

**NO NET LOSS FINDINGS**  
**131 West 3<sup>rd</sup> Street**  
**Application No. 2010-32 (MOD20-008)**  
**April 1, 2021**

Pursuant to Government Code Section 65863, cities must maintain, at all times during the planning period, adequate sites to meet their unmet share of the Regional Housing Needs Assessment (RHNA). Under this law, cities generally may not take any action that would allow or cause the sites identified in its Site Inventory to be insufficient to meet its remaining unmet share of the City's RHNA for lower and moderate-income households. The following findings and staff analysis pursuant to Government Code § 65863 are presented for consideration, adoption and incorporation into the record of proceedings.

**NO CITY, COUNTY, OR CITY AND COUNTY SHALL, BY ADMINISTRATIVE, QUASI-JUDICIAL, LEGISLATIVE, OR OTHER ACTION, REDUCE, OR REQUIRE OR PERMIT THE REDUCTION OF, THE RESIDENTIAL DENSITY FOR ANY PARCEL TO, OR ALLOW DEVELOPMENT OF ANY PARCEL AT, A LOWER RESIDENTIAL DENSITY, AS DEFINED IN PARAGRAPHS (1) AND (2) OF SUBDIVISION (G), UNLESS THE CITY, COUNTY, OR CITY AND COUNTY MAKES WRITTEN FINDINGS SUPPORTED BY SUBSTANTIAL EVIDENCE OF BOTH OF THE FOLLOWING:**

**(A) THE REDUCTION IS CONSISTENT WITH THE ADOPTED GENERAL PLAN, INCLUDING THE HOUSING ELEMENT.**

In Appendix B, Sites Inventory, of the 2013-2021 Housing Element, the project site (Site 19: SE Corner 4<sup>th</sup> Street and Pacific Avenue) was identified as potentially accommodating 525 residential units on the site. The previously approved project proposed 345 units and the Modified Project proposes 271 units.

The site is located within the Downtown (DT) PlaceType, which is intended for compliance with the development standards for the PD-30 document. The proposed project is consistent with the floor area ratio (FAR), height requirements, and development standards in the Downtown Plan (PD-30).

The DT PlaceType and PD-30 intends for a combination of land uses including retail, offices and higher density residential uses. The proposed mixed-use project is consistent with the intent of the district and objective to develop a downtown that emphasizes a quality physical environment, a pedestrian focus, and quality architecture. The project includes residential units incorporating a mix of studio, one-, two-, and three-bedroom units. The proposed housing units will contribute to the reduction of the state-wide housing shortage. The projects' inclusion of three-bedroom units helps to satisfy a local shortage in units for larger families, as identified in the Housing Element of the City's adopted General Plan.

**(B) THE REMAINING SITES IDENTIFIED IN THE HOUSING ELEMENT ARE ADEQUATE TO MEET THE REQUIREMENTS OF SECTION 65583.2 AND TO ACCOMMODATE THE JURISDICTION'S SHARE OF THE REGIONAL HOUSING NEED PURSUANT TO SECTION 65584. THE FINDING SHALL INCLUDE A QUANTIFICATION OF THE REMAINING UNMET NEED FOR THE JURISDICTION'S SHARE OF THE REGIONAL HOUSING NEED AT EACH INCOME LEVEL AND THE REMAINING CAPACITY OF SITES IDENTIFIED IN THE HOUSING ELEMENT TO ACCOMMODATE THAT NEED BY INCOME LEVEL.**

The proposed project involves no rezoning, therefore, Government Code Section 65863(b) applies, rather than SB 330 (which prohibits no net loss due to a rezoning).

The 2013-2021 Housing Element includes a Regional Housing Needs Allocation (RHNA) of 7,048 units, as shown in Table A. Building Permits have been issued for 3,218 units to date during this housing element cycle. As shown in the table, the City is deficient for this RHNA cycle by 3,830 units.

Table A: 2013-2021 Housing Element Build Out To Date

Category	RHNA Targets	Building Permits Issued
Very Low-Income Units	1,773	410
Low-Income Units	1,066	177
Moderate Income Units	1,170	39
Market Rate Units	3,039	2,592
	<b>7,048 units (TOTAL)</b>	<b>3,218 units</b>

As displayed in Table A, there remains an adequate need on all levels of affordability. The project is a market rate project which is the only category of housing for which the RHNA target is close to being met.

The Sites Inventory of the 2013-2021 Housing Element identified 31 sites that have the potential to total 7,044 units. In Appendix B, Sites Inventory, of the 2013-2021 Housing Element, the project site (Site 19: SE Corner 4th Street and Pacific Avenue) was identified as potentially accommodating 525 residential units on the site. The previously approved project proposed 345 units and the Modified Project proposes 271 units. Therefore, the Modified Project, represents a deficit of 254 units from the total that was envisioned for the site in the 2013-2021 Housing Element.

For this site, consistent with Government Code Section 65863(b), the City finds that there is sufficient vacant land that is not identified in the 2013-2021 Housing

Element Sites Inventory to meet the 254-unit RHNA needs despite the loss of residential capacity due to the reduced project. Ultimately, the Modified project will include fewer units than permitted under the Downtown Plan (PD-30), but the City has capacity, capability, and feasibility to meet the deficit created by the reduced project based on the additional sites identified in Table B, Additional Capacity for RHNA Units Not Identified in the 2013-2021 Housing Element Sites Inventory.

Table B: Additional Capacity for RHNA Units Not Identified in the 2013-2021 Housing Element Sites Inventory

<b>Application Number</b>	<b>Address</b>	<b>Zoning District</b>	<b>Description</b>	<b>Status</b>
2002-09	1401 Long Beach Boulevard	Midtown Specific Plan (SP-1)	Two separate apartment buildings of 80 units each, for a total of 160 units, 100% affordable.	Application filed – In progress
2012-19	2400 Long Beach Boulevard	Midtown Specific Plan (SP-1)	Development of a mixed-use building consisting of 258 residential units (family and senior), 100% affordable.	Pre-Application filed – In progress
<b>TOTAL</b>			<b>418 affordable units</b>	

The two (2) applications included in Table B are zoned to allow residential uses and have the feasibility for development of affordable units not contemplated in the site inventory. Furthermore, applications have been filed with the City that are preliminary or in progress, and therefore do not represent an approved project. The reduced project includes market rate units, for which the RHNA targets are almost met, but the total units in Table B represent affordable units for lower income categories for which there are greater deficiencies in meeting the RHNA targets. Based on the above discussion, the City has adequate capacity to accommodate the 254 RHNA units on sites not included in the 2013-2021 Housing Element Sites Inventory.