

Supportive Parking and Emergency Interim Housing System Expansion & 1300 Berryessa Rd Lease Agreement



City Council Items 8.4 & 8.5
June 6, 2023

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Big Picture– Urgent Supportive Help

- ▶ Mayor and Council direction for Interim Housing and Other Solutions
 - ▶ All districts
 - ▶ Testing new approaches – helping decrease unsheltered homelessness
- ▶ Part of the Continuum – Effort continues on Prevention and Permanent Housing
- ▶ Actions informed by unhoused people
- ▶ All hands, all focus, all urgent attention
 - ▶ Planning, Public Works, Housing, SJ Police, SJ Fire, Economic Development, PRNS, DOT, CMO, etc.
 - ▶ Environmental review, real estate analysis, site design, unhoused engagement and program design, fire & community safety on site, right-of-way management, beautification, waste services, etc.
 - ▶ Intense, ongoing, thoughtful work

Scope of Need

► 2023 San Jose Point in Time Count

6,340

Individuals
Experiencing
Homelessness in
San José



4,411

Unsheltered



1,929

Sheltered

Background – Scope of Need

400+

There are **at least**
400 lived in RVs in San
José



What are Emergency Interim Housing Communities?

- ▶ Goals are:
 - ▶ (1) to give people quality shelter out of encampments;
 - ▶ (2) transition people into permanent housing
- ▶ Provides participants with private rooms with shared kitchens and laundry facilities
- ▶ Participants have access to services (case management, medical and mental health referrals, job placement assistance)



Success of Emergency Interim Housing

1,395 Total Individuals Served as of June 1, 2023



69% exited to a successful destination

*Data Timeframe:
January 2020 – June 2023
Sites: Evans Ln, Felipe, Mabury,
Bernal, Rue Ferrari*

What is Safe Parking?

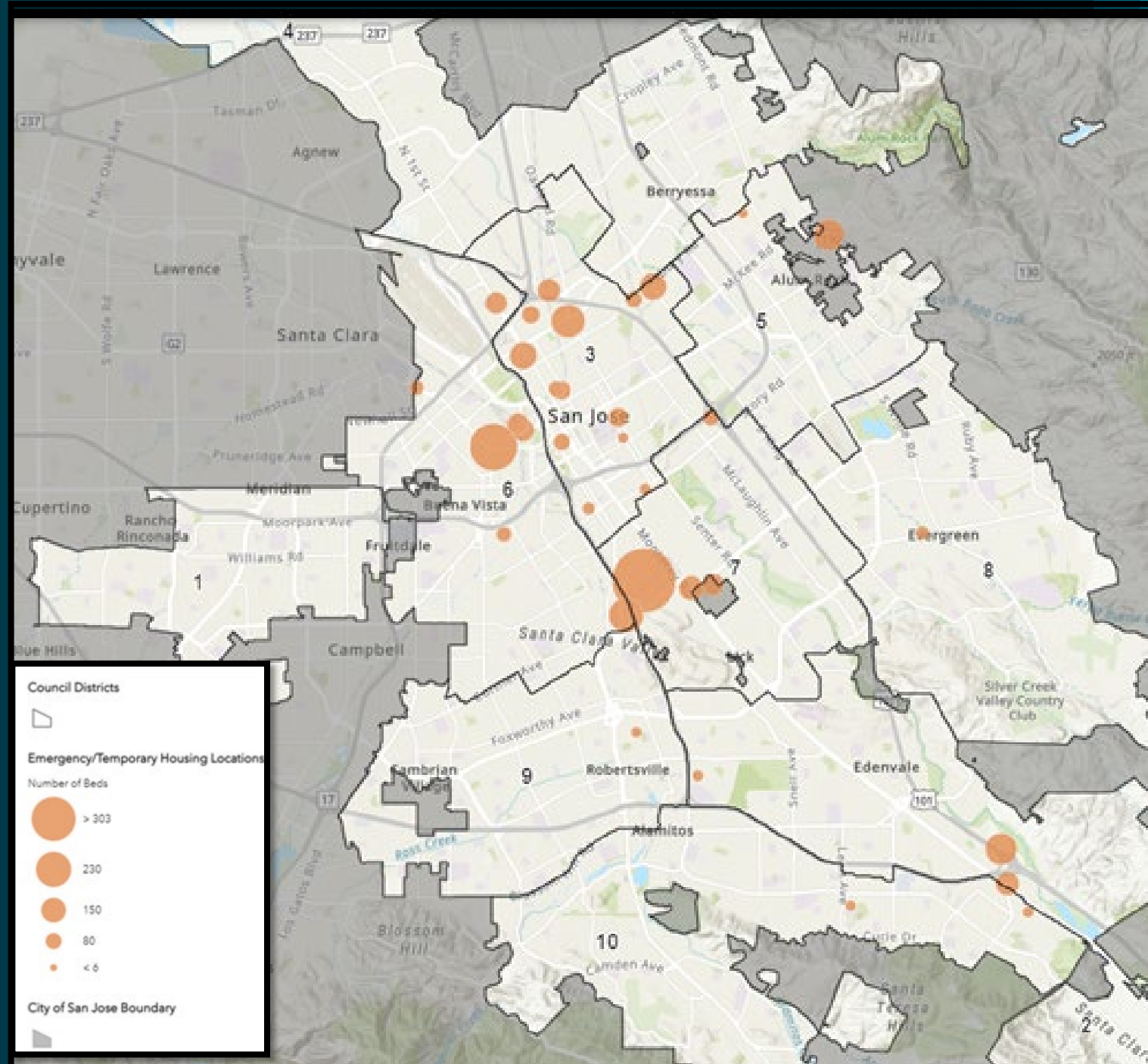
- ▶ Managed 24/7 by a social service provider
 - Site control: access by referral only
- ▶ Access to basic needs & social services
- ▶ Safe, secure place to park off-street temporarily
 - Good neighbor policy & quiet hours (10 pm- 7 am)



