

ATTACHMENT 11:

City of San José. 2015. *Excerpts from the City of San José 2014-2023 Housing Element. January.*



City of San José 2014-2023 Housing Element

Adopted by City Council
January 27, 2015



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A. Regional Growth Projections and RHNA

According to *Plan Bay Area*, a long-range integrated transportation, land use, and housing plan developed by ABAG and MTC for the nine-county San Francisco Bay Area, the region is projected to grow from 7.2 million in 2010 to 9.3 million by 2040, for an increase of 2.1 million net new residents. This equates to a 30% total increase or a 1% annual growth rate. In order to accommodate this growth during the 2010-40 time period, Plan Bay Area expects the number of housing units to increase by 24%, or almost 700,000 units, and the number of jobs to grow by 1.1 million, an increase of 33%.

As shown in the table below, the City of San José is projected to accommodate approximately 20% of the Bay Area’s regional housing growth, or almost 130,000 units by 2040. As noted previously in this Appendix, the General Plan analyzed and cleared housing capacity through 2035. Additional housing capacity beyond 2035 would need to be analyzed and environmentally cleared prior to the end of 2035. This figure closely compares with housing growth capacity identified by the General Plan, which provides for the long-term ability to construct up to 120,000 new homes. Additionally, San José is projected to comprise approximately 60% of the Santa Clara County’s overall housing and population growth, and just under 50% of the County’s employment growth.

REGIONAL GROWTH PROJECTIONS: 2010-2040

Growth Category	Year		2010-2040		San Jose Share of Growth
	2010	2040	Absolute Change	Percent Change	
<u>Housing Units</u>					
San Jose	314,040	443,320	129,280	41.2%	100.0%
Santa Clara County	631,920	842,350	210,430	33.3%	61.4%
Bay Area Region	2,785,950	3,445,950	660,000	23.7%	19.6%
<u>Employment</u>					
San Jose	377,140	524,510	147,370	39.1%	100.0%
Santa Clara County	926,260	1,229,520	303,260	32.7%	48.6%
Bay Area Region	3,385,300	4,505,230	1,119,930	33.1%	13.2%
<u>Population</u>					
San Jose	945,942	1,334,100	388,158	41.0%	100.0%
Santa Clara County	1,781,640	2,423,500	641,860	36.0%	60.5%
Bay Area Region	7,151,740	9,299,100	2,147,360	30.0%	18.1%

Source: Association of Bay Area Governments (ABAG), *Plan Bay Area*

Table III-1, Regional Growth Projections, 2010-2040

Two primary objectives of the State’s Regional Housing Need Allocation (RHNA) process are to increase the supply of housing at all income levels and to ensure that local governments contribute to its fair share of housing needs. Additionally, the RHNA divides a jurisdiction’s total housing responsibility into four income categories: Very Low-income (VLI), Low-Income (LI), Moderate-Income (MOD), and Above Moderate-Income (AMOD). These categories correspond to the annual income limits published by HCD and are used to determine housing affordability by the size and income of households. These categories are expressed as a percentage of Area Median Income (AMI), which is currently set at \$105,500 for a four-person household in Santa Clara County and is adjusted for household size.

The table and chart below show San José’s RHNA by income category for the 2014-2022 period and compared with the City’s RHNA for the prior period (2007-2014). While the overall RHNA between the

two periods is similar, the composition of the 2014-22 allocation has a greater emphasis on lower income categories. In particular, the Very Low allocation has increased almost 20%, from 7,751 units in the prior period to 9,233 units in the current period, indicating that the need for housing of deeper affordability levels has increased. See Table III-14 later in this chapter for details on the incomes associated with Extremely Low-, Very-Low, Low- and Moderate-Income categories in San José.

