

**DRIVING A STRONG ECONOMY**

# **Affordable Housing Funding and Production Update**



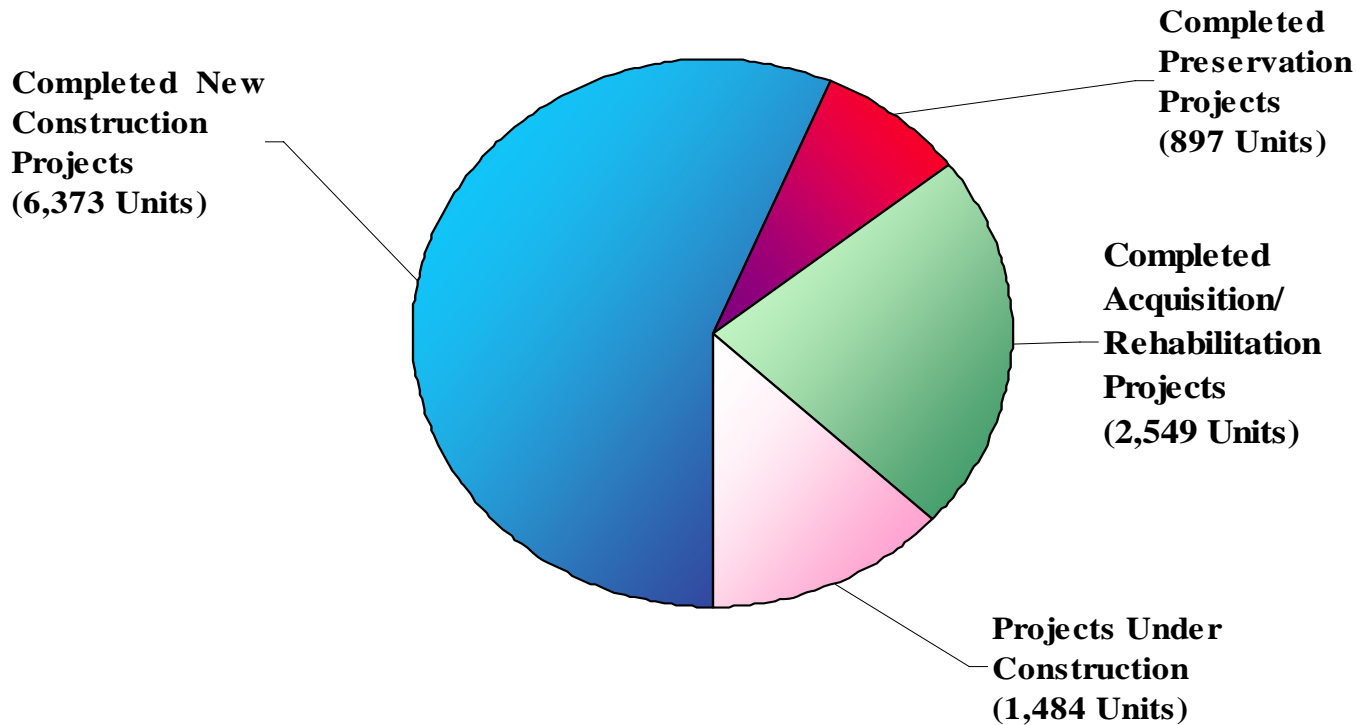
**Housing Department**

**June 26, 2006**

# AFFORDABLE HOUSING PRODUCTION

