

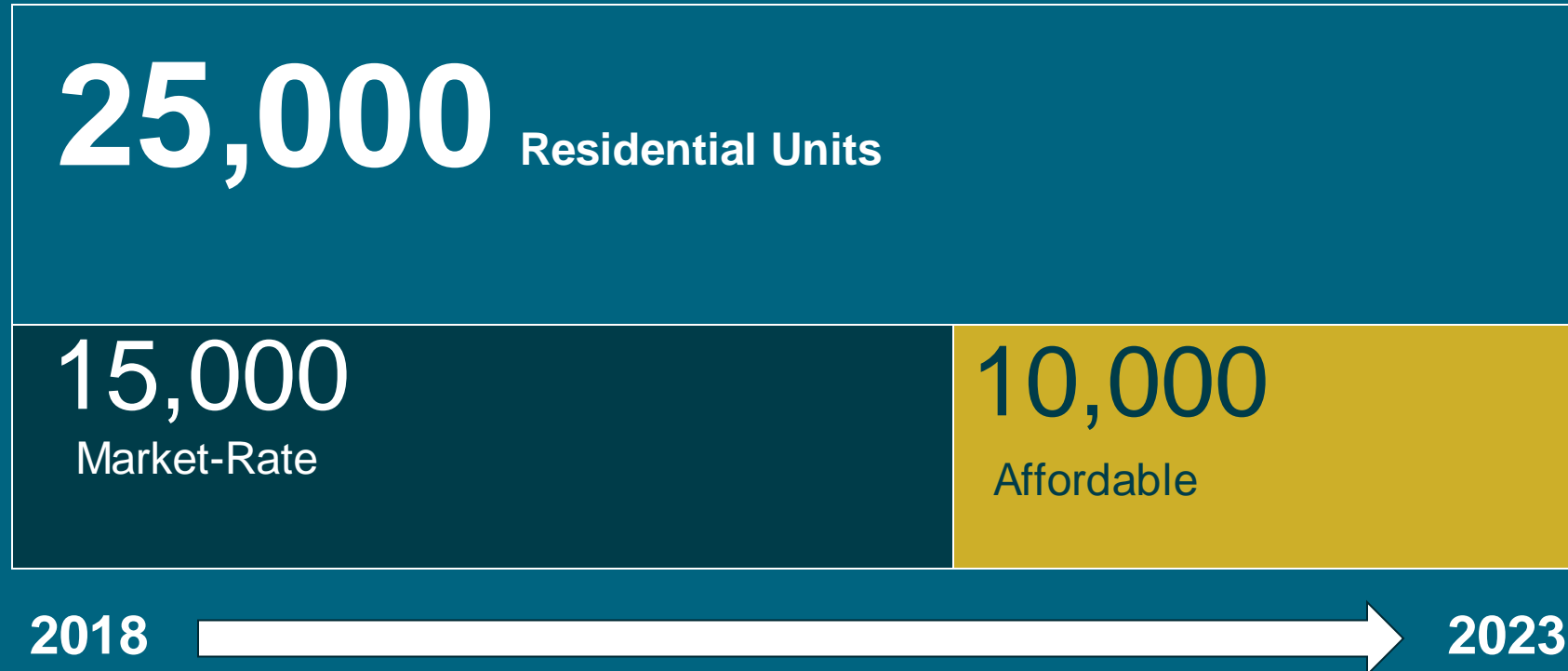
Housing Crisis Workplan

October 23, 2020

Planning Commission Retreat

SANJOSE

Housing Crisis Workplan Goal:



Housing Crisis Workplan Background

**September
2017**

Mayor issues memorandum “Responding to the Housing Crisis” sets goal of 25,000 Housing Units with 10,000 affordable and 15,000 market-rate

**June
2018**

City Council adopts Housing Crisis Workplan proposing strategies and policy actions to address housing crisis and facilitate construction of 25,000 housing units

2018-2020

Biannual progress reports to Council Community and Economic Development Committee and quarterly report on housing production to the Council Ad Hoc Committee on Development Services and Housing

Completed Workplan Highlights

- **Established a cross-departmental *Housing Catalyst Team***
 - Biweekly meetings and responsibility for implementing workplan
- **Updates to Accessory Dwelling Unit and Garage Conversion Ordinance**
- **Passed Co-Living Ordinance**
- **Interim Housing Solutions on Caltrans Sites**
- **Adopted Commercial Linkage Fee**
- **Developed Anti-Displacement Strategy**

Housing Catalyst Team

Planning, Building & Code Enforcement:

