

## **Executive Summary**

The Long Beach Downtown Plan proposes the following developments over a 25 year period:

- approximately 5,000 new residential units;
- 1.5 million square feet of new office, civic, cultural, and similar uses;
- 384,000 square feet of new retail;
- 96,000 square feet of restaurants;
- 800 new hotel rooms; and
- approximately 5,200 jobs

A Health Impact Assessment (HIA) was conducted to examine how this proposed Plan would impact measures of housing and employment, and how these impacts could lead to changes in health for residents of Downtown Long Beach, particularly low-income and vulnerable populations. Below, some of the primary findings and recommendations of this HIA are highlighted.

### **Demographics of Downtown Long Beach**

- The City of Long Beach ranks 34<sup>th</sup> in the US and 6<sup>th</sup> in the state for the percentage of residents living below the poverty level. An estimated 27% of the residents of Downtown Long Beach live below the poverty line.
- There is a higher percentage of lower income than higher income households in Downtown Long Beach.
- The high proportion of lower income and residents of color indicates Downtown Long Beach consists of a vulnerable population whose health is at risk. Lower income residents are more likely to be displaced by higher rents, mortgages, and property taxes caused by gentrification.

### **Health Conditions in the City of Long Beach**

- Rates of asthma, obesity, overweight, and heart disease in Long Beach are significantly higher than the average rates in Los Angeles County, and for children's asthma, among the top four highest of the 26 health districts in the County.

### **Housing Conditions in the City of Long Beach**

#### *Housing Affordability*

- Approximately 81% of the housing units in Downtown Long Beach are renter occupied.
- Fair market rents in Long Beach far exceed what is affordable, particularly for the City's Downtown low-income residents. An individual would have to earn 2.72 times the California minimum wage of \$8.00, or a two-worker household would need to earn 1.36 times the minimum wage in order to afford the current fair market rent in Long Beach.
- An estimated 67% of extremely low-income renters, and 62% of extremely low-income home-owners in Long Beach spend more than half of their income on housing costs. This is also true for 30% of low-income renters in the City.

- Long Beach has been allocated 6,261 Section 8 vouchers and currently has a 10-year waiting list with over 4,700 qualified families. The waiting list is currently closed, but the last time new applications were accepted for the waiting list, over 15,000 applications were received in less than 30 days.
- Some of the lowest average rents in Long Beach can be found in the Downtown area where there is a concentration of older housing units. The housing vacancy rate in the City of Long Beach is estimated to be 3.7%.
- The City of Long Beach's 2005-2010 Consolidated Plan notes that in the decade prior, the population in Long Beach increased 7.5%, but new housing increased by less than 1%. This has resulted in fewer vacancies, upward pressure on housing prices, and more people crowded into too few housing units.
- Per the Regional Housing Need Assessment (RHNA), the City of Long Beach has a remaining need to produce 5,206 affordable units in order to meet the needs of the City's low and moderate-income residents.
- The City of Long Beach has identified Planning District 30 (where the Downtown Plan area is located) as the location for the majority of sites where it will build its affordable units for the 2008-2014 RHNA.
- For the 2000 to 2005 RHNA construction targets the City attained only 54% of their RHNA allocation for *very low-income* housing, 42% of allocated *low-income* housing, and 20% of *moderate income* housing, while 767% of the *above moderate-income* housing allocation was attained.

### *Housing Stock and Housing Quality*

- The City's existing rental housing stock of primarily older, one and two bedroom units are of inadequate size to house the current population, contributing to significant unit overcrowding and deterioration.
- According to the 2008-2014 Housing Element of the General Plan, overcrowding remains a "significant" issue for the City of Long Beach.

### **Impacts of the Proposed Downtown Plan on Housing**

- The Downtown Plan and the Downtown Plan EIR do not include explicit plans or mitigations for the protection of existing affordable housing units, or construction of new affordable housing units to meet existing or future housing needs in Downtown Long Beach. As a result, the current and future needs for affordable housing in Downtown Long Beach can be expected to increase along with the impacts resulting from a lack of affordable housing, such as overcrowding, overpayment for housing, displacement, and homelessness. Health problems associated with overcrowding, housing overpayment, displacement and homelessness, such as the spread of infectious disease, increased mortality rates, poor child development and school performance, noise, depression and fires would also be expected to increase. Populations that are low-income and suffer from existing vulnerabilities will be disproportionately affected by the Downtown Plan's failure to accommodate the housing affordability needs of current residents. Such impacts must be mitigated.
- The Downtown Plan does not propose a single measure that would prevent the

displacement of existing low-income residents nor does it promote the development of affordable housing, and there are no special provisions to address the anticipated above normal level of displacement resulting from the proposed Downtown Plan developments.