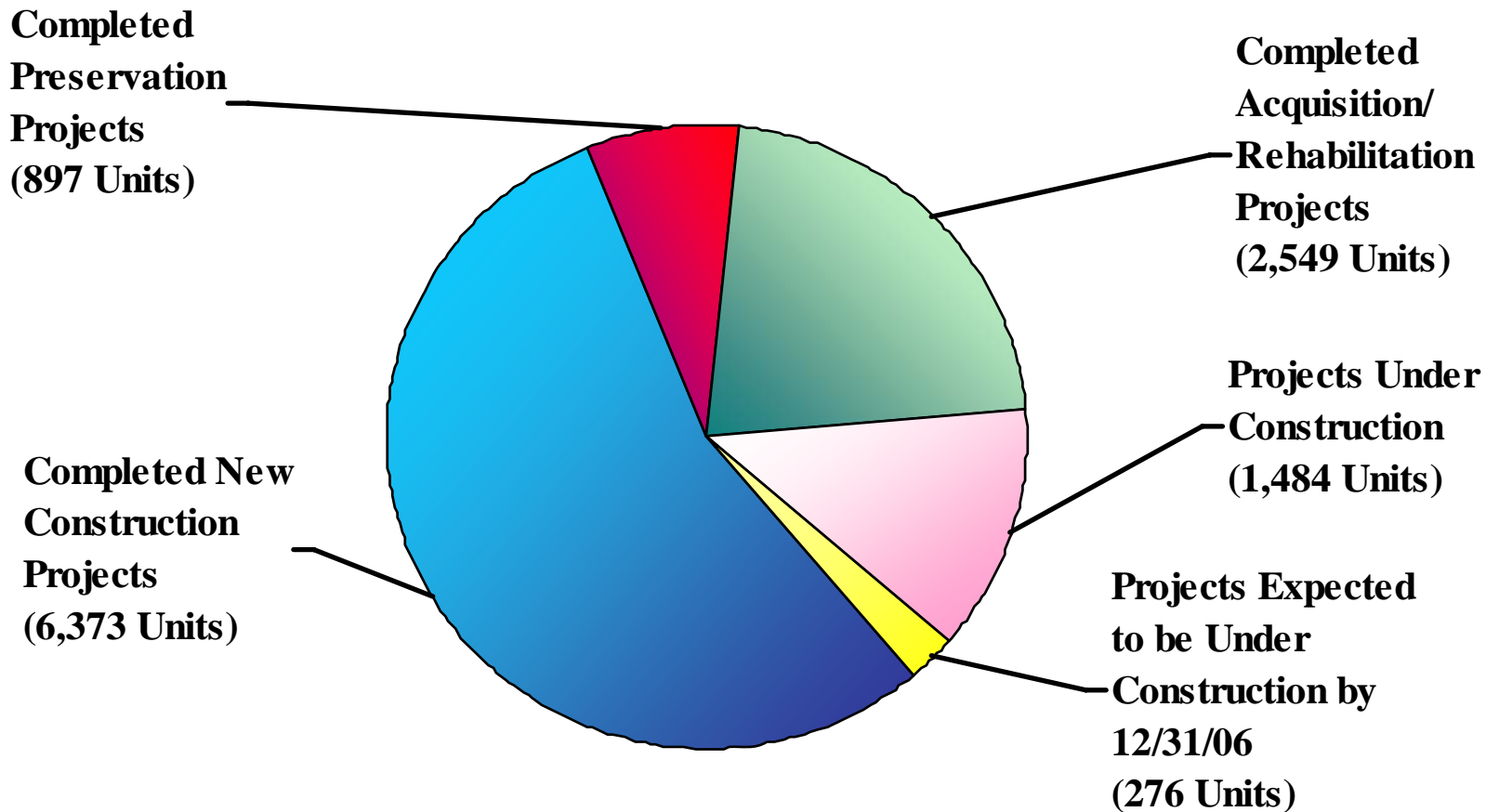
## Surpass 10,000-Unit Goal

- 11,303 Affordable Units Completed or Under Construction
- \$457 Million of local funds
- Leveraging over \$1.6 Billion in Outside Resources



