Long Beach Community Housing Report

An exploration of unique housing design opportunities and their potential for Long Beach

2019

CITY FABRICK

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Abstract

This research addresses and provides recommendations for the mitigation of rising housing costs in Long Beach, CA. It provides context to the issue of housing affordability in the state of California, with a focus on Long Beach, and seeks to understand and discuss the gravity of the issue and explore ideas in which to increase affordability. The report contemplates methods outside of traditional affordable housing which, much like new market-rate housing, only serves those that fall within a certain income range. In particular, this focuses on ideas that serve what can be referred to as the "missing middle": middle-income households cost-burdened by market rate housing yet unable to qualify for housing subsidies. After identifying housing design and policy concepts employed in other cities, it is possible to have a serious discussion on their feasibility and value to mitigating housing development barriers in Long Beach.

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A special thank you to the housing advocates, developers, academics, government agencies, and elected officials that were interviewed throughout this process.

This report outlines ways of mitigating the issue of housing development barriers in Long Beach

REPORT INTRODUCTION

This provides context to the issue of affordability at the national, state, and local level. The latter portion of this Report identifies design and policy concepts that contribute to the advancement of housing affordability, presenting case studies of where and why these techniques have been successful.

Ultimately, this Report explores mechanisms in which to preserve and advance housing affordability in Long Beach, which is not to be confused with the term affordable housing. While the two terms are can used interchangeably (and often are), affordable housing refers to a housing option in which the occupant(s) pay no more than 30 percent of their income for gross housing costs (utilities, for example). The 30 percent threshold originated as a rule of thumb used by the federal government as a result of 1990s lending practices. This refers specifically to Fannie Mae and Freddie Mac; lenders created by Congress to maintain housing market stability by providing readily accessible funds on reasonable terms. One of the stipulations of Federal funding was unwillingness to purchase mortgages unless the principal, interest, tax, and insurance payment did not exceed 28 percent of the borrower's income for a conventional loan (US Census Bureau 2006). The term "housing affordability" is understood as the extent to which enough rental housing units of different costs can provide each renter household with a unit it can afford (HUD 2017). This report focuses on housing affordability, but the affordable housing development process is an important concept to understand as it serves as a conventional strategy to address housing need.

Guiding Principles

The desired outcome of this research is to develop a guide for fostering housing affordability in Long Beach. These strategies can be applied in other communities throughout the region as well within the proper contexts. The steps to accomplishing this include examining the issue, identifying factors that contribute to rising housing costs, and developing strategies to increase affordability. Consistent with the City of Long Beach's pledge to pursue and promote a range of housing options, this research approaches the issue of housing affordability with the intent of identifying an array of housing opportunities as well as their feasibility. While the value of traditional affordable housing developments do not go unrecognized or unappreciated, this particular exercise focuses on alternative or "outside of the box" strategies.

Research Methodology

This document, the Missing Middle: Community Housing Report, identifies alternative housing opportunity types and assesses their feasibility for implementation, relying heavily on two methods of qualitative research: written publications and interviews. Government documents have been instrumental in understanding the policies in place that assist in developing housing (including traditional affordable housing). Examples include publications by the City of Long Beach including the City's General Plan, particularly the Land Use and Housing Elements.

The Plan also considers State and Federal programs and policies that support alternative housing opportunities, such as technical guides to low income housing tax credits (LIHTC). Newspaper articles and online blogs have proven to be a useful source of information by offering robust coverage of the current state of housing. Interviews have been instrumental in gathering insight from professionals involved in various areas of housing development including developers, advocates, non-profit groups, City Officials, elected representatives, and designers.

In addition to qualitative information acquired through research and interviews, the project team utilized various methods of spatial analysis. Geographic Information Systems (GIS) and Google Earth have assisted in the identification of areas or sites that

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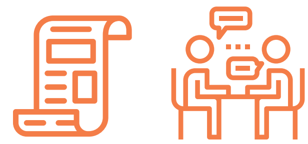


best fit the mold for each housing opportunity type. The geospatial aspect of the research utilized data from the United States Census Bureau, the Department of Housing and Urban Development (HUD), and the California State Assessor.

The structure of this Report begins by building upon the background research and describes concepts related to housing affordability, followed by existing mitigation techniques. This report then explores dif-

Affordable Housing vs. Housing Affordability

While the two terms are can used interchangeably (and often are), affordable housing refers to a housing option in which the occupant(s) pay no more than 30 percent of their income for gross housing costs (utilities, for example). For context, the 30 percent threshold originated as a rule of thumb used by the Federal government; as a result of 1990s lending practices. This refers specifically to Fannie Mae and Freddie Mac; lenders created by congress to maintain housing market stability by providing readily accessible funds on reasonable terms. One of the stipulations of Federal funding was unwillingness to purchase mortgages unless the principal, interest, tax, and insurance payment did not exceed 28 percent of the borrower's income for a conventional loan (US Census Bureau 2006). The term housing affordability is understood as the extent to which enough rental housing units of different costs can provide each renter household with a unit it can afford (HUD 2017).

A

TRADITIONAL BIG 'A' AFFORDABLE HOUSING

Affordable housing developments are typically government subsidized and required to be preserved as affordable housing for a period of at least 15 years.

a

SMALL 'A' HOUSING AFFORDABILITY

An ideology that considers the accessibility and cost of housing relative to the population. Housing is considered affordable when total housing costs are at or below 30 percent of gross annual income.

ferent housing opportunity types, relevant case studies, and guidance for implementation. The report concludes with a discussion of the results that includes a critical review of each case study and their feasibility in Long Beach, and to what extent they may improve housing affordability.

Context for Housing Affordability

Homeownership in the United States was the lowest in 15 years as recently as 2016. This statistic is directly related to the polarization between market rate and subsidized housing, exacerbated by overall shifts in income inequality. When combined with costs associated to land value, construction and development fees, there is greater incentive for developers to build housing at the high end in an attempt to offset costs increases. Millennials leaving the cities for less expensive exurbs still demand density, walkability, and access to transit; often in direct conflict with the preferences of established homeowners that can be reasonably assumed to enjoy the benefits of the current housing model. Homeowners have expressed concerns pertaining to potential financial implications of changes in housing demographics (most notably increased density and subsidized housing) in close proximity to their respective neighborhoods. This is embodied by vehement backlash on display at public forums in the fall of 2017 targeting the proposed updates to the City of Long Beach's Land Use Element that would increase the potential for increased density near traditional single-family residential neighborhoods.

Traditional Affordable Housing

Federally subsidized housing developments exist nationwide, including in California. The State's Housing Initiative acknowledges the high cost of living and subsequent housing shortage, and is supportive of policies that eliminate challenges to development. This effort proposes to increase the affordable housing stock by navigating through much of the obstacles that increases the cost of construction and the resulting cost of occupancy. Along with developers and non-profit organizations, this initiative represents the development of affordable housing through what can be described as the traditional means. Traditional affordable housing developments, which we refer to as Big "A" housing, are typically funded by tax credits, low-interest loans, grants, and other subsidies.

The Low-Income Housing Tax Credit (LIHTC) is the Federal government's primary mechanism for encouraging private investment into the development of rental housing dedicated to low-income households. For affordable housing developers, LIHTC is the most important financial resources, and in 2016 allocated $92 million to support the purchase, construction, and rehabilitation of affordable housing developments (Lester 2003).

The California Tax Credit Allocation Committee (CTCAC) administers low-income housing tax credit programs intended to encourage private investment in affordable rental housing for households meeting certain income requirements. CTCAC is tasked with distributing tax credits to developers that construct affordable housing units. A state-run tax credit program supplements LIHTC tax credits (Chapter 1138, Statutes of 1987) (California State Assembly Office of the Clerk 2017). This program provides California state tax credits to projects that are either currently or have previously received an allocation of federal credits (CTCAC 2015).

LIHTC replaced traditional housing tax incentives in 1986 to allow rental housing projects access to tax credits, which are available for both new construction or rehabilitation projects. There are two types of tax credits; four and nine percent. These terms refer to the approximate percentage of a projects qualified bases that a developer may deduct from their annual federal tax liability. Eligibility for these credits is determined by cost of construction and number or percentage of affordable units or by the total square footage of affordable units compared to regular units (Novogradac & Company, LLP. 2016), as well as other factors.

The Housing Choice Voucher program, also known as Section 8, is a common form of housing assistance provided by HUD designed to assist very-low income, seniors, and disabled to afford safe and decent housing in the private market (HUD). Section 8 is administered by public housing agencies (PHAs) which receive federal funding that is distributed to qualifying families or persons through housing vouchers. These vouchers are largely choice based, which means the individual or family entrusted with the voucher has the ability to seek housing on their own. The alternative are project-based vouchers, which are attached to specific housing developments, who then rent to those that qualify. Eligibility is determined by total gross income and family size, which may not exceed 50 percent of AMI (Keightly 2017).

This missing middle population, with income relatively close to AMI, are still burdened by housing costs and are armed with few government subsidies for these middle to lower-middle income earners.

Limits of Traditional Affordable Housing

The United States Department of Housing and Urban Development (HUD) defines affordable housing as a housing option that costs no more than 30 percent of a person's income; households whose housing expenses exceed this threshold are considered to be cost-burdened. Those spending more

On average, a California householder would have to earn over $26 per hour, more than twice the California minimum wage, to afford a two-bedroom rental unit at market rate without spending more than 30 percent of their income.

than 50 percent of household income are considered severely cost-burdened. Of the 43.6 million renters in the United States, 11.6 million are at the extremely low-income level (ELI); meaning their household income is at or below 30 percent of adjusted median income (AMI). AMI refers to the median income for a specific geographic area that is adjusted for different family size, and is a metric used by HUD to determine eligibility for certain subsidies.

A major issue affecting housing affordability is the lack of available rental homes. For example, Long Beach vacancy rates in 2016 were as low as two percent. Unsurprisingly, the weight of housing costs are particularly hard on low-income renters. Nationally, the United States has a shortage of 7.4 million affordable and available rental homes for ELI households, and California has only 21 homes per 100 ELI renter households. By comparison, the Los Angeles-Long Beach-Anaheim metropolitan area has only 12 affordable units for every 100 ELI households.

Shelter-Poor

The percent of income spent on rent is not the only metric of determining whether or not a household is overspending on housing. Another way to figure out how much a family realistically can afford is to take the difference between their disposable income versus the combined cost of housing and all other basic needs. This "residual income" approach, developed by Michael Stone, argues that there is a sliding scale of cost-burden based on varying degrees of income. As an example, there are two households, one at 50 percent AMI and one at 100 percent AMI, and both of these households pay 30 percent of their income on rent. Although the two households are spending the same amount on housing, the lower income household is at a greater disadvantage as their remaining income after rent is lower. The sliding scale of disadvantage takes into account that the two raw total incomes after rent presumably have to spend the same amount of money on basic amenities (anything from groceries to gas to and electric bill). As a result, the lower total income that a household makes, the greater disadvantage they experience.

Between 1970 and the mid-1990s; the number of shelter-poor households grew by more than 70 percent; among renters this number grew by 90 percent, suggesting that affordability has been disproportionately shared between renters and homeowners. In the early 2000s, about 32 million households were considered shelter-poor with an additional 2.5 million spending 30 percent or more of their income on housing.

Missing Middle

Millions of middle-income Americans living in high-cost regions struggle to find homes they can afford, forcing many people to move further away from cities and their inherent purpose as job centers. This jobs-housing imbalance leads to higher commute times, reliance on the automobile, and an overall degradation of quality of life. This missing middle population, with income relatively close to AMI, are still burdened by housing costs and are armed with few government subsidies for these middle to lower-middle income earners. For instance, those making 80 to 120 percent AMI are generally excluded from governmental support whereas households earning 30 percent or below make up the population that receive the largest share government support. The most common forms of these subsidies include housing vouchers, which are inefficient and often unable to secure to housing for families based on tacitly discriminatory business practices employed by landlords (Source: Interviews). Federal lending limits for mortgages that do not conform to regional housing costs and increase the burden on residents of California; which ranks third highest in housing costs behind New York and Hawai'i (Cohn 2017). Therefore, it can be argued the absence of geographically sensitives adjustments by federal programs intended to support middle-income households to lessen the overall value of these programs (Galante 2017).

Housing programs are skewed to lower and lower-middle income (of which the gap is growing), adding strain to an already declining middle class, and could have greater macroeconomic effects. This report argues that the middle class is underserved by Federal subsidies; however our research focuses less on increasing government expenditures in order to minimize the financial toll on Federal State governments, while also seeking to understand the politics behind increased government expenditures on social programs that are unpopular amongst many Americans. In addition, this report argues that flexible housing policies and removal of obstacles to development are a boon to diversifying the housing stock, which includes those underserved under the current affordable housing model. Based on the economic principle of supply and demand, increasing and diversifying the housing supply would alleviate the strain on a largely homogeneous housing supply through increased choice. Perhaps just as important is the need for developing housing that suits changing demographic preferences.

State Of California

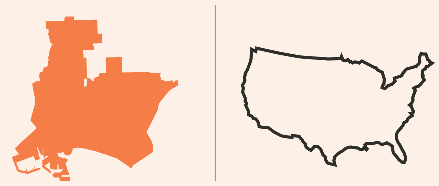
On average, a California householder would have to earn over $26 per hour, more than twice the California minimum wage, to afford a two-bedroom rental unit at market rate without spending more than 30 percent of their income. In Los Angeles, Orange, and San Diego Counties, a householder would have to work more than eighty hours per week at minimum wage to afford a one-bedroom rental home at fair market rate without paying more than 30 percent of their income (Misra 2015). Increasing housing prices and its coincidence with the rise of a service-oriented economy suggests that the housing crisis is unlikely to dissipate under the current circumstances. Of the seven fastest growing jobs, only one makes enough to afford rent at 30 percent or below of total income. What this means is we are trending towards sustained unaffordability, and until there is some sort of catalyst for change, there will be increasing numbers of those at risk of substandard living or homelessness due to the inability to afford rents.

The University of California, Los Angles (UCLA) Anderson School of Management reported that nationally, three of the six most unaffordable cities for homebuyers are in California. Rental prices are increasing more rapidly in California than nationally at 3.9 versus 2.6 percent in 2016 alone. Whether renters or buyers, millions of Californians are unable to secure quality affordable housing. Although efforts are being made to meet the demand for housing, the State Treasurer's office estimates that California remains short by a staggering 1.5 million units.

The cost of housing is directly correlated to the cost of land and construction costs, and in order to make up for that cost, developers are inclined to maximize land utilization by developing high-cost housing. State incentives such as tax-credits are difficult to obtain and are largely utilized by specialized affordable housing developers, primarily due to the time and energy needed to navigate the tax credit system. Density bonuses for affordable units are also available in California cities, but due to the added cost attributed to navigating the tedious process of accessing these funds, these programs are often underutilized by affordable housing developers.

County of Los Angeles

The median income for Los Angeles County residents is $64,300, compared to the City of Los Angeles with households earning a median income of $54,440, which can afford a



Average increase in rent, 2016

7.8%

LONG BEACH

0.7%

NATION

Percentage of population that rents

60%

LONG BEACH

35%

NATION

The City of Long Beach is the largest west coast city without some means of rent control or stabilization.

$179,000 house, far below the median home sale price of $560,000. Only 29 percent of Los Angeles County potential homebuyers can afford to purchase property at the county's median price of $485,000. An income of just under six-figures is necessary to purchase a home at that price ($99,830 to be specific).

Meanwhile, renters in the Los Angeles-Long Beach-Anaheim metro area outnumber homeowners, with 54 percent of residents renting (fourth highest in the nation). The majority of renter households (57 percent) are also cost-burdened (Data USA 2015). While rent prices have increased by 32 percent since 2000, median renter household income has remained relatively stagnant at three percent in the same time period. As a result, the number of Los Angeles County residents spending 50 percent of their income on rent rose from 29 in 2006 to 33 percent in 2014 alone. Rent in Los Angeles County is also outpacing the rest of the state, rising at 4.5 percent compared to the state average of 3.9 percent (Chiland 2017; Data USA 2015). Rises in housing costs exacerbated by wage stagnation has made it difficult for Los Angeles County to enter the housing market. A lack of Big "A" affordable housing is also present in Los Angeles. At the county level, cuts in federal and state funding have reduced investment in affordable housing production and preservation in Los Angeles County by nearly $457 million annually since 2008 (a 64 percent reduction).

City of Long Beach

In 2016 alone, rents in the City of Long Beach rose by 7.8 percent compared to the national average of 0.7 percent; a concerning figure when considering that roughly 60 percent of residents are renters, compared to the national average of 35 percent (Housing Element 2013). In addition, 47 percent of all Long Beach households are cost-burdened and 35 percent are severely cost-burdened. For comparison, 52.3 percent of Los Angeles City and 49.7 of Anaheim households are considered cost-burdened (28.4 and 24.9 percent are severely-cost burdened) (Revenue Tools and Incentives 2017).

Overcrowding is a significant issue in Long Beach. A household is considered overcrowded when there is more than one occupant per room, and severe overcrowding occurs when there is 1.5 or more occupants per room. Twelve percent of all Long Beach households (renters and homeowners) are considered overcrowded, nearly four times the national average of 3.3 percent and 1.5 times Los Angeles' overcrowding rate of 8.2 percent (Revenue Tools and Incentives 2017).

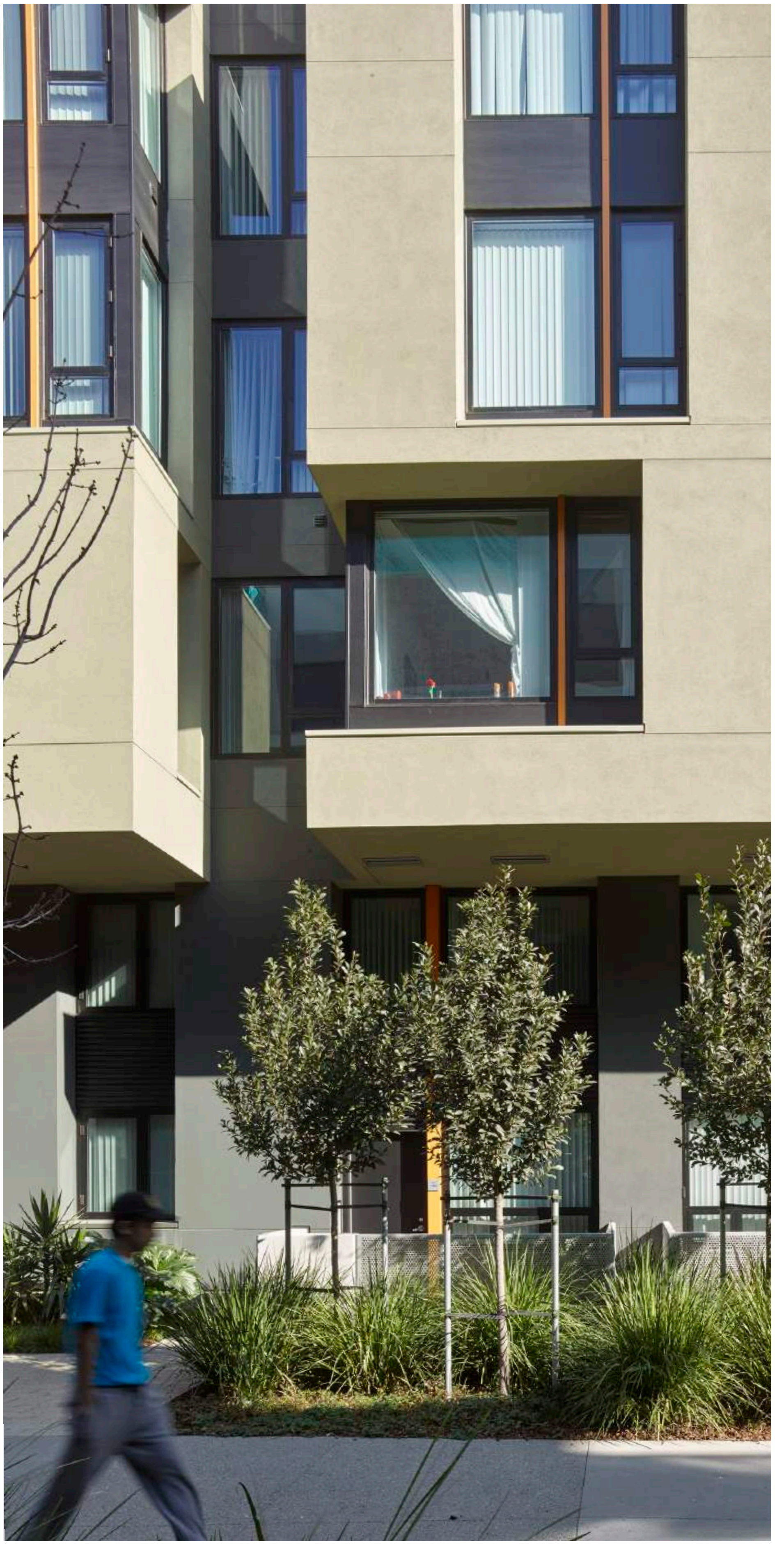
In Long Beach, 15.9 percent of renter households are considered overcrowded, compared to 5.9 percent of owner occupied households. Just under half of overcrowded renter households are considered severely overcrowded compared to just two percent for homeowner households. Overcrowding is a useful measure of housing costs relative to income as it is indicative of households that are doubling-up or taking on additional roommates in order to devote income to other basic needs. Household problems are more prevalent among renters than homeowners and disproportionately affect low income households, as about 60 percent of renters reported experiencing household problems such as cost burden, overcrowding, or substandard living conditions. That number increases to 82 percent for very low income and 86 percent for extremely low-income renters (Housing Element 2013).

Residents have expressed concern that housing is becoming increasingly unafford-

able, especially for low and extremely low-income households. Rising rents as a result of gentrification, or the influx of capital and higher-income, and higher-educated residents into working-class neighborhoods, increase existing cost burden on renters. According to a study by UC Berkeley, UCLA, and Portland State, 100 out of 110 Long Beach census tracts experienced an increase in renter burden between 2000 and 2013 (the 10 census tracts where rent burden decreased account for roughly 10 percent of the population) (Urban Displacement 2018).

Falling vacancy rates in Long Beach relative to population growth is indicative of a systemic inability to develop enough housing to meet the growing demand. The vacancy rate in Long Beach fell from 7.1 percent in 2010 to 5.8 percent in 2017 while Los Angeles County overall stayed about the same; despite slower household population growth in Long Beach compared to the rest of the county. In fact, the Downtown Long Beach Associates (DLBA) released a report claiming that Long Beach might actually be experiencing net loss in housing due to the number of lost units for every new household (Downtown Development Corporation 2018).

The City of Long Beach has recognized the mismatch between the existing housing stock and community housing needs as well as the cost burden experienced by moderate to low-income households, and the reality that moderate income households are not eligible for assistance under federal housing programs. As a result, the City has made it a priority to spur production of new appropriately sized housing, while preserving the existing housing stock. Long Beach's Housing Element outlines the ways in which Long Beach plans to increase housing including by encouraging the balance of rental and homeownership opportunities, increasing density when appropriate, encouraging adaptive reuse and creating an overall diverse housing stock (Housing Element 2013; Incentives and Revenue Tools 2017).



Landscape for Housing Creation and Preservation

California Housing Policies

State lawmakers have acknowledged the housing crisis; proposing legislature that eliminates market studies and appraisals, allowing developers to combine multiple applications, and increasing ways to meet eligibility requirements. In 2016, Governor Jerry Brown attempted to enact legislation to ease development costs by eliminating some requirements set by the California Environmental Quality Act (CEQA) through by-right zoning. Governor Brown's housing proposal could mean sweeping Bay Area changes). The legislation would fast-track approvals and expedite the development of housing, helping to ease the housing crisis. Unfortunately for Governor Brown, the proposal was shot down by community groups, including environmental activists, the League of California Cities, and construction labor unions (i.e. building trades). Although efforts to increase housing stock through relaxed government policies eventually failed, it is a sign of government recognition that the State needs to take political action. This is a change in philosophy by Governor Brown who, as recently as 2015, expressed pessimism towards the potential for legislation reform, including CEQA and Prop 13 (Li 2016; Weinberg 2015).

