



Date: March 30, 2015
To: Patrick H. West, City Manager *P.H. West*
From: Amy J. Bodek, Director of Development Services *A. Bodek*
For: Honorable Mayor and Members of the City Council
Subject: 2014 Housing Element Annual Report

On January 7, 2014, the City Council adopted the 2013-2021 Housing Element, one of seven mandated elements in the City's General Plan. It was certified by the State of California Department of Housing and Community Development (HCD) on April 5, 2014. Housing Element Law [§65400] mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. Moreover, California law requires that all cities and counties submit to their legislative bodies and the State HCD an annual report on the City's achievements in meeting its goals and Regional Housing Needs Assessment (RHNA) targets embodied in 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.

On March 27, 2010, HCD adopted guidelines and forms for the preparation of the Housing Element Annual Reports. Pursuant to this requirement, the 2014 Housing Element Annual Report for the 2013-2021 Housing Element has been prepared for your review and information purposes. In 2014, the City made progress in implementing the programs outlined in the 2013-2021 Housing Element. In 2014, 300 total new units were permitted for construction. Of these, 40 units were deed restricted for low-income households. An additional 54 units were substantially rehabilitated. Altogether in 2014, the Long Beach Community Investment Company (LBCIC) provided \$5.6 million in long-term project financing. The LBCIC approved a developer loan of \$4 million at the Villages at Cabrillo Phase V for 120 units for extremely low- and very low-income individuals, veterans, and persons with special needs. The LBCIC also approved \$1.6 million to assist in the adaptive reuse of the Immanuel Community Church, at 3215 E. 3rd Street, into 24 units of affordable housing for extremely low- and very low-income seniors with special needs.

On March 19, 2015, the Planning Commission reviewed and forwarded the 2014 Housing Element Annual Report to the City Council.

2014 Housing Element Annual Report

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For further information regarding the 2014 Housing Element Annual Report, please contact Amy J. Bodek, Director of Development Services, at ext. 8-6428.

AJB:LFT:JW:BD

P:Planning/General Plan/Housing Element Annual Report/2014/TFF Letter

Attachment: 2014 Housing Element Annual Report

CC: Charles Parkin, City Attorney
Douglas P. Haubert, City Prosecutor
Laura Doud, City Auditor
Tom Modica, Assistant City Manager
Arturo Sanchez, Deputy City Manager
Linda F. Tatum, Planning Bureau Manager

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction: City of Long Beach
Reporting Period: 1/1/2014 - 12/31/2014

Table A
Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

1	Housing Development Information							Housing with Financial Assistance and/or Deed Restrictions			8	Housing without Financial Assistance or Deed Restrictions
	2	3	4			5	5a	6	7			
Project Identifier (may be APN No. project name or address)	Unit Category	Future Rent/Rent-Over/Owner	Affordability by Household Income			Total Units per Project	ES, 4 sub E	Assistance Programs for Each Development	ESD/ESD-Subsidized Units	See Instructions	See Instructions	See Instructions
			Very Low Income	Low Income	Moderate Income	Above Moderate Income						
2114 Long Beach Blvd	5+	R	26	14	0	1	41	41	MHSA	40		N/A
(9) Total of Moderate and Above Moderate from Table A3												
			26	14	0	259	259	0				
(10) Total by Income Table A/A3												
			26	14	0	259	0	41				
(11) Total Extremely Low-Income Units*												
			22									

* Note: These fields are voluntary

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Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				TOTAL UNITS	(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low Income	Very Low Income	Low Income	0		
(1) Rehabilitation Activity			54		54	11 Units - 908 Martin Luther King Jr. Ave, 10 units - 562 E Esther Ave, 11 units - 319 Hemosa Ave, 11 units - 2266 Locust Ave, 11 units - 2450 Colorado Blvd
(2) Preservation of Units At-Risk					0	
(3) Acquisition of Units					0	
(5) Total Units by Income	0	0	54		54	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	6	0	253	0	0	259	259

* Note: This field is voluntary

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Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.	Permitted Units Issued by Affordability										Total Units to Date (all years)	Total Remaining RHNA by Income Level
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Income Level	RHNA Allocation by Income Level											
Very Low	Deed Restricted											1,773
	Non-deed restricted	0										
Low	Deed Restricted	40									40	1,025
	Non-deed restricted	1									1	
Moderate	Deed Restricted	0										1,170
	Non-deed restricted											
Above Moderate		259									259	2,771
Total RHNA by COG		3,039									3,039	
Enter allocation number:		7,048									7,048	
Total Units		300									300	6,739
Remaining Need for RHNA Period												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

