

RESOLUTION NO. RES-23-0033

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH, CALIFORNIA, APPROVING, AUTHORIZING AND DIRECTING CITY EXECUTION OF THE JOINT EXERCISE OF POWERS AGREEMENT RELATING TO MEMBERSHIP IN THE GATEWAY CITIES AFFORDABLE HOUSING TRUST

WHEREAS, the Gateway Cities Affordable Housing Trust (“GCAHT”) will be formed upon the approval of at least three qualified members as a joint powers authority between cities throughout the Gateway Cities subregion; and

WHEREAS, GCAHT was created for the purpose of funding housing specifically assisting persons and families of extremely low-, very low-, low- and moderate-income within the County of Los Angeles; and

WHEREAS, the City of Long Beach (the “City”) has determined through its 6th Cycle Housing Element Update that there is great need for more affordable housing in the City; and

WHEREAS, the City has determined that there are limited financial resources for affordable housing development and that additional local financing increases the competitiveness of individual projects for State and Federal resources; and

WHEREAS, the City has determined that it is in the public interest and for the public benefit that the City become a member of the GCAHT in order to further facilitate the development of affordable housing in the City and throughout the region, including the financing of projects by the GCAHT; and

WHEREAS, the City will be joining other cities that are members of the GCAHT in efforts to increase State and Federal resources for affordable housing directed to GCAHT; and

1 WHEREAS, the Agreement has been filed with the City, and the members of
2 the City Council of the City, with the assistance of its staff, have reviewed the Agreement;
3 and

4 WHEREAS, the GCAHT is authorized to issue grants and loans to
5 developers for the purpose, among others, of financing or refinancing the construction,
6 acquisition and rehabilitation of affordable housing; and

7 WHEREAS, the City anticipates that there will be affordable housing projects
8 in need of financing located in the City of Long Beach;

9 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
10 follows:

11 Section 1. The foregoing recitals are true and correct.

12 Section 2. The City Council hereby authorizes the City's membership in
13 the Gateway Cities Affordable Housing Trust (GCAHT).

14 Section 3. The City Council has reviewed and approves the Joint Exercise
15 of Powers Agreement substantially in the form attached (Exhibit 1).

16 Section 4. The adoption of this Resolution shall not obligate the City or
17 any department thereof to (i) provide any financing to acquire, construct or operate any
18 Project or any refinancing of any Project; (ii) approve any application or request for or take
19 any other action in connection with any planning approval, permit or other action necessary
20 for the acquisition, improvement, rehabilitation or operation of any Project; (iii) require any
21 contribution or advance any funds whatsoever to the GCAHT other than membership fees
22 for administrative costs; or (iv) except as provided in this Resolution, take any further action
23 with respect to the GCAHT or its membership therein.

24 Section 5. The City Manager and all other proper officers and officials of
25 the City are hereby authorized and directed to execute the Joint Exercise of Powers
26 Agreement and to perform such other acts and deeds, as may be necessary or convenient
27 to affect the purposes of this Resolution and the transactions herein authorized.

28 Section 6. The City Clerk shall forward a certified copy of this Resolution

OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Lona Beach, CA 90802-4664

1 and an originally executed Agreement to the GCAHT to the following:

2 Gateway Cities Affordable Housing Trust

3 Attn: Melani Smith

4 16401 Paramount Blvd.

5 Paramount, CA 90723

6 Section 7. This resolution shall take effect immediately upon its adoption
7 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

8 I hereby certify that the foregoing resolution was adopted by the City Council
9 of the City of Long Beach at its meeting of March 7, 2023

10 by the following vote:

11

12 Ayes: Councilmembers: Zendejas, Allen, Duggan, Supernaw, Kerr,
13 Saro, Ricks-Oddie.

14

15

16 Noes: Councilmembers: None.

17

18 Absent: Councilmembers: Uranga, Austin.

19

20 Recusal(s): Councilmembers: None.

21

22

23

24

25

26

27

28



City Clerk

JOINT EXERCISE OF POWERS AGREEMENT

THIS JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement") is made this ____ day of _____, 2023 (the "Effective Date"), by and between the following public entities (each a "Party" and, collectively, the "Parties"): _____, _____, and _____.

