San Jose's Affordable Housing Initiative Wins 2005 HUD Secretary's Planning Award

These homes may look trendy and cutting edge, but the real trend they're setting is an affordable one.

Through a successful combination of innovative and more 'standard issue' policy efforts, the City of San Jose, California, has increased the affordable housing supply by more than 6,000 units in 5 years—winning the 2005 HUD Secretary's Opportunity and Empowerment Award. Presented by the American Planning Association (APA) and HUD at APA's annual meeting on March

22, the award recognizes excellence in planning that leads to measurable results in housing benefits for low- and moderate-income groups. San Jose is the sixth local jurisdiction to win the annual Award.

In 1999, in response to an affordable housing crisis in San Jose, newly elected Mayor Ron Gonzales proposed the goal of "6,080 affordable housing units in 5 years." Having already experienced a population increase of more than 40 percent between 1980 and 2000, San Jose is the country's eleventh-largest city, and is estimated to pass the 1 million resident mark by 2010. By 1999, housing vacancy rates had reached an all-time low of 1.5 percent, while rents had mushroomed $300–$500 per month over the previous year. Rental and homebuying markets in surrounding Santa Clara County, part of the region known as Silicon Valley, are among the most expensive in the country. Over

contents

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the past two decades or so, affordable housing in the Valley has been in particularly short supply.

To counter this trend, the initiative increased the previous pace of affordable housing growth by 50 percent. New construction accounted for 64 percent of the developments, while acquisition/rehabilitation accounted for 18 percent. Meanwhile, inclusionary requirements have resulted in 17 percent of the affordable developments. In a related effort, the City preserved 739 existing affordable units, bringing the total number of units in which the initiative has invested to an even more ambitious 6,819 units.

San Jose achieved these results through a comprehensive array of financing and regulatory tools, policy collaborations, regional partnerships with public and private agencies, and a commitment to the sustained production of affordable housing.

A Financing and Regulatory Toolbox

With a number of redevelopment areas spread across a relatively large land area, San Jose generates substantial affordable housing funds through California's 20 percent set-aside program. The set-aside requires that one-fifth of the property tax increments for a redevelopment area go toward providing affordable housing. Based on this anticipated stream of public revenues, local jurisdictions may create and sell tax-allocation bonds (TABS). In a policy innovation targeted to serving the most needy, the San Jose Redevelopment Agency established a supplemental grant fund that provides tax-exempt TABS, which can only be used for housing that's affordable to extremely low-income (ELI) households.

The State of California requires that 15 percent of the units built in a redevelopment project area be affordable to lower- and moderate-income households. The San Jose City Council Redevelopment Agency further requires that these units be financed without any subsidy from the City. This program produced affordable units in 13 redevelopment projects.

Collaborative efforts with key stakeholders added to the initiative's success. The City worked with a consortium of local businesses (known as the Silicon Valley Manufacturing Group) to create the Santa Clara Housing Trust, which provides funding to large rental developments countywide, as well as homebuyer assistance to lower-income households. San Jose also worked with the Nonprofit Housing Association of Northern California on statewide debt limit and
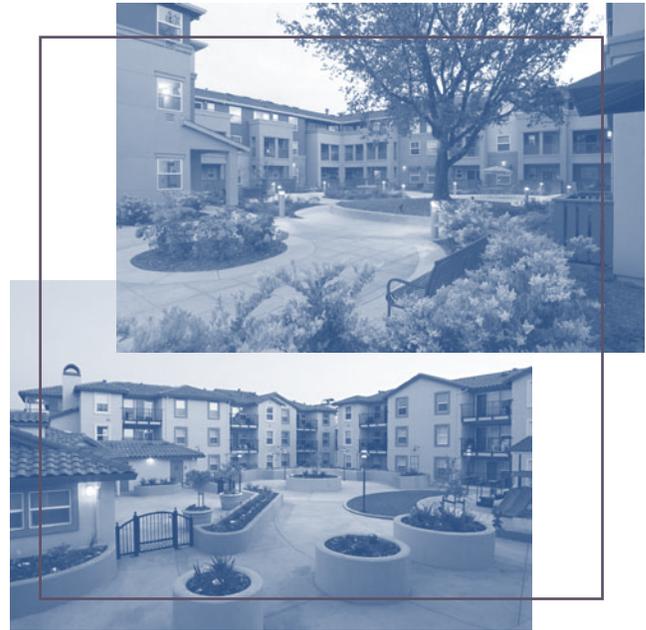
Landscaped courtyards and other design-driven amenities help affordable housing developments blend in with surrounding neighborhoods, and go a long way toward dispelling NIMBYism.

tax credit issues, further augmenting the supply of funding for affordable housing.