REGIONAL HOUSING NEED ALLOCATION (RHNA): 2014-2022

Income Category*	2007-2014 RHNA	2014-2022 RHNA	Percent Change
Very Low	7,751	9,233	19.1%
Low	5,322	5,428	2.0%
Moderate	6,198	6,188	-0.2%
Above Moderate	15,450	14,231	-7.9%
Totals	34,721	35,080	1.0%

Source: Association of Bay Area Governments (ABAG), *Regional Housing Need Plan*

*Note: Very Low= up to 50% of Area Median Income (AMI); Low= 51% to 80% of AMI; Moderate= 81% to 120% of AMI; Above Moderate= above 120% of AMI

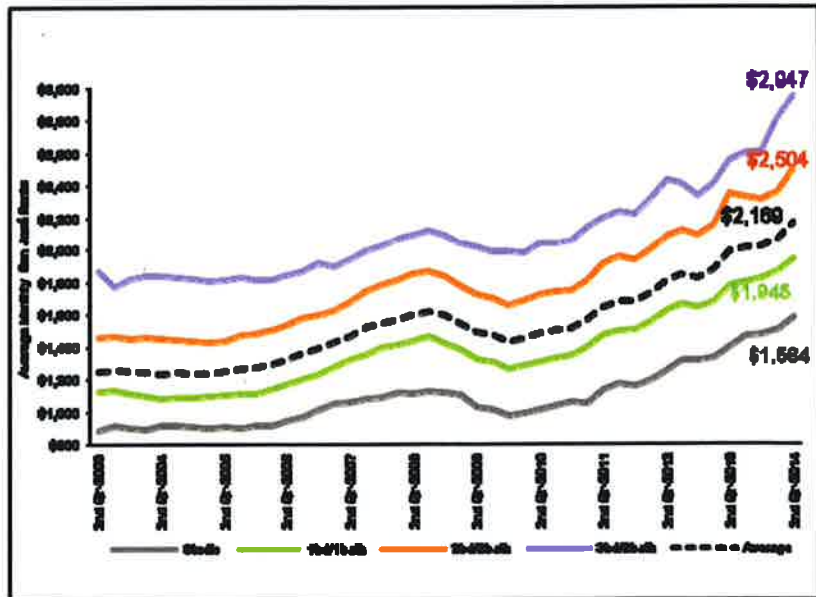
Table III-2, Regional Housing Need Allocation (RHNA), 2014-2022

For regional context, it is important to compare the progress of all cities in Santa Clara County toward meeting 2007-2014 RHNA goals. A staff analysis shows that as of December 31, 2013, cities in Santa Clara County (excluding San José) issued more than 17,390 residential building permits (70% of their collective RHNA goal) and San José issued 16,029 residential building permits (46% of its RHNA goal) during the same period.

Geography	2007-14 Allocation	Building Permits Issued	% of Allocation
SCC Cities (exclusive of San José)	24,527	17,390	71%
San José	34,721	16,029	46%

*Staff was unable to obtain building permit data for Campbell, Los Altos, Los Altos Hills, and Morgan Hill but the chart does include the allocation for these cities

Overall, the current RHNA figure closely compares with housing growth planned by the General Plan, which provides for the near-term ability to construct approximately 40,000 new housing units (see Chapter V: Planned Supply/Inventory). Note that the current RHNA amounts to an annual rate of production of approximately 4,400 units over the 8-year planning period (January 2015 through January 2023), a pace that exceeds the City’s historical experience with new housing in the past decade or more: since 2000, there have been only two years (2000 and 2003) where production has reached 4,000 or more units. Overall, housing production has averaged approximately 2,750 units annually over the 2000-2013 time period (see Table VIII-1 in Chapter 8: Prior Element Evaluation). Given the lower historical trends, it may be a challenge to actually produce the housing units to meet San José’s RHNA, especially within the more affordable income categories.



Source: RealFacts Q2, 2014
 Chart III-7, Monthly Rent by Unit Size, 2003-2014

H. Affordability / Housing Burden

A commonly accepted guideline for determining housing affordability is that costs do not exceed 30% of household income. Thus, when monthly carrying costs of a home exceed 30% of income, then the housing is considered unaffordable, or a “burden,” for that household. Further, a household is considered to be “severely overpaying” for housing when costs exceed 50% of household income. The U.S. Census provides “custom tabulations” of data known as “CHAS” (Comprehensive Housing Affordability Strategy) to help demonstrate housing needs. According to 2006-2010 CHAS Data, approximately 44% of all households in San José overpaid for housing of which slightly more than half were owner occupiers.

