

**AFFORDABLE HOUSING COMPLIANCE PLAN  
FIVE-YEAR IMPLEMENTATION PLAN**

October 1, 2004 - September 30, 2009

Mid-Term Review Update

**CITY OF LONG BEACH  
REDEVELOPMENT AGENCY**



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*The mission of the Redevelopment Agency of the  
City of Long Beach is to improve the blighted areas of Long Beach, revitalize  
neighborhoods, promote economic development and the creation of jobs, provide  
affordable housing and encourage citizen participation*

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**Affordable Housing Compliance Plan  
Five-Year Implementation Plan  
October 1, 2004—September 30, 2009**

**Mid-Term Review Update**

**I. INTRODUCTION**

California redevelopment law requires redevelopment agencies to report to the public every five years on activities relative to each of its project areas. The report, known as a five-year implementation plan, must include information relative to the impacts of the redevelopment project on affordable housing in the community. This includes both affordable housing that will be removed from the housing stock due to project activities and affordable housing that will be produced either in response to various legal requirements for production or as a result of tax increment funding generated by the project area. Additionally, at least once within the five-year term of an implementation plan, redevelopment agencies must conduct a review of that plan and evaluate the progress of the redevelopment projects.

The Redevelopment Agency of the City of Long Beach (Agency) currently has seven redevelopment project areas. The Los Altos and West Beach Project Areas contain no housing units or land zoned for residential use. The West Long Beach Industrial Project Area is primarily industrial with a small number of non-conforming residential uses. The remaining project areas (Downtown, Central, North, and Poly High) contain residential areas. The Agency has chosen to prepare Five-Year Implementation Plans for each project area concurrently and to prepare one Affordable Housing Compliance Plan to attach to each implementation plan.

Each of the project areas has a stated goal of expanding and improving the community's supply of housing, particularly housing available to low- and moderate-income persons and families. Set-aside funds from all project areas are pooled together for use citywide. The money is then used to help finance the production of affordable housing to meet the requirements of the California Community Redevelopment Law and to add to the affordable housing stock throughout the City.

Revitalization and stabilization of residential neighborhoods through preservation, rehabilitation, and infill development is an important goal of the Central, North, and Poly High Redevelopment Project Areas. The City of Long Beach ranks 10<sup>th</sup> in the nation in terms of the percentage of the population earning less than poverty level, and skyrocketing housing costs exasperate this situation for many living in the City. Affordable housing is not just needed to meet legal requirements; it is essential to maintaining an acceptable quality of life for Long Beach residents.

These affordable housing needs will be addressed through a series of projects, programs, and expenditures as discussed later in this Affordable Housing Compliance Plan.

The remaining sections of this Affordable Housing Compliance Plan describe California Community Redevelopment Law requirements, define applicable terms, describe the seven redevelopment project areas in the City of Long Beach, estimate deposits into the Housing Set-Aside Fund and discuss use of those funds, analyze present and future replacement housing requirements, and analyze present and future inclusionary housing production requirements.

## **II. GENERAL DISCUSSION**

### **California Redevelopment Law Requirements**

A California redevelopment agency has three primary responsibilities relative to affordable housing:

1. To deposit and expend a percentage of tax increment revenue for the provision of affordable housing (housing set-aside requirement).
2. To replace affordable housing units removed from the housing stock as a result of redevelopment activities (replacement housing requirement).
3. To cause specified percentages of new or rehabilitated housing units in a project area to be available at affordable housing cost (inclusionary housing production requirement).

A five-year implementation plan must address the redevelopment agency's performance relative to each of these responsibilities in enough detail for each of the five years to measure performance. This includes the following:

1. Plans for using annual deposits into the Housing Set-Aside Fund.
  - a. Housing Set-Aside Funds must be spent on very low-, low- and moderate-income housing projects in proportion to the unmet need for housing as defined in Government Code Section 65584 (income targeting requirement).
  - b. A cap is applied to the amount of Housing Set-Aside Funds that can be spent on housing that is subject to age restrictions (age restriction requirement).

2. Identification of planned projects that will result in the destruction of existing affordable housing and identification of proposed locations for housing to replace units removed for project activities (replacement housing requirement).
3. Estimates of new housing units to be constructed within the project area if adopted after 1975 and both a five-year and a ten-year plan to produce affordable housing in response to new housing production (inclusionary housing production requirement).
4. An explanation of how the goals, objectives, projects and expenditures will implement the low- and moderate-income housing set-aside and housing production requirements.

This information will by its nature include the number of housing units to be rehabilitated, price-restricted, assisted or destroyed.

Interested readers are referred to California Community Redevelopment Law as amended by AB1290, AB315, AB637, and SB701, and particularly Sections 33334.2, 33334.4, 33334.6, 33143, and 33490 for more detailed information about these legal requirements.

## **Definitions**

### Very Low-Income Household

Household whose gross income is 50 percent or less of the area median income.

### Low-Income Household

Household whose gross income is greater than 50 percent but not greater than 80 percent of the area median income.

### Moderate-Income Household

Household whose gross income is greater than 80 percent but not greater than 120 percent of the area median income.

### Affordable Owner-Occupied Housing Cost

For any owner-occupied housing, affordable housing costs shall not exceed the following:

- For very low-income households the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.
- For lower-income households whose gross incomes exceed the maximum income for very low-income households and do not exceed 70 percent of the area median income adjusted for family size, the product of 30 percent times 70 percent of the area median income adjusted for family size. In addition, for any

lower-income household that has a gross income that equals or exceeds 70 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable housing cost not exceed 30 percent of the gross income of the household.

- For moderate-income households whose gross incomes exceed the maximum income for lower-income households and do not exceed 110 percent of the area median income adjusted for family size, the product of 35 percent times 110 percent of the area median income adjusted for family size. In addition, for any moderate-income household that has a gross income that equals or exceeds 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable housing cost not exceed 35 percent of the gross income of the household.

#### Affordable Renter-Occupied Housing Cost

For any rental housing development, affordable rent, including a reasonable utility allowance, shall not exceed:

- For very low-income households, the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.
- For lower-income households whose gross incomes exceed the maximum income for very low-income households, the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those lower-income households with gross incomes that exceed 60 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not exceed 30 percent of gross income of the household.
- For moderate-income households, the product of 30 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those moderate-income households whose gross incomes exceed 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not exceed 30 percent of the gross income of the household.

#### Developed by the Agency

“Developed by the Agency” means the Agency has contracted directly with a building contractor for the construction or rehabilitation of dwelling units.

#### New Dwelling Units

“New dwelling units” means dwelling units for which the final certificate of occupancy was issued during the year indicated.

### Substantial Rehabilitation

“Substantial rehabilitation” means rehabilitation, the value of which constitutes at least 25 percent of the after rehabilitation value of the dwelling inclusive of the land value.

### Substantially Rehabilitated Dwelling Units

Prior to January 1, 2002, “substantially rehabilitated dwelling units” means all units substantially rehabilitated multi-family dwelling units with three or more units regardless of agency assistance, or substantially rehabilitated single-family dwellings with one or two units with agency assistance.

Since January 1, 2002, “substantially rehabilitated dwelling units” means all units substantially rehabilitated with agency assistance.

## **Redevelopment Project Areas**

### West Beach Redevelopment Project

The West Beach Redevelopment Plan was adopted on July 21, 1964, and terminates on January 1, 2012. It encompasses about 21 acres in the downtown area of the City of Long Beach. When formed the project area contained dated commercial development in badly-deteriorated structures. It is now developed with six new substantial office buildings that have successfully revitalized the area. The project area contains no residential units.

### Poly High Redevelopment Project

The Poly High Redevelopment Plan was adopted on April 3, 1973, and terminates on April 3, 2016. It encompasses about 67.1 acres and was formed primarily to enlarge Polytechnic High School and to rehabilitate its older residential neighborhood. This mission has generally been accomplished.

### Downtown Redevelopment Project

The Downtown Redevelopment Plan was adopted on July 17, 1975, and terminates on July 17, 2017. It contains about 421 acres and was characterized by a declining urban commercial area. Many of the businesses were adult-oriented; the residents had relatively low household incomes; and the perception of a lack of personal security impacted the desirability of the project area. New commercial centers (CityPlace and the Pike) and an influx of new housing are the most recent signs of a successful revitalization effort.

### West Long Beach Industrial Redevelopment Project

The West Long Beach Industrial Redevelopment Plan was adopted on July 1, 1975, and terminates on July 1, 2015. It contains about 350 acres north of Anaheim Street and about 1,018 acres south of Anaheim Street within the Long Beach Harbor District. It was originally formed to create a more modern industrial park near the Port of Long Beach. However, this Redevelopment Plan was legally challenged and the settlement included a general agreement not to use eminent domain in the project area. The goals



of this area now are to strengthen its industrial character by removing non-conforming residential uses to create new opportunities for industrial development, and by improving public infrastructure.

#### Los Altos Redevelopment Project

The Los Altos Redevelopment Plan was adopted December 10, 1991, and terminates on December 10, 2032. The project area contains about 45 acres including two large shopping centers and other miscellaneous commercial uses. There are no residential units within the project boundaries. The purpose of this redevelopment effort was to aid in the rehabilitation and expansion of retail services in order to stimulate and retain private investment in the area. This mission has generally been accomplished.

#### North Long Beach Redevelopment Project

The North Long Beach Redevelopment Plan was adopted July 16, 1996 and terminates on July 16, 2027. It consists of 10 non-contiguous land areas totaling approximately 7,540 acres of land and 4,967 acres of harbor waterfront property within the City of Long Beach. The majority of the land is located north of the San Diego Freeway (I-405). Its primary goal is to improve the commercial corridors that extend through the area to halt the negative impact of these deteriorating conditions on the surrounding residential areas.

