

**CALENDAR FOR THE BOARD OF SUPERVISORS
CONTRA COSTA COUNTY
AND FOR SPECIAL DISTRICTS, AGENCIES, AND AUTHORITIES
GOVERNED BY THE BOARD
BOARD CHAMBERS ROOM 107, ADMINISTRATION BUILDING, 651
PINE STREET
MARTINEZ, CALIFORNIA 94553-1229**

FEDERAL D. GLOVER, CHAIR, 5TH DISTRICT
KAREN MITCHOFF, VICE CHAIR, 4TH DISTRICT
JOHN GIOIA, 1ST DISTRICT
CANDACE ANDERSEN, 2ND DISTRICT
DIANE BURGIS, 3RD DISTRICT

DAVID J. TWA, CLERK OF THE BOARD AND COUNTY ADMINISTRATOR, (925) 335-1900

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, MAY BE LIMITED TO TWO (2) MINUTES.

A LUNCH BREAK MAY BE CALLED AT THE DISCRETION OF THE BOARD CHAIR.

The Board of Supervisors respects your time, and every attempt is made to accurately estimate when an item may be heard by the Board. All times specified for items on the Board of Supervisors agenda are approximate. Items may be heard later than indicated depending on the business of the day. Your patience is appreciated.

**ANNOTATED AGENDA & MINUTES
January 30, 2018**

9:00 A.M. Convene and Call to Order (*Chair, Karen Mitchoff*)

Present: District I Supervisor John Gioia; District II Supervisor Candace Andersen; District III Supervisor Diane Burgis; District IV Supervisor Karen Mitchoff; District V Supervisor Federal D. Glover

Staff Present: David Twa, County Administrator

Public Comment (2 minutes each)

Public speaker: Jerome Knott from Love a Child Missions; Sukhdev Singh, did not wish to speak, but left written commentary for the Board's consideration (attached).

Board Operating Procedures and Communications (*Chair, Karen Mitchoff*)

No commentary or changes at this time.

- D.3** CONSIDER accepting report “The Economic Outlook: Focus on the Contra Costa Economy” prepared by Beacon Economics.
(Dr. Christopher Thornberg, Beacon Economics)

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Diane Burgis, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

---BREAK---

- D.4** CONSIDER accepting report on budget and key issues for FY 2017/18 and beyond. *(David Twa, County Administrator and Lisa Driscoll, County Finance Director)*

Public Speakers: Mariana Moore and Cheryl Sudduth from the Budget Justice Coalition.

DIRECTED staff to provide an update on the status of establishing the Countywide Redevelopment Oversight Board and process for selecting the two appointees, to leave a slot open for the Public Defender if she chooses to make a presentation at the budget hearing; and REQUESTED the Public Works Director to make a presentation at the budget hearing.

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Diane Burgis, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

- D.5** CONSIDER accepting report on Capital Projects. *(Eric Angstadt, Chief Assistant County Administrator)*

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Diane Burgis, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

--- BREAK FOR LUNCH AND CLOSED SESSION---

Closed Session Agenda

A. CONFERENCE WITH LABOR NEGOTIATORS

1. Agency Negotiators: David Twa and Richard Bolanos.

Employee Organizations: Contra Costa County Employees' Assn., Local No. 1; Am. Fed., State, County, & Mun. Empl., Locals 512 and 2700; Calif. Nurses Assn.; Service Empl. Int'l Union, Local 1021; District Attorney's Investigators Assn.; Deputy Sheriffs Assn.; United Prof. Firefighters, Local 1230; Physicians' & Dentists' Org. of Contra Costa; Western Council of Engineers; United Chief Officers Assn.; Service Employees International Union Local 2015; Contra Costa County Defenders Assn.; Probation Peace Officers Assn. of Contra Costa County; Contra Costa County Deputy District Attorneys' Assn.; and Prof. & Tech. Engineers, Local 21, AFL-CIO; Teamsters Local 856.

2. Agency Negotiators: David Twa.

Unrepresented Employees: All unrepresented employees.

B. PUBLIC EMPLOYEE APPOINTMENT

Title: Director of Health Services

C. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: County Administrator

Announcement from closed session that Anna Roth has been selected as the new Contra Costa County Health Services Director.

---RESUME OPEN SESSION---

- D.6** CONSIDER accepting report from the Office of Reentry & Justice on the County's reentry and justice related programs, including the Government Alliance on Race and Equity (GARE). *(Lara DeLaney, Acting Director of the Office of Reentry & Justice and Donte' Blue, Deputy Director of the Office of Reentry & Justice)*

Dwayne March presentation attached.

Public Speaker: Debbie Toth from Choice in Aging.

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Diane Burgis, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

- D.7** CONSIDER accepting report on Contra Costa's Homelessness Continuum of Care. (*Lavonna Martin, Director - Health, Housing and Homeless Services*)

Public Speaker: Jerome Knott from Love a Child Missions

AYE: District I Supervisor John Gioia, District II Supervisor Candace Andersen, District III Supervisor Diane Burgis, District IV Supervisor Karen Mitchoff, District V Supervisor Federal D. Glover

Wrap-up and Closing Comments (*Chair, Karen Mitchoff*)

ADJOURN

GENERAL INFORMATION

The Board meets in all its capacities pursuant to Ordinance Code Section 24-2.402, including as the Housing Authority and the Successor Agency to the Redevelopment Agency. Persons who wish to address the Board should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Clerk of the Board to a majority of the members of the Board of Supervisors less than 72 hours prior to that meeting are available for public inspection at 651 Pine Street, First Floor, Room 106, Martinez, CA 94553, during normal business hours.

All matters listed under CONSENT ITEMS are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Board votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board. Comments on matters listed on the agenda or otherwise within the purview of the Board of Supervisors can be submitted to the office of the Clerk of the Board via mail: Board of Supervisors, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913.

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106.

Copies of recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Forms are available to anyone desiring to submit an inspirational thought nomination for inclusion on the Board Agenda. Forms may be obtained at the Office of the County Administrator or Office of the Clerk of the Board, 651 Pine Street, Martinez, California.

Applications for personal subscriptions to the weekly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The weekly agenda may also be viewed on the County's Internet Web Page:

www.co.contra-costa.ca.us

Glossary of Acronyms, Abbreviations, and other Terms (in alphabetical order):

Contra Costa County has a policy of making limited use of acronyms, abbreviations, and industry-specific language in its Board of Supervisors meetings and written materials. Following is a list of commonly used language that may appear in oral presentations and written materials associated with Board meetings:

AB Assembly Bill

ABAG Association of Bay Area Governments

ACA Assembly Constitutional Amendment

ADA Americans with Disabilities Act of 1990

AFSCME American Federation of State County and Municipal Employees

AICP American Institute of Certified Planners

AIDS Acquired Immunodeficiency Syndrome

ALUC Airport Land Use Commission

AOD Alcohol and Other Drugs

ARRA American Recovery & Reinvestment Act of 2009

BAAQMD Bay Area Air Quality Management District

BART Bay Area Rapid Transit District

BayRICS Bay Area Regional Interoperable Communications System

BCDC Bay Conservation & Development Commission

BGO Better Government Ordinance

BOS Board of Supervisors

CALTRANS California Department of Transportation

CalWIN California Works Information Network

CalWORKS California Work Opportunity and Responsibility to Kids

CAER Community Awareness Emergency Response

CAO County Administrative Officer or Office

CCCPCFD (ConFire) Contra Costa County Fire Protection District

CCHP Contra Costa Health Plan

CCTA Contra Costa Transportation Authority

CCRMC Contra Costa Regional Medical Center

CCWD Contra Costa Water District

CDBG Community Development Block Grant

CFDA Catalog of Federal Domestic Assistance

CEQA California Environmental Quality Act

CIO Chief Information Officer

COLA Cost of living adjustment

ConFire (CCCFPD) Contra Costa County Fire Protection District
CPA Certified Public Accountant
CPI Consumer Price Index
CSA County Service Area
CSAC California State Association of Counties
CTC California Transportation Commission
dba doing business as
DSRIP Delivery System Reform Incentive Program
EBMUD East Bay Municipal Utility District
ECCFPD East Contra Costa Fire Protection District
EIR Environmental Impact Report
EIS Environmental Impact Statement
EMCC Emergency Medical Care Committee
EMS Emergency Medical Services
EPSDT Early State Periodic Screening, Diagnosis and Treatment Program (Mental Health)
et al. et alii (and others)
FAA Federal Aviation Administration
FEMA Federal Emergency Management Agency
F&HS Family and Human Services Committee
First 5 First Five Children and Families Commission (Proposition 10)
FTE Full Time Equivalent
FY Fiscal Year
GHAD Geologic Hazard Abatement District
GIS Geographic Information System
HCD (State Dept of) Housing & Community Development
HHS (State Dept of) Health and Human Services
HIPAA Health Insurance Portability and Accountability Act
HIV Human Immunodeficiency Syndrome
HOV High Occupancy Vehicle
HR Human Resources
HUD United States Department of Housing and Urban Development
IHSS In-Home Supportive Services
Inc. Incorporated
IOC Internal Operations Committee
ISO Industrial Safety Ordinance
JPA Joint (exercise of) Powers Authority or Agreement

Lamorinda Lafayette-Moraga-Orinda Area
LAFCo Local Agency Formation Commission
LLC Limited Liability Company
LLP Limited Liability Partnership
Local 1 Public Employees Union Local 1
LVN Licensed Vocational Nurse
MAC Municipal Advisory Council
MBE Minority Business Enterprise
M.D. Medical Doctor
M.F.T. Marriage and Family Therapist
MIS Management Information System
MOE Maintenance of Effort
MOU Memorandum of Understanding
MTC Metropolitan Transportation Commission
NACo National Association of Counties
NEPA National Environmental Policy Act
OB-GYN Obstetrics and Gynecology
O.D. Doctor of Optometry
OES-EOC Office of Emergency Services-Emergency Operations Center
OPEB Other Post Employment Benefits
OSHA Occupational Safety and Health Administration
PARS Public Agencies Retirement Services
PEPRA Public Employees Pension Reform Act
Psy.D. Doctor of Psychology
RDA Redevelopment Agency
RFI Request For Information
RFP Request For Proposal
RFQ Request For Qualifications
RN Registered Nurse
SB Senate Bill
SBE Small Business Enterprise
SEIU Service Employees International Union
SUASI Super Urban Area Security Initiative
SWAT Southwest Area Transportation Committee
TRANSPAC Transportation Partnership & Cooperation (Central)
TRANSPLAN Transportation Planning Committee (East County)
TRE or **TTE** Trustee

TWIC Transportation, Water and Infrastructure Committee

UASI Urban Area Security Initiative

VA Department of Veterans Affairs

vs. versus (against)

WAN Wide Area Network

WBE Women Business Enterprise

WCCTAC West Contra Costa Transportation Advisory Committee



Contra Costa County

To: Board of Supervisors
 From: David Twa, County Administrator
 Date: January 30, 2018

Subject: Annual Update on Economic Conditions in Contra Costa County

RECOMMENDATION(S):

ACCEPT report "The Economic Outlook: Focus on the Contra Costa Economy".

FISCAL IMPACT:

This report is for informational purposes and has no specific fiscal impact.

BACKGROUND:

Attached is Beacon Economics report entitled "The Economic Outlook: Focus on the Contra Costa Economy".

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
 ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
 COMMITTEE

Action of Board On: **01/30/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
 Candace Andersen, District II
 Supervisor
 Diane Burgis, District III Supervisor
 Karen Mitchoff, District IV Supervisor
 Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 30, 2018

David J. Twa, County Administrator and Clerk of the Board
 of Supervisors

Contact: Lisa Driscoll, County
 Finance Director (925) 335-1023

By: Jami Napier, Deputy

cc:

ATTACHMENTS

The Economic Outlook (Beacon Economics)

Dr. Christopher Thornberg Bio

The Economic Outlook

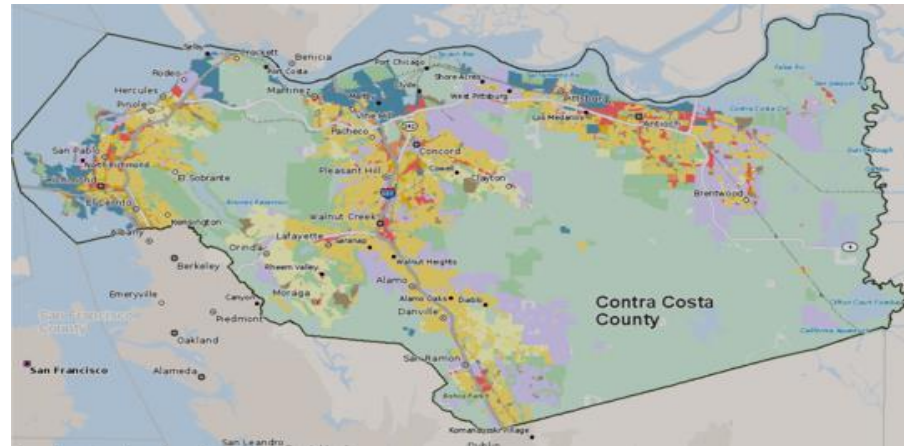
Focus on the Contra Costa Economy

January 2018

Christopher Thornberg

Founding Partner, Beacon Economics

Director, UC Riverside Center for Forecasting and Development



It was an interesting year...



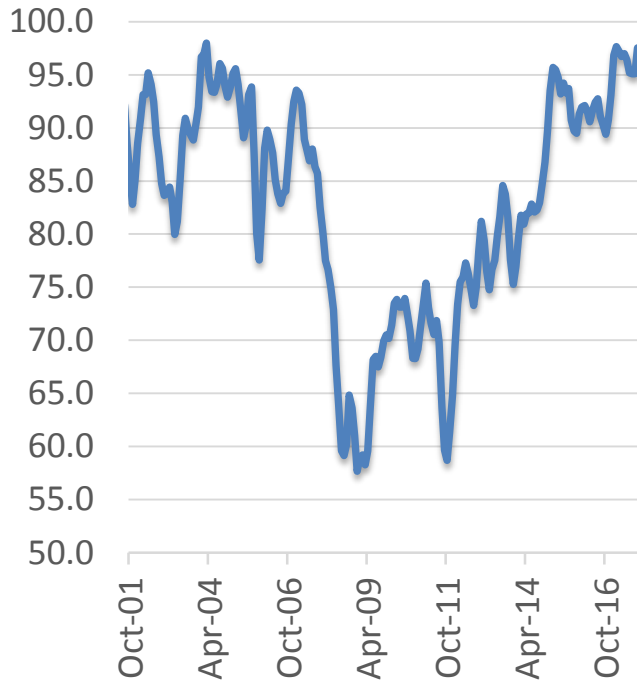


The Victory of Miserabilism

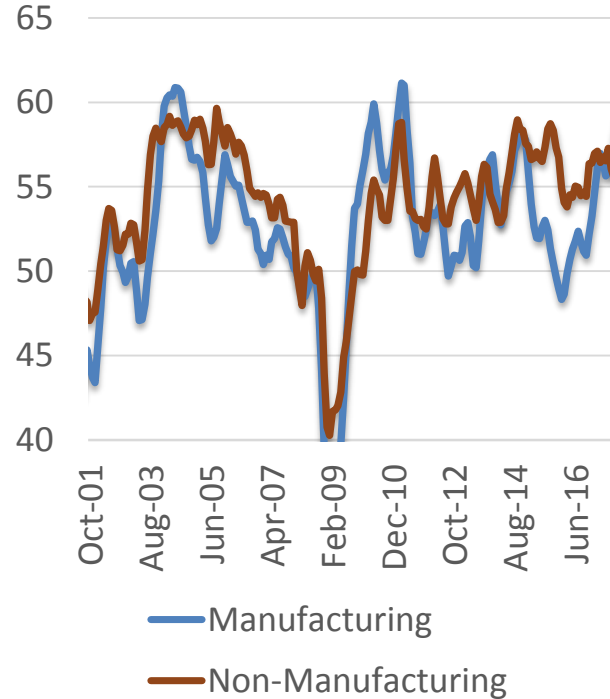
- **The Good: Meet the new economy, same as the old economy**
 - For all the sound and fury, very little actually happened (x taxes)
 - 2017 solid year for growth: looked a lot like 2013-2016
 - 2018 likely to be better: the tax cut stimulus will boost the economy
 - Still a low chance of recession in next 24 months
- **The Bad: Economic Brakes and Growing Imbalances**
 - Labor shortage Issues (particularly in California)
 - Consumer savings declines, another bubble forming
 - Aggressive Fed: rising rates, flattening yield curves
- **The Ugly: 2018 will be seen as a historic turning point**
 - Little effort to deal with underinvestment in infrastructure, rising wealth and income inequality, healthcare cost inflation, housing
 - Sharp growth in entitlement spending and government deficits
 - Breakdown in basic norms of political leadership

Optimism Abounds

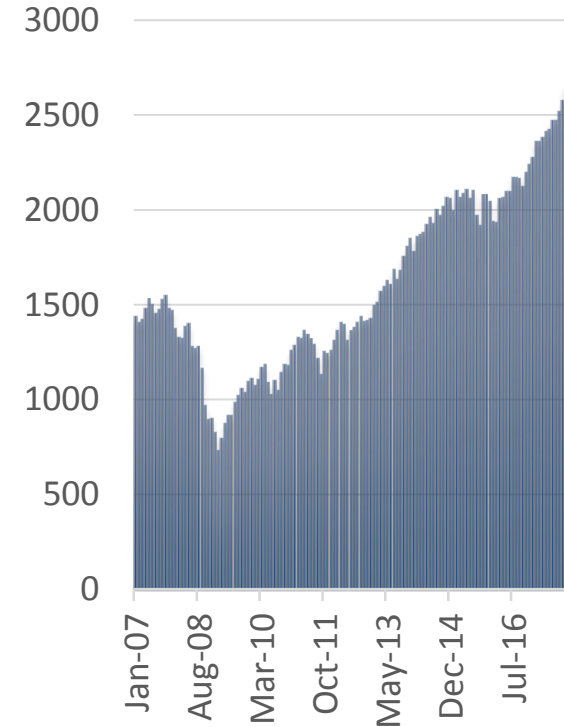
UM Consumer Sentiment
3 Month MA



ISM Diffusion Indexes
3 Month MA

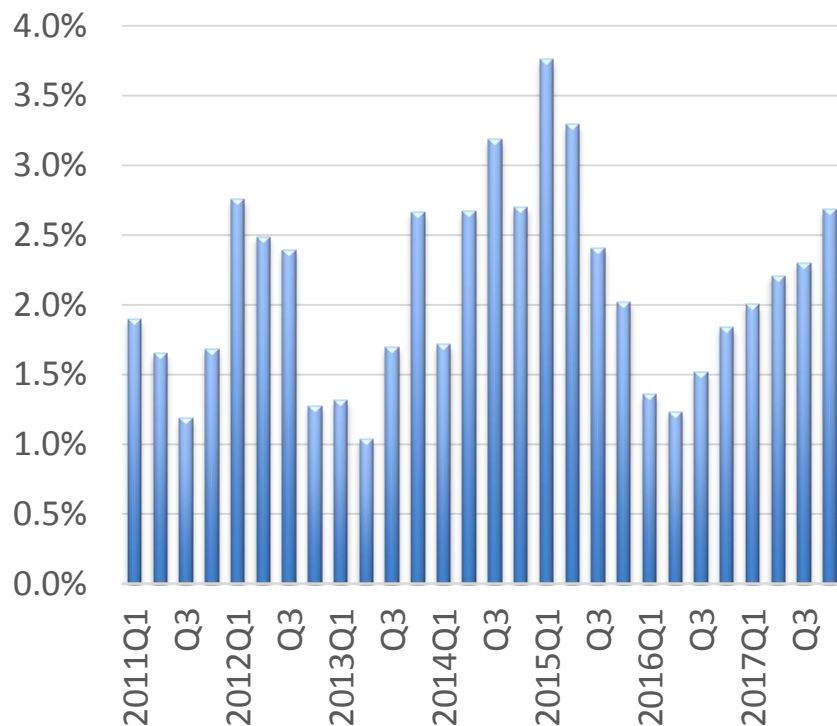


S&P 500 Index



GDP Growth: 2017 back to 3%

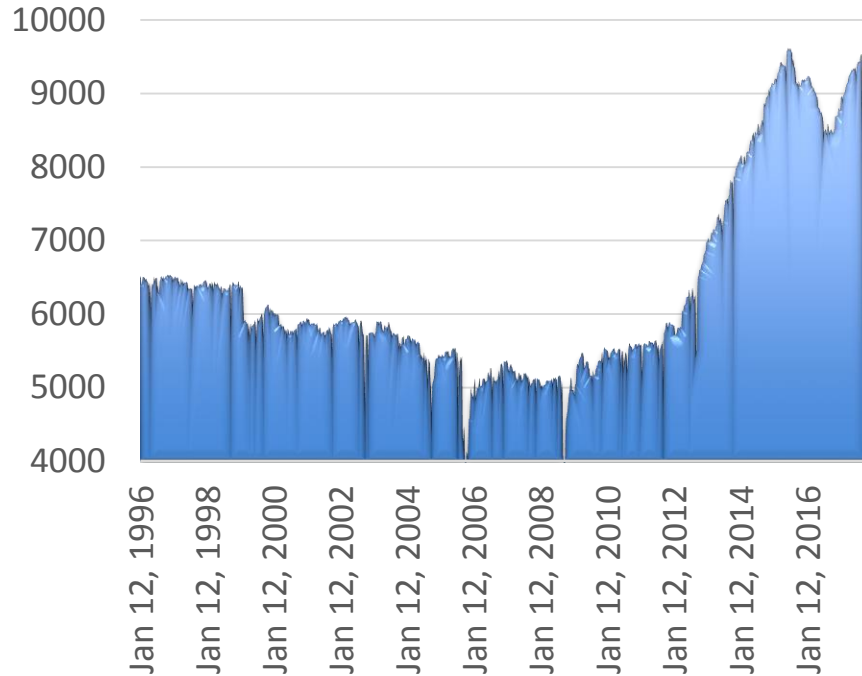
Y-o-Y Growth



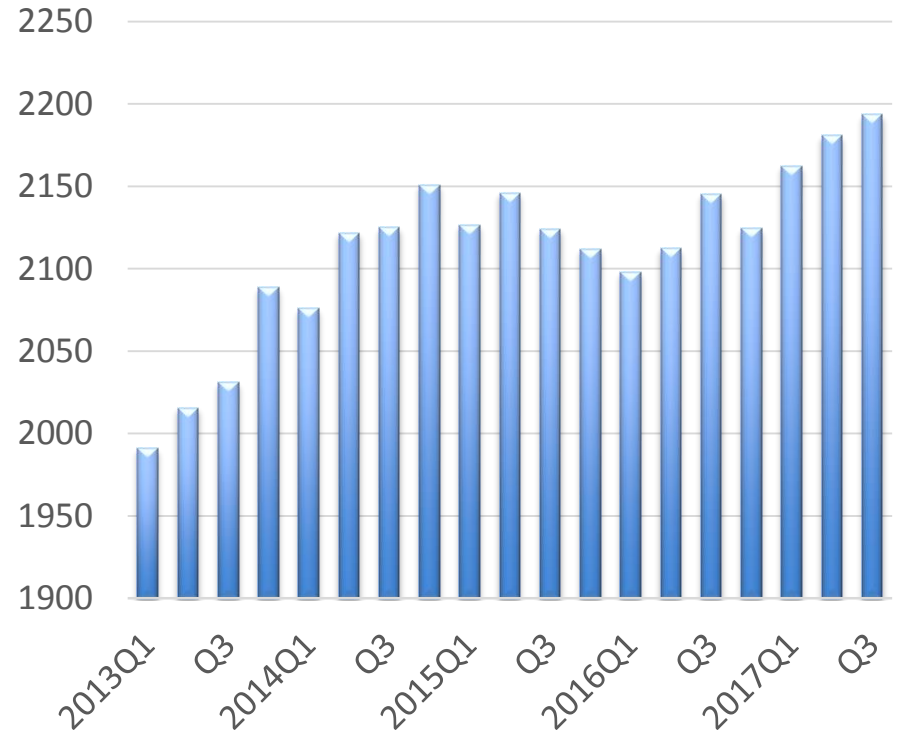
	2013	2014	2015	2016	2017	2017	
						Q3	Q4
GDP	2.68	2.73	2.00	1.85	2.73	3.20	2.60
FD	1.68	3.45	2.70	2.19	2.79	2.05	3.88
PCE	1.37	2.40	2.04	1.93	1.95	1.49	2.58
Fixed Inv	0.83	0.95	0.40	0.18	0.86	0.40	1.27
Struct	0.16	0.26	-0.28	0.10	0.07	-0.21	0.04
Equip	0.39	0.24	0.21	-0.22	0.52	0.58	0.62
IPP	0.09	0.26	0.13	0.21	0.20	0.21	0.18
Res	0.20	0.20	0.35	0.09	0.08	-0.18	0.42
Invent	0.62	-0.15	-0.02	-0.02	-0.11	0.79	-0.67
Net exports	0.38	-0.57	-0.68	-0.31	0.05	0.36	-1.13
Government	-0.53	0.09	0.28	0.07	0.12	0.12	0.50

Oil and Exports

Weekly US Oil Production to December



US Exports (Real)

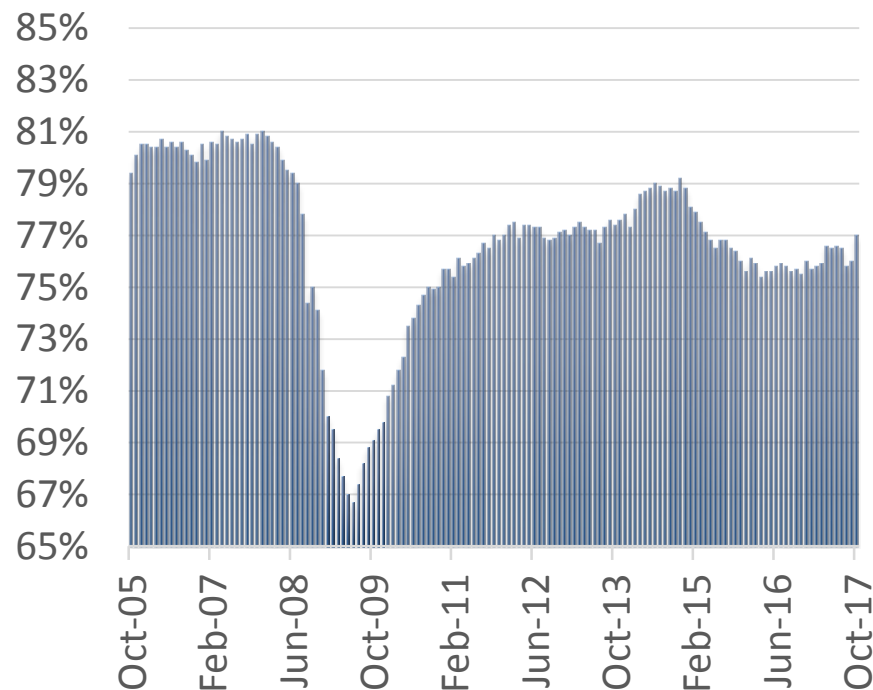


Industrial Stats: Meh.

Industrial Production (Y-o-Y Growth)
to Oct

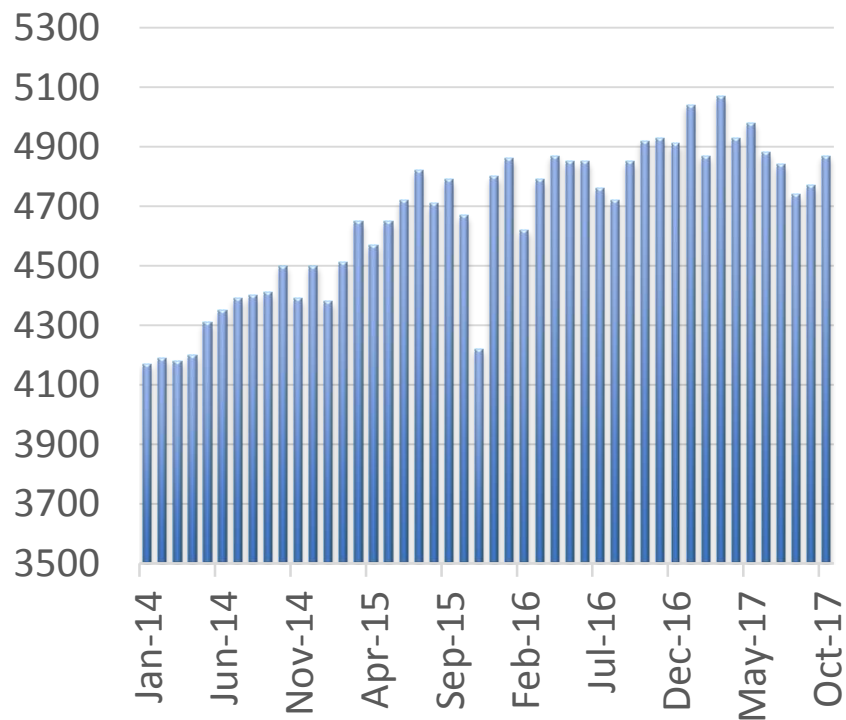


Capacity Utilization

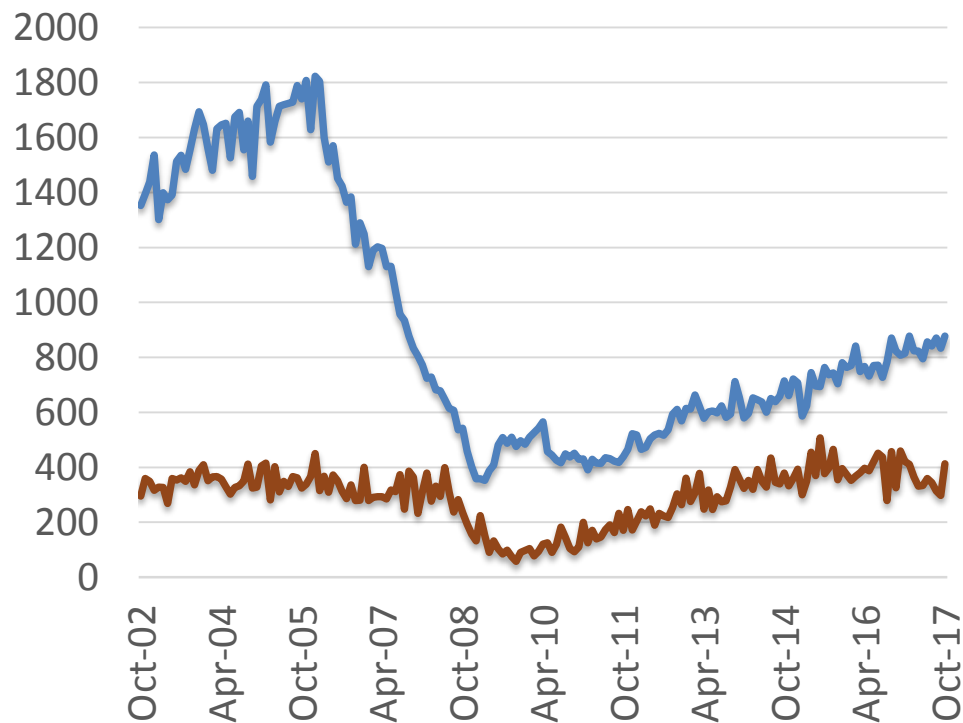


Housing

Existing SF Homes Sales



Housing Starts SAAR

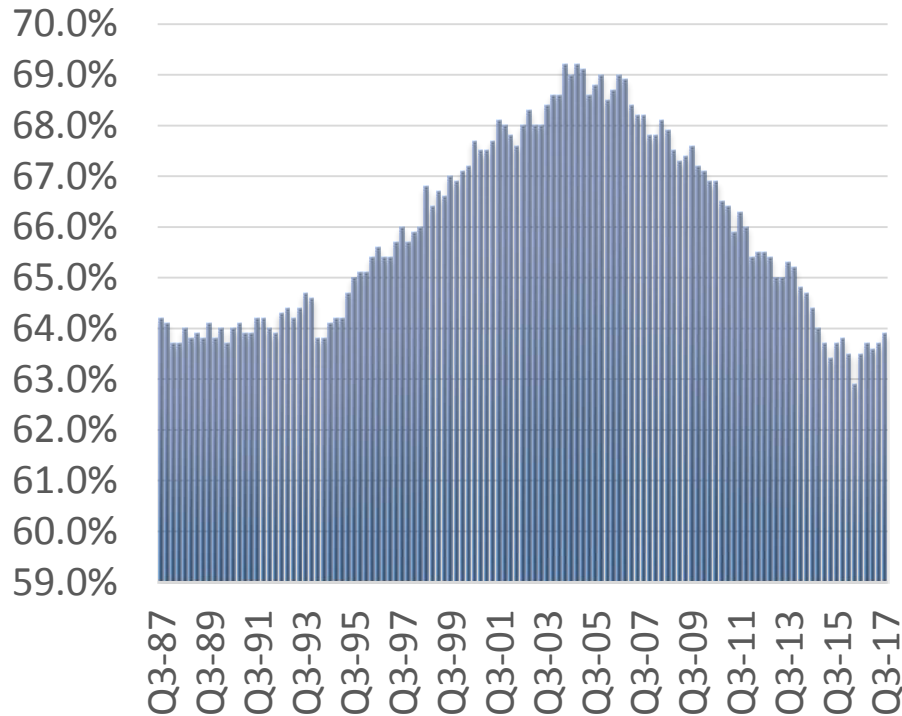


Home Prices

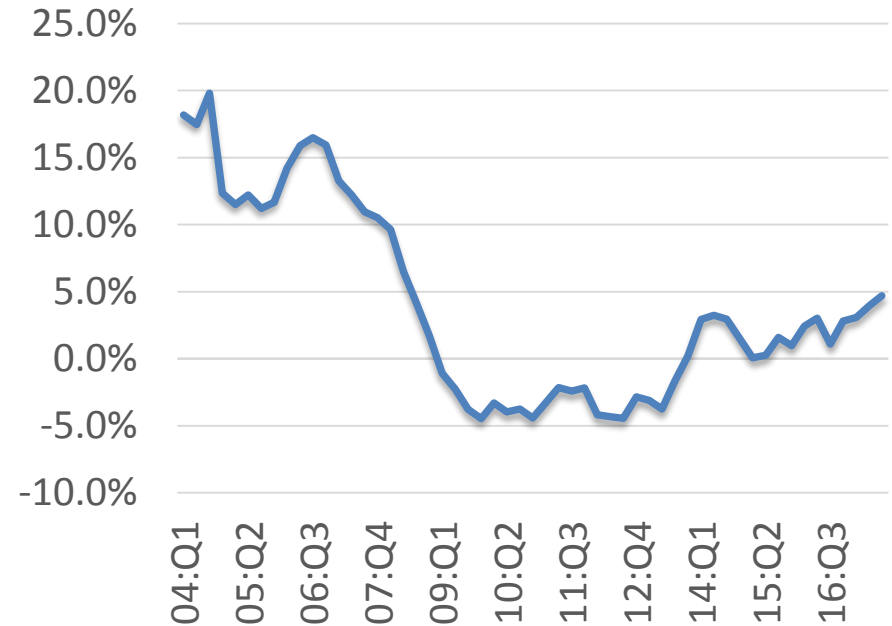
	2016	2017		2016	2017
WA-Seattle	10.6%	12.7%	NC-Charlotte	5.9%	6.4%
NV-Las Vegas	5.6%	10.2%	Composite-20	5.0%	6.4%
CA-San Diego	5.8%	8.1%	National-US	5.2%	6.2%
CA-San Francisco	5.6%	7.7%	AZ-Phoenix	5.1%	6.0%
CO-Denver	8.3%	7.2%	NY-New York	2.1%	5.9%
MI-Detroit	6.6%	7.1%	MN-Minneapolis	5.4%	5.4%
TX-Dallas	8.1%	7.1%	GA-Atlanta	5.8%	5.0%
OR-Portland	10.2%	7.1%	OH-Cleveland	4.0%	4.7%
MA-Boston	4.4%	6.9%	FL-Miami	6.4%	4.4%
FL-Tampa	7.8%	6.9%	IL-Chicago	2.9%	4.1%
CA-Los Angeles	5.5%	6.5%	DC-Washington	2.1%	3.1%

