



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** August 19, 2020

Approved

Date

8/20/2020

**SUBJECT: CITYWIDE RESIDENTIAL ANTI-DISPLACEMENT STRATEGY**

## **RECOMMENDATION**

- (a) Accept the staff report and approve the 10 recommendations of this Citywide Residential Anti-Displacement Strategy.
- (b) Approve workplans for the first three recommendations:
  - (1) Support Equitable COVID-19 Recovery and Impact Mitigation Measures for Renters and Homeowners;
  - (2) Establish a Neighborhood Tenant Preference for Affordable Housing; and
  - (3) Explore a Community Opportunity to Purchase Program/Ordinance.
- (c) Direct staff to return to the City Council with an update on progress in 12 months.

## **OUTCOME**

The Citywide Residential Anti-Displacement Strategy (Strategy) responds to existing City Council direction to develop anti-displacement strategies. Adoption of the Strategy will enable staff to develop new policies and programs to prevent, mitigate, and decrease residential displacement for low-income residents of San José.

## **EXECUTIVE SUMMARY**

A blue ribbon task force of elected and civic leaders convened by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), developed a set of policy recommendations called the CASA Compact to address the region's housing crisis. The CASA Compact stated that the region faces a housing crisis because the Bay Area has failed to:

1. **Produce** enough housing for residents at all income levels;
2. **Preserve** the affordable housing that already exists, and
3. **Protect** current residents from displacement where neighborhoods are changing rapidly.

Known as the “three Ps,” they form a foundation on which the City can grow equitably and mitigate low-income residents' displacement. This Citywide Residential Anti-Displacement Strategy (Strategy) provides 10 recommendations that the City should take action on in all “three P” areas. Staff's research on best practices indicates that cities that focus on keeping their current residents in place focus on all “three Ps” to have the best chance at reducing and mitigating the effects of residential displacement.

This Strategy is based on extensive community engagement and local research (p.6), anti-displacement practices across the nation, an analysis of gaps in San José's current anti-displacement policies and programs (p.16), an assessment of past discriminatory practices and policies which contribute to displacement (p.11), and ongoing housing policy developments at regional and State levels. Staff has also taken into consideration the unique displacement risks created by the current pandemic (p.4), which has made the issue of displacement even more urgent.

While displacement is a complex market-created phenomenon, the City's taking a leadership role in being thoughtful about its policies and funding priorities can help alleviate the problem in both the short-and long-term. By focusing attention on all “three Ps” at the same time, San José will improve its ability to grow sustainably while preserving its greatest asset – its existing residents.

The 10 recommendations in this multi-year Strategy are designed to complement each other and are listed below. The recommendations are prioritized by timing, from near-term to medium-term, as follows, and are described in more detail in **Attachment A**:

1. Support Equitable COVID-19 Recovery and Impact Mitigation Measures for Renters and Homeowners
2. Establish a Neighborhood Tenant Preference for Affordable Housing
3. Explore a Community Opportunity to Purchase Program/Ordinance (COPA)
4. Increase Equitable Representation of Historically Underrepresented Communities on City Commissions

5. Create a Role for Local Government in State Tenant Protections
6. Increase Housing Quality and Prevent Code Enforcement-related Displacement
7. Create a Preservation Report and Policy
8. Develop YIGBY Land Use – Yes in God’s Backyard
9. Optimize Urban Villages for Affordable Housing Development and Anti-Displacement
10. Establish New Sources of Funding for Affordable Housing and Anti-Displacement.

Full descriptions of these recommendations are contained in **Attachment A**. As this Strategy will take multiple years to accomplish, both staff time and additional financial resources will be needed to develop the recommendations. To prioritize the work, staff recommends the first three actions be done first: the COVID strategy, given its urgency; and the Neighborhood Tenant Preference and Community Opportunity to Purchase Program, given both their strong support in the community and the staffing resources to develop them. Workplans for these first three recommendations are contained in **Attachment B**.

## **BACKGROUND**

On March 7, 2017, the City Council established Council Priority Item #13: Anti-Displacement Tenant Preference to set aside affordable housing units to prioritize residents being displaced that live in low-income neighborhoods undergoing displacement and/or gentrification. (This has since been renumbered to Priority #10.)

On June 12, 2018, the City Council prioritized the issue of displacement again within the Housing Crisis Response Workplan, Item #9: Develop Anti-Displacement Strategies.

On October 1, 2019, the City Council held a study session on the topic of displacement in San José. The study session brought together academic, housing advocate, and real estate industry perspectives to provide a common understanding of the issue of residential displacement in San José. (Small business displacement was also part of the study session.)

Displacement has also become a significant and reoccurring topic in other San José initiatives:

- The new **2020-2025 Community Plan to End Homelessness** has emphasized protecting residents from evictions, displacement, and housing discrimination as ways to prevent homelessness.
- The **2016 Analysis of Impediments to Fair Housing** cites displacement of low-income residents as an impediment to fair housing.
- The **VTA BART Phase II TOD Corridor Strategies and Access Planning Study** specifically analyzed neighborhood vulnerability to displacement at the planned BART station areas. The study found residents in neighborhoods surrounding the planned

downtown and Five Wounds BART stations are more likely to be low-income renters and particularly vulnerable to displacement.

- The **Diridon Station Area Plan community engagement process** revealed housing and displacement as the top issue of concern by those who participated in the engagement process. The Affordable Housing Implementation Plan for the Diridon Station Area also will include a “three Ps” framework and will likely contain some compatible or similar strategies to this Citywide Residential Anti-Displacement Strategy.

### **San José was Part of the National PolicyLink Anti-Displacement Policy Network (ADPN)**

In November 2018, San José applied for and was chosen to participate in the PolicyLink Anti-Displacement Policy Network (ADPN), a 14-month learning cohort of 10 U.S. cities working to address urban displacement. The San José ADPN team members included the following: City Councilmember Magdalena Carrasco and staff, Housing Director Jacky Morales-Ferrand and staff, and Planning Building and Code Enforcement Director Rosalynn Hughey and staff; Working Partnerships’ Dereka Mehrens, Jeffrey Buchanan, and Asn Ndiaye; Law Foundation's Nadia Aziz and Michael Trujillo; and Planning Commissioner/Executive Director of Silicon Valley Bike Coalition, Shiloh Ballard.

In January 2020, the San José ADPN team released its co-written report entitled “Ending Displacement in San José: Community Strategy Report” (Community Report). The intention of the report was to center the values, lived experiences, and solutions requested by the residents most impacted by displacement in San José. The San José ADPN team assessed the gaps in the City’s current housing policies, studied new anti-displacement tools, and worked hard to facilitate meaningful listening sessions in the community with displaced households and in neighborhoods most impacted by development and displacement. The San José ADPN team collaborated with outreach partners SOMOS Mayfair and AV Consulting to reach community members in a culturally competent and inclusive manner to elicit high-quality information.

While City staff was part of the San José ADPN Team, the Community Report is a coalition report, not a City document. However, City staff were key contributors to the displacement analysis in the Community Report, and research, data, and some recommendations from the Community Report are referenced in this memorandum. The Community Report was used to launch the expanded stakeholder outreach conducted by the Housing Department.

### **Housing is Vital to COVID-19 Response and Recovery**

Given the huge impact of the current health crisis on our community, the Strategy has incorporated a new COVID-19 recommendation to reflect the changed conditions the City is now encountering given the pandemic. The health crisis has caused nationwide disruptions across nearly every social and economic sector. Safe, stable, and healthy housing has been increasingly recognized as vital to ensuring a person’s health and for containing the pandemic.

At the same time, the virus and the wave of unemployment and furloughs due to shelter-in-place doubled down on the existing housing and displacement crisis. Many households in San José have lost some or all income during this time, making it very difficult for these households to pay their rent or mortgages.

COVID-19 has caused a seismic disruption to the local economy. Pre-COVID-19, the unemployment rate was 2.7%. In June, the unemployment rate in the San José-Sunnyvale-Santa Clara area was 10.8%. At the end of July 2020, over 200,000 residents in the City of San José had filed for unemployment insurance since shelter-in-place came into effect.<sup>1</sup> According to CHAS 2012-16 data, 49% of San José renters and 30% of San José homeowners were already housing cost-burdened prior to COVID-19, spending more than 30% of their gross income on housing. This dramatic increase of unemployment is an indicator even more households in San José are now at risk of displacement than before.

In response, local, State, and national leaders established temporary emergency eviction and foreclosure moratoriums to keep residents housed. However, this temporary intervention has also created what some call an impending “rent cliff.” The neighborhoods with the most cases of COVID-19 are in zip codes 95122, 95127, 95116, and 95148. These same neighborhoods seem likely to experience the brunt of the “rent cliff.” These neighborhoods are primarily Latinx and Asian, experience more overcrowding and poverty than the Citywide average. Most neighborhoods in these four zip codes are at-risk of or are undergoing displacement. The UCLA Center for Neighborhood also developed a renter vulnerability index (RVI) for each neighborhood in Santa Clara County based on the proportion of renters, housing cost burden, exposure to job displacement, and exclusion from economic relief programs. The RVI map also highlights these neighborhoods.

Many families in San José are now facing months of back rent and mortgage payments they are likely unable to afford at the conclusion of these moratoriums. Without intervention, the end of the moratoriums could lead to a wave of displacement and homelessness. The federal eviction moratorium already ended on July 24, 2020. Governor Newsom’s Executive Order N-71-20 extends the Statewide eviction moratorium until September 30; however, the Judicial Council of California has voted to lift Emergency Rule 1, so that issuances of summonses and defaults in eviction cases will resume on September 1, 2020. The City’s Eviction Moratorium ends on August 31, 2020, unless extended by the City Council before that date. The City Council will have an opportunity to extend the moratorium on August 25<sup>th</sup>.

The federal and State governments are both pursuing stimulus packages this year that include funding for housing. While we do not know if those resources will be approved, the City’s focus on the Citywide Anti-Displacement Strategy is extremely timely. Approval of this multi-year Strategy and staff’s work on its recommendations could help to support our community’s short-term and long-term recovery from COVID-19.

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<sup>1</sup> Number of Weekly New UI and PUA Claims Combined Santa Clara County

## **ANALYSIS**

It is helpful to define the terms of displacement and gentrification. These terms are often used interchangeably, and often occur together, but they have different meanings. This Strategy focuses on trying to reduce the negative occurrence of “displacement” that has been shown to have detrimental effects on low-income residents. It does not veer into the more complicated effects of “gentrification,” which includes several different components as defined below.

