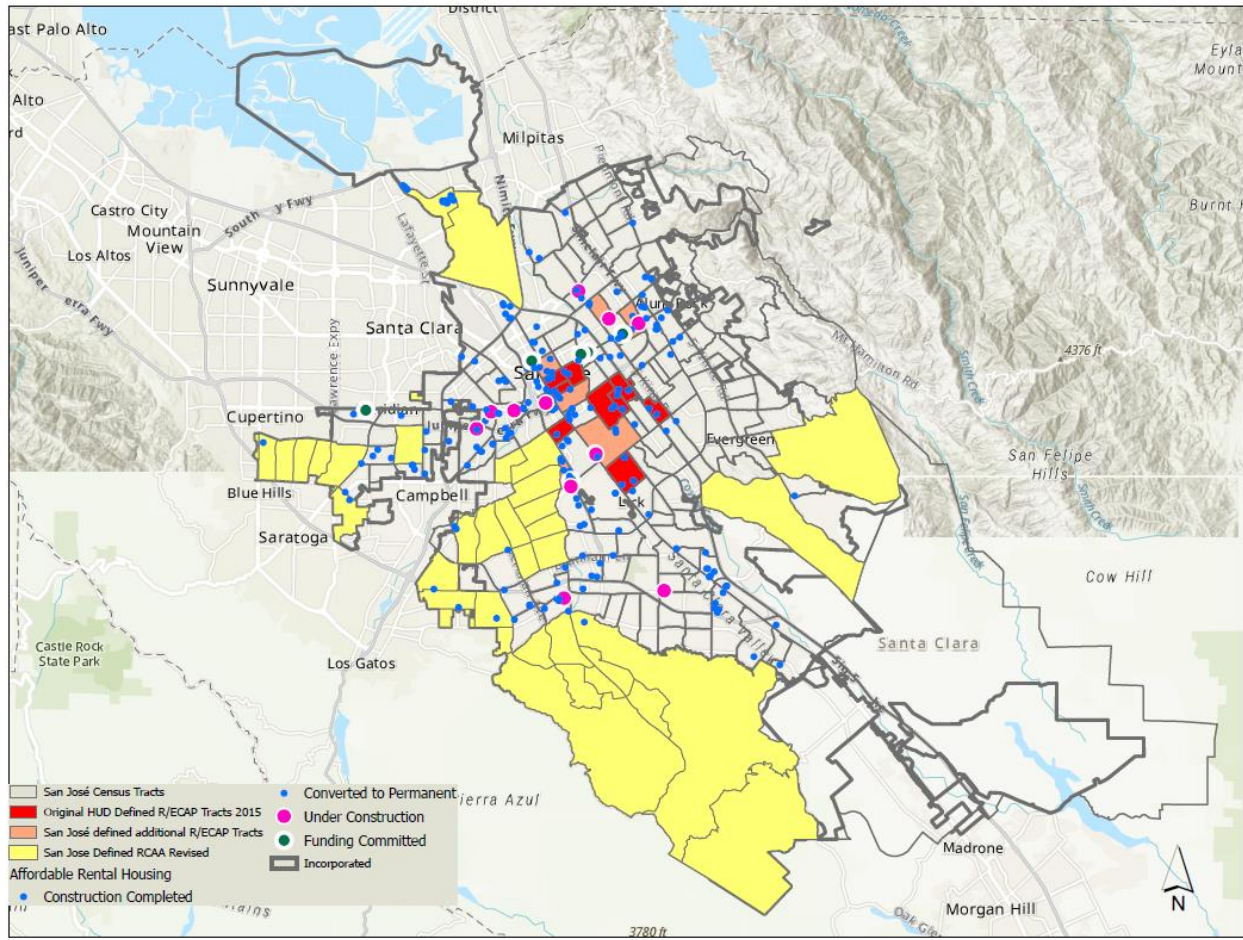
There are approximately 25,000 units of covenanted affordable housing in the City of San José. This number includes those in the publicly supported housing analysis as described above as well as a



number of smaller, predominantly special needs developments that received City of San José support but not LIHTC or HUD funding (and thus were not counted in the LCCR analysis) and any non-subsidized units restricted as affordable as part of inclusionary housing compliance. These 25,000 units of restricted affordable housing account for 7.7% of the City’s total housing stock and are located all across the City, in every Council District. However, per the table below, these units are disproportionately concentrated in lower-opportunity, lower-resource neighborhoods with the greatest risk of displacement.

<b>Geographic Area</b>	<b>Number of Affordable Housing Units</b>	<b>% of Units in Geographic Area that are Affordable</b>	<b>% of Rental Units in Geographic Area that are Affordable</b>	<b>Affordable Units in Geographic Area as a % of all Affordable Units in the City</b>
San José	24,999	7.7%	17.8%	100%
TCAC/HCD: High Resource	2,550	2.0%	6.6%	10.2%
TCAC/HCD: Medium Resource	7,522	5.8%	12.2%	30.1%
TCAC/HCD: Low Resource	14,927	14.7%	28.0%	59.7%
UDP: Exclusive	4,765	3.2%	10.9%	19.1%
UDP: Moderate	7,522	5.0%	11.2%	30.1%
UDP: Displacement	12,145	22.0%	33.8%	48.6%
UDP: Student/NA	567	6.2%	7.7%	2.3%
HUD R/ECAPs	2,588	22.8%	34.6%	10.4%
All R/ECAPs	7,309	31.0%	42.6%	29.2%
HCD RCAAs	863	2.0%	8.4%	3.5%
CSJ RCAAs	1,658	1.8%	5.9%	6.6%

Table 41: Geographic distribution of CSJ monitored affordable housing units



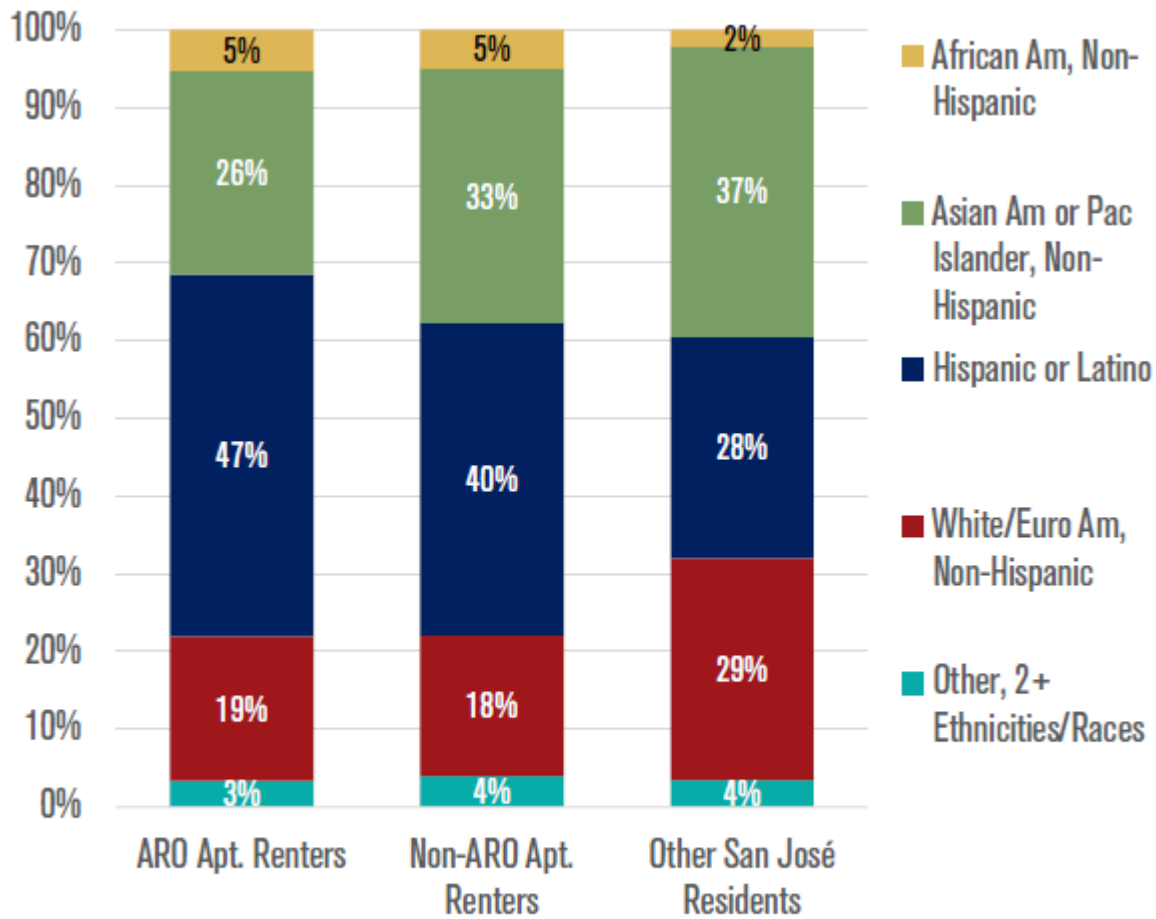
CSJ Housing August 2022

Map 32: Affordable housing (current projects and pipeline) with R/ECAP and RCAA overlays

## 6. Rent-Stabilized Housing

The City of San José Apartment Rent Ordinance (ARO) limits rent increase on apartments with three or more units that were built and occupied prior to September 7, 1979. The ARO applies to over 38,000 units of housing in the City. Per a 2019 City of San José commissioned analysis of ARO housing,<sup>55</sup> the plurality of residents of ARO rent-stabilized housing are Latino/a/x (please see Figure 20, below).

<sup>55</sup> <https://www.sanjoseca.gov/home/showpublisheddocument/58855/63725739231420000>



Source: Economic Roundtable analysis; U.S. Census Bureau, 2013-2017 5-Year American Community Survey, Public Use Microdata Sample (PUMS). Based upon recoding of RAC1P and HISP variables. Data columns may not add up to 100 percent due to rounding.

Figure 21: Race/ethnicity by ARO renters

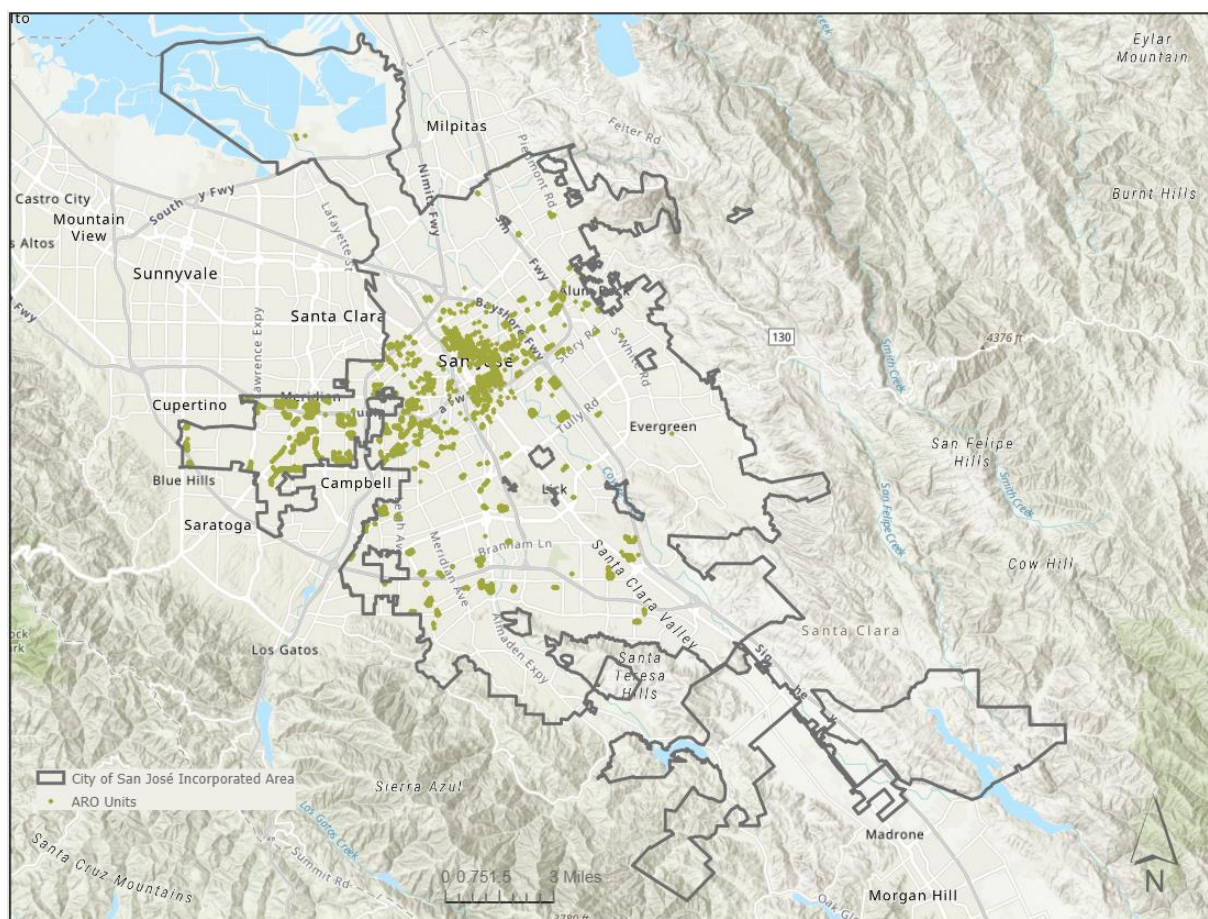
As the ARO applies to pre-1980 constructed buildings, ARO regulated units tend to be located in the older, more central parts of the City. This means that the neighborhoods that have disproportionately more ARO units also tend to be lower resource neighborhoods (per TCAC/HCD opportunity metrics), at higher risk of displacement (per UDP metrics), and with higher concentrations of lower-income communities of color (e.g., R/ECAP neighborhoods).

Geographic Area	Number of ARO Units	% of Units in Geographic Area that are ARO	% of Rental Units in Geographic Area that are ARO	ARO Units in Geographic Area as a % of all ARO Units in the City
San José	38,468	11.8%	27.4%	100%
TCAC/HCD: High Resource	11,106	8.6%	28.6%	28.9%
TCAC/HCD: Medium Resource	14,157	11.0%	23.0%	36.8%

TCAC/HCD: Low Resource	13,205	13.0%	24.8%	34.3%
UDP: Exclusive	6,194	4.2%	14.2%	16.1%
UDP: Moderate	16,809	11.2%	25.0%	43.7%
UDP: Displacement	12,748	23.0%	35.5%	33.1%
UDP: Student/NA	2,717	29.9%	37.0%	7.1%
HUD R/ECAPs	2,812	24.8%	37.6%	7.3%
All R/ECAPs	6,532	27.7%	38.1%	17.0%
HCD RCAAs	2,781	6.4%	27.1%	7.2%
CSJ RCAAs	4,640	5.1%	16.6%	12.1%

Table 42: Proportion of units in geographic area that are restricted under the ARO

As can be seen in Map 31, below, AROs are generally located in the center of the City, running along an east-to-west meridian, with the largest concentration of units in and around downtown.



CSJ Housing April 2022

Map 33: ARO units

### 7. Section 8 Housing Choice Voucher Participant Demographics

The Santa Clara County Housing Authority administers the HCVs program for approximately 17,000 households, of which almost 13,000 rent in the City. The breakdown of these San José HCV participant households is as follows:

Household Size	Number of Households	Percentage of Total Households
1 person	6,129	47.7%
2 people	3,027	23.6%
3 people	1,587	12.4%
4 people	960	7.5%
5 or more people	1,134	8.8%

Table 43: HCV participant household sizes (2022, SCC HA)

Female-headed households account for almost 2/3 (66.0%) of all HCV households. The total population of people served (estimated to be more than 25,000 individuals) includes 7,044 persons with disabilities (i.e., 28%) and 8,403 seniors (aged 62 and older). The racial/ethnic of breakdown HCV participants is:

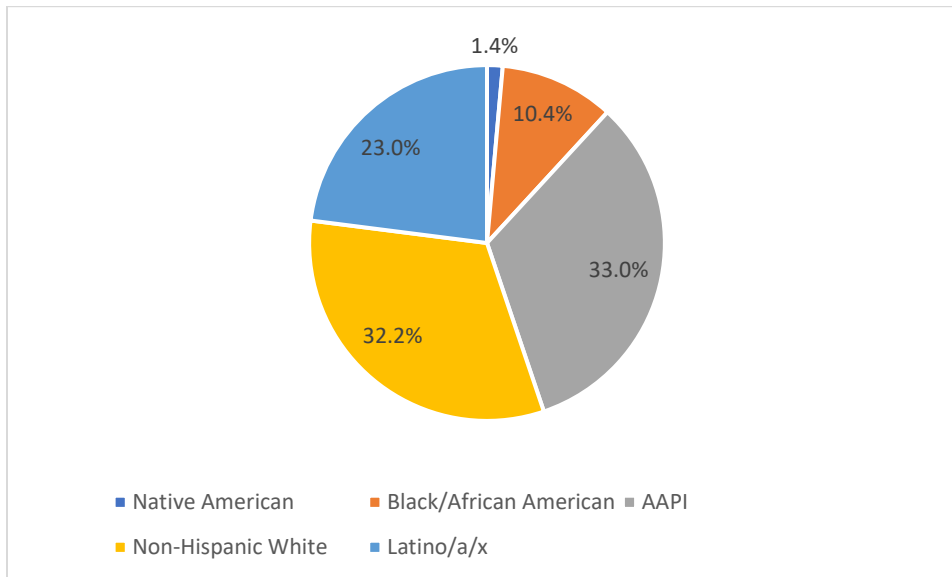


Figure 22: Race/Ethnicity of HCV participant households (2022, SCC HA)

## 8. Mobilehome Residents

Of the 25 largest cities in the U.S., San José has amongst the largest number of mobilehome parks and one of the largest proportions of mobilehomes of its total housing stock:

City	Number of Occupied Housing Units	Number of Occupied Mobilehomes	% Mobilehomes of Housing Stock
Jacksonville, FL	338,991	15,143	4.5%
San José, CA	325,114	11,098	3.4%
Phoenix, AZ	565,832	16,939	3.0%
Oklahoma City, OK	242,748	7,036	2.9%
El Paso, TX	226,787	6,283	2.8%
Austin, TX	380,392	5,599	1.5%
San Antonio, TX	501,400	7,362	1.5%
Dallas, TX	513,443	6,024	1.2%
San Diego, CA	507,580	5,523	1.1%

Houston, TX	858,374	7,785	0.9%
Los Angeles, CA	1,383,869	8,539	0.6%

Table 44: Mobilehomes as a percentage of housing stock (2019 5-year ACS)

Per San José’s inventory of units regulated under various rent stabilization ordinances, there are 59 mobilehome parks with a total of 10,840 mobilehome spaces (a slight discrepancy with the U.S. Census data in the table above), housing approximately 35,000 residents. Per U.S. Census data, by householder race/ethnicity, the racial/ethnic breakdown of mobilehomes is as follows:

Category	Non-Hispanic White	Black, African American	Native American	AAPI	Latino/a/x
Mobilehome Householders	32.9%	1.8%	1.2%	38.0%	26.1%
All CSJ Householders	35.0%	3.4%	0.6%	35.1%	24.1%

Table 45: Racial/ethnic breakdown of mobilehome park householders (2019 5-year ACS)

Anecdotally, there has been a trend of more seniors moving into mobilehomes as a more affordable option and 12 of the mobilehome parks in the City are age restricted to seniors. Per the U.S. Census, the estimated age breakdown of mobilehome residents is as follows:

Category	15- to 34-years Old	35- to 64-years Old	65-years Old and Up
Mobilehome Rental Householders	16%	63%	21%
Mobilehome Owner Householders	7%	65%	29%
All Mobilehome Householders	8%	65%	28%
All CSJ Householders	19%	61%	21%

Table 46: Age breakdown of mobilehome park householders (2019 5-year ACS)

Disability status by mobilehome resident is not available through the U.S. Census.

## 9. Renters in Single-family Units and Duplexes

Rentals in single-units and duplexes represent over 1/3 of the City’s rental housing stock. However, single-units and duplexes are exempt under the City’s Apartment Rent Ordinance and Tenant Protection Ordinance.

Geographic Area	# of Renter HHs in Single Units + Duplexes	# of HHs in Single Units + Duplexes	% of Single Units + Duplexes in Area that are Rented	% of Area Rental Housing Stock that are Single Units + Duplexes
San José	49,698	172,769	23.3%	35.4%
TCAC/HCD: High Resource	16,806	103,593	16.2%	43.2%
TCAC/HCD: Medium Resource	18,046	75,742	23.8%	30.0%

TCAC/HCD: Low Resource	20,294	58,901	34.5%	38.1%
UDP: Exclusive			17.8%	49.4%
UDP: Moderate			25.2%	35.8%
UDP: Displacement			39.7%	26.6%
UDP: Student/NA	818	2,449	33.4%	11.2%
HUD R/ECAPs	1,470	4,082	36.0%	19.7%
All R/ECAPs	2,991	7,226	41.4%	17.4%
HCD RCAAs	6,089	38,542	15.8%	59.4%
All RCAAs	11,317	73,329	15.4%	40.6%

## D. Analysis of Housing Needs for Specific Populations

### 1. Persons with disabilities, including developmental disabilities

#### a. Demographic overview

According to the 2019 5-year American Community Survey (ACS), there are 88,523 persons with disabilities living in the City of San José, or 8.6% of the City’s civilian, non-institutionalized population.<sup>56</sup>

From 2014 to 2019, the number of persons with disabilities increased at a faster rate than the general population – i.e., the City’s population grew by 4.2% and the population with disabilities grew by 9.2%.

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	1,023,950	982,892	41,058 / 4.2%
Population with Disabilities	88,533	81,049	7,484 / 9.2%
% of Total	8.6%	8.2%	

Table 47 Persons with Disabilities (2019 5-year ACS)

The 2 most identified disabilities (from a list of 6 possible choices) were ambulatory difficulty and independent living difficulty. Please note that these are not mutually exclusive categories.

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Hearing difficulty	23,535	23,449	86 / 0.4%
Vision difficulty	15,692	14,081	1,611 / 11.4%
Cognitive difficulty	35,654	31,195	4,459 / 14.3%
Ambulatory difficulty	46,852	41,782	5,070 / 12.1%
Self-care difficulty	21,871	18,906	2,965 / 15.7%
Independent living difficulty	39,770	34,420	5,350 / 15.5%

Table 48 Disability by Type (2019 5-year ACS)

For more detailed breakdowns of the City’s disabled population please see Appendix G.

#### b. Community engagement

The Housing Department met with members of the disabled community on January 22, 2022, to gather feedback on challenges to securing and maintaining stable housing. Approximately twenty people attended the meeting to share their concerns and brainstorm solutions. Concerns shared included high cost of housing, scarcity of HCVs, difficulty to find owner who accepts vouchers, accessibility issues (e.g., stairs in home, wait times for inspection, denial of accommodation requests), insufficient social security

<sup>56</sup> Please note that the ACS systematically undercounts the population of people with disabilities. As one example of the problems with the ACS treatment of disability, the 6 categories of disability in the ACS questionnaire (listed in Table 45, above) is only a limited subset of the wide range of disability experiences. For comparison, the national percentage of people with disabilities per the ACS is 12.6% versus 26.7% per the Centers for Disease Control and Prevention, Behavioral Risk Factor Surveillance System (2019). ACS data, though problematic, was used for this analysis because of the availability of various time series and tract-level data.



benefits to cover housing costs, unresponsiveness by landlords for requests for reasonable accommodations, and lack of resources needed to navigate housing applications and benefit systems.

The Housing Department staffs a part-time senior development officer to facilitate increasing access to the department's housing programs, improving access practices within the department and to deepen communication and outreach to the disability community.

*c. How the community is currently being served*

As shown above in Table 21 and noting issues with the U.S. Census undercount of people with disabilities, at least 8.6% of the City's population has a disability. Persons with disabilities often face limited earning potential as the result of their disabilities and often experience discrimination.<sup>57</sup> Additionally, some persons with disabilities may have self-care and mobility limitations that require housing design features such as wheelchair ramps, holding bars, special bathroom designs, wider doors, and other design features. As reported above, community members identify housing accessibility is an acute problem. Data about the availability of accessible housing, even in within the portfolio of housing that has been subsidized by the City, is inconsistent, incomplete, and unreliable.

For persons with developmental disabilities, however, more robust data is collected and maintained by the California Department of Developmental Services and the statewide network of regional centers. The California Department of Developmental Services currently provides services to persons with developmental disabilities through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The San Andreas Regional Center (SARC) serves four counties, including Santa Clara County. Per data provided by SARC, there are approximately 7,000 persons with developmental disabilities living in San José, of whom, approximately 4,300 are adults. Approximately two-thirds (or 2,800) developmentally disabled adults living in San José are residing in the home of a guardian; 10 percent are living independently with support; and 24% percent, or approximately 1,000, live in Community Care or Intermediate Care Facilities; several of these facilities are operated by the County with State funding.<sup>58</sup> However, the Regional Center only serves people with developmental disabilities with medical documentation received prior to age 18. As identified by community input in our focus group sessions, adults over 18 with disabilities diagnosed during adulthood, who seek Regional Center assistance are turned away. Also, youth who are "higher functioning" are not registered with the Regional Center.

The Department of Developmental Services reports that, between September 2015 and June 2021, 5% fewer people with Developmental Disabilities were able to be housed in licensed care facilities (including Community Care Facilities, Intermediate Care Facilities, and Skilled Nursing Facilities) in Santa Clara County, even as the adult population in need of residential options outside the family grew. This trend increases the need for affordable housing options coordinated with supportive services specifically targeting persons with developmental disabilities. Santa Clara County's reduced supply of licensed care facilities increases the likelihood that San José adults with developmental disabilities will be forced out of the County when their parents are no longer able to house them. While reduced utilization of licensed care facilities may be seen as a positive outcome, there remains a shortage of affordable,

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<sup>57</sup> [https://www.huduser.gov/PORTAL/sites/default/files/pdf/housing\\_discrimination\\_disability.pdf](https://www.huduser.gov/PORTAL/sites/default/files/pdf/housing_discrimination_disability.pdf)

<sup>58</sup> From data provided by the San Andreas Regional Center as of November 2021, as collected and processed by [Housing Choices](#)

service-enriched housing. The Department of Developmental Services also reports that the population of persons aged 62 and older with developmental disabilities grew substantially (by 35%) from 2015 to 2021. This increase is generally attributable to well-documented gains in life span, rather than any substantial in migration. Longer life spans mean that more adults with developmental disabilities will outlive their parents and family members who house the majority of people with developmental disabilities in the City.

*d. Gaps analysis*

There are a number of significant gaps in coverage for housing for persons with disabilities, including the following:

- *Housing affordability:* Social security benefits for persons with disabilities is insufficient to pay for market-rate housing in an expensive area like San José;
- *Support services and supportive housing:* There is not enough supportive housing or supportive services to allow disabled people to live more independently. For example, for the majority of developmentally disabled adults who live with aging parents, what happens when they no longer can access familial support systems?
- *Housing accessibility:* The super-majority of San José’s housing stock was built prior to the passage of the Americans with Disabilities Act and most housing units are in need of substantial work to become fully accessible. Per community feedback, disabled renters have significant difficulties with landlords refusing or inadequately addressing requests for reasonable accommodations;
- *Housing discrimination:* Per Section D, below, the majority of fair housing complaints and inquiries in San José are related to issues of disability discrimination.

2. Familial Status

*a. Large households*

Large households are defined by the HUD as households with five or more members. Large families or households often have different housing needs than smaller households. If a city’s rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions.

According to the 2019 5-year ACS, there are 49,165 households with five or more persons in the City of San José, which makes up 15% of the City’s total households. From 2014-19, the number and percentage of large households in San Jose fell slightly from 16% to 15%.

	<b>2019 5-yr ACS</b>	<b>2014 5-yr ACS</b>	<b>Change # / %</b>
1-Person Household	63,185	61,133	2,052 / 3%
2-Person Household	93,856	85,407	8,449 / 10%
3-4 Person Household	118,908	114,509	4,399 / 4%
5 or more Person Household	49,165	49,535	(370) / (1%)
Total Households	325,114	310,584	14,530 / 5%

Table 49 : Households by Household Size

56% of the large family households are owners while 44% are renters. From 2014-19, the owner and renter percentage of large households in San Jose stayed the same.

HUD’s Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release provides some data on the income distribution among large family households. CHAS indicates that 28% of large family households were extremely or very low-income, earning less than 50% of the Area Median Income (AMI). This percentage is not any different from the ELI/VLI percentage for smaller family households. Forty-three percent of large-family households earned 100% or more of the AMI compared to 51% for smaller family households.

*b. Female-headed households*

According to the 2019 5-Year American Community Survey (ACS), 11.5% of San Jose households (37,319 households) are female-headed family households, down slightly over 5 years.

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Households	325,114	310,584	14,530 / 4.7%
Women-headed Family Households	37,319	38,493	(1,174) / (3.0%)
% of Total	11.5%	12.4%	

Table 50: Female-headed households

Female-headed households with children face unique housing challenges. They often deal with pervasive gender inequality that results in lower wages for women. Moreover, the added expense for childcare can make finding a home that is affordable more challenging.

About 15% of the female-headed family households fall below the poverty level compared with 5% of all San Jose families who fall below the poverty level. For female-headed households with children under 18, the challenge is even greater, with 29% falling below the Poverty Level.

Women of color face significantly worse housing problems than any other group in San Jose. The Bay Area Equity Atlas highlights the cost burden experienced by females - 2019 IPUMS data for San Jose indicates that, while 58% of all female renters in San Jose are cost burdened (compared with 48% of males), 69% of female Black renters and 62% of female Latina renters in San Jose are cost burdened.

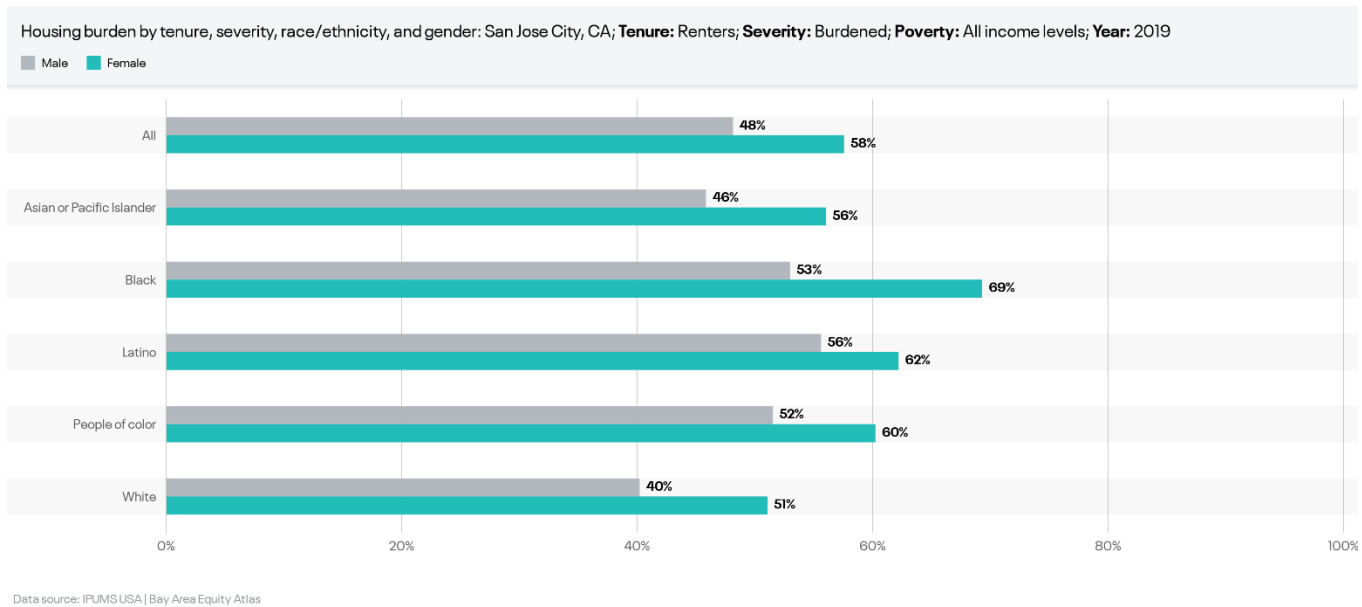


Figure 23 – Housing Burden Women of Color

*c. Multigenerational households and households with other “non-traditional” family living arrangements*

Nationally, according to the Pew Research Center, the number and percentage of multigenerational households have been on the rise since the 1980s.<sup>59</sup> Two demographic factors are driving these trends. One is that increased housing costs are forcing families to double up or take on other relatives to defray housing costs – the most common of which is that young adults move in with their parents<sup>60</sup>. Another is that increasing numbers of immigrants – especially AAPI and Latino/a/x households – are arriving with the pre-existing cultural practice of multigenerational living.

Most housing units in the U.S. are designed for one of two basic living arrangements: (1) a nuclear family consisting of parents and their minor children, or (2) a single or a couple without children. Fair housing violations are possible when housing providers presume that these are the only types of family or household arrangements or that they limit rental or sale of housing on the basis of such family status.

In San José, a city with high housing costs and a high percentage of immigrants, there is a slightly higher rate of occurrence of types of multi-generational and non-traditional family household arrangements.

Non-nuclear family member of household	# of persons living in San José households	% of all people living in San José households	FOR COMPARISON: National %
Grandchildren of Householder	25,026	2.5%	2.4%

<sup>59</sup> <https://www.pewresearch.org/fact-tank/2018/04/05/a-record-64-million-americans-live-in-multigenerational-households/>

<sup>60</sup> 2014 was the first year since the census began recording such data (in 1880!) where living in their parents’ home was the largest single housing arrangement for 18-34 year old adults. <https://www.pewresearch.org/social-trends/2016/05/24/for-first-time-in-modern-era-living-with-parents-edges-out-other-living-arrangements-for-18-to-34-year-olds/>

Parents or in-laws of Householder	36,823	3.6%	1.8%
Adult children of Householder	111,835	11.0%	9.6%
Spouse of adult child	7,782	0.8%	0.5%
Siblings of Householder	23,568	2.3%	1.3%
All other relatives of householder (non-spouse, non-minor children)	30,574	3.0%	1.5%
Nonrelatives living in a family household	3,654	0.4%	0.1%

Table 51: Persons living in "non-traditional" family households (2019 5-year ACS)

#### d. Community engagement

The City does not have outreach initiatives to target large, multi-generational, or female-headed households. The Housing Department held a working group focused on barriers to access to rental housing where challenges about finding suitable housing for large families were expressed. Participants stated large families often cram into smaller housing units due to high housing costs.

#### e. How the community is currently being served

##### i. Large and multigenerational households

There are no specific City sponsored programs targeting large or multigenerational households. However, such households can avail themselves of City programs specifically designed to improve housing opportunities through preservation and rehabilitation of existing affordable housing stock and the construction of new, affordable homes.

The City's Rent Roll Portal (which covers 176 properties or 15,504 units) as of March 10, 2022 reveals that 20% of the tenants living in City monitored affordable housing projects are large families (with 5 or more family members).

##### ii. Woman-headed households

The City provides affordable housing for single women and funds an array of facilities, programs, and services to assist them. The City currently has 1,070 emergency shelter beds and transitional housing beds that serve homeless individuals including women with children and victims of domestic violence. The City also funds the Supportive Housing Employment Initiative to develop and launch an employment engagement system focused on homeless (men and) women in rapid rehousing programs.

City Policy also requires developers, contractors and/or sub-recipients of City funding solicit bids from women and minority owned businesses. In bid notifications, it is required to include a statement that encourages MBE/WBE businesses to apply.

#### f. Gaps analysis

##### i. Large and multigenerational households

The 2019 5-Year ACS data reveals that there are 89,065 occupied housing units in San Jose that have 4 or more bedrooms, 27% of the total housing units. Most of them (75,839 or 85%) are owner occupied while 15% (13,226) are renter occupied. If we assume that a minimum of 4 bedrooms is required to

house a large person household, the city potentially has housing available to accommodate its 27,532 large family owner households. But large family renter households have a housing unit deficit – 13,226 housing units to accommodate 21,638 large family households. Moreover, the cost of owning or renting large family housing may make it prohibitive for the 28% of the large family households who earn 50% or less of the AMI.

ii. *Female-headed households*

The City does not provide enough affordable housing specifically for female-headed households.

3. Elderly

a. *Demographic overview*

According to the 2019 5-year ACS, there are 128,611 persons at or over the age of 65 living in the City of San José or 13% of the city’s population.

From 2014 to 2019, the number of seniors grew at a much faster pace than the general population – i.e., the city’s population grew by 4.2% while the senior population grew by 19.5%.

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Population	1,027,690	986,320	41,370 / 4.2%
Age 65+	128,611	107,654	20,957 / 19.5%
% of Total	12.5%	10.9%	

Table 52: Population Age 65+

Approximately 36% of San José’s seniors are AAPI, 32% are Latino/a/x, and 26% are non-Hispanic White. About 33% of San José’s senior population have a disability. Most of San José’s Seniors own their homes (70%). A larger proportion of San José’s seniors live alone (36%) when compared with 19% of all households who live alone.

CHAS 2013-17 tabulation reveals that homeownership rates vary significantly by income level. Only 43% of extremely low-income senior households own their home, while 86% of those senior households with incomes at or above the AMI own their homes.

The CHAS data also reveals how vulnerable seniors with fixed income are – 60% of San José’s Seniors are considered lower income, earning 80% or less of the AMI, compared with 41% of all San José households who are lower income. Forty-four percent of San José’s Seniors are cost burdened, paying 30% or more of their income for housing costs, compared with 37% of all San José households who are cost burdened.

b. *Community engagement*

The Housing Department held a focus group on January 29, 2020 with seniors to hear their concerns and gather feedback. The City has a Senior Citizen Commission which studies, reviews, evaluates and makes recommendations to the City Council on any matters affecting elderly people in the City, including housing.

c. *How the community is currently being served*

Seniors often have housing needs related to the following factors: fixed, relatively low incomes, high health care costs, and physical disabilities. Because of the high birth-rate during the mid-20th century and improved healthcare, seniors are living longer and are becoming a larger portion of the population

everywhere. An expansion in the senior population creates the special need of scaled-down housing size, ADA accessibility, and other amenities that give seniors access in the community.

Senior populations have a wide range of housing needs that include daily care-provider assistance to assisted living facilities. However, surveys show that the many seniors prefer to “age in place.” Services are provided by the City and County that assist seniors who are on Medi-Cal to remain in their home for as long as possible.

About 27% of San José’s rent restricted affordable housing (4,474 apartments) and 17% (1,792) of San José’s mobile home lots are restricted to Seniors.

Residential Care Facilities for the Elderly (RCFE) are regulated by the California Community Care Licensing Division (CCLD) of the Department of Social Services. It provides services to persons 60 years and over. RCFEs are assisted living facilities, retirement homes, and board and care homes. According to the Department of Social Services data, there are 149 licensed residential elder care facilities in San José with a capacity to serve 2,885 residents.

Federal funding also provides for community based Senior services such as Meals on Wheels and Senior Nutrition and Wellness program. These services help San José’s low-income seniors improve health and quality of life, prevent or reduce their isolation and depression, and/or increase their housing stability improving their opportunities to age in place.

#### *d. Gaps analysis*

With the senior population growing at a much higher rate than the general population, the demand for affordable Senior Housing is expected to accelerate in the future. Currently there are about 87,059 households in San José with at least one person over the age of 65. City-assisted affordable housing apartments meet only a small percentage of the need for senior housing.

## 4. Unhoused People

### *a. Demographic overview*

Homelessness, as well as a lack of affordable housing for extremely low-income people continues to be a pressing issue for the City of San José, the County of Santa Clara, and for the region as a whole.

According to HUD’s 2019 Annual Homeless Assessment Report, among the 48 Major City Continuums of Care, the County of Santa Clara has:

- The fourth largest homeless population,
- The second largest unsheltered homeless population,
- The third largest chronically homeless population, and
- The third largest unaccompanied homeless youth (under 25) population.

Locally, the January 2019 homeless census and survey counted 6,097 persons experiencing homelessness in San José, which was an increase of 40% from the 2017 homeless census. Of the 6,097 people counted, 5,117 were unsheltered. This means that 84% of San José’s homeless population sleeps outdoors on the street, in parks, tents, encampments, vehicles, abandoned properties and/or bus and train stations.

Figure 1. TOTAL POINT-IN-TIME COUNT OF PERSONS EXPERIENCING HOMELESSNESS IN SAN JOSÉ

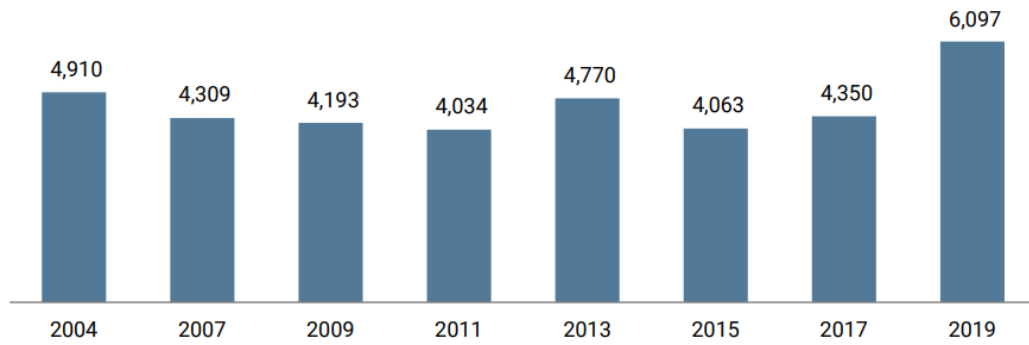


Figure 2. POINT-IN-TIME HOMELESS POPULATION BY SHELTER STATUS - LONGITUDINAL

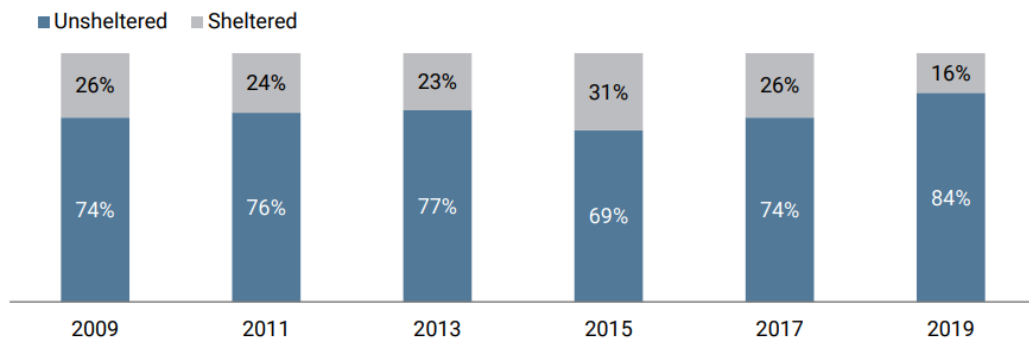
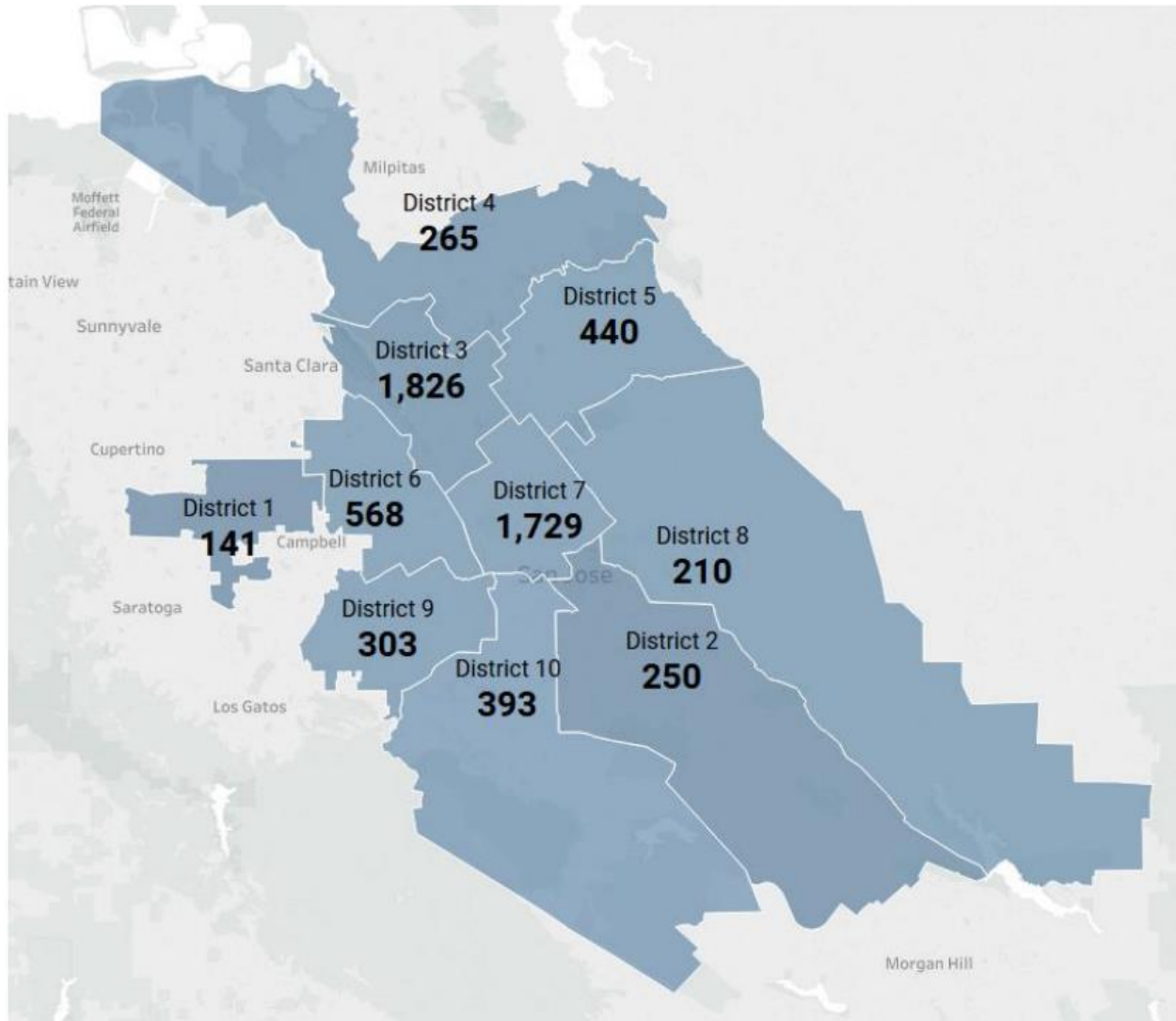


Figure 24 PIT Homeless Survey 2019





Map 34: Homeless residents by Council District

Preliminary data for the 2022 Point in Time count for San José was released in May 2022. It shows that San José’s total homeless count increased 11% to 6,739 in 2022. Even though the total homeless population increased 11%, a significant investment in housing the homeless paid off, with the sheltered homeless population going up 74% (to 1,708) and the unsheltered homeless population dropping 2% (to 5,031). More detail on the homeless survey will be shared when it is made available.

Between January 29 and February 28, 2019, the City of San José administered a survey of its homeless population to a randomized sample of individuals and families currently experiencing homelessness. The Homeless Survey effort resulted in 925 unique, complete, and valid surveys collected in the City of San José. In order to gain a more comprehensive understanding of the experiences of individuals and families experiencing homelessness in the City of San José, respondents were asked basic demographic questions including age, gender, sexual orientation, and ethnicity:

- **Age:** Fifteen percent (15%) of survey respondents were under the age of 25 at the time of the 2019 survey. One-fifth (20%) of respondents were between the ages of 25 and 40, and 65% were 41 years or older.
- **Gender & Sexual Orientation:** Nearly two-thirds (65%) of survey respondents identified as male, 34% identified as female, 1% identified as transgender, and <1% did not identify as male, female, or transgender. Among the female respondents, 2% indicated that they were currently pregnant.
- **Race & Ethnicity:** For race and ethnicity, per the 2019 homeless survey, the top four responses were 44 percent White, 24 percent multi-racial, 19 percent Black, and 8 percent said they were American Indian or Alaskan Native. Forty-three percent of respondents reported they were of Latinx/Hispanic ethnicity. See the following tables for Racial and Ethnic makeup among the chronically homeless, homeless veterans, and homeless youth populations for San José.

	Chronic	Non-Chronic
American Indian/Alaska Native	10%	8%
Asian	3%	4%
Black/African American	17%	20%
Native Hawaiian/Other Pacific Islander	1%	2%
White	39%	37%
Hispanic/Latino	40%	41%
Multi-Racial/Other	31%	28%
* Chronic N = 225; Non-Chronic N = 622		

Table 53: Homelessness by Race, San José

In comparison to the general population of San José, a higher percentage of homeless survey respondents identified as Hispanic or Latinx (42% homeless respondents compared to 32% in the general population). A much higher proportion of homeless survey respondents identified as Black or African American when compared to the general population (19% compared to 3% general population), whereas a smaller percentage of the homeless survey population identified as Asian (4% compared to 36% general population).

This disproportionate numbers of Black, Native American, and Latino/a/x homeless persons is consistent with the larger regional data, per Figure 24, below.

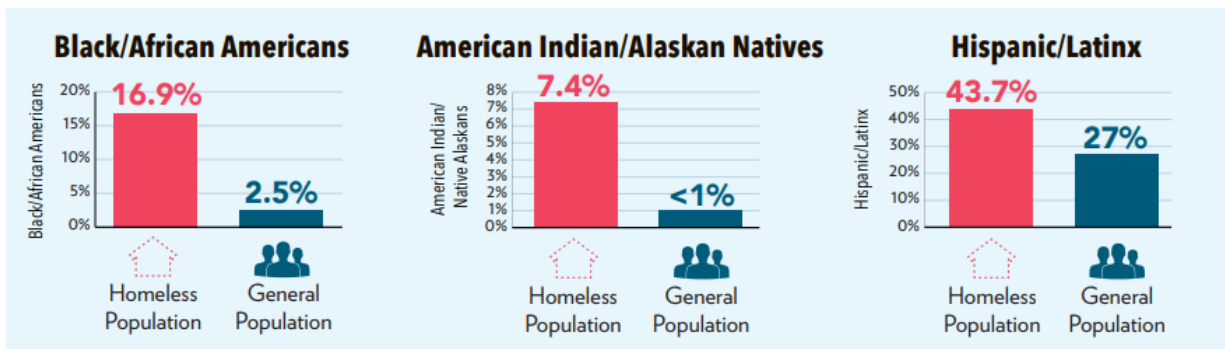


Figure 25: Homelessness by race, Santa Clara County<sup>61</sup>

### *b. Community engagement*

The Housing Department met with homeless individuals and families on December 12, 2019. Issues identified included 1) issues with the VI-SPDAT tool to accurately assess needs of individual, lack of housing at levels a person transitioning from homelessness can afford, lack of support in transitioning from homelessness to living in a home, and lack of centralized place to receive services. The Housing Department met with formerly homeless residents living in permanently supportive housing on February 2, 2022. Residents spoke of their concerns with the lack of supportive services, high staff turnover, poor property management including lack of response to issues raised, where to go when issues raised consistently ignored, and concerns of safety. Residents also spoke of issues encountered when transitioning out of homelessness including lack of education on maintaining a home including buying furniture or paying bills.

The Housing Department staffs an outreach team as part of its Homelessness Response Framework. The outreach team engages with the unsheltered population, offers services and shelter, and is the primary contact for the Coordinated Assessment System.

### *c. How the community is currently being served*

To assist populations experiencing homelessness in San José and counteract the impacts on the community, the City of San José's Housing Department developed the Homelessness Response Framework, which uses a Coordinated Assessment System, beginning with an Outreach Team that serves as the first point of entry for those who are unsheltered into the system. At the outset of outreach, obtaining basic needs are facilitated. Individuals experiencing homelessness are then added to the Coordinated Assessment System and matched with the appropriate housing program. Housing programs are coordinated with each other and include client referral to the following:

- Interim Housing, which provides temporary housing and site-based services, and is effective for certain homeless sub-populations.
- Permanent Supportive Housing, which provides long-term rental subsidies and intensive case management for households with disabilities and special needs.
- Rapid Rehousing System, which provides time-limited subsidies and supportive services to households that can achieve economic self-sufficiency within the program term.

The City of San José and the County provide an array of facilities, programs, and services to assist individuals and families experiencing homelessness. Services include, but are not limited to:

- Housing for Families with Children
- Domestic Violence, Family & Children Issues
- Drop-In Day Time Service Centers
- Housing for Single Men & Women
- Rental & Other Assistance
- Medical, Mental Health & Recovery Programs
- Veterans Services
- Legal Referrals

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<sup>61</sup> <https://destinationhomesv.org/documents/2020/10/2020-2025-community-plan-to-end-homelessness.pdf/>

- Food & Meals
- Youth Services
- Employment/Vocational Services
- VTA Services
- Homeless Outreach

The City operates five interim housing communities, which are sometimes called Bridge Housing Communities (BHCs). The first BHC opened in January 2020 to provide interim housing for formerly unhoused individuals. The purpose of interim housing is to give participants an opportunity to stabilize their lives and work toward self-sufficiency. The City does not charge people rent while they live at BHCs or other interim housing sites.

Permanent Supportive Housing provides residents with affordable housing with no time constraints on their stay at the property, as well as on site Mental and Physical Health services. The 2021 Continuum of Care Housing Inventory Count (HIC) by the County of Santa Clara Office of Supportive Housing reports 3,433 permanent supportive housing beds in San José. The HIC also reports the City's count of 1,759 emergency shelter beds, 956 rapid rehousing beds, and 366 transitional housing beds in 2021.

There are 298 Adult Residential facilities in San José with the capacity to accommodate 4,689 individuals. There are 237 Residential Elder Care Facilities with the capacity to accommodate 3,477 individuals.

The City provides opportunities for homeless families and individuals living in cars and recreational vehicles (RVs) to park in safe places overnight. More than 1,000 people sleep in vehicles on any given night in San José. The Safe Parking Program allows businesses and non-profits to establish Safe Parking Areas in their parking lots.

#### *d. Gaps analysis*

A lack of funding to construct much-needed affordable housing is a significant system gap. In addition, there is a lack of enough service providers to address the level of need, which also requires funding. However, significant planning and new funding sources (Measure A, HEAP, and federal funds) will help to counteract such deficiencies. San José partnered with Santa Clara County for the Community Plan to End Homelessness-2015-2020, build strong partnerships across County departments, local governments, the business sector, and non-profit and philanthropy to leverage resources. A new plan is in development for the next five years. The partners will meet to discuss progress over the previous five-year plan to develop new strategies for better outcomes. Additionally, San José adheres to Coordinated Assessment System to connect each individual experiencing homelessness with the appropriate housing as described in the plan.

## 5. Extremely Low-Income Persons

### *a. Demographic overview*

According to 2021 HCD Income Limits, a family of four making an annual income of \$49,700 in Santa Clara County is considered an Extremely Low-Income (ELI) household. CHAS 2013-17 tabulation reveals that 16.2% of San José households (51,924 households) are ELI households.

ELI households face significant housing challenges, especially in a high-cost economy like the Silicon Valley. Their wages are low and stagnant. They are forced to compete with higher wage earners for the limited supply of affordable housing. According to The Gap, a 2021 report published by the National Low Income Housing Coalition, there are just 29 homes available for every 100 extremely low-income households in the San José-Sunnyvale-Santa Clara metro area. This number was reported pre-pandemic and does not include the housing needs of the homeless population. The COVID pandemic most certainly has exacerbated this already critical situation.

Bay Area's lowest earners end up spending so much of their paychecks on rent, that they have little or nothing left over for other expenses. CHAS 2013-17 tabulation reveals that 80% of San José's ELI households are cost burdened, paying 30% or more of their income on rent out of whom 63% are severely cost burdened, paying 50% or more of their income on rent. When compared with the Cost Burden of all San José households, the difference is stark. 37% of all San José households are cost burdened out of whom 17% are severely cost burdened.

#### *b. Community engagement*

The Housing Department met with a focus group of extremely low-income affordable housing residents of King's Crossing on March 7, 2022. The main concern raised at the meeting was the poor management of their building. Residents complained of lack of supportive services, safety concerns of non-residents entering the building, and general lack of responsiveness by management to concerns raised by tenants.

#### *c. How the community is currently being served*

The City contracts with the Santa Clara County Housing Authority (SCCHA) to administer San José's HCV Program. This is SCCHA's largest rental assistance program with about 17,000 participants Countywide. By law, the Housing Authority must provide 75 percent of the vouchers to applicants whose incomes do not exceed 30 percent of the area median income (extremely low income).

In addition to the Section 8 Housing Choice Voucher Program, there are approximately 216 in-service, income-restricted affordable housing developments in San José, that contain a total of 19,221 apartment units, out of which 2,296 (12%) are income restricted to ELI households.

#### *d. Gaps analysis*

For this current RHNA cycle, the City has been able to meet only 13% of its ELI housing goal. This slower pace in building affordable units generally reflects the time and difficulty in assembling competitive affordable housing financing layers, as well as the scarcity of local, State and federal subsidies that are needed to build affordable homes.

Housing data available from the Santa Clara County Housing Authority indicates that the agency administers 6,025 HCVs in the City of San José. Assuming 75% of these vouchers belong to ELI households, about 4,520 ELI households may be served through this program. In addition to the 2,296 income restricted affordable homes in San José, a total of 6,816 apartments are available to the 51,924 ELI households in San José, satisfying only 13% of the ELI housing need.

The City Council has proposed many initiatives to increase the supply of ELI housing. The City Council has directed that 45% of the City's subsidies be spent on ELI apartments. In June 2018, the City adopted a Housing Crisis Workplan, which proposed strategies and policy actions to enable the facilitation of 25,000 new housing units by 2023 that included 10,000 affordable units including ELI housing.

## 6. Farmworkers

### *a. Demographic overview*

The Santa Clara Valley Agricultural Plan reports that the County's agricultural industry employs over 8,000 residents and contributes around \$830 million annually to the economy. While some counties have an idea of how many workers live in and travel through their borders, there is no solid estimate of how many farmworkers there are in Santa Clara County at any given time.

Agricultural workers occupy a very small percentage of San José's workforce. According 2019 5-year ACS data, 2,117 employed civilians over the age of 16 were employed in Agriculture, Forestry, Fishing and Hunting occupations – 0.4% of the civilian workforce.

Farmworkers have unique problems. Many are migrant workers, working in an environment that is surrounded by pesticides. Most farmworkers continue to work long hours outdoors even when air quality is substandard. Many female farmworkers experience sexual harassment on the job sites. Often farmworkers represent a shadow community because many are undocumented or from indigenous communities.

### *b. Community engagement*

Aside from county-wide efforts to connect to the farmworker community in Santa Clara, the City does not have any designated programs or outreach to target farmworkers or their families. The City is currently working with the County and some other cities in the County to work with a consultant to design a collaborative process or meeting to engage with farmworkers in the county around issues of housing needs.

### *c. How the community is currently being served*

There are fewer than 1,800 agricultural housing units in Santa Clara County. A unit can mean a house, mobile home, apartment or even a separate room within an apartment. Only two new farmworker group housing projects have been built in the past decade in Santa Clara County.

Farmworkers derive their primary income from agricultural labor, and generally fall into the Very Low (VLI) or Low-Income (LI) category based on the AMI. Depending on a farmworker's occupation within the industry, they can move seasonally or remain long term on one farm.

Most farmworker households qualify for traditional affordable housing programs, yet they remain underserved under these traditional housing models. Affordable housing is incredibly impacted in the region due to high demands and extreme shortage and aspects of farmworker life often make them ineligible. For some households it is challenging to commit to a long-term lease, due to seasonal changes in employment. Many farmworker households include non-family members, often not allowed in affordable housing developments.

### *d. Gaps analysis*

Traditional funding streams for farmworker housing have diminished over time. The U.S. Housing Act of 1949 established federal loan (Section 514) and grant (Section 516) programs for the purchase, construction, and repair of farmworker housing. This program finances less than 1,000 units nationwide annually. It is estimated that there are approximately 800 families on the waitlist for every development funded through this program. The Fiscal Year 2020 budget did not include any funding for this program.

Developers have also struggled to bundle USDA dollars with other affordable housing funding programs that often prioritize infill projects and those that are near transit and other community benefits.

In Santa Clara County, recent zoning changes allow development of farmworker housing with a simpler and cheaper special permit or planning clearance, costing \$500 to \$6,000, depending on whether the project is for short-term or long-term housing. This is compared to a prior use permit – that costs \$14,000 and takes up to nine months to receive.

## 7. Veterans

### *a. Demographic overview*

According to the 2019 5-year American Community Survey (ACS), there are 26,296 veterans living in the City of San José, or 3.3% of the City’s population. Of these veterans, the majority (54.5%) are aged 55 or older, followed by 20% of veterans aged 35-54 years. Veterans in San José are overwhelmingly (92.2%) male, and non-Hispanic white (54.5%).

The 2019 point in time census found the number of homeless family members in San José was 313, down from 340 in 2017. The number of homeless veterans was 476, up slightly from 468 in 2017.

<b>Veterans Experiencing Homelessness By Race</b>		
	<b>Veterans</b>	<b>Non-Veterans</b>
American Indian/Alaska Native	8%	9%
Asian	0%	4%
Black/African American	20%	19%
Native Hawaiian/Other Pacific Islander	2%	2%
White	58%	36%
Hispanic/Latino	29%	
Multi-Racial/Other	12%	31%
<b>* Veterans N = 59; Non-Veteran N = 782</b>		

Table 54: Veterans experiencing homelessness by race, City of San José

### *b. Community engagement*

The Housing Department met with a group of veteran advocates and service providers on January 25, 2022. Concerns raised by the group included lack of affordable housing, accessibility of housing units, lack of reasonable accommodation request approvals and 290 status as a barrier to obtain housing. Several support service agencies exist and operate within the City to assist veterans and their housing needs.

### *c. How the community is currently being served*

The HIC is a point-in-time inventory of provider programs within a Continuum of Care that provide beds and units dedicated to serve people experiencing homelessness. In the 2021 HIC Survey for San José, there were 1,138 beds for veteran households without children, and 705 for veteran households with children.

Acting on behalf of the City of San José Housing Authority, the City contracts with the Santa Clara County Housing Authority (SCCHA) to administer and manage the Section 8 Voucher program and public housing programs within San José. The SCCHA receives federal funding to run housing assistance for homeless veterans under the Veterans Affairs Supportive Housing (VASH). Agencies providing support services for veterans include Veteran Families (SSVF), Goodwill of Silicon Valley, HomeFirst, Office of

Veterans Services and Veterans' Support Service Agency (VSSA). Of the 12,191 housing vouchers in use in San José, 349 are for use by Veterans.

#### *d. Gaps analysis*

Despite efforts at the City and County level to address veterans experiencing homelessness, homelessness veterans increased slightly from 2017 to 2019. Although there are several programs designed to assist housing veterans, veterans continue to experience housing insecurity.

## 8. LGBTQ

### *a. Demographic overview*

In the decennial census and in the ACS, households headed by a couple can identify whether the couple is "same sex" and whether the couple is married or are unmarried partners. This is the only data available through the ACS that relates to LGBTQ+ identity.<sup>62</sup> It is an incomplete and insufficient slice of data and does not include options for trans or non-binary gender identities and no accounting of persons who identify as lesbian, gay, or bisexual but who are not a head of household or are not coupled with and living with a head of household. Given these systemic gaps in the data, according to the 2019 5-year ACS, in San José, there were 1,441 households headed by same-sex married couples and 1,082 households headed by same-sex unmarried couples.

### *b. LGBTQ unhoused population*

While there are limited national data on the number of lesbian, gay, bisexual, transgender, and questioning (LGBTQ+) individuals experiencing homelessness, available data suggest LGBTQ+ individuals experience homelessness at higher rates, especially those under the age of 25.<sup>63</sup> More than one in ten (12%) survey respondents identified as LGBTQ+ in 2019, down from 35% in 2017. Similar numbers of individuals identified as LGBTQ+ in 2017 and 2019, but the increase in overall homelessness drove down the percentage of individuals experiencing homelessness in 2019. Of those, 47% identified as bisexual, 24% identified as lesbian, and 18% identified as gay.

### *c. Community engagement*

The Housing Department met with LGBTQ+ community members on 3 occasions during AFH preparation. Meetings were held in person on December 18, 2019, and via zoom on January 25<sup>th</sup> and February 15<sup>th</sup> of 2022. The most pressing concerns raised in the meetings were lack of affordable housing, detrimental health impacts and safety issues due to lack of housing and limitations of shelter housing for non-gender confirming individuals. Community members also identified the lack of funding for LGBTQ+ targeted services and institutions and pressed for the creation of a full continuum of housing (shelters, transitional housing, and permanent supportive housing) that specifically serve LGBTQ+

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<sup>62</sup> The U.S. Census Pulse Survey, <https://www.census.gov/library/stories/2021/11/census-bureau-survey-explores-sexual-orientation-and-gender-identity.html>, has a deeper and more varied approach to gender and sexual identities than most other Census products. However, these data are not collected at a geographic level that is useful for San José's analysis.

<sup>63</sup> City of San José, 2019 Homelessness Census and Survey, Comprehensive Report, <https://www.sanjoseca.gov/home/showpublisheddocument/38890/636987964835130000>



people as well as more funding and training for service organizations to provide culturally competent/relevant services.

*c. How the community is currently being served*

The City has one shelter and several organizations that serve the LGBTQ+ community. New Haven Inn is an inclusive shelter in downtown San José with focused support for individuals who identify as LGBTQ+. LGBTQ+ serving organizations include the Bill Wilson Center, the Billy DeFrank Center, and the LGBTQ Youth Space.

The Santa Clara County Office of LGBTQ Affairs first opened its doors in January of 2016. The office was founded with the intention of providing support to the LGBTQ+ community living in Santa Clara County, as well as acting as a central resource hub on LGBTQ+ affairs.

*d. Gaps analysis*

There is a general shortage of shelter beds in the City, and only one shelter, New Haven Inn, that provides focused support to the LGBTQ+ community. According to the 2021 LGBTQ+ Older Adults in Santa Clara County study from the Santa Clara Office of LGBTQ Affairs, 54.1% of survey respondent and San José residents were not confident they will be able to continue living in their current housing. Per above, community feedback identified substantial gaps in the number of culturally competent service providers and facilities.

## 9. Domestic Violence Survivors

*a. Demographic overview*

There is insufficient data at the local level documenting the demographics of domestic violence survivors.

*b. Community engagement*

The Housing Department held a focus group with women and domestic violence survivors on December 13, 2019. Common barriers to housing for women and domestic violence survivors were lack of shelter beds, lack of affordable housing, and documentation issues to apply for housing if prior documentation was in the name of husband and general lack of support in transitioning to living without partner.

*c. How the community is currently being served*

The City has sponsored 5 affordable housing projects with 128 apartments that house victims of domestic violence and for women with children at high risk of becoming homeless or making the transition from homelessness to self-sufficiency.

*d. Gaps analysis*

Per feedback from service providers and survivors, demand far exceeds the supply of housing targeting survivors of domestic violence.

## E. Fair Housing Enforcement and Outreach Capacity

### 1. Summary and findings

There is a continued need for fair housing rights and education and enforcement, especially in the rental market. Despite ongoing efforts, there is still evidence of housing discrimination beyond what becomes official complaints, especially in terms of discrimination of people with disabilities (large numbers of inquiries reported despite a smaller percentage of complaints filed; multiple reports from community members during our community outreach process) and source of income discrimination (multiple reports during community engagement of voucher-holders being turned away from rental opportunities). Working with fair housing providers to provide workshops to educate the public, including landlords, realtors, non-profit agencies, and others about fair housing laws and regulations, continues to be needed

### 2. Legal findings, lawsuits, enforcement actions, settlements, or judgments related to fair housing

HUD maintains a record of all housing discrimination complaints filed in local jurisdictions. These grievances can be filed on the basis of race, color, national origin, sex, disability, religion, familial status, and retaliation. HCD also provides data for each County and census tracts, when available, through the Affirmatively Furthering Fair Housing Data and Mapping Resources. Data compiled by HUD's Office of Fair Housing and Equal Opportunity (FHEO) and provided to the state database shows 13 cases for the County of Santa Clara.<sup>64</sup> Of these cases, seven are related to a disability bias, three are related to a racial bias, and three are related to familial status. HUD also tracks inquiries submitted in each jurisdiction. While these are not official cases, there is still value to identify concerns that residents have about possible discrimination. These inquiries may not have been pursued by the resident for any number of reasons. The dataset shows 225 inquiries in San José related to a disability bias. This is the same pattern reported by the claims filed locally with Project Sentinel for the City as discussed below.

The City contracts with the Law Foundation of Silicon Valley to coordinate a consortium of fair housing service providers ("consortium"). Through this contract, five programs provide services to support fair housing in San José. These programs include the Asian Law Alliance (ALA), Mental Health Advocacy Project, Project Sentinel (PS), and Senior Adults Legal Assistance (SALA). These programs help make housing available to all through community education and by enforcing the fair housing laws. Through investigation, direct representation, and individual counseling, the programs provide free legal services to people who have experienced discrimination in acquiring or keeping housing in San José.

The annual report for the consortium details the number of fair housing investigations, legal representations and client brief legal services provided. For FY19-20 there were 40 Fair Housing investigations, 47 legal representations and 75 client brief legal services. For FY20-21 there were 40 Fair Housing investigations, 34 legal representations and 81 client brief legal services. Performance

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<sup>64</sup> HCD Affirmatively Furthering Fair Housing Data and Mapping Resources, "FHEO Cases \_ Total \_2020\_ dataset" is a list of all the Title VIII fair housing cases filed by FHEO from 01/01/2006 - 06/30/2020, accessed April 2022.

measurements report 75% of complainants receiving legal services improve access or availability of housing for their protected category in both FY19-20 and FY20-21.<sup>65</sup>

Please see Appendix G for additional documentation of review of legal findings, enforcement actions, settlements, or judgments related to fair housing issues and of other AFH required analyses, including compliance with existing fair housing laws and regulations.

### 3. Enforcement and outreach capacity

#### *a. Fair Housing testing, complaints, and investigations*

The Fair Housing Act authorizes the Department of Justice to pursue suit in instances in which illegal housing discrimination patterns or practices are identified. The Civil Rights Division of the Department of Justice created the Fair Housing Testing Program to conduct fair housing testing investigations to help local jurisdictions determine if landlords, property managers, real estate agents, mortgage lenders, and property insurers are granting equal treatment and services to the protected classes under fair housing law. Fair housing testing is a method to evaluate the extent to which a protected class is provided different treatment and/or information in the process of renting or purchasing a home.<sup>66</sup> In addition to testing, Project Sentinel conducts investigation through interviews and other methods. With a very low rental vacancy rate, often there is not an opportunity to conduct a fair housing test and Project Sentinel utilizes other investigative tools.

The City contracts with local service provider Project Sentinel to conduct fair housing testing and investigation in local apartment complexes. The testing program, administered through CDBG funds, looks for any evidence of differential treatment among sample local apartment complexes. Following the testing, the service provider submits findings to the local jurisdiction and conducts educational outreach to landlords that showed differential treatment during the test.

Over the past two years (FY18-19 and FY19-20), Project Sentinel conducted 93 fair housing investigations, including 15 cases that involved fair housing testing. Of those 15 cases, six were complaint-based testing cases, meaning the testing was initiated after a San José resident contacted Project Sentinel with an allegation of housing discrimination and requested assistance in proving or disproving the discrimination claim. In review of Project Sentinel's database reporting for the last four years (FY16-FY17 to FY19-20), 226 complaints were processed. Of these 226 complaints, 118 complaints were based on disability (52 percent).

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<sup>65</sup> City of San Jose Grants Management San Jose Fair Housing Legal and Educational Services Collaborative CDBG Annual Reports for FY1920 and FY2021.

<sup>66</sup> U.S. Department of Justice. "Fair Housing Testing Program." Webpage tab.  
[http://www.justice.gov/crt/about/hce/housing\\_testing.php](http://www.justice.gov/crt/about/hce/housing_testing.php)

		2016-2017	2017-2018	2018-2019	2019-2020	Total
Protected Category	Age		1			1
	Arbitrary			1	1	2
	Disability	36	34	18	30	118
	Familial Status	12	11	9	3	35
	Gender Identity	6	1			7
	Habitability	3				3
	Immigration Status			1	1	2
	Marital Status			1		1
	National Origin	10	17	1	3	31
	Unknown					0
	Race	4	4	2	2	12
	Sex		6	7	1	14
	<b>Total</b>	<b>71</b>	<b>74</b>	<b>40</b>	<b>41</b>	<b>226</b>
Type of Complaint	Different Terms/Condition	13	10	6	5	34
	Eviction	7	1	3	3	14
	Hostile Environment	6	8	3		17
	Intimidation/Harassment		3	4	3	10
	Modification/Accessibility	1	1	1	1	4
	Reasonable Accommodati	25	28	14	25	92
	Repairs/Maintenance		5	1		6
	Refuse to Rent	17	12	6	4	39
	Refuse to Sell		1			1
	Uknown	2	2	1		5
	Sexual Harassment		3	1		4
		<b>Total</b>	<b>71</b>	<b>74</b>	<b>40</b>	<b>41</b>

Table 55: Project Sentinel Fair Housing Complaints

#### b. Education and outreach

Project Sentinel conducted 53 fair housing educational workshops and trainings, including 19 to housing providers, in addition to participating in community events, trade shows, and distributing fair housing brochures to San José residents and housing providers.

In addition to legal services and representation, the consortium provides ongoing Fair Housing outreach and education services related to Fair Housing on behalf of the City. This work included group trainings on housing discrimination and fair housing rights. From July 2019 to June 2021, collectively the consortium provided 52 educational and outreach events. Performance measures for these events report that 80% of presentation attendees at Fair Housing Presentations are more educated and familiar with the laws governing housing.<sup>67</sup> Project Sentinel hosted a Fair Housing Symposium on April 21<sup>st</sup> and May 7<sup>th</sup> of 2021. Over 200 people participated in the symposium.

#### 4. Fair Housing issues reported during community and stakeholder engagement

In development of the current Assessment of Fair Housing, the City of San José sought the input of individuals throughout the city to identify housing challenges and solicit input on possible solutions. In focus groups, the question was asked “What are some of the biggest obstacles you or your clients have

<sup>67</sup> City of San Jose Grants Management San Jose Fair Housing Legal and Educational Services Collaborative CDBG Annual Report for FY1920 and FY2021.

had to overcome in trying to get (and maintain) stable housing?” and “What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?” The City, where possible, partnered with community-based organizations to reach populations of protected classes. Twenty-one focus groups were held, from December 2019 to March 2022. Prior to COVID-19, meetings were held in person. After, meetings were held online via zoom. Over 278 people took advantage of the in-person and online meeting opportunities. In addition, ten working groups were held to dive deeper into housing issues of 1) access to rental housing and rental housing production, 2) increasing homeownership opportunities for people from protected classes, 3) increasing access to areas of high opportunity and 4) increasing resources in underserved neighborhoods. In total, 191 people attended the working group meetings and weighed in on strategies to address these housing issues. In addition to the meetings, the City has administered three surveys in hopes to better understand the housing issues residents are facing. Within this broad range of community input, the following legal issues related to fair housing were most commonly identified:

- Source of income discrimination (specifically for persons with vouchers),
- Disability discrimination (lack of accessible housing, lack of responsiveness for requests for reasonable accommodation).
- Lack of capacity amongst nonprofit and legal organizations to assist all those that are in need of services.
- Differing perspectives and interpretation of reasonable accommodation standards make them difficult to resolve.

In addition, there were recommendations from residents and community stakeholders to extend some form of legal protections for housing for the following classes:

- Undocumented immigrants,
- Persons with criminal records (e.g., recommendations for the City to “Ban the Box”).

## Appendices

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Appendix B: Disaggregated AAPI Data and Analysis

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## Appendix A

AFH Segregation Report: San José

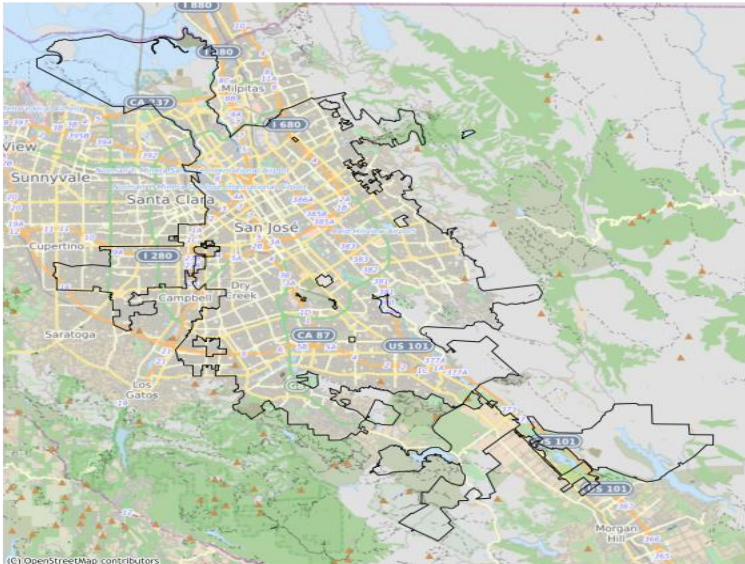




# AFFH SEGREGATION REPORT: SAN JOSE

UC Merced Urban Policy Lab and ABAG/MTC Staff

Version of Record: March 06, 16:00:17



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# 1 INTRODUCTION

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability.<sup>1</sup> The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity.<sup>23</sup> AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues. ABAG and UC Merced have prepared this report to assist Bay Area jurisdictions with the Assessment of Fair Housing section of the Housing Element.

## Assessment of Fair Housing Components

The Assessment of Fair Housing includes five components, which are discussed in detail on pages 22-43 of [HCD's AFFH Guidance Memo](#):

- A: Summary of fair housing enforcement and outreach capacity
- B: Integration and segregation patterns, and trends related to people with protected characteristics
- C: Racially or ethnically concentrated areas of poverty
- D: Disparities in access to opportunity
- E: Disproportionate housing needs, including displacement risk

## 1.1 Purpose of this Report

This report describes racial and income segregation in Bay Area jurisdictions. Local jurisdiction staff can use the information in this report to help fulfill a portion of the second component of the Assessment of Fair Housing, which requires analysis of integration and segregation patterns and trends related to people with protected characteristics and lower incomes. Jurisdictions will still need to perform a similar analysis for familial status and populations with disability.

This report provides segregation measures for both the local jurisdiction and the region using several indices. For segregation between neighborhoods within a city (intra-city segregation), this report includes isolation indices, dissimilarity indices, and Theil's-H index. The isolation index measures

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<sup>1</sup> <https://www.justice.gov/crt/fair-housing-act-2>

<sup>2</sup> HCD AFFH Guidance Memo

<sup>3</sup> The 2015 HUD rule was reversed in 2020 and partially reinstated in 2021.



segregation for a single group, while the dissimilarity index measures segregation between two groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once. HCD's AFFH guidelines require local jurisdictions to include isolation indices and dissimilarity indices in the Housing Element. Theil's H index is provided in addition to these required measures. For segregation between cities within the Bay Area (inter-city segregation), this report includes dissimilarity indices at the regional level as required by HCD's AFFH guidelines. HCD's AFFH guidelines also require jurisdictions to compare conditions at the local level to the rest of the region; and this report presents the difference in the racial and income composition of a jurisdiction relative to the region as a whole to satisfy the comparison requirement.

## 1.2 Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

**Neighborhood level segregation (*within* a jurisdiction, or *intra-city*):** Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20% Latinx, but some neighborhoods are 80% Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

**City level segregation (*between* jurisdictions in a region, or *inter-city*):** Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstine 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

## 1.3 Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that “[a]lthough 7

of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial residential segregation in the region appears to have peaked around the year 2000 and has generally declined since.”<sup>4</sup> However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation *between* Bay Area cities compared to other regions in the state.

## 1.4 Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstine 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).<sup>5</sup> ABAG/MTC plans to issue a separate report detailing the existing land use policies that influence segregation patterns in the Bay Area.

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<sup>4</sup> For more information, see <https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020>.

<sup>5</sup> Using a household-weighted median of Bay Area county median household incomes, regional values were \$61,050 for Black residents, \$122,174 for Asian/Pacific Islander residents, \$121,794 for white residents, and \$76,306 for Latinx residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

### Definition of Terms - Geographies

**Neighborhood:** In this report, “neighborhoods” are approximated by tracts.<sup>6</sup> Tracts are statistical geographic units defined by the U.S. Census Bureau for the purposes of disseminating data. In the Bay Area, tracts contain on average 4,500 residents. Nearly all Bay Area jurisdictions contain at least two census tracts, with larger jurisdictions containing dozens of tracts.

**Jurisdiction:** Jurisdiction is used to refer to the 109 cities, towns, and unincorporated county areas that are members of ABAG. Though not all ABAG jurisdictions are cities, this report also uses the term “city” interchangeably with “jurisdiction” in some places.

**Region:** The region is the nine-county San Francisco Bay Area, which is comprised of Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County, and Sonoma County.

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<sup>6</sup> Throughout this report, neighborhood level segregation measures are calculated using census tract data. However, the racial dot maps in Figure 1 and Figure 5 use data from census blocks, while the income group dot maps in Figure 8 and Figure 12 use data from census block groups. These maps use data derived from a smaller geographic scale to better show spatial differences in where different groups live. Census block groups are subdivisions of census tracts, and census blocks are subdivisions of block groups. In the Bay Area, block groups contain on average 1,500 people, while census blocks contain on average 95 people.



## 2 RACIAL SEGREGATION IN CITY OF SAN JOSE

### Definition of Terms - Racial/Ethnic Groups

The U.S. Census Bureau classifies racial groups (e.g. white or Black/African American) separately from Hispanic/Latino ethnicity.<sup>7</sup> This report combines U.S. Census Bureau definitions for race and ethnicity into the following racial groups:

**White:** Non-Hispanic white

**Latinx:** Hispanic or Latino of any race<sup>8</sup>

**Black:** Non-Hispanic Black/African American

**Asian/Pacific Islander:** Non-Hispanic Asian or Non-Hispanic Pacific Islander

**People of Color:** All who are not non-Hispanic white (including people who identify as “some other race” or “two or more races”)<sup>9</sup>

### 2.1 Neighborhood Level Racial Segregation (*within* City of San Jose)

Racial dot maps are useful for visualizing how multiple racial groups are distributed within a specific geography. The racial dot map of San Jose in Figure 1 below offers a visual representation of the spatial distribution of racial groups within the jurisdiction. Generally, when the distribution of dots does not suggest patterns or clustering, segregation measures tend to be lower. Conversely, when clusters of certain groups are apparent on a racial dot map, segregation measures may be higher.

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<sup>7</sup> More information about the Census Bureau’s definitions of racial groups is available here:

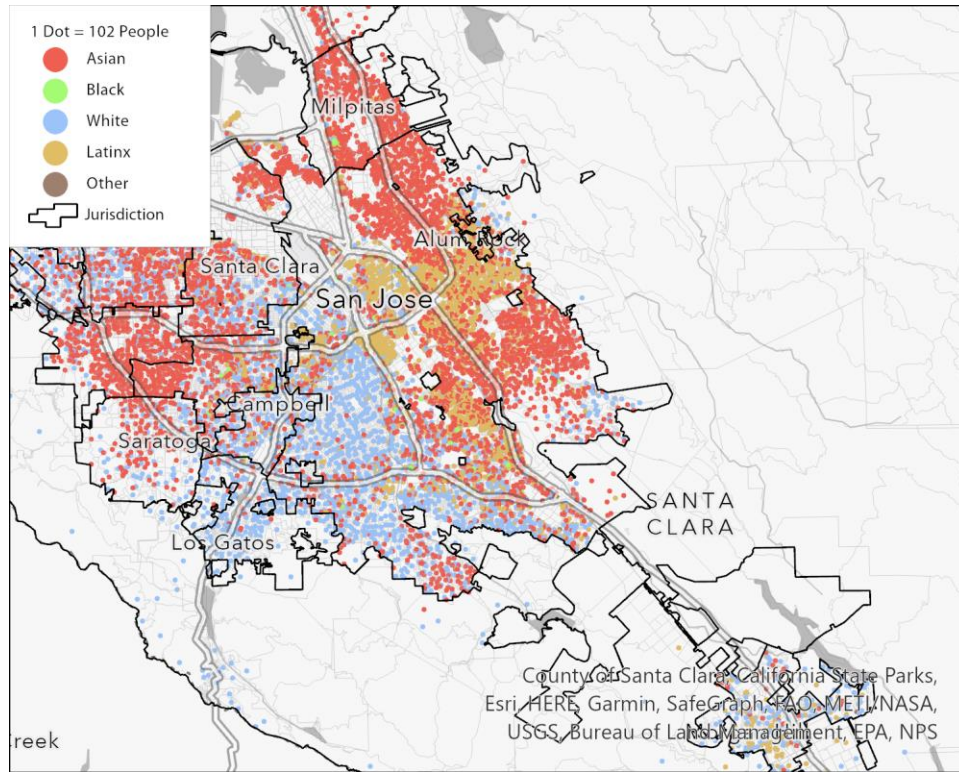
<https://www.census.gov/topics/population/race/about.html>.

<sup>8</sup> The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx to refer to this racial/ethnic group.

<sup>9</sup> Given the uncertainty in the data for population size estimates for racial and ethnic groups not included in the Latinx, Black, or Asian/Pacific Islander categories, this report only analyzes these racial groups in the aggregate People of Color category.







**Figure 1: Racial Dot Map of San Jose (2020)**

*Universe: Population. Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.*

*Note: The plot shows the racial distribution at the census block level for City of San Jose and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.*

There are many ways to quantitatively measure segregation. Each measure captures a different aspect of the ways in which groups are divided within a community. One way to measure segregation is by using an **isolation index**:

- The isolation index compares each neighborhood’s composition to the jurisdiction’s demographics as a whole.
- This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups.
- Isolation indices indicate the potential for contact between different groups. The index can be interpreted as the experience of the average member of that group. For example, if the isolation index is .65 for Latinx residents in a city, then the average Latinx resident in that city lives in a neighborhood that is 65% Latinx.

Within City of San Jose the most isolated racial group is Asian residents. San Jose’s isolation index of 0.487 for Asian residents means that the average Asian resident lives in a neighborhood that is 48.7% Asian. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods. The isolation index values for all racial groups in San Jose for the years 2000, 2010, and 2020 can be found in Table 1 below. Among all racial groups in this jurisdiction, the white population’s isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.

The “Bay Area Average” column in this table provides the average isolation index value across Bay Area jurisdictions for different racial groups in 2020.<sup>10</sup> The data in this column can be used as a comparison to provide context for the levels of segregation experienced by racial groups in this jurisdiction. For example, Table 1 indicates the average isolation index value for white residents across all Bay Area jurisdictions is 0.491, meaning that in the average Bay Area jurisdiction a white resident lives in a neighborhood that is 49.1% white.

**Table 1: Racial Isolation Index Values for Segregation within San Jose**

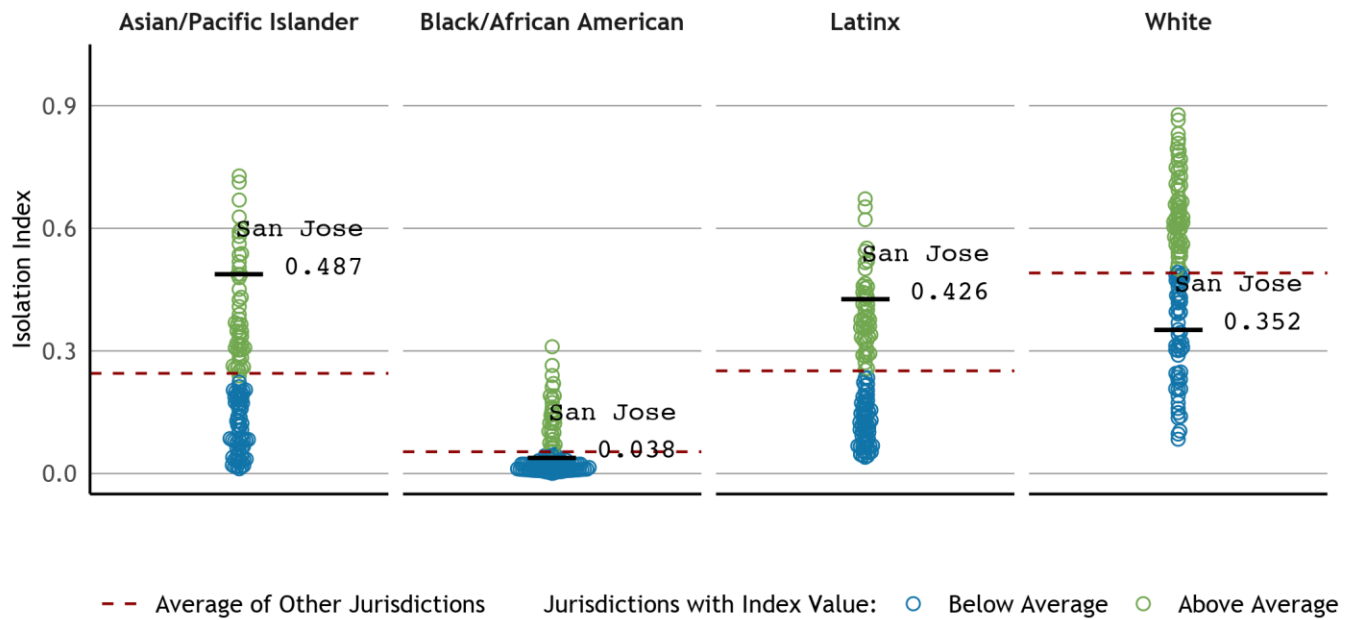
Race	San Jose			Bay Area Average
	2000	2010	2020	2020
Asian/Pacific Islander	0.382	0.443	0.487	0.245
Black/African American	0.042	0.039	0.038	0.053
Latinx	0.454	0.459	0.426	0.251
White	0.522	0.440	0.352	0.491

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 2 below shows how racial isolation index values in San Jose compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each racial group notes the isolation index value for that group in City of San Jose, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for racial groups in their jurisdiction compare to other jurisdictions in the region.

<sup>10</sup> This average only includes the 104 jurisdictions that have more than one census tract, which is true for all comparisons of Bay Area jurisdictions’ segregation measures in this report. The segregation measures in this report are calculated by comparing the demographics of a jurisdiction’s census tracts to the jurisdiction’s demographics, and such calculations cannot be made for the five jurisdictions with only one census tract (Brisbane, Calistoga, Portola Valley, Rio Vista, and Yountville).



**Figure 2: Racial Isolation Index Values for San Jose Compared to Other Bay Area Jurisdictions (2020)**

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Another way to measure segregation is by using a **dissimilarity index**:

- This index measures how evenly any two groups are distributed across neighborhoods relative to their representation in a city overall. The dissimilarity index at the jurisdiction level can be interpreted as the share of one group that would have to move neighborhoods to create perfect integration for these two groups.
- The dissimilarity index ranges from 0 to 1. Higher values indicate that groups are more unevenly distributed (e.g. they tend to live in different neighborhoods).

### **Dissimilarity Index Guidance for Cities with Small Racial Group Populations**

*The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population.*

HCD's AFFH guidance requires the Housing Element to include the dissimilarity index values for racial groups, but also offers flexibility in emphasizing the importance of various measures. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff use the isolation index or Thiel's H-Index to gain a more accurate understanding of their jurisdiction's neighborhood-level segregation patterns (*intra-city segregation*).

If a jurisdiction has a very small population of a racial group, this indicates that segregation between the jurisdiction and the region (*inter-city segregation*) is likely to be an important feature of the jurisdiction's segregation patterns.

*In City of San Jose, the Black/African American group is 2.7 percent of the population - so staff should be aware of this small population size when evaluating dissimilarity index values involving this group.*

Table 2 below provides the dissimilarity index values indicating the level of segregation in San Jose between white residents and residents who are Black, Latinx, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the jurisdiction, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In San Jose the highest segregation is between Latinx and white residents (see Table 2). San Jose's Latinx /white dissimilarity index of 0.461 means that 46.1% of Latinx (or white) residents would need to move to a different neighborhood to create perfect integration between Latinx residents and white residents.

The "Bay Area Average" column in this table provides the average dissimilarity index values for these racial group pairings across Bay Area jurisdictions in 2020. The data in this column can be used as a comparison to provide context for the levels of segregation between communities of color are from white residents in this jurisdiction.

For example, Table 2 indicates that the average Latinx/white dissimilarity index for a Bay Area jurisdiction is 0.207, so on average 20.7% of Latinx (or white residents) in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect integration between Latinx and white residents in that jurisdiction.

**Table 2: Racial Dissimilarity Index Values for Segregation within San Jose**

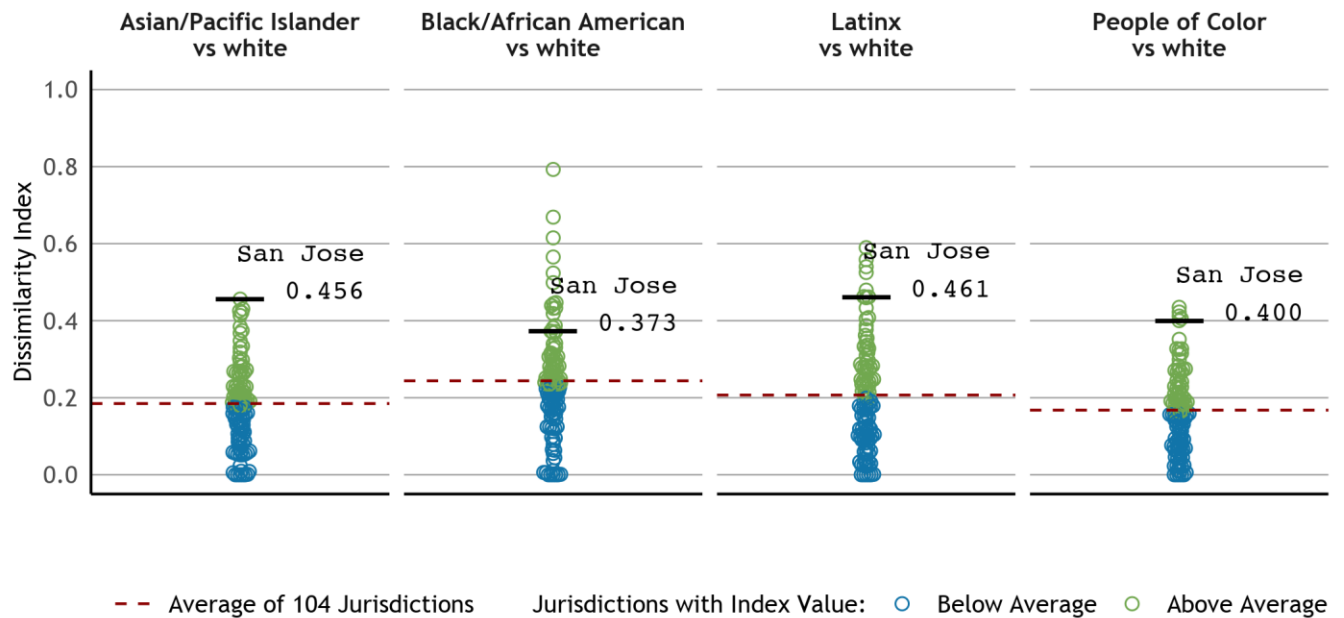
Race	San Jose			Bay Area Average
	2000	2010	2020	2020
Asian/Pacific Islander vs. White	0.483	0.497	0.456	0.185
Black/African American vs. White	0.413*	0.387*	0.373*	0.244
Latinx vs. White	0.536	0.487	0.461	0.207
People of Color vs. White	0.458	0.436	0.400	0.168

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (\*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Figure 3 below shows how dissimilarity index values in City of San Jose compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each racial group pairing notes the dissimilarity index value in San Jose, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Similar to Figure 2, local staff can use this chart to contextualize how segregation levels between white residents and communities of color in their jurisdiction compare to the rest of the region. However, staff should be mindful of whether a racial group in their jurisdiction has a small population (approximately less than 5% of the jurisdiction’s population), as the dissimilarity index value is less reliable for small populations.



**Figure 3: Racial Dissimilarity Index Values for San Jose Compared to Other Bay Area Jurisdictions (2020)**

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

The **Theil's H Index** can be used to measure segregation between all groups within a jurisdiction:

- This index measures how diverse each neighborhood is compared to the diversity of the whole city. Neighborhoods are weighted by their size, so that larger neighborhoods play a more significant role in determining the total measure of segregation.
- The index ranges from 0 to 1. A Theil's H Index value of 0 would mean all neighborhoods within a city have the same demographics as the whole city. A value of 1 would mean each group lives exclusively in their own, separate neighborhood.
- For jurisdictions with a high degree of diversity (multiple racial groups comprise more than 10% of the population), Theil's H offers the clearest summary of overall segregation.

The Theil's H Index values for neighborhood racial segregation in San Jose for the years 2000, 2010, and 2020 can be found in Table 3 below. The "Bay Area Average" column in the table provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in San Jose declined, suggesting that there is now less neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for racial segregation in San Jose

was higher than the average value for Bay Area jurisdictions, indicating that neighborhood level racial segregation in San Jose is more than in the average Bay Area city.

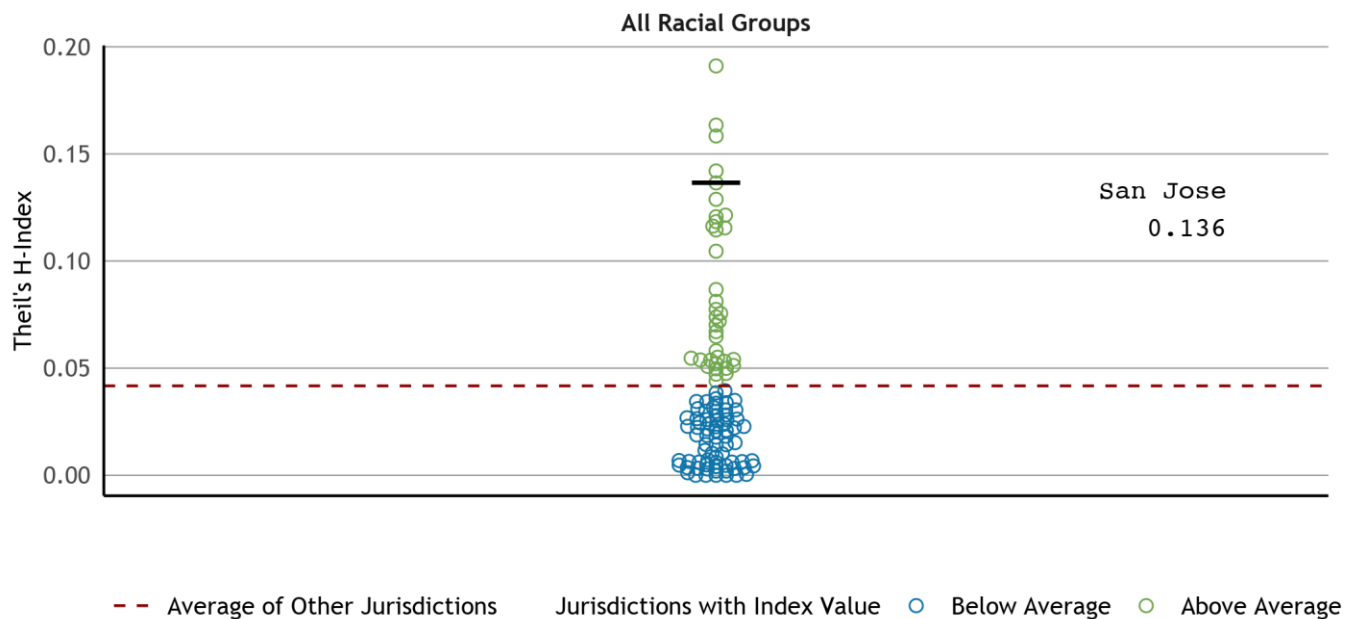
**Table 3: Theil’s H Index Values for Racial Segregation within San Jose**

Index	San Jose			Bay Area Average
	2000	2010	2020	2020
Theil's H Multi-racial	0.169	0.161	0.136	0.042

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 4 below shows how Theil’s H index values for racial segregation in San Jose compare to values in other Bay Area jurisdictions in 2020. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil’s H index value for neighborhood racial segregation in San Jose, and the dashed red line represents the average Theil’s H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood racial segregation levels in their jurisdiction compare to other jurisdictions in the region.



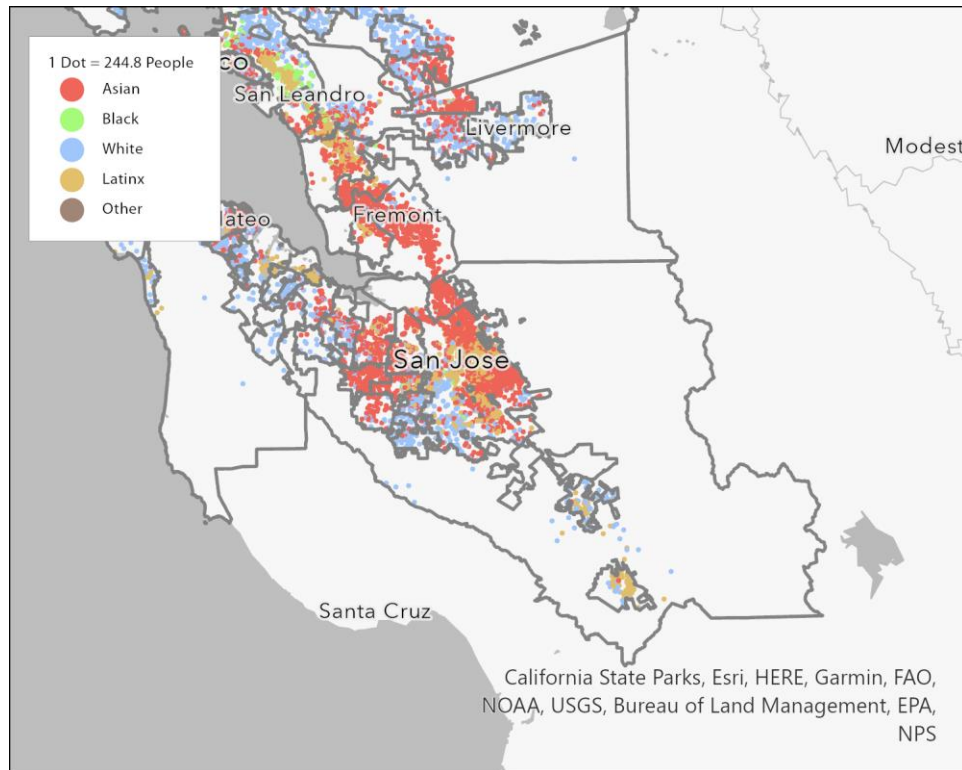
**Figure 4: Theil’s H Index Values for Racial Segregation in San Jose Compared to Other Bay Area Jurisdictions (2020)**

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

## 2.2 Regional Racial Segregation (*between San Jose and other jurisdictions*)

At the regional level, segregation is measured between *cities* instead of between *neighborhoods*. Racial dot maps are not only useful for examining neighborhood racial segregation within a jurisdiction, but these maps can also be used to explore the racial demographic differences between different jurisdictions in the region. Figure 5 below presents a racial dot map showing the spatial distribution of racial groups in San Jose as well as in nearby Bay Area cities.



**Figure 5: Racial Dot Map of San Jose and Surrounding Areas (2020)**

*Universe: Population.*

*Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.*

*Note: The plot shows the racial distribution at the census block level for City of San Jose and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.*

To understand how each city contributes to the total segregation of the Bay Area, one can look at the difference in the racial composition of a jurisdiction compared to the racial composition of the region as a whole. The racial demographics in San Jose for the years 2000, 2010, and 2020 can be found in Table 4 below. The table also provides the racial composition of the nine-county Bay Area. As of 2020, San Jose has a lower share of white residents than the Bay Area as a whole, a higher share of Latinx residents, a lower share of Black residents, and a higher share of Asian/Pacific Islander residents.



**Table 4: Population by Racial Group, San Jose and the Region**

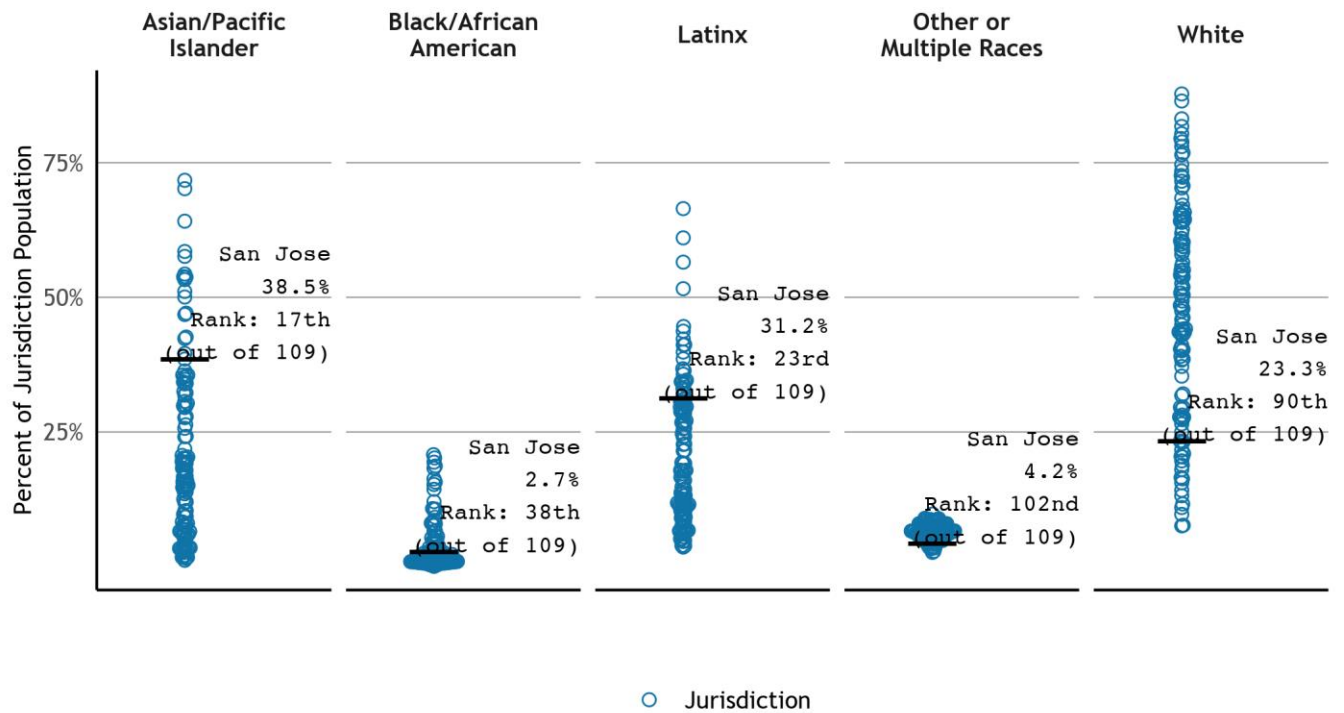
Race	San Jose			Bay Area
	2000	2010	2020	2020
Asian/Pacific Islander	26.6%	32.1%	38.5%	28.2%
Black/African American	3.3%	2.9%	2.7%	5.6%
Latinx	30.2%	33.2%	31.2%	24.4%
Other or Multiple Races	3.9%	3.2%	4.2%	5.9%
White	36.0%	28.7%	23.3%	35.8%

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 6 below compares the racial demographics in San Jose to those of all 109 Bay Area jurisdictions.<sup>11</sup> In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of that group’s representation among Bay Area jurisdictions. Additionally, the black line within each racial group notes the percentage of the population of City of San Jose represented by that group and how that percentage ranks among all 109 jurisdictions. Local staff can use this chart to compare the representation of different racial groups in their jurisdiction to those groups’ representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

<sup>11</sup> While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.



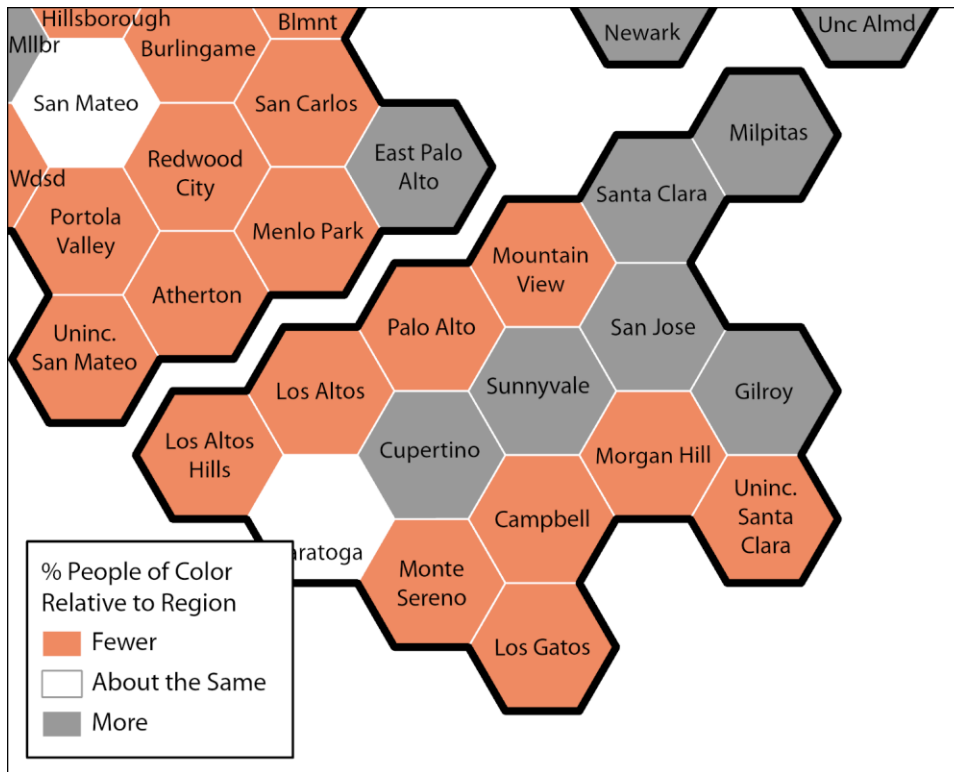
**Figure 6: Racial Demographics of San Jose Compared to All Bay Area Jurisdictions (2020)**

Universe: Bay Area Jurisdictions.

Source U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

The map in Figure 7 below also illustrates regional racial segregation between San Jose and other jurisdictions. This map demonstrates how the percentage of people of color in San Jose and surrounding jurisdictions compares to the Bay Area as a whole:

- Jurisdictions shaded orange have a share of people of color that is less than the Bay Area as a whole, and the degree of difference is greater than five percentage points.
- Jurisdictions shaded white have a share of people of color comparable to the regional percentage of people of color (within five percentage points).
- Jurisdictions shaded grey have a share of people of color that is more than five percentage points greater than the regional percentage of people of color.



**Figure 7: Comparing the Share of People of Color in San Jose and Vicinity to the Bay Area (2020)**

Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: People of color refer to persons not identifying as non-Hispanic white. The nine-county Bay Area is the reference region for this map.

Segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Table 5 presents dissimilarity index, isolation index, and Theil’s H index values for racial segregation for the entire nine-county Bay Area in 2010 and 2020. In the previous section of this report focused on neighborhood level racial segregation, these indices were calculated by comparing the racial demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 5, these measures are calculated by comparing the racial demographics of local jurisdictions to the region’s racial makeup. For example, looking at the 2020 data, Table 5 shows the white isolation index value for the region is 0.429, meaning that on average white Bay Area residents live in a jurisdiction that is 42.9% white in 2020. An example of regional dissimilarity index values in Table 5 is the Black/white dissimilarity index value of 0.459, which means that across the region 45.9% of Black (or white) residents would need to move to a different jurisdiction to evenly distribute Black and white residents across Bay Area jurisdictions. The dissimilarity index values in Table 5 reflect recommendations made in HCD’s AFFH guidance for calculating dissimilarity at the region level.<sup>12</sup> The regional value for the Theil’s H index measures how

<sup>12</sup> For more information on HCD’s recommendations regarding data considerations for analyzing integration and segregation patterns, see page 31 of the AFFH Guidance Memo.

diverse each Bay Area jurisdiction is compared to the racial diversity of the whole region. A Theil's H Index value of 0 would mean all *jurisdictions* within the Bay Area have the same racial demographics as the entire region, while a value of 1 would mean each racial group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for racial segregation decreased slightly between 2010 and 2020, meaning that racial groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

**Table 5: Regional Racial Segregation Measures**

<b>Index</b>	<b>Group</b>	<b>2010</b>	<b>2020</b>
Isolation Index Regional Level	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
Dissimilarity Index Regional Level	Asian/Pacific Islander vs. White	0.384	0.369
	Black/African American vs. White	0.475	0.459
	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

*Universe: Population.*

*Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.*

## 3 INCOME SEGREGATION IN CITY OF SAN JOSE

### Definition of Terms - Income Groups

When analyzing segregation by income, this report uses income group designations consistent with the Regional Housing Needs Allocation and the Housing Element:

**Very low-income:** individuals earning less than 50% of Area Median Income (AMI)

**Low-income:** individuals earning 50%-80% of AMI

**Moderate-income:** individuals earning 80%-120% of AMI

**Above moderate-income:** individuals earning 120% or more of AMI

Additionally, this report uses the term "lower-income" to refer to all people who earn less than 80% of AMI, which includes both low-income and very low-income individuals.

