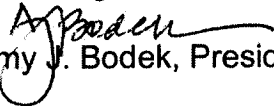


M E M O R A N D U M

DATE: August 17, 2016

TO: Board of Directors
The Long Beach Community Investment Company

FROM: 
Amy J. Bodek, President

SUBJECT: Authorization to Execute an Agreement to Negotiate Exclusively with
AMCAL for the Purchase and Development of the Property at 1795
Long Beach Boulevard (CD 1)

RECOMMENDATION:

1. Authorize the President to reserve funding of up to \$3.5 million for the acquisition and development of the property at 1795 Long Beach Boulevard; and,
2. Authorize the President to enter into an Agreement to Negotiate Exclusively with AMCAL for the purchase and development of the property at 1795 Long Beach Boulevard.

DISCUSSION

In April, 2016, the Long Beach Community Investment Company (LBCIC) released a Notice of Funding Availability (NOFA) for up to \$3.5 million in Housing Successor Funds to be awarded to qualified housing development companies for the development of affordable housing (Attachment A – NOFA). The LBCIC received five development proposals by the June 10, 2016 due date.

As required, staff applied 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 NOFA. The Committee was comprised of four key Development Services and Economic and Property Development Department staff members. The development proposals were consistently evaluated based upon the following criteria:

- Proximity to transit
- Population served
- Experience and qualifications of the developer
- Project budget including sources and uses of funds
- Zoning compliance
- Maximization of affordable units
- Impact on the surrounding neighborhood and community

The proposals were reviewed, discussed, and ranked by the Committee. The proposal presented by AMCAL received the highest score, and best met the selection criteria. While most of the other development organizations met the minimum qualifications, they were ranked lower than the selected firm due to various criteria.

The proposal submitted by AMCAL includes the development of 100 rental units and 2,000 square feet of ground floor retail space at 1795 Long Beach Boulevard, a key transit-oriented development site located at the south west corner of Long Beach Boulevard and Pacific Coast Highway (PCH). The site, which is directly across from the PCH Blue Line stop, currently contains a vacant commercial building and surface parking lot (Attachment B – Site Map). The proposal includes a manager unit and 99 units affordable to households earning between 30 and 60 percent of Area Median Income. It is estimated that 15 of the units will be reserved for households with special needs who lack stable housing, and the remaining 83 units will be designed for families. As currently proposed, the development would contain 28 one-bedroom, 44 two-bedroom and 28 three-bedroom units (Attachment C – Conceptual Site Plan). The development is also proposed to include an on-site resident manager, laundry facilities, a community room with a kitchen, an outdoor courtyard and tot lot, bicycle storage, and a barbeque area.

Due to the strength of their proposal and the team's proven track record with successful projects, staff recommends that the LBCIC enter into a six-month Exclusive Negotiating Agreement (ENA) with AMCAL 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 enhance a critical intersection along Long Beach Boulevard. In addition, the proposed project supports the implementation of Housing Element Program 4.1 (Affordable Housing Development Assistance), and is therefore supported by staff.

SUGGESTED ACTION:

Approve Recommendation.

Attachments:

- A. NOFA
- B. Site Map
- C. Conceptual Site Plan

AJB:PU:

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