A Citywide Approach – Emergency Housing System

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

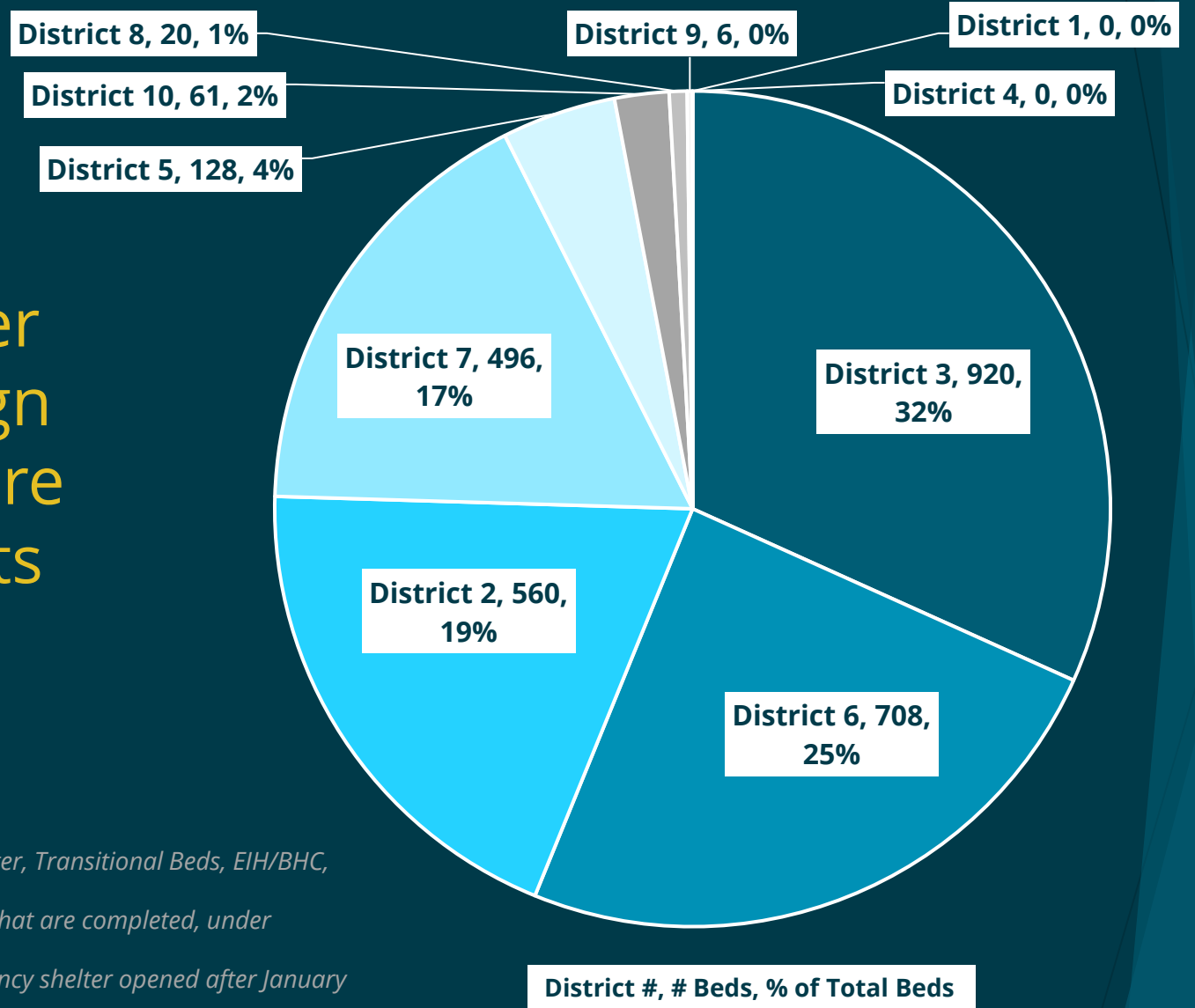
- Existing emergency shelter inventory primarily in City Center
- Recent and planned expansions increase equitable distribution & access across the City



