

Anti-Displacement DRAFT Solutions

Key: H = High, M = Medium, L = Low (Impact/Effort/Resources)

22 total recommendations

7 ADPN Report recommendations, 5 ADPN Report-related recommendations, 10 New recommendations from staff

5 Production, 5 Preservation, 12 Protection

PROTECTION

ADPN Solution - PROTECTION		City Staff DRAFT Recommendations	Rationales
1. Maintain and Expand Existing Tenant Protections	Limit rent increases to 5% a year and require a cause for eviction for single family homes, duplexes, and deed-restricted affordable housing renters. Provide local education & enforcement resources or expanded protections.	a. Analyze recent rent increases in affordable housing developments to determine if they exceed 5% per year (H/L/L) b. Explore local enforcement and support clean-up legislation for AB 1482 (Chiu 2019) (H/H/H)	a. Affordable rents are set by formula per County incomes, which have recently risen 8-11%, therefore rent increases may have exceeded 5%. b. Consistent with City Council direction. c. AB 1482 covers more buildings than ARO but only enforcement is suing under State law; local education & enforcement may help to increase compliance.
2. Establish Right to Legal Counsel for Tenants Facing Evictions	Commission a study of the costs and benefits of implementing a tenant right to legal counsel; Expand existing funding for legal representation of tenants; Establish a tenant right to legal counsel in all eviction cases; Target new State homeless prevention funds (SB 18) toward tenant legal protection and programs.	a. Identify funding to commission a study with the County of the costs and benefits of implementing a tenant right to legal counsel program (L/L/L) b. Identify funding for legal representation of tenants to expand program (H/L/M) c. Identify possible new sources for grants to legal services for harassment cases (L/L/H)	a. Study if a right to counsel program would be an effective strategy in SCC as a proactive intervention to help decrease evictions; determine how much program would cost. b. CDBG funds for legal services for evictions are very limited vs. need; identify other sources. c. City's legal services funding does not now fund work for tenant harassment cases, which is a large need.

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3. Expand Tenant Education and Neighborhood Development Programs	Provide capacity-building support for tenant organizations; Invest in neighborhood development; Host more “Know Your Rights” trainings throughout the City	<ul style="list-style-type: none"> a. Support engagement and leadership development for organizations representing historically disinvested neighborhoods (H/L/L) b. Host / sponsor more “Know Your Rights” trainings throughout the City for landlords and tenants, increase education efforts with existing staff and partners (H/L/L) 	<ul style="list-style-type: none"> a. Developing neighborhoods’ capacity to organize, identify needs, and train local leaders would enable them long-term to improve their prospects - seek needed help, communicate with owners, request neighborhood amenities from developments, consider future formation of tenant co-ops, etc.
4. Establish a Housing Resource Center	Provide a central location and hotline for residents to turn for timely assistance when they are facing a housing emergency, when they have questions about their housing rights, or receive referrals to services to help stabilize their housing.	<ul style="list-style-type: none"> a. Convene community organizations to collectively plan for, fund, and staff a volunteer central hotline for housing emergency referrals and housing rights information (L/M/L) b. Identify location for resource center where displacement is high (L/L/L) 	<ul style="list-style-type: none"> a. Similar to community response during foreclosure crisis, when City partially funded and teamed with Realtors, Housing Trust, and others to staff, locate, and fund the effort.
5. Develop Strategies to Remove Housing Barriers for Specific Populations	Develop targeted strategies for specific populations who have difficulty accessing and maintaining housing due to application process or availability of housing types - including women-headed households, large families, disabled residents, mixed-status and undocumented families, residents with criminal records, and limited English speaking households	<ul style="list-style-type: none"> a. Create a workplan to develop targeted strategies for specific populations, both in affordable housing and private market housing (L/M/L) b. Convene a working group with representatives focusing on different subpopulations’ housing needs, property managers, owners to make specific recommendations (L/H/L) c. Seek approvals, funding, and any legislative changes necessary (M/M/M) 	<ul style="list-style-type: none"> a. Some strategies may be simpler than others. b. There may be actions the City can take in its affordable housing portfolio by policy, if City Council concurs. c. Workgroups would determine what was possible and could promote partnerships across sectors.

