

## AFFORDABLE AND WORKFORCE HOUSING STUDY SESSION



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LONGBEACH

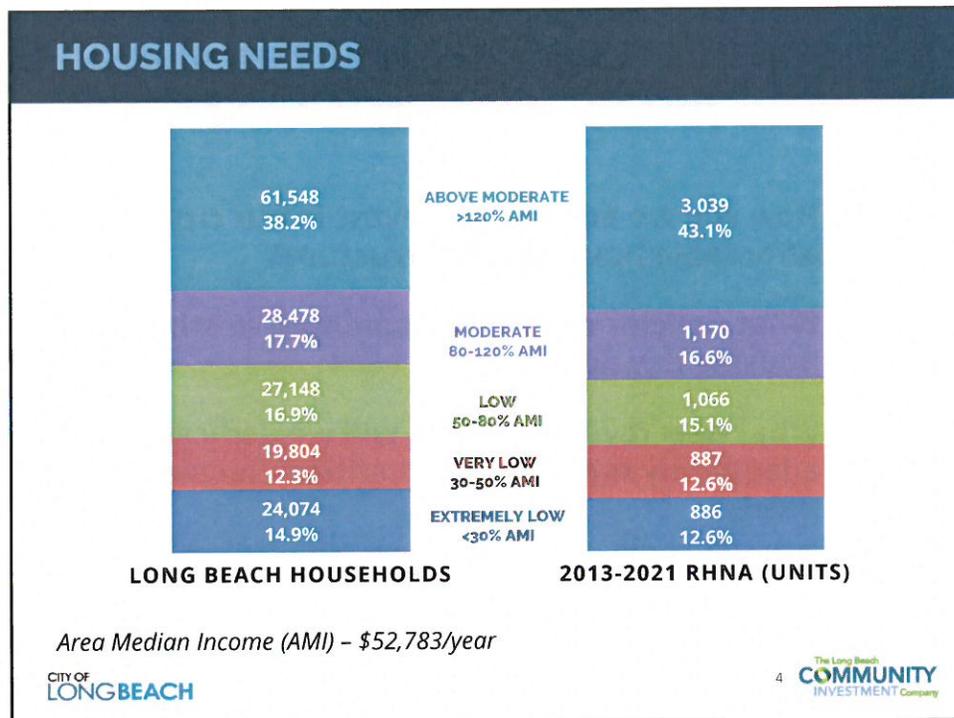
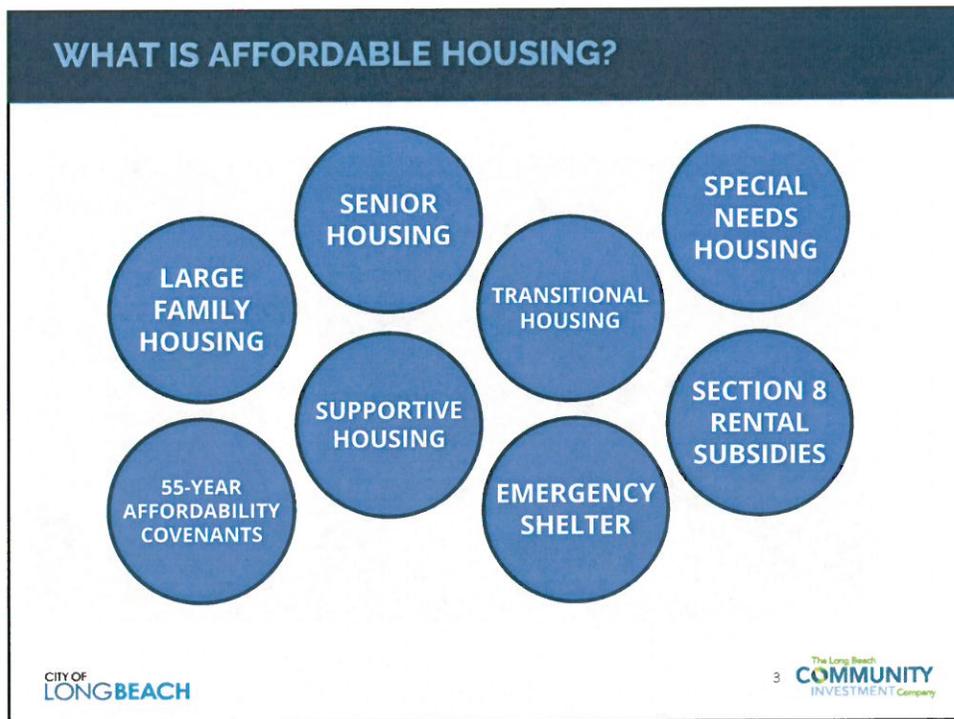
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## GUIDING QUESTIONS

