



LONG BEACH REDEVELOPMENT AGENCY

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December 3, 2007

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve the Relocation Plan and adopt a resolution approving the Replacement Housing Plan for 1413-1431 Chestnut Avenue. (Central – District 1)

DISCUSSION

The Central Long Beach Strategic Guide for Development has identified that the Central Long Beach Redevelopment Project Area (Central) is far under-served in terms of open space and park opportunities. In an effort to address this deficiency, staff in collaboration with the Department of Parks, Recreation and Marine, and the community, have worked closely together to identify open space opportunities throughout Central. One such project is the Seaside Park Project (Project).

To allow for the development of the Project, three properties were acquired by the Long Beach Redevelopment Agency (Agency). The properties consist of three multi-family residences located at 1413-1431 Chestnut Avenue (Exhibit A – Site Map).

Under California State Law, a redevelopment agency removing housing units occupied by low- and moderate-income households must prepare a relocation plan that demonstrates the availability of housing for displaced households. It must also adopt a replacement housing plan that discusses how these housing units will be replaced within the community.

Attached as Exhibit B, is the Relocation Plan for the subject site. Also attached is a resolution that adopts the Replacement Housing Plan (Plan) prepared for 1413-1431 Chestnut Avenue. The Plan contains the following items:

- The number of dwelling units housing persons and families of low- or moderate-income to be removed and replaced by construction or rehabilitation;

REDEVELOPMENT AGENCY BOARD MEMBERS

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- The general location of housing to be rehabilitated, developed, or constructed pursuant to California Health and Safety Code Section 33413;
- An adequate means of financing such rehabilitation, development, or construction;
- The timetable for meeting the Plan's relocation, rehabilitation, and replacement housing objectives; and
- A finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution.

A summary of the current status of the Agency's replacement housing obligations is provided as part of the Plan. Both the Relocation Plan and the Replacement Housing Plan have been available for public review and comment as required by law.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



For MICHAEL P. CONWAY
EXECUTIVE DIRECTOR

MPC:CB:DSW:ma

APPROVED:



For PATRICK H. WEST
CITY MANAGER

Attachments: Exhibit A – Site Map
Exhibit B – Relocation Plan
Redevelopment Agency Resolution

SITE MAP

1413-1431 Chestnut Avenue





EXHIBIT B



**RESIDENTIAL ANTIDISPLACEMENT
AND RELOCATION ASSISTANCE PLAN
FOR THE
SEASIDE PARK PROJECT**

Long Beach, CA

PREPARED FOR

**CITY OF LONG BEACH, PARKS DEPARTMENT
AND
CITY OF LONG BEACH REDEVELOPMENT AGENCY**

BY

**OVERLAND, PACIFIC & CUTLER, INC.
100 W. BROADWAY, SUITE 500
LONG BEACH, CA 90802
(562) 304-2000**

May 24, 2007

INTRODUCTION

As part of the proposed Seaside Park Project (Project), the City of Long Beach Parks Department and the Long Beach Redevelopment Agency (collectively Agency) intend to join several Agency-owned vacant parcels with three improved, privately owned parcels to create a 2.5-acre park at Chestnut Avenue and Cowles Street in the City of Long Beach. The Agency secured a Federal Land and Water Conservation Fund grant and a State Youth Soccer grant for the Agency-owned geographical areas of the park; and intends to use Open Space Bond funds to be repaid by approximately 50% CDBG, 25% RDA funds and 25% Park Impact Fees to finance the acquisition and relocation activities of the three improved parcels.

This Project will ultimately require the demolition of three multi-family buildings located at 1413-1431 Chestnut Avenue in Long Beach, CA and the permanent relocations of the current residential occupants. The buildings, which are the subject of this Plan, are located in the western area of the City and are generally bounded by West 14th Street to the south, Chestnut Avenue to the east, West Cowles Street to the north and Magnolia Avenue to the west as illustrated on the Project Site Maps shown in **Attachment 1**.

Overland, Pacific & Cutler, Inc. (OPC), an experienced relocation consulting firm, has been selected to prepare this Residential Antidisplacement and Relocation Assistance Plan (Plan). OPC will provide all required relocation assistance to the tenant households, who will be displaced as result of the proposed Project. The general purposes of a relocation plan are to describe the circumstances of affected parties, the availability of replacement housing, and the Agency's program to provide required technical and financial assistance. It is important to be aware that the preparation and approval of a relocation plan fulfills an administrative requirement but does not, by itself, constitute a commitment to proceed with the Project.

RESIDENTIAL ANTIDISPLACEMENT PLAN

Background

Part of the relocation planning process requires that grantees receiving federal CDBG, Section 108 loan funds or HOME assistance must assure that they have taken all reasonable steps to minimize the displacement of persons as a result of activities assisted with these funds.

The Seaside Park Project will utilize CDBG funds and local RDA and Park Impact Fee monies to fund the project. Specifically, CDBG funds will be used to pay relocation benefits. Consequently, the entire Project, including its initial and subsequent phases, is subject to HUD regulations governing relocation and minimization of displacement. These regulations are found in Section 104(d) of the Housing and Community Development Act of 1974, (the Act) as amended [42 United States Code, Section 5304(d)] and implementing regulations at 24 Code of Federal Regulations, Part 42.

In planning for the Project, the Agency staff spent considerable time in mapping the boundaries for the proposed land that would be the locale for the development of the new City park. Parcels targeted for acquisition were identified as blighted properties and owned or occupied by owners or tenants, who would be eligible for relocation assistance. This process allowed staff to consider the impact displacement would have on the area and to take steps to further refine the mapping to avoid displacement to the extent possible, while still retaining the integrity of the development goals.

After an extensive search to find properties which would minimize the need to displace/relocate individuals, could be purchased at an economically feasible price and were appropriately zoned, the Agency staff concluded that the proposed site would result in the least amount of residential displacement and meet the other criteria. The amount of relocation has been reduced to nine residential displacements. Thus, displacement of residential occupants is avoided to the extent possible.

One-for-One Replacement Units

The Agency will replace all occupied and vacant occupiable lower income housing demolished or converted to a use other than lower income housing in connection with funds provided under the CDBG grant program.

All replacement housing will be provided within four years after the commencement of the demolition or conversion. Demolition and construction activities are expected to begin by the end of April 2008, and new park is expected to be completed by December 2009.

Before entering into a contract committing the Agency to provide funds for a project that will directly result in demolition or conversion, the Agency will make public by publication in a newspaper of general circulation and submit to HUD the following information in writing:

1. A description of the proposed assisted project;
2. The address, number of bedrooms and location on a map of lower income housing that will be demolished or converted to a use other than as lower income housing as a result of an assisted project;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. To the extent known, the address, number of bedrooms and location on a map of the replacement housing that has been or will be provided;
5. The source of funding and a time schedule for the provision of the replacement housing;
6. The basis for concluding that the replacement housing will remain lower income housing for at least ten years from the date of initial occupancy;
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), is appropriate and consistent with the needs and priorities identified in the approved Comprehensive Housing Affordability Strategy (CHAS).

To the extent that the specific location of the replacement housing and other data in Items 4 through 7 above are not available at the time of the general submission, the Agency will identify the general location of such housing on a map and complete the disclosure and submission requirements as soon as the specific data are available.

