



Housing Element Study Session

August 5, 2021



Introduction

Housing For All

1

"Housing is important to have a safe place from which to live, plan, play, dream, and be protected."

Long Beach Resident



- Most people spend a lot of time at home, especially in the pandemic!
- Housing is often the biggest monthly expense for families
- When people spend too much money on housing, that means not enough money for other important things like food, healthcare, education, etc.
- Where you live is important for what you have access to, like shopping, schools, jobs
- Lack of housing is one of the contributing factors to homelessness
- Housing is the #1 social determinant of health in LA County



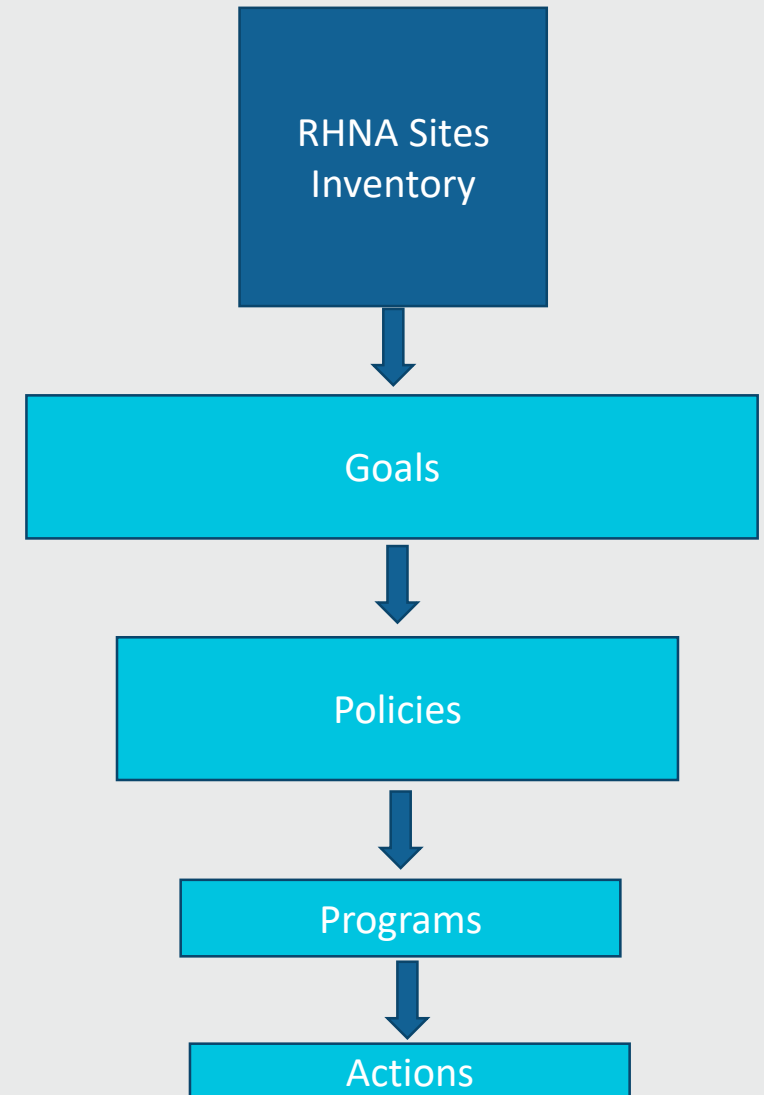
Why Update the Housing Element?



- Housing availability and affordability affects the **people's health, quality of life and the economy.**
- Housing Elements are a **mandatory part** of the General Plan; one of the required **"elements"** or chapters
- Must be **updated every 8 years** and submitted to the State by a specific date they prescribe (6th Cycle submitted to HCD by fall 2021).
- **Detailed roadmap** of how the City will meet its Regional Housing Needs Assessment (RHNA) allocation by income level.



- The Housing Element is the guiding document that sets the City's **policy and program direction** related to housing.
- **Used when reviewing development projects** (both housing and non-housing projects)
- **Guides all future city ordinances** that the City develops as they must be consistent with the General Plan.





Executive
Summary



Housing Resources



Introduction



Housing
Constraints



Housing Needs
Summary



Housing Plan



Projected
Housing Need



Appendix



- Builds off Land Use Element (LUE) Element Update to the General Plan
- State law requires consistency across all General Plan Elements
- Climate Action & Adaptation Plan (CAAP)
- Assessment of Fair Housing (AFH)
- UPLAN and ACZIP rezoning efforts part of Housing Element Implementation
- Incorporates feedback from other recent planning efforts related to housing, including Everyone Home, Everyone In, the Mayor's Affordable and Workforce Housing Taskforce, the Framework for Reconciliation and the Blueprint for Economic Development



Penalties and Consequences of Housing Element Noncompliance

- General Plan Inadequacy – local governments with an invalid General Plan can no longer make permitting decisions
- Legal Suits and Attorney Fees – litigation from housing rights' organizations, developers, and HCD; substantial attorney fees
 - Mandatory compliance within 120 days; suspension of local control; court approval of housing developments
- Loss of Permitting Authority – suspension of local authority to issue building permits or grant zoning changes, variances, or subdivision map approvals
- Financial penalties - courts can multiply financial penalties by a factor of six
- Court receivership – appointed agent with powers to remedy housing element deficiencies

Early Implementation Measures – Suite of Housing Ordinances

Micro-Units

- ▶ Micro-Units are very small housing units, typical unit size: <350 SF
- ▶ Rents: 20–30% lower than the rent of a studio unit
- ▶ Market-based solution for tackling housing affordability
- ▶ Successful in walkable, amenity-rich areas
- ▶ Attractive to students and young professionals
- ▶ These types of units have not previously been allowed in Long Beach due to minimum unit size requirements
- ▶ Newly approved pilot program will allow a limited number in Downtown and Midtown
- ▶ Allow parking reductions for incorporation of Transportation Demand Management (TDM) strategies and/or restricted affordable units

- ▶ Allowable building height and envelope in the pilot program areas would not change
- ▶ Micro-unit projects would require Site Plan Review approval
- ▶ **Status: Micro-Units pilot program adopted by City Council on November 17, 2020**
- ▶ **Goal:** Diversify housing stock

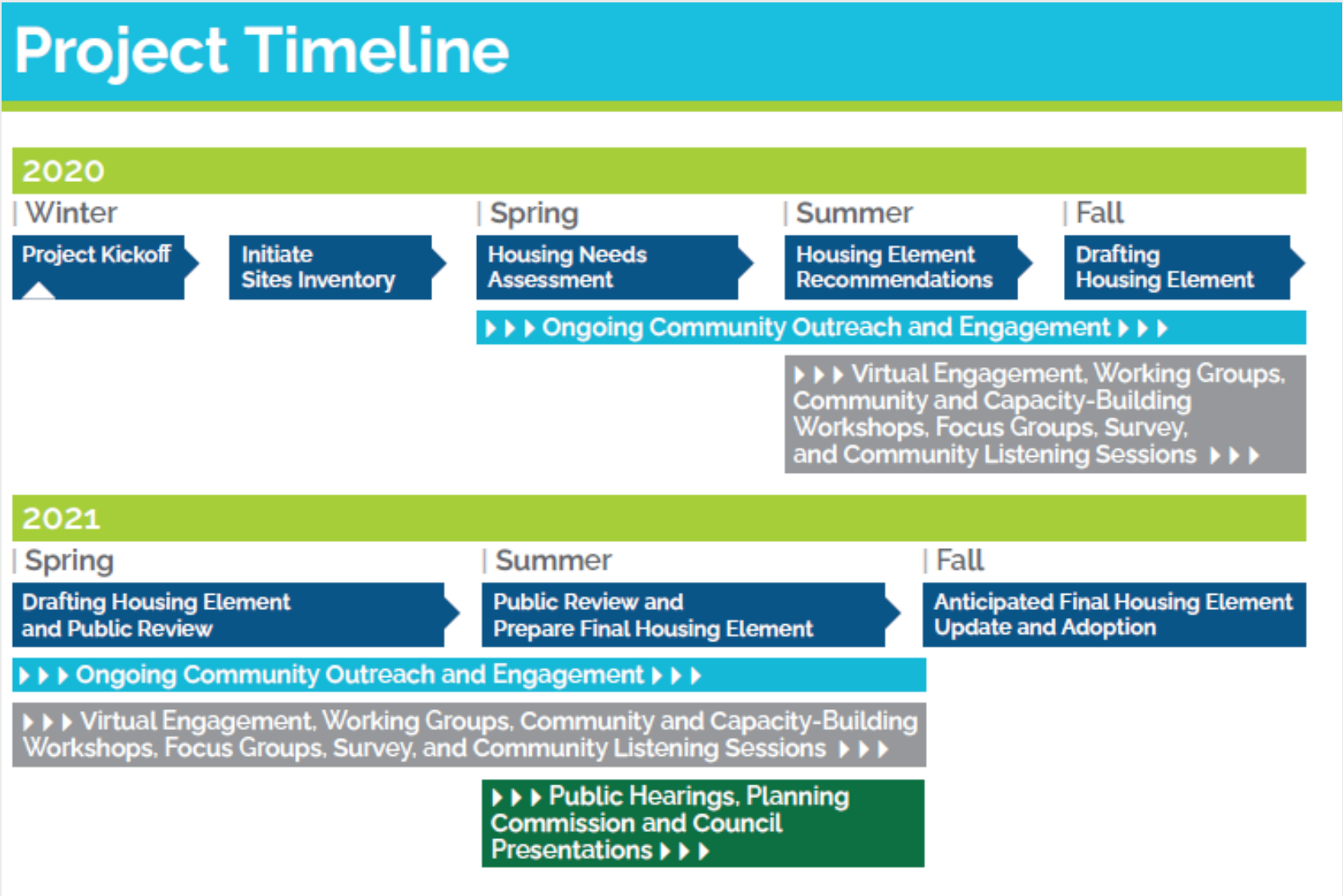


Informal Dwelling Unit Amnesty Program

- ▶ Legalization of unpermitted, existing housing units
 - ▶ Site Plan Review approval and a Building Bureau Special Inspection
- ▶ Affordability covenant requirement to preserve units as affordable income-restricted units
- ▶ **Status: Adopted**
- ▶ **Goal:** Expand number of income-restricted affordable units, preserve existing housing stock, and extend formal protections associated with legalization

