



Archer Studios by Charities Housing, North San Jose

WHAT'S NEXT FOR AFFORDABLE HOUSING IN SAN JOSE?

SPUR San Jose

September 19, 2013

CITY OF SAN JOSE, DEPARTMENT OF HOUSING

What is Affordable Housing?

- Income Groups that Qualify
 - ELI— 30% of AMI-- \$31,650 or less
 - VLI—31-50% of AMI-- \$31,651-\$52,750
 - LI—51-80% of AMI-- \$52,751-\$84,400
- No more than 30% of income for housing costs
- Rent restricted (privately owned) or government owned (public housing)



Ford & Monterey

Affordable Rents by Group

Population	Monthly Income	Rental Cost
Homeless/General Assistance	\$337	\$1,399
Senior/Maximum SSA 1 BR Unit	\$2,533	\$1,756
Section 8 – 1 Person HH (VLI) 1 BR Unit	\$1,079 FMR	\$1,756
Section 8 – 3 Person HH (VLI) 2BR Unit	\$1,610 FMR	\$2,350
Two FT Minimum Wage– 5 Person HH 3BR unit	\$3,466	\$2,554

Cost of Housing

Ownership

Average Price

Minimum Income



\$452,349

\$111,569

\$90,470 Down



\$790,364

\$185,972

\$158,073 Down

Rental

Average Rent

Minimum Income

Studio

\$1,399

\$55,960



\$1,756

\$70,240



\$2,350

\$94,000



\$2,554

\$102,160

Source: Median prices from Santa Clara County Association of Realtors, July 2013; Average rents from RealFacts, 2nd Quarter 2013