### **Definitions**

*Displacement:* Displacement is generally defined as when a household must move out of their home for reasons outside of their control. For example, displacement can be physical (as building conditions deteriorate), or economic (as costs, including housing costs, rise). Residents may be expelled from their housing such as through formal evictions. They can also be displaced from the City due to exclusion, such as when a renter is unable to find replacement housing in the City due to the high rents. Residents may also become displaced because of natural disasters (COVID-19), domestic violence, or other reasons. Multiple types of displacement can also overlap.

*Gentrification:* Gentrification is when a historically disinvested neighborhood changes through real estate investment and new higher-income residents move in, changing the demographic makeup and character of the overall neighborhood. Gentrification is often associated with displacement.

Gentrification is a more complicated phenomenon than Displacement, involving both positive and negative consequences. Staff’s focus has been on how best to prevent displacement, which research shows is associated with negative outcomes especially for low-income residents. To the extent that these residents can stay in their communities, they have the hope of gaining positive benefits from increased neighborhood investment.

### **San José Residents Are Concerned About Economic Displacement**

While displacement can occur due to different causes, the rising cost of housing was the most commonly expressed displacement concern that staff heard from San José residents during outreach. The San José metro area’s housing market is often cited one of the top five most expensive in the U.S. Renters must earn \$54/hour (\$112,320/year) to afford the average rent for a two-bedroom apartment (\$2,808/month) and homebuyers must earn \$110/hour (\$230,169/year) to afford a median-priced single family home,<sup>2</sup> while the minimum wage in San José is just \$15 per hour. San José’s median home sales price is 8.5 times the median income of its residents, which makes it the eighth most expensive for-sale housing market in the

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<sup>2</sup> City of San José Housing Market Update, First Quarter 2020  
<https://www.sanjoseca.gov/home/showdocument?id=61698>

world, ahead of San Francisco and London, in the 2020 Demographia international survey.<sup>3</sup> A 2019 poll conducted by the Silicon Valley Leadership Group revealed 83% of Silicon Valley residents believe “cost of housing is an extremely serious problem.”<sup>4</sup>

City staff has heard many residents wish to stay in San José for valuable reasons. San José is their home, where they work, where they were born and raised, where their friends and family live, or where their kids go to school. These reasons lead to households making major trade-offs to stay in San José.

Many residents shared their experiences during the community engagement process. Some residents shared they first became homeless due to an eviction or a foreclosure. Some shared that they sometimes skip buying groceries to pay for housing. Some were debating whether to move to the Central Valley, increasing their commutes to work or family, or moving even further, severing ties from this community completely. Staff also heard that residential displacement is occurring at a level that impacts more than just those who are moving away, citing concerns about the impact of displacement on their family and friends, local school closures, employee retention, and more.

### **Research Shows Displacement Has Negative Impacts for the Community and Families**

In recent years, researchers have published a number of studies looking at the impact of displacement on communities and on lower-income households, especially lower-income households of color. The findings are compelling that displacement is damaging and needs to be avoided.

#### *Displacement leads to resegregation*

Although data does not exist to calculate the exact number of San José residents displaced in recent years, Census migration data used in the Turner Center’s report *Disparities in Departure* indicates that from 2010 to 2016, approximately 1.5 million residents moved out of the Bay Area.<sup>5</sup> To put this number into context, this is roughly equal to one in five residents living in the Bay Area today. But those leaving the Bay Area are changing the socio-economic and racial makeup of the Bay Area. The study found that for each one high-income resident that moved out of the Bay Area, six low-income residents moved out. The report also found that Asian and White residents represent a larger share of the region’s higher-income out-movers, whereas Latinx and Black residents make up a disproportionately large share of low-income out-movers.

This study also found high-income out-movers tended to have access to a wide range of large

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<sup>3</sup> “16th Annual Demographia International Housing Affordability Survey: 2020,” <http://demographia.com/dhi.pdf>. Using data from 3Q 2019, San José was eighth most expensive in the world.

<sup>4</sup> Silicon Valley Poll: 83% of Bay Area Voters Say Cost of Housing is an Extremely Serious Problem, <https://www.svlg.org/silicon-valley-poll-83-of-bay-area-voters-say-cost-of-housing-is-an-extremely-serious-problem/>

<sup>5</sup> Romem, Issi; Kneebone, Elizabeth; *Disparity in departure: who leaves the bay area and where do they go?* <https://turnercenter.berkeley.edu/disparity-in-departure>

cities across the nation. However, low-income out-movers tended to move to other areas of California such as the Central Valley. Low-income movers reported fewer options for employment, education, and access to health care compared to where they had previously lived.

A 2016 report from Urban Habitat found a significant regional out-migration of Black and Latinx households to outlying areas of the Bay Area or to neighboring counties like San Joaquin and Stanislaus.<sup>6</sup> Further, a 2018 study from the California Housing Partnership and the Urban Displacement Project found that rising housing costs have led to large increases in Black and Latinx households living in high poverty, segregated areas.<sup>7</sup> Between 2000 and 2015, the study found a 15% increase in the number of Black households and 100% increase in the number of Latinx households living in segregated and high poverty neighborhoods in the Bay Area.

This research shows that without policy intervention, the current trend of displacement can result in more segregated and less racially diverse communities.

### *Displacement leads to negative household impacts*

Displacement data for Silicon Valley from 2018<sup>8</sup> indicates that more than half of displaced renters left their city of residence, where their social networks exist. Of displaced Santa Clara County renters surveyed, 55% moved out of their city. Of that group, 34% moved to a new city within Santa Clara County, 16% left the County altogether, while 5% became homeless.

Numerous studies have found that residential displacement, and even constant worry over housing instability, significantly hurts residents' health and educational outcomes. Displaced children experience more absences, lower school completion rates, and increased educational delays or behavioral problems.<sup>9</sup> The emotional toll of displacement and living with the threat of displacement is significant, affecting mental wellbeing, sense of belonging and community cohesion.<sup>10</sup> People experiencing housing insecurity are almost three times more likely to be in frequent mental distress than those who have secure housing.<sup>11</sup> Evictions are very detrimental for mental health, as mothers who experienced an eviction were more likely to report depression even two years after the eviction.<sup>12</sup> Displacement also has been found to increase respiratory and other health issues as families move to more polluted, lower air-quality areas.<sup>13</sup>

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<sup>6</sup> <https://urbanhabitat.org/sites/default/files/UH%20Policy%20Brief2016.pdf>

<sup>7</sup> <https://news.berkeley.edu/2018/09/19/rising-housing-costs-are-re-segregating-the-bay-area-study-shows/#:~:text=New%20reports%20from%20the%20Urban,segregation%20in%20the%20Bay%20Area.>

<sup>8</sup> Marcus, Justine; Disruption in Silicon Valley – The Impacts of Displacement on Resident' Lives; December 2018 <https://www.urbandisplacement.org/blog/displacement-impacts-santa-clara>

<sup>9</sup> Several sources cited in Bay Area Regional Health Inequities Initiative (BARHII), "Displacement Brief: Housing Insecurity and Displacement In The Bay Area," Oct. 2017. <http://barhii.org/wp-content/uploads/2016/02/BARHIIIdisplacement-brief.pdf>

<sup>10</sup> Bay Area Regional Health Inequities Initiative (BARHII) and the Federal Reserve Bank of San Francisco, "Housing Stability and Family Health: An Issue Brief," Sep. 2018. [http://barhii.org/wp-content/uploads/2018/09/Housing\\_Stability\\_and\\_Family\\_Health.pdf](http://barhii.org/wp-content/uploads/2018/09/Housing_Stability_and_Family_Health.pdf)

<sup>11</sup> Liu, Y., Njai, R. S., Greenlund, K. J., Chapman, D. P., & Croft, J. B. (2014). Relationships Between Housing and Food Insecurity, Frequent Mental Distress, and Insufficient Sleep Among Adults in 12 US States, 2009. *Preventing Chronic Disease*, 11, E37. doi:10.5888/pcd11.130334 <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3958143/>

<sup>12</sup> Matthew Desmond and Rachel Tolbert Kimbro, Harvard University and Rice University, "Eviction's Fallout:

Housing, Hardship, and Health," Feb. 2015, [http://scholar.harvard.edu/files/mdesmond/files/desmondkimbro.evictions.fallout.sf2015\\_2.pdf](http://scholar.harvard.edu/files/mdesmond/files/desmondkimbro.evictions.fallout.sf2015_2.pdf)

<sup>13</sup> [http://www.rajchetty.com/chettyfiles/movers\\_paper1.pdf](http://www.rajchetty.com/chettyfiles/movers_paper1.pdf)



*Displacement holds back cities' and households' economic potential*

Recent studies also detail the economic impacts of housing unaffordability and segregation. A Chicago study found that without segregation, the average income of African Americans in that region would rise by \$2,982 per person per year, a total injection of \$4.4 billion in additional income into the region.<sup>14</sup>

In San José, housing burdened renters would have an estimated extra \$8,500 per two-person household, or an extra \$599 million in total, that could be spent in our community on food, healthcare, entertainment, or educational expenses. The high cost of rent in San José has led to economic harm for those who stay, as 53% of renters are considered to be rent-burdened.<sup>15</sup>

These economic impacts on residents puts at risk San José's history and tradition as a place of opportunity for people with wide a range of incomes.<sup>16</sup>

**Which San José neighborhoods are vulnerable to displacement?**

The Urban Displacement Project (UDP) is a research and action initiative of UC Berkeley, UCLA and Portland State University which has been conducting research and producing reports on displacement in the Bay Area since 2009. In 2015, the Urban Displacement Project received an award from the Metropolitan Transportation Commission to create a "regional displacement warning system" to develop indicators of neighborhoods that were undergoing or likely to undergo displacement. UDP developed its methodology to identify areas undergoing and at-risk of gentrification/displacement, as well as those that are at-risk and ongoing exclusionary.

