

# Housing Department

Jacky Morales-Ferrand, Director

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**T**o strengthen and revitalize our community through housing and neighborhood investment

## City Service Area

Community and Economic Development

### Core Services

#### **Affordable Housing Portfolio Management**

Manage the City's affordable housing loan portfolio, including loan servicing and monitoring; compliance of income restricted apartments; retain and extend the length of the restrictions to preserve the long-term affordability of the apartments

#### **Affordable Housing Production and Preservation**

Provide financing for the rehabilitation, development, and construction of affordable housing; provide technical assistance to market-rate developers to meet their affordable housing requirements; offer limited homeownership loans; and administer Inclusionary and Housing Impact fee programs

#### **Homelessness Interventions and Solutions**

Provide a coordinated response to homeless residents including street based outreach, case management, essential services; referrals and housing options; and invest in interim short-term housing solutions

#### **Neighborhood Capital Investment and Public Services**

Invest in at-risk residents and neighborhoods; provide funding for housing and community development capital projects; and provide support to public service organizations

#### **Rent Stabilization and Tenant Protection**

Administer rent stabilization programs and requirements that stabilize rents, while assuring landlords a fair return, and that protect tenants; mitigate impacts of displacement; and prevent retaliation

**Strategic Support:** Planning and Policy Development, Public Education, Budget, Financial Management, Clerical Support, Human Resources, and Audit Supervision

# Housing Department

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## Service Delivery Framework

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PROGRAM	DESCRIPTION
<b><i>Affordable Housing Portfolio Management Core Service</i></b>	
<b>Loan Compliance</b>	Manages and oversees the City's affordable housing loan portfolio including loan servicing and monitoring and compliance of affordable deed restricted apartments.
<b>Property Maintenance and Inspection</b>	Works with existing developments to retain and preserve the long-term viability of affordable apartments.
<b><i>Affordable Housing Production and Preservation Core Service</i></b>	
<b>Affordable Housing Development Loans</b>	Provides financing and technical assistance for the development of new affordable housing developments for low-income households and individuals.
<b>Homeownership Opportunities</b>	Provides a limited number of down payment assistance loans and loan servicing for recipients of lending programs.
<b>Inclusionary Housing</b>	Provides technical assistance to market-rate developers in meeting their affordable housing requirements.
<b>Rehabilitation Loans and Grants</b>	Funds minor home repairs for low-income homeowners and mobilehome owners.
<b><i>Homelessness Interventions and Solutions Core Service</i></b>	
<b>Homeless Outreach and Case Management</b>	Provides a coordinated response to unsheltered homeless residents including street-based outreach, engagement, case management, and essential services such as mobile hygiene, warming locations, and temporary and incidental shelters.
<b>Interim Supportive Housing Development</b>	Develops and oversees operation of interim housing solutions to bridge the gap from temporary shelter to permanent supportive housing.
<b>Joint Encampment Response Team</b>	Removes unauthorized encampments, prioritizes them based on location and conditions, and offers outreach services and housing referrals to unhoused residents.
<b>Tenant Based Rental Assistance and Rapid Rehousing</b>	Provides short-term rental subsidies, with supportive services during the subsidy period, to help homeless residents obtain permanent housing as quickly as possible.
<b><i>Neighborhood Capital Investment and Public Services Core Service</i></b>	
<b>Community Development Block Grant - Infrastructure Investments</b>	Funds infrastructure improvements in low-income neighborhoods and those serving communities in need.

# Housing Department

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## Service Delivery Framework

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PROGRAM	DESCRIPTION
<b><i>Neighborhood Capital Investment and Public Services Core Service</i></b>	
<b>Non-Profit Service Grants to Support Housing and Community Development Needs</b>	Provides grants to non-profit organizations to support fair housing and tenant legal services, senior programs, and homeless programs.
<b>Place-Based Neighborhood Strategy</b>	Provides community engagement and leadership development services in challenged neighborhoods.
<b><i>Rent Stabilization and Tenant Protection Core Service</i></b>	
<b>Apartment Rent Ordinance Administration</b>	Protects tenants from excessive rent increases and evictions while assuring landlords a fair return; provide balanced treatment for both tenants and landlords through efficient and consistent administration of the apartment rent stabilization programs.
<b>Mobilehome Rent Ordinance Administration</b>	Protects mobilehome residents from excessive rent increases while assuring park owners receive a fair return through efficient and consistent administration of the Mobilehome Rent Ordinance.
<b><i>Strategic Support Core Service</i></b>	
<b>Housing Planning and Policy Development</b>	Analyzes, develops and recommends public policy to strengthen affordable housing and community development programs. Provides research support for advancement of new and one-time programs. Tracks and coordinates the Department's legislative response to legislation and program regulations at both the State and Federal levels.
<b>Housing Management and Administration</b>	Provides administrative oversight for the department, including executive management, financial management, human resources, and analytical support.