Add in Costs of Transportation

The Regional Perspective: Housing + Transportation Costs

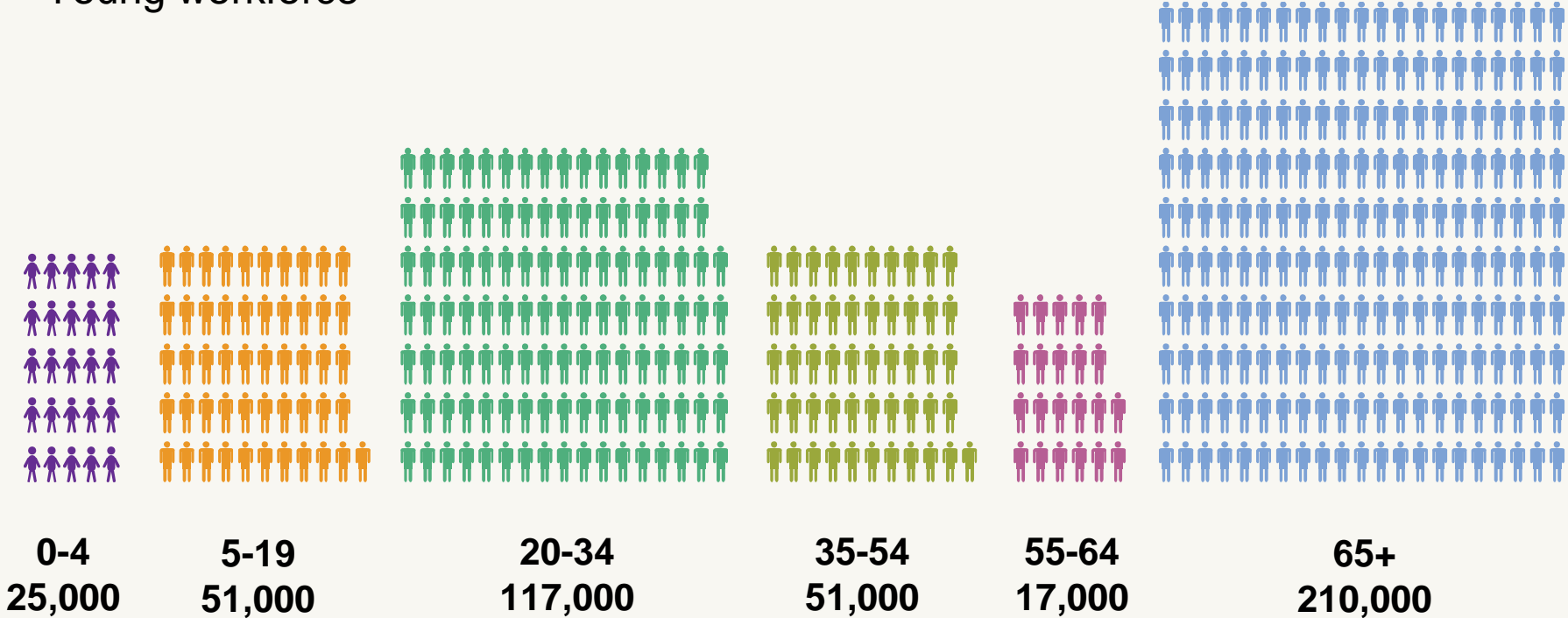


	Nine-County Bay Area	South Bay	Peninsula	Outer East Bay	Silicon Valley	North Bay
Average H+T Costs	\$41,420	\$57,071	\$46,212	\$45,735	\$43,581	\$41,669
Average Median Income	\$75,103	\$99,107	\$82,262	\$87,511	\$84,456	\$69,360
Average H+T as % of Median Income	59%	61%	58%	55%	54%	63%

Source: Urban Land Institute "Bay Area Burden" 2010.

Population Growth

- Projected growth in San Jose: 471,000 new residents 2007 – 2040
- Significant demographic shifts
- Aging households/retirees
- Increasing longevity
- Young workforce



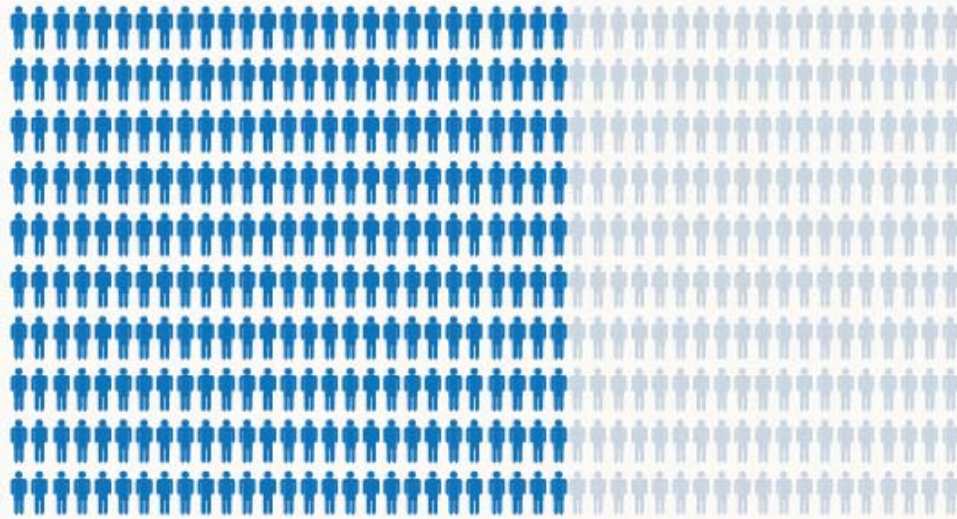
Source: Analysis for General Plan Envision 2040 Update, Center for Continuing Study of the California Economy

