

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 loans,
- Financing new affordable housing construction,
- Recommending housing-related policies,
- 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 \$16.2 million in 2021-22. This includes personal and non-personal/equipment expenditures. The Department was responsible for an additional \$11.2 million in Citywide expenses and \$44.7 million for loans and grants.

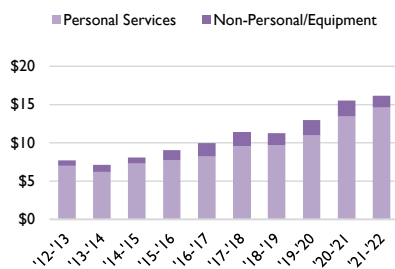
Funding for the Department included revenues from the Department’s loan portfolio that continued to generate program income (principal outstanding as of June 2022 was \$595.1 million). Additional revenues come from various state and federal grants, with \$27.9 million in CARES funding. Loan repayments, interest, and miscellaneous revenues totaled \$47.5 million.

During the pandemic, Housing expanded services, including rental assistance and food distribution, as well as emergency sheltering, interim housing, and bridge housing communities. The Department has continued to support rental assistance and expanded sheltering.

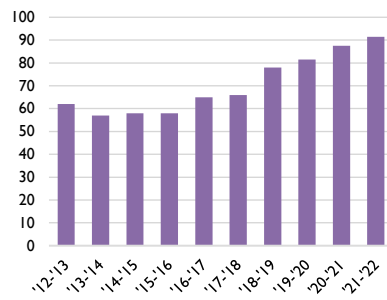
2021-22 Housing Program Funds Received	
Measure E Property Transfer Tax	\$110,015,391
Loan Repayments, Interest, and Miscellaneous Revenues	\$47,453,190
Fees and Charges	\$40,250,095
Emergency Solutions Grant (ESG) CARES	\$23,350,438
Community Development Block Grant (CDBG)	\$9,964,729
Community Development Block Grant (CDBG) CARES	\$4,548,465
Homeless Housing Assistance and Prevention Grant	\$4,175,498
Rental Rights	\$2,688,320
Bond Administration Fee	\$2,514,409
HOME Investment Partnership Grant (HOME)	\$2,444,028
Housing Opportunities for People with AIDS (HOPWA)	\$2,059,091
Project Homekey	\$592,292
Emergency Solutions Grant (ESG)	\$570,019
HOPWA CARES	\$109,781
SB 2 Building Homes and Jobs Act	\$61,978
Total	\$250,797,726

Note: Total may not add due to rounding. Loan Repayments, Interest, and Miscellaneous Revenues was overstated in 2020-21 due to a large portion of fees and charges included under that category.

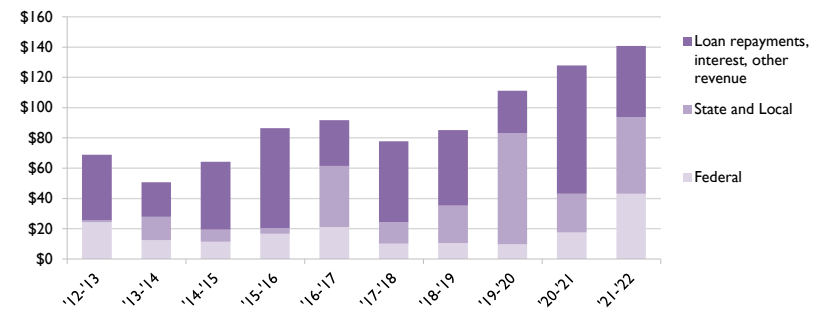
Housing Operating Expenditures (\$millions)



Housing Authorized Positions (\$millions)



Comparison of Funding Sources (\$millions)



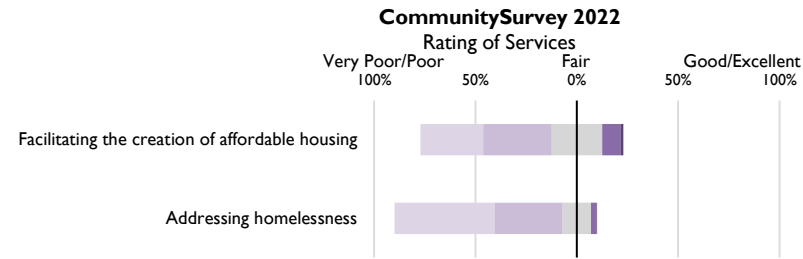
AFFORDABLE HOUSING PRODUCTION & PRESERVATION

The availability of affordable housing has continued to be an area of concern for San José residents for a number of years. In 2022, only 3 percent of surveyed residents rated the City's efforts in addressing homelessness as "excellent" or "good;" only 10 percent rated the City's efforts to facilitate the creation of affordable housing as "excellent" or "good."

