CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

FROM: Christopher Burton
Erik L. Soliván

SUBJECT: **Housing Catalyst Team Work Plan Status Report**

DATE: January 30, 2026

Approved Rosalynn Hughey

Date: 2/13/2026

COUNCIL DISTRICT: Citywide

RECOMMENDATION

(a) Accept the status report on the work to implement the Housing Catalyst Team Work Plan.

(b) Refer and cross-reference this report to be heard by the full City Council for acceptance at its meeting on March 24, 2026.

SUMMARY AND OUTCOME

Staff is providing an annual report of the Housing Catalyst Team Work Plan (Work Plan). The Work Plan contains near-term strategies, programs, and policies from the 2023-2031 Housing Element that are underway or that staff anticipates initiating in the next two years. Staff continues to focus on implementing the Housing Element and the strategies in the Work Plan.

BACKGROUND

To coordinate the implementation of housing production, preservation, and tenant protection work across multiple departments, the Housing Catalyst Team was established in 2018. The team meets on a biweekly basis and is composed of staff from the Business Development team in the City Manager's Office of Economic Development and Cultural Affairs; the Citywide Planning Division of the Department of Planning, Building and Code Enforcement; the Housing Production and Policy Divisions of the Housing Department; and the Planning Team of the Department of Parks, Recreation and Neighborhood Services.

On November 15, 2022, staff presented the final update on the Housing Crisis Work Plan to City Council. Understanding that much more work was needed to increase housing opportunities and production in 2023 and beyond, staff recommended the creation of the Work Plan. Preparation of the 2023-2031 Housing Element provided an opportunity to assess and outline all housing-related work throughout the City over the next eight years. The goal of the Work Plan is to clearly communicate the calendar year accomplishments and status of City staff's work for the upcoming two years related to housing production, preservation, and protection.

On June 20, 2023, City Council adopted the 2023-2031 Housing Element, which includes over 130 strategies and programs envisioned for the eight-year term of the Housing Element. The strategies and programs are intended to facilitate the production and preservation of housing units in San José and support progress toward meeting the City's Regional Housing Needs Allocation (RHNA) of 62,200 units. The Housing Element was certified by the California Department of Housing and Community Development (HCD) on January 29, 2024.

On June 26, 2023, staff presented the first version of the Work Plan to the Community and Economic Development Committee. The most recent version was presented to the Committee on February 25, 2025, and to the City Council on March 18, 2025, concurrently with the Housing Element Annual Progress Report. The Housing Element Annual Progress report must be submitted to HCD by April 1 of each year, including an update on the City's progress toward achieving the goals of the adopted Housing Element.

ANALYSIS

Each year in February, City staff provide a report to the Community and Economic Development Committee on the Work Plan items on which staff has initiated work or anticipates starting work within the next two years. The report is then cross-referenced to City Council in March to be heard concurrently with the Housing Element Annual Progress Report. The Work Plan is composed largely of programs and strategies that are also included in the Housing Element, although staff or City Council may propose additional work items related to housing that are a priority and not included in the Housing Element.

In 2025, staff completed several major Housing Element items in the Work Plan and made significant progress on other items. Staff posts regular updates on work items in between formal annual reports through the Work Plan Dashboard.[1]

[1] https://app.powerbigov.us/view?r=eyJrIjoiNTU5ZDgyNGMtZDlkZC00N2E1LTljNzYtMWUwOTFjNjM2ODdlIiwidCI6IjBmZTMzYmUwLTYxNDItNGY5Ni05YjhkLTc4MTdkNWMyNjEzOSJ9

Market Conditions and Housing Production

San José remains one of the most expensive cities in the nation to rent or buy a home. The average effective rent in 2025 across all apartment classes and sizes was $2,862, up from $2,781 in 2024. San José's overall average residential rental vacancy rate across all residential classes for 2025 was 4.5%, down slightly from 2024's average vacancy rate of 4.7%. San José's for-sale market is also challenging for many buyers with notably high median prices. The median price of a single-family, detached home in San José was $1.68 million in 2025, up 1.2% year over year.[2] As a result, purchasing a home is often unaffordable for middle- and lower-income households, and there is significant demand for housing affordable to a broad spectrum of household incomes.

Staff continues to monitor market conditions and housing production trends, including progress toward the City's RHNA. To provide additional context, ***Table 1*** benchmarks San José's RHNA allocation and permit progress against five comparison jurisdictions using the most recently available HCD RHNA Progress Dashboard data. As shown in ***Table 1****,* progress in all benchmark jurisdictions in the 6th Cycle Housing Element is currently below the RHNA target, and San José's progress is generally consistent with that of other large jurisdictions at this stage of the cycle, especially in the Bay Area. These trends underscore the importance of continuing to prioritize Housing Element implementation strategies aimed at accelerating housing production and preservation. The City's Housing Catalyst strategies focus on interventions within local control, such as financing incentives, process improvements, and displacement prevention, to help close the gap between RHNA requirements and market-driven outcomes.

[2] Santa Clara County Association of Realtors, Dec 2025.

Table 1 – RHNA Progress Benchmark (Calendar Years 2023 and 2024)[3]

City	Total RHNA Allocation (6th Cycle)	% Through 6th Cycle[4]	Cumulative % RHNA Attained	Calendar Years 2023-2024 Affordable[5]	Calendar Years 2023-2024 Market-Rate[6]
Los Angeles	456,643	37.5%	12.8%	9,246 (3.6%)	49,192 (25%)
Oakland	26,251	25%	6.9%	1,241 (8.4%)	582 (5%)
Sacramento	45,580	50%	24.8%	7,516 (29.7%)	3,771 (18.6%)
San Diego	108,036	50%	26.8%	4,781 (7.4%)	24,122 (55%)
San Francisco	82,069	25%	5%	2,129 (4.6%)	2,000 (5.6%)
San José	62,200	25%	8.3%	3,721 (10.8%)	1,469 (5.3%)

Attachment A: San José RHNA Progress contains a more detailed snapshot of progress toward meeting RHNA housing production targets in calendar year 2025.

Incentive Programs

The City's Multifamily Housing Incentive Program (MHIP) launched in 2024 and began showing clear results in 2025. While no new projects broke ground in 2024, construction has since started on five housing developments totaling 1,444 homes. Another seven proposed projects, representing 2,225 additional homes, are now part of the recently extended program. In January 2026, the City Council approved extending the program through February 28, 2027, and increasing the number of eligible units from 1,800 to 3,600 to better match strong interest from developers. Program benefits, such as reduced construction taxes and a lower affordable housing requirement, have helped make projects financially viable and address cost challenges identified in the City's 2025 Cost of Residential Development Study, which found that higher-density rental housing is difficult to build without incentives.

The expanded Downtown Residential Incentive Program, also approved by City Council on January 27, 2026, complements MHIP by targeting residential high-rise construction and commercial-to-residential conversions in the Downtown Planned Growth Area, addressing the structural shift in office demand that has increased vacancy rates from 12% pre-pandemic to over 20% currently.

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[3] RHNA progress counts reflect HCD Annual Progress Report Dashboard cumulative permit progress for Calendar Years 2023–2024 (data pulled on January 28, 2026). 2025 data from other jurisdictions is not yet available. Percentages shown in parentheses for each income level reflect cumulative permits issued divided by RHNA allocation for that income category.
Table 1 data source: https://www.hcd.ca.gov/housing-open-data-tools/apr-dashboard
[4] Percentage through 6th cycle is calculated based on each jurisdiction's Housing Element planning period start/end date; planning periods vary by jurisdiction.
[5] Affordable units include Very Low Income (HCD data combines Extremely Low-Income (ELI)/Very Low-Income (VLI), Low Income, and Moderate-Income categories.
[6] Market-rate units include Above Moderate-Income categories.

There are three projects, all in Council District 3, that meet the specific criteria for conversion within this incentive program: Bank of Italy, CityView Plaza, and The Security Building. These commercial-to-residential conversions represent approximately 477 potential units and $13.6 million in development subsidies. The program structure recognizes conversion-specific cost factors, including structural limitations, system modifications, and lender caution due to limited comparable transactions, by reducing Inclusionary Housing Ordinance in-lieu fees to $0 and requiring 0% deed-restricted units. Most units produced through this program are expected to be in the moderate-income housing band, with proposed rents for studios ($2,675) and one-bedrooms ($3,503) falling below 110% Area Median Income (AMI) benchmarks due to the current market conditions in Downtown San José.

Housing and Planning staff have continued to make substantial progress on key Work Plan items, as outlined below, and continue to advance efforts to support the commitments established in the City's 6th Cycle Housing Element. While the items below provide a snapshot of select work plan items, a complete list is included in **Attachment B: Housing Catalyst Team Work Plan Progress Updates**. It is worth noting that the evolving state legislative environment for housing has constrained the capacity of the Planning team to work on Housing Element strategies and programs. In particular, analysis and implementation work on Senate Bill 1123 and Senate Bill 79 have diverted significant staff time. However, both departments continue to prioritize Housing Element implementation while navigating the added complexity associated with recent state legislative changes.

Building More Housing Focus Area

The City also drives various housing production goals through the Building More Housing Focus Area. One goal for this fiscal year is to update the Cost of Residential Development Report, including the economics of residential development and the primary barriers to new housing production in the City. Staff presented the report to City Council on December 8, 2025. For affordable housing, San José's average development cost of approximately $676,000 per unit is consistent with other Bay Area counties. Per-square-foot costs are comparable regionally and are largely driven by smaller unit sizes rather than higher construction costs. The City also represents a significant share of planned affordable housing development in the Bay Area. For market-rate housing, in the current market, lower-density housing types are generally financially feasible, while most higher-density projects are not. However, fee waivers and modest improvements in market conditions could improve feasibility for some higher-density developments.

Another goal for the Building More Housing Focus Area is to review a portfolio of entitled planned housing projects with various requirements that present financial feasibility challenges in today's market. Initial analysis shows that of the approximately 29,000 units entitled for development across the City, over 8,300 units are tower projects that are infeasible, over 3,500 units are feasible stacked flats and townhome projects, and over 17,200 are podiums with mixed financial feasibility. Many projects remain stalled three or more years after receiving City approval. The data shows 28 such projects comprising approximately 13,000 units, including several approved as far back as 2019 that have yet to break ground. Staff is working to complete the comprehensive analysis by overlaying the data with, but not limited to, planned areas, approval years, incentive programs, AMI breakdown, and proposed rents.

General Plan Four-Year Review

In order to advance the Work Plan and the current 6th Cycle Housing Element, the City initiated the third Four-Year Review of its General Plan. While the General Plan Four-Year Review is not a standalone Work Plan item, the scope of work includes Work Plan items, including *P-40: Evaluate Urban Village Planning Process* and *P-35: Small Multifamily Housing*. This work is also an opportunity to prepare for the 7th Cycle Housing Element that must be approved by 2031. In June 2025, the City Council approved the scope of work for the third General Plan Four-Year Review since the General Plan adoption, with a focus on promoting and accelerating housing production to address the housing crisis and meet the RHNA. The scope of work prioritizes four actions in pursuit of this goal: 1) increasing residential capacity; 2) streamlining urban village planning; 3) facilitating small multifamily housing; and 4) evaluating the General Plan jobs to employed resident ratio goal.

