

Chapter 5

Adequate Sites for Housing



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5.1 Sites Inventory Requirements

The Housing Element must include an inventory of land suitable and available for residential development to meet the regional housing needs allocation (RHNA) for San José by income level. This inventory is known as the Sites Inventory. In addition, this chapter:

- Identifies alternative methods of satisfying the RHNA;
- Provides an analysis of the inventory's compliance with Affirmatively Furthering Fair Housing (AFFH) requirements; and
- Identifies the need for rezoning to accommodate the RHNA allocation.

The analysis demonstrates that, during the 6th cycle, the City can accommodate its allocation of 62,200 units, of which 23,775 units are Lower Income.

5.2 RHNA Allocation

The RHNA provides housing targets for cities to plan for in their Housing Elements and to facilitate development over the 8-year RHNA period. In addition to analysis of sufficient land zoned to accommodate their RHNA, cities must analyze constraints to meeting its RHNA and propose policies to address them in their Housing Elements. Cities must also report the number of units permitted each year relative to RHNA to the State's Department of Housing and Community Development (HCD).

HCD is responsible for determining the regional housing need for each regional Council of Governments, which is the Association of Bay Area Governments (ABAG) in the Bay Area. The regional housing need is based on a forecast of population, households, and jobs developed by the California Department of Finance with input from regional agencies. New for 2023-2030, the RHNA also addresses existing needs such as housing cost burdens, overcrowding, and vacancy, which has increased the RHNA for the Bay Area and other regions.

The total RHNA for the region for 2023-2030 is 441,190 units divided into income groups based on the region's current household distribution relative to Area Median Income (AMI) in the following categories: Very Lower income (up to 50% of AMI), Lower income (50-80% of AMI), Moderate Income (80-120% of AMI), and Above-Moderate Income (above 120% of AMI).

ABAG created an advisory Housing Methodology Committee (HMC) made up of elected officials, local staff, and advocates to study how to distribute the RHNA to the 108 jurisdictions in the Bay Area. The HMC recommended a methodology that was adopted by the ABAG Executive Board in January of 2021 and the final RHNA plan for allocations to cities were adopted by ABAG Executive Board were adopted in December, 2021.

The RHNA methodology must meet the following statutory objectives:

- Increase the housing supply and mix of housing types, tenure, and affordability.
- Promote infill development and socioeconomic equity, protect environmental and agricultural resources, and encourage efficient development patterns.
- Promote an improved intraregional relationship between jobs and housing.
- Balance disproportionate household income distributions.
- Affirmatively furthering fair housing.

5.2.1 RHNA Targets for San José, 2023-2031

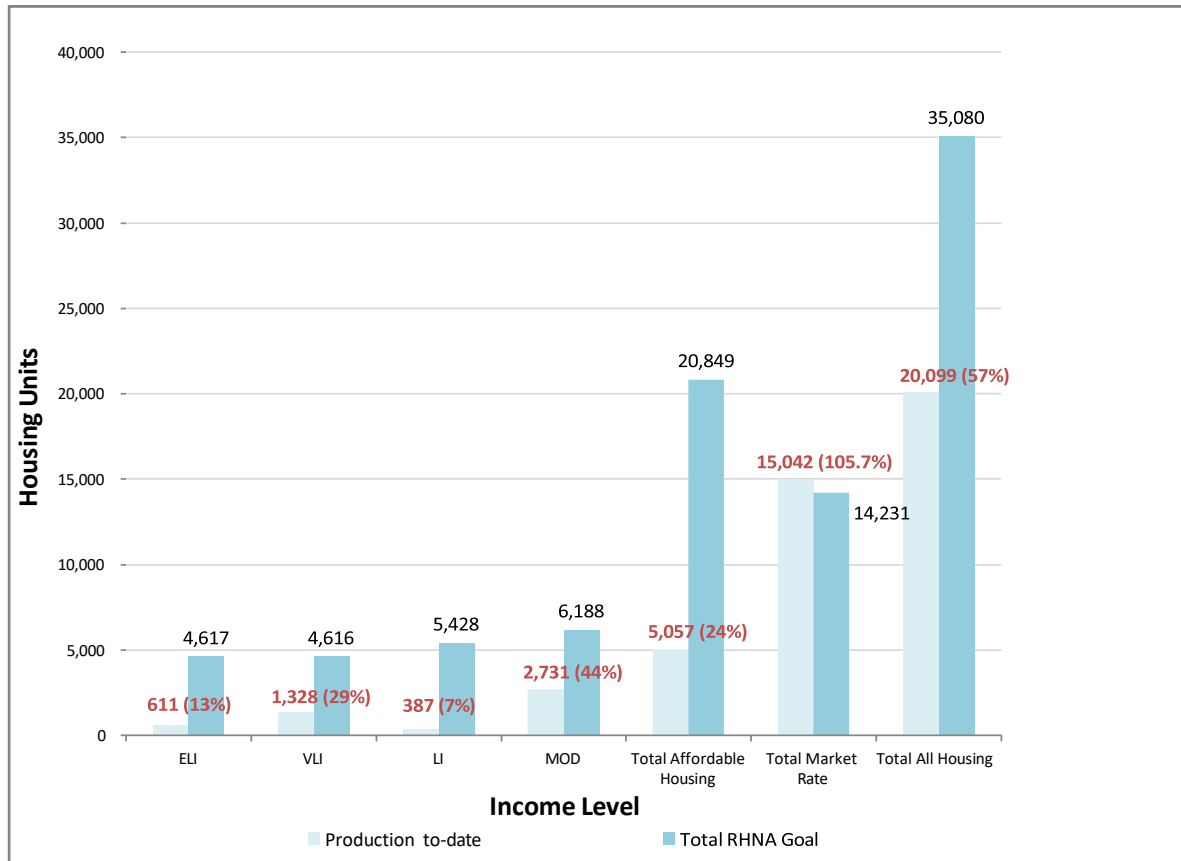
For the planning period 2023 to 2031 (also known as the 6th housing cycle), San José must plan for at least 62,200 new units, a 77 percent increase from the prior cycle's allocation of 35,080 new units. *Table 5-1* shows the income breakdown of the RHNA.