County Housing Policies

Los Angeles County voters overwhelmingly approved a quarter-cent sales tax increase in November of 2017, to develop funds dedicated investing in against the region's housing crisis. Measure H is expected to raise up to $350 million per year for the next ten years in order to mitigate the county's homeless crisis; the number of which increased 23 percent from 2015 to 2017 (Abrams 2017). Funding, acquired through a quarter-cent sales tax increase, will be used for enhancing and expanding services that prevent and address core issues of homelessness as well as various avenues for creating shelter, bridge, and permanent supportive housing. In June of 2017 the Los Angeles County Board of Supervisors approved a spending plan for the $250 million expected to be collected in the first year (Smith 2017).

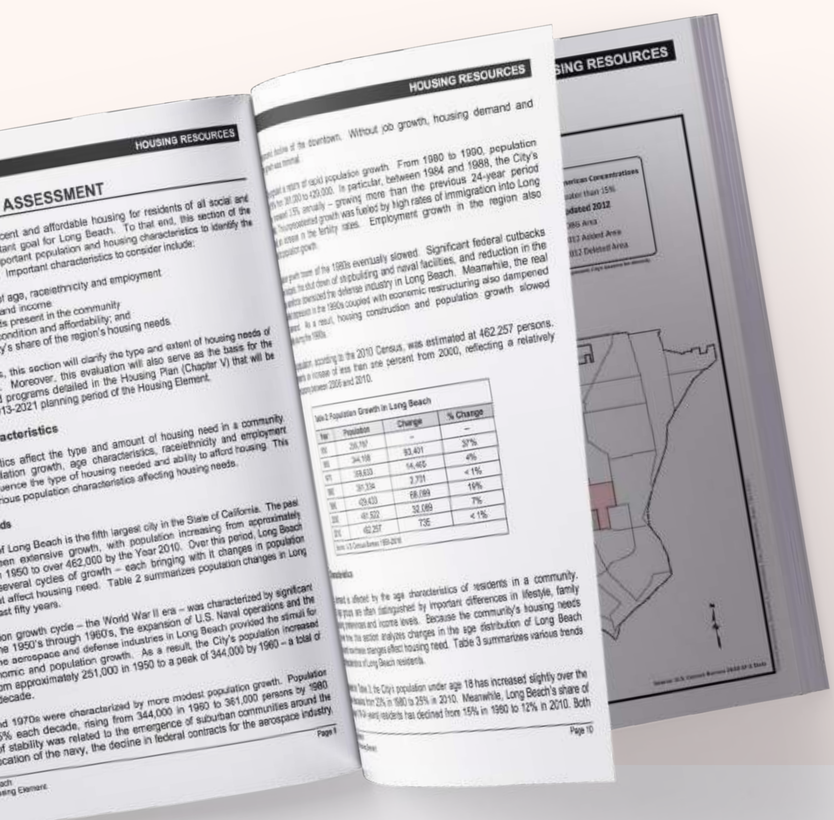
Long Beach, along with six other cities, are in an advantageous position in that the sales tax is already at the state-maximum of 10.25 percent. In addition, because Long Beach was able to reduce their homeless population by 21 percent between 2015 and 2017, the have been granted greater flexibility in how they spend their share of Measure H funding (Office of Janice Hahn 2018).

The State of California requires every local jurisdiction to update their Housing Element of the General Plan every seven years. This includes updating the mechanism necessary to expand local housing stock to serve growing residential populations as determined by the regional planning organization.

The Housing Element identifies data pertaining to housing, including demographic and economic, and combines this information with public input to determine the City's most pressing needs. In doing so, the City identifies the key issues and creates a policy framework to facilitate housing growth according to the identified City's needs.

The most recent edition of the Long Beach Housing Element, released in 2013, acknowledges rising housing costs and lack of accessibility for many residents. The document brings forward concerns that housing is becoming increasingly unaffordable, and recommend policies that counteract this trend. These policies include directing assistance to affordable housing projects and housing-choice vouchers, requiring developers to include affordable units, preserve subsidized affordable housing, and allow for the development of physically smaller units.

In addition, addressing and providing housing to special needs such as seniors or the disabled, increasing construction opportunities for high quality housing, and reducing government constraints to housing development are all key goals of the City to increase the housing stock.



LONG BEACH HOUSING ELEMENT COMPONENTS

HOUSING AFFORDABILITY

Direct local financial assistance to affordable housing projects.

Where the City provides financial assistance, require the inclusion of affordable units.

ACCESSIBILITY FOR TARGET POPULATIONS

Encourage California State University at Long Beach and other institutions of higher education to build student, staff, and faculty housing to meet the needs of their students and employees.

Integrate and disperse special needs housing within the community and in close proximity to transit and public services.

HOUSING & NEIGHBORHOOD IMPROVEMENT

Promote continued maintenance of quality ownership and rental housing by offering assistance to encourage preventative maintenance and repair.

HOUSING PRODUCTION

Finalize an ordinance for Planning Commission/City Council consideration to encourage adaptive reuse of existing structures for residential purposes.

Utilize development agreements as a tool to achieve a mix of affordability levels in large-scale projects.

Encourage residential development along transit corridors, in the downtown and close to employment, transportation and activity centers; and encourage infill and mixed-use developments in designated districts.

GOVERNMENT CONSTRAINTS TO HOUSING DEVELOPMENT

Periodically review City regulations, ordinances and fees to ensure they do not unduly constrain housing investment.

Provide for streamlined, timely and coordinated processing of development projects to minimize project-holding costs.

OPPORTUNITIES FOR HOMEOWNERSHIP

Provide home purchasing opportunities, with an emphasis on providing affordable options for low and moderate income households.

FAIR & EQUAL HOUSING OPPORTUNITIES

Continue to enforce notification and relocation assistance for low-income households displaced due to demolition, condominium conversion, and persons displaced due to code enforcement activities of illegally converted or substandard residential dwellings.

Provide fair housing services to Long Beach residents and property owners, and ensure that residents and property owners are aware of their rights and responsibilities.

City of Long Beach

At the local level, Long Beach has outlined a number of strategies in which to increase affordable and adequate housing. Allowing for a diverse housing stock, reforming policies that constrict housing developments, encouraging inclusionary zoning, and establishing first-time homebuyer programs have all been identified by the City as viable strategies for increasing housing supply. These ideas are evident in political frameworks laid out in the City's Housing and Land Use Elements of the General Plan.

Inclusionary Housing

In 2017, the City of Long Beach conducted a housing study that explored ideas to increase the supply of affordable units. The result was a set of policy recommendations geared toward producing affordable and workforce housing. One of the focuses (and eventual policy recommendation) of the study was inclusionary zoning practices, which require that a percentage of new units in a housing development be affordable to lower-income households. The group identified and analyzed policies in other California cities such as San Diego, Santa Ana, and Santa Monica. In cities which mandate affordable housing as a percentage of a development's units, builders can sometimes pay a fee in order to get out of the obligation. These are known as in lieu fees, which are then used to put back into other affordable housing developments (Revenue Tools and Incentives 2017).

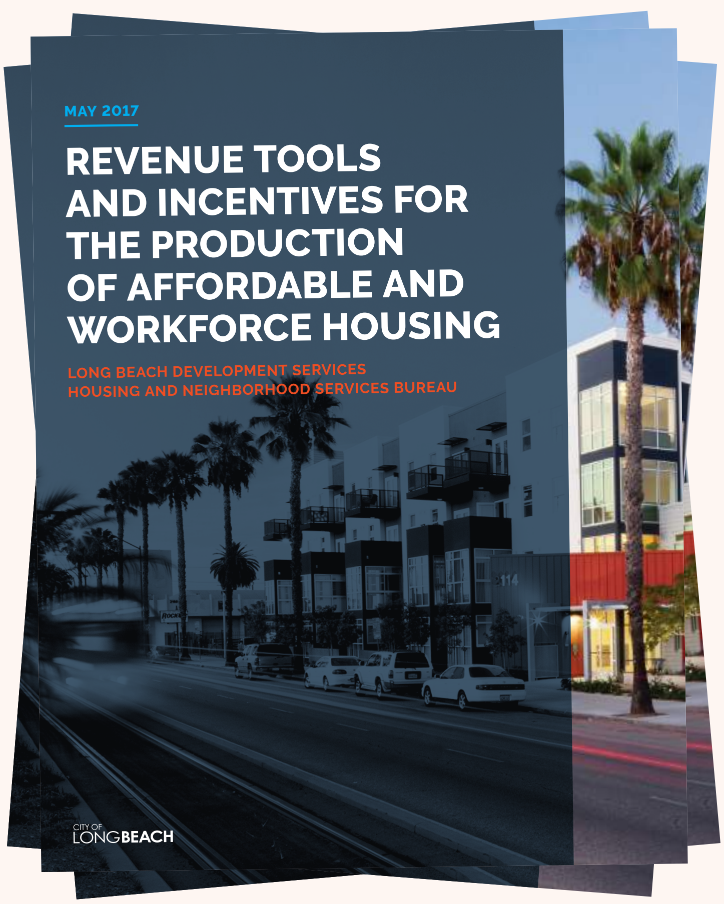
Rent Control

The City of Long Beach is the largest west coast city without some means of rent control or stabilization. Housing advocates have been organizing to introduce a local ballot measure to implement rent control in the city, taking advantage of the upcoming 2018 election cycle that will include a statewide ballot measure to address current legal limitations of rent control for cities that already have it (Dillon 2017; Tompkins 2018). In October of 2017, an initiative was filed that would repeal the Costa-Hawkins Act (1995), which barred rent caps on single-family homes and apartments built after that year. Renter reform is taking place in cities throughout California. San Jose in April voted to draft an ordinance that would limit evictions to just causes, Union City passed a similar eviction-control ordinance, and Santa Rosa passed a law restricting rent increases to a maximum of three percent per year (McCallum 2016; Pender 2017). Locally, the advocacy group Housing Long Beach began the process of creating a ballot measure that would enact renter protections relating to rent increases and wrongful eviction.

HOUSING TASK FORCE

Recognizing the growing issue of displacement of current residents resulting from rapidly increasing rents the City of Long Beach established a task force made up of residents, experts, housing providers and advocates to discuss means for protecting and expanding housing affordability in the city.

This group hosted a series of meetings with the public to create a dialogue between players involved in housing development and the public. The viewpoints and ideas derived from the meetings are incorporated in a document titled Revenue Tools and Incentives for the Production of Workforce and Affordable Housing. Like the Housing Element, the document describes housing issues and develops a political framework to meet those needs. However, the document is slightly different in that it is the result of various community stakeholders, rather than one municipal government. A selection of the policies and best practices noted in the document are listed below.



POLICIES TO IMPLEMENT IMMEDIATELY

Encourage the preservation of existing affordable housing stock, consistent with the City's adopted Housing Element.

Encourage Project-Based Vouchers in new affordable developments.

Continue to waive developer impact fees for new affordable developments in accordance with the Long Beach Municipal Code (LBMC).

Promote the City's Density Bonus Program to all multi-family housing developers.

Explore the potential development of student and workforce housing on school and college/university campuses, and other adequately-zoned sites.

Track federal and State legislative activities and support legislation that increases funding for affordable housing.

Support California Environmental Quality Act (CEQA) reform through City's legislative actions that encourages the production of affordable and workforce housing.

LEGISLATIVE REQUIREMENTS & PENDING INITIATIVES

Adopt an ordinance that supports the development of accessory dwelling units in accordance with new State law.

Implement State law that reduces parking requirements for affordable housing projects near transit.

NEW INITIATIVES FOR DEVELOPMENT & IMPLEMENTATION

Immediately begin the development of an inclusionary housing policy to encourage mixed-income housing. Focus an inclusionary ordinance on homeownership units until such time as the legality of rental units is determined.

Investigate the possibility of establishing a local document recording fee to fund affordable housing (Philadelphia model).

Investigate the possibility of dedicating resources from the City to support the production of affordable and workforce housing during the annual budget process.

Modify the moderate-income definition from 80 percent to 120 percent of area median income (AMI) to 80 percent – 150 percent.

Encourage the adoption of specific plans with program EIRs as applicable throughout the City, which provide regulatory relief and more rapid entitlement procedures.

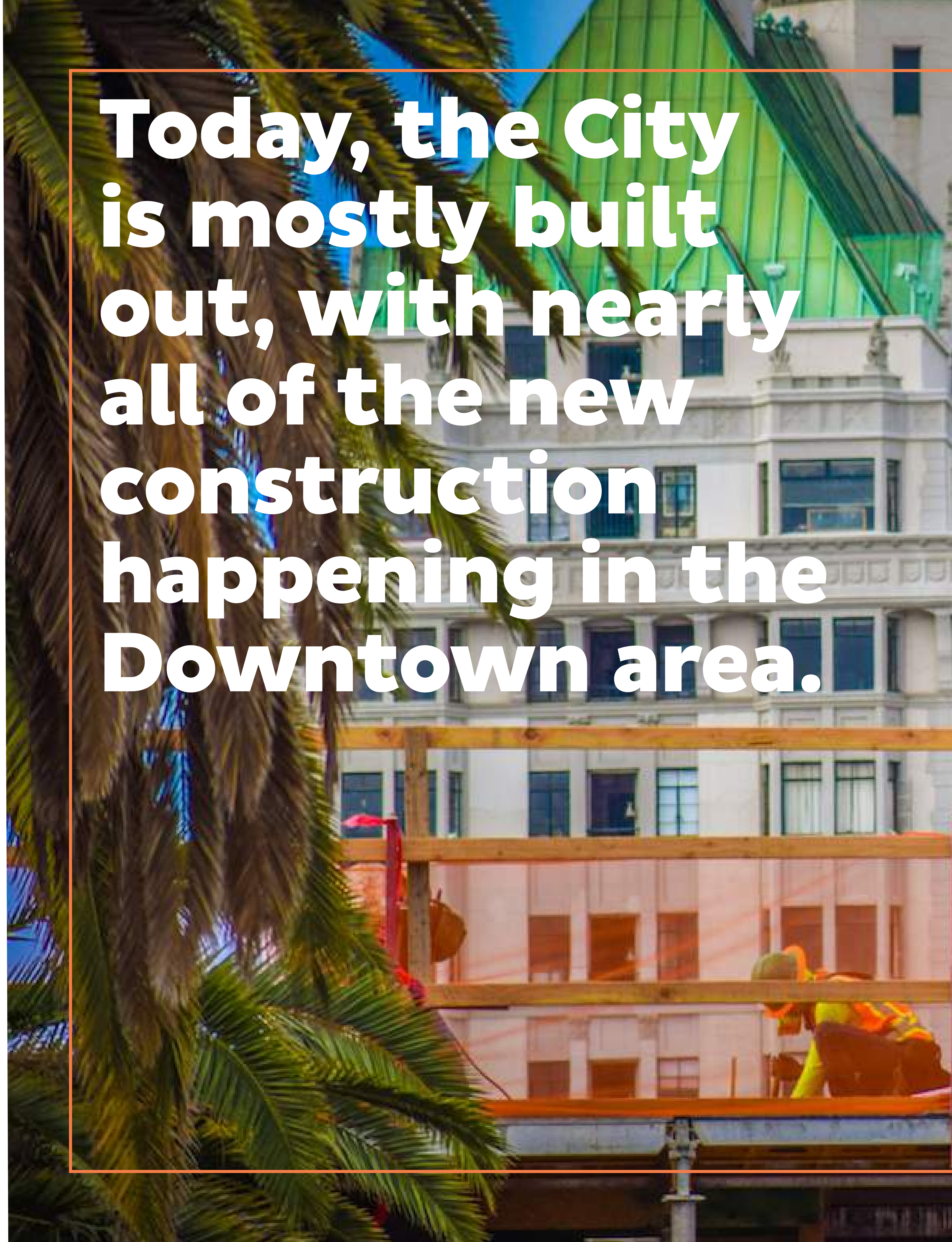
Consider expanding one-for-one replacement of lower-income units (currently offered in Coastal Zone only through LBMC 21.61).

Develop and offer first-time homebuyer programs (including Police, Fire, and Teacher, down payment, and second mortgage) as permitted by new revenue sources.

Encourage adoption of regulations to allow and incentivize the use of shipping container construction for housing.

Develop a plan to include micro-units as a method for encouraging housing production.

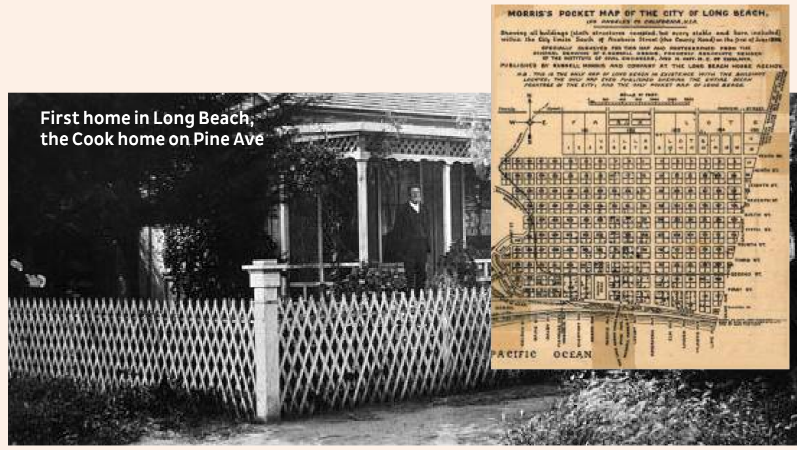
Explore and propose an Article 34 referendum to ensure maximum leveraging of State resources for affordable housing developments.



Today, the City is mostly built out, with nearly all of the new construction happening in the Downtown area.

Around the turn of the century, the Pacific Electric Railway opened, connecting the City to Los Angeles. As Long Beach expanded southeast, a series of annexations, including Alamitos Beach (1905), Carroll Park (1908), and Belmont Heights (1911) contributed to the growing population. These neighborhoods, as well as Belmont Shore (and eventually Naples), were developed as single-family residential prior to their annexation.

Eras of housing development in Long Beach



First home in Long Beach, the Cook home on Pine Ave

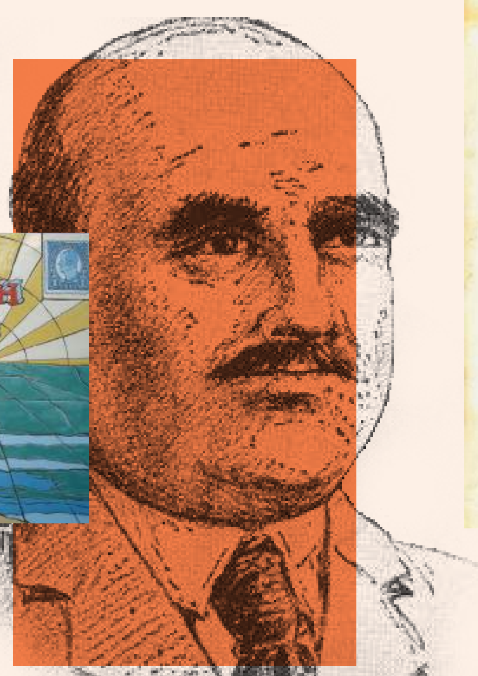
The Great Depression in the early 1930s generated enormous population shifts throughout the country as hundreds of thousands of people moved West to escape poverty and to start new lives. With little or no housing available to the new arrivals, many turned to travel trailers as full-time living accommodations and these semi-permanent tenants were dubbed trailers parks. Long Beach's Shady Acres Trailer Park, shown here in the early 1950s, even boasted a miniature golf course.

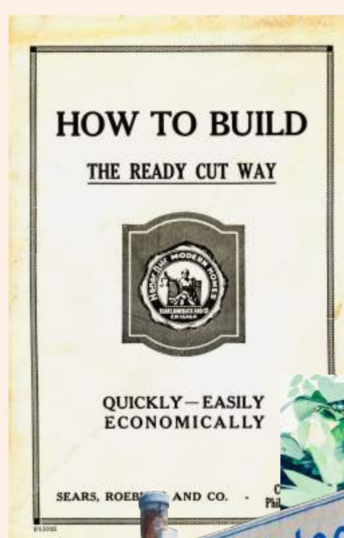
1800

Developers in Naples figured that if they could get people out to see the beauty of the beach, they'd have them sold on a house which was at that time considered "in the sticks"

New processes of mass-production greatly reduced the overall cost of homebuilding, allowing a growing middle class to purchase and build homes, often using patterns as a blueprints. Sears, Roebuck and Co. took this a step further by also including pre-cut and numbered pieces that you could assemble into a home. They were the most famous purveyor of kit houses, selling about 75,000 pre-cut houses between 1908 and 1940. Kit houses were incredibly popular among not only the new suburbanites, but also corporations, who bought and built the kits en masse for their company housing.

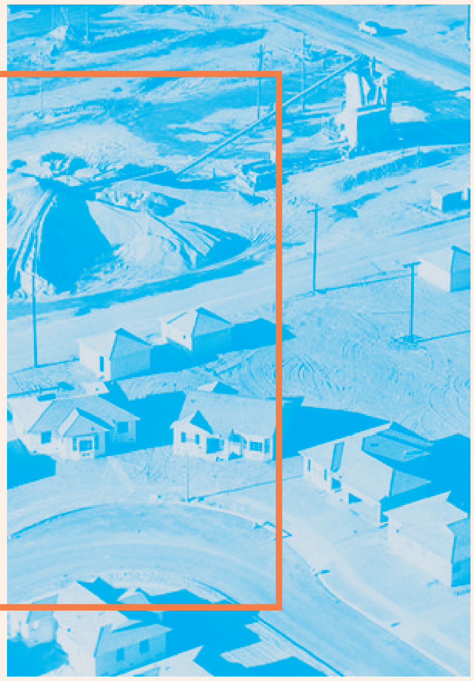
Before Long Beach became the city we know today, it began as Willmore City, named after William Willmore who in the 1880s entered an agreement to develop the area.





Suburban Expansion

Southern California is famous for its post-WWII suburbanization, and Long Beach is no exception; the City again doubled in size between 1940 and 1960 from 164,000 to 344,000 people (remaining relatively stable until the 1980s). Suburbanization in Southern California; the result of a perfect storm of post-war economic growth, the proliferation of the automobile, and GI Bill-boosted housing market, was evident in Long Beach.



Today, the City is mostly built out, with nearly all of the new construction happening in the Downtown area, which benefits from a blanket Environmental Impact Report (EIR) ordinance, which streamlines housing production by making it easier to pass environmental regulations; saving time and money (Downtown Plan 2012).

Today

This era saw the expansion of suburban SFR housing tracts towards the north and east. One of the most iconic being the Cliff May Ranch homes near El Dorado Park.

The 1980s saw a housing crisis similar to what we are experiencing now. In response, City Council responded by adjusting zoning regulations to increase diversity in housing options. The upzoning without proper design guidance resulted in disjointed development patterns.

Tensions over proposed changes to the Land Use Element brought out angry residents in East Long Beach who were livid about the proposed density increases, citing unbased fears of increased traffic and crime that would come with any additional increase to density in their single-family home neighborhoods.

Population Density

Using GIS, this report assessed population density and housing units around the City using data at the block group level. Block groups are a U.S. Census Bureau metric used when analyzing data collected during the census. Long Beach is made up of 328 block groups, with an average size of 115 acres and just over 1400 people. According to 2010 Census data, 23 out of 25 of Long Beach's block groups are located east of Temple Avenue and north of Pacific Coast Highway. Twelve of these block groups are located in Long Beach's 1st Council District, six in the 4th Council District, four in the 2nd Council District, and three in the 6th District.

