



September 13, 2017

Via Email (ctadmin@contracosta.courts.ca.gov) & U.S. Mail

Civil Grand Jury
P.O. Box 431
Martinez, CA 94553

Re: Response to Grand Jury Report No. 1707: *Homelessness in the Cities*

Dear Mr. Mellander,

This correspondence serves as the City of Antioch's response to your July 9, 2017 letter regarding Grand Jury Report No. 1707 – "Homelessness in the Cities."

FINDINGS

F1. CORE teams are most likely to be the first point of entry for the homeless into the County's Coordinate Entry System.

Response: The City of Antioch partially agrees with this finding. The CORE teams are the most likely first point of entry for homeless who are living on the streets and not otherwise seeking services. For homeless individuals who are living in cars, or have other temporary arrangements, or who are actively seeking other services, their first point of entry is more likely to be through the 211 line or a service provider.

F2. CORE teams can successfully identify a homeless individual in need of physical or mental health services.

Response: The City of Antioch agrees with this finding.

F3. CORE teams have the resources to identify if there are vacant shelter beds available in the County.

Response: The City of Antioch agrees with this finding.

F4. CORE teams are equipped and have the authorization to transport homeless individuals to a medical facility or to a homeless shelter.

Response: The City of Antioch agrees with this finding.

F5. CORE teams build trust between the homeless and police departments.

Response: The City of Antioch agrees with this finding.

F9. The cities of Antioch, Concord, Pittsburg, and Walnut Creek, which are the CDBG Entitlement Cities, are the only cities in Contra Costa County that have an approved written homeless plan to end or reduce homelessness in their respective jurisdictions.

Response: The City of Antioch agrees with this finding. The City of Antioch adopted the Countywide plan to end or reduce homelessness as its own plan to address homelessness in the City. Annually, it funds agencies and services that meet the objectives of the Countywide plan with the goal of ending or reducing homelessness in the City of Antioch. For 2017-18, the City is funding the CORE team, homeless shelter, runaway youth shelter, domestic violence shelter, emergency family shelter, homeless prevention and rapid rehousing services, emergency daily meal services and 2-1-1 crisis and homeless services at a total of \$117,600.

F10. The City appears to be in compliance with the California Housing Accountability Act.

Response: The City of Antioch agrees with this finding. The City has no past instances of noncompliance with the California Housing Accountability Act, and ensures compliance with the Act in present and future planning and approval decisions.

RECOMMENDATIONS

R1. The City should consider establishing CORE teams either by partnering with one or more cities in the region or by funding its own team.

Response: This recommendation has been implemented. The City of Antioch is funding CORE team services utilizing \$30,000 in Housing Successor funds for FY 17-18.

R2. The City should consider providing incentives for developers to construct housing for the extremely low income, very low income, and homeless populations.

Response: This recommendation has been implemented. The City provides incentives to developers to construct affordable housing through these efforts:

- **Density Bonus and Incentives Permitted:** The Antioch Municipal Code, § 9-5.3502, is consistent with State law and outlines density bonuses and incentives permitted. These allow developers to increase the number of units permitted by zoning in exchange for a percentage of units restricted as affordable. For new construction Antioch's Density Bonus provisions grant the appropriate density bonuses in each of the following cases.

(A) A Developer agreeing to construct at least 20% of a project's total housing units for lower-income households or 10% of the total units for very low-income households shall be granted an increase of 5% to 35% over the maximum residential density otherwise permitted, depending on the level of affordability, the percentage of units that are affordable, and the inclusion of child care facilities, and owner occupancy requirements in the housing development. The provisions of this section shall apply to the construction of projects that include five or more dwelling units as follows:

(1) *Very low- and lower-income housing and senior housing.* A housing development is eligible for a 20% density bonus if the Developer seeks and agrees to construct at least one of the following:

- (a) Ten percent of the total units as density bonus BMR units affordable to low-income households at an affordable rent or affordable ownership cost;
or

(b) Five percent of the total units as density bonus BMR units affordable to very low-income households at an affordable rent or affordable ownership cost;

(c) A senior citizen housing development.

(2) *Moderate-income housing.* A housing development is eligible for a 5% density bonus if the applicant seeks and agrees to construct 10% of the total units as for-sale density bonus BMR units affordable to moderate-income households, if the residential development also meets all of the following additional criteria:

(a) The housing development is a common interest development as defined by Cal. Civil Code § 1351;

(b) All of the dwelling units in the housing development are offered to the public for purchase; and

(c) The density bonus BMR units are offered for sale at affordable ownership cost.

(3) *Additional density bonus.* The density bonus for which the housing development is eligible shall increase if the percentage of very low-, low-, and moderate-income density bonus BMR units exceeds the base percentage established in divisions (A)(1) and (A)(2) of this section, as follows:

TABLE 9-5.3502: DENSITY BONUS SUMMARY TABLE				
Income Category	Minimum Density Bonus BMR Units	Bonus Granted	Additional Bonus for Each 1% Increase in Density Bonus BMR Units	Density Bonus BMR Units Required for Maximum 35% Bonus
Very Low-Income	5%	20%	2.5%	11%
Low-Income	10%	20%	1.5%	20%
Moderate-Income (for-sale common interest development only)	10%	5%	1%	40%
Senior Citizen Housing Development	100%	20%	=	=

(B) Density bonus for land donation, child care facility, or condominium conversion.

(1) A housing development may be eligible for a density bonus for land donation pursuant to the requirements set forth in Cal. Gov't Code § 65915(g).

