

Stephanie Moulton-Peters
Mayor

Jim Wickham
Vice Mayor

Sashi McEntee
Councilmember

John McCauley
Councilmember

Jessica Sloan
Councilmember

James C. McCann
City Manager

July 23, 2018

The Honorable Judge Paul Haakenson
Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988

Ron Brown, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room 275
San Rafael, CA 94903

Dear Judge Haakenson and Mr. Brown,

The City of Mill Valley has reviewed your progress report on "Homelessness in Marin". The following letter provides comments on your Findings F1-F10 and responds to your specific requests to Recommendation R5 as contained in the Report:

FINDINGS:

F1: *The nonprofit and faith-based groups that have provided emergency shelter under the REST program for the past ten years will no longer continue to do so. The REST program ended in April 2018.*

The City does not dispute this finding. As also noted in your report, the REST program provided 60 of the 218 emergency shelter beds. While still under capacity based on the need, it is important to note that there are other non-profit organizations such as Homeward Bound that provide shelter services in Marin.

F2: *The Housing First philosophy espouses housing-focused shelter, including services for the homeless and case management.*

The City does not dispute this finding.

F3: *Housing First is dependent upon the availability of housing. The very limited supply of rental housing makes this a challenge in Marin County.*

The City does not dispute this finding. The City of Mill Valley permits single room occupancy units and micro units (350 and 450 square feet units), which may be helpful in terms of affordable housing options that could be developed in Mill Valley. Mill Valley has also has enhanced regulations to protect existing multi-family housing though the adoption of its condominium conversion restrictions and requiring new multi-family housing ownership or rental projects with 4 or more units to build 25% affordable housing (split equally between low and moderate). The City is also working to assemble a Housing Advisory Committee that will serve as an advisory body to City Council, including programs and policies to preserve and protect existing affordable housing and opportunities to create new affordable housing, including rental housing.

F4: *Nonprofits provide most services and shelter to homeless in Marin County; some of them receive funds from the County, the State and the Federal Government in addition to fundraising from private sources.*

The City does not dispute this finding. Based on recent work of the state legislature and governor, there will likely be additional state funding available next year. The State's recently signed budget includes \$500 million in one-time spending on emergency aid block grants to help cities and counties reduce homelessness. The grants can be used on a range of programs, including housing vouchers and shelter construction. There will also be measure on the November ballot for \$2 billion to house people who are homeless or at risk of losing their homes.

F5: *Collaboration between the County and the nonprofit service providers has improved. The coalition of Ritter Center/St. Vincent de Paul Society/Marin Housing Authority providing assistance under the Whole Person Care program is a notable example.*

The City of Mill Valley does not refute this finding, and looks forward to continuing its collaboration with the County to address homelessness in Marin.

F6: *At least 400 units for the chronically homeless must be added to the existing housing stock to achieve functional zero homelessness. This can be accomplished by new construction as well as repurposing exiting housing, motels, churches/convents, and office/retail.*

The City of Mill Valley does not refute this finding; however, the City does not build housing. The following uses are allowed in the City by way of the City's Zoning Ordinance, which can be utilized for the development of homeless services:

- Transitional and supportive housing permitted in single family residential zoning districts;
- Small residential facilities permitted in multi-family districts;
- Large residential facilities and single room occupancy dwellings conditionally permitted in multi-family districts; and
- Emergency shelters permitted in its General Commercial Zoning District

Beginning November 1, 2018 the City will also collect an affordable housing impact fee of 1% on all residential building permits valued at \$100,000 or more. These funds will be used to assist the City in providing financial support to maintain, convert and build new affordable housing in Mill Valley.

F7: *Federal funding for the WPC and HHP programs end in 2020. New funding sources must be created to continue the benefits of this program.*

See response for F4.

F8: *The cost of chronic homelessness in Marin in terms of emergency room visits, hospital stays, police services, jail and negative impacts of living on the streets has been documented to be approximately \$60,000 per person per year. By contrast, the cost of a person in supportive housing has been documented to be approximately \$34,000. Thus, housing is actually less expensive than abandoning the homeless to the streets.*

The costs documented above are related to existing homeless services. Additional analysis may be useful to determine the cost to expand homeless services in Marin, as a means of understanding the funding required for such activities to occur.

F9: *Homeward Bound's Mill Street facility does not have staffing during the day. As a result, everyone who stays there is turned out at 8:00AM and cannot return until 5:00PM. With additional funding, this facility could provide intensive housing-focused support throughout the day.*

The City of Mill Valley does not refute this finding.

F10: *The State of California has millions of dollars allocated to serve the homeless that have not yet been released. Marin's collaborative homeless advocates are well positioned to put additional funds to immediate use in ending homelessness in Marin.*

The City is hopeful that the recent authorization of State funding will allow for additional funding in Marin County to address homelessness.

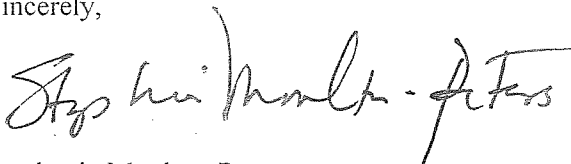
RECOMMENDATIONS:

As requested, the City of Mill Valley is responding to recommendation 5.

R5. *The County of Marin and each city and town should actively seek developers to create housing for the homeless within their jurisdictions.*

Response: The City of Mill Valley appreciates the efforts of the Marin County Civil Grand Jury and fully supports the goals of increasing housing and support services for the chronically homeless in Marin. Access to financing and the availability of funding is critical for developing subsidized affordable housing and housing for the homeless. To that end, the Mill Valley City Council adopted the Affordable Housing Ordinance in 2017, which establishes an Affordable Housing Trust Fund. Beginning November 1, 2018 the City will assess an affordable housing impact fee of 1% on all residential building permits valued at \$100,000 or more. These funds can be used to provide financial support for affordable housing in Mill Valley. These trust fund monies could be leveraged for a subsidized housing project, such as the chronically homeless. In addition, the City's land use and zoning regulations allow for such development to occur. There are also opportunities to work collaboratively with the City to reduce fees and/or development standards for such projects. Lastly, the City is also launching a Housing Committee that will serve as an advisory body to City Council. The Housing Committee will provide a public forum to discuss matters related to the Housing Element and the Affordable Housing Ordinance on a quarterly basis.

Sincerely,



Stephanie Moulton-Peters
Mayor
City of Mill Valley

Cc: Mill Valley City Council
City Manager
File

AGENCY RESPONSE TO CIVIL GRAND JURY REPORT

Report Title: Homelessness in Marin: A Progress Report

Report Date: May 9, 2018

Response Date: August 9, 2018

Agency Name: City of Mill Valley

Agenda Date: July 16, 2018

Response by: Danielle Staude

Title: Senior Planner

FINDINGS

- I (we) agree with the findings numbered: N/A
- I (we) disagree *partially* with the findings numbered: N/A
- I (we) disagree *wholly* with the findings numbered: N/A

(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered 5 have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 7/10/18 Signed: D. Staude

Number of pages attached 3