

District 1 — Roma Dawson

District 3 — Barry Del Buono

District 5 — Ruben Navarro

District 7 — Victoria Partida (VC)

District 9 — Don Jackson

Mayor — Zenia Cardoza

Lived Experience (Mayor) — Sketch Oppie

Lived Experience Alternate (Mayor) — Jerome Shaw

VACANT — District 2

Linh Vong — District 4

Jen Beehler — District 6

Huy Tran — District 8

Roberta Moore — District 10

Daniel Finn — CAAC MR

(C) Ryan Jasinsky — CAAC ML

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Commissioners are appointed by corresponding Council Members, but do not need to reside in that Council District.

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## **REGULAR MEETING AGENDA**

SEPTEMBER 14, 2023

Virtual [Zoom Link](#)

Start time: 5:45 PM

Web ID: **940 5398 8541**

Location: Tower 5<sup>th</sup> Floor, Room 550

**888-475-4499 (Toll Free)**

Members of the public have a choice to attend the meeting either in person at the location listed above, or to attend virtually, viewing and listening to the meeting by following the instructions below. Additional instructions are provided below to those members of the Public who would like to comment on items on the agenda.

### **How to attend the Housing & Community Development Commission Meeting:**

- 1) **In person:** For participants that would like to attend in person, the physical location is listed on the upper left of this page.
- 2) **Electronic Device Instructions:** For participants who would like to join electronically from a PC, Mac, iPad, iPhone, or Android device, please click this URL: [Zoom Link](#).
  - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
  - b. Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak.
  - c. When the Chair calls for the item on which you wish to speak, click on “raise hand.” Speakers will be notified shortly before they are called to speak.
  - d. When called, please limit your remarks to the time limit allotted.
- 3) **Telephone Device Instructions:** For participants who would like to join on their telephones, please dial **888-475-4499 (Toll Free)** and when prompted, enter meeting Webinar ID: **940 5398 8541**. You may also **press \*9 to raise a hand to speak**.
- 4) **Public Comments prior to meeting:** If you would like to submit your comments prior to the meeting, please e-mail [Luisa.Cantu@sanjoseca.gov](mailto:Luisa.Cantu@sanjoseca.gov) or call **(408) 535-8357 no less than 90 minutes before the start of the meeting**. Comments submitted prior to the meeting will be considered as if you were present in the meeting.

*Note that the times for items shown below are approximate and intended only to notify the Commission of the approximate amount of time staff expects each item might take. Please note that items may be heard before or after the times shown, and plan accordingly.*

<b>APPROX. TIME</b>	<b>AGENDA ITEM</b>
<b>5:45</b>	<p><b>I. Call to Order &amp; Orders of the Day</b></p> <p style="padding-left: 20px;">A. Chair reviews logistics for Zoom meetings</p>
<b>5:46</b>	<p><b>II. Introductions and Roll Call</b></p>
<b>5:50</b>	<p><b>III. Consent Calendar</b></p> <p style="padding-left: 20px;"><b>A. Approve the Minutes for the Regular Meeting of August 10, 2023</b> ACTION: Approve the August 10, 2023 action minutes.</p> <p style="padding-left: 20px;"><b>B. Approve the Minutes for the Annual Retreat Special Meeting of August 26, 2023</b> ACTION: Approve the August 26, 2023 action minutes.</p> <p style="padding-left: 20px;"><b>C. Approve the Housing and Community Development Commission’s Fiscal Year 2022-23 Accomplishments Report and Fiscal Year 2023-24 Workplan</b> ACTION: Approve the Housing and Community Development Commission’s FY 2022-23 Accomplishments Report and FY 2023-24 Workplan</p>
<b>6:00</b>	<p><b>IV. Reports and Information Only</b></p> <p style="padding-left: 20px;">A. Director</p> <p style="padding-left: 20px;">B. Council Liaison</p> <p style="padding-left: 20px;">C. Chair</p>
<b>6:10</b>	<p><b>V. Open Forum</b></p> <p style="padding-left: 20px;"><i>Members of the Public are invited to speak on any item that does <u>not</u> appear on today’s Agenda and that is within the subject matter jurisdiction of the Commission. Meeting attendees are usually given two (2) minutes to speak during Open Forum; however, the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate due to a large number of speaker requests.</i></p>
	<p><b>VI. Old Business</b></p>
	<p><b>VII. New Business</b></p>
<b>6:15</b>	<p><b>A. Public Hearing on the Draft Fiscal Year 2022-2023 Consolidated Annual Performance and Evaluation Report (CAPER)</b></p>

**(S. Gutowski, Housing Department)**

**ACTION:** Conduct 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.

**7:15 B. Draft Program Frameworks for Proposed Tenant Preferences that Deter Displacement**

**(J. Ishimatsu, Housing Department)**

**ACTION:** Review the proposed framework for the proposed Anti-Displacement and Neighborhood Tenant Preferences for city-funded affordable housing and make recommendations to staff and/or the City Council.

**8:15 C. Establish an Ad-Hoc Committee to Research Soft Story Seismic Retrofit Policy and Programs**

**(R. Jasinsky, Chair)**

**ACTION:** Form an ad hoc committee and authorize the ad hoc committee to research soft story seismic retrofit policies and programs and report back to the Commission at a future meeting.

**8:30 VIII. Open Forum**

*Members of the Public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter jurisdiction of the Commission (per [Section 2.08.2840](#) of the San José Municipal Code). Meeting attendees are usually given two (2) minutes to speak during Open Forum; however, the time limit is in the discretion of the Chair of the meeting, and may be limited when appropriate due to a large number of speaker requests.*

**8:45 IX. Meeting Schedule**

The next **Regular Meeting** for the Commission is scheduled to be held on **Thursday, October 12, 2023, at 5:45 p.m. in Wing Rooms 118-120 at San José City Hall, 200 E. Santa Clara St., San José, CA 95113**. Items tentatively expected to be heard are:

- Rent Stabilization Program FY 2022-23 Quarter 4 for Apartments, Including the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance
- Rent Stabilization Program FY 2022-23 Quarter 4 Report for Mobilehomes

- Draft Soft Story Retrofit Program

**8:55 X. Adjournment**

*The City's [Code of Conduct](#) is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.*

You may speak to the Commission about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the Commission. Please be advised that, by law, the Commission is unable to discuss or take action on issues presented during Open Forum. Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the Commission unless listed on the agenda, which has been posted not less than 72 hours prior to meeting. Agendas, Staff Reports and some associated documents for the Commission items may be viewed on the Internet at <http://www.sanjoseca.gov/hcdc>. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Commission.

Correspondence to the Housing & Community Development Commission is public record and will become part of the City's electronic records, which are accessible through the City's website. Before posting online, the following may be redacted: addresses, email addresses, social security numbers, phone numbers, and signatures. However, please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the Housing & Community Development Commission, will become part of the public record. If you do not want your contact information included in the public record, please do not include that information in your communication.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk, 200 East Santa Clara Street, 14<sup>th</sup> Floor, San José, California 95113, at the same time that the public records are distributed or made available to the legislative body. Any draft resolutions or other items posted on the Internet site or distributed in advance of the Commission meeting may not be the final documents approved by the Commission. Contact the Office of the City Clerk for the final document.

On occasion, the Commission may consider agenda items out of order.

The Housing & Community Development Commission meets every second Thursday of each month (except for July and sometimes December) at 5:45pm, with special meetings as necessary. If you have any questions, please direct them to the Commission staff. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

**To request translation or interpretation services, accommodation, or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events, or printed materials, please call (408) 535-1260 as soon as possible, but at least three business days before the meeting. Please direct correspondence, requests, and questions to:**

City of San José Housing Department  
Attn: Luisa Cantu  
200 East Santa Clara Street, 12<sup>th</sup> Floor  
San José, California 95113  
Tel: (408) 535-8357  
Email: [Luisa.Cantu@sanjoseca.gov](mailto:Luisa.Cantu@sanjoseca.gov)

**Para residentes que hablan español:** Si desea mas información, favor de llamar a Luisa Cantu al 408-535-8357.

**Tiếng Việt:** Xin vui lòng liên lạc Janie Le tại 408-975-4462.

**對於說華語的居民:** 請電 408-975-4450 向 Ann Tu 詢問詳細事宜。

**HOUSING & COMMUNITY DEVELOPMENT COMMISSION**  
**MEETING ACTION MINUTES**

**August 10, 2023**

**MEMBERS PRESENT:**

Roma Dawson	Commissioner (D1)
Vacant	Commissioner (D2)
Barry Del Buono	Commissioner (D3)
Ruben Navarro	Commissioner (D5) <i>Left @ 7:28</i>
Jen Beehler	Commissioner (D6)
Victoria Partida	Vice Chair (D7)
Huy Tran	Commissioner (D8)
Don Jackson	Commissioner (D9)
Daniel Finn	Commissioner (MR)
Ryan Jasinsky	Chair (ML)

**MEMBERS ABSENT:**

Linh Vong	Commissioner (D4)
Zenia Cardoza	Mayor (CW)
Sketch Oppie	Lived Experience (CW)

**STAFF PRESENT:**

Rachel VanderVeen	Assistant Director Housing
Luisa Cantu	Commission Assistant Secretary, Housing
Kristen Clements	Acting Deputy Director, Housing Department
Emily Hislop	Division Manager, Housing Department

**(I) Call to Order & Orders of the Day**

**A. Chair Jasinsky called the meeting to order at 5:46 p.m. and reviewed logistics for Zoom meetings**

**(II) Introductions – Commissioners and staff introduced themselves.**

**(III) Consent Calendar**

**A. Approve the Minutes for the Regular Meeting of June 8, 2023.**

ACTION: Approve the June 8, 2023 action minutes.

**Commissioner Dawson made the motion to approve the minutes for the meeting of June 8, 2023, with a second by Commissioner Finn. The motion passed 10-0.**

Yes	Finn, Jasinsky, Dawson, Del Buono, Navarro, Beehler, Partida, Tran, Jackson, Moore (10)
No	None (0)
Absent	Vong, Cardoza, Oppie (3)

**Housing & Community Development Commission  
Draft Minutes – Regular Meeting of August 10, 2023**

**(IV) Reports and Information Only**

- A. Chair:** Chair Ryan Jasinsky reviewed logistics and guidelines for participation.
- B. Director:** Ms. Rachel VanderVeen updated the commission regarding the open commission seat for District 2. Housing staff is working closely with the District 2 offices to recruit a new commissioner. Ms. VanderVeen welcomed the new commissioner for District 6 Ms. Jen Beehler. Ms. VanderVeen also welcomed Ms. Rosalynn Hughey our new Acting Housing Director.
- C. Council Liaison:** No Report (absent).

**(V) Open Forum**

**(VI) Old Business**

**(VII) New Business**

**A. Rent Stabilization Program Draft Strategic Plan  
(E. Hislop, Housing Department)**

**ACTION:** Review the draft Rent Stabilization Program Strategic Plan and make possible recommendations to staff and/or City Council.

**Commissioners asked clarifying questions and made comments to staff. Per below, Commissioners made six total motions, none passed.**

***Commissioner Moore made a motion to reject the Strategic Plan as it will make a precarious housing situation even worse, with a second by Chair Jasinsky. The motion failed 4-4.***

Yes	Jasinsky, Beehler, Jackson, Moore (4)
No	Dawson, Del Buono, Partida, Tran (4)
Absent	Vong, Navarro, Cardoza, Oppie (4)
Abstain	Finn (1)

***Commissioner Moore made the motion, given the Housing Director vacancy, the lack of alignment between goals, findings and objectives to recognize housing providers as integral to the goals, we recommend the City Council table this report until these two issues are resolved, with a second by Commissioner Beehler. The motion failed 4-5.***

Yes	Jasinsky, Beehler, Jackson, Moore (4)
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**Housing & Community Development Commission  
Draft Minutes – Regular Meeting of August 10, 2023**

No	Finn, Dawson, Del Buono, Partida, Tran (5)
Absent	Vong, Navarro, Cardoza, Oppie (4)
Abstain	None (0)

***Commissioner Tran made a motion to recommend the City Council adopt the Strategic Plan, with a second by Commissioner Dawson. The motion failed 4-5.***

Yes	Dawson, Del Buono, Partida, Tran (4)
No	Finn, Jasinsky, Beehler, Jackson, Moore (5)
Absent	Vong, Navarro, Cardoza, Oppie (4)
Abstain	None (0)

***Commissioner Moore made a motion: If the City Council proceeds with the Strategic Plan, first gather and incorporate feedback from housing providers to modify the objectives, with a second by Commissioner Jackson. The motion failed 2-7.***

Yes	Jackson, Moore (2)
No	Finn, Jasinsky, Dawson, Del Buono, Beehler, Partida, Tran (7)
Absent	Vong, Navarro, Cardoza, Oppie (4)
Abstain	None (0)

***Commissioner Tran made a motion: recommend to make no recommendation, with a second by Commissioner Dawson. The motion failed 4 -5.***

Yes	Finn, Dawson, Del Buono, Tran (4)
No	Jasinsky, Beehler, Partida, Jackson, Moore (5)
Absent	Vong, Navarro, Cardoza, Oppie (4)
Abstain	None (0)

***Commissioner Moore made a motion to remove Objective 4.5 in the Strategic Plan, with a second by Commissioner Beehler. The motion failed 4-5.***

Yes	Finn, Jasinsky, Beehler, Moore (4)
No	Dawson, Del Buono, Partida, Tran, Jackson (5)
Absent	Vong, Navarro, Cardoza, Oppie (4)
Abstain	None (0)



**Housing & Community Development Commission  
Draft Minutes – Regular Meeting of August 10, 2023**

**B. Housing Catalyst Work Plan**

**(J. Ferguson, Planning, Building and Code Enforcement)**

**ACTION:** Review the status report on the work to initiate the Housing Catalyst Work Plan and make possible recommendations to staff and/or City Council.

**Commissioners asked clarifying questions and gave feedback to staff. No motions were made.**

**(VIII) Open Forum**

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**(IX) Meeting Schedule**

The next Special Meeting for the Commission is the Annual Retreat, scheduled to be held on **Saturday, August 26, 2023, at 9:00 a.m., Tower room T-1734, at San José City Hall, 200 E. Santa Clara St., San José, CA 95113.** Items expected to be heard are (updated):

- Draft FY 22-23 Accomplishments
- Draft FY 23-24 Workplan

The next Regular Meeting for the Commission is scheduled to be held on **Thursday, September 14, 2023, at 5:45 p.m., Tower room T-550, at San José City Hall, 200 E. Santa Clara St., San José, CA 95113.** Items expected to be heard are (updated):

- Approve FY 22-23 Accomplishments
- Approve FY 23-24 Workplan
- Draft CAPER
- Draft Tenant Preferences Program
- Draft Soft Story Retrofit Program

**(X) Adjournment**

**Chair Jasinsky adjourned the meeting at 10:58 p.m.**

**HOUSING & COMMUNITY DEVELOPMENT COMMISSION**

**MEETING ACTION MINUTES**

**August 26, 2023**

<b>MEMBERS PRESENT:</b>	Roma Dawson	Commissioner (D1)
	Linh Vong	Commissioner (D4)
	Zenia Cardoza	Mayor (CW)
	Roberta Moore	Commissioner (D10)
<b>MEMBERS ABSENT:</b>	VACANT	Commissioner (D2)
	Barry Del Buono	Commissioner (D3)
	Ruben Navarro	Commissioner (D5)
	Jen Beehler	Commissioner (D6)
	Victoria Partida	Vice Chair (D7)
	Huy Tran	Commissioner (D8)
	Don Jackson	Commissioner (D9)
	Daniel Finn	Commissioner (MR)
	Ryan Jasinsky	Chair (ML)
	Sketch Oppie	Lived Experience (CW)
<b>STAFF PRESENT:</b>	Rachel VanderVeen	HCDC Secretary, Housing Department
	Josh Ishimatsu	HCDC Secretary, Housing Department
	Luisa Cantu	HCDC Assistant Secretary, Housing Dept.
	Rosalynn Hughey	Acting Housing Director

- a) **Call to Order/Orders of the Day** (R. Dawson, Commissioner D1)  
**Commissioner Dawson called the meeting to order at 9:11 a.m. and reviewed Zoom instructions.**
- b) **Logistics & Goals for the Retreat** – (R. VanderVeen, Housing)
- c) **Introductions/ Ice Breaker** – (R. Dawson, Commissioner D1)
- d) **Overview of City’s Priorities Regarding Housing & Community Development for FY 2023-24**  
(Vanessa Sandoval, Council Chief of Staff for Councilmember Jimenez)  
**Council Chief of Staff for Councilmember Jimenez, Vanessa Pacheco shared priorities for the new fiscal year for the City Council.**
- e) **Update on Housing Director Recruitment Process and Interim Leadership Plan**  
(R. Hughey, Housing / City Manager’s Office)
- f) **Overview of Housing Department Priorities for FY 2023-24**

**Housing & Community Development Commission  
Draft Minutes Retreat Meeting, August 26, 2023**

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(R. VanderVeen, Housing)

**g) Housing Commission Draft FY 2022-23 Accomplishments**

(J. Ishimatsu, Housing)

ACTION: Review draft 2022-23 HCDC Accomplishments, give input, and authorize Housing Department staff to revise draft 2022-23 HCDC Accomplishments per Commissioners' comments for final approval at the Commission's next meeting on September 14, 2023.

