



City of Brea

November 1, 2018

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

Re: Response to letter regarding Grand Jury Report, *Where There's Will, There's a Way: Housing Orange County's Chronically Homeless*

Dear Presiding Judge Margines:

In reply to the letter received on October 24, 2018, please find updated responses to recommendations R1, R2, R6, R7, R8, and R9 from the Grand Jury Report, *Where There's Will, There's a Way: Housing Orange County's Chronically Homeless*.

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: This recommendation requires further analysis. The City of Brea's first priority is its current commitment to the development of two new shelters in the North SPA. These two shelters will greatly aid North Orange County with providing shelter and wraparound services for those homeless in our region. Brea is willing to pay our fair share for both the construction and annual operational costs of these shelters. After the shelters are operational, and the capital and ongoing funding is sustained, Brea will shift its focus to forming a Permanent Supportive Housing development plan. This plan will start with the search for available land and funding, as we currently do not have the capital or land available to construct or renovate buildings for this purpose. Brea's hope is to shift our focus to Permanent Supportive Housing within the next six months, which is dependent on the time commitment required to developing the two new shelters currently in process.

The City of Brea would consider the structure proposed by the Association of California Cities – Orange County as an option for the Brea City Council to consider, as a similar

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Council Member

model of proportional allocation of units is intended for the two new homeless shelters that are planned to be built in the North SPA. This structure will be kept in mind when generating future homeless development plans.

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

Response: This recommendation requires further analysis and the coordination with other agencies to implement. As mentioned in the response to R1, Brea's first priority is its commitment to the two new shelters currently being developed in the North SPA, which will significantly improve homeless conditions. After these two shelters are operational, Brea will shift its focus to finding available land for the development of Permanent Supportive Housing, as we currently do not have any potential applicable sites. Additionally, Brea will seek possible funding sources applicable to develop Permanent Supportive Housing, as we currently lack additional capital outside of the contributions we are providing to finance the two new homeless shelters.

Dependent on the time commitment required to develop the new homeless shelters, we plan to shift our focus to Permanent Supportive Housing within the next six months. The City of Brea welcomes collaboration with the North SPA cities and County to identify and allocate sites, but this requires involvement and cohesion with all entities to formulate. The City of Brea is involved in a MOU agreement with other North SPA cities that will serve as the authority to operate and sustain the two new shelters. The parties involved in this MOU group may also be consulted for future planning with Permanent Supportive Housing.

The City of Brea would consider the allocation structure proposed by the Association of California Cities – Orange County as an option for the Brea City Council to consider, as a similar model of proportional allocation of units is intended for the two new homeless shelters that are planned to be built in the North SPA. This same model will be used as a guide for future allocation planning.

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. City staff have been in communication with the United Way and have received informative documents and resources about their public awareness campaign. We are hoping to use these resources and United Way personnel to guide our own public awareness campaign with the opening

of two homeless shelters. The City of Brea considers all opportunities to learn from credible non-profit and private organizations' methods of reducing homeless issues.

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 within the next 6 months, barring opposition from entities included in the decision-making. The OC Housing Finance Trust JPA provides an opportunity to address homeless issues collaboratively with other OC cities and the County. This decision-making body will be equipped to locate potential sites and acquire funds needed to establish homeless services and Permanent Supportive Housing.

Currently, the North SPA cities and the County are working on establishing an MOU agreement that will serve as a decision-making authority on the development of the two new homeless shelters. The North SPA cities have already collaborated to identify two sites to build the shelters and have applied for funding. This MOU will establish the funding formula for housing and supportive services for the homeless. If the agreement is approved, the North SPA MOU may be another viable group to continue working on solutions for homeless issues and Permanent Supportive Housing development.

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 within the next 6 months, barring opposition from entities included in the decision-making. The OC Housing Finance Trust JPA will have the ability to form a comprehensive, regional plan due to its member representation throughout Orange County. In order to accomplish its intended goal of creating additional housing for the homeless, this JPA will use the most up-to-date statistics to identify the number of units needed. After the number is determined, costs for such construction can be tallied.

Currently, members of the North SPA that are hoping to form the MOU agreement have already developed a plan that identifies the amount of beds that will be provided in the two new shelters and the cost of shelter construction.

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 within the next 6 months, barring opposition from entities included in the decision-making. The OC Housing Finance Trust will be able to acquire funding for both Permanent Supportive Housing and associated support services. Possible sources of funding may come from Proposition 1 (if passed on November 6th), Proposition 2/Proposition 63, Senate Bill 2, the private sector, and/or foundation grants.

Currently, some cities in the North SPA have applied for funding from HEAP and SB2 to support the building and sustaining of the two new shelters that will serve the North region. The North SPA cities have also identified the costs each entity will contribute for construction, acquisition, and ongoing annual contribution for each entity.

The City of Brea values the Grand Jury's report, *Where There's Will, There's a Way: Housing Orange County's Chronically Homeless* and appreciates the opportunity to provide updated responses. Should you have any questions, please contact City Manager, Bill Gallardo, at (714)990-7711.

Sincerely,



Bill Gallardo
City Manager
City of Brea

cc: Brea City Council