



**R-12**  
**REX**  
RICHARDSON  
VICE MAYOR

**Date:** July 24, 2018

**To:** Honorable Mayor Robert Garcia and Members of the City Council

**From:** Vice Mayor Rex Richardson, Ninth District *RR*  
Councilmember Lena Gonzalez, First District *LJ*  
Councilmember Dee Andrews, Sixth District *DA*  
Councilmember Al Austin, Eighth District *al*

**Subject:** Revenue Options to Address Local Homelessness and Housing Shortage

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#### **RECOMMENDATION:**

Request the City Manager work with the appropriate City departments and the City Attorney's Office to report back at the next available City Council meeting on gaps in prevention, services and housing for individuals and families who are precariously housed or experiencing homelessness, as well as the costs, and opportunities to address these needs. The report should include a recommended funding strategy and implementation timeline for a dedicated local revenue source to address for housing opportunities for individuals and families experiencing homelessness, as well as early and late prevention strategies and services for those newly homeless and those experiencing chronic homelessness.

#### **Discussion**

The City of Long Beach has experienced a 41 percent decline in the bi-annual point-in-time count in the past six years. This is a one-day picture into who is in our City's shelters and on the streets. The decline is due to the incredible work of our Homeless Services team, the interdepartmental coordination with the Departments of Health and Human Services, Police, Fire, Parks, Recreation and Marine, Public Works, and our City Attorney.

The Health and Human Services Department brings in over \$12 million annually in services to support homeless prevention efforts and supporting those who are homeless to achieve housing. However, we also know that between 3,000 to 4,000 people—children, older adults, transitional aged youth, students, families, men and women—will become homeless each year in Long Beach. For some it will be temporary and for others, long-term. Currently, the City of Long Beach does not have the resources to build the number of housing units necessary for those needing low-income and homeless housing, nor does it have sufficient resources for prevention and services. The Continuum of Care



funding through the Federal Department of Housing and Urban Development provides rapid rehousing, transitional housing, and permanent supportive housing as well as some Domestic Violence supports, job training, and other support services. The Measure H funding to the City supports additional rapid-rehousing, outreach and case management services, as well as some homeless prevention services and the apartment owner incentives through the Housing Authority. Additional County resources also support veterans. However, these resources do not meet the growing need for services as housing becomes more difficult to access and rents increase.

In addition, we know that the primary causes of homelessness are loss of jobs/insufficient income, increasing rents, breakdown in family dynamics and domestic violence, and physical and behavioral health issues. Over 21,000 households (nearly 58,700 people) are precariously housed – meaning that their household income is only 30 percent of area median incomes (approximately \$16,545 for a household), or they pay over 90 percent of their income for housing. We cannot stem the tide of homelessness without addressing these issues through a robust prevention strategy and funding, including training and employment opportunities, strengthening family dynamics, reducing domestic violence, and ensuring greater access and connection to physical and behavioral health services.

On May 2, 2017 the City Council started the discussion of identifying a new revenue source to address the housing shortage through the adoption of 29 recommendations on revenue tools and incentives and strategies for the production of affordable and workforce housing. On September 25, 2017, City staff returned to the City Council with one such option for a revenue source, outlining the cost of benefits of a housing bond that could meet some of the affordable housing need in our city. In May, Long Beach convened 30 community leaders through the Everyone Home Long Beach initiative to examine the root causes of homelessness and housing affordability, review the City's current efforts, and discuss a future roadmap for addressing homelessness in our community.

Additionally, on December 11, 2017, the City Council launched the "*Everyone In*" Economic Inclusion Initiative, which is a call to action to Long Beach leaders and stakeholders to be involved in implementing industry best practices and policies that emphasize economic inclusion for the region to create a local economy that includes and benefits every Long Beach resident. We must ensure that we meet the needs of those facing homelessness as well as those populations with barriers to housing including seniors, veterans, people with disabilities, working families, and students.

This agenda item is requesting City staff continue to build on the public discussion that has occurred over the past 14 months regarding a specific local revenue measure related to homelessness and affordable housing, and return to the City Council with a recommended strategy for consideration and public debate.



### **Fiscal Impact**

The fiscal impact of the requested report is existing staff time to create the strategy, assemble the data, and return to the City Council. It is expected that this be done within existing resources at the discretion of the City Manager. The resulting report from City staff will detail any additional fiscal cost or revenue potential.

July 13, 2018

Dear Mayor Robert Garcia, Vice Mayor Rex Richardson, and the Long Beach City Council,

As you are aware, our city, like many across Los Angeles County, is in the midst of a housing crisis of epic proportions. With the rising cost of living and soaring housing prices many of our neighbors are threatened with the reality of displacement and homelessness. This population is dominated by our most vulnerable: families with children, veterans, the disabled and seniors. We have an undeniable demand for affordable housing and programs that can prevent homelessness. Our situation is not unique. In fact, nearly half of U.S. renters are considered "cost burdened," spending 30 percent or more of their income on rent. In the Los Angeles-Long Beach-Anaheim metro area, a staggering 58% are cost overburdened, (US Census, 2017).

