



CITY OF LONG BEACH

R-33

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 3rd Floor, Long Beach, CA 90802 (562) 570-5237

May 7, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to submit a grant application to the California Department of Housing and Community Development for Planning Grants Program funding, for professional planning services to study land use and mobility regulations for the Anaheim Street corridor in the context of the City's proposed updated General Plan Land Use Element, and for the update and environmental review of the Century Villages at Cabrillo Master Plan as well as the Atlantic Farms homeless shelter and services center master planning efforts; accept said grant, if awarded, in an amount not to exceed \$625,000; and, execute all necessary documents to accept the funds. (Districts 1, 2, 4, 6, 7, 9)

DISCUSSION

On March 29, 2019, the State of California Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) for grants authorized under the Planning Grants Program (PGP) provisions of Senate Bill 2 (SB 2). Adopted in 2017, SB 2 established a permanent source of funding intended to increase the affordable housing stock in California. The legislation directs HCD to use 50 percent of the first year's revenue to establish a program that provides financial and technical assistance to local governments to update planning documents and land use ordinances. The PGP is intended for the preparation, adoption, and implementation of plans that streamline housing approvals and accelerate housing production. Eligible grant activities include updates to general, community or specific plans, updates to zoning ordinances; environmental analyses that eliminate the need for project-specific review; and/or local process improvements that expedite local planning and permitting. One of the requirements to submit a grant application is a fully-executed Resolution authorizing application for, and receipt of, PGP funds.

Staff from the Planning and Housing and Neighborhood Services Bureaus within the Department of Development Services have carefully reviewed grant eligibility and grant requirements, and have conducted both a needs assessment and an opportunity analysis for housing development potential across the City. The needs assessment built off of the City's adopted Housing Element and Assessment of Fair Housing (AFH) documents, and included an analysis of housing needs, overcrowding, and demographics projections. The opportunity analysis was based on the prospect for additional housing units under the General Plan Land

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Use Element update (LUE) PlaceType and height maps. As part of the opportunity analysis, staff also analyzed lot size, lot depth, vacant and underutilized lots, and demographic projections across Long Beach. In addition to these assessments, over the last few years, staff considered community input from stakeholders citywide related to housing need and the interest in updating planning and zoning regulations.

Based on this assessment, staff is developing an application to primarily fund development of the Anaheim Corridor Zoning Improvement Plan (ACZIP), a zoning implementation plan for the Anaheim Street corridor, roughly bounded by Magnolia Avenue, Pacific Coast Highway, Ximeno Avenue, and 10th Street. This project would be the next phase in developing zoning regulations to implement the LUE, following the first phase of work currently underway in North Long Beach for the Uptown Land Use and Neighborhood Strategy (UPLAN). Not only is the area surrounding the Anaheim Street corridor already experiencing a high level of overcrowding and rental cost burden, but demographic projections show the need for housing will only heighten in the future, as the population grows. This area also has a good deal of opportunity to support new housing over time due to proximity to high quality transit, as well as vacant and underutilized parcels, larger lot sizes and better lot depth than in other parts of the city. Local stakeholders have expressed support for updating the zoning regulations along the Anaheim Street corridor and have expressed interest in participating in the ACZIP process. Staff estimates a capacity for construction of up to 1,400 housing units along the corridor by 2040.

The ACZIP will be informed by a housing market and policy evaluation, an infrastructure analysis, and extensive community outreach. It will define new zoning regulations for the PlaceTypes along the Anaheim Street corridor and establish an overlay zone to incentivize development of context-appropriate housing. The ACZIP will benefit the City by enabling the production of much-needed housing units. The City's current zoning standards and market conditions do not allow housing development on the corridor to adequately meet demand. The corridor also has several underutilized and vacant parcels that would be well-suited for housing. A zoning implementation plan tailored to the corridor with appropriate incentives for development could accelerate housing production (including affordable units) while maintaining the character of the neighborhood. Furthermore, a zoning implementation plan will cap a groundswell of other City initiatives targeted to the Anaheim Corridor including efforts to develop a new Master Plan for MacArthur Park, mobility improvements, and pedestrian safety upgrades.

Secondary funding from this grant will support ongoing efforts to increase the affordable housing supply within Long Beach. While the bulk of the grant funds will be dedicated to the Anaheim Street rezoning effort, funds will also be set-aside for the update and environmental review for the Century Villages at Cabrillo (CVC) Master Plan as well as the Atlantic Farms homeless shelter and services center master planning efforts. In the case of CVC and Atlantic Farms, these grant funds will fill a funding gap rather than serve as the primary funding source of these planning efforts. The update of the CVC Master Plan will anticipate the next 1,000 housing units at CVC and build on the successful delivery of high-quality affordable housing on that campus. The Atlantic Farms site was recently acquired by the City and is being converted

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to a year-round homeless shelter. Funds from this grant will help to establish a vision and plan for the area outside the shelter building, which may provide open space, services and other supportive housing over time. Subject to adjustment, staff anticipates the grant funds, if received, will be allocated as follows:

Item	Funds
Anaheim Corridor Zoning Improvement Plan	\$500,000
Century Villages Master Plan Update	\$100,000
Atlantic Farms Homeless Vision Plan	\$ 25,000

This matter was reviewed by Assistant City Attorney Michael J. Mais on April 12, 2019 and by Budget Analysis Officer Julissa José-Murray on April 16, 2019.