# Housing Department

## Department Budget Summary

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### Expected 2020-2021 Service Delivery

- Advance 11 affordable housing developments, totaling 1,144 new apartments, as part of the implementation of the \$100 million Notice of Funding Availability.
- Begin construction on 410 affordable apartments. Complete construction on 284 affordable apartments that will provide housing for 99 chronically homeless individuals.
- Produce an Affordable Housing Implementation Plan for the Diridon Station area, with analysis and a production plan for affordable housing as well as identified affordable housing Preservation and resident Protection strategies and goals.
- Complete a Citywide Residential Anti-Displacement Strategy for the City Council's consideration to help mitigate pressure on vulnerable lower-income residents.
- Increase interim housing solutions by completing construction on one Bridge Housing Community (BHC) and continuing to manage the Plaza Hotel and the Mabury BHC.
- Seek City Council approval and implement the 2020-2025 Community Plan to End Homelessness.
- Oversee registration of organizations participating in the Temporary and Incidental Shelter and Safe Parking Programs per the recently adopted Citywide Ordinances.
- Implement the new 2020-25 Consolidated Plan and the 2020-21 Annual Action Plan authorizing the use of approximately \$14.5 million in annual allocations of federal funding to increase and preserve affordable housing, respond to homelessness, strengthen neighborhoods, and promote fair housing.
- Implement a plan to use an estimated additional \$100 million in CDBG, ESG, HOPWA and City CARES Act funds for COVID-19 response.
- Develop a strategic plan for the Rent Stabilization Program including a robust community process to determine goals and outcomes for the coming three to five years.
- Implement and manage the Administrative Citations program to increase compliance of the Apartment Rent Ordinance, Tenant Protection Ordinance, and Housing Payment Equality Ordinance.

### 2020-2021 Key Budget Actions

- Adds permanently 1.0 Information Systems Analyst position to support the Housing Department Salesforce application and continue support of the Rent Stabilization Program applications.
- Continues 1.0 Senior Development Officer and 1.0 Development Officer positions to support affordable housing transactions in response to the City's 10,000 affordable housing unit goal, assisting with underwriting services for 11 new projects and refinancing of existing developments.
- Adds 1.0 Senior Development Officer position through June 30, 2022 to support several major initiatives including Citywide anti-displacement strategies, assessment of fair housing implementation, and moderate income housing strategies.
- Adds 1.0 Analyst I/II position on the Homeless Response Team to focus on data collection and analytics, track performance measurements, and generate reports associated with the \$11.4 million Homeless Emergency Aid Program (HEAP) and \$24 million Homeless Housing, Assistance and Prevention Program (HHAP) grants.
- Adds 1.0 Analyst I/II to assist with non-grant contracting and development of the Housing Department's operating budget in the Administrative Services Program.
- Adds 1.0 Community Program Administrator through June 30, 2021 to assess options for the continuance of the Responsible Landlord Engagement Initiative following discontinuance by Catholic Charities for 2020-2021.

### Operating Funds Managed

- |   |   |
|---|---|
| <input type="checkbox"/> Community Development Block Grant Fund         | <input type="checkbox"/> Housing Trust Fund                         |
| <input type="checkbox"/> Economic Development Administration Loan Fund  | <input type="checkbox"/> Inclusionary Fee Fund                      |
| <input type="checkbox"/> Home Investment Partnership Program Trust Fund | <input type="checkbox"/> Low and Moderate Income Housing Asset Fund |
|   | <input type="checkbox"/> Multi-Source Housing Fund                  |
|   | <input type="checkbox"/> Rent Stabilization Fee Fund                |

# Housing Department

## Department Budget Summary

	2018-2019 Actuals ***	2019-2020 Adopted	2020-2021 Forecast	2020-2021 Adopted
<b>Dollars by Core Service</b>				
Affordable Housing Portfolio Management	2,049,936	2,317,807	2,461,887	2,449,750
Affordable Housing Production and Preservation	12,461,994	41,234,619	46,576,114	54,085,514
Homelessness Interventions and Solutions	8,622,371	24,697,325	32,418,069	33,436,313
Neighborhood Capital Investment and Public Services	8,318,866	19,436,136	18,735,452	27,545,657
Rent Stabilization and Tenant Protection	1,762,382	3,053,824	2,948,378	3,056,670
Strategic Support - Community & Economic Development	4,206,699	4,142,696	4,198,068	4,725,801
Strategic Support - Other - Community & Economic Development	3,523,426	2,278,217	1,263,921	3,046,894
<b>Total</b>	<b>\$40,945,674</b>	<b>\$97,160,624</b>	<b>\$108,601,889</b>	<b>\$128,346,599</b>
<b>Dollars by Category</b>				
<b>Personal Services and Non-Personal/Equipment</b>				
Salaries/Benefits	10,041,183	13,071,243	12,358,799	14,111,874
Overtime	51,899	24,830	34,830	34,830
<b>Subtotal Personal Services</b>	<b>\$10,093,083</b>	<b>\$13,096,073</b>	<b>\$12,393,629</b>	<b>\$14,146,704</b>
Non-Personal/Equipment	1,605,244	2,194,874	1,731,379	3,141,379
<b>Total Personal Services &amp; Non-Personal/Equipment</b>	<b>\$11,698,327</b>	<b>\$15,290,947</b>	<b>\$14,125,008</b>	<b>\$17,288,083</b>
<b>Other Costs*</b>				
City-Wide Expenses	1,599,579	8,250,000	5,596,500	5,464,500
Housing Loans and Grants	16,653,122	51,408,899	57,483,899	57,090,221
Other	8,120,299	20,037,108	30,237,108	47,229,448
Other - Capital	0	0	0	0
Overhead Costs	2,850,654	2,073,670	1,059,374	1,174,347
Workers' Compensation	23,692	100,000	100,000	100,000
<b>Total Other Costs</b>	<b>\$29,247,347</b>	<b>\$81,869,677</b>	<b>\$94,476,881</b>	<b>\$111,058,516</b>
<b>Total</b>	<b>\$40,945,674</b>	<b>\$97,160,624</b>	<b>\$108,601,889</b>	<b>\$128,346,599</b>

\* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2019-2020 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

\*\* The positions displayed in the 2018-2019 Actuals column reflect those included in the 2018-2019 Adopted Budget.