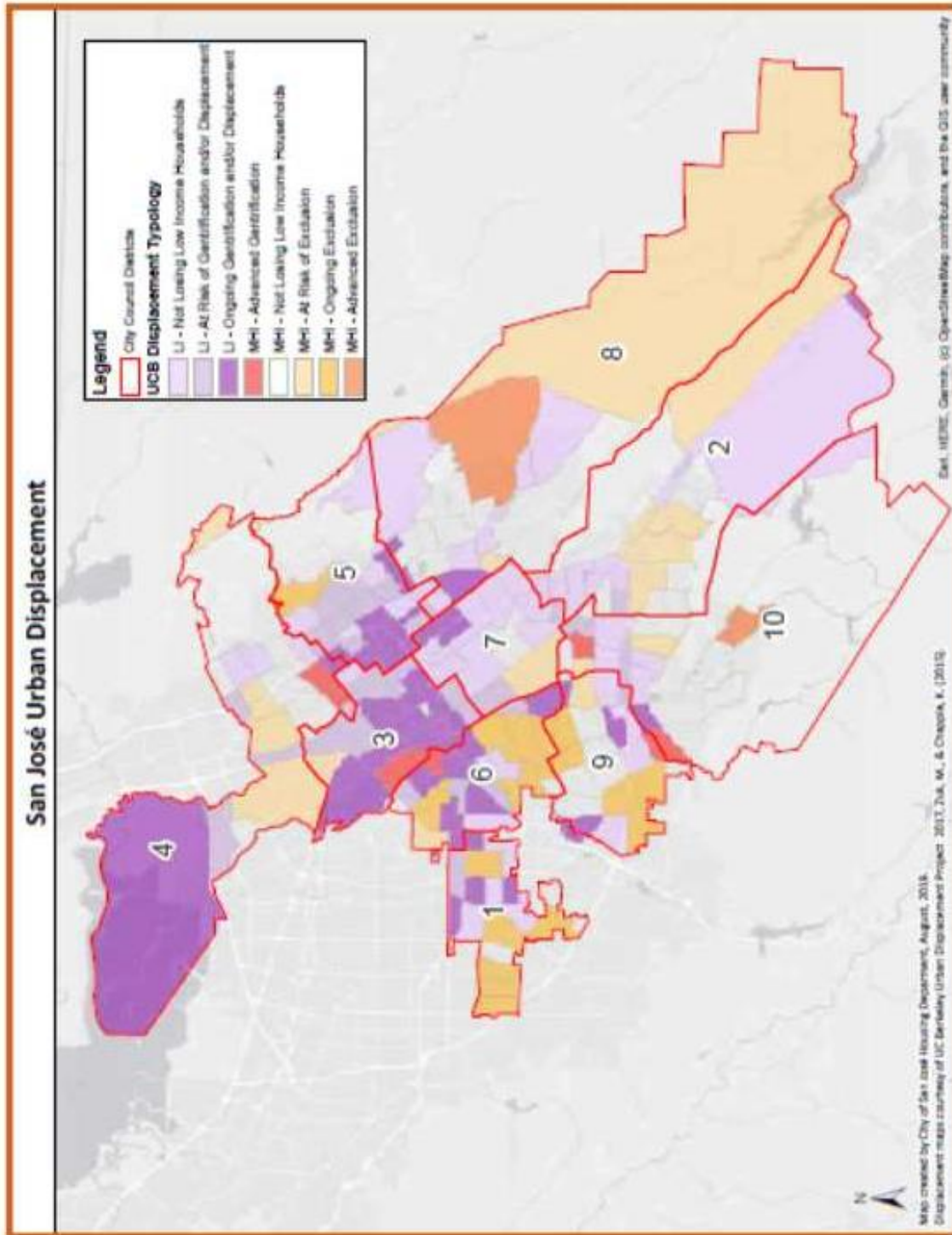
The UDP map on the following page shows indicators of gentrification and displacement as of 2017, calculated using 2015 data by census tract. This map shows San José's Council Districts superimposed, and areas in San José at different stages of gentrification, displacement, and exclusion.

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<sup>14</sup> <https://www.metroplanning.org/costofsegregation/cost.aspx>

<sup>15</sup> <https://www.wpusa.org/files/reports/WhenRentersRiseOurCityThrives.pdf>

<sup>16</sup> <https://www.theatlantic.com/business/archive/2016/02/the-place-where-the-poor-once-thrived/470667/>



The dark and light purple areas are low-income areas that are either undergoing gentrification and/or displacement or are at-risk of gentrification and/or displacement, according to UDP.<sup>17</sup> The light orange areas are moderate- and high-income areas that are either at-risk of or have ongoing exclusion, while the dark orange areas represent advanced exclusion. Exclusion means rents and home prices are so high that it is very difficult for low-income residents to afford to live there.

According to UDP research,<sup>18</sup> 43% of all census tracts in San José are either at-risk of or are experiencing ongoing displacement. While all City Council districts are experiencing some level of displacement, Council Districts 3 and 5 have the highest number of census tracts with either ongoing displacement or being at-risk of displacement. Latinx households are overrepresented in these areas. In San José, 47% of all Latinx households and 45% of all Black households live in areas categorized as experiencing ongoing displacement or at-risk of displacement.<sup>19</sup>

| Racial Composition of Ongoing and At-risk of Gentrification/Displacement Areas |   |
|--|---|
| All Ongoing Gentrification   | 33% White<br>27% Asian<br>32% Latinx Households;<br><br>*Hispanics make up 40% of all households 80% or less of AMI |
| All Low-Income - At Risk of Gentrification                                     | 25% White<br>28% Asian<br>39% Latinx Households;<br><br>*Hispanics make up 45% of all households 80% or less of AMI |

Source: UDP Typologies Race Data, Race by Census Tract, June 2020.

**Systemic Racism Underpins San José’s Displacement Problems**

It is important to recognize how past policy decisions and the tradition of racial exclusion are root causes of San José’s current displacement issues. For many Black and Latinx communities, today’s wave of displacement is a continuation of a multi-generational housing crisis, intertwined with other problems created by systemic racism.<sup>20</sup> A few notable events

<sup>17</sup> The Urban Displacement Project methodology for ongoing displacement (dark purple) areas is as follows: In 2000-15, the census tract initially housed a higher percentage of low-income, non-white renters, with less education than the region. Then by 2015, the neighborhood experienced a net loss of low-income households and had a hot market with a decrease in low-income residents moving into the neighborhood. OR if there was not a net loss of low-income households, the neighborhood had less low-income residents move in to the neighborhood and went from income and education levels lower than the regional average to levels higher than the regional average.

<sup>18</sup> City of San José Housing Department, GIS analysis of UDP Census Tracts by Council District.

<sup>19</sup> UDP Typologies Race Data, Race by Census Tract, June 2020.

<sup>20</sup> Levin, Matt; “Black Californians’ housing crisis, by the numbers,” Jun. 23, 2020 <https://www.mercurynews.com/2020/06/23/black-californians-housing-crisis-by-the-numbers/>

which are foundational for San José’s displacement problems are described below.

*People of Color Were Excluded from the New Deal and Prohibited from Homeownership through Redlining*

Homeownership can be a source of stability for residents in rapidly-changing neighborhoods. Historically, homeownership has been the main vehicle for everyday residents to build generational wealth. In San José, Black households have a homeownership rate of 33%. The homeownership rate for Latinxs is 41%. In comparison, White households have the highest homeownership rate in the City at 66%.<sup>21</sup>

Unequal access to homeownership and affordable housing is considered a top factor contributing to the growing racial wealth divide.<sup>22</sup> While it is often acknowledged that income and wealth contribute to a household’s financial resiliency and ability to avoid displacement, for people of color, it is important to understand that a household’s income and wealth is also influenced by enduring systemic barriers to safe and stable housing.

People of color have faced major barriers to obtaining homeownership. When the U.S. housing market collapsed in the Great Depression, the Federal government attempted to revive it through New Deal agencies, which included the Federal Housing Administration (FHA) and Home Owners Loan Corporation. At that time, restrictive covenants barring people of color from owning land in white neighborhoods were common and they remained legal until 1948.

Redlining, in particular, was a discriminatory practice from the 1930-1970s where loans and mortgages were withheld from specific geographic areas where non-white populations lived. The Homeowners Loan Corporation appraisal standards indicated these neighborhoods as "hazardous" areas (red) and “definitely declining areas (yellow). This lack of investment led to redlined neighborhoods underdevelopment and deterioration. Families of color living in redlined neighborhoods were unable to access the same government loan benefits that allowed many others to purchase homes.

According to John A. Powell, Ph.D., Director of the Haas Institute for a Fair and Inclusive Society,<sup>23</sup> the white middle class was largely built through the Marshall Plan for investment created in the Great Depression. He states people of color in the United States were excluded or not allowed to participate in what became the greatest tool for wealth creation for a large number of people in the world. 87% of San José’s historically redlined neighborhoods also align with today’s at-risk and ongoing displacement areas, further impacting some of the same families who have been subject to this housing discrimination.<sup>24</sup>

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<sup>21</sup> ACS 2018 5-Year data, B25003 - Tenure

<sup>22</sup> <https://calbudgetcenter.org/resources/the-racial-wealth-gap-what-california-can-do-about-a-long-standing-obstacle-to-shared-prosperity/>

<sup>23</sup> Grossman, Sara; “The Other Wealth Gap: The Racial Wealth Rift No One is Talking About” <https://belonging.berkeley.edu/other-wealth-gap-racial-wealth-rift-no-one-talking-about>

<sup>24</sup> Urban Displacement Project, Redlining and Gentrification. <https://www.urbandisplacement.org/redlining>

*Formerly Redlined Neighborhoods Became Locations for Speculative Investment Due to Relative Affordability*

This history of segregation and uneven investment made some formerly redlined neighborhoods “blighted” and attractive for redevelopment by the San José Redevelopment Authority (SJRA) in the 1980s and 1990s. During this time, the SJRA created the Strong Neighborhoods Initiative, intended to help improve conditions in these neighborhoods. Unfortunately, some redevelopment projects displaced people of color who had been forced to settle in these redlined areas.

For example, the primarily Latinx Guadalupe-Auzerais neighborhood was displaced to create the Children’s Discovery Museum. Gen Fujioka, a Senior Legal Counsel and Policy Director who worked for the Guadalupe-Auzerais residents, described their displacement concerns in an interview in 1986. The situation he describes is very similar to the concerns facing San José residents today.