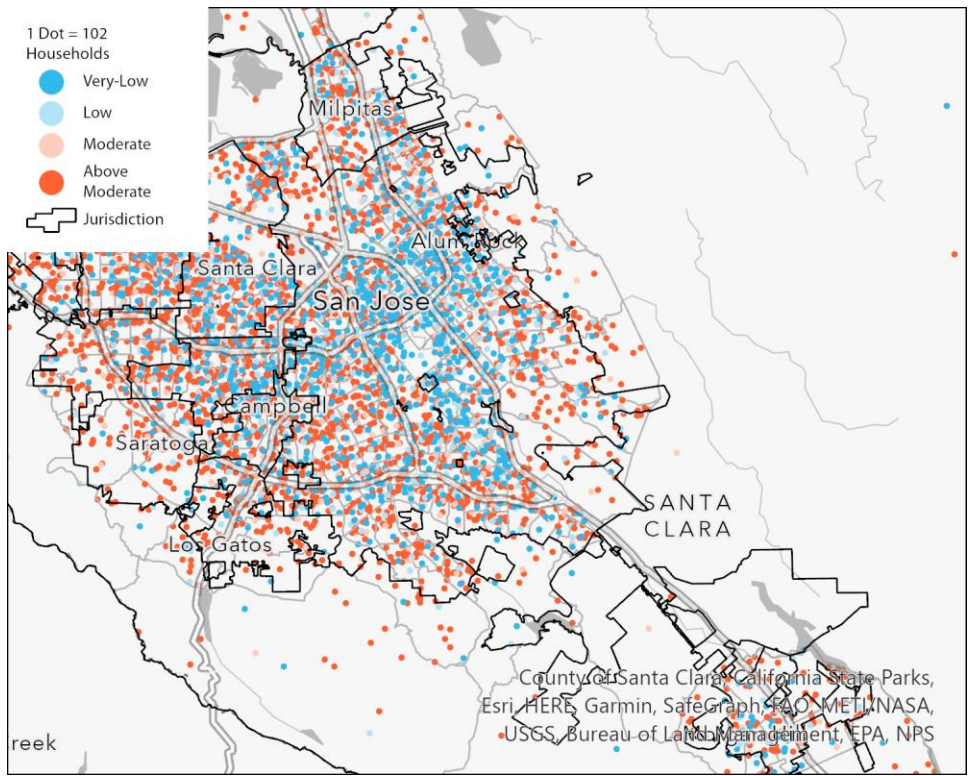
The income groups described above are based on U.S. Department of Housing and Urban Development (HUD) calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

The income categories used in this report are based on the AMI for the HUD metro area where this jurisdiction is located.

### 3.1 Neighborhood Level Income Segregation (*within San Jose*)

Income segregation can be measured using similar indices as racial segregation. Income dot maps, similar to the racial dot maps shown in Figures 1 and 5, are useful for visualizing segregation between multiple income groups at the same time. The income dot map of San Jose in Figure 8 below offers a visual representation of the spatial distribution of income groups within the jurisdiction. As with the racial dot maps, when the dots show lack of a pattern or clustering, income segregation measures tend to be lower, and conversely, when clusters are apparent, the segregation measures may be higher as well.





**Figure 8: Income Dot Map of San Jose (2015)**

*Universe: Population.*  
*Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.*  
*Note: The plot shows the income group distribution at the census block group level for City of San Jose and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.*

The isolation index values for all income groups in San Jose for the years 2010 and 2015 can be found in Table 6 below.<sup>13</sup> Above Moderate-income residents are the most isolated income group in San Jose. San Jose’s isolation index of 0.465 for these residents means that the average Above Moderate-income resident in San Jose lives in a neighborhood that is 46.5% Above Moderate-income. Among all income groups, the Above Moderate-income population’s isolation index has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.

Similar to the tables presented earlier for neighborhood racial segregation, the “Bay Area Average” column in Table 6 provides the average isolation index value across Bay Area jurisdictions for different income groups in 2015. The data in this column can be used as a comparison to provide context for the levels of segregation experienced by income groups in this jurisdiction. For example, Table 6 indicates the average isolation index value for very low-income residents across Bay Area jurisdictions is 0.269,

<sup>13</sup> This report presents data for income segregation for the years 2010 and 2015, which is different than the time periods used for racial segregation. This deviation stems from the [data source recommended for income segregation calculations](#) in HCD’s AFFH Guidelines. This data source most recently updated with data from the 2011-2015 American Community Survey 5-year estimates. For more information on HCD’s recommendations for calculating income segregation, see [page 32 of HCD’s AFFH Guidelines](#).

meaning that in the average Bay Area jurisdiction a very low-income resident lives in a neighborhood that is 26.9% very low-income.

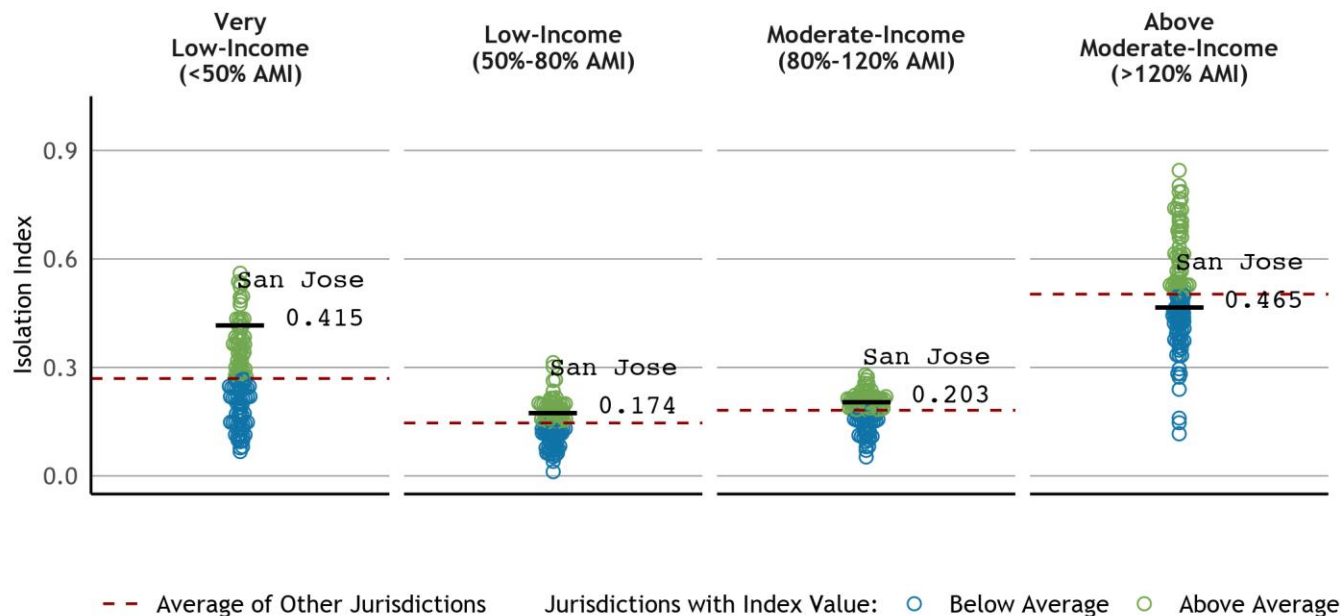
**Table 6: Income Group Isolation Index Values for Segregation within San Jose**

Income Group	San Jose		Bay Area Average
	2010	2015	2015
Very Low-Income (<50% AMI)	0.366	0.415	0.269
Low-Income (50%-80% AMI)	0.137	0.174	0.145
Moderate-Income (80%-120% AMI)	0.207	0.203	0.183
Above Moderate-Income (>120% AMI)	0.532	0.465	0.507

*Universe: Population.*

*Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.*

Figure 9 below shows how income group isolation index values in San Jose compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each income group notes the isolation index value for that group in San Jose, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for income groups in their jurisdiction compare to the rest of the region.



**Figure 9: Income Group Isolation Index Values for San Jose Compared to Other Bay Area Jurisdictions (2015)**

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Table 7 below provides the dissimilarity index values indicating the level of segregation in San Jose between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). This data aligns with the requirements described in HCD’s AFFH Guidance Memo for identifying dissimilarity for lower-income households.<sup>14</sup> Segregation in San Jose between lower-income residents and residents who are not lower-income increased between 2010 and 2015. Additionally, Table 7 shows dissimilarity index values for the level of segregation in Albany between residents who are very low-income (earning less than 50% of AMI) and those who are above moderate-income (earning above 120% of AMI). This supplementary data point provides additional nuance to an analysis of income segregation, as this index value indicates the extent to which a jurisdiction’s lowest and highest income residents live in separate neighborhoods.

Similar to other tables in this report, the “Bay Area Average” column shows the average dissimilarity index values for these income group pairings across Bay Area jurisdictions in 2015. For example, Table 7 indicates that the average dissimilarity index between lower-income residents and other residents in a Bay Area jurisdiction is 0.198, so on average 19.8% of lower-income residents in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect income group integration in that jurisdiction.

<sup>14</sup> For more information, see page 32 of HCD’s AFFH Guidance Memo.



In 2015, the income segregation in San Jose between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions (See Table 7). This means that the lower-income residents are more segregated from other residents within San Jose compared to other Jurisdictions in the region.

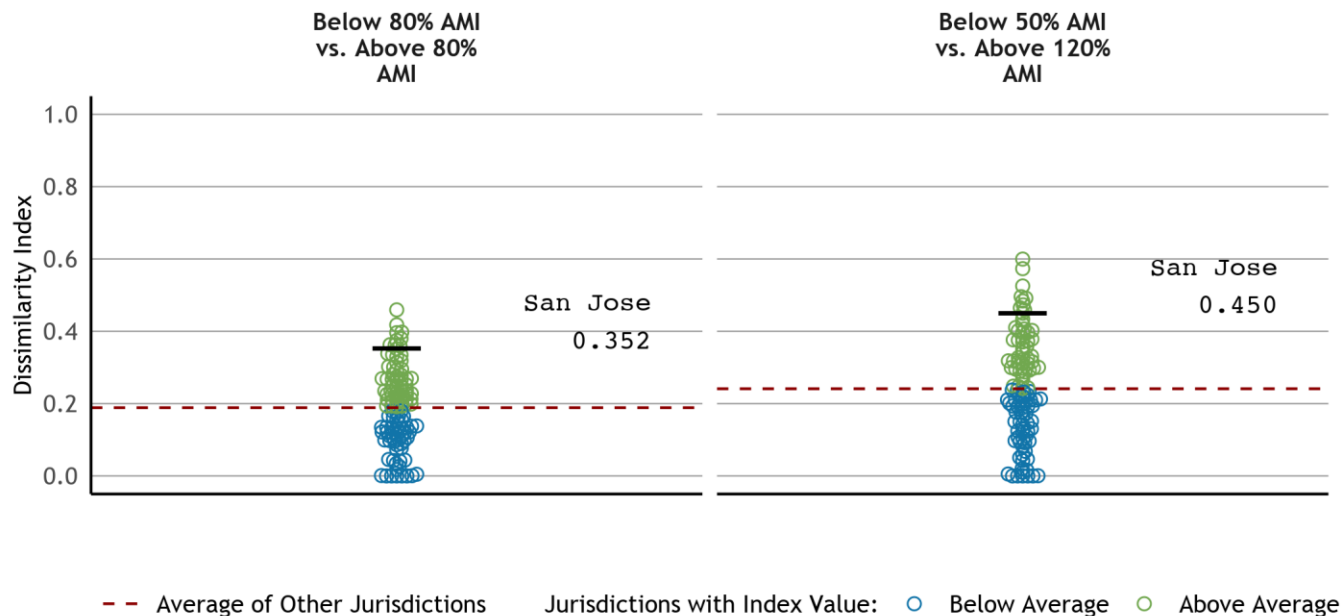
**Table 7: Income Group Dissimilarity Index Values for Segregation within San Jose**

Income Group	San Jose		Bay Area Average
	2010	2015	2015
Below 80% AMI vs. Above 80% AMI	0.332	0.352	0.198
Below 50% AMI vs. Above 120% AMI	0.418	0.450	0.253

*Universe: Population.*

*Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.*

Figure 10 below shows how dissimilarity index values for income segregation in San Jose compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each income group pairing notes the dissimilarity index value in San Jose, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Local staff can use this chart to contextualize how segregation levels between lower-income residents and wealthier residents in their jurisdiction compared to the rest of the region.



**Figure 10: Income Group Dissimilarity Index Values for San Jose Compared to Other Bay Area Jurisdictions (2015)**

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

The Theil’s H Index values for neighborhood income group segregation in San Jose for the years 2010 and 2015 can be found in Table 8 below. The “Bay Area Average” column in this table provides the average Theil’s H Index value across Bay Area jurisdictions for different income groups in 2015. By 2015, the Theil’s H Index value for income segregation in San Jose was about the same amount as it had been in 2010. In 2015, the Theil’s H Index value for income group segregation in San Jose was higher than the average value for Bay Area jurisdictions, indicating there is more neighborhood level income segregation in San Jose than in the average Bay Area city.

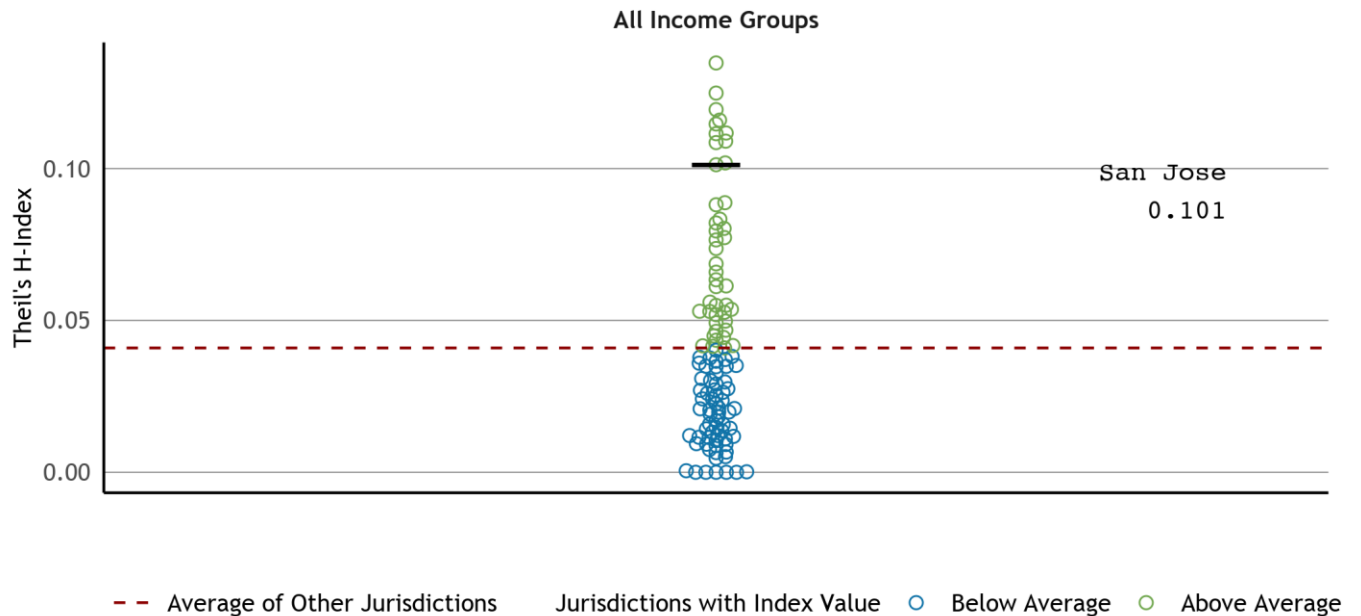
**Table 8: Theil’s H Index Values for Income Segregation within San Jose**

Index	San Jose		Bay Area Average
	2010	2015	2015
Theil's H Multi-income	0.099	0.101	0.043

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 11 below shows how Theil's H index values for income group segregation in San Jose compare to values in other Bay Area jurisdictions in 2015. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for income group segregation in San Jose, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood income group segregation levels in their jurisdiction compare to other jurisdictions in the region.



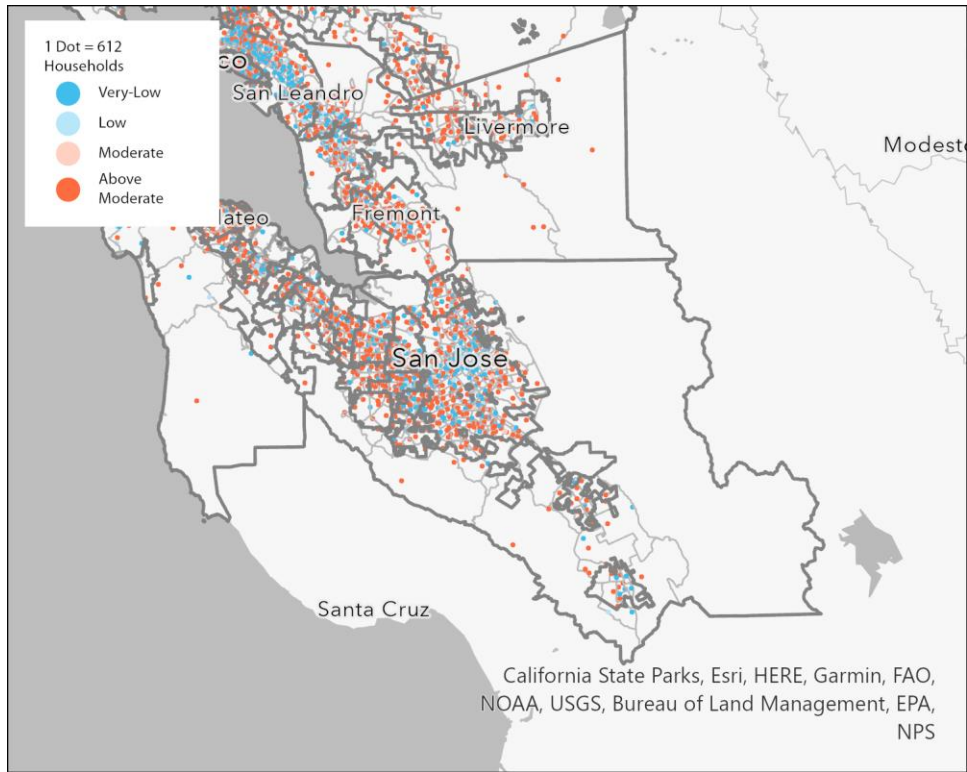
**Figure 11: Income Group Theil's H Index Values for San Jose Compared to Other Bay Area Jurisdictions (2015)**

*Universe: Bay Area Jurisdictions.*

*Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.*

### 3.2 Regional Income Segregation (*between* San Jose and other jurisdictions)

At the regional level, segregation is measured between jurisdictions instead of between neighborhoods. Income dot maps are not only useful for examining neighborhood income segregation within a jurisdiction, but these maps can also be used to explore income demographic differences between jurisdictions in the region. Figure 12 below presents an income dot map showing the spatial distribution of income groups in San Jose as well as in nearby Bay Area jurisdictions.



**Figure 12: Income Dot Map of San Jose and Surrounding Areas (2015)**

*Universe: Population.*

*Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.*

*Note: The plot shows the income group distribution at the census block group level for City of San Jose and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.*

When looking at income segregation between jurisdictions in the Bay Area, one can examine how San Jose differs from the region. The income demographics in San Jose for the years 2010 and 2015 can be found in Table 9 below. The table also provides the income composition of the nine-county Bay Area in 2015. As of that year, San Jose had a higher share of very low-income residents than the Bay Area as a whole, a similar share of low-income residents, a similar share of moderate-income residents, and a lower share of above moderate-income residents.

**Table 9: Population by Income Group, San Jose and the Region**

Income Group	San Jose		Bay Area
	2010	2015	2015
Very Low-Income (<50% AMI)	27.93%	33.16%	28.7%
Low-Income (50%-80% AMI)	10.76%	14.57%	14.3%
Moderate-Income (80%-120% AMI)	18.16%	17.9%	17.6%
Above Moderate-Income (>120% AMI)	43.16%	34.37%	39.4%

Universe: Population.

Source: Data for 2015 is from Housing U.S. Department of and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 13 below compares the income demographics in San Jose to other Bay Area jurisdictions.<sup>15</sup> Like the chart in Figure 3, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. The smallest range is among jurisdictions' moderate-income populations, while Bay Area jurisdictions vary the most in the share of their population that is above moderate-income. Additionally, the black lines within each income group note the percentage of San Jose population represented by that group and how that percentage ranks among other jurisdictions. Local staff can use this chart to compare the representation of different income groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

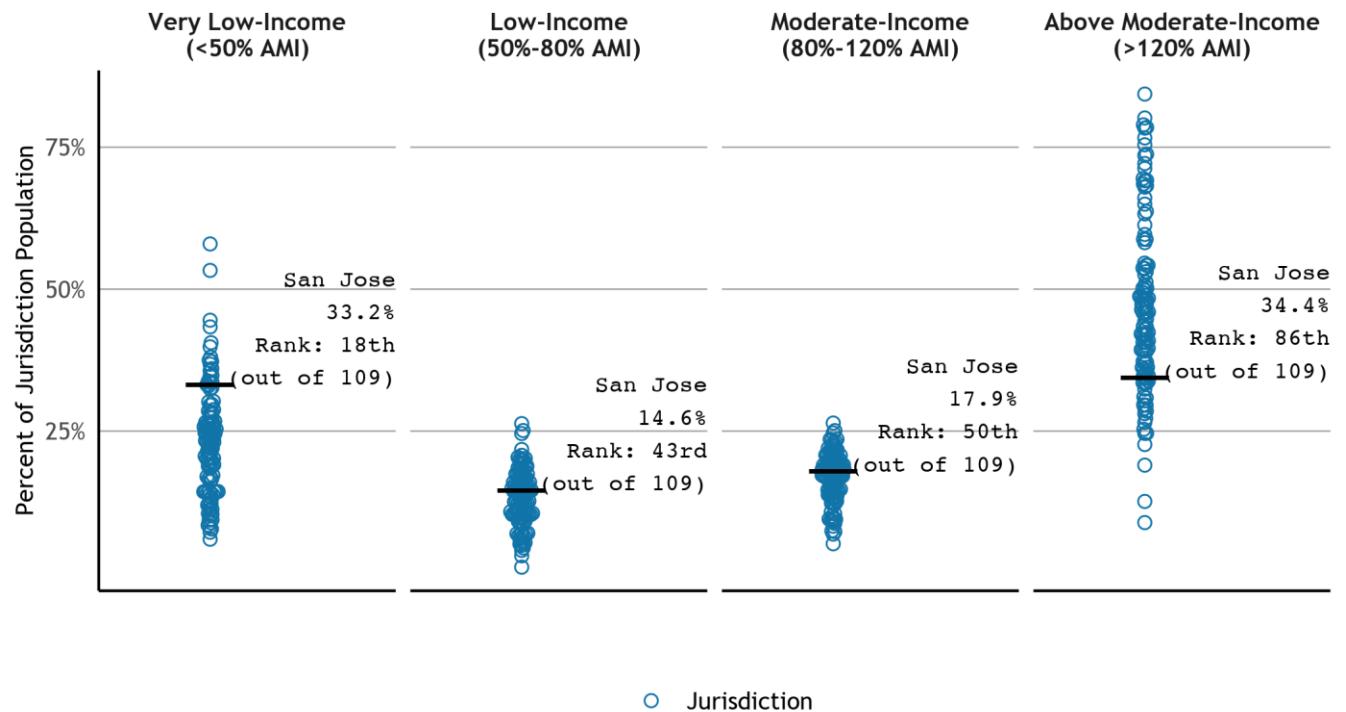


Figure 13: Income Demographics of San Jose Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

<sup>15</sup> While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.

Income segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Similar to the regional racial segregation measures shown in Table 5, Table 10 presents dissimilarity index, isolation index, and Theil's H index values for income segregation for the entire nine-county Bay Area in 2010 and 2015. In the previous section of this report focused on neighborhood level income segregation, segregation indices were calculated by comparing the income demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 10, these measures are calculated by comparing the income demographics of local jurisdictions to the region's income group makeup. For example, looking at 2015 data, Table 10 shows the regional isolation index value for very low-income residents is 0.315 for 2015, meaning that on average very low-income Bay Area residents live in a jurisdiction that is 31.5% very low-income. The regional dissimilarity index for lower-income residents and other residents is 0.194 in 2015, which means that across the region 19.4% of lower-income residents would need to move to a different jurisdiction to create perfect income group integration in the Bay Area as a whole. The regional value for the Theil's H index measures how diverse each Bay Area jurisdiction is compared to the income group diversity of the whole region. A Theil's H Index value of 0 would mean all jurisdictions within the Bay Area have the same income demographics as the entire region, while a value of 1 would mean each income group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for income segregation decreased slightly between 2010 and 2015, meaning that income groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

**Table 10: Regional Income Segregation Measures**

Index	Group	2010	2015
Isolation Index Regional Level	Very Low-Income (<50% AMI)	0.277	0.315
	Low-Income (50%-80% AMI)	0.157	0.154
	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
Dissimilarity Index Regional Level	Below 80% AMI vs. Above 80% AMI	0.186	0.194
	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

## 4 APPENDIX 1: SUMMARY OF FINDINGS

### 4.1 Segregation in City of San Jose

- The isolation index measures the segregation of a single group, and the dissimilarity index measures segregation between two different groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once.
- As of 2020, Asian residents are the most segregated compared to other racial groups in San Jose, as measured by the isolation index. Asian residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the white population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within San Jose the highest level of racial segregation is between Latinx and white residents.<sup>16</sup>
- According to the Theil's H-Index, neighborhood racial segregation in San Jose declined between 2010 and 2020. Neighborhood income segregation stayed about the same between 2010 and 2015.
- Above Moderate-income residents are the most segregated compared to other income groups in San Jose. Above Moderate-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the Above Moderate-income population's segregation measure has changed the most over time, becoming less segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents who are not lower-income has increased between 2010 and 2015. In 2015, the income segregation in San Jose between lower-income residents and other residents was higher than the average value for Bay Area jurisdictions.

### 4.2 Segregation Between City of San Jose and Other jurisdictions in the Bay Area Region

- San Jose has a lower share of white residents than other jurisdictions in the Bay Area as a whole, a higher share of Latinx residents, a lower share of Black residents, and a higher share of Asian/Pacific Islander residents.

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<sup>16</sup> The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 15 in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.



- Regarding income groups, San Jose has a higher share of very low-income residents than other jurisdictions in the Bay Area as a whole, a similar share of low-income residents, a similar share of moderate-income residents, and a lower share of above moderate-income residents.





## 5 APPENDIX 2: SEGREGATION DATA

Appendix 2 combines tabular data presented throughout this report into a more condensed format. This data compilation is intended to enable local jurisdiction staff and their consultants to easily reference this data and re-use the data in the Housing Element or other relevant documents/analyses.

Table 11 in this appendix combines data from Table 1, Table 2, and Table 3 in the body of the report. Table 12 in this appendix combines data from Table 6, Table 7, and Table 8 in the body of the report. Table 13 represents a duplication of Table 5 in the body of the report; Table 14 represents a duplication of Table 10 in the body of the report; Table 15 in this appendix represents a duplication of Table 4 in the body of the report, while Table 16 represents a duplication of Table 9 in the body of the report.

**Table 11: Neighborhood Racial Segregation Levels in San Jose**

Index	Race	San Jose			Bay Area Average
		2000	2010	2020	2020
Isolation	Asian/Pacific Islander	0.382	0.443	0.487	0.245
	Black/African American	0.042	0.039	0.038	0.053
	Latinx	0.454	0.459	0.426	0.251
	White	0.522	0.440	0.352	0.491
Dissimilarity	Asian/Pacific Islander vs. White	0.483	0.497	0.456	0.185
	Black/African American vs. White	0.413*	0.387*	0.373*	0.244
	Latinx vs. White	0.536	0.487	0.461	0.207
	People of Color vs. White	0.458	0.436	0.400	0.168
Theil's H Multi-racial	All	0.169	0.161	0.136	0.042

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (\*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

**Table 12: Neighborhood Income Segregation Levels in San Jose**

Index	Income Group	San Jose		Bay Area Average
		2010	2015	2015
Isolation	Very Low-Income (<50% AMI)	0.366	0.415	0.269
	Low-Income (50%-80% AMI)	0.137	0.174	0.145
	Moderate-Income (80%-120% AMI)	0.207	0.203	0.183
	Above Moderate-Income (>120% AMI)	0.532	0.465	0.507
Dissimilarity	Below 80% AMI vs. Above 80% AMI	0.332	0.352	0.198
	Below 50% AMI vs. Above 120% AMI	0.418	0.450	0.253
Theil's H Multi-racial	All	0.099	0.101	0.043

Universe: Population.

Source: Income data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

**Table 13: Regional Racial Segregation Measures**

Index	Group	2010	2020
Isolation Index Regional Level	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
Dissimilarity Index Regional Level	Asian/Pacific Islander vs. White	0.384	0.369
	Black/African American vs. White	0.475	0.459
	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

**Table 14: Regional Income Segregation Measures**

Index	Group	2010	2015
Isolation Index Regional Level	Very Low-Income (<50% AMI)	0.277	0.315
	Low-Income (50%-80% AMI)	0.157	0.154
	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
Dissimilarity Index Regional Level	Below 80% AMI vs. Above 80% AMI	0.186	0.194
	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

**Table 15: Population by Racial Group, San Jose and the Region**

Race	San Jose			Bay Area
	2000	2010	2020	2020
Asian/Pacific Islander	26.64%	32.09%	38.54%	35.8%
Black/African American	3.3%	2.91%	2.71%	5.6%
Latinx	30.17%	33.16%	31.21%	28.2%
Other or Multiple Races	3.86%	3.16%	4.24%	24.4%
White	36.04%	28.69%	23.3%	5.9%

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

**Table 16: Population by Income Group, San Jose and the Region**

Income Group	San Jose		Bay Area
	2010	2015	2015
Very Low-Income (<50% AMI)	27.93%	33.16%	28.7%
Low-Income (50%-80% AMI)	10.76%	14.57%	14.3%
Moderate-Income (80%-120% AMI)	18.16%	17.9%	17.6%
Above Moderate-Income (>120% AMI)	43.16%	34.37%	39.4%

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

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## Appendix B

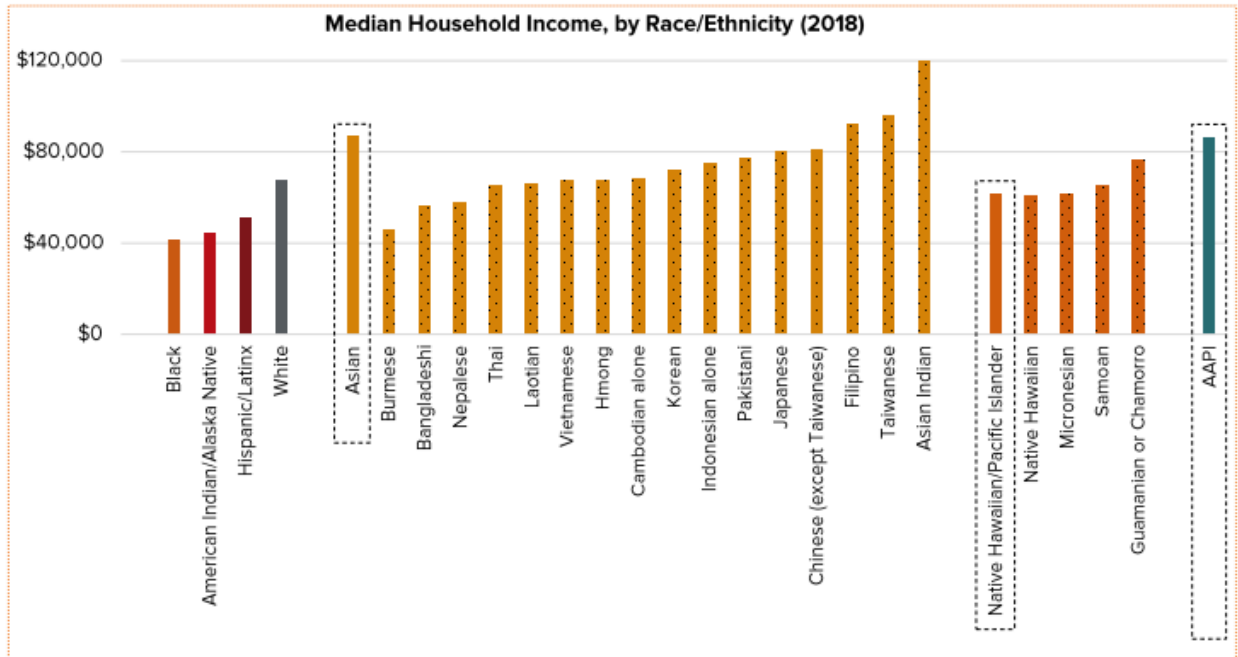
### Disaggregated AAPI Data and Analysis

#### National disaggregated AAPI data<sup>1</sup>

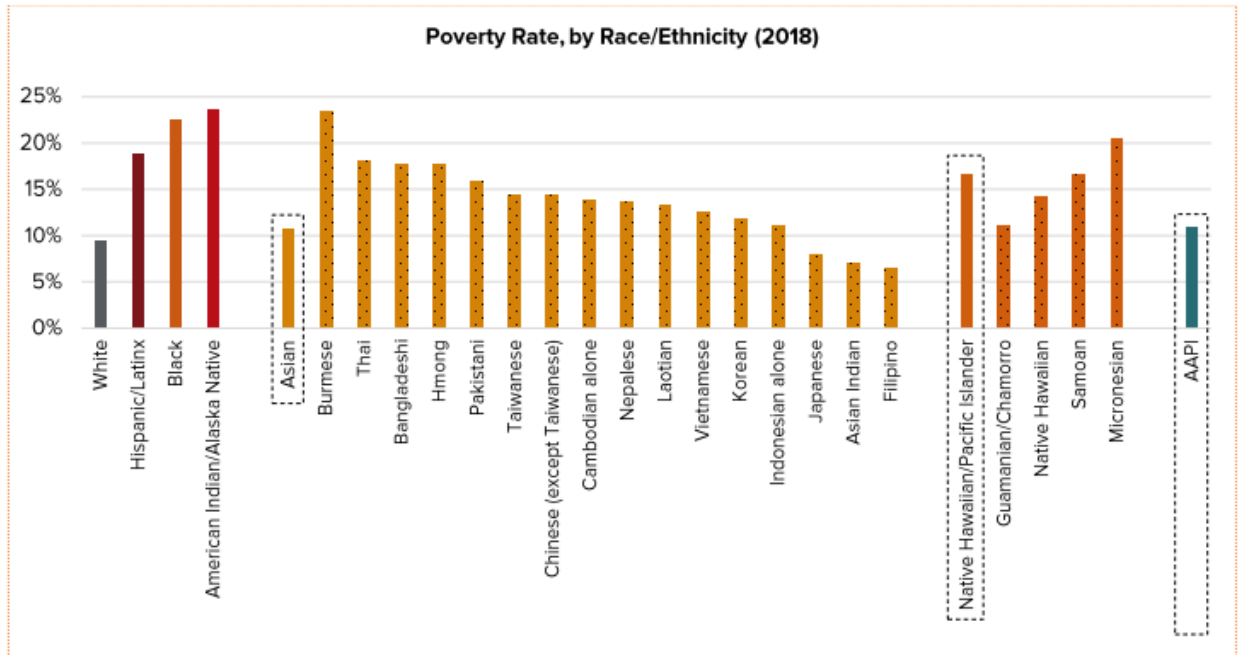
By most national housing and economic metrics, the aggregated group of Asian Americans, Native Hawaiians, and Pacific Islanders (AAPIs) is doing well. The AAPI homeownership rate is higher than other communities of color. Poverty is lower. Rent burden is lower. AAPI median household income is higher than non-Hispanic White median household income. However, as shown in Figures 26 and 27, below, housing and economic data varies widely by AAPI-subgroup, with Asian Indian and Chinese sub-groups (the 2 AAPI largest sub-groups in the U.S., accounting for over 40% of the AAPI population) skewing most metrics to show higher degrees of economic success than would characterize most other sub-groups.

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<sup>1</sup> This analysis largely drawn from [https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN\\_AAPI\\_Fact\\_File\\_FINAL\\_11.10.20.pdf](https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN_AAPI_Fact_File_FINAL_11.10.20.pdf)

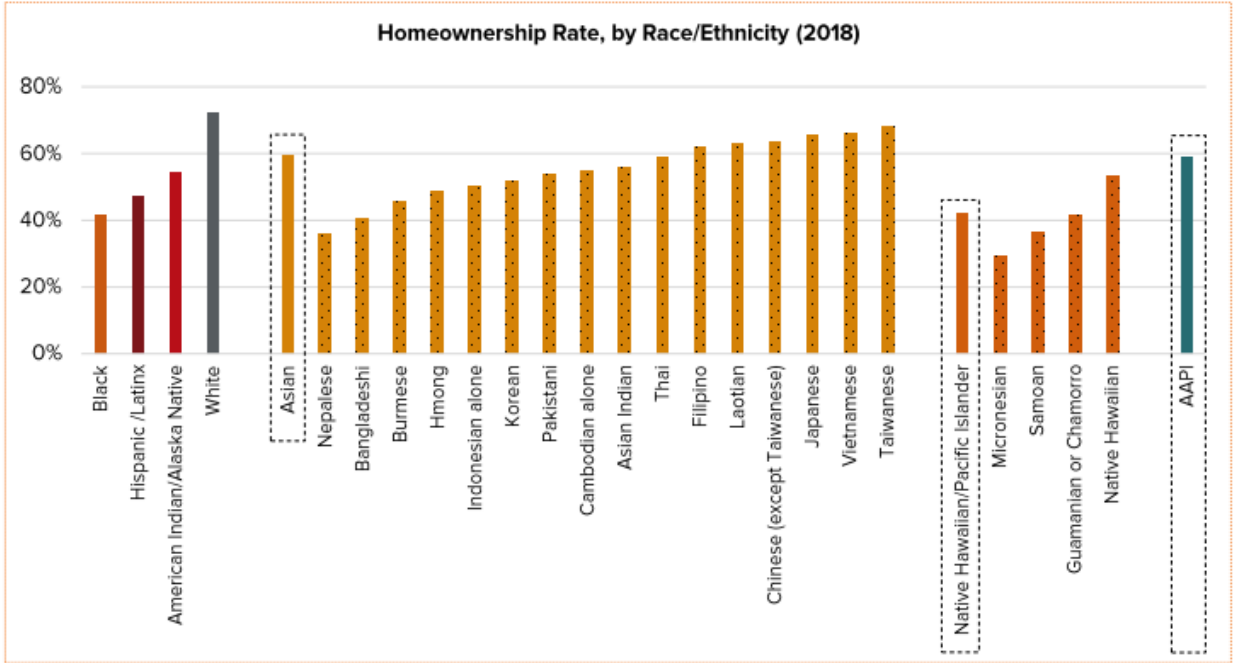


**Source:** U.S. Census Bureau. (2019). 2018 ACS 1-Year ACS S0201 Select Population Profiles  
**Note:** The AAPI category is aggregated by weighted averages.

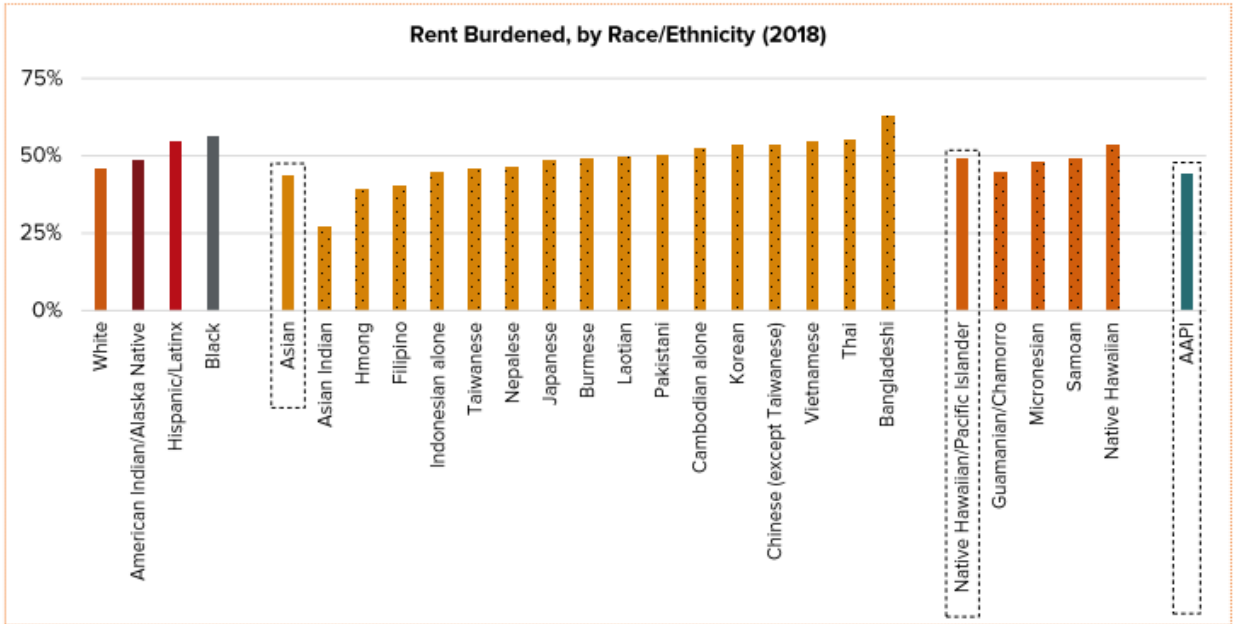


**Source:** U.S. Census Bureau. (2019). 2018 ACS 1-Year ACS S0201 Select Population Profiles  
**Note:** The AAPI category is aggregated by weighted averages.

Figure 1: National disaggregated AAPI economic data



**Source:** U.S. Census Bureau. (2019). 2018 ACS 1-Year ACS S0201 Select Population Profiles  
**Note:** The AAPI category is aggregated by weighted averages.



**Source:** U.S. Census Bureau. (2019). 2018 ACS 1-Year ACS S0201 Select Population Profiles  
**Note:** The AAPI category is aggregated by weighted averages.

Figure 2: National disaggregated AAPI housing metrics

AAPIs are a diverse collection of communities who have had widely divergent pathways to this country (including populations – like Native Hawaiians – who were indigenous to the U.S. territorial boundaries),

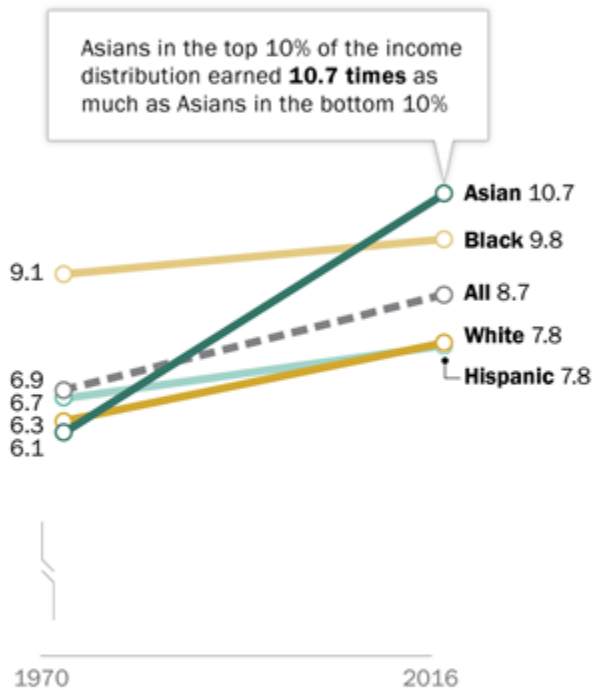


different and varied histories in this country. Per analysis by the Pew Research Center, AAPIs are the most economically divided racial/ethnic group in the U.S.:<sup>2</sup>

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### From lowest to highest: Income inequality in U.S. increased most among Asians from 1970 to 2016

*Ratio of income at the 90th percentile to income at the 10th percentile*



Note: Whites, blacks and Asians include only non-Hispanics and are single-race only in 2016. Hispanics are of any race. Asians include Pacific Islanders. Income is adjusted for household size. See Methodology for details.

Source: Pew Research Center analysis of 1970 decennial census and 2016 American Community Survey (IPUMS).

"Income Inequality in the U.S. Is Rising Most Rapidly Among Asians"

PEW RESEARCH CENTER

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Figure 3: Economic inequality within major racial/ethnic groups

Therefore, in order to get a better picture of the economic and housing conditions of AAPIs, aggregate data is inadequate. AAPI Data, to the extent that they are available, should be disaggregated.

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<sup>2</sup> <https://www.pewresearch.org/social-trends/2018/07/12/income-inequality-in-the-u-s-is-rising-most-rapidly-among-asians/>

## San José disaggregated AAPI data

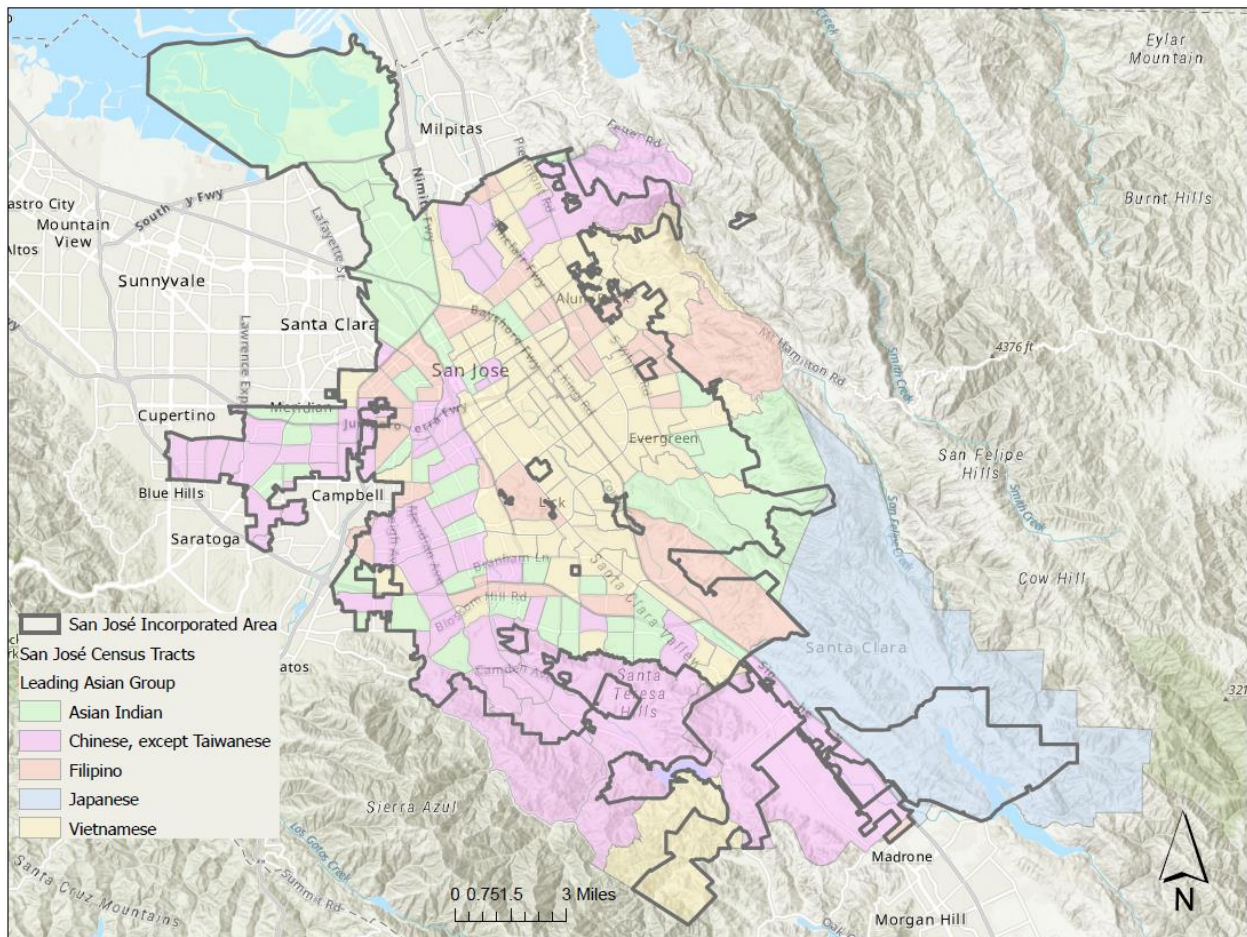
### a. Overview

Similar to data about national AAPI groups, housing and economic data in San José varies widely by AAPI sub-group. Disaggregating AAPI data reveals a much more nuanced picture of segregation in San José, in which internal segregation within the AAPI community is more profound than between AAPIs and non-Hispanic Whites or even between non-Hispanic Whites and any other racial/ethnic group. For these reasons, City staff has analyzed – to the extent that data is available – disaggregated AAPI data throughout our AFH, breaking the larger category of AAPI into the following sub-groups:

- Chinese (including Taiwanese) and Asian Indians,
- Southeast Asians,
- All other AAPIs.

### b. Geography of AAPIs in San José / Demographics of 4 Largest Sub-groups

Per Map 34, below, Chinese Americans and Indian Americans tend to be the predominant Asian ethnicities in the western, northern, and southern areas of the City and Vietnamese and Filipino Americans tend to be the predominant Asian ethnicities in the central and eastern areas of the City.



Map 1: Distribution of AAPI population by ancestry/ethnicity

These patterns of geographic distribution roughly correlate with San José’s broader patterns of segregation by race and income, with Chinese and Indian people being the predominant Asian ethnicity in West and South San José which are richer and whiter and Vietnamese (with some Filipino/a/x tracts) being the predominant Asian ethnicity in Central and East San José which is less white and lower income.

These four AAPI subgroups – Chinese, Indian, Vietnamese, and Filipino/a/x – the four largest subgroups by population in San José, look even more distinct from each other (and from the larger racial category) when looking at their housing and economic statistics. Per Table 48, below, Vietnamese households in San José have a lower median household income, larger average households, and a higher rate of rent burdened households than San José households in the aggregate. Conversely, Indian and Chinese households in San José have higher median household incomes, smaller average households, and a lower rate of rent burdened households than San José households in the aggregate. Filipino/a/x household economic indicators are generally above Vietnamese and below Indian and Chinese.

AAPI Ethnic Group	San José Population	Median Household Income	Average Household Size	% of Renters who are Rent Burdened	Home-ownership Rate
San José TOTAL	1,021,786	\$115,893	3.07	50.8%	55.2%
Asian Aggregate	385,177	\$119,229	3.23	46.4%	63.6%
Vietnamese	124,680	\$83,175	3.58	67.4%	61.1%
Chinese	109,184	\$168,302	3.28	48.2%	73.3%
Indian	74,856	\$229,179	3.12	15.5%	60.2%
Filipino/a/x	71,528	\$146,969	3.85	45.5%	59.4%

Figure 4: San José Disaggregated AAPI Economic and Housing Data, 2019 1-year ACS

Likewise, looking at population distribution across TCAC/HCD Opportunity Map major categories reveals distinctly different socio-spatial distributions:

TCAC/HCD Opportunity Category	% of City’s Total Population in Category	% of City’s AAPI Population in Category	% of City’s Vietnamese Population in Category	% of City’s Chinese Population in Category	% of City’s Asian Indian Population in Category	% of City’s Filipino/a/x Population in Category
High	33.3%	38.8%	19.1%	56.2%	53.8%	23.5%
Medium	34.7%	28.3%	30.9%	30.0%	35.2%	38.0%
Low	31.9%	33.0%	50.1%	13.8%	11.0%	38.6%

Table 1: Population distribution by Race/Ethnicity by major TCAC/HCD Opportunity Map category

These different groups are emblematic of the AAPI sub-categories created by City staff to further analyze patterns of segregation in our city. Vietnamese Americans are the single largest group in the Southeast Asian sub-category. Indian Americans and Chinese Americans (including Taiwanese) are the groups that define the high proportion tech visa sub-category. And, the Filipino/a/x population’s distribution across the TCAC/HCD’s categories more closely approximates the overall category of AAPIs.

*c. AAPIs who represent a High Proportion of Tech-related Visas*

As with national AAPI data, Asian Indian and Chinese economic data skews aggregate AAPI data points upward (see Appendix C: Disaggregated AAPI Data and Analysis for more details). That is, Asian Indian and Chinese relative economic success drives aggregate AAPI data around household income, homeownership rate, households that are not rent burdened, etc.<sup>3</sup> These differential statistics are largely due to patterns of immigration and employment related to the tech industry and the sector’s high usage rates of high-skilled foreign immigrants, particularly from China and India. Nationally, including renewals, there are over 600,000 highly educated, professional class visas issued<sup>4</sup> each year. At over 400,000 visas annually, the H-1B visa<sup>5</sup> is single largest and most well-known of these programs. Over 75% of H-1B visas are issued to immigrants from India and China:

**H-1B Visas Issued by Top Five Country of Origin (Includes Initial Employment and Renewals)**

Country of Origin	2019	2018	2017	2017-2019 Annual Average
India	278,491	243,994	276,423	266,303
China	50,609	39,700	31,477	40,595
Canada	4,615	3,273	3,442	3,777
South Korea	3,476	3,195	3,307	3,326
Philippines	2,707	2,568	3,822	3,032

**NOTE** China data does not include Hong Kong or Taiwan, which together account for an additional 2,000+ H-1B visas per year.  
**NOTE** The numbers of annual H-1B visas in the table above do not include the spouses and dependent children of the visa holders, who also receive temporary resident status (through the H-4 visa).

Table 2: H-1B Visas, 2017-2019

Country of origin statistics are similar across other categories of high-skilled employment visas<sup>6</sup>.

Annually, tens of thousands highly skilled employment visas are issued for employees at locations in Santa Clara County. While not all of these high-skilled immigrants end up living in San José, these visas represent an annual influx into the region of highly paid (though perhaps not relative to their peers<sup>7</sup>), highly educated immigrants from China and India. These immigrants tend to settle in west, southwest, and northeast San José, where the school districts are perceived to be better. These immigrants and their children have reshaped the demographics of many formerly predominantly white neighborhoods. Yet, despite shifts in racial demographics, these neighborhoods remain expensive (and therefore exclusionary) as well as high resource/high opportunity.

Interestingly, while a high proportion of these tech-driven immigrants live in high resource/high opportunity neighborhoods – similar to the population of non-Hispanic Whites – they do not have the same geographic distribution pattern as non-Hispanic Whites. The Dissimilarity Index between non-

<sup>3</sup> [https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN\\_AAPI\\_Fact\\_File\\_FINAL\\_11.10.20.pdf](https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN_AAPI_Fact_File_FINAL_11.10.20.pdf)

<sup>4</sup> <https://travel.state.gov/content/travel/en/legal/visa-law0/visa-statistics.html>

<sup>5</sup> See for e.g., <https://www.pewresearch.org/fact-tank/2018/03/29/h-1b-visa-approvals-by-us-metro-area/>

<sup>6</sup> See for e.g., analysis at [https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN\\_AAPI\\_Fact\\_File\\_FINAL\\_11.10.20.pdf](https://prosperitynow.org/sites/default/files/PDFs/Policy/CAPACD-PN_AAPI_Fact_File_FINAL_11.10.20.pdf) showing over 50% of EB Visas issued to immigrants from China and India and <https://www.pewresearch.org/fact-tank/2017/05/18/more-foreign-grads-of-u-s-colleges-are-staying-in-the-country-to-work/> showing over 50% of OPT Visas issued to immigrants from China and India. Together, these 2 visa programs account for approximately 200,000 annual visa issuances.

<sup>7</sup> <https://www.epi.org/publication/h-1b-visas-and-prevailing-wage-levels/>

Hispanic Whites and the Asian immigrants with a high proportion tech visas is 45.5, suggesting that the groups are segregated from each other. Chinese and Indians tend to cluster in different high resource neighborhoods in the western part of the City close to Cupertino. While non-Hispanic Whites tend to cluster in high resource neighborhoods in the southern part of the City.

*d. Southeast Asian Americans*

From the 1970s, San José has been a magnet city for immigrants and refugees from Southeast Asia. Outside of Vietnam, San José is the city with the largest population of Vietnamese people<sup>8</sup>.

In defining the category of Southeast Asian<sup>9</sup>, City of San José staff included only persons from countries covered by the Indochinese Refugee Act of 1975: Vietnam, Laos, and Cambodia. From these countries there are probably close to 10 different, distinct ethnic groups admitted as refugees. The U.S. Census tracks 4: Vietnamese, Cambodian, Laotian, and Hmong.

Unlike the majority of Asian immigrants who come to this country with some form of either institutional support (have a visa through some form of employment or through an educational institution) or family sponsorship, post-1975 refugees from Southeast Asia came to the U.S. with nothing and arrived in a country that provided minimal/insufficient support. While these communities have displayed incredible strength and resilience in the face of trauma, racism, and indifference, economic indicators reveal that many Southeast Asian Americans continue to struggle, even generations after coming to this country.

In San José, as shown above for the Vietnamese community, the majority of Southeast Asian American communities live in TCAC/HCD Low Resource census tracts.

<b>TCAC/HCD Opportunity Category</b>	<b>% of City's Total Population in Category</b>	<b>% of City's AAPI Population in Category</b>	<b>% of City's Vietnamese Population in Category</b>	<b>% of City's Cambodian Population in Category</b>	<b>% of City's Hmong Population in Category</b>	<b>% of City's Laotian Population in Category</b>
High	33.3%	38.8%	19.1%	10.7%	11.9%	18.0%
Medium	34.7%	28.3%	30.9%	29.8%	35.2%	30.2%
Low	31.9%	33.0%	50.1%	59.5%	52.9%	51.8%

*Table 3: Population distribution by Southeast Asian groups by major TCAC/HCD Opportunity Map category*

*e. All other AAPIs*

Not including the AAPI subgroups in the high proportion tech visa category (Asian Indians and Chinese (including Taiwanese)) and the Southeast Asian category (Cambodians, Hmong, Lao, and Vietnamese),

<sup>8</sup> The Los Angeles region – Orange County, in particular – has a larger population of Vietnamese Americans than San José and the greater Bay Area. However, no single city in the LA MSA has a larger population of Vietnamese Americans than San José.

<sup>9</sup> For more background on Southeast Asian communities <https://www.searac.org/> is a good place to start. For an academic piece with good background on the history of SE Asian refugees and definition of terms, please see [A Historical Analysis of Southeast Asian Refugee Communities: Post-war Acculturation and Education in the U.S.](#), by Stacy Kula and Susan Paik

there are 15 other AAPI subgroups that the Census records as having at least 300 people (listed in rough order from largest to smallest):

- Filipino/a/x,
- Korean,
- Japanese,
- Pakistani,
- Samoan,
- Thai,
- Micronesian,
- Indonesian,
- Guamanian/Chamorro,
- Native Hawaiian,
- Bangladeshi,
- Indonesian,
- Nepalese,
- Burmese,
- Malaysian.

Aggregating these diverse subgroups (some of whom have large, established populations that have been in this country for over a century; some of whom are small populations made exclusively of recent immigrants/refugees) into a catchall category is not entirely sensible (though no less nonsensical than the original, overarching AAPI racial category). However, per the dissimilarity analysis summarized below, while the Southeast Asian and high proportion tech visa Asian groups are geographically dissimilar, the grouping of All Other AAPIs has a low segregation score between both Southeast Asians and High Proportion Tech Visa Asians – indicating that patterns of geographic distribution are similar to both other populations and that the aggregated category of “All Other AAPIs” is effectively a geographic and demographic bridge between the two more geographically and economically dissimilar AAPI sub-populations.

<b>Item / Comparison</b>	<b>Southeast Asian vs. Asian Indian and Chinese</b>	<b>Southeast Asian vs. All Other AAPIs</b>	<b>Asian Indian and Chinese vs. All Other AAPIs</b>
Dissimilarity Index Value	0.53	0.36	0.33
Characterization of Dissimilarity	Moderate Segregation / Borderline High Segregation	Low Segregation	Low Segregation

*Table 4: Disaggregated AAPI Categories Similarity/Dissimilarity*

Notably, the degree of segregation between Southeast Asians and high proportion tech visa Asians (i.e., Asian Indians and Chinese) is higher than between AAPIs and non-Hispanic Whites.

Likewise, looking at Other AAPIs' distribution across the City by TCAC/HCD Opportunity map categories, All Other AAPIs' spatial distribution is between the two poles represented by the Southeast Asians on one pole and high proportion tech visa Asians on the other, with all other AAPIs existing in a middle ground.

<b>TCAC/HCD Opportunity Category</b>	<b>% of City's Total Population in Category</b>	<b>% of City's AAPI Population in Category</b>	<b>% of City's Asian Indian and Chinese Population in Category</b>	<b>% of City's SE Asian Population in Category</b>	<b>% of City's All Other AAPI Population in Category</b>
High	33.3%	38.8%	55.1%	18.8%	34.2%
Medium	34.7%	28.3%	32.5%	30.8%	36.6%
Low	31.9%	33.0%	12.4%	50.4%	29.1%

Table 5: Disaggregated AAPI Categories population distribution by Race/Ethnicity by major TCAC/HCD Opportunity Map category

## Appendix C

### Rationale and Methodology for Alternative R/ECAP and RCAA Criteria

This appendix provides further detail and explanation on City of San José staff's methodology for creating alternative criteria for more locally applicable definitions of Racially/Ethnically Concentrated Areas of Poverty (RECAPs) and Racially Concentrated Areas of Affluence (RCAA).

#### HUD R/ECAPs

The U.S. Department of Housing and Urban Development (HUD) identifies 9 census tracts as R/ECAPs in San José<sup>10</sup>:

1. 5009.01
2. 5009.02
3. 5013.00
4. 5031.05
5. 5031.10
6. 5031.13
7. 5031.17
8. 5032.14
9. 5034.02

HUD's definition of R/ECAP's definition of R/ECAPs has two fundamental problems:

1. *Old Data*: HUD uses 2015 5-year ACS data to define R/ECAPs<sup>11</sup>. This data almost a decade old. In a hot, dynamic market like the Bay Area, even data that is a few years old is stale. For example, from 2010 to 2020, median gross rent in San José rose from \$1,585 to \$2,232, an increase of 41% (compared to an increase of 18% for the national median gross rent). These rapidly rising housing costs have been driving displacement and demographic change, especially in lower-income neighborhoods.
2. *National Poverty Data*: California has both a substantially higher cost of living (especially housing costs) and a higher minimum wage than the rest of the country. This means both that lower wage workers in California have higher incomes than their counterparts across the country and that their relatively higher income does not translate into a substantially higher quality of life. That is, there are people in California who have incomes higher than the federal poverty line but who have effectively the same economic standing as people in poverty in lower cost regions. Therefore, poverty in California should be determined at higher incomes

#### Updated R/ECAPs Using HUD's Definition

HUD defines R/ECAPs as census tracts where:

1. Non-Hispanic Whites represent less than 50% of the tract population AND
2. The tract has high poverty as defined by one of the following, whichever is lower:

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<sup>10</sup> Per <https://egis.hud.gov/affht/>

<sup>11</sup> <https://www.hud.gov/sites/dfiles/FHEO/documents/AFFH-T-Data-Documentation-AFFHT0006-July-2020.pdf>



- The tract Poverty Rate is over 40% -OR-
- The tract Poverty Rate is greater than 3 times the regional/MSA poverty rate.<sup>12</sup>

Using the above criteria but with 2019 5-year ACS data (instead of 2010 data as used by HUD in their published list of R/ECAPs), there are 7 R/ECAP census tracts in San José (green highlighted tracts are also on the published HUD list as described above):

1. 5009.01
2. 5009.02
3. 5010.00
4. 5013.00
5. 5016.00
6. 5037.09
7. 5057.00

However, simply updating the data doesn't solve for the problem of using national poverty data, as described above.

#### California Poverty Rate R/ECAPs

Because of California's higher cost of living relative to the nation, the Public Policy Institute of California (PPIC) has defined a higher income threshold for determining poverty in California. Based on PPIC's analysis of 2019 data, a family of four making less than \$35,600 is beneath the PPIC calculation of California's poverty line.<sup>13</sup> Using this income threshold, there are 8 R/ECAP census tracts in San José (purple highlighted tracts are also on the published HUD list as describe above) that are less than 50% non-Hispanic white and have over 40% of households making less than \$35,000 (purple highlighted tracts are also on the published HUD list as described above):

1. 5009.02
2. 5010.00
3. 5031.05
4. 5031.22
5. 5031.23
6. 5037.09
7. 5037.10
8. 5037.12

#### Combined List of R/ECAP Tracts

Because City of San José staff intends that our AFH analysis comply with HUD guidelines AND because we want our data to be more current AND because we want our analysis to be relevant to the economic context of the state and the region, we are using the HUD published list of tracts as well as the updated list of tracts (HUD definition with 2019 5-year ACS) and the tracts based upon the estimated PPIC California Poverty Rate. The table below summarizes all the qualifying factors for each of the 16 census

<sup>12</sup> Per 2019 5-year ACS data, the Santa Clara County poverty rate was 7.5%. Three times this rate is 22.5%. Therefore 22.5% was used as the benchmark poverty rate for the updated R/ECAP analysis.

<sup>13</sup> <https://www.ppic.org/publication/poverty-in-california/>

tracts on the City of San José combined list of R/ECAPs (highlighted cells indicate the qualifying economic metric):

Tract	Qualifies under which R/ECAP definition	2015 Poverty Rate	2019 Poverty Rate	% of Households with annual income less than \$35,000	% Non-Hispanic White
5009.01	HUD, Updated-HUD	31.7%	26.1%	26.2%	31.3%
5009.02	HUD, Updated-HUD, CA Poverty	51.7%	43.6%	40.1%	23.0%
5010.00	Updated-HUD, CA Poverty	23.3%	28.8%	43.3%	22.9%
5013.00	HUD, Updated-HUD	32.5%	29.5%	24.2%	20.5%
5016.00	Updated-HUD	25.4%	24.0%	27.1%	49.0%
5031.05	HUD, CA Poverty	31.0%	18.1%	43.2%	31.0%
5031.10	HUD	29.5%	18.6%	19.7%	3.4%
5031.13	HUD	29.9%	17.2%	23.8%	10.5%
5031.17	HUD	36.9%	13.4%	29.4%	2.0%
5031.22	CA Poverty	28.9%	22.1%	59.3%	5.0%
5031.23	CA Poverty	16.0%	15.5%	41.9%	26.3%
5032.14	HUD	32.0%	16.6%	35.4%	38.7%
5034.02	HUD	29.9%	15.2%	24.1%	3.2%
5037.09	Updated-HUD, CA Poverty	28.8%	38.1%	52.4%	3.4%
5037.10	CA Poverty	26.8%	15.9%	45.4%	4.6%
5037.12	CA Poverty	20.9%	16.3%	41.8%	2.7%
5057.00	Updated-HUD	20.6%	25.1%	14.9%	35.6%

The table below summarizes that all the combined R/ECAP tracts are in low opportunity TCAC/HCD Opportunity Areas; are experiencing displacement, at risk of displacement or have a high student population; and, are in school districts with high rates of students of free lunch or reduced lunch.

<b>Tract</b>	<b>Simplified TCAC/HCD Opportunity Category</b>	<b>UDP Simplified Category</b>	<b>School District(s)</b>	<b>2019 Median household income</b>	<b>2019 Gross Median Rent</b>	<b>2019 Median Home Value</b>
5009.01	Low	Displacement	SJUSD	\$90,822	\$1,901	\$721,200
5009.02	Low	High Student	SJUSD	\$45,000	\$1,636	\$1,150,000
5010.00	Low	Displacement	SJUSD	\$40,453	\$1,452	\$833,900
5013.00	Low	High Student	SJUSD	\$116,250	\$1,750	\$992,800
5016.00	Low	High Student	SJUSD	\$62,932	\$1,897	\$786,600
5031.05	Low	Displacement	Franklin-Mckinley; ESUHSD	\$44,545	\$686	\$666,300
5031.10	Low	Displacement	Franklin-Mckinley; ESUHSD	\$49,844	\$1,611	NA
5031.13	Low	Displacement	SJUSD	\$76,528	\$1,865	\$610,500
5031.17	Low	Displacement	Franklin-Mckinley; ESUHSD	\$57,857	\$1,626	\$567,900
5031.22	Low	Displacement	Franklin-Mckinley; ESUHSD	\$26,019	\$737	NA
5031.23	Low	Displacement	SJUSD	\$47,636	\$1,619	NA
5032.14	Low	Displacement	Franklin-Mckinley; ESUHSD	\$60,136	\$1,173	NA
5034.02	Low	Displacement	Alum Rock; ESUHSD		\$1,522	\$606,500
5037.09	Low	Displacement	Alum Rock; ESUHSD	\$30,724	\$810	\$744,600

5037.10	Low	Displacement	Alum Rock; ESUHSD	\$44,688	\$972	\$657,700
5037.12	Low	Displacement	Alum Rock; ESUHSD	\$44,911	\$1,455	\$440,600
5057.00 <sup>14</sup>	Moderate	Moderate	Santa Clara Unified School District	<del>\$88,333</del>	<del>\$1,876</del>	<del>\$1,071,400</del>

RCAAs

Per HCD’s guidance on Racially Concentrated Areas of Affluence (RCAAs),<sup>15</sup> City of San José staff have developed a locally specific definition of RCAAs. The HCD’s RCAA criteria has two components: income and proportion of non-Hispanic Whites. The cited national criteria for a RCAA was a tract where the median annual income \$112,852 (i.e., 150% of a state median income of \$75,235) and where the tract was over 49.125% non-Hispanic White (i.e., 125% of the jurisdiction-wide proportion of non-Hispanic White of 39.3%). In San José, there were 23 Census Tracts that met these criteria. However, as discussed in Appendix B above, in Silicon Valley, because of the prevalence of tech professionals in the region, immigrants from India and China (who are the primary beneficiaries of a set of immigration policies which privilege high skilled, highly educated tech workers) have residential distribution patterns that are more similar to non-Hispanic Whites than to other communities of color.<sup>16</sup>

Therefore, for a City of San José specific RCAA definition, using the same median annual income threshold, the San José specific RCAA racial composition threshold is 67.25% of the population of the tract at non-Hispanic White or Asian Indian or Chinese (i.e., 125% of the jurisdiction-wide combined proportion of non-Hispanic Whites plus Asian Indians plus Chinese of 53.8%).

With these revised criteria, there are 46 total RCAA tracts in the City, per the following qualifying criteria:

Tract	% Non-Hispanic White	% Asian Indian + Chinese	Combined % non-Hispanic White +	2019 Median Income
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<sup>14</sup> NOTE: Tract 5057 was removed as a R/ECAP area because the 2019 poverty rate is not reflected by the number of households making under \$35,000, calling into question whether the 2019 poverty rate is a reliable number. Further, the does not display other characteristics associated with R/ECAP areas in San José (i.e., is not a low opportunity area, is not at risk of displacement, and is not in a school district with a high percentage of students qualifying for free or reduced lunch.

<sup>15</sup> [https://www.hcd.ca.gov/community-development/affh/docs/affh\\_document\\_final\\_4-27-2021.pdf](https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf), p.33

<sup>16</sup> Per Appendix B, above, in the Silicon Valley, immigrants who are the greatest proportion of beneficiaries of high skill, high tech visas – i.e., immigrants from India and China – are affluent and tend to live in the area’s more exclusionary areas. For example, 55.1% of all persons of Indian and Chinese descent in San José live in census tracts that are high or highest opportunity per TCAC/HCD Opportunity Map analysis. By comparison, 48.2% of non-Hispanic Whites live in high or highest opportunity census tracts – the highest proportion of any racial/ethnic group if AAPIs are not disaggregated. But when disaggregated, Asian Indian and Chinese Americans are more concentrated in high opportunity neighborhoods than non-Hispanic Whites.

[1] = HCA RCAA only [2] = CSJ RCAA only [3] = Both RCAAs			Asian Indian + Chinese	
5005.00 [1]	57.0%	4.5%	61.5%	\$133,162
5023.01 [3]	66.4%	3.3%	69.7%	\$162,235
5024.00 [3]	66.3%	5.7%	72.0%	\$128,889
5025.00 [3]	65.0%	7.1%	72.1%	\$179,205
5026.03 [2]	63.1%	7.5%	70.6%	\$151,696
5027.02 [3]	53.9%	14.8%	68.7%	\$162,933
5028.00 [1]	53.4%	7.4%	60.8%	\$144,870
5029.01 [3]	55.8%	13.4%	69.2%	\$122,614
5029.02 [3]	59.9%	11.0%	70.9%	\$162,045
5029.03 [3]	61.8%	6.9%	68.7%	\$150,139
5029.07 [3]	61.1%	6.4%	67.5%	\$146,389
5029.08 [1]	52.5%	7.6%	60.1%	\$136,563
5030.01 [3]	66.7%	9.1%	75.8%	\$188,674
5030.02 [3]	61.7%	8.9%	70.6%	\$146,600
5030.03 [3]	60.0%	7.8%	67.8%	\$139,500
5033.30 [2]	9.7%	62.5%	72.2%	\$210,313
5033.34 [2]	20.3%	47.9%	68.2%	\$250,000+
5050.06 [2]	24.2%	56.3%	80.5%	\$166,174
5050.08 [2]	23.0%	44.8%	67.8%	\$142,540
5058.00 [1]	51.5%	6.0%	57.5%	\$135,662
5059.00 [2]	48.6%	20.1%	68.7%	\$113,398
5062.02 [2]	39.7%	31.7%	71.4%	\$156,169
5063.02 [1]	48.3%	19.9%	68.2%	\$138,750
5066.03 [1]	52.4%	13.9%	66.3%	\$173,000
5066.04 [2]	48.3%	23.8%	72.1%	\$156,711

5068.02 [3]	58.8%	14.0%	72.8%	\$152,045
5068.03 [3]	52.2%	19.7%	71.9%	\$158,750
5068.04 [2]	64.1%	16.3%	80.4%	\$161,806
5069.00 [2]	65.9%	11.9%	77.8%	\$193,667
5074.02 [2]	60.6%	18.9%	79.5%	\$172,639
5078.07 [2]	15.2%	71.8%	87.0%	\$192,979
5078.08 [2]	19.6%	67.0%	86.6%	\$218,229
5079.03 [2]	20.2%	65.7%	85.9%	\$192,813
5079.04 [2]	26.7%	61.7%	88.4%	\$206,607
5079.05 [2]	19.3%	57.8%	77.1%	\$149,514
5079.06 [2]	21.2%	64.7%	85.9%	\$211,250
5119.05 [2]	45.9%	33.3%	79.2%	\$209,167
5119.07 [2]	38.6%	28.6%	67.2%	\$185,795
5119.09 [2]	43.0%	35.1%	78.1%	\$221,538
5119.10 [3]	60.8%	17.2%	78.0%	\$233,125
5119.11 [3]	54.3%	16.4%	70.7%	\$133,219
5119.12 [2]	34.5%	33.4%	67.9%	\$234,861
5119.13 [3]	61.3%	16.7%	78.0%	\$184,821
5119.14 [3]	57.8%	16.4%	74.2%	\$200,673
5120.45 [1]	53.1%	11.4%	64.5%	\$131,900
5122.00 [2]	66.9%	2.9%	69.8%	\$139,479

<b>Tract</b>	<b>Simplified TCAC/HCD Opportunity Category</b>	<b>UDP Simplified Category</b>	<b>School District(s)</b>	<b>2019 Gross Median Rent</b>	<b>2019 Median Home Value</b>
5005.00 [1]	Moderate	Exclusive		\$1,603	\$1,088,700
5023.01 [3]	High	Exclusive		\$2,077	\$1,429,200

5024.00 [3]	High	Exclusive		\$2,023	\$1,129,700
5025.00 [3]	High	Exclusive		\$1,787	\$1,246,800
5026.03 [2]	High	Exclusive		\$2,441	\$1,205,900
5027.02 [3]	High	Moderate		\$2,473	\$1,057,400
5028.00 [1]	High	Exclusive		\$2,826	\$1,146,200
5029.01 [3]	High	Moderate		\$1,912	\$989,700
5029.02 [3]	High	Moderate		\$3,500+	\$1,149,200
5029.03 [3]	High	Exclusive		\$3,045	\$1,155,000
5029.07 [3]	High	Moderate		\$3,004	\$953,200
5029.08 [1]	High	Moderate		\$2,158	\$996,600
5030.01 [3]	High	Exclusive		\$2,898	\$1,157,800
5030.02 [3]	High	Exclusive		\$1,931	\$1,063,400
5030.03 [3]	High	Exclusive		\$3,024	\$979,700
5033.30 [2]	High	Exclusive		\$2,827	\$1,279,400
5033.34 [2]	High	Exclusive		\$3,500+	\$1,660,000
5050.06 [2]	Moderate	Exclusive		\$2,925	\$822,100
5050.08 [2]	High	Unavailable or Unreliable Data		\$2,958	NA
5058.00 [1]	High	Moderate		\$2,336	\$1,008,900
5059.00 [2]	High	Moderate		\$2,068	\$1,120,500
5062.02 [2]	High	Exclusive		\$2,296	\$1,392,100
5063.02 [1]	Moderate	Exclusive		\$2,254	\$1,062,800
5066.03 [1]	High	Moderate		\$2,569	\$1,130,000
5066.04 [2]	High	Exclusive		\$1,850	\$1,257,900
5068.02 [3]	High	Exclusive		\$2,565	\$1,173,300
5068.03 [3]	High	Moderate		\$2,336	\$1,170,300
5068.04 [2]	High	Exclusive		\$3,500+	\$1,277,000

5069.00 [2]	High	Exclusive		\$2,378	\$1,633,000
5074.02 [2]	High	Exclusive		\$3,351	\$1,784,900
5078.07 [2]	High	Exclusive		\$3,117	\$1,687,000
5078.08 [2]	High	Exclusive		\$3,321	\$1,774,800
5079.03 [2]	High	Exclusive		\$3,500+	\$1,667,600
5079.04 [2]	High	Exclusive		\$3,268	\$1,692,400
5079.05 [2]	High	Moderate		\$2,183	\$1,501,900
5079.06 [2]	High	Exclusive		\$3,500+	\$1,669,200
5119.05 [2]	High	Exclusive		\$3,375	\$1,379,000
5119.07 [2]	High	Exclusive		\$3,500+	\$1,176,000
5119.09 [2]	High	Exclusive		\$3,282	\$1,509,800
5119.10 [3]	High	Exclusive		\$3,500+	\$1,549,700
5119.11 [3]	High	Exclusive		\$1,677	\$1,358,000
5119.12 [2]	High	Exclusive		\$3,500+	\$1,394,600
5119.13 [3]	High	Exclusive		NA	\$1,272,700
5119.14 [3]	High	Exclusive		\$3,500+	\$1,210,700
5120.45 [1]	High	Exclusive		\$3,004	\$874,100
5122.00 [2]	High	Exclusive		\$2,309	\$984,400



## Appendix D

### Displacement Analysis

The UC Berkeley [Urban Displacement Project](#) has done 2 major analyses about gentrification and displacement in the SF Bay Area. The first was released in 2017 (using 2015 5-year ACS data, so will be referred to as the 2015 map or dataset) and the second was released in 2021 (using 2019 5-year ACS data, the 2019 map or dataset). Every census tract in the Bay Area (including San José) was analyzed for displacement / displacement risk based upon such data as rent, home values, rent burden, change in rent and home values, income of residents, etc. In our comparison of the 2015 UDP analysis of City of San José census tracts to the 2019 UDP analysis, City staff makes the following findings:

1. *San José is becoming more Exclusive/Exclusionary:* In 2015, there were 39 census tracts designated as Exclusive / At Risk of Becoming Exclusive. In 2019, this number increased to 90 census tracts, or 42% of the entire City.
2. *San José neighborhoods designated as Stable are rapidly changing:* In 2015, there were 96 census tracts designated as Stable moderate / Mixed-income. Almost half of these “Stable” tracts (i.e., 48%) became Exclusive / At Risk of Becoming Exclusive by 2019.
3. *Lower-income neighborhoods are experiencing high rates of displacement:* Per the 2015 data, there were 74 census tracts were designated as Displacement / At Risk of Displacement tracts. Despite expansion of the definition of the category to include all lower-income census tracts, the number of these tracts was reduced by half.

The bottom line is that displacement is occurring at a rapid pace in our City and the character and composition of our City community is changing. There is a shrinking window of opportunity to prevent the disruption of lower-income people’s lives due to such displacement. Because low-income people (especially renters) in San José are disproportionately people of color, this is a fair housing and racial justice issue and needs to be addressed with urgency.

#### Overall Change in UDP Typologies

Rapidly rising rents (see Section immediately following) are driving shifts in the types of neighborhoods in the City. In the approximate past 5 years, per the table below, neighborhoods in the City have shifted dramatically towards becoming higher income and more exclusive, with fewer neighborhoods

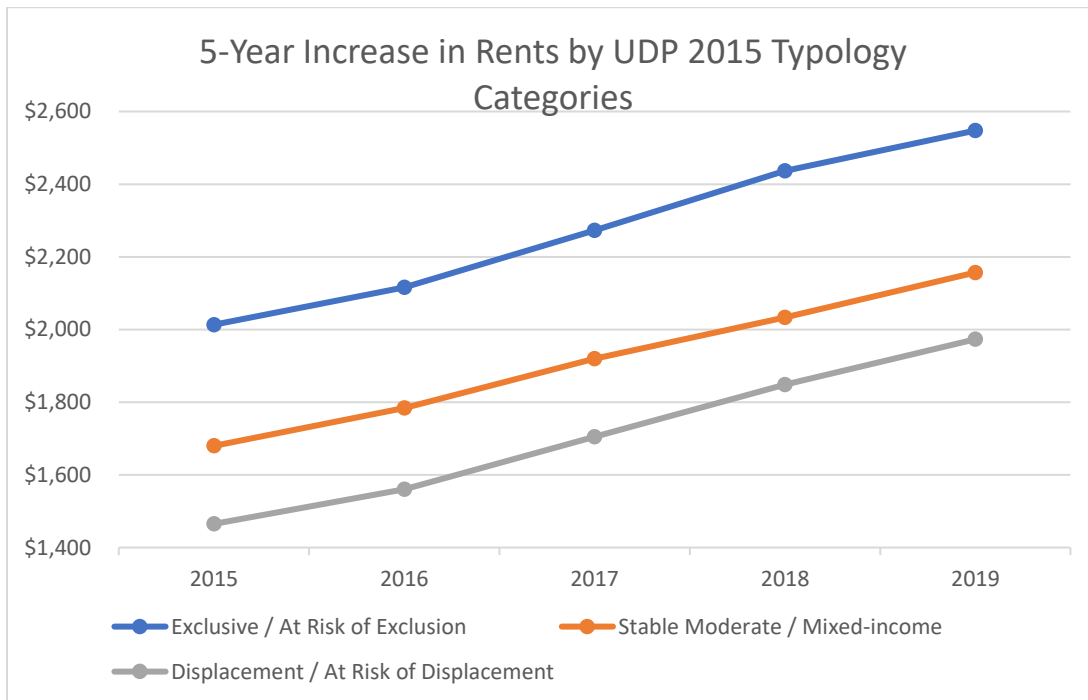
Category	Exclusive / At risk of becoming exclusionary	Stable Moderate / Mixed-income	Displacement / At risk of displacement	Student / NA
Recent (2019 5-yr ACS)	90	85	37	6
Previous (2015 5-yr ACS)	39	96	74	9
Change	+51	-11	-37	-3

# of People living in these Tracts (2019)*	474,278	443,574	187,653	31,328
% of City Population	42%	39%	17%	3%

\* = some Census tracts include unincorporated areas or cross city boundaries so total population of census tracts in San José exceeds the total City population

### Rising Rents

Citywide, according to the 5-year ACS, median gross rent rose by 33%, from \$1,585 in 2015 to \$2,107 in 2019. Per the chart below, at a 5-year percentage increase of 35%, rents rose the fastest in census tracts designated as “Displacement / At risk of displacement” by the UPD per 2015 data.



### Decreasing numbers of lower-income households

The number of households in San José earning less than \$100,000 in annual income decreased by 17%, with the largest numeric decreases in non-Hispanic White households (a decrease of over 12,000 households) and Latino/a/x households (a decrease of almost 11,000 households).

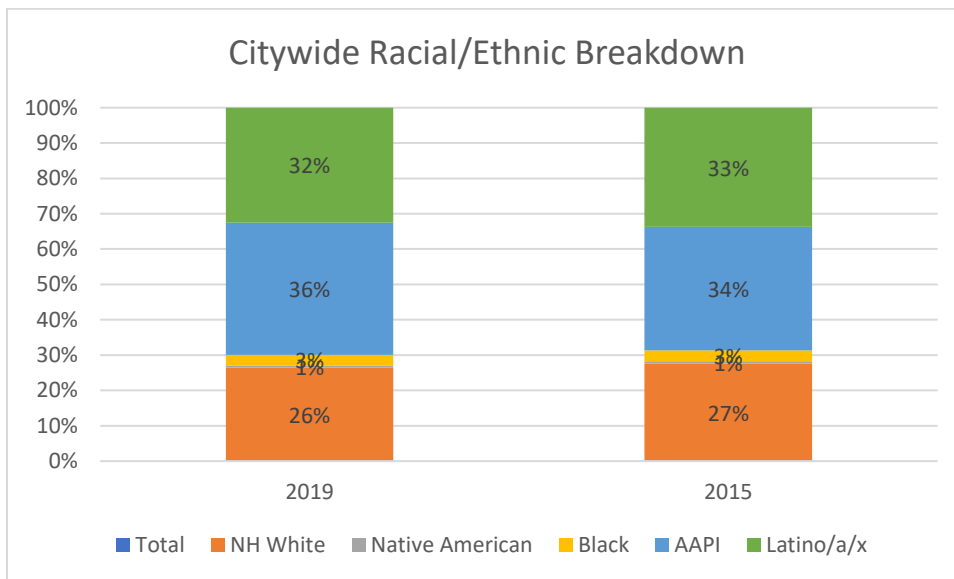
	Total Households earning <\$100k/yr	Non-Hispanic White HHs, <\$100k/yr	Black HHs <\$100k/yr	Native American HHs <\$100k/yr	AAPI HHs <\$100k/yr	Latino/a/x HHs <\$100k/yr
2019	148,831	46,090	1,322	7,269	43,404	48,375
2015	179,407	58,579	1,541	7,886	50,137	59,026

# HHs change	(30,576)	(12,489)	(219)	(617)	(6,733)	(10,651)
% HHs change	-17%	-21%	-14%	-8%	-13%	-18%

Please note that the decrease in numbers of households making less than \$100,000 per year does not signify that all of these households have been displaced from the City. Many of these households likely still live in the City but with an increased annual household income (i.e., a household that was making less than \$100,000 in 2015 made more than \$100,000 in 2019). It is, however, a potential indicator of displacement and where the changes are the greatest flag potential places and communities where displacement is likely happening.

### Shifting demographics

This loss of lower-income households contributed to an overall racial/ethnic shift where the City saw a 2% decrease in non-Hispanic White population, a 1% decrease in Latino/a/x population, and a 9% increase in AAPI population – all while the total population of the City increased by 3%.



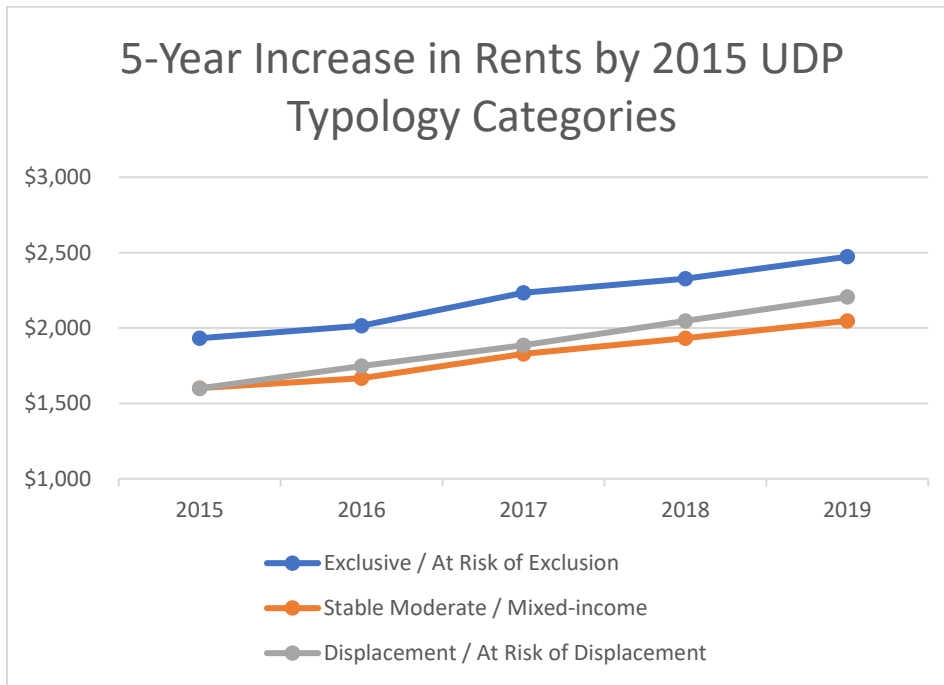
### Displacement and neighborhood change by City of San José Council District, 2015 to 2019

#### District One

From 2015 to 2019, D1 became more exclusive.

	Exclusive / At risk of exclusion	Stable Moderate / Mixed-income	Displacement / At risk of displacement	Student / NA
2019	11	11	2	0
2015	9	10	5	0
# of Tracts Change 2015 to 2019	+2	+1	-3	0

Median rent in the district rose from \$1,688 in 2015 to \$2,214 in 2019, an increase of 31%. Rents in tracts with that were classified in 2015 as “Displacement/At risk of displacement” rose the fastest, at 38% over the 5-year period.

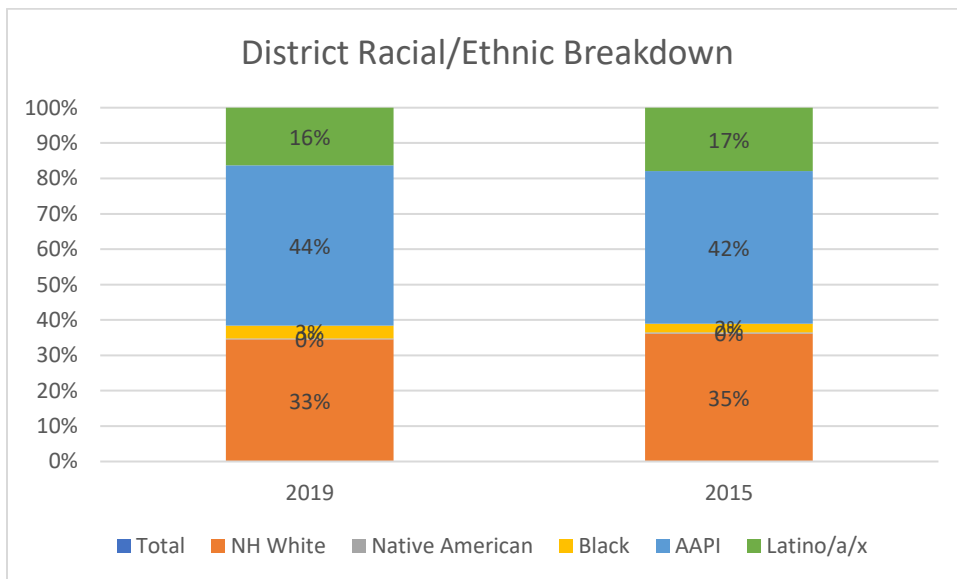


The number of households in D1 earning less than \$100,000 in annual income decreased by over 11%, with the largest numeric decrease in non-Hispanic White households making less than \$100,000 per year.

	Total Households earning <\$100k/yr	Non-Hispanic White HHs, <\$100k/yr	Black HHs <\$100k/yr	Native American HHs <\$100k/yr	AAPI HHs <\$100k/yr	Latino/a/x HHs <\$100k/yr
2019	18,850	8,291	79	1,308	5,029	3,672

2015	23,882	10,829	90	1,081	6,762	4,713
# HHs change	(5,032)	(2,538)	(11)	227	(1,733)	(1,041)
% HHs change	-21%	-23%	-12%	21%	-26%	-22%

This loss of lower-income households contributed to an overall racial/ethnic shift where the District saw an 8% decrease in non-Hispanic White population, a 13% decrease in Latino/a/x population, and a 2% increase in AAPI population.

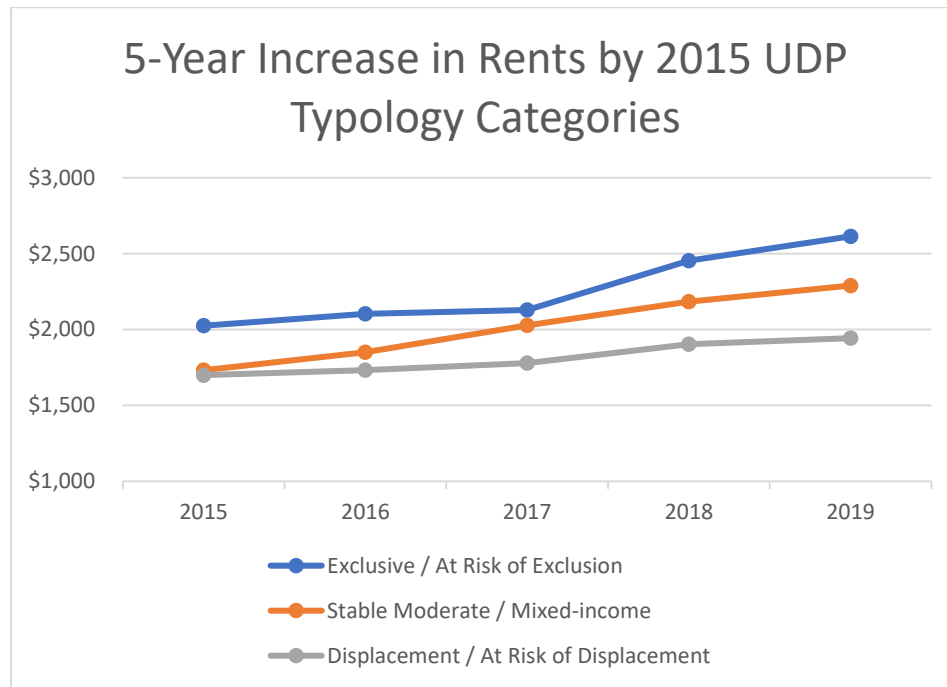


### District Two

From 2015 to 2019, D2 became more exclusive.

	Exclusive / At risk of exclusion	Stable Moderate / Mixed-income	Displacement / At risk of displacement	Student / NA
2019	9	11	1	0
2015	5	14	2	0
# of Tracts Change 2015 to 2019	+4	-3	-1	0

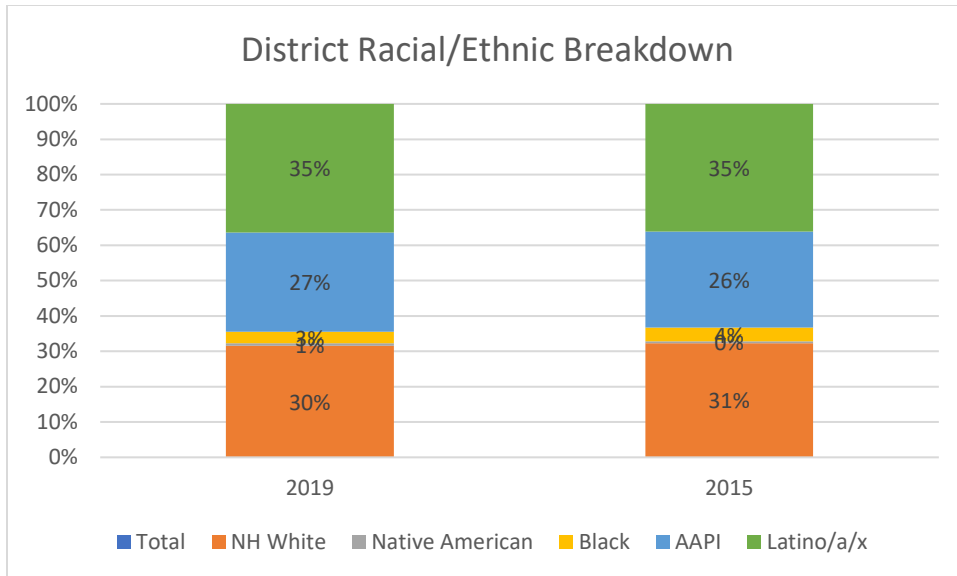
Median rent in the district rose from \$1,835 in 2015 to \$2,366 in 2019, an increase of 29%. Rents in tracts with that were classified in 2015 as “Stable Moderate / Mixed-income” rose the fastest, at 32% over the 5-year period.



The number of households in D2 earning less than \$100,000 in annual income decreased by 16%, with the largest numeric decrease in non-Hispanic White households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	13,778	5,164	147	477	3,151	4,633
2015	16,415	6,270	71	943	3,684	5,179
# HHs change	(2,637)	(1,106)	76	(466)	(533)	(546)
% HHs change	-16%	-18%	107%	-49%	-14%	-11%

Despite the decrease in the number of lower-income households, the overall racial/ethnic demographic mix of the neighborhood stayed relatively constant with small increases in the AAPI and Latino/a/x populations – 7% and 5% increases respectively – that were slightly higher than the overall District population increase of 4%.

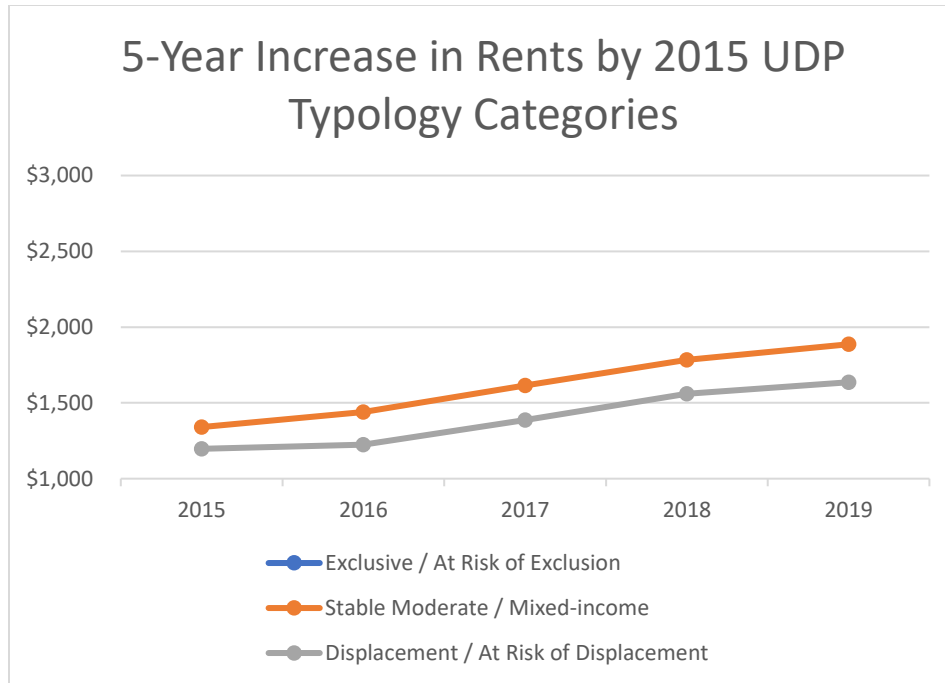


#### *District Three*

From 2015 to 2019, D3 experienced a high level of displacement with a number of low-income neighborhoods at risk of displacement transitioning to moderate income or student neighborhoods.

	<b>Exclusive / At risk of exclusion</b>	<b>Stable Moderate / Mixed-income</b>	<b>Displacement / At risk of displacement</b>	<b>Student / NA</b>
2019	1	7	12	3
2015	0	1	21	1
<b># of Tracts Change 2015 to 2019</b>	<b>+1</b>	<b>+6</b>	<b>-9</b>	<b>+2</b>

Median rent in the district rose from \$1,303 in 2015 to \$1,810 in 2019, an increase of 39%. Rents in tracts that were classified in 2015 as “Stable Moderate / Mixed-income” rose the fastest, at 41% over the 5-year period (though this only was 1 tract).

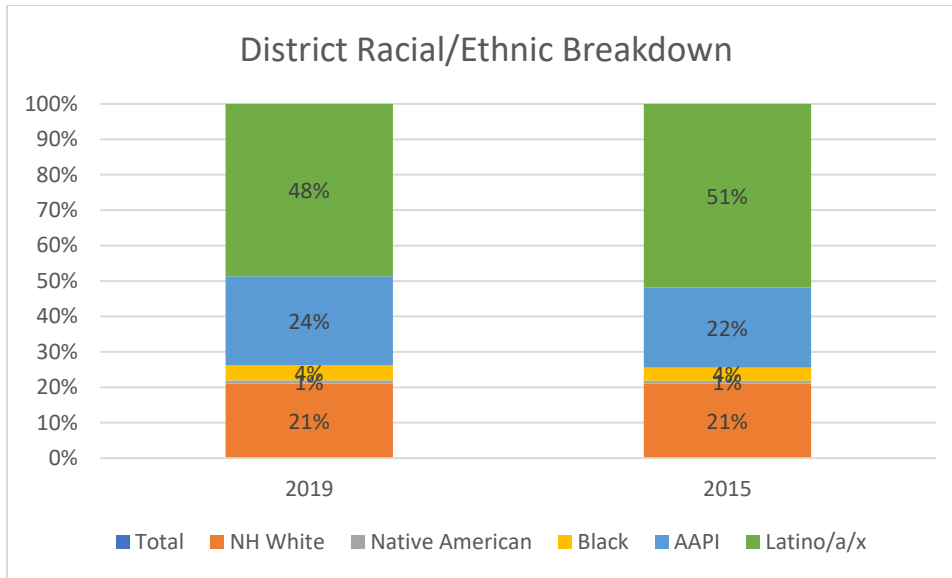


The number of households in D3 earning less than \$100,000 in annual income decreased by 11%, with the largest numeric decrease in Latino/a/x households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	22,163	4,849	243	1,269	5,749	9,732
2015	25,029	5,725	326	1,182	5,901	11,813
# HHs change	(2,866)	(876)	(83)	87	(152)	(2,081)
% HHs change	-11%	-15%	-25%	7%	-3%	-18%

This loss of lower income households contributed to an overall racial/ethnic shift where the District saw an 3% decrease in Latino/a/x population, despite a 4% overall increase in the District's total population. The district transitioned from being a majority Latino/a/x district to having a plurality.



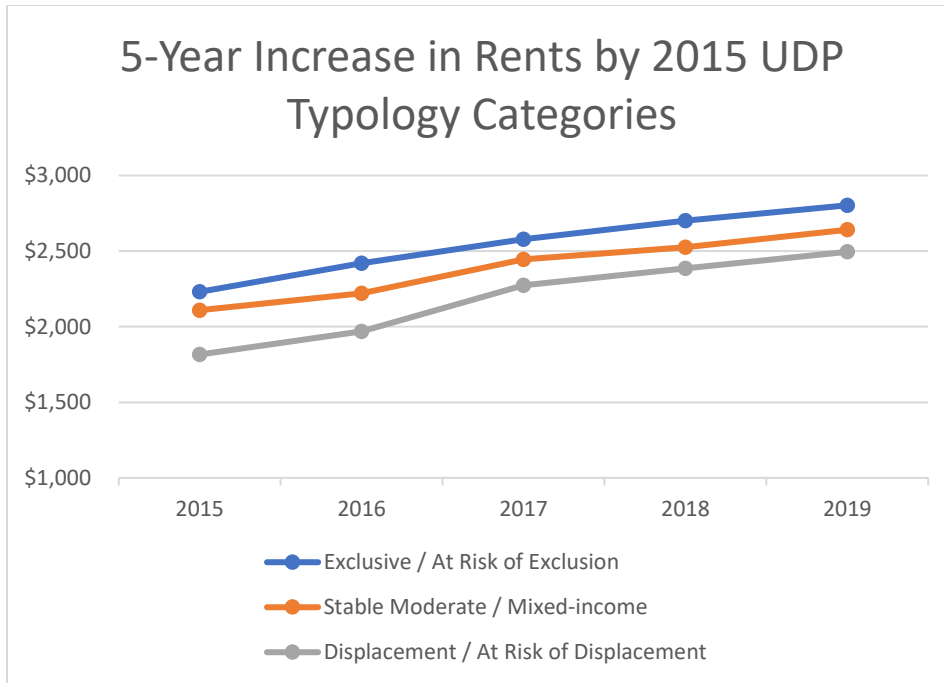


#### District Four

From 2015 to 2019, D4 experienced a high level of displacement with *all* low-income neighborhoods at risk of displacement transitioning to moderate income or student neighborhoods.

	Exclusive / At risk of exclusion	Stable Moderate / Mixed-income	Displacement / At risk of displacement	Student / NA
2019	8	11	0	2
2015	4	11	5	1
# of Tracts Change 2015 to 2019	+4	0	-5	+1

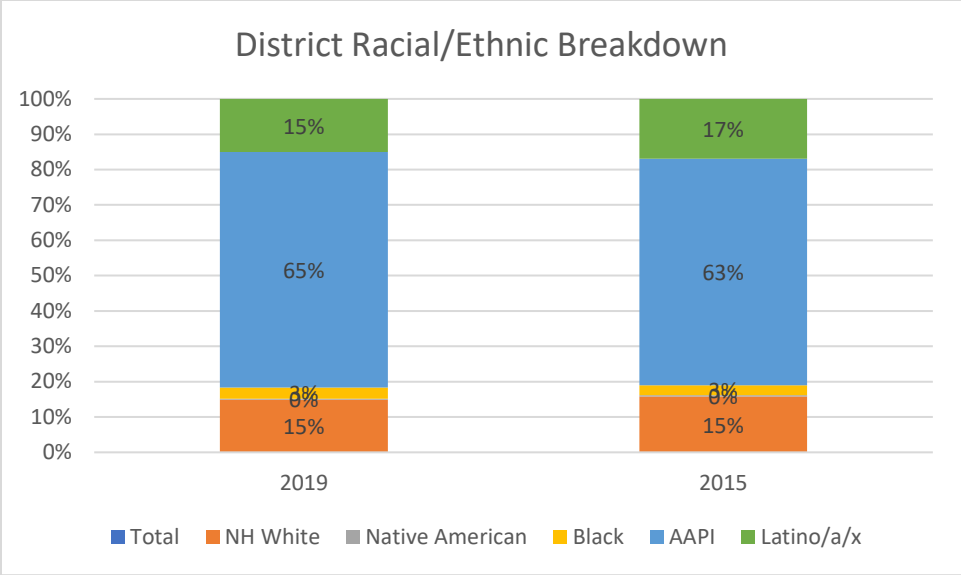
Median rent in the district rose from \$2,086 in 2015 to \$2,666 in 2019, an increase of 28%. Rents in tracts with that were classified in 2015 as “Displacement / At risk of displacement” rose the fastest, at 47% over the 5-year period.



The number of households in D4 earning less than \$100,000 in annual income decreased by 14%, with the largest numeric decrease in AAPI households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	14,049	2,755	30	819	7,963	2,231
2015	16,375	3,305	41	667	9,029	3,069
# HHs change	(2,326)	(550)	(11)	152	(1,066)	(838)
% HHs change	-14%	-17%	-27%	23%	-12%	-27%

Despite the decrease in numbers of low-income households, the District saw a 10% increase in population, led by a 13% increase in the AAPI population. The District's Latino/a/x population dropped by 1%.

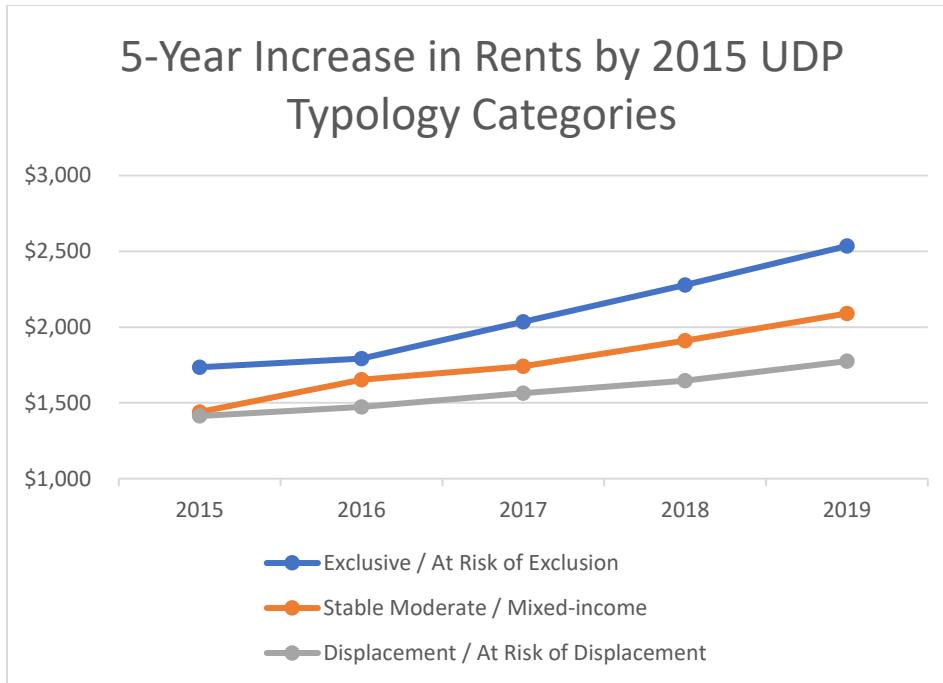


*District Five*

From 2015 to 2019, D5 experienced a high level of displacement with the majority of all low-income neighborhoods at risk of displacement transitioning to moderate income or at risk of exclusion neighborhoods.

	<b>Exclusive / At risk of exclusion</b>	<b>Stable Moderate / Mixed-income</b>	<b>Displacement / At risk of displacement</b>	<b>Student / NA</b>
2019	10	7	6	0
2015	1	5	17	0
<b># of Tracts Change 2015 to 2019</b>	<b>+9</b>	<b>+2</b>	<b>-11</b>	<b>0</b>

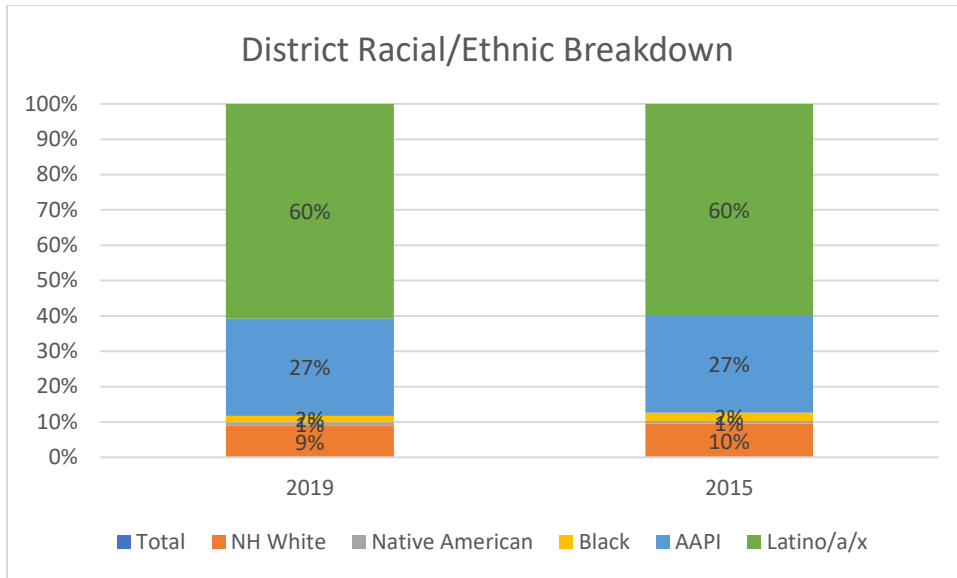
Median rent in the district rose from \$1,427 in 2015 to \$1,865 in 2019, an increase of 31%. Rents in tracts with that were classified in 2015 as “Exclusive / At risk of exclusion” rose the fastest, at 46% over the 5-year period (though this only was 1 tract).



The number of households in D5 earning less than \$100,000 in annual income decreased by 14%, with the largest numeric decrease in Latino/a/x households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	16,681	2,084	216	615	4,983	8,801
2015	21,269	2,869	186	865	6,059	11,310
# HHs change	(4,588)	(785)	30	(250)	(1,076)	(2,509)
% HHs change	-22%	-27%	16%	-29%	-18%	-22%

Despite the decrease in the number of lower-income households, the overall racial/ethnic demographic mix of the neighborhood stayed relatively constant, with a small increase (3%) in the Latino/a/x populations.

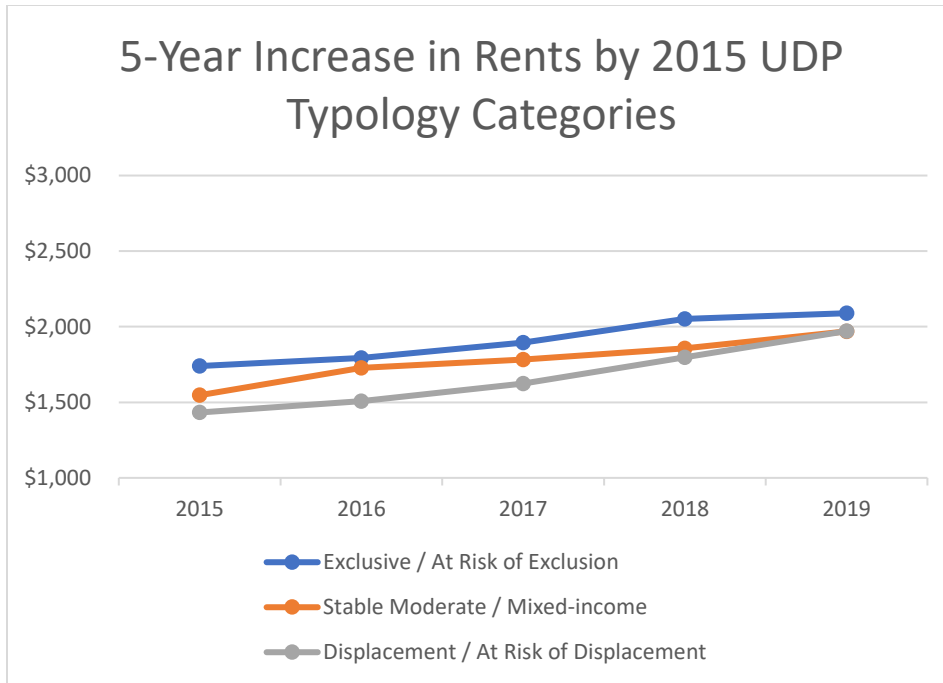


*District Six*

From 2015 to 2019, D6 experienced a high level of displacement with the majority of all low-income neighborhoods at risk of displacement transitioning to moderate income or at risk of exclusion neighborhoods.

