



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Julia H. Cooper  
Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** September 14, 2020

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Approved		Date	9/14/20
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**COUNCIL DISTRICT: 7**

**SUPPLEMENTAL**

**SUBJECT: TEFRA HEARING ON THE ISSUANCE OF TAX-EXEMPT  
MULTIFAMILY REVENUE BONDS FOR THE MARKHAM PLAZA II  
APARTMENTS LOCATED AT 2010 MONTEREY ROAD**

**REASON FOR SUPPLEMENTAL**

The purpose of this memorandum is to provide additional information regarding concerns related to the security challenges at Markham Plaza II Apartments.

**ANALYSIS**

Markham Plaza II Apartments was built and occupied in 2003 and was one of the first developments dedicated to serving only extremely-low income households. Tenants who qualify to live in the development face challenges typical for the lowest income households living within the high-cost Bay Area. A one-person household living at Markham Plaza II Apartments earns less than \$2,329 per month (before taxes) and pays \$699 to rent an efficiency apartment. Many extremely-low income tenants do not have options to move to other apartments when rents increase or life circumstances change.

The original operations plan was to have Emergency Housing Consortium provide both property management and resident services. However, funding for services became unavailable long-term and the building has operated with limited resource coordinators or case management for over 15 years. Due to a lack of services and its commercial/industrial surroundings, Markham has had security challenges which include disturbances on site, trespassing and a high rate of calls for service to San Jose Police Department.

Over the past few years, the City, County, and Housing Authority have worked together to establish a model for funding supportive housing for extremely low-income households. The model provides funding for the construction of new housing, but also for the services necessary to support households with the lowest incomes. The restructuring of the finances for this development uses this model to provide increased ongoing funding for services for the tenants though additional income from the new vouchers and from bond proceeds for rehabilitation of the existing building. The scope of services for the building rehabilitation includes repairs to the interiors of the apartments; retrofitting apartments to make them accessible to individuals with disabilities; repairs and upgrades to building systems including electrical, mechanical and plumbing; installation of security cameras and exterior repairs and upgrades including paving, sidewalks, landscaping, and paint.

In addition to the rehabilitation of the apartments, the Developer intends to continue making the below safety and security improvements to address and mitigate the number of service calls made from Markham Plaza I and II to the San Jose Police Department:

- The hiring of 2.0 FTE (Full Time Equivalent) Resource Coordinators and 5.0 FTE County provided Social Workers / Case Managers will be added to current staffing to provide the residents more services. The combination of restructuring both Markham Plaza I and II, will increase the support to the residents from 1.0 FTEs to 8.0 FTEs by the time the rehabilitation of Markham Plaza II is complete. This number was originally structured to be a total of 9.0 FTEs, but is reduced to 8.0 to increase onsite security to two security officers overnight, seven days a week.
- The following capital investments which have been implemented at Markham Plaza I Apartments are included in the Scope of Work for Markham Plaza II Apartments:
  - Increasing sight lighting to eliminate all low visibility areas.
  - Adding 18 new security cameras and upgrading and relocating 50 cameras for a new total of 140 cameras on site. Cameras will be equipped with motion detection, audio input and night filters.
  - Installing new door prop alarms with 16 sensors with centralized monitoring system.
- Increasing the property staff coverage to 7am to 7pm by staggering the maintenance, property management and services staff.
- Change in security providers to a new company with more defined protocols. They specialize in coordinated camera monitoring and on-site security. There will be a 24-hour security officer presence on site 24 hours a day 7 days a week with two on duty from 8pm-8am. New post orders will maximize the impact of 24-hour security presence..
- Add additional security coverage from 8pm to 8am ensuring onsite security resources 24 hours, 7 days a week.

- 24-hour recorded footage of all cameras to be made available for report investigations.
- New property management's "Outreach Line" will be available from 8am-7pm Monday through Friday for residents to connect with resource coordinators.

***Recent Changes to the Security and Residential Positions***

The above-mentioned investments and security enhancements are designed to improve the level of services and security at the Property and the intention is to reduce the number of calls for service to the Police Department. A second security guard was added to the security plan to address concerns regarding overnight security staffing levels. Funding for security staff and services staffing are paid through the operating budget for the Markham Plaza development. In order to fund the additional security for an additional 12 hours per day, a remote security position (monitoring cameras at an offsite location) and a resource coordinator position were reduced to increase funding for a second security guard. The Housing Department will work with the owner and management company to track and evaluate the effectiveness of these investments on an annual basis.

/s/

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Director, Finance Department

/s/

JACKY MORALES-FERRAND  
Director, Housing Department

For questions, please contact Rachel VanderVeen, Deputy Director, at (408) 535-8231.