

MEMORANDUM



The
**Long Beach
Housing
Development
Company**

DATE: January 20, 2010

TO: Board of Directors
The Long Beach Housing Development Company

FROM: Ellie Tolentino, Vice President *ETolentino*

SUBJECT: Upcoming Items and Significant Issues

Meta Housing Project at Long Beach Boulevard and Anaheim Street

Meta Housing has submitted a request for approval of a phasing plan for the proposed project at Long Beach Boulevard and Anaheim Street. In addition, Meta has requested financing for Phase I, which consists of the mixed-income senior artist colony (147 units), and the affordable senior building (39 units). Staff originally planned to present a request to consider approval of the phasing plan and financial gap assistance to the LBHDC Board in January, but Meta has asked that the item be postponed to February to give them more time to complete the financial pro forma (see attached letter).

Neighborhood Stabilization Program (NSP2)

On January 14, 2010, HUD Secretary Shaun Donovan announced the award of a \$22,249,980 NSP2 Grant to the City of Long Beach. This was a nationwide competitive grant for NSP funds available from the Recovery Act of 2009 for use in the stabilization of neighborhoods hard hit by the foreclosure crisis. Our goal is to provide second mortgage assistance and code-related rehabilitation loans to 86 low-, and moderate-income first-time homebuyers who purchase vacant, foreclosed properties. Additionally, in partnership with Habitat for Humanity, these funds will be used to purchase, and rehabilitate 25 vacant, foreclosed properties for resale to very-low income first-time homebuyers.

Neighborhood Stabilization Program (NSP1)

The City has acquired eight single-family homes and one 12-unit residential building. Rehabilitation of the single-family properties commenced in September 2009. One home has been completed and is in escrow for a SMAP applicant. Upon completion of the rehab on the other seven homes, they will be marketed and sold to eligible first-time homebuyers from the LBHDC's SMAP, and the Housing Authority's Family Self Sufficiency Program waiting lists. The multifamily property will be rehabilitated and transferred to a nonprofit and managed as a rental project for very-low income households. The City continues to look for additional foreclosed single-family properties to purchase, rehab and resell to income-qualified first-time homebuyers.

**MAKING
AFFORDABLE
HOUSING
HAPPEN**

9B
AGENDA ITEM NO.

Mailing Address:
110 Pine Avenue
Suite 1200
Long Beach, CA 90802
Tel 562/570-6949
Fax 562/570-5921

Second Mortgage Assistance Program (SMAP)

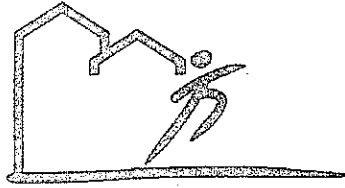
As of January 14, 2010, the LBHDC has provided \$9,077,480 in second mortgage assistance loans to 52 very low-, low-, and moderate-income first-time homebuyers. An additional \$570,125 has been reserved for 3 SMAP applicants with homes in escrow. This brings the total number of SMAP assisted first-time homebuyers to 55, at an investment of \$9.6 million.

With the addition of \$2 million to the SMAP budget in FY10, \$4.5 million is available to fund additional loans. Subsequently, additional households on the waiting list will be provided with an opportunity to purchase a home with SMAP assistance upon completion of an eligibility recertification. In accordance with State law, applicants on first-time homebuyer assistance program waiting lists must complete an eligibility recertification every six-months.

ET: pp

Attachment

R:\LBHDC\Staff Reports\2010\January\1.20.10 UpcomingIssues.doc



Meta Housing Corporation

January 12, 2010

Via Fax and Overnight Express

Dennis J. Thys
Director of Community Development
444 W. Ocean Blvd., Suite 1700
Long Beach, CA 90802

Re: Long Beach and Anaheim Mixed Use Project

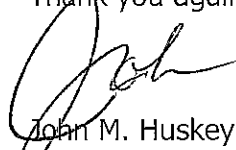
Dear Dennis,

Thank you again for your understanding of the time needs of the referenced project and obtaining staff concurrence on the proposed Phasing Plan. After your call we immediately gave the go-ahead to Studio 111, the architects, to begin the necessary drawings to get the Phase Ia (Senior Artists Colony) and Phase Ib (LIHTC Senior Housing) ready to meet the FHA requirements to use the new Treasury financing we discussed. At every level, you and your staff are extremely helpful.

In order to have the complete Phase cost and Source allocation ready for you and your consultants review, we request that we go before the Housing Development Corporation next month, rather than on January 20th.

We have been attempting to close the gap among our understanding of the State of California requirements, the Century Housing financial requests, the KMA budgets, and our budgets but we could not reconcile the various positions in time to meet the noon today deadline. We are working on this reconciliation now and will transmit it to your staff as soon as it's finished. Fortunately, the Studio 111 drawings are the critical items and the movement of the LBHDC hearing from January to February will not in and of itself affect the timetable. The key events were the staff ok on the phasing and the architect go-ahead, which did occur.

Thank you again for your assistance.



John M. Huskey
President

Cc: Patrick West, City Manager
Patrick Ure
Julie Romey