RECITALS

- A. The Parties have a strong interest in promoting the health, safety, and welfare of the residents within their geographic boundaries.
- B. Each Party has the individual power to implement affordable housing projects and programs generated within its jurisdictional boundaries, as well as, to create and issue development agreements for such activities.
- C. The Parties find it in their mutual interest to address affordable housing issues on a regional level.
- D. An adequate supply of housing throughout the Gateway Cities subregion will provide social and economic benefits to residents and taxpayers of the Parties.
- E. The Parties desire to act in the public interest to lessen the burden of government by reducing the need for each Party to act individually, and to provide charitable support for affordable housing in the Gateway Cities subregion of Los Angeles County (the "County").
- F. California Government Code section 6500 et seq. ("Joint Exercise of Powers Act" or "Act") permits two or more public agencies to create joint powers authorities for the purposes cited herein and permits the agencies to exercise jointly any power that the public agencies could exercise separately, and further grants certain additional powers to such joint powers authorities.
- G. Local land-use decisions remain solely with each Party. Nothing in this Agreement deprives any Party of its sovereign powers with respect to land-use or transfers such powers to the joint powers authority.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the Parties agree as follows:

Section 1. Creation and Purpose.

- (a) Creation of GCAHT. Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the "Gateway Cities Affordable Housing Trust" ("GCAHT"). GCAHT shall be a public entity separate and apart from the Parties and shall administer this Agreement.

- (b) Purpose. This Agreement is made pursuant to the Joint Exercise of Powers Act for the purpose of creating the GCAHT as a public entity separate from the Parties to: (i) exercise common powers with respect to receiving public and private financing and funds; and (ii) fund the planning and construction of housing of all types and tenures for persons and families of extremely low-, very low-, low- and moderate-income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing. The purpose of this Agreement shall be accomplished, and common powers exercised in the manner set forth in this Agreement. Nothing contained in this Agreement shall preclude the Parties from establishing, maintaining, or providing social programs or services to its residents as each deems proper and necessary.

Section 2. Term and Termination

- (a) Term. This Agreement shall become effective, and GCAHT shall come into existence, on the Effective Date, and this Agreement shall thereafter continue in full force and effect until terminated pursuant to subdivision (b) of this section.
- (b) Termination. This Agreement may be terminated by agreement of the Parties. Upon termination of this Agreement, GCAHT shall be dissolved and, after payment of or provision for payment of all liabilities, the assets of GCAHT shall be distributed to the Parties in proportion to the contribution of each Party to GCAHT and the amounts paid by each Party in connection with GCAHT's activities.

Section 3. Powers and Duties of GCAHT.

- (a) General Powers. GCAHT shall have all the powers common to the Parties to this Agreement necessary or convenient, specified, or implied, to accomplish the purpose of this Agreement as set forth in Section 1, subject to the restrictions set forth in Section 3, subdivision (c) below. Said powers shall be exercised in the manner provided in the Joint Exercise of Powers Act and, except as expressly set forth herein, subject only to such restrictions upon the manner of exercising such powers as are imposed upon the Parties in the exercise of similar powers.
- (b) Specific Powers. Without limiting the generality of the powers conferred in subdivision (a) of this Section 3, GCAHT is hereby authorized, in its own name, to do all of the acts necessary or convenient to the accomplishment of the purposes of this Agreement and the full exercise of the powers conferred in subdivision (a) of this Section 3, including but not limited to the following:
1. to make and enter into contracts;
 2. to contract for staff assistance;
 3. to sue and be sued in its own name;

4. to apply for, accept, receive and disburse grants, loans and other aids from any agency of the United States of America, the State of California, Los Angeles County, Party to this Agreement, or any other agency providing funding related to the purposes of this Agreement;
5. to invest any money in the treasury pursuant to Section 6505.5 of the Joint Exercise of Powers Act that is not required for the immediate necessities of GCAHT, as GCAHT determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;
6. to apply for letters of credit or other forms of financial guarantees in order to enter into agreements in connection therewith;
7. to carry out all the provisions of this Agreement;
8. to purchase obligations of any Party;
9. to engage the services of private consultants to render professional and technical assistance and advice in carrying out the purposes of this Agreement;
10. to employ and compensate legal counsel determined appropriate by GCAHT in accomplishment of the purposes of this Agreement;
11. to contract for engineering, construction, architectural, accounting, environmental, land use, or other services determined necessary or convenient by GCAHT in connection with the accomplishment of the purposes of this Agreement;
12. for the purposes of enforcing affordable housing covenants or holding security interests for loans, to take title to, and transfer, sell by installment sale or otherwise, lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in real or personal property which GCAHT determines are necessary or convenient in connection with the accomplishment of the purposes of this Agreement;
13. for the purposes of renting space for GCAHT to operate, to lease to, and to lease from, a Party or any other person or entity, lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in real or personal property which GCAHT determines are necessary or convenient in connection with the accomplishment of the purposes of this Agreement;
14. to solicit charitable contributions from private sources;
15. to propose amendments to this Agreement; and
16. to exercise any and all other powers as may be provided for GCAHT in the Joint Exercise of Powers Act or any other applicable law.