Through all these efforts, San Jose was able to leverage $3.70 of outside funding for every $1.00 of city funds spent on the initiative.

Several local measures helped put affordable housing development on the fast track. A Discretionary Alternative Use policy permits 100 percent of affordable housing developments to be placed on properties where residential density or commercial designations would otherwise have constrained market-rate developments, largely eliminating the need for rezoning. The City also gives special handling and priority processing to affordable housing developments during the rezoning and permitting phase.

San Jose cut red tape for affordable housing development in other ways. A Housing Production Team consisting of members of the development community recommended 72 measures to streamline procedures for planning, building, and funding. This advisory group suggested increasing the amount of investment funding available from the San Jose Redevelopment Agency and revising zoning ordinances to permit more residential development. In addition, conducting

Geographic Information Systems at Work
Mapping Four Cities and Adjacent Colonias Along the U.S.-Mexican Border

Thanks to a joint U.S.-Mexican initiative, four bi-national metropolitan areas along the Texas and Arizona borders with Mexico are now using high-tech geographic information systems (GIS) to help meet their development challenges. The initiative, called the Colonias Monitoring Program, is putting a vast array of graphically—and *geographically*—displayed demographic and development data into the hands of planners, decisionmakers, and community leaders. The project provides a set of interactive and bilingual GIS databases, accessible on the Internet, to enable civic leaders and citizens to inventory, analyze, and monitor growth, housing, and infrastructure in border communities. The GIS data cover the cities and the especially disadvantaged settlements adjacent to them; these areas are known as *colonias*.

By using the GIS tool, these pairs of neighboring cities—Eagle Pass, Texas and Piedras Negras, Coahuila; El Paso, Texas and Ciudad Juárez, Chihuahua; Douglas, Arizona and Agua Prieta, Sonora; and Nogales, Arizona and Nogales, Sonora—are now revealed in ways that enable researchers and others to visualize the status of infrastructure in various areas, coordinate planning efforts, and guide the colonias' development. The GIS tool is also available to private organizations serving the colonias for their own planning purposes, or for use in preparing grant and loan applications for community projects.

Colonias—defined by HUD as neighborhoods within 150 miles of the border that lack adequate infrastructure, housing, and other basic services—typically have high poverty rates, making it difficult for residents to pay for roads, water and sewer systems, minimum-standard housing, and street lighting. Although the term may be applied to underserved neighborhoods within a city or town, most think of colonias as makeshift settlements on private land outside of city limits.

The GIS product developed by the Colonias Monitoring Program contains several data sets that users can combine in different ways to illuminate various topics, which is accomplished by 'layering' the information for display on computer-generated maps. Each GIS website incorporates common-base-map data layers, including transportation routes, digital orthophoto quadrangles, digital raster graphics, Landsat imagery, colonia boundaries, hydrography, demographics, and geographic names. This flexible system allows for adding new and locally developed data sets. The program's Web-based GIS mapping tool makes it easier to integrate existing bi-national geospatial, statistical, and demographic data. Using GIS, city and county planners can better estimate the costs of development in the colonias.

Three national agencies—the U.S. Geological Survey (USGS), U.S. Department of Housing and Urban Development (HUD), and Mexican Instituto Nacional de Estadística Geografía e Informática (INEGI)—cooperated on the project. To build the GIS databases for the colonias, the program's staff integrated data from the USGS National Map, the U.S. Census Bureau, and INEGI, working with bi-national partners, including federal, state, county, city, and town representatives, as well as interested youth and advocacy groups.