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Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Objective	Timeframe in H.E.	Status of Program Implementation
Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1. Housing Assistance to, and Preservation of, Affordable Units			
1.1: Preservation of At-Risk Units	Annually monitor status of the 1,600 affordable housing units in 21 projects that are at risk of converting to market rate.	Ongoing	The City continues to monitor all assisted housing developments within the City. The Housing Authority continues to work with United States Department of Housing and Urban Development on Phase II at American Gold Star Manor to preserve the affordability of the remaining 209 units. Funding from the Department of Housing and Urban Development for Phase II is expected by Summer 2015.
1.2: Housing Choice Voucher (aka Section 8 Rental Assistance)	Encourage property owners to accept Housing Choice Vouchers, including working with owners of new rental developments. Seek to raise the payment standard to expand the stock of eligible rentals, when necessary.	Ongoing	The Housing Authority of the City currently provides Section 8 Housing Choice Vouchers to 5,792 families (93% of its allocation of 6,261 vouchers).
1.3: First Right of Refusal for Displaced Lower Income Households	By 2016, explore local options to extend first right of refusal to lower income households displaced by private development.	Conduct study in 2016 and report to PC/CC in 2018	The City is on schedule to conduct a study exploring local options to extend first right of refusal to lower income households displaced by private development in 2016 and report to Planning Commission and City Council by 2018.
2. Housing for Special Needs Residents			

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Jurisdiction	City of Long Beach	Reporting Period	1/1/2014 - 12/31/2014
2.1: Continuum of Care	<p>Develop new efficiency units on remaining land at the Villages at Cabrillo with at least half of these units targeted to extremely low income households and the remainder targeted to very low income households.</p> <p>Continue to support services and programs that are part of the Continuum of Care system for the homeless through the City's annual funding allocation process.</p>	Ongoing	<p>In calendar year 2014, the Housing & Community Improvement Bureau approved \$4 million loan for 120 units at Villages at Cabrillo that should be permitted in 2015.</p>
2.2: Zoning Code Update for Special Needs Housing	<p>Emergency Shelters: In 2013, the City amended the Zoning Code to permit emergency shelters by right via a ministerial approval process in the Port - IP zone and in PD-31 (Villages at Cabrillo).</p> <p>Definition of Family: Amend the Zoning Code by the end of 2014 to revise the definition of family to "any group of individuals living together based on personal relationships."</p>	<p>Ongoing; SRO by end of 2014; Definition of family by end of 2014; PD-29 update in 2014; emergency shelters in IL in 2015</p>	<p>The potential inclusion of sites for emergency shelters will be evaluated as part of the PD-29 Specific Plan Update in 2015</p> <p>The zoning code is scheduled to be amended to revise the definition of family at a Spring 2015 Planning Commission session.</p>
2.3: Family Self Sufficiency	<p>Continue to implement the Family Self-Sufficiency Program.</p>	Ongoing	<p>In 2014, 22 participants graduated from the Family Self-Sufficiency (FSS) Program for a total of 375 participants since the Housing Authority started the program in the early 1990s. In addition, the 22 graduates for 2014 received \$154,935 in escrow funds and a total of \$2,901,273 in escrow funds has been distributed since the inception of Housing Authority's FSS Program. The FSS escrow amounts are funded as part of the Housing Choice Voucher Program.</p>
2.4: HOPWA Tenant-Based Rental Assistance	<p>Continue to provide assistance to 108 households, petition for increased funding and promote program throughout the City.</p>	Ongoing	<p>In calendar year 2014 the Housing Authority of the City continued to provide Tenant Based Rental Assistance (TBRA) to approximately 65 families. The Housing Authority also provided Housing Supportive Services coupled with case management to 101 families.</p>