Divided Workforce



% of Workforce: 31%

Median Income: \$84,600 to \$144,000

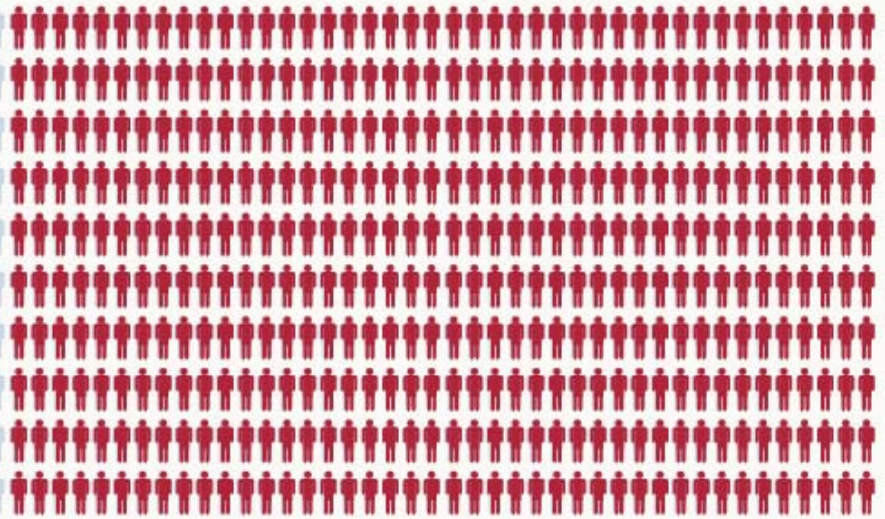


Occupations:

- Management
- Computer & Mathematical
- Architectural & Engineering
- Business & Financial Operations

