

District 1 — Roma Dawson (VC)

District 3 — Barry Del Buono

District 5 — Ruben Navarro

District 7 — Victoria Partida

District 9 — Don Jackson

Mayor — Zenia Cardoza

Lived Experience (Mayor) — Sketch Oppie

Lived Experience Alternate (Mayor) — Jerome Shaw

(C) Alex Shoor — District 2

Linh Vong — District 4

Andrea Wheeler — District 6

Huy Tran — District 8

Roberta Moore — District 10

Daniel Finn — CAAC MR

Ryan Jasinsky — CAAC ML

Commissioners are appointed by corresponding Council Members, but do not need to reside in that Council District.

REGULAR MEETING AGENDA

JUNE 8, 2023

Virtual [Zoom Link](#)

Start time: 5:45 PM

Web ID: **940 5398 8541**

Location: City Hall Tower 5th Floor, Room 550

888-475-4499 (Toll Free)

Members of the public have a choice to attend the meeting either in person at the location listed above, or to attend virtually, viewing and listening to the meeting by following the instructions below. Additional instructions are provided below to those members of the Public who would like to comment on items on the agenda.

How to attend the Housing & Community Development Commission Meeting:

- 1) **In person:** For participants that would like to attend in person, the physical location is listed on the upper left of this page.
- 2) **Electronic Device Instructions:** For participants who would like to join electronically from a PC, Mac, iPad, iPhone, or Android device, please click this URL: [Zoom Link](#).
 - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
 - b. Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak.
 - c. When the Chair calls for the item on which you wish to speak, click on “raise hand.” Speakers will be notified shortly before they are called to speak.
 - d. When called, please limit your remarks to the time limit allotted.
- 3) **Telephone Device Instructions:** For participants who would like to join on their telephones, please dial **888-475-4499 (Toll Free)** and when prompted, enter meeting Webinar ID: **940 5398 8541**. You may also **press *9 to raise a hand to speak**.
- 4) **Public Comments prior to meeting:** If you would like to submit your comments prior to the meeting, please e-mail Luisa.Cantu@sanjoseca.gov or call **(408) 535-8357 no less than 90 minutes before the start of the meeting**. Comments submitted prior to the meeting will be considered as if you were present in the meeting.

Note that the times for items shown below are approximate and intended only to notify the Commission of the approximate amount of time staff expects each item might take. Please note that items may be heard before or after the times shown, and plan accordingly.

APPROX. TIME	AGENDA ITEM
5:45	<p>I. Call to Order & Orders of the Day</p> <p style="padding-left: 40px;">A. Chair reviews logistics for Zoom meetings</p>
5:46	<p>II. Introductions and Roll Call</p>
5:50	<p>III. Consent Calendar</p> <p style="padding-left: 40px;">A. Approve the Minutes for the Regular Meeting of May 11, 2023 ACTION: Approve the May 11, 2023 action minutes.</p> <p style="padding-left: 40px;">B. Rent Stabilization Program Fiscal Year 2022-23 Quarter 3 Report for Apartments, Including the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance (N. Padilla, Housing Department) ACTION: Review the report on the Rent Stabilization Program for apartments in Quarter 3 of Fiscal Year 2022-2023 and provide possible recommendations to staff.</p> <p style="padding-left: 40px;">C. Rent Stabilization Program Fiscal Year 2022-23 Quarter 3 Report for Mobilehomes (E. Guzman, Housing Department) ACTION: Review the report on the Rent Stabilization Program for mobilehomes in Quarter 3 of Fiscal Year 2022-2023 and provide possible recommendations to staff.</p>
6:05	<p>IV. Reports and Information Only</p> <p style="padding-left: 40px;">A. Director</p> <p style="padding-left: 80px;">i. Update on recruitment for open Commission seats</p> <p style="padding-left: 40px;">B. Council Liaison</p> <p style="padding-left: 40px;">C. Chair</p>
6:15	<p>V. Open Forum</p> <p><i>Members of the Public are invited to speak on any item that does <u>not</u> appear on today's Agenda and that is within the subject matter jurisdiction of the Commission. Meeting attendees are usually given two (2) minutes to speak during Open Forum; however, the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate due to a large number of speaker requests.</i></p>

- 6:20 VI. Old Business
VII. New Business

- 6:25 A. **Outgoing Commissioner Recognition**
(K. Clements, Housing Department)
ACTION: None. (No memo)

- 6:45 B. **Elections for Chair and Vice Chair for Fiscal Year 2023-2024**
(K. Clements, Housing Department)
ACTION: Make nominations for and hold elections for positions of Chair and Vice Chair of the Commission to serve in Fiscal Year 2023-2024 commencing with the first Commission meeting after the June regular meeting.

- 7:15 C. **Draft 2023-2031 Housing Element**
(J. Ishimatsu, Housing Department)
ACTION: Review the Draft 2023-2031 Housing Element and the Planning Commission Memorandum dated May 24, 2023, and recommend the City Council approve the Housing Element.

- 9:50 D. **Open Forum**
Members of the Public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter jurisdiction of the Commission (per [Section 2.08.2840](#) of the San José Municipal Code). Meeting attendees are usually given two (2) minutes to speak during Open Forum; however, the time limit is in the discretion of the Chair of the meeting, and may be limited when appropriate due to a large number of speaker requests.

- 9:55 E. **Meeting Schedule**

The next Commission meeting will be a Special Meeting for the Commission's Annual Retreat at a date and time To Be Determined in July or August.

The next **Regular Meeting** for the Commission is scheduled to be held on **Thursday, August 8, 2023, at 5:45 p.m. in room T-550 at San José City Hall, 200 E. Santa Clara St., San José, CA 95113.** Items tentatively expected to be heard are:

- Housing Catalyst Work Plan
- Draft Assessment of Fair Housing Plan
- Rent Stabilization Program Annual Report FY 2021-2022
- Rent Stabilization Program Draft Three-Year Strategic Plan

10:00 F. Adjournment

The City's [Code of Conduct](#) is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

You may speak to the Commission about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the Commission. Please be advised that, by law, the Commission is unable to discuss or take action on issues presented during Open Forum. Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the Commission unless listed on the agenda, which has been posted not less than 72 hours prior to meeting. Agendas, Staff Reports and some associated documents for the Commission items may be viewed on the Internet at <http://www.sanjoseca.gov/hcdc>. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Commission.

Correspondence to the Housing & Community Development Commission is public record and will become part of the City's electronic records, which are accessible through the City's website. Before posting online, the following may be redacted: addresses, email addresses, social security numbers, phone numbers, and signatures. However, please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the Housing & Community Development Commission, will become part of the public record. If you do not want your contact information included in the public record, please do not include that information in your communication.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk, 200 East Santa Clara Street, 14th Floor, San José, California 95113, at the same time that the public records are distributed or made available to the legislative body. Any draft resolutions or other items posted on the Internet site or distributed in advance of the Commission meeting may not be the final documents approved by the Commission. Contact the Office of the City Clerk for the final document.

On occasion, the Commission may consider agenda items out of order.

The Housing & Community Development Commission meets every second Thursday of each month (except for July and sometimes December) at 5:45pm, with special meetings as necessary. If you have any questions, please direct them to the Commission staff. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

To request translation or interpretation services, accommodation, or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events, or printed materials, please call (408) 535-1260 as soon as possible, but at least three business days before the meeting. Please direct correspondence, requests, and questions to:

Attn: Luisa Cantu
200 East Santa Clara Street, 12th Floor
San José, California 95113
Tel: (408) 535-8357
Email: Luisa.Cantu@sanjoseca.gov

Para residentes que hablan español: Si desea mas información, favor de llamar a Luisa Cantu al 408-535-8357.

Tiếng Việt: Xin vui lòng liên lạc Janie Le tại 408-975-4462.

對於說華語的居民: 請電 408-975-4450 向 Ann Tu 詢問詳細事宜。

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

MEETING ACTION MINUTES

May 11, 2023

MEMBERS PRESENT:	Roma Dawson Alex Shoor Barry Del Buono Linh Vong Ruben Navarro Victoria Partida Huy Tran Don Jackson Zenia Cardoza Daniel Finn Ryan Jasinsky Sketch Oppie	Vice Chair (D1) Chair (D2) Commissioner (D3) <i>Arrived 6:33 pm</i> Commissioner (D4) Commissioner (D5) <i>Left 7:05 pm, returned 9:14 pm</i> Commissioner (D7) Commissioner (D8) Commissioner (D9) Mayor (CW) <i>Arrived 6:10 pm</i> Commissioner (MR) Commissioner (ML) <i>left 8:20 pm</i> Lived Experience (CW)
MEMBERS ABSENT:	Andrea Wheeler Roberta Moore	Commissioner (D6) Commissioner (D10)
STAFF PRESENT:	Kristen Clements Luisa Cantu Jacky Morales-Ferrand Rachel VanderVeen Emily Hislop Shelby Bass Josh Ishimatsu Lisa Joiner Abraham Chacko	Commission Acting Secretary, Housing Department Commission Assistant Secretary, Housing Director Housing Assistant Director Housing Division Manager, Housing Department Senior Development Officer, Housing Department Senior Development Officer, Housing Deputy Director, Department of Planning, Building and Code Enforcement (PBCE) Rehired Retiree, PBCE

(I) Call to Order & Orders of the Day

- A. Chair Shoor called the meeting to order at 5:45 p.m. and reviewed logistics for Zoom meetings**

(II) Introductions – Commissioners and staff introduced themselves.

(III) Consent Calendar

- A. Approve the Minutes for the Regular Meeting of April 13, 2023.**

ACTION: Approve the April 13, 2023 action minutes.

Commissioner Oppie made the motion to approve the minutes for the meeting of April 13, 2023, with a second by Commissioner Dawson. The motion passed 10-0.

**Housing & Community Development Commission
Draft Minutes – Regular Meeting of May 11, 2023**

Yes	Finn, Jasinsky, Dawson, Shoor, Vong, Navarro, Partida, Tran, Jackson, Oppie (10)
No	None (0)
Absent	Del Buono, Wheeler, Moore, Cardoza (4)

(IV) Reports and Information Only

- A. Chair:** Chair Alex Shoor reviewed logistics and guidelines for participation. He also reminded commissioners to consider nominations for officers.
- B. Director:** Ms. Kristen Clements updated the Commission regarding the recruitment of commissioners. Staff has analyzed applications for two open seats (D2 and D6) and three reappointment seats (D4, D8, and D10) and submitted the memo to the Clerk’s office. Appointments are scheduled to be heard by the City Council at its meeting on June 13, 2023. Ms. Clements announced she would be stepping down from staffing the Commission, leaving Josh Ishimatsu and Rachel VanderVeen to lead the Commission after her last meeting on June 8, 2023. Ms. Jacky Morales-Ferrand announced her retirement from the City as of July 14, 2023. Ms. Morales-Ferrand informed the Commission about Measure E and public budget hearings in May and June, and encouraged Commissioners to attend public meetings and fill out the survey on the recruitment for a new Housing Director. Ms. Rachel VanderVeen congratulated Ms. Morales-Ferrand on her amazing 15-year career with the City of San José.
- C. Council Liaison:** No Report (absent).

(V) Open Forum

(VI) Old Business

(VII) New Business

**A. Nomination for Officers
(K. Clements, Housing Department)**

ACTION: Make nominations for positions of Chair and Vice Chair of the Commission to serve in Fiscal Year 2023-24 commencing with the first Commission meeting after the June regular meeting. (No memo.)

Commissioner Navarro nominated Commissioner Jasinsky for the position of Chair. Commissioner Jasinsky accepted, then later respectfully declined.

Commissioner Navarro nominated Commissioner Jasinsky for the position of Vice Chair. Commissioner Jasinsky respectfully declined.

Commissioner Navarro nominated Commissioner Partida for the position of Vice Chair, Commissioner Partida will consider the position.

Vice Chair Dawson nominated Commissioner Tran for the position of Chair. Commissioner Tran accepted the nomination.

Commissioner Jackson nominated Vice Chair Dawson for the position of Chair. Vice Chair Dawson respectfully declined.

Commissioner Jackson nominated Vice Chair Dawson for the position of Vice Chair. Vice Chair Dawson accepted the nomination.

Commissioner Oppie nominated Commissioner Del Buono for the position of Vice Chair. Commissioner Del Buono accepted the nomination.

Commissioner Navarro nominated Commissioner Jasinsky for the position of Vice Chair. Commissioner Jasinsky respectfully declined.

Commissioner Jackson nominated Commissioner Oppie for the position of Chair. Commissioner Oppie respectfully declined.

Commissioner Jackson nominated Commissioner Oppie for the position of Vice Chair. Commissioner Oppie accepted the nomination.

Commissioner Jackson nominated Commissioner Cardoza for the position of Vice Chair. Commissioner Cardoza respectfully declined.

B. Proposed Changes to the Percentage Allocations and the Spending Plan for Fiscal Year 2023-2024 Including Uncommitted Funds Recaptured from Fiscal Year 2020-2021 through Fiscal Year 2022-2023 for Measure E Transfer Tax Funds (R. VanderVeen, Housing Department)

ACTION: Review the staff report and provide possible recommendations to the City Council regarding the following:

- A. Proposed changes to the percentage allocations in the allocation framework for Fiscal Year 2023-2024 to:
- (1) 5% for administration with the remaining revenue allocated as follows:
 - (2) 0% for the creation of new affordable housing for extremely low-income households;
 - (3) 0% for the creation of new affordable housing for low-income households;
 - (4) 0% for the creation of new affordable housing for moderate-income households;
 - (5) 20% for homeless prevention, gender-based violence programs, legal services, and rental assistance; and
 - (6) 80% for homeless support programs including shelter construction and operations

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- B. Proposed spending plan for Fiscal Year 2023-2024 based upon the changes to percentage allocations, that includes the reallocation of \$87 million of uncommitted revenue comprised of \$17 million from FY 2020-2021, \$20.4 million from FY 2021-2022, and \$49.5 million from FY 2022-2023 to:
- (1) 22% for administration, with the remaining revenue allocated as follows:
 - (2) 21% for the creation of new affordable housing for extremely low-income households
 - (3) 57% for the creation of new affordable housing for low-income households;
 - (4) 0% for the creation of new affordable housing for moderate-income households;
 - (5) 4% for homeless prevention, gender-based violence programs, legal services and rental assistance; and
 - (6) 18% for homeless support programs including shelter construction and operations.

Commissioner Navarro made a motion that Commission not approve recommendation A or B and instead reaffirms the current spending percentages already in place consistent with City Council Policy 1-18, with a second by Commissioner Oppie. The motion passed 11-0.

Yes	Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)
No	None (0)
Absent	Jasinsky, Wheeler, Moore (3)
Abstain	None (0)

Commissioner Finn made a motion that the Commission write a strongly worded letter to the Mayor and Council reflecting the Commission’s discussion to be composed by Vice Chair Dawson, with copies to the City Manager and City Clerk, with a second by Commissioner Oppie. The motion passed 11-0.

Yes	Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)
No	None (0)
Absent	Jasinsky, Wheeler, Moore (3)
Abstain	None (0)

Commissioner Dawson made a motion that Chair Shoor speak or designate a surrogate commissioner to address City Council on behalf of the Measure E Oversight Committee for the budget item 3.3 on Tuesday 5/16/23, with a second by Commissioner Finn. The motion passed 11-0.

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Draft Minutes – Regular Meeting of May 11, 2023**

Yes	Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)
No	None (0)
Absent	Jasinsky, Wheeler, Moore (3)
Abstain	None (0)

C. Seventh Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan to Reallocate a Portion of Community Development Block Grant Cares Act Funding Awarded by the United States Department of Housing and Urban Development (K. Clements, Housing Department)

ACTION: a) Conduct a Public Hearing on the Fiscal Year 2019-2020 Annual Action Plan to reallocate a portion of the Community Development Block Grant Coronavirus Aid, Relief, and Economic Security (CARES) Act (CDBG-CV) funding awarded by the United States Department of Housing and Urban Development (HUD) to the City of San José;

b) Approve the Seventh Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan to amend the CDBG-CV Program Allocation Plan and reallocate \$250,000 in unused CDBG-CV funds from the Law Foundation of Silicon Valley to Sacred Heart Community Services for the Eviction Diversion and Settlement Program; and

c) Recommend to the City Council it approve the Seventh Substantial Amendment to the Fiscal Year 2019-2020 Annual Action Plan.

Commissioner Finn made the motion to accept the staff recommendation, with a second by Commissioner Del Buono. The motion passed 10-0.

Yes	Finn, Dawson, Shoor, Del Buono, Vong, Navarro, Partida, Tran, Jackson, Cardoza, Oppie (11)
No	None (0)
Absent	Jasinsky, Wheeler, Moore (3)
Abstain	None (0)

D. Information Briefing on the Soft Story Seismic Retrofit Program (A. Chacko, Department of Planning, Building and Code Enforcement)

ACTION: Receive the briefing on the Soft Story Seismic Retrofit Project and provide feedback to staff on the outreach and engagement strategy to maximize stakeholder participation and input on program elements.

**Housing & Community Development Commission
Draft Minutes – Regular Meeting of May 11, 2023**

Commissioners asked clarifying questions and gave feedback to staff. No motions were made.

(VIII) Open Forum

Members of the Public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter jurisdiction of the Commission. Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Commission.

(IX) Meeting Schedule

The next Regular Meeting for the Commission is scheduled to be held on **Thursday, June 8, 2023, at 5:45 p.m., Tower room T-550, at San José City Hall, 200 E. Santa Clara St., San José, CA 95113.** Items expected to be heard are (updated):

- Outgoing Commissioner Recognition
- Rent Stabilization Program Annual Report FY 21-22
- Rent Stabilization Program FY 2022-23 Quarter 3 Report for Apartments, Including the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance
- Rent Stabilization Program FY 2022-23 Quarter 3 Report for Mobilehomes
- Election of Officers
- Final Draft 2023-2031 Housing Element

(X) Adjournment

Chair Shoor adjourned the meeting at 10:56 p.m.



Memorandum

TO: HOUSING AND COMMUNITY
DEVELOPMENT COMMISSION

FROM: Kristen Clements

SUBJECT: SEE BELOW

DATE: June 1, 2023

Approved

Date

SUBJECT: RENT STABILIZATION PROGRAM FISCAL YEAR 2022-2023 QUARTER 3 REPORT FOR APARTMENTS, INCLUDING THE APARTMENT RENT ORDINANCE, TENANT PROTECTION ORDINANCE, AND ELLIS ACT ORDINANCE

RECOMMENDATION

Review the report on the Rent Stabilization Program for apartments in Quarter 3 of Fiscal Year 2022-2023 and provide possible recommendations to staff.

