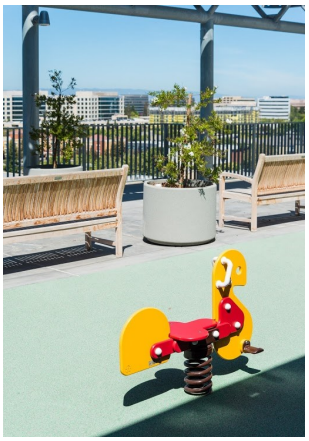
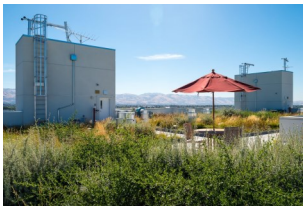
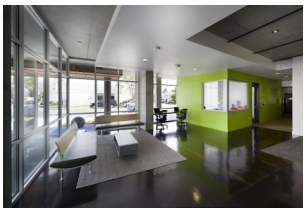
Index of Revisions
City of San Jose Draft Housing Element 2014-2023
January 13, 2015

Page	Section	Change	Reason for Change
1,2	Chapter 1	Added background language on the General Plan 2040.	Mayor Reed requested the incorporation of this text.
2	Chapter 1	Added table comparing Santa Clara County City's RHNA allocations for 2014-2023 period.	Mayor Reed requested the incorporation of this table.
5	Chapter 1	Added language about periodic General Plan reviews and maintaining internal consistency with the Housing Element via annual and major reviews.	Response to State HCD feedback.
19	Chapter 1	Added summary of public meetings, and commission and council hearings.	This input was not yet available when the draft was published.
24	Chapter 1	Added summary of HCD Commission and Council meetings	Staff initiated.
2	Chapter 2	Added text regarding the need for additional analysis and environmental clearance if more housing capacity was added beyond 2035.	Mayor Reed requested clarifying language regarding alignment of housing capacity in chapters 2 and 3.
2	Chapter 3	Added text regarding the need for additional analysis and environmental clearance if more housing capacity was added beyond 2035.	Mayor Reed requested clarifying language regarding alignment of housing capacity in chapters 2 and 3.
4	Chapter 3	Added text acknowledging that a regional solution is needed to achieve future RHNA goals.	Mayor Reed requested the incorporation of this text.
3	Chapter 3	Added comparison of Santa Clara County RHNA progress (San Jose vs. other cities) from 2007-2014.	Mayor Reed requested this analysis.
5	Chapter 3	Added text acknowledging that a regional solution is needed to achieve future RHNA goals.	Mayor Reed requested the incorporation of this text.
15	Chapter 3	Inserted additional analysis on lower income overpayment.	Response to State HCD feedback.
16-18	Chapter 3	Inserted Housing Needs Assessment for Extremely Low Income Households and moved Poverty section up to follow.	Response to State HCD feedback.
26	Chapter 3	Inserted additional charts and analysis on persons with developmental disabilities by age and residence type.	Response to State HCD feedback.
24,25	Chapter 3	Added data from the Annual Action Plan on	Mayor Reed requested the incorporation of this

		homelessness response.	text.
34-36	Chapter 3	Added analysis and listing of emergency shelters serving clients in the City of San Jose.	Response to State HCD feedback.
36-40	Chapter 3	Added language and definitions related to zoning for a variety of housing types such as transitional and supportive housing.	Response to State HCD feedback.
40-41	Chapter 3	Added language related to employee housing.	Response to State HCD feedback.
1	Chapter 4	Added text regarding "jobs first" principle and examples	Mayor Reed requested the incorporation of this text.
5	Chapter 4	Added text regarding San José as a leader in affordable housing. Nearly 2,000 units of affordable housing were built in downtown since 1988.	Mayor Reed requested the incorporation of this text.
7	Chapter 4	Added text on recent market driven examples of housing and employment concurrently.	Mayor Reed requested the incorporation of this text.
7	Chapter 4	Added language related to zoning and reasonable accommodation for individuals with disabilities.	Response to State HCD feedback.
21	Chapter 4	Added text relating to residential housing impact fee.	Mayor Reed requested the incorporation of this text and staff added additional text for clarification.
22-25	Chapter 4	Updated Housing Impact Fee section and added a cost of development comparison analysis.	Response to State HCD feedback.
25-26	Chapter 4	Added language related to site improvements	Response to State HCD feedback.
37	Chapter 4	Added language on environmental constraints and infrastructure.	Response to State HCD feedback.
3	Chapter 5	Added text regarding 8,000 units of North San Jose residential that could be unlocked over the next 8 years if commercial/industrial development occurs as intended.	Mayor Reed requested the incorporation of this text.
8-11	Chapter 5	Added clarification on urban village financing and implementation.	Response to State HCD feedback.
3	Chapter 7	Added text regarding impact fee and who it may impact.	Mayor Reed requested additional clarification.
4-7	Appendix A	Added language on non-residentially zoned and non-vacant sites and the likelihood of residential	Response to State HCD feedback.

		development.	
P3, Line 15	Appendix D	Added text: Include identification of opportunities to develop parcels owned by either agenda with affordable housing.[Coordinate with VTA]	Councilmember Rocha requested incorporation of this text.
ALL	Appendix D	Added and edited language on various items. Edits are highlighted in the Draft Implementation Work Plan.	Response to State HCD feedback.
P5, Line18	Appendix D	Added text: Implement Urban Villages…funding mechanisms for infrastructure	Councilmember Rocha requested incorporation of this text.
	Appendix F	Added Appendix F to include letters from the public and memos from City Staff.	This input was not yet available when the draft was published.
~~P1, Line 8~~	~~Appendix D~~	~~Added text: 2014 timeframe to Housing Impact Fee item.~~	~~Councilmember Rocha requested incorporation of this text.~~
~~P1, Line 1~~	~~Appendix D~~	~~Added new item: Monitor SJ jobs to housing fit.~~	~~Councilmember Rocha requested incorporation of this text.~~
~~P4, Line 16~~	~~Appendix D~~	~~Added new item: Use GP major reviews to assess and fine-tune Urban Village strategy.~~	~~Councilmember Rocha requested incorporation of this text.~~
~~P5, Line 17~~	~~Appendix D~~	~~Added new item: Establish a citywide GP goal for production of affordable housing.~~	~~Councilmember Rocha requested incorporation of this text.~~
~~P6, Line 21~~	~~Appendix D~~	~~Changed text: Protect mobile home parks…~~	~~Councilmembers Liccardo, Kalra, and Herrera requested incorporation of this text.~~
~~P9, Line 28~~	~~Appendix D~~	~~Added new text: Reduce instances of homelessness and overcrowding by stabilizing at-risk tenants~~	~~Councilmember Rocha requested incorporation of this text.~~
~~P10, Line 37~~	~~Appendix D~~	~~Added text: Protect the affordability of rental homes…~~	~~Councilmember Rocha requested incorporation of this text.~~
~~P10, Line 38~~	~~Appendix D~~	~~Added text: Explore the feasibility of creating a Local Source of Income Ordinance …~~	~~Councilmember Rocha requested incorporation of this text.~~



City of San José
2014-2023 Housing Element
ADMINISTRATIVE DRAFT

January 7, 2015

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Photo-Credits and Acknowledgments

This Housing Element was prepared through cooperation of staff in the City of San José Department of Planning, Building & Code Enforcement and the Department of Housing. The City thanks the public and stakeholders for the input they have provided during this update process, as well as the individuals and organizations with whom the City partners to provide housing opportunities and resources for San Jose's families, households, and individuals.

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Bottom Row: All Dale Tan except the top right, which is Jeffrey Peters of Vantage Point Photography provided courtesy of Charities Housing.

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Chapter I: Introduction

What is the Housing Element?

The Housing Element is one of seven State-required components of local general plans. Typically updated every five to eight years, cities and counties develop their Housing Element to plan for their "fair share" of the regional housing need across income levels and needs.

The determination of regional housing need begins with the California Department of Housing and Community Development (HCD) and California Department of Finance (DOF), which first calculate statewide housing needs based upon population projections and regional population forecasts used in preparing regional transportation plans. The Statewide need is then distributed to regional Council of Governments (COGs) throughout California, who work with cities and counties within their purview to assign each jurisdiction its share of the regional housing need, known as the Regional Housing Needs Allocation or RHNA. The RHNA itself is divided into five income categories that encompass all levels of housing need.

The City of San José is a member of the Association of Bay Area Governments (ABAG), the Bay Area's COG, which is composed of nine counties and 101 cities. For the Bay Area, this RHNA cycle covers an approximately ~~eight-and-a-half~~8.8 year projection period from January 1, 2014 to October 31, 2022. It is important to note that the programs contained in chapter VII of this document correspond to HCD's planning period from January 31, 2015–January 31, 2023. The total RHNA for Santa Clara County in the 2014-2022 cycle is 58,836 housing units, of which 35,080 units (approximately 60%) are assigned to San José. The chart below compares the RHNA allocations for all cities in Santa Clara County.

Jurisdiction	2014-23 RHNA Allocation
Campbell	933
Cupertino	1,064
Gilroy	1,088
Los Altos	477
Los Altos Hills	121
Los Gatos	619
Milpitas	3,290
Monte Sereno	61
Morgan Hill	928
Mountain View	2,926
Palo Alto	1,988
San Jose	35,080
Santa Clara	4,093
Saratoga	439
Sunnyvale	5,452
Total	**58,559**

Envision San José 2040 General Plan

The *Envision San José 2040 General Plan* is San José's long-term plan for economic prosperity, urban vitality, and sustainable land use and development. The General Plan Task Force comprised 37 community members and was appointed on August 7, 2007. The Task Force held 51 meetings over a four year period and over 5,000 community members actively participated in the update process. At the final meeting on September 12, 2011, the Task Force unanimously voted on the Preferred Land Use Scenario for 470,000 new jobs, 120,000 new housing units, with a goal of 1.3 jobs to employed resident ratio. The Preferred Land Use Scenario, which the Council approved unanimously in November 2011, gives clear priority to fiscal sustainability through job growth and to improve the City's current Jobs to Employed Resident ratio, while providing sufficient densities and sites for future housing needs. San Jose's current 0.86 J/ER ratio is not an acceptable or a fiscally sustainable option. The General Plan and its implementing policies are intended to allow San José to become a regional job center. The General Plan 2040 includes growth capacity for the development of up to 470,000 new jobs and up to 120,000 new dwelling units. Combined with the City's current development and this additional growth capacity, San Jose could grow to 840,000 jobs and 430,000 dwelling units, supporting a residential population of 1.3 million people with a Jobs/Employed Resident Ratio of 1.3/1.

As the Capital of Silicon Valley, and home to many of the world's most innovative technology companies, San José is also one of the most expensive places in the country for residing. To maintain and strengthen San José's objective for long-term, widely shared prosperity, The General Plan seeks to support the interrelated goals of economic development and the creation of homes that are affordable for current and future residents. When households can afford housing, they have more resources to save, invest, support the community, and spend in the local economy. Additionally, when the cost of housing is within the reach of employee buying power, businesses are able to more easily hire and retain workers. San José envisions a future land use pattern that is more efficient, equitable, urban,

walkable, and dynamic than its existing, predominantly low-density and auto-centric form, and creating homes that are higher density, affordable, and built in the right locations is fundamental to helping the City reach General Plan goals. The General Plan directs housing growth to occur in a high-density mixed use format in identified growth areas including Downtown, North San José, Specific Plan Areas, Urban Villages and along transit corridors, station areas and commercial centers.

San José is well-positioned to plan for its housing needs through the Housing Element and to build on its strong record of leadership in facilitating the provision of housing needs for all segments of the population. In 2011, the General Plan was adopted by the City Council with ambitious goals to create a sustainable, prosperous, diverse, and equitable San José. The visionary goals align with and further the spirit of State law that each local agency prepares and adopts a comprehensive and long-range general plan for its physical development (Government Code section 65300).

Cities must ensure that their general plan and its component parts comprise an integrated, internally consistent, and compatible statement of development policies. Although the General Plan is an integrated general plan document, with each of the seven State-required elements addressed throughout the document, the City's Housing Element also exists as a section of the General Plan found in Appendix 11. This stand-alone report also includes with it an Appendix B: Housing Goals, Policies, and Actions, compiling housing-related General Plan programs and policies into one easy-to-read location.

A. Sustainability, Resiliency, and Regional Planning

Local governments have for decades been required to update their housing elements to demonstrate satisfaction of community housing needs as determined by the Regional Housing Need Allocation (RHNA) process. However, the 2014-22 RHNA is unique because it incorporates into this process for the first time a comprehensive approach towards integrating transportation, land use, and housing into planning to meet the environmental sustainability goals of The Global Warming Solutions Act of 2006, or Assembly Bill 32 (AB 32), and the Sustainable Communities and Climate Protection Act, or Senate Bill 375 (SB 375).

AB 32 requires the California Air Resources Board (CARB) to develop regulations and market mechanisms to reduce GHG emissions to 1990 levels by 2020, representing a 25% reduction statewide, with mandatory caps beginning in 2012 for significant emissions sources. Three approaches were adopted to meet goals for cleaner vehicles, cleaner fuels; and more sustainable development and land use patterns. Enacted in 2008, SB 375 implements the sustainable land use goals of AB 32 by requiring that the Metropolitan Planning Organization (MPO) for each region develop a Sustainable Communities Strategy (SCS) as part of its Regional Transportation Plan (RTP) in order to integrate transportation, land use, and housing policies towards meeting the emissions reduction target for their region.

In the Bay Area, ABAG – the Bay Area's COG as well as its MPO – and the Metropolitan Transportation Commission (MTC) have collaborated to meet the requirements of AB 32/SB 375 and the SCS through an integrated long-range plan called *Plan Bay Area*. The 2014-22 RHNA for Bay Area jurisdictions was developed to be consistent with *Plan Bay Area,* and include the following objectives:

- Increasing the supply, diversity, and affordability of housing
- Promoting infill development and a more efficient land use pattern
- Promoting an improved intraregional relationship between jobs and housing

- Protecting environmental resources, and
- Promoting socioeconomic equity.

Additionally, the Bay Area's sustainability strategy includes a framework called Priority Development Areas (PDAs). PDAs are locations that comprise or are adjacent to transit infrastructure, and that are nominated by local jurisdictions as appropriate places to emphasize future growth in a sustainable manner. The City of San José has 13 PDAs, which coincide with key growth locations identified in the General Plan.

Plan Bay Area is supported in part through targeted transportation investments funded by the One Bay Area Grant (OBAG) Program. OBAG is an approximately $800 million transportation program providing funding between FY 2012-13 and 2015-16 to facilitate the land use goals of SB 375. An important part of OBAG is that a portion of the funding is allocated to reward jurisdictions that accept and produce housing through the RHNA process. Santa Clara County has received the Bay Area's largest distribution of OBAG funding to date ($88 million), facilitated in part by San José's commitment and production of affordable housing. The OBAG program provides an innovative approach to linking important infrastructure resources to jurisdictions doing their regional fair housing share, and emphasizes the importance of planning for housing by requiring that a jurisdiction has a Housing Element certified by the Department of Housing and Community Development (HCD) in order to be eligible for funding.

It is important to note that OBAG is but one example of a larger trend linking housing policy to infrastructure investment. At the Federal level, HUD, DOT and EPA created the Partnership for Sustainable Communities to integrate planning and investment in housing, transportation, water infrastructure, brownfield remediation and land use planning. In California HCD is working on a 10-year strategic plan emphasizing cross sector outcomes and is also part of the Health in All Policies Task Force.[1] [2] In 2006, California passed Proposition 1C which raised $2.9 B in bond funds for several affordable housing programs. In addition the Housing-Related Parks Program (HRPP) awards grants for the construction of new parks to cities that have demonstrated a commitment to build affordable housing. San José was recently awarded $2.9 M through this program.

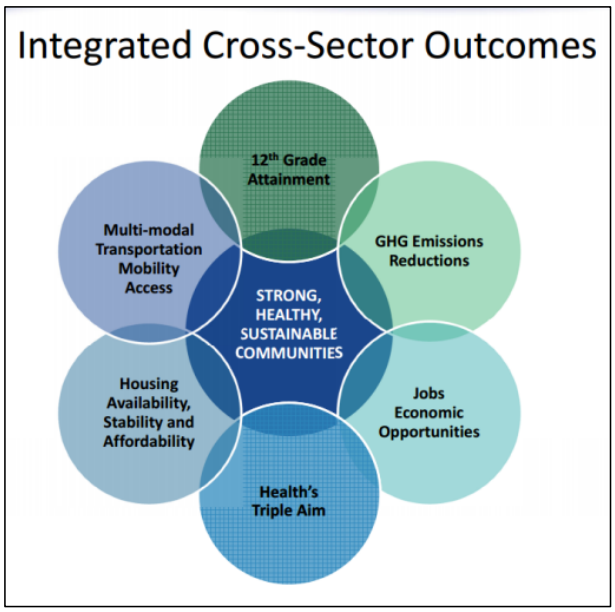

Figure 1: HCD Strategic Plan Outcomes

[1] California Strategic Growth Council, Health in All Policies Task Force: http://sgc.ca.gov/s_healthinallpolicies(hiap)taskforce.php
[2] California Department of Housing and Community Development: http://www.hcd.ca.gov/hpd/shp/cal_shp_strategy042114.pdf

California's Cap and Trade Program uses fees charged to polluters to fund various programs that reduce greenhouse gas emissions. In 2014, Cap and Trade will raise $130 M for the development of affordable housing near transit and bike and pedestrian infrastructure. Finally, there is a movement among policy makers to invest in resiliency measures that build the local capacity of individuals, organizations and systems to adapt and survive when shocks and disasters occur. Therefore, if San José is proactive in addressing its housing needs, it may be more competitive for infrastructure funds geared toward transportation improvements, new parks, and energy efficiency projects.

B. General Plan Consistency

Internal Consistency

State law requires that local general plans be internally consistent with their housing elements. Because general plans are typically updated every 15-20 years and housing elements are updated more frequently (generally every 5-7 years), the different update cycles create the potential for inconsistencies between the goals, policies, and programs contained in the two documents. Because a housing element affects the locality's policies for growth and residential land uses, a city should review the entire general plan, especially land use provisions, to ensure internal consistency is maintained upon any amendment to the housing element. As mentioned above, this Housing Element includes an Appendix B that identifies housing-related goals, policies, and actions contained in the General Plan. The Housing Element also includes an implementation workplan that links each action for the 2014-23 RHNA cycle to a General Plan housing policy to ensure alignment and internal consistency between the two documents. This Housing Element will also consider additional language to strengthen and further clarify the affordable housing goals contained in the General Plan as part of the Housing Element's implementation workplan.

General Plan Document Structure and Periodic Reviews to Maintain Internal Consistency

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The General Plan of the City of San José is an integrated, internally consistent and compatible statement of the official land use policy of the City. The General Plan meets the requirements and intent of the California Government Code while accommodating local conditions and circumstances. It contains each of the elements mandated by Government Code Section 65302. Since they are intrinsically interrelated and overlapping, the elements have been combined into a consistent meaningful whole, and organized in a manner designed to meet the needs of public officials, developers, neighborhood organizations and members of the community who will use it most frequently. In order to facilitate identification of the aspects of each mandatory element, the appendices include a comprehensive list of references for each of the seven mandatory elements.

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The Envision General Plan establishes an ongoing program for the City to monitor and evaluate its success in implementation, fundamental elements of which include both Annual Reviews and a recurring 4-year Major Review cycle. Through these review cycles, the General Plan maintains internal consistency among all its elements.

Annual Review

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The General Plan Annual Review process provides for review of site-specific proposals for possible amendment of the General Plan text and the Land Use / Transportation Diagram by both the City and

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private applicants on a yearly basis. To evaluate the progress in accomplishing the objectives of the General Plan and to help inform the City's budget, Implementation Actions and Performance Measures are interspersed throughout the Goal and Policy sets. The Implementation Actions are specific directives to further the Goals and Policies. Performance Measures provide measurable standards that allow the City to track progress towards meeting objectives of the Envision General Plan.

Major Review of the General Plan

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Unlike the Annual Review which provides for review of site-specific proposals for possible amendment of the Envision General Plan text and the Land Use /Transportation Diagram by both the City and private applicants on a yearly basis, a Major Review of the Envision General Plan is a periodic review by the City Council every four years, allowing an assessment of progress and mid-course adjustments toward implementation of the Envision General Plan, using key economic, fiscal, and environmental indicators identified in the General Plan. A Major General Plan Review, therefore, provides the structure and opportunity for the City Council to determine whether to move into the next growth Horizon identified in the General Plan.

As part of the periodic Major Review of the Envision General Plan, the City will specifically consider progress toward the achievement of economic, fiscal, and transportation goals, as well as the availability of infrastructure and other services to support the City's continued residential population growth.

The approach to the periodic General Plan reviews is structured through the General Plan *Major Strategy #12 – Plan Horizons and Periodic Review,* that is supported by General Plan Implementation Goals, Policies, and Actions, which are summarized as follows:

- *Major Strategy #12 - Plan Horizons and Periodic Major Review*

  Ensure that the Plan addresses the current community context and values and closely monitor the achievement of key Plan goals through a periodic major review of the General Plan and the use of Plan Horizons to phase implementation of the Plan over time. The Envision General Plan establishes a 4-year Major Review cycle, which provides an opportunity for a community stakeholder taskforce and the City Council to evaluate significant changes in the planning context and the City's achievement of:

  - Planned job and J/ER goals;
  - Implementation of the Urban Village concept;
  - Environmental indicators, including greenhouse gas reduction and the Green Vision; and
  - Affordable housing needs.

  Planning Horizons The Envision General Plan supports the potential development of up to 470,000 new jobs and 120,000 new housing units for the timeframe 2011 through 2040. The Envision Task Force expressed considerable concern that this large amount of growth might proceed in an imbalanced or poorly implemented fashion, undermining the overall goals of the Envision General Plan. Accordingly, the General Plan timeframe is divided into multiple "Planning Horizons" in order to:

- Allow for a periodic major review by the City Council of progress toward the achievement of General Plan economic, environmental, fiscal and/or other goals or objectives;

- Guide new development to priority Growth Areas within the City to best utilize and support existing infrastructure investments, minimize environmental impacts, and achieve other General Plan goals; and

- Facilitate coordinated planning and community engagement in advance of development moving forward within new Growth Areas.

Each Horizon includes multiple goals or Objectives to be evaluated on an annual basis and as part of a Major City Council review prior to the conclusion of one Horizon and commencement of the next. This allows the City to evaluate success in meeting goals on a near-term basis and determine if adjustments are necessary to continue progress toward ultimate achievement of General Plan Objectives.

Planning Horizon Objectives The intent is that the amount, type and location of growth supported by the General Plan be carefully evaluated on a periodic basis, annually and during a 4-year Major Review cycle, to ensure progress toward the realization of those goals, while also giving consideration to the legal requirements for General Plans within the State of California, which require local jurisdictions to provide housing growth capacity.

- *Implementation Action – Land Use and Employment IE-1.14*
  To monitor the City's balance of land uses and resulting tax base as well as its progress towards reaching the goal of 1.3 jobs per employed resident in San José, periodically review residential construction activity and supply versus industrial and commercial job growth rates. Report results of this review to the City Council as part of the annual General Plan reviews.

- *Fiscally Sustainable Land Use Framework Policy - FS-3.2* Monitor residential construction, industrial and commercial job growth rates, the development of mixed-use and transit-oriented projects, the City's fiscal balance of land uses and resulting tax base, and progress made toward General Plan targets for total jobs and the ratio of Jobs/Employed Resident. Report on the results of these analyses as part of every General Plan review process.

- *Implementation Goal IP-2 – General Plan Phasing / Planning Horizons / Major Review* Monitor progress toward General Plan Vision, goals and policies through a periodic Major Review. Evaluate the success of the Envision General Plan's implementation and consider refinement of the Land Use / Transportation Diagram and the Envision General Plan policies to ensure their achievement. Use General Plan Major Reviews to consider increases in available residential development capacity by opening an additional Horizon for development and to assign priority to growth areas within San José for new housing.

- *Implementation Policy IP-2.5 – General Plan Phasing / Planning Horizons / Major Review*
  Conduct a Major Review of the Envision General Plan by the City Council every four years to evaluate the City's achievement of key economic development, fiscal and infrastructure/service goals, greenhouse gas emission reduction goals and targets, water conservation and recycling goals, availability and affordability of housing supply, Healthful Community goals, and to review changes

and trends in land use and development. Based on this review, determine the City's readiness to begin the next Envision General Plan Horizon or to modify the number of "pool" residential units available for non-specific Urban Village areas within the current Plan Horizon. Amend the Land Use / Transportation Diagram and/or Envision General Plan goals, policies, and actions accordingly.

- *Implementation Policy IP-2.5 – General Plan Phasing / Planning Horizons / Major Review* During each Major Review of the Envision General Plan evaluate input provided by the reconvened Task Force and achievement of the following key General Plan goals to inform the City Council's decision, regarding needed changes, to begin the next General Plan Horizon, or to increase the number of residential units available for non-specific Urban Village areas:

  1. Jobs/Housing Balance – Demonstrate improvement of the City's jobs to employed resident ratio (J/ER) consistent with achievement of 1.3 jobs per employed resident by the year 2040.

  2. Fiscal Sustainability – Demonstrate sustainable improvement above 2010 levels in the level of service for City services provided to the San José community.

  3. Housing Supply – Verify that the current Planning Horizon contains adequate capacity to meet San José's Regional Housing Needs Allocation for the upcoming 4-year term.

  4. Infrastructure – Confirm that adequate infrastructure and service facilities, especially transit, exist or that a secure plan for them is in place to support the planned jobs and housing capacity in the current and contemplated Horizon.

- *Implementation Goal IP-3 – General Plan Annual Review and Measurable Sustainability* Evaluate the progress of the Envision General Plan's implementation actions and programs, and the Green House Gas (GHG) reduction strategies using its Performance Measures and the Council's Climate Action/Green House Gas Reduction Policy and, as needed, refine Envision General Plan goals and policies and the Land Use/Transportation Diagram during Annual Review.

- *Implementation Policy IP-3.2 – General Plan Annual Review and Measurable Sustainability* As part of the General Plan Annual Review, carefully monitor the jobs-to employed resident ratio and, as a minimum, consider the following current development trends:

  - Vacant land absorption;

  - Amount of residential and economic development;

  - Amount and value of non-residential construction;

  - Number and types of housing units authorized by building permit, including number of affordable units, and development activity level in zonings, development permits, annexations and building permits;

  - Status of current capacity of major infrastructure systems which are addressed in General Plan Level of Service policies (transportation, sanitary sewers, and sewage treatment);

- Transit-ridership statistics and other measures of peak-hour diversion from single occupant vehicles;

- Status and implementation of Green Vision, Envision General Plan policies,

and other greenhouse gas reduction strategy measures, including greenhouse gas emission reductions compared to baseline and/or business-as usual;

and

- Levels of police, fire, parks and library services being provided by the City.

- *IP-3.3 – General Plan Annual Review and Measurable Sustainability*
  Consider only during Annual Review any General Plan Amendment proposals to modify the Land Use / Transportation Diagram or to make minor modifications to the Urban Growth Boundary or expansion of the Urban Service Area. Maintain the City's total planned housing growth capacity (120,000 dwelling units) as a cumulative result of any Amendments approved during a single Annual Review. Amendments may maintain or increase, but not diminish the total planned job growth capacity for the City.

- *Implementation Goal IP-4 – General Plan Annual Review Hearing Process* Conduct regular open General Plan hearings that provide opportunities for involvement of the community, stakeholders and private property owners, pursuant to State law.

- *Implementation Policy IP-4.1 – General Plan Annual Review Hearing Process* Conduct General Plan Review hearings to consider proposed amendments to the General Plan only once per year, beginning in 2013 for privately initiated amendments, to facilitate a comprehensive review of the cumulative implications of proposed amendments.

- *Implementation Goal IP-19 – Housing Development*
  Implement the Envision General Plan Land Use / Transportation Diagram and Envision General Plan Goals, Policies and Implementation Actions related to housing development (Housing Program) to meet San José's housing needs and to address State and regional housing production requirements.

- *Implementation Policy IP-19.1 – Housing Development*
  Through a Major General Plan Review or, as needed, through the Annual General Plan review process, evaluate the Plan's consistency with housing development goals as determined by the State and regional agencies and take actions as necessary to address their requirements.

In sum, implementation of the General Plan Major Strategies, Goals, Policies, and Actions including, but not limited to those listed above maintain internal consistency within the General Plan during and well beyond the planning period of this Housing Element.

External Consistency

The City of San José's Housing Element is intended to be consistent with other housing plans and policies, including the City's federal 2015-20 Consolidated Plan/Analysis of Impediments to Fair Housing and its local 2015-20 Housing Investment Plan.

- 2015-20 Consolidated Plan/Analysis of Impediments to Fair Housing: The federal Department of Housing and Urban Development (HUD) requires jurisdictions that receive federal housing and community development funding to develop a Five-Year Consolidated Plan and corresponding annual action plans that identify needs, goals, actions, and funding strategies. The report is called the Consolidated Plan because it includes a comprehensive strategy for multiple federal funding sources, including the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with Aids (HOPWA). While CDBG is a more flexible funding source that allows for investments in a variety of activities such as housing, economic development, and public service, other programs such as ESG and HOPWA are more targeted to specific housing and homelessness prevention activities.

  A key component of the Consolidated Plan is the inclusion of strategies to Affirmatively Further Fair Housing (AFFH) to meet federal fair housing and civil rights laws. The current mechanism to address AFFH requirements is through the Analysis of Impediments to Fair Housing (AI), which identifies barriers preventing individuals, households, and families from accessing housing opportunities and a strategy to mitigate or eliminate those barriers. In the past, this has primarily included issues related to discrimination against protected classes and landlord-tenant issues. HUD is currently in the process of updating its AFFH requirements to include assessment of fair housing issues related to land use planning, equitable development, and gaps in existing infrastructure and systems. Staff is proactively planning for strategies to meet the new fair housing requirements once adopted.

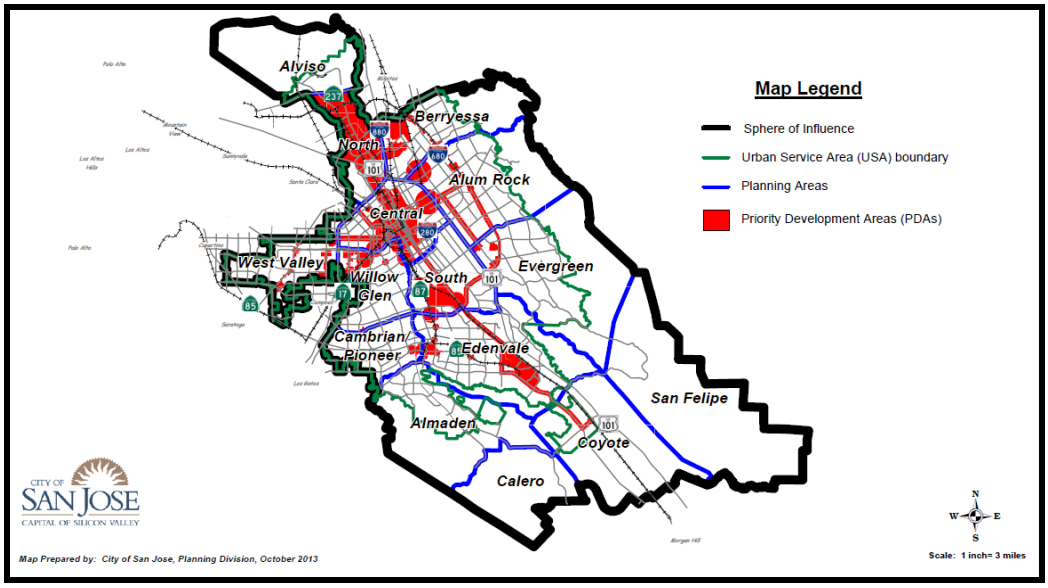
- 2015-20 Housing Investment Plan: San José's Housing Investment Plan (HIP) is a locally-determined plan that aligns local, regional, State, and federal funding sources towards achieving the City's housing and community development goals. As the name suggests, the HIP is an investment plan that comprehensively aligns strategies and all funding sources to meet the full range of housing and community development priorities. Some of the HIP policies and priorities may overlap with those found in the State and federal plans; others may be unique to San José and are locally-determined. Additionally, the alignment of the HIP with the other two plans allows for greater report streamlining.

The City's Housing Element aligns with the goals contained in the General Plan, while also supporting the goals contained in the City's federal and local housing plans for a range of affordable housing opportunities to low- and moderate-income workers, for an effective response to homelessness, for equitable and complete communities, and for sustainable, transit-oriented development.

C. Maps of Key Housing Sites in San José

The Housing Element contains several maps, including one that shows the location of potential housing sites showing the inventory of land suitable for residential development as required by State law. The

map directly below is a key to help interpret these various maps by providing an illustration of several geographic boundaries referenced in the document.



Map I-1, Geography of San José, 2013

The thick black line is the San José Sphere of Influence, or the outermost physical extent that the City is expected to serve. The Sphere of Influence is regulated by the Santa Clara County Local Agency Formation Commission (LAFCO) to evaluate the most efficient and effective means of providing public services. San José's Sphere of Influence totals approximately 280 square miles.

The City's Urban Service Area (USA) is shown by the thinner green line. The USA boundary defines the area where services and facilities provided by the City of San José and other public agencies are generally available, and where urban development requiring such services should be located. All residentially-designated lands identified to satisfy the City's RHNA requirement are located within the USA. San José's Urban Service Area totals approximately 140 square miles, or about half the size of the Sphere of Influence. For reference, the City's separate Greenline/Urban Growth Boundary (UGB) (not shown) is largely coterminous with the USA, with the notable exception of Urban Reserves (South Almaden Valley and Coyote Valley) that are not planned for urbanization in the General Plan.

Planning Areas, shown by the blue lines, divide the City's Sphere of Influence into fifteen neighborhood-oriented areas. Planning Areas are particularly useful for data collection purposes because, unlike City Council Districts, they are not subject to periodic change. Planning Areas are frequently cited to provide a convenient summary of geographic patterns and trends. Finally, Priority Development Areas (PDAs), shown in red, are existing neighborhoods near transit nominated by San José and approved by ABAG/MTC as appropriate places to concentrate future growth. These PDAs coincide with growth locations identified through preparation of the General Plan.

D. Data Sources

Governmental Sources

This Housing Element uses a number of governmental data sources to analyze San José's housing needs, including Census data from the 2010 Decennial Census as well as from the annual American Community Survey. Other data sources include those from the U.S. Department of Housing and Urban Development (HUD), the U.S. Bureau of Labor Statistics (BLS), the U.S. Geological Survey (USGS), the Federal Reserve Bank, the California Department of Housing and Community Development (HCD), the Governor's Office of Planning and Research (OPR), the California Department of Finance (DOF), the California Community Care Licensing Division (CCLD), the California Department of Developmental Services (DDS), the California Energy Commission (CEC), the California Employment Development Department (EDD), the Association of Bay Area Governments (ABAG), and the County of Santa Clara.

The City of San José's own internal data sources, include data from the General Plan, the San José Zoning Ordinance (Title 20 of the Municipal Code), the Five-Year 2012-17 Housing Investment Plan, the 2010-15 Consolidated Plan, the 2013 Homeless Census and Survey, the Development Activity Highlights and Five-Year Forecast (2014-2018), and the Vacant Land Inventory. The City also used mapping data through Geographic Information Systems (GIS) datasets, which include information on existing and planned land uses, planning applications and entitlements, and building permits.

Non-Governmental Sources

A variety of non-governmental data sources were also used for this Housing Element, including data from the International Code Council (ICC), the National Housing Conference (NHC), the National Low Income Housing Coalition (NLIHC), the National Employment Law Project, Working Partnership USA, the National Association of Home Builders (NAHB), the Urban Land Institute (ULI), the American Planning Association (APA), Reconnecting America, the California Housing Partnership Corporation (CHPC), the Non-Profit Housing Association of Northern California (NPH), Sacred Heart Community Service (SHCS), the San Francisco Planning and Urban Research Association (SPUR), the Tri-County Division of the California Apartment Association (CAA), the Bay Area Council, Joint Venture Silicon Valley (JVSV), the Silicon Valley Leadership Group (SVLG), the Center for Continuing Study of the California Economy (CCSCE), the Association of Realtors (California and Santa Clara County), Affordable Housing Network of Santa Clara County, Somos Mayfair, Population Reference Bureau, San José Mercury News, Bloomberg News, the Wall Street Journal, Google, RealFacts, Marcus & Millichap, Redfin, MPF Research, Trulia, Dataquick, and Zillow.

E. Public Participation

State law mandates that in preparation of a housing element, a local agency shall "include a diligent effort to achieve public participation of all economic segments of the community" and describe how public input was incorporated (Government Code section 65583(c) (8)). This section provides a detailed summary of San José's outreach efforts, while the manner in which input has been incorporated into the document is described in Chapter VI: Programs. By way of background, the General Plan, which by definition includes this Housing Element, was clearly designed to embody community values and goals through an extensive and meaningful community based planning process. In fact, among the General

Plan's twelve Major Strategies, which strategies are considered fundamental to achievement of the City's Vision, Major Strategy #1 is Community Based Planning.

A broad variety of community engagement activities has enabled the General Plan to both reflect the community's values and priorities and embrace the City's diverse social and cultural fabric. By incorporating community sentiment, the General Plan process built significant public support for the primary direction of the General Plan, improved public perception of the planning process, and, most importantly, resulted in an improved General Plan. The General Plan is a direct expression of community values, identified and developed through an extensive community engagement process, including fifty one (51) Envision Task Force meetings, over one hundred twenty five (125) outreach meetings, and involvement by over five thousand (5,000) community participants. Key decisions in the General Plan process were directly connected to the priorities expressed by Task Force and community members. The following top planning priorities for the City's future were identified by community members:

- Promoting Economic Development
- Ensuring Fiscal Sustainability
- Providing Environmental Leadership
- Building Urban Villages and
- Promoting Transit Use.

In implementation of the General Plan, including the preparation of this Housing Element, San José has remained committed to effectively engaging representatives of all segments of the community. Upon adoption on July 18, 2013 of a Final Regional Housing Need Plan (2014-2022) for the San Francisco Bay Area, the City created a website URL (www.sanJoseca.gov/housingelementupdate) and customized project e-mail address (housingelementupdate@sanJoseca.gov) to share information and invite public feedback about the process. The URL and e-mail address were specifically mentioned during each outreach meeting identified below, and on January 15, 2014 an introductory "e-blast" was sent to a list of more than 3,000 persons and organizations with a demonstrated interest in the topic. The wide distribution of this e-blast was then further extended by subsequent communication from individual City Council District offices to their respective constituents and forwarding by the City Manager's Office to a list of more than 200 community groups. Also, on February 2, 2014, Janice Rombeck, a veteran journalist and former San José Mercury News reporter, posted an article about the project (including the date/time/location of future outreach meetings), at http://www.NeighborWebSJ.com.

The demographics analysis and needs assessment contained in Chapters II and III, respectively, were prepared early in the process and thus appropriately guided and informed the City's public outreach strategy. This strategy included a concerted, multi-phase effort to obtain feedback from a broad spectrum of stakeholders representing different City neighborhoods, various age and race/ethnic group categories, and special interests (e.g., business community, developers, realtors, housing advocates, etc.). Phase 1 outreach describes those informational meetings that occurred prior to public release and submission of the administrative draft Housing Element to HCD on October 6, 2014, while phase 2 outreach are those meetings that more specifically focused on review and comment on this draft document. Consistent with the City's Public Outreach Policy (City Council Policy 6-30), Spanish and Vietnamese translation services were made available as needed, thus encouraging participation by residents with limited English proficiency.

Outreach Meetings (Phase 1)

Who: County of Santa Clara
When: October 21, 2013, 4:00 pm
Where: San José City Hall, Room T-1239

This was an initial, staff-level coordination meeting with Rebecca Garcia, Manager of the County's Office of Affordable Housing and Steve Ross, Planner in the County Planning Office, to discuss the housing element update process, with particular focus on the subject of homelessness and approaches to addressing Senate Bill 2 (SB 2) which pertains to emergency shelters. As later discussed in Chapters III and IV, San José is in full compliance with SB 2, but like the County has taken a more progressive approach towards meeting the special needs of persons requiring emergency shelter, focusing on a "housing first" strategy that combines permanent housing with supportive services. For example, the City has promoted development of transitional first-step housing intended to help homeless and special needs individuals break the cycle of poverty, criminal activity, violence, abuse, and dependence on public assistance. These projects provide a supportive environment where individuals can be involved in the education, personal development, and training that is necessary to thrive independently.

The County of Santa Clara is a key partner in monitoring and addressing local housing issues. In June 2013, when the Board of Supervisors approved the agency's fiscal year 2014 budget, significant monies were allocated to a reserve fund for critical housing programs, including $4 million to the Permanent Supportive Housing Fund that serves the homeless with special needs. On October 22, 2013, immediately following this coordination meeting, the Board then approved an additional $4 million in funding to implement numerous housing-related programs. These programs include the first phase of a Reentry Housing Plan and associated Rental Assistance Program for Three Strikes offenders granted resentencing pursuant to Proposition 36, a Regional Community Re-Integration Initiative, a Custody Health High Users Initiative, and a Homeless Prevention and Emergency Assistance Program. Subsequently, on January 28, 2014, in the County's annual State of the County address, Mike Wasserman, President of the Board of Supervisors, reemphasized that homelessness would continue to be among the agency's top near-term priorities.

Who: Housing and Community Development Commission (HCDC)
When: November 14, 2013, 6:00 pm
Where: San José City Hall, Wing Rooms W-118 & 119

The San José Housing and Community Development Commission (HCDC) is an eleven-member commission that, per the Municipal Code (Chapter 2.08, Part 28), advises the Housing Department and City Council on existing and new housing programs and policies in the City (Note: as of July 1, 2013, the former Housing and Community Development Advisory Commission (HCDAC), Mobilehome Advisory Commission (MAC), and Advisory Commission on Rents (ACR) were combined, with HCDC now charged with the duties and responsibilities of all three former commissions).

Meeting Input: although not a formal Commission action, individual Commissioners recommended outreach to a wide variety of stakeholders, exploring additional protection of mobile home parks as a source of affordable/senior housing, focusing resources on housing for the extremely low income segment of the population, and encouraging "micro" units to enhance affordability.

Twenty six (26) members of the public completed the meeting attendee sign-in sheet, and five (5) persons provided oral testimony, as follows: Crisand Giles, Building Industry Association (BIA); James Zahradka, Law Foundation of Silicon Valley; Martha O'Connell, Chair of the San José Senior Citizens Commission; and two persons speaking on behalf of the Winchester Mobile Home Park community. Topics ranged from a discussion of the State HCD's past and current position on the matter of inclusionary housing, suggested analysis of the impact on housing of the General Plan's "jobs first" policy, encouraging consideration of the unique housing needs of the elderly, and ensuring protection of mobile home parks as a source of affordable/senior housing.

Who: Youth Commission
When: November 25, 2013, 6:30 pm
Where: San José City Hall, Council Chambers

The San José Youth Commission is an eleven-member commission that, per the Municipal Code (Chapter 2.08, Part 48), fosters greater involvement of youth in civic affairs, studies any problems, activities and concerns of youth as they relate to municipal policies, programs or projects, and makes recommendations to the City Council.

Meeting Input: although not a formal Commission action, individual Commissioners emphasized the need for schools, libraries, community centers, and employment centers in close proximity to planned new housing in the City. The Commission also pointed out the importance of housing affordability, and advised that homelessness among teens was a growing concern. Affordability was cited as a factor resulting in more frequent moves by families, which acts to disrupt the schooling of children. Finally, the Commission encouraged sustainable and balanced types of development, suggesting that a community comprised of longer-term owners was likely to have greater stability.

Ten (10) members of the public completed the meeting attendee sign-in sheet; however, no persons chose to provide oral testimony.

Who: Fair Housing Consortium, comprised of the Legal Aid Society (LAS) of Santa Clara County, the Law Foundation of Silicon Valley, the Asian Law Alliance (ALA), and Project Sentinel
When: December 12, 2013, 10:00 am
Where: Legal Aid Society, 480 North First Street, San José

The City of San José funds the Legal Aid Society (LAS) with Community Development Block Grant (CDBG) monies for the provision of fair housing services to landlords and tenants. LAS provides help with evictions, rental repairs, deposits, rental agreements, leases, rental disputes, mortgage delinquency, home purchase counseling, housing discrimination and other housing related issues. Legal Aid staff is responsible for fair housing counseling, conciliation, fair housing education, referrals, investigations and audits. These responsibilities may extend to monitoring of HUD subsidized complexes on a request basis.
Meeting Input: the discussion group, comprised of one or more representatives of each of the above-referenced agencies, as well as others participating on behalf of several of the Law Foundation's five programs, including the Fair Housing Law Project (FHLP), Mental Health Advocacy Project (MHAP), and Public Interest Law Firm (PILF), expressed support for imposition of a housing impact fee to help construct and rehabilitate affordable housing units and the creation of various governmental incentives

to moderate rent increases among housing units otherwise exempted from the City's Rent Stabilization Ordinance. In addition, the group encouraged an evaluation of the process/effectiveness of various other existing housing-related City ordinances, including but not limited to Evictions (Chapter 17.23, Part 6), Mobile Home Park Conversions (Chapter 20.180), and Requests for Reasonable Accommodation (Chapter 20.160) of the San José Municipal Code. It is important to note that San José is in compliance with Federal and State fair housing laws in providing "reasonable accommodation" to persons with disabilities. Specifically, Chapter 20.160 (Requests for Reasonable Accommodation) describes the application process for making a request for reasonable accommodation, whose intent is to accommodate the housing needs of persons with disabilities to the greatest extent feasible and to evaluate individual requests on a case-by-case basis. The entire San José Municipal Code is available to the public on the City of San José webpage.

Who: San José Silicon Valley Chamber of Commerce
When: January 9, 2014, 3:30 pm
Where: Chamber of Commerce, 101 West Santa Clara Street, San José

The San José Silicon Valley Chamber of Commerce is a non-governmental organization of nearly 1,500 dues-paying members that represent approximately 250,000 employees throughout the region. A key component of the Chamber's mission is to represent the interests of business to government. This particular meeting brought together members of the Chamber's Development Review Committee, Public Policy Committee, Today's Young Professionals (TYP) network, and other interested parties.

Meeting Input: the meeting was attended by approximately fifty (50) members, involving active discussion by representatives of each of the groups identified above. Various suggestions for the City to consider included focus on "quality of life" issues (e.g., neighborhood vitality, crime, schools, etc.) to help attract additional investment, boosting the supply of owner-occupied housing to improve affordability and help contain the recent rise in rental costs, addressing the housing issue from a broader regional perspective thereby spreading the costs in imposition of any affordable housing fees/taxes/bonds over a larger area with smaller expense to individual households/businesses, and bringing greater flexibility to the City's secondary unit Zoning Code provisions.

Who: San Francisco Planning and Urban Research Association (SPUR)
When: January 16, 2014, 2:00 pm
Where: 76 South First Street, San José

The San Francisco Planning and Urban Research Association (SPUR) is a member-supported non-profit organization that, through research, education, and advocacy, promotes good planning and good government throughout the Bay Area. The organization began in San Francisco in 1910, opened a San José office in 2012, and released its first San José report, "Getting to Great Places", in December 2013 (http://www.spur.org/publications/spur-report/2013-12-12/getting-great-places). This report succinctly explains the fiscal impacts of land use as follows:

> *"Both jobs and housing generate property and sales taxes, but housing creates much more demand for city services such as schools, parks, health services and waste disposal. A city needs to have a balance of both jobs and housing to bring in enough income to support these vital services. Relative to its Silicon Valley neighbors, San José is*

housing-rich and jobs-poor. It has functioned as a bedroom community for nearby job centers, creating a fiscal imbalance in which revenues do not keep pace with the demand for city services."

Meeting Input: this meeting was with Leah Toeniskoetter and Sarah Karlinsky, SPUR San José's Director and Deputy Director, respectively, and focused on the balance between jobs and housing and the challenges and opportunities in creation of Urban Villages. The Getting to Great Places report contains a dozen recommendations for implementation of the General Plan, and suggests that "attempts to promote a balance between jobs and housing do not in themselves present urban design problems. Housing, employment, retail and public facilities are all essential to complete urban communities, and although a diverse mixture is desirable, each of these uses may predominate in well- or poorly designed areas."

Who: Senior Citizens Commission
When: January 22, 2014, 10:30 am
Where: San José City Hall, Room T-955

The San José Senior Citizens Commission is an eleven-member commission that, per the Municipal Code (Chapter 2.08, Part 42), studies, reviews, evaluates and makes recommendations to the City Council related to any and all matters affecting elderly people in the City, including health, education, employment, housing, transportation and recreation. This meeting was with the seven-member Housing and Human Services Subcommittee of the Senior Citizens Commission, which membership includes both the Chair and former Chair of the full Commission.

Meeting Input: the meeting was attended by several members of the public. Following the staff presentation, the Subcommittee identified three critical senior housing issues and passed a motion to prepare a letter to the City Council articulating their concerns. These housing issues are: (1) displacement; (2) gentrification; and (3) preservation of low income supply. Written materials were distributed that included an HCD memo entitled, "The State of Housing in California 2009: Supply and Affordability Problems Remain" and a 2004 report called, "Preparing for the Aging Baby Boomers" from the California Strategic Plan on Aging Advisory Committee. The cover page of the HCD memo reads as follows:

"Over the next decade, the greatest population growth is projected for residents aged 55 and over. This trend is significant because older Californians have the highest housing demand per 1,000 people—the result of divorces, separations and deaths. Baby boomers are projected to dominate changes in the housing market until at least 2030. A rapid increase in one-person and older households is likely to continue for the next several decades—driving the need for more housing and different housing products."

As well, the State's Assisted Living Waiver Program (ALWP) was cited as a potential future source of affordable housing for seniors in San José. Unfortunately, the ALWP is not currently available within Santa Clara County, and only offered in select counties within the Central Valley and Southern California. In short, the ALWP provides financial assistance to eligible Medi-Cal beneficiaries residing in skilled nursing facilities, enrolling them into licensed Residential Care Facilities for the Elderly (RCFEs) and Public Subsidized Housing (PSH), thereby allowing them to remain in a community.

Who: Downtown Planning Area Neighborhoods
When: January 22, 2014, 6:00 pm
Where: Roosevelt Community Center, 901 East Santa Clara Street, San José

This was the first of several neighborhood meetings, with discussion in this meeting focused on housing issues particular to the Downtown area. The meeting was attended by a handful of local residents, all of whom had lived in Downtown for several decades and some their entire lives. Thus, these participants had unique and valuable perspectives on change they have witnessed in local housing issues over time.

Meeting Input: among the housing issues identified by participants were increased homelessness, the gradual loss of transitional housing opportunities, and the potential for increased use of Single Room Occupancy (SRO) facilities, secondary units, and "micro" units to help address affordability. On the homelessness issue, the group emphasized the ineffective nature of periodic creek clean-ups, which merely temporarily displace homeless encampments that are quickly reestablished. As well, new San José Public Library/San José State University visitor guidelines on allowable personal belongings at the Martin Luther King, Jr. and other library facilities (http://www.sjpl.org/policies-procedures/visitor-guidelines-personal-belongings) was cited as having potential to worsen the Downtown homelessness situation. In essence, to promote safe access for all library patrons, large or oversize items (e.g., bedrolls, duffle bags, large suitcases, etc.) are generally not allowed.

Who: Citywide Orientation
When: January 28, 2014, 6:00 pm
Where: San José City Hall, Wing Rooms W-118 & 119

Similar to the prior outreach meeting at Roosevelt Community Center, this "citywide orientation" hosted at City Hall was intended to familiarize participants with the housing element update process and, given the meeting location, focused attention on housing issues particular to the Downtown area. The meeting was attended by ten (10) members of the public and included active participation by virtually everyone present.

Meeting Input: questions and comments were primarily focused on the housing needs of persons in younger and older age groups. One attendee from the Bill Wilson Center, which each year serves more than 10,000 clients in Santa Clara County and has been providing support to runaway and homeless children since 1973, expressed concern for the ongoing housing needs of youth that have "aged out" of foster care and transitional housing programs. Regarding homelessness, the City was asked to include community members from the surrounding neighborhood when developing a response. Another attendee asked about the financial impact of rapid rent increases on senior citizens living on fixed income, and the potential expansion of rent control to enhance affordability. Another attendee provided both oral and written comments (via distributed comment cards) that San José "needs adequate parks, police, and other services. Housing needs to not have fees waived, everyone needs to pay for services," and also expressed concern about density increases in the Spartan Keyes neighborhood. Another attendee stated that funding for affordable housing should not come from sales taxes because of their regressive nature. Yet another attendee emphasized the need to identify funding sources to help pay infrastructure costs associated with implementation of the City's Urban Village plans.

Who: Edenvale Planning Area Neighborhoods
When: January 29, 2014, 6:00 pm

Where: Southside Community and Senior Center, 5585 Cottle Road, San José

This was the second of several neighborhood meetings, with discussion focused on housing issues both citywide and particular to the Edenvale area. The meeting was attended by a handful of local residents.

Meeting Input: one attendee, a relatively new resident of the Bay Area and actively involved with Sacred Heart Community Service (SHCS), a non-profit Community Action Agency that currently helps more than 200 Santa Clara County families each month with financial assistance to prevent them from becoming homeless, commented that the region is at risk of being competitively "priced out" due to high housing costs. These costs are detrimental to residents' quality of life and the ability for multiple generations to maintain close ties in establishing separate, affordable living arrangements in the area. Another attendee stated that impact fees imposed on developers were not the solution to affordable housing as these fees would simply be passed on to consumers and result in even higher costs. Another attendee suggested that the City "ask more of developers" (and that now is an opportune time given strength in the housing market). In exchange, the City could streamline review processing time, for example. Other comments concerned the walkability and connectivity of the Hitachi/iStar area, urging construction of a pedestrian overcrossing and reopening of the old IBM tunnel under Highway 85 to provide a connection to various public amenities (e.g., hospital, library, farmers market, etc.) in the adjacent neighborhood to the south. Similarly, another attendee cited the need to incorporate specific design features, such as benches, small green spaces, and shade elements, to ensure that walkability meets the unique needs of the senior population.

Who: Alum Rock Planning Area Neighborhoods
When: February 6, 2014, 6:00 pm
Where: Mayfair Community Center, 2039 Kammerer Avenue, San José

This was the third of several neighborhood meetings, with discussion focused on housing issues both citywide and particular to the Alum Rock and other areas. The meeting was attended by thirteen (13) residents of the neighborhood and elsewhere, including the Winchester area of San José. Language translation services were requested and provided to several meeting attendees.

Meeting Input: one attendee supported imposition of a housing impact fee to help address affordable housing and homelessness issues, and another suggested that an insufficient supply of affordable housing is evidenced by extensive wait lists/times for Section 8 voucher recipients to find subsidized housing. One attendee asked about plans for housing the disabled, which are an identified "special housing needs group" in State law, and another wondered if the City was seeking to promote housing types attractive to single, driving industry workers. Another attendee inquired about the State's RHNA methodology as it pertains to demolition or displacement of existing housing (i.e., whether unit production is counted on a gross or net basis). As relates to the City's efforts to prepare an Urban Village Plan for Valley Fair/Santana Row and Vicinity, several representatives from the Winchester Orchard Neighborhood Association sought to ensure they have a voice in future decisions about revitalization efforts, expressing concern about the potential loss of affordable housing at the Winchester Mobile Home Park and more generally lamenting traffic congestion and the substitution of former neighborhood retail (e.g., bookstore) by more expensive offerings at Santana Row.

Who: Willow Glen Planning Area Neighborhoods
When: February 10, 2014, 6:00 pm

Where: Willow Glen Community Center, 2175 Lincoln Avenue, San José

This was the fourth of several neighborhood meetings, with discussion focused on housing issues both citywide and particular to the Willow Glen and other areas. The meeting was attended by twenty four (24) residents of the neighborhood and elsewhere, including the Winchester area of San José.

Meeting Input: numerous attendees provided oral comments, and seven written comment cards were also completed and submitted. Discussion emphasized preservation of the existing housing stock, including but not limited to mobile homes, senior housing needs, homelessness, various Urban village planning concerns, and traffic/transit issues. As to mobile homes, one attendee suggested the need to declare a moratorium on mobile home park conversions and another pointed out that the City's rent stabilization ordinance has not been effective in containing a steady rise in costs (e.g., one mobile home resident pointed to a rise of 48% in 15 years, to what is now "equivalent to what many people pay for mortgages for a single family home").

As to senior housing needs, multiple comment cards indicated that an ability to "age in place" will require home retrofits and repairs, such as wheelchair ramps/lifts, grab bars, stair replacement, and proper lighting, along with maintenance and repair of heating, electrical, and plumbing systems, hot water heaters, roofing, etc. One attendee asked about opportunities for a neighborhood stabilization program to provide retrofit/repair services for properties that have been subject to foreclosure. Another attendee expressed concern about the trend towards rental housing construction, and the lack of upkeep that can be associated with rental properties. Similarly, a representative of the American Red Cross indicated that structures that are aging and/or subject to neglect are more prone to fire ("we respond to an average of three single-family house or apartment fires per week"), and that local caseworkers are routinely asked to assist in finding interim or replacement housing for low-income clients.

As relates to Urban Village planning and traffic/transit issues, several attendees expressed concern about congestion resulting from land use intensification and multi-modal roadway improvements, citing the area around Valley Fair/Santana Row as an example. One attendee referenced the City's approach to considering an intersection "built out" and no longer requiring mitigation, but that mitigation measures are in fact still necessary. Another attendee asked if there had been any studies on transit ridership by residents in the vicinity of new, higher density development, and emphasized the importance of inter-agency coordination in achieving intended goals. In general, the existing transit system was criticized for being ineffective in serving people's needs. Another attendee expressed the need for a City policy to incorporate affordable housing into Urban Village plans, with another attendee citing The Alameda as an example of where the housing supply includes a good mix of incomes.

Who: Santa Clara County Housing Action Coalition
When: February 14, 2014, 11:00 am
Where: Santa Clara Central Park Library, 2635 Homestead Road, Santa Clara

The Santa Clara County Housing Action Coalition (HAC) is a broad coalition of organizations founded in 1993. It was established in response to the need for a positive voice for smart residential development that supports investment in infrastructure, places people close to jobs and services, and alleviates pressure to sprawl. It has served as a model for other communities (e.g., Housing Leadership Council of

San Mateo, San Francisco Housing Action Coalition, etc.), and is a unique organization where disparate groups—labor, environmentalists, business and builders—unite under a focused agenda.

Meeting Input: the meeting included a guest panel presentation and discussion on the status of the housing element update process with staff from various local agencies, including the cities of San José, Sunnyvale, Mountain View, Santa Clara, Milpitas, and Los Gatos. As well, about forty (40) HAC members and staff from the County of Santa Clara were present to engage in a subsequent question and answer session. Questions included how housing advocacy groups can be most helpful in the process, and what key policies/programs cities have found the most and least effective from the previous cycle. Advocates were encouraged to directly participate in local update processes through attendance of outreach meetings, and to actively educate a wide variety of constituents, including State legislators, school boards, and parent-teacher associations. As relates to involvement by school administrators, there was discussion regarding a disconnect between planning for housing and schools, as school overcrowding is a growing concern in areas of population growth. Among the challenges, several cities referenced the dissolution of redevelopment agencies and a lack of State housing funds as preventing more aggressive solutions to an affordable housing problem that is shared throughout the South Bay. One attendee pointed out that the affordable housing gap has grown in recent years, as Silicon Valley has been an engine for job growth but without a commensurate increase in housing. Another attendee indicated that ABAG's Priority Development Areas (PDAs) would result in "systematic gentrification" of neighborhoods by funneling growth and resources into these relatively small geographic areas. The topic of regionalism came up several times as panelists and participants discussed how cities in Santa Clara County could potentially work together to pool affordable housing resources.

Who: Santa Clara County Association of Realtors
When: February 19, 2014, 10:00 am
Where: 1651 North First Street, San José

The Santa Clara County Association of Realtors (SCCAOR) is a local members-only organization that provides education, research, and leadership for licensed real estate brokers and agents operating under a strict code of ethics developed by the National Association of Realtors. This particular meeting was with the Local Government Relations (LGR) Committee of the SCCAOR.

Meeting Input: the meeting was attended by approximately twenty (20) members, and involved active discussion with numerous attendees. One attendee emphasized the need for innovative, "out of the box" thinking to address the housing issue, including the potential use of idle public lands for housing and soliciting interest from non-profit organizations (e.g., churches) for more intense development of these land holdings. Several attendees expressed sentiments to the effect that "homeownership is not a right, but a privilege" and that the only viable solution to improved housing affordability is increased supply. Several attendees indicated that international housing markets (e.g., Asia, Europe, etc.) can provide guidance on ways to improve our local housing supply and to effectively plan Urban Villages, including higher densities, smaller living spaces ("micro" units), and shared housekeeping facilities. Similarly, one attendee suggested that live/work arrangements had potential to meet the needs of some younger persons, and another attendee said greater diversity of housing types was needed to prepare for anticipated future demographic shifts (esp. growth in the senior and young adult populations). Another attendee emphasized the need for relaxation of regulations on secondary units, and yet another attendee cautioned that the City "should not tax what it wants to build." On this point, it was argued that higher densities require costly steel construction, and that developers must be incentivized to build at

densities of eight stories or more to help overcome cost hurdles. Finally, it was suggested that the City's dual efforts to both improve housing affordability and improve the jobs-housing ratio (by prioritizing employment) were in fundamental conflict with one another.

Who: Berryessa Planning Area Neighborhoods
When: February 20, 2014, 6:00 pm
Where: Berryessa Community Center, 3050 Berryessa Road, San José

This was the fifth of several neighborhood meetings, with discussion focused on housing issues both citywide and particular to the Berryessa and other areas. The meeting was attended by five (5) residents of the neighborhood and elsewhere, including the Alum Rock area of San José.

Meeting Input: all attendees provided oral comments, and two written comment cards were also completed and submitted. One attendee from Rebuilding Together, a community non-profit whose vision is "a safe and healthy home for every person" and which has a network of 200 chapters nationwide including Rebuilding Together Silicon Valley (RTSV) located in San José, stated that some money "should be allocated to programs that do repairs and modifications to help keep the elderly and disabled in their homes." As for new homes, the importance of "universal design" was emphasized so as to allow aging in place without need for expensive retrofits. Concerns were also expressed about the need for preservation of the City's mobile home stock as affordable housing for seniors and other low-income persons. The point was made that many longtime residents are "housing rich, income poor" such that mobility is oftentimes limited due to cost implications. Another attendee emphasized that housing growth should be coupled with transportation improvements, citing the Evergreen area as an example where the infrastructure is insufficient to accommodate what growth has occurred in recent decades. As well, the same attendee worried that the Berryessa BART station area was poorly served by transit, and that traffic impacts resulting from people using cars to get to and from the station could be a problem. As relates to the future Alum Rock BART station area, the attendee emphasized the need for preservation of the Church of the Five Wounds historic landmark building.

Who: West Valley Planning Area Neighborhoods
When: February 25, 2014, 6:00 pm
Where: Calabazas Library, 1230 South Blaney Avenue, San José

This was the sixth of several neighborhood meetings, with discussion focused on housing issues both citywide and particular to the West Valley and other areas. The meeting was attended by fifteen (15) residents of the neighborhood and elsewhere, including the Winchester area of San José.

Meeting Input: numerous attendees provided oral comments, three written comment cards were completed and submitted, and one attendee from the Affordable Housing Network of Santa Clara County submitted a half-page document outlining six "principles for ending Silicon Valley homelessness and affordable housing crisis." In discussion of the homelessness issue, attendees inquired about a tentative proposal reported in local media and considered by the City Council's Community and Economic Development Committee (CEDC) the prior day for use of underutilized hotels/motels to house the homeless (for reference, see http://www.sanJoséca.gov/DocumentCenter/View/27031). In essence, a master-leasing program is proposed to provide qualified non-profits with grants for the leasing of multiple rooms from a hotel/motel owner and then sublease to homeless persons. One attendee asked why Single Room Occupancy (SRO) facilities weren't more common, and also whether places like the

former Agnews Developmental Center could be used as dormitories. An attendee with Solari Enterprises, a full service property management organization specializing in multi-family affordable housing, inquired about the status of Low-Income Housing Tax Credits (LIHTC). Another attendee expressed concern that major employers were not participating in a solution to the local housing shortage. As an example, the attendee cited Apple's new 2.82 million square foot "Campus 2" project, approved by the Cupertino City Council in October 2013, which according to the attendee generates a 6,000-unit housing supply shortfall in the area. Another attendee was interested to know if the Urban Village boundary/plan for Santana Row/Valley Fair and Vicinity could be changed to exclude the Winchester Ranch Mobile Home Park, and if the Housing Element would evaluate household income and housing affordability issues among seniors.

F. Outreach Meetings (Phase 2)

Who: Affordable Housing Developer and Lender Focus Group
When: June 18, 2014
Where: San José City Hall, Room T133

City staff invited Affordable Housing Developers and lenders who have been involved in recent projects in San José to share their ideas and concerns.

Meeting Input: this meeting was attended by three representatives from EAH, Abode Services and the Santa Clara County Housing Authority. Meeting participants stated that new State funding from Cap and Trade and Proposition 41 will be helpful but a local source such as the housing impact fee would be needed. Participants asked that the City be clearer about what it values and how it will allocate resources for affordable housing development. One participant acknowledged that targeting resources to extremely low income and homeless people makes sense when resources are scarce because these groups are the neediest, but also noted that funds go further when subsidies are shallower for developments targeting 50-60% AMI. Participants indicated that subsidies are currently negotiated on a project by project basis which makes spending money on predevelopment costs difficult if development subsidies are uncertain. The City of Fremont was commended for clearly communicating its values by setting rates for different income level targeting.

One participant noted that developments of 100 or more units achieved economies of scale, and were less costly than seeking tax credit funding for smaller scattered site developments.
Participants suggested looking into using California Tax Credit Allocation Committee (TCAC) provisions to submit a single application for several scattered sites within a certain radius.

For microunits, State TCAC unit size minimums may need to be changed because all bathrooms must be built to larger ADA specifications adding to the cost of the development. Dan Woo at Charities Housing was identified as being very knowledgeable about microunits and as a resource. Another issue relates to State TCAC requirements that 30% of assisted units be three bedrooms for large families. Developers noted that demand for such units is less in urban areas, and developers have trouble renting large units in San José although they are required to build them.

For mixed use Urban Villages, participants noted that ground floor retail is a burden for affordable housing developers. One possible solution is to master lease the groundfloor space to the City at 50% of

market rate for municipal offices, libraries, or community centers. This allows the developer to underwrite the space and places the responsibility for leasing on the City.

Who: Planning Commission Hearing #1A
When: August 27, 2014
Where: San José City Hall, Council Chambers

City staff presented at the first of two Planning Commission meetings during this Phase 2 of community outreach. The purpose of this first presentation was to provide the Commission and the public a high-level overview of the legal requirements and purpose of the Housing Element, the analytical and content requirements, the context of housing needs, a review of the update process to-date, and next steps. Staff returns to the Planning Commission on September 10, 2014 to provide a summary of the public input received, the implementation workplan as a response to identified needs, and the adequate sites inventory.

Who: Citywide Community Meeting #1
When: September 3, 2014 (Scheduled)
Where: San José City Hall, Room Tower 332

City staff presented an overview of the Housing Element Update process to date. Staff discussed the draft housing element, the implementation workplan, the site inventory, and fielded questions.

Meeting Input: One participant asked how to make meaningful corrections to the draft, another called for the dispersion of affordable units throughout the City. Another participant asked if staff had "ground truthed" the affordable sites in the adequate sites inventory to see if they were viable for low income housing tax credits. Another attendee asked how the City might incentivize single room occupancy (SRO) development. Some attendees expressed support for the Housing Impact Fee and the need for more ordinary citizens to get involved in the issue. A representative from the Law Foundation of Silicon Valley expressed the need to revisit Just Cause Evictions and to expand rent control. Another participant asked why property owners are allowed to raise rents as much as they want when proposition 13 does not permit raising property taxes to reflect market value rents.

Who: Citywide Community Meeting #2
When: September 6, 2014 (Scheduled)
Where: San José City Hall, Room Tower 332

City staff presented an overview of the Housing Element Update process to date. Staff discussed the draft housing element, the implementation workplan, the site inventory, and fielded questions.

Meeting Input: Attendees at this meeting were concerned about the preservation of mobile homes, the displacement of affordable non-deed restricted housing, and older apartments under rent control such as Dudley Apartments, one participant called for a commitment to inclusionary housing and to ensure there is an affordable housing component in all of the urban villages.

Who: Planning Commission Hearing #1
When: August 27, 2014

Where: San José City Hall, Council Chamber
Staff presented an overview of the Housing Element process to the Planning Commission at a public hearing that covered the legal requirements and purpose of the Housing Element, the analytical and content requirements, the context of housing needs, a review of the update process to-date, and next steps.

Meeting Input: The presentation was followed by Planning Commission discussion and public comment, which addressed the State requirements for the City's Housing Element, and the number of units by income category that are assigned to the City through the RHNA process. The Commissioners and one public speaker focused their comments on the percentage of affordable housing units assigned to the City, noting the large number of units allocated for Extremely Low Income (ELI) and Very Low Income (VLI) households. The Planning Commission then voted to continue the discussion of the Housing Element item to the Planning Commission hearing scheduled for September10, 2014.

Who: Planning Commission Hearing #2
When: September 10, 2014
Where: San José City Hall, Council Chambers

Staff summarized public input, the Draft Housing Element's Implementation Work Plan as a response to identified needs, and the Adequate Sites Inventory.

Meeting Input: Diane Castillo, representing the Law Foundation of Silicon Valley, recommended strategies to include in the Housing Element including those to support the preservation of existing affordable housing, to facilitate new affordable housing, and to protect renters in the City. Chair Kamkar asked clarifying questions on rent control provisions in the City. Staff summarized the City's two sets of rent control regulations: one for apartments built through 1979; and one for mobilehome parks. The Chair then suggested that the City work with the Silicon Valley Leadership Group to incentivize Silicon Valley's high technology companies to provide funding to address the Valley's affordable housing needs.

Commissioner Abelite read his comments on the Draft Housing Element into the record (see attachment). He concluded that affordable housing fees will not meet their intended purpose and will have an opposite effect, noting that housing prices should be based on supply and demand [Planning staff notes that the Housing Element is not dependent and does not impose affordable housing fees. They are merely mentioned briefly as one of the tools that the Council may consider].

Commissioner Yob stated that the Housing Element should not penalize one segment of the community for problems that affect the whole. In particular, she mentioned concerns that some items in the Implementation Plan would be "involuntary" measures, such as a proposed housing impact fee, as well as possible revisions to the mobilehome park conversion and condominium conversion regulations, which could burden owners and developers. She expressed a preference for "voluntary" measures such as motel conversions and secondary units.

Commissioner Bit Badal observed that if there had not been a Redevelopment Agency previously, that there would be no affordable housing in the City, and she stated that she supports fees to subsidize affordable units. She said the best communities are the most diverse and that technology jobs need to be supported by service jobs. She cited the Diridon Station Area Plan as

a good example of a plan that supports affordable housing, and said the City should plan housing for senior citizens because they are the fastest growing population.

Commissioner Kline cautioned that laws that "feel good" such as inclusionary zoning need to be crafted to not do any harm. He stated support for the Housing Element, but noted that the City's inclusionary zoning law still needs work, and that the best solutions are affordable by design.

Who: Housing and Community Development Commission #2
When: September 11, 2014 _____
Where: San José City Hall, Wing Rooms 118 &119

Staff provided an overview of the Housing Element Update process to date and briefly explained the adequate sites inventory, the implementation workplan and next steps.

Meeting Input: Commissioners were concerned about the timeline of the public process and were interested in spending more time discussing the Housing Element and related issues. Several members of the public were concerned about the workplan language relating to mobile home parks and called for stronger protections claiming it is a false choice between housing and jobs. One attendee asked for a workplan to protect mobile homes, another speaker questioned if the opportunity sites were feasible for low income housing tax credits.

Commissioner Graves made the motion to agendize a possible recommendation on the Housing Element for the October HCDC meeting. The motion was seconded by Chair O'Connell. Commissioner Graves amended his motion for the meeting to include an explanation of the action taken by City Council regarding the Mobilehome Conversion.

Who: City Council Hearing #1
When: September 23, 2014 ~~(Scheduled)~~
Where: San José City Hall, Council Chambers

City staff presented an overview of the housing element update process, demographic trends, needs assessment, constraints, resources, preservation and equitable development, resources for affordable housing, the adequate sites inventory, a high level summary of public input to date, the implementation work plan, and next steps.

Meeting Input (Public Comments): Several speakers expressed concern about language in Chapter 5 page 12 relating to the balancing versus the protection of mobile homes with development opportunities stating that the goal was inconsistent with several general plan policies relating to inclusive housing. Another attendee noted that mobile home parks were not just for seniors, they were also for young families too. Another attendee spoke in support of mobile home park land owners and developers noting that redevelopment was consistent with several General Plan goals including the creation of higher density development in growth areas and that policy should not be one size fits all. Another speaker noted that low income housing tax credits favor sites near transit and other amenities and some sites in the draft site inventory are too small and are outside of Urban Village areas. A few speakers were supportive of a housing impact fee to support the creation of more low income housing. One attendee spoke about living in a homeless encampment and the need for more alternatives. A representative from the Law Foundation of Silicon Valley noted the 20 page letter they had submitted (see appendix F)

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stating that San José can do more to address the housing crisis. Another speaker noted that there are too many jobs in Silicon Valley and not enough homes, and called for steps toward a regional revenue strategy, stronger rent control, and action to end discrimination against Section 8 voucher holders. Another speaker spoke about the lack of access to credit and the need for low cost loans and down payment assistance programs.

