

March 18, 2021

CHAIR AND PLANNING COMMISSIONERS

City of Long Beach
California

RECOMMENDATION:

Find that this action is exempt from the requirements of the California Environmental Quality Act; and

Receive and file the 2020 Housing Element Annual Report and instruct the Director of Development Services to submit the Annual Report to the City Council, State Office of Planning and Research, and the California Department of Housing and Community Development. (Citywide)

APPLICANT: City of Long Beach
Department of Development Services City of Long Beach
411 W. Ocean Boulevard
3rd Floor
Long Beach, CA 90802

DISCUSSION

On January 7, 2014, the City Council adopted the 2013-2021 Housing Element, one of seven State-mandated elements in the City's General Plan. On April 5, 2014, the State Department of Housing and Community Development (HCD) certified the 2013-2021 Housing Element for consistency with State law. Housing Element Law [Government Code §65400] mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. Moreover, the City is required to prepare an annual progress report on the status and progress of implementing the Housing Element. This annual report must address the City's achievements in meeting the goals and Regional Housing Needs Assessment (RHNA) targets within its adopted Housing Element. The intent of this statute is to ensure that the Housing Element remains an effective guide for allocating limited housing resources at the local level.

In 2013, the Southern California Association of Governments (SCAG) developed the RHNA based on regional growth forecasts. These growth forecasts were then assigned to Long Beach and its regional fair share of State-mandated affordable and market rate



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housing goals were allocated. In allocating the City's future housing needs, SCAG considered the following: 1) market demand for housing; 2) type and tenure of housing units; 3) employment opportunities; 4) commuting patterns; and 5) suitable sites and public facilities. SCAG allocated 7,048 total housing units for Long Beach for the 2013-2021 Housing Element. This RHNA allocation does not require the production of housing units; rather, it requires that the City identify adequately zoned sites for such development to occur.

The Housing Element annual progress report must be submitted to the State Office of Planning and Research (OPR) and HCD by April 1st of each year. The annual report is required to be consistent with the guidelines and forms adopted by HCD. Pursuant to this requirement, the 2020 Annual Report for the 2013-2021 Housing Element has been prepared for your review and consideration (Attachment A - 2020 Housing Element Annual Report). The annual report includes a summary of the approved housing units by income category, RHNA progress, and status of the housing programs within the Housing Element. During 2018, the California legislature approved various changes to housing law including Annual Report requirements. These changes include the total number of residential applications, completed entitlements and Certificates of Occupancy, and changes to residential zoning; all required reporting changes have been incorporated into the 2020 report.

Despite the ongoing COVID19 global pandemic, building activity in the City remained higher than average for the current cycle as the buildout of the Downtown Plan, Midtown Plan and Accessory Dwelling Units (ADUs) citywide continue. The City also continued to update various components of the zoning code through long-range planning efforts to address the statewide housing crisis; these efforts include the development of new mixed use zones through the Uptown Planning Land Use and Neighborhood Strategy (UPLAN) initiative in North Long Beach and the adoption of a number of housing-related ordinances including, a micro-unit pilot program, the motel conversion ordinance, an ordinance to legalize existing, unpermitted dwelling units, and Zoning Code amendments to expand the zones in which interim and supportive housing can be located. The City's progress during the 2020 reporting period includes issuing permits for the construction of 951 new units and Certificates of Occupancy for 738 new units. Affordable residential projects receiving building permits include 40 units at 1770 Magnolia Avenue. Building permit activity for approved dwelling units for 2014 through 2020 is summarized in Table 1 below.

Table 1 - Dwelling Units Approved and Permitted in 2014-2020

Year	Deed Restricted Affordable Units	Non-Deed Restricted Units	Total Units
2014	40	260	300
2015	119	31	150
2016	0	675	675
2017	162	363	525

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2018	47	223	270
2019	206	1,055	1,261
2020	40	911	951
Total	614	3,518	4,132

During the 2020 calendar year, the City entitled 1,123 new residential units. While the City has control over zoning and other incentives and restrictions of potential development, it does not construct or finance the majority of actual development. State law requires the City to zone sufficient development sites to accommodate its RHNA but does not establish requirements for actual housing units started or completed. The actual level of housing construction is impacted by a multitude of economic and geopolitical factors that are beyond the City's regulatory control.

One such factor is state regulations around housing development. In 2017, the City's ADU Ordinance was adopted for the purpose of tailoring the statewide development standards of ADUs to the City's local development pattern where possible. Since then, additional legislation at the state level has expanded the opportunities for ADU construction in the City, and as a result ADUs have become an increasing share of all building permit applications for new residential units. In 2020, out of the 605 building permit applications for new units, 506 were for ADUs. Table 2 below shows the number of building permits issued for Accessory Dwelling Units since January 1, 2017.

Table 2. Accessory Dwelling Unit Permits

Calendar Year	Building Permits Issued
January 1 st – December 31, 2017	22
January 1 st – December 31, 2018	118
January 1 st – January 31, 2019	151
January 1 st – January 31, 2020	267

Note: Numbers are an estimate based on field inquiry results.

Notably, approximately 10 percent of the ADUs permitted thus far have been used to permit illegally constructed units; which supports the City's goal to create decent, safe, and affordable housing (Housing Element).

PUBLIC HEARING NOTICE

This item is not a public hearing; therefore, no public hearing notice is required. However, this item appeared on the Planning Commission meeting agenda that was provided in accordance with the provisions of the Municipal Code. No public comments have been received as of the preparation of this report.

ENVIRONMENTAL REVIEW

This annual report is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 as this action is not defined as a project. The annual report is an administrative activity and does not authorize new development. Furthermore, Negative Declaration 03-13 was prepared in accordance with the CEQA Guidelines for the adoption of the 2013-2021 Housing Element. Respectfully submitted,



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PROJECT PLANNER



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OO:CK:PAD:asl

Attachments: Attachment A – 2020 Housing Element Annual Report