(c) Limitation on Powers. This Agreement does not authorize GCAHT do any of the following:

1. Regulate land use in cities or in the unincorporated area of the County;
2. Serve as an owner or operator of housing units;
3. Levy, or advocate or incentivize the levying of, an exaction, including an impact fee, charge, dedication, reservation or tax assessment, as a condition of approval of a development project;
4. Require or incentivize inclusionary zoning requirements;
5. Require the Parties to dedicate or assign funding for any GCAHT obligations or programs;
6. Approve a housing project or program that is not supported by the governing body of the jurisdiction (a city or the county) in which the proposed project is sited; or
7. Require the Parties to accept or provide any member of housing units as a prerequisite to joining or remaining a member of GCAHT.

Section 4. Members

The members of GCAHT shall be the Parties who have not withdrawn from GCAHT, and such other Parties as may join GCAHT after execution of this Agreement. New members may join on the terms and conditions set forth in Section 10 hereof. Only cities within the County of Los Angeles and within the Gateway Cities subregion may be a party to this Agreement and a member of GCAHT.

Section 5. Board of Directors

- (a) Selection of Directors. GCAHT shall be governed by a Board of Directors consisting of nine Directors selected as follows:
 1. Seven Directors who are members of the Gateway Cities Council of Governments (GCCOG) Governing Board (“GCCOG Board”), or any elected official serving within the GCCOG jurisdiction that is also a Party and appointed by the GCCOG Board.
 2. Two Directors that are experts in homelessness or housing policy appointed by the Gateway Cities Council of Governments City Managers Committee.
 3. Alternates for each Director position may be established by the appointing entity.
- (b) Board Powers. Subject to the limitations of this Agreement and the laws of the State of California, the powers of GCAHT shall be vested in and exercised by, and its property and its affairs administered by, the Board of Directors.
- (c) Advisory Board. The Board of Directors may appoint advisory boards that may include such persons as designated by the Board of Directors. The Board of Directors shall adopt bylaws that govern the appointment of advisory boards should it determine in its discretion to appoint such advisory boards.

- (d) Compensation. Members of the Board shall serve without compensation but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as Director; provided such expenses have been previously approved by the Board of Directors and incurred in accordance with any GCAHT policies or procedures governing the same.
- (e) Term. Members of the Board shall serve for a two-year term. There are no term limits. The initial Board will serve a term staggered between one-year and two-year terms. Three of the seven Directors who are members of the GCCOG Board or are appointed by the GCCOG Board in accordance with Section 5(a) shall have an initial term of one year. One of the two Directors that are experts in homelessness or housing policy shall have an initial term of one year. The initial one-year terms will be determined through the drawing of lots.
- (f) Meetings of the Board of Directors.
1. Call, Notice and Conduct of Meetings. All meetings of the Board of Directors, including without limitation, regular, adjourned regular, special meetings and adjourned special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code sections 54950 *et seq.*
 2. Regular Meetings. Regular meetings of the Board of Directors shall be held at such dates and times as the Board may fix by resolution from time to time. If any day so fixed for a regular meeting shall fall upon a legal holiday, then such regular meeting shall be held on the next succeeding business day at the same hour. No notice of any regular meeting of the Board of Directors need be given to the individual Directors.
 3. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chairperson of the Board or by a majority of the Directors. Notices of all special meetings shall be provided to all Parties.
 4. Quorum. A majority of the seated members of the Board of Directors shall constitute a quorum at any meeting of the Board except that less than a quorum may adjourn a meeting to another time and place. Every act or decision done or made by a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors.
 5. Minutes. The Board of Directors shall keep minutes of all regular, adjourned regular, and special meetings, and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to the Parties.
 6. Officers. The Board of Directors shall elect a chairperson and a vice chairperson from among its Directors at the first meeting held in each fiscal year. In the event that the chairperson or vice chairperson so elected ceases to be a Director, the

resulting vacancy shall be filled at the next regular meeting of the Board of Directors held after such vacancy occurs or at a special meeting called for that purpose. In the absence or inability of the chairperson to act, the vice chairperson shall act as chairperson. The chairperson, or the chairperson's absence, the vice chairperson, shall preside at and conduct all Board of Director's meetings.

7. Rules and Regulations. The Board of Directors may adopt, from time to time, by resolution, such rules, regulations, and bylaws for the conduct of its meetings and affairs as the Board determines is necessary or convenient.

