



Shelter/Interim Housing Mobile Quick Build Project Via Del Oro Site October 17, 2023 Item 8.3

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Via del Oro Site/Project Context of Larger Issues

1. Background/Context
2. 5-year Project Concept
3. Cost-Benefit Analysis
4. Timeline/Next Steps



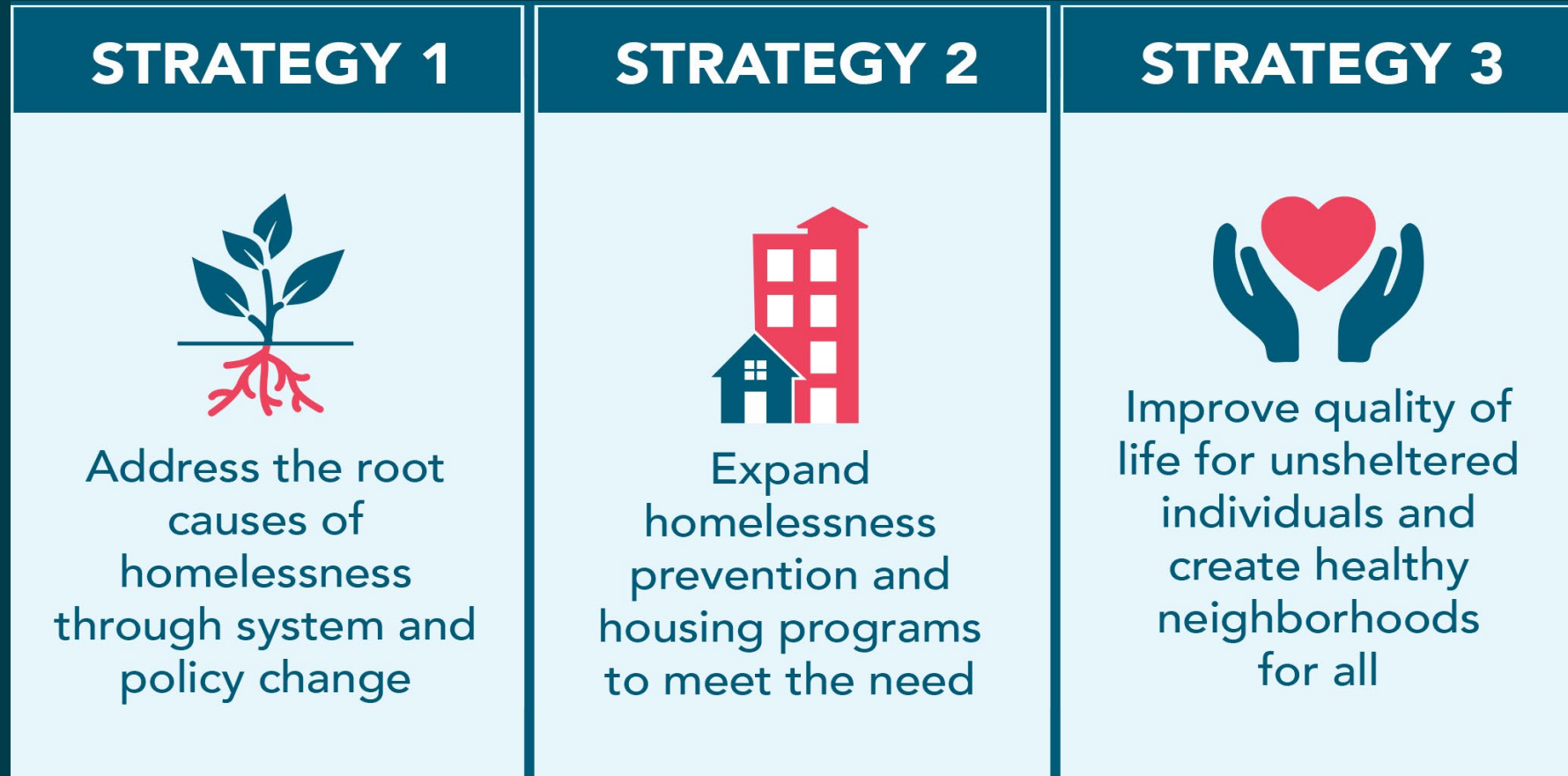
