



Housing

Consolidated Annual Performance and Evaluation Report (CAPER)

Housing & Community Development Commission

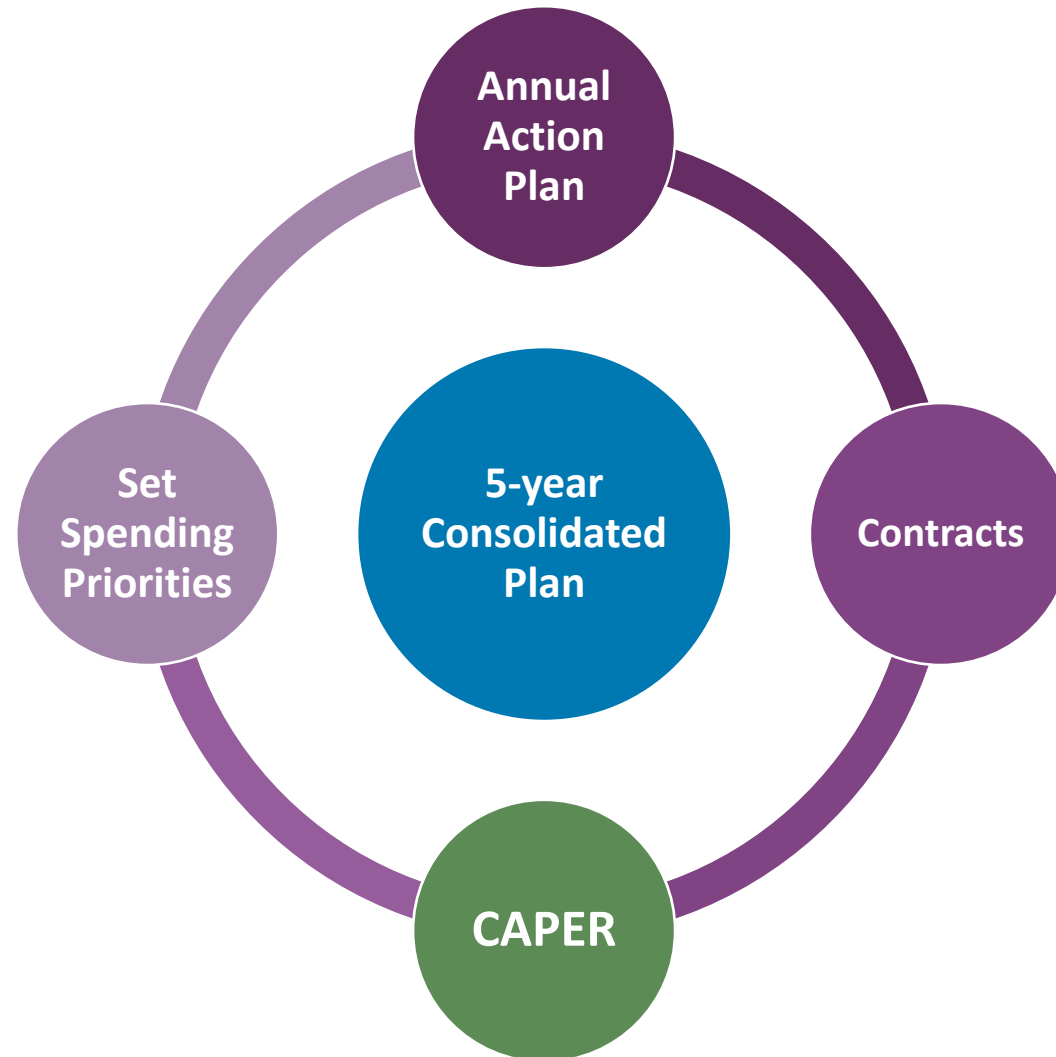
September 14, 2023

Item VII-A

Kristen Clements
Acting Deputy Director

Stephanie Gutowski
Senior Development Officer

Annual Cycle – Report Performance



FY 2022-2023 Annual Priorities

- 🏠 Increase and Preserve Affordable Housing
- 🏠 Respond to Homelessness and its Impact on the Community
- 🏠 Strengthen and Stabilize Communities
- 🏠 Promote Fair Housing Choices



FY 2022-2023 Allocations

Source	Use	FY 22-23 Entitlement Allocation	Prior Year Allocation
HOME	Housing, Rental Assistance	\$3,564,527	\$3,221,675
ESG	Shelter, Homeless Services	\$747,341	\$763,052
HOPWA	Housing support	\$1,652,667	\$1,553,405
CDBG	Housing, Community Development, Capital Improvements	\$8,454,606	\$8,947,319
	TOTAL	\$14,419,141	\$14,485,451