The City of Long Beach Redevelopment Agency at (562) 570-6800 is responsible for tracking the replacement of lower income housing and ensuring that it is provided within the required period.

Overland, Pacific & Cutler, Inc. at (562) 304-2000 is responsible for processing claims to provide relocation payments and for providing other relocation assistance to any lower income person displaced by the demolition of any housing or the conversion of lower income housing to another use.

Consistent with the goals and objectives of activities assisted under the Housing and Community Development Act of 1992 as well as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, the Agency will provide relocation assistance to displaced occupants as described in this Relocation Plan.

RELOCATION PLAN

This Relocation Plan has been prepared in accordance with the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (Uniform Act). In addition, because the project will utilize CDBG funds administered by the U. S. Department of Housing and Urban Development (HUD), permanent relocation benefits may exceed the amount calculated under the Uniform Act, and instead, be calculated as dictated by Section 104(d) of the Housing and Community Development Act of 1974, (the Act) as amended [42 United States Code, Section 5304(d)].

No displacement activities will take place prior to the required reviews and approval of this Plan. In order to attain its overall development goals for the Project, it is the Agency's intention to provide a fair and equitable relocation program for all eligible Project displacees.

A. METHODOLOGY AND ASSESSMENT OF NEEDS

To obtain information necessary for the preparation of this Plan, personal interviews were conducted with the Project occupants in April 2007. At the time of the interviews, there were nine occupied units and three confirmed vacant units. OPC was successful in interviewing all nine households.

Inquiries made of the residential occupants included household size and composition, ages of occupants, rental and income information, length and type of occupancy, ethnicity, language first spoken in the home, disabilities/health problems, and preferences related to replacement housing and location. The descriptive data in this Plan concerning residents are based solely on anecdotal responses. No attempt was made to qualify income or other information provided by residents.

B. FIELD SURVEY DATA - ASSESSMENT OF NEEDS

The survey of the nine occupied displacement dwellings on the Project site resulted in the information stated in **Table 1** below, which shows some of the household characteristics and needs of the households surveyed.

Composition Adults/Children	Current Monthly Rent	Current Bedrooms	Bedrooms Needed	Income Category	Elderly/ Disabled	Language
1/2	\$900	2	2	VL	no	English
6/5	\$1,350	4	4+1	L	no	Spanish
7/1	\$1,350	4	4	M	no	English

Table 1: Project Households' Characteristics

Composition Adults/Children	Current Monthly Rent	Current Bedrooms	Bedrooms Needed	Income Category	Elderly/ Disabled	Language
5/5	\$1,450*	4	5	VL	no	Spanish
5/8	\$1,090	3	3+3	L	no	Spanish
2/3	\$550	1	2	VL	no	Spanish
2/1	\$700**	1	1	VL	no	Spanish
3/1	\$850	2	2	VL	yes	Spanish
3/1	\$995	2	2	VL	yes	English

* Household receives Section 8 housing assistance

** Household does not pay rent in exchange for managing property

The table in **Attachment 2** shows the most current income limits for the “extremely low”, “very low”, “lower”, “moderate” and “median” income categories as established for the year 2007 by HUD for Los Angeles County.

The two large households requiring a five- and six-bedroom replacement unit consist of at least two households each and will be referred to two units (as shown in the table) to adequately house all members.

C. PROJECT OCCUPANCY/OVERCROWDING

For purposes of determining whether overcrowding conditions exist, an occupancy standard of two persons per sleeping room plus one person in a non-sleeping room was adopted. Age and gender of children were also considered when determining overcrowding. This standard generally allows for up to three persons in a one-bedroom unit, five persons in a two-bedroom unit, seven persons in a three-bedroom unit, and nine persons in a four-bedroom unit. Based on the adopted Occupancy Standard, there are four overcrowded units on the Project site.

D. REPLACEMENT HOUSING RESOURCES

One of the primary purposes of a relocation plan is to demonstrate the availability of comparable, affordable, decent, safe and sanitary housing prior to the displacement of residential occupants. In order to adequately relocate the Project households, two one-bedroom apartment units, four two-bedroom apartment units, two three-bedroom units, two four-bedroom units and one five-bedroom apartment unit will be required.

A housing survey was made during the last two weeks in March to identify available comparable, decent, safe and sanitary units available for rent in close proximity to the Project

site. Based on the results of that survey, it appears that comparable replacement dwelling units will be available during the relocation period to meet the potential needs of the households, who will be displaced. **Table 2**, following, outlines the resource study and shows the number of available units and their corresponding rents.

Table 2: Availability and Cost of Replacement Rental Housing					
Bedroom Size	One	Two	Three	Four	Five
# Found (# Needed)	33 (2)	28 (4)	25 (2)	12 (2)	4 (1)
Rent Range	\$650-\$925	\$850-\$1,500	\$1,050-\$3,495	\$1,400-\$3,500	\$1,750-\$3,600
Median Market Rent	\$750	\$1,100	\$1,400	\$1,900	\$2,995

E. CONCURRENT RESIDENTIAL DISPLACEMENT

There are two current public projects in the City of Long Beach which involve approximately 20 residential displacements and some business displacements. However, the replacement housing available on the market is sufficient to absorb this Project and any potential concurrent displacements.

F. TEMPORARY HOUSING

No need for temporary housing is anticipated.

G. PROGRAM ASSURANCES AND STANDARDS

Adequate funds are available to relocate the permanently displaced households. Relocation assistance services will be provided to ensure that displacement does not result in different or separate treatment of households based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability or any other basis protected by the federal Fair Housing Amendments Act, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the California Fair Employment & Housing Act, and the Unruh Act, as well as any other arbitrary or unlawful discrimination. No one will be permanently displaced without 90 days advance written notice and unless "comparable" replacement housing can be made available. Generally, a comparable replacement dwelling must satisfy the following criteria:

- (a) *The unit is decent, safe and sanitary - electrical, plumbing and heating systems in good repair - no major, observable hazards or defects. The unit adequate in size and is comparable to the acquired dwelling with respect to number of rooms, habitable living space and type and quality of construction, but not lesser in rooms or living space as necessary to accommodate the displaced person. The unit is functionally equivalent, including principle features.*

- (b) The unit is located in an area not subjected to unreasonable adverse environmental conditions from either natural, or man-made sources, and not generally less desirable with respect to public utilities, transportation, public and commercial facilities, including schools and municipal services and reasonably accessible to the displaced person's place of employment.*
- (c) The unit is available both on the private market and to all persons regardless of race, color, sex, marital status, religion or, national origin.*
- (d) The monthly rental rate is within the financial means of the displaced residential tenant*

The relocation program to be implemented by the Agency conforms to the standards and provisions set forth under the Uniform Act and implementing regulations at 49 CFR Part 24 and by Section 104(d) of the Housing and Community Development Act of 1974, (the Act) as amended [42 United States Code, Section 5304(d)].

