

Housing Department

Jacky Morales-Ferrand, Director

MISSION

To 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, Audit Supervision, and Pandemic Response

Housing Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Affordable Housing Portfolio Management Core Service</i>	
Loan Compliance	Manages and oversees the City's affordable housing loan portfolio including loan servicing and monitoring and compliance of affordable deed restricted apartments.
Property Maintenance and Inspection	Works with existing developments to retain and preserve the long-term viability of affordable apartments.
<i>Affordable Housing Production and Preservation Core Service</i>	
Affordable Housing Development Loans	Provides financing and technical assistance for the construction of new affordable housing, the acquisition and rehabilitation of existing housing, and the restructuring of existing financing to create new and preserve existing affordable housing opportunities for low-income households and individuals. Assist in the application of State programs such as Homekey and Affordable Housing and Sustainable Communities Grants.
Homeownership Opportunities	Provides loan servicing for recipients of lending programs.
Inclusionary Housing	Provides technical assistance to market-rate residential and commercial developers in meeting their affordable housing requirements.
Rehabilitation Loans and Grants	Funds minor home repairs for low-income homeowners and mobile homeowners.
<i>Homelessness Interventions and Solutions Core Service</i>	
Homeless Outreach and Case Management	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.
Interim Supportive Housing Development	Develops and oversees operation of interim housing solutions to bridge the gap from temporary shelter to permanent supportive housing.
Joint Encampment Response Team	Provides outreach services and housing referrals to unhoused residents prior to an encampment abatement.
Tenant Based Rental Assistance and Rapid Rehousing	Provides short-term rental subsidies, with supportive services during the subsidy period, to help homeless residents obtain permanent housing as quickly as possible.
<i>Neighborhood Capital Investment and Public Services Core Service</i>	
Community Development Block Grant - Infrastructure Investments	Funds City infrastructure improvements in low-income neighborhoods and facility upgrades for non-profits that serve low-income communities.
Non-Profit Service Grants to Support Housing and Community Development Needs	Provides grants to non-profit organizations to support fair housing and tenant legal services, senior programs, homeless programs, minor repair program for homeowners and mobile homeowners, and operating support.
Place-Based Neighborhood Strategy	Provides community engagement and leadership development services in low-income neighborhoods.

Housing Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Rent Stabilization and Tenant Protection Core Service</i>	
Apartment Rent Ordinance Administration	Protects tenants from excessive rent increases and evictions while assuring landlords a fair return; provides balanced treatment for both tenants and landlords through efficient and consistent administration of the apartment rent stabilization programs.
Mobilehome Rent Ordinance Administration	Protects mobile home residents from excessive rent increases while assuring park owners receive a fair return through efficient and consistent administration of the Mobilehome Rent Ordinance.
<i>Strategic Support Core Service</i>	
Housing Planning and Policy Development	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.
Housing Management and Administration	Provides administrative oversight for the department, including executive management, financial management, human resources, and analytical support.
Housing Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Housing Department

Department Budget Summary

Expected 2022-2023 Service Delivery

- Continue to advance funding commitments for 4 affordable housing developments, totaling 591 new apartments, as part of the implementation of the \$150 million Notice of Funding Availability.
- Begin construction on Kelsey, Roosevelt, McEvoy, and the Daliah Apartments that will produce 499 affordable apartments, including 185 permanent supportive apartments.
- Complete work on the Anti-Displacement Tenant Preference Ordinance and Community Opportunity to Purchase program and bring those to Council for approval.
- Develop the 2023-2031 Housing Element and the Assessment of Fair Housing Plan.
- Continue to develop the top priorities of the Citywide Residential Anti-Displacement Strategy, reporting progress quarterly to two City Council committees on COVID-19 Response and Recovery.
- Implement the new Lived Experience seat and alternate seat on the Housing & Community Development Commission to broaden the commission's composition.
- Award six developers City-owned sites for the development of affordable housing.
- Open up to four new interim housing sites/hotels, including 365 new interim housing units funded through the State Homekey program and another 76 units funded through other external funding sources at a site adjacent to the San José Police Department; enhance support and basic needs to individuals residing in homeless encampments through the Services Outreach Assistance and Resources (SOAR) Program.
- Implement the Housing Plan and relocate the people living at Guadalupe Gardens site.
- Implement the new 2020-25 Consolidated Plan and the 2022-23 Annual Action Plan authorizing \$14.5 million in annual allocations of federal funding to increase and preserve affordable housing, respond to homelessness, strengthen neighborhoods, and promote fair housing.
- Provide contract management and monitoring of the \$112 million in CDBG, CRF, ESG, and HOPWA CARES Act funds received for the COVID-19 response that provides a range of services.
- Complete Department-wide Equitable Results Training to advance and support the Department's racial equity work and start the development of an Equity Action Plan.

