

**A REPORT BY
THE 2016-2017 CONTRA COSTA COUNTY GRAND JURY**
725 Court Street
Martinez, California 94553

Report 1707

Homelessness in the Cities

APPROVED BY THE GRAND JURY:

Date: 6/8/17



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ACCEPTED FOR FILING:

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JOHN T. LAETTNER
JUDGE OF THE SUPERIOR COURT

Contra Costa County Grand Jury Report 1707

Homelessness in the Cities

TO: The City Councils of the following cities: Antioch, Brentwood, Clayton, Concord, Danville, El Cerrito, Hercules, Lafayette, Martinez, Moraga, Oakley, Orinda, Pinole, Pittsburg, Pleasant Hill, Richmond, San Ramon, San Pablo, Walnut Creek

SUMMARY

On the night of January 27, 2016, Contra Costa County's Point-in Time (PIT) count identified 1,730 individuals who were homeless and another 1,770 individuals who were imminently at risk of becoming homeless.

Contra Costa County's Continuum of Care (CoC) and the Contra Costa County Health Department's Housing Program have developed a Homeless Coordinated Entry System. One point of entry for those who are homeless is the Coordinated Outreach, Referral, and Engagement (CORE) program. The County encourages cities and other jurisdictions to form their own CORE teams. To date, Martinez and Pleasant Hill have partnered to form and fund a team. Concord and Walnut Creek are also in the process of partnering to form and fund a team.

Contra Costa cities use various incentives and funding sources to assist in creating homeless shelters, transitional housing, and permanent housing for the extremely low and very low income and aging populations. Antioch has invested \$3 million using Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP), and Successor Agency funds to build an 85-unit apartment complex for seniors and homeless veterans. Walnut Creek has committed \$5 million, most of which was collected from impact fees, to a housing complex for the homeless.

The Grand Jury concluded the CORE teams provide a very effective point of entry for homeless individuals and families to access services that may assist them in ending their homelessness. It recommended that the cities form their own CORE teams. The

Grand Jury concluded that cities fail to adequately promote shelter and permanent housing for homeless individuals in their communities. There are incentives that cities could put in place to encourage the construction of emergency, transitional and permanent housing for the homeless and near homeless people in their communities.

METHODOLOGY

The Grand Jury interviewed elected officials, staff members, or members of the police departments from the 19 Contra Costa cities, employees of the County Health Department, employees of other Contra Costa County Departments, non-governmental organization staff, and homeless persons.

The Grand Jury reviewed the responses to a Grand Jury Survey sent to all 19 cities. It also reviewed documents provided by the cities, by the County Health Department, and other published reports about homelessness.

BACKGROUND

Homeless individuals and families can be categorized into three broad groups: Sheltered, Unsheltered, or Other homeless. Unsheltered homeless persons are those who are living in encampments, cars, streets, or other locations not designed for human habitation. Sheltered homeless persons are those individuals who are in emergency or transitional housing, half-way houses, or youth foster program. Other homeless persons are those who are living on a short-term basis in jails, hospitals, treatment centers, or with family or friends. An individual with a disabling condition who has either been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years is classified as Chronically Homeless.

The most common reasons for homelessness are mental illness, chronic substance abuse, domestic violence, loss of employment and physical illness.

In 1997, the United States Department of Housing and Urban Development (HUD) required that all communities seeking homeless funding from HUD would need to apply as a Homeless Continuum of Care (CoC). The CoC is a group of organizations, comprised of representatives of the county, cities, and local nongovernmental organizations that work in partnership to find and provide stable housing and services for the homeless.

The Contra Costa CoC is governed by the Contra Costa Council on Homelessness (CCCH) and is the primary source of funding for homeless services. The CCCH is made up of 15 persons who have been appointed by the Board of Supervisors. The CCCH's responsibilities include the long-term planning and policy making for homelessness in Contra Costa County. HUD requires an annual count of homeless individuals (PIT) by

each CoC . In odd years, the count is required to include both the sheltered and the unsheltered homeless. In an even year, it is required to only have a count of the sheltered homeless. Every year during the last ten days of January, the data is collected over a three-day period.

