

Housing Crisis Work Plan Update

November 22, 2021

Community and Economic Development Committee

Office of Economic Development

Jerad Ferguson, Housing Catalyst

Department of Planning,
Building, and Code Enforcement

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Housing Production Report

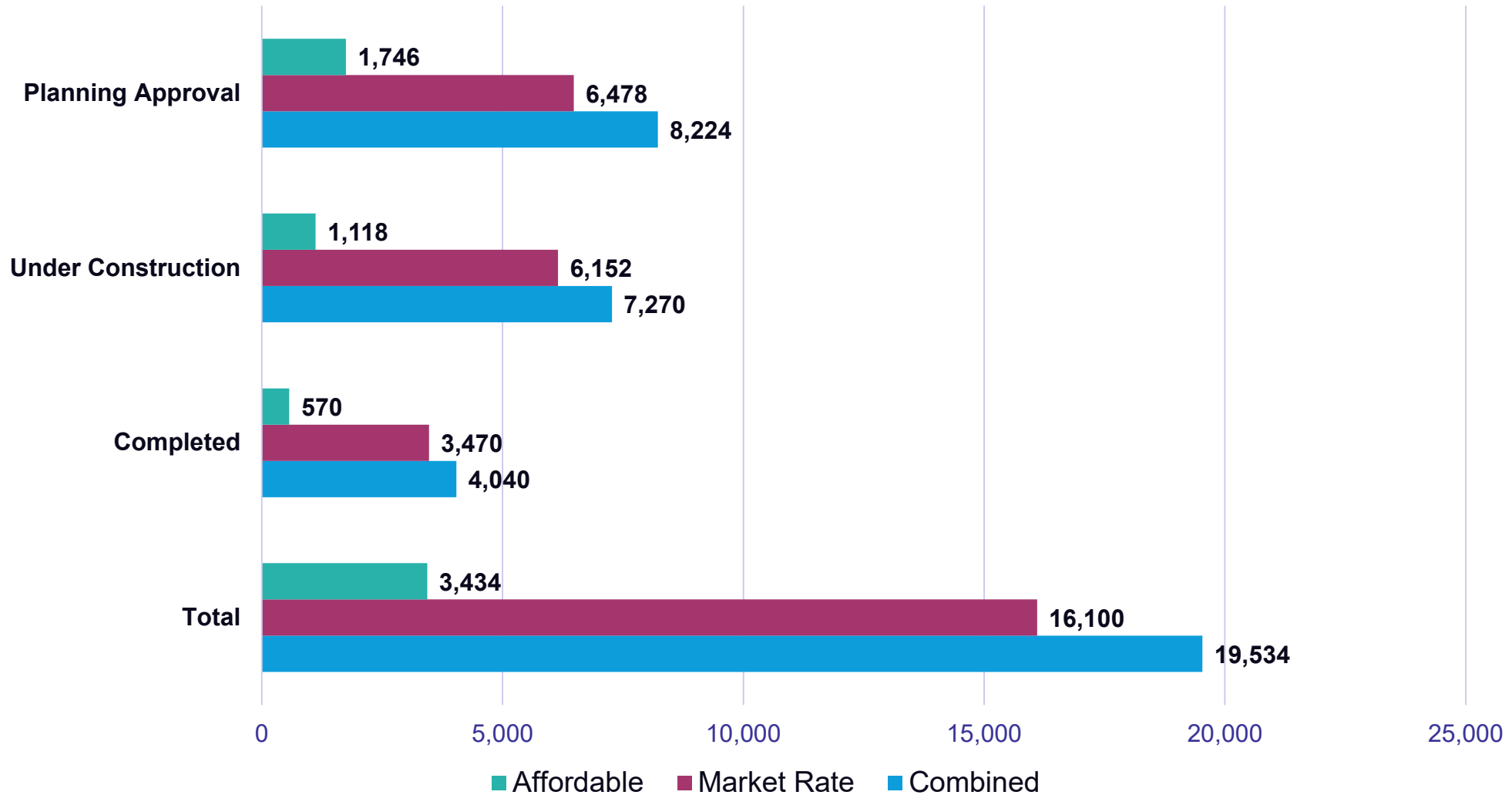
	Units Receiving Development Planning Approvals	Units Receiving Building Permits	Units Receiving Occupancy	
2018	Market Rate: 361 Affordable: 81	Market Rate: 2,827 Affordable: 146	Market Rate: 797 Affordable: 30	2018 ↓ 2023
2019	Market Rate: 2,864 Affordable: 702	Market Rate: 2,248 Affordable: 134	Market Rate: 620 Affordable: 217	
2020	Market Rate: 2,660 Affordable: 1,702	Market Rate: 717 Affordable: 663	Market Rate: 963 Affordable: 259	
2021 Jan-Sept	Market Rate: 730 Affordable: 487	Market Rate: 892 Affordable: 481	Market Rate: 756 Affordable: 64	
Total	Market Rate: 6,615 Affordable: 2,972 9,587	Market Rate: 6,684 Affordable: 1,424 8,108	Market Rate: 3,136 Affordable: 570 3,706	

