The mission of the Housing Department is to strengthen and revitalize our community through housing and neighborhood investment.
The Housing Department employs multiple strategies to meet the housing needs of San José residents, who face some of the highest housing costs in the nation. These strategies include:

- Administering a variety of single-family and multi-family lending programs
- Recommending housing-related policies
- Financing new affordable housing construction
- Extending the useful lives of existing housing through rehabilitation
- Managing rent stabilization programs and tenant protection programs, and
- Addressing homelessness through a regional “housing first” model.

Additionally, the Department administers a number of federal and state grant programs, including the Community Development Block Grant (CDBG) program.

The Housing Department’s operating expenditures totaled $11.4 million in 2017-18. This included personal and non-personal/equipment expenditures. The department was responsible for an additional $30.5 million in City-wide and other expenses, including $15.9 million for loans and grants.

Nearly all its activities were funded with federal, state, and local funds as shown in the chart to the right. Funding included revenues ($56.6 million) from the Department’s loan portfolio that continued to generate program income (principal outstanding as of June 30, 2018 was $600 million). Also included were Affordable Housing Impact Fees, which went into effect at the end of 2015-16, totaling $230,000 in revenues for one project in 2017-18. Future revenue is expected from the Inclusionary Housing Ordinance during fiscal year 2018-19.

Note: Local funding in 2016-17 increased significantly compared to prior years due to a $36.3 million litigation settlement received from the U.S. Department of Housing and Urban Development in 2016.
HOUSING

AFFORDABLE HOUSING

Building New Affordable Housing

The availability of affordable housing has continued to be an area of concern for San José residents for a number of years. In 2018, only 6 percent rated the availability of affordable housing as “excellent” or “good,” while 81 percent considered availability to be “poor.”

The City’s efforts to increase the supply of affordable housing in San José include making loans to developers and authorizing conduit financing. In 2017-18, developers completed 117 newly affordable housing units with City help. For new projects under construction, the City committed an average per-unit subsidy of about $101,000 (for 520 affordable housing units) in 2017-18.

Rehabilitating Existing Housing & Financing Home Buying

Although these programs have been dramatically reduced since 2012, low-income homeowners whose homes are in need of repairs can qualify for City financial help to rehabilitate them. In 2017-18, the Department provided minor repairs for 319 homes in partnership with Rebuilding Together Silicon Valley and Habitat for Humanity. No rehabilitations for single-family homes were completed; however, new funding is expected to provide for rehabilitation projects in 2018-19.

People who want to buy homes in San José can receive financial help, including down payment assistance, through various City programs, although these programs have been reduced due to lack of funding. These programs made loans to 9 households in 2017-18.
NEIGHBORHOOD INVESTMENT & PUBLIC SERVICES

The Department received $7.7 million through federal Community Development Block Grant (CDBG) program funds in 2017-18. CDBG funds are used for housing rehabilitation, fair housing, code enforcement, senior and homeless services, foreclosure prevention, and economic development services.

Rent Stabilization and Tenant Protections

The Rent Stabilization Program oversees local ordinances providing limits on rent increases, just cause provisions, and requirements for removing apartments from the rental market. The program provides oversight of 46,000 rent-controlled units, or about a third of the City’s rental housing units. In 2017-18, there were 161 tenant and landlord petitions filed. Of those resolved by staff or through a hearing, 64 percent resulted in an agreement between the tenant and landlord.

Homeless Services

According to the 2017 San José Homeless Census and Survey, 4,350 San José residents were “homeless” when the census was conducted, including the chronically homeless, youth*, families with children, and veterans. Of these, 74 percent were unsheltered.

The Department provided over $10 million in grant funding to service providers for the City’s homeless assistance program in 2017-18 as part of a region-wide effort to address homelessness. The Department initiated abatement of 628 homeless encampment sites in 2017-18, and it received 5,100 calls and emails to its Homeless Concerns Hotline. During 2017-18, about 1,700 homeless San Jose residents were assisted into housing by the collective efforts of local jurisdictions and non-profit providers. For more information, refer to our Audit of the City’s Homeless Assistance Programs.

* The 2017 survey expanded outreach efforts to homeless youth, resulting in increased numbers reported for unaccompanied children (330) and transition-age youth (1,436).

KEY FACTS (2017-18)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Household Income, San José</td>
<td>$104,675</td>
</tr>
<tr>
<td>Income needed to afford average rent for two bedroom apartment</td>
<td>$110,120</td>
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<tr>
<td>Income needed to afford median priced home</td>
<td>$251,300</td>
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</tbody>
</table>

Sources: U.S. Census American Community Survey, 2017 one-year estimates; Housing Market Report for Second Quarter 2018

Average Monthly Rent in San José

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Monthly Rent in San José</th>
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<tbody>
<tr>
<td>2008</td>
<td>$2,479</td>
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</table>

Median Single-Family Home Price

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Single-Family Home Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$1.23m</td>
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</table>

Formerly Homeless San José Residents Housed by the Collective Efforts of Local Jurisdictions and Non-profit Providers

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>4,350</td>
</tr>
<tr>
<td>2018</td>
<td>1,683</td>
</tr>
</tbody>
</table>

4,350 Homeless residents (as of January 2017)
1,683 Assisted into housing (as of June 2018)

Sources: San José Homeless Census and Survey (prepared by Applied Survey Research, 2017) and Santa Clara County Homeless Management Information System (HMIS).
Note: Count of homeless residents is a count on one night in January of the indicated fiscal year, while the number assisted into housing is a fiscal year total.