SUMMARY AND OUTCOME

This memorandum gives the Housing and Community Development Commission an update on activities of the Rent Stabilization Program (Program) in Quarter 3 of Fiscal Year (FY) 2022-2023 focused on apartments. These programs include the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance. The update also includes eviction diversion efforts by the Eviction Prevention Help Center.

The Rent Stabilization Program received 1,333 inquiries from the public either by phone, email, or in-person, and a total of 33 petitions were filed by residents and no petitions were submitted by property owners. As property owners and managers continue to register rent-stabilized units with the Rent Registry, the program receives more reliable data regarding trends in the City's rental market and about the condition of our community's renters. In Quarter 3, there was an increase in submissions of nonpayment of rent notices and unlawful detainers issued by property owners. This data suggests that the economic impacts of the pandemic continue, and vulnerable renters continue to struggle.

In response to the public's needs, the Housing Department's Eviction Prevention Help Center continued its three areas of focus to divert forced evictions of vulnerable residents who continue to experience financial impacts related to COVID-19. These proactive prevention efforts have been to (1) serve residents by phone, email and in person at Eviction Prevention Help Center

locations, (2) continue the Eviction Diversion and Settlement Program, and (3) increase the presence in the Santa Clara County Superior Court during the eviction calendars. Program staff have supported these efforts by providing information collected by the Program to help identify residents most at risk of displacement or housing instability. With the significant increase in unlawful detainer (eviction) filings, staff's efforts primarily concentrated on residents and property owners involved in court actions based on nonpayment of rent.

BACKGROUND

The Program's mission is to administer the City of San José's housing ordinances through education, engagement, and collaboration to cultivate safe, healthy, and sustainable communities. To further this mission, the Program conducts a variety of activities. This report will provide an overview of the activities that Program staff conducted during Quarter 3.

A dashboard summary of Program updates from Quarter 3 is included as **Attachment A**.

ANALYSIS

Major actions taken by Program staff during Quarter 3 are summarized below for the Apartment Rent Ordinance, Tenant Protection Ordinance, and Ellis Act Ordinance. Quarter 3 ran from January 1, 2023, through March 31, 2023. A summary of the components of the analysis includes:

- Apartment Rent Ordinance
- Ellis Act Ordinance
- Tenant Protection Ordinance
- Eviction Prevention Help Center
- Program Fees
- Legal services assistance
- Program inquiries received

A. Apartment Rent Ordinance – Summary of Petitions Filed

The breakdown of the total of petitions filed in Quarter 3 is provided in Chart 1. Chart 2 provides a summary of the types of petitions the Program received from residents, and Chart 3 breaks down the outcomes of each submitted petition during Quarter 3.

Chart 1: Total Petitions Submitted in Q3 FY 2022-2023

Type of Petition	Total
Resident Petitions	33
Property Owner Capital Pass-through Petitions	0

Chart 2: Type* of Resident Petitions Submitted in Q3 FY 2022-2023

Type of Resident Petition	Total
Rent Increase	4
Service Reduction	29
Total	33

** Note: residents petitions may include more than one petition type*

During Quarter 3, the Program received a total of 33 petitions submitted by residents. The Program received no petitions from property owners. A breakdown of the types of petitions submitted by residents is summarized above in Chart 2. The Apartment Rent Ordinance gives residents the right to file a petition to allege one or more violations of the Apartment Rent Ordinance. A petition may allege a combination of an illegal rent increase, a reduction of Housing Services, and/or any other violation of the Apartment Rent Ordinance. Of the resident petitions, 29 (88%) petitions consisted of service reduction claims and four petitions (12%) were challenging annual rent increases above the allowable 5% limit. Service claims consisted of mold, pest and rodent infestation, lack of heat and insulation, broken appliances, and unit repairs not done in a timely manner.

Mediations and hearings continue to be conducted via Zoom and participants are provided with a hybrid option. Residents and property owners are allowed to meet in-person at City Hall upon request while the other parties can participate remotely via Zoom with the assistance of Program Staff. In Quarter 3, the Program held a combined total of 16 mediations and hearings. Of this total, 13 were held virtually via Zoom and three were hybrid. During Quarter 3, a total of 15 petitions did not reach mediation because the petition was either ineligible or residents and property owners were able to reach a voluntary agreement outside of the mediation with the support of the Program. A total of 18 petitions were closed during Quarter 3. **Chart 3** provides a breakdown of the outcomes of petitions during Quarter 3.

Chart 3: Summary of Petition Outcomes for Q3 FY 2022-2023

Petition Outcomes	Total
Pending Action	4
Appeals	0
Voluntary Agreements	22
Hearing Officer Decision	2
Administrative Decision	0
Withdrawn	0
Ineligible	5
Total	33

B. Apartment Rent Ordinance – Summary of Rent Registry Registrations

The rent registry is a database of information on rent-stabilized units that must be updated annually and includes details about rent and services provided at the unit. It is used as a measure to ensure compliance with the Apartment Rent Ordinance by monitoring rents. As of March 31,

2023, a total of 32,919 (86%) of all rent-stabilized apartments were registered in the City’s Rent Registry during the fourth registration period. During the registration period, property owners are required to provide updates to the rental information of their apartment units or indicate if there are no changes since their last registration. In April 2023, program staff will mail warning letters to property owners for Registry non-compliance during the fourth registration period. Quarter 3 registration outcomes are detailed in **Chart 4**. The frequency and distribution of the current rental rate and type of units for rent-stabilized units are represented in **Chart 5**.

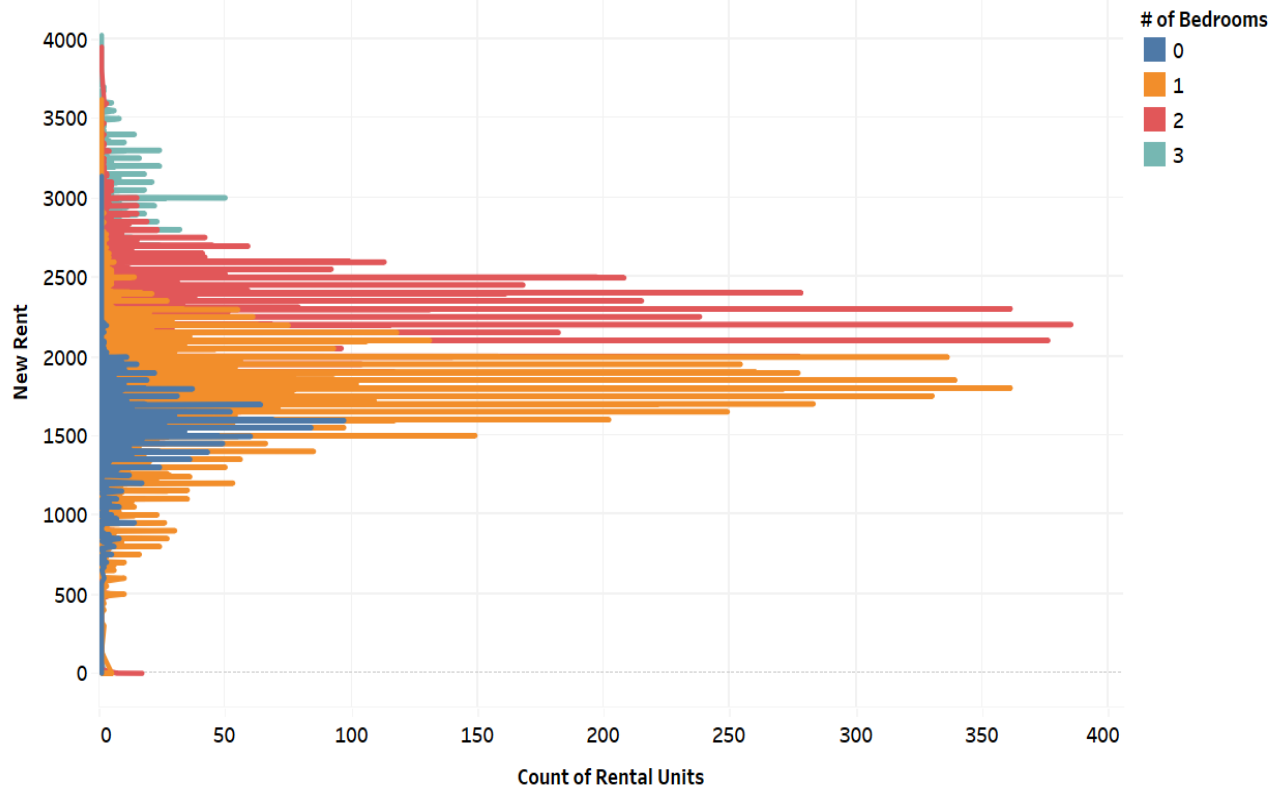
Registration may be completed online, via paper form, in person at City Hall with technical assistance from program staff, or when necessary, over the phone with a confirmation sent to the property owner.

Chart 4: Summary of Registration Outcomes for Q3 FY 2022-2023

Registration Outcomes	Total
New Tenant	1,145
Owner-occupied	18
No Change	913
Rent Increase/Decrease	1,340
Vacant	231
First-time Registration	0
*Correct an Error	182
Total	3,829

**Note: Pending further staff evaluation to determine variation in outcomes*

Chart 5: Rent-stabilized Apartment Average Rents by Number of Bedrooms for Q3 FY 2022-2023



C. Apartment Rent Ordinance – Tenant Buyout Findings

Residents in apartments covered under the Apartment Rent Ordinance can enter into a voluntary buyout agreement with their property owners. Buyout agreements are subject to certain conditions set out in the Apartment Rent Ordinance and its accompanying Regulations. Buyout agreements are intended to allow the resident and property owner to negotiate a payment amount to the resident in exchange for returning possession of the apartment on an agreed-upon date. There were no new resident buyout agreements submitted and accepted by Program staff in Quarter 3.

D. Apartment Rent Ordinance – Administrative Citation Program

The purpose of the Program’s Administrative Citation program is to serve as an additional means to enforce compliance of the Apartment Rent Ordinance, Tenant Protection Ordinance, and the Ellis Act Ordinance. Currently, Program staff are preparing to issue non-compliance notices for owners that failed to register during the fourth registration period of the Rent Registry. Property owners who fail to cure the violation will be issued an administrative citation. Currently, there are 469 property owners that have not registered their units for Period 4, and 43 repeat violators who have not registered for any of the four periods of the rent registry.

E. Ellis Act Ordinance

The Ellis Act Ordinance (“Ellis Act”) applies when a property owner or developer plans to withdraw rent-stabilized apartments from the rental market, often with plans to demolish and redevelop the site. No new Ellis Act withdrawals were started or submitted in Quarter 3. Program staff continues to review and analyze project submissions to the Planning Department for potential Ellis Act withdrawals. Given that development projects have multi-year timelines, Program staff began scheduling quarterly check-ins with developers to ensure staff is up-to-date on any changes to the proposed project or the property. Staff also took proactive measures when they learned of potential Ellis projects to ensure residents understand the process and their rights. These efforts included site visits to deliver informational flyers in different languages. The summary of withdrawals under the Ellis Act Ordinance over time is shown in **Chart 6**.

Chart 6: Withdrawals of Rent-stabilized Apartments

	2018 - 2019	2019 - 2020	2020 - 2021	2021- 2022	2022- 2023
Apartments with residents receiving notice and relocation benefits	4	8	1	1	0
Apartments vacated due to Resident Buyout agreements prior to initiation of Ellis Act withdrawal	0	0	9	0	0
Apartments vacant when Ellis Act withdrawal initiated	0	2	2	0	0
Total	4	10	12	1	0

F. Tenant Protection Ordinance – Notices of Termination

Under the Tenant Protection Ordinance, property owners must submit all notices of termination to the Program within three days of providing the notice to the resident. From January 1, 2023, to March 31, 2023, the Program received 3,111 notices. The following top three reasons for just cause terminations of tenancy were:

- **3,012 (96%) Nonpayment of rent**
- **75 (2%) Material or habitual violation of tenancy** – The reasons listed on the notices citing this just cause for evictions included violating lease guidelines, such as causing disruption at the property and/or alleged harassment of other residents or property management staff.
- **33 (1%) Nuisance behavior** – The reasons listed on notices citing this just cause for eviction included peace disturbance and apartment sanitation.

Chart 7 shows the frequency of different reasons given for just cause evictions as stated in the notices submitted to the Program. It is important to point out that a single notice can cite one or more just causes, as illustrated by a comparison of the total number of just causes used and total notices received.

Chart 7: Notices of Terminations Submitted to the Program Pursuant to the Tenant Protection Ordinance for Quarter 3 FY 2022-2023

Just Cause	January	February	March	Total
1. Nonpayment of rent	881	1,064	1,067	3,012
2. Material or habitual violation of tenancy	16	26	33	75
3. Substantial damage to the apartment	2	0	1	3
4. Refusal to agree to a similar or new rental agreement	0	0	0	0
5. Nuisance behavior	16	3	14	33
6. Refusing access to the apartment	1	0	0	1
7. Unapproved holdover subtenant	1	2	0	3
8. Criminal activity	2	0	3	5
9. Substantial rehabilitation of the apartment	0	0	0	0
10. Ellis Act removal	0	0	0	0
11. Owner move-in	0	0	0	0
12. Order to vacate	1	0	1	2
13. Vacation of unpermitted apartment	1	0	2	3
Total	921	1,095	1,121	3,137

Chart 8 shows the number of unlawful detainers the Program received in Quarter 3 as compared to the previous three quarters. The comparison of the previous quarters clearly illustrates the recent increase in unlawful detainers that the Program has received. The protections relating to nonpayment of rent accrued during the pandemic ended in Q2 FY 2021-2022 which finalized the lifting of all COVID-related eviction protections. During Q3 FY 2021-2022, the Program received 134 unlawful detainers, staying relatively low. Only 59% of the 134 unlawful detainer submissions were due to nonpayment of rent. However, an increase in submissions occurred the next quarter when unlawful detainers almost doubled to 259, with 93% of them being due to nonpayment of rent. The intake of 405 unlawful detainers for Q3 FY 2022-2023 increased six times over in comparison to the 134 received in Q3 FY 2021-2022. Evidently, the lifting of all protections has had a continuous effect on the submissions of unlawful detainers. Specifically, unlawful detainers relating to nonpayment of rent have increased the total intake since the end of protections for non-paying tenants.

Chart 8: Comparison of Unlawful Detainer Submissions to the Program Pursuant to the Tenant Protection Ordinance during Quarter 3 FY 2022-2023 and the Prior Three Quarters

	Q4 FY 2021-2022	Q1 FY 2022-2023	Q2 FY 2022-2023	Q3 FY 2022-2023
Unlawful Detainer Submissions to Program	259	325	550	405

Chart 9 shows that the number unlawful detainers on which the Program received notices stayed relatively steady in January and February, but escalated in March. Overall, the proportion of unlawful detainer submissions due in whole or in part to nonpayment of rent was consistent, with an overall 93% average.

Chart 9: Non-payment of Rent Unlawful Detainers Make up Most of the Unlawful Detainers Submitted to the Program pursuant to the Tenant Protection Ordinance

	Non-payment of Rent UDs	Total UDs	% of UDs due to Non-payment
January 2023	106	111	95%
February 2023	111	119	93%
March 2023	161	175	92%
Total	378	405	93%

The trend in **Chart 9** relates closely to the trend in **Chart 7**, as the highest number of notices and unlawful detainers were received in March 2023. Together, **Chart 7** and **Chart 9** indicate that nonpayment of rent is the highest contributing cause cited both on Notices of Termination and unlawful detainers submitted to the Program, both in each month and throughout Quarter 3. This has been a recurring trend in the past quarters. Although fewer nonpayment of rent unlawful detainers were submitted than last quarter, the Program can expect to continue to receive a high number of unlawful detainers based on nonpayment of rent.

G. Eviction Help Center

In August 2021, the City launched the Eviction Help Center program (Help Center) primarily to assist tenants and landlords with emergency rental assistance applications. The Help Center provides information and resources for residents and property owners involved in evictions. Law Foundation of Silicon Valley and Bay Area Legal Aid provide walk-in and virtual legal consultation 22 hours a week for tenants threatened with eviction. The Help Center has operated at various locations which currently include an office at 1818 Tully Road and staff being present during unlawful detainer calendars at Santa Clara County Superior Court. Since the stronger eviction protections ended October 1, 2021, the Help Centers expanded its partnership effort with Santa Clara County Superior Court and community partners. This included launching an eviction diversion program and weekly courthouse clinic to help prevent forced evictions and displacement. However, the Help Center program and staffing is currently only funded through June 30, 2023. The Department requested continued funding in the proposed FY 2023-2024 budget to continue the Help Center efforts. For FY 2023-2024, the Help Center program, as proposed, would use a revised staffing plan and would transition to a mobile model where staff

and legal aid walk-in services will be offered at rotating locations in east San José. Staff would continue to manage the Help Center phone line and email address and would continue to be present at the weekly courthouse clinic. Help Center staff would also conduct outreach to educate community organizations, promotora/es groups, and residents on the eviction process, rights, and protections as well as available resources.

Eviction Diversion Efforts

In response to the close of the state CA COVID-19 Rent Relief Program on March 31, 2022, the Help Center developed and implemented the Eviction Diversion Settlement Program which launched in May 2022. Initially, this program was developed to mitigate the delays in rent relief application processing that put some tenants at imminent risk of eviction and utilized available emergency rental assistance money that had to be spent by September 30, 2022. During this first phase, the diversion program successfully covered \$890,000 of unpaid rent for 63 households, preventing forced evictions and displacement of hundreds of San José residents.

In fall 2022, the City Council approved \$2.2 million in additional funding to enable the diversion program to continue through June 2023. This second phase of the diversion program aims to help at least 150 additional households. During Quarter 3, the diversion program was able to help 34 households avoid forced eviction and remain stably housed with 23 cases that were awaiting payment or in process. The diversion program and the support of community partners (Sacred Heart Community Services and Destination: Home) has been critical to mitigating the effects of the surge in unlawful detainers filed over the past few months. Candidates for the Eviction Diversion Program are sought out primarily during the Unlawful Detainer Calendars at the Santa Clara Superior Court. For residents to be considered during this phase, they must meet all program requirements outlined: having an immediate risk of eviction; having experienced a unforeseen circumstance which led to arrearage; earning less than 80% of the area median income; and, being in a financial position to pay rent in the future. The diversion program expects to hit the target of supporting 150 households in Quarter 4.

