

September 13, 2016

Mayor:
CLYDE ROBERSON

Councilmembers:
TIMOTHY BARRETT
LIBBY DOWNEY
ALAN HAFFA
ED SMITH

City Manager:
MICHAEL MCCARTHY

The Honorable Mark E. Hood
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, California 93901

RE: City of Monterey's Responses to Monterey County Civil Grand Jury Final Report - "Housing Homeless Women?"

Dear Judge Hood:

The City of Monterey appreciates the efforts of the members of the Civil Grand Jury to focus attention on the very important topic of housing homeless women in our community. As requested by the Civil Grand Jury, the City of Monterey respectfully submits the following responses to the Findings and Recommendations identified for a response in the Grand Jury's Final Report entitled "Housing Homeless Women?"

Findings

Finding 4: Funding is provided by Monterey County and cities to build low cost housing most of which is unaffordable for homeless women.

Response: The City Council agrees with the finding. Although funding is provided by the City of Monterey to develop low-income housing in the community, the number of units developed or scheduled for development that will be affordable to Extremely Low-income (30% or below Monterey County Median Income) homeless women is insufficient to address all of the need. Recent examples of the funding provided by the City of Monterey for low income housing are:

1) On June 7, 2016, the City approved a disposition and development agreement with Mid Peninsula The Farm to develop a 19 unit senior housing rental project on City owned land that was purchased with \$1.3 Million in Community Development Block Grant (CDBG) money. This project is required to restrict three units as affordable to Extremely Low-income individuals.

2) The City is providing \$4.98 Million in former Redevelopment Agency money to develop 18 affordable apartments in the Monterey Hotel mixed-use project at 406 Alvarado Street. Three of these units will be restricted as affordable to Very Low-income households (between 31% and 50% of Monterey County Median Income).

3) On June 10, 2016, the City approved a funding agreement with the Veteran's Transition Center (VTC) to provide \$450,000 in CDBG money to rehabilitate up to 4 transitional housing units for Extremely Low and Very Low-income homeless veterans and veterans families. These units are owned by VTC and they are located in the City of Marina.

The City will continue to work to identify additional funding to build low-cost housing. However, it is important to note that sites available for housing are limited due to the State Water Resources Control Board Cease and Desist Order regarding water supply. There has to be existing water credits onsite that can be repurposed into a housing project in order for it proceed. Therefore, the number of sites is limited.

Finding 5: There are insufficient resources to house the homeless, evidenced by the increasing number of encampments and people living in the street.

Response: The City Council agrees with the finding that there are insufficient resources to house the homeless. This is documented in the findings of the Monterey County Homeless Point-in-Time Census and Survey 2015 that identified a total of 306 unsheltered homeless individuals and 31 sheltered homeless individuals in the City of Monterey. However, these numbers show a significant decline in the count of total City of Monterey homeless individuals from 542 in 2013 to 337 in 2015.

Finding 6: The cities of Monterey, Salinas and Marina and Monterey County have identified property owned by them that could be used for low cost and transitional housing but it is currently not being utilized.

Response: The City Council agrees with the finding. The City has identified sites for low cost housing and is currently working with partners towards its development. Two projects that are in process for development on City-owned property are the Mid Peninsula The Farm senior apartments and the Monterey Hotel mixed-use apartments.

The Mid Peninsula The Farm site is located in the 600 block of Van Buren Street behind the City's Police Station. The project has received all local development approvals, and Mid Peninsula The Farm has applied for tax credit and grant funding to help finance the project.

The Monterey Hotel mixed-use apartments site is located at 406 Alvarado Street. The City has entered into an Exclusive Negotiating Agreement with Silverie Construction to complete construction of the apartment units and a Development and Disposition Agreement is scheduled for City Council review in August/September 2016.

Finding 7. Safe overnight parking for homeless women is scarce in Monterey County.

Response: The City Council agrees with the finding. The City has established a location available for use by a safe parking program provider, to-date the site has not been utilized by participants. City staff continues to outreach to the One Starfish Program, the local safe parking program provider, to offer the site in Monterey for safe parking and to work to identify additional appropriate locations. City staff understands that other sites, such as church parking lots, are preferred by service providers such as One Starfish Program.

The City's experience working with a local safe parking program provider indicates that site location (particularly proximity to gas stations, laundromats, social service providers, grocery stores, schools, etc.) and a potential participant's ability to meet safe parking program requirements (such as a commitment to work towards re-housing, to work with social services providers to address any medical, drug or substance abuse issues, etc.) may affect safe overnight parking use, regardless of availability.