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6. Establish Tenant Preferences for Affordable Housing	Work with California HCD to develop a neighborhood-based tenant preference that is broadly applicable to new affordable housing developments and that does not conflict with Fair Housing laws.	<ul style="list-style-type: none"> a. Work with California HCD to develop a neighborhood-based tenant preference that is broadly applicable to new affordable housing developments and that does not conflict with Fair Housing laws. (M/M/M) b. Work on legislation that supports such preferences, including SB 50. (L/M/L) 	<ul style="list-style-type: none"> a. Residents who live near new affordable housing developments could get priority to apply in a 'shorter line' for a percentage of new units available to the general public. b. This would pair with a production strategy to build more affordable housing in areas likely to experience displacement. c. A neighborhood preference would also potentially work well with an improved Urban Village Planning process for affordable housing (see #9 below)
7. Create Landlord Incentives and Practice Equitable Code Enforcement	Assist landlords with low-cost loans and grants for property improvements to address blight or health and safety issues. Explore a process for receivership of properties that have become health and safety dangers to residents, and assist community or nonprofit partners to acquire and maintain at-risk properties.	<ul style="list-style-type: none"> a. Seek funding sources to assist landlords with low-cost loans and grants for property improvements to address blight or health and safety issues. (H/H/H) b. Explore a process for public receivership of properties that have become health and safety dangers to residents. (M/H/M) c. Provide information and target Preservation funding to help community and nonprofit partners to acquire and maintain properties that have repeated major code violations, particularly in areas experiencing displacement. (H/H/H) 	<ul style="list-style-type: none"> a. Landlords who have long-time residents may not be able to do expensive rehabilitation without assistance. Conditions to the loans and grants could require a certain number of years of affordability or other community benefit. b. Some cities used receiverships with success during the foreclosure crisis. c. Helping to inform or fund voluntary purchases of target buildings could be a win-win-win for sellers, buyers and tenants.

New City DRAFT Staff Recommendations - PROTECTION		Rationales
8. “Winchester Ranch” Style Mobilehome Park Conversion Policy	Explore a policy to require the on-site construction of replacement housing for displaced residents prior to the conversion of mobilehome parks of sufficient size, with replacement housing of equivalent rents and the same rent escalation rules as the Mobilehome Rent Ordinance (H/H/H)	<ul style="list-style-type: none"> a. This is patterned after the Winchester Ranch outcome that was negotiated between the buyer and nonprofit attorneys. b. This could build on Council Policy 6-33, the Conversion of Mobilehome Parks to Other Uses.
9. Housing Rehab Noticing	Require a posting of notices to notify tenants of rehab and construction projects, including the purpose and type of construction, and beginning and end dates. (L/L/L)	<ul style="list-style-type: none"> a. Provides much needed-information to tenants in a consistent and accessible manner.
10. Act as Convener	Convene a broad array of stakeholders including government partners, housing & real estate experts, practitioners, housing advocates, labor, schools, hospitals, community leaders, nonprofit service providers, and philanthropy to establish an anti-displacement working group to develop the above strategies. (H/M/L)	<ul style="list-style-type: none"> a. A broad group of organizations coming together to work regularly on these issues will be necessary to make progress. The City can act as convener, and City Hall can be used as meeting space, as the workgroup forms.
11. Expand ARO disclosure	Require disclosure that a building is subject to ARO by notice recorded on title or other mechanism at time of sale. (L/L/L)	<ul style="list-style-type: none"> a. Decrease the likelihood of predatory or fraudulent ARO building sales b. Ensure properties are purchased by owners understand the ARO program.
12. Adopt responsible lending guidelines	Adopt a City Policy and support State efforts to pass a Non-Bank Multifamily Lender Licensing (Responsible Lending Guidelines) to discourage lenders from funding acquisition of speculative multifamily rental deals predicated on the displacement of the current tenants. (L/L/L)	<ul style="list-style-type: none"> a. This would make a policy statement that lender underwriting practices matter, and would spread best practice alternatives to assumptions of high rent increases and displacement of current tenants.