Ownership- Slight Up

Home Ownership

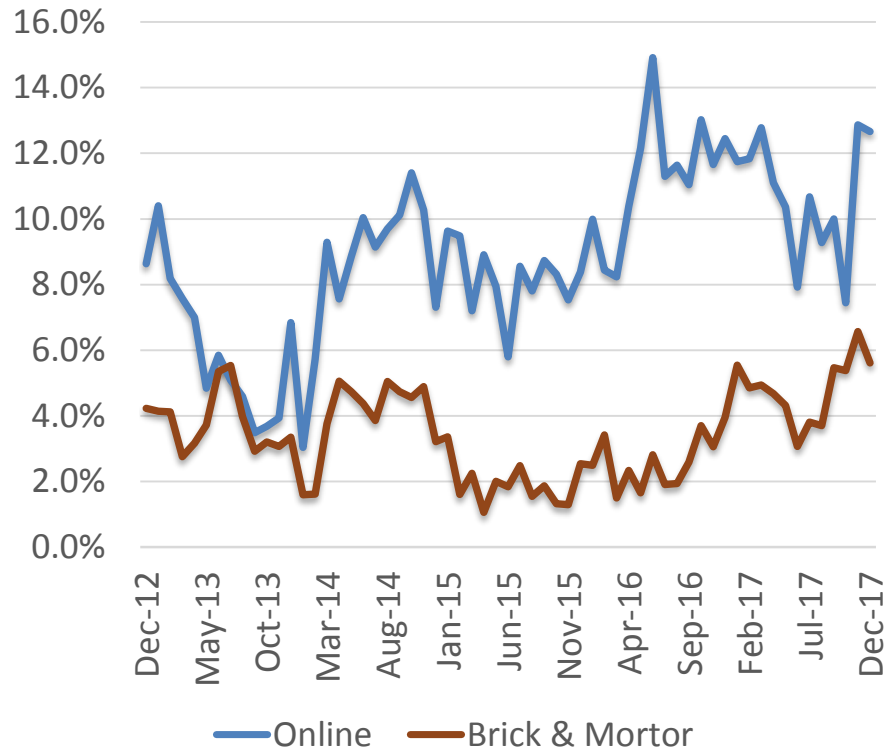


Growth Outstanding Mortgage Debt

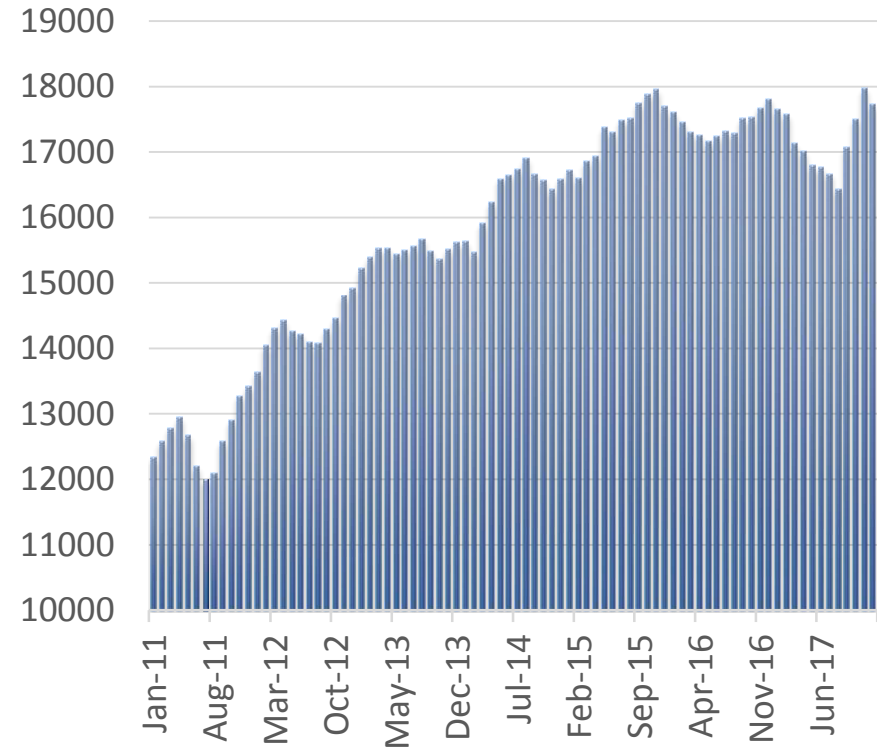


Retail Sales

Retail Sales (Y-o-Y to Dec)



Auto Sales SAAR

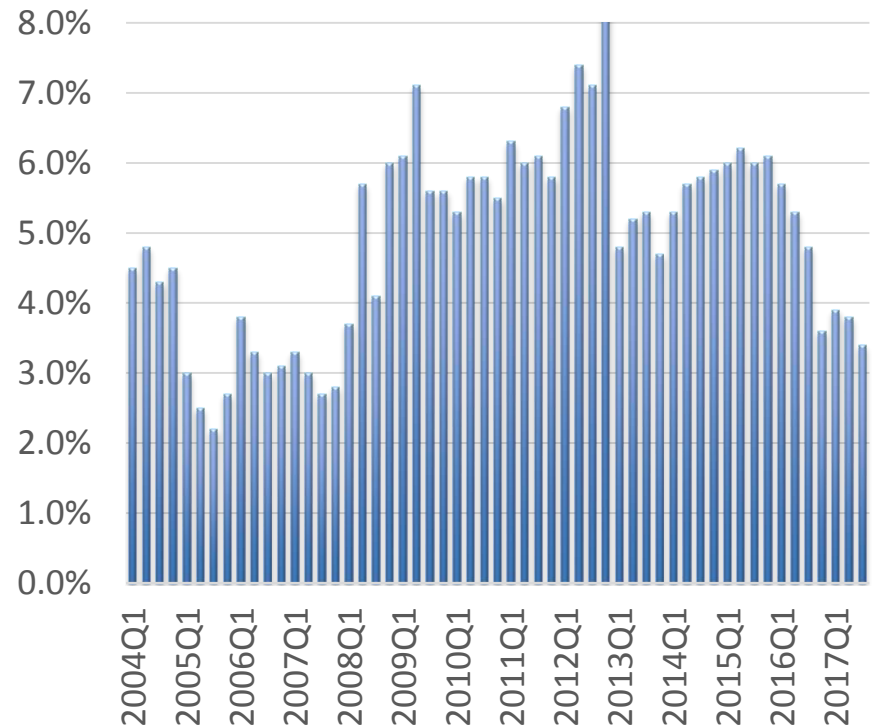


Consumer Spending

Real Consumer Spending (3 Month
MA Growth) to September

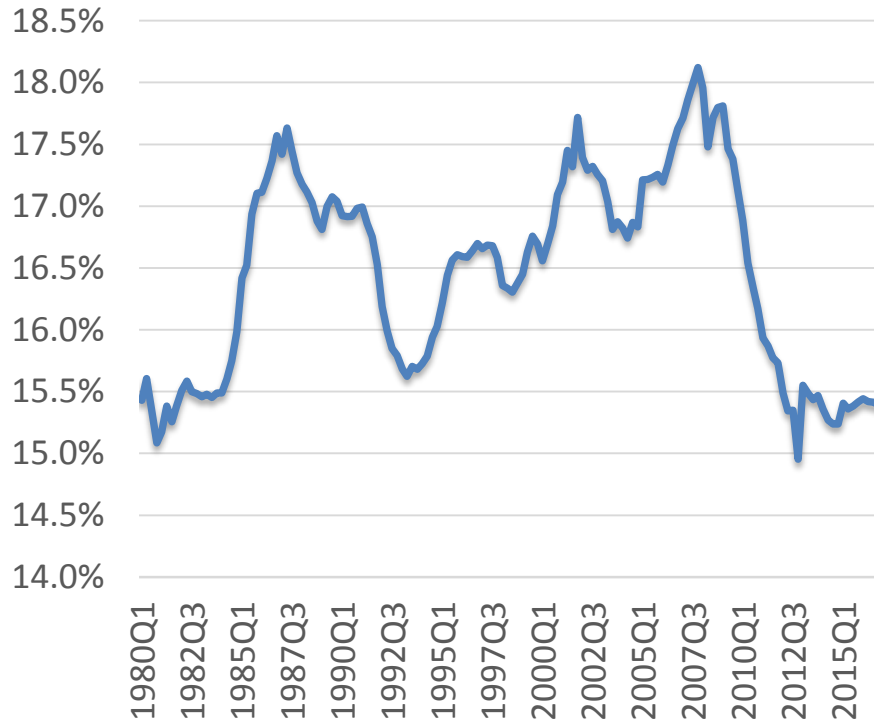


Consumer Savings Rate

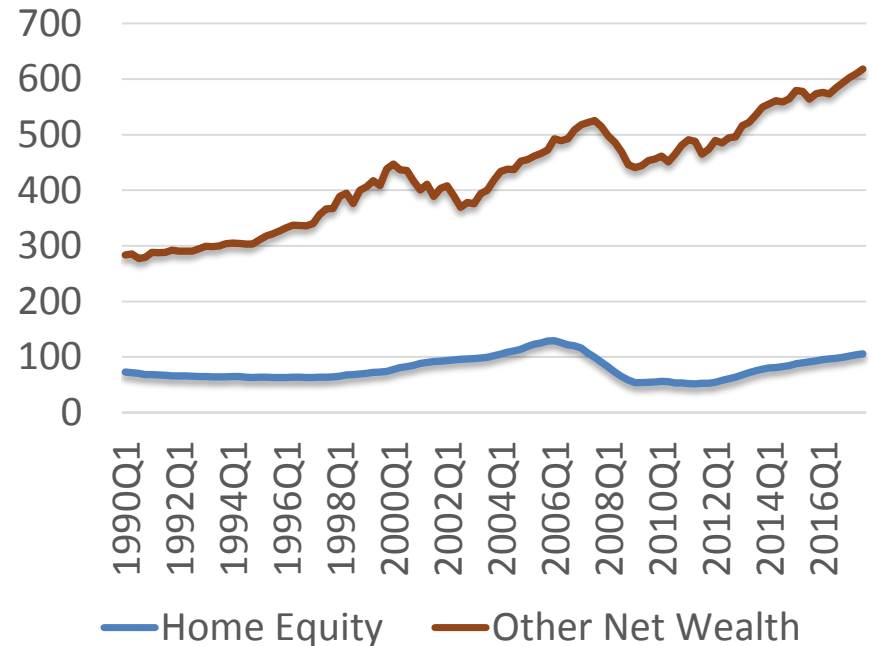


Wealth and Debt

Household Financial Obligation Ratio

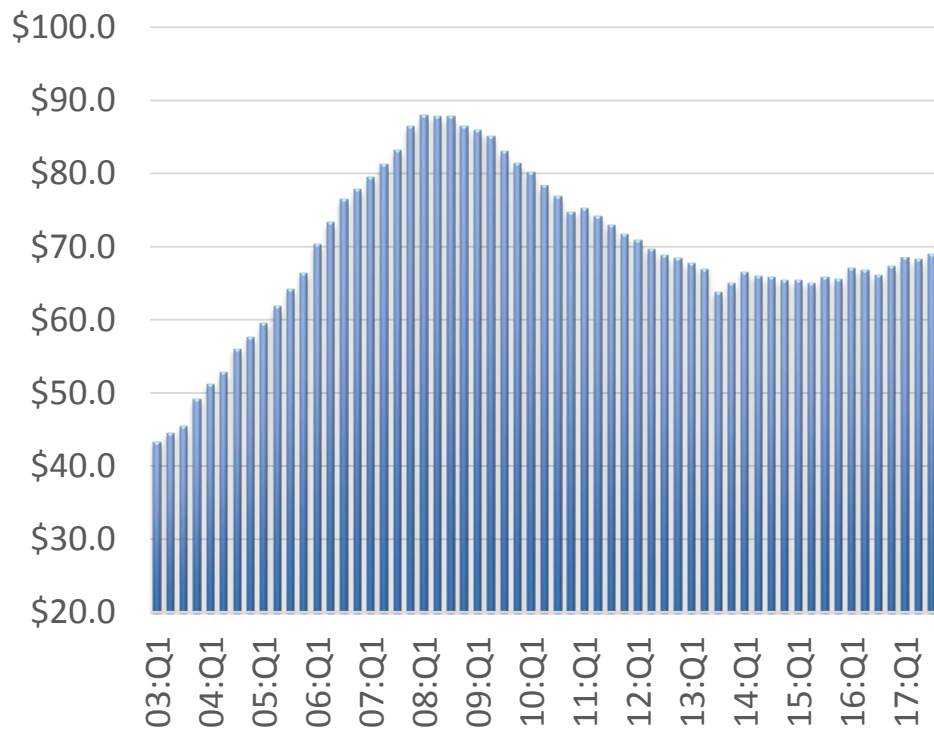


Real Average Wealth per Household (FOF, Thous.)

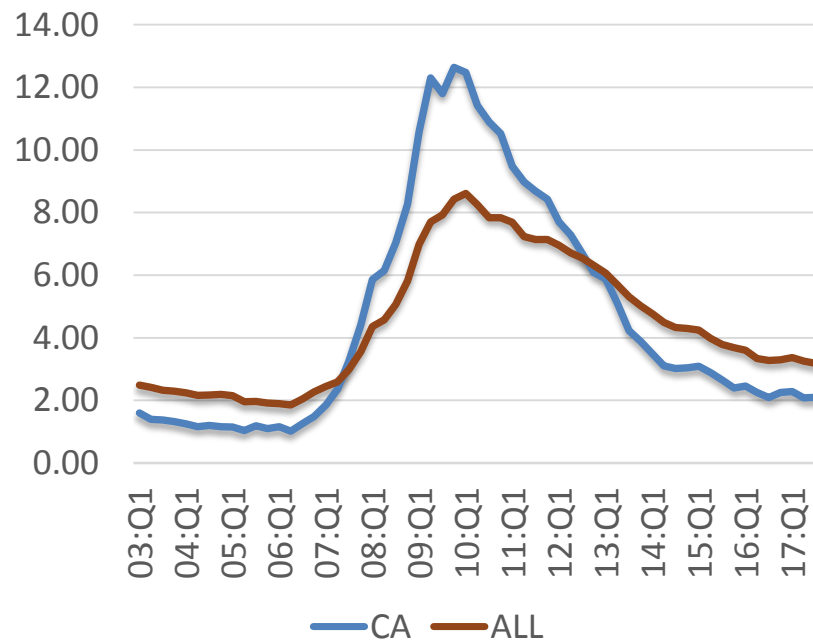


California Debt

California Debt Per Capita (Thous)

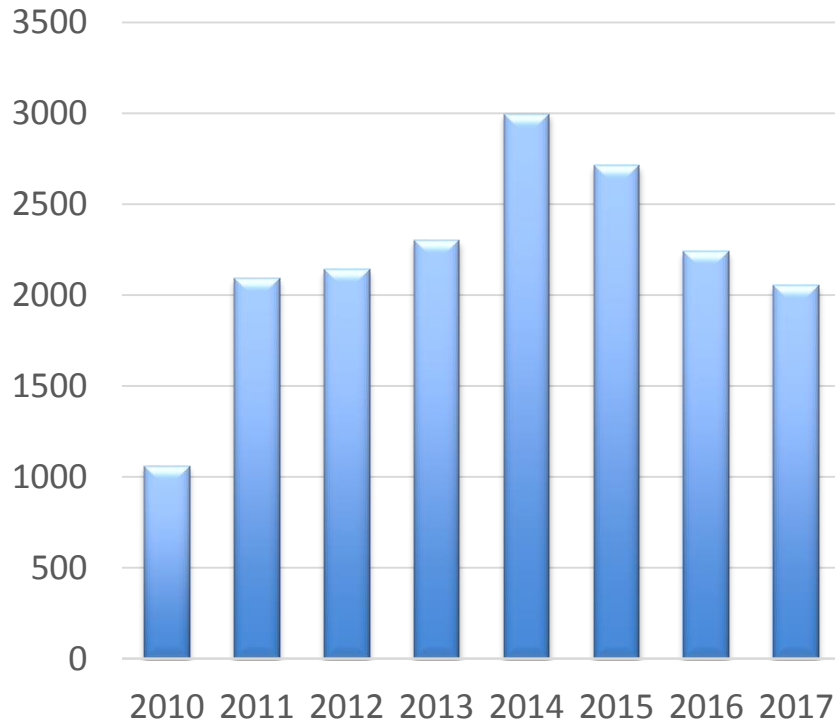


Share of Debt 90 days plus delinquent

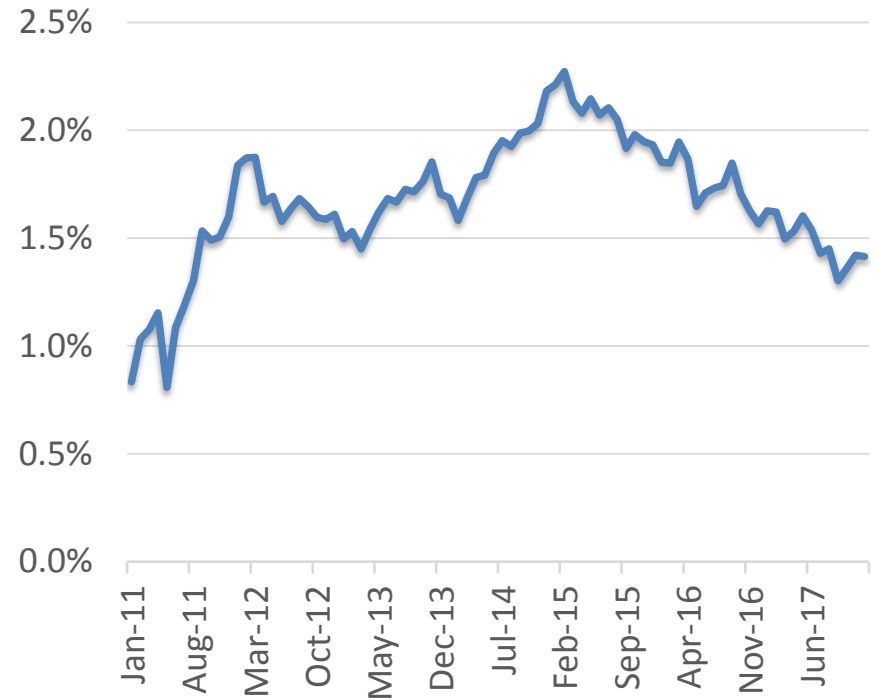


Labor Markets

Net Change Payroll Jobs

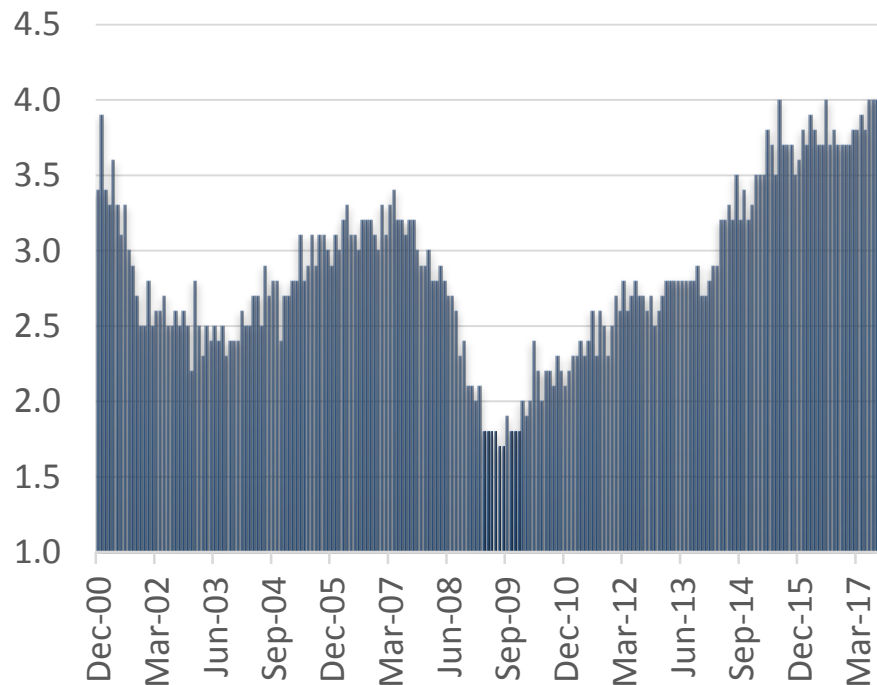


Growth Payroll Employment (Y-o-Y)

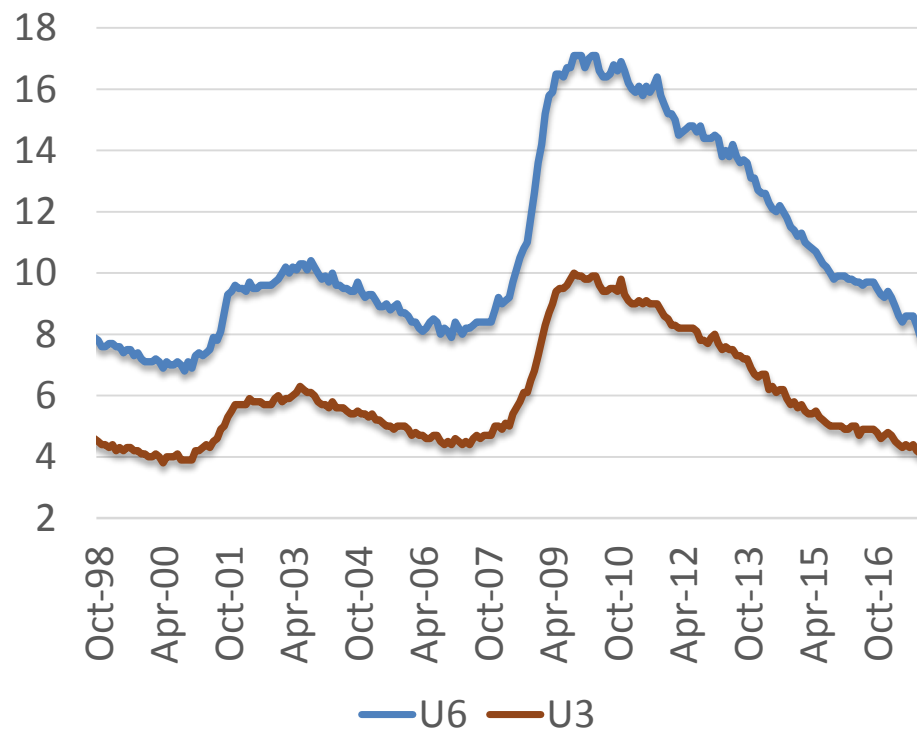


Why Slowing Job Growth?

JOLT Job Openings Rate
(% of Jobs)

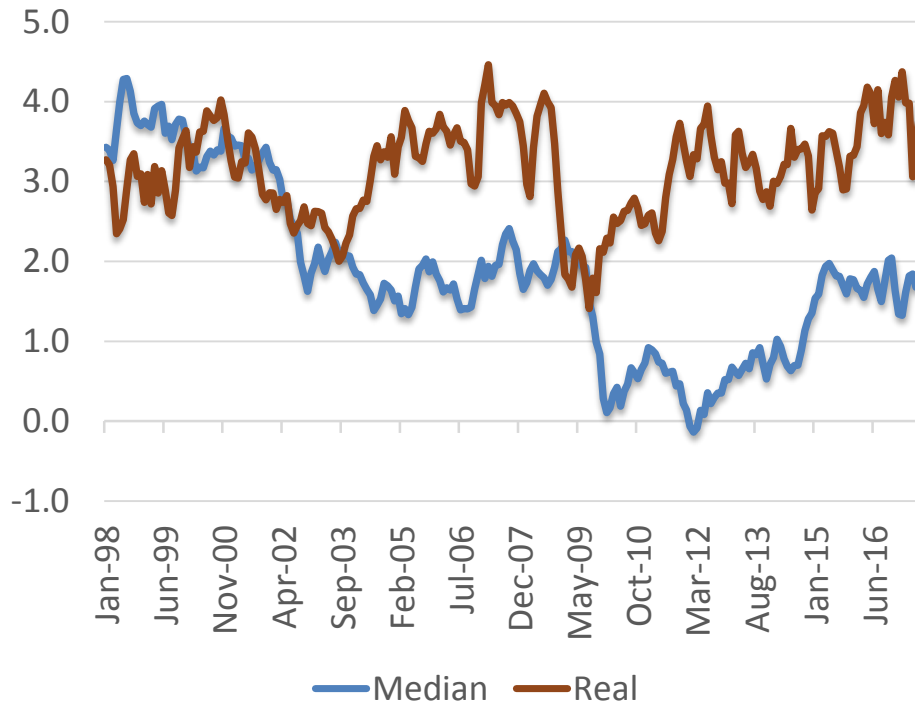


Unemployment



Consequences

Real Wage Gains

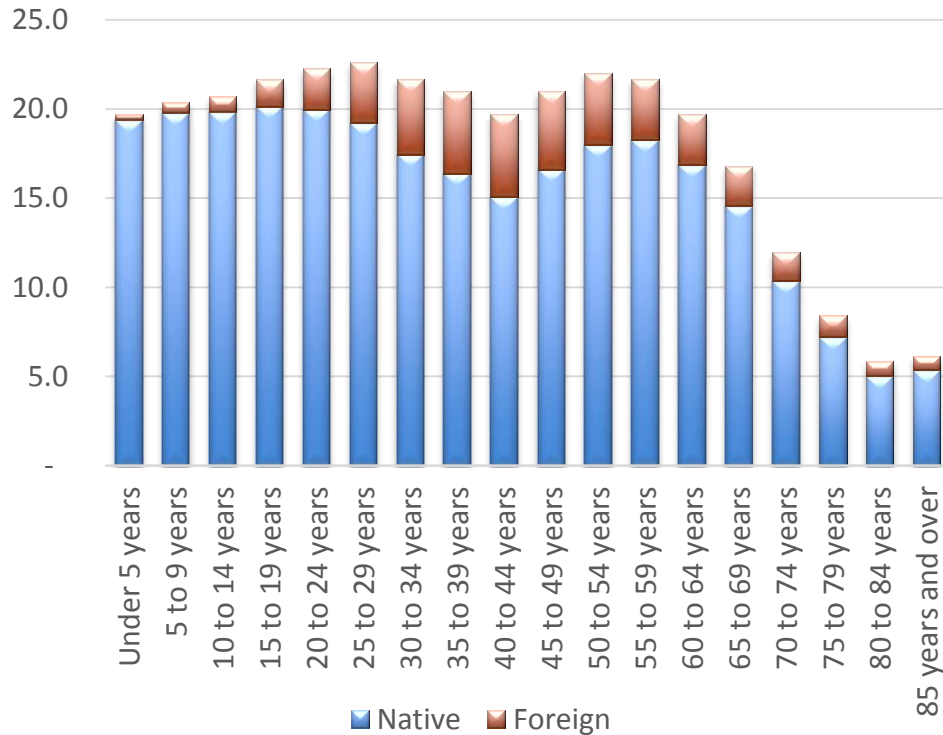


Labor Force Growth

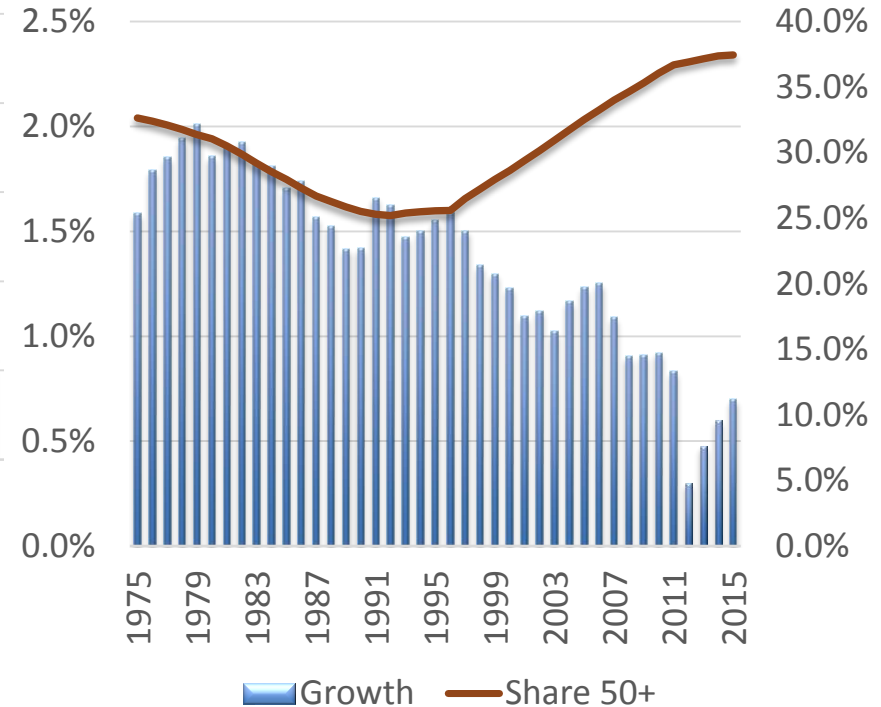


Demographic Limits

2016 Population by Age by Nativity (Millions)



US Population of 25-64 Year Olds

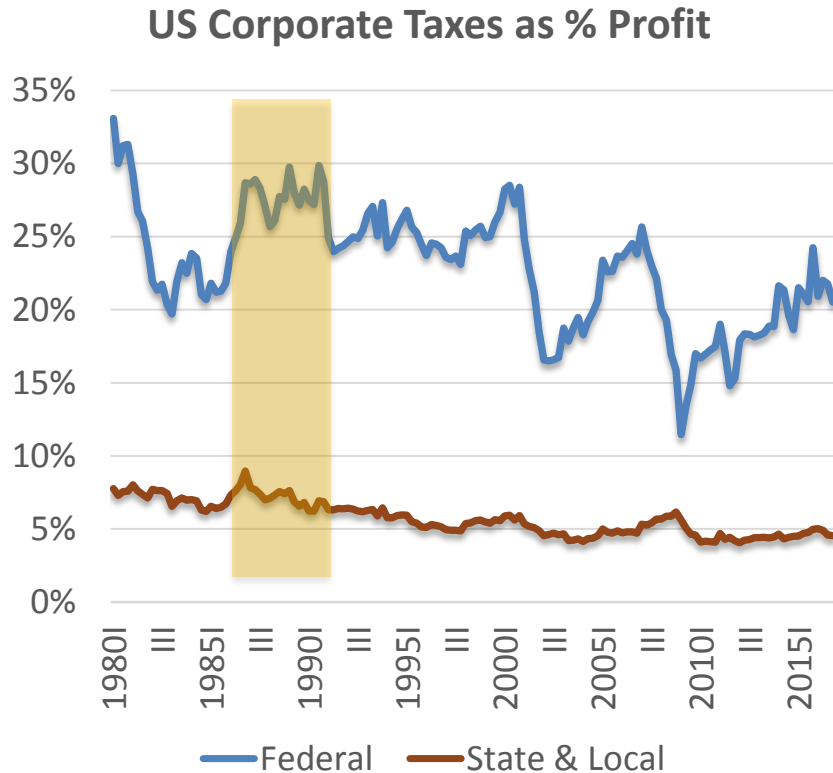


The Cure for Secular Stagnation

Figure 8: Increase in Average Annual Growth Rate With Estimated Policy Shifts

Policy Change	Boost in Annual Growth Rate	Estimated By
Enact immigration reform to increase number of workers	0.3%	CBO
Reform the income tax code	0.05% - 0.3%	JCT, Treasury
Increase the Social Security retirement ages by two years	0.15%	CBO
Reduce deficits by \$4 trillion over ten years	0.1%	CBO
Expand energy production at level of shale boom*	0.09%	CBO
Repeal the Affordable Care Act ("Obamacare")	0.08%	CBO
Ratify the Trans-Pacific Partnership	0.01%	U.S. ITC
Increase public investment in infrastructure, education, and research by \$400 billion	0 - 0.01%	CBO

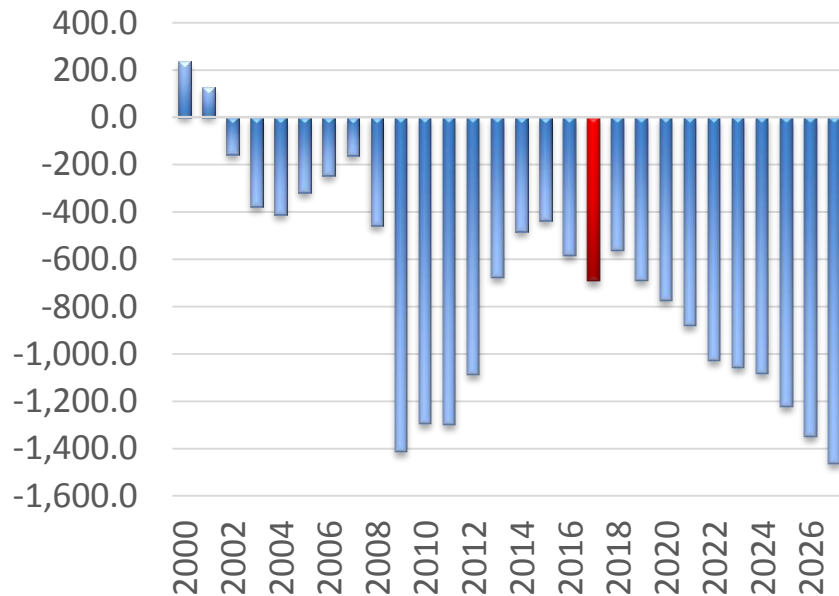
Tax Reform vs Tax Cuts



- A. Most corporations and households will pay less in taxes
- B. The plan will give a small short term boost to the economy
- C. The plan is regressive
- D. Will add \$1.5 trillion to \$3.5 trillion to the debt over 10 Years