City Council also approved redirecting \$250,000 of unused American Rescue Plan Act funds to the Eviction Diversion program, which will support 25 more diversion cases. However, no other funding sources have been secured to continue the diversion program once the \$250,000 is depleted. The program is staffed until June 30, 2023. However, the available funding will likely be disbursed by the end of Quarter 4.

H. Legal Services Assistance

In fall 2018, the City awarded the San José Housing Consortium (comprised of Law Foundation of Silicon Valley, Bay Area Legal Aid, Senior Adults Legal Assistance, Asian Law Alliance, and Project Sentinel) a contract to provide legal education and services to residents and property owners. This contract is funded with Community Development Block Grant (CDBG) funds from the federal government and has been renewed for an additional year for FY 2023-2024. The goal of the contract is to increase housing stability by providing free property owner/tenant

counseling, education, referrals, and legal assistance to low-income tenants. These services also include outreach and education to low-income tenants and property owners citywide.

The Housing Consortium reported these outcomes for Quarter 3:

- **70 eligible participants** received brief legal consultation services.
- Extremely low-income residents received the most legal services, comprising **55%** of clients served in **Chart 11**.
- The race and ethnicity categories for clients receiving the most legal services were White (31.6%), Hispanic (31.6%), and Asian (20.8 %) as summarized in **Chart 12**.

Chart 11: Legal Services Client Data by Income

	Number	Percentage
Extremely Low-Income ($\leq 30\%$ of Area Median Income (AMI))	205	55%
Very Low-Income (31% to 50% AMI)	51	14%
Low-/Moderate-Income (51% to 80% AMI per CDBG rules)	113	31%
Total	369	100%

Chart 12: Legal Services Client Data by Race and Ethnicity

Race/Ethnicity	Number	Percentage
White	73	31.6%
Hispanic	73	31.6%
African American or Black	25	10.8%
Asian	48	20.8%
American Indian or Alaska Native or Other Pacific Islander	5	2.2%
Other	7	3.0%
Total	231	100%

I. Program Inquiries Received

Chart 13 provides a breakdown of inquiries received in English, Spanish, and Vietnamese during Quarter 3.

Chart 13: Inquiry Count and Percent by Language in Quarter 3 of FY 2022-2023

Language	Total	Percentage
English	1,106	83 %
Spanish	220	17 %
Vietnamese	2	< .01%
Other	5	< .04%
TOTAL	1,333	100%

Between January 1, 2023 and March 31, 2023, the Program received a total of 1,333 inquiries.

Chart 14 provides a summary of the top four types of inquiry calls received by Program staff in Quarter 3.

Chart 14: Inquiry Count and Percent by Type in Quarter 3 of FY 2022-2023

Type of Inquiry	Total	Percentage
Office/Ordinance Information	116	9%
Allowable Rent Increase	131	10%
Fees	141	11%
Rent Registry	121	9%
All Other Inquiries	824	62%
TOTAL	1,333	100%

CONCLUSION

Quarter 3 data indicates the changes in trends of petitions, notices of termination and unlawful detainers, and rent registry. Program continues to see a gradual increase of petition claims since the ease of pandemic restrictions. Rent registry has seen a significant increase in the number rent-stabilized units registered since the fourth registration period. In comparison to previous quarters, there was a slight decrease in number of termination notices and a significant increase in the number of unlawful detainers under the Tenant Protection Ordinance. The Program continues to monitor ongoing trends related to the ending of pandemic related restrictions, eviction protections, and rental assistance programs.

EVALUATION AND FOLLOW-UP

The Rent Stabilization Program staff report on FY 2022-2023 Quarter 3 data is prepared for the Housing and Community Development Commission and will not be a report reviewed by the City Council. Staff provides periodic reports to the Commission and is currently working on last year's Annual Report for the Commission's consideration.

PUBLIC OUTREACH

In collaboration with the Eviction Prevention Help Center, Program staff participated in 12 outreach events throughout Quarter 3. These events included resource fairs at various community centers, senior resources events, student wellness events and parent night events, and community resource fairs. Program staff handed out approximately 1,570 informational flyers and about 800 community members were provided with one-on-one communication.

During Quarter 3, as part of the work to develop a strategic plan for the Program, staff worked with a third-party consultant to hold four stakeholder engagement meetings, distribute an online

survey and solicit other forms of feedback regarding the Program. The purpose of these engagement efforts was to obtain feedback from tenants, property owners and community members to help evaluate the effectiveness of the Apartment Rent Ordinance, Tenant Protection Ordinance and Ellis Act Ordinance programs. The feedback would inform the development of a strategic plan for the Program. During these virtual and in-person meetings, residents and property owners participated in guided discussions and provided written feedback collected through polls and surveys. A report-out of findings from the stakeholder engagement series is scheduled to be held in early Quarter 4. At the report-out meeting, participants will learn about initial findings and major themes that resulted from the stakeholder meetings and other engagement efforts. A combined total of 125 participants attended the stakeholder meetings and a total of 14 online survey responses and emailed comments were received.

COMMISSION RECOMMENDATION/INPUT

The commission's recommendations on the report will be received and reviewed by Program staff. These recommendations may be implemented in future Program activities and/or reports.

FISCAL/POLICY ALIGNMENT

This report aligns with the San José Municipal Code Chapter 2.08, Part 28, which gives the Commission the ability to make recommendations regarding operations and administration of Chapter 17.22 and 17.23 of the Municipal Code.

/s/

KRISTEN CLEMENTS

Acting Deputy Director, Housing
Department

The primary authors of this memorandum are Acting Senior Analyst Vanessa Pacheco and Analyst Esther Aguirre. If you have any questions, please contact Senior Analyst Noel Padilla at noel.padilla@sanjoseca.gov or Acting Senior Analyst Vanessa Pacheco vanessa.pacheco@sanjoseca.gov.

Attachment A – Rent Stabilization Program – Petitions Team Dashboard of Accomplishments



Trends

88% of Petitions submitted were related to service reductions

10% of resident inquiries were for Allowable Rent Increase concerns
A total of 131 out of 1,333 inquiries.



Multi-lingual Outreach

Interpretation Services requested for Petitions

- English: 23
- Spanish: 10
- Vietnamese: 0
- Other: 0



Outreach Presentations & Resource Fairs

12 Outreach Events

Includes Family and Community Resource Fairs, Student Wellness and Parent resource fairs, and Senior Center resource fairs.



Petitions Submitted & Outcomes

33 Petitions Submitted for Q3

Summary of Outcomes:

- Voluntary Agreement – 22
- Hearing Officer/Mediator Decision – 2
- Administrative Decision – 0
- Ineligible – 5
- Withdrawn – 0



Mobilehomes

Total Mobilehome Inquiries: 34

Summary of Issues:

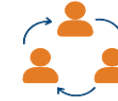
- Rent Increase – 12
- Miscellaneous – 8
- Request for Information – 6
- Fees – 4
- Referrals – 2
- Eviction Information – 1
- Code Enforcement & Maintenance – 1



Santa Clara County Mediation Program

Total Mediation Referrals: 9

ATTACHMENT A



Petitions Closed between October January 1st, 2023, thru March 31, 2023

Total of 19 Petitions Closed and 4 Petitions Open

- Voluntary Agreement – 22
- Hearing Officer Decision – 2
- Appeals – 0
- Withdrawn – 0
- Ineligible – 5
- Pending Actions – 4



Mediators and Hearing Officers Contracts

Staff continues to provide ongoing support to Hearing Officers and process payments in a timely manner.



Ellis Act Ordinance development coordination

No new projects submitted to PBCE
with active pending withdrawal



Resident Voluntary Buyouts

No new buyouts were
submitted



Rent Registry 4.0

32,919 (86%) of rent stabilized
apartments registered

Types of Registrations

- New resident – 1142
- Owner occupied – 18
- Same resident
 - Rent increase/decrease – 1340
 - Correct an error – 182
 - No Change – 913
 - Vacant – 231



Policy Focus this Quarter

Ongoing work with consultant
on Strategic Plan



Administrative Citation

469 properties have been identified
as failing to register during the 4th
registration period. 43 properties
have been identified as remaining
unregistered for all four registration
periods. Non-compliance letters
will be sent out to unregistered
property owners.



Notice of Terminations

3,111 notices submitted,
96% notices for nonpayment
(3,012 out of 3,111),
\$3,353.25 average rent owed



Memorandum

TO: HOUSING AND COMMUNITY
DEVELOPMENT COMMISSION

FROM: Kristen Clements

SUBJECT: SEE BELOW

DATE: June 1, 2023

Approved

Date

**SUBJECT: RENT STABILIZATION PROGRAM FISCAL YEAR 2022-2023
QUARTER 3 REPORT FOR MOBILEHOMES**

RECOMMENDATION

Review the report on the Rent Stabilization Program for mobilehomes in Quarter 3 of Fiscal Year 2022-2023 and provide possible recommendations to staff.

SUMMARY AND OUTCOME

This memorandum gives the Housing and Community Development Commission an update on activities of the Rent Stabilization Program (Program)'s efforts to serve mobilehome communities in San José during Quarter 3 of Fiscal Year (FY) 2022-2023.

BACKGROUND

The Program's mission is to enforce the City of San José housing ordinances through education, engagement, and collaboration to build and maintain safe, healthy, and sustainable communities. In administering the Mobilehome Rent Ordinance, Program staff provide education and information to protect the rights and improve relations between mobilehome residents and park owners/managers. This report provides an overview of staff's activities and of mobilehome issues and trends that impacted San José mobilehome park communities in Quarter 3.

ANALYSIS

In Quarter 3, Program staff continued community engagement via phone and email assistance and making referrals to legal and social services as needed. Highlights of Quarter 3 include:

- Annual invoices

- Summary of call inquiries
- Summary of mobilehome park inquiries

A. Annual Invoices

Program staff generated Annual Mobilehome Space Fee Invoices and sent them to park owners via U.S. Postal Mail in December 2022. Park owners can also request a copy of their invoice be sent via email. The Program’s administrative mobilehome fee for FY 2022-2023 was \$30. Park owners may pass through half of this fee onto residents. Mobilehome fees were due to the Program by January 31, 2023. As of May 2023, 93% of the invoices had been paid in full.

B. Summary of call inquiries

During Quarter 3, the Program received 34 mobilehome park inquiries summarized in **Table 1**. The highest number of inquiries concerned rent increases, requests for information, and eviction information.

Table 1: Summary of Call Inquiries Received in FY 2022-2023 Quarter 3

Topic	Inquiries Received
Rent Increases	12
Request for Information	6
Eviction Information	1
Miscellaneous (Service issues, title inquiries, etc.)	8
Code Enforcement and Maintenance	1
Referrals	2
Fees	4
Total	34

Additional information about these inquiries is found in the Call Log Report (Attachment A).

Further details about these topics are summarized below:

- **Rent Increase:** Throughout Quarter 3, Program staff received a high number of calls questioning the calculation of the allowable mobilehome rent increase percentage for FY 2022-2023. Residents wanted to know if there would be a higher increase for FY 2023-2024. Program staff explained to residents that the maximum annual percentage increase is calculated as three-quarters (75%) of the Consumer Price Index (CPI) change from

April to April each year, with a minimum of 3% and a cap of 7%, as per Mobilehome Rent Ordinance Chapter 17.22.155. Program staff also informed residents that it is not known whether there would be an increase or decrease for the following year, but that staff would do a public notification through the Allowable Rent Increase Percentage letter to be sent in June. Numerous residents expressed financial hardships and the negative impact of the allowable rent increase percentage on the mobilehome community, particularly on senior communities. Program staff acknowledged their concerns and frustration and noted comments and concerns to share with the Program staff to collectively brainstorm ideas for outreach to prepare for next year's allowable increase.¹

- **Request for information:** In Quarter 3, residents called requesting information on the limits on park managers not posting City notices for residents knowledge. Other inquiries included requests for information on upcoming stakeholder meetings and information on rent increases for mobilehome parks. Program staff provided residents with referral information as well as any notices and/or information they requested.
- **Eviction Information:** During Quarter 3, a resident requested information about how evictions are started, and expressed being concerned about possibly losing their mobilehome to the sublesser they want to evict. Program staff provided the resident with legal services referrals and information for the Mobilehome Assistance Center through the California Department of Housing and Community Development.
- **Code Enforcement and Maintenance:** A resident requested information regarding tree trimming responsibility in a mobilehome park. Program staff provided resident with the Mobilehome Residency Law information regarding tree maintenance responsibility.
- **Referrals:** Residents requested information on referrals for real estate companies that help residents sell their mobilehome parks. Program staff provided residents with contact information for the California Department of Housing and Community Development for further assistance on real estate referrals for mobilehomes.
- **Miscellaneous:** For Quarter 3, miscellaneous calls to Program staff consisted of requests for titling and registration, questions regarding the City's Mobilehome Rent Ordinance, and discrimination issues. Staff was able to assist with these inquiries and refer residents to the appropriate resources. Program staff provided most residents with information to the Assistance Help Center with the State of California Department of Housing and Community Development and legal services.

¹ The CPI for April 2023 was published just prior to the drafting of this report. The change in CPI from April 2022 to April 2023 was 4.19%. Staff has calculated the Maximum Allowable Percent Increase for 2023-2024 to be 3.14%. This will be reflected in the letter that is sent to mobilehome park owners and managers in June.

B. Inquiries by Mobilehome Parks in Quarter 3

During Quarter 3, Program staff received a total of 34 mobilehome inquiries. **Table 2** shows a breakdown of these 34 inquiries by park.

Table 3: Inquiries by Mobilehome Park in FY 2022-2023 Quarter 3

Mobilehome Park	Number of Inquiries
Bella Rosa Mobilodge	2
Magic Sands	2
Chateau La Salle Mobilehome Park	1
Colonial Mobile Manor Mobilehome Park	2
Golden Wheel Mobilehome Park	3
Casa de Lago Mobilehome Park	5
Cal-Hawaiian Mobilehome Park	2
Mayfair Trailer Park	2
Silicon Valley Village Mobilehome Park	4
Ace Trailer Inn Village	3
Hometown Monterey Oaks Mobilehome Park	1
Coyote Creek Mobilehome Community	2
South Bay Mobilehome Park	1
Lamplighter Mobilehome Park	1
Moss Creek Mobilehome Community	1
San Jose Mobilehome and RV Park	1
Unknown	1
Total	34

C. Language Inquiries

During Quarter 3, Program staff assisted residents in English, Spanish and Vietnamese. **Table 3** shows a breakdown of the 34 mobilehome inquiries in Quarter 3 according to language spoken. Program staff was successful in providing referrals and answers to inquiries in residents' preferred languages.

Table 4: Inquiries by Language Spoken in FY 2022-2023 Quarter 3

Language	Total	Percentage
English	28	82%
Spanish	5	15%
Vietnamese	1	3%
Total	34	100%

D. State Housing and Community Development Announcement

As reported in the Quarter 2 report to the Commission, the state’s FY 2022-2023 Budget passed last summer funded the Manufactured Housing Opportunity & Revitalization Program (MORE).² The MORE program, an update and expansion of the state’s former Mobilehome Park Resident Ownership program, provides funding to finance the acquisition, conversion, rehabilitation, and replacement of mobilehome parks and individual mobilehomes to preserve a source of affordable homeownership. MORE funds can be used for the acquisition, conversion to resident organization ownership, rehabilitation, reconstruction, and replacement of mobilehome parks, as well as the remediation of health and safety items of both parks and individual mobilehomes. The Department of Housing and Community Development issued a Notice of Funding Availability in May 2023³ and will begin accepting applications on a rolling basis on June 30, 2023. Program staff is researching and learning more about this opportunity and will provide further details in the FY 2022-2023 Quarter 4 report if warranted.

CONCLUSION

Program staff continues to communicate with the public and respond to their needs. In Quarter 3, the top three topics of inquiries were rent increases, miscellaneous topics, and requests for information. Program staff also addressed mobilehome residents’ concerns and questions about the change in the maximum allowable rent increase percentage for FY 2022-2023.

EVALUATION AND FOLLOW-UP

The Rent Stabilization Program staff report on mobilehomes for FY 2022-2023 Quarter 3 is prepared for the Housing and Community Development Commission and will not be a report reviewed by the City Council. Staff provides periodic reports to the Commission and is currently working on last year’s Annual Report for the Commission’s consideration.

² <https://www.hcd.ca.gov/grants-and-funding/programs-active/manufactured-housing-opportunity-and-revitalization-program>

³ <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/more/more-nofa-2023.pdf>

PUBLIC OUTREACH

In Quarter 3, in collaboration with the Eviction Prevention Help Center, Program staff attended a total of 12 outreach events. These events included resource fairs at various community centers, senior resources events, student wellness and parent night events, and community resource fairs. Staff distributed information on mobilehome rental rights and received 34 phone call inquiries from members of the mobilehome community. Program staff will continue to engage the mobilehome community through e-mail, in-person City Hall staffing and special events, and telephone assistance, as well as provide referrals to legal and social services, and the California Department of Housing and Community Development.

During Quarter 3, as part of the work to develop a strategic plan for the Program, staff worked with a third-party consultant to hold a stakeholder engagement meeting, distribute an online survey and solicit other forms of feedback regarding the Program. The purpose of these engagement efforts was to obtain feedback from both residents and park owners to help evaluate the effectiveness of the Mobilehome Rent Ordinance Program's to inform and support development of the Program's strategic plan. During the virtual stakeholder engagement meeting, residents and park owners participated in guided discussions and provided feedback collected through polls and surveys. A report out of findings from the stakeholder engagement series would be held in early Quarter 4. At the report out meeting, participants would learn about initial findings and major themes that resulted from the stakeholder meetings and other engagement efforts. A total of 46 mobilehome residents and park owners participated in the virtual stakeholder meeting and two comments were received by email from a park owner and a resident.

COMMISSION RECOMMENDATION/INPUT

The Commission's recommendations on the report will be received and reviewed by Program staff. These recommendations may be implemented into future Program activities and reports.

