



# CITY OF COSTA MESA

CALIFORNIA 92628-1200

P.O. BOX 1200

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FROM THE OFFICE OF THE MAYOR

October 30, 2018

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

Dear Judge Margines,

Thank you for the opportunity to provide further explanations in response to the 2017-2018 Orange County Grand Jury report, "Where There's Will, There's a Way: Housing Orange County's Chronically Homeless." The City of Costa Mesa has been a key regional leader in developing solutions to help reduce homelessness. Over the past few months, the City has been identifying sites to operate a 50 bed emergency shelter with full support services to individuals in need. This proposed shelter, once approved, should be operational within the next 9 months. This is a significant effort for the Costa Mesa community in terms of financial costs and staff time commitment for the next several years. Additionally, the City of Costa Mesa has committed to working to build 93 permanent supportive housing units over the next 10 years. The City is considering using local funding for the emergency shelter, but will also be exploring regional partnerships and funding sources for the permanent supportive housing units.

The City of Costa Mesa has provided additional responses pursuant to 933.05(a) and 933.05(b) in accordance with the letter received on October 18, 2018 (Attachment A). These responses have been incorporated into the original letter, which was sent to the Grand Jury on August 27, 2018 (Attachment B).

In conclusion, we are continuing to provide our fair share of homeless assistance to the County of Orange and the community of Costa Mesa. We are pleased to submit these responses and look forward to continue collaborating with the County and other cities in the Central SPA region regarding the provision of additional housing opportunities.

Sincerely,

Mayor Sandra L. Genis



# CITY OF COSTA MESA

CALIFORNIA 92628-1200

P.O. BOX 1200

FROM THE OFFICE OF THE MAYOR

August 27, 2018

Updated: October 30, 2018

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

Dear Judge Margines,

Thank you for the opportunity to respond to the 2017-2018 Orange County Grand Jury report, "Where There's Will, There's a Way: Housing Orange County's Chronically Homeless." The City of Costa Mesa has been a key regional leader in developing solutions to help reduce homelessness. In March of 2011, the City formed a Homeless Task Force. Ultimately the City Council approved, on a 5-0 vote, a Nine Point Plan including #6 "Research permanent supportive housing and possible access center" and #7 "Review interim housing option". The City is committed to doing its fair share and has achieved many significant results. Our focus for the next few years will be following a court order to provide 50 emergency shelter beds in Costa Mesa.

In accordance with Penal Code 933.05(f), the Orange County Grand Jury reported the following findings:

- F1. Homelessness in Orange County is a regional problem requiring regional approaches and solutions.
- 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.
- F4. Cities' reluctance to provide sites for Permanent Supportive Housing development has contributed to overcrowded emergency shelters and an increased unsheltered homeless population.
- F6. Service Planning Area meetings have successfully brought together city, county and non-profit entities to share information on homeless issues, but have not fostered decision making or action.
- F7. NIMBYism has impeded the creation of housing for the homeless, including Permanent Supportive Housing, in the County of Orange.
- 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.
- F9. Cities have taken a silo approach to developing Permanent Supportive Housing, resulting in inefficient leveraging and pooling of funds across municipal borders.
- F10. There is no established, independent leadership body in the County empowered to address regional homeless issues in an effective manner.

In response to these findings, the Orange County Grand Jury made the following recommendations that pertain to the aforementioned findings. Directly below each recommendation and finding

number, is the City's response. The additional responses to the Grand Jury letter dated October 18, 2018 can be found in bold italics and the section is highlighted for an easier read.

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

**City of Costa Mesa Response:**

Since the culmination of the Task Force, the City established a homeless outreach division in the City Manager's office, which includes 4.5 full-time equivalent outreach workers, a part-time Homeless Coordinator and partnerships with over 50 social service, governmental and private agencies for those experiencing homelessness in Costa Mesa. In 2017, there were 191 social service linkages, 235 mental health linkages, 112 reconnections and 221 Psychiatric Emergency Response Team contacts. Since the onset of the program, 277 individuals have been placed in permanent housing.