Implications

CBO: Past and Projected Federal Budget Gap

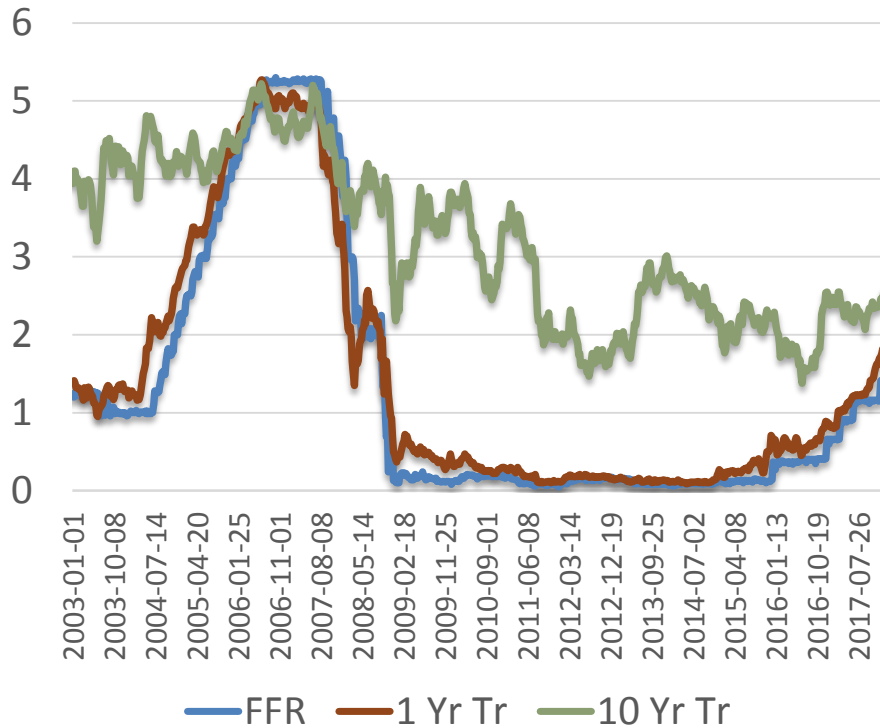


Real Average Net Worth by Bracket

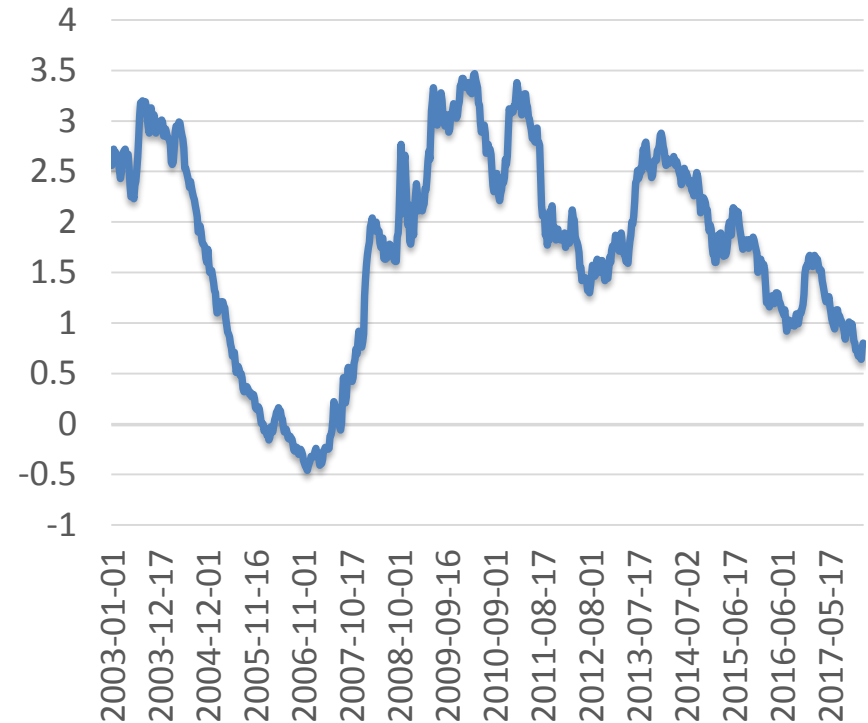
	1989	2001	2016
< 25	\$(1)	\$0	\$(12)
	0%	0%	0%
25–49.9	\$43	\$60	\$45
	3%	3%	2%
50–74.9	\$166	\$227	\$204
	12%	11%	7%
75–89.9	\$422	\$612	\$659
	18%	17%	14%
90–100	\$2,317	\$3,748	\$5,336
	67%	70%	77%
Top 1%	\$10,407	\$17,772	\$26,645
	30%	33%	39%

Fed Tightening

Interest Rates

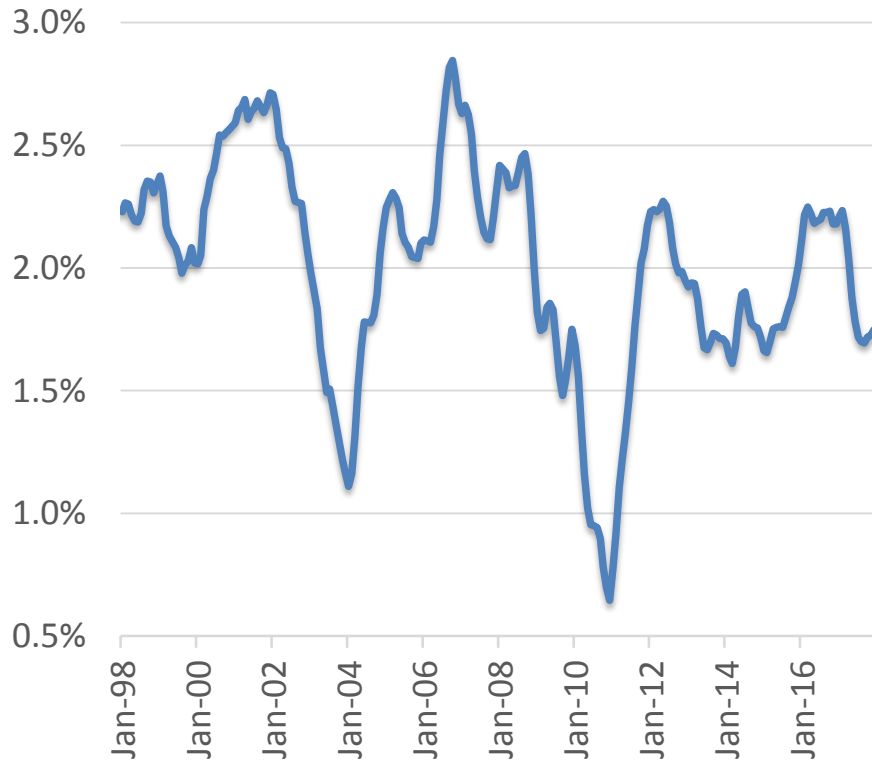


10-1 Year Rate Spread

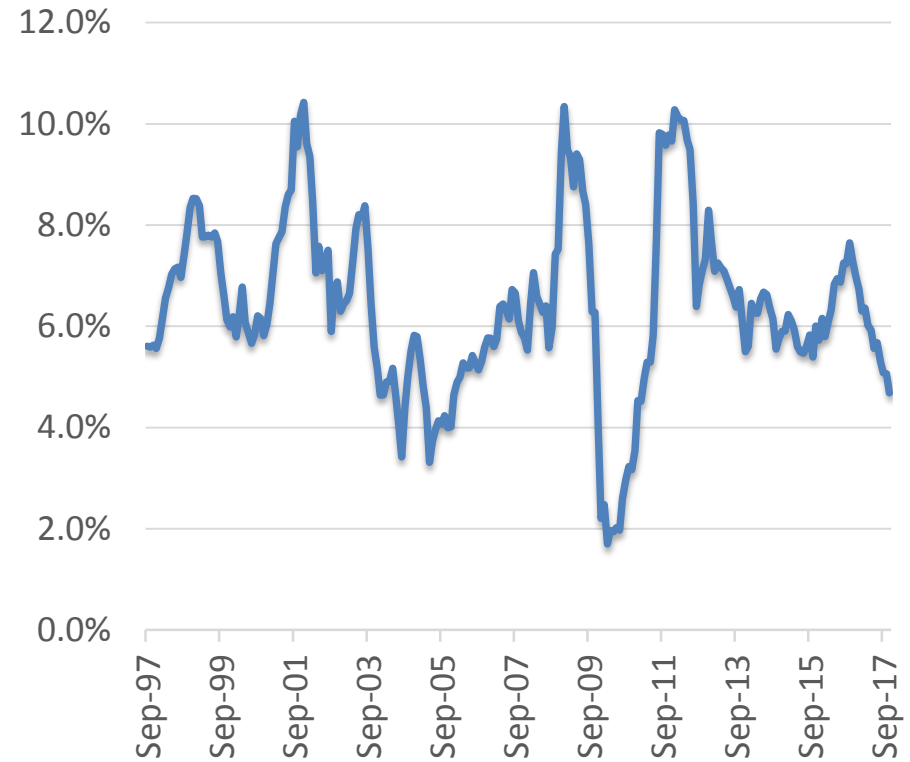


Inflation: Slowing

CPI Core Inflation Rate

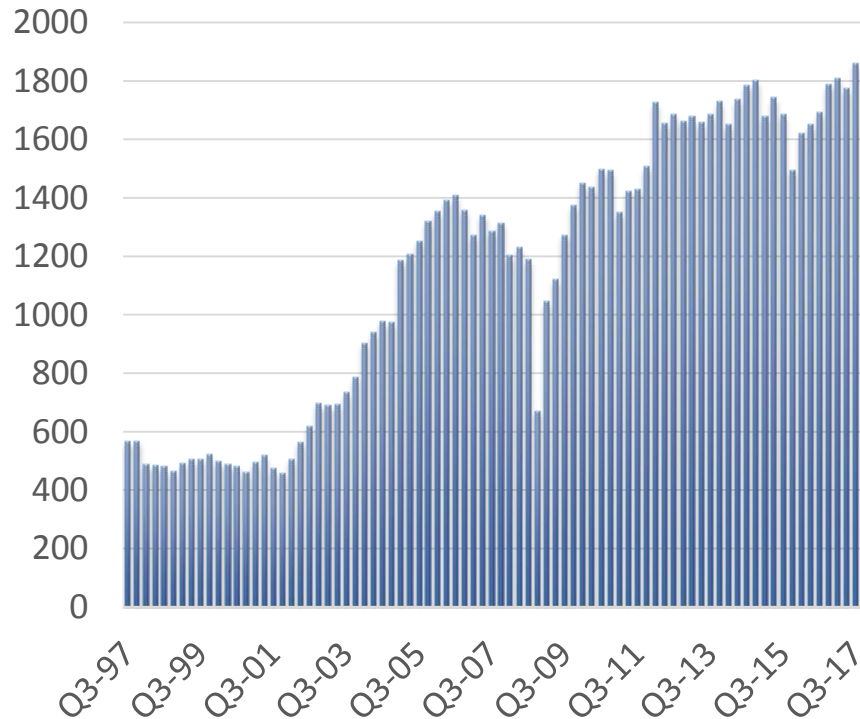


M2 Growth Y-o-Y



Frothy Equities

Corporate Profits and Growth

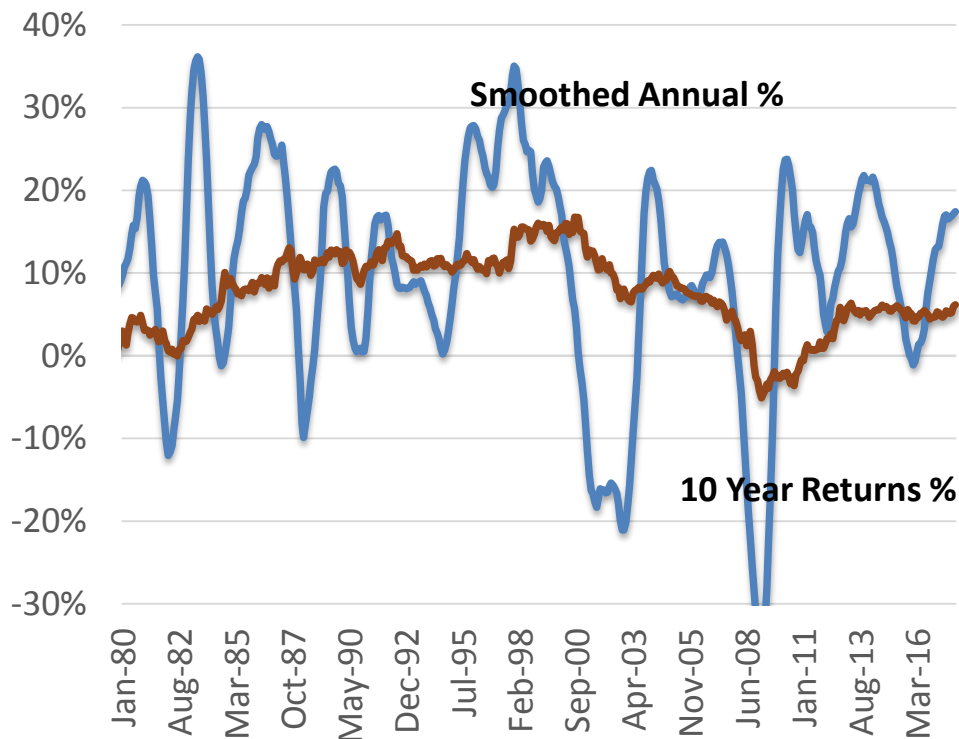


Shiller P/E Ratio

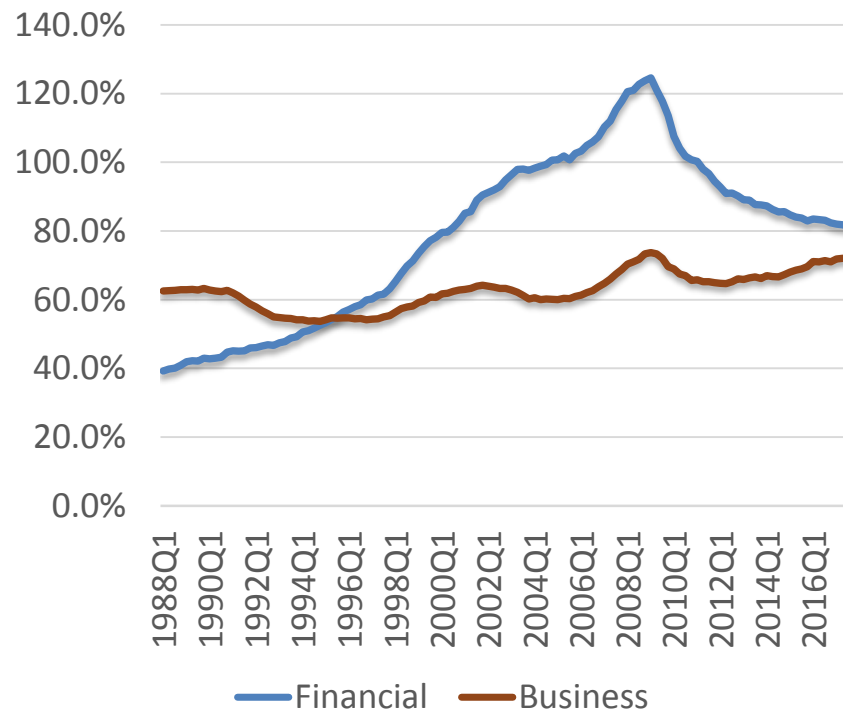


Frothy? Crisis. Crisis? No.

Nominal Stock Market Growth (S&P 500)

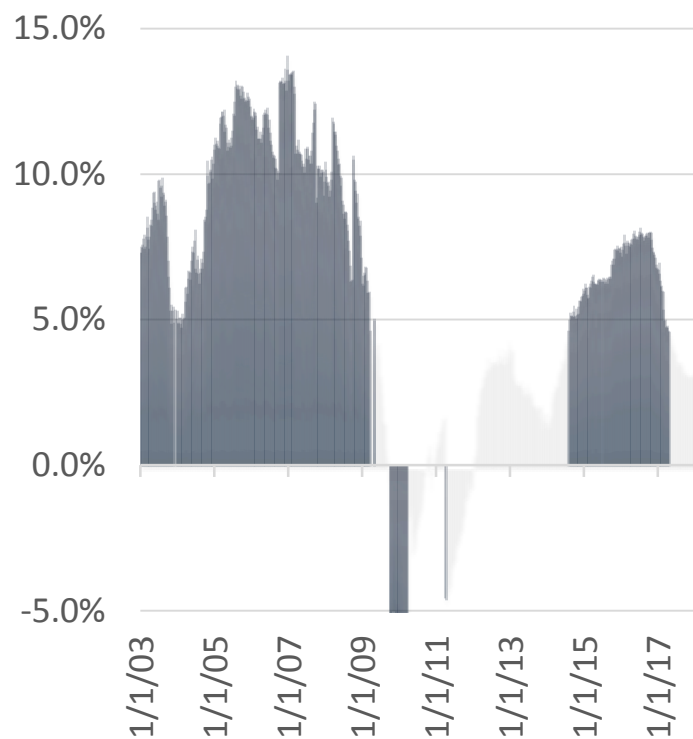


Debt to GDP Ratios



Slowing Lending

Growth in Direct Bank Loans



Net % Banks Responding Yes

Demand

Standards

2016Q4 2017Q4 2016Q4 2017Q4

auto loans

16.7

5.0

3.3

9.8

credit card loans

14.9

0.0

0.0

9.1

construction & land development

10.1

-10.0

27.5

2.9

commercial real estate

4.3

-5.6

18.8

4.2

multifamily residential structures

2.9

-18.1

42.0

22.2

C&I loans from large Firms

-5.9

-11.3

1.5

-8.5

C&I loans from small firms

-1.5

-2.9

-1.5

-8.8

QM jumbo mortgage loans

19.0

-10.9

-6.3

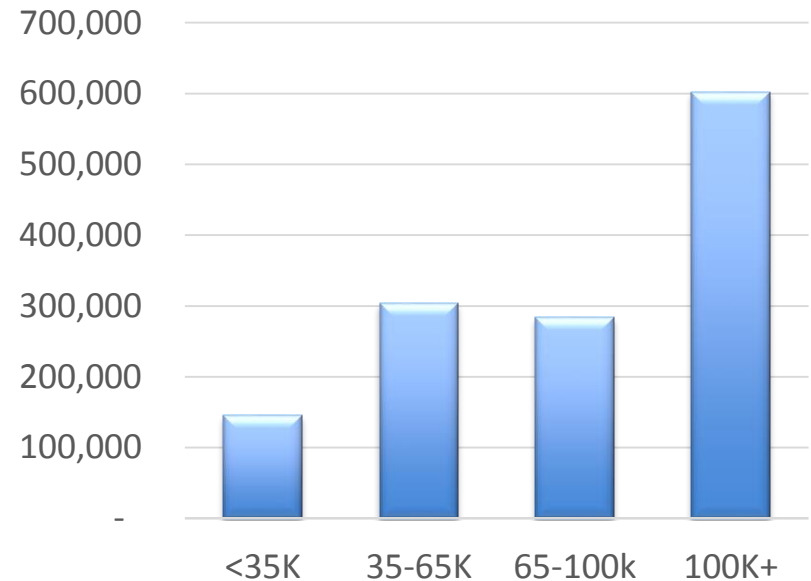
-6.2

State Economic Performance

5 Year Change in Payroll Jobs by State

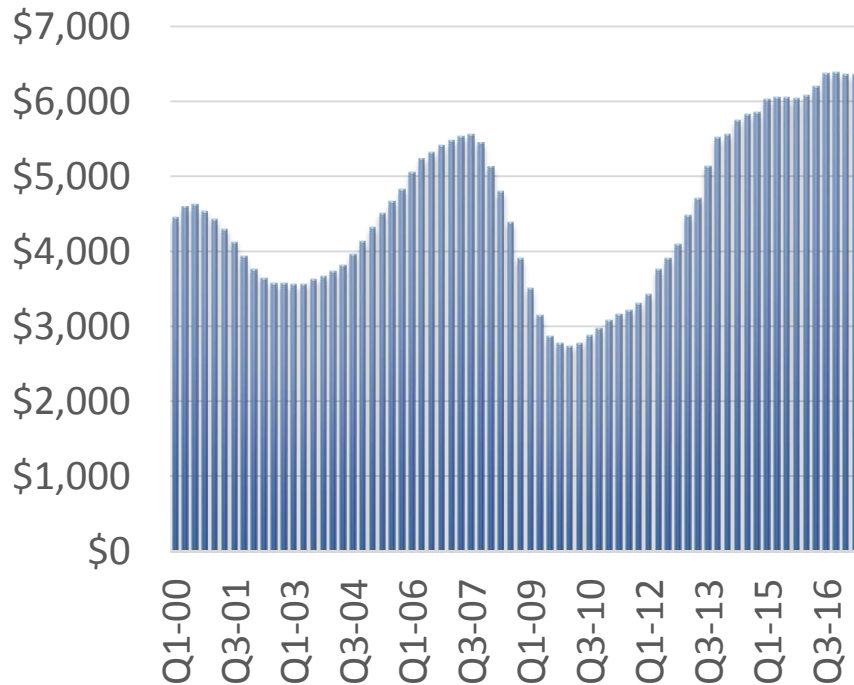
	New Jobs	Ann Gr	US Share
Utah	226	3.5%	1.8%
Nevada	188	3.1%	1.5%
Florida	1,207	3.1%	9.5%
Idaho	96	3.0%	0.8%
Colorado	344	2.9%	2.7%
Oregon	228	2.7%	1.8%
Washington	401	2.7%	3.2%
California	2,038	2.7%	16.1%
Georgia	521	2.5%	4.1%
Texas	1,425	2.5%	11.2%
Arizona	298	2.3%	2.3%
South Carolina	220	2.3%	1.7%
Tennessee	314	2.3%	2.5%
North Carolina	421	2.1%	3.3%
Montana	40	1.8%	0.3%

California: Change in Employment by Income (F.T.) 2012-2016

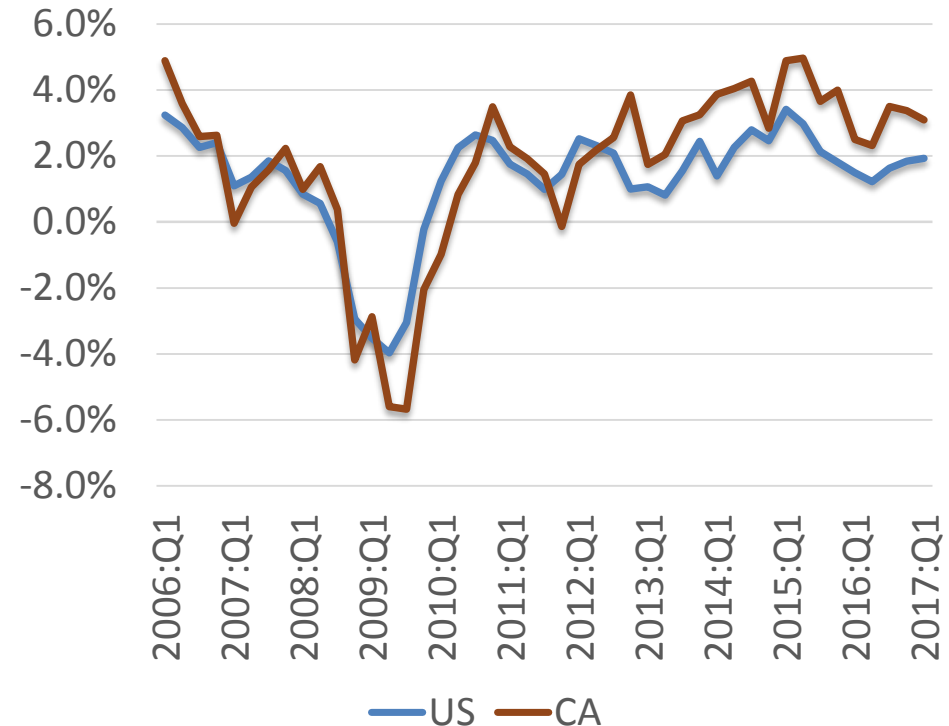


Still Strong Indicators

California Non Residential Permit Values

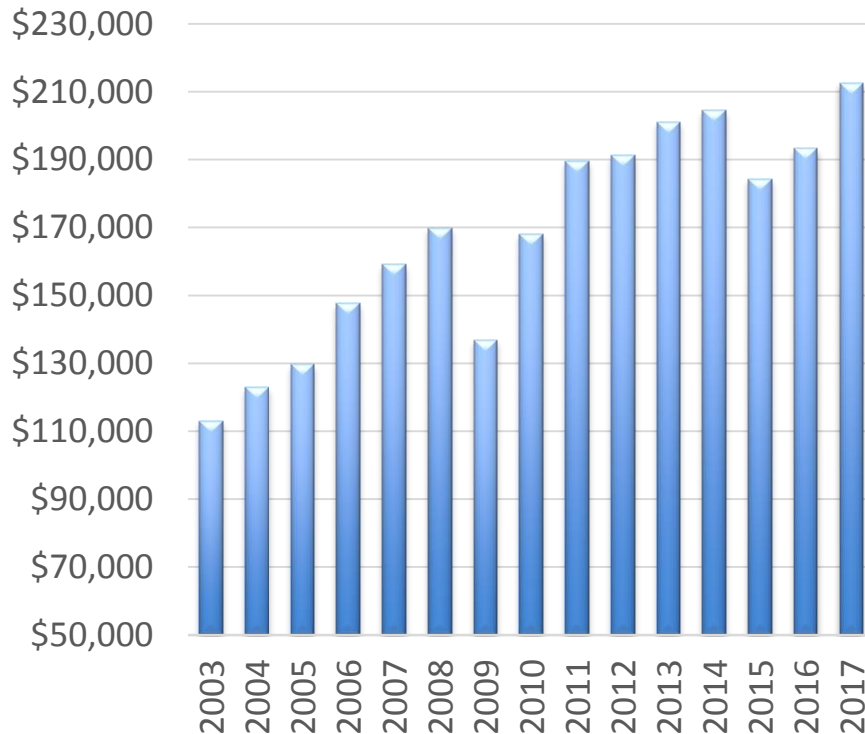


Real GDP Growth (y-o-y)

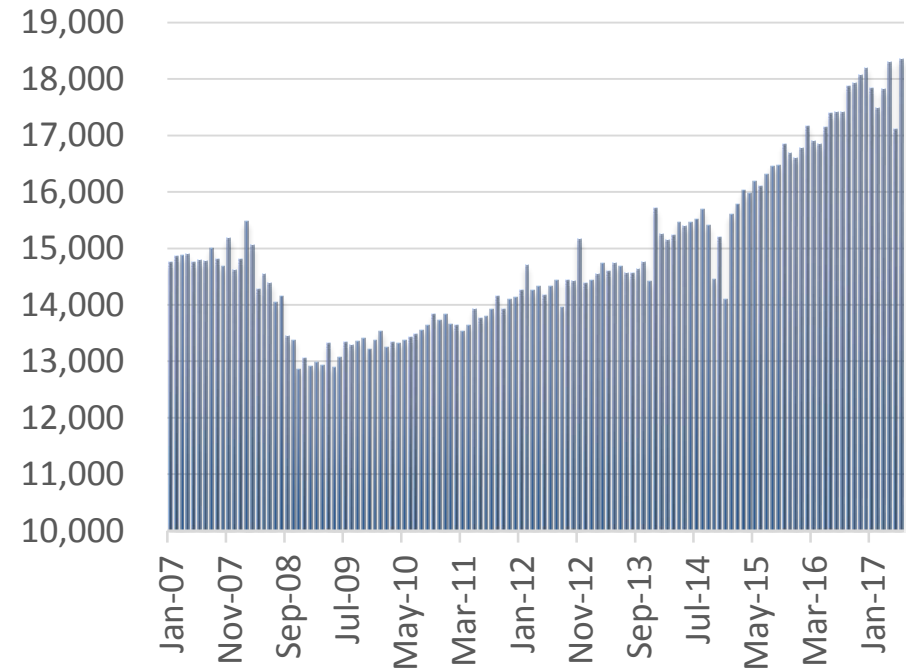


Exports / Travel

California Exports (Nominal)

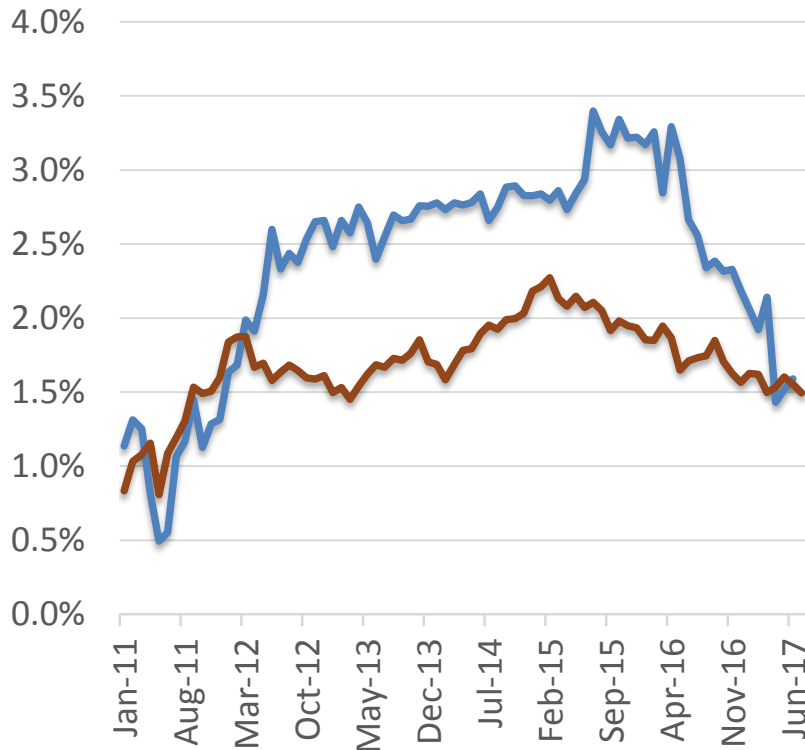


California Airport Activity (Arrivals / Departures)



The Big Slowdown

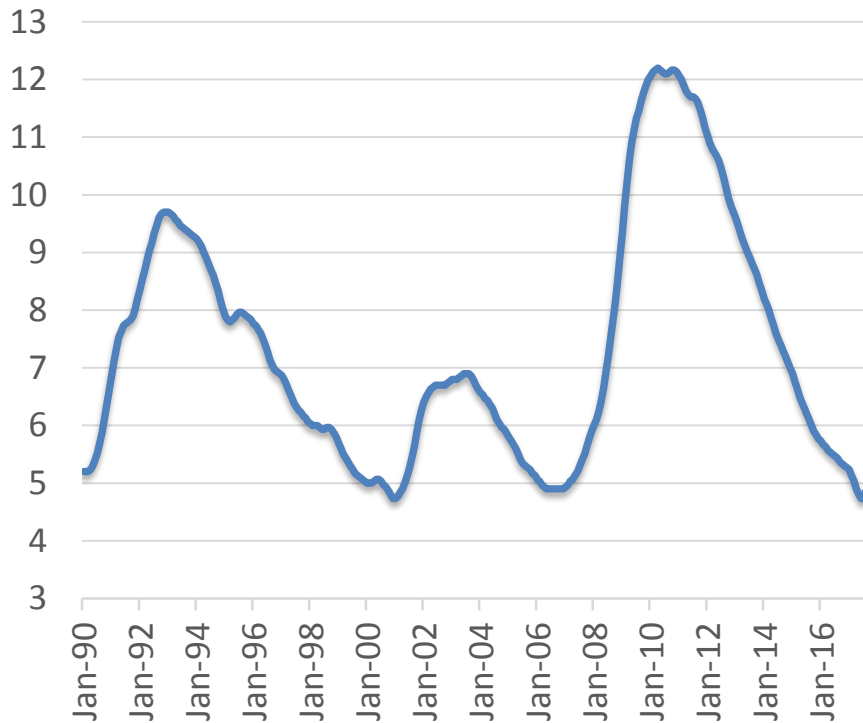
State and National Job Growth



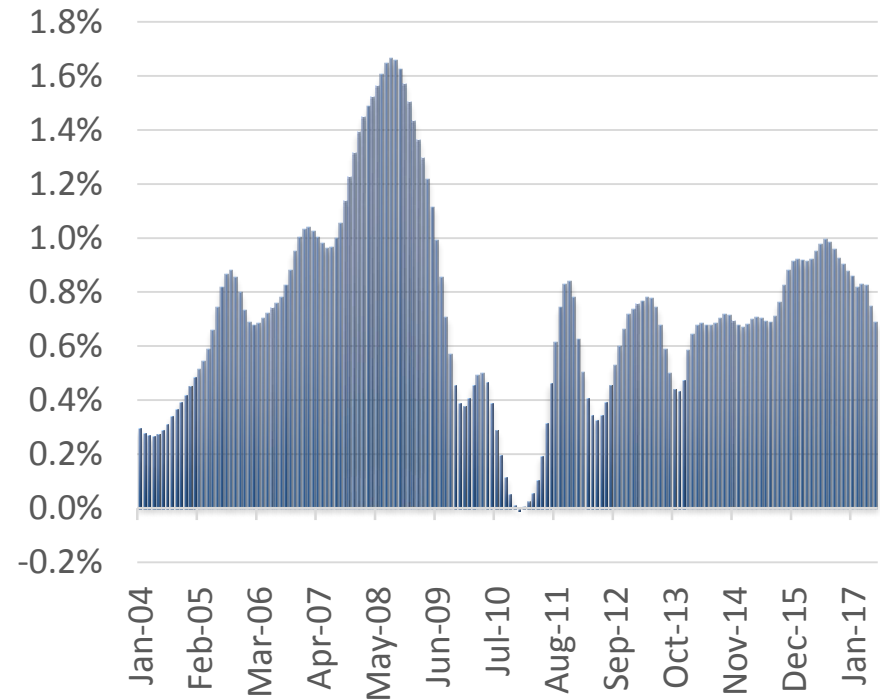
	Nov-17	14-15	15-16	16-17
Inland Empire	1,470,000	4.8%	3.4%	3.2%
Ventura	309,700	1.5%	1.5%	2.2%
Sacramento	978,700	3.5%	3.1%	2.1%
San Francisco	1,125,700	4.9%	3.3%	2.0%
Fresno	346,000	3.9%	3.2%	1.7%
San Jose	1,102,100	3.9%	2.8%	1.7%
Kern	260,400	-0.5%	-0.5%	1.6%
San Diego	1,457,400	3.2%	2.3%	1.5%
East Bay	1,162,400	3.5%	2.9%	1.4%
Stockton	231,300	4.3%	2.8%	1.4%
Sonoma	203,900	2.8%	1.6%	1.1%
Orange	1,600,700	3.2%	1.6%	0.8%
Los Angeles	4,465,200	2.8%	2.3%	0.8%

Labor Supply Constraints

Unemployment Rate



California Labor Force Growth

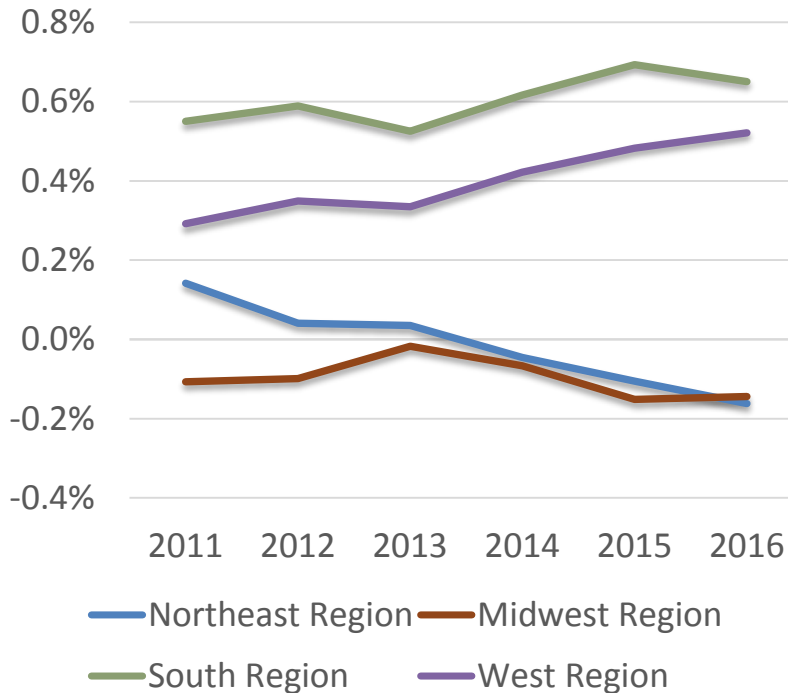


The Upside of Labor Shortages

	Number (Mil)	Median Income 2016	Change 13-16	Part Rate 2016	Change 13-16	Unemp 2016	Change 13-16
Total	20.96	40,005	10.2%	77.1%	0.2%	5.5%	-3.0%
No High School	3.52	21,558	13.1%	65.4%	-0.5%	8.2%	-3.7%
High School	4.26	30,231	10.9%	72.6%	-0.4%	7.0%	-4.0%
Some College	6.14	36,985	3.1%	77.4%	0.1%	5.5%	-3.4%
Bachelor	7.03	60,121	9.4%	85.4%	0.4%	3.6%	-1.6%
Graduate		82,271					