We have much work to do. With 18.8% of our residents living in poverty and a median household income of \$55,151, too many are struggling to stay afloat. In January 2018, our city had 1,863 homeless individuals but we know 3,000-4,000 fall in and out of homelessness each year.

Various city initiatives including the 2017 Housing Study Group, the Everyone In economic inclusion initiative, and the current Everyone Home Long Beach initiative, share the same goal- to help more residents have the opportunity for self sufficiency and access to quality, affordable housing.

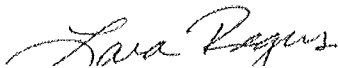
Now is the time for the City of Long Beach to prioritize safe, affordable and quality housing for *every* Long Beach resident. We're asking the city to create a dedicated local funding source to address affordability and solve the problem of homelessness.

We can't keep relying on other agencies to address all of the city's priorities. Dedicated local funding, not seen since the demise of redevelopment agencies, will help accelerate the construction of affordable housing units and reduce the number of residents living on the streets.

Thank you for your leadership in pursuit of creating a more equitable and vibrant Long Beach. We appreciate our continued partnership as we push for a local economy that includes and benefits every Long Beach resident.

We urge you to help our city continue to make progress on this important issue. We ask you to make housing for every Long Beach resident a priority.

Sincerely,



Laura Regus, Senior Vice-President  
Development  
Abode Communities



Christian Ahumada, Executive  
Director, Clifford Beers Housing



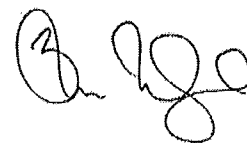
Erin Rank, President and  
CEO, Habitat for  
Humanity



Rebecca Clark,  
President/CEO, LINC  
Housing



Rochelle Mills, CEO, Innovative  
Housing Opportunities



Brian Ulaszewski, Board Chair, Long  
Beach Affordable Housing Coalition

Janet McCarthy, President &  
CEO, Goodwill, SOLAC

Kasey Burke, President  
Meta Housing Corporation

Steve Colman, Executive Director  
Century Villages at Cabrillo

Dana Trujillo, Chief Investment and  
Finance Officer, Skid Row Housing Trust

Jane Close Conoly, President,  
California State University, Long

Tonya Burns, Executive Director  
Children Today

Tunua Thrash Ntuk, Executive Director  
LISC Los Angeles

Brian D'Andrea, Senior VP  
Century Housing Corporation

Rick Westberg  
Executive Vice President, The Richman Group

Patricia Costales  
Executive Director, The Guidance Center

Sincerely,

Michael Massie  
Senior Vice President, Finance

Brian Ulaszewski, Executive Director  
City Fabrick

Walt Dannenberg, Director, Long Beach  
VA Healthcare System

Tyler Monroe, VP Development  
Thomas Safran & Associates

July 13, 2018

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As you are aware, our city, like many across Los Angeles County, is in the midst of a housing crisis of epic proportions. With the rising cost of living and soaring housing prices, many of our neighbors are threatened with the reality of displacement and homelessness. This population is dominated by our most vulnerable: families with children, veterans, the disabled and seniors. We have an undeniable demand for affordable housing and programs that can prevent homelessness. Our situation is not unique. In fact, nearly half of U.S. renters are considered "cost burdened," spending 30 percent or more of their income on rent. In the Los Angeles-Long Beach-Anaheim Metro area, a staggering 58% are cost overburdened, (US Census, 2017).

We have much work to do. With 18.8% of our residents living in poverty, too many are struggling to stay afloat. In January 2018, our city had 1,863 homeless individuals, but we know 3,000-4,000 fall in and out of homelessness each year.

The city should prioritize safe, affordable and quality housing for Long Beach residents. We support city efforts to create a dedicated local funding source for homeless and homelessness prevention. It is critical that a local dedicated revenue source include income targeting to ensure that it serves those most in need – extremely low and very low-income households and families. Long Beach should look to the recently passed measures by the city and county of Los Angeles, Measures HHH and H, as models for income targeting and revenue creation. Long Beach should also be cognizant of the immense opportunities to leverage Measure H wrap around services with any local dedicated revenue source that Long Beach creates. Measure H includes \$355 million over 10 years for homeless and homelessness prevention wrap around services. This is yet another reason Long Beach should look to Measure H for guidance on income targeting.

We can't keep relying on other agencies to address all the city's priorities. Dedicated local funding, not seen since the demise of redevelopment agencies, will help accelerate the construction of affordable housing units and reduce the number of residents living on the streets.

Thank you for your leadership in pursuit of creating a more equitable and vibrant Long Beach. We appreciate our continued partnership as we push for a local economy that includes and benefits all Long Beach residents.

Sincerely,

Jorge Rivera, Project Director, LiBRE (Long Beach Residents Empowered)

Darick Simpson, Executive Director, LBCAP (Long Beach Community Action Partnership)

Christine Petit, Executive Director, Long Beach Forward