Overall Progress

2018  2021 Q3

25,000 Housing Units by 2023
Entitled, Under Construction, or Completed

15,000 Market Rate Units
10,000 Affordable Units



August 2021 – City Council Direction

Housing Crisis Work Plan Prioritization & Measures

- Metrics-based estimate of impact for each work plan item
- Ongoing assessment of impact for each completed item
- Discussion of prioritization strategies and lessons learned

Barriers to Housing Construction

- Communicate with housing builders who currently have entitlements to understand barriers to construction – prioritize communication with affordable builders
 - Return to Council in January 2022 with report on affordable housing

Update to City’s Transportation Analysis Policy 5-1

- Information on how Policy could be adjusted to promote more housing development, especially affordable housing

Housing Crisis Work Plan Prioritization and Impact

Impact

High Impact: 

100+ units of housing created; will result in preservation of affordable units or time/cost savings.

Moderate Impact: 

50-100 units of housing creation; may result in preservation of affordable or time/cost savings.

Low Impact: 

Unlikely to create housing or less than 50 units; no preservation of units or time/cost savings.

Impact TBD: 

Unknown; more work need to estimate.

Level of Effort

High Effort: 

Significant staff time and multi-year effort.

Moderate Effort: 

Moderate staff and less than one year.

Low Effort: 

Minimal staff time required to complete.

High Impact

Moderate Effort

1. Cost of Residential Development Study Update

2. Updated Downtown Residential High-rise Program

High Effort

3. Make Additional Residential Units Available in North San José

4. Housing Element Update

5. Assessment of Fair Housing

6. Align Zoning with the General Plan

7. Further Implementation of Commercial Linkage Fee

8. Work with BAHFA on Moderate-Income Financing Strategy

Moderate Impact

Low Effort

9. Amend the Zoning Ordinance to Allow for 100% Affordable

10. Explore Opportunities for High-Density Residential Development in Areas Surrounding SJSU

Moderate Effort

11. Reimagine Underutilized Business Corridors to allow the integration of housing

12. Explore Changes to Commercial Space Requirements for Affordable Development

13. Allow Affordable Housing on Assembly Use Sites

14. Modify Martha Garden Specific Plan

High Effort

15. Explore Creation of a Land Trust

16. Moderate-Income Housing Strategy

Low Impact

Moderate Effort

17. Update Downtown Zoning requirements to eliminate parking requirements.

High Effort

18. Apply the Mobilehome Park Land Use Designation through City-initiated General Plan Amendments to the Remaining 56 Mobilehome Parks

19. Explore Policy for Housing on Public School Lands

Update Downtown Zoning to establish minimum height and density requirements - **DROP**

Explore Public/Private Parking Opportunities - **DROP**

Pursue Changes to the GP to allow infill on problem properties - **DROP**

Impact TBD

High Effort

20. Develop an Affordable Housing Siting Policy

21. Explore the Creation of a Land Acquisition Loan Fund

22. Complete the PDO/PIO Fee Study

23. Update to Council Policy 5-1: Transportation Policy



Assigned impact rating to each completed Item



Impact is usually not immediate; takes time to fully assess



Highest impact items generally require highest level of effort

Work Plan Highlights

- **San José Housing Site Explorer – Completed**
 - Website: <https://san-jose-housing-ca.tolemi.com/>
- **Commercial Linkage Fee Implementation – Update**
 - Timing of Payment & Credits
 - Return to Council in early 2022
- **Housing Element Update**