% of Workforce: 46%

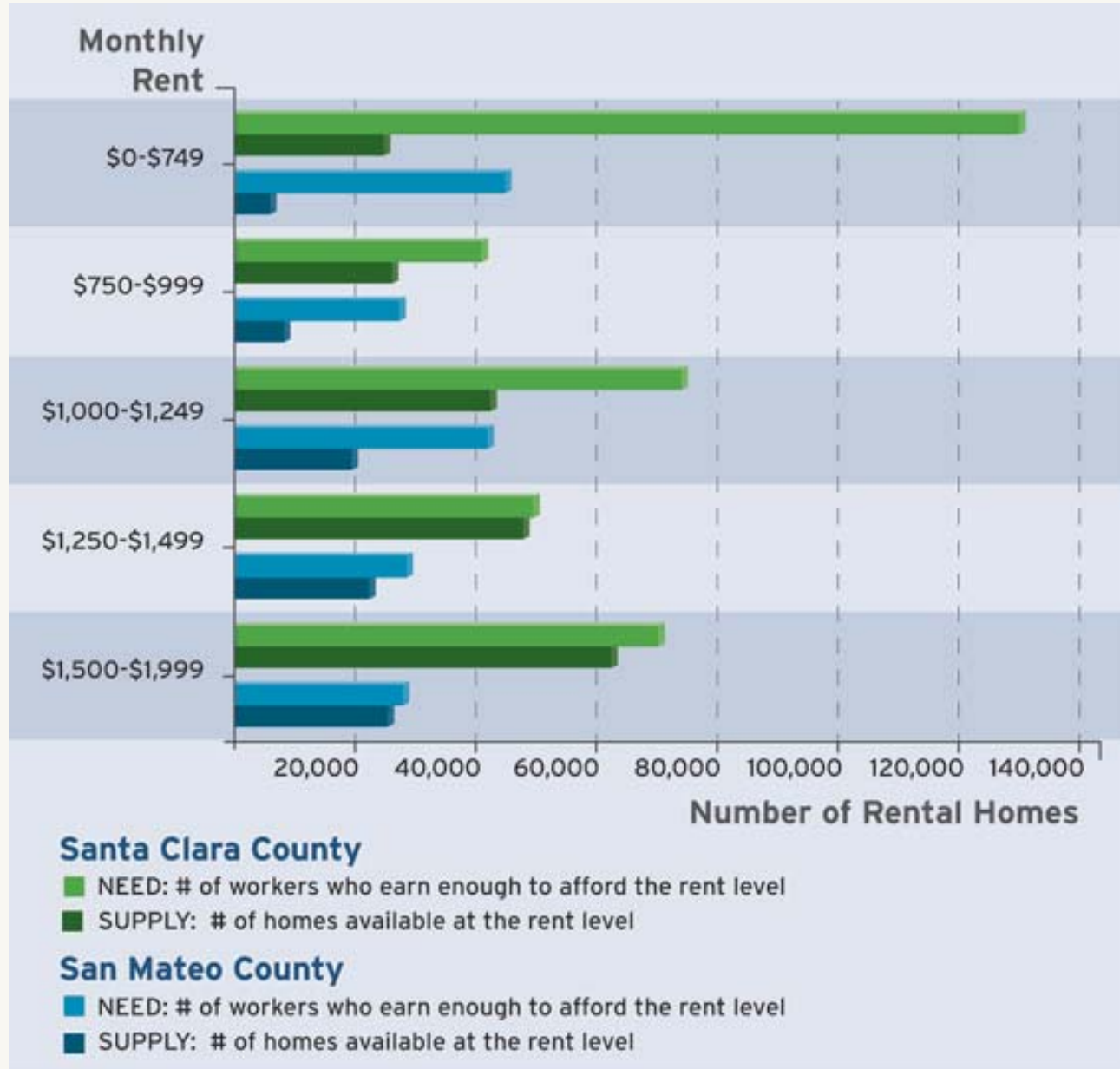
Median Income: \$19,700 to \$55,700



Occupations:

- Office, Education, Training, & Library
- Office & Administrative Support
