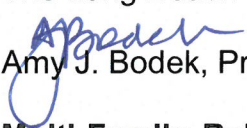


## M E M O R A N D U M

**DATE:** July 19, 2017

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

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

**SUBJECT:** Multi-Family Rehabilitation Loan Program Change Order No. 6 –  
1034-1040 Daisy Avenue (District 1)

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### RECOMMENDATION:

Approve Change Order No. 6 to increase the project budget from \$315,000 to \$340,530 for the multi-family rehabilitation project at 1034-1040 Daisy Avenue.

### DISCUSSION

On August 17, 2016, the Long Beach Community Investment Company approved a HOME multi-family rehabilitation loan in the amount of \$315,000 for the rehabilitation of the property at 1034-1040 Daisy Avenue, in the Drake Park/Willmore Historic District (Attachment A). A Certificate of Appropriateness for the exterior changes to the buildings has been approved by Planning Bureau staff. The property includes eight units, in three separate buildings. A site map and photographs are attached (Attachment B).

During an onsite inspection, a building inspector issued a correction requiring replacement of the main electrical service to conform to current building code standards (Title 24). The proposed Change Order (Attachment C), includes the following:

- Main service panel replacement and complete rewire on all eight units as described in detail in the attached change order proposal.

Change orders one through five have been processed utilizing contingency funds, and therefore did not require the Boards approval.

There is no existing debt on this property. This change order will increase the project budget from \$315,000 to \$340,530, and will result in a loan to value ratio of 34%, based on the current estimated value of the property at \$993,750, and will increase

the affordability restriction term from 10 to 15 years. There are sufficient HOME funds available to fund this change order. Staff recommends approval of Change Order Number 6, with the condition that the owner approve the work and sign the attached Change Order.

**SUGGESTED ACTION:**

Approve Recommendation.

AJB:PU:

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**Attachments:**

- A – August 17, 2016 Staff Report
- B – Site Map and Photographs
- C – Change Order No. 6