



# CITY OF ANAHEIM

## OFFICE OF THE CITY MANAGER

September 14, 2022

The Honorable Erick L. Larsh  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

Subject: 2021-22 Orange County Grand Jury Report, "How is Orange County Addressing Homelessness?"

Honorable Judge Larsh:

As the City Manager of the City of Anaheim (City), I am pleased to respond on behalf of the City to the 2021-22 Orange County Grand Jury Report, "How is Orange County Addressing Homelessness?" The responses contained in this letter have been approved by the Anaheim City Council. The City's responses address the Orange County Grand Jury Report's findings and recommendations relevant to our City in accordance with the California Penal Code 933 and 933.05(a) and (b).

### Findings

F.3. The County of Orange and cities within Orange County have been inconsistent in collaboration for support of shelters and services, which has resulted in missed opportunities to end homelessness.

*Response 3: The City partially agrees with this finding. The ability to bring emergency shelters and accompanying services online is heavily dependent on the availability of funding for both capital and operations, which is a significant continued investment that requires sustained political will and financial resources. As it relates specifically to Anaheim, the City believes we have done our fair share to be good partners and have engaged in meaningful collaborations that have brought forth shelter and service opportunities that have benefited the entire North Orange County area. In 2017, the City of Anaheim partnered with the County of Orange and willing neighboring cities on bringing online an Anaheim-based emergency shelter to serve the region. The Bridges at Kraemer Place shelter is a 200 bed shelter made possible through collaboration with the County and cities of Fullerton, La Habra, and Brea. The project included one-time capital costs from the cities to construct the shelter and a commitment from the County to fund ongoing operating costs and services. The City acknowledges that the provision of emergency shelter is the result of available funding and ability to site shelters in willing host cities, which can lead to inconsistent approaches when resources and/or political will are not aligned towards the goal of ending homelessness. In Anaheim, the availability of both elements has led to significant achievements including the ability to build three shelters in 79 days to address immediate needs.*

*Currently, the City hosts and funds the Salvation Army shelter which provides 325 shelter beds.*

*The City is supportive of continued County efforts that increase shelter options regionally.*

F.4. There are an insufficient number of rental units available to those exiting Emergency Shelters, resulting in the majority returning to homelessness when leaving the shelters.

*Response 4: The City partially agrees with this finding. Within City and County operated and funded shelter contracts, there is flexibility regarding the length of stay at emergency shelter programs as it is understood that every household's housing process and timeline is varied. Additionally, the City and the County recognize that returning people to unsheltered homelessness would further disengage the homeless population from accessing available supportive services and discourage progress from securing permanent housing.*

*Anaheim has invested in both shelter and permanent housing options. Under the umbrella of the Anaheim Housing Authority (AHA), we have already created over 200 units of permanent supportive housing (PSH) that are operational today and have facilitated the creation of an additional 215 units of PSH, which are in varied stages of development, with the majority coming on line within one year. In addition to specific PSH units, AHA has a pipeline of affordable housing development that will bring forth another 300 units of affordable housing within the next five years. In recognition that development takes time, the Housing Authority has an established priority within its Section 8 Housing Choice Voucher program for persons experiencing homelessness. This priority has been in place for over a decade. In the last year, AHA received a new allocation of 275 Emergency Housing Vouchers specifically to provide housing assistance for persons experiencing homelessness. The issuance of these vouchers has been a collaborative effort as the Orange County Continuum of Care Board (CoC) has played a vital role in identifying eligible recipients through the Coordinated Entry System. We are aware that many of these vouchers have been matched to individuals in our shelters. However, it must be noted that Orange County is an extremely tight rental market, with vacancy rates hovering at or below 2%. Given these conditions, the challenges of finding available rental housing are exacerbated when other factors such as lack of or adverse rental history and/or negative credit are also at play. In an effort to incentivize landlords to accept these vouchers, Anaheim, as well other County jurisdictions, recently began offering lease up bonuses and other move in incentives as a means of increasing the availability of rental options for persons exiting homelessness. The City has also used entitlement program funding, specifically Emergency Solutions Grant and HOME Partnership Program funding to provide both short term rental assistance, defined as up to 24 months, and support services necessary to keep individuals and families stable in a scattered site rental. These programs all link to permanent housing options.*

*Anaheim looks forward to continuing to collaborate with our County partners as we continue to increase the inventory of affordable housing on a regional level.*

### Recommendations

R.4. By July 1, 2024, the County of Orange and cities should collaborate to open facilities that can house people with severe and persistent mental illness and addiction issues in a secure setting.

