



M E M O R A N D U M

DATE: September 15, 2010

TO: Board of Directors
The Long Beach Housing Development Company

FROM: *Ellie Tolentino*
Ellie Tolentino, Vice President

PREPARED BY: Meggan Sorensen, Development Project Manager

SUBJECT: **Agreement to Negotiate Exclusively Between The Long Beach Housing Development Company and Jamboree Housing Corporation (CD6)**

RECOMMENDATIONS

- 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; and
- 2) Authorize the President or designee to execute any and all documents necessary to implement the Agreement to Negotiate Exclusively.

BACKGROUND

Jamboree Housing Corporation (Jamboree) has submitted a proposal to rehabilitate three two-story, multifamily buildings located at 1893-1911 Pine Avenue in the Housing Action Plan Central Focus Area. A site map and photos are attached as Attachment A. The proposed development will be 100% affordable and will include 13 low-income rental units, one manager unit, garage parking, a laundry facility, and approximately 8,000 square feet of shared open space.

The Long Beach Housing Development Company (LBHDC) currently owns two of the three buildings, 1905 and 1911 Pine. The City of Long Beach Neighborhood Services Bureau is currently in escrow for the acquisition of 1893 Pine Avenue using Neighborhood Stabilization Program 1 funds. All three buildings are severely blighted, include a multitude of illegal conversions, and are unsafe for occupancy. The total

**MAKING
AFFORDABLE
HOUSING
HAPPEN**

AGENDA ITEM NO. 5

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development site is approximately 20,250 square feet, with 12,767 square feet of existing building area. The structures currently contain 17 units and 38 bedrooms, though it appears that 1 unit is an illegal garage conversion and 9 bedrooms result from other types of non-permitted conversions.

Prior to Jamboree's involvement, Studio One Eleven (Studio) was hired to complete a proposed site plan that maximizes available open space, parking and security; building reconfiguration diagrams that decrease the current unit count and increase unit sizes; and a conceptual landscape/hardscape plan for 1905 and 1911 Pine. This work was completed, and staff has now asked Studio to incorporate 1893 Pine Avenue into the plans. It is proposed that the total unit count for the project will be 14 units that encompass 30 bedrooms (12 two-bedroom units and 2 three-bedroom units). Jamboree will be instructed to utilize the plans created by Studio when developing more detailed construction plans.

Jamboree was founded in 1990 and has experienced steady growth and geographic expansion ever since. Its portfolio includes development and/or ownership interest of nearly 6,000 affordable homes in 55 California communities – topping a market value of \$1 billion. Jamboree's mission is to create opportunity for their residents through the creation of new and rehabilitated affordable housing and the provision of valuable resident services that strengthen the each community. Jamboree is the developer for Puerto Del Sol and its performance throughout the development and lease-up process was exemplary. In addition, their ongoing management of the project and compliance with monitoring requirements has been outstanding.

Approval of an Agreement to Negotiate Exclusively (ANE) will provide time for the developer to complete a more comprehensive proposal and financial pro forma, and will give staff time to fully analyze the proposal and prepare a recommendation. It does not commit the Board to any future financial obligation on the project. A sample ANE is attached.

