

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA

**LOS ANGELES HARBOR INDUSTRIAL CENTER REDEVELOPMENT PROJECT
Wilmington Industrial Park Advisory Committee (WIPAC)
Special Community Meeting - June 24, 2004 Summary**

**Wilmington Senior Citizens Center
1372 North Eubank Avenue
Wilmington, California 90744**

(DRAFT August 6, 2004)

WELCOME AND PURPOSE OF THE MEETING

Gus Navarro, WIPAC Chairman called the meeting to order at 6:10 p.m. and explained that tonight's meeting was an opportunity for the Community to review development proposals to build affordable homes on vacant property at L Street and Lecouvreur Avenue, which is owned by the City of Los Angeles. The developer solicitation process is being overseen by CRA at the request of the Mayor and Councilwoman Hahn's Offices. Sergio Carrillo, CD15 explained that the Councilwoman wanted the Wilmington community to be involved in the evaluation process and requested this meeting. Ms. Susan Totaro, CRA pointed out that development of the L and Lecouvreur property is an interdepartmental effort led by the Mayor's Office and CD15 involving Environmental Affairs, the Brownfields Team, Dept of General Services and the CRA.

ATTENDANCE

WIPAC: Gus Navarro, Chairman; Robert McKoy

CRA: Susan Totaro, Project Manager; Rafique Khan, Community Planner; Betty Pace, Community Affairs Specialist

Mayor Hahn's Office: David Mora,

Council District 15: Elise Swanson, Director of Housing and Community Development; Sergio Carrillo; Community Advocate

Dept. of General Services: Lourdes P. Owens, Property Manager

Community: Donald Compton, Gary Kern, Arthur Hernandez, David Ramirez, Joe Ocana, Lawrence Reynolds, Antonio Rios, Sylvia Ganbay, Nellie Lara, Macrina Sage, Lillian (last name illegible), Glenda Sands, Roklo Kohong Berishaj; Jesse N. Marquez, Wilmington Coalition; Lucy Mesia, Jose L. Rodriguez, Skip Baldwin, Wilmington Citizens Committee Joe Dominguez & Isadora Martinez, Re/Max.

Developers:

Habitat for Humanity: Robert Dwelle, Thomas Drummond, Architect; Dave Broadbent Environmental Consultant

The Olson Company: Andrew Tapper, Director of Acquisitions

Mustard Seed Enterprises: Dr. Michael Mahan, John T. "Jack" Corrodi, Jr., Jose L. Almanza

Mayan's Development, Inc: Stephen Romero, Oscar Ixco
Sunnyland and RSS Development: Rodney Shephard, Susan Yai & Stuart Ahn

**DEVELOPER PRESENTATIONS
IN RESPONSE TO RFP NO. 04-11 FOR L STREET & LECOUVREUR AVENUE**

Habitat for Humanity – South Bay Long Beach

Robert Dwelle noted that he was substituting for Ms. Erin Rank, President & CEO, who is on vacation and acknowledged Tom Drummond, Architect and Dave Broadbent, representing Targhee Inc. the environmental consultant.

Habitat for Humanity, founded in 1990, is a member of Habitat For Humanity International, which consists of 3000 affiliates throughout the world and has developed 150,000 homes. Fifty-seven homes have been built; 18 are currently under construction, and 6 will be completed within two months. Single and multi family homes were constructed, as well as existing homes rehabilitated using subcontractors and volunteers. Habitat is the developer, builder and lender. Families selected to purchase the homes attend a Home Buyers Program. Mr. Dwelle displayed photos of homes constructed by Habitat for Humanity.

Development Description

Mr. Tom Drummond, Architect described Habitat's proposal to develop 8 individual single-family homes with one or two stories. Four homes would have three bedroom floor plans and four homes would have two bedroom floor plans, ranging 1,100-1,500 s.f. in size. The homes would be affordable to very low-income families. Each will be an architecturally different craftsman style home.

Dave Broadbent, Environmental Consultant, Targhee, Inc., remarked that the existing oil wells will be properly abandoned and will not impact future residents.

