



Memorandum

TO: Honorable Mayor &
City Council

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: The Public Record
March 9-15, 2018


DATE: March 16, 2018

ITEMS FILED FOR THE PUBLIC RECORD

Letters from the Public

1. Letters from the Public dated March 10, 2018 to Mayor and Council regarding Bridge Housing Communities (BHC) in District 3 at VTA Construction Staging Area near Berryessa BART Station.
2. Letter from Kenny Yang, dated March 10, 2018, entitled "Oppose Section 8 and voucher mandate."
3. Notice of Public Hearing on April 4, 2018 from the Local Agency Formation Commission of Santa Clara County (LAFCO) regarding the Adopting of the Proposed LAFCO Budget for Fiscal Year 2019.
4. Letter from Dave Truslow, dated March 13, 2018, regarding the Notice of Termination of Agreement with the Housing Authority of the City of San José and the Santa Clara County Housing Authority Regarding Administration of City Housing Authority Programs.
5. Letter from Charla Neta, dated March 13, 2018, entitled "In review of the proposed Amendment to the ARO regarding utility pass through to tenants."

TJTat



Toni J. Taber, CMC
City Clerk

Please reject the proposal on building homeless shelter on VTA area along Mabury Road in Berryessa (D3)

Eric Eric

Sat 3/10/2018 5:44 PM

To whom it may concern,

My family of three have been residents of Berryessa since 2014 after we bought a house here. Since then my community, Orchard Park, have experienced a lot of incidents linked to the homeless including frequent package theft (w/ several video footage sent to SJPD) and at least 5 fires along Coyote Creek behind our community.

Recently, various proposals, plans, and municipal code/regulation changes/amendments targeted for solving the homeless problems in the city have been floating in the neighborhood communities. It not only caused massive confusion among the neighbors but also immediately became a public decry. Most recent topic is about the zone selection that makes Berryessa BART station (D3) to be homeless shelter / community. Neighbors are extremely concerned and some have expressed their angers for the matter itself and how it was handled by the City.

Can you please explain how this D3 site was deemed suitable despite being so close to residences? BART Berryessa Station is too close to the residential and schools, where children/minors assemble and walk by. Having homeless people, with some of them drug users, some alcohol users, some mentally sick, nearby poses catastrophic safety/security risks to the children/minors. D3 area is next to the Coyote Creek, which as map shows, runs all the way through lots of nearby residents and their outdoor activity areas. Having homeless people nearby poses severe health risks of water and environmental contamination.

We agree homelessness is a biggest problem of San Jose and needs to be addressed, but is it worth bringing this BHC near residential neighborhood, putting our children and neighborhood at risk? Is it worth risk unlimited financial loss on top of the already-burdened SJ treasury? Is it worth exchanging homeless issue with crime issue? Are there other workfare programs like those in San Francisco that could indeed help homeless rise up?

In summary, with all the above serious concerns and questions please drop the plan on building homeless shelter on VTA area along Mabury Road in Berryessa (D3).

Best Regards,

Eric Guo's family
Orchard Park, San Jose, CA 95131

Against BHC in district 3 near the San Jose BART

Ben Chang

Sat 3/10/2018 12:02 PM

To: Liccardo, Sam <sam.liccardo@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; BridgeHousingCommunities <BridgeHousingCommunities@sanjoseca.gov>; Rork, Christopher <christopher.rork@sanjoseca.gov>; Duenas, Norberto <Norberto.Duenas@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; Pham, Kieulan <kieulan.pham@sanjoseca.gov>; Customer Service <customerservice@sanjoseca.gov>;

Dear Officer:

I am strongly against BHC in district 3 near the San Jose BART station and even against the bridge housing program for following reasons:

(1) Tax payers' money shall be used to maximize the benefit of the tax payers, community and the city especially for 'public usage'. The bridge housing will benefit homeless persons rather than tax payers. Tax payers has the rights to vote for other usage of such money.

(Based on "Nor shall private property be taken for public use, without just compensation.", Fifth Amendment to the United States Constitution)

(2) Is the shelter the best solution for homeless? Is a place for sleeping helpful to really help homeless? Definitely No. They do not have restrooms kitchen, the lack of sufficient supplies can not really help them. More job positions and income are the solid support for homeless. Building shelters is just a temporary trade off solution. Instead, city/government shall create more jobs or offer training programs to make better use of tax payers' money.

