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June 11, 2026

The Honorable Dr. Aisha Wahab
California State Senate
1021 O Street, Suite 8530
Sacramento, CA 95814

RE: Request for Funding for the City of Sunnyvale – Interim Housing Project

Dear Senator Dr. Wahab:

On behalf of the City of Sunnyvale, I would like to express our sincere gratitude for your past and ongoing support of our city and region.

Larry Klein
Mayor

Richard Mehlinger
Vice Mayor

Alysa Cisneros
Councilmember

Murali Srinivasan
Councilmember

Linda Sell
Councilmember

Charlsie Chang
Councilmember

Eileen Le
Councilmember

I recognize that the current State budget and fiscal landscape are uncertain and in flux. I am writing to respectfully inquire whether there may be an opportunity to direct state funding toward a critical interim housing project for the City of Sunnyvale.

The City of Sunnyvale seeks \$1 million state funding allocation to assist with the development of a new interim housing community at 1240 Fair Oaks Way in Sunnyvale. This project represents a critical investment in addressing unsheltered homelessness and advancing housing stability for some of our community's most vulnerable residents.

The City is pursuing the development of a 40-unit interim housing community designed to serve individuals experiencing unsheltered homelessness, with a priority focus on residents currently living in vehicles in Sunnyvale. According to the City's most recent Point-in-Time Count, approximately 328 individuals are experiencing unsheltered homelessness in Sunnyvale, and roughly 75 percent of those individuals, approximately 250 people, are living in vehicles. This project is intended to provide a safe, dignified, and effective pathway from homelessness, including vehicle homelessness, to permanent housing for this growing population.

The proposed community would provide private, lockable indoor living spaces paired with shared amenities including restrooms, showers, laundry facilities, and dining areas. The program would operate under Housing First principles and include onsite supportive services such as case management, housing navigation, and connections to medical and

behavioral health and other supportive resources. The City anticipates partnering with experienced nonprofit service providers to ensure residents receive the support necessary to successfully transition into permanent housing.

The proposed site at 1240 Fair Oaks Way is a City-owned property that was identified through a comprehensive evaluation of available municipal sites. The location offers convenient access to public transportation, including a nearby light rail station, as well as grocery stores, essential services, and jobs.

This project aligns closely with your longstanding commitment to addressing housing affordability, homelessness, and housing insecurity through Housing First strategies and investments in interim and supportive housing. Comparable interim housing programs throughout Santa Clara County have demonstrated permanent housing placement rates between 46 and 48 percent, significantly outperforming traditional shelter models and underscoring the effectiveness of this approach.

The project is currently estimated to require between \$5 million and \$10 million in capital funding. The City's requested \$1 million state investment would serve as a critical component of the project's financing strategy, helping to fund necessary capital improvements and leverage additional resources, including the City's concurrent application for Encampment Resolution Fund (ERF-5) funding. This investment would help move the project toward implementation while supporting regional efforts to reduce unsheltered homelessness and vehicle homelessness throughout Senate District 10.

The City is also exploring additional housing opportunities, including preliminary discussions regarding potential hotel acquisition sites that could support future Permanent Supportive Housing and interim housing development. While these discussions remain in the early stages, the City remains committed to advancing a comprehensive housing and homelessness response strategy and will keep your office informed as additional opportunities emerge.

We appreciate your leadership on housing and homelessness issues and respectfully request your consideration of this funding request. Your support would help create urgently needed housing opportunities, connect vulnerable residents with services, and advance meaningful progress toward reducing homelessness in Sunnyvale and throughout the region.

Thank you for your consideration. Please do not hesitate to contact me or Michelle Zahraie, Sr. Management Analyst, at mzahraie@sunnyvale.ca.gov if you have any questions.

Sincerely,



Larry Klein
Mayor

cc: City Council
Tim Kirby, City Manager
Sarah Johnson-Rios, Assistant City Manager
Connie Verceles, Assistant City Manager
Trudi Ryan, Director of Community Development