The City of Costa Mesa developed and pushed the concept of a regional allocation of permanent supportive housing units to the Association of California Cities – Orange County (ACC-OC), which has presented the idea to the broader Orange County community. Therefore, the City is committed to doing its fair share of permanent supportive housing and is working on development options. The City of Costa Mesa is heavily invested in the ACC-OC plan structure and the current Chair of the ACC-OC Homeless Task Force is a Costa Mesa City Council Member.

**Additional Response Pursuant to 933.05(b):**

*Pursuant to option 3 of 933.05(b), requires further analysis which the city is currently undertaking. Based on the point and time study, 93 Permanent Support Housing units is the City's fair share of units within Orange County. Our City Council has expressed interest in building additional permanent supportive housing; however, the council is currently focused on developing a 50 bed emergency shelter by the end of summer 2019. We have identified several sites, sources of financing and plan on selecting an operator by spring of 2019. The shelter will vastly decrease the number of unsheltered homeless in Costa Mesa. Additionally, the City is building out a Crisis Stabilization Unit located at College Hospital which should be operational within the next several months. Notwithstanding the above, the City has asked a local developer and nonprofit organization to locate permanent supportive housing locations within the City of Costa Mesa for our review. It is apparent this will take longer than six months; however, we will do whatever we can to do expedite the process and will focus on building a few units within the next few years, with the goal of a total build out within the next 10 years.*

**Additional Response Pursuant to 933.05(a):**

*The City agrees to findings (F1, F2, F4, F7, F8) and is already in process of developing shelter units with the next 9 months and Permanent Supportive Housing over the next several years. Development of these units will require an in-depth financing plan consisting of both local and regional resources as well as an analysis of "gap" financing needed for these projects.*

***Additionally, the City Council will have to give budgetary authority for any proposed projects within the City.***

- 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)

**City of Costa Mesa Response:**

As stated above, the City of Costa Mesa created the concept of each City developing its proportional share of permanent supportive housing and shared the concept with ACC-OC. Costa Mesa is and always will be supportive of doing our fair share. Our City Council and community continually state this and each city council member can tell you that Costa Mesa understands that 93 units are needed for our community to do its fair share.

The City will be releasing an RFP for an affordable housing project before October 2018. This RFP will consider a variety of alternatives including permanent supportive housing. Additionally, Costa Mesa is researching emergency shelter options for the Central Specialized Planning Area (SPA) and is in the process of reaching out to neighboring jurisdictions to discuss collaborating on a local shelter.

Additionally, the City has created the Network for Homeless Solutions, which currently has 4.5 full time equivalent positions providing street outreach, housing options, medical/substance abuse/mental health linkages and a variety of other services. The City has crossed regional borders and reached out to neighboring cities (Dana Point, Newport Beach, Huntington Beach and Fountain Valley) in an attempt to identify mutual clients and collaborate on solutions to end their homelessness. The meetings are held quarterly, although cross collaboration continues on an as needed basis.

The City is an integral part of the County Coordinated Entry Team. We have done over 100 assessments and have placed over 70 people in housing. We are expanding our services to offer more in-depth housing navigation and hope to enter into a Memorandum of Understanding with the County of Orange so that the City may be the recipient of shelter plus vouchers for its clients.

Finally, the City of Costa Mesa is assisting in the County's request by providing a location in the Central Spa Area where a Crisis Stabilization Unit can operate. Costa Mesa's Planning staff recently approved a 12 bed facility within the campus of College Hospital. This will help with a critical piece of the County's care system and specifically help the Central SPA do its fair share. The approval would streamline the process when assisting individuals in crisis. Instead of leaving clients in an emergency room, as is presently the case, this facility would provide public service personnel in the Central SPA a location where patients can be further evaluated. Clients would receive the appropriate evaluation to determine their long-term treatment needs and those needing a higher level of care would be diverted to the appropriate facility instead of being released to the streets.