Meeting Input (City Council): Mayor Reed noted the importance of being clear on the importance of the General Plan 2040 as a long-term plan to achieve San José's economic development and fiscal stability objectives. Mayor Reed requested that staff add more background on the General Plan update process, bolster the discussion about jobs to employed residents goals, compare RHNA allocations for all cities in Santa Clara County, discuss the need for regional housing solutions, and provide examples of jobs and housing being created simultaneously. The Mayor suggested staff include discussion of North San Jose housing capacity and asked for a more robust discussion of the homelessness response that the City has undertaken.

Councilmember Rocha asked how the council could provide more detailed comments while sticking to the timeline proposed by staff.

Councilmember Liccardo was supportive of strengthening the language related to mobile home preservation and asked why the urban village capacity included West Carlos rather than Five Wounds where BRT and BART infrastructure is now under construction. Mr. Liccardo asked for consideration of Urban Villages where infrastructure is further along.

Councilmember Kalra expressed support for protection of mobile home parks and noted that other cities in the region are not helping to solve the affordable housing problem. He encouraged advocates to put pressure on other cities, not just San José, however San José should still act. Mr. Kalra strongly encouraged the council to hold to the November 18 date for adopting the housing impact fee stating that delay is no longer an option, too many people are suffering.

Councilmember Herrera stressed the need to continue the City's jobs first focus. She noted the importance of protecting employment lands and also for the preservation of the existing stock of affordable housing.

Councilmember Oliverio noted that cities like Los Gatos were encountering difficulties in getting affordable housing built. Mr. Oliverio asked which Cities in Santa Clara County were actually meeting their RHNA goals and asked staff on the status of Urban Village financing plans. Mr. Oliverio opposed the housing impact fee stating that it would limit future opportunities.

Councilmember Khamis was supportive of building housing near transit but noted concern with the housing impact fee and noted that government was inefficient at building housing. Mr. Khamis asked how the City could incentivize private developers to build more housing.

Councilmember Constant noted concerns about the timeline with regard to public input on staff edits to the draft.

The Council passed a motion directing staff to revise the draft. The item will be continued at the next council meeting on September 30, 2014.

Who: Airport Land Use Commission (ALUC) Meeting #1
When: September 24, 2014
Where: Santa Clara County Government Center, Room 157

Meeting Input: County Planner Mark Connolly presented an overview of the housing element update and recommended that the commission find the housing element general plan amendment consistent with the policies contained within the San Jose International Airport and the Reid Hillview Airport Compatible Land Use Plan (CLUP). The commission passed a motion finding the amendment consistent with the CLUP.

Who: City Council Hearing #2
When: September 30, 2014 ~~(Scheduled)~~
Where: San José City Hall, Council Chambers

Meeting Input: This meeting continued from September 23, 2014. Per council direction, staff incorporated comments from Mayor Reed and Councilmembers Rocha, Liccardo, Kalra, and Herrera. In general these comments touched on issues relating to the preservation of mobile homes, jobs housing balance, regional housing needs allocations and the need for regional solutions, and urban village funding mechanisms. Staff created a detailed index of all edits and posted them on the City's webpage along with an updated Draft Housing Element. The Council passed a motion to move ahead with the housing element incorporating all of Mayor Reed's changes and some of the changes proposed in Councilmember Rocha's memorandum (specifically goal #2 and #3 first bullet only). Councilmember Herrera clarified that this motion includes all other changes that staff made in response to Council (e.g mobile home language). The council asked staff to return for final approval of the element in 2014.

Who: Housing and Community Development Commission #3
When: October 9, 2014
Where: San José City Hall, Wing Rooms 118-119

Meeting Input: Chair O'Connell made a motion to change the wording in the Housing Element workplan to: "Goal: Protect mobile home parks as a source of housing that can be available at an affordable rate. Program: "Review and potentially amend the Mobile Home Conversion Ordinance, including any needed General Plan amendments. Time-frame: "2014-2015." The motion passed. Chair O'Connell made the motion to recommend that the City Council review and revise its General Plan "jobs first" strategy and it's 1.3 jobs per employed resident core objective as part of the process of adoption of the Housing Element as the only way to ensure consistency with the goals of the Housing Element and the expressed intent of the General Plan to "increase, preserve, and improve San Jose's affordable housing stock (Goal H-2)". The motion passed. Vice Chair Montez made a motion to have two comments re-added to the Housing Element: P9-28: Reduce instances of homelessness and overcrowding by stabilizing at risk tenants and P10-38: Explore the feasibility of creating a local source income Ordinance. The motion passed.

Who: Planning Commission Hearing #3

When: ~~December 3, 2014~~January 14, 2015 (~~Tentative~~Scheduled)
Where: San José City Hall, Council Chambers

Who: City Council Hearing #3~~2~~
When: ~~December 9, 2014~~January 27, 2015 (~~Tentative~~Scheduled)
Where: San José City Hall, Council Chambers

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Chapter II: Demographics

At just over one million residents, the City of San José is the tenth largest city in the nation, the third largest in California, and the largest in the San Francisco Bay Area region. As a big city, San José possesses a set of urban characteristics, opportunities, challenges, and responsibilities that make it unique relative to its smaller neighboring cities. San José has many important institutions and is the most transit-connected city in the South Bay Area, with significant investments planned for additional transit infrastructure and vibrant, urban communities. As a city that has regionally important employment centers in the South Bay, San José is composed of many high tech, manufacturing, and service jobs. Yet, San José remains the bedroom community for the region, providing a disproportionate supply of housing opportunities for the workforce who is employed in smaller and wealthier neighboring cities.

Additionally, San José is one of the most socioeconomically and ethnically diverse cities of any size, with Whites, Hispanics, and Asians each comprising approximately one third of the City's total population. Further, like most cities across the region and nation, San José's population is aging, with the largest population growth in the elderly/senior age group (persons age 65+ years), and will therefore have increased need for senior housing solutions. At the same time, "young adults" (persons age 20-35 years) will comprise the age group with the second largest projected growth in San José over the next 25 years, and they increasingly seek vibrant, walkable, urban places to live, work, and play. This trend towards urban, amenities-rich locations is increasingly driving the location preferences of employees and employers, as well as families and households. This Housing Element seeks to account for these diverse needs in its implementation program (see Chapter VI).

A. Population Growth

This chapter provides a discussion of San José's demographic and socioeconomic characteristics in order to provide the analytic basis for identifying the City's housing needs and for meeting the requirements of housing element law, including "promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability" (Government Code section 65583(c)(5)); preparing "an analysis of population and employment trends, analysis and documentation of household characteristics, housing characteristics, including overcrowding, and housing stock condition"; and analyzing "special housing needs" such as with the elderly, disabled, and those requiring emergency shelter (Government Code section 65583(a)). This chapter also provides a useful historical context of San José that shows its past and present trajectory of growth in order to improve our ability to understand and plan for the future.

Census 2010 placed the City's population figure at just under one million (945,942 persons), ranking it the third largest city in California and the tenth largest city in the nation. Population growth over the 2000-2010 time period amounted to over 50,000 persons, or a total growth rate of roughly 6%. However, although the rate of change slowed with subsequent decades, the absolute population growth remained meaningful, adding well over 100,000 residents every ten years until the decade between 2000 and 2010.[3]

POPULATION GROWTH: 1960-2010

Year	Number of Persons	Absolute Change	Percent Change	Average Annual Growth Rate
1960	204,196	---	---	---
1970	459,913	255,717	125.2%	12.5%
1980	629,442	169,529	36.9%	3.7%
1990	782,248	152,806	24.3%	2.4%
2000	894,943	112,695	14.4%	1.4%
2010	945,942	50,999	5.7%	0.6%

Source: U.S. Census Bureau

Table II-1, Population Growth, 1960-2010

The slower rate of population growth during the 2000's is in part explained by its large population base: it is simply more difficult for large cities to sustain high growth rates. However, San José also lost population during the economic recessions of 2001 and 2008 as employment declined. Although Silicon Valley experienced a higher unemployment rate than the State unemployment rate during the 2008 recession, its subsequent economic recovery was also stronger overall than the rest of California. This recovery has helped San José resume its population growth, bringing the city to over one million residents.

In terms of population growth, the City of San José included projections of population and household growth during the development of *the* General Plan. The study identified three major demographic trends likely to shape San José's population change until 2040: 1) the largest population increases will occur in the 20-34 and 65+ (baby boomers) age groups; 2) baby boomers will affect the outlook for job growth; 3) San José will become increasingly diverse as a result of new immigrants but primarily from the children and grandchildren of recent immigrants. From these assumptions, the study projects that from 2008-2040 San José would add 173,000 net new households through the increase of 471,000 net new residents. As will be discussed in further detail later in the Housing Element, the General Plan includes residential capacity for 120,000 additional housing units. This is less than the 173,000 new units needed for the new households, based on the City's goal to achieve a 1.3:1 jobs-to-employed resident ratio by accelerating employment growth and metering future housing supply. However, it should be noted that the General Plan analyzed and cleared housing capacity through 2035; therefore, additional housing capacity beyond 2035 would need to be analyzed and environmentally cleared prior to the end of 2035.

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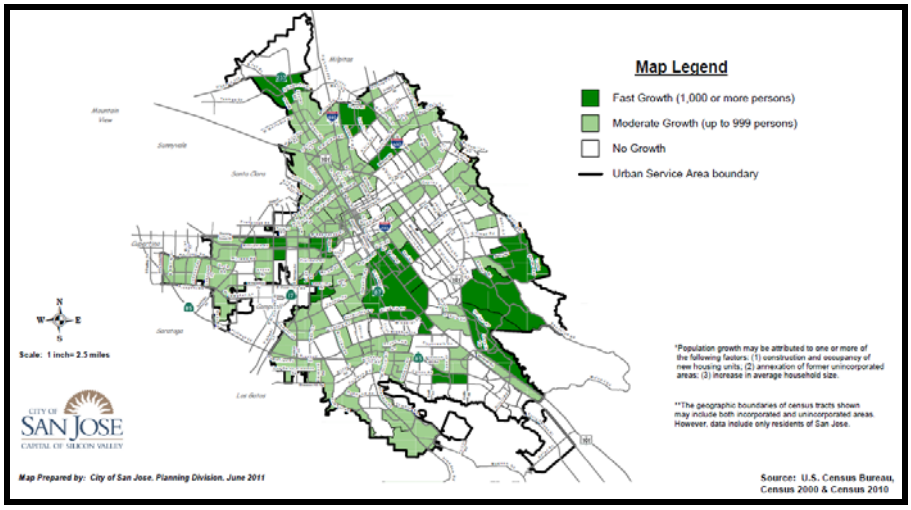
[3] In the 1950's, San José's then-City Manager Dutch Hamann initiated an aggressive growth strategy that included the rapid annexation of land. As a result, between 1950 and 1965, the City grew its land area from less than 20 square miles to over 100 square miles—a fivefold increase in just 15 years. San José's population also grew significantly during this time, more than doubling in size from 1960 to 1970. Since the 1970's, the population of the City of San José has grown at a much more moderate pace.

Neighborhood-Level Population Change

At the neighborhood level, recent population growth in the 2000's was not evenly spread throughout the City. Some neighborhoods experienced relatively "fast" growth (identified in the map below by the dark green census tracts), while others saw no growth at all. In neighborhoods where growth did occur, different factors were at play, including the construction and occupancy of new homes (North and South areas), the annexation of former unincorporated lands (West Valley, Central, and Willow Glen areas), and changes in average household size (Evergreen area). As can be seen, San José's past growth occurred largely at the City's edges and away from the Downtown, making it more costly to provide public infrastructure and services to outer areas. The General Plan seeks to reverse this sprawling land use pattern by prioritizing the development of more compact, urban neighborhoods in and around its downtown area, in transit-rich locations, and on infill sites that will contribute to a more environmentally and fiscally sustainable land use pattern. A more detailed discussion of this strategy, which includes the Urban Village strategy, can be found in Chapter 5.



Map II-1, Population Growth by Census Tract, 2000-2010

Components of Population Change

Between 2000 and 2010, the population increase in Santa Clara County and in San José was primarily composed of a net increase in foreign immigration as well as in a "natural" population increase (where births exceed deaths). This increase was offset by population loss resulting from net domestic out-migration (where existing residents moved out of the area). It has been anecdotally said that the region's high housing costs play a significant role in the domestic outmigration that has occurred. If these trends continue, San José, already a diverse city as mentioned above may become even more diverse and international in the future. The full implications of these trends are not entirely clear in terms of the potential impact on housing needs and affordability. The ability of immigrants to move into San José and

the region may suggest that they have the means to afford the high cost of housing. Alternatively, immigrants may be seeking other housing solutions, such as living with extended family in order to make ends meet, whether because of cultural preferences or the economic need to live in overcrowded conditions.

As mentioned above, the major components of San José's future population change include an increase in the 20-34 and 65+ age groups and an increase in the population of those born to existing foreign-born residents. These populations may have, and are already exhibiting, housing preferences beyond the traditional single family home for more urban communities in closer proximity to transportation alternatives, jobs, services, and amenities. While not everyone in these population groups may seek such communities, more and more will. Thus, an important part of planning for San José's future housing needs is to diversify the city's largely suburban residential stock to include more urban, mixed-use communities.

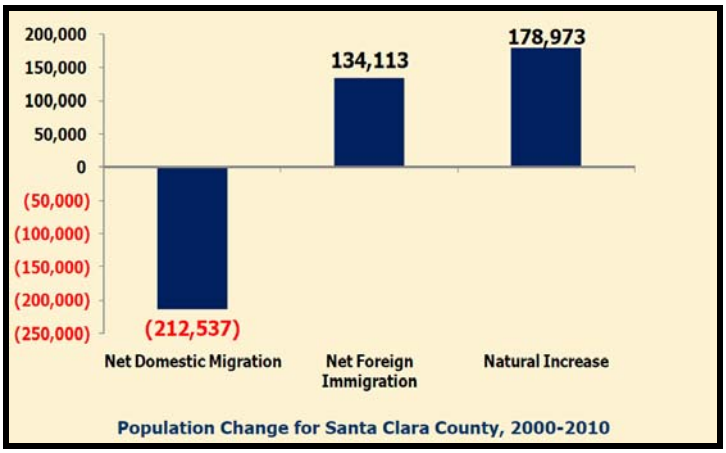


Chart II-2, Components of Population Change, Santa Clara County, 2000-2010

Comparison with Local Cities

As shown in the table below, the rate of population growth in San José was slower than most other cities within Santa Clara County, as well as the County as a whole, over the 2000-2010 time period. Additionally, although the City accounted for just over half of the population growth in the County during this time period, San José also comprised over half of the County's land area. Thus, although San José has traditionally been seen as the "bedroom community" for the County, the data indicates that neighboring cities are adding residents at a faster rate and beginning to make a larger contribution to regional fair share housing needs. However, while the rates of population change in other cities are positive for the regional jobs-housing balance, the small size of these jurisdictions means that much more needs to be done in terms of absolute growth numbers of residents in these other cities to help disperse regional housing development more proportionately and equitably throughout the County.

POPULATION GROWTH FOR SELECT AREA CITIES: 2000-2010

Geographic Area	Year 2000	Year 2010	Absolute Change	Percent Change
Cupertino	50,546	58,302	7,756	15.3%
Gilroy	41,464	48,821	7,357	17.7%
Milpitas	62,698	66,790	4,092	6.5%
Mountain View	70,708	74,066	3,358	4.7%
Palo Alto	58,598	64,403	5,805	9.9%
San Jose	**894,943**	**945,942**	**50,999**	**5.7%**
Santa Clara	102,361	116,468	14,107	13.8%
Sunnyvale	131,760	140,081	8,321	6.3%
Countywide	1,682,585	1,781,642	99,057	5.9%

Source: U.S. Census Bureau

Table II-2, Population Growth for Select Area Cities, 2000-2010

B. Age of Persons

Age characteristics provide insight to determining the number and range of housing types that are most suitable to meet the needs of the population. For example, people in younger and older age groups, more often residing alone, may desire smaller units, while middle-aged persons may require a broader set of housing choices to accommodate families of various sizes.

The median age in San José has been steadily rising for many decades, from just 24.4 in 1970 to 35.2 in 2010.

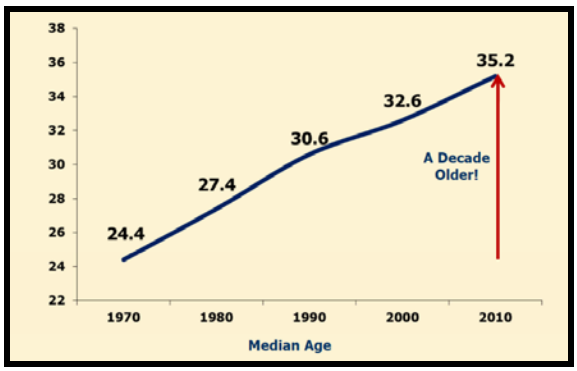


Chart II-3, Median Age, 1970-2010

The table below shows continued aging of the baby boom generation, while growth in younger age groups has been flat or even negative. In particular, the count of "young adults" (age 20-34 years), has been negative for two successive decades. In contrast, the "pre-retirement" group (age 55-64 years) rose by over 40% during the 2000-2010 time period, and seniors (age 65+ years) rose by almost 30%. Among persons 85 years and over (not shown), the increase was 51% in the last decade. (U.S. Census).

POPULATION BY AGE: 1990-2010

	Year			Percent Change	
Age Group	**1990**	**2000**	**2010**	**1990-2000**	**2000-2010**
0-19 Years	232,377	260,653	259,749	12.2%	-0.3%
20-34 Years	234,735	225,363	209,696	-4.0%	-7.0%
35-54 Years	206,170	267,134	285,483	29.6%	6.9%
55-64 Years	52,608	67,933	95,772	29.1%	41.0%
65+ Years	56,358	73,860	95,242	31.1%	28.9%
Totals	**782,248**	**894,943**	**945,942**	**14.4%**	**5.7%**
Median Age	30.6	32.6	35.2		

Source: U.S. Census Bureau

Table II-3, Population by Age, 1990-2010

These shifts in age composition have important implications for the City's current and anticipated future housing needs. As discussed earlier and in the illustrated in the graphic below, the General Plan anticipates that seniors and young adults will comprise the first and second largest growth segments, respectively, over the next 25 years.

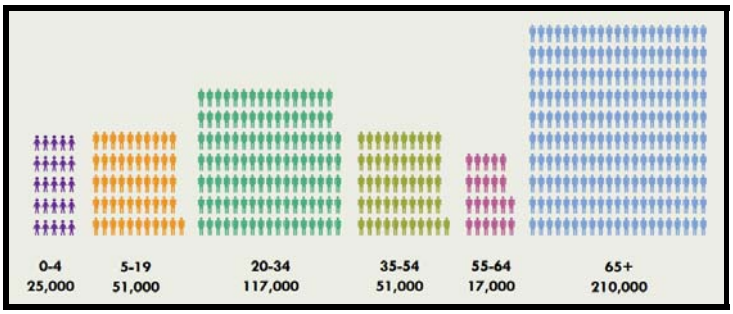


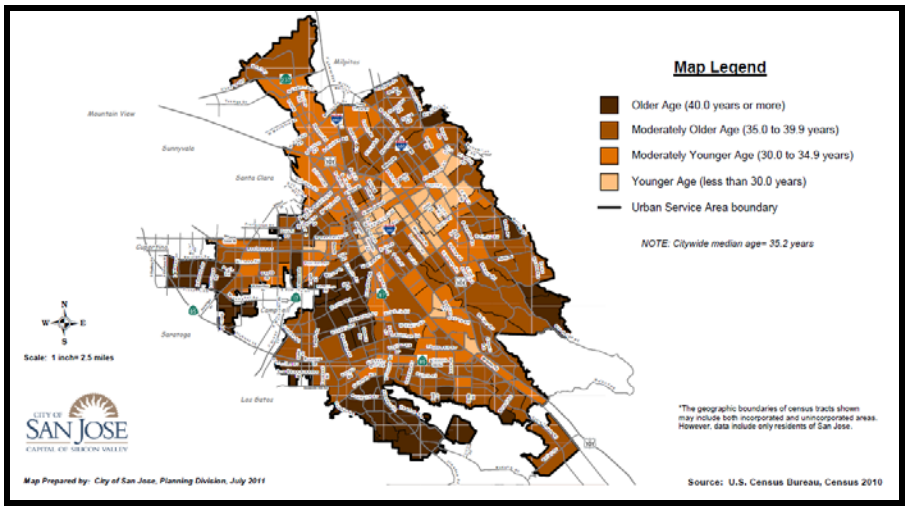
Chart II-5, Age Groups, Net Future Growth, 2010-2040

Additionally, housing policies and programs for seniors must respond to a variety of housing needs, because "seniors" are not a monolithic age group. Indeed, senior housing needs are likely to be the most diverse of any age group, especially in light of increasing longevity and the rapidly growing subset of seniors over the age of 85 years. During phase 1 of public outreach on this Housing Element, meeting attendees identified several senior housing preferences and needs for the City to consider, including "aging in place," moving/downsizing options, support for seniors capable of independent living and those who require assisted living services, and recognition of the existing limited housing choices for residents on fixed income with little or no assets. These are important considerations that necessitate a combination of responses as opposed to a "one-size-fits-all" approach for seniors.

At the same time, the General Plan projects that between now and 2040, young adults will comprise the second largest population growth segment. This age group is increasingly mobile and has residential

and employment preferences that may be unlike those preferences of previous generations including renting versus owning and living and working in communities that provide urban lifestyles versus following the location of jobs wherever they may be. In addition, the nature of the work environment itself is shifting, with technological advances and rising transportation costs helping prompt a trend towards flexible live/work spaces. One well-publicized example of the connection between demographics and housing needs is with respect to Generation Y ("Millenials"), the age cohort generally born between the early 1980's and the early 2000's. An annual Urban Land Institute (ULI) report for 2014 recently predicted that the generation's impact on real estate could be "the most dominant trend for many years."

The trend towards urbanization and its relationship with age can also be shown geographically. As illustrated in the map below using Census tract data, younger residents in San José tend to live closer to downtown, while older residents tend to live more on the city's periphery. However, this map reflects a snapshot of the past that includes decades of suburbanization and the construction primarily of single-family homes. Future housing preferences and building types are expected to look more diverse and nuanced.



Map II-2, Median Age by Census Tract, 2010

C. Race & Ethnicity

Race and ethnicity play an important part in shaping and understanding housing needs, as they correlate with other factors that determine housing demand, such as average household size, rates of homeownership, income, and poverty. Cultural values may also strongly influence the preference of certain housing types and locations over others.

San José is one of the most diverse cities in the country, with its racial composition consisting of approximately one-third for three major groups – Hispanics, Asians, and Whites – and small percentage of mixed-race residents.

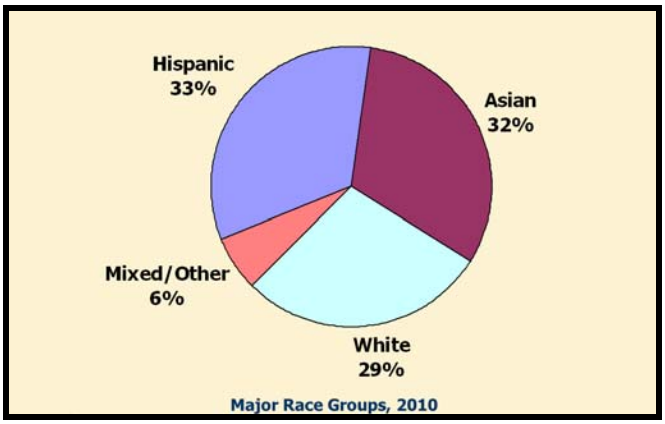


Chart II-6, Race/Ethnic Distribution, 2010

These major race/ethnic groups followed divergent trends between 2000 and 2010. Hispanics and Asians witnessed a double-digit rate of growth, with the Asian population in particular increasing almost 25%, while the number of Whites fell by over 15%. As a result, both Hispanics and Asians surpassed Whites to become the largest two race/ethnic groups

POPULATION BY RACE/ETHNICITY: 2000-2010

	Year			
Race/Ethnic Group	**2000**	**2010**	**Absolute Change**	**Percent Change**
Hispanic or Latino	269,989	313,636	43,647	16.2%
Asian (Non-Hispanic)	241,471	300,022	58,551	24.2%
White (Non-Hispanic)	322,534	271,382	(51,152)	-15.9%
Black (Non-Hispanic)	29,495	27,508	(1,987)	-6.7%
Other (Non-Hispanic)	31,454	33,394	1,940	6.2%
Totals	**894,943**	**945,942**	**50,999**	**5.7%**

Source: U.S. Census Bureau

Table II-4, Population by Race/Ethnicity, 2000-2010

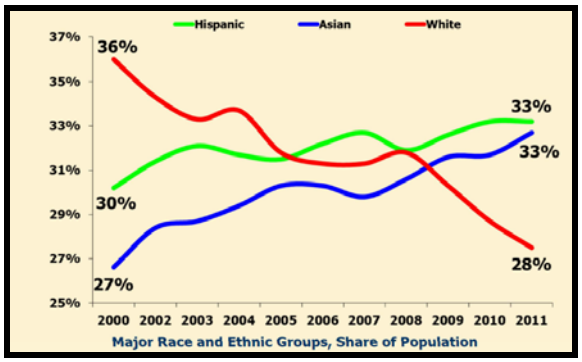
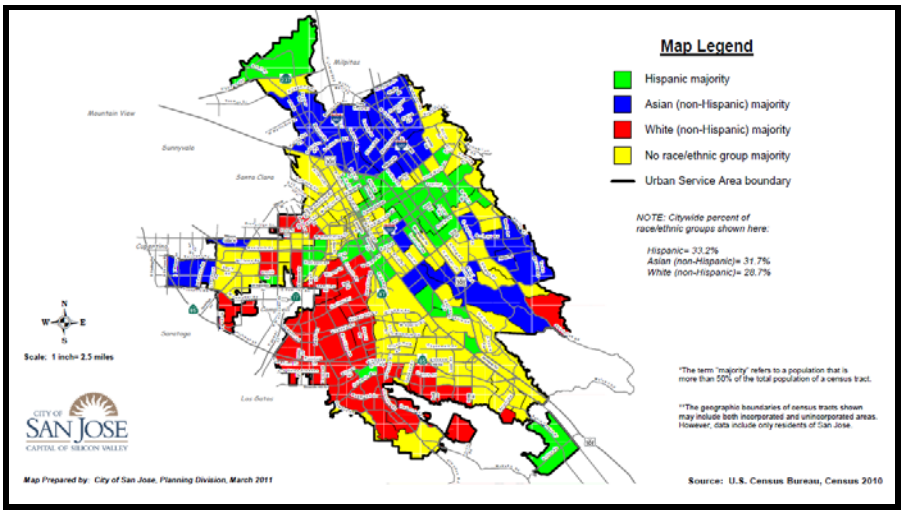


Chart II-7, Major Race/Ethnic Groups, Percent of Total, 2000-2011

The geographic distribution of these major race/ethnic groups reveals an important dichotomy. While San José as a whole is diverse, the map below indicates that certain race/ethnic groups tend to concentrate in specific parts of the City. In particular, Hispanics are highly concentrated on the east side of San José (Central, Alum Rock, and Alviso areas) where traditionally lower income neighborhoods exist, while Asians and Whites are the majority group in the northern, southern, and western parts (Berryessa, Evergreen, Willow Glen, West Valley, Cambrian, and Almaden areas) where traditionally higher income neighborhoods are found. However, over one third of the City's neighborhoods have no single race/ethnic group majority (i.e., areas shown in yellow). This Housing Element includes policies and programs to bring affordable housing opportunities to both lower income and higher income communities which should increase housing options citywide, and facilitate more racial and ethnic integration in the City's neighborhoods.



Map II-3, Race/Ethnic Group Majority by Census Tract, 2010

D. Households and Household Size

While population is an important part of the determining a jurisdiction's housing needs, it is equally important to understand the characteristics of household size in order to determine the number of households and therefore the number of homes needed for those households. As indicated in the table below, almost all of San José's residents live in households .

POPULATION BY LIVING ARRANGEMENT: 2010

Number of Persons	2010	Percent of Total
In Households	932,620	98.6%
In Group Quarters*	13,322	1.4%
Totals	**945,942**	**100.0%**

Source: U.S. Census Bureau

*Note: a group quarters is a place where people live or stay, in a group living arrangement, where housing and/or services are provided. These services may include custodial or medical care as well as other types of assistance, and residency is commonly restricted to those receiving services. People living in group quarters are usually not related to each other. Group quarters include such places as college residence halls, correctional facilities, group homes, residential treatment centers, and skilled nursing facilities.

Table II-5, Population by Living Arrangement, 2010

The relationship between total population and households is commonly characterized by average household size as measure by persons-per-household (PPH). As mentioned above, household size helps to determine the number of homes necessary to house a jurisdiction's population. Additionally, it is an important indicator of various interrelated housing conditions, such as whether the housing supply is sufficient, whether the level of supply is impacting the cost of housing, and whether households are living in overcrowded or substandard conditions, perhaps as a response to high housing costs.

In San José, the average household size has fluctuated over the last 40 years. In 1970, household size was 3.35 PPH, declining to 2.96 PPH in 1980, and remaining relatively stable at approximately 3.1 PPH since then.

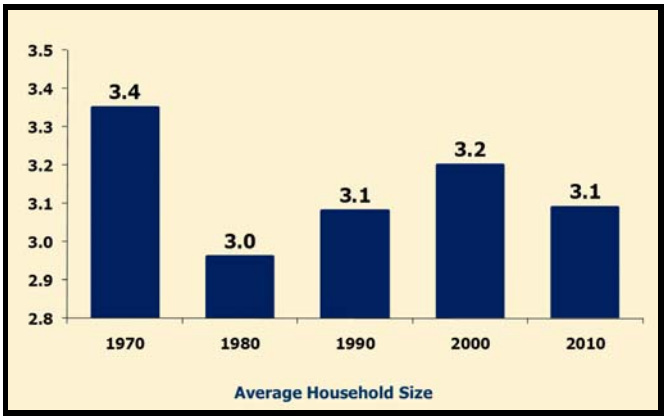


Chart II-8, Average Household Size, 1970-2010

The following table looks more closely at household size by housing tenure (i.e., owner-occupied vs. rental) in 2010. The overall average household size for owner-occupied and renter-occupied units was similar, at 3.14 PPH and 3.03 PPH respectively. However, one notable difference in household size between tenure types can be found in one-person households, which accounted for nearly 25% of renter households versus a smaller 16.4% of owner households.

HOUSEHOLD SIZE BY TENURE: 2010

Persons in Household	Owner-Occupied (OO) Units	Percent of OO Total	Renter-Occupied (RO) Units	Percent of RO Total	Totals
1 Person	28,831	16.4%	30,554	24.4%	59,385
2 Persons	50,319	28.6%	31,100	24.9%	81,419
3 Persons	32,120	18.2%	21,231	17.0%	53,351
4 Persons	33,731	19.1%	18,327	14.6%	52,058
5 Persons	15,317	8.7%	11,150	8.9%	26,467
6 Persons	7,381	4.2%	5,766	4.6%	13,147
7+ Persons	8,517	4.8%	7,022	5.6%	15,539
Totals	**176,216**	**100.0%**	**125,150**	**100.0%**	**301,366**
Average	3.14		3.03		3.09

Source: U.S. Census Bureau

Table II-6, Household Size by Tenure, 2010

A cross-tabulation of average household size by race/ethnicity showed wide variations, ranging from 4.06 PPH for Hispanic households to 2.38 PPH for White households, with Asian households in the middle of this range (3.33 PPH).

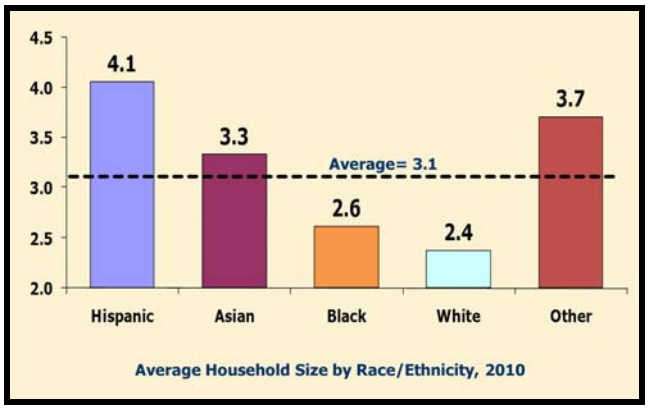
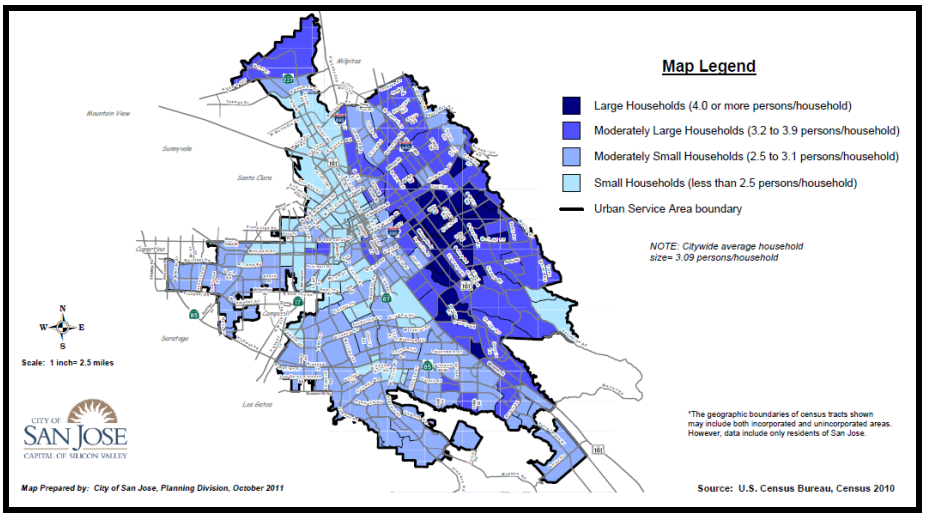


Chart II-9, Average Household Size by Race/Ethnicity, 2010

Household sizes vary noticeably by geography. As shown in the map below, households in the eastern half of San José are generally larger than households in the western half. As shown in section C above, East San José is also composed largely of Hispanic and Asian households, which correlates with the analysis that both have larger household sizes. Further, as will be shown in Chapter III, there is an additional correlation of race/ethnicity and household size with income, which has important implications for the programs in this Housing Element which have a desired outcome to realize more diverse, accessible communities throughout the City of San José.



Map II-4, Average Household Size by Census Tract, 2010

E. Household Type

Household type refers to the relationship of those who live in a home to the householder. There are three basic types of households: family households composed of one or more persons related to the householder by birth, marriage, or adoption; singles; and non-relative households. These data provide important insights about current and future housing demand. For example, households with children and extended families generally require larger homes, whereas single persons may desire smaller, more affordable units.

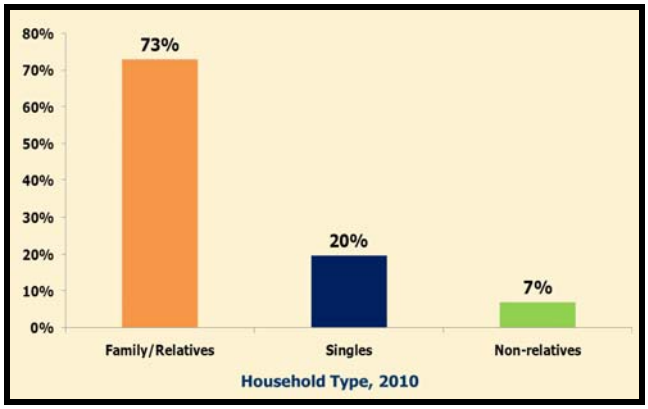


Chart II-10, Household Type, 2010

A simplified view of San José households by type is presented in the chart above, and a more detailed breakdown is shown in the table below. In summary, in 2010, family households represented nearly three-fourths of all households, and over 50% of households were married couples with or without children.

HOUSEHOLDS BY TYPE: 2010

Household Type	Number of Households	Percent of Total
Family Households		
Married Couple with Children	83,371	27.7%
Married Couple without Children	79,448	26.4%
Male Householder, no Spouse, with Children	7,643	2.5%
Male Householder, no Spouse, without Children	11,059	3.7%
Female Householder, no Spouse, with Children	17,932	6.0%
Female Householder, no Spouse, without Children	20,056	6.7%
Non-Family Households		
Householder Living Alone	59,385	19.7%
Householder Living with Nonrelatives Only	22,472	7.5%
Totals	**301,366**	**100.0%**
Multigenerational Households	23,594	7.8%

Source: U.S. Census Bureau

Table II-7, Households by Type, 2010

A number of additional observations can be made. First, householders living alone ("singles") accounted for 20% of total households. Second, by grouping various family household categories into a simpler "children present/not present" dichotomy, and evaluating the change in such households over the 2000-2010 time period, we find that over 80% of family household growth occurred among households without children. As such, the total number of households without children surpassed the number of households with children by 2010.

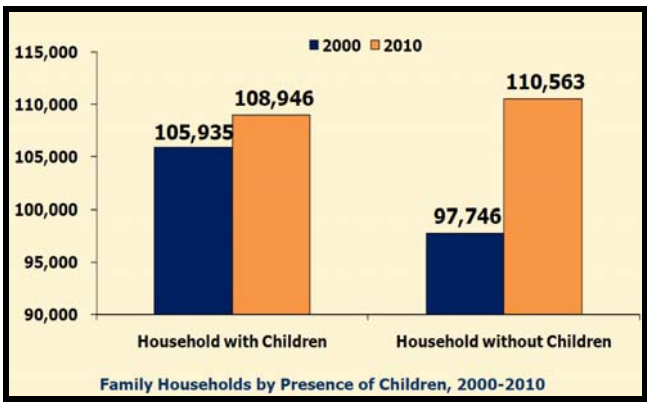
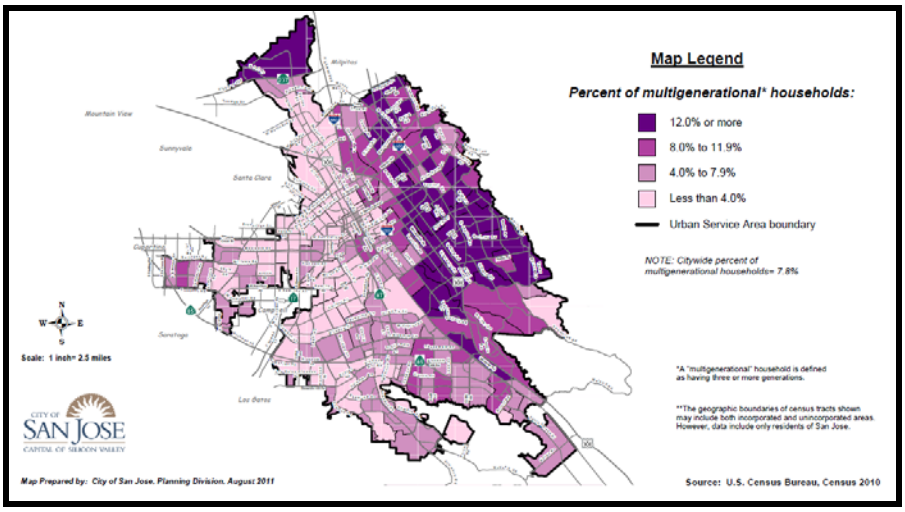


Chart II-11, Family Households by Presence of Children, 2000-2010

Finally, of the family and non-family households, 7.8% are also multigenerational, households, defined as a family household with three or more generations. Multigenerational households have a similar geographic pattern as previously shown for average household size and (race or ethnic) majorities.



Map II-5, Multigenerational Households by Census Tract, 2010

F. Geographic Mobility

Geographic mobility data can shed light on characteristics of both the population and housing market. For example, long-distance moves are typically undertaken for career opportunities or retirement, whereas local moves may be prompted by home buying activity. Of course, moves are motivated by a wide variety of possible factors, but some general trends are worth citing.

The latest nationwide figures from the U.S. Census Bureau indicated that geographic mobility for young adults (age 25-29 years), who are among the population's most mobile, fell to the lowest level in 50 years, with just 23.3% having moved in 2013. According to private demographics firm Population Reference Bureau, "young adulthood has grown much more complex and protracted, with a huge number struggling to reach financial independence. Many young adults routinely wait until their 30s to leave the parental nest."

GEOGRAPHIC MOBILITY
CURRENT RESIDENCE COMPARED TO PRIOR YEAR: 2010

Former Residence Location	Persons (Age 1 and Over)	Percent of Total
Same House	782,248	83.7%
Moved within Same County	113,338	12.1%
Moved from Different County within Same State	20,124	2.2%
Moved from Different State	7,676	0.8%
Moved from Abroad	11,031	1.2%
Totals	**934,417**	**100.0%**

Source: U.S. Census Bureau

Table II-8, Geographic Mobility, 2010

Similarly, in San José, the "mover rate" fell in recent years as job opportunities and consumer confidence were negatively impacted by the economic downturn. However, since that time, mobility has begun to recover. The table above shows that, in 2010, 16.3% of the City's population moved in the prior year. Among young adults (age 25-29 years), the mover rate was 29.6%. Also, the number of persons who moved from abroad was 1.2%, twice the national rate and consistent with the foreign immigration and place of birth/year of entry statistics presented earlier.

G. Housing Stock and Occupancy

Over the past 50 years, San José's housing stock increased along with a growing population, with significant growth occurring in the 1970s and 1980s and more moderate percentage growth in subsequent decades. Note that despite the economic recession that began in 2008, San José added more homes between 2000 and 2010 than it did between 1990 and 2000.

HOUSING STOCK: 1960-2010

Year	Number of Units	Absolute Change	Percent Change
1960	68,890	---	---
1970	139,759	70,869	102.9%
1980	216,653	76,894	55.0%
1990	259,365	42,712	19.7%
2000	281,841	22,476	8.7%
2010	314,038	32,197	11.4%

Source: U.S. Census Bureau

Table II-9, Housing Stock, 1960-2010

Whether or not a jurisdiction's housing supply is sufficient to meet the demand depends on a variety of factors, including the number of persons-per-household, the rate of population growth relative to the growth in housing supply, and the affordability and diversity of the housing supply relative to incomes. Indicators such as overcrowding, low vacancy rates, and overpayment would suggest that supply is low relative to need.

The vacancy rates in San José have generally indicated a tight rental housing market. This was especially true in 2000 during the height of the dot-com boom, with the vacancy rate at 1.9%. While the 2010 vacancy rate was somewhat higher at 4.9%, it was still below the "natural rate" of 5% generally considered to reflect a healthy balance between housing supply and demand. More recently, in fall 2013, data from real estate information firm MPF Research noted that vacancy in San José's rental housing market stood at approximately 3%— a tight condition that suggests demand outpacing supply.

The vacancy rate includes both market rate and affordable rental homes. Because the affordable housing supply comprises only a minor percentage of the total rental stock, the above vacancy rate largely reflects that of the market-rate units. As will be discussed in chapter 3, the demand for deed-restricted affordable homes far exceeds the supply, as the cost of housing is out of reach for a significant proportion of the workforce. It is common to have a new affordable housing development be oversubscribed 100-to-1 in terms of the number of applicants relative to the number of units available. As a result, the vacancy rate for deed-restricted affordable rental homes is essentially zero, excluding the vacancy period that occurs as an administrative by-product of processing tenant turnover.

H. Housing Tenure

Tenure refers to whether a household rents or owns the housing unit in which they live. The choice of tenure depends on many factors, including but limited to household size, the supply of different housing types, income, the availability and ease of obtaining credit, age, and the location of the home. Housing policy in the United States has historically emphasized owning over renting. The national homeownership rate has historically increased over time, with a 62% ownership rate in 1960 and peaking in 2004-05 at 69%. Subprime lending and the subsequent housing crash in 2008 reversed this trend: by 2014, the homeownership rate dropped to just under 65%. [4]

[4] http://www.census.gov/housing/hvs/files/currenthvspress.pdf

The homeownership rate in San José had been relatively stable during the 1990-2000 time period, rising only slightly from 61.3% in 1990 to 61.8% in 2000. But with onset of the "housing boom", the homeownership rate rose and peaked at 63.7% in the mid-2000's. However, the rate of homeownership dropped to just 58.5% by 2010.

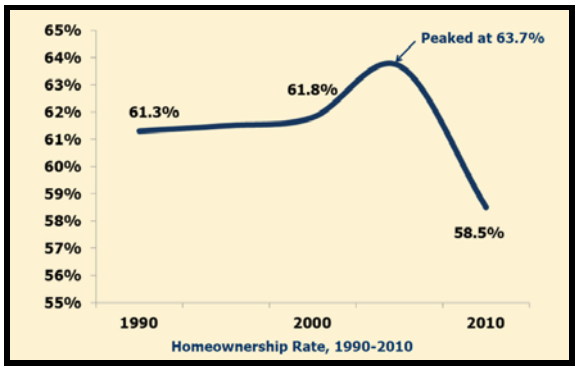


Chart II-13, Rates of Homeownership, 1990-2010

The decline in homeownership rates naturally leads to an increase in the proportion of households that rent. As shown in the table below, between 2000 and 2010, renter-occupied housing units jumped almost 20%, while owner-occupied housing units rose a much more modest 3%.

HOUSING UNITS BY OCCUPANCY AND TENURE: 2000-2010

	Year			
Occupancy/Tenure	**2000**	**2010**	**Absolute Change**	**Percent Change**
Owner-Occupied	170,950	176,216	5,266	3.1%
Renter-Occupied	105,648	125,150	19,502	18.5%
Vacant	5,243	12,672	7,429	141.7%
Totals	**281,841**	**314,038**	**32,197**	**11.4%**
Vacancy Rate	1.9%	4.0%		

Source: U.S. Census Bureau

Table II-10, Housing Units by Occupancy and Tenure, 2000-2010

The recent decline in homeownership rates may be due to a combination of factors. First, the City of San José has facilitated a trend towards the construction of higher-density housing, which have thus far been predominantly rentals. Rents have steadily increased over the last ten years, and, despite the recession in 2008, rental rates are at the highest level ever. These rates have made it more profitable for developers to pursue rental rather than for-sale developments. Further, the 2008 economic downturn and associated spike in foreclosure activity displaced many former homeowners to the rental market,

which increased demand for rental homes and decreased the demand to own. Finally, demand for rental homes have increased due to changing preferences resulting from demographic shifts.

Additionally, there are meaningful differences in homeownership rates by race/ethnicity. For example, while the homeownership rate among Asians remained virtually unchanged from 2000-2010, the homeownership rate among Hispanics and Blacks fell 5.8% and 8.8%, respectively. The homeownership rate among Whites experienced a more modest decline of 1.6%. These variations suggest that the economic downturn may have impacted Blacks and Hispanics or Latinos to a greater degree than other groups, making it more difficult or less desirable to own a home.

RATES OF HOMEOWNERSHIP BY RACE/ETHNICITY: 2000-2010

Race/Ethnic Group of Householder	Owner-Occupied Units 2000	Owner-Occupied Units 2010	Owner Rate (2000)	Owner Rate (2010)	Rate Change
Hispanic or Latino	27,709	30,601	47.3%	41.5%	-5.8%
Asian	41,212	56,675	63.0%	63.1%	0.1%
White (Non-Hispanic)	93,074	81,466	69.9%	68.3%	-1.6%
Black	4,291	3,892	43.6%	34.8%	-8.8%
Other	4,539	3,582	48.6%	49.4%	0.8%
Totals	**170,825**	**176,216**	**61.8%**	**58.5%**	**-3.3%**

Source: U.S. Census Bureau

Table II-11, Rates of Homeownership by Race/Ethnicity, 2000-2010

I. Overcrowding

Overcrowding often occurs because households cannot afford the cost of housing, requiring multiple households or more persons on average to live under one roof. An overcrowded housing unit is defined by the U.S. Census Bureau as being occupied by more than one person per room (excluding bathrooms and kitchens). Households are considered severely overcrowded when there are more than 1.5 persons per room. Overcrowding may occur in, or lead to, substandard living conditions or building quality, which could cause health and safety concerns to the individuals living in a unit as well as their neighborhoods.

In San José, overcrowding occurred in approximately 30,000 housing units in 2010, with nearly three-quarters of this figure composed of rental homes. Overall, this represents a 10% rate of overcrowding. In 2010, severe overcrowding occurred in 3.2% of occupied units, 85% of which were rentals.

OVERCROWDED HOUSING
PERSONS PER ROOM BY TENURE: 2010

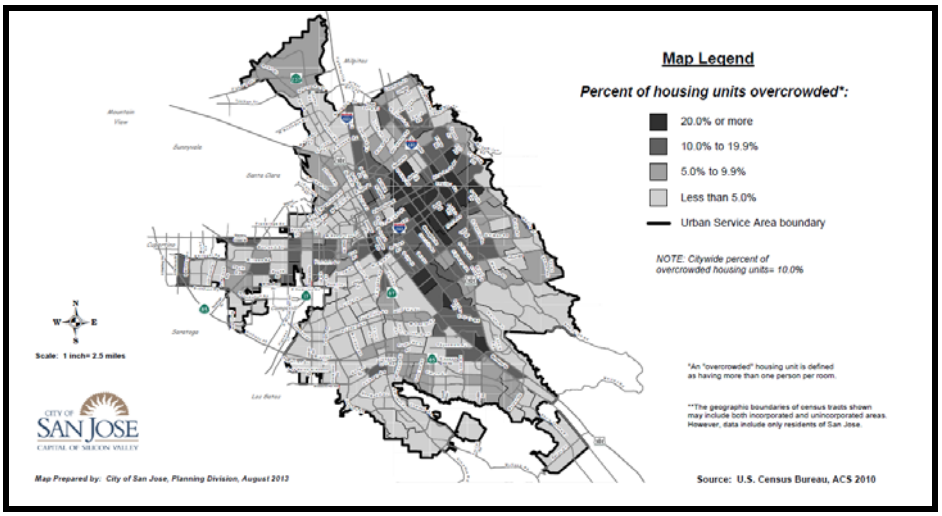
Persons per Room	Owner-Occupied (OO) Units	Percent of OO Total	Renter-Occupied (RO) Units	Percent of RO Total	Totals
0.50 or Less	106,740	61.6%	50,595	40.7%	157,335
0.51 to 1.00	58,221	33.6%	52,240	42.0%	110,461
1.01 to 1.50	6,860	4.0%	13,341	10.7%	20,201
1.51 to 2.00	1,107	0.6%	6,045	4.9%	7,152
2.01 or More	352	0.2%	2,136	1.7%	2,488
Totals	**173,280**	**100.0%**	**124,357**	**100.0%**	**297,637**
Overcrowded* Units	8,319	4.8%	21,522	17.3%	29,841

Source: U.S. Census Bureau

*Note: overcrowded= more than one person per room.

Table II-12, Overcrowded Housing, 2010

The map below shows the location of overcrowded housing. Much of San José's east side and the Alum Rock area in particular experienced rates of overcrowding greater than 20%. This correlates with average household size, multigenerational households, lower incomes, higher rates of rental tenure, and concentration of Hispanic and Asian households as shown in previous maps contained in this chapter. While it is difficult to determine which of the many factors that may lead to overcrowding is the most important one, and recognizing that an element of "overcrowding" may result from cultural preferences, this Housing Element assumes that the high cost of housing plays a key role in leading to overcrowded conditions.



Map II-7, Overcrowded Housing by Census Tract, 2010

J. Structure Type and Age

As previously mentioned, in recent years San José has facilitated a trend towards the construction of higher-density housing. However, because of the City's rapid growth in prior decades, the majority of the existing housing stock is still composed of single-family homes that were constructed during the 1960s and 1970s. As a result, in 2010, two-thirds of the City's housing units were single-family homes (attached and detached). Among owner-occupied units, single-family homes represented almost 90% of the total.

TENURE BY STRUCTURE TYPE: 2010

Structure Type	Owner-Occupied (OO) Units	Percent of OO Total	Renter-Occupied (RO) Units	Percent of RO Total	Totals
1-Unit*	160,090	88.7%	39,523	33.1%	199,613
2-to-4 Unit	4,248	2.4%	17,812	14.9%	22,060
5+ Unit	7,360	4.1%	60,663	50.7%	68,023
Mobile Home	8,676	4.8%	1,520	1.3%	10,196
Boat, RV, Van, etc.	192	0.1%	27	0.0%	219
Totals	**180,566**	**100.0%**	**119,545**	**100.0%**	**300,111**

Source: U.S. Census Bureau

*Note: the 1-unit category includes both detached and attached types.

Table II-13, Tenure by Structure Type, 2010

The existing housing stock demonstrates San José's legacy of a low-density, suburban environment that the General Plan seeks to diversity through implementation of strategies for more compact, mixed-use, transit-oriented development. Indeed, this trend towards urbanization has been underway and between 2000 and 2013, more than 80% of the building permits issued for new housing units were multi-family (see Chart VII-1 in Chapter VII).

San José's housing stock is relatively new, with approximately 80% of the stock built in 1960 and after.

AGE OF STRUCTURE: 2010

Year Built	Number of Units	Percent of Total
2005 or Later	11,752	3.8%
2000 to 2004	21,143	6.8%
1990 to 1999	35,301	11.3%
1980 to 1989	43,160	13.8%
1970 to 1979	73,313	23.5%
1960 to 1969	62,504	20.0%
1950 to 1959	35,412	11.3%
1940 to 1949	10,903	3.5%
1939 or Earlier	19,053	6.1%
Totals	**312,541**	**100.0%**

Source: U.S. Census Bureau

Table II-14, Age of Structure, 2010

As a result, the number of homes in San José considered "substandard" is quite small, with 0.6% of all units having incomplete plumbing and 1% having incomplete kitchen facilities, some of which may be the same unit.

SUBSTANDARD HOUSING BY TENURE: 2010

Incomplete Facilities	Percent of Owner-Occupied Units	Percent of Renter-Occupied Units	Totals
Plumbing	0.1%	1.4%	0.6%
Kitchen	0.1%	2.2%	1.0%

Source: U.S. Census Bureau

Table II-15, Substandard Housing by Tenure, 2010

K. Conclusions

Many of the trends identified in this chapter will be present well into the future, while others will soon emerge and represent a new direction. As the City implements the General Plan , San José's largest population growth segment will be seniors (65+ years) and "young adults" (age 20-34 years). Both groups are increasingly locating in urban areas that are centers for jobs, services, shopping, and cultural amenities.

As illustrated by the various maps, many of the demographic characteristics and trends discussed here are closely correlated. Several of these trends suggest the need for a broader array of housing choices that appropriately respond to growing and diverse needs within the population. These housing choices might include secondary dwelling units, new urban housing types (e.g., "micro" units of approximately 200-400 square feet) as well as the adaptation of the existing housing stock to meet changed circumstances (e.g., allowing seniors to "age in place"). The next chapter builds upon this demographics overview with an analysis of employment, income, housing costs, affordability, and poverty to help identify specific housing needs, with emphasis on ensuring the availability of housing for all economic segments of the community.

Chapter III: Needs Assessment

As the Capital of Silicon Valley, San José is proud to be at the heart of the world's most innovative region. The City is home to many leading multinational technology companies, such as Cisco Systems, eBay, and Adobe, as well as hundreds of smaller firms and start-ups. The strong regional economy has enabled Silicon Valley to be more resilient to the recent economic downturn, with solid post-recession job growth and one of the highest median incomes in the nation. At the same time, strong economic health can also lead to high housing costs and other challenges, including displacement, overcrowding, and a lack of housing choices for special needs and low income persons. Indeed, San José has long been one of the costliest place in the nation in which to live,

Despite the prevalence of highly skilled, high-wage workers in Silicon Valley, data from the California Employment Development Department (EDD) show a divergent trend in the region: while about one-third of Santa Clara County's workforce command high salaries in the range of approximately $86,000 to $144,000 per year, nearly half of all jobs pay low-income wages between $19,000 and $52,000 annually. Further, projections from EDD anticipate that more than half of the new jobs created in the County over the next few years will pay $11.00 per hour or less. These working class wages are not enough to pay for housing costs without creating a housing burden, defined as housing costs that exceed 30% of income. The market has not produced housing that is naturally affordable to low-income households, and public resources for affordable housing have been significantly diminished in recent years. As such, both the existing and future need for affordable housing in San José is considerable and far exceeds available supply. To the extent that this trend of income disparity continues, the extent of affordable housing needs can likewise be expected to remain high or even rise.

This chapter provides an assessment of the existing and projected housing needs in San José. As previously discussed, regional housing needs are determined by statewide and regional population projections. The existing housing needs analysis draws on data from multiple sources to compare income levels with housing costs in order to derive measures of affordability for various households, special needs, and housing types. This analysis provides the basis for understanding the nature and extent of San José's housing needs and issues, and, taken together with the prior demographics analysis, is used to inform the Housing Element's implementation workplan.

A. Regional Growth Projections and RHNA

According to *Plan Bay Area*, a long-range integrated transportation, land use, and housing plan developed by ABAG and MTC for the nine-county San Francisco Bay Area, the region is projected to grow from 7.2 million in 2010 to 9.3 million by 2040, for an increase of 2.1 million net new residents. This equates to a 30% total increase or a 1% annual growth rate. In order to accommodate this growth during the 2010-40 time period, Plan Bay Area expects the number of housing units to increase by 24%, or almost 700,000 units, and the number of jobs to grow by 1.1 million, an increase of 33%.

As shown in the table below, the City of San José is projected to accommodate approximately 20% of the Bay Area's regional housing growth, or almost 130,000 units by 2040. As noted previously in this Appendix, the General Plan analyzed and cleared housing capacity through 2035. Additional housing capacity beyond 2035 would need to be analyzed and environmentally cleared prior to the end of 2035. This figure closely compares with housing growth capacity identified by the General Plan, which provides for the long-term ability to construct up to 120,000 new homes. Additionally, San José is projected to comprise approximately 60% of the Santa Clara County's overall housing and population growth, and just under 50% of the County's employment growth.

REGIONAL GROWTH PROJECTIONS: 2010-2040

	Year		2010-2040		
Growth Category	2010	2040	Absolute Change	Percent Change	San Jose Share of Growth
Housing Units					
San Jose	314,040	443,320	129,280	41.2%	100.0%
Santa Clara County	631,920	842,350	210,430	33.3%	61.4%
Bay Area Region	2,785,950	3,445,950	660,000	23.7%	19.6%
Employment					
San Jose	377,140	524,510	147,370	39.1%	100.0%
Santa Clara County	926,260	1,229,520	303,260	32.7%	48.6%
Bay Area Region	3,385,300	4,505,230	1,119,930	33.1%	13.2%
Population					
San Jose	945,942	1,334,100	388,158	41.0%	100.0%
Santa Clara County	1,781,640	2,423,500	641,860	36.0%	60.5%
Bay Area Region	7,151,740	9,299,100	2,147,360	30.0%	18.1%

Source: Association of Bay Area Governments (ABAG), *Plan Bay Area*

Table III-1, Regional Growth Projections, 2010-2040

Two primary objectives of the State's Regional Housing Need Allocation (RHNA) process are to increase the supply of housing at all income levels and to ensure that local governments contribute to its fair share of housing needs. Additionally, the RHNA divides a jurisdiction's total housing responsibility into four income categories: Very Low-income (VLI), Low-Income (LI), Moderate-Income (MOD), and Above Moderate-Income (AMOD). These categories correspond to the annual income limits published by HCD and are used to determine housing affordability by the size and income of households. These categories are expressed as a percentage of Area Median Income (AMI), which is currently set at $105,500 for a four-person household in Santa Clara County and is adjusted for household size.

The table and chart below show San José's RHNA by income category for the 2014-2022 period and compared with the City's RHNA for the prior period (2007-2014). While the overall RHNA between the

two periods is similar, the composition of the 2014-22 allocation has a greater emphasis on lower income categories. In particular, the Very Low allocation has increased almost 20%, from 7,751 units in the prior period to 9,233 units in the current period, indicating that the need for housing of deeper affordability levels has increased. See Table III-14 later in this chapter for details on the incomes associated with Extremely Low-, Very-Low, Low- and Moderate-Income categories in San José.

REGIONAL HOUSING NEED ALLOCATION (RHNA): 2014-2022

Income Category*	2007-2014 RHNA	2014-2022 RHNA	Percent Change
Very Low	7,751	9,233	19.1%
Low	5,322	5,428	2.0%
Moderate	6,198	6,188	-0.2%
Above Moderate	15,450	14,231	-7.9%
Totals	**34,721**	**35,080**	**1.0%**

Source: Association of Bay Area Governments (ABAG), *Regional Housing Need Plan*

*Note: Very Low= up to 50% of Area Median Income (AMI); Low= 51% to 80% of AMI; Moderate= 81% to 120% of AMI; Above Moderate= above 120% of AMI

Table III-2, Regional Housing Need Allocation (RHNA), 2014-2022

For regional context, it is important to compare the progress of all cities in Santa Clara County toward meeting 2007-2014 RHNA goals. A staff analysis shows that as of December 31, 2013, cities in Santa Clara County (excluding San José) issued more than 17,390 residential building permits (70% of their collective RHNA goal) and San José issued 16,029 residential building permits (46% of its RHNA goal) during the same period.

Geography	2007-14 Allocation	Building Permits Issued	% of Allocation
SCC Cities (exclusive of San José)	**24,527**	**17,390**	**71%**
San José	**34,721**	**16,029**	**46%**

*Staff was unable to obtain building permit data for Campbell, Los Altos, Los Altos Hills, and Morgan Hill but the chart does include the allocation for these cities

Overall, the current RHNA figure closely compares with housing growth planned by the General Plan, which provides for the near-term ability to construct approximately 40,000 new housing units (see Chapter V: Planned Supply/Inventory). Note that the current RHNA amounts to an annual rate of production of approximately 4,400 units over the 8-year planning period (January 2015 through January 2023), a pace that exceeds the City's historical experience with new housing in the past decade or more: since 2000, there have been only two years (2000 and 2003) where production has reached 4,000 or more units. Overall, housing production has averaged approximately 2,750 units annually over the 2000-2013 time period (see Table VIII-1 in Chapter 8: Prior Element Evaluation). Given the lower historical trends, it may be a challenge to actually produce the housing units to meet San José's RHNA, especially within the more affordable income categories.

B. "Jobs First" General Plan

San José is the largest and most urban city in Silicon Valley, and plays a key role in the continuing growth of the regional, State, and national economies. At the same time, according to data from the U.S. Census Bureau that analyzes the relationship between where people live and where they work, San José is the only large city in the nation that acts as a net exporter of workers. Within Santa Clara County, the City has added a greater share of homes relative to other jurisdictions, and has thus become a "bedroom community" for the region. Alternatively, other cities with slower residential growth have seen strong commercial development, resulting in communities that are "jobs-rich" and "housing-poor."

One way to measure this balance between jobs and housing is to compare the number of jobs to the number of employed residents in a city. The idea is that a "balanced" city has the same number of jobs as there are employed residents, which theoretically means that there is a job for every employed resident, or a 1:1 ratio. As such, a jobs-rich city has more jobs than employed residents (for a ratio greater than 1:1), whereas a housing-rich city has fewer jobs than employed residents (for a ratio less than 1:1).

In the jobs-to-employed residents (J/ER) framework, a jobs-rich city effectively "imports" workers from outside its jurisdictional boundary because there are not enough employed residents within city limits to fill all of the employment opportunities it offers. Conversely, a housing-rich city "exports" some of its employed residents to work elsewhere because there are not enough employment opportunities within the city available for all residents in the workforce. Thus, the J/ER framework suggests that jobs-rich cities rely on other jurisdictions to build the homes and provide municipal services for their workers, while housing-rich cities do not proportionately share in the jobs available within a region.

It should be noted that J/ER is a simplified concept that masks the complexity of choices individuals make in terms of where they work and live. In reality, people make location decisions for a wide variety of reasons, and even a "balanced" community scenario does not imply that employed residents will only work within the city and not commute to jobs in other places. Nevertheless, when combined with other analyses, the jobs-housing balance can be a useful tool for understanding the dynamics of a place and potential regional inequities in terms of meeting – or not meeting – regional fair share housing needs. Indeed, the RHNA and the Housing Element are ways that the State seeks to address regional inequities in housing that local jurisdictions may not be able to address on their own. In addition to the State's RHNA goals, regional solutions will be critically important to meeting housing needs in the South Bay.

In response to the variations in the jobs-housing balance between cities in Santa Clara County, the General Plan was developed to be a "jobs first" general plan that uses the J/ER framework to guide the City's vision and policies, which includes a J/ER ratio of 1.3:1 as a core objective. If achieved, San José would have 1.3 jobs for every employed resident, and would be transformed from a housing-rich to a jobs-rich city. It is important to note that if the County as a whole remains housing-poor and if the City seeks to attain that same status, housing costs in both the County and in San José could arguably be expected to increase significantly, thereby exacerbating existing affordability issues.

Table III-3 below indicates that San José is a housing-rich community, with a J/ER ratio below 1:1. In fact, the City's J/ER ratio declined over the 2008-2012 time period, from 0.91 in 2008 to 0.85 in 2012. This is primarily attributable to the fact that San José lost more jobs during – and has recovered more slowly

from – the economic downturn than any of the comparison cities. By comparison, the city of Mountain View became significantly more jobs-rich, while the city of Palo Alto achieved a J/ER ratio of 3.0 at both the beginning and end of this time period. Although the city of Sunnyvale remained relatively stable during this period, it too is a jobs-rich city. Finally, Santa Clara County as a whole is jobs-rich, with a J/ER of 1.14:1.

	Jobs				Employed Residents				J/ER Ratio			
Geographic Area	2008	2010	2012	Change (2008-2012)	2008	2010	2012	Change (2008-2012)	2008	2010	2012	Change (2008-2012)
Palo Alto**	86,767	82,578	94,246	7,479	27,495	29,781	30,368	2,873	3.16	2.77	3.10	(0.05)
Santa Clara	104,605	99,077	103,169	(1,436)	59,393	53,980	55,998	(3,395)	1.76	1.84	1.84	0.08
Mountain View	61,981	64,061	71,204	9,223	44,105	41,201	43,291	(814)	1.41	1.55	1.64	0.24
Sunnyvale	86,463	84,630	87,863	1,400	71,646	69,032	71,227	(419)	1.21	1.23	1.23	0.03
San Jose	**407,840**	**375,976**	**387,597**	**(20,243)**	**448,079**	**426,136**	**456,369**	**8,290**	**0.91**	**0.88**	**0.85**	**(0.06)**
Santa Clara County	965,288	907,948	982,237	16,949	865,247	812,674	862,241	(3,006)	1.12	1.12	1.14	0.02
Bay Area Region	3,750,569	3,551,541	3,703,272	(47,297)	3,642,628	3,458,438	3,611,741	(30,887)	1.03	1.03	1.03	(0.00)

*Source: U.S. Census Bureau, American Community Survey (1-year estimates), except as noted below.
**Due to data availability, 2008 and 2010 figures for Palo Alto taken from the ACS 2009 3-year (2007-2009) and ACS 2011 3-year (2009-2011) estimates, respectively.

Table III-3, Jobs to Employed Residents Ratio, 2008-2012

C. Employment

The decline in San José's J/ER ratio, as referenced above, was due in part to a large drop in employment (approximately 20,000 jobs) that represented over 40% of the job loss throughout the entire Bay Area, coupled with an increase of workers who live in San José, and especially an approximately 30,000 increase in employed residents between 2010 and 2012. By comparison, Santa Clara County as a whole experienced a decline in employed residents from 2008 to 2012. In summary, San José has lost jobs and added residents, whereas the reverse is true in several neighboring cities and countywide. This trend further supports the notion that a regional solution is critical to balancing housing and economic development needs.

San José is fortunate to be located in the heart of a strong regional economy, which as mentioned has been relatively resilient to the recent economic downturn and enjoyed solid post-recession job growth. However, the current economic recovery has benefitted certain segments of the workforce more than others, particularly in higher-skill, higher-wage jobs in the technology, financial, and management sectors. For example, high tech manufacturing industry subcategories, such as computer/peripheral equipment and semiconductor/electronic component, provide about 10% of San José Metropolitan Statistical Area (MSA) employment and have pay average annual incomes of $150,000. However, at the other end of the spectrum, lower-skill and lower-wage segments of the workforce, including industry subcategories such as construction, retail and wholesale trade, business services, and leisure/hospitality, face a somewhat weaker labor market at risk of job loss or wage reductions. These industries together employ upwards of 50% of the local workforce, and pay average annual incomes between $30,000 and $70,000. From an occupational (rather than industry) perspective, nearly half of the jobs in the San José MSA pay median wages between $19,000 and $56,000, qualifying such workers for low-income status.

Thus, while Census data indicate that the San José metro area ranks number two in the nation for wealth concentration, by contrast the Joint Venture Silicon Valley's annual "Index of Silicon Valley" report points out that median income fell to an 11-year low in 2011 and that the wage distribution gap is actually growing. Stephen Levy, director of the Center for Continuing Study of the California Economy

(CCSCE) and a consultant for the report, indicated, "This is a tech-led recovery. But the wages at the bottom of the income ladder are stagnating."

During 2013, the San José area outpaced the rate of job creation statewide and local jobless rates are now at their lowest level since mid-2008. However, as previously mentioned, according to the California Employment Development Department (EDD), more than half of the new jobs expected in Santa Clara County over the next five years will pay $11.00 per hour or less, which translates to annual income below the bottom end of the lower income range cited above. Separately, the Bay Area Council estimates that every high tech job added to the local economy creates four jobs in lower-paying support services fields. Finally, the linkage between jobs and housing was recently evidenced by an annual 2014 survey of CEOs by the Silicon Valley Leadership Group (SVLG), which indicated that housing was once again the most critical concern. "As with the past, the high cost of housing remains the No. 1 issue," wrote report author and San José State University professor Larry Gerston. "Simply put, companies can't function well without employees, and employees need affordable, adequate housing for their families." The table below provides a breakdown of employment by industry within the San José MSA.

EMPLOYMENT BY INDUSTRY FOR SAN JOSE METROPOLITAN STATISTICAL AREA (MSA): January 2014

Industry Category / Subcategory	Employment (thousands)	Percent of Total
Total, All Industries	**978.4**	**100.0%**
Total Farm	4.1	0.4%
Total Nonfarm	974.3	99.6%
Goods Producing	197.4	20.2%
Mining	0.3	0.0%
Construction	38.2	3.9%
Manufacturing	158.9	16.2%
Durable Goods	147.2	15.0%
Computer and Peripheral Equipment	41.2	4.2%
Semiconductor and Electronic Component	43.7	4.5%
Electronic Instrument	11.5	1.2%
Other	50.8	5.2%
Nondurable Goods	11.7	1.2%
Service Providing	776.9	79.4%
Trade, Transportation and Utilities	136.3	13.9%
Wholesale Trade	37.0	3.8%
Retail Trade	85.2	8.7%
Transportation, Warehousing and Utilities	14.1	1.4%
Information	59.9	6.1%
Financial Activities	32.9	3.4%
Professional and Business Services	192.8	19.7%
Educational and Health Services	149.3	15.3%
Leisure and Hospitality	85.7	8.8%
Other	25.2	2.6%
Government	94.8	9.7%
Federal Government	10.0	1.0%
State and Local Government	84.8	8.7%

Source: California Employment Development Department (EDD)

Table III-4, Employment by Industry, 2014

The growing divide in the workforce reinforces the need for San José's housing strategy to provide sufficient housing opportunities for workers across incomes in order to support continued economic development. This includes housing opportunities for the working poor and lower-income workers, many of whom are employed in occupations that support "driving industries" in the local economy.

D. Household Income

Housing affordability depends on both the cost of housing as well as household income. Using a special cross-tabulation of Census data, the table below provides a comparison of income measures for 2000 and 2010 in real, (inflation-adjusted) 2010 dollars. In summary, all three household types in San José experienced a double-digit decline in real income over the 2000-2010 time period, ranging from a drop of 25% for non-family households to a 10% decline for family households. On a per capita basis, income fell slightly less (-8.7%).

INCOME BY HOUSEHOLD TYPE: 2000-2010

	Year			
Income	2000	2010	Real Change*	Percent Change
Household				
Median	$88,682	$76,794	($11,888)	-13.4%
Average	$107,667	$95,331	($12,336)	-11.5%
Family				
Median	$94,451	$84,798	($9,653)	-10.2%
Average	$113,472	$103,461	($10,011)	-8.8%
Non-Family				
Median	$61,214	$45,964	($15,250)	-24.9%
Average	$78,098	$64,330	($13,768)	-17.6%
Per Capita	$33,705	$30,757	($2,948)	-8.7%

Sources: U.S. Census Bureau, Bureau of Labor Statistics

*Note: all income figures in inflation-adjusted 2010 dollars.

Table III-5, Income by Household Type, 2000-2010

Table III-6 below provides the distribution of households by income category and tenure. Note that while these Census-derived income categories differ slightly from those in the Regional Housing Need Allocation (RHNA), they provide a sufficiently close approximation for meaningful comparison. As shown in the table below, approximately one-third of all San José households in 2010 (nearly 105,000 households) were lower-income, and in particular extremely low- and very low-income . In other words, the vast majority of the San José's households fell at opposite ends of the income spectrum, being either moderate-income or above or in one of the two lowest income categories. The incidence of lower-income status is greater in renter rather than ownership households: there were nearly four times the number of ELI renter households as ownership households, and nearly twice the number of VLI renter households as ownership households, on a percentage basis.