Work Plan Items to Drop

- **Explore Public/Private Parking Opportunities**
- **Pursue Changes to the GP to Allow Infill in Problem Properties**
- **Ongoing Items:**
 - **Advocate for State legislation that supports housing development**
 - **Encourage private, public, and nonprofit investments**
 - **Leverage private dollars for affordable housing**

Policy 5-1 Update

Transportation Analysis Policy (Policy 5-1): Projects consistent with this Policy reduce the City's environmental footprint from transportation and land uses

- Consistent with State Direction (SB 743)
- Consistent with General Plan goals and major strategies (Focused Growth; Urban Villages; Measurable Sustainability / Environmental Stewardship; and Fiscally Strong City)
- Promotes housing production, especially affordable homes, with a streamlined CEQA path for developments within Urban Villages and for high-density mixed-use projects near high-quality transit (Transit Oriented Developments)

Policy 5-1 Update

Housing Crisis Work Plan: Defines strategies and policy actions to enable the facilitation of 25,000 new housing units by 2023 that include 15,000 market-rate units and 10,000 affordable units.

Policy 5-1

Update #1: To remove barriers to housing production:

- Update Policy language for significant and unavoidable VMT impacts for housing projects that are consistent with the 2040 General Plan Land Use and demonstrate overriding benefits.

