

EVERGREEN ♦ EAST HILLS VISION STRATEGY

Task Force Workshop Meeting - 7

K.R. Smith Elementary School
2025 Clarice Drive
San Jose, CA 95122

Saturday, February 25, 2006
9:00A.M. – 12:30P.M.

SUMMARY of **AFFORDABLE HOUSING GROUP COMMENTS**

- What are the challenges to building affordable housing?
 - Need to consider the population being served; what are the income targets?
 - Determining the low income (LI) and extremely low income (ELI) needs
 - Would the units be rental or for-sale?
- Is for-sale affordable housing more costly?
 - Affordable for-sale is less expensive to subsidize than affordable rental.
- How do you keep for-sale housing affordable?
 - Long-term deed restrictions – sell units at restricted price
 - With buy-out there would be equity sharing with the City of San José to allow for funds to be “recycled” to future low and moderate income homebuyers
- How is the 20% affordable requirement determined?
 - State law requires affordable housing for redevelopment project areas. Arcadia is the only site that is within a redevelopment area.
 - The Council may elect to extend 20% requirement to other areas in Evergreen.
- What are Evergreen Valley College’s plans for affordable housing
 - With a maximum unit count of 500; 50 to 60% would be at affordable levels.
 - Affordable units would be rental. Since it is leased land, it would be more difficult to do for-sale units.
 - They are exploring preferences for teachers/staff, but the units would be open to the public

- The college would partner with non-profit groups
- A City funding request for affordable housing on the Evergreen College site would have to compete with other affordable City projects for funds.
- What funding would be available for affordable housing?
 - The City generally does not provide subsidy for affordable housing units that are built in order to comply with the State law covering redevelopment project areas, which applies to the Arcadia site.
 - City redevelopment funds available for other affordable projects have diminished substantially since the economic downturn and funds may not be available for future new projects.
 - The City Council could elect to redirect redevelopment tax increment generated in the Arcadia project area as a source of funding.
- The height of buildings should be consistent with surroundings.
- Development sites in Evergreen will generate funds that will be used to pay for amenities. Need to balance affordable housing, amenities and return.
- The policy recommendations for affordable housing have not yet been developed.
- There is a fear that affordable housing would change the character of the community.
 - The architecture/aesthetics of all units including affordable units will be of high quality.
- Should do more dense Transit Oriented Development (TOD) on Arcadia with new light rail on Capitol.
- Need to balance affordable housing with ability to pay for amenities.