- Michael Brilliot, Deputy Director
- Jared Hart, Division Manager
- Ruth Cueto, Housing Crisis Workplan Planner
- Joe Sordi, Destination: Home Homeless/Affordable Housing Planner
- David Ying, Housing Policy Planner

Housing Department:

- Rachel VanderVeen, Deputy Director
- Kristen Clements, Division Manager
- Kemit Mawakana, Division Manager

Office of Economic Development:

- Chris Burton, Deputy Director
- Jerad Ferguson, Housing Catalyst

Parks, Recreation, & Neighborhood Services:

- Nicolle Burnham, Deputy Director
- Rebekah Ross, Planner IV

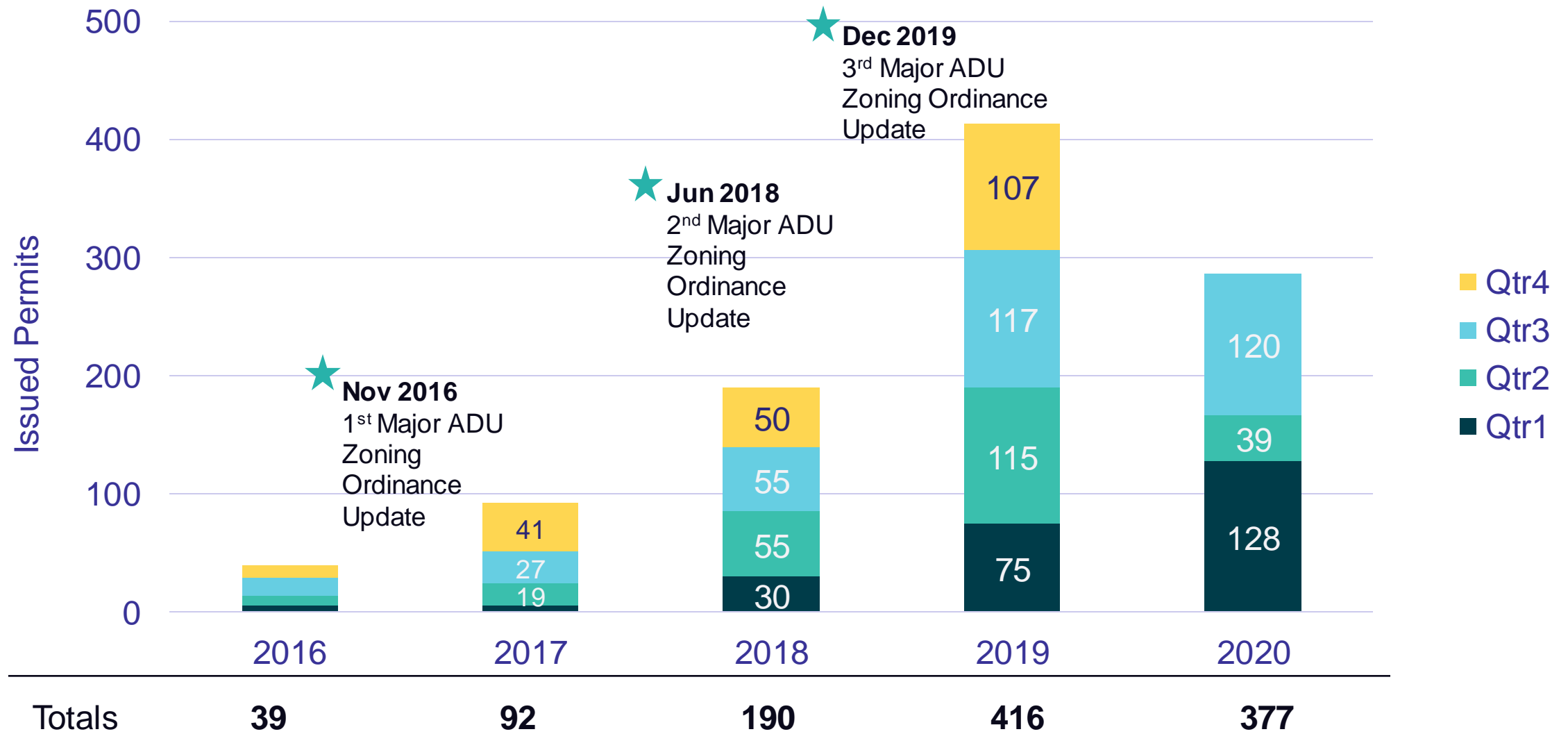
Ongoing Workplan Item Highlights –

- **Report on the Cost of Development**
 - Latest Report presented to Council in November 2019
 - Intend to update in 2021
- **Housing Land Acquisition Sites Database and Mapping Tool**
 - Launched San José Housing Site Explorer in August 2020: <https://san-jose-housing-ca.tolemi.com/>
 - Continuing to refine and improve
- **General Plan Four-Year Review Items**
 - Housing in Neighborhood Business Districts
 - Exploring Changes to Commercial Requirements for Affordable Housing