**Commissioners asked clarifying questions and gave feedback to staff. No motions were made.**

**h) Review of Housing & Community Development Commission Functions, Powers and Duties (J. Ishimatsu, Housing)**

**i) Commission Draft FY 2023-24 Workplan (J. Ishimatsu, Housing)**

ACTION: Review draft 2023-24 HCDC Workplan, give input, and authorize Housing Department staff to revise draft 2023-24 HCDC Workplan per Commissioners' comments for final approval at the Commission's next meeting on September 14, 2023.

**Commissioners asked clarifying questions and gave feedback to staff. No motions were made.**

**j) Presentation by the City's Office of Racial Equity**

(Z. Maciel, City Manager's Office)

**k) Open Forum**

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**l) Meeting Schedule**

The next Commission meeting will be held on **Thursday, September 14, 2023, at 5:45 p.m.** online. Topics to be covered include:

- Approval of the Commission's FY 2022-23 Accomplishments
- Approval of the Commission's FY 2023-24 Workplan
- Draft CAPER
- Draft Tenant Preferences Program
- Draft Soft Story Retrofit Program

**m) Adjournment**

**Commissioner Dawson adjourned the meeting at 12:46 p.m.**



# Memorandum

**TO:** HOUSING AND COMMUNITY  
DEVELOPMENT COMMISSION

**FROM:** Rachel VanderVeen

**SUBJECT:** SEE BELOW

**DATE:** September 7, 2022

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Approved

Date

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**SUBJECT: HOUSING AND COMMUNITY DEVELOPMENT COMMISSION'S FY  
2022-23 ANNUAL REPORT AND FY 2023-24 WORKPLAN**

## **RECOMMENDATION**

Approve the Housing and Community Development Commission's FY 2022-23 Accomplishments Report and FY 2023-24 Workplan.

## **BACKGROUND**

Section 2.080.030 of the San José Municipal Code requires annual approval of commission workplans for each fiscal year and reports on their annual accomplishments. Commissions' workplans and annual reports provide the City Council with clear detail about boards' and commissions' activity. Annual workplans identify specific priorities, allowing direct and concise direction to the members of the bodies while managing the time of the City support staff. Annual reports document the implementation of the previous year's workplan. Items on a workplan must clearly align to that commission's purpose and must be consistent with City policies. Such City policies include Council Policy 0-4 governing boards and commissions. Once approved, boards and commissions may not engage in activities that are not on their workplans without approval of a modified workplan.

Under the City's Municipal Code (Title 2 Part 28), the Housing and Community Development Commission (Commission) has advisory functions, powers, and duties on the following matters: existing policies and programs concerning housing and community development; potential new policies and programs; reports on the City's progress in meeting its housing goals; annual hearings on the City's federal funding plans and outcomes; proposals regarding the use of funds for housing and community development; and, issues related to the City's Mobilehome Rent Ordinance and mobilehome parks, and the City's Apartment Rent Ordinance and related programs.

In March 2017, the Rules and Open Government Committee established the Community and Economic Development Committee as the approval body for the Housing and Community Development Commission.

## **ANALYSIS**

### **Accomplishments**

The Commission's accomplishments from FY 2022-23 (**Attachment A**) illustrate its members' dedication to addressing a wide range of housing and community development-related policies, programs, and funding decisions. Last year, the Commission heard 29 items. These items included:

- Draft Housing Element Strategies
- Measure E Spending Plans, and Annual Report
- Housing Crisis Workplan updates.

The Commission also held public hearings on required plans and reports regarding the use of public funds from the U.S. Department of Housing and Urban Development. These reports are required to be submitted annually to fulfill federal funding requirements. Last year, the Commission heard these HUD-required items:

- Consolidated Annual Performance and Evaluation Report for FY 2022-23
- FY 2023-24 Annual Action Plan Funding Priorities
- Draft FY 2023-24 Annual Action Plan.

### **Proposed Workplan**

The Commission's proposed FY 2023-24 Workplan (**Attachment B**) is comprised mostly of Department-scheduled items. The Commission held its annual retreat on August 26, 2023 at which it reviewed both the FY 2022-23 Accomplishments and FY 2023-24 Workplan.

In the new fiscal year, items of note that it is expected the Commission will hear include a new proposal for Tenant Preferences in City-supported affordable housing, a soft-story seismic retrofit program, and updates on progress towards the City's newly adopted Housing Element.

Commissioners may elect to hear Commissioner-initiated items within the scope of the Commission that they research and present, but only to the extent that there is time after Department-scheduled items. No such items have been identified for FY 2023-24.

All identified Workplan items are within the scope per the City's Municipal Code for this Commission.

The Housing Department greatly appreciates the dedication and service of the Housing and Community Development Commissioners in their efforts to help improve the quality of life for the residents of San José.

### **CONCLUSION**

Staff recommends that the Committee approve both the Commission's FY 2021-22 Annual Accomplishments Report and its proposed Workplan for FY 2022-23.

### **PUBLIC OUTREACH**

- This memorandum will be posted on the Housing Department website for the September 14, 2023 Commission meeting.
- This memorandum will be posted on the City's Council Agenda website for the October Community Economic Development Committee meeting.
- Outreach was undertaken for this item in addition to the agenda posting described above. These outreach efforts are described below.

The Commission held a publicly-noticed hybrid meeting for its annual retreat on August 26, 2022. The meeting was announced by posted public agendas on the City's website and on the Housing Department's website. Department staff also sent an eblast to interested parties on the Commission's eblast list to notify them of the meeting.

### **COORDINATION**

This memorandum was coordinated with the City Attorney's Office.

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

September 7, 2023

Subject: **HOUSING AND COMMUNITY DEVELOPMENT COMMISSION FY 2022-23 ANNUAL REPORT  
AND FY 2023-24 WORKPLAN**

Page 4

**CEQA**

Not a Project, File No. PP17-010, City Organizational & Administrative Activities that involve no physical changes to the environment.

/s/

RACHEL VANDERVEEN  
Assistant Director, Housing  
Department

For more information, call Josh Ishimatsu, Acting Division Manager, at (408) 535-8236.

**ATTACHMENTS:**

**Attachment A:** Housing & Community Development Commission Annual Accomplishments for  
FY 2022-23

**Attachment B:** Housing & Community Development Commission Draft FY 2023-24 Workplan



**DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23**

	Objective for 22-23	Recommended Actions	Commission Action
<b>Administrative Discussions</b>			
1.	<b>Adopt Commission’s Accomplishments for FY 2021-22</b>  <a href="#">August 15, 2022</a>	Review, discuss, and adopt the Housing and Community Development Commission’s Fiscal Year 2021-22 Accomplishments for submission to the City Council’s Community and Economic Development Committee at its August 22, 2022 meeting.	Commissioner Tran made the motion to adopt the Housing and Community Development Commission’s Fiscal Year 2021-22 Accomplishments for submission to the City Council’s Community and Economic Development Committee at its August 22, 2022 meeting, with a second by Vice Chair Dawson. The motion passed 9-0.  Yes: O’Connell, Dawson, Shoor, Vong, Navarro, Wheeler, Partida, Tran, Moore (9) No: (0) Absent: Jasinsky, Del Buono (2)
2.	<b>Adopt Commission’s Workplan for FY 2022-23</b>  <a href="#">August 15, 2022</a>	Review, discuss, and adopt the Housing and Community Development Commission’s Fiscal Year 2022-23 Workplan, for consideration by the City Council’s Community and Economic Development Committee at its August 22, 2022 meeting.	Commissioner Tran made the motion to approve the Housing and Community Development Commission’s Fiscal Year 2022-23 Workplan giving staff and the chair the flexibility to change dates as needed, with a second by Vice Chair Dawson. The motion passed 7-0 with 1 abstention.  Yes: O’Connell, Dawson, Shoor, Vong, Navarro, Wheeler, Tran (7) No: None (0) Abstain: Moore (1) Absent: Jasinsky, Del Buono, Partida (3)
<b>Policy &amp; Programmatic Discussions</b>			
3.	<b>First Substantial Amendment to the Fiscal Year 2022-23 Annual Action Plan to Transfer Neighborhood Stabilization Program Income Funds to Community Development Block Grant for Eligible Uses</b>	Conduct a public hearing on the proposed First Substantial Amendment to the Fiscal Year 2022-23 Annual Action Plan on the transfer and use of Neighborhood Stabilization Program income funds to the Community Development Block Grant Program for eligible uses, take public comment as required by the U.S.	Commissioner Wheeler made the motion to recommend to the City Council it approve the proposed First Substantial Amendment, with a second by Commissioner Dawson. The motion passed 10-0.  Yes: O’Connell, Jasinsky, Dawson, Shoor, Del Buono, Vong, Wheeler, Partida, Tran, Moore (10) No: (0) Absent: Navarro (1)



## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
	<a href="#"><u>September 8, 2022</u></a>	Department and Housing and Urban Development, review the staff report, and make recommendations to the City Council to approve the proposed First Substantial Amendment.	
4.	<b>Public Hearing on the Fiscal Year 2021-22 Consolidated Annual Performance Evaluation Report (CAPER)</b>  <a href="#"><u>September 8, 2022</u></a>	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 Fiscal Year 2021-22 Annual Action Plan regarding the use of federal funds from the U.S. Department of Housing and Urban Development, and recommend that the City Council approve the Fiscal Year 2021-22 CAPER.	Commissioner Wheeler made the motion to recommend that Housing staff amend, if needed, the Council memo for the Fiscal Year 2021-22 CAPER to add for each line item the amount allocated and spent, rename outcomes to outputs, add progress towards five-year goals, add outcomes, and add evaluation of each program with a second by Moore. The motion passed 7-2. Yes: O'Connell, Jasinsky, Shoor, Vong, Wheeler, Tran, Moore (7) No: Dawson, Del Buono (2) Absent: Navarro, Partida (2)
5.	<b>Rent Stabilization Program Fiscal Year 2021-2022 Quarter 4 Report for Apartments, Including the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance</b>  <a href="#"><u>September 8, 2022</u></a>	Review the report on the Rent Stabilization Program for Apartments in Quarter 4 of Fiscal Year 2021-2022 and provide possible recommendations to staff.	Commissioner Moore made the motion to update Chart 6 to make the time period the same for rent-stabilized and market-rate rents, with a second by Commissioner Wheeler. The motion passed 9-0. Yes: O'Connell, Jasinsky, Dawson, Shoor, Del Buono, Vong, Wheeler, Tran, Moore (9) No: None (0) Absent: Navarro, Partida (2)
6.	<b>Rent Stabilization Program Fiscal Year 2021-2022 Quarter 4 Report for Mobilehomes, Including the Mobilehome Rent Ordinance</b>  <a href="#"><u>September 8, 2022</u></a>	Review the report on the Rent Stabilization Program for Mobilehomes in Quarter 4 of Fiscal Year 2021-2022 and provide possible recommendations to staff.	Commissioner O'Connell made the motion to accept the report and ask staff to report back to the Commission this fall on possible actions with respect to issues in the mobilehome park Trailer Terrace, with a second by Commissioner Wheeler. The motion passed 8-1 with 1 abstention. Yes: O'Connell, Dawson, Shoor, Del Buono, Vong, Wheeler, Partida, Tran (8) No: Jasinsky (1) Abstain: Moore (1)

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
			Absent: Navarro (1)
7.	<b>Study Session on the Draft 2023-2031 Housing Element</b>  <a href="#">October 13, 2022</a>	Hold a study session on the Draft 2023-2031 Housing Element and give feedback to staff on draft Chapter 3, Housing Goals and Strategies.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made.
8.	<b>Measure E Transfer Tax Annual Report for Fiscal Year 2021-2022</b>  <a href="#">November 10, 2022</a>	Review the Measure E Transfer Tax Annual Report for Fiscal Year 2021-2022 and provide possible recommendations.	Commissioner Partida made the motion to recommend City Council that it amend the Measure E allocation plan to increase the Homelessness Prevention and Rental Assistance from 10% to 20%, reduce the Creation of New Affordable Housing for Extremely Low-Income Households category from 40% to 35%, and reduce the Creation of New Affordable Housing for Low-Income Households from 30% to 25%, with a second by Commissioner Navarro. The motion passed 10-0. Yes: O’Connell, Jasinsky, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Moore (10) No: (0) Absent: Wheeler (1)
9.	<b>Housing Crisis Workplan Update</b>  <a href="#">November 10, 2022</a>	Review the final status report on implementation of the Housing Crisis Work Plan and the transition to a newly-established Housing Catalyst Team Work Plan aligned with the timeline and goals of the Housing Element, and make possible recommendations to staff or the City Council.	Commissioners received the update, made comments, and asked clarifying questions; no motions were made.

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
10.	<p><b>Commissioner-initiated Item on Encampment Locations</b></p> <p><a href="#">November 10, 2022</a></p>	<p>Receive the report, form an ad hoc committee, authorize the ad hoc committee to conduct further research and draft a letter or report for the Commission’s consideration at a future meeting, and/or make possible recommendations to the City Council.</p>	<p>Commissioner Jasinsky made the motion to recommend to the City Council that it adopt a 150-foot buffer zone between mobilehome communities and homeless encampments to protect mobilehome communities from fire to preserve the affordable housing stock, with a second by Commissioner Moore. The motion passed 8-1.</p> <p style="padding-left: 40px;">Yes: O’Connell, Jasinsky, Dawson, Shoor, Del Buono, Vong, Partida, Moore (8)</p> <p style="padding-left: 40px;">No: Tran (1)</p> <p style="padding-left: 40px;">Absent: Navarro, Wheeler (2)</p> <p>Commissioner Partida made the motion to retroactively form an ad hoc committee through March 2023 to discuss potential policy ideas on homeless encampment locations, including Commissioners Partida, Vong, Jasinsky, O’Connell, with a second by Commissioner Jasinsky. The motion passed 9-0.</p> <p style="padding-left: 40px;">Yes: O’Connell, Jasinsky, Dawson, Shoor, Del Buono, Vong, Partida, Tran, Moore (9)</p> <p style="padding-left: 40px;">No: None (0)</p> <p style="padding-left: 40px;">Absent: Navarro, Wheeler (2)</p>
11.	<p><b>Rent Stabilization Program Fiscal Year 2022-2023 Quarter 1 Report for Apartments, Including the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance</b></p> <p><a href="#">December 08, 2022</a></p>	<p>Review the report on the Rent Stabilization Program for apartments in Quarter 1 of Fiscal Year 2022-2023 and provide possible recommendations to staff.</p>	<p>Commissioner Dawson made the motion to recommend that Chair Shoor or designee would speak on item 2.19 at the Council meeting on 12/13/22 on behalf of the Commission's desire to see funds approved per staff recommendation for the Eviction Diversion and Settlement Program, with a second by Commissioner Del Buono. The motion passed 10-0.</p> <p style="padding-left: 40px;">Yes: O’Connell, Jasinsky, Dawson, Shoor, Del Buono, Vong, Navarro, Wheeler, Partida, Moore (10)</p> <p style="padding-left: 40px;">No: None (0)</p> <p style="padding-left: 40px;">Absent: Tran (1)</p>
12.	<p><b>Rent Stabilization Program Fiscal Year 2022-2023 Quarter 1 Report for Mobilehomes</b></p> <p><a href="#">December 08, 2022</a></p>	<p>Review the report on the Rent Stabilization Program for apartments in Quarter 1 of Fiscal Year 2022-2023 and provide possible recommendations to staff.</p>	<p>Commissioners asked clarifying questions and gave feedback to staff. No motions were made.</p>