The number of housing units is most dense surrounding the Downtown area, with other highly dense areas located along 7th Street and on Pacific Coast Highway near the Traffic Circle. The City's Eastside has the lowest density, as does the portion of the City west of Signal Hill between Carson Street and Pacific Coast Highway (including the Westside and Portions of Bixby Knolls) (U.S. Census Bureau).

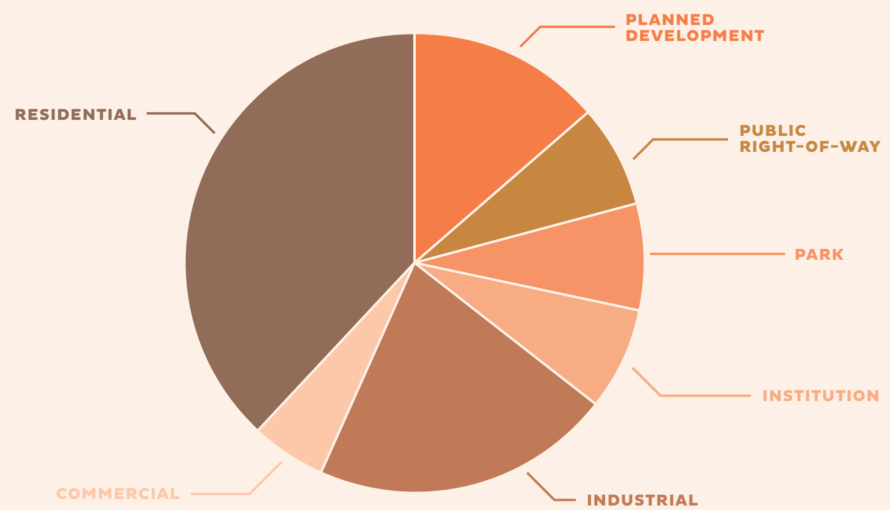
Current Housing Production

Much like its demographics, Long Beach's housing production has changed over time. Smaller homes and apartments largely dominated the city's early housing production, followed by the post-war single family residential boom of the 1950s and subsequent rise of renter units in the 1960s. The City reduced building requirements during the 1980s to accompany more housing units and increase density, initiating the infamous 'cracker box' era. In 2012, the Downtown Plan was approved, launching Downtown Long Beach's housing development boom. Over two dozen projects are either in the planning states or under construction in the Downtown area as of November of 2017. The State of California has implemented laws that protect the rights of homeowners to build accessory dwelling units, while the City's Land Use Element update supports housing development by increasing density along transit corridors such as Blue Line on Long Beach Boulevard (Land Use Element 2017).

Long Beach housing production has evolved over time to accommodate demographic change. For instance, the city's status as a

FIGURE 1

TOTAL AREA (MI²) OF EACH ZONING TYPE



seaside recreation town and hub for serviceman necessitated a mix of permanent and rental units in order to suit its population's ephemeral nature. Following WWII, single family homes were built to accommodate a new market of servicemen returning home from war, people moving from the Midwest, and those entering the workforce especially to serve the growing aerospace industry. Since then, development has been and will continue as various forms of urban infill; what remains to be seen is how well future and current development meets the demands of a changing market.

Housing Element

Long Beach's Housing Element is a planning document that covers an eight-year planning period (2013 – 2021). It identifies policies, programs, and objectives that focuses on conserving and improving existing affordable housing, finding adequate sites for new housing, assisting in development, and removing governmental constraints to housing development.

Long Beach, the sixth largest city in California, is home to over 450,000 people. Incorporated in 1897, the City experienced rapid growth during WWII and the post-war economic boom. After growing by 37 percent in the 1950s, the City continued expanding, albeit moderately, until a second rapid growth cycle in the 1980s. Beginning in the 1990s, Long Beach has undergone a substantial economic restructuring. The closure of the Naval base and aerospace plants have led to a major decrease in manufacturing labor, with most of the job creation happening in lower-paying service occupations. Long Beach residents make up 163,351 households, with an average household size of 2.8 persons. The majority of households are families, at 61 percent, followed by singles (28 percent) and other non-families (11 percent). Since 2000, the number of single-person households has decreased by three percent while the number of non-family households has increased substantially by 17 percent. Meanwhile, the number of households with children has decreased by 11 percent while households without children has increased by 14 percent.

It is important to consider how demographics can influence market prices and thus housing availability and affordability. If household demographics are changing the way they are reported in the Housing Element and the US Census, we can reasonably expect a greater demand for smaller units, as they are more economically practical for a growing number of households. What is concerning is what will happen if new housing does not match the growing need. Presumably, if housing designed for single-persons (studio or one-bedroom) is being exceedingly occupied by couples (probably with two income streams), single-person households are at greater risk of being priced out of the market, leading them to take on roommates in order to occupy larger housing units (as evidenced by the 17 percent rise in non-family households).

Existing & Proposed Development Regulations

EXISTING LAND USE

The City's Land Use Element (LUE) of the General Plan directs the long-term physical development of the city. The current LUE was adopted in 1989 when Long Beach was home to 429,000 people, which is about 50,000 people (or ten percent) less than the 2020 projected population. The 1989 Plan acknowledged the need to build housing and increase density, although it placed more stringent regulations on high density residential developments. Instead, there was a focus on developing along major transit corridors in order to accommodate projected growth over the coming decades. Planners at the time understood that the expected addition of 85,000 residents (we experienced just over half of that) would necessitate demolition of existing lower density housing and replacing them with higher density housing, or suffer severe overcrowding.

The 1989 Plan is based on the concept of managed growth, the goal of which is to "guide growth to have an overall beneficial impact on the city's quality of life". At the time, four main categories of land uses included residential, commercial, industrial, and other(s). Since the 1989 Plan, we have seen this expand (as seen in City-provided zoning maps) to include institutional, public right-of-way, parks, and planned development.

EXISTING ZONING

Zoning, which is the concept of applying allowable uses across the city, emerged from a court case, Euclid v. Ambler, in the 1920s in Ohio. Euclid, OH implemented the country's first zoning ordinance in order to prevent the encroachment of industrial areas upon residential. Land in Long Beach has been zoned to accommodate residential, commercial, industrial, parks, public right-of-way, and institutional land uses.

Residentially-zoned areas are widespread throughout the City, though with varying density allowances depending on the neighborhood. Commercial areas are scattered throughout the City, often surrounded by residential areas and along transit routes. Roads and sidewalks make up a large portion of public right-of-way space and traverse the entirety of the City. Institutional uses include schools, universities, or churches and are also widespread. Industrial zones are largely concentrated around the Port of Long Beach and Long Beach Airport, as well as in North Long Beach along Paramount Blvd and the 91 Freeway. The chart shows the square mileage of all zoned areas. You can see that residentially zoned areas account for a large portion of Long Beach's area relative to others.

PROPOSED LAND USE

The City's most recent draft of its Land Use Element proposes increased allowable density along transit corridors. The new Plan would help accommodate the 18,200 new residents expected to arrive by 2040. The draft 2018 Land Use Element preserves all single-family residential areas, which accounts for about 44 percent of the city's total land. Much of this density increase would occur through increased allowable building heights. Developers will largely focus on areas in the Downtown area and rail accessible land designated for transit-oriented development. One update includes the re-designation of certain commercially zoned parcels to incorporate new concepts such as mixed-use development. The new LUE moves away from the old zoning approach of land use segregation and instead will emphasize flexibility and options that maximize the use of space. This means utilizing design schemes that incorporate housing units within the fabric of commercial space, such as around office or retail centers (Land Use Element 2017).

Tax Credit Financing Selection Criteria

PURPOSE OVERLAY

Housing developments seeking TCAC funding are expected to be built in sites that best serve the population that will qualify for affordable housing vouchers. That means placing affordable housing in areas that are within a reasonable proximity to certain amenities. While proposed sites do not necessarily have to be located near every single amenity (listed below), applicants typically rely on locating their development within a reasonable distance to enough amenities that achieve a score of 15 (Interview: LINC Housing), which is determined by a universal point system. The point system was derived by TCAC as an agreed upon metric for determining the appropriateness of each proposed affordable housing development. Each amenity awards points based on a sliding scale that accounts for a) amenity type (which have varying values) and b) proximity to the development site.

WHAT AMENITIES DOES TCAC LOOK FOR?

TRANSIT	PARKS & OPEN SPACE
HOSPITALS & MEDICAL CENTERS	LIBRARIES
PHARMACIES	SENIOR CENTERS
GROCERY STORES	SCHOOLS

TRANSIT

Public transit offers the highest point capacity with points ranging between three and seven points. The maximum of seven points is achieved if the site is within 1 / 3 mile of a bus, rail, or ferry location with a service time of at least every 30 minutes during rush hour traffic Monday through Friday. To achieve the minimum three points, the project site must be within 0.5 mile of a bus, rail, or ferry stop regardless of service hours or frequency.

Long Beach boasts a diverse range of public transit options, including bus, rail, and aquatic. Bus routes are particularly prevalent and accessible by residential areas: 99 percent of all residentially zoned areas are within 1 / 3 mile from a city bus route (359 out of 364 areas) as are 98 percent of all residential parcels (76098 out of 77794 parcels). One hundred percent of all census tracts identified by the City of Long Beach as "lower income or below" are located within 1 / 3 mile bus lines. The only major rail line, the Metro Blue Line, extends from Long Beach's Downtown core north towards Compton, only serving a portion of the city, while the AquaLink, the city's water-taxi service only serves Long Beach's coastal areas.

HOSPITALS, MEDICAL CENTERS, AND VA

Potential housing developments located within 0.5 mile of a qualifying medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week earn three points, or two if the site is within one mile. Hospitals are common in parts of Long Beach, and are relatively concentrated in the city's geographic center (the exception being the VA hospital (near the Orange County border). All four major hospitals; Long Beach Community (set to abandon acute care due to concerns surrounding seismic stability), Long Beach Memorial, Miller Children's, and St. Mary's are all located within a two-mile radius of one another.

PHARMACIES

Proximity to pharmacies provides potential development sites with a maximum of two points if within 0.5 mile, or one point if within one mile. Pharmacies, while not responsible for a large portion of points compared to other amenities, are widespread throughout the city, located in each Council District and within a close proximity to most residential areas.

GROCERY STORES

Point value for grocery stores range between one and five points based on proximity and size/type of the grocery store. If the site is within 0.5 mile of a full scale grocery store (25,000 ft^2, selling fresh meat and produce), five points are rewarded. Fewer and fewer points are awarded as the size of the grocery store decreases from 25,000 to 5,000 square feet (which generally alludes to something like a junior market or deli). Farmers markets are also able to obtain points in-lieu of grocery stores, ranging between one or two points depending on distance to the development site (0.5 mile or one mile).

PARKS & OPEN SPACE

Three points are awarded to project sites within 0.5 mile of a public park and two points are awarded to a site within 0.75 mile. Long Beach is home to 2,000 acres of park space, although much of that is located on the city's East Side (El Dorado Park accounts for 37.5 percent of all Long Beach

FIGURE 2

PARKS NEEDS ASSESSMENT

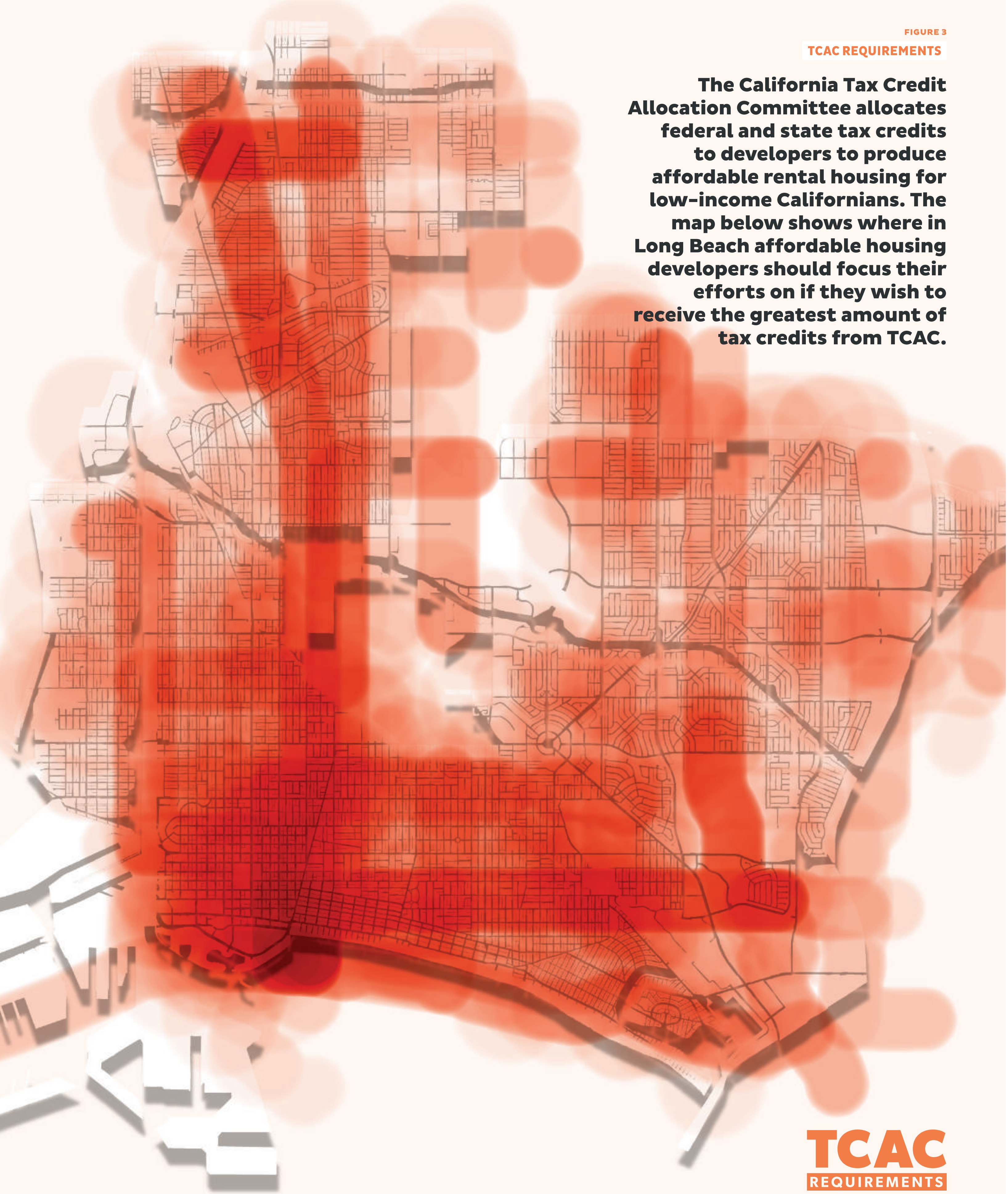
	PARK ACRES PER 1,000	% LIVING WITHIN 0.5 MI	
CENTRAL	1.7	67%	Low Need
EAST	1.2	43%	Low Need
NORTH	0.9	64%	High Need
SOUTH	2.3	89%	High Need
WEST	1.6	61%	Very High Need

From the 2016 Los Angeles Countywide Comprehensive Parks & Recreation Needs Assessment

FIGURE 3

TCAC REQUIREMENTS

The California Tax Credit Allocation Committee allocates federal and state tax credits to developers to produce affordable rental housing for low-income Californians. The map below shows where in Long Beach affordable housing developers should focus their efforts on if they wish to receive the greatest amount of tax credits from TCAC.



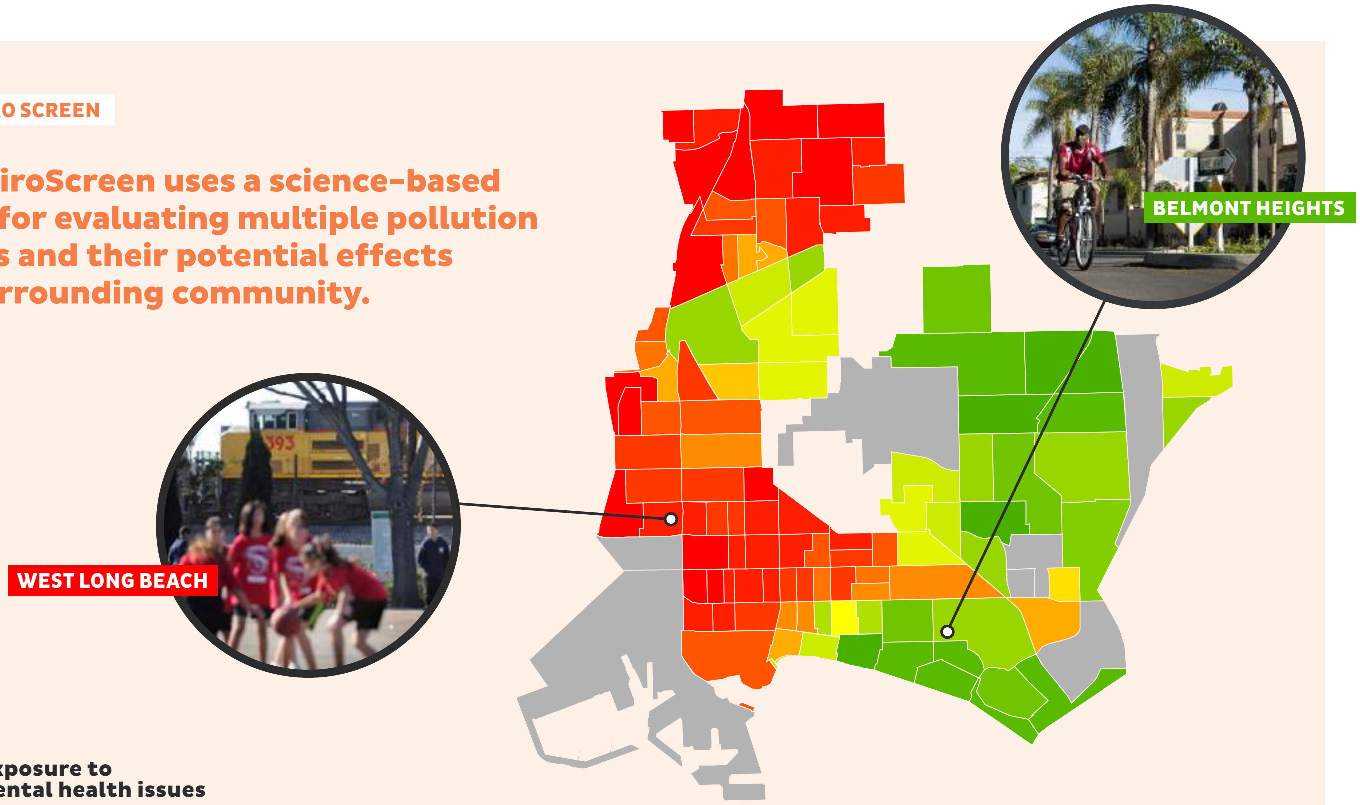
TCAC
REQUIREMENTS

Beacon Pointe, a 121-unit affordable housing community in Long Beach, Calif., is one of the first projects using state certificated credits. The approximately $59 million project received reservations of nearly $11 million in state housing credits and $2.5 million in federal housing credits. The city of Long Beach has also made a significant contribution of about $12.3 million in funding and allocated 120 project-based vouchers

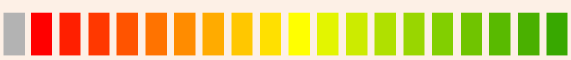
FIGURE 4

CAL ENVIRO SCREEN

CalEnviroScreen uses a science-based model for evaluating multiple pollution sources and their potential effects on a surrounding community.



Level of exposure to environmental health issues



park space). Nonetheless, over 90 percent of Long Beach residential areas are within 0.5 mile of a public park.

LIBRARIES

Development sites near public libraries can earn three points if within 0.5 mile and two points if within one mile. While most areas of the city are located near a library (only two Council Districts are without a public library – 1st and 8th), many residential areas are without access: just under 40 percent of all residentially zoned areas are not within one 0.5 mile of Long Beach's 12 public libraries.

SENIOR CENTERS

If the development is reserved for seniors, the project can receive points for being built within a certain proximity to a senior center. If a senior development project site is within 0.5 mile of a daily operated senior or facility offering daily services to seniors, three points are awarded. If the project is within 0.75 mile, two points are awarded. Long Beach is home to six senior centers, most of which are located in public parks including El Dorado, Chavez, Houghton, and Silverado.

SCHOOLS

Close proximity to schools is important, as many affordable housing developments house families that include children. If project sites are within 0.25 mile of a public elementary school, 0.5 mile of a public middle school, or one mile of a public high school, a development is granted three points. If the site is within 0.75 mile of a public elementary school, one mile of a public middle school, or 1.5 miles of a public high school, it is awarded two points.

Challenges in the Community

CALENVIROSCREEN 3.0

The model factors in exposure and environmental effects of pollution as well as population characteristics such as health status, age, and other socioeconomic factors. In Long Beach, CalEnviroScreen 3.0 reflects that the city's underprivileged areas (particularly the North and West Sides) are disproportionately burdened from pollutants.

PARKS NEEDS ASSESSMENT

The 2016 Los Angeles County Parks & Recreation Needs Assessment considers parks a key infrastructure that improves the quality of life for all county residents. The study broke Long Beach into five different sections: Central, East/Unincorporated, North, South, and West. The parks needs assessment scores for each area are listed on the bottom of page 22 (Figure 2).

PUBLIC HEALTH INDICATORS

Within Long Beach, there is significant geographic disparity of public health. In the city's North, Central, West, and Southwest regions, the lift expectancy is 75-77 years; up to five years lower than Long Beach's East and Southeast areas. The Long Beach Department of Health and Human Services determined in 2010 that residents in these areas are more likely to have diabetes, asthma, and rates of hospitalization. Social problems associated with poor health, including low education and high unemployment are geographically concentrated in the cities Central area. Household income in this area (specifically the 90813 zip code) is $19,815, less than a third of the area's highest income ($64,242 in zip code 90803).

