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M E M O R A N D U M

DATE: April 18, 2018

TO: Board of Directors
The Long Beach Community Investment Company

FROM: Patrick Ure, President 

SUBJECT: Authorization to Execute an Agreement to Negotiate Exclusively with LINC Housing Corporation for the Purchase and Development of 469 W. 17th Street, 1720-1770 Magnolia Avenue and 469 W. Pacific Coast Highway

RECOMMENDATION:

Authorize the President or designee to enter into an Agreement to Negotiate Exclusively with LINC Housing Corporation for the purchase and development of 469 W. 17th Street, 1720-1770 Magnolia Avenue and 469 W. Pacific Coast Highway.

DISCUSSION

On December 18, 2017, the Long Beach Community Investment Company (LBCIC) solicited purchase and development proposals for the site located at 469 W. 17th Street, 1720-1770 Magnolia Avenue and 469 W. Pacific Coast Highway (Site) (Attachment A – Site Map). The LBCIC received five proposals by the February 5, 2018 due date.

As required, staff applied City Purchasing Division protocol for the solicitation and selection of proposals. A selection committee (Committee) was formed to review and evaluate the proposals in accordance with the criteria detailed in the Request for Proposals (RFP) (Attachment B – RFP). The Committee was comprised of four key Development Services and Economic and Property Development Department staff members. The proposals were consistently evaluated based upon the following criteria:

- Scope of proposed development;
- Demonstrated experience in development of affordable housing;
- Demonstrated experience in development/management of similar projects;
- Financial stability of Buyer/Developer and Development Team Members and evidence of financial capability to develop the project;
- Proposed number of jobs created as a result of the development;
- Demonstrated capability to plan and construct development projects in a timely fashion;
- Demonstrated capability to maintain real property and to adhere to applicable codes, ordinances, and covenants;
- Inclusion of sustainability/green building elements; and

The proposals were reviewed, discussed, and ranked by the Committee. The proposal submitted by LINC Housing Corporation (LINC) best met or exceeded the selection criteria. While most of the other development organizations met the minimum qualifications, they were ranked lower than the selected firm due to various criteria.

The proposal submitted by LINC is designed to activate the South Wrigley and central Long Beach areas by promoting healthy living, education, neighborhood engagement, and connectivity in partnership with multiple local service providers. The proposed housing consists of a 3-story building containing a two-bedroom onsite manager unit and 55 one-bedroom units for households who are experiencing homelessness or are at risk of homelessness, and who will pay no more than 30% of their income for rent. The ground floor will consist of 2,400 square feet of recreational and community serving amenity space, including ample space for resident services staff, case managers, and supportive service programs.

Due to the strength of their proposal, and the team's proven track record on comparable projects within the city, staff recommends that the LBCIC enter into a six-month Exclusive Negotiating Agreement (ENA) with LINC for the development of the Site. An ENA will give the LBCIC and developer time to work exclusively to determine whether the project is physically and financially feasible. If approved, the ENA will allow the President to extend the term for two additional 90-day periods, if necessary.

The proposed project will promote a thriving community and further investment along Pacific Coast Highway. In addition, the proposed project supports the implementation of Housing Element Program 4.1 (Affordable Housing Development Assistance), and is therefore supported by staff.

SUGGESTED ACTION:

Approve Recommendation.

Attachments:

- A. Site Map
- B. RFP
- C. Conceptual Site Plan

PU:MS:AC