

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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April 8, 2022

Tom Modica, City Manager
City of Long Beach
411 W. Ocean Blvd.
Long Beach, CA 90802

Dear Tom Modica:

RE: City of Long Beach's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Long Beach's (City) housing element adopted February 8, 2022 and received for review on February 11, 2022, including minor revisions authorized by Resolution 22-0027 as described in the City's March 29, 2022 correspondence. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by conversations on March 14 and 16, 2022 with Alison Spindler-Ruiz, Advance Planning Officer; Patricia Diefenderfer, Planning Bureau Manager; Alejandro Sanchez-Lopez, Planner; and consultants David Bergman, Veronica Tam, and Lisa Wise. In addition, HCD considered comments from Abundant Housing L.A. and YIMBY Law pursuant to Government Code section 65585, subdivision (c).

HCD is pleased to find the adopted housing element in full compliance with State Housing Element Law (Article 10.6 of the Gov. Code). The adopted element, including minor revisions, addresses the statutory requirements described in HCD's January 18, 2022 review. HCD's finding was based on, among other reasons, a robust rezone to facilitate adequate zoned capacity for the City's Regional Housing Needs Allocation (RHNA), the removal of certain governmental constraints, and a suite of housing mobility and anti-displacement actions that will Affirmatively Further Fair Housing (AFFH), complete with measurable metrics and milestones.

Additionally, the City must continue timely and effective implementation of all programs including but not limited to the following:

- *Program 1.1 (Adequate Sites for RHNA)* commits to rezoning all sites in the inventory, to implement the PlaceTypes from the City's Land Use Element and to create adequate zoned capacity for the City's RHNA.

- *Program 1.2 (By-right Approval for Projects with 20 Percent Affordable Units)* commits the City to establishing by-right approval processes for sites used in previous housing element inventories by 2022.
- *Program 1.5 (Religious Facility Housing Overlay)* commits to adopting an overlay by the end of 2023 which will provide incentives for religious facilities to develop housing in both residential and nonresidential zones, designating religious facilities in the Founding and Contemporary Neighborhood (FCN) PlaceType as part of the overlay, and allowing affordable development at up to 30 dwelling units per acre for such sites.
- *Program 2.1 (Development Incentives)* commits to incentives for affordable housing development, including implementation of the City's Enhanced Density Bonus and establishment of a written SB 35 procedure and other actions to streamline development. This program also commits the City to monitor housing production by TCAC Opportunity Category and to make adjustments, if needed, to further incentivize production in higher opportunity neighborhoods.
- *Program 2.3 (Zoning Code Amendments)* commits to amending the zoning code to provide for employee housing and manufactured homes, to remove or revise the City's potentially burdensome definition of family, to allow transitional and supportive housing in mixed-use zones, and to remove other constraints, with varied timeframes before the end of 2023.
- *Program 2.6 (Development Review Process)* commits to raising the thresholds which trigger the Site Plan Review Committee (SPRC), adopting objective design standards, and updating the City's Subdivision Ordinance to facilitate lot mergers, among other actions, all by 2024.
- *Program 5.1 (Preservation of At-risk Units)* commits to monitor annually the 2,089 affordable units that are at risk of conversion to market rate, and to take various specific actions if a property is scheduled for conversion.
- *Program 5.2 (Tenant Protection)* commits the City to establishing a first right of refusal (or similar policy) for inclusionary units in the Downtown and Midtown neighborhoods by 2025, and to expanding this policy alongside the City's inclusionary housing policy. This program also commits the City to establishing a program that would eliminate substantial remodels from the list of just cause evictions and would increase tenant relocation benefits.
- *Program 6.3 (Voucher Mobility)* commits the City to creating incentives for, and taking specific actions to promote, the use of HCVs in higher opportunity areas.
- *Program 6.4 (Replacement Housing Requirements)* commits the City to implementing its replacement requirements that go beyond State law by requiring the replacement of "naturally occurring" affordable housing.
- *Program 6.5 (Tenants Right to Counsel)* commits the City to expanding its right to counsel and eviction prevention services.
- *Program 6.8 (Community Land Trusts)* commits the City to providing technical assistance in 2022, through dedicated funding, to community organizations seeking to establish community land trusts and other models for community ownership of affordable housing.

- *Program 6.9 (Monitoring of Housing Production)* commits the City to monitor and report annually on housing production by TCAC Opportunity Category, Racially/Ethnically Concentrated Area of Poverty status, and geographic subregions. By 2025, the City will assess whether implementation of the housing and land use elements is achieving housing production at all income levels in higher opportunity areas, and will adjust its land use policies within one year if falling short of its goals.
- *Program 7.3 (Mid-term Evaluation of Housing Element Implementation)* commits the City to preparing an evaluation for City Council review in Spring 2025, and proposing actions to adjust programs that are not on track to meet objectives by Fall 2025.
- In addition, the City's fair housing programs, including but not limited to those listed in Table F-25, provide meaningful metrics and milestones for targeting the City's fair housing goals. These include increases in voucher usage and affordable development in higher opportunity areas, reductions in the number of households vulnerable to displacement, and more.

The City must monitor and report on the results of this and other programs through the annual progress report, required pursuant to Gov. Code section 65400. Please be aware, Government Code section 65585, subdivision (i) grants HCD authority to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City failed to adopt a housing element that was found in compliance within 120 days of the statutory deadline (October 15, 2021), Program 1.1 (Adequate Sites for RHNA) must be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets housing element requirements for these and other funding sources.

HCD appreciates the hard work, cooperation and responsiveness that the City's housing element team provided throughout the housing element review. HCD particularly commends Alison Spindler-Ruiz, Advance Planning Officer; Patricia Diefenderfer, Planning Bureau Manager and Alejandro Sanchez-Lopez, Planner. HCD wishes the City success in implementing its housing element and looks forward to following its progress through the General Plan annual progress reports pursuant to Government Code section 65400. If HCD can provide assistance in implementing the housing element, please contact Colin Cross, of our staff, at colin.cross@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall". The signature is stylized and cursive.

Paul McDougall
Senior Program Manager