

To: Long Beach City Council Members, the Mayor, City Clerk

Feb 4, 2019

RE: Agenda item 23 19-0092 Homeless Shelter Feb 5, 2019

Please include the following comment with agenda item 23 19-0092 for City Council Meeting Feb 5, 2019 on the topic of the proposed homeless shelter.

Dear Mayor and Council Members,

While it is encouraging that the City is moving ahead to do something for the homeless population and the location selected has the benefit of being close to the homeless services already in place (albeit at a distance from where the homeless congregate), of concern is the price the City is considering paying for the properties chosen.

The State elected to use tax overpayments to subsidize cities in finding solutions to the homeless problems prevalent across the state. The Homeless Emergency Aid Program (HEAP) grant shows the amount allocated to Long Beach as \$9,387,420.13 on their website. The city is considering paying "*for real property located at 6841-6845 Atlantic Avenue, Assessor Parcel Numbers 7116-019-029 and -036 (Subject Property), the amount not to exceed \$9,591,540.*"

While there is considerable detail and analysis in determining the purchase price of this or any property, the "big picture" of this particular deal gives cause for concern. This property was sold in Dec 2013 for \$2M. The sole "improvement" made to the property was to add a small liquor store. It is hard to believe that a piece of property in the 9th district bordering on Compton **appreciated more than 250% in 5 years** causing the City to have to use the entire \$9M+ from the State for 3 warehouse buildings, one with a small liquor store front (2.285 acres or 99,534 sq ft).

The money coming from the State should be adequate to cover the costs of acquiring land and accomplishing the improvements to provide for the 125 bed shelter. In the interests of prudent money management, I would ask our Council members to delay this vote and scrutinize the deal. Surely we can do better than this. This money came from taxpayers and is intended to help the homeless - not line someone's pockets in a real estate deal.

Respectfully,

Corliss Lee

LINKS

<https://www.cacities.org/getdoc/341f4873-3c91-4cf3-8031-ab54c8fafebc/HEAP-Overview-August-2018-Final.aspx>

<https://www.yelp.com/biz/eddies-liquor-1-long-beach>

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