FIGURE 5

DEMOGRAPHICS

Severe Renter Household Overcrowding

(1.51 or more persons per room)

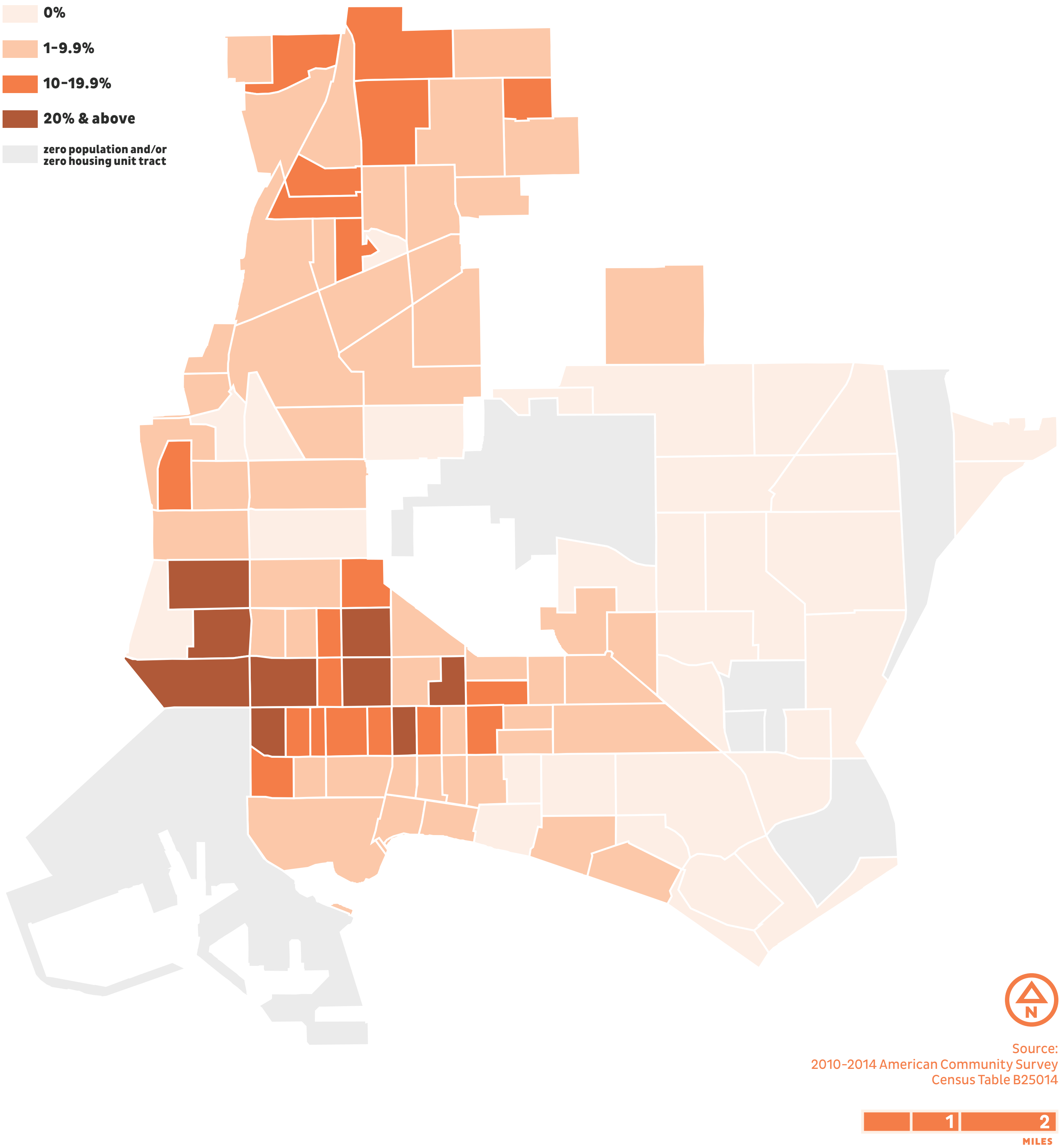
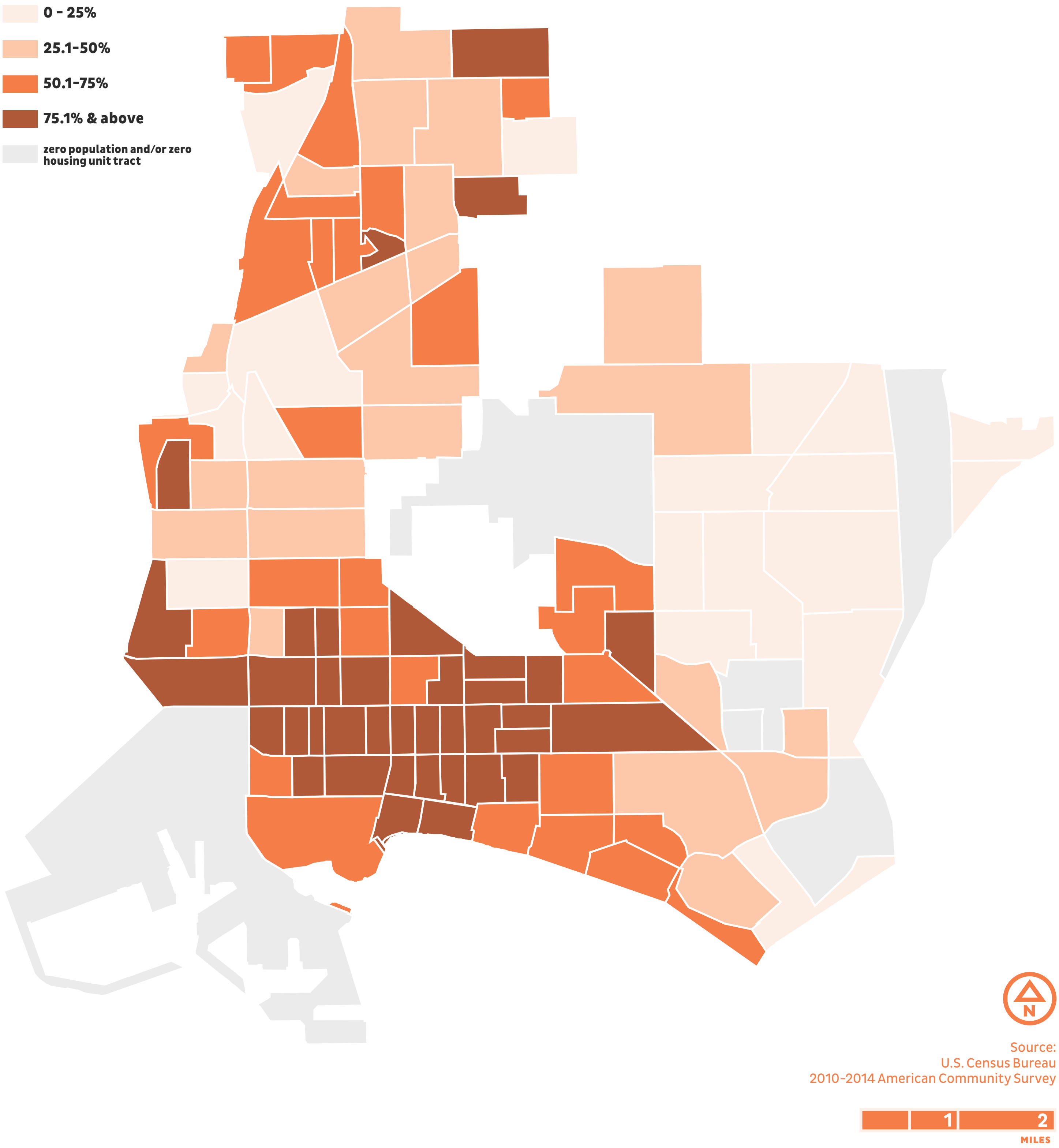