The Four-Year Review process includes up to eight meetings with a Task Force (comprised of the City's Planning Commission) and public outreach, including a virtual kick-off meeting for the public, four open house events, a dedicated web page, and social media content. Thus far, the Task Force has convened three times, in October and November 2025 and in January 2026. The first meeting focused on an introduction to the process, and the second and third meetings focused on staff proposals to accelerate the completion of plans for urban villages, expand growth areas, and increase density throughout the city. Task Force meetings in the first half of 2026 will address small multifamily housing and the jobs-to-employed resident ratio, and public open houses will take place in March and April.

Work Plan Highlights

The following subsections provide summaries of progress made in calendar year 2025 on key items in the Work Plan. The items are grouped into three categories and are all currently active or ongoing:

1. Programs Highlighted by HCD for Housing Element Certification.
2. Key Anti-Displacement Work Items.
3. Other Work Plan Highlights.

To help staff prioritize impactful work, Housing Catalyst Team members assigned each Work Plan item a level of effort and an estimated impact. Level of effort indicates how much work each item will require and how long it will take staff to complete. The impact designation reflects staff's estimate of the potential positive effect on housing production, preservation, or protection that an item would have once it is implemented. For instance, if two work items have the same level of effort and timeframe but one would have a greater positive impact, that item would be prioritized over the other. Additionally, the level of effort metric, along with estimated completion dates, provides transparency to the City Council and the public on the time and effort required for each item.

Progress updates and impact and level of effort designations for each Work Plan program are included in **Attachment B: Housing Catalyst Team Work Plan Progress Updates**. Descriptions of the impact and level of effort designations are included in **Attachment C: Impact and Level of Effort Definitions.**

1. Programs Highlighted by HCD for Housing Element Certification

HCD has previously indicated that it will emphasize monitoring and review as programs are implemented, as discussed in its Housing Element certification letter. For San José, there were six programs in the Work Plan specifically mentioned in the January 29, 2024, letter[7] from HCD. Updates on these programs are included below.

Affordable Housing Tools for North San José (P-4) – In 2025, Planning staff reviewed the state Density Bonus law, the 2025 Cost of Development Study, and recent development applications in North San José. Given existing allowable densities in North San José, generous state law provisions, and current market feasibility trends, staff determined that an additional local density bonus is unlikely to change project feasibility or accelerate development activity at this time and therefore does not recommend retaining a consultant to confirm those findings. Staff will continue advancing strategies already underway to support affordable housing in North San José, including geographic priority in annual City Notices of Funding Availability, and continue implementation of the Multifamily Housing Incentive Program. With these strategies already guiding implementation, a separate North San José Affordable Housing Implementation Plan is not anticipated to add additional value at this time.

City Infill Housing Ministerial Approval Ordinance (P-7) – Work on this item was completed in December 2024 when the City Council approved the City streamlined ministerial review process for projects in identified growth areas. One project with 540 residential units at 3896 Stevens Creek Boulevard was approved in 2025, and a second project consisting of 272 affordable housing units is currently under review. Staff is now working on an expansion of the ministerial review process to cover Downtown, which is part of the Building More Housing City Council Focus Area. This will allow more projects to utilize this ministerial review pathway.

[7] https://www.sanjoseca.gov/home/showpublisheddocument/109270/638441203405470000

Diridon Affordable Housing Production Goal (P-9) – In April 2025, the Housing Department released a New Construction and Preservation Request for Proposals that incentivize affordable housing development in the Diridon Station Area by awarding additional scoring points to proposals located within 0.5 miles of this key multimodal transit hub. In 2025, development momentum in the area was lower than anticipated, in part due to the indefinite pause of the Google Downtown West project, which would have brought significant investment and housing activity to the Diridon Station Area. As broader development activity evolves, staff’s 2025 focus was to align available funding tools and scoring criteria with the City’s long-term affordability objectives for the Diridon Station Area, while recognizing that unit delivery will align with market feasibility and overall Diridon Station Area development timing.

Small Multifamily Housing (P-35) – Pursuant to this item and as part of the General Plan Four-Year Review, the Planning Division is exploring General Plan and Zoning Code changes to expand the areas of the city, particularly in single-family zoning districts, where small multifamily housing (4-10 units, also known as “missing middle”) could be allowed. This work is taking place within an evolving state legislative context that has already greatly expanded opportunities for small multifamily development on single-family lots and streamlined project review through Senate Bills 9, 684/1123, and 79. Staff’s analysis of potential changes to San José’s General Plan and Zoning Code includes approaches that would complement state laws and regulatory measures to facilitate more units at a scale compatible with single-family neighborhoods. Staff will present potential regulatory approaches to encourage missing middle housing at the General Plan Four-Year Review Task Force meeting in March 2026. Recent adjustments made to the Inclusionary Housing Ordinance (IHO) will now exempt projects with 20 units or below.

Evaluate Urban Village Planning Process (P-40) – While 16 of the 60 urban village plans have been adopted and two are in progress, 42 villages remain without a plan, inhibiting housing production in those areas. In the fall of 2025, as part of the General Plan Four-Year Review process, staff evaluated the urban village planning process and developed a set of streamlining recommendations. In November 2025, staff presented those recommendations to the Four-Year Review Task Force and members of the public. The recommendations would reduce the number of urban village plans that remain to be developed from 42 to 15 and would streamline other aspects of the planning process, by: 1) consolidating multiple urban villages along transit corridors into a single plan, rather than an individual plan for each one; 2) implementing targeted land use and zoning changes in the 17 Neighborhood Urban Villages, rather than preparing individual plans for each one; 3) simplifying urban village plan documents; and 4) establishing a standard outreach program for the planning process. The Task Force and members of the public in attendance expressed support for the proposed changes, and staff is currently drafting the General Plan text amendments required to implement them.

Review and Revise Planning Permit Conditions (P-41) – This work plan item is to review and revise subjective language used in standard permit conditions and findings to be consistent with state law. Staff began work on this item in 2025, but progress has been slowed by other work related to state law implementation. Staff intends to complete this work and bring forward necessary amendments to the Zoning Ordinance in the fall of 2026.

2. <u>Key Anti-Displacement Work Items</u>

San José's Citywide Residential Anti-Displacement Strategy is a work plan adopted by City Council in September 2020. Twenty work items from the Anti-Displacement Strategy were integrated into the Housing Element. The near-term work items were also integrated into this Work Plan to be prioritized alongside the staff's other work. HCD also emphasized the importance of work items related to the Anti-Displacement Strategy, given the public's interest in them. Selected updates on key strategies from the Anti-Displacement Strategy and items directly related to anti-displacement work are outlined below.

Soft Story Program (R-13) – In 2025, significant cuts to the Federal Emergency Management Agency and its Building Resilient Infrastructure and Communities program affected the City's anticipated $25 million in funding for the soft-story seismic retrofit rebate program. The state Office of Emergency Services is working to determine how and when funds will be received, given court injunctions related to the Building Resilient Infrastructure and Communities program. Given this uncertainty, City Council adopted an amendment to the City's soft-story ordinance in March 2025 to extend compliance deadlines for required retrofit work. Following that action, staff developed a smaller, voluntary pilot rebate and loan financing program to maintain compliance with the initial $4 million Federal Emergency Management Agency grant, which was approved by the City Council on January 27, 2026.

Eviction Prevention Activities (S-12) – In 2025, the City held 50 weekly eviction prevention workshops through the Santa Clara County Superior Court, assisting 237 tenants and landlords with eviction (unlawful detainer) lawsuit inquiries. City staff were present at the eviction court calendar two to three days per week to screen for eviction diversion eligibility and connect residents at risk of eviction with available resources. Through the Eviction Diversion and Settlement Program, 90 tenant households involved in eviction court actions were stabilized. In addition to screening for eligibility, at least 104 tenants and landlords were assisted during the eviction court calendar and provided with resources to prevent eviction or help ensure continued housing following an eviction.

Tenant Preferences that Help Fight Displacement (S-20) – In 2025, staff continued implementation of the Tenant Preference Program as part of the City's broader anti-displacement strategy, including coordinating with City-supported affordable housing development activity in the pipeline. Staff have implemented the Tenant Preference

Program at two developments totaling 145 units, representing a 28-unit set-aside for the program. Staff anticipates extending the program to approximately 240 additional units in future projects, representing an 84-unit set-aside for the program. Staff will continue to review upcoming deals and projected unit counts as projects advance through funding and development milestones.

3. Other Work Plan Highlights

Development Incentives for Residential Construction (PZ-1) – The City is operating two programs that provide development incentives for residential construction. In 2025, progress included the following:

Downtown Residential Incentive Program: The Downtown Residential High-Rise Incentive Program was established in 2012 to catalyze high-density residential development in the Downtown Planned Growth Area. On January 27, 2026, City Council renamed the program to the Downtown Residential Incentive Program and expanded eligibility to include commercial-to-residential conversion projects for mid-rise and high-rise buildings. Three pipeline conversion projects—Bank of Italy, CityView Plaza, and Security Building—represent approximately 477 potential units. The Council also extended Phase 1 benefits to 7,000 units and Phase 2 benefits to 3,000 units for the overall program.

Multifamily Housing Incentive Program: In December 2024, City Council approved the Multifamily Housing Incentive Program targeting high-density developments in strategic growth areas. On January 27, 2026, Council extended Phase I benefits through February 28, 2027, and expanded capacity from 1,800 to 3,600 units to accommodate robust developer interest. Five projects totaling 1,444 units are currently under construction, with seven additional projects representing 2,225 units included in the recently extended program. Phase II commences on March 1, 2027, or upon exhaustion of Phase I capacity. Staff will continue to provide updates on these development incentives through the annual Work Plan update.

Loans for Affordable Housing (P-18) – During calendar year 2025, City Council approved $48.3 million in loan awards for two developments (Berryessa and Gateway), supporting the creation of 415 affordable units. The City also proactively updated its Gap Financing program regulations and implemented a rolling Request for Proposals to better prioritize construction-ready developments and strengthen coordination of resources with partner agencies. Consistent with these changes, staff has preliminarily identified five additional developments, representing 493 units, for future funding consideration by the City Council, of which 336 are anticipated to begin construction before the end of 2026. Across the City’s investments, staff have made concerted efforts to strategically align with funding and operating commitments from the County of Santa Clara and the Santa Clara County Housing Authority, resulting in the efficient use of public resources, including the commitment of $47.4 million in County funds and 298 project-based vouchers to support long-term affordability and housing stability for at least 20 years.

Technology (Automation/Software) Needs to Address Recommendations from the Tenant Protection Ordinance Audit Report (SZ-2) – Housing Department staff obtained use of a tool to integrate data from the Planning, Building and Code Enforcement Department’s AMANDA system into the Salesforce database to track properties covered by the Apartment Rent Ordinance and the Tenant Protection Ordinance. This integration work is expected to be finalized by March 2026. Per City Council direction, staff will continue to provide status updates through Work Plan reports on any technology (automation/software) needs related to the recommendations from the City Tenant Protection Ordinance audit report presented to the Community and Economic Development Committee on October 28, 2024.

Outside Bond Issuers and Bond Policy Changes (N-8) – In April 2025, City Council approved policy changes to the City’s Bond Policy to make it easier for developers to utilize bond issuers other than the City of San José. Since the changes took effect, eight developments have used outside bond issuers to successfully secure California Debt Limit Allocation Committee bond awards, supporting the creation or preservation of 1,261 affordable housing units in San José. Staff is also developing more comprehensive updates, consistent with City Council’s direction, to further streamline and modernize the Multifamily Housing Bond Policy, with a proposed item planned for City Council consideration on March 17, 2026.