#### Central Redevelopment Project

The Central Long Beach Redevelopment Plan was originally adopted on September 21, 1993, and readopted on March 6, 2001. The new Plan expires on March 6, 2032. The Project Area contains about 2,619 acres of urbanized land generally located south of the San Diego Freeway (I-405). It is characterized by severely deteriorated residential areas, underutilized buildings along its commercial corridors, and inadequate public improvements and facilities. The overall redevelopment effort is to redirect and concentrate commercial facilities in significant centers, thereby accommodating residential needs and preserving existing neighborhoods.

### **III. THE HOUSING SET-ASIDE FUND**

#### **Long Beach Housing Development Company**

California Community Redevelopment Law requires redevelopment agencies to deposit 20 percent of their tax increment revenues into a Housing Set-Aside Fund to be used to produce affordable housing within the community. This is also known as "set-aside" money. The Agency generally deposits its set-aside money from all seven project areas into the City of Long Beach's Housing Development Fund for use by the Long Beach Housing Development Company (LBHDC) for affordable housing. However, the Agency does occasionally use its money directly to fund affordable housing in a project area.

The LBHDC was revived by the City Council in July 1989 in order to better implement the goals, policies, and objectives of the Housing Element of the City of Long Beach

General Plan. LBHDC is a nonprofit public benefit corporation created by the City to aid in the support, financing and development of affordable housing based on needs identified in the Housing Element.

Although set-aside money is generally not spent directly by the Agency on affordable housing projects, it is the major source of revenue in the City's Housing Development Fund and is used exclusively to assist in the production of affordable housing within the City of Long Beach. It is used to leverage other funds to maximize the City's ability to produce affordable housing. Other revenue sources used in conjunction with set-aside funds include the following:

- Affordable Housing Program (AHP) grant funds awarded by the Federal Home Loan Bank
- Building Equity and Growth in Neighborhoods (BEGIN) grants by State of California Department of Housing and Community Development
- CalHome grants by State of California Department of Housing and Community Development
- Community Development Block Grant (CDBG) funds by Federal Department of Housing and Urban Development
- HELP funds by CalHFA
- HOME funds by Federal Department of Housing and Urban Development
- City of Industry set-aside funds allocated by Los Angeles County Community Development Commission
- Multi-Family Housing Program (MHP) funds by State of California Department of Housing and Community Development
- Mortgage Revenue Bond proceeds
- Low-Income Housing Tax Credits

In June 2004 the City Council of the City of Long Beach adopted a Housing Action Plan<sup>1</sup> that addresses projects from LBHDC's two primary revenue sources: redevelopment tax increment housing set-aside funds and HOME funds.

### **Housing Set-Aside Fund Deposits**

Table 1 below shows actual (Fiscal Year 2005 [FY05] through FY07) and estimated (FY08 and FY09) deposits into the Agency's Housing Set-Aside Fund and then into the City's Housing Development Fund during the current Implementation Plan period by project area.

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<sup>1</sup> A copy of the Housing Action Plan can be found at  
<http://www.longbeach.gov/civica/filebank/blobdload.asp?BlobID=4076>.

**Table 1**  
**Set-Aside Deposits into Housing Set-Aside Fund: FY05 – FY09**

<b>Project</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>
Central	\$1,996,000	\$1,638,000	\$2,296,000	\$3,952,000	\$4,098,000
Downtown	2,614,000	2,649,000	3,826,000	3,898,000	3,972,000
North	6,123,000	8,921,000	9,324,000	8,893,000	9,153,000
West Industrial	1,584,000	2,249,000	2,189,000	2,477,000	2,510,000
Los Altos	111,000	111,000	147,000	131,000	135,000
Poly High	106,000	26,000	35,000	137,000	140,000
West Beach	210,000	258,000	337,000	386,000	392,000
<b>Total</b>	<b>\$12,744,000</b>	<b>\$15,852,000</b>	<b>\$18,254,000</b>	<b>\$19,874,000</b>	<b>\$20,400,000</b>

While the Agency expected to receive \$50.1 million in Set-Aside funds during the Five-Year Implementation Plan when it was adopted, this estimate has changed to \$87.12 million as of January 1, 2008.

### **Use of Housing Set-Aside Fund Revenues**

The Housing Action Plan notes that these funds will be divided equally between home ownership and rental programs, and that the population will be served in accordance with federal and state funding regulations. At least 65 percent of the resources were targeted to be spent in three neighborhood focus areas for the five-year period. Two of these areas are in the Central Redevelopment Project Area and one is in the North Redevelopment Project Area.

### **Housing Set-Aside Fund Cash Flow Analysis**

#### Revenues

Table 2 presents the beginning balance in the Housing Set-Aside Fund for FY05, the actual deposits for FY05 – FY07 and the estimated deposits for FY08 – FY15 as projected by Keyser Marston Associates (KMA). The gross revenues deposited into the Housing Set-Aside Fund include the following:

Housing Set-Aside – Twenty percent (20%) of the estimated gross property tax increment generated within the Project Areas must be deposited into the Housing Set-Aside Fund throughout the projection period.

1. Interest Income – Proceeds generated from the Housing Set-Aside Fund.
2. Bond Proceeds – Proceeds from a 2005 tax allocation bond secured by housing set-aside funds.
3. Other – Accounts for proceeds derived from loan repayments, miscellaneous fees, rental income and grants.

TABLE 2

HOUSING SET-ASIDE FUND ANALYSIS (FY05 - FY15)  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

Fiscal Year	Actual	Actual	Actual	Projected							
	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
I. Beginning Cash Balance	\$13,368,000	\$19,361,000	\$65,980,000	\$56,140,000	\$62,496,000	\$64,407,000	\$60,664,000	\$35,853,000	\$22,275,000	\$6,444,000	\$2,994,000
II. Revenues											
Housing Set-Aside <sup>1</sup>	\$12,744,000	\$15,852,000	\$18,254,000	\$19,874,000	\$20,400,000	\$20,938,000	\$21,485,000	\$22,042,000	\$22,612,000	\$23,194,000	\$23,787,000
Set-Aside Interest <sup>2</sup>	523,000	944,000	1,615,000	1,832,000	1,780,000	1,904,000	1,876,000	1,448,000	872,000	431,000	142,000
Bond Proceeds	0	49,972,000	0	0	0	0	0	0	0	0	0
Other <sup>3</sup>	3,197,000	3,259,000	1,292,000	1,331,000	1,371,000	1,412,000	1,455,000	1,498,000	1,543,000	1,589,000	1,637,000
Total Revenues	\$16,464,000	\$70,027,000	\$21,161,000	\$23,037,000	\$23,551,000	\$24,254,000	\$24,816,000	\$24,988,000	\$25,027,000	\$25,214,000	\$25,566,000
III. Expenditures											
Administrative Costs <sup>4</sup>	\$1,794,000	\$1,939,000	\$2,587,000	\$2,665,000	\$2,745,000	\$2,827,000	\$2,912,000	\$2,999,000	\$3,089,000	\$3,182,000	\$3,278,000
Projects	8,677,000	20,259,000	24,763,000	10,361,000	15,241,000	21,520,000	21,362,000	10,210,000	12,413,000	0	0
Unidentified Future Projects	0	0	0	0	0	0	21,703,000	21,703,000	21,703,000	21,703,000	21,703,000
Bond Debt Service <sup>5</sup>	0	1,210,000	3,651,000	3,655,000	3,654,000	3,650,000	3,650,000	3,654,000	3,653,000	3,779,000	3,781,000
Total Expenditures	\$10,471,000	\$23,408,000	\$31,001,000	\$16,681,000	\$21,640,000	\$27,997,000	\$49,627,000	\$38,566,000	\$40,858,000	\$28,664,000	\$28,762,000
IV. Net Income/(Loss)	\$5,993,000	\$46,619,000	(\$9,840,000)	\$6,356,000	\$1,911,000	(\$3,743,000)	(\$24,811,000)	(\$13,578,000)	(\$15,831,000)	(\$3,450,000)	(\$3,196,000)
V. Ending Cash Balance	\$19,361,000	\$65,980,000	\$56,140,000	\$62,496,000	\$64,407,000	\$60,664,000	\$35,853,000	\$22,275,000	\$6,444,000	\$2,994,000	(\$202,000)
VI. Excess Surplus Analysis											
Max. Allowable Fund Balance	\$34,183,000	\$45,484,000	\$57,280,000	\$66,724,000	\$74,380,000	\$79,466,000	\$82,697,000	\$84,865,000	\$87,077,000	\$89,333,000	\$91,635,000
Excess Surplus (excludes Bond Proceeds)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North and Keyser Marston Associates Tax Increment Projections dated 10/26/07.

<sup>2</sup> Based on actuals through FY07; then the average of the beginning cash balance and the ending cash balance of the previous fiscal year is increased by 3% between FY08 and FY15.

<sup>3</sup> Includes loan repayments, miscellaneous fees, rental income and grants.

<sup>4</sup> Based on actuals through FY07; then increased by 3% annually.

Based on debt service schedule provided by City's Financial Department.

The projected revenues to be deposited into the Housing Set-Aside Fund during the Five-Year Implementation Plan period are summarized in Table 3.

Beginning Balance for FY05	\$13,368,000
Actual Revenues through FY07	107,652,000
Projected Revenues for FY08	23,037,000
Projected Revenues for FY09	23,551,000
<b>Total Revenues for Plan Period</b>	<b>\$167,608,000</b>

Expenditures

The Agency will incur the following costs throughout the Five-Year Implementation Plan period:

1. Administration Costs – This category includes costs such as salaries, overhead, consultant, and legal fees, and supply costs incurred to implement the Affordable Housing Program. The actual expenditure amounts necessary to implement the Affordable Housing Program will be determined during the LBHDC budget process.
2. Projects – The actual cost of projects assisted with Set-Aside funds.
3. Unidentified Future Projects – The estimated cost of future projects that will be assisted with Set-Aside funds.
4. Bond Debt Service – The Agency is obligated to make debt service payments on the 2005 Tax Allocation Bond through 2040. Only the share of the debt service attributable to the Affordable Housing Program is included in the cash flow.

The Housing Set-Aside Fund expenditures are projected to total \$100.95 million for the Five-Year Implementation Plan period. Table 4 summarizes the projected expenditures.