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Jurisdiction	City of Long Beach	
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2.5: Universal Design	Evaluate the feasibility of providing additional density bonuses or other incentives for new developments that include universal design (beyond required ADA standards) by 2017	2017
2.6: HOME Security Deposit Assistance	Provide security deposit assistance to 350 homeless households. This program benefits primarily extremely low income households.	Ongoing
2.7: VASH (Veterans Affairs Supportive Housing)	Lease up all 495 allocated vouchers by 2014 and pursue additional funding in the future.	Ongoing
2.8: Continuum of Care Permanent Supportive Housing	Continue to provide voucher assistance to disabled veterans and pursue additional funding in the future.	Ongoing

The City is on schedule to evaluate the feasibility of providing additional density bonuses or other incentives for new developments that include universal design (beyond required ADA standards) by 2017

The City is on schedule to meet its goal of providing security deposit assistance to 350 homeless households. In calendar year 2014 the City of Long Beach assisted 87 households in securing permanent housing.

In calendar year 2014 the Housing Authority of the City continued to work closely with the local VA Medical Center, which provides the referrals for the homeless veterans rental assistance program. The City is planning to lease 100% of the 616 allocated vouchers by Veteran's Day 2015.

The Long Beach Housing Authority continues to work closely with US Veterans Initiative and Mental Health America placing hard to serve persons through five Continuum of Care grants.
Two of the grants are for Shelter Plus Care and three are for the Special Needs Assistance Program (SNAP). Of the 94 vouchers allocated for SPC and SNAP, all of them are in use.

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Jurisdiction	City of Long Beach	Reporting Period	1/1/2014 - 12/31/2014
2.9: Project-Based Vouchers	Continue to utilize project-based vouchers to provide affordable housing for youth aging out of the foster care system, homeless households, and lower income households.	Ongoing	<p>The City continued to utilize project-based vouchers to provide affordable housing for youth aging out of the foster care system, homeless households, and lower income households.</p> <p>Under construction:</p> <p>Palace Apartments – 13 HCV Vouchers for youth aging out of Foster Care</p> <p>American Gold Star Manor - Phase I, 139 HCV Tenant Protection Vouchers for Seniors.</p> <p>Pending construction:</p> <p>Long Beach Blvd. & 21st Street - Senior Housing, 15 HCV Vouchers. Opening expected in Spring 2015,</p> <p>Cabrillo Gateway (Century Villages at Cabrillo - Phase IV) 80 HCV Vouchers for homeless families, with a children's clinic on-site. Opening expected in Summer 2015.</p> <p>Anchor Place (Century Villages at Cabrillo - Phase V) 75 VASH Vouchers - Housing for Veterans with supportive services. Completion expected 2017.</p>
3. Housing and Neighborhood Improvement			
3.1: Home Rehabilitation	Provide rehabilitation assistance to 3,032 households (up to 80% AMI)	Ongoing; HAP in 2015	<p>Since 1999, the City has reimbursed 4,397 homeowners through the Home Improvement Program. The Home Improvement Rebate Program provides a reimbursement of up to \$2,000 to eligible property owners with exterior code violations visible from the street to improve the exterior of their residential properties. In calendar year 2013 the Neighborhood Services provided rehabilitation loans to 113 housing units</p>
3.2: Neighborhood Resources	Continue to support neighborhood and community groups with services and technical support.	Ongoing	<p>The Neighborhood Leadership Program graduated 41 people, 9 were from Long Beach's sister city Yokkaichi, Japan.</p>