Enhanced Density Bonus (EDB)

- Allow density bonuses and incentives beyond those currently allowed through the State DBL
- Incentivize construction of affordable units





- In-person outreach limited during COVID-19.
 - Broad and focused digital and virtual outreach (ongoing).
 - ✓ Summer 2020 & Spring 2021 virtual workshops, community meetings and forums (English and Spanish)
 - ✓ Focus groups
 - ✓ Community meetings
 - ✓ Virtual open house
 - ✓ Multi-lingual capacity-building workshops
 - ✓ Utility bill insert
 - ✓ Share your housing story – videos, photos and e-comment
 - Incorporating community feedback on other recent housing related plans and processes as input for Housing Element Update.
 - i.e. Everyone Home, Mayor's Affordable/Workforce Housing Taskforce, Framework for Reconciliation, Blueprint for Economic Development
- Learn more in Appendix A: Public Participation Report*





Housing Needs Summary

Housing for the Community

- Introduction 17
- Population Trends 17
- Employment Trends 18
- Housing Stock 19
- Household Characteristics 20
- Housing Affordability 21
- Special Groups 22

"Housing trends and rent control should correlate with the current job market."

Long Beach Resident - Local Businesses and Institutions Focus Group Meeting



Three inter-related policy issues

1. A crisis of persons experiencing homelessness and at risk of homelessness.
2. High rent cost burden among lower-income residents resulting in housing insecurity, overcrowding, poor economic and health outcomes.
3. High housing costs and barriers to homeownership among all residents, even moderate and upper-income residents, resulting in high rents, stagnant homeownership, shrinking K-12 school enrollment and other unexpected and rapid demographic changes and poor economic outcomes.

Source: Sacramento Bee

- **43%** of all LB households are **housing cost burdened**, meaning they pay too much for rent or their mortgage
 - The median sales price of a home was **\$640,284**.
 - The median rent across all rental properties was **\$1,895** per month.
- 61% of LB households are **renters** and are more economically vulnerable than homeowners.
 - Rent is increasing at a faster rate than income
 - 80% of very low-income renters are cost-burned

Income Needed to Afford Housing Compared with Median Income by Occupation



Sources: U.S. Census Bureau, American Community Survey (ACS), 2015–2019, 5-year estimates; Veronica Tam and Associates, 2020.

What is “Affordable Housing”?

Area Median Income (AMI) in Long Beach is \$77,300.

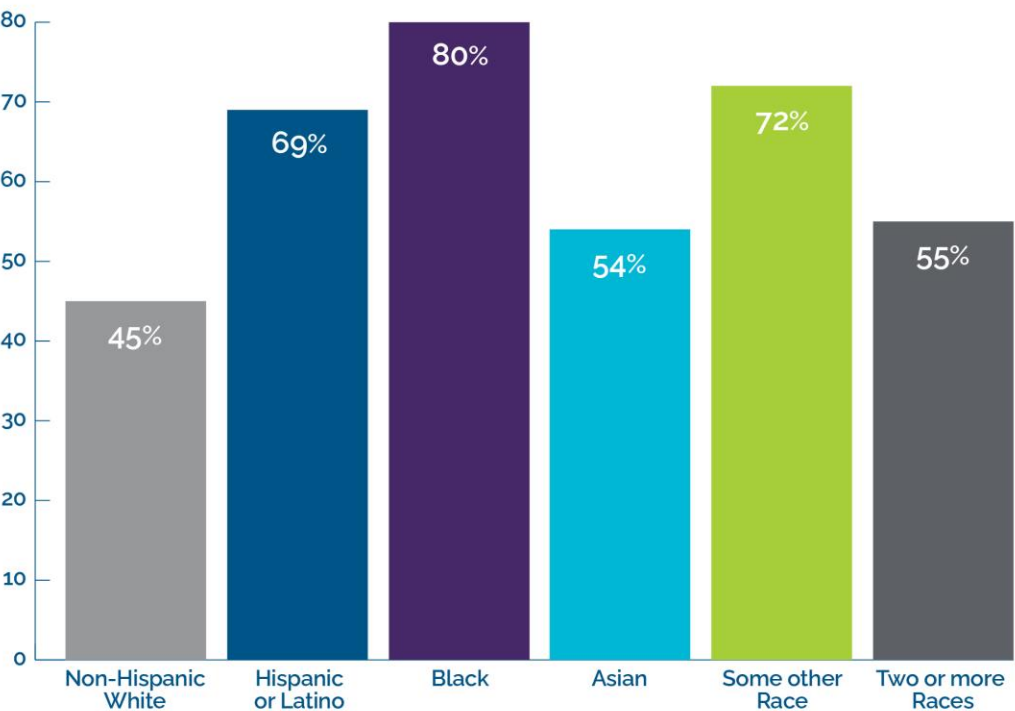


These income categories are defined by the state and are based on varying percentages of the Area Median Income (AMI), in this case the **average incomes** for LA County

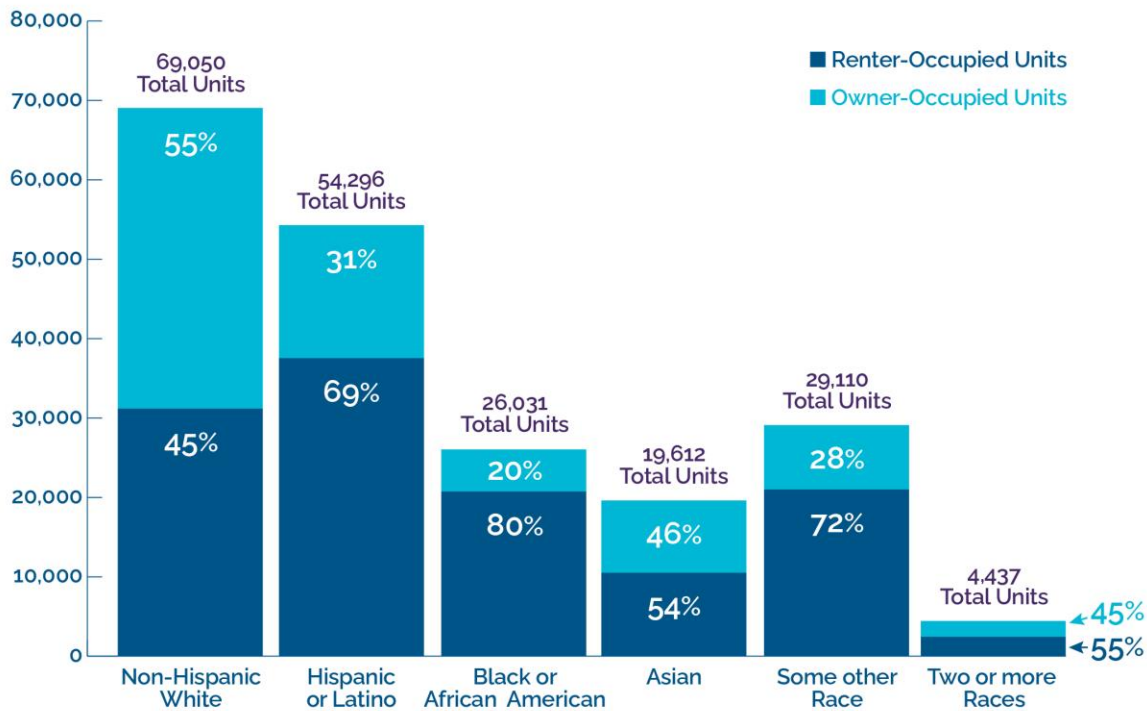
Housing is considered “affordable” if occupants pay **no more than 30%** of their income on housing costs.

Today, Long Beach is a city of renters. Citywide, **61% of households rent their homes** and people of color are statistically more likely to be renters in Long Beach.

