



## Legislation Text

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**File #:** 22-0832, **Version:** 1

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Recommendation to approve the 2023 - 2027 Five-Year Consolidated Plan (Consolidated Plan) and Fiscal Year 2022 - 2023 First Action Plan (Action Plan), and prior Action Plan Amendments (FY 2021-2022, 2020-2021, 2018-2019, 2017-2018) for the Community Development Block Grant, the HOME Investment Partnerships Program, and the Emergency Solutions Grant Program Grant Funds; and

Authorize City Manager, or designee, to execute all necessary documents with the U.S. Department of Housing and Urban Development (HUD), and other entities necessary to receive these funds, and execute agreements necessary to implement and comply with related federal regulations. (Citywide)

The Consolidated Plan is a requirement of the U.S. Department of Housing and Urban Development (HUD), and must be developed by local governments to receive funding under the following federal programs: Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), and the Emergency Solutions Grant Program (ESG). The current City of Long Beach (City) Consolidated Plan, approved by the City Council on July 18, 2017, will expire on September 30, 2022.

The Consolidated Plan is a comprehensive planning document that assesses overall needs for affordable housing, homeless shelters and services, infrastructure improvements, and community and economic development. The Consolidated Plan is implemented by Annual Action Plans, which provide a one-year implementation plan for meeting the goals stipulated in the Five-Year Consolidated Plan. More specifically, Actions Plans will include actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan.

The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from HUD's formula block grant programs. HUD requires grantees to comply with federal regulation, 24 CFR 91.105 - Citizen Participation Plan. The Long Beach Community Investment Company (LBCIC) is responsible for compliance with the Citizen Participation Plan. As detailed below, the LBCIC conducted a comprehensive outreach process, targeting CDBG-eligible areas. The outreach process has informed the creation and revision of the draft Consolidated Plan and first year Action Plan. Outreach continued after the draft documents were published online to allow for further refinement of their contents. Moreover, the LBCIC conducted two public hearings, one prior to the release of the drafts, and one after the drafts were published. The public hearings were noticed 30 days prior in the Press Telegram and Excelsior (Spanish language) newspapers.

To ensure an open process that encourages meaningful public participation in the development of both the Consolidated Plan and the Action Plan, Development Services' staff engaged the community and stakeholders in the identification of high priority needs for housing and community development. Outreach for the Consolidated Plan included personal emails sent to residents and stakeholders who were part of the recent Housing Element Update or the last Consolidated Plan process as well as the following:

1. Multilingual Housing and Community Needs Survey (Online)
2. Outreach Efforts
  - Social Media Outreach
    - o Promotion on City and Long Beach Development Services social media accounts (Facebook, Twitter, and Instagram)
    - o Social media toolkit created and provided to City departments to help spread the word
  - Advertisements in Multilingual Newspapers
  - Sponsored posts in the Long Beach Post social media (Facebook, Twitter, Instagram, LinkedIn) and Long Beach Post Spanish social media
  - LinkLB E-Blast
  - Neighborhood Resource Center E-blasts to all Neighborhood Associations in CDBG areas and community-based organizations \
  - #GoLongBeach Newsletter Feature
  - Promoted via the Citywide and Development Services Department websites
  - Public Notice issued by City Manager's Department
  - Mailers to residents and businesses in CDBG-Eligible Racially or Ethnically Concentrated Areas of Poverty Census Tracts
3. Workshops and Community Meetings to Prioritize Activities
  - Neighborhood Association Meetings (March 7, 9, 14, and 16, 2022)
  - Virtual Community Meetings (March 24 and 26, 2022 and April 14, 2022)
  - LBCIC Public Hearings (April 20 and June 22, 2022)
  - Virtual Feedback Session after publication of draft plan (June 9, 2022)
4. Consultation and Focus Groups
  - Internal Stakeholder Meetings
  - LBCIC Study Session
  - Continuum of Care Board
  - City Council Study Session

The City conducted a Housing and Community Development Needs Survey between March 9 to May 9, 2022. The survey was available in English, Spanish, Khmer, and Tagalog and was made available to the community as an online survey. A total of 586 responses were received. Residents were asked to rank the relative importance of various needs in the survey. Results for community development needs are ranked in the following order (highest importance to lowest importance): 1) services for people experiencing homelessness; 2) street improvements; 3) neighborhood improvements and engagement; 4) park, recreation and community facilities; 5) youth programs; 6) services for older adults; and, 7) services for

people experiencing a disability.