The four paired sister cities of Eagle Pass-Piedras Negras, El Paso-Ciudad Juárez, Douglas-Agua Prieta, and Nogales, Arizona-Nogales, Sonora were chosen because of their border locations and their cross-national manufacturing and commercial opportunities, which have led colonias to rapidly spread around them. On the basis of local partnership opportunities, the GIS database developed for each cross-border metropolitan area includes additional data sets relevant to an area's particular development needs.

For instance, the GIS database for El Paso and Ciudad Juárez includes information on critical infrastructure, such as police, fire stations, hospitals, schools, boundaries for enterprise communities, empowerment zones, and police, school, voter, and irrigation districts. Future plans include adding local data from Doña Ana County, New Mexico, and giving database access to the El Paso County Colonias Regional Water and Wastewater Plan. The El Paso-Cuidad Juárez GIS was developed through a local partnership with the bi-national Paso Del Norte Mapping for Public Access collaboration, administered by the city of El Paso and the Instituto Municipal de Investigación y Planeación.

In Eagle Pass and Piedras Negras, the local GIS partners include the Middle Rio Grande Council of Governments, the Texas Water Development Board, and the city of Eagle Pass. Here, the GIS database

MapStats Provides a One-Stop Shop for Federal Data on Cities, Counties, and States

More than 100 federal agencies collect and publish economic, demographic, or geographical data on states and local jurisdictions. In the past, however, state and local decisionmakers, planners, researchers, and advocates have often found it difficult to access all the available federal data that bears on their specific concerns.

Today, MapStats, an interactive, map-based website, quickly provides a complete statistical profile of any state, county, or city. The site also gives similar data for congressional and federal judicial districts. These reliable, official government databases are maintained and updated by the federal agencies themselves. MapStats is part of the FedStats website, which, according to the site, "is the new window on the full range of official statistical information available to the public from the federal government."

MapStats is easy to use. Simply go to the site — **www.fedstats.gov/qf/** — and click on a state on the United States map, or select its name from a drop-down menu. A list of data sets then appears, divided into overall categories of people, businesses, and geography. This page provides summary statistics for each category, along with comparison data for the United States as a whole. A question mark preceding each entry lets users navigate to additional information. For example, the first topic under "People" is "Population," which provides a state's total population. Clicking on the question mark before "Population" takes you detailed information on data sources, definitions, scope, and methods, as well as hyperlinks to further information.

The first group, "People," with 11 topics, provides population counts; for example, the state's total 2003 estimated population, changes in the population from 2000 to 2003, numbers of people of various ages, and the percentages of females and males in the total population as of 2000. A second group, with 16 topics, covers ethnic groups, while a third group, with 21 topics, covers demographic trends such as births and deaths, education, disabilities, commuting times, and housing and household characteristics ranging from the total number of housing units to the homeownership rate to household income and the poverty rate.

The 19 topics under "Business" range from personal income data to numbers of various types of firms, to retail sales information and even housing units as documented by building permits. The three topics under "Geography" include land area, persons per square mile, and standardized federal information processing codes. These data are issued by the National Institute of Standards and Technology to ensure the uniform identification of geographic entities by all federal agencies.

The state pages also offer drop-down lists for counties and cities. Users may click on a particular county on a state map, or look up cities and towns by name using the search box. Users may find the same range of data on the city and county level as on the state level. The city pages also provide several more topics for geography, including persons per square mile and seasonal variations in temperature.

So how can you use MapStats to locate the information you need? Suppose you want to find the demographic characteristics and housing data for the three largest cities in population in your own state — for example, Idaho. First, click Idaho on the U.S. map on the MapStats home page, then view the statistics for each of the nine cities in the drop-down list. The three largest cities are Boise, at 185,787 in 2000; Nampa, at 51,867; and Idaho Falls, at 50,730.

The need to compare city populations brings up one limitation of MapStats: it is interactive only to the point of giving you complete data for each jurisdiction, making it necessary to make any comparisons or rankings manually, or by using your own spreadsheet program. Yet gathering the data needed for comparisons is still easy with MapStats, because its simple design allows each page to load very fast, even with a dial-up Internet connection.