Reasonable Accommodation Requests (I-19) – In 2025, Citywide Planning staff, in consultation with the City Attorney's Office, prepared draft revisions to the City’s Reasonable Accommodation Request ordinance to align it with the state’s model ordinance. Among the changes are simplifying the required findings and reducing the application fee by a significant amount. Two public outreach events are being planned for March 2026, including a focus group with organizations representing individuals with disabilities. The target date for Planning Commission approval is April 2026 and for City Council approval is May 2026.

Standardize and Streamline Permitting, Fees, and Applications (P-10) – The goal of this work item is to standardize City impact fees and streamline the estimation of construction taxes by creating the Development Fee Framework. The Development Fee Framework is intended to be a structured set of standards for aligning current and future fee programs. The program would increase transparency and make it easier for developers to estimate City fees as they consider potential development opportunities.

The work to date on this item has comprised the formation of an internal working group of City departments with existing impact fee programs. The first phase of the work was the creation of a new City Council Policy to define and memorialize the Development Fee Framework. Staff in the working group has developed a first draft of the Council Policy, which will require further internal review and revisions. However, this work has been slowed by the need for staff to prioritize work on the General Plan Four-Year Review and the implementation of recently enacted state laws. Additionally, the fee standards have evolved with the passage of State Bill 937, which went into effect last year, allowing the deferral of impact fees for most residential projects until the certificate of occupancy is issued. Additionally, a memorandum authored by Councilmembers Ortiz, Cohen, Mulcahy, and Casey was submitted to the Rules and Open Government Committee on January 15, 2026, and was on that Committee's Agenda for January 21, 2026. The memorandum focused on many of the important areas of work contemplated in the Development Fee Framework. Staff is currently assessing how to move forward with this work and whether any additional resources are necessary. The first steps would involve continuation of work on the development of the City Council Policy.

Completed Work Plan Items

In addition to making progress on the Work Plan items highlighted above, staff completed the following programs in 2025:

Allow "Senate Bill 9" Type Housing on Additional Properties (P-11) – On January 13, 2026, the City Council approved a Zoning Ordinance update to allow "Senate Bill 9" type housing on properties in the R-2 Two Family Zoning District and on properties listed in the City's Historic Resources Inventory. This ordinance also modified the City's existing Senate Bill 9 standards to facilitate these developments. Changes to development standards included reducing the driveway width for subdivided lots, increasing the allowed floor area ratio, and reducing second-story setback requirements. This action completed the work on item P-11.

Moderate-Income Housing Strategy (P-15) – On May 19, 2025, the Housing Department presented the Moderate-Income Housing Strategy to the Community and Economic Development Committee. The Strategy advances five recommendations: 1) updating the Inclusionary Housing Ordinance Guidelines to maximize housing outcomes; 2) fostering Accessory Dwelling Unit (ADU) ownership; 3) considering a moderate-income density bonus for small multifamily developments; 4) supporting construction defect liability reform for condominiums; and 5) facilitating missing middle workforce housing. On January 27, 2026, City Council approved amendments to the Inclusionary Housing Ordinance that implemented the first recommendation by recalibrating affordability targets to the 60% to 120% AMI workforce band, implementing a functional Surplus Credits program, aligning the affordability term for rental units from 99 years to 55 years consistent with state practice, and streamlining processing for 100% affordable developments. City Council also approved two additional compliance options: 7% of all eligible units at 50% AMI or 5% at 30% AMI.

Group Homes for Seven or More Persons (P-42) – The City updated its Zoning Code to be consistent with state and federal fair housing laws, as approved by City Council on January 13, 2026. These changes removed the additional requirements for group homes serving seven or more individuals in all residential zoning districts, including single-family zoning. These actions completed the work on item P-42.

New Work Plan Items

In 2025, two new housing work items were referred to the Work Plan. These work items are not directly derived from the Housing Element but will be tracked and monitored through the annual reporting process and the Work Plan dashboard. Staff is denoting these new Council-assigned work items starting with the corresponding letter for their Housing Element goal, followed by "Z" and a number, as follows.

Inclusionary Housing Ordinance and Program Updates (PZ-2) – Consistent with the City Council-approved Mayor's March Budget Message for Fiscal Year 2025-2026 to streamline IHO requirements, encourage on-site homes to 60% to 120% AMI, and eliminate arduous regulatory processes for 100% affordable housing projects at or below 100% AME, Housing Department staff developed the following proposed amendments:

1. Updating affordability levels to recalibrate targets to the 60% to 120% AMI workforce band while preserving options to achieve deeper affordability;
2. Refining compliance options, including implementation of a functional Surplus Credits program that allows developments producing more inclusionary units than required to generate tradeable credits;
3. Aligning the affordability term for inclusionary rental units from 99 years to 55 years, consistent with State Density Bonus Law and California Tax Credit Allocation Committee standards; and
4. Streamlining processing for 100% affordable developments by allowing compliance through existing state or federal regulatory agreements rather than duplicative City agreements.

Staff conducted extensive public outreach on the proposed amendments, soliciting feedback from development professionals through stakeholder roundtables and engaging the broader community through virtual and in-person meetings between August 2025 and January 2026. The proposed IHO revisions were also informed by findings from the 2025 Cost of Residential Development Study Session, which demonstrated that fee waivers and streamlined requirements can improve project feasibility and help advance housing production.

On January 27, 2026, City Council approved the staff recommendations on amendments to Chapter 5.08 (Inclusionary Housing) of Title 5 of the San José Municipal Code with the following modifications:

- Raise the minimum project size for applicability to developments of 20 units or more, regardless of achieved density.
- If a project has a density of at least 30 dwelling units per acre:

    - In rental developments, remove the requirement that 5% of the units be built at an AMI of 110%; and
        - Add an alternative compliance of seven percent (7%) inclusionary onsite at 50% AMI.
        - Also add another alternative compliance of five percent (5%) inclusionary onsite at 30% AMI.
    - In for-sale developments, ten percent (10%) of the units built within their Residential Development shall be sold to income-qualified buyers at or below 120% of AMI.
- Do not accept the changes to the percentage of units for off-site compliance with the Inclusionary Housing Ordinance; retain the current numbers.

Mobilehome Rent Ordinance Updates (SZ-3) – In September 2024, City Council accepted the three-year Rent Stabilization Program Strategic Plan, which furthers the goals of housing stabilization, unit preservation, and outreach and engagement for the Program. The Strategic Plan provides the Housing Department with direction to improve and enhance implementation across all rental housing ordinance programs, including the almost 40-year-old Mobilehome Rent Ordinance. Staff developed Mobilehome Rent Ordinance amendments that further the Strategic Plan goals by expanding tenant protections, modernizing implementation, aligning the Mobilehome Rent Ordinance with changes in state law, and providing mobilehome park owners with additional mechanisms to achieve a fair return and ensure long-term sustainability of the mobilehome parks. The proposed amendments to the Mobilehome Rent Ordinance were brought to City Council on January 27, 2026, and only the amendments to align the Mobilehome Rent Ordinance with changes in state law were adopted. The remaining proposed changes were deferred for City Council consideration to the Fourth Quarter of Calendar Year 2026 after additional park resident and owner engagement and additional analysis are completed.

EVALUATION AND FOLLOW-UP

Staff is providing the third annual status report on the Work Plan to the Community and Economic Development Committee. This item is recommended to be cross-referenced to the March 24, 2026, City Council meeting to be heard jointly with the Housing Element Annual Progress Report. Staff will provide annual Work Plan updates to the Community and Economic Development Committee each February and City Council each March. Staff also published a dashboard on the City's website, updated throughout the year by Housing Catalyst Team members as needed to reflect the latest information on work items. Additionally, individual work items requiring City Council approval will be brought forward separately when staff work is completed.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Department of Parks, Recreation and Neighborhood Services.

PUBLIC OUTREACH

This memorandum will be posted on the February 23, 2026, Community and Economic Development Committee Agenda.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

This item will be considered through a study session at the February 25, 2026, joint meeting of the Planning Commission and Housing and Community Development Commission. A subsequent update on the Commissions' discussion will be provided to City Council through a supplemental memorandum.

CEQA

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

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
Erik L. Soliván
Director, Housing

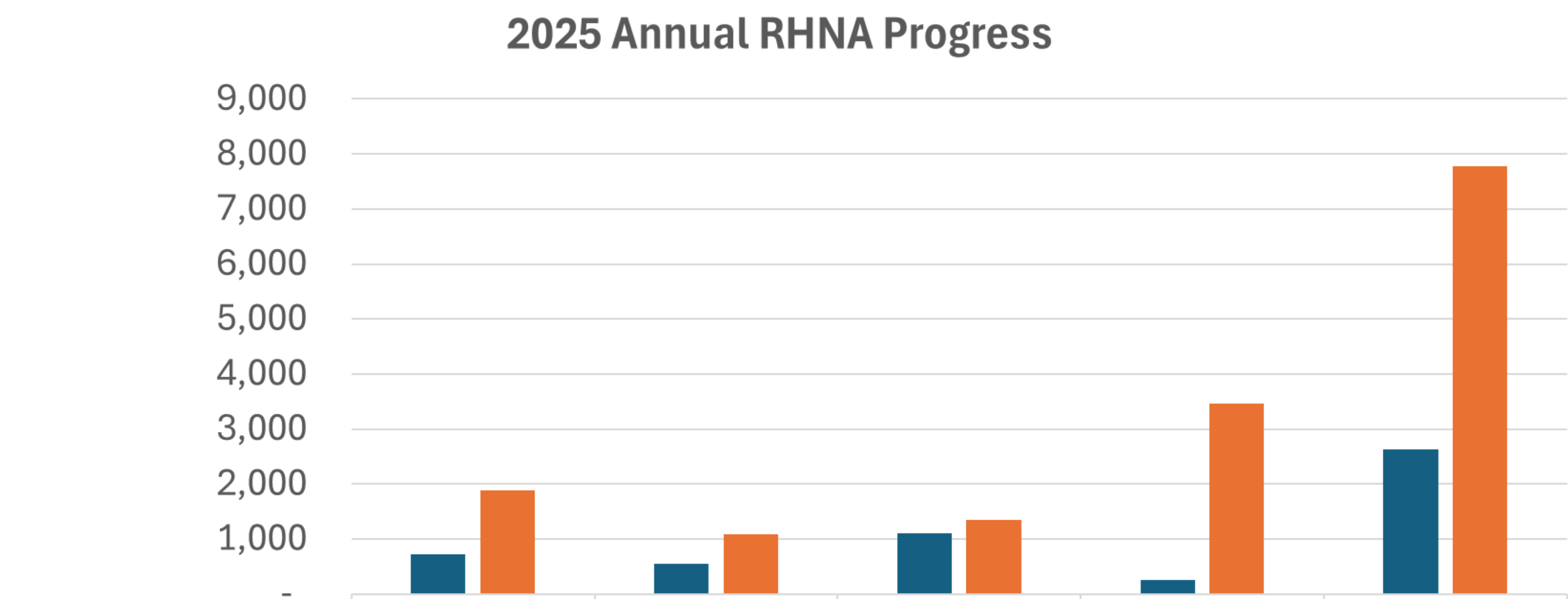
/s/
Christopher Burton
Director, Planning, Building and Code Enforcement

For questions, please contact Jerad Ferguson, Principal Planner, Planning, Building and Code Enforcement, at jerad.ferguson@sanjoseca.gov or (669) 223-1160; or Sarah Fields, Deputy Director, Housing Department, at sarah.fields@sanjoseca.gov or (669) 369-8999.