- Production
- Transportation & Material Moving
- Sales & Related Occupations
- Food Preparation & Serving-Related

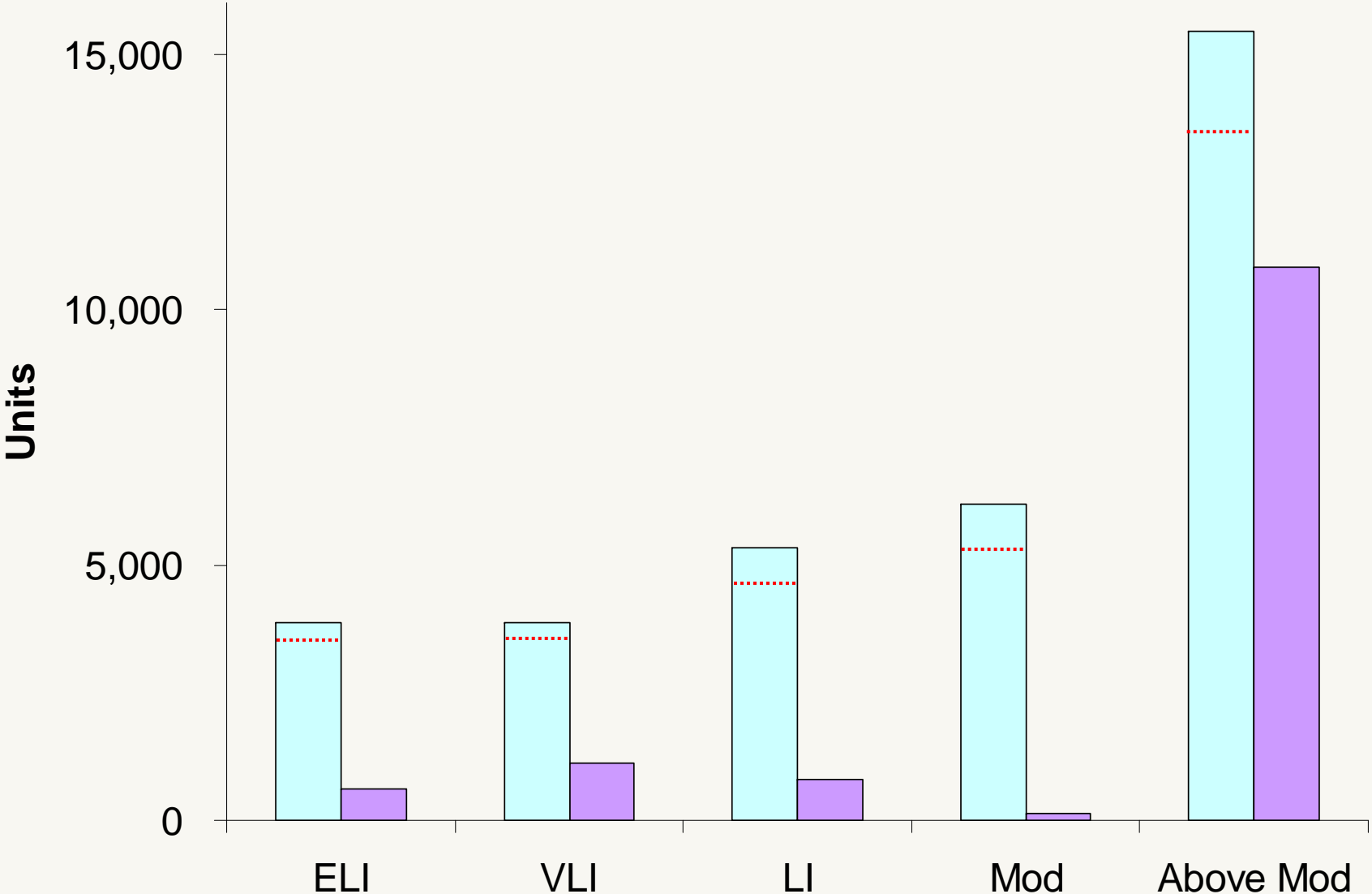
Affordable Housing Need Far Exceeds Supply



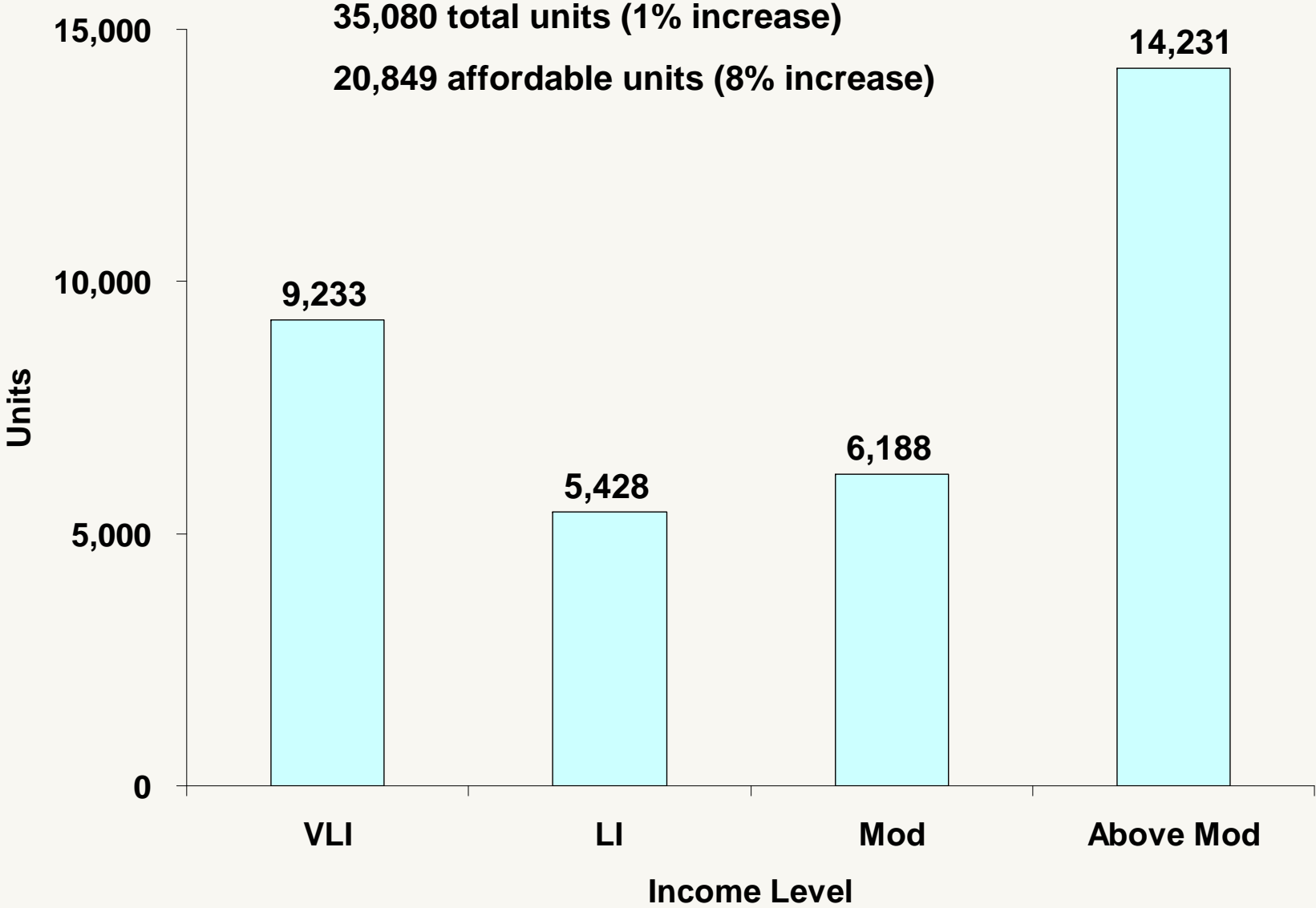
Source: 2010 American Community Survey (ACS), Quarterly Census of Employment and Wages. From NPH "Moving Silicon Valley Forward" report.