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
13.	<b>Second Study Session on the Draft 2023-2031 Housing Element</b>  <a href="#">December 08, 2022</a>	Hold a second study session on the Draft 2023-2031 Housing Element and give feedback to staff on draft Chapter 3, Housing Goals and Strategies, focusing on Section 3.2 Housing for People Experiencing Homelessness and Section 3.3 Housing Stability.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made. Notes on Commissioner comments will be created for all three study sessions and included in future draft minutes.
14.	<b>Third Study Session on the Draft 2023-2031 Housing Element</b>  <a href="#">January 12, 2023</a>	Hold a third study session on the Draft 2023-2031 Housing Element and give feedback to staff on draft Chapter 3, Housing Goals and Strategies, focusing on Section 3.4: Healthy, thriving neighborhoods with access to good jobs, schools, transportation, and other resources, and Section 3.5: Racially and socially inclusive neighborhoods that overcome past and present discrimination.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made. Notes on Commissioner comments will be created for all three study sessions and included in future draft minutes.
15.	<b>Sixth Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan for the Reallocation of Coronavirus Aid Relief and Economic Security Act Funds Awarded by the United States Department of Housing and Urban Development for Eligible Uses</b>  <a href="#">February 9, 2023</a>	Conduct a Public Hearing on the Sixth Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan (Action Plan) to reallocate \$6,770,616 in Community Development Block Grant CARES Act funds among eligible uses, take public comment as required by the U.S. Department of Housing and Urban Development (HUD), and recommend to the City Council it approve the Sixth Substantial Amendment.	Commissioner Dawson made the motion to recommend to the City Council it approve the Sixth Substantial Amendment to the 2019-2020 Annual Action Plan, with a second by Commissioner Navarro. Yes: Finn, Jasinsky, Dawson, Shoor, Del Buono, Vong, Navarro, Wheeler, Partida, Tran, Jackson, Moore, Cardoza, Oppie (14) No: (0) Absent: (0)
16.	<b>Rent Stabilization Program Strategic Plan Update</b>  <a href="#">February 9, 2023</a>	Review a progress update on the Strategic Plan for the Rent Stabilization Programs (Apartment Rent Ordinance, Mobilehome Rent Ordinance, Tenant Protection	Commissioners asked clarifying questions and gave feedback to staff. No motions were made.

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
		Ordinance, and Ellis Act Ordinance) and give feedback to staff on content.	
17.	<b>First Substantial Amendment to the Fiscal Year 2022-2023 Annual Action Plan to Include the American Rescue Plan Act HOME Allocation Plan</b>  <a href="#">March 9, 2023</a>	Conduct a public hearing on the First Substantial Amendment to the Fiscal Year 2022-2023 Annual Action Plan regarding the use of HOME Investment Partnerships Program American Rescue Plan Act (HOME-ARP) federal funds from the U.S. Department of Housing and Urban Development (HUD), and recommend approval to the City Council.	Commissioner Moore made the motion to move 15% of \$4.5 million in TBRA to homelessness prevention for use on rental assistance and move 15% to supportive services, with a second by Commissioner Partida. Yes: Finn, Shoor, Vong, Navarro, Partida, Moore, Cardoza (7) No: Dawson, Del Buono, Tran, Oppie (4) Absent: Jasinsky, Wheeler (2) Abstain: Jackson (1)
18.	<b>Fiscal Year 2023-2024 Annual Action Plan Funding Priorities</b>  <a href="#">March 9, 2023</a>	Conduct a public hearing on funding priorities for the Fiscal Year 2023-2024 Annual Action Plan for the use of formula funds from the U.S. Department of Housing and Urban Development (HUD), and provide possible input to staff on proposed funding priorities for the City's next Annual Action Plan.	The Commission conducted a public hearing. Commissioners asked clarifying questions and gave feedback to staff, and comments from the public were noted. No motions were made.
19.	<b>Rent Stabilization Program Fiscal Year 2022-2023 Quarter 2 Report for Apartments, Including the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance</b>  <a href="#">March 9, 2023</a>	Review the report on the Rent Stabilization Program for apartments in Quarter 2 of Fiscal Year 2022-2023 and provide possible recommendations to staff.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made.
20.	<b>Rent Stabilization Program Fiscal Year 2022-2023 Quarter 2 Report for Mobilehomes</b>	Review the report on the Rent Stabilization Program for mobilehomes in Quarter 2 of Fiscal Year 2022-2023 and provide possible recommendations to staff.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made.

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
	<a href="#">March 9, 2023</a>		
21.	<p><b>Homelessness Annual Report for Fiscal Year 2021-2022</b></p> <p><a href="#">March 9, 2023</a></p>	Review the Annual Homelessness Report for Fiscal Year (FY) 2021-2022 and recommend that the City Council approve the report.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made.
22.	<p><b>Draft Community Opportunity to Purchase Program (COPA)</b></p> <p><a href="#">March 16, 2023</a></p>	Review the staff report on the draft Community Opportunity to Purchase Program (COPA), which would give the right of first and final offer to qualified nonprofits to purchase properties covered by the program in order to increase the stock of preserved and permanently affordable homes, and make possible recommendations.	<p>Commissioner Dawson made the motion to support staff recommendations for draft program on Commission report dated March 9, 2023, pages 23 - 32, with a second by Commissioner Del Buono.</p> <p style="padding-left: 20px;">Yes: Finn, Dawson, Shoor, Del Buono, Navarro, Partida, Cardoza (7) No: Moore (1) Absent: Jasinsky, Vong, Wheeler, Oppie (4) Abstain: Jackson (1)</p> <p>Commissioner Moore made the motion to include incentives that properties acquired through COPA are sold to their renters who remain in place, with a second by Commissioner Navarro.</p> <p style="padding-left: 20px;">Yes: Dawson, Shoor, Del Buono, Navarro, Partida, Jackson, Moore, Cardoza (8) No: (0) Absent: Jasinsky, Vong, Wheeler, Oppie (4) Abstain: Finn (1)</p>
23.	<p><b>First Draft Fiscal Year 2023-2024 Annual Action Plan</b></p> <p><a href="#">April 13, 2023</a></p>	1) Conduct a Public Hearing on the Draft Fiscal Year 2023-2024 Annual Action Plan (Action Plan) for the use of federal funds from the U.S. Department of Housing and Urban Development (HUD), and take public comment as required by HUD, 2) Provide Housing Department staff with input on the draft Action Plan and proposed funding, and 3) Recommend to the City Council it approve the Draft Action Plan.	<p>Vice Chair Dawson made the motion to move to close the public hearing, with a second by Commissioner Moore. The motion passed 11-0.</p> <p style="padding-left: 20px;">Yes: Finn, Dawson, Shoor, Del Buono, Vong, Wheeler, Partida, Jackson, Moore, Cardoza, Oppie (11) No: (0) Absent: Jasinsky, Navarro, Tran (3)</p> <p>Commissioner Vong made the motion to recommend to the City Council it approve the Draft Action Plan, with a second by Commissioner Cardoza. The motion passed 11-0.</p>

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
			<p>Yes: Finn, Dawson, Shoor, Del Buono, Vong, Wheeler, Partida, Jackson, Moore, Cardoza, Oppie (11)                      No: (0)                      Absent: Jasinsky, Navarro, Tran (3)</p>
24.	<p><b>Rent Stabilization Program Fees for Fiscal Year 2023-2024</b></p> <p><a href="#">April 13, 2023</a></p>	<p>Review the proposed fee structure for Fiscal Year 2023-2024 for the Rent Stabilization Program as stated below, and recommend that the City Council approve the proposed fees:</p> <ul style="list-style-type: none"> <li>i. Annual Apartment Rent Control Fee: increase from \$65.00 per unit to \$72.00</li> <li>ii. Annual Apartment Non-Rent Control Fee: increase from \$15.00 per unit to \$34.00</li> <li>iii. Annual Mobilehome Rent Control Fee: increase from \$30.00 per unit to \$33.00, and</li> <li>iv. Fees in connection with withdrawal of a building under the Ellis Act Ordinance: maintain \$2,833 per unit for up to 10 units and \$951 per unit for over 10 units.</li> </ul>	<p>Commissioner Moore made the motion that staff propose an increase in the Annual Apartment Rent Control Fee limited to 5%, for a total of \$68.25 instead of \$72, with a second by Commissioner Oppie. The motion failed, 2-6-3.</p> <p>Yes: Moore, Oppie (2)                      No: Dawson, Del Buono, Vong, Wheeler, Partida, Jackson (6)                      Absent: Jasinsky, Navarro, Tran (3)                      Abstain: Shoor, Finn, Cardoza (3)</p> <p>Commissioner Partida made the motion to recommend that the City Council adopt the proposed fees:</p> <ul style="list-style-type: none"> <li>i. Annual Apartment Rent Control Fee: increase from \$65.00 per unit to \$72.00</li> <li>ii. Annual Apartment Non-Rent Control Fee: increase from \$15.00 per unit to \$34.00</li> <li>iii. Annual Mobilehome Rent Control Fee: increase from \$30.00 per unit to \$33.00, and</li> <li>iv. Fees in connection with withdrawal of a building under the Ellis Act Ordinance: maintain \$2,833 per unit for up to 10 units and \$951 per unit for over 10 units,</li> </ul> <p>with a second by Commissioner Del Buono. The motion passed, 8-2-1.</p> <p>Yes: Finn, Dawson, Del Buono, Wheeler, Partida, Jackson, Cardoza, Oppie (8)                      No: Vong, Moore (2)                      Absent: Jasinsky, Navarro, Tran (3)                      Abstain: Shoor (1)</p>
25.	<p><b>Housing Trust Fund Budget for Fiscal Year 2023-2024</b></p> <p><a href="#">April 13, 2023</a></p>	<p>Acting as the Housing Trust Fund Oversight Committee, recommend that the Director of Housing approve the expenditure plan for the Housing Trust Fund of \$2,927,184 (corrected) for Fiscal Year (FY) 2023-2024.</p>	<p>Commissioner Moore made the motion that the Commission, acting as the Housing Trust Fund Oversight Committee, recommend that the Director of Housing approve the expenditure plan for the Housing Trust Fund of \$2,927,184 for Fiscal Year 2023-2024, with a second by Commissioner Wheeler. The motion passed, 8-0-2.</p>

**DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23**

#	Objective for 22-23	Recommended Actions	Commission Action
			<p>Yes: Finn, Dawson, Del Buono, Wheeler, Partida, Jackson, Cardoza, Cardoza (8)                      No: None (0)                      Absent: Jasinsky, Navarro, Tran, Vong (4)                      Abstain: Shoor, Oppie (2)</p>
26.	<p><b>Proposed Changes to the Percentage Allocations and the Spending Plan for Fiscal Year 2023-2024 Including Uncommitted Funds Recaptured from Fiscal Year 2020-2021 through Fiscal Year 2022-2023 for Measure E Transfer Tax Funds</b></p> <p><a href="#">May 11, 2023</a></p>	<p>Review the staff report and provide possible recommendations to the City Council regarding the following:</p> <p>A. Proposed changes to the percentage allocations in the allocation framework for Fiscal Year 2023-2024 to: (1)5% for administration with the remaining revenue allocated as follows: (2)0% for the creation of new affordable housing for extremely low-income households; (3)0% for the creation of new affordable housing for low-income households; (4)0% for the creation of new affordable housing for moderate-income households; (5)20% for homeless prevention, gender-based violence programs, legal services, and rental assistance; and (6)80% for homeless support programs including shelter construction and operations</p> <p>B. Proposed spending plan for Fiscal Year 2023-2024 based upon the changes to percentage allocations, that includes the reallocation of \$87 million of uncommitted revenue comprised of \$17 million from FY 2020-2021, \$20.4 million from FY 2021-2022, and \$49.5 million from</p>	<p>Commissioner Navarro made a motion that Commission not approve recommendation A or B and instead reaffirms the current spending percentages already in place consistent with City Council Policy 1-18, with a second by Commissioner Oppie. The motion passed 11-0.</p> <p>Yes: Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)                      No: None (0)                      Absent: Jasinsky, Wheeler, Moore (3)</p> <p>Commissioner Finn made a motion that the Commission write a strongly worded letter to the Mayor and Council reflecting the Commission’s discussion to be composed by Vice Chair Dawson, with copies to the City Manager and City Clerk, with a second by Commissioner Oppie. The motion passed 11-0.</p> <p>Yes: Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)                      No: None (0)                      Absent: Jasinsky, Wheeler, Moore (3)</p> <p>Commissioner Dawson made a motion that Chair Shoor speak or designate a surrogate commissioner to address City Council on behalf of the Measure E Oversight Committee for the budget item 3.3 on Tuesday 5/16/23, with a second by Commissioner Finn. The motion passed 11-0.</p> <p>Yes: Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)                      No: None (0)                      Absent: Jasinsky, Wheeler, Moore (3)</p>



**DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23**

#	Objective for 22-23	Recommended Actions	Commission Action
		<p>FY 2022-2023 to: (1)22% for administration, with the remaining revenue allocated as follows: (2)21% for the creation of new affordable housing for extremely low-income households (3)57% for the creation of new affordable housing for low-income households; (4)0% for the creation of new affordable housing for moderate-income households; (5)4% for homeless prevention, gender-based violence programs, legal services and rental assistance; and (6)18% for homeless support programs including shelter construction and operations.</p>	
27.	<p><b>Seventh Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan to Reallocate a Portion of Community Development Block Grant Cares Act Funding Awarded by the United States Department of Housing and Urban Development</b></p> <p><a href="#">May 11, 2023</a></p>	<p>a) Conduct a Public Hearing on the Fiscal Year 2019-2020 Annual Action Plan to reallocate a portion of the Community Development Block Grant Coronavirus Aid, Relief, and Economic Security (CARES) Act (CDBG-CV) funding awarded by the United States Department of Housing and Urban Development (HUD) to the City of San José;</p> <p>b) Approve the Seventh Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan to amend the CDBG-CV Program Allocation Plan and reallocate \$250,000 in unused CDBG-CV funds from the Law Foundation of Silicon Valley to Sacred Heart Community Services for the Eviction Diversion and Settlement Program; and</p> <p>c) Recommend to the City Council it approve the Seventh Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan.</p>	<p>Commissioner Finn made the motion to accept the staff recommendation, with a second by Commissioner Del Buono. The motion passed 10-0.</p> <p>Yes: Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)</p> <p>No: None (0)</p> <p>Absent: Jasinsky, Wheeler, Moore (3)</p>

## DRAFT Housing & Community Development Commission Accomplishments for FY 2022-23

#	Objective for 22-23	Recommended Actions	Commission Action
28.	<b>Information Briefing on the Soft Story Seismic Retrofit Program</b>  <a href="#">May 11, 2023</a>	Receive the briefing on the Soft Story Seismic Retrofit Project and provide feedback to staff on the outreach and engagement strategy to maximize stakeholder participation and input on program elements.	Commissioners asked clarifying questions and gave feedback to staff. No motions were made.
29.	<b>Draft 2023-2031 Housing Element</b>  <a href="#">June 8, 2023</a>	Review the Draft 2023-2031 Housing Element and the Planning Commission Memorandum dated May 24, 2023 and recommend the City Council approve the Housing Element.	Commissioner Tran moved that the Commission recommend the City Council approve the Housing Element, with a second by Commissioner Finn. The motion passed 6-2. Yes: Finn, Dawson, Shoor, Partida, Tran, Jackson (6) No: Jasinsky, Moore (2) Absent: Del Buono, Vong, Navarro, Wheeler, Cardoza, Oppie (6)