Scope of Need

▶ 2023 San José Point in Time Count



Plan Built on 3 Core Strategies

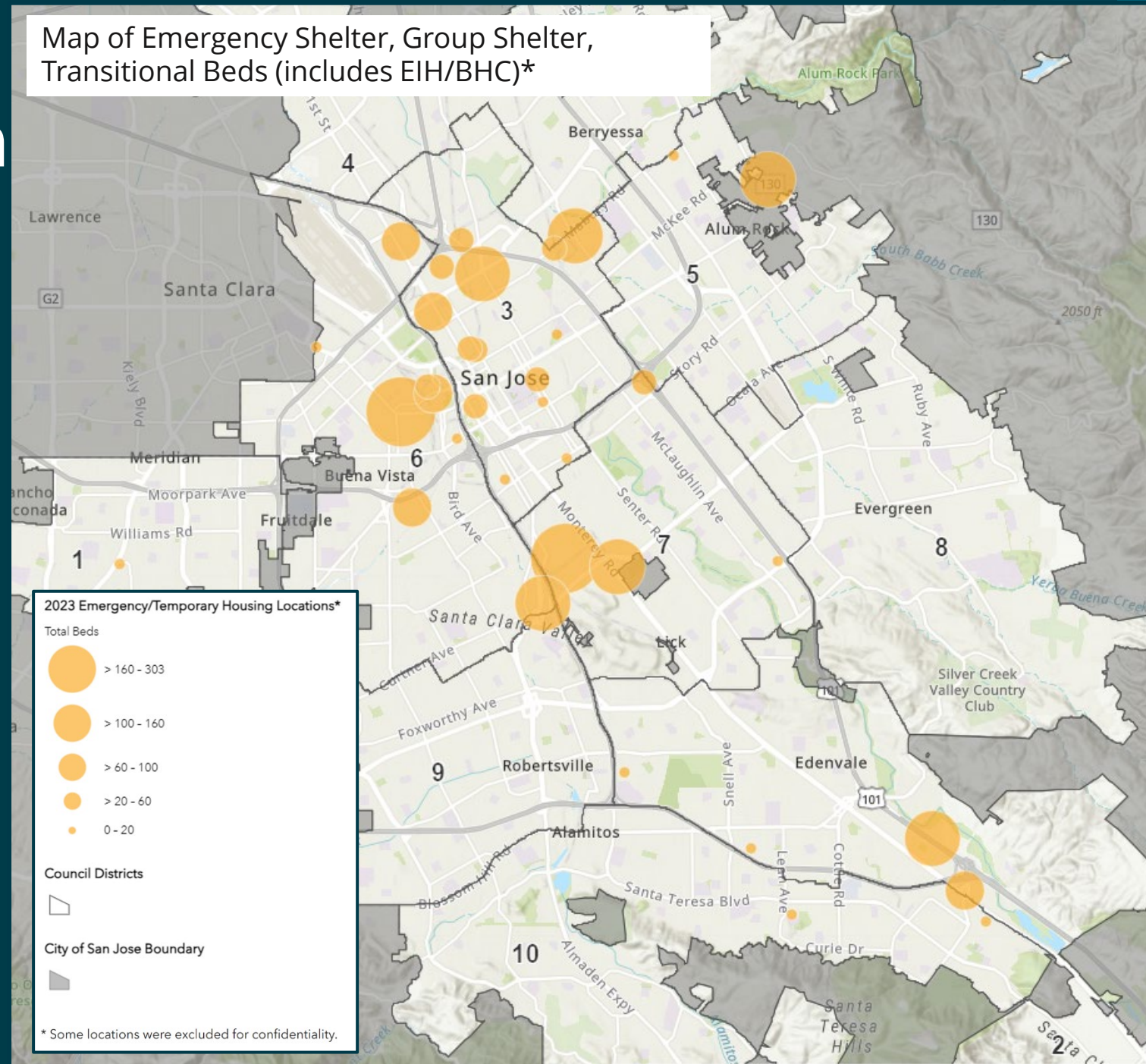
The Framework



A Citywide Approach – Emergency Housing System

- Existing emergency shelter primarily in City Center
- Expansion of EHI increases equitable distribution & access
- Ongoing efforts Citywide

