



MEMORANDUM

DATE: October 21, 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 October 15th the LBHDC has financed \$8,537,982 in second mortgage assistance loans for 49 very low-, low-, and moderate-income first-time homebuyers. An additional 5 loans totaling \$970,976 are in process and scheduled to fund by the end of November. Two SMAP applicants are shopping for eligible homes with loan reservations totaling \$400,000. Should they locate eligible homes, their escrows are estimated to close by the end of December. This will bring the total number of SMAP assisted first-time homebuyers to 56, for an investment of \$9.9 million. Additionally, the FY10 budget added \$2 million to the SMAP fund. Subsequently staff will reestablish a pool of approved applicants that will be provided with opportunities to purchase their first home with LBHDC mortgage assistance.

Neighborhood Stabilization Program (NSP1)

The City has acquired 7 single-family properties with NSP1 funds. Rehabilitation has begun on 2 of the properties with completion anticipated in early December. 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 Loan Refinance/Additional Assistance – 814 Atlantic Avenue, Mental Health Association (MHALA)

MHALA has asked staff to consider a proposal to refinance a property with 13 units serving a low-income population. Current financing for the project includes a \$280,000 LBHDC residual receipts loan and conventional and State loans. Staff is in communication with the developer to clarify and obtain more information. Should the developer provide satisfactory information, a request will be forthcoming to the Projects Committee and the Board in the next few months.

**MAKING
AFFORDABLE
HOUSING
HAPPEN**

AGENDA ITEM NO. 8D

Proposed Ramona Park Senior Apartments – Request for Financial Assistance/Design Review

Staff has been working with Palm Desert Development Company (Palm Desert) on a potential affordable housing project in North Long Beach. The proposed development consists of a 61-unit apartment complex providing housing for very low- and low-income senior citizens on a 1.71-acre property located at 3290 East Artesia Boulevard. The proposed site is currently a Farmers and Merchants Bank. In November, staff will present a request for financial assistance and Stage I Design Review approval to both the Executive Review Committee (ERC) and the Projects Committee, and to the full Board by January 2010.

Proposed Meta Housing Project at Long Beach and Anaheim – Extension of Existing Loan Term

On September 19, 2007 the LBHDC approved a loan of \$5.1 million to Meta Housing and authorized the President to negotiate and enter into an Acquisition Loan Agreement to assist with the acquisition of a portion of a development site located on the southwest corner of Long Beach Boulevard and Anaheim. Meta Housing is proposing a 356-unit mixed-income and mixed-use project at the site. The term of the original agreement was for 18 months, and needs to be extended to allow the developer to secure the remainder of the financing for the project. No Board action is required to complete the extension.

ET: pp

R:\LBHDC\Staff Reports\2009\October\10-21-09 UpcomingIssues.doc