A Citywide Approach – Emergency Housing System

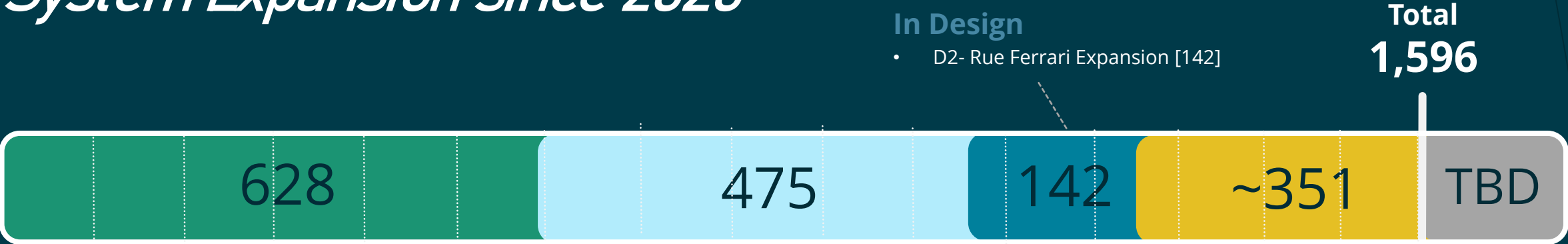
Distribution of Emergency Shelter* Beds by City Council District

~74% of completed, under construction, and in-design Emergency Shelter Beds are in the City Center (Districts 3, 6, and 7)



- *Shelter includes Emergency Shelter, Group Shelter, Transitional Beds, EIH/BHC, Supportive Parking, Hotel/Motel Conversions
- Data Timeframe- As of June 2023, includes sites that are completed, under construction and in design
- Dataset may not include new county-run emergency shelter opened after January 2023

City EIH, Hotel/Motel Conversions, & Safe Parking *System Expansion since 2020*



Completed

- D2- Monterey/Bernal, EIH [78]
- D2- Rue Ferrari, EIH [118]
- D3- Mabury Rd, BHC [40] D3- Guadalupe [96]
- D3- Sure Stay Hotel, Hotel Conversion [76]
- D3- The Plaza, Hotel Conversion [43]
- D6- Evans Ln, EIH [121]
- D6- Casa De Novo, Hotel Conversion [56]
- D7- Felipe Ave, BHC [40]