HOUSEHOLDS BY INCOME CATEGORY AND TENURE: 2010

	Owner-Occupied (OO) Units		Renter-Occupied (RO) Units		Totals	
Income Category*	Number	Percent	Number	Percent	Number	Percent
Extremely Low	14,015	7.7%	31,745	27.1%	45,760	15.3%
Very Low	16,365	9.0%	20,465	17.5%	36,830	12.3%
Low	11,000	6.0%	11,395	9.7%	22,395	7.5%
Moderate and Above	141,055	77.3%	53,425	45.7%	194,480	64.9%
Totals	**182,435**	**100.0%**	**117,030**	**100.0%**	**299,465**	**100.0%**

Source: Comprehensive Housing Affordability Strategy (CHAS)

*Note: Extremely Low= less than 30% of Area Median Income (AMI); Very Low= 31% to 50% of AMI; Low= 51% to 80% of AMI; Moderate and Above= above 80% of AMI

Table III-6, Households by Income Category and Tenure, 2010

Household income also varies significantly by race/ethnicity and over time. Table III-7 shows significant declines in income for all groups except for Asian households, who experienced a slight increase in real income between 2000 and 2010. Hispanic and Black households experienced the most significant declines in both absolute and percentage terms.

MEDIAN HOUSEHOLD INCOME BY RACE/ETHNICITY: 2000-2010

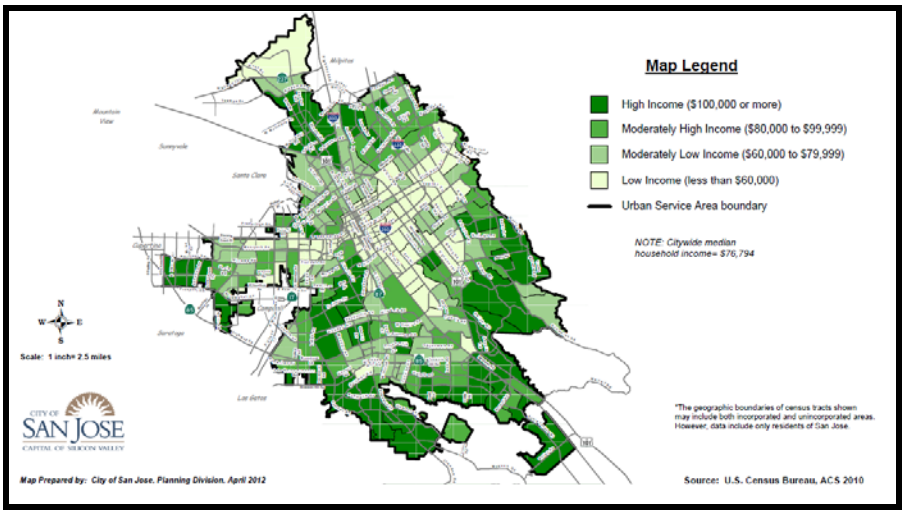
Race/Ethnic Group of Householder	Year 2000	Year 2010	Real Change*	Percent Change
Hispanic or Latino	$70,146	$50,638	($19,508)	-27.8%
Asian	$99,153	$100,012	$859	0.9%
White (Non-Hispanic)	$96,185	$85,971	($10,214)	-10.6%
Black	$73,423	$52,713	($20,710)	-28.2%
Other	$71,403	$54,447	($16,956)	-23.7%
Total	**$88,682**	**$76,794**	**($11,888)**	**-13.4%**

Sources: U.S. Census Bureau, Bureau of Labor Statistics

*Note: all income figures in inflation-adjusted 2010 dollars.

Table III-7, Household Income by Race/Ethnicity, 2000-2010

Median incomes also vary by geography. As illustrated in the map below of Census tracts in San José, higher-income households generally live away from the City center in "outer ring" tracts, while lower-income households are located primarily in Central and East San José. This pattern correlates with other geographic patterns such as ethnic concentration and overcrowded living conditions: lower-income areas are primarily ethnic communities that experience overcrowding. As such, programs in this Housing Element seek to realize more diverse communities throughout the City of San José.



Map III-1, Household Income by Census Tract, 2010

Minimum Wages

In San José, voters approved a minimum wage on November 6, 2012, and the City's Minimum Wage Ordinance (MWO) went into effect on March 11, 2013. Under the MWO, the minimum wage for covered employees (only exceptions are employers that neither have a facility in San José nor are subject to the San José Business Tax) was originally set at $10.00 per hour, and then on January 1, 2014 raised to $10.15 per hour to account for inflation.

Unfortunately, according to a 2014 report from the California Housing Partnership Corporation (CHPC), "the gap between housing cost and income is so great that just raising the minimum hourly wage by a few dollars will not significantly reduce the shortfall of affordable homes." For reference, the National Low Income Housing Coalition (NLIHC) indicates in a 2014 "Out of Reach" report that to rent a two-bedroom apartment in the San José metro area requires an hourly wage of $31.71. In other words, a low-income household with two working adults, each of whom is earning the minimum wage, falls far short of having the necessary income to afford a typical rental unit. Similarly, according to Working Partnership USA, a single person with no dependents needs to make $16.50 an hour, plus benefits, to support basic living in Santa Clara County.

E. Projected Employment

Regarding larger employment trends, the State Employment Development Department projected that from 2010-2013 approximately 48.3% of new job openings in the San José-Sunnyvale-Santa Clara area will be low wage jobs as illustrated in the chart below.

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2010-2020 Occupations with Most Openings San Jose-Sunnyvale-Santa Clara	Total Job Openings [1]	2012 First	
		Median Hourly	Median Annual
Waiters and Waitresses	9,500	$9.20	$19,137
Dishwashers	2,480	$9.21	$19,150
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	4,130	$9.26	$19,259
Combined Food Preparation and Serving Workers, Including Fast Food	7,120	$9.29	$19,317
Food Preparation Workers	3,550	$9.39	$19,521
Retail Salespersons	11,400	$10.43	$21,694
Home Health Aides	2,030	$10.45	$21,738
Cashiers	9,620	$10.78	$22,431
Cooks, Restaurant	3,540	$11.25	$23,403
Stock Clerks and Order Fillers	3,450	$11.26	$23,427
Personal Care Aides	3,920	$12.00	$24,974
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	5,130	$12.23	$25,424
Landscaping and Groundskeeping Workers	3,390	$13.12	$27,289
Childcare Workers	2,330	$13.24	$27,528
Laborers and Freight, Stock, and Material Movers, Hand	6,290	$14.45	$30,070
Security Guards	3,460	$15.24	$31,690
Teacher Assistants	3,080	[3]	$32,002
Receptionists and Information Clerks	2,750	$15.86	$32,976
Office Clerks, General	5,650	$17.30	$35,986
First-Line Supervisors of Retail Sales Workers	2,900	$18.71	$38,898
Bookkeeping, Accounting, and Auditing Clerks	2,800	$21.60	$44,924
Customer Service Representatives	4,830	$22.16	$46,101
Subtotal	103,350	48.3%	
Total	214,080		

Source: California Employment Development Department, 2013

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F. Poverty

Similar to the income categories discussed above, the term "poverty" used in this document is defined by the U.S. Census Bureau using a set of income thresholds that vary by family size and composition. If a family's total income is less than the threshold appropriate for that family, then that family and every

individual in it is considered to be in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using the Consumer Price Index (CPI).

PERSONS BELOW POVERTY BY AGE: 2000-2010

Age Group	Year 2000	Year 2010	Percent of Group (2010)	Percent Change
Under 18 Years	25,034	38,410	16.7%	53.4%
18-64 Years	47,646	71,940	11.7%	51.0%
65+ Years	5,213	8,188	8.4%	57.1%
All Persons	77,893	118,538	12.6%	52.2%

Source: U.S. Census Bureau

Table III-12, Poverty by Age, 2000-2010

The table above shows a cross tabulation of poverty with age in San José over the 2000-2010 time period. These data indicate that all age groups experienced a more than 50% increase in poverty during the last decade.

Chart III-7, Poverty by Age, 2010

The next table provides a cross tabulation of poverty with race/ethnicity over the same 2000-2010 time period. These data indicate that Hispanics and Blacks experienced an approximately 75% increase in poverty during the last decade, whereas Asians rose slightly less than 50% and Whites just under 30%.

PERSONS BELOW POVERTY BY RACE/ETHNICITY: 2000-2010

Race/Ethnic Group*	Year 2000	Year 2010	Percent of Group (2010)	Percent Change
Hispanic or Latino (of any race)	37,670	65,760	20.9%	74.6%
Asian alone	19,964	29,599	9.7%	48.3%
White alone (Non-Hispanic)	14,402	18,579	7.1%	29.0%
Black alone	3,047	5,357	16.6%	75.8%
Other	25,957	31,646	19.3%	21.9%
All Persons	77,893	118,538	12.6%	52.2%

Source: U.S. Census Bureau

*Note: race/ethnic groups, as presented here, are not mutually exclusive, and thus cannot be summed.

Table III-13, Poverty by Race/Ethnicity, 2000-2010

Comparing the percentage of these race/ethnicity groups living in poverty, we find that just over 20% of Hispanics were below poverty in 2010, more than double the rate of Asians and Whites (9.7% and 7.1%, respectively), with Blacks in the middle to higher end of this range (16.6%).

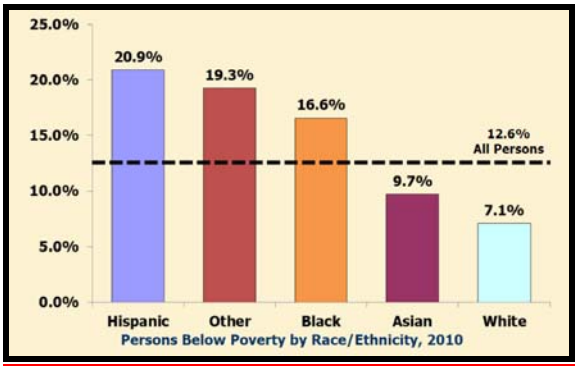
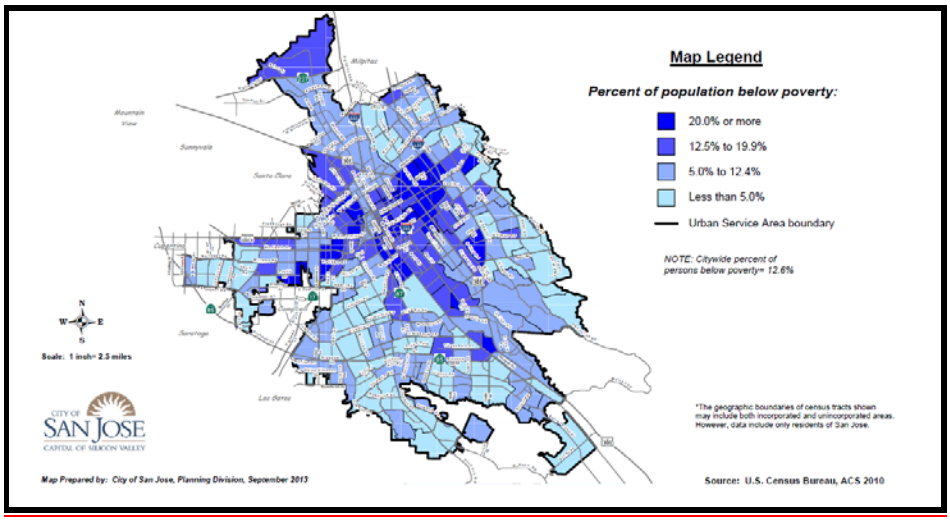


Chart III-8, Poverty by Race/Ethnicity, 2010

Finally, poverty correlates with geographic location. As illustrated in the map below, much of the Central and Alum Rock areas had poverty rates of 20% or more in 2010, whereas some other areas had poverty measuring less than 5% of the population. This once again reinforces the fact that neighborhoods with higher concentrations of Hispanics in particular had the highest rates of poverty and low-income households.



Map III-2, Poverty by Census Tract, 2010

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G. Housing Costs

Housing affordability depends on incomes relative to the cost of housing. The previous section provided a discussion on household income and the disparities between industries as well as race/ethnicity, while

this section provides a context of San José's housing costs by San José type of tenure (i.e., owned vs. rented).

Owner-Occupied Housing

According to the 2010 Census, the median housing value was $588,000, with nearly two-thirds of owner-occupied home valued between $500,000 and $999,999.

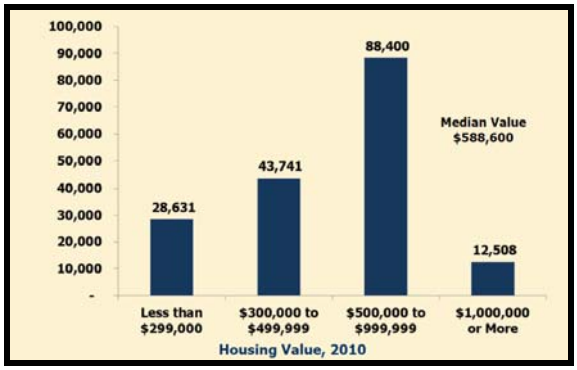
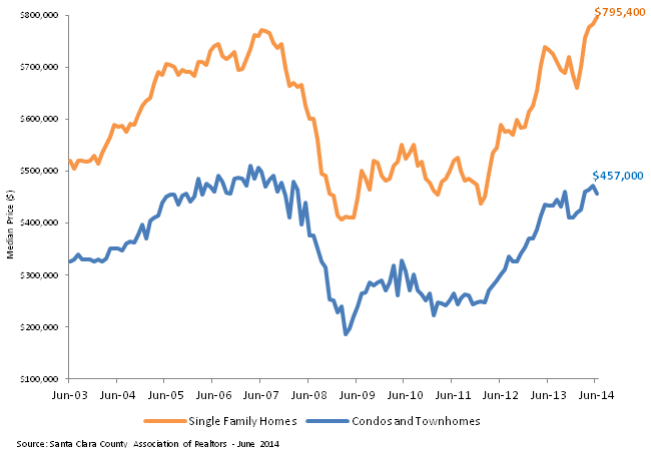


Chart III-5, Housing Value, Owner-Occupied, 2010

While these 2010 figures are still high relative to the rest of the US, they also reflect depressed housing values as a result of the economic recession. San José housing values in 2010 were approximately 35% to 40% below those at the peak of the market in 2007. However, the economy and the housing market have since recovered significantly, with housing prices near their pre-recession peak. Table III-8 shows that the median sales price of a single family home in San José had risen to $795,000 as of June 2014.

Table III-8, San José Median Prices, 2014



Renter-Occupied Housing

The table and chart below show rents for several types of rental housing. The pattern for rents was opposite the pattern of the cost of purchasing in the ownership market: rents fell after the dot-com crash in 2001 but began increasing from the mid-2000s even through the 2008 economic recession to reach all-time highs, while the value of for-sale homes increased after the dot.com but dropped significantly during the 2008 recession. The average rent of $2,169 in San José is now at an all-time high, and has experienced average annual increases of 10% since 2010. Currently, One-bedroom units average $1,945 per month and two-bedroom units are averaging $2,500 per month. While these costs are certainly high, they actually understate the cost of newly constructed rental housing as, for example, new units in North San José currently offer one-bedroom units between $2,200 and $2,700 per month and two-bedroom rentals between $3,000 and $3,500.

RENTAL RATES BY UNIT TYPE: 2000-2013

	Year*				
Unit Type	2000	2005	2010	2013	Average Annual Increase (2010-2013)
Studio	$1,284	$907	$1,012	$1,399	12.7%
1 Bed / 1 Bath	$1,450	$1,108	$1,307	$1,780	12.1%
2 Bed / 2 Bath	$1,895	$1,439	$1,729	$2,350	12.0%
3 Bed / 2 Bath	$1,959	$1,818	$2,043	$2,554	8.3%
All Rental Units	$1,588	$1,246	$1,483	$1,989	11.4%

Source: RealFacts

*Note: data from the 2nd quarter of referenced years.

Table III-9, Rental Rates by Unit Type, 2000-2013

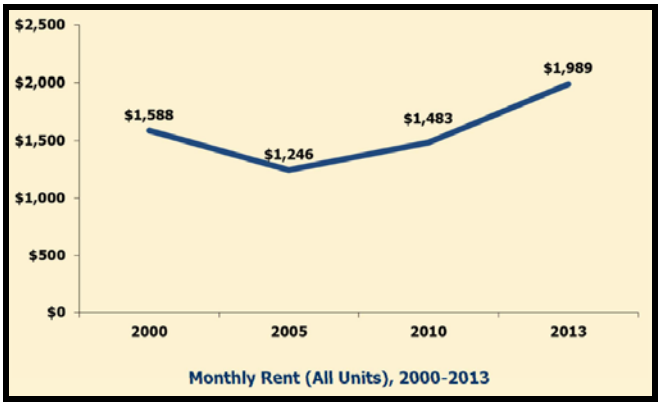
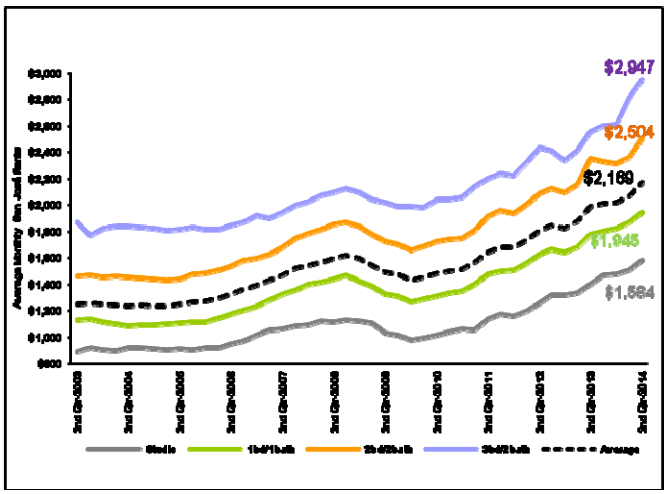


Chart III-6, Monthly Rent (All Units), 2000-2013



Source: RealFacts Q2,2014
Chart III-7, Monthly Rent by Unit Size, 2003-2014

H. Affordability / Housing Burden

A commonly accepted guideline for determining housing affordability is that costs do not exceed 30% of household income. Thus, when monthly carrying costs of a home exceed 30% of income, then the housing is considered unaffordable, or a "burden," for that household. Further, a household is considered to be "severely overpaying" for housing when costs exceed 50% of household income. The U.S. Census provides "custom tabulations" of data known as "CHAS" (Comprehensive Housing Affordability Strategy) to help demonstrate housing needs. According to 2006-2010 CHAS Data, approximately 44% of all households in San José overpaid for housing of which slightly more than half were owner occupiers.

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Total Households Overpaying (2010)

Households	Renters	Owners	Total
All Households	119,545	180,565	300,110
Number of Households Overpaying	56,235	75,475	131,710
Percent of All Households Overpaying	43%	57%	44%

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

Of the 131,710 households that were overpaying in San Jose, 61,270 (47%) were severely overpaying. The table below illustrates that a higher number of renters suffer from severe overpayment then do owner occupier households. Thus while there are more owner occupier households overpaying in general, renter households in San José suffer disproportionately more with severe overpayment.

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Total Households Severely Overpaying (2010)

Households	Renters	Owners	Total
Number of Households Overpaying	56,235	75,475	131,710
Number of Households Severely Overpaying*	29,485	31,785	61,270
Percent of Households Severely Overpaying*	52%	42%	47%

*Severely Overpaying is a subset of Overpaying Households.
Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

Overall during the same period, 44% of households in San José overpayed and 36% of all households were lower income. Not surprisingly of the households that overpayed, a disproportionately large number (59%) were lower income households and an even larger proportion were renters (89%).

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Lower Income Households Overpaying (2010)

Households	Renters	Owners	Total
All Households	119,545	180,565	300,110
Lower Income Households	67,235	41,890	109,125
Percent of All Households that are Lower Income	56%	23%	36%
Total Households Overpaying	56,235	75,475	131,710
Lower Income Households Overpaying (> 30% of Income)	50,150	27,485	77,635
Percent of Households Overpaying that are Lower Income	89%	36%	59%

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

~~The section below discusses the issue of housing burden for both renters and owner-occupiers. San José this is where the ELI discussion should go. Probably just add to this table, or if it's easier to insert a separate table then do so but that seems like it would be redundant.~~

Extremely Low Income Households

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Projected Needs:
To calculate projected housing needs, the City assumed 50 percent of its very low-income regional

housing needs allocation (RHNA) would be extremely low-income households. As a result, from the very low-income need of 9,233, the City has a projected need for approximately 4,616 extremely low-income households. Extremely low-income (ELI) is defined as households with income less than 30 percent of area median income. In 2014 the area median income in Santa Clara County was $105,500 which translated into an annual ELI of $31,850 or less for a four-person household and $22,300 or less for a one-person household. As noted earlier in this chapter even San Jose's relatively higher minimum wage ($10.15 per hour or $21,112 per year) qualifies as an extremely low-income household.

Existing Needs:

In 2010 approximately 43,470 extremely low-income households resided in San José representing 14.5% of the total households. Most (31,440) extremely low-income households are renters and experience a high incidence of housing problems as show in the table below.

Housing Needs for Extremely Low-Income Households (2010)

	Renters	Owners	Total
Total ELI Households	31,440	12,030	43,470
Percent with Any Housing Problems	82%	72%	80%
Percent with Cost Burden (30% of income)	80%	72%	78%
*Percent with Severe Cost Burden (50% of Income)	68%	62%	67%
Total Number of Households	119,545	180,565	300,110

*Severely Overpaying is a subset of Overpaying Households.

Source: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010.

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Many extremely low-income households will be seeking rental housing and most likely will face housing problems including overpayment, crowding, or substandard housing conditions while others may have special needs such as mental or physical disabilities. The City of San José monitors affordability restrictions for 1,312 Extremely Low-Income renter units. This represents the bulk of Extremely Low-Income renter units in San José as the majority of the Santa Clara County Housing Authority portfolio is for residents with incomes between 50-60% of Area Median Income.

Housing Needs for Extremely Low-Income Households (2015-2023)

	Renters
Existing ELI Renter Households with Cost Burden (2010)	25,152
Projected ELI Households (RHNA)	4,616
Existing Deed Restricted ELI Housing Stock	-1,312
Balance	28,456

Sources: Comprehensive Housing Affordability Strategy (CHAS) Data 2006-2010, City of San José.

Thus when added together, the projected and existing need for Extremely Low-Income renter housing in San José between 2015-2023 is approximately 28,456 units. While affordable housing resources are limited and Extremely Low-Income housing requires very deep public subsidies, the City will do the following to address these needs:

- Explore all opportunities to build new homeless apartments with supportive services

- Promote a variety of housing types including higher density, multifamily supportive, single room occupancy, and shared housing
- Facilitate the development of Single Room Occupancy (SRO) buildings by modernizing SRO development standards
- Review the City's income allocation policy and update as necessary to provide a framework for income categories.

Owner-Occupied Housing Burden

When analyzing owner-occupied housing burdens, it is important to distinguish between household with a mortgage versus those without a mortgage, as costs for these circumstances differ substantially. The table below indicates that the median monthly costs for a unit with a mortgage were almost $2,800 in 2010, whereas a unit without a mortgage had a median cost of approximately $500 per month.

To evaluate the extent of housing burden among owner-occupied households, the table below provides a breakdown of selected monthly owner costs as a percent of income. Of those units with a mortgage, approximately 50% of owners experienced housing burden (costs 30% or more of income) in 2010. On the other hand, among units without a mortgage, over three quarters of owners paid less than 20% of household income on housing costs.

OWNERSHIP HOUSING AFFORDABILITY
SELECTED MONTHLY OWNER COSTS AS A PERCENT OF INCOME: 2010

	Units with a Mortgage		Units without a Mortgage	
Percent of Household Income	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than 20.0%	29,118	22.0%	30,433	76.1%
20.0% to 24.9%	20,719	15.7%	3,151	7.9%
25.0% to 29.9%	16,754	12.7%	1,254	3.1%
30.0% to 34.9%	14,702	11.1%	1,059	2.6%
35.0% or More	50,867	38.5%	4,078	10.2%
Totals	**132,160**	**100.0%**	**39,975**	**100.0%**
Median Monthly Costs	$2,797		$506	

Source: U.S. Census Bureau

Table III-10, Ownership Housing Affordability, 2010

Using cross-tabulated Census data, the over 32,000 owner-occupied households (19% of all owner-occupiers) experienced a severe housing burden (i.e. paying more than 50% of household income on owner costs). Additionally, 36% of lower income households (80% or less AMI) experienced a housing burden while comprising only 23% of all owners-occupier households in the City.

Renter-Occupied Housing Burden

Like San José's owner-occupier households, renter households also experience significant housing burden. As shown in TABLE III-11, over 53% of all renters experienced a housing burden in 2010. Additionally, renter households experienced a greater incidence of high housing burden than owner-occupier households. Even though the median monthly rent in 2010 ($1,371) was roughly half of median monthly owner costs ($2,797) for units with a mortgage in 2010, the extent of housing burden was higher among renters than owners. This aligns with the fact that lower-income households tend to live in rental homes, primarily because they cannot afford the cost of owning a home.

RENTAL HOUSING AFFORDABILITY
GROSS RENT AS A PERCENT OF INCOME: 2010

Percent of Household Income	Number of Units	Percent of Total
Less than 15.0%	12,424	10.3%
15.0% to 19.9%	14,839	12.4%
20.0% to 24.9%	14,619	12.2%
25.0% to 29.9%	14,046	11.7%
30.0% to 34.9%	11,553	9.6%
35.0% or More	52,576	43.8%
Totals	**120,057**	**100.0%**
Median Monthly Rent	$1,371	

Source: U.S. Census Bureau

Table III-11, Rental Housing Affordability, 2010

Once again using data from CHAS, further identification is possible of the number of renter-occupied households that were severely overpaying, or burdened to the extent of paying more than 50% of household income on rent (i.e., a subset of the highest 35%-plus category shown above). CHAS indicated that 27,700 renters, or nearly one-quarter (23.1%) of all renter-occupied households in San José, devoted more than half of their income to housing. As well, a cross-tabulation of the standard housing burden definition (30% or more of income) with the various income categories showed that the vast majority (87.4%) of burdened renters were composed of lower income households (80% or less AMI).

I. ~~Poverty~~

~~Similar to the income categories discussed above, the term "poverty" used in this document is defined by the U.S. Census Bureau using a set of income thresholds that vary by family size and composition. If a family's total income is less than the threshold appropriate for that family, then that family and every individual in it is considered to be in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using the Consumer Price Index (CPI).~~

PERSONS BELOW POVERTY BY AGE: 2000-2010

Age Group	Year 2000	Year 2010	Percent of Group (2010)	Percent Change
Under 18 Years	25,034	38,410	16.7%	53.4%
18-64 Years	47,646	71,940	11.7%	51.0%
65+ Years	5,213	8,188	8.4%	57.1%
All Persons	77,893	118,538	12.6%	52.2%

Source: U.S. Census Bureau

Table III-12, Poverty by Age, 2000-2010

The table above shows a cross tabulation of poverty with age in San José over the 2000-2010 time period. These data indicate that all age groups experienced a more than 50% increase in poverty during the last decade.

Chart III-7, Poverty by Age, 2010

The next table provides a cross tabulation of poverty with race/ethnicity over the same 2000-2010 time period. These data indicate that Hispanics and Blacks experienced an approximately 75% increase in poverty during the last decade, whereas Asians rose slightly less than 50% and Whites just under 30%.

PERSONS BELOW POVERTY BY RACE/ETHNICITY: 2000-2010

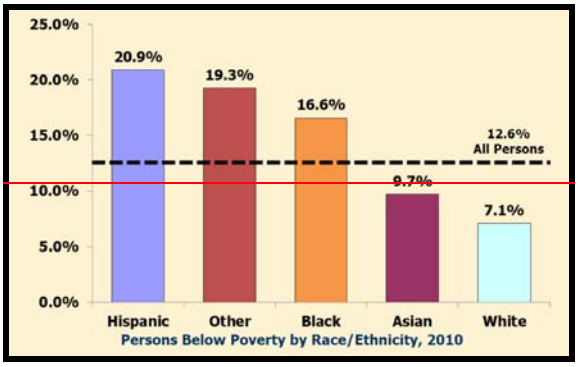
Race/Ethnic Group*	Year 2000	Year 2010	Percent of Group (2010)	Percent Change
Hispanic or Latino (of any race)	37,670	65,760	20.9%	74.6%
Asian alone	19,964	29,599	9.7%	48.3%
White alone (Non-Hispanic)	14,402	18,579	7.1%	29.0%
Black alone	3,047	5,357	16.6%	75.8%
Other	25,957	31,646	19.3%	21.9%
All Persons	77,893	118,538	12.6%	52.2%

Source: U.S. Census Bureau

*Note: race/ethnic groups, as presented here, are not mutually exclusive, and thus cannot be summed.

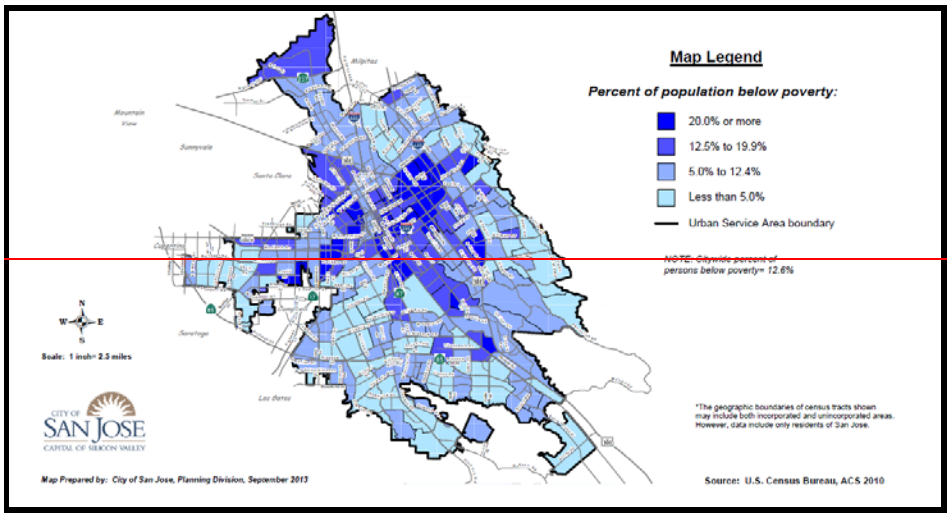
Table III-13, Poverty by Race/Ethnicity, 2000-2010

Comparing the percentage of these race/ethnicity groups living in poverty, we find that just over 20% of Hispanics were below poverty in 2010, more than double the rate of Asians and Whites (9.7% and 7.1%, respectively), with Blacks in the middle to higher end of this range (16.6%).



~~*Chart III-8, Poverty by Race/Ethnicity, 2010*~~

~~Finally, poverty correlates with geographic location. As illustrated in the map below, much of the Central and Alum Rock areas had poverty rates of 20% or more in 2010, whereas some other areas had poverty measuring less than 5% of the population. This once again reinforces the fact that neighborhoods with higher concentrations of Hispanics in particular had the highest rates of poverty and low-income households.~~



~~*Map III-2, Poverty by Census Tract, 2010*~~

J. Income / Housing Cost Limits

San José administers programs that provide assistance in facilitating the production of Extremely Low-, Very Low-, Low- and Moderate-Income housing, rehabilitation, and preservation of the existing affordable housing supply. In doing so, the City uses annually-published data from the California

Department of Housing and Community Development (HCD) on household income limits. These income limits are adjusted for two variables: income levels and household size, the latter using a four-person household earning a median income (i.e., 100% of Area Median Income (AMI) as the baseline.

SANTA CLARA COUNTY HOUSEHOLD INCOME LIMITS: 2014

	Persons in Household					
Income Category*	**1**	**2**	**3**	**4**	**5**	**6**
Extremely Low	$22,300	$25,500	$28,650	$31,850	$34,400	$36,950
Very Low	$37,150	$42,450	$47,750	$53,050	$57,300	$61,550
Low	$59,400	$67,900	$76,400	$84,900	$91,650	$98,450
Median	$73,850	$84,400	$94,950	$105,500	$113,900	$122,400
Moderate and Above	$88,600	$101,300	$113,950	$126,600	$136,750	$146,850

Source: State Department of Housing and Community Development (HCD)

*Note: Extremely Low= less than 30% of Area Median Income (AMI); Very Low= 31% to 50% of AMI; Low= 51% to 80% of AMI; Median= 100% of AMI; Moderate and Above= above 120% of AMI

Table III-14, Santa Clara County Household Income Limits, 2014

Affordable Home Purchase Prices

Home purchase prices considered "affordable" based upon HCD income limits are shown in the table below. Note that Extremely Low Income (ELI) and Very Low Income (VLI) categories are not shown since it is unlikely such households could purchase property in San José without considerable subsidy from the City or another source. Further, it is challenging to create a sustainable homeownership model for these income levels when the additional costs of home repair and maintenance are considered. Indeed, the goal is not only to provide assistance such that low income families can purchase a home, but that these families can afford to stay there. The following assumptions were used to generate maximum sales prices:

1. A 5% down payment;
2. Housing cost-to-income ratio is 30%;
3. The mortgage is a 30-year fixed rate note;
4. The rate of interest on the mortgage is 5.0%;
5. Property taxes and mortgage insurance are 1.25% and 0.25%, respectively; and,
6. Homeowner association dues are $300 per month (applies to condos/townhomes only).

MAXIMUM HOME PURCHASE PRICE BY INCOME LEVEL: 2014

	Persons in Household					
Income Category*	**1**	**2**	**3**	**4**	**5**	**6**
Low	$186,900	$220,000	$253,000	$286,000	$310,000	$340,000
Moderate	$302,000	$352,000	$402,000	$451,700	$491,500	$531,000

Source: State Department of Housing and Community Development (HCD)

*Note: Low= 51% to 80% of AMI; Moderate= 81% to 120% of AMI

Table III-15, Home Purchase Price Limits, 2014

Note that the median price of a home sold in June 2014 was $795,400 for a single-family home and $457,000 for a condo/townhome. Based on the table above, this means that only a 5 or 6-person moderate-income household has the purchasing power to buy a for-sale Condominium at the median price and not experience a housing burden. This would likely be a two- or three-bedroom townhome or condominium, which would imply significant overcrowding for a 5 or 6-person household.

Affordable Rental Rates

Affordable rental rate levels, by income level and household size, are derived from HCD and shown in the table below. Rents are based on 30% of monthly income, minus an allowance for basic utilities. The City's rental programs do not include development of Moderate-Income units, since those rents equal or exceed unrestricted market rents.

RENTAL UNIT AFFORDABILITY LEVELS: 2014

	Persons in Household					
Income Category*	**1**	**2**	**3**	**4**	**5**	**6**
Extremely Low	$558	$638	$716	$796	$860	$924
Very Low	$929	$1,061	$1,194	$1,326	$1,433	$1,539
Low (60% AMI)	$1,108	$1,266	$1,424	$1,583	$1,709	$1,836
Low (80% AMI)	$1,485	$1,698	$1,910	$2,123	$2,291	$2,461

Source: State Department of Housing and Community Development (HCD)

*Note: Extremely Low= less than 30% of Area Median Income (AMI); Very Low= 31% to 50% of AMI; Low= 51% to 80% of AMI; Median= 100% of AMI; Moderate and Above= above 120% of AMI

Table III-16, Rental Unit Affordability Levels, 2014

Like the circumstance above for for-sale housing, low-income renter households of any size are essentially priced out of the rental market. Those who can afford market rents are large households who would then be living in overcrowded situations.

K. Special Housing Needs Groups

Government Code section 65583(a) (7) requires an analysis of the special housing needs of specific groups of persons and families. These groups include the elderly/seniors, persons with disabilities, large families, female-headed family households, the homeless, persons in need of emergency shelter, and farm workers, as listed below. The following discussion is intended to provide both a brief qualitative description of the unique needs of these groups, as well as a quantitative analysis of their estimated size and characteristics. Information about the City's efforts to address these needs is contained in Chapter VII of this document.

1. Elderly / Seniors

The elderly/senior (persons age 65+ years) population has a wide variety of special housing needs, depending on health status, mobility, and homecare requirements. If a senior's medical needs are minimal and limited assistance is needed with daily activities, independent living at home is possible

and, in fact, surveys suggest that most seniors prefer to "age in place." When aging in place or living alone is no longer possible, there are a number of other housing types and services that cater to the specific needs of elderly residents. These housing types and services include, but are not limited to, shared housing, senior condos, senior residential communities, life care communities, continuing care, assisted living, residential care, nursing facilities, and hospice care.

In the prior chapter, an analysis of the San José population by age revealed that, over the 2000-2010 time period, the number of seniors rose by almost 30% to a total of nearly 100,000 persons in 2010. Further, as to household type, while the previous chapter indicated that householders living alone accounted for a substantial 20% of the total, among the City's seniors this percentage is nearly double (38%). In evaluating the special housing needs of the elderly, a cross tabulation can be performed between data on affordability/housing burden and age. The following table provides both median monthly owner costs and gross rent as a percent of income for persons age 65 and above in 2010.

HOUSING AFFORDABILITY AMONG SENIOR (65+ YEARS) HOUSEHOLDERS
INCOME SPENT ON SELECTED MONTHLY OWNER COSTS OR GROSS RENT: 2010

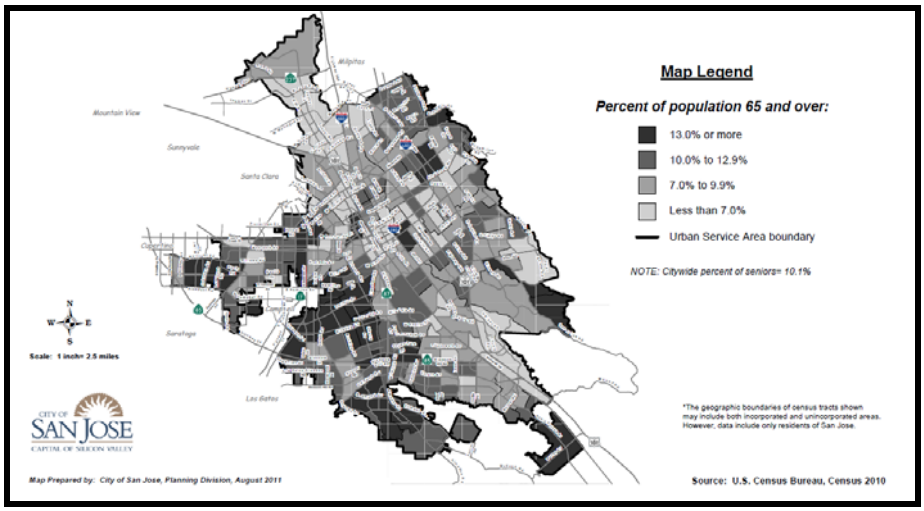
Percent of Household Income	Owner-Occupied (OO) Units	Percent of OO Total	Renter-Occupied (RO) Units	Percent of RO Total	Totals
Less than 30%	25,555	66.9%	4,451	31.0%	30,006
30% or More	12,259	32.1%	9,062	63.1%	21,321
Not computed	377	1.0%	859	6.0%	1,236
Totals	**38,191**	**100.0%**	**14,372**	**100.0%**	**52,563**

Source: U.S. Census Bureau

Table III-17, Housing Affordability for the Elderly/Seniors, 2010

These data indicate a dichotomy: less than one third (32.1%) of owner-occupied households experienced housing burden (costs 30% or more of income), yet nearly two thirds (63.1%) of renter-occupied households were burdened by housing costs. In other words, elderly households present two extremes: elderly owners are burdened at about 10% below the rate within the population as a whole, whereas elderly renters are burdened at a rate about 10% above the general population. Lower income seniors experience an even higher incidence of housing burden.

Analysis of the geographic distribution of the elderly/senior population shows neighborhoods in West San José (West Valley, Willow Glen, Cambrian, and Almaden) had relatively higher concentrations in 2010. However, only one census tract had an elderly/senior concentration that was more than double the citywide rate (10.1%), and as such these concentrations are not pronounced. Yet as indicated in the previous chapter, growth in the "pre-retirement" age group (55-64 years) rose by over 40% during the 2000-2010 time period, and seniors (65+ years) rose by almost 30%. Thus, assuming that some proportion of existing senior residents choose to "age in place," such a trend could well have important spatial implications for the City's current and anticipated future housing needs.



Map III-3, Elderly/Seniors by Census Tract, 2010

The California Community Care Licensing Division (CCLD) administers regulations (Title 22, Division 6 of the California Code of Regulations) on Residential Care Facilities for the Elderly (RCFE), which facilities may also be known as assisting living facilities, retirement homes, and board and care homes. An RCFE generally provides services to persons 60 years and over, with residents requiring varying levels of personal care and protective supervision. According to the City's geocoding and analysis of CCLD data, San José contains some 200 RCFEs with a total licensed capacity of nearly 2,500 persons. These facilities are geographically distributed throughout the city limits, and account for approximately two-thirds of all RCFEs in Santa Clara County. As the population ages and the number of seniors grow, there may be increased demand for residential care facilities that provide housing and services. Further, the City must plan for a range of senior housing needs, including retrofits to facilitate aging in place, downsizing to more convenient, urban, amenities-rich communities, as well as more intensive care facilities.

2. Persons With Disabilities

A disability is a physical or mental impairment that limits one or more major life activities. According to the Americans with Disabilities Act (ADA), major life activities include seeing, hearing, speaking, walking, breathing, performing manual tasks, learning, caring for oneself, and working. Persons with a disability generally have lower incomes and often face barriers to finding employment or adequate housing due to physical or structural obstacles. This segment of the population often needs affordable housing that is located near public transportation, services, and shopping. Persons with disabilities may require units equipped with wheelchair accessibility or other special features that accommodate physical or sensory limitations. Depending on the severity of the disability, people may live independently with some assistance in their own homes, or may require assisted living and supportive services in special care facilities.

The State of California passed legislation (SB 812), which took effect January 2011, amending housing element law as it relates to persons with disabilities to include an evaluation of the special housing needs of persons with a "developmental disability" as defined in Section 4512 of the Welfare and Institutions Code. A developmental disability is a disability that originates before an individual reaches 18 years of age, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. This includes mental retardation (and closely related conditions), cerebral palsy, epilepsy, and autism.

The U.S. Census Bureau collects information on disabilities and places into six categories, as follows: (1) hearing difficulty; (2) vision difficulty; (3) cognitive difficulty; (4) ambulatory difficulty; (5) self-care difficulty; and, (6) independent living difficulty. The Census Bureau does not have specific information regarding persons with developmental disabilities. However, each non-profit regional center contracted with the California Department of Developmental Services (DDS) maintains an accounting of the number of persons served, and this information is referenced below.

Census data indicate that those with one or more disability totaled approximately 78,000 persons, or about 8% of the City's population, in 2010. Examined individually, the percent of the population in any single disability category ranged from 4.4% to 4.7%. A cross tabulation of disability data with age revealed that nearly half were seniors. In fact, over one third (37.5%) of San José's senior population had some form of disability in 2010, by far the most common types of which were ambulatory difficulty and/or independent living difficulty (each present among approximately 60% of disabled seniors).

By way of background, the former Agnews Developmental Center (East Campus), first established at 3500 Zanker Road in San José in 1926, was closed as a residential facility in 2009. Prior to that time, individuals with developmental disabilities had since 1965 been admitted to a special rehabilitation program at the facility, and other programs serving the mentally ill were subsequently discontinued in 1972. Thus, from 1972 to up until a few years ago, the center had been used exclusively for the care and treatment of persons with developmental disabilities.

The State DDS currently provides services to persons with developmental disabilities through a statewide system of twenty one regional centers, four developmental centers, and two community-based facilities. The San Andreas Regional Center serves four counties, including Santa Clara County. According to information from the San Andreas Regional Center, there are 8,713 persons with developmental disabilities in Santa Clara County, or approximately ely 0.5% of the County's population. According to data from the State Department of Developmentally Disabled Services (DDS) over 7,000 individuals consume services of the DDS indicating that a high percentage of the County's developmentally disabled population resides in San José Of this total, nearly three quarters (724%) of developmentally disabled individualsDDS consumers are reported as living at home with a parent or guardian, with the balance residing in an independent living arrangement (7%),- a community care facility (14%), or an intermediate care facility (2%), or a foster home (3%). The following tables summarize the number, age, and residence type of individuals in San José who consume State DDS services.

California Dept. of Developmental Services Quarterly Consumer Count by San José Zip Code and Age Regional Center and Early Start Consumers As of March 2014			
ZIP	**00-17 yrs**	**18+ yrs**	**Total**
95002	10	10	20
95008	125	134	259
95032	44	52	96
95037	131	148	279
95050	96	92	188
95110	74	31	105
95111	212	222	434
95112	145	187	332
95113	10	10	20
95116	215	161	376
95117	109	68	177
95118	94	162	256
95119	29	54	83
95120	61	82	143
95121	144	274	418
95122	223	214	437
95123	195	251	446
95124	149	213	362
95125	100	129	229
95126	59	73	132
95127	217	229	446
95128	80	88	168
95129	111	66	177
95130	36	41	77
95131	79	107	186
95132	133	173	306
95133	67	105	172
95134	55	17	72
95135	53	57	110
95136	127	203	330
95138	59	28	87
95139	20	9	29
95148	149	237	386
TOTAL	**3,411**	**3,927**	**7,338**

Source: California Department of Developmental Services, 2014

California Department of Developmental Services Consumer Count by San José Zip Code and Residence Type Regional Center and Early Start Consumers As of March 2014							
ZIP	Home of Parent /Family /Guardian	Independent /Supported Living	Community Care Facility	Intermediate Care Facility	Foster /Family Home	Other	Total
95002	12	0	0	0	0	0	**12**
95008	184	25	33	10	10	10	**272**
95032	75	10	10	0	10	10	**115**
95037	231	14	29	0	0	10	**284**
95050	160	11	12	0	10	10	**203**
95110	77	10	10	0	18	10	**125**
95111	374	35	21	0	10	10	**450**
95112	243	68	16	0	10	10	**347**
95113	10	10	10	0	0	0	**30**
95116	324	12	40	0	0	0	**376**
95117	147	14	12	0	10	10	**193**
95118	153	43	53	10	10	0	**269**
95119	50	10	16	12	0	0	**88**
95120	130	10	10	0	0	0	**150**
95121	231	10	170	10	10	10	**441**
95122	378	14	41	0	10	10	**453**
95123	340	16	89	0	10	0	**455**
95124	235	26	55	41	0	10	**367**
95125	172	24	22	10	10	10	**248**
95126	99	21	12	0	0	0	**132**
95127	363	24	44	11	10	10	**462**
95128	123	13	17	10	10	10	**183**
95129	167	10	10	0	0	10	**197**
95130	58	10	15	0	0	10	**93**
95131	138	11	31	10	0	10	**200**
95132	227	13	58	10	10	0	**318**
95133	134	10	31	0	0	10	**185**
95134	66	10	0	0	0	10	**86**
95135	78	0	23	10	10	10	**131**
95136	219	11	86	13	10	0	**339**
95138	76	10	0	10	10	0	**106**
95139	21	0	10	0	10	0	**41**
95148	265	10	101	16	0	10	**402**
Total	**5560**	**515**	**1087**	**183**	**198**	**210**	**7753**

Source: California Department of Developmental Services, 2014

Of the more than 7,700 developmentally disabled individuals living in San José, the majority (79 %) reside in the home of a guardian or independently with support. There are 1,270 individuals (16%) who live in Community Care or Intermediate Care Facilities. As noted above, many of these facilitates are operated at the County level with State funding. Nevertheless, the City of San Jose does track affordability restrictions for a portion of the supportive housing units in Santa Clara County. The table below summarizes the total number of deed restricted supportive housing units that are tracked by (or do you mean funded by?) the City of San José. Approximately 22% of these units are set aside for seniors and 2% are set aside for developmentally disabled individuals.

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Affordable Deed Restricted Housing Units in San José	
Seniors	4,114
Developmentally Disabled	433
Physically Disabled	138
People with AIDS	24
All other categories	14,051
TOTAL IN-SERVICE PROJECTS	18,760

Source: City of San Jose, 2014

3. Large Families

Average household size, multigenerational households, and overcrowded housing were topics presented and discussed in Chapter II. Similarly, "large families", defined as those with five or more persons, are a special housing needs group identified in State law because they may not have sufficient housing options to adequately support their living arrangement. Large families may encounter difficulty in finding adequately-sized, affordable housing due to the limited supply of large units. Additionally, large units generally cost more to rent or buy, which may result in a disproportionate number of large families living in overcrowded conditions.

Review of Table II-6 (Household Size by Tenure) and Table II-12 (Overcrowded Housing) indicates that just over 55,000 San José households, or about 18% of the total, were composed of five or more persons in 2010. As well, nearly half of these households were in renter-occupied housing units, with about the same number of rentals reporting in excess of one person per room (i.e., the definition of "overcrowded"). Given that a four-bedroom home is generally the largest unit size available, it is safe to conclude that many of the same 5-plus person renter households are also overcrowded.

With the use of CHAS data, we can further explore the relationship between family size and income to evaluate housing burden among large families. The table below show that while three-quarters of large family owners were in the "moderate and above" (above 80% AMI) income category, more than half (54.0%) of large family renters were either "very low" or "extremely low" income. Thus, these results indicate that, among renter households, there is a strong correlation between family size and housing burden, implying that overcrowded living conditions in this group are not necessarily by choice.

LARGE FAMILIES BY INCOME CATEGORY AND TENURE: 2010

	Owner-Occupied (OO) Units		Renter-Occupied (RO) Units		Totals	
Income Category*	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Extremely Low	1,365	5.1%	4,330	31.9%	5,695	14.1%
Very Low	3,170	11.8%	2,995	22.1%	6,165	15.2%
Low	2,220	8.2%	1,150	8.5%	3,370	8.3%
Moderate and Above	20,175	74.9%	5,095	37.5%	25,270	62.4%
Totals	**26,930**	**100.0%**	**13,570**	**100.0%**	**40,500**	**100.0%**

Source: Comprehensive Housing Affordability Strategy (CHAS)

*Note: Extremely Low= less than 30% of Area Median Income (AMI); Very Low= 31% to 50% of AMI; Low= 51% to 80% of AMI; Moderate and Above= above 80% of AMI

Table III-18, Large Families by Income Category and Tenure, 2010

4. Female-Headed Family Households

Female-headed, single-parent households are identified among those with special housing needs because they are disproportionately represented among those living at or below the poverty level. Single mothers have a greater risk of falling into poverty than single fathers due to factors such as the wage gap between men and women, insufficient training and education for higher-wage jobs, and inadequate child support. In fact, according to census data, over 25% of single-mother households in San José were living below poverty in 2010, compared to a poverty rate of less than 10% for all family households. As well, nearly half of single-mother households below poverty contained a child in each one of two age categories (4 years and under and 5 to 17 years) provided by the U.S. Census Bureau. Overall, single-mother households comprised 30% of the total count of families living below poverty, which helps to at least partially explain the higher rate of poverty among children.

5. Homeless

A 2012 U.S. Department of Housing and Urban Development (HUD) report on homelessness found that San José had the highest percentage of unsheltered homeless individuals (73.3%) among major cities in the nation. The report also concluded that San José had the third highest number (2,617) of chronically homeless persons among major cities, following the much larger cities of Los Angeles and New York.

The City of San José also participates in a regional homeless census that takes place every two years throughout Santa Clara County. This census provides a "point-in-time" snapshot of the homeless population (see reports online at http://www.sanjoseca.gov/index.aspx?nid=1289). Table III-19 provides several key findings from the most recent survey conducted on January 29 and 30, 2013.

SUMMARY OF FINDINGS
HOMELESS CENSUS AND SURVEY: 2013

Measure/Characteristic	Number of Persons	Percent of Count
Point-in-Time Count		
Unsheltered	3,660	77%
Sheltered	1,110	23%
Totals	4,770	100%
Annual Estimate*	**12,055**	
Usual Sleeping Place		
Outdoors/Streets/Parks/Encampments		46%
Emergency, Transitional Housing, or Other Shelter		30%
Vehicle		10%
Structure/Indoor Area (not normally used for sleeping)		8%
Motel/Hotel		5%
Other		1%
Number of Episodes		
1 Time		65%
2 Times		10%
3 Times		8%
4 Times		4%
5 Times		1%
6+ Times		12%
Duration (this current time)		
7 Days or Less		4%
8 to 30 Days		5%
1 to 3 Months		11%
4 to 6 Months		12%
7 to 11 Months		10%
1 Year or More		58%

Source: City of San Jose Homeless Census and Survey

*Note: the annual estimate is based on data from the Point-in-Time Count, conducted January 29-30, 2013, and response from a subsequent survey. It can be used to estimate the total number of persons experiencing homelessness at some point during 2013, as an enumeration has an inherent bias of not capturing homeless persons who experience short episodes of homelessness during other times of the year.

Table III-19, Homeless Census and Survey, Summary of Findings, 2013

In summary:

- A total of 4,770 homeless persons were identified in this point-in-time count, an 18% increase from 2011.
- Those persons that experienced at least one episode of homelessness in the prior 12 months were estimated at 12,055 persons, a 5% decline from 2011. However, the number of persons who experienced multiple episodes of homelessness increased.
- While 23% of homeless persons were "sheltered" in shelters, transitional housing, or safe havens, the remaining 77% were "unsheltered" in encampments, on the street, or other unsheltered locations.
- Encampment residents were much more likely to have been San José residents when they became homeless (95% versus 71% for the general homeless population).

- Among encampment survey respondents, 96% would accept permanent housing if it were available.

In the weeks following this homeless census, a survey was administered to about 500 sheltered and unsheltered homeless persons in the City. The survey used a peer-to-peer methodology and was administered by trained survey workers who had experienced or were experiencing homelessness. The survey is the basis for estimating the demographics and other characteristics of the homeless population. It should be noted that in conduct of the 2013 survey, San José made a concerted effort to identify historically "hard to reach" populations by requesting that outreach professionals from partner nonprofit agencies seek out people living in encampments and other areas more difficult to locate. As a result, the City believes that the 2013 count provides a much more accurate depiction of the scope of homelessness, and San José was the only agency within the County to utilize these specialized teams.

Table III-20 provides a demographics overview of San José's 2013 homeless census and survey. Age of persons is broken down by various age groups, and a cross tabulation of age by shelter type indicates that encampment residents were older (median age= mid-40's) as compared to those not living in encampments (median age= upper-30's). In terms of gender, males comprised nearly three quarters (73%) of the homeless population. The race/ethnic makeup of the homeless was significantly different from the City's population as a whole. In particular, Asians comprised only 6% of the homeless, whereas they constitute one third (32%) of the general population. On the other hand, Blacks amounted to 23% of the homeless, yet only make up 3% of the San José population. The count of homeless Hispanics and Whites were in roughly equal proportion to their citywide numbers. Finally, obstacles to obtaining housing were almost solely income related, even though one third (35%) reported being employed. Two thirds (65%) of respondents reported an inability to afford rent.

DEMOGRAPHICS OVERVIEW
HOMELESS CENSUS AND SURVEY: 2013

Characteristic	Percent of Count
Age Group	
Under 18 Years	2%
18-24 Years	25%
25-40 Years	24%
41-50 Years	22%
51-60 Years	22%
61+ Years	5%
Gender/Sexual Orientation	
Male	73%
Female	25%
Transgender	2%
Race/Ethnicity	
Hispanic or Latino	30%
Asian	6%
White	29%
Black	23%
Other	12%
Household Type	
Family	9%
Non-Family	91%
Employment	
Employed	35%
Unemployed	65%
Income (Median Monthly)*	
Employed	$1,000
Unemployed	$200

Source: City of San Jose Homeless Census and Survey

*Note: caution should be used when interpreting these data due to the small survey size.

Table III-20, Homeless Census and Survey, Demographics Overview, 2013

Several recent events in San José demonstrate that homelessness is an urgent and complex issue, including an increasing number and visibility of encampments and homelessness in Downtown, deaths related to cold weather, and health/safety concerns and environmental impacts due to riparian encampments. Homelessness impacts not only those experiencing it, but also the community. Homeless encampments in particular present unsafe and unsanitary living conditions for residents and adversely affect surrounding neighborhoods, businesses, and the environment. Currently, San José is estimated to have approximately 300 individual encampments, ranging in size from one person to as many as nearly 300 persons.

- The City is currently responding to homelessness in a variety of ~~ways:The~~ways: The Place-Based Rapid Re-Housing Program, which provides housing, support, and employment for up to 100 persons from a targeted encampment as well as encampment clean-up. The Program involved a commitment of $4 million over two years from the General Fund. It will leverage other funds and

partner with other organizations to assist 100 additional targeted encampment residents with housing subsidies and case management support.

- The City-funded Homeless Outreach and Engagement Program, which provides a coordinated response to the community about homeless persons living on the streets and in encampments throughout San José. This program is funded by the Federal ESG and CDBG entitlement programs.
- Tenant-Based Rental Assistance Programs, which provide rental vouchers for homeless persons to assist them in relocating into housing. This program is funded by the Federal HOPWA and HOPWA SPNS entitlement programs.

In addition to these current responses, in collaboration with internal and external partners the City is exploring a continuum of new strategies to end homelessness. The strategies may include actions to meet more immediate needs or those that can be accomplished in a shorter period of time, as well as longer term strategies that require more coordination and resources to develop permanent supportive housing, which is the City's primary goal. For example, the City is pursuing a concept that would leverage existing underutilized hotels/motels as one strategy to house homeless persons in the shorter term. In addition, the notion of converting underutilized commercial buildings into permanent supportive housing for the homeless is being explored. These and other actions are identified and discussed in more detail in Chapter VII.

6. Persons In Need Of Emergency Shelter

There are currently ten emergency shelters that serve the homeless in San Jos~~e~~ providing a total of 649 beds. One of these shelters, the Bill Wilson Center, is located in the City of Santa Clara but serves clients in San Jose and has thus been included in this count. It is important to note that while the number of emergency beds available is considerably lower than then number of unsheltered individuals in San Jose, many people prefer to live outdoors in encampments then to use emergency shelters. General information about these emergency shelters can be found below:

Bill Wilson Center*
Address: 3490 The Alameda, Santa Clara, CA 95050
Total Units: 20
Telephone: 408.243.0222
Description: Short-term housing for runaway, homeless, and other troubled youth ages 11-17
Website: http://www.billwilsoncenter.org/

City Team Ministries
Address: 1174 Old Bayshore Highway, SJ
Telephone: 408-288-2153
Total Units: 48
Description: Overnight shelter & recovery programs for single men, meals and showers
Website: http://www.cityteam.org/san-jose/shelter/

City Team Heritage Home

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Address: 2304 Zanker Road, San Jose, CA 95131
Total Units: 23
Telephone: (408) 232-5600
Description: Emergency Shelter for homeless pregnant women 18 and over.
Website: https://www.cityteam.org/san-jose/

EHC LifeBuilders*
Address: 2011 Little Orchard Street, San Jose, CA 95121
Telephone: 408.294.2100
Shelter with 250 beds for homeless adults and families
Website: http://www.ehclifebuilders.org/

Family Supportive Housing
Address: 692 N. King Road, San Jose, CA
Total Units: 35
Telephone: (408) 926-8885
Description: Emergency shelter for homeless families. Case management, workshops, child care, onsite tutoring and transportation services are provided.
Website: http://www.familysupportivehousing.org/

InnVision
Address: 280 Commercial Street, San Jose, CA 95112
Telephone: 408.271.1630
Total Units: 55
Description: Emergency shelter for women and children with limited counseling services and classes
Website: http://www.innvision.org/shelters.html

InnVision
Address: 358 N. Montgomery Street, San Jose, CA 95110
Telephone: 4·08.271.5160
Total Units: 85
Description: Transitional housing and temporary shelter for men for 30 to 60 days
Website: http://www.innvision.org/shelters.html

InnVision
Address: 546 W. Julian Street, San Jose, CA 95110
Telephone: 408.271.0820
Total Units: 70
Description: Homeless shelter for seriously mentally ill persons for up to 90 days with rehabilitation, counseling, and housing referrals services
Website: http://www.innvision.org/shelters.html

Salvation Army
Address: 405 North 4th Street, SJ
Telephone: 408-282-1165

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Total Units: 28
Description: overnight shelter and workingman's program for homeless men. Information, referrals, meals, groceries, rental / utility assistance for residents of specific zip codes.
Website: http://www1.usw.salvationarmy.org/usw/www_usw_stclaracommand.nsf

The Haven
Address: 937-943 Locust Street, San Jose, CA 95125
Total Units: 4 SRO and 3 family
Telephone: (650) 685-5880
Description: City owned property for families displaced due to fire and other disasters. This site is managed by Invasion.
Website: http://www.ivsn.org/

In 2007, the State of California passed SB 2 requiring local agencies to plan for and identify areas most appropriate for emergency shelters. This bill added provisions to require identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit.

To comply with this requirement, San José soon thereafter established a new Combined Industrial / Commercial (CIC) Zoning District that allows emergency shelters with 50 or fewer beds by right. Emergency shelters are a conditionally permitted use in various other commercial and industrial zones (see Table IV-3 in Chapter IV). As well, in subsequent adoption of the General Plan in 2011, lands identified as CIC on the General Plan (which designation guides rezoning to CIC) were greatly expanded, from about 1,000 acres to over 1,800 acres. Since that time, the City Council has approved numerous conforming CIC rezoning applications.

The CIC Zoning District is predominantly developed with or otherwise encourages a mix of commercial, office, or industrial uses, and thus contains the large buildings types that can meet emergency shelter space requirements. The zoning ordinance allows emergency shelters to include various incidental uses, such as medical assistance, training, counseling, and personal services, which are essential to enabling clients to make the transition to more permanent shelter. In fact, a shelter management plan is a mandatory condition of approval to help address good neighbor issues, transportation, and client supervision/services.

In 2010, the City also amended its Zoning Code to add definitions of transitional and supportive housing, and expressly stated that these uses are, and shall be treated as, residential uses subject only to restrictions applicable to such uses or structures. Supportive housing in the form of residential care and residential service facilities serving 6 or fewer persons is allowed by right in all residential zoning districts, and for facilities serving 7 or more persons is conditionally allowed in residential and commercial zoning districts. These facilities include senior assisted living facilities and institutions that provide medical assistance, training, counseling, and personal services for special needs populations.

Title 20 of the San Jose Municipal Code (the Zoning Code), Section 20.200.1265, defines "Supportive Housing" as "housing with no limit on length of stay and that is occupied by a target population as defined in subdivision (f) of Section 65582 of the California Government Code, as

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the same may be renumbered or amended from time to time, and that is linked to onsite or offsite services that assist supportive housing residents in retaining housing, improving their health status, and maximizing their ability to live and, when possible, work in the residents' community. Supportive housing shall be treated under this Title as a residential use and shall be allowed in Residential, Commercial, Public/Quasi-Public, and the Downtown Zoning Districts in the same fashion as a Residential Care Facility or a Residential Service Facility."

Section 20.200.1030 of the Zoning Code defines "Residential Care Facility" as "a facility licensed by the State of California where care, services or treatment is provided to persons living in a community residential setting."

Section 20.200.1040 of the Zoning Code defines "Residential Service Facility" as "a residential facility, other than a Residential Care Facility or Single Housekeeping Unit, where the operator receives compensation for the provision of personal services, in addition to housing, including but not limited to, protection, supervision, assistance, guidance, training, therapy or other nonmedical care."

The Zoning Code allows many different types of residential uses in addition to Residential Care Facilities and Residential Service Facilities. Some of these other residential uses are allowed as Permitted uses and some are allowed as Special Uses or Conditional Uses depending on the zoning district in which they are located, as shown below in the excerpted Table 20-50 from Chapter 20.30 "Residential Zoning Districts", Section 20.30.100 of the Zoning Code.

20.30.100 Allowed uses and permit requirements.

A. "Permitted" land uses are indicated by a "P" on Table 20-50.

B. "Conditional" uses are indicated by a "C" on Table 20-50. These uses may be allowed in such designated districts, as an independent use, but only upon issuance of and in compliance with a conditional use permit as set forth in Chapter 20.100.

C. "Special" uses are indicated by an "S" on Table 20-50. These uses may be allowed in such designated districts, as an independent use, but only upon issuance of and in compliance with a special use permit as set forth in Chapter 20.100.

D. Land uses not permitted are indicated by a "-" on Table 20-50. Land uses not listed on Table 20-50 are not permitted.

E. "Restricted" land uses are indicated by an "R" on Table 20-50. These uses may occur in such designated districts, as an independent use, but only upon issuance of and in full compliance with a valid and effective zoning code verification certificate as set forth in Chapter 20.100.

F. When the right column of Table 20-50 includes a reference to a section number or a footnote, the regulations cited in the section number or footnote applies to the use. In addition, all uses are subject to any other applicable provision of this Title 20 and any other title of the San José Municipal Code.

EXCERPT of Table 20-50
Residential Districts
Land Use Regulations

Use	Zoning District				Applicable Sections & Notes
	R-1	R-2	R-M	R-MH	
Residential Uses					
One-family dwelling	P	P	P	C	Note 1, Section 20.30.110
Secondary dwelling	P	-	-	-	Section 20.30.150
Two-family dwelling	-	P	P	-	Note 2, Section 20.30.110
Multiple dwelling	-	-	P	-	-
Guesthouse	-	-	C	-	Section 20.30.120
Mobilehome Parks	-	-	-	P	-
Travel Trailer Parks	-	-	-	C	-
Residential Care Facility, six or fewer persons	P	P	P	P	-
Residential Care Facility, seven or more persons	-	-	C	C	-
Residential Service Facility, six or fewer persons	P	P	P	P	-
Residential Service Facility, seven or more persons	-	-	C	C	-
Servants quarters attached to a one-family dwelling or attached to a garage structure	P	-	-	-	Note 3
Sororities, fraternities and dormitories occupied exclusively (except for administrators thereof) by students attending college or other educational institutions	-	-	C	-	-
Single Room Occupancy Living Unit	-	-	C	-	Part 15, Chapter 20.80

For example, where Supportive Housing is in compliance with the applicable provisions of the Zoning Code for One-family Dwellings, Supportive Housing is a Permitted use. A "One-family

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Dwelling," is defined in Section 20.200.320 of the Zoning Code as "a detached Building of permanent character placed in a permanent location which is designed or used for residential occupancy by one Family. A single Mobilehome on a foundation system on a single Lot is included within this definition. All rooms within a One-family Dwelling must be integral to each other."

The Zoning Code defines "Family" in Section 20.200.370 as "one or more persons occupying a premises and living as a Single Housekeeping Unit."

The Zoning Code defines "Single Housekeeping Unit" in Section 20.200.1130 as "the functional equivalent of a traditional Family; whose members are a nontransient interactive group of persons jointly occupying a single dwelling unit, including the joint use of common areas and sharing household activities and responsibilities such as meals, chores and expenses."

Where Supportive Housing is in compliance with the applicable provisions of Section 20.30.110 "Incidental Uses" in the Zoning Code for use of a dwelling as a residence, Supportive Housing is allowed as an Incidental Use. The Zoning Code provisions for Incidental Uses in residences that are listed in Section 20.30.110 are excerpted below:

> "In addition to the occupancy of a dwelling as a residence, the following incidental uses are permitted:
>
> A. The rental of rooms in a One-family Dwelling to up to three Guests and in a Two-family Dwelling to up to two Guests, by each Family if such use is clearly incidental to the occupancy of the dwelling unit by said Family as its own residence, and such rental is for a period of time longer than thirty days and there are no more than six persons living in the dwelling.
>
> B. State licensed Family Day Care Home.
>
> C. The following non-commercial activities:
>
> 1. A garage sale consisting of the occupants' personal property;
>
> 2. Sale of goods hand-produced by the occupants;
>
> 3. Sales parties held for the purpose of selling goods to invited guests. Such parties shall be held inside a permanent structure or in the rear yard of the dwelling unit.
>
> D. To qualify as a non-commercial activity:
>
> 1. No more than two such sales are allowed in any calendar year;
>
> 2. No such sale can be conducted for more than four consecutive days;
>
> 3. Such sales shall only be conducted between the hours of 9:00 a.m. and 9:00 p.m."

As an Action in the Housing Element Workplan, the City will explore amending the definition of "Supportive Housing" in the Zoning Code to more explicitly state that Supportive Housing may be provided in all residential housing types. This statement is already included in the definition of Transitional Housing.

As previously noted, while SB 2 requires jurisdictions to include by-right provisions for emergency shelters in their municipal code, the City of San José's priority strategy for responding to homelessness is permanent supportive housing.

7. Farm Workers and Employee Housing

Farm workers are traditionally defined as persons whose primary incomes are derived from permanent or seasonal agricultural labor. Permanent farm laborers work in the fields, process plants, or support activities generally on a year-round basis. When workload increases during harvest periods, the labor force is supplemented by seasonal workers, often supplied by a labor contractor. For some crops, farms may hire migrant workers, defined as those whose travel prevents them from returning to their primary residence each evening.

According to the American Community Survey 1-year estimates, there were less than 1,000 Farmworkers living in San José in 2012. In 2013, Santa Clara County Office of Education recorded 2,142 migrant students in San José schools. City's business license records and California Employment Development Department (EDD) data, there are no active farms or agricultural uses in San Jose that would generate special housing needs for farm workers. All businesses identified as agricultural-related industries within the City are either offices for farm operations located in the Central Valley or industrial operations that manufacture equipment and machinery for agricultural purposes. Due to the absence of agricultural activity and the relatively low number of Farm Workers and migrant students who reside in San José it is assumed that this group has similar needs as other low income and homeless individuals within the City and that existing programs serve this population.

Employee Housing

The Employee Housing Act Section 17021 requires employee housing to be permitted by-right, in single-family zones for six or fewer employees. The provisions currently in the City's Zoning Code are consistent with Section 17021.5.

Where Employee Housing is in compliance with the applicable provisions of the Zoning Code for One-family Dwellings, Employee Housing is a use that is allowed by-right.

A "One-family Dwelling," is defined in Section 20.200.320 of the Zoning Code as "a detached Building of permanent character placed in a permanent location which is designed or used for residential occupancy by one Family. A single Mobilehome on a foundation system on a single Lot is included within this definition. All rooms within a One-family Dwelling must be integral to each other."

The Zoning Code defines "Family" in Section 20.200.370 as "one or more persons occupying a premises and living as a Single Housekeeping Unit."

The Zoning Code defines "Single Housekeeping Unit" in Section 20.200.1130 as "the functional equivalent of a traditional Family; whose members are a nontransient interactive group of persons jointly occupying a single dwelling unit, including the joint use of common areas and sharing household activities and responsibilities such as meals, chores and expenses."

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Title 4 of the San Jose Municipal Code defines "Transient" as "a person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license, or other agreement for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days."

Where Employee Housing is in compliance with the applicable provisions of Section 20.30.110 "Incidental Uses" in the Zoning Code for use of a dwelling as a residence, Employee Housing is allowed as an Incidental Use. The Zoning Code provisions for Incidental Uses in residences that are listed in Section 20.30.110 are excerpted below:

"In addition to the occupancy of a dwelling as a residence, the following incidental uses are permitted:

A. The rental of rooms in a One-family Dwelling to up to three Guests and in a Two-family Dwelling to up to two Guests, by each Family if such use is clearly incidental to the occupancy of the dwelling unit by said Family as its own residence, and such rental is for a period of time longer than thirty days and there are no more than six persons living in the dwelling.

B. State licensed Family Day Care Home.

C. The following non-commercial activities:

1. A garage sale consisting of the occupants' personal property;

2. Sale of goods hand-produced by the occupants;

3. Sales parties held for the purpose of selling goods to invited guests. Such parties shall be held inside a permanent structure or in the rear yard of the dwelling unit.

D. To qualify as a non-commercial activity:

1. No more than two such sales are allowed in any calendar year;

2. No such sale can be conducted for more than four consecutive days;

3. Such sales shall only be conducted between the hours of 9:00 a.m. and 9:00 p.m."

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L. Energy Conservation

Conservation of energy is an important issue, not only because of the direct impact of energy costs on individual consumers' ability to afford housing, but also due to broader, less direct costs borne by society as a result of inefficient development patterns. According to Jeff Speck, a city planner and author of the book "Walkable City", the typical American spent 10% of their income on transportation in the 1970's. Since that time, the country has doubled its number of roads, and today people spend 20% of their income on transportation. In fact, among the nation's working families, defined as those earning between $20,000 and $50,000 a year, transportation costs now outweigh housing as the most expensive household budget item. In a local analysis of transportation costs, the Urban Land Institute (ULI), in a 2009 report entitled, "Bay Area Burden", concluded that transportation costs in the nine-county Bay Area were highest in the South Bay, totaling nearly $17,000 per year for a typical household.

In response, there is growing interest in a variety of related topics, including sustainable development, energy independence, and the reduction of greenhouse gas emissions. Specifically related to housing element law, the State mandates "an analysis of opportunities for energy conservation with respect to residential development" (Government Code section 65583(a)(8)).

The City's *Green Vision*, a 15-year plan adopted in 2007, provides the necessary framework for addressing San José's energy conservation needs in fulfillment of State law. The plan includes ten ambitious goals for economic growth, environmental sustainability and an enhanced quality of life for residents and businesses, including the following to be achieved by the year 2022:

- Goal 2: Reduce Per Capita Energy Use by 50%
- Goal 4: Build or Retrofit 50 Million Square Feet of Green Buildings
- Goal 7: Adopt a General Plan with Measurable Standards for Sustainable Development

The three goals above capture the primary strategies that San José is employing to promote energy conservation, as discussed in more detail below.

1. Integrating Land Use and Transportation

Energy conservation has long been a central priority in the planning of San José's land uses and transportation network. By providing a range of housing types and affordability near jobs, services, and transit, the City's planning efforts can reduce commutes, traffic congestion, and thus the number of vehicle miles and hours traveled. The General Plan includes a number of Major Strategies designed to promote the integration of land use and transportation, including Major Strategy #3—Focused Growth and Major Strategy #5—Urban Villages.

On the Focused Growth strategy, San José is largely built-out in a low-density land use pattern within its city limits, and the General Plan does not support the conversion of industrial areas to residential use or the development of Urban Reserves or lands outside the City's Urban Growth Boundary. However, there are many opportunities in which new housing and mixed-use developments can be achieved through higher-density redevelopment within existing urbanized areas.