Prevent and Address Homelessness

- 🏠 **1,163** individuals received temporary housing, case management and supportive services
- 🏠 **1,017** individuals received street-based outreach services
- 🏠 **520** individuals assisted in emergency motel program



Create and Preserve Affordable Housing

- 🏠 **95** participants received rental assistance and permanent housing placement assistance through HOPWA tenant-based rental assistance
- 🏠 HOME funds to be designated for new development commitment through upcoming NOFA issuing late 2023



Promote Fair Housing Choices

- 🏠 Four-agency nonprofit fair housing consortium funded
 - Law Foundation of Silicon Valley
 - Project Sentinel
 - Senior Adult Legal Assistance
 - Asian Law Alliance
- 🏠 37 fair housing representations
- 🏠 33 fair housing investigations
- 🏠 21 education and outreach presentations



Strengthen and Stabilize Communities – Public Services

- ▲ **3,714** social visits with wellness checks for low-income seniors
- ▲ **250** legal consultations for low-income people
- ▲ **43** legal representations for eviction proceedings



Strengthen and Stabilize Communities – Public Services

- ▲ **27,003** meals delivered to low-income seniors
- ▲ **565** door-to-door transportation services for low-income residents
- ▲ **393** translation services for participants



Strengthen and Stabilize Communities – Food Distribution Program

- ▶ Partnered with 8 agencies to distribute food January to June 2023
- ▶ **26,440,521 pounds** of food distributed to low-income residents through Second Harvest
- ▶ **6,000** households received 31,200 pre-packaged groceries from Catholic Charities
- ▶ City is transitioning away from federal funds for emergency food distribution



Strengthen and Stabilize Communities – Construction Projects

- 🏠 Funded community Wi-Fi to underserved students at Mt. Pleasant and Silver Creek High Schools (East Side Union High School District)
- 🏠 Fair Swim Center and Tot Lot Rehab through 2026
 - Enhance Fair Swim Center
 - Upgrade Center's tot lot playground



Strengthen and Stabilize Communities – Non-construction Projects

- 🏠 Minor Repair Program: **174** households assisted
- 🏠 Enhanced Code Enforcement: **427** inspections completed



Next Steps

- 🏠 CAPER at City Council → September 26, 2023
- 🏠 CAPER Submission Deadline → September 29, 2023
- 🏠 FY 2024-25 Annual Action Plan → Spring 2024



Recommendation

Hold a public hearing on the report on the progress towards achieving the housing and community development goals identified in the City's five-year Consolidated Plan and the FY 2022-2023 Annual Action Plan (Housing) regarding the use of federal funds from the U.S. Department of Housing and Urban Development (HUD), and

Recommend that the City Council approve the FY 2022-2023 CAPER.





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Draft Program Frameworks for Proposed Tenant Preferences that Deter Displacement

**Housing & Community
Development Commission**

**September 14, 2023
Agenda Item VII. B**

Josh Ishimatsu
Acting Division Manager

Avni Desai
FUSE Executive Fellow

Recommendation

Review the draft frameworks for the proposed Anti-Displacement and Neighborhood Tenant Preferences for affordable housing and make recommendations to staff and/or the City Council



Tenant Preferences

🏠 Goals

- Prevent displacement of lower-income renters
- Provide appropriate selection of units (sizes and affordability levels)
- Allow residents to stay have housing choices and stay in San José
- Make best use of scarce publicly-funded affordable housing



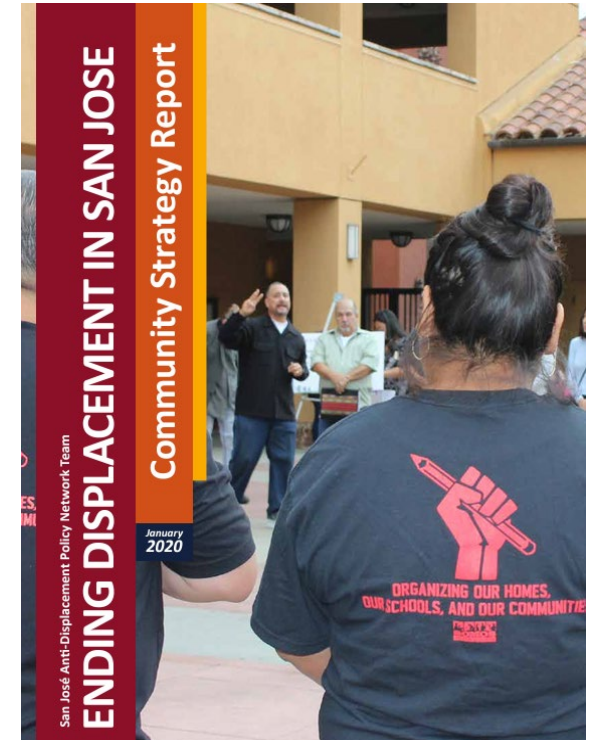
Tenant Preferences that Deter Displacement