	<b>Exclusive / At risk of exclusion</b>	<b>Stable Moderate / Mixed-income</b>	<b>Displacement / At risk of displacement</b>	<b>Student / NA</b>
2019	9	9	4	1
2015	7	5	10	1
<b># of Tracts Change 2015 to 2019</b>	<b>+2</b>	<b>+4</b>	<b>-6</b>	<b>0</b>

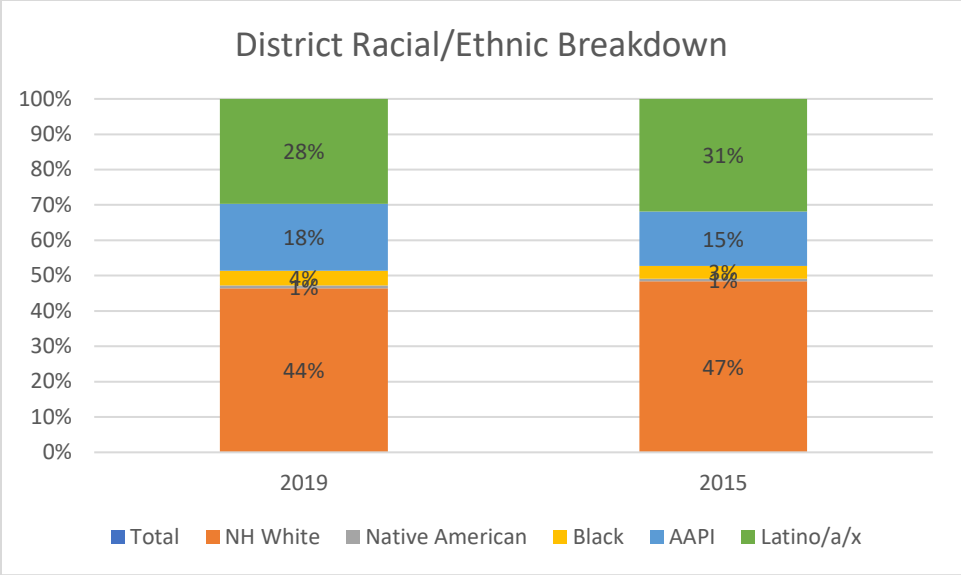
Median rent in the district rose from \$1,518 in 2015 to \$2,001 in 2019, an increase of 32%. Rents in tracts with that were classified in 2015 as “Displacement / At risk of displacement” rose the fastest, at 38% over the 5-year period.



The number of households in D6 earning less than \$100,000 in annual income decreased by 14%, with the largest numeric decrease in non-Hispanic White households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	22,557	10,178	300	1,246	3,237	6,946
2015	26,374	12,544	239	1,277	3,343	8,408
# HHs change	(3,817)	(2,366)	61	(31)	(106)	(1,462)
% HHs change	-14%	-19%	26%	-2%	-3%	-17%

This loss of lower-income households contributed to an overall racial/ethnic shift where the District saw an 3% decrease in non-Hispanic White population, a 6% decrease in Latino/a/x population, and an 18% increase in AAPI population.

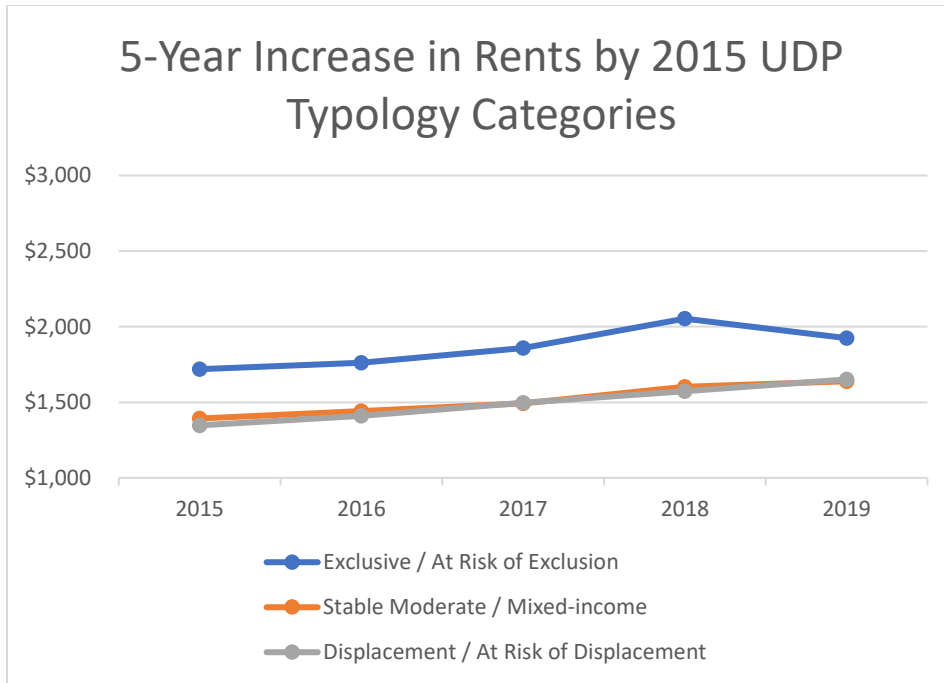


*District Seven*

From 2015 to 2019, 6 census tracts classified as stable low-income (and thus included in the “Stable Moderate / Mixed-income” category) were reclassified as “Low-income/Susceptible to displacement” (and thus included in the “Displacement / At risk of displacement” category). Including these reclassifications, the majority of tracts in D7 are experiencing displacement or at risk of displacement.

	<b>Exclusive / At risk of exclusion</b>	<b>Stable Moderate / Mixed-income</b>	<b>Displacement / At risk of displacement</b>	<b>Student / NA</b>
2019	5	4	12	0
2015	1	13	5	2
<b># of Tracts Change 2015 to 2019</b>	<b>+4</b>	<b>-9</b>	<b>+7</b>	<b>-2</b>

Median rent in the district rose from \$1,378 in 2015 to \$1,629 in 2019, an increase of 18%. Rents in tracts with that were classified in 2015 as “Displacement / At risk of displacement” rose the fastest, at 23% over the 5-year period.

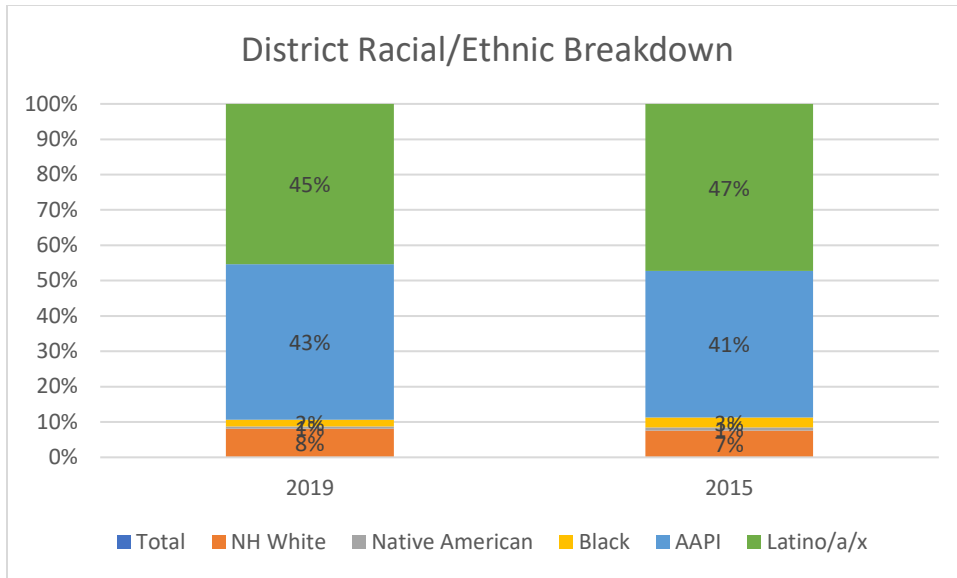


The number of households in D7 earning less than \$100,000 in annual income decreased by 12%, with the largest numeric decrease in Latino/a/x households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	18,354	2,043	142	453	7,499	8,058
2015	20,764	2,436	283	712	8,204	8,937
# HHs change	(2,410)	(393)	(141)	(259)	(705)	(879)
% HHs change	-12%	-16%	-50%	-36%	-9%	-10%

This loss of lower-income households contributed to an overall racial/ethnic shift where the District saw an a 6% decrease in Latino/a/x population, a 44% decrease in Black population and an 5% increase in AAPI population.



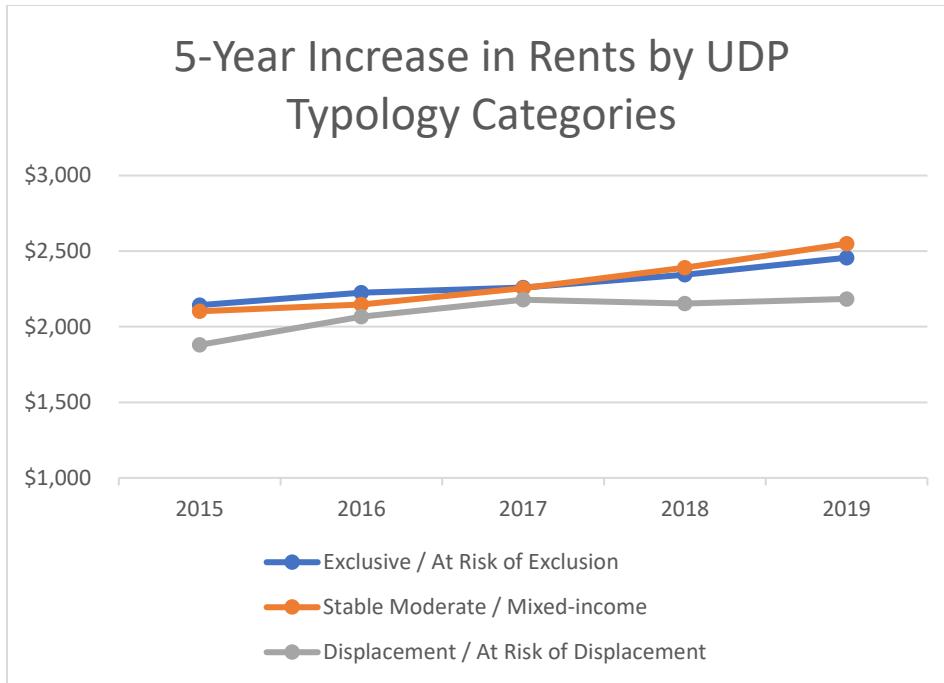


#### District Eight

From 2015 to 2019, D8 became more exclusive.

	Exclusive / At risk of exclusion	Stable Moderate / Mixed-income	Displacement / At risk of displacement	Student / NA
2019	12	9	0	0
2015	3	15	2	1
# of Tracts Change 2015 to 2019	+9	-6	-2	-1

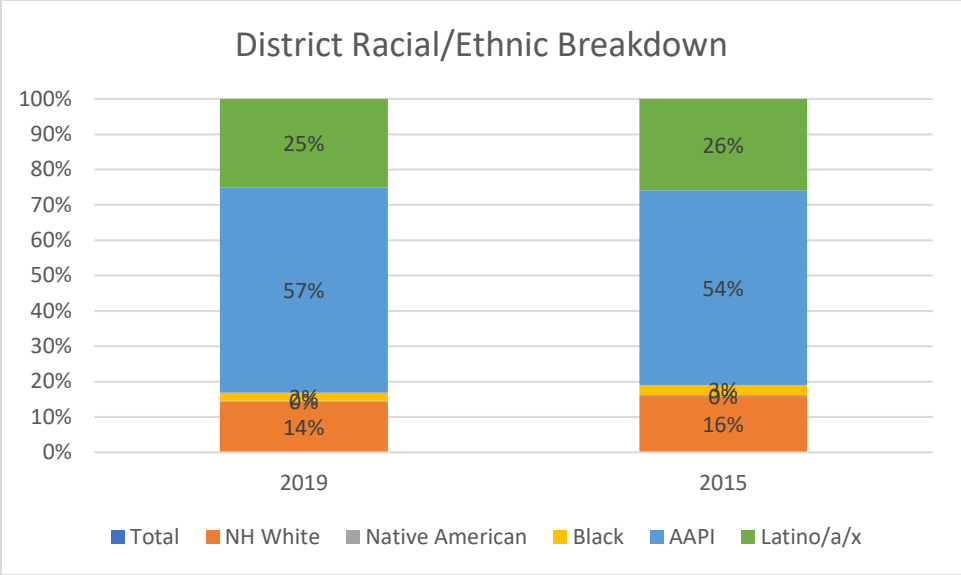
Median rent in the district rose from \$2,090 in 2015 to \$2,510 in 2019, an increase of 20%. Rents in tracts with that were classified in 2015 as “Stable Moderate / Mixed-income” rose the fastest, at 21% over the 5-year period.



The number of households in D8 earning less than \$100,000 in annual income decreased by 22%, with the largest numeric decrease in Latino/a/x households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	9,777	2,742	69	304	4,130	2,412
2015	12,553	3,575	86	531	4,728	3,568
# HHs change	(2,776)	(833)	(17)	(227)	(598)	(1,156)
% HHs change	-22%	-23%	-20%	-43%	-13%	-32%

This loss of lower-income households contributed to an overall racial/ethnic shift where the District saw a 3% decrease in Latino/a/x population, an 11% decrease in non-Hispanic White population and a 5% increase in AAPI population.

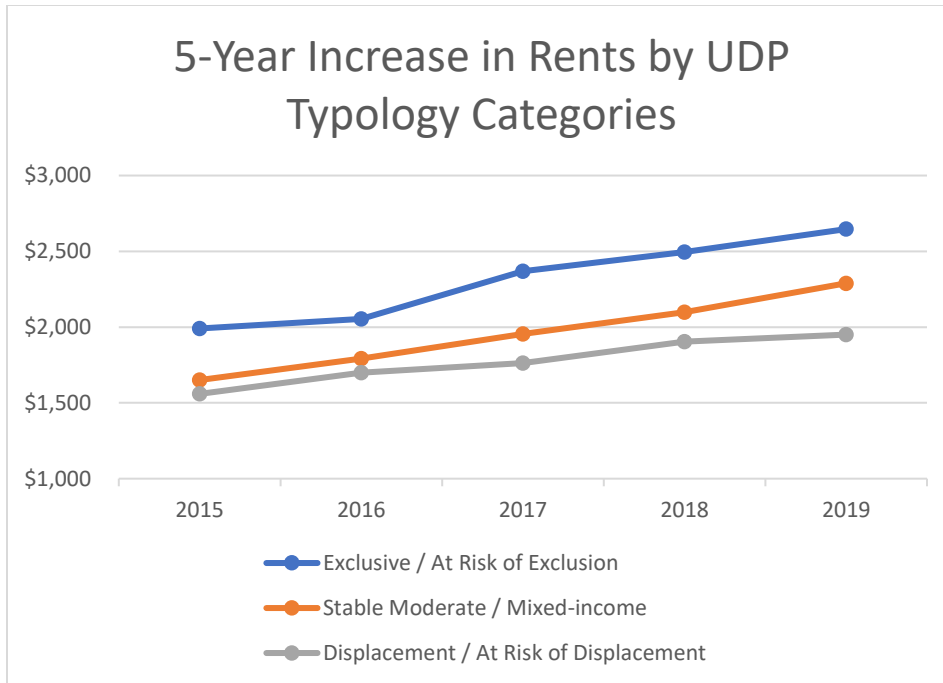


*District Nine*

From 2015 to 2019, D9 became more exclusive.

	<b>Exclusive / At risk of exclusion</b>	<b>Stable Moderate / Mixed-income</b>	<b>Displacement / At risk of displacement</b>	<b>Student / NA</b>
2019	11	10	0	0
2015	7	12	2	0
<b># of Tracts Change 2015 to 2019</b>	<b>+4</b>	<b>-2</b>	<b>-2</b>	<b>0</b>

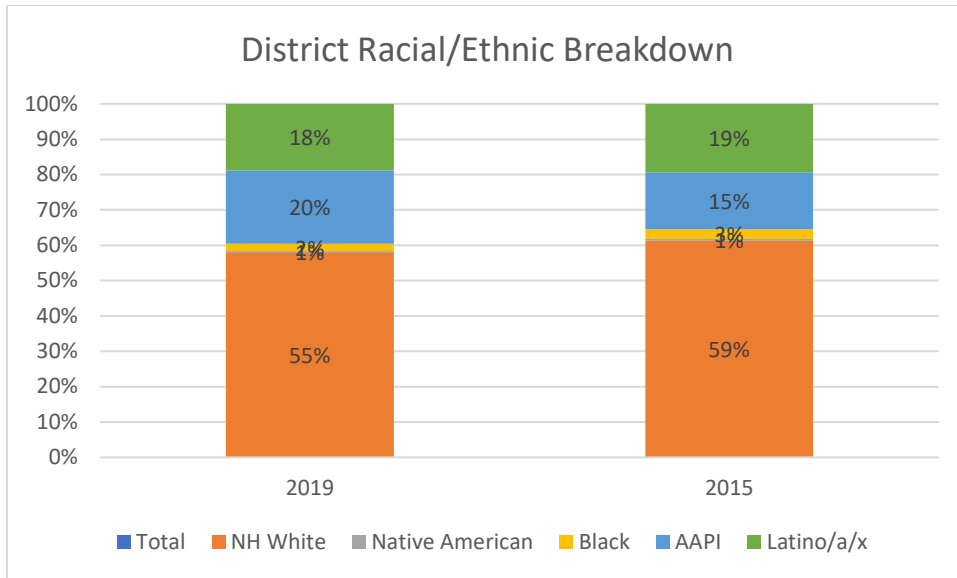
Median rent in the district rose from \$1,528 in 2015 to \$2,317 in 2019, an increase of 35%. Rents in tracts with that were classified in 2015 as “Stable Moderate / Mixed-income” rose the fastest, at 39% over the 5-year period.



The number of households in D9 earning less than \$100,000 in annual income decreased by 24%, with the largest numeric decrease non-Hispanic White households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	14,711	9,033	138	373	2,287	2,654
2015	19,449	13,003	203	520	2,301	3,178
# HHs change	(4,738)	(3,970)	(65)	(147)	(14)	(524)
% HHs change	-24%	-31%	-32%	-28%	-1%	-16%

This loss of lower-income households contributed to an overall racial/ethnic shift where the District saw a 2% decrease in non-Hispanic White population and a 25% increase in AAPI population.

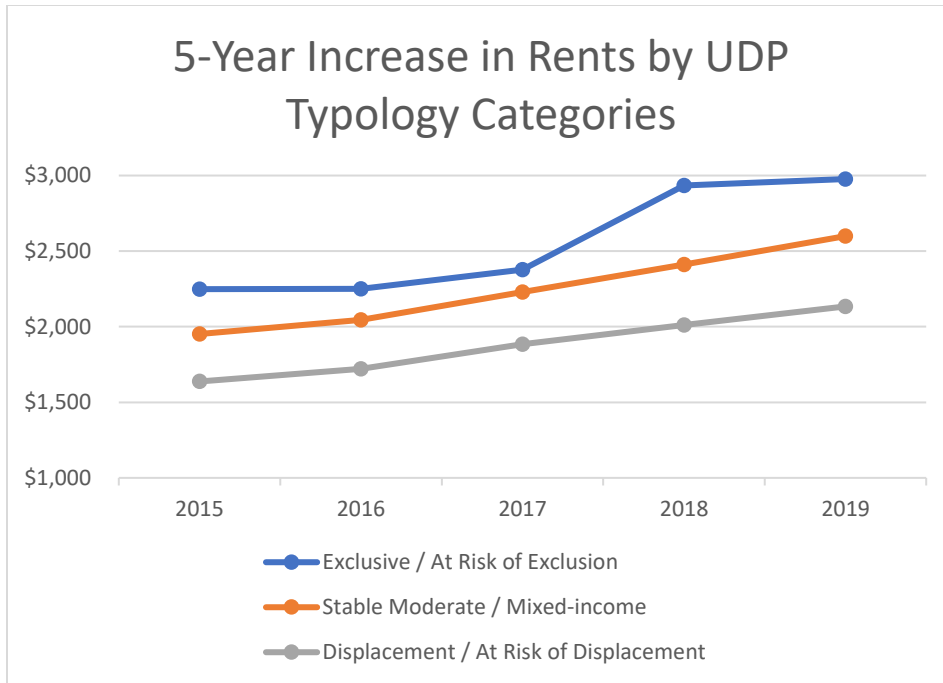


*District Ten*

From 2015 to 2019, D10 became more exclusive.

	<b>Exclusive / At risk of exclusion</b>	<b>Stable Moderate / Mixed-income</b>	<b>Displacement / At risk of displacement</b>	<b>Student / NA</b>
2019	14	6	1	0
2015	2	10	5	4
<b># of Tracts Change 2015 to 2019</b>	<b>+12</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>

Median rent in the district rose from \$1,829 in 2015 to \$2,405 in 2019, an increase of 32%. Rents in tracts with that were classified in 2015 as “Stable Moderate / Mixed-income” rose the fastest, at 33% over the 5-year period.

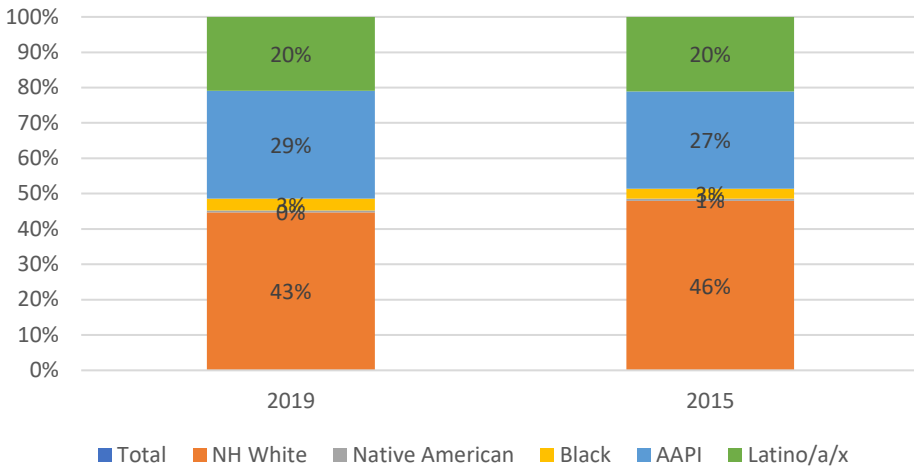


The number of households in D10 earning less than \$100,000 in annual income decreased by 17%, with the largest numeric decrease non-Hispanic White households making less than \$100,000 per year.

	<b>Total Households earning &lt;\$100k/yr</b>	<b>Non-Hispanic White HHs, &lt;\$100k/yr</b>	<b>Black HHs &lt;\$100k/yr</b>	<b>Native American HHs &lt;\$100k/yr</b>	<b>AAPI HHs &lt;\$100k/yr</b>	<b>Latino/a/x HHs &lt;\$100k/yr</b>
2019	148,831	46,090	1,322	7,269	43,404	48,375
2015	179,407	58,579	1,541	7,886	50,137	59,026
# HHs change	(30,576)	(12,489)	(219)	(617)	(6,733)	(10,651)
% HHs change	-17%	-21%	-14%	-8%	-13%	-18%

This loss of lower-income households contributed to an overall racial/ethnic shift where the District saw a 6% decrease in non-Hispanic White population and a 10% increase in AAPI population.

### District Racial/Ethnic Breakdown



## Appendix E

### Additional Demographic Data about Persons with Disabilities

This Appendix contains additional demographic data about San José's approximately 90,000 residents with disabilities. This data is from the U.S. Census American Community Survey and is subject to the constraints/limitations of its source.

#### Persons with Disability by Race/Ethnicity

Relative to the City's overall racial/ethnic breakdown, Latino/a/x individuals and AAPIs are underrepresented in the disabled population. This may be due to a number of different factors including the relative younger age of communities with higher proportions of recent immigrants; the lack of outreach and materials for non-English speaking populations; the tendency to over-diagnose Black and Indigenous children with disabilities.

#### Civilian, Non-institutionalized Population with Disabilities

	<b>2019 5-yr ACS</b>	<b>2014 5-yr ACS</b>	<b>Change # / %</b>
Non-Hispanic White	30,057 (30.4%)	30,863 (38.0%)	-754 / -2.4%
Black/African American	3,792 (4.3%)	3,607 (4.5%)	185 / 5.1%
Native American, Alaskan Native	781 (0.9%)	1,012 (1.2%)	-231 / -22.8%
AAPI	27,820 (31.4%)	23,481 (29.0%)	4,339 / 18.5%
Latino/a/x	24,480 (27.7%)	21,333 (26.3%)	3,147 / 14.8%
TOTAL [# (100%)]	88,533 (100%)	81,049 (100%)	

#### Civilian, Non-institutionalized Population, Total (for comparison of racial/ethnic breakdown)

	<b>2019 5-yr ACS</b>	<b>2014 5-yr ACS</b>	<b>Change # / %</b>
Non-Hispanic White	262,932 (25.7%)	269,555 (27.4%)	-6,623 / -2.5%
Black/African American	30,533 (3.0%)	30,863 (3.1%)	-330 / -1.1%
Native American, Alaskan Native	5,715 (0.6%)	6,220 (0.6%)	-505 / -8.1%
AAPI	373,079 (36.4%)	330,619 (33.6%)	42,460 / 12.8%
Latino/a/x	323,581 (31.6%)	325,392 (33.1%)	-1,811 / -0.6%
TOTAL [# (%)]	1,023,950 (100%)	982,892 (100%)	

#### Race/Ethnicity by Disability

##### Non-Hispanic White

	<b>2019 5-yr ACS</b>	<b>2014 5-yr ACS</b>	<b>Change # / %</b>
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Total Civilian, Non-institutionalized Population	262,932	269,555	-6,623 / -2.5%
Disabled Population	30,057	30,811	-754 / -2.4%
% of Total	11.4%	11.4%	

Black/African American

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	30,533	30,863	-330 / -1.1%
Disabled Population	3,792	3,607	185 / 5.1%
% of Total	12.4%	11.7%	

Native American, Alaskan Native

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	5,715	6,220	-505 / -8.1%
Disabled Population	781	1,012	-231 / -22.8%
% of Total	13.7%	16.3%	

Asian American, Native Hawaiian, Pacific Islander

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	373,079	330,619	42,460 / 12.8%
Disabled Population	27,820	23,481	4,339 / 18.5%
% of Total	7.5%	7.1%	

Latino/a/x

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	323,581	325,392	-1,811 / -0.6%
Disabled Population	24,480	21,333	3,147 / 14.8%
% of Total	7.6%	6.6%	

**Persons with Disability by Gender**

Civilian, Non-institutionalized Population with Disabilities

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Male	41,632 (47.0%)	38,467 (47.5%)	
Female	46,910 (53.0%)	42,582 (52.5%)	
TOTAL [# (100%)]	88,533 (100%)	81,049 (100%)	

### Gender by Disability

#### Male

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	516,412	492,875	23,537 / 4.8%
Disabled Population	41,632	38,467	3,165 / 8.2%
% of Total	8.1%	7.8%	

#### Female

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	507,538	490,017	17,521 / 3.6%
Disabled Population	46,910	42,582	4,328 / 10.2%
% of Total	9.2%	8.7%	

### Persons with Disability by Age

As we age, we become more vulnerable to certain categories of disabilities. Therefore, there is a higher proportion of persons with disabilities in older age ranges. In recent years, San José's population has been aging which should correlate with increasing rates of persons with disabilities in the overall population.

#### Civilian, Non-institutionalized Population with Disabilities

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Under 5 years	516 (0.6%)	465 (0.6%)	51 / 11.0%
5 to 17 years	5,582 (6.3%)	5,194 (6.4%)	388 / 7.5%
18 to 64 years	40,460 (45.7%)	37,513 (46.3%)	2,947 / 7.9%
65 years and older	41,975 (47.4%)	37,877 (46.7%)	4,098 / 10.8%
TOTAL [# (100%)]	88,533 (100%)	81,049 (100%)	

#### Civilian, Non-institutionalized Population, Total (for comparison of age breakdown)

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Under 5 years	63,025 (6.2%)	67,201 (6.8%)	-4,176 / -6.2%
5 to 17 years	167,432 (16.4%)	169,192 (17.2%)	-1,760 / -1.0%

18 to 64 years	666,685 (65.1%)	640,834 (65.2%)	25,851 / 4.0%
65 years and older	126,808 (12.4%)	105,665 (10.8%)	21,143 / 20%
TOTAL [# (100%)]	1,023,950 (100%)	982,892 (100%)	

### Age by Disability

#### Under 5 years

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	63,025	67,201	-4,176 / -6.2%
Disabled Population	516	465	51 / 11.0%
% of Total	0.8%	0.7%	

#### 5 to 17 years

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	167,432	169,192	-1,760 / -1.0%
Disabled Population	5,582	5,194	388 / 7.5%
% of Total	3.3%	3.1%	

#### 18 to 64 years

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	666,685	640,834	25,851 / 4.0%
Disabled Population	40,460	37,513	2,947 / 7.9%
% of Total	6.1%	5.9%	

#### 65 years and older

	2019 5-yr ACS	2014 5-yr ACS	Change # / %
Total Civilian, Non-institutionalized Population	126,808	105,665	21,143 / 20.0%
Disabled Population	41,975	37,877	4,098 / 10.8%
% of Total	33.1%	35.8%	

## Appendix G

### Additional Fair Housing Enforcement and Compliance Documentation

#### Consortium Case Study

The City contracts with the Law Foundation of Silicon Valley to coordinate a consortium of fair housing service providers (Consortium). Through this contract, five programs provide services to support fair housing in San José. These programs include the Asian Law Alliance (ALA), Mental Health Advocacy Project, Project Sentinel (PS), and Senior Adults Legal Assistance (SALA). To illustrate the types of fair housing issues that the Consortium has observed to be increasing San José, the Consortium reported the following case study:

Ms. M's ex-partner was a Section 8 voucher holder who lived with their three minor children in a unit. Sadly, he contracted COVID-19, was hospitalized, and then passed away. Before he passed away, he asked the then pregnant Ms. M to move into his apartment with her current partner to care for their children. She moved in, updated the landlord on what was happening, and paid two month's rent in advance. She reached out to Housing Authority to be added to the voucher. However, Ms. M was hospitalized for 3 weeks from complications of her case of COVID-19, diagnosed with heart failure, and had a pre-term cesarean section. She returned home from the hospital one day before received a 3-day eviction notice for unauthorized occupancy. When she was served an unlawful detainer lawsuit, she connected with the Law Foundation. A Law Foundation Attorney took on Ms. M's eviction case for full representation. A reasonable accommodation request was made asking for more time for Ms. M to be added to her children's Section 8 voucher and once done, dismiss the case against her. The request was denied, as the landlord claimed Ms. M was not a tenant who was entitled to reasonable accommodations. However, Law Foundation was able to continue to negotiate and Ms. M, her partner, and newborn were successfully added to the voucher. The case settled with a move-out agreement that provided Ms. M a little over 3 months to move out with her family.

#### Document Review / Records Search

In addition to what was presented in Section D., above, City staff performed the following Fair Housing document reviews and records searches.

Recent HUD enforcement actions related to fair housing cases were reviewed. Documents issued by HUD for 2020 Fair Housing Act Charges and 2020-2019 Conciliation Agreements did not include any cases or allegations of discriminatory redlining in San José.<sup>17</sup>

HCD also has a role in enforcing state housing laws and may get involved with monitoring or providing letters that involve a potential violation of a jurisdiction's housing element; however, HCD did not issue letters to the City of San José in 2018-2019 related to enforcement of Fair Housing Element Law.<sup>18</sup>

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<sup>17</sup> HUD Fair Housing Enforcement Activity, "Documents Issued by HUD in Fair Housing Cases," [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/enforcement](https://www.hud.gov/program_offices/fair_housing_equal_opp/enforcement), accessed March 2022.

<sup>18</sup> HCD Accountability and Enforcement, "Enforcement Letters Issued," updated: 05/18/2021, <https://www.hcd.ca.gov/community-development/accountability-enforcement.shtml>, accessed March 2022.

In reviewing the Department of Justice housing enforcement case records for the City of San José, there was no cases filed with the California Northern District.<sup>19</sup>

In reviewing the letters of findings issued and lawsuits filed by the State of California Department of Justice, Office of the Attorney General from 2018-2020, there were no reports pertaining to housing rights enforcement for the City of San José.<sup>20</sup>

There also did not appear to be reports of complaints or cause determinations from Department of Fair Housing and Employment (DFEH) against the City of San José.<sup>21</sup>

In a search on the DFEH website, there were notices of settlements for cases within the City of San José:

- DFEH settled a case in 2017 against an owner who had several apartment complexes and rental homes in San José who had been discriminating against tenants with disabilities by not allowing them to have emotional support animals. DFEH stated in the settlement, that the law requires landlords to modify policies, including no-pet policies, to reasonably accommodate people with disabilities.<sup>22</sup>
- DFEH filed a case in Santa Clara County Superior Court against San José property owners in 2017 for denying the reasonable accommodation requests of tenants with disabilities who presented medical documentation attesting to their need for an assistance animal. The case, which DFEH settled, was based on a violation of the Fair Employment and Housing Act (FEHA) and the Unruh Civil Rights Act, after the landlord told them they did not need a dog to survive.<sup>23</sup>

As part of the settlement these cases, the property owners agreed to develop fair housing policies, including updating antidiscrimination policies and adding policies for reasonably accommodating applicants and tenants with disabilities, post fair housing posters, and attend annual fair housing training.

### City Compliance with Fair Housing Laws and Regulations

Per below, the City of San José maintains and develops fair housing policies in response to advancements in state law and best practices.

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<sup>19</sup> U.S. Department of Justice Civil Rights Division, “Housing and Civil Enforcement Cases,” <https://www.justice.gov/crt/housing-and-civil-enforcement-cases>, accessed March 2022.

<sup>20</sup> California HCD, “Accountability and Enforcement,” <https://www.hcd.ca.gov/communitydevelopment/accountability-enforcement.shtml>, accessed March 2022.

<sup>21</sup> California Department of Fair Employment and Housing (DFEH), “Legal Records and Reports,” <https://www.dfeh.ca.gov/legalrecords/#reportsBody>, accessed on March 2022.

<sup>22</sup> California Department of Fair Employment and Housing (DFEH), “Landlord to Pay \$100,000 to Settle Fair Housing Case Involving Emotional Support Animals,” <https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2017/11/Chow-PR-20171129.pdf>, accessed March 2022

<sup>23</sup> California Department of Fair Employment and Housing (DFEH), “LANDLORD TO PAY \$40,000 TO SETTLE FAIR HOUSING CASE INVOLVING EMOTIONAL SUPPORT ANIMAL,” <https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2017/07/Chen-PR2017-07-05.pdf>, accessed March 2022.

<b>Requirement</b>	<b>Response</b>
<p>California Fair Employment and Housing Act (FEHA) (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2)</p>	<p>The Introduction to the Housing Element defines fair housing under the California Fair Employment and Housing Act and states the City’s intent to further fair housing in accordance with state requirements by identifying and removing impediments and constraints.()Key policies to further fair housing choice in the City include X, Y, Z</p>
<p>FEHA Regulations (California Code of Regulations (CCR), title 2, sections 12005-12271)</p>	<p>In summarizing and applying the information and results of the AI, the Housing Element discusses the need for the City of San José to increase availability of affordable units among the important actions. In support of this policy, strategies including XX issue Notices of Funding Availability (NOFAs) for City funds that award points for serving protected classes populations and XX continue to work with developers to standardize fees, requirements, approvals to develop streamlined permitting and fee processes and reduce other barriers outreach activities on Fair Housing challenges, programming, and solutions, one of the proposed activities is to Create basic ‘Know Your Rights and Responsibilities’ materials for landlords and tenants in multiple languages and Increase funding to do more extensive fair housing testing and policy work.</p>
<p>Government Code section 65008 covers actions of a city, county, city and county, or other local government agency, and makes those actions null and void if the action denies an individual or group of individuals the enjoyment of residence, landownership, tenancy, or other land use in the state because of membership in a protected class, the method of financing, and/or the intended occupancy.</p>	<p>The policy framework and recommended programs in the Housing Element are based on the foundation that state law requires citizens in the City of San José to have fair housing choice, free from discrimination based on membership in a protected class, as stated in the introduction of the Housing Element.() In addition, several policies specifically support housing opportunities for individuals and communities.</p>

Requirement	Response
<p>Government Code section 8899.50 requires all public agencies to administer programs and activities relating to housing and community development in a manner to affirmatively further fair housing and avoid any action that is materially inconsistent with its obligation to affirmatively further fair housing.</p>	<p>State law requires all public agencies to administer programs and activities relating to housing and community development in a manner to affirmatively further fair housing.</p>
<p>Government Code section 11135 et seq. requires full and equal access to all programs and activities operated, administered, or funded with financial assistance from the state, regardless of one's membership or perceived membership in a protected class.</p>	<p>The City complies with the full and equal access provisions of standard state grant funding agreements.</p>
<p>Density Bonus Law (Gov. Code, § 65915.)</p>	<p>The City's General Plan calls for affordable housing policies that will allow affordable residential development at densities beyond the maximum density allowed under an existing Land Use/Transportation Diagram designation, consistent with the minimum requirements of the State Density Bonus Law (Government Code Section 65915) and local ordinances.</p>
<p>Housing Accountability Act (Gov. Code, § 65589.5.)</p>	

Requirement	Response
No-Net-Loss Law (Gov. Code, § 65863)	<p>The goals, policies, and programs listed throughout the Housing Element are intended to help reduce barriers to and create opportunities for housing production. In accordance with State requirements, the City prepares Housing Element Annual Progress Reports after each calendar year to assess the City’s progress toward its eight-year regional housing needs target (RHNA) housing production targets and toward the implementation of housing activities identified in the Housing Element. Appendix XX of the Housing Element provides the City of San José Adequate Sites Inventory based on the housing unit target meet the RHNA target, the City, per California Government Code. In addition, there are sufficient properties Citywide for lower-income housing according to State requirements. In addition, XX requires the City to also look at housing production goals by Community Planning Area based on an analysis of feasible site suitability.</p>
Least Cost Zoning Law (Gov. Code, § 65913.1)	<p>HCD approved Association of Bay Area Governments (ABAG)'s RHNA Plan in January of 2022. The City is compliant with this section, as demonstrated by the (Adequate) Sites Inventory in the 2021-2029 Housing Element which identified capacity of over XXX units to meet a housing need of XXX housing units. The City has determined its housing capacity for the Adequate Sites Inventory through an in-depth review of all vacant and developable land. While State law requires that the City demonstrate enough housing capacity to meet RHNA targets, the City chooses to inventory all potentially developable land. This approach has been adopted in acknowledgment that many factors affect housing development feasibility, including decisions by private property owners and developers.()</p>
Excessive subdivision standards (Gov. Code, § 65913.2.)	<p>This is a longstanding section of the state code that restricts a jurisdiction from imposing criteria that would make housing development infeasible and consider the effect of ordinances adopted and actions taken by it with respect to the housing needs. The City’s code is in compliance with state law.</p>



Requirement	Response
Limits on growth controls (Gov. Code, § 65302.8.)	<p>Housing elements in California are required to demonstrate the jurisdiction can accommodate the projected housing need and analyze the impact of any growth management controls. The Urban Growth Boundary (UGB) was originally adopted and incorporated into the San José 2020 General Plan by a unanimous vote of the City Council in November 1996. The UGB, like the prior growth management programs and policies that preceded it, has been very effective at managing the City’s rapid growth without inhibiting it. New development has successfully occurred only within the City’s urban service area. Since establishing the UGB, the rate of development has not declined; the City has issued building permits for over (55,000) XXX residential units and millions of square feet of commercial development. Other governmental and non-governmental constraints to housing production are acknowledged and discussed in the Housing Element.() In addition, Chapter XX provides analysis of constraints and zoning analysis. Actions the City has taken to reduce constraints include: XYZ (streamlining accessory dwelling unit, density bonus program for micro-units, allow by-right development of transitional housing facilities and permanent supportive housing in zones that allow multifamily housing.)</p>
Housing Element Law (Gov. Code, § 65583, esp. subds. (c)(5), (c)(10).)	<p>The plan strives to identify more than needed housing capacity in order to facilitate compliance with the new No Net Loss requirements and provide a comprehensive set of goals, objectives, policies and proposed programs to affirmatively further fair housing opportunities and promote housing for all in San José. It identifies this housing capacity primarily on sites located near transit and in walkable areas, consistent with General Plan and Climate Action Plan, many of which are non-vacant. The Housing Element supports the developability of non-vacant sites with substantial data, analysis, and recent development examples.</p>

## Community input from the last Analysis of Impediments

The City prepared the Analysis of Impediments to Fair Housing Choice (AI) with the assistance of LeSar Development Consultants (LDC) for the 2016 to 2020 time period. The purpose of the AI is to assemble fair housing information, identify any existing impediments to fair housing choice, and recommend actions to overcome those impediments.

Approximately 4,847 entities, organizations, agencies, and persons were directly engaged via outreach efforts and asked to share materials with their beneficiaries, partners, and contacts. Through these communications, stakeholders were invited to participate in one of the forums planned throughout the County and to submit survey responses.

The following themes emerged for the housing issue area:

- Ensure availability of affordable housing, including transitional housing
- Provide legal services to protect fair housing rights and to mediate tenant/landlord legal issues
- Address affordable housing eligibility restrictions to expand the number of residents who can qualify
- Provide affordable rental housing for low income families, at-risk families and individuals with disabilities
- Fund additional homeless prevention programs
- Provide rental subsidies and assistance for low income families to support rapid re-housing

A Regional Needs Survey was conducted to solicit input from residents and workers in the County of Santa Clara. To give as many people as possible the chance to voice their opinion, emphasis was placed on making the survey widely available and gathering a large number of responses rather than administering the survey to a controlled, statistically representative pool.

A total of eleven regional and community forums were held to gather community input and feedback for the creation of the City's Consolidated Plan and AI. Three regional forums were held in Mountain View, San José, and Gilroy from September 2014 to November 2014; the City held four additional local community forums in September and October 2014. A total of 1,472 survey responses were collected from September 19, 2014 to November 15, 2014, including 1,078 surveys collected electronically and 394 collected on paper. The surveys were available in five languages.

The table below shows the highest level of need for each of the housing-related improvements and the share of respondents who rated each category as "high level" of need.

Priority Rank	Housing: High Level of Need	Share of Respondents
1	Increase affordable rental housing inventory	63.1%
2	Rental assistance for the homeless	51.0%
3	Affordable housing located near transit	48.6%
4	Housing for other special needs (such as seniors and persons with disabilities)	48.0%
5	Permanent supportive rental housing for the homeless	46.8%

6	Energy efficiency and sustainability improvements	41.6%
7	Healthy homes	37.5%
8	Down-payment assistance to purchase a home	33.8%
9	Code enforcement, in coordination with a neighborhood plan	33.4%
10	Housing accessibility improvements	29.7%
11	Rental housing rehabilitation	27.7%
12	Emergency home improvement/repair	24.9%
13	Owner-occupied housing rehabilitation	18.5%

Source: 2016-2020 San José Analysis of Impediments to Fair Housing Choice

## Appendix C. Fifth Cycle Review

The City of San José's Fifth Cycle Housing Element was adopted by City Council on January 27, 2015 and included a Regional Housing Needs Allocation (RHNA) of 35,080 total units of housing and an Implementation Work Plan that included over 80 planned programs, policies, and activities. As described in further detail below, the City exceeded 5<sup>th</sup> Cycle goals for market-rate housing and met or exceeded almost all Work Plan items. While the City did not meet RNHA goals for affordable housing, the City has developed new local funding sources for affordable housing development which should aid in meeting future goals. In addition, the City met substantially all of its applicable work plan goals.

### RHNA Goals

As of the end of 2021 or approximately 90% through the 5<sup>th</sup> Cycle, the City had met over 100% of its market-rate housing goal but only 24% of its combined affordable housing goals.

**Table C-1: Performance towards 5<sup>th</sup> Cycle RHNA Goals**

Category	5 <sup>th</sup> Cycle RHNA Goals	Building Permits Issued	% of Allocation
TOTAL Affordable Units	20,849	5,057	24%
• VLI & ELI	9,233	1,939	21%
• Low	5,428	387	7%
• Moderate	6,188	2,731	44%
Market Rate	14,231	15,042	106%
TOTAL Units	35,080	20,099	57%

Lack of progress on affordable housing goals generally reflects the time and difficulty in assembling the multiple, competitive layers of affordable housing financing, as well as the scarcity of local, state, and federal subsidies that are needed to produce covenanted affordable housing. The City of San José has attempted to address the scarcity of affordable housing through raising additional local funds. A recent, notable success was 2020's Measure E, a voter approved real property transfer tax that will provide an additional estimated \$40-\$50 million annually for affordable housing development, preservation, and related supportive services in San José.

## 2014-2023 Implementation Work Plan

Per Table 3-2 below, the City has completed almost all (83 of 85 items, or 98%) planned programs, policies, or activities. These items were accomplished despite a pandemic that required multiple pivots, pulling staff away from regular work and into emergency management (especially in terms of addressing the constantly evolving context around eviction moratoria, rental assistance) and that continues to have ongoing repercussions in terms of staff turnover and the difficulty of filling open positions.

**Table C-2: Status of 5<sup>th</sup> Cycle Work Plan Items**

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
1. Continue Predevelopment Loan and Project Development Loan Programs.	A. Review City's existing Income Allocation Policy and update as necessary to provide a funding framework for income categories.	Completed. In fall 2020, the City Council approved the Housing Department's FY 20/21 to FY 22/23 Affordable Housing Investment Plan which defined funding priorities. Priorities for this plan include creation of new permanent supportive apartments for the homeless, non-homeless units in mixed-population projects, and traditional tax credit projects.	Remove.
1. Continue Predevelopment Loan and Project Development Loan Programs.	B. Continue to provide predevelopment loans to assist nonprofit housing developers with funds necessary to explore feasibility of proposed affordable multifamily housing.	Completed. The Housing Department provided about \$5 million in predevelopment funds that supported the construction of 715 affordable homes.	Revise.
1. Continue Predevelopment Loan and Project Development Loan Programs.	C. Continue to provide land acquisition, construction, and permanent financing for the development of new affordable homes and the acquisition/rehabilitation of existing rental housing for affordable homes pending availability of funds.	Completed. The City was an active partner with affordable housing developers during this RHNA period and provided over \$244 million in acquisition, construction, and permanent loans and grants to fund the new construction of about 2,650 affordable apartments. The City also issued \$648 million in tax exempt bonds to support rehabilitation and refinancing of over 2,100 existing affordable apartments.	Retain.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
2. Maximize revenues from the City's loan portfolio.	Maximize City revenues and residual receipts when senior loans mature or are refinanced/restructured.	Completed. While residual receipts have varied year after year, organizational capacity and analytical tools to monitor and enhance portfolio revenues have continued to grow with the addition of new staff and systems.	Retain.
3. Facilitate affordable housing deals that require no City subsidies.	Facilitate mixed income deals. Facilitate 9% and 4% tax credit/bond developments.	Completed. The City continued to engage with affordable housing developers, financial institutions, and other stakeholders with the goal of updating the bonds policy to increase the supply of affordable housing in San José. The City filed comments with the Credit Allocation Committee (TCAC) in late 2020 on proposed revisions to the State scoring framework that affects allocation of 4% credits and bonds. The City is working with developers to make sure current policies support mixed-income deals. In 2021, City staff continued to explore an option to use Joint Powers Authority (JPA)-issued bonds for low- and moderate-income housing. Staff is also coordinating with developers who do not require City subsidy.	Retain.
4. Implement the City's Housing Impact Fee Program.	A. Develop and implement the Housing Impact Fee Program by the effective date.	Completed. Implementation of the Affordable Housing Impact Fee (AHIF) Program was successful. Staff conducted over 27 stakeholder meetings to prepare and educate developers and other stakeholders on the requirements of the AHIF Program.	Remove.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
4. Implement the City's Housing Impact Fee Program.	B. Utilize the fees generated to finance the development of housing that is affordable to the workforce.	Completed. AHIF implementation is currently underway, per 4.A., above. In the past five fiscal years, AHIF has resulted in the collection of \$12 million to fund affordable housing. However, because of San José's successful defense of our Inclusionary Housing Ordinance (IHO, see Item #6., below), the IHO has superseded AHIF for buildings 20 units and above.	Revise.
5. Acquire land for residential development, especially near transit for the development of low- and moderate-income housing.	A. Utilize resources to acquire land	Completed. From 2015 to 2020, the City Housing Department approved commitments of over \$50 million and completed acquisition of sites that will eventually lead to the creation of an estimated 1,150 affordable apartments.	Retain or Revise.
5. Acquire land for residential development, especially near transit for the development of low- and moderate-income housing.	B. Partner with transit agencies such as Valley Transit Authority (VTA) and Bay Area Rapid Transit (BART) to explore and facilitate transit-oriented development (See workplan item #15)	Completed. The City has partnered with transit agencies and developers to bring affordable housing in Transit Oriented Developments (TOD) in close proximity to major transit stops. To date, over 300 units of affordable housing have been completed through these partnerships, with another 1,000 plus units approved (including approximately 600 units of affordable housing).	Retain.
5. Acquire land for residential development, especially near transit for the development of low- and moderate-income housing.	C. Explore the creation of a land bank to ensure the creation of affordable housing within Urban Villages.	Completed. Land banking as a central, concerted strategy at scale was deemed infeasible due to high costs of land. However, the Housing Department evaluates specific land acquisition opportunities individually as they arise. Staff continues to explore community land trusts as a potential vehicle to acquire and hold sites for affordable housing.	Remove.

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5. Acquire land for residential development, especially near transit for the development of low- and moderate-income housing.	D. Explore partnerships such as Community Land Trusts to facilitate acquisition of land.	Completed. The City's Housing Department has supported the startup of the South Bay Community Land Trust (SBCLT) through direct technical assistance and support in accessing other training and capacity building resources. The City continues to maintain regular contact with the SBCLT about other capacity-building opportunities and forthcoming preservation Notice of Funding Availability (NOFAs).	Revise.
6. Advance Inclusionary Housing Programs	Continue to defend the Citywide inclusionary housing ordinance in court. Continue to implement the City's existing inclusionary housing policy on for-sale projects in former redevelopment areas.	Completed. The City has successfully defended its Citywide inclusionary housing ordinance (IHO), including review by the US Supreme Court. The IHO is now fully implemented, applying to both for-sale and rental developments.	Revise.
7. Increase supply of permanent supportive housing for homeless individuals.	Explore all opportunities to create homeless apartments with supportive services within the City.	Completed. The City is committed to exploring all opportunities to create homeless apartments with supportive services. The City, County and Housing Authority meet regularly to coordinate investments and progress. Since the start of 2015, the City has committed funding for 1,320 apartments with supportive services for homeless individuals.	Revise.
8. Preserve existing deed-restricted multifamily rental homes.	A. Develop a funding framework to guide the allocation of resources between the production of new affordable homes or the preservation of existing affordable homes.	Completed. Since 2020, the City has budgeted over \$30 million of Measure E funds for acquisition and rehabilitation of existing low-cost housing.	Revise.



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8. Preserve existing deed-restricted multifamily rental homes.	B. Fund the extension of the affordability restrictions for existing multifamily affordable homes pending funding availability.	Completed. Since 2016, Staff has extended and strengthened affordability restrictions of over 2,130 apartments without additional City funding.	Retain.
8. Preserve existing deed-restricted multifamily rental homes.	D. Explore and establish an outreach and tenant education program.	Completed/Ongoing. For projects in the portfolio for which an extension of affordability restrictions cannot be negotiated, the City works with borrowers to ensure that a satisfactory transition plan for existing residents is implemented. This is pursued on a case-by-case basis.	Revise.
9. Continue parkland fee reduction for new affordable housing development.	Continue to charge affordable housing developers a lower rate under the Parkland Dedication Ordinance (PDO) and Park Impact Fee (PIO) for new affordable housing developments.	Completed. The Housing Department regularly works with affordable housing developers to ensure that they receive the PDO-PIO fee reduction on their developments. The City Council approved an extension of the 50% reduction in park fees for 100% Area Median Income (AMI) affordable housing units to January 1, 2026. This change is consistent with proposed changes to the Inclusionary Housing Ordinance.	Retain.
10. Shape national, state, regional and local programs, policies and regulations to facilitate affordable housing development.	A. Help shape the National Housing Trust Fund, Government-Sponsored Enterprise reform, tax reform and other Federal policies that create funding for affordable housing development.	Completed. The Housing Department helps shape Federal policies that create funding for affordable housing by maintaining dedicated staff who monitor the federal legislative session. The City regularly provides comments and support letters for federal housing programs. More recently, during the pandemic, the City supported rental housing assistance, landlord assistance, remote public meetings, and federal HUD waivers concerning the use of federal funds to cope with the COVID crisis.	Retain.

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10. Shape national, state, regional and local programs, policies and regulations to facilitate affordable housing development.	C. Shape permanent source to replace lost state bond funding that was depleted.	Completed. Staff provided input to industry advocates that informed the formula for SB 2 (The Building Homes and Jobs Act) that was successfully passed as part of the Housing Legislation package in 2017. The new law uses a CDBG-based funding formula for the funding that was directed to local governments starting in 2019. This is consistent with the City's input.	Remove.
10. Shape national, state, regional and local programs, policies and regulations to facilitate affordable housing development.	D. Support new tools that replace Redevelopment Agency Low/Moderate Income Housing Funds including Infrastructure Financing Districts.	Completed. The City regularly monitors legislative activity, tracks and takes support positions on State bills that would increase resources for affordable housing.	Retain.

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<p>11. Advance collaborative solutions to address housing needs.</p>	<p>Work collaboratively with other City departments, local jurisdictions and working groups such as the Santa Clara CDBG Grants Management Group, Regional Housing Working Group, ABAG/MTC's One Bay Area Plan, Regional Prosperity Plan, Santa Clara Association of Planning Officials, and other initiatives.</p>	<p>Completed. The City recognizes and prioritizes collaborative efforts with the County, other local jurisdictions, non-profits and other organizations. Most recently, the partnerships built as a result of these efforts have played a pivotal role in devising a response to the COVID crisis. The Countywide CDBG Grants Management group became an important forum for sharing information across communities during this stressful time. The City's Housing Director meets quarterly with Housing Directors from Oakland and San Francisco. Staff also continued to interface with many regionally-focused housing organizations including Destination: Home, VTA Land Use and Transportation Initiatives Working Group, Non-Profit Housing Association (NPH) Legislative Committee, SV@Home, Santa Clara County Office of Supportive Housing, Santa Clara County Housing Authority, the Cities Association of Santa Clara County, the League of California Cities, Working Partnerships, the County Office of Education, and the Law Foundation of Silicon Valley. Housing and Planning staff meet regularly with technical assistance providers through the Santa Clara Association of Planning Officials.</p>	<p>Retain.</p>

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12. Advance regional solutions to address housing needs.	A. Explore creation of regional body or formal collaboration to make more efficient use of limited resources, maximize the delivery of affordable housing, or respond to homelessness.	Completed. The Bay Area Housing Finance Authority (BAHFA), established by legislation (AB 1487) in 2020, will offer a powerful new set of financing and policy tools to promote housing affordability and address the region's housing crisis. BAHFA aims to develop a comprehensive regional strategy for helping local governments tackle the housing crisis on a larger scale by transcending city and county boundaries. The Housing Department's Director serves on the BAHFA technical advisory committee to advocate for a role in facilitating housing production and preservation funding, as well as tenant protection strategies such as regional implementation of tenant preferences. Staff coordinates with BAHFA staff on preservation strategies as well as a regional effort to create affordable housing application portal called Doorway.	Revise.
12. Advance regional solutions to address housing needs.	B. Explore strategies to facilitate a more balanced regional distribution of affordable housing production.	Completed. The City continues to advocate for a balanced regional distribution of affordable housing through its membership in BAHFA. The City also supports the concept of a regional commercial linkage fee and it will continue to advocate for this at BAHFA.	Revise.

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<p>13. Coordinate and implement housing policies and goals contained in the City's housing plans.</p>	<p>Develop a Housing Element, Consolidated Plan and 5-Year Investment Plan with goals and measurable actions that are consistent with each other.</p>	<p>Completed. The State-mandated Housing Element for 2014-23 was certified by HCD in April 2015, and federal Consolidated Plan for 2020-25 was submitted in August 2020. The most recent Housing Investment Plan for 20/21 - 22/23 was approved by City Council in November 2020 and explains how the City will use its resources (including new funding sources from Measure E and commercial linkage fee for affordable housing developments) to stretch toward the City Council's goal of 10,000 affordable units by 2023. The City is in the process of developing the next Housing Element for 2023-31. Both the Consolidated Plan and the Housing Investment Plan documents will heavily inform and influence the creation of goals for this sixth cycle housing element.</p>	<p>Retain.</p>

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<p>14. Coordinate with Valley Transportation Authority (VTA) on transit-oriented development activities.</p>	<p>Explore ways to facilitate transit-oriented affordable housing development near BART, Light Rail, and Bus Rapid Transit (BRT) stations, including identification of opportunities to develop parcels owned by either agency with affordable housing.</p>	<p>Completed. Housing staff continue to monitor VTA's intentions to lease and sell land near light rail stations. In 2016 VTA adopted their Joint Development policy, which included a 20% affordable housing inclusionary development policy. City staff and VTA continue to work collaboratively to further the development of affordable housing. Examples of collaborative activities include:</p> <ul style="list-style-type: none"> <li>• In 2016, VTA has submitted seven "signature project" concept plans to the Planning Department for consideration under the Urban Village planning framework.</li> <li>• In 2018, City staff worked actively with VTA and the identified developer for the Tamien project, including on a successful AHSC application.</li> <li>• The City funded affordable units at Quetzal, a 100% affordable housing development adjacent to the 522 Bus Rapid Transit stop.</li> </ul>	<p>Retain.</p>
<p>15. Develop and Implement Urban Village Plans</p>	<p>A. Explore various funding mechanisms and programs to help finance infrastructure and amenities for Urban Villages.</p>	<p>Completed. During this fifth cycle Housing Element, the City prepared financing plans for West San Carlos, South Bascom, The Alameda, Roosevelt Park, Little Portugal, Five Wounds, and 24th &amp; William Urban Village Plans. However, state law changes made implementation financing plans infeasible.</p>	<p>Revise or Remove.</p>

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15. Develop and Implement Urban Village Plans	B. Complete and/or implement Urban Village plans for The Alameda, West San Carlos, South Bascom, and Diridon Station.	Completed. The Diridon Station Urban Village Plan was completed and adopted by the City Council in June 2014. The Alameda Urban Village Plan was completed and adopted by the City Council in December 2016. The West San Carlos and the South Bascom Urban Village plans were adopted in May 2018. An amended Diridon Station Area Plan was adopted in May 2021.	Remove.
15. Develop and Implement Urban Village Plans	C. Develop and implement additional Horizon 1 and other Horizon Urban Village Plans as appropriate.	Completed. In 2018, the City Council adopted Urban Village Plans for South Bascom, West San Carlos, and East Santa Clara Urban Villages. The City Council also approved shifting North 1st St., Race St. Light Rail, Southwest Expressway, Alum Rock Ave., Stevens Creek Blvd., Santana Row/Valley Fair, Winchester Blvd., and South Bascom Ave. (North) Urban Villages from Horizons 2 and 3 into Horizon 1. In 2021, City approved the removal of all horizons.	Retain.

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15. Develop and Implement Urban Village Plans	D. Annually and as part of the Four Year Review of the General Plan evaluate the Urban Village Strategy and modify the Strategy as appropriate and needed, to facilitate its successful implementation, and to evaluate and address constraints.	Completed. In 2016, the City completed its first Four-Year Major Review of the General Plan. Changes included adopting a goal that 25% of new housing in Urban Villages be affordable, allowing affordable housing to move forward ahead of market rate housing in Urban Villages, and allowing selected 1.5-acre commercial sites outside of Urban Villages to convert to mixed-use affordable housing. In 2018, the City updated the criteria for affordable housing projects on selected 1.5-acre commercial sites outside of Urban Villages to be less restrictive. City Council finished approvals of the second Four-Year Review of the General Plan in December 2021, which included modifications to urban village strategies to better facilitate development in these areas including removing commercial space requirements for all 100% affordable housing.	Retain or Revise.
16. Maximize the City's competitiveness for external infrastructure funding to create complete, high quality living environments.	Continue to explore new funding sources for parks, transportation, and other types of infrastructure that favor cities with a demonstrated commitment to building affordable housing. Such programs include One Bay Area Grant, Cap and Trade and other regional, state, and Federal programs.	Completed. Since 2011, the City has been awarded over \$100 million in State loans and grants to plan and build parks, transportation infrastructure, affordable housing and more.	Retain.



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17. Work with the private sector to help facilitate the development of affordable homes.	A. Adopt City-wide density bonus ordinance in compliance with updated State law offering specific incentives and concessions to encourage the construction of affordable homes while remaining sufficiently flexible to respond to market conditions across the City.	Completed. The City Council approved a citywide Density Bonus Ordinance in May 2018 to implement State housing density bonuses and incentives law and to provide affordable housing incentives consistent with the San José General Plan. In May 2020, the Ordinance was updated to reflect the changes to the density bonus, incentives or concessions, and parking requirements made by AB 1763.	Revise.
17. Work with the private sector to help facilitate the development of affordable homes.	B. Continue to negotiate developer agreements in exchange for "extraordinary benefits" including affordable housing.	Completed. Most notably, the City worked with stakeholders and Google on a development agreement for the Diridon station area. As part of the Diridon Station Area Plan and the associated Downtown West Mixed-Use Plan and the Diridon Affordable Housing Implementation Plan (approved by City Council in May 2021), there is an extensive community benefits plan, including 25% of all new housing units (up to 12,900 new units based on potential development sites) in the Diridon Station Area to be restricted affordable.	Revise or Remove.

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18. Protect mobile home parks as a source of naturally affordable housing.	Explore the efficacy of the existing mobile home conversion requirements and potential updates/responses in order to protect an appropriate supply of mobile homes.	Completed. Zoning Code amendments, and a new City Council Policy to enhance protection of existing mobile home park residents were approved by Council in February 2016. In 2017, the City Council approved General Plan text amendments to enhance goals and policies to protect mobile home parks. In 2018, the Council approved additional General Plan text amendments related to housing preservation and rehabilitation. In 2020, the Council approved changing the land use designations of two mobilehome parks and directed staff to work on changing the designations of all remaining mobile home parks and further amending the General Plan to ensure that residents receive just compensation in the event of a conversion.	Revise.
19. Facilitate the increase of the supply of legal secondary units.	A. Consider amending the existing secondary unit ordinance to facilitate a larger supply of compact "naturally affordable" homes.	Completed. The City has made necessary amendments to the second unit ordinance to bring it in compliance with the recent Statewide legislation.	Revise or Remove.

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19. Facilitate the increase of the supply of legal secondary units.	B. Develop and provide informational materials to inform homeowners of the development standards and the process for secondary unit approval and construction.	Completed. The City has created a new Accessory Dwelling Unit (ADU) webpage (with the following URL: <a href="http://www.sanjoseca.gov/ADUs">www.sanjoseca.gov/ADUs</a> ) to make it easy for residents to get information about ADUs. Existing materials have been updated or replaced with new informational materials to reflect changes to inform homeowners of the development standards and the process for secondary unit approval and construction. The City's ADU Ally staff has continued to hold webinars, educate the public and instruct them on how to use tools like the ADU checklist. The City has published a list of preapproved ADU designs to help applicants and to increase production.	Remove.
20. Continue to ensure that existing redevelopment-assisted housing remains in compliance with long-term restrictions on rents and tenant incomes.	Continue to monitor redevelopment assisted homes for compliance with restrictions and other regulations.	Completed. The City currently monitors approximately 15,466 units of affordable housing for compliance with affordability restrictions. System capacity to measure non-compliance corrections has been developed and implemented to allow more effective and efficient compliance monitoring.	Retain.
21. Continue to update the City's Zoning Code to facilitate housing at urban densities.	A. Evaluate and revise as appropriate Zoning Code to reduce parking ratios for Emergency Shelters, such as from 1 space for every 4 residents to 1 space for every 10 residents.	Completed. Revisions to the Zoning Code were made in 2016 for parking ratios for Emergency Shelters to allow up to 100% reduction with approval of a Development Permit.	Revise or Remove.

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21. Continue to update the City's Zoning Code to facilitate housing at urban densities.	B. Evaluate and modify existing or develop new Zoning Code to set appropriate parking ratios for developments in transit-rich or in urban/infill locations.	Completed. The City has eliminated minimum parking requirements for new construction in the City. Revisions to the Zoning Code were made for Secondary Dwelling/Accessory Dwelling unit requirements to ease and clarify parking requirements for ADUs, including up to 100% reduction in cases where there is proximity to transit or car-sharing in urban/infill locations.	Revise or Remove.
22. Assess development application and review process. Consider improvements as needed	Conduct an annual Customer Satisfaction Survey Study to measure satisfaction and to provide insight into how services can be improved.	Completed. The Planning Department conducts annual customer satisfaction surveys to help inform and improve the services that it offers to residents. Based on customer feedback received, staff has revised the Planning, Building and Code Enforcement Department's webpage, simplified applications, and expanded public information hours to make services more user-friendly.	Retain.
23. Facilitate the development of Single Room Occupancy (SRO) buildings.	Modernize development standards for Single Room Occupancy (SRO) housing.	Not completed. Work remains in progress due to staffing turnover and shortages.	Retain or Revise.
24. Minimize the impacts of condo-conversions on households.	A. Assess the rate of apartment to condominium conversions and impacts on the rental housing stock to determine if displacement is an issue.	Completed. Staff assessment is that very few condo conversions are occurring in our market at this time, thus displacement due to condo conversions is not a high priority issue.	Remove.
24. Minimize the impacts of condo-conversions on households.	B. If displacement is identified as an issue, explore and establish policies and programs as appropriate to mitigate the potential impact on renters in the event of a condo-conversion.	NA. Displacement due to condo-conversion was identified as a lower priority issue.	Revise.

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<p>25. Design, fund, and evaluate outreach, rapid rehousing, and supportive service programs for homeless individuals and families.</p>	<p>Continue to fund various nonprofit agencies that provide services to people who are homeless or at risk of becoming homeless. Funding includes but is not limited to programs geared toward preventing and ending homelessness, programs that permanently house homeless households with case management, one-time purchase of capital needs and equipment.</p>	<p>Completed. Homelessness has always been a high priority issue in San José. The pandemic has highlighted this issue even more. During the fifth cycle, the City has invested over \$167 million in agencies that provide housing-based solutions to the homeless, including homeless prevention, rental subsidies, interim housing, and supportive services, as well as crisis response interventions, including homeless outreach, emergency shelter, safe parking, motel vouchers. We offer basic needs such as meals, hygiene and employment development activities. Through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the City received additional federal and State funding. These funds allowed for additional or new resources for financial assistance, rental subsidies, interim housing, congregate shelter, outreach, hygiene resources, encampment waste management, and moteling for people at high risk of COVID-19.</p>	<p>Retain.</p>
<p>26. Implement master-lease program to provide transitional housing for homeless people in existing under-occupied hotels.</p>	<p>A. Revise Zoning Code to allow Hotel Supportive Housing as an incidental use to commercial hotels in non-residential zoning districts.</p>	<p>Completed. In 2014, the City revised Zoning Code to allow hotel supportive housing as an incidental use to commercial hotels in non-residential zoning districts.</p>	<p>Remove.</p>

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26. Implement master-lease program to provide transitional housing for homeless people in existing under-occupied hotels.	B. Seek funding to begin implementation.	Completed. The City has been actively exploring the conversion of under-occupied hotels to provide transitional housing for the homeless since 2015. The first project was completed in 2016. A second project was purchased in 2019. A third project was purchased in 2021 using the State's HomeKey program and the City has applied for funding for three additional purchases.	Revise.
27. Engage in regional homeless coordination, planning efforts, and other initiatives with external partner agencies.	A. In cooperation with the County Destination: Home, and other community partners prepare and implement the new Community Plan to End Homelessness in Santa Clara County that focuses both on chronic homelessness as well as family and youth homelessness.	Completed. In August 2020, the City Council endorsed the 2020-2025 Santa Clara County Community Plan to End Homelessness. The Plan contains three focus areas: 1) Address the root causes of homelessness through system and policy change; 2) Expand homelessness prevention and housing programs to meet the need; and 3) Improve the quality of life for unsheltered individuals and create healthy neighborhoods for all. The five-year Community Plan is a County-wide roadmap guiding government, private sector, nonprofit organizations, and other community members as they make decisions about funding, priorities, and needs. In coordination with the County, Destination: Home and community partners, the City implemented the plan in 2021 by leading the planning and development of the third focus area. In 2021, the City made significant advancements to the goals outlined in the plan. For example, adding 346 new beds of interim housing and expanding the homelessness prevention system to reduce the annual inflow of people becoming homeless.	Revise.

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27. Engage in regional homeless coordination, planning efforts, and other initiatives with external partner agencies.	B. Continue work with the County - as the Continuum of Care (COC) applicant - to develop and implement new community-wide standards to ensure compliance for funding associated with the Federal HEARTH Act.	Completed. All service contracts from the City included community-wide standards and metrics as adopted by the COC and tracked in the Countywide Homeless Management Information System HMIS system. Additionally, the Housing Director serves on the COC Board and staff participates in all COC work groups, including a strong partnership with the County on the planning and implementation of the biennial Homeless Census and Survey. Moreover, City staff served in direct partnership with the County Emergency Operations Center (EOC) during the COVID-19 pandemic and associated shelter-in-place, including funding for an isolation and quarantine non-congregate shelter.	Retain.
28. Provide an encampment response to abate, prevent, or deter significant encampments that impact the health and safety of the community and homeless individuals.	Partner with the Water District and other interested parties to implement a plan to consistently clean up encampments, prevent re-encampments, and responsibly address with the housing needs and belongings of homeless residents.	Completed. The City has been actively engaged in clean-up activities resulting from homeless encampments. From 2015 to 2020, the City participated in over 1,150 clean-up activities removing approximately 3,000 tons of debris and hazardous waste from the waterways. In 2021, the Housing Department pivoted from encampment abatement to encampment management. The Housing Department assisted with meal distributions, shower programs, hand washing stations, and porta potties in over 20 large homeless encampments to address the basic human needs of the encampment residents.	Revise or Remove.

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<p>29. Research and explore potential alternative homeless housing and services options.</p>	<p>A. Examine an array of alternative housing options, including: tiny homes and other best practice or new housing and service models.</p>	<p>Completed. In 2016, the City developed a new program using manufactured homes to create an interim housing community. By the end of 2020, the first interim housing communities had housed 106 clients, with 47 of them successfully exiting to permanent housing, and the second interim housing community opened in 2021. Additionally, The City implemented a Temporary and Incidental Shelter Program providing guidance and leadership to places of assembly as they open their doors for overnight shelter. The program provided over 50 additional beds. The City also continued to fund the Overnight Warming Locations, which allows four City-owned buildings to open their doors to homeless persons during periods of inclement weather. When the sites were open, they provided 120 additional emergency shelter beds in San José. With the COVID crisis, one Overnight Warming Location stayed open through August 2020 to allow people to shelter in place. In addition to the Overnight Warming Locations, the City responded to the health crisis by opening two large City owned facilities for COVID-vulnerable homeless individuals in April 2020. One site, Parkside Hall, with 75 beds, operated through August 2020 and the other, South Hall, with 285 beds operated through April 2021.</p>	<p>Revise.</p>



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29. Research and explore potential alternative homeless housing and services options.	B. Implement overnight safe parking program.	Completed. The City implemented its first Safe Parking Pilot program in 2018. In 2020, the program expanded to two City-owned facilities and the City implemented a Safe Parking Ordinance to allow those residing in their vehicles to park overnight in designated areas throughout San José. In total, the program has assisted 457 people.	Revise or Remove.
29. Research and explore potential alternative homeless housing and services options.	C. Implement hotel/motel master leasing and conversion - see goal #26 also	Completed. In 2018, the City implemented its first interim housing program at a rehabilitated hotel in downtown San José; the program at the Plaza Hotel is designed to assist individuals enrolled in a Rapid Rehousing Program with a temporary place to stay while they search for permanent housing. By the end of 2019, the program saw 41 participants exit to permanent housing. In 2021, the Hotel designated 20 of its units to be used solely for clients who were especially vulnerable during the pandemic. The Plaza housed a total of 29 COVID placements.	Revise.

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30. Inform and engage the community around the issue of homelessness and how it impacts the City and its residents.	Develop ongoing community outreach through social and print media to provide comprehensive and consistent messaging on current services, outcomes, challenges, and long-term goals.	Completed. From 2014 to 2022 staff made presentations to community groups, boards, neighborhood associations, and a variety of other public and private entities on the issues of homelessness, programming and affordable housing. In addition, the Housing Department launched a podcast in 2021. The "Dwellings" podcasts focuses on the work the Department is doing to end homelessness, build affordable housing, and strengthen neighborhoods.	Retain or Revise.
31. Facilitate equal access to housing.	A. Update the Assessment of Impediments to Fair Housing.	Completed. The Analysis of Impediments update was completed in April 2017.	Revise.
31. Facilitate equal access to housing.	B. Continue to partner with nonprofit organizations to affirmatively further Fair Housing throughout the City.	Completed. The City provided CDBG funding to support the Fair Housing Consortium, a collaborative of five nonprofit agencies. From 2015 to 2021 the Fair Housing Consortium provided services to 1,070 individuals, made 268 fair housing presentations to tenants and landlords, and conducted 307 fair housing investigations, 480 client briefings and 275 legal representations.	Retain.

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31. Facilitate equal access to housing.	C. Explore opportunities to increase public awareness of and access to fair housing information and resources.	Completed. The City provided CDBG funding to support the Fair Housing Consortium, a collaborative of five nonprofit agencies. From 2015 to 2021 the Fair Housing Consortium made 268 fair housing presentations to tenants and landlords. Staff also conducted outreach on fair housing needs in preparation of the Assessment of Fair Housing. Staff also regularly referred callers to its Rent Stabilization Department to community resources for eviction prevention. In addition, the Department continued to educate the public and enforce its Tenant Protection Ordinance.	Revise.
31. Facilitate equal access to housing.	D. Review and revise as appropriate Zoning Code definition of Supportive Housing to clarify that Supportive Housing is a residential use subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.	Completed. The definition of Supportive Housing in the Zoning Code was revised in 2014. In 2020, in compliance with state law, supportive housing was added as permitted use in the Residential, Commercial, Public/Quasi-Public, Downtown, and Pedestrian Oriented Zoning Districts, where mixed use or multifamily uses are allowed.	Remove.

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32. Update the City's dispersion policy to align with the Envision 2040 General Plan.	Update the City's existing dispersion policy: 1) to align the location of future affordable housing with residential growth areas identified in the Envision 2040 General Plan; 2) to maximize the access of transit, retail, services, and amenities to affordable housing developments; and 3) to facilitate the development of diverse and complete communities.	In progress. City staff has drafted a siting policy that aligns with the Envision 2040 General Plan. The policy is currently under revision and expected to go to City Council late 2022.	Revise.
33. Protect the affordability of rental homes.	A. Assess the efficacy of the existing rent control ordinance as a tool for preserving the affordability of rental homes and the feasibility of strengthening the program.	Completed. On November 14, 2017, the City Council approved a modified Apartment Rent Ordinance providing additional protections to tenants in San José. In May 2017, an Ellis Act and Tenant Protection Ordinance were approved providing additional stability to tenants in San José. In November 2017, two additional phases of a staffing plan were also approved providing enhanced services to tenants and landlords.	Remove.
33. Protect the affordability of rental homes.	B. Review Rent Stabilization Program to determine opportunities for improvement.	Completed. On November 14, 2017, the City Council approved a modified Apartment Rent Ordinance that lowered allowable rent increases. In May 2017, an Ellis Act and Tenant Protection Ordinance were approved providing additional protections for tenants. The programs' staffing plan was also revised and approved, and implementation of a Rent Registry also registered data for 95% of ARO units in 2020.	Remove.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
33. Protect the affordability of rental homes.	C. Secure voluntary agreements for at least 75% of petitions within ordinance-required 30-day period.	Ongoing/varying results. From 2015 to 2017 the City secured voluntary agreements for at least 75% of petitions within ordinance-required 30-day period. The City did not achieve the 75% threshold from 2018 to 2021.	Revise.
33. Protect the affordability of rental homes.	D. Explore and establish other preservation policies, programs, or tools as appropriate.	Completed. Housing staff developed a framework for a Community Opportunity to Purchase Program (COPA), which will support a preservation strategy for smaller buildings. The COPA program is anticipated to be considered by the City Council in late 2022.	Revise.
34. Consider proposed policies or ordinances to protect low and moderate income residents in market-rate and deed-restricted affordable housing from displacement.	A. Explore policy requiring tenant relocation benefits so displaced low and moderate income tenants in market-rate housing can find comparable and affordable housing in San José.	Completed. In May 2017, the City Council approved an Ellis Act Ordinance. This Ordinance requires extended noticing, relocation benefits, and re-control requirements to owners who remove apartments from the rental market. Council directed modifications to the re-control provision of the ordinance are pending.	Revise or Remove.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
34. Consider proposed policies or ordinances to protect low and moderate income residents in market-rate and deed-restricted affordable housing from displacement.	B. Explore other anti-displacement policies or programs, including financing, land use, and acquisition strategies.	Completed. The City Council approved a Citywide Residential Anti-Displacement Strategy in September of 2020. The strategy, developed over 2 years, with collaboration from stakeholders and public input. Additionally, a Preservation Pilot has been identified in the City's Council approved Diridon Station Affordable Housing Implementation Plan and City staff have provided technical assistance to the newly formed South Bay Community Land Trust (SBCLT). SBCLT has received predevelopment funds to do its first preservation deal targeted for downtown or East San José.	Revise.
35. Increase the health and resilience of communities.	A. Develop partnerships, policies, and programs to increase access to healthy foods and health care resources, especially for lower-income and at-risk communities.	Completed. The City directed funding, partnered with community-based organizations and initiated new programs to increase access to healthy foods and health care resources, especially for lower-income and at-risk communities. These efforts built gardens, created open spaces, rehabilitated a school site to promote a health program, offered education and resources, provided 239,691 meals to seniors and served 462 clients.	Retain.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
35. Increase the health and resilience of communities.	B. Explore and establish as appropriate strategies to increase economic opportunities, self-sufficiency, and asset-building for households and communities.	Completed. The City, through directed funding and programmatic partners, assisted 148 individuals with job expertise, provided 61 grants to microbusinesses suffering economically due to COVID-19 owned by low-income owners, assisted an estimated 60 additional individuals with employment training, housing stability, and eventual job placement and assisted 18 individuals to gain or retain employment.	Retain.
35. Increase the health and resilience of communities.	C. Explore a "soft story" rehabilitation program to facilitate seismic retrofits of at-risk buildings.	Completed. The City has been awarded funds to develop a mandatory multifamily soft story retrofit program from California Governor's Office of Emergency Services (CalOES) Hazard Mitigation Grant Program (HMPG). The Building Department has begun development of the ordinance, and the program is expected to be developed in 2023.	Retain.
36. Enhance San José's place-based neighborhood strategies.	A. Develop a strategic framework for neighborhood strategies that establishes investment criteria, priorities, goals, and metrics.	Ongoing. In 2015, the Housing Department developed guiding principles for neighborhood investments. By 2020, the department replaced the guiding principles as a funding priority in the 2020-2024 Consolidated Plan. This fourth funding priority is to strengthen and stabilize communities' condition and help to improve residents' ability to increase their employment prospects and grow their assets. The strategic framework will be further refined in the Assessment of Fair Housing at the conclusion of the Housing Element cycle in 2023.	Revise or Remove.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
36. Enhance San José's place-based neighborhood strategies.	B. Implement the Community Improvement Program to provide enhanced inspection services to multifamily rental properties to arrest the decline and deterioration of aging housing stock and reduce blighted conditions within lower-income neighborhoods within CDBG areas.	Completed. Under the Project Hope Program, the City increased funding to enhance code enforcement inspections in 3 neighborhoods to 6, with an additional 3 under consideration. Related to this program, the Housing Department has funded nonprofit partners to train over 700 individuals to provide services in neighborhoods to increase social capital, create economic resilience, and promote healthy communities.	Retain.
37. Educate rental property owners on ways to better manage tenants and prevent crime.	A. Multiple Housing Inspection Program: this program issues permits of occupancy for all apartments, hotels/motels, guesthouses, residential care facilities, and fraternity/sorority houses. Code Enforcement Inspectors investigate complaints about substandard housing and conduct inspections.	Completed. The City has increased outreach to property owners by increasing accessible educational information. Code Enforcement has issued quarterly newsletters that offer building safety and code compliance tips since 2015. A website for the Multiple Housing Program was created to offer resources including workshops and webinars. Code Enforcement also participates in the Mayor's Gang Task Force and Project Hope.	Retain or Revise.



5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
<p>37. Educate rental property owners on ways to better manage tenants and prevent crime.</p>	<p>Vacant Neglected Building Program: this program monitors all identified vacant or neglected buildings so that they remain safe and secure until such time as they are rehabilitated and reoccupied. This proactive program reduces the risk of loitering, illegal occupancy, and fire hazards.</p>	<p>Completed. The City's Code Enforcement Department increased its workshops offerings to seven times a year. In 2020, the Code Enforcement Department transitioned its class offerings to online workshops and webinars.</p>	<p>Retain or Revise.</p>
<p>38. Continue robust code enforcement.</p>	<p>A. Multiple Housing Inspection Program: this program issues permits of occupancy for all apartments, hotels/motels, guesthouses, residential care facilities, and fraternity/sorority houses. Code Enforcement Inspectors investigate complaints about substandard housing and conduct inspections.</p>	<p>Completed. In January 2015, Code Enforcement implemented a 3-tier service delivery model, the Multiple Housing Inspection Program, to provide more frequent proactive inspections of buildings with higher risk profiles. As of 2021, the Multiple Housing Program included 6,700+ buildings and 103,000+ units. Code Enforcement Inspectors also continued to investigate complaints and ensure that violations are corrected.</p>	<p>Retain or Revise.</p>

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
38. Continue robust code enforcement.	B. Vacant Neglected Building Program: this program monitors all identified vacant or neglected buildings so that they remain safe and secure until such time as they are rehabilitated and reoccupied. This proactive program reduces the risk of loitering, illegal occupancy, and fire hazards.	Completed. The Vacant Neglected Building Program continued operations and was expanded in June of 2018 to include vacant storefronts and a Mandatory Registration Program was created for vacant building and storefronts in the Downtown.	Retain.
39. Continue to partner with the Responsible Landlord Engagement Initiative (RLEI).	A. Continue to support the collaboration of landlords, tenants, community leaders, elected officials, service providers and social justice advocates to identify solutions for longstanding issues with crime, safety, nuisance, gang activities, graffiti, abandoned cars, trash and more at residential properties.	Completed. The Responsible Landlord Engagement Initiative (RLEI) program concluded in 2020 after several changes in program administration. The City launched a pilot program, the Better Housing Initiative, in 2021 to address neighborhood issues at specific target properties.	Revise.
39. Continue to partner with the Responsible Landlord Engagement Initiative (RLEI).	B. Staff from the Housing Department's Rent Stabilization Program will continue to attend RLEI meetings.	Completed and ongoing. Since the RLEI program ended in 2020 staff no longer attend meetings. Housing staff now attend and support various stakeholder partner meetings to support target properties, facilitate workplans and cultivate individualized approaches to remedy issues under a new program, the Better Housing Initiative.	Revise.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
40. Facilitate residential development that minimizes environmental impacts and operating costs.	A. Monitor availability of funding sources for energy and water efficiency measures.	Completed. The City's Environmental Services Department created a building energy benchmarking program that was approved by City Council in late 2018. Housing staff advised the City's Building Electrification Strategy and a Zero Net Energy Neighborhoods pilot and serve on the Climate Smart Technical Advisory Committee.	Retain.
40. Facilitate residential development that minimizes environmental impacts and operating costs.	B. Explore alternate bulk energy procurement mechanisms	Completed. In 2017, City Council voted to create a Community Energy agency to deliver locally controlled clean carbon-free electricity. However, discussion of this strategy was put on hold in 2020.	Retain.
41. Maintain the stock of existing owner-occupied homes.	A. Continue to work with nonprofit partners to provide low-cost loans for emergency home repairs.	Completed. The City continued to close out its pipeline of existing City-administered single-family housing rehab applications and fund nonprofit partners to perform repairs.	Retain.
41. Maintain the stock of existing owner-occupied homes.	B. Continue to provide minor grants and low-cost loans for urgent repair needs as funds remain available.	Completed. The Housing Department funded minor grants and low-cost loans for urgent repair needs to 1,578 households. Program funding for the Rebuilding Together Silicon Valley remained steady and a new program, Habitat for Humanity Silicon Valley, launched in 2018. The programs targeted low, very-low and extremely-low income homeowners.	Retain.
42. Continue to support financial literacy programs for potential homebuyers as funds remain available.	Continue to work with nonprofit organizations to educate homebuyers.	Completed. A total of 2,027 residents attended a financial literacy course through Project Sentinel between 2015 and 2018. The program ended in July 2018 due to lack of funding.	Remove.

5th Cycle Work Plan Item / Goal	Action/Program	2014-2023 Status/Summary	Appropriateness for 6 <sup>th</sup> Cycle
43. Continue to assist low- and moderate-income first-time homebuyers as funds remain available.	Originate 5 BEGIN second mortgages per year pending funding availability.	Completed. From 2015 to 2018, the City assisted 55 homebuyers with loans, totaling \$5,373,744 through BEGIN and CalHOME programs and revenue derived from the City's Inclusionary Housing program. From 2019 to 2021, no new second mortgages were provided due to lack of funds, lack of capacity and focus on the COVID emergency.	Revise.
44. Explore providing design guidance for convenient site accessibility for residents, workers, and visitors.	A. Explore utilization of existing accessible homes.	In progress. Staff has recently been hired to review and update the Housing Department's accessibility design guidance.	Revise or Remove.
44. Explore providing design guidance for convenient site accessibility for residents, workers, and visitors.	B. Explore partnership with organizations that provide outreach to disabled persons.	Completed. From 2018 to 2021 staff participated in workshops on housing solutions for disabled populations and helped to make connections amongst development partners and nonprofit partners who focus on providing housing to disabled populations.	Retain or Revise.
44. Explore providing design guidance for convenient site accessibility for residents, workers, and visitors.	C. Explore ways to encourage site accessibility design in residential development.	Completed. The City has received one application, submitted in 2018, for development of affordable housing for intellectually/developmentally disabled individuals within a market-rate building.	Retain or Revise.

## Appendix D: Housing Resources and Programs

The following provides an overview of San José's available programmatic funding sources for affordable housing and their eligible uses. The City Council-approved Affordable Housing Investment Plans (<https://www.sanjoseca.gov/your-government/departments/housing/memos-reports-plans/housing-investment-plans-and-policy>) govern how funds are anticipated to be used to create affordable housing opportunities. All these sources are eligible to fund the new construction of housing or its infrastructure. At the end of the descriptions is a summary list of those eligible for one or both types of Preservation activities.

### **Low and Moderate Income Housing Asset Fund**

Redevelopment funding set aside for affordable housing was the major source of the City's financial resources until redevelopment's dissolution in 2011. Upon dissolution of the Agency, the City elected to retain the housing assets and the affordable housing functions of the Agency. The City now administers the affordable housing functions of the Agency as the housing successor subject to the provisions of the California Redevelopment Law ("CRL") which relate to affordable housing. Since that time, annual loan repayments and full loan repayments of the City's redevelopment-funded loans are deposited into the Low and Moderate Income Housing Asset Fund ("LMIHAF"). On October 12, 2013, the Governor signed into law Senate Bill 341 which amended provisions of the CRL relating to the functions performed by housing successors.

Unlike private lenders which generate income through receipt of set payments of principal and interest on outstanding loan balances, the City receives loan repayments from a share of properties' "residual receipts." Residual receipts are funds in excess of those needed to pay properties' operating expenses. While critical to the City's ability to operate and invest in new affordable apartments, the City's receipt of loan repayments is secondary to the social purpose of providing affordable, well-maintained properties that benefit the public. In fact, many cities receive minimal interest or residual receipt payments on their affordable housing loans. Homeless or deeply-affordable developments typically do not provide any annual repayments. San José, by comparison, has a relatively robust portfolio that provides a predictable stream of revenue that is used to help manage its portfolio of affordable apartments. Approximately \$20 million per year was anticipated to be used for new project commitments in the past two fiscal years.

### ***Eligible Uses***

The permitted uses of LMIHAF funds are defined by California Health and Safety Code Section 34176.1(a)(3)(D). Eligible uses focus on the development and major rehabilitation of rental housing with specific income targeting. They include new construction, acquisition and rehabilitation, substantial rehabilitation, the acquisition of long-term affordability covenants on multifamily units, and the preservation of an existing affordable housing development that is in danger of losing its affordability restrictions. Housing successors must spend all remaining funds (net of allowable administrative fees and limited uses to address homelessness) on housing affordable to lower-income households (less than 80% of the area median income (AMI)), with at least 30% for rental housing for extremely-low income households (less than 30% AMI), and no more than 20% for

households earning between 60-80% AMI. Up to 50% of housing financed by a jurisdiction over a ten-year period may be provided for units of deed-restricted rental housing for seniors.

### **Measure E Real Property Transfer Tax**

Measure E was placed on the ballot by City Council in 2019 and approved by voters on March 3, 2020. It enacted a Real Property Transfer Tax, which is imposed on property transfers of \$2 million or more. Measure E funds have become an important funding source for the City, generating \$50 million in FY 2021-22 and an estimated \$90 million in FY 2022-23.

The City's Housing and Community Development Commission (HCDC) acts as the community oversight committee for Measure E spending. The City Council adopted an allocation plan for Measure E, and each year, staff identifies eligible uses that align with the approved allocation plan for inclusion in the City's budget. The Council-approved allocation plan may be amended by a two-thirds vote of the Council and required public meetings.

#### ***Eligible Uses***

Revenues generated by Measure E provide funding for general City services, including affordable housing for seniors, veterans, disabled, and low-income families, and programs to help people experiencing homelessness to move into shelters or permanent housing. The current Council-approved allocation plan for revenues identifies the following uses and proportions: new construction and preservation of new and newly-affordable homes for residents from ELI to moderate-income levels (75% of revenues), homeless prevention and rental assistance (10%), homeless support programs including shelter construction and operations (15%), and administration (up to 5%).

### **Inclusionary Housing In-Lieu Fees**

The Citywide Inclusionary Housing Ordinance ("Ordinance") requires that, in new market-rate developments of 10 or more homes, 15% of the homes be made affordable in both rental and for-sale developments or other alternatives be satisfied. The Ordinance's alternatives through which a developer can meet its requirement include payment of a partial or full in-lieu fee and construction of affordable homes off-site, among others. When a developer chooses an alternative compliance option, including the payment of an in-lieu fee, the percentage requirement is increased to 20%.

The Ordinance's predecessor for new developments in redevelopment project areas was the City's Inclusionary Policy ("Policy"). The Policy had a requirement that 20% of newly-constructed for-sale homes be made affordable to and sold to moderate-income households. Like the Ordinance, the Policy allowed payment of in-lieu fee revenue as an option to building the required affordable homes. Both the Policy and redevelopment project areas survived dissolution of the redevelopment agencies. As of FY 2022-23, the City expects limited in-lieu fee revenues required under the Policy to be paid from previously-subject projects.

#### ***Eligible Uses***

Eligible uses for Inclusionary in-lieu fees include new rental and for-sale construction for restricted affordable housing developments for ELI, VLI, LI, and moderate-income households.

## **Affordable Housing Impact Fees**

On November 18, 2014, the City Council adopted the Affordable Housing Impact Fee ("AHIF") Resolution establishing the AHIF program. Under AHIF, new market-rate rental housing developments are charged a fee based on net rentable square footage to address the impact that type of development has on the need for affordable worker housing. Along with changes the City Council approved to the Inclusionary Housing Ordinance in 2019, the AHIF program was sunset for new development commitments in favor of the Inclusionary Housing Ordinance. As of FY 2022-23, the City expects limited fee revenues required under AHIF to be paid from previously-subject projects.

### ***Eligible Uses***

Eligible uses for AHIF funds include new construction of rental and for-sale restricted affordable housing developments for ELI, VLI, LI and moderate-income workers, per a prescribed methodology for varying levels of affordability. Uses also include acquisition and financing of housing facilities that increase the supply of affordable housing. The methodology reflects the AHIF Nexus Study's analysis of market-rate developments' impacts on the need for affordable worker housing.

## **Commercial Linkage Fee**

On September 1, 2020, the City Council voted to establish a Commercial Linkage Fee (CLF). The CLF is charged on a square foot-basis to new and existing non-residential projects that either add gross floor area or change the existing building use. The CLF offsets part of the demand that new job-producing space creates for affordable housing, as determined by nexus study. The CLF will be collected at the time of commercial space occupancy or lease-up, late in the development process, so it is difficult to predict when revenue will begin coming into the City. However, revenues are expected to start during the middle of the Housing Element's sixth cycle (2023-2031) and in 2020 were estimated to generate approximately \$14 million by FY 2023-24.

### ***Eligible Uses***

Revenues generated by the City's CLF will be used to increase the supply of affordable housing for households at or below ELI, VLI, LI and moderate-income levels.

## **SB 2 State Housing Funds / Permanent Local Housing Allocation**

The Permanent Local Housing Allocation ("PLHA") program was approved by Senate Bill 2 in 2017. It provides an ongoing source for local government to fund a variety of affordable housing needs. Its source is a \$75 fee on each recorded document up to a maximum of \$225 per transaction per parcel.

### ***Eligible Uses***

Eligible uses for PLHA funds include a broad range of housing solutions. Homeless housing uses may include rapid rehousing, emergency shelters, and navigation centers. Single family uses include acquisition and rehabilitation of foreclosed or vacant homes. Development activities include predevelopment, development, acquisition, rehabilitation, and preservation of multifamily rental housing that is affordable to ELI, VLI, LI and moderate-income households including operating subsidies. Affordable rental and homeownership housing for workforce housing for residents earning

up to 150% AMI in San José's high-cost area is also eligible, as are Accessory Dwelling Unit programs. On June 16, 2020, the City Council approved a five-year PLHA expenditure plan (State budget years 2019 through 2023, available annually through calendar year 2024) to use the City's total of up to \$26.1 million available under the program. The Plan's sole identified use is to pay operating costs for interim housing units for people experiencing homelessness. The Plan may be amended to shift eligible uses by vote of the City Council and approval by the State.

### **Federal Community Development Block Grant (CDBG) Program**

The City receives approximately \$8.5 million in CDBG funds annually. Projects receiving assistance must serve low- and moderate-income persons (defined by HUD as a household earning no more than 80% AMI) and/or prevent or eliminate slums and blight.

#### ***Eligible Uses***

Each year, the City approves uses through its Annual Action Plan. Eligible uses for CDBG include public service, public facilities and improvements, code enforcement, economic development activities, planning and capacity building, rehabilitation, homeownership down payment assistance loans, and fair housing activities. Eligible activities that would support an affordable housing development include acquisition of real property and associated infrastructure work. CDBG specifically prohibits funds to be used for new housing construction.

### **Federal HOME Investment Partnerships (HOME) Program**

The City receives approximately \$3.4 million in HOME funds by formula from the U.S. Department of Housing and Urban Development ("HUD") annually. HOME is the largest Federal block grant to local governments to create affordable housing for low-income individuals and families. Each year, the City approves uses through its Annual Action Plan. Affordable housing commitments and Tenant Based Rental Assistance (rent subsidies) are typical uses of the funds.

#### ***Eligible Uses***

Eligible housing activities include the investment in affordable rental housing and homeownership through the acquisition (including downpayment assistance to homebuyers), new construction, reconstruction, or rehabilitation of deed restricted affordable housing. Funds may also be used to provide direct rental assistance to a low-income household.

### **Summary – Potential Funding Sources for Preservation**

In an affordable housing context, "Preservation" consists of two activities: one, extending the affordability and physical lifespan of existing affordable housing; and two, acquiring existing market-rate homes and adding affordability requirements with or without rehabilitation. The following sources of City funding are eligible for one or both Preservation activities if projects meet income requirements and other parameters in each program:

- Measure E Real Property Transfer Tax
- Low and Moderate Income Housing Asset Fund
- Inclusionary Housing Ordinance In-Lieu Fees



- Inclusionary Housing Policy In-Lieu Fees
- Commercial Linkage Fees
- SB 2 State Housing Funds / Permanent Local Housing Allocation
- HOME
- CDBG.

## **CITY OF SAN JOSE HOUSING DEPARTMENT'S FUNDING PRIORITIES**

In awarding funding for affordable housing, the following were the Council-approved funding priorities established in the City's FY 2020/21 – FY 2022/23 Affordable Housing Investment Plan (<https://www.sanjoseca.gov/home/showpublisheddocument/66577/637401733437070000>). These priorities change over time given Council direction and the approval of new Housing Investment Plans.

### **#1: Align funding with Measure A funded developments**

The City will seek funding opportunities to contribute to County Measure A-funded developments for the purpose of providing apartments which would serve extremely low-, very low-, and low-income households. This will enable Measure A developments to house residents with a range of incomes and populations.

### **#2: Increase housing for homeless residents**

The City will make significant progress in investing in permanent supportive housing to address the needs of our homeless residents by working with both the County and the Housing Authority.

### **#3: Limit funding to \$125,000 per unit**

Funding is limited to \$125,000 per unit to maximize the impact of the limited funds available.

### **#4: Fund developments that can utilize cost saving construction techniques**

The City will prioritize developments that use cost saving construction techniques, such as modular housing to provide affordable apartments at a cost that is less than the \$125,000 per unit subsidy.

### **#5: Prioritize developments leveraging the Affordable Housing and Sustainable Communities Grant Program**

The City will prioritize developments that leverage public funding by applying for grants from the State's Affordable Housing and Sustainable Communities (AHSC) Program. AHSC grants can fund both affordable housing and infrastructure for the City.

### **#6: Fund acquisition/rehabilitation of existing apartments**

The City will set aside \$10 million for acquisition/rehabilitation of market-rate housing. An affordability restriction will be placed on the property, creating new affordable housing.

### **#7: Provide minimum funding for Extremely Low-Income (ELI) housing**

The City Council set a minimum of 45% of total funds be used to fund extremely low-income (ELI) homes.

**#8: Placed-Based Strategy**

While work proceeds on the Affordable Housing Siting Policy, upcoming funding for affordable housing will be directed to growth areas throughout the City including North San José, Diridon Station Area, Downtown, West San Carlos Urban Village, Berryessa Bay Area Rapid Transit (BART) Urban Village, and the Blossom Hill/Snell Avenue Urban Village.

## APPENDIX E

### Constraints on Housing

Major development projects from 2018-2022, Time from Planning Approval to Building Permit Application submittal									
File Number	Filing Date	Project Name	APN	Address	No. of Units	Planning Approval Date	Building Permit application intake date	Time in Days	Time in Years
CP18-044	12/19/18	Affirmed housing	484-41-165	2348 Alum Rock Avenue	87	1/14/20	2/14/2020	31	0.08
H19-023		Eden @GALLUP		5647 Gallup	46	5/15/2020	7/28/2020	74	0.20
HA14-023-02	12/6/17	Post & San Pedro Tower	259-40-088	171 Post Street	26	6/9/18	10/1/2018	114	0.31
H19-051	11/18/19	Eden Housing	264-26-088	425 Auzerais Avenue	130	9/18/20	2/3/2021	138	0.38
PDA14-035-04	4/9/17	Communication Hill Phase II	455-28-016	--	162	7/26/17	12/22/2017	149	0.41
PD19-019	6/4/19	Winchester Ranch	303-38-001	555 S. Winchester Boulevard	688	1/14/20	6/22/2020	160	0.44
H15-046	9/25/15	363 Delmas Avenue	264-26-006	341 Delmas Avenue	120	6/21/16	12/2/2016	164	0.45
CP18-022	6/26/18	Blossom Hill Affordable Apartments	690-25-021	397 Blossom Hill Road	147	12/11/19	5/27/2020	168	0.46
H17-019	4/25/17	Spartan Keyes Senior Housing	472-25-092	295 E. Virginia Street	301	1/9/19	10/24/2019	288	0.79
H20-002	1/15/20	4th and Younger Apartments	235-09-020	1020 N. 4th Street	94	1/28/20	12/7/2020	314	0.86
H18-057	5/3/18	Balbach Affordable Housing	264-31-109	South East corner of Balbach and South Almaden Blvd	87	1/30/19	1/3/2020	338	0.93
H19-028	6/20/19	750 W San Carlos	264-15-003	750 W. San Carlos	80	6/20/19	5/29/2020	344	0.94
SP17-037	9/1/17	Page Street Housing	277-20-044	329 Page Street	82	12/5/18	12/18/2019	378	1.04
H20-005 (previously H19-019)	5/6/19	Kelsey Ayer	259-20-015	447 North 1st Street	115	2/28/20	5/3/2021	430	1.18
PD16-026	8/11/16	7th & Empire	249-38-042	535 N. 7th Street	92	4/11/17	7/27/2018	472	1.29
PD15-013	4/3/15	Arcadia/Evergreen Part 1	670-29-002	2140 Quimby Road	250	11/30/15	4/12/2017	499	1.37
SP17-027	6/26/17	Roosevelt Park Apartments	467-12-001	21 N. 21st Street	80	2/6/19	9/28/2020	600	1.64
PD15-014	4/16/15	1807 Almaden Rd	455-21-050	1807 Almaden Road	96	10/7/15	7/3/2017	635	1.74
PD18-043	10/17/18	Race Street Housing	261-42-058	253 Race Street	206	8/19/20	8/18/2020	applied before planning approval	--
PD15-055	11/4/15	Shea Homes/ Japantown Corp. Yard	249-39-039	Bounded by N. Sixth Street, E. Taylor Street, N. Seventh Street, and Jackson Street	520	5/25/16	5/18/2018	723	1.98
PD16-005	2/4/16	Istar/Great Oaks	706-08-008	West side of Great Oaks Blvd approx 1,000 feet northwesterly of Highway 85	301	5/18/2016	3/8/2019	1024	2.81
H12-020	1/16/13	San Pedro Square	259-32-044	195 W. Julian Street	406	2/24/14	10/11/2017	1325	3.63
PD15-066	12/21/15	Santana Row Lot 12	277-40-017	358 Hatton Street	90	8/16/16	5/23/2016	applied before planning approval	-
H18-026	6/7/18	S. Market Mixed Use	264-30-034	477 S. Market Street	130	5/1/19	1/26/2018	applied before planning approval	-
H19-054	12/18/19	Moorpark Supportive Housing	282-44-027	1710 Moorpark Avenue	108	9/11/20	7/29/2020	applied before planning approval	-

## APPENDIX G

### Site Inventory: Pipeline Projects

**CITY OF SAN JOSE - PIPELINE PROJECT DATA**

File Number	Tracking APN	Address	Approval Date	Very low Income	Lower Income	Moderate income	Above moderate income	Total No. of Units
<b>Approved not commenced</b>								
PD17-014	296-38-013	4360 Stevens Creek Boulevard	2/26/2019		88		494	582
CP17-052	481-19-003	1936 Alum Rock Avenue	3/27/2019		94			94
PD17-027	299-37-024	700 Saratoga Avenue	6/11/2019				302	302
SP18-016	259-40-043	27 S. 1st Street	2/27/2019				374	374
SP18-059	261-38-004	699 W. San Carlos	2/11/2020	108	253		4	365
SP20-020 (prev H18-025)	259-35-033	51 Notre Dame Avenue	7/8/2020				220	220
PD18-016	481-12-069	1663 Alum Rock Avenue	11/17/2020				121	121
SPA17-023-01	259-23-006	199 Bassett Street	5/29/2019				501	501
SP19-064	284-03-015	961 Meridian Avenue	12/10/2020		231		2	233
PD19-011	274-14-152	259 Meridian Avenue	6/23/2020				226	226
SP20-004	277-18-019	1530 West San Carlos	8/24/2021				173	173
PD19-029	259-38-132	450 W. San Carlos	5/25/2021		1250		3750	5000
SP19-068	277-34-051	2881 Hemlock Avenue	2/10/2021				3	3
H20-001	467-11-021	1135 E. Santa Clara Street	11/19/2020	59	32			91
SP20-002	299-25-038	1073 S. Winchester Boulevard	8/25/2021				61	61
SP20-008	419-48-014	375 South Baywood Ave	6/23/2021				79	79
H20-007	467-17-046	95 N 11th St	9/29/2021			14	19	33
SP20-013	259-41-070	1747 Almaden Rd	8/25/2021			9	53	62
CP20-015	421-07-029	1936 Alum Rock Ave	4/14/2021		194			194
PD20-003	434-13-041	1197 Lick Avenue	12/9/2020		135		434	569
CP20-017	434-11-081	1860 Alum Rock Ave	9/9/2021		60			60
SP20-019	439-05-007	486 West San Carlos	3/17/2021	9			175	184
SP20-021	704-35-026	459 S 4th St	10/13/2021				240	240
SPA18-001-01	264-21-066	600 S 1st St	4/28/2021				336	336
H20-028	569-14-128	605 S 2nd St	11/5/2021	34	209		102	345
H20-030	244-17-048	270 Sunol St	8/13/2021	51	52	51		154
CP20-025	481-18-067	2880 Alum Rock Ave	10/27/2021	32	33	97	2	164
H21-004	288-050-45	2350 SOUTH BASCOM AV	2/4/2022		104	26		130
H20-013	--	3090 S. Bascom Avenue	2/28/2021	29	61			90
H21-013	26434042	797 S. Almaden Ave	1/28/2022		99			99
HA21-002-01	447-12-057	551 Keyes Strreet	10/29/2021		21			21
SP18-053	26420064	500 W San Carlos Street	3/11/2022				18	18
H18-051	25429019	967 N Capitol Avenue	4/21/2022				6	6
H21-016	70148057	0 Bret Harte Drive	2/16/2022				15	15
H19-018	24945047	419 N 5TH ST	12/11/2019				2	2

**CITY OF SAN JOSE - PIPELINE PROJECT DATA**

PD19-018	67636022	4349 SAN FELIPE RD	8/11/2020				2	2
H19-027	--	1389 MCKENDRIE ST	9/9/2020				2	2
HP19-003	24945047	419 N 5TH ST	12/11/2019				2	2
H19-006	26432011	123 W REED ST	12/4/2019				3	3
PD18-047	--	1168 BRACE AV	11/10/2020				3	3
H18-051	25429019	967 N CAPITOL AV	4/21/2022				6	6
SP19-068	27734051	376 S BAYWOOD AV	2/10/2021				6	6
H19-002	27719023	427 PAGE ST	3/24/2021				7	7
CP18-041	26407048	760 MERIDIAN WY	11/13/2019				12	12
H18-047	26457026	80 GLEN EYRIE AV	5/27/2020				18	18
SP18-053	26420064	500 W SAN CARLOS ST	3/11/2022				18	18
SP19-063	25928028	292 STOCKTON AV	3/13/2020				19	19
SP19-065	30339044	425 S WINCHESTER BL	9/30/2020				27	27
SP18-031	27724001	1605 PARKMOOR AV	6/26/2019				29	29
SP18-033	29916001	4146 MITZI DR	10/7/2020				40	40
PD18-037	27734051	376 S BAYWOOD AV	4/9/2019				48	48
				Subtotal VLI	Subtotal LI	Subtotal MOD	Subtotal AboveMod	
				322	2916	197	7954	
				<b>Subtotal VLI Discounted</b>	<b>Subtotal LI Discounted</b>	<b>Subtotal Mod Discounted</b>	<b>Subtotal AboveMod Discounted</b>	
				<b>193</b>	<b>1750</b>	<b>118</b>	<b>4772</b>	
							<b>TOAL DISCOUNTED</b>	<b>6833</b>

CITY OF SAN JOSE - PIPELINE PROJECT DATA

File Number	Tracking APN	Address	Approval Date	Very low Income	Lower Income	Moderate income	Above moderate income	Total No. of Units
<b>UNDER REVIEW</b>								
H22-024	23510078	950 N 4TH ST					4	4
SP22-016	37221003	7246 SHARON DR					10	10
SPA20-019-01	26420079	486 W SAN CARLOS ST					88	88
H22-012	24965061	1325 E JULIAN ST			14		620	634
SP22-004	46709076	70 N 27TH ST			20		178	198
HA20-007-01	46717044	484 E ST JOHN ST					12	12
H22-005	46727039	650 E SANTA CLARA ST					45	45
PD22-005	59202004	887 KYLE ST					4	4
SP22-003	46721031	81 N 2ND ST		8				8
PD22-003	67623012	2632 SEQUOIA CREEK DR					2	2
PD22-002	097-15-033	0 SEELY AV			172		1298	1470
H22-001	24965060	1347 E JULIAN ST			36	9		45
SP21-045	25924008	323 TERRAINE ST					319	319
PDA10-021-03	--	802 ROSEMAR CT					3	3
PD22-013	60107066	125 KIRK AV					18	18
H21-050	24966040	1298 TRIPP AV			233	0	2	235
MP21-004	27722009	1510 PARKMOOR AV			79		2	81
PD21-020	65957015	0 LAND ONLY					16	16
H21-048	25928001	32 STOCKTON AV					472	472
MP21-003	26415024	740 W SAN CARLOS ST		7	59	7	56	129
H21-044	26102062	950 W JULIAN ST		5	287	5	3	300
PD21-017	37725053	1334 MILLER AV					4	4
MP21-002	46714054	124 N 15TH ST			102		1	103
PD21-015	37224011	7201 BARK LN					85	85
PD21-012	98445006	1975 CAMBRIANNA DR					21	21
SP21-031	46720079	147 E SANTA CLARA ST					415	415
H21-037	27406025	1945 PARK AV					2	2
PD21-011	47217006	802 S 1ST ST			197	49		246
PD21-009	24103025	1655 BERRYESSA RD			120		652	772
H21-029	46712002	995 E SANTA CLARA ST		72			2	74
H21-028	25947069	543 LORRAINE AV		40			224	264
H21-027	25947068	565 LORRAINE AV			30		93	123
SP21-019	46747024	420 S 2ND ST					255	255
SP21-020	46747048	420 S 3RD ST					152	152
PD21-006	56726014	0 CAMDEN AV					7	7
H21-015	25429028	905 N CAPITOL AV					377	377



**CITY OF SAN JOSE - PIPELINE PROJECT DATA**

H21-014	47705005	0 E ALMA AV					44	44
H21-013	26434042	771 ALMADEN AV		66	32		1	99
CP21-005	46719044	144 N 5TH ST		18				18
SP21-006	29925037	1065 S WINCHESTER BL					69	69
H20-049	28407018	1050 ST ELIZABETH DR					206	206
H20-048	49707022	161 RANCHO DR					14	14
PD20-012	29640009	4300 STEVENS CREEK BL		58	29	29	464	580
SP21-044	46721028	19 N 2ND ST			220			220
PD20-010	23041025	972 ELM ST					8	8
H20-038	46747097	409 S 2ND ST					520	520
H20-037	46722121	35 S 2ND ST					194	194
H20-035	28201022	2323 MOORPARK AV					11	11
HA17-059-01	46723088	10 S 3RD ST					42	42
PD20-006	40333014	1312 EL PASEO DE SARATOGA					994	994
H20-028	47226070	605 S 2ND ST			341		4	345
H20-026	46721024	17 E SANTA CLARA ST			42		150	192
H20-024	68402003	4300 MONTEREY RD					426	426
CP20-020	27416049	17 BOSTON AV					61	61
SP20-012	--	605 BLOSSOM HILL RD		89			239	328
PD19-020	23014004	1202 CAMPBELL AV					290	290
H19-021	46720019	100 N. 4th Street			298			298
PDA15-066-01	27740017, 37221003	385 Hatton Street					300	300
PD20-004	68422022, 46709076	653 N 7th St					65	65
PD20-007	68438022, 46721031	14200 Union Ave					378	378
H20-040 (also)SP21-044	48402005, 24965060	19 N 2nd St			220			220
PD20-011	24423014, 25924008	244 McEvoy St					695	695
H20-046	57525043	2188 The Alameda			118			118
SP21-007	27718021, 65957015	1520 West San Carlos St					202	202
PDA12-013-02	26414110, 25928001	0 Auzeais Ave					263	263
MP21-001	46714084	675 E. Santa Clara St.			554		5	559
				Subtotal VLI	Subtotal LI	Subtotal MOD	Subtotal AboveMod	
				363	3203	99	11087	
				<b>Subtotal VLI Discounted</b>	<b>Subtotal LI Discounted</b>	<b>Subtotal Mod Discounted</b>	<b>Subtotal AboveMod Discounted</b>	
				217.8	1921.8	59.4	6652.2	
							<b>TOTAL DISCOUNTED</b>	<b>8851</b>

**CITY OF SAN JOSE - PIPELINE PROJECT DATA**

<b>under construction</b>								
H12-020	259-32-044	195 W. Julian Street					406	406
PD15-013	670-29-002	2140 Quimby Road					250	250
PD15-014	455-21-050	1807 Almaden Road					96	96
PD15-055	249-39-039	Bounded by N. Sixth Street, E. Taylor Street, N. Seventh Street, and Jackson Street					520	520
PD16-005	706-08-008	West side of Great Oaks Blvd approx 1,000 feet northwesterly of Highway 85					301	301
H15-046	264-26-006	341 Delmas Avenue					120	120
SP17-037	277-20-044	329 Page Street		82				82
PD16-026	249-38-042	535 N. 7th Street					92	92
PD15-066	277-40-017	358 Hatton Street					90	90
PD15-068	277-38-003	544 Dudley Avenue					110	110
HA14-023-02	259-40-088	171 Post Street					26	26
H18-026	264-30-034	477 S. Market Street					130	130
H18-057	264-31-109	South East corner of Balbach and South Almaden Blvd				87		87
CP18-022	690-25-021	397 Blossom Hill Road		147				147
SP17-027	467-12-001	21 N. 21st Street		80				80
PD18-043	261-42-058	253 Race Street		69	137			206
H19-028	264-15-003	750 W. San Carlos		40	40			80
H19-051	264-26-088	425 Auzerais Avenue		52	76		2	130
H20-002	235-09-020	1020 N. 4th Street		93			1	94
CP18-044	484-41-165	2348 Alum Rock Avenue			87			87
H19-054	282-44-027	1710 Moorpark Avenue			106		2	108
H20-013	414-14-092	3090 S. Bascom			77		2	79
PD18-015	282-26-014	1330 S. Bascom Ave					590	590
PD19-019	303-38-001	555 S. Winchester Boulevard					688	688
H20-005 (previously H19-019)	259-20-015	447 North 1st Street				89	26	115
				Subtotal VLI	Subtotal LI	Subtotal MOD	Subtotal AboveMod	
				563	699	0	3452	
							<b>Subtotal</b>	<b>4714</b>
							<b>TOTAL PIPELINE UNITS</b>	<b>20399</b>

## Appendix H – Housing Element Details

Please note that the notes for every outreach event are not included. This appendix is not meant to be comprehensive, but rather demonstrate the range of outreach activities conducted, organizations and community members consulted, and input received.