On the Urban Villages strategy, the General Plan establishes the "villages" concept to create a policy framework to direct most new jobs and housing growth to occur within walkable and bike friendly areas that have good access to transit and other existing infrastructure and facilities. Development of 70 Urban Villages at environmentally and fiscally beneficial locations throughout the City is a key Plan strategy that integrates housing, land use, and transportation. The Housing Element implementation program proposed strategies to facilitate residential development within Urban Villages across all income levels.

2. Building Design Standards/Practices

There are many opportunities for conserving energy in new and existing homes. While construction of energy efficient buildings does not necessarily lower the purchase price of housing, energy conservation features should result in reduced monthly costs of occupancy as consumption of water and energy is decreased. Similarly, retrofitting existing structures with energy-conserving features can result in a reduction in utility and operating costs.

The State's 2013 Building Energy Efficiency Standards improve upon the current 2008 Standards for new construction of, and additions and alterations to, residential buildings, and went into effect on January 1, 2014. According to the California Energy Commission (CEC), these standards will use 25% less energy for lighting, heating, cooling, ventilation, and water heating than the 2008 Standards, saving 200 million gallons of water per year and avoid 170,500 tons of greenhouse gas emissions per year. On average, these Standards add an additional $2,290 to the cost of constructing a new residential building, but will return $6,200 in energy savings over 30 years. In other words, when factored into a 30-year mortgage, the Standards will add approximately $11 per month for the average home, but will save $27 on monthly heating, cooling, and lighting bills.

As it relates to new homes, on October 7, 2008, the San José City Council adopted the Private Sector Green Building Policy, which requires new construction projects of 10 or more units to either score at least 50 points using the Build It Green rating system or obtain certification using the U.S. Green Building Council LEED rating system. Certification with one of these green building rating systems will yield energy and water savings, as well as numerous other environmental and health benefits.

As to retrofitting, the General Plan encourages flexibility in consideration of heights above those established for buildings, to allow rooftop structures such as solar panels, other energy-saving or generating devices, and roof landscaping (see General Plan Policy CD-4.12). Similarly, in compliance with Senate Bill 1222 (SB 1222), San José has adopted an ordinance, permit fees, and processes to streamline the submittal and approval of permits for solar energy systems per State guidelines. To date, the City has itself implemented municipal energy efficiency retrofits that will save an estimated $1 million each year, and a revolving City Energy Fund enables investment of savings in a future energy efficiency projects.

3. Promoting Energy Conservation

There are numerous financial and technical resources available to help households reduce their energy usage, and the City is committed to promoting these resources and also providing residents with the information needed to determine program eligibility and facilitate enrollment. San José has established partnerships with PG&E, the State of California, and other organizations on various energy conservation programs, regularly conducts energy efficiency training workshops for residential utility customers, and is promoting an energy efficiency tool lending library.

The Energy Upgrade California program is an unprecedented collaboration between State agencies, utilities, local governments, and contractors that provide a "one stop shop" for home improvement projects that lower energy use, conserve water and natural resources, and make homes healthier and more comfortable. Also, during 2012, the Santa Clara County/Silicon Valley Energy Watch program run by the City of San José served over 1,500 homes and small businesses countywide, saving nearly $3 million in utility bills. To date, the program has helped almost 3,000 homes and businesses. As well, the Community Energy Champion Grants program provided technical assistance and $335,000 in grants to 18 recipients. The grant recipients reached out to 19,000 people in targeted communities to increase energy efficiency awareness.

Finally, aside from these three *Green Vision* goals and energy conservation strategies, the City has adopted ordinances that require or promote energy efficiency in various other ways, including the following:

a. Construction and Demolition Diversion Deposit (CDDD) Program (SJMC, Chapter 9.10, Part 15): reduces the amount of waste that goes to the landfill and the need for new/raw building materials. Green building practices referenced above can also reduce resource consumption, through material reuse, efficient framing, off-site fabrication, and panelized or pre-fabricated construction.
b. Water-Efficient Landscape Standards (SJMC, Chapter 15.11): increases outdoor water efficiency and conservation. Other water efficiency and conservation measures include the use of recycled water, rainwater harvesting, and indoor conservation measures, such as installing high efficiency toilets, faucets, showerheads, dishwashers, and clothes washers.
c. Storm Water Management (SJMC, Chapter 20.95): requires storm water runoff treatment and management. Techniques include the use of permeable paving, erosion control measures for steep slopes, vegetative/landscape-based treatment measures, such as bio swales and green roofs, for the treatment of storm water and urban runoff.

M. Conclusions

With approximately 50% of owners (those with a mortgage) and an even higher percentage (53.4%) of renters experiencing housing burden in 2010, this analysis concludes that the existing housing need in San José is substantial. In fact, these results suggest that needs are not confined to lower-income residents, but extend to middle class households as well to such a degree that traditional metrics of affordability appear inadequate in high-cost areas. Similarly, concerns about the adequacy of the "official" poverty measure, developed in the early 1960's, have increased during the past decade. Among many shortcomings, poverty thresholds do not adjust for geographic differences in housing costs across the nation, such that estimates of poverty in San José are too low.

In response, in 2011, the U.S. Census Bureau, with support from the Bureau of Labor Statistics (BLS), released the first annual report describing research on a Supplemental Poverty Measure (SPM). The SPM extends the information provided by the official poverty measure by including many of the government programs designed to assist low-income persons that are not included in the current official poverty measure. For example, the latest SPM report, released on November 6, 2013, indicated that without Social Security, nearly 55% of the elderly would be in poverty nationwide, as opposed to less than 15% by official measures. In California, the SPM calculates poverty at 23.8% of the population—8,952,000 people—by far the highest percentage of any state.

According to the California Association of Realtors, the percentage of first-time buyers who could afford a starter-priced Bay Area home fell dramatically in the 2012-2013 time period, from 66% in the first quarter of 2012 to just 45% in the second quarter of 2013. Likewise, the National Association of Home Builders (NAHB) currently ranks the San José Metropolitan Statistical Area (MSA) near the bottom of its national housing affordability scale, with only 26% of homes affordable to median income families in the fourth quarter of 2013, down from well over 50% just a few short years ago. As well, a recent study by real estate brokerage Redfin concluded that San José was the most expensive U.S. city to have a baby, with housing contributing nearly half of the average total cost of $41,600 for a newborn's first year (compared to a national average of $26,000). The study examined the cost of upgrading from a two-

bedroom home to a three-bedroom home, and in San José an additional bedroom was estimated at about $225,000, or $20,000 per year in additional mortgage payments.

This chapter has provided a basic framework for understanding the nature and extent of the City's housing needs. The *Plan Bay Area* regional growth projections and the Regional Housing Need Allocation (RHNA) each offer some quantification of the projected need for housing in San José. The City is committed to using the General Plan and various other policy tools to satisfy growth expectations in a manner that best achieves its fiscal sustainability goals while also serving all segments of the population.

Chapter IV: Constraints and Resources

State law requires jurisdictions to analyze "potential and actual constraints upon the maintenance, improvement, or development of housing for all income levels," and demonstrate efforts to remove these constraints (Government Code section 65583(a) (5)). These constraints fall into two main categories: governmental and non-governmental.

Governmental constraints consist of issues that are within local control or caused by public policies, programs, or actions, including General Plan policies, zoning regulations, design guidelines, building code requirements, application review procedures/processing time, fees, taxes, and other exactions. Non-governmental constraints to residential development are primarily influenced by economic/market factors, such as the price of land, the cost of construction, the availability of financing, and other impacts caused by market forces.

In addition, State law requires "a general description of any environmental constraints to the development of housing" (Government Code section 65583.2(b)(4)). As such, various environmental hazards, such as noise, seismic, geologic/soil, flooding, and airport-related issues, which can limit or in some cases entirely preclude residential development due to human health and safety concerns, are also discussed. Finally, potential policy, programmatic, or legislative constraints to housing at the State and federal levels are also assessed in this chapter.

Consistent with State law, the identified constraints are accompanied by a discussion of resources, policies, or programs that San José has instituted, will institute, or will explore to alleviate the particular constraint. However, jurisdictions have multiple and sometimes competing policy objectives, such that in many cases a constraint cannot be entirely eliminated without creating other negative consequences. One visible example of this trade-off are the General Plan policies emanating from the City Council's 2007 adoption of an "Employment Lands Preservation Framework" and several other critical implementation policies that address the fiscal impacts of future land use decisions. In short, the General Plan essentially promotes a "jobs first" principle, and only supports conversion of employment lands to residential use when the jobs capacity is maintained.

Under the North San José Area Development Policy, the City approved the conversion of 285 acres of employment lands for 32,000 units of housing. 71 acres of Industrial Park designated lands have been converted to date. That equals a loss of 3.1 million square feet of office/R&D space formerly occupied by Sony, Wyse, Cadence, and Novellus. That is a loss of job capacity of 9,000 jobs. The City gained 8,000 units of high-density housing, a $2.3 billion private investment, and the ability to offer workforce housing close in the City's premier employment center.

In the Edenvale Hitachi/Cottle Road Urban Village the City converted more than 200 acres of Industrial Park lands formerly owned by IBM. Approximately 1,900 units of housing are under construction next to light rail, Caltrain, and existing job centers and residential neighborhoods.

GOVERNMENTAL CONSTRAINTS

A. General Plan Policies

State law requires that a local agency prepares and adopts a comprehensive and long-range general plan for its physical development (Government Code section 65300). A general plan must address seven topics, including housing. The General Plan is an integrated general plan, with most elements addressed throughout the document. As such, the housing element Appendix B: Housing Goals, Policies, and Actions summarize the related policies in the General Plan.

Overly restrictive land use policies in a general plan can limit the feasibility and add to the cost of housing development. Consistent with regional *Plan Bay Area* growth projections and the Regional Housing Need Allocation (RHNA) process, the General Plan provides both the near-term and long-term capacity to construct new homes for all income levels in order to meet the identified needs. However, the ongoing challenge is to sufficiently mitigate or eliminate constraints that can create barriers to realization of the identified General Plan land capacity. As such, this chapter provides much of the analytic basis for implementation programs identified in Chapter VII in order to facilitate the development of housing across incomes and needs.

Major Strategies

San Jose's growth is guided by twelve Major Strategies in the General Plan, each of which plays an important role in ensuring continued evolution of San José into a great city. These twelve Major Strategies are as follows:

1. Community-Based Planning
2. Form-Based Plan
3. Focused Growth
4. Innovation/Regional Employment Center
5. Urban Villages
6. Streetscapes for People
7. Measurable Sustainability/Environmental Stewardship
8. Fiscally Strong City
9. Destination Downtown
10. Life Amidst Abundant Natural Resources
11. Design for a Healthful Community
12. Plan Horizons and Periodic Major Review

The Focused Growth, Urban Villages, Destination Downtown, and Plan Horizons/Periodic Major Review strategies are especially relevant to housing, and as such are each briefly summarized below.

Focused Growth (Strategy #3)

Consistent with the objectives of Housing Element Law, AB 32, and SB 375, the General Plan focuses new growth capacity in identified growth areas. This approach reflects the City's goal to urbanize, to support infill development in San José's current low-density suburban form, and to reduce environmental impacts while fostering transit use and walkability. Infill developments and mixed-use redevelopment of aging and underutilized commercial centers within such neighborhoods are opportunities to help the City achieve its goal of more walkable, mixed-use, compact communities, and can be accomplished while still being sensitive to the existing neighborhood character. The Focused Growth strategy directs and promotes growth within these growth areas in order to preserve and enhance the quality of established neighborhoods, to reduce environmental and fiscal impacts, and to strengthen the City's Urban Growth Boundary. Additionally, urban communities are increasingly attractive to the City's projected growing demographic groups (i.e., an aging population and young workers seeking an urban experience) because they support walking, conveniently incorporate retail and other services in a compact mixed-use format, and support easy access to transit.

Urban Villages (Strategy #5)

The General Plan promotes the development of Urban Villages as a key strategy to implement the City's Focused Growth priority in order to provide active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth attractive to an innovative workforce and consistent with the Plan's environmental goals. The Urban Village framework directs most new job and housing growth to occur within walkable and bike friendly Urban Villages that have access to transit and other existing infrastructure and facilities. Each of the 70 Urban Villages identified within the Plan are unique, and are located at environmentally and fiscally beneficial locations throughout the city. Focusing new job and housing growth will enable families and households to more easily access amenities, jobs, and public services by walking, biking, or public transit, while lowering the City's per capita costs of service delivery and infrastructure.

The Urban Village Strategy fosters:

- Mixing residential and employment activities
- Establishing minimum densities to support transit use, bicycling and walking
- High-quality urban design
- Revitalizing underutilized properties with access to existing infrastructure
- Engaging local neighborhoods through an Urban Village Planning process

The importance of the Urban Village strategy cannot be overemphasized. This strategy is a key tool for San José to establish a vibrant, urban built environment that is desirable to residents, employers, and employees alike. The emphasis on placemaking and creating centers of energy is the draw for economic development. This requires attention to detail and an understanding of the component parts, such as land uses, and urban design that lead to attractive physical environments. The Urban Village strategy is a key investment in city-building, which will be critically important for a suburban San José to maximize its long-term economic potential.

Destination Downtown (Strategy #9)

The General Plan supports continued growth in the Downtown as the City's cultural center and as a unique and important employment and residential location. Focusing growth within the Downtown will support the Plan's economic, fiscal, environmental, and urban design/placemaking goals. The Downtown also has valuable historic resources, buildings with distinctive architecture, and unique neighborhoods where residents have convenient access to urban activities and amenities. Between 2000 and 2010, the Downtown residential community grew by 8,000 people with the addition of new condominiums, lofts, and live-work units. This growth trend is continuing, as two high-rise residential towers have recently commenced construction, bringing a combined total of 659 new housing units into the Downtown. At the same time, to date there has been little residential development that is affordable to lower income households. Despite the efforts of the City. In fact, San Jose has been a leader in affordable housing and generated over 21,600 units (including 6,000 rehab units) with 20% redevelopment set aside funds. Nearly 1,900 affordable units were built downtown during the past three decades.

Plan Horizons and Periodic Major Review (Strategy #12)

The General Plan implementation plan includes a major review every four years to evaluate the City's progress in achieving key General Plan goals, including the implementation of the Urban Village strategy. The major reviews allow the City Council to evaluate the timing of additional housing and population growth relative to the City's overall economic and fiscal health. The Plan provides a tool for phasing the development of new Urban Village areas and gives highest priority to the location of new housing growth in the Downtown, connecting transit corridors, BART station areas, and North San José. It also includes flexibility to allow the implementation of Urban Villages to be responsive to market conditions, while meeting overall Plan objectives. The first Plan Horizon, which is in the current Phase of the Plan, includes enough residential capacity to meet the City's RHNA housing numbers. The major review cycle also provides an opportunity for a community stakeholder task force and the City Council to evaluate potential changes to current General Plan goals and policies. Finally, the review process includes an annual process for City Council to consider proposed amendments to the General Plan. City-initiated General Plan amendments or amendments required to allow the City to meet State and federal requirements may occur on a more flexible timeline.

Residential Land Use Designations

The General Plan's Land Use/Transportation Diagram contains a variety of residential land use designations as shown in the table below. Each designation has an allowable density, floor area ratio (FAR), and building height.

ENVISION 2040 GENERAL PLAN
RESIDENTIAL LAND USE DESIGNATIONS

Land Use Designation	Density (Units per Acre)	Floor Area Ratio (FAR)	Height (stories)
Lower Hillside	Up to 0.2	Up to 0.35	1 to 2.5
Rural Residential	Up to 2	Up to 0.35	1 to 2.5
Residential Neighborhood	Typically 8	Up to 0.7	1 to 2.5
Mixed Use Neighborhood	Up to 30	0.25 to 2.0	1 to 3.5
Mixed Use Commercial	Up to 50	0.5 to 3.0	1 to 6
Urban Residential	30 to 95	1.0 to 4.0	3 to 12
Transit Residential	50 to 250	2.0 to 12.0	5 to 25
Transit Employment Residential Overlay	55 to 250	2.0 to 12.0	5 to 25
Urban Village	Up to 250	Up to 10.0	TBD
Downtown	Up to 350	Up to 15.0	3 to 30

Source: City of San Jose

Table IV-1, General Plan Residential Land Use Designations (move title above the table)

Note that most General Plan land use designations allow a residential density of 30 units or more per acre. This aligns with State law (AB 2348) adopted in 2004 that established "default" density standards appropriate to accommodate housing for lower income households, and which requires that cities considered a "metropolitan jurisdiction" "shall include sites allowing at least 30 units per acre" (Government Code section 65583.2(c)(2)(B)(iv)).

Note that while San José has the capacity to meet its Regional Housing Need Allocation (RHNA) through existing General Plan densities, this capacity may impair the efficacy of some land use planning tools. For example, because there is ample density already contained in the General Plan, a density bonus represents a smaller incremental incentive to housing development.

As previously indicated in Chapter III, the General Plan was developed to be a "jobs first" general plan that uses a jobs-to-employed residents (J/ER) framework to guide the vision and policies, which includes a J/ER ratio of 1.3:1 as a core objective. If achieved, San José would have 1.3 jobs for every employed resident, and would be transformed from a housing-rich to a jobs-rich city. It is once again important to note that if the County as a whole remains housing-poor and the City does not continue to serve as the bedroom community for the County, then housing costs in both the County and in San José could arguably be expected to increase, thereby possibly exacerbating existing affordability issues if jobs created are not well paying.

Resources to Alleviate Constraints

As it relates to an evaluation of housing constraints, the General Plan contains two key policies to ensure sufficient flexibility and ongoing compliance with State law, as follows:

IP-2.5 During each Major Review of the General Plan evaluate input provided by the reconvened Task Force and achievement of the following key General Plan goals to inform the City Council's decision, regarding needed changes, to begin the next General Plan Horizon, or to increase the number of residential units available for non-specific Urban Village areas:

1. Jobs/Housing Balance – Demonstrate improvement of the City's jobs to employed resident ratio (J/ER) consistent with achievement of 1.3 jobs per employed resident by the year 2040.

2. Fiscal Sustainability – Demonstrate sustainable improvement above 2010 levels in the level of service for City services provided to the San José community.
3. Housing Supply – Verify that the current Planning Horizon contains adequate capacity to meet San José's Regional Housing Need Allocation for the remaining 7 ½ year portion of the current 8 year term.
4. Infrastructure – Confirm that adequate infrastructure and service facilities, especially transit, exist or that a secure plan for them is in place to support the planned jobs and housing capacity in the current and contemplated Horizon.

IP-2.11 Provide a "Pool" of residential unit capacity which may be allocated to allow entitlement of residential projects within Urban Village Areas not included within the current Plan Horizon. This pool is initially established as 5,000 units, and may be replenished as part of a General Plan Major Review. Projects receiving allocation must conform to the Land Use / Transportation Diagram. Preparation of an Urban Village Plan for the subject Urban Village is necessary prior to allocation of these units unless the project qualifies as a Signature Project.

The first General Plan Major Review is not scheduled to occur until 2015 (i.e., four years from Plan adoption in 2011), and thus the housing supply provision of Policy IP-2.5 will be considered at that time. Meanwhile, Policy IP-2.11 enables satisfaction of the City's Regional Housing Need Allocation (RHNA) for the 2014-2023 time period (see Table V-1 in Chapter V).

At the same time, the City's first General Plan Annual Review, held on October 22, 2013, included additional City Council policy guidance to balance the achievement of various Plan goals. In essence, the Council reaffirmed the objectives of Employment Lands preservation, giving direction for preparation of a General Plan text amendment specifying the following:

1. An Urban Village is not a mechanism to convert employment lands to non-employment uses.
2. Other City policy goals (e.g., raising revenues), which could occur through the conversion of employment lands to non-employment uses shall not take precedence over the General Plan's "jobs first" principle.
3. The "jobs first" principle applies to Urban Villages, and conversions of non-residential to residential land uses are not allowed to proceed ahead of the job creation that is necessary to balance the residential components of a Village Plan.

The jobs focus of the General Plan is also intended to create enough jobs in the City so that households who have residents who are unemployed or under-employed may find work and afford housing in the City. As discussed in more detail in Chapter III, the "jobs first" principle is considered a fiscal imperative, and the General Plan seeks a delicate balance of various interests by providing the long-term ability to construct up to 120,000 new housing units.

The City has recent real world, market driven, and privately financed development projects that show that housing and employment related development can successfully occur concurrently. Three examples are as follows:

The **Alameda Chandler-Pratt Project**: The project proposes 22,600 square feet of retail (ground floor) and office (2nd floor) along with 140 residential units, including affordable housing units.

The **Chiem Property on West San Carlos**: The proposal is to develop 22,000sf of office/retail square footage and 315 units of housing.

The **Edenvale Transit Village – (Hitachi Campus) Cottle Road**: Jobs and housing are being built at the same time.

B. Zoning Regulations

Title 20 of the San José Municipal Code, hereafter referred to as the Zoning Ordinance or Zoning Code, promotes and protects the public peace, health, safety, and general welfare by:

- Guiding, controlling, and regulating future growth and development in the City in a sound and orderly manner, and promoting the achievement of the goals and purposes of the General Plan
- Protecting the character and economic and social stability of agricultural, residential, commercial, industrial, and other areas in the City
- Providing light, air, and privacy to property
- Preserving and providing open space and preventing overcrowding of the land
- Appropriately regulating the concentration of population
- Providing access to property and preventing undue interference with and hazards to traffic on public rights-of-way
- Preventing unwarranted deterioration of the environment and promoting a balanced ecology

The Zoning Code defines a family as being "one or more persons occupying a premise and living as a single housekeeping unit" (Section 20.200.370). This definition is sufficiently broad, and therefore does not constrain development of unique housing types, such as those for special needs populations and unrelated individuals. Further, San José is in compliance with federal and state fair housing laws in providing "reasonable accommodation" to persons with disabilities. Specifically, Chapter 20.160 (Requests for Reasonable Accommodation) describes the application process for making a request for reasonable accommodation, whose intent is to accommodate the housing needs of persons with disabilities to the greatest extent feasible and to evaluate individual requests on a case-by-case basis.

The City's Reasonable Accommodation process provides flexibility in the application of the City's Zoning Code regulations for housing. Unlike the City's use permit processes and variance process, the City's Reasonable Accommodation criteria are set up specifically to provide a fact-specific inquiry as to whether an accommodation is necessary for relief from Zoning regulations in order to afford individuals with disabilities equal opportunity to use and enjoy a dwelling. In making a determination regarding the reasonableness of a requested accommodation, the following factors shall be considered by the City:

1. Special need created by the disability;
2. Potential benefit that can be accomplished by the requested modification;
3. Potential impact on surrounding uses;

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4. Physical attributes of the property and structures;

5. Alternative accommodations which may provide an equivalent level of benefit;

6. In the case of a determination involving a One-family Dwelling, whether the household would be considered a Single Housekeeping Unit if it were not using special services that are required because of the disabilities of the residents;

7. Whether the requested accommodation would impose an undue financial or administrative burden on the City; and

8. Whether the requested accommodation would require a fundamental alteration in the nature of a program.

Consideration of the potential impact on surrounding uses in determining the reasonableness of a requested accommodation helps the City identify and disclose how a requested accommodation could potentially undermine the basic purpose of maintaining the character of a neighborhood or impact the health and safety of surrounding occupants who may have special needs and whose special needs could potentially be impacted if the City grants a requested accommodation. For example, a requested accommodation could be for installation of equipment within a minimum required setback , where the equipment could emit fumes or odors that could unduly impact a neighboring occupant with a respiratory disability. In such a situation, the City could look for mitigation measures to be included in the requested accommodation to address such a potential impact to a surrounding use. This review helps to maintain compliance with fair housing laws. The Housing Element includes a Work Plan item to review and revise as appropriate the wording of this finding in the Zoning Code to clarify the intent of the finding as described above.

Chapter 20.30 addresses residential land use and development regulations. These regulations include parameters for the size of lots/buildings and the location/use of structures in accordance with the City's "conventional" (i.e., non-Planned Development) zoning districts. Importantly, as of 2012, the City's R-M Multi-Family Residential District has no density limit and provides for building height exceptions, and can thus accommodate development of higher density, lower income housing (i.e., at least 30 units per acre, per Government Code section 65583.2(c)(2)(B)(iv)), without the need for a PD zoning/permit.

CONVENTIONAL RESIDENTIAL ZONING DISTRICTS

Zoning District	Height (ft.)	Min. Setback/Yard (ft.) Front	Side	Rear	Min. Lot Area (sq.ft.)	Lot Area per Unit (sq.ft.)	Net Density (Units per Acre)
R-1-RR	35	50	20	30	5 acres	N/A	Up to 0.2
R-1-1	35	30	20	25	1 acre	N/A	Up to 1.0
R-1-2	35	30	15	25	20,000	N/A	Up to 2.0
R-1-5	35	25	5	20	8,000	N/A	Up to 5.0
R-1-8	35	25	5	20	5,445	N/A	Up to 8.0
R-2	35	20	5	25	5,445	N/A	Up to 14.5
R-M	45*	15	5	25	6,000	N/A	No Limit
R-MH	45	15	5	25	6,000	N/A	N/A

Source: City of San Jose

*Note: except as provided in Chapter 20.85 (Specific Height Restrictions).

Table IV-2, Conventional Residential Zoning Districts

In some cases, residential development may also be allowed in commercial and industrial zoning districts. In the Downtown Commercial (DC) zoning districts, multi-family residential is allowed by right as a stand-alone use or when mixed with commercial uses. The DC zoning districts are the least restrictive for residential development in the City, as no minimum setbacks are required and maximum allowable building height is limited only by Federal Aviation Administration (FAA) regulations (Note: see the discussion of airport issues in the Environmental Hazards section of this chapter).

The following table shows the non-residential zoning districts where specified residential uses can occur. Aside from the DC zones, commercial zoning districts generally allow various residential uses through obtainment of a use permit. However, residential uses are incompatible with industrial uses, and therefore are not permitted in industrial zones. One exception to this is with regard to Emergency Residential Shelters, which are permitted by right in the Combined Industrial/Commercial (CIC) zoning district and are conditionally allowed in other industrial districts.

RESIDENTIAL USES IN NON-RESIDENTIAL ZONING DISTRICTS

	Commercial				Downtown		Industrial			
Residential Use	CO	CP	CN	CG	DC	DC-NT1	CIC	IP	LI	HI
Multi-Family Residential	-	-	-	-	P	P	-	-	-	-
Mixed Use	-	C	C	C	P	P	-	-	-	-
Live/Work	-	S	S	S	P	S	-	-	-	-
Residential Care Facility*	C	C	C	C	C	C	-	-	-	-
Residential Service Facility*	C	C	C	C	C	C	-	-	-	-
SRO Living Unit	-	C	C	C	S	S	-	-	-	-
SRO Hotel	-	C	C	C	S	S	-	CM	-	-
Emergency Shelter	C	C	C	C	C	-	P[1]	CM	C	CM
Custodian/Caretaker	-	-	-	-	-	-	-	-	-	C

Source: City of San Jose

*Note: for 7 or more persons.

Abbreviation Key: - = Not permitted; P= Permitted by Right; P[1]= shelters with 50 or fewer beds; S= Special Use Permit; C= Conditional Use Permit; CM= Conditional Use Permit with a CIC General Plan designation.

Table IV-3, Residential Uses in Non-Residential Zoning Districts

One example of a residential use allowed in commercial zoning districts with a use permit are Single Room Occupancy (SRO) Facilities. SROs offer a housing option to low income segments of the population, filling a gap between traditional apartments and homeless shelters, as well as an alternative to those who prefer the flexibility and dormitory lifestyle that can be found in SROs. Since 1987, San José has strengthened the General Plan, Zoning Ordinance, and other City policies to facilitate the development of SROs. The Zoning Code defines two types of SROs: an SRO Hotel and an SRO Living Unit. An SRO Hotel is conditionally allowed in all commercial zoning districts, while an SRO Living Unit is conditionally allowed in commercial zoning districts and the R-M Multi-Family Residential District.

The table below provides a summary comparison of planning permit processes, including individual process components and the decision maker involved. Process types include use of the previously referenced conventional zoning districts or the Planned Development zone, as well as various Development Permit types as described in Chapter 20.100 of the Zoning Code. These development permits include the following:

- Site Development Permit
- Conditional Use Permit
- Special Use Permit
- Planned Development Permit

In addition, since 2000, the City of San José has had a separate Single-Family House Permit (not shown) that applies only in limited circumstances. These circumstances include new construction that exceeds 30 feet or 2 stories in height, a floor area ratio (FAR) in excess of 0.45, or if a house or site is designated as historic. Finally, a Permit Adjustment is an administrative level permit that allows the Planning Director sole discretion to approve minor modifications to an approved permit. More details on application review/processing time are provided later in this chapter.

PLANNING PERMIT PROCESS COMPARISON

	Process Type					
	Both	Conventional Permit Process			Planned Development Process	
Process Component	Permit Adjustment	Site Development Permit	Special / Conditional Use Permit	Conventional Zoning	PD Permit	PD Zoning
Decision Maker	Planning Director	Planning Director	Director / Planning Commission	Planning Commission* / City Council	Planning Director	Planning Commission / City Council
Conduct environmental review		•	•	•		•
Establish maximum development density				•		•
Approve actual number of dwelling units		•	•		•	
Identify infrastructure requirements		•	•	•		•
Final architectural design and finishes		•	•		•	
Final grading and drainage design		•	•		•	
Final landscape design		•	•		•	
Minor modifications to approved permit	•					
Final discretionary approval prior to building permit		•	•		•	

Source: City of San Jose

*Note: rezonings that conform to the General Plan may be heard directly before City Council in lieu of a Planning Commission hearing (SJMC Section 20.120.100).

Table IV-4, Planning Permit Process Comparison

Parking Requirements

The Zoning Code also contains provisions relating to off-street parking and loading (Chapter 20.90). These requirements are intended to promote adequate parking to meet the needs generated by a specific use or uses, promote effective circulation, reduce congestion, increase safety and aesthetics within off-street parking areas, and encourage the use of alternative modes of transportation and other trip reduction methods.

For one-family dwellings, two covered parking spaces are generally required. For two-family and multi-family units, required parking may be uncovered, and the number of required parking spaces is derived from the living unit size (i.e., number of bedrooms) and the type of parking facility, as indicated in the table below. However, parking requirements are less in the Downtown zoning districts and for sites that meet certain other location criteria (e.g., within 2,000 feet of a Light Rail Transit station or within a Neighborhood Business District).

TWO-FAMILY AND MULTI-FAMILY PARKING REQUIREMENTS

Living Unit Size	All Open Parking (TF / MF)*	One-Car Garage (TF / MF)*	Two-Car Garage (TF / MF)*
Studio (0 Bedrooms)	1.5 / 1.5	1.5 / 1.6	2.0 / 2.2
1-Bedroom	1.5 / 1.5	2.0 / 1.7	2.0 / 2.3
2 Bedrooms	2.0 / 1.8	2.0 / 2.0	2.0 / 2.5
3 Bedrooms	2.0 / 2.0	2.0 / 2.2	2.0 / 2.6
Each Additional Bedroom	0.25 / 0.15	0.25 / 0.15	0.25 / 0.15

Source: City of San Jose

*Note: TF= Two-Family; MF= Multi-Family

Table IV-5, Two-Family and Multi-Family Parking Requirements

A reduction from parking requirements may be appropriate provided that the modification is granted pursuant to applicable Zoning Code provisions. Qualifying projects must incorporate Travel Demand Management (TDM) program elements, such as transit pass subsidies, parking cash-out, ride sharing, carpools/vanpools, shared parking, or other reasonable measures. Parking reductions are especially applicable to senior housing, Single Room Occupancy (SRO) facilities, Emergency Residential Shelters, residential care/service facilities, and convalescent hospitals, for example. Finally, the Planned Development zone provides opportunity to determine parking requirements appropriate for an individual development proposal.

The additional summary parking tables on the following page are provided given the complex nature of requirements for various other specific residential use types (i.e., besides one-family, two-family, and multi-family dwellings). The tables effectively merge much of the contents of separate tables contained in Chapter 20.90 (Parking and Loading) and Chapter 20.70 (Downtown Zoning Regulations) of the Zoning Code.

Through a grant from the U.S. Department of Housing and Urban Development (HUD), data is currently being gathered from one hundred residential sites around the Bay Area, including San José, to better estimate parking use in transit-rich neighborhoods. Data collection is being administered by TransForm, an advocacy non-profit organization, and will be shared via an online searchable database with customizable reports. The data are broadly expected to result in more efficient use of parking, avoid the time and cost associated with the preparation of parking studies, and help cities update their zoning codes to better reflect local parking demand and use. City staff will conduct an analysis of these data once they become available.

SUMMARY OF PARKING REQUIREMENTS IN CONVENTIONAL ZONING DISTRICTS

Type of Residential Use	Minimum Parking Required
Emergency Residential Shelter	1 per 4 beds, 1 per 250 square feet of floor area which is used for office purposes
Residential Shelter in Downtown zoning	1 per 4 beds
Guesthouse	1 per guest room, plus 1 per each employee
Live/Work	No additional parking required above what is required for commercial use parking
Custodian/Caretaker	1 per living unit
Mixed Use/Ground floor commercial with residential above	Respective commercial and residential parking requirements combined
Multiple dwelling	Required parking is determined by the type of parking facility and the number of bedrooms
Multiple dwelling in Downtown zoning districts	1 per dwelling unit
One family dwelling	2 covered spaces
Residential Care or Service Facility	1 per first 6 client beds, plus 1 additional space for up to 4 client beds (or portion thereof) above the first six, plus 1 additional space for each additional four client beds (or portion thereof), plus 1 space for each employee or staff member
Servants quarters attached to a one-family dwelling or attached to a garage structure	1 additional parking space
Sororities, fraternities and dormitories occupied exclusively (except for administrators thereof) by students attending college or other educational institutions	1 per guest room, plus 1 per employee
Temporary farm labor camps necessary to the gathering of crops grown on the site	1 per dwelling unit
Travel Trailer Parks	1 per employee
Two family dwelling	Required parking is determined by the type of parking facility and the number of bedrooms

Source: City of San Jose

Table IV-6, Summary of Parking Requirements in Conventional Zoning Districts

SINGLE ROOM OCCUPANCY (SRO) FACILITY PARKING REQUIREMENTS IN CONVENTIONAL ZONING DISTRICTS

SRO Facility Type	Parking Requirement
SRO Facility within two thousand (2000) feet of public transportation:	
SRO Residential Hotel	0.25 for each SRO unit
SRO Living Unit Facility with shared kitchen and bathroom facilities	0.25 for each SRO unit
SRO Living Unit Facility with partial or full kitchen and bathroom facilities	1.00 for each SRO unit
SRO Facility not within two thousand (2000) feet of public transportation:	
SRO Living Unit Facility and SRO Residential Hotel	1.00 for each SRO unit

Source: City of San Jose

Table IV-7, SRO Facility Parking Requirements in Conventional Zoning Districts

Secondary Units

Secondary units, also called "granny" or in-law units, provide an important potential source of affordable housing. In 1982, State law was enacted (Government Code section 65852.2) to encourage the creation of second units while maintaining local flexibility for unique circumstances and conditions, including the ability to set development standards, require minimum unit sizes, and establish parking requirements. In response, in 1984, the San José City Council passed an ordinance precluding secondary units, citing traffic, infrastructure, and safety concerns as major reasons for the prohibition.

However, more recently, in 2005 the City Council initiated a Secondary Unit Pilot Program to temporarily test and evaluate a set of secondary unit development standards for a period of one year. Then, in 2008, an ordinance was adopted which permanently allowed secondary units that conform to modified Zoning Code requirements. These requirements are summarized in the table below.

SECONDARY UNIT DEVELOPMENT STANDARDS IN CONVENTIONAL ZONING DISTRICTS

Criteria	Development Standard
Applicable Zoning	All R-1 Districts and PD Districts with R-1 standards
Minimum Lot Size	Attached unit = 6,000 sq. ft. Detached unit = 8,000 sq. ft.
Maximum Unit Size	≤ 9,000 sq.ft. lot = 600 sq.ft. 9,001 to 10,000 lot = 650 sq.ft. ≥10,000 lot = 700 sq.ft.
Bedrooms Number: Size:	 One bedroom required and maximum allowed 400 sq. ft. maximum
Storage	60 sq. ft. maximum
Required Parking	One space (outside front and side setbacks)
Setbacks (Attached Unit)	Same as primary dwelling, except the rear setback may be reduced from 20 to 15 feet for a single-story unit
Setbacks (Detached Unit)	Same as primary dwelling except that façade of secondary unit must be set behind that of primary residence. Units not attached to the house must be separated from any other structure by 6 feet, except that a unit may be attached to a detached garage.
Height	18 feet maximum, 14 feet average
Design Criteria	Exterior materials and roof pitch to match existing house. Front door cannot be on same façade as that of primary residence. Windows cannot have views of adjacent properties with existing or planned residential uses.
Ownership	Property owner must certify that he/she occupies existing house at the time of application and final inspection.

Source: City of San Jose

Table IV-8, Secondary Unit Development Standards in Conventional Zoning Districts

Resources to Alleviate Constraints

The City considers various amendments to the Zoning Code on a regular, ongoing basis. These changes frequently relate to reducing constraints on housing development, and more recent amendments have been designed to align the Zoning Ordinance with policy direction established by the General Plan. For example, in early 2012, Ordinance No. 29012 inserted a new Zoning Code chapter (Chapter 20.85) that regulates building heights. This revision was necessary to align Title 20 with the General Plan, as former General Plan text on maximum building heights for specific properties/uses was intentionally removed. This revision also incorporated exceptions to height restrictions for specific geographic areas or specific uses identified within the General Plan.

The following additional housing-related ordinances (listed in chronological order) have been approved since adoption and certification of the prior Housing Element (2007-2014) in 2009:

- Ordinance No. 28448 (effective 1/2/09): reduced costs for expansions to two-family dwellings, by simplifying the process for permitting small additions to this building type.
- Ordinance No. 28576 (effective 7/3/09): authorized the Planning Director to extend, for a limited time period, the term of previously-approved Development Permits as an incentive for implementation of projects impacted by the economic downturn.
- Ordinance No. 28680 (effective 1/5/10): defined Transitional Housing and Supportive Housing, and clarified the regulations applicable to these housing types, per Senate Bill 2 (SB 2).
- Ordinance No. 29011 (effective 2/10/12): allowed more medium to high density housing projects to obtain a Site Development Permit instead of a Planned Development zoning/permit by increasing densities within the conventional R-M Multi-Family Residential District.
- Ordinance No. 29054 (effective 6/1/12): authorized the Planning Director to extend, for a limited time period, the term of previously-approved Development Permits for small residential projects through issuance of a Permit Adjustment.
- Ordinance No. 29217 (effective 4/5/13): reduced parking requirements for residential development near transit and provided Transportation Demand Management (TDM) measures.

As relates to secondary units, per the General Plan, San José continues to explore options to improve the effectiveness of this code provision (see Policy H-2.5 and Action H-2.9 in Appendix B). As of April 7, 2014, the ordinance has resulted in the construction of only 150 secondary units, and thus has not yet had a meaningful impact on the supply of affordable housing. In response, the City is currently exploring options for relaxing certain development standards (e.g., minimum lot size and minimum setbacks) in the hopes of encouraging greater use, preserving the character of existing neighborhoods, and supporting infill development which minimizes City service costs. While there are several possible areas of exploration, the primary constraint currently is the parking requirement of one additional space located outside the front and side setback areas.

C. Design Guidelines

The City of San José has adopted design guidelines to assist those persons involved in the design, construction, review and approval of residential development. By defining criteria for new residential development occurring within the City, the design guidelines benefit the development community and reduce soft costs of producing housing. Developers can incorporate standards from the guidelines into a project during the early stages of design rather than having to revise plans significantly later during the review process.

The Residential Design Guidelines and the Single Family House Design Guidelines provide a common understanding of the minimum design standards to be applied to various land uses, development types, and locations to facilitate efficient design. Additionally, the City has Design Guidelines for some key areas in the City including Downtown and North San José. The intent of the guidelines is to define the City's expectations for the design of new residential development. Design quality focuses on the functional aspects of a development (e.g., buildings, parking, setbacks, etc.) rather than requirements for expensive materials. The guidelines are primarily concerned with the relationship of new residential development to its surroundings. The guidelines also address specific issues within a project itself, such as internal circulation and common open space, to establish standards of livability for the residential development. In 2007, the Residential Design Guidelines were updated to reflect new trends in housing type and design, including transit-oriented development and high-rise residential construction.

Resources to Alleviate Constraints

The development standards used in the design guidelines are intended to allow residential projects to achieve the maximum densities permitted in the various General Plan residential land use designations. The setback and landscaping requirements are not excessive and do not require inordinate development expenditures, and they can in fact contribute to a quality living environment. Affordable and market rate housing are subject to the guidelines, resulting in high quality affordable housing acceptable to neighborhoods throughout the City. Thus, the design guidelines do not unduly constrain housing development in San José.

D. Building Code Requirements

The State Building Standards Commission (BSC) publishes triennial editions of the California Code of Regulations (CCR), Title 24, also known as the California Building Standards Code. Most recently, on July 1, 2013, the BSC published the 2013 edition of these standards, which apply to any building or structure for which application for a building permit is made on or after January 1, 2014. The State allows local governments to modify the standards to make them more restrictive (not less), provided certain express findings are made that the proposed modifications are necessary due to special local geologic, topographic, or climatic conditions that can affect the health, welfare, and safety of local residents. Any local amendments must be made prior to the effective date of the State codes.

On November 5, 2013, the City Council approved an ordinance amending Title 24 of the San José Municipal Code and adopting the 2013 editions of the California Building, Residential, Electrical, Mechanical, and Plumbing Codes, the Historical Building Codes, and the California Green Building Standards ("CALGreen") Code. This ordinance included a staff proposal to adopt local amendments for certain structural design requirements, fire sprinkler regulations, and other building requirements based on the following findings:

1. The San Francisco Bay Area region is densely populated and located in an area of high seismic activity. San José is bounded by the Hayward and San Andreas faults capable of producing major earthquakes.
2. Concern for fire/life safety associated with a structural failure due to a seismic event, considering the increasing number of buildings in the region, the use of new structural systems, the poor performance of certain materials, and the quality of construction.

3. Severe seismic events could disrupt communications, damage gas mains, cause extensive electrical hazards, and place extreme demands on limited and widely dispersed fire prevention resources to meet the fire and life safety needs of the community.
4. The local geologic, topographic, or climatic conditions pose an increase hazard in acceleration, spread, magnitude, and severity of potential fires in San José, and may cause a delayed response from emergency responders, allowing further growth of the fire.

Resources to Alleviate Constraints

The City of San José is in the forefront of identifying the need for code amendments, assumes a leadership role at the regional and State levels to reduce individual differences between cities and counties, and informs and educates the public about new requirements. To establish uniformity in adopting code amendments, the City is an active participant in the Tri-Chapter Uniform Code Program, whose membership stretches from Contra Costa County in the north to San Benito County in the south. City staff conducted free training sessions in late-2013 to introduce various stakeholders to the significant changes between the 2010 and 2013 California Building Codes as well as the local amendments.

The 2013 Building Codes and amendments do not unduly constrain residential development or the City's ability to accommodate special housing needs groups in San José, including persons with disabilities. In fact, the codes and amendments contain design elements that address limited lifting or flexibility (e.g., roll-in showers, grab bars, etc.), limited mobility (e.g., push/pull lever faucets, wide swing hinges, etc.), and limited vision (e.g., additional stairwell and task lighting, etc.) that are consistent with the Americans with Disabilities Act (ADA) standards, as implemented under Title 24.

E. Application Review Procedures/Processing Time

Application review procedures and processing time can increase the carrying costs of property under consideration for residential development. Application review/processing time is dependent on a number of factors, including adherence to municipal and State government regulations, community outreach and noticing requirements associated with public hearings and meetings, and an applicant's own ability to coordinate effectively with various project stakeholders. Recognizing the need to simplify application review procedures and minimize processing time to the greatest extent possible, the City of San José is committed to considering and implementing continuous process improvements in the delivery of development services. Some of the most noteworthy process improvements in recent years are briefly described below.

Integrated Services

Since the organization's move to a new City Hall facility in 2005, San José has offered a fully functional Development Services Center, an integrated, "one-stop" first-floor location where the public can conduct business related to development applications handled by various City departments. Key partners in operation of the Development Services Center include the Planning Division, Building Division, Public Works Department, Fire Department, and Office of Economic Development. This service brings key staff together for coordination and customer convenience.

Preliminary Review

Preliminary Review is a voluntary, fee-based service that is tailored to an applicant's needs and familiarity with City codes, policies, and development review processes. It is intended to be a time-saving process for prospective applicants to meet San José standards before they submit a formal Planning application. There are several different options for the level of review and associated fees, including a Focused Review, Enhanced Review, and Comprehensive Review. .

Project Facilitation

Staff located in the Development Services Center and elsewhere within City Hall has been strategically assigned to a "project facilitator" role to help navigate more complex project coordination issues and ultimately achieve better customer service. Project assignments are generally limited to those with the highest potential to accomplish General Plan goals, and the role reserved for more senior staff members that have gained experience in complicated review processes. Examples of such projects include, for example, high-rise development in Downtown and projects with sensitive environmental issues that require detailed knowledge of CEQA.

Concurrent Processing

Since 2004, the City has enabled concurrent processing of a Development Permit with a request to rezone property, prezone/annex property, or with other permits (e.g., Tentative Map) required by the Zoning Code. This concurrent processing is especially important to residential development, as most such projects are processed pursuant to a Planning Development zoning/permit that might otherwise require considerably more time if processed sequentially.

Universal Application Form

In 2013, the City introduced a "Universal Application Form" for the submission of most Planning applications. This new application form essentially took the place of over a dozen former and separate applications for different types of requests that had substantially similar submittal requirements. The application includes a matrix identifying specific documents to be included in the application package based on permit type, and a matrix that identifies the type of sheets that must comprise the required plan set. The Universal Application Form is expected to be a substantial improvement by clarifying the application submittal process for project applicants.

Deployment of Technology

The City of San José deploys a variety of technology tools to speed access to information and improve development-related customer service. Examples of these tools include an Integrated Development Tracking System (also known as "AMANDA"), and associated public-facing web portal (https://www.sjpermits.org/permits/) where customers can perform property research and apply for simple permits. Further, in 2012, the City's entire website (http://www.sanJoséca.gov) was migrated to a new technology platform that is better organized, contains a self-subscribe notification (via e-mail or text message) for content updates, and features an online application appointment scheduling system. As well, the City uses Geographic Information Systems (GIS) to manage spatial data and provide parcel-specific property information via the above tools.

Standard Permit Conditions

In 2013, the City developed extensive master and customized lists of standard permit conditions in a centralized location that are applicable to almost every type of permit application. These conditions should facilitate greater permit consistency and streamline the review and issuance of more complete permits by essentially allowing "cut-and-paste" of standard permit language into draft permits. More specifically, standard permit conditions have been incorporated into AMANDA "document merge" functionality, such that relevant permit conditions can be included in a relatively automated fashion.

Processing Timeline Goals

In its commitment to processing development applications in an expeditious manner, the City of San José has established various timeline goals as summarized in the table below. These goals vary by project type and the extent of environmental review as required by the California Environmental Quality Act (CEQA). In general, and depending upon project complexity, these goals help to ensure that most residential projects are completed in 180 days or less from the time an application is filed. For smaller projects, the timeline can be as short as 30 days or less.

RESIDENTIAL PROJECT PROCESSING TIMELINE GOALS

	Timeline Goal					
	30 Days or Less	60 Days or Less	90 Days or Less	120 Days or Less	180 Days or Less	180 Days or More
CEQA Assumption*	Exempt or Reuse	Exempt or Reuse	Exempt or Reuse	Exempt, Reuse, or Neg. Dec.	Negative Declaration	Neg. Dec. or EIR
PROJECT TYPE						
Single-Family House Permit, Category I	•					
Single-Family House Permit, Category II	•					
Residential addition or conversion		•				
Conventional Rezoning			•	•	•	•
Single-Family Detached permit and subdivision			•	•	•	•
Planned Development Zoning less than 200 units				•	•	•
Residential development less than 200 units				•	•	•
High Density Residential (3 stories or less) permit and subdivision				•	•	•
High Density Residential (>3 stories) permit and subdivision					•	•
Hillside development					•	•
Residential zoning for more than 200 units						•
Any project requiring preparation of an EIR						•

Source: City of San Jose

*Note: CEQA Assumptions: Exempt = Categorical Exemption; Reuse = Reuse of existing environmental document; Neg. Dec. = Negative Declaration/Mitigated Negative Declaration; EIR = Environmental Impact Report

Table IV-9, Residential Project Processing Timeline Goals

In addition, to facilitate the streamlining of application review, the City has implemented numerous project "milestone" processing goals, which goals are published and included in application filing materials. These milestone goals are as follows:

- Comments for major projects sent in 30 days (95%)
- Comments for other applications sent in 30 days (70%)
- Second-round comments for major projects sent in 14 days (75%)
- Draft permit to applicant one week prior to public hearing (95%)
- Permit signed within 3 days of public hearing (95%)
- Projects with 2 or fewer reviews to public hearing (90%)

Resources to Alleviate Constraints

As mentioned, San José is committed to considering and implementing continuous process improvements. These improvements could range from informal, staff-initiated changes that are assigned or authorized by Department Directors, or more formal changes that require review and adoption of an ordinance by the City Council. This willingness and flexibility to change will enable the City to remain competitive in the delivery of development services, and ensure that any constraints to housing are minimized to the greatest extent possible. For example, the City responded effectively to new challenges brought about by the recent economic downturn, including allowing an extension of the term of previously-approved Development Permits and suspending the collection of a portion of construction taxes for qualified projects (as discussed in the next section).

In a commitment to provide high quality services that meet the needs of its customers, the Development Services Partners conduct an annual Customer Satisfaction Study (http://www.sanJoséca.gov/index.aspx?NID=3499). This study is designed to provide reliable measures of satisfaction among the Partners' customer base, thus providing insight into how services can be improved. In fiscal year 2012-13, the Partners collectively responded to an estimated 100,000 phone inquiries at the Development Center, processed 700 planning applications, issued 26,500 building permits, and conducted 183,000 field inspections. When looking at specific aspects of service, the latest survey found that 13 of 14 statistically significant changes recorded between the 2011 and 2012 studies moved in a positive direction.

F. Fees, Taxes, and other Exactions

The fees, taxes, and other exactions applicable to residential development in San José fall into four main categories: (1) entitlement fees; (2) construction fees; (3) impact/capacity fees, and (4) development taxes. In short, entitlement fees include fees for land use approval and environmental clearance, construction fees include the various permit, plan check, and inspection fees related to the construction process, impact/capacity fees mitigate the costs that new development imposes on community infrastructure or to fund quality of life enhancements, and development taxes are assessed by the City to finance capital projects (esp. roadway improvements) or otherwise required to be collected for subsequent transmittal to the State.

For processing and impact fees, State law specifies procedural and nexus requirements, as follows:

- Planning and permit processing fees cannot exceed the reasonable cost of providing the service, unless approved by the voters; agencies collecting fees must provide project applicants with a statement of amounts and purposes of all fees at the time of fee imposition or project approval (Government Code section 66020).

- The Mitigation Fee Act sets forth procedural requirements for adopting and collecting capital facilities fees and exactions, and requires they be supported by a report establishing the relationship between the amount of any capital facilities fee and the use for which it is collected (Government Code section 66000).

The City of San José remains in compliance with these State requirements. Further, since 2003, the City has participated in a study of development fees across eight cities in the South Bay (including Cupertino, Gilroy, Morgan Hill, Mountain View, Palo Alto, San José, Sunnyvale, and Salinas). Each city calculates entitlement and construction fees, impact/capacity fees, and development taxes based on five sample project types. In summary, the South Bay Area Cost of Development Survey (http://www.sanJoséca.gov/index.aspx?NID=4100) has consistently concluded that San José's fees/taxes for single- and multi-family development project types are lower than the average of eight study cities.

Entitlement Fees

The City imposes entitlement fees based on a cost-recovery model. These fees cover City staff time necessary to process permits, including completing internal review, conducting community meetings and public hearings, and performing inspections consistent with the General Plan, Zoning Ordinance, Building Code, and other applicable laws such as the California Environmental Quality Act (CEQA). The table below provides a summary of entitlement fees associated with the processing of a residential project pursuant to the Planned Development zoning/permit process.

PLANNING FEES FOR RESIDENTIAL PROJECTS REQUIRING A PLANNED DEVELOPMENT ZONING

	Fees		
Proposal	**PD Zoning**	**PD Permit**	**Tentative Map**
Project with 3-25 units	$5,050 plus $178 per unit	$2,090 plus $143 per unit	$4,470 plus $58 per lot
Project with 26-100 units	$7,045 plus $100 per unit	$4,205 plus $64 per unit	$4,470 plus $58 per lot
Project with 101-500 units	$10,960 plus $62 per unit	$6,470 plus $46 per unit	See above, plus $19 per lot beyond 100 units
Project with 500+ units	$17,450 plus $51 per unit	$11,500 plus $36 per unit	
Environmental Review*	Neg. Dec.	EIR	
	$3,366 plus $187 per hour over 14 hours	$11,875 plus $187 per hour over 45 hours	

Source: City of San Jose

*Note: environmental review at the zoning stage is designed to cover all subsequent permitting processes.
Neg. Dec. = Negative Declaration/Mitigated Negative Declaration; EIR = Environmental Impact Report

Table IV-10, Planning Fees for Residential Projects Requiring a Planned Development Zoning Fee Schedule as of June 2014

Construction Fees

Construction fees cover permit, plan check, and inspection fees for services primarily provided by the City's Building Division, Public Works Department, and Fire Department. Initial fees are charged based on an historical analysis of time required to perform the services and/or the number of inspections

typically required based on project type. When the value of the services provided (based on an hourly rate) exceeds the initial fee, additional service time must be purchased.

Impact/Capacity Fees

Impact/capacity fees are established to provide essential public improvements necessary to support new residential development. For example, the City's Public Works Department collects a fee to fund anticipated improvements at the San José-Santa Clara Regional Wastewater Facility based on capacity and projected future expansion needs. Other examples include fees for parks, libraries, and street trees. The most significant of the impact/capacity fees is the fee in lieu of parkland dedication, as briefly discussed below.

In 1988, the City Council adopted the Parkland Dedication Ordinance (PDO) to help meet the demand for neighborhood and community parks generated by new residential development. In 1992, the City Council adopted the Park Impact Fee (PIO), which applied parkland dedication requirements to new units in non-subdivided residential projects. Both the PDO and PIO require that new housing projects either dedicate land for public parks, pay an in lieu fee, construct new park facilities, or a combination of these. The PDO is consistent with the requirements and procedures set forth in State law (Government Code section 66477).

On June 4, 2013, the City Council directed staff to study the potential imposition of a Housing Impact Fee, which fee would place a per square foot assessment on new residential development to help fund the creation of affordable housing. In response, the City has retained a consultant (Keyser Marston) to facilitate the public process and to conduct the required nexus study. Housing Department staff has sought and received a range of input from the community and stakeholders. Some have expressed concern that a fee might be passed onto households – which would increase the cost of housing – and create an impediment to residential development. Others have noted that market-rate housing is already priced at what the market can bear – so the fee should not be passed onto households and should not increase the cost of housing to households – and could be managed provided the policy should be clear, consistent, and predictable for the development community, and not unduly burden them. On November 18, 2014, the City Council adopted a resolution creating a rental housing impact fee of $17 per square foot. This fee will be phased in over time in order to grandfather in existing projects in the development pipeline and to allow the market to gradually adjust to the program. The fee will increase by 2.4% percent annually to account for inflation.

Development Taxes

San José imposes a series of residential development taxes that are generally used to finance the construction and improvement of facilities and infrastructure systems. These taxes include the Building and Structure Construction Tax, the Construction Excise Tax, and the Residential Construction Tax. These taxes are either restricted or have historically been used to finance traffic capital improvements, such as the construction, replacement, widening, and modification (but not maintenance) of City roadways.

The City also collects taxes for regional or statewide programs/funds, which fees are collected at the time of issuance of a building permit and subsequently transmitted to other agencies. These programs/funds include the California Strong Motion Instrumentation Program (CSMIP) that pertains to

geologic analysis and the Building Standards Administration Special Revolving Fund related to implementation of green building standards. As well, the newly formed Santa Clara Valley Habitat Agency, a Joint Powers Authority composed of the cities of San José, Morgan Hill, and Gilroy along with the County of Santa Clara, initiated the collection of Habitat Conservation Plan fees in October 2013. Finally, while not collected directly by the City, State law grants authority to school districts to raise revenue from all new development through imposition of a school impact fee. These fees are collected by the school districts, and the City requires proof of payment as part of the building permit issuance process.

Examples of Fees for Housing Projects

The tables below show typical fees and taxes that could be collected for housing developments in the City. The first table is calculated for a 50-unit subdivision on eight (8) acres for single-family residences. The second table is calculated for a 96-unit multi-family development in sixteen (16) buildings on six (6) acres.

Information is consolidated from the 2012-13 Bay Area Cost of Development Survey. More detailed calculations are provided on pages 30 and 33 of this Survey. The entire Survey document is viewable at the following webpage: http://www.sanjoseca.gov/DocumentCenter/View/26776

School District fee information is excerpted from "Supplement to the Residential Nexus Analysis" prepared for the City of San Jose, prepared by Keyser Marston Associates, Inc., October 2014. This document is viewable at the following webpage: http://www.sanjoseca.gov/index.aspx?NID=3979

Typical 50-Unit Subdivision on 8 acres for Single-family Residences

50-unit Single-family	Fee Type	Total Fees	Amount Per Unit
Entitlement Fees			
Planning and Public Works Assumptions: Project Requires Planned Development Zoning, Planned Development Permit, and Tentative Map, All Medium Complexity		$55,189	$1,104
Construction Fees			
Building, Plumbing, Electrical, Grading, and Fire Permits, Plan Review, and Tract Map. Construction . Stormwater, and Water Meter Engineering & Inspection.		$339,860	$6,797
Impact Fees			
City Controlled			
	Park - Parkland Dedication In-Lieu Fees - Range is $4,700 (Alviso) to $15,700 (Willow Glen)	$540,000	$10,800
	Water related - Water Area and Frontage Fee - Major Water Facilities Fee	 $14,000 $27,250	 $280 $545
	D.O.T. Street Tree Fees	$10,200	$204
	Storm and Sewer related - Storm and Sanitary Sewer Fees	$74,850	$1,497
	Total City Controlled Impact Fees	**$666,300**	**$13,326**

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Non-City Controlled			
	School District per square foot: $3.20 x 98,000 s.f. **- Varies by district: e.g., $3.03 (CUHSD) $3.20 (LGUSD)**	**$313,600**	**$6,272 average**
Development Taxes			
Building & Structure Construction Tax		$163,072	$3,261
Construction Excise Tax			
Const Tax Dist X $7,500		$7,500	$150
Construction Excise Tax Res. $259,256		$259,256	$5,185
Residential Construction Tax		$9,000	$180
Other:			
SMIPA - Residential		$1,059	$22
BSASRF		$460	$9
Total Development Taxes		**$440,347**	**$8,807**
TOTAL FEES PER UNIT $30,034 (CITY-CONTROLLED) +$6,272 (SCHOOL DISTRICT)=			**$36,306**

Assumptions: - Located in San Jose Muni Water Area.
- Project Generates 50 Peak Hour Trips.
- Significant Grading work (10,000CY).
- Construction of New Public Streets
- $1,300,000 in Public Improvements.
- No Public Landscaping.
- No Traffic Signal Work.
- School District fees are $3.20 per square foot (per LGUSD as of October 2014).
- Total Square Footage of units is 98,000 s.f.
- BSASRF=Building Standards Administrative Special Revolving Funds
- SMIP=strong motion instrumentation programs

Typical 96-Unit Multifamily Development in 16 buildings on 6 acres

96-unit Multi-family	Fee Type	Total Fees	Amount Per Unit
Entitlement Fees			
Planning and Public Works Assumptions: Project Requires Planned Development Zoning, Planned Development Permit, and Tentative Map. All High Complexity.		$64,196	$669
Construction Fees			
Building, Plumbing, Electrical, Grading, and Fire Permits, Plan Review, and Tract Map. Construction . Stormwater, and Water Meter Engineering & Inspection.		$446,271	$4,649
Impact Fees			
City Controlled			
	Park - Parkland Dedication In-Lieu Fees - Range is $4,700 (Alviso) to $15,700 (Willow Glen)	$729,600	$7,600
	Water related		
	- Water Area and Frontage Fee	$12,000	$125

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	- Major Water Facilities Fee	$21,600	$225
	D.O.T. Street Tree Fees	$4,080	$43
	Storm and Sewer related - Storm and Sanitary Sewer Fees	$75,360	$785
	Total City Controlled Impact Fees	**$842,640**	**$8,778**
Non-City Controlled			
	School District per square foot: $3.20 x 145,500 s.f. **- Varies by district: e.g., $3.03 (CUHSD) $3.20 (LGUSD)**	**$465,600**	**$4,850 average**
Development Taxes			
Building & Structure Construction Tax		$226,243	$2,357
Construction Excise Tax			
Const Tax Dist X $7,920		$7,920	$83
Construction Excise Tax Res. $355,531		$355,531	$3,703
Residential Construction Tax		$9,504	$99
Other:			
SMIPA - Residential		$1,469	$15
BSASRF		$592	$6
Total Development Taxes		**$601,259**	**$6,263**
TOTAL FEES PER UNIT $20,358 (CITY-CONTROLLED) +$4,850 (SCHOOL DISTRICT)=			**$25,208**

Assumptions: - Located in San Jose Muni Water Area.
- Project Generates 72 Peak Hour Trips.
- Significant Grading Work (5,000CY), Type 1 Erosion/Sediment
- Existing Public Street Frontage, Need $400,000 of Frontage
- Improvements (half street reconstruction)
- Construction of New Private Streets
- $600,000 in Private Improvements
- No Public Landscaping
- No Traffic Signal Work
- Streets Public / Private
- Total Square Footage of units is 145,500 s.f.
- BSASRF=Building Standards Administrative Special Revolving Funds
- SMIP=strong motion instrumentation programs

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On-Site and Off-Site Improvements

New residential development in San José may be responsible for both on-site (private) and off-site (public) improvements that are directly related to the impacts associated with a particular project. Aside from the construction of the buildings themselves, on-site improvements may include such items as public roads, private driveways/walkways, fencing, landscaping, drainage systems, etc. These improvements are either required by the Zoning Code or negotiated through the development review process as conditions of approval. Off-site improvements can include, for example, standard curb, gutter, and sidewalk, landscaping, street lighting, and the installation of underground utilities (including the undergrounding of existing overhead utilities). Depending on the extent of project impacts, such

public improvements may be required not only for the subject property but also for areas not located on the development site (e.g., a traffic signal to address nearby vehicle circulation).

The City has many Design Guideline documents that can be viewed or downloaded from the Planning Division's webpage that illustrate site improvement standards and requirements for the full range of housing types and for mixed-use development in different areas of the City including but not limited to Growth Areas identified in the General Plan. As these guidelines explain, the actual dimensions of site standards and improvements and specific species of trees required for street trees for each proposed development depend on where a development is proposed, what types of streets are planned or located within or adjacent to the development, and what site improvements are required as mitigation measures for environmental clearance under the California Environmental Quality Act (CEQA). Although the costs of site improvements can vary greatly based on the location, type, and scale of development, site improvements generally impact the cost of housing for specific development proposals more in areas of the City where existing infrastructure such as streets, sewers, curbs, gutters, utilities, bus stops, and parks are not already in place, or where the existing infrastructure is already at capacity and needs to be expanded or replaced. For example, more and costlier site improvements would generally be required towards the edge of the Urban Growth Boundary/Urban Service area, than on an infill site in Downtown. Identification of specific improvements for a proposed development is often determined in conjunction with environmental analysis of the project.

Design Guideline documents include:

- Residential Design Guidelines
- Downtown Design Guidelines
- San José Downtown Historic Design Guidelines
- Downtown San José Historic District Design Guidelines
- Saint James Square Historic District Design Guidelines
- Your Old House: Guide for Preserving San José Homes
- North San José Design Guidelines
- Fencing
- Parking
- Trash Enclosures
- Lighting

These documents can be viewed and downloaded at the following web address:

http://www.sanjoseca.gov/index.aspx?NID=1734

The primary mechanism for funding public improvements is the Residential Construction Tax Contribution Fund. In essence, housing developers pay contributions to this fund and, in turn, reimbursements are made from the fund once eligible improvements are completed. Similarly, Underground Utility Districts are established using fees from developers. Undergrounding projects are prioritized within a five-year plan based on several criteria, the most important of which is the amount of fees collected within the Underground District. Other criteria include whether or not the underground work can be coordinated with other capital improvement projects (e.g., street widening) and equity in the

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amount of undergrounding proposed in various areas of the City. Finally, a new Contingent Lien District Fund was established as part of the 2013-2014 budget process. This fund is used to facilitate cost sharing agreements through special districts between private parties in regards to the construction of significant public improvements as required by the City for development projects. As funds are collected, projects are constructed as specified by the original district agreements.

Resources to Alleviate Constraints

The City has been active on a number of fronts to alleviate constraints with the payment of construction-related fees and taxes. These actions have amounted to targeted incentives designed to further the goals and policies of the General Plan. For example, in 2010, the City Council amended the schedule of parkland fees charged under the PDO and PIO specifically for low income housing units, setting the rate at 50% of the fees normally applicable to each housing type. Previously the entire fee was waived for affordable housing developments but was raised to generate additional parkland fees, while continuing to provide some incentive for the construction of affordable housing in San José. However, options for other former construction-related fee waivers applicable to affordable housing expired several years ago.

In 2013, the City Council expanded and extended the Downtown High Rise Development Incentive Program, temporarily suspending the collection of 50% of the construction taxes for qualified projects. This program recognizes that a completed high-rise tower adds $150 million or more in assessed value to a site, thereby increasing tax rolls and providing a net-positive financial impact to the City, and constitutes the most environmentally sensitive means of accommodating substantial anticipated population growth, resulting in a net reduction in greenhouse gas emissions and vehicle-miles-traveled (VMT) over any alternative. However, once again, to date the incentive has yielded little residential development that is affordable to lower income households.

In summary, the fees, taxes, and other exactions applicable to residential development in San José are comparable, and on average lower, than other cities within the South Bay region, and thus are not an undue constraint. This is also true for affordable housing, since as mentioned the parkland fees applicable to such projects are set at a reduced rate. As to on-site and off-site improvements, the City has well-established infrastructure standards that are communicated to developers at the earliest stages of the development review process, so that these costs can be appropriately factored into the design of a project.

G. Regional Coordination

The location of jobs and housing, and where people choose to work and live, has regional impacts. The recognition of this fact is a fundamental reason for the existence of Housing Element law, which seeks to provide a mechanism for jurisdictions to provide their regional fair share of housing. As well, the Sustainable Communities and Climate Protection Act (SB 375) yielded a new set of complimentary incentives and consequences to promote compliance with State housing goals. Specifically, SB 375 prescribes those local governments on an eight-year planning cycle (including San José) must adopt a housing element within 120 days of the statutory due date. Failure to meet this timeline triggers a provision, referred to as the "four-year consequence," mandating update of a housing element every

four years (instead of every eight years) until adopting at least two consecutive updates by applicable due dates. In addition, as cited in Chapter I, a new framework for sustainability and regional planning will support RHNA through targeted transportation investments funded under the incentive-based One Bay Area Grant (OBAG) Program.

The RHNA process and this more recent system of "sticks and carrots" are a useful first step to furthering regional coordination on housing issues of statewide concern, but regions and cities for the most part still lack mechanisms to effectively ensure that fair share housing production targets are met. For one, cities that choose to prioritize growth and meaningfully address housing issues may not be sufficiently incentivized by the availability of grant funds targeted primarily for non-housing purposes. As such, during this RHNA period, City staff will continue to work with agencies and organizations in Santa Clara County and throughout the Bay Area to explore partnerships and strategies to facilitate a more equitable distribution of responsibility on these matters.

H. State and Federal Government

Dissolution of San José Redevelopment Agency

In 1945, the California Community Redevelopment Act was created to give local governments tools to address urban problems such as blight, degraded buildings, and a lack of affordable housing. Redevelopment is a process enabling revitalization of deteriorated and blighted areas, whereby redevelopment agencies develop a plan and provide the initial funding to encourage and attract private investment that otherwise wouldn't occur. Then, in 1952, this law was enacted, authorizing the distribution of tax increment to agencies with the goal of relieving taxpayers of the costs of redevelopment by making projects self-supporting.

In 1976, the California Legislature took action requiring that 20% of all tax increment generated through redevelopment be set aside to create, preserve, and improve housing for low- and moderate-income persons. Known as the Low and Moderate Income Housing Fund or "inclusionary housing", this source of funding became the single most effective tool for development of affordable housing in California. In San José, Low and Moderate Income Housing funds administered by the former San José Redevelopment Agency helped create thousands of new affordable units, provided homeownership opportunities for teachers and other workers key to our community's success, and assisted lower income households to improve their houses and neighborhood conditions.

In 2011, in response to State budget deficits, Governor Jerry Brown proposed and the State Legislature approved legislation that dissolved redevelopment agencies, and with that action the Low and Moderate Income Housing Fund. According to the League of California Cities, this action "fundamentally changed substantive municipal, housing, and tax laws, in addition to rendering the Community Redevelopment Law inoperative" and "fundamentally shifted decisions concerning the financing and funding of redevelopment obligations from the local level to the State, and comprehensively changed how low and moderate income housing is funded."

On June 28, 2011, Assembly Bill x1 26 (ABx1 26) was signed by the Governor, and required the creation of Successor Agencies to oversee the dissolution process. For affordable housing, however, the legislation allowed the cities and counties that created the redevelopment agency to choose to retain the housing assets and to continue to enforce the housing covenants and restrictions, and to exercise all

other rights, powers, duties and obligations of the former redevelopment agency as it related to the Low and Moderate Income Housing Fund. The City of San José took action in January 2011 to become the Successor Housing Agency and to retain the housing assets of the former San José Redevelopment Agency. Subsequently, Assembly Bill 1484 (AB 1484), signed in June 2012, clarified some portions of the original legislation, including more detailed language on the assets that could be retained. The dissolution date for all redevelopment agencies throughout the State was February 1, 2012.

Without the San José Redevelopment Agency, an estimated $40 million annually is no longer available to fund affordable housing, with statewide monies reduced by approximately $1 billion annually. As of this writing, there has not been a new permanent source of funding identified to fill this gap.

California Environmental Quality Act (CEQA) Reform

In 1970, the California Environmental Quality Act (CEQA) was passed, requiring every city, county, and public agency in the State to analyze and disclose environmental impacts of proposed projects and adopt feasible measures to mitigate those impacts. But in recent years, CEQA has too often been invoked for reasons other than environmental concerns by those, including governments, land owners, rival businesses, and labor unions, who see the law as a convenient way to delay or prevent a project or to gain negotiating leverage.

In response, in 2013, nearly 30 CEQA reform bills were introduced, but only one bill, Senate Bill 743 (SB 743), of any real significance was passed. However, SB 743 does not completely overhaul CEQA in the ways that many advocates had hoped, including simplifying the law's provisions, removing legal duplications, restricting late and frivolous legal challenges, and improving transparency. Yet, as it relates to minimizing constraints to housing production, SB 743 is a meaningful step in the right direction, as discussed below.

While SB 743's primary objective was to streamline approval of an arena for the Sacramento Kings professional basketball team, the legislation also provides new rules of general applicability that could significantly benefit select housing and mixed use residential/commercial projects. SB 743 provides that if a project is on an "infill site" and within a "transit priority area", the scope of CEQA's impact analysis is reduced and the standard for traffic evaluation may also change. For reference, an "infill site" refers to a lot that is essentially surrounded on three sides by urban uses, and a "transit priority area" includes any area within a half-mile of an existing or planned major transit stop.

On reduced impact analysis, SB 743 provides that the lead agency cannot consider either aesthetic or parking impacts as significant under CEQA. Accordingly, for certain projects, impacts which would otherwise require mitigation or even the adoption of a statement of overriding considerations cannot be considered significant environmental impacts. On traffic evaluation standards, SB 743 requires that the State Office of Planning and Research (OPR) establish new thresholds of significance for noise and transportation impacts for certain projects. Whereas CEQA traffic analyses have traditionally focused on whether a project would increase traffic congestion, SB 743 calls for the OPR to develop new guidelines which would deemphasize traffic congestion, and instead focus on reducing greenhouse gas emissions, promoting multi-modal transportation, and ensuring land use diversity within transit priority areas.

As of August 1, 2014, most housing projects that consist of seven (7) or more multi-family attached dwelling units are subject to CEQA analysis, which can add significant costs in terms of time and consultant expenses to affordable housing proposals.[5]

Inclusionary Housing Challenges

In 2007, the City of San José initiated a process to study the economic feasibility of expanding "inclusionary housing" provisions citywide, which were then applicable only to Redevelopment Project Areas. The inclusionary study process was accompanied by significant public outreach, with nearly 25 stakeholder and educational meetings and more than 30 one-on-one meetings with developers. This outreach was designed to develop an ordinance that met the City's inclusionary goals while providing various options to help mitigate potential constraints to residential development. In December 2008, the City Council adopted a policy to create a citywide inclusionary housing ordinance.

However, in July 2009, a California Court of Appeals—in a case known as *Palmer/Sixth Street Properties L.P. v. City of Los Angeles ("Palmer")*—ruled that the requirements for rental housing set forth in the City of Los Angeles Inclusionary Housing Program violated the Costa-Hawkins Act, which was approved by the California Legislature in 1995. The Costa-Hawkins Acts provides that landlords otherwise subject to rent control may set rents at market-rate whenever units are leased to a new tenant (known as "vacancy decontrol"). The ruling in *Palmer* called into question the validity of inclusionary housing requirements on rental housing projects.

