



August 23, 2018

The Honorable Charles Margines
Presiding Judge of the Superior Court of California
County of Orange
700 Civic Center Drive West
Santa Ana, CA 92701

RE: Response to the 2017-2018 Orange County Grand Jury Report re: *Where There's Will, There's a Way: Housing Orange County's Chronically Homeless*

Honorable Judge Margines:

In accordance with Penal Code 933.05 (a) and (b), the City of Dana Point submits the following response to the report, findings, and recommendations of the 2018-2018 Orange County Grand Jury report entitled, *Where There's Will, There's a Way: Housing Orange County's Chronically Homeless*.

Findings by the Orange County Grand Jury

F1. Homelessness in Orange County is a regional problem requiring regional approaches and solutions.

Response: The City of Dana Point agrees with the above finding.

F2. The lack of a regional plan designating specific development goals for Permanent Supportive Housing contributes to an insufficient number of available units to house the chronically homeless.

Response: The City of Dana Point agrees with the above finding.

F4. Cities' reluctance to provide sites for Permanent Supportive Housing development has contributed to overcrowded emergency shelters and an increased unsheltered homeless population.

Response: The City of Dana Point disagrees with the above finding. Many Orange County cities have developed or converted existing units into Permanent Supportive Housing, even some by-right, requiring no discretionary approvals. Insufficient funding, especially in the areas of the County with higher real estate acquisitions costs have slowed the development pipeline of units. The City of Dana Point is a member of the Association of California Cities - Orange County (ACCOC) and, as such, is a member of the ACCOC's Homelessness Task Force.

F6. Service Planning Area meetings have successfully brought together city, county and nonprofit entities to share information on homeless issues, but have not fostered decision making or action.

Response: The City of Dana Point partially disagrees with the above finding. The meetings have successfully brought together stakeholders to share information and create a dialogue that did not previously exist. However, no specific decisions or actions have been agenzized to date.

F7. NIMBYism has impeded the creation of housing for the homeless, including Permanent Supportive Housing, in the County of Orange.

Response: The City of Dana Point partially disagrees with the above finding. Many Orange County cities have developed or converted existing units into Permanent Supportive Housing, even some by-right, requiring no discretionary approvals. Insufficient funding and high real estate acquisitions costs have been other factors that have slowed the development of units.

F8. Orange County cities and the County have engaged in blaming and finger-pointing, hampering the collaborative efforts needed to site, finance, and maintain Permanent Supportive Housing.

Response: The City of Dana Point disagrees with the above finding. Many Orange County cities have developed or converted existing units into Permanent Supportive Housing, even some by-right, requiring no discretionary approvals. Insufficient funding and high real estate acquisitions costs have slowed the development pipeline of units.

F9. Cities have taken a silo approach to developing Permanent Supportive Housing, resulting in inefficient leveraging and pooling of funds across municipal borders.

Response: The City of Dana Point partially disagrees with the above finding. Only recently has State law allowed for the pooling of successor agency housing funds to be used across city borders. Other federal funds that can be used for housing projects are typically applied in the specific jurisdiction to which they are allocated to benefit the residents of that jurisdiction, as specified by HUD.

F10. There is no established, independent leadership body in the County empowered to address regional homeless issues in an effective manner.

Response: The City of Dana Point agrees with the above finding.

Recommendations by the Orange County Grand Jury

R1. Orange County cities and the County should develop a Permanent Supportive Housing development plan, and should consider a plan structure similar to the proposal put forth by

Association of California Cities – Orange County, that proportionally allocates sites among the cities. (F1, F2, F4, F7, F8)

Response: The recommendation has not yet been implemented, but will be implemented in the future. The County has recently published its “Affordable Housing Strategic Plan”. AB 448 has been introduced and is making its way through the legislature to allow for the creation of an Affordable Housing Trust that will be an implementing mechanism for the Plan. AB 448, if passed and signed by the Governor will take effect January 1, 2019.

R2. Each Service Planning Area should identify sites for Permanent Supportive Housing proportional to the allocation suggested in the Association of California Cities – Orange County proposal. (F1, F4)

Response: The recommendation requires further analysis. Service Planning Areas (SPA) have not gotten into the detail of evaluating City zoning, including zoning for affordable housing under Senate Bill 2. The County of Orange sets the agenda for SPAs and it is not known if the County plans to conduct this level of analysis at each SPA. Dana Point has an approved Housing Element by the State of California Housing and Community Development Department, which includes provisions for affordable housing and emergency shelters for homeless.

R4. Cities should ensure decision-makers fully participate in their region’s Service Planning Area meetings. (F1, F6, F8, F9)

Response: This recommendation has been implemented as Councilmembers, the City Manager and staff have all participated in each Service Planning Area meeting.

R6. Cities should collaborate with, and leverage the work done by, United Way on their “United to End Homelessness” public awareness campaign. (F7)

Response: The recommendation has been implemented. The City Manager and members of the Council attended the kickoff of the campaign and the City facilitated a special presentation on the “United to End Homelessness” campaign to the Dana Point Civic Association by Sue Parks of United Way.

R7. To streamline shelter and Permanent Supportive Housing development, the County and its cities should establish a decision-making body, such as a Joint Powers Authority, that is empowered to identify and allocate sites and pool funding associated with housing and supportive services for the homeless. (F1, F3, F4, F7, F8, F9, F10)

Response: The recommendation has not yet been implemented, but will be implemented in the future. AB 448 has been introduced and is making its way through the legislature to allow for the creation of an Affordable Housing Trust to pool and allocate funding for affordable housing. AB 448, if passed and signed by the Governor will take effect January 1, 2019.

R8. Such a decision-making body should develop a comprehensive, regional housing business plan that identifies both the number of Permanent Supportive Housing units needed as well as the associated costs of renovating existing units or building new ones. (F1, F2, F3, F4, F8, F9, F10)

Response: The recommendation has not yet been implemented, but will be implemented in the future. AB 448 has been introduced and is making its way through the legislature to allow for the creation of an Affordable Housing Trust to pool and allocate funding for affordable housing. AB 448, if passed and signed by the Governor will take effect January 1, 2019. The County of Orange has published an “Affordable Housing Strategic Plan” that can be the basis for a business plan as recommended by the Grand Jury.

R9. Such a decision-making body should propose a plan for securing local, supplemental sources of funding for both Permanent Supportive Housing development and associated support services. (F1, F3, F8, F9, F10)

Response: The recommendation has not yet been implemented, but will be implemented in the future. AB 448 has been introduced and is making its way through the legislature to allow for the creation of an Affordable Housing Trust to pool and allocate funding for affordable housing. AB 448, if passed and signed by the Governor will take effect January 1, 2019. The County of Orange has published an “Affordable Housing Strategic Plan” that can be the basis for a business plan as recommended by the Grand Jury.

Respectfully Submitted,



Mark Denny
City Manager

c: Orange County Grand Jury