2022-2023 Key Budget Actions

- Continues 4.0 Analyst II positions and adds 1.0 Staff Specialist position through June 30, 2023, to support contract development and management, performance tracking, and Federal reporting to distribute and monitor the influx of grant funding related to COVID-19 response and recovery.
- Eliminates 1.0 vacant Housing Policy and Planning Administrator position, adds 1.0 Building Maintenance Superintendent position, and adds 2.0 Building Rehabilitation Inspector positions, through June 30, 2023, to manage the maintenance and rehabilitation of hotel/motels purchased by the Housing Department and emergency interim housing communities.
- Adds 1.0 Senior Development Officer position, through June 30, 2023, to coordinate BeautifySJ encampment management, including abatements and escalated site clean-ups, and to oversee the Services Outreach Assistance and Resources (SOAR) program.
- Continues 1.0 Senior Development Officer position, through June 30, 2023, responsible for developing new housing preservation and production policies and programs, with a focus on developing the Department's moderate-income housing strategies.

Operating Funds Managed

- Affordable Housing Impact Fee Fund
- American Recovery Plan
- Building Home and Jobs Act Fund
- Community Development Block Grant Fund
- Economic Development Administration Loan Fund
- Home Investment Partnership Program Trust Fund
- Homeless Housing, Assistance, & Prevention Fund
- Housing Trust Fund
- Inclusionary Fee Fund
- Low and Moderate Income Housing Asset Fund
- Multi-Source Housing Fund
- Rent Stabilization Fee Fund

Housing Department

Department Budget Summary

	2020-2021 Actuals ***	2021-2022 Adopted ****	2022-2023 Forecast	2022-2023 Adopted
Dollars by Core Service				
Affordable Housing Portfolio Management	2,562,624	3,559,202	3,660,529	5,272,017
Affordable Housing Production and Preservation	34,811,957	76,511,843	29,941,176	31,216,176
Homelessness Interventions and Solutions	27,052,079	33,802,844	50,899,743	77,676,368
Neighborhood Capital Investment and Public Services	18,264,735	59,228,630	29,022,937	39,052,511
Rent Stabilization and Tenant Protection	2,197,313	3,633,783	3,214,854	3,214,854
Strategic Support - Community & Economic Development	64,423,947	44,947,966	25,962,443	43,184,451
Strategic Support - Other - Community & Economic Development	12,998,813	6,272,743	6,964,577	34,076,053
Total	\$162,311,468	\$227,957,011	\$149,666,259	\$233,692,430
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	13,292,106	14,936,033	15,128,365	16,316,409
Overtime	159,593	34,830	34,830	34,830
Subtotal Personal Services	\$13,451,699	\$14,970,863	\$15,163,195	\$16,351,239
Non-Personal/Equipment	2,070,848	3,587,332	1,742,332	3,167,332
Total Personal Services & Non-Personal/Equipment	\$15,522,547	\$18,558,195	\$16,905,527	\$19,518,571
Other Costs*				
City-Wide Expenses	4,356,811	8,223,003	7,350,000	56,744,187
General Fund Capital	0	0	0	0
Housing Loans and Grants	38,371,441	79,384,973	31,011,550	32,076,230
Other	102,656,622	119,573,754	90,935,341	121,627,312
Other - Capital	0	0	0	0
Overhead Costs	1,399,615	2,142,086	3,388,841	3,651,130
Workers' Compensation	4,432	75,000	75,000	75,000
Total Other Costs	\$146,788,921	\$209,398,816	\$132,760,732	\$214,173,859
Total	\$162,311,468	\$227,957,011	\$149,666,259	\$233,692,430

* 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 positions displayed in the 2020-2021 Actuals column reflect those included in the 2020-2021 Adopted Budget.