The city-level data are quite detailed. The page for Boise, for instance, states that 8.4 percent of the city's population was living below the poverty line in 1999, compared with 11.8 percent for the whole state of Idaho; that its homeownership rate was 64 percent in 2000, compared with 72.4 percent for Idaho; and that the 1999 median value of its owner-occupied housing units was $120,700, compared with $106,300 for the state as a whole.

MapStats Provides a One-Stop Shop cont. from page 4

MapStats also serves as a gateway to a variety of even more specialized information. A link in the upper-right-hand corner of the main Idaho page suggests, "Want more? Browse Data Sets for Idaho." This link navigates to a listing of additional links on topics ranging from agriculture to health, and from business and banking to energy and the environment. This inclusiveness makes MapStats a flexible tool for local users across a broad range of interests.

Of particular interest to Research*Works* readers, MapStats' city pages link to HUD's State of the Cities Data System. State of the Cities provides detailed data for each city on population, employment, business patterns by industrial sector, crime, public finance, and housing problems and affordability. One other feature of MapStats should be mentioned: "What's New," a

small hyperlinked line in the upper-right-hand corner of the home page, navigates to a list of new categories of data that have been added as well as updates to existing data. When recently accessed, the What's New page listed 15 categories, including new state profiles for cities with populations of 25,000 or more, updated 2000 crime data, and a 2001 update of business establishments and employment.

According to the site, the information on MapStats is "maintained and updated solely by federal agencies on their own web servers." MapStats is a leading example of productive interagency cooperation. It represents the fruition of years of efforts to take advantage of the World Wide Web's interactivity to make federal data available to the broadest possible range of users. **HU**

San Jose's Affordable Housing Initiative cont. from page 2

a Housing Opportunities Study helped the planning department identify possible infill sites for high-density residential or mixed-use developments that would include affordable housing. The Housing Action Team, mobilized when a developer submits an affordable housing proposal, has shortened the planning review process from months to weeks.

The Making of a Model Initiative
Working within San Jose's 2020 General Plan, the award-winning housing initiative more than met its ambitious goal of 6080 affordable housing units in 5 years, serving a range of income and special needs groups. One notable accomplishment of the initiative was to build 554 units, 9 percent of total units that would be affordable for ELI households; those at or below 30 percent of median income. Almost half (49 percent) of units built under the initiative serve very low-income households, 37 percent are affordable to low-income households, and 7 percent are within reach for moderate-income households.

The initiative included single resident occupancy (SRO) units, housing for low-income elderly, housing for couples, and four-bedroom units for larger families. Emergency shelter for homeless families and abused women and children was also included.

When approving specific proposals to augment the affordable housing supply, the San Jose City

Council takes the goal of dispersion into account. A citywide mixed-income housing policy requires affordable housing units in each development to be indistinguishable from market rate units. Planning department officials scrutinize proposals to ensure that a development blends into and complements its neighborhood. The initiative also favored green building design principles.

Linking housing dispersion goals with progressive transportation policies, most of the new affordable housing was placed close to light rail and bus lines. The local transit authority provided residents with free "Ecopasses," for unlimited free rides.

In addition to dispersion-oriented design standards, the initiative kept community-oriented amenities in mind. Most family housing developments include on-site tot-lots and children's play areas, while developer mitigation has helped establish several new parks. A public comment process enables neighbors to express concerns and influence design outcomes.

For more information about San Jose's Affordable Housing Initiative, please contact Laurel Godley, City of San Jose Housing Department, 4 North Second Street, Suite 1350, San Jose CA 95113, 408.277.2862, 408.277.3197 (fax), laurel.godley@sanjoseca.go. **HU**

Use HUD GIS Data to Map Out Local Needs

HUD provides a variety of data sets that users around the country can tap in order to create data maps for their own local areas. These GIS data maps create a visual presentation of community needs and resources at the county, city, and even census tract or housing development level. Local planners and policymakers, housing authority staffers, tenant councils, students, community-based groups, and advocacy organizations are finding that GIS software using HUD data sets can help them harness the powerful tools of spatial analysis to address a wide variety of housing and urban issues.