<b>Engagement Events</b>	<b>Date</b>	<b>Year</b>	<b>Time of Day</b>	<b>Est. # Attendees</b>	
<b>Public Community Meetings</b>					
1. San José Community Meeting at Hillview Library	November 13	2019	evening	8	
2. San José Community Meeting at Southside Community Center	November 16	2019	day	6	
3. San José virtual Community Meeting	September 2	2021	evening	90	
4. San José virtual Community Meeting	December 13	2021	evening	100	
5. San José virtual Community Meeting	May 25	2022	evening	25	
6. San José virtual Community Meeting	June 1	2022	evening	34	
7. San José Community Meeting at Gardner Center	June 4	2022	morning	25	
8. San José virtual Community Meeting	July 27	2022	evening	40	
9. San José Community Meeting at at Mexican Heritage Plaza	August 8	2022	evening	40	
<b>AFH Advisory Committee Meetings</b>					
1. Advisory Committee Meeting	December 11	2019	day	7	
2. Advisory Committee Meeting	January 14	2019	day	4	
<b>Focus Groups on Housing Needs</b>					
1. Formerly Incarcerated Individuals	December 12	2019	day	10	
2. Homeless Individuals and Families	December 12	2019	day	9	
3. Nonprofit Affordable Housing Developers	December 13	2019	day	4	
4. Women and Domestic Violence Survivors	December 13	2019	evening	6	
5. LGBTQ+	December 18	2019	day	9	
6. Central County	January 13	2020	day	1	
7. Health Trust for HIV/AIDS	January 14	2020	day	17	
8. Vietnamese Community	January 15	2020	morning	85	
9. South County	January 15	2020	day	1	
10. Filipino Community	January 26	2020	morning	10	
11. Schools/Educators	January 27	2020	evening	12	
12. Seniors	January 29	2020	afternoon	20	
13. Latinx Community	January 29	2020	evening	20	
14. Disability Community	January 19	2022	evening	22	
15. Veterans	January 25	2022	day	17	
16. LGBTQ+	January 25	2022	evening	4	
17. African Ancestry	January 31	2022	evening	3	
18. Formerly Homeless (Second Street Studios)	February 2	2022	day	4	
19. LGBTQ+	February 15	2022	evening	19	

20. Affordable Housing Residents (Kings Crossing)	March 7	2022	afternoon	4
21. Indigenous Peoples	March 16	2022	evening	1
<b>Stakeholder Meetings</b>				
1. Project Sentinel	October 1	2019	day	2
2. San José NAACP	October 1	2019	day	2
3. Asian Law Alliance	October 2	2019	day	1
4. Law Foundation of Silicon Valley	October 2	2019	day	2
5. Latinos United for a New America	October 21	2019	day	1
6. California Apartment Association	October 21	2019	day	2
7. The Silicon Valley Organization	October 21	2019	day	1
8. Catalyze SV	October 21	2019	day	1
9. Santa Clara County Housing Authority	October 21	2019	day	2
10. International Children Assistance Network	October 21	2019	day	1
11. Bay Area Legal Aid	October 22	2019	day	2
12. Housing Trust Silicon Valley	October 22	2019	day	1
13. Gilroy Compassion Center	October 22	2019	day	1
14. City of Gilroy	October 22	2019	day	1
15. Senior Adults Legal Assistance	October 22	2019	day	2
16. Day Worker Center of Mountain View	October 22	2019	day	1
17. Santa Clara County Association of Realtors	October 23	2019	day	1
18. City of Santa Clara	October 23	2019	day	2
19. City of Sunnyvale	October 23	2019	day	2
20. SV@Home	October 23	2019	day	2
21. Bay Area Homeowners Network	October 23	2019	day	1
22. Sunnyvale Community Services	November 12	2019	day	1
23. SOMOS Mayfair	November 14	2019	day	2
24. Amigos de Guadalupe	November 15	2019	day	1
25. West Valley Community Services	November 15	2019	day	2
26. Habitat for Humanity	December 10	2019	day	1
27. Working Partnerships USA	December 11	2019	day	2
28. SV@Home & Law Foundation of SV	July 9	2021	day	3
29. Silicon Valley Council of Nonprofits	August 3	2021	day	4
30. County of Santa Clara	August 3	2021	day	1
31. Race Equity Action Leadership (REAL) Coalition	August 19	2021	morning	9
32. Race Equity Action Leadership (REAL) Coalition	August 19	2021	evening	25
33. South Bay YIMBY	September 8	2021	day	8
34. SV@Home & Law Foundation of SV	September 10	2021	day	3
35. SV@Home & Law Foundation of SV	October 6	2021	day	3

36. City's Developer Roundtable	October 15	2021	morning	5	
37. SV@Home & Law Foundation of SV	October 20	2021	day	3	
38. SV@Home & Law Foundation of SV	November 4	2021	day	6	
39. League of Women Voters	November 17	2021	day	13	
40. Chamber of Commerce Public Policy Committee (Housing and Land Use)	November 18	2021	day	22	
41. Silicon Valley Leadership Group	January 18	2022	day	1	
42. SPUR Policy Board meeting	February 24	2022	morning	9	
43. BIA South Bay RPC Meeting	March 3	2022	day	4	
44. County/City/Destination Home Coordination	April 28	2022	morning	12	
45. Sacred Heart Housing Action Committee	August 1	2022	Evening	6	
46. VTA	August 8	2022	morning	5	
47. Broadband Services (Abigail Shull)	August 15	2022	day	1	
48. Equity Advisory Group (EAG)	August 23	2022	day	9	
49. SPUR San José Board of Directors	August 24	2022	day	26	
50. California Apartment Association	September 2	2022	morning	1	
51. Silicon Valley Leadership Group	September 12	2022	afternoon	1	
<b>Strategy Working Groups</b>					
1. Access to Rental Housing	January 14	2022	morning	25	
2. Development Barriers - For-profit Developers	February 24	2022	afternoon	8	
3. R/ECAP areas and anti-displacement issues	February 24	2022	evening	45	
4. Development Barriers - Nonprofit Developers	February 25	2022	morning	6	
5. R/ECAP areas and neighborhood investment	March 7	2022	afternoon	19	
6. Homeownership	April 5	2022	afternoon	7	
7. Areas of High Opportunity	April 6	2022	evening	19	
8. Homeownership	April 8	2022	afternoon	10	
9. R/ECAP areas and neighborhood investment	April 8	2022	afternoon	14	
10. Access to Rental Housing	April 8	2022	afternoon	23	
11. Areas of High Opportunity	April 8	2022	evening	15	
				191	
<b>Intergovernmental Agency Meetings</b>					
<i>With staff from City Depts, Santa Clara Co Office of Ed., and VTA on AFH and orgs' equity-focused plans</i>					
1. Meeting 1	March 30	2021	morning	44	
2. Meeting 2	April 6	2021	morning	44	
3. Meeting 3	April 13	2021	morning	33	
4. Meeting 4 - with agencies & City of Boston	April 20	2021	morning	36	
5. Meeting 5	April 27	2021	morning	32	
6. Meeting 6	May 4	2021	morning	32	

<b>Public meetings</b>					
<b>Initial public meetings on AFH workplan and outreach plan</b>					
1. Community and Economic Development Comm.	August 26	2019	afternoon	N/A	
2. Neighborhood Services and Education Comm.	October 10	2019	afternoon	N/A	
3. Housing and Community Development Comm'n	October 10	2019	evening	N/A	
<b>Public meetings on AFH initial findings</b>					
1. Housing and Community Development Comm'n	May 13	2021	evening	N/A	
2. Neighborhood Services and Education Comm.	May 20	2021	afternoon	N/A	
3. City Council	June 8	2021	evening	N/A	
<b>Public Meetings on Housing Element/AFH</b>					
1. Housing and Community Development Comm'n	January 27	2022	evening	N/A	
2. Neighborhoods Commission	February 9	2022	evening	N/A	
3. Neighborhood Services and Education Comm.	February 10	2022	afternoon	N/A	
4. Community and Economic Development Comm.	February 28	2022	afternoon	N/A	
<b>Tabling at Community Events</b>					
1. Viva Calle	September 19	2021	day	33	
2. Mosaic Festival	October 2	2021	day	30	
3. Dia De Los Muertos at Mexican Heritage Plaza	October 30	2021	day	8	
4. Viva Calle 2	November 7	2021	day	35	
5. Downtown Farmer's Market	December 10	2021	day	4	
6. Vietnamese American Organization Community Day	August 27	2022	day	75	
<b>Special Events</b>					
1. Presentation on AFH at SV@Home Housing Action Coalition meeting	July 23	2021	day	106	
2. Hosted panel discussion on San José's history of segregation at San José State's University's Racial Justice Symposium	November 3	2021	evening	75	
3. Screening of the documentary <i>A Reckoning in Boston</i> and discussion with the producers	November 18	2021	evening	40	
4. Podcast by city staff posted about housing elements and fair housing	January	2022	N/A	220	
<b>On-line and Written Surveys</b>					
1. Survey 2019	Oct 25 - Dec 26	2019	N/A	648	
2. Survey 2021-22	Sep 17 - Jan 12	2021-22	N/A	640	

3. Survey 2022	April	2022	N/A	815	
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**Estimated outreach (duplicated) participants count** **4,209**

**Total estimated outreach (duplicated) participants in educational activities re. fair housing** **631** Total for special events + community meetings 3&4



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# Vietnamese American Organization Community Day Event Survey & Outreach

Housing Element Update  
August 27 Tabling Event

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3) Survey Results	4

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### 1) Engagement Overview

On August 27, 2022, the Vietnamese American Organization hosted a Community Day at the Vietnamese American Cultural Center. It was organized as an event to promote community involvement, celebrate culture, as well as, entertain, unite, inspire, and empower the community. The event was filled with live music, great games, tasty food, refreshing drinks, community resources, and more. Community members, from young and old, attended.

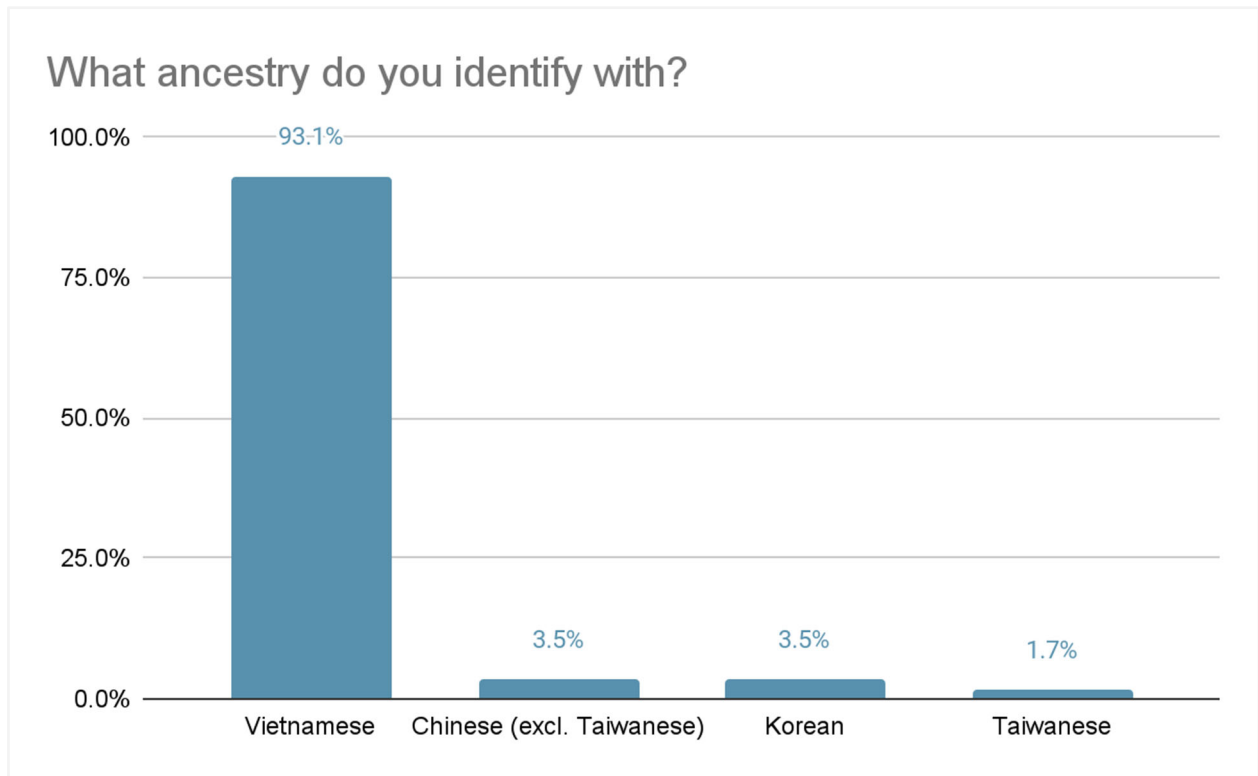
The City of San José hosted a booth at the Community Day to inform community members about the Draft 2023-2031 Housing Element update, answer questions, and administer surveys. The objective of this engagement effort was to increase outreach to and engagement from the Vietnamese and Asian American community, who represent a significant proportion of the demographics of the City of San José but have been historically underrepresented in prior engagement efforts.

The booth was staffed by a City staff member from the Department of Housing, a bilingual Vietnamese consultant, and a Vietnamese event volunteer. They stood available to answer questions, administer surveys, and facilitate conversation. Presentation boards about the project were displayed for viewing, with handout copies available for attendees to take. All the materials were translated into Vietnamese. Free snacks were also provided. Event attendees stopped by the table at their own convenience and interest.

As a result of this effort, the **City of San José received 58 survey responses** and interacted with an even larger number of attendees.

## 2) Demographics

Most attendees were Vietnamese. This was also validated by survey responses. *Note: 58 question responses (100% response rate). Survey respondents could select multiple answers.*



Additionally, some survey respondents also identified with one or more of the following protected classes:

- Immigrant (11)
- Non-English speaker (8)
- Person of color (5)
- Military veteran or active service member (5)
- Section 8 voucher holder (2)
- Person with a disability (2)
- Non-US citizen (1)

However, 25 survey respondents answered “None” or chose not to answer.

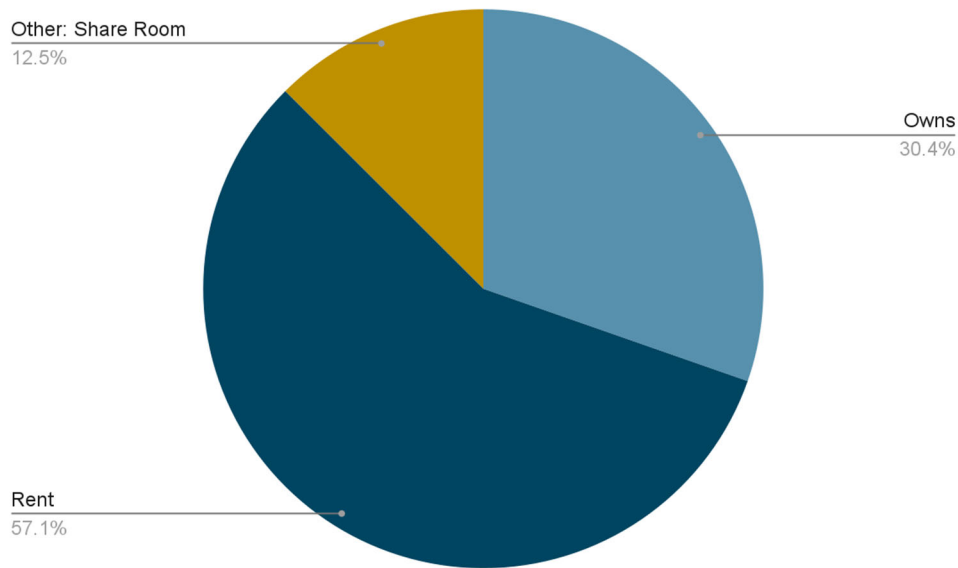
### 3) Survey Results

#### 1. What ZIP code do you live in?

Most survey respondents indicated that they live in 95122 (11), 95111 (8), 95121 (7), 95116 (4), 95112 (3), and 95132 (2). However, there was also representation from the following zip codes: 95173, 95148, 95138, 95136, 95135, 95133, 95129, 95127, 95125, 95113, 95035, 95010, 95008, 94587, 94500, 94087.

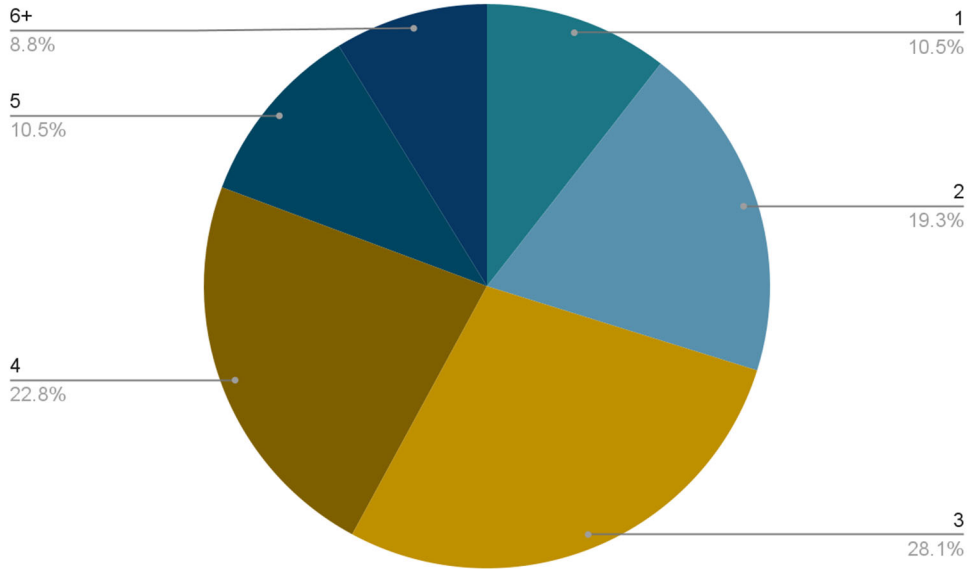
#### 2. What is your housing situation?

Two thirds of survey respondents indicated that they or their family rent their home or "room". Nearly a third of survey respondents indicated that they or their family own their home. *Note: 56 question responses (97% response rate).*



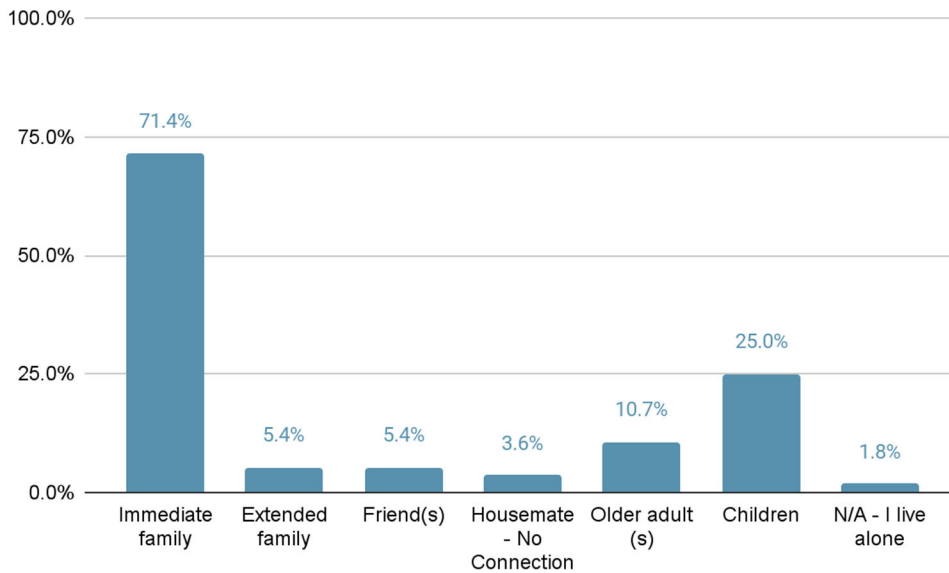
### 3. Including yourself, how many people live in your household?

Note: 57 question responses (98% response rate).



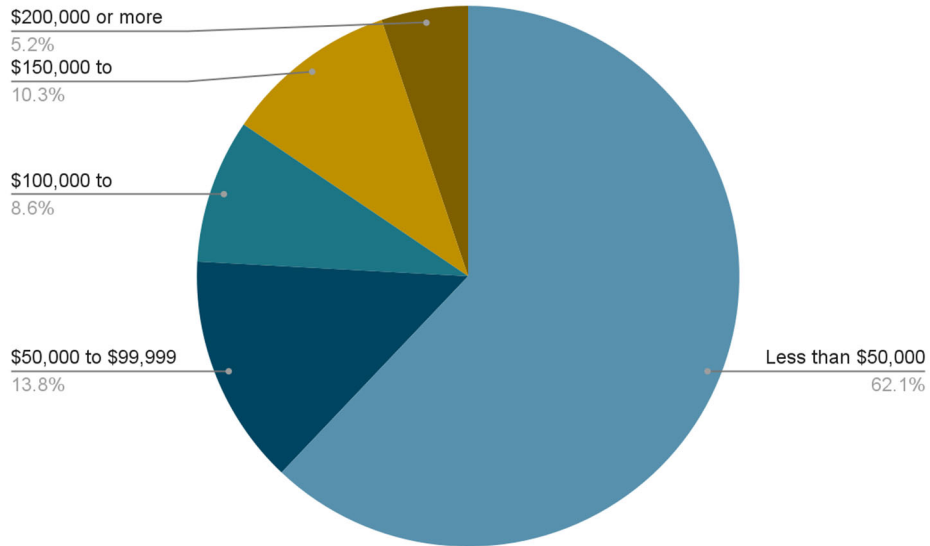
### 4. Who else lives with you?

Most survey respondents live with their immediate family. A quarter live with children under 18 years old. Note: 57 question responses (98% response rate). Survey respondents could select multiple answers.



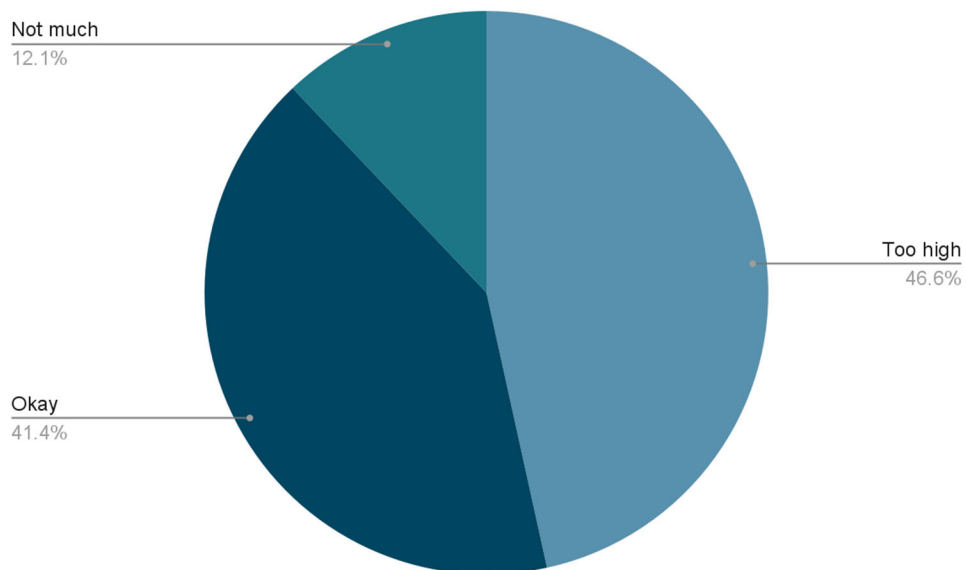
### 5. What is your annual household income?

A majority of survey respondents indicated that their annual household income is below \$50,000. *Note: 58 question responses (100% response rate).*



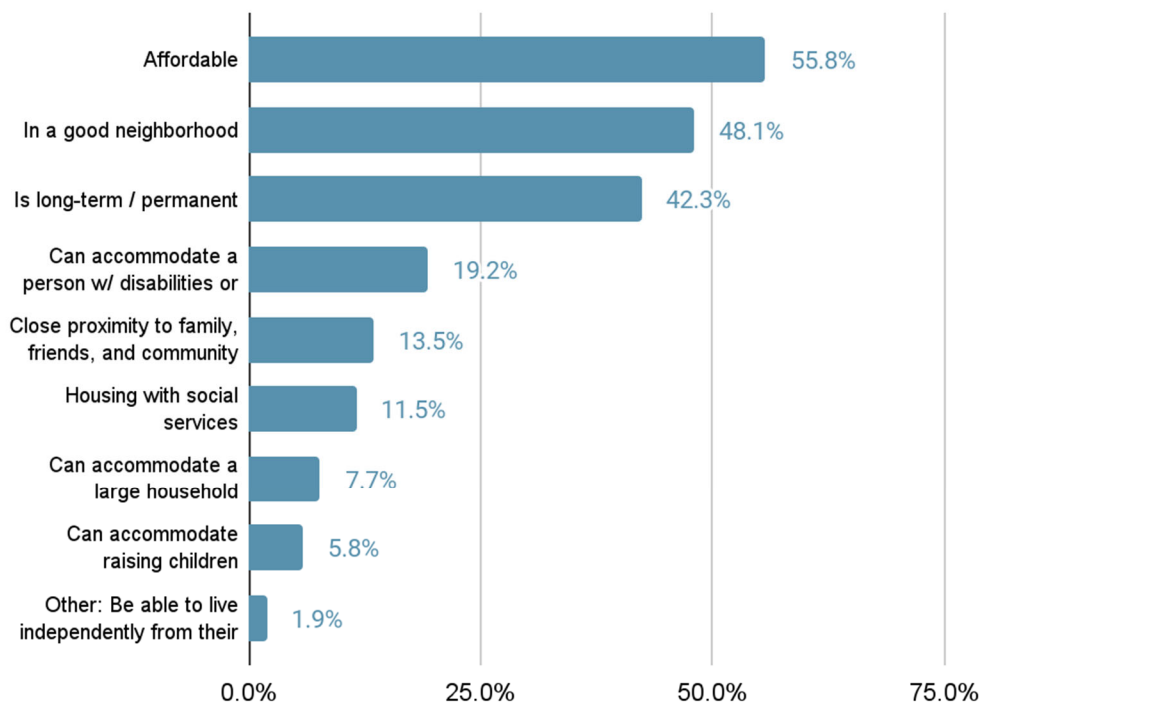
### 6. The amount you currently spend on housing is?

Almost half of survey respondents indicated that they think the amount they spend on housing is too high. *Note: 58 question responses (100% response rate).*



## 7. Which housing needs are most important to you?

Affordability, being in a good neighborhood, and having long-term / permanent housing were among some of the most important needs for most survey respondents. But a smaller number still indicated that having housing that could accommodate a person with disabilities or aging adults; is in close proximity to family, friends, and community; has social services; can accommodate a large household; and can accommodate raising children are also important. One person added that they would like for the opportunity to move out and live independently for their family. *Note: 52 question responses (90% response rate). Survey respondents could select up to 3 answers.*

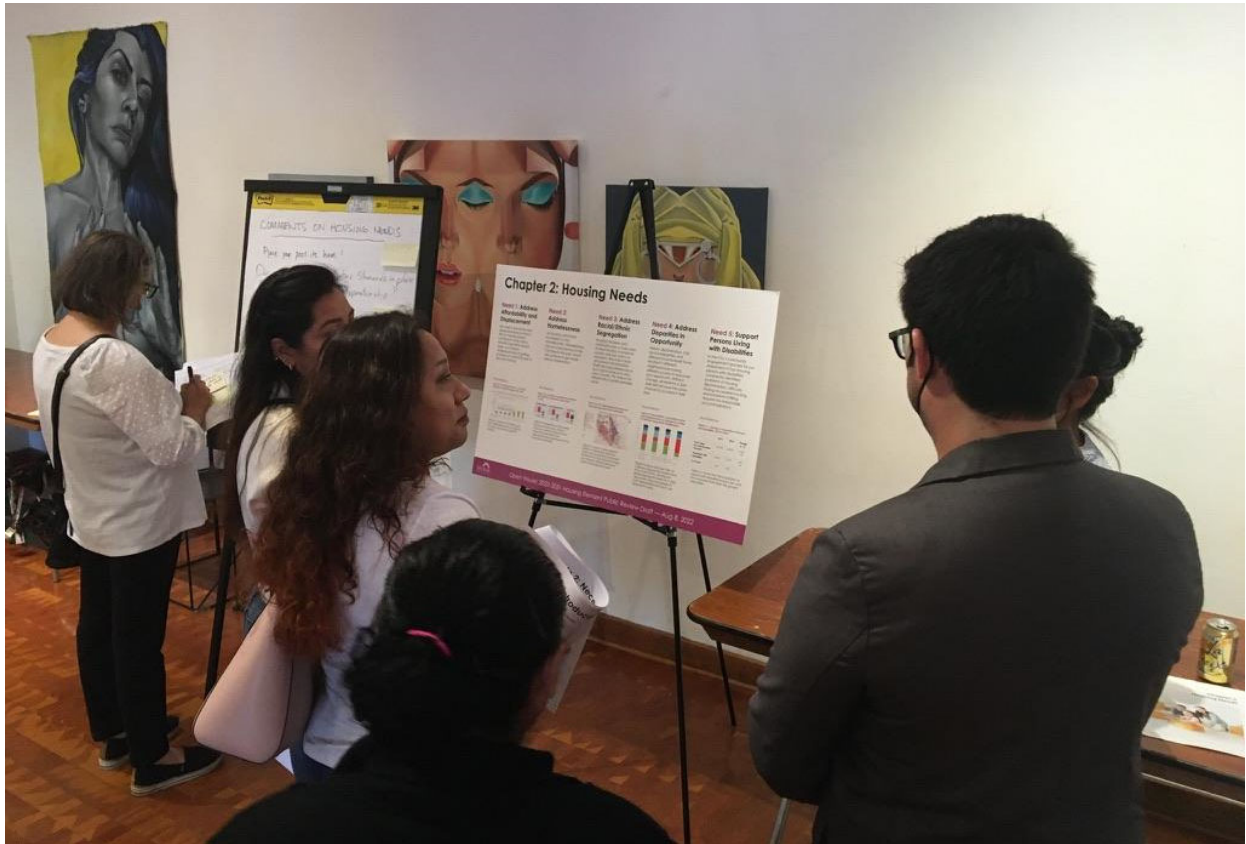


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# Community Meetings Summary Report

Housing Element Update  
Outreach Round 4: Public Review Draft  
July 27 and August 8 Community Meetings + Online Form Comments

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## 1) Engagement Overview

The City of San José release a first *Public Review Draft 2023-2031 General Plan Housing Element* for public comment on July 22, 2022. This report provides a summary of feedback received on the Draft during the 30-day review period ending on August 21, 2022. Within this 30-day public comment period, the City hosted two public meetings (one online and one in-person) and administered an online comment form to gather feedback for the Draft 2023-2031 Housing Element update. In total, over 90 community members participated in this public comment period. Detailed descriptions and results from informatio each engagement activity is provided below, and is being considered by the City in the preparation of the final Draft Housing Element for HCD review.

Following the 30-day review period, the city also conducted additional Housing Element outreach at a community event held by the Vietnamese American Community Organization on August 27, 2022. A full summary of this engagement opportunity has also been prepared by Baird and Driskell as supplement to this report.

### July 27, 2022 Virtual Community Meeting

This meeting was hosted online via Zoom on Wednesday, July 27, 2022 between 6:00-7:30 pm. Simultaneous interpretation in Spanish and Vietnamese was provided. Nearly 40 community members participated.

This virtual meeting began with a short presentation from City of San José staff about the Housing Element update process and a summary of each chapter of the draft Housing Element. Then, community members chose a breakout group discussion to participate in from the list below. Each group was led by two to three City of San José staff members and consultants who served as a content expert, facilitators, or notetakers.

- Chapter 2: Housing Needs (3 attendees)
- Chapter 3: Goals, Policies, and Strategies (18 attendees)
- Chapter 4 & 5: Residential Site Inventory and Constraints to Housing Production (13 attendees)
- Spanish Speakers (4 attendees)

After the breakout group discussions, all participants returned to the main group to report back on common themes and takeaways from the discussions.

### August 8, 2022 Open House

This in-person meeting was hosted at the Mexican Heritage Plaza on Monday, August 8<sup>th</sup>, 2022 between 6:30-8:00 pm. Between 30-40 community members attended this flexible, drop-in



open house format. There was no formal presentation. Stations for each chapter of the draft Housing Element were set up around the room for attendees to visit at their own pace, as follows:

- Chapter 1: Introductions
- Chapter 2: Housing Needs
- Chapter 3: Goals, Policies, and Strategies
- Chapter 4 & 5: Residential Site Inventory and Constraints to Housing Production

Each station was set up with presentation boards, chapter summaries, and other handouts that attendees could review. City staff and consultants stood by each station and served as content experts and facilitators who could answer attendees' questions and capture their input. Spanish and Vietnamese interpreters floated around the room to assist and guide attendees who needed language assistance. Food and on-site childcare were also provided.

### **Online Web Form Comments**

The City of San José also provided an online and asynchronous method for sharing feedback, parallel and in addition to the community meetings. An online form for submitting comments about the Public Review Draft 2023-2031 Housing Element was administered on the City of San José website. Members of the public could visit the website at any time, review the Housing Element Draft, and submit feedback at their convenience within the comment period. The City of San José received 17 online form submissions in total.

## **2) Outreach and Community Representation**

One key goal of the engagement, especially for the two community meetings, was to attract broad participation from all segments of San Jose's diverse communities.

### **Outreach Methods**

The City of San José utilized the following outreach methods to promote the community meetings and engagement opportunity for the draft Housing Element Update:

- City Website
- City email lists
- Social media
- Council Office coordination
- Distribution by community-based organizations

### **Diversity**



To measure representation, an optional survey was shared after each meeting to collect the demographic data of attendees, which most attendees completed for the July 2, 2022 Virtual Community Meeting and over half of the attendees completed for August 8, 2022 Open House. This is a high-level summary of the results across both community meetings:

- **A wide variety of relationships to the City of San Jose represented:** Nearly all survey participants either live or work in the San José. A majority indicated that they live in the City of San José. Many also indicated that they work in the City of San José. But many also have other connections to the City of San Jose: owning property here, growing up or having relatives residing here, having children who attend school here, attending school themselves here, and/or owning a business here. There were a very small number of people who had no direct personal relationship to the city but participated due to their interest in housing policy issues.
- **Diverse areas and neighborhoods in the city were represented:** Many survey participants indicated that they reside in 95112, followed by 95127 and 95122. However, at least 20 other zip codes were also represented.
- **A majority represented were middle-aged and older adults:** Most survey participants identified as 30-49 years old, followed by those that indicated 50 years or older. There were a small number of residents aged 18-29 years represented. However, there were no youth participants.
- **Most represented were Hispanic or Latino/a/x or White:** Most survey participants identified as Hispanic or Latino/a/x or White. A smaller number of survey participants identified as Black / African American or Asian / Asian American. Two residents identified as multi-racial.
- **Most represented were homeowners:** Most survey respondents identified as homeowners, especially at the in-person Aug 8 Open House meeting. A few identified as renters. None identified as unhoused.
- **A variety of income levels represented:** Most survey respondents indicated that their household earned \$50,000 to \$99,999, followed by less than \$50,000. But there were also survey respondents whose household income was \$200,000 or more, \$100,000 to \$149,999, \$150,000 to \$199,999.
- **Represented community-based organizations:**
  - Sacred Heart
  - West San Jose Resident
  - Housing Choices
  - SV@Home
  - Law Foundation of SV
  - SHCS
  - SHHAC
  - League of Women Voters
  - Law Foundation
  - Councilmember D2
  - South Bay YIMBY
  - SV Democrats
  - LUNA

*Appendix B below provides a full, detailed demographic summary of the meeting participants.*

### 3) Key Takeaways

Community members brought a variety of perspectives and recommendations on the draft Housing Element. Below is a summary of the general overall themes and takeaways from across the three engagement efforts.

#### **Majority Are Supportive of the Draft Housing Element**

Overall, most participants expressed a baseline level of support for the Housing Element and were engaged in trying to expand and improve upon the specific goals, policies, strategies, identified constraints and site inventory of the draft Housing Element. Their interests and concerns mainly pertained to the following:

- **More details, clarity, and deeper analysis:** In general, most participants wanted to see various parts of the Housing Element draft clarified with additional details, more definitive language, more concrete metrics and next steps, and deeper analysis—especially for the goals, policies, and strategies that they support. For example: Some participants requested for additional analysis to be summarized in Chapter 2. At least eight participants commented that they would like Chapter 3 to be more detailed overall. One participant wanted to see more details about the constraints in Chapter 4. A few participants request more details about the site feasibility analysis and selection process for Chapter 5. The following section “3) Specific Draft Feedback” provides a list of suggested revisions to the draft Housing Element.
- **Prioritizing affordable over market-rate housing:** This was one of the most frequently brought up themes. Many participants reiterated their concern that new developments will not be affordable and market-rate development will be over-prioritized, and emphasized that people should not be paying over 30% of income on housing costs. One participant commented that they also want to see increased incentives for the development of affordable housing.
- **Prioritizing lower-income, unhoused, and vulnerable populations; communities of color; and anti-displacement:** This was one of the most common themes that emerged, in which participants stressed the need for the City to commit to social equity and anti-displacement policies and programs.
  - *Protect renters:*
  - *Lower-income residents:* Eight participants emphasized that the needs of lower and lowest-income residents be prioritized. Many expressed concern that new developments will affect and displace lower-income residents, especially amongst communities of color. This was a concern brought up by many Spanish-speaking participants.

- *Persons who experience housing insecurity or homelessness:* Three participants emphasized the need for more policies and programs that protect and better support persons who experience housing insecurity or homelessness, while specifically opposing punitive policies that encourage displacement.
- *Victims of domestic violence:* One participant raised concerns that there are not enough resources and tenant protections to support victims of domestic violence, especially with evictions.
- **Prioritizing affordable housing in quality neighborhoods:** Multiple participants emphasized that while more affordable housing is necessary, it is also important that these developments are located within high-resourced and high-quality neighborhoods that are safe, clean, and accessible to schools, health clinics, transit, and other services.

### Concerns

There were a select few who expressed strong apprehension about the Housing Element update effort. They expressed concerns about overcrowding, the loss of single-family zoning, and/or that it should not be the responsibility of the local government to intervene.

## 4) Specific Draft Feedback

Below is a summary of specific feedback for the draft Housing Element expressed by community members across the three engagement efforts. The feedback is summarized into themes and takeaways, first organized by chapter and whether it is a “critique” (i.e. suggested improvement) or a “like” (i.e. indication of agreement or support), and then sorted by descending number of participants who expressed it. Further details are provided for each theme, when possible.

*Note: The numbers in the parentheses are meant to indicate the general number of unique participants who expressed a comment pertaining to the theme, but not a precise accounting of comments by chapter.*

### Chapter 2: Housing Needs

#### Critiques

- **Provide deeper analysis:**
  - **Disaggregated data analysis (2):** A couple community members wished there was more intersectional analysis and reporting of sub-populations, like by ethnicity (specifically Mexican and Vietnamese) and disability.
  - **Explain history and impacts of single-family homes (1):** One participant thinks the chapter could emphasize more how the history of single-family zoning has negatively impacted communities of color.

- **Include an analysis of the last housing element cycle (1)**
- **Explain why there’s been a lack of affordable units developed (1)**
- **Explain why the issue of homelessness has increased (1)**

## Likes

Participants commented that they agree with or support the following:

- **Fair housing assessment (2):** Two participants expressed appreciation for the amount of work that went into assessment of fair housing and incorporating community comments and local knowledge.
- **Prioritizing support for persons with disabilities (1)**

## Chapter 3: Goals, Policies, and Strategies

### Critiques

- **Revise with more details**
  - **Detail more measurable outcomes and defined deliverables (3):** One participant specified that the strategies should include language that is actionable and definitive, avoiding terms like "study" or "explore," and should include a description of how they will be accomplished in detailed “steps”.
  - **Add “Opposed by” section (1):** One participant wants to see the strategies table include an “opposed by” column, in juxtaposition with the “supported by” column
  - **Timing column is difficult to interpret (1)**
- **Emphasize, clarify, and expand upon these goals, policies and strategies:**
  - **Renter and tenant protections (10):** 10 participants want to see renter and tenant protections expanded, and the strategies listed below to be more detailed.
    - **Rent control (6):** Six participants emphasized expanding rent control as a strategy. Two suggested repealing/reforming Costa Haskins as a strategy for expanding rent control in the city's legislative agenda.
    - **Rent stabilization (4):** Four participants commented on their support for rent stabilization efforts, but they want to see more clarity on these policies. One said that it would be good to mention the year and various units that will be included. One asked if it's possible to reduce the rent stabilization cap to below 5%?
    - **Tenant unions (1):** One participant wants to see the City empower renters to organize into tenant unions.
    - **Empower tenants to use their rights (1):** One participant wants to see the City take action to empower renters to actually use their rights.
  - **Community land trusts and other community-controlled land models (7):** Seven participants commented about their support for community land trusts and

desire to see that included and expanded upon in the Housing Element. Two specified their desire to see more alternatives to investor-based / real estate industry developed housing and to expand opportunities for community-controlled land—this could include co-ops, social housing, and government-owned housing as well. One also asked if there is a role a land bank can play?

- **Labor Standards (7):** Six participants commented that they would like to see strategies for providing workers healthcare, local hiring, enforcing living wage requirements, offering apprenticeship programs, regulating standards for construction, and increasing resources for labor compliance. One participant also wants to see policies and programs that help people that build the housing to be able to afford living here too. Most participants who expressed this were a part of a local labor union.
- **Permanent supportive housing (5):** Five participants commented that they want to see more supporting strategies around permanent supportive housing. Two commented there needs to be more public outreach and education to grow support.
- **Housing preservation (3):** Three participants like the preservation strategy and want to see it expanded to make sure that the housing that exists remains affordable. One suggested including preservation numbers in the requirements.
- **Addressing history of redlining (3):** Three participants commented on their desire to see past racist policies like redlining to be explicitly addressed in the Housing Element with specific strategies.
- **P-7: City ministerial infill approval ordinance (3):** Three participants expressed support for this strategy. However, one commented they would like the timeline to be accomplished sooner. Another commented that they would like to see this process expanded for more types of housing.
- **ADUs (2):** One participant thinks the timeline and 2027 target for strategy I-5 re ADU is too late.
- **Homeownership (1):** One participant wants to see more emphasis on strategies that promote homeownership.
- **S-10 (1):** One participant asked for more clarity.
- **S-29 (1):** One participant asked for more clarity.
- **Consider these goals, policies and strategies**
  - **Streamlining CEQA (1):** One participant wants to see a strategy address how CEQA affects the housing crisis
  - **Commercial linkage fee & housing impact fee (1).** One participant advocated for the collection of commercial linkage fee & housing impact fee, data collection of fees assessed and collected, increase of fees and halt of exemptions.
  - **Adopt form-based codes (1):** One participant wants to see form-based codes adopted so new developments can follow neighborhood character, but not be slowed down by “onerous review and approval processes.”



- **Address housing discrimination (1):** One participant raised concerned about housing discrimination. They advocated for more resources to be allocated towards organizations and programs that do fair housing testing.
- **Neighborhood preference (1):** One participant stated that they want to see residents of specific zip codes have first preference in new affordable developments built in the area.
- **Address regulatory barriers to equity (1)**

### Likes

Participants commented that they agree with or support the following:

- **Public outreach, education, and advocacy for affordable housing (4)**
- **R-4: COPA (3)**
- **P-11: Explore Allowing “SB 9” Type Housing on Additional Properties (1)**
- **P-35: Multi-family housing (1)**
- **S-1 (1)**
- **Expansion of ARO (1)**

## Chapter 4/5: Residential Site Inventory and Constraints

### Critiques

- **Revise with more details**
  - **Provide more details about feasibility analysis (4):** Four participants want to see more details about the feasibility analysis and process for selecting the sites. They want to ensure the sites selected can be developed within the cycle. Some specific suggestions:
    - Elaborate more on developer interest
    - Elaborate more on eliminating constraints to development, particularly LI units
    - Emphasize analysis of market conditions
  - **Provide more detailed, interactive site inventory (3):** Three participants want to see a more interactive and detailed site inventory, and have requested the following:
    - **More detailed interactive map (1):** One participant expressed frustration about switching back and forth between the site inventory interactive map and spreadsheet, commenting that the data in the static spreadsheet should also be displayed on the interactive map.
    - **Interactive spreadsheet (1):** Another participant suggested providing the site inventory as an interactive spreadsheet to make it easier to read and analyze.
    - **List all addresses for sites that just have the parcel number (1)**
- **Consider these additional constraints, requirements, and site selection criteria:**

- **Address community opposition or “NIMBYism” as a constraint (4):** Four participants want to formally list community opposition or “NIMBYism” as a constraint that delays or prevents housing developments, and as something for the City to address.
- **Consider traffic, parking, and transit access as criteria (4):** Three participants hope see new developments be centered nearby public transit (e.g. VTA and Diridon) as well as be coordinated with the expansion of new transit lines. One participant expressed concern about the impact of new developments on local traffic while another expressed concern about the availability of parking, which they say should be taken into consideration.
- **Concern over loss of convenient services and amenities after site redevelopment (3):** Two participants expressed concern about some of specific sites listed in the inventory. They commented that these are well-utilized sites that should not be redeveloped, nor are likely to be redeveloped due to current age or ownership. Instead: They think the City should prioritize redeveloping abandoned or underutilized properties. Specific sites that they were skeptical about:
  - APN 56901099: frequent use as a church
  - APN 45141068: busy lot with seven existing businesses
  - APN 56945063 and 52733017: both host several businesses
  - APN 56918058: lovely little orchard and farmstand
  - 821 The Alameda + 1399 W San Carlos: two pharmacies
  - Walgreens site (pharmacy)
- **Require developers to be “good neighbors” and maintain properties (2):** Two participants want the City to consider requirements for developers to upkeep properties before construction starts, as well as obey construction regulations.
- **Ensure equitable canopy coverage in areas with new development and low income areas (1):** One participant advocated for trees to be a consideration for new development and ensuring requirements or efforts to retain trees with housing designs or updates. They fear the loss of the City’s canopy with new developments.
- **Consider and/or focus on the following sites:**
  - More housing in downtown (1)
  - More affordable housing in Willow Glen (1)
  - W Julian St near The Alameda as there are large parking lots that are under used and these would be a great location for housing in an area with a good community and even more potential.
  - Add 4846 Harwood Rd, San Jose, CA 95124 - near Camden and 85 (1): Underutilized. Already in a nice neighborhood. Near park, a few schools, a grocery store and other shops, the 85, and a VTA park-and-ride
  - 909 Park Ave (1): Abandoned and burned down building



- **Reconsider the viability of the following sites:**
  - APN 46243003
  - Site, end of cul-de-sac, along riverbank
  - Valley Palms "affordable housing" is seeing a 20% increase in rents

### Likes

Participants commented that they agree with or support the following as is:

- **Plan for housing in light industrial areas (1):** e.g. Diridon area
- **Discussion on RHNA and regional mandates (1)**
- **Opportunity Housing (1)**
- **Legibility of the document and maps (1)**
- **Racial map layers appreciated (1):** enables good analysis of AFFH requirements

### Other

- **Translate to Spanish and Vietnamese (2):** Two participants raised concern and expressed a desire to see the Housing Element and other City publications be available in Spanish and Vietnamese.

## 5) Engagement Feedback

### July 27, 2022 Virtual Community Meeting

30 completed a meeting evaluation survey.

- **Most somewhat or very satisfied (26):** Overall, a majority of survey respondents indicated that they somewhat satisfied (17) or very satisfied (9). Three indicated that they were neither satisfied nor dissatisfied. None indicated that they were dissatisfied. A few participants commented that they appreciated having this opportunity to be involved in the Housing Element update process and interact with City staff on the matter.
- **More time to review Housing Element draft and discuss (4):** A few survey participants expressed a desire for more time to digest the Housing Element draft and more time for discussion. They felt that it was a lot of information to take in. They also commented that there wasn't enough time for everyone to discuss.
- **More engagement opportunities (2):** A couple survey participants expressed a desire for more engagement opportunities to be available and to publicize them well.

### August 8, 2022 Open House

16 completed a meeting evaluation survey.

- **Most very or somewhat satisfied (13):** Overall, a majority of survey respondents indicated that they were very satisfied (7) or somewhat satisfied (6). However, one indicated that they were very dissatisfied. A few participants commented that they



appreciated having this opportunity to be involved in the Housing Element update process and have face-to-face interaction with City staff on the matter. One participant was unsure how this in-person format would scale if there were more meeting attendees.

- **Make information easier to understand (7):** A few participants commented that engagement materials at the meeting were too technical and needed to be made more digestible to the general public. A couple participants suggested that there should be more narrative to the information presented.
- **More structure and facilitated discussion (3):** A few participants expressed that they expected or wished the meeting was more structured with facilitated group conversation. There were a couple of other participants that appreciated the open house style format though.

#### Other

- **Lack of email newsletter communications (1):** One participant expressed their frustration with the lack of email communication and follow-up despite having signed up for the mailing list.

## 6) Appendix A - Transcription of Comments and Notes

### July 27th, 2022 – Online Meeting

Below is a transcription of the comments and questions captured by note-takers and facilitators during the meeting.

#### Ch 2: Housing Needs (Breakout Group)

- It seems like it does reflect the concerns of the community. My main concern is that the city acknowledges there's high housing needs. We need to find a way to emphasize affordable housing and market rate housing because trickle down housing is not working. I'm not seeing rent going down because people are moving into luxury condos.
- It's thoughtful and more progressive than other cities. I like that it talks about single-family homes and references the work of Richard Rothstein. I think it could be expanded upon so that it is clear to people how things like zoning for only single-family homes has been such a detriment to POC particularly because it is such a SJ problem. I would add that certain populations are specific to SJ, parts of the document seem generic to housing issues in general. I would like to see more specificity (e.g., we talk about the Asian population, but statistics look different when looking more specifically into the population, e.g., looking more specifically into Vietnamese population and Mexican population).
- One problem when it comes to housing discrimination is that being a landlord is not a real profession, a landlord is just some one who owns a piece of property and unless there is a management company that is involved, they don't know what the law is. In addition, they're prejudiced. When it comes to discrimination of familial status, a landlord thinks its okay to say "no children", but when a landlord does get wise to know what's going on, they say "I can't evict you because you have children". Being a nuisance can be a reason to evict someone, which can be a child. One way of addressing this is I think we need to put more money and resources into organizations and programs that do testing. Project Sentinel has done this in the past- testing having a white person and a black try to rent an apartment or a person with disability or LGBTQ people. It's really hard to prove that landlords are doing this without some sort of testing mechanism because most people are not going to come forth about being racist or discriminatory. (adding on): "Yes Project Sentinel has testers for Fair Housing complaints"
  - *Staff response: We do some testing, but I'm not sure what level. We'll record the feedback and follow up on it.*
  - *Staff response: It also means that someone has to file complaints. It involves making sure renters are educated and have resources about filing complaints and having better training for landlords.*
  - *Staff Response: About the fair housing complaints in SJ, for us the top violations for us are disability discrimination and source of income discrimination, so people with section*

*8 vouchers for example being denied housing. There's a state law and local ordinance, the state law superseded our local ordinance. One of our policy recommendations is to find a way to get authority to enforce state law from the state or get authority to enforce our own local ordinance against income discrimination.*

- I like that the staff considered previous comments for assessment of fair housing. There is an intersectional reporting of demographics for people with disabilities- this is missing from assessment of fair housing (housing cost burden, income).
  - *Staff Response: We're drawing really heavily from ACS data. A lot of what is available is persons of disability by race, by income, but the crosstab table wasn't available to us. If you have data sources or know how to get it, I'd really appreciate it.*
- I appreciate the amount of work that went into assessment of fair housing and incorporating local knowledge rather than just ABAG's data packets. We are looking for a focus on helping folks for the needs that are greatest. We want to make sure there is investment in communities where folks have lower-income.

### **Ch 3: Housing Needs (Breakout Group)**

- Sacred Heart is concerned that the Housing Element draft was not available in Spanish or Vietnamese—those groups are 50% of the population.
- The metrics column in the table is lacking specific numbers of units of affordable housing, and not enough details about what the City's actions will be to ensure the goal and strategy will be achieved.

The RHNA numbers for market-rate units are too high. We have too many vacant high-price apartments and homes. We need to focus more efforts on more affordable units.

I am disappointed that appendix H was not included. I want to know the number of people in each focus group. I want to know who the developers are who participated in the discussions and how many of them versus other participants.

How will rent stabilization be expanded? it would be good to mention the year and various units that will now be included.

- Can we reduce the rent stabilization cap below 5%?  
(We also need more accountability for the "support" of Permanent Supportive Housing. We just lost another PSH tenant in my building who was not receiving supports for crises in his life and ended his life.)
- Are you going to consider vacant homes tax?

Do you have a flowchart of the RHNA process? RHNA is on p.6:

<https://www.sanjoseca.gov/home/showpublisheddocument/88099/637941042008524246>



*Staff Response: This link goes to “RHNA 6” to show the allocations for our current housing element cycle [RHNA - Regional Housing Needs Allocation | Association of Bay Area Governments](#)*

- Most of the goals are pretty good. I don't see a goal that San Jose residents should never pay more than 30% of their income on housing. We should have that. Let's define our goal better and figure out a strategy to get there.

The draft falls short on analysis. There isn't an analysis of the last housing element cycle, why we fell short (on affordable units), why homelessness exploded. We need to know what went wrong and what we're going to do differently.

There are a lot of good strategies in the HE. I liked strategies on the expansion of ARO, outreach, advocacy, COPA, Preservation Policy. But a lot could be stronger.

We need to find a way to increase the Measure E tax. In SF, the transfer tax is high enough so that when large properties come up for sale, sellers run to the city so they can get the tax exemption. It would incentivize owners to sell to non-profits.

I did not see in the HE that we need to build more PSH. We need to be more forceful to defend the gains of Measure A. We should expand and extend it.

- We need basic explanations of the IMPACT of Measures A, B etc. Most of the public DO NOT understand and therefore DO NOT ACT
- Additionally we need to have more community education especially with regards to PSH and Affirmatively Furthering Fair Housing because there are some ppl in the april 2022 survey over 234 ppl did not like the idea of racial integrating neighborhoods. this needs to be addressed!!
- The El Paseo signature project is near my neighborhood. City of SJ needs to coordinate with the other nearby cities for transportation, school capacity. I think the schools will experience overcrowding in the future. Affordable housing preservation is important. The El Paseo signature project is a missed opportunity because most of the units will be for lease which doesn't allow for homeownership and wealth building, 994 apartments on 10.8 acres, its significant density. What is proposed is the minimum 15% affordable, and we think 20% would be more appropriate, and we are surprised that the affordable housing mix in this development doesn't match the RHNA numbers for very low income. The City should negotiate with the developer to get more affordable housing. This is a major city failure.
- I think San Jose needs more projects like El Paseo, it's an affluent area so market-rate housing makes sense, and because the developer had to provide a lot of parking and they agreed to union labor. I love the stuff about COPA and I hope to see it expanded. I like the rent control measures. Siting affordable housing in high-opportunity areas is great, and provides social justice. I like the small multi-family housing goal and look forward to more details on that. I would like to see more about PSH. I like the ministerial approval process, it works well at the state level SB35. I'm concerned to see the timeline for this (2025-2027) I hope that can be sped up.
- I'm concerned about the distribution of the 62 required units. It's sad that that number was decided for us, when we need more. I found the timing in the chapter confusing, to track the timing of fair housing. I found the dates confusing, and it's hard to track that matter. Issues of

Reparations for past redlined folks, and I could't find a strategy that specifically addressed that problem. I wish Ch 3 had measurable outcomes and defined deliverables. On constraints, there is no mention of community opposition as a constraint, this needs to be added. There is no mention of "Community Land Trust" that I could locate. Is there a reason?

- We have an inclusionary part of our HE that requires affordable housing. What percentage is required or recommended to supply: Answer: 15% is required. The levels of affordability are very low income, low income, and moderate income. I like:
  - P-7: City ministerial infill approval ordinance
  - P-11: Explore Allowing "SB 9" Type Housing on Additional Properties
- I think these will help us build more and build more densely in high-opportunity neighborhoods like Willow Glen. Let's not just meet SB 9 — let's go above it.
- I'm a field rep from the SJ Carpenter's Union. Labor standards need to be highlighted in the HE. We need to set the standard for living wages when we build these projects.
- We need more affordable housing in Willow Glen. COPA and Land Trusts are awesome, more please. I don't like I-5 for ADUs with a 2027 timing because it's too late.
- We should have an "opposed by" section to show community sentiment. Consider a lobbying section to get rid of CEQA to address the root cause of the housing crisis.
- I wanted to focus on section 3.3. Strategy S-1 was great in terms of specificity and we can see how these programs clearly move the goals forward. However, we should have similarly strong language on S-10 and S-29. Studies are necessary, but they need to drive action with clear metrics.

#### **Ch 4/5: Residential Site Inventory and Constraints (Breakout Group)**

- APN 46243003 off Monterey Road...Difficult to justify this as a viable site - what is staff's thinking?
- Was analysis done at the parcel level? Can't rely too much on non-vacant sites. Need to prove that it can be developed within the cycle Did this affect the buffer?
- What was the process for determining feasibility of site's listed? Where in the document can we find that? Want more detail on the feasibility of each site listed
- HCD comment letters harping on site development trends - key missing pieces:
  - Could elaborate more on developer interest
  - More on eliminating constraints to development - particularly LI units
  - Need a stronger discussion of market conditions
- Provide site inventory as an excel spreadsheet to make it easier to read and analyze. Also helpful to list all addresses for sites that just have the parcel number
  - 821 The Alameda + 1399 W San Carlos: Two pharmacies proposed for housing in the neighborhood; It would be great to keep one, unlikely that both turn into housing
  - APN 259-280-41: SAP Center parking lot - big fight with Google - probably want to keep for parking, if Sharks own that - what is the status?
  - Awkward site, end of cul-de-sac, along riverbank - seems like it should be removed
  - PROPOSED: 909 Park Ave, abandoned and burned down building
- Seems like the sites are disconnected from transit



- Need to do better with that! Example: Meridian and Curtner has two intersecting major lines connecting to job centers - Downtown SJ, mall, downtown Campbell - currently only has an R1 zoning
- Elected officials not pursuing Opportunity Housing b/c of SB - worst case scenario would be losing SB 9 - want to ensure the zoning is in place
- Allow more mixed use along major streets per DOT, increase height and density
- Constraints section seems more like a summary - with a single page on feedback from developers
  - More detail on constraints as a whole
- Second what's previously said
  - Low-income housing should be near transit
  - Confused about why some of the sites were chosen
  - It will be hard for residents to commute or go shopping unless they own a car
- Some places require parking and some do not
  - Council just approved no parking - why are some developers required to provide it in residential areas, but not in other areas?
  - Big problem for residents next to MF housing
  - Does not make sense when parking not required at sites that require cars
  - I belong to a residents association - parking has become a big issue especially on Eastside; fighting over it; cars blocking locations for trash cans on collection days; Downtown - they get permits; are you going to do permit programs in the areas where buildings authorized to not provide parking?
  - Want to maintain upkeep of properties - has City discussed these types of requirements?
- Liked the discussion on RHNA and regional mandates - glad to see this
- In the Diridon area, exciting to see more plans for housing in light industrial areas - like that approach
- Appreciate the legibility of the document, maps
  - Racial layers appreciated; enables good analysis of AFFH requirements
- Sites for AH - before City makes decision about putting new AH, how do they involve the neighborhood and get input on a site level?
- 3 sites in Westgate area - all considered LI
  - People with lower income are going to rely more on transit
  - Does not seem appropriate site for this use
  - What about putting in Downtown instead?
  - Concerns about traffic, if people driving cars
  - Consider all facts before making a decision
- Questions about the market constraints
  - Redlining



- Do we need better marketing/creativity?
- Need to be more lenient and flexible
- Need to focus on the greatest needs
  - Add more AH throughout the City to meet AFFH requirements, especially in high resource areas like West SJ
  - People need more choices in those areas
  - This needs to be real! No way to guarantee affordability.

### **Deep Dive (Report Back Summaries from Breakout Groups)**

- Housing Needs
  - For the most part the AFFH analysis is pretty thoughtful and process and has gone beyond what HCD is asking for
  - Bringing in more data for the connections between disability, race, and housing needs
  - Looking specifically at housing discrimination that landlords are perpetuating through family status and particularly people with children
  - Housing needs for victims of domestic violence
  - Testing for discrimination
- Goals, Policies, and Strategies
  - Wanting to see appendix info describing all community engagement information
  - Beef up evaluation of current element
  - Concerns about implementation of inclusionary zoning and how it works out in specific projects
  - Distribution downtown and specific neighborhoods
  - Wanting to see more specifics on metrics- how are we going to know we're hitting the mark? What does success look like?
  - More specifics about how things are actually going to be implemented
  - Support for preservation and protection strategies
  - What part does wage rates and labor standards play in this?
  - A lot of support for COPA
- Residential Site Inventory Constraints to Housing Production
  - Looked into whether or not individual sites listed were feasible- what is the formula or process
  - Some folks listed individual sites and asked if we could build sites
  - Gave suggestions of sites
  - Market conditions for building housing in certain places
  - General logistics of actual inventory itself- if the city can make it more accessible such as a spreadsheet with address
  - Transit access with spreading out housing
  - Liked maps, esp racial disparity maps
  - How can more community input occur
  - I am hoping that increased density will make it possible to increase bus frequency. My area is parking challenged and I support the move to reduce parking minimums. There are other solutions.



- “Here it is: This has to be real. Unfortunately, dots on a map does not mean we are actually going to build, or that new housing is going to be affordable in all of these places. It is extremely hard to tell from the long list of sites in the inventory, but the city needs to do everything that they can to make affordable housing a bright possibility.
- If we don’t have the resources, then we can’t build or preserve affordable homes. This translates into a constraint and we are always concerned that policies that generate these resources get watered down with exemptions and interests that seem to be more important. They are not. Land sellers, office builders and market rate home builders need to be accountable to the entire community.”
- “We should also acknowledge and mitigate homes along high traffic roads lead to those residents breathing more pollution due to auto use. We should allow side streets to have 3-4 level mixed use developments for safe and local businesses and new houses”
- Spanish
  - Rapidly rising rent- what can people do to get additional resources to help deal with rent increases and understand what their rights are and what is legally allowed in terms of rent increases both in units covered by city’s rent control ordinance
  - Cost of housing is too high- what can the city do about it? How can the city connect people to more resources?

### Aug 8<sup>th</sup>, 2022 - In Person Open House

Below is a transcription of all the comments and questions hand-written by meeting attendees on post-it notes and on the feedback survey. *Note: Some comments may not have been transcribed exactly due to the legibility of the hand-writing.*

#### Ch 1: Overview (Station)

<ul style="list-style-type: none"> <li>• Timeline is on time</li> <li>• Good number of community outreach</li> </ul>
Good outreach and background
La actualizacion del elemento de vivienda es importante para que nosotros los residentes ayudero a construir el futuro de San Jose reflejando nuestro necearde de medron le las recunarus. [Updating the living element is important for us residents to help build San Jose's future by reflecting our need for medron le recunarus.]
Es importante asistir y organizarse en las reuniones de la comunicdad para poder demostrar que en la union esta la fuerza que ayuda alas necesidades [It is important to attend and organize community meetings in order to demonstrate that the union is the force that helps those in need.]
Bien [Good]

#### Ch 2: Housing Needs (Station)

Thank you for including disabled community! But the #1 need is more housing with rent 30% of income (instead of indexed to the AMI). How will San Jose help enforce fair housing anti-discrimination? Need testers as well as advocates.

Neseditamos ayuda de resta apartamento muy caro.  
[We need help subtracting very expensive apartment.]

Viviendas comodas y en lugares con escuelas, clinicas, y que sean limpias y seguras.  
[Comfortable homes and in places with schools, clinics, and that are clean and safe.]

La necesidad de vivienda ha hecho que se desplace mucha gente mas rapido de lo que solucionan el problema.  
[The need for housing has caused many people to move faster than they solve the problem.]

Include more opportunities for community controlled land, co-ops, space for CLTs to have opportunity to purchase.

Stop listening to NIMBYs who don't want anyone in their neighborhood who isn't rich.

Expand transit & Stop VTA from canceling routes.

More affordable housing @ VTA

Need to expand rent control - get Costa-Hawkins repealed if needed.

Need to collect the commercial linkage fee & housing impact fee. Keep/report data of fees assessed and collected. Increase Fees and stop making exemptions.

Need alternatives to current investor-based / real estate industry developing housing. Social housing, co-ops, land trusts, government owned buildings.

Collect and report metrics on how much housing is built—S-22 only measures # of community meetings, not units/homes built

Provide: Healthcare, Local Hire, Living Wage, Apprenticeship Programs

La comunidad nesecita contralar los altos precios de renta.  
Construir viviendas asequibles.  
[The community needs to control the high rent prices.  
Build affordable housing.]

K todos los apartamentos tengan control de renta  
[K all apartments are rent controlled]

What role can land back play? So much of SJ's land was stolen originally, and the community land trust

are ways to repair and repay.

Construir viviendas asequibles para los residentes de cada código postal, que tengan la preferencia en nuevas viviendas

[Build affordable housing for residents of each zip code, who have preference in new housing]

- Focus on where needs are greatest. This isn't going to work w/o focusing on lower-income/lowest income folks.

- Need more than just market rate housing. We're falling short in creating affordable housing for everyone [can't decipher] the city. We need to understand how/why we're falling short and be very creative.

- Need to address both the needs of the unhoused and vulnerable populations who have homes but are on the brink of losing them.

- Very visionary and topline, not a bad thing. Keep the element focused.

El costo de vivienda en San Jose es demasiado caro comparado con los ingresos familiares mercado familiar en guadalupe sin hogar debido a estos costos es muy difícil encontrar lugares con alquileres accesibles [The cost of housing in San Jose is too expensive compared to the family income family market in guadalupe homeless due to these costs it is very difficult to find places with affordable rents]

Las personas. Necesitamos viviendas asequibles en lugares seguros, limpios y con todos los servicios pero es muy triste que las personas de bajos ingresos no tengamos la oportunidad de acceder a ellas. [People. We need affordable housing in safe, clean and fully serviced places but it is very sad that people with low incomes do not have the opportunity to afford them.]

Tenemos que parar las altas precios de las viviendas especialmente en las latinas [We have to stop the high prices of housing especially in Latinos]

Mucha información [A lot of information]

### Ch 3: Housing Needs (Station)

more support for community land trust

support expanding rent stabilization to more units  
need more complete plan

Need to empower tenants to use their rights

Community land trust + more preservation

for Goal 3

- Include standards for construction
- Enforce the wage order 16 (private)

- Local hiring policy
- Prevailing wage requirements - Apprenticeship requirement
Goal: help people that build the housing to afford living here too
- Need enforcement mechanisms - Labor compliance is under-staffed
More resources for mental health + PSH on-site
- Provide healthcare - Provide apprenticeship - Provide living wage - Local hire
¿Cómo o cuál es el plan para proteger a los que rentan? [How or what is the plan to protect those who rent?]
Area standard labor - Healthcare? - Living wage? - Apprenticeship programs? - Local Hire?
Goal O - targets as a 2 year plan
Bed for 100% of unhoused. Only then can existing laws be enforced. Plan as it is will not allow laws to be enforced. (Sleeping on public land)
AB 2011 - like Labor enforcement mech, union or skilled labor as ministerial reg.
I support many of the policies listed in this section, especially ones that protect renters from displacement. Some programs should be more specific. There should be more programs to empower tenants.
- Rent control units needed - Protect renters — we're not building affordable housing quick enough and the community / CBOs in these decisions - Many policies are in danger of becoming political and watered down - We also need to empower renters. The power dynamics between landlords and renters. Needs to be much more balanced. Empower renters to organize into tenant unions.

- Policies/programs should respond to the housing needs.
- Details plans are needed for the policies/programs: need to be specific, measurable, no "study" or "explore," actionable, and should discuss how they'll be done (steps).

Definitely support H-13: finding CBO's to partner with whose core competency is in long-term relationship-building and education well before a project announced (months or years/not weeks)

I-7: come with plan to have all city publications in Spanish + Vietnamese while ensuring translation at all City meetings

Add repealing/reforming Costa Haskins to allow for San Jose to expand rent control to the city's legislative agenda

We need more policies directly addressing homelesses that clearly create a solution that will get people housed and keep people housed

se leverre ercduan mas viviendas a baja costo para aquellas personas residentes con un salario miniaro o ingresos demasiado bajo y proteger a las inguilinas para no ser dejaloandos [provide more low-cost housing for those personal residents with a minimum wage or income that is too low and protect the inguilinas so as not to be abandoned]

Tener realmente la oportunidad de comprar a precios accesibles en lugar en lugar de estar rentando toda la vidos. [Really having the opportunity to buy at affordable prices instead of renting the whole lot.]

Importancia de que, a como suben los precios de las viviendas también deben de dar un lugar limpio y seguros [Importance that, as housing prices rise, they must also provide a clean and safe place]

Interesante [Interesting]

#### **Ch 4/5: Residential Site Inventory and Constraints (Station)**

Developers need to be "good neighbors" and maintain the site properly before construction starts. Also obey construction regulations.

Nix, get rid of in-lieu of fee — build affordable housing 30% AMI (+1)

Door knock / All hands on deck for a project to get built.

More housing downtown + everywhere

Educate people on who lives in affordable housing

Talk to high resource areas so we can all come together

Stagger streamline for outreach esp. in high resource areas

Local hire?
Livable wage?
Healthcare?
Apprenticeship program?
Include preservation # in the requirements - make sure that the housing that exists remains affordable
Please address parking needs - Identify when SB35 is too impactful - Need >> 1 parking spot/unit Please ask Ruth to consider an example sent to heu on 7/28/2022 from Ken Schnebeli, which surveyed the available spots compared to newly required spots.
Where is luxury development happening?
Why is investment concentrated in the west side?
Valley Palms "affordable housing" is seeing a 20% increase in rents
Urban Villages are not for low [income?] , POC — they can't displacement
Estas nuevas inversiones afectan a la población de bajos ingresos [These new investments affect the low-income population]
El hacer tonta construcción afecta más de lo que ayuda una pregunta por hacerse [Doing silly construction affects more than it helps a question to be asked]
Tomar en cuenta los salarios más bajos para hacer sus cálculos. Hay quienes no ganamos 50,000 dolares al año. [Take into account the lowest wages to make your calculations. There are those of us who do not earn 50,000 dollars a year.]
"- Not so clear which sites will be [not clear] and to what. - Affordable housing is needed throughout the city — especially in high/highest resourced areas, but also in the communities we love and work, plus communities that struggled to [can't read] from racist policy like redlining and are trying to undo the remnants of these past actions - The site inventory should be reflection of the policies and programs and AFFH to make the sites a reality - Need more site-specific investor"
Constraints - no mention NIMBYs





<ul style="list-style-type: none"> <li>• Good, sensible recommendations to address challenges &amp; barriers</li> </ul>
<p>Community oppositional/NIMBYism needs to be listed as a constraint. This kills more projects than almost anything and we need solutions to it.</p>
<p>Very opaque. Honestly I'm college educated and I'm not really sure what to make of this information or the goals for this session. I think more explanation in plain simple language or as a narrative would be more accessible.</p>
<p>Es preocupante que estas inversiones afecten a la comunidad de bajos ingresos. [It is worrying that these investments affect the low-income community.]</p>
<ul style="list-style-type: none"> <li>- Incrementar las incentivos para viviendas asequibles</li> <li>- cutimxr el analizar medioambientes as como la asistencias para obtener personas para una vivienda digna</li> </ul>
<ul style="list-style-type: none"> <li>[- Increase incentives for affordable housing</li> <li>- cutimxr the analysis of environments as well as the assistance to obtain people for a dignified life]</li> </ul>

### Online Web Form Comments

Below are the comments submitted verbatim from the online web form.

#### Ch 1: Introduction

<p>I am writing to provide my input on your discussion on rent regulation measures in the city. I have done research on this topic and here are key points of my findings: more rent control will only suppress supply of housing and will hurt tenants and increase rent in the long run.</p>
<p>"Equitable and inclusive" goals sound very inequitable. Many neighborhoods are already very diverse, and where they aren't, it is primarily for reasons other than past inequities. Just because someone is poor, that doesn't mean it is due to inequities. San Jose's housing stock growth should be limited as much as possible since we are drastically overcrowded, and future growth is questionable and overestimated. The city is already very short on parks, and other city services will be over taxes. One goal is "to offer a wider range of housing choices for everyone in the City," Yet the City is trying to destroy single-family neighborhoods. Diversity of housing choice is important also. The City should be challenging state laws and doing everything possible to apply them as narrowly as possible or make them ineffective when possible. The city should stop helping people add ADUs, and make sure there are no subsidies in any way for extra units added in existing neighborhoods.</p>
<p>While I had previously submitted my email for alerts, I never received any. The outreach seems lacking and is geared towards supporters and non-profit partners vs the public at large.</p>

#### Ch 2: Housing Needs



Moderately higher rates of home ownership by non-Hispanic whites is due primarily to the fact that they have been here longer, as the City states earlier in the report, not because of discrimination. My neighborhood and many others are very diverse, and some of the lack of diversity is because more recent immigrants chose to live in areas with other people more like them, not because white people prevented them from moving into other neighborhoods. And it's not the city's job to solve homelessness--push the county and state to do more, and get the mentally ill and addicts into secure facilities where they can receive the proper care instead of spending a huge amount of money putting them in housing where they will continue to have and cause many of the same problems. Housing needs might be greatly overestimated. We should work on preserving the quality of life for current residents, not for others who might come here in the future. If we don't build it, they won't come.

### Ch 3: Goals, Policies, and Strategies

We need to limit SB9 applicability as much as possible, not explore allowing it on additional properties. We should not keep subsidizing affordable housing, especially on a permanent basis or for permanent low-income housing for the homeless. People need to learn to take care of themselves or move somewhere less expensive. And the more subsidies provided, the more rich people benefit by getting cheaper labor for their business and home service providers, but middle class people who pay so much taxes don't use much of this cheap labor. Instead of subsidies, the city needs to designate certain areas for micro-homes that poorer people can afford without subsidies. And don't give amnesty to law-breaking illegal ADU owners. That isn't fair to folks who built legally, and the city's lack of enforcement in the past is partly to blame for so many people flooding into the city and adding to the overcrowding problem. Don't make it worse.

It appears to be a very general and flowery presentation of the same policies that don't seem to be working. Where are the new ideas or pilot programs?

I saw that there was a goal (P-7) to allow for ministerial approval of infill housing with certain affordability requirements, which I think is great, but I would like to see the city adopt ministerial approval for more types of housing. Discretionary approval for too many types of projects slows down development of much needed housing.

I encourage the city to look at adopting form-based codes to allow for consistent neighborhood character, but not slow down development with onerous review and approval processes. Many US and int'l cities have adopted such codes and have seen positive results.

Fully support the goals, objectives, policies and programs. Excellent.

### Ch 4: Constraints

Stop destroying single-family neighborhoods with secondary units. Now you want to add crappy little trailers to cause even more blight. That isn't right. Single-family should mean single-family. Fight the state on the issue and make it as hard as possible for someone to add ADUs of any type, or make it impossible.

Did you consider trees?

## Ch 5: Site Inventory

Put your efforts into changing laws and rules so owners of low-density apartments can build up higher, sometimes much higher, if they are not close to single family neighborhoods. An example is on Almaden, south of Whole Foods. That run-down apartment community could go to 10 stories or so without seriously impacting other neighborhoods, and it is close to shops, restaurants, grocery stores, and services. Those are the types of developments we need, where it would not be unfair and seriously impact the quality of life for existing homeowners.

You missed a site! Please add 4846 Harwood Rd, San Jose, CA 95124 (near Camden and 85) to the Sites Inventory. This lot has several businesses which have been closed and gated off for a few years. It's a great spot for housing: it's already in a nice neighborhood, and it's near a wonderful park, a few schools, a grocery store and other shops, the 85, and a VTA park-and-ride. We should build housing here.

What are you doing to ensure equitable canopy coverage within these new development or low income areas? Many sites come in and remove all of the trees and then never replace them. Trees need to be considered in development and there should be requirements or efforts to retain trees with Housing design or updates. The City is experiencing a large loss of canopy and I can believe that that is due to the development of new properties and trees being bulldozed. Canopy coverage in low income areas is extremely low and canopy coverage is not equitable across the City. Trees provide many benefits for all aspects of our lives, beauty, mental health, shade, habitat, and INCREASED PROPERTY VALUE. Trees should be an aspect of this plan to stop the loss of canopy and make our City greener and more desirable to live in.

When looking through the Housing site inventory map it seems that there is a lack of many sites near VTA stations which would be good locations to promote more housing development to encourage transit usage. If lots near them aren't on the housing site inventory list for this cycle because there is already development planned or ongoing near them that is great, but I feel like more could be done to encourage development near them, especially along the green line south of Diridon station.

I also feel like there could be more opportunities for sites along W Julian St near The Alameda as there are large parking lots that are under used and these would be a great location for housing in an area with a good community and even more potential. I'm encouraged by the sites on The Alameda that could hopefully be used to convert underutilized parking/buildings to build more housing, but I think even more could be done in this neighborhood.

I'm unclear why Walgreens was chosen as one of the sites. Unless Walgreens already planned to relocate nearby, it seems as if replacing it with housing is still a loss of access to convenient products and services for the area. Rather than targeting places that are still functioning, it may be best to primarily consider abandoned or barely used business properties. There are plenty in the business district. To remove access to this pharmacy and other convenience goods, it does a disservice to the nearby community.



Enthusiastically support Opportunity Housing and other innovative approaches to increase stock and share responsibility.

## General

Your map is next to useless. It needs to show densities on the entire map. It needs to include the ability to click on a parcel and see its details. Who wants to bounce back and forth between the map and the spreadsheet?

I am a retiree with a duplex rental. I worked to purchase it, i pay to maintain it, i pay prop taxes and rent below market. This is what i live on. SO tired of renters having more rights than i do. Duplexes/SFD's should be left free of rent control. Just another reason so many folks are fed up and are leaving the state. There are THOUSANDS of new apartment buildings recently completed or under construction. Havent you already put the city on a very bad track with sb9-10? Property owners are being forced to accept irreversible changes that will only cause MORE crowding, crime, traffic. All the hills along 101 are empty, fill those with housing and extend light rail. Would be nice to be able to vote on these changes... leave the mom and pops that make barely nothing to live on alone. When renters have more rights than property owners, maybe its time to vote out the ones making those decisions, or take my tax dollars elsewhere while you ruin what used to be a lovely area.

We should preserve the quality of life by limiting growth. We need more park and green space, not less. We need to protect our tree canopy and unpaved ground for water percolation. We need to add housing only where appropriate and we need to do what is fair and right, which is preserve single-family neighborhoods, which means do everything possible to make it difficult or impossible to add units on single-family lots. And population growth estimates are probably very overblown. Let's do what we can to limit population growth, not encourage it. And let's stop wasting so much money on the homeless while only making the problem worse. We need an entirely different approach. Most of the homeless are mentally ill and/or addicts, and they are an immediate danger to themselves or others in many ways, they can't even take care of themselves, so the should be in secure facilities where they can get the care the need.

The plan continues to seek ever more governmental regulatory and price controls over San Jose housing which will lead to less investments, deteriorating buildings, and discrimination against highly skilled, highly educated immigrants from Asia who want high quality market rate housing. The document is a highly politicized, biased, discriminatory document that does not take into adequate consideration the housing needs of highly skilled workers that will develop the scientific, technological, and entrepreneurial breakthroughs of the 21st century. The document should be rejected and replaced with a document that converts all housing to market based housing within one year. Why does the City need to hire housing consultants to meet its metrics when it has substantially expanded housing department employees? Does it not have confidence in the workers it hired to perform the required analytical work? The Community Opportunity for Ownership program will like lead to corruption.



I'm familiar with some of the sites in south San Jose. In general, they would be good and appropriate sites for housing. However, I think a good number of these sites are unlikely to become housing. For example, APN 56901099 gets frequent use as a church; have you checked with the church to see if they want to build housing? APN 45141068 is a busy lot with seven existing businesses. 56945063 and 52733017 also both host several businesses. I'm not confident these sites will become housing, and if they do, I think the local neighborhoods will have lost something in the process (like good restaurants!). APN 56918058 is a lovely little orchard and farmstead. It is not vacant (contrary to your data). I actually talked to the owner, and they are not interested in selling or developing that plot of land. I think we need to build more housing, and I'm excited to see us moving in that direction! I just think a good number of sites listed in the inventory are unlikely to develop as such.

We are not living in China or Russia. In United State of America we used to follow the rule of demand and supply. Do not pressure peoples that struggles for many years to have some relief when they get old. If I didn't work that hard when I was young I have to live with \$1100 social security in Bay Area and that is a shame for this government .

This is the first engagement activity opportunity presented to me. It is ridiculous to think that this area can handle even more housing. We don't have enough parking, water, electricity or landfill capacity to support the population we already have. The increased housing is going to degrade the established neighborhoods even more than they have become. The 'homeless' crises has been caused by you and these ADU's will do nothing to help. The only reason you keep adding more people is not to provide workers for industry, but to increase the numbers of those who you can tax. You have decimated industry for the sake of tech all to the detriment of society as a whole. With the whole covid farce, you have proven that tech does not need workers in giant campuses to function. Therefore we do not need more housing. The amount of shuttered buildings we have should have well enough space to house those we don't need. We don't need more units crammed into the too small of lots we have.  
FAIL

I see the goal of 62,000 units but I do not see any cost or budget analysis? I also do not see a "need" estimate and that projected cost? ie How many people today (and projected) in San Jose would currently be eligible for housing and what is that cost? We want to see the full budget and the analysis. Please include on-going costs.

How come people in Section 8 housing on Ohlone have a spare bedroom to be able to host foster kids?? My parents told me I shouldn't snitch on people I know, just guide general policy - so here I am, pointing out to you that this happened. My foster kid moved to this place.

Build more. Build everywhere you can. Incorporate and build out transit. Resist car dependent infrastructure. No parking minimums. No more parking lots. Design spaces for people. Human sized.

Please stop spending our tax dollars on solving housing needs. This problem is not for city to address. Encourage private sector and charity to do so. City governments are tailored to maximize use of dollars and therefore expensive way to solve it. The corruption is clear. San Jose city bought a property in San Jose and were housing homeless people evicted from Apple grounds in San Jose until



citizens there protested. That is an example of how our tax dollars are being misused. To help save Apple's face.



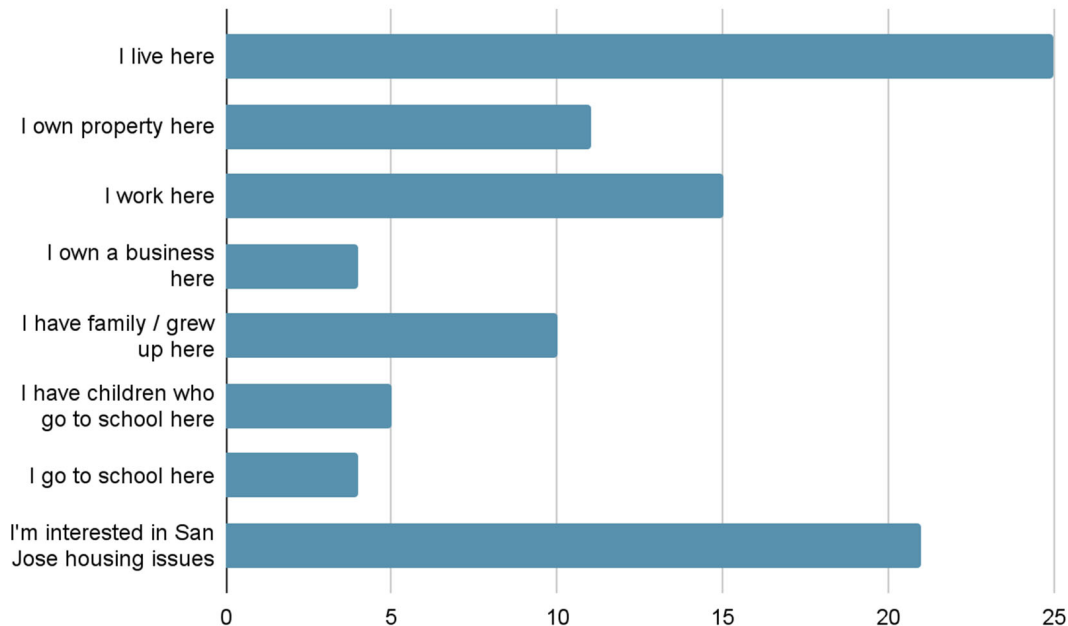
## 7) Appendix B - Detailed Demographic Summary

The following is a detailed summary of the results from the demographics survey that was administered at each of the community meetings.

### July 27th, 2022 Virtual Community Meeting

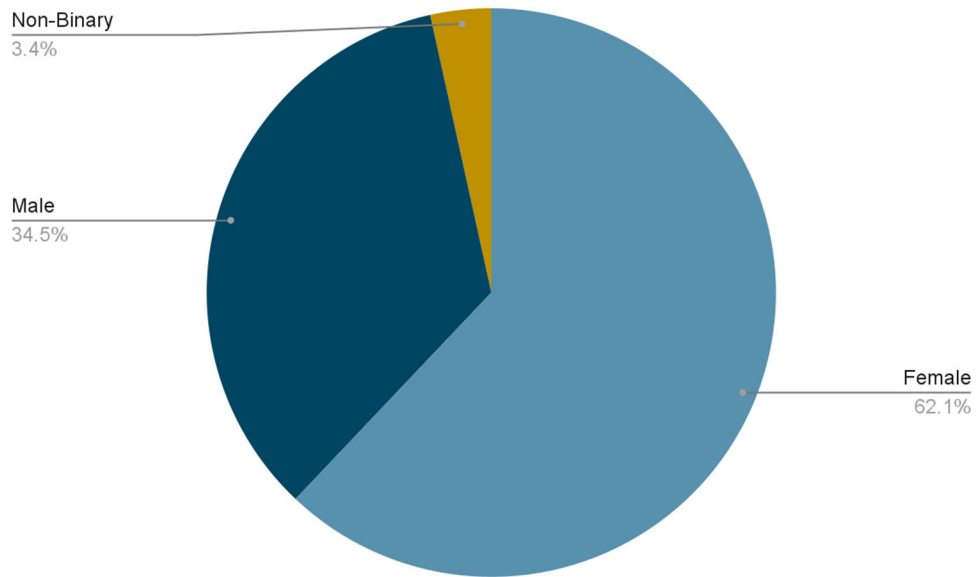
31 people completed the demographic survey for the July 27, 2022 Virtual Community Meeting. Note this section only summarizes the demographics of a partial sample of meeting attendees, for total meeting attendance was 38. Survey participants were also not required to answer every question. Some survey questions were multi-select.

**Relationship to the City:** A majority of survey participants have some relationship to the City of San Jose (29). Most survey participants indicated that they live in the City of San Jose (25). Nearly half indicated that they work in San Jose (15). Around a third indicated that they own property in the City of San Jose (11) and/or that they grew up here or have family who live there (10). Some also indicated that they have children who attend school (5), go to school themselves (4), and/or own a business in the City of San Jose (4).

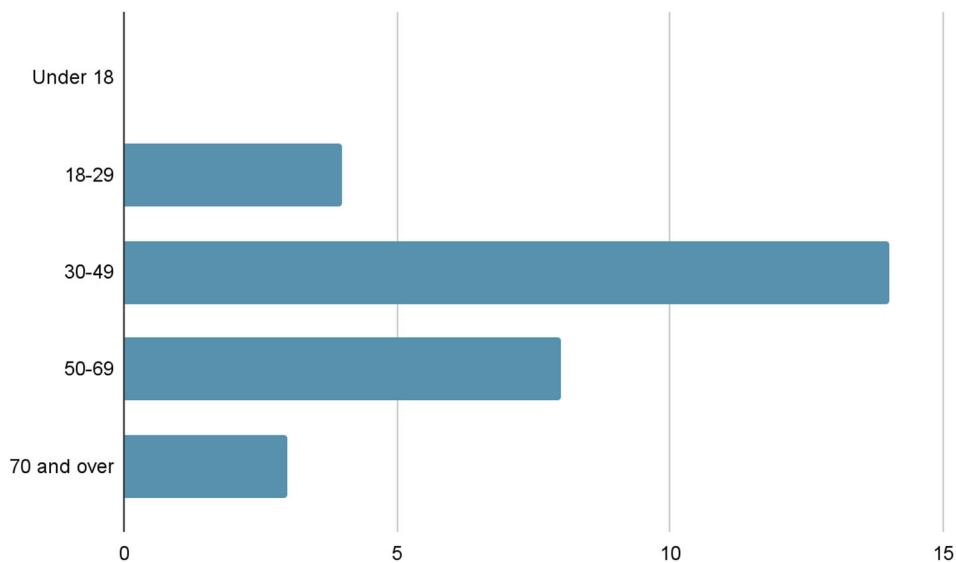


**Zip Code:** Many survey participants indicated that they reside in 95112 (7), followed by 95127 (4). The following zip codes were also represented: 95148, 95136, 95130, 95126, 95125, 95124, 95123, 95122, 95121, 95119, 95112, 95111, 95110, 94538, 94041, 94040, and 93637.

**Gender:** A majority of survey participants indicated that they are female (18), while close to a third indicated that they are male (10). One survey participant identified as non-binary.



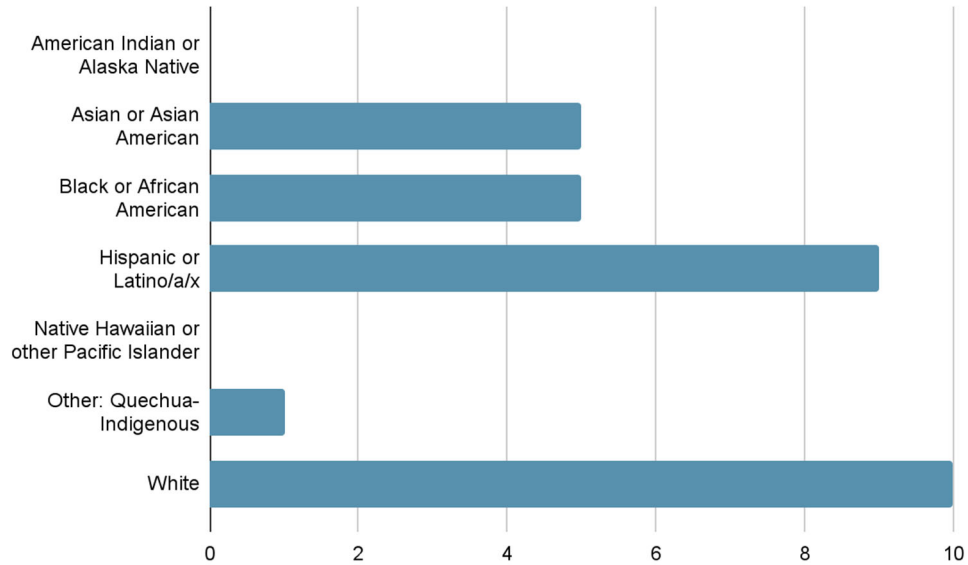
**Age:** Most survey participants indicated that they are between 30-49 years old (14), followed by those that indicated 50 years or older (11). A few indicated that they were younger, between 18-29 years old (4).



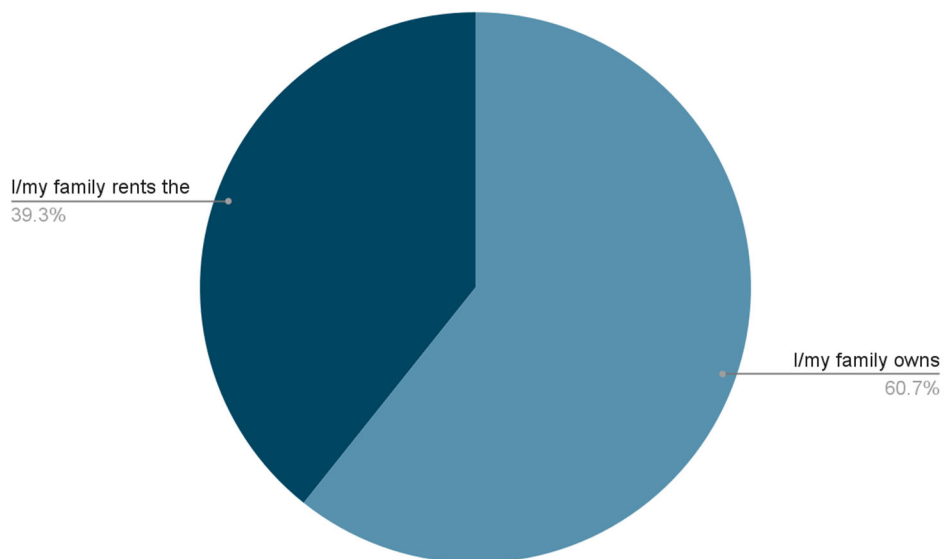
**Race:** A third of survey participants identified as White (10). Another third also identified as Hispanic or Latino/a/x (9). A few identified as Asian/Asian American (5) and Black/African



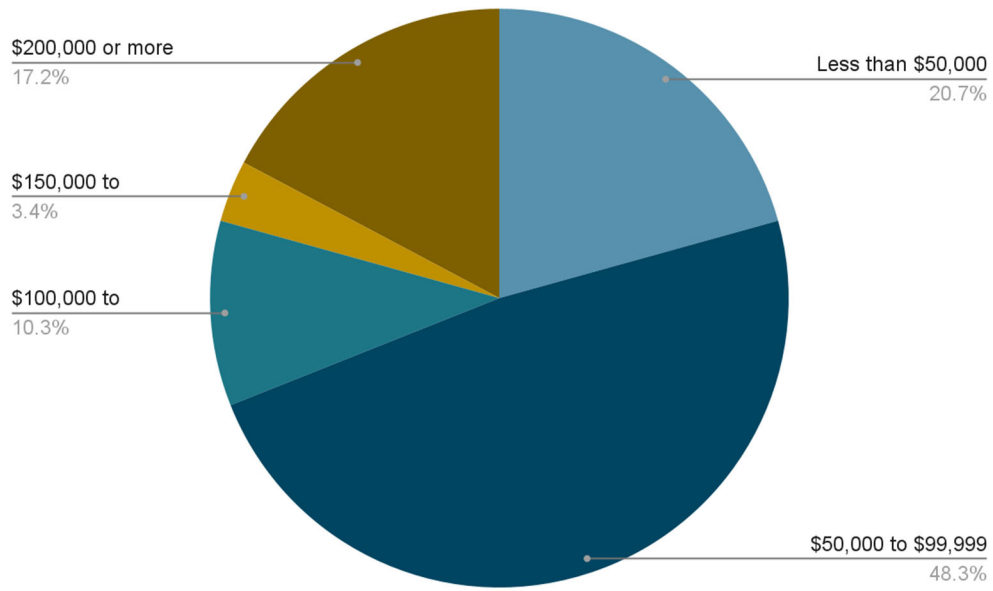
American (5). Two identified as multiracial. Note: there was an issue selecting more than one answer choices, so those who identified as multiracial left a clarifying comment.



**Housing Situation:** A majority indicated that they/their family own the home they live in (17), while the remaining participants rent their home (11).



**Household Income:** Most survey participants indicated that their household income is between “\$50,000 to \$99,999” (14). Following that is: Less than \$50,000 (6), \$200,000 or more (5), \$100,000 to \$149,999 (3), and \$150,000 to \$199,999 (1).

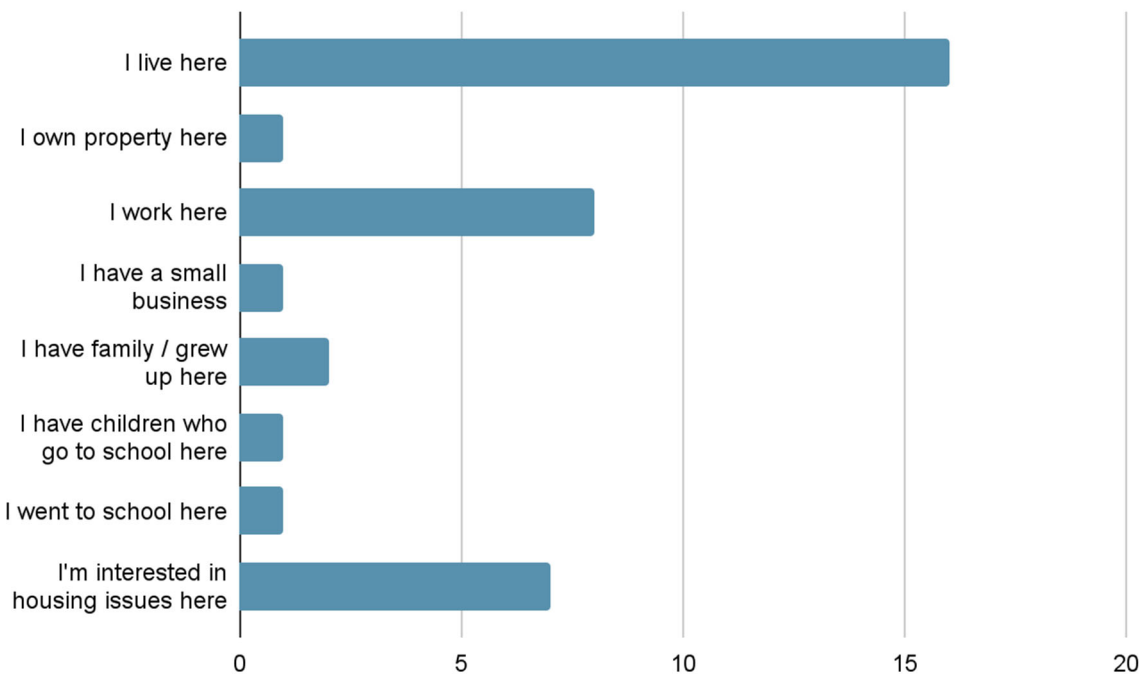




### August 8th, 2022 Open House

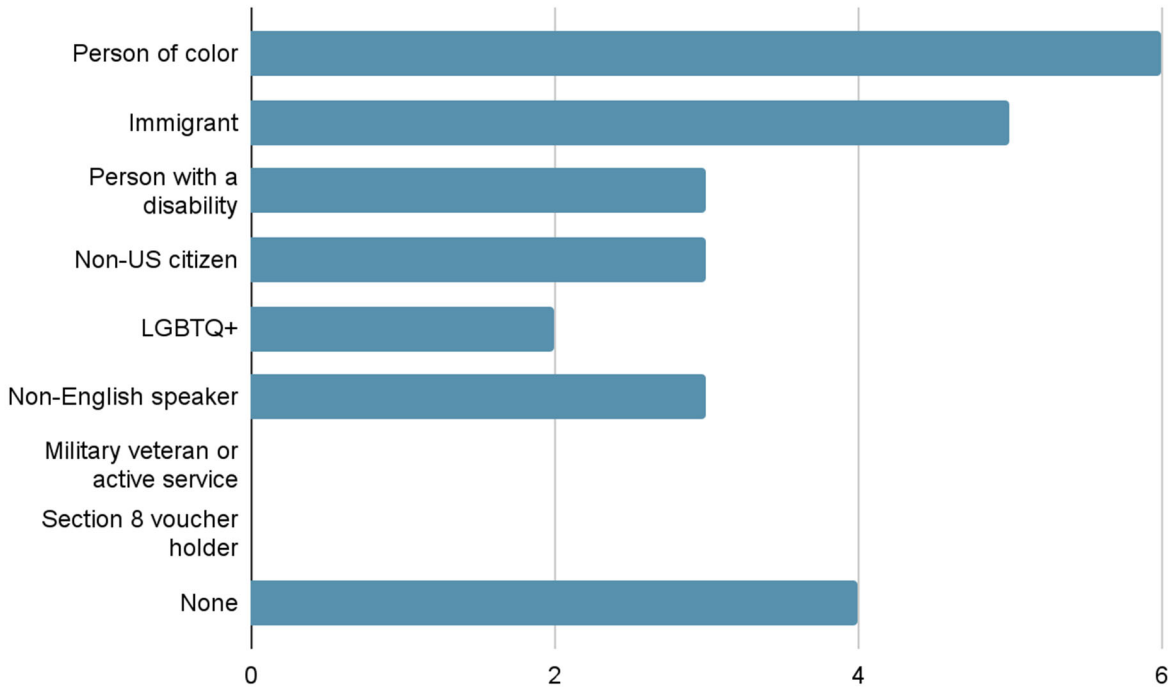
19 completed the demographic survey for the August 8, 2022 Open House. Note: This section only summarizes the demographics of a partial sample of meeting attendees, for total meeting attendance was actually between 30-40. Survey participants were also not required to answer every question. Some survey questions were multi-select.

**Relationship to the City:** A majority of survey participants have some relationship to the City of San Jose (18). Most survey participants indicated that they live in the City of San Jose (16). Many indicated that they work in San Jose (8).

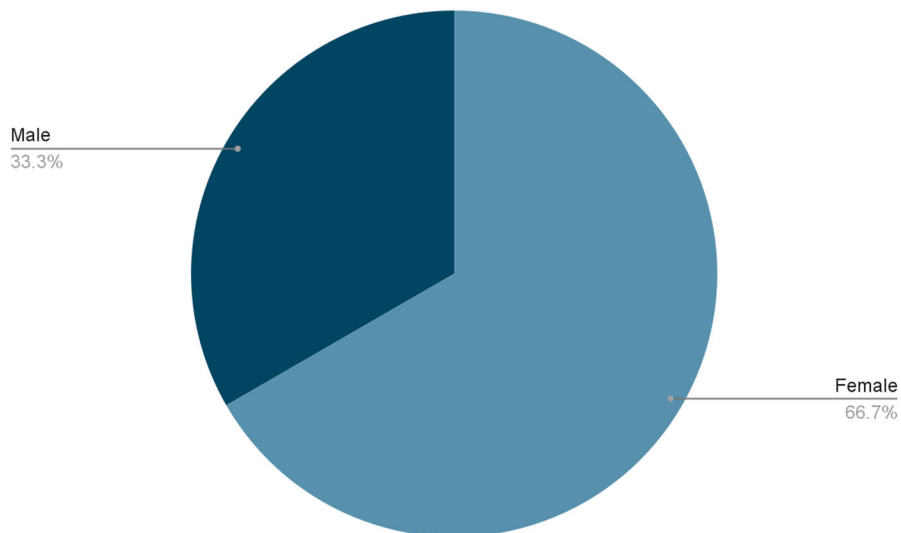


**Zip Code:** Many survey participants indicated that they reside in 95112 (5), followed by 95122 (4). The following zip codes were also represented: 95132, 95131, 95118, 95116, and 95032.

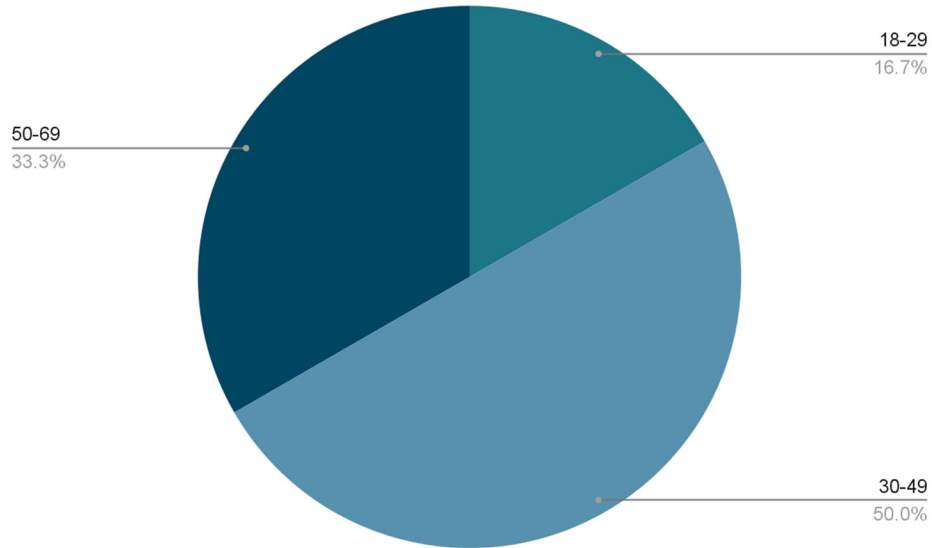
**Identify with a protected class:** Many survey participants identify with at least one protected class (13): Person of color (6), Immigrant (5), Person with a disability (3), Non-US citizen (3), Non-English speaker (3), and LGBTQ+ (2).



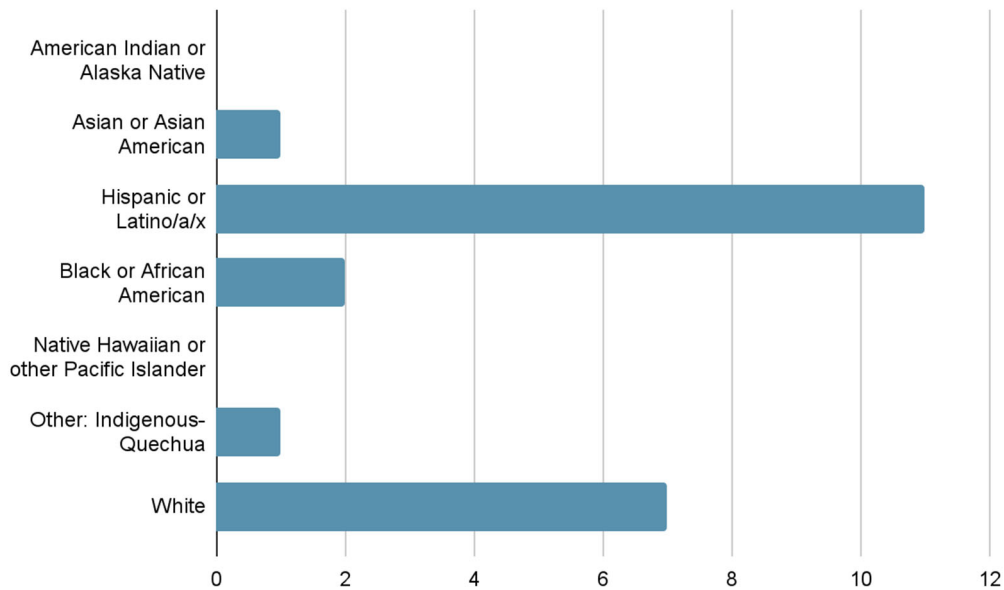
**Gender:** A majority of survey participants indicated that they are female (12), while the remainder indicated that they are male (6).



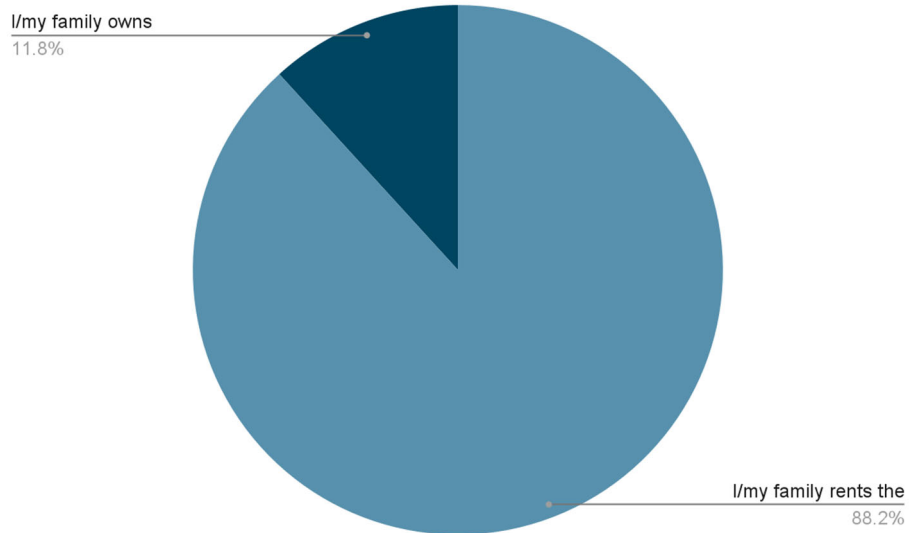
**Age:** Most survey participants indicated that they are between 30-49 years old (9), followed by those who indicated that they are 50 years or older (6). A few indicated that they were younger, between 18-29 years old (3).



**Race:** Most survey participants identified as Hispanic or Latino/a/x (11) or white (7). A small number of survey participants identified as Black / African American (2) or Asian / Asian American (1) as well.

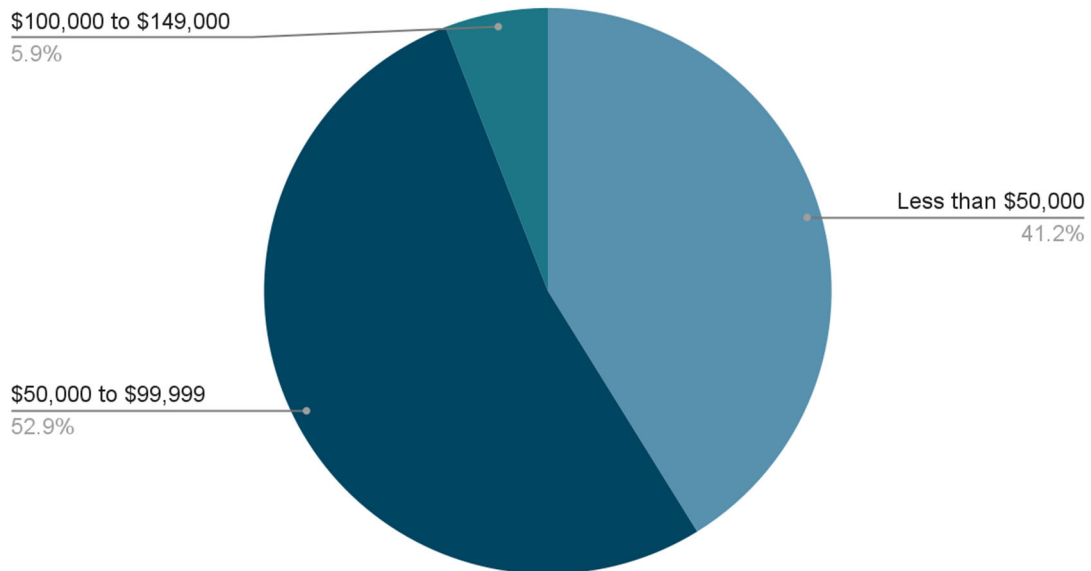


**Housing Situation:** A large majority of survey participants indicated that they/their family own the home they live in (15), while few participants rent their home (2).



**Household Income:** Most survey participants indicated that their household income is between \$50,000 to \$99,999 (9) or less than \$50,000 (7).

