

M E M O R A N D U M

DATE: August 17, 2022

TO: Board of Directors
The Long Beach Community Investment Company

FROM: Christopher Koontz, Acting President CK

SUBJECT: Authorization to Execute an Agreement to Negotiate Exclusively with LINC Housing Corporation for the Purchase and Development of 4151 E. Fountain Street. (District 3)

RECOMMENDATION:

Authorize the President or designee to enter into an Agreement to Negotiate Exclusively with LINC Housing Corporation for the purchase and development of 4151 E. Fountain Street. (District 3)

DISCUSSION

On May 2, 2022, the Long Beach Community Investment Company (LBCIC) solicited purchase and development proposals for the site located at 4151 E. Fountain Street (Site) (Attachment A). The LBCIC received four proposals by the June 13, 2022 due date.

As required, staff applied the City Purchasing Division protocol for the solicitation and selection of proposals. A selection committee (Committee) was formed to review and evaluate the proposals, in accordance with the criteria detailed in the Request for Proposals (RFP) (Attachment B). The Committee was comprised of four key Development Services and Health and Human Services Department staff members. The proposals were consistently evaluated based upon the following criteria:

- Scope of proposed development, including maximizing the number of housing units provided, providing high quality service-enriched housing, and a building design appropriate to the surrounding residential neighborhood;
- Demonstrated experience in development of affordable housing;
- Demonstrated experience in development/management of similar projects;
- Financial stability of developer and evidence of financial capability to develop the project;
- Proposed number of both short-term and long-term jobs created as a result of the development;
- Demonstrated capability to plan and construct development projects in a timely fashion;

- Demonstrated capability to maintain real property and to adhere to applicable codes, ordinances, and covenants; and,
- Inclusion of sustainability/green building elements.

The proposals were reviewed, discussed, and ranked by the Committee. The proposal submitted by LINC Housing Corporation (LINC) best met or exceeded the selection criteria. While most of the other development organizations met the minimum qualifications, they were ranked lower than the selected firm.

The proposal submitted by LINC offers two scenarios where a newly constructed housing community serves either a senior resident population with 85 units, or a family housing project with 69 larger units. In both scenarios, LINC is proposing to merge the Site with an adjacent parcel that LINC recently purchased to create a larger development. Although the senior housing scenario met all requirements of the RFP, the family housing scenario highlighted characteristics of the site that are very desirable for families with children, particularly the proximity to schools.

Additionally, the Site has been designated a “High Resource” area on the California Fair Housing Task Force Opportunity Map (TCAC/HCD Opportunity Map). Opportunity mapping is a way to measure place-based characteristics, such as educational attainment, earnings from employment, and economic mobility, to identify areas most likely to support positive economic, educational, and health outcomes for low-income families – particularly long-term outcomes for children. With the proximity of Bryant Elementary School and Woodrow Wilson High School, the general lack of affordable housing for families in the area, and the Site’s location on the High Resource TCAC/HCD Opportunity Map, staff’s recommendation is to select LINC’s family housing scenario.

The proposed family housing consists of two buildings providing a total of 69 units for households earning between 30 percent and 70 percent of the area median income. To increase competitiveness for State financial resources, 25 percent of the units will be reserved for a special needs population. The design includes 34 one-bedroom units, 17 two-bedroom units, and 18 three-bedroom units (one of these is reserved as a manager’s unit). The addition of LINC’s adjacent site provides opportunity for pedestrian egress to the northeast, with direct access to Ximeno Avenue, with its public transit and connectivity to grocery stores, pharmacies, medical care, recreation park and its athletic facilities, and downtown. The additional egress also allows for a design that better accommodates access for fire and life safety vehicles. The design creates central shared open spaces that will include vegetable gardens, patios, play areas, and landscaped zones. Additionally, the team will investigate strategies to preserve the tall Cypress trees lining the south and east borders of the Site. See Conceptual Site Plan (Attachment C).

Due to the strength of their proposal, and the team’s proven track record on comparable projects within the city, staff recommends that the LBCIC enter into a six-month Exclusive Negotiating Agreement (ENA) with LINC for the development of the Site. An ENA will give the LBCIC and developer time to work exclusively to determine whether

the project is physically and financially feasible. If approved, the ENA will allow the President to extend the term for two additional 90-day periods, if necessary.

The proposed project will create a thriving family community in a neighborhood lacking affordable housing options for families. In addition, the proposed project supports the implementation of Housing Element Program 1.6 (Affordable Housing Development Assistance) and is therefore supported by staff.

SUGGESTED ACTION:

Approve Recommendation.

CK:PU:MS:KS

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Attachment: A. Site Map
B. RFP
C. Conceptual Site Plan