- A portion of affordable apartments in certain housing properties will be reserved or prioritized for applicants eligible for preferences
- Lower-income applicants who qualify for preferences apply for affordable apartments
 - Should have a better chance of being accepted into an apartment due to the preference



Tenant Preferences: History

- 🏠 City Council direction in 2017
- 🏠 A priority in the Community Report on Ending Displacement in San José
- 🏠 Prioritized by community groups and stakeholders
- 🏠 Included in the Citywide Anti-Displacement Strategy (adopted 2020)
- 🏠 Included in the Housing Element 2023-2031 as required program work
- 🏠 Informed by other cities' preferences and fair housing law



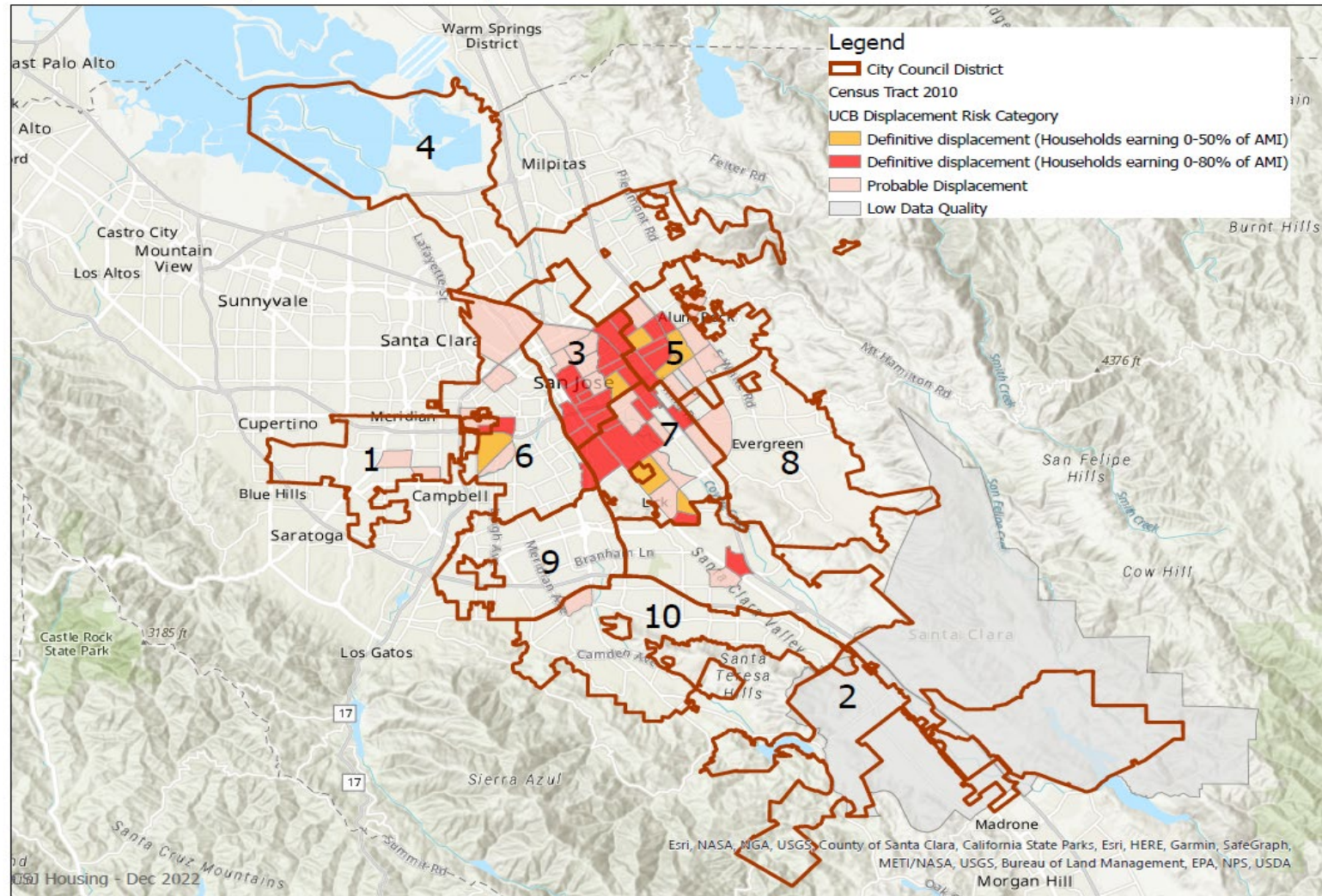
Requirements to Approve Tenant Preferences

