



# Memorandum

**TO:** COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** November 9, 2021

Approved

Date

11/12/21

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

## **RECOMMENDATION**

Accept staff's quarterly status report on the Citywide Residential Anti-Displacement Strategy.

## **OUTCOME**

The Community and Economic Development (CED) Committee members will receive an update on the status of staff's work on the top four priority recommendations in the Citywide Residential Anti-Displacement Strategy.

## **BACKGROUND**

On September 22, 2020, the City Council approved<sup>1</sup> staff's proposed Citywide Residential Anti-Displacement Strategy (Anti-Displacement Strategy). The City Council's direction included that staff should focus its work on the top three recommendations:

1. Support COVID-19 Recovery Eviction Relief and Mitigation Measures for Renters and Homeowners
2. Create a Neighborhood-based Tenant Preference
3. Explore a Community Opportunity to Purchase Program (First Right of Offer to Purchase)

<sup>1</sup> File no. 20-1094, item 8.1, <https://sanjose.legistar.com/LegislationDetail.aspx?ID=4635014&GUID=843B7A57-FFCE-411F-81C5-49D3378215A5&Options=&Search=>

The City Council also directed staff to return to the City Council with an update on progress for the first three recommendations in six months, as well as provide quarterly updates to both the Community and Economic Development Committee and the Neighborhood Services and Education Committee. Accordingly, Housing Department staff have provided several general updates, as follows:

- Neighborhood Services and Education Committee on March 11, 2021
- Community and Economic Development Committee on March 22, 2021
- City Council on March 30, 2021
- Neighborhood Services and Education Committee on August 12, 2021
- Community and Economic Development Committee on August 23, 2021

In addition, staff provided an update on its work to develop a Community Opportunity to Purchase Program to the Community and Economic Development Committee on October 25, 2021.<sup>2</sup>

As part of the City Council's March 30, 2021, approval of staff's update report, it also supported staff's recommendation to amend the top three Anti-Displacement Strategy recommendations in two ways:

- Incorporated existing City Council Policy Priority #11, the Anti-Displacement Tenant Preference Ordinance, into the Citywide Residential Anti-Displacement Strategy Recommendation #2 "Create a Neighborhood-based Tenant Preference;" and,
- Incorporated City Council's direction from January 12, 2021, to add a seat to the Housing and Community Development Commission for a commissioner with lived experience in homelessness into the Citywide Residential Anti-Displacement Strategy's Recommendation #4 "Increase Equitable Representation of Historically Underrepresented Communities on City Commissions," and add it to staff's top priorities.

Accordingly, this quarterly status report updates recent work on the top four priority recommendations of the Anti-Displacement Strategy and looks forward to next quarter's anticipated work.

## **ANALYSIS**

The following information provides updates on work being done to further the work efforts under the four priority recommendations of the Anti-Displacement Strategy.

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<sup>2</sup> File No. CC 21-279, <https://sanjose.legistar.com/LegislationDetail.aspx?ID=5152386&GUID=B751E6D2-EA01-4AF6-B442-752CDC3FB8FD&Options=&Search=>.

### **Recommendation 1: Support COVID-19 Recovery Eviction Relief and Mitigation Measures for Renters and Homeowners**

Over the past quarter, Housing Department staff have continued to work to keep vulnerable San José residents housed despite COVID-related challenges. Strategies have focused on the provision of emergency rental assistance, active outreach to renters and property owners at Eviction Help Centers and support for increased legal services. Memoranda to the City Council from September 28, 2021 on the Eviction Moratorium,<sup>3</sup> and on October 5, 2021 on the City's COVID-19 Response and Recovery: Emergency Rental Assistance (ERA),<sup>4</sup> provide more details. Below are overviews of that work as well as updated data.

#### **Emergency Rental Assistance**

On February 9, 2021, the City Council approved the Administration's proposed hybrid strategy for deploying \$30.38 million in federal Emergency Rental Assistance round 1 (ERA1) funds that the City of San José received directly from the U.S. Department of Treasury through the Consolidated Appropriations Act of 2021. Table 1 provides an overview of the \$66.34 million in Emergency Rental Assistance round 2 (ERA2) funding that both the City and County of Santa Clara anticipate receiving through direct allocation of ERA2 federal funds.