FISCAL/POLICY ALIGNMENT

The report aligns with the San José Municipal Code Chapter 2.08, Part 28, which gives the Commission the ability to make recommendations regarding operations and administration of Chapter 17.22 and 17.23 of the Municipal Code.

/s/

KRISTEN CLEMENTS

Acting Deputy Director, Housing Department

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

June 1, 2023

Subject: Rent Stabilization Program – FY 2022-2023 Q3 Report for Mobilehomes

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The primary author of this memorandum and report is Elizabeth Guzman, Analyst. For questions, please contact Emily Hislop, Division Manager at emily.hislop@sanjoseca.gov

ATTACHMENT A - Call Log Report



Memorandum

TO: HOUSING & COMMUNITY DEVELOPMENT COMMISSION (HCDC)

FROM: Elizabeth Guzman

SUBJECT: CALL LOG REPORT

DATE: 5/30/2023

Total Calls=34

	Date	Requestor	Mobilehome Park	Topic	Language
Jan	1/5/2023	Property Manager	CAL-HAWAIIAN MOBILEHOME PARK	Fees	English
Jan	1/5/2023	RESIDENT	CASA DEL LAGO	Allowable Rent Increase	Spanish
Jan	1/6/2023	City Staff	GOLDEN WHEEL PARK	Office Information	English
Jan	1/6/2023	RESIDENT	CASA DEL LAGO	Allowable Rent Increase	Spanish
Jan	1/6/2023	Mobilehome Park Manager	GOLDEN WHEEL PARK	Fees	English
Jan	1/9/2023	RESIDENT	MAYFAIR TRAILER PARK	Discrimination	Spanish
Jan	1/9/2023	RESIDENT	MAYFAIR TRAILER PARK	Discrimination;Maintenance	Spanish
Jan	1/13/2023	RESIDENT	SILICON VALLEY VILLAGE MOBILEHOME PARK	Allowable Rent Increase	English
Jan	1/17/2023	Mobilehome Park Manager	ACE TRAILER INN VILLAGE	Ordinance	English
Jan	1/17/2023	Mobilehome Park Manager	ACE TRAILER INN VILLAGE	Allowable Rent Increase	English
Jan	1/18/2023	RESIDENT	SILICON VALLEY VILLAGE MOBILEHOME PARK	Allowable Rent Increase	English
Jan	1/18/2023	Mobilehome Park Manager	MAGIC SANDS	Allowable Rent Increase	English
Jan	1/18/2023	Mobilehome Park Manager	ACE TRAILER INN VILLAGE	Allowable Rent Increase	English
Jan	1/20/2023	RESIDENT	CAL-HAWAIIAN MOBILEHOME	Allowable Rent Increase	English

			PARK		
Jan	1/23/2023	Mobilehome Park Manager	HOMETOWN MONTEREY OAKS	Fees	English
Jan	1/26/2023	RESIDENT	CASA DEL LAGO	Mobilehome HCD Title	English
Jan	1/27/2023	Mobilehome Park Manager	SOUTH BAY MOBILEHOME PARK	Office Information	English
Feb	2/2/2023	City Staff	COYOTE CREEK MOBILEHOME COMMUNITY	Service	English
Feb	2/3/2023	City Staff	COYOTE CREEK MOBILEHOME COMMUNITY	Fire	English
Feb	2/14/2023	RESIDENT	COLONIAL MOBILE MANOR MOBILEHOME PARK	Ordinance;Office Information	English
Feb	2/14/2023	RESIDENT	COLONIAL MOBILE MANOR MOBILEHOME PARK	Office Information	English
Feb	2/15/2023	Mobilehome Park Manager	CHATEAU LA SALLE MOBILEHOME PARK	Fees	English
Feb	2/17/2023	RESIDENT	CASA DEL LAGO	Allowable Rent Increase	English
Feb	2/22/2023	RESIDENT	MAGIC SANDS	Service	English
Feb	2/24/2023	RESIDENT	SAN JOSE MOBILE HOME AND RV PARK	Maintenance	English
Feb	2/27/2023	Real Estate Professional	Unavailable	Allowable Rent Increase	English
Feb	2/27/2023	RESIDENT	BELLA ROSA MOBILODGE	Referral Advice	English
March	3/6/2023	Mobilehome Park Owner	BELLA ROSA MOBILODGE	Office Information	English
March	3/8/2023	RESIDENT	MOSS CREEK MOBILEHOME COMMUNITY	Allowable Rent Increase	VIETNAMESE
March	3/13/2023	RESIDENT	SILICON VALLEY VILLAGE MOBILEHOME PARK	Allowable Rent Increase	English
March	3/16/2023	RESIDENT	SILICON VALLEY VILLAGE MOBILEHOME PARK	Office Information	English
			GOLDEN WHEEL		

March	3/21/2023	RESIDENT	PARK	Referral Advice	English
March	3/24/2023	RESIDENT	CASA DEL LAGO	Eviction	Spanish
March	3/27/2023	RESIDENT	LAMPLIGHTER MOBILEHOME PARK	Office Information	English

Brief Synopsis on Disposition of Calls

1/5/2023 - CAL-HAWAIIAN MOBILEHOME PARK

Property manager called to request that two mobilehome park fee invoices be emailed to her. Staff emailed property manager the invoices.

1/5/2023 - CASA DEL LAGO

Resident inquired information on the annual rent increase percentage for 2023 and the space fee pass though he is being requested to pay. Staff explained to him how the pass through of the fees work and the calculations for the 3.75% allowable rent increase percentage.

1/6/2023 - GOLDEN WHEEL PARK

Contacted management to check in about possible flooding at the Park after recent storms. I also took this time to introduce myself as the new Division Manager and invited the manager to contact me directly or the program for any questions.

1/6/2023 - CASA DEL LAGO

Resident called to place a complaint regarding the allowable rent increase percentage of 3.75%. He wanted staff to know how unfair the increase is and wanted to know what he can do to fight the increase. Staff explained the breakdown of the calculations and explained the mobilehome rent ordinance and how it is allowable per the ordinance. Staff took note of the complaint and explained to resident that staff is working on a better outlet to help explain the calculation to residents for the next notice in October.

1/6/2023 - GOLDEN WHEEL PARK

Mobilehome park manager wanted to know if they could still register the LTLs from being exempt from the MHRO. Program staff explained that deadline for exemptions was 11/07/2022 and all invoices had been sent out for payment. Program staff reviewed exemption requirements with MH Park Manager.

1/9/2023 - MAYFAIR TRAILER PARK

Resident walked into the office wanting to file discrimination complaint, Staff referred her to mobilehome analyst for further assistance.

1/9/2023 - MAYFAIR TRAILER PARK

Resident called to place a complaint regarding her property manager closing the laundry room earlier than the operating hours. She also wanted to let staff know of the discrimination she feels he has towards her. Staff took note of the complaint and also gave her California Department of Housing and Community Development "How to Submit a Complaint" phone number for further assistance. Staff also gave her phone numbers to legal services for her use regarding the discrimination complaint.

1/13/2023 - SILICON VALLEY VILLAGE MOBILEHOME PARK

Resident called to inquired about the allowable rent increase for 2023. Staff let her know it was 3.75%. Resident also mentioned a letter they received and wanted some clarification. Staff asked resident to email the letter to take a look at which City of San Jose letter she was referring to.

1/17/2023 - ACE TRAILER INN VILLAGE

Park manager followed up on email sent by Program Staff and confirmed receipt of email. Park manager also confirmed that Division Manager did not need to follow up on rent increase information. Program staff confirmed.

1/17/2023 - ACE TRAILER INN VILLAGE

Mobilehome park owner requested an explanation as to why the rent increase for 2022-2023 was 3.75%. Park manager felt that the percentage should be more than the 3.75%. Program staff explained that the rent increase is calculated using 75% of CPI. Park manager requested to speak to a manager for further information. Program staff informed park manager that Division Manager would be provided with their information and would follow up with park manager. Park manager requested Rent Increase Notice and letter. Program staff sent requested information via email.

1/18/2023 - SILICON VALLEY VILLAGE MOBILEHOME PARK

Resident emailed staff a letter she received and needed clarifications about what it meant. Staff read the letter and confirmed that it was the Mobilehome Rent Ordinance Summary letter that was sent out on December 2022. Staff called resident and left a message for a call back to further discuss the letter she sent.

1/18/2023 - MAGIC SANDS

Park manager emailed staff requesting the allowable rent increase percentage letter and notice for their records. Staff emailed them the letter and notice to the email provided.

1/18/2023 - ACE TRAILER INN VILLAGE

Park manager emailed staff asking for the allowable rent increase notice and letter. Program staff emailed her the notice and letter for their records to the email provided.

1/20/2023 - CAL-HAWAIIAN MOBILEHOME PARK

Resident inquired about the allowable rent increase for this year because she recently received a rent increase and thought it was more than other years. Staff let her know that this year the allowable rent increase percentage is 3.75%. Resident asked staff to do the math for the increase and it turned out to be an increase less than the 3.75% allowable percentage.

1/23/2023 - HOMETOWN MONTEREY OAKS

Property manager called inquiring information on an amnesty program letter she received from the City of San Jose finance department about a mobilehome space fee invoice that had not been paid. Staff looked over the letter and reviewed the finance department RevQ database to identify the issue. Staff let the property manager that there had been two invoices generated and sent out in 2020 with different information and she was being charged again in error. Program staff was able to talk to the finance department and get the active invoice they were being charged for cancelled.

1/26/2023 - CASA DEL LAGO

Resident inquired information on where she can go to get a copy of her mobilehome tile or registration. Staff referred her to the California Department of Housing and Community Development-Titling and Registration Department for further assistance.

1/27/2023 - SOUTH BAY MOBILEHOME PARK

Mobilehome park manager requested a copy of the 2022-2023 Rent Increase notice to be emailed to her. Program staff sent requested information via email.

2/2/2023 - COYOTE CREEK MOBILEHOME COMMUNITY

Staff reached out to park manager at mobilehome park to follow up on the status of the current fire that happened in one of their spaces. The park manager notified staff that the family had been relocated and moved to a relative's home and that they were waiting for inspections to do their investigation to get a report of what caused the fire. Park manager shared the residents phone number with staff to follow up and be able to provide referrals/resources.

2/3/2023 - COYOTE CREEK MOBILEHOME COMMUNITY

City staff reached out to the resident whose mobilehome caught on fire and had to be relocated. Staff shared resource phone numbers to Sacred Heart, Red Cross, and Here4You. The resident shared that he is currently living with a relative but will reach out to the resources for assistance. He is also waiting for the inspection reports for his mobilehome.

2/14/2023 - COLONIAL MOBILE MANOR MOBILEHOME PARK

Resident sent the following email regarding lack of Mobilehome Rent Ordinance information to new/prospective buyers: Issue: prospective homeowners being advised of rent ordinance, anniversary date and allowable increase. I was advised by a GSMOL member in my Park that a realtor is not giving out adequate information to potential buyers on rent control, anniversary date, and allowable increase. I therefore sent the Park manager a 2-13-23 email as follows: "The rent raise anniversary date for the Park (June) is a disclosure item for potential new residents. The annual increase rate, which the city has determined is 3.75% for this covered period, is also disclosable. I have been advised by a GSMOL member that a realtor is not giving clear information to potential buyers which is also disclosable for the realtor. Please advise if when someone comes to the office to discuss and/or sign a lease with Colonial Mobile Manor, if the facts about the rent ordinance, the anniversary month, and the allowable rate for the current covered period is disclosed. Thanks Martha O'Connell GSMOL Regional Manager" No reply from the manager although she has responded to an email sent later. I called Vanessa because potential residents need to know this information. Vanessa kindly joined me on line to look at Housing's on-line New Park Owner/Park Manager Starter Kit. Clicking on the Annual Rent Increase Notice and the Summary of Ordinance to Prospective Homebuyers ("this notice explains the responsibility to inform prospective buyers of rent control provisions") leads to Jacky's 6-8-22 letter. That letter references the requirement to post a notice "in the mobilehome park offices." If the Park is not required to give the potential resident the notices but only post them in the office – Huston we have a problem. I could not possibly see across a room and read a notice posted on a board thus I would be denied material facts based on my visual disability. How are potential residents to know that they should get up from a chair, walk to a board in the Park Office, and read a document they do not know is there. If Parks are not required to give these two documents to potential residents, how are they to exercise informed consent when entering into a lease without knowledge of material facts? I urge the City to do something about this. Can Jacky's letter tell Park managers to provide the two notices in hard copy to prospective buyers? This is an urgent matter.

2/14/2023 - COLONIAL MOBILE MANOR MOBILEHOME PARK

Mobilehome resident advocate called program staff about new/prospective buyers not being informed about the mobilehome rent ordinance. Program staff explained to resident advocate that there are required postings and walked resident advocate through Housing website to notice and letter postings about the Annual Rent Increase and Mobilehome Rent Ordinance.

2/15/2023 - CHATEAU LA SALLE MOBILEHOME PARK

Mobilehome property manager requested copy of 2021 and 2022 fees invoice. They also requested to update mailing information for future– Program staff updated mailing information. Program staff provided with both copies.

2/17/2023 - CASA DEL LAGO

Resident inquired about the calculations for the 3.75% allowable rent increase percentage. Program staff explained that it is based on 75% of the CPI change. Resident took note of the calculations and told staff that the percentage has made it hard for her to support her family. Program staff took note of her concern.

2/22/2023 - MAGIC SANDS

Mobilehome resident inquired information on the city providing assistance to mobilehome park residents for repairs. Staff explained to residents that the City does not provide that kind of assistance and referred them to Habitat for Humanity for further assistance.

2/24/2023 - SAN JOSE MOBILE HOME AND RV PARK

Mobilehome resident reached out to program staff via email regarding an issue she was having about a tree needing trimming and who is responsible for that in a mobilehome park. Program staff emailed resident back asking for a good number to contact her and added the Mobilehome Residency Law information regarding tree maintenance responsibility.

2/27/2023 - Unavailable

Real estate agent called regarding her client wanting to sell their mobilehome park but are under a 10 year long term lease. Her concern is that the rent for this mobilehome park is too high and any prospective buyer have been lost due to this issue. Program staff informed her that once a mobilehome resident is under a long-term lease they give up their rights to rent control and shared the Mobilehome Rent Ordinance with her for further assistance and connected her to the California Department of Housing and Community Development and free legal services phone number for further assistance.

2/27/2023 - BELLA ROSA MOBILODGE

Resident called to ask who they can refer to about reporting a parking issue in their mobilehome park. Resident stated that they already contacted their mobilehome park manager but wants to submit an "official" complaint about possibly needing their tow truck company driving around the mobilehome park more often to make sure they catch the residents that tend to block his driveway. Program staff explained that complaints can not be submitted to the City but instead can call the state of California for that. Program staff provided them with the mobilehome assistance center with California Department of Housing and Community Development.

3/6/2023 - BELLA ROSA MOBILODGE

Mobilehome park owner called to inquire about the upcoming Mobilehome Community meeting. Program staff gave him the information he needed and informed him that the program will send out a flyer with further information soon.

3/8/2023 - MOSS CREEK MOBILEHOME COMMUNITY

Resident called and asked about information on the allowable rent increase. Resident wanted to know why the allowable rent increase was set to 3.75%. Resident also wanted to know why another mobilehome park was giving 1.5% rent increases instead of the 3.75%. Program staff reviewed the Mobilehome Rent Ordinance and explained how the increase is calculated based on CPI.

3/13/2023 - SILICON VALLEY VILLAGE MOBILEHOME PARK

Resident called to inquire what the allowable rent increase percentage was for this year. Staff let her know it was 3.75%.

3/16/2023 - SILICON VALLEY VILLAGE MOBILEHOME PARK

Resident emailed staff a copy of a letter she recently received. Staff explained to resident that the letter is the Annual Ordinance summary letter we send out every year and it is just to inform them of the Mobilehome Rent Ordinance regulations.

3/21/2023 - GOLDEN WHEEL PARK

Resident inquired about referral that can help her regarding selling her mobilehome. She is having issues with selling since her mobilehome park manager told her she is not able to sell nor is she able to get her own real estate agent and has to use the one provided by the mobilehome park. Program staff referred her to SALA and the California Department of Housing and Community Development Mobilehome Assistance Center for further assistance.

3/24/2023 - CASA DEL LAGO

Resident requested information about starting eviction process of their roommate. Resident also expressed concerned of roommate threatening them to take ownership of the mobilehome. Program staff provided legal services referrals and HCD information.

3/27/2023 - LAMPLIGHTER MOBILEHOME PARK

Resident wanted to inform Program Staff that the mobilehome park was left without electricity and water for 2 days. They were without electricity because PG&E was fixing some lines and because they were without electricity they had to turn off the water pump so the water wouldn't overflow into the street. Both electricity and water has been restored for resident. Program Staff provided contact information to HCD for further assistance. Resident also requested Program Staff to attend future community meetings at mobilehome park. Program staff will follow up once meeting dates and times have been set by resident.

Elizabeth Guzman
Rental Rights & Referrals Program
Analyst II, Policy and Special Projects



Memorandum

TO: HOUSING AND COMMUNITY
DEVELOPMENT COMMISSION

FROM: Kristen Clements

SUBJECT: SEE BELOW

DATE: June 1, 2023

Approved

Date

SUBJECT: DRAFT 2023-2031 HOUSING ELEMENT

RECOMMENDATION

Review the Draft 2023-2031 Housing Element and the Planning Commission Memorandum dated May 24, 2023 and recommend the City Council approve the Housing Element.

SUMMARY AND OUTCOME

The Housing Element is part of San José's Envision 2040 General Plan and is the blueprint for the City's ongoing residential growth. The State of California requires that all jurisdictions update their Housing Element on a regular basis (i.e., every 8 years) and submit the updated document to the California Department of Housing and Community Development (HCD) for final review and approval.

City staff will present a revised final draft of the 2023-2031 Housing Element for City Council's review at the June 20, 2023 City Council meeting. Pending City Council adoption of the Housing Element, staff plans to submit the Housing Element for final HCD review and approval in late June.

Prior to City Council's review of the draft Housing Element, staff presented a revised draft Housing Element to the Planning Commission on May 24, 2023. The Planning Commission memorandum is **Attachment A** to this memorandum. The Planning Commission voted 8-2 to recommend that Council adopt the Housing Element. This item is now being presented to the Housing and Community Development Commission (Commission) for similar review.