Population Shifts

Net Migration (% of Pop) by region

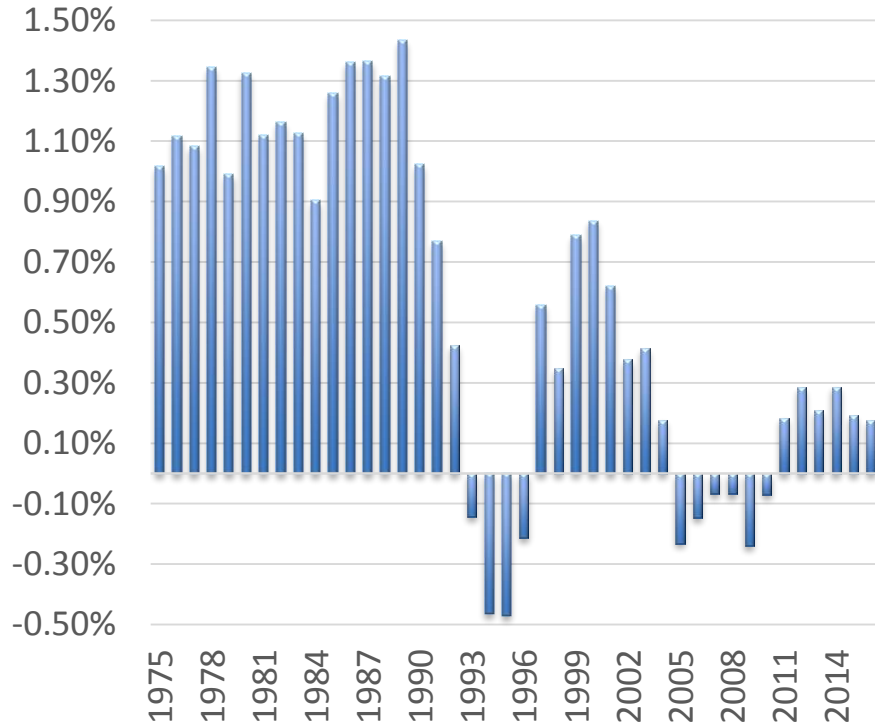


Net Migration by State 14-16

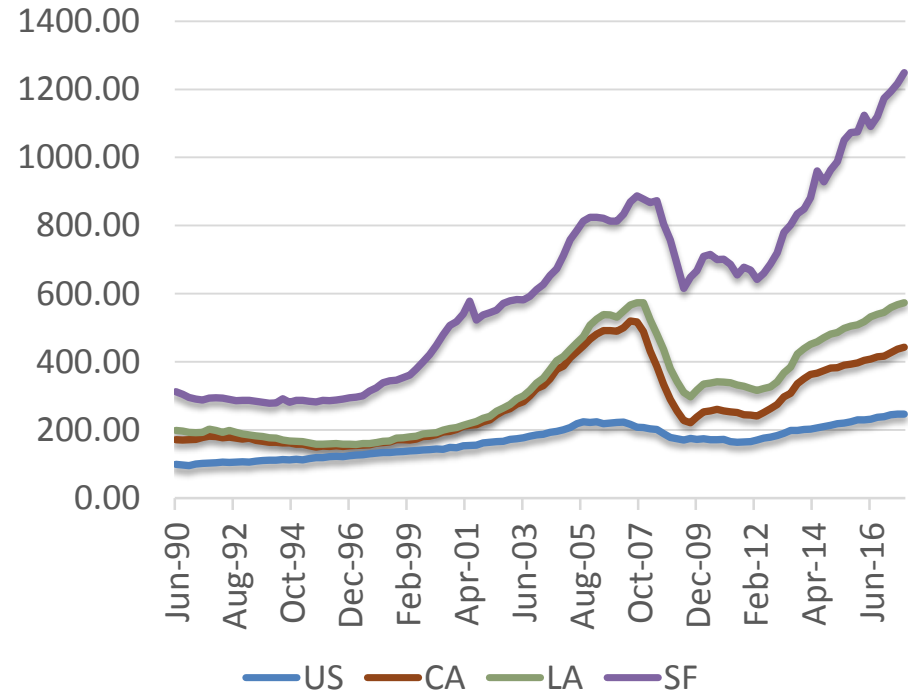
Florida	1.51%	Ohio	-0.05%
Nevada	1.27%	Penn	-0.06%
Colorado	1.10%	Wisconsin	-0.08%
Oregon	1.08%	Michigan	-0.08%
South Carolina	1.04%	New Jersey	-0.14%
Washington	0.99%	Vermont	-0.19%
Arizona	0.96%	W Virginia	-0.26%
Texas	0.90%	New York	-0.27%
North Dakota	0.79%	Mississippi	-0.28%
Idaho	0.77%	Kansas	-0.30%
Delaware	0.66%	Connecticut	-0.32%
North Carolina	0.66%	Wyoming	-0.35%
Montana	0.60%	New Mexico	-0.47%
Georgia	0.54%	Illinois	-0.58%
Tennessee	0.53%	Alaska	-0.73%

Don't Go West, Young Man?

Net Migration as a % of Pop

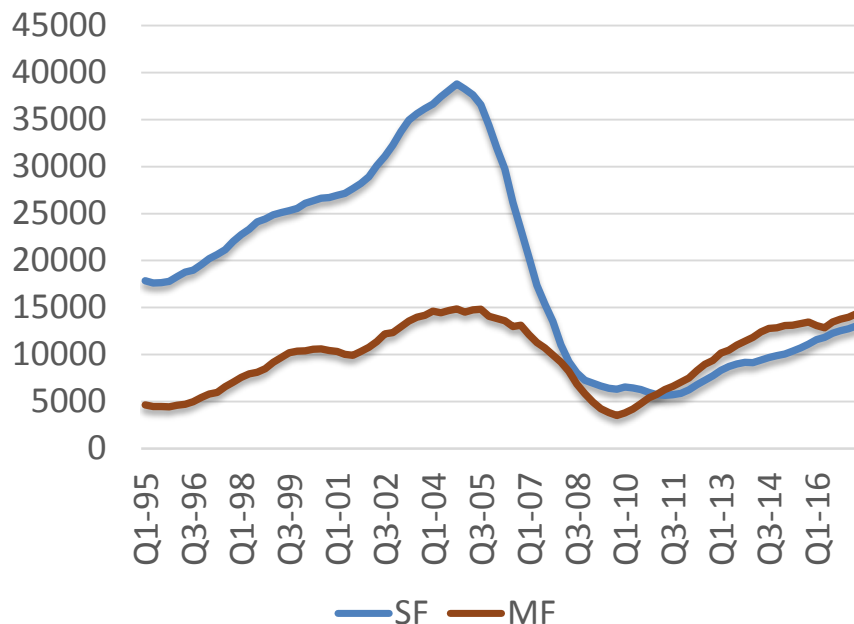


Home Prices



New Housing Supply

New Home Permits



How Much Housing Needed?

Housing Needed to maintain 2%
State Job Growth

Method 1

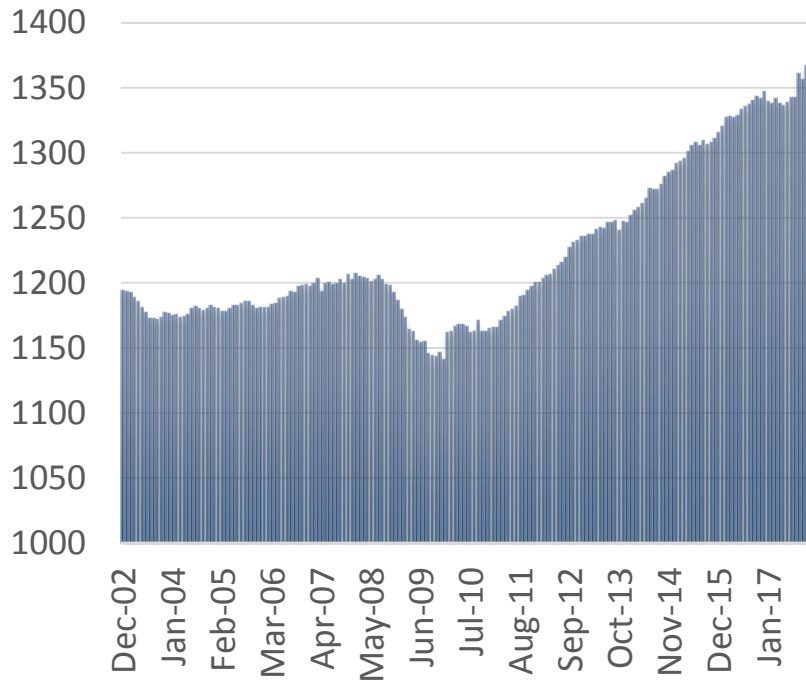
Total	722,022
Per Year	206,674
Current	106,185
Shortfall	100,489

Method 2

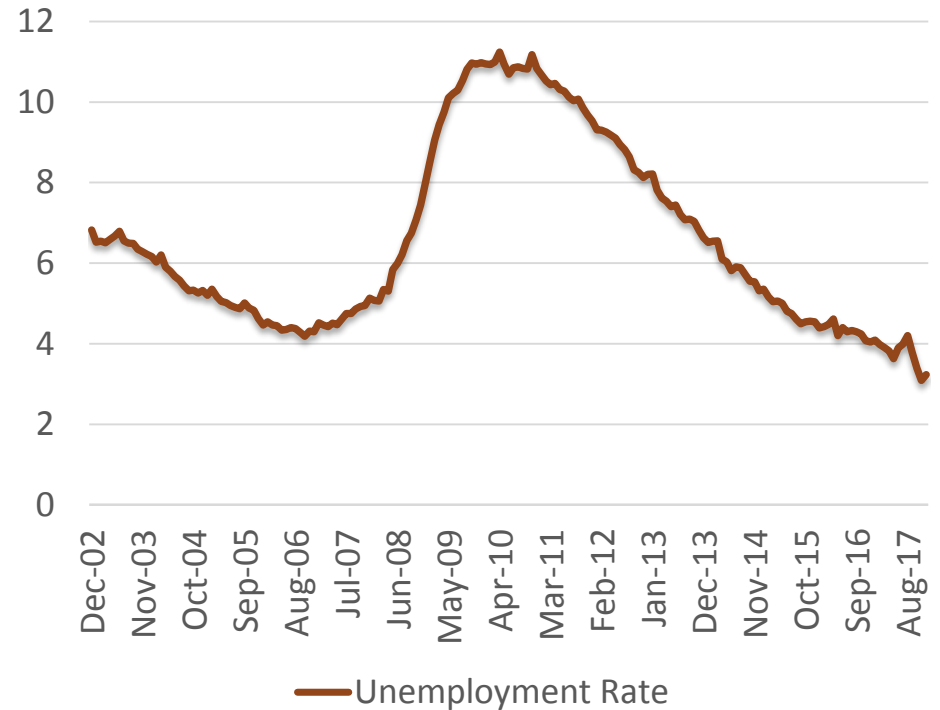
Total	911,001
Per Year	263,667
Current	106,185
Shortfall	157,482

Employment Cont'd

Household Employment (000s)

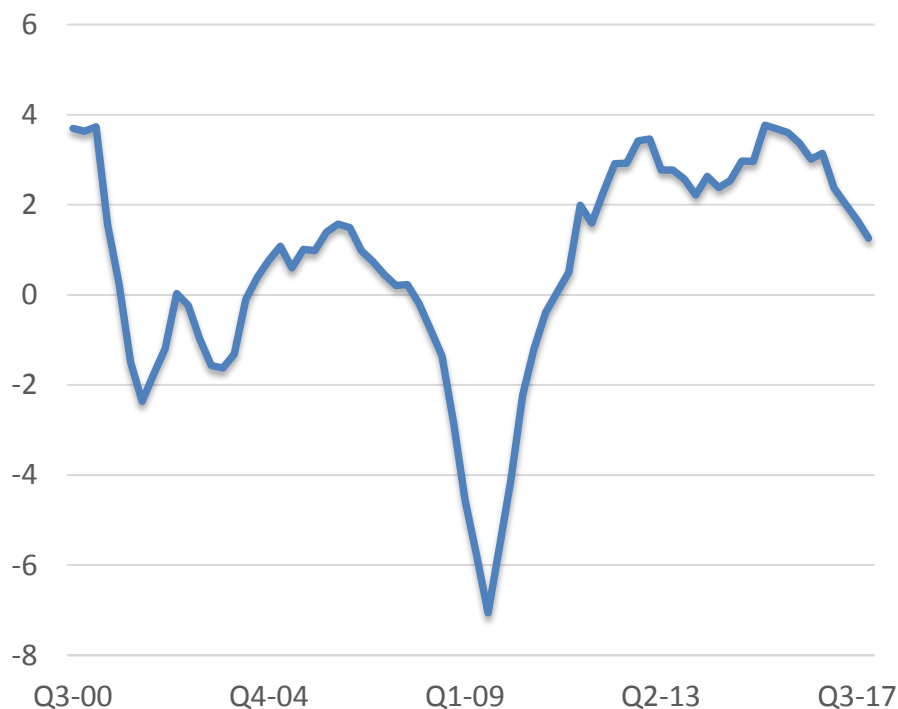


Nonfarm Employment



East Bay Employment

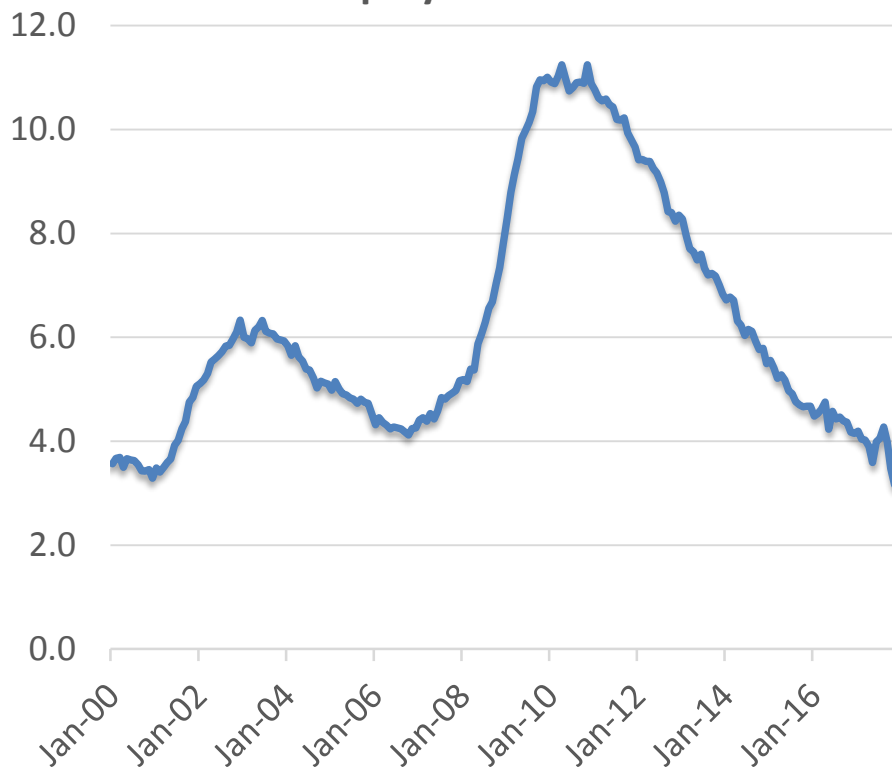
Nonfarm Employment YoY (%)



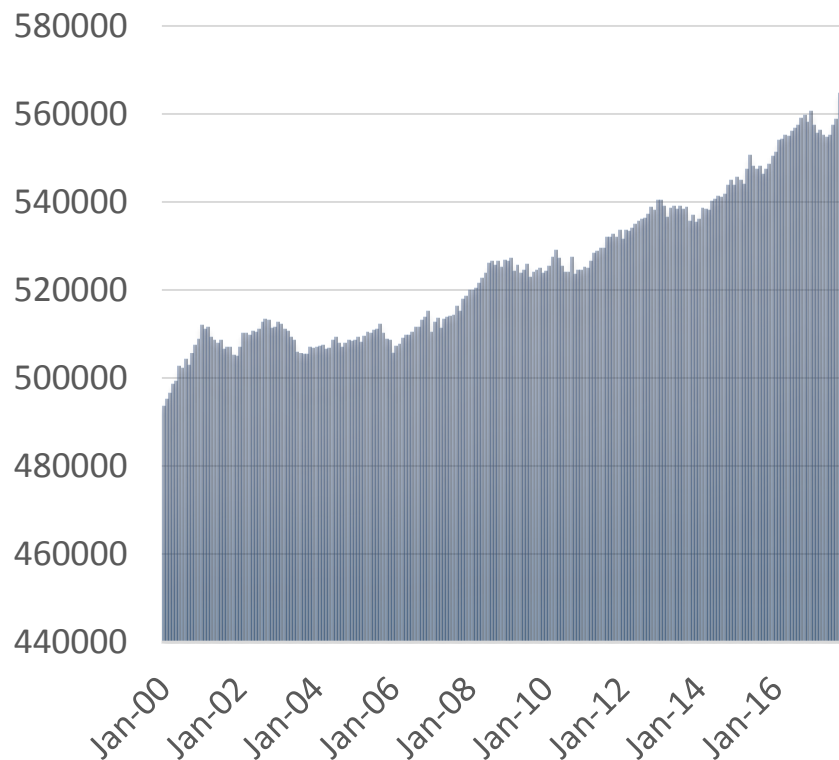
Industry	2017	Change (000s)	Annual Growth (%)
Total Nonfarm	1,155.6	20.7	1.8
Construction	71.3	3.8	5.6
Wholesale Trade	51.3	2.3	4.7
Education/Health	191.4	6.5	3.5
Real Estate	17.6	0.6	3.4
Prof Sci and Tech	98.8	3.1	3.2
Finance and Insurance	41.6	1.3	3.2
Leisure and Hospitality	114.0	2.6	2.3
Government	177.3	3.5	2.0
Other Services	39.9	0.7	1.8
Information	26.8	0.4	1.5
Management	22.7	0.3	1.4
NR/Mining	0.9	0.0	0.0
Manufacturing	89.7	-0.2	-0.2
Logistics	38.5	-0.2	-0.5
Retail Trade	112.5	-2.5	-2.2
Admin Support	61.4	-1.4	-2.2

Employment

Unemployment Rate



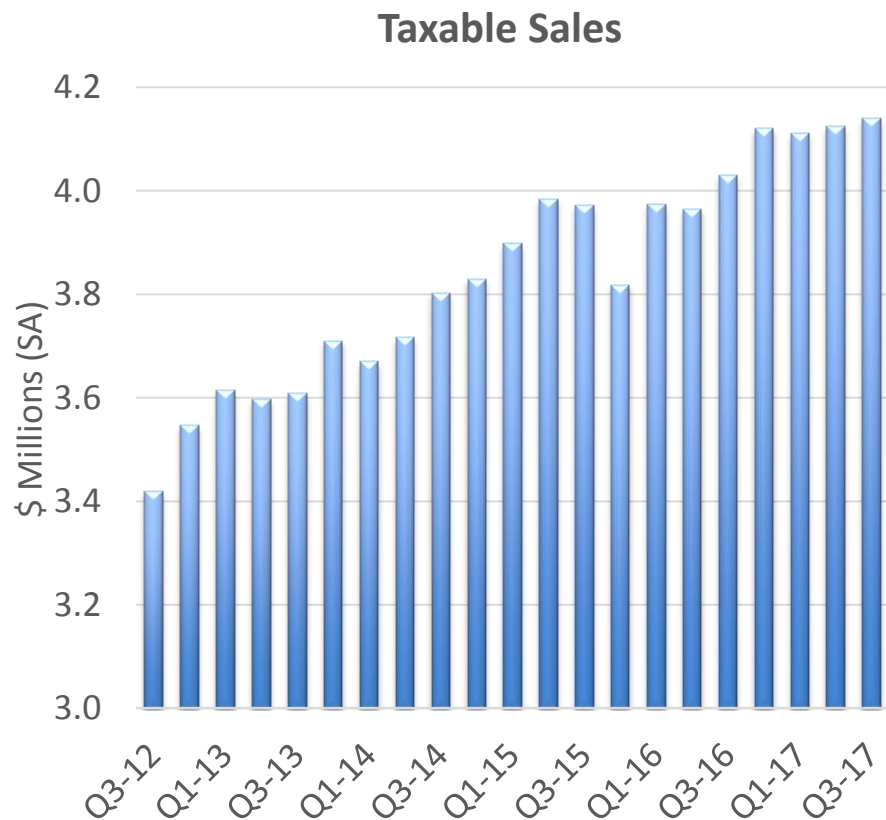
Labor Force and Growth Rate



Contra Costs Industry

Industry	Q2-17	1 Yr Chg.	5 Yr Chg.	Location Quotient
Total Employment	367.2	2.3	13.8	-
Admin Support	23.3	15.3	25.6	1.0
Manufacturing	15.6	5.4	-10.9	0.6
Other Svcs.	14.5	3.9	19.6	1.1
Education	7.3	3.3	10.6	1.1
Health Care	61	3.0	23.7	1.3
Wholesale Trade	10.6	2.8	28.5	0.7
Leisure and Hospitality	40.8	1.8	22.4	1.0
Government	47	1.0	4.6	0.4
Fin. Svcs. and Real Estate	27.2	1.0	7.2	1.5
Retail Trade	43.3	0.6	5.4	1.2
NR/Construction	25.3	-0.3	30	1.4
Information	8	-0.5	-5.5	0.7
Prof, Sci, Tech, and Mgmt	31.4	-0.9	6.5	1.0

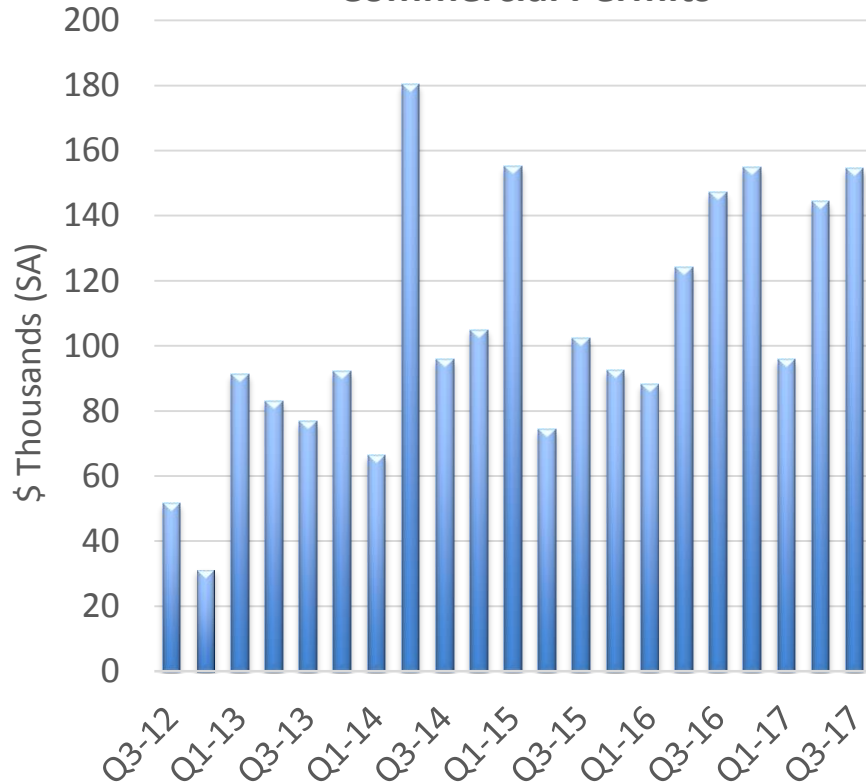
Taxable Sales & Receipts



Category	(\$Millions)	% Change	
		1 yr	5 yr
Total	41.6	2.7%	20.9%
General Consumer Goods	9.3	1.7%	4.5%
Autos and Transportation	7.3	1.5%	46.3%
Restaurants and hotels	4.8	3.1%	39.9%
Fuel and service stations	3.9	10.0%	-10.0%
Building and Construction	3.7	9.2%	44.5%
Business and Industry	3.5	-6.9%	-0.1%
Food and Drugs	2.7	3.9%	13.9%

Commercial Permitting

Commercial Permits

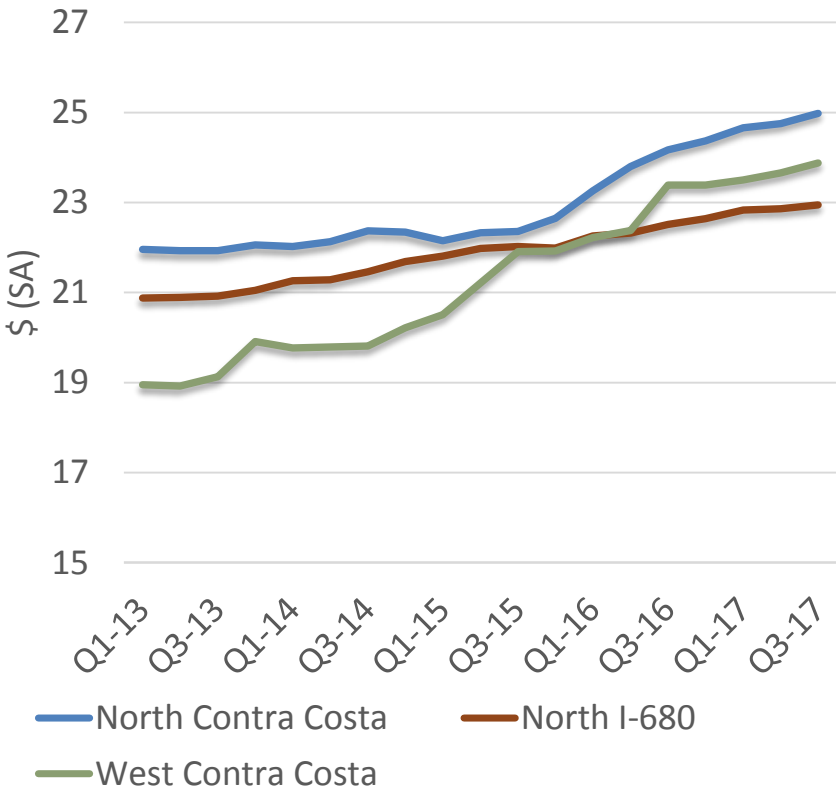


Value by Type

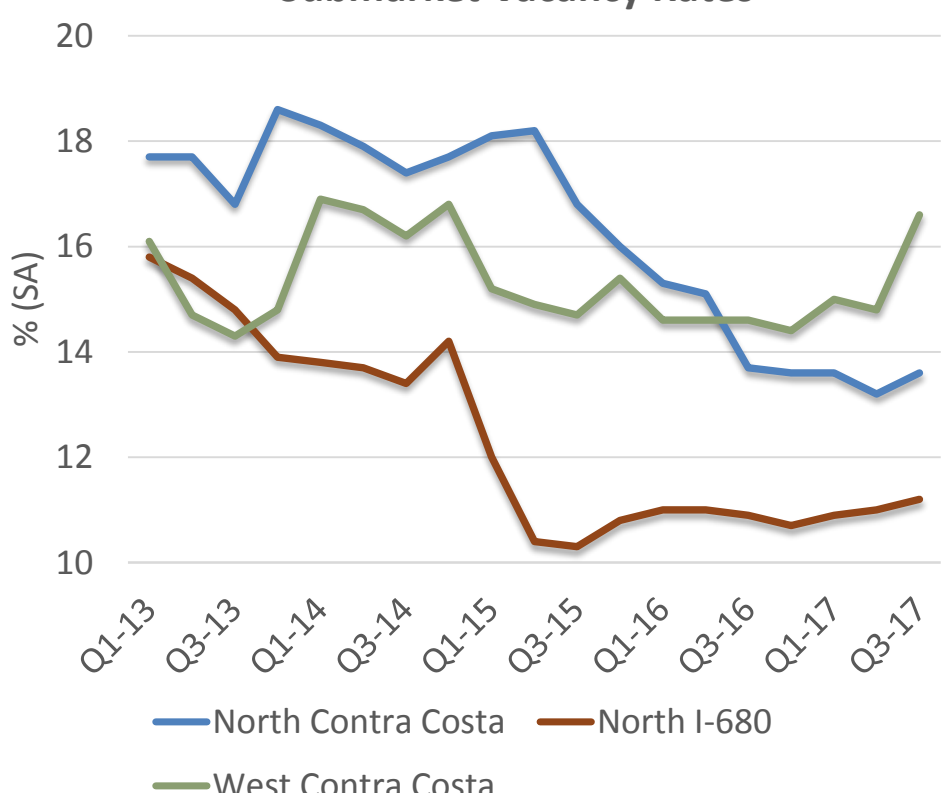


Office Market

Submarket Rents

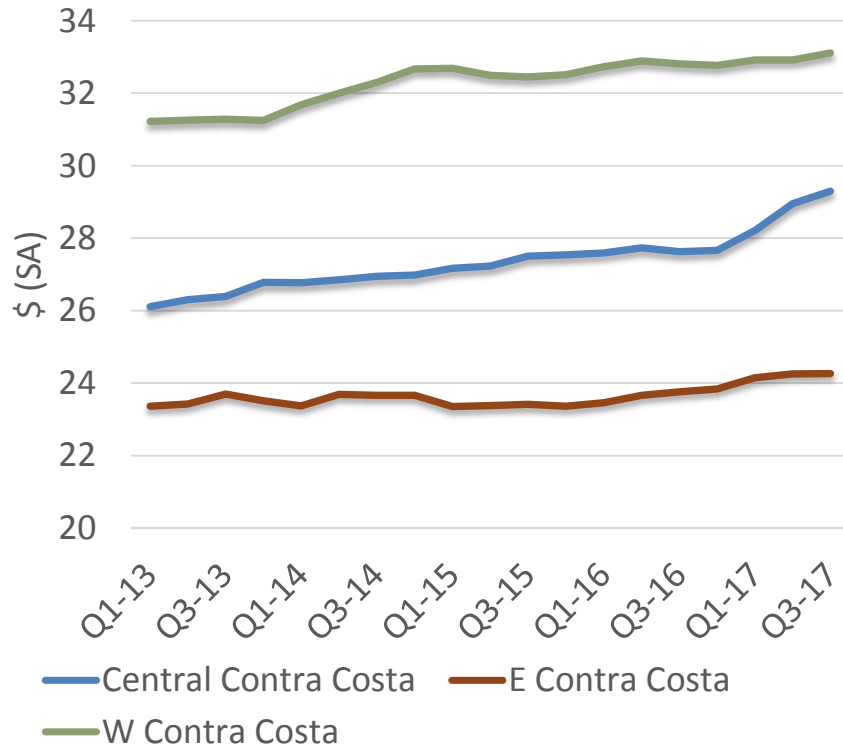


Submarket Vacancy Rates

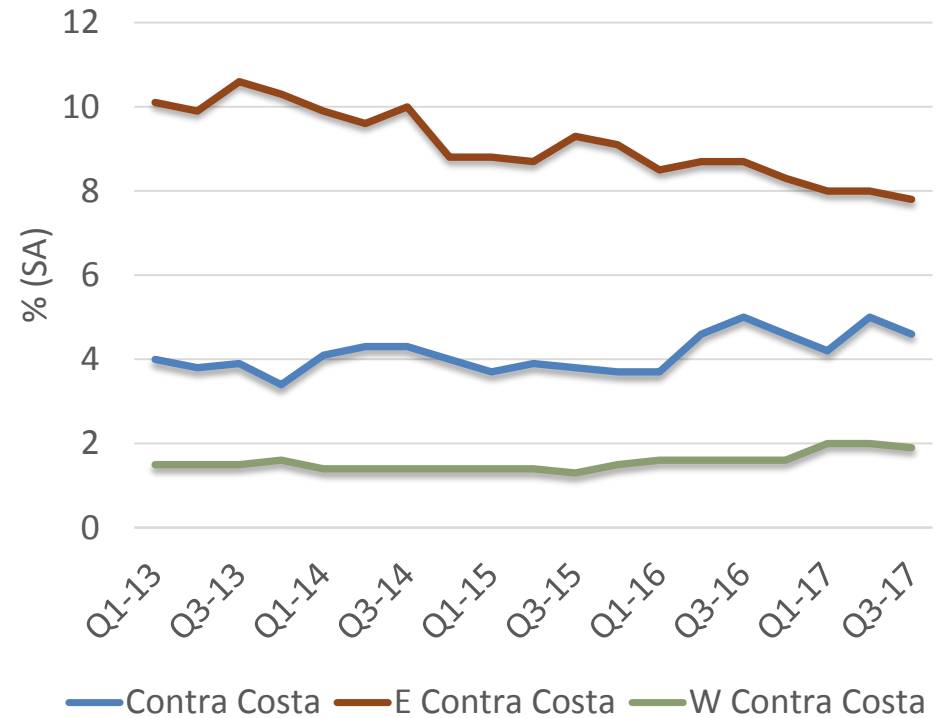


Retail Market

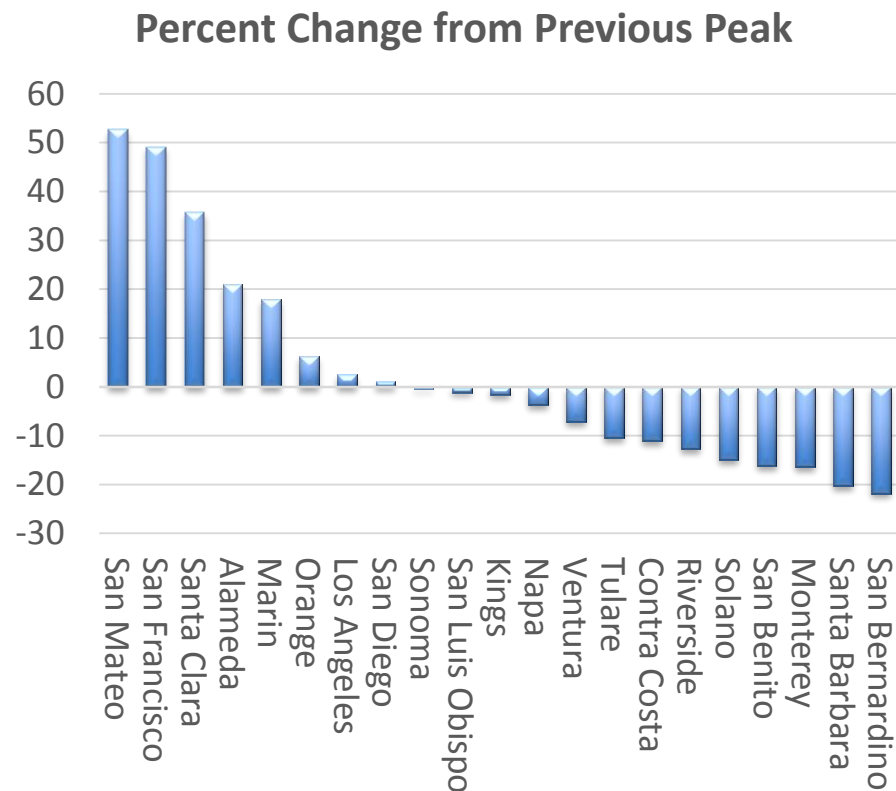
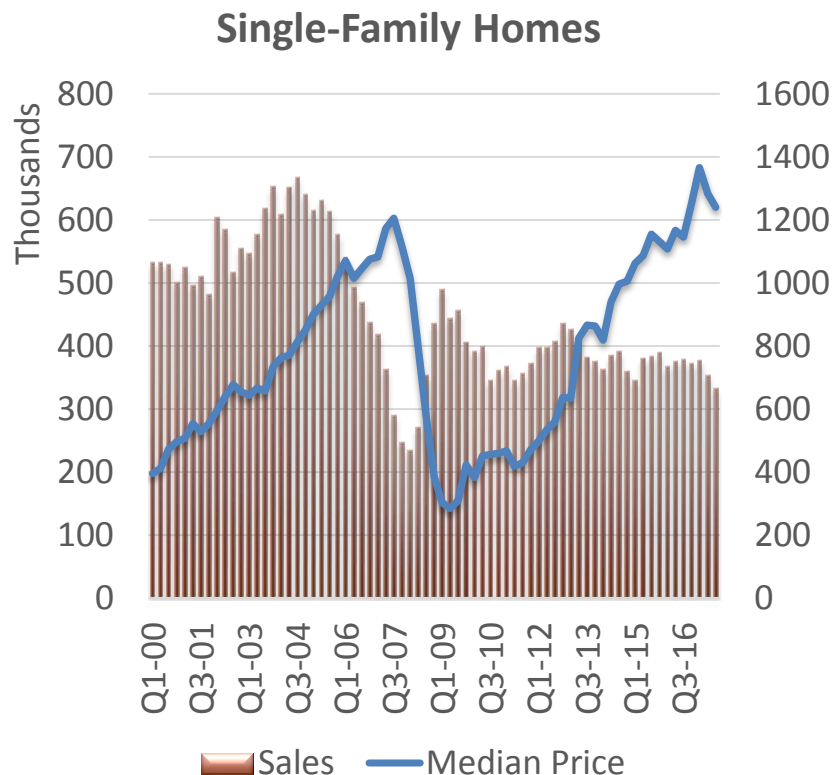
Submarket Rents