\*\*\* 2018-2019 Actuals may not subtotal due to rounding.

# Housing Department

## Department Budget Summary

	2018-2019 Actuals ***	2019-2020 Adopted	2020-2021 Forecast	2020-2021 Adopted
<b>Dollars by Fund</b>				
General Fund (001)	2,069,160	8,838,664	5,884,205	6,030,904
Low And Moderate Income Housing Asset Fund (346)	11,166,303	47,317,209	46,313,810	60,307,478
Housing Trust Fund (440)	1,429,875	2,117,845	2,097,609	2,556,727
Community Development Block Grant Fund (441)	5,297,549	13,163,586	13,126,743	13,930,347
Home Investment Partnership Program Trust Fund (445)	8,436,022	2,526,798	7,937,039	2,216,536
Multi-Source Housing Fund (448)	12,546,764	19,611,698	29,708,125	39,487,363
Rental Stabilization Program Fee Fund (450)	0	3,360,817	3,314,150	3,436,167
Inclusionary Fee Fund (451)	0	224,007	220,208	381,077
<b>Total</b>	<b>\$40,945,674</b>	<b>\$97,160,624</b>	<b>\$108,601,889</b>	<b>\$128,346,599</b>
<b>Positions by Core Service**</b>				
Affordable Housing Portfolio Management	11.50	11.50	11.50	11.50
Affordable Housing Production and Preservation	12.50	13.00	11.50	17.00
Homelessness Interventions and Solutions	7.00	9.00	7.00	11.00
Neighborhood Capital Investment and Public Services	8.80	9.80	7.60	7.60
Rent Stabilization and Tenant Protection	17.85	17.55	16.57	17.07
Strategic Support - Community & Economic Development	19.85	20.65	21.33	23.33
<b>Total</b>	<b>77.50</b>	<b>81.50</b>	<b>75.50</b>	<b>87.50</b>

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# Housing Department

## Department Budget Summary

	2018-2019 Actuals**	2019-2020 Adopted	2020-2021 Forecast	2020-2021 Adopted	2020-2021 Adopted Positions
<b>Dollars by Program*</b>					
<b>Affordable Housing Portfolio Management</b>					
Loan Collections	20,487	0	0	0	0.00
Loan Compliance	1,949,091	2,092,807	2,236,887	2,224,750	11.50
Property Maintenance and Inspection	80,358	225,000	225,000	225,000	0.00
<b>Sub-Total</b>	<b>2,049,936</b>	<b>2,317,807</b>	<b>2,461,887</b>	<b>2,449,750</b>	<b>11.50</b>
<b>Affordable Housing Production and Preservation</b>					
Affordable Housing Development Loans	11,077,501	39,989,344	44,640,031	52,561,595	11.80
Homeownership Opportunities	15,158	70,000	745,000	210,000	0.00
Inclusionary Housing	453,626	199,378	206,855	334,975	1.00
Rehabilitation Loans and Grants	915,709	975,897	984,228	978,944	4.20
<b>Sub-Total</b>	<b>12,461,994</b>	<b>41,234,619</b>	<b>46,576,114</b>	<b>54,085,514</b>	<b>17.00</b>
<b>Homelessness Interventions and Solutions</b>					
Homeless Outreach and Case Management	6,151,615	9,775,876	15,982,290	26,094,396	6.50
Interim Supportive Housing Development	0	3,439,044	3,439,044	1,084,417	2.00
Joint Encampment Response Team	1,079,865	1,585,000	1,631,500	1,631,500	2.50
Local and Regional Coordination/Policy Development to End Homelessness	253,349	200,000	0	200,000	0.00
Tenant Based Rental Assistance and Rapid Rehousing	1,137,541	9,697,405	11,365,235	4,426,000	0.00
<b>Sub-Total</b>	<b>8,622,371</b>	<b>24,697,325</b>	<b>32,418,069</b>	<b>33,436,313</b>	<b>11.00</b>
<b>Neighborhood Capital Investment and Public Services</b>					
Community Development Block Grant - Infrastructure Investments	2,885,766	10,911,788	10,860,640	4,206,118	7.24
Neighborhood Stabilization	135,295	0	0	0	0.00
Non-Profit Service Grants to Support Housing and Community Development Needs	5,187,014	7,967,805	7,798,350	23,060,039	0.36
Place-Based Neighborhood Strategy	110,791	556,543	76,462	279,500	0.00
<b>Sub-Total</b>	<b>8,318,866</b>	<b>19,436,136</b>	<b>18,735,452</b>	<b>27,545,657</b>	<b>7.60</b>
<b>Rent Stabilization and Tenant Protection</b>					
Apartment Rent Ordinance Administration	1,624,108	2,836,364	2,733,308	2,842,855	15.77
Mobilehome Rent Ordinance Administration	138,275	217,460	215,070	213,815	1.30
<b>Sub-Total</b>	<b>1,762,382</b>	<b>3,053,824</b>	<b>2,948,378</b>	<b>3,056,670</b>	<b>17.07</b>
<b>Strategic Support - Community &amp; Economic Development</b>					
Housing Management and Administration	3,920,252	3,537,076	3,367,707	3,503,181	17.88