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3.3: Comprehensive Code Enforcement	<p>Inspect an average of 5,500 multi-family units annually and train residents in nuisance abatement procedures.</p> <p>Conclude research on rental escrow program, Franchise Tax Board Substandard Housing program, and other alternative approaches.</p>	Ongoing; develop implementation strategy by the end of 2015	<p>For calendar year 2014 the City inspected 5,240 multi-family units. Research was completed and a draft report was prepared for City Council consideration for a rental escrow program. By the end of 2015, the department will develop a strategy to implement one or more of the program options that focus on addressing habitability issues.</p>
3.4: Neighborhood Improvement Services	<p>Continue to implement various neighborhood improvement programs, such as Neighborhood Partners, Urban Forestry, Home Improvement Rebates, Neighborhood Clean Up, and Neighborhood Leadership.</p>	Ongoing	<p>The City continues to provide annual funding to the Neighborhood Resource Center. Since 1998, the NRC has helped 18 groups achieve national recognition for their work and dedication to their neighborhoods. Since 2011, the NRC has helped 4 groups win national recognition for their newsletters. In 2014 the NRC had the following achievements, 1) assisted 16,833 people, 2) Neighborhood Leadership Program graduated 41 people, 3) six Neighborhood Partners Program Projects, 4) 99 Neighborhood Clean-Up events, and 5) 596 trees planted as part of the Urban Forestry program.</p>
3.5: Foreclosure Registry	<p>Ongoing implementation of the Foreclosure Registry Ordinance</p>	Ongoing	<p>The City continues to implement and participate in the Foreclosure Registry Program. In calendar year 2014 Code Enforcement opened 982 new cases and closed 965.</p>
3.6: Lead-Based Paint Hazard Abatement	<p>Enroll 205 housing units into the program and obtain owner consent to inspect units for lead hazards. Conduct assessment on 195 units. Complete abatement for 185 units.</p>	FY 2012 - FY 2015	<p>The Lead Hazard Control Program assisted by the Neighborhood Services Bureau performed lead clearance services on 121 properties enrolled in Neighborhood Services home and neighborhood improvement grant and loan programs.</p>

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<p>4.1: Affordable Housing Development Assistance</p>	<p>Annually monitor availability of State and federal funding and partner with affordable housing developers, if necessary, in applying for additional funds.</p> <p>Identify qualified nonprofit developers for partnership in affordable housing construction and acquisition/rehabilitation projects.</p> <p>Prepare and implement a Housing Action Plan (HAP) in 2015.</p> <p>Incorporate a priority for funding to preserve and promote housing affordable to lower income households in transit rich neighborhoods and other targeted growth areas, and update the HAP every five years.</p>
	Ongoing
	<p>The City continued to monitor availability of State and federal funding. In 2014 the City focused on Affordable Housing and Sustainable Communities Program (Cap and Trade).</p> <p>The City continued to identify qualified nonprofit developers for partnership in affordable housing construction and acquisition/rehabilitation projects. On April 19, 2013, the Planning Commission entitled the adaptive reuse of the Immanuel Community Church (3215 E 3rd St) into 24 units of affordable housing for extremely low-and very low-income seniors with special needs. In 2014, the Long Beach Community Investment Company (LBCIC) approved a developer loan of \$1.6 million for the project. The project includes on-site services, including case management.</p> <p>The LBCIC also approved a developer loan of \$4 million at the Villages at Cabrillo Phase V called Anchor Place. The new construction encompasses 120 units of housing for extremely low- and very low-income individuals, veterans, and persons with special needs. The project includes on-site services, including case management. The developer is assembling the remaining financing, and is hoping to begin</p>
	<p>In 2014, the City released an RFP for consulting services for preparation of the Housing Action Plan. A selection and contract is in process.</p>
<p>4.2: Adequate Sites</p>	<p>Maintain an adequate sites inventory for the remaining RHNA of 7,048 units (886 extremely low income units; 887 very low income units; 1,066 low income units; 1,170 moderate income units; and 3,039 above moderate income units).</p>
	Ongoing; HAP in 2015
	<p>The City continues to maintain an inventory of adequate sites to accommodate our RHNA assignments. For 2014 no sites have been converted to a non residential use.</p>

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4.3: Adaptive Reuse	<p>Adoption revisions to the Municipal Code in 2014 to encourage adaptive reuse and once adopted, promote adaptive reuse to property owners and interested developers.</p>	2014	<p>The City of Long Beach adopted the Adaptive Reuse Ordinance on March 4, 2014. The program provides a framework for sustainable development in the City and offers a clear process for the review of a variety of projects that result in a range of new uses.</p>
4.4: Affordable Housing Funding Opportunities	<p>On an annual basis as part of the City's budget process, the City will regularly evaluate opportunities to direct funding to the Housing Fund.</p> <p>In accordance with AB 1484, establish an amortization schedule to repay approximately \$16.3 million in debt owed the Housing Fund from the Downtown Project area related to deferred housing set-aside payments by early 2014.</p> <p>In accordance with AB 1484, establish an amortization schedule by the end of 2014 to repay approximately \$8.1 million in debt owed the Housing Fund from the former Redevelopment Agency related to the advance of funds as allowed by AB x4 26 (SERAF).</p>	<p>Establish amortization schedule to repay funds owed to Housing Fund in 2014; reestablish debt from loan to former redevelopment agency from City by 2020; research condominium conversion fee to Housing Fund by the end of 2015; conduct nexus study for coastal in-lieu fee by the end of 2015; annually research and monitor the availability of funding and pursue funding as appropriate.</p>	<p>In calendar year 2014, the Department of Development Services submitted a formal written request to the Director of Financial Management seeking additional funding for affordable housing as part of the FY-14 budget process.</p> <p>In accordance with AB 1484, an amortization schedule began in 2014 of the approximately \$16.3 million in debt owed the Housing Fund from the Downtown Project.</p> <p>In accordance with AB 1484, an amortization schedule has been prepared, and the approximately \$8.1 million in debt owed the Housing Fund from the former Redevelopment Agency related to the advance of funds as allowed by AB x4 26 (SERAF) has been fully repaid.</p>