PRESERVATION

ADPN Solutions - PRESERVATION		City Staff DRAFT Recommendations	Rationales
<p>13. Create a Preservation Strategy</p>	<p>Develop a strategy to monitor net gain or loss, assess organizational capacity, and find funding to create an acquisition program.</p>	<p>Develop a preservation strategy to:</p> <ul style="list-style-type: none"> a. Create a ‘no net loss’ policy to prevent the number of rental units affordable to households at or below a specified income level from dropping below the number of such units set in a baseline year. (L/L/L) b. Improve City’s tracking system for affordable housing properties that will sell and/or lose affordability (L/M/L) c. Work with the State to understand and maximize benefits of noticing requirements for affordable housing that will lose affordability to inform City’s tracking system (M/M/L) d. Create a Preservation Investment Fund (see below) (H/H/H) e. Consider a Community Opportunity to Purchase program (similar but narrower than San Francisco’s COPA or DC’s TOPA) to require advance notice for the sale of affordable housing properties to nonprofits, public agencies, & tenant organizations to keep properties affordable in perpetuity. (H/H/H) f. Develop capacity for organizations to do preservation work and/or form local Community Development Corporations. (H/H/H) 	<p>An overall strategy on preserving restricted affordable homes, and acquiring NOAH homes, will identify how much work City staff can do and what additional resources are needed.</p> <ul style="list-style-type: none"> a. A ‘no net policy’ with regular reporting will focus attention on the issue, especially if it is analyzed at a smaller geography than Citywide. b. Regular tracking and reports on the housing stock will assist decision-makers and stakeholders and will daylight what strategies could be most helpful for Preservation. c. State HCD has offered to work with San José on implementing best practices around tracking and following up on noticing, and creating an overall strategy. d. See below for Preservation Investment Fund. e. A COPA program could help more affordable properties be bought by mission-oriented buyers, if both parties agreed. f. CDCs would be more likely to want to acquire and save smaller buildings and retain long-term affordability.

ADPN Solutions - PRESERVATION		City Staff DRAFT Recommendations	Rationales
14. Adopt a Preservation Ordinance	Adopt an Ordinance that supports Preservation work, including reporting and a Community Opportunity to Purchase program, which requires advance notice of restricted affordable rental building sales to community organizations including tenant co-ops and provide tenants the first right to purchase the property.	<p>Adopt a Preservation Ordinance incorporating elements of the City’s Preservation Strategy, including:</p> <ul style="list-style-type: none"> a. Declaration that Preservation is a City priority, and b. Requirements for periodic “no net loss” reporting. (M/L/L) <p>Later, amend the Preservation Ordinance to incorporate COPA, if approved:</p> <ul style="list-style-type: none"> c. Create a Community Opportunity to Purchase program (similar but more narrow than San Francisco’s or Washington’s) to require advance notice for the sale of affordable housing properties to nonprofits, public agencies, & tenant organizations to keep properties affordable in perpetuity. (H/H/H) 	<ul style="list-style-type: none"> a. Adopting an early Ordinance (or comparable vehicle) to require reporting and make Preservation a priority enables staff to prioritize related work accordingly. b. Community Opportunity to Purchase program could help more affordable properties be bought by mission-oriented buyers, if both parties agreed. c. The Silicon Valley Community Foundation is facilitating San José to learn from San Francisco’s work on COPA and CLTs.
15. Establish a Preservation Investment Fund	Establish a fund that can be used to acquire and rehabilitate deed-restricted or naturally affordable housing to keep as affordable housing in the long-term.	<ul style="list-style-type: none"> a. Work with local philanthropy and other affordable housing funders to gauge interest in developing a preservation investment fund. (H/H/H) b. Target use on existing apartment buildings of a defined minimum size in neighborhoods at high risk of displacement. (H/L/L) 	<ul style="list-style-type: none"> a. A flexible source of funds (in addition to Production funds) is needed to quickly acquire existing buildings and provide long-term subsidies with conventional financing to keep residents at a range of incomes in place. b. This is a required part of a complete Preservation Strategy.

ADPN Solutions - PRESERVATION		City Staff DRAFT Recommendations	Rationales
16. Support Development and Capacity-building for Innovative Housing Solutions, Including Co-ops and Community Land Trusts	Fund a study to assess the feasibility of strategies such as Community Land Trusts and tenant co-ops in San José that can help control housing costs, grow assets, enable self-governance, and create job pathways.	Commission a study to assess the feasibility and necessary ingredients to strategies such as Community Land Trusts and tenant co-ops in San José that can help control housing costs, grow assets, enable self-governance, and create job pathways. (L/L/L)	<ol style="list-style-type: none"> City could help to catalyze these strategies by identifying needs and next steps to create the foundation for these types of strategies. City could team with philanthropy to pay for the study, but would engage the consultant and direct the work. Tenants must be organized and need skills to take advantage of co-ops and other Preservation and Production solutions. Feasibility study, followed by business plan for a San José/South Bay CLT, could help identify next steps and needed resources.

