


## M E M O R A N D U M

**DATE:** June 22, 2022

**TO:** Board of Directors  
The Long Beach Community Investment Company

**FROM:** Oscar W. Orci, President 

**SUBJECT:** Second Public Hearing of the 2023 – 2027 Five-Year Consolidated Plan and 2022 – 2023 First Action Plan (Citywide)

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### **RECOMMENDATION:**

Conduct the second public hearing on the 2023 – 2027 Five-Year Consolidated Plan (Consolidated Plan), Fiscal Year (FY) 2022 - 2023 First Action Plan (Action Plan), and prior Action Plan Amendments (FY 2021-2022, 2020-2021, 2018-2019, 2017-2018); accept public comment and recommend City Council approval. (Citywide)

### **DISCUSSION**

The Consolidated Plan is a requirement of the U.S. Department of Housing and Urban Development (HUD), and must be developed by local governments to receive funding under the following federal programs: Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), and the Emergency Solutions Grant Program (ESG). The City's current Consolidated Plan, approved by the City Council on July 18, 2017, will expire on September 30, 2022.

The Consolidated Plan is a comprehensive planning document that assesses overall needs for affordable housing, homeless shelters and services, infrastructure improvements, and community and economic development. The Consolidated Plan is implemented by Annual Action Plans, which provide a one-year implementation plan for meeting the goals stipulated in the Five-Year Consolidated Plan. More specifically, Actions Plans will include actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan.

The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from HUD's formula block grant programs. To ensure an open process that encourages meaningful public participation in the development of both the Consolidated

Plan and the Action Plan, Development Services' staff has engaged the community and stakeholders in the identification of high priority needs for housing and community development. Outreach for the Consolidated Plan included personal emails sent to over 600 residents and stakeholders who were a part of the recent Housing Element Update or the last Consolidated Plan process as well as the following:

1. Multilingual Housing and Community Needs Survey (Online)
  - Received 586 responses
2. Outreach Efforts
  - Social Media Outreach
    - Promotion on Long Beach Development Services (LBDS) social media accounts (Facebook, Twitter, Instagram) (193K contacts)
    - Promotion on LBDS Facebook (5,700 contacts)
    - Promotion on LBDS Twitter (3,240 contacts)
    - Promotion on LBDS Instagram (1,442 contacts)
    - Social media toolkit created and provided to city departments to help spread the word
  - Advertisements in Multilingual Newspapers
  - Sponsored posts in the Long Beach Post social media (Facebook, Twitter, Instagram, LinkedIn) (200K contacts) and Long Beach Post Spanish social media (8,865 contacts)
  - LinkLB E-Blast (1,850 recipients)
  - Neighborhood Resource Center E-blasts to all Neighborhood Associations in CDBG areas and community-based organizations
  - #GoLongBeach Newsletter Feature (56.5K recipients)
  - Promoted via Citywide and Departmental Website
  - Public Notice issued by City Manager's Office
  - Mailers to residents and businesses in CDBG-Eligible R/ECAP Census Tracts (21,000 addresses)
3. Workshops and Community Meetings to Prioritize Activities
  - Four Neighborhood Association Meetings
    - March 7, 2022
    - March 9, 2022
    - March 14, 2022
    - March 16, 2022
  - Three Virtual Community Meetings
    - March 24, 2022
    - March 26, 2022
    - April 14, 2022
  - Two LBCIC Public Hearings
    - April 20, 2022
    - June 22, 2022
  - One Virtual Feedback Session after publication of draft plan
    - June 9, 2022

#### 4. Consultation and Focus Groups

- Internal Stakeholder Meetings
- Long Beach Community Investment Company (LBCIC) Study Session
- Continuum of Care (CoC) Board
- City Council Study Session

The City conducted a Housing and Community Development Needs Survey from March 9, 2022 to May 9, 2022. The survey was available in English, Spanish, Khmer, and Tagalog and was made available to the community as an online survey. A total of 586 responses were received. Residents were asked to rank the relative importance of various needs in the survey. Results for community development needs are ranked in the following order (highest importance to lowest importance): services for people experiencing homelessness; street improvements; neighborhood improvements and engagement; park, recreation and community facilities; youth programs; services for older adults, and; services for people experiencing a disability.

Housing needs were ranked in the following order (highest importance to lowest importance): 1) housing for people experiencing homelessness; rental housing for low income families; 2) low income housing for older adults; housing for people experiencing a disability; 3) first-time homebuyer assistance and, 4) home repair assistance. Lastly, for economic development activities, respondents ranked job creation/retention programs higher than assisting small businesses.

The Consolidated Plan was also built upon the City's recently adopted Housing Element by incorporating the extensive feedback and analysis of existing and projected housing needs in the City into the Plan's proposed programs and budget. Housing Element community input echoed key findings also identified through the Consolidated Plan community input process, including: the need for more housing, particularly affordable housing; the need for housing assistance particularly for those with the least resources; a multitude of strategies for addressing fair housing issues; more desired pathways to community ownership and empowerment; tailored specific housing solutions for special needs groups; and anti-displacement measures and tenant protections. The Housing Element provides the City with a roadmap for accommodating the projected housing unit demand and guides future decisions that impact housing, as well as major housing policies and goals citywide. Throughout the Housing Element update process, more than 15 major public community events were held, along with a virtual open house and digital share-your-story campaign that reached hundreds of residents as detailed in Appendix A of the Housing Element. Additionally, there are multiple programs and actions in the Housing Element that directly or indirectly rely on the Consolidated Plan for implementation. These programs include:

- Program 1.1: Adequate Sites for Regional Housing Needs Allocation
- Program 1.6: Affordable Housing Development Assistance
- Program 1.7: Accessory Dwelling Units
- Program 2.1: Development Incentives

- Program 2.4: A Variety of Housing Types
- Program 3.1: Tenant-Based Rental Assistance Programs
- Program 3.4: New Funding Mechanisms for Affordable Housing
- Program 4.1: Continuum of Care
- Program 4.2: Supportive Housing/Century Villages at Cabrillo
- Program 4.3: Hotel/Motel Conversion
- Program 5.1: Preservation of At-Risk Units
- Program 5.2: Tenant Protection
- Program 5.3: Home Rehabilitation
- Program 5.4: Comprehensive Code Enforcement
- Program 6.1: Fair Housing Outreach and Enforcement
- Program 6.5: Tenants Right to Counsel
- Program 6.7: Inclusionary Housing
- Program 6.8: Community Land Trust
- Program 6.9: Monitoring of Housing Production
- Program 6.11: Consolidated Plan Update
- Program 6.12: Housing Rehabilitation
- Program 6.13: Neighborhood Resources
- Program 6.14: Neighborhood Leadership Development
- Program 7.2: Dedicated Rental Housing Staff

Finally, the City conducted a robust assessment for affirmatively further fair housing (AFFH) as part of the Housing Element update process, which will also inform the Consolidated Plan priorities, Action Plan funding allocation, and programs to incorporate equity, historical context, and other relevant information. For example, a key issues identified in the AFFH include the lack of affordable housing and the need to create more affordable housing in high opportunity areas.

These efforts have informed the development of the Consolidated Plan and come to life in the programs included in the first year Action Plan. The proposed Plan places an increased focus on new affordable housing construction through CDGB-funded site acquisition, ADU construction and continued HOME spending. Rehabilitation and Façade Programs and been refocused to support larger and more impactful grant amounts. Funding for parks will increase with a shifted focus from programs to physical facilities, while programs will continue with the use of other parks funding. The plan expands programs and staffing to prevent homelessness through landlord/tenant services, support for the implementation of anti-displacement regulations and complementary services. The Plan also supports grants and partnerships through capacity building for nonprofits, community land-trusts, and neighborhood associations. Proposed structural changes from previous Plans include:

- Eliminate Place-Based NIS Program
- Increase Home Improvement Grant from \$2,000 to \$25,000
- Increase Commercial Improvement Grant from \$2,000 to \$25,000
- Create a CDBG-funded Housing Site Acquisition Program to increase affordable housing production

- Move Security Deposit Assistance from HOME to CDBG to free up more HOME funds for housing production
- Add staff position to assist tenants with housing issues and help prevent displacement
- Pause sidewalk funding for one year to fund Housing Site Acquisition Program
- Provide increased funding for park facilities improvements
- Provide enhanced Neighborhood Leadership Program with training for Alumni
- Create an ADU grant program
- Increase funding for Mural Restoration Program
- Increase funding for Fair Housing services
- Provide grants to Neighborhood Organizations, CBOs, BIDs, and Land Trusts for grant writing efforts

In each of the Consolidated Plan's five years, HUD requires entitlement jurisdictions to submit an Annual Action Plan,. The current Action Plan under consideration covers Fiscal Year 2022-2023 (FY 23).

The proposed Action Plan (Attachment A) describes the allocation of resources that will be available in the next fiscal year to implement specific programs, activities, and actions identified in the Consolidated Plan. These activities must meet specific eligibility requirements and national objectives established by HUD regulations, which align with the Consolidated Plan.

The following table describes the HUD funding estimated for the FY 23 Action Plan:

<b>FY 23 Action Plan Budget</b>				
<b>Available Funds</b>	<b>CDBG</b>	<b>ESG</b>	<b>HOME</b>	<b>TOTAL</b>
New Entitlement	\$5,427,275	\$495,295	\$3,087,068	\$9,009,638
Program Income	\$60,000	\$0	\$1,500,000	\$1,560,000
<b>Total Available Funds</b>	<b>\$5,487,275</b>	<b>\$495,295</b>	<b>\$4,587,068</b>	<b>\$10,569,638</b>

The FY 23 Action Plan, as required by HUD's recent directives, does not include unspent reprogrammable funds from prior year Action Plans. Each Action Plan allocation is approved through its own annual Congressional budget. Hence, HUD requires that the funds remain attached to its original Action Plan year until fully spent, rather than carrying unspent funds into a new Action Plan year. These funds will be reallocated, through substantial amendments, to different programs in line with the last Consolidated Plan and will continue to be accounted for and spent under the amended FY 22, 21, 19 and 18 Action Plans.

The table below shows the reallocation of remaining FY 22, 21, 19 and 18 funds contained in the Amendments. As shown in the table, unspent funds from these years will be reprogrammed to support Home Improvement Program Delivery and Housing Acquisition.

### **Substantial Amendments**

Year	Program	Reduced Amount	Program	Increased Amount
2018	Unspent Funds from Various Activities	(\$100,000)	Home Improvement Program Delivery (2018,	\$450,000
2019	Unspent Funds from Various Activities	(\$350,000)	Housing Acquisition Project (2021, 2022)	\$1,710,000
2021	Administration	(\$310,000)		
2021	City Attorney	(\$50,000)		
2021	Code Enforcement	(\$350,000)		
2022	Administration	(\$425,000)		
2022	Code Enforcement	(\$575,000)		
	<b>Total Reallocated</b>	<b>(\$2,160,000)</b>	<b>Total</b>	<b>\$2,160,000</b>

HUD requires grantees to comply with federal regulation, 24 CFR 91.105 – Citizen Participation Plan. The LBCIC is responsible for compliance with the Citizen Participation Plan. As such, the LBCIC will conduct two public hearings. The purpose of today's second and final public hearing is to allow for public input on the draft Consolidated Plan, next Action Plan and prior Action Plan Amendments, and for the LBCIC to recommend City Council approval. This public hearing was noticed 30 days prior to this hearing in the Press Telegram and Excelsior (Spanish language) newspapers. Attached for your information is presentation material that staff would present during the public hearing (Attachment B).

City Council action will be requested on July 19, 2022, as the Consolidated Plan and Action Plan must be submitted to HUD no later than August 15, 2022, 45 days prior to the beginning of the new fiscal year.

#### SUGGESTED ACTION:

Approve recommendation.

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Attachment: A – Consolidated Plan, Action Plan and Prior Year Amendments  
B – Presentation for the Consolidated Plan Second Public Hearing