Total Households Overpaying (2010)

Households	Renters	Owners	Total
All Households	119,545	180,565	300,110
Number of Households Overpaying	56,235	75,475	131,710
Percent of All Households Overpaying	43%	57%	44%

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

Of the 131,710 households that were overpaying in San Jose, 61,270 (47%) were severely overpaying. The table below illustrates that a higher number of renters suffer from severe overpayment than do owner occupier households. Thus while there are more owner occupier households overpaying in general, renter households in San José suffer disproportionately more with severe overpayment.

Total Households Severely Overpaying (2010)

Households	Renters	Owners	Total
Number of Households Overpaying	56,235	75,475	131,710
Number of Households Severely Overpaying*	29,485	31,785	61,270
Percent of Households Severely Overpaying*	52%	42%	47%

*Severely Overpaying is a subset of Overpaying Households.

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

Overall during the same period, 44% of households in San José overpaid and 36% of all households were lower income. Not surprisingly of the households that overpaid, a disproportionately large number (59%) were lower income households and an even larger proportion were renters (89%).

Lower Income Households Overpaying (2010)

Households	Renters	Owners	Total
All Households	119,545	180,565	300,110
Lower Income Households	67,235	41,890	109,125
Percent of All Households that are Lower Income	56%	23%	36%
Total Households Overpaying	56,235	75,475	131,710
Lower Income Households Overpaying (> 30% of Income)	50,150	27,485	77,635
Percent of Households Overpaying that are Lower Income	89%	36%	59%

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

Extremely Low Income Households

Projected Needs:

To calculate projected housing needs, the City assumed 50 percent of its very low-income regional housing needs allocation (RHNA) would be extremely low-income households. As a result, from the very low-income need of 9,233, the City has a projected need for approximately 4,616 extremely low-income households. Extremely low-income (ELI) is defined as households with income less than 30 percent of area median income. In 2014 the area median income in Santa Clara County was \$105,500 which translated into an annual ELI of \$31,850 or less for a four-person household and \$22,300 or less for a one-person household. As noted earlier in this chapter even San Jose's relatively higher minimum wage (\$10.15 per hour or \$21,112 per year) qualifies as an extremely low-income household.

Existing Needs:

In 2010 approximately 43,470 extremely low-income households resided in San José representing 14.5% of the total households. Most (31,440) extremely low-income households are renters and experience a high incidence of housing problems as show in the table below.

Housing Needs for Extremely Low-Income Households (2010)

	Renters	Owners	Total
Total ELI Households	31,440	12,030	43,470
Percent with Any Housing Problems	82%	72%	80%
Percent with Cost Burden (30% of income)	80%	72%	78%
*Percent with Severe Cost Burden (50% of Income)	68%	62%	67%
Total Number of Households	119,545	180,565	300,110

*Severely Overpaying is a subset of Overpaying Households.

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

Many extremely low-income households will be seeking rental housing and most likely will face housing problems including overpayment, crowding, or substandard housing conditions while others may have special needs such as mental or physical disabilities. The City of San José monitors affordability restrictions for 1,312 Extremely Low-Income renter units. This represents the bulk of Extremely Low-Income renter units in San José as the majority of the Santa Clara County Housing Authority portfolio is for residents with incomes between 50-60% of Area Median Income.

Housing Needs for Extremely Low-Income Households (2015-2023)

	Renters
Existing ELI Renter Households with Cost Burden (2010)	25,152
Projected ELI Households (RHNA)	4,616
Existing Deed Restricted ELI Housing Stock	-1,312
Balance	28,456

Sources: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010, City of San José.

Thus when added together, the projected and existing need for Extremely Low-Income renter housing in San José between 2015-2023 is approximately 28,456 units. While affordable housing resources are limited and Extremely Low-Income housing requires very deep public subsidies, the City will do the following to address these needs:

- Explore all opportunities to build new homeless apartments with supportive services
- Promote a variety of housing types including higher density, multifamily supportive, single room occupancy, and shared housing
- Facilitate the development of Single Room Occupancy (SRO) buildings by modernizing SRO development standards
- Review the City’s income allocation policy and update as necessary to provide a framework for income categories.