Table 5-1: San José 's 6th Cycle RHNA Targets

INCOME CATEGORY	NUMBER OF UNITS	PERCENT OF TOTAL
Very-Low Income	15,088	24%
Low Income	8,687	14%
Moderate Income	10,711	14%
Above-Moderate income	27,714	45%
Total	62,200	

SOURCE: City of San José Planning Division, 2022

The uncertainty caused by the COVID-19 pandemic continues to have a lingering effect on building permit activity. In calendar year 2021, San José issued building permits for 1,663 new residential units. Although this is a 20% increase from building permits issued in 2020 for 1,380 units, it is still lower than the average annual building permits issued in this RHNA cycle prior to 2020, which was about 2,520 permits per year. In 2021, building permits were issued for 933 market-rate units (58% of the annualized goal) and 730 affordable units (31% of the annualized goal). Economic factors such as the high cost of construction along with supply-chain issues in 2021 continued effect building permit activity. Investment in affordable housing from local and federal funding sources has helped sustain affordable housing permit activity. Overall, the City continues to be well ahead in its market-rate housing permits, although it remains behind in its affordable housing permits. During the eight years of the 8.8-year RHNA period (90% of the way through the period), the City has reached more than 105% of its total market-rate housing goal but has only reached 24% of its affordable housing goal.

Figure 5- 1 Cumulative 2014-2021 RHNA Residential Building Permit Performance

SOURCE: City of San Jose Planning Division, 2022

5.3 Sites Inventory & Methodology

The Sites Inventory is made up of four main categories discussed further below:

1. **Pipeline Approved Units:** these are units in projects that have been approved but not yet pulled building permits, under review by the Planning Division, or under construction.
2. **Projected ADUs:** Cities may consider the development potential of accessory dwelling units (ADUs) or junior ADUs (JADUs) to help meet the RHNA, using past building permit approval patterns since 2016.
3. **Alternative Sites:** these are units in a motel, hotel, or hostel that are converted with committed assistance from the city or county from nonresidential to residential by the acquisition of the unit or the purchase of affordability covenants, among other requirements.
4. **Opportunity Sites:** These are sites that either vacant or underutilized and cover the bulk of the site inventory needs.

5.3.1 Pipeline Approved Units

Jurisdictions may take RHNA credit for units that have been approved, under review, or received a certificate of occupancy since the beginning of the RHNA projection period toward meeting their RHNA allocation based on the affordability and unit count of the development. The projection period for the Association of Bay Area Governments' 6th Cycle is from June 30, 2022 to December 31, 2030, while the planning period lasts from January 31, 2023 to January 31, 2031.

San José's residential development pipeline includes many projects in various stages of the housing development process including projects that have received approvals from the City Council, Planning Commission and/or Planning Department or projects that are awaiting Planning approvals or that have filed for building permit. Projects in the pipeline range from the addition of a single unit to an existing building to new residential towers with hundreds of units. The pipeline includes both market rate and affordable developments.

Based on an analysis conducted in 2019 on approved planning entitlements, staff found that approximately 60% of those units were in construction or pre-construction stages¹. Therefore we conservatively estimate that 40 percent of the pipeline projects (under Planning review and approved but not yet filed for building permits) will not proceed to construction. These categories have therefore been discounted. The following table illustrates the breakdown of units by project status and income level. Approximately 18,300 RHNA units can be satisfied through the project pipeline.

Table 5-2: Number of Projects in the Residential Development Pipeline

Project Status	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Building permit filed	563	1,023	0	3,251	5,107
Planning Approval but no building permit yet	271	1,750	118	2,662	4,801
In Planning Review	254	1,562	88	6,484	8,388
Total	1,089	4,335	206	12,666	18,296

SOURCE: City of San José Building Division, 2022

5.3.2 Projected ADUs

In 2019, the San José City Council voted to update San José's Zoning Code regarding ADUs to align with new California State laws that went into effect in 2020. The Council further updated the Zoning Code to allow for tiny homes on wheels, a type of mobile and detached ADU. Along with these changes, City staff implemented the following: Improved the ADU program website at www.sanjoseca.gov/ADUs to clearly describe the ADU permit process.

- Launched a Preapproved ADU Program that offers fast and easy permitting of ADUs by vendors who have obtained the City's approval of ADU master plans.

¹ City Council Agenda, Sept. 24, 2019, Item 4.2, Housing Crisis Workplan Update; <https://sanjose.legistar.com/View.ashx?M=F&ID=7709215&GUID=A16E72E7-4B8A-4F9A-9B57-A7D36262211E>
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- Created an ADU Ally staff position, who helps applicants with getting permits.

Since these changes and improvements have gone into effect, ADU applications and production in San José have increased. *Table 5-3* lists the number of ADU applications and issued ADU permits by year. Since 2019, the City has issued an average of 444 building permits for ADUs per year. Based on this data, the City is projecting issuance of 3,556 ADU permits over the eight-year Housing Element planning period. The City is using ABAG's survey data¹ to distribute the projected units by income category; see *Table 5-4*.

Based on this data, the City is able to meet about 35% of its RHNA through ADUs and the pipeline, leaving another 40,352 units on the sites in the Sites Inventory, as shown in *Table 5-5*.

Table 5-3: ADU Applications and Permits Issued, 2016-2022

YEAR	APPLICATIONS SUBMITTED	BUILDING PERMITS ISSUED	CONSTRUCTION COMPLETED
2016	51	38	30
2017	179	90	78
2018	290	173	154
2019	526	352	233
2020	513	350	204
2021	806	464	268
2022 (first quarter)	860	612	236
Total	3,225	2,079	1,203

Table 5-4: Projected ADUs by Income Category

INCOME CATEGORY	PERCENTAGES	TOTALS
Very Low	30%	1,066
Low	30%	1,066
Moderate	30%	1,066
Above Moderate	10%	355
Total	100%	3,553

¹ ABAG "Using ADUs to Satisfy RHNA" technical memo, received on March 10, 2022

SOURCE: City of San José Building Division, 202

SOURCE: City of San José Building Division, 2022

Table 5-5: Contribution of Projected Pipeline Projects and ADUs to RHNA

	INCOME CATEGORY				TOTAL
	VERY LOW	LOW	MODERATE	ABOVE MODERATE	
RHNA	15,088	8,687	10,711	27,714	62,200
Pipeline/Approved Units	1,089	4,335	206	12,666	18,296
ADUs	1,065	1,066	1,066	355	3,552
Remaining RHNA	12,934	3,286	9,439	14,693	40,352

5.3.3 Adequate Alternative Sites

A jurisdiction may credit up to 25 percent of their adequate sites requirement per income category through existing units that are substantially rehabilitated, converted from market rate to affordable, converted from nonresidential to residential, or where unit affordability or spaces a mobilehome park is preserved to be counted towards the adequate sites requirement.