*Response 4: This recommendation has been implemented. While the City acknowledges that there is a shortage of housing in Orange County to assist those with severe and persistent mental illness as well as those facing addiction challenges, it is important to note that the City has a long standing history of investment in Permanent Supportive Housing (PSH), a form of permanent housing with 24/7 supportive services offered by full service partnerships. The development of PSH housing often involves a complex assortment of financing that is inclusive*

of City, County, State and Federal resources. These financing structures require that the City and County work closely together long term.

*Under the guidance of the City's Housing and Community Development Department, over 200 units have been placed into service to house people with mental health and addiction conditions. Our first PSH development, Diamond Aisle Apartments, consisting of 24 units, has been in operation for over 12 years and most recently Buena Esperanza, a motel conversion project, added an additional 69 units to our PSH housing portfolio. An additional 72 units of PSH are scheduled to be available in the City at the Salvation Army's Center of Hope which will offer comprehensive services for persons exiting chronic homelessness.*

*In 2022, the City successfully competed for an allocation of funds under the State Project Homekey program. The grant provided \$24 Million which was used to acquire the Studio 6 Motel in Anaheim. The County CoC and Orange County Office of Care Coordination (OCC) are funding and program partners in this development, which will result in 87 new beds of non-congregate emergency housing by the end of this calendar year*

*On the service side, Anaheim has launched the Community Care Response Team (CCRT), a new street outreach initiative and entered into a new partnerships with Be Well OC to offer mobile mental health services for both housed and unhoused persons in our City. CCRT and Be Well OC provide linkages to shelter, mental health and detox programs.*

*Anaheim welcomes additional opportunities to collaborate regionally to increase mental health and addiction facilitates in Orange County above and beyond the PSH housing developments already being developed in our jurisdiction.*

R.5. By July 1, 2023, the County of Orange, cities and CoC should collaborate to encourage the development of housing affordable to individuals exiting the emergency shelters in Orange County.

*Response 5: This recommendation has been implemented. The City of Anaheim continues to work collaboratively with the County, OCC and CoC on the development of affordable housing as well as permanent supportive housing that supports the needs of people experiencing homelessness.*

*In 2019, the Orange County Housing Finance Trust (OCHFT) was established and is a collaboration between the County of Orange and the cities for the purpose of funding affordable housing and permanent supportive housing to assist the homeless population and households of extremely low, very low, and low income within Orange County. Twenty-four cities are now members in the Trust along with the County. The OCHFT has issued three Notice of Funding Availabilities (NOFAs) and provided funding commitments for seventeen projects to date.*

*The City of Anaheim is a member of the OCHFT and has received funding support for several affordable housing developments recently opened or currently under development including Buena Esperanza (69 PSH units), El Verano (27 units of PSH), Salvation Place (70 PSH units) and Finamore Place (20 units of PSH within a larger 104 family development). Additionally, the OCCR and the CoC have provided funding for the provision of social services for the Studio 6 development, which will provide 87 units of interim emergency housing and is slated to open in fall of 2022.*

R.6. By December 1, 2022, the County of Orange, cities and CoC should collaborate to increase the number of housing opportunities for Transitional Aged Youth.

*Response 6: This recommendation has been implemented. We agree with this recommendation and are already engaged in efforts to address this population. The first Transitional Aged Youth (TAY) shelter in Orange County opened its door in the summer of*

*2021 in Anaheim. The development of the shelter was possible through a collaborative effort with the County. The project, under the management of Covenant House, includes 25 dedicated TAY emergency beds. The shelter offers a safe place where TAY can reside while they are connected to a variety of supportive services and resources. The shelter is open to any qualifying youth experiencing homelessness in the County.*

*The City has also expanded its portfolio of permanent housing options for TAY by funding TAY-specific rapid rehousing programs which offers permanent housing placement for TAY coupled with case management. The City is on track to earmark an additional \$200,000 towards TAY rapid rehousing efforts in the coming year. Additionally, as the City continues to facilitate the creation of affordable housing in our jurisdiction, we also continue to evaluate the possibility of integrating TAY designated units within planned larger family developments.*

The City of Anaheim would like to express our appreciation for the efforts of the Orange County Grand Jury in investigating and identifying critical issues within the Orange County homelessness care system. The City of Anaheim is committed to addressing homelessness within our jurisdiction and regionally and looks forward to building upon promising collaborative efforts that are already well underway. Should you have any questions or need additional information, please contact Sandra Lozeau, Housing & Community Development Deputy Director at (714) 765-4319 or [slozeau@anaheim.net](mailto:slozeau@anaheim.net).

Respectfully submitted,

A blue ink handwritten signature that starts with a long horizontal stroke, loops back under itself, and then extends upwards and to the right.

James Vanderpool  
City Manager

cc: Orange County Grand Jury  
City Clerk, City of Anaheim