Recommended Sites for Council Approval

- D4- Cerone [~104]
- D9- Cherry Avenue [~96]
- D2- Bernal and Hwy 101 [Backup Sites]
- D10- Via Del Oro [~75]
- D3- Berryessa Rd Parking [~76-85]

Under Construction/In Development

- D3- Monterey & Branham [204]
- D3- Pavilion Inn, Hotel Conversion [43]
- D3- Pacific Motor Inn, Hotel Conversion [72]
- D6- Arena Hotel, Hotel Conversion [89]
- D10- VTA Santa Teresa Parking [42 RVs, 25 cars]

Previous Council Approval, Potential Alternate Sites

- D1- 85/Prospect [~40]
- D5- 680/Jackson [~60]
- D10- Cottle Rd [~100]
- D10- 85/Great Oaks [~100]
- D10- 85/Santa Teresa [~40]

Siting Safe Parking

Recommendation: Pursue the 1300 Berryessa Road site for a Supportive Parking program for recreational vehicles (RVs) and cars

“Berryessa Rd” site

Council District: 3

Location: 1300 North Berryessa Rd

Developable area: 6.325 Acres

Owner: Privately Owned



- **Lease proposed at 6.325-acre site at 1300 Berryessa Road**
 - Initial term of 122 months commencing June 30, 2023 and expiring August 31, 2033
 - Includes two-month abated rent period
 - 5-year option to extend at the end of the term, subject to subsequent Council approval
 - Total cost of lease without the 5-year option estimated at \$18,911,427.49
 - Lease starts at \$0.39 per square foot, escalating 3.5% annually
 - Base rental cost totals \$15,213,988.03
 - Estimated operating (NNN) expenses of \$3,697,439.46
 - Lease allows for development of a project to support unhoused individuals
 - Adoption of CEQA addendum allows for Supportive Parking project
 - Any other use would require subsequent CEQA evaluation

- Lease remains contingent through July 31, 2023:
 - An air quality health risk assessment is underway; results expected mid-June
 - Soil testing will commence upon lease execution
- City to break lease during contingency window if site is determined to be infeasible for intended use.
- Landlord to cover additional construction costs related to soil testing over \$400,000.

Governor's State Small Homes Initiative

- ▶ Announced March 2023
- ▶ State of California leading and funding initiative to identify sites, design and deliver interim shelter housing in select CA cities
 - ▶ Cerone and Cherry Avenue are the priority sites for this initiative



Rich Pedroncelli/AP Photo

Siting Emergency Interim Housing- State Small Homes Initiative

“Cerone” site

Council District: 4

Location: Southeast corner of Highway 237 and Zanker road

Developable area: approx. 17 acres (City need 2-3 acres)

Owner: Valley Transportation Authority



Siting Emergency Interim Housing– State Small Homes Initiative

Recommendation: Pursue the Valley Water Cherry Avenue site for Emergency Interim Housing, including an adjacent Water Resources Protection Zone, while continuing to pursue other potential sites throughout the City

“Cherry Avenue” site

Council District: 9

Location: Cherry Ave between the Almaden Ranch Shopping Center and adjacent to the Guadalupe River