“This process of ‘gentrification’ will, in turn, force out many existing residents and businesses. A retired cannery worker on a fixed income cannot compete on the rental market with an unmarried accounts manager with money to spare. Similarly, many neighborhood businesses will not be able to compete for commercial rentals with boutiques, espresso and fashion shops, and expensive restaurants. The irony here is that communities that have maintained the vitality of the downtown area through many lean years of marginal public and private services will now be pushed out of their historic neighborhoods exactly at a time when the area becomes, because of massive public investment, a ‘desirable’ place in which to live and do business” (Fujioka, 1986).

*People of Color Were Disproportionately Impacted in the Foreclosure Crisis through Subprime Mortgages*

When redlining was effectively outlawed, the subprime mortgage product was created and marketed to those with lower credit scores, which involved extensive marketing to non-white consumers. These loans had higher interest rates, fees, and penalties to reflect higher lending risk— regardless of the borrowers’ ability to repay. Subprime mortgages were a chief cause of the foreclosure crisis from 2007 to 2010. This type of lending had a disproportionate impact on Black and Latinx communities, which also experienced high unemployment during the recession. At this time, East San José was dubbed “Ground Zero for the Foreclosure Crisis.”<sup>25</sup>

According to research by Zillow,<sup>26</sup> nationally, homes in Black and Latinx communities were two to two and a half times as likely to experience foreclosure than homes in White communities from 2007 to 2015. Many renters who experience displacement pressures today may be former homeowners who lost their homes during the foreclosure crisis.

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<sup>25</sup> “Cassidy: East San José neighborhood is ground zero for foreclosure crisis,” 2008  
<https://www.mercurynews.com/2008/10/16/cassidy-east-san-jose-neighborhood-is-ground-zero-for-foreclosure-crisis/>

<sup>26</sup> Mikhitarian, Sarah; “How the Housing Bust Widened the Wealth Gap for Communities of Color” Apr. 2019,  
<https://www.zillow.com/research/housing-bust-wealth-gap-race-23992/>

*Racial Wealth Gap Contributes to Black and Latinx Communities Vulnerability to Displacement*

The racial income gap and racial wealth gap in San José also demonstrates how the problem of housing unaffordability varies greatly when disaggregated by race. Prior to COVID, 65% percent of all Black households and 64% of all Latinx households were considered low-income, as compared to 43% percent of White non-Hispanic households and 40% of Asian households. The difference for women-headed households is even more pronounced, with 70% percent of women-headed households earning incomes below 80% of area median income (AMI).

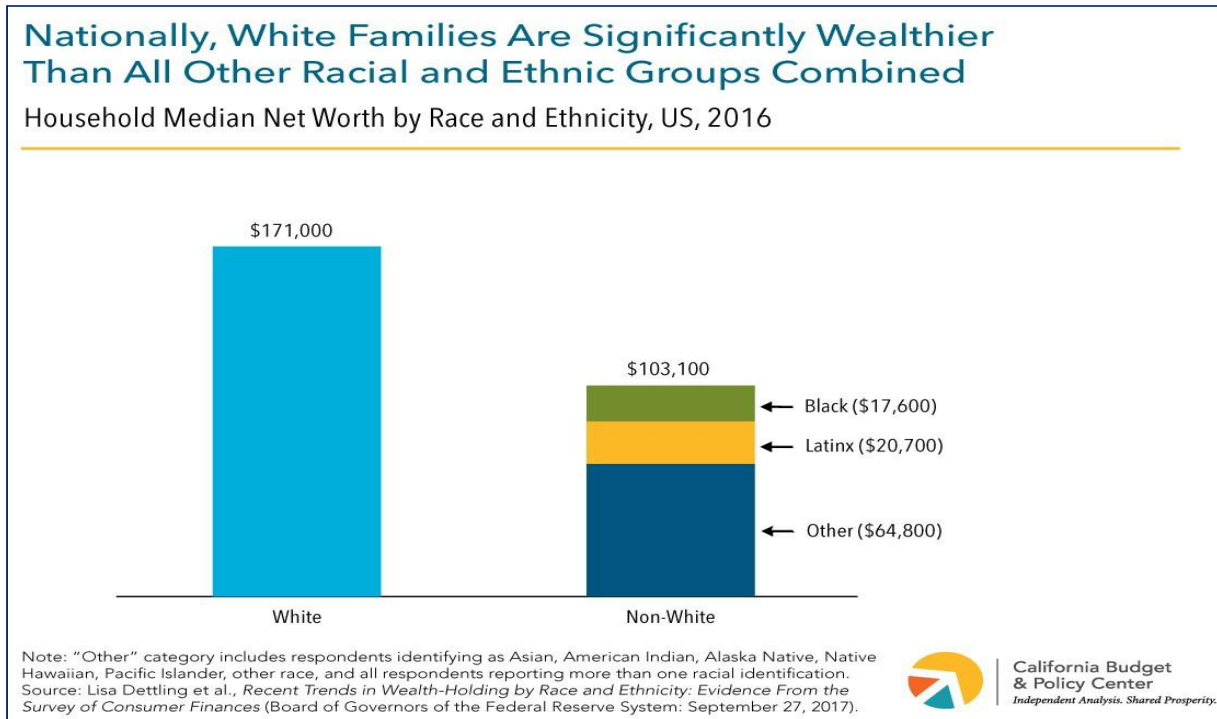
| <b>Percentage of Low-Income San José Households (Below 80% Area Median Income) by Race</b> |                       |                         |                                      |  |                                   |                                |
|--|-----------------------|-------------------------|--------------------------------------|--|-----------------------------------|--------------------------------|
|  | <b>All Households</b> | <b>Asian Households</b> | <b>White Non-Hispanic Households</b> | <b>Black/African American Households</b> | <b>Hispanic/Latinx Households</b> | <b>Women Head of Household</b> |
| <b>Total Households</b>  | 359,059               | 119,548                 | 133,873                              | 11,416                                   | 83,961                            | 37,577                         |
| <b>Number of Households &lt; 80% AMI</b>   | 170,724               | 47,451                  | 57,070                               | 7,407                                    | 53,830                            | 26,153                         |
| <b>Percent of Households &lt; 80% AMI</b>  | 48%                   | 40%                     | 43%                                  | 65%                                      | 64%                               | 70%                            |

Source: American Community Survey 2014-2018, 5-Year Data.

While income is often used to measure for a household’s vulnerability to displacement, wealth can illustrate a more accurate picture of a household’s access to resources to withstand displacement. When a household owns assets, regardless of income, they are able to use those resources to prevent or weather emergencies like an eviction or foreclosure. For example, a study released just before shelter-in-place started in March 2020 found that 77% percent of Black residents in the Bay Area reported a time when they did not have \$400 in savings, compared to just 18% of White residents.<sup>27</sup>

While there is not much data on wealth by race at the local level, there are studies that describe the racial wealth gap at the national level. The data shows that racial disparities by wealth are even more prominent than those by income. The data below from the California Budget & Policy Center shows that nationally, the median White family has a net worth equal to \$171,000, as compared to \$17,000 for Black families, and \$20,700 for Latinx families.

<sup>27</sup> Tipping Point Community and Othering and Belonging Institute, “Taking Count, a study on poverty in the Bay Area,” Mar. 2020, <https://tippingpoint.org/wp-content/uploads/2020/05/Taking-Count-Executive-Summary-2020.pdf>



One of the aspects behind the racial wealth gap is tied to the value of assets owned by people of color. For example, according to Andre Perry, a researcher at the Brookings Institute, racism depletes wealth from black homeowners. While laws have changed since the days redlining was legal, the value of assets such as buildings, schools, leadership, and land are still linked to perceptions of Black people. A home in a Black majority part of the Bay Area is worth about \$164,000 less than the equivalent home in a neighborhood with few Black people, even when controlling for the quality of the local school district and access to amenities such as parks.<sup>28</sup>

Today, we see the devastating outcomes from these systems' operations. Black and Latinx residents are overrepresented in San José's homeless counts,<sup>29</sup> Black and Latinx residents experience higher housing cost burden, Latinx residents experience higher levels of overcrowding and housing quality problems, and citizenship requirements for housing programs which could prevent displacement continue to exclude many Latinx, Asian, and Black San José residents.

These contributing factors describe why certain communities and neighborhoods suffer the most from housing instability and are especially vulnerable to displacement.

<sup>28</sup> Levin, Matt; "Black Californian Housing Crisis by the Numbers," <https://www.kqed.org/news/11825550/black-californians-housing-crisis-by-the-numbers>.

<sup>29</sup> Silicon Valley Pain Index, White Supremacy and Income/Wealth Inequality in Santa Clara County; <https://www.documentcloud.org/documents/6955119-Silicon-Valley-Pain-Index.html?embed=true&responsive=false&sidebar=false>

## **This Strategy Advances the City’s Obligation to Affirmatively Further Fair Housing**

The 1968 Civil Rights Act, also known as the Fair Housing Act, was intended to reduce social inequities by prohibiting discrimination in housing. In 2015, the United States Supreme Court concluded that the Fair Housing Act embodies the concept of “disparate impact,” meaning that color-blind policies resulting in unequal outcomes can be discriminatory.<sup>30</sup> In 2018, the State of California signed into law Assembly Bill 686 (Santiago), which codified California jurisdictions’ obligation to “Affirmatively Further Fair Housing” per federal standards from the Obama Administration in 2015. Affirmatively furthering fair housing means that it is not sufficient for jurisdictions to simply avoid implementing new discriminatory policies; they must actively work to eliminate existing housing discrimination and segregation.

It is important for policymakers to understand the historical context of why these uneven outcomes in our community exist. This Citywide Residential Anti-Displacement Strategy supports the City’s obligation to affirmatively further fair housing and helps address past injustices and reduce further harm to our low-income residents, particularly those in San José’s Black and Latinx communities.

## **The City of San José has been Responding to Residential Displacement**

CASA, a blue ribbon task force of elected and civic leaders convened by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC), stated that the region faces a housing crisis because the Bay Area has failed to:

1. Produce enough housing for residents at all income levels;
2. Preserve the affordable housing that already exists, and
3. Protect current residents from displacement where neighborhoods are changing rapidly.