A secondary source of funding for homeless services in Contra Costa County is the CDBG program, which is funded by HUD. The cities of Antioch, Concord, Pittsburg, and Walnut Creek each have their own CDBG program (the “CDBG Entitlement Cities”). The remaining cities and the unincorporated areas of Contra Costa participate in the CDBG program through the Urban County CDBG program.

The Contra Costa County Housing Authority, which is funded by HUD, provides vouchers for subsidized housing to homeless individuals and families through the Shelter Plus program. Many individuals who are homeless are veterans and/or senior citizens. Veterans can apply for a voucher through Veterans Affairs.

DISCUSSION

2016 Continuum of Care Point in Time

Contra Costa CoC conducted a PIT count of homeless families and individuals from January 27, 2016 through January 29, 2016. The count provided demographic data about the homeless population, including gender, age, ethnicity, and race. It also reported on the 2015-2016 unsheltered population changes by region and distribution by city.

Based on the 2016 PIT report, there were 1,730 individuals identified as homeless and 1,770 imminently at risk of being homeless. Among those identified as being homeless, 620 people were in shelters and 1,110 were sleeping on the streets or encampments.

The 2015 and 2016 Unsheltered PIT by City

East County	2015	2016	Central County	2015	2016	West County	2015	2016
Antioch	122	164	Clayton	10	2	El Cerrito	30	13
Brentwood	11	8	Concord	114	73	Hercules	12	1
Oakley	8	28	Danville	0	0	Pinole	11	5
Pittsburg	56	60	Lafayette	1	2	Richmond	356	160
Unincorporated	30	41	Martinez	72	63	San Pablo	23	37
			Moraga	0	0	Unincorporated	35	12
			Orinda	0	0			
			Pleasant Hill	63	11			
			San Ramon	1	0			
			Walnut Creek	33	39			
			Unincorporated	18	10			
Totals	227	301		312	200		467	228

The above table includes data only for those individuals who reported the city in which they slept on the night of the count. The 2016 PIT report reflects a decrease from the previous year of 351 unsheltered individuals (45%) in West and Central County. The number of unsheltered individuals in East County increased by 74 (33%).

Coordinated Entry System

HUD required that all CoCs establish a Coordinated Entry System. The goal is to ultimately place clients in permanent housing. An effective Coordinated Entry System ensures that people with the greatest needs receive priority for housing or housing services.

Contra Costa County's CoC developed a Coordinated Entry System that established the following three entry points:

1. **Coordinated Assessment Resource (Care) Centers:** These centers provide services for homeless individuals and families including, but not limited to, basic needs, case management, housing assessment, housing navigation, and health services. The centers also refer the homeless to emergency, transitional, and permanent housing, other social and legal services, rental assistance, and credit repair services.
2. **2-1-1 Crisis Call Centers:** 2-1-1 refers the homeless to prevention and diversion services, and to the Care Centers.
3. **Coordinated Outreach, Referral and Engagement (CORE):** Outreach teams contact homeless individuals and families who are living on the streets or in encampments. They assist the homeless in receiving services from Care Centers and Health Services, finding emergency and transitional housing, and transporting them to shelters and services.

Permanent housing providers are encouraged to only receive referrals through the Coordinated Entry System.

Coordinated Outreach, Referral and Engagement

The CORE program is an entry point into Contra Costa County's coordinated entry system for unsheltered persons. The CORE program, managed by a full-time Outreach Coordinator, is comprised of teams of at least two outreach specialists. Other providers may join the teams, including peace officers, social workers, medical personnel, behaviorists and/or housing specialists.

The outreach teams identify and engage with people living on the streets or in encampments. They provide clothing and hygiene products, transportation, and

placements at shelter beds and warming centers, as well as enroll clients in benefit programs.

The Health, Housing, and Homeless Services Division of Contra Costa Health Services (CCHS) contracts with Public Health Foundation Enterprises (PHFE) for two CORE teams and a full-time Outreach Coordinator. It also contracts with Anka Behavior Health for one CORE team. PHFE trains and supervises all CORE teams. The CORE team specialists and Outreach Coordinator are the employees of PHFE and Anka Behavior Health.

