

Patrick Brown, Chair  
Stacy McDaniel, Vice Chair  
Kevin Cwayna, Director  
Jonathan Gotz, Director



Michael McCarthy, Director  
Laura Storke, Director  
Patrice Wong, Director  
Anna Ulaszewski, Director

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## Special Meeting

### FINISHED AGENDA AND MINUTES

#### CALL TO ORDER

Chair Brown called the meeting to order at 1:32 P.M.

#### ROLL CALL

**Boardmembers** Kevin Cwayna, Jonathan Gotz, Michael W. McCarthy, Patrice

**Present:** Wong, Patrick Brown and C. Anna Ulaszewski

**Boardmembers** Stacy McDaniel

**Absent:**

Staff present: Dennis Thys, President; Patrick Ure, Housing Development Officer; Dale Hutchinson, Housing Operations Officer; LaVerne Duncan, Housing Communications Officer; Rich Anthony, Deputy City Attorney; Meggan Sorensen, Development Project Manager; Normal Lopez, Development Project Manager; Silvia Medina, Community Development Analyst; Maria Pangelinan, Community Development Analyst; and Pat Parga, Bureau Secretary.

Guests present: Diane Arnold, RDA Board; Elvia Delgadillo, RDA Development Project Manager; Julie Romey, Keyser Marston Associates; Efrain Olivares, United Cerebral Palsy; Peter Zak, Lyon Capital Ventures, LLC; Christopher Coe, Lyon Capital Ventures, LLC; Tish Glaser, Meta Housing; Kasey Burke, Meta Housing; Aaron Wooler, Century Housing; and Michael Massie, Jamboree Housing.

#### REPORT OF THE CHAIR

Chair Brown spoke about the reason for the special meeting. He asked staff to invite the new Council members to speak to the Board.

Dennis Thys agreed to arrange for the new council members to speak to the Board. He and Vice President Tolentino have already met with both new Councilmen.

Chair Brown stated that he had a copy of a Draft Proposed Ordinance for Density Bonus Provisions for Affordable Residential Projects from the City of Carson for staff to review.

Chair Brown presented President Thys with an award for his work with the LBHDC.

President Thys thanked the Board and staff.

Board member Gotz asked if he was really retiring.

President Thys stated that he was retiring from the City and spoke about his time working for the City of Long Beach.

1. [10-066HC](#) Recommendation to receive and file the minutes of the annual Board meeting of August 18, 2010.

There was no discussion from the Board regarding the minutes.

**A motion was made by Boardmember Gotz, seconded by Boardmember Wong, that the Board minutes of August 18, 2010, be received and filed. The motion carried by the following vote:**

**Yes:** 6 - Kevin Cwayna, Jonathan Gotz, Michael W. McCarthy, Patrice Wong, Patrick Brown and C. Anna Ulaszewski

**Absent:** 1 - Stacy McDaniel

## ACTION ITEMS

2. [10-067HC](#) Recommendation to:
  - 1) Approve a loan of up to \$1,841,000 to Lyon Capital Ventures, LLC to provide gap financing for the redevelopment of an office building located at 100 Long Beach Boulevard into a 99-unit residential rental project that includes ten units restricted for low-income households;
  - 2) Authorize the President or designee to negotiate and enter into a Loan Agreement with Lyon Capital Ventures, LLC; and
  - 3) Authorize the President or designee to execute any and all documents necessary to implement the Loan Agreement.

Chair Brown read the recommendation.

President Thys reviewed the staff report.

Staff Ure spoke about receiving a condo map for the site.

Board member Gotz asked about the lease-up at the Lyon site on Broadway.

Staff Ure referred the question to Peter Zack from Lyon Capital.

Peter Zack stated that the lease-up is going well, however, he did not have the numbers for the affordable units at this time.

Further discussion ensued.

President Thys stated that staff is very focused on monitoring all affordable housing units.

Boardmember Ulaszewski asked why there were only 1-bedroom units.

Peter Zack responded that there would likely be both 1 and 2-bedroom units, but they are working within the constraints of the building.

Further discussion ensued.

Boardmember Cwayna asked what the market rate rents were based on.

Peter Zack responded with an explanation of how they calculated the rents.

Further discussion ensued.