ATTACHMENTS

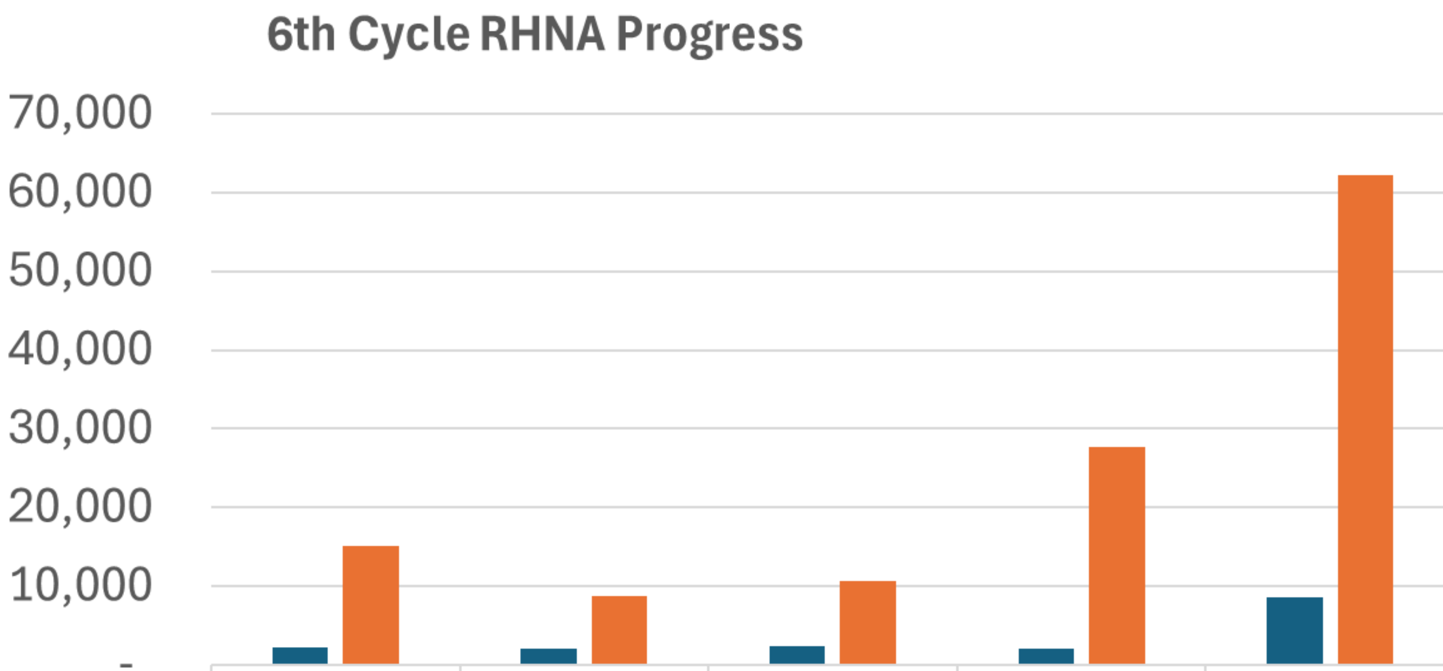
Attachment A: San José RHNA Progress
Attachment B: Housing Catalyst Team Work Plan Progress Updates
Attachment C**:** Impact and Level of Effort Definitions

Attachment A: San José RHNA Progress



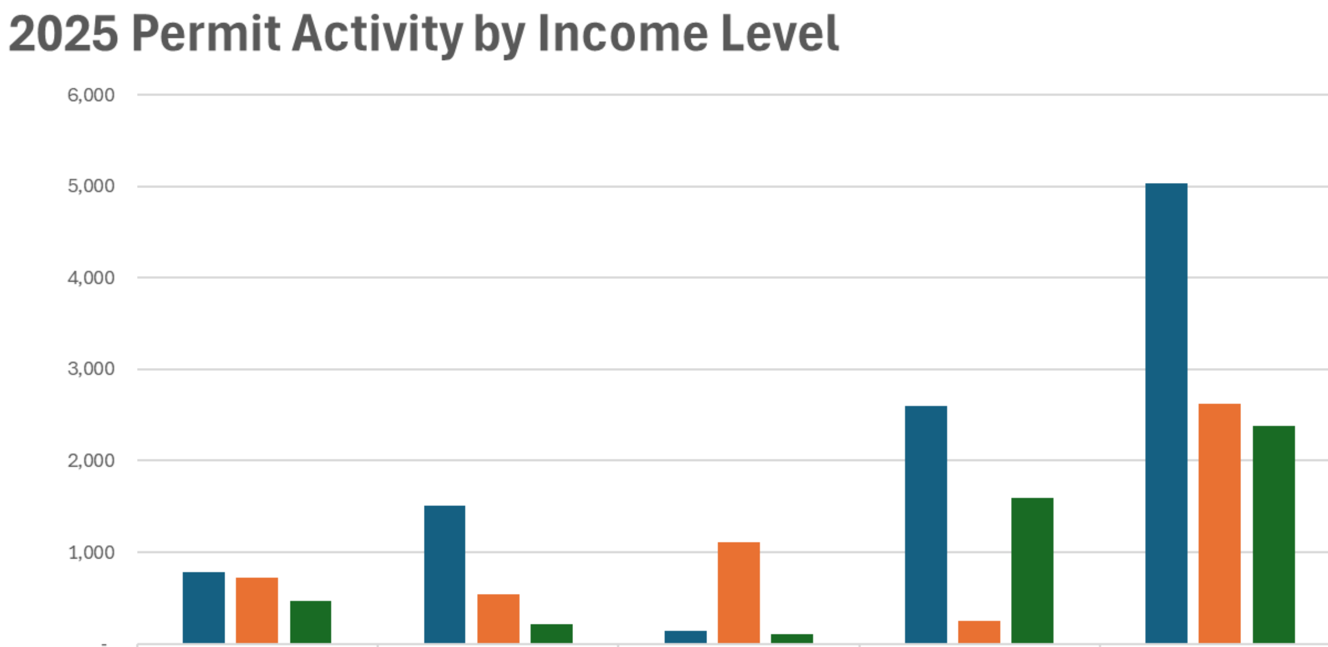
	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
2025 Units Permitted	725	544	1,110	250	2,629
Annual RHNA Goal	1,886	1,086	1,339	3,464	7,775

2025 Units Permitted   Annual RHNA Goal



	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Units Permitted to Date (6th Cycle)	2,139	2,058	2,342	1,987	8,526
Total RHNA Goal	15,088	8,687	10,711	27,714	62,200

■ Units Permitted to Date (6th Cycle) ■ Total RHNA Goal



	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Planning Permits - Entitled Units	784	1,510	139	2,598	5,031
Building Permits - Issued Units	725	544	1,110	250	2,629
Certificates of Occupancy	463	219	108	1,594	2,384

Planning Permits - Entitled Units   Building Permits - Issued Units   Certificates of Occupancy

