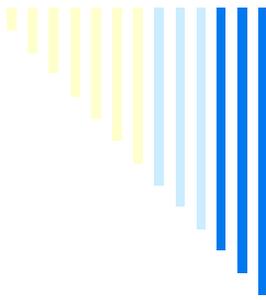


Affordable Housing in Coyote Valley

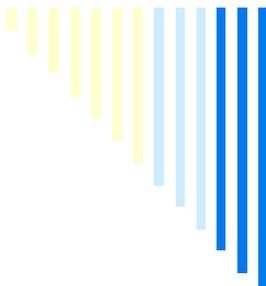
**CVSP Affordable Housing
Focus Group Members:
Leslye Krutko
Bob Brownstein
Dan Hancock
Chris Block**

May 22nd 2006



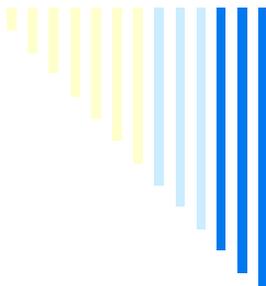
Review

- Previous Task Force presentation on Affordable Housing
- Subsequent meetings:
 - Focus group
 - Subcommittee
 - Housing Advisory Committee



Developing Affordable Housing in Coyote Valley

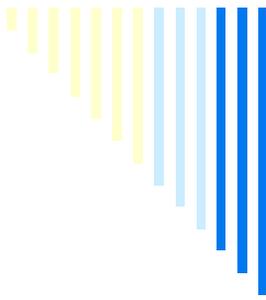
- Distribution throughout Coyote Valley
- Affordability
 - Develop housing at different levels of affordability
 - Breakdown between rental and ownership Unit
- Inclusionary and Land Bank program
- Financing- City housing funds limited to ELI



Affordability

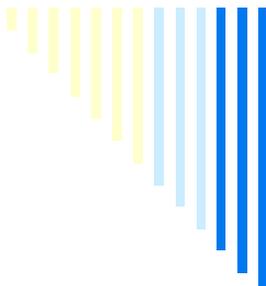
□ Goal:

- Create a standard for affordability in Coyote Valley that is exceptional
- Create a plan that generates housing opportunities for residents at all income levels, including extremely low-income in Coyote Valley
- Create a community that integrates affordable and market rate units
- Create a plan that is financially feasible for developers (both non-profit and market developers) and the City of San Jose
- Create a policy framework that is fiscally sound through out the build-out of Coyote Valley



Affordability Levels

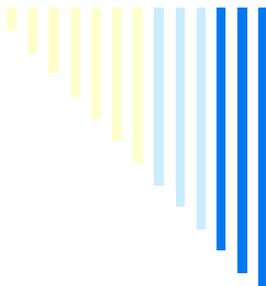
Affordability Level	Rental Goals (80%)	Ownership Goals (20%)
ELI (0-30% of AMI)	1,500	
VLI (30-50% of AMI)	1,400	100
LI (50-80% of AMI)	1,100	250
MOD (80-120% of AMI)		650
Totals	4,000	1,000



Financing:

Inclusionary

Affordability Level	Rental Goals (80%)	Ownership Goals (20%)	Total
ELI	n/a	n/a	n/a
VLI	n/a	n/a	n/a
LI	500	250	750
MOD	n/a	650	650
Total	500	900	1,400



Financing

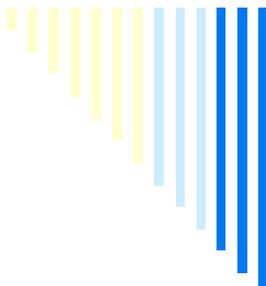
Land Dedication: 88 acres for 3,500 affordable units

Affordability Level	Rental Goals (80%)	Ownership Goals (20%)	Total
ELI	1,500	n/a	1,500
VLI	1,400	100	1,500
LI	600	n/a	600
MOD	n/a	n/a	n/a
Total	3,500	100	3,600



Financing

- Innovative approach that provides deep levels of affordability without compromising the financial feasibility of the project
- Inclusionary:
 - Provides flexibility for developers to include affordable units within development or “trade” obligations with other market rate developers
- Land Dedication/ In-lieu fee:
 - Land dedication and in-lieu fees will fund all affordable units down to the VLI level
 - In-lieu fee: \$3,500 per market rate unit totaling \$70 million for 3,500 affordable units



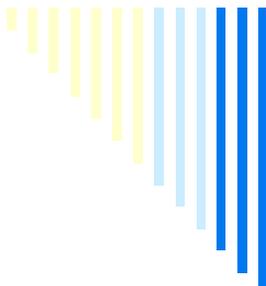
Implementation

□ Phasing of Affordable Units

- Coincide with the phasing of all housing development of the CVSP.

□ Design and Location

- Dedicated land will be pre-identified
- Affordable housing should be indistinguishable from market rate units



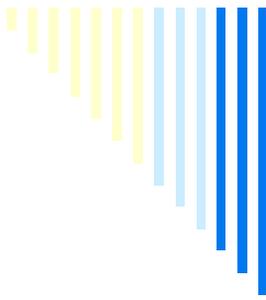
Implementation

□ City Funding:

- Only available for subsidizing a VLI unit to an ELI unit
- No more than 20% of City housing funds shall be available for affordable housing

□ Developers Requirements

- Contributions proportionate to development



Next Steps

- Continue developing the oversight and administration of land dedication and in-lieu fee program
- Create a process for identification of affordable housing sites
- Continue working on identifying funding sources for extremely low-income housing