

## M E M O R A N D U M

**DATE:** June 21, 2017

**TO:** Board of Directors  
The Long Beach Community Investment Company

**FROM:**  Amy J. Bodek, President

**SUBJECT:** Acquisition of Property Located at 4151 E. Fountain Street (District 4)

### **RECOMMENDATIONS:**

- 1) Approve the acquisition of the property located at 4151 E. Fountain Street for a purchase price not to exceed \$4,200,000 plus required closing costs; and,
- 2) Authorize the President or designee to execute any and all documents necessary to initiate and complete the acquisition of this property.

### **DISCUSSION**

The property at 4151 E. Fountain Street is 61,977 sq. ft. and is improved with a 16,485 sq. ft. single-story assisted living facility containing fifteen shared rooms, shared rest room and bathing facilities, a commercial kitchen, and multiple office and training rooms. The property is owned by ChildNet Youth and Family Services, which until late 2015, operated the property as a child and family services facility. After the closure of the child and family services facility, both 4151 E. Fountain Street and the adjoining parcel at 4223 E. Anaheim Street were offered for sale. Staff toured the facility at 4151 E. Fountain Street and determined that its location and amenities presented a good opportunity for affordable special needs supportive housing. A site map and aerial map are attached for reference (Attachment A).

Staff presented the opportunity for acquisition of the property to the LBCIC in closed session on May 25, 2017. The Board of Directors authorized the President to negotiate an acquisition price for the property in an amount not to exceed \$4,200,000. The President has negotiated an acquisition price for the property in the amount of \$4,200,000, and is requesting the Board's approval to execute a Purchase and Sale Agreement, open escrow, pay required escrow closing costs, and complete the purchase of the property.

Staff recommends approval of the acquisition of the property. If approved, staff will complete the purchase of the site, and release an RFP to make the site available for development as affordable special need supportive housing. The proposed acquisition supports the

implementation of Housing Element Program 4.1 (Affordable Housing Development Assistance), and is therefore supported by staff.

**SUGGESTED ACTION:**

Approve recommendations.

AJB:PU:AC

Attachment

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