

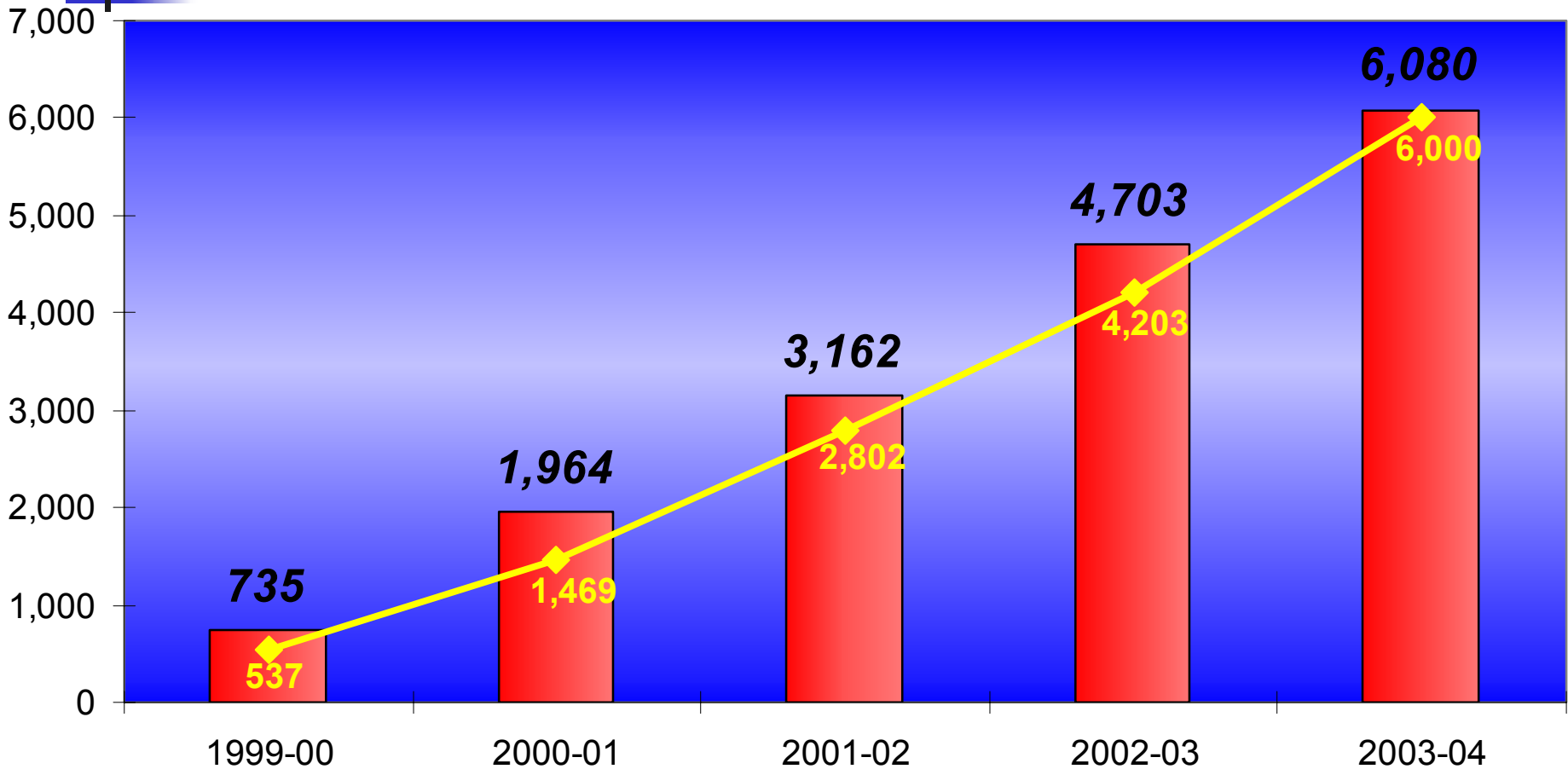


Affordable Housing Funding and Production Update

Driving a Strong Economy
Committee

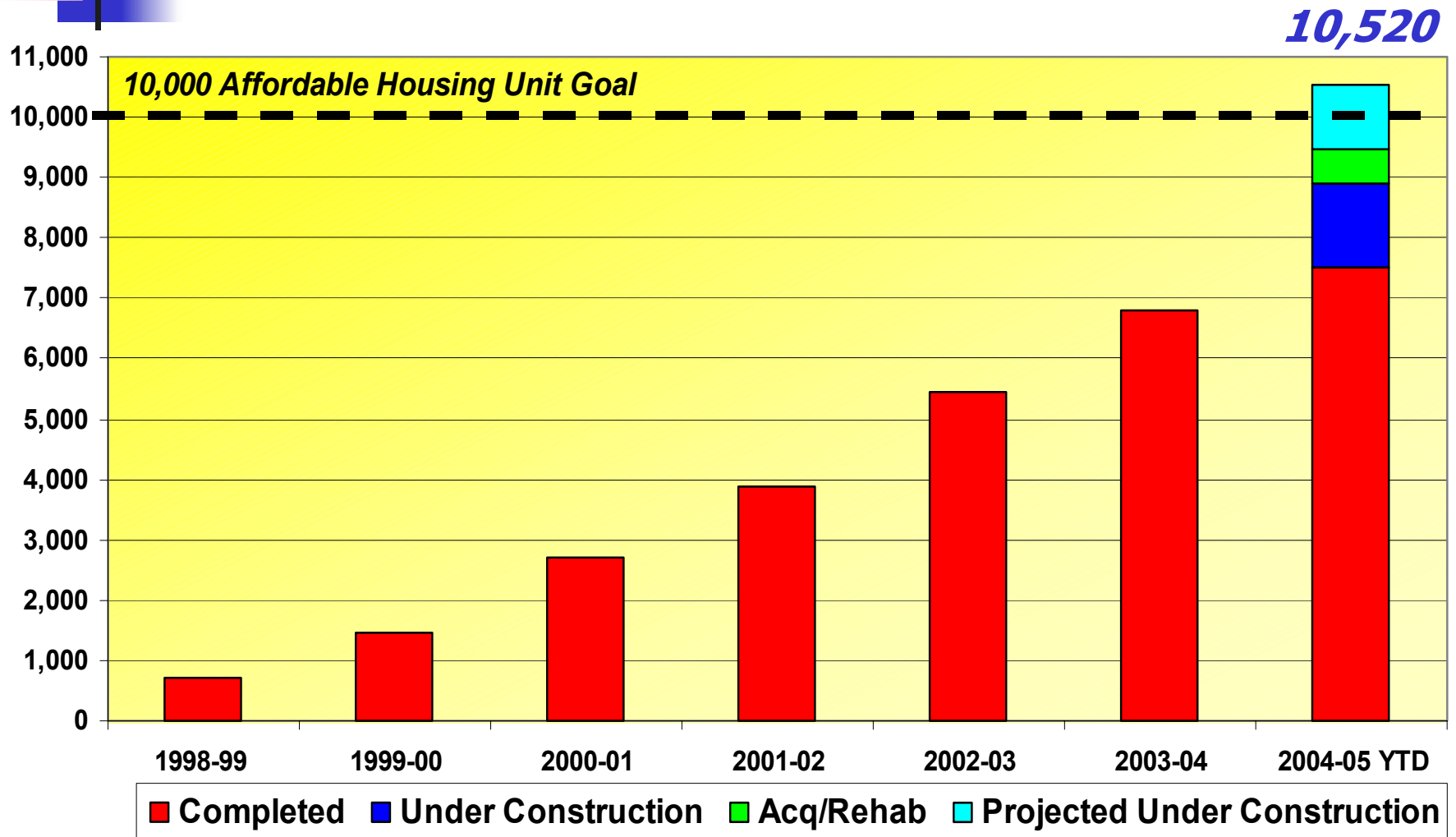
June 27, 2005

