



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo
Councilmember Raul Peralez
Councilmember Pam Foley

SUBJECT: ACTION RELATED
TO QUICK-BUILD
EMERGENCY
INTERIM HOUSING

DATE: June 17, 2022

APPROVED:

RECOMMENDATIONS:

1. Accept Staff recommendations (a)-(e) with the following amendments
 - a. Recommendation (b)(3): Direct the Housing Department to determine whether the Noble Avenue site should be prioritized or exclusively designated for women, domestic violence survivors, and/or seniors based on their representation within the unhoused community.
 - b. Recommendation (b)(4): Should Caltrans' required setback and future development plans deem the Great Oaks Blvd/Highway 85 site impractical for EIH development, direct staff to coordinate with the Mayor's Office and the council office to pursue an alternative site in District 10. An alternative site selection will not need to return to Council for final approval, but must be viable for development, and identified within the next 120 days.
 - c. Recommendation (e): Return to Council with an update in December 2022.
2. For each of these selected sites, prioritize the housing for those homeless residents in the surrounding neighborhoods to ensure that local neighborhoods directly benefit from the presence of EIH communities.

DISCUSSION

San José has long suffered from an inadequate inventory of housing accessible to its poorest residents. Traditional apartment building construction in the Bay Area—such as that funded by

Measure A and other affordable housing sources—typically costs \$800,000 per unit to build and takes five to six years to develop and construct. Just last month, we approved a development with a \$999,330 per unit cost. While we continue to support permanent housing as the solution to ultimately ending homelessness, this traditional approach alone cannot scale fiscally, nor fast enough, to meet the urgency of addressing the immediate crisis.

As the pandemic required more rapid rehousing of vulnerable unhoused residents in encampments, San José pioneered a new approach in the spring of 2020: using prefabricated, modular units on public land to build faster and cheaper. Impressively, the City's Public Works and Housing teams constructed three quick-build apartment communities in a matter of months, rather than years, and at less than \$100,000 per unit, rather than \$800,000. Through these quick-build communities, San José has already housed nearly 900 unhoused residents, for the first time since 2015 halting the increase in unsheltered homeless in San José and Countywide, based on the 2022 countywide point-in-time census.¹

Last week, Council unanimously approved a budget that prioritizes a focus on homelessness and affordable housing, with a historical \$40 million dedicated towards expanding quick-build interim housing this next fiscal year. We urge our colleagues to take the next critical step in upholding our collective commitment to tackling the homelessness crisis at scale by advancing the sites that staff identified for development.

¹<https://news.sccgov.org/news-release/county-santa-clara-and-city-san-jose-release-preliminary-results-2022-point-time>