Owner-Occupied Housing Burden

When analyzing owner-occupied housing burdens, it is important to distinguish between household with a mortgage versus those without a mortgage, as costs for these circumstances differ substantially. The table below indicates that the median monthly costs for a unit with a mortgage were almost \$2,800 in 2010, whereas a unit without a mortgage had a median cost of approximately \$500 per month.

To evaluate the extent of housing burden among owner-occupied households, the table below provides a breakdown of selected monthly owner costs as a percent of income. Of those units with a mortgage, approximately 50% of owners experienced housing burden (costs 30% or more of income) in 2010. On the other hand, among units without a mortgage, over three quarters of owners paid less than 20% of household income on housing costs.

**OWNERSHIP HOUSING AFFORDABILITY
SELECTED MONTHLY OWNER COSTS AS A PERCENT OF INCOME: 2010**

Percent of Household Income	Units with a Mortgage		Units without a Mortgage	
	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than 20.0%	29,118	22.0%	30,433	76.1%
20.0% to 24.9%	20,719	15.7%	3,151	7.9%
25.0% to 29.9%	16,754	12.7%	1,254	3.1%
30.0% to 34.9%	14,702	11.1%	1,059	2.6%
35.0% or More	50,867	38.5%	4,078	10.2%
Totals	132,160	100.0%	39,975	100.0%
Median Monthly Costs	\$2,797		\$506	

Source: U.S. Census Bureau

Table III-10, Ownership Housing Affordability, 2010

Using cross-tabulated Census data, the over 32,000 owner-occupied households (19% of all owner-occupiers) experienced a severe housing burden (i.e. paying more than 50% of household income on owner costs). Additionally, 36% of lower income households (80% or less AMI) experienced a housing burden while comprising only 23% of all owners-occupier households in the City.

Renter-Occupied Housing Burden

Like San José’s owner-occupier households, renter households also experience significant housing burden. As shown in TABLE III-11, over 53% of all renters experienced a housing burden in 2010. Additionally, renter households experienced a greater incidence of high housing burden than owner-occupier households. Even though the median monthly rent in 2010 (\$1,371) was roughly half of median monthly owner costs (\$2,797) for units with a mortgage in 2010, the extent of housing burden was higher among renters than owners. This aligns with the fact that lower-income households tend to live in rental homes, primarily because they cannot afford the cost of owning a home.

**RENTAL HOUSING AFFORDABILITY
GROSS RENT AS A PERCENT OF INCOME: 2010**

Percent of Household Income	Number of Units	Percent of Total
Less than 15.0%	12,424	10.3%
15.0% to 19.9%	14,839	12.4%
20.0% to 24.9%	14,619	12.2%
25.0% to 29.9%	14,046	11.7%
30.0% to 34.9%	11,553	9.6%
35.0% or More	52,576	43.8%
Totals	120,057	100.0%
Median Monthly Rent	\$1,371	

Source: U.S. Census Bureau

Table III-11, Rental Housing Affordability, 2010

Once again using data from CHAS, further identification is possible of the number of renter-occupied households that were severely overpaying, or burdened to the extent of paying more than 50% of household income on rent (i.e., a subset of the highest 35%-plus category shown above). CHAS indicated that 27,700 renters, or nearly one-quarter (23.1%) of all renter-occupied households in San José, devoted more than half of their income to housing. As well, a cross-tabulation of the standard housing burden definition (30% or more of income) with the various income categories showed that the vast majority (87.4%) of burdened renters were composed of lower income households (80% or less AMI).

I. Income / Housing Cost Limits

San José administers programs that provide assistance in facilitating the production of Extremely Low-, Very Low-, Low- and Moderate-Income housing, rehabilitation, and preservation of the existing affordable housing supply. In doing so, the City uses annually-published data from the California Department of Housing and Community Development (HCD) on household income limits. These income limits are adjusted for two variables: income levels and household size, the latter using a four-person household earning a median income (i.e., 100% of Area Median Income (AMI) as the baseline.