On June 22, 2010, in response to *Palmer*, the City Council/Redevelopment Agency Board amended the inclusionary policy to temporarily suspend the applicability of affordable housing requirements for new rental housing developments until such time as the *Palmer* decision is reversed or modified by another court or by the State Legislature. On September 11, 2013, the California Supreme Court agreed to review separate, pending litigation regarding the City's efforts to create a citywide inclusionary housing ordinance, and a decision on this case will likely be rendered in late 2014. Note that inclusionary requirements for for-sale housing were not impacted by the *Palmer* ruling, and remain in place in Redevelopment Project Areas.

On October 13, 2013, Governor Jerry Brown vetoed legislation (AB 1229) that would have authorized cities to establish inclusionary housing requirements and effectively overturned the Court of Appeals ruling. The Governor indicated that the California Supreme Court is currently weighing whether cities may require inclusionary housing and that he'd "like the benefit of the Supreme Court's thinking before we make adjustments in this area."

State Funding Limitations

Funding at the State level, such as Proposition 1C, has been all but depleted. Additionally, the process of obtaining 9% Low-Income Housing Tax Credits (LIHTC) is extremely competitive, with demand far exceeding supply in each funding round. Although the value of tax credits have essentially returned to pre-recession highs, with a $1 tax credit often valued at more than $1, there is simply not enough to go around. For example, given the competition, one or two applications is the realistic maximum number of

[5] http://resources.ca.gov/ceqa/docs/2014_CEQA_Statutes_and_Guidelines.pdf

housing projects per round that could receive funding in Santa Clara County. Besides the former San José Redevelopment Agency tax increment financing mechanism, tax credits are the most valuable tool for funding the construction and preservation of lower income housing.

Federal Funding Limitations

Funds made available for housing and community development by the federal government have experienced significant cutbacks in recent years. For example, funding to the City of San José for the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships Program (HOME) have declined by approximately 30% to 40% since 2007-2008. Additionally, cuts to the Housing Choice Voucher ("Section 8 ") Program have had a deleterious impact on housing authorities across the nation, including the San José Housing Authority and Santa Clara County Housing Authority. Funds committed to these programs provide much-needed resources to support affordable housing. Recent funding limitations represent a key constraint on the City's ability to address local housing and homelessness issues.

NON-GOVERNMENTAL CONSTRAINTS

I. Price of Land

The price of land is a significant factor in the financial feasibility of housing development, and this is especially true for affordable housing. In San José, as it is in Santa Clara County and throughout the Bay Area, the cost of land is high, comprising a large percentage of the overall cost of development. Of course, the cost of land is determined by numerous factors, most importantly neighborhood location and proximity to various amenities, including jobs, schools, parks, retail uses, public transit, etc. Thus, it is difficult to generalize about land prices, especially in a place the size and diversity of San José.

However, some insight on land prices can be found from a few common information sources. First, the Santa Clara County Assessor's Office separately itemizes the value of land and improvements in its annual assessment of property taxes. Review of several sample residential property tax statements indicates that land constitutes approximately two-thirds of the total assessed valuation. So, for example, a typical $750,000 single-family home is comprised of roughly $500,000 in land value and $250,000 in improvements value. Thus, while assessed value is not the same as market value, this ratio gives a good indication of the relative significance of land prices in the total cost of development.

In addition, Zillow, an online real estate database that in conjunction with Yahoo! Real Estate has become the largest real estate advertising network on the web, features a price estimate for properties based on a range of publicly available information, including sales of comparable properties in the neighborhood. A scan of San José properties currently listed on Zillow demonstrates the degree of diversity mentioned above. For example, a 1-acre estate lot in the exclusive Almaden or Evergreen neighborhoods are priced as high as $1 million. On the other hand, a 5,000-square foot lot in the mixed residential/commercial areas around Downtown is priced around $300,000.

It is also interesting to consider how the concentration of Bay Area jobs and housing growth into Priority Development Areas (PDAs), as referenced in Chapter I, may accelerate an increase in land values and gentrification. Once again, the City of San José has several dozen PDAs which have been nominated and

formally approved in furtherance of the region's integrated long-range plan, Plan Bay Area, and these PDAs coincide with growth locations identified in the City's own General Plan, including Urban Villages. However, due to their strategic location and planned future investments, these same areas may be where upward pressure on land prices could be the greatest, thereby making the creation of affordable housing even more challenging. As such, the implementation program of this Housing Element seeks to explore mechanisms for equitable development in Urban Villages that can provide a range of housing opportunities in higher cost locations.

Resources to Alleviate Constraints

Since 2011, with the adoption of the Envision San José 2040 General Plan, and subsequently with changes to the Zoning Code, the City has implemented policies and ordinances to facilitate taller, higher density development with fewer required parking spaces. In addition to increasing maximum allowable building heights through new Zoning Code provisions, probably the broadest approach the City has taken to alleviate the impact of land costs is in reduction of parking requirements. As briefly mentioned earlier, Ordinance No. 29217 (effective 4/5/13) reduced parking requirements for residential development near transit and provided Transportation Demand Management (TDM) measures. More specifically, the ordinance increased an already existing Zoning Code provision, which had allowed up to a 10% to 15% reduction in parking for projects in Downtown, Transit-Oriented Development Corridors, and other designated Special Strategy and Growth Areas in the General Plan to now as much as a 50% reduction. Also, regardless of location, certain specific residential uses were provided with a 20% parking reduction, including senior housing, SROs, efficiency living units, emergency residential shelters, and residential care/service facilities. As well, other more general changes to parking requirements were implemented to support more urbanized development, including reduced setbacks and allowance of up to 50% of parking spaces in a tandem arrangement (with certain findings). These parking reductions and flexibility reduce site requirements, especially for affordable housing types, and can thus result in land acquisition cost savings.

J. Cost of Construction

The International Code Council (ICC) publishes biannual Building Valuation Data (BVD) that provide "average" construction costs per square foot for various occupancy groups and construction types, including for single- and multi-family residential development. These costs include everything from foundation work to the roof structure, as well as structural and nonstructural building components, electrical, plumbing, mechanical, and interior finishes. The data cited below are a national average and do not take into account any regional cost differences. Due to high local costs, a Regional Cost Modifier that adds an approximately 15% premium to these figures would be appropriate for San José.

The latest BVD data were published in August 2013, and indicate a construction cost range of approximately $105 to $120 per square foot for R-2 Residential (multi-family) and R-3 Residential (one- and two-family) occupancy groups for the most common construction types (Type IIIA or Type VA for multi-family and Type VB for single-family). Translating these figures into more general terms, the City very roughly estimates construction costs at approximately $300,000 for a typical single-family residence and at about $150,000 to $200,000 for a typical multi-family residence.

Construction costs are comprised of both "hard" costs, such as labor and materials, and "soft" costs, such as architectural and engineering services, project management, and insurance. Taken together

with the price of land, hard costs and soft costs cumulatively represent the total cost for a construction project. For construction of most homes in San José, hard costs account for the largest share, but these shares differ by occupancy group. For single-family homes, hard costs and land costs each amount to roughly 40% of the total cost (with soft costs comprising the 20% remainder), whereas for multi-family homes, hard costs account for as much as two-thirds of the total.

It is important to note that construction costs have been quite volatile in recent years. During the economic downturn, construction costs declined by approximately 10% as the demand for both labor and materials waned. Since that time, however, costs have rebounded along with the overall economy. For example, according to the National Association of Home Builders (NAHB), framing lumber prices have risen rather dramatically, doubling from a low of $200 per 1,000 board feet in 2009 to $400 per 1,000 board feet in 2014. Not surprisingly, the NAHB also reports that the share of a new home sales price going to a builder's profit dropped from 8.9% in 2009 to an all-time low of 6.8% in 2011.

As suggested by the prior needs assessment, without subsidies, new market-rate housing is unlikely to be affordable to low-income households, as well as many middle-income households. To some extent, reductions in amenities and lower-quality building materials can reduce sales and rental prices, but minimum building and safety standards are mandatory. The trend towards increased densities in San José can help improve affordability by reducing per-unit costs, and the City's willingness to consider reduced parking requirements in certain circumstances can also make housing more affordable.

Resources to Alleviate Constraints

The actions that San José can take to reduce construction costs are somewhat limited given that the City does not currently implement any programs or policies that reduce labor or materials costs. Note that while labor rates vary by trade and construction method, these higher paid skilled and semi-skilled positions are generally unaffected by the City's imposition of a Minimum Wage Ordinance (MWO) as discussed in Chapter III. In terms of construction related fees/taxes, as previously mentioned, in 2010, and through Council extension through 2014, the City Council amended the schedule of parkland fees charged under the Parkland Dedication Ordinance (PDO) and Park Impact Fee (PIO) specifically for low income housing units, setting the rate at 50% of the fees normally applicable to each housing type. As well, in 2013, the City Council expanded and extended the Downtown High Rise Development Incentive Program, temporarily suspending the collection of 50% of the construction taxes for qualified projects. The Downtown High Rise Development Incentive Program also provides exemptions to the inclusionary housing ordinance within three areas of Downtown and reduces in-lieu fees to 50% in the rest of downtown. Since these fees/taxes contribute to the total cost of construction, their reduction for select housing types and/or locations is a meaningful attempt to alleviate this constraint.

K. Availability of Financing

During the depths of the 2008-2009 financial crisis the availability of financing was clearly among the biggest constraints to housing. Caused by imprudent and excessive lending practices, financial institutions significantly reduced loans to potential homebuyers as well as to developers for construction financing. With the more recent economic recovery, developers and consumers alike have in general had less difficulty in obtaining financing. This is evidenced by the fact that the number of residential building permits issued in San José reached a nine-year high of almost 3,500 dwelling units in calendar year 2012. Indeed, with the possibility that the current housing market rebound reflects yet

another housing bubble, there is legitimate reason for concern that another wave of risky lending and foreclosures could occur in the relative near term.

However, several caveats are in order. First, in an effort to better manage risk, banks' willingness to provide construction financing is now much more dependent on product type. In particular, rental housing is experiencing unusually high demand, and is thus looked upon more favorably than housing intended for ownership. Similarly, market-rate housing has had relatively little difficulty obtaining financing, whereas affordable housing projects remain an ongoing challenge. This is especially true given the previously discussed decline in State and federal sources. Finally, construction in San José is dominated by a handful of very large publicly-traded or privately-held development companies or Real Estate Investment Trusts (REITs), which entities have greater access to funds located outside the traditional banking system or the ability to finance projects themselves.

Limited for-sale inventory, strong regional job growth and the emergence of all-cash domestic and foreign real-estate investors has made it difficult for individual consumers to purchase homes with a mortgage.

Resources to Alleviate Constraints

There are limited actions that San José can take to improve the availability of financing. The City has no role or authority in the financial markets and therefore no influence over financing mechanisms. However, by providing limited public resources for residential development, the City helps developers leverage private resources and spread the risk for private financial institutions investing in residential development. This encourages the availability of financing for affordable housing developments in which the City and other public entities invest.

L. Market Forces

Strong markets are a reflection of healthy economies. On the other hand, absent governmental intervention, a robust free market economy tends to incite various unhealthy conditions that challenge the creation and maintenance of affordable and other specialized housing types, the provision of healthy and safe living conditions, and the existence of balanced and equitable communities, as described below.

- Displacement—efforts to maximize investment returns by replacing lower-value land uses with higher-value ones cause increasing redevelopment pressures. This natural, profit-seeking behavior on the part of individual property owners can result in the steady elimination of existing affordable housing and, as a consequence, displacement of lower income households.
- Product Uniformity—specialized housing types are designed to match the unique needs of persons comprising a relatively small share of the overall market. As a result, these housing types carry higher investment risk making them more difficult to finance. Product uniformity is the outcome, at least until demographic trends or changing preferences alter supply/demand and the associated risk profile.
- Overcrowding—the inability of lower income households to afford housing can result in overcrowding as multiple or extended families are forced to live together. This overcrowding increases health and safety concerns and stresses the condition of the housing stock and

infrastructure. As well, overcrowding stifles household formation and thus market demand that would otherwise trigger increasing supply.

- Labor/Housing Imbalances—the labor and housing markets operate somewhat differently, and as a result communities can become imbalanced and inequitable. While both markets seek to maximize profits, the (private) housing market does so by pricing homes according to what the market will bear. Alternatively, the labor market naturally includes workers across a full range of incomes, while generally seeking to keep costs low. As a result, the cost of market rate housing will tend to be affordable for only a (higher income) segment of the workforce, even though a broader range of housing types/prices are needed to match the full income spectrum.

As relates to the homelessness issue, according to San José's recent survey discussed in Chapter III, obstacles to obtaining housing were almost solely income related: one third (35%) of respondents reported being employed, another 42% reported job loss as the reason for becoming homeless, and two thirds (65%) reported an inability to afford rent. Further, there are a lack of available housing units and landlords willing to lease units to homeless persons. At this time, there are more than 100 homeless individuals in San José with a housing subsidy who are actively seeking housing but cannot locate a home to rent. Thus, there is not only a lack of income to afford market rate housing, but also sometimes an inability for market participants to gain access to available supply even when there is willingness and ability to pay.

In this Housing Element implementation program, City staff will explore strategies to facilitate the housing market while simultaneously addressing the issues that market conditions may cause. The current inability to work productively with market forces is one of the key barriers for affordable housing production and equitable communities. Facilitating the market and creating equitable communities are not mutually exclusive goals—addressing only one or the other is a "false choice." The implementation program seeks to avoid this outcome and develop strategic responses that result in a "win-win."

M. Environmental Hazards and Limitations

San José's Sphere of Influence includes many areas subject to varying degrees of naturally occurring and man-made environmental hazards and limitations. Historically, as land becomes scarce, there is increased pressure to develop land with a higher hazard potential. However, development in hazardous areas can result in significant costs to the community, including major property damage as well as potential loss of life.

For new development, the emphasis of the General Plan is to regulate construction so as to minimize identifiable risks. The hazards policies in the Plan are based on substantial background data and analysis from various sources about existing conditions in San José and Santa Clara County. These sources document many hazards, including noise, seismic, geologic/soil, flooding, and airport-related hazards, as briefly described below.

<u>Noise Hazards</u>

City policy encourages locating new development in areas where noise levels are appropriate for the proposed use. For interior noise levels, San José's residential standard is 45 dBA DNL. Appropriate site and building design, building construction, and noise attenuation techniques are included in new development to meet this standard. For exterior noise levels, the City's residential standard is 60 dBA

DNL or less, and an acoustical analysis following protocols in the City-adopted California Building Code is required to demonstrate compliance. For new multi-family residential projects, the 60 dBA DNL standard applies to usable outdoor activity areas, excluding balconies and stoops/porches facing existing roadways. For single-family residential uses, the 60 dBA DNL standard applies to private usable outdoor activity areas, such as backyards.

Seismic Hazards

San José is located in a region of very high seismic activity. The major earthquake faults in the area are the San Andreas, near the crest of the Santa Cruz Mountains, and the Hayward and Calaveras fault system located in the Diablo Range. Numerous other faults are located in the hills and throughout the valley. As a result, the City has numerous policies to help minimize the risk of injury, loss of life, property damage, and community disruption from seismic shaking, fault rupture, ground failure (liquefaction and lateral spreading), earthquake-induced landslides, and other earthquake-induced ground deformation. For example, within seismic hazard zones identified under the Alquist-Priolo Fault Zoning Act, the California Seismic Hazards Mapping Act, and/or by the City of San José, geotechnical and geological investigations are required, and approval of development proposals granted only when the severity of seismic hazards have been appropriately evaluated and mitigated.

Geologic/Soil Hazards

Hazards related to geologic and soil conditions include erosion, landslides, expansive soils (subject to shrink and swell behavior), weak soils (subject to failure), and land subsidence. Soils with varying degrees of expansivity are present throughout the San José area, as are weak soils. Also, soils on some sites throughout the valley floor have been contaminated by chemicals which were used in conjunction with former heavy industrial or agricultural uses. Depending on concentrations, these materials can pose health risks for residential development. As such, City policy stresses the need for identification and awareness of geologic hazards and soils contamination issues in the planning of residential uses. Compliance with the San José Geologic Hazards Ordinance is required for all new development, and such proposals within hazard areas shall not be endangered by, nor contribute to, the hazardous conditions on the site or on adjoining properties.

Flooding Hazards

Information on areas subject to flood hazards in San José is based on several sources. Flood Insurance Rate Maps (FIRM) have been prepared in conjunction with the Federal Flood Insurance Program showing areas projected to be flooded to a depth of one foot or more in the event of a "1%" or "100-year" flood occurrence. Information on areas subject to the "0.5%" or "200-year" flood are provided by the Federal Emergency Management Agency (FEMA) and the California Department of Water Resources (DWR). The California Emergency Management Agency (Cal EMA) also provides information on areas subject to inundation due to dam failure. The Santa Clara Valley Water District (SCVWD) has the primary responsibility for flood protection through the construction, operation, and maintenance of flood protection capital projects. Meanwhile, the City of San José has jurisdiction over, and responsibility for, development and floodplain management such that development is protected from flooding and does not induce flooding on other properties.

Airport-Related Hazards

The City of San José contains two airports: (1) Norman Y. Mineta San José International Airport (SJC), located near Downtown, which serves as the primary commercial airport for Silicon Valley, and (2) Reid-Hillview Airport, located in east San José, which serves primarily small piston aircraft and general aviation demand. To minimize the public's exposure to airport-related hazards (safety, noise, etc.), Airport Influence Areas (AIAs) have been established to protect public health, safety, and welfare. In some cases, Federal Aviation Administration (FAA) regulations and land use controls applicable to AIAs limit the potential for sites within these areas from being developed with residential uses. These regulations are necessary to maintain land use compatibility between airports and their surroundings.

Water Limitations

In 2014, California experienced one of the worst droughts in recent history, with more frequent (and severe) droughts expected in coming years. To the extent that droughts become more common in the State and region, water supply may become a constraint to future development in San José. Staff has recently engaged in discussions regarding the potential impact of the current drought on the City's growth plans in North San José.

Environmental Constraints and Infrastructure

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At a program level, all the parcels listed in the Housing Element Adequate Sites Inventory have received environmental clearance through adoption of the Envision San Jose 2040 Program Environmental Impact Report (PEIR). The PEIR long term analysis for General Plan capacity build-out through 2035 addresses infrastructure requirements including but not limited to water supply, sewer capacity, and transportation for a much larger capacity and longer timeframe than that of the 2014-2023 Housing Element period. The General Plan PEIR is viewable at http://www.sanjoseca.gov/index.aspx?NID=2435

Already entitled parcels have received project-level environmental clearance, and their environmental constraints have already been addressed through project design and/or permit conditions. Parcels in Downtown, North San Jose, or Planned Communities, as well as parcels in areas with other approved area plans including but not limited to the Diridon Station Plan area and approved Urban Village Plan areas, have environmental clearance at the level of zoning and development standards with near-term infrastructure impacts and mitigation measures already identified within these environmental clearance documents. Development approvals within these sub-areas can often be streamlined and can tier off the previous environmental clearance documents if development proposals conform to the applicable area plan.

Some areas of San Jose are potentially subject to impacts from floods and seismic activity. There are also some areas in the City that could contain cultural artifacts, particularly areas near creeks. There are also several sites in the City that could provide habitat for various protected species of flora or fauna. There are other sites in the City that could contain hazards including but not limited to naturally occurring asbestos or soil contamination from previous agricultural practices onsite. These areas are referenced in the environmental clearance documents that cover the sites in the Adequate Sites Inventory, including but not limited to the General Plan PEIR, and environmental clearance documents for area plans within the City as described above. The existence of these environmental features will not preclude development of the sites identified in the inventory at the projected residential densities and capacities stated in the Housing Element, which are conservatively calculated at the lower to mid-range

of that density allowed under the General Plan land use designations for each parcel listed in the Adequate Sites Inventory. Numerous residential developments over several decades successfully addressed these types of environmental features, which are not unusual environmental features within the region in which the City of San Jose is situated.

Resources to Alleviate Constraints

The environmental hazards and limitations discussed above are largely beyond governmental control, but nonetheless do not unduly constrain residential development needed to achieve San José's Regional Housing Need Allocation (RHNA). The City's Urban Service Area (USA) totals approximately 140 square miles, defining the area where services and facilities provided by the City of San José and other public agencies are generally available and where urban development requiring such services should be located, in large part to avoid unnecessary conflict with hazards situated outside the USA. Within the USA, hazards apply only to limited geographic areas and, in any event, these are generally not planned Growth Areas. A primary exception is Downtown, portions of which fall within the southernmost extent of the Mineta Airport AIA, yet adherence to FAA regulations has clearly not been a constraint to construction of Downtown high-rise residential projects.

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Chapter V: Planned Supply/ Inventory

State law requires that a housing element contain "an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment" (Government Code section 65583(a) (3)). The law clarifies that the phrase "land suitable for residential development" includes: (1) vacant sites zoned for residential use; (2) vacant sites zoned for nonresidential use that allows residential development; (3) residentially zoned sites that are capable of being developed at a higher density; and, (4) sites zoned for nonresidential use that can be redeveloped for, and as necessary, rezoned for, residential use (Government Code section 65583.2(a)).

This chapter serves as an introductory overview to San José's planned supply/inventory of lands suitable for residential development, with a detailed, parcel-specific inventory and methodology discussion separately contained in Appendix A: Adequate Sites Inventory. Further, the chapter addresses several additional provisions of State law related to inventory methodology, and in particular the calculation of units to satisfy the lower income households portion of RHNA.

Two observations might be made about the applicability of these legal requirements to San José. First, the law places emphasis on the importance of zoning in evaluating the suitability of land for residential development. San José, however has long recognized the General Plan as the primary regulatory tool in the practice of city planning and as a charter city, San José is exempt from the statutory requirement that zoning be consistent with its General Plan. A general plan has been called the "constitution" for land use to emphasize its value in the decision-making process, with the General Plan and its maps, diagrams, and development policies forming the basis for the City's zoning and other regulations.

Second, the law implies that vacant land is likely a major contributor to planned housing supply within a community. However, as previously mentioned, San José is largely built-out in a low-density land use pattern within its city limits, and the General Plan does not support the conversion of industrial areas to residential use or the development of Urban Reserves or lands outside the City's Urban Growth Boundary. As such, most new housing development will be achieved through higher-density redevelopment within existing urbanized areas. In other words, as shown in this chapter, vacant land comprises a relatively small and declining share of the City's planned supply of housing.

A. Inventory Overview

Aside from the aforementioned general provisions of State law, an explanation of methodology used to determine development potential of identified lands is also required. As indicated in the General Plan, "zoning will become more consistent as the Plan is implemented over time." This charter city status means that the General Plan is of paramount importance in determining the suitability of lands for future residential development in San José, and that existing zoning is not necessarily the best indicator of the City's longer-term land use plans as further detailed in this chapter.

Table V-1, which follows this paragraph, identifies seven major location/status categories of housing units planned during the current RHNA period, plus a "pool" allocation as previously described in Chapter IV. An explanation of these categories and associated methodology is provided below. These categories are as follows:

1. Already Entitled
2. Downtown
3. Planned Communities
4. Urban Villages
5. Vacant Land
6. North San José
7. Underutilized Parcels

DISTRIBUTION OF HOUSING UNITS
PLANNED DURING THE RHNA PERIOD (2014-2022)

Location/Status Category	Planned Housing Units	Percent of Total
Already Entitled[1]	11,474	32.7%
Downtown	9,701	27.6%
Planned Communities	7,547	21.5%
Urban Villages[2]	2,666	7.6%
Vacant Land[3]	2,125	6.1%
North San Jose[4]	N/A	N/A
"Pool" Allocation[5]	500	1.4%
Underutilized Redevelopable Parcels	1,104	3.1%
Totals	**35,117**	**100.0%**
RHNA Allocation (2014-2022)	35,080	

Source: City of San Jose

Notes:

[1]Includes unbuilt units in Phase 1 of the North San Jose Area Development Policy (NSJADP) and in the Hitachi mixed use village project, but otherwise excludes projects in other identified categories.

[2]Horizon 1 only of the Envision San Jose 2040 General Plan.

[3]To avoid double-counting, excludes vacant lands in other identified categories.

[4]Phases 2-4 of the NSJADP, allowing an additional 24,000 units, are not anticipated during the RHNA period.

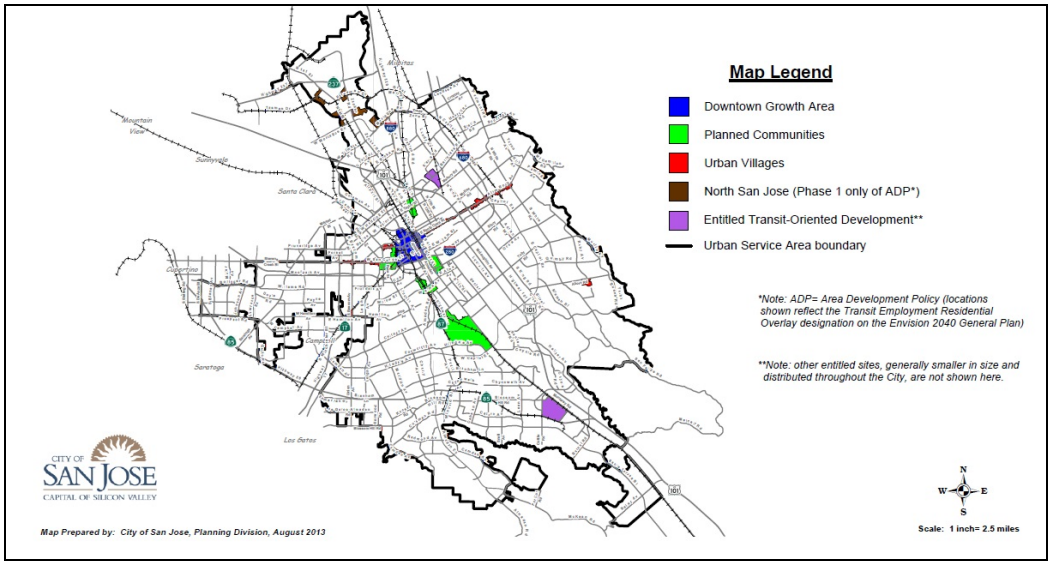
[5]Allocation of units per Policy IP-2.11 of the Envision San Jose 2040 General Plan.

Table V-2, Distribution of Housing Units

The Already Entitled, Downtown, and Planned Communities categories cumulatively yield over 28,500 housing units, or approximately 80% of the current RHNA allocation. Due to phased implementation, Urban Villages and North San José account for a relatively small amount of housing during the current RHNA period. However, the next phase of housing including up to 8,000 units in North San José could be initiated during this Housing Element planning period if expected commercial and industrial development occurs as intended.(Note: see detailed discussion later in this chapter). Vacant land amounts to about 5% of the City's planned supply of housing. Finally, Policy IP-2.11 of the General Plan allows an initial "pool" allocation of up to 5,000 housing units not included within the current Horizon to be used currently in a Plan area that is in a future Horizon. Ten (10) percent or 500 units from this pool of 5,000 units are included in the Planned Housing Units inventory. These 500 units can be used in approved Urban Villages that are in future horizons, such as the South Bascom Urban Village Plan, which is scheduled to be approved by the end of 2014 but is planned to be implemented in a future Horizon (Horizon III).

To consider the environmental impacts that result from development allowed under the General Plan, the City prepared a Program Environmental Impact Report (PEIR) in conformance with the California Environmental Quality Act (CEQA). This PEIR, addressed a series of actions that can be characterized as one large project, and provided an exhaustive consideration of cumulative effects and alternatives.

It is also useful to visualize this planned supply of housing geographically, as illustrated in the map below. Consistent with the General Plan's Focused Growth Major Strategy, primary locations for planned housing represent a combined total of approximately 3,500 acres of land, or just 4% of the City's Urban Service Area (USA), which locations are concentrated in areas with good access to transit and other existing infrastructure and facilities. Further, a comparison of these planned housing locations with the household income by census tract map (Map III-1) presented in Chapter III indicates that San José's RHNA housing supply is well distributed across the full income spectrum (e.g., North San José is "high income," Downtown and Alum Rock are "low income", etc.).



Map V-1, Primary Locations for Planned Housing during the RHNA Period

B. Already Entitled

The City of San José estimates that as of April 4, 2014 there are 11,474 units that have already received entitlements. This means that the units have been issued planning approval but have not yet obtained a building permit for construction. These entitled units are primarily composed of multi-family units, with concentrations located on several large mixed-use development sites, such as the "Hitachi site" at Highway 85 and Cottle Road, the San José Flea Market site along Berryessa Road adjacent to the new Berryessa BART station currently under construction, and in North San José (Note: remaining Phase 1 only of the North San José Area Development Policy as indicated in Table V-1 and Map V-1, and discussed in more detail later in this chapter).

The City of San José maintains an extensive Geographic Information Systems (GIS) database of residential development projects that have received planning entitlements. The database tracks projects throughout the entire process, from the time of planning application submittal to the issuance of building permits and eventual completion of construction.

This database serves several purposes. For example, it enables the City's preparation of an annual Development Activity Highlights and Five-Year Forecast of construction-related tax revenues, spatial analysis of population and housing growth, and fulfillment of annual Congestion Management Program (CMP) land use monitoring reporting requirements pursuant to State law (Government Code section 65089). The CMP mandates inclusion of data on all development project applications that result in a change in the number of entitled dwelling units. As to the mapping of entitled sites, the forecast report (available online at http://www.sanJoséca.gov/index.aspx?nid=2050) provides individual maps by

Planning Area of all recent "major" projects (i.e., 50 or more housing units). However, please note that data contained in Appendix A: Adequate Sites Inventory are inclusive of all entitled projects, regardless of size.

(Note: for the purposes of this Housing Element, the entitled database was queried to exclude projects in other identified location/status categories. This "hierarchy" among location/status categories ensures no double-counting of units tallied in satisfaction of the City's RHNA requirement, and supports ongoing tracking and comparison of stated yields with housing capacity figures (by area and horizon) contained in Appendix 5 of the General Plan (http://www.sanJoséca.gov/DocumentCenter/View/7541)).

C. Downtown

One Major Strategy (Strategy #9) of the General Plan is to support continued growth Downtown. The Downtown Growth Area is depicted in Map V-1, and is bounded by Julian Street, North 4th Street, East St. John Street, 7th Street, East San Fernando Street, South 4th Street, Interstate 280, the Union Pacific Railroad line, Stockton Avenue, Taylor Street, and Coleman Avenue. The General Plan maintains and augments the City's "Downtown Strategy 2000," an action guide for development and redevelopment of the Downtown based on a broad, multidisciplinary consideration of the issues of economics, transportation, urban design, urban landscape, historic resources, cultural resources, and events as they apply to Downtown.

The Downtown Strategy was initially prepared in 2000, but updated and adopted in June 2005 to support additional job and housing growth in Downtown (Note: even before the General Plan, the City was committed to the potential construction of approximately 8,330 new housing units in Downtown). At the same time, the City Council adopted a new Multi-Modal Transportation Policy that provided a process for the analysis and consideration of overall conformance of a proposed development with the City's various General Plan multi-modal transportation policies. By allowing a means for development to proceed in key areas even when traffic mitigation is not feasible or desirable, the Multi-Modal Transportation Policy plays an important role in supporting the Downtown Strategy.

As a result of the General Plan, the capacity of the Downtown Growth Area was increased from 8,330 new housing units to 10,360 units. While well over a dozen planning entitlements have been granted for construction of new housing in Downtown since the collection of "baseline" data for the General Plan in 2008, only two projects have been issued building permits, to date. These construction projects are two high-rise residential towers with a combined total of 659 housing units. Thus, the bulk of Downtown capacity remains available and has been applied in full to the current RHNA period (i.e., 10,360 – 659 = 9,701 units). Planning application activity for residential projects in Downtown has increased dramatically in recent months.

D. Planned Communities

Since 1980, San José has adopted a total of ten (10) Specific Plans or Master Plans for certain limited geographic areas, which areas are referred to as Planned Communities. In general, these Planned Communities have been designed to facilitate infill residential development/redevelopment; however, each Plan is unique and has other objectives beyond housing. These ten Planned Communities are:

- Alviso (1999)
- Martha Gardens (2003)

- Berryessa (1980)
- Communications Hill (1992)
- Evergreen (1991)
- Jackson-Taylor (1992)
- Midtown (1992)
- Rincon South (1999)
- Silver Creek (1982)
- Tamien Station (1995)

Each of these Specific Plans, including detailed maps illustrating plan boundaries and planned land use changes, are available online at http://www.sanJoséca.gov/index.aspx?nid=1741. The General Plan contains most of these Planned Communities, but select others were recently retired with adoption of the Plan. Retired plans include Berryessa, Evergreen, Rincon South, and Silver Creek, with elements of the Rincon South Plan having been incorporated into the Urban Village Plan for corresponding Urban Village areas. As well, given the fairly limited housing growth potential of the Alviso Plan, it has been omitted from the following Table V-2.

ENVISION 2040 GENERAL PLAN
HOUSING CAPACITY BY PLANNED COMMUNITY

Planned Community	Total Planned Housing Units	Units Built	Units Remaining
Communications Hill	4,603	1,828	2,775
Jackson-Taylor	2,225	1,412	813
Martha Gardens	1,995	269	1,726
Midtown	2,940	1,669	1,271
Tamien Station	1,682	720	962
Totals	**13,445**	**5,898**	**7,547**

Source: City of San Jose

Table V-2, Housing Capacity by Planned Community

All five identified Planned Communities have witnessed some amount of new housing construction in recent years, which reduces potential future yield but also demonstrates the viability of these areas for ongoing housing production. In fact, the Planned Community with the largest remaining capacity, Communications Hill, contains pending land use applications filed in spring 2013 for the construction of up to 2,200 housing units. In summary, significant capacity remains in each of these Planned Communities, such that a combined total of approximately 7,500 additional housing units are available for development during the current RHNA period.

E. Urban Villages

Urban Village Housing Capacity

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The General Plan promotes the development of Urban Villages (Major Strategy #5), yet also closely monitors the achievement of key Plan goals through a periodic major review of the Plan and the use of Plan Horizons to phase implementation of housing development over time (Major Strategy #12). As

such, while there are a total of 70 Urban Villages identified within the Plan (see the City's Planned Growth Areas Diagram at http://www.sanJoséca.gov/DocumentCenter/View/7463) , only three Urban Villages, totaling 2,666 housing units, are within "Horizon 1", and anticipated to be available for new housing development in ~~prior to January 31st,~~ 2015, and are thus considered planned during the current RHNA period (see the following Table V-3).

ENVISION 2040 GENERAL PLAN
HOUSING CAPACITY BY URBAN VILLAGE*

Urban Village	Village ID	Planned Housing Units
Alum Rock Avenue	CR29	1,010
West San Carlos Street**	CR31	1,245
The Alameda	VT4	411
Totals		**2,666**

Source: City of San Jose

*Note: Horizon 1 only of the Envision 2040 General Plan.
**Note: capacity reduced by ten units per GP13-005, approved 11/19/13.
***Note: capacity for this village was constructed in 2012-2013.

Table V-3, Housing Capacity by Urban Village

The General Plan Policy IP-2.11 states that "preparation of an Urban Village Plan is necessary prior to allocation of these units unless the project qualifies as a Signature Project."

The City is working diligently to prepare Urban Village Plans for Horizon 1 and other Urban Villages. For example, on October 22, 2013, the City Council approved the Alum Rock rezoning (C13-035) which serves as the Urban Village for this corridor. As of this writing, the following seven Urban Villages are in the planning stages for preparation of an Urban Village Plan:

- The Alameda (East)
- East Santa Clara Street
- South Bascom (North)
- West San Carlos Street
- Stevens Creek
- Valley Fair/Santana Row and Vicinity
- Winchester Boulevard

Of the seven Urban Village Plans above, West San Carlos and The Alameda are anticipated to be considered for approved by the City Council by March 2014. Upon approval by Council, residential development could move forward in these Urban Villages, consistent with the given Plan. While not a Horizon I Urban Village, the South Bascom Plan is also anticipated to be approved by the City Council by March 2014, and would be available for new housing construction through the use of the 5,000 unit pool, as discussed above in section A. Inventory Overview.

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~~Of the seven Urban Village Plans above, The Alameda and West San Carlos Plans are anticipated to be approved by the City Council by December 2014 and available for the construction of new housing development prior to January 31, 2015. While not a Horizon I Urban Village, the South Bascom Plan is also anticipated to be approved by the City Council by December 2014, and would be available for new housing construction through the use of the 5,000 unit pool, as discussed above in section A. Inventory Overview.~~

Please note that the RHNA period extends to year 2022, whereas the first General Plan Major Review will occur in 2015, at which time (and again in 2019) the City Council, per Policy IP-2.5, will "verify that the current Planning Horizon contains adequate capacity to meet San José's Regional Housing Need Allocation for the upcoming 4-year term." Meanwhile, the capacity of Horizon 1 Urban Villages, along with 500 units from an initial 5,000-unit "pool" of residential capacity allowing entitlement of residential projects within Urban Villages not included within the current Plan Horizon (per Policy IP-2.11), is sufficient to satisfy the City's RHNA allocation.

Urban Village Implementation and Financing Strategies

Each Plan will establish an implementation strategy that identifies how housing development can move forward in parallel with the planned jobs or commercial development, without precluding the achievement of the planned commercial capacity. On September 30, 2014 the City Council approved a General Plan Text Amendment that said that an *"Urban Village Plan should be consistent with the following objectives:*

1. *The Urban Village planning process is not a mechanism to convert employment lands to non-employment uses, but is the process by which to plan for the full amount of planned job and housing growth.*

2. *City goals and policies aimed at raising revenues that would require the conversion of employment lands to non-employment uses shall not take precedent over the jobs first principle of this General Plan.*

3. *This General Plan's job first principles apply to Urban Villages and residential conversions are not allowed to proceed ahead of the job creation that is necessary to balance the residential elements of the Village Plan. This policy means that jobs and housing can move together on a case by case basis"*

In the Alameda, West San Carlos and South Bascom Urban Villages all of the land that would be available for new residential development is presently designated in the General Plan for commercial uses. In order to accommodate the planned residential capacity established by the General Plan, the Urban Village Plans must and propose to convert some portion of the commercial land to a General Plan land use designation that would allow residential uses. To be consistent with the above General Plan text amendment, new residential development would need to be mixed-use and include a commercial component in either a vertical or horizontal mixed-use format; however, residential development within the portions of West San Carlos, and The Alameda planned for high density residences would only need to include ground floor retail fronting the major commercial street. There is

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no minimum amount of commercial space proposed to be required, either through a square foot or floor area ratio minimum. To accommodate the significant planned commercial capacity, the South Bascom Urban Village is proposed to require more substantial commercial square footage, with the requirements varying by subarea within the Village.

In addition to an implementation strategy, each Plan will include a financing strategy to fund the development of identified infrastructure and amenities. The financing strategy proposed for the West San Carlos and South Bascom is to fund streetscape and pedestrian circulation improvements through the establishment of an impact fee on new development. For these two Villages, as well as The Alameda, the proposed strategy to fund other identified improvements and needs will be to negotiate contributions toward these improvements and/or needs as part of process to rezone property from a commercial land zoning district to a district that allows residential mixed-use development. One of the improvements or identified needs that are proposed to be negotiated as part of the rezoning process is the inclusion of affordable housing to low income households within residential mixed-use developments.

The Alum Rock Urban Village does not have a financing strategy. The absence of such strategy is due in part to the fact that zoning development process was completed a year prior to the adoption of the Envision San Jose 2040 General Plan and the process did not include the identification of needed infrastructure and amenities. The development of a financing strategy is not currently planned for the Alum Rock Urban Village. As a result, new development within this Village would not be asked to contribute towards improvements beyond what would normally be required as part of the entitlement process.

Residential Entitlement Process in Urban Villages

The entitlement process for residential development within the West San Carlos, South Bascom and The Alameda Urban Villages is proposed to include first a rezoning, followed by a site development permit, and then building permits. To facilitate affordable housing projects, the Plans propose to allow mixed-use projects affordable to low income households with a conditional or special use permit, without the need for a rezoning.

As noted above, the City Council approved Alum Rock Rezoning (C13-035) serves as the Urban Village Plan for the Alum Rock corridor. The pedestrian oriented zoning districts established for Alum Rock Urban Village consists of two zoning districts, the MS-G Main Street ground floor commercial district and the MS-C main street commercial district. Below is description of each zoning district:

- MS-G main street ground floor commercial district. The MS-G main street ground floor district is intended to provide a mix of commercial and residential uses integrated in a pedestrian-oriented design with a focus on active commercial uses at the ground level along the main street frontage.
- MS-C main street commercial district. The MS-C main street commercial district is intended to provide a concentration of primarily commercial uses within a pedestrian-oriented design, and allows a mix of commercial and residential uses only where such uses can be integrated on a large site in a pedestrian-oriented design that maximizes commercial opportunities.

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The vast majority of this Alum Rock Urban Village is zoned MS-G. Presently new mixed-use residential development within the MS-G district would be required to include ground floor commercial uses along adjacent commercial streets, such as Alum Rock Avenue. The entitlement process does not require a rezoning. Development would only need to obtain a conditional use permit followed by a building permit.

Residential uses in the MS-C district are also allowed with a conditional use permit, but are only allowed in a vertical mixed-use configuration under a single development permit covering a minimum site area of eight acres. Because of this zoning code provision, the residential development is anticipated to occur in area zoned MS-G, and this MS-G area has the capacity to accommodate significantly more than the 1,010 planned housing units.

Potential Barriers to Residential Development within Urban Villages

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The requirement that residential development include a mixed-use commercial component could be considered a potential barrier to residential development because the market for commercial mixed-uses is historically not as strong as the market for residential uses; the residential development often has to subsidize the cost of developing the commercial space and the vacancy rates on the commercial space are often higher and the rent obtained per square foot much lower. As noted above, however, the requirements for a commercial component in the West San Carlos, and The Alameda Urban Villages are proposed to be minimal, as are the current zoning code requirements within the Alum Rock Urban Village's MS-G zoning district.

Past and recent development trends have shown that, given the extremely strong demand for housing in San Jose and Silicon Valley, requirements for including ground floor commercial uses have not been a barrier to new residential development. As an example, a high density residential project that includes ground floor retail was recently completed at the corner of Meridian Avenue and West San Carlos Street. Another mixed-use residential project, which includes 20,000 square feet of commercial space, was recently approved at the intersection of West San Carlos and Sunol Streets, just east of the Urban Village.

The proposed financing strategies to pay for identified infrastructure and improvements could be a barrier to the development of new residential development in the given Urban Villages. In the case of West San Carlos and South Bascom, a nexus study would need to be prepared to determine how much of an impact fee could legally be charged for streetscape and pedestrian circulation improvements. To help the City establish a fee level that would not discourage residential development, the study would also determine at what fee level an impact fee could make residential development financially infeasible and/or discourage redevelopment.

The proposed strategy in the West San Carlos, South Bascom and The Alameda Urban Village Plans to obtain additional funding for identified needs and improvements through voluntary contributions could also perceived as a cost constraint; however, since these contributions would be negotiated and could not be required, it is not anticipated that a developer would voluntarily contribute an amount that would make their project financially infeasible.

The other fees and tax costs associated with the development in the Alum Rock, West San Carlos and South Bascom Urban Village Plan areas are comparable to other development cost elsewhere in the City. These fees and taxes are outlined in Chapter 4.

The entitlement process and the uncertainty of approval could be a barrier to residential development in Urban Villages. Residential development in an Urban Village would require a discretionary planning permit. For the West San Carlos, The Alameda and South Bascom Urban Villages, the first step in the entitlement process for market rate mixed-use residential development is proposed to be a rezoning which is considered by the City Council; for an affordable mixed-use project it is proposed to be a conditional or special use permit. Within the City of San Jose, however, all high density residential and mixed-use projects require discretionary approval and, outside of the Downtown zoning districts, high density residential and/or mixed-use projects often require a rezoning. The entitlement process in the Urban Villages will not be significantly different than elsewhere in the City, excluding Downtown. Because only a conditional use permit is required, the Alum Rock Urban Village offers a more streamlined entitlement process for market rate residential development.

Community concerns with new high density mixed-use development could impede the acquisition of entitlements for such projects within the Urban Villages; however, the Urban Village planning processes included extensive community and stakeholder engagement. Given that the proposed Plans or established zoning districts reflect community input and buy-in, and will be/have been approved by the City Council, there is less entitlement risk for residential projects that conform to the approved plans/zoning than for projects in other parts of the City that do not have an approved plan/zoning.

Through-out the timeframe of this Housing Element, the City will need to evaluate how successfully the Urban Village strategy is being implemented and identify whether modifications to this Strategy are necessary. As part of this process, the City will evaluate the degree to which The Envision San Jose 2040 General Plan, the individual Urban Village Plans , as well as other city ordinances and the zoning code impede or facilitate achievement of the planned housing capacities within the Urban Villages. As mentioned above, one of the primary vehicles to conduct this evaluation is the Four Year Major Review of the General Plan. The first Four Year Major Review is scheduled to begin in the fall of 2015, with the subsequent Major Review scheduled for the fall of 2019.

F. Vacant Land

For several decades, the City of San José has periodically prepared a Vacant Land Inventory. At times, the report has been an invaluable tool in measurement of the rate, type, and location of development activity in the City. This was most certainly true in the mid-1980's and late-1990's, when activity levels were not only extremely high, but the majority of development was still taking place on vacant lands. The situation today is quite different, as development activity has moderated since the end of the "dot com" era. But equally important, infill development patterns and land use intensification trends, along with a rapidly diminishing supply of vacant lands, have resulted in most new construction today occurring via land redevelopment.

The City's latest Vacant Land Inventory was prepared through interpretation of aerial photographs obtained from the U.S. Geological Survey (USGS) taken in April 2011 (see report available online at http://www.sanJoséca.gov/index.aspx?nid=2054). The inventory generally includes only those lands that are within the Urban Service Area (USA) and which are designated for urban development on the General Plan. Note that additional development potential ultimately exists on vacant lands within the

City's Urban Reserves (South Almaden Valley and Coyote Valley), that are within the Urban Growth Boundary (UGB) but outside the USA and thus not planned for urbanization in the General Plan.

For the purposes of this Housing Element, the Vacant Land Inventory database was queried for residential lands and then further refined to exclude lands in other identified location/status categories. The resulting list, summarized in the following Table V-4, comprises a total of 2,125 units as of April 4, 2014. Estimates of housing unit yield were derived using General Plan designations and conservative estimates within the density range specified for the associated land use category. Additionally, because the majority of San José's vacant residential lands are in peripheral locations within a half-mile of the USA boundary, the expected number of housing units from vacant lands will mostly take the form of single-family detached development on lower density designations.

ENVISION 2040 GENERAL PLAN
HOUSING CAPACITY OF VACANT RESIDENTIAL LANDS

Land Use Designation	Estimated Housing Units
Lower Hillside	22
Rural Residential	360
Residential Neighborhood	958
Mixed Use Neighborhood	410
Urban Residential	100
Transit Residential	275
Totals	**2,125**

Source: City of San Jose

*Note: excludes vacant lands in other location/status categories.
Also, excludes lands outside the City's Urban Service Area.

Table V-4, Housing Capacity of Vacant Lands

ADDITIONAL DISCUSSION ON HOUSING SUPPLY

G. North San José

North San José generally refers to the area north and west of Interstate 880 and south of State Route 237, and is San José's largest employment district, home to many leading technology companies and a key growth area for the City. Due to its economic importance, several key policy documents have been

prepared to guide the ongoing growth and development of the area, including the North San José Area Development Policy. Although San José had enjoyed unprecedented job growth during the "dot com" boom of the late 1990's, the City experienced sustained job loss from 2001 through the early part of the new millennium. In response, the City launched multiple economic development initiatives, including preparation of an *Economic Development Strategy* and a series of stakeholder panel discussions under the name Getting Families Back to Work. The latter served as impetus for an update to the North San José Development Policy in 2005.

The North San José Development Policy update established a plan for the expansion of the area, allowing for the addition of 26.7 million square feet of new industrial development, 32,000 housing units, and 1.7 million square feet of supporting commercial uses (the Policy is available online at http://www.sanJoséca.gov/index.aspx?nid=1744). Consistent with San José's Smart Growth principles, this growth capacity was focused primarily into higher density development at transit-oriented sites, which the subsequent General Plan considers as already planned Urban Villages. The plan includes a new grid street system to create more walkable, urban blocks within the central part of North San José, new urban, mixed-use housing, parks and services to build neighborhoods in close proximity to employment growth, the City's first Traffic Impact Fee to fund $570 million in transportation improvements, and a phasing plan that links job and housing growth to the construction of those improvements.

This phasing plan explains why no housing, beyond those remaining entitled and unbuilt units allocated in the 8,000-unit Phase 1 of the North San José Development Policy, are anticipated during the RHNA period. In essence, while additional residential development of 24,000 units is proposed to support new job growth, it would be contrary to the City's planning goals and objectives to encourage or facilitate a substantial conversion of industrial land to residential uses too far in advance of new job growth due to the resulting service costs, implications, and impacts. The Policy therefore limits the number of dwelling units that can be developed in advance of new industrial development. Conversely, development of too much industrial square footage without associated residential development would quickly overload the roadway system, and limit the internalization of commute trips and utilization of other transportation modes. The Policy therefore limits the amount of industrial development that could occur without some residential development in the area.

It is important to highlight that delivery of affordable housing will be a key area of focus in future Phase 2 of the Policy, as it originally anticipated a delivery of 1,600 affordable units in Phase 1. However, as the City made adjustments in 2011-12 to increase the allocation of market-rate units in Phase 1, it unilaterally reduced the amount of affordable housing that could be built. Phase 2 will be critical to achieving the affordable unit capacity to ensure there is an appropriate range of affordability to match all income groups. Further, based on current industrial development activity and recent trends, estimates are that it will be five to ten years before the City can consider new residential development as a part of Phase 2 (i.e., not until the next RHNA period beginning in 2022).

H. Underutilized Redevelopable Parcels

There are parcels scattered throughout the City that are designated for residential use such as Transit Residential, Urban Residential, Mixed Use Neighborhood, or Residential Neighborhood, but are either vacant or developed with low intensity non-residential uses such as storage warehouses, surface parking lots, and single-story buildings with FARs well below the maximum allowed, or with one single-

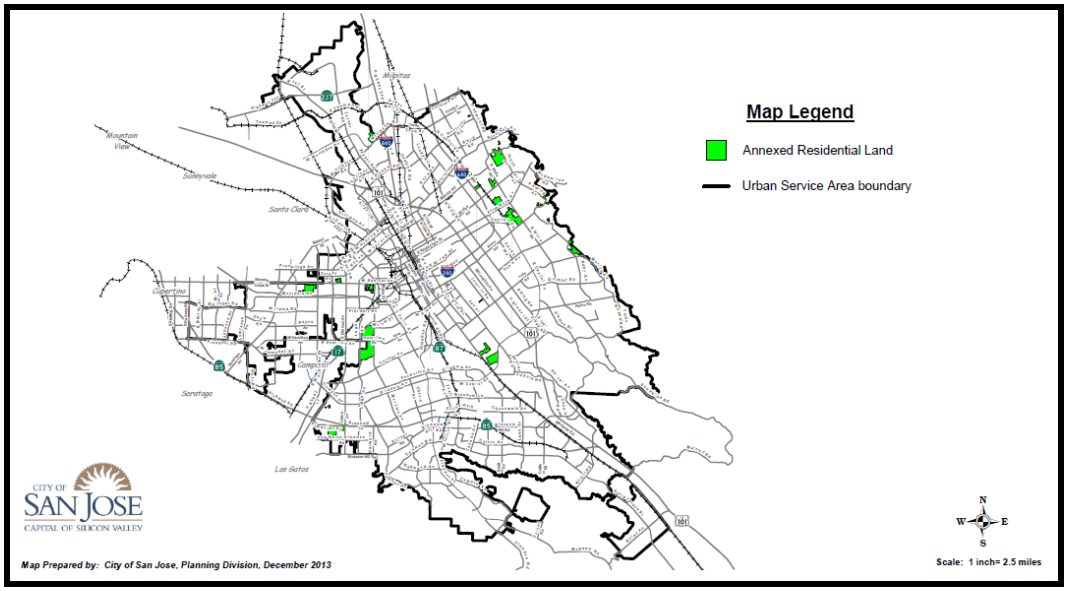
family house. Many of these parcels are clustered, and could be combined for redevelopment. These parcels are underutilized. Staff has inventoried such parcels where they do not have historic resources. This inventory is exclusive of the other categories of adequate sites.

I. Annexations

Although not specifically itemized and quantified in this Housing Element as a source of planned housing during the RHNA period, the annexation of unincorporated residential lands is worth citing as a potential additional contributor to San José's future housing supply. In this regard, State law provides a process to facilitate the transfer of any RHNA allocation associated with such annexed lands through a mutually acceptable agreement between affected city/county parties (Government Code section 65584.07(d)).

Enactment of Senate Bill 1266 (SB 1266) in 2004, which made temporary, streamlining changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act that governs annexations, prompted the San José City Council to subsequently adopt a multi-year County Island Annexation Program in 2006 (see http://www.sanJoséca.gov/index.aspx?NID=1746). This program ultimately resulted in the completion of nearly fifty (50) annexations of formerly unincorporated areas within San José's Urban Service Area (USA) over the 2007-2010 time period (see map below). Of these annexations, approximately 80% were residential lands that, at the time of Census 2000, contained a combined total of nearly 5,000 housing units.

The rationale behind both SB 1266 and City Council adoption of the County Island Annexation Program was that the continued existence of these unincorporated "islands" (i.e., areas largely or completely surrounded by the existing City limits) resulted in gaps in infrastructure and inefficiencies in the delivery of various urban services, such as police and fire protection. In addition, the City was not receiving tax revenue from property in these areas, although residents made use of City facilities such as roads, sidewalks, libraries, parks, and community centers. Thus, annexation resulted in a more equitable distribution of costs amongst all residents who routinely benefit from these facilities and services.



Map V-2, Residential Land Annexations per County Island Annexation Program, 2007-2010

Aside from potential future City-initiated annexation activity, per longstanding policy agreement between the County of Santa Clara and the City of San José, privately-initiated annexation is the mechanism that will enable new development to occur on unincorporated lands. For example, the previously referenced pending land use applications in the Communications Hill Planned Community, for construction of up to 2,200 housing units, is contingent upon annexation of these lands. Similarly, a small number (about 10%) of the residential lands contained in the Vacant Land Inventory are unincorporated, which lands are primarily concentrated in the Alum Rock Planning Area near other recently-approved annexations. These sites will require annexation as a pre-condition to development.

J. Demolitions

One final consideration in an assessment of planned housing supply is the potential impact associated with demolition of existing housing units. For example, per Article XIIIB of the California Constitution, the State Department of Finance conducts an annual housing unit survey to calculate population-based appropriations limits for governmental agencies, and the survey requires provision of information on, among other items, the number of housing units lost "from demolition, fire, or natural disaster."

As discussed in Chapter II: Demographics, the San José housing stock is relatively new, with only about 20% of the City's housing units dating to the pre-1960 period. As a result, demolition activity in recent years has been negligible, with an average of just 16 units per year having been demolished over the 2010-2013 time period—typical of demolition activity levels over the past several decades[6]. Over the longer-term 30-year timeframe of the General Plan, demolition activity will presumably increase as the

[6] Based on analysis by the City of San José Department of Planning Building and Code Enforcement

housing stock steadily ages and residential redevelopment pressures rise. However, at least during the near-term planning period of this Housing Element (2014-2022), demolition activity is expected to remain minimal.

Regardless, out of concern about the potential loss of housing supply, the City has enacted provisions in the Zoning Code that require review and consideration of demolition impacts. More specifically, Chapter 20.80 (Specific Use Regulations) requires that "no demolition permit shall be issued unless and until a Development Permit which specifically approves such demolition has been issued." Further, prior to the issuance of any Development Permit which allows for demolition, the City must determine whether the benefits of permitting the demolition outweigh the impacts, and consider that "the approval of the permit should maintain the supply of existing housing stock in the City of San José." Finally, while the Zoning Code provides for limited exemptions from the required obtainment of a Development Permit, as it relates to the demolition of a single-family home this exemption is contingent upon a determination that "building permits have been issued for a replacement single-family house."

K. Mobile Homes Preservation

Mobile homes are a critical source of affordable housing in the City. As indicated in Chapter II, census data show well over 10,000 mobile home units in San José, by far the largest number of any California city (for reference, Los Angeles and San Diego have approximately 8,250 and 6,500 mobile homes, respectively). To help address preservation of these units, Chapter 20.180 (Mobile Home Park Conversions to Resident Ownership or to Any Other Use) of the Zoning Code ensures that the approval of any proposed mobile home park conversions is consistent with City policy. The ordinance explicitly states a goal "to provide a variety of individual choices of tenure, type, price, and location of housing and to maintain the supply of mobile home housing for low and moderate income persons and families."

In response to public inquiries, a Frequently Asked Questions (FAQ) document has been prepared (http://www.sanJoséca.gov/DocumentCenter/View/27913). Additionally, staff will explore the possibility of updating the Mobile Home Park Conversions Ordinance as part of the Housing Element implementation program in order to assess and potentially address concerns about displacement and the likely inability of affected persons to find affordable replacement housing and, more generally, the continued preservation of the mobile home housing stock.

Separately, in July 1979, the City Council adopted a Rent Stabilization Ordinance, Chapter 17.22 (Mobile Home Rent Ordinance) of the San José Municipal Code, which regulates rent increases on mobile homes and mobile home lots for which plumbing, electrical, and sewer permits were issued prior to September 1979. While certain exemptions and exceptions apply, the ordinance generally limits annual rent increases to 75% of the Consumer Price Index (CPI) as reported by the U.S. Bureau of Labor Statistics (BLS).

One recent example of the workings of this ordinance was in regards to Colonial Mobile Manor Mobilehome Park, a 200-unit park in the South Planning Area that houses mostly low-income seniors. A petition sought to increase monthly rents by $85.01, which would have resulted in rent increases of 6.9% to 17.8% per space, depending on the resident's base rent. After a thorough review process that included a pre-hearing conference, a walk-through at the park, and a series of administrative hearings last summer, on December 4, 2013 a decision was rendered by the City's contract Administrative Hearing Officer (AHO) denying any rent increase in excess of the 3% already allowed by the ordinance

(http://www.piersystem.com/external/content/document/1914/2000178/1/12-11-13Housing.PDF). However, while the Rent Stabilization Ordinance can assist with mitigating significant rent increases, it does not prevent the conversion of mobile home parks.

L. Density/Land Use Designation Requirements for Low Income Housing

As discussed in Chapter IV, some provisions of State law specifically pertain to methodology for calculation of units to satisfy the lower income household's portion of RHNA. These State law provisions are as follows:

1. Density—"for the number of units calculated to accommodate the regional housing need for lower income households, jurisdictions in metropolitan counties shall [include] sites allowing at least 30 units per acre." (Government Code section 65583.2(c)(3)(B)(iv)).
2. Land Use Designation—"at least 50% of the very low and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed uses are not permitted." (Government Code section 65583.2(h))

As relates to the first provision, San José is located within a Metropolitan Statistical Area (MSA) with a population under 2 million persons, yet is a city with a population over 100,000 persons, and as such is considered a "metropolitan jurisdiction" subject to the minimum 30 units per acre requirement per State law. As previously indicated, most of the City's General Plan land use designations allow a density of 30 units or more per acre, and some as much as 8 to 10 times this figure. Further, as of 2012, the City's R-M Multi-Family Residential Zoning District has no density limit and also provides for building height exceptions, and thus can accommodate development of higher density, lower income housing without need for a Planned Development zoning/permit. While these high densities provide flexibility to developers, as briefly cited in Chapter IV in many cases they represent "excess" capacity that renders a density bonus a marginalized tool for affordable housing. Given this context, staff will explore ways to create and implement a density bonus ordinance that could be effective in incentivizing the development of affordable housing

Given the redevelopment and intensification envisioned by Planned Communities, the Downtown Strategy, and the North San José Development Policy, for example, housing projects entitled and/or constructed since 2010 have registered an overall average of 40-50 units per acre—well in excess of the 30 units per acre requirement. Further, affordable projects in particular have generally been built at higher-than-average densities. Examples of this with affordable projects currently under construction or completed in 2013 include the Rosemary Family/Senior Apartments (290 units at 54 units per acre), the Mayfair Court Apartments (93 units at 61 units per acre), the San Carlos Senior Apartments (95 units at 71 units per acre), and the Japantown Senior Apartments (75 units at 136 units per acre).

As for planned housing sites, Appendix A includes an "affordable" yes/no data field to itemize compliance with State law for individual projects or parcels. According to a 2013 communication from the Northern California Chapter of the American Planning Association (APA), as a result of recent Housing Element streamlining efforts on this topic, "HCD has now agreed that in most instances it will consider [sites designated or approved for 30 units per acre and above] to be suitable for lower income housing until a building permit is issued, unless it receives comments showing that the site is being marketed to higher incomes." A query of the Adequate Sites Inventory indicates that approximately

22,500 units are to be developed at 30 units per acre or more, well in excess of (about 50% above) the City's RHNA allocation for lower income households.

As relates to the second provision, this Housing Element provides sufficient capacity on solely residential sites to accommodate at least 50% of the City's low and very low income housing needs. Specifically, San José's RHNA allocation is composed of 5,428 low income units and 9,233 very low income units, for a combined total of 14,661 units. This figure translates to a minimum of 7,331 low and very low income units (50% of the above total) on residential-only sites. The only sources of planned housing identified in Table V-1 where exclusively nonresidential uses and/or mixed uses could theoretically displace planned housing production are the Downtown and Urban Villages, which areas allow and encourage a variety of uses.

In reality, however, the longstanding trend is quite the opposite—the conversion of employment lands to residential uses. For example, as noted in a recent report on San José from the San Francisco Planning and Urban Research Association (SPUR), "there has been some concern about letting key sites in Downtown be developed as housing rather than office space, especially near future BART stations, which could limit a resurgent commercial sector—and limit BART ridership—in the future." In any case, since the Downtown and Urban Villages cumulatively amount to well less than half (about 35%) of the City's RHNA allocation, compliance with State law is readily apparent.

Chapter VI: Preservation and Equitable Development

Chapters II and III illustrated the significant need to increase the net supply of affordable housing in San José. In the past, San José facilitated its affordable housing supply primarily through the production of new deed-restricted multifamily housing. In addition, a portion of San José's market-rate and mobile homes are considered "naturally affordable" because of their location, condition, and physical characteristics (although the exact number of naturally affordable homes is unknown).

Because affordable homes may be lost over time due to expiring deed-restrictions or be redeveloped (if naturally affordable), it is important for the City to include policies and programs that seek to preserve the existing affordable housing stock. This chapter analyzes the deed-restricted housing stock that is at risk of conversion to market-rate housing and compares the costs of replacement versus preservation.

Finally, the issue of housing preservation is especially important as the General Plan seeks to focus growth into Priority Development Areas, Urban Villages, and Downtown. These growth locations are rich in transit infrastructure and amenities, and are increasingly desirable for employers, the workforce, and households. As a result, the City anticipates that these locations will become prime development and redevelopment opportunities, which may cause significant price increases and potential displacement of existing households. Thus, the replacement and preservation of existing affordable housing becomes a key tool to ensure that, as San José evolves into an urban center, there remains a variety of housing options for San José's residents and workforce.

A.Definitions

The following terminologies are used in this chapter and the implementation workplan to delineate and clarify the various types of preservation strategies that may be used:

Replacement: When new low or very low income deed-restricted homes are constructed to replace deed-restricted homes that have converted to market rate or that have been demolished.

Preservation: When existing deed-restricted affordable housing is at-risk of converting to other uses in 5 years or less and is preserved through one of the following methods depending on the condition of the housing:

A. Acquisition and Rehabilitation: The development is acquired, rehabilitated, and a new deed-restriction is created. It is anticipated that the majority of preservation projects will fall under this category.
B. Financing: When deed-restriction is extended through financial restructuring but rehabilitation is not required.

Market Rate Acquisition/Rehabilitation: When market rate homes are acquired, rehabilitated, and deed-restricted for low or very-low income residents.

B. Analysis of Deed-Restricted Homes At Risk of Conversion to Market-Rate

Deed-restrictions are a vital tool for ensuring that affordable homes remain affordable for a significant period of time. The longevity and continuity that deed-restricted homes provide are especially important in places where housing is expensive or where costs are expected to rise, such as in San José, as such housing gives lower-income households the ability to remain in their community. Thus, preserving existing deed-restricted affordable housing is an important strategy to ensure there are a variety of residential options for lower-income households in strong markets.

California housing element law requires all jurisdictions to identify assisted rental housing that is eligible to change from low-income housing uses within ten years from the beginning of the new cycle. The following analysis assesses conversion risk for developments with expiring affordability restrictions prior to June 30, 2025. In 2013, the City of San José hired the California Housing Partnership Corporation (CHPC) to research deed restricted HUD and Tax Credit financed properties that were at-risk of conversion. CHPC analyzed data, conducted outreach to property owners, and identified properties with high or moderate risk of conversion. In addition, City staff conducted analysis on City funded, bond funded, and inclusionary funded developments. These lists were combined and sorted by owner type (profit-motivated and nonprofit) and can be found in Appendix C.

In San José, there are 236 affordable deed-restricted housing developments (19,244 homes) of which 47 developments (2,645 homes) have one or more affordability restrictions expiring within the next 10 years. These at-risk homes account for approximately 14% of all deed-restricted homes in San José. Further, of the 47 developments, 36 of them consisting of 1,927 homes have only one affordability restriction and are thus more likely to convert to market rate than homes with multiple affordability restrictions. This subset of at-risk homes contains over 247 ELI and VLI homes.

Another key indicator of risk is ownership type. Of the 47 at-risk developments, 14 have profit-motivated owners consisting of 1,142 homes (43%). Of these, 108 are ELI and VLI homes. The remaining 33 developments consist of 1,503 homes (57%) but are owned by non-profits who are typically interested in preserving affordability status and are thus considered to be lower risk.

Finally it is important to breakdown the types of affordability restrictions to better understand the likelihood of these restrictions being extended. Nearly half of the 2,645 at-risk homes identified above have expiring HUD affordability restrictions. City affordability restrictions and tax credits are the second and third largest respectively.

This analysis has identified 290 senior homes that are at risk of conversion. Of these homes, 220 have only one affordability restriction but all are controlled by nonprofit owners, which reduces the risk of conversion to market-rate housing upon expiration.

Homes By Earliest Expiring Affordability Restriction

Expiration-HUD	1,464	55%
Expiration-City AR	484	18%
Expiration-Bond	405	15%
Expiration-TCAC	292	12%
Total:	**2,645**	**100%**

C. Costs of Replacement versus Preservation of Deed Restricted Homes

The preservation of existing deed-restricted homes is one method for continuing the long-term affordability of the City's affordable housing stock. The City of San José's preservation strategy is to partner with non-profit developers by providing subsidies in order to make the project financially feasible. The following analysis assumes that the majority of preservation deals will require some level of rehabilitation in order to extend the affordability restriction. Using data from recent developments requiring significant rehabilitation, it is estimated that total development cost for rehabilitation are slightly less than total development cost for new construction as detailed in the table below.

Replacement Costs (New Construction)	Low Range	High Range
Cost/Fee Type	Cost Per Unit	Cost Per Unit
Land Acqusition	$35,800	$46,700
Construction	$221,800	$250,700
Financing/Other	$31,500	$49,600
Total Development Cost	$289,100	$347,000
Total Subsidy Required	**$76,600**	**$135,600**
Preservation Costs	Low Range	High Range
Fee/Cost Type	Cost Per Unit	Cost Per Unit
Acquisition	$59,100	$120,900
Rehabilitation	$101,900	$243,700
Financing/Other	$24,300	$21,300*
Total Development Cost	$185,200	$385,900
Total Subsidy Required	**$97,100**	**$105,400**
*This particular project had approximately $505,000 in permanent and temporary		

The total amount of subsidy needed varies by project type, asset condition, affordability level, and the amount of non-city subsidies. It is estimated that the cost to rehabilitate 2,645 at-risk homes could require between $256-278 million in total subsidies. The costs of rehabilitation can be unpredictable and depending on the location and condition of the homes may in fact be equally or more expensive than replacing at-risk homes with new construction. New construction increases the overall housing supply and generally results in higher quality buildings that are less costly to operate, and are generally more

resource efficient. It is for these reasons that the City will prioritize funding new construction in the quantified objectives section of Chapter VII.

D. Entities Qualified to Preserve At-Risk Homes

All housing corporations are legally capable of acquiring "at-risk" housing developments. The following is a list of all entities that have self-identified as having the capacity or the interest in managing assisted homes. Many of these developers have completed replacement and preservation projects in Santa Clara County.

- Mid-Peninsula Housing Coalition
- BRIDGE Housing Corporation
- First Community Housing
- Mercy Housing
- EAH
- Eden housing
- Charities Housing Development Corporation
- Satellite Affordable Housing Associates (SAHA)
- Resources for Community Development
- USA Properties
- ROEM (For profit)
- CORE (For profit)

If a nonprofit purchases an "at-risk" development but lacks adequate project management capabilities based on the City's assessment, the nonprofit may be required to contract with an outside professional management firm.

E. Growth and Potential Impacts on Existing Housing Stock and Residents

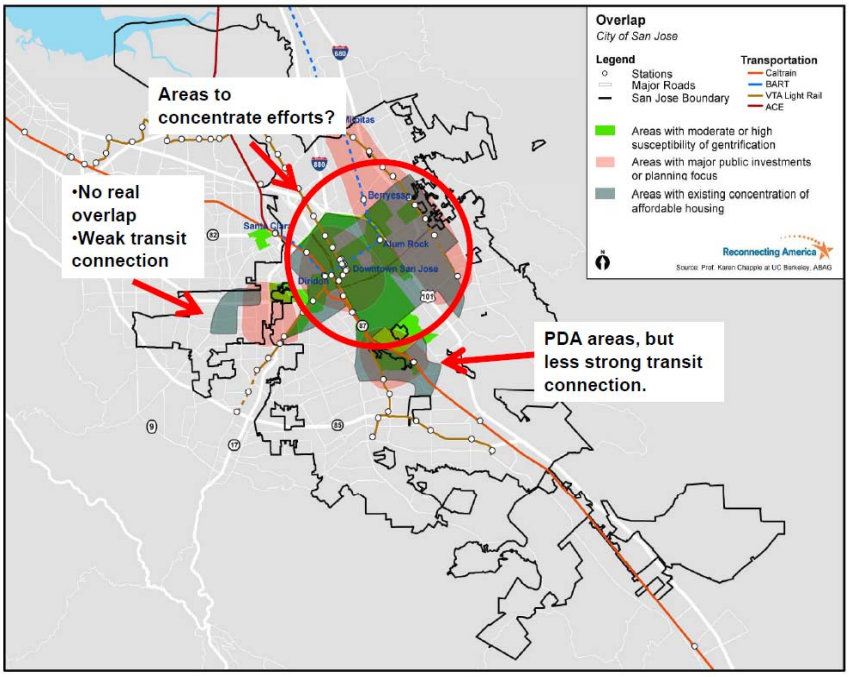
Previous chapters of this Housing Element discussed the local and regional policies to channel future growth into Urban Villages and Priority Development Areas, as well as the shifting trend of employers and households towards locating in vibrant, urban communities. Additionally, significant new transit infrastructure investments, including the BART extension to San José, the addition of new Bus Rapid Transit lines, the electrification of Caltrain, and the proposed High Speed Rail, are being, and will be, made in the same future growth locations. The trend towards urbanization means that the land, property values, and rents in such locations will likely increase significantly. As land values increase, so does the economic feasibility of new infill development or redevelopment of existing parcels and properties. New residential developments will likely be highly amenitized and command premium pricing given their proximity to services, employment, and infrastructure. These premiums can already be seen in San José, where new homes in locations such as Santana Row, The Alameda, and North San José are priced at the top of the market.

While the strengthening of these markets fully aligns with the General Plan and its vision for creating great urban places, public policies must also accompany this vision in order to mitigate the negative impacts that may result from these same market forces, such as displacement, overcrowding, and lack of housing opportunities across incomes. Without concomitant policies to ensure a diverse housing

supply, higher housing costs may price existing residents out of their community and lower-priced existing homes may be lost to redevelopment into luxury housing.

A joint study by California Housing Partnership Corporation and Reconnecting America confirms that Central San José is at the greatest risk of residential displacement and loss of naturally affordable housing stock. This study, funded by a federal grant through the Bay Area's HUD Regional Prosperity Plan, uses data and spatial analysis to identify locations that may experience increasing market pressures as a result of transit infrastructure enhancements and other factors.[7] (See map below) The report identifies potential priority preservation areas in and around downtown San José and neighborhoods immediately to the East and West that also correspond to several Urban Villages. These areas have both vulnerable populations of low-income residents and a concentration of strong transit connections and future transit investment.

Transit Investment and Affordable Housing Preservation Needs:



Source: California Housing Partnership Corporation and Reconnecting America, 2013

Besides providing affordable housing opportunities in strong market locations, there are additional benefits of preserving and building affordable housing near transit. In California, transportation is often the largest cost of living after housing. According to the HUD Location Affordability Index, a low income family of three in San José spends 20% of household income on transportation while the San José-

[7] This grant was funded through the Metropolitan Transportation Commission by the Housing the Workforce Initiative of the U.S. Department of Housing and Urban Development (HUD) Regional Prosperity Plan.

Santa Clara-Sunnyvale area average is only 13%[8]. Transportation costs are largely determined by the distance between home and work, and as housing prices increase low income households have no choice but to crowd or live further from job centers resulting in longer and more costly commutes. Locating affordable housing near jobs and quality transit infrastructure can help lower transportation costs for low income workers freeing up resources for housing, health care, education and other important expenses. In addition studies have shown that low income residents tend to use transit more than middle and high income residents so locating affordable housing near transit may increase transit ridership and reduce greenhouse gas emissions by curtailing long automobile commutes.

