

**Testimony Before Long Beach City Council Regarding
Definition of "Moderate Income" Housing, 5/2/17**

Good evening. My name is Trevor Griffey. I'm a lecturer in labor studies at UCLA, a part-time organizer for the California Faculty Association at CSULB, and a member of DSA. But the testimony I'm giving today is my own.

I'm here to object to proposal 3.6, to "Modify the moderate-income definition from 80% to 120% of area median income (AMI) to 80%-150%."

The basis of my objection is simple. Because the "area" that is used to determine median income for Long Beach housing policy includes the cities of Los Angeles and Glendale, the so-called "area median income" is about 20% higher than the City of Long Beach's median income.

In 2015, according to the American Community Survey conducted by the federal census, median household income in the city of Long Beach was \$52,783. That same year, HUD's median family income for the LA-Long Beach Metro Area was \$63,000.

That's a big difference. And what it means is that when the City of Long Beach currently subsidizes the development of so-called workforce housing affordable to households that make at most 120% of area median income, that what it is effectively doing is actually subsidizing the development of housing that is affordable to people who make as much as 150% of the median income in the city of Long Beach itself. In other words, 120% area median income, and 150% city median income, are roughly the same number: about \$75,000 per year.

Therefore, the City of Long Beach would not be serving those in the most need by changing its definition of moderate income from 120% to 150% median area income. In 2015, 47% of households in Long Beach earned less than \$50,000 per year, while an additional 17% made between \$50-\$75,000 per year. That's the bottom two thirds of all Long Beach residents. If you change the definition of moderate housing to help those who make between \$75,000 and \$100,000 per year, you will hurt those who need the most help.

I hope that you will therefore strike this recommendation from the list of proposals that is before you tonight.

Thank you

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Apartment Rents Went Up 20-40% in SW Long Beach 2015-17

MEDIAN RENTS IN LONG BEACH, CA

	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016	Jan. 2017	Percent increase 2015-17
Studio	\$750	\$795	\$750	\$798	\$950	\$1,100	37.9%
1BR	\$995	\$1,050	\$995	\$1,100	\$1,295	\$1,440	30.9%
2BR	\$1,350	\$1,350	\$1,400	\$1,475	\$1,750	\$1,850	25.4%
All Homes (SFR, condo, coop)	\$1,400	\$1,395	\$1,750	\$1,895	\$1,995	\$2,095	10.6%
All in Bldgs with 5+ Units	\$1,145	\$1,225	\$1,250	\$1,295	\$1,487	\$1,550	19.7%

SOURCE: <https://www.zillow.com/research/data/#rental-data>

SFR= "single family residence"

Prices are list prices and not inflation adjusted

Median Rental Prices for Units in Buildings with 5 or More Units in Long Beach, CA 2012-17

Zip Code	March, 2012	March, 2013	March, 2014	March, 2015	March, 2016	March, 2017	1 Year Change	3 Year Change
90802					\$1,675	\$1,875	11.9%	NA
90803	\$1,700	\$1,695	\$1,795	\$1,808	\$1,898	\$1,995	5.1%	11.1%
90804	\$1,195	\$1,200	\$1,163	\$1,295	\$1,395	\$1,500	7.5%	29.0%
90805					\$1,325	\$1,395	5.3%	NA
90807		\$1,250	\$1,150	\$1,395	\$1,430	\$1,485	3.8%	29.1%
90813	\$895	\$995	\$995	\$1,025	\$1,072	\$1,275	19.0%	28.1%
90814	\$1,295	\$1,350	\$1,298	\$1,450	\$1,495	\$1,650	10.4%	27.2%

Source: <https://www.zillow.com/research/data/#rental-data>

Excludes condo and coop buildings

Median Rent in Alamitos Beach Neighborhood of Long Beach, CA 2015-17

Unit	March, 2015	March, 2016	March, 2017	2 Year Change
1BR	\$1,095	\$1,460	\$1,495	36.5%
Multifamily buildings with 5+ Units	\$1,298	\$1,495	\$1,695	30.6%

Source: <https://www.zillow.com/research/data/#rental-data>

Data excludes condos and coops

Median Rent List Price for Downtown Long Beach Rental Housing, 2014-2017

Unit	March, 2014	March, 2015	March, 2016	March, 2017	Percent change
1BR			\$1,995	\$1,951	NA
2BR	\$2,175	\$2,322	\$2,439	\$2,700	24.1%
AllHomes	\$1,895	\$2,250	\$1,995	\$2,300	21.4%
Mfr5+	\$1,750	\$2,098	\$2,100	\$2,284	30.5%
DuplexTriplex			\$2,359	\$2,323	NA
CondoCoop	\$1,950	\$2,250	\$1,998	\$2,300	17.9%

Source: <https://www.zillow.com/research/data/#rental-data>

For more info: Trevor Griffey, trevorgriffey@gmail.com