



## Legislation Text

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**File #:** 21-0813, **Version:** 1

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Recommendation to request City Council to support SB679 (Kamlager), which would create a new independent countywide agency to raise public and private funds for renter protections and support programs, affordable housing preservation, and affordable housing production with a guaranteed seat for the City of Long Beach on the governing board and guaranteed annual funding for the City of Long Beach; and request City Manager to communicate the City's support to the bill's author and our state legislative delegation.

### Background

Senate Bill 679 by Senator Sydney Kamlager would create a new, independent countywide agency that has the power to raise public and private revenues to fund renter protections and support programs, affordable housing preservation, and affordable housing production across Los Angeles County.

In a December 30, 2020 memorandum to City Manager Tom Modica, City staff made clear what many previous independent reports and council deliberations have already told us: the 2012 dissolution of Community Redevelopment Agencies eliminated our most dependable source of locally generated revenue for affordable housing preservation and production.' Without a local source of revenue for supporting low-income renters and financing affordable housing, Long Beach is at a competitive disadvantage for state and federal programs, and the City lacks the funding certainty necessary to achieve its ambitious affordable housing goals as outlined in the draft Housing Element released this past July.

SB 679, which has been approved by the State Senate on a bipartisan 29-7 vote, now sits in the State Assembly. The bill would create a new independent countywide agency with a 19-member government board-comprised of County Supervisors, large and small city representatives, and housing experts, as well as a Citizens Oversight Committee comprised of housing experts, practitioners, and people with lived experience with homelessness and housing instability. Long Beach would have a dedicated seat on the board, held either by the Mayor or Vice-Mayor, as determined by the Mayor.

The legislation also guarantees that a minimum level of funding would be available directly to the City of Long Beach in the following ways:

### Renter Protections & Support

A minimum of 30% of the agency's total annual budget shall be set aside for low-income renter protections and support. Eligible uses include rental assistance and access to legal

counsel. The agency is not an enforcement agency and will not play any role in code enforcement or similar programs. 21 % will be available for the five largest cities in the county as well as all unincorporated communities and the councils of government. The cities and unincorporated communities will be excluded from the council of government set aside. Within this 21%, the funding will be divided based on the weighted percentage of rent burdened households in the given jurisdiction. The final 9% of this set aside funding will be allocated on an annual at-large basis by the Agency's Citizen Oversight Committee and Governing Board.

### Affordable Housing Preservation and Production

A minimum of 40% of the agency's annual budget shall be set aside for 100% affordable housing for households earning between 0% and 80% of area median income. The agency's purpose is to center equity, solutions at scale, and creative non-traditional approaches that reduce cost and increase construction speed. This will include working outside of the traditional tax-credit affordable housing financing system. 28% of this set aside funding will be available for the five largest cities in the county as well as all unincorporated communities and the councils of government. The cities and unincorporated communities will be excluded from the council of government set aside. Within this 28%, the funding will be divided based upon the affordable housing regional housing needs assessment (RHNA) goals for the given jurisdiction. The final 12% of this set aside funding will be allocated on an annual at-large basis by the Agency's Citizen Oversight Committee and Governing Board.

The balance of funding will be allocated annually for the eligible uses outlined above as well as for technical assistance and capacity support related to affordable housing for all jurisdictions within Los Angeles County. There will be a 10% cap on the Agency Administration and Operations Expenses.

Modeled on concepts such as the New York Housing Development Corporation and the Bay Area Housing Finance Authority, the Agency represents an opportunity to use a regional framework to address affordable housing on a local basis. The agency would not have any land use or entitlement authority and is instead focused on creative and sustained financing for a range of programs that support low-income renters, preserve existing affordable housing, and create new affordable housing.

Long Beach has been assigned ambitious housing goals for the next regional housing needs assessment: 26,502 total units by October 2029, with 11,188 of those units for low and very low-income people. SB679 represents a powerful tool to help the City achieve these ambitious goals.

### Equity Statement

Supporting this legislation would be consistent with the City's stated equity and reconciliation goals - and would be particularly impactful for the 17,000 people in Long Beach who are

living in overcrowded and unsafe housing. The Framework for Reconciliation states under Goal 4, Action 3, Strategy K, that the City should, "Participate in policy reform efforts at the State and Federal levels to increase funding for affordable housing." As the draft Housing Element makes clear-now is the time for action. Forty-three percent (43%) of all Long Beach households are housing cost burdened and eighty percent (80%) of very low-income renters are cost-burdened, meaning they spend more than 30% of their income on housing costs. Black and Hispanic renters are 20% and 12% more likely to be cost-burdened than their white counterparts. Without ambitious and urgent action, Long Beach will lose the diversity and opportunity that has helped us grow and thrive.

No Financial Management review was able to be conducted due to the urgency and time sensitivity of this item.

Approve recommendation.

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