Attachment B: Housing Catalyst Team Work Plan Progress Updates

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
P-1	**Align Zoning with the General Plan**	Complete	December 2024	PBCE	HCD	Staff has rezoned 1,894 sites planned for housing within urban villages and other growth areas to align the zoning with the General Plan land use designations. This work is now complete.	**Legally Required**	**High**	No
S-23	**Know Your Rights Materials**	Active	January 2025	Housing, CAO	Rental access working group; Indigenous Peoples focus group; Equity Coalition	The communications team has continued to maintain the "Renting Has Its Rights" website; brochures and related materials continue to be distributed by Housing staff at tabling events; content related to renters rights is included in the Housing Department's monthly newsletter that is distributed electronically to approximately 10,000 subscribers. A grantee, Project Sentinel, conducts outreach and education to tenants and property owners regarding rental housing rights and obligations. The contract was originally awarded in 2024 with multi-year options to continue services. Another grantee, Legal Link, provides training programs targeted to employees of community and social service agencies in San Jose on Housing Rights with a "train the trainers" approach. The strategy is to train individuals who interact with renters regularly on the basics of rental housing laws applicable in San Jose and how to access resources when they need assistance to resolve problems. The contract was originally awarded in 2024 with multi-year options to continue services.	**High**	**Moderate**	No
S-32	**Local Enforcement of State Tenant Protections**	Active	December 2026	Housing, CAO, IGR	Neighborhood equity working group; veterans focus group; disability focus group; high opportunity areas working group	The Rent Stabilization Program continues to participate in the California Rent Stabilization Network and attends quarterly meetings where best practices are shared and updates on state legislation or activities related to rent stabilization are shared.	**High**	**Moderate**	No
H-1	**Interim Homeless Housing Construction**	Active	December 2025	Housing	LGBTQ+ focus group; formerly incarcerated focus group	During CY 2025, the City made significant progress toward expanding interim housing and shelter capacity to address unsheltered homelessness. The Housing Department opened four new modular interim housing communities: Branham Lane EIH (168 units / 216 beds) in February, Via Del Oro EIH (135 units / 150 beds) in April, the Rue Ferrari Expansion (108 units / 144 beds) in October, and Cherry Avenue EIH (128 units / 136 beds) in December. Collectively, these sites added 539 units and 606 beds, providing dignified, non-congregate shelter and moving people off the streets. By the end of CY 2025, San José managed a portfolio of 963 modular interim housing units (1,207 beds). In 2025, the City also expanded its strategy of utilizing underused hotels and motels as interim housing. Through the development of a five-property, master-leased motel portfolio, the City rapidly added 251 shelter units. This brought San José's total motel-based interim housing inventory—including conversions and master-leased properties—to 494 units (560 beds). The City further increased capacity for residents living in oversized vehicles by opening the Berryessa Safe Parking Program, which added 86 new spaces and brought the total number of Safe Parking slots citywide to 128. In addition, San José launched its first tent-based supportive outdoor sleeping site, creating 56 additional interim shelter units. Across all interim housing and shelter types, San José managed a total portfolio of 1,641 units by the end of CY 2025, with 932 units developed or brought online during the year. Nearly all new sites were delivered through coordinated, cross-departmental efforts involving the Housing Department, Public Works, Planning, the City Manager's Office, and multiple other City departments. Two of the four new modular interim housing communities were developed through land-use agreements with Caltrans and the Valley Water District, and another was made possible through a philanthropic partnership with the Sobrato Foundation. Also of note, the City entered into partnership with the Housing Authority to establish interim housing subsidy layering at the Pacific Motor Inn to streamline eligible voucher holders into permanent housing and offset local funding for operations. The City will enter into a second partnership with the Housing Authority to mirror this model at another interim housing site.	**High**	**High**	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
H-10	**Racial and Other Bias of Protected Classes in Homeless Shelter and Supportive Housing Systems**	Active	2027	Housing	Formerly homeless focus group and LGBTQ+ focus group; consistent with Community Plan to End Homelessness	HRD continues to pull racial equity data monthly from the County of Santa Clara re: racial/ethnic makeup of clients in programs in six (6) program areas (Outreach, RRH, PSH, Interim Housing, Temporary Housing, and Supportive Parking). HRD pulls quarterly data on the ethnic/racial makeup of persons who are unhoused, and we compare these data sets. Annual census-relied data is part of the regular data access and data analysis procedure that HRD uses to evaluate its programs. So far, through the third quarter of CY2025, no significant demographic disparities in program access exist in any program area. Reports on racial equity progress are provided to HRD leadership at least quarterly. Also HRD continues to hold monthly and other events that increase our cultural humility and support racial and social equity. Equity performance measures are published in the housing department annual report. Since the fall of 2024, CSJ has been collecting and analyzing racial/ethnic and demographic data monthly, quarterly, and annually, in partnership with the County of Santa Clara. As of the 3rd quarter of CY 2025, we have not found any significant (10% or greater) demographic disparities in housing program access, especially for the ethnic/racial groups disproportionately represented among the unhoused in San Jose: the Native American, African American, and Pacific Islander communities. CSJ has an ongoing process of analyzing demographic and housing-related data, to identify any areas in which there may be any kind of housing discrimination. Our ongoing analysis of demographic and housing data has revealed no significant demographic disparities in program enrollment, as noted above in Y159. CSJ stands ready, should any significant demographic disparities (10% or more) arise, to support any CSJ partner in ensuring fair housing choice and access to opportunity for all protected groups.	**High**	**High**	No
H-2	**Interim Housing for People Experiencing Homelessness in Hotels/Motels and Other Existing Buildings**	Active	2031	Housing	LGBTQ+ focus group; formerly incarcerated focus group for increase in transitional housing; revised from 5th Cycle	During CY2025 various departments led by the Housing Department developed a Master Leasing Program in which five underutilized motels were master leased to address unsheltered homelessness. Approximately 250 units of non-congregate interim housing/shelter were brought online and are at full capacity. The City continued to operate its previous HomeKey hotel conversion projects and other hotel-based shelter strategies throughout 2025.	**High**	**High**	No
H-7	**Safe / Supportive Parking Programs**	Active	Ongoing	Housing, DOT, CMO	LGBTQ+ focus group; Public meetings on strategy ideas; Retained and revised from 5th Cycle	In 2025, the City of San José invested in the leasing, development, and operation of it's second Safe Parking for RVs program. The Berryessa Safe Parking for RVs program. first opened in March 2025 and operates 24 hours a day, 7 days a week. Located on privately owned land leased by the City, the program provides safe parking along with case management, showers, laundry, meals, and other supportive services. Operated by WeHOPE, the Berryessa site includes 86 parking spaces and serves unhoused residents who were previously living in oversized vehicles throughout the city. The site removes several common barriers to entry that limit access to other safe parking programs, including vehicle operability and registration requirements and offers free assistance to tow into the site. Once participants are on site, WeHOPE works with them to register their vehicles. The addition of Berryessa increased San José's capacity to compassionately relocate oversized vehicles from public streets from 42 spaces in 2024 to 128 spaces in 2025. In FY 24-25, there were 47% (16/34) exits to positive housing destinations, 15% family reunification exits, and the program maintained over 95% utilization.	**High**	**High**	No
I-15	**Housing Catalyst Team Work Plan**	Ongoing	2031	PBCE, Housing, OEDCA, PRNS		On February 25, 2025, staff presented the most recent Housing Catalyst Work Plan report to the Community and Economic Development Committee, and then to the City Council on March 18, 2025, concurrent with the Housing Element Annual Progress Report.	**High**	**High**	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
N-1	**Equitable Neighborhoods-based Investment Strategies**	Ongoing	2031	Housing, CMO, Budget, PRNS, PW, DOT, ESD, Library	Neighborhood equity working group; African ancestry focus group; Indigenous Peoples focus group	In June 2025, City Council approved the 2025-2030 Consolidated Plan for the use of funds from HUD, including Community Development Block Grant funds used for several capital projects in low-/moderate-income (LMI) neighborhoods. For the existing Annual Action Plan, eligible uses included $150,000 for sidewalk repairs, $500,000 to support pedestrian and traffic safety through multi-sensory pedestrian signal enhancements that are accessible for disabled residents in six LMI census tracts; $260,000 for street light improvements; and up to $1.8 million in improvements in two affordable housing properties. In addition, $3,000,000 will support the La Placita Facility Improvement Project at the School of Arts and Culture at the Mexican Heritage Plaza, expanding cultural programming, food access, and job opportunities for residents in LMI areas. The identified low-/moderate-income neighborhoods tend to have higher concentrations of residents by race/ethnicity. The ability of the City to identify race and ethnicity in the use of federal funding was not generally restricted; however, in 2025 HUD imposed new funding conditions tied to immigration status verification and related executive policy directives that would have affected eligibility for certain federal grants. In response, the City joined a coalition of jurisdictions in King County v. Turner, challenging these conditions as unlawful and beyond federal agency authority. In June and August 2025, the U.S. District Court for the Western District of Washington issued preliminary injunctions preventing HUD and other agencies from enforcing these requirements against plaintiffs, including jurisdictions that redlined the contested provisions. The court extended these protections in January 2026, and the injunction will be reconsidered in February 2026. Housing staff also continued to search in 2025 for additional funding sources to implement neighborhood investments and anti-displacement priorities.	High	High	No
P-10	**Standardize and Streamline Permitting, Fees, Applications**	Ongoing	December 2025	PBCE, Housing, OEDCA, PRNS	Land Use Coalition; Housing production working group; developer focus groups	The work to-date on this item is comprised of the formation of an internal working group of city departments with existing impact fee programs. The first phase of the work was the creation of a new City Council Policy that would define and memorialize the Development Fee Framework. Staff in the working group had developed a first draft of the Council Policy that will require more internal review and revisions. However, work on this item has been slowed to prioritize the General Plan Four-Year Review and implementation of state laws such as SB 79. Additionally, the environment around fees has evolved through the passage of SB 937 that went into effect last year and allows for impact fee deferral for most residential projects until certificate of occupancy. Recently, a memorandum authored by Councilmembers Ortiz, Cohen, Mulcahy, and Casey was submitted to the Rules and Open Government Committee on January 15, 2026. The memorandum focused on many of the important areas of work contemplated in the Development Fee Framework. Staff is currently assessing how it can continue to move forward this work and what, if any, additional resources might be necessary. The first steps would involve continuation of work on development of the City Council Policy	High	High	No
P-18	**Loans for Affordable Housing**	Active	Ongoing	Housing	Focus groups: Veterans; LGBTQ+; Disability; Indigenous Peoples and Rental access working group; Housing	In 2025, the Housing Department awarded $48.3M in commitments for two new construction affordable housing developments and closed on $68M in financing on three new construction affordable housing developments, two with City ground leases and one with a County ground lease. These properties will produce 806 new affordable homes. The Department plans on releasing a new second NOFA addendum to the rolling RFP in Q2 2026 and all waitlisted applications will be refreshed and updated as the department continues to manage the active new construction funding pipeline. The Department has awarded through its NOFA process and is pending Council approval for the rehabilitation of the Comfort Suites Inn which will rehabilitate the Comfort Suites hotel into 58 units of permanent affordable housing.	High	High	No
P-35	**Small Multifamily Housing**	Active	June 2027	PBCE, Housing	African ancestry focus group; Land Use Coalition	As part of the General Plan Four-Year Review process that began in October 2025, staff is evaluating approaches to expanding areas where small multifamily housing (4 to 10 units) may be permitted by-right. Staff will present preliminary proposals to the Four-Year Review Task Force and the community in March and April 2026. Based on feedback received, the proposal will be refined and presented to the Planning Commission and City Council for approval in late summer 2026. That will be followed by environmental review. Implementation of zoning changes is anticipated for late 2027.	High	High	No
P-37	**CEQA Analysis for Urban Villages**	Committed	December 2027	PBCE	Developer focus group	Significant work on this item has not yet commenced.	High	High	No
P-40	**Evaluate Urban Village Planning Process**	Active	December 2025	PBCE	Developer focus group; Land Use Coalition	Staff has evaluated the Urban Village planning process as part of the General Plan Four-Year Review, which began in the fall of 2025. In November 2025 staff presented proposals to streamline urban village planning to the General Plan Four-Year Review Task Force. The proposals include consolidating multiple urban villages along transit corridors into a single plan; implementing targeted land use and zoning changes for small urban villages (Neighborhood Urban Villages); and simplifying urban village plan documents. The changes are aimed at reducing the number of outstanding urban village plans from 42 to 15 and reducing the time spent on plan preparation. The Task Force expressed support for the changes, which will be refined and presented to the community, along with General Plan text amendments, at outreach events in March and April. Staff expects to present the proposed General Plan amendments to the Planning Commission and City Council in late summer 2026.	High	High	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