Current Regional Housing Needs Allocation

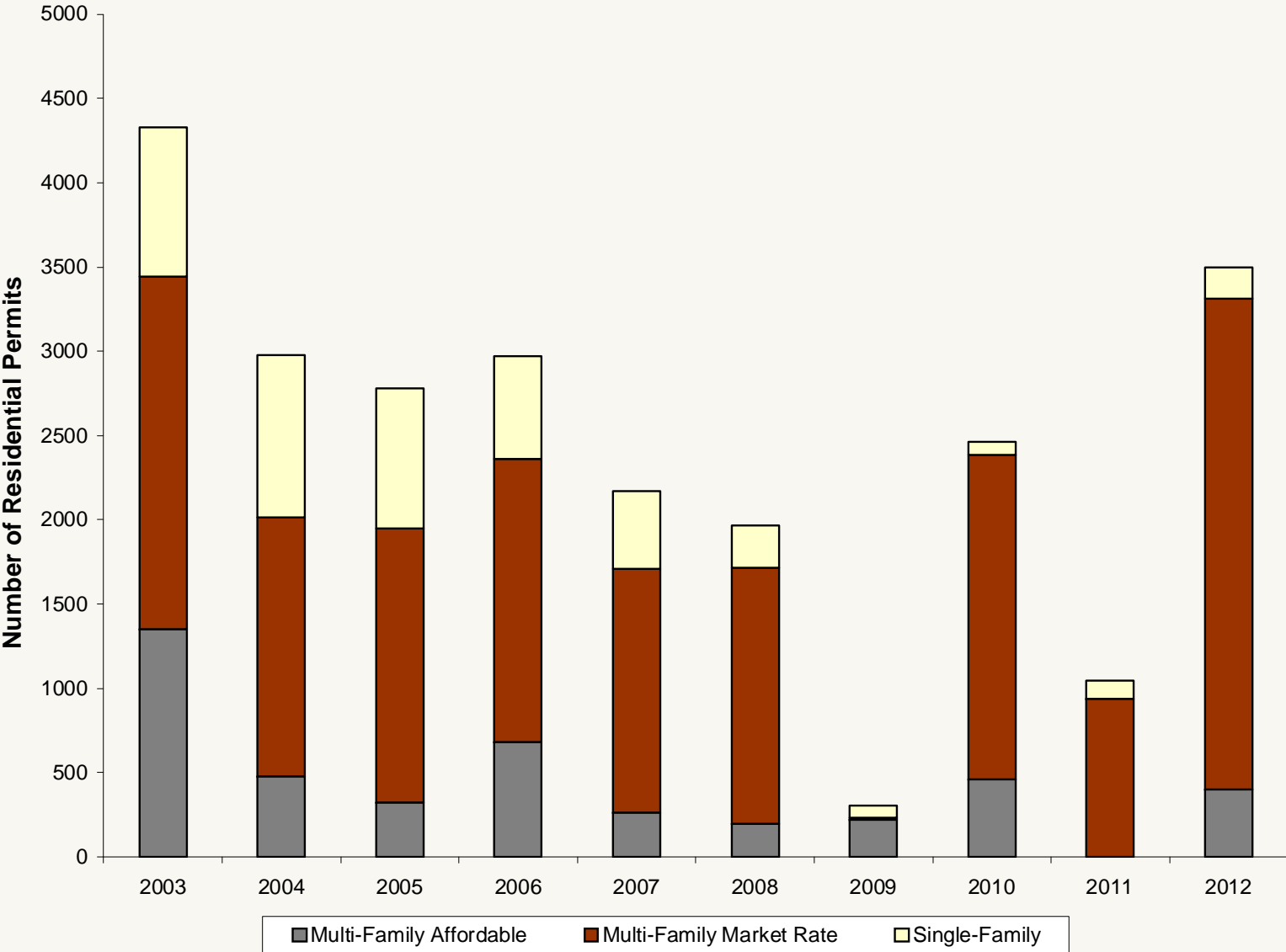
2007-14 RHNA Goal 2007-14 Production



2014 - 22 Regional Housing Needs Allocation



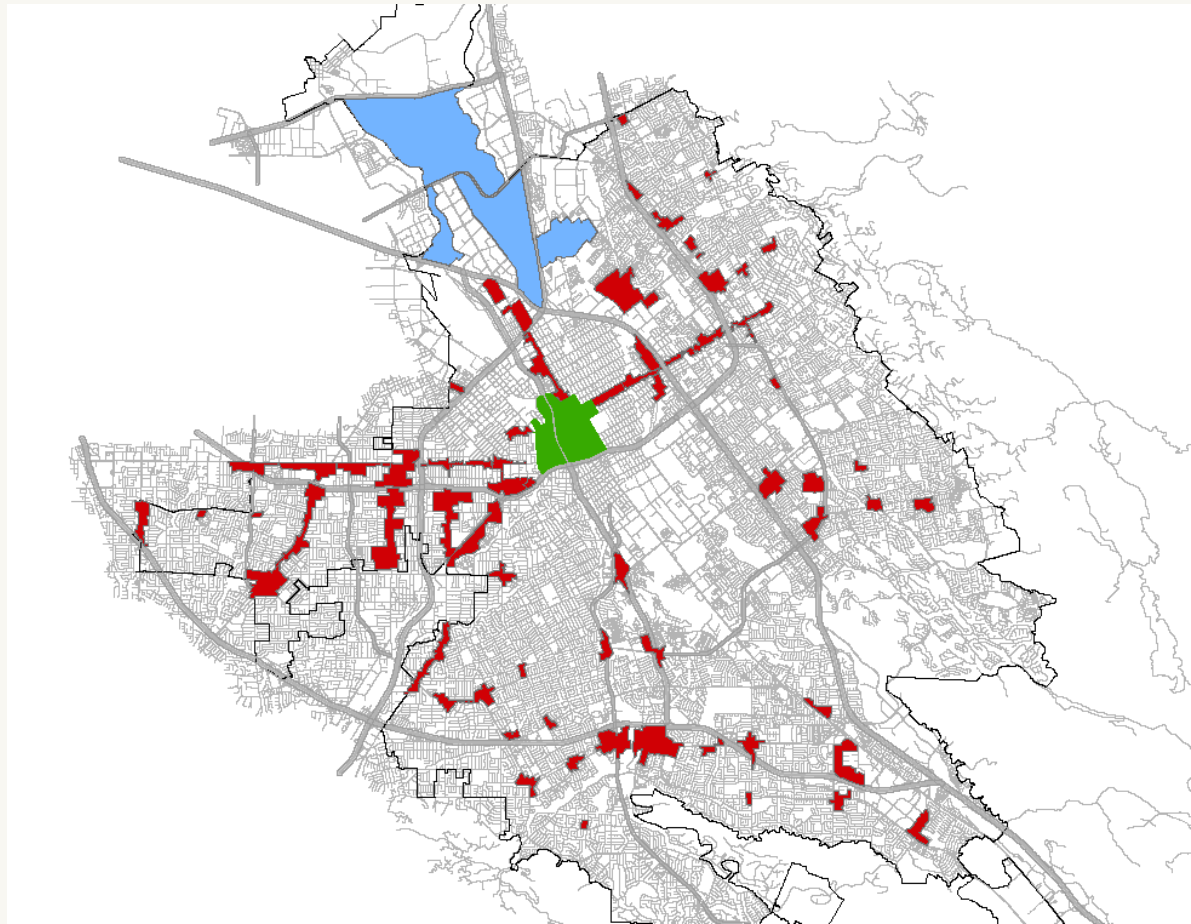
Building Permits - San Jose Single Family & Multifamily