(2) A housing development that contains a childcare facility as defined in Cal. Gov't Code § 65915(h) may be eligible for an additional density bonus, concession, or incentive pursuant to the requirements set forth in Cal. Gov't Code § 65915(h).

(3) Condominium conversions may be eligible for a density bonus, concession, or incentive pursuant to the requirements of Cal. Gov't Code § 65915.5 and Article 31 of this chapter.

(Ord. 897-C-S, passed 10-25-94; Am. Ord. 2089-C-S, passed 6-24-14)

Tabora Gardens Senior Housing is an 85-unit project that was approved with a density bonus for senior housing, and all units are at 50% of less of AMI. Delta Courtyard Apartments was also approved in 2016 with a density bonus and a parking concession, with a total of 125 units of affordable housing with rents/incomes at 50% and 60% AMI.

- Waiver of Use Permit - The City also waives the use permit requirement for high density residential projects through our R-25 and R-35 zoning designations where projects up to 20 units an acre are permitted by right, no use permit.

R3. The City should consider using Successor Agency funds, CDBG and other federal housing funds, impact fees, and city general funds to assist in funding housing for the extremely low income, very low income, and homeless populations.

Response: This recommendation has been implemented. The City has previously used Successor Agency, CDBG, and NSP-1 to fund affordable housing for extremely low income (0-30% area median income or AMI), very low income (30-50% AMI), and homeless (0-30% AMI + homeless status) populations. However, most affordable housing development also include units at 50-80% AMI and higher, as the additional income is necessary to make the project pencil out over an extended number of years of affordability (often 55 years or so).

The City's most recent project, Tabora Gardens by Satellite Affordable Housing Associates, is an 85 unit affordable senior housing development that is 100% subsidized at the most affordable levels of 50% AMI and less, and it has units specifically funded and designated for homeless persons. This housing has received deep subsidies of Antioch NSP, Redevelopment Agency, Housing Successor, and CDBG funds, as well as County HOME funds, Section 8 regular and RAD funding, and Veterans Administration funding. Tabora Gardens, when it is completed in spring 2018, will have 12 units for senior homeless veterans (income considered to be 20% AMI) 8 units for senior Veterans (20% AMI), 5 units for disabled persons (30% AMI), 5 units for seniors with AIDS (30% AMI), 9 units for senior Veterans (40% AMI), 4 units for senior Veterans (50% AMI), and 41 units for seniors age 62 and over (50% AMI).

The City also utilizes CDBG funds for low income homeowner housing rehabilitation, and housing repair minor grants, and uses Housing Successor funds for assisting lower income first time homebuyers. These programs assist lower income households with obtaining and retaining their housing, avoid displacement, and allowing seniors to age in place.

The City does not have general fund money available for affordable housing purposes. It has used all available Housing Successor and NSP-1 funding for the Tabora project. The remaining Housing Successor Agency funds should support homeless services for the next three to five years, based on loan repayments. CDBG funds can only be used to support off-site improvements for affordable housing developments.

- R4. The City should consider adopting a five-year comprehensive homeless plan, as soon as possible with a target date of January 1, 2019, to reduce the homeless population in the City.

Response: The recommendation will not be implemented because it is not warranted. The City has already adopted the County-wide strategic plan. It is not efficient for individual cities to independently adopt their own comprehensive homeless plans separate from the county-wide plan, for the following reasons:

- Homeless populations are highly transitory. They migrate across the county and between counties, with a recent average of 20% of homeless migrating in from counties outside of Contra Costa. People who are without shelter tend to follow the rails, the waterways, the BART lines. City boundaries have little meaning in defining homeless service areas.
- Homelessness is addressed almost entirely on a countywide level through the comprehensive planning efforts of the members of the Contra Costa Homeless Continuum of Care. The planning process to update the Countywide strategic plan is extensive, involves all service providers, many homeless clients, a variety of county departments, the Parole system, hospital system, mental health system, city jurisdictions and more. It is a time consuming and costly process undertaken once every five years. All of these components are vital factors to create a comprehensive system of care for persons who are homeless. None of these components are exclusive to a single city and most cannot be found in East County.
- City, Nonprofit, County staff and monetary resources are limited. Developing city-specific or city-exclusive plans is a costly expenditure of staff time for both cities and the nonprofit agencies that participate. In the end, it does not create more resources or better coordinate those resources. The most it could do is identify the same resources that exist on the countywide level.
- The greatest and single most significant barrier to getting homeless off the streets is the limited amount of housing in general, and specifically housing for those from 0 to 50% AMI throughout the entire Bay area. Nonprofit agencies in surrounding Bay Area counties place their homeless and lower income clients in Antioch and other lower cost areas because their own areas do not have sufficient affordable housing at any level. Displacement of lower income residents from San Francisco, Oakland, Alameda, Marin and other counties to the west is pushing these households further and further eastward. We are now seeing Antioch resident becoming displaced from

their previously affordable apartments as rents have risen \$200 to \$600 per month. These regional factors continue to compound and confound local city efforts to address homelessness and poverty.

Increased housing production at even a moderate income level of 120% of AMI would greatly relieve the pressure on the lower cost market rate units that exist countywide. Increased housing production, multifamily housing production, and affordable housing production is needed so that we can effectively use existing resources to place and keep people in housing and prevent them from entering an overburdened homeless services system.

The City Council approved this response at their September 12th meeting.

Sincerely,

Nellie Mastroy for Ron Bernal
9/13/17

Ron Bernal
City Manager