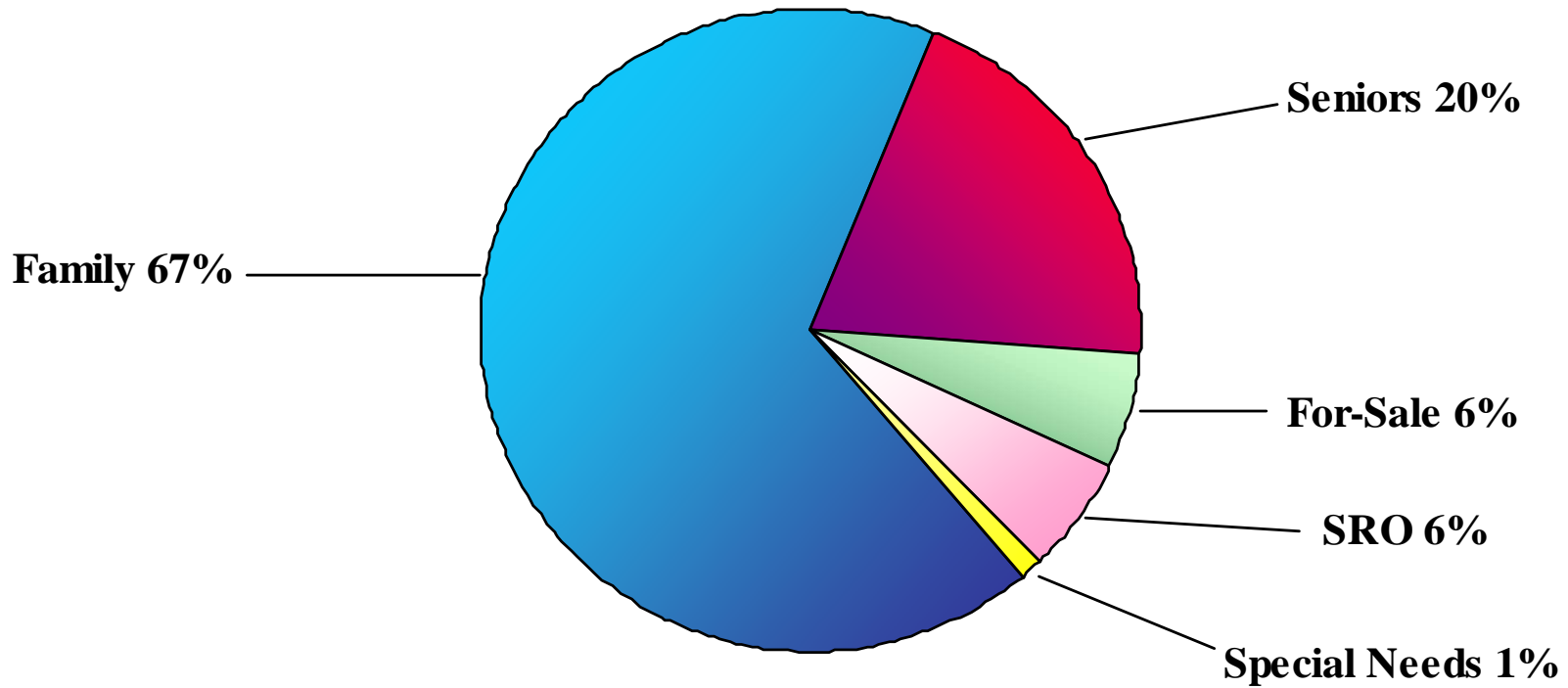
# AFFORDABLE HOUSING PRODUCTION

**11,579 Affordable Units Completed, Under Construction, and Expected to Start Construction by 12/31/06**



# AFFORDABLE HOUSING PRODUCTION

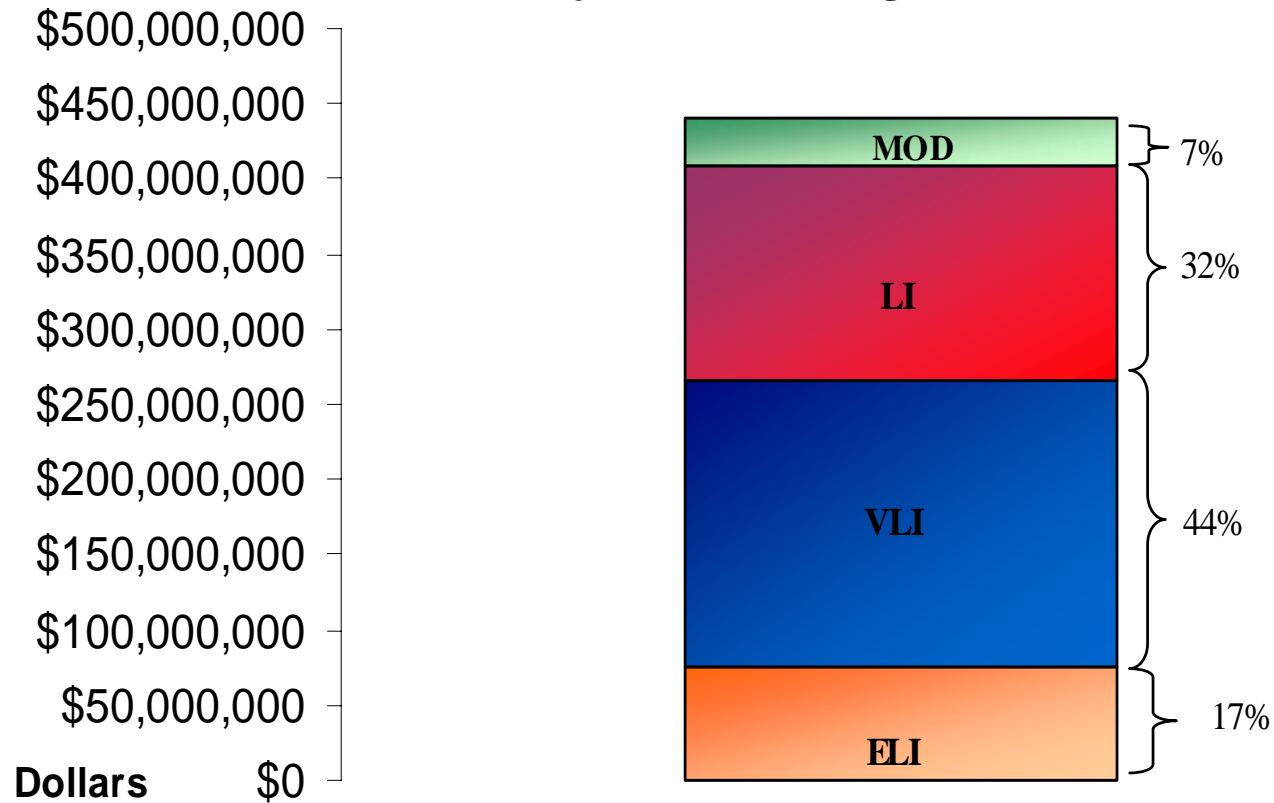
## Affordable Units by Occupancy Type



# AFFORDABLE HOUSING PRODUCTION

## City-Funded Units by Income Level

(Completed, Under Construction, and Predevelopment Projects with Funding Committed)



# FUNDING UPDATE

- **Tax Incremental Revenues**
  - Since 2003, 21% decrease in tax increment
  - Projected revenues based on modest future growth.
- **Bonding Capacity**

<b>Current Capacity</b>	<b>\$94,900,000</b>
<b>Current Approved Commitments</b>	<b>\$13,591,000</b>
<b>Pipeline Projects</b>	<b>\$33,850,000</b>
<b><i>Balance</i></b>	<b>\$47,459,000</b>

# POTENTIAL NEW FUND SOURCES

## Federal Efforts

- National Housing Trust Fund (NHTF)
- Federal Advocacy: 10-Year Homeless Strategy, Section 8, CDBG, HOME, HOPWA and ESG



## State Sources

- Proposition 46 - Nearly **\$50 million** received.
  - Creating **700** units of affordable housing options AND making **11 developments** more accessible
- Proposition 1C a \$2.85 billion Housing Bond in November

