



October 29, 2022

VIA EMAIL

Mayor Sam Liccardo & Members of the City Council
City of San Jose
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San Jose, CA 95113
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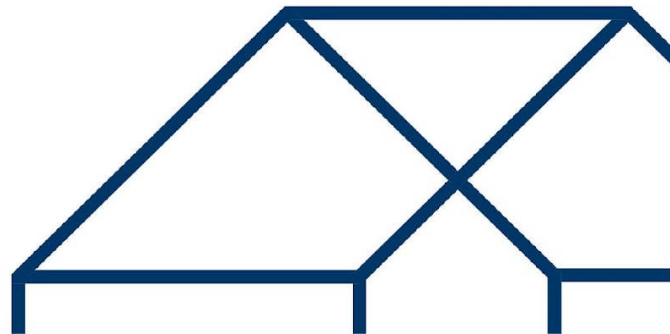
RE: Mixed Use Development at 409 & 425 South 2nd St
(Parcel No. 264-47-019, 020 & 097)

Mayor Sam Liccardo and Members of the City Council:

Californians for Homeownership is a 501(c)(3) organization devoted to using legal tools to address California's housing crisis. We are writing to support the City's efforts to address the housing crisis by facilitating housing development within its borders—an effort that its approval of the Bo Town Mixed Use Development Project at 409 & 425 South 2nd St, a 540-unit residential project, will advance.

California has experienced a significant housing access and affordability crisis for several decades. In recent years, this crisis has reached historic proportions. As a result of the crisis, younger Californians do not have access to homeownership and housing security opportunities afforded to previous generations. Many middle- and lower-income families devote more than half of their take-home pay to rent, leaving little money to pay for transportation, food, healthcare, and other necessities. Unable to set aside money for savings, these families are denied the opportunity to become homeowners and are at grave risk of losing their housing in case of a medical issue, car trouble, or other personal emergencies. Indeed, housing insecurity in California has led to a mounting homelessness crisis. Furthermore, the crisis has disproportionately affected historically disadvantaged communities, including individuals with physical and developmental disabilities and communities of color. The COVID-19 crisis has only reinforced the need for high-quality, stable housing available to California families at all income levels.

At the core of California's housing crisis is its failure to build enough new housing to meet the needs of its growing population. The Legislative Analyst's Office estimates that from 1980 to 2010, the state should have been building approximately 210,000 units yearly in major metropolitan areas to meet housing demand. Instead, it built approximately 120,000 units per year. Today, California ranks 49th out of the 50 states in existing housing units per capita. The legislature has recognized that the housing crisis is an emergency that requires proactive solutions:



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“The consequences of failing to effectively and aggressively confront this crisis are hurting millions of Californians, robbing future generations of the chance to call California home, stifling economic opportunities for workers and businesses, worsening poverty and homelessness, and undermining the state’s environmental and climate objectives.” Gov. Code § 65589.5(a)(2)(A).

Our organization’s sole purpose is to participate in litigation to support the critical public interest in developing new housing. This project would provide 540 vitally needed housing units in the City. Approval of the project is well-supported by the record, and the project’s environmental review has met California Environmental Quality Act’s (CEQA) requirements. If the City faces a lawsuit challenging the project’s approval, we may seek to intervene in the litigation to support the City’s critical efforts to address the region’s housing crisis. Further, we may seek reimbursement for our attorneys’ fees from the plaintiff in such a lawsuit.

Over the last five decades, California’s legislature has increasingly sought to address the reluctance of local governments to approve needed housing through the Regional Housing Needs Allocation (“RHNA”) and Housing Element law. The RHNA and Housing Element laws require cities to assess and modify land use policies to ensure cities can accommodate necessary additional housing. State housing law mandates that cities plan for new residential developments to fulfill RHNA obligations. In addition, the Housing Accountability Act, which requires approval of this project, ensures that cities live up to those land use rules in the years that follow. This project is part of the City’s efforts to fulfill its state housing obligations to plan and build new, needed housing. Our organization submits this letter to support that effort.

California’s cities have separated centers of commerce from homes for too long. The result has been economic and environmental harm. The City is leading the way toward a solution to the region’s housing crisis by supporting the development of this project. The City Council has our support.

Sincerely,

A black rectangular redaction box covering the signature of Matthew Gelfand.

Matthew Gelfand