



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

R-13

March 17, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached resolution authorizing the submission of an application to the California State Department of Housing and Community Development Infill Infrastructure Grant Program for assistance of up to \$20,000,000, and authorize the City Manager to execute all documents necessary to accept and expend the funds for the proposed project, upon funding approval. (District 1)

DISCUSSION

The Department of Community Development requests authorization to submit an application for a grant of up to \$20,000,000 under the State Department of Housing and Community Development's Infill Infrastructure Grant (IIG) Program. Funds for the IIG Program were allocated under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C). Its primary objective is to promote infill housing development. The program seeks to accomplish this by providing financial assistance for infrastructure improvements necessary to facilitate new residential or mixed-use infill development projects. This is the second funding round for the IIG Program. There is approximately \$197 million available for allocation during the 2008-09 fiscal year, less than the approximately \$240 million that was available during the 2007-08 fiscal year. It is unknown at this time whether there will be additional funding rounds.

The City of Long Beach (City) and Meta Housing Corporation will apply as co-applicants for the IIG infrastructure funds in connection with a proposed mixed-use development at 1235 Long Beach Boulevard (southwest corner of Long Beach Boulevard and Anaheim Street). Meta Housing applied for the first funding round, and although a high score was received on the application, funds were not awarded. However, in preparation for the second funding round, staff continued working with Meta Housing on development plans for the site. The proposed project now has Site Plan and Tentative Map approval from the Planning Commission, which significantly improves the chance of funding this round. The City and Meta Housing Corporation applying as co-applicants also enhances the project's chance of funding.

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The proposed development site contains 151,643 square feet, or 3.48 acres, and encompasses three mixed-use buildings, a large park-like open space for all residents, a quad dedicated to lifelong learning activities for senior residents, community rooms, a pool and BBQ area for condo owners, and two rooftop terraces. Two large public plazas are also provided, one open to Long Beach Boulevard and the other to Anaheim Street, allowing for pedestrian-friendly retail uses and a vibrant urban corner. In total, the project provides 2.2 acres of open space. Each of the three buildings varies in design, size and height. A rendering is attached (Attachment A). Approximately 30 percent of the total residential units are proposed to be affordable to low- and moderate-income households. Further details for each building are as follows:

- Building A ranges in height from three to six stories and faces Long Beach Boulevard along the southern edge of the development site. This building contains 18,000 square feet of retail space, 61 condominiums and 39 senior rental units;
- Building B, located at the corner of Long Beach Boulevard and Anaheim Street, is the signature building of the project, reaching a height of 180 feet and 13 stories. This tower building provides the remainder of the condominium (109) units and 14,700 square feet of retail space. It is designed in modern architecture with vertical elements to emphasize the corner;
- Building C, facing Anaheim Street, is entirely a senior rental component with 147 units and 9,300 square feet of retail and resident activity space. This building is more traditional in design and ranges in height from three to six stories; and,
- Parking will be provided within a structure, with one partial level at grade (behind the retail space fronting Long Beach Boulevard and Anaheim Street) and one subterranean parking level.

If the application is successful, the IIG funds will be awarded to the project in the form of a grant and will be used for infrastructure improvements benefiting the entire development and the area surrounding the Anaheim Transit Station. There are no match funds required from the City. However, the application scores points for local support. The Long Beach Housing Development Company has already loaned \$5,152,000 to Meta Housing Corporation for land acquisition. Those loan funds will count toward local support, and should increase the chances of a successful application.

This letter was reviewed by Deputy City Attorney Richard F. Anthony on February 25, 2009, and Budget Management Officer Victoria Bell on February 27, 2009.

TIMING CONSIDERATIONS

City Council action is requested on March 17, 2009, as the application for IIG Program funds is due on April 1, 2009. A resolution authorizing the submittal of this application is required in the application package.

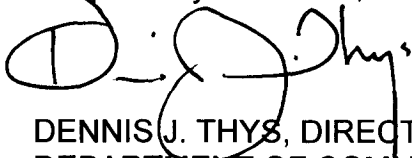
FISCAL IMPACT

The application will be submitted in the amount of up to \$20,000,000, the maximum amount allowed under the IIG Program funding announcement. A budget adjustment is not necessary at this time but will be requested if and when funds are awarded to the City. The City will not be obligated to repay the funds, if awarded. The funds will be awarded to the project in the form of a grant. The proposed action will not impact the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS, DIRECTOR
DEPARTMENT OF COMMUNITY DEVELOPMENT

DJT:ET:pp
3-17-09 Res for IIG Application v3.doc

Attachments: Attachment A – Rendering

Resolution Authorizing the Submittal of an Application to the California State Department of Housing and Community Development for Funding Under the Infill Infrastructure Grant (IIG) Program

APPROVED:



PATRICK H. WEST
CITY MANAGER



OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY TO (I)
5 SUBMIT AN APPLICATION TO THE CALIFORNIA STATE
6 DEPARTMENT OF HOUSING AND COMMUNITY
7 DEVELOPMENT FOR FUNDING UNDER THE INFILL
8 INFRASTRUCTURE GRANT (IIG) PROGRAM; AND (II)
9 EXECUTE ALL DOCUMENTS NECESSARY TO
10 PARTICIPATE IN THE IIG PROGRAM IF SELECTED FOR
11 SUCH FUNDING.

12
13 WHEREAS, the City of Long Beach ("City"), a political subdivision of the
14 State of California, wishes to apply for and receive an allocation of funds through the Infill
15 Infrastructure Grant Program (the "IIG Program"); and

16 WHEREAS, the California Department of Housing and Community
17 Development ("HCD") has issued a Notice of Funding Availability ("NOFA") for the IIG
18 Program established under the Housing and Emergency Shelter Trust Fund Act of 2006
19 (Proposition 1C) pursuant to the IIG Implementation Program established by Part 12 of
20 Division 31 of the Health & Safety Code, commencing with Section 53545.12. Pursuant
21 to the statute, HCD is authorized to approve funding allocations utilizing monies made
22 available by the State Legislature to the IIG Program, subject to the terms and conditions
23 of the statute and the IIG Program Guidelines, as amended by HCD on 1/30/2009; and

24 WHEREAS, City wishes to submit an application to obtain from HCD an
25 allocation of IIG Program funds in an amount up to \$20,000,000;

26 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
27 follows:

28 Section 1. The City shall submit to HCD an application to participate in

1 the IIG Program in response to the NOFA issued on January 30, 2009 which will request
2 a funding allocation in the amount of up to \$20,000,000 for the construction of capital
3 infrastructure improvements in connection with an affordable housing project located at
4 1235 Long Beach Boulevard (corner of Long Beach Boulevard and Anaheim Street).

5 Section 2. If the application for funding is approved, the City hereby
6 agrees to use the IIG Program funds for eligible activities in the manner presented in the
7 application as approved by HCD and in accordance with the program Guidelines cited
8 above. It also may execute any and all other instruments necessary or required by HCD
9 for participation in the IIG Program.

10 Section 3. The City Manager is authorized to execute in the name of the
11 City, the application, the Standard Agreement, and all other documents required by HCD
12 for participation in the IIG Program, and any amendments thereto.

13 Section 4. This resolution shall take effect immediately upon its adoption
14 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2009 by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
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