F. Preservation & Equitable Development

Lower-income residents in neighborhoods with strong housing markets are most susceptible to displacement, particularly those living in market-rate housing that may be naturally affordable but without deed-restrictions to protect those affordability levels. As the City facilitates its Urban Village strategy, the Diridon Station Area Plan, and development in Priority Development Areas and Downtown, the market strength that will induce development in those locations may also lead to displacement and the lack of affordable housing options if not proactively addressed.

The City will assess the issue of displacement and the potential loss of affordable housing stock in its growth locations, and will explore policies and programs to mitigate those impacts. This includes "naturally affordable" market-rate homes as well as mobilehomes. As indicated in Chapter II, San José as more than 10,000 mobilehomes, by far the largest number of any California city (for reference, Los Angeles and San Diego have approximately 8,250 and 6,500 mobile homes, respectively). The City has an existing Mobilehome Park Conversion Ordinance as well as a Mobilehome Rent ordinance and will review the effectiveness of these ordinances.

In addition to preserving the existing housing stock, the City will develop policies, programs, and tools to create diverse, equitable communities in priority growth areas in order to ensure that housing opportunities are available across incomes in amenities-rich locations. This includes development of an implementation/finance strategy for Urban Villages, the exploration of new housing types such as micro-units, and other potential strategies.

G. Conclusion

The above analysis finds that nearly 14% of the City's deed-restricted housing stock is at risk of conversion within the next ten years. Given that replacement and preservation are relatively similar in cost, the City will prioritize new construction over preservation to increase the overall supply of housing and to create modern buildings that are less costly to operate and more resource efficient. For preservation projects, the City will focus on developments that have affordability restrictions expiring within ten years, a profit-motivated owner, and developments that have deeply affordable ELI and LI homes. While less data is available on the stock of "naturally affordable" homes, it is also important to consider market rate acquisition and rehabilitation to maintain the net supply of affordable homes. Finally it is important to consider the location of replacement and preservation efforts as Urban Villages and Priority Development Areas may become highly susceptible to displacement pressures.

[8] www.locationaffordabilty.info

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Chapter VII: Programs and Implementation

In 1987 San José Mayor Tom McEnery created a Task Force on Housing, formed the City's current housing department, and established a set of housing policy goals in response to the need for high quality affordable housing. Since that time the City of San José has been a leader in facilitating the production of affordable housing for its residents and workforce. However, the affordable housing supply is still not enough to keep up with demand. The need for affordable housing continues as land values and rents rise increasing the likelihood of crowding, displacement, and homelessness. Significant cuts to Federal and State funding sources have resulted in a loss of more than $50M annually compared to the years leading up to 2012. In addition, legal challenges on inclusionary housing policies have left local governments with very few tools to expand the supply of affordable housing. This chapter builds on the previous analysis of needs and constraints and provides quantitative objectives and an implementation work plan that responds to these needs.

A. Summary of Key Findings

In order to frame the context for the implementation work plan, this section summarizes the key findings from the public outreach process and the analysis covered in the first five chapters of this document.

Chapter 1 - Introduction: The broader economic downturn had a significant impact on the for-sale housing market, while the rental market has grown more robust. Rents are now at their highest rates ever in San José, and the for-sale market is near or at pre-recession highs. Separately, State and regional programs and policies over the last few years have advanced efforts to reduce greenhouse gas emissions by encouraging more compact and sustainable development patterns. Similarly, the General Plan seeks to direct future growth into Priority Development Areas, Urban Villages, and other locations to create more compact, walkable, equitable, and complete neighborhoods that are also more environmentally and fiscally sustainable. The following key themes emerged from the City's public process: (1) prioritize housing for those most in need, especially the homeless; (2) preserve the existing affordable housing supply, and mobile homes in particular; (3) update the City's secondary units provisions in the City's Zoning Code; (4) develop strategies for affordable housing in Urban Villages; and (5) develop new partnerships and funding sources to increase the stock of affordable homes.

Chapter 2 – Demographics: The largest city in the Bay Area, San José, has a combination of socioeconomic diversity and urban characteristics, opportunities, and challenges that make it unique relative to its neighboring cities. San José's two fastest growing age groups are seniors aged 65 and over and young adults age 20-35. In terms of race/ethnicity, San José's population is gradually becoming less white and more Latino and Asian. The ratio of owner-occupied and renter-occupied units was 58% and 42% respectively in 2010 and two-thirds of the City's housing units were single family homes. However, since 2000, the vast majority of new housing permits were for multi-family rental projects. These demographic characteristics, shifting preferences, and market trends suggest continued demand for new, diverse, and innovative housing types that serve all economic segments of the community and that support sustainable, long-term economic growth.

Chapter 3-Needs Assessment: The demand for affordable housing in San José far exceeds the supply. For-sale housing costs have increased rebounded to near pre-recession levels, while rents have far surpassed previous highs. As a result, approximately 50% of owners and 53.4% of renters (nearly half a million San José residents) have experienced a housing burden. While Silicon Valley as a whole is housing-poor as residential production lags behind job growth, San José is jobs-poor, thus creating regional inequity in the provision of housing in Santa Clara County for the region's workforce. As such, addressing local housing conditions means, in part, that a regional response to Silicon Valley's significant housing needs is required: housing is not just a local issue. Finally, there are approximately 4,770 homeless persons in San José on any given day, many of whom live on the street or in encampments along local waterways. San José's unhoused homeless population is one of the largest in the United States, further signaling the severity of the housing problem in the city.

Chapter 4- Constraints & Resources: There are a variety of both governmental and non-governmental constraints in San José. Governmental constraints include the lack of regional coordination on fair shares of housing production and the fiscal impacts of this imbalance, the dissolution of all Redevelopment Agencies in California and the loss of the 20% Low and Moderate Income Housing Fund, deep cuts to Federal and State funding programs, and systems (particularly State and County systems) that create homelessness and the demand for low-cost housing upon discharge. Non-governmental constraints to housing production include high land values, high cost of construction, limited availability of financing, and strong market forces that can result in displacement, product uniformity, overcrowding, and jobs/housing imbalances.

Chapter 5-Planned Supply/Inventory: While much of San José is built out, there are ample opportunities to build up and within infill and key growth areas. This chapter identifies the geographic locations in San José to accommodate San José's RHNA in the following eight categories: already entitled, Downtown, Planned Communities, Urban Villages, vacant land, North San José, a citywide "pool" allocation, and Underutilized Redevelopable Parcels.

B. Financing and Subsidy Resources

The City facilitates housing construction, rehabilitation and other programs funded through a variety of state, federal, and local resources. Subsidies for the rehabilitation and replacement of affordable deed-restricted housing come from loan repayments, State grants and bond proceeds, tax credits, inclusionary housing in-lieu fees, negotiated fee payments, and federal programs such as HOME and CDBG. The City of San José's federal Consolidated Plan identified priority housing and community development goals and strategies, and includes Annual Action Plans identifying expected funding

commitments to meet those goals and strategies. In the previous Housing Element cycle the Housing Department received over $169 million of 20% Funds for the creation and preservation of affordable housing, but with the closing of California's redevelopment agencies this significant source of funding has been eliminated.

It is a challenge to predict precise housing needs over an eight-year period, especially given changes in the availability of affordable housing resources and tools in the recent past. Over the last few years San José has seen more than a 40% cut in federal entitlement funding, along with the elimination of redevelopment agencies, reductions in State funding, and challenges to inclusionary housing programs.

The implementation work plan and the quantified housing objectives section below is based on the current availability of resources. However, the City has a loan portfolio of affordable housing assets that generates robust income to fund programs and activities. Additionally, the City is in the process of exploring a housing impact fee, which would create a local source of funding for affordable housing. The City seeks to implement such a fee in a clear, consistent, and predictable manner that would not deter development.

At the State level, the Cap and Trade program, which generates revenues by auctioning emissions permits in order to invest in greenhouse gas reduction activities, may provide a meaningful source of affordable housing funding in the future. The State's FY 2014-15 includes a one-time $65 million allocation for transit-oriented and infill affordable housing developments Statewide, with a provision to allocate 10% of future auction proceeds annually. Should these and other programs or policies materialize, the City may be in a position to increase the number of policies and programs it can explore or implement, as well as the number of affordable homes it can facilitate.

C. Policies and Programs:

The implementation work plan responds to the needs and constraints identified in the prior section and in accordance with General Plan goals that are highlighted in Appendix B. The work plan includes existing as well as proposed or potential new policies, programs, and partnerships to meet San José's housing needs. The implementation work plan contains four primary components:

1. Increase, preserve, and improve the supply of safe, livable, and affordable housing for low and moderate income residents.
    - Programs and Funding
    - Coordination
    - Housing Planning Tools
2. Invest in activities to end homelessness.
3. Promote equitable development.
4. Support healthy, sustainable communities and neighborhoods.

Specific descriptions and timeframes for proposed policies and programs can be found in Appendix D. Additionally, this work plan identifies "Potential Actions" that the City has identified as important but may not currently have the staffing or resources to explore. City staff will monitor these items and will explore or undertake those items pending resources and if those items escalate in importance.

D. Quantified Objectives

Table VII-1 identifies the City's quantified housing objectives for new construction, acquisition/rehabilitation, and preservation based on the needs identified in prior chapters as well as the capacity and resources to carry them out. Over the time period of the Housing Element from January 31, 2015 to December 31, 2023, the City seeks to facilitate the development of up to 3,405 homes with an emphasis on Extremely Low- and Very Low-income households. Then quantified objectives assume that the City will need to leverage its subsidies with other resources such as low income housing tax credits and other sources to fill the affordability gap.

The quantified objectives include housing goals in three categories:

- **New construction:** The quantified objectives for new ELI, VLI and LI are based primarily on the existing pipeline of development projects and the current resources available to facilitate the development of affordable multifamily rental housing. If new housing programs and resources become available in the future, there may be the potential to exceed these objectives. While some moderate-income homes may be built without subsidies, it will become increasingly difficult to do so if prices continue to rise. While the need for moderate income housing is important given current resources, the City will continue to prioritize housing resources for those who have the greatest housing needs. An analysis of historic production levels shows that in the 1999-2006 RHNA cycle approximately 1,170 ELI/VLI/LI multifamily homes were permitted each year while in the 2007-2014 RHNA cycle the average dropped to approximately 400 lower-income homes permitted each year. This steep decline in affordable housing production underscores the effects of the economic downturn and steep reductions in federal, state, and local funding sources. To meet San José's 2014-2023 RHNA allocation for below market rate homes, approximately 1,830 ELI/VLI/LI homes would need to be permitted annually for eight years. It is important to note that the actual construction of these affordable units is largely dependent on the availability of new subsidy sources.

- **Acquisition and Rehabilitation:** Historically the City has prioritized funding for new construction over acquisition and rehabilitation. The cost/benefit of using public resources to rehabilitate older building stock versus building new homes depends on many factors but especially the quality and condition of the existing structure. For this planning period a small number of acquisition and rehabilitation projects have been identified and they will serve ELI residents. If additional funds become available it may be possible for the City to exceed the quantified objective in the table below.

- **Preservation:** Chapter VI identifies 2,645 at-risk units of which 1,142 are owned by profit-motivated companies and are thus at greater risk of conversion in the next ten years. Looking five years out, there are 1,733 at-risk units of which 763 are owned by profit motivated companies. If more funds become available it may be possible for the City to exceed the quantified objective in the table below.

Table VII-1.

EIGHT-YEAR QUANTIFIED OBJECTIVES, JULY 1, 2014 TO JUNE 30, 2022

Targeting	New Construction	Acquisition / Rehabilitation	Preservation	Eight-Year Total
ELI	788	20	40	848
VLI	290	50	34	374
LI	2,048	29	106	2,183
Moderate	-	-	-	-
Market	14,231	-	-	14,231
Totals	**17,357**	**99**	**180**	**17,636**

Source: City of San Jose

*This number represents the 2014-2022 RHNA goal and is subject to market conditions.

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Chapter VIII: Prior Element Evaluation

The City of San José is committed to providing housing opportunities across a range of needs and incomes for its families and households. As the largest city in the Bay Area and the third largest in California, San José has a leadership role in providing housing opportunities as well as addressing governmental and non-governmental constraints to housing in meaningful and innovative ways. While the City was significantly challenged in reaching its 2007-14 RHNA goals, it nearly met its 2009-14 quantified objectives in spite of the elimination of redevelopment agencies and the significant reduction in other funding sources.

Chapter VII reviews the City's prior Housing Element to evaluate the efficacy of its programs as required by State law. This "review and revise" evaluation is a three-step process:

1. Effectiveness: evaluate "the effectiveness of the housing element in attainment of the community's housing goals and objectives" (Government Code section 65588(a)(2)).
2. Implementation: evaluate "the progress of the city in implementation of the housing element" (Government Code section 65588(a)(3)).
3. Appropriateness: evaluate "the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the State housing goal" (Government Code section 65588(a)(1)).

This chapter provides a summary evaluation of the effectiveness, implementation, and appropriateness of San José's Housing Element and quantified objectives for the prior 2007-2014 RHNA planning period. A more detailed evaluation of the work plan can be found in Appendix E.

A. Construction Cycles

It is useful to revisit the introductory chapter's note that a jurisdiction's ability to facilitate the production of housing is significantly dependent on the economy.
During the 2000-2013 time period, the total number of new housing units issued building permits averaged about 2,750 units per year, of which more than 80% were multi-family in type (see chart below). The start of this period was the height of the "dot com" boom, and permit activity for both single-family and multi-family construction was very strong, totaling nearly 4,500 housing units—more than 60% above average. After a brief economic downturn, interest rates were reduced and the separate "housing boom" commenced. Activity returned to a high level in calendar year 2003 and then moderated over successive years. Given this sequence of events, San José exceeded by 10% its fair share of the regional housing need during the 1999-2006 RHNA planning period, issuing building permits for a total of 28,712 newly constructed or rehabilitated housing units.

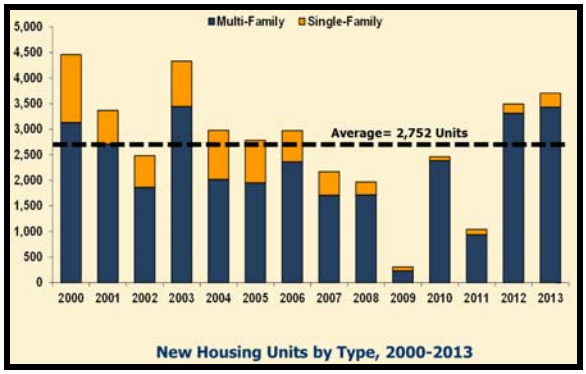

Chart VIII-1, New Housing Units by Type, 2000-2013

However, it is important to note that while San José is proud of its performance in exceeding its overall RHNA for the 1999-2006 cycle, that performance was driven primarily in its market rate (above moderate) housing production, where the City exceeded its goal by 66%. While the City exceeded its goal for low-income homes, it fell short of its very low-income goal, and significantly short of its moderate-income goal. This demonstrates two important points: first, even in strong economic conditions, challenges exist to sufficiently produce affordable homes; and second, the market on its own will under produce a range of housing opportunities across incomes. Public policies have traditionally been required to address this market failure.

Table X-1.

Units Produced between 1999-2006

Affordability Categories	1999-2006 RHNA*	Units Added - By Calendar Year								Total Units Added 1999-2006	% RHNA
		1999	2000	2001	2002	2003	2004	2005	As of June 2006		
Very Low	5,337	420	560	928	849	686	277	695	255	4,670	88%
Low	2,364	199	707	1,303	383	386	469	439	359	4,245	180%
Moderate	7,086	68	163	46	92	271	129	7	173	949	13%
Above Moderate	11,327	2,919	3,663	2,391	1,254	3,416	1,961	1,982	1,262	18,848	166%
TOTAL	**26,114**	**3,606**	**5,093**	**4,668**	**2,578**	**4,759**	**2,836**	**3,123**	**2,049**	**28,712**	**110%**

* RHNA goals for the time period beginning January 1999 to June 2006.
Note: Includes acquisition and rehabilitation

On the other hand, with onset of the global financial crisis in 2007-2008, the Great Recession spanned about 18 months near the beginning of the 2007-2014 RHNA planning period. Activity in calendar year 2009 fell to an all-time low of approximately 300 housing units. While the initial economic recovery was relatively weak, it has since strengthened into a more sustained recovery. On the other hand, the recovery in market rate housing has seen strong increases in the past two years in the resale of single family homes and condos/townhomes, while significant new construction has concentrated almost exclusively in multi-family rental housing. In fact, calendar years 2012 and 2013 taken together accounted for San José's highest rate of rental housing production in any 24-month period since 1980. Yet, construction of for-sale housing continues to be impacted by a myriad of issues as discussed previously in this document. Aside from market impacts, affordable housing production has been significantly impacted by the elimination, mitigation, or depletion of several key public policy tools. In summary, due to negative conditions affecting the economy and the housing market in particular, as well as public policy and legal decisions that have highly impacted affordable housing production, the City was unable to achieve its RHNA for the 2007-2014 planning period (see next section).

B. Meeting San José's 2007-14 Regional Housing Needs Allocation

As shown in the table and chart below, the City issued 16,029 building permits since the start of the 2007 RHNA period through calendar year 2013, equaling 48% of the overall allocation. However, the income categories in which production occurred vary significantly: while the City has met nearly 85% of its AMOD allocation, it has only met 15% of its lower- and moderate-income housing needs. The most challenging income category is the MOD category, as market-rate developers typically build at higher price points in the AMOD category, while affordable housing programs typically target deeper affordability levels. However, note that some market-rate housing developments in the 2007-14 RHNA cycle, particular rental homes, may be affordable at moderate-income income levels but are not deed-restricted as such, although exact numbers are not known.

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

			2007	2008	2009	2010	2011	2012	2013	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income-Level		RHNA Allocation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		
ELI	Deed Restricted	3,876	67	76	136	151	7	112	68	617	3,259
VLI	Deed Restricted	3,875	121	291	167	262		146	170	1,157	2,718
LI	Deed Restricted	5,322	288	212		45		237	256	1,038	4,284
MOD	Deed Restricted	6,198	100	37	7					144	6,054
AMOD		15,450	1,925	1,700	88	2,006	1,046	3,097	3,211	13,073	2,377
Total RHNA by COG. Enter allocation number:		**34,721**									
Total Units ► ► ►			**2,501**	**2,316**	**398**	**2,464**	**1,053**	**3,592**	**3,705**	**16,029**	**18,692**

Table VII-1, Regional Housing Need Allocation (RHNA) Performance Results, 2007-2014

This disparity in production between AMOD and lower-income categories underscores the notion that there exists a failure in the housing market: although there is a need for homes throughout the income range but especially for lower-income households, the market on its own only produces housing affordable to those at higher income levels, with public and non-profit sectors historically filling the gap or exploring ways to facilitate market rate participation in the provision of affordable housing. As wage disparity grows in Silicon Valley and given diminished public resources, it will become increasingly important to develop new tools and resources in which all sectors equitably share the responsibility towards addressing housing needs for low and moderate income residents.

Note that affordable housing development averaged approximately 425 units annually. Thus, when San José's overall residential production fell to an all-time low in 2009 due to the housing crash, affordable homes accounted for over 75% of the total residential (market and affordable) permits issued. However, unlike market rate housing, affordable production did not experience significant upturn during the subsequent economic recovery, as the dissolution of redevelopment agencies occurred in 2011 and added to the challenges already posed by the legal challenges to inclusionary housing and diminished levels of State and federal housing funds.

Evaluation of 2009-2014 Quantified Objectives

Although significant challenges exist for meeting the total RHNA, San José is proud of the nearly 3,000 affordable homes it has helped finance during the challenging 2007-14 RHNA cycle. This level of production aligns much more closely to the five-year quantified objectives identified in the City's 2009-14 Housing Element. Note that the due date for the Housing Element that covers the 2007-14 RHNA cycle was June 2009. As a result, the quantified objectives were forward looking objectives that began in 2009 rather than in 2007 at the start of the RHNA cycle.

The table below shows that the City had a new construction goal of 2,250 affordable homes for the July, 1, 2009 and June 30, 2014 period. The table below shows that while the City has produced less than its VLI goal, it nearly achieved its ELI and exceeded its LI and MOD goals for new production. For acquisition and rehabilitation activities, the City exceeded its goals for all income categories except for VLI.

July 1, 2009 to June 30, 2014 Quantified Objectives

Income Category	5- Year New Construction Goal	Actual Permitted	5-Year Acquisition/Rehab Goal	Actual Acquisition/Rehab Completed
ELI	563	474	125	137
VLI	1,462	745	325	211
LI	225	538	50	479
MOD	0	7	0	7
TOTAL	2,250	1,764	500	834

Additionally, the City achieved the following goals for its housing rehabilitation programs for owners of single family and mobilehomes in need of repair. These programs are restricted to lower-income households and are awarded per application on a first come first served basis, subject to income and asset criteria. As such, these programs provide an overall objective without quantifying goals by income categories.

Housing Rehabilitation Production Goals July 1, 2009 to June 30, 2014

Income Category	5-Year Goal	Actual
Single Family Grants/Loans	625	246
Mobilehome Grants/Loans	750	1,086
Project Alliance	242	282
TOTAL		1,614

C. Effectiveness of the 2007-14 Housing Element Implementation Work Program

Please see Appendix E for a more detailed evaluation of the City's work program. In summary:

- The Planning, Building & Code Enforcement Department's 2007-14 Housing Element work program totaled twenty one (21) programs, objectives, status, and implementation items. All items were successfully completed during the RHNA period. Most importantly, in 2011, the

Envision San José 2040 General Plan was adopted—the first comprehensive update of the City's General Plan since 1994.

- Note that the item for the Secondary Units program (item #3) will be included in the 2014-22 work program as staff explores additional opportunities to revise the ordinance in order to better facilitate secondary units. As of April 7, 2014, the program has resulted in the construction of approximately only 150 secondary units, and thus has not yet had a meaningful impact on the supply of affordable housing. In response, per guiding policy in the Envision Plan (see Policy H-2.5 and Action H-2.9 in Appendix B), San José is currently exploring options to revise certain development standards in order to facilitate greater use of this code provision by providing greater flexibility to interested homeowners, while at the same time preserving the character of existing neighborhoods.
- The Housing Department's 2007-14 Housing Element work program totaled twenty nine (29) programs, objectives, status, and implementation items. The Housing Department, in collaboration with internal and external partners, successfully implemented those programs. During this time period, several of the programs initially identified continued to be in operation, while others, such as the Strong Neighborhoods Initiative, discontinued due to the elimination of the City's Redevelopment Agency, or were scaled down, such as the City's Homebuyer program, to invest resources towards meeting other priorities. On the other hand, responding effectively to homelessness increased in priority as the economic recession and the subsequent uneven recovery led to an increase in homelessness and made this important issue even more visible. The programs identified in the 2007-14 Housing Element provided important resources and programs. The 2014-23 will continue to build on that effort through extensive collaboration with internal and external program to provide resources while seeking to create real systems change.summary of achievements from during the 2007-2014 RHNA cycle:

D. Element Appropriateness

To evaluate the appropriateness of the 2007-2014 Housing Element it is important to acknowledge several major changes that occurred during the RHNA cycle. In 2011 the City adopted *Envision San José 2020*, a new general plan. According to *Envision San José 2040 General Plan* and the former *San José 2020 General Plan*, most new housing development in the City will be achieved through higher density redevelopment within existing urbanized areas. This policy approach is appropriate and essential to achievement of a variety of long-term goals, including the State housing goal, which as identified in the introductory chapter has the following objectives:

- Increasing the supply, diversity, and affordability of housing
- Promoting infill development and a more efficient land use pattern
- Promoting an improved intraregional relationship between jobs and housing
- Protecting environmental resources, and
- Promoting socioeconomic equity

On the issue of housing diversity, RHNA methodology includes a "fair share" component intended to promote socioeconomic equity by expanding the range of housing choices available in all jurisdictions throughout the Bay Area. By promoting higher density redevelopment within existing urbanized areas, the City has clearly had success in furthering housing diversity (and related goals above) during the prior RHNA period. As evidence, the table below examines the change in housing units by structure type in

San José over the 2000-2010 time period. While traditional single-family detached housing still accounted for a majority (53.8%) of housing units in 2010, growth in this structure type was greatly exceeded by the five-plus-unit structure (i.e., apartments) category and even slightly surpassed by an increase in single-family attached townhomes and condos. In percentage terms, single-family detached housing grew just 3.8% in the last decade, whereas many higher-density forms of housing experienced growth rates of about 25% or more.

HOUSING UNITS BY STRUCTURE TYPE: 2000-2010

	Year				
Structure Type	**2000**	**2010**	**Absolute Change**	**Percent Change**	**Percent of Total (2010)**
1-Unit, Detached	161,962	168,149	6,187	3.8%	53.8%
1-Unit, Attached	27,560	34,096	6,536	23.7%	10.9%
2-Unit	5,751	7,929	2,178	37.9%	2.5%
3-to-4 Unit	17,403	17,397	(6)	0.0%	5.6%
5+ Unit	58,011	74,106	16,095	27.7%	23.7%
Mobile Home	10,658	10,613	(45)	-0.4%	3.4%
Boat, RV, Van, etc.	361	251	(110)	-30.5%	0.1%
Totals	**281,706**	**312,541**	**30,835**	**10.9%**	**100.0%**

Source: U.S. Census Bureau

Table VII-3, Housing Units by Structure Type, 2000-2010

On the issue of an improved intraregional relationship between jobs and housing, adoption of the Envision Plan establishes achievement of a jobs-to-employed residents ratio (J/ER) of 1.3 as a core objective. Unfortunately, as described in Chapter III, San José's J/ER ratio declined over the 2008-2012 time period, from 0.91 in 2008 to 0.85 in 2012. In summary, the City lost jobs and added residents during much of the prior RHNA period, and thus continued emphasis on the topic of "jobs-housing balance" is appropriate to ensure an improved intraregional relationship and San José's own fiscal health. However, achievement of a 1.3:1 jobs-to-employed resident ratio could worsen the City's and the region's housing affordability crisis, assuming that the County as a whole continues to be jobs rich and housing poor.

Another key change during the 2007-2014 RHNA cycle, was the end of the Strong Neighborhoods Initiative (SNI); a partnership between the City of San José, The Redevelopment Agency, residents, and local business owners to build clean, safe, and strong neighborhoods. This initiative ended in 2011 due to funding constraints. In February 2012 all Redevelopment Agencies in California were dissolved eliminating one of the largest funding sources for affordable housing development and neighborhood revitalization in San José. Finally in 2013, San José adopted several Urban Village Plans in an effort to implement to policies in the Envision San José 2020.

Appendix A:
Adequate Sites Inventory

Appendix A: Adequate Sites Inventory

As cited in Chapter V, State law requires that a housing element contain "an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment" (Government Code section 65583(a) (3)). As relates to non-vacant sites, the inventory shall include "a description of the use of each property." The methodology used to determine the development potential of non-vacant sites shall consider "the extent to which existing uses may constitute an impediment to additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage development" (Government Code section 65583.2(g)).

Recognizing HCD's longstanding concern about the extent to which existing uses may present an impediment to redevelopment, and the agency's frequent desire for additional information from local jurisdictions to support their determination of a housing element's "substantial compliance" with State law, the City of San José initially inquired on this and other specific provisions during the first Bay Area housing element training workshop conducted by HCD/ABAG on January 15, 2014. Subsequently, on February 26, 2014, San José personally met with HCD staff at City Hall to further discuss this issue. In response, Appendix A provides a methodology discussion and detailed inventory data to demonstrate current and ongoing compliance with various legal requirements.

A. Methodology Overview

A summary description of the process and methodology used in creation of the inventory dataset of adequate sites is provided below.

Inventory Process: Step 1

Using Geographic Information Systems (GIS), parcels located within one of the major location/status categories identified in Chapter V were queried and assigned various characteristics, including the property's Assessor's Parcel Number (APN), General Plan, and Zoning, among others. Contiguous parcels with identical attributes were then merged into a single record and assigned a "tracking APN" taken from one of the former parcels. The size of this new land area was calculated by GIS and populated into an acres field.

Inventory Process: Step 2

A detailed evaluation of development/redevelopment potential was performed on this GIS dataset. The evaluation included, but was not limited to, the following:

a. Analysis of the dataset using high-resolution aerial and street-level photos using imagery obtained from the U.S. Geological Survey (USGS) and also available via Google's various web-based geographic products (i.e., Earth, Maps, Street View);
b. Overlay of the dataset with GIS layers depicting various public and private land uses and property investments over the past several decades, so as to exclude sites for which no additional development is planned or upon which redevelopment is infeasible or unlikely.
c. Comparison of the dataset against a GIS database of properties listed on San José's Historic Resources Inventory. This analysis sought to minimize potential conflict between assumptions about redevelopment and policies intended to promote preservation of existing historic structures.

Inventory Process: Step 3

The GIS dataset was analyzed in terms of applying conservative assumptions of housing density based upon a combination of *Envision San José 2040 General Plan* policies and past development trends. The Envision Plan contains a range of allowable density for all residential land use designations (as cited in Table IV of Chapter IV), and the City closely monitors citywide and neighborhood development trends on an ongoing basis. Each area of San José has unique development potential as determined by the City's extensive neighborhood-level planning efforts. These efforts have resulted in specific and realistic assumptions of housing capacity, which figures are monitored via a GIS-based tracking system of planning entitlements and building permits. For the North San José Development Policy and Urban Villages, this planned capacity is metered out in the previously described phases or "horizons," with some flexibility for the City Council to allow implementation to be responsive to market conditions. For Urban Villages, inventory methodology sought to evenly distribute the Envision Plan yield for each Urban Village across all parcels resulting from the previously described screening process.

Vacant lands exclude such parcels that fall within other identified location/status categories, and assumptions of density are independent of any area capacity figures. Instead, vacant land yield relies on conservative estimates within the density range specified by a parcel's General Plan designation. For example, Urban Residential lands are assumed at 50 units per acre and Transit Residential lands at 100 units per acre, whereas the Envision Plan allows up to 95 units per acre and 250 units per acre, respectively, for these designations.

The underutilized lands that can be redeveloped or intensified are lands that contain individual parcels with residential General Plan land use designations that are located in non-residential zoning districts. This list of underutilized parcels excludes parcels in the other above-mentioned categories in this Appendix.

Some of these parcels are vacant or too small to likely yield 50 or more net dwelling units per parcel. In some locations, however, these parcels may be adjacent to other vacant or underutilized parcels that may be potentially combined to create larger sites that potentially can be developed or redeveloped with larger yields of units. Several of these parcels were designated in the General Plan for residential uses as a result of private-party initiated General Plan amendment requests that were approved by the City Council. Other parcels in the underutilized category are currently used for industrial warehouses or other low intensity uses and are surrounded by residential development.

Another type of underutilization can be seen in the listing of parcels that have low or no floor area ratio (FAR) and are developed with surface parking lots used for automobile-related uses in central urban locations in proximity to transit. The attributes for each underutilized parcel are described in the listing of such parcels that are in the inventory of adequate sites.

Non-residentially zoned sites: Likelihood of residential development

Except for sites in Urban Villages, all of the sites listed in the Housing Element Adequate Sites Inventory that are non-residentially zoned are designated in the Envision San Jose 2040 General Plan to allow 100% residential uses. The City of San Jose is a Charter City, and, therefore, the City's zoning on sites does not have to be consistent with the City's General Plan land use designations on such sites. Market trends covering several decades show that sites in the City of San Jose that are designated in the General Plan to allow 100% residential uses are either rezoned and redeveloped with residential units, or, within existing commercial zoning districts, the sites are developed or redeveloped, with approval of a use permit, to allow a mix of residential and commercial uses. Common practice over several decades has been for developers or property owners of sites with residential land use designations in the General Plan to rezone such sites from nonresidential zoning districts, to zoning districts that allow residential uses.

The non-residentially zoned sites in the Adequate Sites Inventory include a variety of undeveloped (vacant) lots and lots that are developed with low-intensity uses such as warehouses, used car lots, parking lots, or one single-family residence, whereas the General Plan land use designation allows medium or high density residential development, and where the existing developments', floor-area ratios (FARs) are well below the maximum FARs (often less than 50% of the maximum FAR) allowed under their current General Plan residential land use designations. All of the sites are within the City's Urban Service Area (USA), with urban infrastructure and services already in place, and many of the sites

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are adjacent to or surrounded by existing residential development. Additionally, many of the sites are within the central area of the City. Preliminary applications and previous developer-initiated General Plan amendments for several of the parcels are documentation that support the likelihood of residential development.

To facilitate rezoning from non-residential to residential for these sites that have residential land use designations in the General Plan, the City's Zoning Code (Title 20 of the San Jose Municipal Code), contains provisions for a Conforming Rezoning process that is streamlined to allow such rezoning applications to be heard directly by the City Council without the need first to be heard by the Planning Commission. Alternatively, mixed residential/commercial use development may be allowed in Commercial Zoning Districts upon issuance of a use permit.

The Work Plan in the Housing Element identifies actions for the City to amend the Zoning Code to add flexibility to development standards in the R-M (Multiple Residence) Zoning District to facilitate higher density housing by potentially allowing lesser minimum required setbacks and greater allowable heights in the development standards for this zoning district.

Non-vacant Sites

San Jose has experienced population growth and development since its founding in 1777. It is the third largest city in California, and the largest city in the San Francisco Bay Area. As such, the City has developed almost all of its land within its Urban Service Area (USA), and there is, therefore, very little vacant land available for development at urban densities, which require City services and infrastructure (i.e., land within the City's USA). Regionally, the demand for housing far exceeds the supply.

The City's General Plan includes a Land Use/Transportation Plan, Major Strategies, Goals, Policies, and Actions to accommodate population growth. As a result, redevelopment and intensification of non-vacant sites within the City have occurred over several decades to absorb the regional demand for housing. Given this context, there are many examples of housing developments that are the result of redevelopment of sites that previously had existing development of similar low intensity scale and type of use to the Non-vacant Sites that are listed in the Housing Element Adequate Sites Inventory. The attributes of these already-built redevelopment projects are summarized in the City's database of development permits, which can be viewed by address or permit file number at www.sjpermits.org.

A sampling of these previously built projects is summarized in the following table:

Rezoning File No. and Address	Project Description	Acreage	Existing Development on Site	Development Permit for Redevelopment
PDC99-026 Hudson Fruitdale 1445-1451 Fruitdale Avenue	Rezoning from C-2 Commercial to A(PD) Planned Development Zoning District to allow up to	1.88	Two commercial buildings.	PD06-016 - Fruitdale/Southwest Expressway Planned Development Permit to construct 91 multi-family

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	75 multi-family attached residences. Rezoned again in 2006 to increase height to 65 feet and add 16 units.			residential units. All existing development demolished and community center relocated. Constructed in 2006-8.
PDC00-008 Northside Senior Housing 488 North 6th Street	Rezoning from the C-2 Commercial District to the A(PD) Planned Development District to allow up to 96 senior attached residential units and a community center.	1.71	City-owned corporation yard including portable building and large metal storage building with Northside Community Center including 3,250 community center building, a small portable building, a greenhouse, and small surface parking lot.	PD00-036 Planned Development permit to demolish all existing development and redevelop site with 96 senior attached residential units and 16,000 square feet of community center. Constructed 2000-2002.
PDC00-022 Betty Anne Gardens 955 North King Road	Rezoning from A-Agricultural to A(PD) Planned Development Zoning District for 80 multi-family units.	4.49	Two single family residences approximately 800 and 2,160 square feet in area, two greenhouse structures approximately 55,000 square feet and 33,700 square feet in area, and nine accessory structures.	PD00-096 - Betty Anne Gardens Planned Development Permit to demolish all existing development and develop 80 affordable residential units and community building, and landscape a riparian setback. Constructed 2000-2002.
Additional examples				

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B. "No-Net-Loss" Provision

In 2002, the California Legislature amended housing element law in passage of Assembly Bill 2292 (AB 2292), otherwise commonly referred to as the "no-net-loss" provision. In essence, AB 2292 imposed a new requirement on local agencies to continually ensure that an adequate sites inventory accommodates its RHNA allocation.

The law provides that "no city shall, by administrative, quasi-judicial, legislative, or other action, reduce the residential density for any parcel" that is relied upon by HCD in determining housing element compliance "to a lower residential density" unless written findings are made. Such findings "shall be supported by substantial evidence of both of the following: (1) the reduction is consistent with the adopted general plan, including the housing element; and, (2) the remaining sites identified in the housing element are adequate to accommodate the jurisdiction's share of the regional housing need" (Government Code section 65863).

In response, upon State certification of this Housing Element, San José will implement a parcel-based tracking system that leverages existing use of Geographic Information Systems (GIS) and associated relational database and web-based technologies to proactively inform City staff, prospective applicants, and the public about applicability of the "no-net-loss" provision and, where applicable, include written findings in relevant actions. In short, the City's Integrated Development Tracking System ("AMANDA") and associated public-facing web portal (https://www.sjpermits.org/permits/) will include data fields to indicate if a property is listed in the Adequate Sites Inventory and the implications of this listing.

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Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
Downtown												
1	DT	The 88 Condos (Phase 2)	HA04-038-04	46722156	204	0	152.2	Yes	DT	DC	Commercial	1.34
2	DT	The Pierce Apts	H13-021	26432087	234	0	117.6	Yes	DT	DC-NT1	Commercial	1.99
3	DT	Silvery Towers Apts	H13-041	25932004	643	0	349.5	Yes	DT	DC	Commercial	1.84
4	DT	Post/San Pedro Apts	PRE13-189	25940088	156	0	339.1	Yes	DT	DC	Commercial	0.46
5	DT	San Pedro Square	H12-020	25932044	408	0	190.7	Yes	DT	DC	Industrial	2.14
6	DT	Balbach Condos	PDC13-027	26430067	101	0	64.3	Yes	DT	A(PD)	Commercial	1.57
7	DT	N/A	N/A	25951006	70	0	175.0	Yes	DT	DC	None	0.40
8	DT	N/A	N/A	25924020	375	0	175.0	Yes	DT	DC	None	2.14
9	DT	North San Pedro Townhomes 1	H14-002	25933017	43	0	33.1	Yes	DT	DC	Commercial	1.30
10	DT	N/A	N/A	25932040	228	0	175.0	Yes	DT	DC	None	1.30
11	DT	N/A	N/A	25933007	138	0	175.0	Yes	DT	DC	Commercial	0.79
12	DT	N/A	N/A	46701029	119	0	175.0	Yes	DT	CG	Commercial	0.68
13	DT	N/A	N/A	25935026	320	0	175.0	Yes	DT	DC	Commercial	1.83
14	DT	N/A	N/A	25935042	117	0	175.0	Yes	DT	DC	Commercial	0.67
15	DT	Marshall Squares	H14-010	46721030	195	0	137.3	Yes	DT	DC	Commercial	1.42
16	DT	N/A	N/A	46721011	110	0	175.0	Yes	DT	DC	Commercial	0.63
17	DT	N/A	N/A	46720075	207	0	175.0	Yes	DT	CG	Commercial	1.18
18	DT	N/A	N/A	46720060	77	0	175.0	Yes	DT	CG	Commercial	0.44
658	DT	N/A	N/A	25940016	29	0	175.0	Yes	DT	DC	None	0.17
19	DT	N/A	N/A	46720081	170	0	175.0	Yes	DT	CG	Commercial	0.97
20	DT	N/A	N/A	25935055	61	0	175.0	Yes	DT	DC	None	0.22
21	DT	N/A	N/A	46722142	175	0	175.0	Yes	DT	DC	Commercial	1.00
22	DT	N/A	PRE07-277	25943076	131	0	175.0	Yes	DT	DC	Commercial	0.75
23	DT	City Front Square	H06-040	25942080	359	0	175.0	Yes	DT	DC	Commercial	2.05
24	DT	N/A	N/A	46746082	380	0	175.0	Yes	DT	DC	Commercial	2.17
25	DT	N/A	N/A	46746068	317	0	175.0	Yes	DT	DC	Commercial	1.81
26	DT	Riverpark	PDC06-117	25943072	187	0	175.0	Yes	DT	CG(PD)	Commercial	1.07

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
27	DT	N/A	N/A	46747019	131	0	175.0	Yes	DT	DC	Commercial	0.75
28	DT	N/A	N/A	26430089	88	0	175.0	Yes	DT	DC	Commercial	0.50
29	DT	N/A	PDC06-125	26426006	144	0	175.0	Yes	DT	LI	Residential	0.82
30	DT	N/A	N/A	47226010	180	0	175.0	Yes	DT	DC	Commercial	1.03
31	DT	N/A	N/A	47226070	51	0	175.0	Yes	DT	DC	None	0.29
32	DT	N/A	N/A	25931070	158	0	175.0	Yes	DT	DC	Commercial	0.90
33	DT	N/A	N/A	25934025	683	0	175.0	Yes	DT	DC	Commercial	3.90
34	DT	4th Street Live/Work	PD08-024	46701034	2	0	25.0	No	DT	A(PD)	None	0.08
35	DT	N/A	N/A	25946109	294	0	175.0	Yes	DT	DC	None	1.68
36	DT	N/A	N/A	25946097	287	0	175.0	Yes	DT	LI	Commercial	1.64
37	DT	Delmas Housing	PDC02-046	25938036	325	0	145.0	Yes	DT	A(PD)	None	2.79
38	DT	Donner Lofts	H09-004	46720018	156	0	354.5	Yes	DT	DC	Commercial	0.44
39	DT	N/A	N/A	46745033	84	0	175.0	Yes	DT	DC	Commercial	0.48
40	DT	N/A	N/A	47227054	168	0	175.0	Yes	DT	CG/R-M	Commercial	0.96
41	DT	N/A	N/A	46724110	406	0	175.0	Yes	DT	CG	Commercial	2.32
42	DT	N/A	N/A	46720079	124	0	175.0	Yes	DT	DC	Commercial	0.71
43	DT	North San Pedro Townhomes 3	H14-004	25932079	14	0	46.6	Yes	DT	DC	None	0.30
44	DT	North San Pedro Townhomes 2	H14-003	25932034	21	0	48.8	Yes	DT	DC	None	0.43
45	DT	N/A	N/A	26428160	241	0	175.0	Yes	DT	DC	None	1.38
46	DT	Fountain Alley Mixed Use	RCP02-013	46722121	120	0	96.0	Yes	DT	DC	Commercial	1.25
47	DT	North San Pedro Apts	CP11-034	25923016	135	0	184.9	Yes	DT	DC	Commercial	0.73
48	DT	Park View Towers	H14-009	46701118	216	0	140.3	Yes	DT	DC	Commercial	1.54
49	DT	San Jose Student Apts	H13-023	46757080	119	0	101.7	Yes	DT	DC	Commercial	1.17
Subtotals					**9,701**	**-**						**58.42**
Entitled												
50	ENT	13th Street Homes	PD04-073	46704020	4	0	12.2	No	RN	A(PD)	Residential	0.33
51	ENT	15th Street Homes	PD08-065	24912048	4	0	16.0	No	RN	A(PD)	Residential	0.26

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
52	ENT	24th Street Duplex	H06-008	46732065	2	0	16.7	No	RN	R-2	Residential	0.12
53	ENT	26th Street Homes	PD06-037	46706090	3	0	13.0	No	RN	A(PD)	None	0.12
54	ENT	33rd Street Duplex	H08-020	48101087	2	0	8.7	No	RN	R-2	None	0.23
55	ENT	34th Street Homes	PDC04-033	48145001	5	0	11.1	No	RN	A(PD)	None	0.48
56	ENT	34th Street Homes	PDC03-021	48145039	3	0	11.1	No	RN	A(PD)	Residential	0.74
660	ENT	Adamo Homes	PDC13-020	45812025	13	0	11.2	No	MUN	A(PD)	Residential	1.21
57	ENT	Almaden and Oak	PDC01-080	26438053	4	0	25.0	No	MUC	A(PD)	Residential	0.16
58	ENT	Almaden Duplex	H13-012	43410073	2	0	10.8	No	RN	R-2	Residential	0.19
59	ENT	Almaden Homes	PD07-056	69601002	6	0	6.9	No	RN	A(PD)	Residential	1.13
60	ENT	Almaden Homes	PD07-051	74235141	6	0	6.9	No	RN	A(PD)	Commercial	1.03
61	ENT	Almaden Crossing	PDA07-064-01	70117016	13	0	6.9	No	RN	A(PD)	None	1.22
62	ENT	Almaden Townhomes	PD04-079	26434046	10	0	21.3	No	MUC	A(PD)	Residential	0.48
63	ENT	Almaden/Goodyear Homes	SP07-059	43407016	4	0	18.4	No	RN	R-M	Residential	0.21
64	ENT	Bark Condos	PDC06-005	37224011	45	0	50.0	Yes	UR	A(PD)	Residential	0.91
65	ENT	Bascom Senior Assisted Living	CP07-101	41224009	69	0	135.3	Yes	NCC	CP	None	0.51
66	ENT	Berryessa Crossing (Phase 1)	PD08-027	25417084	242	43	20.0	No	UV	A(PD)	None	12.50
67	ENT	Berryessa Crossing (Phase 2)	PD12-031	25417084	494	0	30.0	Yes	UV	A(PD)	None	13.70
68	ENT	Berryessa Crossing Mixed Use	PDC09-006	25417084	2,082	0	20.0	No	UV	A(PD)	Commercial	19.09
69	ENT	Blackford Townhomes	PD07-017	29938082	20	0	20.6	No	MUN	A(PD)	Residential	0.97
70	ENT	Boynton Homes	PD07-029	29946023	4	0	15.3	No	MUN	A(PD)	Residential	0.25
71	ENT	Brandon Park Apts	PD07-090	9706038	1,579	620	73.2	Yes	IP	A(PD)	Industrial	22.77
72	ENT	Brookside Homes	PD10-024	57502027	89	52	5.9	No	RN	A(PD)	Commercial	15.48
73	ENT	Bundy Homes	PD13-026	30333035	4	0	13.8	No	MUN	A(PD)	Residential	0.28
657	ENT	Cambrian Center	PD14-011	42136007	10	0	68.0	Yes	UR	A(PD)	Residential	2.28
74	ENT	Camden Homes	PDC12-024	57501003	5	0	0.9	No	RN	A(PD)	Residential	7.32
75	ENT	Catherine Homes	PD08-016	1502012	4	0	8.7	No	MUN	A(PD)	Residential	0.49
76	ENT	Centered on Capitol Townhomes	PD11-023	58919063	94	55	24.9	No	NCC	A(PD)	Residential	3.78
77	ENT	Century Center Mixed Use	PD13-048	23029022	378	0	191.6	Yes	CIC	A(PD)	Commercial	2.42
78	ENT	Cottle Station Mixed Use (Hitachi)	PD12-028	70604013	234	0	30.0	Yes	UV	A(PD)	None	5.83

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
79	ENT	Creekside Townhomes	PD06-038	28403009	19	0	39.6	Yes	NCC	A(PD)	Residential	0.49
80	ENT	Dent Homes	PD07-038	56925023	20	0	40.0	Yes	UR	A(PD)	Residential	0.50
81	ENT	Douglas Homes	PDC07-089	27719012	6	0	14.0	No	MUN	A(PD)	Residential	0.43
82	ENT	Dove Hill Homes	PD13-037	67911001	16	0	4.2	No	RN	A(PD)	None	3.88
83	ENT	Edwards Mixed Use	PD09-039	26437060	50	0	46.8	Yes	MUC	A(PD)	Residential	1.07
84	ENT	Elden Glen Housing	PD09-010	41221046	4	0	7.8	No	RN	A(PD)	Residential	0.82
85	ENT	Entrada Cedros Homes	PDC07-012	46414017	8	0	15.7	No	RN	A(PD)	Residential	0.52
86	ENT	Epic Apts	PD08-056	9715026	769	569	75.0	Yes	IP	A(PD)	Industrial	10.27
87	ENT	Essex Homes	PD06-031	1512032	3	0	9.1	No	RN	A(PD)	Residential	0.34
88	ENT	Falling Tree Homes	PD13-029	24439042	7	0	9.1	No	RN	A(PD)	Residential	0.79
89	ENT	Fruitdale Station (Phase 2)	PD07-007	28402008	256	80	39.5	Yes	NCC	A(PD)	None	6.73
90	ENT	Gibson Girl Homes	PD07-077	65214012	5	0	1.8	No	LH	A(PD)	Residential	3.04
91	ENT	Grand Duplex	H08-033	1505138	2	0	14.3	No	RN	R-M	Residential	0.15
92	ENT	Grand Duplex	H07-042	1505137	2	0	13.3	No	RN	R-M	Residential	0.15
93	ENT	Grand Oak Homes	PD10-019	66003013	3	0	1.9	No	RR	A(PD)	Residential	2.35
656	ENT	Greenbriar Homes	T09-002	27918052	4	0	6.6	No	RN	R-1-8	Residential	0.61
94	ENT	Heritage Estates II	PD07-047	66002013	6	0	1.8	No	RR	A(PD)	None	2.48
95	ENT	Hyundai Site Mixed Use	PDA06-048-01	9706055	528	0	67.0	Yes	IP	A(PD)	None	11.55
96	ENT	Japantown Senior Apts	PD08-015	24939011	75	0	136.0	Yes	MUN	A(PD)	None	0.54
97	ENT	La Pala Homes	PD06-033	60106045	9	0	25.0	No	UR	A(PD)	None	0.40
98	ENT	Leigh Senior Housing	PD07-089	28432014	64	0	66.0	Yes	NCC	A(PD)	None	0.94
99	ENT	Livery Lane Homes	PD13-008	66058001	7	0	1.2	No	OSPH	A(PD)	Residential	3.27
100	ENT	Lucretia and Owsley	PD05-046	47715003	15	0	15.0	No	MUN	A(PD)	None	1.01
101	ENT	Lucretia Development	PDA06-030-01	47766004	20	0	14.4	No	RN	A(PD)	None	1.82
102	ENT	Lucretia Homes	PDC06-131	47711051	10	0	10.0	No	RN	A(PD)	None	0.96
103	ENT	Mayfair Village Apts	H11-006	48402049	4	0	45.0	Yes	MUN	R-M	Residential	1.01
104	ENT	Metropolitan Apts	PD11-011	47723021	102	0	36.4	Yes	CIC	A(PD)	None	2.92
105	ENT	Michigan Homes	PD09-037	1505082	4	0	8.7	No	RN	A(PD)	Residential	0.48
106	ENT	Moitozo Ranch Site	PDC03-043	9707068	637	0	26.0	No	TR	A(PD)	Agriculture	27.14

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
107	ENT	Monterey Homes	PD11-032	68402010	38	0	7.6	No	CIC	A(PD)	None	4.09
108	ENT	Moorpark Homes	PD06-010	27903020	2	0	4.9	No	RN	A(PD)	Residential	0.65
109	ENT	Morrill Homes	PDC09-011	58720017	2	0	4.3	No	RN	A(PD)	Residential	0.46
110	ENT	Neilson Homes	PD07-015	68456028	3	0	2.3	No	RR	A(PD)	Residential	1.67
111	ENT	Newbury Park Mixed Use	PD13-023	25404076	230	0	80.0	Yes	UV	A(PD)	Industrial	3.08
112	ENT	Newbury Park Mixed Use	PDC07-015	25404076	742	0	80.0	Yes	UV	A(PD)	Industrial	16.36
113	ENT	Oak Knoll Homes	PD05-088	68002008	25	19	2.9	No	RN	A(PD)	None	3.42
114	ENT	Olga Homes	PD12-034	29936048	5	0	13.8	No	NCC	A(PD)	Residential	0.37
115	ENT	Olsen Homes	PD09-027	30330013	3	0	12.5	No	RN	A(PD)	Residential	0.23
116	ENT	Orchard Park	PDA11-007-02	23703070	240	0	25.0	No	UR	A(PD)	None	13.38
117	ENT	Oyama Site	PD08-063	24142103	34	2	11.3	No	RN	A(PD)	Residential	2.84
118	ENT	Page Homes	PD06-053	27721016	7	0	17.5	No	MUN	A(PD)	Residential	0.41
119	ENT	Page Street Homes	PD08-032	27719032	4	0	13.0	No	MUN	A(PD)	Residential	0.31
120	ENT	Palm Street Housing	PD08-020	43412067	3	0	15.0	No	MUN	A(PD)	Residential	0.20
121	ENT	Parc 22 Townhomes	PDA07-013-01	47201021	67	28	20.6	No	CIC	A(PD)	Industrial	3.31
122	ENT	Pepper Lane Mixed Use	PD08-001	25415072	371	285	19.7	No	MUN	A(PD)	None	17.46
123	ENT	Piedmont Homes	PDC07-021	59112047	3	0	7.5	No	RN	A(PD)	Residential	0.41
124	ENT	Pinn Brothers	PDC04-110	68002008	13	0	2.9	No	RN	A(PD)	Residential	1.92
125	ENT	Quimby Homes	PDC10-002	65925002	7	0	4.1	No	LH	A(PD)	None	1.93
126	ENT	Race Street Housing	PDC06-024	26409051	293	0	50.0	Yes	TR	A(PD)	Commercial	5.67
127	ENT	Race Street Terrace	PDC13-037	26142072	80	0	35.0	Yes	UR	A(PD)	Commercial	2.27
128	ENT	Rachaella Homes	PDC06-104	66072020	3	0	1.6	No	RR	A(PD)	None	2.34
129	ENT	Rosemar Court Homes	PD10-021	61268002	13	0	0.6	No	LH	A(PD)	None	25.69
130	ENT	Ruby Estates	PD11-012	65211010	10	0	4.0	No	RR	A(PD)	None	2.50
131	ENT	Sabatino Homes	PD12-037	25405046	18	0	16.4	No	MUN	A(PD)	Residential	3.16
132	ENT	San Felipe Homes	PD09-029	66002013	14	0	1.8	No	RR	A(PD)	None	6.51
133	ENT	San Felipe Homes	PD11-029	66005001	4	0	1.8	No	RR	A(PD)	Residential	2.10
134	ENT	Santa Teresa Transit Village	PD13-044	70604013	664	0	45.0	Yes	UR	A(PD)	None	14.77
135	ENT	Senter Court Homes	PD13-041	49447004	5	0	8.9	No	RN	A(PD)	None	0.55

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
136	ENT	Senter Road Family Apts	PDC09-033	49741098	102	0	29.5	No	PQP	A(PD)	Commercial	3.51
137	ENT	Sierra Creek Homes	PD05-069	58706061	6	0	9.1	No	RN	A(PD)	Residential	0.78
138	ENT	Skylark Housing	PD13-020	45514006	24	0	29.0	No	NCC	A(PD)	None	1.10
139	ENT	South Village (Hitachi)	PD14-010	70604013	845	10	17.0	No	UV	A(PD)	None	40.43
140	ENT	Springbrook Homes	PD13-003	65403022	12	0	1.9	No	RR	A(PD)	Residential	6.88
141	ENT	Summerwind Apts (annex)	PDC08-067	47719060	103	0	30.3	Yes	UR	A(PD)	Residential	3.74
142	ENT	Sycamore Terrace Townhomes	PD13-032	69402002	27	0	22.5	No	OSPH	A(PD)	None	1.42
143	ENT	Tasman Apts	PD11-030	9752028	554	0	79.6	Yes	IP	A(PD)	Industrial	7.32
144	ENT	Taylor Homes	PDC07-003	24925020	2	0	8.6	No	RN	A(PD)	Residential	0.23
145	ENT	Vendome Place	PDC05-101	25905024	433	0	178.5	Yes	TR	A(PD)	Commercial	1.90
146	ENT	Venetian Terrace Condos	PD04-024	45532012	170	86	50.0	Yes	TR	A(PD)	Residential	3.12
147	ENT	Vine Homes	PD07-074	43411008	3	0	11.8	No	RN	A(PD)	Residential	0.32
148	ENT	Willard Housing	PD06-027	27718034	6	0	17.0	No	MUN	A(PD)	None	0.43
149	ENT	Williams Mixed Use	PD13-016	47228054	28	0	49.0	Yes	RN	A(PD)	Residential	0.57
150	ENT	Willow Street Homes	PD13-035	43403093	3	0	8.2	No	NCC	A(PD)	Residential	0.50
151	ENT	Boynton Homes II	PDC13-033	29946021	10	0	13.9	No	RN	A(PD)	Residential	0.72
152	ENT	10th Street Homes	PD07-096	47223004	3	0	15.0	No	RN	A(PD)	Residential	0.22
Subtotals					**13,323**	**1,849**						**414.40**
Planned Communities												
153	PC	Vicenza at Montecito Vista	PD13-027	45509062	162	0	33.0	Yes	CIC	A(PD)	None	2.17
154	PC	KB Home (Townhomes)	PDC13-009	45509057	1,575	0	22.0	No	UR	County	None	70.00
155	PC	KB Home (Condos/Apts)	PDC13-009	45528017	625	0	68.0	Yes	UR	County	None	9.00
156	PC	Murano at Montecito Vista	PD12-008	45509060	100	0	33.0	Yes	CIC	A(PD)	None	4.97
157	PC	Sorrento at Montecito Vista	PD13-034	45509058	36	0	33.0	Yes	CIC	A(PD)	None	2.05
158	PC	Verona at Montecito Vista	PD12-009	45509062	277	0	33.0	Yes	CIC	A(PD)	None	3.86
159	PC	Corporation Yard	GP13-007	24939039	360	0	100.0	Yes	TR	LI	Industrial	5.28
160	PC	Libitzky Mixed Use	PDC08-036	24909001	403	0	35.4	Yes	MUN	A(PD)	Industrial	11.61

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
161	PC	Taylor Street Rowhomes	PD06-035	24905055	5	0	19.2	No	MUN	A(PD)	Residential	0.26
162	PC	Westmount Homes	PD09-030	24909009	60	15	18.8	No	MUN	A(PD)	Residential	3.16
163	PC	N/A	N/A	47218062	27	0	100.0	Yes	TR	A(PD)	Commercial	0.27
164	PC	N/A	N/A	47227105	86	0	100.0	Yes	TR	LI	Industrial	0.86
165	PC	N/A	N/A	47216064	4	0	50.0	Yes	UR	CP	Commercial	0.08
166	PC	N/A	N/A	47214024	13	0	50.0	Yes	UR	CP	Commercial	0.25
167	PC	N/A	N/A	47215023	62	0	50.0	Yes	UR	HI	Industrial	1.23
168	PC	N/A	N/A	47701073	10	0	35.0	Yes	MUC	CP	Commercial	0.29
169	PC	South 2nd Mixed Use	PD07-094	47701082	134	0	116.4	Yes	MUC	A(PD)	None	1.18
170	PC	Virginia Terrace Apts	PDA08-029-01	47218051	238	0	66.0	Yes	TR	A(PD)	Industrial	3.68
171	PC	N/A	N/A	47214025	71	0	50.0	Yes	UR	LI	Industrial	1.41
172	PC	N/A	N/A	47701077	20	0	35.0	Yes	MUC	CP	Commercial	0.57
173	PC	N/A	N/A	47217002	27	0	35.0	Yes	MUC	CP	Commercial	0.76
174	PC	N/A	N/A	47217094	14	0	25.0	No	MUN	CN	Commercial	0.56
175	PC	N/A	N/A	47216025	477	0	100.0	Yes	TR	LI	Industrial	4.77
176	PC	N/A	N/A	47216039	31	0	25.0	No	MUN	LI	Industrial	1.24
177	PC	N/A	N/A	47216017	52	0	50.0	Yes	UR	LI	Industrial	1.00
178	PC	N/A	N/A	47218061	55	0	100.0	Yes	TR	A(PD)	None	0.55
179	PC	N/A	N/A	47227087	30	0	100.0	Yes	TR	R-M	Residential	0.30
180	PC	N/A	N/A	47218007	104	0	100.0	Yes	TR	LI	Industrial	1.04
181	PC	N/A	N/A	47218058	86	0	100.0	Yes	TR	LI	Industrial	0.86
182	PC	N/A	N/A	47214055	42	0	100.0	Yes	TR	LI	Industrial	0.42
183	PC	N/A	N/A	47215027	20	0	100.0	Yes	TR	HI	Industrial	0.20
184	PC	N/A	N/A	47225092	123	0	100.0	Yes	TR	A(PD)	Commercial	1.23
186	PC	Ohlone Mixed Use	PDC08-061	26414131	775	0	94.2	Yes	TR	A(PD)	Industrial	8.23
659	PC	Cheim Lumber Site	PDC14-007	26415062	315	0	67.3	Yes	TR	HI	Industrial	4.68
187	PC	Park Family/Senior Apts	PDC13-012	26136062	181	0	95.3	Yes	TR	A(PD)	None	1.90
190	PC	N/A	N/A	43405079	7	0	25.0	No	MUN	LI	Industrial	0.28
191	PC	N/A	N/A	43404081	15	0	25.0	No	MUN	LI	Industrial	0.59

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
192	PC	N/A	N/A	43420023	358	0	50.0	Yes	UR	LI	Industrial	7.15
193	PC	N/A	N/A	43405078	8	0	25.0	No	MUN	R-2/LI	Industrial	0.33
194	PC	N/A	N/A	43413040	354	0	50.0	Yes	UR	LI	Industrial	7.07
195	PC	N/A	N/A	43412101	11	0	25.0	No	MUN	LI	Industrial	0.43
196	PC	Almaden Road Apts (Phase 2)	PDC98-089	43426032	90	0	50.0	Yes	UR	A(PD)	Industrial	2.43
197	PC	Skyline Condos (Phase 2)	PD04-021	43413015	119	0	76.0	Yes	TR	A(PD)	None	1.36
Subtotals					**7,562**	**15**						**169.56**
Urban Villages		Specific Urban Village										
198	UV	Alum Rock Ave (East of 680)	N/A	48419032	2	0	12.1	No	NCC	R-1-8	Residential	0.14
199	UV	Alum Rock Ave (East of 680)	N/A	48420079	2	0	12.1	No	NCC	CP	Commercial	0.18
200	UV	Alum Rock Ave (East of 680)	N/A	48420035	5	0	12.1	No	NCC	CP(PD)	Commercial	0.40
201	UV	Alum Rock Ave (East of 680)	N/A	48420053	8	0	12.1	No	NCC	A(PD)	Commercial	0.66
202	UV	Alum Rock Ave (East of 680)	N/A	48445117	2	0	12.1	No	NCC	R-2	Residential	0.14
204	UV	Alum Rock Ave (East of 680)	N/A	48444063	3	0	12.1	No	NCC	A(PD)	Residential	0.24
205	UV	Alum Rock Ave (East of 680)	N/A	48443120	37	0	12.1	No	NCC	A(PD)	Commercial	3.02
207	UV	Alum Rock Ave (East of 680)	N/A	48442014	8	0	12.1	No	NCC	CN	Commercial	0.69
208	UV	Alum Rock Ave (East of 680)	N/A	48442011	9	0	12.1	No	NCC	A(PD)	Commercial	0.74
209	UV	Alum Rock Ave (East of 680)	N/A	48444061	23	0	12.1	No	NCC	A(PD)	Residential	1.89
210	UV	Alum Rock Ave (East of 680)	N/A	48456050	14	0	12.1	No	NCC	A(PD)	Commercial	1.18
211	UV	Alum Rock Ave (NBD)	N/A	48109049	22	0	12.1	No	UV	MS-G	Commercial	1.78
212	UV	Alum Rock Ave (NBD)	N/A	48109022	23	0	12.1	No	UV	MS-G	Commercial	1.87
213	UV	Alum Rock Ave (NBD)	N/A	48108015	23	0	12.1	No	UV	MS-G	Commercial	1.89
214	UV	Alum Rock Ave (NBD)	N/A	48106021	42	0	12.1	No	UV	MS-G	Commercial	3.45
215	UV	Alum Rock Ave (NBD)	N/A	48106016	7	0	12.1	No	UV	MS-G	Commercial	0.54
216	UV	Alum Rock Ave (NBD)	N/A	48401020	27	0	12.1	No	UV	MS-G	Commercial	2.22
217	UV	Alum Rock Ave (NBD)	N/A	48401037	22	0	12.1	No	UV	MS-G	Commercial	1.84
218	UV	Alum Rock Ave (NBD)	N/A	48441147	6	0	12.1	No	UV	MS-G	Commercial	0.49

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
219	UV	Alum Rock Ave (NBD)	N/A	48441151	22	0	12.1	No	UV	MS-G	Commercial	1.79
220	UV	Alum Rock Ave (NBD)	N/A	48122033	33	0	12.1	No	UV	MS-G	Commercial	2.71
221	UV	Alum Rock Ave (NBD)	N/A	48121009	93	0	12.1	No	UV	MS-G	Commercial	7.74
222	UV	Alum Rock Ave (NBD)	N/A	48119011	17	0	12.1	No	UV	MS-G	Commercial	1.38
223	UV	Alum Rock Ave (NBD)	N/A	48121152	3	0	12.1	No	UV	MS-G	Commercial	0.28
224	UV	Alum Rock Ave (NBD)	N/A	48119003	31	0	12.1	No	UV	MS-G	Commercial	2.59
225	UV	Alum Rock Ave (NBD)	N/A	48107042	185	0	12.1	No	UV	MS-C	Commercial	15.53
233	UV	Alum Rock Ave (East of 680)	N/A	48421038	7	0	12.1	No	NCC	CP	Commercial	0.61
234	UV	Alum Rock Ave (East of 680)	N/A	60111089	20	0	12.1	No	NCC	CP	Commercial	1.62
235	UV	Alum Rock Ave (East of 680)	N/A	60111026	15	0	12.1	No	NCC	CP	Commercial	1.26
236	UV	Alum Rock Ave (East of 680)	N/A	60110077	30	0	12.1	No	NCC	CP	Commercial	2.45
237	UV	Alum Rock Ave (East of 680)	N/A	60111002	18	0	12.1	No	NCC	County	Commercial	1.47
238	UV	Alum Rock Ave (East of 680)	N/A	60111024	7	0	12.1	No	NCC	County	Residential	0.60
239	UV	Alum Rock Ave (East of 680)	N/A	48420032	144	0	12.1	No	NCC	CN	Commercial	12.06
240	UV	Alum Rock Ave (East of 680)	N/A	48419001	4	0	12.1	No	NCC	CN	Commercial	0.34
241	UV	Alum Rock Ave (East of 680)	N/A	48419033	6	0	12.1	No	NCC	CN	Commercial	0.49
242	UV	Alum Rock Ave (East of 680)	N/A	48452029	24	0	12.1	No	NCC	CN	Commercial	1.99
245	UV	Alum Rock Ave (East of 680)	N/A	48443045	12	0	12.1	No	NCC	CG	Commercial	0.96
246	UV	Alum Rock Ave (East of 680)	N/A	48443119	58	0	12.1	No	NCC	CG	Commercial	4.85
247	UV	Alum Rock Ave (East of 680)	N/A	48444066	7	0	12.1	No	NCC	CG	Commercial	0.55
248	UV	Alum Rock Ave (East of 680)	N/A	48403043	4	0	12.1	No	NCC	R-1-8	Residential	0.36
249	UV	Alum Rock Ave (East of 680)	N/A	48419029	2	0	12.1	No	NCC	R-1-8	Residential	0.14
250	UV	Alum Rock Ave (East of 680)	N/A	48445061	7	0	12.1	No	NCC	R-2	Residential	0.54
253	UV	Alum Rock Ave (NBD)	N/A	48118064	22	0	12.1	No	UV	MS-G	Commercial	1.85
254	UV	Alum Rock Ave (NBD)	N/A	48118047	8	0	12.1	No	UV	MS-G	Commercial	0.65
261	UV	Alum Rock Ave (East of 680)	N/A	48403044	3	0	12.1	No	NCC	CN	Commercial	0.28
262	UV	WSC West	N/A	27457009	3	0	12.4	No	UV	R-2	Residential	0.23
263	UV	WSC East	N/A	26142051	2	0	12.4	No	UV	CN(PD)	Commercial	0.14
264	UV	WSC East	N/A	26142005	2	0	12.4	No	UV	CN	Commercial	0.15

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
265	UV	WSC West	N/A	27417075	11	0	12.4	No	PQP	CP	Commercial	0.88
266	UV	WSC East	N/A	27414063	3	0	12.4	No	UV	CO	Commercial	0.28
267	UV	WSC East	N/A	27414081	1	0	12.4	No	UV	R-2	Residential	0.09
268	UV	WSC Mid	N/A	27415112	21	0	12.4	No	UV	CP	Commercial	1.66
269	UV	WSC West	N/A	27441115	2	0	12.4	No	UV	CP	Commercial	0.16
270	UV	WSC West	N/A	27441074	3	0	12.4	No	UV	County	Commercial	0.22
271	UV	WSC Mid	N/A	27713027	4	0	12.4	No	UV	County	Commercial	0.31
272	UV	WSC Mid	N/A	27715056	4	0	12.4	No	UV	A	Commercial	0.29
273	UV	WSC East	N/A	27414153	40	0	12.4	No	UV	A(PD)	Commercial	3.32
274	UV	WSC West	N/A	27417087	11	0	12.4	No	UV	R-1-8	Residential	0.88
275	UV	WSC East	N/A	27720016	6	0	12.4	No	UV	CP	Commercial	0.45
276	UV	WSC West	N/A	27704019	3	0	12.4	No	UV	CP	Commercial	0.24
277	UV	WSC West	N/A	27705012	7	0	12.4	No	UV	CG	Commercial	0.56
278	UV	WSC West	N/A	27705007	7	0	12.4	No	UV	A(PD)	Commercial	0.57
279	UV	WSC Mid	N/A	27715028	4	0	12.4	No	UV	CP	Commercial	0.29
280	UV	WSC West	N/A	27709027	1	0	12.4	No	UV	CG	Commercial	0.09
281	UV	WSC West	N/A	27709028	2	0	12.4	No	UV	CP	Commercial	0.18
282	UV	WSC Mid	N/A	27718018	6	0	12.4	No	UV	CP	Commercial	0.46
283	UV	WSC Mid	N/A	27718020	3	0	12.4	No	UV	CP	Commercial	0.25
284	UV	WSC West	N/A	27701001	5	0	12.4	No	UV	CO	Commercial	0.40
285	UV	WSC West	N/A	27701002	5	0	12.4	No	UV	CP	Commercial	0.43
286	UV	WSC West	N/A	27704028	3	0	12.4	No	UV	County	Commercial	0.21
287	UV	WSC Mid	N/A	27714028	2	0	12.4	No	UV	County	Commercial	0.14
288	UV	WSC West	N/A	27702020	14	0	12.4	No	UV	CP	Commercial	1.16
289	UV	WSC West	N/A	27457022	8	0	12.4	No	UV	CP	Commercial	0.65
290	UV	WSC West	N/A	27457008	13	0	12.4	No	UV	CP	Commercial	1.07
291	UV	WSC West	N/A	27441098	8	0	12.4	No	UV	CP	Commercial	0.63
292	UV	WSC West	N/A	27703018	15	0	12.4	No	UV	CP	Commercial	1.20
293	UV	WSC West	N/A	27704020	33	0	12.4	No	UV	CP	Commercial	2.73

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
294	UV	WSC West	N/A	27441089	29	0	12.4	No	UV	CP	Commercial	2.33
295	UV	WSC West	N/A	27417065	10	0	12.4	No	UV	CP	Commercial	0.82
296	UV	WSC West	N/A	27706023	7	0	12.4	No	UV	CP	Commercial	0.53
297	UV	WSC West	N/A	27416029	11	0	12.4	No	UV	CP	Commercial	0.86
298	UV	WSC West	N/A	27711027	6	0	12.4	No	UV	CP	Commercial	0.47
299	UV	WSC Mid	N/A	27416010	14	0	12.4	No	UV	CP	Commercial	1.10
300	UV	WSC Mid	N/A	27713029	4	0	12.4	No	UV	CP	Commercial	0.31
301	UV	WSC Mid	N/A	27714055	9	0	12.4	No	UV	CP	Commercial	0.71
302	UV	WSC Mid	N/A	27415145	83	0	12.4	No	UV	CP	Commercial	6.88
303	UV	WSC Mid	N/A	27716028	6	0	12.4	No	UV	CP	Commercial	0.52
304	UV	WSC Mid	N/A	27717026	16	0	12.4	No	UV	CP	Commercial	1.33
305	UV	WSC Mid	N/A	27415150	15	0	12.4	No	UV	CP	Commercial	1.20
306	UV	WSC East	N/A	27414079	6	0	12.4	No	UV	CP	Commercial	0.51
307	UV	WSC East	N/A	27720019	5	0	12.4	No	UV	CP	Commercial	0.39
308	UV	WSC East	N/A	27414067	17	0	12.4	No	UV	CP	Commercial	1.35
309	UV	WSC East	N/A	26142032	32	0	12.4	No	UV	CP	Commercial	2.62
310	UV	WSC East	N/A	26142004	23	0	12.4	No	UV	CP	Commercial	1.88
311	UV	WSC East	N/A	26141005	29	0	12.4	No	UV	CP	Commercial	2.37
312	UV	WSC East	N/A	26140089	25	0	12.4	No	UV	CP	Commercial	2.05
313	UV	WSC West	N/A	27441101	17	0	12.4	No	UV	County	Commercial	1.39
314	UV	WSC West	N/A	27705001	27	0	12.4	No	UV	County	Commercial	2.18
315	UV	WSC West	N/A	27705008	10	0	12.4	No	UV	County	Commercial	0.77
316	UV	WSC West	N/A	27706020	9	0	12.4	No	UV	County	Commercial	0.75
317	UV	WSC West	N/A	27417039	10	0	12.4	No	UV	County	Commercial	0.83
318	UV	WSC West	N/A	27707024	8	0	12.4	No	UV	County	Commercial	0.63
319	UV	WSC West	N/A	27708029	6	0	12.4	No	UV	County	Commercial	0.46
320	UV	WSC West	N/A	27417018	7	0	12.4	No	UV	County	Commercial	0.56
321	UV	WSC West	N/A	27709029	3	0	12.4	No	UV	County	Commercial	0.28
322	UV	WSC West	N/A	27416050	11	0	12.4	No	UV	County	Commercial	0.89

