



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember Ortiz
Councilmember Torres
Councilmember Jimenez

SUBJECT: SOFT STORY SEISMIC
RETROFIT ORDINANCE.

DATE: September 20, 2024

Approved:

Date: September 20, 2024

RECOMMENDATION

1. Accept the staff recommendation with the following modifications:
 - a. Direct the City Manager to identify funding sources for a low-interest loan fund outside of Measure E dollars.
 - i. If Measure E funds are to be used, direct the City Manager to implement restrictions against any additional rent increase higher than the average from the last three years.
 - ii. Conduct further research on the impact that this ordinance would have on tenants in soft story buildings who are not receiving a regular annual rent increase of 5%. We would ask that this analysis be cross referenced with data regarding tenants that are currently rent-burdened and extremely rent-burdened in order to get a genuine capture of how already vulnerable households could be further impacted by increased living costs via rent increases as a result of this program.

DISCUSSION

Soft story buildings pose serious risks to both the safety of tenants and the overall stability of housing in San José. While retrofitting these buildings is critical to ensure they are safe in the event of an earthquake, we must be mindful of how the cost of these upgrades could impact vulnerable tenants.

By directing the City Manager to identify funding sources outside of Measure E, we aim to protect the Measure E funds designated for the construction of affordable housing while still addressing the urgent need to make soft story apartments safer. Should Measure E funds be used, it important that we impose stricter renter protections and affordability conditions that will help ensure that this public investment serves a dual purpose—protecting tenants both physically and financially.

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Furthermore, the research into the specific impacts on tenants who do not receive regular annual rent increases is crucial. Cross-referencing this data with information on rent-burdened households will give us a clearer picture of the possible financial pressures that could arise from the retrofitting program. This will ensure that future policy decisions are informed by a nuanced understanding of tenant vulnerabilities and the potential consequences of rent increases on already struggling households.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.