- **How will we adequately invest in our city's affordable housing infrastructure?**
- **What policies can be implemented to stimulate housing development?**
- **What new revenue source will we dedicate to adequately meet our city's critical housing needs?**

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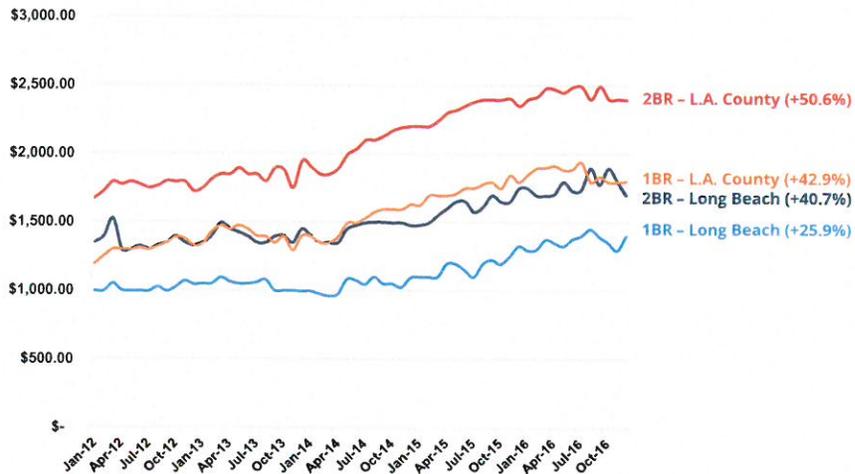