Recommendations

Recommendation 4. Monterey County and cities within it, shall include more very low cost housing in their action and development plans, beginning with their 2017 plans.

Response: The recommendation has been implemented in March 2016. Additionally, Council tasked staff to come back with an additional analysis of the community needs for exploring additional housing alternatives. Presently, the City of Monterey already includes development of affordable low cost housing in its General Plan Housing Element, 2015-2020 Community Development Block Grant Five-Year Consolidated Plan (Consolidated Plan) and other development plans. On August 31, 2016, the City staff conducted a public housing workshop which allowed the public to weigh in on topics such as prohibition of short-term rentals and second units, adaptive reuse of hotel units, decoupling of parking from rental costs, and zoning for emergency shelters. Council will be briefed about the well-attended workshop by early October 2016.

On March 23, 2016, the City Council adopted the 2015-2023 Housing Element, which includes recommendations in support of the following housing priorities:

- Increase supply.
- Emergency housing.
- Funding for affordable housing.

The City adopted the CDBG Consolidated Plan on July 7, 2015. Goal No. 1 in the Plan is "Improve housing opportunities for Low and Moderate Income households." Specific programs included in the Consolidated Plan include:

- Continue ongoing efforts to increase the supply of affordable rental housing by completing 18-units in the Monterey Hotel mixed-use project and 19 senior units in the Van Buren Street project.
- Investigate through collaboration with other cities and non-profit community service organizations, the location and funding strategies necessary to develop and complete new Low-income and Moderate-income (LMI) housing units with an emphasis on units for Extremely Low-income, Very Low-income and Low-income individuals and households.

Finally, as explained in response to Finding #6, two City of Monterey owned sites are currently in process for development of LMI rental housing.

Recommendation 5. Monterey County and cities within it shall cooperate with non-profits on proposals for alternative temporary shelters for the homeless.

Response: The recommendation has been implemented. In December 2015 the City Council provided funding to four non-profits (Community Human Services/Safe Place, Interim, Inc., Salvation Army/Good Samaritan Center, Outreach Unlimited) to provide temporary winter shelters for the homeless through motel vouchers, local churches, bus passes and a weather-dependent warming shelter. City staff are currently working with these and other nonprofits to assess needs and develop goals to allocate "2016 Monterey Homeless Challenge" funding from the cities of Monterey, Carmel-by-the-Sea, and Pacific Grove to meet temporary shelter needs. On June 7, 2016, the City Council approved Neighborhood Improvement Program (NIP) funding for a study to identify suitable City-owned properties or properties for purchase for a warming shelter during winter months. The City plans to continue to work with local nonprofit organizations to address the temporary shelter needs of the homeless population.

Recommendation 6. Monterey County and cities within it shall identify which of their owned property could be utilized for very low cost and transitional housing by June 2017.

Response: The recommendation has been implemented. The City has already identified two sites acceptable for low income housing in our community (Van Buren Street senior housing and Monterey Hotel apartments) that are currently in development as discussed in response to Finding #6.

Recommendation 7. Monterey County and cities within it shall increase permits for safe overnight parking for homeless women living in their vehicles by June 2017.

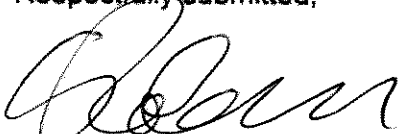
Response: The recommendation requires further analysis. In 2015 the City Council amended the City Code to provide for pilot safe parking programs in designated areas within the City. To-date one Safe Parking program permit application was reviewed by Council. Based on expressed neighborhood concerns, the application was denied. The City Council also approved a City location available for use by a safe parking program

provider. To-date the site has not been utilized by any such provider, which has been attributed to a lack of qualified program participants and/or a lack of interest on the part of qualified program participants.

City staff regularly communicates with the One Starfish Parking program, the local safe parking program provider, to continue to offer the City site and facilitate any interest. We believe a local faith-based institution may be considering applying for a Safe Parking program permit in the future. Staff will review usage of the approved City location and any permitted City of Monterey Safe Parking program by October 2016, and present a report to Council by December 2016.

Thank you for the opportunity to respond to the Civil Grand Jury's Report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Roberson', written in a cursive style.

Clyde Roberson
Mayor

cc: City Manager
City Attorney