P-7	**City Infill Housing Ministerial Approval Ordinance**	Complete	June 2025	PBCE	Land Use Coalition	The City ordinance providing a ministerial approval pathway for infill housing development projects went into effect in February 2025. One 540-unit project that includes 27 units for very low-income households has been approved using the ministerial process, and a 100% affordable project with 272 units is currently under review. Based on City Council direction and staff's evaluation, the City will look to expand the ministerial processing ordinance to the Downtown core. In January 2026 staff has initiated the environmental review necessary to complete this ordinance with a goal of completing by the end of 2026.	**High**	**High**	No
PZ-1	**Development Incentives for Residential Construction**	Active	Ongoing	Housing, PBCE	Council referral	In January 2026 the City Council approved an extension and expansion of the Multifamily Housing Incentive Program (MHIP), which reduces taxes and fees for new multifamily construction, and expanded the Downtown Residential Incentive Program (DRIP; previously the Downtown Residential High-Rise Incentive Program), which waives and reduces taxes and fees for residential projects in the Downtown Planned Growth Area.	**High**	**High**	No
R-1	**Monitor At-risk Affordable Units**	Committed	2031	Housing	Equity working group	The Housing Department continues to work with property owners to identify opportunities to preserve affordability by extending new 55-year terms as properties approach affordability-restriction expirations, loan maturities, or syndication events. In 2025, Housing initiated communication with the following properties for AR extensions expected in 2026 due to upcoming expiration: Baker Park(98), Bridgeport(28), Grove (40), Meadows (41), Paseo Senter II (101), and Vista Park II (82). City staff contacted three properties with expiring City of San José affordability restrictions. Two indicated they had other affordability restrictions with remaining years before expiration, and the final property, restricted through the City's Inclusionary Program, denied the request for an extension.	**High**	**High**	No
R-13	**Soft Story Program**	Active	2031	PBCE, Housing	State guidelines on remedying condition problems in existing housing	In 2025, significant cuts to the Federal Emergency Management Agency and its Building Resilient Infrastructure and Communities (BRIC) program affected the City's anticipated $25 million in funding for the soft-story rebate program. The state Office of Emergency Services (CalOES) is working to determine how and when funds will be received, given court injunctions related to BRIC. Given this uncertainty, City Council adopted an amendment to the City's soft-story ordinance in March 2025 to extend compliance deadlines for required retrofit work. Following that action, staff developed a smaller, voluntary pilot rebate and loan financing program to maintain compliance with the initial $4 million FEMA grant, which was approved by the City Council on January 27, 2026.	**High**	**High**	Yes
S-12	**Eviction Prevention - Housing Collaborative Weekly Eviction Prevention Court Clinic, Eviction Diversion Program, and Other Support for Legal Services**	Ongoing	2031	Housing, CAO	Rental access working group; Equity Coalition	During 2025, 50 weekly courthouse workshops were conducted. Since 2023, the court-focused Eviction Diversion and Settlement Program has served 335 tenant households. From 2023 through 2025, over 10,000 tenants and property owners have been assisted through the Eviction Helpline phone and email or in-person at City Hall. In calendar year 2025, 273 tenants and landlords involved in eviction court actions were assisted with resources at the Eviction Prevention (UD) Weekly Court Clinic and during the eviction court calendar 2-3 days a week. In addition to a $2M state earmark received in 2024, the City has continued to fund eviction prevention staffing and the eviction diversion program through a portion of the Measure E revenue allocation for prevention, with $650K allocated for prevention staffing for FY 2025-26.	**High**	**High**	No
S-13	**Affordable Housing Renter Portal Access**	Ongoing	2031	Housing	LGBTQ+ focus group; Equity Coalition	The City of San Jose Doorway portal continues to be available in the following languages: English, Spanish, Chinese, and Vietnamese. Additionally, the Doorway portal uses the Web Content Accessibility Guidelines (WCAG) to make content "more accessible to a wider range of people with disabilities, including accommodations for blindness, low vision, and deafness". For the period from January 1, 2025 through December 31, 2025, a total of 6,766 non-English-speaking users accessed the City of San Jose Doorway portal. The breakdown was as follows: 4,259 Spanish-speaking users, 1,485 Chinese-speaking users, and 1,022 Vietnamese-speaking users. Regarding outreach, the Doorway portal is promoted in multiple ways: - Promoted via the monthly Housing Department newsletter (10,000+ recipients) - Accessible via the homepage of the Housing Department website - Included in Housing Department flyers as a QR code available to attendees at community events. Events include the City of San Jose Career Expo (October 2, 2025) and Disability Awareness Day (October 30, 2025). As of December 31, 2025, a total of 89 properties were listed on the City of San Jose Doorway portal. Of these 89 properties, 48 had active City funding. There are a total of 102 properties with active City funding and affordability restrictions which brings the current	**High**	**High**	No
SZ-2	**Technology (Automation/Software) Needs to Address Recommendations from the Tenant Protection Ordinance Audit Report**	Active	2031	Housing, Code	Council referral	Housing Department staff obtained use of a data integration tool to integrate data from PBCE's AMANDA system into the Salesforce database to track properties covered by the Apartment Rent Ordinance and the Tenant Protection Ordinance. This integration work is expected to be finalized by March 2026. Per City Council direction, staff will continue to provide status updates through the Housing Catalyst Team Work Plan reports on any technology (automation/software) needs related to the recommendations from the City Tenant Protection Ordinance audit report presented to the Community and Economic Development Committee on October 28, 2024.	**High**	**High**	No
I-2	**Affirmative Marketing to Persons with Disabilities**	Ongoing	2031	Housing	Disability focus group; Housing Choices Coalition	Progress on this item has been on hold since key staff member who led work on this strategy has been on extended leave. T	**Moderate**	**Moderate**	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
I-8	**Promotores-based outreach**	Ongoing	2031	Housing, CMO	LGBTQ+ focus group	City Council was not able to include funding for a citywide Promotores contract in the budget for 2025-2026 to assist City staff to conduct equitable outreach.	**Moderate**	**Moderate**	No
N-7	**External Infrastructure Funding to Create Complete, High-quality Living Environments**	Active	2031	Housing, DOT, PW, OEDCA, PRNS	Retained from 5th Cycle and updated	In fiscal year 2025–2026, the Housing Department funded 4 new Community Development Investment (CDI) construction projects for City departments using CDBG funds, including the Department of Transportation and Public Works. In addition, 3 infrastructure improvement projects funded in fiscal year 2023–2024 remain ongoing. The FY 2025–2026 CDBG-funded transportation projects prioritize pedestrian safety, accessibility, and neighborhood infrastructure in low- and moderate-income areas through improvements such as accessible pedestrian signal installations, curb extensions and reconfigured crossings, targeted street lighting upgrades, and sidewalk repairs. Collectively, these investments enhance mobility and safety while advancing equitable infrastructure improvements in historically underserved neighborhoods. Environmental (NEPA) clearance has been approved for most projects, with the remaining clearances currently in progress. MOUs are established between Housing and the department for each project, including scope of work, construction timelines, and	**Moderate**	**Moderate**	No
P-12	**Cost of Residential Development Study Update**	Ongoing	2031	Housing, PBCE, OEDCA	Council direction	The fifth Cost of Residential Development Study for San Jose was completed in 2025. Key findings include an average development cost of $676,000 per affordable housing unit. The cost per square foot in San Jose is comparable to the Bay Area as a whole, and most higher density project types are not financially feasible in today's market. The study and its findings were presented to community members, stakeholder groups City Council and Planning Commission in study sessions in December 2025 and January 2026. Based on the findings of the Cost of Development study regarding the effect of impact fees and to address the slowdown in residential construction, in January 2026 the City Council approved an extension and expansion of the Multifamily Housing Incentive Program (MHIP), which reduces taxes and fees for new multifamily construction, and expanded the Downtown Residential Incentive Program (DRIP; previously the Downtown	**Moderate**	**Moderate**	No
P-13	**Replacement of Existing Affordable Housing Units**	Active	December 2028	Housing	Neighborhood equity working group	In 2024, Housing Department staff worked with a consultant to develop draft procedures for replacement housing units pursuant to Senate Bill 330. During this process, the City Attorney's Office also consulted with the California Department of Housing and Community Development (HCD) to clarify statutory requirements regarding the tenure of replacement units. Additional time was needed to ensure the procedures fully align with state guidance and legal interpretation. Also, the lead staff person for this item was on long-term leave for much of the year, and staff capacity was limited, making it difficult to reassign this project. Final procedures are anticipated to be completed and posted for use by the development community in 2026. The Housing Department updated its website to include an explanation of the Ellis Act to improve public understanding of applicable housing laws, particularly regarding the replacement of affordable housing units. Additionally, policy staff availability was limited during this time due to an approved leave, which affected overall staffing resources. The Department also initiated plans to hire a third public information staff member at the end of 2025 to strengthen outreach and communications capacity. Anticipated hire date Q1 2026.	**Moderate**	**Moderate**	No
P-20	**Mixed-income Housing**	Ongoing	2031	Housing	Retained from 5th Cycle and updated	To foster mixed-income housing that is 100% deed-restricted affordable across a range of income levels, the City is actively promoting the use of the California Housing Finance Agency's Mixed-Income Program (MIP) for new construction projects. Gateway Tower exemplifies this strategy: in April 2025, CalHFA awarded the project MIP funding, followed by a successful CDLAC application under the MIP set-aside. The City of San José further advanced this effort by committing $5 million in predevelopment funding and $38,440,000 in construction-permanent (CP) loan financing. Together, these investments supported the project's award of approximately $10.8 million in state equity and City approval of a 100% affordable downtown high-rise development delivering 220 deed-restricted units, including 100 workforce units and 120 units serving extremely low-income households.	**Moderate**	**Moderate**	No
P-3	**North San José Affordable Housing Overlay Zones**	Complete	December 2024	PBCE	AFH Advisory Committee	Staff completed work necessary to create the new zoning overlays in North San José and rezoned sites in North San José as described in the December 2023 and January 2024 Council memos defining the strategy. After an evaluation of existing sites in the TERO overlay, which does not include an affordability requirement, to determine if application of the Affordability Housing Overlay (which allows only 100% affordable housing projects) or the Mixed Income Housing Overlay (which allows mixed-income projects), staff concluded that the change is unlikely to change project feasibility or accelerate development activity at this time. Therefore, no existing TERO sites are currently being considered for inclusion in the AHO or MIHO.	**Moderate**	**Moderate**	No
P-6	**Regular Coordination Meetings for Affordable Housing**	Ongoing	2031	PBCE, Housing, OEDCA, PW, DOT, Fire, PRNS	Supported at Housing Element goals/ strategies community meetings	The City continues to hold regular monthly meetings involving Planning, Housing, and other departments as needed to coordinate permit processing for affordable housing projects. In 2025, 16 100% affordable housing projects with a total of 2,490 units were assisted in the building permit application process. Building permits were issued for 970 of those units. The Housing Development Facilitation Officer position, which supports City departments and affordable housing developers through the permitting process, was filled in January 2026.	**Moderate**	**Moderate**	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
S-10	**Study on Rent Increases and Burden in Affordable Housing**	Active	June 2025	Housing, IGR	Rental access working group; Equity Coalition	In 2025, the data system for affordable apartment rent rolls was under review and revision. Staffing constraints and core function process improvements also limited the staff resources available for this effort in 2025. Following completion of the data system review in 2026, data updates, and redaction of personally identifiable information, staff intend to leverage AI to assist with rent burden analysis. Once the data analysis is complete, the findings will be incorporated into one or more City Council reports as appropriate.	**Moderate**	**Moderate**	No
S-15	**Tenant Preferences in VTA station areas**	Active	2031	Housing	Housing Element goals / strategies community meetings	As of 2025, the affordable housing developments in station areas have regularly sought City funds and therefore are subject to the City's Tenant Preference program (with the exception of developments using state or direct federal funding). No additional approval is needed to implement Tenant Preferences in VTA station areas. The Tenant Preference program as Council approved in March 2024 applies to all city-owned sites and those with City development agreements. Staff will continue to monitor City-funded VTA station area deals and report units subject to Tenant Preferences under Program S-20. This work item is considered complete.	**Moderate**	**Moderate**	No