Submarket Vacancy Rates



Residential Real Estate



Residential Housing

Home Sales

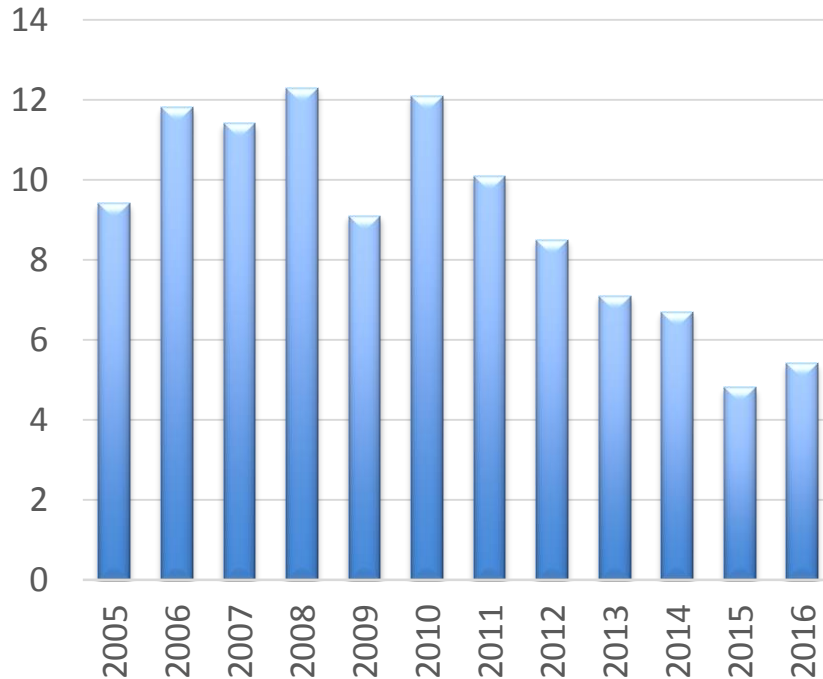


Median Prices

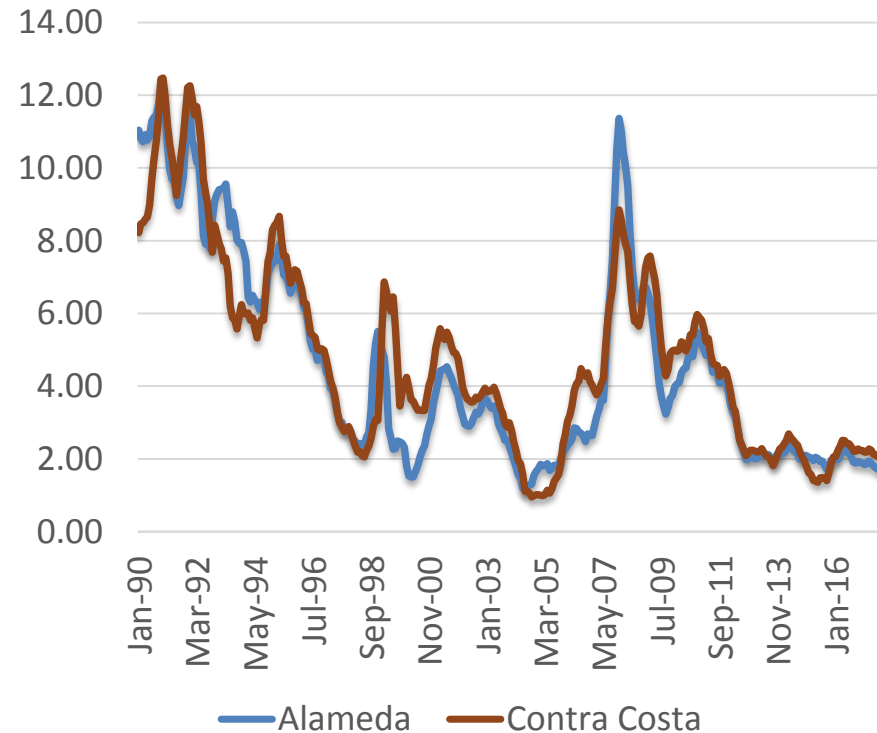


Supply is Limited

Housing Vacancy Rate

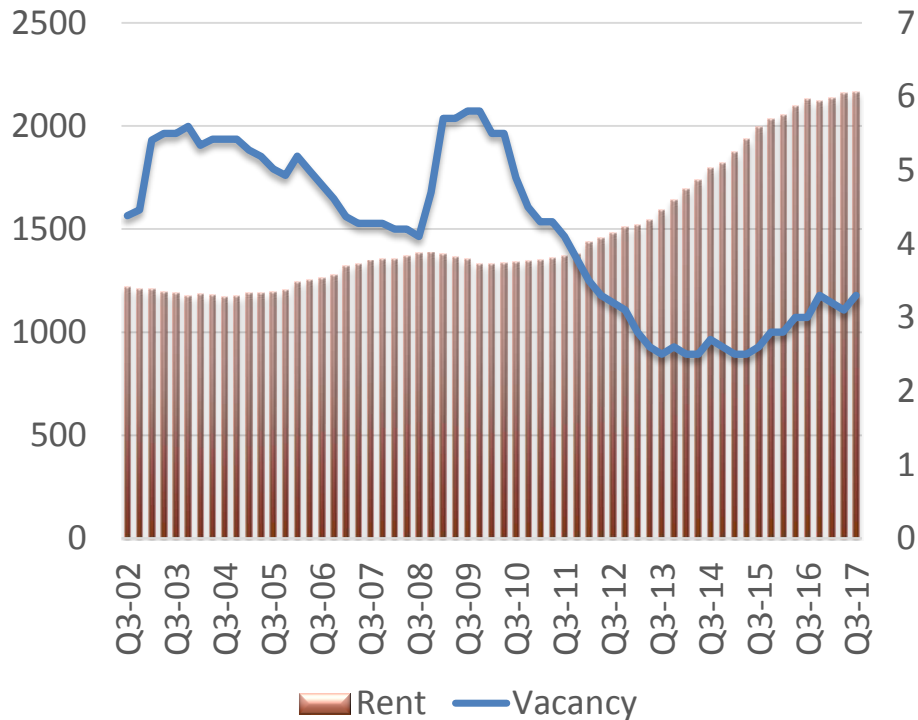


Months of Supply



Rental Markets

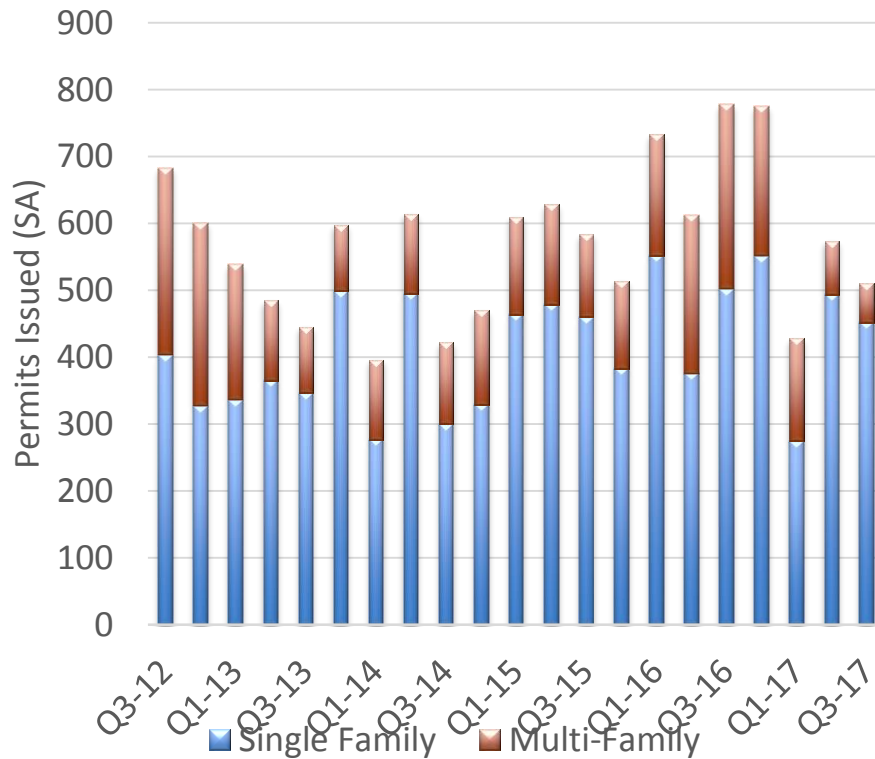
Apartment Rent and Vacancy Rates



Submarket	Q3 - 2017		Annual Change	
	Rent	Vacancy Rate	Rent (%)	Vacancy (p.p)
Concord/Martinez	1,814	1.9	1.3%	-0.2
East Alameda	2,394	4.9	1.1%	2.0
East Contra Costa	1,777	3.6	7.6%	1.2
Fremont/Newark/Union City	2,216	2.5	0.0%	0.0
North Alameda	2,486	5.2	0.3%	-0.5
San Leandro/Hayward	2,030	2.3	4.3%	0.8
San Ramon/Walnut Creek	2,386	2.6	2.5%	0.1
West Contra Costa	1,978	3.4	2.1%	0.0

Permits / Housing

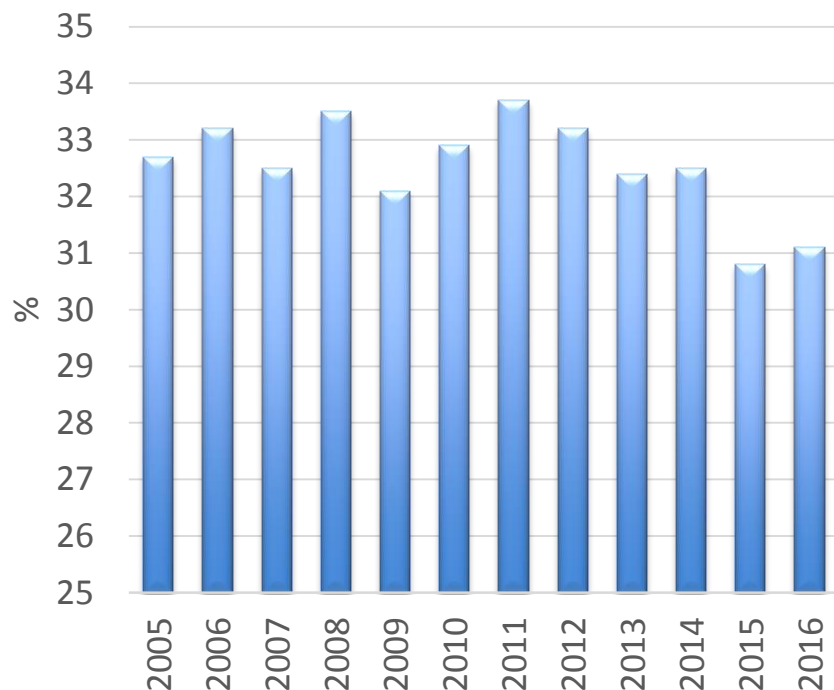
CC Residential Building Permits



Alameda	599,780	40,076	7.2%
Oakland city	167,027	2,984	1.8%
Contra Costa	410,814	21,680	5.6%
San Francisco	392,823	36,337	10.2%
San Mateo	275,947	9,555	3.6%
Santa Clara	665,098	55,311	9.1%
San Jose city	333,355	31,777	10.5%
5 County	2,344,462	162,959	7.5%
New Jobs		473529	
Ratio		2.91	

Rent Burden and Housing Stock

Median Rent as % of Income



Single Family

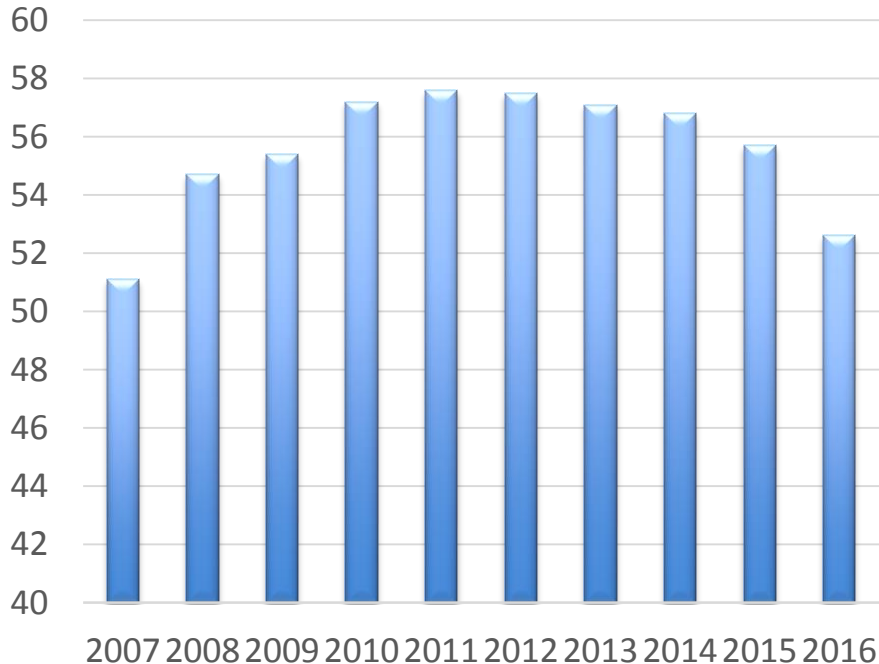
Location	2016	1 Year Change		5 Year Change	
		Abs.	%	Abs.	%
Contra Costa	305,280	5,756	1.9%	14,234	4.9%
Concord	30,968	-243	-0.8%	484	1.6%
Antioch	29,850	-273	-0.9%	1,503	5.3%
Richmond	26,025	209	0.8%	742	2.9%

Multi-Family

Location	2016	1 Year Change		5 Year Change	
		Abs.	%	Abs.	%
Contra Costa	97,621	2,785	2.9%	5,887	6.4%
Concord	15,065	-314	-2.0%	264	1.8%
Antioch	6,219	1,053	20.4%	257	4.3%
Richmond	11,319	-3,596	-24.1%	-3,018	-21.1%

Don't Just Focus on Affordable Rentals

**% Renters Spending >30% of Income
on Housing**



CA	2014	2016	Change
Less than \$20k	92.7%	92.5%	-0.2%
\$20k to \$35k	89.0%	89.2%	0.2%
\$35k to \$50k	67.3%	71.9%	4.6%
\$50k to \$75k	41.1%	46.1%	5.0%
\$75k+	10.5%	11.8%	1.3%
All	56.8%	55.4%	-1.4%

Filtering Blockage

Renters by Income: Struture Built Before 1970			
Metro	Household Income Less than \$35,000	Household Income \$35,000 to \$74,999	Household Income \$75,000 or More
San Francisco	26.5%	22.2%	51.2%
East Bay	31.4%	32.6%	36.0%
San Diego	35.0%	33.5%	31.5%
Orange	32.4%	36.3%	31.3%
Los Angeles	40.2%	31.7%	28.0%
Houston	45.4%	31.4%	23.2%
Inland Empire	47.5%	30.7%	21.8%
Phoenix	50.3%	28.2%	21.5%
Dallas	46.6%	33.0%	20.4%

The Big Picture

- **Positives: It will be a good year**
 - GDP Growth Outlook for 2018: 3%
 - State revenues will look positive
 - Labor markets to remain tight, constraining growth
 - Rising wages to put pressure on profits
 - Exports, business investment continue to pick up
 - California housing shortages will constrain growth locally
- **Negatives**
 - Fed will continue to tighten, yield curve flattening
 - Markets looking frothy—watch debt levels
 - Consumer savings: entering dangerous waters
 - Federal deficit will widen sharply
 - Political uncertainty to dominate headlines

The Great Disconnect

What we *are* worried about

The Number of Jobs
Who pays for Healthcare
Tax Levels
Income Inequality
Funded Govt. Liabilities
Business Investment
Inflation
The Cost of CA Housing

What we *should be* worried about

The Number of Workers
What are we paying for?
Tax Structure
Wealth Inequality
Unfunded Govt. Liabilities
A Lack of Public Investment
Slowing Lending
The Supply of CA Housing



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www.BeaconEcon.com
- ❖ Contact Christopher Thornberg
Chris@BeaconEcon.com
310-571-3399

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Economic & Revenue Forecasting



Regional Intelligence Reports



Business & Market Analysis



Real Estate Market Analysis



Ports & Infrastructure Analysis



Economic Impact Analysis



Public Policy Analysis

Christopher Thornberg



Christopher Thornberg is Founding Partner of Beacon Economics, LLC and widely considered to be one of the nation's leading economists. He is also Director of the UC Riverside School of Business Center for Economic Forecasting and Development and an Adjunct Professor at the School. An expert in economic forecasting, regional economics, labor markets, economic policy, and real estate analysis, he was one of the earliest and most adamant predictors of the subprime mortgage market crash that began in 2007, and of the global economic recession that followed. Since 2006, he has served on the advisory board of Wall Street hedge fund, Paulson & Co. Inc. In 2015, he was named to

California State Treasurer John Chiang's Council of Economic Advisors, the body that advises the Treasurer on emerging strengths and vulnerabilities within the state's economy. From 2008 to 2012, he served as economic advisor to the California State Controller's Office, and as Chair of then State Controller John Chiang's Council of Economic Advisors.

A highly sought after speaker, Dr. Thornberg regularly presents to leading business, government, and nonprofit organizations across the globe including Chevron, The New Yorker, City National Bank, REOMAC, the California State Association of Counties, Colliers International, State Farm Insurance, the City of Los Angeles, and the California and Nevada Credit Union League, among many others. He has testified before the U.S. Congress House Committee on Financial Services on municipal debt issues, and before the California State Assembly Committee on Revenue and Taxation regarding rule changes related to Proposition 13.

Dr. Thornberg has been involved in conducting research and developing analytic products for international clients that explore the trade and economic connections between the United States and the world. This has included analysis and speaking presentations regarding the impact that U.S. trading partners have on U.S. global competitiveness for the Centre for Investor Education in Melbourne Australia, the state of U.S. and U.K. housing markets for the British Chamber of Commerce in Hong Kong, and U.S. and international economic outlooks and

their effect on global trade activity for the African Cashew Alliance in Cotonou, Benin. He has also conducted a number of special studies measuring the effect of important events on the economy including the NAFTA treaty, the California electricity crisis, port security, California's water transfer programs, and the terrorist attacks of September 11, 2001.

Dr. Thornberg serves on the Residential Real Estate Committee at the University of San Diego's Burnham-Moores Center for Residential Real Estate. He is also a panel member of the National Association of Business Economists' quarterly "Outlook," a contributor to the "Economic Consensus Outlook" published by the *Journal of Business Forecasting*, and a contributor to monthly economics polls published by *Reuters*.

Dr. Thornberg also serves on the boards of a number of business, civic, and nonprofit organizations including on the Board of Directors of the Los Angeles Area Chamber of Commerce, as an Executive Member of the Central City Association (Los Angeles), as a Business Leader Member of America's Edge, a nonprofit organization focused on strengthening businesses and the economy through public investments in youth and education, and on the Advisory Board of the Asian Real Estate Association of America. He is also a member of the Los Angeles Chapter of Lambda Alpha International, the honorary society for the advancement of land economics, and serves on the Advisory Committee of United Ways of California's coming *California Financial Stability Report*.

Prior to launching Beacon Economics Dr. Thornberg was a senior economist with UCLA's Anderson Forecast where he regularly authored economic outlooks for California, Los Angeles, the East Bay, and developed specialized forecasts for a variety of public and private entities. He previously taught in the MBA program at UCLA's Anderson School, in the Rady School of Business at UCSD, and at Thammasat University in Bangkok, Thailand. He has also held a faculty position in the economics department at Clemson University.

A well-known media commentator, Dr. Thornberg has appeared on CNN and NPR and is regularly quoted in major national dailies including the *Wall Street Journal* and *New York Times*. Originally from upstate New York, Dr. Thornberg holds a Ph.D in Business Economics from The Anderson School at UCLA, and a B.S. degree in Business Administration from the State University of New York at Buffalo.



Contra Costa County

To: Board of Supervisors
 From: David Twa, County Administrator
 Date: January 30, 2018

Subject: Board of Supervisors Annual Retreat Budget and Key Issues for FY 2017/18 and Beyond

RECOMMENDATION(S):

ACCEPT report on Budget and Key Issues for FY 2017/18 and beyond.

FISCAL IMPACT:

No fiscal impact. This is an informational report only.

BACKGROUND:

Attached is the report on Budget and Key Issues.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **01/30/2018** ☒ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
 Candace Andersen, District II
 Supervisor
 Diane Burgis, District III Supervisor
 Karen Mitchoff, District IV Supervisor
 Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 30, 2018

David J. Twa, County Administrator and Clerk of the Board
of Supervisors

Contact: Lisa Driscoll, County
Finance Director (925) 335-1023

By: Jami Napier , Deputy

cc: Robert Campbell, County Auditor-Controller

CLERK'S ADDENDUM

Public Speakers: Mariana Moore and Cheryl Sudduth from the Budget Justice Coalition. DIRECTED staff to provide an update on the status of establishing the Countywide Redevelopment Oversight Board and process for selecting the two appointees, to leave a slot open for the Public Defender if she chooses to make a presentation at the budget hearing; and REQUESTED the Public Works Director to make a presentation at the budget hearing.


ATTACHMENTS

Budget & Key Issues



Contra Costa County Update Budget & Key Issues

**Presentation to
Board of Supervisors
January 30, 2018**



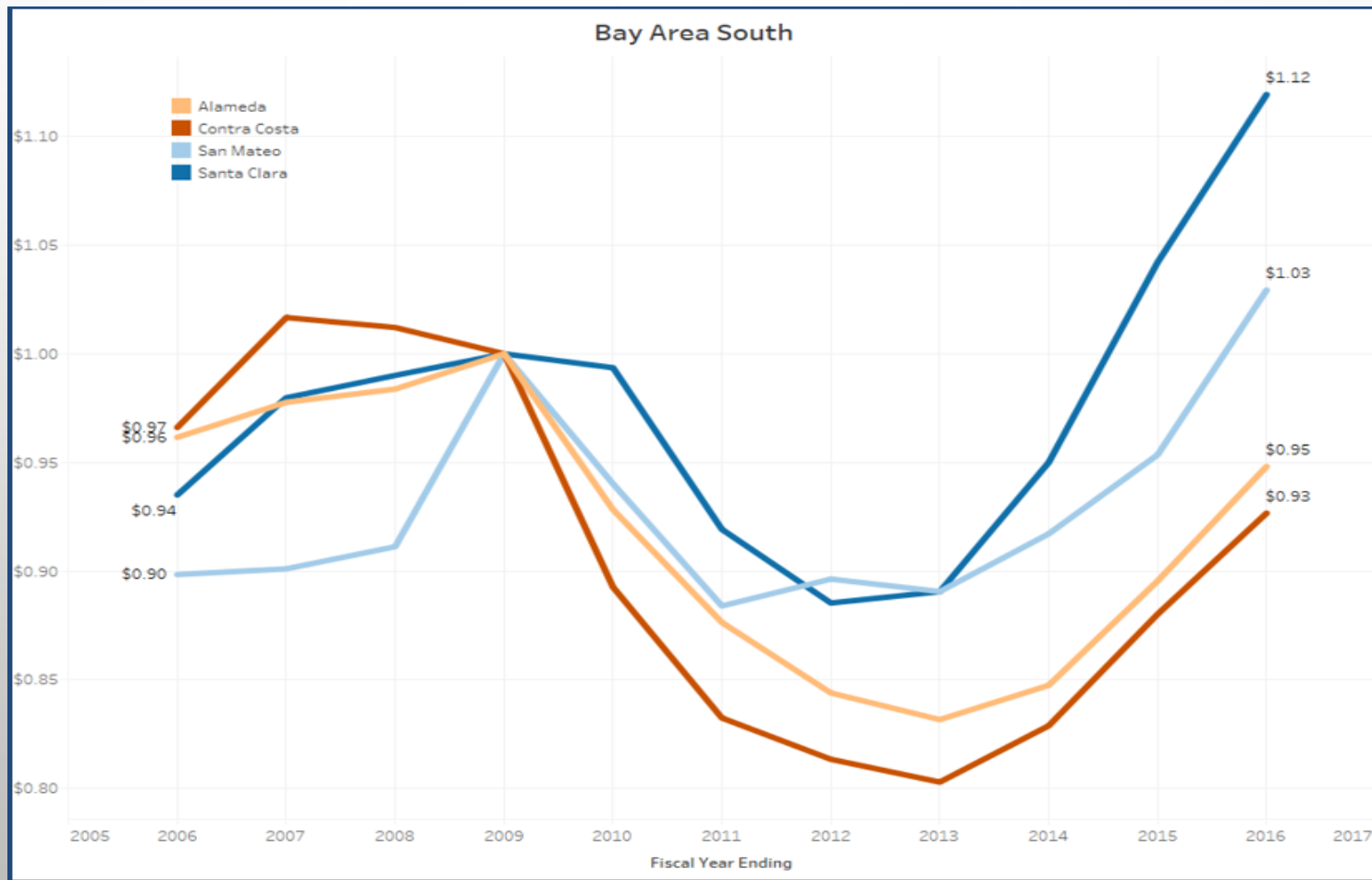


Contra Costa County Familiar Budget Drivers and Challenges for 2018 and Beyond

- Economic Forecast
- State & Federal Budgets
- Labor Negotiations
- Build Reserves
- Fund Infrastructure Needs (Repair & Maintenance)
- Fund System Infrastructure
- Adequately Fund Public Safety Departments & Health Departments
- Public Safety Realignment; AB 109 & Prop 47

Property Taxes

- Median household income higher than statewide median
- Less total tax revenue now than at our peak, after adjusting for population and inflation.



Per Capita and inflation adjusted (CSAC Report)

Bay Area Unemployment Rate November, 2017 (Unadjusted)

• San Mateo	2.1%
• Marin	2.2%
• San Francisco	2.3%
• Santa Clara	2.6%
• Sonoma	2.8%
• Alameda	2.9%
• Contra Costa	3.1%
• Napa	3.3%
• Solano	3.9%
• 9 County Average	2.8% (3.7% Last Year)

2017/2018 Achievements

- Hired New Department Head
 - District Attorney, Diana Becton
- Budget structurally balanced for 7th year in a row, built on assumption of 5% increase in assessed valuations, actual AV was 5.7%
- Maintained our AAA bond rating from Standard & Poor's, Contra Costa County "fundamentally sound, and had a stable outlook for the future"
- Implemented a new countywide budgeting system, SHERPA, that was used successfully for the development of the \$3.5 billion FY 2017-18 budget. The state-of-the-art application includes a robust budget preparation application that includes operating and capital budgeting, in-year budget management, smart database design, and the most comprehensive personnel forecasting engine on the market. Approximately 120 users from county departments were trained on the system.

More 2017/2018 Achievements

- \$100 million lease revenue bond
 - \$10 million for hospital and clinic system projects.
 - \$90 million to refinance existing debt at historically low interest rates (2.33%, saving more than \$9 million in today's dollars)
- \$100 million lease revenue bond (15 year term at 2.387% interest rate)
 - \$60 million for new County Administration facility, including a structure for additional parking
 - \$40 million for new Emergency Operations Center
- \$70 million grant from the state to replace beds in the Martinez Detention Facility with a new high-security, 416-bed facility on the campus of the West County Detention Facility.
 - Facility will include seven high-security housing units, a reentry services complex, a child/parent contact visitation center and a medical/psychiatric services clinic
 - All of the resources will be available to both men and women

County Property Tax

- Property taxes declined by over 11% between 2009 and 2012. There were significant increases between 2014 and 2016. Now returning to a more normal increase of around 5% going into the next few years.
- Actual Contra Costa County experience:
 - 2009/10 (7.19% decline)
 - 2010/11 (3.38 decline)
 - 2011/12 (0.49% decline)
 - 2012/13 0.86% increase
 - 2013/14 3.45% increase
 - 2014/15 9.09% increase
 - 2015/16 7.53% increase
 - 2016/17 6.01% increase
 - 2017/18 5.78% increase
 - 2018/19 5.00% increase projected

Contra Costa Fire District Property Tax

- For fire, property taxes declined by over 13% between 2009 and 2013. These taxes then significantly increased between 2014 and 2016. Now returning to a more normal increase of around 5% going into the next few years.
- Actual District experience:
 - 2009-10 (7.8%)
 - 2010-11 (2.4%)
 - 2011-12 (1.9%)
 - 2012-13 (1.2%)
 - 2013-14 5.9%
 - 2014-15 9.3%
 - 2015-16 6.9%
 - 2016-17 6.32%
 - 2017-18 5.53%
 - 2018-19 5.00% Increase projected

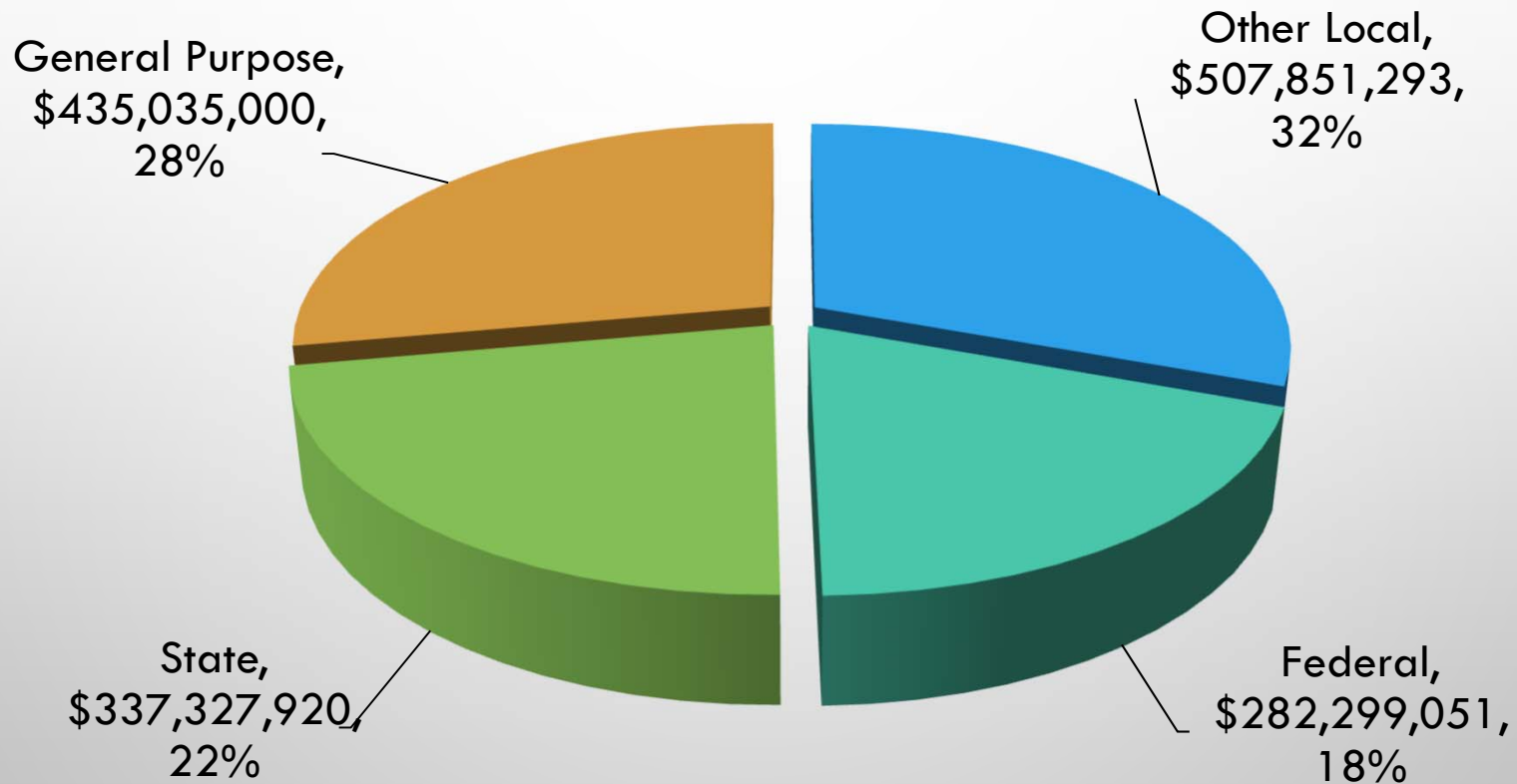
Redevelopment Dissolution

- Successor Agency Oversight Boards consolidate into one Countywide Oversight Board effective July 1, 2018
- Countywide Oversight Board staffed by the Auditor-Controller via Conservation and Development Department
- New Oversight Board Composition includes seven seats
 - **1 member appointed by the county board of supervisors**
 - 1 member appointed by the city selection committee established pursuant to Section 50270 of the Government Code. (Contra Costa Mayor's Conference)
 - 1 member appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code (Contra Costa Special District's Association)
 - 1 member appointed by the county superintendent of education to represent schools if the superintendent is elected
 - 1 member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
 - **1 member of the public appointed by the county board of supervisors**
 - 1 member appointed by the recognized employee organization representing the largest number of successor agency employees in the county. (DCD Conducting Survey of Current Successor Agencies)
- Board will need to determine a process for making appointments
- Any unfilled seats as of July 15, 2018 can be filled by the Governor