Christopher Coe, Lyon Capital, gave a PowerPoint presentation regarding the site.

Boardmember Cwayna asked what was on the roof.

Christopher Coe responded that they were considering putting a community room on the top.

Boardmember Cwayna asked about lighting problems.

Christopher Coe stated that the goal was to be able to control the lighting better.

President Thys reminded the Board that this is very preliminary information, and staff will be bringing the final design to the Board at another time.

Further discussion ensued.

Boardmember Cwayna asked about what the tenant mix would be with just 1-bedroom units.

Peter Zack responded that they would be doing due diligence to confirm and will design accordingly.

Staff Ure stated that, although it was not included in the staff report, it is Lyon's intent to have the option to sell the units as condominiums, so the LBHDC loan documents would provide for that option.

Boardmember Gotz asked when the units would be for sale.

Peter Zack responded that Lyon's plan here, as with the majority of their properties, is to operate apartments; however, having a condo map makes the property easier to sell, if they so choose.

**A motion was made by Boardmember Gotz, seconded by Boardmember Cwayna, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 6 - Kevin Cwayna, Jonathan Gotz, Michael W. McCarthy, Patrice Wong, Patrick Brown and C. Anna Ulaszewski

**Absent:** 1 - Stacy McDaniel

3. [10-068HC](#)

Recommendation to:

- 1) Approve a reallocation of \$13,145,000 in construction financing and an increase in the permanent financing commitment to \$10,143,000 for the Senior Artist Colony and the 39-unit affordable senior components of the proposed development at Long Beach Boulevard and Anaheim Street, with conditions;
- 2) Approve the following modifications to the Senior Artist Colony building:
  - a. Increase number of units from 147 to 161;
  - b. Change the affordability from 80% market-rate and 20% affordable to 100% affordable; and
- 3) Authorize the President or designee to execute any and all documents necessary to implement the affordability modification and the reallocation of funds.

Chair Brown read the recommendation.

Staff Ure spoke about the project.

Staff Sorensen reviewed the staff report.

Chair Brown asked about the name "Senior Artist Colony."

Further discussion ensued.

Kasey Burke stated that the title, "Artist Colony," is more of a living concept, which includes a lot of amenities, and is not restricted for artist.

Further discussion ensued.

President Thys stated the he and Staff Ure recently drove by their Senior Artist Colony in Glendale and the title is more of a marketing concept.

Further discussion ensued.

Boardmember Cwayna asked how or if the square footage changed with the restructuring. He asked if there were any possible problems resulting from changing the project from 20% affordable to 100% affordable.

Further discussion ensued.

Boardmember Cwayna stated that he would like to see an analysis of this information.

Chair Brown asked about the rent structure.

Staff Ure responded that for a 1-person household with \$34,000 in income, the rent on a 1-bedroom at 60% would be \$932.

Boardmember McCarthy asked if there were any changes in the amenities.

Staff Sorensen stated that there were no changes in the amenities.

President Thys stated that part of the attractiveness of this project is that it has a lot of amenities. In addition, there is \$26 million worth of State money already available.

Further discussion ensued.

Staff Sorensen stated that only 30 units are for very low-income and the rest are at moderate, and Phase II will not be 100% affordable.

Further discussion ensued.

Boardmember Ulaszewski stated that she likes idea of the studio units.

Boardmember Cwayna stated that he would like to see the analysis; that with such a major change they need to be aware of the process by which the contextual issues are considered.

Chair Brown asked what Boardmember Cwayna felt was missing from the staff report.

Boardmember Cwayna stated he would like to see a written document explaining how they came to the decision not to increase the amenities.

Further discussion ensued.

Boardmember Ulaszewski asked if Boardmember Cwayna felt there was no need for this amount of senior housing.

Boardmember Gotz stated that he thinks there is a need for senior housing but maybe not at this income level; however, there is probably a great need for senior housing at lower income levels.

Further discussion ensued.

Boardmember Ulazawski stated that there is enough need in the City for more livable senior housing. She liked the idea of keeping the seniors active.

Boardmember Gotz stated that the cost was about \$63,000 per unit.

Boardmember McCarthy asked about the number of years of affordability.

Staff Sorensen stated that there was 55 years of affordability.

Further discussion ensued.

