HCDC Study Session for 12/8/2022- Supplemental Comments

Supplemental Comments from Commissioner Moore:

There are solid programs in the Housing Element that will make a big difference in San Jose. For example, the Voucher Program, Urban Villages, and integrating mental health treatment.

There are also a lot of programs to monitor and regulate the citizens of San Jose that will only cost tax payers money with too many unintended consequences or not enough benefit to anyone. Over regulation designed to stop the outliers (bad guys) sadly does not stop them. But it does tend to hurt those who do follow the rules through excessive fees and administrative paperwork.

There is not enough housing. There are too many people living on the street that need basic shelter. I hope that the City of San Jose will focus on the programs that have a positive impact on our city and focus less on the regulation.

Here is my feedback on the Housing Element for tonight's HCDC meeting.

3.1 Abundant and affordable housing stock

Abundant and affordable housing stock will only happen when the exhorbitant city fees and anti-housing regulations are removed.

Here is an email I received today in reference to Nanci and Jacky's Cost of Development memo link follows:

Subject: A self-indictment of SJ's housing regulatory environment??

22-1597 - Memorandum (sanjoseca.gov)

If you take the time to read through this, you will see that by the city of san jose's own analysis, the city's regulatory environment is killing new high-density housing development.

The City has created a regulatory (inclusionary housing) and cost (affordable housing fee, parkland fees, permits, all-electric appliances, etc) structure which is a barrier to entry for new housing developments. Not even to mention all the state-level requirements, like solar for every unit, EV charging stations, etc.

Then, lets add in tenant protections which are economically abusive to property owners.

Shake it all up and what do you get? Perpetual housing shortages.... Go figure.

https://www.sanjoseca.gov/home/showpublisheddocument/91633/638029952518336 598

Strategically, to optimize use of limited resources and from a humanitarian standpoint to get and keep people housed, priority must be given to building as cost-effectively as possible over

doing extensive research and building for the few in expensive neighborhoods to create the appearance of equity. Equity is a worthy goal, but illusive to achieve.

Therefore here are a few examples of the lowest priority:

P-11 Implement SB-0 in single family neighborhoods.

P-2 What is "Permanent supportive housing for homeless"? Don't we want this to be temporary assistance to help people get back on their own. Or, are we going to create permanent dependence? Unless this states specifically for the mentally ill or disabled then we do need permanent supportive housing.

P-19 Why bare our unshare of the burden by striving for 10% over. Let's meet the goals first.

P-32 Why pay higher subsidies per unit where land costs more? This means fewer people get housed. Let's get more people housed first.

P-35 Focus on developments that have quantity first.

Therefore here are a few examples of the higher priority:

P-14

P-21 (except take out protected classes - which according to California law includes almost everyone) and stick with those most in need.

P-22

P-23

P-24 YOSL for teachers

P-33 YIGBY

P-36 Alum Rock

P-37 CEQA

P-40 Urban villages

Research only further refines the understanding of a problem already clearly known and does not solve the problem. The hundreds of thousands allocated for research could keep the 3,000 facing eviction for unpaid rent of housed.

Therefore, here are a few examples of the lower priority research projects.

P-17

P-25

P-27

3-2 Preservation of Market Rate and Affordable Housing

If the city wants to preserve affordable housing stop squeezing the mom and pops out of business with excessive fees and punitive regulations and affordable units will be protected.

Here are examples of the lowest priority:

R-1 and R-2 Monitoring costs money and does not produce results.

R-4 COPA is the City's right to Purchase Act. It will shift ownership from mom and pops to non-profits, but will increase rental costs not lower them. It will also recuse tax revenue which will harm the schools.

R-5 only supports COPA. If it were used for renters to purchase, than it would be beneficial to society.

R-7, R-8, R-9, R-10 are more activities and costs around regulation that either are beyond the city's scope and cost money that could be used for better purpose and/or DO NOT preserve affordable housing stock despite stated intentions.

Here are a few examples of the higher priority:

R-6 Preserving mobile home parks preserves affordable housing.

R-12 Needs a new approach to anti-displacement. What has been done is NOT working. Given current approach ARO rents have skyrocketed faster than market rents.

3-3 Housing Systems for Homelessness

Need cost-effective approach to homelessness.

High Priority

H-1

H-2

H-6 Most important thing the city can do is provide integrated mental health and housing. Too many mentally ill people are on the streets and have been since the 80's when the institutions were closed. An estimated 60% of all homeless have mental health issues. If addiction is included, this number is much higher.

H-7 Our society has changed. Manufacturing is almost gone. People need a safe place to live even if they do not have a home. Another very important thing the city can do to improve the quality of life of all San Jose's residents.

H-8 Needed. So far, what have seen hasn't worked. This needs to be improved.

H-9 in designated homeless encampments only. Otherwise this will not work.

H-11 for what is needed.

Low-Priority

H-3 \$500,000 per unit to buy a hotel is not cost-effective.

