

FIRST AMENDMENT TO AGREEMENT FOR SERVICES

**21067**

THIS FIRST AMENDMENT TO AGREEMENT FOR SERVICES is entered into on January 20, 2011, between the CITY OF LONG BEACH, CALIFORNIA, ("City"), and the LONG BEACH HOUSING DEVELOPMENT COMPANY, a California corporation, ("Company"), pursuant to a minute order adopted by the City Council of the City of Long Beach on January 18, 2011.

Recitals:

A. On November 15, 1989, the City and Company entered into an Agreement for Services (the "Agreement").

B. The parties desire to modify the terms and conditions of the Agreement.

THE PARTIES AGREE as follows:

Section 1. Section 1 of the Agreement is hereby amended to read as follows:

"1. Services. Company agrees to complete the projects described in Exhibit "A" attached hereto (the "Projects"), provided however, that the total amount paid pursuant to this Agreement shall not exceed \$138,500,000.00. City shall provide all necessary services of the City's employees, City facilities, contractors and other services of the City in order to assist Company in completing the Projects. In the event that a specific project becomes infeasible for any reason, or can be completed for less than the amount indicated in Exhibit "A," the Company may substitute an additional project of the same or lesser cost, provided, that the additional project(s) are consistent with the City's programmatic approval described in Section 2 below."

Section 2. Section 2 of the Agreement is hereby amended to read as follows:

"2. Funding for Company Activities. City hereby agrees to pay Company the amount of \$138,500,000.00 in order to fund the Company's activities pursuant

to this Agreement. City agrees that said sum shall be payable out of any tax increment set-aside funds transferred to the City from the Redevelopment Agency of the City of Long Beach, California ("Agency") pursuant to that certain Agreement for Services entered into between the City and Agency dated January 20, 2011, as such funds are received, until the amount is paid in full, or until September 30, 2021, whichever date occurs first. Company agrees that activities performed under this Agreement shall be subject to annual programmatic approval by the City."

Section 3. Except as expressly set forth herein, the terms and conditions of the Agreement shall remain in full force and effect.

THE PARTIES have executed this First Amendment to Agreement for Services as of the date first provided above.

1.27, 2011

CITY OF LONG BEACH, CALIFORNIA  
By [Signature] Assistant City Manager  
City Manager  
CITY  
EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

1/20, 2011

LONG BEACH HOUSING  
DEVELOPMENT COMPANY, a California  
corporation  
By [Signature]  
COMPANY

Approved as to form this 20<sup>th</sup> day of January, 2011.

ROBERT E. SHANNON, City Attorney  
of the City of Long Beach  
Attorney for the Redevelopment  
Agency of the City of Long  
Beach, California