On September 9, 2021, the Housing and Community Development Department (HCD) released its notice of funding availability to announce the availability of approximately \$1.45 billion of Homekey grant funding through the Round 2 NOFA (Homekey 2.0). This program is a significant investment and continues a statewide effort to sustain, and rapidly expand, permanent and interim housing for persons experiencing homelessness or at risk of homelessness, and who are inherently impacted by, or at increased risk for, medical conditions due to the COVID-19 pandemic.

On May 10, 2021, HCD announced that the City and a partner developer had been awarded a Homekey 2.0 grant of \$25,238,236 to support the acquisition, rehabilitation, and operation costs for the Arena Hotel.

In April 2022, two additional HomeKey applications were submitted under the HomeKey funding second round. If funded, the 72-unit Pacific Motor Inn will provide shelter in the short term and will be converted to permanent housing for non-chronically unhoused persons. The Pavilion Inn is competing for the HomeKey homeless youth set-aside funds. If funded, the 43- unit Pavilion Inn will include both shelter beds and permanent housing units. In total, the Arena Hotel, the Pacific Motor Inn, and Pavilion Inn will contribute 204 units which are anticipated to be permanent units during the 6th Cycle timeframe. see *Table 5-6*.

Table 5-6: Alternative Sites Funded Under Project Homekey

PROJECT HOMEKEY SITE	LOCATION	NUMBER OF UNITS
Arena Hotel	817 The Alameda	89
Pacific Motor Inn	455 S. 2 nd Street	72
Pavilion Inn	1280 N. 4 th Street	43
Total		204

The City will meet about 35% of its RHNA through ADUs, the pipeline, and alternative sites, leaving another 40,147 units on the sites in the site inventory. The *Table 5-7* below describes this in detail:

Table 5-7: RHNA Targets by Type

	INCOME CATEGORY				TOTAL
	VERY LOW	LOW	MODERATE	ABOVE MODERATE	
RHNA	15,088	8,687	10,711	27,714	62,200
Pipeline/Approved Units	1,089	4,335	206	12,666	18,296
ADUs	1,066	1,066	1,066	355	3,553
Alternative Sites	0	204	0	0	204
Remaining RHNA	12,934	3,286	9,439	14,693	40,147

5.3.4 Opportunity Sites

State law requires each jurisdiction to demonstrate that sufficient land is zoned to provide housing capacity that is adequate to meet the RHNA for each income level. To determine housing capacity, City staff and the consultant team at Tolemi conducted a comprehensive inventory of all vacant and non-vacant developable land within the City limits that allows for housing and available to develop within the Housing Element planning period. This section describes the methodology used to calculate the housing capacity on developable housing sites.

The final list of sites can be found in Appendix F and online at www.sanjoseca.gov/housingelementupdate.

As *Table 5-8* demonstrates, the Housing Element is able to accommodate the City's share of RHNA at all income levels. The combined buffer is 19.5%, with income category buffers of 31%, 41%, and 1% for lower, moderate, and above moderate income units, respectively.

Table 5-8: Summary of Residential Capacity to Accommodate 2023-2031 RHNA

UNIT CATEGORY	LOWER	MODERATE	ABOVE MODERATE	TOTAL
Pipeline/Approved Units	5,424	206	12,666	18,296
ADUs	2,131	1,066	355	3,552
Alternative Sites	204	0	0	204
Opportunity Sites	23,431	13,842	15,005	52,278
Total	31,190	15,114	28,026	74,330
<i>Buffer</i>	31%	41%	1%	

Methodology for Opportunity Sites. City staff focused the inventory of opportunity sites to those primarily located in Growth Areas and Urban Villages where the City encourages most new housing to align with the General Plan’s *Major Strategy #3 Focused Growth*, among others. These areas include:

- North San Jose;
- Downtown and Diridon Station Area;
- Specific Plan Areas;
- Neighborhood Business Districts (NBDs);
- Urban Villages with adopted plans (“Planned UVs”);
- Urban Villages without adopted plans (“Unplanned UVs”);
- A number of sites outside of growth areas are included, specifically those sites that are consistent with General Plan Policy H-2.9 (1.5-ac Rule) and those that can accommodate smaller unit projects, consistent with smart growth goals; and
- City-owned sites that are part of the Housing Department’s December 2021 Request for Proposals for development of affordable housing (RFP# CSJ HSG 12-17-21).

When identifying sites for the inventory, City staff filtered for parcels that had characteristics more conducive to development during the planning period. While the exact methods varied depending on location, they generally included filtering out properties that already had multifamily uses, were on the Major Development Projects list, had Planning permits issued within the last 4 years, had new construction Building permits in the last 8 years, and were smaller than 0.5 acres. Exceptions to this are sites in Downtown and the Diridon Station Area Plan (which only remove sites if they were smaller than the smallest site developed during the last planning period and added a new filter for historic buildings), North San José (where site identification is proceeding in conjunction with a separate zoning update), and planned Urban Villages (where sites were limited only to those planned or intended for residential development).

To calculate the realistic capacity of the selected parcels, the City leveraged the BuildingBlocks platform from Tolemi, which integrates data from various City systems on parcel zoning, General Plan, and Urban Village designations; allowable density & floor area ratios; historic Planning and Building permits; property sales; businesses & employee counts; and other parcel-level factors into a map-based analytical & data modeling tool. The City was already using BuildingBlocks to identify Housing Opportunity Sites and to build the Housing Site Explorer tool. The City worked with data engineers from Tolemi to design a three-step methodology to estimate density of future development based on historic trends.