*** 2020-2021 Actuals may not subtotal due to rounding.

**** The amounts in the 2021-2022 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.

Housing Department

Department Budget Summary

	2020-2021 Actuals ***	2021-2022 Adopted ****	2022-2023 Forecast	2022-2023 Adopted
Dollars by Fund				
General Fund (001)	4,588,105	8,761,776	7,912,658	57,361,845
Low And Moderate Income Housing Asset Fund (346)	38,945,835	77,399,566	34,035,542	36,333,336
Coronavirus Relief Fund (401)	35,312,432	0	0	0
American Rescue Plan Fund (402)	0	16,150,000	20,683,425	33,804,297
Emergency Reserve Fund (406)	4,500,000	15,636,000	0	435,335
Housing Trust Fund (440)	2,435,016	4,525,820	4,175,962	5,812,962
Community Development Block Grant Fund (441)	10,801,609	21,591,727	16,489,579	17,171,572
Home Investment Partnership Program Trust Fund (445)	10,104,546	3,145,572	14,412,683	14,412,683
Multi-Source Housing Fund (448)	52,834,939	59,119,119	15,316,056	27,844,604
Rental Stabilization Program Fee Fund (450)	2,658,574	4,034,580	4,154,609	4,154,609
Inclusionary Fee Fund (451)	130,412	5,594,093	521,185	546,185
Affordable Housing Impact Fee Fund (452)	0	197,279	234,022	234,022
Homeless Housing, Assistance, and Prevention Fund (454)	0	11,801,479	27,481,892	31,252,120
Building Homes and Jobs Act Fund (456)	0	0	4,248,646	4,328,860
Total	\$162,311,468	\$227,957,011	\$149,666,259	\$233,692,430
Positions by Core Service**				
Affordable Housing Portfolio Management	11.50	12.50	11.50	12.50
Affordable Housing Production and Preservation	17.00	18.00	13.00	13.00
Homelessness Interventions and Solutions	11.00	10.25	10.25	13.00
Neighborhood Capital Investment and Public Services	7.60	7.60	7.60	8.60
Rent Stabilization and Tenant Protection	17.07	17.07	17.07	17.07
Strategic Support - Community & Economic Development	23.33	24.33	23.33	26.58
Strategic Support - Other - Community & Economic Development	0.00	1.75	9.75	14.75
Total	87.50	91.50	92.50	105.50

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**** The amounts in the 2021-2022 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.

Housing Department

Department Budget Summary

	2020-2021	2021-2022	2022-2023	2022-2023	2022-2023
	Actuals**	Adopted	Forecast	Adopted	Adopted Positions

Dollars by Program*

Affordable Housing Portfolio Management

Loan Collections	21,241	0	0	0	0.00
Loan Compliance	2,399,656	2,459,202	2,410,529	2,250,101	10.50
Property Maintenance and Inspection	141,727	1,100,000	1,250,000	3,021,916	2.00
Sub-Total	2,562,624	3,559,202	3,660,529	5,272,017	12.50

Affordable Housing Production and Preservation

Affordable Housing Development Loans	34,305,535	74,880,548	28,690,500	29,940,500	6.80
Affordable Housing Impact Fees	50	0	0	0	0.00
Homeownership Opportunities	8,885	220,000	150,000	150,000	0.00
Inclusionary Housing	392,367	402,822	354,573	379,573	2.00
Rehabilitation Loans and Grants	105,120	1,008,473	746,103	746,103	4.20
Sub-Total	34,811,957	76,511,843	29,941,176	31,216,176	13.00

Homelessness Interventions and Solutions

Homeless Outreach and Case Management	13,169,785	25,750,576	39,261,070	43,958,253	8.75
Interim Supportive Housing Development	522,800	1,177,315	1,199,213	22,433,655	1.25
Joint Encampment Response Team	1,112,858	283,252	292,348	292,348	1.50
Local and Regional Coordination/Policy Development to End Homelessness	150,000	0	0	0	0.00
Tenant Based Rental Assistance and Rapid Rehousing	12,096,636	6,591,701	10,147,112	10,992,112	1.50
Sub-Total	27,052,079	33,802,844	50,899,743	77,676,368	13.00

Neighborhood Capital Investment and Public Services

Community Development Block Grant - Infrastructure Investments	2,838,457	6,718,177	6,871,063	7,352,077	7.24
Neighborhood Stabilization	185,442	0	0	407,439	1.00
Non-Profit Service Grants to Support Housing and Community Development Needs	14,997,928	52,500,953	22,142,374	31,278,495	0.36
Place-Based Neighborhood Strategy	242,908	9,500	9,500	14,500	0.00
Sub-Total	18,264,735	59,228,630	29,022,937	39,052,511	8.60