(3) Many jobs must get paid to support such program. During meeting, the qualification and security are provided. The goal of helping homeless is to help them finding jobs, paying taxes and benefit the entire community and city. Shelters security and qualification positions are not tax payer oriented.

(4) Lack of sufficient supplies, food/bathroom/kitchen, shows high potential security concern. If city does stick to building bridge housing, the location shall be more supplies friendly for food/bathroom/kitchen/commute and corresponding.

(5) High-Tech surroundings may not be friendly for homeless job seekers. There come more high-tech companies in north San Jose region, the bar of qualification is high and calls for long time training. The location surrounded with high tech companies is not homeless who may not have long time training.

Your Sincerely,

Ben

Oppose Section 8 and voucher mandate

Ken Yeung

Sat 3/10/2018 9:32 AM

To: Ken Yeung

RSP <RSP@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>;

Hello,

I'm writing to oppose this mandate because of the following reasons:

1. Tenants with government voucher often manipulate the program and abuse the intent that people are here trying to help them. I have a tenant who lied to me that she's qualified for sect 8 and in fact she is not. She takes advantage of my helping hand, obtain the keys and never pay rent. The voucher she promised to come, never come.
2. Sect 8 inspector puts burden on landlords, exaggerates the building and maintenance issues, makes landlord a run around trying to meet their requirements and no compensation is paid to landlord to work extra to meet their requirements.
3. Voucher housing is government's responsibility, not the landlords. The property taxes collected by the government should be used to provide building additional low income housing, not to be used to squeeze home owners.

Home owners are having harder and harder time to maintain and manage their rental properties in Bay Area. Higher construction costs and extra government codes have push the landlords to a point to give up all the rental business.. It's time to help the home owners too! They're your citizens too! They are your voters too!

Thanks for your attention.

Kenny Yang

Sent from my iPhone



NOTICE OF PUBLIC HEARING
Local Agency Formation Commission of Santa Clara County (LAFCO)

The Local Agency Formation Commission of Santa Clara County will hold a public hearing on Wednesday, April 4, 2018 at 1:15 p.m., or as soon thereafter as the matter can be heard, in the Board Meeting Chambers, County Government Center, 70 West Hedding Street, San Jose, California, to consider:

1. Adoption of the Proposed LAFCO Budget for Fiscal Year 2019

Staff reports and related material for these items will be on file at the LAFCO Office and available on the LAFCO website www.santaclaralafco.org by March 30, 2018. All interested persons may be present and comment at said time and place or may submit written comments. Written communications should be filed prior to the date of the hearing by email, fax or mail.

Email: emmanuel.abello@ceo.sccgov.org

Mailing Address: LAFCO of Santa Clara County
777 North First Street, Suite 410
San Jose, CA 95112

Re: Item 18-260: Terminate Agreement With Housing Authority

Peralez, Raul

Tue 3/13/2018 12:12 PM

To: Dave Truslow

Cc: Morales-Ferrand, Jacky <Jacky.Morales-Ferrand@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>;

Thanks for the feedback Dave

Raul Peralez
Councilmember, District 3
City of San José

> On Mar 13, 2018, at 12:10 PM, Dave Truslow > wrote:

>

> Raul,

> I support terminating the agreement. While I've criticized Housing's performance, the department is vastly more transparent, responsive, and accountable than the Santa Clara County Housing Authority. Here are a few examples:

> * SCCHA's financial statements are a hot mess. Despite my MBA, it's daunting to dissect their financial performance.

>

> * It's virtually impossible to determine how SCCHA is performing against plan. Or their plan and performance in general. The vaunted Moving To Work program fails to show any results.

>

> * Their year/year budget growth is about 5 times the rate of inflation and lacks any explanation or justification.

>

> * Poor governance - their CEO has sole discretionary spending authority that far exceeds others in comparable positions.

>

> * Scope creep. SCCHA now offers \$50,000 in educational scholarships (up from \$30K last year). Offering scholarships is far beyond their core purpose.

>

> * Inconsistent with SJ's General Plan. The new proposed housing slated for the former Race Street Seafood site lacks any first floor retail. This was highly criticized when presented recently at the Alameda Business Association meeting.