President Thys stated he often feels pressured by the funding cycle deadlines, but that there is an urgent need to take action on this project today. He asked Kasey Burke to discuss the recent funding information.

Kasey Burke stated they received word yesterday that the project was recently recommended for the 9% tax credits and was awarded bond funds. They need to close escrow on the financing within 90 days.

Chair Brown asked if there was anyone from the public who would like to make a comment.

Boardmember Cwayna made a motion to approve the recommendation,

but that a statement should be added to address the issue of how the need was established and why with no change in amenities this still makes sense for this project.

Further discussion ensued.

Boardmember Cwayna withdrew his motion.

President Thys stated that staff would come back to the Board to clarify why the project is so attractive and what the effects are of changing the income ratio. He also mentioned that he would include information on how the project fits within the matrix of the housing affordability goals.

Boardmember Ulaszewski asked if the needs were addressed in the Housing Element.

President Thys stated that they were.

**A motion was made by Boardmember McCarthy, seconded by Boardmember Ulaszewski, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 5 - Jonathan Gotz, Michael W. McCarthy, Patrice Wong, Patrick Brown and C. Anna Ulaszewski

**No:** 1 - Kevin Cwayna

**Absent:** 1 - Stacy McDaniel

4. [10-069HC](#)

Recommendation to:

1. Authorize the President or designee to enter into an Agreement to Negotiate Exclusively with the Redevelopment Agency of the City of Long Beach (RDA) and United Cerebral Palsy /Spastic Children's Foundation of Los Angeles and Ventura Counties (UCP) for a period of 180 days for the development of a site at the southeast corner of Long Beach Boulevard and 49th Street; and
2. Authorize the President or designee to execute any and all documents necessary to implement the Agreement to Negotiate Exclusively.

Chair Brown read the recommendation.

Staff Ure reviewed the staff report.

President Thys stated that this would be a 3-party agreement with the Redevelopment Agency (RDA), which owns the site.

Chair Brown asked if the RDA staff would like to make a comment.

Elvia Delgadillo, Redevelopment Bureau, stated that the North Project Area Committee (NPAC) approved the conceptual plans on July 22 and the RDA Board approved the proposed 3-party agreement last Wednesday.

Further discussion ensued.

Boardmember Gotz asked what types of residents were expected.

President Thys stated that there would be a wide range of residents.

Efrain Olivares, United Cerebral Palsy, gave a synopsis of the project.

Chair Brown asked for comments from Board members and from the audience.

Diane Arnold, RDA Board, stated that the RDA Board had the project brought back to them twice due to their safety concerns; however, both the RDA and the NPAC approved it.

Boardmember Cwayna asked if they owned other residential projects or just did services and programs.

Efrain Olivares stated that they had about 30 projects.

**A motion was made by Boardmember Wong, seconded by Boardmember Gotz, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 6 - Kevin Cwayna, Jonathan Gotz, Michael W. McCarthy, Patrice Wong, Patrick Brown and C. Anna Ulaszewski

**Absent:** 1 - Stacy McDaniel

5. [10-070HC](#)

Recommendation to:

- 1) Authorize the President or designee to enter into an Agreement to Negotiate Exclusively with Jamboree Housing Corporation for a period of 180 days for the rehabilitation of 1893-1911 Pine Avenue;
- 2) Authorize the President or designee to execute any and all documents necessary to implement the Agreement to Negotiate Exclusively.

Chair Brown read the recommendation.



Staff Ure reviewed the staff report.

Further discussion ensued.

Staff Sorensen distributed a map of the area and information from Studioneleven.

Boardmember Gotz asked about the new site.

Staff Ure responded that Studioneleven will be adding the new site.

Boardmember Ulaszewski asked if this was located in an area that the LBHDC was focused on.

Staff Ure stated that it was.

President Thys directed the Board to page 18 of the handout for a view of the site, then reviewed the goals of the project.

Boardmember Ulaszewski asked about how the parking is to be handled.

President Thys stated that they have increased diagonal parking on the street and there will be some parking to the rear of the site.

Boardmember Cwayna asked if the sites were currently unoccupied, or if relocation fees were necessary.

Staff Ure stated that the residents were relocated when the LBHDC first purchased the site. He stated that the new site, which the Neighborhood Services Bureau just purchased, is vacant.