H. RELOCATION ASSISTANCE PROGRAM

OPC staff is available to assist the displaced households with questions about relocation and/or assistance in relocating. Relocation staff can be contacted at (562) 304-2000 from 9:00 a.m. to 5:00 p.m. Monday through Friday. A comprehensive relocation assistance program, with technical and advisory assistance, will be provided to the households being displaced. Close personal contact will be maintained with the households. Specific activities will include:

1. Distribute appropriate written information concerning the Agency's relocation program, including the appropriate Informational Statement included as **Attachments 3 & 4**;
2. Fully inform eligible project occupants of the nature of, and procedures for, obtaining relocation assistance and benefits;
3. Determine the needs of each displacee eligible for assistance, including any special needs of the elderly and disabled;
4. Provide an adequate number of referrals to comparable, decent, safe and sanitary housing units, including special facilities needed for the elderly or disabled, within a reasonable time prior to displacement, and assure that no residential occupant is required to move without a minimum of 90 days written notice to vacate;

5. Provide assistance that does not result in different or separate treatment due to race, color, religion, national origin, sex, marital status or other arbitrary circumstances;
6. Supply information concerning federal and state programs and other governmental programs providing assistance to displaced persons;
7. Assist each eligible residential occupant to complete applications for benefits;
8. Make benefit determinations and payments in accordance with federal and Agency adopted relocation guidelines;
9. Inform all persons subject to displacement of the Agency's policies with regard to eviction and property management; and
10. Establish and maintain a formal grievance procedure for use by displaced persons seeking administrative review of the Agency's decisions with respect to relocation assistance.

I. CITIZEN PARTICIPATION/PLAN REVIEW

This Plan will be made available to the Project households and to the public for the mandatory 30 day review period. Comments to the Plan, if any, will be included as a Plan addendum prior to submission to the Agency for final approval.

J. RELOCATION BENEFIT CATEGORIES

It is anticipated that nine residential tenant households will be permanently displaced by the Project. Tenant occupants will be eligible for Rental Assistance and Moving Expense Payments. Relocation benefits will be paid upon submission of required claim forms and documentation in accordance with approved procedures. Last resort housing payments will be made in a lump sum or installments. The Agency will provide appropriate benefits for the displaced households as required by the above laws and requirements.

Residential Moving Expense Payments

All residential occupants to be relocated will be eligible to receive a payment for moving expenses. Moving expense payments will be made based upon the actual cost of a professional move or a fixed payment based on a room-count schedule.

a. Actual Cost (Professional Move)

Displacees may elect to have a licensed professional mover perform the move. The actual cost of the moving services, based on at least two acceptable bids, will be compensated by

the Agency in the form of a direct payment to the moving company upon presentation of an invoice. Transportation costs are limited to a distance of 50 miles in either case. In addition to the actual move, costs associated with utility re-connections (i.e., gas, water, electricity, telephone, and cable, if any), are eligible for reimbursement.

b. Fixed Payment (based on Room Count Schedule)

An occupant may elect to receive a fixed payment for moving expenses which is based on the number of rooms occupied in the displacement dwelling. In this case, the person to be relocated takes full responsibility for the move. The fixed payment includes all utility connections as described in (a), above. At a minimum, the fixed schedule payment for single occupancy efficiency units, furnished with the tenants own personal property, is \$625 including all utility connections at the replacement location. The current schedule for fixed moving payments is set forth in **Table 3** following:

Table 3: Schedule of Fixed Moving Payments (effective 6-15-05)	
Unfurnished Dwelling	
One room	\$625
Two rooms	\$800
Three rooms	\$1,000
Four rooms	\$1,175
Five rooms	\$1,425
Six rooms	\$1,650
Seven rooms	\$1,900
Eight rooms	\$2,150
each additional room	\$225
Furnished Dwelling	
First Room	\$400
Each additional room	\$65

Rental Assistance For Tenant Occupants

To be eligible to receive the rental assistance benefits, the displaced tenant household has to rent or purchase and occupy a decent, safe, and sanitary replacement dwelling within one year from the date they move from the displacement dwelling.

Based upon the available data regarding Project displacees, the displaced household may qualify for, and may be eligible to apply for, relocation benefits under URA provisions or Section 104(d). Rental Assistance Payments will be calculated based upon the monthly housing need over a 60 month period for eligible occupants whose income level does not exceed 80% of the median income for the County of Los Angeles, as established by the United States Department of Housing and Urban Development (HUD). Recipients of 104(d) benefits would also be eligible to receive reimbursement for security deposit and credit check fees. Except in the case of Last Resort Housing situations, payments to those households whose income level exceeds 80% of the area median income will be payable over a 42 month period and limited to a maximum of \$5,250 as stated under URA guidelines. The differences between the two programs are explained in detail in the informational brochures provided to each household (see **Attachments 3 & 4**).

Table 4 provides an example of how a 104(d) rental assistance eligibility amount is determined:

Table 4: Example Computation of 104(d) Rental Assistance Payments		
1. Adjusted Gross Income	\$600	30% of Household's Monthly Adjusted Gross Income*
-or-		
2. Gross Income	\$300	10% of Gross Monthly Household Income
3. Greater of lines 1 and 2	\$600	Total Tenant Payment
Subtracted from the lesser of:		
4. Actual New Rent	\$795	Actual New Rent (includes utilities)
-or-		
5. Comparable Rent	\$815	Set by Agency (includes utilities)
6. Lesser of lines 4 and 5	\$795	
7. Monthly Need Amount	\$195	Subtract line 3 from line 6
Rental Assistance	\$11,700	Multiply line 7 (Monthly Need) by 60 months

*Adjusted gross income means the total annual income of an individual household less the following: (1) a deduction of \$480 for each dependent; (2) a deduction of \$400 for an elderly household; (3) a deduction for recurring extraordinary medical expenses; defined for this purpose to mean medical expenses in excess of 3% of total income, where not compensated for, or covered by insurance or other sources; (4) a deduction of reasonable amounts paid for the care of children or sick or incapacitated family members when determined to be necessary to employment of the head of household or spouse, except that the amount deducted shall not exceed the amount of income received by the person who would not otherwise be able to seek employment in the absence of such care.

Table 5 portrays the benefits determination under the URA:

Table 5: Example Computation of URA Rental Assistance Payments		
1. Old Rent	\$650	Old Rent and Utilities
or		
2. Ability to Pay	\$700	30% of the Gross Household Income (for Low Income Households)
3. Lesser of lines 1 or 2	\$650	Base Monthly Rental
Subtracted From:		
4. Actual New Rent	\$750	Actual New Rent and Utilities
or		
5. Comparable Rent	\$775	Determined by Developer (includes utilities)
6. Lesser of lines 4 or 5	\$750	
7. Yields Monthly Need:	\$100	Subtract line 3 from line 6
Rental Assistance	\$4,200	Multiply line 7 by 42 months

* Gross income means the total annual income of an individual less the following: (1) a deduction of \$500 for each dependent in excess of three; (2) a deduction of 10% of total income for the elderly or disabled head of household; (3) a deduction for recurring extraordinary medical expenses defined for this purpose to mean medical expenses in excess of 3% of total income, where not compensated for, or covered by insurance or other sources; (4) a deduction of reasonable amounts paid for the care of children or sick or incapacitated family members when determined to be necessary to employment of the head of household or spouse, except that the amount deducted shall not exceed the amount of income received by the person who would not otherwise be able to seek employment in the absence of such care.