Section 6. Additional Officers and Employees

(a) Officers and Contract Staff

1. GCAHT may contract with a Party or the GCCOG, for officers and staff pursuant to Section 6(d), or retain independent contractors, agents, or volunteers as the Board of Directors may deem necessary to carry out any of GCAHT's powers, upon such terms and conditions as the Board may require, including the retaining of professional and technical assistance, provided that adequate funds are available in GCAHT's budget and are appropriated by GCAHT therefor.
2. None of the officers, agents, or staff, if any, directly contracted by GCAHT shall be deemed, by reason of their roles or duties or contracted status, to be employed by the Parties.

(b) Treasurer and Auditor/Controller. Pursuant to Government Code Sections 6505.5 and 6505.8, the Board of Directors shall appoint an officer or employee of GCAHT, or an officer or employee of a public agency that is a Party, or a certified public accountant to hold the offices of treasurer and auditor for GCAHT. Such person or persons shall possess the powers of and shall perform the treasurer and auditor functions for GCAHT required by Sections 6505, 6505.5 and 6505.6 of the Government Code, including any subsequent amendments thereto. Pursuant to Government Code Section 6505.1, the auditor and treasurer shall have charge of certain property of GCAHT. The treasurer and auditor shall assure that there shall be strict accountability of all funds and reporting all receipts and disbursements of GCAHT. The treasurer and auditor of GCAHT shall be required to file and official bond with the Board of Directors in an amount, which shall be established by the Board. Should the existing bond or bonds or any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be an appropriate expense of GCAHT.

(c) Attorney. The Board of Directors shall have the power to appoint one or more legal advisors to GCAHT who shall perform such duties as may be prescribed by the Board.

(d) Administrative Services and Reimbursement of Costs.

1. The Board of Directors may contract with a Party to provide necessary administrative services to GCAHT, including the services described in Section 6(a), (b) and (c). The amount charged by the Party to provide such services to GCAHT shall be fixed by agreement between the Board of Directors and the governing board of the Party providing such services. In the absence of an agreement on costs, the Party providing services to GCAHT under this Section 6 may charge GCAHT the amounts necessary to recover the direct and indirect costs of such services.
2. If GCAHT contracts with a Party to provide GCAHT with administrative services through persons who are employees and officers of the Party, then any retirement liabilities associated with that Party's employees and officers shall not constitute a liability of GCAHT or any other Party. This Section 6(d)(2) shall not preclude a Party providing administrative services to GCAHT pursuant to a contract with GCAHT from accounting for such salary and benefit costs when negotiating the rates that the Party will charge GCAHT for providing such services.

Section 7. Financial Provisions

(a) Fiscal Year. The Fiscal Year of GCAHT shall, unless and until changed by the Board of Directors, commence on the 1st day of July of each year and shall end on the 30th day of June of the next succeeding year except that the initial Fiscal Year of GCAHT shall commence on the Effective Date and end on the immediately following 30th day of June.

(b) Budget.

1. General Budget. Within one hundred and twenty days (120) after the first meeting of the Board of Directors, a general budget for the first fiscal year shall be adopted by the vote of a majority of all the Directors. The budget shall distinguish between administrative costs (i.e., the cost of operating GCAHT) and Program costs (i.e., the financing of the programs funded or sponsored by GCAHT). Thereafter, at or prior to the last meeting of the Board of Directors for each fiscal year, a general budget shall be adopted for the ensuing fiscal year or years by a vote of at least a majority of all Directors of the Board.
2. Expenditures for the Approved Budget. The payment of all GCAHT obligations is limited to the amount of appropriations allowed in GCAHT's approved budget, except as it may be revised with the approval of a majority of all of the Directors of the Board of Directors.

(c) Contributions by the Parties.

1. Administrative Cost Contributions. The GCCOG shall be responsible for GCAHT's administrative costs until June 30, 2024. After this initial period, and in consideration of the mutual promises contained herein, the Parties agree that they shall make annual

contributions (each a “Fee” and collectively the “Fees”) towards the budgeted administrative costs of GCAHT in accordance with a cost allocation formula as outlined below:

POPULATION	ANNUAL ADMINISTRATIVE FEE
Up to 30,000	\$7,500
30,001 – 60,000	\$15,000
60,001 – 100,000	\$32,500
>100,000	\$47,500

The Fees shall be assessed annually. After the first fiscal year, the Fees shall increase annually in an amount equal to the U.S. Bureau of Labor Statistics consumer price index for all urban consumers in the Los Angeles-Long Beach-Anaheim area for the 12-month period preceding the year the Fees are assessed. Payment of the Fees shall be due within 30 days of receipt of an invoice from the GCAHT. The invoice shall indicate how the Fees were calculated. A Party's contribution to GCAHT's administrative costs shall be in the form of money, unless the Board of Directors approves another form of contribution such as services, personal property or use of real or personal property, or other in-kind contributions. The acceptance and valuation of any such non-monetary contributions may be used to offset in whole or part a Party's contribution as determined in the sole and absolute discretion of the Board of Directors. Notwithstanding the above, after the first fiscal year the Board of Directors may establish Fees in an amount the Board of Directors deems financially prudent; provided it shall roughly be proportional as to each Party in the amounts reflected in the table above.