Renter Rate by Race/Ethnicity in Long Beach



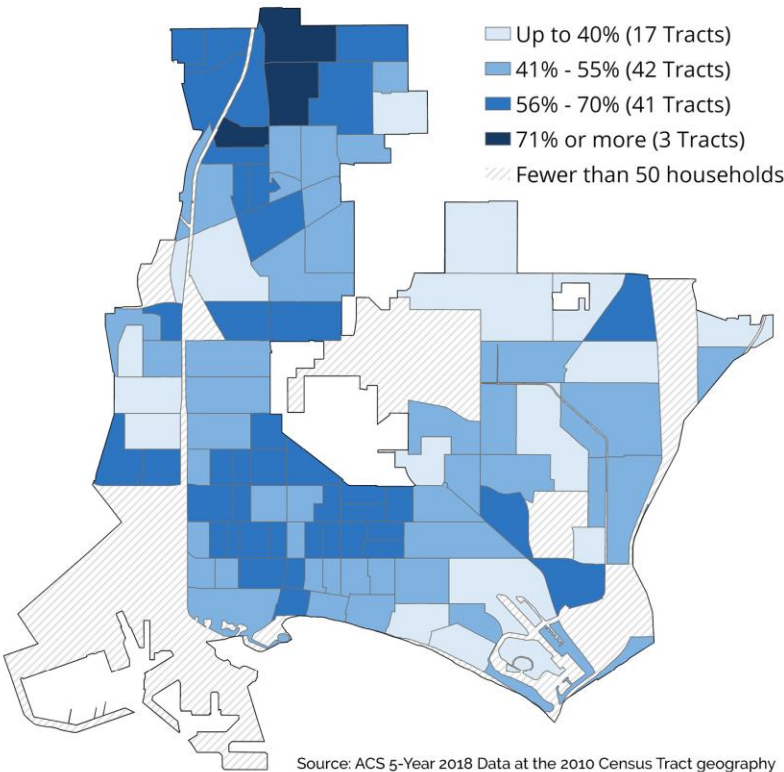
Units Occupied by Renters or Owners



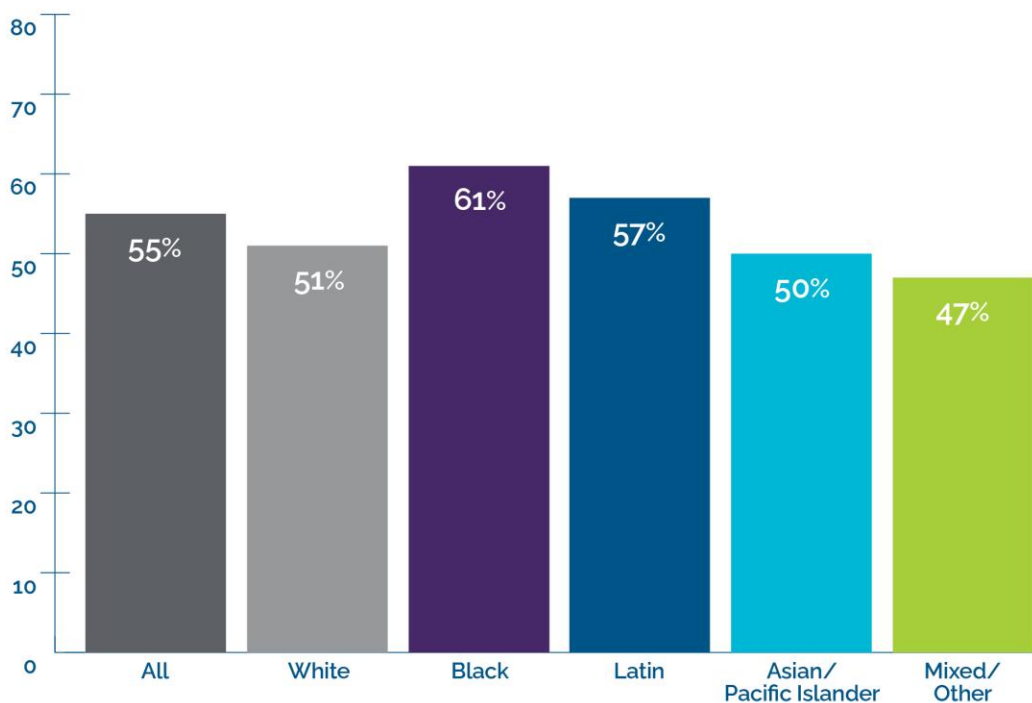
Source: U.S. Census Bureau, 2018 American Community Survey

Most renters in Long Beach are people of color and Black and Latinx renters are more likely to be rent-burdened.

Percentage of Rent-Burdened Renter Households



Percentage of Rent-Burdened Renters in Long Beach, 2017



Source: IPUMS USA | National Equity Atlas



When coronavirus invaded their tiny apartment, children desperately tried to protect dad



Priscilla Zubia, 20, left, and sister Joanna Zubia, 29, live in a one-bedroom apartment with two brothers. All four contracted COVID-19 in October. (Gary Coronado / Los Angeles Times)

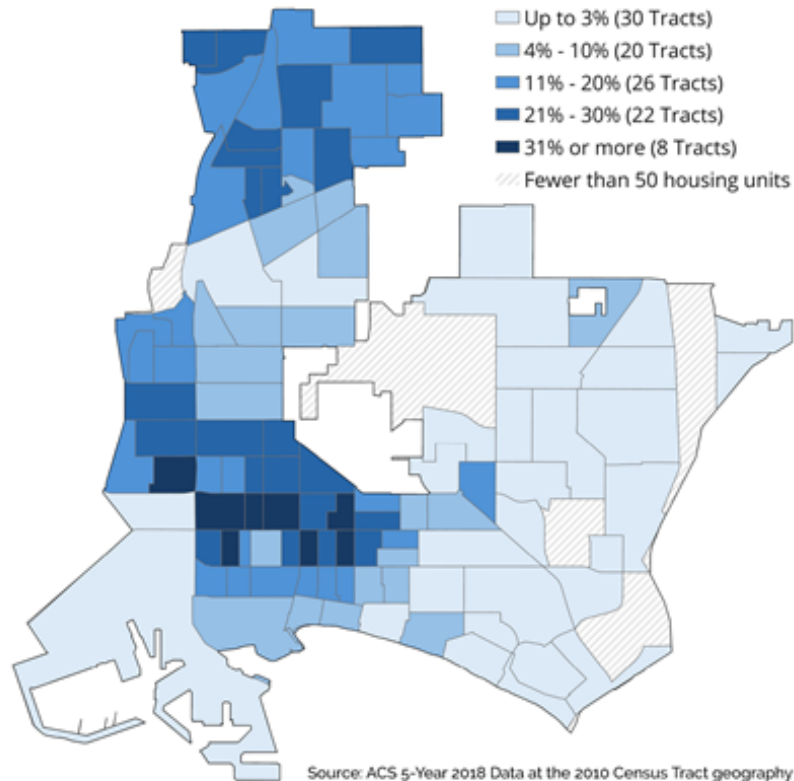
By BRITTNY MEJIA | STAFF WRITER

JAN. 29, 2021 UPDATED 8:50 AM PT

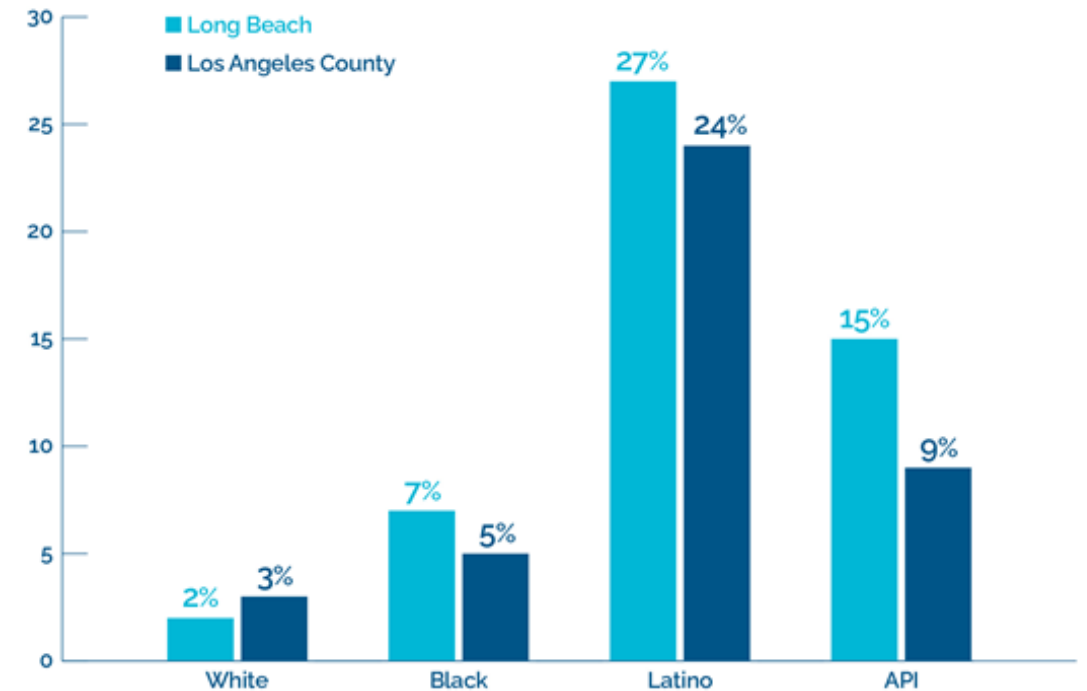
- 12% of all households (20,000 people) in Long Beach are overcrowded
- Overcrowding impacts living conditions and affects people's health
- The COVID19 pandemic has made overcrowding more dangerous for **everyone**

Limited housing supply and increased costs leads to overcrowding. In Long Beach, this affects people of color disproportionately and is concentrated primarily in West, Central and North Long Beach.

Percentage of Housing Units with any Overcrowding



Overcrowding Rates by Race/Ethnicity, 2017



Source: ACS 5-Year Files



Projected Housing Need

Meeting Future Demand

3

"Having more homes built near public transit stations, jobs, local businesses so people can commute less by car and use other ways to get around the city will help promote and build a sense of community."