SANTA CLARA COUNTY HOUSEHOLD INCOME LIMITS: 2014

Income Category*	Persons in Household					
	1	2	3	4	5	6
Extremely Low	\$22,300	\$25,500	\$28,650	\$31,850	\$34,400	\$36,950
Very Low	\$37,150	\$42,450	\$47,750	\$53,050	\$57,300	\$61,550
Low	\$59,400	\$67,900	\$76,400	\$84,900	\$91,650	\$98,450
Median	\$73,850	\$84,400	\$94,950	\$105,500	\$113,900	\$122,400
Moderate and Above	\$88,600	\$101,300	\$113,950	\$126,600	\$136,750	\$146,850

Source: State Department of Housing and Community Development (HCD)

*Note: Extremely Low= less than 30% of Area Median Income (AMI); Very Low= 31% to 50% of AMI; Low= 51% to 80% of AMI; Median= 100% of AMI; Moderate and Above= above 120% of AMI

Table III-14, Santa Clara County Household Income Limits, 2014

Affordable Home Purchase Prices

Home purchase prices considered “affordable” based upon HCD income limits are shown in the table below. Note that Extremely Low Income (ELI) and Very Low Income (VLI) categories are not shown since it is unlikely such households could purchase property in San José without considerable subsidy from the City or another source. Further, it is challenging to create a sustainable homeownership model for these income levels when the additional costs of home repair and maintenance are considered. Indeed, the goal is not only to provide assistance such that low income families can purchase a home, but that these families can afford to stay there. The following assumptions were used to generate maximum sales prices:

1. A 5% down payment;
2. Housing cost-to-income ratio is 30%;
3. The mortgage is a 30-year fixed rate note;
4. The rate of interest on the mortgage is 5.0%;
5. Property taxes and mortgage insurance are 1.25% and 0.25%, respectively; and,
6. Homeowner association dues are \$300 per month (applies to condos/townhomes only).

MAXIMUM HOME PURCHASE PRICE BY INCOME LEVEL: 2014

Income Category*	Persons in Household					
	1	2	3	4	5	6
Low	\$186,900	\$220,000	\$253,000	\$286,000	\$310,000	\$340,000
Moderate	\$302,000	\$352,000	\$402,000	\$451,700	\$491,500	\$531,000

Source: State Department of Housing and Community Development (HCD)

*Note: Low= 51% to 80% of AMI; Moderate= 81% to 120% of AMI

Table III-15, Home Purchase Price Limits, 2014

Note that the median price of a home sold in June 2014 was \$795,400 for a single-family home and \$457,000 for a condo/townhome. Based on the table above, this means that only a 5 or 6-person moderate-income household has the purchasing power to buy a for-sale Condominium at the median price and not experience a housing burden. This would likely be a two- or three-bedroom townhome or condominium, which would imply significant overcrowding for a 5 or 6-person household.

Affordable Rental Rates

Affordable rental rate levels, by income level and household size, are derived from HCD and shown in the table below. Rents are based on 30% of monthly income, minus an allowance for basic utilities. The City's rental programs do not include development of Moderate-Income units, since those rents equal or exceed unrestricted market rents.

RENTAL UNIT AFFORDABILITY LEVELS: 2014

Income Category*	Persons in Household					
	1	2	3	4	5	6
Extremely Low	\$558	\$638	\$716	\$796	\$860	\$924
Very Low	\$929	\$1,061	\$1,194	\$1,326	\$1,433	\$1,539
Low (60% AMI)	\$1,108	\$1,266	\$1,424	\$1,583	\$1,709	\$1,836
Low (80% AMI)	\$1,485	\$1,698	\$1,910	\$2,123	\$2,291	\$2,461

Source: State Department of Housing and Community Development (HCD)

*Note: Extremely Low= less than 30% of Area Median Income (AMI); Very Low= 31% to 50% of AMI; Low= 51% to 80% of AMI; Median= 100% of AMI; Moderate and Above= above 120% of AMI

Table III-16, Rental Unit Affordability Levels, 2014

Like the circumstance above for for-sale housing, low-income renter households of any size are essentially priced out of the rental market. Those who can afford market rents are large households who would then be living in overcrowded situations.

