Displacement in San José

January 21, 2020

Kristen Clements
Division Manager

Jacklyn Joanino
Development Officer
Community Strategy to End Displacement

www.sanjoseca.gov/displacement
Today’s agenda

1. Introduction and background
2. Displacement in San José: Local data, analysis and outreach
3. Value of Production, Preservation, and Protection
4. Problems we’d like to solve and potential tools to mitigate residential displacement
5. Breakout groups
6. Report outs
7. Gallery walk
Displacement is in the news

San Jose: 42 percent spike in homeless population

San Jose tops list for least affordable housing in U.S.

1 month after historic San Jose floods, 1,500 residents still displaced

South Bay housing crisis: 92-year-old “model tenant” facing eviction

'Largest-ever' Silicon Valley eviction to displace hundreds of tenants

Demolition of 216-unit complex is the latest example of rising income inequality in a region home to many of the world's wealthiest technology companies

San Jose passes sweeping new renters protection laws

SJ Officials Investigate Mobile Home Evictions Over Minor Infractions

Pulte to redevelop Winchester Ranch mobile home park as concern grows about loss of affordable housing

San Jose Strengthens Protections for Mobile Home Park Residents
As San José grows and secures planned investments, we should maximize the positive opportunities and minimize the negative impacts for our vulnerable residents, so they can succeed in our changing City.
Definitions

**Displacement** is when a household must move out of their home for reasons outside of their control.

**Gentrification** is when a historically disinvested neighborhood changes through real estate investment & new higher-income residents move in, changing the demographic make-up and character of the overall neighborhood. Gentrification is often associated with displacement.
Nearly half of San José is low-income

Households below 80% AMI

40% Homes (affordable/rent-stabilized)

23%
6 low-income residents move out of the Bay Area for every 1 high income resident
Displacement has negative impacts

- Education
- Commute
- Mental Health
- Access to opportunity
Historic Redlining and Recent Urban Displacement in San José

Legend

Homeowners Loan Corp Red Lined Areas

HOLC Grade
- C - Definitely Declining
- D - Hazardous
- R - Reinvestment Neighbourhoods

UCB Displacement Typology
- LI - Not Losing Low Income Households
- LI - At Risk of Gentrification and/or Displacement
- LI - Ongoing Gentrification and/or Displacement
- MHI - Advanced Gentrification
- MHI - Not Losing Low Income Households
- MHI - At Risk of Exclusion
- MHI - Ongoing Exclusion
- MHI - Advanced Exclusion

Map Created by City of San José Housing Department - September 2019
Staff takeaways

Academic research and community engagement
3 P’s: Production, Preservation, Protection

1. **Production** of new affordable homes,
2. **Preservation** of existing affordable homes, and
3. **Protection** of residents in rapidly-changing neighborhoods.
What policies/tools do we have in place?

**Production:**
- Inclusionary Housing Ordinance – 15% set-aside
- 10,000 affordable homes by 2022 (Housing Crisis Workplan)

**Preservation:**
- Long-term ground leases for affordable developments

**Protection:**
- Apartment Rent Ordinance
- Tenant Protection Ordinance (Just Cause)
- Ellis Act Ordinance
- Housing Equality Payment Ordinance
- Legal education and defense
Challenges & potential solutions
# Production ideas

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Potential Solutions</th>
</tr>
</thead>
</table>
| Lack of funding to subsidize new affordable housing | 18. Pursue new public & private funding sources  
20. Consider short-term rentals tax as a source |
| Need for sites to build new affordable housing | 19. Conduct public land survey & partner with State and local agencies  
22. YIGBY – build on church land |
| Build more affordable housing both in areas of opportunity & areas with displacement pressure | 21. Improve Urban Village planning for affordable housing and anti-displacement |
## Preservation ideas

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Potential Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preservation needs to be a City priority</td>
<td>13. Create a multi-pronged strategy</td>
</tr>
<tr>
<td></td>
<td>14. Adopt a Preservation Ordinance</td>
</tr>
<tr>
<td>Very little funding for preservation of existing affordable &amp; NOAH exists</td>
<td>15. Create a Preservation Investment fund to provide rehab &amp; permanent subsidies</td>
</tr>
<tr>
<td>Some growth areas overlap with NOAH</td>
<td>13e. COPA - Enable affordable developers &amp; tenants to get advanced notices of property sales</td>
</tr>
<tr>
<td>Affordable housing restrictions are not permanent &amp; do not help build residents’ assets</td>
<td>16. Explore feasibility for co-ops &amp; community land trust models, &amp; create plan to build capacity</td>
</tr>
</tbody>
</table>
## Protection ideas

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Potential Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing tenant protections do not apply to all residents</td>
<td>1. Explore local enforcement of new State law; study rent increases in affordable apts.</td>
</tr>
<tr>
<td>Protect vulnerable tenants and families</td>
<td>2. Study if a right to counsel program could help reduce evictions in SCC &amp; determine cost; find new funds for legal services work</td>
</tr>
<tr>
<td>Develop strategies for high-barrier populations</td>
<td>5. Create workplan and working group to develop population-specific strategies to remove housing barriers</td>
</tr>
<tr>
<td>Apartment owners with long-time tenants can’t afford repairs</td>
<td>7. Seek funding for low-cost loans/ grants; explore receivership for extreme cases; facilitate purchases by nonprofits</td>
</tr>
</tbody>
</table>
Which of these ideas do you want to talk about today?
Breakout groups

Production, Preservation, Protection
Questions to consider for draft solutions

1. Does this solution seem like it would be effective to prevent, stop, mitigate, or lessen displacement in your experience? How do we know this?

2. Would you recommend the City explore or pursue this solution? Why or why not?

3. If this strategy did move forward, what would be important to consider?
Report outs
City process: Next steps

- Anti-Displacement Community Forum
  Hosts: SV@Home, Destination:Home, the Housing Trust Silicon Valley  
  *Focus is on preservation
  ➔ Jan 24

- Anti-Displacement Community Forum
  Hosts: Law Foundation and Golden State Mobilehome Owners League  
  *Focus is on protection
  ➔ Jan 28

- Anti-Displacement Community Forum: Summary
  Hosts: SOMOS Mayfair
  ➔ Feb 5

- Housing and Community Development Commission

- City Council – Citywide Anti-Displacement Strategy & direction to staff
  ➔ Spring
Stay connected

Citywide Residential Anti-Displacement Strategy Website

sanjoseca.gov/displacement
Gallery walk

You are welcome to provide additional comments on solutions not discussed in your group. You can also send us written comments.

Thank you for your feedback!