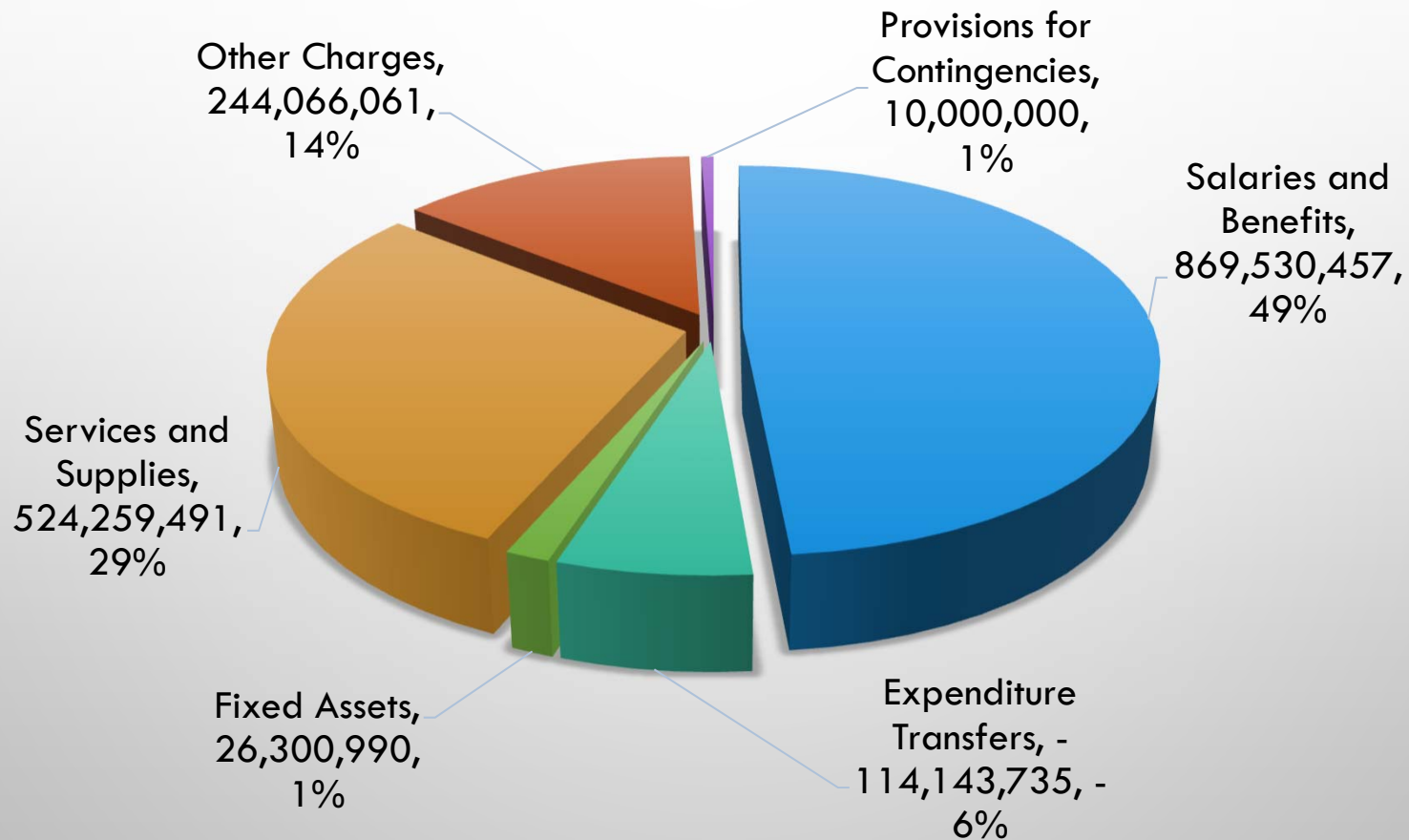
Fiscal Year 2017-18

General Fund Budgeted Revenue

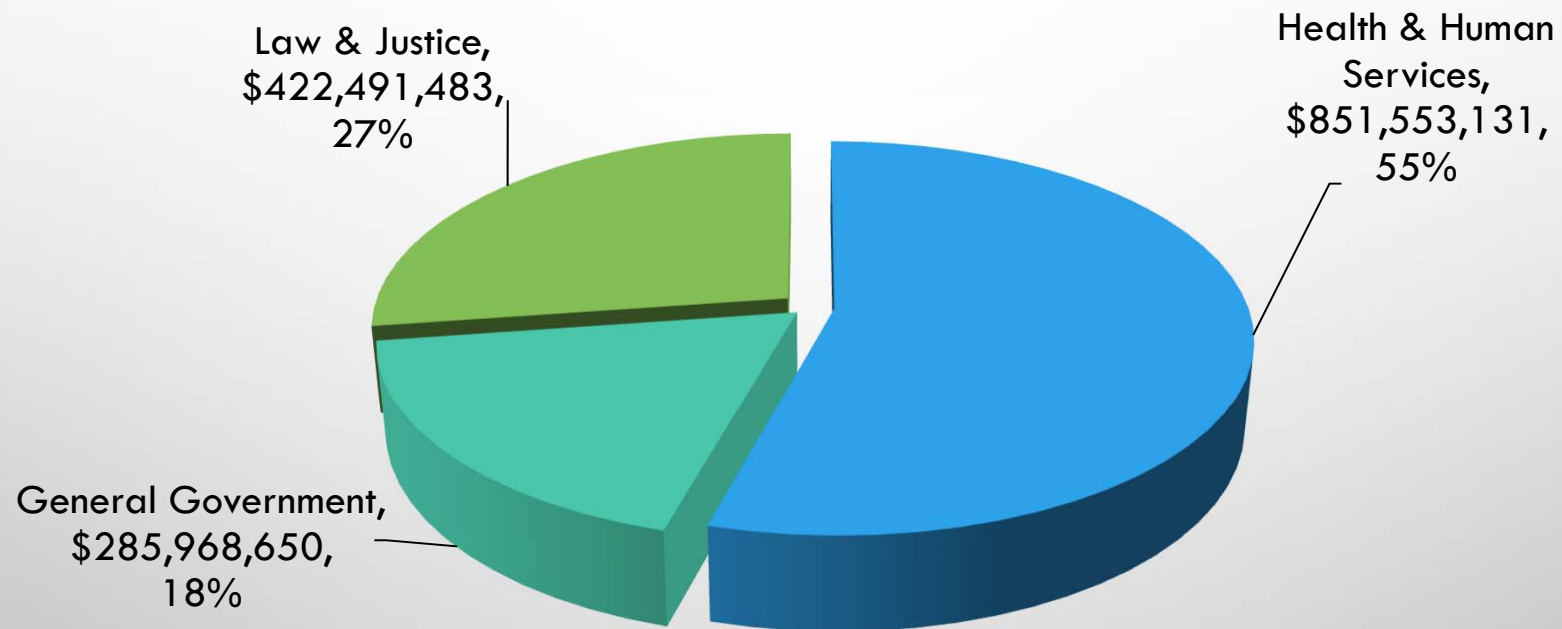
\$1.562 Billion



FY 2017-18 General Fund Appropriations \$1.56 Billion



FY 17-18 Distribution General Fund Appropriations



FY 2017/18 Mid-year Preliminary Stats

Budget Performing As Expected

			Mid-Year 17-18	Mid-Year 16-17	Mid-Year 15-16	Mid-Year 14-15
ALL FUNDS	Budget	Actual	Percent	Percent	Percent	Percent
Expenditures	3,481,558,504	1,447,820,821	41.6%	43.5%	40.8%	43.5%
Revenues	3,643,507,424	1,588,664,485	43.6%	42.9%	44.1%	44.0%
GENERAL FUND	Budget	Actual	Percent	Percent	Percent	Percent
Expenditures	1,597,751,688	598,765,615	37.5%	42.5%	41.6%	43.7%
Revenues	1,696,879,727	685,030,565	40.4%	38.6%	38.2%	37.1%
Wages & Benefits	874,009,322	401,679,553	46.0%	45.8%	46.0%	45.9%
Services & Supplies	580,570,786	222,178,717	38.3%	40.3%	38.5%	41.3%
Other Charges	245,982,271	99,454,401	40.4%	46.7%	46.4%	51.0%
Fixed Assets	102,327,058	14,730,620	14.4%	14.1%	8.5%	15.1%
Inter-departmental						
Charges	(113,938,956)	(53,012,837)	46.5%	41.2%	48.1%	53.2%
Contingencies	7,929,245	111	0.0%	0.0%	0.0%	0.0%
Total Expenses	\$ 1,696,879,727	\$ 685,030,565	40.4%	42.5%	41.6%	43.7%
Taxes	386,935,000	230,920,844	59.7%	63.4%	63.7%	65.5%
Licenses, Permits, Franchises	10,819,467	3,380,656	31.2%	21.2%	28.0%	27.0%
Fines, Forfeitures, Penalties	24,643,179	1,880,529	7.6%	8.5%	7.8%	7.0%
Use of Money & Property	5,282,645	2,576,446	48.8%	621.1%	10.3%	59.9%
Federal/State Assistance	578,862,326	191,098,646	33.0%	31.9%	28.3%	29.3%
Charges for Current						
Services	253,397,192	98,314,255	38.8%	41.8%	40.9%	31.6%
Other Revenue	315,311,879	70,594,240	22.4%	20.4%	28.4%	26.7%
Total Revenues	\$ 1,575,251,688	\$ 598,765,615	38.0%	38.6%	38.2%	37.1%

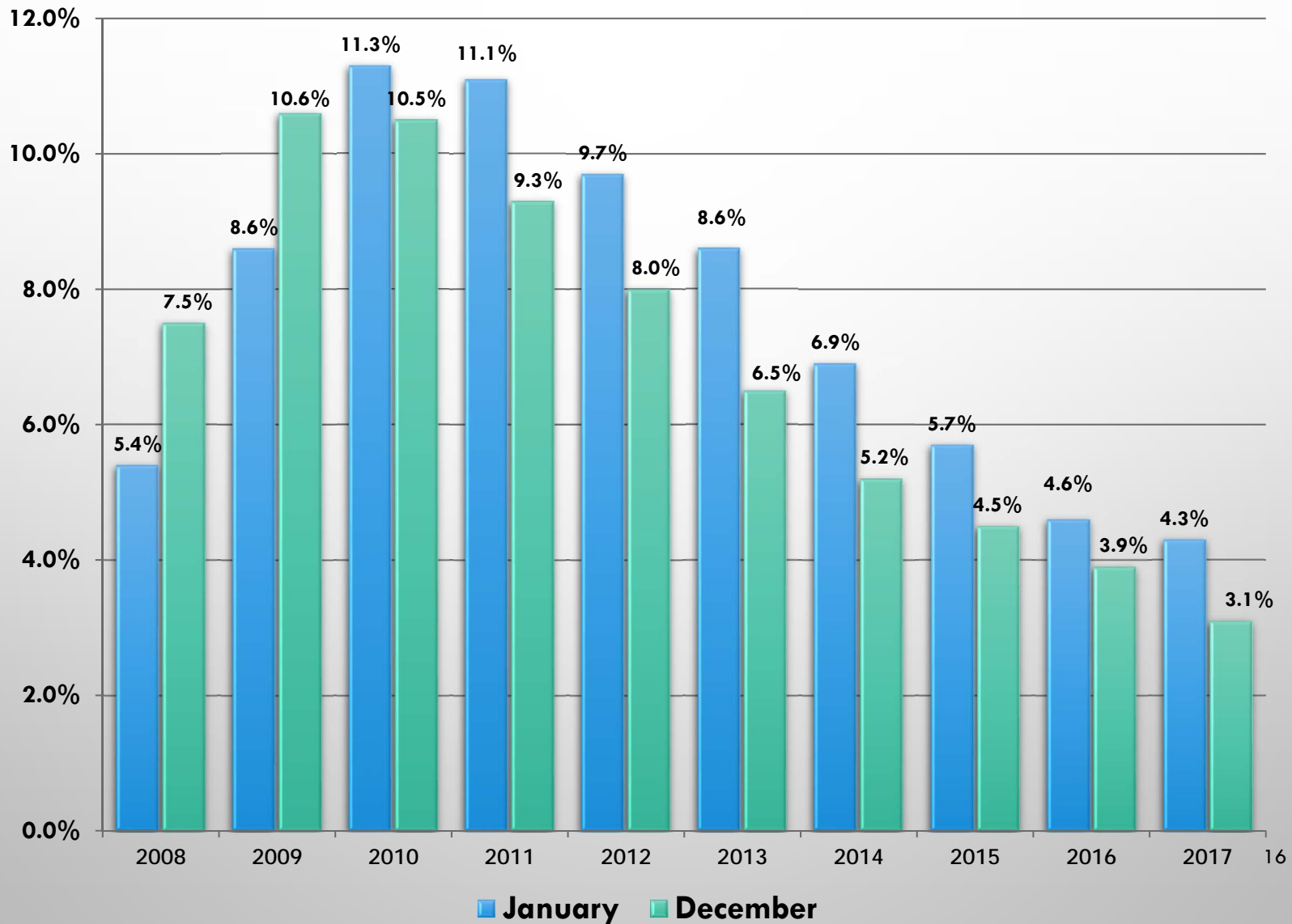
Contract Status

<u>Bargaining Units</u>	<u>Total Number of Permanent Employees ¹</u>	<u>Contract Expiration Date</u>
AFSCME Local 2700, United Clerical, Technical and Specialized Employees	1,590	6/30/2019
AFSCME Local 512, Professional and Technical Employees	241	6/30/2019
California Nurses Association	1,067	1/31/2018 ²
CCC Defenders Association	73	6/30/2018
CCC Deputy District Attorneys' Association	91	6/30/2018
Deputy Sheriff's Association, Mgmt Unit and Rank and File Unit	839	6/30/2019
Deputy Sheriff's Association, Probation Peace Officers Association	243	6/30/2018
District Attorney Investigator's Association	16	6/30/2019
IAFF Local 1230	300	6/30/2020
IHSS SEIU - 2015		6/30/2018
Physicians and Dentists of Contra Costa	275	2/28/2018 ²
Professional & Technical Engineers – Local 21, AFL-CIO	1,065	6/30/2019
Public Employees Union, Local One & FACS Site Supervisor Unit	556	6/30/2019
SEIU Local 1021, Rank and File and Service Line Supervisors Units	886	6/30/2019
Teamsters, Local 856	1,707	6/30/2019
United Chief Officers' Association	12	6/30/2020
Western Council of Engineers	26	6/30/2019
Management Classified & Exempt & Management Project	421	n/a
	Total	
	9,408	

¹ Permanent number of filled Positions as of December 2017 (not FTE)

² Currently in Negotiations

Contra Costa County Unemployment Rate 2008 - 2017



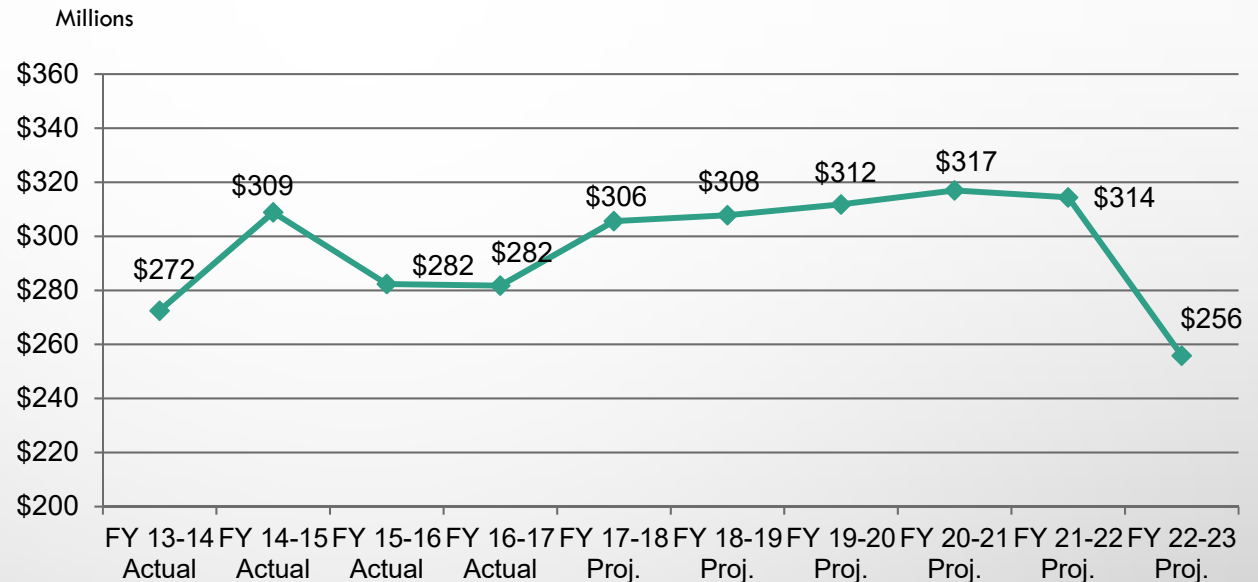
Infrastructure

- **Repair; Maintenance; and Development of New Buildings and Technology**
 - In 2020/21 the new administration building and the new EOC will come on line and will reduce the current \$272 million backlog by over \$30 million
 - The west county jail reuse will also come on line in 2020/21 and will require new staffing levels, as well as additional mental health providers
 - To significantly reduce the remaining \$242 million cannot be addressed at the current funding of \$10 million per year
 - A 5 year Capital Improvement Plan (CIP) should concentrate on reducing the number of buildings currently owned by the County and consolidating as many of the remaining buildings as possible, including increasing the number of buildings leased as opposed to owned
 - In 2017 we completed the upgrade to our PeopleSoft system at a cost of \$13.6 million (to date)
 - Over the next 5 years we will need to upgrade our Payroll, Finance and Tax systems at a cost of approximately \$15 million for each system
- **Future of the County Hospital, Clinics, and Health Plan**
 - It will become increasingly difficult to support a stand-alone County Hospital. We will need to look at alternatives

Pension Cost Management

- Following carefully
- Monitoring changes by state and CCCERA board
 - New PEPRAs as of 1/1/2013
 - No extension of amortization
 - No change in 5-year smoothing
 - No change in pooling
 - Assumed rate of return 7.00%
 - Active payroll growth of 3.25% per annum
- Updates:
 - FY 2017-18
Recommended Budget - \$328 M
 - Chart includes the final year of debt service for county and fire pension obligation bonds, both of which pay off in FY 2021-22

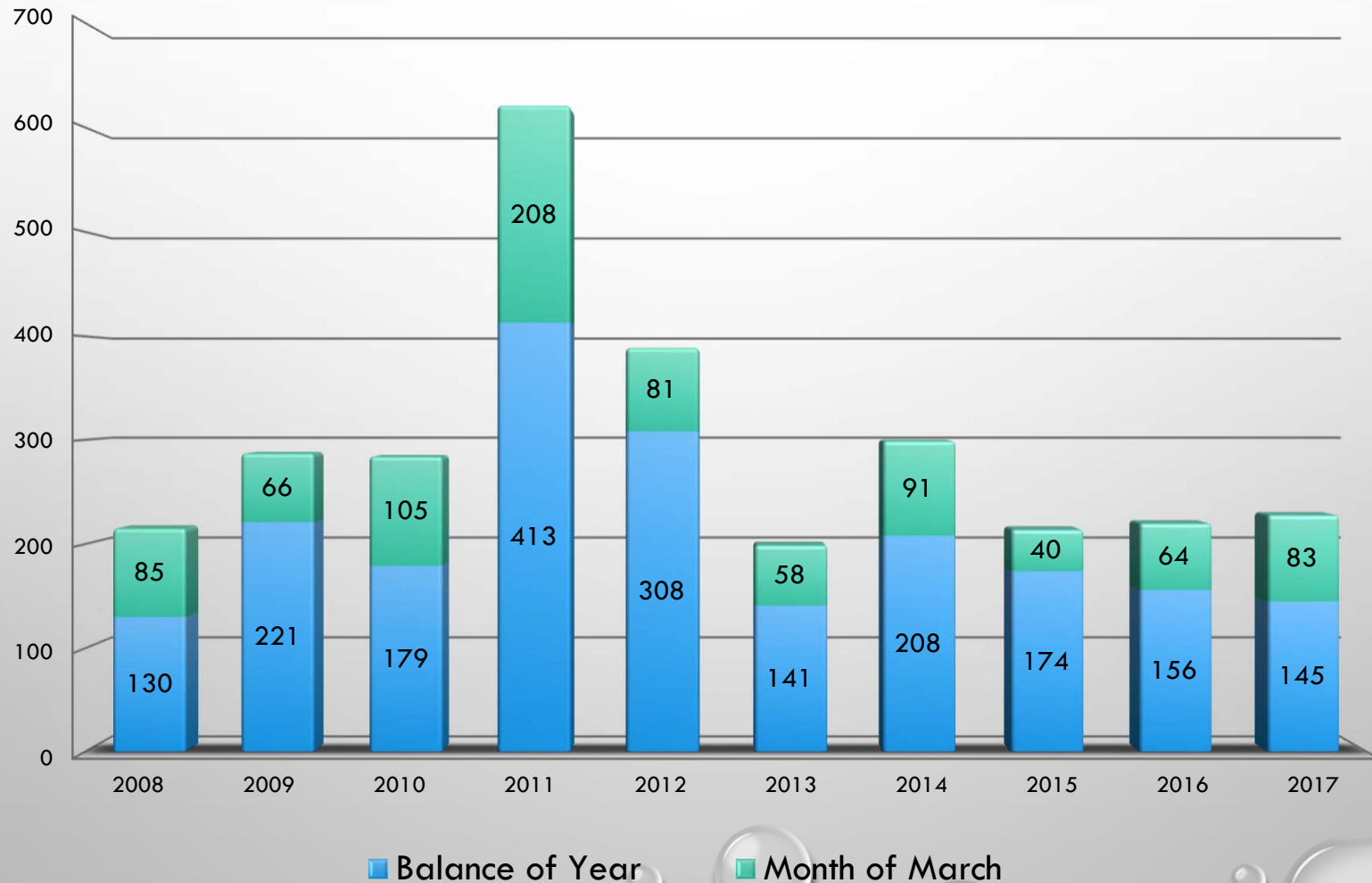
Actual and Projected* Retirement Expense



The chart includes four years of actual data, straight-line projection of current year (based upon six months of actual data), and projection of future years based upon current year wages and actuarial data provided by CCCERA's actuary (letter dated August 18, 2017) assuming that CCCERA achieves its assumed rate of return each of these years. This data will be updated in March for the FY 2018/19 budget based upon 12/31/2017 CCCERA market impacts.

Retirements

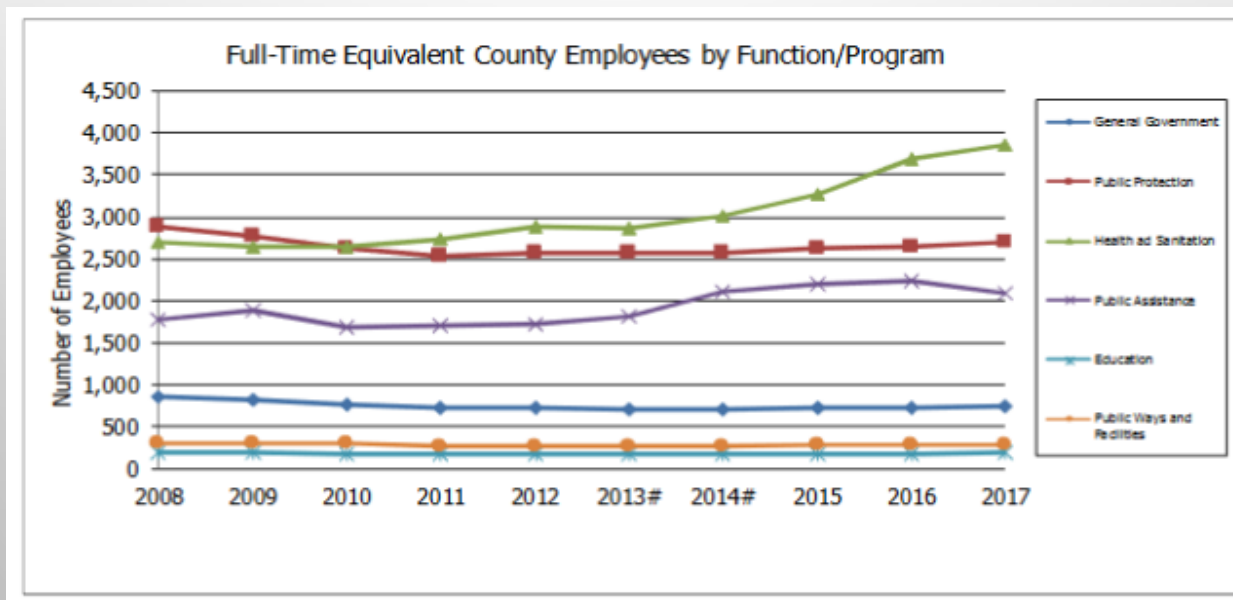
High numbers of vacant positions due to unprecedented numbers of retirements during calendar year 2011 and 2012 are beginning to recover. Historically March retirements are the highest. Retirement numbers appear to have returned to normal.



Increase To Full-time-equivalent Positions

- After several years of no growth – steady increase has begun
- Increase of 1,580 FTE in last five years (8,329 to 9,877)

	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Budgeted 2017-18
General Government	728	707	712	728	739	751	775
Public Protection	2,565	2,565	2,566	2,624	2,637	2,701	2,730
Health and Sanitation	2,876	2,866	3,014	3,259	3,693	3,855	3,855
Public Assistance	1,722	1,815	2,106	2,203	2,245	2,089	2,022
Education	175	175	175	178	180	194	194
Public Ways and Facilities	<u>263</u>	<u>263</u>	<u>279</u>	<u>281</u>	<u>284</u>	<u>287</u>	<u>288</u>
Total	8,329	8,391	8,852	9,273	9,778	9,877	9,864



Note: Budgeted 2017-18 FTE figures are those authorized as of July 1, 2017 including vacancies

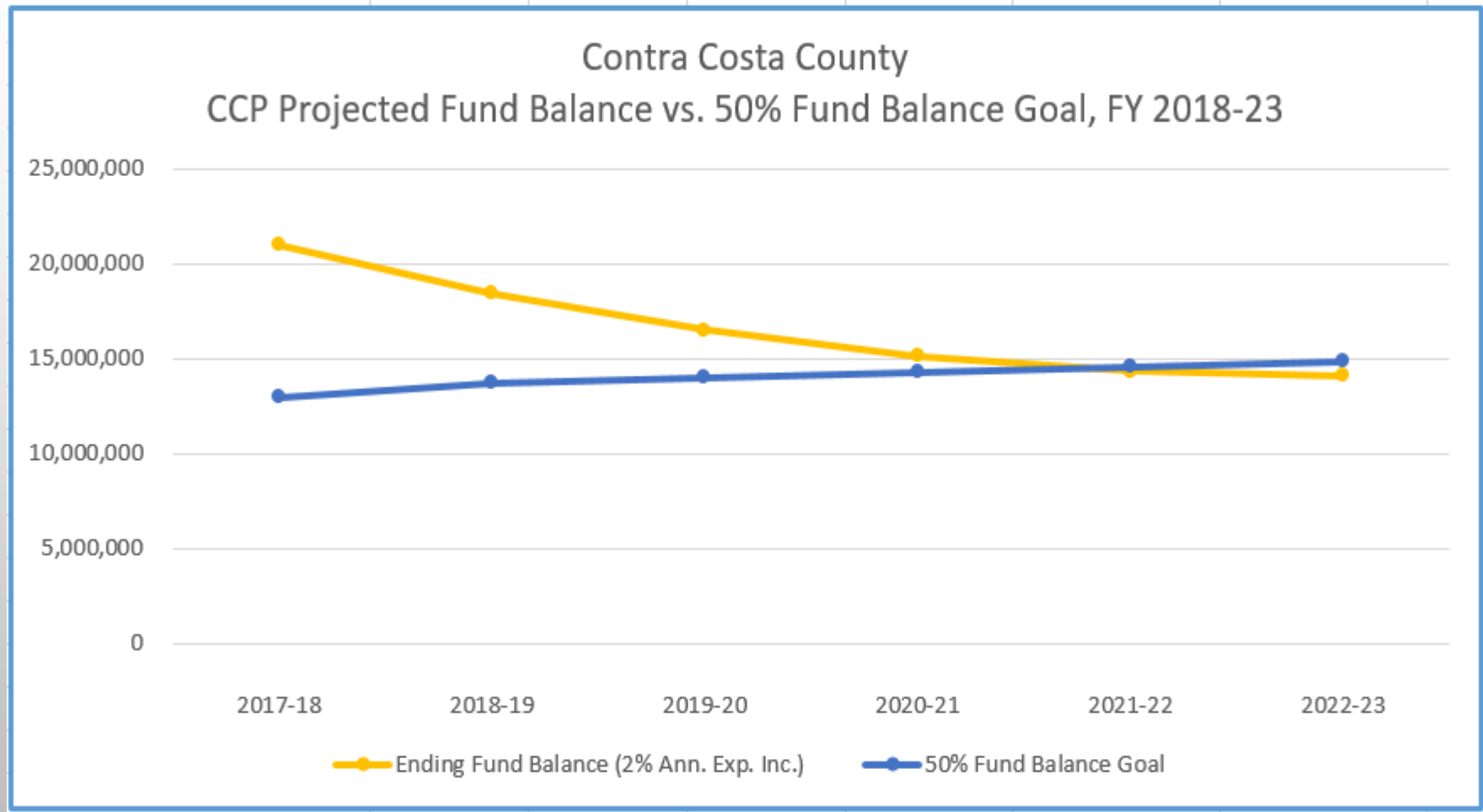
Current Recruitments

- 2018 New Department Heads and Key Staff
 - Public Works Director
 - Economic Development Manager
 - Health Services Director
 - Chief Assistant County Administrator
 - Public Information Officer
 - Chief Information Officer
 - Assistant Information Officer

Community Corrections Partnership

- CCP passed a FY 18/19 Budget Recommendation of \$27,462,512 in December 2017, an increase of 6% over the current year. PPC to consider in February 2018
- CCP budget continues to rely on approximately \$2.5 million in 18/19 of CCP fund balance (expenses exceed revenues)
- Fund balance use includes year 2 of the annual \$500k contribution to Stand Together CoCo, Immigration Rapid Response Program (3 year pilot-project)
- Assuming just a 2% increase each year to expenditures over the next 5 years, the County would be required to draw \$6.9 million from CCP fund balance to fund AB109 programs over that period
- Assuming a FY 18/19 estimated fund balance of \$21 million, fund balance would be reduced to \$14.1 million at the close of FY 22/23
- At \$14.1 million, fund balance would be at 47% of FY 22/23 projected expenditures. **Goal is 50% of expenditures** (*Approx. 6 months of operations*)

Community Corrections Partnership



Contra Costa Fire Protection District

- **Reasons For Optimism**

- Settled with Local 1230 and UCOA through 2021
- Employer share of pension costs stable and decreasing in 18/19
- “Alliance” ambulance program stable (for now)
- Station 16 (Lafayette) and 70 (San Pablo) projects close to breaking ground

- **Reasons For Concern**

- Property Tax revenue increases slowing
 - Reducing 18/19 assumption to 5% growth from 6%
- Cost of labor contracts
 - \$8.7 million in 18/19 (total three year cost of \$23.3 million)
- Continued strain on operating fund
 - Scheduled debt service payments increasing approx. \$700k/yr. through 2022
 - Additional engine company at Station 1 beginning in March 2018
 - Future staffing of Station 16 once constructed

Contra Costas Fire – EMS Transport Fund

- **Reasons For Optimism**

- “Alliance” ambulance program stable
- Operating revenues exceeding projections (for now)
- Initial \$3 million borrowing from District operating fund repaid in 17/18

- **Reasons For Concern**

- Future of healthcare funding continues to be uncertain
 - California single payer system?
 - Affordable Care Act repeal or defunding?
- EMS Transport Fund reserve
 - Goal is 50% of annual cost of ambulance services - \$21 million
- First Ground Emergency Medical Transportation (GEMT) allocation anticipated at approximately \$700,000 (original projection at \$5 - \$6 million)

- **EMS Transport Reserve Recommendation**

- CAO recommends budgeting annual reserve contributions of \$2 million /yr. to fund the \$21 million goal.
- This recognizes that the District has ongoing receivables of approx. \$10 million at any given time.

Continued Reasons For Optimism

- **Positive Economic Outlook**

- California economic outlook stable for next year
- AV Revenue up 5.8% for FY 2017/18 and projected to grow by 5% in 2018/19

- **Positive County Results**

- Budget structurally balanced for seventh year in a row
- Employee wages increased
- Over 1,500 new employee positions added in past 5 years
- Most departments fully staffed
- OPEB managed
- Have begun pre-funding infrastructure needs
- Fund balance increased
- Maintained our AAA bond rating from Standard & Poor's, and received upgrade on lease bonds from Moody's (from A1 to aa3) with both agencies commenting on fact that Contra Costa County was "fundamentally sound, and had a stable outlook for the future."
- Pension Obligation Bond matures 6/1/2022 (\$47,382,000)

Reasons For Concern


- Federal and State economy likely to slow or enter recession by 2020
- Prop 172 sales tax revenue increases slowing in 2018/19
- Revenues are not projected to keep up with expenditures for 2017/18 nor are they projected to do so for 2018/19 and beyond
- Aging technology –Finance & Tax systems
- Labor negotiations
- CCCERA's Net Pension Liability is \$1.4 Billion (as of 12/31/16) and there is more unfunded liability coming
- Increased costs of benefits – pension assumed rate of return is 7.00% - actual returns for 2015 were 2.6%, 2016 returns were 7.4%, 2017 likely to exceed the 7% figure
- Economy is driven by technology not labor, social systems are changing, and institutions and leaders struggling to meet the needs of the 21st Century
- Federal government not likely to respond to counties needs
- Unreasonable expectations given funding available

Continue Focus On

- Focus on current needs but look for long term solutions – five year minimums
- Developing staff
- Continuing to harness our organizational discipline and innovation
- Providing public services that improve the quality of life of our residents and the economic viability of our businesses

FY 2018-19 Budget Hearing Format

- Draft agenda for discussion purposes
 - Introduction/summary by County Administrator
 - Departmental presentations:
 - Sheriff-Coroner
 - District Attorney
 - Health Services Director
 - Employment and Human Services Director
 - Any suggested changes for this year?
 - Deliberation
- Budget Hearing on April 17th (hearing can be continued if needed)
- Budget Adoption on May 8th
 - The Fire Board will receive a budget presentation on the District's Budget on April 10. Per the norm the Budget Hearing and Adoption will occur along with the Countywide Budget.



**“At Every Crossroads On The Path
That Leads To The Future, Tradition
Has Placed 10,000 Obstacles To
Guard The Past”**

Maurice Maeterlinck



Contra Costa County

To: Board of Supervisors
 From: David Twa, County Administrator
 Date: January 30, 2018
 Subject: Annual Report on Capital Projects

RECOMMENDATION(S):

Accept report on Capital Projects.

FISCAL IMPACT:

No fiscal impact. This is an informational report only.