## HOUSING ISSUES

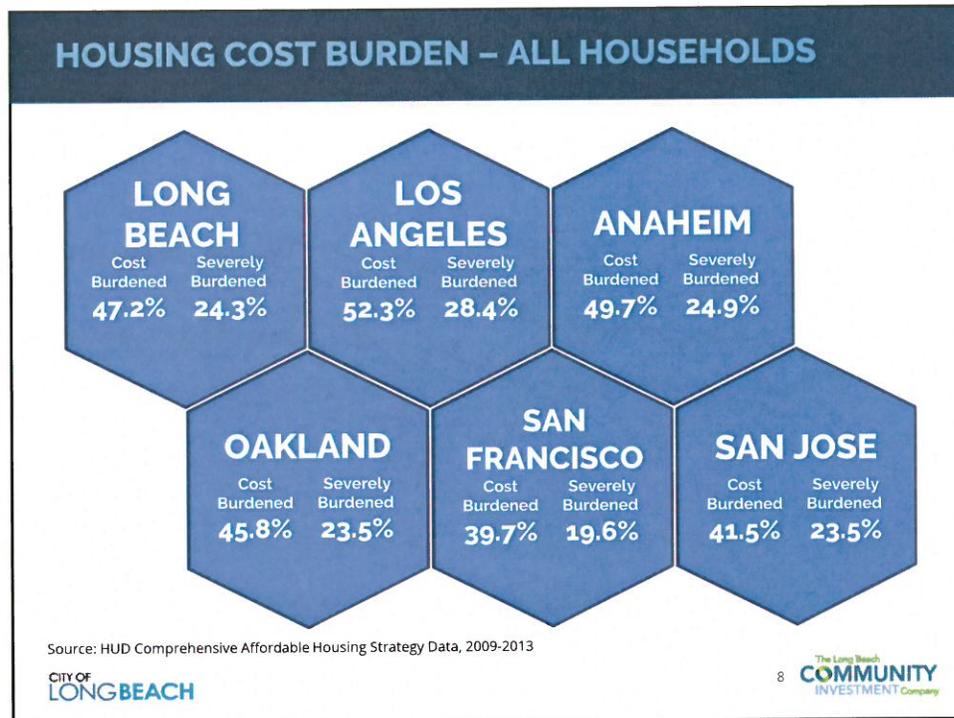
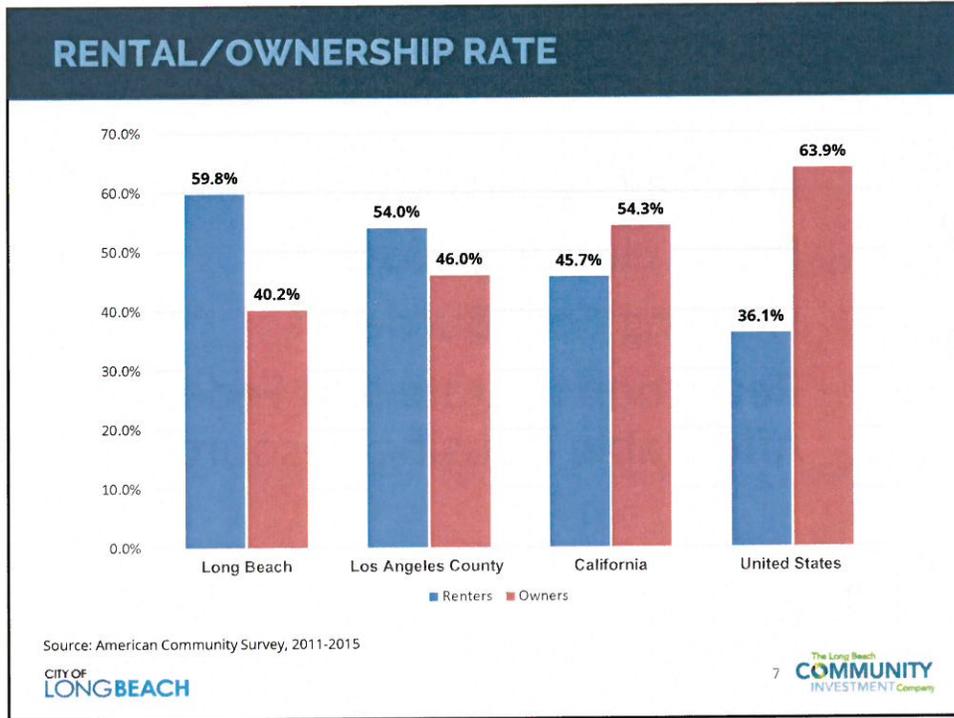
- Low Paying Jobs and Poverty
- Rising Housing Costs
- Housing Cost Burden
- Reduction in State and Federal Affordable Housing Resources