FIGURE 6

DEMOGRAPHICS

Renters as Percentage of Total Population

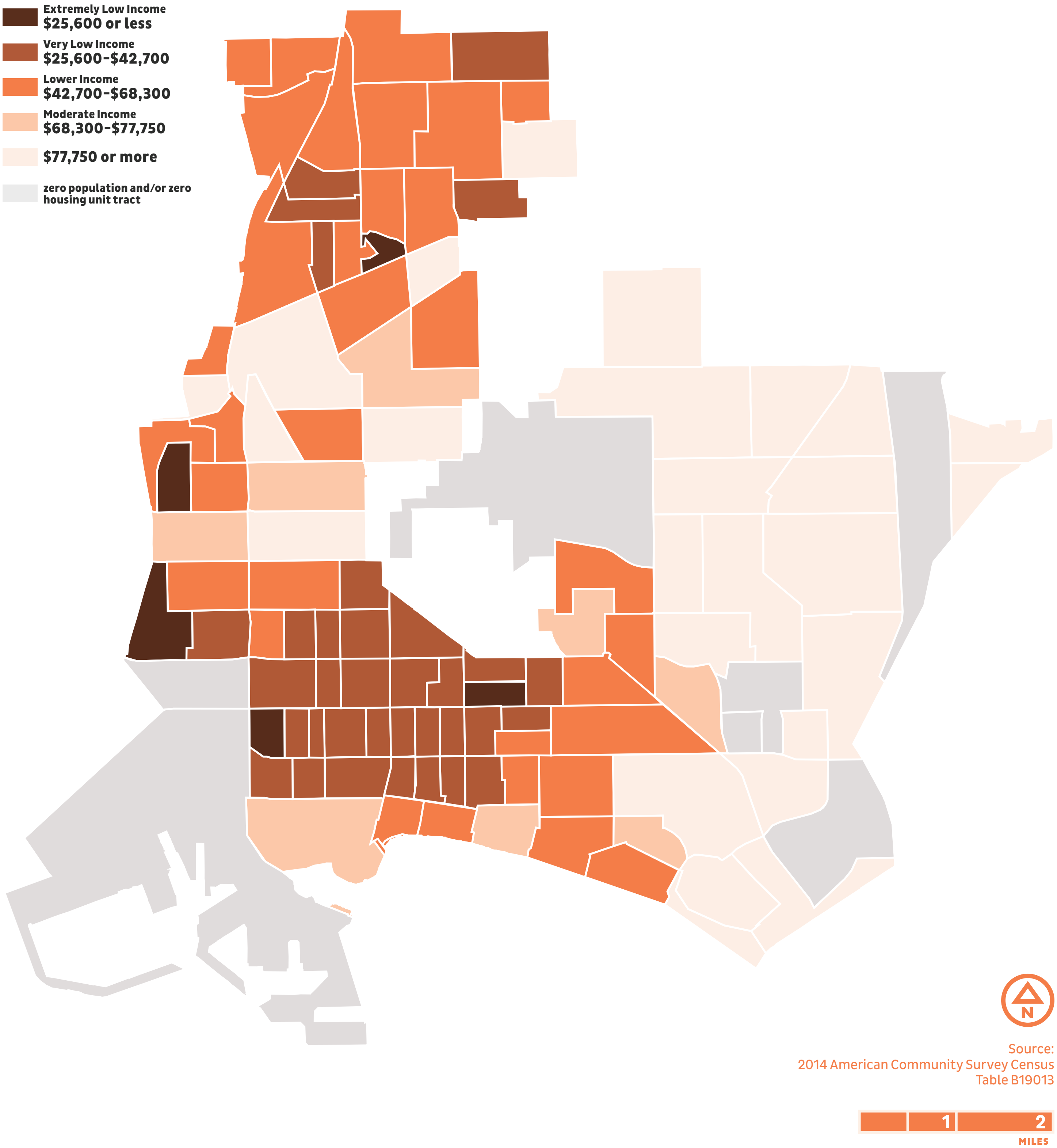


Source:
U.S. Census Bureau
2010-2014 American Community Survey

FIGURE 7

DEMOGRAPHICS

Median Income

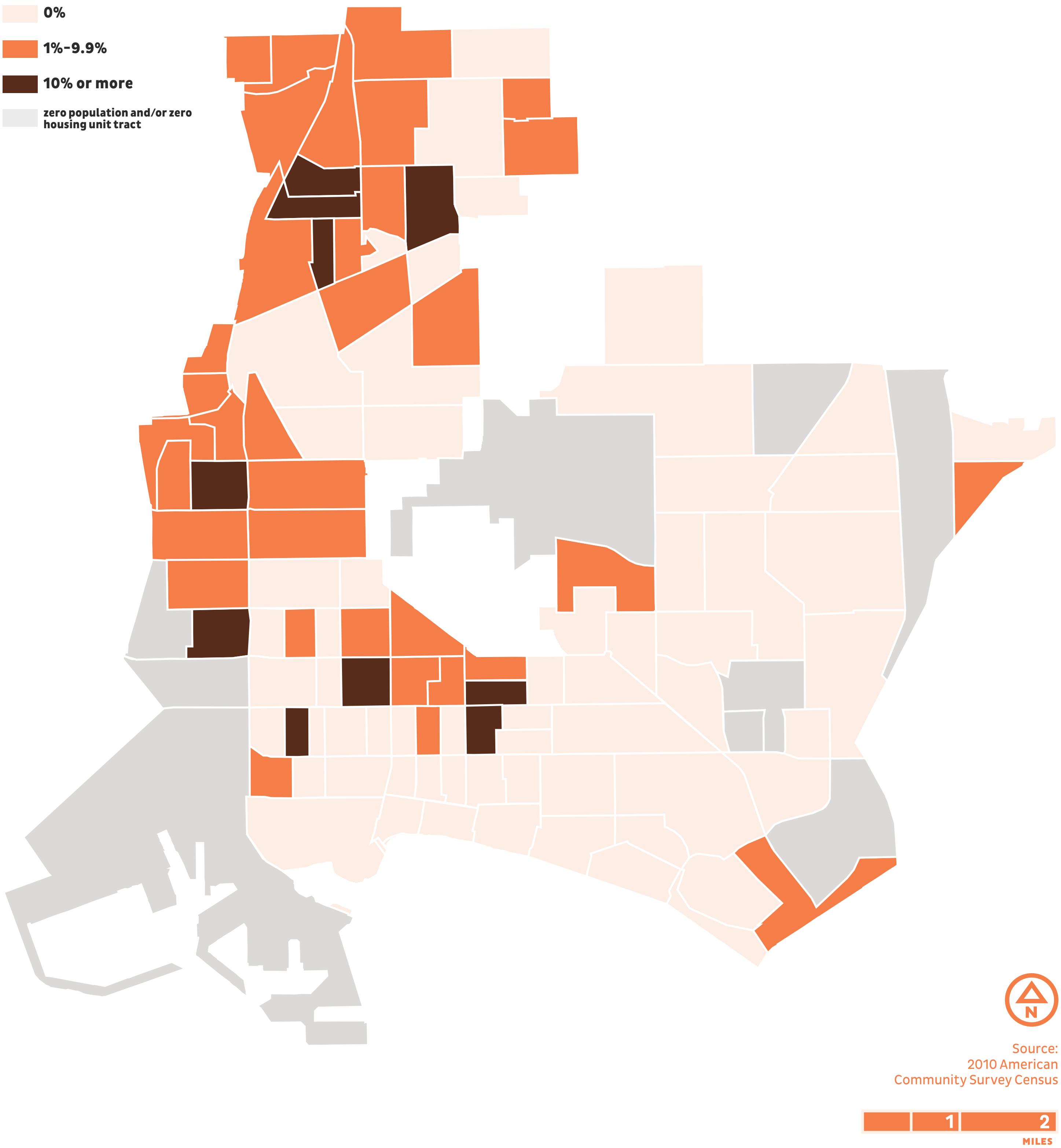


Source:
2014 American Community Survey Census
Table B19013

FIGURE 8

DEMOGRAPHICS

Severe Owner Household Overcrowding

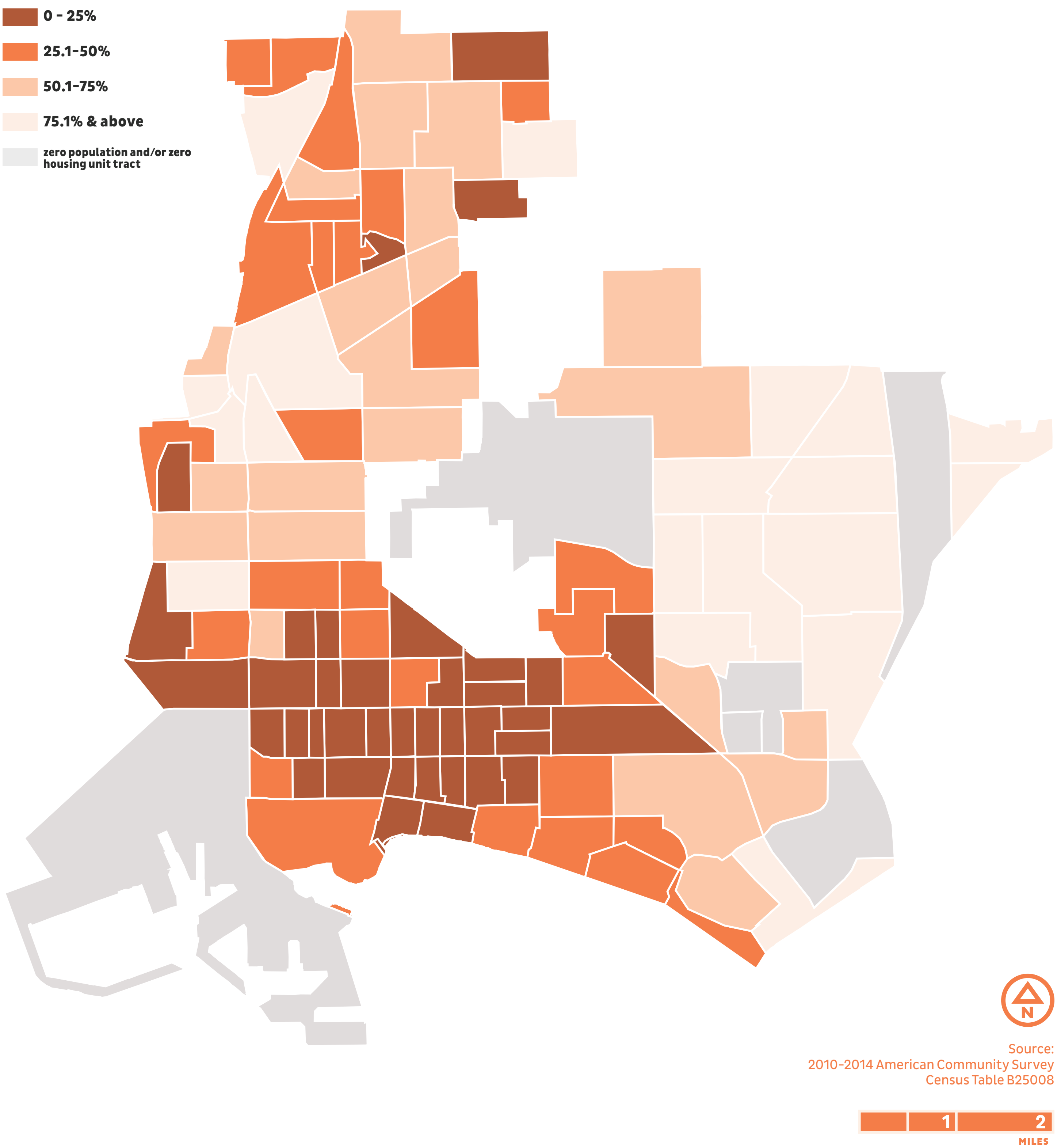


Source:
2010 American
Community Survey Census

FIGURE 9

DEMOGRAPHICS

Owners as Percentage of Total Population

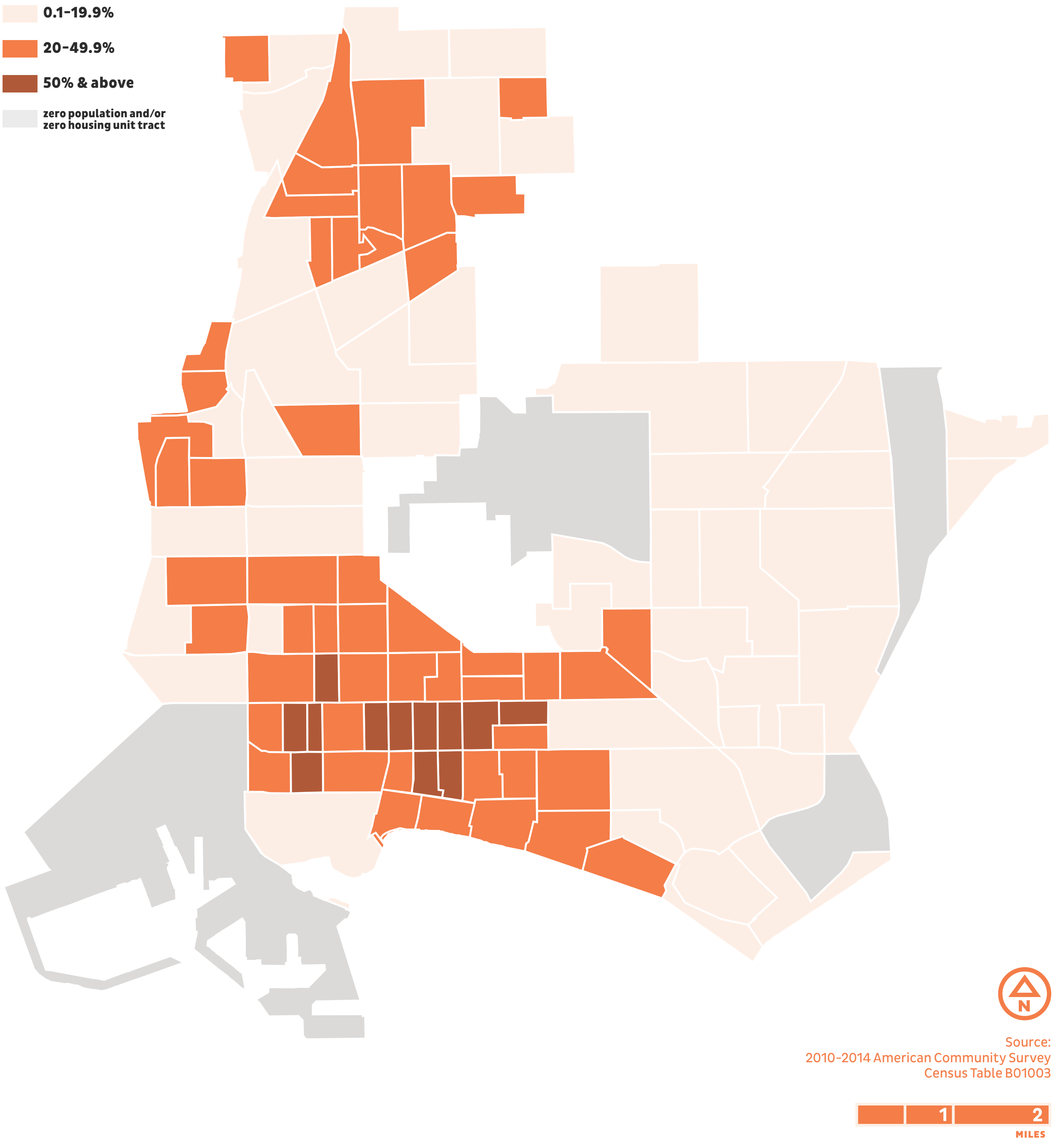


Source:
2010-2014 American Community Survey
Census Table B25008

FIGURE 10

DEMOGRAPHICS

Population Density

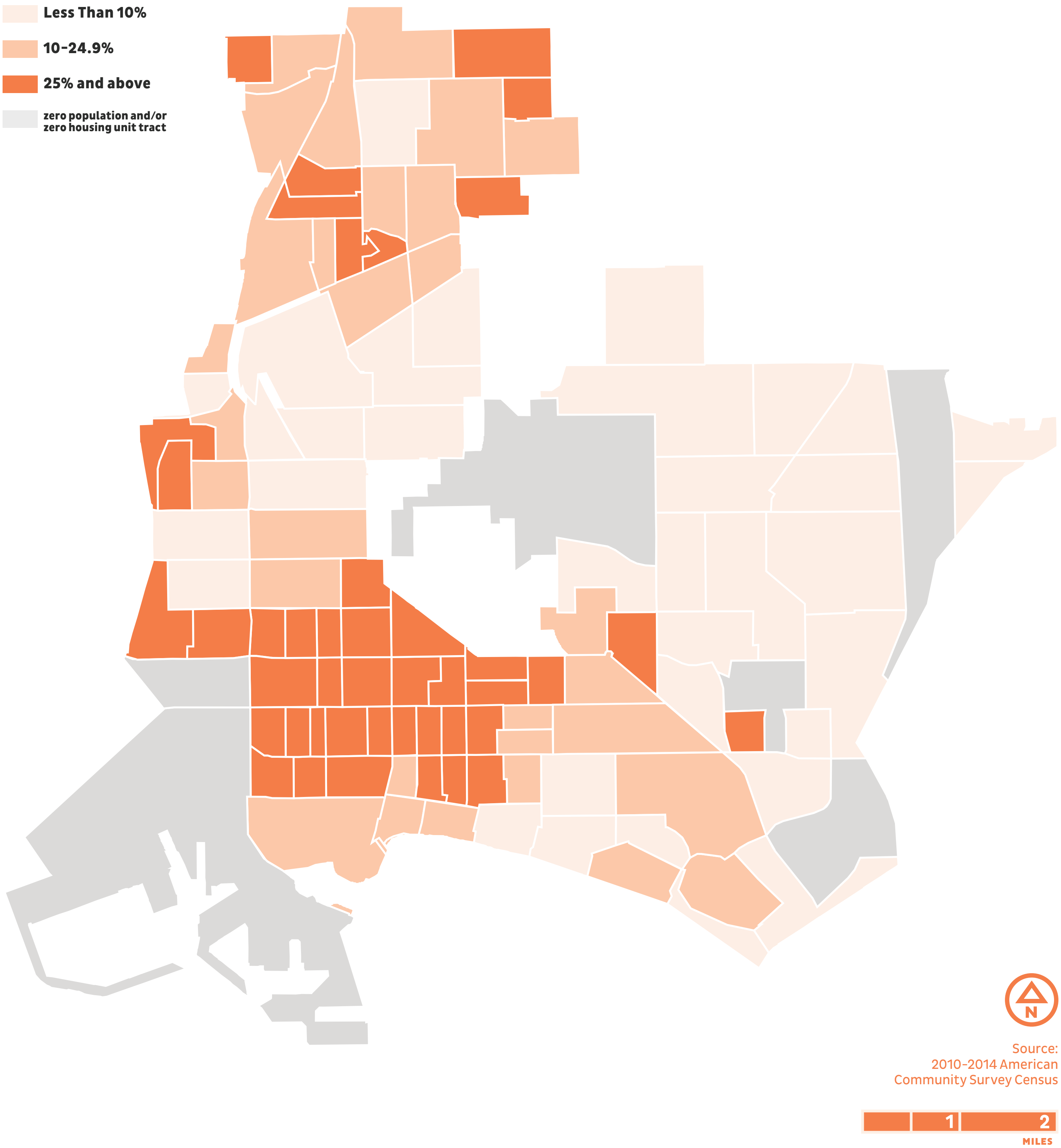


Source:
2010-2014 American Community Survey
Census Table B01003

FIGURE 11

DEMOGRAPHICS

Percentage of Population Below Poverty Level



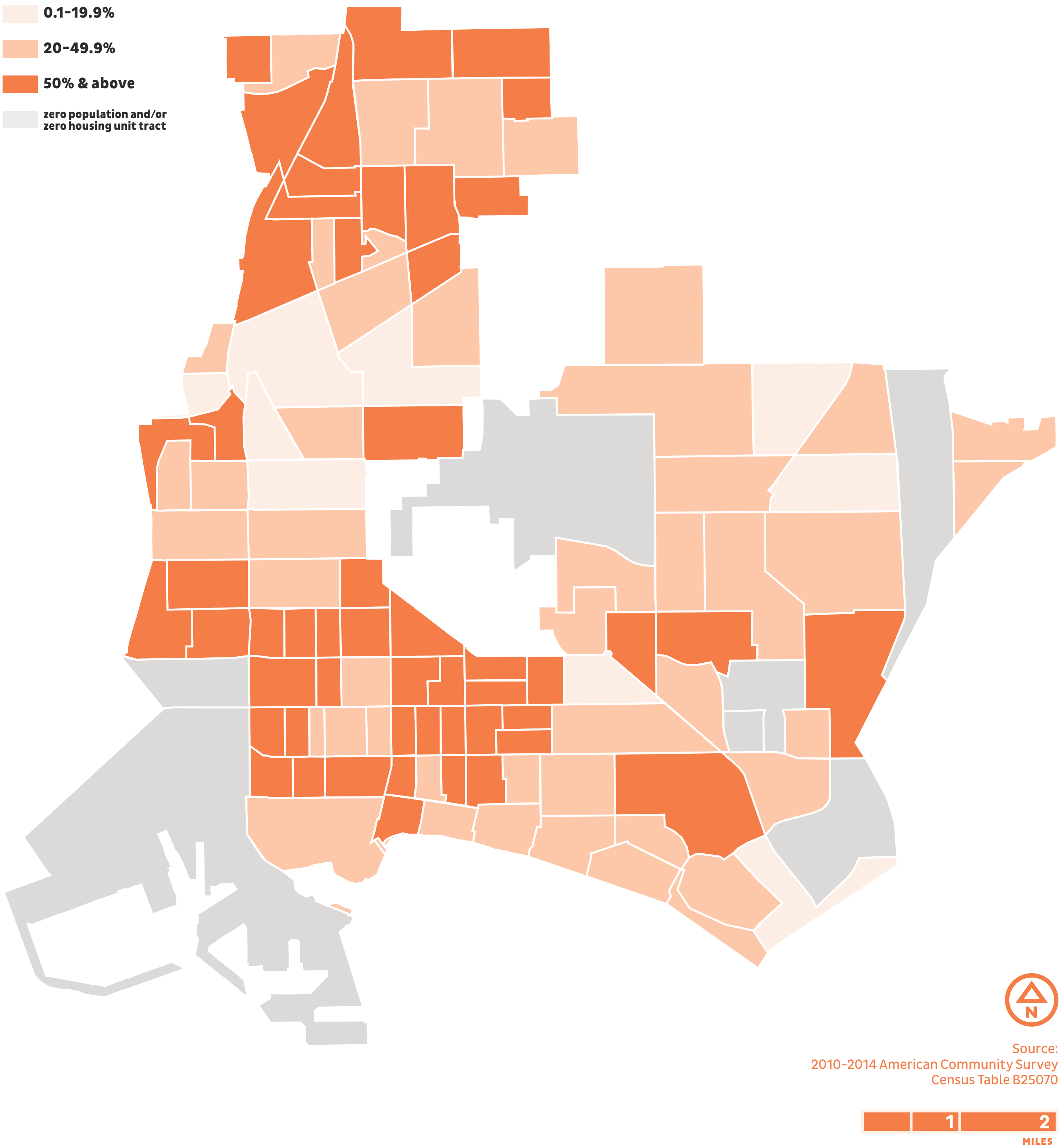
Source:
2010-2014 American
Community Survey Census

FIGURE 12

DEMOGRAPHICS

Severe Renter Household Overpayment

(50% or more of income spent on rent)

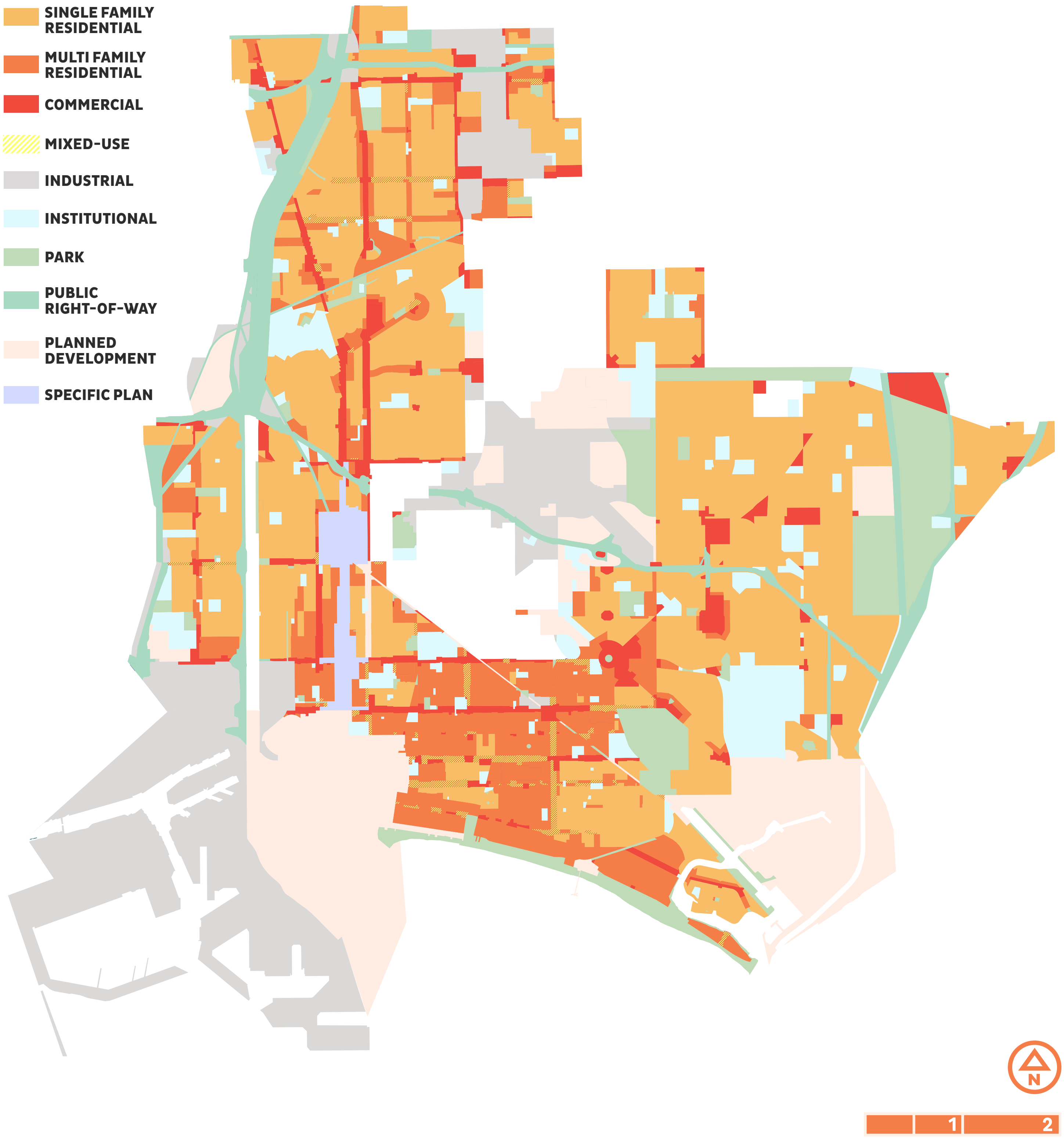


Source:
2010-2014 American Community Survey
Census Table B25070

FIGURE 13

MUNICIPAL

Land Use Districts



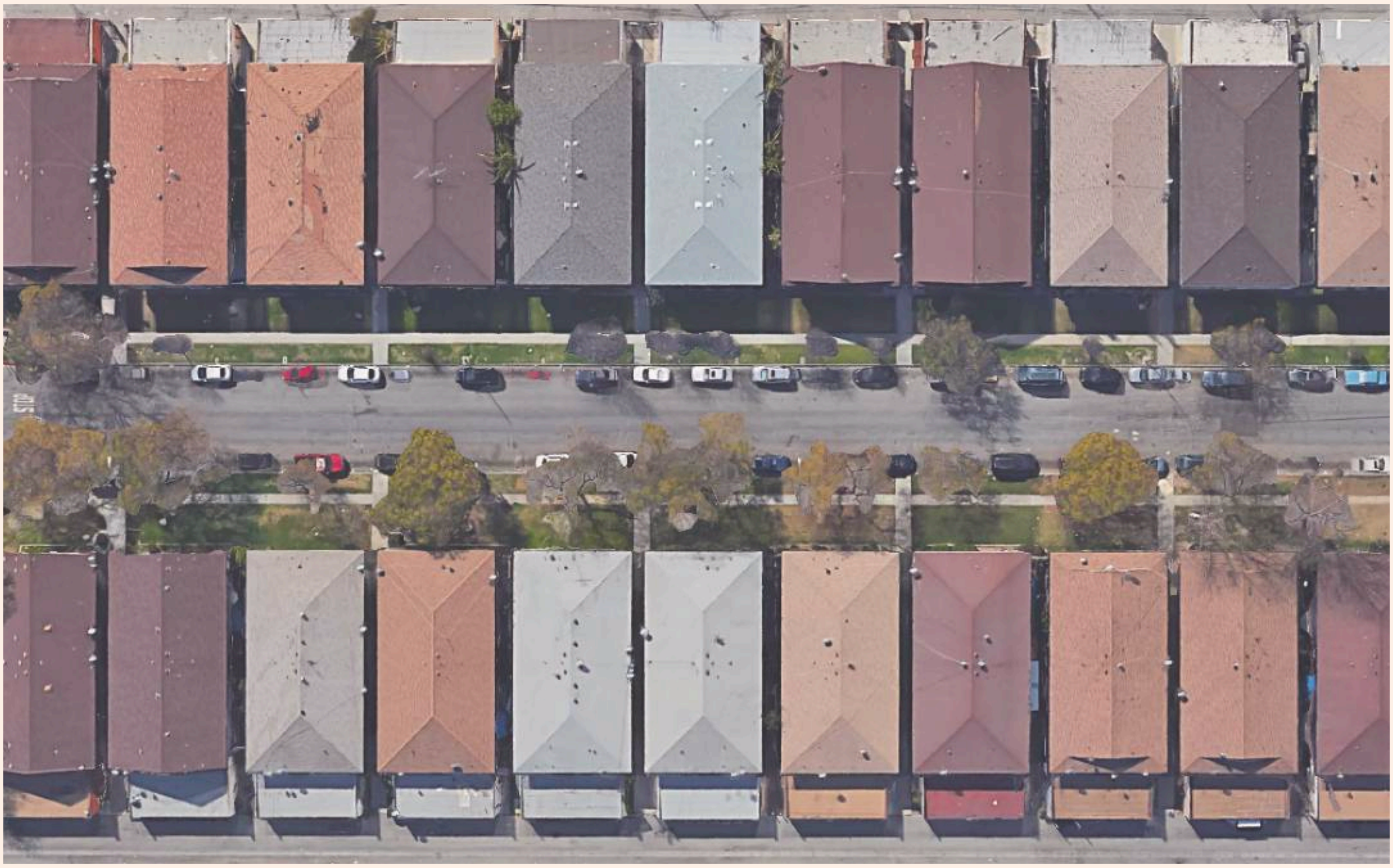
Housing isn't confined to the mold of single family home versus multi-family apartment units.

HOUSING OPPORTUNITIES

This section identifies alternatives to the traditional subsidized affordable housing developments to expand housing affordability. It explains the concept including its rationale and history, and includes case studies to describe existing applications of each opportunity type.

Housing opportunity types are different types of housing designs that we think can improve the housing stock by adhering to space and demand. Instead of thinking about housing as confined to the mold of single family home versus multi-family apartment units, there are target groups for which housing can be tailor made. The following section builds off of this, using case studies as a guide to describe how new and diverse housing types are meeting the needs of target populations underserved by predominant market housing.

This section takes into account historical prevalence of alternative housing types, the demographic they serve, and where they have been successful. Importance is placed on the locality of case examples, to be closer examples to Long Beach, and thus the housing climate as well as building and planning code, the more likely it will be something that can be recreated in Long Beach.



Employer-Based Workforce Housing

Employer-Based Workforce Housing (EBWFH) or employer-assisted housing, describes any number of ways an employer invests in housing solutions for their employees including providing homebuyer education, financial assistance, or developing housing reserved for employees.

Housing costs in California have hindered the ability of employers to attract and keep highly qualified employees (Hirch and Logan 2017), adding to California's reputation of an impractical state for private enterprise (business taxes are 22 percent higher and operating costs per job are 19 percent higher in CA) (Editorial 2017). The cost of land is a major consideration in the development of EBWFH (LA Business Council Institute 2017; Snyderman 2005), and there are identified cases in which housing is built on land already under ownership and others where land has to be purchased. In the case studies examined, land purchase is associated with private enterprise (Albergotti 2013; Bloom 2017; Nunez 2016) while some non-profits (particularly those relating to education) have built housing on property already under ownership.

The EBWFH concept comes with a variety of benefits. Providing affordable employee housing near the workplace reduces the strain felt by employees subjected to long commutes necessitated by high housing costs. In addition, the reduction of long commutes combats bedroom communities; neighborhoods or cities in which people reside as a response to the high costs of living near their place of work. Long Beach can be considered a bedroom community as roughly 75 percent of residents commute outside of the city for work (Magdaleno 2017). Meanwhile, the increase in lower wage service jobs indicates that a large portion of Long Beach residents are earning lower incomes (Housing Element 2013). Recently, the City has acknowledged EBWFH as a legitimate tool increase affordability and has made it a goal to explore development of workforce housing, particularly on school or collegiate campuses (Revenue Tools and Incentives 2017). Although the concept is new, there are a handful of successful examples to draw from in addition to policies and policy guiding tools aimed at developing workforce housing.

Long Beach Case Studies

ANDY STREET

Built in the early 1960s by the McDonnell Douglas Corporation, the two-block stretch of identical apartments offered about 100 units for employees. Built and zoned for multi-family dwelling, Andy Street residents benefited from close proximity (about 1.5 miles) to the Long Beach McDonnell-Douglas Plant adjacent to the Long Beach Airport. McDonnell Douglas was the City's largest employer at WWII with 50,000 employees (at the time it was the Douglas Aircraft Company; the two merged in 1967) and remained one of the city's largest employer through the 1980s—essentially making the neighborhood into a "factory town".

Today, the neighborhood is thriving largely in part to the Andy Street Community Association (ASCA), a neighborhood group made up of residents and business owners that collaborate to empower the community and improve the quality of life (Grobaty 2014; Puente 2014).

NAVY HOUSING

Long Beach was home to naval operations for over 80 years, before finally being decommissioned in 1994 and closed for good in 1997. The Long Beach Naval Shipyard boasted a workforce of 16,000 during WWII (which would make it Long Beach's largest employer if it were still around) (Annual Financial Report 2016) and remained a major employer until its closure in the 1990s. While the loss of the fleet left a major spatial and economic void, not all traces of prior military activities disappeared (Hale-Burns 2011). Left behind were several dozen acres of former naval housing that have been restored or repurposed for housing of a different population. After its closure, much the former Navy property was reutilized for housing. These developments, one of which is a legacy of the former Navy presence, have been used as housing and extenuating amenities for various groups including seniors, formerly homeless, and low-income families. This section describes two of these sites, American Gold Star Manor and the Springdale West apartments. A more contemporary and vastly significant example of adapted Navy housing, Century Villages at Cabrillo, is detailed later in this document under the section titled Housing with Civic Uses (see figure 14).

American Gold Star Manor's name derives from the American Gold Star Mothers organization, formed after World War I as a support network for women who had lost a son or husband in the war. Originally, American Gold Star Manor was a 25 acre affordable housing community that housed 400 Gold Star mothers, fathers, veterans and other eligible seniors. The original structure was a converted military barracks located near the former Long Beach Naval base. This location housed Gold Star Mothers and was known at the time as the National Home for Gold Star Mothers. In 1973, the US Department of Housing and Urban Development rebuilt the temporary military barracks into a permanent housing complex for $6 million. Today, the west side complex has 348 units ranging from studios to two-bedroom apartments and features a pool, library, and community gardens (American Gold Star Manor; Smith 2009).

Adjacent to Gold Star Manor are the Springdale West apartments; built on 24 acres purchased from Gold Star Homes in the 1970s. Springdale West, which holds Section 8 status with the federal government, provides 364 affordable units. In 2015 Long Beach City Council voted nine to zero to free up $80 million in funding to rehabilitate the complex and maintain its Section 8 status. Springdale West holds a project-based Section 8 contract, requiring units within the complex be reserved for those that qualify for Section 8 housing. Like Gold Star Manor, Springdale West sits on former military housing in Long Beach's Westside neighborhood; unlike its neighbor, Springdale West residency is not restricted to seniors (Affordable Housing Online 2017).

Other Case Studies

SILICON VALLEY: GOOGLE & FACEBOOK

Large tech companies such as Google are not exempt from the housing crisis. In June 2017, Google finalized a deal to buy 300 units from Factory OS, a modular startup that specializes in factory manufactured homes that are assembled Lego-style onsite. The modular unit cuts down construction costs by up to 50 percent; savings that are passed on to residents. The project, expected to be built in Google's Bay View campus in Mountain View and cost somewhere between $25 and 30 million, is a step in alleviating housing costs attracting talent to the Bay Area. As a consequence of California's housing crisis, Google has opened offices in less expensive real estate markets, (housing and commercial) such as Seattle.

Facebook is another company facing a housing shortage for its employees. Located in the City of Menlo Park, Facebook is in the planning process of constructing an apartment complex that provides 1,500 units. In addition to housing the mixed-use development will provide transportation, commercial retail and other amenities. However, their efforts to create EBWFH have not come without criticism (Martin 2017). Facebook's foray into the development world is intended to ease the costs of housing for employees living in the Bay Area, but will only offer 225 affordable units (about 15 percent of the total number of units). There are concerns that Facebook's new development is not a vision concerned with the well-being of its employee base; especially considering that these units are not necessarily reserved for employees, and the majority of units in the development will be market rate (Hartmans 2017). Ultimately, the issue for companies is whether or not they reserve funding for the acquisition and development of expensive California land to lease or rent housing units at below market rate. Facebook and Facebook's new development is not a vision concerned with the well-being of its employee base; especially when considering that units are not necessarily reserved for employees

Google are two enormously profitable employers, providing them with financial advantages. It remains to be seen if there are employers in Long Beach with the financial resources available to emulate this model.

FACULTY HOUSING: IRVINE CAMPUS

For 31 years, the Irvine Campus Housing Authority (ICHA) has worked to provide affordable housing for employees of the University of California, Irvine (UCI). ICHA was founded with the goal of providing employees with housing to improve faculty retention and attrition costs of employee turnover. The development, University Hills, is within walking distance to campus, providing amenities including shopping and entertainment, and features a diverse range of housing types and architectural styles. The development consists of 1,426 units, with 360 for rent and 1,066 for-sale homes over 300 acres. There are plans to increase the number of units by three hundred over the next few years. The housing complexes include 62 different housing types that will increase with new units under construction. ICHA, a non-profit, is governed by a board of directors and works in partnership with the University. While UCI provides the land, it has no financial obligations for the development or responsibilities throughout the leasing process although chancellor and provost are the ultimate authority on occupancy. ICHA has no engagement with academics or student housing (Interview: Irvine Campus Housing Authority).

For decades, ICHA has been able to provide below market rate housing, even during the economic downturn following the 2008 market crash. The organization's philosophy is to think about who they are trying to serve and work to provide the best quality housing that they can afford. ICHA's model operates without any government subsidies, freeing them from stipulations such as restricted rental to those making under a certain wage threshold. As a result, ICHA is able to better serve the missing middle population who are often not considered in affordable housing developments.

This housing project features an interesting structure in which the University leases the land to ICHA, who in turn leases the homes built on the property to staff under the same terms (the lease from the University runs through 2082). Overall, ICHA housing is at least 50 percent below market rate of the greater Irvine area. One reason prices are kept low is because residents purchase the home but not the land that it sits on, which often makes up a large portion of the housing costs. Similar to the community land trust model, ICHA has a greater role than a traditional property manager; they also provide financial consultation, oversee purchases and resales, provide resident services and amenities, and engage with neighborhood councils who, while are without legal power, are able to collaborate with the ICHA advisory board. Turnover is low, with about three percent annually. As a result, there are about 30 to 35 resales per year. On average, leases run from five to seven years, although some residents will retire and stay even longer (there are a number of factors that play into this number such as attaining tenure). If residents decide to move out, there are caps on how much they can sell their homes for which is meant to help avoid appreciation values experienced by the typical homes in Orange County. This goes both ways in that homeowners do not endure the depreciation that accompanies economic downturns or market crashes. Resale is capped at a maximum price determined according to

three different indexes: faculty salary, construction costs, and consumer price index. Whichever one is highest at the time of resale is the maximum price and according to representatives from ICHA, even when residents sell while the market is down, most homeowners experience some appreciation (Interview: Irvine Campus Housing Authority).

One of the key advantages enjoyed by UCI and ICHA the availability of developable land. University officials realized that if they did not create housing decades earlier it would much more difficult to accomplish. UCI is fortunate in that it controls the undeveloped land that provided the opportunity for development. This is not always the case for other universities. For instance, Cal State Long Beach (CSULB) does not have amount of contiguous land that Irvine does, potentially necessitat-

ing different model that features offsite development. That being said, CSULB and its neighbor, the Veterans Affairs (VA) Hospitable do have some available space adjacent to their facilities. These parcels of land, owned by the Federal and State governments, would be able to serve two of Long Beach's largest employers (Maio 2013).

SCHOOL DISTRICT: LOS ANGELES UNIFIED & SANTA CLARA UNIFIED

In the 2000s, Los Angeles Unified School District (LAUSD) experienced costly teacher turnover attributed to housing costs that outpaced salaries. The response were attempts by various California School Districts to create housing reserved for its employees. To date, LAUSD has built two below-market apartment complexes on unused district land, while a third is under construction (four total projects have been approved). The first project was Glassell Park, a mixed-use complex incorporates an early education center into the housing complex (Newman 2010). The development is an example of joint use in which two different organizations work together to develop a project that mutually benefits both parties. This project was built in cooperation with Los Angeles-based non-profit Abode Communities and when completed will feature 50 units of affordable apartments on a one and one-half acre site that previously served as a parking lot for the neighboring Glassell Park Elementary School.