S-21	**Facilitation of Equal Access to Housing**	Active	December 2025	Housing	Housing Element goals/ strategies community meetings	The City will continue to fund the Fair Housing Program, which is identified in the 2025–2030 Consolidated Plan and the FY 2025–2026 Annual Action Plan as a priority area under the Increasing Housing Affordability goal. Due to federal funding uncertainties in FY 2025–2026, federally funded projects were temporarily paused pending execution of HUD grant agreements and receipt of federal entitlement funds. Grant agreements were executed and funds disbursed in January 2026, and contract negotiations are expected to begin by February 2026.	**Moderate**	**Moderate**	No
S-24	**Targeted Fair Housing Outreach and Enforcement**	Active	2031	Housing	Rental access working group	Progress on this item has been impeded due to changes in the federal funding framework for funds used to support this work. Additionally, a key staff member who led work on this strategy has been on extended leave.	**Moderate**	**Moderate**	No
S-4	**Updated Relocation Assistance**	Active	December 2025	Housing, PBCE	Neighborhood equity working group; Land Use Coalition	In 2025, Housing staff reviewed relocation assistance mandated under several City ordinances and Senate Bill 330 regarding new developments that displace existing lower-income renters. Staff determined that existing ordinances had consistent escalators; therefore, rather than seeking Council approval of changes, clearer communication and consistent administration would be sufficient to benefit both renters and developers. Housing staff researched different methodologies in 2025 and plans to update its webpages in spring 2026. Changes to the municipal code are not necessary, and this item is in progress of being implemented administratively.	**Moderate**	**Moderate**	Yes
SZ-1	**Sale or Use of Algorithmic Devices for Residential Dwelling Units**	Active	Ongoing	Housing, CAO	Council referral	Staff is not moving forward with this strategy due to a recent settlement with the US Dept of Justice and Real Page. There is currently a state bill to prohibit the use of algorithmic devices for residential dwelling units.	**Moderate**	**Moderate**	No
I-4	**Create a Housing Balance Report**	Active	December 2025	Housing	Neighborhood equity group	On May 19, 2025, City Council's Community and Economic Development Committee approved the City's first Housing Balance Report. The Report analyzed market-rate, rent-stabilized, and restricted affordable multifamily rental housing stock, identified the housing's characteristics (location and depth of affordability), and noted the importance of preserving existing affordable housing.	**Moderate**	**High**	Yes
P-11	**Allow "SB 9" Type Housing on Additional Properties**	Complete	December 2025	PBCE, Housing	African Ancestry working group; Land Use Coalition	In January 2026, City Council approved an update to Title 20 of the Municipal Code. This included the addition of Chapter 20.30 Part 9 to allow two primary dwellings by-right on a single lot within the R-2 Zoning District, and to allow lot splits of R-2 properties through a ministerial small-lot subdivision process. The changes will go into effect in early March 2026.	**Moderate**	**High**	No
P-15	**Moderate-income Housing Strategy**	Active	March 2025	Housing, PBCE	African ancestry focus group	On May 19, 2025, City Council's Community and Economic Development Committee approved the City's Moderate-Income Housing Strategy. The five recommendations approved were to: 1) Update the Inclusionary Housing Ordinance Guidelines to Maximize Housing Outcomes; 2) Foster ADU Ownership; 3) Consider a Moderate-Income Housing Density Bonus in Small Multifamily Housing Developments; 4) Support Construction Defect Liability Reform for Condominiums; and 5) Facilitate Missing Middle Housing for the Workforce. Staff conducted analysis in the spring and summer of 2025 to attempt to identify additional moderate-income sites, but was not successful in finding suitable candidates. Staff will continue to look for opportunities for additional moderate-income housing sites as part of the Four Year Review of the General Plan in 2026.	**Moderate**	**High**	No
P-23	**Pursue AHSC Funding near Diridon Station**	Ongoing	2031	Housing, DOT	Council referral	There were no AHSC or NOFA applications in 2025 for improvements in this area. However, the Housing Department will continue to support any developments near the Diridon station that desire to apply for AHSC. The 2025 New Construction and Preservation Request for Proposals incentivizes developments that secure additional funding sources such as HCD's AHSC by prioritizing the review and award process for AHSC awarded projects.	**Moderate**	**High**	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
R-12	**Revised Citywide Residential Anti-Displacement Strategy**	Committed	December 2029	Housing	Neighborhood equity working group; Equity Coalition; Land Use Coalition	In 2025, Housing and Planning staff participated in the Santa Clara County Planning Collaborative. One of the Collaborative's focus areas for 2025 was anti-displacement plans and programs. Through participation in the Collaborative, staff continued to learn best practices from other communities. Housing staff also attended multi-city GARE Land Use meetings to learn about anti-displacement efforts from other cities around the country. In concrete actions to help lower-income renters avoid displacement, in 2025, the City also worked actively to help place residents whose apartments burned into available interim housing	**Moderate**	**High**	No
R-2	**Establish a Preservation NOFA**	Ongoing	2031	Housing	Neighborhood equity working group	In 2025, Housing Department staff completed feasibility assessment of a $5.7M preservation loan for a property being rehabilitated by the Santa Clara County Housing Authority. The loan will help to preserve 58 low-cost units and turn them into restricted affordable homes. The Department released a joint New Construction/Preservation RFP in April 2025 which has been supported by a $50M commitment of available funds. 1510 N 1st street is recommended to be awarded from the results of the NOFA, this development will see the rehabilitation of 85 hotel units into permanent affordable housing.	**Moderate**	**High**	Yes
R-9	**Creation of a Preservation Policy**	Committed	December 2026	Housing	Neighborhood equity working group; Equity Coalition; Land Use Coalition	Staff from the City and County did not pursue a definition for FIHPP properties in 2025, as that state program was not funded and was dormant in 2025. In 2025, staff posted a list of affordable housing developers with experience doing acquisition/rehabilitation.	**Moderate**	**High**	Yes
S-1	**Tenant / Landlord Resource Centers and Code Violations Reporting**	Active	2031	Housing, PBCE	Neighborhood equity working group; Equity Coalition	The Rent Stabilization team continues its outreach efforts targeting areas identified as having more vulnerable renter populations and areas where the Program receives a high number of inquiries about code issues or renter protections. Unfortunately, the Google Downtown West project, which would have brought significant investment and housing development to the Diridon area, including funding for Tenant Resource Centers, is on indefinite hold for the foreseeable future. In Fiscal Year 2026-27, the Rent Stabilization Program intends to hold periodic "pop-up" resource clinics at community centers. These clinics will be held at different locations in areas that show a higher need for services and education, based on data collected by the Rent Stabilization Program. The services will be multi-lingual and will include assistance with code issues, filing petitions, and referrals to mediation and legal aid services. The Rent Stabilization Program and Code Enforcement met three times in 2025. Staffing vacancies in the leadership of the Code Enforcement Inspection program and key Rent Stabilization Staff on leave have delayed efforts for regular coordination. The Rent Stabilization Program staff and Code inspectors maintain channels of communication regarding Code issues that arise in units or properties covered by the Apartment Rent Ordinance and/or Tenant Protection Ordinance.	**Moderate**	**High**	No
S-11	**Alternative Documentation for Non-Citizens**	Committed	July 2025	Housing, CAO	Neighborhood equity working group; Equity Coalition	In 2025, with guidance from the City's Attorney's office, Housing staff developed administrative guidelines that include requiring owners of properties subject to the Tenant Preferences Program to Help Fight Displacement to accept alternative forms of documentation identified by the City and/or the State of California. The alternative documents can be used to verify both program eligibility and income eligibility, to the extent allowed by the State's Tax Credit Allocation Committee regulations. In addition, marketing materials for subject properties must also advertise that alternative documents are accepted. Housing staff will continue to require acceptance of alternative documents in affordable housing properties subject to the Tenant Preferences Program, but have been advised by the City Attorney's office to pause work on expanding to different types of affordable homes due to the current federal political climate. As of the end of 2025, two affordable housing properties are employing alternative documentation requirements through the Tenant Preference program.	**Moderate**	**High**	No
S-20	**Tenant Preferences that Help Fight Displacement**	Active	June 2025	Housing, CAO	Equity Coalition	The Tenant Preferences Program to Help Fight Displacement was approved by Council in 2024 and staff implemented it throughout 2025. Last year, staff developed draft administrative guidelines that were circulated among Housing staff, community stakeholders, and affordable housing developers. Staff anticipates completion of the administrative guidelines in 2026. As of late 2025, two developments were actively implementing the Tenant Preference Program. Staff expects that over the next 4 years, as many as 300 affordable housing units will be set aside under the Program for eligible applicants. In 2025, staff monitored upcoming subject properties anticipating state funding to determine the need of completing a new disparate impact analysis for HCD review. In 2025, the City also deprioritized development of a Displaced Person preference, as a new preference would significantly reduce the effectiveness and impact of the existing Tenant Preferences Program given that the overall 35% set-aside of units would be divided among all preferences programs. As the Tenant Preferences Program to Help Fight Displacement reaches a larger cohort of City residents, administering the current program has been deemed the most efficient use of limited staff resources.	**Moderate**	**High**	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
S-28	**Right to Counsel or Alternative**	Active	December 2026	Housing	AFH Advisory Committee; Equity Coalition	In 2024, the Housing Department contracted with HR&A Advisors to complete a County-wide study on Eviction Court Alternatives. The study is an examination of various eviction court interventions and an analysis of the feasibility of those alternatives, including evaluating the Housing Department's current efforts that began during the pandemic. The goal of the study is to identify efforts the City can continue or initiate to prevent families from falling into homelessness after a court action and to reach residents and housing providers further upstream during the eviction process. The study should also highlight the gaps in the existing eviction court process ecosystem with respect to how the Court, community service providers, legal aid, landlord bar, mediators, and the City coordinate efforts to resolve eviction cases and efficiently utilize safety net programs. The majority of the work on the study was completed by the consultant in 2025 and the Housing Department is working to refine recommendations with the target of releasing the report in 2026.	**Moderate**	**High**	No
I-1	**Persons with Disabilities Partnership and Priorities**	Active	December 2026	Housing	AFH Advisory Group; disability focus group; veterans focus group; LGBTQ+ focus group; Indigenous Peoples focus group; homeownership working group	In 2025, two key staff were on leaves of absence and unavailable to convene meetings with disability partners; however, the City's 2025 competitive NOFA awarded points for units with disability access. Staff plans to reconnect with partners in 2026, and consider use of The Kelsey's resources as best practices.	**Low**	**Low**	No
N-6	**Reduced Transit Fares for Lower-Income Residents**	Ongoing	2031	Housing, DOT, IGR	Indigenous Peoples focus group; high opportunity areas focus group	The City is party to a regional transit task force that is implementing region-wide passes and rationalizing fare structures. Furthermore, the City continues to work with the Valley Transportation Authority (VTA) to implement its discount dates program for those who already receive public assistance. Staff continues to work with the Office of Intergovernmental Relations will explore any future possible avenues of funding that can subsidize these reduced transit fares.	**Low**	**Low**	No
P-43	**Update City Density Bonus**	Committed	December 2024	PBCE	HCD	Significant work on this item has not yet commenced. Staff is currently working on evaluation and implementation of SB 79 and its impacts, which will to some extent determine the parameters of an expansion of the City's Density Bonus program.	**Low**	**Low**	No
S-25	**Tenant-based Vouchers in Higher-resource Areas**	Committed	July 2026	Housing	Veterans focus group; disability focus group; high opportunities areas working group	In 2025, staff met regularly with SCCHA staff to discuss affordable housing transactions. Policy discussions and the City's approval of SCCHA's Moving to Work Plan focused on the use of vouchers for interim housing units and the most vulnerable populations as a higher priority. If there is adequate staffing in 2026, staff will continue discussions of the locations of vouchers used in San Jose.	**Low**	**Low**	No
H-11	**Feedback from Those with Lived Experience in Homelessness in Decision Making**	Ongoing	2031	Housing	LGBTQ+ focus group	In CY 2025, the Housing Department implemented Participant Advisory Committees (PAC). Service providers at interim shelters were expected to develop a formal structure comprising of people residing at the site. Providers coordinated and facilitated PAC meetings, developed meeting materials, and maintained an infrastructure through which PAC feedback would be implemented into program design and service delivery. Furthermore, the Department has continued partnership informal with the LEAB, as represented in CY 2023 and CY 2024. The Department's Youth-serving programs maintain close coordination with the jurisdiction's Youth Action Board.	**Low**	**Moderate**	No
I-14	**Assessment of Fair Housing Plan**	Active	October 2024	Housing	HUD	Production of a final Assessment of Fair Housing was deemed complete in 2024 through incorporation of a fair housing assessment and strategies into the Housing Element. HUD's proposed AFH framework from the Biden administration was never codified and did not proceed in the current federal administration.	**Low**	**Moderate**	No