Long Beach Resident - Local Businesses and Institutions Focus Group Meeting





To evaluate and update the Long Beach roadmap
to accommodate the more than

26,000 new units

needed over the next

8 years





58% of assigned RHNA units are in the affordable categories

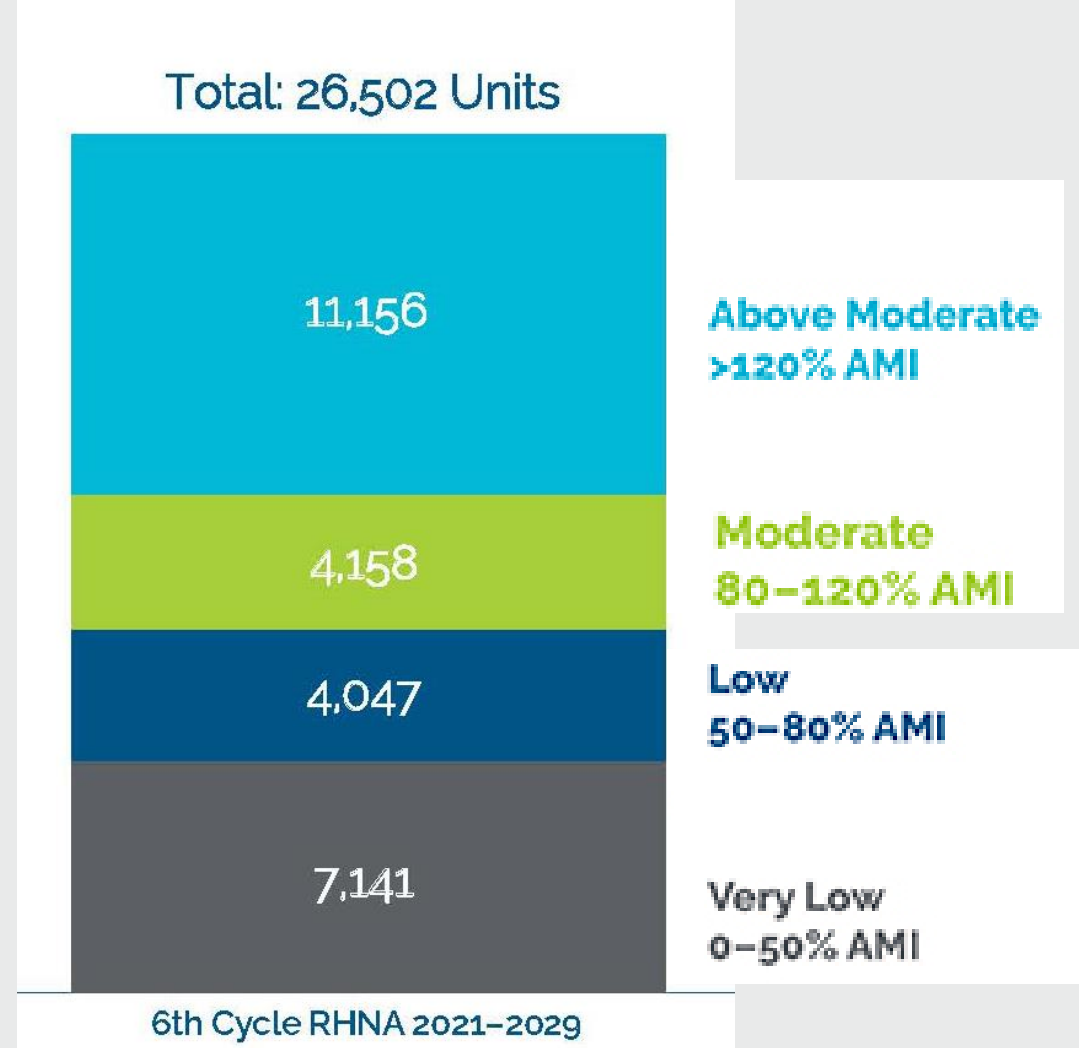
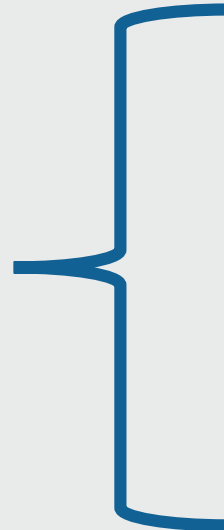


Table HE-2: 6th Cycle RHNA

	Long Beach		Los Angeles County		SCAG	
Area/Income	Number of Units	Percent	Number of Units	Percent	Number of Units	Percent
Total	26,502	100%	812,060	100%	1,341,827	100%
Very Low	7,141	26.9%	217,273	26.8%	351,796	26.2%
Low	4,047	15.3%	123,022	15.1%	206,807	15.4%
Moderate	4,158	15.7%	131,381	16.2%	223,957	16.7%
Above Moderate	11,156	42.1%	340,384	41.9%	559,267	41.7%

Pg 26 of the draft Housing Element



Table HE-1: Los Angeles County 2020 Income Limits

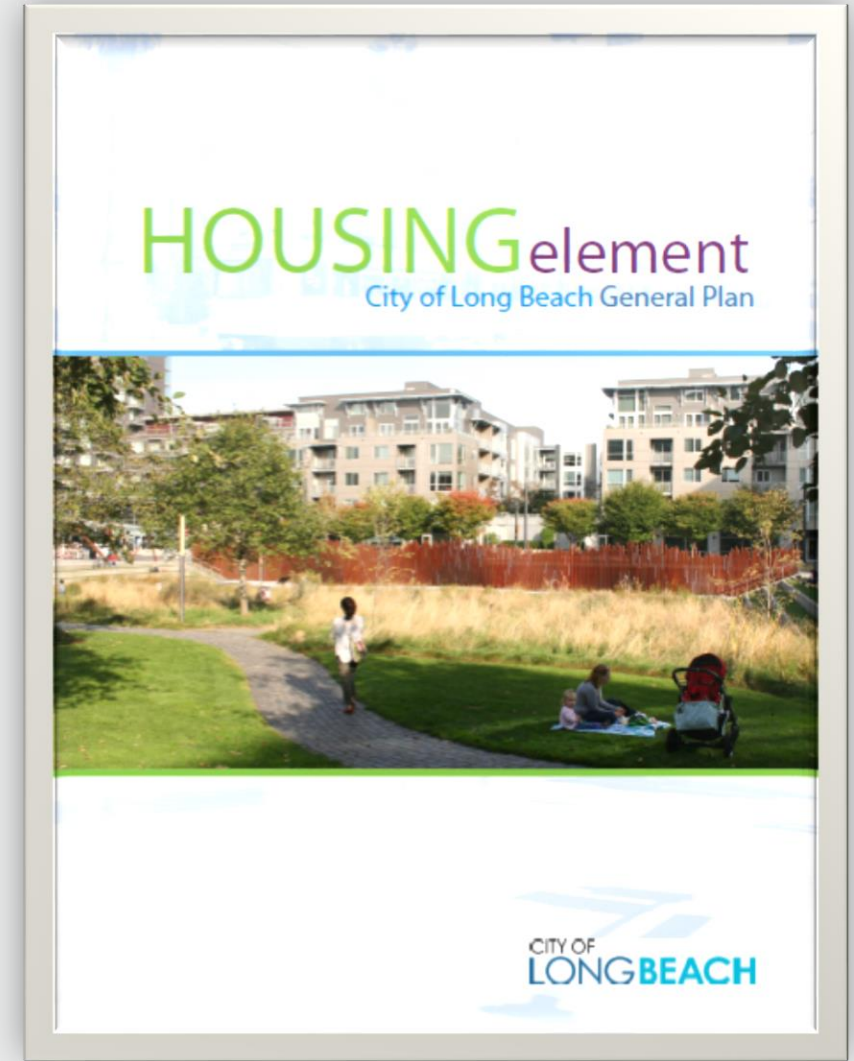
Number of Persons in Household	1	2	3	4
Extremely Low	\$23,700	\$27,050	\$30,450	\$33,800
Very Low	\$39,450	\$45,050	\$50,700	\$56,300
Low	\$63,100	\$72,100	\$81,100	\$90,100
Median	\$54,100	\$61,850	\$69,550	\$77,300
Moderate	\$64,900	\$74,200	\$83,500	\$92,750

Pg 25 of the draft Housing Element





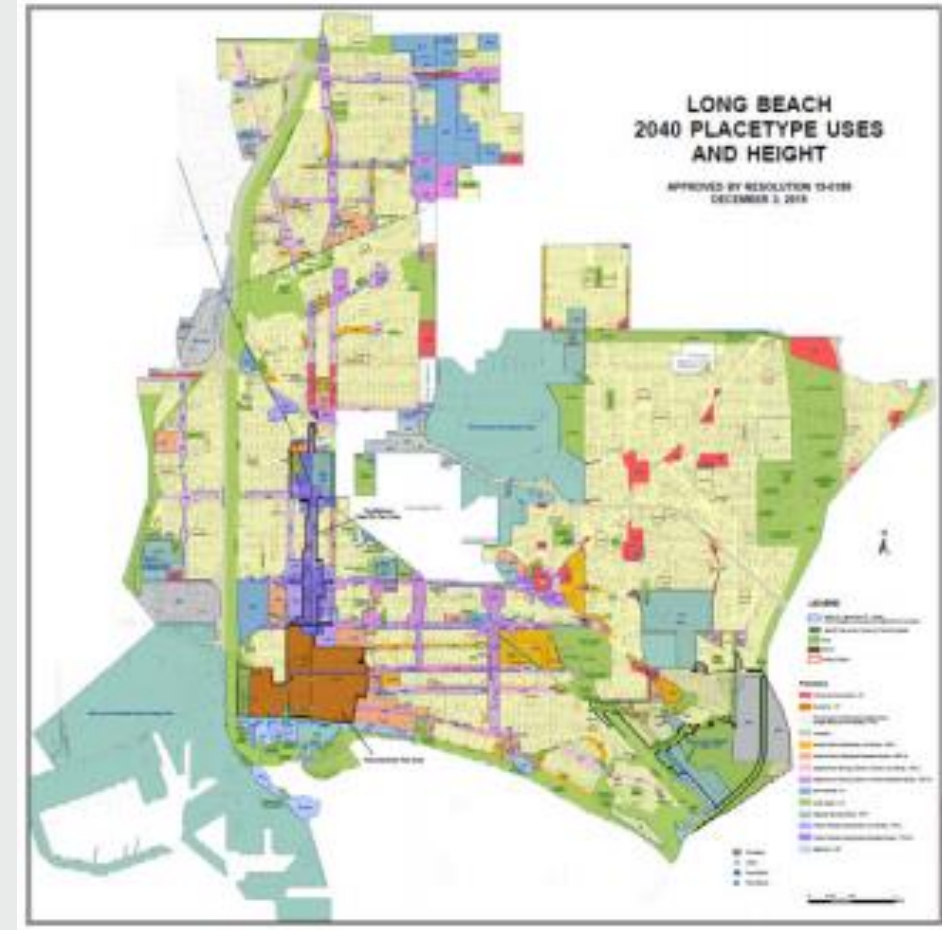
- Required component of Housing Element submission to HCD
- Must provide a specific inventory of sites to demonstrate there is sufficient zoning capacity to meet the RHNA
- Sites are eligible for inclusion in the site inventory if they
 - are of a certain size
 - are zoned appropriately and available for residential use during the planning period.
- If the inventory demonstrates that there are insufficient sites to accommodate the RHNA for each income category, the inventory must identify sites that will be rezoned to accommodate housing unit allocation within 3 years of State certification.