Map of Emergency Shelter, Group Shelter, Transitional Beds (includes EIH/BHC)*



Citywide Approach – Sites/Projects In Process

Site/Projects	District	Land Owner Lease	Units/Beds/ Spaces	Status
Rue Ferrari Expansion	2	State/Caltrans Lease	138	Lease Amendment Underway RFP for Design Build
Berryessa Supportive RV Parking & Storage	3/4	Private Lease	85+41	Lease Executed Final Design
Cerone	4	VTA Lease	200	Final Points of Lease Negotiation Concept Development
Cherry Ave	9	Valley Water Lease	~70 to 96	Developing Lease Framework Early Concept Development
Va Del Oro	10	Private Lease	75/150	Cost Benefit Review, Concept Complete Next Steps: Lease Negotiation Final Design Project Delivery Agreement

Via Del Oro Site & Project Organization

Via del Oro - Location for Mobile Quick Build

Site

Council District: 10

Location: Via del Oro @ San Ignacio

Developable Area: ~2+ acres

Planned Use Area: ~1.5 acres

Owner: John Sobrato



Site and Shelter/Interim Housing – Philanthropic & Project Partners

- ▶ Property Owner/Philanthropic Partner John Sobrato
 - ▶ Donating private property for use by City at \$1 per year
 - ▶ Limited to 5 years at Via del Oro, City to find location to move units at end of 5 years

- ▶ Project Organizer/Developer and Philanthropic Partner – Dignity Moves
 - ▶ Gensler Architects and Swinerton Construction – Design and Construction
 - ▶ Prior experience with similar projects in SF and Santa Barbara
 - ▶ Donations and Discounts – Sleeping Units, Furniture, Design Fees, Project Mgmt Fees
Exceeding \$3 million (not including value of \$1 a year land lease)
 - ▶ \$3 million philanthropy/discounts supports direct negotiation vs standard procurement

Mobile Quick Build – Testing Innovations

- ▶ **Unlocking Private Philanthropic Sites and Mobile Opportunity**
 - ▶ Ideally low cost, faster lease process, unlock future site opportunities
 - ▶ Buildings, equipment and site preparation focused on ability to move in 5-years
- ▶ **Rapid Concept > Design > Build**
 - ▶ City, Designers, Builders working more integrated, simultaneous vs sequential
 - ▶ Speed to occupancy
- ▶ **Solar Energy – Off-Grid Main Power System**
 - ▶ Potential cost savings, easier to move

Mobile Quick Build Pilot Project Scope

Rapid, Cost-Effective, Scalable Housing Solutions

Duplex Sleeping Cabins



Project Concept and Scope Elements

- ▶ Perimeter fencing, with secure entry/exit on San Ignacio Ave
- ▶ 75 sleeping cabin buildings, mostly duplex and couple units housing up to 150 people
- ▶ Security entrance kiosk and administration building
- ▶ Kitchen and meal preparation building
- ▶ Outdoor picnic, shade, seating area and dog run
- ▶ Central laundry building
- ▶ Central individual private bathroom/shower facilities, with full sewer connections
- ▶ Compliance with all City codes for interim housing
- ▶ Support services, case management, security, with goal to permanent housing

Site Concept - Test Fit Layout



Cost Benefit Analysis

▶ Major Costs

- ▶ Project organization, design, construction
- ▶ Design approval, code compliance, inspection and permitting, and contingency
- ▶ Future de-mobilization and re-location (2028-29)