☐ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **01/30/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
 Candace Andersen, District II Supervisor
 Diane Burgis, District III Supervisor
 Karen Mitchoff, District IV Supervisor
 Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 30, 2018

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Eric Angstadt, Assistant
County Administrator 925-335-1009

By: Jami Napier, Deputy

cc:

ATTACHMENTS

New Administration, EOC, and Public Safety Building
Presentation

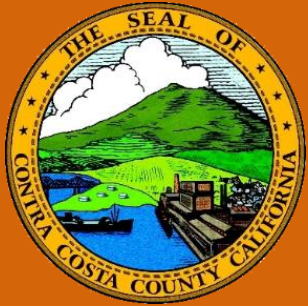


BOARD OF SUPERVISORS UPDATE

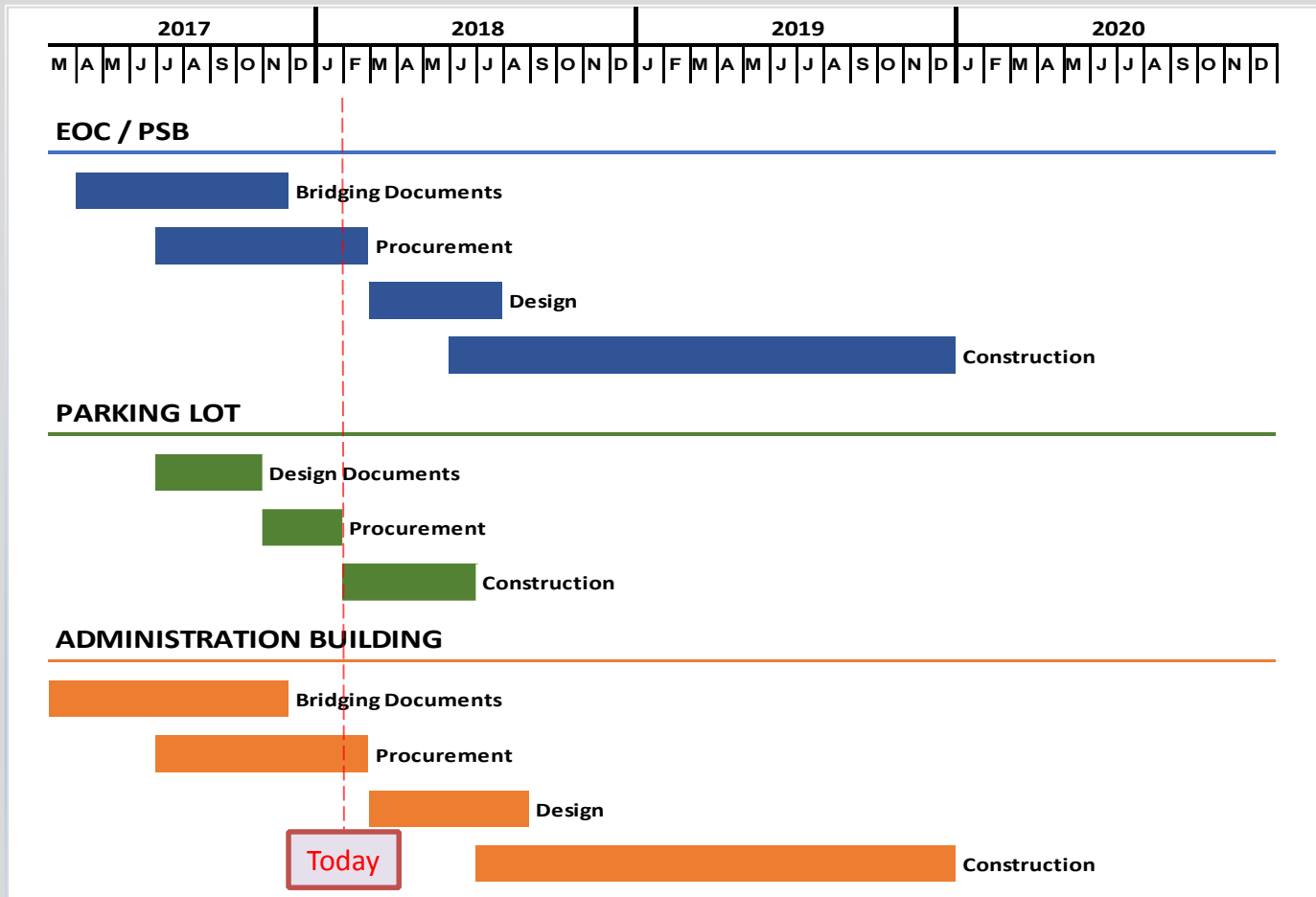
CONTRA COSTA COUNTY

New Administration Building and
Emergency Operations Center / Public Safety Building
January 30, 2018





Milestone Schedules





Design-Build Best Value Procurement Schedule

- RFQ Issued: _____ October 2, 2017
- Proposals due: _____ January 25, 2018
 - Confidential Interviews: _____ Jan. 31 and Feb. 1
 - Request for Supplemental Information: _____ February 2, 2018
 - Final Response to RSI due: _____ February 9, 2018
 - Notice of Award: _____ February 16, 2018
 - Board Approval: _____ March 20, 2018
 - Contract and NTP: _____ March 21, 2018
- Project Completion: _____ July, 2020



NEW PARKING LOT

Tentative Schedule

- Crime Lab Building Vacated: _____ January 29, 2018
- Contractor Notice to Proceed: _____ February 9, 2018
 - Permit/Mobilization/Start Work: _____ February 16, 2018
 - Building Abatement/Demo: _____ February 28, 2018
 - Existing Parking Lot Demo: _____ March 16, 2018
 - New Parking Lot Construction: _____ March 30, 2018
- **Project Target Completion: July, 2018**

*PV Array/Shading Project not anticipated to extend work.



The Morrow House

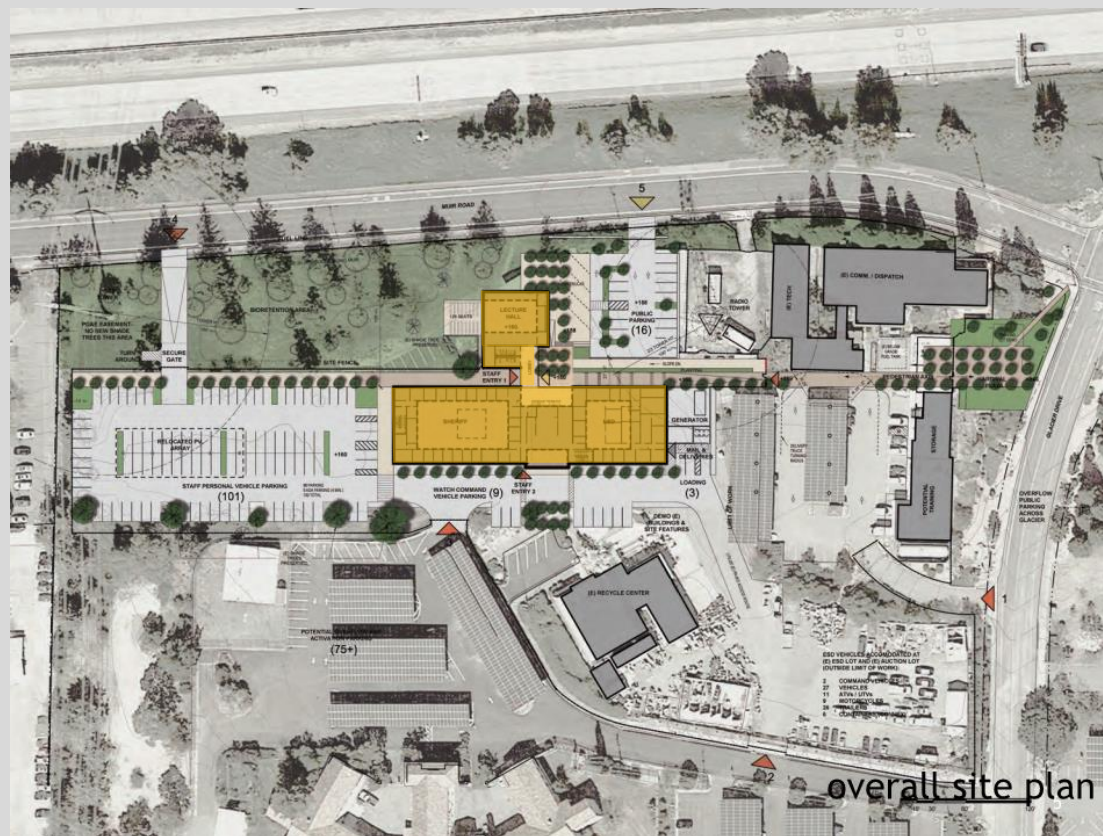


Emergency Operations Center & Public Safety Building





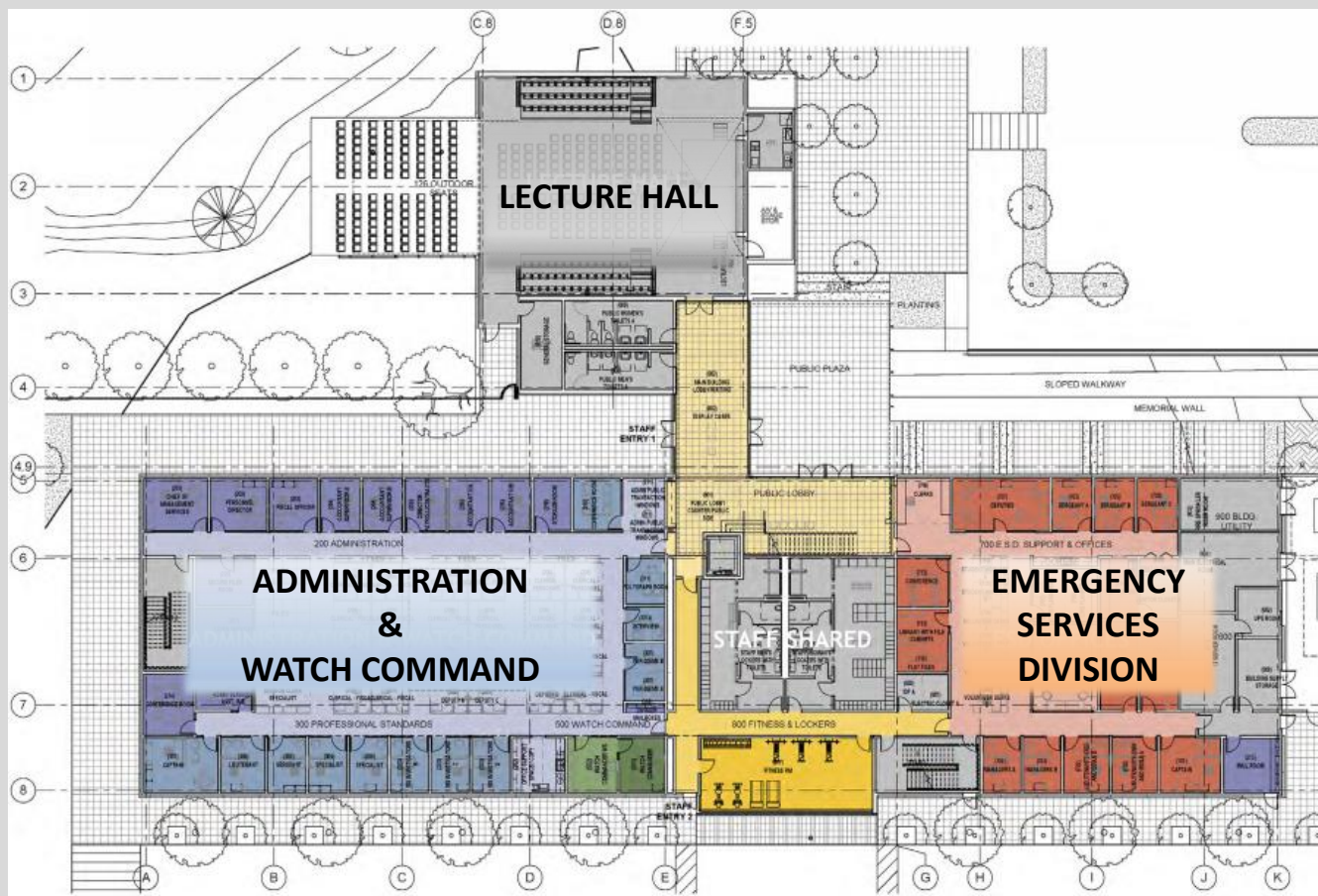
Site Development Plan



- stronger campus environment
- better use of outdoor space
- distinct civic identity for public safety

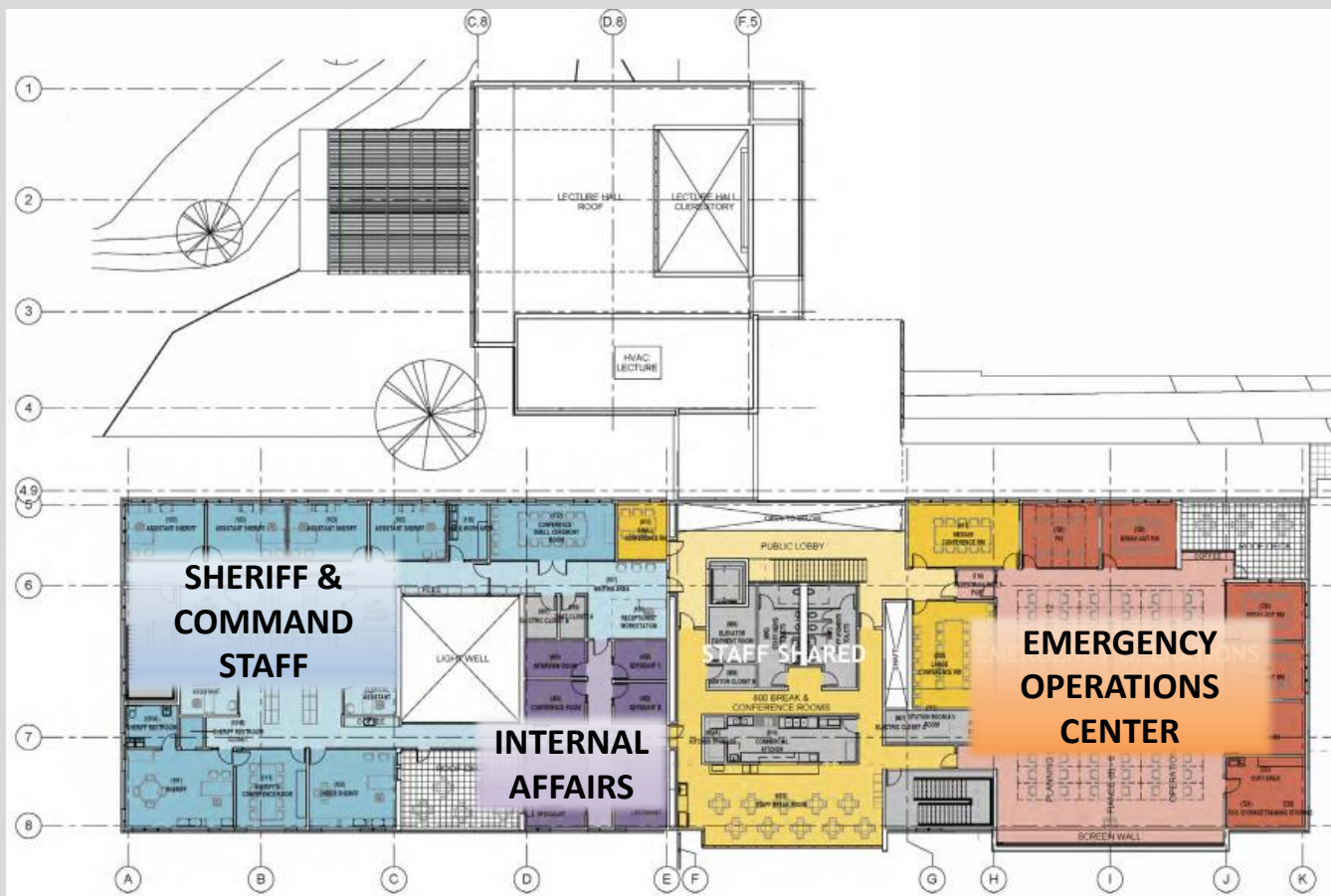


Level 1





Level 2





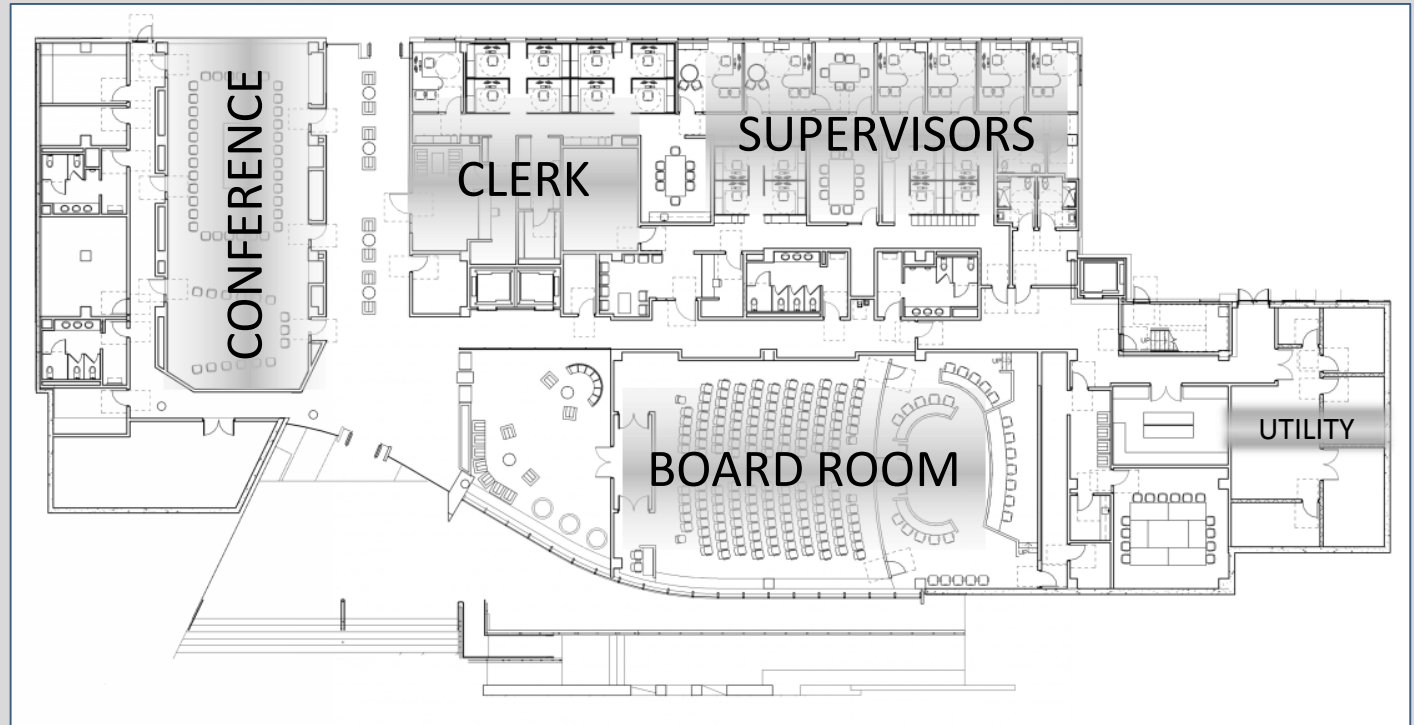
New Administration Building



Board of Supervisors Update
January 30, 2018

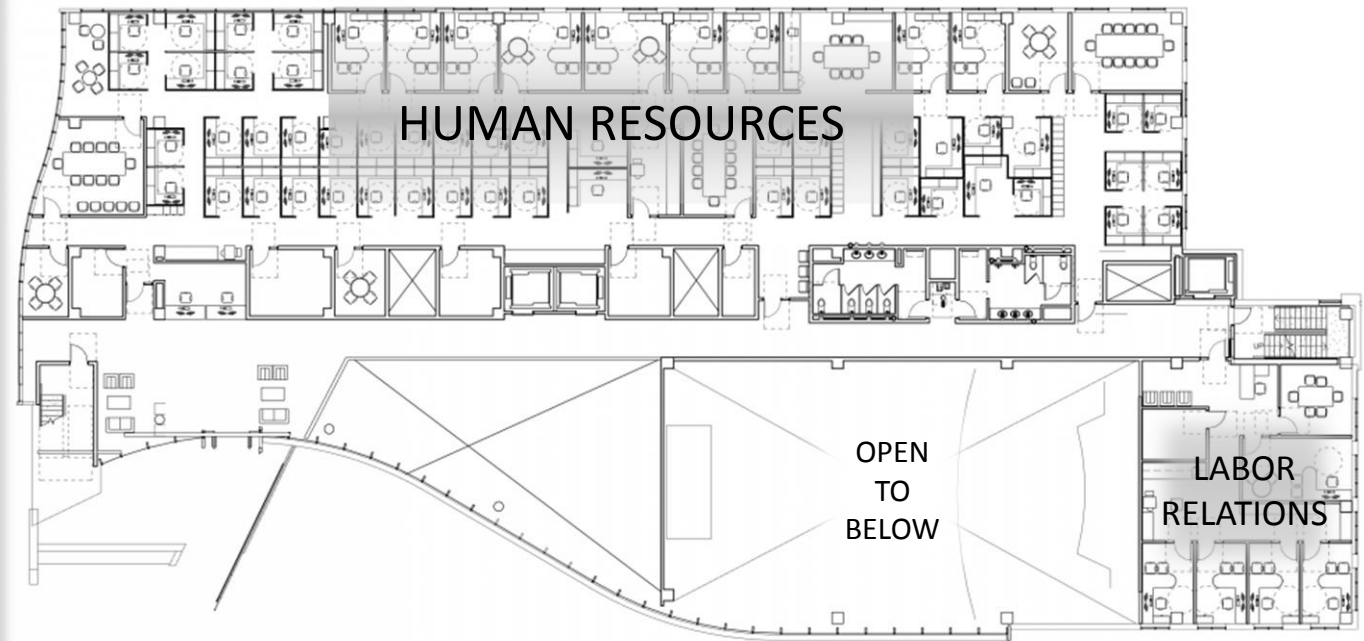


Ground Floor Plan



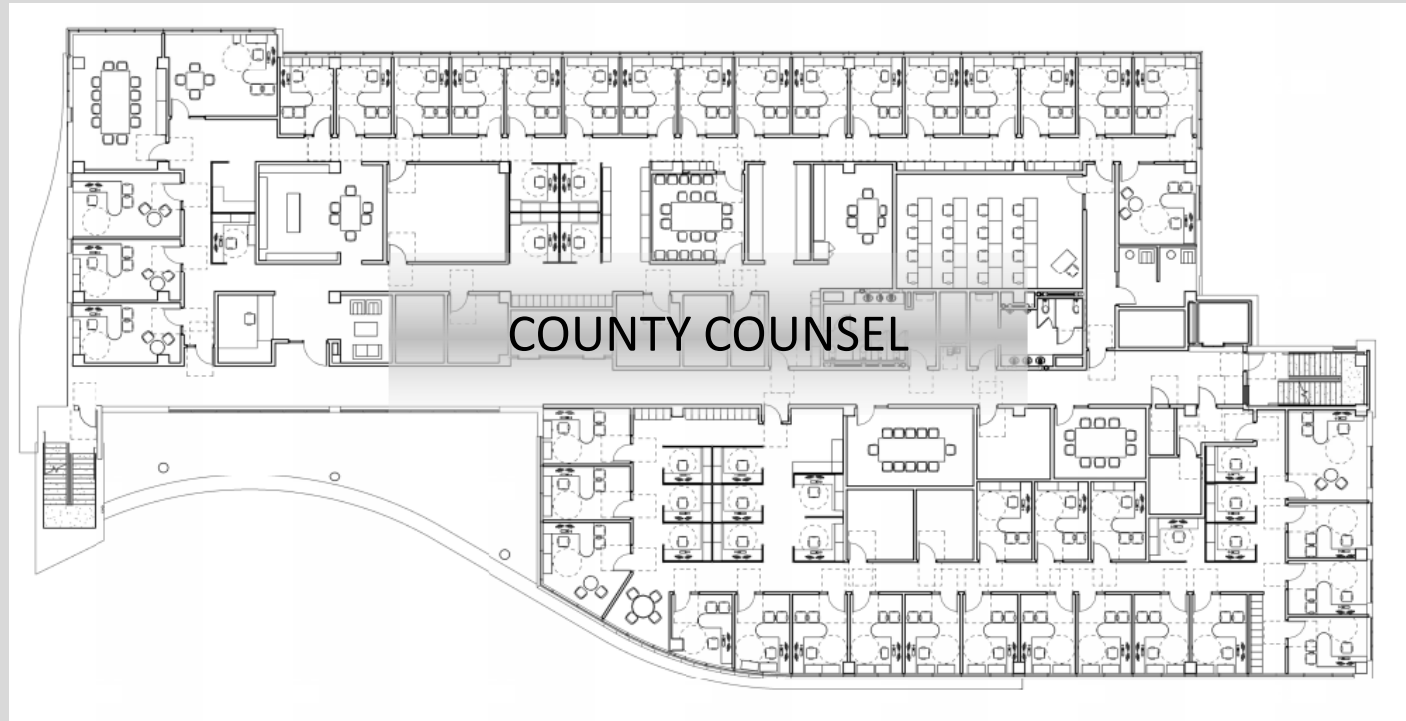


First Floor Plan



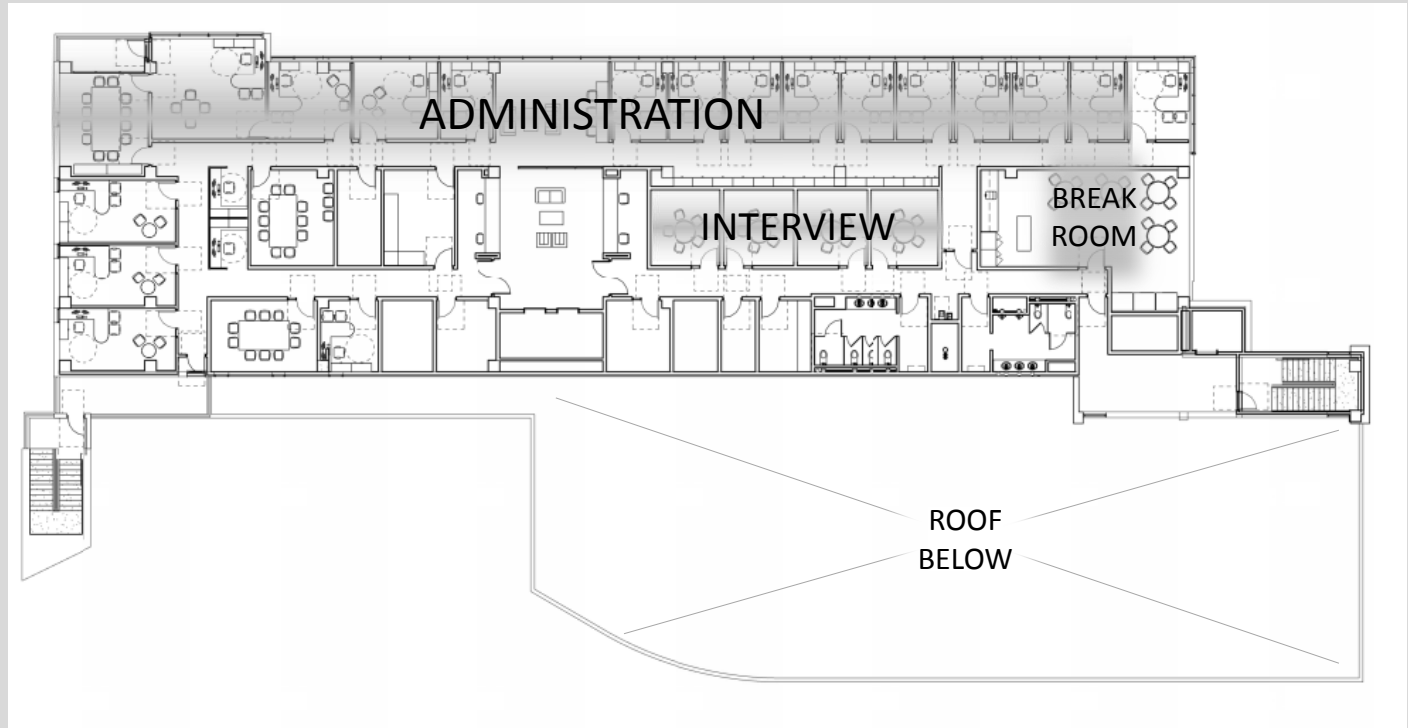


Second Floor Plan





Third Floor Plan







Animation of Administration Building



QUESTIONS?



Contra Costa County

To: Board of Supervisors
From: David Twa, County Administrator
Date: January 30, 2018

Subject: Board of Supervisors Annual Retreat Update on Office and Reentry & Justice

RECOMMENDATION(S):

ACCEPT report from the Office of Reentry & Justice on the County's reentry and justice related programs, including the Government Alliance on Race and Equity (GARE).

FISCAL IMPACT:

No fiscal impact. This is an informational report only.

BACKGROUND:

Lara DeLaney, acting Director of the Office of Reentry & Justice (ORJ); Donté Blue, Deputy Director of the ORJ; and Dwayne Marsh, Deputy Director Government Alliance on Race and Equity, will provide the Board of Supervisors with an update on the County's reentry and justice related initiatives.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **01/30/2018** ☒ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 30, 2018

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: Jami Napier, Deputy

Contact: Lara DeLaney
925.335.1097

cc:

CLERK'S ADDENDUM

Dwayne March presentation attached.

Public Speaker: Debbie Toth from Choice in Aging.

AGENDA ATTACHMENTS

MINUTES ATTACHMENTS

Advancing Racial Equity presentation

ORJ Update presentation

Advancing Racial Equity: The Role of Government

Contra Costa Board of Supervisors Retreat

January 30, 2018

Government Alliance on Race and Equity
Race Forward
Dwayne S. Marsh



LOCAL AND REGIONAL
GOVERNMENT ALLIANCE ON
RACE & EQUITY

RACIALEQUITYALLIANCE.ORG
RACEFORWARD.ORG
CENTERFORSOCIALINCLUSION.ORG

©2017 RACE FORWARD
race forward
CSI CENTER FOR
SOCIAL INCLUSION



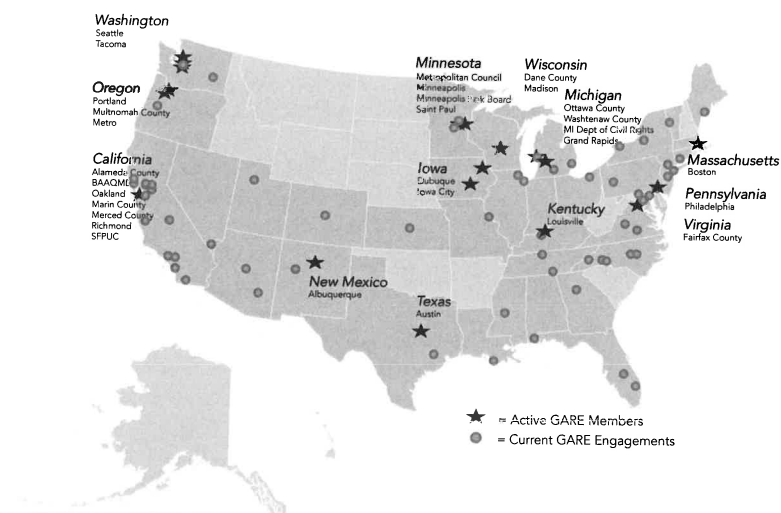
Government Alliance on Race and Equity

A national network of government working to achieve racial equity and advance opportunities for all.