1. First, allowable residential unit capacity (“Allowable Capacity”) was calculated for all draft inventory parcels using the parcel size and prevailing law, policy, procedure, or other regulation—typically either the General Plan designation, Approved Urban Village, or one of three policy exemptions—that specifies the allowable density and/or floor area ratio (FAR).
2. Second, the City looked to historic production trends and build-out yields to inform realistic (versus potential) capacity calculations. For each parcel in the Draft Inventory, BuildingBlocks identified a set of five similar properties (“Comparables”) where residential development had occurred in the previous Housing Element Cycle (Jan. 1, 2014 through Dec. 31, 2021). These Comparables were based on thirteen property attributes:

- Urban Village, Growth Area, or Specific Plan Area name
- Allowable density
- In Urban Village or Growth Area (yes/no)
- General Plan designation
- Lot size
- Current use
- Available Unit Capacity (Allowable Capacity minus existing residential units pre-development)
- Commercial occupancy
- Assessed value per square foot
- Existing residential units
- Last sales price per square foot
- Last sale date
- Owner characteristics (property count, location, business entity type)

A “Match Score” measures the similarity of two parcels across these factors, then identifies the top five Comparables for each parcel in the Draft Inventory.

3. Finally, for each Comparable, the actual residential dwelling units per acre that were developed during the last Housing Element was calculated. This approach required some re-assembly of large sites that were subdivided into single- and multi-family residential parcels and research to determine allowable density at the time of redevelopment. For every parcel in the Draft Inventory, density was averaged across the five Comparables, then used to calculate a realistic density estimate based on the parcel’s specific attributes and its pool of Comparables.

5.4 Non-Vacant Sites

San José reflects a built-out community with little land available for greenfield development. This condition is reflected in the General Plan through Major Strategy #3 - Focused Growth². As such the majority of sites in the inventory are non-vacant sites.

A review of major residential development projects from the last five years shows that existing prior uses such as retail, office, or single-family homes, do not significantly impede additional residential development on a site. As shown in Table 1 in Appendix K, the majority of sites currently under construction had existing active uses. The value of the land as residential and the opportunity for new housing often exceeds the value of current uses. It is important to note that existing residential uses on potential redevelopment sites can be considered an impediment, especially those sites that require compliance with the City’s Ellis Act Ordinance and relocation provisions. However, to ensure realistic development, the draft sites inventory does not contain parcels with more than two existing residential units.

The City has also recently taken several steps to encourage and facilitate more affordable housing projection. In 2020 and 2021, the City Council revised General Plan Policies (IP-5.12 and H-2.9) to eliminate commercial requirements for one-hundred percent affordable, deed restricted multifamily housing. While these two policies are geographically focused in late 2021 City Council directed staff to eliminate

² *Envision San José 2040 General Plan*, page 16.
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commercial requirements for affordable developments citywide. Planning staff anticipates preparing a policy to that effect and presenting it to the City Council for approval by the end of 2022.

5.5 Rezoning for Inventory Sites

As shown in Appendix F, several opportunity sites in the inventory have a zoning that is inconsistent with the General Plan, or a zoning that does not allow for residential uses. City staff are currently working to align the general plan and zoning and anticipates completing this work by January 2023. There are also a number of sites in the inventory that were previously used in the 5th cycle and thus require a rezoning to allow for by-right uses. This rezoning will be completed prior to the formal adoption of the Housing Element by City Council.

Opportunity sites within Unplanned Urban Villages and those that qualify for affordable housing under General Plan Policy H-2.9 generally have a CP Commercial Pedestrian zoning. This zoning district prohibits residential, mixed-uses unless the site is consistent with General Plan Policy IP-5.12 and General Plan Policy H-2.9, respectively. These policies act as a housing overlay to these sites.

Staff is currently developing a housing and affordable housing overlay for sites in North San José that currently have a land use designation that does not allow residential uses. This work will be completed prior to or concurrent with the adoption of the Housing Element by the City Council in 2023.

5.6 Sites and Affirmatively Furthering Fair Housing

The Site Inventory, along with other portions of the Housing Element, must include an analysis and determination of consistency with Affirmatively Furthering Fair Housing (AFFH) requirements as set forth in Assembly Bill 686 (2018). Affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (Government Code Section 8899.50(a)(1)).

To comply with AFFH requirements, the Site Inventory must identify sites to accommodate housing development throughout the City in a manner that affirmatively furthers fair housing opportunities. HCD has advised that this means that sites identified to accommodate the lower-income portion of the RHNA should not be concentrated in lower-resource areas as defined by the State's [Opportunity Maps](#). Sites identified to accommodate the lower income RHNA must be distributed throughout the community in a manner that affirmatively furthers fair housing, for example, locating in well-resourced areas.

The Inventory was developed in a manner consistent with the state mandate to affirmatively further fair housing (AFFH), pursuant to State law. Given the City's inability to meet the 5th cycle RHNA for lower- and moderate-income households, an emphasis was placed on locating sites

appropriate for these income groups, particularly in higher resource areas. However, increasing access to existing high resource neighborhoods represents just one strategy to increase access to opportunity for lower-income households. The City is also committed to investing in “lower resource” neighborhoods to increase opportunity for the existing residents of those neighborhoods, as described further in Chapter 3 Goals, Strategies, Policies & Programs.