Rental Assistance payment amounts are equal to 42 times the difference between the base monthly rent and the lesser of:

- (i) The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling; or
- (ii) The monthly rent and estimated average monthly cost of utilities for the decent, safe, and sanitary replacement dwelling actually occupied by the displaced person.

The base monthly rent for the displacement dwelling is the lesser of:

- (i) The average monthly cost for rent and utilities at the displacement dwelling for a reasonable period prior to displacement, as determined by the Agency. For owner-occupants or households, which paid little or no rent, fair market rent will be used as a substitute for actual rent; or

(ii) Thirty percent (30%) of the displaced person's average, monthly gross household income **if the amount is classified as "low income" by the U. S. Department of Housing and Urban Development's (HUD) Annual Survey of Income Limits for the Public Housing and Section 8 Programs.** HUD's Survey is shown as **Attachment 2.** If a displacee refuses to provide appropriate evidence of income or is a dependent, the base monthly rent shall be determined to be the average monthly cost for rent and utilities at the displacement dwelling; or

(iii) The total of the amount designated for shelter and utilities if receiving a welfare assistance payment from a program that designated the amounts for shelter and utilities

Last Resort Housing Payments

There is adequate "comparable replacement housing" available to meet the needs of the Project occupants, according to the housing survey. However, a combination of factors, including the income levels of the tenants, Project rents, and the higher cost of replacement dwellings, will create the need for last resort housing.

A displaced person is entitled to Last Resort Housing assistance when, in a single residential case, the computed total of rental assistance eligibility exceeds \$5,250 or the replacement housing payment exceeds \$22,500. This type of situation is likely to develop among low-income or large families or in environments where project area rents are particularly low, or where property values for the displacement dwellings are significantly lower than the comparable replacement dwellings.

Downpayment Assistance Payment to Tenants who Purchase

The displaced households may opt to apply the entire benefit amount for which they are eligible toward the purchase of a replacement unit (Guidelines 49 CFR 24.402(b) and HUD 1378). There are, however, two restrictions when 104(d) regulations govern the relocation process: (1) if the Agency has a Section 8 voucher and available comparable Section 8 housing to offer a displaced household, the household may not opt for 60 months of replacement housing payments (the family may then select URA coverage and receive 42 months of cash benefits) and (2) if a displaced household decides to purchase a replacement dwelling, they may use their 104(d) 60 months of cash benefits to buy a cooperative or mutual housing unit only (under URA they can choose any type of unit, including conventional housing, but the benefits are calculated over a 42 month period).

A displaced household, who chooses to utilize up to the full amount of their rental assistance eligibility (including any Last Resort benefits) to purchase a home, will have the funds deposited in an open escrow account, provided that the entire amount is used for the downpayment and eligible, incidental costs associated with the purchase of a decent, safe, and sanitary replacement home. A provision shall be made in the escrow arrangements for

the prompt return of the Agency's funds, in the event escrow should fail to close within a reasonable period of time.

Final determination about the type of relocation benefits and assistance for which the household is eligible will be determined upon verification of the household's occupants and income.

K. PAYMENT OF RELOCATION BENEFITS

Relocation benefit payments will be made expeditiously. Claims and supporting documentation for relocation benefits must be filed with the Agency within 18 months from the date the claimant moves from the displacement property. Procedures for preparing and filing of claims and processing and delivering of payments are included as **Attachment 5**.

No household will be displaced until "comparable" housing is located as defined above. Relocation staff will inspect any replacement units to which referrals are made to verify that they meet all the standards of decent, safe, and sanitary as defined in Section 24.2 (a) (8) of the Uniform Act. No household will be entitled to a rental assistance or replacement housing payment if it chooses to move to a replacement unit which does not meet the standards of decent, safe, and sanitary housing.

L. EVICTION POLICY

The Agency recognizes that eviction is permissible only as a last resort and that relocation records must be documented to reflect the specific circumstances surrounding any eviction.

1. Eviction will cause the forfeiture of a displacee's right to relocation assistance or benefits. Relocation records will be documented to reflect the specific circumstances surrounding any eviction action.
2. Eviction may be undertaken for one, or more of the following reasons:
 - (a) Failure to pay rent, except in those cases where the failure to pay is due to the owner's failure to keep the premises in habitable condition; is the result of harassment or retaliatory action; or, is the result of discontinuation, or a substantial interruption of services;
 - (b) Performance of a dangerous, and/or illegal act in the unit;
 - (c) A material breach of the rental agreement, and failure upon notification to correct said breach within 30 days of Notice;
 - (d) Maintenance of a nuisance, and failure to abate such nuisance upon notification within a reasonable time following Notice;

- (e) Refusal to accept one of a reasonable number of offers of replacement dwellings; and/or,
- (f) A requirement under State, or local law or emergency circumstances that cannot be prevented by reasonable efforts on the part of the Agency.

M. APPEALS POLICY

The appeals policy will follow the standards described in section 24.10 of the Uniform Act. Briefly stated, the displaced household will have the right to ask for review when there is a complaint regarding any of its rights to relocation and relocation assistance, such as a determination as to eligibility, the amount of payment, or the failure to provide a comparable replacement housing referral.

N. IMMIGRATION STATUS

Federal legislation (PL105-117) prohibits the payment of relocation assistance benefits under the Uniform Act to any alien not lawfully present in the United States unless such ineligibility would result in an exceptional and extremely unusual hardship to the alien's spouse, parent, or child any of whom is a citizen or an alien admitted for permanent residence. Exceptional and extremely unusual hardship is defined as significant and demonstrable adverse impact on the health or safety, continued existence of the family unit, and any other impact determined by the Developer to negatively affect the alien's spouse, parent or child. The Agency may elect to authorize the payment of relocation assistance benefits to any otherwise eligible displacee from non-federally authorized reimbursable funds.

In order to track and account for relocation assistance and benefit payments, relocation staff will be required to seek immigration status information from each displacee 18 years and older by having them self-certify as to their legal status.

If 104(d) rules apply to a household, based on the procurement of CDBG funds for the proposed Project, legal presence in the United States is not required in order to receive eligible relocation assistance and benefits.

O. PROJECTED DATES OF DISPLACEMENT

All displaced occupants will receive a 90 day notice to vacate before they are required to move. The earliest these notices are expected to be issued is July 2007.

P. ESTIMATED RELOCATION COSTS

The estimate of total relocation payments for displaced households is **\$379,700**. This estimated relocation budget does not include relocation administrative services or provision for any other services necessary for the implementation of the Plan and Project.

TABLE OF ATTACHMENTS

Attachment 1:	Project Site Map
Attachment 2:	HCD Income Category Limits for Los Angeles County
Attachment 3:	Residential Informational Brochure - Uniform Act
Attachment 4:	Residential Informational Brochure – Section 104(d)
Attachment 5:	Relocation Payment Policy Regarding Procedures for Payment of Relocation Claims
Attachment 6:	Public Review and Comments

ATTACHMENT 1: PROJECT SITE MAPS



Figure 1: Regional Project Setting



Figure 2: Project Site Location

**ATTACHMENT 2:
H.U.D. ANNUAL INCOME LIMITATIONS
LOS ANGELES COUNTY**

The following figures are approved by the U. S. Department of Housing and Urban Development (H.U.D.) for use in the **County of Los Angeles** to define and determine housing eligibility by income level.

