

The mission of the Housing Department is to strengthen and revitalize our community through housing and neighborhood investment.

# HOUSING

The Housing Department employs multiple strategies to meet the housing needs of San José residents, who face some of the highest housing costs in the nation. These strategies include:

- Administering a variety of single-family and multi-family lending programs,
- Recommending housing-related policies,
- Financing new affordable housing construction,
- Extending the useful lives of existing housing through rehabilitation,
- Managing rent stabilization programs and tenant protection programs, and
- Addressing homelessness through a regional “housing first” model.

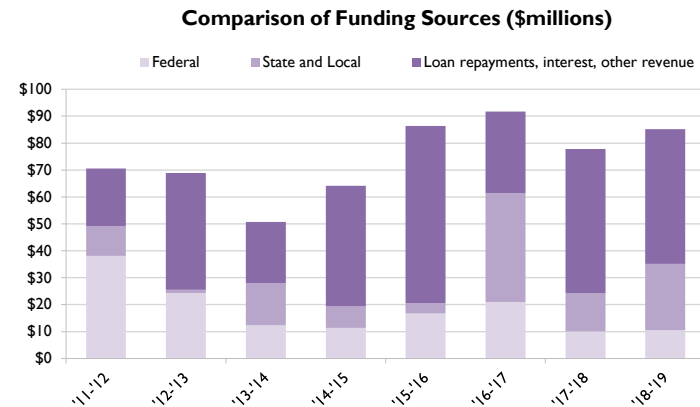
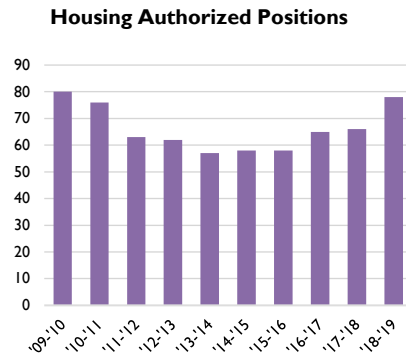
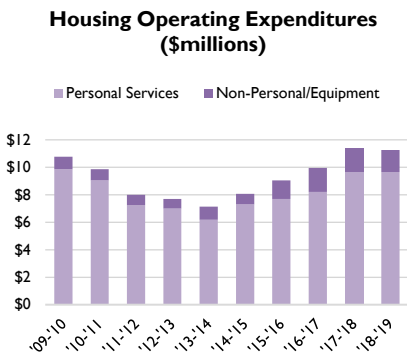
Additionally, the Department administers a number of federal and state grant programs, including the Community Development Block Grant (CDBG) program.

The Housing Department’s operating expenditures totaled \$11.3 million in 2018-19. This included personal and non-personal/equipment expenditures. The department was responsible for an additional \$29.7 million in Citywide and other expenses, including \$16.7 million for loans and grants.

Funding for the Department included revenues from the Department’s loan portfolio that continued to generate program income (principal outstanding as of November 2019 was \$578.1 million). Additional revenues come from various state and federal grants. Also included were Affordable Housing Impact Fees, which went into effect at the end of 2015-16, totaling \$1.4 million in revenues in 2018-19.

2018-19 Housing Program Funds Received	
Loan Repayments, Interest, and Miscellaneous Revenues	\$50,022,102
HEAP Grant	\$11,389,987
Fees and Charges*	\$7,794,679
Community Development Block Grant (CDBG)	\$6,948,870
Rental Rights	\$3,654,882
Bond Administration Fee	\$1,489,511
HOME Grants Revenue	\$1,464,624
Housing Opportunities for People with AIDS (HOPWA)	\$1,028,037
HOPWA Special Projects	\$616,039
Emergency Shelter Grant (ESG)	\$526,552
Dahlia Grant	\$80,000
<b>Total</b>	<b>\$85,015,283</b>

\* Fees and Charges increased from \$212,000 last year due to revenue from projects subject to Inclusionary Housing Policy In-lieu fees and Affordable Housing Impact fees.