The County encourages cities and other jurisdictions to invest in their own CORE teams. There are numerous advantages to a city or jurisdiction to having its own CORE team including having a team dedicated to its specific geographic boundary; shorter response times for calls and intervention; control over hours of operation and a means of transporting homeless persons to available shelter beds, warming centers, and medical care facilities.

The City of Martinez received a grant in 2016 from Tesoro Oil Company to hire an individual to provide outreach services to the homeless in Martinez. As a result, Martinez began its own outreach program and contracted for outreach services with an individual who had previous homeless outreach experience. Martinez subsequently terminated this program to work with the County's Homeless program.

The Martinez Police Chief and the Pleasant Hill Police Chief developed a plan to jointly form and invest in a CORE team. The initial plan called for Martinez to pay for its portion of the team by using the balance of the Tesoro Grant and supplementing it with money from its general fund, while Pleasant Hill would fund its portion from its general fund.

The Police Chiefs from Martinez and Pleasant Hill then learned that AB109 funds would be available for local police departments in the County to provide services for targeted populations, including the homeless. AB109 (2011) made changes to state law that diverted low-level offenders and parole violators to county jails instead of state prisons. The Police Chiefs approached the Contra Costa Police Chief's Association for money to fund the Martinez/Pleasant Hill CORE team as a pilot project. The Police Chief's Association agreed to fund the team from the AB 109 money at a cost of \$110,000 for one year.

Martinez and Pleasant Hill signed a contract with CCHS, whereby they agreed to pay for a CORE team dedicated to their cities. The Martinez/Pleasant Hill CORE team specialists were selected and hired from a list of potential outreach specialist developed by the PHFE. The Martinez/ Pleasant Hill CORE staff will be employees of PHFE. The new outreach specialists will receive training from the County's Outreach Coordinator in CPR, motivational interviewing, non-violent crisis intervention, and the administration of Narcan, an opioid antagonist for reversal of opioid overdose.

PHFE will bill the County monthly for the cost of the CORE team. The County, after paying the PHFE demand, will invoice Martinez and Pleasant Hill for the portion of the demand associated with the cost of their CORE team. In turn, Martinez and Pleasant Hill will be reimbursed by the County Police Chief's Association from the AB 109 funds.

The Martinez/Pleasant Hill Core team will divide the time they spend in each city evenly. The team may also be accompanied by police officers, medical and mental health providers, social workers, and housing specialists on a regular basis. The County will pay for the cost of the Outreach Coordinator, professionals, and other expenses. The County estimates the total annual cost for three teams will be \$650,000.

The cities of Concord and Walnut Creek are in the process of jointly establishing a CORE team. The details of how the team will be funded has not yet been put in place, but Concord and Walnut Creek plan to execute a contract with CCHS.

The Community Development Block Grant Program

The federal government funds the CDBG through HUD. The primary objective of this program is to provide decent housing, a suitable living environment, and economic opportunity to the most vulnerable in the community.

The jurisdictions that distribute CDBG funds in Contra Costa County are the cities of Antioch, Concord, Pittsburg, Walnut Creek and the Urban County that is made up of the remaining Contra Costa cities and the unincorporated areas of the county. The five jurisdictions have formed a consortium that developed a 2015-20 Consolidated Plan. A priority need identified in the Consolidated Plan was to reduce homelessness by:

1. Furthering the "Housing First" approach to ending homelessness by supporting homeless outreach services, emergency shelters, transitional and permanent housing with supportive services to help homeless persons achieve housing stability
2. Expanding prevention services including, but not limited to, emergency rental assistance, legal assistance, case management, and money management and credit counseling

Non-governmental organizations providing services to homeless individuals or families that receive grants from CDBG jurisdiction include Shelter Inc., STAND! Against Domestic Violence, Contra Costa Health Services Adult Interim Housing Program, Anka Behavior Health and Trinity Center.

Housing Incentives

Cities have a number of incentives available to them to encourage developers to construct housing for homeless, and extremely and very low income persons.