Area Median: \$56,500				
Family Size	Extremely Low	Very Low	Low	Moderate
1 Person	15,550	25,900	41,450	47,500
2 Person	17,750	29,600	47,350	54,200
3 Person	20,000	33,300	53,300	61,000
4 Person	22,200	37,000	59,200	67,800
5 Person	24,000	39,950	63,950	73,200
6 Person	25,750	42,900	68,650	78,600
7 Person	27,550	45,900	73,400	84,100
8 Person	29,300	48,850	78,150	89,500

Figures are per the Department of Housing and Community Development (California), Division of Housing Policy Development, **April 18, 2007**.

ATTACHMENT 3: RESIDENTIAL INFORMATIONAL BROCHURE - URA

- I. GENERAL INFORMATION**
- II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING**
- III. MOVING BENEFITS**
- IV. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS**
- V. REPLACEMENT HOUSING PAYMENT - HOMEOWNERS**
- VI. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS**
- VII. LAST RESORT HOUSING ASSISTANCE**
- VIII. RENTAL AGREEMENT**
- IX. APPEAL PROCEDURES - GRIEVANCE**
- X. TAX STATUS OF RELOCATION BENEFITS**
- XI. LEGAL PRESENCE REQUIREMENT**
- XII. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE**

I. GENERAL INFORMATION

The building in which you now live is in an area to be improved by the City of Long Beach Parks Department and Long Beach Redevelopment Agency (the Agency). As the project proceeds, it may be necessary for you to move from your dwelling. If you are required to relocate, you will be notified in a timely manner as to the date by which you must move.

Please read this information as it will be helpful to you in determining your eligibility and the amount of your relocation benefits under the federal and/or state law. We suggest you save this informational statement for reference.

The Agency has retained the services of Overland, Pacific & Cutler, Inc., a qualified professional relocation firm, to assist you. The firm is available to explain the program and benefits. Their address and telephone number is:



100 W. Broadway, Suite 500
Long Beach, CA 90802
(562) 304-2000

Spanish speaking representatives are available. **Si necesita esta información en Español, por favor llame a su representante.**

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING. However, if you desire to move sooner than required, you must contact your representative with Overland, Pacific & Cutler, Inc. so you will not jeopardize any benefits. This is a general informational brochure only, and is not intended to give a detailed description of either the law or regulations pertaining to the Agency's relocation assistance program.

II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING

The Agency, through its representatives, will assist you in locating a comparable replacement dwelling by providing referrals to appropriate and available housing units. You are encouraged to actively seek such housing yourself.

When a suitable replacement dwelling unit has been found, your relocation consultant will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

III. MOVING BENEFITS

If you must move as a result of displacement by the Agency, you will receive a payment to assist in moving your personal property. There are two types of moving payments. You have the option of selecting either one of the following types of moving payments:

A. Fixed Moving Payment

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a schedule approved by the Agency, and ranges, for example, from \$400 for one furnished room to \$2,150 for eight rooms in an unfurnished dwelling. (For details see the table below). Your relocation representative will inform you of the amount you are eligible to receive if you choose this type of payment.

FIXED MOVING SCHEDULE (CALIFORNIA)			
Occupant owns furniture		Occupant does NOT own furniture	
1 room	\$625.00	1 room	\$400.00
2 rooms	\$800.00	each additional room	\$65.00
3 rooms	\$1,000.00		
4 rooms	\$1,175.00		
5 rooms	\$1,425.00		
6 rooms	\$1,650.00		
7 rooms	\$1,900.00		
8 rooms	\$2,150.00		
each additional room	\$225.00		

If you select a fixed payment, you will be responsible for arranging for your own move and the Agency will assume no liability for any loss or damage of your personal property.

B. Actual Moving Expense (Professional Move)

If you wish to engage the services of a licensed commercial mover and have the Agency pay the bill, you may claim the ACTUAL cost of moving your personal property up to 50 miles. Your relocation representative will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a scope of services for the Agency's approval.

IV. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS

You may be eligible for a payment of up to \$5,250 to assist you in renting or purchasing a comparable replacement dwelling.

A. Rental Assistance. If you qualify, and **wish to rent** your replacement dwelling, your rental assistance benefits will be based upon the difference over a 42 month period between the rent you must pay for a comparable replacement dwelling and the lesser of your current rent or 30% of your gross monthly household income if the amount is classified as "low income" by the U. S. Department of Housing and Urban Development's (HUD) Annual Survey of Income Limits for the Public Housing and Section 8 Programs. You will be required to provide your relocation representative with monthly rent and household income verification prior to the determination of your eligibility for this payment.

- OR -

B. Down-payment Assistance. If you qualify, and **wish to purchase** a home as a replacement dwelling, you can apply up to the total amount of your rental assistance payment towards the down-payment and non-recurring incidental expenses. Your relocation representative will clarify procedures necessary to apply for this payment.

V. REPLACEMENT HOUSING PAYMENT - HOMEOWNERS

A. If you owned and occupied a dwelling purchased by the Agency for **at least 180 days** prior to the first offer to purchase, you may be eligible to receive a payment of up to \$22,500 to assist you in purchasing a comparable replacement unit. If you owned and occupied the displacement dwelling for **at least 90 days but not more than 180 days** immediately prior to the date of the Agency's offer to purchase, you may be eligible for a payment of up to \$5,250. This payment is intended to cover the following items:

1. **Purchase Price Differential** - An amount which, when added to the amount for which the Agency purchased your property, equals the lesser of the actual cost of your replacement dwelling; **or** the amount determined by the Agency as necessary to purchase a comparable replacement dwelling. Your relocation representative will explain both methods to you.
2. **Mortgage Interest Differential** - The amount which covers the increased interest costs, if any, required to finance a replacement dwelling. Your relocation representative will explain limiting conditions.
3. **Incidental Expenses** - Those one time costs incidental to purchasing a replacement unit, such as escrow fees, recording fees, and credit report fees. Recurring expenses such as prepaid taxes and insurance premiums are not compensable.

B. Rental Assistance Option - If you are an owner-occupant and choose to rent rather than purchase a replacement dwelling, you may be eligible for a rental assistance payment in an amount not to exceed the calculated price differential payment. The payment will be based on the difference between the fair market rent of the dwelling you occupy and the rent you must pay for a comparable replacement dwelling.

If you receive a rental assistance payment, as described above, and later decide to purchase a replacement dwelling, you may apply for a payment equal to the amount you would have received if you had initially purchased a comparable replacement dwelling, less the amount you have already received as a rental assistance payment.

VI. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the later of** the following:

1. For a tenant, the date you move from the displacement dwelling
2. For an owner-occupant, the date you receive final payment for the displacement dwelling, or, in the case of condemnation, the date the full amount of estimated just compensation is deposited in court, or
3. The date the Agency fulfills its obligation to make available comparable replacement dwellings.

All claims for relocation benefits must be filed with the Agency **within 18 months** from the date on which you receive final payment for your property, or the date, on which you move, whichever is later.

