



## MEMORANDUM

**DATE:** September 16, 2009

**TO:** Board of Directors  
The Long Beach Housing Development Company

**FROM:** Ellie Tolentino, Vice President *Ellie Tolentino*

**SUBJECT:** Upcoming Items and Significant Issues

### Second Mortgage Assistance Program (SMAP)

As of September 9, 2009, the LBHDC has financed \$8,012,747 in second mortgage assistance loans for 46 very low-, low-, and moderate-income first-time homebuyers. An additional 7 loans totaling \$1,236,423 are in process and scheduled to fund by mid-October. Another 4 SMAP applicants are shopping for eligible homes. Second mortgage loans for these 4 applicants are estimated at \$800,000. Should they locate eligible homes, their escrows are estimated to close by the end of November. This will bring the total number of SMAP assisted first-time homebuyers to 57, for an investment of \$10 million.

### Neighborhood Stabilization Program (NSP1)

The City has acquired 7 single-family properties with NSP1 funding. Rehabilitation of these properties should commence within the next month and be completed between the months of November 2009 and February 2010. These homes will be marketed and sold to eligible first-time homebuyers from the LBHDC's Second Mortgage Assistance Program waiting list. The City continues to look for additional foreclosed properties to purchase with NSP1 funds.

### Request for Construction Financing for Coronado- Brookfield Homes

Brookfield Homes has submitted a request to the LBHDC for a construction loan in the amount of \$6.4 million for the construction of the Coronado Project on Atlantic Avenue. Due to the current real estate slump and ailing financial markets, Brookfield Homes has not been able to secure a construction loan commitment from a conventional lender. Staff is currently reviewing their request and gathering additional information from them in order to fully evaluate the situation and formulate a recommendation to the Board. Staff plans to present this request to the Projects Committee and the Board in October.

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AGENDA ITEM NO. 7B

Policy Regarding Long Beach Residency for LBHDC Assisted Housing Projects

At the City Council meeting of September 22, 2009, Councilmember Garcia will request the City Attorney, City Manager, and Director of Community Development to study the feasibility and benefits of a local resident and/or workforce preference in the rental and/or sale of affordable units in new residential developments, and report back to Council within 60 days.

Board Retreat

Pursuant to a discussion with Chair Brown, staff is planning a Board retreat in November; details of the retreat will be forthcoming.

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