

## MEMORANDUM



The  
**Long Beach  
Housing  
Development  
Company**

**DATE:** March 17, 2010

**TO:** Board of Directors  
The Long Beach Housing Development Company

**FROM:** Ellie Tolentino, Vice President *ETolentino*

**PREPARED BY:** Patrick Ure, Housing Development Officer

**SUBJECT:** Local Housing Preference Policy (Citywide)

---

### RECOMMENDATIONS:

1. Approve the attached Local Housing Preference Policy and Priority System Guidelines; and
2. Authorize the President or designee to apply and implement the Policy to all current and future developments assisted by the LBHDC, for which a Management Plan and a Marketing Plan have not been approved by the LBHDC.

### BACKGROUND

The Long Beach Housing Development Company (LBHDC) held a Study Session on January 20, 2010 to review a proposed Draft Local Housing Preference Policy and Priority System Guidelines (Policy) prepared by staff. Developers and community stakeholders, including Legal Aid Foundation of Los Angeles (Legal Aid), were invited to the Study Session. During the Study Session, some spoke in support of the proposed Policy, but others, although supportive of a policy in concept, voiced concern over certain provisions included in the proposed Policy. In addition, Legal Aid submitted a letter dated January 19, 2010 indicating their support of a local housing preference policy, but expressed their concern over certain provisions included in staff's proposed Policy.

The LBHDC Board was scheduled to take action on the proposed Policy at their regularly scheduled meeting immediately following the Study Session, but the item was continued to the February meeting in order to give staff time to consider comments received from Legal Aid and the public. Additional review time was requested from Legal Aid, so the item was laid over to the March meeting. However, the Board did ask staff to add additional language pertaining to a preference for students or person enrolled in an education/training program. That language has been added and is highlighted in yellow in the proposed Policy.

**MAKING  
AFFORDABLE  
HOUSING  
HAPPEN**

**AGENDA ITEM NO. 2**

Mailing Address:  
110 Pine Avenue  
Suite 1200  
Long Beach, CA 90802  
Tel 562/570-6949  
Fax 562/570-5921

There are a number of policy reasons to adopt a Long Beach resident and worker local housing preference policy for affordable housing developments funded by The Long Beach Housing Development Company (LBHDC). Giving preference to existing Long Beach residents who are otherwise qualified to rent or buy affordable units would be a way to mitigate the effects of gentrification and displacement caused by market-rate development in historically low-income neighborhoods. That is, reserving below-market rate housing units subsidized by the LBHDC for Long Beach residents is a way to counteract the effects of market rate redevelopment projects that tend to increase market rate rents and housing prices and make market rate housing unaffordable to existing residents. It would also provide an opportunity for existing Long Beach residents to afford the housing provided by the LBHDC, stay in Long Beach, and benefit from the impact of the City's redevelopment and community development efforts.

Another reason to adopt a local housing preference policy is that a residency preference would encourage neighborhood stability, i.e., provide a means for residents who have been active in a community to remain in the community in the face of increasing market rate rents and housing prices. A preference for Long Beach workers would encourage households working in Long Beach to live near their workplaces, avoiding the negative environmental and traffic impacts of commuters traveling long distances to find affordable housing opportunities. It could also encourage businesses to locate in Long Beach in order to take advantage of affordable housing opportunities available to their workers. Housing applicants, who are already working in Long Beach, or have been notified that they are hired to work in Long Beach, or are active participants in educational or job-training programs in Long Beach, would be considered Long Beach workers for purposes of this policy.

Attached for your review and approval is a revised Policy that incorporates Legal Aid's recommended changes, when appropriate. A copy of the letter from Legal Aid and the January 20, 2010 LBHDC staff report are also attached for your reference.

Attachments: Draft Local Housing Preference Policy (red line version)  
Letter from Legal Aid Foundation of Los Angeles  
January 20, 2010 LBHDC Staff Report

ET:PU

R:\LBHDC\Staff Reports\2010\March\Local Housing Preference Policy. 03.17.2010.doc