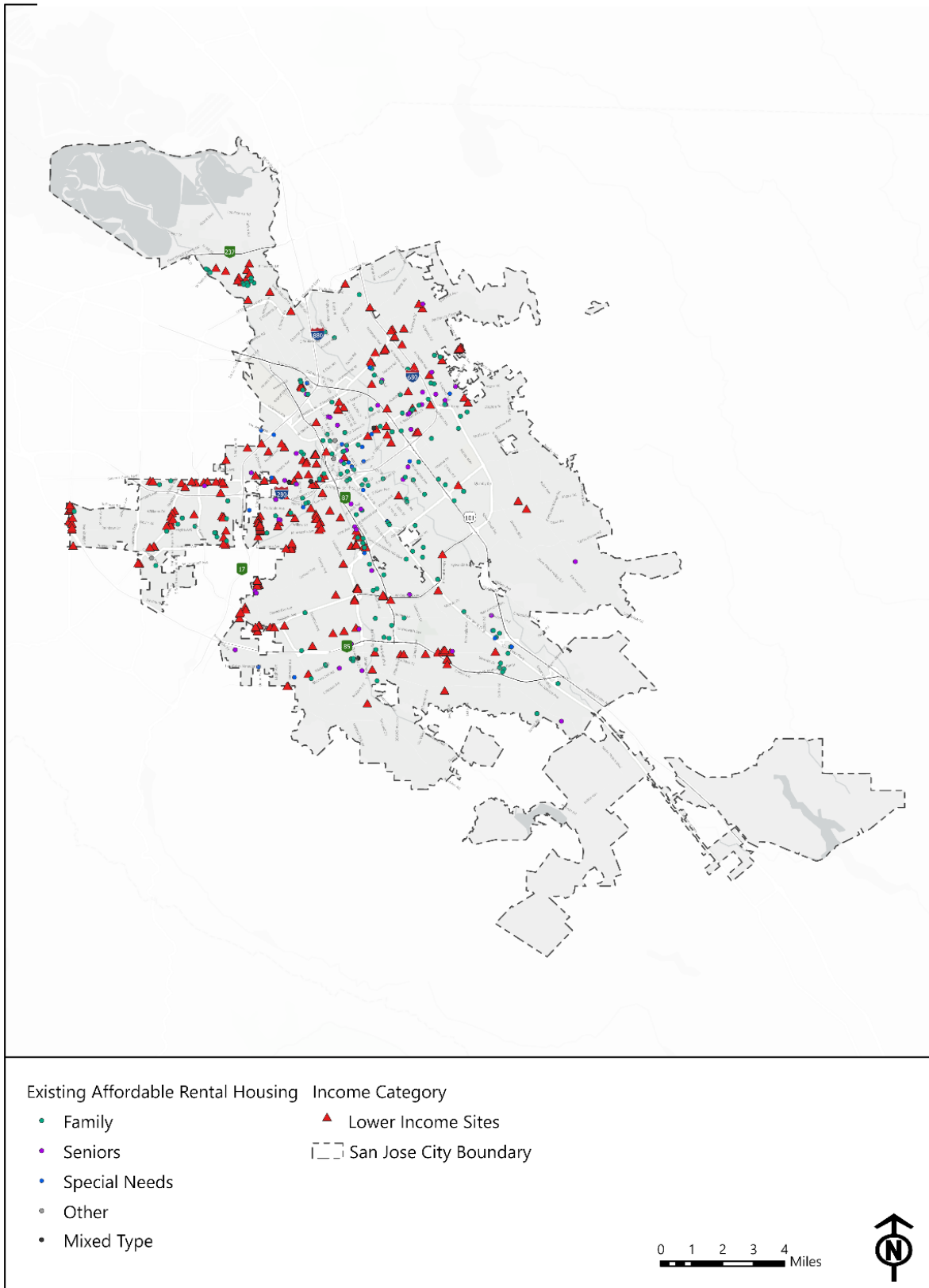
An affirmative effort was made to locate affordable housing in higher resource neighborhoods to reduce patterns of exclusion and segregation, and the City remains committed to increasing opportunity in neighborhoods that have experienced historic disinvestment. Providing opportunity for lower-income households must be a multipronged approach – the provision of affordable housing in areas that are already higher resourced must be coupled with continued investments in place-based strategies for historically marginalized neighborhoods.

This section analyzes the performance of the Site Inventory on several metrics, both in terms of unit and site distribution. Together, they demonstrate that the Site Inventory fulfills the requirements of State law in countering segregation and creating opportunities for all, especially lower-income households.

5.6.1 Integration and Segregation Trends

As Figure 5-1 below illustrates, there is no significant clustering of lower income sites in areas where there is already affordable housing. The Site Inventory branches out from the distribution of affordable housing to date and sites more affordable homes in the peripheral areas of San José where incomes are higher. The impact of this is reflected in the following statistics on unit and site distribution.

Figure 5- 2 Existing Affordable Rental Housing & Lower Income RHNA sites



5.6.2 Racially/Ethnically Concentrated Areas of Poverty (RECAPs) and Racially Concentrated Areas of Affluence (RCAs)

At all income levels, the overwhelming majority of sites inventory units are not in Census tracts designated as racially/ethnically concentrated areas of poverty (RECAPs). At most, 22.0% of moderate income units are anticipated to be RECAP tracts. As shown in *Table 5-9*, the City's planned development over the eight-year period will not result in concentrated development in vulnerable areas. While far smaller shares of units are in City-defined racially concentrated areas of affluence (RCAs), subsequent sections illustrate how the site inventory sites a large share of units in higher-resource and exclusive neighborhoods, dismantling barriers to opportunity.

Table 5-9: Site Inventory Units by RECAP/RCA Status (total and percentage)				
	In a RECAP	In a San José Defined RCA	In neither a RECAP nor RCA	TOTAL
Lower Income	1,127	377	21,927	23,431
	(4.8%)	(1.6%)	(93.6%)	
Moderate Income	3,052	7	10,783	13,842
	(22.0%)	(0.1%)	(77.9%)	
Above Moderate Income	153	0	14,852	15,005
	(1.0%)	(0.0%)	(99.0%)	
Total	4,332	384	47,562	52,278
	(8.3%)	(0.7%)	(91.0%)	

Figures 5-2 and 5-3 illustrate that the Site Inventory distributes sites by income and racial predominance without excessive concentration. Quantitative data regarding the Site Inventory and median household income is tabulated in Table 9 below. The distribution of sites by RECAP tract resembles that of units. The income level with the largest share of sites in a RECAP tract, moderate income, has just 17.7% of sites. The income level with the largest share of sites in an RCA tract, lower income, has 2.7%.