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
323	UV	WSC West	N/A	27710025	7	0	12.4	No	UV	County	Commercial	0.56
324	UV	WSC West	N/A	27416068	6	0	12.4	No	UV	County	Commercial	0.52
325	UV	WSC Mid	N/A	27712029	6	0	12.4	No	UV	County	Commercial	0.50
326	UV	WSC West	N/A	27459001	25	0	12.4	No	UV	CO	Commercial	1.98
327	UV	WSC Mid	N/A	27718023	9	0	12.4	No	UV	CN	Commercial	0.74
328	UV	WSC East	N/A	27720035	10	0	12.4	No	UV	CN	Commercial	0.79
329	UV	WSC Mid	N/A	27717031	12	0	12.4	No	UV	R-M	Residential	0.99
330	UV	WSC Mid	N/A	27718019	27	0	12.4	No	UV	R-M	Residential	2.16
331	UV	WSC East	N/A	27720034	34	0	12.4	No	UV	R-M	Residential	2.78
332	UV	WSC East	N/A	27414141	20	0	12.4	No	UV	R-2	Residential	1.62
333	UV	WSC East	N/A	27720017	5	0	12.4	No	UV	LI	Industrial	0.44
334	UV	WSC West	N/A	27416049	2	0	12.4	No	UV	R-M	Residential	0.13
335	UV	WSC West	N/A	27416051	3	0	12.4	No	UV	CP	Commercial	0.21
336	UV	WSC East	N/A	26141103	5	0	12.4	No	UV	CP	Commercial	0.40
337	UV	Lincoln Avenue Mixed Use in WSC East	PD07-016	26141096	41	0	45.0	Yes	UV	A(PD)	Commercial	0.91
338	UV	WSC West	N/A	27457047	3	0	12.4	No	UV	CO	Commercial	0.21
406	UV	The Alameda	N/A	26133022	2	0	12.2	No	UV	CN	Commercial	0.15
407	UV	The Alameda	N/A	26101023	4	0	12.2	No	MUC	A(PD)	Commercial	0.32
408	UV	The Alameda	N/A	26101007	17	0	12.2	No	MUC	CG	Commercial	1.39
409	UV	The Alameda	N/A	26126065	3	0	12.2	No	UV	CN	Commercial	0.23
410	UV	The Alameda	N/A	26102036	1	0	12.2	No	UV	CO	Commercial	0.09
411	UV	The Alameda	N/A	26124053	4	0	12.2	No	UV	CG	Commercial	0.30
412	UV	The Alameda	N/A	26130019	1	0	12.2	No	RN	R-1-8	Residential	0.08
413	UV	The Alameda	N/A	26130020	1	0	12.2	No	RN	R-M	Residential	0.09
414	UV	The Alameda	N/A	26132072	8	0	12.2	No	UV	A(PD)	Commercial	0.65
415	UV	The Alameda	N/A	26101106	12	0	12.2	No	UV	A(PD)	Commercial	0.95
416	UV	The Alameda	N/A	26133052	5	0	12.2	No	UV	LI	Industrial	0.39
417	UV	The Alameda	N/A	26133053	4	0	12.2	No	UV	CG	Commercial	0.36

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
418	UV	The Alameda	N/A	26102064	7	0	12.2	No	UV	CP	Commercial	0.59
419	UV	The Alameda	N/A	26102017	12	0	12.2	No	UV	CG	Commercial	0.95
420	UV	The Alameda	N/A	26102032	25	0	12.2	No	UV	CG	Commercial	2.09
421	UV	The Alameda	N/A	26129023	10	0	12.2	No	UV	CG	Commercial	0.86
422	UV	The Alameda	N/A	26129056	17	0	12.2	No	UV	CG	Commercial	1.41
423	UV	The Alameda	N/A	26102045	9	0	12.2	No	UV	CG	Commercial	0.70
424	UV	The Alameda	N/A	26130021	9	0	12.2	No	UV	CG	Commercial	0.72
425	UV	The Alameda	N/A	26130054	8	0	12.2	No	UV	CG	Commercial	0.66
426	UV	The Alameda	N/A	26132019	9	0	12.2	No	UV	CG	Commercial	0.72
427	UV	The Alameda	N/A	26102046	50	0	12.2	No	UV	CO	Commercial	4.20
428	UV	The Alameda	N/A	26102063	40	0	12.2	No	UV	CO	Commercial	3.24
429	UV	The Alameda	N/A	26133020	3	0	12.2	No	UV	LI	Industrial	0.27
430	UV	The Alameda	N/A	26129017	19	0	12.2	No	UV	CN	Commercial	1.58
431	UV	The Alameda	N/A	26129027	12	0	12.2	No	UV	R-M	Residential	0.97
432	UV	The Alameda	N/A	26124008	13	0	12.2	No	UV	A(PD)	Commercial	1.08
433	UV	The Alameda	N/A	26101089	9	0	12.2	No	MUC	LI	Industrial	0.76
434	UV	The Alameda	N/A	26101091	4	0	12.2	No	MUC	A(PD)	Commercial	0.35
435	UV	The Alameda	N/A	26101068	5	0	12.2	No	UV	CG	Commercial	0.43
436	UV	The Alameda Mixed Use	PDC13-007	26101003	70	0	67.3	Yes	MUC	A(PD)	Commercial	1.04
437	UV	Sunol Mixed Use in The Alameda	PDC07-020	26132058	9	0	30.0	Yes	UV	A(PD)	Commercial	0.32
Subtotals		**Planned Units per site**			**2,391**	**-**						**188.62**
Additional Capacity in approved Urban Village Plan areas in Horizon 1.					**275**							
Total capacity allocated for West San Carlos, the Alameda, and Alum Rock Urban Village PlansWest San Carlos (Horizon I): 1,245 units Alum Rock Rezoning (Horizon I): 1,010 units The Alameda (Horizon): 411 units Total: 2,666					**2,666**							

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
"Pool" Allocation for South Bascom Urban Village Horizon III (per Envision Policy IP-2.11)					500	-						N/A
Vacant Land												
438	VAC	N/A	N/A	59924008	1	0	0.2	No	LH	A(PD)	None	3.57
439	VAC	N/A	N/A	59931015	1	0	0.2	No	LH	County	None	1.64
440	VAC	N/A	N/A	59527049	2	0	0.2	No	LH	A(PD)	None	8.20
441	VAC	N/A	N/A	67623018	1	0	0.2	No	LH	A(PD)	None	3.76
442	VAC	N/A	N/A	70122004	1	0	0.2	No	LH	R-1-1	None	2.93
443	VAC	N/A	N/A	68033033	1	0	2.0	No	RR	A(PD)	None	0.28
444	VAC	N/A	N/A	68016024	1	0	2.0	No	RR	A(PD)	None	0.26
445	VAC	N/A	N/A	68014022	1	0	2.0	No	RR	A(PD)	None	0.37
446	VAC	N/A	N/A	67638035	35	0	2.0	No	RR	A(PD)	None	18.79
447	VAC	N/A	N/A	68022017	1	0	2.0	No	RR	A(PD)	None	0.33
448	VAC	N/A	N/A	68034010	1	0	2.0	No	RR	A(PD)	None	0.59
449	VAC	N/A	N/A	61211036	1	0	2.0	No	RR	County	None	0.46
450	VAC	N/A	N/A	61209016	1	0	2.0	No	RR	County	None	0.74
451	VAC	N/A	N/A	61217038	2	0	2.0	No	RR	County	None	0.96
452	VAC	N/A	N/A	61216047	2	0	2.0	No	RR	County	None	1.14
453	VAC	N/A	N/A	61266015	7	0	2.0	No	RR	County	None	3.38
454	VAC	N/A	N/A	61236027	1	0	0.2	No	LH	R-1-5	None	5.03
455	VAC	N/A	N/A	65210005	1	0	2.0	No	RR	R-1-2	None	0.38
456	VAC	N/A	N/A	9243013	2	0	2.0	No	RR	A(PD)	None	0.80
457	VAC	N/A	N/A	59538009	1	0	2.0	No	RR	R-1-5(PD)	None	0.27
458	VAC	N/A	N/A	59538014	1	0	2.0	No	RR	R-1-5(PD)	None	0.47
459	VAC	N/A	N/A	59512020	15	0	2.0	No	RR	R-1-1	None	7.68
460	VAC	N/A	N/A	59535007	1	0	2.0	No	RR	R-1-2(PD)	None	0.67
461	VAC	N/A	N/A	59511014	3	0	2.0	No	RR	R-1-2	None	1.70
462	VAC	N/A	N/A	68403042	1	0	2.0	No	RR	R-1-5	None	0.25

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
463	VAC	N/A	N/A	68443030	5	0	2.0	No	RR	A(PD)	None	2.63
464	VAC	N/A	N/A	67818037	1	0	2.0	No	RR	A(PD)	None	0.35
465	VAC	N/A	N/A	67680001	5	0	2.0	No	RR	A(PD)	None	2.52
466	VAC	N/A	N/A	67624001	9	0	2.0	No	RR	R-1-5	None	4.63
467	VAC	N/A	N/A	44201043	8	0	8.0	No	RN	R-1-5	None	0.94
468	VAC	N/A	N/A	59527049	10	0	2.0	No	RR	A(PD)	None	6.00
469	VAC	N/A	N/A	59527049	25	0	2.0	No	RR	A(PD)	None	12.95
470	VAC	N/A	N/A	69601025	25	0	2.0	No	RR	County	None	13.15
471	VAC	N/A	N/A	59512026	25	0	2.0	No	RR	County	None	12.46
472	VAC	N/A	N/A	9243027	1	0	2.0	No	RR	A(PD)	None	0.69
473	VAC	N/A	N/A	59510005	65	0	2.0	No	RR	R-1-8	None	33.48
474	VAC	N/A	N/A	58311099	5	0	2.0	No	RR	R-1-2	None	2.35
475	VAC	N/A	N/A	58146019	3	0	2.0	No	RR	R-1-8	None	1.40
476	VAC	N/A	N/A	66008010	5	0	2.0	No	RR	A	None	2.37
477	VAC	N/A	N/A	58371017	2	0	2.0	No	RR	A(PD)	None	0.90
478	VAC	N/A	N/A	58308031	1	0	2.0	No	RR	A(PD)	None	0.74
479	VAC	N/A	N/A	58368031	1	0	2.0	No	RR	A(PD)	None	0.58
480	VAC	N/A	N/A	58308037	2	0	2.0	No	RR	A(PD)	None	0.81
481	VAC	N/A	N/A	58372015	1	0	2.0	No	RR	A(PD)	None	0.50
482	VAC	N/A	N/A	58351018	2	0	0.2	No	LH	A(PD)	None	8.01
483	VAC	N/A	N/A	58343038	1	0	2.0	No	RR	A(PD)	None	0.38
484	VAC	N/A	N/A	58311029	2	0	2.0	No	RR	R-1-2	None	0.94
485	VAC	N/A	N/A	58311094	4	0	2.0	No	RR	R-1-2(PD)	None	1.80
486	VAC	N/A	N/A	58311017	2	0	2.0	No	RR	R-1-2	None	0.85
487	VAC	N/A	N/A	58343043	1	0	2.0	No	RR	A(PD)	None	0.28
488	VAC	N/A	N/A	58311079	1	0	2.0	No	RR	R-1-2	None	0.35
489	VAC	N/A	N/A	68066002	3	0	2.0	No	RR	A(PD)	None	1.42
490	VAC	N/A	N/A	68066009	1	0	2.0	No	RR	A(PD)	None	0.70
491	VAC	N/A	N/A	65909015	1	0	0.2	No	LH	A(PD)	None	6.41

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
492	VAC	N/A	N/A	66023015	20	0	8.0	No	RN	A	None	2.80
493	VAC	N/A	N/A	67637012	3	0	2.0	No	RR	R-1-5	None	1.58
494	VAC	N/A	N/A	28820041	3	0	8.0	No	RN	R-1-5	None	0.43
495	VAC	N/A	N/A	44204011	2	0	8.0	No	RN	R-1-8	None	0.28
496	VAC	N/A	N/A	59928001	39	0	8.0	No	RN	County	None	4.90
497	VAC	N/A	N/A	59515069	25	0	8.0	No	RN	R-1-8	None	3.30
498	VAC	N/A	N/A	61219026	9	0	2.0	No	RR	County	None	4.30
499	VAC	N/A	N/A	70121019	12	0	8.0	No	RN	R-1-1	None	1.54
500	VAC	N/A	N/A	58115047	2	0	8.0	No	RN	R-1-8	None	0.26
501	VAC	N/A	N/A	58129005	5	0	8.0	No	RN	R-1-8	None	0.60
502	VAC	N/A	N/A	58125024	4	0	8.0	No	RN	R-1-8	None	0.55
503	VAC	N/A	N/A	59927011	10	0	8.0	No	RN	R-1-5	None	1.52
504	VAC	N/A	N/A	59926047	2	0	8.0	No	RN	County	None	0.21
505	VAC	N/A	N/A	59930036	4	0	8.0	No	RN	County	None	0.51
506	VAC	N/A	N/A	58708028	2	0	8.0	No	RN	R-1-5	None	0.19
507	VAC	N/A	N/A	59510066	4	0	8.0	No	RN	R-1-5	None	0.47
508	VAC	N/A	N/A	59510013	4	0	2.0	No	RR	A	None	2.13
509	VAC	N/A	N/A	70411009	35	0	8.0	No	RN	OS	None	4.37
510	VAC	N/A	N/A	69605001	25	0	8.0	No	RN	A	None	3.33
511	VAC	N/A	N/A	69511046	9	0	8.0	No	RN	R-1-5	None	1.08
512	VAC	N/A	N/A	69511039	10	0	8.0	No	RN	R-1-5	None	1.45
513	VAC	N/A	N/A	69511022	4	0	8.0	No	RN	R-1-5	None	0.55
514	VAC	N/A	N/A	69511051	7	0	8.0	No	RN	R-1-8	None	0.91
515	VAC	N/A	N/A	69503043	10	0	8.0	No	RN	R-1-5	None	1.50
516	VAC	N/A	N/A	69503032	3	0	8.0	No	RN	R-1-5	None	0.38
517	VAC	N/A	N/A	67623012	2	0	2.0	No	RR	A(PD)	None	0.80
518	VAC	N/A	N/A	48446047	2	0	8.0	No	RN	R-1-8	None	0.22
519	VAC	N/A	N/A	48433071	4	0	8.0	No	RN	R-1-8	None	0.50
520	VAC	N/A	N/A	48801046	3	0	8.0	No	RN	CP	None	0.42

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
521	VAC	N/A	N/A	58618055	7	0	8.0	No	RN	R-1-8	None	0.90
522	VAC	N/A	N/A	58619042	7	0	8.0	No	RN	R-1-8	None	0.91
523	VAC	N/A	N/A	9233038	11	0	8.0	No	RN	R-1-8	None	1.52
524	VAC	N/A	N/A	59518030	1	0	8.0	No	RN	R-1-5	None	0.16
525	VAC	N/A	N/A	59514080	4	0	8.0	No	RN	R-1-8	None	0.52
526	VAC	N/A	N/A	59514068	3	0	8.0	No	RN	R-1-8	None	0.39
527	VAC	N/A	N/A	59501041	4	0	8.0	No	RN	R-1-8	None	0.48
528	VAC	N/A	N/A	59501101	3	0	8.0	No	RN	R-1-8	None	0.34
529	VAC	N/A	N/A	59526045	30	0	8.0	No	RN	R-1-5	None	3.90
530	VAC	N/A	N/A	24912097	1	0	8.0	No	RN	R-2	None	0.12
531	VAC	N/A	N/A	24916066	1	0	8.0	No	RN	R-2	None	0.18
532	VAC	N/A	N/A	24918010	1	0	8.0	No	RN	R-1-8	None	0.15
533	VAC	N/A	N/A	24965018	2	0	8.0	No	RN	CP	None	0.20
534	VAC	N/A	N/A	24962007	1	0	8.0	No	RN	R-2	None	0.15
535	VAC	N/A	N/A	24924081	1	0	8.0	No	RN	R-1-8	None	0.13
536	VAC	N/A	N/A	24913012	2	0	8.0	No	RN	R-2	None	0.20
537	VAC	N/A	N/A	24911077	1	0	8.0	No	RN	R-2	None	0.13
538	VAC	N/A	N/A	23508083	2	0	8.0	No	RN	R-2	None	0.23
539	VAC	N/A	N/A	46705059	1	0	8.0	No	RN	R-2	None	0.10
540	VAC	N/A	N/A	46729028	5	0	8.0	No	RN	R-1-8	None	0.67
541	VAC	N/A	N/A	26121066	1	0	8.0	No	RN	R-1-8	None	0.15
542	VAC	N/A	N/A	47230049	2	0	8.0	No	RN	R-1-8	None	0.23
543	VAC	N/A	N/A	27457040	1	0	8.0	No	RN	R-1-8	None	0.16
544	VAC	N/A	N/A	27459054	2	0	8.0	No	RN	CO	None	0.24
545	VAC	N/A	N/A	27729032	1	0	8.0	No	RN	County	None	0.15
546	VAC	N/A	N/A	43423085	1	0	8.0	No	RN	R-2	None	0.12
547	VAC	N/A	N/A	43422069	2	0	8.0	No	RN	R-1-8	None	0.22
548	VAC	N/A	N/A	56935049	3	0	8.0	No	RN	R-1-8	None	0.36
549	VAC	N/A	N/A	41936131	5	0	8.0	No	RN	R-1-8	None	0.62

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ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
550	VAC	N/A	N/A	56723027	3	0	8.0	No	RN	R-1-8	None	0.35
551	VAC	N/A	N/A	68403037	2	0	8.0	No	RN	R-1-5	None	0.20
552	VAC	N/A	N/A	68404002	3	0	8.0	No	RN	R-1-5	None	0.35
553	VAC	N/A	N/A	68404002	2	0	8.0	No	RN	R-1-5	None	0.27
554	VAC	N/A	N/A	70611021	2	0	8.0	No	RN	A	None	0.27
555	VAC	N/A	N/A	69514014	20	0	8.0	No	RN	R-1-5	None	2.63
556	VAC	N/A	N/A	69511047	3	0	8.0	No	RN	R-1-5	None	0.39
557	VAC	N/A	N/A	69511031	5	0	8.0	No	RN	R-1-5	None	0.61
558	VAC	N/A	N/A	49137106	4	0	8.0	No	RN	A	None	0.51
559	VAC	N/A	N/A	67633009	4	0	8.0	No	RN	R-1-5	None	0.48
560	VAC	N/A	N/A	67013028	2	0	8.0	No	RN	R-1-8	None	0.19
561	VAC	N/A	N/A	67616020	8	0	8.0	No	RN	R-1-8	None	1.04
562	VAC	N/A	N/A	47776002	7	0	8.0	No	RN	R-1-8	None	0.92
563	VAC	N/A	N/A	47720047	13	0	8.0	No	RN	A	None	1.63
564	VAC	N/A	N/A	49919029	4	0	8.0	No	RN	R-1-8	None	0.52
565	VAC	N/A	N/A	45545005	6	0	8.0	No	RN	A	None	0.73
566	VAC	N/A	N/A	26417103	2	0	8.0	No	RN	R-2	None	0.24
567	VAC	N/A	N/A	26443018	4	0	8.0	No	RN	R-2	None	0.56
568	VAC	N/A	N/A	26443071	4	0	8.0	No	RN	R-2	None	0.56
569	VAC	N/A	N/A	26442109	1	0	8.0	No	RN	R-2	None	0.18
570	VAC	N/A	N/A	28201014	2	0	8.0	No	RN	County	None	0.22
571	VAC	N/A	N/A	28206024	21	0	25.0	No	MUN	R-M	None	0.84
572	VAC	N/A	N/A	42951044	4	0	8.0	No	RN	R-1-8	None	0.56
573	VAC	N/A	N/A	43917009	4	0	8.0	No	RN	R-1-8	None	0.45
574	VAC	N/A	N/A	30341018	3	0	8.0	No	RN	R-1-8	None	0.36
575	VAC	N/A	N/A	30332041	2	0	8.0	No	RN	R-1-8	None	0.24
576	VAC	N/A	N/A	38122001	7	0	8.0	No	RN	R-1-8	None	0.92
577	VAC	N/A	N/A	67013004	2	0	8.0	No	RN	R-1-8	None	0.19
578	VAC	N/A	N/A	59514080	1	0	8.0	No	RN	R-1-8	None	0.18

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579	VAC	N/A	N/A	46705048	15	0	8.0	No	RN	R-2	None	1.99
580	VAC	N/A	N/A	70101006	7	0	8.0	No	RN	R-1-8	None	0.82
581	VAC	N/A	N/A	45928001	65	0	8.0	No	RN	A	None	9.02
582	VAC	N/A	N/A	59916116	2	0	8.0	No	RN	R-1-8	None	0.28
583	VAC	N/A	N/A	48411082	10	0	8.0	No	RN	R-1-8	None	1.40
584	VAC	N/A	N/A	67633014	3	0	8.0	No	RN	A	None	0.41
585	VAC	N/A	N/A	60107066	9	0	8.0	No	RN	County	None	1.14
586	VAC	N/A	N/A	60108128	2	0	8.0	No	RN	County	None	0.31
587	VAC	N/A	N/A	60107075	6	0	8.0	No	RN	County	None	0.70
588	VAC	N/A	N/A	61223056	45	0	8.0	No	RN	County	None	5.87
589	VAC	N/A	N/A	61221120	10	0	8.0	No	RN	County	None	1.26
590	VAC	N/A	N/A	60129009	20	0	8.0	No	RN	County	None	2.71
591	VAC	N/A	N/A	26448106	1	0	8.0	No	RN	R-1-8	None	0.11
592	VAC	N/A	N/A	64707074	4	0	8.0	No	RN	A	None	0.53
593	VAC	N/A	N/A	60125121	3	0	8.0	No	RN	County	None	0.36
594	VAC	N/A	N/A	60122050	2	0	8.0	No	RN	County	None	0.22
595	VAC	N/A	N/A	60122118	1	0	8.0	No	RN	County	None	0.14
596	VAC	N/A	N/A	48417035	1	0	8.0	No	RN	R-1-8	None	0.16
597	VAC	N/A	N/A	48114130	1	0	8.0	No	RN	R-1-8	None	0.11
598	VAC	N/A	N/A	48143017	2	0	8.0	No	RN	R-2	None	0.20
599	VAC	N/A	N/A	24543017	14	0	8.0	No	RN	A	None	1.73
600	VAC	N/A	N/A	46733034	2	0	8.0	No	RN	R-M	None	0.25
601	VAC	N/A	N/A	47206090	1	0	8.0	No	RN	R-1-8	None	0.12
602	VAC	N/A	N/A	47236017	6	0	8.0	No	RN	A(PD)	None	0.70
603	VAC	N/A	N/A	43404071	2	0	8.0	No	RN	A(PD)	None	0.20
604	VAC	N/A	N/A	43411063	1	0	8.0	No	RN	R-2	None	0.17
605	VAC	N/A	N/A	68503002	20	0	8.0	No	RN	LI	None	2.78
606	VAC	N/A	N/A	49103049	7	0	8.0	No	RN	A(PD)	None	0.89
607	VAC	N/A	N/A	67606015	4	0	8.0	No	RN	A(PD)	None	0.50

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608	VAC	N/A	N/A	47711020	20	0	8.0	No	RN	R-1-8	None	2.49
609	VAC	N/A	N/A	45545007	35	0	8.0	No	RN	A	None	4.52
610	VAC	N/A	N/A	49466003	45	0	8.0	No	RN	A(PD)	None	5.81
611	VAC	N/A	N/A	42920054	5	0	8.0	No	RN	R-1-8	None	0.59
612	VAC	N/A	N/A	48403036	1	0	8.0	No	RN	R-1-8	None	0.14
613	VAC	N/A	N/A	46701120	3	0	8.0	No	RN	CG	None	0.43
614	VAC	N/A	N/A	25412011	9	0	8.0	No	RN	R-M	None	1.08
615	VAC	N/A	N/A	48119055	2	0	8.0	No	RN	R-1-8	None	0.19
616	VAC	N/A	N/A	48123072	3	0	8.0	No	RN	R-1-8	None	0.38
617	VAC	N/A	N/A	48441090	2	0	8.0	No	RN	R-2	None	0.26
618	VAC	N/A	N/A	46720020	4	0	8.0	No	RN	CG	None	0.45
619	VAC	N/A	N/A	48122067	6	0	8.0	No	RN	R-1-8	None	0.74
620	VAC	N/A	N/A	23509018	5	0	8.0	No	RN	R-2	None	0.64
621	VAC	N/A	N/A	24941032	1	0	8.0	No	RN	R-M	None	0.14
622	VAC	N/A	N/A	24941024	1	0	8.0	No	RN	R-M	None	0.14
623	VAC	N/A	N/A	24941022	1	0	8.0	No	RN	R-M	None	0.14
624	VAC	N/A	N/A	24947009	2	0	8.0	No	RN	R-M	None	0.19
625	VAC	N/A	N/A	24947018	1	0	8.0	No	RN	CN	None	0.10
626	VAC	N/A	N/A	24947025	1	0	8.0	No	RN	R-M	None	0.16
627	VAC	N/A	N/A	46706089	1	0	8.0	No	RN	R-2	None	0.12
628	VAC	N/A	N/A	26402045	15	0	25.0	No	MUN	R-M	None	0.65
629	VAC	N/A	N/A	27718031	49	0	25.0	No	MUN	R-M	None	1.97
630	VAC	N/A	N/A	25922059	4	0	8.0	No	RN	R-1-8	None	0.47
631	VAC	N/A	N/A	26448037	6	0	25.0	No	MUN	R-2	None	0.23
632	VAC	N/A	N/A	56918058	13	0	8.0	No	RN	R-M(PD)	None	1.63
633	VAC	N/A	N/A	46214004	30	0	25.0	No	MUN	A	None	1.23
634	VAC	N/A	N/A	26403007	5	0	25.0	No	MUN	R-1-8	None	0.20
635	VAC	N/A	N/A	47720148	58	0	50.0	Yes	UR	IP	None	1.16
636	VAC	N/A	N/A	25429026	137	0	100.0	Yes	TR	R-M	None	1.35

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
637	VAC	N/A	N/A	25429025	138	0	100.0	Yes	TR	R-M	None	1.36
638	VAC	N/A	N/A	25917032	1	0	8.0	No	RN	CO	None	0.15
639	VAC	N/A	N/A	47212086	36	0	50.0	Yes	UR	R-M	None	0.72
640	VAC	N/A	N/A	67029017	284	0	25.0	No	MUN	R-1-8	None	11.50
641	VAC	N/A	N/A	46748073	6	0	50.0	Yes	UR	R-M	None	0.12
642	VAC	N/A	N/A	42942014	2	0	8.0	No	RN	R-1-5(PD)	None	0.26
643	VAC	N/A	N/A	58372002	2	0	2.0	No	RR	A(PD)	None	0.95
644	VAC	N/A	N/A	59901087	3	0	8.0	No	RN	R-1-8	None	0.35
645	VAC	N/A	N/A	67652001	35	0	8.0	No	RN	R-1-8(PD)	None	4.54
646	VAC	N/A	N/A	67912057	2	0	8.0	No	RN	A(PD)	None	0.23
647	VAC	N/A	N/A	67910005	40	0	2.0	No	RR	A	None	20.15
648	VAC	N/A	N/A	57754013	16	0	2.0	No	RR	A(PD)	None	7.88
649	VAC	N/A	N/A	61265042	1	0	0.2	No	LH	County	None	4.30
650	VAC	N/A	N/A	61270016	2	0	0.2	No	LH	A	None	11.71
651	VAC	N/A	N/A	60131054	1	0	0.2	No	LH	R-1-RR	None	1.64
652	VAC	N/A	N/A	61234061	1	0	0.2	No	LH	R-1-5	None	2.91
653	VAC	N/A	N/A	65201008	1	0	0.2	No	LH	A	None	4.92
654	VAC	N/A	N/A	59504071	1	0	0.2	No	LH	R-1-8	None	2.23
655	VAC	N/A	N/A	59504067	5	0	0.2	No	LH	R-1-8	None	26.61
Subtotals					**2,125**	**-**						**421.75**
Grand Totals					**35,877**	**1,864**						**1,252.75**
Net Total Planned Units					**34,013**							

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
Nonresidentially zoned residentially designated underutilized or vacant parcels outside of Downtown, Planned Communities, and Urban Villages					Planned Units (new minus existing)							
Address/Description				Tracking APN		Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
642	3880 San Felipe. AT&T Office Bldg with equipment. .35 FAR. In Evergreen DPA 642 next to APN 66023015 which is already listed in inventory as vacant.			66023003	20	0	8.0	No	RN	A	Commercial	2.46
582	242 La Pala single story office bldg 4,100 s.f. FAR .28 Surface parking. Max allowable height 45 feet. Next to RM Zoning District.			60106041	17	0	50.0	No	UR	CP	Commercial	0.34
779	16601 Almaden Expressway SP12-004 Special Use Permit approved to demolish gas station. Corner site. Surrounded by low density residential.			57715014	40	0	50.0	No	UR	CP	Commercial	0.80
4	1704 Senter Road. Happy Hollow Market. Corner lot with surface parking and one-story liquor store. In Tully Senter SNI next to APN 47729056 Retail Building. Existing FAR .25			47729057	18	0	50.0	No	UR	CP	Commercial	0.36
5	Retail building next to res in Tully-Senter SNI next to APN 47729057.			47729056	26	0	50.0	No	UR	CP	Commercial	0.51
560	1888 Senter Road GP03-07-09 changed to res by DDD. Next to APN 47720148, which is vacant.			47720147	99	0	50.0	No	UR	IP	Government	1.97
1	1870 Senter Road GP03-07-09 changed to res by DDD.			47720133	157	0	50.0	No	UR	IP	Government	3.13
717	1960 Senter Road. SFR surrounded on 3 sides by multifamily affordable housing (Paseo Senter). In PDA and Tully Senter SNI.			47720030	11	0	50.0	No	UR	LI	Residential (one single-family)	0.23
447	North side E St. John approx 50 feet east of corner. Vacant next to vacant corner N 4th.			46720040	20	0	100.0	No	TR	CG	Vacant	0.20
448	Corner 4th & E St John. Vacant next to APN 48720040.			46720019	10	0	100.0	No	TR	CG	Vacant	0.10

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
786	955 Branham Lane PRE14-027 for 25 townhomes. Existing one-story day care facility.			45908088	30	0	25.0	No	MUN	A	Commercial	1.20
791	Ohlone LRT lot bounded by Chynoweth Ave., Terner Way, and SR 87.			45811020	75	0	100.0	No	TR	A	Government/ Transit Parking	0.75
251	2180 Canoas Garden Ave. Open Bible Faith Community Church built prior to annexation (pre-1978). One story commercial bldg .35 FAR. Max allow height 120 feet near LRT. In PDA.			45531008	14	0	50.0	No	UR	CO	Commercial used for Religious	0.27
175	2438 Almaden Road Corner site. Developed with commercial restaurant (Super Taqueria).			45525062	24	0	50.0	No	UR	CP	Commercial	0.47
125	1810 Almaden Rd btwn Canoas & SR 87. One of several parcels. Developed wih LI & HI uses.			45520057	23	0	50.0	No	UR	HI	Industrial Warehouse	0.45
124	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520056	22	0	50.0	No	UR	HI	Industrial	0.43
118	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520048	16	0	50.0	No	UR	HI	Industrial	0.32
115	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520047	17	0	50.0	No	UR	HI	Industrial	0.34
117	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520046	30	0	50.0	No	UR	HI	Industrial	0.60
116	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520045	39	0	50.0	No	UR	HI	Industrial	0.78
119	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520042	36	0	50.0	No	UR	HI	Industrial	0.72
123	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520038	11	0	50.0	No	UR	HI	Industrial	0.21
122	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520037	11	0	50.0	No	UR	HI	Industrial	0.21
120	Almaden Rd btwn Canoas & SR 87. One of several parcels.			45520036	11	0	50.0	No	UR	HI	Industrial	0.21
114	1860-1868 Almaden Rd btwn Canoas & SR 87. 1-story industrial warehouse. One of several parcels. Developed wih LI			45520029	30	0	50.0	No	UR	HI	Industrial Warehouse	0.59
54	1199 S 1st Street Washington SNI Autosales and repair, one story commercial FAR .10 Max allow height 320 feet. PDA next to APN 43408085. Code Case.			43408086	90	0	100.0	No	TR	CP	Commercial	0.90
53	1141 S 1st St. Lot used for wholesale used car sales next to APN 43408086 Wash SNI Max allow height 320 feet.			43408085	26	0	100.0	No	TR	CP	Commercial	0.26
52	1141 S 1st St. Lot used for wholesale used car sales next to APN 43408086 Washington SNI Max allow height 320 feet.			43408084	15	0	100.0	No	TR	CP	Commercial	0.15

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
51		1127 S 1st St. Lot used for wholesale used car sales next to APN 43408086 Washington SNI Max allow height 320 feet.		43408083	15	0	100.0	No	TR	CP	Commercial	0.15
331		935 S 1st St. NW corner Edwards Ave. 1-story Wiener Snitzel with surface parking in Washington SNI. Corner lot. 120 feet		26437075	39	0	100.0	No	TR	CP	Commercial	0.39
180		1369 Pedro St. SFR built in 1918 Next to APN 26407023 apts on Pedro.		26407071	11	0	25.0	No	MUN	A	Residential (one single-family)	0.47
179		963 Cinnabar SFR built 1900. Maximum allowable height 120 feet in Priority Development Area.		26103015	13	0	100.0	No	TR	LI	Residential (one single-family)	0.14
178		959 Cinnabar SFR built 1925. Max allowable hieght 120 feet in Priority Dev Area.		26103014	13	0	100.0	No	TR	LI	Residential (one single-family)	0.14
177		955 Cinnabar corner lot with SFR. Maximum allowable height 120 feet in Priority Dev Area.		26103013	6	0	100.0	No	TR	LI	Residential (one single-family)	0.07
182		433 N Morrison Ave SFR built 1900. Max height 120 feet in Priority Dev Area.		26103012	6	0	100.0	No	TR	LI	Residential (one single-family)	0.07
181		434 N Morrison Ave SFR built 1915. Maximum allowable height 120 feet in Priority Dev Area.		26103005	6	0	100.0	No	TR	LI	Residential (one single-family)	0.07
185		945 Cinnabar corner lot with SFR built 1905. Maximum allowable height 120 feet in Priority Dev Area.		26103004	8	0	100.0	No	TR	LI	Residential (one single-family)	0.09
184		927 Cinnabar SFR built 1918. Maximum allowable height 120 feet in Priority Development Area.		26103003	7	0	100.0	No	TR	LI	Residential (one single-family)	0.08
183		909 Cinnabar SFR built 1900. Maximum allowable height 120 feet in Priority Dev Area.		26103002	11	0	100.0	No	TR	LI	Residential (one single-family)	0.12
310		850 Cinnabar SFR built 1900, Max allowable height 120 feet, Priority Dev Area.		26101047	8	0	100.0	No	TR	LI	Residential (one single-family)	0.09
308		890 Cinnabar SFR built 1935. Max allowable height 120 feet Priority Dev Area.		26101045	8	0	100.0	No	TR	LI	Residential (one single-family)	0.09
309		870 Cinnabar SFR bungalow built 1900. Max allowable height 120 feet. Priority Dev Area.		26101046	8	0	100.0	No	TR	LI	Residential (one single-family)	0.09
307		910 Cinnebar SFR bungalow built 1924. Max allowable height 120 feet Priority Dev Area		26101044	8	0	100.0	No	TR	LI	Residential (one single-family)	0.09

Adequate Sites Inventory (2014-2023)

ID	Land Type*	Project Name	File Number	Tracking APN	Planned Units	Units Issued	Density	Affordable	General Plan**	Zoning***	Existing Use	Acres
154		967 North Capitol Ave. SFR built 1935. Near LRT. Max allow height 150 feet.		25429019	6	0	25.0	No	MUN	A	Residential (one single-family)	0.28
			Subtotal:		1104							
			Grand Net Total Planned Units:		35,117							
Abbreviations Legend												
*Land Type: DT= Downtown; ENT= Entitled; PC= Planned Community; UV= Urban Village; VAC= Vacant.												
**General Plan: CIC= Combined Industrial/Commercial; DT= Downtown; IP= Industrial Park; LH= Lower Hillside; MUC= Mixed Use Commercial;												
MUN= Mixed Use Neighborhood; NCC= Neighborhood/Community Commercial; OSPH= Open Space, Parklands and Habitat; PQP= Public/Quasi-Public;												
RN= Residential Neighborhood; RR= Rural Residential; TR= Transit Residential; UR= Urban Residential; UV= Urban Village.												
***Zoning: A= Agricultural; A(PD)= Planned Development; CG= Commercial General; CIC= Combined Industrial/Commercial; CN= Commercial Neighborhood;												
CO= Commercial Office; County= Unincorporated; CP= Commercial Pedestrian; DC= Downtown Core; DC-NT1= Downtown Core-Neighborhood Transition 1;												
HI= Heavy Industrial; IP= Industrial Park; Light Industrial; MS-C= Main Street Commercial; MS-G= Main Street Ground Floor Commercial; OS= Open Space;												
R-1-1= Single-Family Residence; R-1-2= Single-Family Residence; R-1-8= Single-Family Residence; R-1-RR= Single-Family Residence;												
R-2= Two-Family Residence; R-M= Multiple Residence.												

Appendix B: List of Housing Goals, Policies, and Actions

Appendix B: Housing Goals, Policies, and Actions

California law requires that general plans address seven topics or "elements," one of which is housing (Government Code section 65302). The *Envision San José 2040 General Plan* is an integrated general plan, with elements addressed throughout the document. As such, Appendix B summarizes the policies in the General Plan related to housing. However, due to the interrelated nature of the City's General Plan policies and their potentially complex influences, additional policies not included here may also contribute towards housing issues.

Chapter 4: Quality of Life (Vibrant Neighborhoods)

Goal VN-1 – Vibrant, Attractive, and Complete Neighborhoods

Develop new and preserve and enhance existing neighborhoods to be vibrant, attractive and complete.

Policies – Vibrant, Attractive, and Complete Neighborhoods

VN-1.1 Include services and facilities within each neighborhood to meet the daily needs of neighborhood residents with the goal that all San José residents be provided with the opportunity to live within a half mile walking distance of schools, parks and retail services.

VN-1.2 Maintain existing and develop new community services and gathering spaces that allow for increased social interaction of neighbors, (i.e., parks, community centers and gardens, libraries, schools, commercial areas, churches, and other gathering spaces).

VN-1.3 Encourage the development and maintenance of compatible neighborhood retail and services within walking distance of residences as a means to promote the creation of "complete" neighborhoods.

VN-1.4 Distribute neighborhood-oriented services and facilities equitably throughout the City's neighborhoods, to the extent feasible.

VN-1.5 Continue to work with neighborhoods on the planning and provision of City services and facilities to meet their specific needs.

VN-1.6 Design new development to contribute to the positive identity of a neighborhood and to encourage pedestrian activity.

VN-1.7 Use new development within neighborhoods to enhance the public realm, provide for direct and convenient pedestrian access, and visually connect to the surrounding neighborhood. As opportunities arise, improve existing development to meet these objectives as well.

VN-1.10 Promote the preservation of positive character-defining elements in neighborhoods, such as architecture; design elements like setbacks, heights, number of stories, or attached/detached garages; landscape features; street design; etc.

VN-1.11 Protect residential neighborhoods from the encroachment of incompatible activities or land uses which may have a negative impact on the residential living environment.

VN-1.12 Design new public and private development to build upon the vital character and desirable qualities of existing neighborhoods.

VN-1.13 Encourage the maintenance of private property within the city's neighborhoods. Actively enforce the City's codes related to blight.

Actions – Vibrant, Attractive, and Complete Neighborhoods

VN-1.14 Continue to work with community and neighborhood groups on the development and implementation of policies and initiatives to enhance community identity and to foster pride in the City's neighborhoods.

VN-1.15 Develop and implement policies, design guidelines and regulations to facilitate the development of compatible small scale neighborhood-serving retail in appropriate locations within or adjacent to existing neighborhoods.

VN-1.16 Develop and implement policies, design guidelines and regulations to promote the preservation of positive character-defining elements within neighborhoods.

Goal VN-2 – Community Empowerment

Empower communities to improve the quality of life in their neighborhoods.

Policies – Community Empowerment

VN-2.1 Proactively engage neighborhood groups in the decision-making process as a regular component of City government activities.

VN-2.2 Abide by the City's Community Outreach Policy and update the Policy, as needed, to reflect changing technology and improved techniques.

VN-2.3 Ensure that community members have the opportunity to provide input on the design of public and private development within their community.

Action – Community Empowerment

VN-2.4 Work with neighborhood and community leaders to educate them on the City's decision making processes and to empower them with the knowledge to participate in those processes.

Goal VN-3 – Access to Healthful Foods

Ensure that all residents have sufficient access to healthful food, as defined by the U.S. Department of Health and Human Services and the U.S. Department of Agriculture.

Policies – Access to Healthful Foods

VN-3.1 Encourage the location of full service grocery stores within or adjacent to neighborhoods with limited access to healthful foods with the goal that all San José residents be able to live within a half mile walking distance of a full service grocery store.

VN-3.4 Ensure that the Envision General Plan Land Use/Transportation Diagram continues to designate appropriate lands for full-service grocery stores in low-income and nutrition deficient neighborhoods.

VN-3.5 Encourage the location of healthful food retail, including farmers markets, in neighborhoods with high concentrations of fast food outlets compared to full service grocery stores and fresh produce markets.

Actions – Access to Healthful Foods

VN-3.7 Collaborate with the Santa Clara County Public Health Department to measure the accessibility of healthful foods by neighborhood including both the percentage of residents living near full-service grocery stores or fresh produce markets and the relative concentration of fast food restaurants and convenience stores to healthful food retailers. Use this data to identify nutrition deficient neighborhoods in the City.

VN-3.8 Collaborate with the Santa Clara County Public Health Department and the non-profit health sector to develop an economic development strategy to attract full-service grocery stores, fresh produce markets, and other healthful food retailers to low-income and nutrition deficient neighborhoods in the City. Also work collaboratively to develop an economic development strategy to attract healthful food options near schools.

VN-3.9 Collaborate with the Santa Clara County Public Health Department and the non-profit health sector to explore the potential to develop an incentive program to encourage existing liquor stores, neighborhood markets or convenience stores in nutrition deficient neighborhoods to sell fresh fruits and vegetables. Incentives could include, but are not

limited to increases in density, reductions in parking requirements, or grants to purchase refrigeration units or other equipment necessary to sell fresh produce.

VN-3.10 Identify potential new locations for farmers' markets in low-income and nutrition deficient neighborhoods, including joint use opportunities on publicly owned land.

Chapter 4: Quality of Life (Community Design)

Goal CD-1 – Attractive City

Create a well-designed, unique, and vibrant public realm with appropriate uses and facilities to maximize pedestrian activity; support community interaction; and attract residents, business, and visitors to San José.

Policies – Attractive City

CD-1.1 Require the highest standards of architectural and site design, and apply strong design controls for all development projects, both public and private, for the enhancement and development of community character and for the proper transition between areas with different types of land uses.

CD-1.3 Further the Major Strategies of this Plan to focus growth in appropriate locations; design complete streets for people; promote Grand Boulevards, Main Streets, and Downtown; support transit; and foster a healthful community.

CD-1.13 Use design review to encourage creative, high-quality, innovative, and distinctive architecture that helps to create unique, vibrant places that are both desirable urban places to live, work, and play and that lead to competitive advantages over other regions.

CD-1.14 Use the Urban Village Planning process to establish standards for their architecture, height, and massing.

Goal CD-2 – Function

Create integrated public and private areas and uses that work together to support businesses and to promote pedestrian activity and multi-modal transportation.

Policies – Function

CD-2.4 Incorporate public spaces (squares, plazas, etc.) into private developments to encourage social interaction, particularly where such spaces promote symbiotic relationships between businesses, residents, and visitors.

CD-2.10 Recognize that finite land area exists for development and that density supports retail vitality and transit ridership. Use land use regulations to require compact, low-impact development that efficiently uses land planned for growth, especially for residential

development which tends to have a long life-span. Strongly discourage small-lot and single-family detached residential product types in Growth Areas.

Goal CD-3 – Connections

Maintain a network of publicly accessible streets and pathways that are safe and convenient for walking and bicycling and minimize automobile use; that encourage social interaction; and that increase pedestrian activity, multi-modal transit use, environmental sustainability, economic growth, and public health.

Policies – Connections

CD-3.6 Encourage a street grid with lengths of 600 feet or less to facilitate walking and biking. Use design techniques such as multiple building entrances and pedestrian paseos to improve pedestrian and bicycle connections.

CD-3.7 Encourage development to maximize pedestrian, bicycle, and vehicular connections to adjacent existing and planned neighborhoods and community facilities. Use cul-de-sacs only when no current or future options exist to connect one area to another, or if such design would help preclude development from extending to areas where it is not planned.

CD-3.8 Provide direct access from developments to adjacent parks or open spaces, and encourage residential development to provide common open space contiguous to such areas.

CD-3.9 Minimize driveway entrances to enhance pedestrian safety and decrease the area of paved surfaces. Encourage shared vehicular access points that serve multiple uses and/or parcels, including shared access for commercial and residential uses. Avoid driveways that break up continuous commercial building frontages. Position vehicular access to minimize negative impacts to aesthetics and to pedestrian and bicycle safety.

CD-3.10 Increase neighborhood connectivity in new development by providing access across natural barriers (e.g., rivers) and man-made barriers (e.g., freeways).

CD-3.11 Encourage new development to connect with the surrounding community and continue the existing street grid to integrate with the neighborhood.

Goal CD-4 – Compatibility

Provide aesthetically pleasing streetscapes and new development that preserves and builds on the unique characteristics of the local area and contributes to a distinctive neighborhood or community identity.

Policies – Compatibility

CD-4.1 Maintain and update design guidelines adopted by the City and abide by them in the development of projects.

CD-4.2 Develop and propose for City Council or Commission approval development review policies to address specific land uses, structures, development types, or other urban design factors that would benefit from more specific criteria than those identified in this Plan.

CD-4.3 Promote consistent development patterns along streets, particularly in how buildings relate to the street, to promote a sense of visual order, and to provide attractive streetscapes.

CD-4.4 In non-growth areas, design new development and subdivisions to reflect the character of predominant existing development of the same type in the surrounding area through the regulation of lot size, street frontage, height, building scale, siting/setbacks, and building orientation.

CD-4.5 For new development in transition areas between identified Growth Areas and non-growth areas, use a combination of building setbacks, building step-backs, materials, building orientation, landscaping, and other design techniques to provide a consistent streetscape that buffers lower-intensity areas from higher intensity areas and that reduces potential shade, shadow, massing, viewshed, or other land use compatibility concerns.

CD-4.9 For development subject to design review, ensure the design of new or remodeled structures is consistent or complementary with the surrounding neighborhood fabric (including but not limited to prevalent building scale, building materials, and orientation of structures to the street).

CD-4.10 When development is proposed adjacent to existing or planned parks or along park chains, include frontage roads along the public park in that development in order to maximize access to park lands, to provide separation between urban land uses and park lands without the use of "back-up" design, and to maximize public exposure and view of park lands for scenic and security purposes.

CD-4.11 Accomplish sound attenuation for development along City streets through the use of setbacks and building design rather than sound attenuation walls. When sound attenuation walls are located adjacent to expressways or freeways, or railroad lines, landscaping, public art, and/or an aesthetically pleasing and visually interesting design should be used to minimize visual impacts.

CD-4.12 For structures other than buildings, and including structures on top of buildings, such as solar panels, other energy-saving or generating devices, roof landscaping, steeples, bell towers, and wireless communication antennae, where substantial height is intrinsic to the function of the structures, consider heights above those established for structures in the area. Locate such structures to minimize public visibility and avoid significant adverse effects on adjacent properties. Incorporate visual amenities, such as landscaping, to offset potential adverse visual impacts.

Actions - Compatibility

CD-4.13 Review and revise height limitations in the Zoning Ordinance to provide appropriate height limitations for various locations within San José consistent with the land use objectives of this Plan.

Goal CD-5 – Community Health, Safety, and Wellness

Create great public places where the built environment creates attractive and vibrant spaces, provides a safe and healthful setting, fosters interaction among community members, and improves quality of life.

Policies – Community Health, Safety, and Wellness

CD-5.1 Design areas to promote pedestrian and bicycle movements, to facilitate interaction between community members, and to strengthen the sense of community.

CD-5.2 Foster a culture of walking by designing walkable urban spaces; strategically locating jobs, residences and commercial amenities; providing incentives for alternative commute modes; and partnering with community groups and health services organizations to promote healthful life-styles for San José residents.

CD-5.3 Promote crime prevention through site and building designs that facilitate surveillance of communities by putting "eyes on the street." Design sites and buildings to promote visual and physical access to parks and open space areas. Support safe, accessible, and well-used public open spaces by orienting active use areas and building facades towards them.

CD-5.5 Include design elements during the development review process that address security, aesthetics and safety. Safety issues include, but are not limited to, minimum clearances around buildings, fire protection measures such as peak load water requirements, construction techniques, and minimum standards for vehicular and pedestrian facilities and other standards set forth in local, state, and federal regulations.

CD-5.9 To promote safety and to minimize noise and vibration impacts in residential and working environments, design development that is proposed adjacent to railroad lines to provide the maximum separation feasible between the rail line and dwelling units, yards or common open space areas, offices and other job locations, facilities for the storage of toxic or explosive materials, and the like. To the extent possible, devote areas of development closest to an adjacent railroad line to use as parking lots, public streets, peripheral landscaping, the storage of non-hazardous materials and so forth. In industrial facilities, where the primary function is the production, processing or storage of hazardous materials, for new development follow the setback guidelines and other protective measures called for in the City's Industrial Design Guidelines when such facilities are to be located adjacent to or near a main railroad line.

Goal CD-6 – Downtown Urban Design

Promote and achieve the Downtown's full potential as a regional destination and diverse cultural, recreational, civic, and employment center through distinctive and high-quality design.

Policies – Downtown Urban Design

CD-6.1 Recognize Downtown as the most vibrant urban area of San José and maximize development potential and overall density within the Downtown.

CD-6.2 Design new development with a scale, quality, and character to strengthen Downtown's status as a major urban center.

CD-6.3 Design publicly-accessible and welcoming areas, allow easy access and facilitate movement of pedestrians and bicyclists throughout the Downtown, and provide strong physical and visual connections across potential barriers (i.e., roadways and creeks). Promote Downtown as a focal point for community activity (e.g., festivals, parades, etc.) for the entire City.

CD-6.4 Design quality publicly-accessible open spaces at appropriate locations that enhance the pedestrian experience and attract people to the Downtown. Use appropriate design, scale, and edge treatment to define, and create publicly accessible spaces that positively contribute to the character of the area and provide public access to community gathering, recreational, artistic, cultural, or natural amenities.

CD-6.5 Promote iconic architecture and encourage and incorporate innovative, varied, and dynamic design features (e.g., appearance, function, sustainability aspects) into sites, buildings, art, streetscapes, landscapes, and signage to make Downtown visually exciting and to attract residents and visitors.

Goal CD-7 – Urban Villages Design

Create thriving, attractive Urban Villages that reflect unique urban characteristics of an area and provide complete neighborhoods for residents, workers, and visitors.

Policies – Urban Villages Design

CD-7.1 Support intensive development and uses within Urban Villages, while ensuring an appropriate interface with lower-intensity development in surrounding areas and the protection of appropriate historic resources.

CD-7.2 Designated Urban Villages should not proceed with residential development until an Urban Village Plan has been completed. Residential development that is purely ancillary to a primary employment use, such as penthouse residences in an office building, may be considered in advance of an Urban Village Plan. "Signature" projects, and other types of development expressly allowed in accordance with Envision General Plan policies may proceed prior to acceptance or approval of the Urban Village Plan.

CD-7.3 Review development proposed within an Urban Village Area prior to approval of an Urban Village Plan for consistency with any applicable design policies pertaining to the proposed use. Review proposed mixed-use projects that include residential units for consistency with the Design Policies for Urban Villages. Following adoption of an Urban Village Plan, review new development for consistency with design polices included within the Urban Village Plan as well as for consistency with any other applicable design policies.

CD-7.4 Identify a vision for urban design character consistent with development standards, including but not limited to building scale, relationship to the street, and setbacks, as part of the Urban Village planning process. Accommodate all planned employment and housing growth capacity within each Urban Village and consider how to accommodate projected employment growth demand by sector in each respective Urban Village Plan.

CD-7.6 Incorporate a full range of uses in each Urban Village Plan to address daily needs of residents, businesses, and visitors in the area. Consider retail, parks, school, libraries, day care, entertainment, plazas, public gathering space, private community gathering facilities, and other neighborhood-serving uses as part of the Urban Village planning process. Encourage multi-use spaces wherever possible to increase flexibility and responsiveness to community needs over time.

CD-7.9 Build new residential development within Urban Village areas at a minimum of four stories in height with the exception that a single row of 2-3 story development, such as townhouses, should be used when building new residential development immediately adjacent to single-family residential sites that have a Residential Neighborhood designation.

Action – Urban Villages Design

CD-7.10 As described in the Implementation Chapter, develop Urban Village Plans in cooperation with the nearby community and obtain San José City Council acceptance or approval of the plans prior to issuance of land use entitlements for any new residential development within designated Urban Villages Area Boundaries. Residential uses that are purely ancillary to primary employment uses, "Signature" projects, and other types of development expressly allowed in accordance with Envision General Plan policies may proceed prior to acceptance or approval of the Urban Village Plan.

Goal CD-8 – Building Height

Regulate the height of new development to avoid adverse land use incompatibility while providing maximum opportunity for the achievement of the Envision General Plan goals for economic development and the provision of new housing within the identified Growth Areas.

Policies – Building Height

CD-8.1 Ensure new development is consistent with specific height limits established within the City's Zoning Ordinance and applied through the zoning designation for properties

throughout the City. Land use designations in the Land Use/Transportation Diagram provide an indication of the typical number of stories expected for new development; however, specific height limitations for buildings and structures in San José are not identified in the Envision General Plan.

CD-8.2 Consider the Envision General Plan Community Design Goals, Policies and Implementation Actions, which provide guidance for the appropriate regulation of building heights to be implemented through the Zoning Ordinance.

CD-8.3 While the height of new development should be regulated to avoid long-term land use incompatibilities, ensure proposed Zoning Ordinance changes establish adequate maximum building heights to allow full build-out of the planned job and housing growth capacity within each of the identified Growth Areas.

Chapter 4: Quality of Life (Housing)

Goal H-1 Housing – Social Equity and Diversity

Provide housing throughout our City in a range of residential densities, especially at higher densities, and product types, including rental and for-sale housing, to address the needs of an economically, demographically, and culturally diverse population.

Policies – Housing – Social Equity and Diversity

H-1.1 Through the development of new housing and the rehabilitation of existing housing, facilitate the creation of economically, culturally, and demographically diverse and integrated communities.

H-1.2 Facilitate the provision of housing sites and structures across location, type, price and status as rental or ownership that respond to the needs of all economic and demographic segments of the community including seniors, families, the homeless and individuals with special needs.

H-1.3 Create housing opportunities and accessible living environments that allow seniors to age in place, either in the same home, assisted living facilities, continuing care facilities, or other housing types within the same community.

H-1.4 Encourage the location of housing designed for senior citizens in neighborhoods where health and community facilities and services are within a reasonable walking distance and are accessible by public transportation.

H-1.5 Facilitate the development of multi-generational housing in compact form that meets the needs of families living together.

H-1.6 Foster the production of housing to serve the "starter" housing market by leveraging financial resources such as purchasing assistance programs and by encouraging market-rate building typologies that serve the "starter" housing market.

H-1.7 Comply with State and Federal laws prohibiting discrimination in housing and that support fair and equal access to housing.

H-1.8 Encourage investments in infrastructure in order to maintain high-quality living environments in existing mobile home parks.

H-1.9 Facilitate the development of housing to meet San José's fair share of the County's and region's housing needs.

Actions – Housing – Social Equity and Diversity

H-1.10 Develop a program to promote the "starter" housing market that leverages all financial resources and facilitates production of "starter" housing.

H-1.11 Continue to work in close cooperation with other entities, public, private and non-profits, to foster information, techniques, and policies to achieve the Housing Goals, Policies, and Implementation Actions in this Plan and make such information readily available.

H-1.12 Continue to partner with local agencies, non-profits, and businesses to provide fair housing information, legal services, foreclosure prevention assistance, and anti-predatory lending assistance.

H-1.13 Continue to monitor and participate in anti-predatory lending practices by partnering with local agencies.

Goal H-2 – Affordable Housing

Increase, preserve and improve San José's affordable housing stock.

Policies – Affordable Housing

H-2.1 Facilitate the production of extremely low-, very low-, low-, and moderate-income housing by maximizing use of appropriate policies and financial resources at the federal, state, and local levels; and various other programs.

H-2.2 Integrate affordable housing in identified growth locations and where other housing opportunities may exist, consistent with the Envision General Plan.

H-2.3 Conserve viable housing stock through a balanced combination of housing code enforcement and complementary programs such as rehabilitation loans and grants to help maintain the supply of low-priced housing.

H-2.4 Allow affordable residential development at densities beyond the maximum density allowed under an existing Land Use/Transportation Diagram designation, consistent with the minimum requirements of the State Density Bonus Law (Government Code Section 65915) and local ordinances.

H-2.5 Facilitate second units on single-family residential lots, in conformance with our City's Secondary Unit Ordinance, to take advantage of a potential source of affordable housing and to assist our City in meeting its needs as identified in its Consolidated Plan.

H-2.6 Evaluate and incorporate, if feasible, an affordable housing component in the preparation of specific plans, master plans, or strategy plans that include plans for housing.

H-2.7 Support strategies in collaboration with other jurisdictions and agencies to end homelessness by creating permanent housing solutions combined with services such as medical, education, and job placement.

Actions – Affordable Housing

H-2.8 Coordinate and implement housing policies and goals contained in the City's Consolidated Plan, and its 5-Year Investment Plan.

H-2.9 Explore revisions to our City's Secondary Unit Ordinance that further support the provision of affordable housing and help achieve needs identified in its Consolidated Plan.

H-2.10 Update the City's dispersion policy: 1) to align the location of future affordable housing developments with planned future Growth Areas identified in the Envision General Plan; 2) to be consistent with the City's inclusionary housing ordinance; 3) to maximize the access of transit, retail, services, and amenities to affordable housing developments; and 4) to reemphasize the support for integration and complete communities.

H-2.11 Seek permanent sources of affordable housing funds.

H-2.12 Maintain our City's Inclusionary Housing Policy and Ordinance, and provide technical assistance to the development community to ensure that residential projects conform to it.

H-2.13 Support State and federal regulations that preserve "at-risk" subsidized rental units subject to potential conversion to market rate rents and that will encourage equitable and fair policies that protect tenant and owner rights.

H-2.14 Support legislation at the State and Federal levels that: (1) facilitates private and/or public sector investment in housing affordable to households of extremely-low, very low-, low- and moderate-income; (2) provides for the greatest local autonomy in the administration of State and Federal housing programs; and (3) furthers the City's objective of conserving and rehabilitating the existing housing stock.

H-2.15 Create and maintain a list of sites that are appropriate for meeting our City's affordable housing needs.

Goal H-3 Housing – High Quality Housing and Great Places

Create and maintain safe and high quality housing that contributes to the creation of great neighborhoods and great places.

Policies – High Quality Housing and Great Places

H-3.1 Require the development of housing that incorporates the highest possible level of amenities, fit and finish, urban design and architectural quality.

H-3.2 Design high density residential and mixed residential/commercial development, particularly development located in identified Growth Areas, to:

1. Create and maintain safe and pleasant walking environments to encourage pedestrian activity, particularly to the nearest transit stop and to retail, services, and amenities.
2. Maximize transit usage.
3. Allow residents to conduct routine errands close to their residence, especially by walking, biking, or transit.
4. Integrate with surrounding uses to become a part of the neighborhood rather than being an isolated project.
5. Use architectural elements or themes from the surrounding neighborhood when appropriate.
6. Provide residents with access to adequate on- or off-site open space.
7. Create a building scale that does not overwhelm the neighborhood.
8. Be usable by people of all ages, abilities, and needs to the greatest extent possible, without the need for adaptation or specialized design.

H-3.3 Situate housing in an environment that promotes the health, safety, and wellbeing of the occupants and is close to services and amenities.

H-3.4 Promote the conservation and rehabilitation of existing viable housing stock.

H-3.5 Prioritize housing resources to assist those groups most in need, or to those geographic locations in the City that most require investment in order to improve neighborhood blight conditions.

H-3.6 Regulate conversions of rental apartments to condominium or community apartment projects to meet public health and safety standards and to assist displaced renters. Residential rentals undergoing conversion should meet or exceed the minimum residential density in this Plan.

Action – High Quality Housing and Great Places

H-3.7 Coordinate across multiple City departments to achieve the City's vision for creating complete, safe, high-quality living environments.

Goal H-4 Housing - Environmental Sustainability

Provide housing that minimizes the consumption of natural resources and advances our City's fiscal, climate change, and environmental goals.

Policies – Housing - Environmental Sustainability

H-4.1 Implement green building principles in the design and construction of housing and related infrastructure, in conformance with the Green Building Goals and Policies in the Envision General Plan and in conformance with the City's Green Building Ordinance.

H-4.2 Minimize housing's contribution to greenhouse gas emissions, and locate housing, consistent with our City's land use and transportation goals and policies, to reduce vehicle miles traveled and auto dependency.

H-4.3 Encourage the development of higher residential densities in complete, mixed use, walkable and bikeable communities to reduce energy use and greenhouse gas emissions.

Chapter 6: Land Use and Transportation (Land Use Policies)

Goal LU-2 – Growth Areas

Focus new growth into identified Growth Areas to protect the quality of existing neighborhoods, while establishing new mixed use neighborhoods with a compact and dense form that is attractive to the City's projected demographics i.e., a young and senior population, and that supports walking, provides opportunities to incorporate retail and other services in a mixed-use format, and facilitates transit use.

Policies – Growth Areas

LU-2.1 Provide significant job and housing growth capacity within strategically identified "Growth Areas" in order to maximize use of existing or planned infrastructure (including fixed transit facilities), minimize the environmental impacts of new development, provide for more efficient delivery of City services, and foster the development of more vibrant, walkable urban settings.

LU-2.2 Include within the Envision General Plan Land Use / Transportation Diagram significant job and housing growth capacity within the following identified Growth Areas:

- Downtown – The City's Downtown Strategy plans for ambitious job and housing growth capacity in the Downtown area to reinforce its role as San Jose's civic, cultural and symbolic center and to support key infrastructure investments, including the planned BART and High-Speed Rail systems.

- Specific Plan Areas – The City's Specific Plans provide significant residential growth capacity and opportunities for mixed-use development. Alviso Master Plan and Rincon South Specific Plan areas also include significant amounts of planned job growth. The Water Pollution Control Plant lands, currently undergoing a separate master planning process, have been identified as a significant opportunity within the

City to add new employment land areas, and in particular to provide an opportunity for new light industry or manufacturing activity jobs.

- North San José – Because of its importance as a job center, access to transit facilities and proximity to the San José Mineta International Airport, the North San José Area is planned to accommodate up to 100,000 new jobs and 32,000 new housing units. The North San José Area Development Policy includes a phasing plan and a Traffic Impact Fee which link job and housing growth and provide funding for transportation improvements. The North San José Neighborhoods Plan and North San José Urban Design Guidelines provide additional guidance for the development of this City region.

- Employment Lands – The Plan supports significant intensification of employment activity within each of the City's major employment districts (North San José, Monterey Corridor, Edenvale, Berryessa / International Business Park, Mabury, East Gish and Senter Road and North Coyote Valley). Within the North San José, Berryessa / International Business Park and Old Edenvale areas, a centralized sub-area with strong transit access has been designated as an Employment Center to support mid-rise or high-rise employment development. The Employment Center in the northeast corner of the Berryessa / International Business Park area is also classified as a BART station area due to its proximity to the planned Milpitas BART station and existing Capitol Avenue Light Rail stations.

- Urban Villages: BART / Caltrain Station Areas – To maximize utilization of the Caltrain and BART systems, support regional commuting and foster the City's growth as a regional job center, significant new job growth capacity is planned for the each of the BART / Caltrain Urban Villages. Significant job and housing growth capacity is planned for the Berrryessa BART station area in order to support intensification of the station area as a regional employment destination and to achieve a level of density consistent with that planned for other BART and Light Rail station areas.

- Urban Villages: Transit / Commercial Corridors – A large and balanced amount of job and housing growth capacity is planned for the Transit / Commercial Corridor Urban Villages with the goal to maximize the opportunity for creating new mixed-use Urban Villages in these areas. While the BART area job capacity is planned primarily for mid-rise and high-rise offices, the Light Rail Urban Villages provide more opportunity for retail and service jobs that benefit from close proximity to residential use. Although the BART system serves as a regional transit line that brings workers from throughout the region to employment centers within San José, the light rail system is more appropriate for shorter commute trips and is also less likely to generate land use compatibility concerns. Accordingly, it is appropriate to include more residential and retail growth capacity along the light rail system. The Oakridge Mall Light Rail station area is particularly of interest because of its size and high level of unrealized potential to support a walkable, mixed-use community owing to the amount and diversity of established commercial uses and other services already located within the area.

- Urban Villages: Commercial Centers – While Commercial Center Urban Villages are less directly connected to transit, they contain large parcels which may have greater potential for redevelopment and are generally located in areas with a high degree of accessibility which is advantageous for intensified commercial development. Providing residential growth capacity in the Commercial Center Urban Villages is a potential catalyst for spurring the redevelopment and enhancement of existing commercial uses while also transforming them into Urban Village type environments. At the same time, their typically more suburban settings may create some challenge to such revitalization. The Commercial Center Urban Villages, with closer proximity to other Growth Areas and transit (e.g., North Bascom Avenue between West San Carlos and Southwest Expressway) or in proximity to established, more intense uses (e.g., De Anza Blvd.), may have greater near-term potential for transformation into Urban Village settings. A modest and balanced amount of new housing and job growth capacity is planned for the Commercial Center Urban Villages in order to support their intensification as both employment and housing centers, while also recognizing that transit-oriented sites should be given the greatest priority for locating new growth.

- Urban Villages: Neighborhood Urban Villages – To support the Envision General Plan goal of providing broad access to mixed-use Urban Villages for all areas of the City through the development of Neighborhood Urban Villages, while also accommodating the Envision General Plan's strong jobs orientation, a small amount of housing growth capacity and a modest amount of job growth capacity is planned for Neighborhood Urban Village areas. Without more housing growth, it will be difficult to significantly enhance existing retail and service uses in Neighborhood Urban Village areas. It also will likely be difficult to attract Driving Industry type jobs to these locations given their relatively small scale and separation from other employment areas.

LU-2.3 To support the intensification of identified Growth Areas, and to achieve the various goals related to their development throughout the City, restrict new development on properties in non-Growth Areas.

Action – Growth Areas

LU-2.4 To accomplish the planned intensification of employment and residential uses at the Berryessa BART station, reconsider existing entitlements to expand the area planned for employment uses and to increase the density of employment and residential areas within the BART Station Village area if the developer / property owner has not accomplished significant infrastructure improvements on the respective side of Berryessa Road within 5 years of the adoption of the Plan.

Goal LU-3 – Downtown

Strengthen Downtown as a regional job, entertainment, and cultural destination and as the symbolic heart of San José.

Policies – Downtown

LU-3.1 Provide maximum flexibility in mixing uses throughout the Downtown Area. Support intensive employment, entertainment, cultural, public/quasi-public, and residential uses in compact, intensive forms to maximize social interaction; to serve as a focal point for residents, businesses, and visitors; and to further the Vision of the Envision General Plan.

Goal LU-9 – High-Quality Living Environments

Provide high quality living environments for San José's residents.

Policies – High-Quality Living Environments

LU-9.1 Create a pedestrian-friendly environment by connecting new residential development with safe, convenient, accessible, and pleasant pedestrian facilities. Provide such connections between new development, its adjoining neighborhood, transit access points, schools, parks, and nearby commercial areas. Consistent with Transportation Policy TR-2.11, prohibit the development of new cul-de-sacs, unless it is the only feasible means of providing access to a property or properties, or gated communities, that do not provide through- and publicly-accessible bicycle and pedestrian connections.

LU-9.2 Facilitate the development of complete neighborhoods by allowing appropriate commercial uses within or adjacent to residential and mixed-use neighborhoods.

LU-9.3 Integrate housing development with our City's transportation system, including transit, roads, and bicycle and pedestrian facilities.

LU-9.4 Prohibit residential development in areas with identified hazards to human habitation unless these hazards are adequately mitigated.

LU-9.5 Require that new residential development be designed to protect residents from potential conflicts with adjacent land uses.

LU-9.6 Require residential developments to include adequate open spaces in either private or common areas to partially provide for residents' open space and recreation needs.

LU-9.7 Ensure that new residential development does not impact the viability of adjacent employment uses that are consistent with the Envision General Plan Land Use / Transportation Diagram.

LU-9.8 When changes in residential densities in established neighborhoods are proposed, the City shall consider such factors as neighborhood character and identity; historic preservation; compatibility of land uses and impacts on livability; impacts on services and facilities, including schools, to the extent permitted by law; accessibility to transit facilities; and impacts on traffic levels on both neighborhood streets and major thoroughfares.

LU-9.9 In areas designated for residential use, allow parking facilities to serve adjacent nonresidential uses if such parking facilities are integrated with the non-residential use, adequately landscaped, and buffered.

LU-9.10 Discourage substantial expansion of existing nonresidential uses (e.g., major structural improvements or expansions) that are incompatible with residential uses on properties designated for residential use.

LU-9.11 Design single-family and duplex residential development with limited vehicular access to arterial streets as follows:

- No direct vehicular access on six lane arterials or within 350 feet of the intersection of two arterials.
- No direct vehicular access on four lane arterials.
- The use of frontage roads, corner lots, or other street design solutions for vehicular access is encouraged.
- Exceptions may only be made when there are no other feasible alternatives for providing access to the residential development.

LU-9.12 Consider location of bed and breakfast inns on properties designated for residential land use, regardless of density, provided that impacts on the surrounding neighborhood can be satisfactorily mitigated.

LU-9.13 Equitably distribute residential social service programs (e.g., board and care facilities) throughout the City, especially in areas with access to transit, rather than concentrating them in a few areas. Encourage the County and other social service licensing agencies to recognize and implement this policy.

LU-9.14 Allow small residential care and service facilities, supportive housing, and transitional housing for up to six persons, in residential neighborhoods of any density. Encourage facilities for more than six persons to locate in areas with access to transit, retail, services, and other amenities.

LU-9.15 New single-family flag lots may be appropriate on hillside properties but are discouraged within other parts of the City. Flag lot development in non-hillside areas should have a clear and visible relationship to the neighborhood and the street and should be consistent with the applicable Zoning district which can assure that relationship. To strengthen neighborhood preservation policies and objectives of this plan, the City Council has adopted a policy establishing criteria for the use of flag lots.

LU-9.16 Do not locate freestanding communications structures such as towers, antennae and monopoles on sites designated for residential land use unless such sites are occupied by a PG&E substation or corridor for high-tension lines exceeding 200 KV.

LU-9.17 Limit residential development in established neighborhoods that are not identified growth areas to projects that conform to the site's Land Use / Transportation Diagram designation and meet Urban Design policies in this Plan.

LU-9.18 Consider Fiscal Sustainability; Historic Preservation; Urban Design; and Parks, Recreation, and Open Space Goals, Policies, and Implementation Actions in this Plan when reviewing new residential development.

Goal LU-10 – Efficient Use of Residential and Mixed-Use Lands

Meet the housing needs of existing and future residents by fully and efficiently utilizing lands planned for residential and mixed-use and by maximizing housing opportunities in locations within a half mile of transit, with good access to employment areas, neighborhood services, and public facilities.

Policies – Efficient Use of Residential and Mixed-Use Lands

LU-10.1 Develop land use plans and implementation tools that result in the construction of mixed-use development in appropriate places throughout the City as a means to establish walkable, complete communities.

LU-10.2 Distribute higher residential densities throughout our city in identified growth areas and facilitate the development of residences in mixed-use development within these growth areas.

LU-10.3 Develop residentially- and mixed-use-designated lands adjacent to major transit facilities at high densities to reduce motor vehicle travel by encouraging the use of public transit.

LU-10.4 Within identified growth areas, develop residential projects at densities sufficient to support neighborhood retail in walkable, main street type development.

LU-10.5 Facilitate the development of housing close to jobs to provide residents with the opportunity to live and work in the same community.

LU-10.6 In identified growth areas, do not approve decreases in residential density through zoning change or development entitlement applications or through General Plan amendments.

LU-10.7 Encourage consolidation of parcels to promote mixed-use and high density development at locations identified in the Land use / Transportation Diagram.

LU-10.8 Encourage the location of schools, private community gathering facilities, and other public / quasi-public uses within or adjacent to Urban Villages and other growth areas and encourage these uses to be developed in an urban form and in a mixed-use configuration.

Actions – Efficient Use of Residential and Mixed-Use Lands

LU-10.9 Model the federal Interagency Partnership for Sustainable Communities (HUDDOT-EPA) at the local level between Housing and other City Departments to facilitate the creation of smart growth communities.

LU-10.10 Achieve 75% of residents who can access 25% of their retail/service needs within a 20-minute walk and 50% of residents who can access 50% of their retail/service needs within a 20-minute walk.

Goal LU-11 – Residential Neighborhoods

Regulate the urban form, architectural quality and contextual compatibility of new construction and uses within the City's varied residential neighborhoods to promote a residential neighborhood environment conducive to a high quality of life for neighborhood residents and visitors.

Policies – Residential Neighborhoods

LU-11.1 Design all new single-family detached residences so that each home has a frontage on a public street or on a private street that appears and functions as a public street.