See Housing Element Ch. 3 for full work item descriptions: https://www.sanjoseca.gov/home/showpublisheddocument/107420/638370204948130000

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
N-2	**Urban Village Plans with Anti-Displacement Features**	Active	December 2024	PBCE, Housing	Neighborhood organizations on East side	In 2023, work on identifying anti-displacement features for the Five Wounds UV Plan started. The City contracted with HR&A Advisors to prepare a housing and small business displacement risk assessment and implementation recommendation study. Staff evaluated recommendations from this study and nearly all are infeasible to implement due to legal/regulatory constraints. Additional recommendations require identifying potential funding sources, which is also infeasible in the near term. In 2026, SB 79 will cover the Five Wounds UV area, which will further make the available tools infeasible, particularly for small-business displacement. The Five Wounds UV plan is estimated to be completed in mid-2026 and currently in the environmental review phase.	Low	Moderate	No
N-4	**Preservation and Community Development Capacity Building**	Active	December 2027	Housing	Homeownership working group; Equity Coalition	The Housing Department entered into agreements with 4 nonprofit service providers from July and August 2024 through 2026 to deliver capacity-building support focused on strengthening housing preservation activities. The service providers include South Bay Community Land Trust, Sacred Heart Community Service, SOMOS Mayfair, Inc., and the School of Arts and Culture at Mexican Heritage Plaza (SOAC). These activities are funded by one-time Community Benefits Agreement funds from Google's Downtown West development. As part of the agreements, 3 of the 4 organizations included activities and outcome measures to assess the feasibility of becoming a Community Development Corporation (CDC), and all 4 established goals to develop housing strategies aligned with the City's Housing Preservation Workplan. In 2025, Sacred Heart Community Service and SOAC presented feasibility reports to City staff evaluating their potential transition to CDC status. SOAC intends to advance the La Placita project through a three-phase development approach, with Phase 3 focused on the creation of affordable housing for low- and moderate-income households. Sacred Heart Community Service, in partnership with Alta Housing, implemented a CDC capacity-building initiative that included community outreach, staff and resident trainings on affordable housing and CDC models, and research and evaluation of potential acquisition sites within Council District 3.	Low	Moderate	Yes
P-30	**Updated Feasibility Study for Commercial Linkage Fee**	Active	January 2031	Housing, OEDCA	Council direction	As part of the City's ongoing implementation of the Commercial Linkage Fee (CLF), staff provided an update to the Affordable Housing Impact Fee and Commercial Linkage Fee report to support the collection of funding for affordable housing. The report was posted to the City's website on December 1, 2025 for public comment and then brought to City Council on December 16, 2025, where it was approved in compliance with the California Mitigation Fee Act. While this update is not a full feasibility study, it discusses current market conditions and key considerations related to the CLF and helps guide how the fee is applied. Following Council approval, the CLF will continue to be implemented and included in development agreements, as appropriate.	Low	Moderate	No
P-4	**Affordable Housing Tools for North San José**	Committed	December 2026	Housing	Rental production focus group	Staff reviewed current state Density Bonus law, the 2025 Cost of Development study, and recent project applications in North San Jose. Given the high possible densities in NSJ (min. of 75 DU/AC required), generous state law Density Bonus provisions, and current superior financial feasibility of lower density product types compared to higher density, staff concluded that an additional density bonus is unlikely at this time to be helpful to further development in NSJ; and, hiring a consultant to confirm those findings is not necessary or fiscally prudent at this time. Housing and Planning staff have assessed that feasible options for driving development to NSJ continue to be 1) awarding geographic priority in annual City Notices of Funding Availability for affordable housing (per P-5), 2) successful conveyance to an affordable housing developer of the large City-owned Vista Montana site, which process is planned to occur in 2026; and 3) active implementation of the Multifamily Housing Incentive Program to generate moderate-income and above-moderate new housing units for projects in NSJ and other areas of San Jose. For these reasons, a formal Implementation Plan is unlikely to add additional value; therefore, staff is closing out this item.	Low	Moderate	No
P-41	**Review and Revise Planning Permit Conditions**	Active	December 2025	PBCE	HCD	In 2025, staff prepared the draft update of the necessary changes to the Zoning Ordinance. However, due to changes in staffing and prioritization of work on implementing stage legislative changes and the General Plan Four-Year Review, this strategy was not completed in 2025 as anticipated. This strategy has been assigned to a new team which will continue the work in 2026, with Council approval of the ordinance expected in summer of 2026.	Low	Moderate	No
P-42	**Group Homes for Seven or More Persons**	Complete	December 2024	PBCE		As part of the update to the Zoning Ordinance that was approved by City Council on January 13, 2026, the City made changes with its code to make it consistent with state and federal laws regarding fair housing. These changes removed the additional requirements for group homes serving seven or more individuals in all residential zoning districts, including single-family zoning. These actions completed the work on item P-42.	Low	Moderate	No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
P-26	**Accessory Dwelling Unit (ADU) Amnesty Program**	Active	December 2031	PBCE	Retained from 5th Cycle and updated; Council direction	As of July 2025, all initial inspections for the ADU Amnesty Program had been completed. Staff worked to complete the inspection reports and issue them to the property owner/applicants. Of the approximately 150 original participants in the program, 114 remain in the program, with 19 opting out of the program, and the remainder ending participation for other reasons (never responded, sold the property, etc.). By December 2025 nearly all reports had been issued to the property owner/applicants. The next step in the process is for the property owner/applicants to hire a licensed professional to draft plans and submit a permit application to legalize the ADU. Legalization can include reverting the structure back to its originally permitted use, demolition, or legalization of the structure as a permitted ADU. If electing to legalize the unit as a permitted ADU, the unit will be held to the code of the time the structure was built except for when meeting life/safety. Staff has retained the third-party inspector to conduct the permit inspections providing consistency and continued support to the applicants.	**Low**	**High**	No
P-36	**Alum Rock East Urban Village Plan**	Active	August 2025	PBCE		City staff has started work on Phase 2 of 3 of the Urban Village Planning process with an anticipated project completion date of June 2026. The first round of community meetings (in-person and virtual) were held in September and October 2025; the second round were held in January and February 2026.	**Low**	**High**	No
H-13	**Regional Homeless Response Coordination and Planning**	Complete	January 2024	Housing	Veteran focus group; LGBTQ+ focus group; high opportunity working group; schools focus group	The City's implementation plan for the Community Plan to End Homelessness was heard at the January 9, 2024, City Council meeting. As recommended by the Neighborhood Services and Education Committee on December 14, 2023, Council accepted the report on how the City would support the Community Plan and held an initial discussion of City engagement for the next regional plan.			No
H-14	**Emergency Shelters**	Complete				In June 2024, City Council approved the proposed ordinance updates related to emergency residential shelters, updating the definition of emergency residential shelters to align with the state's definition, where interim interventions are considered emergency residential shelters, and permitting shelters with 150 beds or less by right in zoning districts that already allow for them on sites outside of the Airport Influence Area. Staff held a virtual community meeting and conducted outreach with shelter providers throughout the spring. By permitting shelters by right in these zoning districts, the City was able to meet its capacity needs for its unhoused residents and comply with the requirements of AB 2339. Ord No. 31149: https://records.sanjoseca.gov/Ordinances/ORD31149.pdf . In November 2024, City Council approved additional updates related to emergency residential shelters, further updating the definition of emergency residential shelters to include non-congregate forms of shelter, permitting shelters with 150 beds or less by right in the Downtown Zoning District and on applicable sites within the Airport Influence Area, and modifying the specific use regulations for shelters to align with best practices by incorporating objective development standards. Ordinance No. 31097: https://records.sanjoseca.gov/Ordinances/ORD31097.pdf			No
I-10	**Lived Experience with Homelessness Seat on Commission**	Complete	July 2026	Housing	LGBTQ+ focus group; AFH Advisory Committee	Staff completed all work on this strategy 2023. The alternate seat on HCDC has been re-filled, oriented, and the confidential evaluation completed. The Commissioner in that seat and Alternate continue to participate actively in HCDC. Staff will continue to ensure participation of and support for the Lived Experience seat on the HCDC.			No
I-3	**Farmworker Housing**	Complete				This program was approved by City Council in 2023 - completed.			No
P-14	**Housing in Business Corridors**	Complete				In December 2024, City Council approved the proposed ordinance to establish a land use overlay to allow residential uses with specific development standards in the Japantown (Taylor Street only), North 13th Street, and Willow Glen Neighborhood Business Districts. The land use overlay applies to 213 parcels within the Neighborhood Business Districts. Throughout fall 2024, staff conducted virtual community meetings and reached out to interested members of the public with updates on the project's timeline. A total of 4,717 notices for Planning Commission and City Council were mailed to the owners and tenants of properties located within 500 feet of the project site. Ordinance No. 31168: https://records.sanjoseca.gov/Ordinances/ORD31168.pdf			No
P-24	**Housing on Public/Quasi Public Lands**	Complete				In 2024, staff completed the General Plan update to the definition of "permanent supportive housing" to match the definition of 25% of a project being permanent supportive housing as qualifying to allow housing on Public/Quasi-Public lands.			No
P-38	**Adequate Sites for Lower-Income Households on Nonvacant & Vacant Sites Identified in Previous Housing Element Cycles**	Complete				Completed in January 2024.			No

Ref #	Work Item	Status	Planned Completion	Department(s)	Stakeholder Groups	Update	Impact	Level of Effort	Anti-Displacement Strategy (y/n)
R-6	**Mobilehome Park General Plan Designation for Remaining 56 Mobilehome Parks**	Complete				In June 2024, City Council approved the proposed ordinance to amend the land use designation for 30 mobilehome parks to the Mobilehome Park General Plan land use designation. In 2020, City Council approved the creation of a new General Plan land use designation entitled “Mobilehome Park” and applied it to two mobilehome parks. In 2023, City Council approved the land use designation amendment for 13 of the most at-risk mobilehome parks. The work completed in 2024 concludes the land use designation amendments for the City’s remaining mobilehome parks. Resolution No. RES2024-238: https://records.sanjoseca.gov/Resolutions/RES2024-238.pdf			No
S-29	**Rent Stabilization Program Strategic Plan and Program Assessment**	Complete				Significant revisions were made to the Rent Stabilization Program Draft Strategic Plan in summer 2024, leading to City Council approval in September 2024. In 2025, evaluation of the team's efficiency and effectiveness of implementation of the Apartment Rent Ordinance will continue as the Rent Stabilization Program collaborates with the City Attorney on this work.			No

Attachment C

Impact and Level of Effort Definitions

Impact:

High Impact:

- Expected to enable production of 100+ market-rate or affordable housing units annually; OR
- Expected to result in the preservation of 20+ affordable housing units annually; OR
- Expected to result in significant time and/or cost savings for development.
- Expected to increase eviction protection, housing stability, and/or housing safety for 1,000s of households.

Moderate Impact:

- Expected to enable production of 50-100 market-rate or affordable housing units annually; OR
- May result in the preservation of 10-20 affordable housing units annually; OR
- May result in time and/or cost savings for market-rate or affordable housing units.
- Expected to increase eviction protection, housing stability, and/or housing safety for 100s of households.

Low Impact:

- Unlikely to result in the creation of new market-rate or affordable units; OR
- Expected to result in the production of 50 or less housing units annually; OR
- Unlikely to result in the preservation of affordable housing units; OR
- Unlikely to result in any notable increase in eviction protection, housing stability and/or housing safety for a significant number of households.

Impact TBD:

- Not enough work has been done on the item to understand its full impact, so no determination can yet be made.

Legally Required:

- City is required to complete work due to state or federal rules/law.

Level of Effort:

High Effort:

- Significant staff time and resources that may require a multi-year effort.

Moderate Effort:

- Moderate staff time and resources required and less than 12 months to complete.

Low Effort:

- Minimal staff time required to complete.