## DRAFT Housing &amp; Community Development Commission Work Plan for FY 2023-24

#	Topics for FY 23-24	Action	HCDC Role, Function, Power, Duty	Topic*	Tentative Date
1	<b>Housing Catalyst Work Plan</b>	RECOMMEND: Review, discuss, and make recommendations to staff and/or Council about cross-department work plan to increase housing and advance the goals of the City's Housing Element	Advisory (General Housing Programs)	GHP	Aug 2023
2	<b>Rent Stabilization Program Draft Strategic Plan</b>	RECOMMEND: Review, discuss, and make recommendations to staff and/or Council about draft RSP Strategic Plan	Advisory (RSP Programs)	RSP	Aug 2023
3	<b>HCDC FY 2022-23 Annual Accomplishments</b>	ADOPT: Review, discuss, and adopt HCDC's FY 2022-23 Annual Accomplishments, based on work completed at Annual Retreat	HCDC Admin / Governance	HCDC	Sep 2023
4	<b>HCDC FY 2023-24 Annual Work Plan</b>	ADOPT: Review, discuss, and adopt HCDC's FY 2023-24 Annual Work Plan, based on work completed at Annual Retreat	HCDC Admin / Governance	HCDC	Sep 2023
5	<b>Draft CAPER</b>	RECOMMEND: Hold a public hearing for the FY 2022-23 Consolidated Annual Performance and Evaluation Report (CAPER) on the use of funds from the U.S. Department of Housing and Urban Development (HUD) and make possible recommendation to City Council to approve the report	HUD-required Hearing	HUD	Sep 2023
6	<b>Draft Tenant Preferences Programs</b>	RECOMMEND: Review, discuss, and make recommendations to staff and/or Council about newly proposed programs to create Tenant Preferences in affordable housing to help prevent displacement of current City residents	Advisory (General Housing Programs)	GHP	Sep 2023
7	<b>Draft Soft Story Retrofit Program</b>	ADVISE: Review, discuss, and advise staff and/or Council about soft story framework	Advisory (General Housing Programs)	GHP	Oct 2023
8	<b>RSP &amp; Mobilehomes Q4 Reports – (Apr-Jun)</b>	REVIEW: Review and possibly provide advice to staff regarding Rent Stabilization Program data (two separate reports, 1 for RSP, 1 for mobilehomes)	Review of ARO- and Mobilehome Rent Ordinance-related data	RSP / MH	Oct 2023

**DRAFT Housing & Community Development Commission Work Plan for FY 2023-24**

#	Topics for FY 23-24	Action	HCDC Role, Function, Power, Duty	Topic*	Tentative Date
9	<b>RSP Annual Reports FY 2022-23 &amp; FY 2021-22</b>	REVIEW: Review and possibly provide advice to staff regarding Rent Stabilization Program data	Review of ARO-related data	RSP / MH	Nov 2023
10	<b>RSP &amp; Mobilehomes Q1 Reports – (Jul-Sep)</b>	REVIEW: Review and possibly provide advice to staff regarding Rent Stabilization Program data (two separate reports, 1 for RSP, 1 for mobilehomes)	Review of ARO- and Mobilehome Rent Ordinance-related data	RSP / MH	Nov 2023
11	<b>Funding Priorities for FY 24-25 Annual Action Plan</b>	RECOMMEND: Hold a Public Hearing and review funding priorities for FY 2024-25 Annual Action Plan and make potential recommendation to Council to approve the plan	HUD-required Hearing	HUD	Dec 2023
12	<b>Measure E Annual Report</b>	REVIEW: Review and possibly provide advice to staff regarding report for expenditures of Measure E funds	Measure E oversight	ME	Dec 2023
13	<b>HCDC Workplan Amendments</b>	ADOPT: As appropriate, review, discuss, and adopt any amendments to the 2 <sup>nd</sup> 6 months of the HCDC FY 2023-24 Annual Work Plan	HCDC Admin / Governance	HCDC	Jan 2024
14	<b>Annual Homeless Report</b>	REVIEW: Review report and provide input on overall policies and programs to address homelessness	Advisory (General Housing Programs)	GHP	Jan 2024
15	<b>Housing Catalyst Team Work Plan</b>	REVIEW: Review, discuss, and provide input about Housing Catalyst proposed 2024 Work Plan	Advisory (General Housing Programs)	GHP	Feb 2024
16	<b>Draft Amendments to Citizen Participation Plan</b>	RECOMMEND: Hold a Public Hearing and review draft amendments to the City’s Citizen Participation Plan which defines required public outreach for Actions related to funding from the U.S. Department of Housing and Urban Development	HUD-required Hearing	HUD	Feb 2024
17	<b>RSP &amp; Mobilehomes Q2 Reports – (Oct-Dec)</b>	REVIEW: Review and possibly provide advice to staff regarding Rent Stabilization Program data (two separate reports, 1 for RSP, 1 for mobilehomes)	Review of ARO- and Mobilehome Rent Ordinance-related data	RSP / MH	Feb 2024

**DRAFT Housing & Community Development Commission Work Plan for FY 2023-24**

#	Topics for FY 23-24	Action	HCDC Role, Function, Power, Duty	Topic*	Tentative Date
18	<b>RSP Program Budget and Fee Recommendations</b>	RECOMMEND: Review, discuss, and make recommendations to staff and Council about proposed RSP Budget and Fee Recommendations	Advisory (RSP Programs)	RSP / MH	Mar 2024
19	<b>Annual Progress Report on the Housing Element and Housing Successor Report</b>	REVIEW: Review report and advise staff and/or Council about progress towards Housing Element goals	Advisory (General Housing Programs)	GHP	Mar 2024
20	<b>Measure E Spending Plan</b>	RECOMMEND: Review, discuss, and make recommendations to staff and Council about proposed Measure E Spending Plan	Measure E oversight	GHP	Apr 2024
21	<b>Housing Trust Fund Budget</b>	RECOMMEND: Review, discuss, and make recommendations to staff and Council about proposed Housing Trust Fund Budget	Advisory (General Housing Programs)	GHP	Apr 2024
22	<b>Draft 2024-25 Annual Action Plan</b>	RECOMMEND: Hold a Public Hearing and review the FY 2024-25 Annual Action Plan and make potential recommendation to Council to approve the plan	HUD-required Hearing	HUD	Apr 2024
23	<b>Moderate-income Housing Strategy</b>	REVIEW: Review, discuss, and provide input about draft Moderate-income Housing Strategy	Advisory (Programs)	GHP	May 2024
24	<b>Commission Nominations/Elections</b>	NOMINATE: Nominate and discuss Chair and Vice Chair for FY 2024-25	HCDC Admin / Governance	HCDC	May 2024
25	<b>RSP &amp; Mobilehomes Q3 Reports – (Jan-Mar)</b>	REVIEW: Review, discuss, and provide input to staff regarding Rent Stabilization Program data (two separate reports, 1 for RSP, 1 for mobilehomes)	Review of ARO- and Mobilehome Rent Ordinance-related data	RSP / MH	Jun 2024
26	<b>Commission Nominations/Elections</b>	ELECT: Nominate and elect Chair and Vice Chair for FY 2024-25	HCDC Admin / Governance	HCDC	Jun 2024
27	<b>Draft AFH Plan</b>	RECOMMEND: Hold a public hearing for the Assessment of Fair Housing (AFH) Plan as required by HUD for use of specified federal funds and make possible recommendation to City Council to approve the AFH	HUD-required Hearing	HUD	TBD

**DRAFT Housing & Community Development Commission Work Plan for FY 2023-24**

#	Topics for FY 23-24	Action	HCDC Role, Function, Power, Duty	Topic*	Tentative Date
28	<b>Amendment(s) to Annual Action Plans (FY 2022-23, FY 2023-24)</b>	RECOMMEND: Hold a Public Hearing and review any proposed amendments to any active Annual Action Plans and make potential recommendation to Council to approve the amendments	HUD-required Hearing	HUD	Scheduled as needed
29	<b>Topics related to Chapters 17.22 and 17.23 of the San José Municipal Code</b>	RECOMMEND: Discuss items related to SJMC Chapters 17.22 and 17.23 regarding the Mobilehome Rent Ordinance, Rent Stabilization and related regulations and take possible action	Review of RSP and Mobilehome Rent Ordinance-related policies and programs	RSP / MH	Scheduled as needed
30	<b>Topics related to Chapter 20.180 of the San José Municipal Code</b>	RECOMMEND: Discuss items related to SJMC Chapters 20.180 regarding mobilehome parks and related policies and take possible action	Review of mobilehome-related policies and programs	MH	Scheduled as needed
31	<b>Proposed State/Federal Legislation</b>	RECOMMEND: Discuss and provide recommendations to staff and/or Council on proposed legislation or ballot measures pertaining to subjects under the purview of the Commission, per Policy 0-4	Advisory (General Housing Programs)	GHP	Scheduled as needed
32	<b>Commissioner-initiated discussions under the purview of the Commission**</b>	TBD: Hold Commissioner-initiated discussions on existing or potential programs, policies, or regulations related to housing and community development policies or programs and take possible action	TBD	TBD	Scheduled as needed

**NOTES**

\* = Legend for Topic Column: MH = Mobilehomes; RSP = Non-MH Rent Stabilization; HUD = HUD Consolidated Plan; GHP = General Housing Programs; ME = Measure E / Property Transfer Tax; HCDC = HCDC admin/governance

\*\* = Commissioner-initiated items are researched and prepared by the Commissioners. All of these actions are to be taken consistent with Policy 0-4. Staff is only responsible for distribution unless capacity exists to provide additional information. These items will be agendized and prioritized around the Commission's regular workload. The proposed agendized items may be subject to change.



# Memorandum

**TO:** HOUSING AND COMMUNITY  
DEVELOPMENT COMMISSION

**FROM:** Kristen Clements

**SUBJECT:** SEE BELOW

**DATE:** September 7, 2023

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Approved

Date

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**SUBJECT: PUBLIC HEARING ON THE DRAFT FISCAL YEAR 2022-2023  
CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION  
REPORT (CAPER)**

**RECOMMENDATION**

Conduct 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.

**SUMMARY AND OUTCOME**

The public hearing provides an opportunity to the Housing and Community Development Commission (Commission) and the public to provide comment on the progress towards goals established in the 5-year Consolidated Plan and the FY 2022-23 Annual Action Plan as well as the feedback on the draft Report.

**BACKGROUND**

As an entitlement community, San José receives federal funding each year directly from HUD through a formula allocation. Administered by the City's Housing Department, the federal funds are vitally needed to support several City initiatives and to help the Department meet its mission to strengthen and revitalize San José's communities through housing and neighborhood investments.

To qualify for these funds, HUD requires that the City complete the following three documents:

1. A Five-Year Consolidated Plan, which documents the City's housing needs and its strategies for meeting those needs during a five-year period. For FY 2022-2023, the City was in its third year of its 2020-2025 Five-Year Consolidated Plan.
2. An Annual Action Plan (Action Plan), which details the investment strategy in each of the five years within a Consolidated Plan cycle to meet identified priorities. The City Council first approved the FY 2022-2023 Action Plan on August 8, 2022.
3. A Consolidated Annual Performance and Evaluation Report (CAPER), which summarizes the City's progress in meeting the objectives of each respective Annual Plan. The draft FY 2022-2023 CAPER is available on the Housing Department's website:  
[www.sanjoseca.gov/CAPER](http://www.sanjoseca.gov/CAPER).

The first two Plans guide the funding priorities for San José's federal housing grant programs that are administered by the City's Housing Department and overseen by HUD. The CAPER measures progress stated in the Plans. The deadline for submission for the FY 2022-2023 CAPER is September 29, 2023. The Commission's and the City Council's meetings will provide opportunities for public input on the report as required by the City's adopted Citizen Participation Plan and for the City Council to consider approval of the CAPER prior to its submission to HUD.

For FY 2022-2023, the City received a total allocation of \$14.4 million in federal formula funding from Community Development Block Grants, HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG) programs.

Major accomplishments achieved during the fiscal year are highlighted in the following sections. Each set of annual goals in the FY 2022-2023 Annual Action Plan are measured against progress toward the goals set in the five-year Consolidated Plan. The remaining CARES Act funding will be expended in FY 2023-2024. Each of the federal grants has specific requirements on how funds can be used to meet the goals/areas of need. The main objective of each program is described below.

Community Development Block Grant (CDBG): As the largest and most flexible of the four federal grants, CDBG funds are divided into three categories of uses. These include Public Services, Community Development Investment Activities, and Administration. Federal regulations typically only allow 15% of CDBG funds to be used for public services. The Community Development Investment category is further delineated into non-construction and construction projects.

HOME Investment Partnerships Program (HOME): These funds must be used to provide affordable housing opportunities.

Emergency Solutions Grant (ESG): These funds must be used for solutions to address homelessness.



Housing Opportunities for Persons With AIDS (HOPWA): The HOPWA grant must be used to fund agencies that provide housing and support services to low-income individuals living with HIV/AIDS.

## **ANALYSIS**

This memorandum summarizes the accomplishments contained within the FY 2022-2023 CAPER. The CAPER describes the progress towards achieving the housing and community development goals identified in the City's five-year Consolidated Plan (2020-2025) and the FY 2022-2023 Annual Action Plan. Highlights include achievements in the four priorities identified in the five-year Consolidated Plan, specifically:

The 2020-25 Consolidated Plan's four spending priorities are to:

1. **Prevent and Address Homelessness** – Increase housing opportunities and self-sufficiency for homeless populations and assist in the prevention of homelessness for at-risk individuals and families.
2. **Create and Preserve Affordable Housing** – Create new affordable housing opportunities and preserve existing affordable housing.
3. **Promote Fair Housing** – Promote fair housing and lower barriers to housing.
4. **Strengthen and Stabilize Communities** – Strengthen and stabilize communities' condition and help to improve residents' ability to increase their employment prospects and grow their assets.

The accomplishments reflect measures stated in grant agreements with contracted service providers, as well as the results of community development projects including nonprofit facility improvements and Capital projects completed by various City departments. The CAPER summarizes only the goals associated with the City's federally-funded activities; it does not include activities carried out with local or State funds, so it is only part of the Housing Department's total accomplishments for the year.

The City expended over \$23.8 million in federal funds for both annual activities and to complete COVID-19 response activities. With the City's federal expenditures totaling \$29.5 million in FY 2021-2022, the \$23.8 million expenditure represents a 19.3% decrease due to CARES Act funding being spent down. Most of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding in Community Development Block Grant Program (CDBG CV) and Emergency Solutions Grant Program (ESG CV) committed and contracted in late FY 2020-2021, the balance of CARES Act funding will be expended this year.

The HUD's federal funds enabled the following achievements in the four priority areas:

Respond to Homelessness and its Impact on the Community:

Temporary housing, case management, and support services were provided to 1,163 households/individuals and provided outreach to 1,017 individuals.

Increase and Preserve Affordable Housing:

Housing and rental assistance was provided to 70 households using the remaining Cares Act funding.

Strengthen and Stabilize Communities:

Safety net services, leadership development workshops, social visits, transportation, childcare, and wellness checks were provided to 1,098 individuals. Approximately 35,000 meals were delivered to low-income seniors

Promote Fair Housing Choices:

Fair housing investigations or legal representation services were provided to 155 households. Of these households, 33 were provided fair housing investigations, 37 were provided legal representation and 21 education and outreach presentations were provided.

The information above describes the number of households that benefited from projects supported with federal funds. The impact to the lives of those receiving services is described on the following pages. The federal resources supporting these services help to leverage local funding and to increase the City's impact in addressing the needs of the community.

The City received a total allocation of \$14.4 million in federal funding from CDBG, HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS Program (HOPWA), and ESG for FY 2022-2023. Additionally, through the CARES Act, the City was still administering funds received in the previous year for COVID-19 response. The CARES Act provided additional allocations in the CDBG and ESG. The balance of CARES Act funding will be expended in FY 2023-2024 within federal expenditure deadlines.

**Annual Progress on Priorities**

The following are summaries of each of the four priorities and outcomes from programs serving each of the four goals.

***Respond to Homelessness and its Impacts on the Community***

Working collaboratively with the County's Office of Supportive Housing, the Housing Department provided temporary housing and shelter capacity by operating emergency interim housing, a motel voucher program, and provided comprehensive outreach services.