Questions and Public Comment

1. What is the sq. ft. of the lots, and will variances be requested? The lots are 5,000 sq. ft., and variances will not be requested.
2. How will you blend the style with single story homes in the surrounding community? They are not high, so they will blend in.
3. Will the apartments next door be demolished? No.
4. Who will keep the oil rights? Lourdes P. Owens, Dept. of General Services, Asset Management Division, responded that the City would retain the oil and mineral rights.
5. What is the sale price? Mr. Dwelle replied the sale price would be the amount of the appraisal. Trust deeds will be placed on the home and the buyer will pay \$125,000.00 for their individual home.
6. How much will the City pay? The CRA is being requested to provide \$60,000 per unit in soft second mortgages.
7. How will the development impact the traffic in the surrounding community? Habitat explained there would be an interior road and individual driveway to each garage. Susan Totaro, CRA added that when the developer is selected and the scope determined, an environmental clearance would be conducted to see what impacts would be caused by the development to be addressed. State Law requires this.
8. Arthur Hernandez felt the Habitat design was good, and traffic ingress & egress was sufficient.

9. Although a community member expressed concern about any development that would add more population and traffic on Lecouvreur Street, which is extremely, narrow.

Mayan Development, Inc. MBE

Mr. Steven Romero, Director of Development explained that Mayan has been in business for 30 years, developing affordable and market rate housing. He distributed information summarizing their proposed development. He noted that the plans were in a conceptual phase and Mayan would be seeking community input. Mayan intends to seek buyers who live and work in the community and may acquire the apartment buildings next to the site to include as part of their development.

Development Description

Mr. Romero presented 3 Options for the development, which will consist of single-family homes, with a detached wall around the perimeter.

Option 1: 22 single-family detached homes: 12 – 3 bedrooms, 8 – 4 bedrooms and 2 – 4 bedrooms.

Option 2. 15 units single-family detached homes with 8 – 3 bedrooms and 7 – 4 bedrooms.

Option 3: 10 units to include a detached garage, private backyard, 2 ½ to 3 bathrooms, and a variety of elevations.

The units will be a combination of Spanish and French style architecture. The floor plans range from 1,400 to 1,700 sq. ft. The lot size ranges from 2,800 to 4,000 sq. ft, and the prices are \$245,000 - \$330,000 for moderate-income families. Fifty percent will be reserved for moderate-income families and 50% will sell at market-rate.

Mr. Romero noted that Mayan offers the following Programs: First Time Home Buyers, Community Clean Up and Youth Build. Given the Community's comments, Mayan is willing to decrease their project's density.

Questions and Public Comment

1. Will you purchase the property next door? Mr. Romano responded Mayan wants to buy it, but can't force them to sell.
2. Referring to Option 3, if Mayan cuts the density, will the sales price be the same, i.e. 50% of the units affordable and 50% market rate? Mr. Romano answered, the price would remain the same.

Mustard Seed, LLC

Dr. Michael Mahan, Vice President explained that Mustard Seed Enterprises has 40 years of experience and is currently constructing 6 housing units on McFarland Avenue and 11 units were completed on Opp Street in Wilmington. Mustard Seed staff has expertise in real estate, finance and sales and services programs to assist homeowners.

Development Description

Mustard Seed is also considering to purchase and demolish the two apartment buildings in the adjacent lot. If included, Mustard Seed's maximum development proposal will consist of sixteen (16) 3-bedroom, 2 bath single-family homes, on 50 X 80 (4,000) s.f. lots, surrounded by a common block wall and trees. If not included, Mustard Seed is proposing 8 to 11 homes. Each home will have a front and back yard, driveway guest parking, and will include a large park and play area. Twenty percent (20%) of the units will be affordable to low income

families and 80% for moderate-income households. No City funds will be requested. The prices will range from \$315,000. to \$325,000 and from \$335,000. to \$350,000. Lecouvreur will remain as it is.

Questions and Public Comment

1. Can Lecouvreur be made a one-way street? Dr. Mahan felt that was the City's responsibility.
2. Who will maintain the green strip? Dr. Mahan explained that an association will be formed and fees paid to maintain the green strip.
3. Mr. Hernandez felt the design was good, and would provide housing for hard working citizens in Wilmington.
4. An attendee said she liked the design, but felt the lots were too small. Dr. Mahan said the design was for maximum density.
5. A concern regarding overcrowding in local schools was pointed out. Sergio Carrillo, CD15 replied that a ground breaking was recently held for the construction of a new elementary school in Wilmington, and a second school is being planned.

The Olson Company

Andrew Tapper, Director of Acquisitions noted that the Olson Co., has been in business since 1988, and specializes in urban infill housing, building high quality product that enhances the neighborhood. The Olson Co. has received numerous awards and mentioned a Developer of the Year Award by Professional Homebuilders Magazine. Olson Co. has experts in environmental remediation. In the last 5 years, Olson has developed over 300 homes that were located in abandoned oil field sites.

Development Description

Olson's proposal does not include the two adjacent apartment buildings, but would develop the whole block if possible. The proposed development will consist of 8 front-loaded Craftsman and Traditional single-family one story detached homes with 4 bedrooms, 2 baths, a back yard and 2-car garages. The lot size is 5,000 sq. ft. The front units will range in size from 1,600 – 1,800 sq. ft. Sales price range from \$180,000 to \$250,000. The development will not be gated, but landscaped.

Questions and Public Comment

1. It was noted that single story units on large lots were preferable, and a suggestion was made that instead of housing, a school be constructed on the lot.
2. A discussion ensued regarding traffic on Lecouvreur, as some community members felt that widening the street would increase the speed of traffic.

Sunnyland and RSS Development

Rodney Shepard (RSS) noted that he and Stuart Ahn (Sunnyland) have over 50 years of combined experience in developing housing. Phoenix Realty, their lender has experience with clean up (environmental remediation). Photos of developments sold mainly to First Time Home Owners, were shown. He explained that these housing units were financed through the City of Los Angeles, Los Angeles Housing Department, Community Development Department and Wells Fargo Bank.

Development Description

The proposed development will consist of 10 two story wood framed homes with stucco exterior and mission tile roof. Each home will have a large living room, separate dining area; 3 bedrooms; 2 ½ baths, washer and dryer, and 2 car garage. A private street will be included into the inner portion of the parcel. Each lot is about 5,500 sq. ft.

The approximate floor area of each home will be approximately 1,750 s.f: 1st & 2nd floor 810 sq. ft each with 130 sq. ft. for stairway. Twenty percent of the homes will be for low income, 30% moderate, and 50% market rate:

- Two homes will be affordable and priced at \$297,000
- Three homes will be for moderate rate income families at \$350,000
- Five homes will be sold at market rate for \$393,000.

Mr. Shepard explained various methods for families to finance the purchase of the units: Buy Down Option with Interest Only payments; State BEGIN - First time Home Buyer's \$30,000 soft second mortgage, etc.

Questions and Public Comment

1. It was expressed that the selling price for the units was higher then other proposals. Mr. Shepard explained that selling low decreases the value of other homes in the area.
2. An inquiry was made if the apartments next to the vacant lot would be included in the development? Mr. Shepard answered that the apartments were not part of the RFP, and therefore not included in Sunnyland/RSS' proposal, but felt they should be removed.
3. Skip Baldwin inquired about the property tax rate. Susan Totaro replied that the property tax would be based on the sales price paid for the home.

PUBLIC PARTICIPATION

In closing, Ms. Totaro thanked the community for their comments regarding traffic, preferred minimum lot size, design, parking, open space, etc. The next step will be interviews with the 4 top developers and the Community will be kept updated on the progress of the developer evaluation and selection process. Mr. Navarro also thanked Gary Kern for the use of the Wilmington Senior Citizen Center to conduct this meeting.

ADJOURNMENT

The meeting was adjourned at 8:00 p.m.