



August 25, 2016

Michael Simmons, Foreperson
 Civil Grand Jury
 725 Court Street
 P.O. Box 431
 Martinez, California 94553-0091

Re: Grand Jury Report No. 1614, "Where Will We Live?" by the 2015-2016 Contra Costa
 Grand Jury – Responses to Grand Jury Findings and Recommendations

Dear Mr. Simmons:

Enclosed, please find the City of Brentwood's responses to the Grand Jury Findings and
 Recommendations for Grand Jury Report No. 1614, "Where Will We Live?"

Per your request, a copy has been sent via email and postal mail to your office.

Should you have any questions regarding the report, please contact this office.

Best regards,

Sylvia Elias
 Housing Analyst

City Of Brentwood Response to Grand Jury Findings and Recommendations
Grand Jury Report No. 1614, "Where Will We Live?"
(Findings and Recommendations which correspond to the City of Brentwood, Report –
Pages 22 and 23)

FINDINGS

Grand Jury Finding 1

Priority Development areas (PDAs) recognize the importance of housing near transportation and jobs for developing prosperous communities.

City Response: The City agrees with the finding, but notes that there are currently no PDAs in Brentwood because there are no sites in the City which meet Plan Bay Areas' PDA criteria. This is specifically because of a lack of adequate transit facilities and service. This could potentially change however, with the construction of a transit facility at the City's Priority Area 1, located along SR4, south of Lone Tree Way. There are also conceptual plans for the extension of eBART at this location. Preparation of a specific plan is underway for an approximate 350 acre area located south of Lone Tree Way and surrounding State Route 4 that may provide an opportunity to establish a PDA.

Grand Jury Finding 2

Plan Bay Area 2040 seeks to combine transportation, jobs and housing as a solution to the needs of our growing population.

City Response: The City agrees with the finding, however, Brentwood is in a unique position of experiencing robust housing growth at reasonably affordable levels, while lacking in jobs growth. Plan Bay Area 2040 could benefit Brentwood if the criteria for selecting Priority Development Areas could be adjusted to include Brentwood as an eligible applicant.

Grand Jury Finding 3

While State law mandates that ABAG conduct the RHNA process, a City is not required to subsidize and/or build the units; it is only required to demonstrate that local zoning will not impede development.

City Response: The City agrees with the finding, and notes that State law mandates the preparation (and periodic update) of a Housing Element to be included as part of a jurisdiction's General Plan. The City's Housing Element was most recently updated on April 28, 2015. Also in accordance with State law, the City provided the Housing Element Annual Progress Report to the Department of Housing and Community Development on March 23, 2016.

Grand Jury Finding 5

Inclusionary zoning programs provide incentives and regulatory waivers to builders and developers who produce both affordable and market rate homes within the same project.

City Response: The City agrees with the finding, however, the City does not have an inclusionary zoning program, but does offer regulatory waivers such as development impact fee deferral and density incentives.

Grand Jury Finding 6

The city's Inclusionary Housing ordinance helps to provide affordable housing (AH) in that City.

City Response: The City agrees with the finding. The City's current AH ordinance imposes a 2% obligation on developers to provide affordable housing or pay fees towards affordable housing programs.

Grand Jury Finding 8

Inclusionary Housing Ordinances sometimes include the option for the developer to pay in lieu fees instead of constructing affordable housing units.

City Response: The City agrees with the finding. The City of Brentwood's current affordable housing ordinance allows the developer to pay in-lieu fees towards housing programs instead of building units.

Grand Jury Finding 9

The city supplements the shortage of funds for AH by requiring builders to pay impact fees, in lieu fees, or other construction and remodeling fees.

City Response: The City agrees with the finding. Currently Brentwood collects impact fees, and an affordable housing in lieu fee which will be used for housing programs and future housing projects.

Grand Jury Finding 10

Infill costs less to service than new development because it takes advantage of the existing infrastructure.

City Response: The City partially disagrees with the finding. Some cities in the county, including Brentwood, have unincorporated "islands" within their spheres of influence. These areas are typically developed with low density or large lot residential uses and have little or no municipal utility services. Annexing, developing, and upgrading these areas can be exceptionally cost prohibitive to both the annexing City and the affected property owners.

Grand Jury Finding 11

The elimination of redevelopment agencies resulted in a reduction of the number of AH units constructed in the city by eliminating a major source of funding for affordable development projects.

City Response: The City agrees with the finding. Many of the City's affordable multifamily housing projects were funded largely with redevelopment funds. The current in lieu fees collected are not sufficient to fund large affordable housing projects.

Grand Jury Finding 12

The city delegates to the builder, owner, or management company of AH properties the responsibility for gathering and validating AH clientele information, as well as maintaining lists of potentially interested buyers.

City Response: The City partially disagrees with the finding. Brentwood's housing division staff reviews applications of potential qualified buyers and maintains wait lists of qualified applicants/buyers. Buyers are sent to the builder upon approval from City housing staff. In regards to the affordable rental program; the contracted property

manager will take in applications to run credit/background checks. Applications are then forwarded to staff for review and approval.