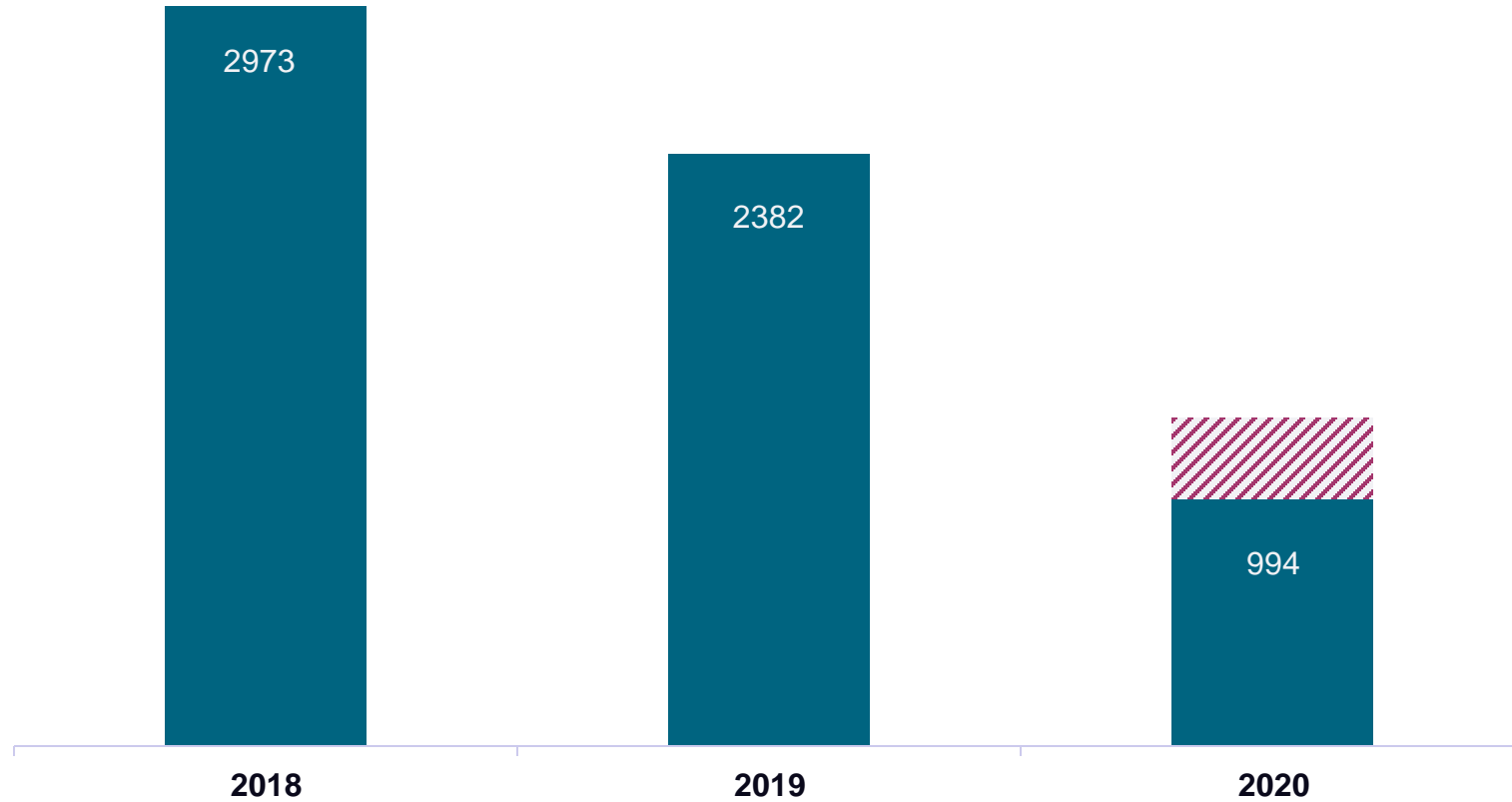
Housing Production

	Capacity Made Readily Available Through Policy Work	Units Receiving Development Planning Approvals	Units Receiving Building Permits	Units Receiving Occupancy	
2018	14,255	Market Rate: 361 Affordable: 81	Market Rate: 2,827 Affordable: 146	Market Rate: 797 Affordable: 30	2018 ↓ 2023
2019	2,800	Market Rate: 2,864 Affordable: 702	Market Rate: 2,248 Affordable: 134	Market Rate: 620 Affordable: 217	