Figure 5- 3 Distribution of Sites by Income Category and Median Household Income

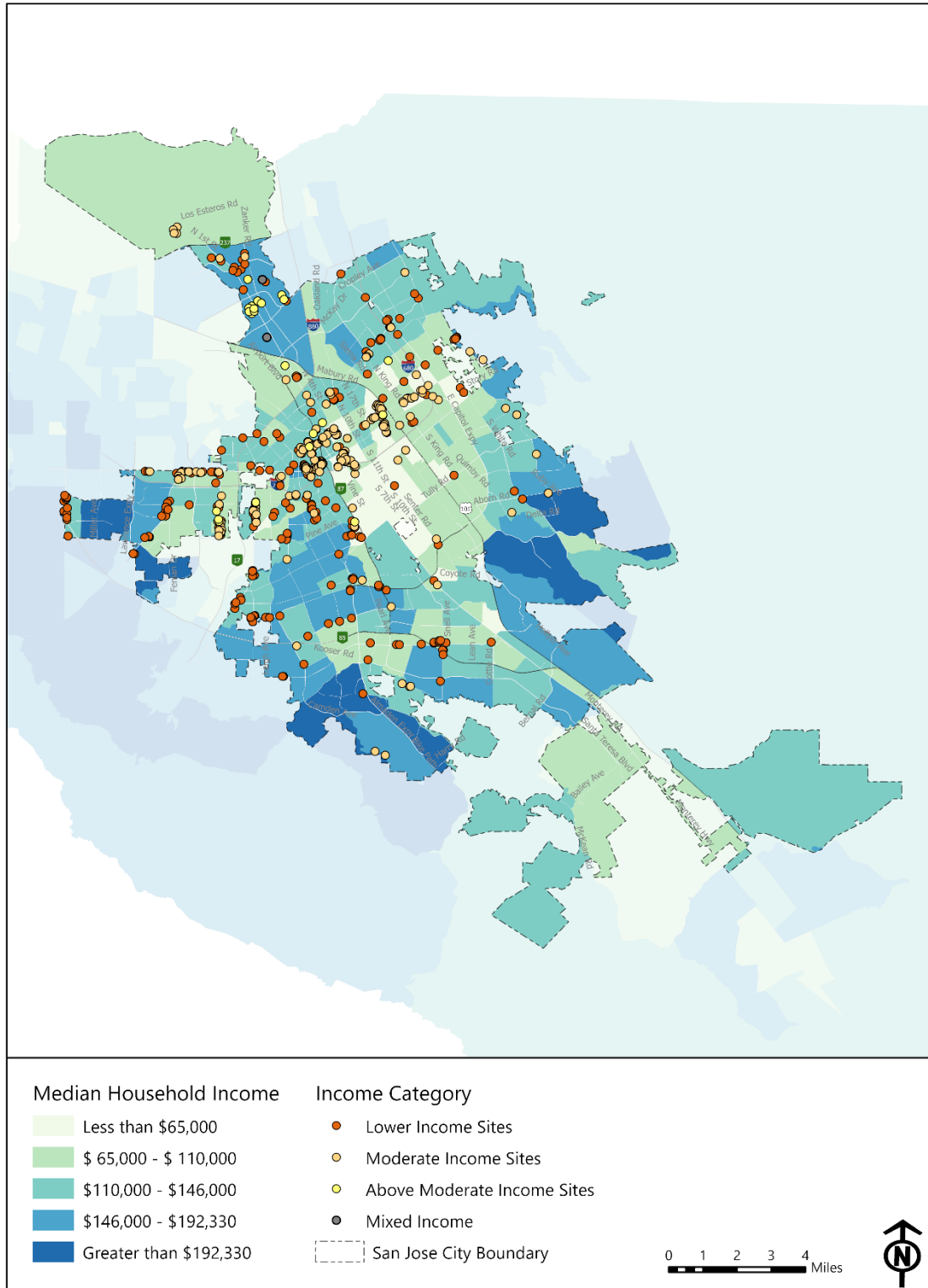


Figure 5- 4 Distribution of Sites by Income Category and Predominant Race

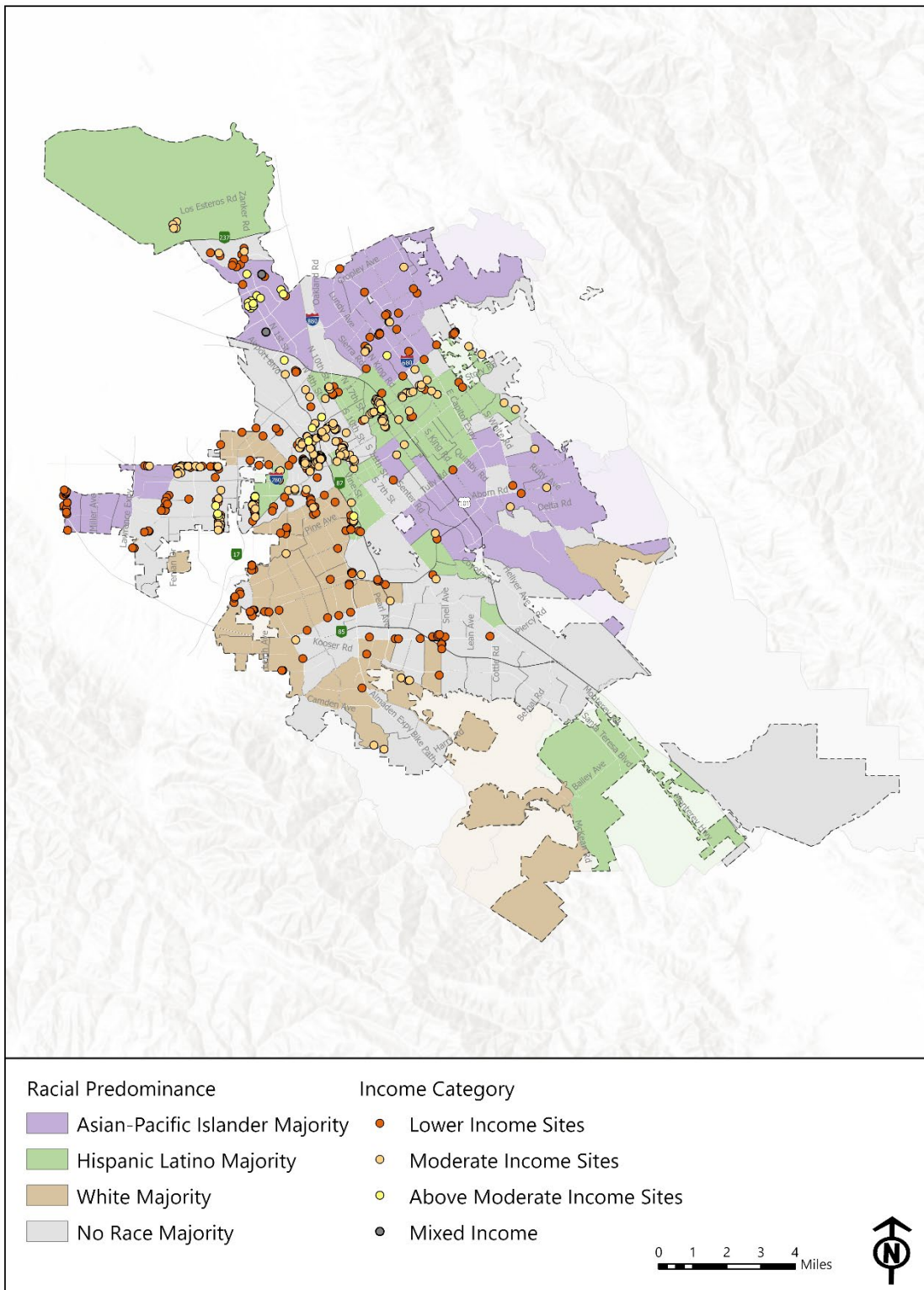


Table 5-10: Site Inventory Units by RECAP/RCAA Status (total and percentage)

	Less than \$65,000	\$65,000- \$110,00	\$110,000 - \$146,000	\$146,000- \$192,330	Greater than \$192,330	N/A	Total
Lower Income	21 (9.4%)	72 (32.1%)	57 (25.4%)	61 (27.2%)	12 (5.4%)	1 (0.4%)	224
Moderate Income	118 (47.4%)	46 (18.5%)	29 (11.6%)	49 (19.7%)	7 (2.8%)	0 (0.0%)	249
Above Moderate Income	9 (15.5%)	13 (22.4%)	22 (37.9%)	13 (22.4%)	1 (1.7%)	0 (0.0%)	58
Grand Total	148 (27.9%)	131 (24.7%)	108 (20.3%)	123 (23.2%)	20 (3.8%)	1 (0.2%)	531

Table 5-11: Site Inventory Sites by RECAP/RCAA Status (total and percentage)

	In a RECAP	In a San José Defined RCAA	In neither a RECAP nor RCAA	Total