BACKGROUND

City staff from the Housing Department, the Department of Planning, Building, and Code Enforcement (PBCE), and the Office of Economic Development and Cultural Affairs (OEDCA)

have been working actively on the 2023-2031 draft Housing Element since fall 2019. Outreach and engagement efforts have been extensive, including over 100 public and community stakeholder meetings and over 4,000 participants (including duplicate attendees).

Staff posted the first draft of the Housing Element for public review and comment on July 15, 2022. After a 30-day review and incorporation of changes based upon public feedback, staff submitted a revised draft to HCD on September 16, 2022, initiating HCD's 90-day review period. Although not required by state law, staff created a second comment period for the revised draft, from September 16 to December 17, 2022. Roughly contemporaneous to the second review period, staff presented to the Commission about staff's progress on the Housing Element, including special sessions on the following dates:

- October 13, 2022
- December 8, 2022
- January 12, 2023

In these sessions with Commission, staff solicited Commissioner feedback on the Housing Element, especially about proposed programs, policies, and strategies (i.e., Chapter 3). A summary of Commissioner comments is contained in **Attachment B**.

On December 15, 2022, staff received HCD's first review letter. Since the beginning of 2023, staff has been in regular contact with HCD staff, meeting biweekly and revising the draft Housing Element to incorporate HCD's changes as well as additional public feedback, Commission recommendations, and updated information. See the City's Housing Element webpages for the revised draft and HCD's letter.¹

ANALYSIS

Per the attached Planning Commission memo and associated documents, the current draft Housing Element contains staff's best efforts to include essential elements required for a compliant Housing Element. Final edits per HCD's direction will be posted for the City Council's meeting on June 20, 2023. In that version, staff will have addressed all issues identified by HCD's review and, in staff's best judgment, produced a Housing Element that can pass HCD's final review.

As discussed above, the Commission's feedback has been heard often and in-depth as staff developed the Housing Element. In earlier Commission sessions, staff solicited feedback on the goals, strategies, policies, and programs to be included in the Housing Element. In the Commission's formal consideration of the Draft Housing Element, staff recommends the Commission's review focus on:

- Appropriateness of timeframes and outcomes in Chapter 3 strategies

¹ <https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/citywide-planning/housing-element/2023-2031-draft-housing-element>

June 1, 2023

Subject: Draft 2023-2031 Housing Element

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- If staff's revisions address interests and concerns of the Commission, public and HCD
- If the Commission wishes to recommend the City Council approve the Housing Element.

EVALUATION AND FOLLOW-UP

The draft 2023-2031 Housing Element will be presented to the City Council on June 20, 2023 and submitted to HCD for final review following Council approval.

PUBLIC OUTREACH

- This memorandum will be posted on the Housing Department website for the June 8, 2023 Commission meeting.
- The Council version of this memorandum will be posted on the City's Council Agenda website for June 20, 2023 City Council meeting.
- Outreach was undertaken for this item in addition to the agenda posting described above. These outreach efforts are described below.

COMMISSION RECOMMENDATION/INPUT

Staff will include the Commission's recommendation and a summary of Commissioner comments in a Supplemental Memo to be included with materials submitted to Council.

/s/

KRISTEN CLEMENTS

Acting Deputy Director, Housing Department

The principal author of this memorandum is Josh Ishimatsu, Acting Division Manager. For questions, contact Kristen Clements at Kristen.clements@sanjoseca.gov or Josh Ishimatsu at Joshua.ishimatsu@sanjoseca.gov.

ATTACHMENTS

Attachment A – Planning Commission Memorandum from May 24, 2023

Attachment B – Summary of Commissioner and Public Comments on draft Housing Element



Memorandum

TO: PLANNING COMMISSION
SUBJECT: GPT21-001 & ER21-032

FROM: Christopher Burton
DATE: May 24, 2023

COUNCIL DISTRICT: CITYWIDE

Proposed General Plan text amendment	City-initiated General Plan text amendment to revise the Envision San José 2040 General Plan Housing Element for the 2023-2031 Regional Housing Need Allocation (RHNA) sixth cycle projection period pursuant to State law and related amendment to Chapter 7 of the General Plan.
Project Planner	Ruth Cueto
CEQA Clearance	Supplemental Environmental Impact Report to the Envision San José 2040 General Plan Final Program Environmental Impact Report (FEIR), adopted through Resolution No. 76041, and Supplemental EIR Resolution No. 77617, adopted on December 15, 2015, and Addenda thereto.
CEQA Planner	Reema Mahamood

RECOMMENDATION

Staff recommends that the Planning Commission recommend to the City Council to:

1. Certify the Supplemental Environmental Impact Report to the Envision San José 2040 General Plan Final Program Environmental Impact Report (FEIR), adopted through Resolution No. 76041, and Supplemental EIR Resolution No. 77617, adopted on December 15, 2015, and Addenda thereto, in accordance with CEQA; and
2. Adopt a resolution approving the General Plan Text Amendment to amend the Envision San José 2040 General Plan to include the 2023-2031 Housing Element, revise Chapter 7 ("Housing Element") of the General Plan, and repeal the 2014-2022 Housing Element.

PROJECT BACKGROUND

Since 1969, the State of California has required local governments to adequately plan to meet the housing needs of everyone in their respective communities by adopting a Housing Element as part of their General Plan.¹ The General Plan serves as a local agency's "blueprint" for how the city will grow and develop and includes eight required elements: land use, transportation, conservation, noise, open space, safety, environmental justice, and housing.

¹ CA Government Code Title 7, Division 1, Chapter 3, Article 10.6 [65580 – 65589.11] regulates the use and requirements of housing elements in California

Every eight years, every city, town, and county must update their Housing Element and have it certified by the state Department of Housing and Community Development (HCD). The Housing Element must be internally consistent with other parts of the General Plan and is critical to having a legally adequate General Plan. At its core, a Housing Element is an opportunity for a community conversation about how to address local housing challenges and find solutions. While the Housing Element addresses a range of housing issues such as affordability, design, housing types, density, and location, it also establishes goals, policies, and programs to address existing and projected housing needs. State law does not require that jurisdictions build or finance new housing, but they must adequately plan for it.

State law requires the current update for jurisdictions in the Association of Bay Area Governments (ABAG) region to comply by January 31, 2023. Recent changes in state law have affected the timeline for preparing this cycle's update. Specifically, Assembly Bill 215 (AB 215, 2021) requires local governments to make the first draft revision of their housing element update available for public comment for at least 30 days. Further, if any comments are received, a local government must take at least ten additional business days to consider and incorporate public comments into the draft revision before submitting to HCD. HCD must review the draft and report its written findings to the planning agency within 90 days of receiving the first draft submittal for each housing element revision or within 60 days of its receipt for a subsequent draft amendment or adoption.

Process

Staff's preparation of San José's 2023-2031 Draft Housing Element occurred over the course of three years, including the first phase which focused on the Assessment of Fair Housing (AFH). It is based on extensive community input, gathered through discussions at public meetings, surveys, and other engagement methods. The project team reached out to and involved community groups, housing developers, advocates, and other stakeholders. Staff also held study sessions and workshops on the Draft Housing Element for the Planning Commission and the Housing and Community Development Commission. The City also considered and incorporated input received through several years of outreach and engagement on a range of housing and community development topics. This approach was intended to recognize, value, and act on the contributions of the many community members who have shared their needs and ideas with the City, particularly protected classes who experience disproportionate barriers to civic engagement. Staff also consulted HCD, and the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) for guidance on how to comply with state requirements while addressing local concerns and needs.

During the outreach process, stakeholders urged City staff to integrate public feedback from all recent housing-related outreach to help identify housing needs and potential strategies for the AFH and Housing Element. Accordingly, staff considered and incorporated⁷ input received through several years of outreach and engagement on a range of housing and community development topics. This approach was intended to recognize, value, and act on the contributions of the many community members who have shared their needs and ideas with the City, particularly protected classes who experience disproportionate barriers to civic engagement.

After months of staff analysis and multiple community engagement and outreach events with more than 4,100 participants², the Draft 2023-2031 Housing Element was posted for public comment on July 15, 2022,

² Participant number is duplicated, meaning stakeholders may have attended more than one meeting and been counted for each meeting.

for 30 days.³ After incorporating changes to the document based on public feedback⁴ and further staff analysis, staff submitted the revised draft to HCD on September 16, 2022, initiating HCD's 90-day review period. Although not required by state law, staff offered a second public comment period, which surpassed the state's public comment period requirements, from September 16 to December 17, 2022.

Staff received HCD's first review letter (**Exhibit A**) on December 15, 2022, and posted it to the City's website. HCD's review letter provided positive feedback on many of the approaches in the Draft Housing Element, but also specified additional needed changes and analyses. The review letter identified four sections (Review and Revision, Housing Needs, Resources and Constraints, Housing Programs, and Quantified Objectives) of the Draft 2023-2031 Housing Element that required changes and additional analysis to bring the City's draft Housing Element into compliance. Some of the issues raised include providing specific metrics and timelines for certain programs and policies, clarifying the methodology used to determine residential capacity on the sites inventory, and clarifying required rezoning actions.

Since that time, staff worked diligently to respond to the comments in the letter and coordinated closely with HCD staff. Staff had several meetings with HCD staff to discuss the revisions that needed to be made to address the comments in the first review letter. The Housing Element Update presented to Planning Commission represents staff's due diligence in preparing a substantially compliant document. Upon City Council's approval of staff recommendation, the City will submit the revised Housing Element to HCD for a determination of substantial compliance and certification.

The following section summarizes the required components of Housing Element Updates per State law and new requirements included since the 5th Cycle Housing Element Update (2015-2023).

Required Components of a Housing Element

Pursuant to Government Code Section 65583, local governments are required to include the below items as components within their Housing Elements, and subsequent updates thereto. The existing required components are discussed below, followed by a discussion on the newly required components introduced as part of the Sixth Cycle.

1. **Housing Needs Assessment.** Examine demographic, employment and housing trends and conditions and identify existing and projected housing needs of the community, with attention paid to special housing needs (e.g., large families, persons with disabilities). This section includes a community's Regional Housing Needs Allocation (RHNA) as determined by a community's regional planning body in partnership with HCD.
2. **Evaluation of Past Performance.** Review the prior Housing Element to measure progress in implementing policies and programs.
3. **Housing Sites Inventory.** Identify locations of available sites for housing development or redevelopment to demonstrate there is enough land zoned for housing to meet future need at all income levels. New state law substantially changed the standards for designating adequate sites for this sixth cycle Housing Element, particularly for non-vacant sites.

³ Cal. Gov. Code 65585, https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB215

⁴ Public Letters and Web Comments Received During Public Review Period of Draft 2023-2031 Housing Element <https://www.sanjoseca.gov/home/showpublisheddocument/95097/638133744426730000>

4. **Community Engagement.** Implement a robust community engagement program that includes reaching out to individuals and families at all economic levels of the community plus historically underrepresented groups.
5. **Constraints Analysis.** Analyze and recommend remedies for existing and potential governmental and nongovernmental barriers to housing development.
6. **Policies and Programs.** Establish policies and programs to be carried out during the 2023-2031 planning period to fulfill the identified housing needs.

New Requirements for the Sixth Cycle Housing Element Update

Pursuant to recent State legislation, the following items are now required as part of the Housing Element Update process:

- **Affirmatively Furthering Fair Housing (AFFH).** Assembly Bill 686 (AB 686, 2018) created new requirements for jurisdictions to affirmatively further fair housing. According to AB 686, affirmatively furthering fair housing means to take “meaningful actions, in addition to combating discrimination, which overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics” and is Federally mandated by the 1968 Fair Housing Act. The four main goals are to:
 - Address significant disparities in housing needs and in access to opportunity, and
 - Replace segregated living patterns with truly integrated and balanced living patterns, and
 - Transform racially and ethnically concentrated areas of poverty into areas of opportunity, and
 - Foster and maintain compliance with civil rights and fair housing laws.
- **Public Comment on Draft Revisions.** Assembly Bill 215 (AB 215, 2021) requires local governments to make the first draft revision of their housing element update available for public comment for at least 30 days. Further, if any comments are received, a local government must take at least 10 additional business days to consider and incorporate public comments into the draft revision before submitting to HCD. HCD must review the draft and report its written findings to the planning agency within 90 days of receiving the first draft submittal for each housing element revision or within 60 days of its receipt for a subsequent draft amendment or adoption.

ANALYSIS

The following section summarizes the amendments to Chapter 7 of the General Plan and the contents of San José’s Sixth Cycle Housing Element for the 2023-2031 Planning Period.

General Plan, Chapter 7

Chapter 7 “Implementation” of the Envision San José 2040 General Plan includes policies to guide the use of the General Plan for the ongoing land use decision making process and development of related City policies. It includes an explanation of the Annual and Major General Plan review process, the Urban Village Planning process, and updates to the Housing Element. This section offers a brief description of the Sixth Cycle RHNA targets and goals. The proposed changes are found in **Exhibit C** and focus on updating references to the 2023-2031 Housing Element and the updated RHNA numbers for the Sixth Cycle Housing Element.

Housing Needs Assessment

As part of the Housing Element Update process, the City is required to analyze the existing and projected housing needs of City including its fair share of RHNA requirements. The City's analysis of housing needs is required to include an assessment of detailed demographic data including population, age, size, and ethnicity; household characteristics; overpayment trends; housing stock conditions; units in need of replacement or rehabilitation; and needs of special needs populations including the elderly, persons with disabilities, unhoused persons, extremely low-income households, and farmworkers. The Sixth Cycle Housing Element outlines the following housing needs of the City: an abundant and affordable supply of housing, sufficient housing for people experiencing homelessness, housing stability and opportunities to build wealth for all residents, racially and socially inclusive neighborhoods that overcome past and present discrimination. A full analysis of housing needs can be found in Chapter 2 of the Housing Element.

Regional Housing Needs Allocation (RHNA)

In January of 2022, HCD approved ABAG's adopted [Final RHNA Plan for the San Francisco Bay Area: 2023-2031](#) (Plan) which establishes a total RHNA for the San Francisco Bay Area of 441,176 residential units for the Sixth Cycle housing element 2023-2031 planning period. ABAG's Plan further distributes this RHNA across the Bay Area's nine counties, and 101 jurisdictions based on demographic and population data received from the California Department of Finance (DOF). Local jurisdictions must then utilize their ascribed RHNA to update the housing elements of their general plans for the Sixth Cycle planning period, inclusive of identifying eligible sites to accommodate this RHNA. See the *Sites Inventory* Section below.

RHNA requirements are organized into four affordability categories, established according to the Area Median Income (AMI) of a geographic area. These categories include very low-income residential units, which are affordable to households earning less than 50% AMI; low-income residential units, which are affordable to households earning 51% to 80% AMI; moderate-income residential units, which are affordable to households earning 81% to 120% of AMI; and above moderate-income residential units which are affordable to households earning more than 120% AMI. San José's RHNA is 62,200 units. The RHNA breakdown by household income category is shown in Table 1.⁵

Table 1: San José's Regional Housing Needs Allocation (RHNA)

Income Category	Previous Housing Element Cycle (2015-2023)	Sixth Cycle RHNA (2023-2031)
<i>Very Low (less than 50% of AMI)</i>	9,233	15,088
<i>Low (50-80% of AMI)</i>	5,428	8,687
<i>Moderate (80-120% of AMI)</i>	6,188	10,711
<i>Above Moderate (More than 120% of AMI)</i>	14,231	27,714
Total RHNA	35,080	62,200

Source: Final RHNA Plan for the San Francisco Bay Area: 2023-2031

⁵ City of San José, Housing Income & Rent Limits Effective May 20, 2022, <https://www.sanjoseca.gov/home/showpublisheddocument/86799/637901210146400000>

While RHNA is a planning goal, it also represents the need for housing in a jurisdiction based on a robust data-driven model at the regional level. To accomplish the affordable goals in Table 1 in this planning cycle, staff conservatively estimates⁶ that it would require \$4.8 billion in City subsidies. The City's subsidies would leverage another \$19.0 billion⁷ in private and public sources loaned to and invested in housing developments.

RHNA Buffer

New "no net loss" provisions of Government Code Section 65863 require the City to ensure an adequate supply of land resources to be made available for housing development throughout the duration of the 2023-2031 planning period. This means if housing sites identified within the City's Sixth Cycle housing element update are developed with non-residential uses, lower residential densities, or residential uses at affordability levels higher than anticipated by the Housing Element, the City's Housing Element could be determined to be out of compliance. Accordingly, the City's RHNA requirement is further buffered with 13,227 units or a 35% buffer to ensure compliance with "no net loss" provisions.

Constraints Analysis

In addition to analyzing the existing and projected housing needs of the City, the Housing Element Update must also identify and analyze potential and actual governmental and nongovernmental constraints to the maintenance, improvement, or development of housing for all income levels in the City. Chapter 4 of the Housing Element discusses constraints on housing. While there are many variables in the production of new housing units, construction costs in recent years have been the most significant constraint on the supply of housing in San José. A summary of constraints to the development and improvement of housing identified in Chapter 4 is included below, along with descriptions of local efforts to lessen these constraints as applicable.

Non-Governmental Constraints

Construction Costs: According to a local index,⁸ construction costs⁹ have increased by 17% in the region between the beginning of the pandemic in spring 2020 and early 2022. Since 2014, the total increase in construction costs has been 76%. High cost of construction remains the largest constraint on the production of new housing units at all income levels in San José.

For affordable housing, construction costs impact the size of subsidy that must be provided by the city, county, or state. Projects then must also more frequently utilize additional funding sources than in previous years. This stacking of additional funding sources adds time and costs to affordable housing development and further constrains supply.

Availability of Financing: For affordable housing construction, the availability of financing has been constrained by level of subsidy available. In recent years, the competitiveness in obtaining funds has greatly increased especially for Low-Income Housing Tax-Credit (LIHTC) financing making it more challenging for projects to obtain sufficient funds to start construction. For market rate housing projects, financing had generally been available; however, rising interest rates, which began in 2022, in combination

⁶ This estimate assumes the following: the City would need to subsidize all the development of extremely low-, very low-, and low-income units; no affordable homes are created by the private market through Inclusionary Housing requirements; City subsidy is capped at \$200,000 per unit for extremely low-, very low-, and low-income units; and, subsidies for moderate-income units are excluded.

⁷ Assumes City subsidy comprises 20% of total development costs.

⁸ Index from TBD Consultants.