This “three Ps” framework has been adopted by State and Regional efforts to combat the Housing Crisis. They also create a foundation upon which the City can grow equitably and help to mitigate low-income residents’ displacement. The City Council has taken several actions in each of these areas to address displacement by developing what are, in effect, anti-displacement policies and programs. While the City’s actions have not been categorized as “anti-displacement” before, when taken in aggregate, they do support the three Ps framework in helping to keep low-income residents in place:

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<sup>30</sup> Texas Dept. of Housing and Community Aff., et al. v. Inclusive Comm. Proj., 135 S.Ct. 2507 (2015). An example of a disparate impact case: June 2018, Bank of America and Safeguard Properties Management were sued by the National Fair Housing Alliance for intentionally failing to provide routine exterior maintenance and marketing for Bank of America-owned homes in African American and Latino neighborhoods across 37 metro areas, while consistently maintaining similar bank-owned properties in white neighborhoods. <https://www.housingwire.com/articles/49596-housing-discrimination-lawsuit-against-bank-of-america-gets-green-light>



**Production of new affordable housing:**

- Adopted an Inclusionary Housing Ordinance with a 15% requirement for affordable housing
- Established a production goal of 10,000 new affordable homes goal in five years through the Housing Crisis Workplan
- Passed Measure E, a new funding source that can be used to support the development and preservation of affordable housing

**Preservation of existing affordable housing:**

- Adopted underwriting guidelines that call for City or County land ownership and long-term ground leases for new affordable developments
- Funded limited proactive Enhanced Code Enforcement in Project Hope neighborhoods through federal grants

**Protection of residents in rapidly-changing neighborhoods:**

- Updated the Apartment Rent Ordinance to lower the cap on rent increases from 8% to 5% per year on apartments in buildings with three or more units built by September 1979
- Established just cause eviction protection for tenants in buildings with three or more units through the Tenant Protection Ordinance
- Established relocation protections and affordability requirements for ARO tenants whose buildings are demolished through the Ellis Act Ordinance
- Prevented housing discrimination against Section 8 and other rental subsidy recipients by establishing the Housing Equality Payment Ordinance
- Provided grants for low-income tenants and landlords for legal education and eviction defense
- Funded a staff position to work with landlords and tenants to resolve problems in troubled buildings while preventing displacement
- Established an eviction moratorium and rental assistance to prevent evictions of residents who have been unable to pay rent due to COVID-19, and to help landlords at the same time.

In addition, the City Council recently directed staff to update the City's Inclusionary Housing Ordinance to increase the likelihood of on-site affordable housing production, and to update the Ellis Act Ordinance including an option with an expansion of tenants' rights to return. The City Council will also consider a Commercial Linkage Fee which could help fund new affordable housing production and acquisition/rehabilitation to preserve existing residences.

Along with the work that the City has already accomplished, several other initiatives are currently underway to help to stem or mitigate displacement:

- Increasing homelessness prevention
- Establishing Anti-Displacement and Displaced tenant preferences for affordable housing

- Implementing “No Net Loss” law of housing unit per SB 330 (2019)
- Conducting a feasibility study of innovative housing solutions, including limited equity co-ops and community land trusts
- Creating an online housing opportunity sites tool for developers (Tolemi)
- Conducting a public land survey and partnering with the State
- Funding a staff position to work with landlords and tenants to resolve problems in troubled buildings while preventing displacement. The City was also fortunate to receive an award of a two-year Challenge Grant fellow through the Partnership for the Bay’s Future.<sup>31</sup> The fellow is working on Preservation and Protection anti-displacement policy and program development. The fellow and the City will also be evaluated to the extent that the City’s work results in systems change to ensure that the voices of those in the community most affected by displacement become a regular part of the decision-making process.

### **The Value of the Three Ps Framework**

Displacement is a complex market-based phenomenon. The challenge of changing the effects of market forces is not easy. However, the City taking a leadership role in its policies and funding priorities can help alleviate the problem in both the short-term and long-term. Below is an explanation why all “three Ps” are necessary components of the Citywide Residential Anti-Displacement Strategy.

*Building housing for our growing community must focus on affordable as well as market-rate*

Some experts have argued that the most effective way to address the housing crisis is to just keep producing new market-rate housing to induce “filtering,” when older market-rate housing becomes more affordable as new units are added to the market. However, examining this theory for an expensive market like San José, it seems highly unlikely that simply producing market-rate housing will ever serve the needs of our low-, very-low, and extremely-low income renters.

The housing market is complex, with many different products and prices that form tiers that operate largely separately. In the expensive Bay Area, new market-rate apartments pre-COVID had been affordable to households earning at least 110% of area median income or higher. The chart below shows that for filtering to work, today’s new Class A apartment in San José would have to reduce in price by almost 50% over time to be affordable to the very low-income family, and 70% for the extremely low-income family, all other things being equal. But that large of a rent reduction is unlikely to happen, regardless of an apartment’s age, and still be safe to live in.

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<sup>31</sup> The Partnership for the Bay’s Future is a collaborative regional effort funded by philanthropy and business to increase affordable housing and ensure vibrant communities of racial equity and economic inclusion; <https://baysfuture.org/>

| <b>Differences in Maximum Rents that Can Be Afforded at Different Income Levels</b> |                      |                       |                           |                                  |                                 |
|---|----------------------|-----------------------|---------------------------|----------------------------------|---------------------------------|
| <b>Household income</b>   | <b>Annual income</b> | <b>Monthly income</b> | <b>Maximum rent (3.0)</b> | <b>Needed rent decrease (\$)</b> | <b>Needed rent decrease (%)</b> |
| 110% AMI (Moderate)   | \$155,760            | \$ 12,980             | \$ 4,327                  | -                                | -                               |
| 50% AMI (VLI)   | \$78,950             | \$ 6,579              | \$ 2,193                  | \$ (2,134)                       | -49%                            |
| 30% AMI (ELI)   | \$47,350             | \$ 3,946              | \$ 1,315                  | \$ (3,011)                       | -70%                            |

Planning expert Richard Florida agrees, writing “the markets—and neighborhoods—for luxury and affordable housing are very different, and it is unlikely that any increases in high-end supply would trickle down to less advantaged groups.”<sup>32</sup> A 2016 study focused on the Bay Area also agrees, stating, “The filtering process can take generations, meaning that units may not filter at a rate that meets these needs at the market’s peak, and the property may deteriorate too much to be habitable.”<sup>33</sup> Staff’s conclusion is that the City should continue to encourage the construction of market-rate apartments but must focus on integrating construction of affordable housing into those developing neighborhoods and others throughout the City, as market-rate housing and affordable housing will always serve different residents.

San José residents’ difficulty affording an increasingly expensive and changing market can be partially explained in the income distribution of the City’s households. As the figures below show, the City’s households are clustered in the lowest- and highest-income segments and this gap is expected to grow. This income divide creates upward pressure on rents as higher-income households set the price on housing. Although 44% of the City’s population is considered lower- income (the first three rows in the chart below), the market does not adequately supply housing affordable to these households without the provision of subsidy.

<sup>32</sup> Florida, Richard; Does Upzoning Boost the Housing Supply and Lower Prices? Maybe Not. Jan. 2019 <https://www.bloomberg.com/news/articles/2019-01-31/zoning-reform-isn-t-a-silver-bullet-for-u-s-housing>

<sup>33</sup> Zuk, Miriam; Chapple, Karen; Housing Production, Filtering and Displacement: Untangling the Relationships [https://www.urbandisplacement.org/sites/default/files/images/udp\\_research\\_brief\\_052316.pdf](https://www.urbandisplacement.org/sites/default/files/images/udp_research_brief_052316.pdf)

| San José Household Distribution by Area Median Income <sup>34</sup> |                 |                               |                                |
|---|-----------------|-------------------------------|--------------------------------|
| Income Range  | Approximate AMI | Number of San José Households | Percent of San José Households |
| Less than \$44,999  | Below 30% AMI   | 66,050                        | 20.1%                          |
| \$45,000 to \$74,999  | 31% to 50% AMI  | 47,993                        | 14.6%                          |
| \$75,000 to \$99,999  | 51% to 80% AMI  | 32,855                        | 10.0%                          |
| \$100,000 to \$149,999  | 81% to 120% AMI | 59,611                        | 18.2%                          |
| \$150,000 and above   | Above 120% AMI  | 121,339                       | 37.0%                          |

Source: US Census 2018 1-Year ACS, City of San José 2020 HCD Income Limits

The chart below demonstrates how the stiff competition for middle- and lower-priced apartments leads to inefficiency. Recent vacancy rates indicate a strong demand for lower-priced apartments and lower demand for those at the highest rent levels. According to CoStar data in early April 2020, Class A (highest rent) apartments had a 7.9% vacancy rate, while every other class had vacancy rates in the 4% range. The lower the rent, the lower the vacancy rate.

### Average Vacancy Lower for Older Buildings\* (82% of total rental stock)



<sup>34</sup> US Census Bureau American Communities Survey 2018 Household Income in the past 12 months (2018 inflation adjusted) <https://data.census.gov/>  
 City of San José 2020 HCD Income Limits <https://www.sanjoseca.gov/home/showdocument?id=61061>

Higher-income residents have more housing choices. They may choose to live in high-cost new housing, or they may choose lower-cost housing so they can save to buy a house, start a business, or send money home to their families. However, low-income renters usually do not have the choice to rent very expensive housing, as they would not meet required income or credit standards. If they could meet these standards, they would overpay for housing and be unable to afford other necessities like food and transportation.

The high demand for lower-cost housing indicates the need to preserve and grow this segment of the housing stock. If lower-income residents are displaced, the data supports what they report – they would have a hard time finding a reasonably-priced, safe place to live in our expensive City.

*Balanced Citywide Strategy Would Focus More on Preservation and Protection*

San José is a growing city and is developing in denser areas per its General Plan. As some neighborhoods change rapidly, it heightens the importance and urgency of the City's need to put in place anti-displacement solutions for current low-income residents. Residents facing displacement today will not have the chance to benefit from solutions that may take generations.

The need for affordable housing Production is clear, and has always been recognized by the City Council. Today, while approximately 45% of the City's residents currently qualify as low-income, only 23% of the homes in the City are restricted affordable. Fortunately, the City has some funds for affordable housing production, including repayments from former redevelopment-funded loans, Inclusionary in-lieu fees, and new Measure E funds. The City Council will also be considering a Commercial Linkage Fee, which if approved, may be spent for affordable housing production or acquisition and preservation. This Strategy encourages more affordable housing production and preservation in a way that is sensitive to potential displacement areas and qualifying for competitive funding sources.

