From: <u>Hart, Jared</u>

To: <u>leslye@siliconvalleyathome.org</u>

Cc: Pham, Kieulan; Mathew Reed; Brilliot, Michael; Hughey, Rosalynn; Morales-Ferrand, Jacky; Setiawan, Jessica

Subject: Re: GP 4-Year Review-- Questions for Staff

Date: Tuesday, December 17, 2019 9:51:13 PM

Attachments: <u>image003.png</u>

Hi Leslye -

Thank you for participating on the General Plan Four-Year Review Task Force and for your questions; please see staff's responses below in blue. We will post the responses on the <u>General Plan Four-Year Review webpage</u> tomorrow and distribute to the Task Force.

Regards,

Jared

Jared Hart, AICP, CPSWQ

Division Manager - Citywide Planning City of San Jose | Planning, Building and Code Enforcement 200 E. Santa Clara Street - 3rd Fl. | San Jose, CA 95113 (408) 535-7896

From: Leslye Corsiglia <leslye@siliconvalleyathome.org>

Sent: Friday, December 6, 2019 3:21 PM

To: GeneralPlanStaff < GeneralPlanStaff@sanjoseca.gov>

Cc: Mathew Reed <mathew@siliconvalleyathome.org>; Hughey, Rosalynn <Rosalynn.Hughey@sanjoseca.gov>; Morales-Ferrand, Jacky <Jacky.Morales-

Ferrand@sanjoseca.gov>

Subject: GP 4-Year Review-- Questions for Staff

[External Email]

Hello folks,

At the last GP Task Force meeting, staff indicated that Task Force members and the general public could ask questions in advance of the next meeting. So here are a few!

• How will the City integrate the discussion on the dispersion policy (for affordable housing) with the GP and Areas of Focused Growth?

Staff is proposing minimal changes to the existing General Plan Growth Area

boundaries as part of the Four-Year Review process. This allows time for staff to complete several related reports; 1) the Anti-Displacement Strategy, 2) the Assessment of Fair Housing, and 3) the Affordable Housing Siting Policy.

<u>Anti-Displacement Strategy</u>:

The City Council has directed the Housing Department to develop a Citywide Anti-Displacement Strategy as part of the Housing Crisis Response Workplan. A collaborative report on residential displacement written by Working Partnerships, The Law Foundation, SOMOS Mayfair, City staff, and others will be published in January 2020. This collaborative report will focus on the perspective of residents who are feeling the impacts of displacement. The City will conduct additional outreach with a broad group of stakeholders on initiatives that the City can lead on and prepare a Citywide Anti-Displacement Strategy and report for the City Council's consideration by spring 2020.

<u>Assessment of Fair Housing:</u>

As the City works to boost housing production, it is also considering where new housing should go and how location decisions exacerbate or alleviate displacement, segregation, concentrated poverty, housing choice, and equal access to opportunities. To that end, the City is currently participating in a Countywide effort to write a new fair housing plan called the Assessment of Fair Housing (AFH). This Plan will identify fair housing issues and establish actions to address them. The Plan will look at how to create more housing choices and improve access to opportunities for lower-income residents across San José. It will also influence how the City spends federal entitlement dollars and how the City plans to meet its housing goals under its 2022-2030 Housing Element. The Housing Department anticipates a Draft Fair Housing Plan will be available for public comment in March 2020.

Affordable Housing Siting Policy:

The AFH Plan will also inform the writing of the City's forthcoming Affordable Housing Siting Policy (Siting Policy). The City's existing policy of where affordable housing shall be sited is known as the Dispersion Policy, although its implementation has been on hold given that GP 2040 drives multifamily development into certain areas. Like its predecessor, the forthcoming Siting Policy also will encourage the development of multifamily affordable housing throughout the City. City Council has directed staff to create a policy that aligns with the General Plan and with federal and State guidance on fair housing. As part of this effort, the Housing Department and its consultant will undertake the following tasks:

- Research Siting Policies and Best Practices Complete a literature review and determine what other cities have done to develop affordable housing siting policies.
- Develop Maps to Analyze the City's Demographics The consultant will map the population using income levels, racial/ethnic concentrations, and housing indicators such as cost burden and overcrowding.
- Identify Opportunity Zones Based on research, determine opportunity zones

- within San José using available tools (such as the State's Opportunity Map) to identify areas benefits such as access to jobs, transportation and education.
- Identify Displacement Mitigation Zones Map San José's census tracts of displacement per UC Berkeley's Urban Displacement Project.
- Analyze Current and Future Housing Stock Map the location of San José's current and pipeline affordable and market-rate housing.
- Consider Where Multifamily Development is Planned to Occur Review State and local laws and determine areas where future development is planned and where it would be feasible to place future housing development.
- Propose Siting Policy Options Develop a draft affordable housing siting policy for City Council to consider.

The Housing Department will gather public input on a draft Affordable Housing Siting Policy in mid-2020 and expects to bring forward a Policy for approval in fall 2020.

These three initiatives will affect the City's approach to its housing production strategies, and will inform its next Housing Element cycle. Given that the State expects to issue guidance in 2020 on integrating a fair housing frame to the next Housing Element, additional changes are likely to be warranted to GP 2040 after that time.

 Where can housing be built today? How does recent State legislation impact the work that the GP Task Force is tasked with? This includes, but is not limited to, AB 1397 and SB 330.

Generally, housing today can be built on any property with an underlying General Plan land use designation allowing residential uses. There are also General Plan policies that allow housing to be developed on non-residentially designated lands such as the "1.5-acre rule" for affordable housing projects (Policy H-2.9) and Signature Projects in Urban Villages (Policy IP-5.10).

For compliance with <u>AB 1397</u>, the City has an adequate sites inventory for residential development and redevelopment citywide as part of its certified Housing Element. With the passage of <u>AB 3194</u>, the City must approve affordable housing projects on sites that have been deemed suitable for affordable housing in the City's housing element sites inventory regardless if the proposed affordable housing project is consistent with the General Plan designation or zoning district.

The Housing Department and Office of Economic Development are currently developing a database with an interactive map to identify sites appropriate for housing development that is accessible by the public. The tool is anticipated to be publicly available by spring 2020. On November 5, 2019, staff submitted an <u>informational memo</u> to City Council on the impacts of AB 3194 to the City's development review process and regulations.

SB 330, effective on January 1, 2020, will impact multiple areas of the City's current development regulations. With respect to the Task Force's purview, this law states

that a city cannot impose moratoriums or caps on housing development. It also indicates that properties' General Plan land use designations or zonings may not be changed if it would result in less housing intensity on a site from what was allowed in January 1, 2018 unless there is a replacement up-zoning elsewhere within the city. This also applies to reductions in height and density, or changes to other requirements that would result in less housing intensity. In addition, the City cannot impose any standards established after January 1, 2020, on a housing project that are not objective standards.

Staff is continuing to analyze recent housing-related State legislation on General Plan policies. As it relates to the Task Force's purview, staff will provide information prior to the respective Task Force meetings. Additionally, in January 2020, staff anticipates providing the City Council with an Information Memorandum on several housing-related bills. The memorandum, which will be shared with the Task Force, will discuss the implications of these bills upon San José's planning policy and ordinance framework, and will identify work needed to bring this framework into conformance with State law.

• What is the City's strategy for addressing the RHNA goals it will receive in early 2020, with the probability that the goals will be at least double the RHNA goals from the last cycle? How will these goals be feasible without wholesale changes like opening up the Urban Villages?

City staff is in the initial stages of planning for the next Housing Element update. The City's adequate sites inventory for the current RHNA cycle (2014-2022) only includes housing sites within adopted Horizon 1 Urban Village (UV) plans (in addition to other areas such as Downtown and Specific Plan areas) at the initiation of the Housing Element cycle in 2014.

Since then, as discussed in the 4-Year Review Progress Report, the City has approved seven additional Urban Village plans and shifted eight UVs into Horizon 1. Additional housing capacity has also been shifted from Horizon 3 Urban Villages to the Downtown since certification of the current Housing Element. Staff has and is working on several other policy items to promote housing development. These include updates to the North San José Area Development Policy, increased height limits in Downtown, allowing 2-4 unit 'opportunity housing' in selected neighborhood residential land use designations, code changes to facilitate ADU and Jr. ADU construction, and more objective language for the 1.5-acre rule which allows affordable housing to be built on qualified commercial sites. All of these changes would contribute to addressing the anticipated RHNA allocation that will be released by MTC/ABAG in 2020. Staff will propose additional measures if needed once the RHNA allocations are made and staff has done analysis on any needed remaining housing capacity.

How much affordability has been achieved to date in the Urban Villages?
 Downtown? North San Jose? Did any 100% affordable developments take advantage

of the policy that allowed them to be entitled in Urban Villages ahead of the completion of the Urban Village plan, or ahead of the horizon timeline?

Since adoption of the General Plan approximately 630 affordable units have been approved (issued Planning permits) in Urban Villages, and approximately 400 affordable units have been approved in Downtown. The Phase 1 residential capacity within the North San Jose Development Policy area has been largely exhausted and no affordable units have been approved in North San José since adoption of the General Plan. To date, one project has taken advantage of General Plan Policy IP-5.12 for 100% deed-restricted affordable housing to move ahead of the completion of the Urban Village plan and plan horizon. The Blossom Hill Mixed-Use project is a 147-unit affordable housing development for seniors with 16,000 square-feet of commercial uses. The project is located within the Blossom Hill and Snell Urban Village, a Horizon 2 village with no adopted Urban Village plan. Another affordable housing project using Policy IP-5.12 is located in the Horizon 2 Southwest Expressway Urban Village, and proposing 233 units is currently under review.

- A recent story in the SF Chronicle detailed the number of housing units completed (not permitted) in both Oakland and San Francisco. We haven't been able to find comparable data for San Jose, and may not be looking in the right place. Can you direct us to the location of this data or provide us with the comparative information? Here is the article—https://projects.sfchronicle.com/housing-crunch/sf-vs-oakland/#

Section III of the <u>4-Year Progress Report</u> provides the City's housing production data since the adoption of the Envision San José 2040 General Plan (see page 20). Also, the Housing Department provides various <u>housing data</u> on their webpages, including the <u>City's affordable housing production reports</u> by fiscal year. The production reports indicate affordable projects' completions (Certificate of Occupancy) dates, the new apartments' levels of affordability, and the City subsidies required to produce the new homes.

Undoubtedly we will have additional questions as we begin to dive into the housingspecific conversation, but we wanted to get these to you as soon as we could given your workload.

Please let me know if you need any clarification of the questions or the information we are hoping to gather.

Leslye Corsiglia
Executive Director
(408) 780-1352
leslye@svathome.org



Help us turn #GivingTuesday into #GivingHomesDay. Be a part of the solution. Contribute today!

350 W Julian St. #5, San Jose, CA 95110

This message is from outside the City email system. Do not open links or attachments from untrusted sources.