	Actual Costs (FY05 – FY07)	Projected Costs (FY08 – FY09)	Total Costs	% of Total Costs
Projects	\$53,699,000	\$25,602,000	\$79,301,000	76%
Administrative Costs	6,320,000	5,410,000	11,730,000	12%
Bond Debt Service	4,861,000	7,309,000	12,170,000	12%
<b>Total Expenditures</b>	<b>\$64,880,000</b>	<b>\$38,321,000</b>	<b>\$103,201,000</b>	<b>100%</b>

Cash Flow During Five-Year Implementation Plan Period

The projected cash flow generated by the Housing Set-Aside Fund is detailed in Table 2, and summarized in Table 5.

	Actuals (FY05 – FY07)	Projections (FY08 – FY09)
Beginning Balance	\$13,368,000	\$56,140,000
Revenues	107,652,000	46,588,000
(Less) Expenditures	(64,880,000)	(38,321,000)
Net Cash Flow	42,772,000	8,267,000
Ending Balance	<u>\$56,140,000</u>	<u>\$64,407,000</u>

Table 2 also provides an illustrative example of how the Affordable Housing Program could be financed on an annual basis through FY15. However, the timing and specific amounts of the expenditures may be adjusted over time. Specific decisions on each of these items will be made as part of the Agency’s and LBHDC’s annual budget processes.

Excess Surplus Calculation

The project areas are subject to the “excess surplus” requirements imposed by Section 33334.12. Excess surplus is defined as any unexpended and unencumbered funds in the Housing Set-Aside Fund that exceed the aggregate amount deposited into the Housing Set-Aside Fund during the preceding four fiscal years.<sup>2</sup> Section 33334.12 provides the Agency with three years to encumber any excess surplus funds.

As illustrated in Table 2, based on the beginning balance and projected deposits into the Housing Set-Aside Fund, the Agency does not currently have an excess surplus balance. Moreover, given the activities proposed in this Plan, the Agency is not anticipated to incur an excess surplus balance at any point through December 31, 2014.

**Proportional Expenditures of Housing Set-Aside Funds**

The project areas are subject to the Section 33334.4 requirement that a redevelopment agency expend Housing Set-Aside Funds in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met between January 1, 2002 and December 31, 2014, and then again through the termination of the project areas. The results of the proportionality tests are presented in Table 6, and described in the following sections.

<sup>2</sup> Excess surplus calculations do not account for funds derived from the issuance of bonds.

### Income Targeting Proportionality Test

The income targeting proportionality test requires a redevelopment agency to expend Housing Set-Aside Funds in proportion to the unmet housing needs that have been identified for the community pursuant to Government Code Section 65584. The proportionality test used in this report is based on the 2000 Regional Housing Needs Assessment (RHNA)<sup>3</sup> figure prepared by Southern California Association of Governments (SCAG), which covers the time period of this Affordable Housing Compliance Plan. The RHNA established the following unmet need for affordable housing in Long Beach:

<u>Income Category</u>	<u>Total Units</u>	<u>% of Total</u>
• Very-Low Income:	411	43%
• Low Income:	251	26%
• Moderate Income:	296	31%
Total	958	100%

To comply with the Section 33334.4 requirements, the Agency must spend at least 43% of the Housing Set-Aside Funds on projects and programs dedicated to very low-income households, and no more than 31% of the Housing Set-Aside Funds on projects and programs dedicated to moderate-income households. Section 33334.4 provides the Agency with the flexibility to allocate Housing Set-Aside Funds in any way that complies with the defined minimum for very low-income expenditures and the defined cap for moderate-income expenditures.

As shown in Table 6, 43% of the Housing Set-Aside Funds are allocated to very low-income households, 26% of the Housing Set-Aside Funds to low-income households and 31% of the Housing Set-Aside Funds to moderate-income households. The combined actual, projected and unidentified expenditures comply with the income targeting standards imposed by Section 33334.4.

### Age-Restricted Proportionality Test

Section 33334.4 also requires redevelopment agencies to cap assistance for age-restricted housing based on the percentage of very low- and low-income senior citizens within the very low and low-income household in the community. In the City of Long Beach, very low- and low-income senior citizens<sup>3</sup> account for 18% of the City's total very low- and low-income population.

As shown in Table 6, only 3% of the Housing Set-Aside Fund monies are allocated to age-restricted housing projects. Thus, the Agency's allocation of Housing Set-Aside Funds to age-restricted projects is below the expenditure test requirements imposed by Section 33334.4.

<sup>3</sup>Per RHNA estimates presented in the City of Long Beach Housing Element (April 2001)

<sup>3</sup> Persons 62 years or older.

TABLE 6

HOUSING SET-ASIDE FUND EXPENDITURE PROJECTIONS (JANUARY 1, 2002 - DECEMBER 31, 2014)  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

I. Proportionality Compliance Period	Housing	Other	(Less)	(Less)	Net Housing
	Set-Aside <sup>1</sup>	Housing Revenues <sup>2</sup>	Admin & Non-Project/Program Costs <sup>3</sup>	Existing Debt Service <sup>4</sup>	
1/1/2002 - 9/30/2002 <sup>5</sup>	\$3,413,300	\$8,382,800	(\$992,300)	\$0	\$10,803,800
FY03	6,458,000	7,261,300	(1,748,900)	0	11,970,400
FY04	10,430,000	6,310,300	(1,883,900)	0	14,856,400
FY05	12,744,000	3,719,800	(1,793,900)	0	14,669,900
FY06	15,852,000	54,174,400	(1,939,500)	(1,209,700)	66,877,200
FY07	18,254,000	2,907,700	(2,587,400)	(3,651,100)	14,923,200
FY08	19,874,000	1,331,100	(2,665,000)	(3,654,600)	14,885,500
FY09	20,400,000	1,371,100	(2,745,000)	(3,653,700)	15,372,400
FY10	20,938,000	1,412,200	(2,827,300)	(3,650,400)	15,872,500
FY11	21,485,000	1,454,600	(2,912,100)	(3,649,800)	16,377,700
FY12	22,042,000	1,498,200	(2,999,500)	(3,653,700)	16,887,000
FY13	22,612,000	1,543,200	(3,089,500)	(3,653,300)	17,412,400
FY14	23,194,000	1,589,500	(3,182,200)	(3,779,500)	17,821,800
10/1/2014 - 12/31/2014 <sup>6</sup>	5,946,800	409,300	(819,400)	(945,200)	4,591,500
<b>Totals</b>	<b>\$223,643,100</b>	<b>\$93,365,500</b>	<b>(\$32,185,900)</b>	<b>(\$31,501,000)</b>	<b>\$253,321,700</b>
<b>II. Maximum Expenditures on Age Restricted Projects <sup>7</sup></b>					<b>\$45,597,900</b>
18.0% of Net Tax Increment					
<b>III. Income Targeting Expenditures <sup>8</sup></b>					
Maximum Expenditures on Moderate Income					<b>\$78,529,700</b>
31.0% of Net Tax Increment					
Threshold Expenditures on Low Income					<b>\$65,863,600</b>
26.0% of Net Tax Increment					
Minimum Expenditures on Very-Low Income					<b>\$108,928,300</b>
43.0% of Net Tax Increment					
<b>Income Level</b>					
<b>IV. Expenditure Projections</b>	<b>Very-Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Age Restricted</b>	
Actual Expenditures (1/1/2002 - FY07)	\$14,486,800	\$18,051,400	\$450,000	\$2,800,000	
Projected Expenditures (FY08 - 12/31/2014) <sup>9</sup>	33,890,500	31,232,400	69,615,700	4,226,500	
Unidentified Expenditures (FY08 - 12/31/2014)	60,551,000	16,579,800	8,464,000	0	
<b>Total Expenditures</b>	<b>\$108,928,300</b>	<b>\$65,863,600</b>	<b>\$78,529,700</b>	<b>\$7,026,500</b>	
	<b>43%</b>	<b>26%</b>	<b>31%</b>	<b>3%</b>	

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North and Keyser Marston Associates Tax Increment Projections dated 10/26/07.

<sup>2</sup> Includes interest, bond proceeds, loan repayments, miscellaneous fees, rental income, grants and a beginning balance of \$5,275,000 as of January 1, 2002.

<sup>3</sup> Based on actuals through FY07; then increased by 3% annually thereafter.

<sup>4</sup> Based on debt service schedule provided by City's Financial Department.

<sup>5</sup> Includes 9 months of the FY02 budget actuals.

<sup>6</sup> Includes 3 months of the FY14 estimated revenues and expenditures.

<sup>7</sup> Per 2000 United States Census.

<sup>8</sup> Per Regional Housing Needs Assessment estimates presented in the City's Housing Element (April 2001).

<sup>9</sup> Based on the projects and programs identified in TABLE 8 and TABLE 14.



#### **IV. REPLACEMENT HOUSING REQUIREMENTS**

##### **Legal Requirements**

Redevelopment agencies must replace affordable housing units removed from the housing stock as a result of redevelopment activities. A unit is defined as affordable if it is occupied, or if vacant would be expected to be occupied, by a household with an income of 120 percent of area median income or less. Replacement dwelling units are to be available at an affordable housing cost to persons in the same or a lower income category as the persons displaced from those destroyed or removed housing units. In addition a replacement unit must have the same or a greater number of bedrooms than the unit being demolished.

##### **Analysis of Replacement Housing Requirements**

Table 7 shows affordable housing units removed by redevelopment activities prior to the current Five-Year Implementation Plan period and affordable housing units that may be removed during the current Five-Year Implementation Plan period by redevelopment activities based on projects currently planned for each project area. Table 8 shows the affordable housing units that have been produced and affordable housing units that are planned for production within the next five years. All units listed qualify as replacement units for housing destroyed or removed.

While the location of the units removed and produced are designated by project area, it is important to remember that replacement housing units can be produced anywhere within the City of Long Beach so long as they are available within four years of the units being removed from the market and their affordability is deed restricted in accordance with applicable law. Units produced must also have the same or greater number of bedrooms than the units removed.

