



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

March 8, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached resolution authorizing the submittal of an application to the California State Department of Housing and Community Development for funding under the Workforce Housing Reward Program; execute a standard agreement and any such amendments thereto, if selected for such funding; and execute any additional documents necessary to participate in the Workforce Housing Reward Program. (Citywide)

DISCUSSION

In March 2004, the California State Department of Housing and Community Development (HCD) released a Notice of Funding Availability under the Workforce Housing Reward Program (WFH Program). The WFH Program is funded through Proposition 46, the Housing and Emergency Shelter Trust Fund Act of 2002. It is an innovative new program designed to incentivize and reward cities and counties that approve housing for very low-income or low-income households and are in compliance with State housing element law. The Program also provides additional bonus grants to communities that have made significant progress in meeting their share of the regional housing need.

The WFH Program does not use a competitive process to award funds. All cities and counties who meet the eligibility requirements will be funded. WFH Program funds will be awarded based on the number of bedrooms in newly constructed housing units that are affordable to very low- and low-income households with building permits issued between January 1, 2004 and December 31, 2004. In addition, cities that were awarded funds under the Jobs Housing Balance Program (JHBP) in 2003 will receive additional bonus funds under the WFH Program. The City of Long Beach was awarded \$918,603 in JHBP funds in 2003, and those funds augmented funding for the new Mark Twain Library.

Grant funds provided under the WFH Program must be used for capital asset projects that benefit the community and add to the community's quality of life. Recipients of the WFH Program funds are anticipated to be announced in June 2005.

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The Department of Community Development is requesting approval to submit an application for up to \$1 million in WFH Program funds based on 237 very low- and 10 low-income rental and ownership units completed, or under construction, or with building permits issued in 2004. These units have a combined total of 350 bedrooms and are in three residential developments: the Cabrillo Plaza Apartments, the Orcutt Ownership Housing Project, and the Pacific City Lights Apartments. If the application is approved and grant funds are awarded, staff will come back to City Council at a future date to request direction on the expenditure of the funds.

This letter was reviewed by Deputy City Attorney Everett Glenn on February 14, 2005, and Budget Management Officer David Wodynski on February 15, 2005.

TIMING CONSIDERATIONS

City Council action is requested on March 8, 2005, to meet the WFH Program submission deadline of March 23, 2005.

FISCAL IMPACT

There is no fiscal impact at this time. The Department will request Council authorization for an appropriation increase upon receipt of the grant award.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MELANIE S. FALLON
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

MSF/ES/ET/h

Attachment: Resolution of City Council Authorizing Submission of Application to HCD for Workforce Housing Reward Program