



Date: November 29, 2023

To: Thomas B. Modica, City Manager 

From: Christopher Koontz, Director of Community Development 

For: Mayor and Members of the City Council

Subject: **Update on Addressing Downtown Long Beach Commercial Vacancies**

In November 2022, the City Council requested the City Manager and the Community Development Department to work with the Downtown Long Beach Alliance and community stakeholders to establish incentives and strategies to address commercial vacancies in Downtown Long Beach and to better utilize vacant office space for housing and creative space. In the summer of 2023, the City of Long Beach (City) initiated processes for updating the zoning and land use regulations for both the Downtown and Shoreline areas. As a result, the requested analysis has since been incorporated into the project scope for both updates.

The Downtown Plan Planned Development District (PD-30), which encompasses the Downtown area north of Ocean Boulevard, is in the process of being updated with a renewed focus on preventing tenant displacement and building new housing for all income levels, including affordable housing. Additionally, the planning regulations for the area south of Ocean Boulevard, under the plan currently known as the Downtown Shoreline Planned Development District (PD-6), will also be updated through a new Specific Plan. Because the PD-6 regulations have not been systematically updated since the 1970s, the first phase of the project is focused on a visioning process to gauge stakeholder expectations and aspirations for the area and to establish a contemporary community vision for a world-class waterfront.

Though these two updates are separate projects, due to their proximity to each other and regional significance, City staff hosted a joint Open House for both projects on September 9, 2023, with over 100 attendees, as part of a series of community meetings, workshops and events to solicit ideas and feedback from residents, businesses and stakeholders in and for the Downtown and Shoreline communities. Multiple additional events have been held, including subsequent workshops hosted by community-based organizations and City pop-ups at Beach Streets, neighborhood association meetings, and other venues. Outreach and engagement for both projects will continue through 2024.

Both the PD-30 and PD-6 updates will incorporate research around incentives and other regulatory tools to reduce commercial space vacancies and maximize the utilization of existing spaces. As part of the technical analysis for each project, City staff is analyzing relevant data including historic and current commercial vacancy rates in both project areas. This analysis is being done in collaboration with local business and community organizations who are sharing data and information to be part of the analysis.

City staff anticipate releasing a first draft of the Downtown Specific Plan in 2024. The PD-6 update is expected to be a multi-year process due to both the greater length of time since its last

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update and because the plan area is within the Coastal Zone and requires certification from the California Coastal Commission. Next steps for PD-6 include drafting a Vision Plan and Statement for the update, both of which will be publicly vetted.

The Downtown Specific Plan is expected to be adopted in 2025, after which City staff will begin work on additional updates to the City's adaptive reuse ordinance as well as related processes and policies to further facilitate the utilization of existing commercial and other non-residential spaces in the City.

For more information on the Downtown and Shoreline updates, please contact Alejandro Sanchez-Lopez, Advance Planning Officer, at Alejandro.sanchez-lopez@longbeach.gov or 562-570-6553.

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