Table 9 documents the current status of replacing housing removed by redevelopment activities and shows that the Agency has met its replacement housing requirements. The table below shows that based on redevelopment activities through FY04, 126 affordable housing units with 168 bedrooms have been removed from the market by redevelopment activities, and 828 units with 1,638 bedrooms have been produced. It also shows that for every category of housing unit, by income level and number of bedrooms, housing produced equals or exceeds the bedroom count as the housing removed.

TABLE 7

**HOUSING UNITS HISTORICAL & PENDING REMOVAL FROM CITY HOUSING INVENTORY<sup>1</sup>**  
**IMPLEMENTATION PLAN - MID-TERM REVIEW**  
**LONG BEACH, CALIFORNIA**

Removed Projects	Removal Date	Very Low Income <sup>2</sup>				Low Income				Moderate Income					Total # of Units				
		Studio	1-Bd <sup>3</sup>	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	5-Bd	VL	Low
<b>I. Units Removed</b>																			
Willow - Long Beach Blvd.	1994	20	1	-	-	-	-	-	-	-	5	1	-	-	-	-	21	-	6
Renaissance Walk	2000	9	17	5	2	-	-	1	1	1	-	-	-	-	-	-	33	3	-
P&L Land Development	2001	-	1	-	-	-	-	4	-	-	-	-	-	-	-	-	1	4	-
Renaissance Square	2001	-	-	-	1	-	-	-	-	-	-	-	1	-	-	-	1	-	1
Broadway Lofts - Mark James	2002	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30	-	-
Mark Twain Library & CRI	2003	-	2	6	2	-	2	-	3	3	-	-	-	-	-	-	10	8	-
Grisham Community Hsg	2003	-	-	7	-	-	-	-	-	-	-	-	1	-	-	-	7	-	1
3rd Street Parking	2005	21	14	-	-	-	1	1	-	-	-	-	-	-	-	-	35	2	-
Jamboree Hsg Project	2005	1	4	2	-	1	-	1	2	-	-	1	-	-	-	1	8	3	2
Atlantic Senior (Menorah)	2006	1	1	3	1	-	-	-	-	-	-	-	-	-	-	-	6	-	-
Atlantic Ave. Motel	2006	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-
Atlantic Housing III & IV	2006	2	20	7	-	-	-	6	3	1	-	-	-	-	-	-	29	10	-
Atlantic & Willow Acquisition	2007	-	2	-	-	-	-	1	-	-	-	3	-	-	-	-	2	1	3
Pine & PCH Acquisition	2007	-	6	-	-	-	-	1	-	-	-	-	-	-	-	-	6	1	-
Ronald McDonald House	2007	1	1	3	-	-	2	1	1	-	1	-	-	-	-	-	5	4	1
North Village Cntr - NE Quadrant	2007	1	4	2	-	-	-	1	-	-	-	-	-	-	-	-	7	1	-
North Village Cntr - NW Quadrant	2007	-	3	2	-	-	-	1	2	1	-	-	-	-	-	-	5	4	2
North Village Cntr - SE Quadrant	2007	3	2	-	2	-	1	1	1	1	-	-	1	-	-	-	7	4	1
Waite Motel Block	2007	-	3	1	-	-	-	5	2	-	-	1	-	-	-	-	4	7	1
West Gateway 9 & 10	2007	38	25	5	2	-	5	9	3	-	1	3	-	-	-	-	70	17	4
West Gateway 11	2007	16	12	-	-	-	-	-	-	-	-	-	-	-	-	-	28	-	-
<b>II. Units Pending Removal</b>																			
Broadway Lofts - American		23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23	-	-
Atlantic & Anaheim Project		-	-	1	1	-	-	-	1	-	-	-	-	-	-	-	2	1	-
Orizaba Park Exp.		-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-
Shoreline Gateway		25	1	-	-	-	4	1	-	-	-	-	-	-	-	-	26	5	-
Washington Focus Area		-	-	-	3	-	-	2	1	-	-	-	1	-	-	-	3	3	1
Broadway Block		-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	2	-
Long Beach Blvd. Motels		-	5	-	1	-	1	-	-	-	-	-	-	-	-	-	6	1	-
W. Industrial Nonconforming Use		-	7	4	1	-	-	3	-	-	-	-	-	-	-	-	12	3	-
<b>Total (FY65 - FY04)</b>		<b>59</b>	<b>21</b>	<b>18</b>	<b>5</b>	<b>-</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>103</b>	<b>15</b>	<b>8</b>
<b>Total (FY05 +)</b>		<b>133</b>	<b>110</b>	<b>31</b>	<b>11</b>	<b>1</b>	<b>14</b>	<b>34</b>	<b>18</b>	<b>3</b>	<b>-</b>	<b>2</b>	<b>8</b>	<b>3</b>	<b>1</b>	<b>-</b>	<b>286</b>	<b>69</b>	<b>15</b>

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North

<sup>2</sup> The City of Long Beach Housing Services Bureau classified all units occupied by displaced tenants that refused to provide income information as very-low income units.

<sup>3</sup> The City of Long Beach Housing Services Bureau classified seven units which were vacant at the time relocation as 1-Bedroom very-low income units.

TABLE 7 (CONTINUED)

HOUSING UNITS HISTORICAL & PENDING REMOVAL FROM CITY HOUSING INVENTORY 1  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

Removed Projects	Removal Date	Very Low Income					Low Income					Moderate Income					Total # of Bedrooms		
		Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	5-Bd	VL	Low
<b>I. Bedrooms Removed</b>																			
Willow - Long Beach Blvd.	1994	20	1	-	-	-	-	-	-	-	5	1	-	-	-	-	21	-	6
Renaissance Walk	2000	9	17	10	6	-	-	1	2	3	-	-	-	-	-	-	42	6	-
P&L Land Development	2001	-	1	-	-	-	-	4	-	-	-	-	-	-	-	-	1	4	-
Renaissance Square	2001	-	-	-	3	-	-	-	-	-	-	-	2	-	-	-	3	-	2
Broadway Lofts - Mark James	2002	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30	-	-
Mark Twain Library & CRI	2003	-	2	12	6	-	2	-	6	9	-	-	-	-	-	-	20	17	-
Grisham Community Hsg	2003	-	-	14	-	-	-	-	-	-	-	-	2	-	-	-	14	-	2
3rd Street Parking	2005	21	14	-	-	-	1	1	-	-	-	-	-	-	-	-	35	2	-
Jamboree Hsg Project	2005	1	4	4	-	4	-	1	4	-	-	1	-	-	-	5	13	5	6
Atlantic Senior (Menorah)	2006	1	1	6	3	-	-	-	-	-	-	-	-	-	-	-	11	-	-
Atlantic Ave. Motel	2006	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-
Atlantic Housing III & IV	2006	2	20	14	-	-	-	6	6	3	-	-	-	-	-	-	36	15	-
Atlantic & Willow Acquisition	2007	-	2	-	-	-	-	1	-	-	-	3	-	-	-	-	2	1	3
Pine & PCH Acquisition	2007	-	6	-	-	-	-	1	-	-	-	-	-	-	-	-	6	1	-
Ronald McDonald House	2007	1	1	6	-	-	2	1	2	-	1	-	-	-	-	-	8	5	1
North Village Cntr - NE Quadrant	2007	1	4	4	-	-	-	1	-	-	-	-	-	-	-	-	9	1	-
North Village Cntr - NW Quadrant	2007	-	3	4	-	-	-	1	4	3	-	-	4	-	-	-	7	8	4
North Village Cntr - SE Quadrant	2007	3	2	-	6	-	1	1	2	3	-	-	2	-	-	-	11	7	2
Waite Motel Block	2007	-	3	2	-	-	-	5	4	-	-	1	-	-	-	-	5	9	1
West Gateway 9 & 10	2007	38	25	10	6	-	5	9	6	-	1	3	-	-	-	-	79	20	4
West Gateway 11	2007	16	12	-	-	-	-	-	-	-	-	-	-	-	-	-	28	-	-
<b>II. Bedrooms Pending Removal</b>																			
Broadway Lofts - American		23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23	-	-
Atlantic & Anaheim Project		-	-	2	3	-	-	-	2	-	-	-	-	-	-	-	5	2	-
Orizaba Park Exp.		-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-
Shoreline Gateway		25	1	-	-	-	4	1	-	-	-	-	-	-	-	-	26	5	-
Washington Focus Area		-	-	-	9	-	-	2	2	-	-	-	3	-	-	-	9	4	3
Broadway Block		-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	4	-
Long Beach Blvd. Motels		-	5	-	3	-	1	-	-	-	-	-	-	-	-	-	8	1	-
W. Industrial Nonconforming Use		-	7	8	3	-	-	3	-	-	-	-	-	-	-	-	18	3	-
<b>Total (FY65 - FY04)</b>		<b>59</b>	<b>21</b>	<b>36</b>	<b>15</b>	<b>-</b>	<b>2</b>	<b>5</b>	<b>8</b>	<b>12</b>	<b>-</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>27</b>	<b>10</b>
<b>Total (FY05 +)</b>		<b>133</b>	<b>110</b>	<b>62</b>	<b>33</b>	<b>4</b>	<b>14</b>	<b>34</b>	<b>36</b>	<b>9</b>	<b>-</b>	<b>2</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>-</b>	<b>342</b>	<b>93</b>	<b>24</b>

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North

<sup>2</sup> The City of Long Beach Housing Services Bureau classified all units occupied by displaced tenants that refused to provide income information as very-low income units.

<sup>3</sup> The City of Long Beach Housing Services Bureau classified seven units which were vacant at the time relocation as 1-Bedroom very-low income units.

