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TRANSMITTED VIA EMAIL

December 13, 2021

Honorable Mayor Sam Liccardo and Members of the City Council
City of San Jose
200 East Santa Clara Street, 18th Floor
San Jose, CA 95113

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers Arenas, Davis, Carrasco, Cohen, Esparza, Foley, Jimenez, Mahan, and Peralez.

Re: Item 10.2 - General Plan 4-Year Review,
Commercial Requirements for 100% Affordable Housing

We write in support of the General Plan Task Force's recommendation to eliminate commercial space requirements for all new 100% affordable housing developments.

Eliminating commercial requirements is the most high-impact action this council can take to remove city-imposed barriers to affordable housing development.

Our City continues to fall short in its response to the magnitude of the affordable housing crisis, even as the hardship facing communities hardest hit by the pandemic are making this need more pressing. The Council has an opportunity to acknowledge that the hardship of the housing crisis falls disproportionately on lower income workers and Black, Indigenous, People of Color (BIPOC) communities where severe rent-burden, housing instability, and risk of displacement can be socially, psychologically, and economically crippling.

Through this bold action of eliminating the commercial requirement from 100% affordable housing developments, the Council has the opportunity to recognize the existence of land-use and zoning regulations or policies in our General Plan that reinforce the racial and economic inequality that we see in our City. These existing regulations or policies constrain our response to the housing crisis and were intended to do so.

In most parts of the city where we have planned to build new homes, mixed-use zoning requires that 100% affordable developments include ground floor commercial or retail space. This city requirement is making many projects infeasible in the very places we have planned to expand opportunities – adding millions of dollars in additional development costs, reducing the number of homes that can be built, creating a funding problem because

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affordable housing funds cannot be used to build commercial spaces, and forcing developers to pass up on opportunities in these well resourced areas.

These unique barriers are widely acknowledged. They were included by staff as a citywide concern in the original Housing Crisis Workplan (#22), they were then referred to the General Plan Four-Year Review Task Force as “Commercial Space Requirements for Affordable Developments” separate from Urban Village items, and after significant discussion across multiple meetings, the Task Force voted nearly unanimously to eliminate the requirements due to the overwhelming desire to use every tool available to combat structural racism in all shapes and forms and to build more desperately needed affordable housing.

Integrating housing for people of all incomes into mixed-use, high-growth areas of the City is a long recognized policy priority. The existing commercial requirements, which assume that every building must be mixed-use in all of these areas, is a barrier to this integrative vision. Meeting the challenge of the housing crisis means removing barriers to creating a City where no one is shut out, left unhoused, under-housed, or rent burdened, a City that cares for its people who live and work here.

On Tuesday we urge you to move forward in removing these barriers and support both memoranda introduced by councilmembers Davis, Arenas and Jimenez, and by councilmembers Foley and Cohen.

Sincerely,

Regina Celestin Williams
Executive Director

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