Rent Stabilization and Tenant Protection

Apartment Rent Ordinance Administration	1,883,968	3,409,480	2,982,136	2,982,136	15.77
Mobilehome Rent Ordinance Administration	313,345	224,303	232,718	232,718	1.30
Sub-Total	2,197,313	3,633,783	3,214,854	3,214,854	17.07

Strategic Support - Community & Economic Development

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Housing Department

Department Budget Summary

	2020-2021	2021-2022	2022-2023	2022-2023	2022-2023
	Actuals**	Adopted	Forecast	Adopted	Adopted Positions
Housing Management and Administration	4,009,632	4,508,665	4,145,886	4,155,886	17.88
Housing Pandemic Response	59,769,969	39,009,824	20,859,887	37,539,131	2.25
Housing Planning and Policy Development	644,346	1,429,477	956,670	1,489,434	6.45
Sub-Total	64,423,947	44,947,966	25,962,443	43,184,451	26.58
Strategic Support - Other - Community & Economic Development					
Housing Other Departmental - City-Wide	326,345	2,250,000	3,350,000	30,199,187	14.75
Housing Other Departmental - Grants	11,361,182	1,735,657	34,547	34,547	0.00
Housing Other Operational - Administration	2,258	0	0	0	0.00
Housing Overhead	1,304,596	2,142,086	3,232,030	3,494,319	0.00
Housing Transfers	0	70,000	273,000	273,000	0.00
Housing Workers' Compensation	4,432	75,000	75,000	75,000	0.00
Sub-Total	12,998,813	6,272,743	6,964,577	34,076,053	14.75
Total	\$162,311,468	\$227,957,011	\$149,666,259	\$233,692,430	105.50

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Housing Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2021-2022 Adopted to 2022-2023 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2021-2022):	91.50	18,558,195	538,773
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Rent Stabilization Program – Hearing Officers		(400,000)	0
• Rebudget: Anti-Displacement Consulting Services		(200,000)	0
• Rebudget: Loan Underwriting Consulting Services		(200,000)	0
• Rebudget: General Municipal Advisory Services		(150,000)	0
• Rebudget: Relocation Advisory Services		(100,000)	0
• Rebudget: Website Consulting Services		(100,000)	0
• Rebudget: Community Plan to End Homelessness Communications		(50,000)	0
• Rebudget: Recovery Café		(10,000)	0
• Policy Studies and Consulting Services		(280,000)	0
• Pre-Development Consulting Services		(275,000)	0
• Homeless Response and Coordination Staffing (1.0 Senior Development Officer)	(1.00)	(173,003)	0
• Affordable Housing Portfolio Management Staffing (Blighted Properties) (1.0 Community Programs Administrator)	(1.00)	(173,003)	0
• Racial Equity Action Plan		(100,000)	0
• Catalyze Silicon Valley		(5,000)	(5,000)
• Measure E – 5% Program Administration Staffing (1.0 Senior Development Officer)	(1.00)	0	0
One-Time Prior Year Expenditures Subtotal:	(3.00)	(2,216,006)	(5,000)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		(27,357)	(845,526)
• COVID-19 Pandemic Response and Community and Economic Recovery (City Council Approval November 30, 2021): 1.0 Analyst I/II, 1.0 Assistant Director, 1.0 Development Officer, 1.0 Senior Development Officer	4.00	874,411	874,411
• Contract Services: Financial Consulting		25,000	0
• Fund Shift: Homeless Rapid Rehousing Staffing	0.00	(308,716)	0
Technical Adjustments Subtotal:	4.00	563,338	28,885
2022-2023 Forecast Base Budget:	92.50	16,905,527	562,658
Budget Proposals Approved			
1. Grants Management Staffing	5.00	746,911	0
2. Underwriting and Financial Consulting for Affordable Housing Projects		250,000	0
3. Property Management Team Staffing	2.00	227,802	0

Housing Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2021-2022 Adopted to 2022-2023 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Approved			
4. Homeless Response Team and BeautifySJ Coordination Staffing	1.00	207,439	0
5. Housing Preservation and Production Staffing	1.00	207,439	0
6. Policy and Planning Studies Consulting Services		195,000	0
7. Commercial Linkage Fee Staffing	1.00	130,325	0
8. Good Karma Bikes		50,000	50,000
9. West Valley Community Services		50,000	0
10. Measure E - 5% Program Administration	3.00	(281,872)	0
11. Rebudgets		830,000	5,000
Total Budget Proposals Approved	13.00	2,613,044	55,000
2022-2023 Adopted Budget Total	105.50	19,518,571	617,658