Lower Income	12 (5.4%)	6 (2.7%)	206 (92.0%)	224
Moderate Income	44 (17.7%)	2 (0.8%)	203 (81.5%)	249
Above Moderate Income	1 (1.7%)	0 (0.0%)	57 (98.3%)	58
Grand Total	57 (10.7%)	8 (1.5%)	466 (87.8%)	531

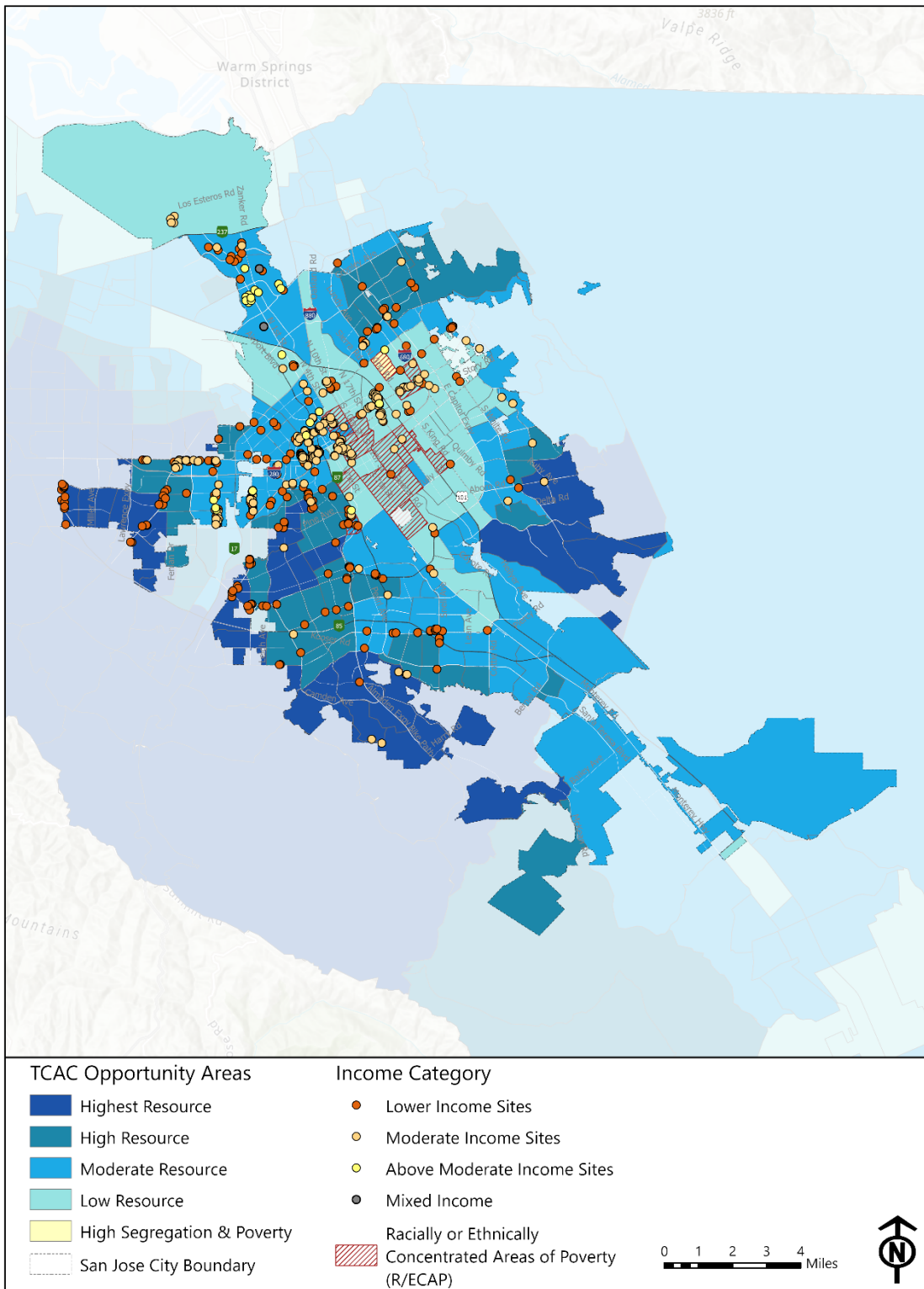
5.6.3 Disparities in Access to Opportunity

Table 5-12 below illustrates that the draft Housing Element sites inventory will not result in an over-concentration of lower-income housing development in low-resource areas as defined by TCAC. To the contrary, the overwhelming majority (87.6%) of planned lower-income homes are sited in Census tracts that are at least moderate resource, and a large share (42.4%) are sited in tracts that are at least high resource, that would give residents greater access to quality jobs, schools, and other resources. Just 4.5% of market-rate units are planned in low-resource tracts, minimizing the risk that new market-rate development will cause gentrification and displacement.

