



The  
Long Beach  
Housing  
Development  
Company

## MEMORANDUM

**Date:** September 19, 2007

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

**From:** Executive Review Committee

**Prepared by:** Meggan Sorensen; Development Project Manager

**Subject:** Acquisition Loan Agreement between The Long Beach Housing Development Company and Meta Housing Corporation to Complete Acquisition of the Proposed Transit Oriented Development Site at Long Beach Boulevard and Anaheim Street (CD1)

### RECOMMENDATIONS

- 1) Approve a loan of \$5,152,000 to Meta Housing Corporation to complete acquisition for a proposed transit-oriented development at Long Beach Boulevard and Anaheim Street;
- 2) Authorize the President or designee to negotiate and enter into an Acquisition Loan Agreement with Meta Housing Corporation; and
- 3) Authorize the President or designee to execute any and all documents necessary to implement the Acquisition Loan Agreement.

**MAKING  
AFFORDABLE  
HOUSING  
HAPPEN**

### DEVELOPER BACKGROUND

Meta Housing Corporation was established in 1969 and has developed more than 10,000 single-family and multifamily residential units. Their portfolio of successful developments includes 10 family and 20 senior developments throughout Los Angeles and Orange Counties. Several of these developments have been recognized throughout the industry with awards, including the 2002 National Senior Housing Council's Gold Award for the nation's Most Outstanding Active Senior Community; and the 2004 National Association of Home Builder's Platinum Medal in the Active Adult Community category.

AGENDA ITEM NO. 5 B

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

One of the goals of Meta Housing is to develop urban infill projects that help to revitalize the employment centers of Southern California by providing quality new housing for residents who want to leave the strain of a commute behind and become more immersed in the community where they live and work. Combining affordable housing opportunities alongside market-rate units is also a central aspect of Meta Housing's vision. The organization strives to implement on-site services early in the design process and plans for amenities and programs that will engage residents and help create an active community.

### PROJECT DESCRIPTION

In May 2007, LBHDC and Redevelopment Agency staff met with a representative of Meta Housing, who provided an overview of their proposed mixed-use development at the corner of Long Beach Boulevard and Anaheim Street. The initial proposal assumed the residential portion of the development would be 100% affordable. Neither LBHDC nor Redevelopment staff supported a 100% affordable project at this location. After receiving initial feedback from staff, Meta Housing sent a letter summarizing a revised development model. The current model encompasses the following:

- 160 Senior Rental Units
  - 20% affordable
  - 80% market rate
- 156 For-Sale Condos
  - 20% affordable
    - 10% low income
    - 10% moderate income
  - 80% market rate
- Learning Center and Retail Space (63,780 sq. ft.)
- 679 Parking Spaces

Though additional work must be completed on the proposal before staff would support a development agreement, both LBHDC and Redevelopment staff are very supportive of Meta Housing's concept for this important corner. The Central Long Beach Strategic Guide for Development, which was adopted by the Redevelopment Agency in May of 2005, encourages the development of a Transit-oriented Neighborhood Center at Long Beach Boulevard and Anaheim Street. Staff is confident that development plans will move forward as acquisition of the complete site is eminent.

### PROPOSED ACQUISITIONS

Meta Housing has already acquired 105,260 sq. ft. of the total proposed 132,760 sq. ft. site with a \$24,400,000 acquisition and predevelopment loan from Century Housing.

Meta Housing is now negotiating for the purchase of the two remaining parcels in the project site containing 27,600 sq. ft. at a total cost of \$5,152,000, and is requesting an acquisition loan in the amount of \$5,152,000 from the LBHDC. A description of the properties is as follows:

**202-206 Anaheim Street** – Located on the southeast corner of Anaheim Street and Locust Boulevard. The property is 16,500 sq. ft., encompassing a paved parking lot and an 8,500 sq. ft. retail structure built in 1922. A small market and a check-cashing store currently occupy this retail tenant space. The agreed upon acquisition price includes a lease buyout in the amount of \$335,000. The property is in a Planned Development District, PD-29, which encourages a mix of living, shopping, and working opportunities. Total purchase price is \$2,876,000. Price per sq. ft., excluding the lease buyout amount is \$154 per sq. ft.

**1201 Long Beach Boulevard** – Located on the northwest corner of Long Beach Boulevard and 12<sup>th</sup> Street. The parcel is 11,100 sq. ft. and contains a paved parking lot and a one-story 2,235 sq. ft. eye clinic built in 1995. This property is also zoned PD-29. Total purchase price is \$2,276,000, or \$205 per sq. ft.

#### **PROPOSED LOAN TERMS**

**Principal Amount:** \$5,152,000

**Interest:** 0% unless Meta Housing defaults on the terms of the Acquisition Loan Agreement, in which case the principal loan amount will accrue interest at 10% per year.