Housing Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2022-2023 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Grants Management Staffing <i>Community and Economic Development CSA Homelessness Interventions and Solutions and Strategic Support – Other – Community and Economic Development Core Services Homeless Outreach and Case Management and Pandemic Response Programs</i>	5.00	746,911	0
<p>This action continues 4.0 Analyst II positions and adds 1.0 Staff Specialist position, through June 30, 2023, funded by the Homeless Housing, Assistance, and Prevention Fund and the Multi-Source Housing Fund, to provide COVID-19 contract development and management, performance tracking, and federal reporting. The Housing Department has received over \$100 million in federal and state funding to respond to the COVID-19 pandemic. The total housing grant funding received through COVID-related sources was more than three times the amount of federal housing grants the City usually receives within a year. This staffing is necessary to effectively distribute and monitor the use of such grant resources. (Ongoing costs: \$0)</p>			
2. Underwriting and Financial Consulting for Affordable Housing Projects <i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Affordable Housing Development Loans Program</i>		250,000	0
<p>This action adds non-personal/equipment funding of \$250,000, from the Low and Moderate Income Housing Asset Fund, for on-call underwriting and financial consulting services to facilitate pre-development and development activities associated with future housing development projects resulting from the \$150 million Notice of Funding Availability (NOFA) that closed in February 2022. Underwriting services will support the 19 new affordable housing projects requesting funding. (Ongoing costs: \$250,000)</p>			
3. Property Management Team Staffing <i>Community and Economic Development CSA Affordable Housing Portfolio Management, Homelessness Interventions and Solutions, and Strategic Support – Other – Community and Economic Development Core Services Loan Compliance, Property Maintenance and Inspection, Interim Supportive Housing Development, and Housing Pandemic Response Programs</i>	2.00	227,802	0
<p>This action eliminates 1.0 vacant Housing Policy and Planning Administrator position and adds 1.0 Building Maintenance Superintendent position, funded by the Homeless Housing, Assistance, and Prevention Fund, and adds 2.0 Building Rehabilitation Inspector positions funded by American Rescue Plan Fund through June 30, 2023. These positions will manage the maintenance and rehabilitation of hotel/motels purchased by the Housing Department, and emergency interim housing communities constructed by the City. The Housing Department has nine existing shelters and two additional sites coming online in 2022-2023 without maintenance staff to oversee the physical structures, all of which will require ongoing oversight. In addition, this action reallocates 50% of an existing Building Rehabilitation Inspector position from the Low and Moderate Income Housing Asset Fund to the Building Homes and Jobs Act Fund. Additional one-time non-personal/equipment funding of \$50,000 is included in the Low and Moderate Income Housing Asset Fund to purchase a utility vehicle to support this additional staff. (Ongoing savings: \$71,772)</p>			

Housing Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2022-2023 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Homeless Response Team and BeautifySJ Coordination Staffing	1.00	207,439	0
<i>Community and Economic Development CSA</i> <i>Neighborhood Capital Investment and Public Services Core Service</i> <i>Neighborhood Stabilization Program</i>			
<p>This action adds 1.0 Senior Development Officer position, through June 30, 2023, funded by the Housing Authority Litigation Award Fund, to coordinate BeautifySJ encampment management, including abatements and escalated site clean-ups. The position will additionally oversee the Services Outreach Assistance and Resources (SOAR) program, ensuring a baseline level of service at 16 encampments and expansion to 10 additional encampments. This position also fills a key leadership position for the Encampment Management Coordination Collaborative team, a city-wide cross-functional team working on encampments, leading a small workgroup dedicated to coordinating social services with the County of Santa Clara. (Ongoing costs: \$0)</p>			
5. Housing Preservation and Production Staffing	1.00	207,439	0
<i>Community and Economic Development CSA</i> <i>Strategic Support – Community and Economic Development Core Service</i> <i>Housing Planning and Policy Development Program</i>			
<p>This action continues 1.0 Senior Development Officer position, through June 30, 2023, funded by the Low and Moderate Income Housing Asset Fund. This position will develop new housing preservation and production policies and programs with a focus on developing the Department’s moderate-income housing strategies, including both rental and home ownership opportunities, as outlined in the Residential Anti-Displacement Strategy adopted by City Council in September 2020. The position additionally serves as the primary liaison with Anti-Displacement Working Group consultant facilitators and directly supports the completion of the Assessment of Fair Housing continuing into 2022-2023. (Ongoing costs: \$0)</p>			
6. Policy and Planning Studies Consulting Staffing		195,000	0
<i>Community and Economic Development CSA</i> <i>Strategic Support – Community and Economic Development Core Service</i> <i>Housing Planning and Policy Development Program</i>			
<p>This action adds one-time non-personal/equipment funding of \$195,000, from the Low and Moderate Income Housing Asset Fund, for consulting services for various policy and planning studies. Consulting services will support the following efforts planned for 2022-2023, and in response to the City Council-approved anti-displacement strategy and direction to update the moderate-income strategy: Non-Profit Capacity Building (\$75,000); Moderate Income Strategy Report Update (\$20,000); Tenant Preferences (\$50,000); and the Right to Counsel Study (\$50,000). Selected consultants will assist with data collection and analysis, curriculum design and training, and implementation planning, as applicable for these respective efforts. (Ongoing costs: \$0)</p>			