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	<p>AB 1484 allows a former redevelopment agency to repay loans received from its host city. Under AB 1484, when this debt is reestablished and payments begin, a portion of the loan repayment, no less than 20%, must be used for low and moderate income housing purposes. The City of Long Beach intends to reestablish this debt by 2020.</p> <p>By the end of 2015, research potential redirection of condominium conversion fees for deposit into the Housing Trust Fund.</p> <p>On an annual basis, research eligible funding sources, including State Prop 1C programs, for deposit into the Housing Trust Fund.</p>
	<p>AB 1484 allows a former redevelopment agency to repay loans received from its host city. Under AB 1484, when this debt is reestablished and payments begin, a portion of the loan repayment, no less than 20%, must be used for low and moderate income housing purposes. The City of Long Beach intends to reestablish this debt by 2020.</p> <p>By the end of 2015, the City will research potential redirection of condominium conversion fees for deposit into the Housing Trust Fund.</p> <p>City staff reviews available funding from all available sources on a continuous basis for deposit into the Housing Trust Fund.</p>
	<p>By the end of 2015, conduct a financial analysis and nexus study to review the viability of the Coastal Zone in-lieu fee and consider revisions to the fee structure, if necessary, as part of the FY2016-2017 budget process and master fee schedule update.</p> <p>Annually monitor the availability of State and federal funding and pursue additional funding as appropriate. Continue to partner with affordable housing developers and other supportive service providers in funding applications.</p>
	<p>By the end of 2015 the City will conduct a financial analysis and nexus study to review the viability of the Coastal Zone in-lieu fee and consider revisions to the fee structure, if necessary, as part of the FY2016-2017 budget process and master fee schedule update.</p> <p>The City continued to monitor availability of State and federal funding. In 2014 the City focused on Affordable Housing and Sustainable Communities Program.</p>

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5.1: City First-Time Homebuyer Assistance	Assist 25 lower income households with homebuyer assistance.	Ongoing	In calendar year 2014 Housing & Community Improvement Bureau assisted 7 lower income households with homebuyers assistance. The City continues to promote the program through the website, public counters and other community locations.
5.2: County First-Time Homebuyer Assistance	Promote program to City residents by providing information on City website, public counters, and other community locations.	Ongoing	The Housing and Community Improvement Bureau and the City continues to promote the program through the website, public counters and other community locations.
6. Mitigation of Government Constraints			
6.1: Development Incentives	Continue to offer regulatory incentives to accommodate the development of accessible and affordable housing.	Ongoing	The recently adopted Downtown Plan will help streamline the entitlement process and clarify urban design standards to facilitate new housing opportunities. The Midtown Specific Plan will promote development incentives when brought forth to Planning Commission in 2015.
7. Fair and Equal Housing Opportunity			
7.1: Fair Housing	Continue to participate in fair housing programs and support fair housing services and tenant/landlord counseling services.	Ongoing	The City continues to implement and participate in fair housing programs and services through a contract with the Fair Housing Foundation (FHF), a private nonprofit that provides services and outreach opportunities. In 2014 the City assisted 2,266 general inquiries, 158 discrimination inquiries and 70 discrimination cases.
8. Monitoring and Review			
8.1: Annual Report	Present annual progress report to the City Council and submit to the State Department of Housing and Community Development	Ongoing	This document will be presented to Planning Commission, City Council and finally submitted to the California Department of Housing and Community Development.

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General Comments: