City of San Jose
Task Force for Envision 2040 Four-Year Review

Affordable Housing Policies

Thursday, March 24, 2016
San Jose City Hall Wing Rooms 118-120
Presentation Goals

• Recap key themes from February 25, 2016 meeting.
• Review proposed updates to draft recommendations.
Key Themes from February 25, 2016 Meeting

• Housing values and rents at all-time highs.

• 2007-14 RHNA Period:
  − SJ market-rate housing production 85% of allocation.
  − SJ affordable housing production 15% of allocation.
  − County has exceeded San Jose’s market-rate & affordable housing production for 2007-14 RHNA period in both absolute and percentage terms.

• Bifurcated labor force and income divide.

• Market continues to seek more walkable, urban, TOD.
  − Tools to address displacement concerns.
  − Tools to facilitate preservation and equitable development.
Proposed General Plan Policies

- Facilitate new affordable housing opportunities, especially in key development areas – such as in Urban Villages – where the market would otherwise price them out.
- Preserve existing affordable housing opportunities.
- Mitigate/prevent displacement of low-income residents.
Proposed General Plan Policies: Urban Villages

• 100% affordable housing in Urban Villages may proceed in an Urban Village ahead of a growth horizon, or in a Village in current horizon that does not have a Council-approved Village plan if:

  - Must be for low-income residents who are extremely low-income (up to 30% AMI), very low-income (up to 50% AMI), or low-income (up to 60% AMI)

  - Project does not exceed 25% of total residential capacity of the Urban Village. For Villages < 500 unit capacity, max of 125 units of AH could be developed, not to exceed total planned housing capacity.

  - Development is consistent with Village plan (if one has been approved by Council).

  - Does not need to pull from the residential pool.
Proposed General Plan Policies: Urban Villages

- Development that demolishes and does not adaptively reuse existing commercial buildings should replace the existing commercial square footage with an equal or greater amount of new commercial development either in vertical or horizontal mixed-use format.

- Project is not located on identified key employment opportunity sites, which are sites generally 2 acres or larger, located at major intersections and for which there is anticipated market demand for commercial uses within the next 10-15 years.

- Deed-restricted affordable housing built under this policy does not need to pull from the residential pool.
Proposed General Plan Policies: Urban Villages

• As part of preparation of an Urban Village Plan, establish a goal of a minimum of 25% of the residential capacity be for deed restricted affordable housing, with 15% of the units targeting households with an income below 30% of AMI.

• Evaluate and Incorporate, if feasible, an affordable housing implementation plan component in the preparation of each Urban Village Plan, specific plans, master plans, or strategy plans that include affordable housing.
Proposed General Plan Actions: Preservation

- Mobilehome parks.
  - Deferred by City Council February 23, 2016.
- Existing affordable housing opportunities.
Proposed General Plan Actions: Anti-Displacement

• Identify neighborhoods/planning areas undergoing change:
  - Market-driven
  - Infrastructure investment

• Identify, assess, and implement potential tools, policies, and programs to prevent or to mitigate displacement of low-income residents.
Proposed General Plan Policies: Other

- Allow conversion of commercial property if following conditions are met:
  - 100% deed-restricted affordable housing development.
  - Site is ± 1.5 acres or less.
  - Site is vacant or underutilized.
  - Residential uses adjacent on at least two sides & development would be compatible with surrounding neighborhood.
  - Would not impact viability of surrounding commercial or industrial properties or businesses.
  - Site is located within ½ mile of existing transit line.
  - Development integrates commercial uses that support the affordable housing development and/or surrounding neighborhood.
  - Development on properties that contain structures that are on, or are eligible for inclusion on the City of San Jose’s Historic Resources Inventory should adaptively reuse these structures.
Staff Recommended Policy H-2.5: Analysis of 1.5 Acre Parcels

**Legend**
- **Parcels**
- **BRT & Shuttles**
- **LRT, Caltrain, & BART**
- **Growth Areas**

**Number of Parcels:** 331

*Does not include vacant or underutilized land analysis*

**Criteria for Selected Parcels:**
1. Outside of Growth Areas
2. Have MUC or NCC GP land use designation
3. Within ½-mile of transit line
4. Adjacent properties have residential GP designations on at least 2 sides

Map Prepared by: City of San Jose Planning Division, March 2018
Proposed General Plan Policies/Actions: Other

- Prioritize and facilitate affordable housing in other key areas such as infill areas and transit areas.
- Work with partners to develop regional mechanism for affordable housing.
- Explore, analyze, and implement innovative programs, policies, and partnerships that lead to new housing solutions/products.
- Periodically analyze City’s jobs-housing fit.
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## Regional Housing Needs 2007-14: Summary

<table>
<thead>
<tr>
<th></th>
<th>ELI/VLI</th>
<th>Low</th>
<th>Moderate</th>
<th>Above Mod</th>
<th>Total</th>
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<tr>
<td>County ex-SJ</td>
<td>2,024/ 6,127</td>
<td>1,654/ 4,245</td>
<td>2,227/ 4,809</td>
<td>22,889/ 10,436</td>
<td>28,794/ 25,617</td>
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<td>SJ*</td>
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<td>1,038/ 5,322</td>
<td>144/ 6,198</td>
<td>13,073/ 15,450</td>
<td>16,029/ 34,721</td>
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*San Jose counted permit data through 2014, while other cities counted through September 2015.*