



Approve the Acquisition of the Property Located at 1131 East Wardlow Road for a Purchase Price of \$5,475,000 using PLHA funds.

Long Beach Community Investment Company – January 17, 2024

Background Information

On Nov 15, 2023, the Long Beach Community Investment Company (LBCIC) authorized the execution of an Agreement to Negotiate Exclusively with West Hollywood Community Housing Corporation (WHCHC) for an award of up to \$7,000,000 in Permanent Local Housing Allocation (PLHA) funds for new construction of affordable rental housing at 1131 East Wardlow Road.

Site Acquisition and PLHA Expenditure Deadlines

Purchase and Sale Agreement Termination Date

- WHCHC is currently in escrow with the seller of 1131 East Wardlow Road (Project Site).
- The Purchase and Sale Agreement (PSA) will terminate on April 5, 2024, with no extensions available.

PLHA Expenditure Deadline

- PLHA funds (2019 allocation) must be spent by March 1, 2024, or \$2.9M in funds must be returned to the State.
- These 2019 funds were previously committed to The Armory Arts Collective Project which has been delayed and will not close in time to meet our expenditure deadline. The deadline can not be extended.

Acquisition by LBCIC

To increase competitiveness of future funding applications for this property, staff is recommending that the LBCIC purchase the site, then pursue an exempt excess surplus land declaration with the California State Department of Housing and Community Development (HCD).

LBCIC acquisition also provides a pathway to expend 2019 PLHA funds by the statutory deadline and avoid having to return the funds to HCD.

Recommendation

Approve the acquisition of property located at 1131 East Wardlow Road using \$5,475,000 in PLHA funds.



Thank you

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