ET:PU:MS

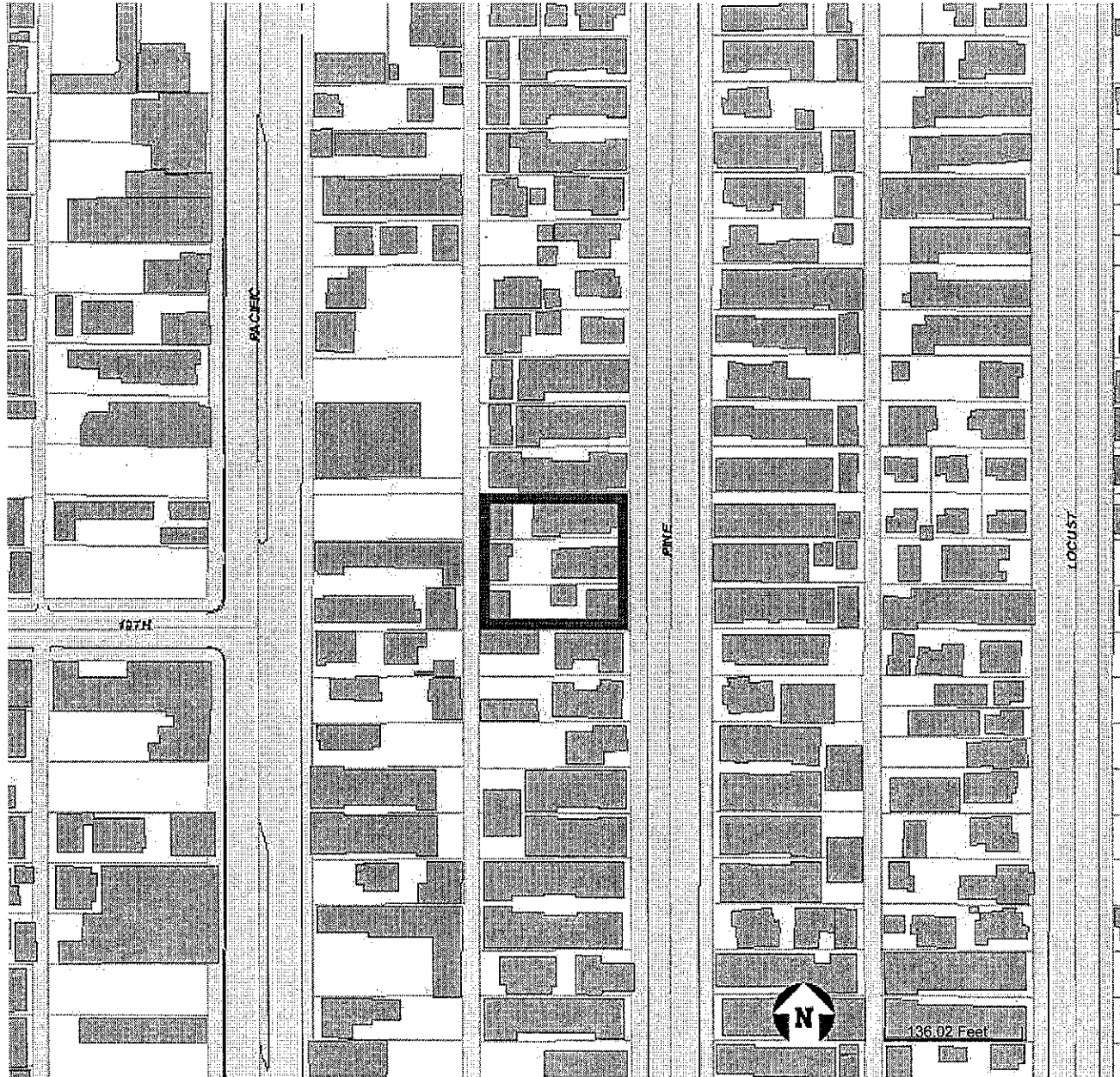
Attachments:

- A – Site Map and Photos
- B – Sample Agreement to Negotiate Exclusively



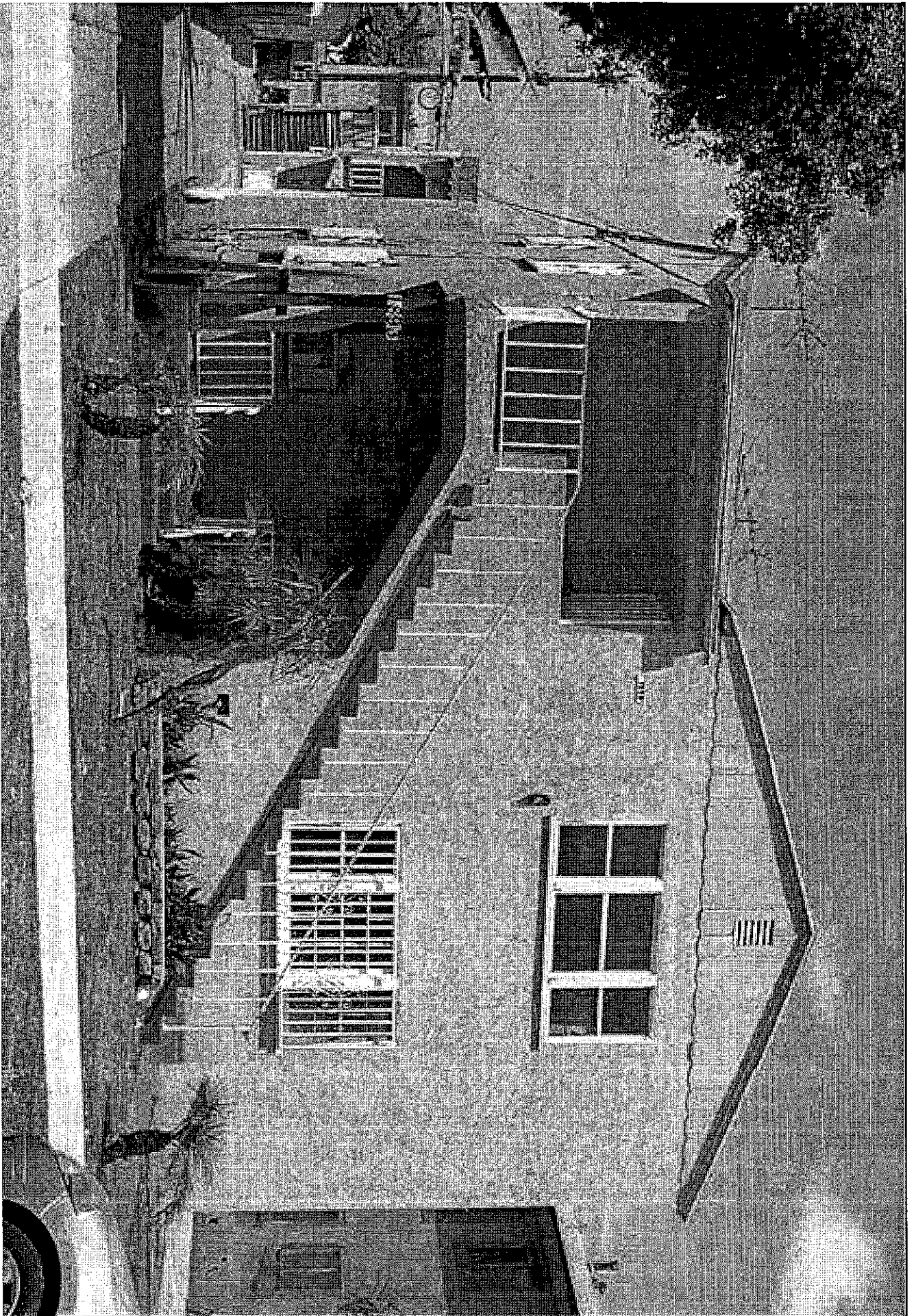
city of longbeach CA

1893-1911 Pine Avenue

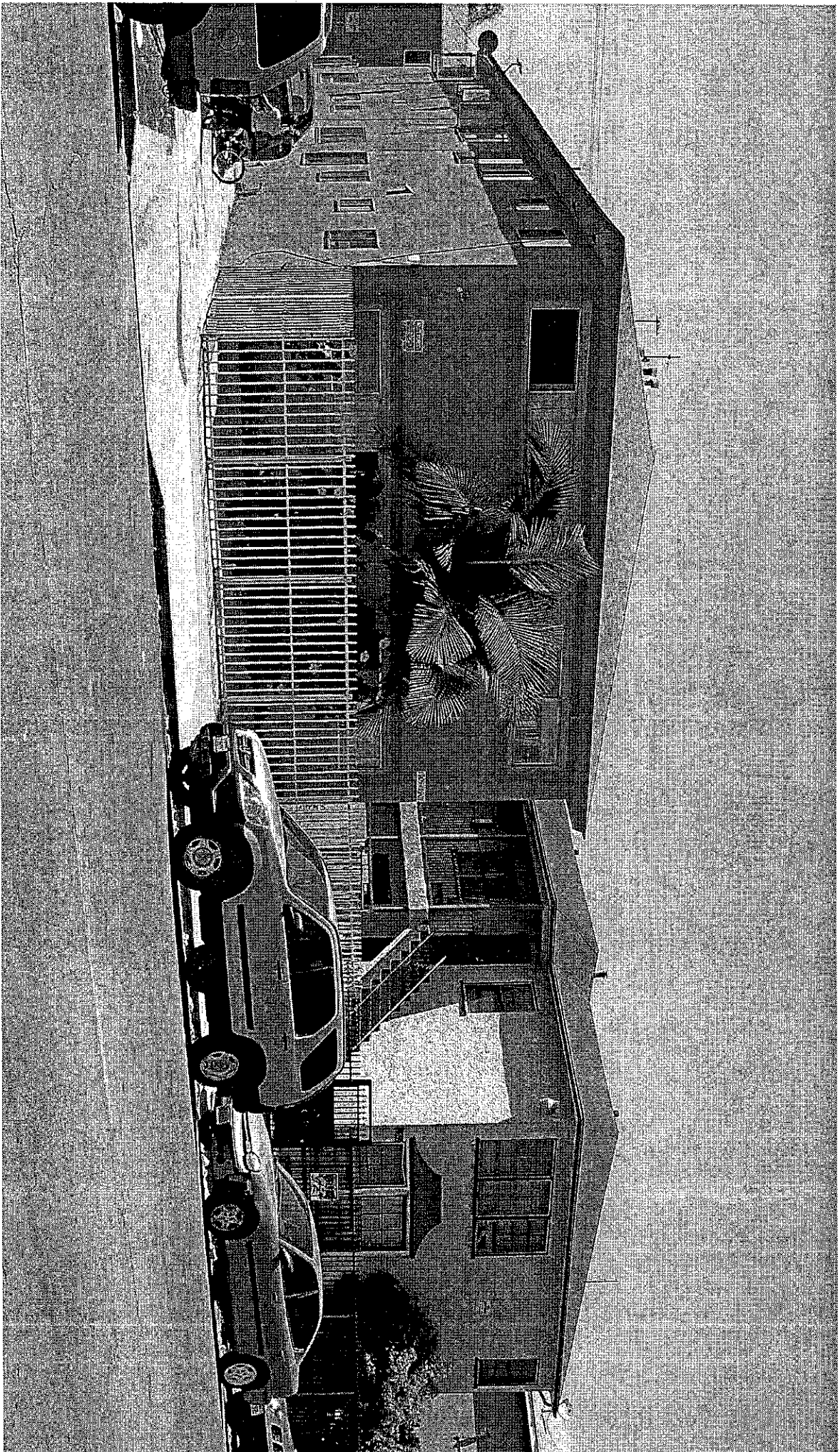


Disclaimer

DISCLAIMER OF DATA ACCURACY: The services provided on this web site are intended for informational purposes only and the GIS data used is compiled from various sources and is subject to constant change. While reasonable effort has been made to ensure the accuracy of the data, the information provided herein may be inaccurate or out of date.



1893 PINE AVE.



1905-1911 PINE

SAMPLE ONLYAGREEMENT TO NEGOTIATE EXCLUSIVELY1
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THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY ("Agreement") is entered as of March 4, 2008, between THE LONG BEACH HOUSING DEVELOPMENT COMPANY, a California non-profit public benefit corporation ("LBHDC"), and META HOUSING CORPORATION, a California corporation ("Developer").