- Uniform criteria applied to all parcels citywide:
 1. Can housing be built there? (land use & zoning)
 2. Is the site big enough to build on?
 3. Is there “room to grow”?
 4. Does the site have common ownership?
- Uses recent past development project data to ensure realistic estimations
- Relies on the adopted 2019 General Plan Land Use Element and Downtown/Midtown plans as a blueprint, focusing the greatest amount of housing in areas served by the highest quality transit

Land Use Element PlaceType Map



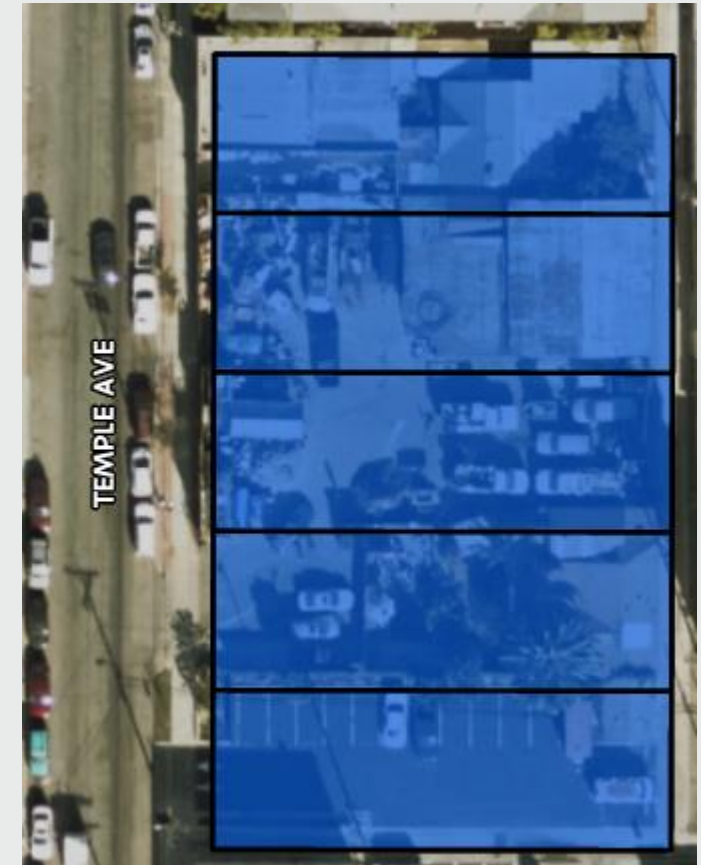


Criteria

For a parcel to be included in the site inventory, it must meet **all** the following criteria:

Eliminated:

- If known non-developable use
- If limited growth opportunity
- Included if it met criteria that indicate the following characteristics:
 - Has high development potential
 - Has room to grow
 - If site (combined parcels) is HCD-defined size minimum
 - And has three (3) or fewer owners
 - Exclude if it fails visual red flag review





Criteria

- **Not** a parcel containing or intersecting a:
 - Park
 - School
 - Waterway
- **Not** a property listed in the previous housing element site inventory



Criteria

- High development Potential "Variable"
 - This metric compares the number of additional new units that could be built on each parcel with the number of existing units.
 - The higher the value, the greater potential there is for redevelopment.
 - Exclude parcels where development potential factor is **less than 3**
 - Meaning, include properties where at a minimum, 3 times as many units could be built, based on allowed density in the land use element
- OR
- Include properties with no existing housing units

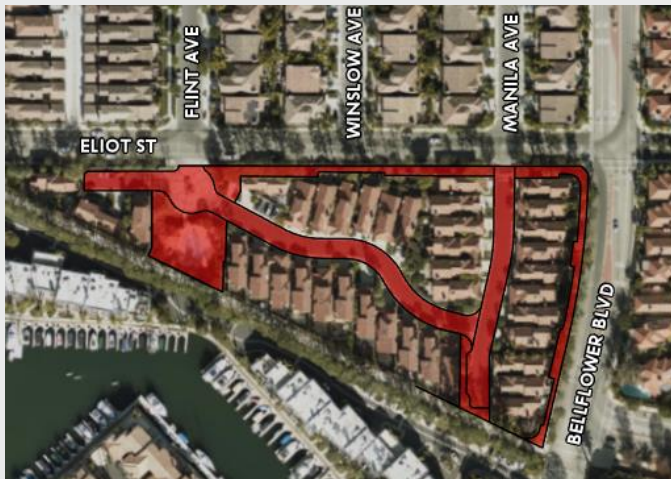
Table LU-3: PlaceType Uses, and Density and Intensity Levels

PlaceType	Uses		Density/Intensity/Height		
	Uses Allowed	Mix of Uses	Residential Density	Nonresidential Intensity (FAR)	Maximum Height ^A
Open Space	Parks, beaches, golf courses, marinas, flood control channels and basins, rivers, utility rights-of-way, oil islands, inland bodies of water, nature preserves, marine habitats, estuaries, wetlands, lagoons; Limited commercial recreation uses that supplement recreation services and complement existing programming and facilities	No	N/A	See Open Space and Recreation Element	2 stories
Neighborhoods	Founding and Contemporary Neighborhood	Yes	7-18 du/ac	0.25 to 0.50	2 stories; varies by area ^B
	Multi-Family	Yes	Up to 29 du/ac based on lot size	0.25 to 0.50	4 stories
	Moderate	Yes	Up to 62 du/ac based on lot size	0.50 to 0.75	6 stories
Mixed-Use	Neighborhood-Serving Centers and Corridors	Yes	Up to 44 du/ac based on lot size	0.50 to 1.00	4 stories
		Yes	Up to 54 du/ac based on lot size	1.00 to 1.50	7 stories
	Transit-Oriented Development	Yes	N/A	1.50 to 3.00	5 stories
		Yes	N/A	2.00 to 4.00	10 stories
Employment	Community Commercial	No	N/A	2.00 to 4.00	7 stories
	Industrial	No	N/A	N/A	65 ft.
	Neo-Industrial	Yes	Up to 36 du/ac based on lot size	0.50 to 1.00	65 ft.
Unique	Regional-Serving Facility	Yes	See Map LU-8 (PlaceType Height Limits)		
	Downtown	Yes	See Downtown Plan		
	Waterfront	Yes	Varies by area; see descriptions		



Criteria

- Lastly, staff completed a visual review of sites to identify any which, even after meeting all the criteria thus far, would be inappropriate for a site inventory.
- Total identified: < 30
- Examples are below:





Land Use Element PlaceType Map





- Insufficient Capacity
- Based on minimum lot area required per unit in Zoning Code
- For PD-30 and SP-1, density assumptions are derived from average DU/AC density of recent projects
 - Assumptions adjusted by plan sub-areas
- Results in **14,418 units**
- Pipeline projects+ ADUs = **3,348 units**
- **Shortfall of 8,736 units**
 - 1,009 lower income,
 - 3,635 moderate-income, and
 - 4,092 above moderate-income units





- Based on recent project averages comparable to corresponding PlaceType
 - Height, PlaceType, and location are primary factors in deriving averages
- Averages adjusted based on additional factors:
 - Unique or “outlier” projects
 - LUE Average Densities
 - Variances and other entitlements
- Results in **28,212 units**
 - 13,701 lower income units
 - 14,511 moderate and above moderate-income units
- Plus pipeline projects+ ADUs = **3,348 units**
- **Buffer of 5,058 units**
- **19% buffer, mostly in the low income categories**