TABLE 8

REPLACEMENT HOUSING FULFILLMENT ANALYSIS <sup>1</sup>  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

Fulfillment Projects	Completion Date	Very Low Income					Low Income				Moderate Income				Total # of Units				
		Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	VL	Low	Mod
I. <b>Number of Units</b>																			
1213 Smith Place	1991	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
1212 Leigh Court	1992	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
1214 Leigh Court	1992	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
Lois Apartments - 321 W. 7th	1992	24	-	-	-	-	-	-	-	-	-	-	-	-	-	24	-	-	
Merit Hall Apts. - 1035 Lewis	1992	-	20	-	-	-	-	-	-	-	-	-	-	-	-	20	-	-	
Atlantic Apartments - 814 Atlantic	1993	-	13	-	-	-	-	-	-	-	-	-	-	-	-	13	-	-	
Seamist Apts. - 14th & Atlantic	1994	18	56	1	-	-	-	-	-	-	-	-	-	-	-	75	-	-	
1355 Wesley Drive	1995	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
Casa Corazon - 4th & Elm	1995	-	-	-	-	-	-	5	-	-	-	-	-	-	-	-	5	-	
Freeman Apts. - 1528 Freeman	1996	-	-	2	-	-	-	-	7	-	-	-	10	-	-	2	7	10	
1353 Wesley Drive	1996	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
435 E. 7th Street	1998	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-	-	
437 E. 7th Street	1998	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-	-	
1010 E. 12th Street	1998	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
1012 E. 12th Street	1998	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
1014 E. 12th Street	1998	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
Evergreen Apts. - 1823 E. 68th	1999	-	-	3	1	-	-	-	8	5	-	-	19	-	-	4	13	19	
74 E. 55th Street	2002	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
5818 Gardenia Avenue	2002	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
5810 Gardenia Avenue	2002	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
5800 Gardenia Avenue	2002	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	
2655 Santa Fe Avenue	2002	-	-	-	2	-	-	-	-	-	-	-	-	-	-	2	-	-	
Northpointe - 5441 Paramount	2003	-	7	80	20	-	-	25	318	76	-	-	-	-	-	107	419	-	
Grisham/Ruth/Peace/49th	2004	-	-	64	30	-	-	-	-	-	-	-	-	-	-	94	-	-	
Pacific City Lights Apartments	2007	-	-	-	30	1	-	-	-	3	7	-	-	-	-	31	10	-	
Olive Villas - 1856 Long Beach	2008	-	1	1	-	-	-	1	6	4	1	-	6	15	8	1	2	30	
Puerto del Sol (Jamboree Housing)	2008	-	-	36	16	11	-	-	-	-	-	-	-	-	-	63	-	-	
Neo Zoe - 1500 Pine	2008	-	-	-	-	-	-	-	5	-	-	-	3	9	-	-	5	12	
Menorah Housing	2009	-	65	-	-	-	-	-	-	-	-	-	-	-	-	65	-	-	
Villages at Carbrillo - 2001 River	2009	-	5	15	30	6	-	2	8	13	2	-	-	-	-	56	25	-	
Meta Hsg LB/Anaheim (Rental)	2009	-	19	13	-	-	-	-	-	-	-	-	-	-	-	32	-	-	
Meta Hsg LB/Anaheim (Ownership)	2009	-	-	-	-	-	-	9	11	3	-	9	11	3	-	-	23	23	
Lyon West Gateway	2010	-	-	-	-	-	-	15	11	-	-	-	-	-	-	-	26	-	
Atlantic Avenue Hsg - Phase 3/4	2010	-	-	-	-	-	-	-	-	-	-	-	24	18	6	-	-	48	
Barcelona (Est.)	2010	-	2	-	-	-	-	5	8	-	-	13	10	-	-	2	13	23	
Meta Hsg - 2114 LB Blvd	2010	-	-	8	9	-	-	-	10	11	-	-	5	4	-	17	21	9	
Meta Hsg - 2355 LB Blvd	2011	-	-	8	9	-	-	-	10	11	-	-	5	4	-	17	21	9	
<b>Total (FY65 - FY04)</b>		<b>42</b>	<b>96</b>	<b>150</b>	<b>65</b>	<b>2</b>	<b>-</b>	<b>30</b>	<b>333</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>365</b>	<b>444</b>	<b>29</b>	
<b>Total (FY05 +)</b>		<b>-</b>	<b>92</b>	<b>81</b>	<b>94</b>	<b>18</b>	<b>-</b>	<b>32</b>	<b>69</b>	<b>45</b>	<b>10</b>	<b>-</b>	<b>28</b>	<b>73</b>	<b>46</b>	<b>7</b>	<b>285</b>	<b>156</b>	<b>154</b>

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North.

Prepared by: Keyser Marston Associates, Inc.

File name: Long\_Beach\_Mid\_Term\_Review\_4\_24\_2008.xls; T-8; adc

TABLE 8 (CONTINUED)

REPLACEMENT HOUSING FULFILLMENT ANALYSIS <sup>1</sup>  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

Fulfillment Projects	Completion Date	Very Low Income					Low Income					Moderate Income					Total # of Bedrooms		
		Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	Studio	1-Bd	2-Bd	3-Bd	4-Bd	VL	Low	Mod
I.																			
1213 Smith Place	1991	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
1212 Leigh Court	1992	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
1214 Leigh Court	1992	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
Lois Apartments - 321 W. 7th	1992	24	-	-	-	-	-	-	-	-	-	-	-	-	-	24	-	-	
Merit Hall Apts. - 1035 Lewis	1992	-	20	-	-	-	-	-	-	-	-	-	-	-	-	20	-	-	
Atlantic Apartments - 814 Atlantic	1993	-	13	-	-	-	-	-	-	-	-	-	-	-	-	13	-	-	
Seamist Apts. - 14th & Atlantic	1994	18	56	2	-	-	-	-	-	-	-	-	-	-	-	76	-	-	
1355 Wesley Drive	1995	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
Casa Corazon - 4th & Elm	1995	-	-	-	-	-	-	5	-	-	-	-	-	-	-	-	5	-	
Freeman Apts. - 1528 Freeman	1996	-	-	4	-	-	-	-	14	-	-	-	20	-	-	4	14	20	
1353 Wesley Drive	1996	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
435 E. 7th Street	1998	-	-	-	-	4	-	-	-	-	-	-	-	-	-	4	-	-	
437 E. 7th Street	1998	-	-	-	-	4	-	-	-	-	-	-	-	-	-	4	-	-	
1010 E. 12th Street	1998	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
1012 E. 12th Street	1998	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
1014 E. 12th Street	1998	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
Evergreen Apts. - 1823 E. 68th	1999	-	-	6	3	-	-	-	16	15	-	-	38	-	-	9	31	38	
74 E. 55th Street	2002	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
5818 Gardenia Avenue	2002	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
5810 Gardenia Avenue	2002	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
5800 Gardenia Avenue	2002	-	-	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-	
2655 Santa Fe Avenue	2002	-	-	-	6	-	-	-	-	-	-	-	-	-	-	6	-	-	
Northpointe - 5441 Paramount	2003	-	7	160	60	-	-	25	636	228	-	-	-	-	-	227	889	-	
Grisham/Ruth/Peace/49th	2004	-	-	128	90	-	-	-	-	-	-	-	-	-	-	218	-	-	
Pacific City Lights Apartments	2007	-	-	-	90	4	-	-	-	9	28	-	-	-	-	94	37	-	
Olive Villas - 1856 Long Beach	2008	-	1	2	-	-	-	1	12	12	4	-	6	30	24	4	3	29	64
Puerto del Sol (Jamboree Housing)	2008	-	-	72	48	44	-	-	-	-	-	-	-	-	-	164	-	-	
Neo Zoe - 1500 Pine	2008	-	-	-	-	-	-	-	10	-	-	-	6	27	-	-	10	33	-
Menorah Housing	2009	-	65	-	-	-	-	-	-	-	-	-	-	-	-	65	-	-	
Villages at Carbrillo - 2001 River	2009	-	5	30	90	24	-	2	16	39	8	-	-	-	-	149	65	-	
Meta Hsg LB/Anaheim (Rental)	2009	-	19	26	-	-	-	-	-	-	-	-	-	-	-	45	-	-	
Meta Hsg LB/Anaheim (Ownership)	2009	-	-	-	-	-	-	9	22	9	-	9	22	9	-	-	40	40	-
Lyon West Gateway	2010	-	-	-	-	-	-	15	22	-	-	-	-	-	-	-	37	-	-
Atlantic Avenue Hsg - Phase 3/4	2010	-	-	-	-	-	-	-	-	-	-	-	48	54	24	-	-	-	126
Barcelona (Est.)	2010	-	2	-	-	-	-	5	16	-	-	13	20	-	-	2	21	33	-
Meta Hsg - 2114 LB Blvd	2010	-	-	16	27	-	-	-	20	33	-	-	10	12	-	43	53	22	-
Meta Hsg - 2355 LB Blvd	2011	-	-	16	27	-	-	-	20	33	-	-	10	12	-	43	53	22	-
<b>Total (FY65 - FY04)</b>		<b>42</b>	<b>96</b>	<b>300</b>	<b>195</b>	<b>8</b>	<b>-</b>	<b>30</b>	<b>666</b>	<b>243</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>641</b>	<b>939</b>	<b>58</b>	<b>-</b>
<b>Total (FY05 +)</b>		<b>-</b>	<b>92</b>	<b>162</b>	<b>282</b>	<b>72</b>	<b>-</b>	<b>32</b>	<b>138</b>	<b>135</b>	<b>40</b>	<b>-</b>	<b>28</b>	<b>146</b>	<b>138</b>	<b>28</b>	<b>608</b>	<b>345</b>	<b>340</b>

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North.

Prepared by: Keyser Marston Associates, Inc.