VII. LAST RESORT HOUSING ASSISTANCE

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, the Agency will provide Last Resort housing assistance to enable you to rent or purchase a replacement dwelling on a timely basis. Last Resort housing assistance is based on the individual circumstances of the displaced person. Your relocation representative will explain the process for determining whether or not you qualify for Last Resort assistance.

If you are a tenant, and you choose to purchase rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and last resort eligibility must be applied toward the down-payment of the home you intend to purchase.

VIII. RENTAL AGREEMENT

As a result of the Agency's action to purchase the property where you live, you may become a tenant of the Agency. If this occurs, you will be asked to sign a rental agreement which will specify the monthly rent to be paid, when rent payments are due, where they are to be paid and other pertinent information.

Except for the causes of eviction set forth below, no person lawfully occupying property to be purchased by the Agency will be required to move without having been provided with at least 90 days written notice from the Agency. Eviction will be undertaken only in the event of one or more of the following infractions:

- A. Failure to pay rent; except in those cases where the failure to pay is due to the lessor's failure to keep the premises in habitable condition, is the result of harassment or retaliatory action or is the result of discontinuation or substantial interruption of services;
- B. Performance of dangerous illegal act in the unit;
- C. Material breach of the rental agreement and failure to correct breach within 30 days of notice;
- D. Maintenance of a nuisance and failure to abate within a reasonable time following notice;
- E. Refusal to accept one of a reasonable number of offers of replacement dwellings;
or
- F. The eviction is required by State or local law and cannot be prevented by reasonable efforts on the part of the public entity.

IX. APPEAL PROCEDURES - GRIEVANCE

Any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have his/her claim reviewed or reconsidered in accordance with the Agency's appeals procedure. Complete details on appeal procedures are available upon request from the Agency.

X. TAX STATUS OF RELOCATION BENEFITS

Relocation benefit payments are not considered as income for the purpose of the Internal Revenue Code of 1986 or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

XI. LAWFUL PRESENCE REQUIREMENT

Federal legislation (PL105-117) prohibits the payment of relocation assistance benefits under the Uniform Act to any alien not lawfully present in the United States unless such ineligibility would result in an exceptional and extremely unusual hardship to the alien's spouse, parent, or child any of whom is a citizen or an alien admitted for permanent residence. Exceptional and extremely unusual hardship is defined as significant and demonstrable adverse impact on the health or safety, continued existence of the family unit, and any other impact determined by the Developer to negatively affect the alien's spouse, parent or child. In federal projects, any member of the household who is not lawfully present in the United States or declines to provide this information may be denied relocation benefits. Relocation benefits will be prorated to reflect the number of household members with certified lawful presence in the US.

XII. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation representative.

**ATTACHMENT 4:
RESIDENTIAL INFORMATIONAL BROCHURE - (104(D))**

- I. GENERAL INFORMATION
- II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING
- III. MOVING BENEFITS
- IV. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS
- V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS
- VI. LAST RESORT HOUSING ASSISTANCE
- VII. EVICTION
- VIII. APPEAL PROCEDURES - GRIEVANCE
- IX. TAX STATUS OF RELOCATION BENEFITS
- X. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

I. GENERAL INFORMATION

The building in which you now live is in an area to be improved by City of Long Beach Parks Department and Long Beach Redevelopment Agency (the Agency). As the project proceeds, it will be necessary for you to move from your dwelling. You will be notified in a timely manner as to the date by which you must move.

Please read this information as it will be helpful to you in determining your eligibility and the amount of your relocation benefits under the federal and/or state law. We suggest you save this informational statement for reference.

The Agency has retained the services of Overland, Pacific & Cutler, Inc., a qualified professional relocation firm, to assist you. The firm is available to explain the program and benefits. Their address and telephone number is:



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Spanish speaking representatives are available. **Si necesita esta información en Español, por favor llame a su representante.**

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING. However, if you desire to move sooner than required, you must contact your representative with Overland, Pacific & Cutler, Inc., so you will not jeopardize any benefits. This is a general informational brochure only, and is not intended to give a detailed description of either the law or regulations pertaining to the Agency's relocation assistance program.

Please continue to pay your rent to your current landlord, otherwise you may be evicted and jeopardize the relocation benefits to which you may be entitled to receive.

II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING

The Agency, through its representatives, will assist you in locating a comparable replacement dwelling by providing referrals to appropriate and available housing units. You are encouraged to actively seek such housing yourself.

When a suitable replacement dwelling unit has been found, your relocation consultant will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

III. MOVING BENEFITS

If you must move as a result of displacement by the Agency, you will receive a payment to assist in moving your personal property. The actual, reasonable and necessary expenses for moving your household belongings may be determined based on one, or a combination of the following methods:

A. Fixed Moving Payment (Self Move)

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a schedule approved by the Agency, and ranges, for example, from \$400 for one furnished room to \$2,150 for eight rooms in an unfurnished dwelling. Your relocation representative will inform you of the amount you are eligible to receive if you choose this type of payment.

FIXED MOVING SCHEDULE - CALIFORNIA (effective June 15, 2005)			
Occupant owns furniture		Occupant does NOT own furniture	
1 room	\$625.00	1 room	\$400.00
2 rooms	\$800.00	each additional room	\$65.00
3 rooms	\$1,000.00		
4 rooms	\$1,175.00		
5 rooms	\$1,425.00		
6 rooms	\$1,650.00		
7 rooms	\$1,900.00		
8 rooms	\$2,150.00		
each additional room	\$225.00		

If you select a fixed payment, you will be responsible for arranging for your own move and the Agency will assume no liability for any loss or damage of your personal property.

B. Actual Moving Expense (Professional Move)

If you wish to engage the services of a licensed commercial mover and have the Agency pay the bill, you may claim the ACTUAL cost of moving your personal property up to 50 miles. Your relocation representative will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a scope of services for the Agency approval.

IV. REPLACEMENT HOUSING PAYMENT

Tenants and homeowner-occupants may be eligible for a payment up to \$5,250 to assist in renting or purchasing a comparable replacement dwelling.

A. **Rental Assistance.** If you **wish to rent** your replacement dwelling, under section 104(d) guidelines, your rental assistance benefits will be based upon the difference over a sixty (60) month period between the rent you must pay for a comparable replacement dwelling and your Total Tenant Payment (TTP). The TTP is the amount a tenant is expected to contribute towards the monthly rent. It is the highest of: 1) 30% of a family's adjusted monthly income; or 2) 10% of the family's monthly gross income; or 3) a designated allowance under certain welfare programs. You will be required to provide your relocation representative with monthly rent and household income verification prior to the determination of your eligibility for this payment. You are also eligible for assistance in paying a security deposit at your replacement home, if applicable, and a credit check fee associated with securing your replacement dwelling.

- OR -

B. **Down-payment Assistance.** If you qualify, and **wish to purchase** a home as a replacement dwelling, you can apply up to the total amount of your rental assistance payment towards the down-payment and non-recurring incidental expenses to secure a mutual housing unit or cooperative housing unit. If you wish to purchase a house that is not mutual housing or cooperative housing, your purchase assistance would be provided under URA guidelines – an amount that may be less than the section 104(d) amount. Your relocation representative will clarify procedures necessary to apply for this payment.