By [Signature]  
Assistant City Attorney

## EXHIBIT A

| LBHDC Projects (1/14/11)                                 |                 | Total<br>Units | Affo'ble<br>Units | Development<br>Costs | Consultant<br>Costs | Total<br>Costs    |
|--|-----------------|----------------|-------------------|----------------------|---------------------|-------------------|
| <b>Recently Completed</b>                                |                 |                |                   |                      |                     |                   |
| Habitat Homes  |                 | 2              | 2                 | 267,350              |                     | 267,350           |
|  |                 |                |                   |                      |                     | -                 |
| <b>Under Construction</b>                                |                 |                |                   |                      |                     | -                 |
|  |                 |                |                   |                      |                     | -                 |
| Coronado Townhomes                                       |                 | 48             | 48                | 11,267,000           | 70,000              | 11,337,000        |
| Palace Hotel   |                 | 14             | 13                | 2,650,000            | 50,000              | 2,700,000         |
| Habitat Homes  |                 | 2              | 2                 | 267,350              | 50,000              | 317,350           |
|  |                 |                |                   |                      |                     | -                 |
| <b>Near Construction</b>                                 |                 |                |                   |                      |                     | -                 |
|  |                 |                |                   |                      |                     | -                 |
| Meta Housing at LB Bvd & Anaheim (Ph I)                  |                 | 200            | 198               | 7,993,000            | 50,000              | 8,043,000         |
| - Potential Liability                                    |                 |                |                   | 2,500,000            |                     | 2,500,000         |
|  |                 |                |                   |                      |                     | -                 |
| <b>Predevelopment</b>                                    |                 |                |                   |                      |                     | -                 |
|  |                 |                |                   |                      |                     | -                 |
| Ramona Park Apartments                                   |                 | 61             | 60                | 9,500,000            | 50,000              | 9,550,000         |
| Evergreen Apartments                                     |                 | 81             | 81                | 1,920,000            | 50,000              | 1,970,000         |
| City Hall East   |                 | 90             | 10                | 1,891,000            | 50,000              | 1,941,000         |
| Scattered sites for Habitat                              |                 | 3              | 3                 | 537,200              | 30,000              | 567,200           |
|  |                 |                |                   |                      |                     | -                 |
|  | <b>Subtotal</b> | <b>501</b>     | <b>417</b>        | <b>38,792,900</b>    | <b>400,000</b>      | <b>39,192,900</b> |
|  |                 |                |                   |                      |                     | -                 |
| <b>Owned sites awaiting development / rehabilitation</b> |                 |                |                   |                      |                     | -                 |
|  |                 |                |                   |                      |                     | -                 |
| 3361 Andy St.  |                 | 4              | 4                 | 300,000              | 50,000              | 350,000           |
| Scattered sites for Habitat                              |                 | 2              | 2                 | 267,350              | 25,000              | 292,350           |
|  |                 |                |                   |                      |                     | -                 |
| <b>Development/Rehab Proposals in the pipeline</b>       |                 |                |                   |                      |                     | -                 |
|  |                 |                |                   |                      |                     | -                 |
| Ramona Park Apts (additional request)                    |                 |                |                   | 3,500,000            | 50,000              | 3,550,000         |
| 1893-1911 Pine Ave rehab                                 |                 | 14             | 14                | 4,500,000            | 50,000              | 4,550,000         |

## EXHIBIT A

| LBHDC Projects (1/14/11)                 |                 | Total      | Affo'ble   | Development       | Consultant     | Total              |
|--|-----------------|------------|------------|-------------------|----------------|--------------------|
|  |                 | Units      | Units      | Costs             | Costs          | Costs              |
| 12-unit Rehabilitation                   |                 | 13         | 13         | 1,052,500         | 10,000         | 1,062,500          |
| Acquisition / Rehabilitation             |                 | 34         | 34         | 6,000,000         | 40,000         | 6,040,000          |
| Villages IV                              |                 | 100        | 100        | 25,000,000        | 75,000         | 25,075,000         |
| Meta Housing at LB Bvd & Anaheim (Ph II) |                 | 156        | 31         | 8,525,000         | 50,000         | 8,575,000          |
| Central HAP new rental construction      |                 |            |            | 9,950,000         | 50,000         | 10,000,000         |
|  | <b>Subtotal</b> | <b>323</b> | <b>198</b> | <b>59,094,850</b> | <b>400,000</b> | <b>59,494,850</b>  |
| <b>Total for Projects</b>                |                 | <b>824</b> | <b>615</b> | <b>97,887,750</b> | <b>800,000</b> | <b>98,687,750</b>  |
| <b>Other Contractual Obligations</b>     |                 |            |            |                   |                |                    |
| City HOME Loan for Grisham               |                 |            |            | 3,819,000         |                | 3,819,000          |
| State CHRP Loan for Lois Apartments      |                 |            |            | 1,579,442         |                | 1,579,442          |
| HELP Loan for Northpointe Apartments     |                 |            |            | 1,500,000         |                | 1,500,000          |
| Pacific City Lights                      |                 |            |            | 360,000           |                | 360,000            |
| City Staff & Overhead Costs              |                 |            |            |                   |                | 32,360,895         |
| <b>Total Other Obligations</b>           |                 |            |            | <b>7,258,442</b>  | <b>-</b>       | <b>39,619,337</b>  |
| <b>Total</b>                             |                 |            |            |                   |                | <b>138,307,087</b> |