Points scored



# Sacred Heart Community Services (SHCS) Housing Action Committee

## 08.01.22, 6PM via Zoom

### 8 Participants

1. Testimonies shared, themes included need for more affordable housing, tenant protections and rent control.
2. Questions:
  - a. Can you describe how much legal flexibility the City has to change the Apartment Rent Ordinance to better protect people with fixed incomes, who have low income (below 30% AMI) or even moderate-level income?
    - i. (Response in italics) *Limits determined by state. There are some limits and degrees of freedom. For example, Costa Hawkins limits homes subject to rent control to those built before 1979. Another limitation is City Council must vote to change the ordinance, staff can make recommendation.*
  - b. Can we add language to the Housing Element to reduce the maximum increase below the current value of 5%+ inflation (S-29)?
    - i. *Lower than 5% increase must be approved by City Council.*
  - c. Can ARO cover buildings before 1994?
  - d. Can ARO include duplexes and single-family homes?
  - e. How much has been collected in Commercial Linkage Fees (CLF) since implementation in 2020? How can the City make sure that it receives its money, which is desperately needed to augment the Affordable Housing Fund? Would the City consider increasing the CLF, especially considering the fact that this year in March it has been decreased by 20%? Can language be added to the Housing Element P-25 that eliminates the possibility for exemptions and increase the commercial linkage fee?
  - f. Affordable Housing
    - i. How long do you let people know about an affordable housing project?
    - ii. Staff should think outside the box; help with outreach
  - g. Social Housing (subsidized sliding scale housing):
    - i. See Sacramento and check out AB 2053 authored by Alex Lee and cosponsored by Ash Kalra
  - h. Success of 5<sup>th</sup> cycle goals
    - i. Completed almost 90% of strategies
    - ii. We have strategies in place to support housing thru funding, zoning, etc.
    - iii. Is the funding there, is the land properly zoned?
    - iv. What are some of the policies that San Jose plans to implement that will make housing more accessible to communities of color (Black, Indigenous, Latino/Latinx, Asian and Pacific Islander), low-income, fixed income, LGBTQ+, disabled and senior citizen communities?
      1. *We put a lot of effort into this draft; put stuff in there above and beyond what the state is requiring of us.*

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# Meetings Summary

Housing Element Update Outreach  
May 2<sup>nd</sup>, June 1<sup>st</sup>, and June 4<sup>th</sup>, 2022

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## 1) Engagement Overview

In May and June 2022, the City of San José held a series of community meetings to gather feedback for their 2023-2031 Housing Element update. This outreach was intended to help meet the City’s requirements to Affirmatively Further Fair Housing and focused on the draft goals, strategies, policies, and programs. All three meetings offered interpretation in Spanish and Vietnamese. The meetings times and formats were as follows:

- |                                |                |           |
|--------------------------------|----------------|-----------|
| 1. May 25 <sup>th</sup> , 2022 | 6:00-7:30 pm   | Online    |
| 2. June 1 <sup>st</sup> , 2022 | 6:00-7:30 pm   | Online    |
| 3. June 4 <sup>th</sup> , 2022 | 10:00-12:30 pm | In person |

In total, approximately 100 community members attended the three meetings. Each meeting consisted of a short presentation on the Housing Element update process from City of San José staff; an overview of the results from a community survey on draft goals, strategies, policies, and programs; and small group discussions.





The small group portion was handled slightly different in the online meetings compared to the in-person meeting. During the online meetings, community members chose two topics to engage with from the list below. After a presentation by city staff, stakeholders shared their thoughts on the draft programs presented. For the in-person meeting, the participants discussed all the topics sequentially in small groups and voted on their favorite ten policies and programs.

The small group discussions topics included:

- Access to Rental Housing
- Housing Production
- Homeownership
- Homelessness
- Neighborhoods

## 2) Demographics

The audience was relatively diverse. A majority of community members who participated in the three meetings were renters (53%), women (69%), and between the ages of 30-49 (40%). Most attendees at the in-person June 4<sup>th</sup> meeting were Spanish speakers.

## 3) Key Takeaways

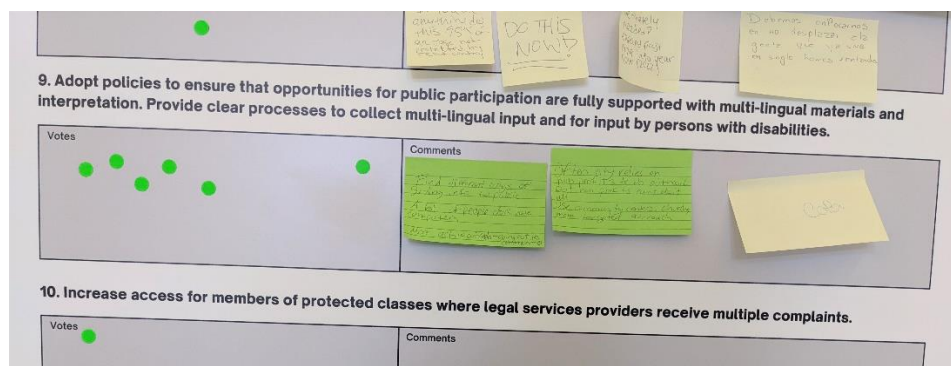
### Overview

Community members brought a variety of perspectives and recommendations on the draft strategies and policies and programs the City presented. Several themes arose across the three meetings:

- **Corporate ownership:** Participants voiced frustration with corporate ownership of San José's housing stock and felt it denied opportunities to ordinary households.
- **Alternative ownership models:** There was significant interest and support for alternative ownerships structures such as limited equity co-ops and COPA (Community Opportunity to Purchase Act).
- **Displacement:** Community members were concerned with their neighbors being able to stay in San José and voiced support for anti-displacement policies such as local preferences for affordable housing and the expansion of the City's rent stabilization ordinance. Many participants mentioned COPA as an important anti-displacement policy.
- **Extremely low-income housing:** Many San José residents want the City to prioritize policies and programs to expedite development for those with extremely low incomes.

Below are the policies that received the most votes during the in-person meeting. (While community members voted in the online meetings, it was used as a tool to start the conversation, rather than evaluate policies.) Vote totals for all draft policies and programs can be found in the appendix.

<b>Access to Rental Housing</b>	<b>Votes</b>
1. Expand the City’s Rent Stabilization Ordinance.	10
2. Support opportunities for multilingual public participation, including for people with disabilities.	6
<b>Housing Production</b>	
1. Streamline CEQA for Planned Urban Villages.	7
2. Assign an Affordable Housing Navigator.	5
3. Update the Density Bonus program.	5
<b>Homeownership</b>	
1. Explore and support alternative models of home ownership.	19
2. Update and re-implement a home ownership program to be more relevant to targeted communities.	9
<b>Homelessness</b>	
1. Prioritize and build homes for extremely low-income individuals and families, including permanent supportive housing.	14
2. Facilitate easier conversion of hotel/motels and other non-conforming buildings to homeless housing through changes to the City’s codes.	8
3. Increase outreach to neighbors on supportive housing models.	6
<b>Neighborhoods</b>	
1. Prevent displacement of residents through programs and policies such as COPA and anti-displacement tenant preferences.	19
2. Explore increasing inclusionary housing requirements in high resource areas.	8
3. Invest in nonprofit organizations based in low resource areas to engage in community development activities and to advocate for equity.	6





Below is a summary of the draft policies and programs that received the most comments or votes across the three meetings with key takeaways from the discussion of each. The vote count is only representative of the in-person meeting.

## Access to Rental Housing

- **Expand the City’s Rent Stabilization Ordinance (Votes: 10)**
  - Many participants felt the Rent Stabilization Ordinance has allowed lower-income community members to continue to live in San José. Most community members at the meeting wanted to expand the ordinance to include duplexes and/or single-family homes and newer homes built after 1979 (if allowable under state law). They also wanted the City to lower the yearly allowable rent increase rate.
- **Fully support opportunities for public participation with multilingual materials and interpretation. Create clear processes to collect input from persons with disabilities, including those whose primary language is not English. (Votes: 6)**
  - Community members supported more opportunities for public participation in a variety of different languages to make engagement more inclusive. Several community members said the City should conduct more active and targeted outreach by going where people are. For example, the City could hold pop-up events at churches, markets, and other community hubs.
  - Some nonprofit partners who attended the meetings said the City often relies on them for more targeted outreach. These organizations tend to operate on a small budget and with limited resources and nonprofit partners suggested the City compensates nonprofits adequately for this work.

### Other important comments

- **Code Enforcement and Habitability:** While the City did not initially present draft strategies around code enforcement and habitability standards, community members expressed a desire for stronger code enforcement programs and anti-retaliation policies.

## Housing Production

- **Streamline CEQA for Planned Urban Villages.** (Votes: 7)
  - Participants were supportive of streamlining CEQA environmental review for individual projects to lower development costs and create housing more quickly.
- **Assign an Affordable Housing Navigator to help affordable developments with planning approvals and obtain the permits necessary to start construction.** (Votes: 5)
  - Community members believed a single or primary point-of-contact at the City to help affordable developments achieve planning approvals would speed up the process.
- **Update the Density Bonus program.** (Votes: 5)
  - Participants supported expanding the density bonus law where eligible projects could receive increased incentives, such as height or additional units. Some community members cautioned against reducing open space and parking requirements as incentives, since many lower-income families work in jobs that require a car and want open spaces for their children.

## Homeownership

- **Explore and support alternative models of home ownership, such as community land trusts, co-ops, and tenancy-in-common.** (Votes: 19)
  - There was strong support for alternative models of homeownership such as limited-equity cooperatives, and other models for permanent affordability. Participants voiced that city funding is important to make such programs successful. A number of residents also highlighted COPA as a way to get more affordable housing.
- **Update and re-implement a home ownership program to be more relevant to targeted communities.** (Votes: 9)
  - Certain groups, such as single mothers, older adults, people with disabilities, and undocumented immigrants, need tailored programming and support to overcome specific challenges in homeownership.

#### Other important comments

- **Improved public information and outreach of City homeownership programs:** Many community members are unfamiliar with the City’s homeownership and other housing programs. Community members said more promotion of these programs is needed and suggested that the City partner with other agencies and local business to spread the word.
- **Centralized web resource:** Another suggestion was for the City to create a “one stop shop” website for all their housing programs.
- **Diversity of housing types:** Community members would like to see the development of missing middle housing, such as duplexes, townhomes, and fourplexes, because these housing types provide more affordable options for moderate-income homeownership.

### Homelessness

- **Prioritize and build homes for extremely low-income individuals and families, including permanent supportive housing.** (Votes: 14)
  - A substantial number of community members supported prioritizing homes for extremely low-income households. When discussing support services, they recommend a model where management coordinates with the county so residents have access to a variety of support services, particularly for those in recovery or for substance users.
- **Facilitate easier conversion of hotel/motels and other non-conforming buildings to homeless housing through changes to the City’s codes.** (Votes: 8)
  - Participants generally supported this strategy and felt it was important in addressing both the time and cost of building housing. They felt this was an effective use of underutilized buildings and a way to house individuals more quickly.
- **Increase outreach to neighbors on supportive housing models.** (Votes: 6)
  - Community members were generally supportive of this program. They particularly liked the idea of training and compensating community-based organizations to conduct outreach and disseminate information.

#### Other important comments

- **Evictions:** Some pointed out that it is very easy for landlords to evict tenants and tenants are sometimes evicted based on clerical errors. Both evictions and a record of evictions contribute to homelessness. Some participants suggested the City provide additional safeguards for tenants to prevent unnecessary evictions.

## Neighborhoods

- **Prevent displacement of residents through programs and policies such as COPA and anti-displacement tenant preferences.** (Votes: 19)
  - Many community members voiced supported for anti-displacement strategies, including tenant preferences as an important tool to retain lower and moderate-income residents.
- **Explore increasing inclusionary housing requirements in high resource areas.** (Votes: 8)
  - Participants felt this was an important program to increase access to amenities for lower income families and some suggested a local preference policy for extremely low-income families for below-market rate (BMR) units in high resource areas. Further, some mentioned this was important because much of the City's affordable or BMR housing is currently situated in areas with high environmental pollution, making it an environmental justice issue.
- **Invest in nonprofit organizations that are based in low resource areas to engage in community development activities and to advocate for equity.** (Votes: 6)
  - Partnering with community organizations or nonprofits that already have a presence and existing relationships in low resource areas was identified as another important strategy by a group of community members.



## 4) APPENDIX

### June 4th, 2022 – In-person meeting vote counts

<b>Access to Rental Housing</b>	<b>Votes</b>
1. Expansion of the City's Rent Stabilization Ordinance	10
2. Support opportunities for multilingual public participation, including for people with disabilities.	6
3. Create policies that encourage more moderate-income housing such as land use policies that allow for greater density in low-density neighborhoods or financing programs that incentivize the development of moderate-income housing.	4
4. Use zoning and other land use tools to promote affordable housing.	
5. Encourage housing developments around transit stations.	4
6. Increase availability of Fair Housing services such as legal representation, enforcement, outreach/education, testing, etc.	4
7. Analyze needs and create incentives to develop affordable housing for protected class groups.	4
8. Increase access for members of protected classes where legal services providers receive multiple complaints.	4
9. Increase access for members of protected classes where legal services providers receive multiple complaints.	2
10. Streamline the City's permit process for affordable housing.	2
<b>Housing Production</b>	
1. CEQA Streamlining for Planned Urban Villages.	7
2. Assign an Affordable Housing Navigator	5
3. Update to the Density Bonus program	5
4. Temporary reduction of City construction taxes for affordable housing - Reduction of certain construction taxes for projects containing 100% affordable units to help lower costs to build.	4
5. City of San José ministerial approval process for infill projects - Projects meeting certain objective standards would be approved under a streamlined approval process.	3
<b>Homeownership</b>	
1. Explore and support alternative models of home ownership.	19
2. Update and re-implement a home ownership program to be more relevant to targeted communities.	9
Update and re-implement a home ownership program to be more relevant to targeted communities.	3
Increase participation by legally protected groups in programs for buying homes.	3
Expand counseling services for first-time home buyers.	2

<b>Homelessness</b>	
1. Prioritize and build homes for extremely low-income individuals and families, including permanent supportive housing.	14
2. Facilitate easier conversion of hotel/motels and other non-conforming buildings to homeless housing through changes to the City's codes.	8
3. Expand where shelters can be located by-right throughout the City and streamline the entitlement process to increase the speed of creating and number of emergency interim housing and shelters.	7
4. Increase outreach to neighbors on supportive housing models.	6
5. Provide housing subsidies to participants of workforce training programs to increase their stability and access to living wage jobs.	5
6. Increase access to supportive housing programs for people in protected classes by addressing racial and other biases in the shelter and permanent housing programs.	2
<b>Neighborhoods</b>	
1. Prevent displacement of residents through programs and policies such as COPA and anti-displacement tenant preferences.	19
2. Explore increasing inclusionary housing requirements in high resource areas.	8
3. Invest in nonprofit organizations that are based in low resource areas to engage in community development activities and to advocate for equity.	6
4. Adopt an Affordable Housing Siting Policy to encourage City-funded affordable housing to be located in high-resource neighborhoods.	5
5. Improve housing in low resource areas through preservation/acquisition/rehabilitation programs and targeted code enforcement.	5
6. Explore new funding sources for increasing affordable housing (both rental and homeownership) in high resource areas.	3
7. Coordinate investments across City programs and departments to prioritize lower-income, racially-segregated areas.	3
8. Create new funding sources that would target low resource areas.	3
9. Increase fair housing monitoring, enforcement, and education (especially regarding source of income discrimination) in high resource neighborhoods,	3
10. Create programs and incentives for more people in low resource or other priority areas to access high resource areas.	3



## **Notes for Presentation to SPUR Policy Board**

**Date/Time:** 2/24/22 @9:40am

**# of attendees:** 9

### **Comments/Questions:**

- Can ADUs be counted towards meeting the 62k RHNA goals?
- The private market controls much of what gets developed, knowing this, how is the City approaching the 6<sup>th</sup> cycle differently?
- How big is the vacant homes/vacancy issue in SJ?
  - SF is taxing vacant units
  - HCD Guidance is against taxing vacant units because vacancies help stabilize market
  - SF tax is for vacant units that are NOT on the market
- How many units currently exist in SJ? How does that compare with 62k we are planning for?

Survey Results – January 2022

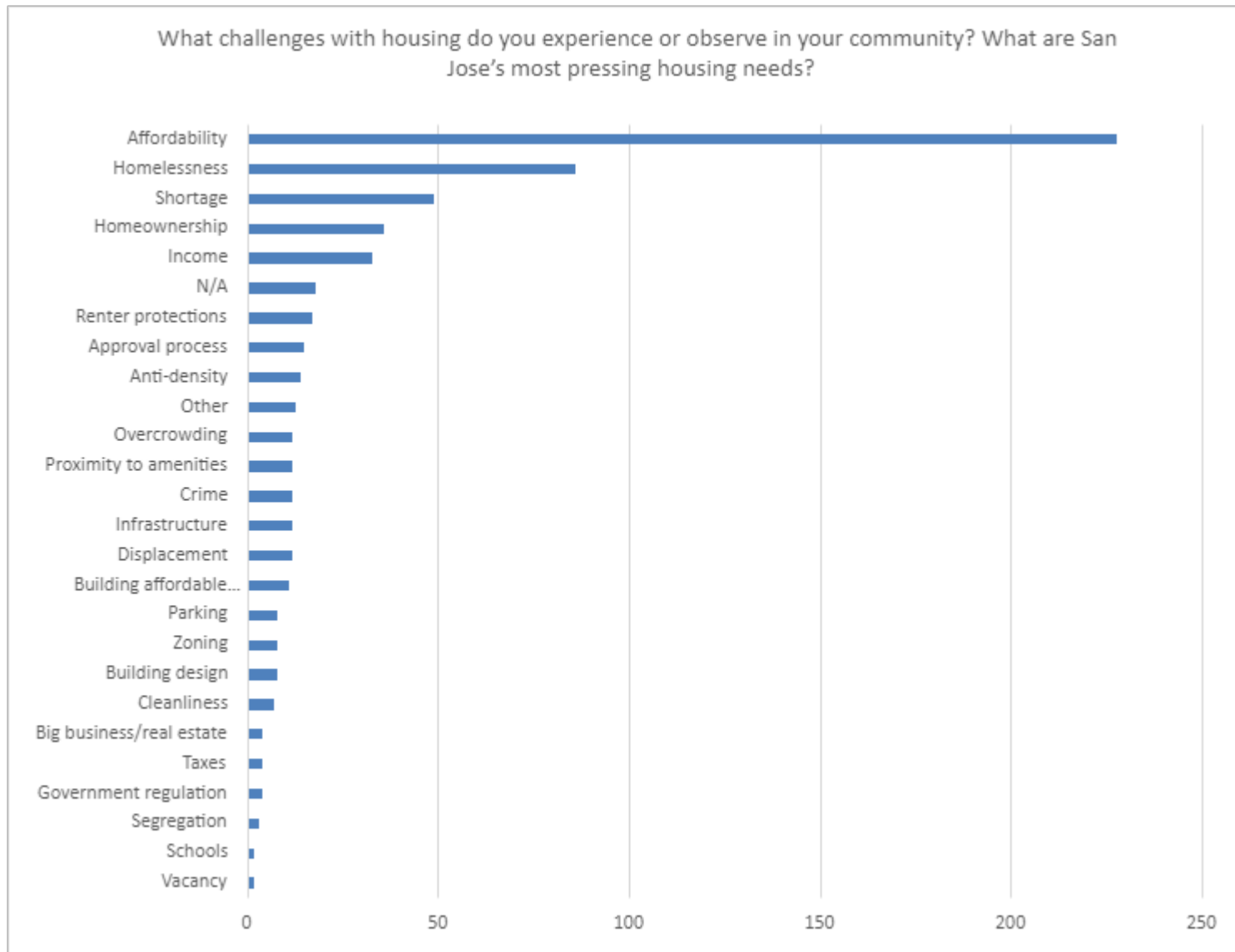
Q1. Pick up to 3 housing issues that you think are the most important.

Answer Choices	English	Spanish	Vietnamese	Total	Percent
Discrimination	23	22	6	51	8%
Displacement	33	12	8	53	8%
Other (please specify)	57	24	7	88	14%
Rental instability/insecurity	62	35	22	119	19%
Overcrowding (too many people living in one home)	76	47	40	163	25%
Fair access to healthy, safe neighborhoods with good job opportunities, schools, and transportation	101	43	36	180	28%
Lack of homeownership opportunities	80	107	92	279	44%
Homelessness	214	47	24	285	45%
Affordability	228	66	113	407	64%
Total	335	155	150		640

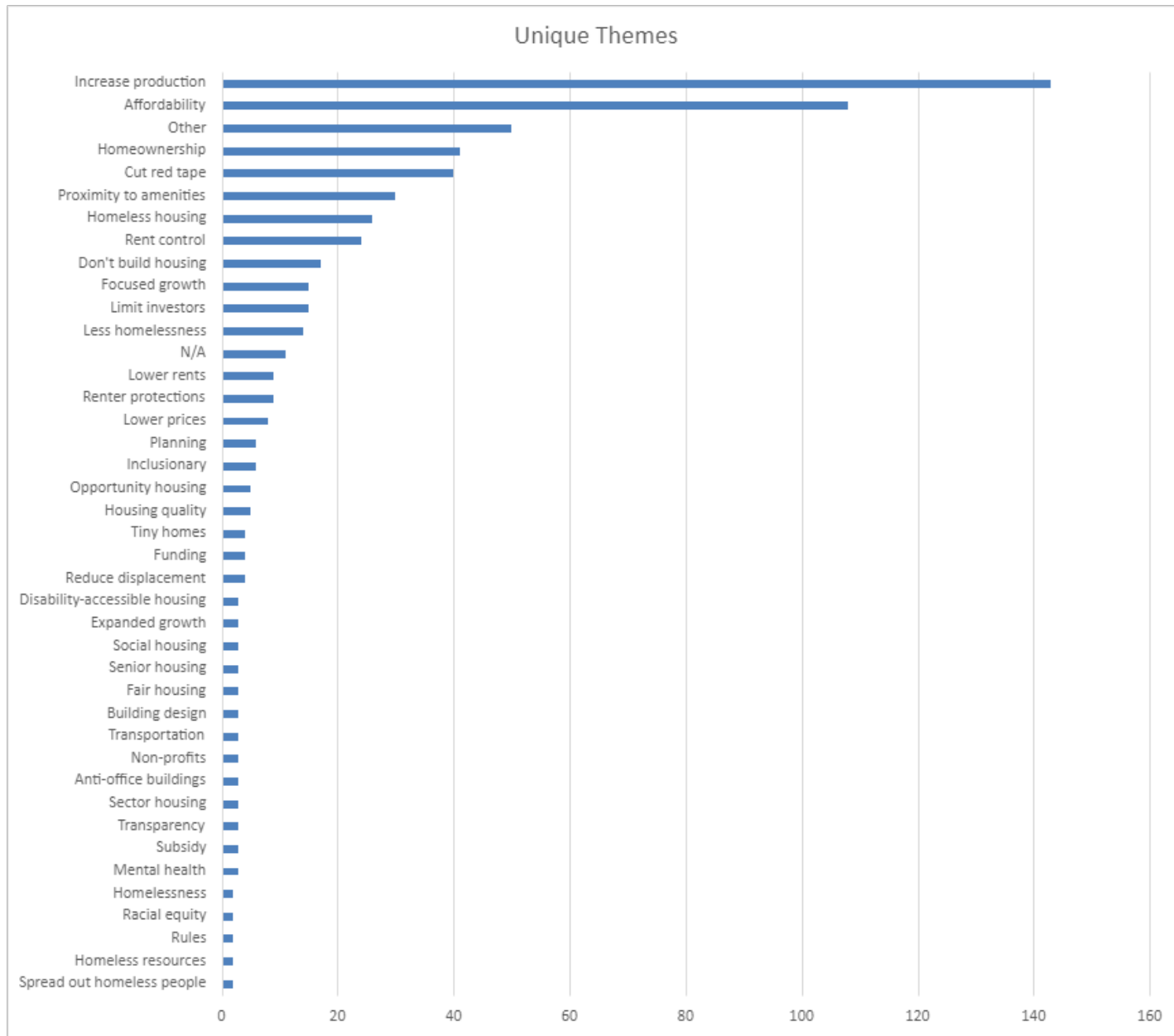
Q2. Pick up to 3 housing goals that you like the most.

Answer Choices	English 1	English 2	Spanish	Vietnamese	Total	Percent
Addressing housing discrimination	2	37	29	17	85	13%
Other (please specify)	9	69	9	9	96	15%
Preventing developers from demolishing existing homes without replacement	12	71	22	12	117	18%
Increasing protections for renters	5	57	66	42	170	27%
Reducing barriers to housing production	21	105	25	45	196	31%
Building more homes for people experiencing homelessness	17	111	53	38	219	34%
Creating more homeownership opportunities	17	105	115	105	342	53%
Planning for more affordable homes near community amenities (schools, grocery stores, parks, etc.)	25	152	82	94	353	55%
Total	44	291	155	150		640

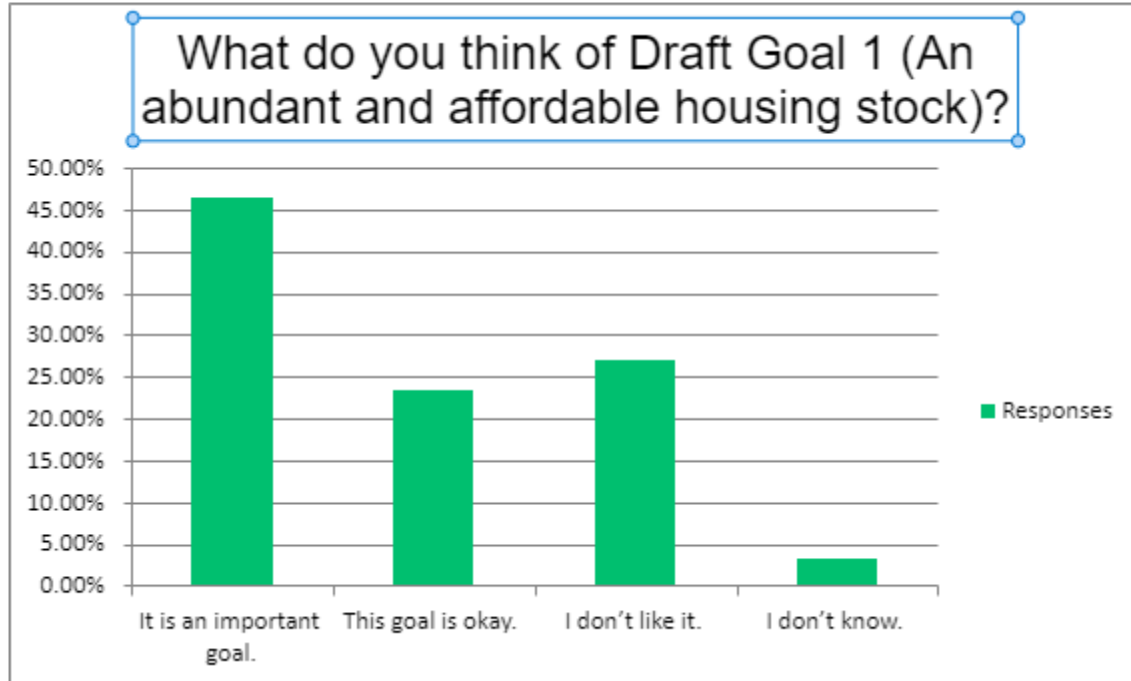
Q3.



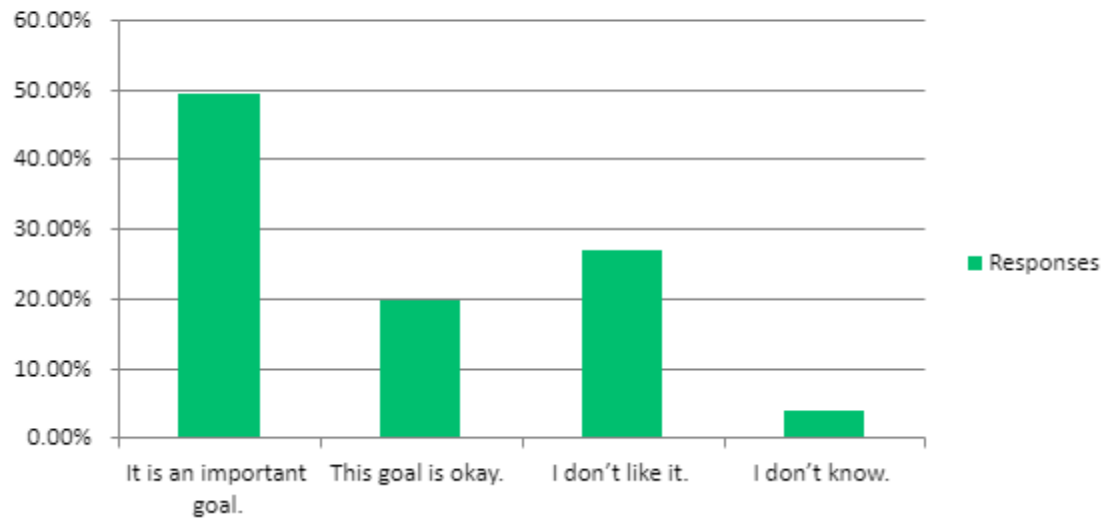
Q4.



Survey Results – April 2022



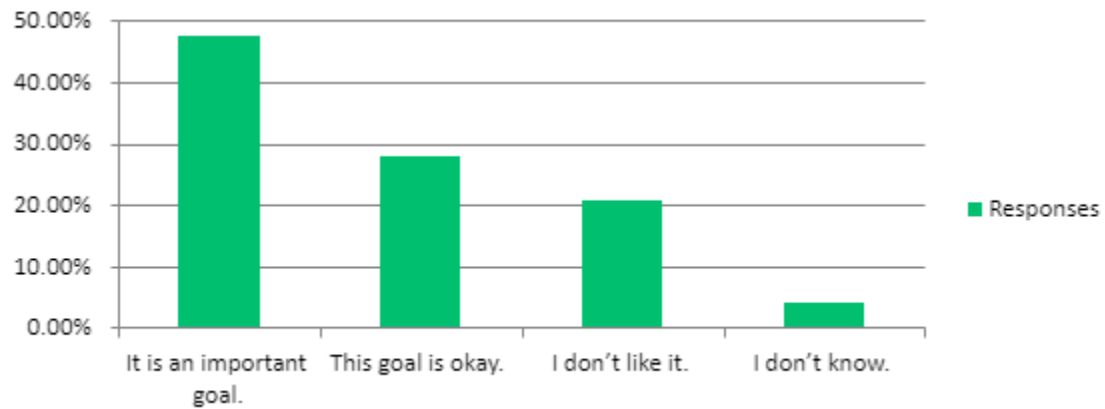
## What do you think of Draft Goal 2 (Prevent and reduce homelessness)?



### What do you think of Draft Goal 3 (Housing stability and opportunities to build wealth for all residents)?

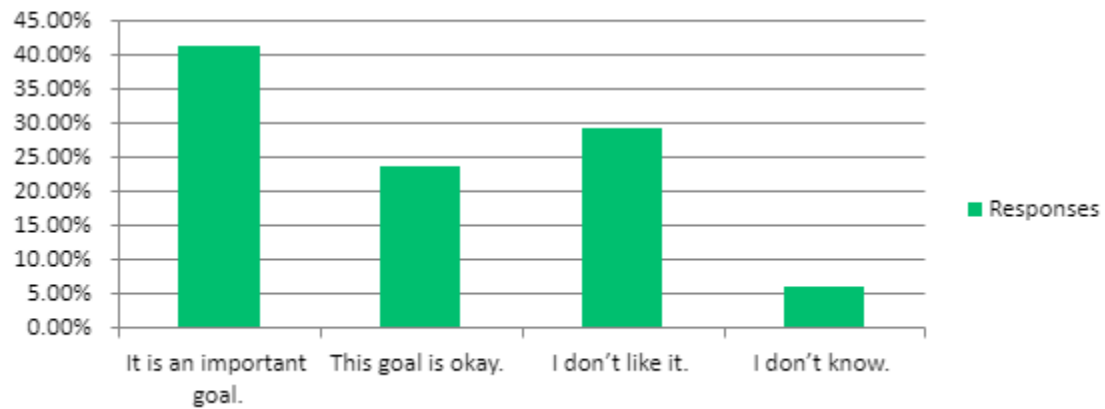


What do you think of Draft Goal 4  
(Inclusive neighborhoods with access to  
good jobs, schools, transportation, and  
other resources)?

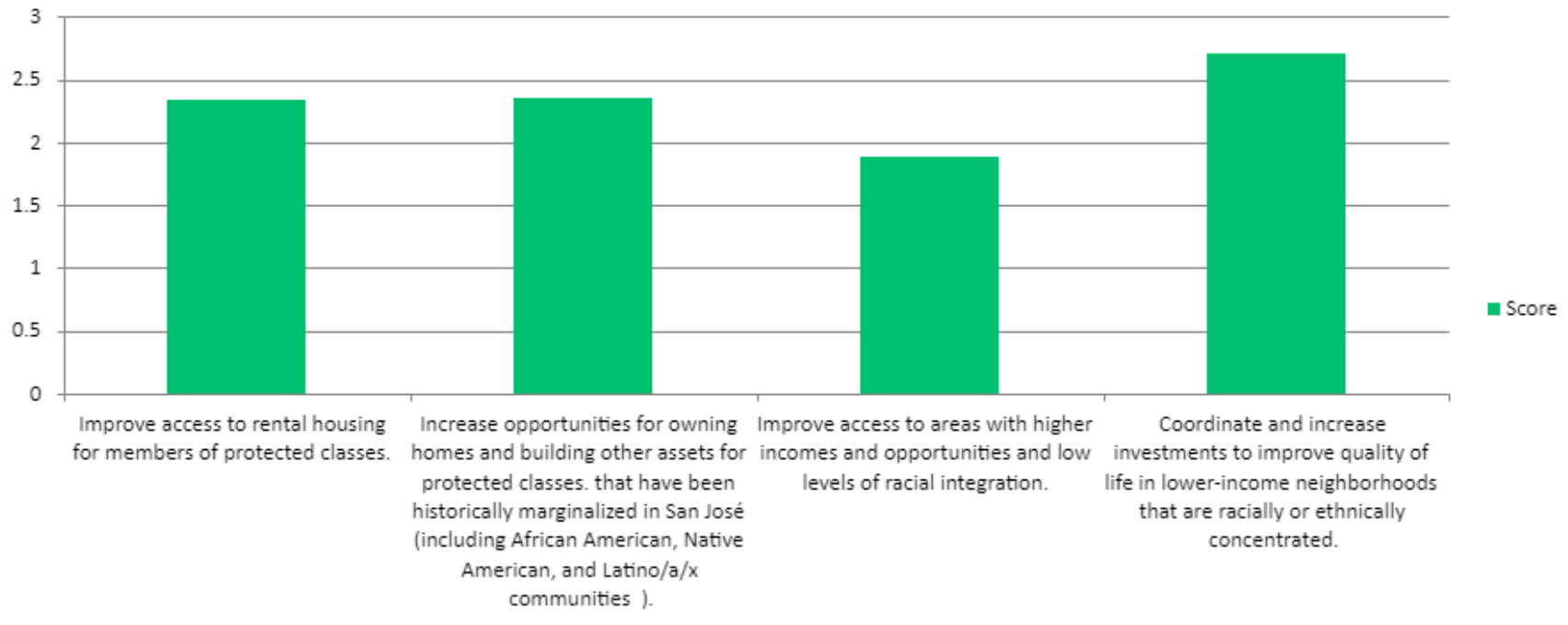




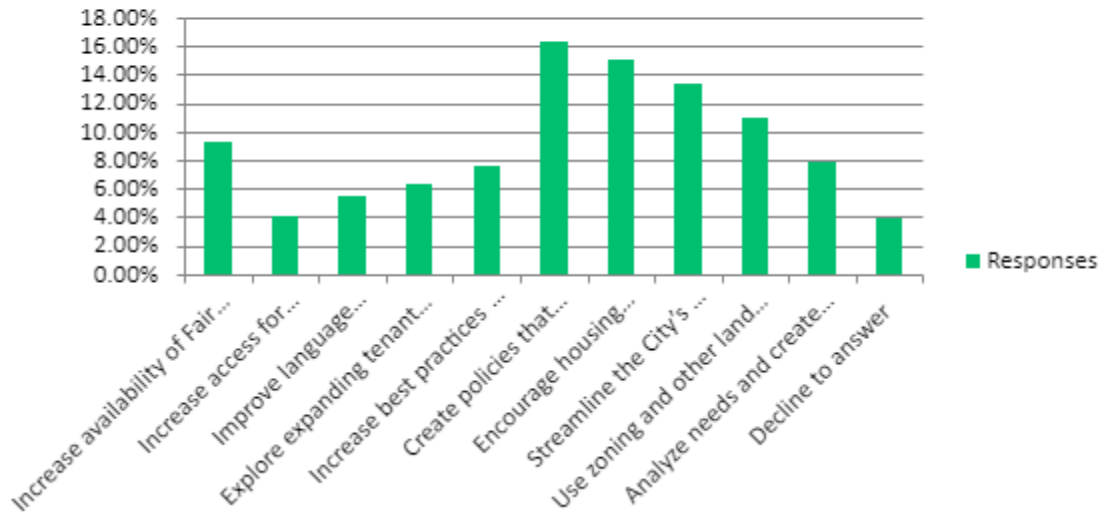
### What do you think of Draft Goal 5 (Racially and socially inclusive neighborhoods and rectifying past and present discrimination)?



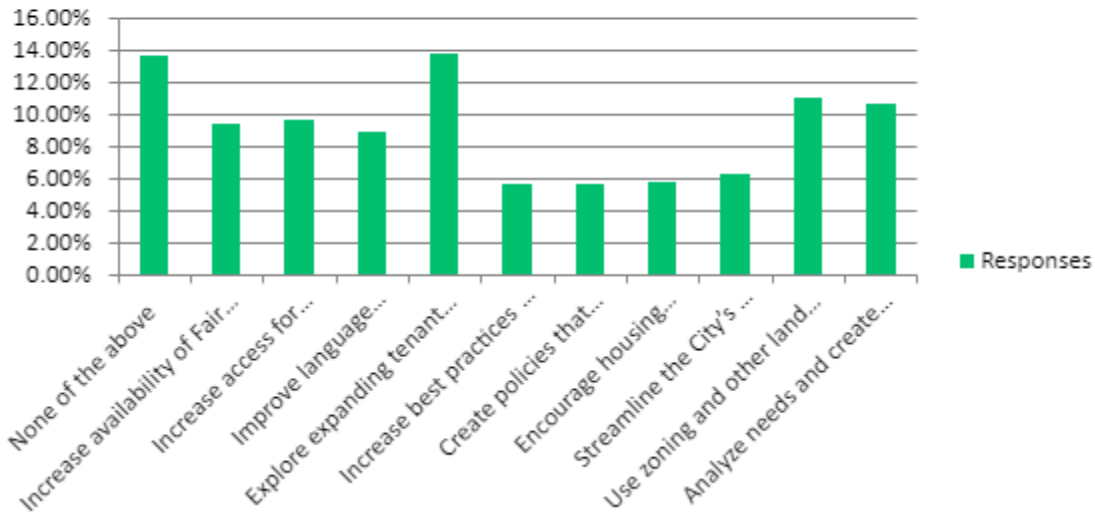
### Please rank these strategies in order of importance.



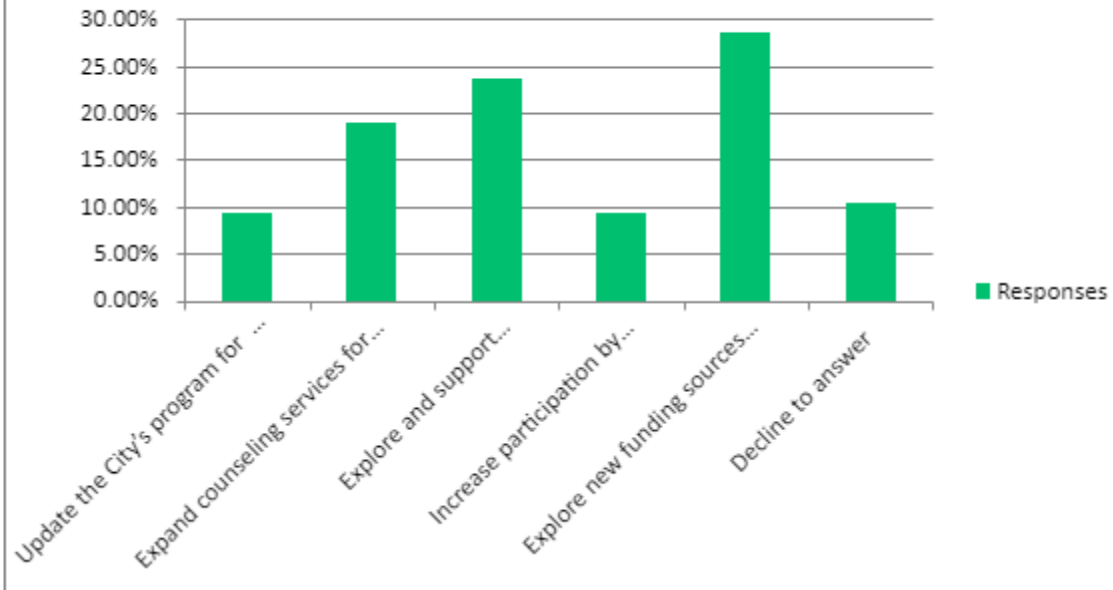
Please pick the 3 most important ones to you.



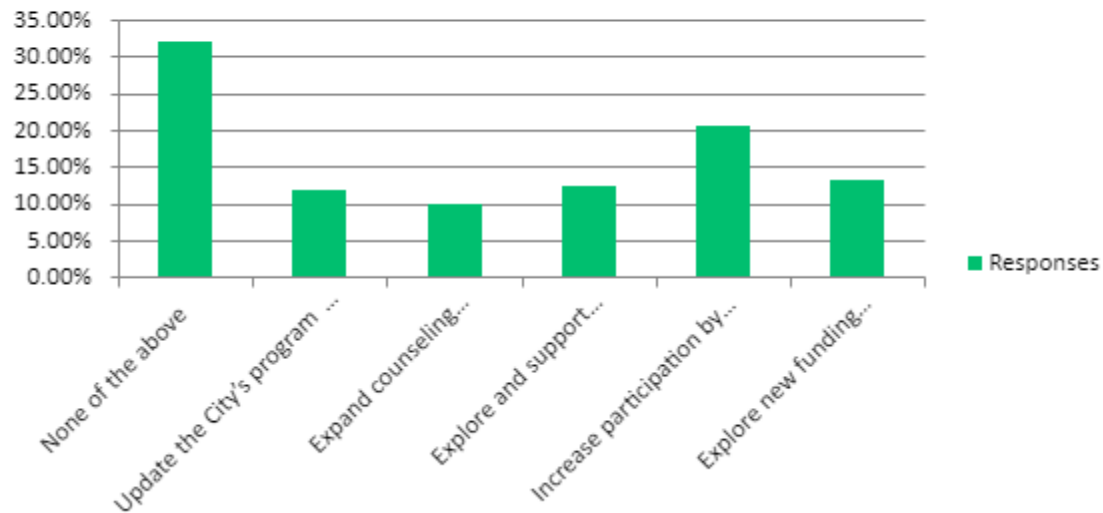
## Which, if any, would you remove from this list?



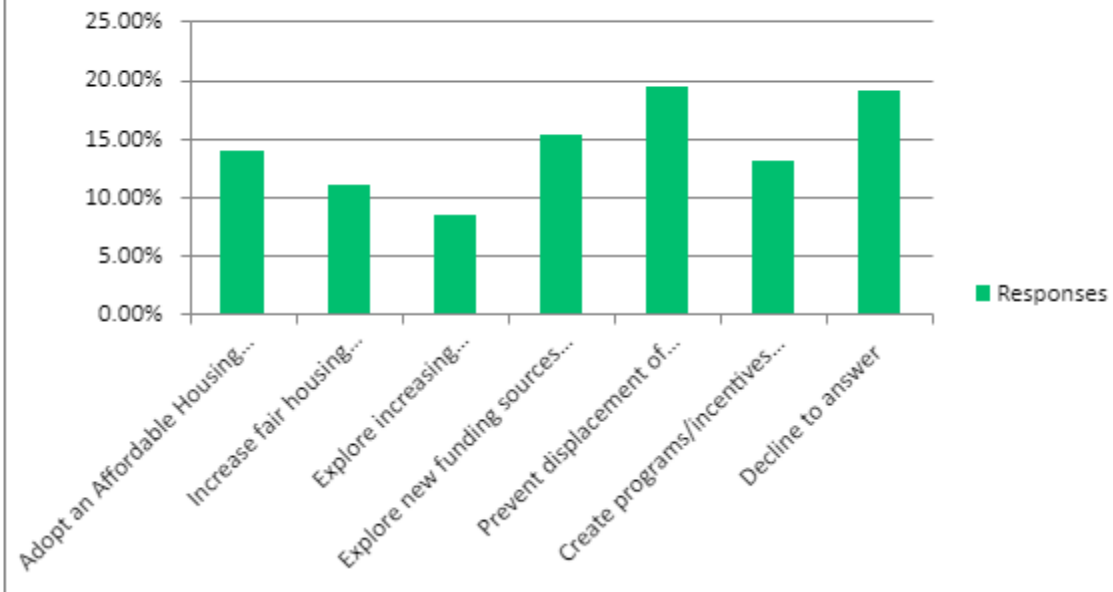
### Pick the 2 most important ones to you.



### Which, if any, would you remove from this list? (select all that apply)



Pick the 2 most important ones to you.





Let's Talk Housing  
SANTA CLARA COUNTY

## ROOM #1

### Talk with Your Community

### San José

#### *1. What housing challenges do you experience or see in our community?*

- The challenges are that housing is very expensive, and it's difficult to purchase or rent in a location that is near to where most jobs are.
- Very high rental prices for my two sons trying to live in the area. One is still at home, and the other left a year ago for the second time.
- Stanford college student is grateful to have housing, but other students are having a hard time paying for rent in the area. Worked for a non-profit affordable housing developer in the summer and wondered if TCAC siting of affordable housing could be improved to better serve BIPOC communities.
- I am also a student at San Jose University, and I think the major challenge is more affordability and high rental value in San Jose
- Son living with fiancé at her parents' house; another son barely making enough with his fiancé to rent a decent apartment. Considering all moving into an apartment to reduce costs. People bounce around as they date or break up.

#### *2. What are the most pressing housing needs for San José?*

- The number of houses that exist. We need just A LOT more places so that the market can self-correct and make it more affordable.
- Housing of all types. All sizes of units.





**Let's Talk Housing**  
SANTA CLARA COUNTY

- Units of all sizes
- Clean, mold-free units
- Homes to purchase and to rent
- Reducing development fees
- 100,000 homes anywhere
- Housing for people who are first entering the workforce
- Higher-density homes near mass transit
- More co-living (like dorms)

**3. How can we make sure we hear from our entire community?**

- Neighborhood door-to-door outreach
- I think doing more community outreach will be good like reaching out to people community wise. Picking one community at a time and discussing with them
- +1...I got to know thru a neighbor (not sure how she got to know)
- Neighborhood meetings in someone's house.
- 

**4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?**

- No homelessness, and everyone is housed
- Areas near Downtown are taller
- For 2031, I think having housing for all economic sections.
- 100,000 more housing units of all shapes and sizes.



**Let's Talk Housing**  
SANTA CLARA COUNTY

- Housing for all economic sections, no homelessness, taller buildings
- Mixed-use developments in neighborhoods. Access to food and health care centers well distributed through the community.
- All neighborhoods are walkable with permaculture food forests/green space and many streets blocked from auto traffic.
- Google Downtown West completed. Note that there still will be a housing shortage; don't be too ambitious.
- With all the new housing, we've also added new resources to support all the new residents
- Safe, affordable places for the homeless to pitstop on their way back up. And a safe location for the chronic homeless who can't/don't want to follow the rules to be.
- Self-contained movable tiny houses (less than 400 sq ft), owned by the occupant, who rents backyard space from homeowners. This will provide the homeowner with income where they do not have to repair or maintain the unit, and the occupant with their owned, private space.
- How about a hybrid tiny/home mobile home setting owned by the city?



Let's Talk Housing  
SANTA CLARA COUNTY

## ROOM #2

### Talk with Your Community

### San José

#### *1. What housing challenges do you experience or see in our community?*

- CEQA and stringent guidelines make it too expensive to build the housing that we need,
- 410,000 shortage of units
- Everyone is not oppressed, we just need decent rent to live in a decent home
- Crime in the neighborhood
- Hard to save enough to get a down payment
- Would love to be able to have something to pass onto the kids
- Next generation is living in Los Banos, Hollister
- Homeownership programming is needed
- 2 issues that have a historical context: colonization & manifest destiny
  - Need to center history of racism, violence
  - Don't have a housing shortage
  - Redlining as generational wealth deprivation
- Housing efforts are inadequate if don't center the above
- Cost of homes so outrageous that even subsidized mortgages are not enough
- D6 Fruitdale gang hotspot
- Responsible landlord engagement initiative is a good policy, should bring it back
- Decommodification of housing is needed
- Shouldn't allow blackstone and overseas capital to come in and buy up properties; wall st. and hedge funds, REITs shouldn't be able to speculate on people's homes
- Absentee ownership is a problem; vacant homes need to be charged a



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vacant home tax

- Housing should be for people who live here, not an investment for somebody who lives in another place
- AMI is too high for people with fixed incomes (seniors, disabled)
- SSI/SSID is not enough even to afford affordable housing
- This is a form of segregation too, related to gentrification if ppl can't live here

## ***2. What do you think are the most pressing housing needs for San José?***

- Encourage more small units, more efficient units to reduce housing costs, more shared/common areas → investigate other housing models
- More large Multi-family housing, remove CEQA and excessive fees
- Development impact fees, inclusionary zoning, lower inclusionary requirements for those who serve special needs populations
- Seconded on the vacant properties' taxes
- Need to have a moratorium on building, by at least 50%
- 400,000 new people means that we're going to lose a lot of neighbors
- Becoming dehumanized for not centering humanity of others
  
- No permits for commercial development unless there are the same amount of housing



**Let's Talk Housing**  
SANTA CLARA COUNTY

**3. How can we make sure we hear from our entire community?**

- PACT, SOMMOS Mayfair, Luna → work with these organizations
- Housing Choices
- San Andreas Regional Ctr

**4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?**

- Elder doesn't have to sit in home and feel fear and anxiety
- When kids don't absorb fear and anxiety of parents
  
- TODs, large MF properties w/ inclusionary units
- Lots more units
- More housing for all ranges of incomes
- More supply means that prices will come down
- Homeownership for more people, pride of ownership for more people
- Inclusive housing where people of all races, classes, and abilities are able to live in community together
- More accessible housing, more adaptive building codes, cheaper to put in upfront



**Let's Talk Housing**  
SANTA CLARA COUNTY

## **ROOM #3**

### **Talk with Your Community**

### **San José**

#### ***1. What housing challenges do you experience or see in our community?***

- Worried about moving away because of housing costs
- Difficult to find affordable and Accessible housing (blind individuals)
- Housing is competitive, people don't have the opportunity, being outbid
- 3- families in house, high costs. Its stressing the housing that's out there; just not enough
- It's expensive, and we also need accessible housing
- More co-housing; not enough opportunities for alt. Intentional housing

#### ***2. What do you think are the most pressing housing needs for San José?***

- People want to have a place where kids and grandparents can live
- Childcare opportunities
- Transitional housing, using motels, underutilized areas
- Tenant protections, moratorium is ending this month. But results of this pandemic most at risk, will still have effects
- For undocumented people it is difficult to access housing, b/c of credit checks and other requirements
  - Some people may not have bank account, low income and don't even qualify for homebuying--we need avenues for them to tap



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SANTA CLARA COUNTY

into for assistance (homebuying)

- Need housing near transit, as an older person b/c I may not be able to drive
- 84 yr old, same house since 1964: making an ADU makes sense, pull money from house, use to build ADU and then rent it out
  - See very wealthy people, charging very high rents
  - There should be an emphasis to get elderly people living alone to loosen up houses (outreach/promotion?) and build ADU
- More housing near transit
- More integrated communities, like how diverse it is, but neighborhood is becoming less diverse
- Supports more transitional housing

### **3. How can we make sure we hear from our entire community?**

- Block party--create different zones, kids can color " what house would you like to have"; for older people, "tell us your story, where are you from, what would keep you here"
  - You would create a sense of community as you try to build community
- Targeted focus groups: city approaches unique groups to reflect vulnerable communities, go to ELAC groups in schools; affordable housing developments and work with the managers
  - At time that works for them
  - Go to them
- Go to youth commission +1
- Reach out directly to neighborhood associations ; this list should be part of PIO and other communications strategies
- YDSA Chapters in High schools can get the word out



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- Knowing that youth will have a space to talk/share will get them to attend
- We silo ourselves too much; schools are in our neighborhoods
- Leadership group in D2; used to be on neighborhood commission. But it is not active
- We should have a way to collect information from people who are not zoom/tech savvy--like a survey; something they can respond to in writing.

**4. *It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?***

- Need to hit the middle spectrum, focus a lot on homeless and the higher income...need to focus on average
- People can work hard, and buy homes, focus on their community
- More housing owned by community land trusts--help community own land, help keep people here
- More ADUs
- Someone with 4 kids can buy Maries home!
- More co-housing





Let's Talk Housing  
SANTA CLARA COUNTY

## ROOM #4

### Talk with Your Community

### San José

#### *1. What housing challenges do you experience or see in our community?*

- Regulatory and bureaucratic obstacles to getting housing built
- Risks to providing housing has gotten crazy. Think of incentives - offering development of duplexes and triplexes to the developers. Rent control is not a long term fix, if it drops can take up to 10 years recover.
- Look to incentives instead of regulatory burdens, not seeing any compensation for those regulatory burdens
- Terrible experience in the permitting process, lack of responsiveness from the city, charging fees twice, asking for reports again and again, it seems like scheme to make more money. Seems others would be facing similar challenges. Spend a lot of money in permitting process. Have 4 lots, considering building more, but it is too burdensome in SJ
- Waiting for SP 9 to pass, will look to build in other places because it is too burdensome
- Doesn't seem to be any accountability to owners who are providing unhealthy or unsafe conditions to renters.
- Is the city understaffed?
- Rent control is misunderstood, when tenants leave, the rent can increase
- Vacancy rules is often the only way for owners keep their buildings, because they have to recover from depressed rents which can take a long time.



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SANTA CLARA COUNTY

## ***2. What do you think are the most pressing housing needs for San José?***

- Plan for diversity of income levels, helping/ensuring locals can stay in their communities with more housing/affordability options
- Housing the unhoused
- Certain areas in plan for density in transit areas, this should be a high priority
- Do better outreach re housing the unhoused. Big stigma when affordable housing projects are built, the city needs to do a better job of communicating and “selling” these projects if possible. The science of building communities has changed so much, there are opportunities to change the conversation.
- Better coordination between city and county re affordable housing, so it doesn't feel like it's being done on the dime, but rather its well planned. Also consider measure A funds.
- Is city constrained on money? We pay a lot of property taxes.
- SB9 will add a lot

## ***3. How can we make sure we hear from our entire community?***

- Direct meeting with constituency groups, instead of mixed groups, people are more willing to speak freely instead of debating
- Outreach thru city council members, for example Pam Foley, she had a meeting re drought, but didn't mention this meeting. Better coordination on the city's part, with council offices.
- Maybe have council meetings re san jose, also think of county reps, couldn't hurt to try



**Let's Talk Housing**  
SANTA CLARA COUNTY

**4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?**

- Higher density around transit areas
- More affordability options
- Reduction of barriers to building housing
- Less avenues for opposition to building housing
- More young families able to participate in American dream and raise their families. People move out of the area to buy houses - would like to see that trend reversed.
- 3d printed homes, different types of homeownership models for wealth building. Think of different types like land trusts and co -ops.
- Incentive or collaboration with corporations that are in SJ to provide housing. City should work with these companies.
- More public/private partnerships.
- More social conscious, be in the city, get benefits, the city should look for balance of community benefits and accountability
- Don't want to scare away corps, but it should be helpful for all those involved
- Kids in low income areas have parks and opportunities for recreation and safe areas to play, would like to see neighborhoods have better resources. More equitable investments, higher quality of life for everyone.



Let's Talk Housing  
SANTA CLARA COUNTY

## ROOM #5

### Talk with Your Community

### San José

(+1)= upvote

#### **1. What housing challenges do you experience or see in our community?**

- Inequity + vast lack of housing (even people in privileged groups can't afford housing) - mostly covered in the presentation by staff
- Homelessness - impossible to ignore people in serious trouble, some mentally unstable in Downtown
- Sharing homes with multiple people, but does not rival unhoused
- Abundance of RVs parked along streets in South SJ
- Affordability
- Knowing where to begin for those who fall into homelessness. Someone was on Nextdoor fell into homelessness, didn't know where to go. Resources or partnerships with local schools or community groups to get information out there for anyone at risk for homelessness. Need a map of resources, a discrete way to obtain resources.
- There is a lot of new housing coming into downtown San Jose however there is not a lot of supporting community amenities such as grocery stores that are currently in place or planned for the future. As we push to eliminate a reliance on cars, with bike lanes and public transit, will there be inclusion of support amenities for these new projects.
- Not enough housing!
- Persistence of segregation in San Jose - opening up new housing opportunities in highest resource neighborhoods would be a great thing to accomplish
- Make community feel more comfortable having a AH built by providing extra resources to support the community.



**Let's Talk Housing**  
SANTA CLARA COUNTY

## ***2. What do you think are the most pressing housing needs for San José?***

- Persistence of segregation in San Jose - opening up new housing opportunities in highest resource neighborhoods would be a great thing to accomplish (+1)
- Where is affordable housing? 78% of census tracts do not have any affordable housing. 22% of whole city has the affordable units, so there needs to be more equitable and access throughout SJ. Every district has homeless individuals that need affordable housing.
- Sustainability - how long can we sustain this pattern? Homeless individuals that have a need keeps increasing. How do we reverse this? How do we continue creating affordable housing units? At what point can we not do it anymore?
- Pressure moving further up the pay/income scale in SJ. How can you sustain a city if regular workers (nurses, police, etc.) aren't able to live there? Essential workers not being able to live in SJ.
- Large discrepancy between income and pricing of homes.
- Single biggest problem is areas where legal to build homes in more affordable price points. UV concept is good idea in theory, but it cost us more a unit which is the least sustainable way to approach the affordable problem. Need more land zoned 15 - 35 units per acre for developments that don't cost as much. (+1)

## ***3. How can we make sure we hear from our entire community?***

- Go to where they are - not on zoom for a lot of people



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- Connect w/ neighborhood leaders & groups. They are the boots on the ground.
- Strong Neighborhood Initiatives really helped with connecting communities and City staff and it was an excellent program. Need to bring it back. Allocate money to it
- It is difficult to take into the considerations of all due to a language barrier or the refusal to response. Using direct contacts that delivers clear language that everyone can understand could curb the issue.
- I think it's important to find the silent or quiet voices too. not just the loudest. (+1)
- one follow up: has the city considered a poll with a statistically representative sample?
- Make Council offices to reach out as a mandatory requirement. Wish there was a more coordinated effort among the Council offices - what works what doesn't and customize it to diff communities. Wish there was a resource exchange on a regular basis. Revolves every 4 years, but it would be good to capture lessons learned and continue to apply it - retaining that institutional knowledge.

**4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?**

- Walkable neighborhoods!
- Inclusive and pedestrian-friendly!
- affordable, abundant, and diverse
- Plentiful
- homes for those with mental illness
- Equitable dispersion & access throughout SJ!



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SANTA CLARA COUNTY

- Parks, open spaces
- "walkable neighborhoods" as in grocery stores, parks, etc within walking distance
- Safer (+1)
- Cleaner, accessible
- 10 years is not that far away. Address homelessness and other pressing issues first. There should be more goals (20,30 years from now) and sustainability should be addressed.
- Some supportive housing in Category 1 (resource-rich) areas
- More accessible and equitable housing in SJ regardless of background and situation.
- Needs significant level of comfort with significant changes - we're not on that path right now.

**Other comments:**

- Ideas of specific sites good for housing - where to send? (Aaron Eckhouse)
  - Maybe have a list of who are the potential developers to reach out to?
  - There are known SJ developers that are always on the lookout.
  - Contact the county supervisors and county housing dept too
- Make inventory more transparent - any gov't owned site it should be on the inventory - why isn't it being developed?
- Yes, Siting Policy offers up to \$125k/unit built. It takes several resources to pool enough funds to "pencil out". But it can cost \$600k/unit to build.



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## ROOM #6

### Talk with Your Community

### San José

#### **1. What housing challenges do you experience or see in our community?**

- Entry level home ownership - very hard to get entry level home for those in 30s
  - Exploring opportunities for subdivisions or smaller single-family lots
- As a student, finding affordable housing has been the biggest challenge for me and many of my cohorts
- Homelessness - more transparency, what is provided and what can be done.
  - How can we ensure that this plan will not continue to make homelessness worse in community?
  - Allocation given to San Jose may not be enough to reduce homelessness
- Resources - electricity, water, police services
- Would like to see more density and more efficient use of land - many large and empty parking lots - more transit-oriented development
- Challenging for students to find housing w/o parking space

#### **2. What do you think are the most pressing housing needs for San José?**

- Many comments on question #1 covered this question as well.





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SANTA CLARA COUNTY

**3. How can we make sure we hear from our entire community?**

- Interviewing people at temporary shelters or those currently or previously housing insecure
- Nonprofits that work frequently with homeless population
- Using high schools to help publicize to their parents - also to the students themselves since these plans will impact them once they are adults.
- Small businesses in the community

**4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?**

- Self-driving cars - no private cars needed
  - Trains and public transit for long trips
  - Free up land for other uses
- Accessible, low homelessness rates, upward mobility for young adults
- Active mixed-use so that new housing is surrounded by amenities (restaurants, mom&pop)
- Better use of land to save space - less big box retail
- Higher owner-to-renter ratio. There is pride in homeownership- community involvement, taking care of your property, investing in local services and schools
- Economics is the challenge- increase the supply, lower the demand, decrease the prices. Challenge is how can San Jose influence or incentivize private builders and investors
- Rezone commercial space for housing



Let's Talk Housing  
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## ROOM #7

### Talk with Your Community

### San José

#### *1. What housing challenges do you experience or see in our community?*

- Cost
- Investment
- Opportunity Housing
- number of housing
- Policy Strategies that impact SFH
- retirement investment
- impact older residents
- walkable/accessible
- green spaces
- Affordable
- transit options
- affordable for next generation
- small properties may not support 3-4 units
- income not qualifying people for affordable housing but unable to get a place (gap)
- lack of ownership
- over abundance of rentals
- height, outdoor space
- disillusionment to find rental
- Overcrowding
- lack of parking or space for trash pickup
- moving away but more coming in
- air quality
- size of living space to rent ratio
- overcrowding to afford a place, will new houses help affordability?



**Let's Talk Housing**  
SANTA CLARA COUNTY

- Jobs housing balance
- better jobs to afford current housing

**2. What do you think are the most pressing housing needs for San José?**

- Sliding scale (new buildings aren't attainable for everyone), Multi-tiered stepped housing opportunities, stair stepped approach (by planning) from single apartments then the next step climbing affordability ladder, city sponsored camp grounds or similar stair step approach for unhoused to build equity and climb, concerned about density construed as reverse discrimination against people with less income which might force them into specific situations, water drought concern with increase in population and housing increase, density and access to public and open places/spaces like gardens built into buildings, high rise MF density increases private behavior or reclusive behavior and we need more open space and community creation, baby-boomer retirement (and passing) may impact housing stock and has there been any consideration?, inheritance of homes may lead to housing sale, does dense multi-development create community?

**3. How can we make sure we hear from our entire community?**

- Housing element? What is the housing element? What does this really mean?, district 9 neighborhood associations group who report to city council and maybe other districts have the same?, who are you trying to target? The neighborhood associations already own their homes and they worry about keeping people out so who are you trying to target?, don't



**Let's Talk Housing**  
SANTA CLARA COUNTY

each district have points of contact and aren't they familiar with the communities they represent?,

***4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?***

- Multi-tiered stepped housing opportunities and the City able to better steer the private developers to accomplish this goal, green building and aggro-hood, accessibility to green space, Quiet, Clean, Green space to rest for everyone, Quiet, Clean, Healthy water, more tools for planners to implement affordable housing, Affordable by utilizing nontraditional construction such as 3D construction, container construction, cob houses or boxable for example,



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## ROOM #8

### Talk with Your Community

### San José

#### *1. What housing challenges do you experience or see in our community?*

- Generational wealth is increased thru homeownership however most of the plans I see - is increasing rental units and decreasing homeownership. How does this lead to future equity?
- Recent went apartment shopping and the rent was \$2,500 - how do people qualify, what is the rent, how is it sustainable, how do they do it? I am not seeing affordable in South SJ. What is affordable? What are affordable rents?
- In the last housing element, 35,000, we haven't met the goal, how will the Housing Element meet real change when historically we haven't been able to achieve the goal. What strategies do we need to have to achieve the plan?
- How can we accommodate the mobility for an aging population?
- Who are the market rate apartments being made for and how does it meet the apartment needs of a family - studio/\$2,500 a month. The Developer, downtown, not being required to support affordable. The problem - it appears developers are being given a gift. What is the connection between what is being built and the needs of our community? There is a disconnect between what is being built and what we are told is being needed.
- Challenges with the permitting process - not enough people.
- What sources of funding will the city use to meet the infrastructure needs of denser housing? Do we have the funding we need to build the housing we need?
- SB9/SB10 - elimination of CEQA - we have environmental issues but we are eliminating the laws. How do we balance our interests? We have



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conflicting goals.

- Interested the carbon footprint of taking down housing to build new housing - landfills filled with construction debris.
- Concerned about water - do we have enough resources to meet the density? Will costs be driven up?
- Concern for heat islands - are we making the problem worse? What are the tradeoffs if we densify?

**2. What do you think are the most pressing housing needs for San José?**

- Affordable housing
- Housing our homeless population
- Transit needs to be improved for people to give up their cars - a viable alternative needs to be created. People will not give up cars. Parking!
- Permitting process is a challenge

**3. How can we make sure we hear from our entire community?**

- Read the paper - done deal with no input. City doesn't care so why should we participate.
- Would like to read/skim, instead of listening to an entire meeting, would helpful to have an alternative to video which takes too much time.



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Provide options for people to access information.

- Too many meetings - too much time - too much going on - overwhelming.
- How do we get our voices heard?
- Who should be allowed to participate in the public process.
- Each city is not an isolated island
- Include people who are most impacted to participate in the process - for example - homeless people should be included in process. Too often, people who attend have the time and means to attend.

**4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?**

- Do not harm people - protect and preserve (existing communities such as Naglee Park) the good things we have without destroying them. How do we broaden the housing base without losing what we cherish? If we continue the path we are on - I am worried. How do you engage renters and provide opportunities for homeownership - how do you engage in caring for the community?
- People who live here shouldn't be displaced but should have an opportunity to stay.
- Address the housing issues in the Bay Area thru a more holistic lens which includes transit, density, and walkability.
- Reliable, free public transit system
- Welcoming and nourishing housing



**Let's Talk Housing**  
SANTA CLARA COUNTY

## **Spanish Language Room**

### **Hablemos en comunidad**

### **San José**

#### **1. ¿Qué desafíos de vivienda ve en nuestra comunidad?**

- El alto costo de la vivienda es un reto. No tenemos suficiente vivienda para las personas que no tienen lugar donde vivir.
- Los salarios son muy bajos; tienen que vivir muchas personas en un solo lugar para poder pagar su renta.
- Se ven varias familias viviendo en un solo apartamento/casa. Se ve muchísimo, pasa entre mis vecinos, viven bastantes personas, no pueden vivir de otra manera. (Vivo en Mayfair - barrio Mayfair pero no cerca de ahí, por Allan Rock).
- He escuchado que muchas personas se están yendo a Oregon, Washington. Se ahorra algo, pero el mismo flujo de personas que se van de aquí, y entonces allá se ponen caras las rentas. Incluso allá está difícil que paguen la renta.
- Hay gente que tiene que vivir hasta en la sala, que privacidad tienen ahí?

#### **2. ¿Cuáles cree que son las necesidades de vivienda más urgentes para San José?**

- Que creen vivienda para personas de low income and very low income. Es la necesidad más urgente que yo veo.
- Que se cree más vivienda, aparte de low income, porque tampoco tenemos suficiente. Más vivienda en general, y también para low income.





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SANTA CLARA COUNTY

- Me gustaría que los desarrolladores pusieran más parking donde están desarrollando estos edificios. Nos están poniendo otro edificio cercano, pero no están poniendo suficiente parking. La calle ya está llena, y están a punto de poner un edificio de 85 unidades.
- Ya he ido a otras reuniones donde dicen que quieren que los desarrolladores lo hagan según sus criterios. No están trayendo parking a East San Jose. Dicen que para eso tenemos public transit, y porque las personas no van a usar carros, pero eso es mentira. Las personas con hijos van a usar carros; en San Jose las personas todas tienen carros; las personas pobres no pueden tener un carro nuevo; por eso incluso pueden tener más de uno. Muchas personas en estos barrios dependen de los carros para sus trabajos, porque no trabajan desde casa.
- Esos edificios sin parqueadero podrían desarrollarse en áreas de West San Jose, y así tendrán acceso a mejor educación y demás.
- Que la calidad de las escuelas coincida con donde vive la gente.
- La contaminación por las autopistas.
- Queremos más vivienda asequible, pero "all over San Jose".
- Es triste ver tanto niño que tiene que vivir donde viven 6 - 7 personas, donde la temperatura sube a 100 grados.

### ***3. ¿Cómo podemos asegurarnos de escuchar a toda nuestra comunidad?***

- Los meetings. No hacer las invitaciones solo por vía zoom, sino también si entregaran volantes, porque muchas personas no tienen acceso a la computadora. NO solo invitarnos por internet sino también con flyers.
- Lugares: en el mismo vecindario.

***• ¡Estamos en 2031 y hemos logrado mucho! ¿Qué palabras***



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***describen la vivienda en nuestra comunidad ahora? Cuales son tus metas?***

- Que hayan muchas más viviendas. No solo en East San Jose, sino en todo San José.
- Ver felicidad en las personas. Si tuviéramos mucha tierra, me gustaría ver a cada persona con un single family home, con un yard, pero si no se puede, entonces cada familia en un apartamento, que no tengan que vivir 2, 3 familias en uno solo. Eso es lo que más quiero ver en 2031.

**PREGUNTAS:**

- La SB9 es para que los dueños de la vivienda puedan construir más vivienda? Perdón, brinda a que los dueños puedan construir vivienda multifamiliar, esa si, y me gustaría. Aunque no aplica a donde yo vivo, porque aquí todas las casas son multifamiliares. Pero para otros lugares estaría bien.
- Deberían también tener regulaciones; decir “ no más de” - es decir, un apartamento para 2 o 3 personas. Porque si traen 10 personas, va a ser un caos con el parking. Está bien, pero bien regulado. Que la ciudad tenga mucho cuidado, porque los barrios se devalúan, porque traemos nuestros misceláneos en el patio de la casa. Muchas personas las ponen en frente. Aquí en el vecindario, vivimos cerca al freeway, y la gente deja sus carros y tiran su basura ahí.



Let's Talk Housing  
SANTA CLARA COUNTY

## Vietnamese Language Room Talk with Your Community San José

### *1. What housing challenges do you experience or see in our community?*

- People on SSI living in garage - hard to reach these families to hear from them
- Have placed single young men with a housing voucher into an apartment while older seniors don't get a voucher
- Tons of people waiting for affordable housing program or housing vouchers, waiting for 10 years and didn't get it.
- A lot low income people in San Jose
- Have been working with a team for a prefab factory material for affordable housing - I don't know if there's a program from the government to get the product approved fast or any grants to get the project going.
  - hope to get product approved to get project going, another company that has 2000 order backlog from government so said they can't work with them so she had to pick another company
  - Would like help getting it approved so that they can buy more vacant land for affordable housing
  - Prefab products are much cheaper, cost is 50% or 2/3rds less
- Housing is short right now and a lot of people are suffering, not sure what we can do but it is her first time joining one of these events
- She doesn't know the plan for the city of San Jose to address these issues
- Elderly people have challenges finding housing, thinks we should prioritize them
- Also thinks we should prioritize the people who work in San Jose to purchase homes (vs rent) or stay
- Also wants to know what people can contribute to work together with the



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city, instead of just one way, to make the process go faster

## **2. What do you think are the most pressing housing needs for San José?**

- We need more affordable housing and also support for the people who need low income housing and can't get into affordable housing/support for rent
- Speed up process for permits, taking longer due to pandemic
- Helping people who cannot afford current housing purchase / rent, helping developers have the chance to finish projects sooner
- Tried to place 187 people with VA housing section 8 voucher, trying to move them out of hotel into apartment but most apartments don't accept section 8 vouchers
  - So told people that they had to pay one year rent
  - Living homeless in a hotel because they don't have enough income to pay for rent
  - Only one person with the voucher has been placed in an apartment
  - Also no warranty that people will get the voucher

## **3. How can we make sure we hear from our entire community?**

- Announcements on radio or newspaper to let people know that San Jose has programs to help them, invite more people to join the project
- 1500 AM, local station - People call on local radio asking for affordable housing
- Vietnam Quickly, Thang Mo (<https://thangmocali.com/>)



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***4. It's 2031, and we have accomplished a lot! What words describe the housing in our community now? What are your goals?***

- Envision no more housing insecurity, everyone has a place to live, not just luxury but also comfortable for people, don't have to use income to pay for housing

Developer Roundtable  
City of San José Housing Department  
September 15, 2021, 8am to 9am via Zoom  
5 Participants

**Meeting Notes/Questions**

How to do use commercial parcels for housing?

The only reason we are not achieving housing #s is because of city and state policies. GP – Signature Project discourages housing. IHO discourages production of AH. We have been talking about this for 11 years since GP and no one in City Hall wants to take a leadership role to fix this.

Have to look at constraints. Unless city looks in mirror, the inventory will not produce what it thinks. Last HE was an exercise in bureaucratic requirements.

Needs to be a lot of education of new affordable housing developments

Look at developers as a partner – use their real world experience.

We expect to see the Siting Policy as a list of constraint. Real constraints – price of land – ability to move forward. And projects coming thru entitlements but will never break ground – not just in SJ but also in other areas of region esp on Peninsula as land prices and development cost have really accelerated. The city needs to do a thorough analysis of costs & feasibility.

Despite rules that state imposes, it's up the cities to do a good job. You have to educate council offices on how different this is this cycle.

## South Bay YIMBY Stakeholder Meeting

City of San José Housing Department

September 8, 2021, 2pm to 3:30pm via Zoom

3 Participants

### Discussion:

- Site inventory
  - Methodology should use probability to weight realistic development capacity
  - Menu of options
  - Sacramento as good example
- Ministerial approval
  - Sacramento has approvals for projects under 200 units
  - Complement SB 35
  - Objective standards -> upstream review
- AFFH: Increase affordable housing in high-opportunity areas
- Anti-demolition: SB 330-like protections for all rental units
- Density bonus-ministerial stacking: Depends on zoning, maybe just housing element
- Urban villages vs. Residential neighborhoods: Agnostic, priority is high opportunity areas and access to other amenities
- Outreach
  - Direct service organizations
  - Community organizing
  - Multilingual
  - Food and childcare
  - Don't require public speaking
  - Advisory committee
  - Statistically-valid poll?
- Read HCD comment letters

## Assessment of Fair Housing Disability Focus Group Meeting Notes

January 19, 2022, 5pm to 630pm

City of San José Housing Department

Partners: Housing Choices, Silicon Valley Independent Living Center and The Kelsey

22 Participants in 2 groups (Mix of ages, Latinx, African Ancestry, South Asian)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Not enough affordable, accessible housing.
- Need more services programs.
- Housing is too expensive.
- Rent increases – too frequent and happens even in subsidized housing.
- Waiting lists for housing are too long.
- It takes too long to find a place.
- Forms are difficult to understand and fill out.
- Temporary housing has lots of hoops. Hard for parent to navigate on behalf of child.
- Low turnover among occupants of subsidized housing.
- Denial of reasonable accommodation requests.
- Hard to get reasonable accommodations.
- Hard to find apartments that accept Section 8 vouchers.
- Hard to find home that fits the size and income of the family.
- Disabled people are at a big risk of displacement. They live with family, overcrowding, etc.
- Difficult to navigate the different disability agencies, their programs and requirements.
- Tying affordable housing to area medium income (AMI) is problematic. Supplemental Security Income (SSI) is 25% AMI but cannot access apartments below 50% AMI.
- SSI does not cover rent.
- Difficult to find information or help to find housing for people with disability.
- 50% AMI is too high. Need integrated multi-income housing, extremely low income and below.
- Section 8 is tied to Permanent Supportive Housing (PSH). If disabled and not currently homeless it is difficult to get vouchers.
- Section 8 housing is hard to get. If you do have it, it is so hard to find a landlord that will accept. Delays in inspections have been a barrier, especially during COVID.
- Section 8 income discrimination is still an issue.
- Those on fixed income are most at risk of losing housing
- The City is set up to prioritize segregate housing, not integrated.
- Steps in home are barriers.
- Lack of closed captioning and lack of information in Spanish is a barrier.
- Lack of awareness of benefits of keeping aisle space clear.
- Lack of awareness of how able-ism and how racism go together.
- Lack of awareness of needs of non-physical disabilities and how these need to be addressed. Accommodations are more physically oriented. Kelsey is only one place. Need to address existing housing programs.



- The process of obtaining and maintaining accessible housing is draining. Mental health suffers.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Make Section 8 vouchers automatic and available to anyone with a disability or anyone in SSI disability program.
- Provide a guide to obtaining housing for people with disabilities.
- All homes should have universal design features.
- Housing should be made so that one can age in place.
- More Section 8 vouchers and remove (or subsidize) barriers so that they can be utilized. Make it adaptable for renters.
- Support for applying for Section 8 and applying for housing, including help in filling out forms.
- Utility support for disabled folks.
- Cognitive functioning folks needs services, not just universal design.
- Create a city-wide housing coordinator who can provide support and assistance.
- Link support services with housing.
- Doorways needs to have accessibility descriptions including mobility and sensory.
- Provide affordable housing for people exiting institutional or congregate settings.
- Increase integrated, supportive housing for people with and without disabilities.
- Design a way to find out status of waiting list without repeatedly calling property manager.
- Build more housing.
- Inclusive design standards should be built across the board.
- Center the experience of people with disabilities.
- Provide wheelchair accessible bathrooms at events.
- Housing Department needs to have a better baseline understanding of what accessibility is available in housing stock.
- Need to address non-physical disability needs. Necessary to honor the person and their needs.
- Affordable housing providers need to have adequate staff to review accommodation requests.
- Housing needs to be in better locations where it is safe to live.
- Discounts for cell phones as they are important for access in these times.
- Increase home ownership opportunities.
- The City needs to be held accountable for providing affordable housing for people with disabilities.
- More services that are tied directly to housing.
- More education for landlords and tenants on Section 8.
- Down payment assistance.
- Need accountability and incentives to produce more housing. Incentives for landlords and developers produce more accessibility. Incentives for tenants to go to trainings. Everyone needs to be able to get the information they need to produce and access accessible housing.
- Project home key and innovative models need to be accessible for physical and cognitive access.
- ADU initiatives need to be accessible.
- Information needs to be provided in plain language. Information should be in multiple languages in accessible format. Also, ASL translation. The more these services are developed, the better the relationship with the community will be.

## LGBTQ+ Focus Group Meeting Notes

January 25, 2022, 5pm to 630pm via zoom

City of San José Housing Department

Partner: Billy DeFrank LGBTQ+ Community Center

4 Participants (Various ages, mix of White and Asian)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Housing is hard to find and not very affordable.
- Reduce barriers for trans people to find shelter. Many shelters require identification as male or female with rigid/traditional definitions of gender. Some buildings require sobriety which is a barrier.
- City has the long list of services on their homeless brochure. A lot of those don't apply. Average person would not know where to start with that list.
- Shrinking services.
- Long waiting lists.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- More affordable, welcoming housing in general.
- More LGBTQ+ specialized shelters (New Haven cited as a good example but not enough beds to handle demand; Arena Hotel across from Billy DeFrank Center given as a potential site).
- Resources for more LGBTQ+ / aware service staff, retention, training, etc.
- Domestic violence shelters are open to victims of partner abuse but should also be open to adult victims of parental abuse (e.g. of queer youth fleeing unsafe family situation).
- More LGBTQ+ targeted outreach.
- Services (mediation, counseling, intervention) for LGBTQ+ folks who live in shelters or Permanent Supportive Housing (PSH) who have to deal with homophobic or transphobic neighbors (other shelter/PSH residents) or service staff.
- More mental health services to stay in housing.
- Need policies and funding aimed to help housing needs of LGBTQ+ community. Need to center the voices of LGBTQ+ community in the policy and solution discussion. There is an urgency, and desperation, to solve these housing issues that does not seem to be understood by leadership at the City of San José.

## Veterans Focus Group Meeting Notes

January 25, 2022, 2pm to 330pm via zoom

City of San José Housing Department

Partner: Supportive Services for Veterans Families Collaborative 17 Participants

(mix of men and women, White, African Ancestry and Latinx)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- 290 status is a barrier. Veterans who have 290 status are ineligible for vouchers so they are stuck in a loop of homelessness. There is a lack of clarification for “category 1” and what charges pertain, so that one would know if they are exempt and available for a voucher. Also, unclear if there is there a legal process required for those who fall into category 1.
- Most affordable units for veterans tend to be in the roughest neighborhoods. Instances of people afraid of gangs or experienced vandalism of vehicles or units.
- A lot is just placement. Demographics, age or income doesn’t match and it causes rotation. Communal fit, mental and physical needs aren’t there.
- Lack of affordable, suitable units for disabled veterans.
- Severe mental health and substance abuse problems are overlooked, and they get denied housing. It is hard to prove that discrimination. Owners seem to be getting creative if their reasons for denying housing.
- Getting turned down for units due to Section 8 voucher.
- Limited supply of accessible senior housing. Long wait lists. This results in compromises.
- “Mom and Pop” owners unwilling to make modifications such as door widening for roll in shower.
- A lot of “Mom and Pop” buildings don’t have elevators, so that limits people to the first floor for accessibility. Ramps aren’t always an option.
- There can be so many “filters” to what is needed for a suitable home for a veteran. There is already a limited supply of housing, then the scope narrows with a veteran’s needs and it is practically impossible to find a home.
- Not having a subsidy option creates problems for people falling in a loop of not having enough money for housing but ineligible for vouchers.
- Most owners unwilling to navigate reasonable accommodations requests without bringing outside support. Not every veteran is eligible for assistance for rehab costs associated with accommodation requests. Veterans Administration barely covers medical care costs, let alone rehab costs. Also, owners lose out on rent during accommodation construction.
- Mostly owners have been ok with accepting service or emotional support animals, sometimes they need a gentle reminder that the must accept them. The challenge lies in making sure veteran has all documentation needed for service animal.
- Care Coordination Project (CCP) mandates a threshold for Vulnerability Index - Service Prioritization Decision Assistance Tool (VISPDAT). Often, veterans are miscategorized or their assessment was performed improperly making them ineligible for CCP.

- Not enough supply of housing for those way below 30% AMI. They might not have a chronic health issue, or another extenuating circumstance that gets them benefits but they are still in need of housing. They are some veterans who are disabled, unable to work, but are not Veterans Administration (VA) connected so they are unable to secure housing. The units are just not unavailable.
- There is a problem of owner burnout caused by lack of support for behavioral issues. Owners then avoid letting service providers know when there are units available.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Provide a funding source for permanent supportive housing without Housing and Urban Development (HUD) involved. HUD creates a lot of barriers.
- Revive or create landlord appreciation committees to grant awards to grantees. Mayor could announce these awards at the Veterans Day parade.
- Incentivize relationships with property developers. They will have stable tenants and incomes amongst veterans. This fact needs to be highlighted and brought into incentivize relationships with property developers so that they are incentivized to build.
- Create a fund for repairs and modifications.
- Create a funding for damages. This should be available to all veterans, despite the type of assistance they have.
- Build more housing for veterans. Put veterans to work. Put the homeless population to work as well.
- Create incentives to recruit owners for scatter site veterans housing programs. Also, continuous incentivized bonuses to keep housing veterans as well as provide housing for veterans.
- Voucher programs should not clump veterans together – that is the point of voucher programs.
- Need more forums for coordination.
  - Create a mediation program for veterans and property owners. There are so many issues that come up that if they could be addressed early on, in a civil manner, that would really help. There is tension amongst police and communities, so going that route can be hard.
  - Need orchestrated plan on how to handle issues in certain areas, so we wouldn't get clumps.
- More collaboration with probation offices to understand ideal housing conditions for veterans.
- Address barriers to the 290 status issue:
  - Increase non-HUD and non-VASH funding for this population.
  - More collaboration with parole. Find out what is ideal for person with that background and if they have any relations with someone in community that could help assist in housing placements.
  - If not still on parole, shouldn't have any living restrictions
  - County should create maps to show areas of cities where those with 290 status can live in the city. This will make their placement much easier.

## African Ancestry Focus Group Meeting Notes

January 31, 2022, 5pm to 630pm via zoom

City of San José Housing Department

3 Participants (all African Ancestry adults)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Middle income earners need housing. There seems to be support for lower and upper. These middle-income earners are working professionals. Someone who makes 100k can get a section 8 voucher.
- Systemic racism exists for home loans and financing. Hard to prove. Systemic racism for black people when they sell their homes, appraisal bias. They often don't get fair market value.
- Average person would not know where to go to get redress on appraisal bias. Filing complaint with state agency is a long process. If you get a letter from them that you can't be helped, then you are back at square one.
- Government doesn't listen. Over 240 people testified at County meeting to stop prison, 2 people testified in favor. They voted in favor. There is a deep distrust of government.
- Most black people who have come to this valley come for jobs, so they are transplants. They often lack family and social support networks. That makes it hard when they are working long hours. They lack a safety net if there is a gap in finances or income. They are tired.
- South bay lacks black culture or African ancestry culture. There are a lot of anti-black vibes in San José, especially from people who speak at City Council meetings.
- Lack of middle-class black families in San José.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Develop underused land as affordable housing.
- Black people are not concentrated in one area of San José, so development of housing targeting black people should be dispersed as well.
- Offer real down payment assistance, like 300k for a 1 mil home purchase.
- Low-income households need financial support.
- Designate areas where lots are vacant for starter homes. These homes can be reasonably priced small homes that let folks get their foot in the door.
- Black population in San José is 3% to 4% of entire population so it should not be so hard to find funding, whereas in other cities the black population is much bigger.
- The County just voted to create a prison instead of services. We need more affordable housing, more mental health services. Government needs to stop fighting over jurisdiction and just do more programs.
- More resources for mental health.

- Clean up trash around the encampments. Provide more places for them to go, provide counseling, treatment and services.
- Need to invest in black culture in San José. People go to Oakland because it is lacking in San José.
- We need more black people in City staff, in places of business, etc. If you want black people to stay in San José, you need to invest in places for black people.
- Build a hospital for the homeless.
- African ancestry homeownership assistance needs to be targeted and much higher. This will help to create generational wealth.
- Hold residential developers accountable. There needs to be a place in all development plans for inclusion for black, low-income folks.
- If you can't target based on race, target based on district, or a specific income range.
- Reparations. Galvanize and educate people/elected leaders. Look at what Evanston, Illinois has done. Try to get people elected to make this a reality.
- Give guidance for home ownership. Provide or require courses on financing or how to maintain a house.

Formerly Homeless Focus Group Meeting Notes

February 1, 2022, 12pm to 1pm via zoom

City of San José Housing Department Partner: 2<sup>nd</sup> Street Studios

5 Participants (all residents, some seniors, some African Ancestry)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- There are a lot of issues with the management of 2<sup>nd</sup> Street Studios by Abode services:
  - A lot of complaints go unaddressed.
  - Security does not enforce rules. They are unprofessional. They get into fist fights with residents.
  - Points of access are breached all the time.
  - Management disregards emails from residents on the daily.
  - There has been flooding which has caused fiberglass to hang from ceiling. It causes breathing issues and harms pets.
  - Not providing services that was promised – onsite mental health services, medical clinic and convenience store.
  - No mental health staff for 6 to 8 months.
  - General lack of support from Abode or onsite managers.
  - Management lacks respect for tenants and speaks down to them.
  - There is no sign for 2<sup>nd</sup> street studios, this lends itself to a lack of pride in the place.
  - Estimate 80% of people living at 2<sup>nd</sup> street studios are not meant to be there.
  - Lease violations are not being enforced.
  - Staff seems to make up or change rules.
  - Tenant was assaulted onsite and has not gotten redress. The police have not responded. Property manager won't respond. Afraid to leave their unit. The attacker still comes onto the property. Tenant can't get any help.
  - They don't take these concerns, or the concerns raised by the resident board seriously.
  - Residents are trying their best to go thru the grievance process to hold them accountable, but it is not working.
  - Frequent staff turnover.
  - Notified by newsletter that there are two interns on staff this month. That is not adequate.
  - People sleep in their cars in carport, then wait for people to open the doors to access the building. Security is lacking.
  - There is no mental health clinician onsite. So, when people act up, they get a lease violation, and can get evicted.
- Tenants make complaints to the City regarding Abode, and instead of following up with tenants, the City follows up with Abode. Nothing gets resolved.
- People in the public sneer at tenants from 2<sup>nd</sup> street studios. If you see police or ambulance onsite, or people hanging out, it is because proper services are not being provided.

- Unclear what services Abode is meant to provide.
- Other permanent supportive housing tenants share the same frustrations as 2<sup>nd</sup> street studios. We all lack support.
- Issues with the housing first model – services are voluntary, so someone who has mental health challenges can cause terror in the building.
- Issues with the VI-SPDAT assessment to get housing
  - It forces people to lie to get score up.
  - You might not even know about it. Tenant on the street for 10 years, didn't know about the assessment for 9 of those years.
  - Overvalues when you have a voucher, not whether you would be open to supportive services.
  - Needs to be updated so that people can get off the street more quickly.
  - Trauma occurs when living on the street. A lot of focus is needed for an accurate assessment to determine best placement.
  - Tenant with 35 arrests from living on the street was shot to the top of list, even though there are other people who are more vulnerable because of being victims of rape or having been on the street much longer.
  - To properly discuss changes to the assessment, need another meeting. It is a very emotional topic.
- People are not acclimated to living on their own. They struggle to pay bills, buying groceries, buy furniture, etc. 2<sup>nd</sup> Street studios is suppose to be supportive housing not affordable housing.
- Evictions are like death notices, because you can't get a voucher after an eviction.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Provide an independent review council to handle complaints in projects like this (2<sup>nd</sup> street studios).
- Staff at 2<sup>nd</sup> street studios needs to be trained on how to work with formerly homeless/homeless individuals.
- Provide training to providers on how to work with formerly homeless individuals.
- Outreach workers should provide VI-SPDAT assessment on the spot. A homeless person might not feel comfortable going into an office or may have trouble getting transportation to get to an office. Homeless have all their gear with them, hard for them to travel for an appointment.
- Need more case managers to help with the processes, to get approved by housing authority.



## LGBTQ Focus Group Meeting Notes

February 15, 2022, 530pm to 7pm via zoom

City of San José Housing Department

Partners: San José State University Pride Center, Billy DeFrank, LGBTQ Youth

Space 19 Participants (White, Asian, Latinx)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Hard to function without adequate housing, it is essential, and it is not provided.
- Government should be helping LGBTQ+ but they are not, and that is shameful.
- People should not have to hit their lowest point before they are eligible for help/assistance. The City is not helping.
- Systemic demonization. From housing, to health care, criminal justice, etc.
- People need to be unhoused to receive support. There are people who live in unsafe living conditions, out of a car, are couch surfing, or participate in survival crimes who also need support/housing.
- LGBTQ+ folks are disconnected from their support groups, often at a young age.
- Such a need for housing, when people are left with little to no options, they live in their cars because there is no where else to go.
- People are often stuck in physically or mentally unsafe living conditions due to lack of housing resources, availability, and affordability. In these situations, not only does health suffer it makes it hard to hold down a job.
- There has been an increase in LGBTQ+ homeless youth during pandemic.
- Takes emotional and mental labor to navigate a bureaucratic system not designed to handle unique situations.
- Everyone is tired.
- 20 shelter beds are not enough in a city of 1 million.
- “Zero tolerance of retaliation” policies are seemingly meaningless, as the City does not investigate.
- Conditions in shelters around marijuana or alcohol use, documentation and criminal history render many people in need ineligible. Need help, not judgement.
- Programs that are available, are often overcrowded and underfunded.
- There are only three organizations that are LGBTQ friendly/trans affirming: New Haven Inn, Covenant House and Bill Wilson Center. They are all overwhelmed.
- Need dignified space. Need own space when dealing with mental health issues like depression and anxiety.
- Agencies don’t have the ability to place people quickly.
- Issues with shelters:

- o Unavailable.
- o Not enough.
- o Rules that don't make sense.
- o Not affirming to trans people.
- Examples of impacts due to lack of housing:
  - o People getting kicked out of parents' home after coming out.
  - o Abuse at home.
  - o Couch surfing.
  - o Forced to work as an escort.
  - o Living in car.
- Knowledge gaps of services since people are decentralized, then people aren't in reliable contact with each other and where services aren't being advertised in any significant publicly visible capacity. In addition, there are language barriers and trust issues.
- Issues with VI-SPDAT
  - o Measures do not seem valid. Not enough weight on mental/emotional well-being.
  - o Measuring in of itself seems problematic. Vulnerability should not be measured in this way. Everyone who needs help should get it.
  - o Lacks validity in what qualifies as high risk.
  - o Questions rely on self-selection, which intersects badly with people who feel guilty for asserting their right to exist.
- City Council meetings may as well be in a different language they are so hard to understand. All the jargon is alienating. Unclear how to participate and advocate in government processes.
- Resources are often colorists against black and brown people. Some examples include:
  - o There is a stereotype that Asian parents are naturally colder to their children. Situations of abuse are often overlooked due to this belief.
  - o High rate of police violence against people of color. This can become dangerous when there is a police referral.
- Even if someone is experiencing discrimination, there is little to no help.
  - o Law Foundation is overloaded and overworked.
  - o Often resources are not accessible – conflicts with jobs, costs and language are examples of barriers.
  - o Long wait times. Often delays in response.
- Discrimination from landlords:
  - o Bullying.
  - o Reduce amenities.
  - o Receiving different treatment than other non-LGBTQ+ neighbors/tenants.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Provide housing. And make it accessible.
- Allow LGBTQ+ persons to be a part of the policy and decision-making processes. Not just based on surveys. Examples of benefits of this:
  - o Input on how to design a shelter – charging station, changing rooms (things that policy makers might not think of because they lack lived experience.)

- Prioritize trans folks in housing development and policy discussions. Available in multiple languages, including multiple Asian languages.
- Provide more support for queer people.
- More beds are needed. The need is immediate. Needed it 5 years ago.
- Need more money into the agencies that are supporting LGBTQ+ and people experiencing homelessness.
- Need safety nets for people who have to leave their living situation.
- Conditions around marijuana and alcohol use in shelters needs to be addressed. Requirements (for housing/assistance) need to be unconditional.
- Allow queer folks to be housed together. This will allow them to feel safe and build community which are things that keep mental health most stable.
- Provide a safe multi-unit housing building assists people towards long-term transitional housing
- Provide support in understanding government processes and how to advocate within those systems.
- Build programs designed and led by trans community. Start with a pilot. Consider a committee.
- Compensate people for their time, energy and emotional burden of sharing their stories and missing obligations.
- Assure that recommendations provided are seen and funded. Not just reported.
- Empower the community but don't over burden. Be cautious about tokening a representative and then putting all of the burden on them.
- Need majority representation or own safe space.
- Need trans affirming employers.
- Eliminate discrimination in short term shelters.
- One day or one workshop trainings for staff are good, but not good enough.
- Need more information in Spanish and other languages.
- Need to grow resources so we are not stuck with an assessment tool like the VI-SPDAT.
- Need leaders to be held accountable.

## Affordable Housing Resident Focus Group Meeting Notes

March 7, 2022, 1145am to 1pm via zoom

City of San José Housing Department

Partners: Kings Crossing

4 Participants (White, Latinx)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Need deep services for people with disabilities, mental health issues.
- People need help putting together the documentation to get services.
- People have become more mistrustful of govt programs and don't want to share information (afraid of being deported because of documentation, etc.)
- Lack of technology for people to be able to download information and forms; for elderly it is especially difficult.
- Nonprofit orgs typically re-syndicate and extend affordability (as opposed to for profit owners); tax credit investors did pull out during the beginning of the pandemic; development and number of funding sources (each with its own regulatory agreement) have become more complicated and are also therefore more complicated to manage.
- Pushback from NIMBY's: we don't want those people in our neighborhoods. Neighbors assume all future residents are criminals. Helps that the City and the County back development.  
Examples:
  - Help with design/color palette to help with community relationships.
  - Programming community space for local nonprofits, use local artists.
- More property management issues with permanent supportive housing and rapid rehousing. Need more connection to services, more services.
- Catholic Charities provides services but need more partners funded and ability to refer.
- Staffing and turnover rates for service providers are tremendous.
- Reasonable accommodations are very rarely not approved. Even when denied, provide proactively options. Annual fair housing training is great. Key is to have consistent policies and procedures (forms, who approves, etc.).
- Getting people to meetings is a challenge in zoom times. Good to post information in lobby, elevators, common areas, offices. Can't trust just email or online. E-mail blasts don't work.
- During COVID, individual meetings were held to go through step by step of the process. Property management had most the documents.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Build trust so that people understand that Charities' priority is to keep people housed.  
Examples of how to do this:

- Provide workshops re documentation and the process of applying/recertification. Explain why and what documentation is needed. Also, provide standardized documents.
- Neighborhood preference would help. People want people from their neighborhood to be served by the housing that is going in. Affirmative outreach to make sure that their community is served.
- More workshops for people and support for people to fill out applications and certifications. Education on what are roles and responsibilities of tenants and landlords.

## Indigenous Peoples Group Meeting Notes

March 16, 2022, 5pm to 630pm via zoom

City of San José Housing Department

2 Participants (Indigenous Peoples)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- High rent costs
- 184 grant available, but no one available at City or County to assist.
- Overcrowding.
- Rents are so high, people choose between rent and other necessities such as food or medicine.
- Long commutes if you can't afford to live in San José but you work in San José. And the costs to commute are high – 40/day for gas, or 400/month for ACE train. Can get free VTA with ACE pass.
- Hard for young adult children to “grow up and move out of the house,” because costs are so high, so many children stay at their parents' house or couch surf with friends.
- Increase in utility costs.
- Lack of resources for housing referrals.
- Need more staff and resources for home visits, food assistance and health case management.
- Difficult for case managers to stay in touch with clients because they don't have a PO box or a phone.
- Shelters won't allow pets or certain medications, but pets often are the only companions some people have.
- Most tribes in San José don't have federal recognition so those tribal members miss out on benefits.
- Discrimination. Landlords lack cultural sensitivity.
- At the Indian Health Center, average 2 to 3 calls a day regarding need for housing or housing issues in general.
- Big need for affordable housing.
- Lack of funding/resources for modifications for people with disabilities such as ramps, bars, etc.
- Housing that people can afford often has its own issues like dumping, trash in streets, homeless, homeless using bike lanes and/or poor lighting.
- To access care through the County, you need to have a Santa Clara County address. This leads to a lot of doubling up.
- People are moving away every day.
- Many American Indian families have moved out of the area in the past 10 years because of the high cost of living. They have either moved to areas in the Central Valley where it is a bit more affordable or have move back to their reservations or other locations in the country.
- Many American Indians do not have more than a high school degree and cannot afford to live in the Bay Area any longer, most are stuck in low end paying jobs.
- The majority of American Indians in Santa Clara County live on the Eastside of San José as well as in Morgan Hill and Gilroy.

- Many of older American Indians have also passed away within the past five years.
- Affordable Housing is very much needed for American Indian families in San José as well as Santa Clara County, like many there are sometimes 5 or more people living in the same location to afford rent.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Agencies/City/Housing Department should have an American Indian point of contact. Should have flyer and information available.
- Need help or a faster process for getting federal tribal recognition.
- Need resources/assistance from state/local government for non-federally recognized tribes.
- Need support for Indian advocacy. Used to have a group of 6 to 8 advocates that went to capital. Need support for urban Indians to advocate for themselves.
- Need an advocate/navigator in the Housing Department who people can contact. A direct line.
- Need relationship building/trust. A lot of historical trauma exists.
- Need increases in education and access.
- More buildings and apartments need to be accessible.
- Build more housing for homeless people.
- Increase case management to help people apply for housing.
- Provide free phones.
- Provide more information/resources for nonprofits to share.
- Provide stipend or grants for super commuter public service/nonprofit employees. Provide a shuttle like Google does. Provide support in organizing carpools.
- Preserve affordable housing.
- Set aside units for Native American/Alaskan families.

## Meetings Summaries

### 01/14/22 Access to Rental Housing for Protected Classes

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City staff joined the bi-monthly meeting of The Santa Clara County Eviction and Landlord/Tenant Dispute Collaborative to get feedback on accessing rental housing. The group discussed **barriers residents face in accessing rental housing, trends in fair housing issues and brainstormed ways to improve access.**

The most pressing **barrier** cited in accessing housing was **affordability**. The group agreed that many of the issues that renters face are caused by high housing costs like displacement, overcrowding and lease violations. Other barriers discussed included **large security deposits, adverse credit, or bankruptcy**. Attendees noted the **court eviction process** favors short timelines puts tenants at a disadvantage. Lacking support and resources, tenants struggle to navigate the eviction process and often end up with default evictions, which compromises their ability to apply for future rental housing.

The group highlighted the additional challenges the pandemic has placed on tenants and landlords. They expressed the state has been **slow to process emergency rental assistance applications** and that the lack of funds and lack of information on rental assistance application status has caused problems for both landlords and tenants. One attendee noted that while landlords may be aware of a tenant's application for rental assistance, they might look for other reasons to evict the tenant, often citing noise or lease violations. While tenants may have protections under expanded state and local laws, attendees **expressed frustration in educating tenants and property owners on the complex, inconsistent and rapidly changing laws.**

When discussing **fair housing issues in accessing rental housing**, attendees shared that discrimination based on **disability continues to be most common**. One fair housing practitioner stated that about 2/3 of landlords they encounter are unwilling to grant a **reasonable accommodation** request. The group noted differing perspectives and interpretation of reasonable accommodation standards make them difficult to resolve. They also predicted these issues to escalate due to the passage of a new state law effective 1/1/22 that adds additional requirements for disabled residents who want to live with **support animals**. Other types of discrimination identified were discrimination based on **race/national origin, families with children, source of income and language**. Specific examples of discrimination included owners reluctant to rent based on appearance of resident, discrimination based on source of income, denying access to parts of property and domestic violence victims being evicted for domestic violence events.

When the discussion turned toward **solutions**, the group focused on **education, funding, and improved renter protections**. The group agreed **early intervention education, in multiple languages/formats widely accessible**, would help address the escalation of common landlord/tenant issues to eviction. The group acknowledged the challenge of providing current information to tenants due the quick changing nature of these laws. Likewise, landlords are often unaware of the changing laws, and would benefit from reliable and consistent information streams. Ideas for promoting education and access included **keeping eviction centers open beyond the pandemic, increasing mediation services, staffing hotlines and funding for these programs**. Attendees expressed that the lack of funding continues to be a challenge in providing services, and **by increasing funding with less limitations would greatly improve service provision.**



Lastly, the group gave specific **ideas on expanding or adjusting rules to improve renter protection** including **expanding tenant right to sublease, including homes built after 1979 under the Apartment Rent Ordinance, and eliminating counting immediate family members against occupancy limit.**

## 02/24/22 Market-Rate Housing Developer Meeting

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The discussion looked at various **development standards, on-site and off-site requirements, fees and exactions, processing or permit procedures, and non-governmental factors** to assess pain points in the development of housing in San José. Attendees expressed that development standards should be evaluated on a case-by-case basis and that **some of these standards should be re-evaluated** all together—like **private/public open space requirements**. In some cases attendees expressed a need for long-term consistency where standards are open to interpretation and they suggested that redundancies be removed wherever possible across the board.

**Road improvements and stormwater treatment and retention** proved particularly challenging for both on- and off-site requirements because each have major ramifications. Road improvement involves multiple regional organizations like PG&E which adds red tape and can forestall certificate of occupancy significantly. Stormwater treatment and retention, as expressed in the meeting, often requires levels of detail at the Planning level that is also covered at the Building Department level and only adds **redundancy—further impacting timelines**.

**Park impact and affordable housing or inclusionary housing fees** were the most straining. Attendees expressed that parkland fees are not standardized and one attendee pointed out that they bought an empty lot next to their project, dedicated that to the City as a park, and the City used those fees to fund another park project. Attendees also expressed that housing policies and the associated fees are layered such that it creates a nightmare of red tape, and that escalation of fees can skyrocket estimates, leading to development being unable to pencil.

Overall, those in attendance expressed **very long wait times for permits and processes**—approximately 15 months on average. They cite Historic Preservation, Fire, and Planning, and CEQA, Planning Commission, and General Plan amendment hearings as major hurdles. Many of the attendees expressed a desire to have more than one General Plan hearing a year.

The non-governmental factors that affected the attendees largely boiled down to **regional agencies' lack of cooperation with the City**.

Overall, the attendees felt that the **processes in place should be streamlined** and that some departments like Public Works and Planning should, instead of being fee recovery, **be General Fund funded** in such a way as to promote long-lived leadership in these departments who develop relationships with developers.

## 02/25/22 Affordable Housing Developer Meeting

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City staff met with affordable housing developers to gather feedback on **land use controls, on- and off-site requirements, fees and exactions, processing and permit procedures, and non-governmental factors** that impact generation of these housing types in San José. In total there were six participants and five staff which were broken down into two breakout rooms.

Attendees identified **open space** as a limiting factor for affordable development because requirements aren't broken down by category—studio vs. three-bedroom apartment, for example. State streamlining law, though, has alleviated some of this strain but there are other things that make the state streamlining less attractive, like requiring prevailing wage rates for labor among other things, and it would be more beneficial to have a streamlining-adjacent City ordinance that would help achieve mixed-income developments. A city streamlining program, however, should be sensitive to requiring higher building heights and densities because this can shift affordable projects away from being able to pencil because that can drastically shift costs.

All attendees agreed that the **city and state policy framework needs to be consistent** not only for Planning but all other departments as well and that the Attorney's Office should prepare such a framework moving forward. It was suggested that, because the State level legal system is shifting so rapidly and there are issues with keeping items consistent, **the City should make findings for 'grandfathering in' developments who began the process under one state law prior to amendments.**

**Transportation demand management measures should be categorically exempt from affordable housing**, one attendee suggested, because many affordable developments already incorporate many of these measures by-nature. Other attendees agreed that TDM measures and off-site road improvements are strenuous, and they cite **coordination with regional partners like PG&E as tedious and burdensome**. Suggestions include a **single person or department that could coordinate with regional players as a point of contact between them and the developer.**

**Fees and fee estimates** could also benefit from a **single person or persons within each department** being the main point of contact. Some point toward implementation of the 'Ruth Model'—Ruth being a dedicated point of contact for affordable housing—for all departments as being largely beneficial in all aspects of affordable housing implementation. Attendees also felt that **the earlier the fees and estimates can be provided, the better, and that all fees, waivers, and other aspects should be included upfront**. One attendee suggested that, if possible, **providing raw data on past and current projects** could be one method to give a more accurate estimate by extrapolating the projects bottom line expenses.

**Processing and permit procedures** tend to take on average between 9 months to a year even when using permit streamlining. The reality, as one attendee puts it, is that 30-day letters take around 60 to 90-days because departments are overwhelmed and understaffed. If **one large comprehensive meeting could take place with all departments** this would go a long way to alleviating the time constraints many projects face. While not discussed by attendees, the 'grandfathering' aspect discussed previously would likely help this process as well because attendees expressed frustration when, in some cases meetings on this scale occur, policies change three months down the line.

Some attendees expressed frustration **with streamlining being weakened with the additional Tribal Consultation requirements.** Staff mentioned that this is likely a new requirement that will become naturalized and easier to deal with once it becomes a commonly incorporated aspect of projects.

Everyone agreed that the **biggest challenges outside city control are state level funding applications and timelines** because of the ever-changing nature of state regulatory frameworks.

East Side Union High School District Focus Group Meeting Notes  
January 27, 2020  
City of San Jose Housing Department

What are some of the biggest obstacles you or your students have had to overcome in trying to get (and maintain) stable housing?

- Hard to break into homeownership
- SCC housing trust has lots of programs and you can become a first time homebuyer again – after a long time
- Had to refinance parents house and now not a first time homebuyer
- People struggle for housing, they sometimes have to choose between paying bills or paying rent.
- People lose their job, they live in the car, couch surf and send money to their families,
- The cost of living is rising all together even food
- Gap in homeownership housing, including information on first time homebuyer program

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- First time homebuyer program was life changing for people I know, so stuff like that
- Require a percentage of below market rate condos and townhomes
- Google can you give \$50M for first time homebuyers, loans get paid back.
- In silicon valley there is a lot of wealth, you don't have tax to make more housing.
- My thing is that people could have something that's theirs
- Why cant the City buy abandoned dilapidated houses and turn it into below market rate homeownership – the real estate professionals are already doing this
- Build more condos and make a percentage below market rate
- Apartments are great but being able to own something
- City land can be used for affordable housing and take out the land cost
- Provide legal advice online and over the phone
- Requirement that notification of rights be included in lease so everyone has access to resources
- Provide help with elderly and senior citizens in situations like whether to put house into a trust, or what do when there is a lien on the home
- City should do a better job letting people know what resources are available and in multiple languages
- Church homeless prevention
- Business owners – its really expensive to start a business. City has strict code for business and fees are high. Things only last 3 years.

Are there ways in which having high concentrations of low-income students at particular schools makes it more difficult to advance their educational mission?

- Yes and no, if the parents teach them that education is important for their success.
- Low-income kids are not the problem, its parent absenteeism. Working 5 jobs to make the rent. Need to be a helicopter parent to make sure that their kids don't get into trouble. Then the kids become prey for gangs and other things. Low-income students cant afford extra curriculars like sports and cant buy uniforms and stuff. There are programs for scholarships but for latinx they don't know if it not written in Spanish.
- Need 5 jobs in order to pay the rent means sacrificed time with children. Children don't have role models.
- Housing crisis is creating more crime and society that is really struggling
- Rent control is impacting all of us
- Disparity in housing equality
- Crime not just in eastside, its creating burglaries in south san jose

- More education in communities underserved, English classes for parents to path to better paying jobs.
- People should be able to survive with one job, construction workers and household keepers – construction workers life span is not too long

Filipino Focus Group Meeting Notes  
January 26, 2020  
City of San Jose Housing Department  
10 Participants (mostly Filipino women under 40, nonprofit professional, SJSU students)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Found a place to rent after college with 4 roommates in 3 bedrooms. Parking is hard because so many houses have a lot of tenants. Generally, it is unaffordable to live here.
- Grew up in a house with 3 generations.
- Live near SJSU. Hard to find a good landlord and a good price. Lived with 7 roommates in a small apartment. Got a new job and a new place but parking is hard. Still living with more roommates than bedrooms, triple to a room.
- Choices around housing is limited by affordability. On a tight budget, use school pantry.
- Difficult to manage mortgage payments of inherited home. Have to work additional jobs, rent out on Air B and B, refinance and unable to retire.

What do you think government agencies (city, county, housing authority) should be doing to eliminate/reduce those problems (described in answer to question above)?

- Analyze impacts of Air B and B on rental market.
- Hold tech companies accountable to their impacts on housing affordability and their taking of resources from communities.
- Close loopholes that allow for fees instead of construction in development agreements.
- Analyze empty spaces. Look at percentages that must be used so that they can be rented out at a lower rate.

## Non Profit Affordable Housing Developer Focus Group Meeting Notes

December 13, 2019

City of San José Housing Department

What are some of the barriers to affordable housing development or preservation?

- Difficulty in finding contractors for small-scale projects because of requirements including HUD, LEED, Davis-Bacon and Section 3. Hard to find for 15k to 20k, then dinged for using the same people over and over – CDBG related.
- Would like to see more coordination between cities. Work with 6 different cities, each process is different.
- High Land costs at \$15 million/acre
- Streamline acquisition process. Current RFQ and RFP process are cumbersome.
- Lack of capacity building in general
- Competing with for profit entities in labor market
- Higher office costs
- Higher risk because of initial investment
- Funding for an organization that helped with those types of costs and staffing
- Used to be much easier to get staff
- 1% a month increase in costs over last four years, adds up to like 50% over the long haul
- Time value cost is greater than it used to be due to county-related delays
- Had to go 120 years back due to title issue cost \$7.5m
- San Mateo County is running things the right way, properly staffed, predictable process, annual cycle, \$25m or more per year each year, support pre-development and permanent money. Staff recommends to committee recommends to council
- Santa Clara County – Measure A \$ is the only source and tightly controlled; vouchers are a black box and only every four years or so, predictably --- more effective than alameda county --- had to start from scratch
- MTW also city has a lot of vouchers
- Focus on homelessness for \$750m
- HA seems to come up with vouchers now if needed because of MTW flexibility
- Death by a thousand cuts – more transparency about who has authority to make a decision, role of delays from bottlenecks; fear about making a decision, maybe don't know policy
- Rehabs rare and take forever
- Asymmetric process – applicants have to be exactly on time and they never are
- County started with a process that had the potential to be more efficient of pairing vouchers with Measure A and with San José joining in same process – would have been more like San Francisco – has worked with county and county housing authority but not with San José .
- San José should hire someone to do an organizational review due to pervasive delay, lack of experience amongst staff, lack of knowledge re LIHTC development/financing and underwriting of unfair terms.