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# Housing Department

## Department Budget Summary

	2018-2019 Actuals**	2019-2020 Adopted	2020-2021 Forecast	2020-2021 Adopted	2020-2021 Adopted Positions
Housing Planning and Policy Development	286,448	605,620	830,361	1,222,620	5.45
<b>Sub-Total</b>	<b>4,206,699</b>	<b>4,142,696</b>	<b>4,198,068</b>	<b>4,725,801</b>	<b>23.33</b>
<b>Strategic Support - Other - Community &amp; Economic Development</b>					
Housing Other Departmental - City-Wide	300,000	0	0	1,668,000	0.00
Housing Other Departmental - Grants	358,828	34,547	34,547	34,547	0.00
Housing Overhead	2,839,907	2,073,670	1,059,374	1,174,347	0.00
Housing Transfers	998	70,000	70,000	70,000	0.00
Housing Workers' Compensation	23,692	100,000	100,000	100,000	0.00
<b>Sub-Total</b>	<b>3,523,426</b>	<b>2,278,217</b>	<b>1,263,921</b>	<b>3,046,894</b>	<b>0.00</b>
<b>Total</b>	<b>\$40,945,674</b>	<b>\$97,160,624</b>	<b>\$108,601,889</b>	<b>\$128,346,599</b>	<b>87.50</b>

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# Housing Department

## Budget Reconciliation

### Personal Services and Non-Personal/Equipment (2019-2020 Adopted to 2020-2021 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
<b>Prior Year Budget (2019-2020):</b>	<b>81.50</b>	<b>15,290,947</b>	<b>588,664</b>
<b>Base Adjustments</b>			
<b>One-Time Prior Year Expenditures Deleted</b>			
• Rebudget: Underwriting and Land Use Consulting Services		(100,000)	0
• Rebudget: Website Design		(100,000)	0
• Bridge Housing Communities (1.0 Housing Policy and Planning Administrator and 1.0 Analyst II)	(2.00)	(332,170)	0
• Coyote Creek Flood Recovery Efforts (2.0 Community Coordinator)	(2.00)	(269,802)	0
• Responsible Landlord Engagement Initiative		(205,000)	(205,000)
• Salesforce Technical Support (1.0 Information Systems Analyst)	(1.00)	(198,850)	0
• Affordable Housing Transactions Staffing (1.0 Senior Development Officer)	(1.00)	(190,134)	0
• Local Sales Tax - San Jose Streets Team Litter and Trash Removal		(135,000)	(135,000)
• Inspector Vehicles		(60,000)	0
<b>One-Time Prior Year Expenditures Subtotal:</b>	<b>(6.00)</b>	<b>(1,590,956)</b>	<b>(340,000)</b>
<b>Technical Adjustments to Costs of Ongoing Activities</b>			
• Salary/benefit changes		286,512	39,041
• Professional Development Program		2,000	0
• Software/Information Systems: Asset Management Reporting Software		100,000	0
• Dues, Subscriptions and Memberships		15,000	0
• Software/Information Systems: Salesforce and Virtu Licenses		11,505	0
• Software/Information Systems: Multi-Function Device Rentals		10,000	0
<b>Technical Adjustments Subtotal:</b>	<b>0.00</b>	<b>425,017</b>	<b>39,041</b>
<b>2020-2021 Forecast Base Budget:</b>	<b>75.50</b>	<b>14,125,008</b>	<b>287,705</b>
<b>Budget Proposals Approved</b>			
1. Policy Program Staffing	1.00	397,013	0
2. Affordable Housing Transactions Staffing	5.00	356,153	0
3. Emergency Shelter Program Staffing	2.00	343,400	0
4. Homeless Rapid Rehousing Funding Shift	0.00	264,645	0
5. Underwriting Services		200,000	0
6. Housing Information Technology Staffing	1.00	198,352	0
7. Housing Department Executive Staff Support	1.00	176,594	0
8. Blighted Properties Staffing	1.00	170,000	0
9. Homeless Response Program Staffing	1.00	148,656	0
10. Administrative Services Staffing	1.00	123,882	0
11. Municipal Advisory Services		100,000	0
12. Community Plan to End Homelessness Communications		50,000	0
13. Recovery Café San Jose		10,000	10,000
14. Housing Department Council Memorandum Support	(1.00)	(141,494)	0
15. City Retirement Contributions Pre-Funding		(84,126)	(1,301)

# Housing Department

## Budget Reconciliation

### Personal Services and Non-Personal/Equipment (2019-2020 Adopted to 2020-2021 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
<b>Budget Proposals Approved</b>			
16. Rebudget: Local Sales Tax - San Jose Streets Team Litter and Trash Removal		270,000	270,000
17. Rebudget: Municipal Advisory Services		150,000	0
18. Rebudget: Inclusionary Consultant Services		130,000	0
19. Rebudget: Relocation Services Master Agreement		100,000	0
20. Rebudget: Underwriting and Land Use Consulting Services		100,000	0
21. Rebudget: Website Design		100,000	0
<b>Total Budget Proposals Approved</b>	<b>12.00</b>	<b>3,163,075</b>	<b>278,699</b>
<b>2020-2021 Adopted Budget Total</b>	<b>87.50</b>	<b>17,288,083</b>	<b>566,404</b>

