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ORDINANCE NO. ORD-21-0034

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AMENDING THE LONG BEACH
MUNICIPAL CODE BY ADDING CHAPTER 21.68, AND
SUBSECTION 21.25.506.A.7, ALL RELATING TO
ENHANCED DENSITY BONUS REGULATIONS

WHEREAS, the goal of the Enhanced Density Bonus (EDB) ordinance is to increase housing production outside of the Downtown area; provide an incentive structure to support inclusionary housing and to implement the recommendations of the May 2017 study “Revenue Tools and Incentives for the Production of Affordable and Workforce Housing” and the “Everyone Home” plan in order to augment the number of housing units in the City; and

WHEREAS, pursuant to Government Code Section 65852.150, the California Legislature has found and declared that, among other things, California faces a severe housing crisis and is falling far short of meeting current and future housing demand with serious consequences for the state's economy and its residents, particularly lower and middle-income earners; and

WHEREAS, the State Legislature has declared that the lack of readily available housing, including a variety of housing types for all income levels and special needs groups, is a critical problem that threatens the economic, environmental, and social quality of life in California; and

WHEREAS, on January 8, 2020, Governor Gavin Newsom issued Executive Order N-23-20 declaring that California faces a severe housing crisis that has made housing unaffordable for too many Californians and, in turn, has exacerbated the problem of homelessness; and

WHEREAS, the housing crisis harms families across California and has

1 resulted in, among other things, an increase in poverty and homelessness, especially first-
2 time homelessness, has forced lower income residents into crowded and unsafe housing
3 conditions, particularly in urban areas, has forced health care providers, teachers, and
4 others, including critical safety personnel, into more affordable housing farther from the
5 communities they serve, which in turn exacerbates disaster response challenges in high-
6 cost, high-congestion areas and increases risk to life; and

7 WHEREAS, the housing crisis has, and is, severely impacting the State's
8 economy with employers facing increasing difficulty in securing and retaining a workforce;
9 and schools, universities, nonprofits, and governments facing similar difficulties attracting
10 and retaining teachers, students, and employees; and

11 WHEREAS, the State of California recognizes the importance of developing
12 affordable housing in the state and has developed a Density Bonus Law (California
13 Government Code §§ 65915 et seq.) to promote such housing development, which law
14 requires that cities offer certain density bonuses, incentives, and concessions, in
15 exchange for the development of qualifying projects, provided enumerated criteria are
16 met; and

17 WHEREAS, while the most significant barrier to the construction of
18 affordable housing is a lack of public funding, the other major obstacle is the existence of
19 low-density zoning regulations because mixed income and affordable housing projects
20 need density to leverage the economies of scale that are necessary to offset the cost of
21 providing the needed affordable units; and

22 WHEREAS, the State Density Bonus Law specifically permits cities,
23 including chartered cities such as the City of Long Beach, to adopt ordinances and other
24 regulations offering density bonuses and incentives that exceed and enhance those
25 bonuses and incentives currently mandated under the State Density Bonus Law; and

26 WHEREAS, the City of Long Beach has not produced sufficient overall
27 housing stock in the City, and is producing insufficient levels of affordable housing to meet
28 the demonstrated need of the City; and

1 WHEREAS, despite its stated goals and objectives, the State Density Bonus
2 Law has proven inadequate to encourage needed housing production in the City and has
3 only been utilized a few times in the City during the past two decades; and

4 WHEREAS, because of the failure of the existing State Density Bonus laws
5 and regulations to produce much needed affordable housing, the City is in need of new
6 ordinances and regulations such as the Enhanced Density Bonus (EDB) Ordinance
7 considered herein; and

8 WHEREAS, the proposed EDB Ordinance would amend Title 21 of the Long
9 Beach Municipal Code to establish regulations to allow for increased density bonuses in
10 excess of those permitted by the State Density Bonus Law in exchange for increased
11 levels of on-site, deed-restricted affordable units, in order to facilitate the development of
12 mixed-income, multi-family housing Citywide, with increased density bonuses and
13 incentives focused in high quality transit areas.