>

> * Inefficient. SCCHA plans to erect a new office building on Santa Clara St. and relocate when their lease expires in 5 years. They have failed to explore less expensive options including shared services and consolidating operations on the 56 acre old city hall / civic center redevelopment site.

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> Best,

> -dave truslow

>

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3/13/2018

Mail - city.clerk@sanjoseca.gov

> bcc to Citizens For Fiscal Responsibility

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In review of the proposed Amendment to the ARO regarding utility pass through to tenants

Charla Neta

Tue 3/13/2018 6:46 PM

To: District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Housing - CSJ <housing.csj@sanjoseca.gov>;

Cc: VanderVeen, Rachel <Rachel.VanderVeen@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>; ARO <ARO@sanjoseca.gov>;

Honorable Mayor and Council Members;

After attending the City Council Meeting on 3/8/2018 I wanted to share some additional insight regarding the important topic of utility billing. Thank you for allowing me a few moments of your time.

During the meeting there was much conversation regarding the *legality* of charging utilities under the ARO program. While both sides debated this on record, the conversations was convoluted with "utilities" and "RUBS" becoming synonymous in its context. The SJHC has agreed, any metered or sub metered utilities are legal to pass through. Therefore, I think it is important to clarify that the challenge we now face is not IF utilities can be billed, but HOW utilities can be billed.

The SJHC has presented a recommendation to include all non-metered utilities in rent. They stated that "the annual 5% rate increase is sufficient to absorb significant increases in utility costs in future years." They provided the below graph to support their decision:

Table 2: 25% Increase in Water Costs vs. 5% Rent Increase

Current Charges	Amount	Future Charges	Amount
Base Rent	\$1,200	Rent	\$1,200
		5% Rent Increase	\$60
Water Costs	\$70	Water Costs	\$70
		25% Increase	\$17.50
Net Income	\$1,130	Net Income	\$1,172.50

However, they have not told the full story as they assumed just one utility expense (water), a random increase rate of 25%, and defining "future years" as year one.

I would like to show the compounding effect of their position. The below graph includes the HUD allowable rates provided for combined water, sewer and trash as well as the historical annual utility increases of 18% (data points provided by SJHC):

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Starting Base Rent	\$ 1,200.00	\$ 1,260.00	\$ 1,323.00	\$ 1,389.15	\$ 1,458.61	\$ 1,531.54	\$ 1,608.11	\$ 1,688.52	\$ 1,772.95	\$ 1,861.59
5% Increase	\$ 60.00	\$ 63.00	\$ 66.15	\$ 69.46	\$ 72.93	\$ 76.58	\$ 80.41	\$ 84.43	\$ 88.65	\$ 93.08
Utility Costs (W/S/T)	\$ 102.00	\$ 120.36	\$ 142.02	\$ 167.59	\$ 197.76	\$ 233.35	\$ 275.35	\$ 324.92	\$ 383.40	\$ 452.42
18% Utility Increase	\$ 18.36	\$ 21.66	\$ 25.56	\$ 30.17	\$ 35.60	\$ 42.00	\$ 49.56	\$ 58.49	\$ 69.01	\$ 81.43
% of increase dedicated to utilities	31%	34%	39%	43%	49%	55%	62%	69%	78%	87%
Net Rent Increase to Owner	\$ 41.64	\$ 41.34	\$ 40.59	\$ 39.29	\$ 37.33	\$ 34.57	\$ 30.84	\$ 25.94	\$ 19.63	\$ 11.64
Profit margin	3%	3%	3%	3%	3%	2%	2%	2%	1%	1%

Anything beyond year 11 will result in net losses for the owner.

Furthermore, while RUBS is not a perfect solution, it has been shown to promote conservation. The National Multi-Housing Council and the National Apartment Association have documented the linkage between water conservation and separate billing for water usage. These studies found that RUBS produced a reduction of 6 to 27 percent in water usage vs. apartments that included water in rent. While below the conservation rates seen in sub metered apartments, it reinforces that RUBS rewards *community* conservation.

Please support an alternative to allow RUBS that considers the number of residents in each unit, provides transparency in billing, and conforms to HUD allowable rates.

Charla Neta | Regional Portfolio Manager
Essex Property Trust, Inc.

San Mateo, CA 94403

3/14/2018

Mail - city.clerk@sanjoseca.gov

Phone

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EssexApartmentHomes.com

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