



Housing

Rent Stabilization Programs Strategic Plan Consultant Update

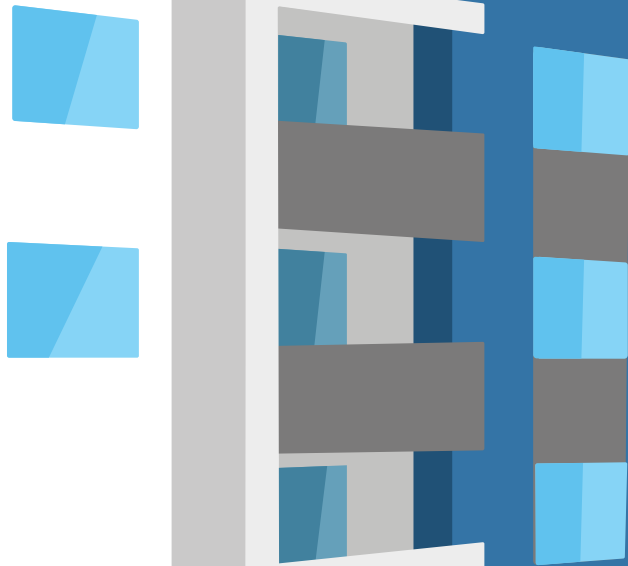
**Housing and Community
Development Commission**

February 9, 2023

Item VII-B

Emily Hislop

Division Manager, Housing Dept.



Timeline and Progress

Strategic Plan Task	Completion Deadline	Status
Award Consultant	Summer 2022	Completed
Project Kickoff	Summer/Fall 2022	Completed
Review Ordinances / Program Documents	Summer/Fall 2022	Completed
Analyze Historic Data	Fall 2022/Winter 2023	Completed
Identify Comparable Jurisdiction Best Practices	Winter 2023	Completed
Stakeholder Engagement	Winter/Spring 2023	In Progress
Draft Strategic Plan	Spring 2023	
City Council Report and Presentation	Summer 2023	



Strategic Plan's Areas of Focus

- Maintain tenancies and mitigate displacement of apartments and mobilehome residents
- Further fair housing through inclusive education and outreach
- Foster positive relationships between residents and property owners
- Promote stable and long renter tenancy
- Preserve mobilehomes and mobilehome parks as source of affordable housing



Introductions

- 🏠 Consultant: RSG, Inc.
 - Mark Sawicki, Director



Ordinance Overview

Tenant Protection Ordinance (TPO)

- Just Cause Ordinance which outlines landlord responsibilities and tenant rights
- 13 categories for which landlords can terminate tenancies
- Requires relocation assistance for those not the fault of the tenant

Apartment Rent Ordinance (ARO)

- Rent Stabilization Ordinance which sets rent increase limits
- Petition process for landlords and tenants
- Requires annual registration of rent stabilized units

Ellis Act Ordinance (EAO)

- Process for removing buildings with rent stabilized units from the rental market
- Requires notices to tenants and City, recording memorandum with the County, relocation assistance, and re-control for a portion of newly-built units

Mobilehome Rental Ordinance (MRO)

- Rent Stabilization Ordinance for mobilehome parks which sets rent increase limits
- Petition process for landlords seeking increases above the maximum allowed increase

Housing Payment Equality Ordinance (HPEO)

- Prohibits discriminatory activities against housing voucher holders who apply for rentals
- Applies to all rental properties except single-family homes in which the landlord is an occupant



Purpose and Goals

- 🏠 Answer key questions about each ordinance
- 🏠 Develop Strategic Plan for improvement and success



Tenant Protection Ordinance (TPO)

- 🏠 Is TPO effective in helping to prevent unjust evictions?
- 🏠 Is relocation used frequently? What is impact to displaced tenant?
- 🏠 What is public's current understanding of TPO? How can public awareness and knowledge be increased?
- 🏠 Is there any evidence of a difference in eviction frequency based on demographics, such as race?
- 🏠 How can the City promote equity for residents protected by TPO?



Apartment Rent Ordinance (ARO)

- Is ARO successful in the stabilization of rent increases for renters, while still providing property owners a fair return?
- Is impact significant enough to justify current administrative costs?
- What is impact of ARO on quality of housing and stability for renters?
- Is there any evidence of a difference in fair return requests based on demographics, such as race?
- How can City promote equity for residents protected by ARO?



Ellis Act Ordinance (EAO)

- 🏠 What is the frequency of tenant buyouts?
- 🏠 How do tenant buyouts impact tenants' housing security?