New City DRAFT Staff Recommendation - PRESERVATION		Rationales
17. Expand proactive rental inspections	Explore expanding proactive rental inspections/ requirements for single family, duplexes, rented condominiums, and other rentals in San José. (M/H/M)	<ol style="list-style-type: none"> Cover properties that house a significant portion of San José renters

PRODUCTION

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18. Establish a New Source of Funding for Affordable Housing and Anti-Displacement	Pursue ways to collect more funding for Affordable Housing, such as through a revenue measure, commercial linkage fee, or other means.	Continue to explore and pursue ways to collect more funding for Affordable Housing and anti-displacement (H/H/L)	a. The City lacks funding to meet the 10,000-unit goal set by the City Council.
19. Conduct a Public Land Survey and partner with the State to leverage public land for affordable housing and community preservation	Work with the State of California, the County of Santa Clara, VTA, BART, and local school boards to site and prioritize affordable housing on publicly-owned land.	<ul style="list-style-type: none"> a. Partner with State to convene local agencies to identify and prioritize potential sites for affordable housing (L/L/L) b. Integrate State and local agencies' public land into City's Sites Opportunity Map being developed with consultant; determine ongoing process for updates (M/L/H) 	<ul style="list-style-type: none"> a. Publicly-owned land could be an important source of sites for affordable housing development. b. Consistent with State law's priorities for Surplus Land, Governor's direction, and City's current efforts.

New City DRAFT Staff Recommendations - PRODUCTION		Rationales
20. Short-term Rentals as a Source of Funding for Affordable Housing	<ul style="list-style-type: none"> a. Study short-term rentals in San José: tax structure, % of housing stock, how does our current ordinance work, & compare to other jurisdictions. b. Create a dedicated source of funding for affordable housing and anti-displacement by dedicating a portion of taxes raised by short-term rentals to the Housing Trust Fund. c. Increase enforcement of the Short-term Rental Ordinance. (H/H/H) 	<ul style="list-style-type: none"> a. Short-term rental properties take away from the local rental housing stock, so it would make sense they could help contribute funds for affordable housing. b. City should ensure program is working effectively.

New City DRAFT Staff Recommendations - PRODUCTION		Rationales
21. Urban Village Planning for Affordable Housing Development and Anti-Displacement	<p>Include affordable housing analysis in Urban Village Plans, starting with Southwest Expressway, to determine sites, scale, affordability levels and other considerations to better accommodate residents who may be displaced. Integrate updates on affordable housing and displacement status into Urban Village annual reports. Work includes:</p> <ul style="list-style-type: none"> a. Map and analyze existing building stock for affordability (market-rate, naturally affordable, rent-stabilized, mobilehome, and affordable) and areas at-risk of redevelopment. (L/M/L) b. Estimate income levels of existing residents in at-risk areas to inform the type of affordable housing that could directly offset local displacement following redevelopment. (L/M/L) c. Map publicly-owned sites. (L/L/L) d. Map parcels where 100% affordable housing projects could be located to maximize competitiveness for federal, state, and regional subsidy sources. (H/L/L) e. Develop recommendations on areas that are most competitive for funding and the sites that should be prioritized for 100 percent affordable housing. (H/H/H) 	<ul style="list-style-type: none"> a. Urban Villages have a goal of 25% affordable housing, but no way to require that much is built it on individual sites, as 25% exceeds the 15% Inclusionary Housing site-specific requirement. b. Village Plans identify the location of land uses, so this analysis would help to ensure that locations where housing is encouraged, and the forms and densities, would also be appropriate and score well for competitive affordable housing funding sources. c. This would work well with other Urban Village rules that allow affordable housing to advance before market-rate housing in many urban villages, so residents in danger of displacement might have somewhere local to move. d. Regular reporting on how Urban Villages are progressing would help policy makers make decisions.

New City DRAFT Staff Recommendations - PRODUCTION		Rationales
22. Develop YIGBY Land Use – Yes in God’s Backyard	Amend the General Plan and zoning ordinance to allow deed-restricted affordable housing under the Public Quasi Public (PQP) General Plan land use designation and zoning district, when such residential uses are developed as a secondary use in conjunction with the primary use of the property as a place of worship.	<ul style="list-style-type: none"> a. Provision of affordable housing is consistent with many churches’ mission, and the City has received inquiries from several faith-based organizations about how to help get affordable housing developed on their parking lots. b. This could help speed land use entitlements, reduce cost of development, and promote housing ownership by mission-oriented organizations that would preserve affordability in the long term. c. No impact on foregone property tax, as neither churches nor affordable housing controlled by nonprofits meeting certain conditions pay it, per State law.