Because affordable housing Production is a long-term endeavor, tenant Protections are needed in the near-term to help residents remain safely in place. The housing market is not a theoretically perfect market, where residents can easily opt out of one bad apartment if it has a condition problem or if they experience discrimination, and into a better apartment that meets their needs at a similar price and set of amenities. Besides the shortage of low-cost apartments, there are significant monetary costs to moving which require savings – which many low-income households lack. There are also non-monetary costs to moving, such as forcing children to leave their schools, leaving family and friends, and leaving support networks. For these reasons, low-income residents will always require Protection policies and programs, as they frequently experience housing problems they cannot easily escape.

What the City has never developed fully are Preservation policies, data collection, or programs. Focused strategies to preserve existing affordable housing and to support residents to stay in their current housing can be a relatively cost-effective way to stabilize the community. Without efforts to preserve housing affordable for lower-income households, the affordable housing

supply is very likely to dwindle further through redevelopment or raised rents, despite the fact San José's total housing stock is growing overall. The City has taken a few steps in the right direction to encourage preservation; for example, it requires the City or County to own land and enter into long-term ground leases for new affordable developments to ensure perpetual affordability. City staff also extends affordability restrictions when it does transactions on existing subsidized affordable housing. Nonetheless, the City's lack of resourced preservation policies or programs erodes the value of the millions of dollars that the City is spending on new affordable housing.

### *Preserving Affordability Where It Already Exists*

So-called "affordable housing" usually refers to housing that has recorded covenants by public agencies, and/or restrictions put in place through public agency funding agreements. But there are also two other types of affordable housing to consider for preservation – rent-stabilized homes (apartments and mobilehomes), and 'naturally-occurring affordable housing' (NOAH) with rents that are priced at levels that lower-income households can afford.

All of these types of affordable homes can lose their affordability in different ways: demolition, expired deed restrictions, expiration of bond regulatory agreements, vacancy decontrol, redevelopment, sale of units, withdrawals from the rental market, and/or conversion of apartments to condominiums. When these events occur, current residents can be displaced.

According to a recent California Housing Partnership (CHPC) report, Santa Clara County has the largest restricted affordable housing preservation problem of the nine Bay Area Counties, being at risk of losing an additional 2,059 restricted affordable apartments in the next 10 years. CHPC estimates of those units, over 1,000 at-risk restricted homes are in San José.<sup>35</sup> While the Housing Department's Residential Production team does its best to extend the City's affordability on existing affordable developments, it lacks dedicated resources and sufficient staff to focus on proactive approaches and strategic analysis of how best to deploy very limited resources.

Whereas the production of affordable housing helps alleviate the overall housing affordability crisis, housing preservation can provide immediate and permanent relief to existing tenants. San José has approximately 78,000 apartments under either the Apartment Rent Ordinance or recorded deed restrictions. Preserving these homes, and those that are unregulated but have rents affordable to lower-income families, allows the City to address displacement more efficiently and quickly, and maintain important family and community relationships. By maintaining affordability where it already exists, the City could subsidize existing homes to become newly-affordable homes with relatively short rehabilitation timeframes while it helps to preserve the city's cultural and economic diversity.<sup>36</sup>

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<sup>35</sup> California Housing Partnership; Affordable Homes at Risk | 2020 Report <https://chpc.net/resources/affordable-homes-at-risk-2020-report-california/>

<sup>36</sup> Catching Affordability Where It's At: Acquisition/Rehab of Oakland's Unsubsidized Affordable Housing [https://www.urbandisplacement.org/sites/default/files/images/pr\\_somayaabdelgany\\_5.25.pdf](https://www.urbandisplacement.org/sites/default/files/images/pr_somayaabdelgany_5.25.pdf)

## **Citywide Residential Anti-Displacement Strategy Recommendations**

### *Focused on Lower-income Renters*

The proposed Citywide Strategy focuses on the displacement of extremely low-, very low-, and low-income renters earning 0% to 80% AMI. Displacement among homeowners is less of a concern based upon feedback of homeowners with some expressing that they are experiencing the benefits of increases in the housing market in the form of appreciation in their home values. By contrast, renters in San José are much more likely to experience housing cost burden than homeowners.<sup>37</sup> Housing cost burden for the homeowner population has decreased in recent years, and foreclosure rates in San José are the lowest in the nation.<sup>38</sup> Given that renters are less secure and are more prone to involuntary displacement than owners, and as lower-income residents have fewer housing options or savings to help them weather times of change, low- income renters are the focus of staff's displacement work.

### *Proposed Strategies to Address Displacement Are Interwoven and Prioritized by Timing*

Below and detailed in Attachment A are staff's 10 recommendations of strategies that could help address displacement in San José. More detailed proposals will be developed in conjunction with community stakeholders for each item if the City Council approves this Strategy.

The full list of recommendations is comprehensive. It takes into consideration extensive community engagement, anti-displacement practices across the nation, gaps in San José's current anti-displacement policies and programs, recommendations from the planning processes noted in the Background section of this memo, and ongoing developments at regional and State levels. The 10 recommendations include all three Ps – Protection, Preservation and Production – as well as one general governance recommendation.

Staff selected these 10 recommendations after considering several dozen different ideas and examples. All ideas were screened with the concept of the optimal role for the City to play in helping address the multi-dimensional issue of residential displacement.

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<sup>37</sup> CHAS 2012-16, defined as paying more than 30% of gross income on housing plus a reasonable set of utility costs. 49% of SJ renters and 30% of SJ owners are cost burdened, while 24% of renters and 12% of owners are severely cost burdened paying more than half of gross income on housing costs.

<sup>38</sup> "Griping about home prices? San José's foreclosure rates are nation's lowest," *Silicon Valley Business Journal*, Apr. 11, 2019, <https://www.bizjournals.com/sanjose/news/2019/04/11/san-jose-silicon-valley-housing-prices-foreclosure.html>. Census data indicates that some moderate-income residents are cost-burdened. Staff is in the process of developing a moderate- income housing strategy to serve this population; that group is outside the scope of this anti-displacement work, given their higher level of income.

Staff considered the following key criteria when determining the final recommendations for what the City could do to help displacement:

- **Responsiveness to needs surfaced** through the community engagement process;
- **Potential impact** to help stem or mitigate effects of displacement;
- **Effort** based on current staffing levels and capacity of potential service providers;
- **Resources** for staffing, outreach, organizational capacity, capital projects; and
- **Examples** of other implementing jurisdictions.

Many selected recommendations work best in conjunction with or are foundational to other recommended strategies. For example, Recommendation 7, Create a Preservation Report and Policy, would provide data enabling City staff to identify how best to target resources gained by Recommendation 10, Establish a New Source of Funding. These funds could be directed to certain types of affordable housing, or to certain geographic neighborhoods, to have the greatest impact. Similarly, Recommendation 3, Explore a Community Opportunity to Purchase program, works only if there is flexible funding appropriate to be used for preservation, which again would involve new funds under Recommendation 10. Working on the composition of Boards and Commissions under Recommendation 4 is foundational, in that it may change recommendations to the City Council, and doing that work now would build on the momentum of the current discussion of changes to the Planning Commission's composition.

The following are brief overviews of staff's 10 recommendations on Protection, Preservation and Production programs and policies for the City to pursue. They are presented in order of suggested priority, with the most urgent listed first. **Attachment A** contains longer descriptions with more details:

## **Recommendations**

### **1. Support Equitable COVID-19 Recovery Impact Mitigation Measures for Renters and Homeowners**

Many families in San José are now facing months of back rent and mortgage payments they are likely unable to afford at the end of the current COVID-19 eviction moratoriums. Without additional intervention, the end of the moratorium could lead to a wave of displacement and homelessness. This recommendation is to support federal and state legislation and private sector action to support resources to help pay and restructure back owed rent and mortgages, including for excluded workers, and otherwise mitigate the impact on housing providers and tenants due to the economic impacts of COVID-19. The City should also coordinate with the County Superior Court and the State to help establish the Housing Collaborative Court currently under development and partially fund costs for legal services to respond to evictions related to COVID-19. This recommendation would also support long-term wellness and resiliency of highly- impacted communities by funding emergency planning and preparedness grants for community-based organizations to increase residents' ability to access resources during an emergency and to develop long-term disaster resiliency in vulnerable neighborhoods. *Recommendation 1 is the most urgent to work on*



*immediately, given the COVID-19 crisis and looming threat of new displacement and homelessness.*

**2. Establish a Neighborhood Tenant Preference for Affordable Housing**

This recommendation is for staff to explore development of a Neighborhood Tenant Preference for new affordable apartments, consistent with State and federal fair housing law, IRS tax credit rules and other related law. This preference could give renters living close to new affordable apartments a greater chance at renting a portion of the new homes in their neighborhoods that were intended for the general public. Staff would coordinate with California HCD to ensure State funding could be used in these developments. This work would also likely involve legislative strategy to support widespread acceptance by counsel on developments with bonds and tax credits.

*Recommendation 2 was deemed extremely important by many residents from East San José, it could be worked on efficiently together with existing staff work, and resources of the City's Challenge Grant Fellow are available to work on this program, so this item is being prioritized.*

**3. Explore a Community Opportunity to Purchase Program/Ordinance (COPA)**

A Community Opportunity to Purchase Program/Ordinance, also known as a right to make a first offer to purchase, could provide advance notice of the sale of multifamily residential properties to qualified nonprofit affordable housing developers, tenants, and public agencies to provide them the first opportunity to purchase a property. The "community purchasers" would have a certain number of days to notify the seller they intend to make an offer, then a certain number of days to make an offer. Whether a seller would accept an offer, and the price they would accept, would be completely up to them. To the extent that long-term public subsidies were available to turn market-rate properties into restricted affordable housing, this preservation strategy would keep residents in place and increase the number of long-term affordable apartments with mission-oriented owners. COPA also has a long-term possibility to create affordable homeownership opportunities for tenants under different scenarios, whereas homeownership in San José is generally out of reach for low-income households.

Ownership would allow residents greater control over their housing, would help to prevent displacement if buyers do not overspend on their mortgages, and would enable buyers to increase their equity. *Recommendation 3 was strongly supported among residents during community outreach, and resources of the City's Challenge Grant Fellow are available now to work on this program, so this item is being prioritized.*

**4. Increase Equitable Representation of Historically Underrepresented Communities on City Commissions**

Several City Commissions evaluate and provide recommendations to the City Council on policies and programs that may impact renters. This recommendation is for staff to conduct an analysis of appointments and composition of two commissions – the Housing and Community Development Commission and the Neighborhoods Commission – to track the representation of protected classes and historically underrepresented neighborhoods. This recommendation would also pilot requiring an equitable distribution of seats of historically underrepresented populations on these commissions, such as low- income renters and homeless/formerly homeless residents, and examine whether additional resources and changes to the State’s Brown Act would help increase equitable representation. Providing a small stipend to support and compensate the participation of low-income and homeless residents will also be explored.

