



Memorandum

TO: RULES COMMITTEE

FROM: Councilmember Matt Mahan

SUBJECT: SEE BELOW

DATE: September 17, 2021

APPROVED:

A handwritten signature in black ink that reads "Matt Mahan".

SUBJECT: Utilizing Public Lands to End Street Homelessness in Our Community

RECOMMENDATION:

Direct the City Manager to:

1. Bring back to Council by December 2021 a list of at least six sites within the City of San José that are suitable for quick-build, cost-effective interim housing solutions, including emergency interim housing communities and bridge housing communities, that would be eligible for funding under the State’s Homekey and Homeless Housing, Assistance, and Prevention (HHAP) programs.
 - a. Consider lands owned by the City, Santa Clara County, Caltrans, VTA, Valley Water and other public agencies, as well as private lands that may be cost-effectively acquired.
 - b. Consider key feasibility and cost-effectiveness factors, such as accessibility of utilities, proximity to transit and the estimated cost of preparing the site for quick-build interim housing.
 - c. The first six sites on the list should be in the six Council districts, including District 10, that do not currently host bridge or emergency interim housing sites.
2. Work with the City Attorney and other relevant partners to design a “local preference” protocol for Council consideration that would, to the extent possible, prioritize serving unhoused residents living in neighborhoods in which new quick-build housing sites are constructed.
3. Request from the Santa Clara County Executive an analysis similar to (1), assessing public lands across the county that would be suitable for quick-build, cost-effective housing for unhoused residents.
 - a. In addition, specifically request written correspondence from the County Executive regarding the feasibility of a large-scale quick-build housing site at the

Santa Clara County Fairgrounds. If the Fairgrounds property is deemed infeasible, request alternative sites that have the potential to provide shelter at a similar scale.

BACKGROUND:

Homelessness, and particularly unsheltered or street homelessness, is the greatest challenge facing our community today. We are all witness to the immense suffering of our neighbors who lack shelter and are therefore forced to live in dangerous and inhumane conditions on our streets and in our creeks and parks. The impact of unmanaged encampments on our entire community and the local ecosystem is also great cause for concern. We have a moral imperative to end homelessness in our city, starting with ensuring that no one lives without safe and secure shelter.

I want to recognize the incredible work that many people, including City staff, County staff, nonprofit service providers, private and corporate philanthropists and others have done and continue to do to tackle this crisis. Last year, amidst a pandemic, these partners worked together to house nearly 5,000 people and prevent more than 2,000 people from becoming homeless¹. We should all be grateful for this significant progress as we seek to build upon it.

At the same time, we know that our current efforts do not yet match the scope and scale of the problem. In 2019, the latest edition of San José's Homeless Census and Survey found Santa Clara County's unhoused population to be over 6,000 — of which 84% were unsheltered. The number of unhoused individuals represents a 40% increase from the previous point-in-time count. We do not know for certain, but it is certainly possible that this figure has continued to grow since the start of the COVID-19 pandemic. Anecdotally, the District 10 Council office has received a growing number of resident complaints about unmanaged encampments and the blight and public safety risks posed to both encampment residents and neighbors.

We must accelerate our efforts to build shelter at a scale and efficiency that matches both the need and our available resources. Fortunately, in response to this growing crisis, the State of California has recently made an unparalleled financial commitment to securing and building shelter for the unhoused.

For example, following on the success of Project Roomkey and Homekey 1, the state has allocated more than \$2.75 billion in additional Homekey funds over the next two years to help localities buy and build new interim and permanent housing solutions. HHAP, which includes funds for housing, will soon make available another \$1 billion for which local jurisdictions can apply. Furthermore, Homekey and HHAP funds enable CEQA streamlining that reduces the timelines and overhead costs associated with new projects.

San José is well-positioned to secure and deploy funds from these and other sources if we move decisively to identify viable sites, partner with leading service providers, and submit project applications.

We are also fortunate that prefabricated modular units, a relatively recent innovation, provide an opportunity to build housing faster and at lower cost. As the use of prefabricated modular units increases we can expect the cost per unit to drop even further from an already low price of approximately \$35,000 per unit (e.g., for the physical structure itself, not a full buildout with site

¹ <https://destinationhomesv.org/community-plan/>

preparation, utilities and basic amenities). This innovation enables us to construct significantly more housing for a given amount of funding secured.

Together, these new circumstances (i.e., significant new funding and a more efficient housing solution) give us a unique opportunity to reduce and ultimately end street homelessness in our community. The math is compelling. At a density of 100 units to the acre, which can be achieved with standard modular units, we would need roughly 50 acres of land across Santa Clara County to provide safe and secure shelter to every person currently unsheltered in our county.

For reference, the Santa Clara County Fairgrounds, a large parcel of public land that could play a significant role in addressing this crisis, consists of roughly 150 acres. Just one-third of the Fairgrounds land would provide enough shelter capacity — even built at a low density of one to two stories of modular units — to provide safe and secure shelter for every person living on the street in our county today. Of course, there are many publicly-owned lands across the city and county that would, collectively, provide many times the amount of land required, so it should not be necessary — nor is it desirable — to concentrate this solution in only one location.

The City and County should therefore work together with urgency to identify public lands owned by various agencies — City, County, Caltrans, VTA, school districts, and others — throughout the entire county that, taken together, provide the scale we need to adequately address this crisis. In prioritizing sites, staff should consider the factors that make a potential site fiscally and operationally feasible, including proximity to transit, accessibility of utilities, lot size, and the cost of site preparation. I imagine a set of criteria similar to these would, for example, find the Fairgrounds to be a promising choice deserving of serious evaluation, hence my request for a written assessment of this particular site's viability from the County Executive.

Within San Jose, staff should identify sites in geographically diverse areas within the city to distribute the effort as much as possible. Of the sites identified within San José, top priority should be given to sites located within the six Council Districts that do not currently have interim housing sites, including here in District 10 where we are actively working to bring a new interim housing site to fruition.

Beyond San José, which already hosts a disproportionate share of the homeless services and shelter in Santa Clara County, it is critical that other cities do their part. Only the County can play the lead role in identifying suitable land county-wide and collaborating with cities and public agencies to submit successful Homekey and HHAP applications, and we need that leadership now more than ever.

Finally, I believe that the communities that are asked to host interim housing sites should realize the most direct benefits. This memo asks city staff to design a “local preference” protocol for Council consideration that would prioritize serving unhoused residents already living within the vicinity of a new interim housing site. The quality of life of housed and unhoused residents in these neighborhoods should materially improve in tandem.

I'll note in closing, and for the sake of clarity, that I believe interim housing to be only part of the comprehensive long-term solution toward which we are working. Increasing our permanent housing supply, investing in prevention, significantly expanding mental health and addiction treatment, providing job training and placement opportunities, and other strategies will be required to fully and sustainably address homelessness in our community.

But today we are presented with a desperate need and compelling opportunity to end street homelessness. Public lands in our city and county are the key to unlocking this solution and I'm hopeful that we will push hard now to identify new sites and secure our share of these newly available resources.