Mobilehome Rent Ordinance (MRO)

- 🏠 What is the impact to housing security for park residents?
- 🏠 What is condition of property over time?
- 🏠 Is MRO successful in stabilizing space rent increases for residents, while still providing park owners a fair return?



Housing Payment Equality Ordinance (HPEO)

- 🏠 What is the impact of the HPEO today in comparison to City's 2019 report?
- 🏠 Is there any evidence of property owners not accepting rental assistance as income based on demographics, such as race?
- 🏠 How can City promote equity for residents protected by HPEO?



San José Rent Stabilization Program Research

Review
Ordinances and
Program Docs

Analyze Historic
Data

Comparable
Jurisdictions

Stakeholder
Engagement



Stakeholder Engagement Groups

The following groups will be invited to share their experience with the various Ordinances:

- 🏠 Tenants
- 🏠 Property owners
- 🏠 Mobilehome park residents
- 🏠 Mobilehome park owners



Engagement Tentative Schedule

Tenant Meeting (Virtual) Monday, February 27th at 6pm via Zoom

Tenant Meeting (In-person) Thursday, March 2nd at 6pm at the Gardner Community Center

Property Owners Meeting (Virtual) Monday, March 6th at 6pm via Zoom

Property Owners Meeting (In-person) Wednesday, March 8th at 6pm at the Gardner Community Center

Mobilehome Residents and Owners Meeting (Virtual)
Monday, March 13th at 6pm via Zoom



Follow Up

🏠 Report Out Meeting (virtual) via Zoom

- Share findings from all 5 stakeholder engagement meetings
- Recorded for availability online

🏠 Survey

- Online survey will be available for those unable to attend stakeholder engagement meetings



Recommendation

Review a progress update on the Strategic Plan for the Rent Stabilization Programs (Apartment Rent Ordinance, Mobilehome Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance) and give feedback to staff on content.



Commission Input

- 🏠 Do you have thoughts or suggestions to share regarding the format and structure of the proposed stakeholder meetings?
- 🏠 Is there any information you would be interested in obtaining either through the stakeholder meetings or via a survey?
- 🏠 Are there groups or organizations you want to ensure are included in outreach?





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Sixth Substantial Amendment to the FY 19-20 Annual Action Plan

February 9, 2023

Housing & Community Development Commission
Item VII-A

Ragan Henninger
Deputy Director
Housing Department

Stephanie Gutowski
Sr. Development Officer
Housing Department

Redirect CDBG CARES Act Funding

- 🏠 Federal deadline to expend CDBG CARES Act funds is October 2023
- 🏠 Originally proposed activities (legal services and community Wi-Fi) could not meet the spending deadline
- 🏠 Sixth Substantial Amendment enables City to redirect and use \$6,770,616 in existing CDBG CARES Act funds to serve some of the most vulnerable community members **impacted by COVID-19**.
- 🏠 Funding will help respond to community needs:
 - food distribution for homeless, senior, and disabled populations
 - sanitation services at encampments

CDBG CARES Act FY 2022-2023 Funding

Activities	Additional Funds to Spend in FY 2022-23 per Sixth Substantial Amendment
Meals-Food Distribution Program	\$2,746,815
Sanitation Service at Encampments	\$4,023,801
Total	\$6,770,616

Food Distribution Program from PRNS to Housing

- 🏠 The Food and Necessities Distribution Team managed emergency food distribution efforts in response to the COVID-19 pandemic since March 2020
- 🏠 Since demand for food services remains high, Housing and Parks staff are working closely to secure short-term service agreement extensions with partnering agencies
- 🏠 Contract extensions will be funded with available CDBG CARES Act and unused American Rescue Plan Act (ARPA) funding allocated for food security
- 🏠 Additional funding will provide residents more time to find other long-term food security assistance

Food Distribution Agreements

Food Distribution Agreements with the agencies listed below will be amended to include an additional total amount of \$2,746,815:

- Catholic Charities of Santa Clara County
- The Health Trust
- Loaves & Fishes Family Kitchen
- Hunger at Home
- Sacred Heart Community Service
- Veggielution
- West Valley Community Services (WVCS)
- San Jose Conservation Corps

Sanitation Services in Encampments

- Funds will also provide sanitation services to some of City's largest encampments as part of its Services, Outreach, Assistance and Resources (SOAR) program
- The SOAR program provides encampment residents:
 - sanitation and trash services
 - comprehensive street-based outreach and support services
 - housing and shelter referrals

Recommendation

Hold a public hearing on the Sixth Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan (Action Plan) to reallocate \$6,770,616 in Community Development Block Grant CARES Act funds among eligible uses,
take public comment as required by the U.S. Department of Housing and Urban Development (HUD),
and recommend to the City Council it approve the Sixth Substantial Amendment.



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