- ✓ Lead network – 59 members
- ✓ Expand network – 30 states / 150+ cities
- ✓ Provide tools to put theory into action



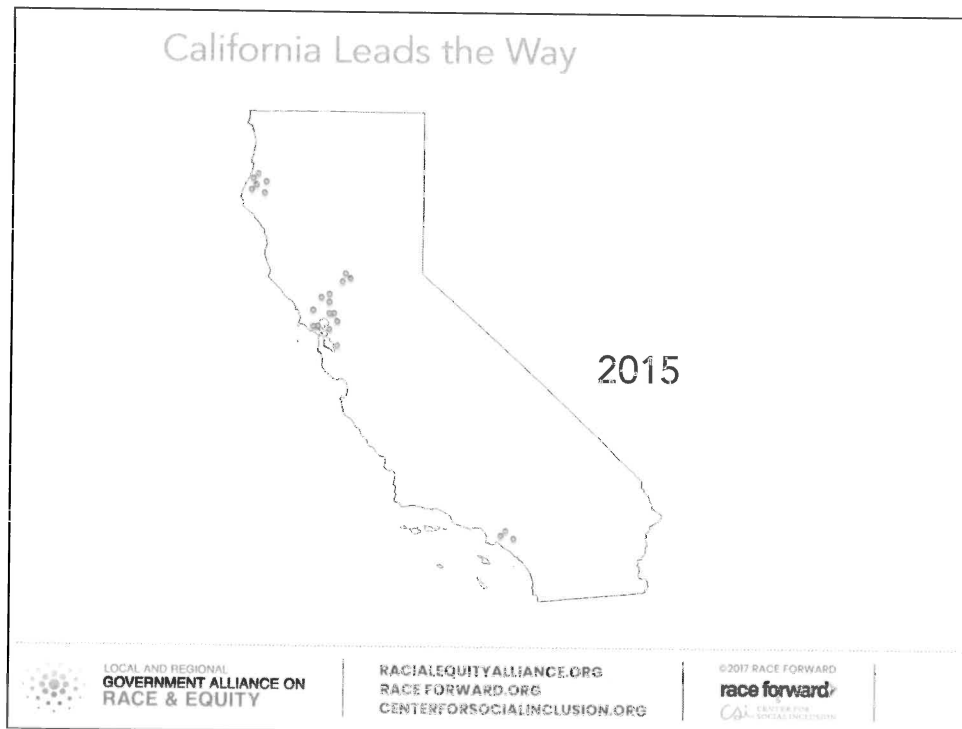
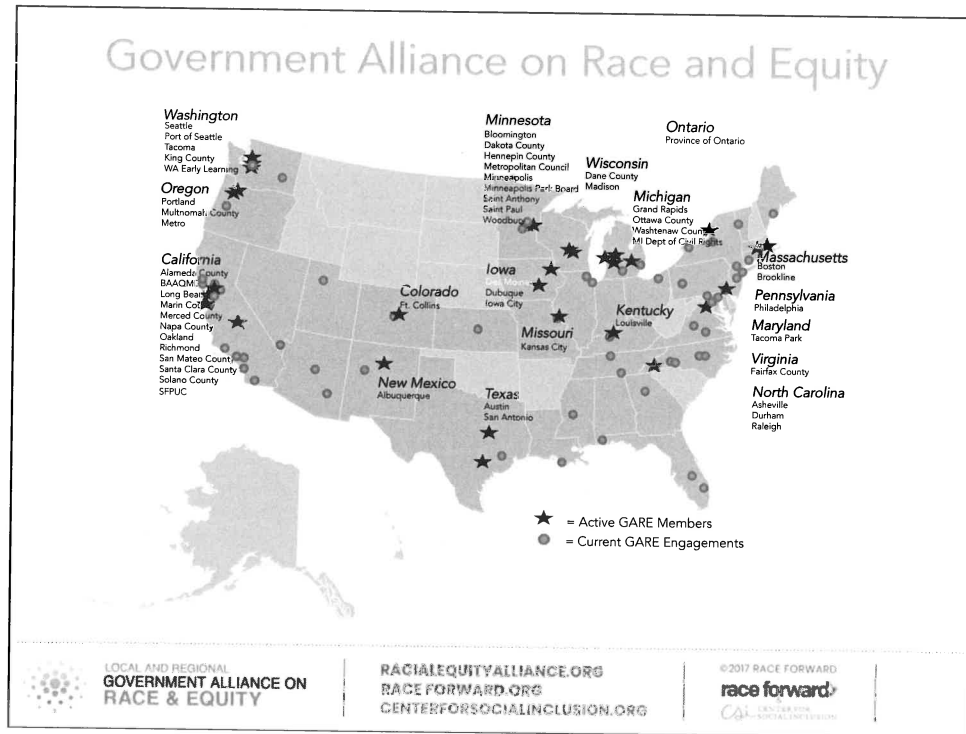
Government Alliance on Race and Equity

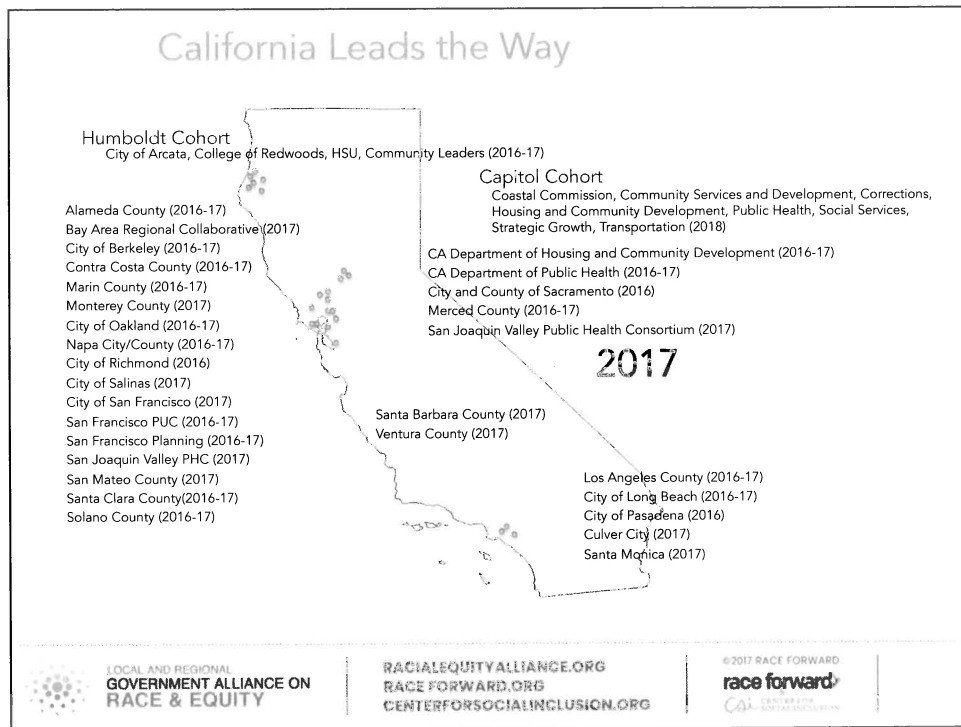


LOCAL AND REGIONAL
GOVERNMENT ALLIANCE ON
RACE & EQUITY

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A PART OF THE
CIVIL RIGHTS MOVEMENT





Core Lessons

- Communication and Transparency: Build support and relationships with community.
- Navigating the Political Landscape: Map institutional power to build political will and leadership buy-in.
- Cultivating Leaders: Find the sparkplugs and assemble a cohesive, diverse group of government employees to carry forward racial equity work.
- Expanding Regional Collaboration and Growing the Field: Create opportunities for coordinating with neighboring jurisdictions and engage others in the region to develop a regional strategy for dismantling racial inequities.
- Sharing the Field of Practice: Be strategic and use all policy levers and tools available to advance racial equity.
- Maximizing Measurable Impact in the Community: Conduct evaluations and surveys, using data, and establishing performance measures

Membership has its privileges

- From one member in 2015 to 14 (and counting) in 2018
- Principal contributors – cohorts, referrals
- At least six more jurisdictions in the queue
- 23.2 million residents in California jurisdictions participating in GARE

Austin	TX	South
San Antonio	TX	South
Fairfax County	VA	South
Alameda County	CA	West
Bay Area Air Quality Management District	CA	West
Long Beach	CA	West
Marin County	CA	West
Merced County Department of Public Health (Associate)	CA	West
Oakland	CA	West
Richmond	CA	West
City of San Francisco	CA	West
San Francisco Public Utilities Commission	CA	West
Santa Clara County Public Health (associate)	CA	West
Solano County	CA	West
Albuquerque	NM	West



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Progress

- Resolutions advancing Racial Equity (Marin, Richmond, Contra Costa)
- Racial Equity Action Plans developed (more than 20 in the West)
- Offices of Equity initiated (Long Beach, Oakland)
- Cross-jurisdictional collaboration (Napa, Solano)
- Institutional Change initiatives (Los Angeles County, Santa Clara County)
- Statewide institutional interrogation (State of California)



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California State Convening

- January 31, 2018
- First statewide gathering of various CA GARE players
- Training, exchange, and policy priorities under development
- Springboard for deeper statewide, national engagement



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LOCAL GOVERNMENT ALLIANCE

The First Step...

- Normalize the conversation
- Operationalize systems
- Organize for impact
- repeat

*The Board of Supervisors of
Contra Costa County, California*

In the matter of: **Resolution No. 2017/415**
AFFIRMING THE COUNTY'S COMMITMENT TO RACIAL EQUITY, DIVERSITY, AND THE GOVERNMENT ALLIANCE ON RACE & EQUITY (GARE) INITIATIVE

WHEREAS, on October 18, 2017 former President George W. Bush remarked "bigotry seems emboldened" in the United States, warning that Americans need to reject "white supremacy." "Bigotry or white supremacy in any form is blasphemy against the American creed," Mr. Bush said in his remarks at a forum focused on security; and

WHEREAS, these remarks come at time in the United States of America where fears about a rise in bigotry across the country have increased and where incidences of racial intolerance and hatred have led to large-scale protests culminating in violence and, in the case of Charlottesville, Virginia, the death of a counter-protestor; and

WHEREAS, the County of Contra Costa ("County") is home to one of California's most ethnically, culturally, and socio-economically diverse populations; and

WHEREAS, the County believes that diversity of backgrounds, perspectives, and experiences of the American people makes our nation, our communities, and our economy richer and stronger; and

WHEREAS, Contra Costa County communities are the most equitable when all residents are fully able to participate in the region's economic vitality, connect to the region's assets and resources, and contribute to the region's readiness for the future; and;



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CONTRA COSTA COUNTY OFFICE OF REENTRY & JUSTICE

(ORJ)

Lara DeLaney, acting ORJ Director
Donté Blue, ORJ Deputy Director



ORJ MISSION

- ▶ To build on, align, and formalize an office for the advancement of **public safety realignment, reentry** and **justice initiatives** in Contra Costa County.
- ▶ Authorized by the Board of Supervisors as **2.5 year Pilot Project of County Administrator's Office**; established **January 2017**.
- ▶ ***Community Advisory Board** initiated.*

ORJ RESPONSIBILITIES



- ▶ Coordinating array of **services**; **facilitating collaborative efforts** around policy development, operational practices and supportive services;
- ▶ **Advancing knowledge** of relevant issues, news, research and best-practices;
- ▶ **Fostering capacity-building** and partnership development;
- ▶ Conducting the **procurement process, contract management** for CBO reentry service providers;
- ▶ Developing new initiatives and **funding opportunities**;
- ▶ Providing **project management, staff** support;
- ▶ Supporting legislative **advocacy**;
- ▶ Managing **data and evaluation** of services;
- ▶ Conducting **public outreach**, info sharing and **community engagement**.

ORJ STAFFING



1. **ORJ DIRECTOR, *ACTING***
2. **ORJ DEPUTY DIRECTOR**
3. **SENIOR MANAGEMENT ANALYST**
4. **RESEARCH & EVALUATION MANAGER:
*FY 18-19***
5. **SECRETARY: 0.5 FTE *SHARED WITH CAO***
6. **INTERN/FELLOW (*STIPEND*)**

ORJ PROJECTS



1. **Reentry Strategic Plan Update:** *What do we want the Reentry System to look like in 5 years?*
2. **Pre-Release Planning Project:** *Developing Individual Reentry Transition Plans prior to release & warm-handoffs from custody to community.*
3. **Pre-Trial Services:** *Providing evidenced-based evaluation and supervision services since March 2014, with a 62% success rate.*
4. **Racial Justice Task Force Project:** *Reducing disproportionate minority contact with justice system.*
5. **Youth Justice Initiative (YJI):** *Youth reentry planning & schoolwide prevention and intervention pilot projects; federally funded 3-year grant in final year.*
6. **Central & East Ceasefire Program:** *Focused Deterrence on gang members; gun violence reduction.*
7. **Government Alliance on Race & Equity (GARE):** *A national network of government agencies working to achieve racial equity and advance opportunities for all.*
8. **Stepping Up:** *A national initiative focused on reducing the number of people with mental illness in County Jail.*
9. **Smart Reentry Grant:** *Focusing services on Transition Aged Youth (TAY) population in Antioch (collaboration with Probation)*
10. **CoCo LEAD +:** *Prop. 47 funded, based in Antioch, to implement new arrest-diversion protocols and intensive, coordinated services for people with behavioral health issues, repeatedly arrested for an array of low-level, non-violent charges. (Collaboration with Antioch Police, the Contra Costa Housing Authority, the County's H3, Probation, and CBOs)*

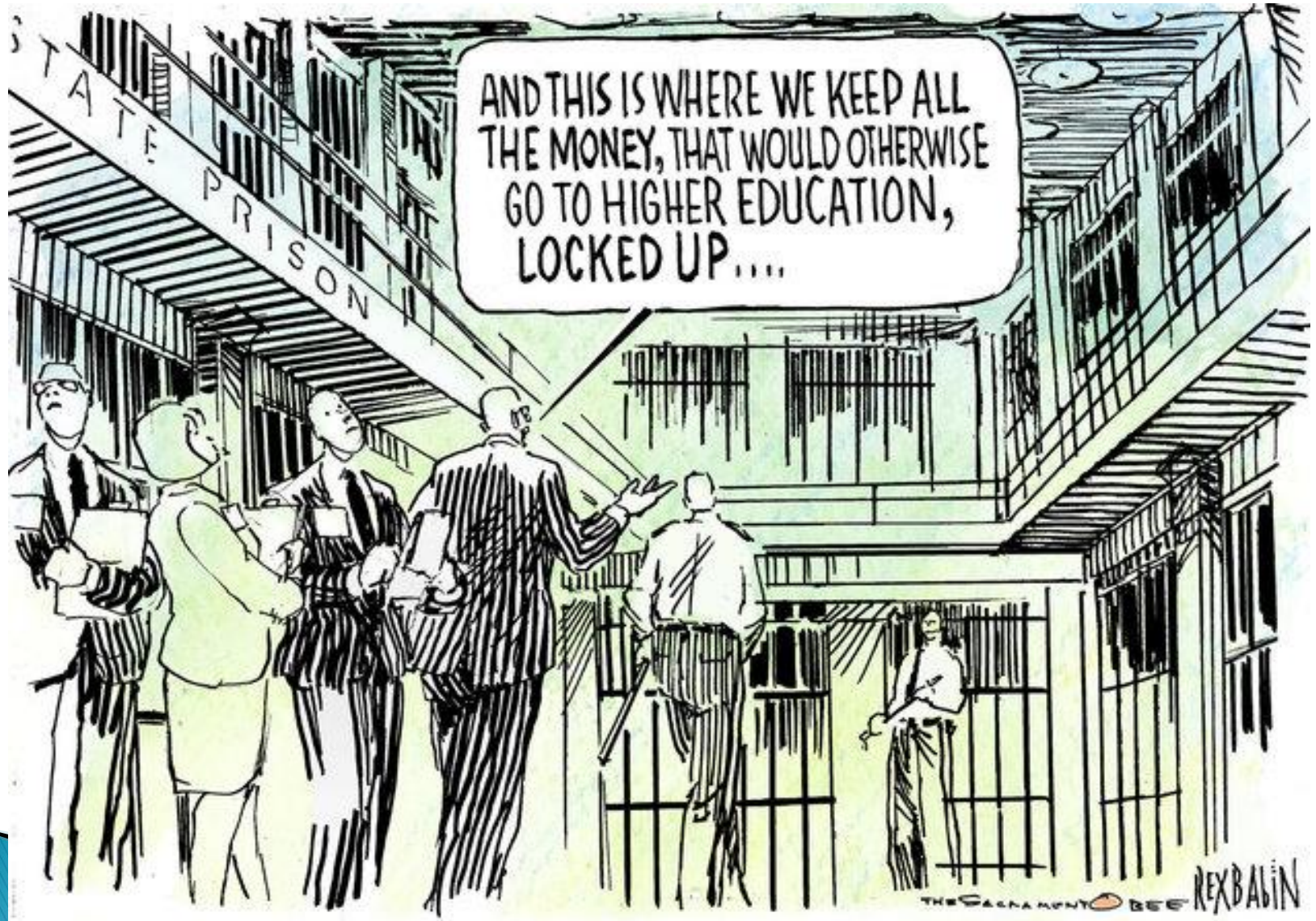
How did we get here?

California's **Re-arrest Rate** was Mid-range
But our **Return to Prison** Rate was High

State	Re-arrested with 3–Years	Returned to Prison within 3–Years
California	70%	66%
Florida	79%	53%
Illinois	77%	38%
New York	67%	56%
North Carolina	61%	48%
Texas	58%	26%

Source: Fischer 2005

The Cost of Our Correctional Policies



RECENT RECIDIVISM REPORTS



2016, 2017 CDCR Report

- Men comprised more than **90%**; their three-year conviction rate for FY 2011-12 is **55%**. For 2012-13 it is **46.8%**
- The FY 2011-12 three-year conviction rate for women is **46.8%**. For 2012-13 it is **37.6%**.
- Offenders **age 18 and 19 have the highest three-year conviction rate** of all age groups. It is **67.3 %** for FY 2011-12 and **62.4%** for those released in 2012-13.
- The conviction rates of those who received **in-prison substance abuse treatment and completed community-based substance abuse treatment** programs are lower. Those released in 2011-12 have a three-year conviction rate of **36.7%**; **29.2%** for those released in 2012-13.

2017 PPIC Report

- Contra Costa was the only county to see a reduction for 1-year rearrest and reconviction rates for both PRCS (prison to Probation) and 1170(h) (jail to Probation) populations

PUBLIC POLICY INSTITUTE OF CALIFORNIA 2017



- Public Policy Institute Report (statewide)

Individuals on PRCs have slightly higher recidivism rates than similar individuals before realignment



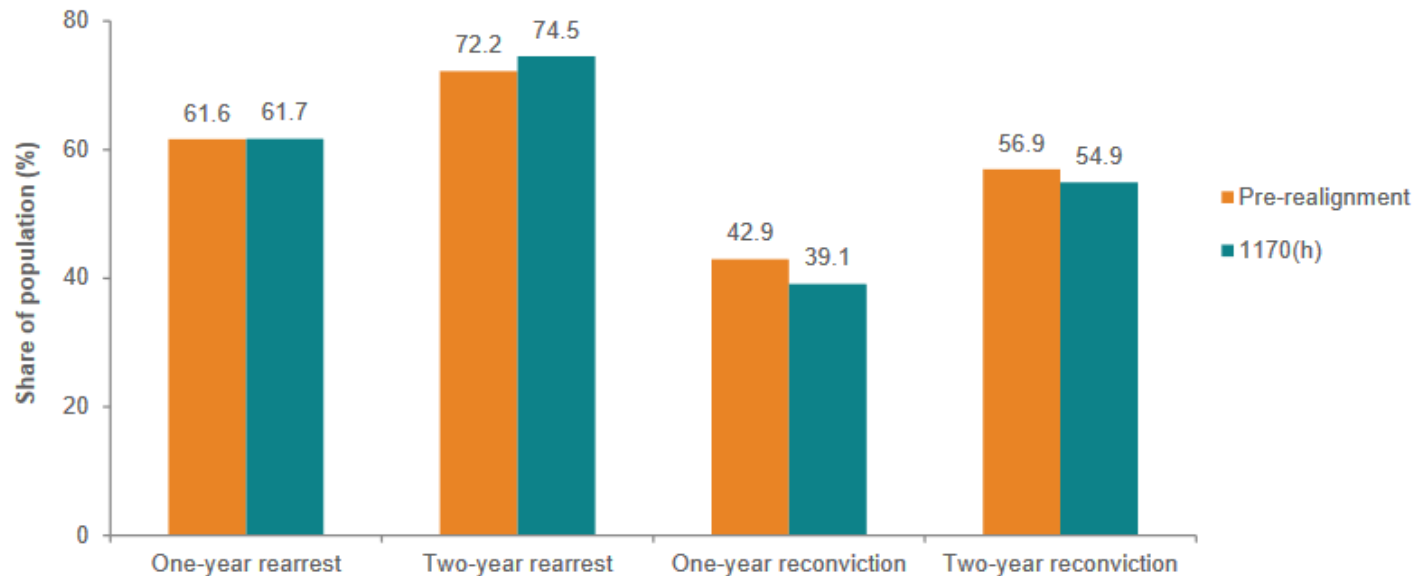
- Contra Costa saw around 1 percentage point drop in 1-year rearrest rate, and about 10 percentage point drop in 1-year reconviction rate

PUBLIC POLICY INSTITUTE OF CALIFORNIA 2017



- Public Policy Institute Report (statewide)

The effects of realignment on recidivism vary among those sentenced under 1170(h)



- Contra Costa saw around 10 percentage point drop in 1-year rearrest rate, and about 17 percentage point drop in 1-year reconviction rate

Key Achievements in CCC



Implemented CAB recommended AB 109 Community Programs:
Employment, Housing, Mentoring, Family Reunification, Civil Legal Services

Developed the **Central-East County Reentry Network**, managed by HealthRight360

Opened the **Reentry Success Center** in Nov. 2015

Created a **Racial Justice Task Force** to study racial disparities in the County Criminal Justice System



AB 109 Coming Attractions

Innovative Reentry Projects:

Richmond
Workforce
Development
Board, Fast
Eddie's Auto
Training

Capacity
Building Project

On-going
Trainings from
the **Central-East
Reentry
Network,
Reentry Success
Center**

Salesforce
Implementation

REENTRY STRATEGIC PLAN

UPDATE



Expected Completion In April 2018

CENTRAL/EAST CEASEFIRE



1. **Working Groups** established in Concord, Antioch, Pittsburg, and Brentwood/Oakley
2. Pittsburg Sergeant Cassandra Wilkerson dedicated full-time as **Ceasefire Coordinator**
3. **Outreach List** developed (*identified as highest risk for gun violence*)
4. Antioch developing a **“Night Walk”** program
5. Pittsburg planning a **“Call-in Notification”**
6. Technical assistance from **Oakland and Richmond** Ceasefire programs

PRE-TRIAL SERVICES

PROGRAM UPDATE



1. Program Stats

- Risk-Based Pre-Trial Release for **892** people to date
- **64% Success Rate**, only 8% arrested for a new crime

2. On the horizon

- **State legislation** to replace money bail with risk based assessment
- **New Appeals court ruling** requiring a person's ability to pay be considered when making money bail
- Currently undertaking a "**Front-End**" **system assessment**, to inform program redesign

RACIAL JUSTICE TASK FORCE



RJTF launched on April 5, 2017. RJTF meets monthly to **identify priorities, review data, discuss best practices, and develop recommendations** related to racial disparities in criminal and juvenile justice systems and processes in CCC.

5 Community Forums held in Oct.-Nov. 2017. 3 Planned for March 2018.

April – June 2017: **Project Launch**

- o Review of Criminal and Juvenile Justice Systems and Data
- o Identification of Initial Priority Areas

July 2017 – Oct. 2017: **Focus on Local Law Enforcement**

- o Review data on juvenile and adult arrest trends to identify disparities
- o Discussion of Best Practices
- o Development of Preliminary Recommendations

Nov. 2017 – Jan. 2018: **Focus on Juvenile Justice**

- o Review data on County juvenile justice trends to identify disparities
- o Discussion of Best Practices
- o Development of Preliminary Recommendations

Feb. 2018 – April 2018: **Focus on Criminal Justice**

- o Review data on County criminal justice trends to identify disparities
- o Discussion of Best Practices
- o Development of Preliminary Recommendations

May 2018 – June 2018: **Prioritize and Finalize Recommendations**

- o Integrate and prioritize preliminary recommendations
- o Finalize recommendations

GARE



Dwayne Marsh, *Deputy Director for Government Alliance on Race and Equity*, will provide his slide deck.

ORJ 2018



1. Personnel

- A. Research & Evaluation Manager: *Need to recruit and fill for July 1, 2018 start*
- B. Director of Office of Reentry & Justice: *Need to develop job description, create class, recruit and fill*
- C. Intern: *Recruit, find space*

2. Administration

- A. Communications and Outreach Program: *Develop in collaboration with Reentry Network & Reentry Success Center*
- B. Determine outcome of ORJ Pilot Program; *final year of Pilot Project budgeted funding FY 2018-19*
- C. AB 109 Annual Report
- D. Salesforce Administration
- E. Racial Equity Action Plan



**Contra
Costa
County**

To: Board of Supervisors
From: David Twa, County Administrator
Date: January 30, 2018

Subject: Board of Supervisors Annual Retreat Update on Homeless Continuum of Care

RECOMMENDATION(S):

Accept report on Contra Costa's Homelessness Continuum of Care.

FISCAL IMPACT:

No fiscal impact. This is an informational report only.

BACKGROUND:

Report on Contra Costa's Homelessness Continuum of Care.

☐ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **01/30/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 30, 2018

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: Jami Napier , Deputy

Contact: Lavonna Martin (925)
608-6700

CLERK'S ADDENDUM

Public Speaker: Jerome Knott from Love a Child Missions

AGENDA ATTACHMENTS

MINUTES ATTACHMENTS

Homelessness presentation

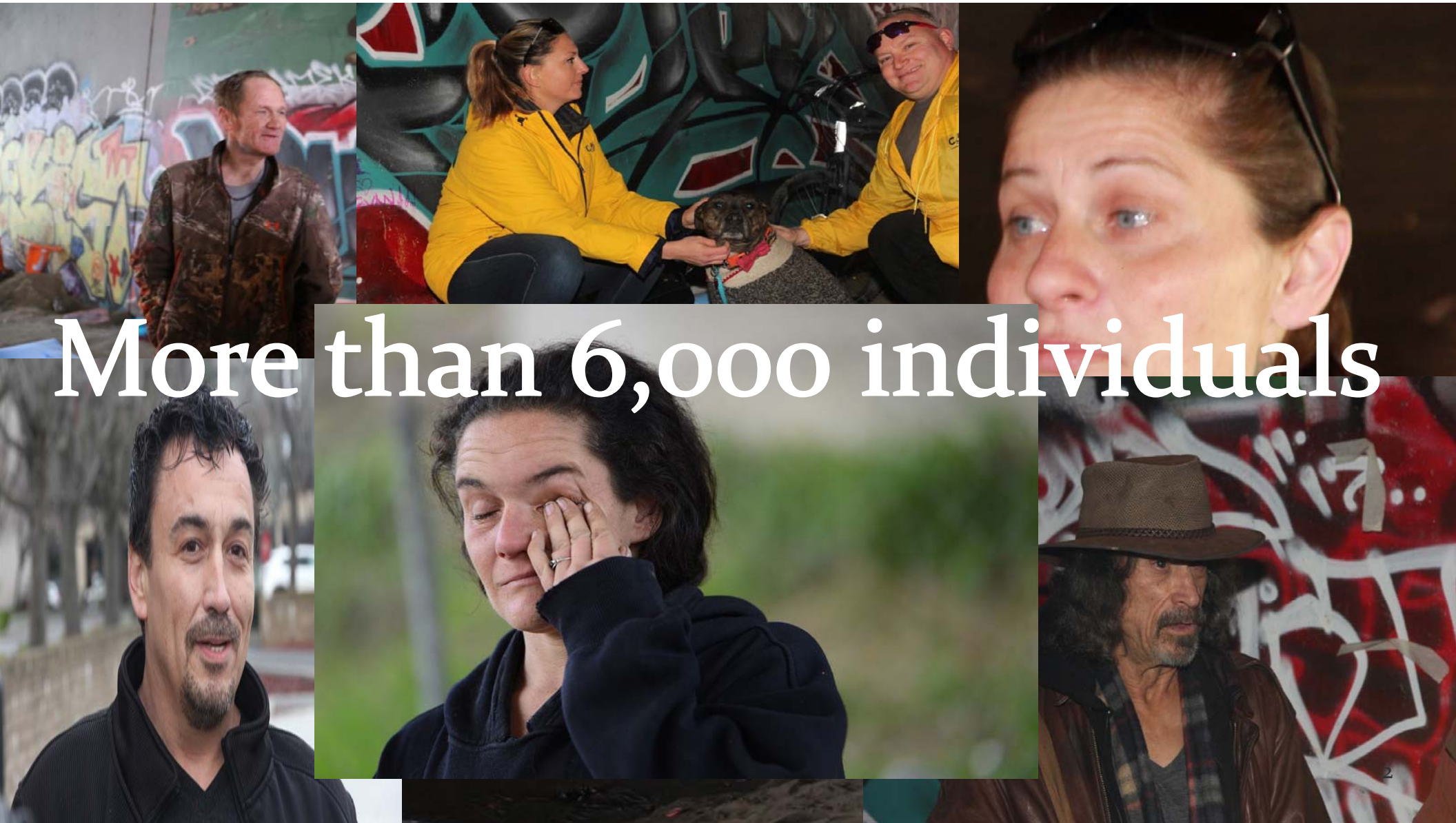
HOMELESSNESS IN CONTRA COSTA



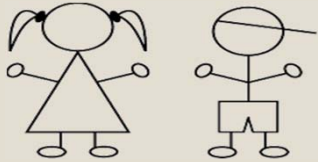
PRESENTED TO THE CONTRA COSTA COUNTY BOARD OF SUPERVISORS RETREAT

JANUARY 30, 2018

cchealth.org/h3



More than 6,000 individuals



10% of households are families with children



21% over age 55
❖ nearly half are 62+

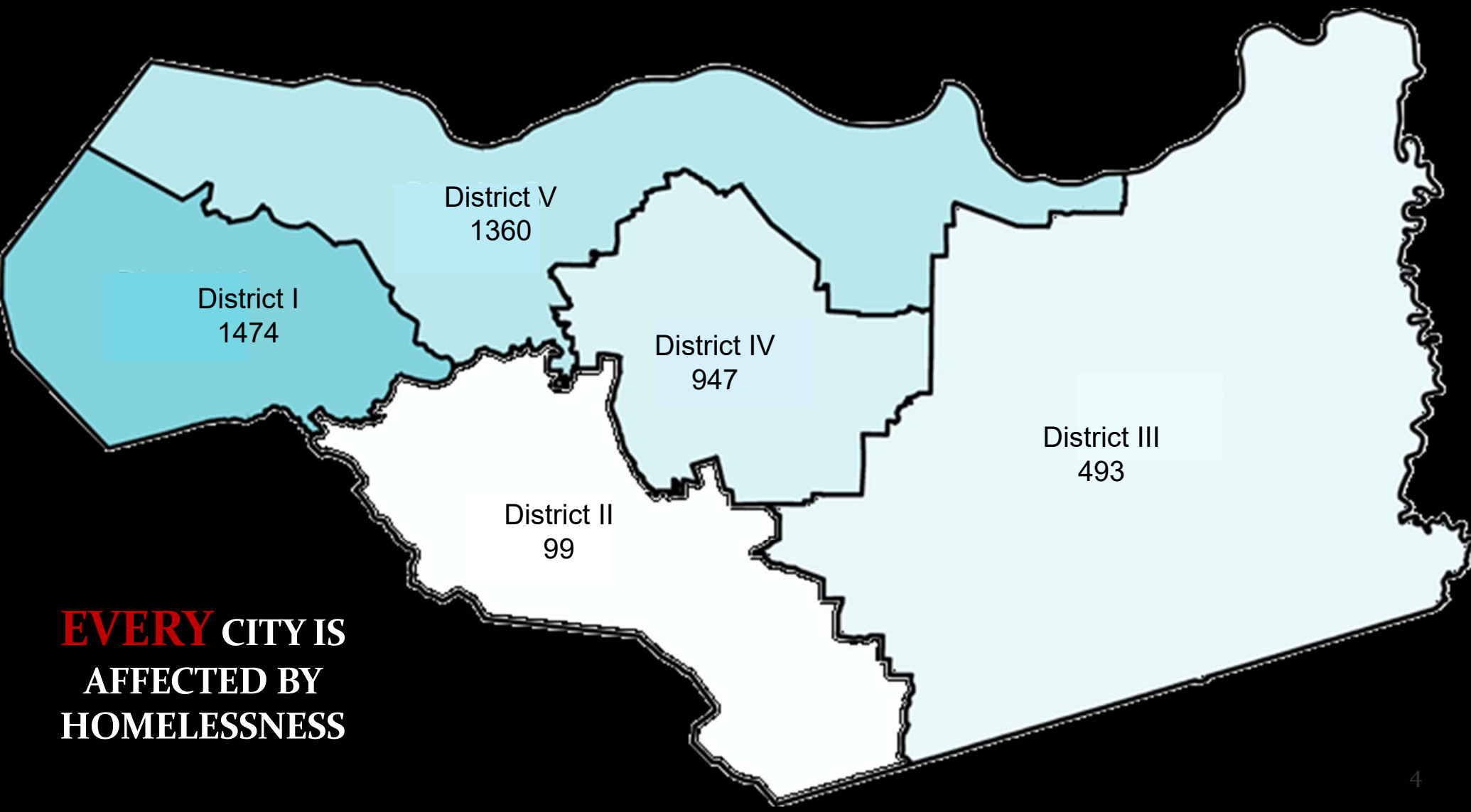
56% males	45% females	16 transgender/ don't identify
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2/3 report a disabling condition

- 32% mental health condition
- 22% chronic health condition

24% are chronically homeless



EVERY CITY IS
AFFECTED BY
HOMELESSNESS



ON AN **AVERAGE NIGHT** IN CONTRA COSTA...

Nearly **700** adults and children are **LIVING IN TEMPORARY SHELTERS.**

At least **20%** have been **HOMELESS FOR MORE THAN ONE YEAR**

30% surveyed reported **FIRST TIME HOMELESS.**

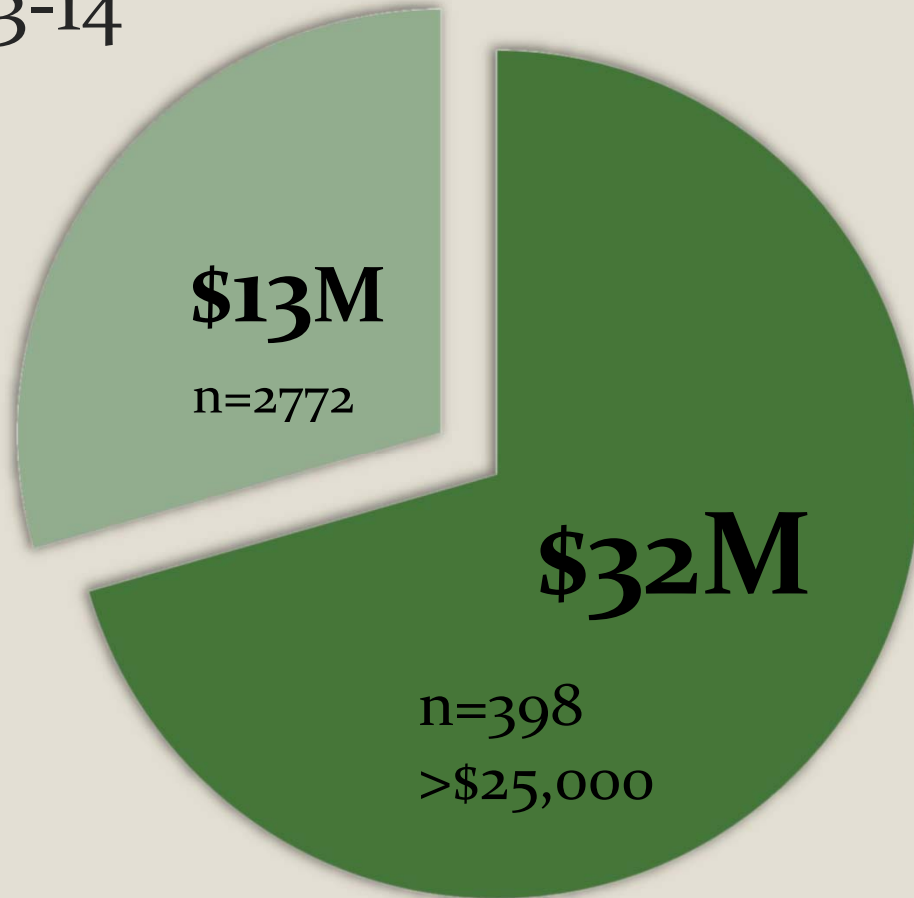
More than **900** **PEOPLE ARE SLEEPING OUTSIDE** in vehicles, tents, or parks.

HOUSING: A SOCIAL DETERMINANT OF HEALTH

- Lack of housing has been associated with both physical and mental illness.
- Homelessness has been associated with increased mortality, morbidity, and high utilization of acute care services.
- There are a small portion of un-housed individuals that account for a majority of acute care use and cost.

TOTAL CHARGES TO HSD'S HEALTHCARE SYSTEM FY 13-14

\$45Million



- Primary Health Emergency
- Primary Health Inpatient
- Primary Health Outpatient
- Substance Use Disorder Services
- Psychiatric Emergency
- Mental Health Inpatient
- Mental Health Outpatient

RETROSPECTIVE COHORT STUDY

Sefanit Mekuria, MD, MPH

Homeless HU

Permanent Supportive Housing

FY 2013-2014

FY 2014-2015

FY 2015-2016

398 → 33 → 26



78% remained housed

COST AND UTILIZATION OF HIGH UTILIZERS PLACED IN PERMANENT SUPPORTIVE HOUSING



ED visit dropped avg. 3.6 to 2.5 visits



PES visits dropped avg. 3.8 to 1 visit



\$61,000 avg. cost/yr. to \$33,000



Detention admissions dropped 1.7 to 0

Additional Costs Captured

- FY 13-14: \$45M (n=3170)
 - FY 14-15: \$44M (n=3383)
 - FY 15-16: \$118M (n=2970)
 - FY 16-17: \$129M (n=2866)
- Primary Health Emergency
 - Primary Health Inpatient
 - Primary Health Outpatient
 - Substance Use Disorder Services
 - Psychiatric Emergency
 - Mental Health Inpatient
 - Mental Health Outpatient
 - Ambulance
 - Ancillary Care (ie. SNF, pharmacy)

MAKING HOMELESSNESS SHORT-LIVED AND NON-RECURRING

- **Right-sizing the system of care**
- **Engage partners**
- **Test and evaluate practice and new ideas**
- **Stretching towards innovation**



FORGING NEW PARTNERSHIPS TO ENHANCE SERVICES



Cities of Pleasant Hill, Martinez, Concord, and Walnut Creek. County Public Works Department...and growing.





H3 now has qualified requestors!

CORE and County Shelter staff have provided:

- 15 referrals
- 2 Approved
- 5 Denied
- 8 Pending

❖ Bi-monthly meeting with Behavioral Health Forensics team



East County CARE Center



GATHERING NEW DATA

- New Questions Added to 2018 Point in Time Survey
- Full evaluation of Coordinated Entry begins March 2018
- Housing Needs Assessment
- Data through Whole Person Care

NEW MICRO-HOUSING OPPORTUNITY

\$966,000 HUD award



MicroPAD®



**PANORAMIC
INTERESTS**
CREATORS OF CITYSPACES®

CONTRA COSTA HOUSING SECURITY FUND



LAUNCHING 2018

**Supervisor Andersen commits \$10,000
Livable Community Trust**

City/County
\$415,000

Individual donors
\$20,000





947 housed...and counting.