A GIS (Geographic Information System) is a computer system that stores, analyzes, and visually displays one or more sets of data on a particular place. A GIS can combine and show data from different years, various federal agencies, and can even add information from local sources. HUD's versatile GIS data tools make it possible to create comprehensive, easy-to-grasp, visual presentations that illustrate community needs in terms of the particular conditions and issues that a given group chooses to highlight.

GIS tools can strengthen such diverse presentations as urban development plans, fundraising proposals, packages that explain a group's mission, press kits, and much more. For example:

- A city-wide group concerned with access to health facilities might use GIS technology to produce a map showing the percentage of residents living in poverty in different parts of the city, along with the location of hospitals and clinics.

- Communities can augment GIS maps with information perhaps known only to residents, such as whether a piece of vacant land is a playground or a community garden, or perhaps identify street corners used for dealing drugs.

- Housing authorities and advocates for the poor can add income data to GIS maps in order to track how well dispersion of poverty initiatives are working, or to display the growth of mixed-income housing where heavy concentrations of poverty once existed.

- Local governments in the sister cities along the Mexico Border can track cross-border growth patterns through GIS aerial maps that show jurisdictional boundaries, borders of unincorporated colonias settlements, roads, public facilities, natural features, and more. (See U.S.-Mexico Cross-Border Planning and Colonias Monitoring, below.)

While the GIS data sets are not just for researchers, faculty and students from a local college or university can be valuable partners for local groups looking to master news ways of using these databases.

HUD data sets are designed for use with HUD's own software and with most commercial GIS products. Much of the HUD data is available on the Internet, while some is available on CD-ROM.

HUD offers the following data sets:

- **U.S.-Mexico Cross-Border Planning and Colonias Monitoring.** This new bi-national Internet-based GIS application provides an array of information to be displayed on aerial maps of four sister cities along the U.S.-Mexico Border. These include El Paso-Ciudad Juarez, Eagle Pass-Piedras Negras, Douglas-Agua Prieta, and Ambos Nogales (**http:// tx.usgs.gov/geography/prj_HUD.htm**). For each of the urban areas, the Web mapping applications provide statistical and spatial analysis tools to plan for future growth scenarios, estimate infrastructure development costs for the colonias, and supply bi-national demographic census data for economic growth models. The U.S. Department of Housing and Urban Development (HUD) worked with the U.S. Department of Interior, U.S. Geological Survey (USGS), and Mexican partners to create data tools. The project is a collaboration between HUD-USGS and Mexico to support President Bush's Partnership for Prosperity Initiative and the U.S.-Mexico Bi-National Commission. *Released January 2005.*

- **HUD Enterprise Geographic Information System (EGIS).** The EGIS enables users to map a community and integrate HUD data with transportation, environmental, demographic, and other data (**http://hud.esri. com/egis/**). The EGIS also shows if a given address is inside an Empowerment Zone/Enterprise Community or Revitalization Area. *Released August 2004.*

- **Boundary Files Download Site.** The boundary files available from HUD are intended to supplement those available from the U.S. Census Bureau. Users work with census tract and block group data that splits by jurisdictional boundaries. (**www.huduser. org/geo/summarylevel.asp**). The files are in shapefile format for use with GIS software. *Released August 2004.*

- **Research Maps (R-MAPS): Volume 2: Selected Research Data Sets for 1998.** The geographically coded data in these CD-ROMS — readable through most desktop GIS programs — enables users to apply the powerful tools of spatial analysis to a wide

Use HUD GIS Data to Map Out Local Needs

variety of local housing and urban issues. Volume 2 contains geographic-coded files with program data from several databases: American Housing Survey, Government Sponsored Enterprises and Home Mortgage Disclosure Act, Low-Income Housing Tax Credit, Picture of Subsidized Households, and State of the Cities. Additionally, boundary files for the MSAs, central cities, and suburbs for the State of the Cities database are included. A user's manual is available. The data is presented in shapefile format for use with a variety of GIS software (**www.huduser.org/datasets/gis/gisvol2.html**) *Released February 2001.*

• **Research Maps (R-MAPS): Volume 3: Selected PD&R Data Sets with LandView®.** This CD-ROM product provides information from all the data sets covered in Volume 2, plus the data are presented at various geographical levels. Volume 3 comes with a free GIS viewer called LandView® (**www.huduser.org/datasets/gis/gisvol3.html**). *Released February 2001.*

These data sets are part of an ongoing HUD "democratize data" initiative, intended to make federal data available and useful for research, advocacy, and decisionmaking at the local level.