SOURCE: City of San Jose Planning Department

Future Development Locations & Trends

- More urban, smaller units, near transit
- More redevelopment of existing sites
- San Jose identified capacity for 120,000 new units through 2040



Current Environment

- Loss of RDA and the Low and Moderate Income Housing Fund
- Sequestration and other HUD cuts
- No more State money
- Attacks on inclusionary housing
- Reductions in other incentives
- Federal tax reform potential



...to
legislation that
cries to be done

Jack Markle
Hollister

Plan Bay Area concept has failed in the past

This Plan Bay Area idea is just another description for smart growth. It has all the selling points of living and working in proximity to transit corridors.

The idea of high-density living by turning to taller buildings has been tried in San Francisco, first with the Pink Palace in the Fillmore District, and then the Geneva Towers near the Cow Palace. By the early '90s both of these tenement structures at best had become a prison for many honest, low-income residents. This was because these 20-story structures had become a place for criminals to ply their trade of drugs, prostitution, and

...have ever seen in the past. It will bring back the threat of eminent domain for what the pushers of Plan Bay Area will call the greater good, but the reality is none of these planners of such a project will have to live or work in what they think is good for everyone else.

Tom Roop
South San Francisco

Soviet-style housing: Is that what we want?

Devised by the unelected, nonrepresentational bureaucrats of ABAG (Association of Bay Area Governments) and MTC (Metropolitan Transportation Commission), Plan Bay Area aims to turn our unique, beloved cities into an undifferentiated series of high-density housing projects crammed alongside transit lines. Look around you — it's already happening. Even before ABAG's board passed this draconian plan last July

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Significant Reductions in Resources

Sources	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
20% funds	\$40,469,184	\$40,481,873	\$36,729,077	\$17,532,368	\$0	\$0
Program Income	\$14,122,960	\$15,199,224	\$18,047,161	\$24,297,639	\$12,913,616	\$7,094,010
Interest	\$915,342	\$571,261	\$170,131	\$70,189	\$75,000	\$75,000
Net Bond Sale Proceeds	\$0	\$92,526,199	\$10,032	\$0	\$0	\$0
Commercial Paper	\$0	\$12,891,000	\$1,200,000	\$0	\$0	\$0
Developer Payments	\$0	\$0	\$0	\$0	\$7,237,717	\$443,000
HOME	\$4,217,383	\$4,694,689	\$4,664,977	\$4,155,900	\$2,458,038	\$2,450,919
Total	\$59,724,869	\$166,364,246	\$60,821,378	\$46,056,096	\$22,684,371	\$10,062,929

San Jose's Pipeline of Affordable Units

- 462 under construction
- 1,010 units in development pipeline
- 319 funded; 691 partially funded
- Total funds needed = \$42,325,000



Ford & Monterey