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TABLE 9

REPLACEMENT HOUSING OBLIGATION SURPLUS / (DEFICIT) CALCULATIONS  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

I. Surplus/(Deficit) by Number of Units	Total Units	Number of Units											
		Studio / One-Bedroom Units			Two-Bedroom Units			Three-Bedroom Units			Four-Bedroom Units		
		Very-Low	Low	Mod	Very-Low	Low	Mod	Very-Low	Low	Mod	Very-Low	Low	Mod
<b>A. Current Status (Through FY04)</b>													
Fulfillment <sup>1</sup>	828	138	30	0	150	333	29	65	81	0	2	0	0
Adjustment <sup>2</sup>	0	0	0	6	0	0	(6)	0	(1)	1	0	0	0
(Less) Obligation <sup>3</sup>	(126)	(80)	(7)	(6)	(18)	(4)	(2)	(5)	(4)	(1)	0	0	0
<b>Replacement Housing Surplus / (Deficit)</b>	<b>702</b>	<b>58</b>	<b>23</b>	<b>0</b>	<b>132</b>	<b>329</b>	<b>21</b>	<b>60</b>	<b>76</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>B. Future Status (Through FY11)</b>													
Current Surplus / (Deficit)	702	58	23	0	132	329	21	60	76	0	2	0	0
Fulfillment <sup>1</sup>	595	92	32	28	81	69	73	94	45	46	18	10	7
Adjustment <sup>2</sup>	0	93	0	0	0	0	0	(93)	0	0	0	0	0
(Less) Obligation <sup>3</sup>	(370)	(243)	(48)	(10)	(31)	(18)	(3)	(11)	(3)	(1)	(1)	0	(1)
<b>Replacement Housing Surplus / (Deficit)</b>	<b>927</b>	<b>0</b>	<b>7</b>	<b>18</b>	<b>182</b>	<b>380</b>	<b>91</b>	<b>50</b>	<b>118</b>	<b>45</b>	<b>19</b>	<b>10</b>	<b>6</b>
II. Surplus/(Deficit) by Number of Bedrooms	Total Units	Number of Bedrooms											
		Studio / One-Bedroom Units			Two-Bedroom Units			Three-Bedroom Units			Four-Bedroom Units		
		Very-Low	Low	Mod	Very-Low	Low	Mod	Very-Low	Low	Mod	Very-Low	Low	Mod
<b>A. Current Status (Through FY04)</b>													
Fulfillment <sup>1</sup>	1,638	138	30	0	300	666	58	195	243	0	8	0	0
Adjustment <sup>2</sup>	0	0	0	12	0	0	(12)	0	(3)	3	0	0	0
(Less) Obligation <sup>3</sup>	(168)	(80)	(7)	(6)	(36)	(8)	(4)	(15)	(12)	0	0	0	0
<b>Replacement Housing Surplus / (Deficit)</b>	<b>1,470</b>	<b>58</b>	<b>23</b>	<b>6</b>	<b>264</b>	<b>658</b>	<b>42</b>	<b>180</b>	<b>228</b>	<b>3</b>	<b>8</b>	<b>0</b>	<b>0</b>
<b>B. Future Status (Through FY11)</b>													
Current Surplus / (Deficit)	1,470	58	23	6	264	658	42	180	228	3	8	0	0
Fulfillment <sup>1</sup>	1,293	92	32	28	162	138	146	282	135	138	72	40	28
Adjustment <sup>2</sup>	0	279	0	0	0	0	0	(279)	0	0	0	0	0
(Less) Obligation <sup>3</sup>	(459)	(243)	(48)	(10)	(62)	(36)	(6)	(33)	(9)	(3)	(4)	0	(5)
<b>Replacement Housing Surplus / (Deficit)</b>	<b>2,304</b>	<b>186</b>	<b>7</b>	<b>24</b>	<b>364</b>	<b>760</b>	<b>182</b>	<b>150</b>	<b>354</b>	<b>138</b>	<b>76</b>	<b>40</b>	<b>23</b>

<sup>1</sup> See TABLE 8<sup>2</sup> Per California Health & Safety Code Section 33413, replacement dwelling units must be available at affordable housing costs to persons in the same or lower income category as the persons<sup>3</sup> See TABLE 7

Based on current and projected redevelopment and housing activities, it is estimated that 370 housing units will be removed from the market with a total of 459 bedrooms. However, it is also estimated that 588 affordable housing units will be produced with a total of 1,272 bedrooms. Therefore, it appears that there is ample affordable housing stock being produced to replace units removed from the market by redevelopment activities. Tables 10 and 11 summarize the status of replacement housing by number of bedrooms and time periods.

**Table 10**  
**Replacement Housing Fulfillment Status Summary Through FY04**

	Very Low Income # of Bedrooms				Low Income # of Bedrooms				Moderate Income # of Bedrooms			
	0/1	2	3	4	0/1	2	3	4	0/1	2	3	4
Units Produced	138	150	65	2	30	333	81	0	0	29	0	0
Adjustments <sup>4</sup>	NA	NA	NA	NA	NA	NA	(1)	NA	6	(6)	1	NA
Units Removed	(80)	(18)	(5)	0	(7)	(4)	(4)	0	(6)	(2)	(1)	0
Surplus/(Deficit)	58	132	60	2	23	329	76	0	0	21	0	0

**Table 11**  
**Replacement Housing Fulfillment Status Summary: FY05 – FY11**

	Very Low Income # of Bedrooms				Low Income # of Bedrooms				Moderate Income # of Bedrooms			
	0/1	2	3	4	0/1	2	3	4	0/1	2	3	4
Surplus/(Deficit)	58	132	60	2	23	329	76	0	0	21	0	0
Units Produced	92	81	94	18	32	69	45	10	28	73	39	7
Adjustments	93	NA	(93)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Units Removed	(243)	(31)	(11)	(1)	(48)	(18)	(3)	0	(10)	(3)	(1)	(1)
Surplus/(Deficit)	0	182	50	19	7	380	118	10	18	91	38	6

While additional projects that would remove housing are being explored on a conceptual level in the four active project areas—Downtown, West Industrial, North, and Central—the data shows that there is sufficient affordable housing stock being produced to fulfill the replacement housing requirements. Furthermore, additional housing production activities are being pursued on a conceptual level that may come to fruition.

<sup>4</sup> Per California Health & Safety Code §33413, replacement dwelling units must be available at affordable housing costs to persons in the same or lower income category as the persons displaced from any destroyed or removed units.

## **V. INCLUSIONARY HOUSING PRODUCTION REQUIREMENTS**

### **Legal Requirements**

Inclusionary housing production has many meanings depending on the context of its use. For the purposes of this Affordable Housing Compliance Plan, inclusionary housing production refers to a redevelopment agency's obligation to cause a specified percentage of new or rehabilitated housing produced in a project area to be available at affordable housing cost. It does not matter whether the housing is market rate or cost restricted, nor does it matter if the housing is privately or publicly produced. This is also known as the Project Area Housing Production Requirement.

### **Applicability of Inclusionary Housing Production Requirements by Project Area**

Redevelopment projects adopted prior to January 1, 1976, are not subject to this legal requirement. For the City of Long Beach, this excludes the West Beach, Poly High, Downtown, and West Long Beach Industrial Projects. This leaves the Central, North, and Los Altos Redevelopment Projects subject to inclusionary housing production requirements. Los Altos is a pure commercial project area comprised of major retail complexes on the east side of Bellflower Boulevard north of Daggett Street and South of Los Coyotes Diagonal. Therefore, obligations are only tracked for the Central and North Redevelopment Projects.

### **Method of Calculation of Inclusionary Housing Production Requirements**

The percentage of housing units that must be available at an affordable housing cost varies by whether the housing constructed or rehabilitated was developed by a redevelopment agency or by another party. The Agency has not produced housing per the definition contained in Section II above. (A written agreement with the Agency requiring affordable housing covenants does not meet the definition of Agency-produced housing.)

For housing constructed or substantially rehabilitated by persons or entities other than a redevelopment agency, at least 15 percent developed within the project area must be available to households of low- or moderate-income. Of this number, not less than 40 percent must be available to very low-income households. For example, for every 100 units produced, 15 must be affordable. Of these 15, at least 6 must be available to households with very low-income and the remaining 9 can be available to households of low- or moderate-income. Any fraction is rounded up, so for 101 units produced, 16 must be affordable and of that total, 7 must be available to very low-income households.

The definition of substantial rehabilitation changed in January 1, 2002. Prior to that time, any substantially rehabilitated units counted if they were in complexes of three or more units (triplexes or larger). Duplexes and single-family residences only triggered production if they were rehabilitated with redevelopment agency assistance.



After January 1, 2002, the only substantially rehabilitated housing that triggers production requirements is rehabilitation completed with redevelopment agency assistance. Again, per the definition of agency-assisted housing, the Agency has not assisted with the rehabilitation of housing units.

The law requires that inclusionary housing production requirements be met every 10 years. If the requirements are not met within the 10-year period, the Agency is required to meet the requirements on an annual basis. If at the end of the 10-year period the redevelopment agency has exceeded the requirements, the redevelopment agency may carry over the surplus units and count them toward the requirements of the following ten-year period.

As with replacement housing production, inclusionary housing production must also be deed-restricted with affordability covenants. Ownership units must be deed restricted for 45 years and rental units must be deed restricted for 55 years. If owner-occupied affordable units are sold at market rates, a redevelopment agency has three years from the date of sale to produce an equal number of affordable units at the same income level as those sold.

### **Inclusionary Housing Production Requirements**

The residential development that has occurred within the post-1976 portions of the City's Project Areas, specifically the North and Central Long Beach Redevelopment Project Areas, is detailed in Table 12. The resulting inclusionary housing production obligations are quantified in Table 13.

#### Housing Development FY93 Through FY04

According to City records, private parties constructed 1,154 residential units within the Project Areas between FY93 and FY04. These developments triggered the requirement to produce 104 low- and moderate-income units, and 70 units that must be set-aside for very low-income households.

#### Housing Development FY05 Through FY09

Between FY05 and FY09, 1,116 units have been or are expected to be developed in the Project Areas. These units generate an inclusionary housing production obligation of 169 units. Of the 169 units, 100 units must be restricted as low- and moderate-income households, and at least 69 units must be provided to very low-income households.