Jan-Sept 2020		Market Rate: 1,299 Affordable: 964	Market Rate: 625 Affordable: 369	Market Rate: 956 Affordable: 259	
Total	17,055	Market Rate: 4,524 Affordable: 1,747 6,271	Market Rate: 5,700 Affordable: 649 6,349	Market Rate: 2,373 Affordable: 506 2,879	

ADU Permits Issued Since 2016



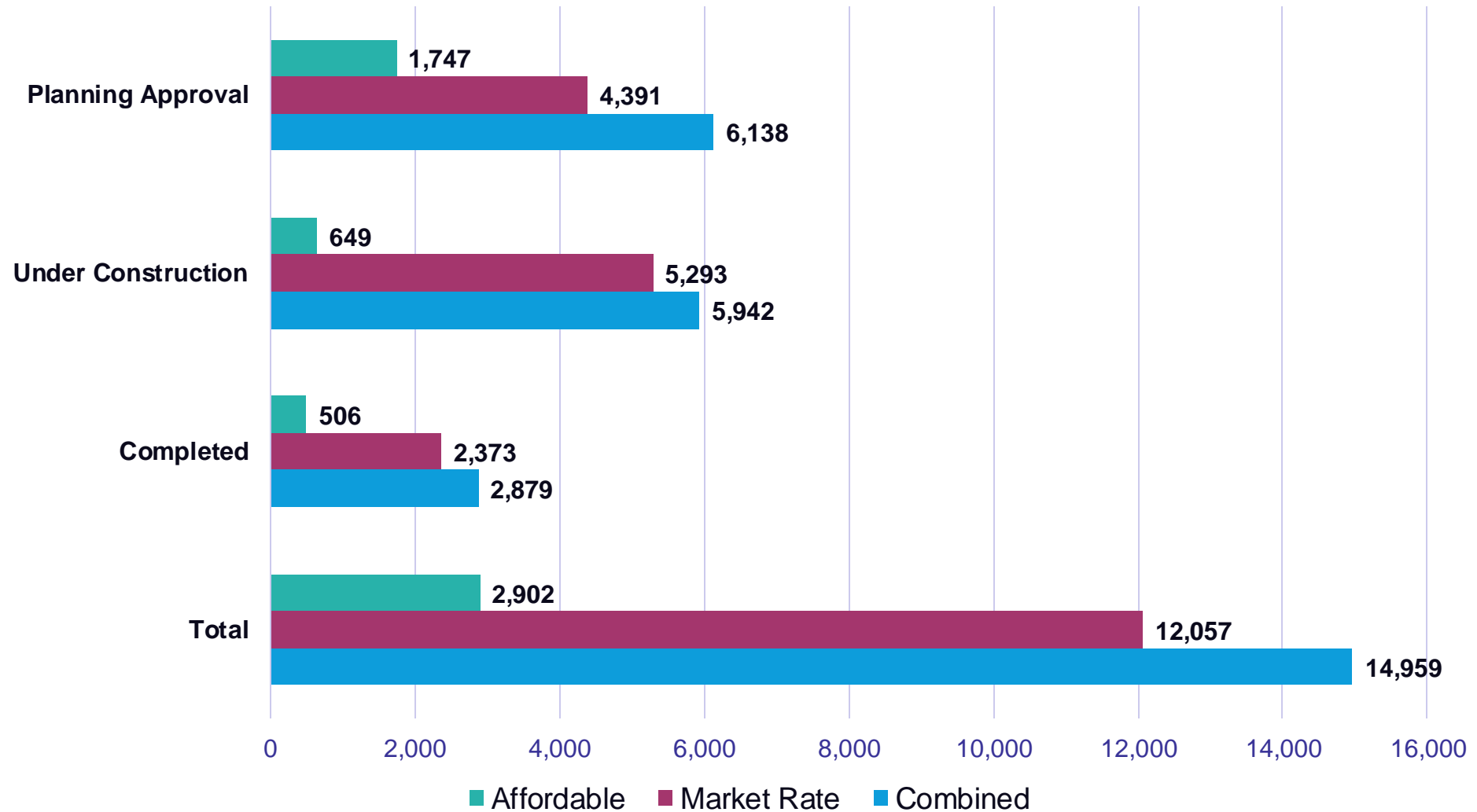
Units Receiving Building Permits



Overall Progress

2018  2020

25,000 Housing Units by 2023
Entitled, Under Construction, or Completed
15,000 Market Rate Units
10,000 Affordable Units