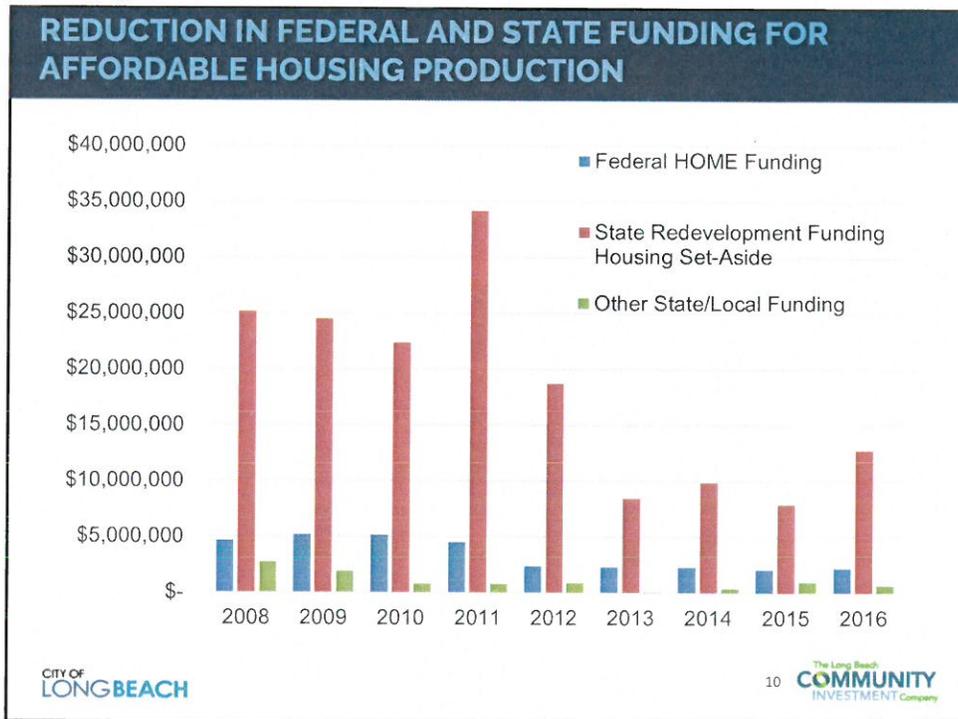
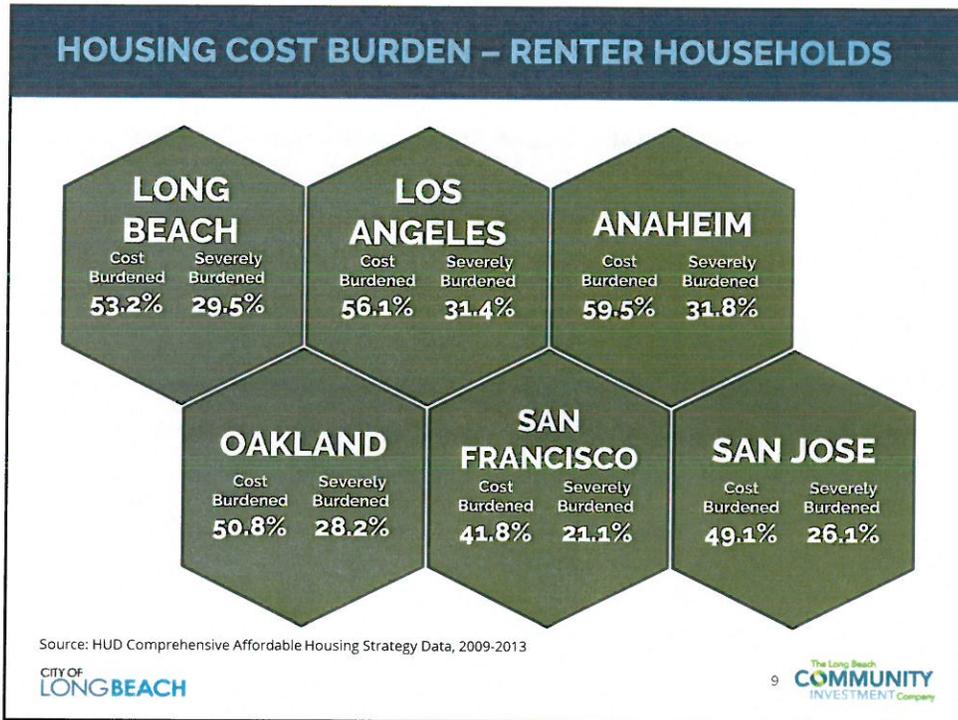
## RISING HOUSING COSTS