# Housing Department

## Budget Changes By Department Personal Services and Non-Personal/Equipment

2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<b>1. Policy Program Staffing</b>  <b><i>Community and Economic Development CSA Strategic Support Core Service Housing Planning and Policy Development Program</i></b>	1.00	397,013	0
<p>This action adds 1.0 Senior Development Officer position through June 30, 2022 and one-time non-personal/equipment funding of \$200,000, funded by the Low and Moderate Income Housing Asset Fund, to support several major initiatives. These include anti-displacement strategies, assessment of fair housing implementation, and moderate income housing strategies. The position will assist in the development and update of several policy items such as the Housing Element, Housing Crisis Work Plan, Climate Smart, Plan Bay Area Update, and other State legislation. (Ongoing costs: \$197,043)</p>			
<b>2. Affordable Housing Transactions Staffing</b>  <b><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i></b>	5.00	356,153	0
<p>This action adds 2.0 Senior Development Officer, 1.0 Development Officer, and 1.0 Analyst II effective July 1, 2020 and 1.0 Development Officer effective January 1, 2021 to support affordable housing transactions. The Mayor and City Council adopted a Housing Crisis Workplan that prioritizes the creation of 10,000 affordable housing units in five years. While additional resources are needed to meet this goal, the Housing Department issued a \$100 million Notice of Funding Availability and anticipates underwriting 11 new developments that will add a total of 1,144 affordable apartments to the City's housing inventory. In addition to developing new affordable housing, the Department has a large pipeline of existing developments built in the 1990's that are scheduled to be refinanced. Also, starting January 1, 2021, these positions will be funded by Measure E funds to provide program administration support with the recent passage of Measure E, which enacted a real property transfer tax whose revenues are currently allocated for affordable housing and homelessness prevention. (Ongoing costs: \$0)</p>			
<b>3. Emergency Shelter Program Staffing</b>  <b><i>Community and Economic Development CSA Homelessness Interventions and Solutions Core Service Interim Supportive Housing Development Program</i></b>	2.00	343,400	0
<p>This action adds 1.0 Housing Policy and Planning Administrator position and 1.0 Analyst II position to support the continued development and implementation of the Bridge Housing Communities (BHC) in San Jose. In January 2020, San José opened the City's first BHC and welcomed 40 formerly homeless residents to move into tiny homes. Staff will continue to oversee the development of the second BHC site, which is projected to be completed by fall 2020. On April 7, 2020, City Council directed the Administration to redirect \$17.0 million in State grant funding to build emergency housing in connection with the Shelter Crisis Declaration and public health exacerbated by the COVID-19 pandemic. The Housing Department will work with the Public Works Department to plan and construct up to three additional BHC. These positions will continue to support the development and operations of the two existing BHC sites as well as the three new sites. (Ongoing costs: \$343,400)</p>			

## Housing Department

### Budget Changes By Department Personal Services and Non-Personal/Equipment

2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p><b>4. Homeless Rapid Rehousing Funding Shift</b></p> <p><i>Community and Economic Development CSA Homelessness Interventions and Solutions Core Service Homeless Outreach and Case Management Program</i></p> <p>This action shifts funding for 1.0 Development Officer position and 0.50 Senior Development Officer position from the General Fund to City Housing Authority funds in the Multi-Source Housing Fund to continue to address homelessness in the City. The City's Housing Authority was awarded a \$36.3 million judgment in a litigation against Housing and Urban Development that is restricted for housing programs. A portion of that settlement will be used to fund homeless rapid rehousing. (Ongoing costs: \$254,645)</p>	0.00	264,645	0
<p><b>5. Underwriting Services</b></p> <p><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i></p> <p>This action provides one-time non-personal/equipment funding of \$200,000 to provide consultant services for on-call environmental review, which will facilitate predevelopment activities associated with future housing development projects. The consultant will assist City staff to underwrite affordable housing developments that receive funding commitments from the City Council through the Notice of Funding Availability issued in 2018. There are currently six remaining developments that are in various stages of the entitlement process that will need the Housing Department to underwrite and close. These six developments are Alum Rock Family (Affirmed Housing Group), Blossom Hill (Charities Housing), Evans Lane (Allied Housing), Gallup Mesa (Eden Housing), West San Carlos (Danco Communities), and Meridian Avenue (Roem Development). (Ongoing costs: \$0)</p>		200,000	0
<p><b>6. Housing Information Technology Staffing</b></p> <p><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Rent Stabilization and Tenant Protection Core Service Affordable Housing Development Loans Program Apartment Rent Ordinance Administration Program</i></p> <p>This action adds 1.0 Information Systems Analyst position to support the Housing Department's Salesforce System, which is the foundation for both the City's online rent registry and loan portfolio management. The position is the last staffing addition per the comprehensive Rent Stabilization Program staffing plan that was approved by the City Council in November 2017. The position will also maintain the portfolio management system which tracks the City's entire \$711 million portfolio of over 1,200 loans and 18,000 City facilitated affordable rental units. (Ongoing costs: \$198,352)</p>	1.00	198,352	0