Opportunity Housing Briefing Planning Commission Retreat

October 23, 2020



*Planning, Building and
Code Enforcement*

1. Background & Scope

Defining Missing Middle Housing



House-scale buildings
with **multiple units**
in **walkable** neighborhoods

Opportunity Housing Examples in San José



Opportunity Housing Examples in San José



Source: Mayberry Workshop



Why Opportunity Housing?

- General Plan 4-Year Review Council-approved scoping item
 - Provide transition between higher density Urban Villages and lower density single family homes
 - Allow smaller, more affordable-by-design residential developments
 - Larger developments are expensive, more difficult to fund
 - Expand areas that allow multi-family residential
 - 94% of San Jose residential land is limited to single-family
- Addresses history of racial and economic exclusion



Council-Approved Scope of Work

Explore allowing single-family parcels currently designated “Residential Neighborhood” to redevelop to 2-4 units per parcel with the following parameters from the outset:

- a. Limit to parcels **proximate to transit-oriented Urban Villages** or **immediately adjacent to residential parcels with existing medium-density** building types, e.g., duplexes or triplexes.
- b. Develop a set of design guidelines that would maintain current allowed heights and keep setbacks comparable to existing single-family homes to ensure development would be well integrated into neighborhoods.
- c. Allow flexibility on the number of units allowed per parcel that would vary based on the lot size, location, and other factors.
- d. Clarify that any redevelopment remains within the discretion of the property owner.
- e. Specify that this would be sensitive to historic neighborhoods.
- f. Validate that opportunity housing projects are cost effective.

2. Staff Recommendation

Staff Recommendation

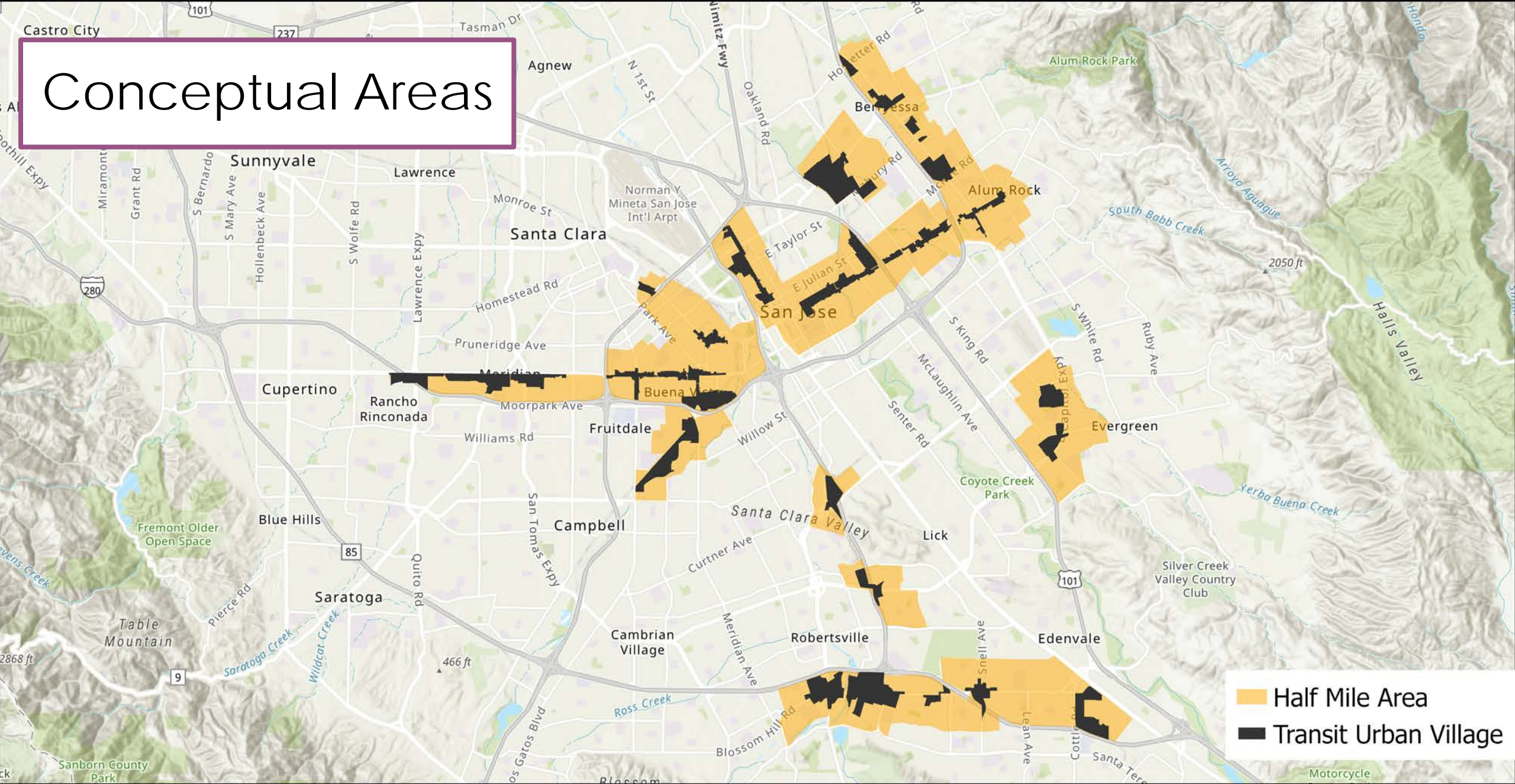
- Explore allowing up to four units on parcels with a Residential Neighborhood land use designation in areas generally a half-mile walking distance around Transit Urban Villages, taking into consideration natural, human-made, and neighborhood boundaries,
- Also explore on properties adjacent to existing multifamily housing types or properties designated for multifamily housing.