**Table A** below summarizes the major outcomes of federally funded projects responding to homelessness.

<b>Table A: Responding to Homelessness and its Impact on the Community</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund</b>	<b>Proposed Goal</b>	<b>Outcome</b>
City-wide Outreach for Unsheltered Populations	HomeFirst	CPS-22-001	CDBG	600 Participants	706 Participants
Targeted Outreach for Unhoused Populations Program	PATH	ESG-18-001E	ESG	200 Participants	315 Participants
EIH at Monterey Bernal	HomeFirst	GF-22-002	GF & CDBG-CV	135 Participants	144 Participants
EIH at Rue Ferrari	HomeFirst	GF-22-002	GF & CDBG-CV	165 Participants	210 Participants
Motel Voucher for Vulnerable Populations Program	LifeMoves	HEAP-19-001D	ESG-CV & CDBG-CV	345 Participants	520 Participants
Services Outreach Assistance and Resources (SOAR)	PATH	ESGCV2-20-001B	ESG-CV	100 Participants	279 Participants

#### City-wide Outreach for Unsheltered Populations (HomeFirst)

The goal of City-wide outreach was to respond to specific areas and individuals experiencing homelessness and provide street-based case management and linkages to basic needs services, including shelter and housing.

HomeFirst provided 706 participants with these services. Five hundred twenty individuals exited the program, meaning the participant is no longer active in the program and is not receiving services. 8% of the enrolled participants were successfully housed (includes permanent, temporary, foster care, long-term care, etc).

The following is an example of services provided by HomeFirst:

“An outreach team was dispatched to a neighborhood in East Side San José due to a report of a parked RV. The team spoke with a mother of three small children, ages 3-, and 4-year-old twin boys. The mother informed the team that they just moved here from Georgia because her boyfriend got a job here. The mother stated that they planned on living in the RV until they got

settled and found a place in the area. The team spoke with the mother for some time and informed her of the various services available. After hearing this, the mother decided that she wanted to enroll in the program in order to get housing assistance. The team referred the mother and family to LifeMoves' Motel Voucher for Vulnerable Populations Program. The mother was immediately contacted, and the family was able to get into Extended Stay on First Street. The mother was beyond grateful and profusely thanked the team for helping her and her family.”

#### Targeted Outreach for Unhoused Populations Program (PATH)

The PATH outreach teams in the San José downtown core connected individuals experiencing homelessness to basic needs services, including shelter and housing. PATH provided 315 participants with these services. Two hundred seventy-eight individuals exited the program and 10% of the enrolled participants were successfully housed (includes permanent, temporary, foster care, long-term care, etc).

#### Emergency Interim Housing (EIH) at Monterey-Bernal and Rue Ferrari (HomeFirst)

HomeFirst managed the day-to-day operations and property maintenance, as well as the provisions of programs and services administered at the two emergency non-congregate shelters located at Monterey Road and Bernal Avenue, and Rue Ferrari. HomeFirst provided services to 144 participants at Monterey-Bernal of which 49% exited to permanent housing. HomeFirst provided services to 210 participants at Rue Ferrari of which 41% exited to permanent housing.

In addition to funding operations and services at these two EIH locations last year, the City also assisted residents at EIHS in two ways. First, the Housing Department supported the Lived Experience Advisory Board in its role by convening and facilitating meetings, collecting input, and collaborating to enable members to provide advisory services. The Lived Experience Advisory Board (LEAB) provides firsthand expertise and insight to address the causes of homelessness and the changing needs of those experiencing homelessness. A second accomplishment was the Department's work to secure a partnership with the Humane Society. The Humane Society provided pet clinics to the participants free of charge and donated pet food. This partnership was an effective collaboration, providing a well-received service to the EIH participants and their pets.

#### Motel Voucher for Vulnerable Populations Program (LifeMoves)

LifeMoves provided short-term motel stays for families experiencing homelessness through the Motel Voucher for Vulnerable Populations Program. LifeMoves served 520 individuals in this program of which 62% exited to permanent housing.

#### The Services Outreach Assistance and Resources (SOAR) Program (PATH)

SOAR focused on the City's largest encampments, providing comprehensive street-based services, hygiene and trash services, and housing and shelter opportunities for homeless encampment residents. PATH provided 279 participants with these services. One hundred seventy-nine individuals exited the program and 10% of the enrolled participants were successfully housed (includes permanent, temporary, foster care, long-term care, etc.).

***Increase and Preserve Affordable Housing Opportunities***

Housing did not appropriate any HOME funds for the Tenant-Based Rental Assistance (TBRA) program in FY 2022-2023. HOME funds will be used in a future housing development.

Housing's Housing for Health Program utilized the Housing Opportunities for Persons with AIDS (HOPWA) funds for affordable housing opportunities. **Table B** below summarizes the agencies who were awarded federally funded projects to create housing opportunities. housing opportunities.

<b>Table B: Increase and Preserve Affordable Housing Opportunities</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund</b>	<b>Proposed Goal</b>	<b>Outcome</b>
Housing for Health	The Health Trust	HOP-16-003G	HOPWA	80 Participants	87 Participants
Housing for Health	San Benito County	HOP-19-001	HOPWA	8 Participants	8 Participants

Housing for Health (The Health Trust)

The primary purpose of the Housing for Health program is to address the critical housing needs of low-income individuals living with human immunodeficiency virus (HIV) or acquired immunodeficiency syndrome (AIDS) and their families. In addition, the program also addresses the critical housing needs of low-income individuals living with HIV/AIDS who have experienced domestic violence, dating violence, or sexual violence. Program activities include tenant-based rental assistance, permanent housing placements assistance, supportive services, housing information service, and resource identification. The Health Trust exceeded their goal by assisting 87 participants.

The following is an example of services provided by The Health Trust:

“We have a client that has been housed in his unit since 2021. The client reached out because he was having issues with his landlord. The landlord wanted to increase the rent or have the client leave the unit. The client reported that he wanted to stay in his unit and asked for assistance. The Housing Specialist worked with the client and the landlord to mediate the situation. They all met at the client's unit and discussed all the options. The landlord agreed to not increase the rent this year and will have the client sign a new lease. The client will stay in the unit. The client was extremely thankful.”

Housing for Health (San Benito County)

San Benito County provided not only rental assistance to low-income HIV/AIDS individuals and their families, but also provided food vouchers and general medical and dental assistance. They assisted eight (8) participants.

***Strengthen and Stabilize Communities***

Activities pertaining to the priority to Strengthen and Stabilize Communities were solely funded through CDBG. This category provides funding for programs, services, and projects that contribute to viable urban communities through decent housing, suitable living environments, and expanded economic opportunities. These objectives were addressed in conjunction with the funding priorities identified by the community. These fall into four categories: 1) Public Services; 2) Community Development Investment (CDI) Non-construction Projects; 3) CDI Construction Projects; and 4) Food Distribution Program.

**Public Service**

A summary of the obtained outcomes for addressing the goal of Strengthen and Stabilize Communities via public service projects is provided in **Table C**.

<b>Table C: Strengthen and Stabilize Communities – Public Service</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund</b>	<b>Proposed Goal</b>	<b>Outcome</b>
Meals on Wheels	The Health Trust	CPS-17-002G	CDBG	26,885 Meals Delivered 2,500 Wellness Checks	27,003 Meals Delivered 3,714 Wellness Checks
Senior Access and Health Support	POSSO	CPS-22-004	CDBG	7,206 Meals Delivered 550 Door-to-Door Transport	8,020 Meals Delivered 565 Door-to-Door Transport
Home Grown Talent Project	SOMOS Mayfair	CPS-22-002	CDBG	40 Translation Services 60 Leadership Training Participants	393 Translation Services 106 Leadership Training Participants
Community Leadership Development	SJSU Comm Univer City	CPS-16-014E	CDBG	216 Participants in Resident Leadership Training	239 Participants in Resident Leadership Training
Housing Rights Legal Services	Law Foundation	CPS-18-001E	CDBG	28 Legal Represent for Eviction	43 Legal Represent for Eviction
Case Management ERAP	Sacred Heart	CPS-20-003	CDBG -CV	70 participants receiving case management	70 participants receiving case management

**Meals on Wheels-The Health Trust**

The primary purpose of Meals on Wheels is to address issues of senior isolation and nutrition by providing daily home delivered hot meals, personal connections, wellness checks, and resources for low-income, homebound San Jose seniors who cannot access services outside of their homes.

Eligible participants are lower income seniors, age 65 and older, of all backgrounds, including persons of the following protected categories: race, sex, color, age, religion, actual or perceived gender identity, sexual orientation, disability, ethnic or national origin, or familial status. The Health Trust exceeded their goals by delivering 27,003 home meals and completing 3,714 wellness checks/visits. They assisted 528 seniors. This year Meals on Wheels expanded their menu to include Asian Fusion. They are expanding their menu to include more ethnic preferences. They currently also offer low-sodium and vegetarian meals.

The following is an example of services provided by the Meals on Wheels program:

Participant A. is 80 years old and lives alone in San Jose. "I have lived in San Jose for most of my life. My kids and grandchildren all live far away. They are all too busy to visit. I am pretty much alone. The Health Trust has so many nice people. I enjoy having them help me. The food is excellent, I really appreciate the meals. They are so tasty and healthy. Sometimes I run out of food and have to eat canned food or peanut butter and jelly for dinner. I am used to running out of food on the weekends and having two meals a day is wonderful! Actually, having a meal at lunch and dinner is a miracle. Thank you so much!"

#### Senior Access and Health Support – Portuguese Organization for Social Services and Opportunities (POSSO)

POSSO provides culturally and linguistically accessible programs to low-income seniors. They also support door-to-door transportation services for seniors from their homes to the Portuguese Community Center ("Center") to participate in daily activities, including Senior Nutrition and Health Support Services and other supportive services. Seniors feel less isolated and empowered to do things on their own. Transportation is also provided for seniors to their appointments. Funding supports the preparation and hot meal delivery to home-bound seniors. POSSO exceeded their goals. They provided 8,020 home delivered meals and 565 door-to-door transportation services. POSSO provided services to 138 seniors.

#### Home Grown Talent Project – SOMOS Mayfair

The primary purpose of the HomeGrown Talent Project is to increase social capital of residents by providing direct services to low-income residents in East San José. SOMOS Mayfair provides a safety net that addresses the food, housing, financial, immigrants and health needs of the participants; continued leadership development; and viable economic opportunities that tap into the local assets. SOMOS Mayfair exceeded all goals. The agency provided 393 translation services by assisting with filling out forms and applications. 106 participants benefited from the leadership training workshops. 33 non-profit training workshops were conducted.

The Homegrown Talent Project activities are provided in linguistically and culturally relevant manners that resonate with target populations described in the City's Language Access Plan. Staff and community volunteers are selected based on their ability to effectively communicate in the participant's preferred language. Spanish and English are the main languages spoken in the Mayfair community. Recently the agency has seen an increase in the need for Vietnamese language material and are adjusting to that need accordingly.

### Community Leadership Development – SJSU CommUniverCity

CommUniverCity works in collaboration with community members to improve the quality of life in low-income downtown neighborhoods and identify community strengths and needs, and addresses these by providing educational activities to school students, nutrition, and sustainable living workshops to residents of low-income neighborhoods. These activities and service are delivered at various community sites that include public schools and community centers in Council District 3 of the City of San Jose. CommUniverCity offered 239 hours of Resident Community Leadership training and held 30 community events.

### Housing Rights Legal Service – Law Foundation

Law Foundation of Silicon Valley provides legal services to eligible tenants and landlords by assisting the City with enforcement of the Apartment Rent Ordinance and Tenant Protection Ordinance and the protection of rights thereunder in an effort to preserve affordable housing. The Law Foundation is the lead in the legal services consortium which includes, BayLegal, Project Sentinel, Senior Adults Legal Assistance (SALA), and Asian Law Alliance. Both Bay Area Legal (BayLegal) and Project Sentinel far exceeded the legal counseling hotline goal of 648 by responding to 1,215 calls. The lifting of the eviction moratorium was a factor in the increased call. 250 participants received a brief legal consultation. Asian Law Alliance and Senior Adults Legal Assistance (SALA) are also partnering in the legal consortium.

The following is an example of legal aid services provided by BayLegal:

Participant B a single mother of three children, withheld her rent when her landlord failed to respond to a rodent problem in her unit. Her caseworker was also unsuccessful in getting in touch with her landlord. When Participant B did not respond to UD papers, she received a sheriff's notice that she had to vacate her apartment. Participant B came to BayLegal for help with a stay of execution to give her more time to move out and, most importantly, to make sure the eviction did not jeopardize her section 8 housing voucher. After providing advice via the Tenant Hotline, BayLegal opened a case. Participant B's BayLegal advocates worked with the Santa Clara County Housing Authority and Participant B's caseworker to secure the necessary evidence to protect Participant B's housing voucher. Participant B was issued a warning, but her voucher is secure, which will help Participant B and her children retain safe and stable housing.

### Case Management ERAP – Sacred Heart

Sacred Heart administered an Emergency Rental Assistance Program. The agency managed the rental assistance funds and coordinated the program partners. 70 individuals received case management services. This program ended September 30, 2022.

### **Community Development Investment (CDI) Non-Construction Projects**

A summary of outcomes for addressing the goal to Strengthen and Stabilize Communities with Community Development Investments (CDIs) for Non-Construction projects is provided in **Table D**.



<b>Table D: Strengthen and Stabilize Communities – CDI Non Construction</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund</b>	<b>Proposed Goal</b>	<b>Outcome</b>
Enhanced Code Enforcement	PBCE	PBCE Memo	CDBG	400 Housing Units	427 Housing Units
Minor Home Repair	Rebuilding Together	CDI-16-B15H	CDBG	130 Households Served	135 Households Served
Minor Home Repair	Habitat for Humanity	CDI-16-B16G	CDBG	40 Minor Repair Projects	39 Minor Repair Projects

#### Enhanced Code Enforcement

The City funded enhanced code enforcement in Santee, Five Wounds/Brookwood Terrace, Roundtable, Hoffman/Via Monte, Foxdale, and Cadillac neighborhoods. Within these areas, the Code Enforcement Division performed enhanced multifamily services beyond those typically provided. The enforcement efforts included 427 inspections and re-inspections.

#### Minor Home Repair (Rebuilding Together and Habitat for Humanity)

The City's Minor Repair Program funded Habitat for Humanity East Bay/Silicon Valley and Rebuilding Together Silicon Valley. These two agencies assisted 174 low-income San José households with over 300 items of urgent, safety, and accessibility/mobility repairs to ensure a safe and decent living environment.

#### Community Development Investment (CDI) Construction Projects

A summary of outcomes for addressing the goal to Strengthen and Stabilize Communities with Community Development Investments (CDIs) for Non-Construction projects is provided in **Table E**.

<b>Table E: Strengthen and Stabilize Communities – CDI Construction</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund</b>	<b>Proposed Goal</b>	<b>Outcome</b>
Community Wi-Fi	PW	PW Memo	CDBG	Mt. Pleasant HS and Silver Creek HS	Completed
Fair Swim Center/Tot Lot	PRNS/PW	PRNS Memo	CDBG	Rehab Fair Swim Center and adjacent Tot Lot	Active Project until 2026

Community Wi-Fi - Mt Pleasant High School and Silver Creek High School

The Mt Pleasant and Silver Creek Community Wireless Network projects made public Wi-Fi a reality for students and members of the public living in low-income neighborhood. Successful implementation resulted in better access to internet and digital services so that residents and students can obtain the potential personal, educational, community and economic benefits that are available with network connectivity.

Enabling Wi-Fi access in low moderate income census tract areas, which are high priority digital equity census tracts in the Mt Pleasant and Silver Creek communities, promotes equity by closing the digital divide and improve educational outcomes. Residents have the opportunity to apply for jobs online, access online training and schooling, and utilize their Internet connection to work to support families.

Fair Swim Center and Tot Lot

This project aims to enhance the Fair Swim Center and renovate the Center's tot lot playground, benefiting the East San Jose residents with improved facilities and enriching activities. The scope of work includes comprehensive renovations for both the Fair Swim Center building and the tot lot playground. The objective of the following site improvements is to create a recreational hub that fosters a safe, welcoming, and dynamic environment for the community.

For the Tot Lot Improvements: Outdated play equipment will be removed, and new play structures designed for early childhood development will be installed. Additionally, the tot lot area will receive new resilient surfacing and minor enhancements may include perimeter fencing and landscaping.

For the Building Improvements: Interior restroom facilities will undergo enhancements to better serve visitors. The exterior of the building will be restored and receive necessary maintenance to extend its lifespan, along with fresh paint to improve its appearance. New exterior signage will be implemented to enhance wayfinding and increase attendance at the Fair Swim Center.

