

City Council Study Session:
Discussion of Inclusionary Housing
December 11, 2007

Annual Income vs. Cost of Rental Units & Homeownership

- The annual income needed to purchase a median priced home (\$697,000) in San Jose is **\$162, 879.**
- The annual income needed to rent a two bedroom apartment in San Jose is **\$50,918.40.**
- Combined an Elementary School Teacher (annual income: \$56,558) and a Loan Officer (annual income: \$42,023) earn **\$98, 581 annually.**
- Combined a Retail Salesperson (annual income: \$29,533) and a Graphic Designer (annual income: \$50,379) earn **\$79,912 annually.**

ABAG Regional Housing Need Allocation vs. Housing Projected Productions

RHNA Housing Need Allocation 2007-2014

Total RHNA Allocation: 34,717

	Extremely Low Income	Very Low Income	Low Income	Moderate	Total
RHNA 2007-2014	3,875	3,875	5,321	6,197	19,268
Projected Productions	1,050	2,680	1,267	2,137	7,134
% Unmet Need	2,825 units or 73%	1,195 units or 31%	4,054 units or 77%	4,060 units or 65%	12,134 units or 63%

Filling the Gap: Inclusionary Housing

- 18% of the City is within a Redevelopment Area, which have inclusionary requirements.
- Historically, between 40-45% of the City's residential development has been inside of Redevelopment Project Areas.
- Anticipate that in the next 5 years, 10,000 residential units will be built of which 8,550 would be inside and approximately 6,500 would be outside Redevelopment Areas.