The City's efforts to increase the supply of affordable housing in San José include making loans to developers and authorizing conduit financing.* Developers completed 133 new affordable housing units with City help in 2021-22. For new projects under construction, the City committed an average per-unit subsidy of about \$134,875 (for 598 affordable housing units) in 2021-22. There are over 18,500 affordable housing units in San José.

Low-income homeowners whose homes are in need of repairs can qualify for City financial help. The Department no longer provides major rehabilitations, focusing instead on providing essential repairs. In 2021-22, the Department provided minor repairs for 222 households in partnership with Rebuilding Together Silicon Valley and Habitat for Humanity.

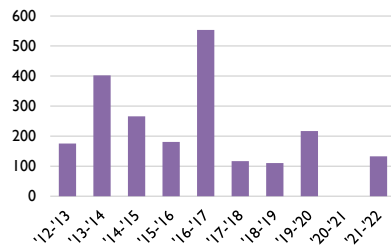
*For more information, see [Council Policy I-16](#) Policy for the Issuance of Multifamily Housing Revenue Bonds.



Select Housing Policy Initiatives

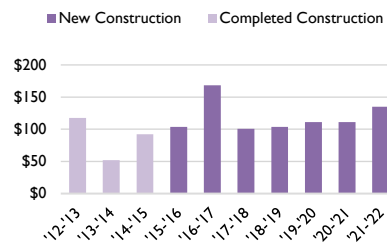
- **Anti-Displacement Strategy** to prevent and mitigate displacement of lower-income San José residents
- **Affordable Housing Siting Policy** to align affordable housing siting patterns with fair housing principles by increasing housing in higher opportunity neighborhoods, mitigating displacement, and reducing disparities in resources
- **Diridon Affordable Housing Implementation Plan** in light of large-scale investments at Diridon station and the Google development, this plan outlines a strategy for affordable housing production and preservation, and renter protections

Number of Affordable Housing Units Completed with City Help in the Fiscal Year



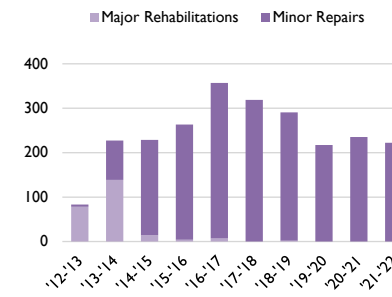
Note: No units were completed in 2020-21 due in part to cost and material shortages.

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



Note: Prior to 2015-16, this measure was based on completed projects. It is now based on new construction only.

Rehabilitated Units



Note: Major rehabilitations are no longer provided.

HOUSING

HOMELESSNESS INTERVENTION

According to the 2022 San José Homeless Census and Survey, 6,650 San José residents were homeless when the census was conducted, including chronically homeless, youth, families with children, and veterans. Of these, 75 percent were unsheltered.

The Department provided \$65.8 million in grant funding (federal and state funding) to 17 service providers in 2021-22 as part of a region-wide effort to address homelessness. In 2021-22, 1,857 homeless San José residents were assisted into housing through the collective efforts of local jurisdictions and non-profit service providers. The Department received 5,686 calls and emails to its Homeless Concerns Hotline.

In 2021-22, the Services, Outreach, Assistance and Resources (SOAR) program provided street-based support and services to 16 of the City's largest encampments, at which 940 unduplicated individuals were served, and 33 percent moved to temporary or permanent housing.

The City has five interim housing projects, two that are bridge housing communities (or BHCs, Mabury and Felipe) and three that are emergency interim housing (or EIHS, Monterey/Bernal, Rue Ferrari, and Evans Lane). These sites provide temporary shelter for individuals and families experiencing homelessness while they search for a permanent affordable home. In 2021-22, these sites served 742 individuals. A fourth EIH community is under construction near the Police Department headquarters.

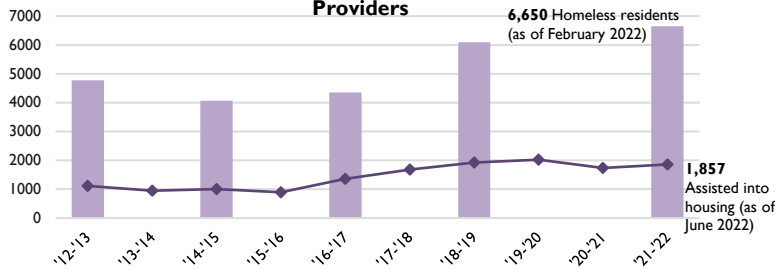
Lastly, the Rapid Rehousing program helps households exit homelessness by providing limited or ongoing rental subsidies. In 2021-22, 373 individuals were enrolled and 47 percent of households that exited the program exited into permanent housing.