***Additional Response Pursuant to 933.05(b):***

*No additional response required.*

**Additional Response Pursuant to 933.05(a):**

*As stated under R1 above, the City is part of the Central Spa and agrees that it should do its regional share of providing permanent supportive units. However, all proposed projects are subject to available financial resources and will require City Council approval.*

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

**City of Costa Mesa Response:**

The City has participated in all Service Planning Area meetings. Additionally, the City has met several times with both ACC-OC and the County's Homeless Coordinator regarding the fair share approach to allocation of permanent supportive units. The City is also heavily involved in Coordinated Entry and participates on the Street Outreach Committee. Members of the City's outreach team have requested an appointment to meet with the Coordinated Entry Housing Navigation committee.

**Additional Response Pursuant to 933.05(b):**

*Pursuant to option 1 of 933.05(b), the following actions are already being implemented: As a City, we are part of the Homeless Management Information System (HMIS), which is the local informational system used to collect client data for the provision of housing and services to individuals experiencing homelessness. Additionally, on a monthly basis, the City participates in the Continuum of Care's (CoC) Housing Committee's Landlord Subcommittee and the CoC Emergency Shelter Subcommittee. The City is also an active member of Coordinated Entry and has done over 100 permanent supportive housing assessments. The City is committed to these ongoing collaborative efforts from this point forward.*

**Additional Response Pursuant to 933.05(a):**

*The City completely agrees with the findings and implementation of all the actions listed above.*

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

**City of Costa Mesa Response:**

The City attended the kick-off event for the United Way "United to End Homelessness" campaign. Our Neighborhood Improvement Manager will be representing the City at future meetings and will begin actively participating in the public awareness campaign. We will also explore the use of social media to complement the publicity efforts that the United Way has underway.

**Additional Response Pursuant to 933.05(b):**

*Pursuant to option 1 of 933.05(b), the City is continuing to attend all the regional meetings. We have met with United Way which has provided ideas related to NIMBYism; how to address community outreach; and the importance of educating residents regarding the differences between emergency shelters versus permanent supportive housing units in the City. The City continues to attend any regional meetings the United Way holds with regards to this subject.*

**Additional Response Pursuant to 933.05(a):**

*The City completely agrees with the findings and is currently implementing all the actions listed.*

- 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)

**City of Costa Mesa Response:**

Costa Mesa's State Senator has co-authored Assembly Bill 448, a bipartisan effort to give all 34 Orange County cities and the county the ability to coordinate spending of existing and future funding of development projects that support homeless. AB 448 funds the planning and construction of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing. As an active participant in the ACC-OC Homeless Task Force, we will continue to strongly support regional collaboration and work to create local development proposals and support regional proposals for both shelter development and permanent supportive housing.

**Additional Response Pursuant to 933.05(b):**

*Pursuant to option 3 of 933.05(b), joint powers authority and applying for AB 448 funds will require further discussion by the City Council and Department Heads; however, we are pursuing our own sources of funding for the proposed 50 bed shelter in our City. In the future, the City may look at regional funding for the permanent supportive housing units. However, that will involve a financing plan which evaluates available funding including tax credits, AB 448 funds and possibly MHSA and County funds, all of which will involve City Council and possibly County approvals. This could take over six months for the first units to come on line due to funding priorities, regional approvals and current focus on the 50 bed emergency shelter. Finally, the City's proposed Crisis Stabilization Unit, located at College Hospital, is obtaining regional funding sources including County and Hospital Association funds. The Crisis Stabilization Unit received Costa Mesa Development Services Department approval, but will most likely not require additional city approvals and should be up and running within the next 9 months.*

**Additional Response Pursuant to 933.05(a):**

*We agree with the findings, and the City will review local financing as well as other funding sources, as the City continues to strategize on future permanent supportive housing developments.*

- 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 buildings new ones. (F1, F2, F3, F4, F8, F9, F10)

**City of Costa Mesa Response:**

As previously stated, Costa Mesa is already an active participant in SPA meetings and is fully invested in seeking permanent supportive housing for its homeless residents. We are working with County staff and consultants on some specific solutions to address chronic homelessness in the region and also independently evaluating local development options for permanent supportive housing. Additionally, we are looking at a variety of emergency housing options including partnering with an adjacent jurisdiction for a joint use shelter and working to locate a small shelter in the SB2 zone of the City.

