MAPPING THE MISSING MIDDLE: HOUSING AFFORDABILITY AND DEVELOPMENT IN SAN JOSE, CA

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Framing Housing Affordability

Housing costs skyrocket nationwide

As housing costs rise, so do questions of affordability

White House details plans to improve housing affordability

Something Has to Give in the Housing Market. Or Does It?
There appears to be no quick reprieve coming for rising prices: “It’s not a bubble, it really is about the fundamentals.”

U.S. Housing Affordability Worsens
Median sales price for single-family existing homes was higher in fourth quarter versus year ago in 181 of 183 metro areas
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REDLINING & HOUSING DISCRIMINATION

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• Buchanan vs Warley - 1917

• Shelley v. Kraemer - 1948

• De facto discrimination by zoning laws which barred affordable housing stock.
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EXCLUSIONARY ZONING

• Prevents the development of housing outside of the restricted use.
• Detached single family residential zoning is most common.
• Contributes to housing costs by mandating only certain types of large and/or luxury housing is built.
• Zoning rules which impact affordability include:
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  - Parking requirements
  - Height restrictions
SAN JOSE, CA

- Median home price of $1,300,000.
- Median household income of $109,593.
- ~9% of the population live in poverty (approx. 91,000 people).
- 94% of the city is zoned single-family residential.
- 3rd highest level of neighborhood segregation in the bay area.
- Legacy of racial discrimination in housing and infrastructure which persists today.
- Census tracts with larger minority population correlate with higher rates of rentals.
• From 2018-2022 what areas of the city saw the most development?
  • How does the distribution of housing type deviate from the general development pattern?
  • How does the distribution of housing type interact with historic and contemporary racial segregation in the city?
• Where are ADUs being built?
  • What is the assessed value of SFH where ADU’s are being built?
  • What’s the median income in areas where ADU’s are being built?
• Has the development of housing stock shifted since SB9 & SB10 went into effect?
### HOUSING CRISIS PLAN

**2018**
- 25,000 new housing units by 2023.
  - 10,000 affordable.
- Financial support for the missing middle.
  - Rent restrictions.
  - Loans for ADUs.
  - Affordable housing fund.
- Changes in zoning fees.
- Increased density near transit.

### ACCESSORY DWELLING UNITS

**2019**
- ADUs allowed jurisdiction wide.
- ADUs don’t count towards general plan and zoning densities.
- No minimum lot size.
- Maximum square footage of up to 50% of primary dwelling.
- Maximum parking requirement of one space per ADU.
- Setback requirements allowed.
- Height restrictions allowed.
- Rental terms may be required.

### SB 9 & SB 10

**2021**
- Division of SFH into 2 units to be sold separately without dividing parcel.
  - Stacks with ADUs.
- Parcels may be divided in half (min of 1,200 sq ft) and each parcel may have 2 units and 1 ADUs.
- Current renter protections.
- Areas may be upzoned to a density of 10 homes per parcel.
- Some project subject to CEQA.
DATA

- Federal Datasets:
  - American Community Survey data on demographic make up and housing.

- Local Datasets:
  - San Jose housing site explorer.
  - Building permit webapp.
  - Parcel, zoning, and address data.
  - Transit data.

- Created Datasets:
  - Table of housing unit information from permit applications.
METHODS

- Point pattern analysis of all new housing units, housing type, and locations of ADUs.
- Temporal comparisons of point pattern analysis.
- Regression analysis by housing type and ACS tract.
- Regression analysis of ADUs and economic data.
ANTICIPATED RESULTS

• Heatmaps indicating areas of increased residential development.

• Establish if a relationship exists between the city’s demography and where different types of housing are being constructed.

• Determine ADUs are being built in terms of housing values and levels of income.

• Produce a preliminary understanding of how development has occurred during the first 8 months of SB 9 & 10.
ISSUES & LIMITATIONS

• Issues of compiling data/data accessibility.
• Accounting for the pandemic in spatio-temporal comparisons.
• Lag between policy adoption and observable outcomes.
• Spring & Summer 2022: Background research, compile datasets and conduct analysis on pre-2022 datasets.
• August 2022: Conduct analysis on 1/1/2022-8/1/2022 dataset.
• Fall 2022: Enroll in 596b, write final report, and present findings.
• Beyond Fall 2022: Refine project and produce manuscript for publication.
QUESTIONS?
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