▶ Major Benefits

- ▶ Faster design build with goal to complete and operate in mid-2024
- ▶ Experienced, philanthropic project team with donations over \$3 million to City, cost competitive
- ▶ Testing mobile quick build moveable project approach
- ▶ Use of solar electrical systems, reducing G-Gs and utility operating costs
- ▶ \$1 per year lease, overcoming difficulty finding a site in non-residential neighborhood
- ▶ Housing up to 150 people, prioritizing drawing from and reducing localized encampments

Preliminary Cost Estimate – 2023–24 and Potential Future

Current Project Cost Elements (2023-24)	Estimated Cost (in millions)
Planning, Design, Project Management	\$1.9
Site Assembly & Utilities	\$5.9
Modular Buildings & Equipment	\$4.0
City Project Delivery & Contingency	\$2.5
Philanthropic Donations & Discounts	(\$3.0)
Via Del Oro Project Delivery Cost - TOTAL COST	\$11.3

Potential Future Cost Elements (2028-29)	Estimated Cost (in millions)
De-Commission (Likely unavoidable)	\$0.5
Re-location & New Site Preparation (Discretionary)	\$5.0 – 6.2
Via Del Oro Close-Out & Relocation – TOTAL COST	\$5.5 to 6.7

Site and Project Cost Comparisons on Per Bed Basis

Relevant Comparable City Project	Cost Per Bed
Mabury Bridge Housing Community (Actual, inflated to 2023 \$)	\$82,000
Guadalupe Emergency Interim Housing (Actual)	\$90,000
Rue Ferrari Expansion (Engineer Estimate – Out to Procurement)	\$162,000
Via Del Oro Mobile Quick Build (Preliminary Cost Est)	\$75,000

Amortized Cost Comparisons Per Month Per Bed	5- Year	10- Year
Mabury Bridge Housing Community (Actual, inflated to 2023 \$)	\$1,372	\$685
Guadalupe Emergency Interim Housing (Actual)	\$1,501	\$750
Rue Ferrari Expansion (Engineer Estimate – Out to Procurement)	\$2,705	\$1,352
Via Del Oro Mobile Quick Build (Preliminary Cost Est)	\$1,395	\$1,022

Evaluation of Enhanced Services – 1 mile radius

- ▶ Items included in 'Enhanced Services' Analysis (1 mile)
 - ▶ Dedicated illegal dumping removal within 48 hours of notification. Current City-wide response time 72 hrs
 - ▶ Vehicle abatement response time reduction to within two to three days of notification
 - ▶ Dedicated trash service and maintenance of clear rights-of-way
 - ▶ Dedicated team to ensure ongoing compliance with 12'x12' 'Good Neighbor' policy
 - ▶ Dedicated staff resources to attend neighborhood meetings or community advisory committees near BH locations and to regularly monitor the service areas.

- ▶ Preliminary Estimated Cost Range
 - ▶ For 1 mile area around Via Del Oro site: \$400,000 – \$500,000 per year

Recommendations

▶ City Staff Memorandum

- ▶ Accept the Report on the Via Del Oro Site and Mobile Quick Build Project
- ▶ Direct staff to negotiate a land lease with John Sobrato for \$1 per year for five years
- ▶ Direct staff to negotiate a Project Delivery Agreement w/Dignity Moves & Swinerton Construction for Council consideration

▶ Mayor and Councilmembers Jimenez, Cohen and Foley Memorandum

▶ Mayor and Councilmember Batra Memorandum

What's Next?

- Late 2023 to early 2024 – If directed to proceed forward, project delivery agreement to City Council for approval
- Early to mid 2024 – If project delivery agreement approved, project construction
- Community Advisory Committee – All sites have a committee made up local residents, businesses, and others to help engage about the ongoing community.
- Site Service Plan and Operations – Will be developed as design and construction proceeds.

Lived Experience: A short video





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