⁹ Construction costs do not include the cost of land or other indirect costs such as permitting fees or professional services.

with rising construction costs, have recently impacted the availability to finance these projects. These rising costs may continue to impact project financing and therefore dampen market rate housing production in the near term.

Resident Opposition: As with many jurisdictions throughout California, proposals for new housing development, both market rate and lower income developments, may often be opposed by residents who raise a variety of objections. These objections include the process for approval or concerns about the impacts of a project. This opposition can lead to longer review periods or result in material changes to a development proposal that impact costs or the number of units to be built. The resulting delays and added costs can be considered a constraint on housing in the City. To address this constraint, staff is proposing a City Ministerial Infill Housing Approval Ordinance (Chapter 3, Housing Goals and Policies, Program P-7). So long as they meet minimum requirements, projects processed under a ministerial review involve little or no discretion, are evaluated without any subjective judgment from planners, and do not require a public hearing.

Governmental Constraints

Fees and Exactions: The City collects impact fees, taxes, and exactions from new residential development to finance new public infrastructure, such as parks; to cover the cost of adding new capacity to existing public infrastructure such as wastewater; and to cover the cost of processing permits. Based on analysis done for the Housing Element and for the City's Cost of Residential Development Reports, San José's fees and taxes are in line with other jurisdictions in the area. Overall, the City's fees and exactions do not represent an undue constraint on housing. However, since this is an area the City directly controls, there are some programs and policies identified related to fees and taxes (Chapter 3, Housing Goal and Policies, Program P-10). This includes an existing program to reduce impact fees and construction taxes on residential high rise in downtown, an existing 50% reduction of park impact fees for affordable housing, and a suspension of construction taxes for affordable housing that staff will bring forward in fall 2023. Additionally, the City intends to continue work on the Development Fee Framework which will provide transparency for developers and clarity to City decision makers on cost implications of housing development fees.

Urban Village Strategy: Urban Village planning requires significant staff resources and advanced planning. Since the adoption of the General Plan in 2011, staff has planned 14 urban villages areas—an average of 1.2 every year. While housing development may proceed in unplanned urban villages through General Policies IP-5.10 and IP-5.12, these policies do not provide opportunities for residential and mixed-use residential development outside of 100% affordable developments and "Signature" projects. Essentially, unplanned urban villages are not yet primed to facilitate residential development. To address this constraint, staff is proposing the following programs: 1. evaluate the Urban Village strategy to help unlock opportunities for more housing; and 2. Identify funding for, and conduct program-level CEQA analysis as part of the process of developing or updating Urban Village plans to help speed developments' timelines. (Chapter 3, Housing Goals and Policies, Program P-40, P-37).

Housing Resources & Sites Inventory

For the Sixth Cycle housing element, the City is also required to identify resources available to the City for the preservation, rehabilitation, and production of housing throughout the community. This includes programmatic and financial resources, such as those offered locally or through State or Federal partners. These resources also include sites, or "Opportunity Sites" as used throughout the document, within the City that were identified as eligible for accommodation of the City's RHNA Requirements. Pursuant to Government Code Section 65583.2(a) the following sites are eligible for accommodation of the City RHNA: vacant sites zoned for residential use; vacant sites zoned for nonresidential use that allow residential development; residentially zoned sites that are capable of being developed at a higher density; or sites

zoned for nonresidential use that can be redeveloped for residential use, and for which the Housing Element includes a program to rezone the site.

The City's Housing Sites Inventory is summarized below in Table 2. Opportunity sites identified within the below Inventory Summary are included in **Exhibit E**, and can be viewed online at www.sanjoseca.gov/housingelementupdate.

Table 2: San José's Housing Sites Inventory

Site Category	LI (includes ELI/VLI)	Moderate	Above Moderate	Total
Pipeline/Pending Projects	5,387	178	14,877	20,442
Projected ADUs	1,733	866	866	2,888
Opportunity Sites	20,663	10,545	20,874	52,082
Total	27,783	11,604	36,040	75,427

A total of 474 opportunity sites from across the City are included in the Sites Inventory. 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, Tolemi, who helped staff launch the [SJ Housing Site Explorer](#)—an interactive, web-based map and data site to help identify potential sites for new housing development—conducted a comprehensive inventory of all vacant and nonvacant developable land within the City limits that already allows for housing and is available to develop within the Housing Element planning period. In particular the City focused site identification in four main areas:

1. Urban Villages with adopted plans
2. Urban Villages without adopted plans
3. Downtown/Diridon Station Area
4. North San José

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 City's [Major Development Projects list](#), had Planning permits issued within the last four years, had new construction Building permits in the last eight years, and were smaller than 0.5 acre. 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 – see paragraph below), and planned Urban Villages (where sites were limited only to those planned or intended for residential development).

There are 18 properties on the sites inventory in North San José that will be rezoned after the June 20, 2023, City Council hearing for the new Housing Element. These sites will require both a general plan and zoning overlay to allow for housing. This work must be completed by January 31, 2024 pursuant to Housing Element law (Gov Code 65583(c)(1)A). Information on this workplan is found in the November 15, 2022 City

Council staff report.¹⁰ This work to create overlay zones is also included in the new Housing Element as a program (Chapter 3, Housing Goals and Policies, Program P-3).

Policies and Programs

The new Housing Element includes a set of goals and strategies intended to promote the preservation, rehabilitation, and production of housing throughout the City. Goals are broad and comprehensive targets that describe the future outcomes the City desires. Strategies are a general way to describe actions the City will undertake during the planning period. They consist of policies, programs, and activities that the City would do either alone or in partnership with other organizations and the community. A summary of draft goals and strategies included within the City's draft Housing Element Update is included below:

The Housing Element includes the following five goals and related strategies that create the framework for how the City of San José will address housing needs during the planning period.

Goal 1: An abundant and affordable housing stock. Strategies focus on both market-rate and affordable housing production.

Goal 2: Sufficient housing for people experiencing homelessness. Strategies include providing permanent and temporary housing for people experiencing homelessness, funding the delivery of services to people without homes and in service-enhanced housing, and helping to prevent people from becoming homeless. With its partners across the County, the City seeks to do this work with an equity lens, focusing its work and identifying priorities based on needs of and feedback from people with lived experience of homelessness.

Goal 3: Housing stability and opportunities to build wealth for all residents. Strategies focus on ensuring that all forms of tenure, including ones not common today, can provide households with stability and the foundation for a better life. These strategies address renter stability and access, fair housing, tenant protections, and wealth building.

Goal 4: Healthy, thriving neighborhoods with access to good jobs, schools, transportation, and other resources. Strategies focus on targeted neighborhood investments and access to higher-resource areas.

Goal 5: Racially and socially inclusive neighborhoods that overcome past and present discrimination. Strategies focus on housing for special populations. They also include systems-oriented strategies such as equity-focused outreach, decision making bodies, and planning and advocacy structures. The systems-oriented strategies put more protected class residents, and their lived experiences, into the City's decision-making process and program offerings. In the long-term, these changes should support improvements in neighborhoods' inclusiveness and equity.

Evaluation of Past Progress

The City of San José's [Fifth Cycle Housing Element](#) was adopted by City Council on January 27, 2015, and included a Regional Housing Needs Allocation (RHNA) of 35,080 total units of housing and an Implementation Work Plan that included over 80 planned programs, policies, and activities. The City exceeded Fifth Cycle goals for market-rate housing and met or exceeded almost all Work Plan items. While the City did not meet RNHA goals for affordable housing, the City has developed new local funding sources for affordable housing development which should aid in meeting future goals. In addition, the City met substantially all of its applicable work plan goals. A full analysis of the Fifth Cycle programs and policies work can be found in Appendix C of the 2023-2031 Housing Element.

¹⁰ <https://sanjose.legistar.com/LegislationDetail.aspx?ID=5920049&GUID=C963AC4B-C3F0-45A3-AF88-6501D081451C&Options=&Search=>

Community Engagement

Consistent with State Law, the City developed and implemented a robust public participation strategy for the Sixth Cycle Housing Element Update process. The objective was to involve all segments of the population and gather a wide range of feedback on key components of the documents with a focus on reaching underrepresented populations. The strategy involved using a variety of methods to involve the public and stakeholders, including community meetings, online surveys, focus groups, working groups, stakeholder meetings, tabling at community events, a podcast, and a documentary movie screening with speaker panel event.

These efforts also included public meetings of the City Council, Community and Economic Development Committee (CEDC), Planning Commission, Housing and Community Development Commission, Neighborhoods Commission, and Neighborhood Services and Education Committee (NSE) and are summarized within the Appendix H of the Housing Element Update and below.

The extensive outreach and engagement process began in 2019 with the AFH. The engagement activities conducted for the AFH and Housing Element Update are listed below, summarized in Chapter 2 of the Housing Element, and described in detail in the Appendix H of the Housing Element Update.

Community Meetings	Date	
1. San José Community Meeting at Hillview Library	November 13	2019
2. San José Community Meeting at Southside Community Center	November 16	2019
3. San José virtual Community Meeting	September 2	2021
4. San José virtual Community Meeting	December 13	2021
5. San José virtual Community Meeting	May 25	2022
6. San José virtual Community Meeting	June 1	2022
7. San José Community Meeting at Gardner Center	June 4	2022
8. San José virtual Community Meeting	July 27	2022
9. San José Community Meeting at Mexican Heritage Plaza	August 8	2022
<i>City Commission and Council Committee meetings on Housing Element/Assessment of Fair Housing</i>		
1. Housing and Community Development Commission	January 27	2022
2. Neighborhoods Commission	February 9	2022
3. Neighborhood Services and Education Committee	February 10	2022
4. Community and Economic Development Committee	February 28	2022
5. Housing and Community Development Commission Study Session	October 13	2022
6. Planning Commission Study Session	November 16	2022
7. Housing and Community Development Commission Study Session	December 8	2022
8. Housing and Community Development Commission Study Session	January 12	2023

Affirmatively Furthering Fair Housing (AFFH)

Assembly Bill 686 (AB 686, 2018) created new requirements for jurisdictions to affirmatively further fair housing as part of the Housing Element Update process. These requirements found in Government Code Section 8899.50 are intended to address racial inequalities seen today throughout the Bay Area that developed as a result of historical policies and practices enacted at federal, state, regional and local levels and across the public and private sectors. Although many of these explicit forms of historical discrimination have been outlawed, the results of these systems have left a lasting imprint on both the Bay Area region and the City. Racially explicit practices (e.g., racial covenants) which excluded persons of color from

predominately white neighborhoods have been replaced with race-neutral land use policies that continue to exclude these same groups. Furthermore, rapidly increasing housing costs have deepened racial and economic disparity and segregation, displacing many low-income individuals and people of color to the peripheries of the region or out of the Bay Area altogether.

Accordingly, the City must incorporate fair housing considerations into its Sixth Cycle Housing Element to increase housing opportunities in high resource neighborhoods and bring additional resources to traditionally under-resourced neighborhoods. The following section summarizes how the City's Housing Element Update addresses the various components of the AFFH requirement.

Targeted Community Outreach

The City must demonstrate "meaningful, frequent, and ongoing community participation, consultation and coordination" as part of the Sixth Cycle Housing Element process. This is intended to ensure that input has been received from groups historically and presently most impacted by fair housing issues and that local knowledge is incorporated into Housing Elements. Accordingly, staff implemented the following targeted community outreach efforts:

- Staff offered Spanish and Vietnamese interpretation at the community meetings, translated the online surveys and the outreach materials advertising the meetings and surveys and ran Facebook ads. These efforts were particularly successful for the Fall 2021 online survey, which received 155 responses in Spanish and 150 in Vietnamese (305 of 640 total responses).
- Staff scheduled the community meetings aimed at the general public in the evenings and offered alternative meeting times and methods to increase opportunities to provide input (such as a weekend event and virtual options to participate). Staff also offered refreshments and activities for children at the in-person meetings.
- Focus groups were a key method for reaching underrepresented populations. Staff hosted 21 focus groups of people from protected classes, such as unhoused people, LGBTQ+, veterans, survivors of gender violence, persons with disabilities, and people of Black/African ancestry.
- Staff also partnered with several local organizations to encourage direct participation in the process among underrepresented populations and communities with protected characteristics, as well as to indirectly represent these populations through their relationship to these communities. By partnering with local organizations, connections and trust with underrepresented populations can be built. Staff met regularly with SV@Home and Law Foundation of Silicon Valley as the countywide equity collaborative partners and co-created a number of issue-based working groups, comprised of organizations representing a wide variety of stakeholders and protected classes, including persons with disabilities, unhoused residents, tenant advocates, and communities of color. Staff also met early in the outreach process with the Race Equity Action Leadership (REAL) Coalition, comprised of leaders in many local nonprofit organizations, service providers, and advocacy organizations. Additionally, staff sent email updates to a list of approximately 100 community leaders and prepared outreach materials that could be easily distributed.

Assessment of Fair Housing

The City must also describe and analyze the unique housing circumstances of the City. This analysis is referred to as an Assessment of Fair Housing (AFH) and analyzes circumstances within the City pertaining to Fair Housing issues including: San José's history of segregation and its effect on opportunities and access for people of color, homelessness, fair housing violations, lack of accessibility for disabled persons and lack

of information and community engagement.

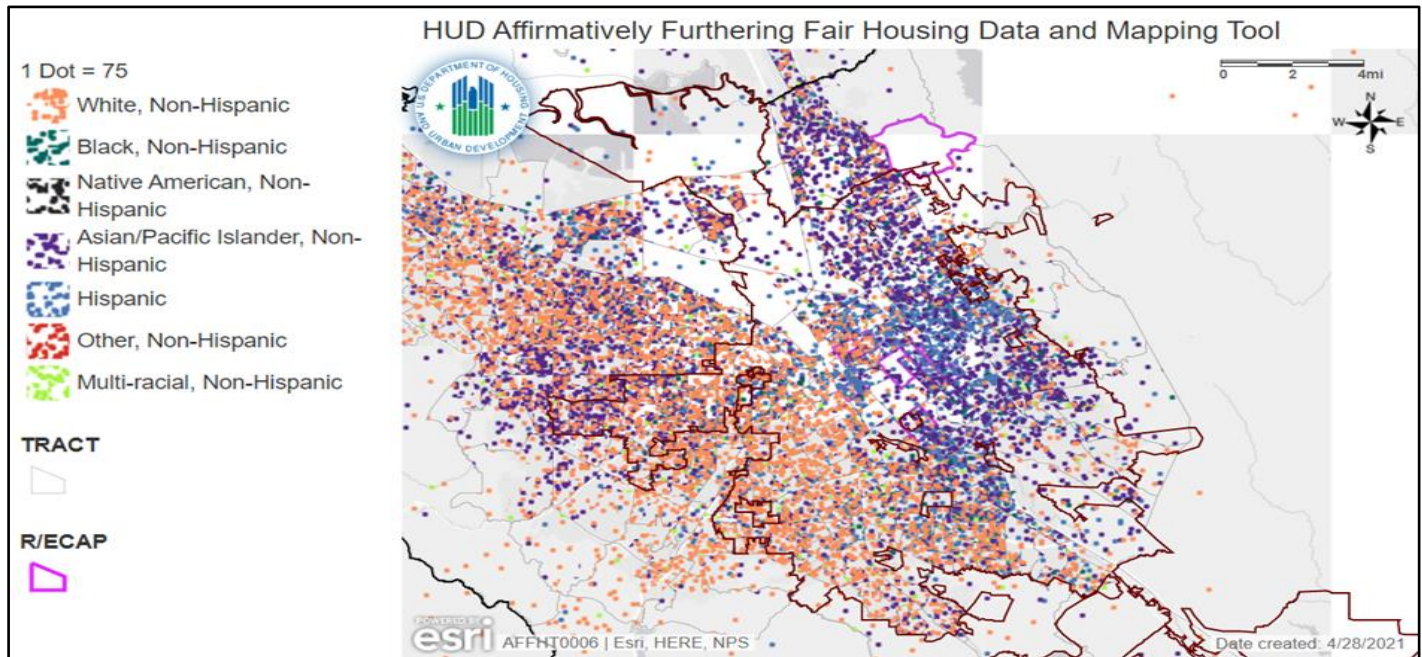
Fair Housing Outreach Capacity and Enforcement

The City's AFH includes information regarding the City's Fair Housing Outreach Capacity and Enforcement methods which includes its ability to provide fair housing outreach and enforcement. There is a continued need for fair housing rights and education and enforcement, especially in the City's rental market. Despite the City's and its partners' ongoing efforts, there is still evidence of housing discrimination beyond what is reflected in official complaints, especially in terms of discrimination of people with disabilities (large numbers of inquiries reported despite a smaller percentage of complaints filed; multiple reports from community members during our community outreach process) and source of income discrimination (multiple reports during community engagement of applicants with Section 8 and other rental vouchers being turned away from rental opportunities). HUD maintains a record of all housing discrimination complaints filed in local jurisdictions. These grievances can be filed on the basis of race, color, national origin, sex, disability, religion, familial status, and retaliation. HCD also provides data for each County and census tracts, when available, through the Affirmatively Furthering Fair Housing Data and Mapping Resources. Data compiled by HUD's Office of Fair Housing and Equal Opportunity (FHEO) and provided to the state database shows 13 cases for the County of Santa Clara from January 2006 to July 2020. Of these cases, seven were related to a disability bias, three were related to a racial bias, and three were related to familial status. HUD also tracks inquiries submitted in each jurisdiction. While these are not official cases, there is still value to identify concerns that residents have about possible discrimination. These inquiries may not have been pursued by the resident for any number of reasons. The dataset shows 225 inquiries in San José related to a disability bias.

The City contracts with local service provider Project Sentinel to conduct fair housing testing and investigation in addition to outreach and education. An example of fair housing testing would be to send multiple applicants of different races or ages but similar other characteristics to apply for the same apartment to test whether they would be treated differently on the basis of their race or age. Project Sentinel conducts fair housing educational workshops and trainings, including to housing providers, in addition to participating in community events, trade shows, and distributing fair housing brochures to San José residents and housing providers. The City also contracts with the Law Foundation of Silicon Valley to coordinate a consortium of fair housing service providers (Consortium). Through this contract, five programs provide services to support fair housing in San José. In addition to legal services and representation, the Consortium provides ongoing Fair Housing outreach and education services related to Fair Housing on behalf of the City. This work includes group trainings on housing discrimination and fair housing rights.