J. Special Housing Needs Groups

Government Code section 65583(a) (7) requires an analysis of the special housing needs of specific groups of persons and families. These groups include the elderly/seniors, persons with disabilities, large families, female-headed family households, the homeless, persons in need of emergency shelter,

- H-1.7 Comply with State and Federal laws prohibiting discrimination in housing and that support fair and equal access to housing.
- H-1.8 Encourage investments in infrastructure in order to maintain high-quality living environments in existing mobile home parks.
- H-1.9 Facilitate the development of housing to meet San José’s fair share of the County’s and region’s housing needs.

Actions – Housing – Social Equity and Diversity

- H-1.10 Develop a program to promote the “starter” housing market that leverages all financial resources and facilitates production of “starter” housing.
- H-1.11 Continue to work in close cooperation with other entities, public, private and non-profits, to foster information, techniques, and policies to achieve the Housing Goals, Policies, and Implementation Actions in this Plan and make such information readily available.
- H-1.12 Continue to partner with local agencies, non-profits, and businesses to provide fair housing information, legal services, foreclosure prevention assistance, and anti-predatory lending assistance.
- H-1.13 Continue to monitor and participate in anti-predatory lending practices by partnering with local agencies.

Goal H-2 – Affordable Housing

Increase, preserve and improve San José’s affordable housing stock.

Policies – Affordable Housing

- H-2.1 Facilitate the production of extremely low-, very low-, low-, and moderate-income housing by maximizing use of appropriate policies and financial resources at the federal, state, and local levels; and various other programs.
- H-2.2 Integrate affordable housing in identified growth locations and where other housing opportunities may exist, consistent with the Envision General Plan.
- H-2.3 Conserve viable housing stock through a balanced combination of housing code enforcement and complementary programs such as rehabilitation loans and grants to help maintain the supply of low-priced housing.
- H-2.4 Allow affordable residential development at densities beyond the maximum density allowed under an existing Land Use/Transportation Diagram designation, consistent with the minimum requirements of the State Density Bonus Law (Government Code Section 65915) and local ordinances.

- H-2.5 Facilitate second units on single-family residential lots, in conformance with our City's Secondary Unit Ordinance, to take advantage of a potential source of affordable housing and to assist our City in meeting its needs as identified in its Consolidated Plan.
- H-2.6 Evaluate and incorporate, if feasible, an affordable housing component in the preparation of specific plans, master plans, or strategy plans that include plans for housing.
- H-2.7 Support strategies in collaboration with other jurisdictions and agencies to end homelessness by creating permanent housing solutions combined with services such as medical, education, and job placement.

Actions – Affordable Housing

- H-2.8 Coordinate and implement housing policies and goals contained in the City's Consolidated Plan, and its 5-Year Investment Plan.
- H-2.9 Explore revisions to our City's Secondary Unit Ordinance that further support the provision of affordable housing and help achieve needs identified in its Consolidated Plan.
- H-2.10 Update the City's dispersion policy: 1) to align the location of future affordable housing developments with planned future Growth Areas identified in the Envision General Plan; 2) to be consistent with the City's inclusionary housing ordinance; 3) to maximize the access of transit, retail, services, and amenities to affordable housing developments; and 4) to reemphasize the support for integration and complete communities.
- H-2.11 Seek permanent sources of affordable housing funds.
- H-2.12 Maintain our City's Inclusionary Housing Policy and Ordinance, and provide technical assistance to the development community to ensure that residential projects conform to it.
- H-2.13 Support State and federal regulations that preserve "at-risk" subsidized rental units subject to potential conversion to market rate rents and that will encourage equitable and fair policies that protect tenant and owner rights.
- H-2.14 Support legislation at the State and Federal levels that: (1) facilitates private and/or public sector investment in housing affordable to households of extremely-low, very low-, low- and moderate-income; (2) provides for the greatest local autonomy in the administration of State and Federal housing programs; and (3) furthers the City's objective of conserving and rehabilitating the existing housing stock.
- H-2.15 Create and maintain a list of sites that are appropriate for meeting our City's affordable housing needs.