TABLE 12

HOUSING DEVELOPMENT ANALYSIS THROUGH END OF THE PROJECT AREA LIFE  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

I. Projects <sup>1</sup>	Construction Type	Units Built in Project Area	Completion Year
<b>A. Project Developed Between FY93 - FY04</b>			
Previous Implementation Plan	New Construction & Agency Assisted Sub Rehab	512	1993 -2003
74 East 55th	Agency Assisted Sub Rehab	1	2002
2655 Santa Fe	Agency Assisted Sub Rehab	2	2002
5818 Gardenia Avenue	Agency Assisted Sub Rehab	1	2002
5810 Gardenia Avenue	Agency Assisted Sub Rehab	1	2002
5800 Gardenia Avenue	Agency Assisted Sub Rehab	1	2002
Northpointe (Parwood)	Agency Assisted Sub Rehab	528	2003
<b>B. Project Developed Between FY05 - FY09</b>			
Lofts on 4th	New Construction	8	2004
429 Almond	Agency Assisted Sub Rehab	4	2004
Grisham/Ruth/Peace/49th	Agency Assisted Sub Rehab	96	2004
Orcutt	Agency Assisted Sub Rehab	6	2005
483 Gaviota	Agency Assisted Sub Rehab	1	2007
Pacific City Lights	New Construction	42	2007
1500 Pine Avenue	New Construction	22	2008
Puerto del Sol (Jamboree Housing)	New Construction	64	2008
Olive Villas	New Construction	58	2008
Villages at Carbrillo - 2001 River	New Construction	81	2008
Ceadr Court - 1855, 1865, 1895	Agency Assisted Sub Rehab	42	2008
Cerritos Court - 842 & 858	Agency Assisted Sub Rehab	23	2008
Ocean Breeze (Sr.) - 854 MLK	Agency Assisted Sub Rehab	16	2008
Orange Ave. - 1000	Agency Assisted Sub Rehab	19	2008
Ocean Gate - 1070 MLK	Agency Assisted Sub Rehab	20	2008
1034 Alamos Apts.	Agency Assisted Sub Rehab	30	2008
Lime Street Apts. - 1060	Agency Assisted Sub Rehab	16	2008
Cedar Court South - 1843-1849	Agency Assisted Sub Rehab	32	2008
Seabreeze (Sr.) - 745 Alamos	Agency Assisted Sub Rehab	44	2008
Linden Garden Court - 6371	Agency Assisted Sub Rehab	24	2008
Artesia Court - 3281-3283	Agency Assisted Sub Rehab	36	2008
Valentine Gardens - 6185, 6191, 6195 Linden	Agency Assisted Sub Rehab	18	2008
530 Elm Avenue	Agency Assisted Sub Rehab	17	2008
3301 Santa Fe	Agency Assisted Sub Rehab	1	2008
Private Developments <sup>2</sup>	Private Developer	69	2008
<b>C. Projects To Be Developed Between FY10 - Project Area Termination</b>			
Menorah Housing	New Construction	66	2009
Meta Housing LB/Anaheim - Senior Apartments	New Construction	145	2009
Meta Housing LB/Anaheim - Ownership Units	New Construction	216	2009
Palace Hotel	Agency Assisted Sub Rehab	8	2009
1600 Long Beach Blvd.	New Construction	10	2010
Atlantic Workforce Housing	New Construction	48	2010
Lyon-Westgateway	New Construction	26	2010
Meta Housing - 2114 LB Blvd	New Construction	47	2010
	Agency Assisted Sub Rehab	61	2010
Meta Housing - 2355 LB Blvd	New Construction	47	2011
Barcelona (Est.)	New Construction	50	2011
116 West 14th Street	Agency Assisted Sub Rehab	3	2011
124 West 14th Street	Agency Assisted Sub Rehab	1	2011
228 West 14th Street	Agency Assisted Sub Rehab	1	2011
469-471 West 17th Street	Agency Assisted Sub Rehab	5	2011
1494 Henderson Avenue	Agency Assisted Sub Rehab	4	2011
1495 Chestnut Avenue	Agency Assisted Sub Rehab	1	2011

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TABLE 12 (CONTINUED)

HOUSING DEVELOPMENT ANALYSIS THROUGH END OF THE PROJECT AREA LIFE  
 IMPLEMENTATION PLAN - MID-TERM REVIEW  
 LONG BEACH, CALIFORNIA

I. Projects <sup>1</sup>	Construction Type	Units Built in Project Area	Completion Year
<b>C. Projects To Be Developed Between FY10 - Project Area Termination (continued)</b>			
1650 Magnolia Avenue	Agency Assisted Sub Rehab	1	2011
1730 Magnolia Avenue	Agency Assisted Sub Rehab	2	2011
1732-34 Magnolia Avenue	Agency Assisted Sub Rehab	1	2011
1736 Magnolia Avenue	Agency Assisted Sub Rehab	2	2011
1842 Locust	New Construction	6	2012
1950 Henderson Avenue	New Construction	5	2012
1960 Henderson Avenue	New Construction	5	2012
105 W. 14th Street	New Construction	3	2012
1339-47 Pine Avenue	New Construction	6	2012
1348 Pacific	New Construction	3	2012
1411 Pine Avenue	New Construction	3	2012
1486 Henderson Avenue	New Construction	3	2012
1718 Magnolia Avenue	New Construction	2	2012
1836 Locust Avenue	Agency Assisted Sub Rehab	5	2012
1850 Locust Avenue	Agency Assisted Sub Rehab	4	2012
1905-07 Pine Avenue	Agency Assisted Sub Rehab	7	2012
1911 Pine Avenue	Agency Assisted Sub Rehab	6	2012
Multi-Family Rehab	Agency Assisted Sub Rehab	379	Mult-Yr
Single-Family Rehab	Agency Assisted Sub Rehab	128	Mult-Yr
Projects Developed Through the Project Areas Termination <sup>3</sup>	New Construction	4,588	Mult-Yr
<b>Total Housing Production Units</b>		<b>7,733</b>	
II. Completion Fiscal Year (FY)	Agency Owned Units	Other Units	Total Units
FY93 - FY04	0	1,154	1,154
FY05	0	6	6
FY06	0	0	0
FY07	0	43	43
FY08	0	632	632
FY09	0	435	435
FY10 - Project Area Termination	0	5,463	5,463
<b>Total Housing Production Units</b>		<b>7,733</b>	<b>7,733</b>

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North

<sup>2</sup> Units are constructed by private developers without the use of Agency Assistance; figure based on data provided by the City of Long Beach Housing Services Bureau.

<sup>3</sup> Based on the assumption that private development reaches the residential buildout allowed.

TABLE 13

**INCLUSIONARY HOUSING PRODUCTION OBLIGATION <sup>1</sup>**  
**IMPLEMENTATION PLAN - MID-TERM REVIEW**  
**LONG BEACH, CALIFORNIA**

	<u>Total Obligation</u>	<u>Very-Low Income Units</u>	<u>Low/Moderate Income Units</u>
<b>I. <u>Privately Developed and Agency Assisted Units</u> <sup>2</sup></b>			
FY93 - FY04	174	70	104
FY05	1	1	0
FY06	0	0	0
FY07	7	3	4
FY08	95	38	57
FY09	66	27	39
FY10 - Project Area Termination	820	328	492
<b>Total Units</b>	<b>1,163</b>	<b>467</b>	<b>696</b>
<b>II. <u>Agency Developed Units</u> <sup>3</sup></b>			
FY93 - FY04	0	0	0
FY05	0	0	0
FY06	0	0	0
FY07	0	0	0
FY08	0	0	0
FY09	0	0	0
FY10 - Project Area Termination	0	0	0
<b>Total Units</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> The inclusionary housing obligation is calculated on a rolling 10-year period basis.

<sup>2</sup> At least 15% of all new and substantially rehabilitated units developed by an entity (other than the Agency) within a project area must be restricted to low or moderate income households. Additionally, at least 40% of the restricted units must be occupied by very-low income households. The inclusionary housing obligation must be met on a rolling 10-year period basis.

<sup>3</sup> At least 30% of all new and substantially rehabilitated units developed by the Agency, within a project area must be restricted to low or moderate income households. Additionally, at least 50% of the restricted units must be occupied by very-low income households. The inclusionary housing obligation must be met on a rolling 10-year period basis.

### Projected Housing Development FY10 Through Termination of Project Areas

1. The Agency anticipates that a total of 264 units will be constructed between FY10 and FY12.
2. A total of 611 units are anticipated to be rehabilitated between FY10 and FY12 with the use of Agency assistance.
3. The City's Planning Bureau estimates the total number of potential new housing units within the Redevelopment Project Areas at 4,588.

The projected 5,463 units of new development and Agency assisted substantial rehabilitation projects generate an inclusionary housing production requirement for 820 income-restricted units. Of this total, at least 328 units must be allocated to very low-income households.

### **Inclusionary Housing Production Obligation**

The housing production figures stated above indicate that the current inclusionary housing production obligation and the anticipated obligations total 1,163 units, of which 467 are very low-income units and 696 are low/moderate-income units. Table 13 details the Agency's annual obligation.

### **Inclusionary Housing Production Fulfillment**

Table 14 identifies the inclusionary housing production units that have been produced to date, as well as the units projected to be produced in the future. Table 15 illustrates the current surplus in inclusionary housing production units and the projected future surplus in inclusionary housing production units. The results of these analyses are summarized in Table 16.