Grand Jury Finding 13

There is no accessible centralized information source for available affordable housing, which compounds the problems created by the affordable housing shortage for those who are searching for affordable housing.

City Response: The City partially disagrees with the finding as it cannot speak to what others in the County are doing by way of providing affordable housing information. The City of Brentwood does provide information regarding their affordable housing and first time homebuyer programs via the website, but does not list available affordable housing. However, Brentwood's housing staff works with the County in providing an informational booklet and an extensive listing of affordable rental apartments in Contra Costa County (including Brentwood) and other pertinent information to persons who request the information. The information is provided in person or mailed by request.

RECOMMENDATIONS

Grand Jury Recommendation 1

The city should consider increasing Affordable Housing (AH) in Priority Development Areas (PDAs).

City Response: This recommendation has not been implemented, however, the City implements an inclusionary (i.e., affordable) housing ordinance with respect to new development. While any PDA established in Brentwood will have a certain housing component, it is unknown just how much will be provided and what the balance will be between market rate and affordable housing.

Grand Jury Recommendation 2

The city should consider adopting an Inclusionary Housing Ordinance.

City Response: This recommendation has been implemented. The City has an Inclusionary Housing Ordinance, which is part of the City's Municipal Code, Chapter 17.725. Chapter 17.725 is available for review at the City's website www.brentwoodca.gov/municipalcode/17.725.

Grand Jury Recommendation 3

The city should explore rehabilitating existing housing stock as affordable housing for purchase or rental, and identify funding to do so.

City Response: This recommendation has been implemented. The current affordable housing ordinance allows developers to satisfy their obligation by purchasing an existing unit for sale in another area of the City. The unit must be rehabilitated (if necessary), and in "turnkey" condition. The City may also use the in-lieu fee funds for housing programs, including the purchase of units for affordable rentals.

Grand Jury Recommendation 5

The city should explore increasing existing "impact fees" or "linkage fees" or enacting such fees in order to generate revenue with which to assist funding of affordable housing.

City Response: This recommendation has been implemented. The City employs an exhaustive list of development impact fees and is unlikely to increase the amounts of these fees to assist with the funding of affordable housing, other than annual adjustments for inflation and periodic updates to its comprehensive Development Fee Program.

Grand Jury Recommendation 6

The city should consider designating an employee within the City's planning or housing department to coordinate with property management to maintain current waiting and interest lists of available AH and ensure information is posted on the City website, and identifying funding to do so.

City Response: This recommendation has been implemented. The City's housing staff coordinates with a contracted property manager to maintain waiting lists for the City's affordable rental program. City housing staff also maintains waiting lists for the affordable housing purchase program. Staff posts and updates brochures and other information regarding the City's housing programs on Brentwood's website.

Grand Jury Recommendation 7

The city should consider seeking federal, state, and local funding sources for AH.

City Response: This recommendation has been implemented. City staff keeps updated on available funding through the state. Brentwood is currently part of the county consortium for CDBG funding; and will continue to work with the county for possible options for funding future affordable housing projects.

Grand Jury Recommendation 8

The city should consider partnering with for-profit and not-for-profit builders to secure land suitable for affordable housing, and identify funding to do so.

City Response: This recommendation has been implemented. The City has partnered and contributed towards affordable multifamily projects. Most recently with Meta Housing, Inc. in which the City contributed \$3.9M in housing funds towards The Grove at Sunset, a 54 unit multifamily very low and low income project. Other affordable housing partners include, Eden Housing, Christian Church Homes, and Mercy Housing, Inc. Housing funds may be obtained for future projects when available.

Grand Jury Recommendation 11

The city should consider undertaking an education initiative in the earliest phase of affordable planning projects in order to alleviate community concerns regarding affordable housing, and identify funding to do so.

City Response: This recommendation has been implemented. The City has an established practice of engaging the community on all development projects, and affordable housing projects are no exception. A great example of this is a 54-unit affordable housing infill project that was developed on approximately three acres adjacent to existing single family homes. This is the same project referenced in Recommendation 8 above.

Grand Jury Recommendation 13

The city should consider identifying all infill and vacant land not in PDAs and encourage use of it for affordable housing through tax incentives, density bonuses, etc.

City Response: This recommendation has been implemented. The City has designated certain areas specifically for affordable housing projects in accordance with the City's housing element of the general plan. Affordable housing developers are notified of regulatory waivers such as development impact fee deferral and density incentives to encourage the building of affordable housing.

Grand Jury Recommendation 15

The city should consider creating an easily accessible, online central repository with all relevant information on deed-restricted housing units to assure that inventory of affordable housing is maintained, and identify funding to do so.

City Response: This recommendation has been implemented. The City's housing webpage displays information on the City's first time buyer and affordable housing programs. The "Refinance and Resale" agreement, which deed restricts affordable program units is posted on the website for public review. A listing of affordable units in the City's program is not posted on the website to ensure privacy for the homeowners. A database of all affordable program units is maintained by housing staff. The administration of the City's housing programs is funded through the housing enterprise fund.