1. NEGOTIATIONS

LBHDC and Developer agree (for the period stated below) to negotiate in good faith pursuant to the terms of this Agreement to prepare a Disposition and Development Agreement to be entered into between LBHDC and Developer concerning the purchase and development of certain real property within the Central Redevelopment Project Area, more particularly depicted on Exhibit "A" attached to this Agreement (the "Property"). LBHDC agrees (for the period stated below) not to negotiate with any other person or entity regarding development of the Property without the consent of Developer. Nothing in this Agreement shall be deemed a covenant, promise or commitment by LBHDC, the City of Long Beach, or any agency of the City, with respect to the acquisition of property or the approval of development. LBHDC's acceptance of this Agreement is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by LBHDC as to any actions required of it. This Agreement may not be assigned by Developer.

2. NEGOTIATION PERIOD

LBHDC and Developer agree to negotiate for one hundred eighty (180) days after the execution date in order to enter into a Disposition and Development Agreement. If, upon the expiration of such period of time, LBHDC and Developer have not each approved and executed a Disposition and Development Agreement, then this Agreement shall automatically terminate and Developer shall have no further rights regarding the subject matter of this Agreement or the Property, and LBHDC shall be free to negotiate with any other person or entities with regard to the Property; provided, however, that

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1 LBHDC and Developer may mutually agree in writing to further extend the exclusive
2 negotiation period for up to two additional periods of ninety (90) days each at the option
3 of LBHDC's President.

4 3. OBLIGATIONS OF DEVELOPER

5 A. Evidence of Financing

6 Developer shall, during the negotiation of the Disposition and
7 Development Agreement, develop a program of financing to provide LBHDC with
8 reasonably satisfactory evidence that financing will be available for acquisition and
9 development of the Property.

10 B. Development Plan

11 During the exclusive negotiating period, Developer shall formulate a
12 development plan for the Property ("Plan"), and shall submit the same to LBHDC for
13 approval. The Plan shall include tabulation of the number of residential units proposed,
14 the square footage of each unit proposed, and a tabulation of the parking spaces
15 proposed, and shall otherwise be in a format reasonably acceptable to LBHDC. Developer
16 shall also prepare and submit all drawings ("Drawings") necessary for a Stage 1 Design
17 Review by LBHDC. Developer shall also furnish such information to LBHDC regarding the
18 proposed project as may be required to perform an environmental review pursuant to the
19 California Environmental Quality Act (CEQA).

20 4. OBLIGATIONS OF LBHDC

21 A. LBHDC Assistance and Cooperation

22 LBHDC shall cooperate fully in providing Developer with appropriate
23 information and assistance.

24 B. LBHDC and City Public Hearing


25 If the negotiations culminate in a Disposition and Development
26 Agreement, signed by Developer, such Agreement shall become effective only after and
27 if the Agreement has been considered and approved by LBHDC.

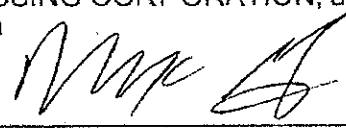
28 5. CONFIDENTIALITY

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1 To the extent permitted by applicable law, the Developer and LBHDC shall
2 maintain all information concerning this Agreement and any pending or subsequent
3 negotiations between LBHDC and Developer as confidential, disclosing information only
4 to those individuals and representatives as designated by the other party; provided that
5 such individuals acknowledge and agree to maintain the confidentiality of such information.

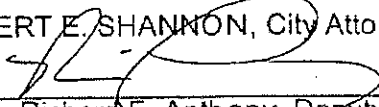
6 THE PARTIES have executed this Agreement as of the date first written above.

7
8 THE LONG BEACH HOUSING DEVELOPMENT
9 COMPANY, a California non-profit public benefit
10 corporation
11 Dated: _____, 2008 By: 
12 President
13 (Type or Print Name)

14 META HOUSING CORPORATION, a California
15 corporation
16 Dated: March 4, 2008 By: 
17 VICE President
18 (Type or Print Name)

19 ~~Dated: _____, 2008~~ By: ~~_____~~
20 ~~President~~
21 (Type or Print Name)

22 The foregoing Agreement to Negotiate Exclusively is hereby approved as to form
23 this 5 day of March, 2008.

24 ROBERT E. SHANNON, City Attorney
25 By: 
26 Richard E. Anthony, Deputy

27 RFA: abc (A08-00641)
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