- San José pushes to minimize every dime which forces application of state funds that knowingly likely not to get, causing 6-month delay which costs money.
- Counter to what the elected leadership of the city wants
- Forced to spread risk to other cities
- San José has issues with planning. It is emblematic of why state taking over land use, reinterpretation of the 1.5 acre rule – definition of underutilized – in certain zones like neighborhood commercial – based on weird fears of losing industrial land
- Lots of staff turnover which causes delays 6-8 month when coming up to speed
- Planners wedded to urban villages, where basically nothing has been built (maybe one) – form-based code
- Way behind on 25,000 units of housing goal
- San José staff underpaid makes its hard to recruit
- Morgan Hill, Santa Clara, Sunnyvale all have a point person you can always go to who will go to city manager and shepherd things, in both housing and planning
- Used to be that San José housing staff would even help break through barriers in planning
- San José has weak mayor/city manager structure, rare for a large city
- San José considers housing a burden fiscally and worried that will go bankrupt because of loss of industrial parcels
- Commercial space inclusion requirements – huge burden – donner lofts as example
- Ideological commitment to new urbanism
- Not talking to retail sector to see if they actually need the space
- City could create a fund or partner with CDFI for a nonprofit or government to buy and use the space for good use – nonprofit entities need the space and are being displaced

Positive:

- Identify separate fund of \$30m that can go into any deal, would be good to guarantee that it will be there going forward, even if may not be totally used up each year
- Tech sector stepping up
- Cities need to work with to get a serious commitment, all loans so far and not even below market
- Google and Apple have donated land – though north San José is tied up in law suits
- More training/education for planners on state law requirements like SB 35
- Want cities to be successful vis a vis underwriting guidelines



## Formerly Incarcerated Focus Group Meeting Notes

December 12, 2019

City of San Jose Housing Department

10 Participants (all residents of 2<sup>nd</sup> Street Studios, formerly homeless and formerly incarcerated)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- **Comments about living at Second Street Studios (San Jose's first 100% permanent supportive housing complex)**
  - The cameras in are all over but management won't share the footage when there are problems.
  - Staff here issues a lot of infractions
  - Its good for some, but I wouldn't bring my kids here. It is hard here.
  - It is unpredictable here.
  - Here at 2<sup>nd</sup> Street Studios a medical facility was denied. It is needed. We need interface with medical help. Some people need help with their medications etc.
  - It is no fun here, no camaraderie, lots of negativity. There is more to life then just a box, lots of people are stuck in their apartment, scared to come out.
  - It has been a good place for us, good healing place, but we need medical staff here.
  - We have a community, we understand each other. Homelessness changes you a lot.
- **Comments about the cycle of homelessness and incarceration:**
  - Some of us will do drug treatment then we are back on the street with nowhere to go. Transitional houses would help prevent recidivism.
  - You do positive things to help yourself, but being homeless you have to struggle. You take one step forward and then 3 steps back. We need a place (transitional housing) to go to continue our positive progress.
  - 10 years of being homeless, being homeless delays anything you've done to make personal progress. You are worried about your stuff. When you are stuck out there you go into crime and then jail.
  - Many buildings just deny you based on your past criminal record.
  - Need transitional housing, once you hit the street, tattered clothes, not presentable for interviews for jobs or housing.
  - Case managers:
    - Some case managers are not helpful (make you write your own letter) while others are more helpful (write it with you).
    - Some people switch case managers when their needs are not getting met, others don't know you can do that.
  - Many people have no idea, after getting out of jail, what to do or where to go or who to talk to.

- Arrest vs. conviction: Housing providers look at “background” and the system picks and chooses. There is room for the property manager to pick and choose, they make excuses for not qualifying.
- After a felony, you cannot work for 5 years.
- Only got housing once kids grew up.
- We didn’t know we could sign up for housing.
- Some don’t have an SSN, cell phone, or their identity has been stolen, hard to get a phone.
- Hard to get a job which leads to crime to survive leads to jail leads to homelessness. (Cycle)
- Estimated that 90% of people incarcerated have been or will be homeless.
  - Some people start the housing application process in jail
- When you are told no, people just give up, settle for where they are at. Being homeless, it didn’t give you any rights to equality. Really is your become lower than equal. You are kept down by society when you are homeless.
- You need to do more outreach to people with criminal background. People do not know what they are eligible for. I found out I was eligible. I later learned that going in and out of jail got my VIASPEDAD score way up.
- Housing 1,000 is really Housing in 1,000 years. It will never happen.
- Employers have fired people when they found out employees live in RV.
- State will not do business with a convicted felon.
- Why hasn’t anyone fixed the prison system? It is supposed to rehabilitate but it does the exact opposite. Makes you a monster, over and over.
- Why haven’t police been held accountable? Who is policing the police? They destroy lives at will with no remorse.
- Police pick on people, treat them worse, like they have not rights.
- Nonprofits paid by the county, we have no support, no job opportunities. That money should go directly to helping the homeless, feed people who need it, the money never hits us.
  - Flood victims got \$5,000.
  - Homeless people get \$500 in gift cards. I don’t need a Target Gift Card.
- People (who work for government and nonprofits) are insulated by their money, they are telling me what I need. They are wrong.
- We need full medical services [in permanent supportive housing] to help.
- There should be different types of PSH housing, some that help with the basics, some that offer programs, and some that have fewer staff and allow people to be mostly independent. Not everyone needs the same thing.
- Some people need help with cooking, washing clothes. Services cannot be a cookie cutter, everyone has different needs. People here tried to pay rent with cash and were told to get a money order. They didn’t know where to get a money order or how to fill one out.
- There is a huge gap from the streets to jail to PSH, people don’t know who to trust, worried about a setup, being sent to a FEMA camp, being misunderstood.

**Questions for the City/County:**

- Frustrated that help does not trickle down
- We fail to understand the gravity and magnitude of a person's transition into and out of homelessness.
- Sweeps create terror for homeless people
- Health; lots of trauma

## Women Focus Group Meeting Notes

December 13, 2019, 3pm to 4pm at the Office of Women's Policy

City of San Jose Housing Department

9 Participants (9 women, 2 children, African Ancestry, Vietnamese, South Asian)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Difficult to find housing if cannot drive or don't have a car.
- Difficult when owners say housing is not in a safe place, not safe for children and that children are too noisy.
- Lack of shelter beds. Owners unwilling to rent to women with children. Moving so much is hard.
- There is only one DV transitional housing in the County, 6-9 beds.
- Lack of child support and no legal help for divorce and child support.
- Some women are choosing to separate or be separated from their children because of the lack of family shelter, esp. where you can bring male children.
- Women go to family resource centers for basic needs, like a place to nurse. No place to nurse in public.
- Work a lot with justice involved women. They are released with no support. There needs to be a process for women to start getting basic needs like identification and other essentials in custody, not after they are released.
- Issue with finding housing – need to prove double the rent in order to find a place to live. No credit, work history or financial literacy – some women who have been under control of their husbands don't have this.
- Referrals to resources are easier for family resource centers because they build rapport with people.
- Possible partnership – SJ cleanslate program, expungement
- What is affordable to men is not affordable to women – Wage gap
- Need alt. docs for housing – women may not have the docs that were in the name of their ex. School, TIN, etc.

## Homeless Focus Group Meeting Notes

December 12, 2019, 12pm to 1pm at Destination Home

City of San Jose Housing Department

9 Participants (5 women, 4 men, African Ancestry, White, Latinx, Asian)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- 3 participants, issues with vi-spibat
- People expire off list unless there is a “significant change” which is subjective
- HUD definition is a problem – narrow. People couch surf and end up on the streets
- There is pressure to be a high user and people are encouraged to lie to get a higher score to get into housing
- County and City need to hold nonprofits accountable for their staff being trained and know how to use vispidat and the how homeless system
- The don’t know how to explain it to their clients
- Suggestions: New category, special topics – collect data needed to help change direction, not just the HUD box. IE. SPARX tracks race data, see that a large chunk of homeless are Latinx families, but no one else is tracking
- All the county contractor’s assessment processes are different. Path has a workshop, there is no place someone can just go in and take the assessment right then and there.
- Case management @ safe parking with Life Moves is lacking
- Unresponsive or delayed responses from case managers
- No oversight at a respite program
- Outreach only relies on case managers – but doesn’t reach everyone on the streets
- PSH is only allocated to providers for referral
- No housing available to the general public
- There should be a HUB to learn how to navigate housing, work on credit, onsite case managers
- Good case managers hand hold
- Reentry is the only HUB but not all homeless have been incarcerated, and it has to be recent
- Some providers have bilingual staff.
- Once homeless moves into housing, there should also be after care, therapy. Low-income people don’t have the money or ability to get out of their apartments. They don’t just go to starbucks or santa cruz. This like cooking classes. They need help transitioning from surviving to living.
- Need more 30% AMI units.
- Need to focus on homeless people, not just high utilizers.

## **Santa Clara County Regional Assessment of Fair Housing Advisory Committee Meeting Notes**

Advisory Committee Meeting – December 11, 2019

Attendees: 7 participants from SALA, Project Sentinel, Law Foundation, Morgan Hill, Association of Realtors and AACI

### **I. Community Engagement Process**

- a. There was a discussion of ideas for improving turnout at community meetings that were open to the general public.
- b. Suggestions included:
  - i. Providing more advance notice of meeting times and locations.
  - ii. Providing food and child care.
  - iii. Leveraging jurisdiction staff who may be trusted messengers to conduct outreach, rather than doing so as consultants who may be unfamiliar to stakeholders and residents.
  - iv. Partnering with local nonprofits to co-convene community meetings. One attendee mentioned the City of San Jose partnering with Somos Mayfair around a community meeting for a different process.
  - v. Holding meetings at affordable housing developments.
  - vi. Using less jargon or technical language in advertising efforts.
  - vii. Working with nonprofits that focus on issues other than housing.
  - viii. Partnering with the Santa Clara County Behavioral Health Department's housing team.
- c. The role of meeting/planning fatigue and confusion about different processes like the Ten Year Community Plan to End Homelessness was identified as a barrier to generating engagement in the AFH process.

### **II. AFH Goals and Strategies**

- a. There was a discussion regarding potential goals and strategies that might be included in the AFH.
- b. Possible recommendations that were discussed include:
  - i. Increased tenant-based rental assistance for seniors and domestic violence survivors.
  - ii. Support for legal assistance for tenants in light of new laws such as A.B. 1482 and protections for Housing Choice Voucher holders.
  - iii. Focusing on increasing compliance before litigation becomes necessary given how time consuming litigation can be.
  - iv. Increasing the number of homeless services case managers conducting street outreach and conducting VI-SPDAT intakes in encampments rather than expecting homeless individuals to come to an office in San Jose.

- v. Increasing jurisdiction staffing regarding policy implementation.
- vi. Expanding inclusionary housing to cities that do not currently have it and increasing set-asides to 20%.
- vii. Reducing the criminalization of homelessness through sweep and bans on people sleeping in cars.
- viii. Funding for community organizations to conduct outreach across a range of housing issues and programs and to build the capacity of tenant organizations.
- ix. Expanding low-income homeownership, including through community land trusts and limited equity cooperatives.
- x. Establishing a civil right to counsel in landlord-tenant cases.
- xi. Increasing access to affordable housing for refugees who may lack verifiable rental history and a co-signer or guarantor.
- xii. Increasing the availability of public services in rural, unincorporated parts of South County, including in areas with farmworker housing.
- c. Additional issues (including higher level issues and existing models):
  - i. There is a need to ensure that goals and strategies at the local level are calibrated to the level of staff capacity cities have, which varies widely among cities in Santa Clara County.
  - ii. The Law Foundation of Silicon Valley's A.B. 1482 website - <http://www.lawfoundation.org/ab1482> - is a useful resource for those seeking to learn about the new law.
  - iii. State funding for legal services for asylum seekers may provide a model for legal services in landlord-tenant cases.

Advisory Committee Meeting 2 – December 12, 2019

Attendees: 2 Participants from Destination Home and Community Solutions

I. Community Engagement Process

- a. Suggestions included:
  - i. The recommendations for increasing community engagement discussed at the previous day's meeting were listed, and there was agreement with those suggestions.
  - ii. There was a recommendation of engaging directly with staff at different agencies who help place individual households in housing.
  - iii. There was emphasis on centering the experiences of immigrants and persons with disabilities.
  - iv. There was a suggestion of using community rooms at affordable housing developments.
  - v. There was a suggestion of offering gift cards for attendance at meetings.

- b. There was an acknowledgment that fear of retaliation, particularly among Project-Based Voucher tenants, may be an impediment to engagement in the process for some.

## II. AFH Goals and Strategies

- a. Possible goals and strategies discussed included:
  - i. Ensuring that affordable housing is included in all parts of the county, not just those that have historically had affordable housing.
  - ii. Changing zoning and land use laws to allow for the development of affordable housing across the county.
  - iii. Reducing land zoned exclusively for single-family homes, particularly in higher income areas.
  - iv. Creating affordable housing zoning overlays to allow multifamily housing.
  - v. Leasing publicly owned land to nonprofit developers instead of selling that land.
  - vi. Utilizing outside-the-box approaches to zoning reform that allow for different housing types.
  - vii. Reducing barriers imposed by nonprofit developers to access to affordable housing for homeless individuals.
  - viii. Setting aside units for extremely low-income households in LIHTC developments.
  - ix. Setting a standard for dedicated funds for housing for extremely low-income households mirroring the requirement of former Redevelopment Agencies that they dedicate 30% of funds to such housing.
- b. Broad themes that were discussed included:
  - i. Recognizing how the overall underproduction of affordable housing is exacerbating fair housing issues.
  - ii. Recognizing that the greatest need for housing is at the lowest end of the income scale.
  - iii. Making sure that funding sources for new efforts does not cannibalize existing, limited funding streams.



## Assessment of Fair Housing Disability Focus Group Meeting Notes

January 18, 2019, 430pm to 6pm, LGBT Youth Space

City of San Jose Housing Department

9 Participants (Diverse group, Black, Asian, White, Latinx, likely all under 30)

What are some of the biggest obstacles you or your clients have had to overcome in trying to get (and maintain) stable housing?

- Issues with shelter staff not being affirming to identity
- Program has lots of requirements, they need to be working, going to school
- People facing discrimination and then get evicted
- Staff at center – lots of positive feedback re: new haven inn. One of the barriers to shelter that is an issue for LGBT folks is sobriety requirement – lots of mental health issues in the community and self medicating.
- Mobile home repairs are expensive and time consuming. Park used to handle them, now they do not. Family members all working, but still can't afford the repairs.

What do we need?

- I want my own space. Own room. Privacy.
- New haven is fully booked but so many homeless transwoman can't get in. There aren't enough resources to meet the need.
- There shouldn't just be an LGBT shelter, there should be LGBT transitional housing, half way houses for women and transwomen
- More safe spaces for women and trans people non-binary people. Their needs and safety in housing is disregarded
- Staff need to stop other folks from being bigoted to them and questioning their identity
- More youth LGBT resource groups at schools
- There should be an audit for shelters who claim to be inclusive but they are not.
- There should not be labels on people
  - What about tracking data for discrimination?
  - There should be an option to write in and an option to pick, non-binary

# APPENDIX F

## Site Inventory Data

## Redeveloped sites and existing uses

File Number	Filing Date	Project Name	Tracking APN	Address	Prior Use	No. of Units
H12-020	1/16/13	San Pedro Square	259-32-044	195 W. Julian Street	Office	406
PD15-013	4/3/15	Arcadia/Evergreen Part 1	670-29-002	2140 Quimby Road	Outdoor Recreation (Ball Park) and Parking lot	250
PD15-014	4/16/15	1807 Almaden Rd	455-21-050	1807 Almaden Road	single-family homes	96
PD15-055	11/4/15	Shea Homes/ Japantown Corp. Yard	249-39-039	Bounded by N. Sixth Street, E. Taylor Street, N. Seventh Street, and Jackson Street	Vacant	520
PD16-005	2/4/16	Istar/Great Oaks	706-08-008	West side of Great Oaks Blvd approx 1,000 feet northwesterly of Highway 85	Agriculture (Orchard)	301
H15-046	9/25/15	363 Delmas Avenue	264-26-006	341 Delmas Avenue	Vacant	120
PDA14-035-04	4/9/17	Communication Hill Phase II	455-28-016	junction of Communications Hill Blvd. and the CalTrain railway to the terminus of Communications Hill Blvd. and Casselino Drive.	Vacant	486
SP17-037	9/1/17	Page Street Housing	277-20-044	329 Page Street	Single-Family Homes	82
PD16-026	8/11/16	7th & Empire	249-38-042	535 N. 7th Street	Vacant/Abandoned Auto Repair	92
PD15-066	12/21/15	Santana Row Lot 12	277-40-017	358 Hatton Street	Parking Lot	258
SP17-016	4/24/17	425 Auzerais Avenue	264-26-017	425 Auzerais Avenue	Personal Instruction/Retail Commercial	130
PD15-068	12/22/15	Santana Row Lot 17	277-38-003	544 Dudley Avenue	Multi-Family	110
HA14-023-02	12/6/17	Post & San Pedro Tower	259-40-088	171 Post Street	Vacant Parking lot	228
H17-019	4/25/17	Spartan Keyes Senior Housing	472-25-092	295 E. Virginia Street	vacant (pit)	301
H18-026	6/7/18	S. Market Mixed Use	264-30-034	477 S. Market Street	Auto Repair	130
H18-057	5/3/18	Balbach Affordable Housing	264-31-109	South East corner of Balbach and South Almaden Blvd	Parking Lot	87
CP18-022	6/26/18	Blossom Hill Affordable Apartments	690-25-021	397 Blossom Hill Road	Retail Commercial	147
SP17-027	6/26/17	Roosevelt Park Apartments	467-12-001	21 N. 21st Street	Vacant	80
SP18-033	6/28/18	Mitzi Place	299-16-001	4146 Mitzi Drive	single-family	50
PD18-043	10/17/18	Race Street Housing	261-42-058	253 Race Street	small businesses, SFH, parking lot	206
H19-028	6/20/19	750 W San Carlos	264-15-003	750 W. San Carlos	vacant industrial building	80

H19-051	11/18/19	Eden Housing	264-26-088	425 Auzerais Avenue	single-family homes	130
H20-002	1/15/20	4th and Younger Apartments	235-09-020	1020 N. 4th Street	Vacant/Abandoned Grocery Store	96
CP18-044	12/19/18	Affirmed housing	484-41-165	2348 Alum Rock Avenue	strip mall	87
H19-054	12/18/19	Moorpark Supportive Housing	282-44-027	1710 Moorpark Avenue	church annex buildings	108
H20-013		3090 S Bascom	439-28-007	3090 South Bascom Ave	retail	90
PD18-015	6/19/18	Bascom Gateway Station	282-26-007	1330 S. Bascom Avenue	strip mall	590
PD19-019	6/4/19	Winchester Ranch	303-38-001	555 S. Winchester Boulevard	mobilehome park	688
H19-023		Eden @GALLUP		5647 Gallup	vacant	46
H20-005	5/6/19	Kelsey Ayer	259-20-015	447 North 1st Street	Office	115

COMPLETED 2018-2021						
File Number	Filing Date	Project Name	Tracking APN	Address	Prior Use	No. of Units
PD12-039	10/11/12	South Village (Hitachi Condo's)	706-65-020	0 Raleigh Road	Vacant Lot	83
PDA14-035-01	8/21/14	Communication Hill (Phase 1)	455-28-017	Junction of Communications Hill Blvd. and the CalTrain railway to the terminus of Communications Hill Blvd. and Casselino Drive.	Vacant Lot	314
PD16-025	8/16/16	The Orchard (Residential)	254-06-042	641 N. Capitol Avenue	Vacant Lot	188
SPA17-009-01	9/7/17	Miro (formerly SJSC Towers)	467-20-086	33 N. 5th Street	car wash and parking lot	630
PD14-055	1/13/15	Leigh Ave Apartments	284-32-014	1030 Leigh Avenue	Vacant Lot	64
PD15-044	9/11/15	Sparta	467-16-076	525 E. Santa Clara Street	small business	85
PD17-029	12/15/17	Julian/Stockton Mixed Use	261-01-030	715 W. Julian Street	Single-Family / Mixed Use	228
CPA11-034-01	5/10/11	North San Pedro Apts	259-23-016	201 Bassett Street	Vacant Lot	135
PDA15-036-01	7/9/15	Ohlone Block B	264-14-024	345 Sunol Street	Warehouse or Distribution	269
H13-041	10/31/13	Silvery Towers Apts	259-32-004	180 W. St. James Street	Parking Lot	643
H14-010	2/28/14	The James	467-21-018	66 N. 1st Street	Retail/Commercial	190
PD14-012	2/28/14	808 West Apartments	264-15-062	800 W. San Carlos Street	Retail/Commercial	315
PD15-024	5/27/15	King & Dobbin Transit Vilage Lot G	254-55-006	1875 Dobbin Drive	Retail/Commercial	101
PD14-031	6/27/14	Aura	264-30-067	180 Balbach Street	Auto Repair/Parking/SFH	101
PDA07-094-01	1/13/15	2nd Street Studios	477-01-082	1140 S. 2nd Street	small businesses and vacant (pit)	135
PD14-044	9/3/14	King & Dobbin Transit Vilage Lot E	254-04-079	1745 Dobbin Drive	Distribution Center	67
H14-034	10/2/14	Sparq	472-26-030	598 S. 1st Street	Auto-Sales	105

CP15-078	11/16/15	Renascent Place	497-41-098	2500 Senter Road	church	162
PD16-001	1/15/16	Scotia Apartments	455-21-043	1777 Almaden Road	Single-Family	55
PD16-006	2/5/16	Vespaio @ Diridon (Residential)	259-28-004	138 Stockton Avenue	Medical Office	164
CP16-014	4/11/16	Villas on the Park	467-01-121	278 N. 2nd Street	Office	84
H16-036	10/4/16	The Graduate	467-46-005	80 E. San Carlos Street	retail	260
PDA08-029-01	9/13/12	Virginia Terrace Apts	472-18-063	area bounded by E. Virginia Street, Martha Street, S. 5th Street, and S. 6th Street	gas station	238
PDA12-035-01	3/18/13	Ascent Apts (Hitachi)	706-04-013	5805 Charlotte Drive	Vacant Lot	650
PD14-022	4/17/14	The Standard	264-09-063	505 Lincoln Avenue	Construction/Corporation Yard	190
PD14-029	6/23/14	Onyx	254-04-080	1855 Dobbin Drive	Retail/Commercial	131
PD14-054	11/12/14	King & Dobbin Transit Vilage Lot H	254-55-010	1893 Dobbin Drive	Office	105
PD15-003	1/27/15	787 Modera The Alameda	261-01-003	785 The Alameda	Office	168
PD15-004	2/2/15	Hanover Cannery	249-09-001	725 N. 10th Street	Auto Repair/Distribution Center	403



CITY OF SAN JOSÉ

# DRAFT 2023–2031 HOUSING ELEMENT

*The housing strategy of the Envision San José 2040 General Plan*

**This is a preliminary draft document that has not been adopted by the San José City Council.** The purpose of this draft is to solicit public input prior to submission to the City Council and then to the State Department of Housing and Community Development.

# Chapter 1

## Introduction to the Housing Element





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# 1.1 Purpose of the Housing Element

San José has changed dramatically over the last 60 years, growing from an agricultural community into a diverse and bustling city. Throughout its history, San José has been and continues to be a place of great opportunity, but it has also been shaped by a legacy of regional racial segregation, housing discrimination, and uneven investment in neighborhoods. This legacy combined with a long-term regional housing shortage and a booming economy has resulted in gentrification and harm for many low-income residents, many of whom are people of color, particularly Black, Latino/a/x, and Southeast Asian residents. Examples of this harm include out-of-reach home prices, evictions because rents outpace incomes, severe overcrowding, displacement, and homelessness.

This Housing Element is the City's eight-year housing strategy and commitment for how it will meet the housing needs of everyone in the community. This housing strategy intends to address the housing crisis in San José through a number of goals, policies, and programs that focus on expanding the housing stock and offer a wider range of housing choices for everyone in the City. Equity, inclusion, and anti-displacement are themes that are woven throughout the document and reflected in a number of policies and programs. The City aims to ensure that San José is an equitable and inclusive city by protecting and providing opportunities to those residents who are most vulnerable and prioritizing community resources towards historically disadvantaged communities.

The purpose of this Housing Element is to:

- Identify the City's housing needs;
- State the community's goals and objectives with regard to housing production, rehabilitation, and conservation to meet those needs;
- Define the policies and programs that will be implemented to achieve goals and objectives.

## **Regional Housing Needs Allocation**

This Housing Element covers the planning period of January 31, 2023 – January 31, 2031. It is closely aligned with the Regional Housing Needs Allocation projection period, which runs January 1, 2023 – October 31, 2031. The determination of regional housing need begins with the California Department of Housing and Community Development (HCD) and California Department of Finance (DOF), which first calculate statewide housing need based on population projections and regional population forecasts used in preparing regional transportation plans. The statewide need is then distributed to regional Council of Governments (COGs) throughout California, which works with cities and counties within their respective purview to assign each jurisdiction its share of the regional housing need, known as the Regional Housing Needs Allocation (RHNA).

The RHNA itself is divided into five income categories that encompass all levels of housing need. The City of San José is a member of the Association of Bay Area Governments (ABAG), which stands as the Bay Area's COG-and is comprised of nine counties and 101 cities. The total RHNA for Santa Clara County in the 2023-2031 cycle is 129,927 housing units, of which 62,200 units (approximately 48%) are assigned to San José, as shown in *Table 1-1*.

**Table 1-1: Final RHNA Allocation for the Housing Element 6th Cycle**

VERY LOW INCOME (<50% OF AREA MEDIAN INCOME)	LOW INCOME (50%- 80% OF AREA MEDIAN INCOME)	MODERATE INCOME (80%-120% OF AREA MEDIAN INCOME)	ABOVE MODERATE INCOME (120% OF AREA MEDIAN INCOME)	TOTAL
15,088	8,687	10,711	27,714	62,200

### State Law Framework

State law recognizes the vital role local governments play in the supply and affordability of housing. Each local government in California is required to adopt a housing element, which is one of the eight mandated elements of the General Plan. Pursuant to state law, the Housing Element must include the following key components:

- **Housing Needs Assessment:** Examine demographic, employment and housing trends and conditions and identify existing and projected housing needs of the community, with attention paid to housing for special needs populations (e.g., large families, persons with disabilities) and to fair housing issues, including issues of segregation and access to opportunity.
- **Evaluation of Past Performance:** Review the prior Housing Element to measure progress in implementing policies and programs.
- **Housing Sites Inventory:** Identify locations of available sites for housing development or redevelopment to ensure there is enough land zoned for housing to meet the future need at all income levels.
- **Community Engagement:** Implement a robust community engagement program, reaching out to all economic segments of the community plus traditionally underrepresented groups.
- **Constraints Analysis:** Analyze and recommend remedies for existing and potential governmental and nongovernmental barriers to housing development.
- **Policies and Programs:** Establish policies and programs to be carried out during the 2023-2031 planning period to fulfill the identified housing needs.

State law (Government Code Section 65583) requires the City to adopt a Housing Element that addresses the needs of everyone in the community, at all income levels. Because housing needs are recognized as a matter of statewide concern, the state, through the Department of Housing and Community Development (HCD), must certify the compliance of every jurisdiction's Housing Element upon adoption. The legislature has adopted two bills that have implications for Housing Element compliance.

Assembly Bill 686 (2019) creates new requirements in Housing Element law: Housing elements must now include a program that promotes and affirmatively furthers fair housing opportunities throughout the community for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (FEHA), Government Code Section 65008, and any other state and federal fair housing and planning law. Additionally, all housing

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*State law requires the City to adopt a Housing Element that addresses the needs of everyone in the community, at all income levels.*

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elements due on or after January 1, 2021, must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015.

Pursuant to Assembly Bill 72 (2017), HCD also has new statutory authority to revoke Housing Element compliance if the local government's actions do not comply with state law. In addition, HCD may notify the California Office of the Attorney General that the local jurisdiction is in violation of state law for non-compliance with housing element law or other state housing laws.

## 1.2 Housing Element Organization

### Document Structure

This Housing Element and associated appendices satisfy the requirements of state law (Government Code Section 65583(a)). The Housing Element is divided into the following chapters:

- **Chapter 1-Introduction to the Housing Element** - This provides an overview of the Housing Element, state requirements, and a summary of the public outreach and community engagement process.
- **Chapter 2-Summary of Housing Needs and Assessment of Fair Housing** - This provides an overview of the City's population, household, and housing stock characteristics, and an analysis of these factors through a fair housing lens in order to identify housing needs of the variety of household types and special needs across the City.
- **Chapter 3-Housing Goals, Objectives, Policies and Programs** - This contains the City's housing goals and policies that provide direction to help the City meet its housing goals. The Housing Element includes five goals that create the framework for how the City will address housing needs. The objectives, policies and implementation programs under each goal address how the City will meet housing needs across the City.
- **Chapter 4-Constraints on Housing** - This provides an analysis of the governmental and non-governmental regulations and framework that constitute constraints to housing production and preservation, such as zoning permitting process, land, construction and labor costs, and restricted financing availability.
- **Chapter 6-Adequate Sites for Housing** - This includes the inventory of sites that are suitable for residential development during the planning period.

## Housing Element and General Plan Alignment

The Housing Element is a component of San José’s Envision 2040 General Plan ([www.Envision2040.org](http://www.Envision2040.org)), a community-based plan that serves as the blueprint for the City’s growth. The Housing Element identifies the City’s housing needs and opportunities and establishes clear goals and objectives to inform future housing decisions.

State law requires that local general plans be consistent with their housing elements. Because general plans are typically updated every 15-20 years and housing elements are updated more frequently (generally every eight years), the different update cycles create the potential for inconsistencies between the goals, policies, and programs contained in the two documents. Because a housing element affects the locality’s policies for growth and residential land uses, a city should review the entire general plan, especially land use provisions, to ensure internal consistency is maintained upon any amendment to the housing element. The Housing Element also includes an implementation workplan that links each action for the 2023-31 RHNA cycle to a General Plan housing policy to ensure alignment and internal consistency between the two documents.

The Housing Element is consistent with the other elements of the General Plan and is guided in particular by these two strategies of the General Plan: Major Strategy #3 Focused Growth and Major Strategy #5 Urban Villages. Together, these two strategies focus new growth into areas of San José that will enable the achievement of City goals for economic growth, fiscal sustainability, environmental stewardship, and the development of new, attractive urban neighborhoods.

Consistent with Senate Bill 375 (2008), which requires that California’s regions reduce greenhouse gas (GHG) emissions, the urban village strategy promotes a land use pattern that will help the City meet its GHG emissions reduction targets. These General Plan strategies and the Housing Element seek to: improve transportation and land use integration; achieve a jobs-housing balance; create more compact, walkable, and transit-oriented communities; provide more housing capacity for all income levels; and protect open space resources. The Housing Element provides the policy framework for future housing planning decisions and identifies a series of implementation steps to meet the goals, objectives, and policies herein.

The Housing Element has been prepared to maintain internal consistency with the current 2040 General Plan, as required by state law. Specifically, the sites inventory reflects the capacity under the 2040 General Plan land use designations. The Housing Element goals, policies, and programs were drafted with the goal of implementing the vision and guiding principles for the 2040 General Plan, including the vision that “San José’s neighborhoods will be affordable and inclusive, and every resident will have the opportunity to thrive.” Relevant guiding principles from the 2040 General Plan update are listed below. When the City prepares any future amendment to the 2040 General Plan it will review the Housing Element to ensure internal consistencies.

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*These General Plan strategies and the Housing Element seek to improve transportation and land use integration; achieve a jobs-housing balance; create more compact, walkable, and transit-oriented communities; provide more housing capacity for all income levels; and protect open space resources.*

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## General Plan and Periodic Reviews

The General Plan of the City of San José is an integrated and internally consistent statement of the official land use policy of the City. The General Plan meets the requirements and intent of the California Government Code while accommodating local conditions and circumstances. It contains each of the elements mandated by Government Code Section 65302. Since they are intrinsically interrelated and overlapping, the elements have been combined into a consistent meaningful whole, and organized in a manner designed to meet the needs of public officials, developers, neighborhood organizations and members of the community who will use it most frequently. In order to facilitate identification of the aspects of each mandatory element, the appendices include a comprehensive list of references for each of the seven mandatory elements.

The Envision 2040 General Plan establishes an ongoing program for the City to monitor and evaluate its success in implementation, fundamental elements of which include both annual reviews and a recurring 4-year major review cycle. Through these review cycles, the General Plan maintains internal consistency among all its elements.

## Consistency with Other Plans

The City of San José's Housing Element is intended to be consistent with other housing plans and policies, including the City's federal 2020-25 Consolidated Plan and its local 2015-20 Housing Investment Plan.

- **2020-25 Consolidated Plan:** The federal Department of Housing and Urban Development (HUD) requires jurisdictions that receive federal housing and community development funding to develop a five year Consolidated Plan and corresponding annual action plans that identify needs, goals, actions, and funding strategies. As part of any approved Consolidated Plan, all grantees must perform an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing and must certify that they will affirmatively further fair housing. The report is called the Consolidated Plan because it includes a comprehensive strategy for multiple federal funding sources, including the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with Aids (HOPWA). While CDBG is a more flexible funding source that allows for investments in a variety of activities such as housing, economic development, and public service, other programs such as ESG and HOPWA are more targeted to specific housing and homelessness prevention activities.
- **FY 2020/21 – FY 2022/23 Affordable Housing Investment Plan:** San José's Affordable Housing Investment Plan (AHIP) is a strategic document that prioritizes how the City will use its resources to implement its programs and policies in the current planning period to meet its housing objectives. The AHIP also contains information on key City policies related to residential developments. Some of the AHIP policies and priorities may overlap with those found in the state and federal plans; others may be unique to San José and are determined locally.

The City's Housing Element aligns with the goals contained in the General Plan, while also supporting the goals contained in the City's federal and local housing plans for a range of affordable housing

opportunities to low- and moderate-income workers, an effective response to homelessness, fair, equitable, and complete communities, and for sustainable, transit-oriented development.

## 1.3 Public Outreach and Engagement

### 1.3.1 Regulatory Context

State law (Section 65583[c][7]) of the California Government Code) requires cities and counties to make a diligent effort to achieve public participation that includes all economic segments of the community. Housing Elements must provide a summary of the public input received and a description of how it was considered and incorporated into the plan.

Assembly Bill 686, Affirmatively Furthering Fair Housing (2019) requires the Housing Element to include:

- a description of outreach activities intended to reach a broad audience;
- a list of organizations contacted and consulted in the process and for what purpose;
- a summary of comments and how the comments are considered and incorporated; and
- a summary of issues that contributed to lack of participation in the housing element process by all economic segments, particularly people with protected characteristics.

Key areas to seek input include:

- Review of Past Actions
- Assessment of Fair Housing
- Potential Constraints on Housing for Persons with Disabilities
- Policies and Actions

### 1.3.2 Overview of the Public Engagement Process

This Housing Element Update and associated Assessment of Fair Housing is based upon extensive community input. The City developed and implemented a robust public participation strategy to involve all segments of the population and gather a wide range of feedback on key components of the documents. The strategy involved using a variety of methods to involve the public and stakeholders, including:

1. Seven community meetings for the general public
2. Two online surveys
3. Twenty-one focus group meetings with residents of protected classes
4. Four working groups with leaders of local nonprofits
5. Six internal workshops with City staff from other departments
6. Forty-four roadshow presentations and discussions with stakeholder groups, such as business associations and community-based organizations

7. Five booths at community events
8. Four special community outreach events including a podcast and documentary movie screening
9. Ten public hearings of City Council, Council Committees, and City Commissions
10. Coordination with Santa Clara County's Let's Talk Housing (Planning Collaborative) and local partners (SV@Home and Law Foundation of Silicon Valley)

The approach to public engagement also involved broad and proactive outreach efforts to inform the public about opportunities to get involved, such as through email distribution lists, social media, and connections with a large network of community groups, who helped distribute information to their communities.

Since 2019, the City has conducted several phases of public outreach and engagement to share information and gather feedback to inform the Assessment of Fair Housing (AFH) and the Housing Element. These phases are covered in the next section, along with descriptions of the specific outreach and engagement efforts, the input received, and examples of how the City considered and incorporated input into the plan. A list of all engagement activities and organizations consulted can be found in Appendix H.

Section 1.3.4 describes barriers to participation by protected classes and the inclusive methods that staff used to address the barriers and achieve more equitable outcomes in the process. For example, the process promoted language access by offering interpretation in Spanish and Vietnamese at community meetings, translating materials, and exploring specific methods to intentionally reach and involve limited English speaking community members. In addition, staff worked with the countywide equity collaborative partners SV@Home and the Law Foundation of Silicon Valley and consulted other local equity leaders throughout the process.

The City also considered and incorporated input received through several years of outreach and engagement on a range of housing and community development topics. Stakeholders have urged City staff to integrate public feedback from all recent housing-related outreach to help identify housing needs and potential strategies for the AFH and Housing Element. Accordingly, the project team involved staff from other departments and sought out relevant outreach findings. This approach was intended to recognize, value, and act on the contributions of the many community members who have shared their needs and ideas with the City, particularly protected classes who experience disproportionate barriers to civic engagement.



The following section summarizes the City’s specific outreach and engagement efforts, the input received, and examples of how the City considered and incorporated input into the plan. A list of all engagement activities and organizations consulted can be found in Appendix H.

### 1.3.3 Phases of Public Engagement and Input

The City strived to conduct a transparent and participatory process to involve all segments of the population and draw upon relevant outreach findings from other efforts. Input received during each major phase of the process informed the next. As a result, the document reflects the wide range of needs, perspectives, and ideas of the San José community.

#### **Phase 1: Part 1 of the Assessment of Fair Housing**

**Time span: October 2019 to Spring 2020**

The first phase of outreach focused on establishing existing conditions for the Assessment of Fair Housing. During this time, the Lawyers’ Committee for Civil Rights (the City’s consultant) and Housing Department staff conducted a community engagement process through print and social media engagement, community meetings, focus groups, surveys, and the establishment of a countywide Santa Clara Assessment of Fair Housing Advisory Committee.

City staff and the Lawyers’ Committee also conducted a second phase of community engagement (from April to May 2021) with government agency partners to share initial findings from the AFH analysis.

Public outreach during this phase included 48 meetings, including two public hearings, two advisory group meetings, 12 focus groups, 27 stakeholder meetings, and five intergovernmental agency meetings.

Key themes emerging from public input included:

- > The City is segregated. Discrimination in housing exists. It is important for the City to acknowledge these issues and start broader conversations with residents about history and legacy.
- > Displacement continues to happen and is causing harm to communities.
- > More needs to be done to protect residents from displacement and rent burden and provide affordable housing for all.

Input gathered during this phase formed the foundation for the Housing Element Update and the Assessment of Fair Housing. It spurred dialogue about fair housing in San José. Publicity of the public engagement and related conversations resulted in several news articles highlighting the City’s history of racial segregation and its impacts. Examples of how staff adjusted course due to the input include:

- Held community conversations about the City’s history of segregation, governmental racist practices in housing and how legacies of racial discrimination in housing manifest today during Phase 2. In the fall of 2021, the City presented at San José State’s Racial Justice Symposium and held a documentary movie screening of “Reckoning in Boston” to spur these conversations.

- Held working groups in Phases 2 and 3 in the issue areas of top concern identified in Phase 1. These include: increasing homeownership opportunities for protected classes, increasing access to rental housing, increasing investment in under resourced neighborhoods, and increasing affordable housing in high resource neighborhoods. These working groups were designed to dive into issues areas to broaden understanding and explore solutions. Working groups members were selected for their related or lived experience and technical expertise.

## **Phase 2: Housing Element Kick-off and Part 2 of Assessment of Fair Housing**

**Time span:** September 2021 to January 2022

Staff officially kicked off outreach on the Housing Element Update in September 2021, and proceeded to conduct joint AFH and Housing Element engagement activities since that time. The City began to work with several partners, including the Santa Clara County Collaborative (Let's Talk Housing) and the countywide equity collaborative partners SV@Home and the Law Foundation of Silicon Valley.

This phase focused on informing the public about the Housing Element Update process and fair housing concepts, given the new state requirements and the City Council's direction to engage the community on our history of segregation and need for fair housing. Another objective was to gather input on housing needs, issues, and goals. As part of this phase, staff sought input on the effectiveness of current and past housing policies, the findings of Part 1 of the AFH process, and potential constraints on securing and maintaining safe, affordable, and accessible housing.

Public outreach during this phase included:

- Two virtual community meetings.
- Four focus groups with members of protected classes, including disability, veterans, LGBTQ+ and African ancestry.
- One strategy working group meeting about access to rental housing.
- Eight stakeholder meetings, including South Bay Yes in My Backyard (YIMBY) and league of women voters.
- Tabling at five community events.
- A panel discussion on the history of segregation in San José at San José State University's Racial Justice Symposium.
- A special screening of the documentary A Reckoning in Boston followed by a discussion with the producers.
- A City sponsored podcast about housing elements and fair housing.
- An online survey (September 17, 2021, to January 12, 2022) asking about housing priorities; the survey was advertised at City events, on the City's website and social media platforms, including Facebook ads in Spanish and Vietnamese. It received 335 responses in English, 155 in Spanish, and 150 in Vietnamese (640 total).

Key themes emerging from public input included:

- > Homelessness is increasing and is a major issue.
- > Housing costs in San José are too high.
- > Homebuyer assistance that requires housing to remain affordable doesn't allow wealth building benefits to the homeowner.

This input informed the draft concepts presented in the focus groups with protected classes and stakeholders in Phase 3 and informed the Draft Goals presented in the April Online Survey. Specific

examples of ways that staff adjusted course due to the input include:

- Consistent feedback from community about displacement and its impacts led the City to include several anti-displacement strategies (tenant preferences, Community Opportunity to Purchase, and expansion of tenant protections) already approved by City Council, more prominently in Housing Element strategies.
- Low responses received from people of color, especially for non-English proficient, in online formats (surveys and meetings) led to planning for at least one in-person community meeting.
- Feedback regarding a need for systems change to advance homeownership opportunities resulted in a shift in thinking. It led to more creativity about other types of wealth or asset building strategies and comprehensive reform of homeownership programming.

### **Phase 3: Draft Goals, Strategies, and Policies**

**Time span:** January 2022 to June 2022

The primary objective during this phase was to get feedback on draft goals, strategies, policies, programs, and actions. It also involved ongoing education about fair housing concepts and associated input.

Public outreach during this phase included:

- Four focus groups with people of protected classes, including formerly homeless, LGBTQ+, affordable housing residents and Indigenous Peoples.
- Ten working group meetings corresponding to four fair housing strategy areas
- Two virtual community meetings
- One in-person community meeting
- Four Commission meetings
- Four stakeholder meetings
- An online survey that ran the month of April 2022. It was advertised at City events and on the City's website, and social media platforms, including Facebook ads in Spanish and Vietnamese. It received 713 responses in English, 92 in Spanish, and 10 in Vietnamese (815 total).

Key themes emerging from public input included:

- > It takes too long to get anything built. The City needs to speed up processes for housing production.
- > Reparations are needed for redlined neighborhoods.
- > Instead of thinking about funding as dividing up a set amount, funding can be thought of more creatively and expansively.

The input from the focus groups, online survey, and community meetings shaped the draft strategies, programs, and policies included in the Housing Element Update. Specific examples of ways that staff adjusted course due to the input include:

- Staff incorporated the prioritization and ideas from the focus groups into the draft policies shared at the community meetings.
- Staff is proposing several policies to speed up the entitlement process including housing navigator, streamlined review, and a City-led environmental clearance for approved urban

village plans.

- City adapted a working group process when participants of the high and low resource working groups found that they could not discuss one topic without the other. So, the issues were combined into one topic area and discussed together at subsequent community meetings.
- Comments about land use reparations for redlined neighborhoods and comprehensive investments in neighborhoods spurred discussions to have cross-departmental city-internal working group to better coordinate and prioritize investments and policies to address lower-income and racially segregated neighborhoods.

#### **Phase 4: Public Review Draft of the Housing Element**

**Time span:** July 2022 to August 2022

The primary objective during this phase was to collect comments on the Draft Housing Element Update. It focused on the draft site inventory, constraints analysis, and the full list of draft goals, strategies, and policies. It also involved ongoing dialogue about housing needs and fair housing concepts. The official comment period ran from July 22, 2022 to August 21, 2022.

Public outreach and engagement during this phase included:

- One virtual community meeting
- One in-person, open house style community meeting
- 5 stakeholder meetings (including Equity Advisory Group, Sacred Heart Action Committee Meeting, and California Apartment Association)
- One tabling event at Vietnamese American Organization's Community Day
- An online comment form

Staff received 17 comments letters and 17 online form submissions during the 30-day comment period. Approximately 40 people attended the virtual meeting and approximately 40 attended the in-person event. Staff advertised the comment period and associated engagement events through email lists, social media, and coordination with Council offices and CBOs.

Key themes emerging from public input included:

- > Strategies lack specific metrics to make them actionable.
- > Neighborhood opposition is a constraint to building housing.
- > Increase representation of people with lived experience in policy development as well as decision-making processes.
- > Increase tenant protections.
- > Avoid encampment sweeps.
- > Increase code enforcement capacity.
- > Allocate and increase funding for proposed programs.

The input shaped the strategies, programs, and policies included in the Housing Element Update. Specific examples of ways that staff adjusted course due to the input include:

- Staff examined neighborhood opposition and urban villages as constraints to building housing, and included analysis in the Housing Element Update.
- Staff expanded analysis to include demographics of who lives in single family homes and

duplexes.

- Included data on families experiencing domestic violence to housing needs section.
- Added additional notes from past focus groups and stakeholder meetings to outreach appendix.
- Removed sites from site inventory based on public feedback

### Future Phases

Staff is planning to continue outreach during the HCD review period, focusing on target populations and following up with stakeholders. Staff will then incorporate input and address HCD comments.

The final phase of outreach will occur during the public hearing process, which will culminate with City Council consideration of the Housing Element Update. During this time, staff will take the Housing Element Update to various City and County commissions for recommendations. The public will have opportunity to submit comment letters and provide oral testimony at the hearings. For details, visit [www.sanjoseca.gov/HousingElementUpdate](http://www.sanjoseca.gov/HousingElementUpdate).

### 1.3.4 Inclusive Engagement

The City made diligent efforts to include all demographic segments of the community and/or their representatives in the development and update of the Draft Housing Element. In addition to meeting this baseline requirement, the goal is to achieve balanced representation in the planning process and meaningful participation among protected classes.

For planning and community development processes in San José, certain demographic groups are often underrepresented relative to their share of the city's population. Examples include: youth/young adults, people of color, people with limited English proficiency, lower income households, renters, and people experiencing housing insecurity. Examples of issues that contribute to under-representation in planning processes, including the Housing Element Update, include:

- **COVID-19 pandemic:** The pandemic has had a significant impact on staff's ability to conduct in-person engagement and on the capacity of community-based organizations to engage in the process. Staff has found that some harder-to-reach populations are less likely to participate in virtual meetings compared to in-person meetings. This is particularly true for Vietnamese speaking population, which tends to be older. Outreach tends to be most effective when it is integrated into regularly scheduled community events hosted or co-hosted by non-City groups – yet the pandemic has made this type of coordination extra challenging.
- **Language and communication:** Even with translation and interpretation in the City's most common languages built into the process, fully participating in the process as a non-English speaker is a challenge. There is the potential for the information to "get lost in translation" and many phrases related to housing, planning, and policy do not easily translate to other languages. Even for English-speakers, the terminology can be confusing and speaking up in a community to share your experiences and opinions can be intimidating.
- **Time and resources:** Staff has found that lower-income community members face extra logistical barriers to participation compared to higher-income community members. For example, needing to work multiple jobs and/or working in the evening and weekends conflicts with most of the engagement events. Securing affordable childcare, internet, and/or

transportation can be a challenge. Furthermore, lower-income community members are more likely to face urgent concerns on a daily basis, such as keeping housed and bills paid, and participating in long-term planning processes is an added burden and lower priority.

- **Trust:** Among many community members, there is a general mistrust in government due to patterns of discrimination, decision-making that has marginalized many communities, and inequitable outcomes – as well as macro issues that go beyond the control of local government. Community members that do participate in planning processes often get burnt out by answering the same questions for different projects, and when little action or no notable change results from their feedback, it further undermines trust.

### Applying an Equity Lens

With these considerations in mind, City staff applied an equity lens when designing the approach to public outreach. This means paying special attention to underrepresented populations while offering meaningful opportunities, in a variety of venues, for all interested individuals and organizations to get involved. Specific practices included:

- For each round, staff offered a mix of methods and opportunities for community members to learn about and provide feedback on the planning process – recognizing there is no one-size-fits-all method. For example, as pandemic-related constraints eased up, staff reintroduced in-person meetings to draw in people that, for many reasons, were not participating in the virtual methods. Staff also tabled at five community events, in order to meet people where they are, not just invite them to attend City-hosted meetings.
- Special attention was paid to language access for Spanish and Vietnamese speakers (the second and third most spoken languages in San José, after English). Staff offered interpretation at the community meetings, translated the online surveys and the outreach materials advertising the meetings and surveys and ran Facebook ads. These efforts were particularly successful for the Fall 2021 online survey, which received 155 responses in Spanish and 150 in Vietnamese (out of 640 total)
- Staff scheduled the community meetings aimed at the general public in the evenings (and one on the weekend) and offered alternative meeting times and methods to increase opportunities to provide input. Staff also offered refreshments and activities for children at the in-person meetings.
- For the community meetings and surveys, staff paid special attention to using clear language with minimal jargon. The messages used in outreach materials were intended to make the process welcoming, relevant, and interesting. In seeking feedback, staff strove to break down the material in manageable ways and make it easy for people to comment only on what interested them most. For example, staff adjusted the April 2022 survey in response to feedback from the community about its user friendliness.
- Staff paid attention to accessibility for persons with disabilities by consulting with the Housing Department's accessibility specialist, reviewing communications against accessibility standards and making revisions accordingly, providing extensive remote participation opportunities, offering reasonable accommodations, and hosting a focus group for people with disabilities.
- Staff also partnered with several local organizations to encourage direct participation in the process among underrepresented populations and communities with protected

characteristics, as well as to indirectly represent these populations through their relationship to these communities. By partnering with local organizations, opportunities for connections and trust with underrepresented populations can be built. Staff met regularly with SV@Home and Law Foundation of Silicon Valley as the countywide equity collaborative partners, and met early on with the Race Equity Action Leadership (REAL) Coalition, comprised of local non-profit organizations, service providers, and advocacy organizations. Staff also involved sending email updates to a list of approximately 100 community leaders and preparing outreach materials that could be easily distributed. As an example of the impact of these efforts, SOMOS Mayfair helped bring about 15 people to the June 4, 2022 in-person meeting, bringing new voices and the perspectives of Latino/a/x, immigrant, and limited English-speaking residents.<sup>1</sup>

- Focus groups were a key method for reaching underrepresented populations. Staff hosted 21 focus groups of people from protected classes, such as unhoused people, LGBTQ+, veterans, survivors of gender violence, and people of Black/African ancestry. Another important method was the working groups with leaders of local nonprofits, many of which directly or indirectly represent the interests of lower income populations.
- Staff has found that attending meetings hosted by community groups is one of the most effective ways at reaching a broad range of community members and at engaging in meaningful dialogue. Therefore, a significant amount of staff's outreach efforts was dedicated to roadshow meetings and presentations (a total of 44). Examples of community groups reached through this method include: Silicon Valley Council of Nonprofits, Destination Home, League of Women Voters, Chamber of Commerce Public Policy Committee (Housing and Land Use), and SPUR. Refer to Appendix H for the complete list.
- Lastly, the project team brought in community input from other City projects (separate from the Housing Element Update), particularly from protected classes and/or low resource areas. The team has mainly done this through interdepartmental workshops and requests for information. The intent was to honor the time and insights from community members, regardless of the context in which they provided input to the City, which helps to avoid community burnout and increases the impact of the feedback. See the following section for additional details.

The overall mix of engagement activities and use of best practices has helped reach a wide variety of perspectives and ensure at least some representation across key demographic indicators. Staff is consistently evaluating the process and making adjustments to get more inclusive outcomes. For example, the project team is pursuing specific methods to more effectively reach and involve the Vietnamese community, such as attending events at the Vietnamese American Community Center.

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<sup>1</sup> SOMOS Mayfair is a community-based organization that supports East San Jose residents and promotes equitable community development in Mayfair, a "working poor and immigrant neighborhood" that has predominantly has many first- and second-generation Mexican-origin families. Source: <https://www.somosmayfair.org/about>.

### 1.3.5 Other Community Engagement Efforts

The City of San José has conducted a variety of outreach and engagement efforts in recent years that relate to housing, neighborhoods, and community development. Outlined below are eight such efforts that engaged the community and solicited feedback directly related to housing issues during the same period during which City staff was conducting the Housing Element/Assessment of Fair Housing process.

The City coordinated these efforts whenever possible. For example, separate community engagement activities for the Assessment of Fair Housing and the Consolidated Plan focused on those topics but input from both outreach processes was intended to inform both plans.

#### **Community Opportunity to Purchase Program (COPA)**

A COPA program would give a qualified nonprofit buyer the right to make a first offer on a residential property covered by the program that is up for sale. The purpose of COPA is to enable more properties to become restricted affordable, to the extent that City subsidies were available, and be owned by mission-oriented nonprofit organizations that would cooperate with the City to keep them affordable. Outreach on a potential COPA program in San Jose consisted of 2 phases:

- Phase 1, between April 1, 2021 to November 30, 2021, included a series of working group meetings made up of two groups, a technical advisory committee and a stakeholder advisory committee. A total of 227 people participated in the meetings and engaged and offered input on COPA. The Working Group included community members and leaders from all council districts across the city and included voices of those who will be directly impacted by the policy: apartment owners, tenants, housing providers, developers, realtors, and housing advocates. Attendees were approximately evenly split between owners and renters and evenly distributed in age ranges.
- Phase 2 commenced December 1, 2021 and ran through February 9, 2022. Almost 200 people attended one of the 7 online public meetings and 274 questions or comments were received, either at the public meeting or via email.

#### **Project Homekey**

Project HomeKey is an opportunity for the City to develop a broad range of housing types and convert commercial properties and buildings to permanent or interim housing. The City of San José has hosted a series of community meetings to share information about the State-funded program and gather feedback from residents. A total of 5 meetings were held between October 2021 to February 2022. Each meeting focused on specific sites.

#### **Diridon Station Area Affordable Housing Implementation Plan**

Between 2018-2021, the City conducted a [comprehensive community engagement process on the Diridon Station Area](#), including a proposed mixed-use development by Google. The process was designed to involve underrepresented populations through partnerships with community-based organizations and other inclusive methods. Concerns about displacement and calls for abundant affordable housing and social equity were key themes of the process.

During this time, the City prepared the Diridon Affordable Housing Implementation Plan (“Diridon Housing Plan”) to address housing-related concerns and goals. The Diridon Housing Plan includes strategies and policies, taking a “3Ps” approach: production of new affordable housing units,



preservation of affordable homes for lower-income residents, and protection of vulnerable residents from displacement. The production strategy focuses on the Diridon Station Area Plan (DSAP), while the preservation and protection strategies focus on the and surrounding half-mile (referred to as the Neighborhood Stabilization Area).

The City Council adopted the Diridon Housing Plan in May 2021. Achievement of the plan's goals will require a joint effort between the City, the community, and external funders in the private and philanthropic sectors. One source of funding will be from the community benefit contributions made by Google under the [Downtown West Development Agreement](#).

### **Affordable Housing Siting Policy**

The Affordable Housing Siting Policy is intended to help the City affirmatively further fair housing by increasing affordable housing in higher opportunity neighborhoods of choice and also mitigating displacement. The Housing Department and consultant team hosted eleven listening sessions with more than 250 residents, advocates, developers, and affordable housing residents across the City between February and May 2021 to solicit input on the Siting Policy.

### **2020-2025 Consolidated Plan**

Outreach for the Consolidated Plan included additional activities, including three public hearings, 21 stakeholder interviews, a paper and online survey, and two pop-up tabling events. From fall 2019 to mid-2021, the AFH and Consolidated Plan public outreach process together engaged a total of 476 people in-person through public community meetings events and collected 648 written and online surveys. The surveys were available in English, Spanish, Vietnamese, and Chinese.

### **General Plan Four-Year Review Task Force**

The General Plan establishes a four-year review cycle, providing an opportunity to evaluate the City's achievement of key goals and mid-course adjustments to the General Plan. As part of this review staff evaluated and the Taskforce provided feedback on the following housing-related topics: Urban Village Implementation and Affordable Housing Goals, Opportunity Housing, Residential Uses in Underutilized Business Corridors and Commercial Space Requirements for Affordable Developments,

This work was done through open, public meetings of the Envision San José 2040 Task Force and City Council from Fall of 2019 to Spring of 2021. City staff hosted a total of 10 community meetings following each of the public Task Force meetings on various General Plan Four-Year Review Topics. The public was also invited to attend each of the Task Force meetings. More than 1,000 people attended across the meetings. Public comments were taken at each meeting, each commission and council meeting, and also received in written format.

### **Citywide Residential Anti-Displacement Strategy**

City staff engaged an estimated 800 to 1,000 community members and stakeholders through a variety of events and activities over close to two years of work on developing the Citywide Residential Anti-Displacement Strategy.

- Early 2018 to early 2019 - Outreach included a series of interviews and focus groups to learn directly from residents who lived in neighborhoods that were experiencing ongoing displacement and from those who had been displaced in the past.

- Summer 2019 to winter 2020 - Staff gathered feedback on potential anti-displacement solutions and received new ideas from a broad base of stakeholders at both public and one-on-one meetings.
- Early 2020 - Staff conducted outreach to real estate professionals and other stakeholders in early 2020 to get their perspectives.

This input helped to generate the list of recommendations included in the anti-displacement strategy. .

### **Analysis of Impediments to Fair Housing**

Organizations, agencies, and persons were directly engaged via outreach efforts and asked to share materials with their beneficiaries, partners, and contacts between 2014 and 2016. These stakeholders were also encouraged to promote attendance at the public forums and to solicit responses to the Regional Needs Survey. Stakeholder engagement included phone calls, targeted emails, newsletter announcements, social media posts, and personalized requests from jurisdiction staff. Through these communications, stakeholders were invited to participate in one of the forums planned throughout the County and to submit survey responses. A total of 1,472 responses were collected. Approximately 1,225 printed flyers noticing the regional forums were distributed throughout the County, including at libraries, recreation centers, community meetings, and organizations benefiting LMI residents and areas. These flyers were available online and in print in English and Spanish. Multilingual print advertisements in local newspapers were posted in the Gilroy Dispatch (English), Mountain View Voice (English), El Observador (Spanish), La Oferta (Spanish), Thoi Bao (Vietnamese), Philippine News (Tagalog), World Journal (Chinese) and San José Mercury News (English). In addition, an online display ad was placed in the San José Mercury News to reach readers electronically. Each segment of the community outreach and planning process was transparent to ensure the public was aware its input was being collected, reviewed, and considered.

# Chapter 2

## Housing Needs



**READER NOTES**

In this chapter, bold blue phrases express the Housing Element Goals, which are detailed in Chapter 3.

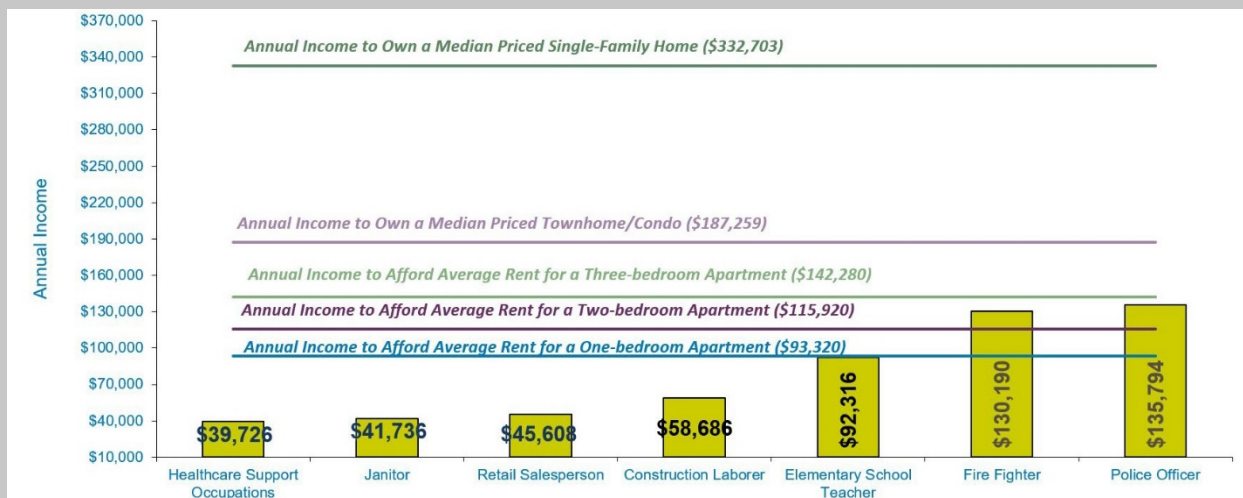
Footnotes are compiled as endnotes at the end of this chapter.

The City of San José, at slightly over a million people, is the tenth largest city in the U.S. It is the population center of Silicon Valley, a region where the economy grew significantly even during the pandemic, with Silicon Valley tech companies exceeding \$14 trillion in market capitalization in 2022.<sup>1</sup>

San José continues to be one of the most expensive places to live in the country, with median housing prices pulling ever further out of reach for essential workers. In the first quarter of 2022, the median single-family home was \$1.7 million, the median condo/townhome was \$900,000, and median monthly rent was \$2,595.<sup>2</sup> Figure 2-1 shows how these housing costs are unaffordable for a cross-section of workers who are essential for the continued functioning of our economy and society. Please see Appendix A, Demographic Profile and Housing Needs, for more data about housing needs and demographics in the City.

Despite a thriving and growing economy and decades of population growth, the most recent U.S. census data indicates that the City has lost population in the past few years. In community outreach and engagement around the Housing Element (see Appendix H for details about our community engagement process) and in prior community engagement around the Citywide Anti-Displacement Strategies,<sup>3</sup> City staff heard from many community members who want to continue to live in San José but worry about being priced out of the market, and who report that family and neighbors have already been displaced. See Appendix B, Assessment of Fair Housing, for more analysis of displacement in San José, including breakdowns of displacement risk by race and geography.

**Figure 2-1: Annual Incomes Vs. Incomes Needed to Afford Housing in San José**



SOURCE: Employment Development Department (EDD) – First Quarter 2021 Wages; income to afford average rent calculation uses Costar Q1 2022 Average Effective Rents, rent at 30% of income and a single-income household; income to afford mortgage uses SCCOAR March 2022 median home sales prices; payments at 30% of income, 20% down, March 2022 Freddie Mac 30 Year Fixed Interest Rate, 1.1% Property Tax, \$300 HOA dues for condos and a single-income household.

Given the extreme prices in our market, how do we ensure that there is ***an abundant and affordable supply of housing*** for all current residents who want to stay in the City and for all future residents who will continue to be drawn here to live and work, as well as providing ***sufficient housing for people experiencing homelessness?***

In addition to addressing issues of housing supply and production, the City needs to ensure that access to such housing is fair and equitable and that housing policies and programs work towards redressing past and current day segregation rather than reinforcing segregation. As discussed in Chapter 1, State law (Government Code section 65583) requires that all jurisdictions perform an Assessment of Fair Housing (AFH) and propose policies and programs that actively and affirmatively further fair housing.

The City's detailed AFH is attached as Appendix B and policies and programs to affirmatively further fair housing are integrated into the larger set of policies and programs described in Chapter 3. Here, to capture some of the analysis in the AFH, we cite one specific statistic to illustrate the history and current context of fair housing in San José: approximately one-third of the City's housing stock is homeowner-occupied units built between 1950 and 1979. Per Table 2-1 (next page), no other large city in America has such a high proportion of this type of housing.

The three decades long period starting in 1950 and ending in 1980 was San José's primary growth spurt, when it transformed from a small city in the heart of an agricultural region to the sprawling, low-density metropolis that it is today. In 1950, San José's population was under 100,000. By 1980, San José's population was approximately 630,000, with non-Hispanic Whites constituting the vast majority of the population growth.

In contrast, during this same period, the other big cities in the Bay Area — San Francisco and Oakland — experienced net population losses, with non-Hispanic Whites at the leading edge of the declines in population; during this period, San Francisco and Oakland's White population dropped by a combined 500,000 persons.

From 1950-1980, San José grew through subdivision, turning thousands of acres of open space and agricultural lands into neighborhoods built around the single-family home and the automobile. The majority of this growth occurred prior to the passage of federal Fair Housing Act of 1968 and was within the national movement to build white, middle-class suburbs. As documented in *The Color of Law* by Richard Rothstein, this national, post-War strategy to build middle-class, suburban housing was the largest publicly subsidized housing and wealth building program in the history of the U.S. And it was explicitly and intentionally racist.

**Table 2-1: Owner-Occupied Units Built from 1950-1979  
in Top 20 Largest U.S. Cities and Selected California Cities**

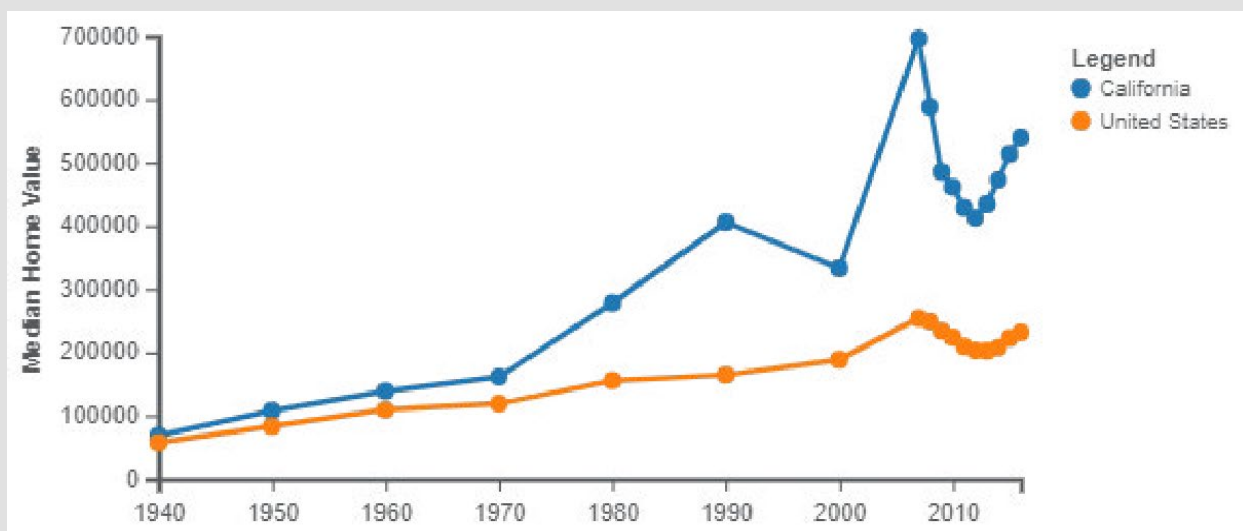
City	Occupied Housing Units	Owner-Occupied Units Built from 1950-1979	Owner-Occupied Units Built from 1950-1979 as a % of All Occupied Housing Units
San José, CA	325,114	111,694	34.4%
Phoenix, AZ	565,832	131,150	23.2%
San Diego, CA	507,580	116,577	23.0%
Dallas, TX	513,443	110,187	21.5%
Houston, TX	858,374	180,701	21.1%
San Antonio, TX	501,400	102,903	20.5%
Indianapolis (balance), IN	338,208	68,647	20.3%
Philadelphia, PA	601,337	114,251	19.0%
Denver, CO	301,501	56,250	18.7%
Long Beach, CA	166,813	31,103	18.6%
Jacksonville, FL	338,991	59,975	17.7%
Los Angeles, CA	1,383,869	241,654	17.5%
Sacramento, CA	185,331	32,314	17.4%
Fresno, CA	168,625	28,591	17.0%
Fort Worth, TX	297,498	48,071	16.2%
Columbus, OH	357,128	57,688	16.2%
Charlotte, NC	330,391	48,713	14.7%
Austin, TX	380,392	54,034	14.2%
Chicago, IL	1,066,829	147,204	13.8%
New York City, NY	3,167,034	363,999	11.5%
Seattle, WA	331,836	36,587	11.0%
Oakland, CA	162,419	16,494	10.2%
Washington, DC	284,386	25,975	9.1%
San Francisco, CA	362,354	25,799	7.1%

The latter part of San José’s population boom — in the 1970s — also coincides with the beginning of California’s long and ongoing real estate boom. As shown in *Figure 2-2*, prior to 1970, housing costs in California were roughly comparable to the U.S. market. However, starting in 1970, California’s housing costs took off on their own higher (and more volatile) trajectory.

This means there was only a small window of time where homeownership in San José was both open to all *and* affordable. Today, significant parts of the City are effectively locked into a pre-Fair Housing, segregated dynamic. While this sequence of events — a period of post-War growth followed by decades of slower growth and rapidly rising housing costs — happened in many cities across the American West, it defines San José in greater proportion than any other big city in the U.S. (as seen in *Table 2-1*). The impacts of this specific version of segregation can be seen in several ways:

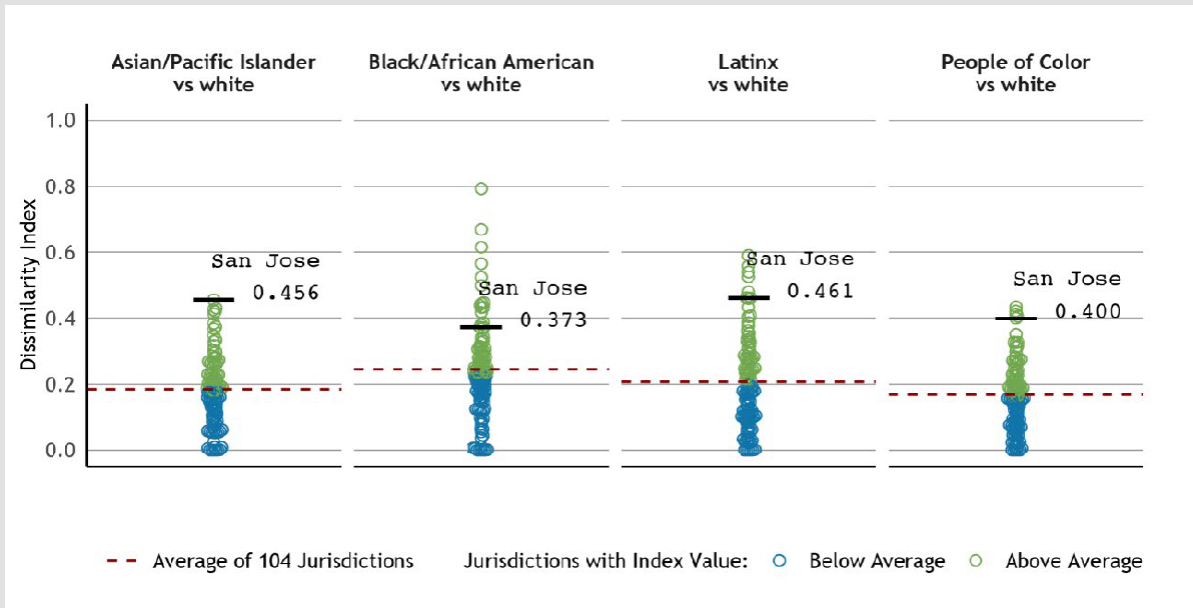
- **San José is one of the most segregated cities in the Greater Bay area.** Per *Figure 2-3* (next page), across the 104 jurisdictions in the nine-county Bay Area, San José is consistently one of the most segregated cities, as rated on the Dissimilarity Index, where a score of 0.4 or higher indicates that a geography is segregated.
- **Non-Hispanic Whites represent a disproportionate share of homeowners.** Non-Hispanic Whites are 26% of the City’s general population but 41% of the total number of homeowners; they have a higher homeownership rate than any other major racial/ethnic group, see *Figure 2-4* (next page). Also, while the broader category of Asian Americans, Native Hawaiians, and Pacific Islanders (AAPIs) have a high rate of homeownership, disaggregated AAPI data reveals differences in rates among AAPI subcategories. Because homeownership has been such a prevalent pathway to wealth building in the U.S., this differential in who owns and who rents presents challenges in how the City can support *housing stability and opportunities to build wealth for all residents*.

**Figure 2-2: Median Home Prices - California vs. U.S. since 1940**  
(2021 dollars)



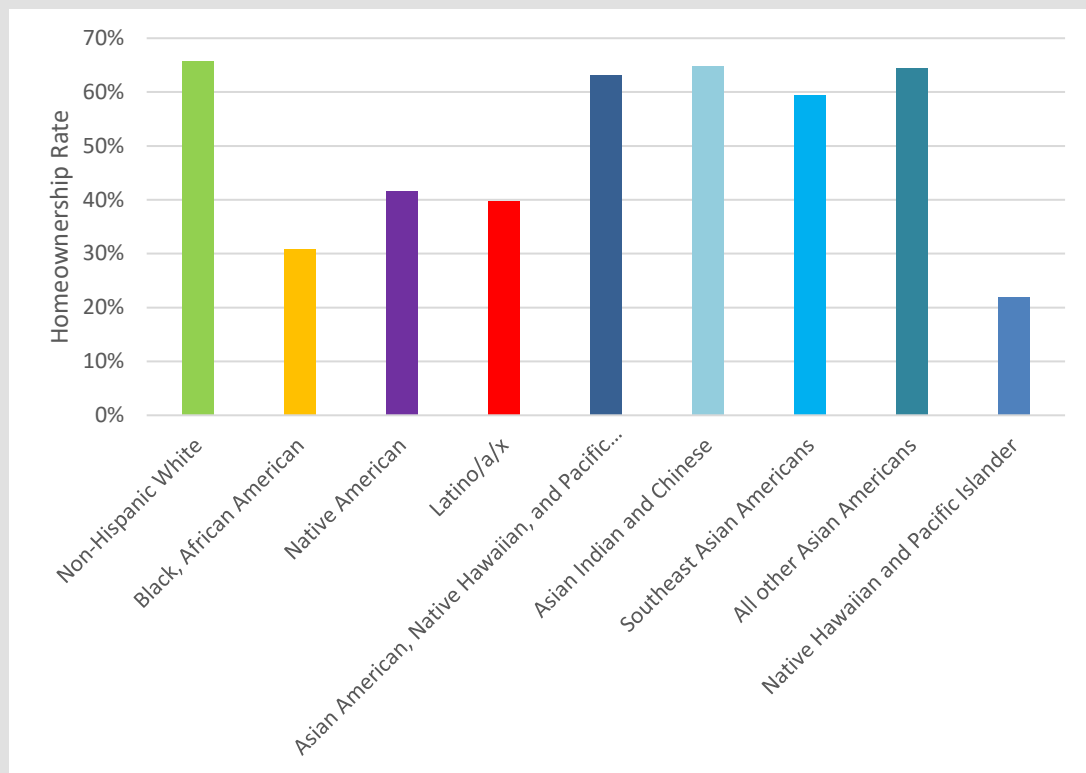
Source: [https://en.wikipedia.org/wiki/California\\_housing\\_shortage](https://en.wikipedia.org/wiki/California_housing_shortage)

**Figure 2-3: Level of Segregation in San José Compared to 103 Bay Area Jurisdictions**



Source: *AFFH Segregation Report: San Jose*, UC Merced Urban Policy Lab for the Association of Bay Area Governments / Metropolitan Transportation Commission (2022)

**Figure 2-4: San José Homeownership Rates by Householder Race/Ethnicity**



Source: City of San José analysis of US Census data (2019 5-Year ACS for general categories; 2015-5-year ACS for disaggregated AAPI data). Please see Appendix B for more detail on the methodology for disaggregation of AAPI data.



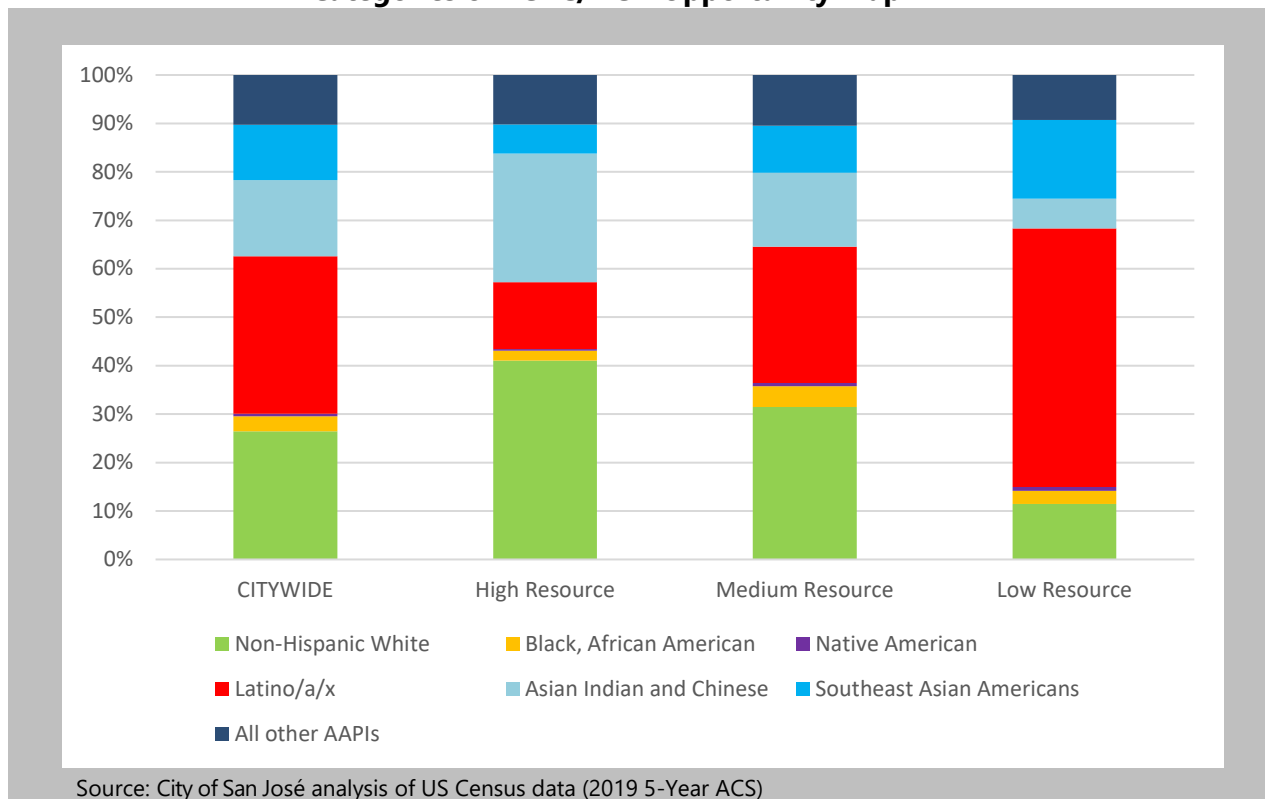
- **Segregation influences who lives in “high-resource” and “low-resource” neighborhoods.**

The State Department of Treasury Tax Credit Allocation Committee/Department of Housing and Community Development Opportunity Map (TCAC/HCD Opportunity Map)<sup>4</sup> helps to analyze high- and low-resource neighborhoods, and in San José, we can see that where people live correlates with race:

- > The majority of Latino/a/x and Southeast Asian American persons in San José live in low-resource neighborhoods.
- > The majority of Chinese and Asian Indian Americans and just under 50% of non-Hispanic Whites live in high-resource neighborhoods.

Figure 2-5 further shows the breakdown by race/ethnicity per the Opportunity Map category. Medium-resource neighborhoods resemble the City as a whole; high-resource neighborhoods have disproportionate amounts of non-Hispanic Whites, Asian Indians, and Chinese; and low-resource neighborhoods have disproportionate numbers of Latino/a/x and Southeast Asian Americans. This “geography of opportunity effect” matters, as there is a growing body of evidence that where somebody lives affects the outcomes for individuals, even holding constant other factors such as education, race, and income. This unequal distribution of population by neighborhood type is a stark datapoint showing that not all San Joséans live in *healthy, thriving neighborhoods with access to good jobs, schools, transportation*, and other resources and is indicative of our challenge to create *racially and socially inclusive neighborhoods that overcome past and present discrimination*.

**Figure 2-5: Racial/Ethnic Composition of San José Neighborhoods by Categories of TCAC/HCD Opportunity Map**



From community engagement and data analysis conducted as part of the City's Assessment of Fair Housing, other barriers to fair housing include:

- **Segregation:** In addition to the findings about opportunity and resources described above, segregation also correlates with increased risk of displacement, a higher proportion of substandard housing, increased exposure to negative environmental factors (e.g., poorer air quality, higher temperatures), and increased health risks for lower-income communities of color.
- **Homelessness:** There is a high level of need for housing (shelters, transitional housing, and permanent supportive housing) and services targeting unhoused people. African American, Latino/a/x, and Native American people are disproportionately represented in the population of unhoused people.
- **Fair Housing Violations:** Community members anecdotally report potential fair housing issues/violations, especially source of income discrimination and disability discrimination.
- **Lack of Accessibility for Disabled Persons:** Accessible housing is scarce and requests for reasonable accommodation are often not fulfilled.
- **Lack of Information and Community Engagement:** Community members and stakeholders request greater governmental transparency, more information about housing rights and opportunities, and greater involvement in decisions around housing and development policy, especially for members of protected classes.

Please see Appendix B, Assessment of Fair Housing, for more history and analysis of current segregation in San José. In addition, both Appendix A (Demographic Profile and Housing Needs) and Appendix B present more data about demographics and housing resources, with emphasis on protected classes and other specific populations.

## ENDNOTES

- 1 Silicon Valley market capitalization: <https://jointventure.org/a-message-about-the-2022-index>
- 2 San Jose median housing prices: <https://www.sanjoseca.gov/home/showpublisheddocument/86697/>
- 3 Citywide anti-displacement strategies: <https://www.sanjoseca.gov/your-government/departments-offices/housing/resource-library/housing-policy-plans-and-reports/citywide-anti-displacement-strategy>
- 4 TCAC/HCD Opportunity Map: <https://belonging.berkeley.edu/2022-tcac-opportunity-map>

# Chapter 3

## Housing Goals and Strategies



*Villas on the Park, permanent supportive housing, downtown San José*

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The Housing Element includes five goals that create the framework for how the City of San José will address housing needs during the planning period. Linked to each goal, strategies provide direction for how the City will achieve that goal. They reflect the City's ambition to provide opportunities for a variety of housing at all levels of affordability and types to meet the current and future needs of all residents, and to create equitable and inclusive neighborhoods that support housing choice. Strategies are used here as a general way to describe actions the City will undertake during the planning period. They consist of policies, programs, and activities that the City would do either alone or in partnership with other organizations and the community.

The sixth cycle goals and strategies were developed with and informed by extensive community input, as noted in Chapter 1 and Appendix H. The strategies address issues raised as barriers and problems in the San José market through data from comments by participants in dozens of focus groups, working group sessions, community meetings, and stakeholder meetings. The City's long outreach and engagement started in 2019 and will continue through early 2023. Per the state's requirements, the City's outreach emphasized engagement of members of protected classes and nonprofits regarding those residents' housing and fair housing needs, selected neighborhood representatives regarding neighborhood strategies, and both market-rate and affordable housing developers regarding barriers to housing production. In addition, the general public was engaged throughout so staff could educate on this work, and seek their opinions on the City's draft goals and draft strategies.

The City's five goals are as follows:

**Goal 1: An abundant and affordable housing stock**

**Goal 2: Sufficient housing for people experiencing homelessness**

**Goal 3: Housing stability and opportunities to build wealth for all residents**

**Goal 4: Healthy, thriving neighborhoods with access to good jobs, schools, transportation, and other resources**

**Goal 5: Racially and socially inclusive neighborhoods that overcome past and present discrimination.**

Each goal is described in the sections that follow, followed by tables of strategies that would help to achieve that goal. While many strategies achieve more than one goal, they are grouped by the primary goal they would achieve. The tables note additional goals that each strategy supports. Strategies are also tied to the barriers and needs they would address, the input and other plans that supported inclusion of each strategy, City departments involved, type of action, timelines, and metrics by which to measure progress. In the next version of this draft plan, quantitative goals will be identified for those actions that support the City's obligation to affirmatively further fair housing.

Note that some strategies reflect statutory requirements and must be completed. Of the other strategies, most require City Council approval. However, some strategies are presented as more definite than others. This may be because Council has already given direction to staff to do this work, or because certain work is so important to achieve the fair housing and RHNA goals of this plan that these strategies should move forward. Other actions are more preliminary or exploratory in nature, and have less certain wording. The City Council's adoption of this work plan will signify its willingness to commit to the actions contained herein, to the degree that each is stated.

Note that strategies "Timing" information that follows indicates either the calendar or fiscal year in which staff anticipates the work would be completed. The exception to this rule is for initiatives which are ongoing, such as advocacy for additional resources, which span the entire sixth cycle period.

City departments that would undertake the strategies work are identified, and outside partner agencies are also mentioned as in the text as appropriate. City departments are abbreviated as follows:

- Budget = City Manager's Budget Office
- CAO = City Attorney's Office
- CMO = City Manager's Office
- DOT = Department of Transportation
- ESD = Environmental Services Department
- Fire = Fire Department
- Housing = Housing Department
- IGR = City Manager's Office of Intergovernmental Relations
- OEDCA = City Manager's Office of Economic Development and Cultural Affairs
- ORE = City Manager's Office of Racial Equity
- PBCE = Department of Planning, Building, and Code Enforcement
- PRNS = Department of Parks, Recreation, and Neighborhood Services
- PW = Public Works Department

### 3.1 Goal 1: An abundant and affordable housing stock

Housing is essential to a healthy life and must be available to everyone at a reasonable cost. San José needs to support the creation of enough homes over the next eight years to ensure there is an affordable home for every household. While the City does not itself build homes, the City can create policies and programs that increase the rate at which homes are built and ensure a diversity of housing types to meet different needs.

Goal 1 strategies focus on both market-rate and affordable housing production (*Table 3-1*) and preservation (*Table 3-2*).

**Table 3-1: Production of Market-Rate and Affordable Housing**

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-1	<b>Align zoning with the General Plan</b> - Align zoning with General Plan designations for all sites planned for housing by December 2023, including all sites in the Housing Element Sites Inventory by January 31, 2024.	1	Need for housing production	Housing Crisis Workplan	PBCE	Activity	2023-24	Council approval of zoning changes
P-2	<b>Subsidize extremely low-income housing including permanent supportive housing for homeless</b> - Continue to prioritize funding to create affordable homes for extremely low-income individuals and families, including permanent supportive housing for people experiencing homelessness, to meet the needs of the community and create more balance in the affordable housing portfolio.	1, 2	Need for affordable housing for extremely low-income households  Need for housing and services for people experiencing homelessness	Focus groups: <ul style="list-style-type: none"> <li>• Veterans</li> <li>• Formerly homeless</li> <li>• LGBTQ+</li> <li>• Indigenous Peoples</li> <li>• Persons with Disabilities</li> </ul> Working groups: <ul style="list-style-type: none"> <li>• Rental access</li> <li>• High-opportunity areas</li> </ul> Housing Element community meetings on goals / strategies	Housing	Activity	Ongoing 2023-31	% of City subsidies spent on ELI and PSH  # of affordable homes created

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-3	<p><b>North San José Affordable Housing Overlay Zones -</b></p> <ul style="list-style-type: none"> <li>Identify areas for housing to be integrated into in North San José and propose changes to the General Plan, zoning code, and Rincon South Urban Village Plan to facilitate the production of all 24,000 planned housing units in North San José.</li> <li>To integrate affordability, create North San José-specific Affordable Housing Overlay Zones that support only Industrial uses, 100% affordable housing, or market-rate housing that integrates affordable units into their developments.</li> <li>Identify locations and rezone sites in the North San José Affordable Housing Overlay Zones through the Sites Inventory rezoning process.</li> <li>Communicate to the development community about the new program.</li> </ul>	1, 4	<p>Lack of affordable housing units</p> <p>Need for economic diversity in North San José</p>	Support from AFH Advisory Committee to change zoning, land use laws, and land use overlays for multifamily housing development	PBCE	Program	2023	<p>Council approval of Amendment to General Plan and zoning code</p> <p>Council approval of Amendment to Rincon South Urban Village Plan</p> <p>Rollout of Zones</p>
P-4	<p><b>Affordable housing tools for North San José -</b></p> <ul style="list-style-type: none"> <li>Produce an analysis of new programs and tools to help ensure 20% of all North San José homes are restricted affordable for lower- income residents.</li> <li>Conduct a feasibility study to examine the affordability levels that would be feasible for developers to construct affordable homes on-site, both standalone and combined with a proposed North San José Density Bonus program.</li> <li>Create a North San José Affordable Housing Implementation Plan that identifies strategies and projects affordable units created through these tools and City subsidy.</li> </ul>	5	<p>Lack of affordable housing for lower-income households</p> <p>Need for economic diversity in North San José</p>	<p>Rental production focus group</p> <p>Housing Crisis Workplan</p>	Housing, PBCE	Program	2024-26	<p>Study created</p> <p>Creation of draft tools</p> <p>Council approval of tools</p> <p>Creation of Plan</p> <p>Council approval of Plan</p>
P-5	<p><b>Affordable Housing Investments in North San José -</b></p> <ul style="list-style-type: none"> <li>Direct City resources to help ensure 20% of all North San José homes are restricted affordable for lower-income residents.</li> <li>Prioritize City land acquisition in North San José for future 100% affordable housing new construction opportunities, then conduct Requests for Proposals to award land control through groundleases to developers.</li> <li>Ensure that affordable development proposals in North San José are prioritized with the City's funds.</li> </ul>	1, 5	<p>Lack of affordable housing for lower-income households</p> <p>Need for economic diversity in North San José</p>	<p>AFH Advisory Committee</p> <p>From Housing Crisis Workplan</p>	Housing	Program	2023-31	<p># of affordable homes restricted</p> <p># of sites acquired</p> <p># RFP awards &amp; groundleases to affordable developers</p>



#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-6	<b>Regular coordination meetings for affordable housing -</b> To facilitate and speed the construction process for affordable housing, continue Housing Navigator services to coordinate construction-related permits, inspections, and other post-entitlement processes across departments for affordable housing developments, and with external parties such as utilities and other public agencies required to sign off on construction completion.	1	Delays due to need to coordinate, not understanding deadlines, and unclear processes of departments and external agencies	Supported at Housing Element goals/ strategies community meetings  Consistent with Housing Crisis Workplan	OEDCA, PBCE, Housing, PW, DOT, Fire, PRNS	Program	2023-31	Housing Navigator budgeted annually  # affordable housing developments assisted
P-7	<b>City ministerial infill approval ordinance -</b> <ul style="list-style-type: none"> <li>Adopt and implement a City Ministerial Infill Housing Approval Ordinance to streamline approval of infill housing developments that meet City development standards and qualify for a CEQA infill exemption.</li> <li>Make minor revisions to the municipal code to facilitate use of the CEQA exemption for infill development.</li> </ul>	1, 4	Ease infill housing development processes to increase development	Working groups: <ul style="list-style-type: none"> <li>Housing production</li> <li>Rental access</li> </ul>	PBCE	Activity	2024-25	Council approval of Ordinance
P-8	<b>General Plan Amendment to remove commercial requirements for affordable housing -</b> Amend the General Plan to remove ground floor commercial requirements for all 100% affordable housing developments throughout the City to improve project feasibility and enable more developments to proceed.	1	Cost of affordable housing development	From Housing Crisis Workplan	PBCE	Policy	2023	Council approval of General Plan amendment
P-9	<b>Diridon affordable housing production goal -</b> Actively subsidize and effectuate production of affordable housing in the Diridon Station Area to achieve the City's goal of at least 25% of housing in this area being restricted affordable by the time of full Station Area build-out.	1, 5	Lack of affordable housing. Need for affordable housing near transit center	From Diridon Affordable Housing Implementation Plan  Supported by disability community comments	Housing	Program	2023-31	# of restricted affordable homes in Station Area
P-10	<b>Standardize and streamline permitting, fees, applications</b> <ul style="list-style-type: none"> <li>Standardize fees through the Development Fee Framework to provide transparency and speed for developers and provide clarity to City decision makers on cost implications of housing development fees.</li> <li>Create webpage with development-related fees and taxes with a staff contact.</li> <li>Continue to improve the City's land use and permitting approval processes to reduce developers' time and cost spent in predevelopment.</li> </ul>	1	Cost and delay of City permit processes and entitlements	Housing production working group  Developer focus groups	PBCE, OEDCA	Activity	2024	Policy resolution to Council on Fee Framework  Fees webpage created  Development applications tools improved

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-11	<b>Explore Allowing “SB 9” Type Housing on Additional Properties</b> Examine allowing SB 9-type projects on properties zoned R-2 Two Family and properties listed on the Historic Resources Inventory. Create design standards to maximize acceptance of SB 9 developments in single family neighborhoods.	1	Increase availability of areas for housing development, especially multifamily housing	General support for creating “missing middle” alternatives from African Ancestry working group  Consistent with Housing Crisis Workplan	PBCE	Activity	2024	Council approval of zoning code amendment  Council approval of design standards
P-12	<b>Cost of Residential Development Study update</b> - Conduct analysis every 2 to 3 years, or as market conditions warrant, and present to the City Council on the Cost of Residential Development that uses prototypical models of common types of multifamily residential construction in different submarkets within San José. The report will help inform on an ongoing basis governmental and nongovernmental constraints on the production of market-rate and affordable housing in San José.	1	High cost of housing development	From Housing Crisis Workplan	OEDCA, Housing	Activity	2023-31 Periodically	Council presentations  Program or fee changes identified and made per updated analysis
P-13	<b>Replacement policy for redevelopment of existing affordable housing units -</b> <ul style="list-style-type: none"> <li>• Create a City policy that makes permanent replacement housing obligations in Government Code section 65583.2 subdivision (g)(3) per SB 330.</li> <li>• Strengthen the City’s implementation of SB 330’s replacement housing requirements to preserve affordable housing opportunities. Clarify requirements for developers to speed the predevelopment process.</li> </ul>	1, 5	Loss of affordable housing stock	Neighborhood equity working group	PBCE, Housing	Policy	2023-24	Council approval of Policy  Developer guidance created/ improved  Website amended
P-14	<b>Housing in Business Corridors</b> - Update Zoning Code to allow housing in three Neighborhood Business Districts appropriate for housing (13th Street, Japantown, Willow Glen).	1	Need for housing production	From Housing Crisis Workplan	PBCE	Activity	2023-24	Council approval of zoning code amendment
P-15	<b>Moderate-income Housing Strategy</b> - Complete study and implement Council-approved strategy to further rental and homeownership opportunities for moderate-income residents. Obtain Council direction to work on priority programmatic recommendations.	1, 3	Lack of moderate-income housing	African ancestry focus group  From Housing Crisis Workplan	Housing, PBCE	Program	2023-24	Council approval of strategy

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-16	<p><b>Groundleases for affordable housing -</b></p> <ul style="list-style-type: none"> <li>Require every newly-funded affordable housing development to include a City groundlease structure, or a groundlease from the County or other public entity, to ensure permanent affordability and public site control at key locations throughout the City and to minimize future affordable housing preservation challenges.</li> <li>Negotiate the purchase of land beneath existing affordable apartments at key locations at the time of refinancing and/or resyndication of tax credits to increase the number of groundleases in the City's existing affordable housing portfolio.</li> </ul>	1	Expiration of affordability restrictions	Preservation best practices	Housing	Program	Ongoing	<ul style="list-style-type: none"> <li>% affordable developments with groundleases</li> <li># existing deal land purchases</li> <li># affordable units permanently preserved</li> </ul>
P-17	<p><b>Affordable Housing Siting Policy -</b> Fully implement and evaluate effectiveness of the City's new Affordable Housing Siting Policy in generating new and newly-affordable housing in neighborhoods that foster greater housing choices, amenities, and opportunities for lower-income residents. Report on the outcomes, focusing on the fair housing implications of development patterns.</p>	1, 4	Need to foster housing choices for residents of affordable housing	<p>Housing Element goals/ strategies community meetings</p> <p>From Housing Crisis Workplan</p>	Housing	Policy	2023-26	<ul style="list-style-type: none"> <li>Report on Siting Policy outcomes</li> <li>\$ and % allocated to affordable housing development awards in higher-opportunity areas</li> <li># affordable homes by income level created in higher-opportunity areas</li> </ul>

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	WHO	TYPE	TIMING	METRICS
P-18	<p><b>Loans for affordable housing</b></p> <ul style="list-style-type: none"> <li>• Continue to provide land acquisition, construction, and permanent financing for the development of new affordable homes.</li> <li>• Provide financing for the acquisition/rehabilitation of existing market-rate rental housing to create newly-affordable homes.</li> <li>• Issue Notices of Funding Availability at least annually for both New Construction and Preservation.</li> </ul>	1	Need for affordable housing	Focus groups: <ul style="list-style-type: none"> <li>• Veterans</li> <li>• LGBTQ+</li> <li>• Disability</li> <li>• Indigenous Peoples</li> </ul> Rental access working group Housing Element goals / strategies community meetings	Housing	Activity	Annually 2023-31	NOFAs issued Funds committed Affordable homes created Affordable homes preserved
P-19	<p><b>Expanded City Density Bonus program</b> - Increase the City's Density Bonus by at least 10% above State statutory requirements, and identify other ways the City's Density Bonus Ordinance could be expanded to result in more affordable homes, include more pre-approved concessions and incentives, and/or add CEQA clearance.</p>	1	Need for affordable housing	Rental access working group  Housing production focus groups	PBCE, Housing	Program	2027	Study completed Council approval of Ordinance changes # Affordable units created through Density Bonus
P-20	<p><b>Mixed-income housing -</b></p> <ul style="list-style-type: none"> <li>• Facilitate housing with a range of income levels (from extremely low-to moderate-income and market-rate) at the building level.</li> <li>• Foster mixed-income housing that is 100% restricted affordable at a range of income levels, and facilitate market-rate housing that incorporates affordable homes at the building level.</li> </ul>	1, 5	Financial infeasibility of affordable developments  Economic segregation of neighborhoods  Stigma concerns of standalone affordable housing	Retained from 5th Cycle and updated	Housing	Policy	2023-31	# of housing developments with a mix of income levels
P-21	<p><b>Special needs housing NOFA</b> - Issue Notices of Funding Availability (NOFAs) for City funds that incent deeply-affordable housing developments that serve Special Needs populations, to the extent the City is allowed under law. Focus on populations and protected classes identified as having highest housing needs versus supply in the Housing Balance Report.</p>	1, 5	Lack of housing for special needs populations  Legal barriers to providing housing based on race	Disability focus group	Housing		2023-31	NOFAs issued Council commitments # resulting affordable units

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-22	<p><b>Transit-oriented affordable housing near Diridon Station -</b></p> <ul style="list-style-type: none"> <li>To integrate restricted affordable housing around the City's main transit station and maximize competitiveness for State affordable housing funding sources, prioritize sites within a one-half mile walkshed of Diridon Station for affordable housing.</li> <li>Implement prioritization by land use tool in the area surrounding Diridon and/or set Notice of Funding Availability priorities for City affordable housing subsidies.</li> </ul>	1, 5	Lack of affordable housing	From Diridon Station Area Plan	Housing, PBCE	Policy	2023-31	Land use tool established  NOFAs prioritizing area
P-23	<p><b>Pursue AHSC funding near Diridon Station -</b> Partner with transit agencies and affordable housing developers to apply for State Affordable Housing and Sustainable Communities grants for both affordable housing developments and greenhouse gas-reducing improvements near Diridon Station Area.</p>	1, 4	Reduce harmful environmental effects of greenhouse gases and need for affordable homes near transit to maximize access by disabled residents	From: Diridon Station Area Plan Diridon Affordable Housing Implementation Plan	Housing, DOT	Activity	2023-31	AHSC applications submitted  AHSC applications awarded  \$ awarded
P-24	<p><b>School district housing (YOSL) -</b> Complete and implement YOSL (Yes on School Lands) ordinance, allowing both affordable and market-rate housing to proceed on sites with Public/Quasi Public designation on lands that are owned by public school districts, to create more opportunities for school district employees to live close to where they work and give greater financial stability to public school districts.</p>	1, 4	Need for affordable housing.	Rental access working group  Housing production focus groups	PBCE	Program	2023-24	Council approval of ordinance
P-25	<p><b>Updated Inclusionary Housing program fees -</b> Conduct a fees study to ensure the Inclusionary Housing program remains feasible and does not present a barrier to housing construction</p>	1	High cost of housing development	Housing Element goals/strategies community meeting  From Housing Crisis Workplan	Housing	Activity	2027-28	Fees study produced

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-26	<b>Accessory Dwelling Unit (ADU) Amnesty program</b> - Restart the ADU Amnesty program to waive permit fees and penalties to incent homeowners to legalize their unpermitted ADUs that meet or will meet code requirements.	1, 3	Needs include: <ul style="list-style-type: none"> <li>• Housing production</li> <li>• Safe housing</li> <li>• Low-income homeowners to gain wealth by renting</li> </ul>	Retained from 5th Cycle and updated Council direction	PBCE	Program	2024-31	Program release  # ADUs brought into compliance
P-27	<b>Accessory Dwelling Unit (ADU) affordability</b> - Study the feasibility of an ADU financing program to house low- and very low-income renters. Within this potential program, incentivize ADU development by low- and moderate-income homeowners as a wealth building strategy that also helps meet housing needs in our market. If feasible, seek external partners to jointly create a subsidy program for City Council consideration.	1, 3, 5	Build wealth for low-income homeowners  House low- and very low-income residents	Consistent with feedback from anti-displacement outreach on need for income for existing low-income homeowners	Housing	Activity	2025	Feasibility analysis completed
P-28	<b>Predevelopment loans</b> - Provide predevelopment loans to assist nonprofit developers of City-owned properties with funds necessary to explore feasibility of proposed affordable multifamily housing.	1	High cost of housing development	Retained from 5th Cycle and updated	Housing	Activity	Ongoing 2023-31	# predevelopment loans made # affordable units assisted
P-29	<b>Fair Housing Equity Analysis for Specific Plans</b> - Integrate fair housing analysis and anti-displacement analysis into specific plans and area plans, including Urban Village plans.	1, 3, 5	Unintended consequences of displacement and discrimination from development	Consistent with state guidance on sites inventory	PBCE, Housing	Policy	2026-27	Plans with fair housing analysis integrated
P-30	<b>Updated feasibility study for Commercial Linkage Fee</b> - Ensure funding for affordable housing is being paid per the City's new Commercial Linkage Fee. Periodically update the feasibility study, including geographic analysis, to update fee levels for then-current market conditions. First trigger is fall 2023 or after 1M square feet in executed leases of new construction over 100,000 sq. ft. in the Downtown over more than one building, whichever happens first. Integrate the fee into Development Agreements, as appropriate.	1	Need for resources for affordable housing production and preservation	From Housing Crisis Workplan	OEDCA, Housing	Program	Start summer 2023 or when trigger is reached	Feasibility study update Council approval of updated fees \$ CLF revenues collected # affordable units subsidized

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-31	<b>Land acquisition for affordable housing in target locations -</b> Target the City's land acquisition for affordable housing development in areas close to transit and higher-opportunity neighborhoods.	1, 4	Increase resident mobility and access to higher-opportunity neighborhoods  Lessen environmental impacts of housing	Retained from 5th Cycle and updated	Housing	Activity	Ongoing 2023-31	# parcels purchased  # projected affordable units assisted
P-32	<b>Higher subsidies per unit -</b> In areas in which affordable housing development will cost more due to higher land costs, smaller buildings, or mid- or high-rise construction, ensure that City subsidies per unit are sufficiently higher so as to not disincent building in those areas.	1, 4	Build affordable housing in areas of higher opportunity and close to transit	Rental access working groups, housing production focus groups, and Housing Element goals/strategies community meetings  Consistent with Diridon Affordable Housing Implementation Plan	Housing	Program	Annual NOFAs 2023-31	Adjustments to NOFA/program guidelines
P-33	<b>Allow Affordable Housing on Assembly Use Sites (YIGBY)</b> Complete and implement new "Yes in God's Backyard" (YIGBY) ordinance allowing 100% affordable housing in conjunction with Assembly Use on sites with Public/Quasi Public General Plan designations. <ul style="list-style-type: none"><li>• Hold workshops with partners to educate churches and help make partnerships between interested churches, nonprofit developers, and development consultants.</li><li>• Prioritize outreach in the City's Siting Policy priority neighborhoods to be consistent and maximize funding opportunities.</li></ul>	1, 4	Sites for affordable housing	From Housing Crisis Workplan	PBCE, Housing	Program	2023	Council approval of code changes  Workshops held  # affordable homes created
P-34	<b>Affordable housing funding advocacy -</b> <ul style="list-style-type: none"><li>• Support bond funding initiatives at the County and regional levels to increase the supply of affordable housing production and preservation.</li><li>• Sustain advocacy for State and federal funding programs and advocate for more resources so that they meet the affordable housing production and preservation needs of San José.</li><li>• For homelessness response, advocate for both operating and capital subsidies.</li></ul>	1, 2	Lack of funding for affordable housing  Lack of funding for preservation  Lack of ongoing funding for homelessness response	Focus groups: <ul style="list-style-type: none"><li>• Veterans</li><li>• LGBTQ+</li><li>• Disability</li><li>• Indigenous Peoples</li><li>• Formerly homeless</li></ul> Homeownership working group	Housing, IGR	Activity	2023-28	Support letters issued  Participation on working groups

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
P-35	<b>Small multifamily housing</b> - Allow missing middle housing uses citywide (for buildings with 2-4 units) and in higher-opportunity areas (for buildings with 6-10 units) and establish pre-approved plans for these housing types. As directed by the City Council, define design standards and educate the public about financing programs that could result in restricted affordability.	1, 5	Lack of housing for middle-income residents	African ancestry focus group State Prohousing Designation Program	PBCE, Housing	Activity	2026	Feasibility analysis done Plans created Design standards created Council approval of land use changes, design standards Publish financing information
P-36	<b>Alum Rock East Urban Village Plan</b> - Complete Alum Rock East Urban Village Plan to facilitate construction of market-rate housing and healthy neighborhoods.	1, 4	Need for more housing at all income levels	City's Housing Crisis Workplan	PBCE	Program	2025	Outreach conducted Plan drafted Council approval of Plan
P-37	<b>CEQA analysis for Urban Villages</b> - Identify funding for and conduct program-level CEQA analysis for Urban Villages to help speed developments' timelines and remove barriers to housing production.	1	Environmental review lengthens development timeframes and increases cost	Developer focus group, City Auditor report March 2022, State Prohousing Designation Program	PBCE	Program	2027	Council approval of CEQA study
P-38	<b>Adequate sites for lower-income households on nonvacant and vacant sites identified in previous housing element cycles</b> - Rezone sites to allow development by-right pursuant to Government Code section 65583.2(i) when 20 percent or more of the units are affordable to lower-income households on sites identified in Appendix F, Table B to accommodate lower-income RHNA sites previously identified in the 4th and 5th cycle housing elements' inventories.	1	Statutory Requirement, Government Code section 65583.2(i)	N/A	PBCE	Activity	2023-2024	Council approval of zoning changes
P-39	<b>Replacement unit program for selected sites</b> - To mitigate the loss of affordable housing units, require new housing developments on selected sites to replace all affordable housing units lost due to new development. The City will, upon adoption of the Housing Element, adopt a policy and will require replacement housing units subject to requirements of Government Code section 65583.2 subdivision (g)(3) on all sites identified in the Sites Inventory when any new development (residential, mixed-use, or nonresidential) occurs on a site identified in the Sites Inventory meeting the following conditions: 1) site currently has residential uses or within the past five years has	1	Statutory Requirement, Government Code Section 65583.2, subdivision (g)(3)	N/A	PBCE, Housing	Activity, Policy	2023	Council adoption of 6th Cycle Housing Element



#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
	had residential uses that have been vacated or demolished, and 2) was subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income, or 3) site's residences were subject to any other form of rent or price control through a public entity's valid exercise of its police power, or 4) site's residences occupied by low- or very low-income households.							
P-40	<p><b>Evaluate Urban Village planning process</b> - To streamline the development of urban village plans and unlock more sites for housing, evaluate General Plan 2040's urban village strategy and consider possible amendments, including but not limited to:</p> <ul style="list-style-type: none"> <li>• reducing and consolidating urban village areas</li> <li>• reevaluating required components of urban village plans, and</li> <li>• accelerating timelines while still supporting community engagement throughout the process.</li> </ul> <p>In addition, recommend the City Council amend General Plan Policy IP-5.15 to encourage the City to identify a stable, internal funding source to cover the majority of costs for urban villages' planning processes.</p>	1	Need to ease infill housing development processes to increase development	Developer focus groups	PBCE	Activity, Policy	2024-2026	Council approval of General Plan policy changes

**Table 3-2: Preservation of Market-Rate and Affordable Housing**

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
R-1	<b>Monitor at-risk affordable units -</b> <ul style="list-style-type: none"> <li>Proactively assess and monitor at-risk affordable units and reach out to property owners, tenants, and qualified entities to negotiate and assist in preserving existing affordable homes.</li> <li>Enlist consulting assistance to create and update risk assessment reports regularly.</li> </ul>	1	Loss of existing affordable housing units Displacement prevention	Equity working group	Housing	Program	Updated reports by 2024 and 2028	Creation of risk-based reports # meetings held # units preserved
R-2	<b>Establish a Preservation NOFA -</b> <ul style="list-style-type: none"> <li>Establish a regular housing Preservation program, including an annual funding allocation averaging at least \$X million (dependent on funding availability), funding priorities, underwriting guidelines, Notice of Funding Availability (NOFA) scoring framework, NOFA issuances, and ongoing workplan.</li> <li>Eligible Preservation activities should include acquisition and rehabilitation of existing market-rate housing, community land trusts' rental housing acquisition, and other nonprofit-led alternative homeownership models.</li> <li>Create a staffing plan for a Preservation team to underwrite, fund and facilitate Preservation deals.</li> </ul>	1	Lack of affordable housing Lack of funding for preservation Displacement prevention	Neighborhood equity working group Housing Element strategies/goals community meeting From Citywide Anti-Displacement Strategy	Housing	Program	First NOFA 2024	Program guidelines completed NOFA issuances Annual \$ budgeted for Preservation awards \$ commitments made by Council for Preservation deals # units of newly-restricted affordable housing
R-3	<b>Diridon Preservation Pilot -</b> <ul style="list-style-type: none"> <li>Create and fund the Diridon Preservation Pilot Program for the area around the Diridon Station Area.</li> <li>Issue Notices of Funding Availability to enable developers to acquire, rehabilitate and make affordable market-rate properties appropriate to preserve as the Station Area develops.</li> <li>Identify buildings' desired physical profiles depending on location and development potential to help maintain buffer areas between dense Station Area developments and surrounding low-rise neighborhoods.</li> </ul>	1, 4	Lack of funding for preservation Lack of affordable housing Displacement prevention	From Diridon Station Area Plan	Housing, PBCE, OEDCA	Program	2024-25	Pilot creation City Council approval of pilot NOFAs issued Council approval of funding commitments # homes preserved in defined area around Diridon Station Area

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
R-4	<b>Implement the Community Opportunity to Purchase program</b> – Seek City Council approval of a Community Opportunity to Purchase program (COPA) and, if approved, fully implement the program. Draft implementing regulations and finalize them based on comprehensive community input. Educate property owners, realtors, CBOs and residents on COPA parameters, compliance, and opportunities. Issue a Request for Qualifications and identify a pool of Qualified Nonprofits (QNP) to participate in the COPA program. Assist QNPs to team with Community Partners to participate in the program. Put in place technology enhancements to the City's website to help users participate in the program.	1, 3	Need for protected tenants from displacement when their building goes up for sale. Lack of opportunities for lower-income and renters of color to buy homes or build wealth.	Supported by working groups: neighborhood equity, homeownership, high opportunity areas Supported by community meeting on Housing Element goals / strategies. Consistent with Citywide Anti-Displacement Strategy.	Housing, CAO	Program	2023-25	# stakeholders educated issuance of draft regulations adoption of regulations issuance of QNP RFQ qualification of QNPs # units purchased through COPA and made affordable # residents stabilized
R-5	<b>Acquisition Loan Fund</b> - Work with external funders to identify and/or establish sources of reliable acquisition financing that work together with City preservation Notices of Funding Availability, with the goal of preserving low-cost housing, creating more restricted affordable multifamily properties, and stabilizing low-income renters who are disproportionately people of color.	1	Lack of affordable housing. Loss of existing affordable housing. Displacement prevention.	Supported by Rental access working group, Neighborhood equity working group, Housing Element goals/ strategies community meetings. In Housing Crisis Workplan	Housing	Activity	2025	Request for Proposals Issued if needed; loan product defined and rolled out; # units acquired with Loan Fund(s)
R-6	<b>Mobilehome Park General Plan designation for remaining 56 mobilehome parks</b> - Apply the Mobilehome Park Land Use Designation through City-initiated General Plan Amendments to the remaining 56 mobilehome parks, and rezone the sites, to promote preservation, public input, and transparency on any future mobilehome park conversion proposals.	1	State law regarding zoning consistency and transparent public process for any conversion proposal of this finite housing stock. Displacement prevention.	From Housing Crisis Workplan	PBCE	Activity	2026	Council approval of General Plan Amendments and rezonings # mobilehome parks with new land use designation

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
R-7	<b>Extend affordable housing restrictions</b> - Preserve existing deed-restricted affordable housing by routinely negotiating to extend the City's affordability restrictions in return for the City's amended loan terms or other actions on properties in its existing portfolio.	1	Expiration of affordability restrictions in affordable housing stock. Displacement prevention.	LGBTQ+ focus group, Disability focus group, Veterans focus group and Indigenous Peoples focus group	Housing	Activity	Ongoing	# affordable units preserved # years of additional affordability
R-8	<b>Work with the Bay Area Housing Finance Authority (BAHFA) on Moderate-income Financing Strategy</b> - Advocate for legislation and work regionally with partners to create and/or use a JPA-issued bonds product that supports moderate-income housing and deeper affordability, controls escalation of rents, and delivers sufficient public benefit. Goal of completing three transactions by 2027.	1	Need for moderate-income housing and rent stability.	From Housing Crisis Workplan	Housing, OEDCA, Finance	Program, Activity	2027	# transactions # newly-affordable homes at each income level
R-9	<b>Create a Preservation Policy</b> - Create a community-informed Preservation Policy statement for Council consideration that establishes a goal of preserving existing affordable and low-cost housing and helping to prevent displacement, to inform programs, resources, and development of policy decisions.	1, 3	Lack of those most affected voice in decision making processes. Lack of meaningful community input on City programs and policies.	From Citywide Anti-Displacement Strategy. Supported by neighborhood equity working group	Housing	Policy	By 2025	Council approval of Policy
R-10	<b>Mobilehome park local inspections</b> - To ensure physical preservation of mobilehome parks, sponsor State legislation or propose a pilot with the State Department of Housing and Community Development for the City to provide local inspections of mobilehome parks, information sharing, and the State to potentially provide revenues for staffing.	1	Condition concerns for some mobilehome parks. Insufficient state inspection staffing.	Other state pilot programs	Housing, PBCE, IGR	Activity	2028	State approval of pilot Legislation introduced and passed Funding received Inspections done
R-11	<b>Owner-occupied home preservation</b> - To physically preserve existing homes, continue to fund urgent home repairs for low-income homeowners, many of whom are seniors, through nonprofit partners as funds are available.	1	Need to assist lower-income homeowners with urgent repairs.	Retained from 5th Cycle and updated	Housing	Program	Ongoing	# low-income households assisted

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
R-12	<b>New Anti-Displacement Strategy</b> - After completing implementation of priorities under the current Anti-Displacement Strategy approved by the City Council in 2020, evaluate effectiveness of existing tools, obtain ongoing best practices information from like-minded cities, and seek City Council approval for additional anti-displacement policies or programs to pursue.	3, 1, 4	Prevent displacement of residents and coordinate efforts to do so.	Supported by neighborhood equity working group.	Housing	Program	2027-29	Best practices researched Outreach conducted Strategy drafted Council approval

## 3.2 Goal 2: Sufficient housing for people experiencing homelessness

The homelessness crisis in San José and across the Bay Area is growing. In Santa Clara County, people experiencing homelessness were shown in 2020 to be disproportionately Black/African American, American Indian/Alaskan Native, and Hispanic/Latino/a/x. The City is focused on implementing strategies from the Countywide [Community Plan to End Homelessness](#).

