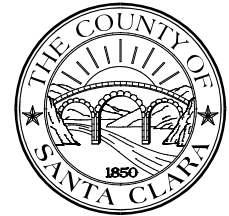


# County of Santa Clara

Office of Supportive Housing

3180 Newberry Dr. Suite 150  
San José, CA 95118  
(408) 793-0550 Main  
(408) 266-0124 Fax



April 9, 2019

*Sent Via Electronic Mail*

San José City Council  
200 E. Santa Clara Street  
San José, CA 95113

Honorable Members of the San José City Council:

When Santa Clara County voters approved the \$950 million 2016 Measure A Affordable Housing Bond (Housing Bond), they advanced a measure that allocated 74% of funds to support extremely low income (ELI) households. Even with \$700 million in Housing Bond funds for ELI households, additional investments are needed. That is why we commend your efforts to further address the affordable housing crisis through an updated City of San José Affordable Housing Investment Plan.

The County of Santa Clara (County) and the City of San José (City) have developed a productive partnership to meet the needs of homeless men, women and families in our community. For example, through the All the Way Home campaign, we ended homelessness for 1,237 veterans to date. And through our collective efforts, there are four 100% permanent supportive housing developments under construction in San José. These developments will change the lives of 440 disabled men and women who are currently living in shelters, on our streets, or along waterways.

While continuing to reduce homelessness through supportive housing programs, the County and the City have begun to prevent homelessness by intervening when residents face a financial crisis. Since the Destination: Home Homelessness Prevention Pilot Program began 18 months ago, homelessness was prevented for 540 households. Earlier this year, the County and the City committed an additional \$10 million to expand and operate the pilot program through June 30, 2021.

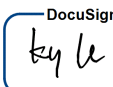
As we prepare to update the Community Plan to End Homelessness, getting further ahead of the problem is an imperative. Our community assists about 150 homeless persons obtain permanent housing each month. Unfortunately, each month about 400 individuals report becoming homeless for the first time. One of the ways to stem the tide of residents slipping into homelessness is to increase the supply of housing that is restricted to ELI households, including persons with disabilities and four-person families earning less than \$40,000 per year. According to the National Low Income Housing Coalition (NLIHC), 73% of ELI households in Santa Clara

County pay more than 50% of their incomes toward rent. Unless we significantly expand the development of income-restricted housing for ELI households, we will continue to see increases in homelessness.

In 2007, San Jose State University completed “Housing Silicon Valley.” This report was commissioned by the Full Circle Fund, Charities Housing Development Corporation and the Bay Area Local Initiatives Support Corporation “to quantify the full extent of current affordable housing needs in Santa Clara County and to provide a basis for raising the capital needed to adequately house the county’s diverse population.” Taking into account units that were in the pipeline, the report found that between 2005 and 2025, Santa Clara County would have a net shortage of nearly 40,300 housing units for Santa Clara County residents earning up to 120% of the Area Median Income (AMI). **More than 85% of the unmet need – nearly 34,400 units – was for ELI households.** The report also estimated that over a 20-year period, Santa Clara County jurisdictions needed to identify an additional \$4.13 billion in local funding to support the development of the 40,300 units. Of the \$4.13 billion needed, \$3.78 billion was needed for the ELI units.

Any additional commitment that the City can make toward ELI housing is a step forward. While the affordable housing crisis may seem daunting, our current collaboration proves that, by working together, the County and the City can make a difference in the community and in the lives of our most vulnerable residents. Thank you for your continued partnership and leadership.

Sincerely,

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Director, Office of Supportive Housing  
County of Santa Clara

cc: Jeff Smith, County Executive, County of Santa Clara  
Miguel Márquez, Chief Operating Officer, County of Santa Clara  
David Sykes, City Manager, City of San José  
Jacky Morales-Ferrand, Director, Housing Department, City of San José