V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the later of** the following:

1. The date you move from the displacement dwelling; or

2. The date the Agency fulfills its obligation to make available comparable replacement dwellings.

All claims for relocation benefits must be filed with the Agency **within 18 months** from the date on which you move.

VI. LAST RESORT HOUSING ASSISTANCE

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, the Agency will provide Last Resort housing assistance to enable you to rent or purchase a replacement dwelling on a timely basis. Last Resort housing assistance is based on the individual circumstances of the displaced person. Your relocation representative will explain the process for determining whether or not you qualify for Last Resort assistance.

If you are a tenant, and you choose to purchase rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and last resort eligibility must be applied toward the down-payment of the home you intend to purchase.

VII. EVICTION

Eviction for cause must conform to applicable State and local law. Any person who occupies the real property and is not in unlawful occupancy on the date of initiation of negotiations, is presumed to be entitled to relocation benefits, unless the Agency determines that:

- The person received an eviction notice prior to the initiation of negotiations and, as a result, was later evicted; or
- The person is evicted after the initiation of negotiations for serious or repeated violation of material terms of the lease; and
- In either case, the eviction was not undertaken for the purpose of evading relocation assistance regulations.

If evicted for cause, a displacee will forfeit any relocation benefits to which they may have been entitled.

VIII. APPEAL PROCEDURES - GRIEVANCE

Any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have his/her claim reviewed or reconsidered in accordance with the Agency's appeals procedure. Complete details on appeal procedures are available upon request from the Agency.

IX. TAX STATUS OF RELOCATION BENEFITS

Relocation benefit payments are not considered as income for the purpose of the Internal Revenue Code of 1986 or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

X. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation representative.

**ATTACHMENT 5:
RELOCATION PAYMENT POLICY REGARDING PROCEDURES
FOR PAYMENT OF RELOCATION CLAIMS**

Claims and supporting documentation for relocation benefits must be filed with the Agency within 18 months from the date the claimant moves from the acquired property.

The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of the Uniform Act.
3. Required claim forms will be prepared by relocation personnel in conjunction with claimant(s). Signed claims and supporting documentation will be submitted by relocation personnel to the Agency.
4. The Agency will review and approve claims for payment or request additional information.
5. The Agency will issue benefit checks which will be delivered to the Claimants by relocation staff, unless circumstances dictate otherwise.
6. Final payments will be issued after confirmation that the Project area premises have been completely vacated and actual residency at replacement unit is verified.
7. Receipts of payment will be obtained and maintained in the relocation case file.

**ATTACHMENT 6:
PUBLIC REVIEW AND COMMENTS**

RESOLUTION NO. R.A.

A RESOLUTION OF THE REDEVELOPMENT
AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA,
ADOPTING A REPLACEMENT HOUSING PLAN FOR THE
1413-1431 CHESTNUT AVENUE PROJECT

WHEREAS, the Redevelopment Agency of the City of Long Beach,
California ("Agency"), is negotiating the redevelopment of property located at 1413-1431
Chestnut Avenue (the "1413-1431 Chestnut Avenue Project"); and

WHEREAS, the 1413-1431 Chestnut Avenue Project will result in
displacement of existing housing units; and

WHEREAS, California Health and Safety Code Section 33413.5 requires
that the Agency adopt a housing replacement plan for the 1413-1431 Chestnut Avenue
Project;

NOW, THEREFORE, the Redevelopment Agency of the City of Long
Beach, California, resolves as follows:

The Agency hereby adopts the Replacement Housing Plan for the 1413-
1431 Chestnut Avenue Project, which is attached as Exhibit "A" to this resolution.

APPROVED AND ADOPTED by the Redevelopment Agency of the City of
Long Beach, California this _____ day of _____, 2007.

Executive Director/Secretary

APPROVED:

Chair

HAM:fl
11/13/97
#07-05513



**REPLACEMENT HOUSING PLAN FOR
1413-1431 CHESTNUT AVENUE**

**CENTRAL LONG BEACH
REDEVELOPMENT PROJECT AREA**



November 8, 2007

**LONG BEACH REDEVELOPMENT AGENCY
333 WEST OCEAN BLVD., 3RD FLOOR
LONG BEACH, CA 90802**

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I. INTRODUCTION

This Replacement Housing Plan (Replacement Housing Plan) for 1413-1431 Chestnut Avenue (Property) has been prepared pursuant to Section 33413.5 of the California Health and Safety Code for the Redevelopment Agency of the City of Long Beach (Agency). Section 33413.5 requires that, not less than 30 days prior to the execution of an agreement for acquisition of real property, or the execution of an agreement for the disposition and development of property, or the execution of an owner participation agreement, which agreement would lead to the destruction or removal of dwelling units from the low- and moderate-income housing market, the Agency shall adopt by resolution a replacement housing plan.

In addition, Section 33413.5 mandates that the Replacement Housing Plan shall include the following components:

- The number of dwelling units housing persons and families of low- or moderate-income to be removed and replaced by construction or rehabilitation;
- The general location of housing to be rehabilitated, developed or constructed pursuant to Section 33413;
- An adequate means of financing such rehabilitation, development, or construction;
- The timetable for meeting the Replacement Housing Plan's relocation, rehabilitation, and replacement housing objectives; and
- A finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained.

II. DEFINITIONS

Very-Low-Income Household

Persons and families whose gross income does not exceed 50 percent of the area median income adjusted for family size.

Low-Income Household

Persons and families whose gross income exceeds 50 percent, but do not exceed 80 percent of the area median income adjusted for family size.

Moderate-Income Household

Persons and families whose gross income exceeds 80 percent, but do not exceed 120 percent of the area median income adjusted for family size.

Affordable Owner-Occupied Housing Cost

Section 50052.5 of the California Health and Safety Code states that for any owner-occupied housing, "affordable housing costs" shall not exceed the following:

- (1) For very-low-income households the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.
- (2) For lower-income households whose gross income exceeds the maximum income for very-low income households and does not exceed 70 percent of the area median income adjusted for family size, the product of 30 percent times 70 percent of the area median income adjusted for family size. In addition, for any lower-income household that has a gross income that equals or exceeds 70 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable housing cost does not exceed 30 percent of the gross income of the household.
- (3) For moderate-income households whose gross incomes exceed the maximum income for lower-income households and do not exceed the 110 percent of the area median income adjusted for family size, the product of 35 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. In addition, for any moderate-income household that has a gross income that equals or exceeds 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable housing cost not exceed 35 percent of the gross income of the household.

Affordable Renter-Occupied Housing Cost

Section 50053 of the California Health and Safety code states that for any rental housing development, "affordable rent," including a reasonable utility allowance, shall not exceed:

- (1) For very-low-income households, the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.
- (2) For lower-income households whose gross income exceeds the maximum income for very-low-income households, the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those lower-income households with gross incomes that exceed 60 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.
- (3) For moderate-income households, the product of 30 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those moderate-income households whose gross income exceeds 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.