These incentives include the following:

- Density Bonuses
- Waiver or deferment of fees
- Application processing priority
- Assistance in applying for grants
- Zoning
- Transfer of city owned property to non-profit organization to build shelters or transitional housing

The following are examples of how some cities have used one or more of these incentives.

Antioch is interested in partnering with a non-profit to develop a 50-bed facility on a five-plus acre parcel that it owns, which is zoned for a homeless shelter. Walnut Creek's Density Bonus program will allow 14 units to be added St. Paul's Commons, a 45-unit affordable housing project for the homeless. Concord removed development standards and approved a density bonus when it approved the Argent Project, a housing development that include housing for low income people. The Concord Naval Weapons Station's Master Plan will include zoning for housing for the homeless, with supportive services.

Successor Agency and Other Available Funding

Cities can provide non-profit organizations and developers with funds, both local and federal, to reduce the cost of construction of permanent housing for the extremely and very low income, and homeless persons. The following is a partial list of funding sources:

- Successor Agency Funds
- Impact Fees
- City General Fund
- CDBG Funds
- Neighborhood Stabilization Program

Antioch partnered with Satellite Affordable Associates to construct Tabora Gardens, an apartment complex of 85-units for seniors and homeless senior veterans. Antioch invested \$3 million in the project using CDBG, NSP funds, and Successor Agency funds.

San Pablo has \$2.5 million in Successor Agency funds and Pinole has \$1 million in Successor Agency funds. These monies can be used for extremely and very low income, and homeless housing. Pinole has committed the \$1 million it already has in Successor Agency funds, plus the money it will receive from the Successor Agency, to

improving affordable housing, purchasing land for affordable housing, and rehabbing existing housing. Concord is collecting Successor Agency funds to potentially use to develop very low income affordable housing units.

Lafayette invested \$38 million from its now defunct Redevelopment Agency to build Bella Terra Senior Apartments, 46-units for seniors at 20% to 50% of median income.

Walnut Creek partnered with St. Paul's Presbyterian Church to construct St. Paul's Commons, 45-units of affordable housing for homeless persons. Walnut Creek provided \$2.7 million to fund this project. The funding came from impact fees and Housing Administrative Reserve fees.

In 2015-16, Walnut Creek gave \$100,000 (part from Council Contingency and part from housing funds) to support a temporary winter night's shelter administered by Trinity Center. The shelter provided 29 beds for a total of 38 individuals that year.

In 2016-17, the city of Richmond granted the Richmond Rescue Mission, a non-governmental organization, \$13,000 to help provide services to the homeless population.

Mental Health Emergency Teams

A Mental Health Emergency Team (MHET), which is comprised of a police officer and a County Mental Health professional, provides welfare checks after a psychiatric call to the police for service. There are currently three regional MHETs in Contra Costa County, which serve the western, central and eastern regions of the County. Pittsburg, Concord and Richmond operate and assign police officers to these MHETs. The participating cities pay for the MHET program from their respective police department's budgets. The team visits, evaluates, and refers individuals who have mental health issues, and who may be living on the street or in encampments, to mental health and outreach services.

Police Involvement

Some cities have their own homeless outreach teams, which are made up of police officers who are assigned to the teams. Concord has two officers who are partially dedicated to working with homeless persons.

Planning for Homelessness

None of the 19 Contra Costa County cities provided the Grand Jury with a written city plan for reducing or eliminating homelessness in their communities. The CDBG entitlement jurisdictions all are required to adopt the CoC plan to reduce or eliminate homelessness. None of the other Contra Costa cities have adopted a plan for the reduction or elimination homelessness.

Housing Elements

All 19 Contra Costa County City's General Plan Housing Elements include discussions about emergency (shelters), transitional, and affordable housing. All Housing Elements include the areas where shelters, transitional, and affordable housing are permitted uses.

The California Housing Accountability Act, Government Code § 65589.5, requires a local agency to show that its housing element identifies adequate sites with appropriate zoning and development standards to meet the needs of low and very low income Californians. This Act also includes requirements relating to emergency shelters, transitional housing, and low income housing.