6,000-unit Goal Achieved



On Track to Meet 10,000-unit Goal

January 1999 to December 2006

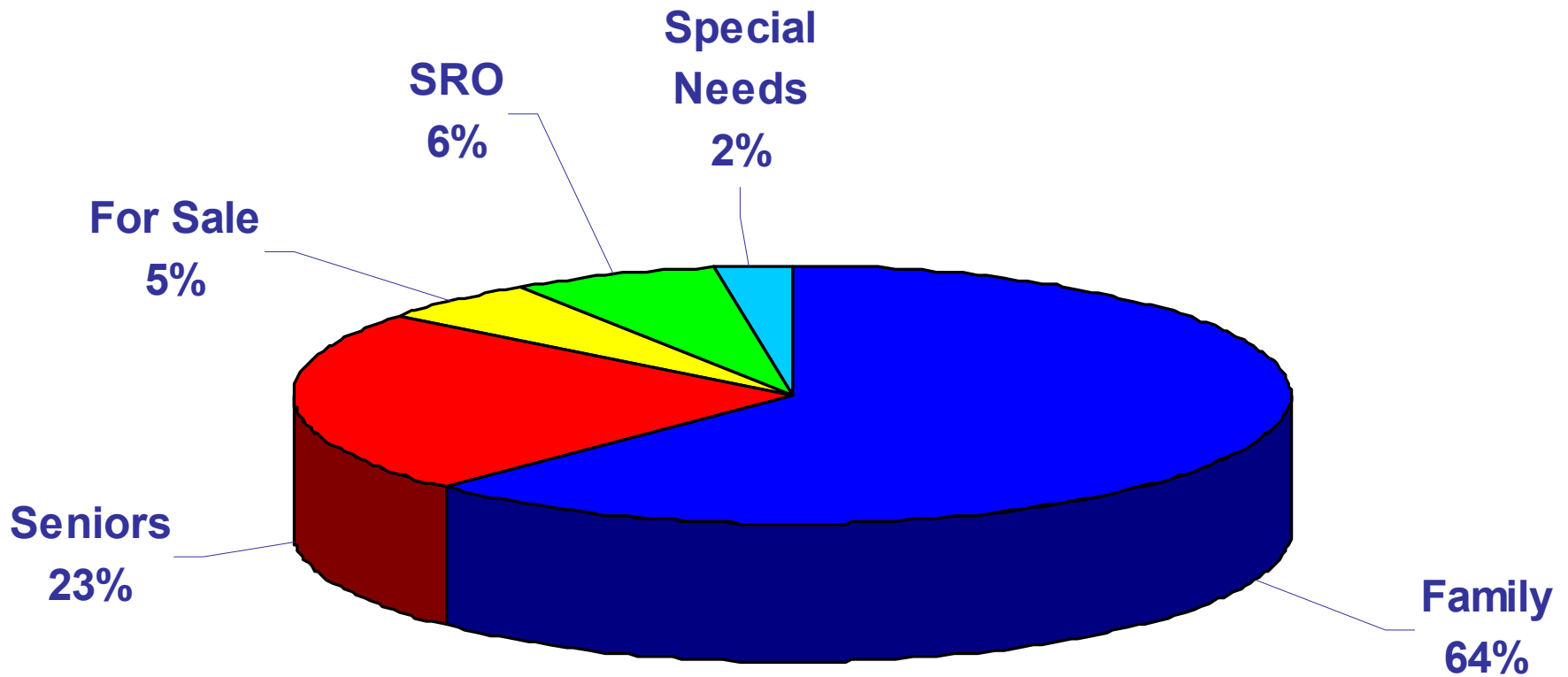


10,520 Unit Breakdown

Type	# of Units
Completed YTD	7,506
Currently Under Construction	1,383
Projected Under Construction (Funded by HSG/RDA)	810
Projected Under Construction (Inclusionary)	238
Acq/Rehab Financial Restructurings	583
<i>TOTAL</i>	<i>10,520</i>

