

# THE COMMUNITY PARTNERSHIP 5 KEY COMMUNITY STRATEGIES

The guiding goals of the Community Recommendations are contained within The Community Partnership 5 Key Community Strategies:

**1. *Finding a home - HOUSING GOAL***

Goal: Increase the number of homes that homeless and low-wage earning income people can afford.

**2. *Enough to pay the bills - ECONOMIC STABILITY GOAL***

Goal: Having the economic resources to manage basic needs.

**3. *Enhancing the safety net - SUPPORTIVE SERVICES GOAL***

Goal: Provide support services to prevent homelessness and promote housing stability.

**4. *Addressing homelessness together as a community - COMMUNITY INVOLVEMENT GOAL***

Goal: Expand participation and leadership from all sectors of the Long Beach community.

**5. *Doing what works - OUTCOMES & EVALUATION GOAL***

Goal: Use data and research to ensure the success of 10-Year Plan implementation.

The Community Partnership believes that a communitywide focused and coordinated effort to address these 5 Key Community Strategies will make the difference between continuing to manage homelessness versus preventing and ending it not only for Long Beach, but for our surrounding communities.

The strategies of the 10-Year Plan report, Community Recommendations and 5 Key Community Strategies are broken down into two main approaches. The first main approach, ending homelessness for individuals and families as quickly as possible, means rapidly re-housing an individual or family that has become homeless.<sup>55</sup> The second main approach is preventing at-risk individuals and families from experiencing homelessness as preventive measures have been proven more cost effective than addressing the multiple challenges of an individual or family in active homeless crisis.<sup>56 57</sup>

*Two Main Approaches:  
1. Ending homelessness for individuals and families as quickly as possible; and  
2. Preventing at-risk individuals and families from experiencing homelessness.*

## 1. Finding a home ~ HOUSING GOAL

Goal: Increase the number of homes that homeless and low-wage earning income people can afford.

Nationally, prior to the 1980s, America's housing market and public support systems were able to sustain the housing needs of extremely low-income and disabled Americans.<sup>58</sup> Since then, many of the affordable rental housing units have "been converted to higher-priced housing, cooperatives, and condominiums for ownership, eroding affordability in the housing market."<sup>59</sup>

### AFFORDABILITY OF HOUSING IN LONG BEACH

In Long Beach, the market has driven the housing costs out of reach for many families and individuals. A majority (approximately 60%) of the households in Long Beach are directly impacted by the rising costs of rental housing. According to the Department of Housing and Urban Development (HUD) data, the Fair Market Rent (FMR) for a two-bedroom apartment in Long Beach has risen from \$823 per month in 2002 to \$1,300 in 2008—an increase of 58% in only 6 years.<sup>60</sup> Symptoms of this affordability crisis have manifested in the increase of households that are residing in weekly motels, doubled and tripled up in housing, and households that reside in substandard dwellings.

**Fair Market Rents (FMR) by Unit Bedrooms from 2002 to 2008  
Los Angeles—Long Beach, CA PMSA**

FMR Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
<b>FY 2002</b>	\$543	\$650	\$823	\$1,110	\$1,325
<b>FY 2003</b>	\$638	\$764	\$967	\$1,305	\$1,558
<b>FY 2004</b>	\$674	\$807	\$1,021	\$1,378	\$1,646
<b>FY 2005</b>	\$746	\$900	\$1,124	\$1,510	\$1,816
<b>FY 2006</b>	\$789	\$952	\$1,189	\$1,597	\$1,921
<b>FY 2007</b>	\$843	\$1,016	\$1,269	\$1,704	\$2,051
<b>FY 2008</b>	\$863	\$1,041	\$1,300	\$1,746	\$2,101

Source: United States Department of Housing and Urban Development, *Fair Market Rents, 2008*

*Fair Market Rent (FMR) for a two-bedroom apartment in Long Beach has risen from \$823 per month in 2002 to \$1,300 in 2008...<sup>60</sup>*



*Pacific City Lights, an affordable housing development on Pacific Avenue (Photo courtesy of the City of Long Beach and the Long Beach Housing Development Company)*

Between 2002 and 2005, the percentage of families residing in Los Angeles County/Long Beach that could afford the median priced home in the county dropped from 30% to 11%.<sup>61</sup> With the January 2008 median home sales price of \$440,000 in Long Beach (single family homes and condominiums), homeownership is merely a dream for much of Long Beach's workforce.<sup>62</sup> Homeownership is out of reach for a household with a combined annual income below \$100,000. In 2006, an estimated 81.5% of Long Beach households did not earn enough income to qualify for market rate homeownership.<sup>63</sup>

### LONG BEACH HOUSING STOCK ANALYSIS

The projected housing stock need for a 10-year period (through 2018), based on the Southern California Association of Governments' (SCAG) Regional Housing Needs Assessment (RHNA) allocation for Long Beach, is 11,274 units at all economic levels citywide.<sup>64</sup> (For more information regarding the ten year RHNA projections, see Appendix E.) By utilizing the RHNA percentages provided by SCAG (see Appendix E), 39.7% of the total new units needed (4,476) reflect the number of very low and low-income units needed to meet the demand for housing for working poor and those on fixed incomes over the next decade in Long Beach.<sup>64a</sup> Of this, 2,728 are very-low income units and 1,748 are low-income units. 60.3% of the projected RHNA allocation will be for moderate and upper-income units.<sup>65</sup> The upper-income unit development is driven by the market and produced by for-profit developers.

<b>Long Beach 2008 – 2018 RHNA Allocation (10 Years)</b>		
<b>Type of Unit</b>	<b>% of RHNA #'s</b>	<b>Development Responsibility</b>
Very Low Income	24.2% (2,728 Units)	City of Long Beach
Low Income	15.5% (1,748 Units)	City of Long Beach
Moderate Income	17.1% (1,928 Units)	City of Long Beach
Upper Income	43.2% (4,870 Units)	For-profit Developers

Source: Southern California Association of Governments, 2007. (For more information regarding the Ten Year Projected RHNA Allocation, please see Appendix E.)

### **City of Long Beach Downpayment Assistance Program**

*The Long Beach Housing Development Company and City of Long Beach Housing Services Bureau offer various programs for first-time homebuyers, such as the Downpayment Assistance Program. The program offers a conditional grant of up to \$10,000 to qualified first-time homebuyers. To date, over 900 first-time home buyers have realized their dream of homeownership.*

*Source: City of Long Beach Department of Community Development, Housing Services Bureau.*

The Long Beach Housing Services Bureau projects the development of 1,380 very low- to low-income units over the next decade.<sup>66</sup> Additional partnerships with for-profit and non-profit developers will be needed to develop the remaining 3,096 units.

<b>Affordable Housing Developments and Needs Over the Next 10 Years (2008-2018)</b>			
<b>Type of Affordable Housing Unit</b>	<b>Projected Total New Affordable Housing Units Needed</b>	<b>Affordable Housing Development Planned over 10 Year Period (2008-2018)*</b>	<b>Projected Additional New Affordable Housing Units Needed</b>
<b>Very Low Income</b>	2,728	890	1,838
<b>Low Income</b>	1,748	490	1,258
<b>Totals</b>	<b>4,476</b>	<b>1,380</b>	<b>3,096</b>

*\*A portion of the new affordable units will be brought on through rehabilitation of current market rate units, converting them to affordable units.*

Source: Southern California Association of Governments, 2007. (For more information regarding the Ten Year Projected RHNA Allocation, please see Appendix E.)

The City is continually striving to meet its RHNA allocation for the production of new units. Increasing housing that is affordable at multiple levels will improve housing stability for individuals and families at risk for homelessness as well as end homelessness for those living on the streets. To meet the needs of the working poor, seniors and disabled in Long Beach, new and innovative housing policies need to be explored.

<b>A Sample of Long Beach Residents Who Would Benefit from Affordable Homes</b>			
<b>Very Low-Income Earners*</b>		<b>Low-Income Earners**</b>	
Tax preparers .....	\$33,301	Elementary school teachers .....	\$51,425
Preschool teachers .....	\$25,775	Social workers .....	\$49,423
Bank tellers .....	\$23,905	Mail carriers .....	\$49,138
Receptionists .....	\$23,659	Emergency dispatchers .....	\$45,770
Personal care aides .....	\$18,821	Family therapists .....	\$44,054
<i>*50% of median income</i>		<i>**80% of median income</i>	

Source: Housing California, "Fixing the Broken Housing Market in Los Angeles County", <http://www.housingca.org>. (For more information regarding median income and income limits, please see Appendix D.)

## INNOVATIVE HOUSING SOLUTIONS

There were many effective strategies reviewed by the Community Partnership that would incrementally develop workforce housing units and housing that is affordable at all levels of income in Long Beach. Examples of these potential strategies include, but are not limited to, mixed-income housing, developments along transportation corridors, scattered-site permanent supportive housing and efficiency units, all of which could be achieved through an expansion of the City's voluntary inclusionary housing program with additional incentives from the Department of Development Services (formerly Planning and Building). This expanded voluntary inclusionary housing program would strengthen the partnership between for-profit, non-profit and the City's Housing Development Company.

### *Mixed-Income Housing*

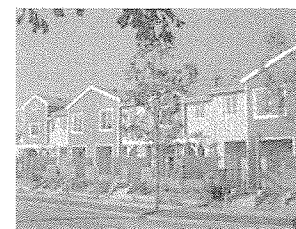
Mixed-income housing increases the supply of housing that is affordable at all levels of income citywide while revitalizing urban neighborhoods and decreasing concentrations of poverty by joining people of different incomes into a single development. When located close to job centers, transportation corridors and services, mixed-income housing activates smart growth principles by reducing travel times and congestion.<sup>67</sup>

An increasing number of for-profit developers are partnering with public agencies and non-profit development organizations to build mixed-income communities that combine market-rate and publicly assisted units.<sup>68</sup> In Long Beach, there are two mixed-income developments developed in 2007 by for-profit developers. One is Neo Zoe, a 22-unit for sale townhome development at 1500 Pine Avenue by Hughes Development with 10 affordable units and 12 market-rate units.<sup>69</sup> The second is mixed-use (retail and residential) development by Lyon West Gateway, LLC in downtown Long Beach.<sup>70</sup> The site will have 291 units: 26 affordable units and 265 market-rate units.<sup>71</sup> Mixed-income developments such as these could enhance homeownership citywide by ensuring that residents from all income levels have housing choices that are close to work and support services.

There are multiple research studies that confirm that mixed-income housing developments have a neutral or no effect on the property values of the surrounding community. According to a 2005 Massachusetts Institute of Technology (MIT) study examining the impact of seven large-scale, mixed-income rental developments on the property values of the surrounding neighborhoods, the developments had no negative effect on the neighborhoods.<sup>72</sup> Additionally, a 2005 Brookings Institution report found a 93% decrease in the crime rate between 1993 and 2004 with the development of a mixed-income community in Atlanta.<sup>73</sup>

*LBHDC has provided \$16.3 million in funding to developers to build mixed-income housing.*

*Source: City of Long Beach Department of Community Development, Housing Services Bureau.*



***Neo Zoe, a mixed-income development located on Pine Avenue*** (Photo courtesy of the City of Long Beach and the Long Beach Housing Development Company)

*Permanent housing with supportive services has emerged as a cost-effective investment...*<sup>76a</sup>

### ***Permanent Supportive Housing***

Permanent supportive housing is specialized housing for persons with disabilities. The components are long-term, community-based housing that has supportive services for homeless persons with disabilities either on-site or a referral system in place. This type of supportive housing enables special needs populations (elderly, physically and mentally disabled) to live as independently as possible in a permanent setting.<sup>74</sup>

One model of permanent supportive housing is “Housing First.” Housing First is a nationally successful model, which is currently being utilized on a small scale in Long Beach, for helping the chronically homeless population. A Housing First approach is a client-driven strategy that provides immediate access to an apartment without requiring initial participation in treatment.<sup>75</sup> The approach is based on the principle that supportive services, such as mental health and substance abuse services, health care, life skills and employment training, are more effective once people are settled in their own homes.<sup>76</sup>

Permanent housing with supportive services has emerged as a cost-effective investment as it has been shown to reduce dependency on other publicly funded resources and services.<sup>76a</sup> For example, research evaluating the New York-New York (NY/NY) Supportive Housing Initiative found that the provision of permanent supportive housing to homeless individuals with serious mental illnesses sharply reduced residents’ use of services in eight public systems (i.e., jails/prisons, emergency rooms, detoxification facilities, etc).<sup>77</sup> “Compared with members of a matched control group, clients in (permanent) supportive housing showed reductions in service that were so substantial that cost savings nearly offset the entire \$19,000 annual program cost.”<sup>76</sup> Portland and Denver have reported similar results.<sup>78a 78b</sup>

### ***Development of Efficiency Units***

Efficiency units are a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single eligible individual. The unit contains a kitchen, bathroom and combined living and sleeping room. Increasing the development of efficiency units in Long Beach is one way to increase options for homeless individuals, seniors and students looking for an affordable, safe and long-term housing placement.

"There is a growing demand for all types of housing in California, including market rate and affordable. Mixed income housing can be done successfully with the right combination of tools and incentives, making it a good business model. In many cases, a variety of subsidies are required to close the affordability gap. Cities are also offering developers some incentives in return, including giving them the right to build more units or to set aside less space for parking."

**~ Mario Turner, Director of Development,  
AMCAL Multi-Housing, Inc.  
(For Profit Developer)**

### *Expanded Voluntary Inclusionary Housing Program*

The City of Long Beach currently utilizes a voluntary inclusionary housing program that has helped to create the 162 new units of very low- and low-income housing in the City.<sup>79</sup> Expanding this program through added incentives from the City's Department of Development Services (formerly Planning and Building) could help to strengthen the public/private partnerships needed to develop additional housing that is affordable at multiple levels of income. Additional incentives could include, but are not limited to, an expedited permitting and approval process, enhanced density bonus and amended zoning requirements that maximize allowable building area. Approval from the Department of Development Services, City Council and the Planning Commission will be sought for all incentives.

The Community Partnership reviewed other housing options such as expansion of shelters (emergency and transitional), but felt the shelter system would be adequate if there were more housing options at multiple affordability levels in Long Beach. With the limited available resources, the Community Partnership believes the focus should be on expanding and maintaining the availability of permanent housing at all levels of affordability citywide. For additional examples of recommendations to increase the number of housing units that are available at multiple levels of affordability, please see Appendix G.

*"Mixed income housing can be done successfully with the right combination of tools and incentives..."*

*~ Mario Turner  
AMCAL  
Multi-Housing, Inc.*



***Puerto del Sol Apartment Homes, an affordable housing development on West 3rd Street (Photo courtesy of the City of Long Beach and the Long Beach Housing Development Company)***

## 2. Enough to pay the bills ~ ECONOMIC STABILITY GOAL

Goal: Having the economic resources to manage basic needs.

### Long Beach Economic Changes

Earnings from employment and benefits have not kept pace with the cost of housing for low-income or low-wage earners. Since the 1990s, Long Beach has been transitioning from a manufacturing-based industrial economy to an economy based on services. According to a 2006 report, "between 1997 and 2003, *declines in manufacturing employment (-10,306 jobs) have been offset by increased employment in the service industry (+6,541 jobs), retail trade (+3,940 jobs), health care (+7,270 jobs), and professional and administrative services (+7,649 jobs).*"<sup>80</sup> Much of the change in Long Beach's economy has resulted from the naval base closures and downsizing in the aerospace industry. Between 1991 and 1995, the City of Long Beach lost 57,600 jobs.<sup>81</sup> The costs of these losses to the City were estimated at \$1.7 billion in lost wages and contracts.<sup>82</sup>

Studies suggest that 20%-40% of homeless adults are currently and/or recently employed; however, many homeless that are employed do not earn enough to afford housing in Long Beach.<sup>83</sup> Income for homeless persons, even those working full-time, is typically below the poverty level.<sup>84</sup> Currently, the minimum wage in California is **\$8.00** per hour, which calculates to a gross annual full-time salary of \$16,640.<sup>85</sup> The 2008 California Supplemental Security Income (SSI) payment for a disabled individual or single senior with independent living status is \$870 per month.<sup>85a</sup>

A person with a full-time job paying the minimum wage cannot afford a two-bedroom apartment at the fair market rent in any state in the United States.<sup>86</sup> In order to afford the 2008 Fair Market Rent (FMR) of \$1,300 for a two-bedroom apartment in Long Beach without paying more than 30% of the household's income on housing, a household must earn \$4,333 monthly or \$52,000 annually.<sup>87 88</sup> Assuming a 40-hour workweek, this level of income translates into an hourly wage of approximately \$25.<sup>89</sup>

*A person with a full-time job paying the minimum wage cannot afford a two-bedroom apartment at the fair market rent in any state in the United States.<sup>86</sup>*



Scenario	Affordability Analysis
2008 FMR for a 2 bedroom apartment.	➡ <b>\$1,300</b> per month.
For a resident of Long Beach to afford \$1,300 without paying more than 30% of his/her income on housing.	➡ A person must earn <b>\$52,000</b> per year.
To earn \$52,000 per year.	➡ The person must earn approximately <b>\$25</b> per hour before taxes.
If the Long Beach resident is disabled or a senior, the primary source of income is likely to be Supplemental Security Income (SSI).	➡ The average 2008 SSI monthly payment is <b>\$870</b> .
Or, if the Long Beach resident earns minimum wage, \$8.00 per hour, with no benefits.	➡ <b>The person must work 125 hours per week, 52 weeks per year.</b>

Source: National Low Income Housing Coalition. *Out of Reach 2006. Los Angeles-Long Beach, CA HMFA. 2006.* United States Social Security Administration, *Supplemental Security Income (SSI) In California, 2008.*

The Community Partnership to Prevent and End Homelessness recognized that an investment in the community's human capital is needed. This investment would assist low-income or low-wage individuals and families to become economically self-reliant and ultimately provide a Long Beach workforce that is educated and trained. The Community Partnership subcommittee on [homelessness] prevention identified the need to reduce the barriers of rapid re-employment and better employment programs for people who are laid off or earning at a low wage to improve economic stability. The Community Partnership included representatives from the Pacific Gateway Workforce Investment Network (PGWIN), the City, Long Beach City College, California State University Long Beach and the Long Beach Unified School District researching ways to link job training to education programs.

The subcommittee researched successful examples utilized in other communities that could be implemented in Long Beach. Recognizing that there is a need for better coordination of job training and educational services available to homeless or at-risk individuals and families, the subcommittee researched the potential expansion of the Workforce Development and Career Transition Centers. Additionally, the subcommittee reviewed the prospective action step of expanding collaboration with colleges, city and state, to improve financial literacy by offering money management workshops, life skills, and job training.