TABLE 14

**INCLUSIONARY HOUSING PRODUCTION FULFILLMENT ANALYSIS <sup>1</sup>**  
**IMPLEMENTATION PLAN - MID-TERM REVIEW**  
**LONG BEACH, CALIFORNIA**

Fulfillment Projects	Year Built	Project Type	Covenant Terms (Yrs)	Total Units Produced	Total Countable Units <sup>2</sup>	Very- Low Income Units	Low Income Units	Moderate Income Units
				<b>Agency Developed</b>				
I. <u>Inside Redevelopment Project Areas</u>								
NA				0	0	0	0	0
<b>Total Agency Developed</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
				<b>Agency Covenants</b>				
II. <u>A. Inside Redevelopment Project Areas</u>								
1213 Smith Place	1991	Ownership	49	1	1	1	0	0
1212 Leigh Court	1992	Ownership	49	1	1	1	0	0
1214 Leigh Court	1992	Ownership	49	1	1	1	0	0
Lois Apartments - 321 W. 7th	1992	Apartments	50	24	24	24	0	0
Merit Hall Apts.- 1035 Lewis	1992	Apartments	40	20	20	20	0	0
Atlantic Apartments - 814 Atlantic	1993	Apartments	40	13	13	13	0	0
Seamist Apts. - 14th & Atlantic	1994	Apartments	40	75	75	75	0	0
1355 Wesley Drive	1995	Ownership	45	1	1	1	0	0
Casa Corazon - 4th & Elm <sup>3</sup>	1995	Apartments	40	25	25	0	25	0
Freeman Apts. - 1528 Freeman	1996	Apartments	40	19	19	2	7	10
1353 Wesley Drive	1996	Ownership	45	1	1	1	0	0
435 E. 7th Street	1998	Ownership	41	1	1	1	0	0
437 E. 7th Street	1998	Ownership	41	1	1	1	0	0
1010 E. 12th Street	1998	Ownership	41	1	1	1	0	0
1012 E. 12th Street	1998	Ownership	41	1	1	1	0	0
1014 E. 12th Street	1998	Ownership	41	1	1	1	0	0
Evergreen Apts.- 1823 E. 68th	1999	Ownership	40	36	36	4	13	19
Northpointe - 5441 Paramount <sup>4</sup>	2003	Apartments	55	528	526	107	419	0
74 E. 55th Street	2002	Ownership	45	1	1	1	0	0
5818 Gardenia Avenue	2002	Ownership	45	1	1	1	0	0
5810 Gardenia Avenue	2002	Ownership	45	1	1	1	0	0
5800 Gardenia Avenue	2002	Ownership	45	1	1	1	0	0
2655 Santa Fe Avenue	2002	Ownership	45	2	2	2	0	0
Grisham/Ruth/Peace/49th <sup>5</sup>	2004	Apartments	55	96	94	94	0	0
Pacific City Lights Apartments <sup>6</sup>	2007	Apartments	55	42	41	31	10	0
Olive Villas - 1856 Long Beach <sup>7</sup>	2008	Ownership	45	58	44	2	12	30
Puerto del Sol (Jamboree Housing) <sup>6</sup>	2008	Apartments	55	64	63	63	0	0
Neo Zoe - 1500 Pine <sup>7</sup>	2008	Ownership	45	22	17	0	5	12
Villages at Carbrillo - 2001 River	2009	Apartments	55	81	81	56	25	0
Menorah Housing <sup>6</sup>	2009	Apartments	55	66	65	65	0	0
Meta Hsg. LB/Anaheim (Rental) <sup>7</sup>	2009	Apartments	55	145	30	30	0	0
Meta Hsg. LB/Anaheim (Ownership) <sup>7</sup>	2009	Ownership	45	216	46	0	23	23
Lyon West Gateway	2010	Apartments	55	26	26	0	26	0
Atlantic Avenue Hsg - Phase 3/4	2010	Ownership	45	48	48	0	0	48

Prepared by: Keyser Marston Associates, Inc.

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TABLE 14 (CONTINUED)

**INCLUSIONARY HOUSING PRODUCTION FULFILLMENT ANALYSIS 1  
IMPLEMENTATION PLAN - MID-TERM REVIEW  
LONG BEACH, CALIFORNIA**

	Year Built	Project Type	Covenant Terms (Yrs)	Total Units Produced	Total Countable Units <sup>2</sup>	Very- Low Income Units	Low Income Units	Moderate Income Units
<b>A. Inside Redevelopment Project Areas (continued)</b>								
Barcelona (Est.) <sup>7</sup>	2010	Apartments	55	50	38	2	13	23
Meta Hsg - 2114 LB Blvd	2010	Apartments	55	47	47	17	21	9
Meta Hsg - 2355 LB Blvd	2011	Apartments	55	47	47	17	21	9
<b>B. Outside Redevelopment Project Area<sup>3</sup></b>								
NA	NA	NA	0	0	0	0	0	0
<b>Total Agency Covenants</b>				<b>1,764</b>	<b>1,441</b>	<b>638</b>	<b>620</b>	<b>183</b>
						<b>Very- Low Income Units</b>	<b>Low Income Units</b>	<b>Moderate Income Units</b>
<b>III. Completion Fiscal Year (FY)</b>								
FY93 - FY04						355	464	29
FY05 - FY09 (Implementation Plan Period)						247	75	65
FY10 - Project Area Termination						36	81	89
<b>Total Inclusionary Housing Production Fulfillment Units</b>						<b>638</b>	<b>620</b>	<b>183</b>

<sup>1</sup> Based on data provided by the City of Long Beach Housing Services Bureau for Project Areas: Central, Downtown and North

<sup>2</sup> All units are eligible to fulfill the Agency's Inclusionary Obligation.

<sup>3</sup> All 25 units conform with inclusionary housing requirements; however, only five units comply with replacement housing covenant requirements.

<sup>4</sup> Low Income units are restricted to households at 60% of median income. Two units are reserved as Manager's units.

<sup>5</sup> Two units are reserved as Manager's units.

<sup>6</sup> One unit is reserved as a Manager's unit.

<sup>7</sup> The difference between that Total Units Produced and the Total Countable Units represents the number of Market Rate units in the Project.

<sup>8</sup> Units constructed outside of the Project Area are counted on a 1 for 2 basis.

TABLE 15

**INCLUSIONARY HOUSING PRODUCTION OBLIGATION SURPLUS/(DEFICIT) CALCULATIONS <sup>1</sup>**  
**IMPLEMENTATION PLAN - MID-TERM REVIEW**  
**LONG BEACH, CALIFORNIA**

	<u>Very-Low Income Units</u>	<u>Low/Moderate Income Units</u>	<u>Total</u>
<b>I. <u>Privately Developed and Agency Assisted Units</u></b>			
<b>A. <u>Current Inclusionary Housing Production Surplus/(Deficit) <sup>2</sup></u></b>			
Total Inclusionary Housing Production Fulfillment	355	493	848
(Less) Inclusionary Housing Production Obligation	<u>(70)</u>	<u>(104)</u>	<u>(174)</u>
<b>Total Current Surplus/(Deficit)</b>	<b>285</b>	<b>389</b>	<b>674</b>
<b>B. <u>Inclusionary Housing Production Surplus/(Deficit) Through FY09</u></b>			
Current Surplus/(Deficit)	285	389	674
Total Inclusionary Housing Production Fulfillment	247	140	387
(Less) Inclusionary Housing Production Obligation	<u>(69)</u>	<u>(100)</u>	<u>(169)</u>
<b>Total Surplus/(Deficit) Through FY09</b>	<b>463</b>	<b>429</b>	<b>892</b>
<b>C. <u>Inclusionary Housing Production Surplus/(Deficit) Through Project Area Termination</u></b>			
Surplus/(Deficit) Through FY09	463	429	892
Total Inclusionary Housing Production Fulfillment	36	170	206
(Less) Inclusionary Housing Production Obligation	<u>(328)</u>	<u>(492)</u>	<u>(820)</u>
<b>Total Surplus/(Deficit) Through Project Termination</b>	<b>171</b>	<b>107</b>	<b>278</b>
<b>II. <u>Agency Developed Units</u></b>			
<b>A. <u>Current Inclusionary Production Housing Surplus/(Deficit) <sup>2</sup></u></b>			
Total Inclusionary Housing Production Fulfillment	0	0	0
(Less) Inclusionary Housing Production Obligation	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Current Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. <u>Inclusionary Housing Production Surplus/(Deficit) Through FY09</u></b>			
Current Surplus/(Deficit)	0	0	0
Total Inclusionary Housing Production Fulfillment	0	0	0
(Less) Inclusionary Housing Production Obligation	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Surplus/(Deficit) Through FY09</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. <u>Inclusionary Housing Production Surplus/(Deficit) Through Project Area Termination</u></b>			
Surplus/(Deficit) Through FY09	0	0	0
Total Inclusionary Housing Production Fulfillment	0	0	0
(Less) Inclusionary Housing Production Obligation	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Surplus/(Deficit) Through Project Termination</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> See TABLE 14 for the fulfillment analysis; and TABLE 13 for the obligation requirement

<sup>2</sup> Includes FY93 - FY05 Inclusionary Housing Production Obligation requirements.



Timing	Very Low Income	Low/Mod Income	Total
Surplus/(Deficit) between FY93 – FY04	285	389	674
Surplus/(Deficit) between FY05 – FY09	463	429	892
Surplus/(Deficit) between FY10 – Project Area Termination	171	107	278

The Agency has produced a surplus of very low- and low/moderate-income units. As such, the Agency is currently in compliance with their inclusionary housing production obligation and the Agency anticipates remaining in compliance with their future obligation until the termination of the Project Area.

### **Methods of Meeting Future Inclusionary Housing Production Requirements**

The Agency plans to satisfy its inclusionary housing production requirements by one or more of the following methods, with an emphasis on housing available to lower-income households:

1. The expenditure of housing set-aside funds (20 percent of its tax increment revenues) through the LBHDC to produce very low-, low-, and moderate-income dwelling units.
2. The imposition of covenants or restrictions requiring that specified numbers of housing units newly-developed or substantially-rehabilitated with Agency assistance be and remain affordable to very low-, low-, and moderate-income households.
3. The purchase or acquisition by regulation or agreement of long-term affordability covenants on existing multi-family units.

On June 20, 2006, the City of Long Beach adopted an ordinance establishing the Housing Trust Fund. The Housing Trust Fund will serve as a source of revenue to meet, in part, the housing needs of the City's extremely low- and above-moderate-income households. The LBHDC is exploring revenue sources for the Housing Trust Fund.