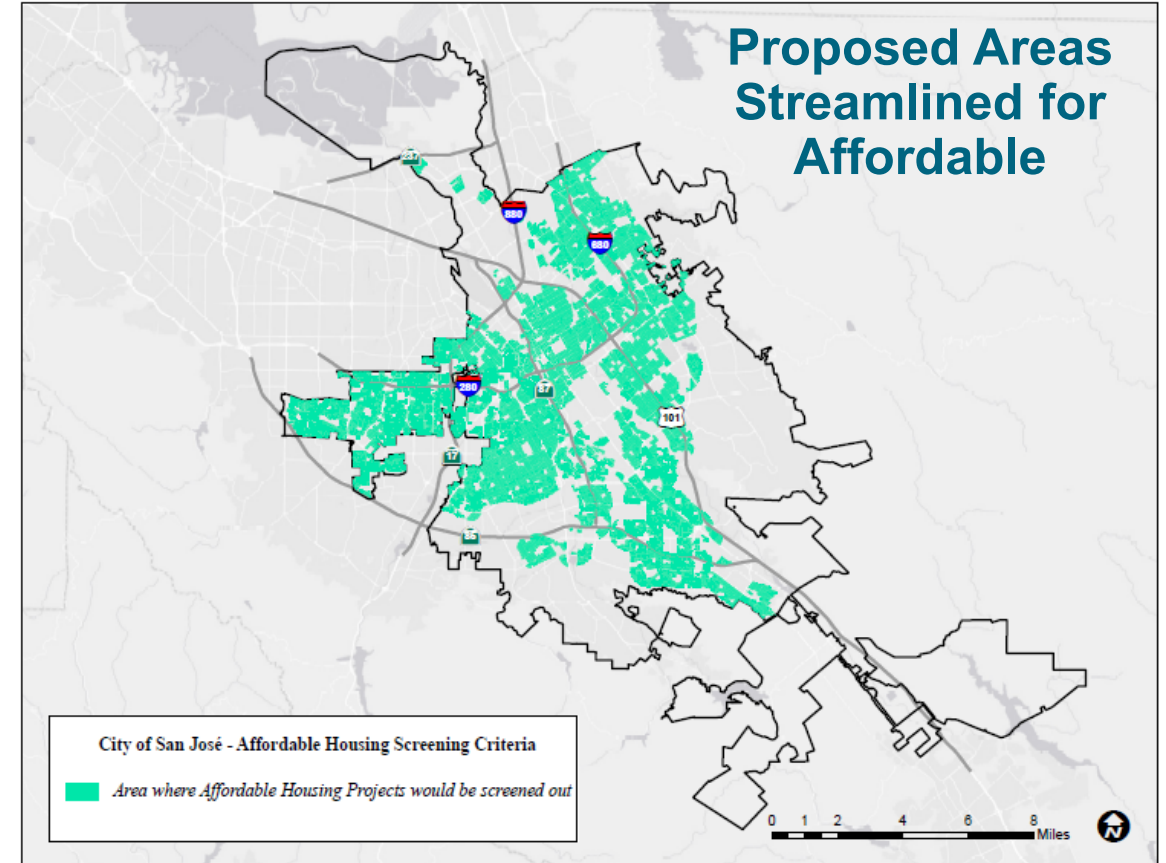
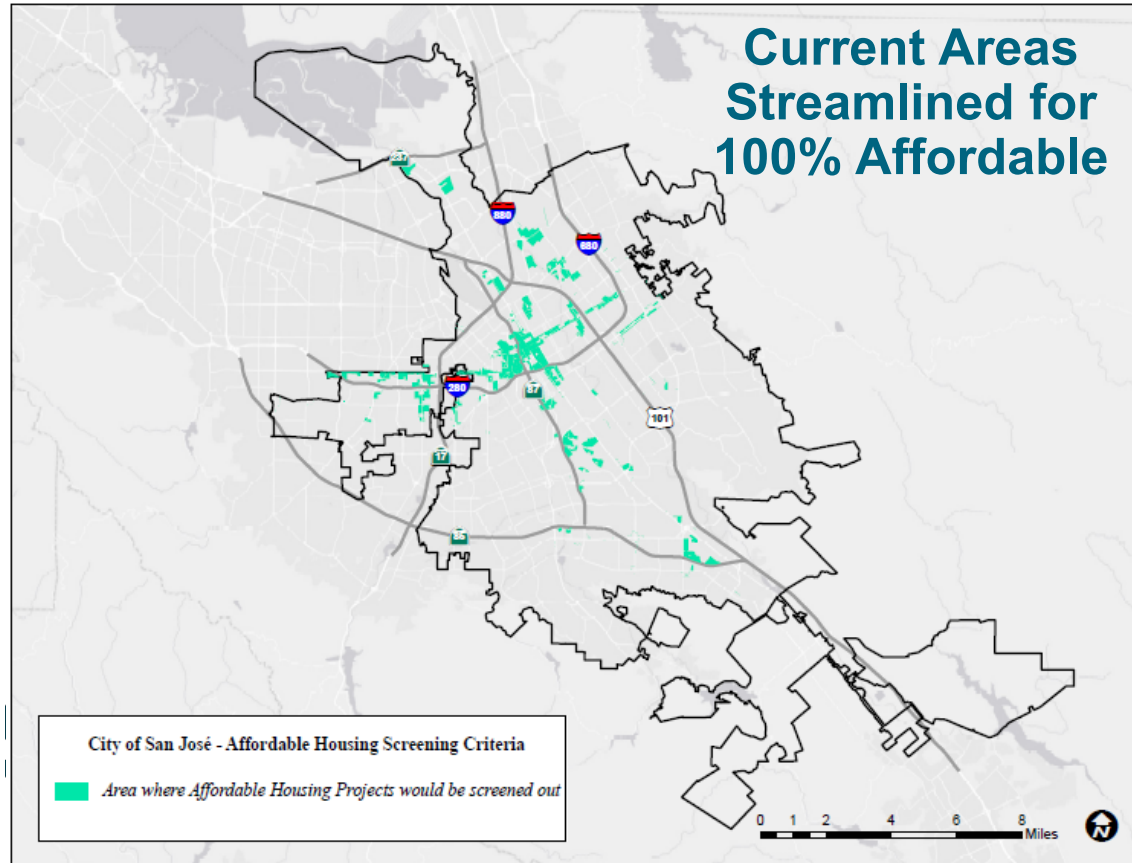
Update #2: To promote and streamline market-rate housing production:

- No Transportation Analysis under CEQA required for Transit Supportive Projects in Planned Growth Areas ~~with Low VMT~~ and High-Quality Transit.

Policy 5-1 Update

Update #3: To promote and streamline market-rate and affordable housing production:

- No Transportation Analysis under CEQA required for (<100%) Restricted Affordable, Transit Supportive Residential Projects in ~~Planned Growth Areas~~ with High Quality Transit.



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