

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



April 30, 2015

Mr. Norberto L. Dueñas, City Manager
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

Dear Mr. Dueñas:

RE: San Jose's 5th Cycle (2015-2023) Adopted Housing Element

Thank you for submitting San Jose's housing element adopted January 27, 2015 which was received for review on January 30, 2015. Pursuant to Government Code (GC) Section 65585(h), the Department is reporting the results of its review. In addition, the Department considered comments from the Building Industry Association of the Bay Area pursuant to GC Section 65585(c).

The Department is pleased to find the adopted element in full compliance with State housing element law (GC, Article 10.6). The adopted element addresses the statutory requirements described in the Department's November 26, 2014 review.

Please note the City of San Jose now meets specific requirements for State and Regional funding programs designed to reward local governments for compliance with State housing element law. For example, the Department's Housing Related Parks Program includes housing element compliance as a threshold requirement. Please see the Department's website for specific information about this and other State funding programs at http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hcompl011708.pdf.

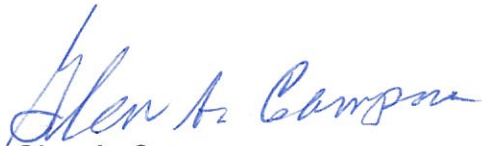
The Department applauds San Jose's leadership in promoting effective housing policies to meet critical housing needs and sustainability goals. We also recognize the City's extensive efforts to respond to public input and the Department's findings in reviewing the draft element. The housing element contains many policies and programs that are essential to address housing and community development needs, including actions to avoid displacement of lower-income households and preserve a variety of housing types and affordability, such as mobile homes and rentals. The housing element also includes actions to ensure the successful development and implementation of Urban Villages; a fundamental component of the City's housing strategy.

Effective implementation of housing element programs is critical to attaining decent, suitable, and affordable housing, a State goal of the highest order. The City should continue to engage the community in implementation of programs and monitor and report on the status of these programs through the annual progress report, required pursuant to Section 65400. If programs are not effective, the City of San Jose should take alternative actions to better address the housing needs of the community.

The Department appreciates the coordinated efforts of San Jose's planning and housing departments and commends the housing element team, particularly Ms. Jenny Nusbaum; Mr. Michael Brilliot; Mr. Wayne Chen; Mr. Adam Marcus; and Ms. Vera Todorov. Their dedication, hard work and professionalism assisted the review process.

The Department wishes the City of San Jose success in implementing its element and looks forward to following its progress through the General Plan annual progress reports pursuant to GC Section 65400. If the Department can provide assistance in implementing the housing element, please contact Paul McDougall, of our staff, at (916) 263-7420.

Sincerely,



Glen A. Campora
Assistant Deputy Director

cc: Harry Freitas, Director of Planning, Building and Code Enforcement
Jacky Morales-Ferrand, Interim Director of Housing