Table 5-12: Site Inventory Units by TCAC Resource Level (total and percentage)

	Low Resource	Moderate Resource	High Resource	Highest Resource	Total
Lower income	2,893	10,593	8,605	1,340	23,431
	12.3%	45.2%	36.7%	5.7%	
Moderate Income	9,578	3,776	474	14	13,842
	69.2%	27.3%	3.4%	0.1%	
Above Moderate Income	673	12,176	2156	0	15,005
	4.5%	81.1%	14.4%	0.0%	
Total	13,144 (25.1%)	26,545 (50.8%)	11,235 (21.5%)	1,354 (2.6%)	52,278

Figure 5- 5 Distribution of Site by Income Category and TCAC Opportunity Areas



Like with units, most sites are not in low resource areas. *Table 5-13* shows that the share of lower-income sites that are not located in low-resource areas is 83.0%, reducing concentrations of poverty going forward. The share of lower-income sites that are located in Census tracts that are high or highest resource is 42.9%, giving residents greater access to opportunity, while 84.4% of market-rate sites are not in low-resource areas. Differences in percentages between units and sites suggest that sites in low-resource areas tend to be less dense than those in higher-resource areas. An exception to this are moderate-income sites in low-resource areas, which are denser in low-resource areas.

Table 5-13: Site Inventory Sites by RECAP/RCAA Status (total and percentage)

	Low Resource	Moderate Resource	High Resource	Highest Resource	Total
Lower income	38 (17.0%)	90 (40.2%)	79 (35.3%)	17 (7.6%)	224
Moderate Income	166 (66.7%)	64 (25.7%)	16 (6.4%)	3 (1.2%)	249
Above Moderate Income	9 (15.5%)	47 (81.0%)	2 (3.4%)	0 (0.0%)	58
Total	213 (40.1%)	201 (37.9%)	97 (18.3%)	20 (3.8%)	531

5.6.4 Disproportionate Housing Needs/Displacement Risk

As *Table 5-14* below demonstrates, the sites inventory does not place a majority of units in Census tracts that are at risk of displacement, with just 32.0% of units being in those tracts. Instead, most units across all income categories are planned for tracts that are not vulnerable to displacement. In particular, just 16.5% of above-moderate income units are in tracts that are vulnerable to displacement, while the income category with the highest share of units in tracts that are vulnerable to displacement – moderate income – tops out at 42.8%.

Table 5-14: Site Inventory Units by Urban Displacement Project Typology (total and percentage)

	Vulnerable to Displacement ³	Not Vulnerable to Displacement ⁴	Unavailable or Unreliable Data	Total
<i>Lower income</i>	8,306 (35.4%)	12,474 (53.2%)	2,651 (11.3%)	23,431
<i>Moderate Income</i>	5,927 (42.8%)	7,915 (57.2%)	0 (0.0%)	13,842
<i>Above Moderate Income</i>	2,476 (16.5%)	10,377 (69.2%)	2,152 (14.3%)	15,005
Total	16,709 (32.0%)	30,766 (58.9%)	4,803 (9.2%)	52,278

³ Typologies that are Vulnerable to Displacement are defined as "Advanced Gentrification," "At Risk of Becoming Exclusive," "At Risk of Gentrification," "Becoming Exclusive," "Early/Ongoing Gentrification," "Low-Income/Susceptible to Displacement," and "Ongoing Displacement."

⁴ Typologies that are Not Vulnerable to Displacement are all those that are not Vulnerable to Displacement other than "Unavailable or Unreliable Data."

As noted in the *Table 5-15*, for lower-income sites, 54.5% of sites are in tracts that are not vulnerable to displacement, meaning sites are less dense non-vulnerable tracts than those that are vulnerable. Moderate-income sites have most sites in non-vulnerable tracts at 61.4%, while 38.6% that are vulnerable, which means moderate-income sites are less dense in non-vulnerable tracts than they are in vulnerable tracts. 55.2% of above-moderate income sites non-vulnerable tracts, and the share in vulnerable tracts n is 43.1%, meaning above-moderate income sites are denser in non-vulnerable tracts and less dense in vulnerable tracts. However, the difference in percentages across all income categories is not significant.

Table 5-15: Site Inventory Sites by Urban Displacement Project Typology (total and percentage)

	Vulnerable to Displacement ⁵	Not Vulnerable to Displacement ⁶	Unavailable or Unreliable Data	Total
<i>Lower income</i>	97 (43.3%)	122 (54.5%)	5 (2.2%)	224
<i>Moderate Income</i>	96 (38.6%)	153 (61.4%)	0 (0.0%)	249
<i>Above Moderate Income</i>	25 (43.1%)	32 (55.2%)	1 (1.7%)	58
<i>Total</i>	218 (41.1%)	307 (57.8%)	6 (1.1%)	531

⁵ Typologies that are Vulnerable to Displacement are defined as "Advanced Gentrification," "At Risk of Becoming Exclusive," "At Risk of Gentrification," "Becoming Exclusive," "Early/Ongoing Gentrification," "Low-Income/Susceptible to Displacement," and "Ongoing Displacement."

⁶ Typologies that are Not Vulnerable to Displacement are all those that are not Vulnerable to Displacement other than "Unavailable or Unreliable Data."

Figure 5- 6 Distribution of Sites by Income Category and Simplified Urban Displacement Project Typology

