



**DOWNTOWN
LONG BEACH
ALLIANCE**

Executive Committee

Silvano Merlo, Chair

Alan Pullman, Chair Elect

Debra Fixen, Treasurer

Allison Kripp, Secretary

Tony Shooshani, Past
Chair

Ryan Altoon

Loara Cadavona

Debra Johnson

John Keisler

**EXECUTIVE COMMITTEE
MEETING MINUTES**

Thursday, December 5, 2019
8:00 AM
DLBA Conference Room
100 W. Broadway, Suite Long Beach, CA 90802

Voting Present: Silvano Merlo, Ryan Altoon, Tony Shooshani, John Keisler, Loara Cadavona, Debra Fixen, Allison Kripp, Alan Pullman, Debra Johnson

DLBA Staff: Kraig Kojian, Broc Coward, Austin Metoyer, Mo Mills, Cherisse Evans

Guests: Robert Kleinhenz- Kleinhenz Economics, Christine Bos – LB Area Chamber

1. CALL TO ORDER and INTRODUCTIONS – Silvano Merlo, Chair
[Meeting presentation](#). Meeting called to order at 8:11 AM.
2. SECRETARY REPORT:
ACTION: Approve [Minutes from November 7, 2019 Executive Committee Meeting](#). 1st: Altoon. 2nd: Shooshani. None opposed, no abstentions. Johnson not present for the vote. Motion carries.
3. FINANCIAL REPORT: [Year-To-Date Draft Financials through October 31, 2019](#)
 - Kojian reported that the annual audit has been completed. The Audit Committee will review the Windes consolidated Financial Report and Form 990 in preparation for its presentation at the Board Meeting on December 18 where action will be taken to approve the audit.
4. CHAIRPERSON’S REPORT- Merlo
 - A. Discussion: Annual Board Assessment & Evaluation – Merlo
Tabled until the next Executive Committee meeting.
5. PRESIDENT AND CEO REPORT – Kraig Kojian
 - A. Study Session: Inclusionary Housing Policy/[Beacon Report](#)
 - City Manager’s office, the Mayor’s office and Development Services have been provided with Beacons’ Peer Review and invited to participate in related DLBA discussions re: this matter. The City has requested that they would like to discuss the peer review with Beacon, and if KMA has any questions.
 - DLBA staff Austin Metoyer and Mo Mills created a five-page [summary](#) of the Beacon Report.
 - Robert Kleinhenz, formerly associated with Beacon Economics, has been commissioned by DLBA to facilitate today’s conversation to help create a set of recommendations to present to the Board at the December 18 meeting for approval, which will then be presented to the City.
Meeting Presentation slides 9-15 presented:
 - Beacon Economics reviewed KMA’s analysis and questioned some of the assumptions that were made as well as some of the data used in creating their prototypes. Beacon recommends taking a closer look at: in lieu fees, unit requirements and cost vs non-cost components of the KMA report.
 - (Question) Pullman: Should DLBA focus on the city-wide policy that may be adopted, or just its effects on the downtown area?
 - (Question) Cadavona: Can we question the Sub-Market areas KMA has created?

- Altoon answered that KMA originally focused its study on the entire city, to create recommendations for a city-wide policy, but found that much of the recent development occurs in the Downtown area (Submarket #1) and there was not much data to review in the rest of the city (Submarket #2), therefore they turned their attention on Submarket #1.
- Altoon added that we need to provide a true baseline that is specific to Long Beach.
- Kleinhenz stated that Inclusionary Housing Policies are more effective when there is already development occurring, which would explain why the focus is on Submarket #1.
- Altoon added that there is currently an Affordable Housing Policy, which is optional/voluntary and requires taking on additional costs with no meaningful incentives.
- Question (Keisler): What is the outcome (policy and operational) we are trying to accomplish? Is DLBA encouraging housing production?
- Kojian answered that the organization's Strategic Plan clearly calls for support of housing development at all levels. An inclusionary housing policy would have a larger impact on the Downtown which is why DLBA is involved and seeks to provide the City with recommendations.
- Pullman and Shooshani both stated that based on the DLBA's Strategic Plan, our recommendations to the City should focus on a policy that increases housing development, not restrict it.
- Question (Cadavona): What is the City's plan for providing more housing over the next 5-10 years? How would an inclusionary housing policy help or hurt in meeting that goal?
- Kleinhenz and Merlo answered that the City's plan calls for 7,500 additional units by 2030. With an over-crowding calculation conducted, the estimated need would be 17,000 units.
- Kleinhenz added that most cities in California do not meet their housing needs and there has been little enforcement. State legislature has begun to get involved and is holding cities accountable to their housing goals and begin creating its own policies.
- Kripp wants to focus on incentives and a flexible menu of development-related policies.
- Altoon talked about the optional policy in Los Angeles (Transit Oriented Communities-TOC) which has been approximately 98% adopted due to the incentives it offers.
- Pullman added that Los Angeles has very restrictive development policies, so this optional policy relieves some of those restrictions.
- Cadavona made the point that because any inclusionary housing policy will impact the Downtown primarily, the DLBA should ask for equitable distribution of housing requirements city-wide to off-set the pressures to the Downtown.
- From the conversation, a list of draft recommendations and observations was compiled:
 1. Consistent with the DLBA Strategic Plan, advance goals of promoting housing production at all levels within the Downtown area/DLBA boundaries.
 2. Recognize how an inclusionary policy would potentially impact the Downtown area exclusively and ask for a policy that spreads the responsibility of housing development city-wide. (This would be an observation that could be included in a preamble).
 3. An inclusionary housing policy must account for specific Long Beach market.
 - a. Review areas of concern comparing KMA report and Beacon Peer Review such as in lieu fees and construction costs. Illustrate the differences by using a KMA prototype and show that it does not work with actual current projects in the city.
 4. Focus on what costs the city can control: parking ratios, permitting fees, off-site requirements, and not what it cannot control: cost of land, cost of labor and materials.
 - a. Need to ask the City who is paying for each additional cost: The City, the private sector, or reduce the requirements which lowers the costs.
 - b. Example: Can proximity to transit off-set parking requirements?
 5. Examine KMA's assumptions of in lieu fees and inclusionary housing unit requirements

6. Examine Los Angeles' current TOC optional policy as an example. Want Long Beach to adopt an optional policy with incentives.
7. Tiered structure with a phased approach
8. Grandfather period, policy will not apply to any projects in the pipeline
9. Critical evaluation of the policy once it is in place
10. Consider updating current policy

- The committee determined that there is a need for more time to work on the set of recommendations that will be brought to the Board meeting on December 18 for approval. It was decided that a Special Executive Committee meeting will be held on December 13 at 8 AM.

B. Update on Strategic Plan, Review Committee Dashboards and Annual Goals

6. OLD BUSINESS

7. NEW BUSINESS

- Pullman asked if we have ever invited councilmembers to speak at a Board meeting to share their vision for their district. Kojian says it has never been an agenda item but is something we could consider adding to a future Board meeting.

8. PUBLIC COMMENTS (three minutes on all non-agenda items)

9. ADJOURNMENT

Meeting adjourned at 10:05 AM.

NEXT SCHEDULED EXECUTIVE COMMITTEE MEETING:

January 2, 2020

DLBA Conference Room

100 W. Broadway, Suite 120

Long Beach, CA 90802

Mission: Cultivate, preserve and promote a healthy, safe and prosperous Downtown

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