A conditional use permit to allow a temporary modular structure at College Hospital for urgent care of a maximum of twelve behavioral health beds was approved on August 9, 2018. The approval provides an opportunity for a crisis stabilization unit to be operational at College Hospital which would streamline the process when assisting individuals in crisis. Instead of leaving clients in an emergency room, as is presently the case, this facility would assist our local police, fire and ambulance personnel in the Central SPA with a location where patients could be further evaluated. Clients would receive the appropriate evaluation to determine their long-term treatment needs and those needing a higher level of care would be diverted to the appropriate facility instead of being released to the streets.

A formalized system such as this would complement what our Outreach Team is already doing through their ongoing collaboration with College Hospital to identify high acuity individuals and their aftercare plans. It would also reduce the regional impacts associated with our homeless population through proper evaluation and diagnoses.

Costa Mesa is a leader in regards to provision of associated support services; it has housed 277 homeless since 2012 and provided over 1,000 social service, medical and mental health linkages since 2012. Not only does the city link people to services, but it follows many of them after housing is provided to ensure that they can continue to live independently. Additionally, it collaborates with over 50 governmental and nonprofit agencies in an effort to link clients to services and systematically end their homelessness. By working with these organizations, as well as law enforcement personnel who are highly trained to adequately respond to mental health calls, we are attempting to identify those who are most vulnerable on the street and provide advocacy as well as a solid housing plan.

**Additional Response Pursuant to 933.05(b):**

*Pursuant to option 3 of 933.05(b), regional funding sources are being proposed for the Crisis Stabilization Unit; local funding is being proposed for the emergency shelter and a combination of both local and regional funding sources will be reviewed for Permanent Supportive Housing. However, that will involve a financial plan which evaluates available funding including tax credits, AB 448 funds and possibly MHSA and County funds, all of which will involve City Council and possibly County approval which could take longer than 6 months. With regards to support services, as stated under R1, the City established a homeless outreach division in the City*

*Manager's office, which includes 4.5 full-time equivalent outreach workers, a part-time Homeless Coordinator and partnerships with over 50 social service, governmental and private agencies for those experiencing homelessness in Costa Mesa. In 2017, there were 191 social service linkages, 235 mental health linkages, 112 reconnections and 221 Psychiatric Emergency Response Team contacts. Since the onset of the program, 277 individuals have been placed in permanent housing. This recommendation has been implemented and will continue from this point forward.*

**Additional Response Pursuant to 933.05(a):**

*The City agrees with the findings, and will continue to seek local, and regional funding sources related to permanent supportive housing projects in the future.*

- 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)

**City of Costa Mesa Response:**

As previously stated, Costa Mesa is already an active participant in SPA meetings and is fully invested in seeking permanent supportive housing for its homeless residents. We are working with County staff and consultants on some specific solutions to address chronic homelessness in the region and also independently evaluating local development options for permanent supportive housing. Additionally, we are looking at a variety of emergency housing options including partnering with an adjacent jurisdiction for a joint use shelter and working to locate a small shelter in the SB2 zone of the City.

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systematically end their homelessness. By working with these organizations, as well as law enforcement personnel who are highly trained to adequately respond to mental health calls, we are attempting to identify those who are most vulnerable on the street and provide advocacy as well as a solid housing plan.

**Additional Response Pursuant to 933.05(b):**

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**Additional Response Pursuant to 933.05(a):**

*The City agrees with the findings, and will continue to seek local, and regional funding sources related to permanent supportive housing projects in the future.*

In conclusion, we are proud of the success we have had in these areas and hope to expand our level of street support over the coming years. On May 4, 2018, Costa Mesa Neighborhood Improvement Manager Stacy Lumley and Senior Code Enforcement Officer Mike Brumbaugh of the Network for Homeless Solutions (NHS) team were recognized by the ACC-OC with the Golden Hub of Innovation Award. They earned the "City Staffer of the Year" award due to their innovative approach in providing supportive services to the City's homeless population as well as their contributions to the City's public awareness campaign by educating the public and business owners on how to address homelessness in the community. We are pleased to submit these responses and look forward to continue collaborating with the County and other Cities in the Central SPA region regarding the provision of additional housing opportunities.

Sincerely,

  
Mayor Sandra L. Genis