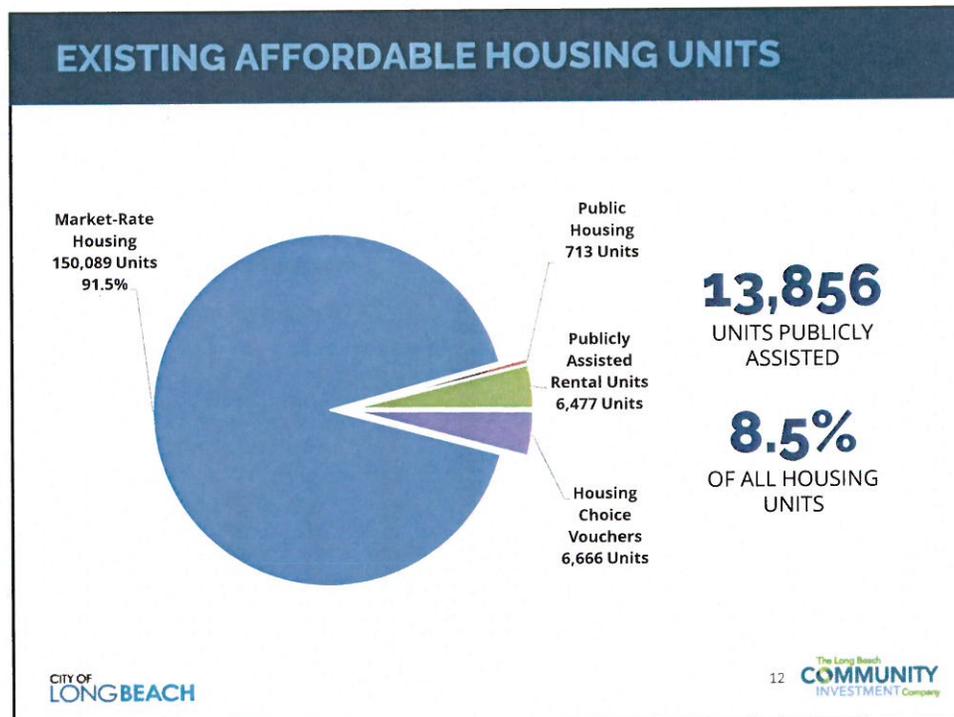
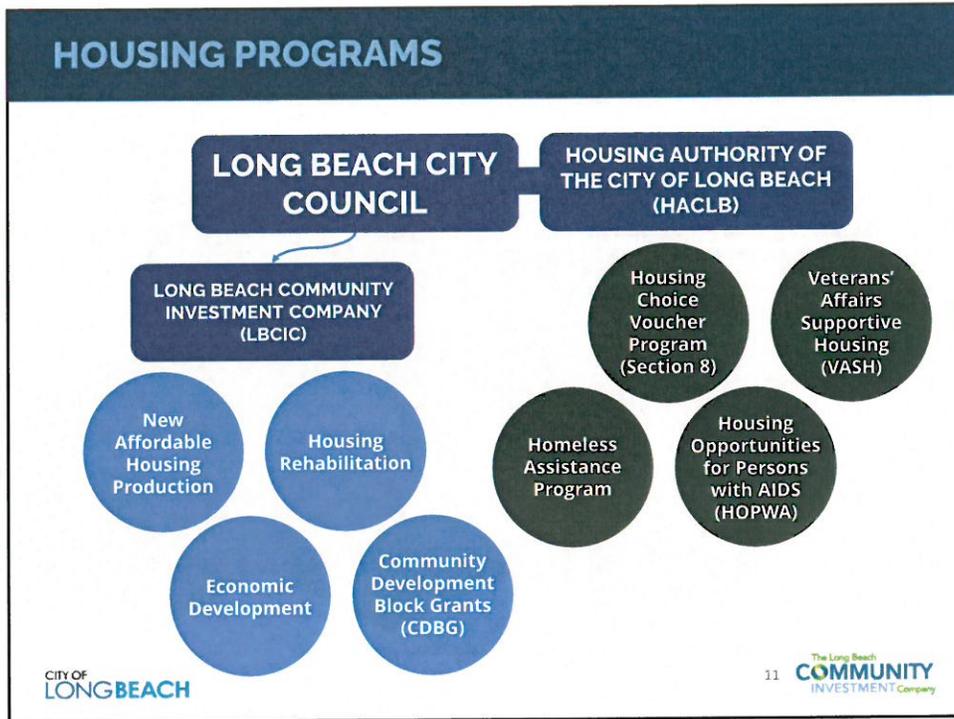
Median Rent, 1-BR and 2-BR Units, 2012-2016



Source: Zillow Research Data





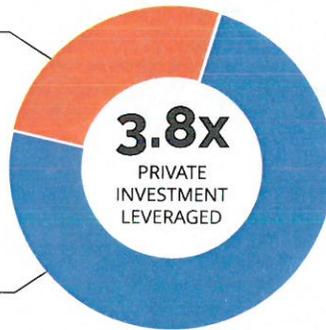


## LBCIC PROGRESS: 2006-2016

# \$560,677,200

Invested in new Affordable Housing, 2006-2016

2005-2016  
City/LBCIC  
Investment  
\$146,295,055

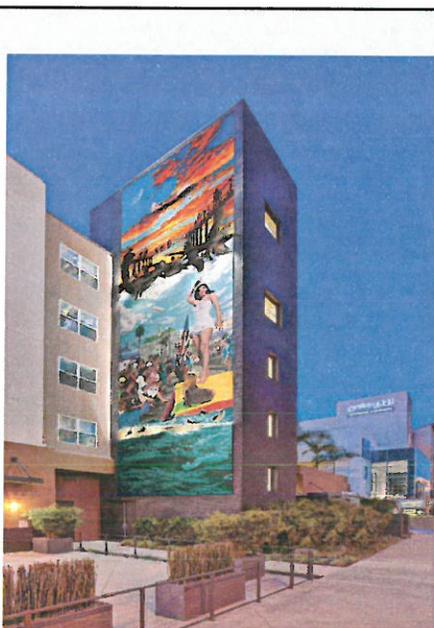


Developer  
Financing  
\$414,382,145

- **1,735** Units of New Affordable Housing Produced
- **2,139** Units of Affordable Housing Preserved
- **367** Units Rehabilitated and Newly Restricted
- **335** First-Time Homebuyers Assisted
- **4,576 TOTAL HOUSEHOLDS ASSISTED**