Housing needs were ranked in the following order (highest importance to lowest importance): 1) housing for people experiencing homelessness; 2) rental housing for low income families; 3) low income housing for older adults; 4) housing for people experiencing a disability; 5) first-time homebuyer assistance; and, 6) home repair assistance. Lastly, for economic development activities, respondents ranked job creation/retention programs higher than assisting small businesses.

The Consolidated Plan was also built upon the City's recently adopted Housing Element by incorporating the extensive feedback and analysis of existing and projected housing needs in Long Beach into the Plan's proposed programs and budget. Housing Element community input echoed key findings also identified through the Consolidated Plan community input process, including: the need for more housing, particularly affordable housing; the need for housing assistance, particularly for those with the least resources; a multitude of strategies for addressing fair housing issues; more desired pathways to community ownership and empowerment; tailored specific housing solutions for special needs groups; and, anti-displacement measures and tenant protections. The Housing Element provides the City with a roadmap for accommodating the projected housing unit demand and guides future decisions that impact housing, as well as major housing policies and goals citywide. Throughout the Housing Element update process, more than 15 major public community events were held, along with a virtual open house and digital share-your-story campaign that reached hundreds of residents as detailed in Appendix A of the Housing Element. Additionally, there are multiple programs and actions in the Housing Element that directly or indirectly rely on the Consolidated Plan for implementation. These programs include:

- Program 1.1: Adequate Sites for Regional Housing Needs Allocation
- Program 1.6: Affordable Housing Development Assistance
- Program 1.7: Accessory Dwelling Units (ADUs)
- Program 2.1: Development Incentives
- Program 2.4: A Variety of Housing Types
- Program 3.1: Tenant-Based Rental Assistance Programs
- Program 3.4: New Funding Mechanisms for Affordable Housing
- Program 4.1: Continuum of Care
- Program 4.2: Supportive Housing/Century Villages at Cabrillo
- Program 4.3: Hotel/Motel Conversion
- Program 5.1: Preservation of At-Risk Units
- Program 5.2: Tenant Protection
- Program 5.3: Home Rehabilitation
- Program 5.4: Comprehensive Code Enforcement
- Program 6.1: Fair Housing Outreach and Enforcement
- Program 6.5: Tenants Right to Counsel
- Program 6.7: Inclusionary Housing
- Program 6.8: Community Land Trust
- Program 6.9: Monitoring of Housing Production

- Program 6.11: Consolidated Plan Update
- Program 6.12: Housing Rehabilitation
- Program 6.13: Neighborhood Resources
- Program 6.14: Neighborhood Leadership Development
- Program 7.2: Dedicated Rental Housing Staff

Finally, the City conducted a robust assessment for affirmatively furthering fair housing (AFFH) as part of the Housing Element update process, which also informs the Consolidated Plan priorities, Action Plan funding allocation, and programs to incorporate equity, historical context, and other relevant information. For example, key issues identified in the AFFH include the lack of affordable housing and the need to create more affordable housing in high opportunity areas.

These efforts have informed the development of the Consolidated Plan and come to life in the programs included in the first year Action Plan. The proposed Consolidated Plan places an increased focus on new affordable housing construction through CDGB-funded site acquisition, ADU construction and continued HOME spending. Rehabilitation and Façade Programs have been refocused to support larger and more impactful grant amounts. Funding for parks will increase with a shifted focus from programs to physical facilities, while programs will continue with the use of other parks funding. The plan expands programs and staffing to prevent homelessness through landlord/tenant services, support for the implementation of anti-displacement regulations and complementary services. The Consolidated Plan also supports grants and partnerships through capacity building for nonprofits, community land-trusts, and neighborhood associations. Proposed structural changes from previous Consolidated Plans include:

- Phase out the Place-Based Neighborhood Improvement Strategy Program to focus on housing development opportunities
- Increase Home Improvement Grant from \$2,000 to \$25,000
- Increase Commercial Improvement Grant from \$2,000 to \$25,000
- Create a CDBG-funded Housing Site Acquisition Program to increase affordable housing production
- Move Security Deposit Assistance from HOME to CDBG to free up more HOME funds for housing production
- Add staff position to assist tenants with housing issues and help prevent displacement
- Pause sidewalk funding for one year to fund Housing Site Acquisition Program, existing carryover funds will be available use
- Provide increased funding for park facilities improvements
- Provide enhanced Neighborhood Leadership Program with training for Alumni
- Create an ADU grant program
- Increase funding for Mural Restoration Program
- Increase funding for Fair Housing services
- Provide grants to Neighborhood Organizations, Community Based Organizations, Business Improvement Districts, and Land Trusts for grant writing efforts

In each of the Consolidated Plan's five years, HUD requires entitlement jurisdictions to submit an Annual Action Plan. The current Action Plan under consideration covers Fiscal Year 2023 (FY 23).

The proposed Action Plan (Attachment A) describes the allocation of resources that will be available in the next fiscal year to implement specific programs, activities, and actions identified in the Consolidated Plan. These activities must meet specific eligibility requirements and national objectives established by HUD regulations, which align with the Consolidated Plan.

The following table describes the HUD funding estimated for the Action Plan:

#### Action Plan Budget

Available Funds	CDBG	ESG	HOME	TOTAL
New Entitlement	\$5,427,275	\$495,295	\$3,087,068	\$9,009,638
Program Income	\$60,000	\$0	\$1,500,000	\$1,560,000
<b>Total Available Funds</b>	<b>\$5,487,275</b>	<b>\$495,295</b>	<b>\$4,587,068</b>	<b>\$10,569,638</b>

The Action Plan, as required by HUD's recent directives, does not include unspent reprogrammable funds from prior year Action Plans. Each Action Plan allocation is approved through its own annual Congressional budget. Hence, HUD requires that the funds remain attached to its original Action Plan year until fully spent, rather than carrying unspent funds into a new Action Plan year. These funds will be reallocated, through substantial amendments, to different programs in line with the last Consolidated Plan and will continue to be accounted for and spent under the amended FY 22, 21, 19 and 18 Action Plans.

The table below shows the reallocation of remaining FY 22, 21, 19 and 18 funds contained in the Amendments. As shown in the table, unspent funds from these years will be reprogrammed to support Home Improvement Program Delivery and Housing Acquisition.

#### Substantial Amendments

Year	Program	Reduced Amount	Program	Increased Amount
<b>2018</b>	Unspent Funds from Various Activities	(\$100,000)	Home Improvement Program Delivery (2018, 2019)	\$450,000
<b>2019</b>	Unspent Funds from Various Activities	(\$350,000)	Housing Acquisition Project (2021, 2022)	\$1,710,000
<b>2021</b>	Administration	(\$310,000)		
<b>2021</b>	City Attorney	(\$50,000)		
<b>2021</b>	Code Enforcement	(\$350,000)		

<b>2022</b>	Administration	(\$425,000)		
<b>2022</b>	Code Enforcement	(\$575,000)		
	<b>Total Reallocated</b>	<b>(\$2,160,000)</b>	<b>Total</b>	<b>\$2,160,000</b>

This matter was reviewed by Deputy City Attorney Richard F. Anthony on June 17, 2022 and by Revenue Management Officer Geraldine Alejo on June 22, 2022.

City Council action is requested on July 19, 2022. The Consolidated Plan and Action Plan must be submitted to HUD no later than August 15, 2022, 45 days prior to the beginning of the new fiscal year.

In FY 23, the City will receive \$9,009,638 in CDBG, HOME, and ESG entitlement funds, as well as an estimated \$1,560,000 in Program Income from previous CDBG- and HOME-funded loan portfolios, and \$2,160,000 from unspent prior years' funding which will be reprogrammed for other uses. These funds will be budgeted in the Community Development Grants Fund Group in the Development Services Department through the annual budget process. Staffing needed to manage funding and related programs is currently budgeted. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. These grants generate a broad, positive impact on job creation and retention in the community.

Approve recommendation.

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OSCAR W. ORCI  
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

THOMAS B. MODICA  
CITY MANAGER