H-12 sounds good but will doubtfully make a difference.

3-4 Housing Stability, Tenant Protections, and Wealth Building

Thank you for adding wealth building to this section even if it is only a token (S-8 and S-34) So far, the city has done more harm than good with its regulations to create housing stability and tenant protection. For example, they eliminated "banking" of rents and RUBS which kept rents very very low. Then they added costly regulations, such as the rent registry which increased cost of rentals.

Here are high priority:

S-1 With the following changes: Focus on code enforcement. Increase their funding. Tenant resource centers are added bureaucracy that do not materially help.

S-3 Project Hope could be an excellent resource (like RELI) for getting cooperation and improving neighborhoods.

S-5 improve code enforcement as it is the best tool.

S-8 Set-up a loan program for renters to buy. Often, the down payment is the only hurdle to buying. This will do more to equalize our society than all other programs proposed combined.

S-14 AND S-25 Tenant voucher programs are the most equalized program possible. They can live anywhere and not be identified as low income. Takes out advocate with the state. More bureaucracy and not the City's job.

S-33 Job training is crucial. It is especially needed in the trades.

S-34 Only way to equalize is through home ownership.

Here are low priority:

S-2 The rent registry has done nothing to improve the renters or rental providers situation. All it has done has increased rental providers cost.

S-4 Adding a right of return increases the cost of rentals and hurts the many for the benefit of the few.

S-6 Don't waste money on a study. It is clearly known code enforcement is understaffed.

S-7 benefits the non-profits not the home buyers.

S-10 don't waste money on more research.

S-11 Doubt this is needed. Most rental providers willingly rent to undocumented. Again more bureaucracy that doesn't get or keep people housed.

S-21 / S-22 Affirmatively further fair housing is a worthwhile goal. If only it were possible. Read Vonnegut's Harrison Bergeron before continuing with this program. Again more bureaucracy That does NOT house people or improve their quality of life.

S-23 / S-24 / S-27 Already exists. More bureaucracy.

S-26 Instead bring back RELI.

S-28 Focus on San Jose. We have enough challenges without spreading out to other areas.

S-29 Looking at RSP just 5 years after changes creates instability and lack of predictability in the market. Looking at the data, it is clear that the recent RSP changes made things worse.

S-30 Not counting occupancy will turn San Jose into slums. Keep the 2 per bedroom plus 1 as currently mandated.

S-32 Do not advocate for state legislation. More bureaucracy. Stay in San Jose.

Table 3-5 Neighborhood Investments and Table 3-6

Equity is a worthwhile goal. If only it were possible. Caution is needed here.

Lifting people up is really important.

Read Vonnegut's Harrison Bergeron before continuing with these programs. Also study the housing projects of the 50's. They did NOT work.

Thank you for considering this feedback.

Roberta Moore

D10 Commissioner and Landlord Representative

<u>Supplemental Comments from Commissioner Tran:</u>

Here are my questions. Apologies that it is the day of the meeting, though none of these questions impact the housing element report, which appears fine. I may have more feedback based on responses to these questions.

- 1. P3, P4, P5 Where can I find the documents that focus on North San Jose?
- 2. P9 Can you provide more information about what "explore" means? SB-9 is already in effect. Absent our own protocols, doesn't the state already have procedures in place for how it is implemented?

- 3. Where are we in crafting a local ordinance to comply with Gov Code 65583.2?
- 4. P13 SB 330 places restrictions on attempts by local municipalities to dilute the effect of statewide housing laws. Can you explain more about what policies we need to replace to be in compliance with SB330?
- 5. P17 I've been included in emails about the siting policy. Has it been de-prioritized because of the feedback from SV@home? Side note: can we be briefed on those meetings?
- 6. P36, P37, and P40 I am a bit concerned that our Urban Village work is at the bottom of the P list of strategies. The goal of the Urban Villages was to transform areas around public transit hubs that would greatly address the housing crisis. Does its deprioritization impact the timeline for getting these projects making progress? I would prioritize these over other efforts that just focus on studying issues.
- 7. H1-4 I do understand why the construction of temporary housing is important since we have a lot of catching up to do. However, I have two concerns. I don't think we can separate out the strategy of educating neighborhoods about this type of housing from prioritizing its construction (H12). There is always opposition to these projects and have to do these in tandem. The second is that at what point do H5 and H6 focusing on more long-term solutions become the top priorities? The temporary beds are truly necessary, but I do not believe any takes the position that these actually solve the issue.
- 8. For the S Series, I do want to understand why code enforcement is such a large focus. I understand that maintenance of rental properties is important, but do we need to have four different approaches to case management, tracking, and reporting? (S1, S3, S5, and S6). Why wouldn't this be one larger evaluation and assessment?
- 9. S29 this should be a higher priority.
- 10. N3 Does this include any kind of strategy to fill in vacancies rather than just maintaining empty or vacant spaces?