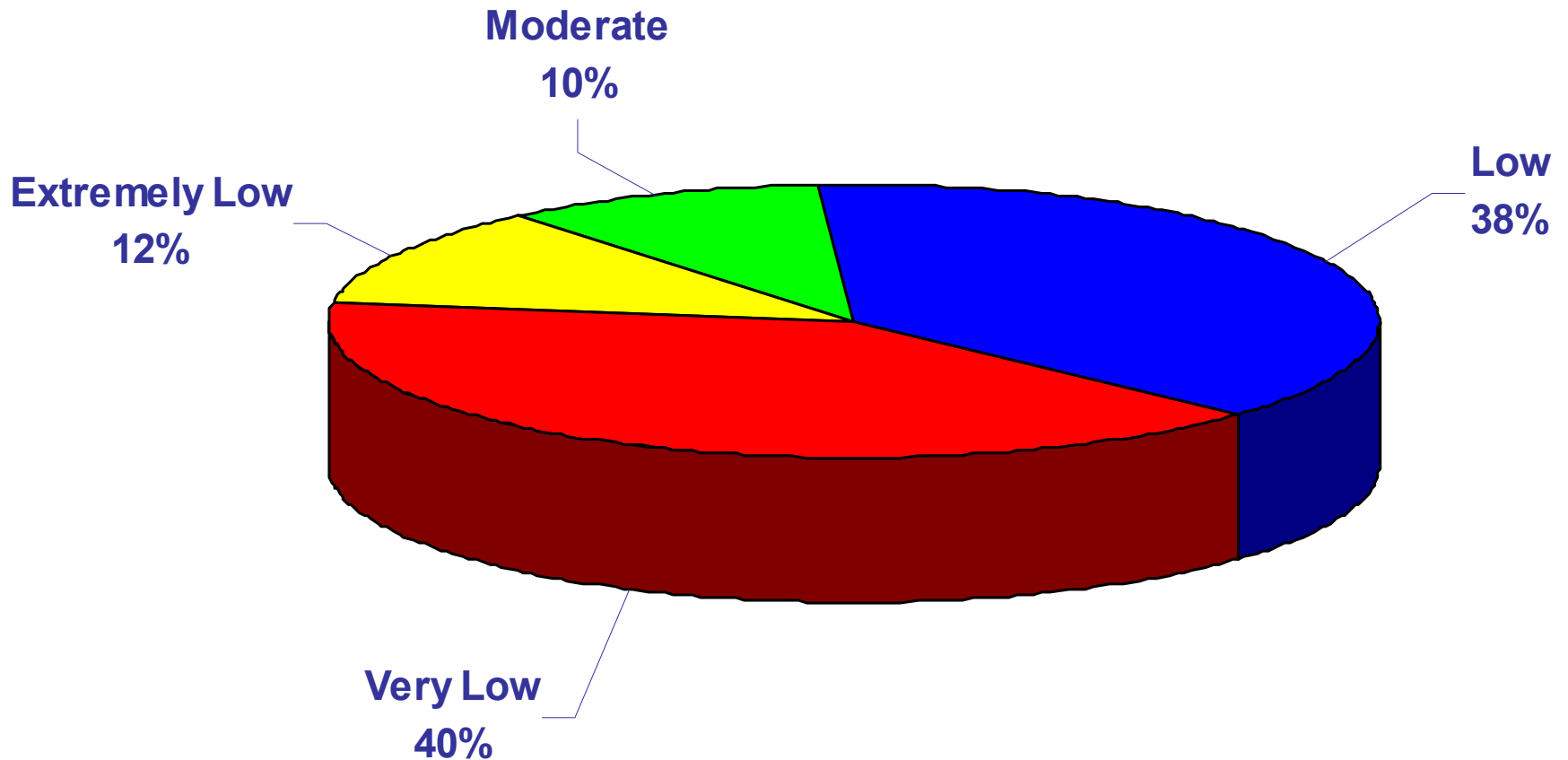
Units by Occupancy Type

Includes Units Completed and Currently Under Construction



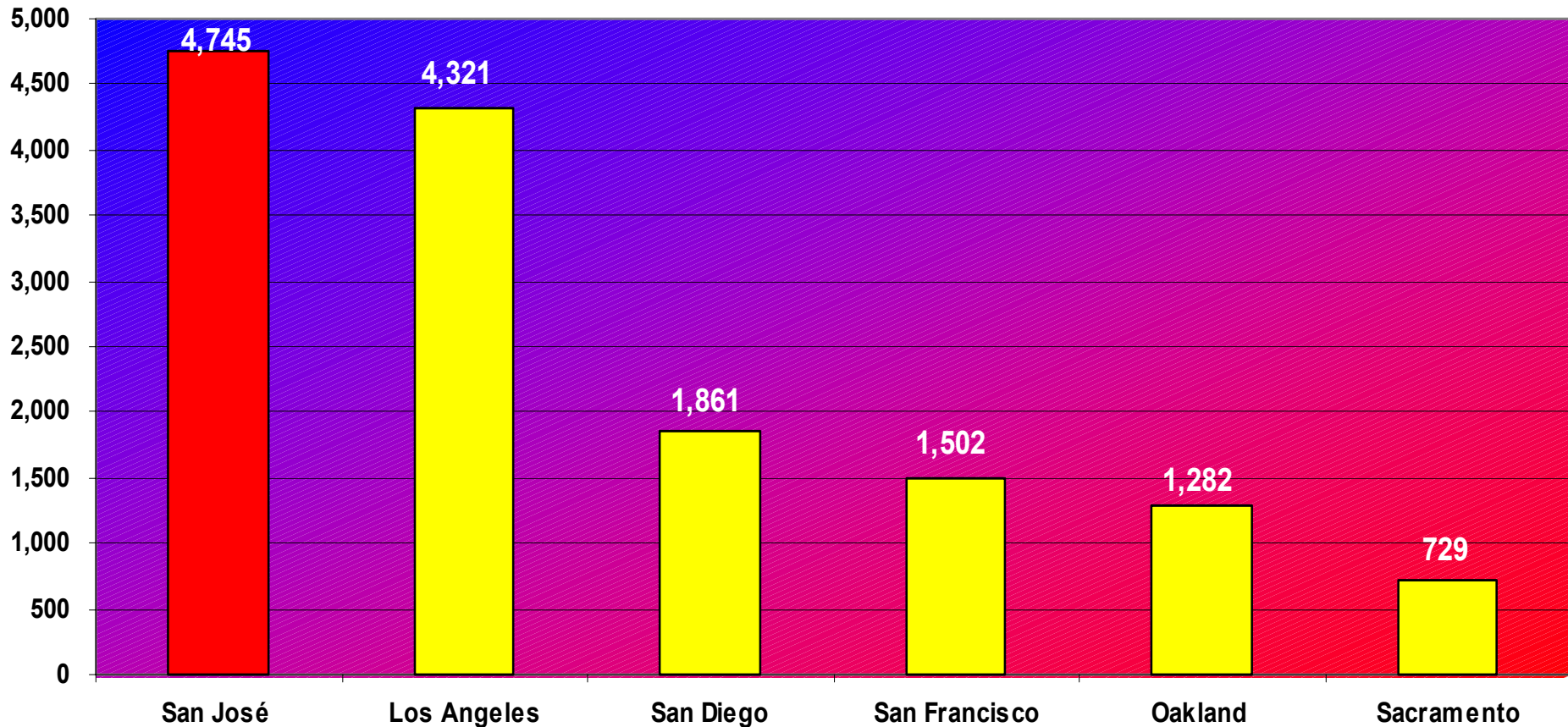
Units by Income Level

Includes Units Completed and Currently Under Construction



San José Leads Other CA Cities in Affordable Housing Production

FY 1998-99 to 2002-03



Summary of Projects Awarded in NOFA Process

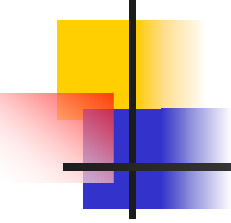
PROJECT	AMOUNT	UNITS
Fairgrounds Family Apts.	\$10.9 M	169
Fairgrounds Family Hsg	\$8.4 M	130
Art Ark	\$7.9 M	146
Senter Rd. Phase I	\$7.1 M	115
Senter Rd. Phase II	\$5.9 M	99
Gish Apts.	\$2.3 M	34
<i>TOTALS</i>	<i>\$42.5 M</i>	<i>693</i>



Production Program Policy Objectives Since 2004

- Maximize Efficiency of City's Funding
 - Average Per Unit Subsidy Decreased from Over \$85,000 to \$61,422
 - Leveraged Non-City Funds Improved from a Ratio of 2.2:1 to 3.6:1
- Target Populations Most in Need
 - 58% of Units Have Two or Three Bedrooms
 - 20% of Units are Very Low-Income Studios