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gallery421 - New Construction (26 units)

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## COMPLETED PROJECTS

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## FAMILY RENTAL HOUSING

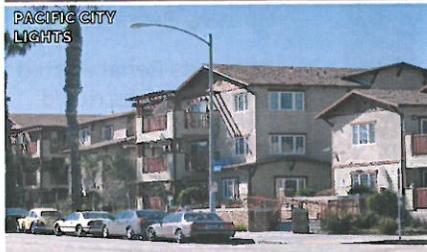
LONG BEACH & BURNETT APARTMENTS



FAMILY COMMONS AT CABRILLO



PACIFIC CITY LIGHTS



PUERTO DEL SOL



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## FAMILY RENTAL HOUSING

DEGRO - SCATTERED SITES REHABILITATION



BELWOOD ARMS APARTMENTS



COLLAGE APARTMENTS



EVERGREEN APARTMENTS



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## SENIOR & OWNERSHIP HOUSING



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## SPECIAL NEEDS HOUSING



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## ADAPTIVE REUSE

IMMANUEL CHURCH  
SENIOR HOUSING



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Anchor Place – New Construction, Veterans and Family Rental  
(120 Units)

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## PROJECTS UNDERWAY & APPROVED

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## APPROVED AND PENDING PROJECTS

	PROJECT	TYPE	UNITS
UNDER CONSTRUCTION OR NEARING CONSTRUCTION	Anchor Place	Homeless, Family, Veteran	119
	Daisy (4) and Banner (8)	Developmentally Disabled	12
	Beachwood Apartments (Rehabilitation)	Disabled	46
	The Beacon	Senior, Homeless Veteran	160
	<b>SUBTOTAL</b>		
PROPOSED OR IN PLANNING PHASE (THRU 2019)	1950-60 Henderson Henderson RFP	Family	4
	Pacific/14th RFP	Family	11
	1836 Locust RFP	Family, Special Needs	65
	Housing NOFA 2016 - 1795 Long Beach Boulevard	Family, Special Needs	100
	1900 Long Beach Blvd. RFP	Family, Special Needs	95
	<b>SUBTOTAL</b>		
<b>TOTAL UNITS IN PROCESS</b>			<b>612</b>

## ANCHOR PLACE



### New Construction - Veterans and Family Rental

Developer  
Century Villages at Cabrillo

Total LBCIC Financial Assistance  
\$4.0 Million

Total Development Cost  
\$42.5 Million

Unit Mix  
1-Bedroom: 95  
2-Bedroom: 20  
3-Bedroom: 5  
Total: 120

Affordability  
Very Low: 111  
Moderate: 8  
Manager: 1

## THE BEACON



### New Construction – Senior and Veterans Rental

Developer  
Century Housing

Total LBCIC Financial Assistance  
\$12.3 Million

Total Development Cost  
\$80.4 Million

<u>Unit Mix</u>	
<i>Beacon Pointe</i>	<i>Beacon Place</i>
121 Units	39 Units
1-Bedroom: 110	1-Bedroom: 30
2-Bedroom: 11	2-Bedroom: 9

Affordability  
Extremely Low: 26  
Very Low: 72  
Low: 60  
Manager: 2

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## BEACHWOOD APARTMENTS



### Preservation – Special Needs (Disabled)

Developer  
Century Affordable Development, Inc.

