

November 18, 2021

Scott Knies, Executive Director
San Jose Downtown Association
28 N 1st St #1000
San José, CA 95113

Re: Project Homekey Permanent Supportive Housing Proposal by City of San José

Dear Mr. Knies,

I am writing this letter in response to the San Jose Downtown Association's memorandum recommending deferral of the Project Homekey application for Pacific Motor Inn, 455 S. 2nd St.

I would first like to acknowledge that the short turnaround for Project Homekey applications did not allow for the usual robust community outreach my office has supported and facilitated for similar projects over the past few years. I take responsibility for not ensuring more direct outreach was conducted and my office is committed to finding ways we can improve community engagement when presented with these quick turnaround funding and housing opportunities. This first round of Project Homekey applications has been a learning opportunity for everyone, including the State who created the program very quickly and has been iterating it even until today.

This application, if approved by the State, will pave the way for 72 units of permanent supportive housing serving as a much-needed, critical step towards addressing our homeless crisis in San José. I also feel it is important to note that the Pacific Motor Inn is currently and has already been operating as an emergency shelter for unhoused residents throughout the pandemic. This new effort will transition the current operation from a traditional shelter model to a permanent supportive housing model that will incorporate more opportunities for resources and support in and around the project site.

While outreach could have been improved, I have confirmed that San Jose Downtown Association (SJDA) staff, including yourself, were invited to the community meeting hosted on October 1st, before the Project Homekey application came to the City Council. The item was also publicly noticed per Brown Act rules allowing for the general public, including SJDA, to submit public comment for Council's consideration. Ultimately, the item was publicly debated and unanimously approved by the Mayor and Council, along with a few other Project Homekey applications for sites across the city.

I know your members would agree that Santa Clara County and San José have seen a significant increase in our unhoused population in recent years, severely exacerbated by the COVID-19 pandemic, making it absolutely critical that we continue to act with urgency and exhaust all opportunities to house our homeless residents. In light of that it was crucial that I, along with my

Council colleagues, acted swiftly to position San José the best we could to be considered for this much-needed State funding opportunity.

At Council's direction, the city administration will submit an application for the Pacific Motor Inn along with the other San José Project Homekey applications, and I will not intervene in any capacity to prevent any of those applications from being submitted. The State will then decide what projects will be awarded funding and if Pacific Motor Inn is funded, I commit to you that a more comprehensive community engagement process regarding site operations and services will follow and we will also establish a neighborhood advisory committee as I directed when it was passed by the Council.

Since October 5th, my office has addressed all concerns brought to us related to the current operations of the Pacific Motor Inn and we have engaged with neighboring property owners to establish relationships for collaborative opportunities moving forward. Per your memo, there are varying opinions from your board on this topic including many who have individually expressed support directly to our office. We are committed to ensuring that this project is a positive addition to SoFA and fits the vision for the neighborhood.

Project Homekey is an important step in the right direction to better serve our unhoused residents. If the Pacific Motor Inn application is selected for funding I encourage SJDA to consider redirecting the organization's energy and expertise to help make this project a successful and integrated part of the SoFA community.

Sincerely,



Raul Peralez
Councilmember, District 3
City of San José

CC:

Katia McClain, SJDA Outgoing Board President
Alan "Gumby" Marques, SJDA Incoming Board President
SJDA Board of Directors
Jennifer Maguire, San Jose City Manager
Jacky Morales-Ferrand, San Jose Housing Department Director