CITY OF LONG BEACH

Public Works
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September 22, 2026

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to adopt Plans and Specifications No. R-7236 and award a contract to New Dynasty Construction Co., of Tustin, CA, for the construction of the 702 West Anaheim Year-Round Shelter, in an amount of $5,274,219, authorize a 15 percent contingency in the amount of $791,133, for a total contract amount not to exceed $6,065,352; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments; and,

Increase appropriations in the Capital Project Funds Group in the Public Works Department by $2,000,000, offset by California Department of Housing and Community Development (HCD) Homeless, Housing and Assistance Program (HHAP) Funds from the Health and Human Services Department. (District 1)

DISCUSSION

City Council approval is requested to enter into a contract with New Dynasty Construction Co. to provide construction services for the 702 W. Anaheim Year-Round Shelter (Project) located at 702 W. Anaheim St, Long Beach, CA 90813 (Attachment A). The Project consists of renovations to the year-round shelter that will accommodate up to 126 beds along with a new HVAC system, interior restroom, and shower facilities.

Background

The City of Long Beach (City) purchased the 51,832-square-feet building from the Long Beach Rescue Mission in 2023 with the intent of converting the space into an emergency shelter in response to the City Council's Resolution declaring a Citywide State of Homelessness Emergency in 2023. To support this effort, facility upgrades were planned and implemented in two phases. Phase I, completed in 2024, consisted of repairing and rehabilitating the roof. The City is now proceeding with Phase II, which will include tenant improvements. The Project will modernize and rehabilitate the existing facility to meet current code and standards for safety, accessibility, and service delivery. The building will undergo extensive upgrades, including installing a new HVAC system and constructing new restrooms and shower facilities to support increased capacity. Currently, the shelter has no centralized climate control system, making these upgrades critical to supporting the operational requirements of a homeless shelter. The Project scope also includes structural retrofitting and comprehensive Americans with

Disabilities Act (ADA) upgrades throughout the building that will enhance long-term safety, accessibility, and resilience. Site enhancements will improve overall functionality by reconfiguring the parking lot to accommodate ADA-compliant parking spaces and designated loading zones. Interior renovations will modernize the space to streamline case management and service coordination. The shelter layout will be reconfigured to include a dedicated family room, improving the facility's ability to serve families experiencing homelessness.

The Health and Human Services Department currently utilizes the facility at 702 W. Anaheim Street to support its shelter operations, which include client intake, overnight shelter accommodations, case management services, access to showers, and three daily meals. To complete the extensive upgrades planned for the 702 W. Anaheim facility, shelter operations are proposed to be temporarily relocated to 1827 E. Spring Street. This relocation will allow the City to maintain uninterrupted services and continue supporting clients throughout the duration of the work.

In 2026, the City acquired the property at 1827 E. Spring Street for future Police Department use. The building was selected as the proposed temporary shelter site because it can accommodate 81 beds, which is comparable to the current capacity at 702 W. Anaheim and offers convenient access to public transportation. The Project schedule has been coordinated so that the Police Department will not occupy the building until after the Project is completed.

Shelter operations are coordinated by the Health and Human Services Department's Homeless Services Bureau and provided by People Assisting the Homeless (PATH), a non-profit organization. Operations and services are primarily funded with County Measure A, administered by the Los Angeles County Department of Homeless Services and Housing, with the Homeless Services Bureau supplementing operational expenses with County Measure A Local Solutions Funds and HHAP. Any additional work required to temporarily adapt the building for shelter operations, and/or work that results in modification of operations upon completion, has been allocated into the Project budget.

Project Funding and Delivery

In fall 2023, the City Council authorized the acceptance and expenditure of a 1-to-1 matching grant from Los Angeles County in the amount of $6,500,000, of which $3,750,000 was designated for the acquisition of the building and $2,750,000 was allocated for the design and construction of the Project. In fall 2025, $500,000 in AB-32 Funds were allocated to the Project for energy efficiency related costs. In early 2026, the City applied for the Port of Long Beach's Community Grants Program for energy efficiency projects that serve sensitive populations. In summer 2026, the City received notification that $400,000 will be awarded to the project. In addition, the Project is included in the Elevate '28 Infrastructure Investment Plan, which outlines planned infrastructure investments over five years, from Fiscal Year 2023 to 2027, and includes over 180 individual projects, as well as right of way and mobility improvements, throughout the City. The Elevate '28 Plan is funded by Measure A Bond proceeds, Measure A direct funding, and additional funding including, but not limited to, LA Metro funding, State Gas Tax, SB-1, State and Federal grant funds. More information about the Elevate '28 Plan and the projects therein can be accessed at www.lbelevate28.com.

The bid was advertised in Long Beach Press-Telegram on April 16, 2026, and 486 bidders specializing in construction services, materials and supplies were notified of the bid opportunity. Of those bidders, 30 downloaded the bid via the City's electronic bid system. The bid document was made available on the Procurement Services Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Procurement Services Division's weekly update of the Open Bid Opportunities, which was sent to 44 local, minority-owned and women-owned business groups. There were two bids received on July 1, 2026. Of those bidders, none were Minority-owned Business (MBE), none were Women-owned Business Enterprises (WBE), one was a certified Small Business Enterprise (SBE), and none were a Long Beach vendor (Local). New Dynasty Construction Co. (SBE), of Tustin, CA, was the lowest responsive bidder.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Procurement Services Division also assists businesses with registering on the Long Beach Buys platform to download bid specifications. Through outreach, 42 Long Beach vendors were notified to submit bids, of which none acknowledged, and none submitted a bid. The Procurement Services Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Vanessa S. Ibarra, Deputy City Attorney on September 3, 2026, Procurement Analyst Tommy Ryan on August 25, 2026, and by Budget Management Officer Nader Kaamoush on September 4, 2026.

SUSTAINABILITY

The Project incorporates sustainable design elements intended to reduce long-term environmental impacts. A new HVAC system is anticipated to improve operational efficiency, reduce maintenance needs, and extend the service life of the facility while being aligned with the City's sustainability goals.

In accordance with the California Environmental Quality Act, Categorical Exemption CE-25-019 was filed on February 20, 2025.

TIMING CONSIDERATIONS

City Council action to adopt Plans and Specifications No. R-7236 and award a contract concurrently is requested on September 22, 2026, to ensure the validity of bid pricing. Bids for the work expire on October 29, 2026, and to ensure the grant funds for the work are expended prior to expiration of the grant's performance period.

FISCAL IMPACT

The total contract amount will not exceed $6,065,352, inclusive of a 15 percent contingency. The total Project cost is estimated at $8,600,000 including design, construction, construction management, Project Labor Agreement (PLA) and labor compliance, inspections, and project

oversight. The Project is currently funded with $2,950,000 of Measure A funding, $2,750,000 of LA County Grant Measure H, and $500,000 of AB 32 funding. In addition, $2,000,000 of HHAP funding is being requested in this letter and $400,000 is anticipated in the fall of 2026 from the Port of Long Beach to further support the Project. The Public Works Department will return to City Council to appropriate the Port grant when the funding has been awarded.

An appropriation increase in the amount of $2,000,000 is requested in the Capital Projects Fund Group offset by transfer of HHAP funding from Health Fund Group in the Health and Human Services Department.

The Health and Human Services Department will be responsible for operating and maintaining the facility upon completion. As the facility serves as an existing year-round shelter, the cost for programming and operations are currently budgeted in the Health Fund Group in the Health and Human Services Department. Any additional annual operating and maintenance costs associated with this Project are unknown at this time. If additional budget is necessary, it will be requested as part of the annual budget process with the intent to offset the cost if possible.

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. Approval of this recommendation will provide continued support to the local economy. The number of additional local jobs created by this project will not be known until the contractors have completed their hiring and construction has commenced.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

Joshua Hickman
Director
Public Works

Alison King
Director
Health and Human Services

APPROVED:

THOMAS B. MODICA
CITY MANAGER