Chair Brown asked if Jamboree Housing wished to make a comment.

Michael Massie, Jamboree Housing, stated that he was happy to be working with the City of Long Beach again.

Boardmember Cwayna asked about decreasing the units from 17 to 13.

Staff Ure stated that there are some illegal bedroom conversion units, and the plan is to return the units to how they should be.

Chair Brown asked if any members of public wished to speak.

Diane Arnold, stated that she thinks this a good project.

Dennis Thys wanted to clarify that they are talking about 3 parcels.

**A motion was made by Boardmember Gotz, seconded by Boardmember McCarthy, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 6 - Kevin Cwayna, Jonathan Gotz, Michael W. McCarthy, Patrice Wong, Patrick Brown and C. Anna Ulaszewski

**Absent:** 1 - Stacy McDaniel

## CLOSED SESSION

6. [10-071HC](#) Conference with Real Property Negotiators pursuant to Government Code §54956.9 - Acquisition of Property (Olive Court)

APN: 7209-008-047  
Property: 323 E. Dayman Street, #3  
Negotiator: Dennis J. Thys, President  
Negotiating Parties: The Long Beach Housing Development Company and Donnie R. Sanceda and Roxanne M. Vasquez

Under Negotiation: Price and Terms of Acquisition  
APN: 7209-008-087  
Property: 319 E. Dayman Street #3  
Negotiator: Dennis J. Thys, President  
Negotiating Parties: The Long Beach Housing Development Company and Thomas Soule

Under Negotiation: Price and Terms of Acquisition

## END CLOSED SESSION

At the end of closed session Chair Brown stated the the Board made a motion to authorize the President or designee to negotiate the acquisition and purchase of Olive Court units at 323 E. Dayman Street #3 and 319 E. Dayman Street #2, and authorize the President or designee to execute any and all documents necessary to complete the negotiation of the acquisition of these units. The motion was seconded by Boardmember Gotz. The motion carried by the following vote:

**Yes:** 6 - Kevin Cwayna, Jonathan Gotz, Michael W. McCarthy, Patrice Wong, Patrick Brown, C. Anna Ulaszewski

**Absent:** 1 - Stacy McDaniel

## COMMITTEE MINUTES

7. [10-072HC](#) Recommendation to receive and file committee minutes.  
There was no discussion regarding the committee minutes.

**The committee minutes were received and filed.**

- A) Executive Review Committee – No September Meeting
- B) Programs Committee - September Minutes
- C) Projects Committee - No September Meeting

## REPORT OF THE PRESIDENT

8. [10-073HC](#) Recommendation to receive and file reports of the President.

**The reports of the President were received and filed.**

- A) Summary of Projects Reports

President Thys asked if there were any questions regarding the Summary of Projects report.

Boardmember McCarthy asked if anything happened on the Ramona Park project in the last lending cycle.

Staff Sorensen stated that nothing happened.

Further discussion ensued.

Staff Ure stated that he thinks they will come back with a revised funding structure and request for additional funds.

- B) Upcoming Meetings and Special Events

President Thys reminded Boardmembers of the Inside Long Beach Red Carpet Premiere Event on Saturday, October 9; and the Foreclosure Clinic on Wednesday, October 20.

Chair Brown stated that they should arrive early for the Foreclosure Clinic.

President Thys stated that as of October 1, the Housing Services Bureau would be part of Development Services. He spoke about scheduling another retreat.

Staff Ure stated there were three new Boardmembers recently appointed.

Boardmember Gotz asked if staff knew the names of the new Board members.

President Thys spoke about the new Boardmembers.

### **NEW BUSINESS**

There was no new business presented.

### **PUBLIC PARTICIPATION**

There were no members of the public present at this time.

### **ADJOURNMENT**

Chair Brown adjourned the meeting at 3:16 P.M.

Notes: Written material relating to any item on the Board's agenda which is submitted to the Board after distribution of the agenda packet will be available for inspection in the Housing Services Bureau's offices at 110 Pine Avenue, Suite 1200, Long Beach, CA 90802. A digital recording of this meeting will be available in the Housing Services Bureau.

PP

Respectfully submitted,

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DENNIS J. THYS, PRESIDENT

Approved by:

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PATRICK BROWN, CHAIR