14 WHEREAS, an EDB ordinance designed to tailor the incentive structure to
15 local conditions presently existing in the City will complement the City's recently enacted
16 inclusionary housing regulations by providing incentives for affordable housing in areas
17 outside of the Downtown and Midtown areas; and

18 WHEREAS, the EDB ordinance would provide the greatest bonuses in areas
19 of the City served by the highest quality transit, which furthers the goals of the City's 2019
20 General Plan Land Use Element Update and state regulations designed to reduce
21 greenhouse gas emissions; and

22 WHEREAS, an EDB ordinance is also critical to help the City achieve its
23 26,502 unit Regional Housing Needs Assessment (RHNA) requirement through 2029, as
24 demonstrated by the City's current Housing Element and site inventory, recent housing
25 development trends in the City, and the City's current restrictive zoning regulations; and

26 WHEREAS, the Planning Commission considered the proposed EDB
27 regulations and ordinance provisions on June 17, 2021, at a duly noticed public hearing,
28 as prescribed by law, at which time City Staff and interested persons had an opportunity

1 to, and did, testify either in support of or against the proposed EDB regulations. At the
2 conclusion of the Planning Commission hearing, and after due consideration of the
3 testimony and other evidence presented, the Planning Commission voted unanimously to
4 recommend to the City Council that the City adopt an EDB ordinance for the purpose of
5 enhancing the construction of much needed market-rate and affordable housing in the
6 City; and

7 WHEREAS, even though the adoption of an Enhanced Density Bonus
8 Ordinance is categorically exempt from the California Environmental Quality Act (CEQA)
9 pursuant to Section 15061.b.3 of the CEQA Guidelines because adoption of this zoning
10 ordinance is covered by the general rule that CEQA applies only to projects which have
11 the potential for causing a significant effect on the environment, and this project does not
12 have the potential for causing a significant effect on the environment; the City did prepare,
13 and the City Council does hereby adopt and approve, Negative Declaration ND 08-20
14 together with the "Findings" contained therein; and

15 WHEREAS, the EDB ordinance is meant to be a temporary measure that will
16 sunset on October 1, 2030, unless otherwise extended by the City Council; or if the City
17 first fulfills its 6th Cycle RHNA requirements and goals for very low, low and moderate
18 income units, whichever occurs first.

19 NOW, THEREFORE, the City Council of the City of Long Beach ordains as
20 follows:

21 Section 1. The Long Beach Municipal Code is amended by adding
22 Chapter 21.68 to read as follows:

23 Chapter 21.68

24 ENHANCED DENSITY BONUS

25 21.68.010 Purpose.

26 The purpose of this Chapter is to create an Enhanced Density Bonus
27 (EDB) incentive program that exceeds and enhances those bonuses and
28 incentives currently provided under the State Density Bonus Law

1 (Government Code Section 65915) that could be utilized by qualifying
2 projects in lieu of, but not in addition to, the State Density Bonus law
3 provisions, in order to facilitate the development of mixed-income, multi-
4 family and special needs housing Citywide, with increased density bonuses
5 and incentives focused in high quality transit areas. The provisions of this
6 Chapter are adopted in order to assist the City in meeting its Regional
7 Housing Needs Assessment (RHNA) requirement through 2029; support
8 inclusionary housing in the City; and implement the goals and objectives of
9 the City's "Everyone Home" program as well as the Land Use Element of
10 the City's General Plan, in order to augment and produce sufficient levels of
11 market-rate and affordable housing across a variety of housing types to
12 meet the demonstrated housing need of the City.

13
14 21.68.020 Definitions.

15 A. High Quality Transit Bus Corridor (HQTC): A high-quality
16 transit bus corridor means a corridor with fixed route public bus service with
17 service intervals no longer than fifteen (15) minutes during peak commute
18 hours, as defined by California Public Resources Code 21155.

19 B. Major Transit Stop: A site or location containing a rail station
20 or the intersection of two (2) or more public bus routes with a service
21 interval of fifteen (15) minutes or less during the morning and afternoon
22 peak commute periods, as defined by California Public Resources Code
23 21064.3. The stations or bus routes may be existing, under construction, or
24 included in the most recent Southern California Association of Governments
25 (SCAG) Regional Transportation Plan (RTP).

26 C. Qualifying Project: A residential or mixed-use project that
27 includes On-Site Restricted Affordable Units at a rate that meets or exceeds
28 the minimum requirements to satisfy the Enhanced Density Bonus

1 Incentives and as set forth in this Chapter. A qualifying project must be
2 proposed on an eligible parcel, and meet or exceed the income thresholds
3 as defined below.

4 1. Very Low-Income Households as defined in Section
5 50105 of the California Health and Safety Code.

6 2. Low Income Households as defined in Section 50093 of
7 the California Health and Safety Code.

8 3. Moderate Income Households as defined in Section
9 50093 of the California Health and Safety Code.

10
11 21.68.030 Eligible parcels.

12 Parcels in the City may be eligible for an Enhanced Density Bonus
13 where any residential uses, including live/work units, are permitted either by
14 the zoning district or the General Plan Place Type designation; and where
15 five (5) or more housing units could be built without a bonus, based on the
16 allowable densities and site size.

17
18 21.68.040 Procedures.

19 A. Applicants with qualifying projects and parcels may request use
20 of the EDB Chapter provisions and procedures, or the State Density Bonus
21 provisions and procedures (Government Code 65915), but may not utilize
22 both programs in order to increase density or otherwise qualify for project
23 incentives.

24 B. All deed-restricted affordable units approved utilizing the
25 provisions of this Chapter shall be deed restricted for a minimum of fifty-five
26 (55) years.

27 C. All projects utilizing the provisions of this Chapter are required
28 to undergo Site Plan Review (SPR) in accordance with the provisions set

1 forth in Chapter 21.25.

2 D. No density bonus granted in accordance with the provisions of
3 this Chapter shall exceed one hundred (100) percent; and the total number
4 of additional incentives/concessions shall not exceed nine (9), and shall not
5 exceed six (6) incentives/concessions for projects that are also subject to the
6 City's Inclusionary Housing Ordinance (Chapter 21.67).

7 E. No-Net-Loss

8 1. All projects utilizing the provisions of this Chapter shall
9 be subject to "no-net-loss" provisions that exceed State and City mandated
10 requirements and regulations; and shall include the replacement of any
11 affordable units lost as a result of the approval or construction of the project
12 on a one-for-one basis, in addition to the minimum number of affordable
13 units required by this Chapter (as calculated as a percentage of the total
14 base units). Existing units shall be deemed affordable and subject to the
15 replacement requirement if either the income of the household qualifies as
16 low income at the low, very low or extremely low income levels or if the rent
17 level, regardless of household income, is affordable to low, very low or
18 extremely low income households. The number and affordability levels of
19 the replacement units to be provided shall be determined by both the income
20 level of the household and the rent level of the unit regardless of household
21 income.

22 2. Applicants shall provide evidence/documentation to the
23 satisfaction of the Director of Development Services, or designee, in order to
24 establish the rent and affordability levels of all individual dwelling units that
25 will, or may, be removed as a result of a proposed project. Such
26 documentation/evidence shall include an accounting of all rents charged for
27 the individual units over the preceding five (5) years. Rent levels will be
28 compared to Average Median Income (AMI) to establish the units'

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affordability levels. The requirement to provide an accounting of rents for the preceding five (5) years applies retroactively to any units that may have been demolished or vacated within the five (5) year period preceding the application. No demolition or construction permits shall be issued for multifamily developments consisting of five (5) or more residential dwelling units until the required documentation is provided and approved; and an application is submitted to the City that incorporates both replacement and density bonus units for the proposed project.

F. Rounding and calculations.

All calculations for affordable housing requirements, bonuses and /or incentives shall be rounded up to the next whole number.

G. Affordable unit size, mix and location.

Affordable units shall be evenly distributed throughout the project and shall have equal access to on-site amenities. Affordable units shall be generally reflective of the mix of unit sizes and number of bedrooms of the overall project, and shall be comparable to market-rate units in terms of design, and exterior and interior finishes.

21.68.050 Density bonus eligibility and percentages.

The Tables set forth in this Section establish the percentage of affordable units in a proposed EDB project and the eligible density bonus that can be granted based on the level of affordability for each of three (3) geographic tiers: (1) the Base Area; (2) High Quality Transit Corridors; and (3) Major Transit Stops, as defined above.

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Table 21.68-1
 Base Area

Affordable Component	Bonus for Very Low Income (VLI)	Bonus for Low Income (LI)	Bonus for Moderate Income (Mod)
3 (*)	15	3	
4 (*)	20	4	
5	25	5	
6	30	10	6
7	35	15	7
8	40	20	8
9	45	25	9
10	50	30	10
11	55	35	15
12	60	40	20
13	65	45	25
14	70	50	30
15		55	35
16		60	40
17		65	45
18		70	50
19			55
20			60
21			65
22			70

Footnote (*): Use of 3% and 4% affordability component only permissible when the total number of affordable units across multiple restricted income levels equals or exceeds 12% of all units. For example, an applicant may propose 3% Very Low Income (VLI) in the Base Area and be eligible for a 15% density bonus; however, the 3% can only be used in conjunction with one or more other affordable components that total a minimum of 12% affordable units in a project.

Table 21.68-2
 High Quality Transit Corridors

Affordable Component	Bonus for Very Low Income (VLI)	Bonus for Low Income (LI)	Bonus for Moderate Income (Mod)
3 (*)	20	5	
4 (*)	25	10	
5	30	15	
6	35	20	6
7	40	25	7
8	45	30	10
9	50	35	15

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Affordable Component	Bonus for Very Low Income (VLI)	Bonus for Low Income (LI)	Bonus for Moderate Income (Mod)
10	55	40	20
11	60	45	25
12	65	50	30
13	70	55	35
14	75	60	40
15	80	65	45
16	85	70	50
17	90	75	55
18		80	60
19		85	65
20		90	70
21			75
22			80
23			85
24			90

Footnote (*): Use of 3% and 4% affordable components only permissible when the total number of affordable units across multiple restricted income levels equals or exceeds 12% of all units. For example, an applicant may propose 3% Very Low Income (VLI) in the High Quality Transit Corridor and be eligible for a 20% density bonus; however, the 3% can only be used in conjunction with one or more other affordable components that total a minimum of 12% affordable units in a project.

Table 21.68-3
 Major Transit Stop

Affordable Component	Bonus for Very Low Income (VLI)	Bonus for Low Income (LI)	Bonus for Moderate Income (Mod)
3 (*)	35	15	
4 (*)	40	20	
5	45	25	6
6	50	30	10
7	55	35	15
8	60	40	20
9	65	45	25
10	70	50	30
11	75	55	35
12	80	60	40
13	85	65	45
14	90	70	50
15	95	75	55
16	100	80	60

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Affordable Component	Bonus for Very Low Income (VLI)	Bonus for Low Income (LI)	Bonus for Moderate Income (Mod)
17		85	65
18		90	70
19		95	75
20		100	80
21			85
22			90
23			95
24			100

Footnote (*): Use of 3% and 4% affordable components only permissible when the total number of affordable units across multiple restricted income levels equals or exceeds 12% of all units. For example, an applicant may propose 3% Very Low Income (VLI) in a Major Transit Stop eligibility area and be eligible for a 35% density bonus; however, the 3% can only be used in conjunction with one or more other affordable components that total a minimum of 12% affordable units in a project.

21.68.060 Eligible concessions/incentives for EDB projects not subject to the Inclusionary Housing Requirements of LBMC Chapter 21.67 (“Non-Inclusionary Projects”).

The following Table shall determine how many incentives/concessions a “Non-Inclusionary Project” may be eligible for, based on the percent density bonus a project has qualified for. (See above, Density Bonus Eligibility and Percentages).

Table 21.68-4
 Maximum Number of Concessions for Non-Inclusionary Projects

Concession	Eligible Density Bonus
1	20
2	30
3	40
4	50
5	60
6	70
7	80
8	90
9	100

Note: For EDB projects that are subject to the Inclusionary Housing Requirements

of Chapter 21.67 of the Long Beach Municipal Code (“Inclusionary Projects”), including projects in the Downtown (PD-30) and Midtown (SP-1) areas, the following Table shall be used to calculate the number of incentives/concessions a project is eligible for. In the Downtown (PD-30) and Midtown (SP-1) areas, incentives/concessions shall be based on the total percent density bonus a project qualifies for (see above, Density Bonus Eligibility and Percentages).

Table 21.68-5
 Maximum Number of Concessions for Projects
 Subject to LBMC 21.67 (“Inclusionary Projects”)

Total # Concessions	Eligible Density Bonus (2023 and beyond)	Maximum Concession for Height	Eligible Density Bonus (2022)	Maximum Concession for Height*	Eligible Density Bonus (2021)	Maximum Concession for Height*
3	70	1 story	50	1 story	40	1 story
4	80		70		60	
5	90	2 stories	90	2 stories	80	2 stories
6	100	3 stories	100	3 stories	100	3 stories

*Note: Any height increases on a lot sharing a lot line or across an alley from an R1 or R2 zoned property occupied by a single-family home or duplex, shall step-back any height increase over twelve (12) feet at least ten (10) feet from the exterior face of the ground floor of the building.

21.68.070 Types of eligible concessions/incentives.

A. The following are the by-right “on-menu”

concessions/incentives that an EDB project may request based on the number of concessions/incentives a project is eligible for per the concession/incentive Tables set forth above:

1. A floor area ratio (FAR) increase of forty (40) percent per concession;
2. A fifteen (15) percent reduction in non-residential parking per concession;
3. A thirty (30) percent reduction in open space per concession;

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4. An allowance for all shared/public (in lieu of private) open space;

5. An averaging of floor area ratio (FAR), density, parking, open space or access across zones (one (1) incentive per development standard averaged);

6. A fifteen (15) percent reduction in transitional height requirements;

7. A thirty (30) percent reduction in an individual setback per concession (maximum one (1) incentive per side or front yard with a maximum of two (2) incentives on the rear yard);

8. A maximum of one (1) additional story in height in the Base and HQTC areas and a maximum of three (3) additional stories in height in the Major Transit Stop area.

B. In addition to the above “on-menu” concessions/incentives, an Applicant may propose or request a concession/incentive, not otherwise listed herein, that will be considered “off-menu.” Each such concession proposed or requested shall count as two (2) concessions and shall be subject to review and approval by the Planning Commission based on the physical necessity of the incentive for the provision of the affordable units. Only projects eligible for a minimum of forty (40) percent density bonus may seek an off-menu concession/incentive. No concessions related to signage shall be granted.

C. Height Concessions.

1. A story shall not exceed twelve (12) feet;

2. Each additional story in height counts as one (1) incentive, except that any additional stories in height above one (1) in the Base and HQTC areas shall count as two (2) incentives;

3. Maximum Height Concessions. Projects are limited to a

1 maximum height concession of two (2) stories in the Base area and three (3)
2 stories in the HQTC area. Additional height above one (1) story in both the
3 Base and HQTC areas is considered “off-menu” and is subject to the
4 provisions of 21.68.070.B.

5 4. Any height increases on a lot sharing a lot line or across an
6 alley from an R1 or R2 zoned property occupied by a single-family home or
7 duplex shall step-back any height increase over twelve (12) feet at least ten
8 (10) feet from the exterior of the ground floor of the building face.

9
10 21.68.080 Special bonuses for large units and on-site childcare.

11 A. Projects with large/family units are eligible for additional density
12 bonuses up to an additional twenty (20) percent. Bonuses are additive;
13 however, total bonuses shall not exceed one hundred (100) percent. Eligible
14 projects must provide affordable units, and mix of affordable units must
15 include some proportion of the large units:

16 1. More than twenty-five (25) percent two (2) bedroom
17 units of nine hundred seventy (970) square feet (SF) or larger;

18 2. More than five (5) percent three (3) bedroom units of
19 eleven hundred forty (1140) square feet (SF) or larger.

20 B. Projects with affordable units that equal or exceed twelve (12)
21 percent that also provide an on-site childcare facility are exempt from floor
22 area ratio (FAR) and parking calculations for the childcare use. Such
23 projects are also eligible for one (1) additional incentive from the list set forth
24 in Section 21.68.060.A.

25
26 21.68.090 Parking requirements.

27 Parking. EDB projects are eligible for parking reductions and may
28 avail themselves of either the reductions offered by the State regulations or

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the parking reductions offered by Table 21.68-6. Projects may use either of the reductions, but not both. EDB projects comprised of one hundred (100) percent affordable units shall not be required to provide on-site parking.

Table 21.68-6
EDB Parking Ratio Table

0-1 Bedrooms	1 space/unit
2-3 Bedrooms	1.25 spaces/unit
4+ Bedrooms	2 spaces/unit
Commercial Parking	First 6,000 square feet exempt; zoning code parking requirements apply beyond 6,000 square feet

21.68.100 Sunset Clause.

The ordinance will sunset, unless otherwise extended by the City Council, when the City meets its affordable component of its RHNA allocation of 26,502 units, or on January 1, 2030, whichever occurs first.

Section 2. Subsection 21.25.506.A of the Long Beach Municipal Code is amended by adding number 7 to read as follows:

7. The project is in compliance with the housing replacement requirements of Section 21.11.050 of Chapter 21.11 (No Net Loss) or Section 21.68.040.E of this Chapter, as applicable, and will result in the same or greater number of dwelling units; and in the case of existing affordable dwelling units, that the dwelling units will be replaced at the same or deeper affordability levels, and that applicable tenant protections of the Long Beach Municipal Code will be met.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Long Beach, CA 90802

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Section 3. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of October 5, 2021, by the following vote:

Ayes: Councilmembers: Zendejas, Allen, Price, Supernaw,
Saro, Uranga, Austin, Richardson.

Noes: Councilmembers: None.

Absent: Councilmembers: Mungo.

Recusal(s): Councilmembers: None.


City Clerk

Approved: 10/7/2021
(Date)


Mayor

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA) ss
COUNTY OF LOS ANGELES)
CITY OF LONG BEACH)

Tamela Austin being duly sworn says: That I am employed in the Office of the City Clerk of the City of Long Beach; that on the 6th day of October, 2021, I posted three true and correct copies of ORD-21-0034 in three conspicuous places in the City of Long Beach, to wit: One of said copies in the lobby of Civic Chambers; one of said copies in the Main Library; and one of said copies on the front counter of the Office of the City Clerk.



Subscribed and sworn to before me
This 6th day of October 2021.



CITY CLERK