Goal H-3 Housing – High Quality Housing and Great Places

Create and maintain safe and high quality housing that contributes to the creation of great neighborhoods and great places.

Policies – High Quality Housing and Great Places

- H-3.1 Require the development of housing that incorporates the highest possible level of amenities, fit and finish, urban design and architectural quality.
- H-3.2 Design high density residential and mixed residential/commercial development, particularly development located in identified Growth Areas, to:
1. Create and maintain safe and pleasant walking environments to encourage pedestrian activity, particularly to the nearest transit stop and to retail, services, and amenities.
 2. Maximize transit usage.
 3. Allow residents to conduct routine errands close to their residence, especially by walking, biking, or transit.
 4. Integrate with surrounding uses to become a part of the neighborhood rather than being an isolated project.
 5. Use architectural elements or themes from the surrounding neighborhood when appropriate.
 6. Provide residents with access to adequate on- or off-site open space.
 7. Create a building scale that does not overwhelm the neighborhood.
 8. Be usable by people of all ages, abilities, and needs to the greatest extent possible, without the need for adaptation or specialized design.
- H-3.3 Situate housing in an environment that promotes the health, safety, and wellbeing of the occupants and is close to services and amenities.
- H-3.4 Promote the conservation and rehabilitation of existing viable housing stock.
- H-3.5 Prioritize housing resources to assist those groups most in need, or to those geographic locations in the City that most require investment in order to improve neighborhood blight conditions.
- H-3.6 Regulate conversions of rental apartments to condominium or community apartment projects to meet public health and safety standards and to assist displaced renters. Residential rentals undergoing conversion should meet or exceed the minimum residential density in this Plan.

Action – High Quality Housing and Great Places

- H-3.7 Coordinate across multiple City departments to achieve the City’s vision for creating complete, safe, high-quality living environments.

Goal H-4 Housing - Environmental Sustainability

Provide housing that minimizes the consumption of natural resources and advances our City's fiscal, climate change, and environmental goals.

Policies – Housing - Environmental Sustainability

- H-4.1 Implement green building principles in the design and construction of housing and related infrastructure, in conformance with the Green Building Goals and Policies in the Envision General Plan and in conformance with the City's Green Building Ordinance.
- H-4.2 Minimize housing's contribution to greenhouse gas emissions, and locate housing, consistent with our City's land use and transportation goals and policies, to reduce vehicle miles traveled and auto dependency.
- H-4.3 Encourage the development of higher residential densities in complete, mixed use, walkable and bikeable communities to reduce energy use and greenhouse gas emissions.

Chapter 6: Land Use and Transportation (Land Use Policies)

Goal LU-2 – Growth Areas

Focus new growth into identified Growth Areas to protect the quality of existing neighborhoods, while establishing new mixed use neighborhoods with a compact and dense form that is attractive to the City's projected demographics i.e., a young and senior population, and that supports walking, provides opportunities to incorporate retail and other services in a mixed-use format, and facilitates transit use.

Policies – Growth Areas

- LU-2.1 Provide significant job and housing growth capacity within strategically identified "Growth Areas" in order to maximize use of existing or planned infrastructure (including fixed transit facilities), minimize the environmental impacts of new development, provide for more efficient delivery of City services, and foster the development of more vibrant, walkable urban settings.
- LU-2.2 Include within the Envision General Plan Land Use / Transportation Diagram significant job and housing growth capacity within the following identified Growth Areas:
- Downtown – The City's Downtown Strategy plans for ambitious job and housing growth capacity in the Downtown area to reinforce its role as San Jose's civic, cultural and symbolic center and to support key infrastructure investments, including the planned BART and High-Speed Rail systems.
 - Specific Plan Areas – The City's Specific Plans provide significant residential growth capacity and opportunities for mixed-use development. Alviso Master Plan and Rincon South Specific Plan areas also include significant amounts of planned job growth. The Water Pollution Control Plant lands, currently undergoing a separate master planning process, have been identified as a significant opportunity within the