# Housing Department

## Budget Changes By Department Personal Services and Non-Personal/Equipment

2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p><b>7. Housing Department Executive Staff Support</b></p> <p><i>Community and Economic Development CSA Strategic Support Core Service Housing Management and Administration Program</i></p> <p>This action adds 1.0 Assistant to the Director position to assist the Housing Director with special projects and studies, perform public liaison work with affordable housing interest groups, make recommendations regarding programs and Department operations, track and respond to City Council referrals, coordinate development of City Council Memorandum, create ad hoc presentations, and prepare communications and talking points for the Director. (Ongoing costs: \$176,594)</p>	1.00	176,594	0
<p><b>8. Blighted Properties Staffing</b></p> <p><i>Community and Economic Development CSA Homelessness Interventions and Solutions Core Service Homeless Outreach and Case Management Program</i></p> <p>This action adds 1.0 Community Program Administrator position through June 30, 2021 in the Affordable Housing Portfolio Management Program as directed by the Mayor's June Budget Message for Fiscal Year 2020-2021, as approved by the City Council. Over the last decade, the Responsible Landlord Engagement Initiative (RLEI) has partnered with the City of San José to improve neighborhoods by resolving problem properties afflicted with blight, disrepair, persistent code violations, and criminal activity. However, Catholic Charities discontinued RLEI for 2020-2021. This position, funded by the Low and Moderate Income Housing Asset Fund, will assess options for the continuance of RLEI, provide support to property owners to manage their properties in a responsible manner, and work with tenants and community groups to improve the safety and security of San Jose neighborhoods. (Ongoing costs: \$0)</p>	1.00	170,000	0
<p><b>9. Homeless Response Program Staffing</b></p> <p><i>Community and Economic Development CSA Homelessness Interventions and Solutions Core Service Homeless Outreach and Case Management Program</i></p> <p>This action adds 1.0 Analyst II position on the Homeless Response Team, funded 50% by Homeless Emergency Aid Program funds and 50% by Homeless Housing, Assistance and Prevention Program funds, to primarily focus on collecting data; tracking grants; measuring performance; writing, updating, and coordinating reports (such as the Homeless Annual Report); and managing contracts on homelessness. With a dedicated position to focus on data collection and analysis, the Department will be able to provide quicker responses to the Mayor and City Council on the progress of the City's homeless programs. (Ongoing costs: \$148,656)</p>	1.00	148,656	0

# Housing Department

## Budget Changes By Department Personal Services and Non-Personal/Equipment

2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<b>10. Administrative Services Staffing</b>  <b><i>Community and Economic Development CSA Strategic Support Core Service Housing Management and Administration Program</i></b>	1.00	123,882	0
<p>This action adds 1.0 Analyst II position, starting September 1, 2020, in the Housing Department's Administrative Services Program. With the recent establishment of the Inclusionary Fee Fund and Rental Stabilization Program Fee Fund, the receipt of Homeless Emergency Aid Program funds, the anticipated receipt of the Homeless Housing, Assistance and Prevention funds, and the recent passage of Measure E, this position will primarily provide additional budget monitoring, tracking, and reporting support of all these funds. In addition, this position will conduct Request for Proposals and assist in the management of developer agreements and purchase orders. (Ongoing costs: \$148,660)</p>			
<b>11. Municipal Advisory Services</b>  <b><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i></b>		100,000	0
<p>This action provides one-time non-personal/equipment funding of \$100,000 to provide consultant services for general municipal advisory services for the City's multi-family housing projects. The consultant will assist City staff in the administration of existing affordable multi-family housing debt and loan portfolio financing and provide financing strategies for new affordable housing projects under consideration. (Ongoing costs: \$0)</p>			
<b>12. Community Plan to End Homelessness Communications</b>  <b><i>Community and Economic Development CSA Homelessness Interventions and Solutions Core Service Rent Stabilization and Tenant Protection Core Service Apartment Rent Ordinance Administration Program Homeless Outreach and Case Management Program</i></b>		50,000	0
<p>This action provides one-time non-personal/equipment funding of \$50,000 to provide support to the Housing Department's Communications Team. The funding will allow for extended outreach through increased production of education materials for tenants and landlords, support the roll out of the new Community Plan to End Homelessness, and provide professional services for video production to support the Homeless Response Team. (Ongoing costs: \$0)</p>			

# Housing Department

## Budget Changes By Department Personal Services and Non-Personal/Equipment

2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p><b>13. Recovery Café San Jose</b></p> <p><i>Community and Economic Development CSA Neighborhood Capital Investment and Public Services Core Service Non-Profit Service Grants to Support Housing and Community Development Needs Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$10,000 as directed in the Mayor’s June Budget Message for Fiscal Year 2020-2021, as approved by the City Council, to provide support services for the LGBTQ community, including assistance recovering from addiction and support with mental health challenges. (Ongoing costs: \$0)</p>		10,000	10,000
<p><b>14. Housing Department Council Memorandum Support</b></p> <p><i>Community and Economic Development CSA Strategic Support Core Service Housing Management and Administration Program</i></p> <p>This action deletes 1.0 Analyst II position, effective September 1, 2020, that primarily served as the Department’s City Council Memorandum liaison. The roles and duties of this position will be transitioned to existing staff and the new Assistant to the Director position. There will be no service level impact from this action. (Ongoing savings: \$169,794)</p>	(1.00)	(141,494)	0
<p><b>15. City Retirement Contributions Pre-Funding</b></p> <p><i>Community and Economic Development CSA Core Service: Department-wide Program: Department-wide</i></p> <p>This action reduces the Housing Department’s Personal Services appropriation by \$84,126 in all funds, including \$1,301 in the General Fund, to reflect the anticipated expenditure savings associated with lower retirement contributions from the prepayment of the City’s retirement costs for both the Tier 1 pension costs and the Unfunded Actuarial Liability in the Federated City Employees’ Retirement System Plan and the Police and Fire Department Retirement Plan. By the City making annual prepayments of its employer contributions to the Retirement Plans in lieu of biweekly contributions, this will generate approximately \$13.9 million in savings in all funds, \$11.4 million in the General Fund. In the General Fund, these savings will be offset by an estimated loss in interest earnings of \$2.6 million and costs in TRANs debt service of \$1.4 million, giving a total net savings of \$7.4 million. (Ongoing savings: \$84,126)</p>		(84,126)	(1,301)

