

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

HOUSING

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

These strategies include:

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

The Housing Department’s operating expenditures totaled \$13 million in 2019-20. This included personal and non-personal/equipment expenditures. The Department was responsible for an additional \$67.3 million in Citywide and other expenses, including \$34.6 million for loans and grants.

Funding for the Department included revenues from the Department’s loan portfolio that continued to generate program income (principal outstanding as of November 2020 was \$588.6 million). Additional revenues come from various state and federal grants. Also included were Affordable Housing Impact Fees, which went into effect at the end of 2015-16, totaling \$9.6 million in revenues in 2019-20.

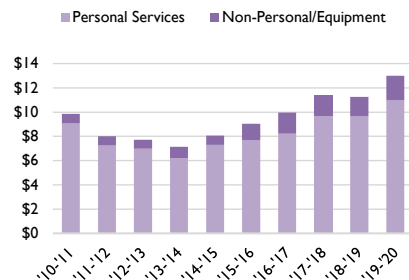
During the pandemic, Housing has expanded services, including rental assistance and food distribution, as well as emergency sheltering, interim housing, and Bridge Housing Communities (currently in development).

2019-20 Housing Program Funds Received	
Loan Repayments, Interest, and Miscellaneous Revenues	\$50,167,169
Homeless Housing Assistance and Prevention Grant (HHAP)	\$23,832,511
Fees and Charges*	\$18,223,472
Community Development Block Grant (CDBG)	\$6,789,730
Rental Rights	\$4,126,031
SB89 Grant	\$3,919,821
Bond Administration Fee	\$1,194,567
HOPWA Special Projects	\$1,027,491
Housing Opportunities for People with AIDS (HOPWA)	\$826,136
Emergency Solutions Grant (ESG)	\$646,052
HOME Investment Partnership Grant (HOME)	\$321,142
Total	\$111,074,120

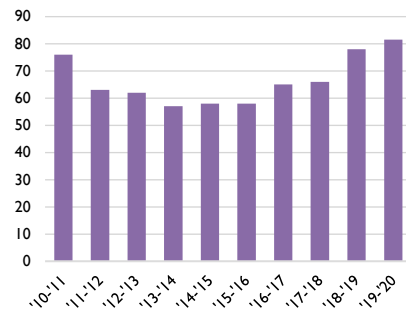
* Fees and Charges increased from \$7.8 million last year which were attributed to revenue from projects subject to Inclusionary Housing Policy In-lieu fees and Affordable Housing Impact fees.

Note: Does not include federal stimulus grants funding granted to the City under CARES including \$350,000 for HOPWA, \$5.3 million in CDBG, and \$35.5 million in ESG (primarily for homeless assistance). For more information, refer to our [Preliminary Review of the Allocation and Monitoring of COVID-19 Related Housing Grants](#).

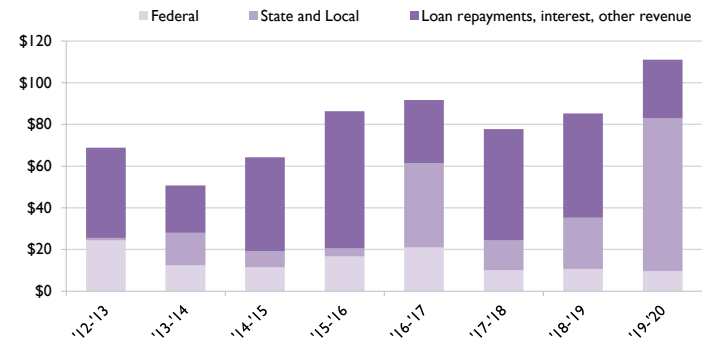
Housing Operating Expenditures (\$millions)



Housing Authorized Positions



Comparison of Funding Sources (\$millions)



AFFORDABLE HOUSING

Building New Affordable Housing

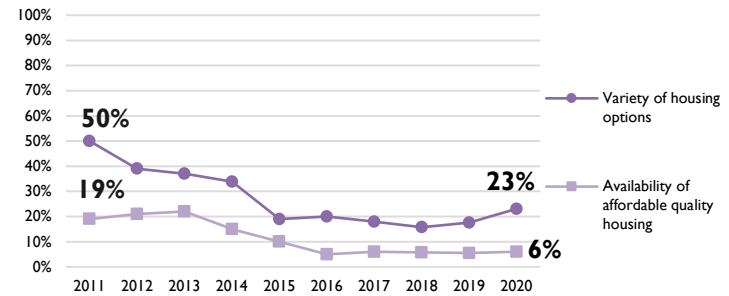
The availability of affordable housing has continued to be an area of concern for San José residents for a number of years. In 2020, only 6 percent rated the availability of affordable housing as “excellent” or “good,” while 76 percent considered availability to be “poor.”

The City's efforts to increase the supply of affordable housing in San José include making loans to developers and authorizing conduit financing. In 2019-20, developers completed 217 newly affordable housing units with City help. For new projects under construction, the City committed an average per-unit subsidy of about \$111,282 (for 894 affordable housing units) in 2019-20. According to the Department, unit costs can vary widely depending upon a variety of factors. There are around 20,000 affordable housing units in San José.

Rehabilitating Existing Housing & Financing Home Buying

Low-income homeowners whose homes are in need of repairs can qualify for City financial help to rehabilitate them. In 2019-20, the Department provided minor repairs for 217 homes in partnership with Rebuilding Together Silicon Valley and Habitat for Humanity. No major rehabilitations for single-family homes were completed.

