
MEETING SUMMARY

Anti-Displacement Stakeholder Advisory Committee

Meeting #3 - Thursday, June 17th, 2021

6:00 pm – 7:30 pm via Zoom

The City of San José hosted the third Stakeholder Advisory Committee (SAC) meeting as part of the City’s Anti-Displacement Working Group. This group is tasked with offering input on the design of a realistic Community Opportunity to Purchase program that balances the needs and desires of tenants, property owners, brokers, realtors, and housing advocates. A copy of the PowerPoint can be found [here](#).

Attendance

Over 40 community leaders from diverse sectors attended the meeting. Among those invited included housing advocates, property owners, affordable and market rate developers, philanthropic leaders, realtors, community-based organizations, and business leaders.

Baird + Driskell Community Planning facilitated the meeting with assistance from the City of San José Housing Department staff. These notes were prepared by Baird + Driskell for the City of San José.

Introduction

Following a welcome and introductions, the facilitator revisited the ground rules the group established previously at the first SAC meeting. Later, participants heard a recap of previous discussions and the plan for future topics.

Eligible Property Types

Partnership for the Bay's Future (PBF) Challenge Grant Fellow with the City of San José, presented background information about which types of properties (e.g., single-family homes, duplexes, etc.) might be included in the COPA program. Participants then completed a series of interactive exercises via an online program called Mural to share their thoughts.

Activity 1 - Should small buildings be included in the program (e.g., single family homes, duplexes, triplexes)? Participants listed the pros and cons of including single-family homes (SFH) and duplexes, triplexes, and quadplexes in the program. (Most likely if SFHs are included, it would be a subset, such as corporate-owned units, for example.) Generally, there was a group

of stakeholders who felt it was important to include these smaller buildings and felt all property types should be included in the program. They talked about SFHs being important to families, especially those living multi-generationally. They understood that from a cost perspective, these units were more expensive, but they believed it was still worthwhile to include them. The biggest drawbacks that people mentioned were cost effectiveness, the regulatory burden on small owners, the faster timeline of these sales and challenges with realtor rules. A summary of points is below.

- **Pros**
 - **Combatting corporate speculation**— At times, SFHs are targeted by speculative corporate investors, driving up their costs and making them out of reach for many potential homeowners.
 - **Proportion of housing stock**— Small properties make up the majority of the City’s rental units and are the only option in many of the City’s neighborhoods.
 - **Stability for families and children**— Tenants in smaller properties are often families and children, so including these properties in the program would give this sector of the community stability.
- **Cons**
 - **Burden on small owners**— Many small units are owned by individuals or small-time owners who could be burdened by the costs and timeline of a COPA program.
 - **High price per units**— SFHs/duplexes/triplexes are more expensive, which would make them relatively inefficient as part of the program.
 - **Realtor rules**— A poorly designed program could lead to violation of the Multiple Listing Service Clear Cooperation Rule.
 - **Management of units**—It might be hard for nonprofits to manage scattered units.
 - **Timelines**— Small properties tend to close quickly, making it hard for qualified nonprofits to buy.
 - **Homeownership opportunities**— Including large numbers of small properties in the program may limit homeownership opportunities for potential homeowners in San José.

Activity 2 - Should large properties be exempt from COPA? Participants listed the pros and cons of including large properties in the program. In some cases, participants had conflicting understandings regarding state and local anti-displacement protections of tenants in large properties.

- **Pros**
 - **Best price per unit**— Large buildings are an efficient use of public dollars, offering the best price per unit, and can attract more sources of conventional financing.

- **Broad impact**— Including large properties expands the reach of the program, impacting more residents.
- **Anti-displacement and neighborhood stabilization**— Including large properties can help reduce displacement and keep communities together especially because tenants in these buildings are protected by current state and local anti-displacement laws.
- **Opportunity for tenant empowerment**— Larger buildings with a greater number of tenants creates opportunities for tenant organizing and potentially housing co-ops in the future.
- **Ease of management**— Larger buildings are easier to manage and provide tenant services.
- **Cons**
 - **Existing anti-displacement protections**— Tenants in large buildings may already be protected by state and local anti-displacement laws.
 - **Availability of funding**— These buildings are more expensive and the necessary funding may not be available.
 - **Perception of COPA and potential resistance**— Institutional owners, brokers, and sellers may be resistant and view COPA as a burden.

Activity 3 - Should COPA target properties of certain sizes?

Participants were asked which types of properties they would purchase if they were running the COPA program. The options were grouped so the costs were the same (e.g., 10 single-family homes or one 40-unit building). They were allowed to vote up to three times, including multiple votes in one category. Votes in green are from the meeting participants and votes in blue are from San José staff. Based on participant feedback, the exercise was edited in real time to 1) change bedroom assumptions and 2) include an option for properties with 50 or more units.

The activity results are summarized below with community member votes listed first followed by City of San José staff votes.

• Single family homes (10 homes)	9
• Duplex (16 homes/8 buildings)	4
• Triplex (21 homes/7 buildings)	7 (1 staff votes)
• Small apartment (25 homes in 2 buildings)	14 (4 staff votes)
• Midsized apartment (40 homes in 1 building)	16 (4 staff votes)
• Large apartment (50+ homes)	5

Next Steps

The next SAC meeting is scheduled for Thursday August 19th from 6:00 - 7:30 pm via Zoom.