



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Mayor Matt Mahan
Councilmember Sergio Jimenez
Councilmember David Cohen
Councilmember Pam Foley

SUBJECT: SEE BELOW

DATE: June 14, 2024

Approved

**SUBJECT: IMPLEMENTATION ACTIONS RELATED TO CERONE AND CHERRY
EMERGENCY INTERIM HOUSING SITES**

RECOMMENDATIONS

1. Accept staff recommendations (b)(2) and (b)(4).
2. Direct the City Manager to:
 - a. Continue aligning team structures and processes to deliver the Cerone Emergency Interim Housing (EIH) community by July 31, 2025, as directed in the Budget.
 - b. Accelerate the delivery of the Cherry EIH community by adopting the most expedient delivery method within the approved budget with the goal of opening the site to residents by September 30, 2025, while recognizing that this prioritization may necessitate the redeployment of staff and deceleration or temporary delay of other non-housing projects.
 - c. Evaluate, and incorporate where appropriate, procurement and contracting strategies that align incentives, establish clear performance metrics, and determine penalties for contractors and subcontractors, and any other feasible innovative project delivery methods with the goal of encouraging project teams to deliver the Cerone and Cherry EIH communities on time.
 - d. Provide an informational memorandum as part of the Citywide Homelessness Annual Report updating Council on the chosen delivery approaches, project milestones – including dates for a groundbreaking, outreach phase, and timeline for resolving encampments – and the overall committed timelines for delivery for both Cherry and Cerone EIH communities.

BACKGROUND

We appreciate staff's ongoing efforts to respond to the homelessness crisis. From permanent affordable housing to interim housing and other rungs on the continuum of solutions, the city is working on a range of strategies to move the needle on homelessness – and quickly.

One important strategy has been our emergency interim housing program. Between 2020 and 2021, San Jose opened three EIH communities in less than a year. This was possible in part due to available funding and regulatory flexibilities that have expired since the height of the pandemic. Council adopted a Shelter Crisis Declaration to help us re-gain flexibilities, but it's clear that we need to continue doing more to quickly deliver much-needed shelter capacity.

We support delegating authority to the Director of Public Works to approve CEQA and construction contracts for the Cherry and Cerone EIH projects, and we encourage the City Manager to leverage additional strategies, such as contracting and emergency response staffing models, to deliver the Cherry and Cerone EIHs. While every EIH project is important for both unhoused and housed residents, we feel it is important to highlight the added environmental benefits of the Cherry EIH. The City is working with Valley Water to re-house residents living along the Guadalupe River and protect critical water supply infrastructure, endangered species, and other sensitive habitats. We need to deliver these projects as quickly as possible while staying within available budget resources.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.