**5. Create a Role for Local Government in State Tenant Protections**

AB 1482 (Chiu) is a new State law that prevents rent spikes and requires just cause for eviction. AB 1482 covers more homes than the City’s Apartment Rent Ordinance, but the only current enforcement mechanism is a lawsuit brought by a tenant or the State Attorney General’s Office. This recommendation is for the City to sponsor state legislation for local education, reporting and enforcement to help increase understanding and compliance with AB 1482 as well as the City’s ordinances. At the same time, mobilehome evictions may be an issue, but the City is unable to study this as it lacks data. Amending the state’s mobilehome residency law would allow the City to legally obtain this information.

**6. Increase Housing Quality and Prevent Code Enforcement-related Displacement**

Retaliatory evictions sometimes occur in response to code enforcement complaints. The current Multiple Housing inspection program only includes proactive inspections for multifamily rental units in building of three units or more, but increasing proactive rental inspections would help to spur necessary maintenance of rental properties and remove some of the risk of retaliatory evictions. This recommendation would seek to expand proactive code inspections to single family, duplex, and rented condominiums, determining the level of effort, cost, and potential time horizon for the expansion. Landlords who have long-time residents also may not be able to do expensive rehabilitation without assistance, so staff could seek funding for low-cost loans and grants for rental property improvements. Staff could work with the City Attorney’s Office to consider use of the receivership process for buildings in chronic, serious disrepair that threatens tenants’ safety. Staff could also assess the clarity and level of compensation under the City’s ordinances concerning situations that result in tenant displacement, including ‘red-tagging’ of buildings and conversions of rented condominiums to for-sale homes.

**7. Create a Preservation Report and Policy**

This recommendation would create an annual Housing Balance Report that tracks the net gain and loss of all types of affordable housing to determine the City's progress toward increasing the availability of housing opportunities for its residents. It would also require staff to bring to the City Council for its consideration a Preservation Policy that establishes a goal of preserving existing affordable housing and helping to prevent displacement, to inform programs, resources, and development policy decisions.

**8. Develop YIGBY Land Use – Yes in God’s Backyard**

This recommendation is to amend the General Plan and the zoning ordinance to allow deed restrictive affordable housing under the Public Quasi Public (PQP) General Plan land use designation and zoning district, when such residential uses are developed as a secondary use in conjunction with the primary use of the property as the property for assembly uses. This recommendation would permit owners of sites with assembly uses, such as houses of worship, to more easily build restricted affordable housing on their land. Long-term land control by mission-oriented nonprofits is a production strategy that can help avoid displacement of tenants.

**9. Optimize Urban Villages for Affordable Housing Development and Anti- Displacement**

Urban Villages are the primary growth areas in the City’s General Plan. The City has a goal of producing 25% affordable housing in Urban Villages, but no way to require that much be built on individual sites as 25% exceeds the 15% Inclusionary Housing site-specific requirement. This recommendation is to analyze the locations that would be most competitive for affordable housing funding sources in unplanned Urban Villages to help promote affordable developments to proceed before market-rate housing. It could help to ensure that housing can be built in those optimal areas for affordable housing, identify the displacement risk for Urban Villages, and capture all this information in Urban Village Plans. Finally, this recommendation is to track affordable housing production in Urban Villages and report on it annually to the City Council.

**10. Establish New Sources of Funding for Affordable Housing and Anti- Displacement**

The need for the involvement of all sectors to help meet the community’s need for stable and affordable housing is particularly evident at this time, given the COVID-19 crisis, the City’s current 10,000-unit affordable production goal, and its forthcoming much higher RHNA goals. In addition, some of the initiatives of this Citywide Anti- Displacement Strategy require new resources to implement. This recommendation is for the City to explore additional sources of public funding, particularly to fund Preservation and Protection strategies, and to work with corporate and philanthropic partners to identify funds for property acquisition and long-term patient capital with below-market return expectations.

Note that work on all of the recommendations will include an assessment of their interactions and limitations under federal and State law, funding source restrictions, and applicable legal requirements.

## **Possible Future Action Items**

Of the dozens of other ideas raised by the community and other stakeholders, the following are additional recommendations that staff recommend it could pursue as a secondary priority:

- Create a Plan to Establish a Housing Resource Center and Anti-Displacement Hotline
- Develop Strategies to Increase Fair Access to Housing
- Expand Apartment Rent Ordinance Disclosure Requirements
- Study Short-term Rental Housing.

## **Anti-Displacement Working Group**

Displacement is not just the City's responsibility to solve; it is a joint issue of community importance that will take involvement from many members of the community to make progress. Engaging community members and organizations with a variety of perspectives, backgrounds, and expertise in sustained conversations over the long-term has been important to foster understanding and make progress in developing anti-displacement strategies in other cities. Peer cities in the ADPN group emphasized that it is important to have organizations with interest and enthusiasm in anti-displacement to participate because they want to collaborate ongoing, rather than because they are part of an appointed body that should be represented.

For these reasons, staff intends to convene an Anti-Displacement Working Group with a broad membership of relevant stakeholders and subject matter. Staff can use the Working Group as an important source of input to further develop the recommendations of this Strategy and its implementation plans. The Working Group will be self-selected and self-governing, and existing Housing Department staff would participate to work in partnership, developing program details and partnerships across sectors over time.

## **CONCLUSION**

Residential displacement continues to be an urgent and ongoing issue for thousands of San José residents. Housing is an essential need, both for personal well-being and for public health. The COVID-19 crisis has made the importance of safe and stable housing all too apparent. Housing stability is critical, because every community relies on each other. When low-income residents are displaced against their desires, they lose their support systems and their assets, and their health and economic outcomes suffer. The residents who remain behind also lose from displacement, losing friends, classmates, and community culture. San José's residents and culture are what make it unique from other places. When residents who belong to this community can stay, the whole community benefits.

Adopting the proposed Citywide Residential Anti-Displacement Strategy will enable staff to

develop new policies and programs to prevent, mitigate, and decrease residential displacement. While market forces and changes in the world are more powerful than what the City can do alone, this Strategy is the start of a comprehensive response to a difficult issue.

## **EVALUATION AND FOLLOW-UP**

For the entire Strategy per the Recommendation on page 1, staff intends to return to Council after 12 months with a progress update.

Individual policy items on each recommendation in this Strategy that require City Council approval would be brought forward for the City Council's consideration individually. Attachment B identifies proposed workplans for the first three priority recommendations, which include potential City Council consideration of an ordinance for a Neighborhood Tenant Preference and an ordinance for a Community Opportunity to Purchase program.

In addition, Recommendation 7 proposes an annual Housing Balance Report, which would be brought to the City Council for discussion on the need to preserve certain types of affordable units or those in certain locations. And, per Recommendation 9, the affordable housing production in Urban Villages would be tracked and reported annually to the City Council in the General Plan Annual Performance Report.

Although this Strategy is taking steps in the right direction, the charge to prevent, mitigate, and decrease displacement will be a difficult and multi-year effort. The City should regularly assess the impact of these actions to decrease displacement.

To best assess the impact of the policies and programs recommended in this memorandum, the City will develop a set of metrics to track the progress of key indicators of displacement. These indicators could include the increase or maintenance of low-income and minority households, the increase in the number of naturally-occurring affordable housing units preserved, and a reduction in the number of households experiencing evictions or Ellis Act demolitions. The City would update progress on these indicators at regular intervals and make them available to the public through reports or use of a data dashboard.

## **CLIMATE SMART SAN JOSÉ**

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals. Adopting the Citywide Residential Anti-Displacement Strategy aligns with the Climate Smart San José goals of an economically inclusive city of opportunity and making homes which are efficient and affordable for our families.

## **POLICY ALTERNATIVES**

### ***Alternative #1: Do not adopt the Citywide Residential Anti-Displacement Strategy***

**Pros:** This alternative would allow staff to focus on other housing priorities.

**Cons:** Staff's existing workplan will not have as much impact to prevent, mitigate, and decrease residential displacement.

**Reason for not recommending:** This course of action is not recommended because residential displacement is an urgent ongoing issue for San José residents.

### ***Alternative #2: Adopt some recommendations of the Citywide Residential Anti-Displacement Strategy***

**Pros:** This alternative could allow staff to focus more deeply on some strategies than others and potentially have less impact on staff workload.

**Cons:** Some recommendations work best in conjunction with other recommended strategies. Each recommendation Citywide Residential Anti-Displacement Strategy was developed to address different and interrelated problems contributing to residential displacement. Moving forward with some and not others may leave identified problems unaddressed. Practitioners and academics in the anti-displacement field widely believe that actively pursuing strategies in all "three Ps" is critical to reduce and/or mitigate the effects of residential displacement.

**Reason for not recommending:** The full list of recommendations takes into consideration extensive community engagement, anti-displacement practices across the nation, gaps in San José's current anti-displacement policies and programs, as well as recommendations from parallel City planning processes, and ongoing developments at regional and State levels. Adopting the complete Strategy would be the most comprehensive approach. Staff will undertake the most urgent and time-sensitive recommendations first, and then move to the next recommendations.

## **PUBLIC OUTREACH**

Staff engaged an estimated 800-1,000 community members and stakeholders through a variety of events and activities over close to two years of work on developing this Strategy. Staff conducted outreach from early 2018 through early 2019 through a series of interviews and focus groups to learn directly from residents in neighborhoods experiencing ongoing displacement and those that had been displaced in the past. From summer 2019 to winter 2020, staff gathered feedback on potential anti-displacement solutions and received new ideas from a broad base of stakeholders at both public and one-on-one meetings. This input helped to generate the list of recommendations included in the Citywide Residential Anti-Displacement Strategy. Staff then did additional outreach to real estate professionals and other stakeholders in early 2020 to get their perspectives. Please see **Attachment C** for a list of community engagement activities.

**COORDINATION**

The Citywide Residential Anti-Displacement Strategy was developed in coordination with the Office of Economic Development and the Department of Planning, Building, and Code Enforcement. Staff also coordinated with the City Manager’s Budget Office and the City Attorney’s Office on this memorandum.

