



# CENTURY

Financing Affordable Housing Is Our Mission

Century Housing Corporation  
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**H-3**

**CORRESPONDENCE - Brian D'Andrea**

August 11, 2014

Honorable Mayor and City Council Members  
City of Long Beach  
333 W. Ocean Boulevard  
Long Beach, California 90802

Re: **Affordable Housing and the FY 15 Budget**

Honorable Mayor and City Council Members:

I am writing on behalf of Century Housing Corporation, a 501(c)3 nonprofit community development financial institution engaged in the financing of affordable housing throughout the State of California. Through our 501(c)3 Century Villages at Cabrillo affiliate, Century owns, develops and manages the Villages at Cabrillo community in West Long Beach. Beyond the Villages, Century has helped to finance the development of two hundred affordable apartments in Long Beach.

As you engage in the arduous process of developing a fiscally responsible and structurally balanced Fiscal Year 2015 budget, we urge you to contemplate the benefits of allocating revenues on an ongoing and permanent basis to the City's Housing Trust Fund.

Across the United States, renters are more cost burdened than at any point in our nation's history, a fact demonstrated in a recent report by Harvard's Joint Center on Housing Studies. Locally, these pressures are particularly acute. Our recently adopted 2013-2021 Housing Element demonstrates a need for more than 2,750 affordable homes over the next 8 years (affordable to 'low' income populations). This lack of affordable housing places harmful strains on children, families and the community at large, leading to overcrowded conditions, substandard housing, and in some cases homelessness. These conditions imperil the well-being of our community, imposing hidden taxes on our social welfare, education, and health systems.

Despite this grim news, there is hope that the City of Long Beach can address these challenges while upholding its budget priorities, the mission of which is outlined below:

*It is the mission of the City Council to continually improve the quality of life in our neighborhoods by ensuring public safety, supporting programs that encourage the public's health and well-being; promoting quality housing developments, thereby improving home ownership opportunities for Long Beach residents; and ensuring that the city grows "Green" by creating appropriate environmental policies.*

Consistent with this mission, we applaud Mayor Garcia's FY 2015 Budget Recommendations which highlight the important role that affordable housing plays in a healthy, strong community while seeking to reconstitute the Housing Trust Fund. The one-time repayment of \$24.7 of SERAF funding to the Housing Trust Fund provides an impactful stimulus and serves as a running start towards a permanent, ongoing capitalization of the Housing Trust Fund. Building on this momentum, we encourage you to consider the following in crafting its FY 2015 Budget:

1. Dedicate a reasonable portion of previous tax increment 'housing set aside' that is now accruing back to the City to the Housing Trust Fund.
2. Leverage available State (and federal) resources for affordable housing, such as Prop 41, Cap & Trade, and TOD funding, by promoting the development of affordable housing within the City.
3. Encourage City staff to engage with affordable housing stakeholders to explore permanent, ongoing methods of capitalizing the Housing Trust Fund.

By investing local resources in the creation of affordable housing, the City can leverage its investment many times over with State, County and Federal resources. In turn, the development of affordable housing can become an economic engine for the City, creating construction and permanent jobs, growing tax revenues, while allowing residents to spend their rent savings locally. Beyond the well-documented economic development benefits of affordable housing, the City's investment in this basic infrastructure will provide high quality, stable homes where families can prosper, children can rest and study, and households can spend adequately on health care, transportation, food, and education.

Long Beach has always prided itself on its reputation for being an open, progressive City that emphasizes quality of life for its residents. A safe, decent and affordable home is a fundamental determinant of 'quality of life.' By establishing clear budget priorities for the development of affordable housing, the City of Long Beach can uphold its enviable reputation while delivering a fiscally responsible, and structurally balanced budget.

Regards,

A handwritten signature in black ink that reads "Brian D'Andrea". The signature is written in a cursive, flowing style.

Brian D'Andrea  
Senior Vice President

cc: Patrick H. West, City Manager  
Larry Herrera-Cabrera, City Clerk  
Amy Bodek, Director, Development Services  
Ronald M. Griffith, President & CEO, Century Housing Corporation