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

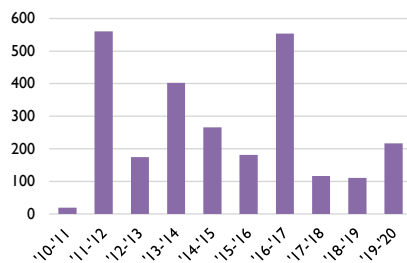


Quetzal Gardens - Affordable Housing Development

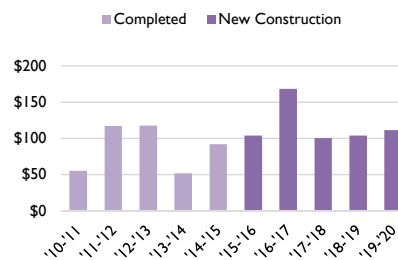


Source: Santa Clara County

Number of Affordable Housing Units Completed in the Fiscal Year

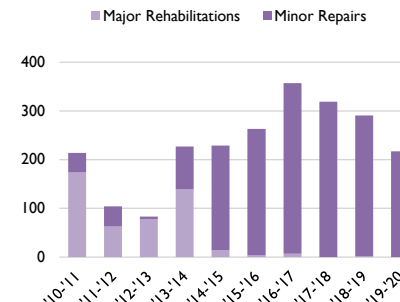


Average Per-Unit Subsidy for New Projects Under Construction (\$thousands)



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

Rehabilitated Units



HOUSING

NEIGHBORHOOD INVESTMENT & PUBLIC SERVICES

The Department received nearly \$6.8 million in federal Community Development Block Grant (CDBG) program funds in 2019-20 (does not include \$5.3 million granted through stimulus grants in response to the COVID-19 emergency). CDBG funds are used for housing rehabilitation, fair housing, code enforcement, senior and homeless services, foreclosure prevention, and economic development services.

Rent Stabilization and Tenant Protections

The Rent Stabilization Program oversees local ordinances providing limits on rent increases, just cause provisions, and requirements for removing apartments from the rental market. The program provides oversight of nearly 38,500 rent-controlled units, or about a third of the City's rental housing units. In 2019-20, there were 112 tenant and landlord petitions filed. Of those resolved by staff or through a hearing, 37 percent resulted in an agreement between the tenant and landlord. Average monthly rent in San Jose decreased slightly for the first time in 10 years.

In August 2020, the state of California issued a statewide eviction moratorium stating that no tenant can be evicted before February 1, 2021 as a result of rent owed due to COVID-19 hardship. See the [City's website](#) for full details.

Homeless Services

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

The Department provided almost \$55.9 million in grant funding to 15 service providers in 2019-20 as part of a region-wide effort to address homelessness. The Department initiated abatement of over 300 homeless encampment sites in 2019-20,* and it received 6,655 calls and emails to its Homeless Concerns Hotline. During 2019-20, 2,122 homeless San José residents were assisted into housing by the collective efforts of local jurisdictions and non-profit service providers. For more information, refer to our [Audit of the City's Homeless Assistance Programs](#).

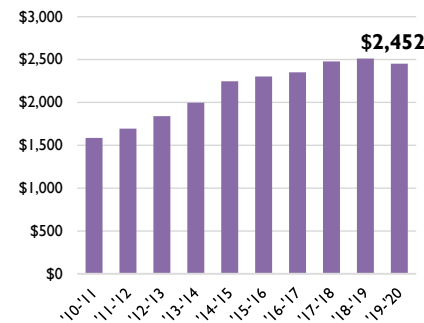
*The City has suspended all homeless encampment abatements during the COVID-19 pandemic.

KEY FACTS (2019-20)

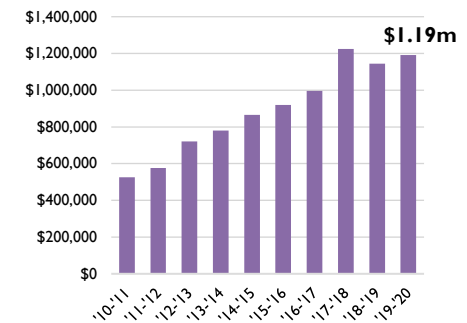
Median Household Income:	\$115,893
Income needed for a two bedroom apt. (avg. rent):	\$108,440
Income needed to afford median priced home:	\$207,833

Sources: U.S. Census American Community Survey, 2019 1-year estimates; Housing Market Report for Second Quarter 2020.

Average Monthly Rent in San José



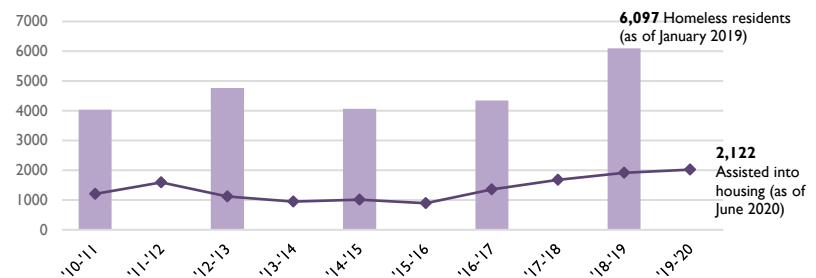
Median Single-Family Home Price



Sources: Costar report for Second Quarter 2020; SCCAOR June 2020 report.

Note: Average monthly rent is for all market-rate unit types (excludes affordable units). Data provided by Costar as of July 2020. Prior years updated to reflect Costar data.

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



Sources: San José Homeless Census and Survey (prepared by Applied Survey Research, 2019) and Santa Clara County Homeless Management Information System (HMIS).

Note: Count of homeless residents is a count at a point in time in January of the indicated fiscal year.