Developable area: 2+ Acres

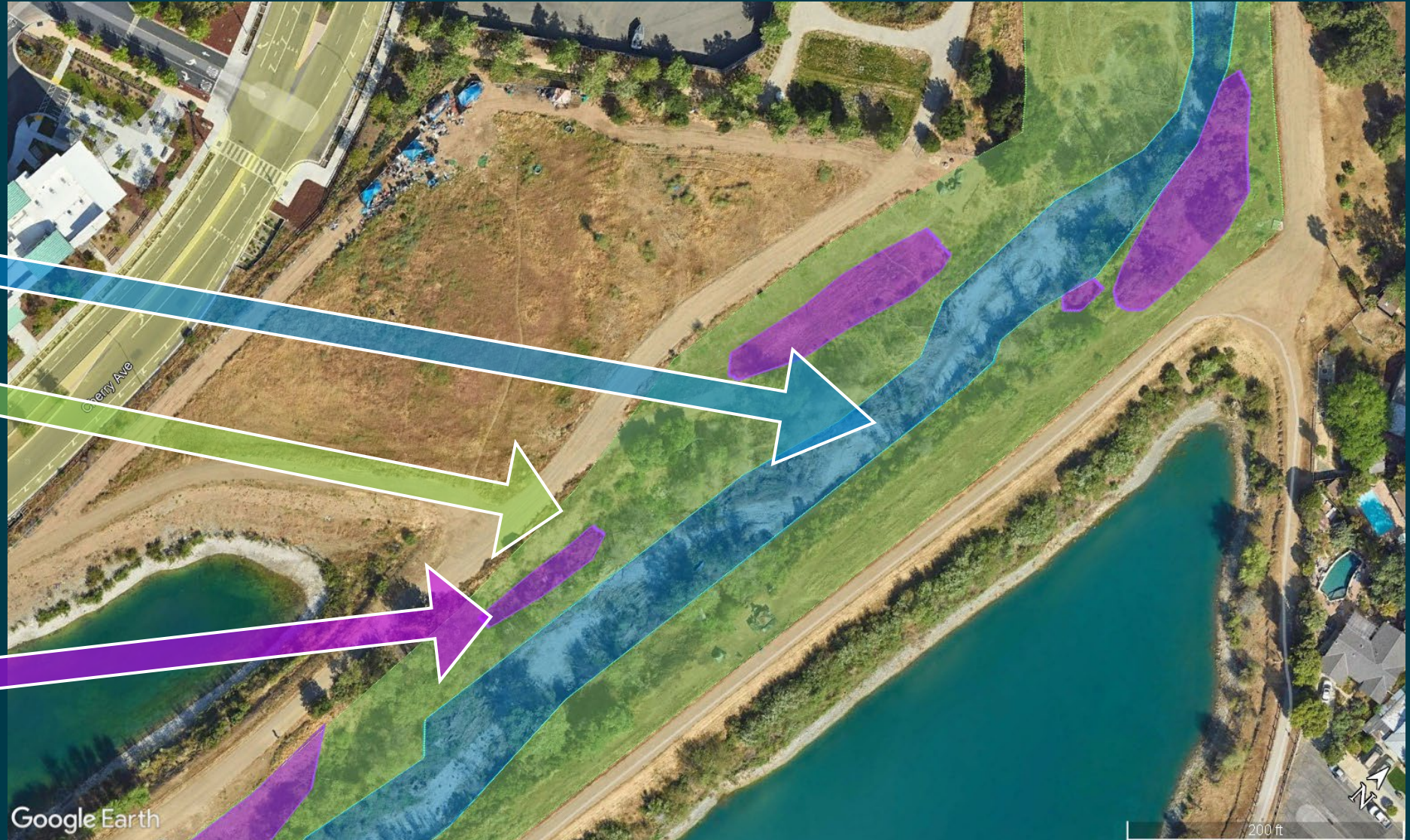
Owner: Valley Water



Water Resources Protection Zone

Guadalupe River (Blossom Hill Blvd to Branham Lane)

- Federally protected Water of the U.S.
- State protected Water of the State
- Valley Water permit-required mitigation



Siting Emergency Interim Housing

Recommendation: Evaluate and pursue as a back-up option the Bernal Road South at 101 On Ramp and/or the Bernal Road North between 101 and 85 sites for the Governor's State Small Home Initiative

"Bernal/101 North & South" sites

Council District: 2

Location: South San Jose

Developable area: 3.9 Acres & 7.5 Acres

Owner: State of California (Caltrans)

NORTH



SOUTH



Interim Housing – 5-Year Movable Homes Pilot

Recommendation: Evaluate and pursue, if advantageous to the City, the Via Del Oro and San Ignacio Ave site for a philanthropic donation of leased land and buildings for Emergency Interim Housing;

“Via Del Oro & San Ignacio” site

Council District: 10

Location: southeast corner of the intersection, within the Edenvale Commercial Industrial area

Developable area: 2+ Acres

Owner: Privately Owned



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