A second project, Sage Park, is built on three and one-half acres of the Gardena High School campus and offers 90 affordable one to three bedroom units for employees earning 30 to 60 percent of the AMI. Sage Park features amenities including a fitness center, event room, community garden, and laundry facilities. The project was developed in partnership with BRIDGE Housing and was completed in 2014. In Hollywood, a $32 million affordable housing complex for LAUSD employees is being developed on 0.65 acres just south of Hollywood Boulevard. The project, Selma Community housing is being developed in partnership with Abode Communities and will offer 66 one to three bedroom apartments with rents ranging from $550 - $1272. The project is expected to be completed fall of 2016.

While many LAUSD employees benefitted from these developments, the District struggled to serve teachers and administrators whose income exceeds the threshold needed to qualify for federally subsidized housing. Although the district and developers had them in mind during the design process, reserving space for individuals of their income would have eliminated the public subsidies that funded the development.

In other scenarios, some districts cognizant of this issue have been able to build housing for teachers despite having had to circumvent federal funding and financed developments using alternative sources of funding (Phillips 2016).

One example is Casa de Maestro in Santa Clara, CA. In this case Santa Clara Unified School District sold $7 million in bonds to fund their own 70 unit housing development reserved for teachers and staff using certificates of participation to finance the project. A certificate of participation is a funding mechanism in which an investor purchases a share of the lease revenue in exchange for up-front funding and because the district owns the property, there is no land cost associated with development. Additionally, because the holder of the property and housing is a non-profit it enables rent to be fixed at a level sufficient just high enough to pay back costs of construction, financing, maintenance, and operations (Casa Del Maestro Phase II 2017; Christopher 2017; Johnston 2016; Palomino 2016).

The State of California is getting behind this idea, and recently approved the Teacher Housing Act (SB1413), which allows school districts to establish programs that leverage State and Federal dollars and create public-private partnerships similar to the Santa Clara case to finance development and preservation. State politicians are aware of the inability to utilize LIHTC funding for these developments due to income standards, eliminating the ability to serve the employee base for whom these developments originally intended to serve: public educators. At the city level, San Francisco has already begun the process to assist in educator oriented housing: it is reported that the city has $2 million in development funds set aside for a project scheduled to begin in 2017 (Christopher 2017).

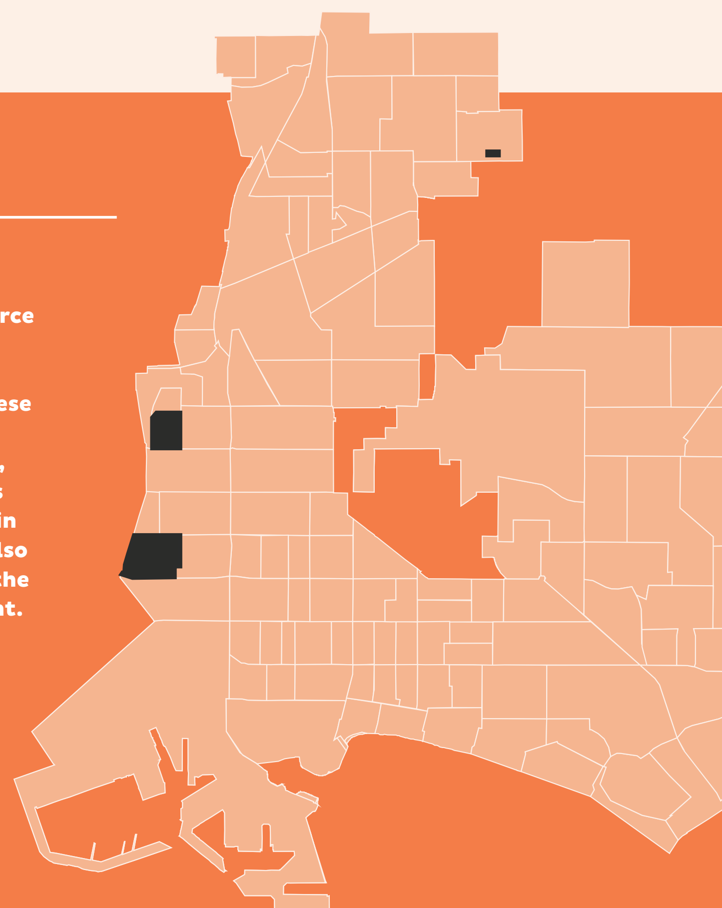
POLICY CONSIDERATIONS: SHARED PARKING

Employers of EBWFH typically build their housing accommodations within close proximity to the workplace or are accompanied by either shuttles or other public transit mode that makes commuting to work convenient. A shared parking policy would allow for tenants to share parking spots with one another, which can effectively can help maximize space. For example, by cutting parking requirements in half can reduce development costs by allowing more space to be dedicated to housing units and resident amenities. In the context of employer housing, development could potentially be attached to a deed restriction requiring residents to maintain employment (perhaps with protections for things like layoffs). Developing a waiting list before applying for funding with a bank can reduce development costs by eliminating speculation (presenting a lender with legitimate expressed interest).

FIGURE 14

EBWH in Long Beach

In the past, Long Beach has been host to several employer-based workforce housing opportunities, especially for those who served the U.S. Navy. These sites include Gold Star Manor, Springdale West , and the Century Villages at Cabrillo. Andy Street in North Long Beach was also a former EBWH site for the McDonnell-Douglas Plant.



Small Lot Development

Small lot development occurs when multiple homes are built in close proximity on a single lot. Small lot units offer concise living space and should, in theory, demand less on the open housing market.

Unlike condos, small lot developments are meant to be bought and sold similarly to conventional single-family homes (Walton 2016). Also like these conventional homes, small lot homes are typically structurally independent with no shared foundations or common walls, thereby creating a sense of privacy while supporting a greater density of housing units. Efficiencies in the design are found in the minimum lot size and side yard requirements as well as the elimination of conventional street frontage requirements, allowing for the flexibility to be compatible with the existing neighborhood context. This form of infill development creates a space-efficient, compact option for residents as opposed to what has traditionally been limited to single-family homes on 5,000 ft^2 lots or condominiums. In the City of Los Angeles, these small lot developments have minimum area of 600 ft^2 and are at least 16 feet wide. There are successful at occupying irregularly shaped parcels that are common in our neighborhoods, and often have relaxed parking requirements.

While earlier attempts at small lot development have been criticized for 'destroying' single-family neighborhood character, architects and developers have become more sophisticated in responding to the surrounding environment while creating an attractive design. The City of Los Angeles's Small Lot Ordinance (No.176354) allows the construction of infill housing on small lots in multi-family and commercial zones. The Small Lot Design Guidelines helps designers, developers, and residents define what the housing policy looks like in action, offering guidance and requirements on elements related to site planning, building design, landscaping, and sustainability. The City of Los Angeles issued just over 2000 permits for small lot units between 2006 and 2014, accounting for three percent of overall housing permits during that time period (Plan Implementation 2014).

Long Beach Case Studies

PLACES/WALKS

Historically, several small lot housing types coincided with the development of the Long Beach Harbor and the designation of Long Beach as the new headquarters for the U.S. Navy's Pacific Fleet in 1919. The corresponding spike in housing demand created the impetus for creation of small-scale housing; particularly for enlisted sailors. By the end of the 1920's Long Beach's population increased to 145,000. These smaller garden homes and bungalow courts built in the 1910's to the 1920's maximized the use of parcel space, incorporating walks, courtyards and even small streets between dwelling units. This type of housing development is represented today along Alamitos Ave through the City's Eastside on small courts and ways such as Brenner Place, Barcelona Place, and N Toledo Walk (among others).

BELMONT SHORE/NAPLES

Belmont Shore and Naples Island in Long Beach are neighborhoods that, despite high density, are affluent areas and demand high rents. The Belmont Shore neighborhood is characterized with many single family homes, intermingled with duplexes or doubles, as well as parcels zoned for three or more units. Almost the entire neighborhood of Belmont shore is comprised of parcels smaller than 2,8v00 ft². Belmont Shore is a great example of a neighborhood that despite, small lots and mixed density, holds high property value. Belmont Shore and Naples are located in Long Beach's 3rd Council District, which is home to 50 percent of Long Beach residential parcels zoned SFR or R-1 under 3800 ft².

CORNER LOTS

Corner lots, a sub-category of small lots, have historically been subdivided to incorporate multiple units and often multiple structures. This is seen in Long Beach's older neighborhoods, such as Alamitos Beach. Corner lots tend to provide more street frontage, which from a design aspect would theoretically allow for more options when designing parking for the structure (considering access to the street).

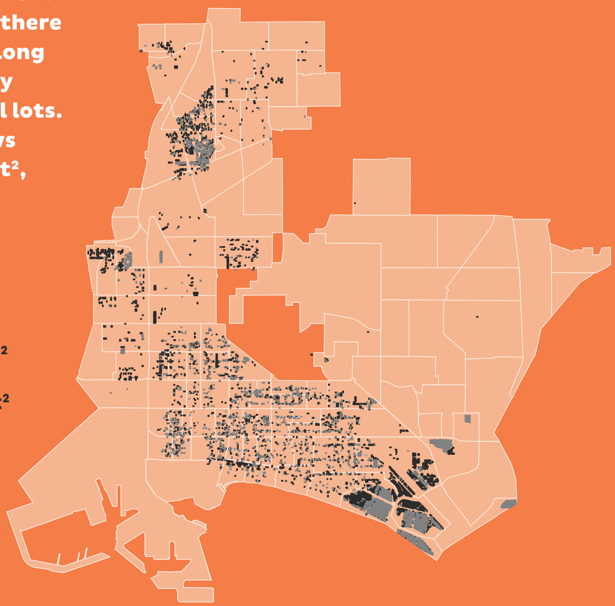
Small Lots in Long Beach

While small lot development might seem unrealistic, there are significant areas of Long Beach with single-family residences built on small lots. The following map shows parcels less than 1,800 ft², between 1,800 ft² and 2,800 ft², and 2,800 ft² and 3,800 ft².

Less than 1,800 FT²

1,800 ft² and 2,800 ft²

2,800 ft² and 3,800 ft²



Other Case Studies

CITY OF LOS ANGELES

Los Angeles' small lot development ordinance has made it easier for the subdivision of lots and creation of more housing units. Although these units have been financially successful (look at the sale/rental price), they do not necessarily contribute of alleviating housing affordability. Introduction of further units into the housing stock obviously has a positive impact in producing supply, but there are certainly steps that could be taken to ensure that the new small lot housing developments are affordable for low-middle income households.

POLICY CONSIDERATIONS: SMALL LOT ORDINANCE

Los Angeles' Small Lot Ordinance, passed in 2005, permits small lot developments in the form of detached townhouses. The definition of lots was amended to specify that the 20-foot frontage requirement would not apply to an approved small lot subdivision. Parking requirements were also changed, and although spaces are not required to provide parking on the same lot, they are required to provide two garaged parking spaces for unit. Parcels are allowed to be subdivided into a single home, duplex, or triplex, as long as the subdivision does not exceed the dwelling unit requirement established by the underlying zone. Instead of implementing maximum development standards, the city instead utilizes minimum standards, and each lot is not subject to front, side, or rear yard setback requirements. The ordinance extends to all multifamily and commercial zones, but does not apply to single family zones.

Adaptive Reuse

Adaptive Reuse refers to the process of reconfiguring or remodeling a building or site to accommodate a new use or purpose other than for what it was originally designed. These projects are based on the idea of reclamation and revitalization, reducing waste generated by demolition.

Although adaptive reuse can be expensive, it possesses the ability to serve the local population by preserving existing structures that already adhere to the neighborhood style, oftentimes even enhancing it. Employing reuse tactics for housing can be complex, prompting the City of Long Beach to publish an official Adaptive Reuse Technical Manual. This document acts as a guideline that clarifies aspects of adaptive reuse projects including what constitutes adaptive reuse, steps of the process, historic preservation standards, and insight into building code. The City has identified several zones throughout Long Beach in which different adaptive reuse scenarios are acceptable. This is intended to protect areas that are non-conforming or prevent inappropriate use of existing structures from being redeveloped for uses that either do not conform to the encompassing zoning standards or are inappropriately located such as a residential development in a previously industrial site.

As of 2014, Long Beach had either completed or approved construction of over two dozen different adaptive reuse projects. Although adaptive reuse projects have occurred throughout the city, they are rented at market rate prices and do not intend to serve residents with low-middle income (City of Long Beach, HUD). However, this does not mean that adaptive reuse cannot increase affordability. Theoretically, these developments contribute to affordability by increasing the housing stock. There is little reason to suggest that adaptive reuse for the purpose of affordable housing is impossible and there should be incentives put in place that make it more financially attractive for developers. Although Long Beach has policies in place to that spur adaptive reuse, it remains an expensive and time intensive process (Interview with LINC Housing). As a result, adaptive reuse can be a very strong model for affordable housing development (as of 2014 there were no adaptive reuse projects for affordable housing in Long Beach), or at least a very common one. However, the method still contributes to the housing stock not only through additional units, but the total allotted land dedicated to housing.

Long Beach Case Studies

DOWNTOWN DEPARTMENT STORES

Downtown Long Beach's prosperity in the early to mid-20th century included several major department stores including Walker's, Desmonds, Howard Amos, Buffums, Kress, and Newberry. The popularity of these businesses sustained for several decades before post-WWII suburbanization shifted the economic power from urban centers to suburban shopping malls. With economic viability disappearing with the clientele, major department stores began closing their doors. By the 1960s many of the stores had vanished, and embodiment of Downtown Long Beach's period of decline. Without the draw of Downtown as a major center of retail, many of the buildings left over from the exodus were left vacant. This began to change in the early 2000s as the trend of adaptive reuse began to gain momentum.

In 1992, the Kress Building was restored and converted into 50 condominium loft units. Originally built in the 1920s, the building was designated a historical landmark in 1993. The Walker Building was built in 1929 and hosted Walker's Department Store from 1933 – 1979. Like the Kress Building, it was converted in 40 loft condominiums and seven luxury penthouses. In 1951 the Newberry Store opened on Pine Avenue and operates for over 40 years before closing in 1994. The building was approved as an adaptive reuse project in 2005 that saw the conversion to a mixed-use development that includes 30 residential units and 6,500 ft^2 (Engel & Volkers 2018; Kress Building 2018; Kress Lofts 2017; Long Beach Guide 2015; Long Beach Post 2016).

Other Case Studies

WAREHOUSE ARTIST LOFTS

In 2015, the Warehouse Artist Lofts opened in Downtown Sacramento on 12th and R Streets. The development is home to 116 residential units and first-floor retail space. Developers of Warehouse Artist Lofts re-used the existing warehouse on the site, and added commercial/retail space that includes shopping and restaurants. What's unique about the development is its 55 year affordable housing designation, although according to the California State Treasurer's Office, receives no CTCAC funding. The reasoning for the extended designation as affordable housing is to reduce what the developer refers to as the SoHo effect, which occurs when artists find and colonize an area but are eventually priced out when people of higher incomes move in, making it less affordable.

POLICY CONSIDERATIONS: ADAPTIVE REUSE ORDINANCE

In 2014, the City of Long Beach included an Adaptive Reuse Ordinance to allow greater flexibility for developers, and provides a framework that streamlines the planning process. The goal of adaptive reuse projects is to allow for the conversion of existing structures into new land uses that maintain or enhance the character of a neighborhood, extend the life of a building, and reduce the use of construction materials. Essentially; the program is intended to encourage the recycling of existing buildings while preserving neighborhood character. The policy is complemented by the Adaptive Reuse Technical Manual, which walks developers through the steps of design, review, and approval. This includes specific instruction on building and fire/life safety code. The ordinance leans on a Site Plan Review Committee designated specifically for adaptive reuse projects, decreasing the amount of time during the approval process.

Nonindustrial Brownfield

Brownfields are areas or plots of land that have been previously developed. In many cases, the term brownfield refers to a former industrial or commercial site where future use might be affected by environmental contamination as a result of the sites former use. As a result, the expansion or reuse of a brownfield site can be complicated by real or perceived presence of a hazardous substance, pollutant, or contaminant.

According to the Environmental Protection Agency (EPA), there are estimated to be over 450,000 brownfields in the United States. To date, the Federal government and State of California have committed to creating programs that incentivize the revitalization of brownfield sites. This may include free environmental assessments and grant money for pre-development. Beginning in 1995, the EPA's Brownfields program provides funding to local governments to implement brownfield pilot projects. EPA grants continue to support the redevelopment effort by funding environmental assessment, cleanup, and job training activities (EPA 2016). The State of California has implemented the Targeted Site Investigation Program to supplement the Federal funding. Applicants, who may be government agencies, school districts or non-profit organizations, receive a free investigation and report on the state of the brownfield site in question (California Department of Toxic Substances Control 2017).

Brownfield redevelopment for the purpose of real estate includes four major steps: pre-development, securing funding, cleanup and development, and property management. The development process can be led by either private or public entities or some combination of the two as a private-public partnership (Canadian Institute for Environmental Law and Policy 2017). In private development scenarios, a developer typically oversees the entire process while others require public investment in order to determine the extent of any environmental degradation. In publicly driven projects a municipality oversees the assessment and cleanup process after which they might sell to a developer or develop the property themselves. In public-private developments, stakeholders from public and private sectors work as a team to redevelop land. In these cases, the public sector will typically sponsor the assessment portion, while developers oversee the construction and management aspects. (EPA 2016). The benefits of brownfield redevelopment are two-fold; the process revitalizes an area previously experiencing degradation or contamination while repurposing once vacant or unusable land in a way that offers something to the community, such as a housing opportunity. In Long Beach, we have seen the redevelopment of brownfield sites for a range of uses including park space, hospitals, and housing.

Long Beach Case Studies

WILLOW SPRINGS PARK

In 2014, the City of Long Beach approved the redevelopment of a 74 acre former industrial area as a community park. The site of the now developing Willow Springs Park is located between Orange and California Avenues from Spring Street to the Sunnyside and municipal cemeteries between Spring Street and Willow Street along the Long Beach/Signal Hill border. Although the park is still home to active oil wells, the rehabilitation process has and will continue to incorporate elements that improve the ecological well-being of the area, including bio-swales and seasonal wetlands. The 52 acre park, the largest built in Long Beach since El Dorado park opened in 1952, is funded by City General Funds, grants from the Strategic Growth Council, Southern California Association of Governments (SCAG) and the Long Beach Navy Memorial Heritage Association, as well as dollars directed from Prop 84 revenue. While the park is not a housing development, it contributes to the legitimacy of brownfield restoration as a viable tactician the City of Long Beach for community benefit (EPA 2008; EPA 2016).

MILLERS CHILDREN HOSPITAL

In 2014, the City of Long Beach approved the redevelopment of a 74-acre former oil field development and disposal operations. Representing what is considered by some to be an emerging trend in brownfield redevelopment, the Miller Children's Hospital received $600,000 in EPA Brownfields Cleanup grants in 2008 to remove petroleum and other contaminants from an adjacent site that was formerly used as a waste dumping ground. This project includes a new four-story building to serve a poverty-stricken community that is largely Hispanic and African American. Thus, the project not only provided further medical support to the surrounding community, it riddled the neighborhood of a once-contaminated site that contributed to neighborhood blight. Although the expansion of Miller Children's Hospital does not equate to greater housing stock, we see in this case that it is feasible to rehabilitate and reuse urban land in a way that better serves the community (EPA 2008; EPA 2016).

LA BRISAS COMMUNITY AFFORDABLE HOUSING DEVELOPMENT

Signal Hill is a city completely encapsulated by Long Beach, CA and home to 164 acres of brownfields. Following the decline of the city's oil industry and the environmental contamination left behind, Signal Hill utilized its now main economic tool, undeveloped land, to address a number of community issues, including affordable housing. A public-private partnership between the Signal Hill Redevelopment Agency and non-profit affordable housing developer Los Angeles Community Design Center led to the creation of the 92-unit Las Brisas Community Affordable Housing Development. The development, which opened in 2003, includes a community center along with other amenities including a childcare center and computer learning lab. The success of the project led to a second project which was awarded a $400,000 partially used to address petroleum contamination on the site. Funding from the HUD HOME Investment Partnership, $12 million in TCAC funds, and Signal Hill Redevelopment Agency bonds supported the development of 60 units of low- and very low- income affordable housing units on the second property (EPA 2006).

Other Case Studies

ORVIETO FAMILY APARTMENTS

This 92-unit apartment complex opened in May 2012, following a year-long contaminant cleanup conducted by the Department of Toxic Substance Control (DTSC). The Orvieto Family Apartments sits on a former auto-wrecking yard. The DTSC was tasked with overseeing the rehabilitation of the land from years of spilled oils, lead, and other contaminants. The project 130 local jobs and paid over half a million dollars in fees to the City of San Jose. Today, the 'urban village' serves as a gateway to Downtown (situated a couple miles south of the downtown core) and less than a mile from the nearest train station (DTSC 2017).

Shopping Center Becomes a Village

Some struggling or already-shuttered shopping centers have found new life through various examples of repurposing. Dead malls are being reused for office space, housing, schools, even hockey rinks.

The American shopping mall has been in decline since the rise of online shopping, evidenced by the steady closure of major retail stores such as Kmart, Macy's, and Sears. 2017 was a record year for retail bankruptcies and store closures: retailers closed an estimated 9,000 stores and 50 chains filed for bankruptcy. Closure of smaller stores are increasingly likely to follow if anchor stores such as a Macy's or J.C. Penney are unable to remain open. The question then becomes, what to do with an urban or suburban space suddenly devoid of activity and lacking purpose?

Some struggling or already-shuttered shopping centers are finding new life through various examples of repurposing. These dead malls have been reused for office space, schools, even hockey rinks. In many cases, shopping centers have been able to stay afloat by incorporating housing into their plans. In Southern California, the former Huntington Beach Center was closed and re-imaged as Bella Terra, incorporating a mixed-use design featuring apartments, shopping, and entertainment all within walking distance. Further down the coast, the former Laguna Hills Mall is undergoing renovations that will feature a mixed-use design. All over the country, Long Beach included, shopping centers are finding ways to reinvigorate business and provide something more than general retail to the community.

Long Beach Case Studies

CITY PLACE

Downtown Long Beach's City Place opened in 2002 as a replacement for the old Long Beach Plaza, providing downtown residents with retailers such as Walmart and Ross Dress for Less. In early 2017, Walmart closed its doors, leaving a noticeable in the downtown shopping plaza. In the months since, plans have been unveiled that reimagines the space by catering to smaller high-end businesses and design aspects such as parklets and patio dining. City Place is currently in the middle of a four-year renovation plan. The new City Place will offer housing in addition to commercial use, with plans to introduce a 20-unit residential complex along 5th Street. The mixed-use model is geared toward the live-work-play concept that maximizes available space. City Place also happens to be located near public transit, only three blocks away from Downtown's Transit Center and has a train station adjacent to the property on Long Beach Boulevard and Fifth Street (Edwards 2016; Edwards 2017; Ruhl 2017).

Other Case Studies

TINY TIM PLAZA

Santa Ana, CA in 2017 has approved over 1,500 new affordable housing units, a huge uptick in numbers compared to the typical 30 units created annually (Kwong 2017). In an effort to create and maintain affordable housing for city residents, Santa Ana's City Council has approved millions of dollars for four new developments throughout the city. One of these projects will be located on the site of the Tiny Tim Plaza shopping center, a small strip mall about one mile west of the city's downtown area. Tiny Tim's design is a classic example of automobile-oriented development emblematic of Southern California's car culture. Its buildings are set back as far as possible from the street, leaving excess space for parking. The conversion to mixed-use maximizes the property's usable space by incorporating housing and communal space in additional to retail.