FINDINGS

- F1. CORE teams are most likely to be the first point of entry for the homeless into the County's Coordinated Entry System.
- F2. CORE teams can successfully identify a homeless individual in need of physical or mental health services.
- F3. CORE teams have the resources to identify if there are vacant shelter beds available in the County.
- F4. CORE teams are equipped and have the authorization to transport homeless individuals to a medical facility or to a homeless shelter.
- F5. CORE teams build trust between the homeless and police departments.
- F6. The City found various and novel ways to fund its CORE teams.
- F7. Walnut Creek packaged impact fees, other local fees, and density bonuses as incentives for a non-profit developer to build 45-units for the homeless in Walnut Creek.
- F8. Walnut Creek's general fund contribution to a local non-profit organization helped the organization in successfully establishing a homeless shelter.
- 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.
- F10. The City appears to be in compliance with the California Housing Accountability Act

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

REQUIRED RESPONSES

	Findings	Recommendations
City of Antioch	F1 to F5, F9, F10	R1 to R4
City of Brentwood	F1 to F5, F9, F10	R1 to R4
City of Clayton	F1 to F5, F9, F10	R1 to R4
City of Concord	F1 to F5, F9, F10	R1 to R4
Town of Danville	F1 to F5, F9, F10	R1 to R4
City of El Cerrito	F1 to F5, F9, F10	R1 to R4
City of Hercules	F1 to F5, F9, F10	R1 to R4
City of Lafayette	F1 to F5, F9, F10	R1 to R4
City of Martinez	F1 to F6, F9, F10	R1 to R4
Town of Moraga	F1 to F5, F9, F10	R1 to R4
City of Oakley	F1 to F5, F9, F10	R1 to R4
City of Orinda	F1 to F5, F9, F10	R1 to R4
City of Pinole	F1 to F5, F9, F10	R1 to R4
City of Pleasant Hill	F1 to F6, F9, F10	R1 to R4
City of Pittsburg	F1 to F5, F9, F10	R1 to R4
City of Richmond	F1 to F5, F9, F10	R1 to R4
City of San Pablo	F1 to F5, F9, F10	R1 to R4
City of San Ramon	F1 to F5, F9, F10	R1 to R4
City of Walnut Creek	F1 to F10	R1 to R4

These responses must be provided in the format and by the date set forth in the cover letter that accompanies this report. An electronic copy of these responses in the form of a Word document should be sent by e-mail to ctadmin@contracosta.courts.ca.gov and a hard (paper) copy should be sent to:

Civil Grand Jury – Foreperson
725 Court Street
P.O. Box 431
Martinez, CA 94553-0091

ACRONYMS

CCCH – Contra Costa Council on Homelessness

CDBG – Community Development Block

CoC – Continuum of Care

CORE – Coordinated Outreach, Referral, and Engagement

HUD – United States Department of Housing and Urban Development

NSP - Neighborhood Stabilization Program

PIT – Point-in-Time

PHFE – Public Health Foundation Enterprises

MHET – Mental Health Emergency Team

GLOSSARY

1. **Bonus Density** – an increase in the number of lots or units that would normally be allowed, under specific zoning regulations, based on an agreement that the increase in density would be granted for a public good.
2. **Extremely Low and Very Low Income-** (based on HUD definitions) Extremely low incomes are incomes that don't exceed the higher of Federal Poverty Level or 30% of the area medium income. Very low income is 30% of the area medium income.
3. **Fee Waivers** – The intentional relinquishment of the right of a local government to collect fees.
4. **Impact Fees** – A fee imposed by a local government on a new or proposed development project to pay for all or a portion of costs that are related to the project.
5. **Neighborhood Stabilization Program (NSP)** – A program established by HUD to stabilize communities that have suffered from foreclosures and abandonment.
6. **Redevelopment Housing Successor** – Replaces the housing assets and functions previously performed by the Redevelopment Agency.
7. **Successor Agency** – When the dissolution of Redevelopment Agencies took place on in 2012, the Redevelopment Agencies were required to establish a Successor Agency. The Successor Agencies were charged with the handling of outstanding debts and winding down the activities of the former Redevelopment Agencies.