Interim Housing Communities



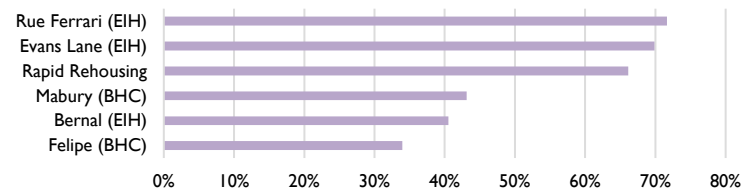
Source: Housing Department

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, 2022) and Santa Clara County Homeless Management Information System (HMIS). Note: The San José Homeless Census and Survey is conducted every two years. Due to COVID-19, it was not conducted in 2021.

% of Exited Participants who Successfully Exited to Permanent Housing



Note: Total number of participants who exited: Rue Ferrari EIH (N=67), Evans Lane EIH (N=73), Rapid Rehousing (N=121), Mabury BHC (N=51), Bernal EIH (N=74), and Felipe BHC (N=103).

HOUSING

NEIGHBORHOOD INVESTMENT & PUBLIC SERVICES

The Department received \$14.5 million in federal Community Development Block Grant (CDBG) program funds in 2021-22. CDBG funds are used for housing rehabilitation, fair housing, code enforcement, senior and homeless services, foreclosure prevention, and economic development services.

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 more than 39,000 rent-controlled units, or over a third of the city's rental housing units. In 2021-22, there were 98 tenant and landlord petitions filed. Thirty-seven percent resulted in an agreement between the tenant and landlord.

Tenants with pending state rent relief applications continued to have some limited protections from eviction through June 30, 2022. During 2021-22, in partnership with the County as well as other community partners, Housing's efforts helped connect 13,500 San José households and their landlords to \$156.3 million in federal emergency rental assistance funds.

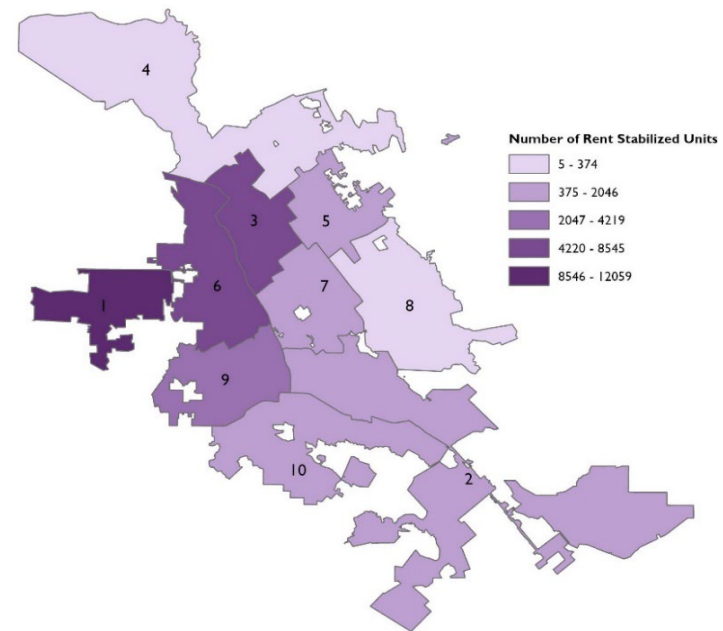
In September 2020, Council approved an Anti-Displacement Strategy. The Strategy focuses on steps the City can take to help prevent and mitigate displacement of lower income residents from San José. In August 2021, the City established two Eviction Prevention Help Centers which helped at least 1,600 San José households through the entire application process.

KEY FACTS (2021-22)

Median household income:	\$126,377
Annual income needed for a two bedroom apt. (avg. rent):	\$121,720
Annual income needed to afford median priced home:	\$341,814

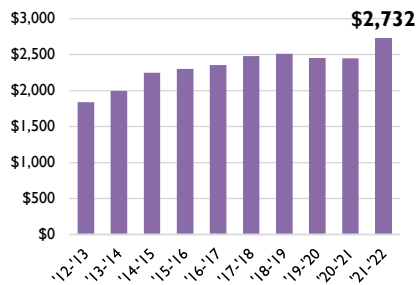
Sources: U.S. Census Bureau American Community Survey, 2021 1-year estimates; Housing Market Report for second quarter 2022.

Rent Stabilized Apartments in San José

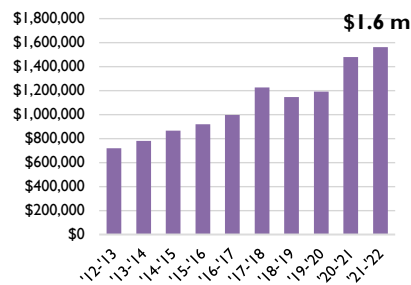


Source: Auditor map of San José rent stabilized units data as of November 2022.

Average Monthly Rent in San José



Median Single-Family Home Price



Sources: Housing Market Report for Second Quarter 2022; SCCAOR June 2022 report.
 Note: Average monthly rent is for all market-rate unit types (excludes affordable units). Data provided by Costar as of July 2022. Prior years updated to reflect Costar data.

