RAISING THE ROOF

AFFORDABLE HOUSING NETWORK of Santa Clara County

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CITY OF SAN JOSE
PLANNING DIVISION

December 27, 2005

Coyote Valley Task Force
c/o San Jose Planning Department
200 East Santa Clara Street
San Jose, California 95113

Subject: Affordable Housing in San Jose's Coyote Valley

Dear Members of the Coyote Valley Task Force:

I am writing on behalf of the Affordable Housing Network of Santa Clara County with two strong recommendations for the Coyote Valley Plan. First, we concur with the proposal made by many groups that the Plan require at least 20% of all housing units built in Coyote Valley be affordable to low-income residents, and that at least 30% of those be affordable to extremely low-income households (households earning less than $31,850 for four persons -- the income group with the greatest housing need). Second, we urge that the Plan state that no city money will be used to subsidize any housing built in Coyote Valley, including those units affordable to ELI households.

This last recommendation, that no city money be used to support any housing in Coyote Valley, including extremely low-income (ELI) housing, probably needs some explanation. We have come to this position for two primary reasons. The first is that San Jose's affordable housing money is not nearly adequate to meet the current need for affordable housing within the currently developed areas of the city. According to the 2005 Con Plan, the city only expects to be able to meet 5% of the current need for ELI housing. Any housing units subsidized with city money in Coyote Valley will mean an equal number of units will not get built to serve existing residents in existing parts of the city. Any thought that new affordable housing in Coyote Valley will help meet the existing need is false. While a 20% affordable housing requirement is to be commended, that amount of affordable housing will not meet the need created by the new low wage jobs that will be created in Coyote Valley, let alone contribute to meeting the existing need.

The second reason we urge that the Plan not allow the use of city money to subsidize housing in Coyote Valley is that it is not needed. Property values in Coyote Valley will increase by millions of dollars when the city changes its development policies to allow residential construction. The city should require that developers use a portion of their windfall profits to support affordable housing as a condition of development.

Sincerely,

Ron Johnson for

Phyllis Ward, President
Affordable Housing Network