- **Analysis conducted for Fair Housing requirements**
- **State Housing & Community Development (HCD) requirements & SB 649**
 - State Senate Bill 649 (2021)
 - HCD: Approve tenant preferences proposals after reviewing analyses
- **City Council approval**



Displacement Tract Maps

UC Berkeley CA Estimated Displacement Risk Model - June 2022 - San José Census Tracts



City of San José Housing - Dec 2022

Two Proposed Preferences to Deter Displacement

1. Citywide Anti-Displacement Tenant Preference

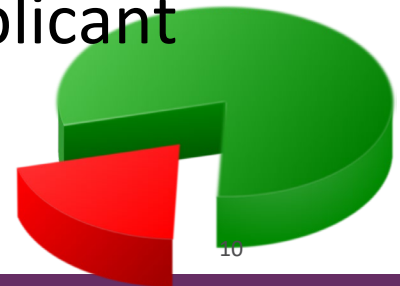
- **Definition:** Requires a portion of affordable apartments in subject properties be reserved/prioritized for applicants from definitive or probable displacement areas
- **Applicants:** Lower-income ($\leq 80\%$ AMI), currently living in Census tract categorized as having definitive or probable displacement
- **Affordable properties:** New and existing properties throughout San José



Two Proposed Preferences to Deter Displacement

2. Neighborhood Tenant Preference

- **Definition:** Requires a portion of affordable apartments in subject properties be reserved/prioritized for applicants who already live in the same City Council District of the property
- **Applicants:** Lower-income ($\leq 80\%$ AMI), currently living in same City Council district as subject property
- **Affordable properties:** New and existing properties in San José in same City Council district as preferenced applicant



Proposed Framework: Applicability

- Preferences apply to
 - Up to a total of 35% of all restricted affordable units otherwise available to the general public in a subject property
 - Limit of 15% of units for Neighborhood Preference
 - Remainder of the 35% of units for Anti-Displacement Preference
- Disparate Impact Analysis results limit the preference applicability to 35% to ensure fair housing requirements are met
 - Analyses conducted:
 - Anti-Displacement preference: Race & Other Protected Classes
 - Neighborhood preference: 1-mile, 2-mile, City Council District for Race
 - Analysis will be conducted periodically, and preference applicability will be updated accordingly



Proposed Framework: Applicability

🏠 Types of deals

- City-funded deals for new construction and acq/rehab
- Deals subject to negotiated agreements (e.g., Development Agreements)
- Existing City-funded affordable deals (worked in on a deal-by-deal basis)
- Does include senior housing
- Does not include restricted affordable units for special populations, or those not funded by City

🏠 Phase-in

- All subject properties 'in process' by the effective date of the approved ordinance



Proposed Framework: Implementation

🏠 Housing Department would:

- Integrate preferences into online tenant application portal (Doorway): <https://housing.sanjoseca.gov/listings>
 - Explanation of preferences
 - Geocoding of Census tracts for both preferences
- Place preferences into new and modified properties' loan documents
- Create manual for property managers



Proposed Framework: Implementation

🏠 Property managers would:

- Receive list of applicants
- Apply the tenant preferences to 35% of the general restricted units in the property
- Qualify applicants, including those eligible for one or both preferences
 - Income eligibility
 - Applicant's current address in displacement Census tract and/or same Council District as the property



Proposed Framework: Implementation

🏠 A San José resident would:

- Apply for a specific property that is accepting applications
 - On Doorway tenant portal (English, Spanish, Vietnamese, and Chinese)
 - Paper application
- Provide their current residential address, household size, and income with evidence
- Read about the tenant preferences they qualify for and automatically be selected for those preferences
 - Or opt-out of the tenant preferences they qualify for, if they choose
 - Applicants qualifying for both preferences would be placed higher on the priority list
- Be placed on property managers' qualified tenant preferences list(s)



Proposed Framework: Engagement & Education

- 🏠 Create materials for community distribution
 - Audience: community partners
 - Target locations: public sites (libraries, City buildings), affordable housing sites
- 🏠 Hold information sessions with property managers post-adoption
- 🏠 Make community presentations at or near new affordable sites



Next Steps

- 🏠 October - December 2023: Present to public bodies
 - Community and Economic Development Committee: 10/23/2023
 - City Council
- 🏠 December 2023: Integrate tenant preferences into online affordable housing portal (Doorway)



Recommendation

Review the draft frameworks for the proposed Anti-Displacement and Neighborhood Tenant Preferences for affordable housing and make recommendations to staff and/or the City Council





Housing

Thank You!

Josh Ishimatsu, Acting Division Manager
Joshua.Ishimatsu@sanjoseca.gov

Tenant Preferences Webpage: <https://bit.ly/tenantpreferences>



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