Housing Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2022-2023 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Commercial Linkage Fee Program Staffing	1.00	130,325	0

Community and Economic Development CSA
Strategic Support – Community and Economic Development Core Service
Housing Planning and Policy Development Program

This action adds 1.0 Analyst II position, through June 30, 2024 and funded by the Low and Moderate Income Housing Asset Fund, to support the implementation of the Commercial Linkage Fee passed by the City Council in September 2020. At the time the Commercial Linkage Fee was passed, staff estimated that 1.0 Analyst position would be adequate to support the program; however, the implementation process has proven highly complex and staff-intensive, requiring additional staffing to ensure timely billing and collections under the unique recommended fee repayment structure. This staffing level is consistent with the Commercial Linkage Fee memorandum approved by City Council on March 29, 2022. (Ongoing costs: \$156,389)

8. Good Karma Bikes	0.00	\$50,000	\$50,000
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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

As directed by the Mayor’s June Budget Message for Fiscal Year 2022-2023, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$50,000 to the non-profit organization Good Karma Bikes for its relocation to Blossom Hill Road at the Charities Housing 100% senior affordable housing project. (Ongoing costs: \$0)

9. West Valley Community Services	0.00	\$50,000	0
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Community and Economic Development CSA
Homelessness Interventions and Solutions Core Service
Homeless Outreach and Case Management Program

As directed by the Mayor’s June Budget Message for Fiscal Year 2022-2023, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$50,000 to the non-profit organization West Valley Community Services to provide basic and supportive services for low-income families and individuals in West San José. (Ongoing costs: \$0)

Housing Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2022-2023 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Measure E – 5% Program Administration Staffing	3.00	(281,872)	0

Community and Economic Development CSA
Strategic Support – Other – Community and Economic Development Core Services
Housing Other Departmental – City-Wide Program
Housing Pandemic Response Programs

This action adds 1.0 Development Officer position and 1.0 Senior Analyst position, funded by the Measure E – 5% Program Administration City-Wide Expenses appropriation, to accelerate the production of \$150 million in new affordable housing projects. Additionally, 1.0 Senior Development Officer position, limit-dated through June 30, 2023, is added to extend the original authorization directed in the Mayor’s June Budget Message for Fiscal Year 2021-2022, as approved by City Council, for an additional year. The Development Officer position will provide financial and technical assistance for the development of new affordable housing for low-income households as the Housing Department scales up its capacity to manage additional affordable housing production. The Senior Analyst position will provide a higher level of expertise and management oversight of the complex budgeting and reporting requirements of the funds managed by the Housing Department, as well as provide additional human resources capacity and structure to the Administration team. The Senior Development Officer position will focus on developing moderate-income housing strategies using a racial equity lens for programs aimed at homeownership opportunities and Accessory Dwelling Units. Funding is also shifted for 2.0 Building Rehabilitation Inspector positions, limit-dated through June 30, 2023, from the American Rescue Plan Fund to the Measure E – 5% Program Administration City-Wide Expenses appropriation in the General Fund to preserve resources in the American Rescue Plan Fund. The positions will manage the maintenance and rehabilitation of hotel/motels purchased by the Housing Department, land sites, and emergency interim housing communities constructed by the City. The Housing Department has nine existing shelters and two additional sites coming online in 2022-2023 and these positions are necessary to oversee the physical structures, all of which will require ongoing oversight. The Administration is continuing to evaluate the long-term maintenance model for these properties, and may recommend an alternative maintenance model that includes Public Works Department staff for City Council consideration as a future budget action. (Ongoing costs: \$0)

Housing Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2022-2023 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
11. Rebudgets	0.00	830,000	5,000