The strategies under Goal 2 (*Table 3-3*) include providing permanent and temporary housing for people experiencing homelessness, funding the delivery of services to people without homes and in service-enhanced housing, and helping to prevent people from becoming homeless. With its partners across the County, the City seeks to do this work with an equity lens, centering the experiences of those with lived experience in homelessness.

**Table 3-3: Housing and Systems for People Experiencing Homelessness**

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
H-1	<b>Interim homeless housing construction</b> - Complete construction of emergency interim housing development in the Civic Center area. Seek ongoing funding from the State and federal governments to pay for operations and services for the City's emergency interim housing units and shelter beds.	2	Lack of emergency housing Lack of shelter beds	LGBTQ+ focus group for increase in shelters Formerly incarcerated focus group for increase in transitional housing Revised from 5th cycle	Housing	activity	2024	Units completed Funds obtained for operations & services
H-2	<b>Interim housing for people experiencing homelessness in hotels/ motels</b> - Continue to use hotels and motels to provide supportive housing for people experiencing homelessness, and seek additional Homekey funding from the State for both capital improvements and ongoing operations costs.	2	Lack of supportive and transitional housing.	LGBTQ+ focus group for increase in shelters Support from formerly incarcerated focus group for increase in transitional housing Revised from 5th cycle	Housing	Program	2023-31	# hotels acquired \$ of Homekey awards # residents housed
H-3	<b>Conversion of hotels/motels for homeless housing</b> - Identify barriers and make changes to the City's codes, as needed, to facilitate easier conversion of hotel/motels and other non-conforming buildings to housing for people experiencing homelessness.	2	Lack of housing and services for people experiencing homelessness.	General support for shelters and transitional housing from LGBTQ+ focus group and formerly homeless focus group	PBCE	Activity	2024-25	Amendments to code approved by Council

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
H-4	<b>Shelters streamlining throughout the City</b> - Identify needed improvements in land use, zoning, and building regulations to streamline City processes and speed the pace of building emergency interim housing units and emergency homeless shelters in all areas of the City.	2	Development and permit barriers to increasing shelters.	LGBTQ+ focus group for more shelters, specifically shelters for LGBTQ+ persons  General support at Housing Element goals/strategies community meetings  Consistent with Citywide Roadmap priorities per Council direction	Housing, PBCE, Public Works	Activity	2025	Amendments to code approved by Council  Time spent on approvals of shelters
H-5	<b>Low-cost permanent housing solutions</b> - Revise the City's zoning code to remove any impediments to the creation of permanent housing solutions such as shared housing or other creative arrangements that provide low-cost permanent housing alternatives that help prevent and address homelessness.	2	Need to avoid homelessness Lack of housing for people experiencing homelessness	General support at Housing Element goals/strategies community meetings	PBCE, Housing	Activity	2025	Review of code for impediments  Amendments to code approved by Council
H-6	<b>Housing with integrated health care</b> - In coordination with County Behavioral Health, Santa Clara Valley Health and Hospital System, and health plans in the region, seek to generate new housing opportunities that integrate health care for the complex needs of people currently or formerly experiencing homelessness.	2, 1	Need for services-enhanced housing for people experiencing/ed homelessness	Consistent with Community Plan to End Homelessness			2023-31	# of new developments with on-site health services
H-7	<b>Safe parking programs</b> - Operate overnight and 24-hour safe parking programs and other emergency shelter options, and seek permanent funding sources for these uses.	2	Lack of shelters and emergency housing for people experiencing homelessness	LGBTQ+ focus group Public meetings on strategy ideas Retained and revised from 5th cycle	Housing	Program	2023-31	# safe parking spaces  Amount of budget

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
H-8	<b>Nonprofit-provided homeless support services -</b> Continue to fund nonprofit agencies that provide services to people who are homeless or at risk of becoming homeless, with highest priority to those most in need at or below 30% of the Area Median Income. Funding would support programs including, but not limited to, those that prevent and end homelessness, and those that provide case management and services for formerly unhoused residents in permanent supportive housing, interim housing, and shelters.	2	Need for housing and services for people experiencing homelessness	Veterans focus group and formerly homeless focus group Housing Element goals/strategies community meeting Retained from 5th cycle	Housing	Activity	2023 - 31	Funding to nonprofit service providers # people assisted
H-9	<b>Street-based services for unhoused residents -</b> <ul style="list-style-type: none"> <li>• Fund street-based services such as outreach, hygiene services, behavioral health, and transportation options to meet the needs of unsheltered residents.</li> <li>• Use input from persons with lived experience to help define what services should be available.</li> <li>• Advocate for ongoing funding from the state and federal governments for this purpose.</li> </ul>	2	Lack of services for unsheltered residents	Focus groups: Veterans, Disability, LGBTQ+, Indigenous Peoples, African ancestry Housing Element goals/strategies community meetings Consistent with Community Plan to End Homelessness	Housing, IGR	Activity	Annually 2023-31	Funds budgeted Services provided # clients served
H-10	<b>Racial and other bias in homeless shelter and supportive housing systems -</b> Increase access to homeless shelters and permanent supportive housing for people experiencing homelessness who are in protected classes by examining data to identify systemic racism and patterns of other biases, and working with shelter staff to remedy issues.	2	Racism and bias within administration and operation creates harm and not serving population disproportionately people of color.	Support by formerly homeless focus group and LGBTQ+ focus group Consistent with Community Plan to End Homelessness	Housing	Activity	2027	Data collected Data analyzed Technical assistance sessions with staff



#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
H-11	<p><b>Feedback from those with lived experience in homelessness in decision making -</b></p> <ul style="list-style-type: none"> <li>• Create additional feedback mechanisms for clients with lived experience of homelessness on how programs are serving the needs of this population.</li> <li>• Integrate requirements into City-funded contracts for grantees to create feedback mechanisms.</li> <li>• Work with the Lived Experience Advisory Board, composed of residents who have experienced homelessness, to evaluate key City-funded services and initiatives, including encampment support, street outreach, referrals to new housing opportunities, shelters, emergency interim housing provision, and/or existing permanent supportive affordable housing.</li> </ul>	2	Lack of participation from those with lived experience in City-led decision-making processes	<p>Supported by LGBTQ+ focus group with a focus on LGBTQ+ persons, compensating people for their time and refrain from tokenization</p> <p>Consistent with Community Plan to End Homelessness</p>	Housing	Activity	2024-31	<p># contracts amended</p> <p>Feedback obtained</p> <p>Changes made due to feedback</p>
H-12	<p><b>Neighborhood outreach and education on homeless housing -</b></p> <ul style="list-style-type: none"> <li>• Work with partners countywide on a community-based outreach campaign to promote dialogue and greater understanding of these issues. Outreach would focus on: 1) the root causes of homelessness and different housing approaches for people experiencing homelessness; 2) controversial housing topics related to equity and protected classes.</li> <li>• Focus community outreach in areas experiencing growth.</li> <li>• Pursue ongoing funding to compensate community-based organizations and advocates to conduct outreach.</li> <li>• Create content and outreach materials, and establish regular cycles of issuing low-barrier Requests for Qualifications, identifying outreach partners, conducting regular trainings, and holding feedback and support sessions with outreach partners.</li> </ul>	2, 5	<p>Public opposition to housing strategies</p> <p>Public interest in effective homelessness response strategies</p>	Strong support at Housing Element goals & strategies community meetings	Housing, CMO, PBCE	Program	2024-31	<p>Materials prepared</p> <p>CBOs under contract</p> <p>Funding allocated</p> <p>Households outreached to</p> <p>Feedback sessions held</p>

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
H-13	<b>Regional homeless response coordination and planning</b> - In cooperation with the County of Santa Clara, Destination: Home, and other community partners, seek City Council approval of the City's implementation plan for the 2020-25 Community Plan to End Homelessness in Santa Clara County.	2	Address impacts of homelessness  Need for organizations addressing homelessness to work towards common goals	Veterans focus group, LGBTQ+ focus group, High opportunity working group and Schools focus group  Revised from 5th cycle	CMO Housing	Activity	2023	Council adoption of implementation plan

### 3.3 Goal 3: Housing stability and opportunities to build wealth for all residents

With the Bay Area’s housing crisis and the COVID-19 pandemic, renters have experienced far more recent instability and displacement than homeowners. Tenant protections can help ensure that renters are not displaced by unfair practices, speculation, demolition, or other factors. Residents able to purchase a home can achieve housing stability, build equity, and pass down intergenerational wealth to future generations. Unfortunately, homeownership is out of reach for a large proportion of San José households with [June 2022 median sales prices](#) of \$1.56 million for detached single family homes, and \$826,000 for condominiums and townhomes.

Goal 3’s strategies (*Table 3-4*) focus on ensuring that all forms of tenure, including ones not common today, can provide households with stability and the foundation for a better life. These strategies address renter stability and access, fair housing, tenant protections, and wealth building. [Also note that while Preservation activities that keep existing residents in place are also housing stability measures, Preservation activities are shown under Goal 1 above.]

**Table 3-4: Housing Stability, Tenant Protections, and Wealth Building**

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-1	<b>Tenant Resource Centers and violations reporting</b> - Incorporate Code Enforcement and Apartment Rent Ordinance violation reporting procedures as part of expanded tenant resource centers, including allowing for tenant associations to report such violations on behalf of tenants. Assist residents to learn how to file Code complaints and look up their status online in Centers to help make the process more transparent. Improve coordination between Rent Stabilization Program and Code Enforcement staff and meet regularly. Identify additional funding to support Tenant Resource Centers.	3	Fear of retaliation by tenants to report code violations  Need to make code enforcement processes widely available to ensure safe living conditions.	Suggested by neighborhood equity working group	Housing, PBCE	Activity	2023-25	Tenant resource centers with Code assistance  # residents assisted  # Housing/Code meetings held
S-2	<b>Rental property registry improvement</b> - Ensure that all permitted, rented residences in San José are registered with the City to aid in communications about renter resources and to ensure safety in emergency situations.	3	Need to contact renters in emergency conditions  Difficulty communicating with renters	Supported by neighborhood equity working group and rental access equity group	Housing, Finance, PBCE	Program	2025-28	% of City’s rental units registered

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-3	<b>Proactive Code enforcement in Place-based neighborhoods</b> - Continue to implement the Enhanced Multiple Housing Inspection Program in Project Hope and other low-income neighborhoods to provide enhanced proactive inspection services to rental properties to arrest the decline and deterioration of aging housing stock and reduce blighted conditions.	3	Decline and deterioration of aging housing stock Fear of retaliation by tenants for reporting housing code violations  Targeted investments in under-invested neighborhoods	General support for ensuring safe housing conditions from equity working group and in Citywide Anti-Displacement Strategy outreach	PBCE	Program	Ongoing 2023-31	# neighborhoods covered  # units inspected  # violations resolved
S-4	<b>Updated relocation assistance</b> - Update the City's municipal code to ensure that compensation given to residents for potential displacing events -- noticing, relocation payments, housing search assistance, the replacement of affordable units, and a right of return -- matches or exceeds any state requirements, is sufficient given current housing costs, and is consistent across City programs. Create a program of regular updates, and consider amendments that cite housing cost data sources to enable the code to move with the market.	3	Cost burden to tenants when forced to relocate exacerbated by high local housing costs	From Citywide Anti-Displacement Strategies  Supported by neighborhood equity working group	Housing, PBCE, CAO	Policy	Phase 1 by 2025 Phase 2 by 2027	Analysis complete  Stakeholder outreach on cost escalators and proposed changes  Council approval of code updates
S-5	<b>Code enforcement improved case management</b> - Implement a new Code Enforcement case management system for improved violation tracking to identify properties more easily with the most serious safety violations. Use the information to better educate the City's building preservation efforts.	3	Need to strategically allocate limited code enforcement capacity  Unsafe housing conditions in housing stock	From Citywide Anti-Displacement Strategies  Supported by neighborhood equity working group	PBCE, Housing	Program	2025	System implemented  Housing NOFA prioritizing high-violation properties
S-6	<b>Proactive Code enforcement for more rented residences</b> - Create a study on the cost, needed staffing, potential timeline for expansion, and other resources needed to expand the types of housing units covered by proactive code inspections. Units include rented single family homes, duplexes, condominiums, and/or townhomes. Bring a recommendation to City Council if needed resources can be identified.	3	Retaliatory evictions from Code complaints of renters  Physical condition problems in existing rented units of all kinds	Anti-displacement best practices from PolicyLink focus on proactive code enforcement. Included in Citywide Anti-Displacement Strategies (#6C)  Supported by neighborhood equity working group	PBCE	Activity	2024-25	Study created  Council hearing of recommendation

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-7	<b>Financial literacy programs for potential homebuyers as funds remain available</b> - Fund nonprofit organizations to educate homebuyers on the homebuying process, homeownership responsibilities, and financial literacy. Fund nonprofit organizations to deliver pre- and post-purchase homeownership counseling, and target services to lower-income protected class buyers to help them attain and stay in homeownership.	3, 5	Needed preparation and support for first-time homebuyers	Supported by attendees of HE goals/strategies community meeting, African ancestry focus group	Housing	Program	2026-31	Services provided Budget allocated # buyers assisted
S-8	<b>Homebuyer program redesign</b> - Create feasibility analysis and plan to redesign the City's homeownership programs to have better reach to underserved populations. Programs would include City downpayment assistance to homebuyers, pre- and post-purchase housing counseling, affirmative marketing to underserved populations, alternatives to fee simple homeownership (such as community land trusts, limited equity cooperatives and long-term tenant leases with wealth accumulation program), funding sources for program offerings, and evaluation metrics for assessing the impact on closing racial homeownership gaps. Include protected class demographic information as part of all City-funded homeownership programs. Analyze and report on data regularly to determine who programs are assisting.	3, 5	Lack of protected class data of who has benefitted from City's homeownership programs  Need to increase homeownership rates for protected classes	Supported by African ancestry focus group, homeownership working group, schools focus group, equity organizations, and Indigenous focus group	Housing	Program	2025	Feasibility analysis and plan created  Council approval of program
S-9	<b>Anti-Displacement into Urban Village Plans</b> - Integrate appropriate residential and small business anti-displacement features identified for Five Wounds Urban Village updates into forthcoming Urban Village Plans and consider appropriateness for inclusion in the General Plan.	3, 4	Need to stabilize lower-income residents and businesses in growing areas to avoid displacement	From Citywide Anti-Displacement Strategies	PBCE, Housing	Activity	2023-24 for Five Wounds	Consultant identifies anti-displacement features for Five Wounds UV Plan  # of other UV Plans incorporating features

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-10	<b>Study on rent increases and burden in affordable housing</b> - Research how rent increases in the City's restricted affordable apartments have been implemented over the last five years, given that area median income continues to increase rapidly in Santa Clara County. Study rent burden and demographics for residents of affordable homes, and use research results to inform proposed state legislation and/or City policy. Present findings and policy recommendations to the City Council.	3	Prohibitive rent increases in restricted affordable apartments	Support from rental access working group	Housing, IGR	Activity	2023-24	Research conducted  Findings presented to the City Council
S-11	<b>Alternative documentation for non-citizens</b> - Seek City Council approval of a policy requiring all property management companies managing restricted affordable apartments to advertise acceptance of alternative documentation for non-citizens. Prepare a workplan for implementation procedures for different types of affordable homes, with input from the City Attorney's Office.	3	Avoid discrimination in rental housing applications process for non-citizens  Lack of knowledge of non-citizens that they could apply and be eligible for affordable housing	Supported by neighborhood equity working group and Housing Element goals/strategies community meeting	Housing CAO	Policy	2026	Council approval  Workplan complete  # Properties implemented
S-12	<b>Eviction prevention - Housing Collaborative Court and other support for legal services</b> - Work in ongoing partnership with the County's Superior Court to staff an Eviction Diversion Program, holding weekly workshops at the Court to offer a spectrum of resources to all parties, including rental assistance, social services referral, mediation, and legal assistance. Identify funding to continue Eviction Diversion programming. Explore conversion of Superior Court Eviction Diversion into a Collaborative Court model, as appropriate. Increase funding to nonprofit legal organizations to provide eviction counseling and defense.	3	Lack of funding and resources to provide eviction help and pre-eviction services  Gap in services for pre-eviction services to address conflicts that easily escalate to eviction	Supported by rental access working group and veterans focus group  Consistent with Citywide Anti-Displacement Strategy	Housing, CAO	Program	2023-31 assumes funding available	Workshops held  Parties assisted  People connected to new services  Funding secured
S-13	<b>Affordable housing renter portal language access</b> - Ensure that online tenant rental portal, Doorway, is implemented with access in San José's top languages and accessibility to audio and visually impaired users.	3, 5	Lack of accessibility in notification of affordable housing opportunities	Suggested by LGBTQ+ focus group	Housing	Activity	2023 and ongoing	# languages  # applicants using non-English versions

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-14	<b>Advocacy for tenant-based vouchers</b> - Prioritize use of rental vouchers to expand housing choices for protected class, lower-income residents. Advocate with the state and/or sponsor legislation to allow the City to enforce its local Housing Payment Equality Ordinance that prevents property owners from rejecting applicants on the basis of their use of vouchers. Continue to use local funds for tenant voucher programs. Advocate at the state and federal levels for additional vouchers to meet local needs and expand housing choices.	3	Need for housing for those at lowest income levels  Increase housing choice	Suggested by equity working group  Supported by veterans focus group, disability focus group and high opportunity areas working group	Housing, IGR	Program	2024-26	State determination of enforcement path  State approval of local enforcement or legislation if needed  Legislation passage  Support letters and meetings on vouchers
S-15	<b>Tenant preferences in VTA station areas</b> - Work with the Valley Transportation Authority to implement the City's forthcoming affordable housing tenant preferences and other policies on affordable apartments in station area developments. Include in Anti-Displacement Tenant Preference all publicly-owned sites, development agreement, and negotiated developments to support this initiative.	3	Need to prevent displacement and prioritize most vulnerable in non-homeless units.	Tenant preferences supported at Housing Element goals / strategies community meetings	Housing	Activity	2023 -31	Affordability restrictions recorded requiring tenant preferences  # affordable units in station areas
S-16	<b>Affirmative marketing languages and best practices for affordable housing</b> - For all City-funded affordable housing, require affirmative fair housing marketing to be done in English plus top 3 languages. Expand data collection and monitoring of affirmative marketing of affordable apartments for initial lease-up and waitlist openings. Create library of best practices including sample notices translated into multiple languages.	3	Lack of awareness of affordable housing opportunities  Increase accessibility of affordable housing	Supported by Indigenous Peoples focus group	Housing, CAO	Program	2026-27	Requirement rolled out  Data collected for compliance  Library created & made available
S-17	<b>Local Fair Chance / "Ban the Box" ordinance</b> - Complete a report to review best practices in housing formerly incarcerated people and assess the feasibility, impact, and enforcement options of a Fair Chance / Ban the Box ordinance for rental housing applicants that would limit the use of criminal records by property managers when they are screening prospective tenants. Draft an Ordinance and create a program proposal for the City Council's consideration.	3	Discrimination in housing application to people with criminal background	Idea from equity working group  Supported by former homeless focus group, veterans focus group and rental access working group	Housing, CAO	Program	2026-28	Report completed  Council presentation made  Outreach done  Ordinance drafted  Program proposal created  Council consideration

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-18	<b>Review data on City-monitored properties to identify Fair Housing issues</b> - Analyze protected class information in the City's affordable housing portfolio, identify outlier properties with unusual concentrations of certain types of residents, and proactively meet with property managers and/or owners to review affirmative marketing and lease-up practices to solve potential fair housing problems.	3, 5	Lack of knowledge of affordable housing opportunities  Tracking and preventing large scale fair housing issues	General support from disability focus group and African Ancestry focus group as to improving affirmative marketing and lease-up practices	Housing	Program	Starting in 2023-24 and ongoing	Outliers analysis  # Meetings held with outlier properties  Technical assistance given
S-19	<b>Certificate of Preference program</b> - Explore applicability of a Certificate of Preference program for the Diridon area to enable residents in danger of indirect displacement or who have been displaced to apply through separate queues for affordable apartments and/or homebuyer programs.	3	Need to prioritize access to affordable housing for most vulnerable	From Diridon Affordable Housing Implementation Plan	Housing	Program	2027	Research and legal analysis conducted  Findings presented to Council  If Council directed, program developed
S-20	<b>Anti-displacement tenant preferences</b> - To help mitigate displacement and serve the most vulnerable local residents, develop fair-housing compliant tenant preferences for this population. Seek Council approval for two tenant preferences: an Anti-Displacement Tenant preference, and a Neighborhood Tenant preference. If approved, implement the preferences on affordable housing units subject to the preferences. Seek the State's approval to use both tenant preferences in HCD-funded affordable housing developments. Sponsor State legislation, SB 649, to reliably use anti-displacement preferences on bond- and tax credit-financed developments.	3	Displacement of residents	Supported at Housing Element goals/ strategies community meetings  Consistent with Citywide Anti-Displacement Strategy	Housing, CAO	Policy	2023-25	Legislation passed  Ordinance drafted  Council approval  State approval sought  Preference(s) implemented  # affordable apartments covered
S-21	<b>Facilitation of equal access to housing</b> - Continue to fund nonprofit organizations to affirmatively further Fair Housing throughout the City, and develop metrics to better understand the City's impact from funding fair housing grantees.	3	Discrimination in housing	Supported at Housing Element goals/ strategies community meetings	Housing	Activity	Metrics by 2024  Funding ongoing 2023-31	funding to nonprofit fair housing providers  # people assisted  metrics developed



#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-22	<b>Fair housing services and support</b> - Confer annually with legal services, tenant advocates, and tenants to determine priorities for programs and funding on fair housing testing, outreach/education, and legal representation.	3	Lack of legal representation and legal services for tenants  Discrimination in housing	Supported by rental access working group	Housing	Activity	Ongoing 2023-31	Annual meetings held  Priorities established jointly
S-23	<b>Know Your Rights materials</b> - Create basic 'Know Your Rights and Responsibilities' materials for landlords and tenants, including fair housing information. Produce materials in multiple languages with accessible vocabulary, pictures, and infographics. Create an outreach strategy to share this information widely including partners such as schools, community-based nonprofits, and housing providers. Provide links to additional resources including more information on fair housing. Identify eligible ongoing funding for this purpose.	3	Lack of awareness of rental rights, and lack of information in language of users	Idea from rental access working group  Supported by Indigenous Peoples focus group	Housing, CAO	Program	2023-25	# of communications pieces released  # of recipients of communications  # partner organizations assisting in outreach
S-24	<b>Targeted fair housing outreach and enforcement</b> - Increase fair housing education, monitoring, and enforcement in target neighborhoods, especially on source of income discrimination. Consult legal assistance partners and analyze City data to determine target neighborhoods. Create a plan for outreach together with nonprofit and community-based partners. Identify more ongoing funding for this activity. Enter into contracts with qualified legal services organizations.	3	Source of income and other discrimination in housing.	Supported by rental access working group, Housing Element goals/strategies community meetings	Housing	Activity	Ongoing 2023-31	Target neighborhoods identified  Funding identified  Contracts executed  # people assisted  # services delivered

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-25	<b>Tenant-based vouchers in higher-resource areas</b> - Partner with the Santa Clara County Housing Authority to implement a strategy for their administration of San José Section 8 rental vouchers that reduces barriers to vouchers' use in higher-opportunity areas and maximizes voucher holders' housing choices. Direct the Housing Authority to capture performance measures to determine residents' state of health and educational attainment. Use the measures to identify possible program improvements.	3	Lack of affordable housing Not enough owners willing to accept vouchers Need for housing for lower-income populations	General support for increase in vouchers from veterans focus group, disability focus group, and high opportunity areas working group	Housing	Activity	2023-26	Usage of San José vouchers in higher-resource areas  Collection of performance measures on residents' health and education
S-26	<b>Increased support for nonprofits to do tenant outreach and education</b> - Identify ongoing funding, such as Measure E Real Property Transfer Tax, to increase nonprofit organizations' support of San José tenants' rights. Increase funding of nonprofits to do broad tenant outreach, education, and legal representation on housing issues, including fair housing issues, to all tenants in the City. Support a nonprofit-run hotline for information and referrals on general tenant/landlord issues (not legal advice) for all tenants, regardless of income or type of home.	3	Lack of knowledge of renter rights and fair housing services  Lack of capacity in legal organizations and nonprofits to provide legal services, including fair housing services	Support by rental access working group, Housing Element goals/strategies community meeting	Housing	Program	2024-31	Funds budgeted Services provided # Clients served Hotline established # Calls supported
S-27	<b>Tenant/landlord education centers</b> - Increase education and resources provided to tenants and landlords on City programs and their rights at tenant / landlord education centers located throughout the City. Locations should include Diridon Station Area, the City's forthcoming transit center, to maximize transit access as well as neighborhoods with high displacement risk according to UC Berkeley Urban Displacement Project analysis. Use digital tools, pop-ups, and/or mobile sites, and partner with community-based organizations to deliver services in ways that are convenient and accessible for all users, especially those with disabilities.	3	Lack of access and awareness of renter rights	Supported by rental access working group and Indigenous Peoples focus group  Consistent with Diridon Affordable Housing Implementation Plan	Housing	Program	2025-31	# Locations served Materials available # Tenants and landlords assisted

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-28	<b>Right to Counsel</b> - Develop a San José Right to Counsel program proposal for the City Council's consideration. Issue a Request for Proposals and work with selected consultant to create a program proposal, identify necessary legal resources, cost estimate, and potential funding sources. Seek City Council approval of the program. Additionally, explore potential regional partnerships for a regional Right to Counsel study and implementation as an alternative.	3	Lack of legal services/representation for tenants	Support from AFH Advisory Committee  Consistent with Citywide Anti-Displacement Strategy	Housing	Program	2025-26	RFP Issued  Consultant hired  Program proposal to Council  Council approval  If approved, start program creation
S-29	<b>Rent Stabilization Program Strategic Plan and program assessment</b> - Complete a Strategic Plan for the Rent Stabilization Program and assess the efficacy of the program in meeting its goals to protect and stabilize tenants' housing. Include examination of the Program's effectiveness at helping to prevent Unlawful Detainers and preventing evictions. Evaluate the current Apartment Rent Ordinance and a set of possible amendments including types of properties covered and alternate methods of calculating maximum allowable rent increases.	3	Allowable rent increases are a barrier to maintaining housing because increases are still too high  Need for more renters to be protected by tenant protections.	Support from equity working group, rental access working group, veterans focus group, Indigenous Peoples focus group, LGBTQ+, African ancestry focus group, Housing Element goals / strategies community meetings to prevent displacement and protect tenants	Housing	Activity	2024-25	Consultant hired  Strategic Plan and program assessment completed  Outreach conducted on any amendment proposals  Amendments presented to Council, if warranted
S-30	<b>Just cause eviction protection amendment</b> - Request that the City Council expand the Tenant Protection Ordinance to not count immediate household members against occupancy limits, to the extent allowed by State Health and Safety Code.	3	Need to protect renters with families from harassment and lease violations when living in smaller housing units	Idea from rental access working group	Housing, CAO	Program	2025	Analysis of issue  Presentation to Council  Council consideration
S-31	<b>Expand/amend the Tenant Protection Ordinance</b> - Review the Tenant Protection Ordinance for ways it could apply to restricted affordable apartments and still be consistent with rules for common funding sources such as low-income housing tax credits and State funding programs, and propose amendments to the City Council.	3	Prohibitive rent increases in restricted affordable housing	Support for increasing tenant protections from Equity Working Group and Rental Access Working Group	Housing, CAO	Program	2026-27	Analysis of issue  Ordinance amendment  Presentation to Council  Council consideration

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
S-32	<b>Local enforcement of state tenant protections</b> - Work with the state to establish that San José can enforce AB 1482, the state's anti-rent spiking and just cause eviction protection law, source of income discrimination laws, and other state tenant protections that interact with City programs. Assess whether desired enforcement authority can be granted administratively or if legislation is needed. If needed, advocate for legislation or the State agency to establish authority of enforcement.	3	Discrimination in obtaining housing based on source of income  Lack of ability to enforce City's Housing Payment Equality Ordinance	Supported by neighborhood equity working group, veterans focus group, disability focus group, and high opportunity areas working group  From the Citywide Anti-Displacement Strategy	Housing, CAO, IGR	Policy	2023-26	State determined pathway  Sponsored State bill if needed  Work with coalition of rent stabilization cities  Legislation passage
S-33	<b>Job training with housing subsidies</b> - Provide participants of local job training programs with shelter and rapid rehousing subsidies to increase their stability and access to living wage jobs. Advocate for ongoing funding from the State and federal government for this purpose.	3	Need for housing stability during education to help gain wealth	Support at Housing Element goals/ strategies community meetings, and by the Community Plan to End Homelessness	Housing	Program	2023-31 ongoing, pending funding availability	# housing-subsidized participants in job training programs  Support letters and meetings for legislation / budget requests
S-34	<b>Economic opportunity strategies</b> - Explore and establish strategies to increase economic opportunities, self-sufficiency, and asset-building for households and communities. Fund programs with federal funds from the U.S. Department of Housing and Urban Development, as allowed by the City's Consolidated Plan 2020-25, and other funds.	3, 4	High housing costs, need for stability, building wealth	Supported by homeownership working group  Retained from 5th cycle	Housing	Policy	Ongoing 2023-31	Strategies created  Strategies implemented  Programs funded

### **3.4 Goal 4: Healthy, thriving neighborhoods with access to good jobs, schools, transportation, and other resources**

The San José General Plan and state laws express goals to create thriving neighborhoods that are open to all groups of people and that are close to jobs, schools, and everyday services. San José can direct contextual housing development into mixed-use growth areas that includes more affordable homes. This helps everyone have equal access to these higher-resource areas. The City needs to prioritize investment of resources into lower-resource areas, especially those that have high racial/ethnic concentrations and very low incomes, to uplift the areas and ensure they do not fall further behind.

Goal 4's strategies (*Table 3-5*) therefore focus on targeted neighborhood investments and access to higher-resource areas. Many Goal 4 strategies also cross-reference affordable housing production strategies under Goal 1 that strive to place more affordable housing in neighborhoods where it is now scarce, so as to maximize residents' housing choices.

**Table 3-5: Neighborhood Investments and Higher-Resource Neighborhoods**

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
N-1	<p><b>Equitable neighborhoods-based investment strategies -</b> Focus the City's investments on increasing equity in racially/ethnically concentrated neighborhoods with extremely low incomes by changing the City's organization and the way that departments collaborate.</p> <p>Create an interdepartmental team facilitated by the CMO to create a common equity-based framework that prioritizes investing in capital projects and delivering services to racially and ethnically concentrated areas with a high proportion of lower-income residents.</p> <p>Align data indicators across departments on income, race/ethnicity, and protected classes where possible.</p> <p>Organize departments' staffing and community services delivery by neighborhood.</p> <p>Create a coordinated neighborhood engagement strategy to work with residents in formerly redlined neighborhoods with high racial/ethnic concentrations and lower-incomes. Also include, as appropriate, programming that incorporates historically impacted individuals who are at risk of displacement who do not currently live in highly concentrated neighborhoods.</p> <p>Identify resources and amenities that residents want in their communities, including but not limited to affordable housing , and co-create neighborhood investment and anti-displacement plans consistent with the Citywide Residential Anti-Displacement Strategy "3Ps" approach (production, preservation and protection).</p> <p>Apply the updated equity-based framework to budget requests, investment plans, and program delivery, and align the resulting priorities with Citywide Roadmap priorities.</p> <p>Identify new, additional funding sources to implement the co-created neighborhood investment and anti-displacement plans.</p>	4, 5	Historic disinvestment in racially/ethnically concentrated, lower-income neighborhoods. Fragmentation of community outreach.	Support for reparations from neighborhood equity working group. Support from both African ancestry focus group and Indigenous Peoples focus group for housing solutions based on race.	CMO, Budget, ORE, Housing, PRNS, PW, DOT, ESD, Library	Policy Program Activity	2023-31	<p>Interdepartmental team formed</p> <p>Framework created</p> <p>Common set of data indicators agreed upon</p> <p>Organizational changes made</p> <p>Neighborhood engagement strategy created for target neighborhoods</p> <p>Neighborhood plans co-created</p> <p>New sources of funding to implement neighborhood plans identified</p>

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
N-2	<b>Urban Village Plans with anti-displacement features</b> - Complete update of Five Wounds Urban Village Plan (Five Wounds, Little Portugal, Roosevelt Park, 24th & Williams St.) to prepare for BART station area creation. Work with the Valley Transportation Authority and co-selected consultant to identify & integrate residential and small business anti-displacement features. Use these features in other Urban Village plans as best practices.	4, 3, 1	Need to prevent displacement of lower-income residents and small businesses.	Neighborhood organizations on East side.	PBCE, Housing, OEDCA	Program	2023-24 for Five Wounds	Consultant-identified anti-displacement features for Five Wounds UV Plan Other UV Plans ongoing
N-3	<b>Vacant and Neglected Buildings Program</b> - Continue the Vacant and Neglected Building and Storefronts Program to monitor all identified vacant or neglected buildings so that they remain safe and secure until they are rehabilitated and reoccupied. This proactive program reduces the risk of loitering, illegal occupancy, and fire hazards.	4	Unsafe conditions at vacant or neglected buildings.	Retained from 5th Cycle and updated	PBCE	Program	Ongoing 2023-31	# Buildings monitored # Buildings cited # Problems resolved
N-4	<b>Preservation and Community Development Capacity Building</b> - Establish programs to provide capacity building and technical assistance to community-based nonprofit organizations to engage in grassroots community preservation and development activities partnered with nonprofit developers in order to stabilize neighborhoods. Preservation activities include acquisition and rehabilitation of existing low-cost housing, alternative community ownership models, community stakeholder engagement, and prevention of displacement of community small businesses.	4, 5, 1	Lack of capacity of community-based nonprofits to acquire or preserve existing affordable housing  Lack of tenant engagement in home sales or transfer	Supported by homeownership working group, Housing Element strategies/goals community meeting	Housing, OEDCA	Program	2023-27	# and \$ of capacity-building grants awarded  Nonprofits receiving education
N-5	<b>Increase affordable housing production in higher-resource areas</b> - Allocate a greater share of affordable housing subsidy awards to higher-resource neighborhoods to provide more lower-income and protected class residents greater choices of where they can live.	4, 5	Lack of affordable housing in high opportunity neighborhoods	Support from housing production focus group	Housing	Program	2023-31	NOFAs' share for higher-opportunity areas  # residents in # affordable units in higher-opportunity areas

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
N-6	<b>Reduced transit fares for lower-income residents</b> - To reduce the cost of transportation + housing for lower-income residents, continue to coordinate with the Valley Transportation Authority to apply for and access federal funds to subsidize low-income resident transit fares. and promote Bay Area-wide means-based fare reduction programs.	4, 5	High transportation costs. Lack of transit options in lower-income neighborhoods	Supported by Indigenous Peoples focus group and high opportunity areas focus group	DOT, IGR	Activity	2023-31	Advocacy meetings and letters  Federal funds obtained for fare reductions
N-7	<b>External infrastructure funding to create complete, high-quality living environments</b> - Continue to seek external funding for parks, transportation, and other types of neighborhood infrastructure that favor cities with a demonstrated commitment to building affordable housing. Prioritize investments in lower-income neighborhoods with fewer amenities to the extent that program rules allow. Improve accessibility for residents with physical disabilities through infrastructure work.	4, 5	Lack of resources and infrastructure in lower-income neighborhoods	Retained from 5th Cycle and updated	Housing, DOT, PW, OEDCA, PRNS	Program	2023-31	State, federal, or private sources researched  Sources awarded Investments made in targeted neighborhoods  Accessibility improvements funded
N-8	<b>Outside bond issuers</b> - Examine the merits of requiring the City issue private activity bonds for affordable housing including increased City control, positive neighborhood outcomes, generation of revenue, and workload implications for the City's affordable housing staffing. If a change is warranted, seek City Council approval for an amendment to the City's bond issuance policy.	4, 1	Prevent / solve neighborhood issues from any problem properties  Need for revenues to staff housing programs	In Housing Crisis Workplan	Housing, Finance, OEDCA	Policy	2023	Analysis done  Council request for change to policy (if warranted)
N-9	<b>Affordable transit-oriented development</b> - Facilitate development of transit-oriented affordable homes within ½-mile of future BART, Lightrail, and Bus Rapid Transit (BRT) stations, including identification of opportunities to develop publicly-owned parcels with affordable housing.	4, 1	Increase mobility options and decrease transportation costs for lower-income residents  Lessen environmental impacts of new housing development	Retained from 5th Cycle and updated	Housing, OEDCA, PBCE	Activity	2023-31 ongoing	# parcels purchased # projected affordable units assisted



## 3.5 Goal 5: Racially and socially inclusive neighborhoods that overcome past and present discrimination

Housing has been, and continues to be, a major area of discrimination in American society, and San José is no exception. There are disparities in homeownership, overcrowding, and access to opportunity. Because of past and present discrimination, there are large differences by race and income as to who owns a home. This widens the differences in wealth between races. Residents in other protected classes also may not be evenly dispersed throughout the City's neighborhoods. Reducing disparities among neighborhoods requires the City to work intentionally to dismantle existing patterns of segregation and promote fair housing. This goal aims to repair past practices that discriminated by race and other factor, create a housing landscape with choices that allow for equal opportunity for all.

San José has a diverse population to house. More than 40% of the City's working households are lower-income, and San José's lower-income residents are disproportionately non-White. More than 20% of residents in the San José metropolitan area are undocumented, and San José residents speak more than 100 languages. For these reasons, it is important for the City to ensure that housing opportunities address the diversity of San José's population and foster housing choices that lessen existing racial and ethnic segregation in the City.

Goal 5's strategies (*Table 3-6*) focus on housing for special populations. They also include systems-oriented strategies such as equity-focused outreach, decision making bodies, and planning and advocacy structures. The systems-oriented strategies put more protected class residents, and their lived experiences, into the City's decision making process and program offerings. In the long-term, these changes should support improvements in neighborhoods' inclusiveness and equity.

**Table 3-6: Inclusive Neighborhoods**

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
I-1	<b>Disabled community partnership and priorities</b> - Create partnerships with organizations that provide outreach to disabled persons, and meet at least twice per year to collaborate on ways the City could improve how well its affordable housing portfolio serves disabled residents. Conduct two tours of affordable sites to get partners' feedback and identify challenges for disabled residents, prioritize changes to developments the City could effectuate, identify potential changes to the City's affordable housing funding priorities and other requirements, and promote lessons learned to the development community.	5	Need to incorporate affected persons into decision-making processes Lack of accessible housing units Lack of input from disabled people in policy or decision-making processes	Supported by AFH Advisory group to center experiences of disabled persons and immigrants. Supported by disability focus group, veterans focus group, LGBTQ+ focus group, Indigenous Peoples focus group and homeownership working group. Support by LGBTQ+ focus group to include affected persons in policy and decision-making processes.	Housing, PBCE	Activity	2023-26	# Meetings held # Tours conducted Changes to NOFAs Changes to affordable housing development requirements Lessons learned publication
I-2	<b>Affirmative marketing to disabled community</b> - Implement practices to increase access to existing affordable housing, especially those located near transit, for residents with disabilities. Verify that affirmative marketing plans for affordable apartments include outreach to persons with disabilities and organizations that represent them (i.e., San Andreas Regional Center, Housing Choices Coalition for Person with Developmental Disabilities, Silicon Valley Independent Living Center, and others). Ensure that reasonable accommodation request forms are in formats that are fully accessible. Research and promote property management companies' best practices that maximize the likelihood of applicants with disabilities being able to access affordable, accessible apartments.	5, 3, 4	Lack of accessible and affordable housing units. Lack of access to adapted accessible homes for people with disabilities. Need for physically disabled residents to access transit-oriented housing.	Suggested by disability focus group, comments from the Housing Choices Coalition, and public comments from Diridon Affordable Housing Implementation Plan.	Housing, CAO	Program	2024-27	# Affirmative marketing plan reviews done Best practices issued
I-3	<b>Farmworker housing locations</b> - Update the City's agricultural zoning code to be more accommodating on location of farmworker housing and align with Housing Element Law.	5	Need for low-cost farmworker housing.	From Housing Crisis Workplan and state law.	PBCE	Activity	2023	Council approval of zoning code update

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
I-4	<b>Create a Housing Balance Report</b> - Create a biannual Housing Balance Report that tracks the net gain and loss of all types of affordable and low-cost housing, analyzes it spatially, and compares to demographics to determine the City's progress in maintaining and increasing the availability of appropriate housing opportunities for all residents (including those in protected classes) across the City. Geographic analysis should also identify displacement risk and analyze Urban Villages and neighborhoods or Council districts.	5, 1	Lack of demographic data on resident displacement and housing attainment	From Citywide Anti-Displacement Strategy  Supported by neighborhood equity working group	Housing	Activity	2025-26	Report published
I-5	<b>Universal design ordinance, plans, and guidance</b> - Adopt an ordinance consistent with universal design principles that ensures new developments are fully accessible for residents with physical mobility issues. Create a plan set for ADUs consistent with universal design principles and fully accessible for residents with physical mobility issues. Include guidelines about creating accessible pathways between the ADU, main residence, and street.	5, 1	Lack of accessible units  Disruption and cost when people must move to accommodate their aging needs	Support for universal design from disability focus group  Support from disability focus groups for homes that promote aging in place	PBCE	Activity	2027	Ordinance approved by City Council  Plan set created and released  Pathways guidelines created and released
I-6	<b>Universal design and ADA upgrades</b> - Through the City's Notices of Funding Availability, incent construction of universal design apartments and ADA upgrades for existing buildings, to enhance accessibility and inclusion for seniors and people with physical disabilities including those with developmental disabilities served by the San Andreas Regional Center.	5, 1	Lack of accessible units in San José	Supported by veterans focus group, disability focus group, LGBTQ+ focus group, Indigenous Peoples focus group, Housing Choices Coalition	Housing, CAO	Program	Periodically 2023-31	NOFAs issued  # apartments with universal design  # apartments with ADA upgrades

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
I-7	<p><b>Inclusive and equitable community engagement –</b>                      Develop and implement inclusive and equitable community engagement strategies that center racial and social equity to inform and hear from San José residents in protected classes. Strategies are for use by City staff as well as developers and community groups.</p> <p>Amend the City's outreach and engagement policies, including Public Outreach Policy 6-30, to ensure that outreach is robust and opportunities for meaningful public participation are fully supported with multi-lingual materials, translation, and interpretation. Provide clear processes and methods to collect multi-lingual input and for input by persons with disabilities.</p> <p>Adopt language access standards for Housing Department outreach/public events and for Housing Department-funded affordable housing and grantees.</p> <p>Increase the availability of financial resources for all City staff to regularly partner with community-based organizations who have community engagement, relationship building, and education as core competencies to gather meaningful community input.</p> <p>Continue to develop consistent equitable outreach practices and coordination across departments. Provide staffing from the City Manager's Office to help manage, train staff to present effectively, and increase departments' staffing to do outreach and engagement.</p> <p>Develop appropriate, culturally competent, place-based outreach strategies and processes to engage community members and members of protected classes both to those who live in concentrated neighborhoods (related to N-1, above) and those who may be geographically dispersed.</p>	5, 4	<p>Lack of meaningful public participation in government</p> <p>Lack of participation in outreach from non-English speakers and from range of demographics of residents</p> <p>Lack of knowledge of available programs/resources</p>	<p>Suggested by neighborhood equity working group.</p> <p>Supported by rental access working group, schools focus group, LGBTQ+ focus group, HE goals/strategies community meetings</p>	CMO, ORE, PBCE, Housing	Program Policy Activity	2026	<p>Community engagement strategies drafted</p> <p>City Auditor's recommendations on outreach closed</p> <p>Amended outreach policy drafted and adopted by Council</p> <p>Revised Language Access plan for Housing</p> <p>Revised outreach procedures for PBCE</p> <p>Budget for CBO-based outreach increased</p>

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
I-8	<b>Promotores-based outreach</b> - Fund a community-based Promotoras/ Promotores program to compensate residents who listen actively to community members' needs, share their lived experiences, build trust, and help the City to do meaningful community outreach and engagement. Focus resources on hiring Promotoras/es from protected classes to serve the City's subpopulations experiencing the greatest housing needs. Make them available to all departments conducting outreach and engagement.	5	Need for more meaningful engagement between City and vulnerable residents	Support from LGBTQ+ focus group and Citywide Anti-Displacement Strategy outreach to include vulnerable residents into decision making processes and to compensate them for their time	CMO	Program	2023-31	# promotores contracts per year  # community engagements  Budget spent per year
I-9	<b>Equitable Representation of Historically Underrepresented Communities on City Commissions</b> - Conduct an analysis of appointments to the Housing and Community Development Commission and the Neighborhoods Commission to track the representation of protected classes, historically underrepresented neighborhoods, and those with other relevant characteristics. Implement a pilot program to require an equitable distribution of seats for historically underrepresented populations, including low-income renters and homeless/formerly homeless residents on these two Commissions.	5	Lack of representation of people most affected in decision-making processes	From Citywide Anti-Displacement Strategy (priority #4)	CMO, Housing, ORE, PRNS	Program	2024-28	Analysis completed  Community outreach conducted  Draft Pilot created  Council approval  Pilot implemented
I-10	<b>Lived Experience with Homelessness seat on Commission</b> - Fully implement the primary and alternate seats for a commissioner with Lived Experience Seat with homelessness on the Housing and Community Development Commission. Work with the Mayor's Office and the Clerk's Office to ensure the primary and alternate seats are filled promptly and the primary seat remains filled ongoing. Provide orientation, training, compensation, and other supports as needed. Perform a confidential evaluation with those two commissioners, and other interested commissioners, starting 12 months after the Lived Experience commissioner seat is filled, and implement additional recommended improvements to support the commissioners.	5	Lack of participation in policy development and solutions from people most affected.	Supported by LGBTQ+ focus group for including LGBTQ+ persons in policy and decision making. LGBTQ+ focus group support for compensating people for their time in City outreach. Support for centering tenants from AFH Advisory Committee.	Housing	Activity	2023-25	Seats filled  Orientation and training provided within 6 months of seat being filled, and ongoing  Compensation provided  Evaluation conducted  Additional improvements made

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
I-11	<b>Representation of and priority for protected class members on City bodies</b> - Develop and implement guidelines, and update the municipal codes where needed, to ensure elevated representation of communities of color and other protected class members in decision-making or advisory bodies such as City Commissions or refreshed Neighborhood Advisory Councils.	5	Lack of representation of people most affected in decision-making processes	Supported by neighborhood equity working group  LGBTQ+ focus group suggestion that LGBTQ+ persons be included in policy and decision-making  Support from AFH Advisory Committee  Consistent with Citywide Anti-Displacement Strategy	CMO, Clerk	Activity	2023-31	Guidelines developed  Council approval of municipal code updates  # protected class members with lived experience of housing insecurity added to commissions and/or advisory boards
I-12	<b>Resident-identified priorities</b> - Interview, survey and analyze the living experience of the City's lower-income residents, especially those in protected classes, in all housing across the City. Use the results to determine needs the City should track and endeavor to meet.	5	Need for meaningful engagement between Housing Department and vulnerable residents	Supported by neighborhood equity working group, AFH Advisory Committee and LGBTQ+ focus group	Housing	Activity	2025-27	Survey designed  Survey released  # survey responses (goal of xx surveys)  Survey responses analyzed  Resulting changes proposed
I-13	<b>Equity-focused metrics</b> - Develop and align department-wide metrics that measure progress towards beneficial outcomes for protected class residents resulting from housing policies and programs.	5	Discrimination in housing	Supported by rental access working group	Housing, PBCE, CMO	Activity	2025-26	Metrics established  Reporting
I-14	<b>Assessment of Fair Housing Plan</b> - Complete the Assessment of Fair Housing Plan, and include implementation actions that are different than the Housing Element in the Housing Catalyst Team Work Plan.	5	Identify impediments to fair housing and housing and neighborhood investment strategies	Federal funding requirements, and the Housing Crisis Workplan.	Housing	Activity	2024	Completion of draft Plan  Adoption by Council  Approval by HUD

#	STRATEGY	GOALS	BARRIER / NEED	CITED BY	DEPT	TYPE	TIMING	METRICS
I-15	<b>Housing Catalyst Team Work Plan</b> - Implement Housing Catalyst Team Work Plan to drive and compliment the Housing Element/Assessment of Fair Housing Work Plan, and report progress to the City Council annually. Create a webpage on the City's website for transparency to the public.	5	Focus on housing work as a priority  Public transparency	From Housing Crisis Workplan	OEDCA, Housing, PBCE, DOT	Program	Annually 2023-31	Annual report to Council
I-16	<b>Advocacy to close the racial homeownership gap</b> - As part of the Housing Department's ongoing leadership around Fair Housing issues, engage in and support efforts at the state and federal levels to amend fair housing laws to allow for race-targeted housing assistance in jurisdictions where the jurisdiction has made documented findings of fact that race-based housing discrimination has occurred.	5	Lack of housing for members of protected classes  Legal barriers to provide housing based on race	Support for set aside housing based on race supported by African ancestry focus group and Indigenous Peoples focus group	Housing, IGR	Activity	2023-31	Support letters issued  Advocacy meetings held
I-17	<b>Collaborative solutions to address housing needs</b> - Work collaboratively on housing-related solutions with other City departments, California jurisdictions, and working groups such as the Santa Clara Grants Management Group, Big 3 Cities Housing groups, ABAG/MTC working groups, Santa Clara County Planning Collaborative, Santa Clara County Association of Planning Officials, the Santa Clara County Cities Association, the Bay Area Housing Finance Authority, Destination: Home, the County of Santa Clara, and others.	5	Work together to solve interconnected housing needs of region and state	Retained and updated from 5th Cycle	Housing, PBCE	Policy	Ongoing 2023-31	Collaborative initiatives
I-18	<b>Advocacy on public policies and programs to facilitate production, preservation, protection, and neighborhood investments</b> - Inform, support and advocate for public policies and programs at all levels that create funding and other assistance for affordable housing production and preservation, tenant protections, and investments in prioritized extremely low-income, racially segregated neighborhoods.	5, 1	Lack of federal protections for tenants, funding for affordable housing and historic disinvestment in racially segregated neighborhoods	Support for reparations from African ancestry focus group and neighborhood equity working group.	Housing, IGR	Activity	Ongoing 2023-31	Support letters  Working group participation

# Chapter 4

## Constraints on Housing





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## 4.1 Introduction

The purpose of this chapter, per Government Code Section 65583(a)(5-6), is to identify actual and potential nongovernmental and governmental constraints that limit the development, maintenance, or improvement of housing. This includes constraints such as land and construction costs, access to financing, permit fees and taxes, and development standards. A thorough understanding of the constraints to development can help create appropriate policy responses to mitigate constraints and make it easier and more affordable to develop housing.

State law requires the Housing Element to include the following specific item that relates to discussion of planning processes (section 5.3.7).

- **Time Between Project Approval and Permit Application Submittal** - We provide an analysis of the length of time between receiving approval for a housing development and submittal of an application for building permit. A look at major development projects in the last 7 years show that the time between the approval of a housing development application and submittal of an application for building permits can be between one month and approximately three and half years. The City also allows applicants to begin the building permit process before a project is officially approved. See *Table 4-11* and Appendix E for an overview of project timelines.

## 4.2 Nongovernmental Constraints

State law (California Government Code, Section 65583(a)(6)) requires housing elements to contain an analysis of nongovernmental constraints to the development, improvement, or maintenance of housing for all income levels, including the availability of financing, the price of land, and the cost of construction. Nongovernmental constraints are largely determined by market conditions over which local jurisdictions have little control. However, local governments can influence market conditions and their associated costs, even if only indirectly. Governmental interventions that affect nongovernmental constraints will be explored in more detail in Section 5.3.

### 4.2.1 Availability of Financing

The availability of financing is an important aspect of the ability to construct new housing. In San José in recent years, the availability of financing has not been a constraint on the supply of housing. Construction costs as discussed in the next section, have been the most significant constraint. Prior to the COVID-19 pandemic, financing has been generally available at reasonable rates for construction. Rates remained very favorable through the majority of the pandemic,

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*Nongovernmental constraints are largely determined by market conditions. However, local governments can influence market conditions and their associated costs, even if only indirectly.*

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but the market uncertainty caused by the pandemic has made lenders more cautious. The growth of inflation and rising interest rates in 2022 may start to have an impact on the availability of financing moving forward, but it remains to be seen what the long-term impact will be in San José.

As was the case in the previous housing element update, new construction in San José for multifamily housing is dominated by a handful of very large publicly-traded or privately-held firms and/or real estate investment trusts (REITs), which tend to have easy access to financing or the ability to finance projects themselves. Lenders also tend to favor multifamily rental housing over housing intended for ownership. This is likely due to the higher demand and return on investment with rental housing coupled with the increased associated liability risks with providing for-sale housing types.

Overall, the high demand for housing coupled with the strong regional job market has made San José an attractive location for investment, but other factors have constrained the supply of market rate housing outside of financing availability.

For affordable housing construction, the availability of financing has been constrained by level of subsidy available. In recent years, the competitiveness in obtaining funds has greatly increased especially for Low-Income Housing Tax-Credit (LIHTC) financing making it more challenging for projects to obtain sufficient funds to start construction. Developments in San José have had to apply multiple times to receive a LIHTC award delaying the ability to start construction from six months to over two years in some instances. San José, and the larger Bay Area as a region, were recently disadvantaged due to scoring that elevated areas where construction costs were lower. This added to the difficulty in obtain financing. The City advocated for changes in the California Debt Limit Allocation Committee (CDLAC) program guidelines to better position affordable housing developments in San José for future allocations of tax-exempt bonds and tax credits. Some of these changes were implemented in 2022 and in the coming years the City will be tracking the overall impact on affordable housing developments in San José and the Bay Area region as a result of these changes.

## 4.2.2 Market-Driven Costs

### Price of Land

The price of land varies widely across the City of San José given its size, diversity of uses, and built densities. An analysis conducted in 2019 by the City's consultant, David Paul Rosen and Associates, found that multifamily land prices have been trending upward since the Great Recession. From 2011 to 2015, land prices rose at annual rate of 23.6%. From 2015 to 2019, prices continued rising rapidly, particularly amongst properties designated for high density, with those increasing at a rate of 22.9%.

In real estate economics, land cost is traditionally somewhat elastic. While underlying land costs are generally informed by recent transactions within a submarket, projects that propose redevelopment of a property also factor in the residual land value — the amount a developer can afford to pay for the land when all other costs and revenues have been considered. Conventional thinking around residual land value suggests that while rents are high in San José, the high costs associated with construction would bring down the price of land. Land values should also take into account any increase in City fees and taxes. However, the above-mentioned analysis found that in San José there is “no apparent correlation between the sales price trends and the City's land use and development fee regulatory actions affecting land. Rather the trends appear to primarily reflect market and economic cycles.”

A number of factors affect the relative high cost of land in San José:

- Long-term landholders may be less incentivized to sell because they maintain a low tax base on the property;

- Multigenerational or multiple owners can make consensus on selling difficult to reach;
- In urban village areas, of which several are transitioning from primarily commercial to mixed-use or residential, there may be properties already occupied by businesses that are paying good rent, and the owner is thus reluctant to sell; and
- The perception of a strong real estate market, major employers moving in, and/or impending improvements, such as new transit and amenities, may create an expectation of higher future land values that the seller is willing to wait for.

In these instances, developers must either choose to pay over the residual land value for the property or look for other options.

Since this analysis in 2019, data from CoStar, an online real estate database, shows that price growth slowed in the multifamily sector in 2020 at the onset of the pandemic. Due to the uncertainty of the market, the volume of sales was down in 2020 and 2021. Additionally, analysis conducted in 2022 by Century Urban, a City consultant, found that the median land price per multifamily unit in San José was \$50,000 and the maximum was \$125,000 based on 17 comparable data points. Given the volume of sales during the pandemic, many property owners seemed to have wanted to wait for more market certainty before selling, however, sales started to trend upwards in early 2022. With this recent data, there is reason to believe that land prices in San José continue to reflect market and economic cycles rather than any City actions affecting land.

According to Redfin, an online real estate brokerage, the median single-family price in San José in April 2022 was \$1,750,000, reflecting an increase of over 24% from April of 2021. Median prices for single-family properties vary widely throughout the City, with averages between \$2,000,000 to \$2,500,000 in the West San José and Evergreen areas and averages of \$1,000,000 to \$1,100,000 in Alum Rock and Central San José. All areas saw year-over-year increases of approximately 20% from 2021 to 2022.

### **Construction Costs**

Construction costs have continued to increase and represent a major nongovernmental constraint on the supply of housing at all income levels in the City of San José. According to recent interviews with developers of both market-rate and affordable units in the City, construction costs rose 10 to 12% from 2021 to 2022, due to increases in both labor costs and materials such as lumber. Labor costs were already a significant contributor to construction costs prior to the pandemic and have continued to increase. The ongoing challenges in global supply chain have further exacerbated material costs.

The City has been conducting regular analyses of the cost of multifamily residential development and has issued two reports to date working with a consultant. A third update is being developed in 2022 by the City's consultant, Century Urban. This latter analysis uses a variety of prototypical developments in submarkets across the City with different building types, and resulting data on construction costs are summarized in *Table 4-1*. The table also shows the costs to build a typical single-family home; this data was also developed by Century Urban.

San José is at a unique disadvantage compared to other nearby cities. Rents remain high in San José, but are still lower than rents in some nearby cities. However, the City is still subject to the same construction costs as those jurisdictions. For market-rate development, this has been a major setback to production of new units in recent years. New market rate development has also been limited to specific areas where rent levels are sufficient to support new development and has resulted in uneven development patterns across the City.

Increased construction costs are also a constraint on the production of affordable housing by increasing the size of the subsidy that must be provided by the city, county, or state. Projects often must utilize more funding sources than before. The layering on of these additional funding sources adds time, which adds costs due to escalating construction costs. Additionally, these new funding sources may add on additional requirements to the project that can take time incorporate or add additional expense

**Table 4-1: Residential Construction Costs in San José (2022)**

MULTIFAMILY CONSTRUCTION *	AVERAGE UNIT SIZE (SF)	TOTAL HARD COSTS PER UNIT	TOTAL SOFT COSTS PER UNIT	TOTAL PER SF	TOTAL COST PER UNIT **
Type I / Rental – Downtown	900	\$688,800	\$171,900	\$956	\$860,800
Type I / For Sale – Downtown	950	\$797,400	\$191,700	\$1,041	\$989,100
Type III / Rental – Central	900	\$662,100	\$216,300	\$932	\$838,400
Type III / Rental – West	900	\$662,100	\$213,500	\$928	\$835,600
Type III / Rental – North	900	\$662,100	\$186,800	\$899	\$808,900
Type V / Rental – Central	900	\$552,900	\$199,900	\$836	\$752,700
Type V / Rental – South & East	900	\$552,900	\$179,300	\$813	\$732,100
Type V / For Sale – South & East	1,150	\$737,900	\$233,500	\$845	\$971,400
Type V / For Sale – Central, West & North	1,150	\$737,900	\$228,600	\$840	\$966,500
<p>* Type I is 22-story high-rise building; Type III is 7-story mid-rise building; Type V is 5-story low-rise building.  ** Total Cost Per Unit includes hard and soft costs, parking, city fees, permits, and financing costs.  Location Map: <a href="https://csj.maps.arcgis.com/apps/webappviewer/index.html?id=8518bc095ae54f4ea025d7743c650881">https://csj.maps.arcgis.com/apps/webappviewer/index.html?id=8518bc095ae54f4ea025d7743c650881</a></p>					

SOURCE: Century Urban, prepared for City of San José 2022 Report on the Cost of Development.

SINGLE-FAMILY CONSTRUCTION	AVERAGE UNIT SIZE (SF)	TOTAL HARD COSTS PER UNIT	TOTAL SOFT COSTS PER UNIT	TOTAL PER SF	TOTAL COST PER UNIT
Single-Family - Small	2,600	\$1,092,000	\$365,000	\$560	\$1,457,000
Single-Family - Large	5,000	\$2,625,000	\$775,000	\$680	\$3,400,000

SOURCE: Century Urban, prepared for Bard + Driskell for County Collaborative Group, 2022.

*Construction costs have been the most significant constraint on the supply of housing.*

### 4.2.3 Resident Opposition

As in many other cities in California and the United States, proposals for housing development in San José are often opposed by residents who raise various objections. These objections can be on procedural grounds (e.g., insufficient public consultation<sup>1</sup> or violation of CEQA<sup>2</sup>) or concerns about project impacts (e.g., less parking and increased traffic<sup>3</sup>, increased crime<sup>3</sup>, reduced property value,<sup>4</sup> etc.). This opposition can result in longer review periods, additional political intervention, and delayed construction through appeals after City approval. This in turn increases project risks and costs in multiple ways: it jeopardizes financing (private or public) that in turn affects the time value of money, and it pushes private developers toward more expensive projects with more favorable rates of return.<sup>5</sup> It also often results in reduction in project unit delivery (either preemptively or due to backlash), eroding the ability of the City to deliver on its RHNA goals. Therefore, significant and sustained opposition by residents is a constraint on new housing.

To address this constraint, the Housing Element (Chapter 3, Strategy P-7) proposes the development of a City Ministerial Approval Ordinance that would allow the Director of Planning, Building, and Code Enforcement to approve certain projects that meet objective standards in a defined timeframe, without public approval hearings. The projects would still be subject to Council Policy 06-30 (Public Outreach for Development Projects) to ensure that residents of the surrounding neighborhood are aware of the proposal and have opportunities to voice any concerns and ideas for design improvements.

The Housing Element (Chapter 3, Strategy P-7) also proposes additional CEQA streamlining measures to reduce project timelines and reduce the risk of lawsuits against projects, in addition to increased outreach and education on future housing developments for currently unhoused people. Regarding outreach and education, these efforts will focus on the root causes and different housing approaches for homelessness, controversial topics related to equity and protected classes, and areas experiencing growth.

The intent of these interrelated actions is to increase predictability in the development review process and to support housing construction consistent with the General Plan, while still enabling transparency, public involvement, and environmental protection as part of the review process. These are all important values that the City balances in pursuit of housing goals.

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<sup>1</sup> Ramona Giwargis, *San Jose Mercury News*, August 12, 2016, "San Jose council Oks controversial homeless housing project," <https://www.mercurynews.com/2016/06/28/san-jose-council-oks-controversial-homeless-housing-project/>

<sup>2</sup> Grace Hase, *San Jose Mercury News*, July 28, 2022, "San Jose: Residents sue city over impact a Whole Foods store would have in El Paseo shopping center redevelopment," <https://archive.ph/BrpNK>

<sup>3</sup> Emily Deruy, *San Jose Mercury News*, August 21, 2019, "San Jose senior housing faces backlash from neighbors," <https://www.mercurynews.com/2019/08/21/senior-housing-development-faces-backlash-from-neighbors/>

<sup>4</sup> Art Duran, Change.org, "No To Homekey Proposal in D2: Residence Inn on San Ignacio Avenue," <https://www.change.org/p/no-to-homekey-proposal-in-d2-residence-inn-on-san-ignacio-avenue>

<sup>5</sup> Jenny Schuetz, Brookings, January 17, 2020, "Who's to blame for high housing costs? It's more complicated than you think," <https://www.brookings.edu/research/whos-to-blame-for-high-housing-costs-its-more-complicated-than-you-think/>

## 4.3 Governmental Constraints

Governmental policies and regulations can result in both positive and negative effects on the availability and affordability of housing. This section, as required by Government Code Section 65583(a)(5), describes City policies and regulations that could potentially constrain the City’s ability to achieve its housing goals. Potential constraints to housing include land use controls (through General Plan policies and zoning regulations), development standards, infrastructure requirements, development fees, and the development approval processes. While government policies and regulations are intended to serve public objectives and further the public good, the City of San José recognizes that its actions can potentially constrain the availability and affordability of housing to meet the community’s future needs. To that end, the City has implemented several measures to reduce development costs and streamline the approval process, as described in this section.

### 4.3.1 General Plan

In November 2011, following significant community engagement, the City Council adopted the Envision San José 2040 General Plan, the blueprint for the city’s growth and development through 2040. The General Plan centers on 12 Major Strategies that reflect the community’s desire to see San José grow as a prominent city in the region, state, and country. For future land use, the plan focuses growth into existing infill areas along transit, thus limiting sprawl while creating new, vibrant urban villages that provide enough homes for all ages and income levels (see also the urban villages section that follows.)

The General Plan influences housing in the City primarily through land use designations and the Land Use Map, which control where new homes can be built and at what density. Of the plan’s 23 land use designations, 11 allow for residential development, as listed in *Table 4-2*.

**Table 4-2: General Plan Land Use Designations that Allow Residential Development**

GENERAL PLAN LAND USE DESIGNATION	MAXIMUM ALLOWED DENSITY (dwelling units per acre)	CONFORMING ZONE(S)
Agriculture	0.05	A
Open Hillside	0.05	OS
Lower Hillside	0.2	R-1-RR
Rural Residential	2	R-1-1, R-1-2
Residential Neighborhood	8	R-1-8, R-1-5
Mixed Use Neighborhood	30	MUN
Mixed Use Commercial	50	MUC
Transit Residential	50-250	TR
Urban Residential	30-95	UR
Urban Village	250	UV
Downtown	350	DC

SOURCE: City of San José Planning Division, 2022.



The General Plan also contains Housing and Implementation Policies that outline the City's goals for new homes and execute the plan's vision for the City. Of note are:

- Housing Policy H-2.9, which allows certain 100% affordable housing projects to be built outside of existing Growth Areas on small, underutilized infill lots; and
- Implementation Policies IP-5.10 and IP-5.12, which allow market-rate and affordable housing to be built in unplanned Urban villages, respectively.

### **Urban Village Strategy**

The development of urban villages is the fifth of 12 Major Strategies embodied within the Envision San José 2040 General Plan. The urban villages concept is a policy framework to direct most new job and housing growth to occur within walkable and bike-friendly urban villages that have good access to transit and other existing infrastructure and facilities. The urban village strategy fosters:

- Revitalization of underutilized properties;
- Densities that support transit use, bicycling, and walking; and
- Mixed residential and employment uses that are attractive to an innovative workforce.

City staff have engaged the community on the preparation of comprehensive land use plans for 14 urban village areas thus far and envision working on an additional 46 such plans (60 in total). These plans include minimum and maximum densities for each site, design guidelines and development standards, and goals and policies specific to each village. Urban village areas are shown on the General Plan's Planned Growth Areas Diagram.

Prior to the adoption of urban village plans, most sites in these areas have a commercial land use designation (NCC or MUC) which outright does not allow for residential uses. However, to address the housing crisis and provide flexibility, the City may allow residential uses to proceed ahead of an adopted urban village plan through two implementation policies:

- IP-5.10 - Allows market rate projects that conform to the General Plan's signature project requirements. A signature project serves as a catalyst, promoting the future development of the entire urban village area.
- IP-5.12 - Allows 100 percent affordable projects (at 80% AMI or below) to be built on these commercially-designated sites.

The Urban Village strategy is a critical path to achieve multiple interconnected goals (environmental sustainability, transit supportive communities, fiscally sound city, etc.) and these areas also provide for significant residential growth capacity planned in the Envision General Plan 2040. Urban Village planning is critical for the City to achieve residential growth envisioned in the General Plan.

The urban village planning process however can be a constraint. Urban Village planning requires significant staff resources and advanced planning. Since the adoption of the General Plan in 2011, staff has planned 14 urban villages areas—roughly 1.2 every year. At this rate the City cannot reasonably expect to plan the remaining urban village areas (46) within the time frame of the current General Plan unless several changes are implemented to streamline the process. While housing development may proceed in unplanned urban villages through General Policies IP-5.10 and IP-5.12, these policies do not provide opportunities for residential and mixed-use residential development outside of 100% affordable developments and "Signature" (or outstanding/catalyst) projects. Essentially, unplanned urban villages are not primed yet to facilitate residential development.

The total staff and consultant cost to prepare an urban village plan ranges from \$350,000 to \$850,000, and the time to prepare ranges from 18 months to 2.5 years. Pursuant to General Plan Policy IP-5.15, staff is encouraged to “actively pursue outside funding opportunities for the Village planning process.” However, given the limited Planning and fiscal staff positions in the Department, as well as the complexity of administering federal and state grants, it is inefficient for the Department to seek grant funds to wholly support urban village planning processes. In practice, planners are spending too much time administering grants than engaging in real, land use planning. Given this, as noted in Chapter 3 Housing Goals & Strategies, staff is considering amending Policy IP-5.15 to encourage the City to identify a stable, internal funding source to cover the majority of the planning process. Staff will continue to seek grants to support portions of the work, however, cannot rely on it as the only source.

In terms of streamlining the process, staff recommends including a program in the Housing Element (Chapter 3, Strategy P-40) that will reevaluate the urban village strategy including but not limited to: reducing and consolidating urban village areas, reevaluating the required components of urban village plans, and accelerating the timeline while still supporting community engagement throughout the process. One example of this type of streamlining effort is the development of the Capital Caltrain Station Area plan (also an urban village plan area) that is laying the groundwork for an expedited planning process, while still providing opportunities for public engagement.

### 4.3.2 Zoning Districts

Zoning has the most immediate impact on enabling the construction of new housing. The City’s zoning and development regulations establish the uses permitted within each zone and the standards that dictate how much development can occur on a given parcel of land, including maximum densities, height, setback, and lot coverage.

Title 20 of the San José Municipal Code ([www.sanjoseca.gov/MunicipalCode](http://www.sanjoseca.gov/MunicipalCode)), is commonly referred to as the Zoning Ordinance or Zoning Code. It guides, controls, and regulates future growth and development in the City while promoting the goals and policies of the General Plan. San José has a variety of zoning districts that can accommodate various housing needs. These districts are organized by chapter in the Zoning Code.

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*Zoning has the most immediate impact on enabling the construction of new housing.*

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To ensure no individual or group is excluded from a variety of housing, the Zoning Ordinance defines a family as being “one or more persons occupying a premise and living as a single housekeeping unit.” This definition is sufficiently broad and therefore does not constrain development of unique housing types, such as those for special needs populations or for unrelated persons in any zoning district where residential uses are permitted.

### **Agricultural and Open Space Districts**

Chapter 20.20 focuses primarily on open space and agricultural uses but both districts support single-family use with a conditional use permit and temporary farm labor housing is similarly allowed but only in the Agricultural District. Single-family homes in either district may also be used for a residential care facility or residential service facility for six or fewer residents.

San José has a limited inventory of lands zoned for open space and agricultural use which limit the viability of these districts for housing uses, however, other zoning districts also support single-family and temporary farm labor housing as discussed in later sections that make up for this limitation.

### **Residential Districts**

Chapter 20.30, commonly referred to as the Residential Zoning chapter, establishes residential land use and development standards. Standards include parameters for the size of lots/buildings and the location/use of structures in accordance with the City’s conventional, i.e., non-planned development, zoning districts. See *Table 4-3*.

The City’s Multifamily Residential (R-M) District has typical setback requirements, but it has no density limit and includes building height exceptions. R-M can accommodate development of higher density, lower-income housing, i.e., at least 30 units per acre, without the need for a Planned Development (PD) zoning/permit.<sup>1</sup> The R-M district, however, is a legacy zoning district, which means that in most cases it would not be an appropriate district for rezoning for multifamily uses, which limits the utility of this designation. In response, the City adopted six new zoning districts that will help create a more vibrant urban form in areas that are targeted for mixed-use development and high-density residential uses, further described in the section on Urban Village and Mixed-Use districts.

<sup>1</sup> CA CODE § 65583.2(c)(3)(B)(iv)

### **HOW ZONING DISTRICTS ALLOW FOR VARIOUS HOUSING NEEDS**

Municipal Code Chapter 20 is considered the Zoning Code

[www.sanjoseca.gov/MunicipalCode](http://www.sanjoseca.gov/MunicipalCode)

**Chapter 20.20 Open Space & Agricultural Districts** - Housing uses include single-family and temporary farm labor camps necessary to the gathering of crops grown on site.

**Chapter 20.30 Residential Districts** - Housing uses include single-family, two-family (duplex), and multifamily.

**Chapter 20.40 Commercial and Public/Quasi-Public Districts** - Housing uses include supportive services like low barrier navigation centers and mixed-use residential/commercial.

**Chapter 20.50 Industrial Districts** - Housing uses include hotel supportive housing.

**Chapter 20.55 Urban Village and Mixed-Use Districts** - Housing uses include single-family, two-family (duplex), multiple dwelling, and mixed-use development.

**Chapter 20.70 Downtown Zoning Regulations** - Housing uses include multiple dwelling and mixed-use development.

**Chapter 20.75 Pedestrian Oriented Districts** - Housing uses include mixed-use residential and supportive services like low barrier navigation centers.

**Table 4-3: Development Standards for Residential Zoning Districts**

ZONING DISTRICT	UNITS PER LOT	MIN. LOT AREA (SF)	MAX. ADU	MAX. JUNIOR ADU	MAX. HEIGHT (FT)	PRIMARY DWELLING SETBACKS				
						FRONT	REAR INTERIOR	REAR CORNER	SIDE INTERIOR	SIDE CORNER
R-1-1	1	1 acre	1	1	35	30	25	25	20	20
R-1-2	1	20,000	1	1	35	30	25	25	15	15
R-1-5	1	8,000	1	1	35	20	20	20	5	12.5
R-1-8	1	5,445	1	1	35	20	20	20	5	12.5
R-1-RR	1	5 acre	1	1	35	50	30	30	20	30
R-2	1-2	5,445	3	-	35	15	25	25	5	10
R-M *	1+	6,000	25% **	-	45	10	25	15	5	7.5
R-MH	-	6,000	-	-	45	15	25	15	5	7.5

\* For additional building height regulations for R-M, see Zoning Code Chapter 20.85, specific height restrictions.  
\*\* The Max ADU percentage is the total number of ADUs allowed equal to the percentage of realized/existing units.  
- If located in approved urban village area, refer to the urban village plan for height regulations.

SOURCE: City of San José Planning Division, 2022.

As required by state law, permanent supportive housing is a by-right use in the following districts: Mixed-Use Commercial, Mixed-Use Neighborhood, Multifamily Residential, Public/Quasi-Public, Transit Residential, Urban Residential, and Urban Village. Permanent supportive housing provides focused assistance programs that promote long-term housing retention.<sup>2</sup> Residential care and service facilities are also a by right use in all residential districts for six or fewer persons or conditionally permitted for seven or more persons in those districts named above and also in the Commercial districts.

Incidental use allows for the rental of rooms in each of the following residential zoning categories: Single-family properties can rent rooms up to three guests, two-family (duplex) properties can rent rooms up to two guests by each family, and multifamily properties can rent rooms up to two guests per unit. Rental of rooms must be for a period longer than thirty days and there can be no more than six persons living in a dwelling. Other incidental uses include state-licensed family day care homes and transient occupancy for a period of 30 days or less.<sup>3</sup>

A Single-Family House Permit may be required for single-family homes in limited circumstances, including new construction that exceeds 30 feet or 2 stories in height; a floor area ratio (FAR) more than 0.45; or a house or site that is designated as historic. This permit requires a public hearing under certain circumstances and can be a limiting factor on single-family zoned lots. This permit is not required, however, when an applicant applies for a project under Senate Bill 9 or is adding an accessory dwelling unit (ADU) to an existing single-family house.

**Impact of Senate Bill 9 on Residential Districts.** In addition to the common uses of the Residential Districts, SB 9 was recently adopted into law as a method for densifying single-family neighborhoods.

<sup>2</sup> CA CODE § 65582(g)

<sup>3</sup> SAN JOSE MUNICIPAL CODE Ch. 20 § 20.30.110

Signed by Governor Gavin Newsom on September 16, 2021, SB 9 allows lots in the R-1 Single-Family District to be subdivided; enables ministerial approval of two units per lot with or without subdivision and may further allow ADUs; and prohibits development standards that would preclude dwellings from being less than 800 square feet on any lot.<sup>4</sup> More specifically:

- For lots not involving an SB 9 subdivision, an existing single-family home may be remodeled as a duplex or demolished and rebuilt as a duplex. After construction of the duplex, and as allowed by setback requirements, the owner may add up to two ADUs for a total of no more than four units on the property.
- For lots created by an SB 9 subdivision, no more than two units (including ADUs) may be built on each of the lots resulting from the subdivision.
- For lots that already contain a duplex or multifamily residence, these are not eligible to use the provisions of SB 9, but they may add ADUs.

### **Commercial/Public/Quasi-Public and Industrial Districts**

Residential uses, when allowed in Commercial/Public/Quasi-Public Districts and Industrial Districts, are most often conditionally permitted. See *Table 4-4*. Low barrier navigation centers are by right uses in all but the Commercial Office (CO) District. Permanent supportive housing is a by right use in the Public/Quasi-Public District. Hotel supportive housing is conditionally allowed in all Commercial/Public/Quasi-Public and Industrial Zoning districts.

The Commercial General (CG), Commercial Neighborhood (CN), and Commercial Pedestrian (CP) districts support mixed-use residential/commercial with a conditional or special use permit on parcels that have a General Plan land use designation that supports residential or mixed-uses. In the CP District, a special use permit is required if the site is in an urban village. City staff are proposing to modify the permit type from conditional/special use to a site development permit in late 2022. A significant portion of these districts fall within urban village areas as shown on the General Plan's Land Use/Transportation Diagram. This means many sites with these zoning districts are subject to two things: First is the urban village plan, if applicable, which often creates higher densities and expanded uses than normally allowed for properties on commercial lots. Second is many of the commercial districts within urban village areas, either already approved or planned, will be rezoned to align with their respective land use designation in the General Plan, as required by state law;<sup>5</sup> see discussion of the City's rezoning project in the section on Urban Village and Mixed-Use Districts.

### **Downtown Districts**

The Downtown Commercial (DC) and Downtown Neighborhood Transition (DC-NT1) districts allow various residential uses where the General Plan allows residential uses to occur. See *Table 4-4*. The DC District is the least restrictive for intensified residential development in the City; there are no minimum setbacks required and maximum allowable building height is limited only by Federal Aviation Administration (FAA) regulations.

<sup>4</sup> CA CODE § 66452.6, 65852.21, 66411.7. Accessed March 2022: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220SB9](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB9)

<sup>5</sup> CA CODE § 65860. Accessed March 2022: [https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=GOV&sectionNum=65860](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV&sectionNum=65860)

**Table 4-4: Types of Housing Permitted in Zoning Districts**

PERMIT PROCESS: Not Permitted (-); Permitted by Right (P); Conditional Use Permit (C);  
Special Use Permit (S); Conforms with General Plan (GP)

RESIDENTIAL DISTRICTS	APPLICABLE PERMIT PROCESS				
	R-1	R-2	R-M	R-MH	—
Accessory Dwelling Unit (ADU)	P	P	P	-	
Guesthouse	-	-	P	-	
Living Quarters, Custodian, Caretakers	-	-	-	C	
Mixed-Use Residential/Commercial	-	-	S	-	
Mobilehome Parks	-	-	-	P	
Multiple Dwelling	-	-	P	-	
One-Family	P	P	-	C	
One-Family Dwelling (Single-Family)	P	P	P	C	
Permanent Supportive Housing	-	-	P	-	
Residential Care Facility, Seven or More Persons	-	-	C	C	
Residential Care Facility, Six or Fewer Persons	P	P	P	P	
Residential Service Facility, Seven or More Persons	-	-	C	C	
Residential Service Facility, Six or Fewer Persons	P	P	P	P	
Single Room Occupancy Living Unit Facility	-	-	C	-	
Sororities, Fraternities, Dormitories for Educational Institutions	-	-	C	-	
Travel Trailer Parks	-	-	-	C	
Two-Family Dwelling (Duplex)	-	P	P	-	
COMMERCIAL & PUBLIC/QUASI-PUBLIC DISTRICTS	CO	CP	CN	CG	PQP
Emergency Residential Shelter	S	S	S	S	S
Hotel Supportive Housing	C	C	C	C	C
Live/Work Uses	-	S	S	S	-
Low Barrier Navigation Center	-	P	P	P	P
Mixed-Use Residential/Commercial	-	C/S	C	C GP	-
Permanent Supportive Housing	-	-	-	-	P
Residential Care Facility, Seven or More Persons	C	C	C	C	C
Residential Care Facility, Six or Fewer Persons	-	-	-	-	-
Residential Service Facility, Seven or More Persons	C	C	C	C	C
Single Room Occupancy Residential Hotel	-	C	C	C	-
Single Room Occupancy, Living Unit	-	C	C	C	-
INDUSTRIAL DISTRICTS	CIC	HI	IP	LI	TEC
Hotel Supportive Housing	-	C	C	C	C
Emergency Residential Shelter, More Than 50 Beds	C	-	-	-	-
Emergency Residential Shelter, Up to 50 Beds	P	-	-	-	-

Table Continues &gt;

**CONTINUED - Table 4-4: Housing Types Within Various Zoning Districts**

PERMIT PROCESS: Not Permitted (-); Permitted by Right (P); Conditional Use Permit (C);  
Special Use Permit (S); Conforms with General Plan (GP)

URBAN VILLAGE & MIXED-USE DISTRICTS	APPLICABLE PERMIT PROCESS					
	UVC	UV	MUC	MUN	UR	TR
Accessory Dwelling Unit (ADU)	-	P	P	P	P	P
Co-Living Community	-	S	C	C	S	S
Emergency Residential Shelter	-	S	S	S	S	S
Guesthouse		S	-	S	S	S
Hotel Supportive Housing	C	-	C	-	-	-
Live/Work Uses	-	S	S	S	S	S
Low Barrier Navigation Center	-	P	P	P	P	P
Mixed-Use Development	-	P	P	P	P	P
Multiple Dwelling	-	P	P	P	P	P
One-Family	-	-	-	P	P	P
One-Family Dwelling (Single-Family)	-	-	-	P	P	P
Permanent Supportive Housing	-	P	P	P	P	P
Residential Care Facility, Seven or More Persons	-	C	C	C	C	C
Residential Care Facility, Six or Fewer Persons	-	P	P	P	P	P
Residential Service Facility, Seven or More Persons	-	C	C	C	C	C
Residential Service Facility, Six or Fewer Persons	-	P	P	P	P	P
Single Room Occupancy Living Unit Facility	-	-	C	-	-	-
Single Room Occupancy Residential Hotel	C	C	C	C	C	C
Two-Family Dwelling (Duplex)	-	-	-	P	P	P
DOWNTOWN DISTRICTS	DC	DC-NT1				
Co-Living Community	S	S				
Emergency Residential Shelter	C GP	-				
Hotel Supportive Housing	C GP	C GP				
Live/Work Uses	P GP	S GP				
Low Barrier Navigation Center	P GP	P GP				
Multiple Dwelling	P GP	P GP				
Permanent Supportive Housing	P GP	P GP				
Residential Care Facility, Seven or More Persons	C GP	C GP				
Residential Service Facility, Seven or More Persons	C GP	C GP				
Single Room Occupancy Living Unit Facility	S GP	S GP				
Single Room Occupancy Residential Hotel	S	S				

SOURCE: City of San José Planning Division, 2022.

## Urban Village and Mixed-Use Zoning Districts

As a charter city, the City of San José has not historically been required to have zoning districts and the land use designations of the General Plan aligned. Where they have differed, the land use designations take precedence. The passage of Senate Bill 1333 in 2018 became the impetus for all charter cities to match their zoning districts and land use designations. As part of the effort, staff developed six new zoning districts, adopted by the City Council on May 25, 2021: Urban Village Commercial (UVC), Urban Village (UV), Mixed-Use Commercial (MUC), Mixed-Use Neighborhood (MUN), Urban Residential (UR), and Transit Residential (TR). These districts permit various types of housing as seen in *Table 4-4*. These zoning districts will be located typically within urban village areas as shown on the General Plan Land Use/Transportation Diagram, which emphasize walkable, bike-friendly, and transit-served communities, and will support the General Plan's Major Strategy #5, which aims to intensify job and housing growth. The alignment work includes the rezoning of properties and is currently underway. This work is expected to be a two- to three-year process.

### 4.3.3. Other Land Use Controls

#### Secondary Unit Policies

Secondary units provide an important potential source of affordable housing. In 1982, state law was enacted to encourage the creation of secondary units while maintaining local flexibility for unique conditions, which included the ability to set development standards, require minimum unit sizes, and establish parking requirements.<sup>6</sup> It wasn't until 2005, however, that the San José City Council initiated a Secondary Unit Pilot Program to temporarily test and evaluate a set of secondary unit development standards for a period of one year — citing traffic, infrastructure, and safety concerns up to this point as major reasons it took this long to explore as an option. San José later adopted an ordinance in 2008 which permanently allowed secondary units that conform to modified

#### TERMS

**ADU** - Accessory dwelling units (ADUs) are secondary units, also known as granny flats or backyard homes. May be attached or detached from the main home, or a conversion of a basement or garage.

**JADU** - A junior accessory dwelling unit (JADU) is built within the footprint of the main home.

**THOW** - A type of ADU that is mounted on a wheeled trailer chassis.



*This ABODU ADU is one of many preapproved units that can go through the permit review process easily and quickly. Learn more at [www.sanjoseca.gov/ADUs](http://www.sanjoseca.gov/ADUs).*

<sup>6</sup> CA CODE § 65852.2



Zoning Code requirements based on the outcome of the trial period. From 2008 to 2014, the newly allowed secondary-unit provision of the Code resulted in the construction of 150 secondary units — a less than meaningful impact on the supply of affordable housing.

In 2019 the state passed Senate Bill 13, Assembly Bill 68, and Assembly Bill 881, all of which largely eased the construction of secondary units — now broadly known as accessory dwelling units or ADUs. These bills expanded what homeowners could do with respect to their property by right for both an ADU and a Junior ADU (JADU). In November of 2019, San José adopted Ordinance No. 30336 to align with the new state regulations on ADUs and JADUs. Then the City amended this section in 2020 with Ordinance No. 30353 in response to AB 3182, which required ministerial approval of ADUs, among other things. San José expanded on the section of the Zoning Code regarding ADUs on April 14, 2020 by adding Tiny Home on Wheels (THOWs) as a third dwelling option. THOWs are perceived as an affordable housing alternative to tackle the housing crisis because they are a smaller portable unit intended as a permanent housing option with substantially lowered costs of construction, installation, and maintenance.

The primary distinction between a THOW and a RV is that although a THOW is mounted on a wheeled trailer chassis, it is built to look like a residential dwelling, using conventional building materials and is thereby architecturally distinct from traditional mobile homes and recreational vehicles (see inset).

### CHARACTERISTICS OF A TINY HOME ON WHEELS (THOW)

1. Designed as a separate, independent living quarters that is no larger than 400 square feet.
2. Required functional areas that support normal daily routines, including a bathroom, a kitchen, and a sleeping area.
3. Registered and titled to tow legally under the California Department of Motor Vehicles (DMV).
4. Required compliance with American National Standards Institute (ANSI) 119.5 or National Fire Protection Association (NFPA) 1192.
5. Allowed as a type of ADU.
6. Required to meet zoning regulations, including development standards.
7. Required to obtain and establish electric, water and sewer connections.

Between 2014 and 2018, there were approximately 301 permits issued and 260 secondary units built. After implementation of the state legislation and local ordinances discussed above, from 2019 to June 2022, the number of permits issued for ADUs (including THOWs) skyrocketed to 1,245 with 963 of these built. Most ADU sizes fall within the 501 to 700 square foot range.



*Interior of a THOW. Photo credit: [www.tinyhomesbayarea.com](http://www.tinyhomesbayarea.com)*

The success of this program is largely because of the state laws that eased parking requirements and eliminated parkland and school impact fees for ADUs under 750 square feet, but also because of other factors:

- Housing Trust Silicon Valley offered free educational workshops as well as financial assistance to Bay Area homeowners interested in an ADU.
- The City of San José made it a priority to promote ADUs and was first to establish a Preapproved ADU process, which reduces permitting costs by enabling ADU vendors to obtain approval of master plans that can be offered to their customers.
- The City also added a dedicated staff position, the ADU Ally, to be a point of contact for helping homeowners and builders through the City's permit process. The ADU Ally also participates in educational webinars sponsored by the City and housing organizations.

### **Parking Standards**

The Zoning Code contains provisions for off-street parking and loading.<sup>7</sup> These requirements are intended to promote adequate parking to meet the needs generated by a specific use or uses and to promote effective circulation, reduce congestion, increase safety and aesthetics within off-street parking areas, and encourage the use of alternative modes of transportation, among other trip reduction methods. For single-family dwellings, two covered parking spaces are generally required. For two-family (duplex) and multifamily units, required parking may be uncovered and the number of required parking spaces is derived from the living unit size (i.e., number of bedrooms) and the type of parking facility, as indicated in *Table 4-5*. However, parking requirements are less in the Downtown Districts and for sites that meet certain other location criteria (e.g., within 2,000 feet of a light rail transit station, within an urban village, or within a neighborhood business district).

A reduction of parking requirements may be appropriate provided that the modification is granted pursuant to applicable Zoning Code provisions.<sup>8</sup> Qualifying projects must incorporate Transportation Demand Management (TDM) program elements, such as transit pass subsidies, parking cash-out, ride sharing, carpools/vanpools, shared parking, or other reasonable measures. Parking reductions are especially applicable to senior housing, single room occupancy (SRO) facilities, emergency residential shelters, residential care/service facilities, and convalescent hospitals, to name a few.

Given the complex requirements for various other residential uses besides single-family, two-family, and multifamily dwellings, *Table 4-6* is provided to help outline these requirements as found on separate tables in Chapter 20.90 of the Zoning Code, titled Parking and Loading, and Chapter 20.70, titled Downtown Zoning Regulations.

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<sup>7</sup> SAN JOSE MUNICIPAL CODE Ch. 20 § 20.90

<sup>8</sup> SAN JOSE MUNICIPAL CODE Ch. 20 § 20.90.100; 20.90.220; 20.90.240; 20.90.250

In recent years, San José has committed to climate initiatives such as the International Paris Agreement, which is furthered through Climate Smart San José and codified in the Envision San José 2040 General Plan. As part of an ongoing effort to meet climate goals, the City Council directed a comprehensive modernization of parking standards, which have not undergone such review since 1965. At present, parking requirements are based on an outdated system of land use types and scale of activity and are not consistent with the community goals in these plans, such as reducing greenhouse gas emissions and traffic congestion, housing affordability, and designing more attractive and walkable neighborhoods.

Reforming the City's parking standards by removing mandatory minimums and implementing further TDM strategies will help meet increasing transportation demand while also supporting the goals of these plans. The proposed amendments to the parking requirement in the zoning code and the proposed TDM program are anticipated to go Council for its consideration in the Fall of 2022.

**Table 4-5: Residential Parking Requirements By Bedroom Size**

TF = TWO-FAMILY MF = MULTIFAMILY	OPEN PARKING	ONE-CAR GARAGE	TWO-CAR GARAGE
NUMBER OF BEDROOMS	(TF / MF)*	(TF / MF)*	(TF / MF)*
0 Bedroom (Studio)	1.5 / 1.25	1.5 / 1.6	2.0 / 2.2
1 Bedroom	1.5 / 1.25	2.0 / 1.7	2.0 / 2.3
2 Bedroom	2.0 / 1.7	2.0 / 2.0	2.0 / 2.5
3 Bedroom	2.0 / 2.0	2.0 / 2.2	2.0 / 2.6
Each Additional Bedroom	0.25 / 0.15	0.25 / 0.15	0.25 / 0.15
Note: Any unit using tandem parking shall have a parking requirement of 2.0.			

SOURCE: City of San José Planning Division, 2022.

**Table 4-6: Residential Parking Requirements by Land Use Type**

TYPE OF RESIDENTIAL LAND USE	CAR PARKING REQUIREMENTS
Co-Living community with shared full kitchen	0.25 per Bedroom
Emergency residential shelter	1 per 4 beds and 1 per 250 sq. ft. of area that is used as office space. May have up to a 100% reduction in required off-street parking with a development permit or exception if no development permit is required.
Guesthouse	1 per guest room, plus 1 per employee
Live/work	No additional parking required above what is required for commercial use parking
Each Additional Bedroom	0.25 / 0.15
Living quarters, custodian, caretakers	1 per living unit
Mixed use/ground floor commercial with residential above	Respective commercial and residential parking requirements combined
Multiple dwelling	See Residential Parking Requirements By Bedroom Size5-5
One family dwelling	2 covered
Residential care or service facility	1 per first 6 client beds, plus 1 additional space for up to 4 client beds (or portion thereof) above the first six, plus 1 additional space for each additional four client beds (or portion thereof), plus 1 space for each employee or staff member.
SRO facilities within 2,000 ft. of public transportation	—
SRO residential hotels	0.25 per SRO unit
SRO living unit facilities with shared kitchen and bathroom facilities	0.25 per SRO unit
SRO living unit facilities with partial or full kitchen and bathroom facilities	1 per SRO unit
SRO facilities not within 2,000 ft. of public transportation	1 per SRO unit
Sororities, fraternities, and dormitories occupied exclusively (except for administrators thereof) by students attending college or other educational institutions	1 per guest room, plus 1 per employee
Temporary farm labor camp necessary to the gathering of crops grown on the site	1 per dwelling unit
Travel trailer parks	1 per employee
Two-family dwelling (duplex)	See Table 20-200, required parking is determined by the type of parking facility and the number of bedrooms

SOURCE: City of San José Planning Division, 2022.

## Design Guidelines

The City of San José has adopted design guidelines to assist in the design, construction, review, and approval of residential development. By defining criteria for new residential development occurring within the City, the design guidelines benefit the development community by providing more clarity and reducing the soft costs of producing housing. Developers can incorporate standards from the guidelines into a project during the early stages of design rather than having to revise plans significantly during later stages of the review process.

The Downtown Design Guidelines and Standards were updated and effectuated in April of 2019. They replace the 2004 Guidelines and provide information on site planning, access and design, form, and building design, appearance in the larger cityscape, and building interface at the pedestrian level. These guidelines define design objectives for elements that determine the image of the general area of Downtown, translating them into an operational document, which increases predictability for various stakeholders and results in reduction of overall permitting costs.

The Citywide Design Standards and Guidelines were effectuated in March 2021. They apply to the portions of San José within the Urban Growth boundary, excluding single-family residences and the rehabilitation, modifications, or addition to historic buildings or their adaptive reuse. These guidelines do not apply in Downtown San José and the Diridon Station Area, where the Downtown Design Guidelines and Standards instead apply.

The Downtown Guidelines apply to the General Plan Downtown Growth Area and the Diridon Station Area Plan Area, which is bounded in the south by Highway 280, on the north by Coleman Avenue, on the west by Diridon Station, and on the east by San José State University. While the San José State University (SJSU) campus is not within the boundary of the Downtown Growth Area, SJSU contributes significantly to the vitality of Downtown and is part of its larger context. Therefore, SJSU is included within the proposed Downtown Design Guidelines boundary.

Combined, the above design guidelines provide a common understanding of the minimum design standards to be applied to various land uses, development types, and locations to facilitate efficient design. Design quality focuses on the functional aspects of development (e.g., buildings, parking, setbacks, etc.) rather than requirements of expensive materials. Design guideline standards are objective requirements that are quantifiable and verifiable. Guidelines describe best practices and serve as overarching design guidance.

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*Affordable and market rate housing are subject to the design guidelines, resulting in high quality affordable housing acceptable to neighborhoods throughout the city without unduly constraining housing development in San José.*

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Any projects in urban villages, areas with Specific Plans, or areas with development policies, such as North San José, are subject to the standards and guidelines within their respective applicable documents. Should a specific document be present but silent on a particular design standard, then the Citywide Guidelines and Standards apply.

**Resources to Alleviate Constraints Relating to Design Guidelines.** The development standards used in the design guidelines are intended to allow residential projects to achieve the maximum densities permitted by General Plan residential land use designations. The setback and landscaping requirements are not excessive and do not require inordinate development expenditures, and they contribute to a quality

living environment. Affordable and market rate housing are subject to the design guidelines, resulting in high quality affordable housing acceptable to neighborhoods without unduly constraining housing development. The Downtown Design Guidelines and Standards and Citywide Design Standards and Guidelines also include an exception process; see the Objective and Subjective Standards section for more details.

### **Building Codes**

The State Building Standards Commission (BSC) publishes triennial editions of the California Code of Regulations (CCR), Title 24, also known as the California Building Standards Code. Most recently, on July 1, 2019, the BSC published the 2019 edition of these standards, which apply to any building or structure for which application for a building permit is made on or after January 1, 2020. The State allows local governments to modify the standards to make them more restrictive (not less), provided findings are made that the proposed modifications are necessary due to local geologic, topographic, or climatic conditions that can affect the health, welfare, and safety of local residents. Any local amendments must be made prior to the effective date of the State codes.

On November 5, 2019, the City Council approved an ordinance amending Title 24 of the San José Municipal Code and adopting the 2019 editions of the California Building, Residential, Electrical, Mechanical, and Plumbing Codes, the California Historical Building Code, the California Existing Building Code, the California Green Building Standards (CALGreen) Code, and the California Building Energy Efficiency Standards. This ordinance included a staff proposal to adopt local amendments for certain structural design requirements, fire sprinkler regulations, and other building requirements based on the following findings:

1. The San Francisco Bay Area region is densely populated and located in an area of high seismic activity. San José is bounded by the Hayward and San Andreas faults capable of producing major earthquakes.
2. Concern for fire/life safety associated with a structural failure due to a seismic event, considering the increasing number of buildings in the region, the use of new structural systems, the poor performance of certain materials, and the quality of construction.
3. Severe seismic events could disrupt communications, damage gas mains, cause extensive electrical hazards, and place extreme demands on limited and widely dispersed fire prevention resources to meet the fire and life safety needs of the community.
4. The local geologic, topographic, or climatic conditions pose an increase hazard in acceleration, spread, magnitude, and severity of potential fires in San José, and may cause a delayed response from emergency responders, allowing further growth of the fire.

**Reach Code Ordinance.** In September 2019, San José City Council approved a building reach code ordinance that encourages energy efficiency and greenhouse gas reduction through building electrification; solar-readiness on nonresidential buildings; and electric vehicle (EV)-readiness and EV equipment installation.

In October 2019, the City Council approved an ordinance prohibiting natural gas infrastructure in new detached accessory dwelling units, single-family, and low-rise multifamily buildings that would supplement the reach code ordinance. On December 1, 2020, Council approved an updated ordinance prohibiting natural gas infrastructure in all new construction in San José, starting on August 1, 2021.

**Resources to Alleviate Constraints Relating to Building Codes.** The City of San José is in the forefront of identifying the need for building code amendments. The City assumes a leadership role at the regional and state levels to reduce individual differences between cities and counties, and informs and educates the public about new requirements. To establish uniformity in adopting code amendments, the City is an active participant in the Tri-Chapter Uniform Code Program, whose greater Bay Area membership stretches from Contra Costa County in the north to San Benito County in the south. City staff conducted free training sessions in early 2020 to introduce various stakeholders to the significant changes between the 2016 and 2019 California Building Codes as well as the local amendments. Such sessions are anticipated in early 2023 to highlight the changes between the 2019 and 2022 California Building Codes.

The 2019 Building Codes and amendments do not unduly constrain residential development or the City's ability to accommodate special housing needs groups in San José, including persons with disabilities. In fact, the codes and amendments contain design elements that address limited lifting or flexibility (e.g., roll-in showers, grab bars, etc.), limited mobility (e.g., push/pull lever faucets, wide swing hinges, etc.), and limited vision (e.g., additional stairwell and task lighting, etc.) that are consistent with the Americans with Disabilities Act (ADA) standards, as implemented under Title 24.

### **On-Site and Off-Site Improvements**

New residential development in San José may be responsible for both on-site (private) and off-site (public) improvements that are directly related to the impacts associated with a particular development project:

- On-site improvements may include such items as public roads, private driveways and walkways, fencing, landscaping, grading and drainage, stormwater treatment facilities, etc. These improvements are either required by the Zoning Code or negotiated through the development review process as conditions of approval.
- Off-site improvements may include standard curbs, gutters, sidewalks, landscaping, street lighting, and the installation of underground utilities (including the undergrounding of existing overhead utilities). Depending on the extent of project impacts, such public improvements may be required not only for the subject property but also for areas not located on the development site (e.g., a traffic signal to address operational impacts to the intersection).

The City's design guideline documents (<https://bit.ly/SJ-DesignGuidelines>) illustrate site improvement standards and requirements for the full range of housing types and for mixed-use development in different areas of the City. Although the costs of site improvements can vary based on the location, type, and scale of development, site improvements generally have greater impact on the cost of housing in areas where infrastructure (streets, sewers, curbs, gutters, utilities, bus stops, parks, etc.) is not in place or where the infrastructure exists but does not meet current standards and needs to be expanded, modified, or replaced. For example, site improvements are generally costlier in locations near the edge of the Urban Growth Boundary/Urban Service area than on an infill site in Downtown. Identification of specific improvements for a proposed development is often determined in conjunction with environmental analysis of the project.

The primary mechanism for funding public improvements is the Residential Construction Tax Contribution Fund. In essence, housing developers pay contributions to this fund and, in turn, reimbursements are made from the fund once eligible improvements are completed. Similarly, underground utility districts are established using fees from developers. Undergrounding projects are

prioritized within a five-year plan based on several criteria, the most important of which is the amount of fees collected within the underground district. Other criteria include whether or not the underground work can be coordinated with other capital improvement projects (e.g., street widening) and equity in the amount of undergrounding proposed in various areas of the City.

On-site and off-site improvements are not deemed an undue constraint as the City has well-established infrastructure standards that are communicated to developers at the earliest stages of the development review process, so that these costs can be appropriately factored into the design of a project.

### 4.3.4 Residential Developer Affordable Housing Requirements

#### Inclusionary Housing Ordinance

The Inclusionary Housing Ordinance (IHO), reflected in Chapter 5.08 of San José Municipal Code, was adopted in 2010. The IHO requires all residential developers that create new, additional, or modified for-sale or rental units to provide either 15% of housing on-site or 20% of housing off-site that is affordable to income-qualified buyers or renters. See *Table 4-7*.

Due to legal challenges, full implementation of the ordinance was stalled for both for-sale and rental housing. In 2014, the City adopted an impact fee program, the Affordable Housing Impact Fee (AHIF), that applied to new rental projects. In 2015, the California Legislature passed AB 1505 that restored the authority of the City to require inclusionary housing on new rental developments. Also in 2015, the California Supreme Court affirmed a district court ruling upholding the City's IHO that applied to new for-sale construction. In 2017, the City adopted changes to transition from the AHIF to the IHO for rental projects.

The City Council approved amendments to the Inclusionary Housing Ordinance in 2021 to encourage production of more affordable housing units on-site through the addition of the following four new compliance options:

1. Mixed compliance option (on-site rental with an adjusted in-lieu fee);
2. Option to purchase real property;
3. Option to dedicate SB 35 entitled property; and
4. Option for a partnership with clustered units.

All projects may choose to pay the in-lieu fee rather than construct units. As part of the 2021 update, the in-lieu fee was also restructured from a per-unit to a per-square-foot basis to allow for easier estimation and administration of the fee. The fee varies by location: Areas determined to be in strong market areas pay a higher fee than those determined to be in moderate markets. The initial fee was set at \$43 per square foot in strong market areas and at \$18.70 per square foot in moderate market areas with an annual increase tied to the index published by Engineering News-Record. The latest increase was 5.26% with the fee increasing to \$45.26 in strong market areas and \$19.68 in moderate market areas.

Additionally, projects can choose the mixed compliance option to provide a portion of units on-site and pay an adjusted in-lieu fee depending on the affordability of the units provided to satisfy the City's inclusionary housing ordinance. Units that satisfy state density bonus law are eligible to be counted towards the units required under the IHO. The fee amount, market areas, and new compliance options were added to encourage greater production of units and were added based on findings from feasibility analysis conducted by a consultant in 2019. The City plans to update this study regularly through updates to the Cost of Residential Development Study.



**Table 4-7: Inclusionary Housing Ordinance Compliance Options**

	OBLIGATION	FOR SALE	RENTAL
On-Site*	15%	Purchasers must be at or below 120% AMI	5% at 100% AMI 5% at 60% AMI 5% at 50% AMI OR 10% at 30% AMI
Off-Site*	20%	Purchasers must be at or below 110% AMI	5% at 80% AMI 5% at 60% AMI 10% at 50% AMI
In-Lieu Fee*	20% (applied to all units-based square foot)	\$25 per square foot applied to interior residential square foot	Per square footage which requires a change in methodology towards the entire building <i>Strong Market:</i> \$45.26/ft <sup>2</sup> <i>Moderate Market:</i> \$19.68/ft <sup>2</sup>
Mixed Compliance Option	20%	Not applicable	<i>Strong Market:</i> Pay 5% at 100% AMI plus pay in-lieu fee of \$19.68/ft <sup>2</sup> in-lieu for all rentable areas <i>Moderate Market:</i> Pay 5% at 100% AMI plus pay in-lieu fee of \$12.49/ft <sup>2</sup> in-lieu for all rentable areas
Dedication of Land	20%	Marketable title, general plan designation zoned for residential development and at a density required, and suitable for inclusionary units. Must comply with the requirements as listed in the Municipal Code 5.08.530.A.	
Credits and Transfers	20%	Developers may purchase or transfer credits for affordable housing units that are available for occupancy concurrently with market rate units. Must comply with the requirements as listed in the Municipal Code 5.08.540.C.	
Acquisition and Rehab of Units*	20%	Rehabilitate existing market rate units for conversion to units affordable to Lower and Very Low Income Households. Number of Rehabilitation units must be 2 to 1 of the base inclusionary obligation. Must comply with the requirements as listed in the Municipal Code 5.08.550.	
HUD Restricted Units*	20%	Developers may provide units that are restricted to Affordable Housing Cost for Lower or Very Low Income Households through entering into an agreement with the U.S. Department of Housing and Urban Development (HUD). Must comply with the requirements as listed in the Municipal Code 5.08.560.H.	
Combination of Methods	20%	Developers may propose any combination of methods to satisfy the project's inclusionary housing obligation. Must comply with the requirements as listed in the Municipal Code 5.08.570.	
Option to Purchase	20%	This compliance option allows developers to purchase a property and dedicate the entitled property to the City. Must comply with the requirements as listed in the Municipal Code 5.08.580.	
Partnership for Clustered Units	15%	If located on an immediately adjacent parcel and in close proximity to the market-rate building, then subject to only the 15% requirement. Must have Low Income Housing Tax Credit Financing or other public financing that requires separation. Establish a minimum contribution from market rate developer to affordable developer equivalent of 75% of the required in-lieu fee obligation. Must comply with the requirements as listed in the Municipal Code 5.008.590.	

SOURCE: City of San José Planning Division, 2022.

## Commercial Linkage Fee

Since November 1, 2020, the City has charged a Commercial Linkage Fee (CLF) on commercial development to fund affordable housing. The CLF was adopted after a Nexus Study was completed in July 2020 that establishes the linkage between new non-residential buildings, the jobs created through that development, and the demand for new affordable housing. Projects pay the fee based on gross square footage by each use. The fee amount varies based on location, use, and size. The CLF for Downtown and nearby areas is shown in *Table 4-8*.

**Table 4-8: Commercial Linkage Fee**

NON-RESIDENTIAL USE	FEE PER SQUARE FOOT
Office (≥ 100,000 sq. ft.)	\$12.63 when paid in full prior to issuance of building permit; OR \$15.79 when paid in full prior to scheduling of final inspection; OR \$15.79 paid over five installments secured by bond or letter for credit plus 3% annual interest that accrues from the scheduling of the final building inspection.
Office (<100,000 sq. ft.)	No Fee (\$0) for all square footage ≤50,000 sq. ft.; and \$3.16 for all remaining square footage
Retail	No fee (\$0)
Hotel	\$5.26 excluding Common Area
Industrial/Research and Development (≥100,000 sq. ft.)	\$2.53 paid in full prior to issuance of building permit; OR \$3.16 paid in full prior to scheduling of final inspection; OR \$3.16 paid over five installments secured by bond or letter of credit
Industrial/Research and Development (<100,000 sq. ft.)	No fee (\$0)
Warehouse	\$5.26
Residential Care	\$6.32 excluding Common Area

SOURCE: City of San José Planning Division, 2022

### 4.3.5 Affordable Housing Program

#### Density Bonus Ordinance

The California State Density Bonus Law was first enacted in 1979.<sup>9</sup> This legislation was passed to address the State's lack of affordable housing and incentivize its development. The incentives for developers who have affordable housing units at certain percentages within their projects include allowing them to increase the density for their projects, among other development benefits. Over the years, the law has been modified to be more prescriptive about the granting of density bonuses and incentives.

Per state law, San José may grant a density bonus when an applicant requests a bonus and agrees to execute and record a Regulatory Agreement for the construction and maintenance of affordable rental

<sup>9</sup> CA CODE § 65915

or ownership of housing units, senior citizen, foster youth, disabled veterans, homeless persons, or student housing development uses. Developers may be entitled to incentives and concessions even without requesting a density bonus.

The San José Zoning Code defines affordable rental or ownership of housing units as restricted affordable units and anything not within this category as non-restricted units.<sup>10</sup> To ensure affordable units are being constructed, the Code requires concurrent construction of restricted affordable units with non-restricted units unless an alternative schedule is agreed to in the regulatory agreement and that restricted affordable units be dispersed throughout the project, without concentration. Likewise, to protect against singling out affordable housing, restricted housing should be of similar character to non-restricted units and the overall project including construction, material, and quality, both inside and out, and should be functionally equivalent to that of non-restricted units.

A density bonus may be applied to residential projects of five or more units that provide affordable, senior, or special needs housing. The greater the affordability levels, the greater the density bonus to allow more dwelling units — by 50% in most cases and up to 80% for affordable-only housing projects — than otherwise allowed by the applicable zoning district and General Plan land use designation. Density bonus may be approved only in conjunction with a development permit. As required by State law, the Code also identifies bonuses in response to certain donations of land and the inclusion of childcare centers in some developments.

Under the Density Bonus Chapter, the City allows up to four incentives and/or concessions to be used for each development project depending on the ratio of affordable units, see inset.

In addition to incentives and/or concessions, developers can also apply for waivers from, or modifications to, development standards. Waiver or modification are contingent upon on applicant providing proof that a given standard would preclude development with the density bonus or incentive requested.<sup>11</sup> Waivers and/or reduction of development standards do not count as an incentive or concession and there is no limit on the number of these that can be requested or granted.

<sup>10</sup> SAN JOSE MUNICIPAL CODE Ch. 20 § 20.190.020

<sup>11</sup> SAN JOSE MUNICIPAL CODE Ch. 20 § 20.190.070

## INCENTIVES & CONCESSIONS TO PROMOTE USE OF DENSITY BONUS

As outlined in the  
San Jose Municipal Code

[www.sanjoseca.gov/MunicipalCode](http://www.sanjoseca.gov/MunicipalCode)

**Table 20-290** – Number of parking spaces required by restricted affordable units or category regardless of proximity to transit.

**Table 20-300** – Reduction of front setback area by housing type based on percentage of restricted affordable units up to no more than 5 feet.

**Table 20-310** – Reduction of rear interior setback area by housing type based on percentage of restricted affordable units up to no more than 5 feet.

**Table 20-320** – Reduction of rear corner setback area by housing type based on percentage of restricted affordable units up to no more than 3 feet in R-MH, CO, CP, CN, CG, PQP, MS-G, MS-C, or 5 feet otherwise.

**Table 20-330** – Reduction in the number of parking spaces for SRO facilities within ½ mile of major transit stops or not within ½ of an existing transit stop.

## OTHER INCENTIVES

An applicant may request any Incentive(s) specified above, or others, so long as the incentive would result in identifiable and actual cost reductions to provide for Affordable Housing Costs or Affordable Rents for Restricted Affordable Units

### **Senate Bill 35 Streamlined Projects**

Senate Bill 35 (2017) requires local government to streamline review and approval of eligible affordable housing projects when the number of total issued building permits are less than the Regional Housing Needs Allocation (RHNA) for the current reporting period. Streamlining involves facilitation of ministerial approval for qualifying projects and projects may continue to apply for streamlining until the next reporting period. For a project to qualify, a locality must either not have submitted a production report, or an annual housing element report for at least two years, or meet any of the following:

- If the production report reflects that there were fewer units of above moderate-income housing approved than were required. In addition, if the project contains more than 10 units of housing, the project seeking approval dedicates a minimum of 10 percent of the total number of units to housing affordable to households making below 80 percent of the area median income (AMI).
- If the production report reflects that there were fewer units of housing affordable to households making below 80 percent of the area median income that were issued building permits than were required. The project seeking approval dedicates 50 percent of the total number of units to housing affordable to households making below 80 percent of the area median income.
- If production report reflects fewer units of housing affordable to any income level described in clause (i) or (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).
- If any localities Zoning Ordinance requires greater allocation for either clause (i) or (ii) the Ordinance applies.