**COMMISSION RECOMMENDATION/INPUT**

The Citywide Residential Anti-Displacement Strategy was discussed at the August 13, 2020, Housing and Community Development Commission meeting held over Zoom. The Commission’s feedback will be submitted in a Supplemental memorandum.

**FISCAL/POLICY ALIGNMENT**

The Citywide Residential Anti-Displacement Strategy aligns with the following General Plan and Housing Element anti-displacement goals:

- **H-1.16:** Identify, assess, and implement potential tools, policies, or programs to prevent or to mitigate the displacement of existing low-income residents due to market forces or to infrastructure investment.
  
- **H-1.18:** Develop tools to assess and to identify neighborhoods and planning areas that are experiencing or that may experience gentrification in order to identify where anti-displacement and preservation resources should be directed.
  
- **H-2.1:** Support local, state and federal regulations that preserve “at-risk” subsidized and rental-stabilized units subject to potential conversion to market-rate housing and that will encourage equitable and fair policies that protect tenant and owner rights
  
- **Housing Element Program #34:** Consider proposed policies or ordinances to protect low- and moderate-income residents in market-rate and deed-restricted affordable housing from displacement.

As the City works to achieve the planned growth and investment per our General Plan 2040, preventing and decreasing displacement will help more long-time and low-income San José residents to stay and receive the benefits of these investments.

HONORABLE MAYOR AND CITY COUNCIL

August 19, 2020

**Subject: Citywide Residential Anti-Displacement Strategy**

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**CEOA**

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/

JACKY MORALES-FERRAND

Director, Department of Housing

For questions, please contact Kristen Clements, Division Manager at (408) 585-8236.

**Attachments:**

Attachment A – Detailed Descriptions of Anti-Displacement Strategy Recommendations

Attachment B – Workplans for Top Three Highest Priority Recommendations

Attachment C – Anti-Displacement Strategy Community Engagement



**ATTACHMENT A**

**DETAILED DESCRIPTIONS OF ANTI-  
DISPLACEMENT STRATEGY RECOMMENDATIONS**

Please see attached PDF.

**ATTACHMENT B**

**Workplans for Top Three Highest Priority Recommendations**

| <b>1. Equitable COVID-19 Recovery and Impact Mitigation Measures for Renters and Homeowners Workplan</b> |  |                 |
|--|--|-----------------|
| <b>Task</b>  | <b>Description</b>   | <b>Timeline</b> |
| Program development and research   | Plug into coordinated response across City Departments for COVID relief and recovery.  | Q3 2020         |
|  | Research COVID-19 housing recovery strategies of other large cities and recovery metrics they are tracking.  |                 |
|  | Consider seeking advice or assistance from universities or thinktanks on tracking outcomes.  |                 |
|  | Develop a plan to track data on the success of repayment plans to avoid resident displacement from their homes and from the City, and on the financial condition of small property owners.   |                 |
|  | Survey existing anti-displacement housing programs to identify impediments to eligibility for immigrant households most at risk of homelessness and displacement. Pinpoint possible administrative program changes to remove these barriers.   |                 |
| Funding  | Identify available and possible new sources of ongoing funding that could be used for legal services to prevent eviction, Housing Collaborative Court positions, and housing mediation services if County resources are insufficient.  | Q3 2020         |
|  | Identify available funding sources, including philanthropic and private grants, for emergency planning and preparedness activities for communities most vulnerable to disaster and/or highly impacted by COVID-19.   |                 |
| Advocacy   | Support active federal and State legislation and budget proposals to repay and subsidize back rent and mortgages, to help mitigate the economic impact of COVID-19 on housing providers and prevent displacement of residents.   | Q3-Q4 2020      |
|  | Express City support for legislation on eviction and foreclosure prevention and housing recovery from COVID-19 on the 2021 Citywide Legislative Priorities.  |                 |
| Community Outreach   | Participate in existing working groups driving COVID-19 response and recovery to align efforts and eliminate duplication.  | Q4 2020         |
|  | Interview community leaders in highly COVID-19 impacted neighborhoods with renters at risk of displacement in zip codes 95233, 95127, 95116, and 95148.  |                 |
|  | Prior to the end of the eviction moratorium, hold two COVID-19 housing and displacement meetings led by elected leaders convening civic and private sector leaders, residents, and community-based organizations to: <ol style="list-style-type: none"> <li>1. Hear the experiences of stakeholders as related to housing and COVID-19 and identify urgent housing problems that must be addressed.</li> <li>2. Develop equitable short-term and long-term housing recovery strategies.</li> </ol> | Q3-Q4 2020      |
|  | Analyze feedback and community-led recommendations. Use feedback to inform future Housing funding priorities. If community feedback and research suggests new policy changes authorized by the City Council are needed, develop recommendations for Council consideration.   | Q1 2021         |

| <b>2. Neighborhood Tenant Preference Workplan</b> |   |                 |
|---|---|-----------------|
| <b>Phase</b>                                      | <b>Description</b>  | <b>Timeline</b> |
| Program Development & Research                    | Meet with State HCD to clarify policy parameters and necessary fair housing analysis  | Q3 2020         |
|   | Receive additional guidance from HCD on its revised fair housing analysis framework   |                 |
|   | Do modeling of disparate impact analysis per HCD feedback (definition of neighborhood, residents, set-aside, process)   |                 |
|   | Determine how to prioritize and administer different preferences, and whether fair housing analysis changes   |                 |
|   | Work with City Attorney's Office to identify legal issues, findings for Ordinance, and approve proposed parameters  |                 |
|   | Work with Intergovernmental Relations and State and federal elected delegations on legislation to support acceptance of tenant preferences by bond and tax credit counsel |                 |
|   | Stakeholder meetings (community and neighborhood, property owners & managers, residents/advocates)  |                 |
| Community Outreach & Feedback                     | Draft Ordinance, program description, and disparate impact analysis per HCD guidelines  | Q4 2020         |
|   | Issue survey to property owners   |                 |
|   | Update rent roll systems programming to incorporate demographic data  |                 |
|   | Incorporate tenant preference language into IHO Ordinance changes sample affordability restriction and memo   |                 |
|   | Second round of stakeholder meetings (community and neighborhood, property owners & managers, residents/advocates)  | Q1 2021         |
|   | Public meetings (3)   | Q1/Q2 2021      |
|   | HCD approval of methodology   |                 |
| Program Finalization & Approvals                  | Present to Housing & Community Development Commission   | Q2 2021         |
|   | Present to Community & Economic Development Committee   |                 |
|   | Final revisions based on feedback   |                 |
|   | Final draft Ordinance & materials on public review  |                 |
|   | Check-in meetings with key stakeholders   |                 |
|   | City Council approves Ordinance & program   |                 |
| Program Implementation                            | Hosted meetings for public  | Q3/Q4 2021      |
|   | Preparation of guidance for property owners & the public  |                 |
|   | Community outreach (neighborhood meetings, tabling, associations)   |                 |
|   | Educational meetings for property owners/managers   |                 |
|   | Renter online portal full implementation (to get applicant racial data, screen applicants for preference eligibility)   |                 |
|   | Analysis & implementation / annual HCD reviews  | Ongoing         |

| <b>3. Community Opportunity to Purchase Workplan</b> |   |                 |
|--|---|-----------------|
| <b>Phase</b>   | <b>Description</b>  | <b>Timeline</b> |
|  | Research COPA results and management in comparable cities | Q3/Q4 2020      |

|  |   |            |
|--|---|------------|
| Program Development & Research                       | Meet with counterparts in comparable cities and assess best practices and processes   |            |
|  | Work with City Attorney’s Office to identify legal issues and approve proposed parameters   |            |
|  | Compile data to determine program parameters (applicability, terms, process, timelines, qualification of purchasers, City staffing needs) |            |
| Community Outreach & Policy Feedback                 | Meet with specialized stakeholders (property owners, realtors, brokers, lenders, other experts)   | Q1 2021    |
|  | Meet with potential qualified nonprofit developers/community development corporations   |            |
|  | Prepare analysis of long-term funding need and possible sources for financing acquisition & rehabilitation/permanent                      |            |
|  | Stakeholder forums  | Q2 2021    |
|  | First draft of Ordinance and supporting materials incorporating community feedback and study findings                                     |            |
|  | Stakeholder public review period and feedback   |            |
| Program Finalization & Approvals                     | Make refinements based on first public review period  | Q3/Q4 2021 |
|  | Meetings with key stakeholders on refinements   |            |
|  | Present to Housing & Community Development Commission   |            |
|  | Present to Community & Economic Development Committee   |            |
|  | Program revisions based on Commission/Committee comments  |            |
|  | Stakeholder and community consultation  |            |
|  | Final draft Ordinance & materials on public review  |            |
| City Council approves ordinance & program parameters | Dec 2021  |            |
| Program Implementation                               | Educational component/Public Webinars/Notice period   | Q1/Q2 2022 |
|  | Create guidance   |            |
|  | Co-hosted educational meetings; Meet with property owners/managers re. rollout  | Jul 2022   |
|  | Program begins implementation (6-month notice)  | Jan 2023   |
|  | Info memo on progress to the City Council after 6 months  | Aug 2023   |
|  | Assess Program performance after 1 year in report to City Council   |            |

## **ATTACHMENT C**

### **ANTI-DISPLACEMENT STRATEGY COMMUNITY ENGAGEMENT**

#### **Community Leader Interviews**

November - December 2018 - 8 interviews from leaders in ongoing displacement neighborhoods in Council Districts 1, 3, 6, 7, and 8.

#### **Events**

November 16, 2018 - Anti-Displacement Policy lunch

May 9, 2019 - Affordable Housing Week Event

September 6, 2019 - Summer at the Flea

#### **Renter Focus Groups**

November 29, 2018

February 26, 2019

March 13, 2019

March 27, 2019

April 12, 2019

#### **San José Resident Survey**

July 2019 – October 2019

#### **Community Forums**

August 15, 2019, Seven Trees Community Center

August 24, 2019, Alma Senior Center

September 7, 2019, School of Arts and Culture

September 19, 2019, Camden Community Center

January 21, 2020, SCC Association of Realtors Office

January 24, 2020, MLK Library

January 27, 2020, MLK Library

February 5, 2020, School of Arts and Culture

February 27, 2020, Silicon Valley Organization Office