# Housing Department

## Budget Changes By Department Personal Services and Non-Personal/Equipment

2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p><b>16. Rebudget: Local Sales Tax – San Jose Streets Team Litter and Trash Removal</b></p> <p><i>Community and Economic Development CSA Neighborhood Capital Investment and Public Services Core Service Place-Based Neighborhood Strategy Program</i></p> <p>This action rebudgets unexpended 2019-2020 non-personal/equipment funding of \$270,000 to extend contracts with the San Jose Streets Team. Actions to allocate these funds were included in both the Mayor’s June Budget Message for Fiscal Year 2018-2019 (\$135,000) and Mayor’s June Budget Message for Fiscal Year 2019-2020 (\$135,000) and were subsequently approved by the City Council. This partnership with San Jose Streets Team provides the City with litter and trash removal services, and funding will be focused on the City’s highest traffic areas and is part of San José’s larger effort to tackle blight and anti-litter in our public spaces. (Ongoing costs: \$0)</p>		270,000	270,000
<p><b>17. Rebudget: Municipal Advisory Services</b></p> <p><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i></p> <p>This action rebudgets unexpended 2019-2020 non-personal/equipment funding of \$150,000 for municipal advisory services to provide assistance to City staff in the administration of existing affordable multi-family housing debt and loan portfolio financing, and to provide financing strategies for new affordable housing projects under consideration. (Ongoing costs: \$0)</p>		150,000	0
<p><b>18. Rebudget: Inclusionary Consultant Services</b></p> <p><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Inclusionary Housing Program</i></p> <p>This action rebudgets unexpended 2019-2020 non-personal/equipment funding of \$130,000 for a consultant agreement to provide funding for: research and analysis related to small inclusionary projects; developer outreach for ideas about how to incentivize greater density in smaller projects; and exploring options in lowering the proposed threshold for in-lieu fee contributions to off-site projects. (Ongoing costs: \$0)</p>		130,000	0
<p><b>19. Rebudget: Relocation Services Master Agreement</b></p> <p><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i></p> <p>This action rebudgets unexpended 2019-2020 non-personal/equipment funding of \$100,000 for relocation advisory services that are needed following the acquisition of real estate by the Housing Department. (Ongoing costs: \$0)</p>		100,000	0



# Housing Department

## Budget Changes By Department Personal Services and Non-Personal/Equipment



2020-2021 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<b>20. Rebudget: Underwriting and Land Use Consulting Services</b>		100,000	0
<i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i>			
This action rebudgets unexpended 2019-2020 non-personal/equipment funding of \$100,000 for consultant support to provide assistance to City staff with analysis, loan underwriting, and land use consultation services. (Ongoing costs: \$0)			
<b>21. Rebudget: Website Design</b>		100,000	0
<i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i>			
This action rebudgets unexpended 2019-2020 non-personal/equipment funding of \$100,000 for website design. This one-time funding supports the Housing Department's Public Information Team's development of a cohesive, user-friendly Housing website, coordinated with other efforts to redesign the City's entire website. (Ongoing costs: \$0)			
<b>2020-2021 Adopted Budget Changes Total</b>	<b>12.00</b>	<b>3,163,075</b>	<b>278,699</b>

# Housing Department

## Performance Summary

### Affordable Housing Portfolio Management

#### Performance Measures

	2018-2019 Actual	2019-2020 Target	2019-2020 Estimated	2020-2021 Target
 Monetary default rate of loan portfolio by category:				
% of total loan principal:				
1. Project Loans	0%	0%	0%	0%
2. Rehabilitation Loans	0%	0%	0%	0%
3. Homebuyer Loans	0%	1%	0%	0%
% of total loans:				
1. Project Loans	0%	0%	0%	0%
2. Rehabilitation Loans	0%	0%	0%	0%
3. Homebuyer Loans	0%	1%	0%	0%
 % of portfolio units brought into compliance with safe and sanitary condition requirements within 90 days	74%	75%	75%	75%

#### Activity and Workload Highlights

	2018-2019 Actual	2019-2020 Forecast	2019-2020 Estimated	2020-2021 Forecast
# of single family Loan Management transactions (refinances, subordinations, assumptions, payoffs)	105	75	90	80
Size of Housing Department loan portfolio by category:				
Total loan principal (\$):				
1. Project Loans	\$640,000,000	\$651,000,000	\$661,000,000	\$722,000,000 <sup>1</sup>
2. Rehabilitation Loans	\$11,000,000	\$9,500,000	\$9,500,000	\$9,000,000
3. Homebuyer Loans	\$54,700,000	\$50,000,000	\$50,000,000	\$49,500,000
<b>Total</b>	<b>\$705,700,000</b>	<b>\$710,500,000</b>	<b>\$720,500,000</b>	<b>\$780,500,000</b>
Total number of loans:				
1. Project Loans	145	172	147	154
2. Rehabilitation Loans	284	200	200	175
3. Homebuyer Loans	957	800	800	775
<b>Total</b>	<b>1,386</b>	<b>1,172</b>	<b>1,147</b>	<b>1,104</b>
# of major projects in loan portfolio inspected Annually				
- Projects	90	90	90	90
- Units	1,620	1,620	1,620	1,620
# of City facilitated affordable rental units	18,375	21,021	21,414	21,694
# of income restricted for-sale homes	1,241	1,000	1,000	950




<sup>1</sup> 2020-2021 Forecast reflects the completion of a \$100 million NOFA and anticipated project loan closings.