Segregation and Integration Patterns

The City's AFH also analyzes segregation and integration patterns within the jurisdiction as well as regionally. Segregation and integration patterns are analyzed by evaluating the concentration (or lack thereof) of protected groups within the community, relative to their distribution across a larger geography. As visually represented in the racial dot map below (**Figure 1**), the City has readily observable patterns of where people live by race.

Figure 1: Racial Dot Map of San José

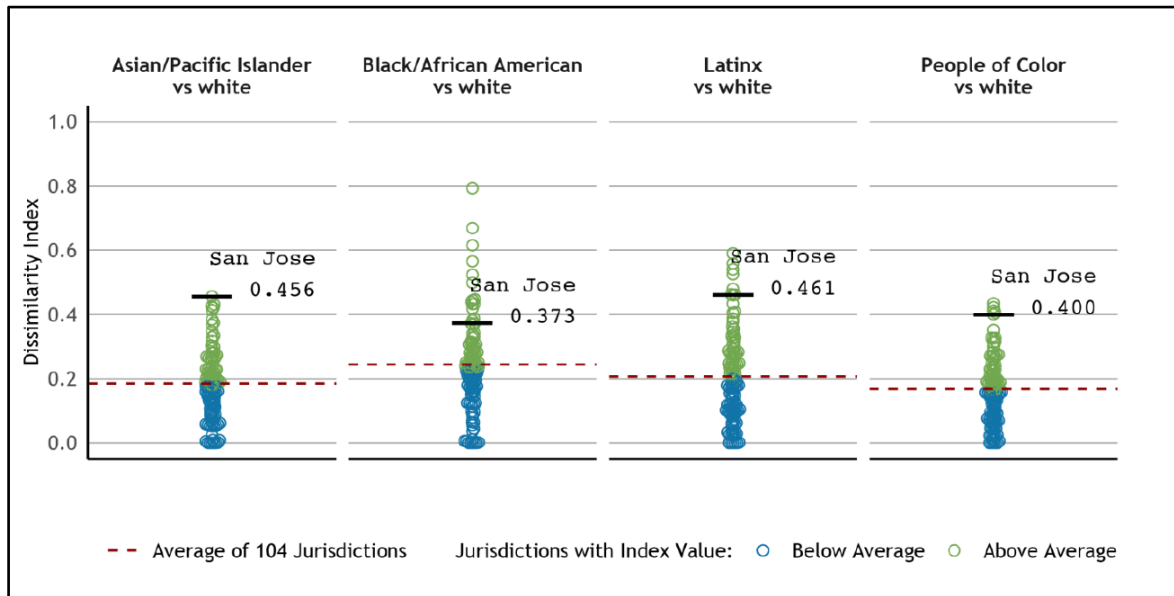
Source: U.S. HUD AFH Map

By standard measures of segregation¹¹ and as shown in **Figure 2**, the City is one of the most segregated cities of the 100+ cities in the nine-county Bay Area.

¹¹ AFH standard measures of segregation include the Dissimilarity Index (which compares the relative geographic distribution between two populations), the Isolation Index (which measures how likely a single population is likely to live near other populations), and the Theil's H Index (which indicates how likely an individual is to live in a neighborhood that has the same demographic breakdown as the whole jurisdiction). Relative to the rest of the region, the City scores poorly on all of these measures.

Figure 2: Segregation/Dissimilarity Indexes for 9-county Bay Area

Note: a dissimilarity score of 0.4 or higher indicates that a population is segregated.



As discussed further in the City's Assessment of Fair Housing (see Attachment B of the Housing Element), these patterns of segregation are rooted in racist policies and practices – implemented by both public (such as the City) and private entities (such as banks) – including redlining, discriminatory lending policies, urban renewal, and inequitable land use policies.

Racially and/or Ethnically Concentrated Areas of Poverty (R/ECAPS)

The City's AFH includes an analysis of Racially and or Ethnically Concentrated Areas of Poverty (R/ECAPS) based on the following criteria:

- HUD-identified R/ECAPs
- San José's updated list of R/ECAP tracts, using HUD's criteria but with 2019 5-year ACS, per the following:
 - Population less than 50% non-Hispanic White,
 - Poverty rate greater than 22.5%¹²;
- San José's additional extremely low-income tracts, using 2019 5-year ACS per the following:
 - Population less than 50% non-Hispanic White
 - 40% of the tract households had an annual income less than \$35,000 (the 2019 California Poverty line for a family of four, as determined by the Public Policy Institute of California¹³).

San José has six of eight of the County's HUD-identified R/ECAPs. When expanded to include all three combined criteria above, there are 16 total R/ECAP tracts in San José with a total population of 78,493 (or

¹² HUD defined poverty rate for R/ECAPs is the *lower* of 3x the MSA poverty rate OR a 40% poverty rate. Per the 2019 5-year ACS, the Santa Clara County poverty rate is 7.5%. Three times this rate is 22.5%.

¹³ <https://www.ppic.org/publication/poverty-in-california/> -- Because of the higher cost of living in California than for the nation as a whole, the Public Policy Institute of California calculates an alternative poverty threshold to the federal Poverty Line that is more aligned to California's generally higher costs.

approximately eight percent of the City's total population). These tracts are generally in the center of the City, around Downtown, and slightly to the east and the south of Downtown.

Racially Concentrated Areas of Affluence (RCAA)

San José staff used the following criteria to identify Racially Concentrated Areas of Poverty and Affluence:

- Census tracts in which the population is greater than 67.3% non-Hispanic White plus Asian Indian and Chinese populations -OR- where the non-Hispanic White population is greater than 49.1% of the total tract population;¹⁴
- Census tracts in which the median income is above \$112,852.50¹⁵

With these criteria and using the 2019 5-year ACS, there are 46 total RCAA tracts in San José with a total population of 260,394 (or approximately 25% of the City's total population). These tracts are generally in identifiable clusters: in the Evergreen Hills, in west San José between Cupertino and Saratoga, in the Willow Glen neighborhood, in North San José, and in Almaden Hills.

Disparities in Access to Opportunity

The City's AFH also evaluates disparities in access to opportunity within the City. These areas have substantial differences in access to education, transportation, economic and environmental outcomes. One measure of access to resources by neighborhood is the State of California's Tax Credit Allocation Committee (TCAC)/HCD Opportunity Map, where census tracts are scored by a number of factors. These factors include test scores of schools in the neighborhood, exposure to pollution and other environmental risks, proximity to jobs, and median home values. Overlaying the R/ECAP and RCAA maps with the TCAC/HCD Opportunity Map shows that:

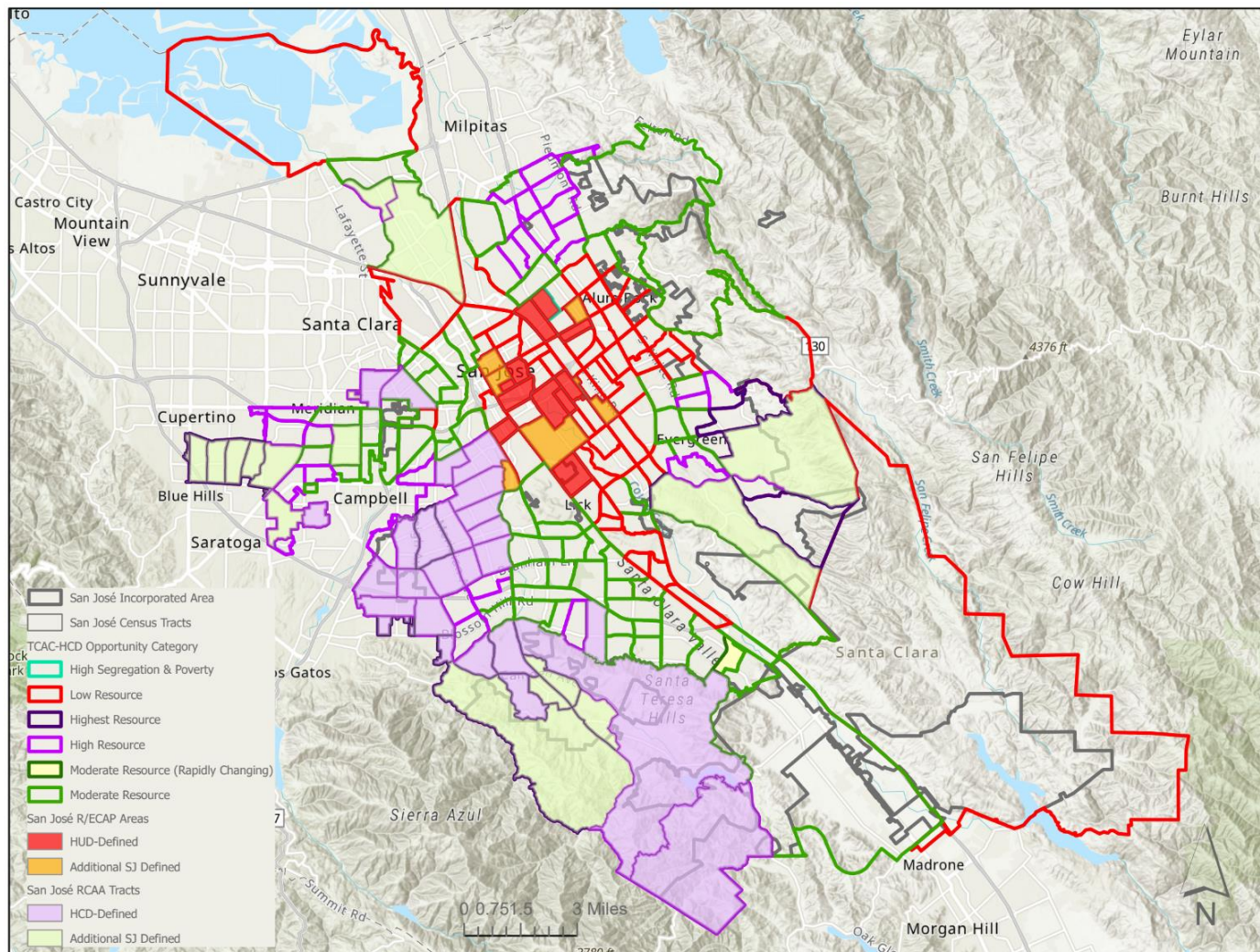
- All R/ECAPs (i.e., 100%) are in census tracts classified as "Low Resource" or "High Segregation and Poverty", and
- Almost all RCAAs (i.e., 91%) are in census tracts classified as "High Resource" or "Highest Resource." The remaining 9% of RCAAs are in "Medium Resource" areas.

In comparison, the City's total population is split approximately one-third in High Resource tracts, one-third in Medium Resource tracts, and one-third in Low Resource tracts (see **Figure 3**).

¹⁴ This prong of the test incorporates both a locally-specific criterion (i.e., adding Asian Indian and Chinese Americans as racially advantaged groups) and HCD's recommended criteria for RCAAs.

¹⁵ Per HCD recommended criteria, the RCAA tract income threshold is 150% of the California median household income.

Figure 3: TCAC/HCD Opportunity Map Overlay



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Across a wide variety of demographic, housing, and economic metrics, R/ECAP and RCAA areas are very different. As per the definitions of each area, the metrics for RCAAs are consistent with concentrated affluence and the metrics for R/ECAPs are consistent with concentrated poverty.

Disproportionate Housing Needs (for Low-Income Households and Protected Classes)

The City’s AFH also evaluates disproportionate housing needs among low-income households and protected classes within the City. Disproportionate housing needs are evident when members of a protected group disproportionately experience a housing need in comparison to other groups or the total population. Through its Comprehensive Housing Affordability Strategy (CHAS) dataset, HUD tracks the severity of four “housing problems”: (1) cost burden, (2) overcrowding, (3) household lacks complete plumbing facilities, (4) household lacks complete kitchen facilities. Compared to Santa Clara County and the greater Bay Area region, problems relating to cost and overcrowding are manifest at greater frequency and severity in San José.

Housing Need (All Households)	San José	Santa Clara County	9-County Bay Area
Housing cost burden	38.6%	35.9%	36.9%
Severe housing cost burden	17.6%	16.1%	16.8%
Overcrowding	9.6%	8.2%	6.9%

Severe overcrowding	3.5%	2.9%	2.7%
Lacks complete plumbing	0.2%	0.4%	0.6%
Lacks complete kitchen	0.8%	0.9%	1.3%

These housing problems disparately impact people of color and renters and are disproportionately concentrated in the areas of the City which have lower resources, greater risk of displacement, and more likely to be segregated by race and poverty.

Sites Inventory

State Law requires the City to evaluate whether Housing Sites are identified relative to the full scope of the assessment of fair housing (e.g., segregation and integration, racially and ethnically concentrated areas of poverty and affluence, access to opportunity, etc.). A summary of how Housing Sites were identified consistent with AFFH requirements is included below:

- **Exacerbated Conditions:** Approximately five percent of lower-income sites (includes extremely low-, very low- and low-income groups) are in R/ECAP areas. The vast majority are outside of either a R/ECAP or RCAA area. This low percentage is consistent with fair housing strategies to not concentrate affordable housing in areas that are experiencing racial, concentrated poverty.

Table 3: Site Inventory Sites by RECAP/RCAA Status (total and percentage)

	In a R/ECAP	In a San José Defined RCAA	In neither a R/ECAP nor RCAA	TOTAL
Lower Income	11 (5.5%)	6 (3%)	183 (91.5%)	200
Moderate Income	42 (28%)	0 (0%)	168 (72%)	210
Above Moderate Income	153 (0.7%)	0 (0.0%)	48 (99%)	49
Mixed Income (Lower Income & Above Mod)	0 (0%)	0 (0%)	15 (100%)	15
Total	206 (7.9%)	6 (0.7%)	47,562 (91%)	474

- **Isolation of the RHNA:** Approximately 84% of San José's lower-income sites are in Moderate/High/Highest Resources areas per [State HCD maps](#). This indicates that the sites to accommodate low-income RHNA goals are not concentrated in any particular area of the City. Furthermore, more than one-third of sites are in High/Highest Resources areas which have strong economic and educational outcomes. Locating affordable housing in these areas would result in more racial integration of neighborhoods and offer new economic opportunities to low-income people and families.

Table 4: Site Inventory Sites by TCAC Resource Level (total and percentage)

	Low Resource	Moderate Resource	High Resource	Highest Resource	Total
Lower income	33	75	74	18	200
Moderate Income	144	52	14	0	210
Above Moderate Income	5	38	6	0	49
Mixed Income	0	13	2	0	15

(Lower Income & Above Mod)					
Total	182	178	96	18	474

Goals, Policies, and Actions

Table 5 below summarizes a small sample of the policies and programs required by State Law to demonstrate the City's commitment to affirmatively further fair housing as part of the Housing Element Update process. A full analysis can be found in Chapter 3 of the Housing Element.

Table 5: City's Assessment of Fair Housing

Goal/Action Area	Action	Fair Housing Issue	Contributing Factor	Implementation with Housing Element Policy Number
Housing Stability	Increase the number of lower-income people in high opportunity areas	Segregation and exclusion from "High Resource" areas	Patterns of segregation established through redlining and suburbanization	N-5, increase affordable housing production in higher-resource areas S-25, tenant-based vouchers in higher-resource areas
Abundant and affordable housing stock	Create goals and incentives for increased affordable housing production in specified growth and investment areas	Exclusion from growth areas	Past patterns of investment/underinvestment	P-9, Diridon affordable housing production goal P-3, North San José Affordable Housing Overlay Zone
Healthy, thriving neighborhoods with access to good jobs, schools, transportation, and other resources	Better coordinate citywide investments and service programming to target neighborhoods and communities that historically have not been the beneficiary of public and private investments	Inequitable patterns of investment and disinvestment	Patterns of infrastructure investment have historically been to the benefit of suburban expansion and not towards improving quality of life in neighborhoods that were redlined	N-1, outreach and equity-based framework for investment N-7, funding for infrastructure to create complete, high-quality living environments
Housing stability & abundant and affordable housing stock	Anti-displacement programs and policies	Racially disparate impacts of displacement	Displacement disproportionately impacts communities of color	R-7, extend affordable housing restrictions R-2, establish a Preservation NOFA

Goal/Action Area	Action	Fair Housing Issue	Contributing Factor	Implementation with Housing Element Policy Number
				S-10, study on rent increases and rent burden in affordable housing S-20, anti-displacement tenant preferences

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The City of San José, as the lead agency for the Housing Element Update, prepared a Draft Supplemental Environmental Impact Report to the Envision San José 2040 General Plan Environmental Impact Report (Draft SEIR) which was circulated for public review from March 13, 2023, through April 27, 2023. A First Amendment to the Draft SEIR was prepared that provided responses to public comments submitted during the public review period and included revisions to the text of the Draft SEIR. The First Amendment together with the Draft SEIR constitute the Final Environmental Impact Report (FEIR) for the proposed project.

Because the proposed project would facilitate construction of new housing planned as part of the Envision San José 2040 General Plan, the proposed project would contribute to the significant unavoidable impacts identified in the Envision San José 2040 General Plan EIR, including those related to aesthetics, agricultural farmland and forestland, air quality, biological resources, greenhouse gas emissions, noise, population and housing/growth inducement, and transportation. The proposed project would not introduce any new significant impacts, nor would it substantially increase the severity of impacts identified in the 2040 General Plan EIR.

Alternatives

The Draft SEIR analyzed two project alternatives, the No Project Alternative and the Reduced Density in High VMT Areas Alternative. These alternatives could lessen the significant effects of the project and achieve some of the project objectives, in accordance with CEQA Guidelines Section 15126.6.

The No Project Alternative would be identical to the proposed project in terms of the total amount of planned housing within the City, but no shift in 2040 General Plan residential capacity from North San José and the Rincon South Urban Village to other growth areas would occur. However, since neither a housing sites inventory nor the programs necessary to implement the housing sites inventory would be adopted under this alternative, the Sixth Cycle RHNA requirements would not be met and the City's Housing Element would not comply with the requirements of State law.

The Reduced Density in High VMT Areas Alternative would eliminate the addition of housing development capacity to immitigable VMT areas planned as part of the proposed project. That housing development capacity would be removed from the total citywide development capacity, resulting in a net decrease of 680 units. By only reallocating development capacity to Growth Areas in mitigatable VMT areas or better, this alternative would result in a Citywide per capita VMT of 27,007,460 compared to 27,021,232 under the proposed project. Although this alternative would decrease VMT slightly more than the proposed project, both scenarios would represent a similar reduction of -0.02 compared to levels anticipated under buildout of the 2040 General plan. Both the proposed project and this alternative would reduce the severity of 2040 General Plan transportation impacts, but a significant unavoidable impact would remain in both cases.