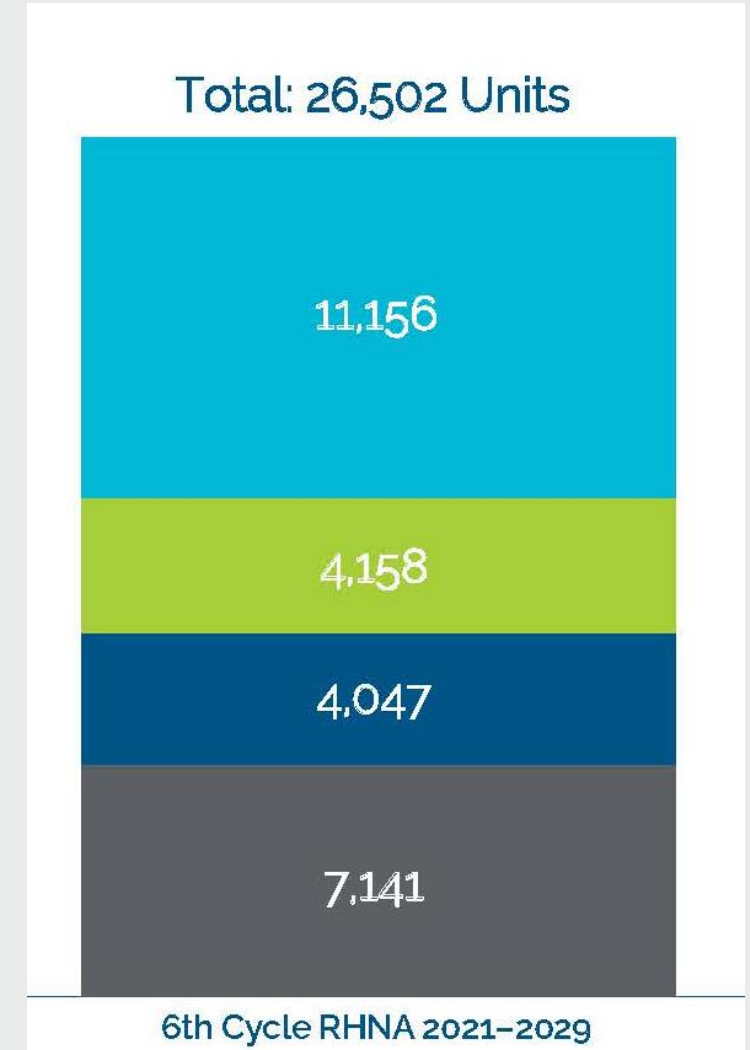


Table C-7: Residential Development Potential and RHNA

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA	7,141	4,047	4,158	11,156	26,502
Approved Projects	53	34	1	0	88
Proposed/Pipeline Projects	293	161	6	0	460
Accessory Dwelling Units	658	1,249	59	834	2,800
Remaining RHNA	6,137	2,603	4,092	10,322	23,154
Existing Zoning Capacity	7,731		457	6,230	14,418
(Shortfall)/Surplus: Zoning	(1,009)		(3,635)	(4,092)	(8,736)
PlaceType Capacity	13,701		14,511		28,212
(Shortfall)/Surplus: PlaceType	4,961		97		5,058

What Does it Mean if a Property is in the Site Inventory?

- Does not mean housing will actually be built on any given site;
- Identifies locations that have the potential and where regulations allow housing to be built;
- Affordable housing replacement policies now required for all identified sites (no-net loss requirements by the State);
- Reused lower-income sites are eligible for a "by-right" process if 20% of the units are affordable.





Housing Resources

Addressing the Need

4

"There are apartments on the east side on major corridors and near the college and the university that are "old" and could be redeveloped to accommodate more student residents."

Long Beach Resident - Housing Element Community Meeting



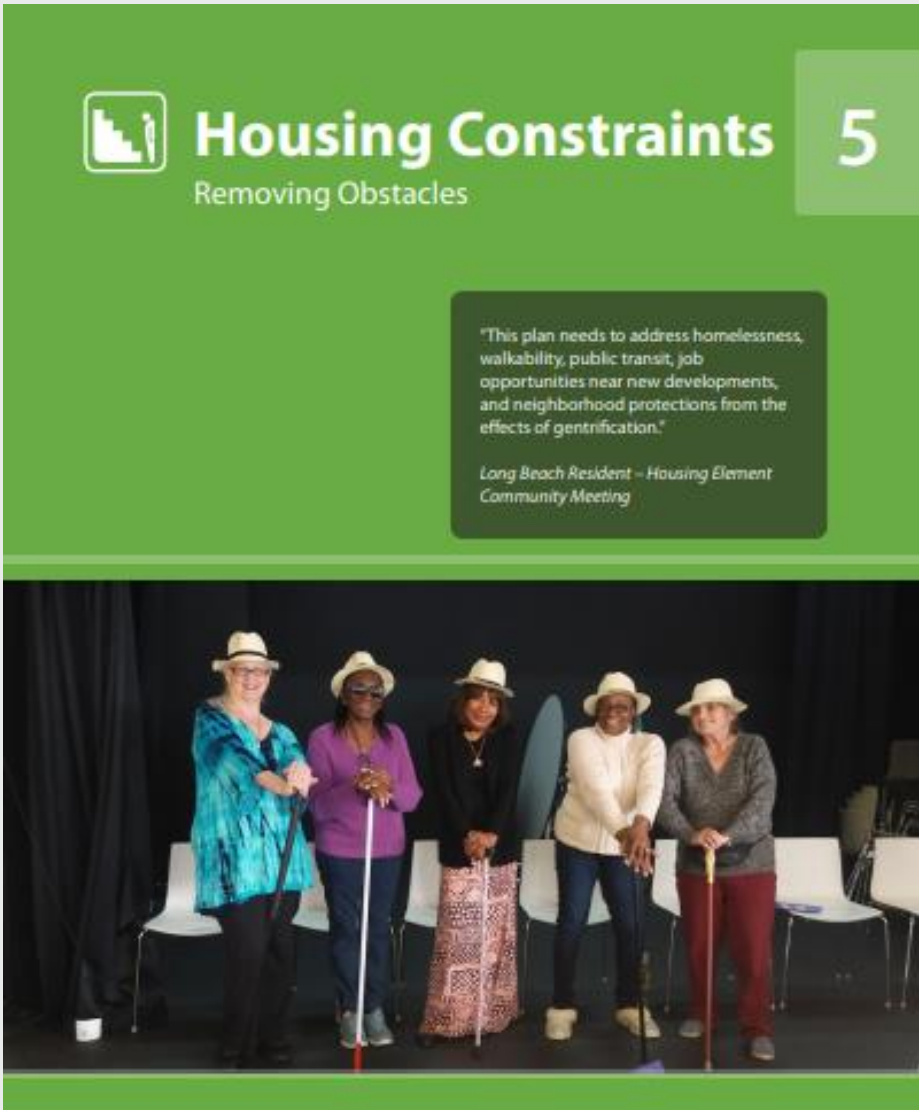



Financial Resources:

- Community Development Block Grant (CDBG) Funds
- HOME Investment Partnership
- Emergency Shelter Grants (ESG)
- Housing Trust Fund
- CDBG CV - Coronavirus Aid, Relief, and Economic Security (CARES) Act
- Emergency Rental Assistance Program (ERAP)
- Project Homekey
- Coastal Replacement Housing Fund
- Inclusionary Housing In-Lieu Fee
- SB2 Grants
- Local Early Action Planning (LEAP) Grants
- CalHome

Administrative Resources:


- Long Beach Community Investment Company (LBCIC)
- Long Beach Housing Authority
- Greater Affordable Housing Development Community
- Long Beach Continuum of Care (CoC)



 **Housing Constraints** 5
Removing Obstacles

"This plan needs to address homelessness, walkability, public transit, job opportunities near new developments, and neighborhood protections from the effects of gentrification."

Long Beach Resident – Housing Element Community Meeting





Housing production has not kept up with need since 1990:

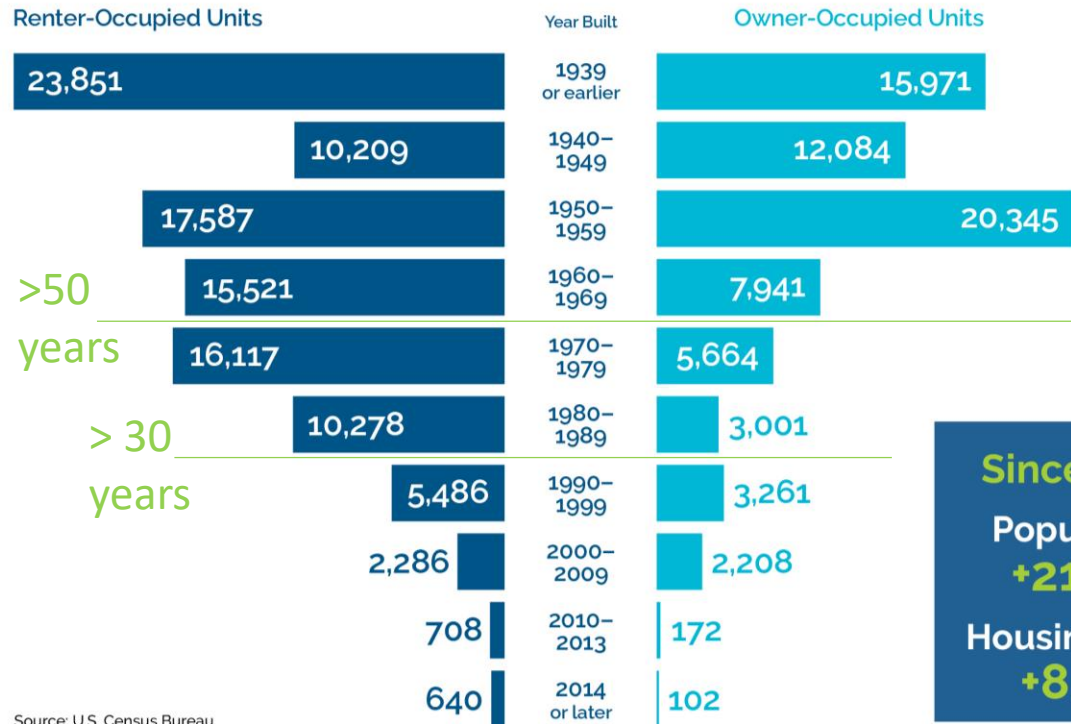
- Estimated net 5,801 housing units created
 - 37,343 residents added during the same time period
 - 7,838 households added during the same time period
 - Household size grew (as opposed to national trend down) indicating overcrowding
- Production levels in Long Beach are consistent with regional and statewide underproduction, exacerbating the impact of underproduction





Long Beach has old housing stock. 82% of the City's units were built before 1980—so they are more than 40 years old and 71% are more than 50 years old.