SUSTAINABILITY

This grant aims to capitalize on changes in land use and other investments to make the area more livable, resilient, and healthy by providing opportunity for needed housing and enhancing connectivity to nearby mixed-use multimodal transportation corridors and job-generating land uses. It seeks to build upon existing community resources and assets along the Anaheim Corridor and to expand housing and jobs opportunities in the area. Specifically, this effort builds upon an existing Public Works Highway Safety Improvement (HSIP) grant for Anaheim Street and planning by Long Beach Transit to improve bus service along the Anaheim Street Corridor. The combined impact of these efforts is greater than the sum of their parts. Additionally, with local stakeholders driving the process, there will be increased engagement and commitment to the project goals. This effort will allow residents to drive shorter distances, and/or walk, take a bus or ride bicycle, to jobs, amenities, goods and services within their community, reducing trip lengths and associated air quality emissions.

TIMING CONSIDERATIONS

City Council action is requested on May 7, 2019, to meet the timing and procedural requirement of the California Department of Housing and Community Development.

FISCAL IMPACT

This action will allow the City to apply for a PGP grant to access up to \$625,000 in grant funding to procure professional planning services and to conduct community engagement. The grant does not require a match and allows 5 percent of the award to be used for administrative expenses. Should a grant be received, an appropriation increase in an amount up to \$625,000 in the Development Services Fund (EF 337) in the Development Services Department (DV) will be requested at a later date. Application for of implementation of this grant is not expected to require additional staff hours beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

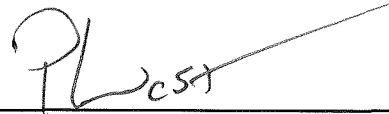


LINDA F. TATUM, FAICP
DIRECTOR OF DEVELOPMENT SERVICES

LFT:CK:AS
P:\Planning\City Council Items (Pending)\Council Letters\2019\2019-05-07\SB2 Acceptance\DS 5-17-19 HCD Grant Acceptance v7 cklit edits (final).docx

Attachments: City Council Resolution

APPROVED:



PATRICK H. WEST
CITY MANAGER

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING APPLICATION FOR,
5 AND RECEIPT OF, SB 2 PLANNING GRANTS PROGRAM
6 FUNDS

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8 WHEREAS, the State of California, Department of Housing and Community
9 Development (Department) has issued a Notice of Funding Availability (NOFA) dated
10 March 29, 2019, for its Planning Grants Program (PGP); and

11 WHEREAS, the City Council desires to submit a project application for the
12 PGP program to accelerate the production of housing and will submit a 2019 PGP grant
13 application as described in the Planning Grants Program NOFA and SB 2 Planning
14 Grants Program Guidelines released by the Department for the PGP Program; and

15 WHEREAS, the Department is authorized to provide up to \$1.2 million
16 under the SB 2 Planning Grants Program from the Building Homes and Jobs Trust Fund
17 for assistance to counties and cities (as described in Health and Safety Code section
18 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)) related to the PGP Program.

19 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
20 follows:

21 Section 1. The City Council is hereby authorized and directed to apply for
22 and submit to the Department the 2019 Planning Grants Program application released
23 March 29, 2019 in the amount of \$625,000.

24 Section 2. In connection with the PGP grant, if the application is approved
25 by the Department, the City Council is authorized to enter into, execute, and deliver a
26 State of California Standard Agreement (Standard Agreement) for the amount of
27 \$625,000, and any and all other documents required or deemed necessary or appropriate
28 to evidence and secure the PGP grant, the City's obligations related thereto, and all

1 amendments thereto (collective, the “PGP Grant Documents”).

2 Section 3. The City shall be subject to the terms and conditions as
3 specified in the Standard Agreement, the SB 2 Planning Grants Program Guidelines, and
4 any applicable PGP guidelines published by the Department. Funds are to be used for
5 allowable expenditures as specifically identified in the Standard Agreement. The
6 application in full is incorporated as part of the Standard Agreement. Any and all
7 activities funded, information provided, and timelines represented in the application will
8 be enforceable through the executed Standard Agreement. The City Council hereby
9 agrees to use the funds for eligible uses in the manner presented in the application as
10 approved by the Department and in accordance with the Planning Grants NOFA, the
11 Planning Grants Program Guidelines, and 2019 Planning Grants Program Application.

12 Section 4. The City Council hereby authorizes the City Manager, or
13 designee, to execute the City of Long Beach Planning Grants Program application, the
14 PGP Grant Documents, and any amendments thereto, on behalf of the City of Long
15 Beach as required by the Department for receipt of the PGP Grant.

16 Section 5. This resolution shall take effect immediately upon its adoption by
17 the City Council, and the City Clerk shall certify the vote adopting this resolution.

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