Replacement Dwelling Unit

For this Replacement Housing Plan, "Replacement Dwelling Unit" means a dwelling unit developed or constructed in the City of Long Beach pursuant to Section 33413 in replacement of a dwelling unit destroyed or removed from the low and moderate-income housing market by the Agency and which is decent, safe and sanitary, contains at least the same number of bedrooms and other living areas as the dwelling unit destroyed or removed, and is available at affordable housing cost to low- and moderate-income households.

III. REPLACEMENT HOUSING REQUIREMENTS

Section 33413(a) of the California Health and Safety Code requires that whenever low or moderate-income household dwelling units are destroyed or removed from the housing market as part of a redevelopment project which is subject to a written agreement with a redevelopment agency or where financial assistance has been provided by the agency, the agency shall, within four years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate-income, an equal number of replacement dwelling units which have an equal or greater

number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency.

When dwelling units are destroyed or removed on or after January 1, 2002, 100 percent of the replacement dwelling units shall be available at affordable housing cost to persons in the same or lower income category (low, very low, or moderate), as the persons displaced from those destroyed or removed units.

Section 33413(f) of the California Health and Safety Code modifies these requirements as follows:

Notwithstanding subdivision (a), the agency may replace destroyed or removed dwelling units with a fewer number of replacement dwelling units if the replacement dwelling units meet both of the following criteria:

- (1) The total number of bedrooms in the replacement dwelling units equals or exceeds the number of bedrooms in the destroyed or removed units. Destroyed or removed units having one or no bedroom are deemed for this purpose to have one bedroom.
- (2) The replacement units are affordable to the same income level of households as the destroyed or removed units.

IV. PROJECT DESCRIPTION

In April of 2007, the Agency presented offers to purchase the properties located at 1413-1431 Chestnut Avenue (Property) within the Central Long Beach Redevelopment Project Area (Project Area) about the possible voluntary acquisition of the Property. The purchase of non-conforming residential properties in this Project Area is consistent with the goals of the Central Long Beach Redevelopment Plan (Plan). In September 2007, the Agency purchased the Property, which will be demolished and assembled with adjacent parcels to allow for open space development.

The Project's primary activities will include the following:

A. Acquisition, Relocation and Demolition

The Agency has acquired the Property. The Agency will demolish the structures to prepare the site for the development of Seaside Park. The property consists of three multi-family residential buildings. To date, all transactions have been negotiated through voluntary acquisition and tenants will be relocated in accordance with state relocation law.

APN	Address	Type of Dwelling	Number of Units and Buildings
7269-040-042	1413-1419 Chestnut Avenue	Multi-family residential	1 building, 4 units
7269-040-041	1421-1427 Chestnut Avenue	Multi-family residential	1 building, 4 units
7269-040-040	1431 Chestnut Avenue	Multi-family residential	1 building, 4 units

B. New Construction and/or Substantial Rehabilitation

The existing residential structure will not be rehabilitated. Demolition of the residential property will facilitate the removal of a non-conforming use.

V. RESIDENTIAL UNITS TO BE REMOVED AND REPLACED

The Property consists of three multi-family units located at 1413-1431 Chestnut Avenue. Specifically, 1413-1419 has four three-bedroom residential units; 1421-1427 has four one-bedroom residential units; and 1431 Chestnut Avenue has one three-bedroom and three four-bedroom units. Currently, these units are occupied by a very low to moderate-income households. These units will be removed for the Project and replaced in kind per the California Health and Safety Code.

Housing Units & Bedrooms by Income Level

Income Level	One BR	Two BR	Three BR	Four BR	Total Bedrooms
Very-Low Income	2	2		1	5
Low Income			1		1
Moderate Income		1		1	2
Above				1	1
Vacant	2	1			3
Total					12

VI. GENERAL LOCATION OF HOUSING TO BE REHABILITATED, DEVELOPED OR CONSTRUCTED

Pursuant to California Health and Safety Code Section 33413, the Agency will, within four years, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed additional dwelling units for rental or sale to persons and families of very-low-income.

As allowed by Section 33413, the replacement dwelling unit may not be located within the Project Area since one of the goals of the Central Long Beach Redevelopment Project is to remove all nonconforming residential uses. Instead, the replacement dwelling unit could be located outside the Project Area, within the territorial jurisdiction of the City of Long Beach.

The Agency, in partnership with the Long Beach Housing Development Company (LBHDC), has already taken action to provide a replacement dwelling within the Central Long Beach Redevelopment Project Area. The Agency has entered into a Disposition and Development Agreement (DDA) with Jamboree Housing Inc., for the development of sixty-six (66) units that will be restricted to very-low income residents. Twelve these units will be used as a replacement dwelling unit for the dwelling unit removed as a result of the acquisition of the Property.

VII. FINANCING OF REPLACEMENT HOUSING

The Agency transfers all of the 20% set-aside funds from each redevelopment project area into the City's Housing Development Fund. This money is used by the LBHDC to assist in the production of affordable housing as required by Law. Current LBHDC programs funded by set-aside tax increment revenues include the following:

- First-Time Home Buyer Down Payment Assistance Program;
- Interest Rate Reduction Program;
- Moderate-Income Rehabilitation Loan Program; and
- Developer Assistance Program

Should the LBHDC build or otherwise assist in the creation of affordable housing in the territorial jurisdiction of the Agency, it will do so in accordance with California Health and Safety Code Section 33413(b). In addition, the creation or rehabilitation of replacement dwelling units can be financed through a variety of means other than set-aside tax increment revenues including:

- State of California Cal Home Program funds;
- State of California HELP Program funds;

- State of California CHFA Tax-Exempt Mortgage Revenue Bond Program funds;
- Federal HOME Program funds;
- Mortgage Credit Certificate Program; and
- Conventional bank loans

As is often the case, the creation of replacement housing depends on a number of financing sources. In the case of the Jamboree Workforce Housing Project, replacement housing is financed through multiple financing sources.

VIII. TIMETABLE FOR DEVELOPMENT OF REPLACEMENT HOUSING

The law requires that within four years of the destruction or removal of any low- or moderate-income housing, the Agency will rehabilitate, develop or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to low or moderate-income families, replacement dwellings for those units lost as a result of the Project's implementation. The Jamboree Housing Project is currently under construction and will be completed within two years.

These new residential units will be made available at costs affordable to individuals and families of very-low, low and moderate-income and covenants will be recorded against the properties to ensure the affordability of the units for a period of time not less than the land use controls contained within the Central Long Beach Redevelopment Plan. In the case of the Jamboree Housing Project, residential units are restricted for a period of 55 years.

IX. COMPLIANCE WITH ARTICLE XXXIV OF THE CALIFORNIA CONSTITUTION

Article XXXIV of the California Constitution requires voter approval of all low-rent housing projects that are developed, constructed, or acquired by a public entity. Under Section 37001 of the California Health and Safety Code, the Project is not a "low-rent housing project" as defined in Section 2 of Article XXXIV of the California Constitution because the housing units are being developed to replace dwelling units previously or currently occupied by lower-income households. Therefore, the proposed replacement housing does not require the approval of voters pursuant to Article XXXIV of the California Constitution.

X. PROVISION FOR PUBLIC REVIEW AND COMMENT

In accordance with Section 33413.5, a draft of the Replacement Housing Plan has been made available for review and comment by the general public and other public agencies.