**Maturity:** 18 months from execution of an Acquisition Loan Agreement, unless the principal amount rolls into a new development agreement.

**Security:** 1<sup>st</sup> Trust Deed on 1201 Long Beach Boulevard  
1<sup>st</sup> Trust Deed on the property at 202-206 E. Anaheim Street

The Executive Review Committee reviewed this request on September 5, 2007, and recommended Board approval. Staff will return to the Board at a later date with a development plan for this site.

#### **Attachments:**

- Map indicating subject properties and proposed development site
- Photographs of subject properties

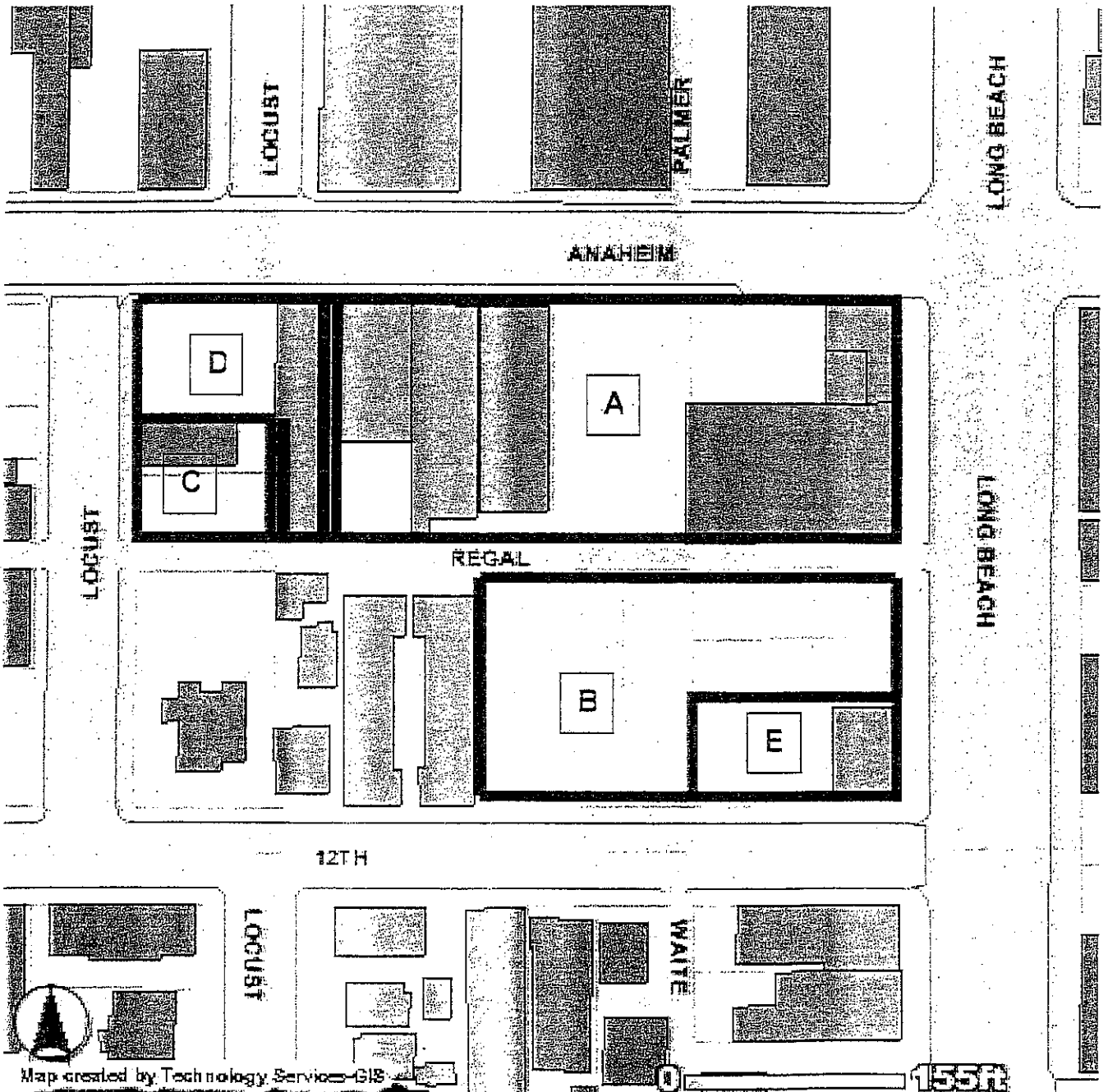
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# MAP OF PROPOSED ACQUISITIONS 202-206 Anaheim Street and 1201 Long Beach Boulevard

Proposed Acquisition with LBHDC Loan

Previously Acquired



202-206 Anaheim Street



1201 Long Beach Blvd.