Summary of Units Funded by Income Level



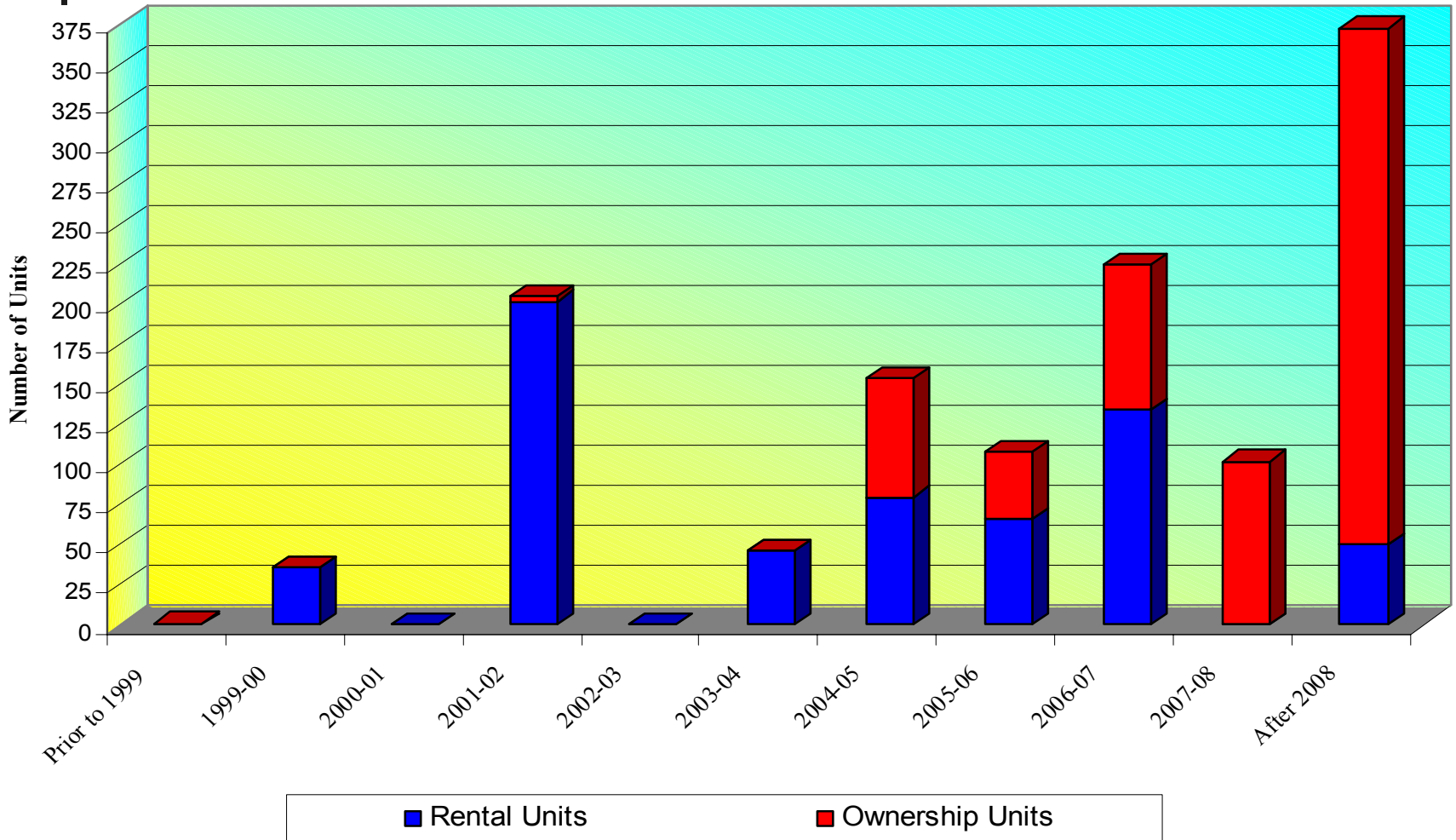
Income Level	Units	%
≤60% AMI	29	4%
≤50% AMI	561	81%
≤30% AMI	103	15%
TOTAL	693	100%



Recent Program Improvements

- New “Over-the-Counter” process to start in July
- “Preliminary Commitments” to allow for greater certainty and mitigate risk
- Senior projects allowed up to State cap
- Acquisition/rehabilitation projects allowed
- New ELI thresholds to address greatest demand

Housing Production: Inclusionary Housing Program





Housing Production: Future

- Future Funding for Affordable Housing Production Program
 - FY 2005-06 Budget: \$35 Million
 - Additional Funding Reliant on Redevelopment Tax Increment



Housing Production: Future (cont.)

- Identification of a Permanent Source of Funding for Affordable Housing Development
 - Federal Efforts – HR 1461 Requires the Government Sponsored Enterprises (Fannie Mae and Freddie Mac) to Set Aside 5% of After-Tax Profits for the National Housing Trust Fund
 - State Efforts – Polling is Taking Place to Determine Source of Funds for a 2006 Ballot Initiative or State Legislation



CITY OF
SAN JOSE

CAPITAL OF SILICON VALLEY

