

Memorandum

TO: CITY COUNCIL

FROM: Mayor Liccardo
Vice Mayor Carrasco
Councilmembers Jones,
Perez, and Arenas

SUBJECT: SEE BELOW

DATE: December 8, 2017

Approved

Date 12/8/17

SUBJECT: ACTIONS RELATED TO THE BRIDGE HOUSING COMMUNITY

RECOMMENDATION

1. Approve staff recommendation to proceed with Bridge Housing communities to house our most vulnerable population. Continue prior Council direction to pursue hotel/motel acquisition strategies.
2. Continue prior direction to pursue safe parking and work with Council Offices to identify potential sites to establish a pilot safe parking program.
3. Approve staff recommendation for site scoring criteria for Bridge Housing, with no more than one site per district, while continuing to work with partner public agencies.
4. For the highest-scoring sites:
 - a. Initiate CEQA analysis on a sufficient number of sites to yield three viable options for potential Bridge Housing communities.
 - b. Proceed with community outreach, utilizing the outreach process outlined in the staff report, on the three highest-ranked sites. Work closely with relevant Council offices to ensure thorough outreach to the full range of stakeholders. Return to Council by the summer 2018 for final site approval after the initial community outreach.
5. Work with external partners and industry experts on utilizing non-conventional construction materials and methods to further reduce the \$20,000 - \$30,000 per-structure costs — and related site development costs — for the emergency sleeping cabin design and construction. Pursue volunteer labor and donated materials to achieve even further cost savings.

6. Proceed with the Bridge Housing "Model 2," with 40 or more emergency sleeping cabins per site and the optimal service plan, to both better address the need, and to improve the cost-efficiency of service delivery.
7. Continue to pursue funding from the County and State for Bridge Housing communities. Additionally, work with the Mayor's Office of Strategic Partnerships to identify private, philanthropic funding. Return to Council during the Spring budget process with a funding plan for approval

BACKGROUND

San José has one of the largest unsheltered populations in the U.S., with more than 4,300 people sleeping outside in our creeks, parks and freeway underpasses. The toll has long been severe on our homeless residents who often struggle with the elements and securing meals, and are also in dire need of critical services. Increasingly though, the impacts are being felt throughout our community.

Contrary to popular belief, our homeless residents are our neighbors. According to the 2017 City of San José Homeless survey, 83% of homeless individuals lived within Santa Clara County prior to becoming homeless.

While the development of permanent supportive housing remains our priority and preferred approach, the urgency to address the immediate needs of thousands of unsheltered homeless people living in our community requires shorter-term action. As a City, we've implemented a variety of interim and emergency housing interventions, including the adoption of an ordinance to allow churches to more easily provide shelter, opening community centers and libraries during cold weather months as overnight warming centers, and launching a mobile hygiene program.

All of these actions, however, still fail to meet the need of so many unsheltered people. We must continue to expand our tool kit to get more of our residents housed. Council has appropriately prioritized pursuing a safe parking program – a cost-effective but temporary means for intervention and support. Additionally, staff should continue to pursue motel acquisition, a tool which we already have demonstrated success with two prior purchases – which now provide more than 100 permanent homes for formerly homeless residents. We acknowledge the enormity of the problem, that there is no “silver-bullet” strategy, and that staff resources are not endless. Council action on Bridge Housing communities today, does not foreclose future consideration of sanctioned encampments or other interim solutions.

After carefully evaluating the options staff laid out in the report, we should proceed with Bridge Housing. Since Bridge Housing qualifies under the state legislation AB2176, it represents the best option of providing interim housing with greater safety and dignity than other temporary options. AB2176 created a tool that does not exist with other interim options laid out in the staff memo, allowing San José to adopt local building, health and safety codes and temporarily removes zoning issues, giving the City the opportunity to develop quickly and consider a variety of sites.

It's important to move as quickly as possible on Bridge Housing and reduce the costs wherever possible. The environmental review and thorough community outreach are two of the biggest

factors impacting timeline, so we propose proceeding with both concurrently. Additionally, while the \$20,000-\$30,000 construction cost of a tiny home remains significantly lower than the \$600, 000 to \$800,000 per unit cost to construct permanent supportive housing, we must relentlessly look for cost efficiencies. Staff should work with industry experts to evaluate the construction materials, use of donated materials, and volunteer labor to drive down on the cost of construction, while continuing to explore other affordable design models to keep costs low.

However, no matter how much we're able to reduce the construction costs, the most substantial cost in Bridge Housing communities emanates from the critical programs and services that ultimately lead homeless individuals to self-sufficiency. These service costs appear the same across structure type, regardless of whether the individual lives in a sanctioned encampment, "tough shed," or igloo.

To maximize public safety and success of this untested approach, we propose to proceed with staff's recommendation for the "optimal service plan," that has the highest level of services (such as 24/7 security). Staff proposes to return to Council after a year of program operations, and we believe this will provide an opportunity to review program and service levels to achieve costs savings after this initial roll out period. Additionally, to address the funding gap, staff should pursue a variety of funding options, specifically approaching the County and State, both natural partners for funding homeless programs and services. Since this is a unique model, we think there is opportunity and interest from the private sector for philanthropic contributions, and the Mayor's office will work closely with staff to pursue this option.

We have begun complex, difficult, but critically necessary community conversations about housing our neediest residents. This remains our surest path—no matter how steep—to making all of our neighborhoods safer and healthier.