The Reduced Density in High VMT Areas Alternative would be the environmentally superior alternative because it would achieve many objectives of the proposed project while slightly reducing VMT and associated air quality and greenhouse gas impacts. However, it would do so at the cost of reducing Citywide housing development capacity by 680 units. A reduction of 680 housing units would not meet the City's RHNA goals and achieve compliance with State-mandated housing requirements.

Draft SEIR Public Review Comments

A total of six comment letters on the Draft SEIR were received including two from regional and local agencies and two from members of the public, and one from a Native American Tribe. There was no request for tribal consultation pursuant to SB 18 (2004)¹⁶. City staff prepared responses in a First Amendment to the Draft SEIR addressing the following topics:

Air quality and potential traffic congestion with addition of housing

- Potential adverse impacts to County facilities in Urban Villages receiving additional housing capacity
- Water conservation measures and natural ground water recharge

Draft SEIR Recirculation Unnecessary

Staff responded to the comments and questions in the First Amendment to the SEIR. None of the comments raised represent new significant information that would warrant recirculation of the Draft SEIR pursuant to CEQA Guidelines Section 15088.5(a). The recirculation of an EIR is required when significant new information is added to the EIR after public notice is given of the availability of the Draft EIR for public review but before certification. "Information" can include changes in the project or environmental setting as well as additional data or other information. New information added to a Draft EIR is not "significant" unless the Draft EIR is changed in a way that deprives the public of meaningful opportunity to comment on a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (CEQA Guidelines Section 15088.5).

The First Amendment was posted on the City's website on May 12, 2023 and all commenters were notified via email of the document's availability. The Draft Supplemental Environmental Impact Report (DSEIR) and First Amendment to the DSEIR are available for public review on the City's website:

<https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/2023-2031-housing-element-update-er21-032> Together, the DSEIR and the First Amendment to the DSEIR constitute the Final SEIR that will be presented to Council for certification.

PUBLIC OUTREACH

As noted above, the City engaged in extensive outreach as identified in Appendix H of the Housing Element.

Staff followed Council Policy 6-30: Public Outreach Policy, in that notices for the public hearings were posted on the City's website, published in the San José Post-Record, and emailed to a list of interested groups and individuals. This staff report and attachments were posted on the City's website. Staff has been available to respond to questions from the public.

¹⁶ Cal. Gov. Code Section 65352.3.

Project Manager: Ruth Cueto

Approved by: /s/ Michael Brilliot, Deputy Director for Christopher Burton, Planning Director

ATTACHMENTS:	
Exhibit A:	HCD Review Letter
Exhibit B:	2023-2031 Housing Element
Exhibit C:	Housing Element Adoption Resolution
Exhibit D:	CEQA Resolution
Exhibit E:	Sites Inventory (web-based map)

GPT22-001 & ER21-032

Links to Attachment A - E

Click on the title to view document

Exhibit A: HCD Review Letter
Exhibit B: 2023-2031 Housing Element
Exhibit C: Housing Element Adoption Resolution
Exhibit D: CEQA Resolution
Exhibit E: Sites Inventory (web-based map)

Correspondence After 5/17/2023

Attachment B

Summary of Commissioner and Public Comments on draft Housing Element

Study Session #1 – October 13, 2022

Public Comments

Jessica Martin (SV @ Home)	Encouraged programs, policies and housing element to be reflective of the housing needs assessment since those housing needs are based on community outreach. Expressed creation of policies and programs should be feasible and rooted in the reality of housing development in the City, rather than created solely to meet the expectation of the state. Asked for more specificity, in terms of timelines and metrics, in the strategies so they can be better tracked for progress, especially for programs in the next planning period.
Deanne Everton	Voiced support for R-6, mobile home preservation, and R-11, single family home repair. Noted benefits of preservation to keep affordable housing affordable for many years, neighborhoods diverse and neighborhood improvements.
John	Voiced support for P-40, revaluation of urban village projects, to improve the process from piecemeal to holistic, in part so the community can have a better understanding of projects. Suggested more publicization of the Housing Element process so that community can provide feedback.
Kathryn Hedges	Voiced support for CEQA analysis of entire urban village as an ecosystem instead of separate parcels.
Jean Adams	Voiced concerned for lack of water for new housing.
Sandra	Expressed support for waiting on P-11 to see how the rest of SB9 projects go before extension.

Commissioner Comments

Commissioner	Comment
Martha O’Connell	<p>Expressed concern for strategy R-10 and the transfer of mobile home park inspection from a state function to a city function. Questioned why the City is proposing taking over this function. City staff Kristen Clements responded the proposal came from the need for more inspections and better physical conditions at parks. Commissioner O’Connell responds that she is not hearing the same concerns or seeing the need in call logs. Voiced concerns about the cost of City operation of mobile park inspection, including hiring staff, if there is lack of evidence of a problem with the state providing local inspection. Stated that park residents and landlords agree on the issues of R-10. Voiced concern for unintended, and potentially catastrophic, consequences of turning park inspections over to new people.</p>
Ryan Jasinsky	<p>Questioned why the City would want to take over code enforcement in mobile home parks. Stated that the state has provided this service, has increased inspections, and generally improved the process. Expressed concern that the City would increase costs by providing inspections without improvement, and likely confuse residents and owners alike. Noted the state has had challenges in hiring inspectors, and the City would surely find it a challenge as well. Stated if City wanted to improve the process, they could focus on encouraging tenants and owners to call the state when they have concerns.</p>
Huy Tran	<p>Voiced general support for any policy that gets more units built, specific support for P-7, fast tracking of policies/programs, and any policies or programs that provide more incentives for affordable housing production. Noted that the City hit their RHNA goals for market rate housing, but not for affordable housing. Voiced concerned for units sitting empty and encourage the City to find ways, whether by tax or program, to get units occupied. Questioned how plans for development in North San Jose have changed, since plans were historically focused on economic development and not necessarily incorporating some forms of housing, encouraged the City to reexamine and take a more up to date approach. Voiced support for improving the siting policy, strategy P-17 because it is an opportunity to address historical barriers and harder conditions for communities of color to thrive. Asked what feedback on the siting policy had already been received from community and if any conclusions had been made. Voiced support for pursuing a siting policy that would encourage integration of communities and reflect the population of the City.</p>

Barry Del Buono	Voiced support for using school sites for affordable housing, and locating affordable housing without commercial on first floor, because commercial development is expensive.
Andrea Wheeler	Asked for a timeline of the housing development projects to be included in the Housing Element because some projects are being wrapped up, and others are in early phases. Voiced concern for the “artificial boundaries” in urban villages, that limit examination of projects or public ability to comment. Expressed concern for water availability for housing development projects, and concern for fire safety when considering housing development in the foothills. Also expressed concern that nearby cities don’t meet their RHNA goals, which undermines the City’s efforts and encouraged the City to consider lobbying at the state level for better enforcement. Asked to see which projects are high priority for the City.
Linh Vong	Voiced support to consider parking, especially in lower income areas, where there is so little parking and multiple families living in units. Also voiced support for moderate income policies to support people who are not able to afford to live in the City. Encouraged the City to consider a rent to own program.
Roma Dawson	Voiced support for regional solutions to the housing crisis. Voiced support for including timing information, as well as benchmarks, into the strategies of the Housing Element. Expressed concern for weak renter protections, and voiced support for more attention on preservation projects. Voiced support for broader models of housing like what is described in H-5. Voiced support for infill development, P-7, adding that it is easier to accomplish as compared to other types of development. Encouraged City to research overlap of climate goals and infill development, citing the organization Greenbelt Alliance, which has developed metrics. Also voiced support for these policies to support affordable housing, rather than other types of housing. Voiced concern for building market rate housing first, in programs under P-9 for example, instead of prioritization of affordable housing. Stated that deadline of 2027 for density bonus, P-19, is too late, and should be worked on right away. Expressed frustration with P-17 and difficulty understanding what community wants. Expressed concern that ADU amnesty, P-26, hasn’t already been completed, and encouraged staff to prioritize because it is an easy way to increase affordable housing. Voiced support for P-34 on a regional level. Stated R-1 and R-2, preservation NOFA is critical, and should be prioritized. Referenced a statistic from Bay Area Council website which states that for every 1.5 job added, at least one housing unit should be added, and the City added 4.3 jobs per housing unit for 2011-2017 time period, which has created a massive housing deficit. Voiced support for P-9, and for expanding to R-2 and historic.

Ruben Navarro	Voiced support for policies that allow people to stay in their homes, and policies to promote ADU construction. Stated that preservation of housing is cheaper and supports fiscal responsibility. Encouraged the study of ADU affordability, P-27, and feasibility through an equity lens.
Alex Shoor	Encouraged increases in building densities to accomplish RHNA goals. Voiced support for P-19, increasing density bonus to 10%, if not more. Acknowledged that RHNA goals are high, housing shortage is severe, and it is difficult to build housing. Emphasized the need to make the process of building housing easier throughout the City to achieve goals, with less concern for location. Voiced concern for P-3, not just for North San Jose, but for other parts of town as well. Voiced support for approval ordinance for lots of different projects that prioritize more housing and different types of housing that cater to our communities. Voiced support for developing a webpage, P-10, for development fees and staff contacts to make the development process easier to navigate and transparent. Expressed that City should focus on a lot more business corridors, not just 3, P-14. Voiced concern for requirement of ground lease structure, P-16, because requirements can slow down development process. Pointed out that development on school sites should also be done at higher densities in order to reach housing goals. Voiced support for ADU subsidy program. Voiced support for incentivization for owners to rent to lower income renters. Voiced support for P-32, higher subsidies per unit. Voiced support for P-31, targeting areas close to transit.

Study Session #2 – December 8, 2022

Public Comment

Paul Soto	Commented that there have been generations of inequity in the Chicano community, caused by redlining, and that unless the City provides Section 8 housing and allows pitbulls, the overall discussion is rhetorical.
Jerome Shaw	Expressed concern that mental health services are not provided or considered more when discussing homelessness. Voiced support for providing mental health services even after someone has found housing.

Commissioner Comments

Commissioner	Comment
Martha O’Connell	Voiced opposition to any preference based on race. (Staff confirmed that any and all housing programs adhere to applicable law).
Roberta Moore	Voiced concerns about increasing regulation and commented on increased administrative costs related to increased regulation. Voiced support for increasing homeownership programs and opportunities to build wealth. Also supported the idea that the City should make it easier to safely and cost effectively find housing, stay housed and buy housing.

Commissioner	Comment
Andrea Wheeler	Commented on the large number of strategies and the inability for anyone to comprehend all of them. Encouraged staff to add information about the impact of each program.
Roma Dawson	Encouraged the City to do a better job of educating the general public, noting opposition forms when there is misinformation. Encouraged the City to engage regionally and at the state level. Cited the 5 wounds project as an example of a regional solution and encourages more regional efforts. Voiced support for urban villages, upzoning and big picture planning efforts to be frontloaded in Housing Element. Asked for staff to highlight where on the City road map the Housing Element strategies are located, and to cross reference with any prior council decision. Regarding H6, cited the robust roundtable discussion on homelessness convened by Council Member Chappy Jones, and asked about plans to integrate a care court. Asked if strategy H10 could be completed sooner. Commented that strategies H11 and H12 should focus on public outreach instead of to people who are already familiar with housing issues. Voiced support for preservation as a way to keep people housed in light of the heavy burden and costs associated with building and financing affordable housing.
Victoria Partida	Suggested acquiring funding intensive case management, in addition to state and federal funding, needed for street-based services referenced in strategy H10. Encouraged adding a metric to track how many people engaged in street-based services obtain housing as a better metric to measure success. Commented on the cyclical nature of unmaintained properties (where complaints are filed, waste is remedied and then property returns to unmaintained or hazardous state) and wasted time in tracking down unresponsive owners to maintain their properties. Voiced support for strategies that promote homeownership noting the importance of homeownership to build generational wealth.
Linh Vong	Agreed with idea to provide mental health services and other services after people have been housed. Voiced support for accountability for all agencies who receive funding. Encouraged staff to solicit feedback from the people they are serving as a way to gauge if they are getting what they need. Expressed concern that owners are often unwilling to rent to formerly homeless or those with mental health issues. Encouraged City to solicit feedback from owners on what their needs are in order to incentivize them to provide housing to formerly homeless or those with mental health issues.
Barry Del Buono	Asked that the strategies be organized by project or program, with blue lined text added to indicate which programs are set for expansion.
Ruben Navarro	Thanked staff for the work they are doing and for designing the strategies. Expressed support for home ownership in order to create more additional dwelling units (ADUs), build wealth and to help in racially and socially inclusive neighborhoods.
Roberta Moore	Suggested staff adopt a business plan approach to describe strategies which would include goal, strategy and money needed for each. Encouraged City

Commissioner	Comment
	to build more housing for residents to buy. Voiced support for homeownership as means to build generational wealth.
Alex Shoor	Voiced concern that strategy H5 is too restrictive. Voiced support for H12, updating relocation assistance, community conversation about homeless housing, Commissioner Partida's comments on code enforcement, S11, S17 ban the box ordinance, S26 tenant outreach and education, Tenant Protection Ordinance (TPO) expansion, Duplexes in TPO, advocacy for tenant-based vouchers and collaborative court. Suggested City look at including single family homes in TPO. Suggested City consider use a more local measure for Area Median Income (AMI) because it varies so widely and can unfairly price people out of affordable housing.
Ryan Jasinsky	In response to Commissioner Shoor's comments about including single family homes in TPO, commented that Costa Hawkins prohibits rent control on single family homes.

Study Session #3 – January 12, 2023

Public Comment

Paul Soto	Expressed concerns for racism that has created redlined maps of the City. Voiced support for a tax on high income areas such as Willow Glen to build low-income housing in other areas.
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Commissioner Comments

Commissioner	Comments
Andrea Wheeler	Expressed concern for lack of mass transit in the City and the inability of reduced cost transit fares (strategy N-6) to alleviate lack of transportation access for residents.
Huy Tran	Suggested focusing on policies that would have the most immediate impacts first. Voiced support for strategies P-11, P-13, P-28, P-29 and P-3, P-4, P-5 as priorities for housing. Also voiced support for P-7 as a policy approach within geography already existing. Suggested adding more resources to strategies P-10 and P-8, as was done for P-18. Voiced appreciation for the geographic focus for villages in strategies P-36, P-37 and P-40, including ministerial approval for urban villages, geographic specific.
Roma Dawson	Voiced support for upzoning. Advocated prioritization of changing approval processes from discretionary to ministerial, and lobby at the state and federal level for these changes. Expressed concern for lack of education citywide about redlining, and City's Public Outreach Policy 6-30 should be global. Voiced concern for lack of diversity amongst and commissions representation and suggested increasing efforts to increase diversity amongst commissions. Expressed support for strategies I-13 to I-16, mixed use development. Expressed concern for lack of prioritization and difficulty in transitioning strategies to a workplan. Questioned if emergency shelters can be built by right. Expressed concern for the risk of losing affordable

Commissioner	Comments
	housing listed in the Housing Element. Encouraged protection and preservation of affordable housing to reduce homes lost to market rate conversion.
Roberta Moore	Expressed support to prioritize N-9. Also expressed support for housing near transit, mixed income and similar housing amongst income types. Expressed support for programs and policies to promote homeownership, to right the wrongs redlining. Suggested home ownership should be a metric included in strategy I-13. Voiced concern for the cost of motels as a method for sheltering people who are experiencing homelessness. Voiced support for providing downpayment assistance as means to help people stabilize their housing situation and build generational wealth.
Victoria Partida	Voiced support for strategy N-1, equitable neighborhoods, promotoras program and I-17. Voiced concern for people having to leave their communities because they can't afford the housing costs. Voiced support for outreach but cautioned that often people don't know to advocate for certain resources because they don't know what is possible. Voiced support for motel temporary housing for those whom it would not have a triggering impact.
Barry Del Buono	Voiced support for mixed use, with affordable housing nearby, near transit.
Sketch Oppie	Questioned if strategy N-5 would increase housing in higher resource areas. Expressed concern for unintended consequence of housing in high resource areas which often lack access to transit. Voiced support for input from disability community when designing relevant programs or policies. Voiced support for more outreach, generally, to reach parts of the community where there has been historic lack of engagement. Voiced support for strategies H-2 and H-3, cautioned that hotels can be triggered for people who have been formerly incarcerated, addiction or mental health issues. Voiced concern for a safe parking program that has requirements that deter participation, such as having up to date tags and insurance, which is difficult for someone experiencing homelessness. Suggested providing modifications to eliminate barriers to participation in the safe parking program. Questioned what the City is doing to help smaller organizations, or volunteers, who are already provide services to the houseless communities, increase funding and become nonprofits.
Zenia Cardoza	Questioned if small business were consulted in the conversations around N-2, anti-displacement features. Noted that often when community resources are brought into lower-income communities, local residents are not able to afford to access the resources and end up traveling to other neighborhoods to access similar resources, at lower costs. Voiced concern for the lack of resources, including shelter beds and case workers. Pointed out that the county has 24 detox beds available for the entire population of the county. Suggested the City provide more oversight to organizations

Commissioner	Comments
	providing services to the homeless population because many people are not getting what they need and they are falling through the cracks.
Linh Vong	Suggested adding incentives to building homes with universal design standards, strategy 1-15. Cited delays and challenges in finding suitable housing for people with disabilities due to lack of stock. Voiced support for increasing homeownership to create better neighborhoods. Agreed with other comments made about communities not knowing what to ask for because they don't know resources are available.
Alex Shoor	Asked staff to explore empty house vacant tax. Voiced support for N-6. Suggested the language of N-7 and N-8 be revised because too vague. Regarding community engagement, suggested City hire staff, such as community engagement specialists with disability advocacy experience, instead of hiring and managing external consultants to perform outreach. Voiced support for I-4 and I-5. Voiced support I-7 which would update the City's Outreach Policy. Expressed I-12 is a bit vague on outcomes. Suggested housing reports be made available every 6 months, instead of annually (I-15), since housing crisis is such a big issue. Expressed concern for misinformation, fear and anger that circulates in the community around housing. Suggested doing more to educate the community, including information about why the housing crisis is so bad and how it can be solved.