# Housing Department

## Performance Summary

### Affordable Housing Production and Preservation

#### Performance Measures

	2018-2019 Actual	2019-2020 Target	2019-2020 Estimated	2020-2021 Target
 Cumulative ratio of non-City funds to City funds over the last five years in the New Construction Program	3.15:1	4.15:1	3.49:1	4.13:1
 % of annual target achieved for production of affordable housing/# of units <sup>1</sup>	37% (300)	100% (280)	100% (393)	100% (280)
 % of funding committed to extremely low-income households	39%	45%	69%	45%

#### Activity and Workload Highlights

	2018-2019 Actual	2019-2020 Forecast	2019-2020 Estimated	2020-2021 Forecast
# of affordable housing units completed in the fiscal year	111	345	393	280
Average per-unit subsidy in funding commitments for new construction projects	\$218,00	\$125,000	\$143,000	\$125,000




<sup>1</sup> The increase in affordable housing units reflects the status of housing production and the completion of projects. The 2019-2020 Estimated reflects a significant increase above the 2019-2020 Target due to the mixed-housing community, The Kelsey Ayer Station, being completed sooner than anticipated.

# Housing Department

## Performance Summary


### Homeless Interventions and Solutions

#### Performance Measures

	2018-2019 Actual	2019-2020 Target	2019-2020 Estimated	2020-2021 Target
 Reduction in the number of homeless individuals from prior two years <sup>1</sup>	(1,727)	300	N/A	200
 % of households who exit the Rapid Rehousing Program into permanent housing that maintain Housing for at least 6 months	96%	85%	85%	85%
 Average number of days from enrollment households in rapid rehousing programs got into permanent housing	67 days	60 days	60 days	60 days

<sup>1</sup> Data collected on a biennial basis. The number of homeless individuals increased over a two-year period by 1,727. Efforts to reduce the number of homeless in 2020-2021 will be assisted by an increase in state and federal grant funding and local Measure E revenues.

#### Activity and Workload Highlights

	2018-2019 Actual	2019-2020 Forecast	2019-2020 Estimated	2020-2021 Forecast
 # of households who maintained permanent housing in City-funded rapid rehousing programs in the last 12 months	46	150	150	150
Estimated number of homeless individuals Counted in San Jose <sup>1</sup> :				
- Chronically homeless	1,533	1,200	N/A	1,500
- Non-chronically homeless	4,544	3,000	N/A	4,000
# of homeless individuals (affiliated with San Jose) who secured new permanent housing:				
- Chronically	280	400	300	300
- Non-chronically	1,449	1,500	1,500	1,500
# of homeless individuals assessed for permanent housing:				
	1,201	1,000	1,200	1,200

<sup>1</sup> Data collected on a biennial basis.




# Housing Department

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## Performance Summary

### Neighborhood Capital Investment and Public Services

#### *Performance Measures*

	2018-2019 Actual	2019-2020 Target	2019-2020 Estimated	2020-2021 Target
 % of CDBG-funded projects meeting all stated outcomes:				
- City projects	92%	90%	92%	90%
- Non-City projects	90%	90%	92%	90%
 % of CDBG invoices processed within 30 days of receipt of all required documentation	90%	90%	94%	90%
 % of CDBG contracts completed by July 1	0% <sup>1</sup>	50%	90%	80%

<sup>1</sup> Dependent upon the timing of federal appropriation actions and agency response. Contracts were not completed by June 30, 2019.



#### *Activity and Workload Highlights*

	2018-2019 Actual	2019-2020 Forecast	2019-2020 Estimated	2020-2021 Forecast
# of rehabilitation projects completed:				
- Rehabilitation projects	4	6	6	10
- Minor repair	289	375	400	375
<b>Total</b>	<b>293</b>	<b>381</b>	<b>406</b>	<b>385</b>

**Housing Department**  
**Performance Summary**

**Rent Stabilization and Tenant Protection**

*Performance Measures*

	2018-2019 Actual	2019-2020 Target	2019-2020 Estimated	2020-2021 Target
 % of tenant/landlord mediations that resulted in mutual agreement	58%	90%	80%	90%
 % of cases resolved within 60 days of completed petition date	59%	90%	80%	90%

*Activity and Workload Highlights*

	2018-2019 Actual	2019-2020 Forecast	2019-2020 Estimated	2020-2021 Forecast
# of unduplicated mobilehome and apartment clients served by the Rent Stabilization Program	4,911	5,100	5,000	5,500
Average number of days from completed petition to resolution	74 days	45 days	60 days	55 days

## Housing Department

### Departmental Position Detail

Position	2019-2020 Adopted	2020-2021 Adopted	Change
Account Clerk I	1.00	1.00	-
Accountant II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	17.00	19.00	2.00
Assistant to the Director	0.00	1.00	1.00
Building Rehabilitation Inspector I/II	3.00	3.00	-
Building Rehabilitation Supervisor	1.00	1.00	-
Community Coordinator	2.00	0.00	(2.00)
Community Programs Administrator	1.00	2.00	1.00
Deputy Director	2.00	2.00	-
Development Officer	10.00	12.00	2.00
Development Specialist	5.00	5.00	-
Development Specialist PT	0.50	0.50	-
Director of Housing	1.00	1.00	-
Division Manager	3.00	3.00	-
Housing Policy and Plan Administrator	4.00	4.00	-
Information Systems Analyst	1.00	1.00	-
Office Specialist II	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative II	2.00	2.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	2.00	2.00	-
Senior Development Officer	8.00	10.00	2.00
Senior Systems Applications Programmer	1.00	1.00	-
Staff Specialist	7.00	7.00	-
Student Intern PT	1.00	1.00	-
<b>Total Positions</b>	<b>81.50</b>	<b>87.50</b>	<b>6.00</b>

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