***Table 1: ERA2 Direct Allocation of Funds***

<b>Direct Payment to</b>	<b>ERA2</b>	<b>ERA2 High-needs</b>	<b>Total</b>
<b>City of San José</b>	\$24,038,066	\$12,239,822	\$36,277,888
<b>County of Santa Clara</b>	\$21,315,292	\$8,746,711	\$30,062,002
<b>Total*</b>	<b>\$45,353,358</b>	<b>\$20,986,533</b>	<b>\$66,339,891</b>

*\*Note: Totals may not add due to rounding*

To administer ERA1 funds, City staff actively partnered with the County and the Homelessness Prevention System co-led by Sacred Heart Community Service and Destination: Home. This local program, known as the Santa Clara County Homelessness Prevention System COVID-19 Response, is comprised of a network of 46 trusted community and grassroots partners to provide homelessness prevention services including rental assistance, utility assistance, outreach and case management. It builds on the existing work of the countywide Homelessness Prevention System and the successful efforts to deploy \$38 million in philanthropic, local, state, and federal Coronavirus Relief Funds to provide local residents with rental assistance and direct financial relief in 2020.

The local program soft-launched on May 1, 2021, held a public launch on May 19, and closed for new applications on September 7. Since the launch, almost 5,300 households applied countywide,

<sup>3</sup> File no. 21-2117, Item 8.2, <https://sanjose.legistar.com/LegislationDetail.aspx?ID=5138410&GUID=534C5A48-19C8-43EC-A2FC-4296566221A7&Options=&Search=>.

<sup>4</sup> File no. 21-2151, Item 8.3, <https://sanjose.legistar.com/LegislationDetail.aspx?ID=5145706&GUID=B2F5D070-6CA9-4FC4-87F3-5470DE558E6A&Options=&Search=>.

requesting over \$59.4 million in relief funds, which exceeds the local ERA1 allocation of \$57 million.<sup>5</sup> As of November 2, the local program had received 3,453<sup>6</sup> applications from San José residents requesting \$36.5 million and had paid 2,507 San José households a total of \$25.2 million. Approximately another 900 applications remain in process. The County, Destination: Home and Sacred Heart are rapidly working on paying the remaining households with ERA1 funds and transferring some local applications to the State for payment.

For the State program as of November 2, 2021, 9,445 San José households had completed applications requesting approximately \$129.3 million in rental assistance. The State has paid 2,726 San José households a total of \$35.1 million in assistance. Countywide, 14,613 households had completed applications requesting approximately \$211.5 million, with \$56 million distributed to 4,214 households.<sup>7</sup> <sup>8</sup>On October 5, 2021, the City Council supported staff's recommendation to have the State administer all the City's ERA2 funds for the benefit of San José's residents. Given the limited bandwidth of the local existing nonprofit network and the compliance deadlines in AB 832, the State law governing eviction moratoriums and required rent payments now in effect, staff recommended to the City Council to discontinue the hybrid execution and opt for a unified program with the State as the best option. The Countywide Homelessness Prevention System partners will remain in place and focus on assisting residents with their applications to the State.

In the coming quarter, City staff will continue to work with the Homelessness Prevention System partners to help local residents navigate the State's application process for emergency rental assistance. In addition, the County and City will continue their outreach efforts to help residents who are in need to access rental assistance and other available resources. Staff will continue to assist households to complete the State rental assistance applications at the City's Eviction Prevention Help Centers and will target outreach efforts to extremely low-income households in areas hardest hit by COVID-19.

### **Eviction Prevention Help Centers**

In August 2021, the City launched two permanent locations for tenants to get help with rental applications: on the 12<sup>th</sup> Floor of City Hall and the Franklin McKinley School District. These sites are referred to as Eviction Prevention Help Center locations. At these sites, Rental Assistance Navigators help tenants submit rental assistance applications. Assistance is provided in various languages, including Spanish, Vietnamese, Mandarin, and English. Additional language

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<sup>5</sup> [HPS COVID-19 Response Dashboard: https://www.preventhomelessness.org/dashboard/](https://www.preventhomelessness.org/dashboard/).

<sup>6</sup> The number of applications has gone down slightly due to program staff discovering during their review of applications that some applicants had also applied to the State and the State funded those applications.

<sup>7</sup> CA COVID19 Rent Relief Program dashboard: [https://housing.ca.gov/covid\\_rr/dashboard.html](https://housing.ca.gov/covid_rr/dashboard.html).

<sup>8</sup> The State is in the process reallocating ERA funds to direct unused funding to California cities with the highest need, like San José. The first round of ERA funds was allocated based on a population formula rather than according to geographic areas with the highest need. The data collected since the pandemic has helped to identify areas in high need of rental support. As the identified need from some California metro areas is exceeding the funds allocated to California, the State is working with the Department of the Treasury to access more funding so as to not leave some of the nation's highest need and most vulnerable renters without support.

assistance is also available. The centers also offer access to legal services, with Law Foundation and Bay Legal staff available onsite.

In addition to these two permanent locations, City staff have coordinated with organizations across the City to host pop-up events offering information regarding the Eviction Moratorium and rental assistance application help. Between July and to early November 2021, Housing Department staff participated in more than 90 pop-up events, including an event in partnership with the Santa Clara County Superior Court.

Since the launch of the Eviction Help Center, through pop-up events and at the two permanent locations, staff has assisted over 1,000 families in applying for rental assistance. Over 64% of households were assisted in Spanish and over 5% in Vietnamese. At least 70% of the households were extremely low-income.

City staff has also coordinated with Santa Clara Superior Court in efforts to connect eligible tenants and landlords to rental assistance. These efforts include having Rental Assistance Navigators onsite at the downtown Superior Courthouse during the Unlawful Detainer calendars on Wednesday and Thursday mornings, beginning in late October 2021; staff have also provided flyers in five languages informing people about rental assistance. The Judicial Officer that hears the Unlawful Detainer calendar is highly supportive of this effort and support was also expressed by landlord and tenant attorneys, court mediators, and court staff.

### **Active Outreach to Tenants and Property Owners**

Last quarter, Housing staff continued to actively communicate with the public regarding tenant protections and available programs to help them keep their housing. To raise awareness of the City's and State's eviction moratorium protections and their September 30, 2021 expiration pursuant AB 832, Housing staff sent out seven e-blasts related to the moratoria, conducted webinars in multiple languages with over 10,000 views of moratoria videos on social platforms, and mailed 14,666 informational postcards to renters across the City. In total, staff has responded to over 1,500 COVID-19 related inquiries from residents over the past several months, and regularly directs residents to available resources.

Housing staff continues to coordinate its housing-related outreach and education campaigns with the County of Santa Clara. Topics include the State's eviction protections, now that the City's and County's eviction moratoria have been terminated by the State's; available State and local rent and landlord assistance programs; and termination of the City's 2021 Moratorium on Rent Increases for buildings covered by the Apartment Rent Ordinance and the Mobilehome Rent Ordinance. Outreach tools used include social media, webinars, and mailers in multiple languages.

Additional outreach campaigns include the following areas of focus:

- ***Tenants of rent-stabilized apartments who have received a Notice of Termination for Nonpayment of Rent with rental arrears submitted to the Rent Stabilization Program*** – Housing staff mailed more than 1,400 follow-up informational flyers on the rental assistance program directly to tenants who had received notices of terminations for nonpayment of rent.
- ***Rent-stabilized apartment property owners*** – Housing staff provided owners of rent-stabilized properties information about available emergency rental assistance. As of September 1, 2021, staff had contacted more than 400 rent-stabilized apartment property owners to let them know about available resources.
- ***Owners and property managers of restricted affordable developments*** – Housing staff reached out to owners and property managers of restricted affordable housing developments in the City’s portfolio, offering information about the rental assistance program and inviting them to two webinars providing additional information.

## **Legal Assistance Expanded**

The Housing Department and Santa Clara County Office of Supportive Housing are jointly funding expanded legal services in San José to help cope with increases in evictions now that the State eviction moratorium ended on September 30, 2021. With expanded funding and a new two-year contract with the Law Foundation of Silicon Valley, the City’s goal is to provide every low-income tenant in San José with access to some level of legal assistance. The proposal includes 17 new staff including attorneys, community housing advocates, social workers, and paralegals to significantly expand services, known as Community Housing Advocates. The expanded eviction defense services include providing advice and counsel, assisting tenants to prepare and file answers to unlawful detainer cases, guidance on representing themselves in Court, and full representation of tenants in eviction cases including representation at trial. The Community Housing Advocates will work on intake, outreach, community education, brief legal services under the supervision of an attorney, and tenant organizing. Additionally, expanded services will include a pro bono program. As such, a new staff attorney in the pro bono program will train and support pro bono attorneys to increase assistance to tenants.

In addition, pursuant to the City Council’s direction on September 28, 2021, staff is in the process of engaging a consultant to create a cost estimate for a potential Right to Counsel program. Having legal counsel to represent low-income tenants going through the evictions court process is just one way to help lower-income people stay housed and healthy. It is a strategy that several other communities have employed and studied. Early indications are that Right to Counsel programs can be both cost-effective and effective at reducing evictions.<sup>9</sup>

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<sup>9</sup> Ingrid Gould Ellen et al., “Do Lawyers Matter? Early Evidence on Eviction Patterns After the Rollout of Universal Access to Counsel in New York City,” *Housing Policy Debate*, vol. 31, pp. 540-561, Nov. 25, 2020, <https://www.tandfonline.com/doi/full/10.1080/10511482.2020.1825009>.

## **Recommendation 2: Create Tenant Preferences to Prevent Displacement**

In the past quarter, staff made progress on advancing tenant preferences on multiple fronts: co-sponsoring legislation to support the use of tenant preferences; researching and compiling data to gain the State Department of Housing and Community Development's (HCD) approval for preferences; and updating reports to capture protected class information for residents of restricted affordable apartments in the City's compliance portfolio. This work is in keeping with previous City Council direction to establish an Anti-Displacement Tenant Preference and a Neighborhood Tenant Preference. As was noted in our last update, staff will first prioritize approval of the Anti-Displacement Tenant Preference with the State, as HCD is more likely to easily accept the specific data and findings for this preference.

Tenant preferences set aside a percentage of restricted affordable apartments that would otherwise be available to the general public for people who meet certain criteria and are income eligible. Those people would apply for the affordable apartments and would meet all other requirements as usual, but because of the preference, would have a better chance at being accepted in the set-aside of apartments. The two preferences being designed are:

- **Anti-Displacement Tenant Preference:** Sets aside a portion of affordable apartments for low-income applicants who live in certain identified areas that have a high likelihood of displacement. The advantage to an Anti-Displacement Tenant Preference is that it increases the likelihood that low-income renters at the highest risk of displacement can access affordable homes and stay in the City, either in their neighborhoods or wherever they choose.
- **Neighborhood Tenant Preference:** Sets aside a portion of newly available affordable apartments for low-income applicants who already live in the vicinity of the newly available affordable homes. Neighborhood Tenant Preferences can be popular with area residents and local leaders; however, because they operate at a more localized scale, they can have a higher likelihood of keeping people with similar protected class characteristics in a neighborhood, which can create issues under fair housing law.

Additionally, in the past quarter, staff's tenant preference work has focused on sponsoring State legislation, preparing for HCD's guidance and approval, and integrating demographic information into City rent rolls. Updates are as follows:

**Legislation:** SB 649, co-sponsored by the City and authored by Senator Dave Cortese, would ensure that affordable housing developments using State and federal tax credits and federal tax-exempt private activity bonds are able to reliably administer tenant preferences that help prevent displacement. In mid-June, SB 649 became a two-year bill due to rules limiting the number of bills allowed out of each chamber of the State Legislature. Prior to its deferral, the bill easily got through two Senate policy committees and received unanimous support by the whole State Senate, passing by a vote of 37-0 and garnering no official opposition. Staff is currently coordinating with the City Attorney's Office, the City's Intergovernmental Relations team, the

City's external lobbyists, and housing advocate partners (including HCD) to prepare for the bill's reintroduction by the end of the year.

**HCD Approval:** HCD's approval of the City's proposed tenant preferences is vitally important to obtain for three reasons. First, HCD must approve the use of preferences on affordable apartments using HCD funding. Second, HCD is the State's fair housing oversight agency, and will be actively analyzing the adequacy of jurisdictions' fair housing strategies in their forthcoming Housing Elements. Third, HCD is the Governor's primary advisor on legislation regarding housing, including the City's bill, SB 649. In approving tenant preferences, HCD carefully reviews the data and findings that are specific for each jurisdiction to see if it is adequate to permit the preference to be administered. The reason for their intense scrutiny is that tenant preferences can easily cause greater segregation and can be used to illegally discriminate against people in protected classes (whether intentional or unintentional).

In August 2020, HCD indicated that it was going to issue formal guidance to jurisdictions before the end of 2020 on analysis it would require to ensure that tenant preferences were lawful. Given the COVID-induced housing crisis and HCD's necessary response,<sup>10</sup> its rollout of the guidance memorandum has taken longer than expected. During this time, City staff have periodically communicated with HCD to get status updates and ask questions about the use of HCD's new Housing Element tools to analyze tenant preferences. As the State is so particular about how this analysis must be conducted, staff elected to focus on legislation work (noted above) rather than complete in-depth analysis that would have to be redone to meet HCD's standards and to use more current Census data. HCD key staff reported in mid-October that its guidance memorandum is in its final stages of review and is expected to be released by the end of 2021.

Accordingly, staff is now preparing refreshed demographic data so it can be analyzed quickly once HCD's guidance is issued and completing simpler analysis that HCD is likely to require. Assuming guidance is issued late this year, staff intends to submit required quantitative and legal analysis to HCD in the first quarter of 2022.

**Demographic information:** The online "rent roll" reporting forms that are used for the annual submission of tenant information for the City's portfolio of restricted affordable apartments are being amended to include additional information. The additional information is necessary for staff to conduct quantitative disparate impact analysis on protected classes (such as race/ethnicity, gender, age, and veteran status) for existing residents in the City's affordable housing portfolio, as required by HCD.

The City released amended online rent rolls in late spring 2021 for property owners' submission by September 1, 2021. As provision of this additional information is a new requirement for property managers, staff have been flexible on deadlines by which owners must report the

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<sup>10</sup> The State's housing response to COVID has included its statewide administration of billions in federal emergency rental assistance through the Housing is Key program and portal, as well as Project Homekey and other homeless initiatives.

additional demographic information. Data that has been provided thus far is now being analyzed, with completion by the end of 2021.

In addition to enabling tenant preferences administration, these data improvements also better prepare the City for its implementation of the Doorway affordable housing portal. Further, analysis of this data would also enable staff to create a methodology to identify properties with significantly different race and ethnicity composition than the Citywide averages for the low-income resident population. Staff could then proactively identify target properties to work with and improve processes for more equitable fair housing outcomes, if this function could be adequately staffed. Further refinements to the rent rolls to capture more specific household data is possible, including relationships among household members. This work would require an additional task and expenditure of funds under the City's consultant contract; therefore, the status is to be determined.

**Attachment A provides** an overview of the steps involved in creating the draft program and educating the community about it.

### **Recommendation 3: Explore a Community Opportunity to Purchase Program**

A Community Opportunity to Purchase (COPA) program would give a qualified nonprofit buyer the right to make a first offer on a residential property covered by the program that is up for sale. The purpose of COPA is to enable more properties to become restricted affordable, to the extent that City subsidies were available, and be owned by mission-oriented nonprofit organizations that would cooperate with the City to keep them affordable in perpetuity.

Pursuant to the City Council's direction on COPA, staff has researched comparable existing and proposed programs in other jurisdictions. Staff has reviewed the existing programs in San Francisco and Washington, D.C., and the proposed guidelines of programs in Berkeley, Oakland, New York State, and Minneapolis. As part of the City's participation in the Partnership for the Bay's Future, staff has collaborated with other jurisdictions to identify best practices and to learn from other cities and experts on new regional efforts to preserve existing affordable housing.

To help gain robust feedback from a variety of stakeholders to design the proposed program, the City has worked since March 2021 with its community engagement consultants, Baird + Driskell, to create and facilitate an Anti-Displacement Implementation Working Group process. The Working Group has two parts: 1) a smaller, invite-only Technical Advisory Committee (TAC), and 2) a large, open Stakeholder Advisory Committee (SAC).

From April to October 2021, staff held 16 formal large stakeholder meetings (nine TAC meetings and seven SAC meetings) to discuss details of a potential COPA program. Meetings involved over 50 organizations, over 160 different attendees, and more than 200 people on the regular invitation lists. Staff ensured that interpretation services in Spanish and Vietnamese have been available for all SAC meetings. In addition to these large meetings, as of the end of October, staff held 38 additional small stakeholder meetings to discuss program design issues in greater depth.

Stakeholder groups with whom staff have met include realtors, brokers, small apartment building owners, small apartment building property managers, affordable housing developers, tenant advocates, community-based organizations, and nonprofit Community Development Financial Institution lenders that finance housing preservation projects.

Staff is currently assimilating research and analysis with the feedback received from stakeholder outreach to finalize its draft program description for public review. In this second phase of broader public outreach, staff will post a new webpage on the Housing Department's website with upcoming meetings, background information, Frequently Asked Questions, and posted links to City Council meetings in which COPA has been discussed. Staff plans to hold both online and in-person public meetings, which are planned to be cohosted with organizations from the COPA Technical Advisory Committee. Staff will work with Council District offices so they can help advertise these public meeting opportunities. Staff also is continuing to hold smaller stakeholder meetings to get detailed feedback during this public outreach phase.

Pursuant to the CED Committee's feedback at its October 2021 meeting, the Housing Department extended its public review period to January 2022 to accommodate those participants who cannot or choose not to participate during the November/December timeframe. The following is the timeline for anticipated next steps:

***Table 2: COPA Next Steps***

<b>Actions</b>	<b>Timing</b>
Hold more individual and group stakeholder meetings	Oct 2021 - Jan 2022
Prepare draft program description for public review	Oct - Nov 2021
Public review period & refinements	Nov 2021 - Jan 2022
Draft program to Housing & Community Development Commission	Jan/Feb 2022
Draft program to Community & Economic Development Committee	Feb 2022
Draft program to City Council	Mar 2022

**Attachment A** provides an overview of the steps involved in creating the draft program and educating the community about it.

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

Recommendation 4 of the Citywide Anti-Displacement Strategy involves an analysis of the membership composition of the Housing and Community Development Commission (HCDC) and the Neighborhoods Commission. The purpose of Recommendation 4 is to determine whether membership is representative of the full range of San José residents and to identify any barriers to participation. At the City Council meeting on January 12, 2021, the City Council directed staff to create a "lived experience" member seat on HCDC for a commissioner who is currently experiencing or previously experienced homelessness. Pursuant to the City Council's direction, the work plan for this commissioner role is focused on 1) establishing a compensation model for

all HCDC Commissioners; 2) researching and developing new guidelines and resources for onboarding lived experience HCDC members; and 3) re-evaluating HCDC designated seats and the commissioner appointment process.

Since the last update to the CED Committee on August 12, 2021, Housing staff coordinated closely with the City Clerk's Office and the City Attorney's Office to reevaluate the current configuration of designated seats, develop recommendations for an alternative Commissioner appointment process, and finalize the compensation model for HCDC Commissioners. Staff is continuing to engage and seek input from relevant community stakeholders. This includes homeless services and advocacy organizations with a focus on groups comprised of individuals who are or have been unhoused, as well as current and former HCDC Commissioners. In early November, staff will meet with a wide range of community groups through the Housing Department Quarterly Open House for additional feedback.

Staff also conducted background research on other jurisdictions (Austin, King County, Los Angeles, New York City, San Diego, etc.) on best practices for supporting lived experience with homelessness advisory boards, commissions, or similar bodies. A high-level summary of initial research findings is included below:

- **Compensation:** Members of lived experience advisory boards, commissions or similar bodies receive a compensation of \$20-\$25 an hour on average for meeting participation, with a limit on the maximum number of hours compensated per month. Compensation would typically cover meeting attendance, and in some cases, time for meeting preparation as well as transportation needs.
- **General supports:**
  - Access to appropriate technology is a priority. Recommendations include offering tablets or laptops and a Wi-Fi hotspot device to ensure reliable access to virtual meetings and documents.
  - Individuals may need office space available at flexible times or assistance identifying a quiet, positive space in the community for individuals to attend virtual meetings or to prepare for meetings.
- **Onboarding:**
  - Peer-to-peer support through orientation or an ongoing buddy system can often be critical to the successful tenure of a new member.
  - Onboarding materials and training should provide clear guidance about: 1) members' roles; 2) expectations and how their participation can impact changes in policies and priorities; and 3) supports that are available and the process to request assistance.
- **Support for meetings:**
  - Ongoing staff support prior to, during, and post-meeting, and clear messaging about supports available is important to provide opportunities to ask questions and a safe space to express issues.

- Materials and presentations should be in plain language. Staff should make efforts to reduce jargon and use of ostracizing language at meetings.

Over the next quarter, staff will continue stakeholder outreach and coordination with the City Clerk and City Attorney's Offices in finalizing recommendations for the HCDC designated seats. The recommendations will address the Commissioner appointment process, compensation model, and guidelines and resources for onboarding lived experience HCDC members. In December, staff will bring a preliminary proposal to HCDC, which may elect to make recommendations to staff and/or the City Council. The Department expects to bring forward recommendations to the City Council in early 2022.

As this part of Recommendation 4 is comparatively straightforward and immediate in responding to City Council's direction, staff did not create a more detailed work plan for it as part of Attachment A.

## **CONCLUSION**

Staff continues to make progress on the top four priority recommendations directed by the City Council. In the last quarter, staff focused heavily on delivery of the emergency rental assistance program, establishing Eviction Help Centers, and program design work for a COPA program. Work on equitable Commissions composition and analyzing potential tenant preferences also progressed. Continued focus on programs and initiatives that help prevent lower-income residents' displacement remains the Housing Department's top priority for the near future.

## **EVALUATION AND FOLLOW-UP**

Pursuant to the City Council's direction, staff will continue to provide quarterly progress updates on its work on the Citywide Anti-Displacement Strategy to both the CED Committee and the Neighborhood Services and Education Committee.

## **CLIMATE SMART SAN JOSÉ**

The recommendation in this memorandum aligns with one or more of Climate Smart San José energy, water, or mobility goals.

## **PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the November 22, 2021, CED Committee meeting.

## **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office.

## **COMMISSION RECOMMENDATION/INPUT**

The City Council's direction did not include status reports back to the Housing and Community Development Commission; therefore, this report is outside the scope of the Commission's duties. Staff will continue to engage the Commission and solicit feedback on specific recommendations of the Anti-Displacement Strategy as each one is developed further. The draft Community Opportunity to Purchase program is expected to be heard by the Commission in early 2022.

## **CEQA**

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

The primary author of this memorandum is Kristen Clements, Division Manager. For questions, please contact her at [Kristen.clements@sanjoseca.gov](mailto:Kristen.clements@sanjoseca.gov).

**Attachment A:** Updated Work Plans for Top Three Highest Priority Anti-Displacement Recommendation

**ATTACHMENT A:**  
**Updated Work Plans for Top Three Highest Priority**  
**Anti-Displacement Recommendations**

<b>1. Equitable COVID-19 Recovery and Impact Mitigation Measures for Renters and Homeowners Work Plan</b>		
<b>Task</b>	<b>Description</b>	<b>Timeline</b>
<b>Advocacy</b>	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.	Completed & ongoing
	Express City support for legislation on eviction and foreclosure prevention and housing recovery from COVID-19 on the 2021 Citywide Legislative Priorities	
<b>Program Development and Research</b>	Plug into coordinated response across City Departments for COVID relief and recovery	Completed & ongoing
	Seek advice & assistance from universities & thinktanks on tracking outcomes	
	Survey existing anti-displacement housing programs to identify impediments to eligibility for immigrant households most at risk of homelessness and displacement	Completed
	Assist Bloomberg/Harvard to survey San José small property owners	Completed
	Research COVID-19 housing recovery strategies of other large cities and recovery metrics they are tracking	
	Work with Urban Institute and City of LA on COVID response study	
	Pinpoint possible administrative program changes to remove barriers for immigrant households	Completed
	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.	Ongoing
	<i>Work with Law Foundation to study estimated cost of Right to Counsel for Santa Clara County per City Council direction</i>	<i>Q4 2021</i>

<b>Community Outreach</b>	Interview CBOs serving COVID-19 impacted residents to determine needs	Q4 2020-ongoing
	Participate in existing working groups driving COVID-19 response and recovery to align efforts and eliminate duplication	
	Interview community leaders in highly COVID-19 impacted neighborhoods with renters at risk of displacement in zip codes 95233, 95127, 95116, and 95148	Completed
	Prior to the end of the eviction moratorium, hold or attend COVID-19 housing and displacement meetings led by elected leaders convening civic and private sector leaders, residents, and CBOs to: <ol style="list-style-type: none"> <li>1. Hear experiences of stakeholders re. housing needs 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>	Deleted
	Analyze feedback and community-led recommendations to inform future Housing funding priorities and develop recommendations on policy changes for City Council consideration	Ongoing
<b>Funding*</b>	<i>Design system and administer emergency rent assistance for extremely low-income and undocumented local residents &amp; coordinate CBOs together with County</i>	<i>Q1 2020 to current</i>
	Identify available and possible new sources of ongoing funding for legal services to prevent eviction, Housing Collaborative Court positions, and housing mediation services if County resources are insufficient	Completed / Ongoing
	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	2022

**\*Note:** *Italicized items indicate additions to the Work Plan.*

<b>2. Tenant Preferences to Prevent Displacement Work Plan</b>		
<b>Phase</b>	<b>Description</b>	<b>Timeline</b>
<b>Program Development &amp; Research</b>	Meet with State HCD to clarify policy parameters and necessary fair housing analysis	Completed
	Receive additional guidance from HCD on its revised fair housing analysis framework	
	Work with HCD to identify timeline for its issuance of final guidance on tenant preferences	Q1 – Q4 2021
	Perform disparate impact analysis & do other HCD-required analysis	
	Determine how to prioritize and administer different preferences & finalize determination on which production programs will incorporate preferences	
	Update rent roll online systems programming to incorporate demographic data for existing affordable housing residents	Completed

<b>Legislation</b>	Work with City Attorney's Office to create draft legislation	Completed
	Support the bill through meetings with potential authors, stakeholders, HCD, Assembly and Senate policy committee staffs	Ongoing
	Work with City Attorney's Office to create legal findings in support of Ordinance and approve proposed parameters	Through Q3 2022
	Work with Intergovernmental Relations to achieve approval of legislation by 2022 (two-year bill)	
<b>Community Outreach &amp; Feedback</b>	Provide revised information, legal analysis, and disparate impact analysis to HCD for both proposed preferences	Q2 2021 – Q1 2022
	Update draft Ordinance; create program descriptions	
	Issue survey to owners of properties with affordable apartments that would be subject to the program	
	Seek & incorporate HCD feedback on City's analysis & submissions	
	Obtain HCD approval of City's methodology & analysis	Q1 2022
	<i>Decide timing to seek HCD approval for second preference</i>	<i>Q1 2022</i>
	Stakeholder meetings on draft program (community and neighborhood, property owners & managers, residents/advocates)	Q1-Q2 2022
	Hold public meetings on draft program to get input	
<b>Program Finalization &amp; Approvals</b>	Hold next round of meetings with key stakeholders on drafts	Q2 2022
	Make final program revisions based on feedback	
	Post final draft program for public review	
	Present draft program to Housing & Community Development Commission	
	Present draft program to Community & Economic Development Committee	
	City Council approves Ordinance & program	
<b>Program Implementation</b>	Issue guidance for property owners & the public	Q2-Q4 2022
	Hold educational meetings for property owners/managers	
	Host public meetings to inform about new preferences	
	Conduct webinars for the public (multiple languages)	
	Conduct community outreach (neighborhood meetings, tabling, associations)	
	Fully implement renter online portal (to get applicant racial data, screen applicants for preference eligibility)	2022-23 (TBD)
	Do analysis annually and submit for HCD reviews	Ongoing

**\*Note:** *Italicized items indicate additions to the Work Plan.*

<b>3. Community Opportunity to Purchase Work Plan</b>		
<b>Phase</b>	<b>Description</b>	<b>Timeline</b>
<b>Program Development</b>	Research COPA results and management in comparable cities	Completed
	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) & market research	Completed
	Hold RFP and hire community engagement consultant for Anti-Displacement Working Group; focus Technical Team on COPA	
<b>Community Outreach &amp; Policy Feedback</b>	Meet with specialized stakeholders (property owners, realtors, brokers, lenders, other experts)	Q2 2021 to Q1 2022
	Meet with potential qualified nonprofit developers	
	Prepare analysis of long-term funding need and possible sources for financing acquisition & rehabilitation/permanent	
	Hold Working Group meetings – Technical Advisory Committee and broader Stakeholder Advisory Committee (ongoing)	
	Create first draft of program and supporting materials incorporating community feedback and study findings	
	Hold stakeholder public review period and feedback	
<b>Program Finalization &amp; Approvals</b>	Make refinements based on first public review feedback	Q1 2022
	Hold 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	
	Consult with stakeholders and community	
	Post final Council memo with draft program parameters for public review	Q1 2022
	City Council approves program & directs staff to return with ordinance	
	City Council approves ordinance	Q2 2022

<b>Program Implementation</b>	Begin 12-month notice period before implementation	Q2 2022 to Q2 2023
	<i>Create draft regulations and guidance – get public feedback</i>	
	Conduct webinars for the public (multiple languages)	
	Hold co-hosted educational meetings for property owners	
	Begin program implementation (after notice period)	Q2 2023
	Info memo on progress to the City Council 6 months after start	Q4 2023
	Continue outreach and education to community	2023-24
	Assess Program performance in report to City Council after 1 year	Q2 2023

**\*Note:** *Italicized items indicate additions to the Work Plan.*