**Food Distribution Program**

A summary of the outcomes for addressing the goal to Strengthen and Stabilize Communities with the Food Distribution Program is provided in **Table F**.

<b>Table F: Strengthen and Stabilize Communities – Food Distribution Program from PRNS</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund house</b>	<b>Proposed Goal</b>	<b>Outcome</b>
Food Distribution Program	Catholic Charities	CDBGCV-22-003	CDBG-CV	6,000 households assisted 31,200 pre-packed groceries	6,000 households assisted 31,200 pre-packed groceries

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

September 7, 2023

**Subject: FY 2022-2023 Consolidated Annual Performance Evaluation Report**

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Food Distribution Program	The Health Trust	CDBGCV -22-005	CDBG -CV	200 participants 30,000 meals delivered	528 participants 47,475 meals delivered
Food Distribution Program	Loaves & Fishes Kitchen	CDBGCV -22-006	CDBG -CV	147,680 meals prep and delivered	147,680 meals prep and delivered
Food Distribution Program	Hunger at Home	CDBGCV -22-002	CDBG -CV	48,084 grocery boxes delivered	36,319 grocery boxes delivered
Food Distribution Program	Sacred Heart	CDBGCV -22-004	CDBG -CV	4004 households assisted	4004 households assisted
Food Distribution Program	Veggielution	CDBGCV -22-008	CDBG -CV	240 participants 57,850 lbs. of food distributed	240 participants 57,850 lbs. of food distributed
Food Distribution Program	West Valley Community Services	CDBGCV -22-001	CDBG -CV	150 households provided weekly groceries	160 households provided weekly groceries
Food Distribution Program	San José Conservation Corp	CDBGCV -22-007	CDBG -CV	18,000,000 lbs. of food distributed through Second Harvest	26,440,521 lbs. of food distributed through Second Harvest

**Food Distribution Program**

The Food and Necessities Distribution Team managed the emergency food distribution efforts in response to the COVID-19 pandemic since March 2020. From July 1, 2022 to December 31, 2022, the community-based organizations partnered with the City to distributed approximately three million meals to vulnerable communities across San José. This work continued with a goal to gradually transition the City away from emergency food distribution services. Since demand for food services remained high, the Housing Department and the Department of Parks, Recreation, and Neighborhood Services (PRNS) worked closely to secure short-term service agreement extensions with partnering agencies. These extensions were funded with the available CDBG CARES Act funding, as well as the balance of unused American Rescue Plan Act funding allocated for food security relief. This provided residents additional time to find other long-term food security assistance. The Food Distribution Program ended on June 30, 2023.

***Promote Fair Housing Choices***

The Fair Housing Act, which is enforced by HUD, prohibits discrimination when renting, buying, or securing financing for any housing. Federal protection covers discrimination because of race, color, national origin, religion, sex, disability, and the presence of children.

The Fair Housing Act covers most housing whether publicly or privately funded. As an entitlement city, San José must ensure all programs are administered in a manner that affirmatively furthers the Fair Housing Act.

Housing funded the services of a nonprofit fair housing consortium, comprised of four nonprofit agencies, to help fulfill the City's Fair Housing Act requirements. The consortium is comprised of the Law Foundation of Silicon Valley, Project Sentinel, Senior Adult Legal Assistance, and Asian Law Alliance. The consortium offers a comprehensive and coordinated fair housing program that fields and investigates discrimination complaints; enforcement and litigation services; and provides general fair housing education.

A summary of the outcomes for addressing the goal of promoting fair housing choices is provided in **Table G**.

<b>Table G: Increase and Preserve Affordable Housing Opportunities</b>					
<b>Project</b>	<b>Agency</b>	<b>Agreement</b>	<b>Fund</b>	<b>Proposed Goal</b>	<b>Outcome</b>
Fair Housing Consortium	Law Foundation	HOME-22-001	CDBG & HOME	26 Fair Housing clients represented	37 Fair Housing clients represented
				78 Client Legal Brief Services	78 Client Legal Brief Services

### **Beneficiary Demographics**

The City is dedicated to ensuring the needs of the community are met and that those with the greatest needs are provided with access and opportunity. As a major funder within the City, the Housing Department is dedicated to ensuring that resources are tracked and thoughtfully administered with respect to the beneficiaries' race and ethnicity.

#### ***Assistance provided by Race and Ethnicity***

For the HUD-funded activities in which the City's grantees reported the race and ethnicity of clients served. The table below provides the overall race and ethnicity distribution in FY 2022-2023:

<b>Overall Race and Ethnicity Data</b>			
<b>Race/Ethnicity</b>	<b>Program Participants</b>	<b>% of Total</b>	<b>Ethnicity (Hispanic)</b>
White	4,340	20.9%	1,833
Black/African American	652	3.3%	45
Asian	3,304	16.0%	38
American Indian/Alaska Native	330	1.7%	174

Native Hawaiian/Pacific Islander	84	0.04%	18
American Indian/Alaska Native and White	52	0.02%	36
Asian and White	15	0.01%	2
Black or African American and White	25	0.01%	5
American Indian or Alaskan Native AND Black	39	0.02%	6
Other	11,958	58.0%	394
<b>Total</b>	<b>20,799</b>	<b>100 %</b>	<b>2,551</b>

The available data indicates that greater proportions of people identifying as White or Asian were served by HUD-funded programs than the City's underlying lower-income population. The City's underlying low-income population for people identifying as White or Asian are 20.9% and 16.0% respectively. A majority of the participants, 58%, chose to decline to state and/or selected other. Many participants shared a concern for their privacy. There were a higher number of participants due to the addition of the Food Distribution Program.

### **Income Data**

<b>Income Level</b>	<b>Program Participants</b>	<b>% of Total</b>
Extremely-Low-Income	16,847	81%
Very-Low-Income	2,079	10%
Low-Income	1,666	8%
Over Income (ineligible)	207	1%
<b>Total</b>	<b>20,799</b>	<b>100%</b>

The available data indicates that the HUD-funded programs overwhelming served extremely low-income residents, which means their incomes were below \$38,050 for an individual and under \$55,750 for a household of four. Many of these households are severely cost burdened, spending more than half of their income on housing. Severely cost burdened poor households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions or more likely to experience homelessness. HUD funds were invested in our most vulnerable residents.

### **CONCLUSION**

Acceptance of the Consolidated Annual Performance and Evaluation Report (CAPER) will ensure compliance with HUD's reporting requirements and will enable the City to continue qualifying for much-needed federal funds for housing and community development programs.

## **EVALUATION AND FOLLOW-UP**

After the Housing and Community Development Commission hears this item, the City Council will consider it at its September 26, 2023, meeting. Upon City Council acceptance, staff will submit the CAPER to HUD by the September 29, 2023 due date. The draft and final CAPER documents will be posted on the Housing Department's website at:

[www.sanjoseca.gov/CAPER](http://www.sanjoseca.gov/CAPER).

## **PUBLIC OUTREACH**

The City's Citizen Participation Plan, and in accordance with federal regulations, the CAPER must be made available to the public for a 15-day review and comment period. Additionally, the City must hold at least two public hearings in person or virtually to provide the public an opportunity to provide feedback on the accomplishments enumerated in the CAPER.

The City published the CAPER for public review and comment on September 11, 2023. The City is accepting public comments until September 26, 2023. The following public hearings were/will be held for public input:

- Housing and Community Development Commission meeting on September 14, 2023
- City Council meeting on September 26, 2023

To meet the federal requirements, the Housing Department posted notifications of the public meeting on social media to inform the public of the CAPER's scheduled public hearings. The public notices were in five languages (English, Spanish, Vietnamese, Chinese, and Tagalog), per the City's Language Access Plan<sup>1</sup>. A public notice regarding the public review and comment period was published in five languages on August 19, 2023. The newspapers that carried the notices were the *San José Mercury News*, *El Observador*, *Vietnam Daily News*, *The World Journal* (Chinese), and the *Philippine News*.

## **COMMISSION RECOMMENDATION/INPUT**

Commission and public comments will be included in a Supplemental Memo to the City Council. City Council will consider the CAPER at its meeting on September 26, 2023.

## **FISCAL/POLICY ALIGNMENT**

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<sup>1</sup> City of San José's Language Access Plan, <https://www.sanjoseca.gov/your-government/departments/housing/memos-reports-plans/hud-reports>.

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

September 7, 2023

**Subject: FY 2022-2023 Consolidated Annual Performance Evaluation Report**

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Without an approved CAPER, the City of San José will not qualify for future HUD funding including CDBG, HOME, HOPWA, and ESG programs that are essential for supporting vital housing and community development investments.

KRISTEN CLEMENTS  
Interim Deputy Director,  
Housing Department

The primary author of this memorandum is Stephanie Gutowski, Senior Development Officer. For questions, please contact Kristen Clements, Interim Deputy Director, at (408) 535-3855 or [kristen.clements@sanjoseca.gov](mailto:kristen.clements@sanjoseca.gov)



# Memorandum

**TO:** HOUSING AND COMMUNITY  
DEVELOPMENT COMMISSION

**FROM:** Kristen Clements

**SUBJECT:** SEE BELOW

**DATE:** September 7, 2023

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Approved

Date

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**SUBJECT: DRAFT PROGRAM FRAMEWORKS FOR PROPOSED TENANT PREFERENCES THAT DETER DISPLACEMENT**

## **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.

## **SUMMARY AND OUTCOME**

City Council's approval of this proposed policy and associated ordinance will authorize City staff to apply the proposed tenant preferences to affordable housing properties that receive City support.

Tenant preferences allow a portion of apartments in new and existing affordable housing properties to be prioritized for City residents who are most in need of affordable and stable housing. Tenant Preferences set aside a percentage of affordable apartments for applicants of affordable apartments who meet the preferences' criteria and all other leasing criteria.

Successful tenant preferences programs would provide many San José lower-income residents with a better opportunity to be selected for an affordable apartment in their neighborhoods and in the City. These programs would advance the City's policy goals of preventing displacement of current City residents.

Two preferences being proposed based upon prior City Council direction and community input are:

### ***1. Anti-Displacement Tenant Preference***

A portion of apartments in new and certain existing affordable housing properties located throughout San José would be prioritized for lower-income applicants living in certain



areas of San José designated as experiencing displacement or with a high likelihood of displacement. This Anti-Displacement Tenant Preference would apply to 20% of the eligible affordable units within an applicable affordable property.

## ***2. Neighborhood Tenant Preference***

A portion of apartments in new and certain existing affordable housing properties would be prioritized for lower-income applicants who already live in the vicinity of that property. This Neighborhood Tenant Preference would apply to 15% of the eligible units in an applicable affordable property.

## **BACKGROUND**

In 2017, the City Council directed staff to explore tenant preferences for affordable housing that would prevent displacement. A growing number of San José residents are at-risk of being displaced due to high rent burden, rent increases, and growing demand for affordable housing opportunities.<sup>1</sup>

On September 22, 2020, the City Council approved the Citywide Residential Anti-Displacement Strategy<sup>2</sup> (Anti-Displacement Strategy) and approved staff to work on its 10 recommendations, first prioritizing work on the top three recommendations. Tenant preferences are being developed per Recommendation #2 in the Anti-Displacement Strategy: “Establish a Neighborhood Tenant Preference for Affordable Housing.” Staff has since clarified with the City Council that its work is proceeding as the two preference proposals described in the Analysis section.

Staff have conducted analyses and research and have received feedback from residents, affordable housing owners and operators, policy organizations, and other community organizations in developing these proposals.

## **ANALYSIS**

Tenant preferences enable residential property owners to prioritize a portion of restricted affordable apartments available to the general public for those who are most in need of affordable and stable housing. Tenant preferences set aside a percentage of affordable apartments for people who meet certain preferences’ criteria and meet all other leasing criteria.

The affirmative reasons to create Anti-Displacement and Neighborhood Tenant Preferences programs are to:

1. Help prevent displacement of lower-income renters from San José

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<sup>1</sup> San José City Council Community and Economic Development Committee Memorandum, Workload Assessment on Prioritization for Tenants of Affordable Housing, [http://sanjose.granicus.com/MetaViewer.php?meta\\_id=673260](http://sanjose.granicus.com/MetaViewer.php?meta_id=673260).

<sup>2</sup> Citywide Anti-Displacement Strategy, <https://www.sanjoseca.gov/home/showpublisheddocument/88627/637959126672100000>

2. Allow residents to increase their housing choices and stay in their communities and the City, if they choose
3. Provide an array of types and locations of affordable units for diverse lower-income San José households.

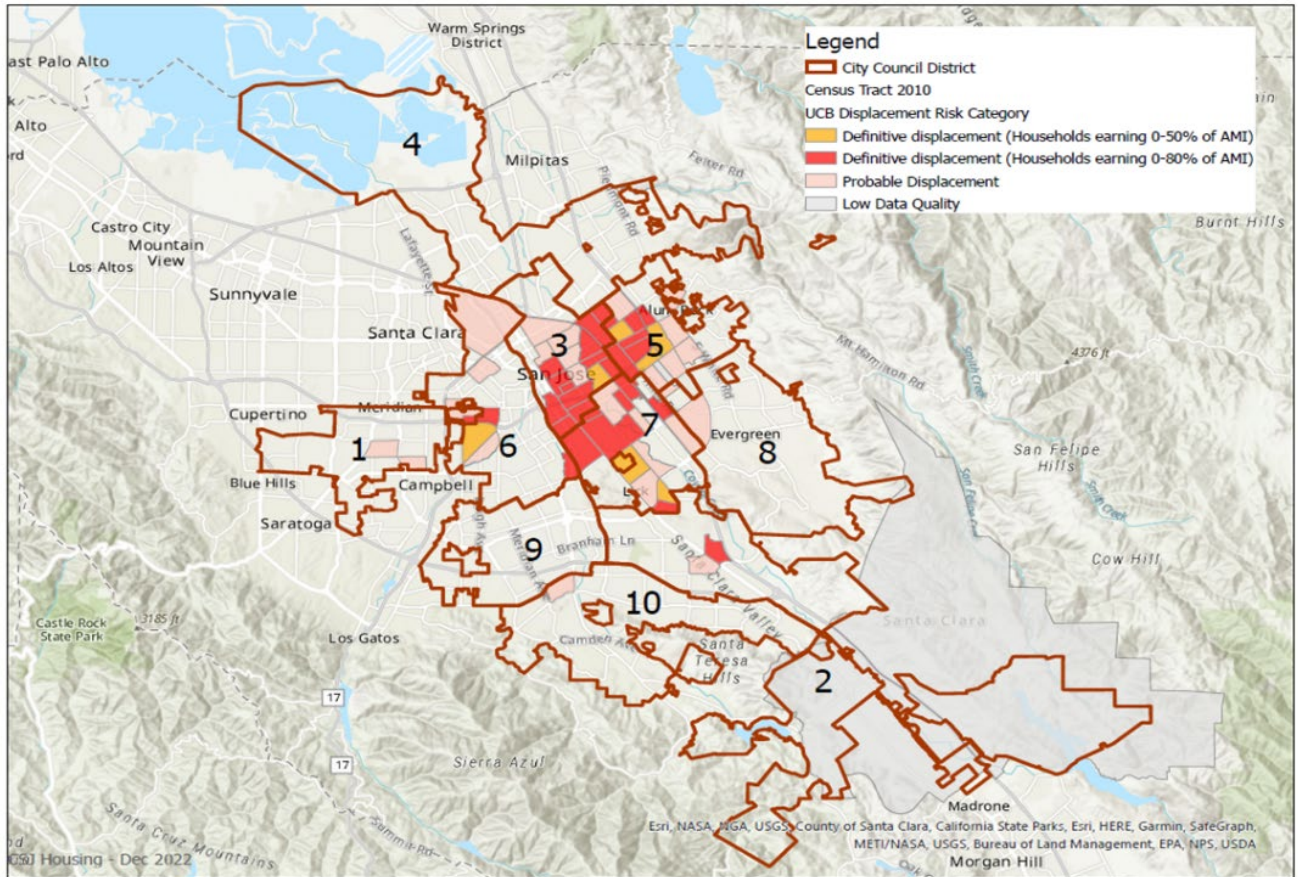
The two types of tenant preferences staff have researched and reviewed to help prevent displacement are as follows.

***Anti-Displacement Tenant Preference***

The proposed Anti-Displacement Tenant Preference would prioritize a portion of affordable apartments for lower-income applicants who live in certain areas that have a high likelihood of displacement. Eligible residents would live in census tracts categorized as ‘high-risk’ or ‘undergoing displacement’ by a credible, authoritative external source. As an example, Figure 1 shows outcomes of analysis from the University of California, Berkeley’s Urban Displacement Project. The map of City of San José highlights census tracts where displacement is occurring or is at risk of occurring. Applicants who live in the census tracts shown in gold, orange, or pink would be eligible to apply for a set-aside of affordable apartments in affordable apartment complexes located anywhere in San José. This preference would increase the likelihood that lower-income renters living in high-displacement areas could access affordable homes and stay in the City, either in their existing neighborhoods or wherever they choose.

**Figure 1: *Map of Urban Displacement Project Defined Displacement Census Tracts***

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



### *Neighborhood Tenant Preference*

The proposed Neighborhood Tenant Preference would prioritize a portion of apartments in nearby affordable developments for lower-income applicants who already live in the vicinity of those affordable homes. For this preference, neighborhoods would be defined as the City Council District where an applicant currently lives. That is, if a qualified household lives in the same Council District of an affordable housing complex that integrates the Neighborhood preference, then the household could receive a preference to apply to that particular complex.

The Neighborhood preference would increase the likelihood that lower-income renters can remain in their neighborhoods while improving their housing stability and costs. They would have a greater likelihood of being able to keep their children in the same schools, retaining daycare providers and doctors, and keeping residents in their current social networks. It also makes the benefits of affordable housing development potentially more accessible to neighborhood residents who are likely to be impacted by the construction or rehabilitation process.

### ***Overview of Analysis Conducted***

To design an effective and efficient tenant preferences program in San José, staff did the following:

- A. Researched other Bay Area jurisdictions with similar tenant preferences (see Attachment A)
- B. Ensured tax credit and state bond financing could be used to develop affordable housing with tenant preferences (see Attachment B)
- C. Conducted a fair housing disparate impact analysis to establish and demonstrate alignment with fair housing laws and requirements<sup>3</sup> (see Attachment C)
- D. Analyzed research conducted by the Urban Displacement Project at UC Berkeley to determine displacement risk in San José (see Attachment D), and
- E. Gathered feedback from residents, affordable housing developers and managers, policy organizations, other government agencies, and other community organizations (see Attachment E).

### ***Draft Framework for Tenant Preferences Program***

Staff designed a draft framework for these tenant preferences based on the research, data analysis, and outreach described above. This framework was presented from June to August 2023 to stakeholders in both large format and small one-on-one meetings, in both virtual and in-person settings. Key aspects of the framework are described below, and Attachment E includes additional detail about the framework.

#### Applicant eligibility for tenant preferences

Lower-income households earning less than or equal to 80% Area Median Income (AMI) would be eligible for the preferences. This income level corresponds to the upper income limit of restricted affordable housing supported by Low Income Housing Tax Credits. For the Citywide Anti-Displacement preference, lower-income households residing in defined and probable displacement Census tracts in San José would qualify for the preference. For the Neighborhood preference, lower-income residents residing in the same San José City Council District as an applicable affordable property would qualify for this preference.

As shown in Table 1 below, an estimated 55,000 households citywide would be eligible for the Anti-Displacement preference and an estimated 146,000 households citywide would be eligible for the Neighborhood preference (though the Neighborhood preference would apply only to one Council District at a time). As with any applicants for affordable housing, all prospective tenants would also have to qualify for all other applicable criteria for each individual development.

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<sup>3</sup> Department of Housing and Urban Development, 24 CFR Part 100, Implementation of the Fair Housing Act's Discriminatory Standard, <https://www.govinfo.gov/content/pkg/FR-2013-02-15/pdf/2013-03375.pdf>

These would income any additional income eligibility and credit ratings for the individual development.

**Table 1: *Estimated Eligible Households for Proposed Tenant Preferences***

<b>Council District</b>	<b><u>Neighborhood Preference</u> Estimated # of Qualifying Households</b>	<b><u>Anti-Displacement Preference</u> Estimated # of Qualifying Households</b>
1	16,695	3,090
2	12,739	2,284
3	20,556	17,442
4	11,627	-
5	14,851	10,969
6	20,581	8,217
7	16,319	11,555
8	8,420	920
9	13,553	-
10	10,744	780
<b>TOTAL</b>	<b>146,085</b>	<b>55,257</b>

Applicability of Affordable Apartments

The proposed tenant preferences programs would apply to all new affordable developments and new acquisition / rehabilitation properties in San José to which the City lends funds. Additionally, they would apply to all existing affordable properties in San José that seek approvals from the City and/or modify their business terms, worked in for each deal on a case-by-case basis. Affordable properties subject to a Development Agreement or any other negotiation with the City would also need to implement preferences.

Until or unless approved by the State of California and the U.S. Department of Housing and Urban Development, the preferences would not be implemented in properties utilizing those agencies’ funding. Affordable senior apartments are included as homes available to the general public, unless otherwise restricted by other funders.

The two preferences would apply to 35% of all restricted affordable homes that otherwise would be available to the general public in a property subject to the preferences.

As discussed in Attachment C, staff’s fair housing disparate impact analysis concluded that the breakdown of the 35% must be limited as follows:

- 15% of applicable units for the Neighborhood tenant preference
- 20% of applicable units for the Anti-Displacement tenant preference.

As an example, in a 100-apartment building, if 10 apartments were set aside for some special population, the preferences would apply to 35% of the remaining 90 apartments, or 32 apartments (with partial units rounded up). Fourteen apartments would be designated for the Neighborhood tenant preference, and 18 for the Anti-Displacement tenant preference.

### Implementation

To implement the tenant preferences program, staff is currently working to integrate the two preferences into the online tenant application portal, Doorway. Property managers would not easily know into what census tract or Council District an applicant's current address would fall. Therefore, staff is working with Exygy, the company that created the City's online Doorway portal, to create geocoding look-ups for applicants' residences to determine if they are eligible for a preference and make that information available to property managers and owners. To maximize other funders' comfort with implementing the tenant preferences, the requirements language will be placed into subject properties' term sheets, loan agreements, and affordability restrictions. Staff will also create an implementation and education manual for property management staff. All of this information, along with programs' approvals and analysis, would be posted to a new webpage on the City's website once approved.<sup>4</sup>

### Engagement and Education

Staff, in partnership with community organizations, other City agencies, and affordable property managers will disseminate information about the tenant preferences program. Staff will create informational material for community dissemination at partner sites, libraries, City buildings, and affordable housing sites.

### ***Racial Equity Impact Analysis***

Per the Assessment of Fair Housing included as part of the Housing Element,<sup>5</sup> San José is a segregated city with a pattern of policies and practices that have exacerbated past patterns of segregation. And, as documented in the Assessment of Fair Housing, communities of color are disproportionately impacted by displacement. Therefore, anti-displacement policies affirmatively further fair housing, and adoption of the proposed tenant preferences is part of the City's larger plans to address current segregation and past patterns of racial inequity.

Additionally, the extensive fair housing disparate impact analysis conducted by staff (see Attachment C) safeguards the City's adherence to fair housing requirements. It allows the City to create a lawful preference program that contributes to the goal of affirmatively furthering fair housing and combatting racial bias, undoing patterns of segregation, and lifting barriers to accessing affordable housing. Responding to concerns from members of San José's communities experiencing displacement and at-risk of being displaced, these programs are designed to help

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<sup>4</sup> <https://www.sanjoseca.gov/your-government/departments-offices/housing/resource-library/housing-policy-plans-and-reports/tenant-preferences>

<sup>5</sup> 2023-2031 Draft Housing Element, <https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/citywide-planning/housing-element/2023-2031-draft-housing-element>

foster inclusive communities and reduce racial inequity. Staff's analysis indicated that no population would be burdened or adversely impacted as a result of the tenant preferences program.

### **EVALUATION AND FOLLOW-UP**

Staff's tenant preferences proposals will be heard by the City Council's Community and Economic Development Committee on October 23, 2023, and by the full City Council subsequently.

If the City Council approves staff's recommendations, staff will submit the two tenant preferences programs for approval to the California Housing and Community Development Department for its review as a lender. Staff also will consider whether to submit the programs to approval to the U.S. Department of Housing and Urban Development. The agencies' approvals would enable the City to include tenant preferences in affordable properties funded by those agencies.

### **PUBLIC OUTREACH**

- This memorandum will be posted on the Housing Department website for the September 14, 2023 Commission meeting.
- The Council version of this memorandum will be posted on the City's Council Agenda website for the November 27, 2023 Community and Economic Development Committee meeting.
- Outreach was undertaken for this item in addition to the agenda posting described above. These outreach efforts are described below.

Public outreach was conducted to design the tenant preferences program. A summary of outreach conducted by staff is available in **Attachment F**.

### **COMMISSION RECOMMENDATION/INPUT**

Commission reviews the draft frameworks for the proposed Anti-Displacement and Neighborhood Tenant Preferences for affordable housing and makes recommendations to staff and the City Council.

### **FISCAL/POLICY ALIGNMENT**

September 7, 2023

**Subject:** Draft Tenant Preferences Program Framework

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The activities in this report are consistent with the Citywide Anti-Displacement Strategy, approved by the City Council in September 2020, as well as programs in the City's 2023-2031 Housing Element approved by the City Council in June 2023.

No new staff or costs will be added to implement the tenant preferences program. The fiscal impact of the tenant preferences program will be limited to ongoing outreach, monitoring, and compliance, which will be handled through existing staffing.

KRISTEN CLEMENTS

Interim Deputy Director, Housing Department

The principal author of this memorandum is Avni Desai, FUSE Fellow. For questions, please contact [Joshua.Ishimatsu@sanjoseca.gov](mailto:Joshua.Ishimatsu@sanjoseca.gov) or (408) 875-4451.

## **ATTACHMENTS**

ATTACHMENT A – Tenant Preferences in Other Cities

ATTACHMENT B – Summary of SB 649 (Cortese)

ATTACHMENT C – Summary of Disparate Impact Analysis

ATTACHMENT D – Summary of Urban Displacement Project Analysis

ATTACHMENT E – Tenant Preferences Draft Framework

ATTACHMENT F – Summary of Public Outreach



**Attachment A – Tenant Preferences in Other Cities**

There are various types of tenant preferences that have been applied across cities throughout the country. Tenant preferences can be designed for various populations, including displaced households, Veterans, residents at-risk of displacement, neighborhood residents, teachers, people experiencing homelessness, and more. In San José, staff researched other jurisdictions that have applied Anti-Displacement and Neighborhood preferences, in accordance with the Anti-Displacement Strategy recommendation. In the Bay Area, San Francisco and Oakland have adopted Anti-Displacement and Neighborhood preferences. Please see Table A-1, below, for selected examples of similar tenant preferences in other jurisdictions.

**Table A-1: Selected Tenant Preferences in Other Cities**

	<b>New York</b>	<b>San Francisco</b>	<b>Oakland</b>	<b>Austin</b>	<b>Seattle</b>
<b>Policy</b>	<p>The preference applies to people who live in the same “community district” in which the new housing is sited and applies only for initial occupancy of the units</p> <p>-In some cases, where the subsidized housing is located near the boundaries of two or more community districts, the community preference is extended to residents of the nearby districts as well</p>	<p>Certificate of Preference (COP)</p> <p>-For former San Francisco residents displaced in the 1960s and 1970s, during the SF Redevelopment Agency’s federally-funded Urban Renewal program</p> <p>-Displaced Tenant Housing Preference Program</p> <p>-Current and former residents displaced by nofault evictions or fires</p> <p>-Neighborhood Resident Housing Preference (NRHP) /2015</p> <p>-Residents who currently live in the same Supervisorial District as, or half-mile from, the property</p> <p>Applicants who currently live or work (75%) in San Francisco</p>	<p>Current and former residents displaced by City of Oakland/RDA’s projects, Oakland’s code enforcement, or a no-fault eviction</p> <p>-Residents who currently live in the same Council District as, or one-mile from, the property (applies in initial lease)</p> <p>-Applicants who currently live or work in Oakland</p>	<p>Pilot Program</p> <p>-households that currently reside or did reside (back to 2000) in census tracts identified as gentrifying in the University of Texas study, Uprooted</p> <p>-Households that have been displaced since 2000 due to natural disaster, government action, or from properties triggering the City’s Tenant Notification and Relocation Assistance Ordinance or the federal Uniform Relocation Act</p> <p>-Households that have immediate family residing in the city</p>	<p>Developer “Sponsors” can choose to participate in local preference policy through City developed guidelines</p> <p>Recommended Preferences:</p> <p>-Applicant is a current resident for projects in neighborhoods currently facing high risk of displacement.</p> <p>-Applicant, family member, or ancestor (i.e. great-grandparent) is a former resident</p> <p>For projects in neighborhoods that have historically been affected by high displacement.</p> <p>-Applicant has community ties or utilizes community services in the neighborhood</p>
<b>Units</b>	50% of units	40% of units	30% of units	50% of the affordable units when two or fewer units are available at a time and 40% of the affordable units when three or more units are available at a time	50% of units

## **Attachment B – Summary of SB 649 (Cortese)**

Tenant Preferences are a tool to help stabilize neighborhoods and to keep people in place. They can give those most at risk of displacement a better chance at getting an affordable home. Prior to 2022, preferences that had been applied in various jurisdictions lacked the explicit public policy that enables federal tax credits and private bonds to be used on affordable housing. In 2022, Senate Bill 649 was adopted and chaptered<sup>1</sup>, creating a state policy that supports greater access to affordable housing for those populations facing displacement. It aligns tenant preferences with Internal Revenue Code requirements, thereby qualifying affordable housing developments that use tenant preferences for tax credit or bond financing. Senate Bill 649, authored by Senator Cortese and shepherded by City of San José Housing Department staff, supports the creation and implementation of tenant preferences for residents at risk of displacement by:

- Creating a state policy indicating lower-income individuals residing in neighborhoods and communities experiencing significant displacement need access to housing that is affordable and assists in avoiding displacement
- Making it state policy that the low-income housing tax credit program and tax-exempt bonds for affordable housing developments may be used to support access to housing that would allow households facing or at risk of displacement to remain in the community

Upon the adoption of Senate Bill 649, Housing Department staff were able to move forward with a policy proposal for tenant preferences in San José.

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<sup>1</sup> Senate Bill 649 (2022), <https://legiscan.com/CA/text/SB649/id/2609435/California-2021-SB649-Chaptered.html>

## Attachment C – Summary of Disparate Impact Analysis

To ensure equity and access, the two tenant preferences being proposed must be consistent with fair housing laws. They must be implemented as part of a pattern of policies to promote inclusivity and attempts to integrate all types of people into the community.<sup>2</sup>

In order to show that the preferences would not contribute to further segregation or disparately impact any protected class, staff conducted three types of data analyses. This analysis was conducted using a model developed by Charles McNulty from the City of San Francisco. Mr. McNulty's work is based on methods used in case law and has been vetted with the United States Housing and Urban Development Department and California Housing and Community Development Department. There is no single analysis to show disparate impact, which is why this model uses four tests.

- a. The four-fifths test measures whether a selection rate for a minority race/ethnic group is less than four-fifths (80%) of the selection rate for the largest race/ethnic group. The courts generally regard a selection rate that is less than four-fifths (or less than 80%) as evidence of adverse impact. The model uses two versions of this test:

$$\text{Four-Fifths Test} = \frac{\frac{\text{\# of minority group expected to receive units}}{\text{\# of minority applicants}}}{\frac{\text{\# of majority group expected to receive units}}{\text{\# of majority applicants}}}$$

- b. EEOC: This method compares the selection rates of the minority group against each majority group. For example, if the selection rate for Asian applicants divided by the selection rate for White applicants (the racial majority in San José) is less than 80%, then the preference would fail this test. Note: in San José, there's no racial group that is a majority. The White population is a majority minority. White still makes sense as the majority group given the history of racism and systemic bias/privilege.
- c. Langlois Variation: With housing, it is not always possible to know the total qualified applicant pool. This method compares the selection rates for minority applicants with the preference to the selection rate of the same group without the preference. For example, if the selection rate for Asians with the residency preference is less than 80% of the selection rate for Asians without the preference, then the preference would fail the test.