Total LBCIC Financial Assistance  
\$2.1 Million

Total Acquisition Cost  
\$8.8 Million

Unit Mix  
45 Units  
1-Bedroom: 32  
2-Bedroom: 13

Affordability  
Very Low: 6  
Low: 38  
Manager: 1

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## HABITAT FOR HUMANITY - HENDERSON

### New Construction - Ownership

Developer  
Habitat for Humanity of Greater Los Angeles

Total LBCIC Financial Assistance  
\$382,000

Total Development Cost  
\$1,514,027

Unit Mix  
4 Single-Family, 3-Bedroom Homes

Affordability  
Low: 4



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## PACIFIC APARTMENTS – 1795 LONG BEACH BLVD

### New Construction - Family & Special Needs Rental

Developer  
AMCAL

Total LBCIC Financial Assistance  
\$3.5 Million

Total Development Cost  
\$42.2 Million

Unit Mix  
101 Units  
1-Bedroom: 61  
2-Bedroom: 156  
3-Bedroom: 25

Affordability  
Extremely Low: 18  
Very Low: 32  
Low: 50



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## THE SPARK AT MIDTOWN



### New Construction – Family & Homeless Rental

Developer  
LINC Housing

Total LBCIC Financial Assistance  
\$3 Million

Total Development Cost  
\$41.4 Million

Unit Mix  
95 Units  
1-Bedroom: 47  
2-Bedroom: 23  
3-Bedroom: 25

Affordability  
Extremely Low: 66  
Very Low: 10  
Low: 18  
Manager: 1

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## EXISTING FUNDING FOR AFFORDABLE HOUSING

HOUSING RESOURCES	
REVENUES	AMOUNT
SERAF (repaid)	\$ 8,848,132
Downtown Deferred Set-Aside (repaid)	\$ 15,873,758
Other Loan Repayments, Interest, etc.	\$ 9,449,739
City/Agency Debt (20% to Housing Fund) Received	\$ 898,683
<b>SUBTOTAL (fund balance as of 9/30/16)</b>	<b>\$ 35,070,312</b>
City/Agency Debt receivable (FY-17 to FY-20)	\$ 6,028,373
<b>TOTAL HOUSING ASSET FUNDS</b>	<b>\$ 41,098,685</b>
<b>PENDING COMMITMENTS</b>	<b>\$ 26,782,000</b>
<b>NET AVAILABLE HOUSING ASSET FUND RESOURCES</b>	<b>\$ 14,316,685</b>
HOME Funds (FY-17)	\$ 3,200,000
Housing Choice Voucher Program (FY-17)	\$ 69,221,942
<b>TOTAL AVAILABLE FUNDING</b>	<b>\$ 86,738,627</b>

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## EXISTING INCENTIVES – FEE WAIVERS

### DEVELOPER IMPACT FEE WAIVERS

The City provides Developer Impact Fee Waivers to encourage the development of affordable housing. Recent examples include:

- Cabrillo Gateway (Villages at Cabrillo): \$448,000
- Anchor Place (Villages at Cabrillo): \$666,700
- The Beacon (Long Beach Blvd. & Anaheim): \$890,850

## EXISTING INCENTIVES – DENSITY BONUS

### DENSITY BONUS

Long Beach has adopted the State density bonus law to provide up to a 35% density bonus to facilitate the development of lower income housing, moderate-income condominiums, and housing for seniors. Bonuses include:

- Increased Density
- Reduced Parking
- Relaxed Development Standards

## EXISTING INCENTIVES – AB 744

### ASSEMBLY BILL 744 (CHAU)

Assembly Bill 744 requires reduced parking for affordable housing projects.

Eligible within ½-mile of a transit stop:

- Seniors-only development with transit access
- Special needs

## STUDY GROUP INPUT & COMMUNITY PARTICIPATION



2/16 THROUGH 2/17  
HOUSING STUDY  
GROUP MEETINGS

9/19/16  
MAYOR'S  
ROUNDTABLE  
WITH HOUSING  
ADVOCATES

9/24/16  
HOUSING  
RESOURCE  
FAIR &  
COMMUNITY  
FORUM

10/14/16  
MAYOR'S  
ROUNDTABLE WITH  
HOUSING  
DEVELOPERS

2/21/17  
AFFORDABLE/  
WORKFORCE  
HOUSING  
STUDY  
SESSION

AFFORDABLE  
HOUSING POLICY  
RECOMMENDATIONS

## PUBLIC COMMENT ISSUES

- General support for the need and development of more affordable housing.
- Concerns about overall rising rents and the cost of housing in Long Beach.
- Lack of affordable, quality housing for workers and families.
- Lack of amenities and basic needs near affordable housing developments.
- A need to balance affordable housing with new commercial and market rate housing development.
- Lack of suitable land and a development process that takes too long.
- A desire for mixed-income housing, and housing for people with moderate incomes.
- Allowing and encouraging innovative housing types to address population needs, including micro-units, intergenerational housing, and transit-oriented development.