San José has not met its RHNA allocation for households with incomes below 80 percent AMI which means projects that meet the above requirements may proceed under SB 35. Ministerial review for SB 35 projects is based on compliance with objective standards. Qualifying projects are not subject to environmental review under the California Environmental Quality Act (CEQA).

Per SB 35, City staff must review applications for qualifying housing developments within a statutory timeframe. Staff must determine if the project is eligible for streamlined approval within 60 days of application submittal for projects of 150 or fewer units, or within 90 days for larger projects. If the application is eligible for review under SB 35, then the jurisdiction must review the project within 90 days after application submittal for projects of 150 or fewer units, or within 180 days for larger projects.

In 2019, the City codified SB 35 streamlining provisions (as well as those for AB 2162 and AB 101) in the zoning code under Chapter 20.195 Ministerial Approvals. The City also provides eligibility information on its website and there is a separate SB 35 development application available for these types of projects. As of June 2022, San José has approved more than 1,500 units under the SB 35 process.

### **Senate Bill 330 / Housing Crisis Act of 2019**

To accelerate housing production, Senate Bill 330, also known as the Housing Crisis Act of 2019, prevents certain land use and zoning restrictions to alleviate or remove constraints preventing construction

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*As of June 2022, San José has approved more than 1,500 units under the SB 35 process.*

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of new housing, including affordable housing, by limiting the way local governments may reduce capacity of residential on properties.

To help remove barriers, SB 330 allows a developer to submit a preliminary application in which they can provide information on the proposed development before a formal planning submittal. Upon submittal of the preliminary application and payment of fees, a housing developer can “freeze” other applicable fees and development standards that apply to their project while they assemble the rest of the material necessary for a full application submittal.<sup>12</sup> San José has a formal SB 330 Preliminary Application in place for developers interested in taking advantage of this option.

**Impact of SB 1333 (2018).** By 1974, state law required cities, excepting charter cities, to align their zoning districts with their General Plan documents.<sup>13</sup> Senate Bill 1333, which passed in 2018, requires charter cities, including San José, to also align their zoning districts with their General Plan land use designations. SB 1333 does not circumvent the Housing Crisis Act which means that to comply with SB 1333, San José will also have to account for “no net loss” of residential capacity under SB 330.

Senate Bill 940 authorizes the City of San José to proactively change zoning to a more intensive use, commonly referred to as upzoning, and bank the resulting capacity for use in lowering other zones to a less intensive use and avoid the “no net loss” provision of the Housing Crisis Act. This only applies to zoning actions and may not be used in conjunction with other changes that are subject to SB 330.<sup>14</sup>

To comply with the Housing Crisis Act and SB 1333, San José created a multiyear process:

- Phase 1(a) was approved by City Council in June 2019, which included changes to permitting requirements across all zoning districts.
- Phase 1(b) was approved by City Council in June 2021 and created six new Urban Village and Mixed-Use zoning districts to support areas that are planned for mixed-use development and high-density residential or commercial uses.
- Phase 2 entails rezoning select areas of the City. Phase 2 is estimated to rezone approximately 1,140 properties before the end of the 2022 fiscal year. Property owners are notified in advance of the rezoning, which also involves a public hearing before the City Council.

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<sup>12</sup> CA CODE § 65589.5, 65940, 65943, 65950, 65905.5, 65913.10, 65941.1. Accessed March 2022. [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201920200SB330](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200SB330)

<sup>13</sup> CA CODE § 65860(a)

<sup>14</sup> CA CODE § 66300. Accessed March 2022. [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201920200SB940](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200SB940)

### 4.3.6 Planning Process and Application Fees

A summary comparison of planning permit processes and respective decision-maker is shown in *Table 4-9*. Process types include use of the previously referenced conventional zoning districts or the planned development zone, as well as various types of development permit as described in Chapter 20.100 of the Zoning Code. These development permits include:

- Site development permit
- Conditional use permit
- Special use permit
- Planned development permit

#### Permit Procedures

For residential uses in each zoning district, the City's Zoning Code indicates whether the uses is permitted; permitted as a conditional use; permitted as a special use; or is prohibited. Permitted uses are those allowed without discretionary review in designated zoning districts provided the project complies with all development standards. The Director of Planning, Building and Code Enforcement has the authority to approve a site development permit (H) or a special use permit (SUP) through a public hearing process to ensure that basic health and safety, and general welfare concerns are met. These permits may be appealed to the Planning Commission.

**Table 4-9: Decision-Making Authority for Planning Processes**

PROCESS COMPONENT	CONVENTIONAL PERMIT PROCESSES			PLANNED DEVELOPMENT PROCESS	
	SITE DEVELOPMENT PERMIT	SPECIAL / CONDITIONAL USE PERMIT	CONVENTIONAL ZONING	PD PERMIT	PD ZONING
	PLANNING DIRECTOR	DIRECTOR / PLANNING COMMISSION	PLANNING COMMISSION / CITY COUNCIL	PLANNING DIRECTOR	PLANNING COMMISSION / CITY COUNCIL
Environmental Review	X	X	X		X
Maximum Development Density			X		X
Approve Number of Units	X	X		X	
Infrastructure Requirement	X	X	X		X
Final Architectural Design	X	X			
Final Grading/Drainage Design	X	X			
Final Landscape Design	X	X			
Minor Modification to Approved Permit					
Final Discretionary Approval Prior To Building Permit	X	X			

SOURCE: City of San José Planning Division, 2022.

Conditional use permits (CUPs) are approved by the Planning Commission and appealable to the City Council. Discretionary permit approvals are applicable to Conditional Use permits (CUP) and are required in specific zones for fraternity uses, residential care facilities, mobile home parks, temporary residential

shelters, and residential hotels or SROs. Over the past few years, zoning code amendments approved changes to eliminate CUP requirements for several uses and delegated new approval authority for some entitlements to reduce time and cost for processing these uses. *Table 4-3* describes the housing types by permitted uses.

Determining which process a residential or mixed-use project must go through depends on the size and complexity of the proposal, whether code deviations and/or variances are requested, and whether other Zoning Code regulations (e.g., for conditional uses, Historical Resources, etc.) apply. The City has various permit review processes with prescribed timelines and initial fees, see *Table 4-10*.

The City works with developers and project applicants to expedite approval procedures and eliminate unnecessary time constraints on development. A preliminary review process is available to applicants through which City staff can offer early guidance on zoning conformity and necessary permitting processes. With preliminary review, the applicant files a project description and site plan, which is reviewed by the Planning Division, Public Works, and other departments for consistency with City ordinances and General Plan guidelines. Concurrently, staff complete a plan check review.

**Table 4-10: Development Project Timelines and Initial Submittal Fees**

TYPE OF PERMIT OR APPROVAL	TYPICAL APPLICATION TIMELINE	INITIAL SUBMITTAL FEES
SB 35/AB 216 Streamlined Ministerial Permit	3 months	\$ 9,304
Site Development Permit	7 months	\$12,952
Special Use Permit	4-7 months	\$ 8,593
Conditional Use Permit	7 months	\$22,950
Planned Development Permit	7 months	\$13,023
Rezoning	5 months	\$13,212
Tentative Map	6 months	\$12,882
General Plan Amendments	9-12 months	\$34,235

SOURCE: City of San José Planning Division, 2022. See also [www.sanjoseca.gov/PlanningApplications](http://www.sanjoseca.gov/PlanningApplications).

A single-family new construction project may be approved in about 12 weeks from date of plan submission as long as no variances, exceptions, or zone changes are needed, and if the project submittal does not need revisions and resubmittal. The City of San José does not require design review of single-family projects if the project meets the development standards of the Zoning Code. Thus, the time required for development approval of single-family projects does not result in substantial constraints to housing developers.

The Building Division performs plan checks and issues building permits. Larger projects requiring site development permits and special use permits are approved by the Director of Planning, Building and Code Enforcement at public permit hearings, which are publicly noticed and typically take place weekly.

Project review, as well as any required public hearing, may pose a constraint to the development of multifamily projects

Further description of permits and processing procedures are provided in the subsequent sections of this chapter. The initial fees for a use permit entitlement are based on staff hours that include application intake, initial review, project routing, plan check, site inspection and visits, letters to applicants, review

of revisions, coordination with other departments and agencies, public outreach, preparation of staff reports, public noticing for hearings, and staffing the hearings.

### **Site Plan and Design Review**

The objective of design review is to enhance street level design, aesthetic quality of the streetscape, and create variety in new construction that culminates in a unique identity or special physical character in a given area. Design is considered in new construction, site planning, landscaping, signage, among others, and encompasses aesthetic, architectural, or urban design quality and compatibility with surrounding development.

The City incorporates objective urban and community design standards in the General Plan, Zoning Code, the Citywide Design Standards and Guidelines, and other design standards documents such as the Downtown Design Guidelines, Diridon Station Area Plan, and urban village plans. Site plan and design review ensures that proposed developments are consistent with the General Plan and any applicable community or specific plans, as well as the zoning code and design guidelines. In addition, this review ensures that utilities and infrastructure are sufficient to support the proposed development and are compatible with City standards.

### **Decision-Makers and Consistency Findings**

Development proposals that require discretionary action(s) fall into one of three decision-making categories:

- **The City Council** is the highest decision-making authority within City government; it adopts plans, sets policy direction, and reviews all legislative items, including the rezoning of property and General Plan amendments after considering recommendations made by City staff and the Planning Commission.
- **The Planning Commission**, an eleven-member body appointed by the City Council, meets twice a month to review proposed development projects, Zoning Ordinance changes, and new plans or plan amendments. The Planning Commission makes recommendations on most items to the City Council. However, it is authorized to approve certain types of permits, such as Conditional Use Permits, without involving Council approval. The City Council is the final decision-maker on appeals of Planning Commission decisions.
- **The Director of Planning, Building and Code Enforcement** oversees the planning process in San José. The Director is a City staff member and is authorized by the City Council to issue certain types of development permits.

City Council, Planning Commission, and Director hearings are open to the public. An agenda is available at least seven days prior to the meeting and informs the public of the issues under consideration; agendas are posted on the City's website and on the information board at City Hall. The public is welcome to attend and comment on any of the issues under discussion.

*Table 4-11* shows the findings that a project type must meet to gain approval. These findings ensure compatibility with existing and future uses and consistency with the City's guiding documents like the General Plan. Most residential projects are permitted through the Site Development Permit process.



**Table 4-11: Consistency Findings for Types of Development Permits**

<b>SITE DEVELOPMENT PERMIT</b>
<p>The proposed project must be:</p> <ol style="list-style-type: none"> <li>1. Consistent with and will further the policies of the general plan and applicable specific plans and area development policies.</li> <li>2. Conforms with the zoning code and all other provisions of the San José Municipal Code applicable to the project.</li> <li>3. Consistent with applicable city council policies, or counterbalancing considerations justify the inconsistency.</li> <li>4. The interrelationship between the orientation, location, and elevations of proposed buildings and structures and other uses on-site are mutually compatible and aesthetically harmonious.</li> <li>5. The orientation, location and elevation of the proposed buildings and structures and other uses on the site are compatible with and are aesthetically harmonious with adjacent development or the character of the neighborhood.</li> <li>6. The environmental impacts of the project, including but not limited to noise, vibration, dust, drainage, erosion, storm water runoff, and odor which, even if insignificant for purposes of the California Environmental Quality Act (CEQA), will not have an unacceptable negative affect on adjacent property or properties.</li> <li>7. Landscaping, irrigation systems, walls and fences, features to conceal outdoor activities, exterior heating, ventilating, plumbing, utility, and trash facilities are sufficient to maintain or upgrade the appearance of the neighborhood.</li> <li>8. Traffic access, pedestrian access and parking are adequate.</li> </ol>
<b>CONDITIONAL USE PERMIT OR SPECIAL USE PERMIT</b>
<p>The proposed project must be:</p> <ol style="list-style-type: none"> <li>1. Consistent with and will further the policies of the general plan and applicable specific plans and area development policies.</li> <li>2. Conforms with the zoning code and all other provisions of the San José Municipal Code applicable to the project.</li> <li>3. Consistent with applicable city council policies, or counterbalancing considerations justify the inconsistency.</li> <li>4. Use at the location requested will not: Adversely affect the peace, health, safety, morals or welfare of persons residing or working in the surrounding area; or impair the utility or value of property of other persons located in the vicinity of the site; or be detrimental to public health, safety, or general welfare.</li> <li>5. Site is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and other development features prescribed in this title, or as is otherwise required in order to integrate the use with existing and planned uses in the surrounding area.</li> <li>6. Site is adequately served by highways or streets of sufficient width and improved as necessary to carry the kind and quantity of traffic such use would generate; or by other forms of transit adequate to carry the kind and quantity of individuals such use would generate; by other public or private service facilities as are required.</li> <li>7. Environmental impacts of the project, including but not limited to noise, vibration, dust, drainage, erosion, storm water runoff, and odor which, even if insignificant for purposes of the California Environmental Quality Act (CEQA), will not have an unacceptable negative affect on adjacent property or properties.</li> </ol>

Table continued &gt;

**Table 4-12 Continued: Consistency Findings for Types of Development Permits**

PLANNED DEVELOPMENT PERMIT
<p>The proposed project must be:</p> <ol style="list-style-type: none"> <li>1. Consistent with and furthers the policies of the general plan</li> <li>2. Conforms in all respects to the planned development zoning of the property</li> <li>3. Consistent with applicable city council policies, or counterbalancing considerations justify the inconsistency</li> <li>4. The interrelationship between the orientation, location, mass and scale of building volumes, and elevations of proposed buildings, structures and other uses on-site are appropriate, compatible and aesthetically harmonious</li> <li>5. The environmental impacts of the project, including, but not limited to noise, vibration, dust, drainage, erosion, storm water runoff, and odor which, even if insignificant for purposes of the California Environmental Quality Act (CEQA), will not have an unacceptable negative effect on adjacent property or properties.</li> </ol>

SOURCE: City of San José Planning Division, 2022.

Staff have found that these consistency findings are neither a constraint on housing production nor that they slow the City's ability to recommend approval of projects. City staff understand that projects that comply with objective development criteria cannot be denied or reduced in density, subject to a narrow health and safety exception. Instances of discretion applied during the Site Plan and Design Review process are limited to comments suggesting cohesiveness with the surrounding environment, such as bulk control and mass articulation.

### **Objective and Subjective Standards**

As discussed in the Design Guidelines section, development standards are intended to allow residential projects to achieve the maximum densities through various means to avoid undue constraints. Affordable and market rate housing are subject to guidelines to produce high quality affordable housing acceptable to neighborhoods throughout the City. A project applicant may request an exception to the design standards contained in the guidelines. Such a request must be made in writing as part of the Planning application for the proposed project. The application for an exception must contain detailed information on the design standard to be waived; how the physical constraints and unique situation of the project site make it infeasible to comply with the design standard; how the proposed project meets the design standard at issue to the extent feasible; and how the request meets each exception requirement. The decision-maker considers the request and information provided to make certain findings to either approve or deny the request.

### **4.3.7 Fees and Exactions**

The City collects impact fees, taxes and exactions from new residential development to finance new public infrastructure, such as parks; to cover the cost of adding new capacity to existing public infrastructure such as wastewater; or to cover the cost of processing permits.

A study performed by the consultant Baird + Driskell in 2022 showed that the City of San José fees fall below that of many other cities in Santa Clara County. Additional analysis done in 2022 by the consultant Century Urban, as a part of the City's regular Cost of Development Study,

shows the typical fees for multifamily development, see Table 4-12. Total permit and fee costs for a new single-family home is estimated at \$9,919 and is the lowest compared to other cities in Santa Clara County.

**Table 4-12: Estimate of City Taxes and Fees On New Multifamily Construction, 2022**

*Does not include Inclusionary Housing Ordinance In-Lieu Fees or potential traffic impact/mitigation fees.*

TYPE OF FEE OR TAX	DEVELOPMENT TYPE AND LOCATION *			
	TYPE III **			TYPE V **
	WEST	CENTRAL	NORTH	SOUTH & EAST
Planning and Building Fees Per Unit	\$ 4,781	\$ 4,781	\$4,781	\$ 5,657
Construction Tax Per Unit	\$ 6,556	\$ 6,556	\$ 6,556	\$ 6,332
Total Parkland In-Lieu Fees (w/o credit)	\$20,800	\$22,600	\$13,800	\$13,100
Typical Parkland In-Lieu Fees (w/ credit) ***	\$14,560	\$15,820	\$ 9,660	\$ 9,170
School Fees Per Unit	\$ 2,756	\$ 3,915	\$ 2,520	\$ 2,396
Total Fees	\$28,653	\$27,157	\$23,517	\$36,655

\* Location Map: <https://csj.maps.arcgis.com/apps/webappviewer/index.html?id=8518bc095ae54f4ea025d7743c650881>  
\*\* Type III is 7-story mid-rise building; Type V is 5-story low-rise building.  
\*\*\* Assumes a 30% reduction in fee based on credits for provide improvements or build recreation space.

SOURCE: City of San José and Century Urban, 2022.

### Park Fees

In 1988, the City Council adopted the Parkland Dedication Ordinance to help meet the demand for neighborhood and community parks generated by new residential development. In 1992, the City Council adopted the Park Impact Fee, which applied parkland dedication requirements to new units in non-subdivided residential projects. Both processes require that new housing projects either dedicate land for public parks, pay an in-lieu fee, construct new park facilities, or a combination of these.

### School Fees

As permitted under state law, school districts in San José may impose an impact fee on new development. There are 19 school districts in San José. Depending on the location of a project, property owners may pay fees to a unified district or to both elementary and secondary school districts. These fees are collected by the school districts, and the City requires proof of payment as part of the building permit issuance process.

### Construction Taxes

San José imposes four construction-related excise taxes on residential development:

- Building and Structure Tax
- Commercial-Residential-Mobilehome Park Building Tax
- Construction Tax
- Residential Construction Tax

The Building and Structure Tax and Commercial-Residential-Mobilehome Park Building Tax are assessed based on the building valuation. The Construction Tax and the Residential Construction Tax are assessed based on the number of dwelling units. These taxes are either restricted or have historically been used to finance transportation improvements, such as the construction, replacement, widening, and modification (but not maintenance) of City roadways.

The City also collects taxes for regional or statewide programs/funds. The fees are collected at the time of issuance of a building permit and subsequently transmitted to other agencies. These programs/funds include the California Strong Motion Instrumentation Program (CSMIP) that pertains to geologic analysis and the Building Standards Administration Special Revolving Fund (BSARSF) related to implementation of green building standards. In addition, the Santa Clara Valley Habitat Agency, a Joint Powers Authority composed of the cities of San José, Morgan Hill, and Gilroy along with the County of Santa Clara, initiated the collection of Habitat Conservation Plan fees in October 2013.

### **Entitlement Fees**

The City imposes entitlement fees based on a cost-recovery model. These fees cover City staff time necessary to process permits, including completing internal review, conducting community meetings and public hearings, and performing inspections consistent with the General Plan, Zoning Ordinance, Building Code, and other applicable laws such as the California Environmental Quality Act (CEQA). Table 13 below provides a summary of entitlement fees associated with the processing of a residential project pursuant to the Planned Development zoning/permit process.

### **Construction Fees**

Construction fees cover permit, plan check, and inspection fees for services provided by the City's Building Division, Public Works Department, and Fire Department. Initial fees are charged based on a historical analysis of time required to perform the services and/or the number of inspections typically required for a project type. When the value of the services provided (based on an hourly rate) exceeds the initial fee, additional service time must be purchased.

**Resources to Alleviate Constraints Relating to Fees and Exactions.** The City has been active on a number of fronts to alleviate constraints associated with the payment of construction related fees and taxes and to further the goals and policies of the General Plan. These actions include:

- In 2010, the City Council amended the schedule of parkland fees specifically for low income housing units, setting the rate at 50% of the fees normally applicable to each housing type. Previously the entire fee was waived for affordable housing developments but was raised to the current 50% reduction to generate additional parkland revenue, while continuing to provide some incentive for the construction of affordable housing in San José.
- In 2013, the City Council expanded and extended the Downtown High Rise Development Incentive Program, temporarily suspending the collection of 50% of the construction taxes for qualified projects. This program recognizes that a completed high-rise tower adds \$150 million or more in assessed value to a site, thereby increasing tax rolls and providing a net-positive financial impact to the City, and constitutes the most environmentally sensitive means of accommodating substantial anticipated population growth, resulting in a net reduction in greenhouse gas emissions and vehicle-miles-traveled (VMT) over any alternative.

- In 2022, after focus group discussions with affordable housing developers on the cost of development, staff has begun to explore the temporary suspension of Construction Taxes for affordable housing. Staff will bring forward a recommendation to the City Council in fall 2022.

In summary, the fees and exactions applicable to residential development in San José are comparable or lower, on average, than that of other cities in the South Bay region and thus are not an undue constraint; see *Table 4-13*. This is also true for affordable housing, where applicable parkland fees are set at a reduced rate.

**Table 4-13: Comparison of Housing Development Fees Across Cities in Santa Clara County**

Includes Entitlement, Building Permit, and Impact Fees

JURISDICTION	SINGLE-FAMILY	SMALL MULTIFAMILY	LARGE MULTIFAMILY
Campbell	\$72,556	\$20,599	\$18,541
Cupertino	\$136,596	\$77,770	\$73,959
Gilroy	\$69,219	\$40,195	\$39,135
Los Altos Hills	\$146,631	N/A	N/A
Los Gatos	\$32,458	\$5,764	\$3,269
Milpitas	\$77,198	\$74,326	\$59,740
Monte Sereno	\$33,445	\$4,815	\$4,156
Morgan Hill	\$55,903	\$41,374	\$36,396
Mountain View	\$90,423	\$69,497	\$82,591
San Jose	\$9,919	\$23,410	\$23,410
Santa Clara	\$14,653	\$6,733	\$2,156
Saratoga	\$64,272	\$17,063	\$15,391
Sunnyvale	\$133,389	\$126,673	\$98,292
Unincorporated /County	\$25,166	N/A	N/A

SOURCE: City of San José Planning Division, 2022.

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*The fees, taxes, and other exactions applicable to residential development in San José are comparable or lower, on average, than that of other cities in the South Bay region, and thus are not an undue constraint.*

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### 4.3.8 Types of Housing

The City of San José encourages and facilitates the development of a variety of housing types, including accessible housing, emergency shelters (i.e., temporary residential shelters), transitional housing, supportive housing, housing for agricultural employees, and single-room-occupancy (SRO) units. The following analysis explains how the City facilitates these housing types consistent with state law requirements.

#### Reasonable Accommodation

Chapter 20.160 titled Requests for Reasonable Accommodation describes the application process for making a request for reasonable accommodation, whose intent is to accommodate housing needs of persons with disabilities to the greatest extent feasible. Requests are evaluated individually on a case-by-case basis.

The City's Reasonable Accommodation process provides flexibility in the application of the City's Zoning Code regulations for housing. Unlike the use permit and variance processes, the reasonable accommodation criteria are set up to assess whether an accommodation is necessary for relief from zoning regulations in order to afford individuals with disabilities to have equal opportunity to use and enjoy a dwelling. When making a determination, staff shall consider the following factors:

1. Special need created by the disability;
2. Potential benefit that can be accomplished by the requested modification;
3. Potential impact on surrounding uses;
4. Physical attributes of the property and structures;
5. Alternative accommodations which may provide an equivalent level of benefit;
6. In the case of a determination involving a One-family Dwelling, whether the household would be considered a Single Housekeeping Unit if it were not using special services that are required because of the disabilities of the residents;
7. Whether the requested accommodation would impose an undue financial or administrative burden on the City; and
8. Whether the requested accommodation would require a fundamental alteration in the nature of a program.

Consideration of the potential impact on surrounding uses helps staff to identify and disclose how a requested accommodation could potentially impact the character of a neighborhood or the health and safety of surrounding occupants who may also have special needs. For example, a requested accommodation could be for installation of equipment within a minimum required setback. Upon investigation, there could be a finding that the equipment might emit fumes or odors that could unduly impact a neighboring occupant with a respiratory disability. In such a situation, the City could impose mitigation measures in the requested accommodation to address such a potential impact to a surrounding use. This review helps to maintain compliance with fair housing laws. The Housing Element includes a Work Plan item to review and revise as appropriate the wording of this finding in the Zoning Code to clarify the intent of the finding as described above.

## Housing for Persons with Disabilities

San José allows licensed residential care facilities or group homes in any area zoned for residential use for six or fewer persons by right. A special use or conditional use permit are required for facilities with seven or more persons. At time of application, staff consider only the City's design review requirements and do not impose special occupancy permit or business license requirements for the establishment or retrofit of structures for residential use by persons with disabilities. If structural or architectural improvements are needed, then a building permit is required. Requirements for building permits and inspections are straightforward to avoid delays or rejection for retrofitting. The City has no authority to approve or deny either a residential-care facility or group home of six or fewer people except for compliance with building code requirements.

The City provides reasonable accommodation for persons with disabilities, which may include retrofitting or converting existing buildings or construction of new buildings to meet the need of persons with disabilities. The City does not restrict occupancy of residences to related individuals and does not define family or enforce a definition, nor does the Land Use Element of the General Plan seek to restrict the siting of special needs housing. In summary, City planning and building review process have not been used to deny or substantially modify a housing project for persons with disabilities to the point where it is no longer feasible.

## Emergency Homeless Shelters

Housing Element law requires the identification of one or more zoning districts where emergency homeless shelters are allowed without a discretionary permit, and the identification of adequate sites for emergency shelters and adequate provisions for the needs of existing and future projected shelters.<sup>15</sup> To enable this, state law limits development standards and locational restrictions as applied to emergency shelters and requires the identification of by right zoning districts that can accommodate the homelessness point-in-time count from the previous planning period.<sup>16</sup>

San José complies with state law by defining emergency residential shelters as a place "...where emergency temporary lodging is provided to persons who are homeless, and where on-site supervision is provided whenever such shelter is occupied."<sup>17</sup> The length of stay at any emergency residential shelter is specified in the Specific Use Regulations section of the Zoning Code, which stipulates a maximum of 60 days unless a conditional use permit makes findings for an exception.<sup>18</sup> Exceptions may not exceed 18 months and must include enrollment of person(s) in drug/alcohol recovery or treatment provided on-site. Any shelter with a conditional permit must also submit a management plan that includes good neighbor issues, transportation issues, client supervision, client services, and food services. The management plan would also include written and objective findings that comply with state law.<sup>19</sup>

San José created the Combined Industrial/Commercial (CIC) Zoning district through Ordinance No. 29218 in April 2013, permitting both conditionally and by right, Emergency Residential Shelters in Industrial Districts, see *Table 4-4*.<sup>20</sup>

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15 CA CODE § 65583

16 CA CODE § 65582(a)(4)

17 SAN JOSE MUNICIPAL CODE Ch. 20 § 20.200.360

18 SAN JOSE MUNICIPAL CODE Ch. 20 § 20.80

19 CA CODE § 65582(a)(4)

20 SAN JOSE RESOLUTION 29218. Accessed March 2022. <https://records.sanjoseca.gov/Ordinances/ORD29218.PDF>

Since 2013 San José has expanded the zoning districts to permit the use of Shelters to Commercial and Urban and Mixed-Use Zoning districts with a Conditional or Special Use Permit, see *Table 4-4*.

**Capacity for Emergency Homeless Shelters.** State law requires the Housing Element to demonstrate that wherever emergency shelters are allowed by right, that sufficient capacity exists to accommodate the most recent point-in-time homelessness count conducted before the start of the planning period. Due to limitations relating to the COVID-19 pandemic, San José must rely on the January 2019 homeless census and survey, which counted 6,097 persons experiencing homelessness.<sup>21</sup>

As described above, Emergency Residential Shelters with 50 or fewer beds are permitted by-right in the CIC District. Development regulations for this district are objective criteria required by other similar districts; see *Table 4-14*.

**Table 4-14: Combined Industrial/Commercial Development Regulations**

LOT SIZE	
Minimum Lot Size:	6,000 sq.ft.
Minimum Non-Residential Unit Size:	4,000 sq.ft.
SETBACKS	
Front:	15 ft
Front, Parking/Circulation:	20 ft
Front, Truck/Bus Parking:	40 ft
<i>Below, from an adjoining residential use, apply the greater number</i>	
Front, Loading Dock:	60 ft or 100 ft
Side:	0 or 25 ft
Side, Parking/Circulation:	0 or 25 ft
Side, Truck/Bus Parking:	0 or 25 ft
Side, Loading Dock:	0 ft or 100 ft
Rear:	0 or 25 ft
Rear, Parking/Circulation:	0 or 25 ft
Rear, Truck/Bus Parking:	0 or 25 ft
Rear, Loading Dock:	0 ft or 100 ft
HEIGHT AND FRONTAGE	
Maximum Height**:	50 ft
Minimum Street Frontage:	60 ft
** Specific height restrictions and exceptions may apply, see Municipal Code Chapter 20.85	

SOURCE: City of San José Planning Division, 2022.

21 "City of San José Homeless Census & Survey Comprehensive Report 2019". Applied Survey Research. Accessed March 2022: <https://www.sanjoseca.gov/home/showdocument?id=38890>



Currently there are 89 parcels in San José with CIC zoning. If we assume that these sites can provide 50 or fewer beds (required for by right purposes), then the total theoretical maximum beds possible is 4,450. The deficit between theoretical beds possible and the point-in-time homelessness count of 2019 is 1,647. Staff has included a program in the Housing Element to address this deficit, see Chapter 3: Housing goals, objectives, policies and programs.

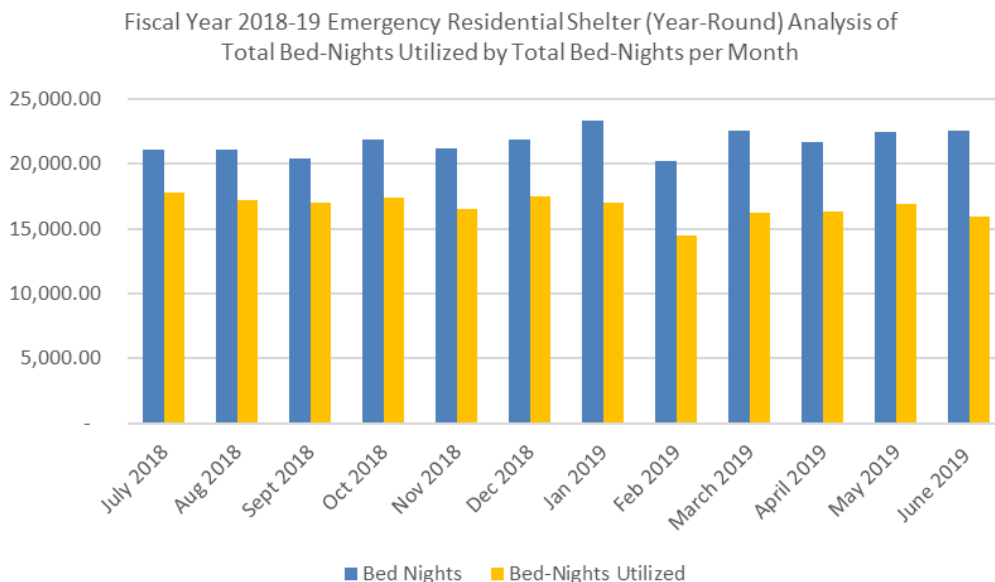
The shelters that exist today are conditionally permitted and none of these exist in the CIC district. The inventory of beds these shelters provide fluctuates by month in the following categories: year-round, seasonal, and overflow. The total number of beds in each category are as follows:

- Year-round has approximately 673 to 738 beds;
- Seasonal has 15 beds; and
- Overflow has 50 to 170 beds.

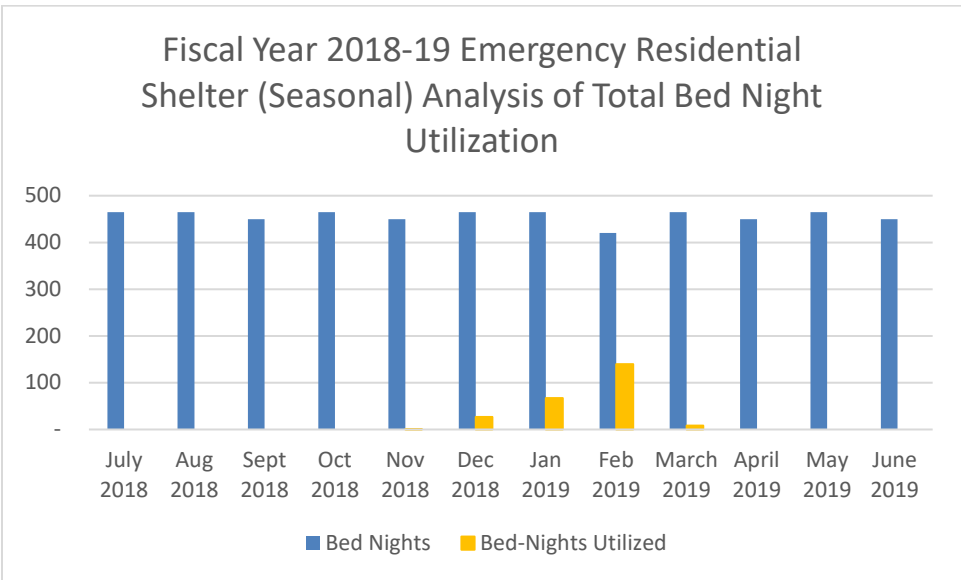
The total number of beds by month are further broken down into total number of beds available each night for the month. This total is compared to the number of beds used each month, by the three categories described previously, see *Figure 4-1, 4-2 and 4-3*.

What these figures show is that despite a high utilization rate of year-round shelters, they are not at maximum capacity. The seasonal and overflow charts show lower utilization rates and surplus beds. What these charts may be showing are locational issues, i.e., shelters are not close to the populations they serve, or it could be some other factor. Based on this analysis, the City will include a program to evaluate next steps for providing sufficient by-right shelters (see Chapter 3).

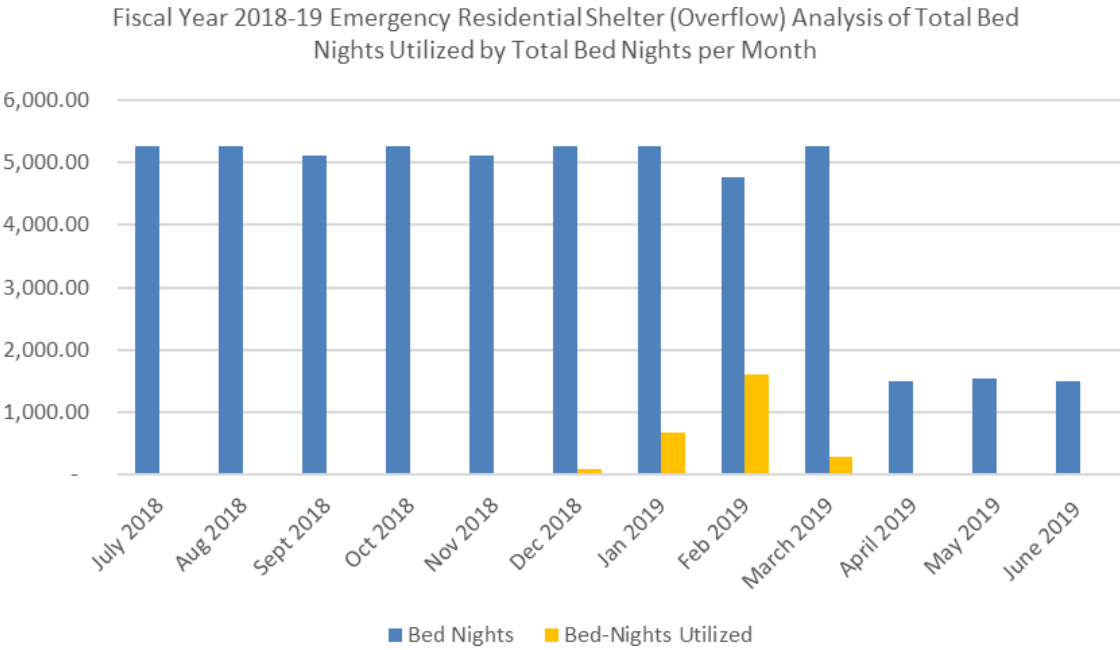
**Figure 4-1: Emergency Residential Shelters - Year-Round Analysis of Bed Usage**



**Figure 4-2: Emergency Residential Shelters - Seasonal Analysis of Bed Usage**



**Figure 4-3: Emergency Residential Shelters - Overflow Analysis of Bed Usage**



**Strategies for Providing Emergency Shelters.** Project Homekey is an opportunity for state, regional, and local entities to develop a broad range of housing types (e.g., hotels, hostels, single-family homes, apartment buildings, adult residential facilities, manufactured housing), and to convert commercial properties and buildings to permanent or interim housing.

The City completed round one of the Project Homekey program, which focused on conversion of motels/hotels into permanent supportive housing. As part of round two, San José has been engaging with the community through City Council study sessions and one-on-one stakeholder engagement between residents and stakeholders. Round two has identified several opportunities for increasing housing so far, which include rapid rehousing (quickly re-housed and stabilized) emergency shelters, and permanent housing. Permanent housing under round two has a total of 764 units under construction and an additional 675 units planned.

In addition to providing new units, San José is planning to increase the total number of shelters with emergency interim housing. The City operates five interim housing communities, also called Bridge Housing Communities (BHC). The first BHC opened in January 2020 to provide interim housing for formerly unhoused individuals. The purpose of interim housing is to give participants an opportunity to stabilize their lives and work toward self-sufficiency. The City does not charge people rent while they live at BHCs or other interim housing sites.

Program participants have access to numerous resources to help them succeed in their efforts to find permanent housing and remain stably housed. These resources include job placement assistance, mental health counseling, life skills training, and assistance in applying for permanent housing.

While living in interim housing, program participants have individual rooms. Amenities such as kitchen, pantry and laundry facilities are shared by all residents. It is typical for program participants to live in interim housing for a few months before moving into permanent housing. The first two BHC sites are located on Mabury Road near the Berryessa BART station, and on Felipe Avenue near Story Road with plans to increase the number of BHC sites under the Project Homekey program.

### **Emergency Temporary Shelter Facilities**

San José first enacted a shelter crisis, pursuant to the provisions of the State's Shelter Crisis Act,<sup>22</sup> in December of 2015.<sup>23</sup> This resolution allowed four City owned facilities to be used as overnight warming shelters for homeless persons against severe weather for the duration of the crisis period. Every year since, San José has declared a shelter crisis during periods of inclement weather to provide shelter for the homeless.

In April of 2020, the City Council adopted an emergency order and declared a shelter crisis in response to the COVID-19 pandemic, which ordered a suspension of Zoning Code and General Plan requirements, among others, where applicable to shelters either established or expanded during the COVID-19 pandemic.<sup>24</sup> San José adopted several resolutions in the early years of COVID-19 to support housing homeless persons at risk of exposure during the duration of the shelter crisis, see *Table 4-15*. The shelter crisis has not been lifted to date.

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<sup>22</sup> CA CODE § 8698

<sup>23</sup> SAN JOSE RESOLUTION 77606. Accessed March 2022: <https://records.sanjoseca.gov/Resolutions/RES77606.PDF>

<sup>24</sup> SAN JOSE MEMORANDUM. Accessed March 2022: <https://sanjose.legistar.com/View.ashx?M=F&ID=8233034&GUID=3E82A8D0-B560-42CF-9E72-A94D73384913>

During the COVID-19 pandemic, the City of San José built three Emergency Interim Housing (EIH) communities. These are similar to the BHC facilities described previously although the site design and construction are different. The EIH communities have been used to house medically vulnerable unhoused residents who are at risk of severe illness or death if they contract COVID-19.

**Table 4-15: Resolutions in Support of Emergency Residential Shelters**

RESOLUTION NO.	DESCRIPTION
79490	Execute agreements and amendments with Homefirst services of Santa Clara county, Allied Housing, inc., and the Health Trust for increased or additional temporary sheltering operation services necessary for COVID-19
79750	As a result of COVID-19 City Council redirected \$17,232,510 of State Homeless Housing Assistance and Prevention funds toward purchase and/or construction of emergency housing, including prefabricated modular units, for homeless persons impacted by the COVID-19 pandemic. The City then developed three emergency interim housing communities on Monterey and Bernal Road, Rue Ferrari near Highway 101, and Evans Lane.
79517	Enter into agreement with Adobe Services in the amount of \$728,855 to operate 90-unit emergency non-congregate shelter trailers provided by provided by the Governor's Office of Emergency Services.
79780	San José partnered with County of Santa Clara to share housing cost for homeless persons from San Jose not to exceed \$1,794,447.
79788	Provide for shower/laundry trailers, portable restrooms/hand washing stations, and temporary fencing for homeless until 2025, not to exceed approximately \$1.5 million, to support temporary shelters which were not equipped with these facilities to accommodate these populations.

SOURCE: City of San José Planning Division, 2022.

The Zoning Code also permits temporary and incidental shelter use in places of assembly. Incidental shelters are defined as an incidental use to an existing primary assembly use for homeless persons so long as the incidental use occupies less than 50% of the usable square footage of the assembly building(s). The shelter must be inside the existing building(s) and is considered separately from an emergency residential shelter.

Assembly uses in the Zoning Code include, but are not limited to, religious assemblies, gymnasiums, libraries, theaters, schools, and community centers. Assembly uses can provide incidental shelter if they first either have or obtain a conditional permit that allows it, or otherwise amend a conditional permit or planned development zoning district for the same purpose and provide a management plan for the incidental shelter use. Sites suitable must be larger than 3,000 square feet and can provide shelter to no more than the total occupancy allowable in the building area designated for an incidental shelter use, but not to exceed more than 50 persons in any 24-hour period. Any person staying at the shelter must eat and sleep within the assembly building and no temporary facilities are allowed.<sup>25</sup>

<sup>25</sup> SAN JOSE MUNICIPAL CODE Ch. 20 § 20.80 part 17

### Low-Barrier Navigation Centers

Low-barrier navigation centers, as defined by the state, are shelters focused on moving formerly homeless occupants into permanent housing while case managers connect them to services. Qualifying navigation centers must be equipped with information systems to support transitions to permanent housing and have reduced barriers to entry into a navigation center.

Assembly Bill 101 requires a Low-Barrier Navigation Center be a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses if it meets specified requirements, including:

- Access to permanent housing
- Use of a coordinated entry system, i.e., Homeless Management Information System
- Use of Housing First according to Welfare and Institutions Code section 8255. (Gov. Code, § 65662) by right.

Effective June 2021, San José established the Urban Village and Mixed-Use Districts, including Urban Village (UV), Mixed-Use Commercial (MUC), Urban Residential (UR), and Transit Residential (TR) districts<sup>26</sup> and deemed low barrier navigation centers as a by right use in those districts. These navigation centers are also by right in the Commercial Pedestrian (CP), Commercial General (CG), Commercial Neighborhood (CN), Public/Quasi-Public (PQP), Downtown (DT), and Pedestrian Oriented districts.<sup>27</sup>

### Transitional/Supportive Housing

In 2010, the City amended its Zoning Code to add definitions for transitional/supportive housing, and allow permanent supportive housing use in Residential, Commercial, Public/Quasi-Public, and Downtown Districts. Transitional housing is treated like a residential use subject to the same residential use standards of the applicable district they are under.<sup>28</sup>

San José complies with Assembly Bill 2162 (2018), which requires supportive housing be allowed by right in zones where multifamily and mixed use is allowed.<sup>29</sup> In 2019, the City codified AB 2162 in the Zoning Code under Chapter 20.195 Ministerial Approvals. The Planning Division has created a separate application for these projects and a webpage with information on how the City processes these types of applications. To date, the City has processed and approved approximately 580 units under the AB 2162 streamlined process.

### Single-Room Occupancy Housing

Single-room occupancy (SRO) living unit facilities and residential hotels are subject to discretionary permit processes to ensure specific criteria for approval. A conditional or special use permit is required depending on the zoning district and use type. The districts that allow SROs and the required permits can be seen in *Table 4-4*.

The Specific Use section of Zoning Code Chapter 20.80.1300 outlines the necessary criteria for approval of SRO facilities and residential hotels. Criteria include:

26 SAN JOSE ORDINANCE 30603. Accessed March 2022: <https://records.sanjoseca.gov/Ordinances/ORD30603.pdf>

27 SAN JOSE MUNICIPAL CODE Ch. 20.

28 SAN JOSE MUNICIPAL CODE Ch. 20 § 20.200.1265 & 20.200.1283.

29 CA CODE § 65583. Accessed March 2022: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201720180AB2162](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB2162)

- Minimum unit sizes
- Number of persons per unit
- Entrance location and integration
- Management plan
- Laundry facility ratios
- Interior common space requirements
- Kitchen and bathroom facility requirements

### **Housing for Agricultural Workers**

Agricultural workers are defined as persons whose primary income is derived from permanent or seasonal agricultural labor. Permanent farm laborers work in the fields, process plants, or support activities generally on a year-round basis. When workload increases during harvest periods, the labor force is supplemented by seasonal workers, often supplied by a labor contractor. For some crops, farms may hire migrant workers, defined as those whose travel prevents them from returning to their primary residence each evening.

The U.S. Department of Agriculture Census of Farmworkers shows that the number of permanent farm workers in Santa Clara County has increased from 1,696 in 2002 to 2,418 in 2017.<sup>30</sup> The state's Current Employment Statistics (CES) for 2021, covering the San José, Sunnyvale, and Santa Clara areas, show that there are as few as 4,100 or as many as 6,100 farm laborers, depending on the season. The 2019 American Community Survey (ACS) estimates approximately 1,500 agriculture, forestry, fishing, hunting, and mining employees 16-years or older living in San José.<sup>31</sup> Seasonal farm workers on the other hand have decreased from 3,760 to 1,757.<sup>32</sup> Seasonal labor decreases are further supported by data from the San José Unified School District, which tracks migrant student enrollment. For the FY2016-17 period, migrant student enrollment totaled 376 and by FY2020-21, it dropped to 36. For this same period, Santa Clara County saw a decrease from 978 to 681.<sup>33</sup> This data suggests that San José shares part of the regional housing need for farm laborers and that seasonal laborers are declining while permanent laborers are increasing.

San José permits temporary farm labor camps for gathering of crops grown on site in the Agriculture District with a conditional use permit. The Employee Housing Act Section 17021.6 requires farmworker housing of up to 36 beds in a group quarter or 12 units be deemed an agricultural use; no discretionary permit, zoning variance, or other zoning clearance is required.<sup>34</sup>

To date there are no records on file for this type of use either under San José's temporary farm labor camp or the state provision. The City's business license records show no active farm or agricultural uses within the incorporated city and those businesses that were identified as agricultural-related industries

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30 California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020); "Data Quest." California Department of Education. Accessed March 2022: <https://dq.cde.ca.gov/dataquest/>

31 "Current Employment Statistics (CES)." State of California Employment Development Department. Accessed March 2022: <https://dq.cde.ca.gov/dataquest/dqcensus/EnrEthGrd.aspx?cds=4369666&agglevel=district&year=2020-21>; ACS needs citations (2019 American Community Survey 1-year estimate)

32 U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor

33 California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020); "Data Quest." California Department of Education. Accessed March 2022: <https://dq.cde.ca.gov/dataquest/>

34 CA CODE § 17021.6

are either offices for farm operations or industrial operations that manufacture equipment and machinery for agricultural purposes.<sup>35</sup>

San José has very few sites with an Agricultural District inside of the Urban Growth Boundary, which may explain the lack of farm labor housing under either the local Zoning Code or under the state provision. Agricultural jobs exist in San José, as data from CES and ACS suggests, and San José largely accomplishes long- and short-term farm labor housing through incidental use of residential property under Section 20.30.110 and 20.80.150 — complying with the Employee Housing Act Section 17021.5 which requires employee housing to be permitted by right in single-family zones for six or fewer employees.<sup>36</sup>

### **Factory-Built Housing**

Factory-built housing, also commonly known as modular or prefabricated homes, are a burgeoning response to the housing crisis because entire homes or components of homes can be efficiently constructed off-site which makes inclusion of affordable units in projects easier.<sup>37</sup> Factory-built housing is defined by the State Health and Safety Code Section, in summary, as any residential building, dwelling, or room, or combination thereof, or building component, assembly, or system which cannot be inspected before installation but does not include a mobile home, recreational vehicle, or a commercial modular.<sup>38</sup> San José does not specifically make reference to this type of housing in the Zoning Code but definitions for different dwelling types are sufficiently broad that factory-built housing is not precluded. The City to date has permitted several projects that have incorporated modular construction in combination with affordable or supportive service housing.<sup>39</sup>

### **Manufactured Homes and Mobilehome Parks**

State law requires that manufactured homes be allowed on lots zoned for conventional single-family dwellings without unique permitting requirements or similar processes compared to other single-family development, including but not limited to roof overhangs.<sup>40</sup> Other consideration for manufactured homes include the State Accessory Dwelling Unit definition which indicates manufactured homes are a permissible accessory housing type.<sup>41</sup>

The state requires that mobilehome parks be similarly permitted on all land planned and zoned for residential use but specifically constrains such a use where residential is allowed under the General Plan designation.<sup>42</sup> San José's Zoning Code aligns with the state definition of mobilehome and manufactured home and implements the Mobilehome District (R-MH), which is designed to reserve land for the construction, use, and occupancy of mobilehome development. There are no unique standards placed

35 "Business Tax Lookup," City of San José. Accessed March 2022. Search Terms: "Farm%", "Agri%". <https://www.sanjoseca.gov/your-government/departments/finance/business-tax-registration/business-tax-lookup>

36 CA CODE § 17021.5. Accessed March 2022. [https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=HSC&sectionNum=17021.5](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC&sectionNum=17021.5).

37 "An Overview of Emerging Construction Technologies," McCoy, Andrew, Yeganeh, Armin. March 2021. Accessed March 2022: [https://www.researchgate.net/publication/350975155\\_An\\_Overview\\_of\\_Emerging\\_Construction\\_Technologies](https://www.researchgate.net/publication/350975155_An_Overview_of_Emerging_Construction_Technologies)

38 CA CODE § 19971. Accessed March 2022. [https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=HSC&sectionNum=19971#:~:text=%E2%80%9CFactory%2Dbuilt%20housing%E2%80%9D%20means,installation%20at%20the%20building%20site](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC&sectionNum=19971#:~:text=%E2%80%9CFactory%2Dbuilt%20housing%E2%80%9D%20means,installation%20at%20the%20building%20site)

39 See Second Street Studios, Virginia Studios, McEvoy Affordable Housing Project

40 CA CODE § 65852.3—65852.5

41 CA CODE § 65852.2.

42 CA CODE § 65852.7

on mobilehome park land uses, which include manufactured homes and, in some cases, development regulations are more permissible than single-family zoned properties, see *Table 4-3*. To better align with state law, San José will include a program to expand the Mobilehome Park use to all zoning districts as a permitted use wherever these zoning districts and applicable General Plan land use designations allow residential. In addition, San José has created an ADU program which lists vendors who have standardized construction plans that have been preapproved by the city — of which several include manufactured homes.<sup>43</sup>

## 4.4 Response to Constraints

San José made significant efforts to help alleviate constraints on the production of housing for all income levels during the previous 5<sup>th</sup> Housing Element Cycle. This included the City Council adopting the Housing Crisis Work Plan in 2018 that contained an evolving list of programs and strategies to help encourage housing production and eliminate constraints. To date, the following actions have been taken through this work plan and other avenues to help alleviate constraints:

- Updated the City’s Vision for Downtown San José that included updated environmental analysis to increase residential capacity to shorten timelines for approval.
- Updated Accessory Dwelling Unit and Garage Conversion Ordinance to streamline approval and create more opportunities.
- Created an interactive mapping tool to help identify suitable sites for housing in the City.
- Eliminated commercial space requirements in many affordable housing developments.
- Adopted new downtown and citywide design guidelines to facilitate a consistent and efficient review process of proposed developments.
- Continued to complete urban village plans to allow for new opportunities for housing in commercial corridors.
- Established a dedicated planner that streamlines entitlements and provides additional support to 100% affordable developments that reserve at least 30% of the units for extremely low-income or permanent supportive households.

Constraints to building new housing remain; the most significant being the cost of construction in San José. These costs have only increased during the pandemic and continue to make it extremely difficult for new housing projects to move to construction. However, the City understands that there are measures it can take to help reduce governmental constraints and continues to look for ways it can reduce barriers to housing construction.

**Focus group findings.** As part of the process to develop this Housing Element Update, the City convened several focus groups of market rate and affordable home builders with experience in San José. Staff then identified strategies to address the barriers raised within these focus groups. The following highlighted strategies included in this Housing Element Update are intended to reduce the identified constraints:

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<sup>43</sup> “Preapproved ADUs.” San José. Accessed March 2022. <https://www.sanjoseca.gov/business/development-services-permit-center/accessory-dwelling-units-adus/adu-permit-plan-review-process/adu-single-family-master-plan-program>



- **Expand City Ministerial Ordinance** - The City will develop a ministerial process for approving infill housing development that conforms with its General Plan and adheres to certain objective standards.
  - > Discretionary processes coupled with the required environmental analysis add to project timelines and creates uncertainty that creates a barrier to all housing and this new process would help reduce timelines.
  - > Ministerial processing through state streamlining created through SB 35 and AB 2162 has reduced project timelines in San José and other projects could benefit from a similar process.
- **City-Initiated CEQA Analysis** – The City will conduct CEQA analysis for approved urban village plans to speed up review of future individual projects.
  - > Environmental review raised as a barrier by developer focus groups. The San José Downtown Strategy that included plan area environmental analysis was cited as something that was beneficial.
  - > The San José City Auditor in a March 2022 report also recommended this as a strategy was worth consideration to help speed the environmental review process.
- **Affordable Housing Building Permit Assistance** – The City will create a new staff position to serve as a single point of contact to help assist affordable housing projects obtain the necessary permits to start construction post entitlement.
  - > Feedback received from experienced affordable developers appreciated the dedicated planner for obtaining their entitlements and wanted a similar contact and process for obtaining the building permits to start construction.
- **Fee Estimation and Administration** – The City will develop clear information on fee estimates based on square feet and make this findable in one location.
  - > Developers indicated that obtaining estimates could be easier.

The City will continue to work to identify and alleviate constraints to reduce barriers to development through its ongoing work to address the City's housing shortage.

## 4.5 Preservation of Affordable Homes at Risk of Conversion to Market-Rate

Preservation of deed-restricted affordable housing at risk of conversion to market-rate properties is an important strategy that can often provide housing that is less expensive to produce than new construction, is faster to complete and, most importantly, can prevent displacement.

San José is in the process of developing new Preservation strategies. Staff is currently in the process of creating a Community Opportunity to Purchase Program for consideration by the City Council and is developing its first Preservation Notice of Funding Availability. Future initiatives may include

creating a “no net loss” Preservation policy; improving the City’s tracking system for monitoring expiration of affordability restrictions; and creating a new Citywide Housing Balance Report to better analyze and identify problem areas for potential loss of affordable housing.

State law requires local governments to include in their Housing Element an analysis of existing multifamily affordable housing units lost and at risk of conversion to market-rate housing.

***Units Lost in the Last 10 Years***

*Table 4-16* shows the number of affordable units lost from the City’s housing inventory from 2012 to 2022 due to expiring affordability restrictions.

**Table 4-16: Apartments with Expired Affordability Restrictions, 2012 to 2022**

Name & Address	Type of Assistance	Nonprofit Sponsor ?	Affordability Expiration Date	Total Affordable Units	Total Elderly Units	Total Non-Elderly Units
Carlton Plaza 380 Branham Lane	City issued tax exempt bonds		9/15/2014	28	28	
Foxchase Drive Apartments 1070 Foxchase Drive	City issued tax exempt bonds		11/15/2017	29		29
Fairway Glen 488 Toyon Avenue	Bond / Tax credits		11/17/2017	29		29
Vendome Apartments 155 W Santa Clara St	RDA funded		8/5/2018	32		32
Calvin 3456 Calvin Avenue	City funded	Y	8/29/2020	1		1
Mahalo House 1720 Merrill Drive	City funded	Y	8/29/2020	6		6
Homebase 865 Calhoun St.	City funded / HUD 202	Y	9/28/2020	12		12
Colonnade 201 S 4th Street	City funded		9/30/2020	16		16
1726 Ross 1726 Ross Circle	City funded	Y	12/4/2020	4		4
Cape Cod Court 3680 Cape Cod Court	City funded		8/15/2021	28		28
1713 Ross 1713 Ross Circle	City funded	Y	9/1/2021	4		4
1731 Ross 1731 Ross Circle	City funded	Y	9/1/2021	4		4
Barker 3825 Barker Drive	City funded	Y	9/1/2021	4		4
Branham 1579 Branham Lane	City funded	Y	9/1/2021	2		2
Curtner 1824 Curtner Avenue	City funded	Y	9/1/2021	1		1
Donna 1794 Donna Lane	City funded	Y	9/1/2021	4		4
Minnesota 1231 Minnesota Avenue	City funded	Y	9/1/2021	1		1
Miraido Village Mixed-use 566 N Sixth Street	Bond / Tax credits		7/20/2022	36		36
Almaden Lake Village 1045 Coleman Avenue	City issued tax exempt bonds		3/27/2012?	50		50
<b>TOTAL EXPIRED UNITS:</b>				<b>291</b>	<b>28</b>	<b>263</b>

*\*Note: "City funded" includes assistance from the former San José Redevelopment Agency*

The City lost 291 deed-restricted affordable homes from 2012 to 2022, out of which 28 were affordable to seniors. About 41% (119) of the affordable apartments that converted to market-rate were assisted with City funds. The other 172 units (59%) were funded only through Private Activity Bonds (bonds) and/or Low-Income Housing Tax Credits (tax credits). Approximately 15% (43 apartments) were sponsored by nonprofit organizations, while the vast majority (85%) of apartments lost to affordability were sponsored by for-profit developers.

### ***Units Expiring in the Next 10 years***

Table 4-17 shows the number of restricted affordable units at risk of conversion to market-rate in the next 10 years, by 2032.

The assessed risks of affordability loss – High (H), Moderate (M), Low (L) – are based on the following:

- California Housing Partnership Corporation's 2022 Affordable Homes at Risk Report, [https://chpc.net/?sfid=181&\\_sft\\_resources\\_type=preservation](https://chpc.net/?sfid=181&_sft_resources_type=preservation)
- National Housing Preservation Database, <https://preservationdatabase.org/>
- San José Housing staff assessment.

**Table 4-17: Apartments with Affordability Restrictions Anticipated to Expire 2012 to 2032**

Name	Type of Assistance Received*	Nonprofit Sponsor ?	Affordability Expiration Date	Total Affordable Units	Total Elderly Units	Total Non-Elderly Units	Risk
Kimberly Woods Apartments 925 Willowleaf Drive	City issued bonds		12/29/2024	42		42	L
Arbor Apartments - 1582 Kooser Road	HUD assisted		8/31/2025	122		122	H
Villa Torino - 29 West Julian Street	City funded		9/30/2025	85		85	H
Almaden Garden Apartments 947 Branham Lane	HUD assisted		4/30/2026	36		36	H
San Jose Apartments 1500 Cunningham Avenue	HUD assisted		9/30/2026	214		214	H
Willow Lake - 1331 Lakeshore Circle	Inclusionary		8/4/2027	12		12	H
YWCA Villa Nueva 375 S. 3rd Street	City funded	Y	3/4/2028	62		62	M
Enclave / Siena at Renaissance 4349 Renaissance Drive	City funded & Inclusionary		4/13/2028	271		271	M
Masson Building Rehabilitation 161 West Santa Clara Street	80% redevelopment funds		7/31/2028	4		4	M
Giovanni - 85 S. 5th Street	City funded & HUD 202	Y	11/12/2028	24	24	0	M
Hoffman – 5629 Hoffman Court	City funded	Y	10/28/2029	4		4	
Monterey Grove 6100 Monterey Road	Inclusionary		11/4/2029	34		34	
Burning Tree - 239 Burning Tree	City funded		4/1/2030	1		1	
Waterford Place - 1700 N. 1st Street	Inclusionary		4/5/2030	36		36	
Market Gateway Housing 535 S. Market Street	Inclusionary		4/21/2030	22		22	
Village @ Museum Park 465 W. San Carlos Street	Developer agreement		2/1/2031	19		19	
101 San Fernando 101 E. San Fernando St.	Inclusionary		8/29/2031	65		65	
North Park The Cypress I 65 Rio Robles East	Inclusionary		10/29/2031	35		35	
North Park The Cypress II 75 Rio Robles East	Inclusionary		10/29/2031	37		37	
College Park 190 Ryland Street	Inclusionary		12/14/2031	46		46	
Casa Camino - 96 South 10th Street	City funded		4/1/2032	4		4	
Santa Familia - 4984 Severance Drive	City funded	Y	4/28/2032	79		79	
Avenida Espana Gardens 181 Rawls Court	City funded & Tax Credit	Y	10/26/2032	84	84	0	
Moreland Apartments 4375 Payne Avenue	HUD assisted		2/1/2019	160		160	M
Las Casitas - 632 N. Jackson Avenue	HUD assisted		2/28/2021	168		168	H
Dent Commons - 5363 Dent Avenue	Tax credits	Y	3/5/2021	23		23	

Name	Type of Assistance Received*	Nonprofit Sponsor ?	Affordability Expiration Date	Total Affordable Units	Total Elderly Units	Total Non-Elderly Units	Risk
Lion Villas - 2550 S. King Road	Tax credits		5/24/2029	109		109	
N/A - 1810 Alum Rock Avenue	HOME assisted	Y	8/4/2026	24			
<b>TOTAL AFFORDABLE UNITS AT RISK OF EXPIRING:</b>				<b>1,826</b>	<b>108</b>	<b>1,718</b>	

\*Note: "City funded" includes assistance from the former San José Redevelopment Agency.

By 2023, 1,826 units are at risk of conversion, out of which 108 units (6%) are affordable to seniors. About 34% (618 units) of these units received City funding, while the others received funding only from tax credits, bond issuances or HUD, or were made affordable through inclusionary housing requirements or developer agreements. Only approximately 17% (304 units) of the affordable units at risk of conversion were sponsored by nonprofit developers, who are likely more amenable than for-profit sponsors to extending apartments' affordability restrictions given their mission and nonprofit status. This indicates that the risk of conversion to market-rate is higher for the remaining 1,522 apartments (83%) owned by for-profit owners.

### **Cost of Preserving Affordability**

Based on a study of recent Preservation projects and New Construction projects, the City estimates that there are a range of total costs that are plausible for Preservation estimates. However, San José's data indicates that preservation of an existing affordable home is considerably less expensive than building a new affordable home.

The first Preservation cost estimate both physically preserves the apartments and creates new long-term affordability restrictions. This estimate assumes an ownership transfer of existing affordable apartments followed by a complete financial restructuring. The restructuring includes resyndication with new tax credits, new conventional debt, significant rehabilitation, extension and recasting of existing City loans, and new recorded affordability restrictions of at least 55 years. This 'full Preservation' scenario recently has cost approximately \$556,000 per unit. This is a weighted average among seven developments, with the total cost ranging from approximately \$303,000 to \$732,000 per unit.

The second Preservation cost estimate focuses on physical preservation of apartments and short extensions of affordability without a change in ownership. This estimate assumes refinancing of existing conventional loans, some rehabilitation, no resyndication or ownership change, no recasting of an existing City soft loan terms, and short extensions of recorded affordability restrictions. These transactions averaged \$170,000 at the time of simple refinancing. This is a weighted average among three developments, with the total cost ranging from approximately \$96,000 to \$590,000 per unit. Given this small sample size and the wide variation in rehabilitation scopes among the samples, this estimate will no doubt change over time.

The New Construction cost estimate is a weighted average of six recent developments, with the approximate total development costs ranging from \$514,000 to \$855,000 per affordable apartment. It is worth noting that two of the six developments were built on land acquired years prior by the City or former redevelopment agency before land use entitlements were approved. Therefore, land costs for two of the six sample developments are likely lower than usual.

For all transactions, it is worth noting that given recent significant increases in construction costs, these figures are likely lower than current costs would be. *Table 4-18* contains more information.

**Table 4-18: Per Unit Preservation Costs vs. New Construction**

<b>Method of Creating or Preserving Affordability</b>	<b>Acquisition Cost (incl. land cost)</b>	<b>Rehab/ Construction Cost</b>	<b>Financing / Other Costs</b>	<b>TOTAL COST</b>
Acquisition/Rehab and Financial Restructuring with Ownership Change	\$382,000	\$69,000	\$105,000	\$556,000
Rehab and Refinancing with No Ownership Change	N/A	\$31,000	\$139,000	\$170,000
New Construction	\$48,000	\$441,000	\$176,000	\$664,000

Based on these estimates, which are likely lower than current costs, it would cost between \$0.3 billion (if all units refinanced) to \$1 billion (if all units changed ownership) to preserve 1,826 units. Alternatively, it would cost at least \$1.2 billion for the new construction of 1,826 units to replace those that are at risk of expiring in the next 10 years. For a listing of possible City sources of funding to preserve at risk affordable housing, please see Appendix D.

This data confirms that preservation of existing affordable homes is a less expensive alternative than new construction. In addition, given the limited availability on tax credit and bond awards for new affordable homes, preservation may be more feasible to finance than new construction.

# Chapter 5

## Adequate Sites for Housing





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## 5.1 Sites Inventory Requirements

The Housing Element must include an inventory of land suitable and available for residential development to meet the regional housing needs allocation (RHNA) for San José by income level. This inventory is known as the Sites Inventory. In addition, this chapter:

- Identifies alternative methods of satisfying the RHNA;
- Provides an analysis of the inventory's compliance with Affirmatively Furthering Fair Housing (AFFH) requirements; and
- Identifies the need for rezoning to accommodate the RHNA allocation.

The analysis demonstrates that, during the 6th cycle, the City can accommodate its allocation of 62,200 units, of which 23,775 units are Lower Income.

## 5.2 RHNA Allocation

The RHNA provides housing targets for cities to plan for in their Housing Elements and to facilitate development over the 8-year RHNA period. In addition to analysis of sufficient land zoned to accommodate their RHNA, cities must analyze constraints to meeting its RHNA and propose policies to address them in their Housing Elements. Cities must also report the number of units permitted each year relative to RHNA to the State's Department of Housing and Community Development (HCD).

HCD is responsible for determining the regional housing need for each regional Council of Governments, which is the Association of Bay Area Governments (ABAG) in the Bay Area. The regional housing need is based on a forecast of population, households, and jobs developed by the California Department of Finance with input from regional agencies. New for 2023-2030, the RHNA also addresses existing needs such as housing cost burdens, overcrowding, and vacancy, which has increased the RHNA for the Bay Area and other regions.

The total RHNA for the region for 2023-2030 is 441,190 units divided into income groups based on the region's current household distribution relative to Area Median Income (AMI) in the following categories: Very Lower income (up to 50% of AMI), Lower income (50-80% of AMI), Moderate Income (80-120% of AMI), and Above-Moderate Income (above 120% of AMI).

ABAG created an advisory Housing Methodology Committee (HMC) made up of elected officials, local staff, and advocates to study how to distribute the RHNA to the 108 jurisdictions in the Bay Area. The HMC recommended a methodology that was adopted by the ABAG Executive Board in January of 2021 and the final RHNA plan for allocations to cities were adopted by ABAG Executive Board were adopted in December, 2021.

The RHNA methodology must meet the following statutory objectives:

- Increase the housing supply and mix of housing types, tenure, and affordability.
- Promote infill development and socioeconomic equity, protect environmental and agricultural resources, and encourage efficient development patterns.
- Promote an improved intraregional relationship between jobs and housing.
- Balance disproportionate household income distributions.
- Affirmatively furthering fair housing.

## 5.2.1 RHNA Targets for San José, 2023-2031

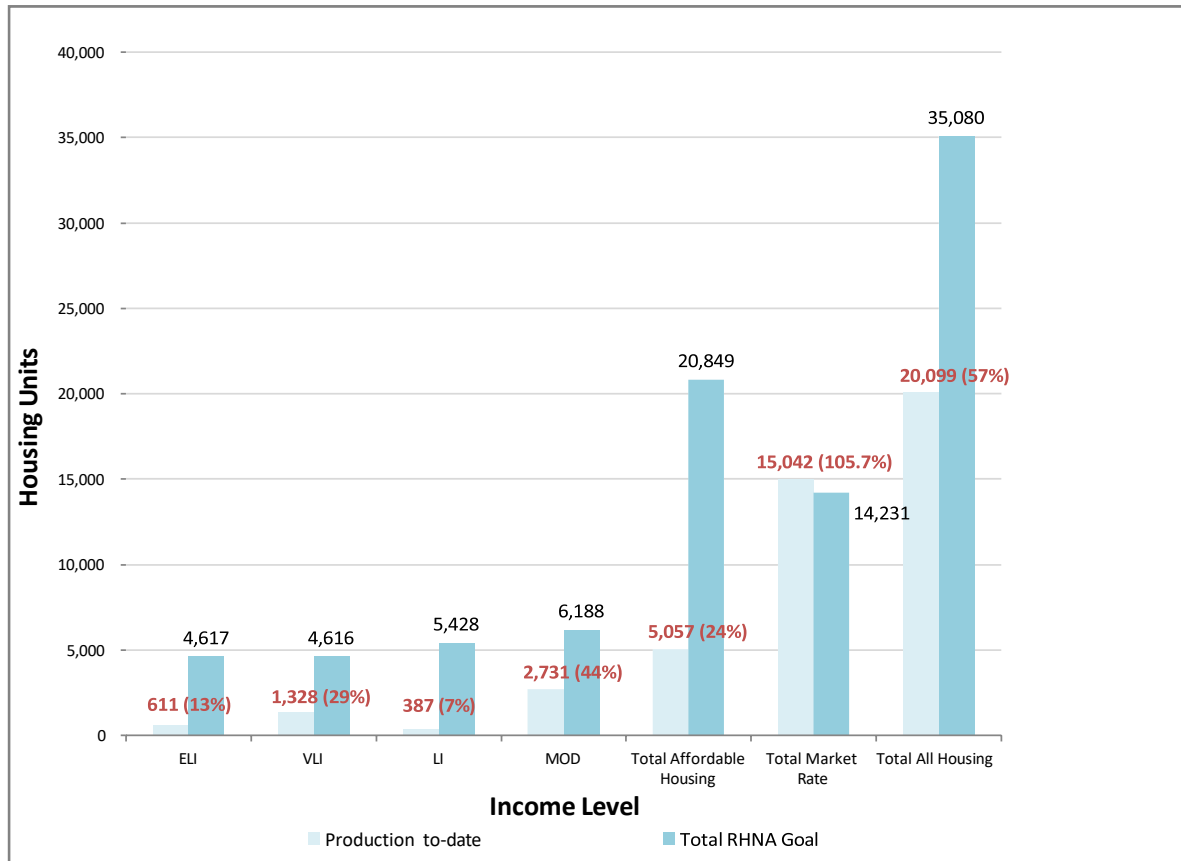
For the planning period 2023 to 2031 (also known as the 6th housing cycle), San José must plan for at least 62,200 new units, a 77 percent increase from the prior cycle's allocation of 35,080 new units. *Table 5-1* shows the income breakdown of the RHNA.

**Table 5-1: San José 's 6th Cycle RHNA Targets**

INCOME CATEGORY	NUMBER OF UNITS	PERCENT OF TOTAL
Very-Low Income	15,088	24%
Low Income	8,687	14%
Moderate Income	10,711	14%
Above-Moderate income	27,714	45%
Total	62,200	

SOURCE: City of San José Planning Division, 2022

The uncertainty caused by the COVID-19 pandemic continues to have a lingering effect on building permit activity. In calendar year 2021, San José issued building permits for 1,663 new residential units. Although this is a 20% increase from building permits issued in 2020 for 1,380 units, it is still lower than the average annual building permits issued in this RHNA cycle prior to 2020, which was about 2,520 permits per year. In 2021, building permits were issued for 933 market-rate units (58% of the annualized goal) and 730 affordable units (31% of the annualized goal). Economic factors such as the high cost of construction along with supply-chain issues in 2021 continued effect building permit activity. Investment in affordable housing from local and federal funding sources has helped sustain affordable housing permit activity. Overall, the City continues to be well ahead in its market-rate housing permits, although it remains behind in its affordable housing permits. During the eight years of the 8.8-year RHNA period (90% of the way through the period), the City has reached more than 105% of its total market-rate housing goal but has only reached 24% of its affordable housing goal.

**Figure 5- 1 Cumulative 2014-2021 RHNA Residential Building Permit Performance**

SOURCE: City of San José Planning Division, 2022

### 5.3 Sites Inventory & Methodology

The Sites Inventory is made up of four main categories discussed further below:

1. **Pipeline Approved Units:** these are units in projects that have been approved but not yet pulled building permits, under review by the Planning Division, or under construction.
2. **Projected ADUs:** Cities may consider the development potential of accessory dwelling units (ADUs) or junior ADUs (JADUs) to help meet the RHNA, using past building permit approval patterns since 2016.
3. **Alternative Sites:** these are units in a motel, hotel, or hostel that are converted with committed assistance from the city or county from nonresidential to residential by the acquisition of the unit or the purchase of affordability covenants, among other requirements.
4. **Opportunity Sites:** These are sites that either vacant or underutilized and cover the bulk of the site inventory needs.

### 5.3.1 Pipeline Approved Units

Jurisdictions may take RHNA credit for units that have been approved, under review, or received a certificate of occupancy since the beginning of the RHNA projection period toward meeting their RHNA allocation based on the affordability and unit count of the development. The projection period for the Association of Bay Area Governments' 6<sup>th</sup> Cycle is from June 30, 2022 to December 31, 2030, while the planning period lasts from January 31, 2023 to January 31, 2031.

San José's residential development pipeline includes many projects in various stages of the housing development process including projects that have received approvals from the City Council, Planning Commission and/or Planning Department or projects that are awaiting Planning approvals or that have filed for building permit. Projects in the pipeline range from the addition of a single unit to an existing building to new residential towers with hundreds of units. The pipeline includes both market rate and affordable developments.

Based on an analysis conducted in 2019 on approved planning entitlements, staff found that approximately 60% of those units were in construction or pre-construction stages<sup>1</sup>. Therefore we conservatively estimate that 40 percent of the pipeline projects (under Planning review and approved but not yet filed for building permits) will not proceed to construction. These categories have therefore been discounted. The following table illustrates the breakdown of units by project status and income level. Approximately 20,000 RHNA units can be satisfied through the project pipeline. The list of projects can be found in Appendix G.

**Table 5-2: Number of Projects in the Residential Development Pipeline**

Project Status	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Building permit filed	563	699	0	3,452	4,714
Planning Approval but no building permit yet	193	1,750	118	4,772	6,833
In Planning Review	218	1,922	59	6,652	8,851
<b>Total</b>	1974	4,370	178	14,877	<b>20,399</b>

SOURCE: City of San José Building Division, 2022

### 5.3.2 Projected ADUs

In 2019, the San José City Council voted to update San José's Zoning Code regarding ADUs to align with new California State laws that went into effect in 2020. The Council further updated the Zoning Code to allow for tiny homes on wheels, a type of mobile and detached ADU. Along with these changes, City staff implemented the following: Improved the ADU program website at [www.sanjoseca.gov/ADUs](http://www.sanjoseca.gov/ADUs) to clearly describe the ADU permit process.

- Launched a Preapproved ADU Program that offers fast and easy permitting of ADUs by vendors who have obtained the City's approval of ADU master plans.

<sup>1</sup> City Council Agenda, Sept. 24, 2019, Item 4.2, Housing Crisis Workplan Update; <https://sanjose.legistar.com/View.ashx?M=F&ID=7709215&GUID=A16E72E7-4B8A-4F9A-9B57-A7D36262211E>  
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- Created an ADU Ally staff position, who helps applicants with getting permits.

Since these changes and improvements have gone into effect, ADU applications and production in San José have increased. *Table 5-3* lists the number of ADU applications and issued ADU permits by year. Since 2019, the City has issued an average of 444 building permits for ADUs per year. Based on this data, the City is projecting issuance of 3,556 ADU permits over the eight-year Housing Element planning period. The City is using ABAG's survey data<sup>1</sup> to distribute the projected units by income category; see *Table 5-4*.

Based on this data, the City is able to meet about 35% of its RHNA through ADUs and the pipeline, leaving another 40,352 units on the sites in the Sites Inventory, as shown in *Table 5-5*.

**Table 5-3: ADU Applications and Permits Issued, 2016-2022**

YEAR	APPLICATIONS SUBMITTED	BUILDING PERMITS ISSUED	CONSTRUCTION COMPLETED
2016	51	38	30
2017	179	90	78
2018	290	173	154
2019	526	352	233
2020	513	350	204
2021	806	464	268
2022 (first quarter)	860	612	236
<b>Total</b>	<b>3,225</b>	<b>2,079</b>	<b>1,203</b>

SOURCE: City of San José Building Division, 2022

**Table 5-4: Projected ADUs by Income Category**

INCOME CATEGORY	PERCENTAGES	TOTALS
Very Low	30%	1,066
Low	30%	1,066
Moderate	30%	1,066
Above Moderate	10%	355
<b>Total</b>	<b>100%</b>	<b>3,553</b>

SOURCE: City of San José Building Division, 2022

1 ABAG "Using ADUs to Satisfy RHNA" technical memo, received on March 10, 2022

**Table 5-5: Contribution of Projected Pipeline Projects and ADUs to RHNA**

	INCOME CATEGORY				TOTAL
	VERY LOW	LOW	MODERATE	ABOVE MODERATE	
RHNA	15,088	8,687	10,711	27,714	62,200
Pipeline/Approved Units	974	4,370	178	14,877	20,399
ADUs	1,065	1,066	1,066	355	3,552
<b>Remaining RHNA</b>	<b>13,049</b>	<b>3,251</b>	<b>9,467</b>	<b>12,482</b>	<b>38,249</b>

### 5.3.3 Adequate Alternative Sites

A jurisdiction may credit up to 25 percent of their adequate sites requirement per income category through existing units that are substantially rehabilitated, converted from market rate to affordable, converted from nonresidential to residential, or where unit affordability or spaces a mobilehome park is preserved to be counted towards the adequate sites requirement.

On September 9, 2021, the Housing and Community Development Department (HCD) released its notice of funding availability to announce the availability of approximately \$1.45 billion of Homekey grant funding through the Round 2 NOFA (Homekey 2.0). This program is a significant investment and continues a statewide effort to sustain, and rapidly expand, permanent and interim housing for persons experiencing homelessness or at risk of homelessness, and who are inherently impacted by, or at increased risk for, medical conditions due to the COVID-19 pandemic.

On May 10, 2021, HCD announced that the City and a partner developer had been awarded a Homekey 2.0 grant of \$25,238,236 to support the acquisition, rehabilitation, and operation costs for the Arena Hotel.

In April 2022, two additional HomeKey applications were submitted under the HomeKey funding second round. If funded, the 72-unit Pacific Motor Inn will provide shelter in the short term and will be converted to permanent housing for non-chronically unhoused persons. The Pavilion Inn is competing for the HomeKey homeless youth set-aside funds. If funded, the 43- unit Pavilion Inn will include both shelter beds and permanent housing units. In total, the Arena Hotel, the Pacific Motor Inn, and Pavilion Inn will contribute 204 units which are anticipated to be permanent units during the 6<sup>th</sup> Cycle timeframe. see *Table 5-6*.

**Table 5-6: Alternative Sites Funded Under Project Homekey**

PROJECT HOMEKEY SITE	LOCATION	NUMBER OF UNITS
Arena Hotel	817 The Alameda	89
Pacific Motor Inn	455 S. 2 <sup>nd</sup> Street	72
Pavilion Inn	1280 N. 4 <sup>th</sup> Street	43
<b>Total</b>		<b>204</b>

The City will meet about 35% of its RHNA through ADUs, the pipeline, and alternative sites, leaving another 40,147 units on the sites in the site inventory. The *Table 5-7* below describes this in detail:

**Table 5-7: RHNA Targets by Type**

	INCOME CATEGORY				TOTAL
	VERY LOW	LOW	MODERATE	ABOVE MODERATE	
RHNA	15,088	8,687	10,711	27,714	62,200
Pipeline/Approved Units	974	4,370	178	14,877	20,399
ADUs	1,066	1,066	1,066	355	3,553
Alternative Sites	0	204	0	0	204
<b>Remaining RHNA</b>	<b>13,048</b>	<b>3,047</b>	<b>9,467</b>	<b>12,482</b>	<b>38,044</b>

### 5.3.4 Opportunity Sites

State law requires each jurisdiction to demonstrate that sufficient land is zoned to provide housing capacity that is adequate to meet the RHNA for each income level. To determine housing capacity, City staff and the consultant team at Tolemi conducted a comprehensive inventory of all vacant and non-vacant developable land within the City limits that allows for housing and available to develop within the Housing Element planning period. This section describes the methodology used to calculate the housing capacity on developable housing sites.

The final list of sites can be found in Appendix F and online at [www.sanjoseca.gov/housingelementupdate](http://www.sanjoseca.gov/housingelementupdate).

As *Table 5-8* demonstrates, the Housing Element is able to accommodate the City's share of RHNA at all income levels. The combined buffer is 19.5%, with income category buffers of 31%, 41%, and 1% for lower, moderate, and above moderate income units, respectively.

**Table 5-8: Summary of Residential Capacity to Accommodate 2023-2031 RHNA**

UNIT CATEGORY	LOWER	MODERATE	ABOVE MODERATE	TOTAL
Pipeline/Approved Units	5,344	178	14,877	20,399
ADUs	2,131	1,066	355	3,552
Alternative Sites	204	0	0	204
Opportunity Sites	21,799	11,779	19,854	53,432
<b>Total</b>	<b>29,478</b>	<b>13,023</b>	<b>35,086</b>	<b>77,587</b>
<i>Buffer</i>	24%	22%	27%	



**Methodology for Opportunity Sites.** City staff focused the inventory of opportunity sites to those primarily located in Growth Areas and Urban Villages where the City encourages most new housing to align with the General Plan’s *Major Strategy #3 Focused Growth*, among others. These areas include:

- North San José;
- Downtown and Diridon Station Area;
- Specific Plan Areas;
- Neighborhood Business Districts (NBDs);
- Urban Villages with adopted plans (“Planned UVs”);
- Urban Villages without adopted plans (“Unplanned UVs”);
- A number of sites outside of growth areas are included, specifically those sites that are consistent with General Plan Policy H-2.9 (1.5-ac Rule) and those that can accommodate smaller unit projects, consistent with smart growth goals; and
- City-owned sites that are part of the Housing Department’s December 2021 Request for Proposals for development of affordable housing (RFP# CSJ HSG 12-17-21).

When identifying sites for the inventory, City staff filtered for parcels that had characteristics more conducive to development during the planning period. While the exact methods varied depending on location, they generally included filtering out properties that already had multifamily uses, were on the Major Development Projects list, had Planning permits issued within the last 4 years, had new construction Building permits in the last 8 years, and were smaller than 0.5 acres. Exceptions to this are sites in Downtown and the Diridon Station Area Plan (which only remove sites if they were smaller than the smallest site developed during the last planning period and added a new filter for historic buildings), North San José (where site identification is proceeding in conjunction with a separate zoning update), and planned Urban Villages (where sites were limited only to those planned or intended for residential development).

To calculate the realistic capacity of the selected parcels, the City leveraged the BuildingBlocks platform from Tolemi, which integrates data from various City systems on parcel zoning, General Plan, and Urban Village designations; allowable density & floor area ratios; historic Planning and Building permits; property sales; businesses & employee counts; and other parcel-level factors into a map-based analytical & data modeling tool. The City was already using BuildingBlocks to identify Housing Opportunity Sites and to build the Housing Site Explorer tool. The City worked with data engineers from Tolemi to design a three-step methodology to estimate density of future development based on historic trends.

1. First, allowable residential unit capacity (“Allowable Capacity”) was calculated for all draft inventory parcels using the parcel size and prevailing law, policy, procedure, or other regulation—typically either the General Plan designation, Approved Urban Village, or one of three policy exemptions—that specifies the allowable density and/or floor area ratio (FAR).
2. Second, the City looked to historic production trends and build-out yields to inform realistic (versus potential) capacity calculations. For each parcel in the Draft Inventory, BuildingBlocks identified a set of five similar properties (“Comparables”) where residential development had occurred in the previous Housing Element Cycle (Jan. 1, 2014 through Dec. 31, 2021). These Comparables were based on thirteen property attributes:

- Urban Village, Growth Area, or Specific Plan Area name
- Allowable density
- In Urban Village or Growth Area (yes/no)
- General Plan designation
- Lot size
- Current use
- Available Unit Capacity (Allowable Capacity minus existing residential units pre-development)
- Commercial occupancy
- Assessed value per square foot
- Existing residential units
- Last sales price per square foot
- Last sale date
- Owner characteristics (property count, location, business entity type)

A “Match Score” measures the similarity of two parcels across these factors, then identifies the top five Comparables for each parcel in the Draft Inventory.

3. Finally, for each Comparable, the actual residential dwelling units per acre that were developed during the last Housing Element was calculated. This approach required some re-assembly of large sites that were subdivided into single- and multi-family residential parcels and research to determine allowable density at the time of redevelopment. For every parcel in the Draft Inventory, density was averaged across the five Comparables, then used to calculate a realistic density estimate based on the parcel’s specific attributes and its pool of Comparables.

## 5.4 Non-Vacant Sites

San José reflects a built-out community with little land available for greenfield development. This condition is reflected in the General Plan through Major Strategy #3 - Focused Growth<sup>2</sup>. As such the majority of sites in the inventory are non-vacant sites.

A review of major residential development projects from the last five years shows that existing prior uses such as retail, office, or single-family homes, do not significantly impede additional residential development on a site. As shown in Table 1 in Appendix K, the majority of sites currently under construction had existing active uses. The value of the land as residential and the opportunity for new housing often exceeds the value of current uses. It is important to note that existing residential uses on potential redevelopment sites can be considered an impediment, especially those sites that require compliance with the City’s Ellis Act Ordinance and relocation provisions. However, to ensure realistic development, the draft sites inventory does not contain parcels with more than two existing residential units.

The City has also recently taken several steps to encourage and facilitate more affordable housing projection. In 2020 and 2021, the City Council revised General Plan Policies (IP-5.12 and H-2.9) to eliminate commercial requirements for one-hundred percent affordable, deed restricted multifamily housing. While these two policies are geographically focused in late 2021 City Council directed staff to eliminate

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<sup>2</sup> *Envision San José 2040 General Plan*, page 16.  
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commercial requirements for affordable developments citywide. Planning staff anticipates preparing a policy to that effect and presenting it to the City Council for approval by the end of 2022.

## 5.5 Rezoning for Inventory Sites

As shown in Appendix F, several opportunity sites in the inventory have a zoning that is inconsistent with the General Plan, or a zoning that does not allow for residential uses. City staff are currently working to align the general plan and zoning and anticipates completing this work by January 2023. This rezoning will be completed prior to the formal adoption of the Housing Element by City Council. There are also a number of sites in the inventory that were previously used in the 4<sup>th</sup> and 5<sup>th</sup> cycles and thus require a rezoning to allow for by-right uses. The Housing Element includes a program (Chapter 3, P-38) to complete this rezoning pursuant to State Law.

Opportunity sites within Unplanned Urban Villages and those that qualify for affordable housing under General Plan Policy H-2.9 generally have a CP Commercial Pedestrian zoning. This zoning district prohibits residential, mixed-uses unless the site is consistent with General Plan Policy IP-5.12 and General Plan Policy H-2.9, respectively. These policies act as a housing overlay to these sites.

Staff is currently developing a mixed-income and affordable housing overlay for sites in North San José that currently have a land use designation that does not allow residential uses. This work will be completed prior to or concurrent with the adoption of the Housing Element by the City Council in 2023.

## 5.6 Sites and Affirmatively Furthering Fair Housing

The Site Inventory, along with other portions of the Housing Element, must include an analysis and determination of consistency with Affirmatively Furthering Fair Housing (AFFH) requirements as set forth in Assembly Bill 686 (2018). 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 (Government Code Section 8899.50(a)(1)).

To comply with AFFH requirements, the Site Inventory must identify sites to accommodate housing development throughout the City in a manner that affirmatively furthers fair housing opportunities. HCD has advised that this means that sites identified to accommodate the lower-income portion of the RHNA should not be concentrated in lower-resource areas as defined by the State's [Opportunity Maps](#). Sites identified to accommodate the lower income RHNA must be distributed throughout the community in a manner that affirmatively furthers fair housing, for example, locating in well-resourced areas.

The Inventory was developed in a manner consistent with the state mandate to affirmatively further fair housing (AFFH), pursuant to State law. Given the City's inability to meet the 5th cycle

RHNA for lower- and moderate-income households, an emphasis was placed on locating sites appropriate for these income groups, particularly in higher resource areas. However, increasing access to existing high resource neighborhoods represents just one strategy to increase access to opportunity for lower-income households. The City is also committed to investing in “lower resource” neighborhoods to increase opportunity for the existing residents of those neighborhoods, as described further in Chapter 3 Goals, Strategies, Policies & Programs.

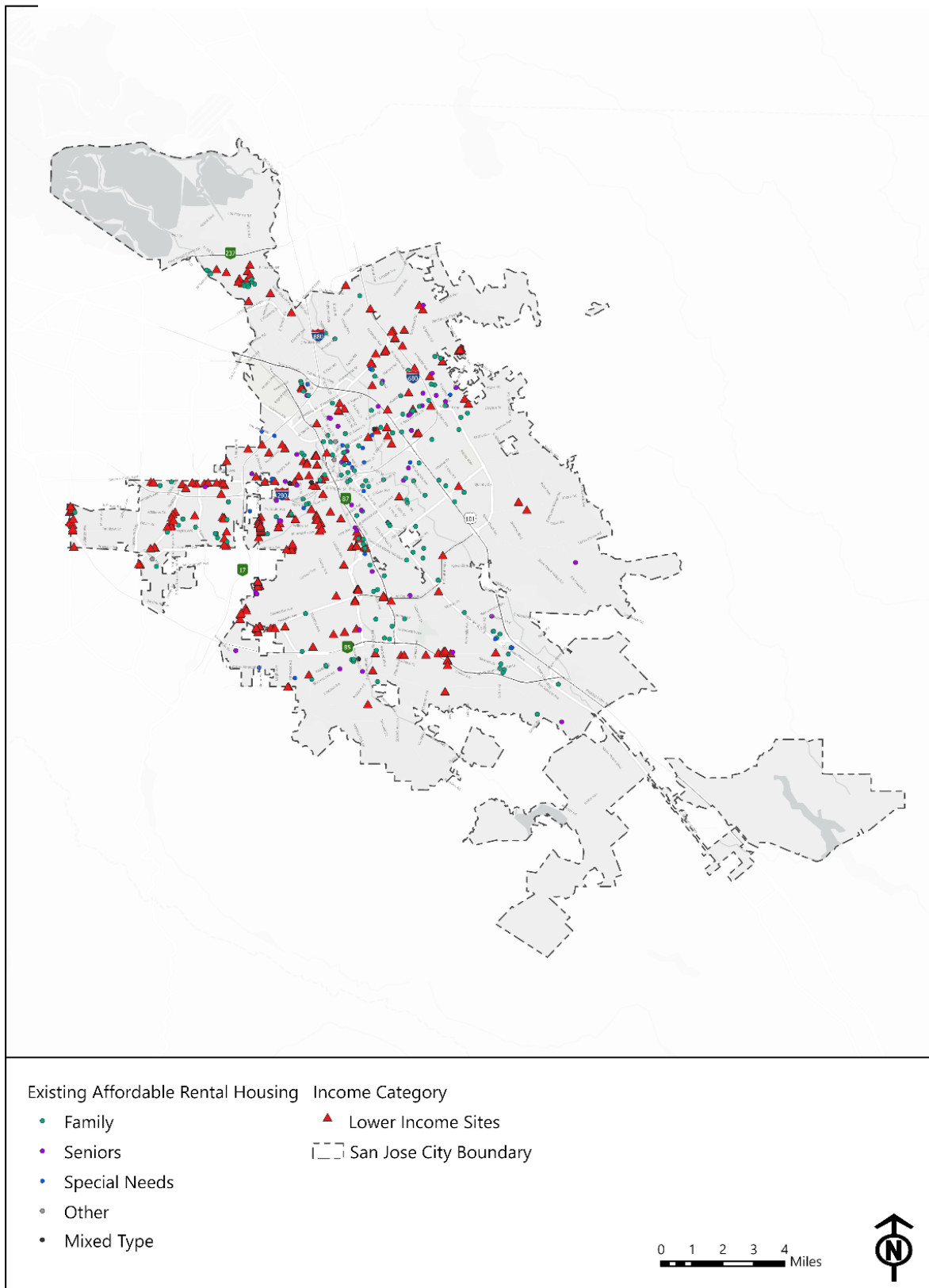
An affirmative effort was made to locate affordable housing in higher resource neighborhoods to reduce patterns of exclusion and segregation, and the City remains committed to increasing opportunity in neighborhoods that have experienced historic disinvestment. Providing opportunity for lower-income households must be a multipronged approach – the provision of affordable housing in areas that are already higher resourced must be coupled with continued investments in place-based strategies for historically marginalized neighborhoods.

This section analyzes the performance of the Site Inventory on several metrics, both in terms of unit and site distribution. Together, they demonstrate that the Site Inventory fulfills the requirements of State law in countering segregation and creating opportunities for all, especially lower-income households.

### **5.6.1 Integration and Segregation Trends**

As Figure 5-1 below illustrates, there is no significant clustering of lower income sites in areas where there is already affordable housing. The Site Inventory branches out from the distribution of affordable housing to date and sites more affordable homes in the peripheral areas of San José where incomes are higher. The impact of this is reflected in the following statistics on unit and site distribution.

**Figure 5- 2 Existing Affordable Rental Housing & Lower Income RHNA sites**



## 5.6.2 Racially/Ethnically Concentrated Areas of Poverty (RECAPs) and Racially Concentrated Areas of Affluence (RCAs)

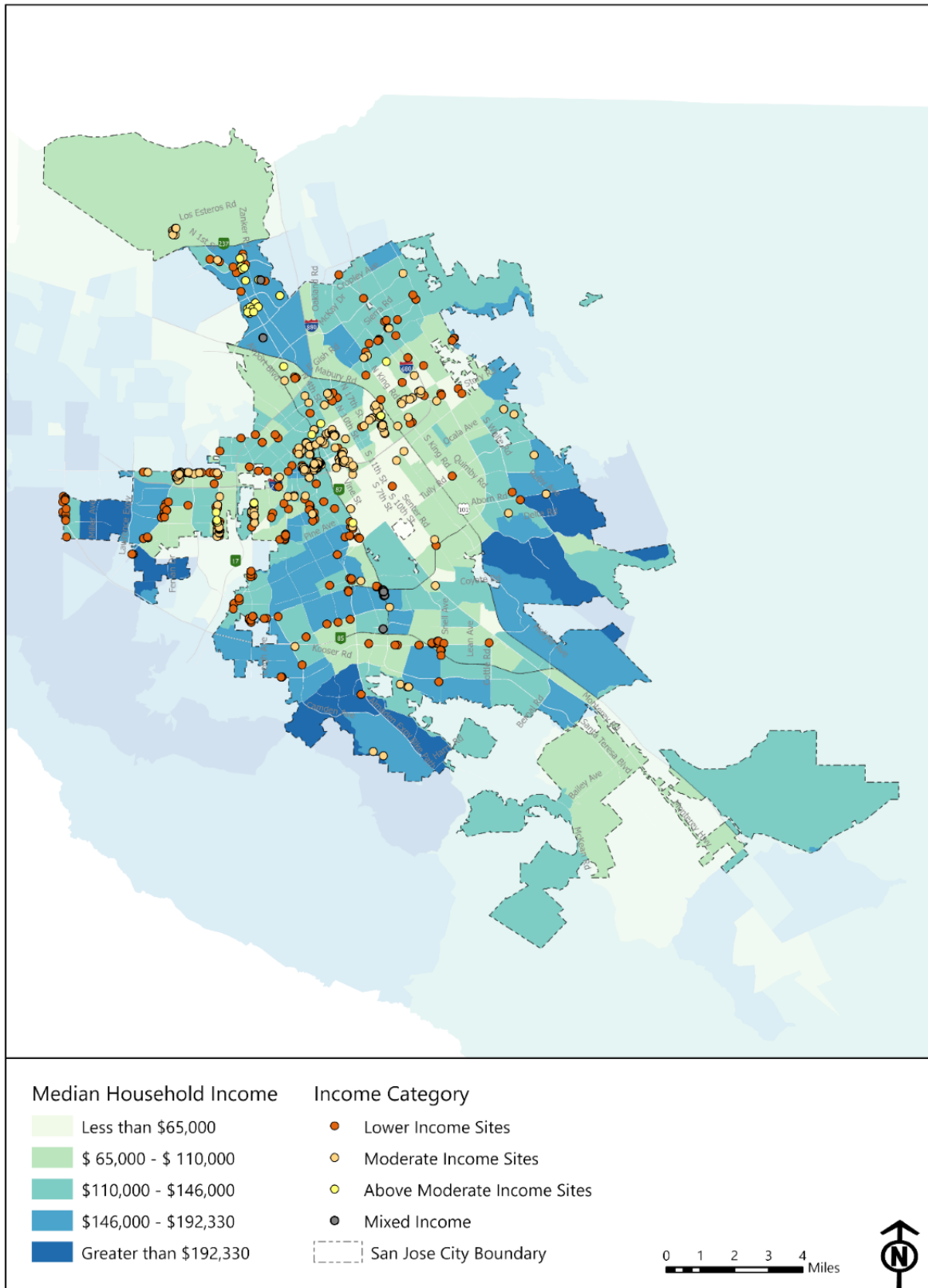
At all income levels, almost all sites inventory units are not in Census tracts designated as racially/ethnically concentrated areas of poverty (RECAPs). At most, 5.71% of moderate income units are anticipated to be RECAP tracts. As shown in *Table 5-9*, the City's planned development over the eight-year period will not result in concentrated development in vulnerable areas, and will actually result in a large share in City-defined areas of affluence. Subsequent sections further illustrate how the site inventory sites a large share of units in higher-resource and exclusive neighborhoods, dismantling barriers to opportunity.

**Table 5-9: Site Inventory Units by RECAP/RCA Status  
(total and percentage)**

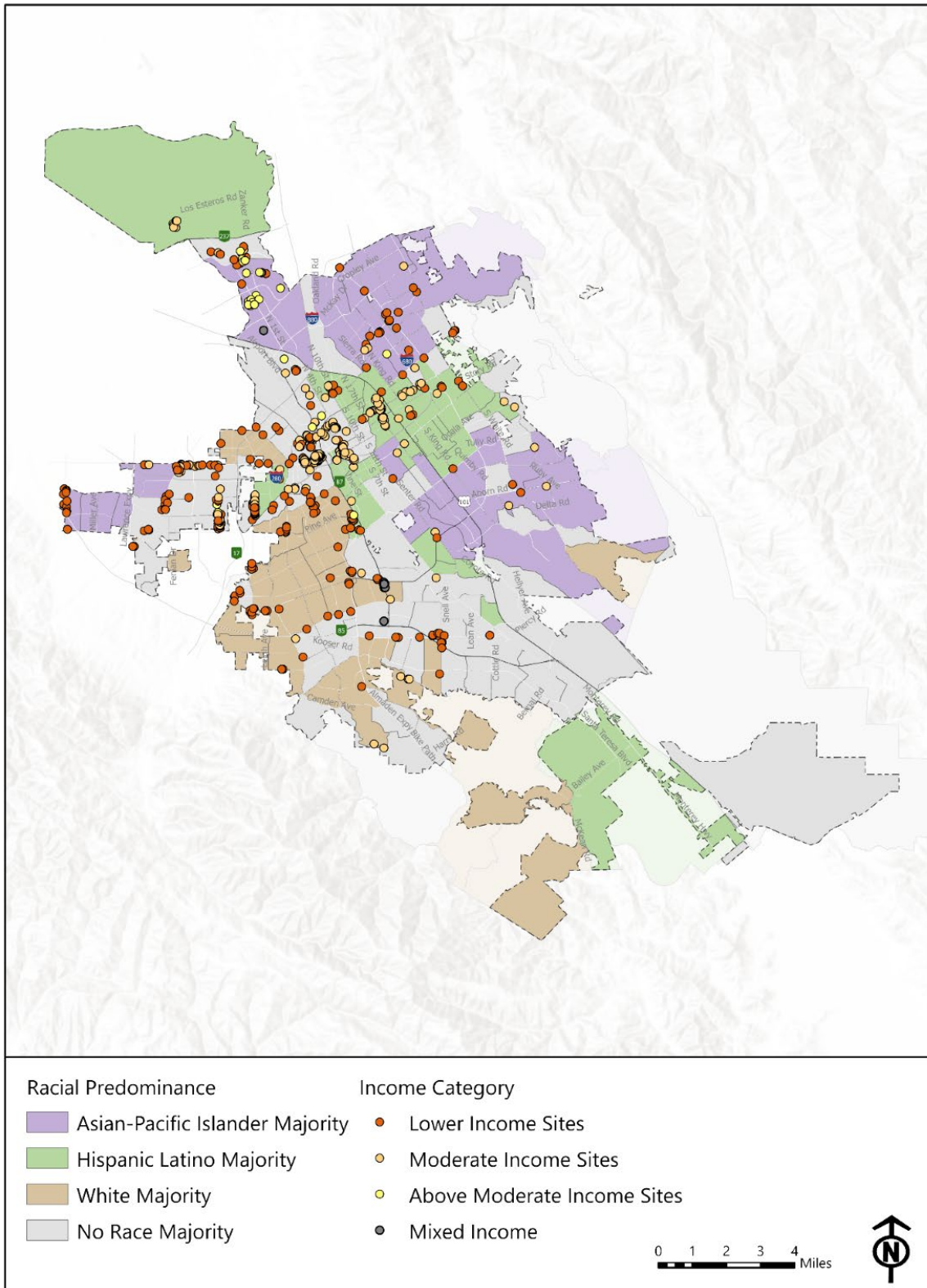
	In a RECAP	In a San José-defined RCA	In neither a RECAP nor RCA	Total
Low Income	1,127 (2.11%)	6,402 (11.98%)	14,173 (26.52%)	21,702 (40.62%)
Moderate Income	3,052 (5.71%)	195 (0.36%)	8,532 (15.97%)	11,779 (22.04%)
Above Moderate Income	153 (0.29%)	13,527 (25.32%)	6,272 (11.74%)	19,952 (37.34%)
<b>Total</b>	<b>4,332 (8.11%)</b>	<b>20,124 (37.66%)</b>	<b>28,977 (54.23%)</b>	<b>53,433 (100.%)</b>

Figures 5-2 and 5-3 illustrate that the Site Inventory distributes sites by income and racial predominance without excessive concentration. Quantitative data regarding the Site Inventory and median household income is tabulated in Table 9 below. The distribution of sites by RECAP tract resembles that of units. The income level with the largest share of sites in a RECAP tract, moderate income, has just 8.40% of sites. The income level with the largest share of sites in an RCA tract, lower income, has 11.64%.

**Figure 5- 3 Distribution of Sites by Income Category and Median Household Income**



**Figure 5- 4 Distribution of Sites by Income Category and Predominant Race**





**Table 5-10: Site Inventory Units by Median Income (total and percentage)**

	<b>Less than \$65,000</b>	<b>\$65,000- \$110,000</b>	<b>\$110,000- \$146,000</b>	<b>\$146,000- \$192,330</b>	<b>\$192,330 or greater</b>	<b>Total</b>
Low Income	1,676 (3.14%)	6,229 (11.66%)	7,176 (13.43%)	5,932 (11.10%)	689 (1.29%)	21,702 (40.62%)
Moderate Income	6,071 (11.36%)	2,697 (5.05%)	1,050 (1.97%)	1,906 (3.57%)	55 (0.10%)	11,779 (22.04%)
Above Moderate Income	1,034 (1.94%)	1,490 (2.79%)	9,466 (17.72%)	6,357 (11.90%)	1,605 (3.00%)	19,952 (37.34%)
<b>Total</b>	<b>8,781 (16.43%)</b>	<b>10,416 (19.49%)</b>	<b>17,692 (33.11%)</b>	<b>14,195 (26.57%)</b>	<b>2,349 (4.4%)</b>	<b>53,433 (100%)</b>

**Table 5-11: Site Inventory Sites by RECAP/RCAA Status (total and percentage)**

	<b>RECAP</b>	<b>RCAA</b>	<b>Neither</b>	<b>Total</b>
Low Income	12 (2.29%)	61 (11.64%)	162 (30.92%)	235 (44.85%)
Moderate Income	44 (8.40%)	9 (1.72%)	182 (34.73%)	235 (44.85%)
Above Moderate Income	1 (0.19%)	25 (4.77%)	50 (9.54%)	76 (14.50%)
<b>Total</b>	<b>57 (10.88%)</b>	<b>83 (15.84%)</b>	<b>384 (73.28%)</b>	<b>524 (100%)</b>

### 5.6.3 Disparities in Access to Opportunity

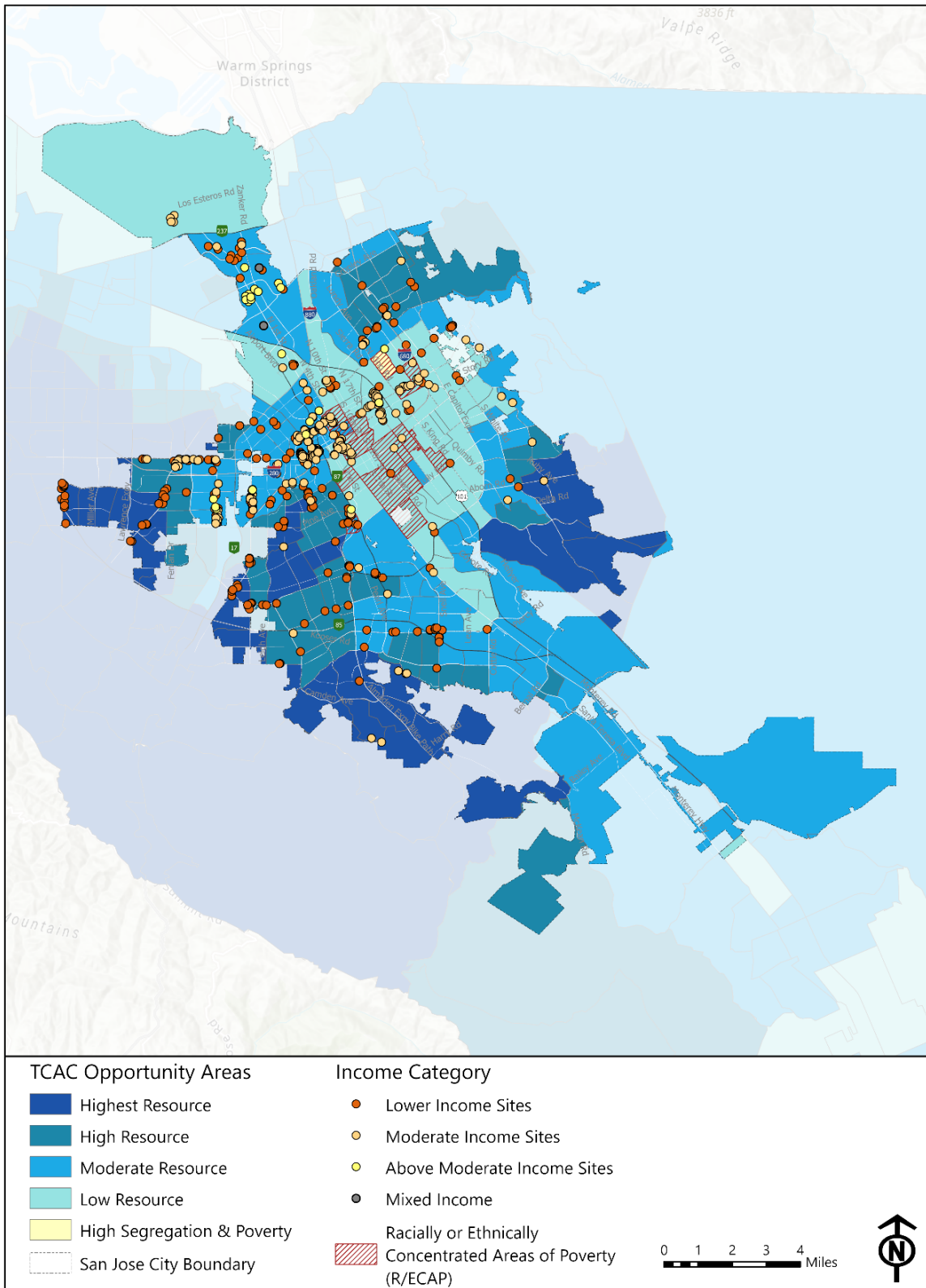
Table 5-12 below illustrates that the draft Housing Element sites inventory will not result in an over-concentration of lower-income housing development in low-resource areas as defined by TCAC. To the contrary, the overwhelming majority (85.57%) of planned lower-income homes are sited in Census tracts that are at least moderate resource, and a large share (37.95%) are sited in tracts that are at least high resource, that would give residents greater access to quality jobs, schools, and other resources. Just 1.90% of market-rate units are planned in low-resource tracts, minimizing the risk that new market-rate development will cause gentrification and displacement.

**Table 5-12: Site Inventory Units by TCAC Resource Level (total and percentage)**

	<b>Low Resource</b>	<b>Moderate Resource</b>	<b>High Resource</b>	<b>Highest Resource</b>	<b>Total</b>
Low Income	3,132 (5.86%)	10,335 (19.34%)	6,895 (12.9%)	1,340 (2.51%)	21,702 (40.62%)
Moderate Income	9,050 (16.94%)	2,191 (4.10%)	531 (0.99%)	7 (0.01%)	11,779 (22.04%)
Above Moderate Income	1,015 (1.90%)	14,543 (27.22%)	4,394 (8.22%)	0 (0%)	19,952 (37.34%)
<b>Total</b>	<b>13,197 (24.70%)</b>	<b>27,069 (50.66%)</b>	<b>11,820 (22.12%)</b>	<b>1,347 (2.52%)</b>	<b>53,433 (100%)</b>



**Figure 5- 5 Distribution of Site by Income Category and TCAC Opportunity Areas**



Like with units, most sites are not in low resource areas. *Table 5-13* shows that the share of lower-income sites that are not located in low-resource areas is 82.9%, reducing concentrations of poverty going forward. The share of lower-income sites that are located in Census tracts that are high or highest resource is 40%, giving residents greater access to opportunity, while 88.16% of market-rate sites are not in low-resource areas.

**Table 5-13: Site Inventory Sites by TCAC Resource Level (total and percentage)**

	Low Resource	Moderate Resource	High Resource	Highest Resource	Total
Low Income	40 (1.91%)	101 (19.27%)	77 (14.69%)	17 (3.24%)	235 (44.85%)
Moderate Income	161 (30.73%)	56 (10.69%)	16 (3.05%)	2 (0.38%)	235 (44.85%)
Above Moderate Income	9 (1.72%)	59 (11.26%)	8 (1.53%)	--	76 (14.5%)
<b>Total</b>	<b>210 (40.08%)</b>	<b>196 (37.40%)</b>	<b>99 (18.89%)</b>	<b>19 (3.63%)</b>	<b>524 (100%)</b>

## 5.6.4 Disproportionate Housing Needs/Displacement Risk

As *Table 5-14* below demonstrates, the sites inventory does not place a majority of units in Census tracts at risk of displacement, with just 31.75% of units being in those tracts. Instead, most units across all income categories are planned for tracts that are not vulnerable to displacement. In particular, just 5.01% of above-moderate income units are in tracts that are vulnerable to displacement, while the income category with the highest share of units in tracts that are vulnerable to displacement – low income – tops out at 15.96%.

**Table 5-14: Site Inventory Units by Urban Displacement Project Typology (total and percentage)**

	Vulnerable to Displacement <sup>3</sup>	Not Vulnerable to Displacement <sup>4</sup>	Unavailable or Unreliable Data	Grand Total
Low Income	8,530 (15.96%)	12,175 (22.79%)	997 (1.87%)	21,702 (40.62%)
Moderate Income	5,758 (10.78%)	6,021 (11.27%)	0 (0.00%)	11,779 (22.04%)
Above Moderate Income	2,675 (5.01%)	12,887 (24.12%)	4,390 (8.22%)	19,952 (37.34%)
<b>Total</b>	<b>16,963 (31.75%)</b>	<b>31,083 (58.17%)</b>	<b>5,387 (10.08%)</b>	<b>53,433 (100%)</b>

<sup>3</sup> Typologies that are Vulnerable to Displacement are defined as “Advanced Gentrification,” “At Risk of Becoming Exclusive,” “At Risk of Gentrification,” “Becoming Exclusive,” “Early/Ongoing Gentrification,” “Low Income/Susceptible to Displacement,” and “Ongoing Displacement.”

<sup>4</sup> Typologies that are not vulnerable to displacement are all those that are not Vulnerable to Displacement other than “Unavailable or Unreliable Data.”

As noted in the *Table 5-15*, for lower-income sites, 57.02% of sites are in tracts that are not vulnerable to displacement. Moderate-income sites have most sites in non-vulnerable tracts at 61.28%, while 38.72% are in vulnerable tracts. 57.89% of above-moderate income sites are in non-vulnerable tracts, and the share in vulnerable tracts is just 4.77%

**Table 5-15: Site Inventory Sites by Urban Displacement Project Typology (total and percentage)**

	Vulnerable to Displacement	Not Vulnerable to Displacement	Unavailable or Unreliable Data	Total
Low Income	97 (18.51%)	134 (25.57%)	4 (0.76%)	235 (44.85%)
Moderate Income	91 (17.37%)	144 (27.48%)	0 (0.00%)	235 (44.85%)
Above Moderate Income	25 (4.77%)	44 (8.40%)	7 (1.34%)	76 (14.50%)
<b>Total</b>	<b>212 (40.46%)</b>	<b>303 (57.82%)</b>	<b>9 (1.72%)</b>	<b>524 (100%)</b>

**Figure 5- 6 Distribution of Sites by Income Category and Simplified Urban Displacement Project Typology**