## Permanent Sources For Affordable Housing

- Proposition 63: Mental Health Funds
  - \$1 million annually for homeless
- Creative Land Use and Leveraging of Existing Resources
- Cooperative Regional Planning & Strategy



# SANTA CLARA COUNTY AFFORDABLE HOUSING STUDY

## Executive Summary – Phase I Draft

- Regional Assessment – July 1<sup>st</sup> Completion
  - Bay Area LISC and Full Circle Fund
  - Projects Santa Clara County's 20-year housing need

## Needs Assessment

- Regional Perspective – 20-Year Need
- 40,292 units for ELI/VLI/LI and MOD ownership.
  - ELI and VLI represent more than 90% of overall need
  - Majority of ELI & VLI (39%) need Studio – 1 Bedroom
  - Requires an additional \$4 B or (\$200 M per year) Countywide



# SANTA CLARA COUNTY AFFORDABLE HOUSING STUDY

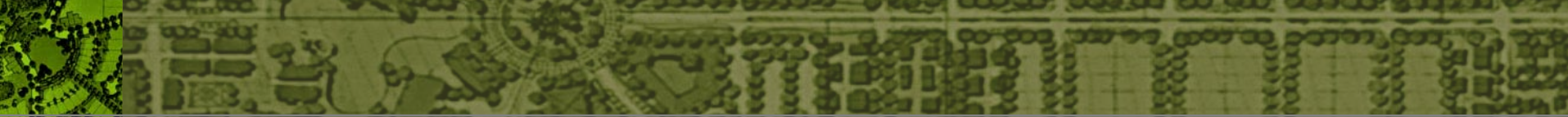
## San José Share of the Local Need

- San Jose's share of the gap is 21,758 of the 40,292 units for the County
- San Jose will need to build an additional 1,087 units per year, to the 1,313 units planned

## Next Steps - Phase II Strategies

- Workgroup devising strategies for how to address the problem
- Final report to be out September 2006





CITY OF  
**SAN JOSE**  
CAPITAL OF SILICON VALLEY