## HOUSING STUDY GROUP

- The Housing Study Group suggested a three-pronged approach:
  - 1. Plan and Prioritize**
  - 2. Protect and Preserve**
  - 3. Produce and Promote**
- Additional data needs to be collected to bridge stakeholder interests and inform initial conversations around new housing policies.

## STRATEGY #1: PLAN AND PRIORITIZE

### Case making

- With a combination of data and story, build the “case” and “shared vision” for investing in tools and resources that create high quality affordable housing in Long Beach.
- Celebrate Long Beach’s successes as it relates to affordable housing. Coalesce and mobilize community support around the “case.”

### Synthesize

- Synthesize the City’s Housing Action Plan, Housing Element, other relevant City planning documents, and Affordable Housing Study Group Policy Recommendations into unified, coherent “plan” or roadmap for affordable and workforce housing that enjoys broad community support.
- Consider the plans and priorities of other public agency stakeholders such as the County of Los Angeles and State of California.

## STRATEGY #1: PLAN AND PRIORITIZE

### Systematize

- Ensure that the plan is the centerpiece of a Community Investment System that establishes priorities, contemplates a pipeline of opportunities, and promotes the adoption of enabling conditions.
- Maintain a database of opportunities involving publicly held land (i.e., current City owned parcels, Metro owned lots, underutilized publicly owned lots).

### Accountability and Impact

- Commit to the Community Investment System and Collective Impact methodologies by adopting policies and goals that are “SMART” (Strategic, Measurable, Actionable, Relevant, and Time-Bound).
- Establish an “interdepartmental” backbone role which features a mechanism for community feedback and public accountability to ensure plan implementation.
- Pursue foundation funding to fund this backbone role.

## STRATEGY #2: PROTECT AND PRESERVE

- Consider a policy to limit condo conversions when vacancy rates drop below a certain percentage.
- One-for-one replacement of all housing lost to redevelopment.
- Preserve stock of existing affordable housing within the community.

## STRATEGY #3: PRODUCE AND PROMOTE

- Through voter approval of a local bond measure, establish a “one time” source of capitalizing the City’s Housing Trust Fund. Bond proceeds would be invested over a finite time period (i.e., 10 years) in projects that meet specific local priorities and needs.
- Encourage mixed income housing through adoption of an inclusionary housing policy and establishment of incentives for developers. Subsidize or mandate mixed income housing through inclusionary zoning program, or payment of adequate “in lieu” fees.
- Address zoning and regulatory impediments that serve as barriers to the creation of affordable housing. One successful example is the adoption of specific plans (ie, community plans) that feature master EIRs which provide regulatory relief, greater environmental certainty, and more rapid entitlements.

### STRATEGY #3: PRODUCE AND PROMOTE

- Continue to partner with developers and other community stakeholders in the pursuit of grant funding and other third party resources such as Metro resources, State AHSC funding, County resources, and other Federal grant/loan programs.
- Encourage the project-basing of Section 8 vouchers for supportive housing developments.
- Adopt ordinance that paves the way for the development of accessory dwelling units.
- Address the housing needs of college students through promotion of student housing on university controlled or university adjacent land.

### STRATEGY #3: PRODUCE AND PROMOTE

- Communicate the City's State and local legislative priorities as it relates to affordable housing. Promote the engagement of interested City stakeholders in an effort to maximize the flow of external resources into the City.
- Explore the feasibility and mechanics of using new structures such as the enhanced infrastructure financing district (EIFD) tool to capitalize the Housing Trust Fund with new resources for the creation of affordable housing.
- Provide necessary City staffing resources to effectively manage the growth of affordable housing contemplated by this set of policy recommendations.

## OTHER STAFF RECOMMENDATIONS

- Modify moderate-income definition from 80-120% of AMI to 80-150%.
- Support CEQA reform.
- Reduce parking requirements.

## NEXT STEPS

- Refine Housing Report to Include Feedback from February 21, 2017 Study Session.
- Conduct Additional Research as Necessary.
- Finalize Housing Report.
- Present Final Housing Report to City Council with Housing Policy Recommendations.