Housing Units by Year Built



Source: U.S. Census Bureau

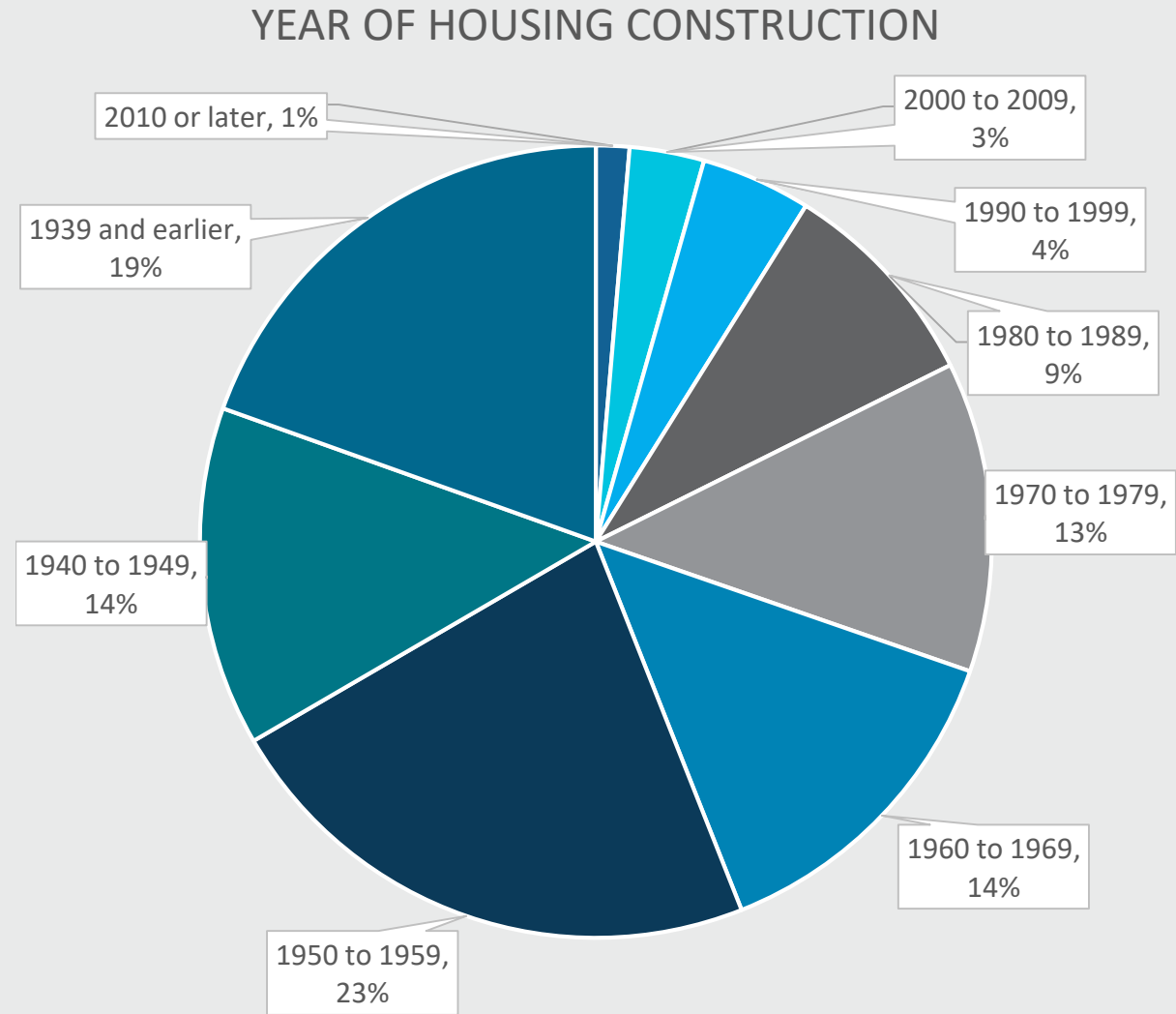
The City has an aging housing supply, indicating housing production has not kept pace with population growth and housing demand.

Population Increase vs. Housing Units Built



Aged and aging housing supply indicates housing market distress

- Beginning at year 30 and accelerating at year 50 structures require major maintenance and upgrades.
- Only 8% of the City's housing supply is under 30 years in age, compared to 33% nationally, 26% in California and 14% in Los Angeles County.
- Nearly 20% of the City's housing supply was built in 1939 or earlier, compared to 13% nationally, 9% in California and 15% in Los Angeles County.





Governmental Constraints:

- Land use controls
- Permit processes and procedures
- Lack of needed technology

Non-Governmental Constraints:

- Availability of financing
- Price of land
- Construction costs
- Environmental issues on available sites



Housing Plan

Meeting Housing Needs

6

"The most important housing issue for me is to maintain my housing by all means. To maintain my housing, we need supportive services."

Century Villages at Cabrillo Resident





Housing Plan Structure

Plan Component	Number in the Plan	Description
Goal	7 goals	Goals are aspirational purpose statements that indicate the City’s direction on what the City seeks to achieve with the housing policies and programs.
Policy	74 policies	Each goal encompasses several policies, statements that describe the City’s preferred course of action among a range of other options.
Program	38 programs	Each goal also includes programs, or efforts taken to achieve the City’s goals. Each program is associated with actions, which are steps the City will take to implement the program and further the City’s policies and goals.
Action	86 actions	Each program has a set of actions, which are measurable steps the City will take to implement the program and further the City’s policies and goals





1. Provide Increased Opportunities for the Construction of High-Quality Housing
2. Mitigate Government Constraints to Housing Investment and Affordability
3. Provide Housing Assistance and Preserve Publicly Assisted Units
4. Address the Unique Housing Needs of Special Needs Residents
5. Retain and Improve the Quality of Existing Housing and Neighborhoods
6. Ensure Fair and Equal Housing Opportunity
7. Ensure Effective and Efficient Delivery of Housing Programs and Services



Goal 1: Provide Increased Opportunities for the Construction of High-Quality Housing

- *HE Policy 1.4: Facilitate the development of medium density housing options such as duplex, triplex, fourplex, garden court apartments, and cottages to bridge the “missing middle” housing gap between high density apartments and condominiums and low density single-family homes.*

Goal 2: Mitigate Government Constraints to Housing Investment and Affordability

- *HE Policy 2.3: Offer financial and/or regulatory incentives, such as density bonuses and fee reductions or waivers, where feasible, to reduce the costs and/or to remove impediments to developing affordable housing, particularly near transit*

Goal 3: Provide Housing Assistance and Preserve Publicly Assisted Units

- *HE Policy 3.5: Provide emergency rental assistance for residents in greatest need as a strategy for preventing homelessness*



Goal 4: Address the Unique Housing Needs of Special Needs Residents

- *HE Policy 4.6: Proactively seek out new models and approaches for the provision of affordable housing, such as co-housing, micro units, motel/hotel conversions, and assisted living facilities*

Goal 5: Retain and Improve the Quality of Existing Housing and Neighborhoods

- *HE Policy 5.11: Promote green building standards in the rehabilitation of existing housing*

Goal 6: Ensure Fair and Equal Housing Opportunity

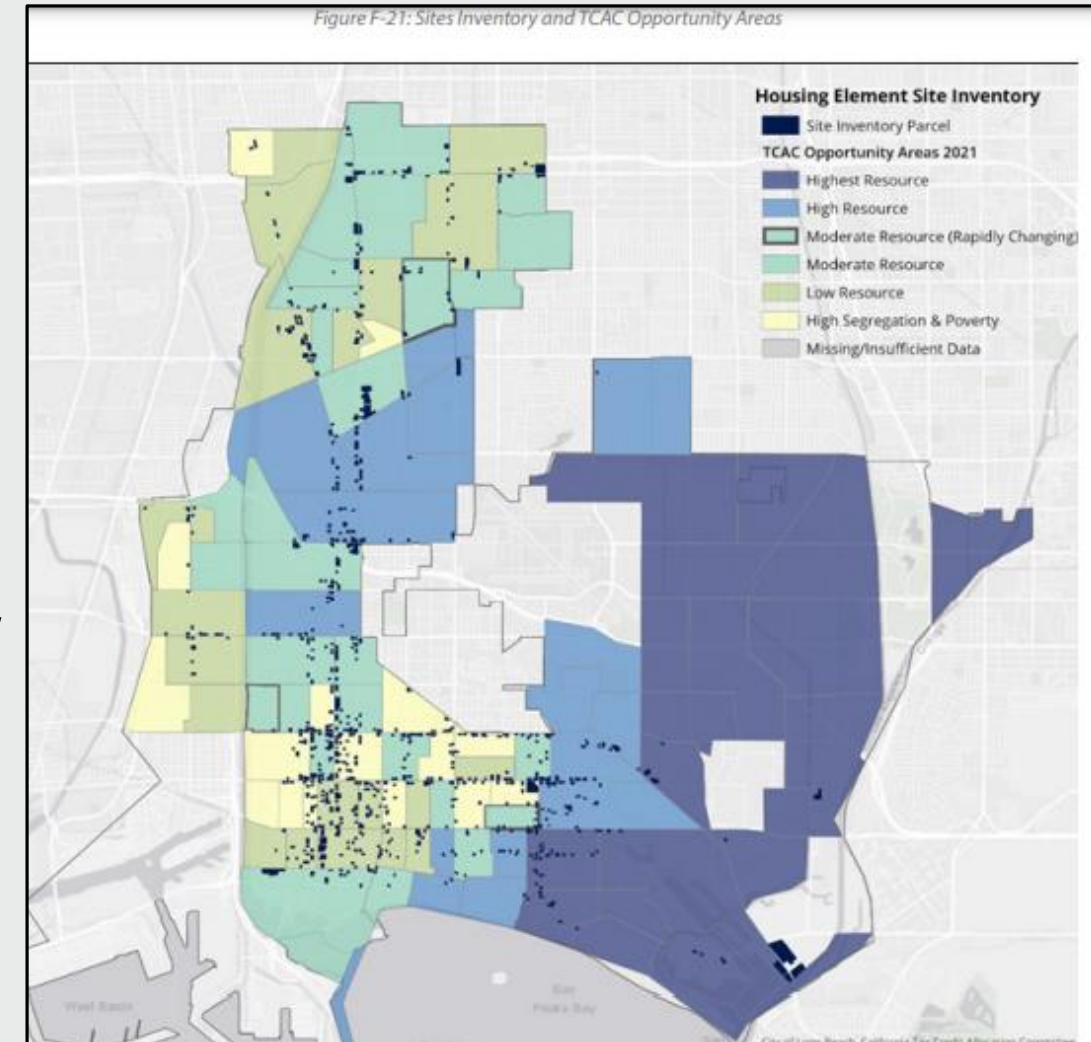
- *HE Policy 6.5: Establish programs and actions to mitigate development impacts on displacement and gentrification and offer tenant protection.*

