


M E M O R A N D U M

DATE: January 18, 2023

TO: Board of Directors
The Long Beach Community Investment Company

FROM: Christopher Koontz, President 

SUBJECT: **Award of CDBG Funds and Authorization to Execute a Loan Agreement with Jamboree Housing Corporation for the Acquisition of 101 East Pacific Coast Highway (District 6)**

RECOMMENDATION:

1. Approve the selection of Jamboree Housing Corporation (Jamboree) for an award of Community Development Block Grant (CDBG) funds in the amount of \$2,100,000;
2. Approve a loan in the amount of \$2,100,000 in CDBG funds to Jamboree for the acquisition of the property located at 101 East Pacific Coast Highway;
3. Authorize the President to negotiate an Affordable Housing Loan Agreement with Jamboree; and,
4. Authorize the President to execute any and all documents necessary to implement the Loan Agreement and the project.

DISCUSSION

The Community Development Block Grant (CDBG) is a flexible program that was created by the U.S. Department of Housing and Urban Development to provide communities with resources to address a wide range of unique community development needs. It is one of the longest continuously run programs that works to ensure decent affordable housing, a suitable living environment, job creation through the expansion and retention of businesses, and the provision of services to the most vulnerable in our communities, primarily for low-and moderate- income persons.

On September 28, 2022, staff published a Notice of Funding Availability announcing the availability of approximately \$4 million in CDBG funds to be awarded to qualified local nonprofit organizations/Community-Based Development Organizations (Attachment A - Notice of Funding Availability) to support the development of new affordable rental units in the City of Long Beach (City) serving low-and moderate-income persons. The funding will be provided for the acquisition of land for future development of affordable rental housing. One proposal was received by the November 17, 2022 deadline.

The proposal was submitted by Jamboree Housing Corporation (Jamboree) for the acquisition of a property located at 101 East Pacific Coast Highway (Site) (Attachment B - Site Map). The Site is currently vacant. Jamboree is proposing to develop a 52-unit Permanent Supportive Housing project serving households who have experienced homelessness or who are at risk of becoming homeless.

Founded in 1990, Jamboree is one of the largest and most successful nonprofit affordable housing developer/operators in Southern California. With extensive project development, construction, and management experience, Jamboree has successfully created 100+ projects in 50+ cities across California. Jamboree improves the lives of its residents by providing service-enriched, quality affordable homes for families, seniors, veterans, and households with special needs, while also helping to revitalize neighborhoods and create economic opportunity. Jamboree owns and operates Puerto del Sol, located at 745 W. 3rd Street; and Collage Apartments, located at 1893-1911 Pine Avenue.

The proposed project supports the implementation of the City's Certified Housing Element Program 4.1 (Affordable Housing Development Assistance) and is therefore supported by staff. If approved, CDBG funds will be utilized to provide the loan, which will be structured as a residual receipt note with a 3 percent interest rate and a 55-year term.

SUGGESTED ACTION:

Approve Recommendation.

CK:MS:SM

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Attachments:

Attachment A - Notice of Funding Availability

Attachment B - Site Map