Community and Economic Development CSA
Core Service: Department-wide
Program: Department-wide

The rebudget of unexpended 2021-2022 funds will allow for the completion of previously approved projects or other expenditure items in 2022-2023. The items listed below were approved by the City Council as part of a previous budget action. (Ongoing costs: \$0)

Anti-Displacement Consulting Services	\$200,000
Loan Underwriting Consulting Services	\$200,000
General Municipal Advisory Services	\$150,000
Relocation Advisory Services	\$100,000
Website Consultant Services	\$100,000
Community Plan to End Homelessness Communications	\$50,000
Inclusionary Consultant	\$25,000
Catalyze Silicon Valley	\$5,000



2022-2023 Adopted Budget Changes Total	13.00	2,613,044	55,000
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Housing Department

Performance Summary

Affordable Housing Portfolio Management

Performance Measures

	2020-2021 Actual	2021-2022 Target	2021-2022 Estimated	2022-2023 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%	0%	0%	0%
% of total loans:				
1. Project Loans	0%	0%	0%	0%
2. Rehabilitation Loans	0%	0%	0%	0%
3. Homebuyer Loans	0%	0%	0%	0%
 % of portfolio units brought into compliance with safe and sanitary condition requirements within 90 days	100%	75%	100%	100%

Activity and Workload Highlights

	2020-2021 Actual	2021-2022 Forecast	2021-2022 Estimated	2022-2023 Forecast
# of single family Loan Management transactions (refinances, subordinations, assumptions, payoffs)	125	80	110	80
Size of Housing Department loan portfolio by category:				
Total loan principal (\$):				
1. Project Loans	\$608,571,726	\$741,000,000 ¹	\$699,014,909	\$728,669,092 ¹
2. Rehabilitation Loans	\$10,300,000	\$9,000,000	\$9,500,000	\$9,000,000
3. Homebuyer Loans	\$45,900,000	\$49,500,000	\$43,500,000	\$43,000,000
Total	\$664,771,726	\$799,500,000	\$722,017,909	\$780,669,092
Total number of loans:				
1. Project Loans	122	147	125	136
2. Rehabilitation Loans	243	175	250	200
3. Homebuyer Loans	787	775	750	700
Total	1,152	1,097	1,125	1,036
# of major projects in loan portfolio inspected Annually:				
- Projects	106	95	33	45
- Units	0 ²	1,425	0 ²	700
# of City facilitated affordable rental units	15,439	21,694	15,504	15,715
# of income restricted for sale homes	1,167	950	1,000	950

¹ The 2021-2022 Forecast and 2022-2023 Forecast levels reflect the completion of two Notices of Funding Availability (NOFA), totaling \$100 million and \$150 million respectively, and anticipated project loan closings.




² The 2020-2021 Actual and 2021-2022 Estimated levels reflect a pause in unit inspections due to the COVID-19 pandemic. Unit inspections are anticipated to resume in 2022-2023, coinciding with the relaxation of public health measures.

Housing Department

Performance Summary

Affordable Housing Production and Preservation

Performance Measures

	2020-2021 Actual	2021-2022 Target	2021-2022 Estimated	2022-2023 Target
 Cumulative ratio of non-City funds to City funds over the last five years in the New Construction Program	3.98:1	4.89:1	4.06:1	4.33:1
 % of annual target achieved for production of affordable housing/# of units	75% (216)	100% (288)	75% (216)	100% (211)
 % of funding committed to extremely low-income households	39%	45%	39%	45%

Activity and Workload Highlights

	2020-2021 Actual	2021-2022 Forecast	2021-2022 Estimated	2022-2023 Forecast
# of affordable housing units completed in the fiscal year	216 ¹	301	216	211
Average per unit subsidy in funding commitments for new construction projects	\$133,000	\$119,000	\$133,000	\$125,000




¹ The 2020-2021 Actual of 216 varies from the 2020-2021 Actual included in the City Auditor Office's Annual Report on City services for FY 2020-2021 due to data on affordable housing developments not being available at the time of publishing.