Staff Recommendation

Should City Council direct staff to further explore Opportunity Housing, the following actions will need to be initiated.

1. Conduct **robust citywide community engagement** effort
2. Explore creating an **affordable housing incentive**
3. Find an approach that will **minimize displacement** risk
4. Explore strategies to **preserve historic areas and properties**
5. Update **City policies, ordinances and guidelines**

Conceptual Areas



Half Mile Area
Transit Urban Village

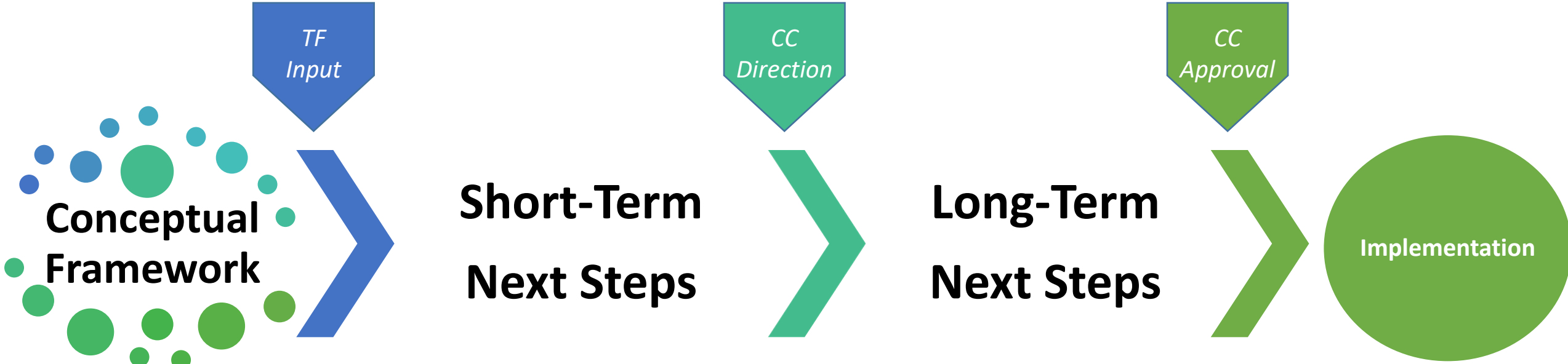
4. Task Force Recommendation

Task Force Recommendation

Explore Opportunity Housing for properties **citywide** with a Residential Neighborhood land use designation, and that staff should continue with its presented work plan and **prioritization of urban village planning.**

5. Next Steps

Process



1. General Plan Action Item
2. Cost Effectiveness Analysis
3. Environmental Analysis

1. Public Outreach
2. Displacement Risk Analysis
3. General Plan Amendments
4. Zoning Code Changes
5. Design Standards
6. Environmental Analysis



Questions and Discussion