LU-11.2 Support subdivisions of residential lots if the new lots reflect the established pattern of development in the immediate area, including lot sizes and street frontages. Discourage residential developments, such as courthomes or flag lots, that increase residential densities for an area or disrupt an established neighborhood pattern. Allow new development of a parcel, including one to be subdivided, to match the existing number of units on that parcel; design such subdivisions to be compatible with and, to the degree feasible, consistent with the form of the surrounding neighborhood pattern. Consider allowing secondary units (granny or in-law units) in lieu of creating flag lots, substandard lots, or parcels that disrupt an established neighborhood pattern.

LU-11.3 Direct all significant new residential growth to identified Growth Areas to further the environmental, transit, healthy community, and other Envision General Plan objectives. Limit infill development within areas designated as Residential Neighborhood on the Land Use / Transportation Diagram to projects that maintain the prevailing neighborhood form and density as it exists on adjoining properties, with particular emphasis upon establishing and/or maintaining a consistent streetscape form between new and existing development.

LU-11.4 Locate new commercial uses in established residential neighborhoods on busier streets or at street intersections. Discourage new commercial uses on small existing residential streets unless it can be clearly demonstrated that the commercial use can integrate with the existing residential neighborhood without creating adverse impacts. Discourage primary access to large commercial parking lots and structures through residential neighborhoods.

LU-11.5 Integrate new and existing neighborhoods and facilitate movement throughout the City by connecting streets and particularly by providing pedestrian and bicycle cross-access connections. Integrate new infill development into the existing neighborhood pattern, continuing, and where applicable extending or completing, the existing street network.

LU-11.6 For new infill development, match the typical lot size and building form of any adjacent development, with particular emphasis given to maintaining consistency with other

development that fronts onto a public street to be shared by the proposed new project. As an exception, for parcels already developed with more than one dwelling unit, new development may include up to the same number of dwelling units as the existing condition. The form of such new development should be compatible with and, to the degree feasible, consistent with the form of the surrounding neighborhood pattern.

LU-11.7 Permit new development to establish a unique character as defined by density, lot size and shape only in cases where the new development is completely separated from existing neighborhoods by freeways, major expressways, or a riparian corridor or other similar barrier.

Action – Residential Neighborhoods

LU-11.8 Rezone Residential Neighborhood areas with existing non-conforming zoning designations to align with the Envision General Plan, taking existing uses into consideration. For areas where the Residential Neighborhood designation supports the development of duplexes or commercial uses, a corresponding residential zoning designation that supports duplexes and/or commercial uses is appropriate. For areas where the Residential Neighborhood designation supports the development of single-family residences, a corresponding residential zoning designation that supports single-family use is appropriate. Give priority for such rezoning actions to areas with an existing neighborhood or community plan that identifies rezoning as a community goal.

Chapter 7: Implementation

Goal IP-2 – General Plan Phasing / Planning Horizons / Major Review

Monitor progress toward General Plan Vision, goals and policies through a periodic Major Review. Evaluate the success of the Envision General Plan's implementation and consider refinement of the Land Use / Transportation Diagram and the Envision General Plan policies to ensure their achievement. Use General Plan Major Reviews to consider increases in available residential development capacity by opening an additional Horizon for development and to assign priority to growth areas within San José for new housing.

Policies – General Plan Phasing / Planning Horizons / Major Review

IP-2.1 Gradually implement the development of new Urban Village areas by dividing them into three Plan Horizons and allowing a specific portion of the Urban Village areas to be developed within each Horizon. Identify the locations of current Plan Horizon Urban Villages, presently available for residential development, on the Land Use / Transportation Diagram.

IP-2.2 Identify the Urban Villages to be made available for new housing in future Plan Horizons, and allow continued commercial and mixed use non-residential development in all Urban Villages.

IP-2.3 Prepare Urban Village Plans in advance of the redevelopment of an Urban Village to facilitate coordination of infrastructure, community facilities and parks planning with planned new residential growth, including use of the City's Capital Improvement Program.

IP-2.4 Conduct a Major Review of the Envision General Plan by the City Council every four years to evaluate the City's achievement of key economic development, fiscal and infrastructure/service goals, greenhouse gas emission reduction goals and targets, water conservation and recycling goals, availability and affordability of housing supply, Healthful Community goals, and to review changes and trends in land use and development. Based on this review, determine the City's readiness to begin the next Envision General Plan Horizon or to modify the number of "pool" residential units available for non-specific Urban Village areas within the current Plan Horizon. Amend the Land Use / Transportation Diagram and / or Envision General Plan goals, policies, and actions accordingly.

IP-2.5 During each Major Review of the Envision General Plan evaluate input provided by the reconvened Task Force and achievement of the following key General Plan goals to inform the City Council's decision, regarding needed changes, to begin the next General Plan Horizon, or to increase the number of residential units available for non-specific Urban Village areas:

1. Jobs/Housing Balance – Demonstrate improvement of the City's jobs to employed resident ratio (J/ER) consistent with achievement of 1.3 jobs per employed resident by the year 2040.
2. Fiscal Sustainability – Demonstrate sustainable improvement above 2010 levels in the level of service for City services provided to the San José community.
3. Housing Supply – Verify that the current Planning Horizon contains adequate capacity to meet San José's Regional Housing Need Allocation for the upcoming 4-year term.
4. Infrastructure – Confirm that adequate infrastructure and service facilities, especially transit, exist or that a secure plan for them is in place to support the planned jobs and housing capacity in the current and contemplated Horizon.

IP-2.6 Encourage employment uses in all Urban Village areas identified for potential housing growth available during any Horizon. Allow intensified residential mixed use in Urban Villages in those Horizons as determined by the City Council in the sequence shown in the Table, Planned Job Capacity and Housing Growth Areas by Horizon, in Appendix 5. Amend the Land Use / Transportation Diagram to identify new housing Growth Areas with each new Horizon.

IP-2.7 Allow development of residential units at the density and in the form approved in land use entitlements in place upon adoption of the Envision San José 2040 General Plan, including capacity specified in the adopted Downtown Strategy, North San José Area Development Policy, Evergreen-East Hills Development Policy, Specific Plans, and potential dwelling unit yield from residential properties identified on the City's Vacant Land Inventory. When the City Council commences the second Horizon of the Envision General Plan, new or revised proposals for development on sites with previously

approved residential entitlements should conform to the Land Use / Transportation Diagram.

IP-2.8 Focus new residential development into specified Growth Areas to foster the cohesive transformation of these areas into complete Urban Villages. Allow immediate development of all residential capacity planned for the Growth Areas included in the current Plan Horizons.

IP-2.9 Open Horizons for development in planned phases to give priority for new residential growth to occur in areas proximate to Downtown, with access to existing and planned transit facilities, and adequate infrastructure to support intensification, and proximate to other Growth Areas to contribute to the City's urban form.

IP-2.10 To facilitate the development of complete Urban Village areas, following construction of a Signature Project within a future Horizon Urban Village, move the subject Urban Village into the current Planning Horizon.

IP-2.11 Provide a "Pool" of residential unit capacity which may be allocated to allow entitlement of residential projects within Urban Village Areas not included within the current Plan Horizon. This pool is initially established as 5,000 units, and may be replenished as part of a General Plan Major Review. Projects receiving allocation must conform to the Land Use / Transportation Diagram. Preparation of an Urban Village Plan for the subject Urban Village is necessary prior to allocation of these units unless the project qualifies as a Signature Project.

IP-2.12 Reconvene the Envision San José 2040 Task Force during each Major Review of the Envision General Plan to provide community and stakeholder engagement in reviewing and evaluating success in the implementation of this General Plan and recommending any mid-course actions needed to achieve its goals.

Goal IP-5 – Urban Village Planning

Use new proposals for residential, mixed use, or employment development to help create walkable, bicycle-, and transit-friendly "Urban Villages" (also referred to as "Villages" within the Envision General Plan) at strategic locations throughout the City, and to enhance established neighborhoods. In new Village development, integrate a mix of uses including retail shops, services, employment opportunities, public facilities and services, housing, places of worship, and other cultural facilities, parks and public gathering places.

Policies – Urban Village Planning

IP-5.1 Prepare a comprehensive Urban Village Plan prior to the issuance of entitlements for residential development within any of the Urban Village areas identified on the Land Use / Transportation Diagram. Commercial projects, including those with ancillary residential uses, and "Signature Projects", as defined in Policy IP-5.10, may proceed in advance of the preparation of a Village Plan. Use the Village Plan to clearly address:

1. Job and Housing Growth Capacity: Identify suitable areas for retail and other employment uses, giving careful consideration to existing and future demand for retail space, the appropriate location and design of retail spaces, opportunities for large-scale and small-scale retail uses, and adequate and appropriate sites for other employment uses consistent with the total planned job capacity for the particular Growth Area. Identify suitable areas for residential development, capable of supporting the full amount of planned residential growth capacity. Apply corresponding Land Use / Transportation Diagram or zoning designations to support the proposed employment and residential density ranges.
2. Urban Village Boundaries and Land Uses: Identify potential adjustments to the identified Urban Village Boundaries and potential modifications to the Land Use / Transportation Diagram as necessary to best utilize existing land use growth capacity, address neighborhood context, and promote economic development through the identification of optimal sites for retail and other employment uses. Provide adequate job growth capacity for retail, office and other employment uses to accommodate both the existing levels of activity plus the planned amount of growth for each job type category. Identify and designate existing land uses within the Urban Village Area boundaries, if any, which should be retained rather than made available for redevelopment. Match the planned land uses for any areas within the Urban Village Area which have already been addressed through an overlapping Urban Village plan.
3. Building Heights and Densities: Identify for specific properties within the Village Planning area minimum and maximum thresholds for building heights and densities. These standards should fall within the broader ranges established in the Land Use / Transportation Diagram and be consistent with planned job and housing growth capacity for that Village area. Implement these standards through the Zoning process prior to development of new residential or mixed-use, residential projects.
4. Infrastructure: Identify locations for parks, plazas, public and quasi-public open spaces, and sites to potentially incorporate libraries, public safety facilities and other public uses, along with other infrastructure needs. A Village Plan should also consider the adequacy of public and private utilities to serve the planned growth capacity.
5. Urban Character: Include streetscape and building frontage design, pedestrian facility improvements and other urban design actions necessary to successfully implement the Village concept.
6. Greenhouse Gas Reduction: Identify locations of existing and planned transit and pedestrian and bicycle facilities and include design and implementation measures necessary to meet City goals for vehicle miles travelled (VMT) reduction and greenhouse gas (GHG) emission reductions.
7. Financing: Consider financing mechanisms which may be needed to deliver public improvements, amenities, and the like envisioned within the Urban Village Plan.
8. Implementation: Consider the establishment of phasing triggers or other implementation tools for specific land use changes within the context of the Urban Village Plan to support achievement of the Urban Village Plan goals consistent with other Envision General Plan goals and policies so that implementation of the Urban Village Plan over time will consistently provide

sufficient capacity for a number of jobs equal to planned new job growth capacity plus maintenance of existing job capacity.

IP-5.2 Develop and use an Urban Village Planning process so that each Urban Village Plan can be successfully completed within an approximately nine month planning period, followed by completion of environmental review as required for adoption of the Plan. Engage Urban Village area property owners to the fullest extent possible, along with representatives of adjacent neighborhood areas, potential developers and other stakeholders in the Urban Village Planning process.

IP-5.4 Prepare and implement Urban Village Plans carefully, with sensitivity to concerns of the surrounding community, and property owners and developers who propose redevelopment of properties within the Urban Village areas. Proceed generally in the order of the following timeline, although some steps may be taken concurrently:

1. City Council approves commencement of the Plan growth Horizon which includes the Urban Village Area during a Major General Plan Review. Completing Urban Village Plans for Urban Villages within the current Horizon is of greatest priority, but it is possible to prepare an Urban Village Plan for an Urban Village in an upcoming Horizon.
2. The City completes preparation of and Council reviews an Urban Village Plan.
3. The City or private property owners initiate rezoning for specific properties within the Urban Village as needed to implement the Urban Village Plan. Because most Urban Village sites initially have commercial zoning, rezoning will be necessary to provide for redevelopment and intensification with residential or residential mixed use projects on those sites.
4. Private property owners or developers propose individual site designs and building architecture to be reviewed and determined through a Development Permit application and review process.

IP-5.5 Employ the Urban Village Planning process to plan land uses that include adequate capacity for the full amount of planned job and housing growth, including identification of optimal sites for new retail development and careful consideration of appropriate minimum and maximum densities for residential and employment uses to insure that the Urban Village Area will provide sufficient capacity to support the full amount of planned job growth under this Envision Plan.

IP-5.6 Identify smaller, distinctive sub-areas within overall Urban Village boundaries to reflect the potential for incremental development of an Urban Village over many years. Identify a mix of land uses, accommodating proportional shares of both job and housing growth capacity, for each sub-area.

IP-5.7 Carefully consider the best land uses and urban design standards for properties located along an Urban Village periphery to minimize potential land use conflicts with adjacent properties. In particular, address interfaces with established single-family Residential Neighborhood areas.

IP-5.9 Upon completion of an Urban Village Plan, update the Land Use / Transportation Diagram for the Village area to depict major new land use features established within the Village Plan, such as parks, residential mixed-use, commercial mixed-use, and employment uses. Indicate on the Diagram that the Urban Village Plan process has been completed.

IP-5.10 Allow non-residential development to proceed within Urban Village areas in advance of the preparation of an Urban Village Plan. In addition, a residential, mixed-use "Signature" project may also proceed ahead of preparation of a Village Plan. A Signature project clearly advances and can serve as a catalyst for the full implementation of the Envision General Plan Urban Village strategy. A Signature project may be developed within an Urban Village designated as part of the current Plan Horizon, or in a future Horizon Urban Village area by making use of the residential Pool capacity. A residential, mixed-use Signature project may proceed within Urban Village areas in advance of the preparation of an Urban Village Plan if it fully meets the following requirements:

1. Conforms to the Land Use / Transportation Diagram. Within the Urban Village areas, Signature projects are appropriate on sites with an Urban Village, residential, or commercial Land Use / Transportation Diagram designation.
2. Incorporates job growth capacity above the average density of jobs/acre planned for the developable portions of the entire Village Planning area and, for portions of a Signature project that include housing, those portions incorporate housing density at or above the average density of dwelling units per acre planned for the entire Village Planning area.
3. Is located at a visible, prominent location within the Village so that it can be an example for, but not impose obstacles to, subsequent other development within the Village area.

Additionally, a proposed Signature project will be reviewed for substantial conformance with the following objectives:

4. Includes public parklands and/or privately maintained, publicly-accessible plazas or open space areas.
5. Achieves the pedestrian friendly design guideline objectives identified within this General Plan.
6. Is planned and designed through a process that provided a substantive opportunity for input by interested community members.
7. Demonstrates high-quality architectural, landscape and site design features.
8. Is consistent with the recommendations of the City's Architectural Review Committee or equivalent recommending body if the project is subject to review by such body.

IP-5.11 Allow new employment development with an incidental amount of residential use (e.g., 3 or fewer residential units) to proceed within an Urban Village area in advance of the preparation of an Urban Village Plan.

Action – Urban Village Planning

IP-5.12 Develop Urban Village Plans for Village areas identified for housing growth in the current Horizon proactively, ahead of developer demand to begin residential development there. Actively pursue outside funding opportunities for the Village planning process.

Appendix C: List of Affordable Homes At-Risk of Conversion

Project Name	Assisted Units	30% AMI	50% AMI	80% AMI	120% AMI	Senior Units	Owner/Sponsor	Owner Type	Funding Source	Additional Funding Source(s)	Earliest Expiration Date	City AR Expire Date
Guadalupe Apts.	23		12	11			First Community Housing	Nonprofit	TCAC	TCAC	4/26/2004	9/18/2019
Dent Avenue Commons	23			23			Housing for Independent People Inc.	Nonprofit	TCAC	TCAC	8/29/2004	3/6/2021
Timberwood Apartments	108			108			MidPen Housing	Nonprofit	TCAC	Bond	1/20/2005	1/20/2005
Capitol Manor	33			33			Capital Manor Inc.	Nonprofit	HUD-8	No	6/1/2011	6/1/2011
Homebase	12			12			Hombase Homes, Inc.	Nonprofit	Disabled	RDA	6/7/2011	9/28/2020
Town Park Towers	216				216		No. Calif. Presbyterian Homes and Services, Inc.	Nonprofit	HUD-8	No	1/1/2014	1/1/2014
The Grove	40		27	13			Community Housing Developers	Nonprofit	RDA	No	9/23/2014	9/23/2014
Mayfair Golden Manor	210			210			Mayfair Golden Manor, Inc.	Nonprofit	HUD-8	No	9/30/2014	10/1/2065
Emmanuel Terrace	18			18			Emmanuel Terrace LLC	Nonprofit	HUD-8	No	2/28/2015	3/1/2015
Casa De Los Amigos	24	24					Casa de Los Amigos, Inc.	Nonprofit	HUD-202-811	RDA	7/31/2015	8/1/2015
Chai House II	70	13		57		70	Chai House Inc.	Nonprofit	HUD-202-811	RDA	11/27/2015	3/4/2063
Chai House I	70	13		57		70	Chair House Inc.	Nonprofit	HUD-202-811	No	11/30/2015	
Fuji Towers	28			28			Fuji Towers	Nonprofit	HUD-236 RAP	No	2/1/2016	2/18/2016
Commercial Street Inn	55	55					Innvision of Santa Clara	Nonprofit	RDA	No	1/30/2019	1/30/2019
1713 Ross	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
1726 Ross	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
1731 Ross	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Calvin	1			1			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Curtner	1			1			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Donna	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Minnesota	1			1			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Barker	4			4			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Branham	2			2			Abode Services	Nonprofit	RDA	No	8/29/2020	8/29/2020
Homeport	15			15			Homeport, Inc.	Nonprofit	Disabled	RDA	9/28/2020	9/28/2020
Bridgeport(Bridgeport Court)	14			14			Community Housing Developers	Nonprofit	RDA	No	8/15/2021	8/15/2021
Cape Cod Court	28		8	20			Community Housing Developers	Nonprofit	RDA	No	8/15/2021	8/15/2021
Cambrian Center	150				150	150	Cambrian Inc.	Nonprofit	HUD-202-8	No	9/14/2021	9/15/2021
Paula Street	21		10	11			First Community Housing	Nonprofit	RDA	No	11/27/2021	11/27/2021
Hoffman - 5629	4		4				HIP	Nonprofit	RDA	No	10/28/2022	10/28/2022
Hoffman - 5668	4		4				HIP	Nonprofit	RDA	No	10/28/2022	10/28/2022
Hoffman - 5684	4		4				HIP	Nonprofit	RDA	No	10/28/2022	10/28/2022
Rincon De Los Esteros	246		135		111		First Community Housing	Nonprofit	TCAC	TCAC	7/26/2023	7/26/2023
Ywca Villa Nueva	62		62				Bridge Housing Corp.	Nonprofit	RDA	No	8/31/2023	8/31/2023
Lexington Apartments	32			32			KDF Communities - Lexington, LLC	Profit Motivated	TCAC	Bond	7/25/2006	7/25/2006
Almaden Garden Apartments	36			36			Chuck Davidson	Profit Motivated	HUD-8	No	9/1/2011	9/1/2011
San Jose Apartments	216			216			Chuck Davidson	Profit Motivated	HUD-8	No	9/12/2011	9/12/2011
Moreland Apartments	160				160		Chuck Davidson	Profit Motivated	HUD-8	No	1/31/2014	2/1/2014
Thornbridge Apartments (The Gardens)	115			115			FF Development L.P.	Profit Motivated	TCAC	Bond	5/12/2014	5/12/2014
Almaden Lake Village	50		50				Almaden Lake Village Associates, Ltd.	Profit Motivated	TCAC	Bond	3/29/2015	3/29/2015
Arbor Apts	122				122		Chuck Davidson	Profit Motivated	HUD-8	No	8/31/2015	9/1/2015
Vendome Apartments/San Pedro Square Apts.	32			7	25		The Farmers Union	Profit Motivated	INCL	No	8/5/2018	8/5/2018
Las Casitas	168				168		Chuck Davidson	Profit Motivated	HUD-8	No	2/28/2021	3/1/2021
Foxchase Drive Apartments	29		29				Unknown	Profit Motivated	Bond	No	2/26/2024	2/26/2024
Fairway Glen	29		29				Unknown	Profit Motivated	Bond	No	12/14/2024	12/14/2024
Kimberly Woods Apartments	42			42			Unknown	Profit Motivated	Bond	No	12/29/2024	12/29/2024
St. Claire	26		2		24		Lyles Diversified, Inc.	Profit Motivated	INCL	No	5/23/2025	5/23/2025
Villa Torino	85				85		Sobrato Development Company	Profit Motivated	INCL	No	9/1/2025	9/1/2025
Totals:	**2645**	**105**	**376**	**1103**	**1061**	**290**						

Appendix D: Implementation Work Plan

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	1. Increase, Preserve, and Improve the Supply of Affordable Housing						
	Programs and Funding						
1	Continue Predevelopment Loan and Project Development Loan Programs.	H-2.1	a. Review City's existing Income Allocation Policy and update as necessary to provide a funding framework for income categories. b. Continue to provide predevelopment loans to assist nonprofit housing developers with funds necessary to explore feasibility of proposed affordable multifamily housing. c. Continue to provide land acquisition, construction, and permanent financing for the development of new affordable homes and the acquisition/rehabilitation of existing rental housing for affordable homes pending availability of funds.	Housing	a. 2015-16 b. Annual, Ongoing c. Annual, Ongoing	Fee programs, CDBG, HOME, Cap and Trade, program income, other	H. State and federal government
2	Maximize revenues from the City's loan portfolio.	H-2.1	a. Maximize City revenues and residual receipts when senior loans mature or are refinanced/restructured.	Housing	Ongoing	All loan programs	H. State and federal government
3	Facilitate affordable housing deals that require no City subsidies.	H-2.1	a. Facilitate mixed income deals. b. Facilitate 9% and 4% tax credit/bond developments.	Housing	Ongoing	None	H. State and federal government

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
4	~~Continue to explore a~~ Implement the City's Housing Impact Fee Program.	H-2.11	~~Complete the Nexus Study and bring to Council for consideration of a Housing Impact Fee. If approved, implement a citywide housing impact fee based on the impact that market rate housing has on the need for affordable housing in the city.~~ a. Develop and implement the Housing Impact Fee Program by the effective date. b. Utilize the fees generated to finance the development of housing that is affordable to the workforce.	Housing, PBCE	~~Ongoing~~ a. 2016 b. 2016, Ongoing	~~If implemented, p~~Program will pay its own administrative costs through fee generation	H. State and federal government
5	Acquire ~~Prioritize~~ land for residential development, especially ~~acquisition~~ near transit for the development of low- and moderate- income housing.	H-2.12	a. Utilize resources to acquire land. b. Partner with transit agencies such as VTA and BART to explore and facilitate transit-oriented development (See workplan item #15) c. Explore the creation of a land bank to ensure the creation of affordable housing within Urban Villages. d. Explore partnerships such as Community Land Trusts to facilitate	Housing	a. 2015, Ongoing, Assess Annually b. 2015, Ongoing, Assess Annually c. 2016-17 d. 2016-17	Fee programs, CDBG, HOME, Cap and Trade, program income, other	L: Market forces

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
6	Advance Inclusionary Housing Programs.	H-2.12	a. Continue to defend the Citywide inclusionary housing ordinance in court. b. Continue to implement the City's existing inclusionary housing policy on for-sale projects in former redevelopment areas.	Housing	Ongoing	Inclusionary housing fees	H. State and federal government
7	Increase supply of permanent supportive housing for homeless individuals.	H-2.7	a. Explore all opportunities to create homeless apartments with supportive services within the City.	Housing, Santa Clara County, Housing Authority	Ongoing,D3 Assess Annually	HUD Section 8, Santa Clara County Rental Subsidies, and other Federal and State Sources	L: Market forces
8	Preserve existing deed-restricted multifamily rental homes.	H-2.13 H-2.14	a. Develop a funding framework to guide the allocation of resources between the production of new affordable homes or the preservation of existing affordable homes. b. Fund the extension of the affordability restrictions for existing multifamily affordable homes pending funding availability. c. Monitor at-risk units and upon notification outreach with landlord, tenants, and qualified entities to assist with funding preservation of existing homes. d. Explore and establish an outreach and tenant education program.	Housing	a. 2015-16 b. Ongoing c. Ongoing d. ~~2016-18~~ 2015-16	Tax Credit and various Federal, State, and local sources	K. Availability of Financing, L. Market Forces

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
9	Continue parkland fee reduction for new affordable housing development.	H-2.1	a. Continue to charge affordable housing developers a lower rate under the Parkland Dedication Ordinance (PDO) and Park Impact Fee (PIO) for new affordable housing developments.	Housing	Ongoing	Not applicable	H. State and federal government
10	Shape national, state, regional and local programs, policies and regulations to facilitate affordable housing development.	H-2.13 H-2.14 H-2.11	a. Help shape the National Housing Trust Fund, GSE reform, tax reform and other Federal policies that create funding for affordable housing development. b. Shape cap and trade implementation. c. Shape permanent source to replace lost State bond funding that was depleted. d. Support new tools that replace Redevelopment Agency Low/Moderate Income Housing Funds including Infrastructure Financing Districts.	Housing	a. Ongoing b. 2015-2016 c. Ongoing d. Ongoing	Not applicable	H. State and federal government

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	Coordination						
11	Advance regional solutions to address housing needs.	H-1.11 IE-3.3	a. Work collaboratively with other City departments, local jurisdictions and working groups such as the Santa Clara CDBG Grants Management Group, Regional Housing Working Group, ABAG/MTC's One Bay Area Plan, Regional Prosperity Plan, Santa Clara Association of Planning Officials, and other initiatives.	Housing	Ongoing	N/A	G. Regional coordination
	Potential Actions						
12	Advance regional solutions to address housing needs.	H-1.11 IE-3.3	a. Explore creation of regional body or formal collaboration to make more efficient use of limited resources, maximize the delivery of affordable housing, or respond to homelessness. b. Explore strategies to facilitate a more balanced regional distribution of affordable housing production.	Housing	Ongoing	Not applicable	G. Regional coordination
13	Coordinate and implement housing policies and goals contained in the City's housing plans.	H-2.8	a. Develop a Housing Element, Consolidated Plan and 5-Year Investment Plan with goals and measurable actions that are consistent with each other.	Housing, PBCE	2015	Not applicable	A. General Plan Policies

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
14	Coordinate with Valley Transportation Authority (VTA) on transit- oriented development activities.	H-1.11 IE-3.3	a. Explore ways to facilitate transit-oriented affordable housing development near BART, Light Rail, and Bus Rapid Transit (BRT) stations, including identification of opportunities to develop parcels owned by either agency with affordable housing.	Housing, PBCE	a. 2015, Ongoing	Not applicable	G. Regional coordination

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	Housing Planning Tools						
15	Develop and Implement Urban Village Plans.	IP-5.1	a. Explore various funding mechanisms and programs to help finance infrastructure and amenities for Urban Villages. b. Complete and/or implement Urban Village plans for The Alameda, West San Carlos, South Bascom, and Diridon Station. c. Develop and implement additional Horizon 1 and other Horizon Urban Village Plans as appropriate. d. Annually and as part of the Four Year Major Review of the General Plan evaluate the Urban Village Strategy and modify the Strategy as appropriate and needed, to facilitate its successful implementation, and to evaluate and address constraints.	PBCE Housing OED PW DOT DOF CMO PRNS	a. Ongoing, Assess Annually b. 2015 c. 2016-23 d. Assess Annually, 2015-16 & 2019-20 (4-year Major Review)	City staff time funded by Developer Fees and other sources	L. Market Forces

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
16	Maximize the City's competitiveness for external infrastructure funding to create complete, high quality living environments.	LU-9	a. Continue to explore new funding sources for parks, transportation, and other types of infrastructure that favor cities with a demonstrated commitment to building affordable housing. b. Such programs include OBAG, Cap and Trade and other regional, state, and Federal programs.	Housing PRNS PW DOT OED	a. Ongoing b. Ongoing, Assess Annually ~~or when available~~	Not applicable	K. Availability of financing
17	Work with the private sector to help facilitate the development of affordable homes.	H-2.1 H-2.2	a. Adopt City-wide density bonus ordinance in compliance with updated State law offering specific incentives and concessions to encourage the construction of affordable homes while remaining sufficiently flexible to respond to market conditions across the City. b. Continue to negotiate developer agreements in exchange for "extraordinary benefits" including affordable housing.	PBCE, Housing	a. 2015 ~~Ongoing~~ b. Ongoing	City staff time funded by Developer Fees or General Fund	B. Zoning Regulations, L: Market forces,

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
18	Protect mobile home parks as a source of naturally affordable housing.	H-2	a. Explore the efficacy of the existing mobile home conversion requirements and potential updates/responses in order to protect an appropriate supply of mobile homes.	PBCE, Housing	a. 2015-16 ~~Ongoing~~	To Be Determined	L: Market forces
19	Facilitate the increase of the supply of legal secondary units.	H-2.9	a. Consider amend~~ing~~ the existing secondary unit ordinance to facilitate a larger supply of compact "naturally affordable" homes. b. Develop and provide informational materials to inform homeowners of the development standards and the process for secondary unit approval and construction.	PBCE, Housing	a. 2015 b. 2015-16	General Fund	B. Zoning Regulations
20	Continue to ensure that existing redevelopment-assisted housing remains in compliance with long-term restrictions on rents and tenant incomes.	H-1.7	a. Continue to monitor redevelopment assisted homes for compliance with restrictions and other regulations.	Housing	Ongoing	Housing Department Program Income	L: Market forces
21	Continue to update the City's Zoning Code to facilitate housing at urban densities.	H-2.1	a. ~~Consider changing~~ Evaluate and revise as appropriate Zoning Code to reduce parking ratios for Emergency Shelters, such as from 1 space for every 4 residents to 1 space for every 10 residents. b. Evaluate and modify existing or develop new Zoning Code to set appropriate parking ratios for developments in transit-rich or in urban/infill locations.	PBCE	a. 2015-16 ~~Ongoing~~ b. 2015-17	City staff time funded by Developer Fees or General Fund	I. Price of land

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
22	Assess development application and review process. Consider improvements as needed.	FS-1.5 H-2.1	a. Conduct an annual Customer Satisfaction Survey Study to measure satisfaction and to provide insight into how services can be improved.	PBCE	a. Annual~~ly~~ Ongoing	City staff time funded by Developer Fees or General Fund	E. Application Review Procedures/Processing Time, F. Fees, Taxes, and Other Exactions

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	Potential Actions						
23	Facilitate the development of Single Room Occupancy (SRO) buildings.	H-1.2	a. Modernize development standards for Single Room Occupancy (SRO) housing.	PBCE, Housing	a. ~~2014-~~ 2015	City staff time funded by Developer Fees or General Fund	B. Zoning Regulations
24	Minimize the impacts of condo-conversions on households.	H-3.6	a. Assess the rate of apartment to condominium conversions and impacts on the rental housing stock to determine if displacement is an issue. b. If displacement is identified as an issue, explore and establish policies and programs as appropriate to mitigate the potential impact on renters in the event of a condo-conversion.	Housing	a. 2016-17 ~~Ongoing~~ b. 2017-18	City staff time funded by Developer Fees or General Fund	L: Market forces
	2. Invest In Activities To End Homelessness						
25	Design, fund, and evaluate outreach, rapid rehousing, and supportive service programs for homeless individuals and families.	H-1.2	a. Continue to fund various nonprofit agencies that provide services to people who are homeless or at risk of becoming homeless. Funding includes but is not limited to programs geared toward preventing and ending homelessness, programs that permanently house homeless households with case management, one-time purchase of capital needs and equipment.	Housing, Santa Clara County, Housing Authority, Destination: Home	a. 2016-2017, Ongoing, Assess Annually+D39	Federal TBRA, ESG, and CDBG funds and the General Fund	L: Market forces

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
26	Implement master-lease program to provide transitional housing for homeless people in existing under-occupied hotels.	H-1.2	a. Revise Zoning Code to allow Hotel Supportive Housing as an incidental use to commercial hotels in non-residential zoning districts. b. Seek funding to begin implementation.	PBCE, Housing	2014	To Be Determined	B. Zoning Regulations

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
27	Engage in regional homeless coordination, planning efforts, and other initiatives with external partner agencies.	H-2.7	a. In cooperation with the County Destination: Home, and other community partners prepare and implement the new Community Plan to End Homelessness in Santa Clara County that focuses both on chronic homelessness as well as family and youth homelessness. b. Continue work with the County - as the COC applicant - to develop and implement new community-wide standards to ensure compliance for funding associated with the Federal HEARTH Act.	Housing, PBCE, Santa Clara County, Destination: Home	Ongoing	Federal TBRA, ESG, and CDBG funds and the General Fund	G: Regional coordination
28	Provide an encampment response to abate, prevent, or deter significant encampments that impact the health and safety of the community and homeless individuals.	H-2.7	a. Partner with the Water District and other interested parties to implement a plan to consistently clean up encampments, prevent re-encampments, and responsibly address with the housing needs and belongings of homeless residents.	Housing, PRNS, Police, ESD, Santa Clara Valley Water District	Ongoing	Federal TBRA, ESG, and CDBG funds and the General Fund	N/A

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
29	Research and explore potential alternative homeless housing and services options.	H-2.7	a. Examine an array of alternative housing options, including: ~~hotel/motel master leasing and conversion,~~ tiny homes~~, safe parking programs,~~ and other best practice or new housing models. b. Implement overnight safe parking program. c. Implement hotel/motel master leasing and conversion.	Housing	a. Ongoing b. 2015 c. 2015	Federal TBRA, ESG, and CDBG funds and the General Fund	I: Price of land J: Cost of construction L: Market forces
30	Inform and engage the community around the issue of homelessness and how it impacts the City and its residents.		a. Develop ongoing community outreach through social and print media to provide comprehensive and consistent messaging on current services, outcomes, challenges, and long-term goals.	Housing	Ongoing	Federal TBRA, ESG, and CDBG funds and the General Fund	N/A

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	3. Promote Equitable Development						
31	Facilitate equal access to housing.	H-1.7 H-1.12	a. Update the Assessment of Impediments to Fair Housing. b. Continue to partner with nonprofit organizations to affirmatively further Fair Housing throughout the City. c. Explore opportunities to increase public awareness of and access to fair housing information and resources. d. Review and revise as appropriate Zoning Code definition of Suppportive Housing to clarify that Supportive Housing is a residential use subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.	Housing	a. 2015 b. Ongoing c. 2015-16 d. 2015	CDBG and other Federal sources	L: Market forces
			e. Review and revise as appropriate the finding for Reasonable Accommodation regarding the potential impact on surrounding uses to clarify that finding is limited to how a Reasonable Accommodation could potentially undermine the basic purpose of maintaining the character of a neighborhood or how a Reasonable Accommodation could potentially impact the health or safety of neighbors.		e. 2015		

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
32	Update the City's dispersion policy to align with the Envision 2040 General Plan.	H-2.10	a. Update the City's existing dispersion policy: 1) to align the location of future affordable housing with residential growth areas identified in the Envision 2040 General Plan; 2) to maximize the access of transit, retail, services, and amenities to affordable housing developments; and 3) to facilitate the development of diverse and complete communities.	Housing	a. 2016 ~~Ongoing~~	Not applicable	L: Market forces
33	Protect the affordability of rental homes.	H-2 H-.1.7	a. Assess the efficacy of the existing rent control ordinance as a tool for preserving the affordability of rental homes and the feasibility of strengthening the program. b. Review Rental Rights and Referral Program to determine opportunities for improvement. c. Secure voluntary agreements for at least 75% of petitions within ordinance-required 30 day period. d. Explore and establish other preservation policies, programs, or tools as appropriate.	Housing	a. 2015-16 b. 2015-16 c. Ongoing d. Ongoing, Assess Annually	Rental Rights and Referral Program (RRP fees).	L: Market forces

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	Potential Actions						
34	Consider proposed policies or ordinances to protect low and moderate income residents in market-rate and deed-restricted affordable housing from displacement.	H-1.2	a. Explore policy requiring tenant relocation benefits so displaced low and moderate income tenants in market-rate housing can find comparable and affordable housing in San Jose. b. Explore other anti-displacement policies or programs, including financing, land use, and acquisition strategies.	Housing	a. 2017-18 b. Ongoing	Not applicable	L: Market forces
	4. Create Healthy, Sustainable, Communities and Neighborhoods						
35	Increase the health and resilience of communities	VN-1.14 VN-2.1	a. Develop partnerships, policies, and programs to increase access to healthy foods and health care resources, especially for lower-income and at-risk communities. b. Explore and establish as appropriate strategies to increase economic opportunities, self-sufficiency, and asset-building for households and communities. c. Explore a "soft story" rehabilitation program to facilitate seismic retrofits of at-risk buildings.	Housing PBCE	a. 2015-17 b. Ongoing c. 2015-16	Grants and other sources	Not applicable

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
36	Enhance San Jose's place-based neighborhood strategies.	H-2.3	a. Develop a strategic framework for neighborhood strategies that establishes investment criteria, priorities, goals, and metrics. b. Implement the Community Improvement Program to provide~~: this program provides~~ enhanced inspection services to multi-family rental properties ~~to meet Federal requirements for Community Development Block Grant (CDBG) funding. The program's purpose is~~ to arrest the decline and deterioration of aging housing stock and reduce blighted conditions within lower income neighborhoods within CDBG areas.	Housing PBCE	a. 2015-16 b. Ongoing	CDBG	Not applicable

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
37	Educate rental property owners on ways to better manage tenants and prevent crime.	H-2.3	a. ~~City staff will o~~Organize classes for property owners and managers ~~over a four-week period,~~ with instruction provided by a professional property manager, crime prevention specialist, attorney, mediator, and other related experts.	PBCE	Ongoing	Residential Occupancy Permit Fees	Not applicable
38	Continue robust code enforcement.	H-2.3	a. Multiple Housing Inspection Program: this program issues permits of occupancy for all apartments, hotels/motels, guesthouses, residential care facilities, and fraternity/sorority houses. Code Enforcement Inspectors investigate complaints about substandard housing and conduct inspections. b. Vacant Neglected Building Program: this program monitors all identified vacant or neglected buildings so that they remain safe and secure until such time as they are rehabilitated and reoccupied. This proactive program reduces the risk of loitering, illegal occupancy, and fire hazards.	PBCE	Ongoing	CDBG Residential Occupancy Fees	Not applicable

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
39	Continue to partner with the Responsible Landlord Engagement Initiative (RLEI).		a. Continue to support the collaboration of landlords, tenants, community leaders, elected officials, service providers and social justice advocates to identify solutions for longstanding issues with crime, safety, nuisance, gang activities, graffiti, abandoned cars, trash and more at residential properties. b. Staff from Rental Rights and Referrals Program will continue to attend RLEI meetings.	NHSSV United Neighborhoods PD PBCE Housing	Ongoing	This program is managed and funded by a nongovernmental entity	Not applicable
40	Facilitate residential development that minimizes environmental impacts and operating costs.	H-4.1 H-4.2 H-4.3	a. Monitor availability of funding sources for energy and water efficiency measures. b. Explore alternate bulk energy procurement mechanisms.	Housing	Ongoing	Cap and Trade and other State and Federal programs	M. Environmental Hazards and Limitations
41	Maintain the stock of existing owner-occupied homes.	H-2.3	a. Continue to work with nonprofit partners to provide low cost loans for emergency home repairs. b. Continue to provide minor grants and low cost loans for urgent repair needs as funds remain available.	Housing	Ongoing	CDBG	K. Availability of financing
42	Continue to support financial literacy programs for potential homebuyers as funds remain available.	H-1.6	a. Continue to work with nonprofit organizations to educate homebuyers.	Housing	Ongoing	Program Income	K. Availability of financing

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
43	Continue to assist low- and moderate-income first-time homebuyers as funds remain available.	H-1.6 H-1.13	a. Originate 5 BEGIN second mortgages per year pending funding availability.	Housing	Ongoing	State BEGIN program	L: Market forces

	Goal	GP Policy	Action/Programs	Entity	Time-frame	Funding Source	Constraint Addressed (Chapter IV)
	Potential Actions						
44	Explore providing design guidance for convenient site accessibility for residents, workers, and visitors.	ERS-3.10	a. Explore utilization of existing accessible homes. b. Explore partnership with organizations that provide outreach to disabled persons. c. Explore ways to encourage site accessibility design in residential development.	Housing PBCE	Ongoing, Assess Annually	CDBG, General Fund	L: Market forces

Appendix E: Evaluation of Prior Housing Element Work Program

Housing Rehabilitation Program – Single-Family Home Loan Program: Households earning no more than 80% of the County Area Median Income (AMI) may qualify for loans up to $150,000 to rehabilitate their homes. Eligible properties within the City's Strong Neighborhoods Initiative (SNI) Areas qualify for a 0% interest loan up to $150,000. Properties not within the SNI areas may be eligible for a 3% loan. A maximum $40,000 zero-percent loan is available to low-income (80% of AMI) owner-occupants on a City-wide basis. Qualifying rehabilitation work includes achieving compliance with the health and safety standards of the City's Housing Code, repairing or replacing structural deficiencies, and energy conservation measures. Payments on most HPP loans may be deferred until transfer or change of title.	As a goal, 50% of HPP are to be spent in Strong Neighborhood Initiative (SNI) areas of the City which are characterized by higher concentrations of lower-income households and older housing stock in the greatest need of rehabilitation. Annual goal is to complete between 20 and 30 single-family loan projects per year. emphasis is now being given to energy conservation, and the use of recycled and Green materials in the program. Increase the number of rehabilitation loans - the goal is for the loans to exceed 50% of total rehabilitation dollars approved each year.	Ongoing Program. However, because of limited funding, fewer loans will be funded; funding limitations also require a higher concentratio of loans to be targeted within the City's SNI areas.	Due to ongoing funding challenges including the elimination of the State's agencies and continued reductions in federal funding, the City has shifted its funding priorities over the last three years. Between July 2009 and June 2014 a total of 167 loans for $5,472,000 were approved. 63 out of the 167 loans were approved in the SNI areas for a total of $1,900,000 or 36% of funds approved overall. From July 2009 to June 2014 146 loan projects were completed.
Housing Rehabilitation Program – Single-Family Homeowner Grant Program: Homeowners earning up 80% of the County Area Median Income (AMI) may apply for a one-time grant from the City's Housing Department to address health and safety needs, disabled access and energy efficiency. The City provides one-time repair grants of up to $15,000 in SNI areas and $5,000 in non-SNI areas. The maximum grant amount is graduated based on the income of the applicant household. This program is administered on a "Needs Basis" and primarily serves single-family owner-occupied homes. The grant is offered to owners with eligible repairs that are minor nature providing all health and safety issues can be addressed with	Goal is to spend 50% of rehabilitation funds in SNI neighborhoods and to serve lower-income residents.	On Hold	Due to ongoing funding challenges including the elimination of the State's agencies and the continued reductions in federal funds the City suspended the homeowner grant as of January 2013. Between July 2009 and June 2014, 202 grants

the grant. Additional funds of up to $5,000 may be made available for energy efficiency upgrades based on the results of an energy audit. Energy efficiency funds are provided in conjunction with other rehabilitation funding only. The program also offers grants of up to $10,000 to ensure that low-income seniors and special needs clients receive adequate funding to address accessibility needs. . If more repairs are required to address health and safety needs, the applicant will be referred to the Housing Preservation Program.			were approved. 63 grant were approved to unduplicated households A total of $1.6M of grants were approved, with just over $1M or 62% approved in SNI areas. Between July 2009 and June 2014, 228 grant projects were completed to assist 104 unduplicated households.
Minor Grants for Minor and Urgent Repair Needs Partially funded though the City's Housing Department Rebuilding Together Silicone Valley provides both direct and contracted services for minor and urgent repairs to household earning below 80% of the Area's Median Income ($75,050 for a family of 4). The Program deploys contractors to assist eligible households with urgent repair needs such as plumbing leaks, hazardous electrical, and furnace replacements in Winter.	To provide emergency contractor services to mitigate health and safety emergencies for San Jose's low-income mobilehome and single-family property owners.	Ongoing Program	The program, once administered by the City, is currently administered through the non-profit Rebuilding Together Silicon Valley. Between July 2009 and June 2014, 177 Minor repairs were approved. 203 minor repair grants were completed.
Mobilehome Repair Loan Program: Owner occupants of mobilehomes earning up to 80% of the County Area Median Income may apply for a 0% rehabilitation loan up to $20,000. Very low-income and extremely low-income mobilehome owners may apply for a one-time grant of up to $15,000. Qualifying rehabilitation work is limited to those measures necessary to achieve compliance with State Health and Safety standards and applicable park regulations.	Completion of approximately 120 - 140 mobilehome rehabilitations is expected annually. Mobilehome budget is kept to within 25% of Rehabilitation budget.	On Hold	Due to ongoing funding challenges including the elimination of the State's Redevelopment agencies and the continued reductions in federal funds the City suspended the Mobilehome loan Program in January

			2013. Between July 2009 and June 2014, 266 mobilehome loans and grants were approved and 356 mobilehome projects were completed.
Mobilehome Seismic Repair Program: Owner occupants of mobile homes located in previously identified mobile home parks with a high concentration of units that are not structurally braced would qualify for seismic bracing of their mobile homes. 650 individual mobile homes will be retrofitted under this FEMA/CalEMA grant. Existing Rehabilitation Program Staff, systems and standards to ensure that the retrofit work is being properly reviewed, tracked and completed in accordance with all program requirements.	Completion of 650 mobilehome seismic retrofits prior to October 2013.	Ongoing Program	After demonstrating ongoing success of the program and cost savings over the first three years, FEMA granted the City an extension of the expenditure timeline to allow the City to retrofit an additional 200 mobilehomes. The new program goal is to retrofit 850 mobilehomes by October 2014. Since implementing the Program in October 2010 the program completed 730 mobilehome retrofits.

HOMEBUYER PROGRAMS			
First-Time Homebuyers Mortgage Credit Certificates (MCC): In cooperation with the County, the City offers Mortgage Credit Certificates (MCC) to qualified buyers. An MCC enables qualified first-time buyers to reduce the amount of their federal income tax liability by a specified percentage of the interest rate they pay on their first mortgage loan. This amount is currently set at 15%.	Assist first-time homebuyers	Ongoing Program	From 2009-14, the County assisted an average of 31 first-time homebuyers with MCCs annually. The County will continue to administer the MCC program on behalf of the City.
Building Equity and Growth in Neighborhoods (BEGIN)**: Grant funds made available through Proposition 46 and Proposition 1C are used to provide second mortgage assistance in loan amounts up to $30,000 or 20% of the sales price (depending on specific grant terms), for low- and moderate-income first-time homebuyers in specific new for-sale developments that have received regulatory relief from the City.	Assist low- and moderate-Income first-time homebuyers	Ongoing Program	From 2009-14, the City has originated 128 BEGIN loans for $8.5 million. Currently, 2 projects, Pepper Lane and Westmount Square have BEGIN loans available.
WelcomeHOME Program**: In August 2008, the City implemented a program that provides 30-year second mortgages of up to $25,000 for lower -Income homebuyers in the form of a deferred repayment loan. This loan may be layered with other forms of downpayment assistance to help homebuyers purchase a home within San Jose's municipal boundaries.	Assist lower-income homebuyers	Ongoing program	From 2009-14, 137 loans for $4.1 million were provided through CalHOME, HOMEand WelcomeHOME funds CalHOME reuse funds will be used to continue funding this project
Teacher Housing Program**: This program provides a deferred equity-share loan of up to $50,000 to low- and moderate-income San José public school teachers. The loan is offered at a zero-percent interest rate and is not due until transfer of the title to the home or in 45 years.	Assist in the recruitment and retention of San Jose K-12 public school teachers.	Discontinued	From 2009-14, 48 THP loans totaling $2.1 million were provided to qualifying teachers in San José. Over 700 teachers received City loans during the term of the program. The City concluded the program as of June 30, 2011, although

			teachers are still served through other homeownership efforts, including the BEGIN and NSP2 programs, subject to the depletion of these funds.
Project-based Second Mortgages**: The City provides 45-year second mortgages in varied amounts for low and moderate-Income homebuyers in ownership housing projects for which the City has previously provided financial assistance for development. Moving forward, the City does not intend to provide predevelopment and construction financing for for-sale projects. Instead, the City may offer second mortgages to qualified homebuyers once the project is complete.	Assist low- and moderate-Income homebuyers	Discontinued due to loss of funding from the dissolution of the Redevelopment Agency	From 2009-14, 101 loans totaling $5.4 million were provided through this program. This program concluded on June 30, 2011.
The Home Venture Fund (Formerly Vernal Fund): Private lenders entered into an agreement with NHSSV, a nonprofit organization, to provide down-payment assistance loans to both low- and moderate-income homebuyers. Loan amounts range from $10,000 to $60,000 per household with an average loan amount of $40,000. Interest derived from grants is used to make interest payments on behalf of the borrower during the five-year loan deferral period. At year five, the loans are sold to NHSA and the proceeds invested into new second mortgages.	Assist low- and moderate-Income homebuyers	Ongoing Program	No new loans were provided through this funding source in calendar year 2013
American Dream Down-Payment Initiative: As part of the Federal Home Investment Partnership (HOME) sub-program, the City of San José has received over $600,000 since 2002 to be used for down-payment assistance for low-income first time homebuyers.	Assist low-Income first-time homebuyers	Discontinued	The City did not receive any federal allocation of ADDI funds during the 2009-14 Housing Element review period. This program is a subset of the federal HOME program. Funds for this program were deemed duplicative of the eligible uses of HOME funds so future ADDI allocations are

			highly unlikely.
The San José State University (SJSU) Faculty and Staff Homebuyer Program**: In 2006, the City entered into an agreement with San José State University to jointly-fund and administers a homeownership program for University faculty. The program was later broadened to include all SJSU full-time permanent employees. The program offers up to $50,000 to income eligible employees in the form of a deferred repayment loan.	Assist in the recruitment and retention of university employees.	Discontinued, when San José State University decided to terminate the program	From 2009-14, 7 loans for $357,000 were provided through this program. This program concluded June 30, 2010
Redevelopment Area Inclusionary Housing Program: Through the City's Redevelopment Area Inclusionary Housing Program, housing developers in City redevelopment areas are required to provide a second mortgage to low-and/or moderate-income homebuyers to make homes affordable.	Assist low- and moderate-Income homebuyers	Ongoing Program	The City's Inclusionary Housing Policy is in effect for ownership projects and requires 20% affordable housing in newly constructed for-sale housing projects with more than 10 units or the payment of an in-lieu fee. The inclusionary housing requirements for rental housing have been suspended until such time as the limitation in the *Palmer* decision is overturned or modified by the court or by the legislature. Additionally, the program has also provided a source of funding for affordable housing through in-lieu fees collected when developers opt out of the providing affordable units by paying fees. From 2009-14, developers have opted to pay approximately $7.6 million

			in in-lieu fees. A total of 95 affordable inclusionary units and 425 negotiated affordable units have also been created through this program.
Citywide Inclusionary Housing Program In 2010, the City of San Jose approved a Citywide Inclusionary Housing Ordinance that required affordable housing obligations on all new for-sale developments of 20 or more units. The ordinance was originally expected to go into effect on January 1, 2013, and would have required that 15% of the homes built citywide be affordable.	Assist low- and moderate-Income homebuyers	On Hold	As of 2014, the Citywide Ordinance is still being litigated and its implementation has been stayed by the Court. Should the ordinance be successfully defended by the City, the ordinance will go into effect after a six-month noticing period. Projects will be grandfathered, based on criteria to be determined when the implementation plan is approved.

** There may be some double counting of outcomes as a single homebuyer may layer loans from multiple programs to help fund the purchase of his home.

HOMELESS SERVICES PROGRAMS			
Emergency Solutions Grant Program (ESG): ESG is a federally funded program designed to support programs aimed at ending homelessness. The City contracts with multiple homeless service providers to administer the ESG program. The program provides homeless persons with outreach and engagement services, basic shelter and essential supportive services such as operational costs of a shelter facility, case management and temporary rental subsidies. The program also supports the Homeless Management Information System (HMIS) that monitors outcomes and performance measures for all the homeless services agencies funded by the City.	Assist homeless individuals, families and victims of domestic violence in meeting their immediate emergency needs with the ultimate goal of becoming permanently housed.	Ongoing Program	Continue to implement program. Over 44,000 individuals have been sheltered or obtained services through service centers. 74% of the clients engaged in intensive case management have obtained permanent housing.
Community Development Block Grant (CDBG): CDBG is a federally funded program designed to implement services that benefit low- and moderate-income persons, resolve slum and blight concerns, or address community development needs. The City funds various nonprofit agencies and other city departments to administer the CDBG program. CDBG funds several programs aimed at ending homelessness; services include homeless outreach and engagement, employment development, case management and temporary rental subsidies.	Assist homeless individuals, families and victims of domestic violence in meeting their immediate emergency needs with the ultimate goal of becoming permanently housed.	Ongoing Program	Continue to implement program. Over 34,000 individuals received supportive services. 89% of clients involved in case management met 2 or more of their goals.
Housing Opportunities for People with AIDS or HIV (HOPWA): HOPWA is a federally funded program designed to provide housing assistance and supportive services to low-income individuals and families living with HIV/AIDS. The City contracts with local service agencies to provide tenant-based rental assistance, housing information and case management to eligible households.	Assist homeless and at-risk residents with HIV/AIDS to become permanently housed.	Ongoing Program	Continue to implement program. 175 individuals received rental assistance and supportive services. An additional 55 individuals received supportive services. On average 95% of households were able to maintain housing and continued accessing medical treatment .
Housing Trust Fund: In June 2003, the Mayor and City Council established a Housing Trust Fund which was previously known as the Housing and Homeless Fund.	Assist nonprofit homeless service providers to provide homeless persons with the support needed to become	Ongoing Program. Starting in FY	Continue to use funds towards the City's goal of ending homelessness

Housing Trust funds can be used for a variety of activities that support the City's goal of ending homelessness, including personnel support, outreach and engagement services, and case management support. HTF supports the County-wide campaign to end chronic homelessness and continues to fund studies and plans that are used to implement strategies and innovative programs.	permanently housed.	2012, HTF funds were used for outreach, case management and housing financial assistance in the Downtown Core.	131 clients were served under the Destination:Home program, 7,560 homeless were contacted through Downtown Outreach and 259 individuals were provided with housing.
Homeless Encampment Program: The City is coordinating with outside agencies across sectors to address the homeless encampment issue in San Jose, including developing and implementing new clean-up protocols, deterrence, and prevention activities, as well as seeking additional opportunities to provide housing and services to the encampment residents.	Mitigate community, environmental, and health impacts of homeless encampments, while seeking alternative housing solutions for the homeless.	Ongoing	Continue to implement program. A balanced approach of enforcement and outreach has been adopted. Over 1,100 tons of garbage has been collected from the encampments.
Housing Services Partnership (HSP): The City contracts with a local homeless services provider to administer the HSP program, which is funded by the Housing Trust Fund. This program provides chronically homeless persons with financial assistance in the form of first month's rent, security deposit, and one-way greyhound tickets.	Assist chronically homeless persons to attain and maintain permanent housing.	Discontinued	Program extended through 2014 but with no additional funding. The Housing Services Partnership served 378 chronically homeless clients obtain and maintain housing.
Homelessness Prevention and Rapid Re-Housing Program (HPRP): HPRP is funded program through the American Recovery and Reinvestment Act (ARRA). It is designed to rapidly re-house homeless residents and prevent homelessness for at-risk residents. The program provides just enough short and medium-term financial assistance and case management to resolve the crises and re-stabilize the households.	Assist homeless and at-risk residents to become self-sufficient, and become permanently housed.	Discontinued (October 2009 - October 2012)	Program ended in July 2012 with the conclusion of the ARRA funding period. The program assisted 1,303 households with Homeless Prevention case management and

			financial assistance; additionally, 381 households that experienced homelessness also received case management and financial assistance.
Tenant-Based Rental Assistance Program (TBRA): The City administers three TBRA programs utilizing its federal HOME program funds as described below. The program provides participants with housing search, placement, security deposit and rental assistance. The City funds a local nonprofit to provide the day to day administration of the programs. 1. TBRA I is designed to provide housing and support services to chronically homeless mentally ill residents. The City has partnered with the Santa Clara County Department of Mental Health to provide case management services to program clients. 2. TBRA II is a pilot program targeting chronically homeless households, who have substance abuse issues, and reside in and around St. James Park in San Jose. The City has partnered with the County Department of Drug and Alcohol Services to provide case management and services to program clients. 3. TBRA III is a program targeting households residing in selected San Jose homeless encampments. The City is partnering with several nonprofit homeless service agencies to provide case management to program clients.	Assist homeless persons to attain and maintain housing.	October 2009 - June 2015	Continue to implement and oversee programs. TBRA 1 served 85 clients with severe mental illness, out of which 62% transitioned to permanent housing. TBRA 2 served 15 households, all of whom are still being housed. TBRA 3 served 15 chronically homeless households, 11 of whom are still obtaining services from the program

NEIGHBORHOOD IMPROVEMENT PROJECTS			
Strong Neighborhood Initiative (SNI): The City's Strong Neighborhoods Initiative is no longer in operation. However, San José recognizes the importance of a coordinated effort to strengthen neighborhoods and as established a place-based strategy to concentrate public investment and resources in three neighborhoods where there is a demonstrated need, opportunity to make substantial changes and strong community partnerships to sustain that progress. These neighborhoods include: 1. Santee/McKinley in partnership with Franklin McKinley Children's initiative 2. Mayfair in partnership with Somos Mayfair 3. Five Wounds / Brookwood Terrace in partnership with CommUniverCity (with the potential for expansion as CommUniverCity expands to other Downtown neighborhoods)	The primary focus of the new Place-Based Strategy is to address the needs of the selected neighborhoods by creating a coordinated effort to provide services that create clean, safe, and engaged communities. All aspects of neighborhood condition are explored, including crime, blight, and infrastructure.	With the elimination of the State's redevelopment agencies, the City discontinued implementation of the Strong Neighborhood Initiative in 2012. However, the priority of neighborhood revitalization continues in the form of the City's place-based Initiative.	In an effort to continue support of neighborhood efforts, the City shifted the funding priorities of its annual allocation of federal Community Development Block Grant funds. In December 2011 the San Jose City Council authorized the City's Department of Housing to fund and implement a Place-Based Neighborhood Initiative. The Initiative targets a portion of the City's annual CDBG funds to three neighborhoods. (What is cumulative outcome from 2009-14? Know we have questions about measures of success. What would be reasonable to report on without a current measurement framework?)
Strong Neighborhoods Initiative (SNI) Project Alliance – (formerly known as Multi-Family Demonstration Projects): Project Alliance/Special projects is a subset of the City's Strong Neighborhood Initiative program directed toward the revitalization of specific multi-family neighborhoods. Although SNI has been discontinued as indicated above, Project Alliance continued. Four neighborhoods were selected for improvement through Project Alliance: Jeanne/Forestdale (Five Wounds / Brookwood Terrace), Virginia/King	The goals of Project Alliance include working collaboratively with property owners, tenants, various City Departments, and other entities to achieve the effective delivery of City Services, build leadership, and create an attractive, livable and sustainable community while preserving the existing affordable housing	Discontinued. Funding is no longer available to continue the program	During this period, eight buildings (32 units) received exterior improvements. In addition, one 58-space mobilehome park received infrastructure upgrades that included

(Mayfair and Gateway East), Roundtable Drive Apartments (Edenvale/Great Oaks), and Underwood Apartments (Blackford).	stock within that community.		repaving and sealing, electrical, plumbing, NG (natural gas?) safety and re-pipe, and the replacement of security lighting with LED lighting.
Neighborhood Stabilization Program: The Housing Trust of Santa Clara County (HTSCC), City of San Jose and Neighborhood Housing Services Silicon Valley (NHSSV) have formed the San Jose Consortium (Consortium) to apply for and administer a $25 million grant for the NSP, made available by the Department of Housing and Urban Development (HUD) under the American Recovery and Reinvestment Act (ARRA) of 2009. The main objectives of this grant are to stabilize neighborhoods in the Target Geography by reducing the number of foreclosed or abandoned homes and residential properties and to create affordable housing opportunities for very-low, low- and moderate-income households. The Consortium will provide secondary financing to income eligible purchasers of foreclosed homes and will purchase and rehabilitate foreclosed or abandoned homes in the Target Geography. The program also provides funding for rental affordable housing developments.	Acquire and rehabilitate homes that were previously foreclosed or abandoned. Then, the City's partners sell the homes to moderate or low-income first-time buyers for owner-occupancy purposes. The goal of the Consortium is to assist in the purchase of no less than 205 foreclosed properties or units for the purpose of creating affordable homes.	All funding must be spent by February 11, 2013. However, the City is allowed to continue the program for up to 5 years using NSP2 program income (residual proceeds)	After meeting the Program's statutory expenditure deadlines, the NSP consortium continued to implement the NSP2 grant primarily utilizing Program Income generated from the sale of NSP funded homes. The Consortium re-evaluated the original implementation and program goals and realigned strategies. The new program projections include: ▪ PAL (what is PAL?) - 51 units ▪ Dream Home 41 Units ▪ 25% set aside 175 units Between 2009 and 2014 the NSP2 program provided a cumulative outcome of: ▪ Assisted 51 homebuyer in the purchase of formerly foreclosed

			homes Through the PAL program ▪ 41 homes purchased and rehabilitated through the San Jose Dream Home Program ▪ 39 Homes sold to income eligible homebuyers through the San Jose Dream Home Program ▪ 58 units acquired and rehabilitated and rented to households earning 50% or less of the Area Median Income ▪ 19 units funded and built to house individuals with special needs earning 50% or less of the Area Median Income 75 units funded to house families earning 50% or less of the Area Median Income

HOUSING DEVELOPERS / INVESTMENT PROPERTY OWNERS			
Predevelopment Loan Program: The Predevelopment Loan Program is designed to assist nonprofit housing developers with funds necessary to explore the feasibility of a proposed housing project. Under this program, developers may use the money for land costs, preliminary studies, or plans and specifications development. Interest is typically below rates available in the private market. Principal and interest repayment is typically due at the close of escrow on construction loans or within three years.	As resources allow, invest limited amount to support future feasible development projects.	Ongoing Program subject to funding availability	Given the State's elimination of 20% Redevelopment funds, the City may provide limited predevelopment funds if available. From 2009-14, the City has provided approximately $1,765,000 to assist developers with their predevelopment costs
Project Development Loans for Acquisition, Construction, Permanent, and Acquisition/ Rehabilitation: Below-market rate gap loans and grants for acquisition, construction and permanent financing are made to both for-profit and nonprofit developers. These loans, typically subordinated to the primary lender's loan, provide funding for apartments for families, seniors, small households, and special needs populations including the homeless. Loans are made for land acquisition, construction, and permanent needs. Permanent loans are repaid out of net cash proceeds during the projects' operations. Funding for the acquisition and rehabilitation of existing Apartment projects focuses on blighted properties where rehabilitation would a have significant revitalizing impact on the surrounding neighborhood, on those projects with expiring Housing and Urban Development (HUD) loans and rent restrictions ("preservation" projects), on those projects involving extraordinarily low subsidy levels, and on those projects incorporating at least 10% ELI units with reasonable costs to the City. Funding for preservation of existing affordable projects is considered on a case-by-case basis, seeking to maximize leveraging of non-City sources of funds and to meet the City's policy objectives of supporting ELI units and fiscal sustainability. Affordable housing may also be financed by bonds that are either directly issued by the city, or facilitated through the holding of a TEFRA hearing (Tax Equity and Fiscal Responsibility Act).	Focus the majority of available project funds on new construction of affordable rental projects with existing entitlements that have been stalled give the elimination of Redevelopment and shortage of other public subsidies. Consider other uses including acquisition/rehabilitation projects, and the preservation of existing affordable units.	Ongoing Program	The City awarded a cumulative amount of $132,227,069 for the period of 2009-2014. $322,595,000 in bonds were either issued or facilitated by the City. Given the State's elimination of 20% Redevelopment funds at the end of 2011, the City will explore a variety of creative arrangements and strategies to continue to foster the development of much-needed restricted affordable housing.

City as "Developer": State law stipulates that affordable housing (along with parks and public education) have priority for surplus property owned by any public agency created under State auspices. The Housing Department seeks to purchase such properties owned by the City of San Jose, the Valley Transportation Authority (VTA), CalTrans, the 19 school districts in San Jose, the Santa Clara Valley Water District and other public agencies for housing development. Properties so acquired are subsequently transferred or leased to nonprofit and for-profit developers for the construction of affordable housing projects	Continue to seek opportunity sites for affordable housing with a focus on rental special needs units	Ongoing Program	From. 2009-14 the City purchased one site from the General Fund for the development of 75 affordable rentals for seniors.

Table VII-2, PBCE Work Program

1. Envision San Jose 2040 General Plan The City of San Jose had not performed a comprehensive update of its General Plan since 1994. An update was needed to address future housing needs and appropriately balance these needs with goals for job growth and improved fiscal sustainability.	Prepare a comprehensive update of the General Plan.	Completed/On going	On November 1, 2011, the City Council adopted the Envision Plan, and the City's efforts to implement the Plan are ongoing.
2. Zoning Code Amendments Title 20 of the San Jose Municipal Code, otherwise known as the Zoning Ordinance or Zoning Code, is continually reviewed to identify opportunities to reduce constraints and streamline processes without diminishing the City's ability to achieve its overall land use goals.	Reduce constraints on housing development.	Ongoing	Since State certification of the City's Housing Element in 2009, numerous housing-related ordinances have been adopted per this work program item.
3. Secondary Units In 2005, the City Council initiated a Secondary Unit Pilot Program to temporarily test and evaluate a set of secondary unit development standards for a period of one year. Then, in 2008, an ordinance was adopted which permanently allowed secondary units that conform to modified Zoning Code requirements.	Facilitate the production of secondary units.	Ongoing	Per the Envision San Jose 2040 General Plan, the City continues to explore options to improve the effectiveness of the secondary unit provision (see Envision Policy H-2.5 and Action H-2.9).
4. California Building Standards Code The State Building Standards Commission (BSC) publishes triennial editions of the California Code of Regulations (CCR), Title 24, also known as the California Building Standards Code. Most recently, on July 1, 2013, the BSC published the 2013 edition of the standards, which apply to any building or structure for which application for a building permit is made on or after January 1, 2014.	Protect the health, welfare, and safety of residents.	Ongoing	On November 5, 2013, the City Council approved an ordinance amending Title 24 of the San Jose Municipal Code and adopting the 2013 code editions, with local amendments.
5. Public Outreach Policy A consistent public outreach policy was needed to improve communications, alleviate concerns, and clarify misunderstandings or	Involve interested parties in the development review process through early notification and	Completed	In 2005, the City Council adopted the Public Outreach Policy, which includes requirements for public

points of contention that typically arise at a public hearing occurring late in the development review process.	accessibility of information.		notice signage and, for larger development proposals, a community meeting.
6. Enhanced High-Rise Design Review Process A process was needed to allow staff and decision makers to apply relevant sections of the Downtown Design Guidelines, be advised by the City's Architectural Review Committee (ARC), and receive public input on proposed high-rise development during both the Preliminary Review and entitlement phases.	Support intensification of the Downtown and other major transit corridors and employment areas.	Completed	In 2007, the Enhanced High-Rise Design Review process was introduced, and is applicable to buildings 100 feet or more in height.
7. Transit-Oriented Development (TOD) and Mid-Rise/High-Rise Residential Design Guidelines Design guidelines were needed for TOD and mid-rise/high-rise development providing specific parameters and a common understanding of the minimum design standards necessary to conduct the review process in an efficient manner.	Streamline the development review process, promote compact urban development, and facilitate quality design.	Completed	In 2007, the City adopted design guidelines applicable to TOD and mid-rise/high-rise residential projects.

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8. Development Permit Reactivation/Extension As a result of the economic downturn, additional incentives and flexibility were needed to help applicants overcome various challenges in their desire to pursue the completion of entitled development projects.	Provide incentive for the implementation of projects impacted by the economic downturn.	Completed	In 2009, an ordinance was adopted to allow reactivation and/or extension of certain Development Permits for a limited time period. In 2012, an ordinance was adopted authorizing the Planning Director to extend Development Permits for small residential projects through a Permit Adjustment.
9. Discretionary Alternate Use Policy Flexibility In 2007, the City Council approved a General Plan text amendment allowing Discretionary Alternate Use (DAU) policies to be applied via issuance of a Use Permit. Prior to approval of this measure, the use of DAU policies often required the filing of a Planned Development rezoning.	Streamline the entitlement process by avoiding need for the filing of a Planned Development (PD) rezoning.	Completed / Superceded	With City Council approval of the Envision Plan, DAU policies were effectively superseded. Instead, new land use designations were developed to provide sufficient flexibility to allow urban, mixed use development types.
10. High Density Housing/Mixed Use in Conventional Zoning Greater flexibility was needed to respond to the growing trend towards construction of high density housing/mixed use in San Jose. In particular, the City wished to avoid need for applicants to file a Planned Development rezoning, and instead allow such projects to occur in a conventional zoning district with more flexible development standards.	Streamline the entitlement process by avoiding need for the filing of a Planned Development (PD) rezoning.	Completed	In 2012, a Zoning Code change increased densities within the conventional R-M zoning district, thereby allowing high density housing / mixed use via issuance of a Development Permit.

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11. General Plan Designation for Commercial near Transit In 2008, the City Council approved amendments to the former General Plan 2020 that created a Transit Corridor Commercial (TCC) land use designation. The TCC designation was intended for areas with convenient transit access, including the Downtown, transit corridors, and proposed BART station areas.	Create new consumer markets in densely developed areas within a reasonable walking distance of major public transit facilities.	Completed	With City Council approval of the Envision Plan, a new Urban Village land use designations was developed to replace the TCC designation.
12. Main Street Districts Ordinance The Main Street Districts ordinance established new zoning districts for mixed residential-commercial development. The ordinance provided significant parking reductions, and allowed further parking reductions based on shared parking facilities, car share programs or unbundled parking.	Streamline the entitlement process for mixed commercial-residential projects along neighborhood "Main Street" areas throughout the City.	Completed	On December 14, 2010, the City Council approved the Main Street Districts ordinance.
13. Alum Rock Corridor Policy Direction In 2009, the City Council applied the TCC general plan land use designation to over 55 acres of land along Alum Rock. Also, a policy document was approved to guide staff in creating a form-based zoning for the Alum Rock corridor.	Facilitate mixed commercial-residential projects on select properties along Alum Rock Avenue.	Completed	On October 22, 2013, the new Main Street districts were first applied in a Director-initiated rezoning of the Alum Rock corridor.
14. Zoning District for Urban Villages To encourage a full range of uses within Urban Villages, the Commercial Pedestrian (CP) zoning district was modified to add land uses applicable to Urban Villages, and development standards were modified for sites within Urban Villages.	Facilitate urban, transit-oriented development within Urban Village areas.	Completed	On January 14, 2014, the City Council approved the ordinance to modify the CP zoning district.

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15. Integrated Development Services Introduce a fully functional Development Services Center, with an integrated, "one-stop" first-floor location where business related to development applications can be conducted. Development Services partners should include the Planning Division, Building Division, Public Works Department, and Fire Department, among others.	Locate staff in close proximity for improved coordination and customer convenience, avoiding customer visits to departments located on various floors of the 18-story City Hall tower.	Completed	A "one-stop" service approach was tested at Old City Hall. However, not until the organization's move to New City Hall in 2005 was a fully functional Development Center realized.
16. Application Submittal Process Evaluate opportunities to improve the process for submittal of applications at the Development Services Center without requiring an appointment.	Provide customers with expedited service and additional options for application submittal.	Completed	In 2013, key staff was relocated to the point of customer reception such that application submittals were further prioritized.
17. Online Customer Service Improve customer service by extending the reach of Development Services Center functions in making various services and resources available online. This includes scheduling appointments and inspections, obtaining general information and publications, and applying for simple permits (e.g., water heater replacement).	Provide customers with "self-help" opportunities to serve needs at their own convenience, without need to travel to City Hall.	Completed	In 2012, the City's website was migrated to a new technology platform that is better organized, contains self-subscribe notifications, and an application appointment scheduling system.
18. Transitional and Supportive Housing In 2007, the State of California passed legislation (SB 2) requiring local agencies to plan for and identify areas most appropriate for emergency shelters. This bill added provisions to require identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit.	Comply with Senate Bill 2 (SB 2).	Completed	In 2010, the City Council approved a Zoning Code change defining "Transitional Housing" and "Supportive Housing," and clarifying associated regulations.

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19. Green Building Policy In October 2007, the City Council adopted the Green Vision, a 15-year plan with ten ambitious goals for economic growth, environmental sustainability, and an enhanced quality of life for San Jose's residents and businesses. Among these goals was Goal 4: Build or retrofit 50 million square feet of green buildings.	Facilitate achievement of Green Vision Goal 4, and comply with State law as it relates to energy conservation in residential development.	Completed	In 2008, the City Council approved the "Private Sector Green Building Policy for New Construction." More recently, on November 5, 2013, the City Council approved an ordinance adopting the 2013 edition of the State CALGreen Code.
20. Renewable Energy Use In October 2007, the City Council adopted the Green Vision, a 15-year plan with ten ambitious goals for economic growth, environmental sustainability, and an enhanced quality of life for San Jose's residents and businesses. Among these goals was Goal 2: Reduce per capita energy use by 50%.	Facilitate achievement of Green Vision Goal 2, and comply with State law as it relates to energy conservation in residential development.	Completed	In 2008, a Zoning Code amendment allowed additional height for renewable energy resources. In a more recent example, on January 14, 2014, the City Council approved addition of a new "Fuel Cell" Zoning Code land use category.
21. Residential Reuse of Historic Structures The "Historic Reuse" ordinance is designed to allow non-residential historic City Landmark structure to be converted to residential use with issuance of either a Conditional or Special Use Permit.	Facilitate conversion and reuse of historic structures for residential purposes.	Completed	In 2010, the City Council approved the Historic Reuse ordinance.

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