

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (1) RATIFYING THE CITY MANAGER'S AUTHORIZATION TO EXECUTE A COLLABORATIVE USE AGREEMENT WITH THE SANTA CLARA VALLEY WATER DISTRICT ALLOWING FOR AN EMERGENCY INTERIM SHELTER/HOUSING COMMUNITY ON THE DISTRICT'S CHERRY AVENUE PROPERTY; (2) AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO NEGOTIATE AND EXECUTE ALL RELATED NECESSARY AGREEMENTS: (I) SUPPORTING THE STATE OF CALIFORNIA AND SANTA CLARA VALLEY WATER DISTRICT IN THEIR EFFORTS TO FUND PORTIONS OF THE PROJECT AND TO IMPLEMENT THE REQUIREMENTS OF THE COLLABORATIVE USE AGREEMENT; AND (II) EXERCISING ANY OPTION PERIOD(S), AMENDMENTS OR AGREEMENTS TO EXTEND THE TERM OF THE COLLABORATIVE USE AGREEMENT UNDER SUBSTANTIALLY SIMILAR TERMS; (3) DETERMINING THE CITY MAY AWARD A PROJECT DELIVERY AGREEMENT TO DIGNITYMOVES TO DELIVER THE EMERGENCY INTERIM HOUSING PROJECT AT CHERRY AVENUE WITHOUT A COMPETITIVE PROCUREMENT UNDER THE "IDLE ACT" EXCEPTION IN SECTION 1217(I)(6) OF THE CITY OF SAN JOSÉ CHARTER; (4) AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO NEGOTIATE, AWARD AND EXECUTE A PROJECT DELIVERY AGREEMENT AT A MAXIMUM GUARANTEED AMOUNT NOT TO EXCEED \$15,000,000 FOR THE DEVELOPMENT OF AN EMERGENCY INTERIM HOUSING PROJECT AT CHERRY AVENUE WITH DIGNITYMOVES, IN ACCORDANCE WITH THE REQUIREMENTS OF THE STAFF MEMORANDUM AND SUBJECT TO THE APPROPRIATION OF FUNDS; AND (5) AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO APPROVE A TEN PERCENT CONTINGENCY FOR THE PROJECT**

**WHEREAS**, the City of San José ("City") is committed to addressing unsheltered homelessness through the development of interim supportive housing solutions; and

**WHEREAS**, the Santa Clara Valley Water District (“Valley Water”) has identified property on Cherry Avenue as a suitable site for an emergency interim housing community under the Governor’s State Small Home Initiative; and

**WHEREAS**, the City has partnered with DignityMoves, a philanthropic organization, to expedite the development of emergency interim housing at the Cherry Avenue site; and

**WHEREAS**, the City seeks to ensure efficient project delivery and leverage State funding and philanthropic contributions to provide safe and supportive emergency interim housing for unsheltered individuals; and

**WHEREAS**, the City recognizes the philanthropic contributions and fundraising efforts by DignityMoves and authorizes the City Manager and Director of Public Works to coordinate efforts to complete design and develop a new emergency interim housing facility at Valley Water’s Cherry Avenue site;

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The City Council hereby ratifies the City Manager’s authorization to execute a Collaborative Use Agreement with the Santa Clara Valley Water District allowing for an emergency interim shelter/housing community on the District’s Cherry Avenue property.
2. The City Manager or her designee is hereby authorized to negotiate and execute all related necessary agreements:
  - i. Supporting the State of California and Santa Clara Valley Water District in their efforts to fund portions of the project and to implement the requirements of the Collaborative Use Agreement; and

- ii. Exercising any option period(s), amendments or agreements to extend the term of the Collaborative Use Agreement under substantially similar terms;
- 3. The City Council hereby makes the following findings of fact based on the memorandum from Director of Public Works Matt Loesch, Housing Director Erik L. Soliván, and Budget Director Jim Shannon for the December 3, 2024 City Council meeting (“Memorandum”):
  - a. DignityMoves has already secured over \$2,400,000 in donations and fee discounts, which represents 18% of the current estimated construction costs.
  - b. DignityMoves will continue to fundraise to cover at least 20% of the total construction cost.

Based on the above facts, the City Council determines that publicly soliciting bids for construction of the project would likely not lead to the City obtaining a lower price for delivering the project and is unlikely to provide any significant value or benefit to the City. Accordingly, the City Council concludes the City may award a Project Delivery Agreement to DignityMoves to deliver the Emergency Interim Housing project at Cherry Avenue without a competitive procurement under the “idle act” exception in Section 1217(i)(6) of the City of San José Charter.

- 4. The Director of Public Works is authorized to negotiate, award, and execute a Project Delivery Agreement at a maximum guaranteed amount not to exceed \$15,000,000 for the development of an Emergency Interim Housing project at Cherry Avenue with DignityMoves, in accordance with the requirements of the Memorandum and subject to the appropriation of funds.
- 5. The Director of Public Works is authorized to approve a ten percent (10%) contingency for the project.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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MATT MAHAN  
Mayor

ATTEST:

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TONI J. TABER, MMC  
City Clerk