Housing Department

Performance Summary


Homelessness Interventions and Solutions

Performance Measures

	2020-2021 Actual	2021-2022 Target	2021-2022 Estimated	2022-2023 Target
 Reduction in the number of homeless individuals from prior two years ¹	0	200	200	200
 % of households who exit the Rapid Rehousing Program into permanent housing that maintain Housing for at least 6 months	84%	85%	80%	80%
 Average number of days from enrollment households in rapid rehousing programs got into permanent housing	88 Days	60 Days	60 Days	60 Days

¹ Efforts to reduce the number of homeless have been assisted by recent increases in state and federal grant funding and local Measure E revenues. The 2020-2021 Actual data is unavailable as the 2021 Point-in-Time (PIT) Homeless Census and Survey has been delayed due to the COVID-19 pandemic and results are pending verification and release.

Activity and Workload Highlights

	2020-2021 Actual	2021-2022 Forecast	2021-2022 Estimated	2022-2023 Forecast
 # of households who maintained permanent housing in City-funded rapid rehousing programs in the last 12 months ¹	66	200	125	150
Estimated number of homeless individuals Counted in San José ²				
- Chronically homeless	0	1,500	1,500	1,500
- Non-chronically homeless	0	4,500	4,500	4,500
# of homeless individuals (affiliated with San José) who secured new permanent housing:				
- Chronically	523	700	600	600
- Non-chronically	1,476	1,300	1,500	1,500
# of homeless individuals assessed for permanent housing	5,587	5,000	6,000	6,000

¹ New enrollments were delayed as existing program households transitioned to new agencies upon the execution of new agreements in 2020-2021.




² The 2020-2021 Actual data is unavailable as the 2021 Point-in-Time (PIT) Homeless Census and Survey has been delayed due to the COVID-19 pandemic and results are pending verification and release.

Housing Department

Performance Summary

Neighborhood Capital Investment and Public Services

Performance Measures

	2020-2021 Actual	2021-2022 Target	2021-2022 Estimated	2022-2023 Target
 % of CDBG-funded projects meeting all stated outcomes:				
- City projects	100%	90%	90%	90%
- Non-City projects	100%	90%	90%	90%
 % of CDBG invoices processed within 30 days of receipt of all required documentation	90%	90%	90%	90%
 % of CDBG contracts executed by July 1	50%	50%	50%	50%

Activity and Workload Highlights



	2020-2021 Actual	2021-2022 Forecast	2021-2022 Estimated	2022-2023 Forecast
# of rehabilitation projects completed:				
- Rehabilitation projects	269	0	200	250
- Minor repair	235	260	300	350
Total	504	260	500	600

Housing Department

Performance Summary

Rent Stabilization and Tenant Protection

Performance Measures

	2020-2021 Actual	2021-2022 Target	2021-2022 Estimated	2022-2023 Target
 % of tenant/landlord mediations that resulted in voluntary agreement	52%	85%	80%	80%
 % of cases resolved within 60 days of completed petition date	61%	75%	80%	80%

Activity and Workload Highlights

	2020-2021 Actual	2021-2022 Forecast	2021-2022 Estimated	2022-2023 Forecast
# of unduplicated mobilehome and apartment clients served by the Rent Stabilization Program	6,999	7,800	7,100	7,100
Average number of days from completed petition to resolution	81 Days ¹	120 Days	60 Days ¹	60 Days ¹

¹ The number of clients served has continued to be impacted by the COVID-19 pandemic and limited modes of contact (phone only), as well as the implementation of the Eviction Help Center which has assisted clients that the Rent Stabilization Program would typically serve.

Housing Department

Department Position Detail

Position	2021-2022 Adopted	2022-2023 Adopted	Change
Account Clerk I/II	1.00	1.00	-
Accountant I/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	21.00	27.00	6.00
Assistant Director	0.00	1.00	1.00
Assistant to the Director	1.00	1.00	-
Building Maintenance Superintendent	0.00	1.00	1.00
Building Rehabilitation Inspector I/II	3.00	5.00	2.00
Building Rehabilitation Supervisor	1.00	1.00	-
Community Programs Administrator	1.00	0.00	(1.00)
Deputy Director	2.00	2.00	-
Development Officer	13.00	15.00	2.00
Development Specialist	4.00	4.00	-
Development Specialist PT	0.50	0.50	-
Director of Housing	1.00	1.00	-
Division Manager	4.00	4.00	-
Housing Policy and Plan Administrator	4.00	3.00	(1.00)
Information Systems Analyst	1.00	1.00	-
Office Specialist I/II	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	2.00	2.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	2.00	3.00	1.00
Senior Development Officer	12.00	14.00	2.00
Senior Systems Applications Programmer	1.00	1.00	-
Staff Specialist	7.00	8.00	1.00
Student Intern PT	1.00	1.00	-
Total Positions	91.50	105.50	14.00

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