



CITY OF SIGNAL HILL
STAFF REPORT

2175 Cherry Avenue • Signal
Hill, California 90755-3799

1/11/2022

AGENDA ITEM

TO:

**HONORABLE CHAIR
AND MEMBERS OF THE HOUSING AUTHORITY**

FROM:

**ELISE MCCALED
ECONOMIC DEVELOPMENT MANAGER**

SUBJECT:

ANNUAL REPORT OF THE HOUSING AUTHORITY

Summary:

The bylaws of the Signal Hill Housing Authority require that an annual meeting shall be held at the first meeting in January.

Recommendation:

Receive and file the report.

Fiscal Impact:

The total balance of cash and investments is \$5.9 million in the Signal Hill Housing Authority as of June 30, 2021. In FY 2020-21, the City Council as Successor Agency made a \$199,029 loan repayment to the Housing Authority.

Strategic Plan Objective:

Objective No. 5.2: Assist with development of properties owned by the Signal Hill Housing Authority.

Background and Analysis:

There are four rental and affordable / workforce housing developments in the City that the former Signal Hill Redevelopment Agency (SHRDA) or Housing Authority (HA) participated in developing. Each development is briefly described below.

Sea Breeze Manor (Formerly Eucalyptus Gardens)
2067 Alamitos Avenue

Sea Breeze Manor was completed in 1997 and consists of 24 affordable housing units. The total cost of this project to the SHRDA was \$775,000 and included the donation of land to the developer, a forgiven pre-development loan as well as a project grant.

Affordability restrictions remain in place until 2037.



Las Brisas I
2399 California Avenue

Abode Housing, formerly Los Angeles Community Design Center, developed Las Brisas I. There were 92, 2-bedroom deteriorated units in the Las Brisas neighborhood, consisting of 23 fourplexes. The crime rate was higher in this neighborhood compared to other parts of the City. There were squatters in the units as well as absentee property owners.

Abode Housing stripped the buildings back to their studs and rebuilt with new exteriors, windows, doors, plumbing, heating, and utility systems. All new drywall, floor coverings, counters, closets, and shelving and other interior features were added. Three-bedroom units were also added. A private balcony or porch was added for each unit. Existing substandard garages were demolished and resident parking was created adjacent to the units. Attractive laundry buildings were added throughout the site.

Las Brisas I was completed in 2005 and consists of 92 affordable housing units. The project was financed with assistance from the SHRDA, the HA, City, tax credits, state grants, and private funding. The SHRDA and HA provided property and financial assistance in the amount of \$4,500,000 for the purpose of assisting the developer in purchasing and developing an apartment complex for very low- and low-income households.

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The SHRDA provided a \$2,000,000 residual receipts loan with a 0% interest rate. Of the annual net operating income, the HA is repaid 50% of the income which is credited to the outstanding balance. The current balance of the loan is \$1,830,240. The loan must be paid in full by or at its maturity date on April 15, 2060.

Affordability restrictions remain in place until 2060.



Las Brisas II 2440 California Avenue

Abode Housing developed Las Brisas II in 2007. Las Brisas II was built from the ground up and consists of 60 affordable housing units. The SHRDA assisted in acquiring 9 sites for the project. All but one property was developed with fourplex apartment buildings. Instead of rehabilitating the units, Abode Housing demolished the existing buildings and constructed three, four-story buildings.

The SHRDA and HA provided property and financial assistance in the amount of \$5,150,000 for the purpose of assisting the developer in purchasing and developing an apartment complex for very low- and low-income households. The developer was required to repay residual receipts note for \$819,673 with a 4% simple interest rate and a loan of \$150,000 with a 0% interest rate to be given to the developer to fund certain predevelopment costs. The remainder of the balance for the first note is \$646,068 and \$150,000 for the 0% loan. The loan must be paid in full by or at its maturity date on April 15, 2060.

Affordability restrictions remain in place until 2062.



The Amenities of Las Brisas I and II includes Calbrisas Park, a community center, preschool, and police substation.

Zinnia
1500 E. Hill Street

Meta Housing completed the construction of Zinnia Workforce Housing Development (Zinnia) in December 2017. Zinnia is a 72-unit affordable housing, four-story residential apartment development. One unit is used by the on-site property manager. The development features units ranging from 1 to 3 bedrooms, open space, a playground, community center, community garden space, and a fenced area for dogs. The units are restricted to extremely low, very low- and low-income residents.

The HA loaned Meta Housing \$7,729,480 with a 3% simple interest rate for the land and development fees to be repaid through a residual receipts loan. The loan must be paid in full by or at its maturity date in 2073.

Pursuant to the terms of the Disposition and Development Agreement, the units are required to be affordable for 55 years or until 2073.



Assets of the Housing Authority as of December 31, 2021

967 Las Brisas Way

By Oversight Board Resolution No. 2012-11-03 (OB), this property was transferred from the SHRDA to the HA. This duplex is managed by Abode Communities. The units are made available to families who qualify for affordable housing. The duplex is fully leased. In 2022, staff will work towards selling the duplex to Abode Housing.



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2200 Block of Gaviota Avenue

On February 21, 2012, the Housing Authority acquired a landlocked property in the 2200 block of Gaviota Avenue north of E. Hill Street for \$60,000. The property was purchased with the intent to develop housing in the future. The property is subject to the Surplus Land Act provisions which require that parcels be offered for sale to build affordable housing.



Reviewed:

Sharon del Rosario

Approved:

Hannah Shin-Heydorn