The plaza will be remodeled to accommodate 50 affordable rental units, ranging from two to four bedrooms. The auto-oriented site configuration typical to these developments will serve as the platform for creating community-serving uses including outdoor common areas, spaces for nonprofit partners and affordable housing. This will be done by retaining the two primary commercial buildings as well as the majority of the current tenants, which provide an ideal mix of neighborhood-serving retail, restaurants and services.

There will be a diversity of outdoor community spaces designed to physically connect residents and community members to the project. The central hub of activity will be located in the crux of the north-south and east-west esplanade, formed by a pedestrian plaza and mini-park that fronts onto a band shell that reuses the former gas station canopy.

BELLA TERRA

Huntington Beach, CA's Bella Terra (formerly known as the Huntington Center) opened in 1965, in the heyday of the American shopping mall. By the mid-2000s, most of the malls tenants had either gone out of business or moved elsewhere before the mall was demolished (with the exception of the now-defunct Mervyn's) and reopened in 2006. Since then, the mall has flourished. The addition of retail giant Costco and a collection of restaurants has given new life to the Bella Terra. Residential space followed suit not long after; the Residences at Bella Terra opened, introducing 467 units (70 of which are designated as affordable).

Accessory Dwelling Units

Accessory Dwelling Units (ADUs) or granny flats are units built on residential lots that accompany a pre-existing or original housing unit. An ADU is a dwelling unit with a full kitchen and bathroom that can be used as a rental, but cannot be sold separately from the primary or main single-family residence.

A second dwelling unit can provide a number of benefits; extra space for family members enhances the potential for multigenerational housing or for caretakers for seniors should they require permanent supportive service. In addition, ADUs offer financial benefits as renting out a second unit is a way to increase household income. An ADU can exist structurally in a few different ways including as a standalone structure, attached to the main unit, or as a converted garage (CityLab 2017).

ADUs have a long history of existence in Southern California, although not always legally. For example, Los Angeles is home to an estimated 50,000 unlicensed ADUs. While ADUs make up a crucial a part of the Los Angeles housing market, they have not been able to live up to their full potential as a result of strict building codes and fees that deter homeowners from building. The result has been a reluctance by homeowners to build ADUs due to sheer impracticality. Until recently, codes designed to dissuade the construction of ADUs has led to them simply not being worth the trouble for homeowners to build (Loudenback T). This is evident in the City of Los Angeles, as only 644 ADUs have been permitted since 2003 (a fraction of a percent of LA's 485,000 housing units), 397 of which were ever constructed. Although the state has its own building criteria for ADUs, we have seen how the tendency for cities to tack on additional requirements has stifled construction. Although the State has its own building criteria for ADUs, we have seen how the tendency for cities to tack on additional requirements has stifled construction. Increased difficulty due to efforts by local governments to prevent or at least limit the construction of ADUs experienced pushback from the Obama administration, resulting in legislative action in the State of California. In accordance with the Obama administration's Strategies for Increasing Housing Affordability; the State of California implemented AB 2299, limiting a City's ability to enact ordinances that prevent construction of ADUs. The new law declares that state requirements for ADUs preempt local laws. Height limits, lot coverage and zoning setbacks still apply, but parking requirements have been relaxed, eliminating a major roadblock for the construction of ADUs (Accessory Dwelling Unit Ordinance 2017). Long Beach has acted in accordance by implementing its own ADU ordinance, compliant to the City's Housing Element that calls for the encouragement of adaptive reuse of existing structures for residential purposes.

Long Beach Case Studies

The difficulty of the ADU construction process has shown to deter homeowners from obtaining the proper planning approval. As a result, the Southern California area is home to thousands of illegal ADUs. The City of Long Beach was able to provide a list of about 60 legal ADUs that have either been approved or are in the approval process (2018). For the most part, these units are fairly evenly distributed throughout the city; with the only significant cluster residing along Atlantic Avenue and Long Beach Boulevard in North Long Beach, and to an extent the Bixby Knolls area (located just south). Of these ADUs, just over 90 percent area located in neighborhoods zoned for single-family residential use (CA Office of the Treasurer 2015; US Census Bureau).

Other Case Studies

LOS ANGELES ADU DEMONSTRATION PROJECT

Los Angeles design non-profit LA Mas is working to pilot an ADU project in Los Angeles' Highland Park neighborhood, which looks to serve as a model for affordable construction and future ADU policy. The final product will be a 1,000 ft^2, two-bedroom home with a garage. When combined with the main house, the total building footprint will cover roughly 34 percent of the total lot. Per State law, the ADU will be set five feet back from the property line and will be shorter than the primary home.

The LA Mas' project takes advantage of new State laws that do not require a passageway or covered parking, but will incorporate covered parking anyway. The ADU is also located in a historically designated area in Los Angeles, and must comply with neighborhood design standards.

In addition to building in a historic preservation overlay zone (HPOZ), the property sits on a hill, which adds to the difficulty level of designing and constructing on a slope. Building an ADU on a property that sits on a hill in a historic preservation zone will have to endure the trouble of figuring out all of the nuances that go along with added challenges of construction, making the results even more valuable (LA Mas 2017).

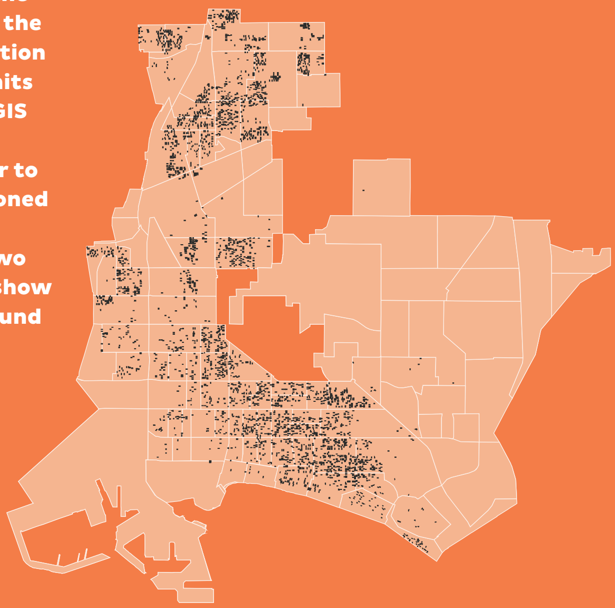
POLICY

POLICY CONSIDERATIONS: LONG BEACH ACCESSORY DWELLING UNIT

Because Long Beach's 1988 Granny Flat Ordinance was non-conforming to State legislation passed earlier in the year, the City had to pass a new ordinance in order to set any local terms of development. The new ordinance, adopted in 2017, allows lots 4,800 ft^2 and above to construct ADUs with no additional parking provision should the lot be located within one and one-half mile of public transit. Areas deemed to be parking-impacted or in the coastal zone will be subject to provision of additional parking of one to two stalls depending on the size of the additional unit regardless of proximity to public transit. Other stipulations include that the owner must live on the property and may not sell the ADU separate from the original home (Ruiz 2017).

ADUs in Long Beach

Since it is unlikely that the list of ADUs provided by the City is an accurate depiction of how many of these units actually exist, we used GIS data supplied by the Los Angeles County Assessor to identify single-family zoned residential parcels that feature two units and two structures. The results show large clusters in and around the following areas:



CALIFORNIA HEIGHTS North of I-405, south of Bixby Rd, east of LGB, west of the Los Angeles River. (210 results)

NORTH LONG BEACH North of Del Amo Blvd, East of Cherry Ave, south of Jordan High School/Houghton Park. (650 results)

WEST LONG BEACH North of Cabrillo High School, south of the 91 Freeway. (190 results)

BELMONT HEIGHTS North of Broadway, south of 7th St, east of Redondo Ave, west of Recreation Park. (350 results)

Motel Conversion

Neighborhood blight, a challenge faced by cities nationwide, often manifests itself in the shape of dilapidated motels that are encompassed by crime, physical deterioration, and code violations.

Rundown or underperforming motels provide an opportunity for the reuse of an existing building that already feature a resident-oriented design that includes appropriate parking, and bedroom units with a bedroom/bathroom combination (although kitchenettes are typically excluded). As a result, motels can be targeted for reuse as permanent housing and in some cases include units designated for affordable housing. Through public, private, or a partnership between the two, motel conversion establishes a more efficient use of space by adding more permanent dwelling units to the housing stock. Removal of motels can reduce criminal activity, the cost of police and fire responses, and improves community safety throughout the surrounding neighborhood, improving the overall quality of life (Bloch 2007).

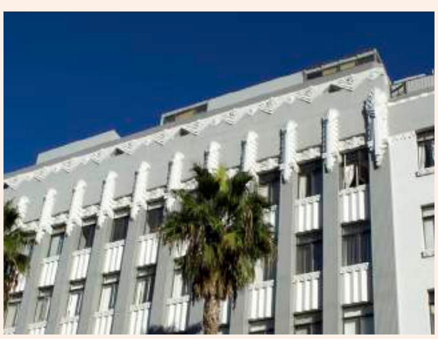
In California, increasing housing costs and homeless populations, as compared to the rest of the country, have led to the implementation of motel conversion model. Many of the motel conversions throughout the state have been to specifically target populations at risk of experiencing homelessness. In Santa Ana, CA, motels have been converted to provide permanent supportive housing for homeless families that in many cases were already tenants, renting on the short term. In 2015, a private company (CDP) purchased the property and designated space to accommodate service providers that offer resources such as case management and substance abuse support.

In the City of Los Angeles, the repurposing of motels has been utilized to provide housing to hundreds of homeless veterans. Los Angeles' Housing Authority has implemented a system that distributes housing vouchers provided by the Federal government to veterans, which they use on City-owned housing developments. This process succeeds in achieving two things in a single action by providing shelter to at-risk veterans while also generating revenue for the City (Holland 2016).

Long Beach Case Studies

VILLA RIVIERA

Opened in 1928 as a “luxury cooperative” building and not as a hotel or rental units as is widely believed. This changed during the stock market crash in 1929 and the ensuing 1933 earthquake that forced a foreclosure on the cooperative. This began a period of the Villa Riviera as an apartment-hotel; changing hands several times between hoteliers over the next two decades. In 1955, the Villa Holding Company purchased the building and converted it to residential units, which were sold off as individual “own-your-own” apartments (Pool 2003; Villa Riviera 2018).



LAFAYETTE

The Lafayette Building was originally built in 1928 as a flagship Hilton hotel located in Downtown Long Beach. The building, which were converted into condominiums in 1968, offers amenities including a fitness room, on-site security, and banquet hall. Unit sizes are relatively small, including studio to two bedroom units that range between 312 to 2,432 ft^2. The building incorporates a mixed-use design that includes multiple eateries and a neighborhood market (History of the Lafayette 2017).

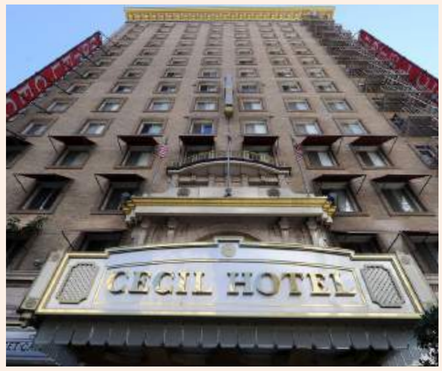
THE BREAKERS

The Breakers is a 14-story building that opened in 1926 as a luxury resort hotel. At its inception, the Breakers was available for temporary guests, as well as those who made it their permanent residence. In 1938, the hotel was purchased by Hilton, and became the eighth hotel in the Hilton chain. Between 1947 and 1964, the Breakers changed hands twice, and closed between 1964 and 1967 while being converted into a retirement home for permanent residency. In the 1980s, the hotel was again converted into a tourist hotel and again, closed due to insufficient business. The hotel has since reopened as an assisted living residence for senior citizens. In 2015, the California Department of Social Services revoked its license and is now being renovated (again) as a hotel (Addison 2017; Jergler 2013).

Other Case Studies

THE ORCHARD SANTA ANA

The Orchard/Guest House is an affordable housing development by Community Development that rehabilitated a former Santa Ana motel into 71 affordable units for the chronically homeless. The development includes studio and one-bedroom units as well as a community garden, laundry facilities, and on-site services provided by Mercy House (a local non-profit agency). The Orchard is Santa Ana's first permanent supportive housing project, and receives nearly $1 million annually in subsidized housing vouchers.



OLLIE/HOTEL CECIL

The site of the now defunct Hotel Cecil in Downtown Los Angeles is being converted into a co-living, micro-apartment complex. The former 600-room hotel will be reconfigured into 300 apartment units geared towards single millennials. Units include furniture that converts between bed and sofa, with shared bathrooms and commune space. The developer, Ollie, is concerned with a housing industry that is pushing the same types of housing stock, geared toward the same demographic. By building small units with shared space, they intend to diversify the housing stock. In addition to housing, the developers will offer amenities such as food service and home managers who oversee the quality and maintenance of the development (Chen 2016; Clarke 2016).

POLICY CONSIDERATIONS: LOS ANGELES MOTEL CONVERSION ORDINANCE

The City of Los Angeles has organized an agreement for non-profit and private developers to convert run down motels into permanent supportive apartments for some of the county's 2,700 homeless veterans. The plan involves the purchase of underperforming or blighted motels by developers who will then convert them to apartments. The City will then issue

vouchers (funded by the U.S. Department of Veterans Affairs) that will cover the cost of the units. The idea of converting motels for homeless housing has been realized in small cases in Los Angeles, but this will be the largest-scale effort in the City's history (Holland 2016).

POLICY CONSIDERATIONS: FAÇADE IMPROVEMENT WITH GUARANTEED VOUCHERS

Through the Shelter Plus Care and Special Set-Aside Voucher programs the Long Beach Housing Authority provides rental assistance to special needs populations and in particular situations to divert instances of homelessness. Measure H funds further support for homeless diversion and rapid rehousing. Many of these vouchers are used for nightly/weekly stays at local motels in Long Beach due to a combination of ready availability of rooms, relative to the current rental apartment market, and the ability to rapidly accommodate customers when compared to the approval process for renting an apartment.

Utilizing the various vouchers supporting emergency housing needs the Housing Authority can support the conversion of select local motels to short-bridge housing with opportunities for integrated social services. The Housing Authority can guarantee a block of room rentals for voucher holders and service agencies as well as modest investments through the Commercial Façade Improvement program, funded by Federal Community Development Block Grants.

This motel conversion program would provide greater structure and accountability to the selected motel operators through management agreements with certain metrics for safety, comfort, and services. It also provided those motel owners—whether as a private party or affordable housing provider—confidence that their investment would be supported through consistent voucher funds. While still being considered short-term bridge housing, these converted motels would provide better living conditions than typical motel accommodations as they will be configured and programmed to serve those residents in need for a longer time period.

Micro Units

Micro Units are residences generally described as smaller than 350 ft^2. This housing type is historically significant as it was employed in New York as boarding houses for factory workers. Unlike single room occupancy units (SROs), micro units are typically equipped with kitchen and bathrooms.

Smaller units create housing options and cater to those that will sacrifice living space to occupy more desirable neighborhoods. Micro units, as a result, increase diversity of housing options by moving away from the one and two bedroom unit model. Design professionals have come up with a number of creative solutions that ensure micro units are compliant with Fair Housing Amendment Act and accessibility requirements, while feeling larger using flexible furniture systems, high ceilings (more than nine feet), oversized windows, built-in storage, gadget walls, and movable kitchen islands. By catering to a single-person household, micro units in theory allow for individuals to afford their own place instead of relying on roommates to afford rent. In addition, this takes the strain off of the multi-room apartment market, freeing up units for families. Micro units are one way of balancing housing opportunity types by accommodating a segment of the population under-served by the current housing supply, most notable single-person households.

A study from the Urban Land Institute (ULI) in 2015 found that mirco units outperform conventional units in the marketplace, achieving higher occupancy rates (although it is difficult to gauge whether the performance of these units are driven by their scarcity and novelty or if this type of demand actually exists). While there have been several advances in the design of micro units, their appeal is largely based on economics. The same ULI study found that most respondents that are interested in micro units are willing to consider them in exchange for a lower monthly rent (approximately 20 percent to 30 percent below that of a conventionally sized unit), a highly desirable (typically authentic, urban, walkable, trendy) location, and the ability to live alone.

The target market for micro units are young professional singles, typically under 30 years of age. While this has historically been the case, microunits have also attracted some couples and roommates as well as some older singles who are comfortable downsizing to a smaller housing unit. A number of cities, including Los Angeles and San Jose, have already adopted ordinances that allow the construction of micro units and outline the design standards for the units (Duggan 2016; Huang 2016; Valhouli 2016).

Long Beach Case Studies

MAINE AVENUE

The renovation of this 11-unit apartment building was completed in September 2014 to provide affordable housing for income qualified seniors over the age of 55 years earning no more than 50 percent of the area median income (AMI). Located at 1044 Maine Ave., in the Willmore City/Drake Park Historic District, the revitalized complex features six one-bedroom units and five studio units. Resident amenities include security camera systems, in-unit Life Alert Systems, fully equipped kitchens; an on-site laundry facility, a charming interior courtyard, and enclosed parking. A total of approximately $1.8 million was expended on the acquisition and rehabilitation of this property. This development was also funded through Federal Neighborhood Stabilization Program (NSP) funds.

Other Case Studies

WE ARE BEST DAY

Culver City, CA is home to the now-defunct Westchester Hotel. The former motel is now being converted into an apartment building featuring 35 apartments ranging from 300 to 350 ft^2. The development will feature a common kitchen area, laundry facilities, and a central garden space. The developer, HQ Creative, is taking their approach of “creative” office design and applying to housing. Private residential space is coupled with shared amenities, making for a more efficient use of space and allowing for more units.

ELEVE LOFTS AND SKYDECK APARTMENTS

Built on a former Circuit City, Eleve Lofts and Skydeck Apartments has 208 units made up of micro one and two-bedroom apartments, as well as several two-story lofts. The building is six levels with ground floor commercial space and additional three levels of underground parking, including 75 spaces for bikes and electric car charging stations. Residents also have access to a 26,000 ft^2 rooftop deck complete with fire pits, event space, and a dog park. The Eleve Lofts and Skydeck Apartments are an example of the City of Glendale’s efforts to attract younger workers currently commuting from neighborhoods outside City limits due to a lack of housing affordability. Glendale City Council member Laura Friedman has acknowledged the need to build housing geared towards a younger, more eco-sensitive generation, likening new developments as a ‘great fit for Disney workers’ and acknowledging the positive effects of the development on local traffic. The complex embraces the live-work-play concept as it is located in Glendale’s downtown area, near public transit.

POLICY

SANTA MONICA OLYMPIC STUDIO APARTMENTS

Santa Monica’s Olympic Studio apartments are home to 165 units, most of which are sized at 350 ft^2. The city’s mini-dwellings are geared towards tenants that are single, and are emblematic of the downsizing movement that is being embraced by an increasingly eco-conscious generation that challenges the model of suburban sprawl that has been the dominant trend in Southern California housing development since the 1950s. The community-oriented structure is located near Santa Monica College, two parks, and the newly extended Expo Line.

POLICY CONSIDERATIONS: MINIMUM UNIT SIZE

Long Beach, is in a position in which the only areas that would allow for the type of density associated with micro units (the Downtown area) is subject to a minimum unit size of 600 ft^2; although 15 percent can be as small as 450 ft^2 if a request is approved. In order to allow for micro units in the traditional sense (300 ft^2 or smaller), there would have to be policy change. Other major West Coast cities are allowing for smaller unit sizes including Portland (150 ft^2), Los Angeles (200 ft^2) and San Francisco (220 ft^2). Other elements, such as minimum kitchen size, make it difficult or downright illegal to design efficient apartment units.

Tiny Homes

Tiny Homes (or tiny houses) are residential structures that typically range anywhere from 80 to 400 ft^2 (State of California 2016). These dwelling units can be constructed as stationary or they can rest on an axel, upon which point they become classified as a motor vehicle (American Tiny House Association 2017).

The growing population coupled with urbanization contributes to strain on the supply of land upon which housing is built and the costs associated with large single-family homes are well documented. According to a 2013 nationwide poll by the Urban Land Institute (ULI), 61 percent of respondents said they would prefer a smaller home. In addition, the number of single-person households has increased from eight percent in 1940 to 28 percent in 2013 (Revenue Tools and Incentives 2017; ULI 2015).This is indicative of other trends: singles now outnumber married people, families are smaller than they used to be (Gao 2015), and more people are gravitating towards a different housing model that offers freedom from responsibilities associated with more traditional homeownership such as high mortgages and maintenance costs (Patel 2015; Raphael & Rao 2014).

Tiny homes (or tiny houses) are residential structures that typically range anywhere from 80 to 400 ft^2 (State of California 2016). These dwelling units can be constructed as stationary or they can rest on an axel, upon which point they become classified as a motor vehicle (American Tiny House Association 2017). Creating a set definition for what is considered a tiny house can be difficult in that they are a relatively new concept and can be constructed in several different ways. As the tiny house movement is in its infancy, and policies that foster the utilization of tiny houses as a reliable housing source have yet to be established on a nationwide scale. Throughout our research we have seen instances in which cities have taken steps to encourage the use of tiny homes, one example being Fresno, CA (Lee 2016). While there are builders and advocacy groups of tiny homes that operate nationwide, we identified no major policies towards tiny home development that showed any consistency with one another. The CRC includes a variety of structural, plumbing, electrical, mechanical, and fire protections as well as light, ventilation, and other building specifications. Tiny houses classified as a Recreational Vehicle, while designed for human habitation, are not considered a permanent dwelling and must conform to criteria set by the Recreational Vehicle Industry Association and registered with the Department of Motor Vehicles.

In Northern California, tiny houses are being seen as a potential relief for increased homelessness in San Jose (Giwargis 2016), with the City going as far as to declare a state of emergency, allowing for the implementation of tiny homes (with discretionary review). In Fresno, mobile tiny homes are now considered backyard cottages due to changes in the City's planning code. In the Fresno suburb of Clovis, tiny homes are being built as second units in lots near their Old Town. New houses built on these lots are required to face the alleys that run between houses in hopes that they will contribute to a more attractive and walkable neighborhood. Tiny homes are being utilized to provide a wide range of uses throughout the country. In some cases they are relied upon as permanent housing, with some cities going as far as to create entire neighborhoods of tiny houses. In other cases, such as in Olympia, WA and Austin, TX, tiny houses are run by nonprofits that rent to the homeless for a small fee. In Detroit, MI, Cass Community Social Services are utilizing tiny homes to cater to students, those leaving the foster care system, people transitioning out of homeless shelters, and low-income seniors.

Long Beach Case Studies

As tiny homes are a relatively new concept, the possibility of an ordinance or zoning designation to support these types of homes has not been discussed in depth in an open forum. This does not suggest a lack of potential for opportunity: consider the case in Fresno, CA in which a tiny home ordinance has been put into place that allows residents to legally live in mobile tiny homes permanently. Although Long Beach has no similar ordinance; there are areas of the city zoned for mobile or manufactured homes (RM). An RM district is described by the City of Long Beach as "a single-family residential district for mobiles homes and manufactured housing. This district recognizes the significant contribution that mobile home housing developments can make toward providing a diversity of housing choices". Long Beach has five identified RM zones: four lie along the Los Angeles River between the 405 and 91 freeways, while another is located near Cherry Ave and Market St (DataLB).

Other Case Studies

PRE-FAB TINY HOUSES

Prefabricated tiny homes are a potential way to cut time and costs of building a back yard micro-unit, cabin, or cottage. These units are available from a number of distributors, ranging anywhere from $5,000 to over $50,000 depending on size, amenities, and building materials (Elemental Green 2017; Wang 2016). Prefabricated homes give the homeowner options to choose the extent to which they are involved in the building process and offers cities a level of consistency that can inform their building standards, formalizing their development.