Goal 7: Ensure Effective and Efficient Delivery of Housing Programs and Services

- *HE Policy 7.1: Dedicate staffing and resources necessary to deliver housing programs and services set forth in this Housing Element*

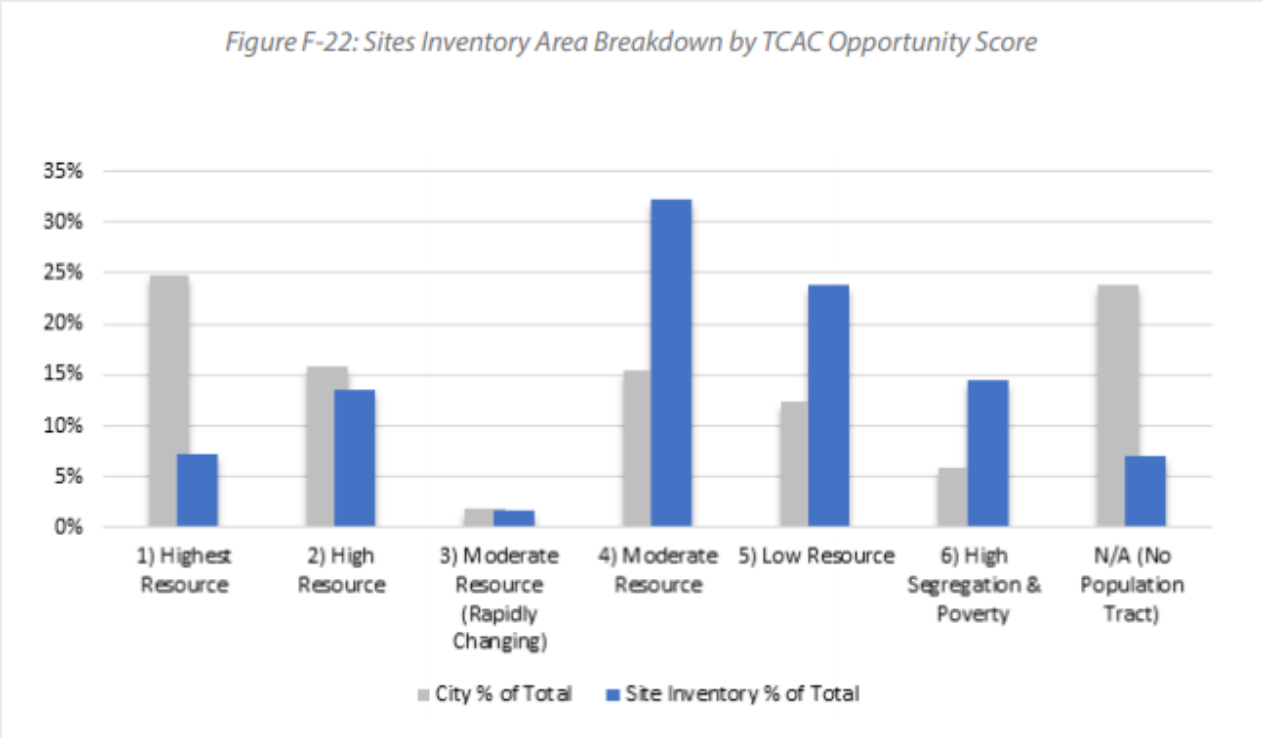
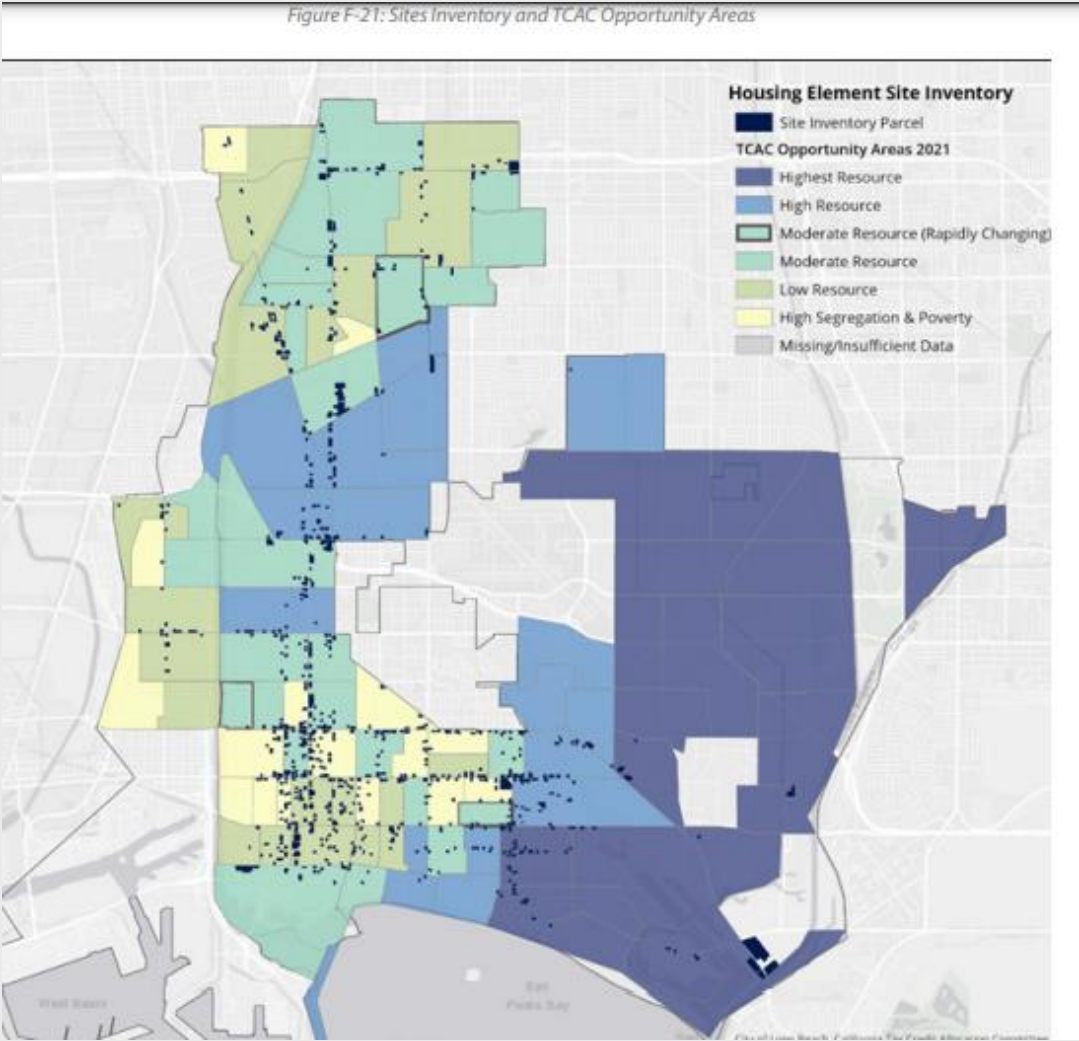


- Fair housing issues include racial segregation, overcrowding, substandard housing, displacement risk, pollution burden, and more
- Finding- the site inventory reflects prevailing inequitable zoning and land use patterns
- The State requires distribution analysis of new housing potential in high opportunity areas
- “High opportunity” areas, as defined by state law, show where low income children can best access opportunity such as quality schools, greenspace, access to transit, low pollution burden
- Disproportionately few children live in high opportunity areas in Long Beach
 - Disproportionately few inventory sites are in high opportunity areas
- Policies and programs in this plan are designed to help address these issues



Map can be found in Appendix F (page F-41)





Map can be found in Appendix F (page F-41)



- 1.1 Adequate Sites for RHNA
- Program 1.3 No Net Loss & Enhanced Density Bonus
- Program 1.7: Accessory Dwelling Units (ADUs)
- Program 2.3: A Variety of Housing Types
- Program 3.4: Funding Mechanisms for Affordable Housing
- Program 6.3: Voucher Mobility
- Program 6.4: Replacement Housing Requirements
- Program 6.7: Inclusionary Housing
- Program 6.9: Monitoring of Housing Production
- Program 6.10: Zoning Code Updates Tailored to Disadvantaged Communities

7



Appendix

Appendix A: Public Participation Report A-1

Appendix B: Housing Needs Assessment B-1

Appendix C: Sites Inventory C-1

Appendix D: Housing Constraints D-1

Appendix E: Review of Past Accomplishments..... E-1

Appendix F: Fair Housing Assessment..... F-1



Appendix

7

“This plan needs to address homelessness, walkability, public transit, job opportunities near new developments, and neighborhood protections from the effects of gentrification.”

Long Beach Resident - Housing Element Community Meeting



Next Steps

- Public comment period on the draft plan ends August 12th
 - Visit project website to review draft plan and for info on how to submit your comment via email or mail (<https://bit.ly/LBHEU21>)
- Staff will consider all comments in revising the draft plan
- Planning Commission adoption hearing (October)
- Adoption by City Council and submitted to State (November)
- May require second adoption hearing by Council depending on HCD feedback
- Major compliance requirements for implementation:
 - Rezoning within 3 years
 - Inventory replacement requirements



Thank you

Learn More or Contact Us :
longbeach.gov/housingelementupdate
Housingelementupdate@longbeach.gov
(562) 570-6194