For more information, see Guide to PD&R Data Sets, PD&R, March, 2002 at **www.huduser.org/Datasets/datasets.pdf** ᴴᴵ

Geographic Information Systems at Work

covers parcel ownership, water and sewer lines, and critical infrastructure features. Future plans include adding zoning information, transportation development plans, and Maverick County colonias master annexation plans.

In Douglas and Agua Prieta, the local GIS partners include the Border Environment Cooperation Commission–Comisión de Cooperación Ecológica Fronteriza, Cochise County, the City of Douglas, and the Municipio de Agua Prieta. With the help of community members in both Douglas and Agua Prieta, water lines and sewer lines, inadequate housing structures, and colonias have been identified and digitally mapped. These can be viewed together with community resources identified by local youth groups.

In Nogales, Arizona, and Nogales, Sonora, many partners have contributed data to the GIS—including the Secretaría de Infraestructura Urbana y Ecología, the Arizona Department of Environmental Quality, the Instituto del Medio Ambiente y el Desarrollo Sustentable, the Comisión de Agua Potable y Alcantarillado del Estado de Sonora, the University of Arizona Udall Center for Studies in Public Policy,

the City of Nogales, and the Municipio de Nogales. Members of the community have identified water lines, sewer lines, and "popular dwellings" or "precarious constructions" (that is, inadequate housing structures) to aid in mapping colonias borders. The results of these local inventory efforts have become part of the available GIS for that area and can now be viewed online.

For more information, please see the webpage describing the U.S./Mexico Colonias Web Mapping Service, **http://tx.usgs.gov/geography/prj_HUD.htm**. Also stop by at the USGS website, **http://ask.usgs.gov**, and the USGS home page, **www.usgs.gov/**. A detailed study of the project, "Obtaining and Evaluating User Participation in GIS Database Development in U.S.-Mexico Colonias," by Eric Pavri, Erin Dean, and Diane E. Austin, can be downloaded for free at **http://crossborder.arizona.edu/colonias/diane%5CFinal%20Report%20–%20HUD%20GIS%20Colonias%20Monitoring%20Program%20–%20English.mht**. ᴴᴵ

In the Next Issue of... research *works*

- In keeping with this year's theme for National Homeownership Month, "Owning Our Future," HUD is bringing together federal agencies, the business community, and nonprofit organizations at five city fairs in June to showcase the tools and resources that families need for self-sufficiency and homeownership. To make these tools and resources available everywhere and anytime, HUD has also launched an "Owning Your Future" website. We'll describe the site's wealth of useful information and its links to resources available in your community that encourage affordable and accessible homeownership.

- Twenty innovative local homeownership programs were recently awarded HUD's first national HOME Doorknocker Award for outstanding provision of affordable housing. We'll look at two of these programs—the Homeownership Center of Tacoma's first-time-homebuyer program, which uses structured financing for affordable housing to achieve sustainable homeownership, and Spokane County's Riverwalk Point I project, a collaborative effort to develop affordable housing incorporating sustainable design and building practices.

- During the past several years, as our nation has made enormous progress in expanding access to capital for previously underserved home mortgage borrowers, too many families have been the victims of predatory mortgage lending practices that strip them of home equity and threaten foreclosure. Congress is now considering legislation on these practices and has recently held a hearing on them. We'll examine the practices and the broad range of resources that HUD offers to help prospective homeowners avoid predatory lenders.

- Two reports that shed new light on important aspects of homeownership have recently been published by PD&R. We'll discuss *The Sustainability of Homeownership: Factors Affecting the Duration of Homeownership and Rental Spells*, which analyzes how the nation's homeownership rate is affected by patterns of homebuying, as well as the length of time that households own and exit homeownership. We'll also look at *The Impact of House Price Appreciation on Portfolio Composition and Savings*, which finds that a household tends to save most of the increasing market value of its house, but also tends to take on more debt by buying consumer goods.

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