- Since some of the lowest average rents in Long Beach can be found in Downtown Long Beach where there is a concentration of older housing units, the Downtown Plan as proposed would ultimately result in the loss of one of the largest sources of low-income rental housing in the city, leading to displacement, overcrowding, and housing overpayment particularly for the estimated 24,000 (or more) low income residents living in Downtown Long Beach.
- While many potentially displaced residents would relocate into different dwelling units either within or outside the Plan area, they would be displaced from their existing dwelling units and may be unable to obtain similar housing with respect to quality, price, and/or location. Therefore, the Project would have an adverse effect on the housing supply and may require construction of replacement housing elsewhere.
- By proposing to build 5,000 new units of market rate housing without plans to produce any additional units of affordable housing to address displacement and meet housing need, the proposed Downtown Plan would contribute to rising rents and home prices, and continue to encourage an influx of higher income residents, thus promoting displacement of existing low income residents and gentrification in Downtown Long Beach.
- As proposed, the Downtown Plan would not offer the City an opportunity to meet the City's remaining RHNA allocation for moderate-, low-, very low- and extremely low-income units.
- The Downtown Plan does not propose measures to protect and improve the quality of existing housing stock or create new, quality affordable units for the estimated 24,000 (or more) low-income residents living in Downtown Long Beach.

## **Employment Conditions in the City of Long Beach**

- Unemployment rates for the City of Long Beach mirror State trends in unemployment, however, a larger proportion of Long Beach residents are long-term discouraged workers, who are no longer looking for employment, and these individuals are not counted in official statistics.
- Only 24% of Downtown Residents work within the City of Long Beach.
- Non-residents are estimated to hold 63% of jobs within the City of Long Beach.
- In Long Beach, the self-sufficiency wage, or income is needed for one adult with one preschool-age child to adequately meet minimal basic needs without public or private assistance is \$21.02 per hour. The combined self-sufficiency wage for two adults, one preschool-age child and an infant is \$30.38 per hour.
- Declines in manufacturing and increased employment in tourism, retail trade, health care, and professional and administrative services has led to a decreasing middle class and increasing rates of poverty, as new jobs pay less on average than past jobs that have been lost in the City of Long Beach.

## **Impacts of the Proposed Downtown Plan on Employment**

- Without policies to encourage local hiring, Long Beach residents will not benefit from the estimated 5,200 new employment opportunities resulting from the proposed Downtown Plan, and the Downtown Plan would not serve to alleviate local unemployment rates.
- If local residents are employed in jobs that pay below the self-sufficiency wage, it is crucial that quality, affordable housing is also available to these residents. Without access to affordable housing, local residents who could potentially be employed by new job opportunities resulting from the Downtown Plan could be displaced, be forced to live in overcrowded conditions, and face other negative health outcomes associated with low-wage employment and housing overpayment.
- It is likely that workers in newly created lower paying jobs resulting from the proposed Downtown Plan, such as those in the service industries, may not be able to afford to live in Long Beach, and would have to commute greater distances to work in Downtown Long Beach.
- The Downtown Plan does not outline any specific opportunities for local residents to gain experience and job training as a result of new employment resulting from the Plan's proposed developments.

## **Recommendations**

The findings of this Health Impact Assessment demonstrate that the proposed Downtown Plan could have the following health impacts on vulnerable populations living in Downtown Long Beach:

- Increased displacement
- Increased housing overcrowding
- Increased Housing cost burden
- Gentrification
- Increased exposure to poor quality housing
- Increased unemployment
- Decrease in the number of local residents who earn greater than or equal to the self-sufficiency wage
- Decrease in Long Beach jobs filled by Long Beach residents

All of the above conditions have been shown to lead to adverse health outcomes for the populations impacted.

The HIA also found that the proposed community benefits would serve to mitigate or avoid some of the negative health impacts resulting from the proposed Downtown Plan.

**In order to ensure that Long Beach residents benefit from the proposed DTP activities, this HIA recommends adoption of the proposed Affordable Housing Community Benefits, as well as the proposed Local Hiring Community Benefits and Project Labor Agreements.**

**If adopted in full, the proposed Affordable Housing Community Benefits would result in the addition of 511 VLI apartments and 375 MI condominiums.**

The additional affordable units provided by the proposed community benefits would help to:

- Lessen the City's existing need for affordable housing, and move towards attainment of the remaining RHNA of 5,206 lower-income units.
- Maintain affordable housing units in Downtown Long Beach. This will prevent the cost of housing from being driven up in Downtown, where the need for affordable housing is high, and help to prevent gentrification.
- Avoid displacement of the estimated over 25,000 low-income residents at great risk of displacement.
- Alleviate potential increases in overcrowding resulting from the lack of affordable housing planned in the current Downtown Plan. Reducing overcrowding will lead to decreases in poor health outcomes associated with overcrowding, and protect the quality of existing affordable housing, which deteriorates much more quickly as a result of overcrowding.
- Allow for balanced development to support the needs of all Downtown residents and support a diverse and vibrant Downtown.
- Off-set the project's significant and unmitigated impacts on population and housing, displacement, air quality, green house gas emissions and traffic.

**Adoption of the proposed Local Hiring Community Benefits and Project Labor Agreements** would lead to potential increases in income for lower and moderate-income residents, improve job autonomy, and reduce unemployment and poverty. These impacts could lead to significant improvements the health and quality of life of Downtown Long Beach residents and their families. Premature mortality, chronic disease and stress would be reduced, mental health status would be improved, and children would be exposed to fewer conditions that could put their long and short-term health at risk.