Depending on the distributor, homes can be purchased as DIY, semi-DIY, or already-built homes (Wheelhaus 2017). Different building materials are available, which is important considering that some are more appropriate than others depending on the regional climate (homes can also be designed to be LEED certified). Availability of tiny homes is increasing; homes can even be purchased on websites like Amazon.com (Estes 2017).

VERMONT TINY HOME MOVEMENT

The state of Vermont is an area experiencing growth in the tiny home movement. Like other states, the cost of owning and maintaining a home are pressuring residents to live more efficiently by having smaller dwelling units. Some cities in the state are getting behind the movement and creating ways to update their housing stock in a way that meets the needs of a changing market demographic. The City of Battleboro is home to "Tiny House Fest Vermont", a four-day event that introduces the tiny home concept to residents and offers an educational experience for those interested in adapting to the tiny home lifestyle. This includes providing insight to the nuances of tiny home ownership, including construction, financing, and perhaps most importantly, legality. Vermont is no exception to the challenges of building and zoning that mandate adherence to design characteristics that increase building costs and diminishes design flexibility of tiny houses that for many people, are the basis of their appeal. As a result, those occupying tiny houses full time are often forced to live "under the radar" (Big Freedom Tiny Homes 2017; Silberman 2016).

CASS COMMUNITY, QUIXOTE VILLAGE, COMMUNITY FIRST!

Tiny home design is being put into practice in Detroit, Michigan's Cass Community Social Service project, which is building a community of tiny homes to help the city's low-income population. Construction of 25 individual units over the course of two city blocks began in 2016 and cost about $1.5 million (individual homes $40,000-$50,000) the financial funding coming largely from private donors and labor from volunteers. Each house will range in size between 250 to 400 ft^2, each with similar amenities but unique design. Residents can rent the homes with an option to buy if they remain in the unit for seven years (Cass 2017).

In Olympia, WA tiny houses are being used as a model for housing the area's homeless population. The two-acre site consists of 30 cottages encapsulating a shared open space, communal kitchens and showers, and a building reserved for those requiring permanent supportive housing, with services dedicated to assisting those suffering from mental illness, physical disabilities, or substance abuse. The 144 ft^2 houses include a bed, desk, chair and closet. The idea for a Quixote Village was born out of threats to remove a large homeless encampment in downtown Olympia; a result of anti-camping laws implemented by the City. After moving between a handful of church properties, a local non-profit was able to secure land dedicated to housing the population, made possible by $2.6 million provided by private donors, the Washington State Housing Trust, and HUD Community Development Block Grants (CBDG) (Quixote Village 2016).

A similar approach in Austin, TX utilizes the tiny house approach to housing the homeless. Community First!, a play on words of the housing-first model of homeless care, is home to 50 residents, but can care for up to

250 people (it is unclear as to why the homes have not been filled). Community First! was organized and administered by Mobile Loaves & Fishes; a non-profit faith based organization (although residents have no obligation for religious involvement). The community is funded by several corporate partnerships and constructed through volunteer labor. Donations include materials, amenities, and often entire homes (some builders even donate homes) (Community First! Village 2017).

SAN JOSE PILOT PROGRAM

The City of San Jose, CA in late 2017 approved a policy to build tiny homes to house a portion of the City's 4,000 plus homeless. The pilot program would build 40 homes across (up to) three sites (the exact locations TBD), and would cost around $70,000 each to build: a grand total of $2.9 million. This idea originated from Assembly Bill 2176, which eased restrictions for building the unconventional housing units (Brinklow 2017). The size of each unit will range anywhere between 80 – 140 ft^2. and will reside on lots that meet requirements determined by the City with public input, much of which came from concerned residents who argued that building homes for the homeless will increase neighborhood crime and hurt property values of nearby homes. Additional roadblocks to building the homes are expenses (a funding plan is still being ironed out at the time) and the length of time to build. In response to concerned locals, the City's Mayor argues that the matter is whether or not the city decides to house the homeless; as they are already present in many of the City's neighborhoods already. In addition to requirements set by the City that the tiny home residences must be at least 1,320 feet away from schools; the designers of these cabin-style homes have incorporated aspects such as green barriers, which provide a natural-looking barrier as well as ten-foot setbacks from the street. Residents and policymakers have considered an alternative plan of leasing existing apartments to those experiencing homelessness, although this does not add to an already strained housing stock; and given the market rate for apartments, could end up being more expensive than building tiny homes (Brinklow 2017; Giwargis 2017).

POLICY CONSIDERATIONS: TINY HOME ORDINANCE

In 2016 the City of Fresno, CA approved tiny houses on wheels to be considered backyard cottages. This means that tiny homes are now legal to use as independent living quarters, whereas they were previously only allowed for temporary residence. Homeowners are allowed one unit per residential plot, and can legally rent it out. Because these are mobile units, they must be registered with the California DMV, but are not subject to many of the building code regulations that drive up development costs for similar projects such as ADUs.

Housing With Civic Uses

Housing with civic uses, not to be confused with publicly subsidized housing, can be any housing development that shares space with some entity that provides public services or civic use.

Major cities and counties throughout the country are facing housing affordability issues, especially in the urban core where the majority of public services and civic institutions are typically located. As the public facilities begin to age, and as pressures increase to provide an affordable and diverse housing stock, greater consideration should be given to combining both civic (or institutional) and residential uses together within the same development. Similar to the concept of a "shopping center becoming a village", the concept of a mixed-use housing development with civic uses can have economic and cultural benefits.

There are several economic incentives to adopting planning strategies, land use practices, and regulations that promote mixed-use development. The high cost of land is a major determinant of the financial feasibility of any large-scale development project, mixed-use or not. Existing civic and institutional uses, such as libraries, fire stations, and other government buildings, typically maintain ownership of the land, which would be an attractive investment to any developer or lender. In theory there are also cost savings and gains with mixed-use and compact developments in general, including lower infrastructure costs, increased tax revenue, and saving in operating budget costs.

Culturally, this form of mixed-use development can encourage greater civic engagement by offering places for individuals and groups to participate in civic events, celebrations, memorials, public announcements, and even public demonstrations. Therefore, it is important that the design of the mixed-use development is public-facing by orienting buildings outwards with active frontages, providing engaging public open spaces, and providing a strong mix of mobility and accessibility options. Additionally, offering housing to government employees would essentially eliminate commute times for many public servants who work in these facilities. With the redevelopment of larger civic centers, such as in Long Beach, the reduction of vehicle use would have the added environmental benefit of reducing greenhouse gas emissions and traffic.

Long Beach Case Studies

CENTURY VILLAGES AT CABRILLO

The Century Villages at Cabrillo (CVC) is a residential campus community in Long Beach's West Side that offers emergency shelter and permanent supportive housing for veterans, families and children. CVC also offers a multitude of services intended on fostering self-sufficiency as a means of breaking the cycle of homelessness. Established in 1997, CVC is located on 27 acres of former U.S. Naval housing acquired by Century Housing under the McKinney-Vento Act with the purpose of providing transitional and permanent housing for those experiencing or at risk of experiencing homelessness. The campus is home to 333,000 ft^2 of housing and supportive service space and serves over 1,000 people on any given day.

CVC has an emergency shelter and treatment program that houses individuals from anywhere between 30 to 90 days. These short term programs offer a stable environment for those experiencing homelessness and prepares them for more independent and long-term housing arrangements. The campus offers transitional housing for up to two years (and in some cases more) that helps residents acclimate to a more stable housing environment while providing education on living skills that will contribute to self-sufficiency and autonomous living. In some cases, CVC is able to provide permanent housing. Permanent housing sometimes encompasses wraparound services for residents, known as Permanent Supportive Housing (PSH).

From a development perspective, CVC was originally a reuse and rehabilitation project of existing on-site infrastructure. After renovation and further additions, CVC has since grown to house 1,300 residents in more than 800 units. In addition to construction housing and providing services, CVC has taken steps to improve the quality of life for residents through landscape rehabilitation. CVC recently completed their master plan, rehabilitating and developing nearly a half million ft^2 for housing and supportive serve space while changing the landscape to provide the best possible environment for their residents. This includes planting just under 200 trees along the western portion of campus bordering the Terminal Island Freeway, providing a natural barrier between residents and the neighboring industrial zone. In addition, a village transit center, communal space, and a transitional center for homeless students provide a comprehensive variety of resources for residents (CVC).

Other Case Studies

CHICAGO PUBLIC LIBRARY HOUSING

The City of Chicago in 2016 unveiled plans to combine housing with public libraries throughout the city. In a joint effort between the Chicago Housing Authority (CHA) and Public Library (Kozlarz 2017; Serlin 2017). Thus far, three project sites have been identified in the city's West Ridge, Near West Side, and Irving Park neighborhoods.

In November of 2017, Chicago's City Council voted to approve the redevelopment of the Roosevelt branch of Chicago's public library system. The development will refurbish the library and combine it with 73 rental units, 37 of which dare designated for Chicago Housing Authority residents. 29 of the remaining units will be rented at affordable rates while seven will be rented at market rates. Funding for the project will mainly come from $26 million in housing revenue bonds, $7 million in tax increment financing, and $15 million from CHA general funds. In addition to housing, the library will be revamped to include upgrades including new computer and multimedia amenities (Mesa 2017; Rice 2016).

Chicago's Independence Library in the city's Irving Park neighborhood is currently being redesigned for mixed use, and will provide 40 units of affordable housing as well as a two-story library that features a community multi-purpose room and event space. The development, which will act as a replacement for the old Independence Library that burned down in 2015, will span 65,000 ft^2 and include a rooftop garden.

On the City's North Side, a third library-housing model is being built. The project, set to open in 2019, will be between 2 – 3 stories and include around 30 units of affordable one-bedroom apartments above the first floor designated for senior citizens age 62 and over. The CHA was able to leverage publicly owned land in order to finance the development. The project designers plan to secure all necessary funding by fall 2018, which it expects to attain through CHA general funds and state tax credits (Kozlarz 2017).

Student Housing

With colleges and universities attracting thousands of students to their campuses each year, many higher learning institutions provide convenient housing at affordable rates for students, and have improved on their design over the centuries.

Student housing for colleges and dormitories have been around since the 1400s, beginning with Oxford University in England offering dormitories for low-income students. In the United States, Harvard became the first university to feature residence halls in 1636. For decades, these early dormitories were designed to increase privacy and promote introspection through monolithic structures meant to separate students from the outside world. By the 1900s, when women were admitted into colleges and universities, the average room and board cost was about $185 (which in 2019 is about $5,500).

It became increasingly apparent that these imposing designs were far from the friendly, social, modern, comfortable, and interactive living environment that many students desire. The demand for such lifestyles resulted in a greater variety of building typologies and amenities that accommodate the unique housing needs of students. Most colleges and universities provide single or multiple occupancy rooms for their students with various types of floor plans. The size of most student housing has slowly increased since the mid-1900s, but their design maximizes efficiencies by consolidating and sharing common areas such as living rooms, kitchens, and bathrooms. A major reason why students prefer this living situation is that most student housing is within close proximity or access to campus than comparable private housing. Sometimes dormitories that are situated away from the university campus may present additional facilities to give them an added convenience.

Since the 1990s, federal and state funding has decreased and the demand for college dorms has increased. Other funding considerations for student housing development include maintenance costs related to high turnover rates, sustainability features, and greater level of amenities and services. However, financial institutions still consider student housing as a financially safe investment, although this lending has slowly decreased in recent years. By hosting a major public university and community college, Long Beach should pursue measures that incentivize the development of a diverse student housing stock as a means to reduce impact to the larger rental housing market.

Long Beach Case Studies

CALIFORNIA STATE UNIVERSITY – LONG BEACH

In the 2018 Fall term, California State University – Long Beach (CSULB) reached an all-time high of 102,000 undergraduate applicants, which is the most received by any California State University campus, while the number of transfer applications is projected to be the highest among all U.S. colleges and universities. The Office of Housing and Residential Life at CSULB creates inclusive communities that foster student health and wellness, personal and social development, academic excellence and good citizenship. CSULB's University Housing has three residential colleges: Beachside College, Hillside College and Parkside College. Resident's room are double occupancy, with the exception of a limited number of singles rooms at Hillside College and triple rooms in Beachside College. Each college also offers the opportunity to be part of a living-learning community or live in theme housing.

Beachside College hosts over 700 students in an off-site housing development consisting of the Atlantic and Pacific buildings. This gender inclusive community is geared towards continuing and transfer students, although freshman students are welcome. Parkside College is a first-year housing community with nine suite-style buildings, each housing an average of 115 students. This housing development is located at the northwestern portion of the university amps and is adjacent to the municipal park, providing the amenity of convenience and access. Lastly, Hillside College is located at the southwestern part of the university and is the closest of the colleges to the central campus. Comprised of first-year and returning students, Hillside provides traditional or suite-style living within nine buildings, each housing between 45 and 200 students. These residences offer single and double occupancy rooms, which dedicated housing for the University Honor Program, International House, and LGBTQIA+.

In 2017, the City of Long Beach announced a major new 22-story student housing development within the city's downtown area for students at CSULB. The new CSULB Village project will include 800 units of student housing, 50 units of university staff housing, along with classrooms, lab space, and a new home for the University Art Museum. Mayor Robert Garcia called the student housing project "a home run for the city and the university," predicting that it would "activate our Downtown Core with new economic opportunities and academic partnerships." Additionally, CSULB plans to create another downtown mixed-use development housing 375 units for students. This two-building complex called the Broadway Block, is made up of a 21-story tower joined to a seven-story apartment block. The complex will also contain creative office space, flex space, and loft space, with a mix of market-rate and deed restricted affordable units, with some reserved for graduate students.

Room to Grow @ CSULB

The CSULB campus is mostly surrounded by residential development that is fairly densely sited and built-out. Within the school campus, there is a large portion of the total land area dedicated to parking or underutilized open space.

Building Footprint

Church Properties

Repurposing land under the ownership of faith-based organizations for housing is a concept that is being employed nationwide. In the past (post-war boom), churches were able to buy large plots of land due to lower property values and larger congregations.

As these trends have changed course, churches all over the country have found that they have a surplus of land that is going underutilized. Many faith-based organizations already offer humanitarian services, such as food or clothing, to the public on-site. With the affordable housing crisis and the rise in homelessness, some religious institutions have become housing developers so as to serve people in desperate need of an affordable home. Through this effort, religious institutions developing housing can create a consistent revenue stream and reach the larger community by increasing the housing stock.

Cities nationwide are now collaborating to convert underutilized space into housing, including Los Angeles, Chicago, Detroit, Denver, Atlanta and Miami. This concept has caught on in New York City, and is part of Mayor Bill de Blasio's plan to increase to city's housing stock. Recently, Harlem's Bethel Gospel Assembly was able to develop a vacant church-owned lot into 47 units of housing. This process is being duplicated on churches in Portland, OR, which have been reusing or developing land for housing that offers affordable units or are designated for senior citizens. Long Beach is home to a great example of adaptive reuse as a tactic for church-site housing. Of the church-housing cases we identified, many were geared towards senior citizens and incorporated the appropriate amenities for that group (such as transportation).

Long Beach Case Studies

LONG BEACH

Long Beach has yet to experience an operating church develop their property for housing. Although at one point, a Methodist church in Long Beach was in talks with Jamboree Housing to accomplish this, the plan never came to fruition (Walker 2017). However, Long Beach saw the repurposing of Immanuel Church as a senior living center, which is also a good example of the adaptive reuse of a church property.

IMMANUEL PLACE

Immanuel Place is a 25-unit affordable housing community located in Long Beach's Bluff Heights neighborhood. Originally built in 1922, the church became vacant in 2012 before developers restored the church and converted it to senior housing. The former church is home to 24 one-bedroom apartments for seniors 62 and older, with rents starting at $458. The complex also includes a fitness room, library, and laundry facilities. Many of the original details of the former church were preserved including its stained glass windows, walls, and even the organ. The worship center was converted to a community room as well as space dedicated to providing senior services. The church-to-housing conversion demonstrates an exemplary case of adaptive reuse that balances historic preservation with environmentally friendly updates. Efficient water heating, thermal insulation, Energy Star appliances, and LED lighting all contribute to the conservation of electricity while water-efficient showerheads and low-flow toilets minimize water use.

The development process did experience some delays during the planning phase, which took almost two years to achieve City approval. Opposition to the project arose out of neighborhood concerns about parking, its location in a single-family residential area, and the removal of an adjacent 1920s- era Craftsman home. The community, including the Bluff Heights Neighborhood Association, rallied around the project and it eventually came into fruition. The Craftsman home was moved to a different lot with the now vacant spaced being conserved for a 13-space parking lot. Funding for the project, which amounted to a $12.1 million construction cost, came largely from LIHTC funding, a grant from HUD Community Development and funding from the Long Beach Community Investment Company. Still facing a financial shortfall, the developers secured loans from HUD, the Community Development Commission of Los Angeles County and the Federal Home Loan Bank (Addison 2017; Laski 2017; Morris 2017; Saltzgaver 2015).

Other Case Studies

WESLEY VILLAGE (JAMBOREE)

In the summer of 2017 Garden Grove Methodist Church opened Wesley Village: a 47 unit complex built on underused church space. Wesley Village is a multi-generational affordable community that includes senior housing, day care, and health services. Citing an aging congregation and uncertainty about the churches future; the Church Council entered a 75-year ground lease with Jamboree Housing. The Church received an advance payment of $200,000 and will be paid $50,000 annually for the next six years, after which it will split profits from the development with the City of Garden Grove and Jamboree Housing (Walker 2017).

Mitigating the housing crisis in Long Beach and beyond is not about trying to find a single solution.

REFLECTION

Like many areas of California, the main driving force of housing costs in Long Beach is the price of land. Although land cost is not something unique to Long Beach, our scenario is different in that the issue is exacerbated by the fact that Long Beach, unlike other cities, cannot build out. Furthermore, stringent California building codes, environmental impact concerns, and construction on liquefaction zones drive up the cost of development, which is passed on to residents. As a result, new developments are inherently more expensive to occupy and while these developments contribute to making Long Beach a more desirable location, rents are rising in already established neighborhoods. This has led to residents being priced out as they are either (a) not able to afford the increased rent or (b) are removed as part of a renovation and not be able to afford the rent upon return (not to mention the upheaval and displacement occurring in the meantime).

Advocates would contend that in no place has this issue been more visible than in the downtown area following the implementation of the Downtown Long Beach Plan in 2012 that streamlined the permitting process and enacted a 30-year plan that allows developers to circumvent environmental review and granted them with reduced parking requirements. Requests by local advocacy groups for 10 percent inclusionary units, local hiring for construction, and commercial linkage fees were turned down on the basis that the City wanted to revisit the idea at a citywide level. The conversation was never re-addressed until now with the drafting of an updated Land Use Element.

The Land Use Update arrives at a time in which Long Beach is facing not only a housing crisis but also an identity crisis. As the city lacks the ability to grow out, it must either look inward or look upward. Our research emphasizes a need for infill development, seeks to increase medium-density zoning by increasing height limits or allowing for mixed-use development along major corridors and in some existing commercially zoned areas. The language of the new

Land Use Element shows that the city is cognizant of the housing crunch and understands the necessity of increasing density.

New state legislature has passed, making it easier and less expensive for homeowners to build accessory dwelling units (ADUs). Although technically legal, ADUs were until this past year subject to extensive development fees and requirements at the municipal level. These requirements would add up to the point where it no longer became worth the trouble for homeowners legally build accessory dwelling units. This has not stopped them from doing so; Los Angeles is home to roughly 50,000 unpermitted ADUs. In Los Angeles, non-profit LA Mas is working on a pilot project to build an ADU in the Highland Park area that can be used as a model for future developments.

Tiny homes (or tiny houses) are being employed as an option for housing, albeit mostly for subpopulations such as the elderly, disabled, or homeless. Allowing the tiny home concept to be piloted on a subsection of those facing severe housing concerns provides a first step to utilizing tiny homes as a viable housing resource in the future. Some cities are already taking the initiative on this idea including Fresno, CA, which has enacted policies to assist with the production of tiny homes.

Employer based housing has been a tool utilized in various instances in California by both the public and private sector. The University of California, Irvine has an employee-housing program that offers below market-rate rental or ownership opportunities for both faculty and staff. Los Angeles Unified School District has several developments that serve their employee base using LIHTC funds to develop housing own district-owned property. Santa Clara Unified School District has taken this one step further; constructing employee housing that requires now federal or state subsidies. This is an important step to take note of: when LAUSD was building housing for their employees, they overlooked the fact that the salary of teachers, even new hires, exceeded that of the 60 percent AMI threshold one must fall under in order to qualify for government subsidized housing. By taking government funding out of the equation and utilizing land already owned by the district, Santa Clara Unified utilized certificates of participation to fund the construction, maintenance, and operation.

The reuse of underperforming or underutilized motels has been practiced as a way of not only creating opportunities for long term residency but to reduce crime and neighborhood blight by ridding the community of a medium for human or drug trafficking (and relieving the cost of fire and police calls). In 2016 the City of Los Angeles approved a deal for nonprofit and private developers to convert nuisance motels into permanent supportive homes. Los Angeles' housing authority has implemented a system that distributes rent vouchers to developers that helps them turn a profit on purchase of the motel. Funding for the vouchers will come from the US Department of Veterans Affairs (VA). In Santa Ana, CA, the city approved the reuse of a motel along 17th St for permanent supportive housing for the chronically homeless. While the project ended up being a demolition and full rebuild, it demonstrates the willingness of cities to dedicate funding to housing at-risk renters. Adaptive reuse for housing has extended beyond motels. Immanuel Church in Long Beach is a 25 unit affordable housing community for seniors.

Throughout the interview process we received insight from a variety of actors in the housing industry. Housing advocates, developers, elected officials and legal experts provided their ideas on how the housing situation can be improved. From these interviews, we were introduced to different policy measures that could assist in the development of housing units, alleviating pressure from demand. Policies that stood out included those allow for more medium-density development, as were those that advocate renter protections; especially considering that 60 percent of Long Beach residents are renters. Rethinking height limits, zoning ordinances, and the legality of accessory dwelling units were all popular themes. Establishing community land trusts, inclusionary zoning, and in-lieu fees were also concepts that arose out of the interview process.

We have gathered a considerable amount of information through research and interviews and although much has been accomplished in the last three months, there is more work ahead. Continuing research on case studies is the next step, and will involve systematically going through each case study or housing opportunity type and identifying what policies or structures would support each case type. Following that step, we will utilize what we know about each case and determine a theoretical location where each type could occur (each case is different) based on criteria derived from our research.

We found several instances throughout the research that contribute to housing stock. Examples provided in the following paragraphs outline a few different cases in which alternative housing opportunities have succeeded in increasing the housing stock. Many of the case studies we have identified throughout the course of our research serve some subpopulation or niche market, which begs the question of "well, does this housing type work for everyone?" The answer to that question is no; and nor would we expect it to. Mitigating the housing crisis in Long Beach and beyond is not about trying to find a sole solution; it trivializes the severity of the issue to believe that there is a "silver bullet". One lesson learned is that there is no single comprehensive solution to solving the housing crisis and in fact, one could make the argument that a lack of diverse housing choices has contributed to the state we find ourselves in.

POLICY CONSIDERATION: EXPEDITED PLAN CHECK

There has been significant effort at local and state levels to streamline the affordable housing development approval process, specifically focused on the expediting the planning entitlement process. The plan check and permitting process is also an essential step in the approval process for development as building plans are reviewed to make sure the design complies with safety, engineering and planning codes. Due to timeline requirements set for Low-income Housing Tax Credit [LIHTC] the period of time to develop construction documents, and have them plan checked and permitted is typically truncated relative to the typical process often resulting in the necessity to consider utilizing expedited plan check processes offered by local governments. This substantial cost is difficult for affordable housing developments to bare to their already narrow pro forma, so the City of Long Beach should consider offering expedited plan check for LIHTC financed projects at no cost. Additional cost burden to the City can be managed through seasonal planning based around the LIHTC annual timeline which remains relatively consistent year over year.