## AFFORDABLE HOUSING

### Building New Affordable Housing

The availability of affordable housing has continued to be an area of concern for San José residents for a number of years. In 2019, only 6 percent rated the availability of affordable housing as “excellent” or “good,” while 82 percent considered availability to be “poor.”

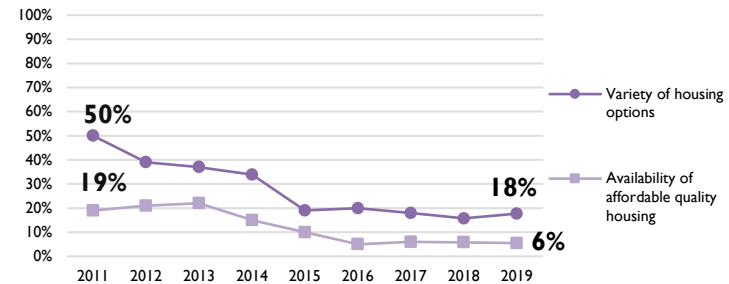
The City's efforts to increase the supply of affordable housing in San José include making loans to developers and authorizing conduit financing. In 2018-19, developers completed 111 newly affordable housing units with City help. For new projects under construction, the City committed an average per-unit subsidy of about \$104,500 (for 820 affordable housing units) in 2018-19. According to the Department, unit costs can vary widely depending upon a variety of factors. As of November 2019, there was a total of nearly 21,000 affordable housing units in San José.

### Rehabilitating Existing Housing & Financing Home Buying

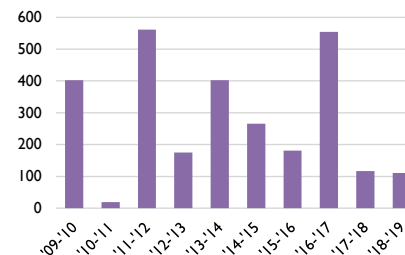
Although these programs have been dramatically reduced since 2012, low-income homeowners whose homes are in need of repairs can qualify for City financial help to rehabilitate them. In 2018-19, the Department provided minor repairs for 289 homes in partnership with Rebuilding Together Silicon Valley and Habitat for Humanity. Two rehabilitations for single-family homes were completed.

Previously, people who wanted to buy homes in San José could receive financial help, including down payment assistance, through various City programs. These programs have since been discontinued due to lack of funding.

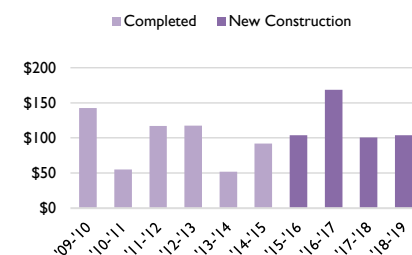
**RESIDENT SURVEY**  
% of residents rating housing opportunities as "excellent" or "good"



**Number of Affordable Housing Units Completed in the Fiscal Year**

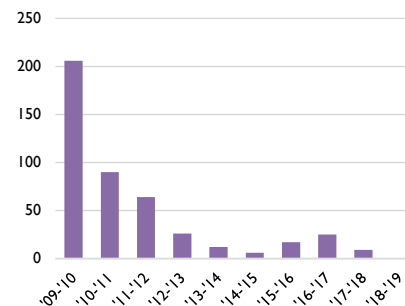


**Average Per-Unit Subsidy for New Projects Under Construction (\$thousands)**



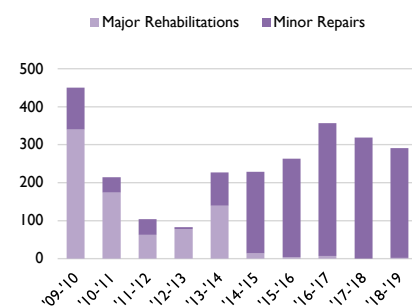
Note: This measure was based on completed projects prior to '15-'16

**Number of Homebuyers Assisted**



Note: This program has been discontinued.

**Rehabilitated Units**



# HOUSING

## NEIGHBORHOOD INVESTMENT & PUBLIC SERVICES

The Department received nearly \$7 million in federal Community Development Block Grant (CDBG) program funds in 2018-19. CDBG funds are used for housing rehabilitation, fair housing, code enforcement, senior and homeless services, foreclosure prevention, and economic development services.

### Rent Stabilization and Tenant Protections

The Rent Stabilization Program oversees local ordinances providing limits on rent increases, just cause provisions, and requirements for removing apartments from the rental market. The program provides oversight of nearly 39,000 rent-controlled units, or about a third of the City's rental housing units. In 2018-19, there were 73 tenant and landlord petitions filed. Of those resolved by staff or through a hearing, 62 percent resulted in an agreement between the tenant and landlord.

### Homeless Services

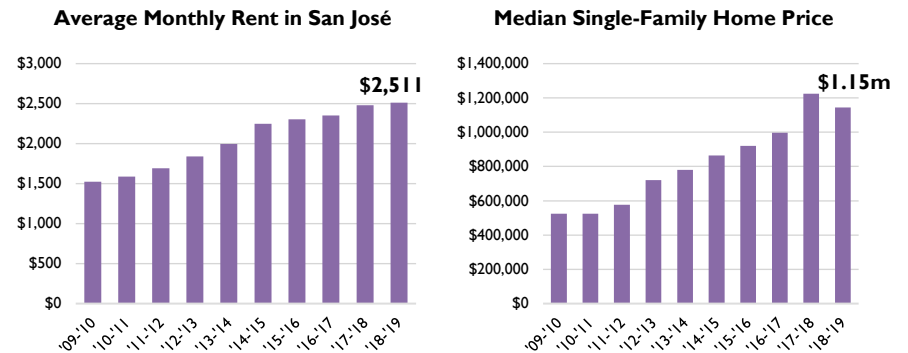
According to the 2019 San José Homeless Census and Survey, 6,097 San José residents were "homeless" when the census was conducted, including chronically homeless, youth, families with children, and veterans. Of these, 84 percent were unsheltered.

The Department provided almost \$12.3 million in grant funding to 10 service providers in 2018-19 as part of a region-wide effort to address homelessness. The Department initiated abatement of over 400 homeless encampment sites in 2018-19, and it received 6,498 calls and emails to its Homeless Concerns Hotline. During 2018-19, about 1,919 homeless San José residents were assisted into housing by the collective efforts of local jurisdictions and non-profit service providers. For more information, refer to our [Audit of the City's Homeless Assistance Programs](#).

## KEY FACTS (2018-19)

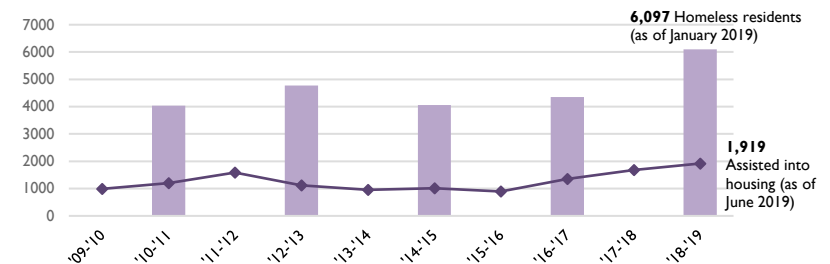
Median Household Income:	\$113,036
Income needed for a two bedroom apt. (avg. rent):	\$111,040
Income needed to afford median priced home:	\$212,710

Sources: U.S. Census American Community Survey, 2018 1-year estimates; Housing Market Report for Second Quarter 2019.



Sources: Costar report for Second Quarter 2019; SCAOR June 2019 report.  
Note: Average monthly rent is for all market-rate unit types (excludes affordable units). Data provided by Costar as of July 2018. Prior years updated to reflect Costar data.

### Formerly Homeless San José Residents Housed by the Collective Efforts of Local Jurisdictions and Non-profit Providers



Sources: San José Homeless Census and Survey (prepared by Applied Survey Research, 2019) and Santa Clara County Homeless Management Information System (HMIS).  
Note: Count of homeless residents is a count at a point in time in January of the indicated fiscal year, while the number assisted into housing is a fiscal year total.