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<sup>2</sup> Fair Housing: Disparate Impact <https://nlihc.org/racial-equity-and-fair-housing-disparate-impact#:~:text=The%20final%202013%20Disparate%20Impact,%2C%20handicap%2C%20familial%20status%2C%20or>

Attachment C

- d. The standard deviation analysis measures the probability of a nonbiased selection system by statistically evaluating the difference between occupancy with and without the preference. A z-score (count of standard deviations from the mean) greater than two to three indicates a possible selection bias.

The following data was available to conduct these tests to ensure no adverse impact would occur toward protected classes as a result of the Citywide Anti-Displacement preference and the Neighborhood preference.

<b>Protected Class</b>	<b>Data Source</b>	<b>Income Levels Analyzed</b>	<b>Geographic Areas Analyzed</b>
Race	Comprehensive Housing Affordability Strategy (CHAS)	50% of the Area Median Income (AMI) or below, 80% of AMI or below	Anti-Displacement Preference: Census tracts experiencing definitive displacement and at-risk of displacement in San José  Neighborhood Preference: Census tracts within a 1-mile radius of a pinned address, within a 2-mile radius of a pinned address, and within the same City Council District as the pinned address
Disability	American Community Survey (ACS)	All incomes, due to data breakdown by income unavailable and assuming most people with disabilities are lower-income	Anti-Displacement Preference: Census tracts experiencing definitive displacement and at-risk of displacement in San José
Seniors	CHAS	80% of AMI or below	Anti-Displacement Preference: Census tracts experiencing definitive displacement and at-risk of displacement in San José
Gender	ACS	All incomes	Anti-Displacement Preference: Census tracts experiencing definitive displacement and at-risk of displacement in San José
Veteran	ACS	All incomes	Anti-Displacement Preference: Census tracts experiencing definitive displacement and at-

Attachment C

			risk of displacement in San José
Family Size	CHAS	80% of AMI or below	Anti-Displacement Preference: Census tracts experiencing definitive displacement and at-risk of displacement in San José

Please note that the analysis conducted uses the best data available, although data on some protected classes was unavailable. Please also note that the Neighborhood preference analysis was done for race, considering racial diversity in affordable housing is the highest priority when determining adverse impact to communities.

The analyses indicate that if the two preferences are applied to a total of 35% of restricted affordable units in a property, nodisparate impact results for any protected class tested. Furthermore, the analysis indicates that no disparate impact results when applying the Neighborhood preference to 15% of the units in an affordable housing project and a Citywide Anti-Displacement preference to 20% of the units in an affordable housing project

Selected results of the tests are summarized below:

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data Source
				City	County	MSA		
Combined Preferences (A-D = 20%; N'hood = 15%)  D1 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D2 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D3 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D4 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D5 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

Attachment C

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Combined Preferences (A-D = 20%; N'hood = 15%)  D6 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D7 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D8 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D9 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Combined Preferences (A-D = 20%; N'hood = 15%)  D10 Total	Up to 35%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

Attachment C

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Anti-Displacement Preference Alone  Citywide (UDP At-Risk and Active Displacement Census Tracts)	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
		0-50%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
		0-80%	Senior householders (age 62 and up)	Pass	Pass	Pass		CHAS
		n/a	People with Disabilities	Pass	Pass	Pass	incl.all incomes	ACS
		0-80%	Large Families	Pass	Pass	Pass		CHAS
		n/a	Veterans	Pass	Pass	Pass	incl.all incomes	ACS
n/a	Woman-headed Households	Pass	Pass	Pass	incl.all incomes	ACS		



Attachment C

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Neighborhood Preference Alone  D1, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D1, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D1, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D2, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D2, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D2, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

Attachment C

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Neighborhood Preference Alone  D3, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass	over-concentration?	CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D3, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D3, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D4, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D4, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D4, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

Attachment C

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Neighborhood Preference Alone  D5, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass	over-concentration?	
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D5, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D5, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass	over-concentration?	
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D6, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D6, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D6, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

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Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Neighborhood Preference Alone  D7, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D7, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D7, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D8, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass	over-concentration?	
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D8, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass	over-concentration?	
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D8, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Pass	Pass	Pass		
			NH White / Latino/a/x	Pass	Pass	Pass		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

Attachment C

Preference / Target Area	Set-Aside	AMI Range	Protected Class Tested	4/5 Test Results (Pass/Fail)			Notes	Data
				City	County	MSA		
Neighborhood Preference Alone  D9, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Fail	Fail	Fail		CHAS
			NH White / Asian	Fail	Fail	Fail		
			NH White / Latino/a/x	Fail	Fail	Fail		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D9, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Fail	Fail	Fail		
			NH White / Latino/a/x	Fail	Fail	Fail		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D9, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Fail	Fail	Fail		
			NH White / Latino/a/x	Fail	Fail	Fail		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D10, Test 1-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Fail	Fail	Fail		
			NH White / Latino/a/x	Fail	Fail	Fail		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D10, Test 2-mile radius	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Fail	Fail	Fail		
			NH White / Latino/a/x	Fail	Fail	Fail		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	
Neighborhood Preference Alone  D10, Full district	Up to 30%	0-80%	NH White / Black	Pass	Pass	Pass		CHAS
			NH White / Asian	Fail	Fail	Fail		
			NH White / Latino/a/x	Fail	Fail	Fail		
			NH White / American Indian	n/a	n/a	n/a	insufficient data	
			NH White / Pacific Islander	n/a	n/a	n/a	insufficient data	

## **Attachment D – Summary of Urban Displacement Project Analysis**

According to the Urban Displacement Project, displacement is defined as the involuntary relocation of residents.<sup>3</sup> Displacement from a neighborhood or city can occur due to many reasons, including foreclosure, evictions, rent increases, and construction of projects such as transit and highway systems. The effects of displacement can include homelessness, loss of community, and loss of access to jobs and mobility. Numerous studies have found that residential displacement and even constant worry over housing instability, significantly hurts residents' health and educational outcomes. Displaced children experience more absences, lower school completion rates, and increased educational delays or behavioral problems. The emotional toll of displacement and living with the threat of displacement is significant, affecting mental wellbeing, sense of belonging and community cohesion. People experiencing housing insecurity are almost three times more likely to be in frequent mental distress than those who have secure housing. Evictions are very detrimental for mental health, as mothers who experienced an eviction were more likely to report depression even two years after the eviction. Displacement also has been found to increase respiratory and other health issues as families move to more polluted, lower air-quality areas.<sup>4</sup>

The Urban Displacement Project, an initiative of the University of California, Berkeley and the University of Toronto, conducts data-driven research to determine where displacement is occurring. The Urban Displacement Project has developed a tool to determine displacement risk throughout California, including San José.<sup>5</sup> Analyzing Census data, the data shows that -lower-income households in San José are experiencing definitive displacement (10% or more displacement of lower-income households) and many lower-income households are experiencing probable displacement (displacement likely occurring among lower-income households). The map below shows lower-income populations, defined as earning less than or equal to 80% of the AMI, experiencing definitive displacement in orange and yellow. The pink areas are areas where lower-income households are experiencing probable displacement.

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<sup>3</sup> Urban Displacement Project, What Are Gentrification and Displacement?

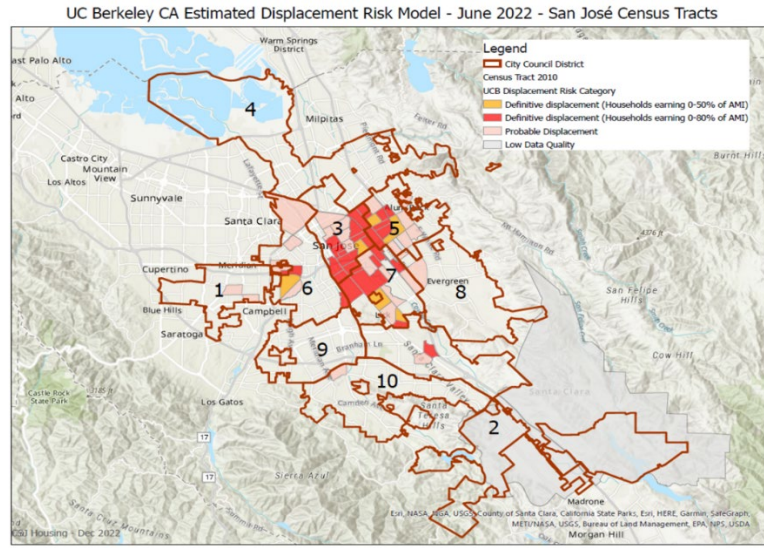
<https://www.urbandisplacement.org/about/what-are-gentrification-and-displacement/>

<sup>4</sup> Citywide Residential Anti-Displacement Strategy, City Council Memorandum, August 2020,

<https://www.sanjoseca.gov/home/showpublisheddocument/88627/637959126672100000>

<sup>5</sup> Urban Displacement Project, Estimated Displacement Risk, <https://www.urbandisplacement.org/maps/california-estimated-displacement-risk-model/>

Attachment D



Data from CHAS shows that out of 219 Census tracts in San José, 26% (58 Census tracts) are undergoing definitive and probable displacement. This translated to 58,012 lower-income households in San José experiencing definitive or probable displacement (out of a total of 156,323 lower-income households in the entire City). Data analyzed from CHAS and ACS for the disparate impact analysis shows the breakdown of households by protected class living in definitive and probable displacement areas:

Category/Protected Classes	Households/People in Displacement Tracts	Total Population of Protected Class
All Lower-Income Households – 80% AMI	58,012 households	156,323 households
Women Head of Household – all incomes	13,299 households	40,759 households
Veterans - all incomes	5,508 Veterans	29,824 Veterans
Seniors/Elderly 62+ - 80% AMI	19,467 households	64,716 households
Family Size (>4) – 80% AMI	10,603 households	21,439 households
Disability – all incomes	25,515 People with Disabilities	115,395 People with Disabilities

**Attachment E – Tenant Preferences Draft Framework**

<b>Framework Component</b>	<b>Description</b>	<b>Notes for Implementation</b>
Eligibility	<p><i>Overall:</i> Lower-income San José residents (earning less than or equal to 80% of the Area Median Income (AMI), or \$145,040 or less for a household size of 4 people)</p> <p><i>Anti-Displacement Preference:</i> Eligible households living in Census tracts where displacement is happening or at risk of happening.</p> <p><i>Neighborhood Preference:</i> Eligible households living in the same Council District as the applicable property.</p>	<p>Staff will identify applicable census tracts for each preference. Displacement census tracts will be identified through criteria as defined by staff, currently proposed as those used by the Urban Displacement Project at University of California, Berkeley.</p> <p>For the Neighborhood Preference, geocoding will be updated when Council Districts are changed during the redistricting process.</p> <p>In Regulations to be drafted if the Ordinance passes, City staff will outline various alternative forms of documentation that could prove household eligibility.</p>
Applicability: Applicable Properties	<p><i>Overall:</i> Both Tenant Preferences will apply to City-supported, covenanted <u>affordable housing</u>, including the following:</p> <ul style="list-style-type: none"> <li>• City funded new construction and acquisition/rehabilitation</li> <li>• Affordable housing subject to negotiated agreements with the City (e.g., Development Agreements)</li> </ul> <p><i>Not Applicable:</i> The following types of affordable housing units are proposed to be exempt from the application of tenant preferences:</p>	<p>Both preferences are intended to apply to City-supported affordable senior housing.</p> <p>The City will seek approval from the State HCD and U.S. HUD to implement the preferences HCD- and HUD-funded affordable housing. Pending future approvals, staff will update the list of eligible affordable housing developments to which the tenant preferences ordinance apply.</p>



	<ul style="list-style-type: none"> <li>• Units reserved for specific populations with a superseding process for filling those units (e.g., permanent supportive housing)</li> <li>• Inclusionary Housing affordable rental apartments</li> <li>• Units subject only to a City bond regulatory agreement</li> <li>• HUD-funded units</li> <li>• Units restricted over 80% AMI</li> <li>• Unrestricted units</li> </ul>	
Applicability: Phase-in	<p>All applicable properties “in process” by the effective date of the approved ordinance are proposed to be required to implement both Tenant Preferences.</p> <p>City-funded existing/already operating affordable housing will updated to become subject to Tenant Preferences on a deal-by-deal basis, whenever the current City agreements are modified.</p>	Staff will ensure that appropriate documents (loan documents and other relevant documents) for all subject properties – whether recent NOFA awardees that are in development or construction, or any property with modified documents – will include tenant preferences program language. This language will be stock language in all new or modified agreements and will not be granted as consideration for any such modifications.
Applicability: Set-Aside/Cap	<p>Combined, the preferences will apply to 35% of all restricted affordable units available to the general population in a subject property. This total percentage of units reserved for the preference will be as follows:</p> <ul style="list-style-type: none"> <li>• 15% of the total units reserved for the Neighborhood Preference</li> <li>• 20% of total units reserved for the Anti-Displacement Preference</li> </ul>	In Regulations to be drafted if the Ordinance passes, the City will define the process through which owners/property managers will market the availability of the preference and to fill applicable units. The process will include the number of days units would have to be made available to people who qualify for a preference before an owner can fill the unit and apply the preference to the “next available unit”
Implementation: Housing Department	If Tenant Preferences are passed, the Housing Department will:	All existing affordable housing properties should be added to Doorway.

	<ul style="list-style-type: none"> <li>• Integrate tenant preferences screening into the City’s online application portal, Doorway</li> <li>• Add tenant preferences language to all applicable properties’ new and modified loan agreements</li> <li>• Create Regulations to implement and administer the program</li> <li>• Create an Implementation Manual for property owners and managers</li> <li>• Monitor compliance with the Ordinance and Regulations</li> </ul>	<p>Information about potential applicants, including those who potentially qualify for preferences, needs to be provided to property managers in a format that is easily usable for property managers in applying the preferences both during lease-up and in ongoing operations.</p> <p>The proposed Implementation Manual will include recommended procedures and, over time, will evolve to include best practices.</p>
Implementation: Property Management	<p>If Tenant Preferences are passed, affordable housing property managers will:</p> <ul style="list-style-type: none"> <li>• Receive a list of applications through Doorway</li> <li>• Apply tenant preferences to 35% of general restricted units</li> <li>• Verify and qualify tenant eligibility for the applicable units</li> <li>• Incorporate scoring tenant preferences in leasing up units and management of waiting lists</li> </ul>	<p>As discussed above, program Regulations will include more specific guidelines for implementing tenant preferences.</p>
Community Engagement & Education	<p>If Tenant Preferences are passed, staff will engage in community education about the new preferences, including partnering with community-based stakeholders for community engagement, post information at public sites, and market through affordable housing providers. Staff will hold information sessions for the public and with affordable housing property managers.</p>	

Compliance	Post-adoption, staff will work with property managers on tenant preferences as part of overall compliance monitoring and asset management.	
Timeline	<p>If adopted, the estimated timeline for implementation of Tenant Preferences is:</p> <ul style="list-style-type: none"> <li>• Integration of preferences into Doorway: December 2023</li> <li>• Release of Regulations and Implementation Manual: December 2023</li> <li>• Estimated effective date: January 1, 2024</li> </ul>	

## **Attachment F – Summary of Public Outreach**

In addition to opportunities to comment at the Housing and Community Development Commission and the Community Economic Development Committee public meetings, public input was solicited in the design of the tenant preferences program. Staff engaged with community organizations, affordable housing developers and property managers, and the community at large.

1. Community organizations – staff met one-on-one or in small group settings with the following community organizations to design and obtain input on the framework on the tenant preferences program:
  - a. SOMOS Mayfair
  - b. Silicon Valley @ Home
  - c. Sacred Heart Community Service
  - d. Affordable Housing Network
  - e. SPUR
  - f. Working Partnerships USA
  - g. Public Interest Law Project
  - h. Amigos de Guadalupe Center for Justice and Nonprofits
  - i. Silicon Valley Council of Nonprofits
2. Affordable Housing Developers and Property Managers:
  - a. Abode
  - b. Charities Housing
  - c. Eden Housing
  - d. USA Properties Fund
  - e. The Core Companies
  - f. SAHA
  - g. Resources for Community Development
  - h. EAH Housing
  - i. The John Stewart Company
3. Community at large:
  - a. Housing Department Public Meeting on August 24, 2023
  - b. Housing Department Public Meeting on August 31, 2023