



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

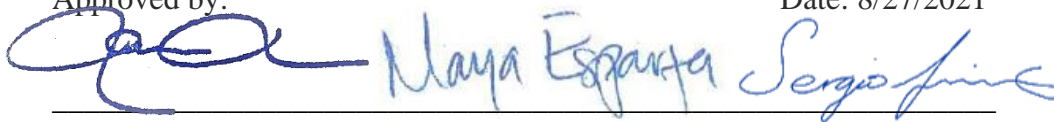
FROM: Councilmember Raul Perez
Councilmember Maya Esparza
Councilmember Sergio Jimenez

SUBJECT: Approval of the Affordable
Housing Siting Policy

DATE: August 27, 2021

Approved by:

Date: 8/27/2021


Maya Esparza Sergio Jimenez

RECOMMENDATION

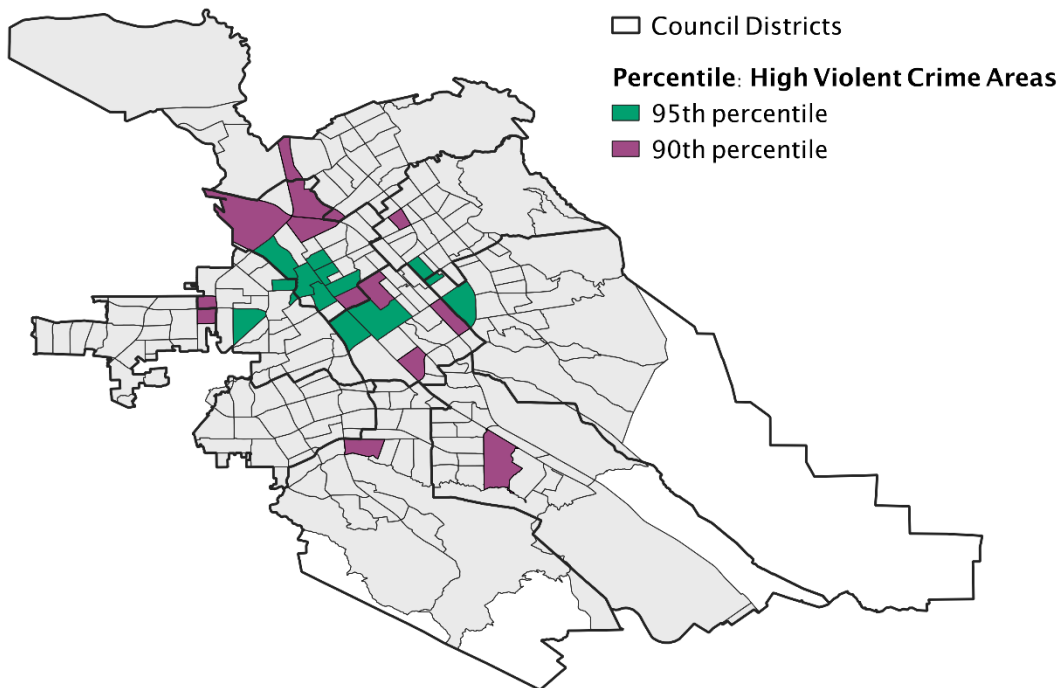
Direct staff to return with the following:

1. Prior to consideration of the Affordable Housing Siting Policy, an analysis of the Policy that considers, for the purpose of determining Category 3 criteria, crime data disaggregated to the census block group level, and establishes a cut off at the 90th percentile of block groups for defining high violent crime areas.
2. An analysis on the Notification of Funding Availability (NOFA) and readjustment of criteria as necessary to ensure equitable distribution between levels of affordability between Category 1, 2 and 3 neighborhoods at the end of Phase One.
3. Direct staff to provide periodic updates to Council demonstrating how work on the Housing Element aligns with the Siting Policy, specifically focusing on sites identified in Category 1 neighborhoods. This analysis should include the likelihood these sites would actually be developed with affordable housing, the appropriateness of each site for Supportive/Special Needs Housing, and the compatibility of the Housing Element with the investment program proposed in the Siting Policy (Phase One and Phase Two).”

ANALYSIS

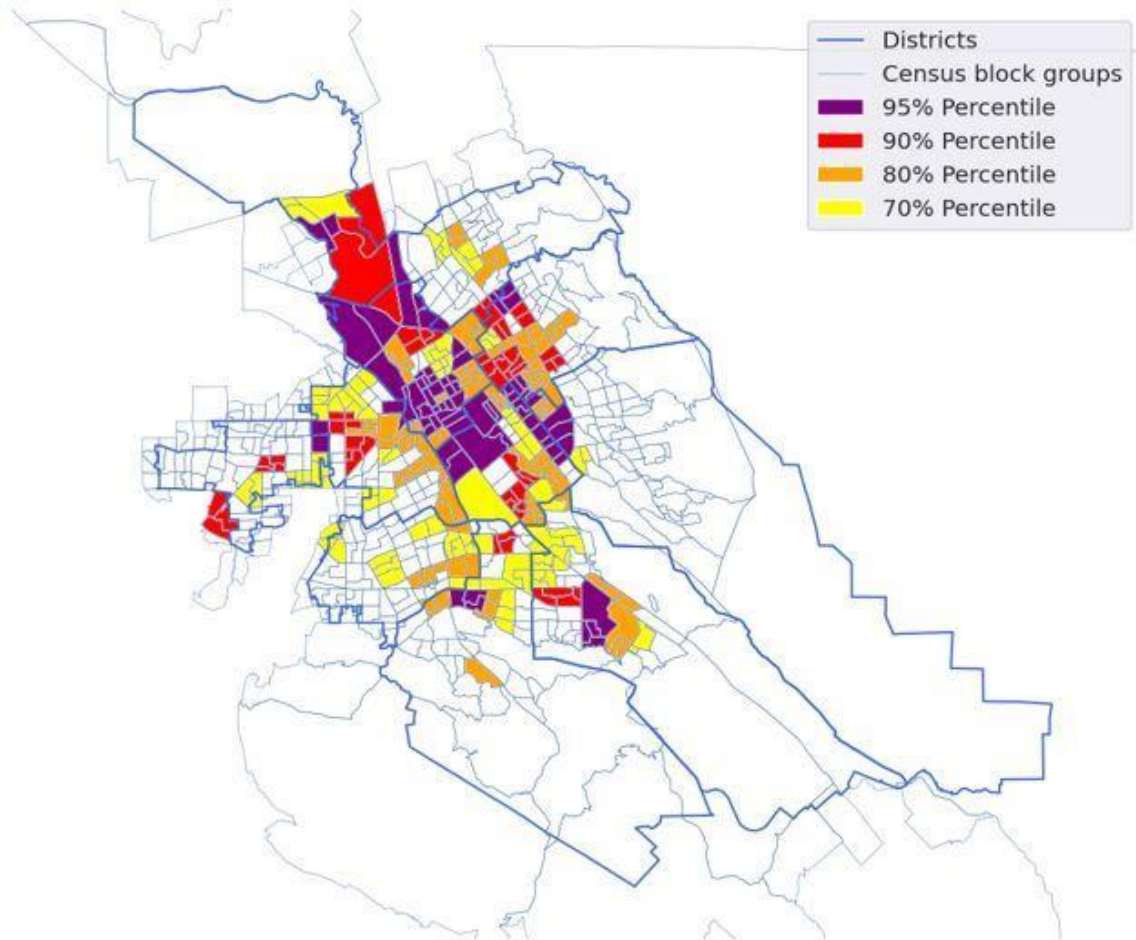
High Crime Definition

We have some concerns around the methodology utilized to develop the three categories that form the base of the policy. The Housing Department and their consultant have proposed defining high crime areas based on the 95th percentile of census tracts based on the past three years of data from SJPD covering homicide, rape, robbery, and assault. This definition includes 11 census tracts, and does not include many areas which we know through experience ought to fit any reasonable definition of “high crime.” In District 7, this definition leaves out **all** of the Mayor’s Gang Prevention Task Force Hot Spots, Valley Palms, Seven Trees, and Santee, as well as many other communities that we know suffer from high crime, many of which lie in police District Lincoln, by far the busiest police district in the city.



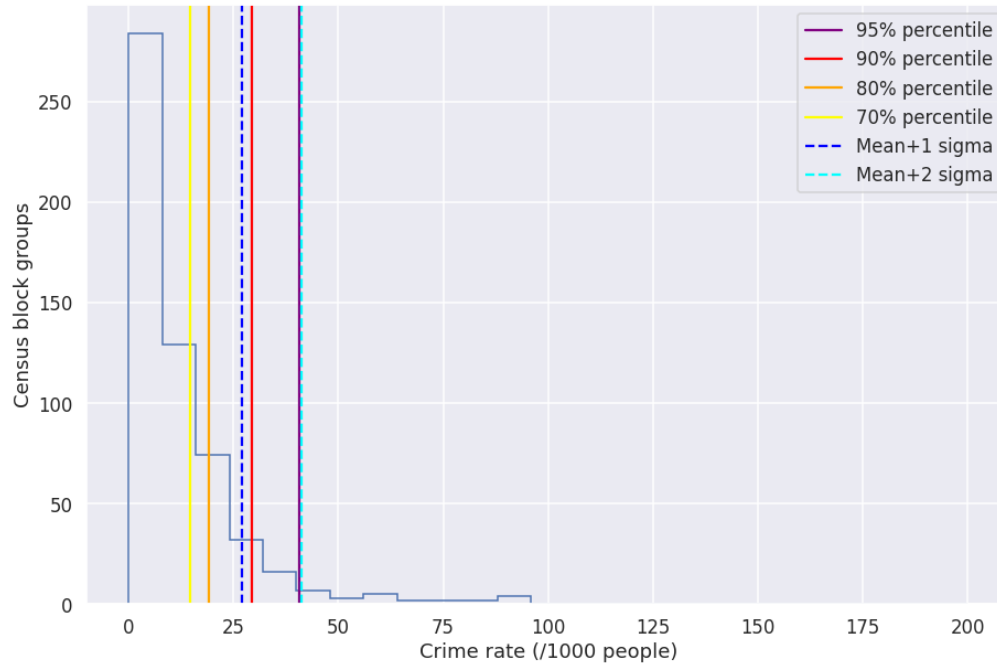
2018-2020 Violent Crime Data by Census Tract with Council District Boundaries

The map above illustrates the current designation of high violent crime areas in green. Breaking down the data further on the Census Block Group level, as shown on the map on the following page, presents a significantly different picture than going off of larger census tracts, one that aligns more closely with the experiences of our residents.



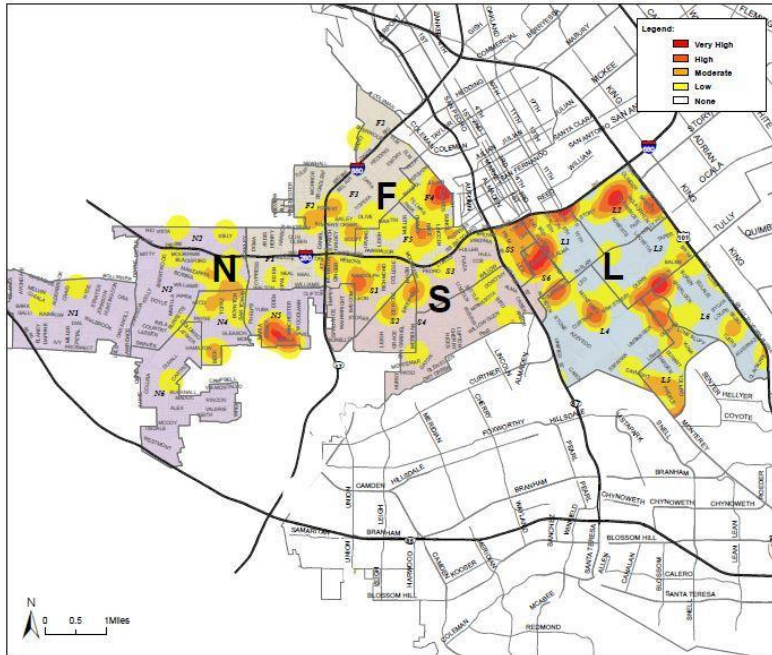
2018-2020 Violent Crime Data by Census Block Group with Council District Boundaries

The decision to establish a cut off at the 95th percentile was based on 1) comparing data across Bay Area cities from the Gun Violence Archive, and 2) the consultant notes which identify a jump in crime rates between the 90th and 95th percentiles, a decision which we feel is both arbitrary and does not adequately reflect the data. Looking at the distribution of violent crimes across census block groups in the histogram below, we see the 95th percentile aligns closely with two standard deviations above the mean, while the 90th percentile aligns closely with one standard deviation. Requiring that a census tract or block group lie two standard deviations above the mean is an extremely stringent requirement that simply does not make sense when looking at the facts on the ground. Establishing a 90th percentile cut off more accurately matches the experiences of our communities and the San José Police Department.

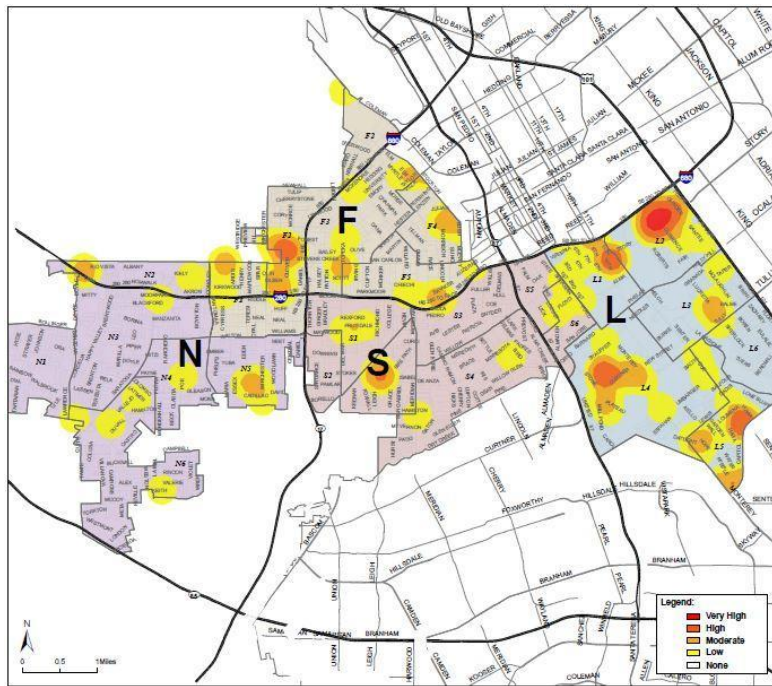


Histogram of census block group-level crime rate (without 1 outlier with 0 population, and sigma lines computed without 3 outliers > 200 rate not shown here)

One illustrative comparison we can make is through examining the distribution of violent crime incidents as provided in the Western Quarterly Division Report, which includes District Lincoln. In the report for the last quarter of 2020, the report highlights the concentration of Robbery and Aggravated Assault incidents throughout the Division, as shown in the maps below. The maps illustrate numerous overlapping robbery and assault concentrations throughout District Lincoln, many of which would be excluded under the current proposed Siting Policy criteria, such as the Dahl Neighborhood and the Senter Road corridor. Our Siting Policy needs to reflect the facts on the ground, and any set of criteria that does not recognize the heavy concentrations of violent crimes throughout District Lincoln, fails to do that.

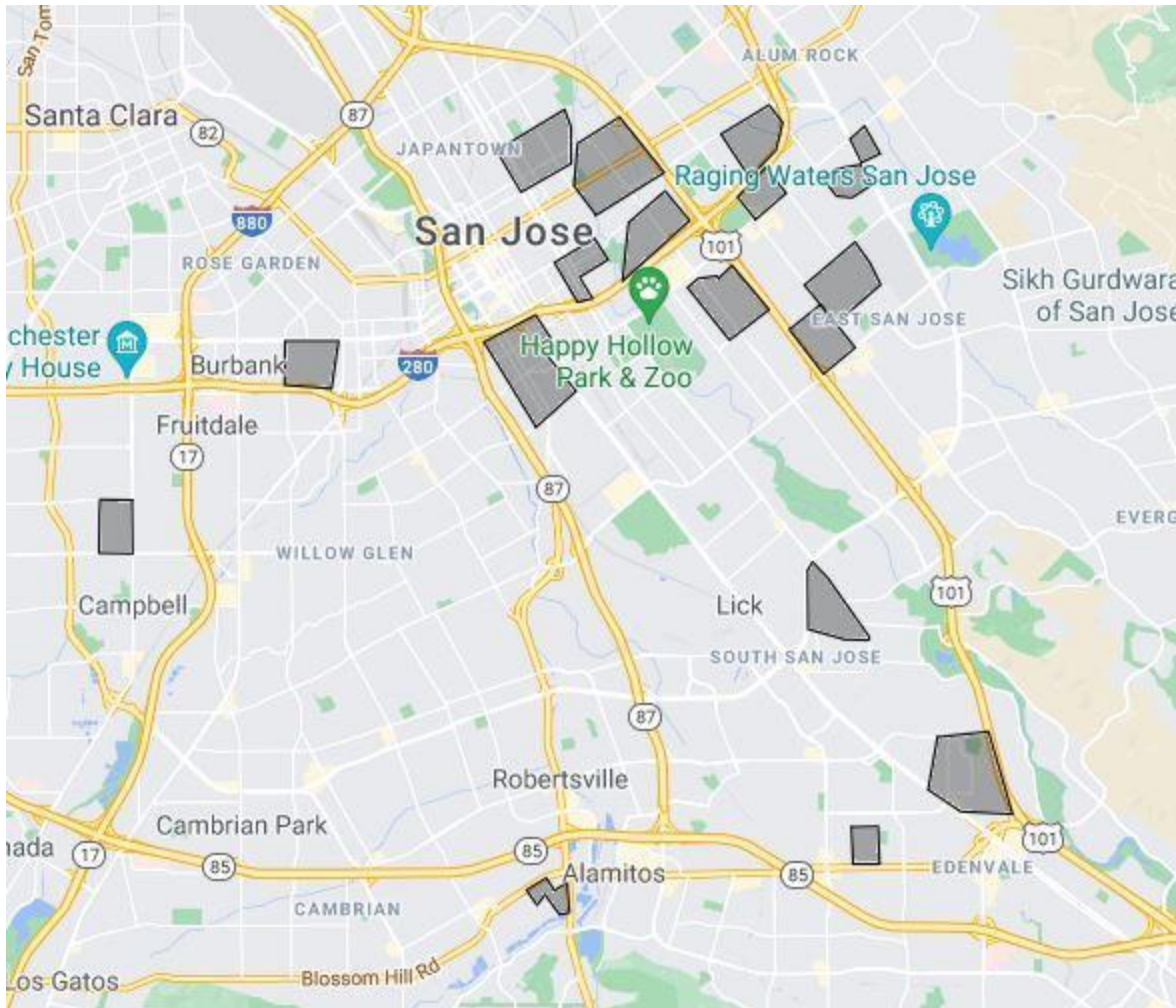


Western Division Concentrations of Aggravated Assault Incidents, 10/1/20-12/31/20



Western Division Concentrations of Robbery Incidents, 10/1/20-12/31/20

To further illustrate the need for a more inclusive and fine-grained approach to defining high crime areas, it is helpful to consider the “Hotspots” identified by the Mayor’s Gang Prevention Task Force., one of our longstanding existing indicators for high crime areas in our city. There are currently 18 identified hot spots citywide, as shown below:



Mayor's Gang Prevention Task Force Hotspots

Housing's proposed definitions for high crime include the following MGPTF Hotspots: 10th and Williams, Overfelt, Poco Way, part of Mayfair, part of Guadalupe/Washington, and Hoffman/Via Monte, only 6 of the city's 18 Hotspots. While we understand that Gang Hotspots do not automatically translate directly to areas of overall highest violent crime, the fact that only a third of the hotspots fall into the proposed definition is highly concerning, and suggests a need for a more inclusive approach to the data.

Examining the data at the Census Block Group level, and including the 90th percentile block groups, the following five additional Hotspots would be included: Roosevelt Park, Valley Palms, Coy Park, Buena Vista/San Carlos, and Kollmar, incorporating 11 of the city's 18 Hotspots.

While we understand the challenges of developing a single set of criteria to define "high crime areas" in our city, defining high crime based on the top ten percent of the available data, disaggregated to the Census Block Group level, provides a sound methodology that more closely aligns with the experiences of our communities, as well as law enforcement activities across our city.

Varying Impacts of Affordable Housing Typology

As we move towards implementation, we must also recognize that different types of affordable housing developments have varying impacts on a neighborhood, depending on the level of affordability. While the report states that studies have shown affordable housing and/or permanent supportive housing (PSH) does not depress or negatively impact property values or the surrounding communities, it would be remiss to say that a senior affordable housing development affects a neighborhood in the same way a 100% PSH development does. This is based on the experiences of Districts 3 and 7, which have two of the largest PSH developments in the nation.

In District 3, we can see firsthand how the level of affordability impacts a neighborhood and its resources. In the attached Chart A¹ and Chart B, we take a look at five sample sites in District 3, three affordable and two PSH and a history of logged calls to SJPD within the block of each development in the last 10 years. Since the opening of Second Street Studios and Villas in the Park, the data shows a sharp increase in calls to SJPD within that block, as the three affordable housing sites remain relatively even throughout the decade. It is also important to note that most of these calls came from residents who live in the PSH development itself rather than the surrounding neighborhood. This concern was first reported to us by staff from both the San José Police and Fire Department having to frequently return to these developments. Residents of these developments, SJPD, and SJFD have called for stronger case management and supportive services to be provided. As the City and staff work to provide these additional resources, it is critical that not one area continues to be oversaturated with the same type of development to relieve the strain that is placed on our first responders.

As indicated in the staff report, Category 2 neighborhoods are home to 66% of affordable housing developments that are categorized as Supportive/Special Needs, as opposed to Category 1 neighborhoods, which only have 1%. After the completion of Phase One, we must revisit the policy and determine if there is any meaningful shift in Supportive/Special Needs Housing and if there needs to be re-evaluation of the NOFA criteria for Phase Two to better encourage these units in opportunity neighborhoods. While this is the beginning step to reallocating the distribution of affordable housing, we want to ensure this policy does what it is intended to do, which is to have equitable distribution of all levels of affordable housing throughout San José.

Conclusion

We thank staff for developing this policy that will mark the start of taking significant action to ensure affordable housing of all levels is equitably created throughout our city. The lack of affordable housing does not only impact low income families in our community, but San José's high cost of living has also negatively impacted our seniors, service workers, and even professionals such as teachers, firefighters, and police. This policy will undoubtedly benefit San José as a whole in the long run.

¹ Thank you to Neighbors for Equitable Housing Placement for compiling this public data.

Figure A:

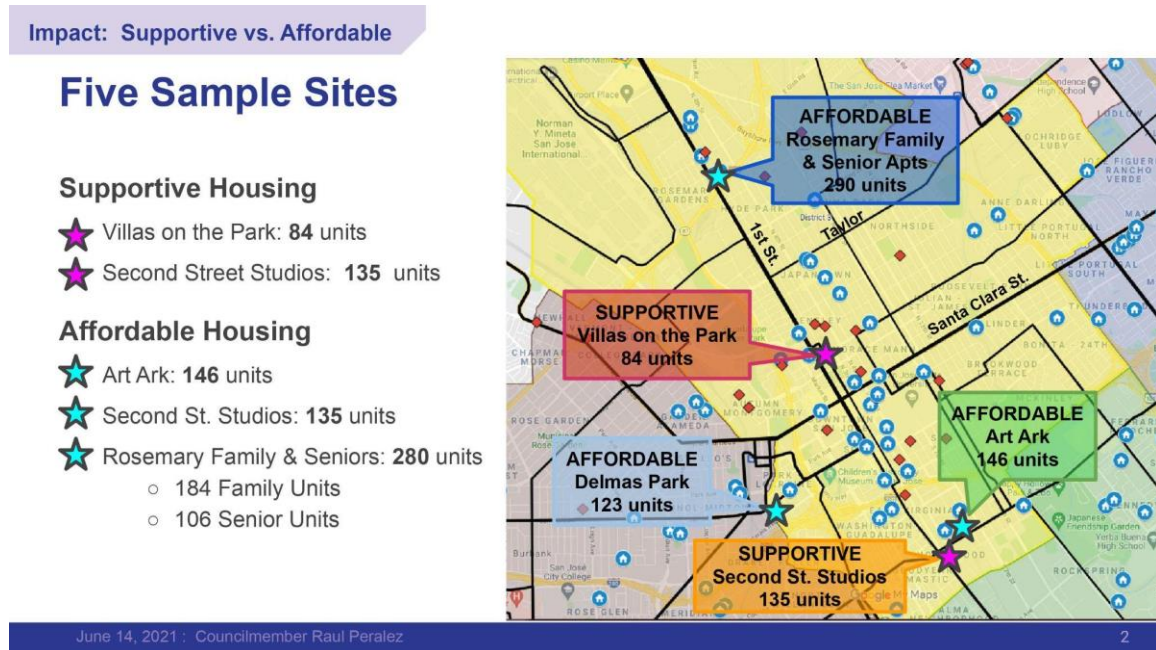


Figure B:

