



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Councilmember Ortiz

**SUBJECT:** SEE BELOW

**DATE:** April 7, 2026

Approved

Date 4/7/2026

**SUBJECT: Lower Income Voucher and Equity Program Amendment**

## **RECOMMENDATION**

1. Approve the March 19<sup>th</sup> memo from Councilmember Casey, Councilmember Cohen, Councilmember Ortiz, Councilmember Candelas
2. Direct the City Manager to draft an informational memo about the housing needs of the City of San Jose workforce and their families, and how workforce housing may assist in worker retention, which shall
  - a. Review of relevant data on income and current location of residences of our workforce to guide future approaches to workforce housing and retaining workers in San Jose; and
  - b. Be referenced when developing future workforce housing initiatives and City employee incentive programs.

## **BACKGROUND**

On February 24, 2026, the City Council approved the Lower Income Voucher and Equity (L.I.V.E.) Program, authorizing the City to enter into a public-private partnership to master-lease approximately 197 units at a downtown residential development and provide voucher subsidies to households earning between 80% and 110% of Area Median Income. The program is designed to stabilize a distressed asset while expanding access to middle-income housing, and it includes a preference for public employees when applying for available units. Through this pilot, the City is testing an innovative model that combines rental subsidies with an equity stake, allowing the City to support housing affordability while positioning itself to recapture its investment over time.

This action reflects an important step in the City's broader effort to identify creative solutions to both housing affordability and workforce retention. As the City continues to face a constrained fiscal environment and projected budget shortfall, it is increasingly important to explore ways to support employees beyond traditional compensation. Ensuring that City staff can afford to live in

the communities they serve is critical to recruitment, retention, and the effective delivery of services.

Building on the framework established through the L.I.V.E. Program, further analysis of workforce housing needs can help guide future strategies that are both fiscally responsible and responsive to the realities facing San José's workforce and their families.