

July 18, 2018

To: Whom it May Concern

Memorandum From:

Jim Salata
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RE: City Hall Annex/Supportive Housing For the Chronic Homeless

The County of Santa Clara has recently published an invitation to bid to demolish the six-story 85,000 square foot City Hall Annex Building that was quietly proposed as an supportive housing facility by local stakeholders in May of 2018. The demolition bids are due July 19th 2018. There is no proposed new construction and a dirt lot would be the immediate result although rumor has it that there will be a 200 space parking lot built at a later date.

The stakeholders proposed an adaptive reuse of the building to create supportive units to house from 140-160 homeless depending on the configuration of the units including accommodations for up to 12 family supportive housing units, an outdoor patio, and support services.

The setting of the Annex Building is in the middle of county services, near the homeless health services trailer, near the police department, light rail, the sheriff's department, the country re-entry facility and so forth. The setting has the potential for a patio in a grove of redwood trees that is very peaceful and calming. The few folks that are aware of the supportive housing project are amazed at the potential.

The County of Santa Clara obtained the City Hall Complex in 2011 as part of a deal to settle a lawsuit with the City of San Jose. In July of 2012 the County commissioned BFGC-IBI Group to study the City Hall Building in depth including a historic evaluation by the respected firm Architectural Resources Group out of San Francisco who specializes in historic architecture.

According to the report, the City Hall Complex was constructed in 1958 and the Annex built in 1976. The Old City Hall was shown to have merit as a historic building based on its architectural style. The Annex however has no historic significance.

What is conspicuously absent from the study is an evaluation of the Annex. On Page 26 the document clearly states the County's intention: "The County's plan for the Hallway and Annex building connected to the City Hall on the north-west side is to demolish these two buildings in the future."

On Page 76 in the Code Narrative Section Paragraph 2 states, "The adjacent City Hall Annex and Health Building were not evaluated as part of this Assessment Report."

One can easily conclude since the County's intention all along was to demolish the Annex therefore there was no reason to evaluate the potential asset value.

Fast forward to April 2018 when the stakeholders, a respected architect, a structural engineer, and a union mechanical and electrical contractor were engaged as volunteers to develop a preliminary conceptual plan and budget for an supportive housing facility by adaptively reusing the City Hall Annex once they were aware it was to be demolished. The preliminary evaluation demonstrated the Annex could be retrofit, has ample power, could be utilized fully by creating an atrium in the center of the building, was close enough to services and far enough from neighborhoods to make sense. Further; although information on the building was scant, and time was short, preliminary budgeting showed that if the building was provided by the County that the costs of construction would be in the neighborhood of sixty percent of new construction and the time to build it far less depending on obstacles that were certain to arise. To cap this off an experienced operator was identified to provide on-site supportive services. That did not mean the project would not and does not have challenges, but it was looking very promising.

As they moved forward with research the group had a hard time finding a "fatal flaw" that would kill the project. At that point it was decided to meet with county supervisors to discuss the potential which they did on May 4th 2108.

The select array of supervisors and others were less than enthusiastic about the project, discussed that they had master plans to redevelop the site, and would get back to the stakeholders.

On June 12th a letter was received from the County rejecting the proposal for a number of reasons shown below.

Although the Annex was constructed in 1976 as noted above, the old City Hall built in 1958, and the County Administration Office constructed in 1961, (which is still in use) the County deemed that the Annex "...has outlived its useful life, is not suitable for re-use as permanent supportive housing."

It is important to understand that one of the stakeholders proposed providing significant funding to remodel the building for use as supportive housing for a minimum term of 10 years. Moreover, although it was intimated that there was great potential for other corporations to provide funding as well; it apparently was still not enough to sway the County into considering the possibility of supportive housing in the asset.

This letter from the County also touted the Master Plan for its Civic Center Campus and that a final EIR is to be approved in August 2018 claiming; "that the plan, a five-year collaboration between The Board of Supervisors, The Administration, County employees, and members of the Community..."

This statement is misleading. Research indicates this plan is not well known even by those who are most knowledgeable about development in the region. A recap of meeting minutes from

community outreach would be enlightening. It is even more distributing to find that apparently even the City of San Jose was not at the table.

The County website claims the Draft EIR was released on May 2nd and given a mere 45 day review period seeming short for a project that exceeds a million of square feet of buildings and other major improvements.

According to a Silicon Valley Business Journal Report the week of May 27th 2018, the County approved an agreement with Lowe Enterprises and Gensler as copied below. The approval pre-dates the end of the EIR comment period which was Wednesday June 15th 2018 as if approval was a forgone conclusion.

By Bryce Druzin – Economic development reporter, Silicon Valley Business Journal
May 27, 2016, 5:37 am PDT Updated May 27, 2016, 7:16 am

“The Santa Clara County Board of Supervisors this week approved a Master Development Agreement with Lowe Enterprises, a development and management firm, that paves the way for Lowe and architecture firm Gensler to begin work on a master plan for the site.”

This means that a Public Asset, one that belongs to the People of Santa Clara County, is being demolished without proper vetting, due process, or studies for reuse by the County’s own admission in the 2012 study.

If one were to assume that the building is worth conservatively one hundred dollars per square foot as it sets, we are talking about a public asset of over eight million dollars that is potentially wasted on an interim parking lot. On top of that take the cost of demolition, add the improvements, and then the subsequent demolition when the future project is undertaken and you are talking a colossal waste of an asset and taxpayers money. Further, to waste the opportunity to be able to house up to 160 people in a short period of time with major donor funding makes no sense whatsoever.

Given the state of homeless in the downtown and surroundings, it is imperative that we devise a way to get people off the streets quickly as the homeless issues seem to increase daily. The County should be compelled to stop the demolition of the building and work as a partner for its reuse as supportive housing and not waste this chance to make a difference. The master plans should be adjusted to keep the Annex Building and the County could reuse it after the ten years are up. Dealing with the homeless issues is the County’s job and their charge and this rare opportunity to do something great in a short period of time should not be wasted.

James A. Salata