2. Program Cost Contribution. The particular programs and program budget, funded, sponsored or operated by GCAHT, as well as the level of, and mechanisms for, the involvement of GCAHT and each Party, in such programs and program budget, shall be determined and approved by the Board of Directors.

(d) Accounts and Reports.

1. Books and Records. There shall be strict accountability of all GCAHT funds and accounts and report of all GCAHT receipts and disbursements. Without limiting the generality of the foregoing, GCAHT shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of GCAHT shall be open to inspection at all reasonable times by each Party and its duly authorized representatives.
2. Annual Audit. The person appointed by the Board of Directors to perform the auditor function for GCAHT shall cause an annual independent audit of the accounts and

records of GCAHT and records to be made by a certified public accountant or firm of certified public accountants in accordance with Government Code section 6505. Such audits shall be delivered to each Party and shall be made available to the public.

3. Annual Financial Report. Pursuant to section 6539.5 of the Government Code, GCAHT shall publish an Annual Financial Report that shall describe the funds received by GCAHT and the use of such funds by GCAHT. The Annual Financial Report shall describe how the funds received by GCAHT have furthered the purposes of GCAHT.
- (e) Funds. Subject to the applicable provisions of any instrument or agreement which GCAHT may enter into, which may provide for a trustee or other fiscal agent to receive, have custody of and disburse GCAHT funds, the person appointed by the Board of Directors to perform the treasurer function for GCAHT shall receive, have the custody of and disburse GCAHT funds as nearly as possible in accordance with generally accepted accounting principles, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 8. Amendments and Additional Parties.

- (a) This Agreement may not be amended or modified except by a vote of two-thirds of all the Parties through formal action approving such an amendment by the Parties' respective governing bodies.
- (b) No addition to, or alteration of, the terms of this Agreement, whether by written or oral understanding of the parties, their officers, employees or agents, shall be valid or effective unless made in the form of a written amendment which is formally adopted and executed by the Parties in the same manner as this Agreement.

Section 9. Non-Liability for Obligations of GCAHT.

- (a) The debts, liabilities, and obligations of GCAHT shall not be the debts, liabilities and obligations of any of the Parties or personal debts, liabilities and obligations of the Directors, officers or employees of GCAHT; provided that a Party may, by an agreement separate from this Agreement, contract for, or assume responsibility for, specific debts, liabilities, or obligations of GCAHT.
 1. Indemnification. The GCAHT shall defend, indemnify and hold harmless each Party, its officers, agents, employees, representatives and volunteers (the "Indemnitees") from and against any loss, injury, claim, lawsuit, liability, expense, or damages of any kind or nature (collectively, "Claims") brought by a third party which arises out of or in connection with GCAHT's administration of this Agreement, including such third party claims arising out of or in connection with any Indemnitees acting within their authorized capacity as an officer, agent, employee, representative or volunteer of GCAHT. The GCAHT's duty to defend and indemnify under this Section shall not extend to Claims otherwise arising out of the Indemnitees' own active negligence, omissions or willful misconduct, whether in whole or part. The GCAHT shall finance its obligation

pursuant to this Subsection by establishing a liability reserve fund, and/or by purchasing commercial insurance, and/or by joining a joint powers insurance authority (JPIA) as determined by the Board. In the event the GCAHT's financial obligations to indemnify, defend and hold harmless, pursuant to this Subsection, exceed the liability reserve fund and/or the proceeds from any applicable insurance and/or JPIA coverage maintained by the GCAHT (hereinafter "Unfunded Liability"), a Party or Parties may meet and confer with GCAHT in good faith to negotiate alternative means or mechanisms by which GCAHT may fund such Unfunded Liability; however, in no event shall the event of an Unfunded Liability relieve, limit or waive GCAHT's obligations of indemnity or defense to each Party as first set forth above in this Section. Nothing herein shall obligate any Party to indemnify or hold harmless GCAHT for any Unfunded Liability.

2. Assignment. Each Party shall assign to the GCAHT its rights, title, and interest to recover damages from any third party for Claims arising out of this Agreement, to the extent that the GCAHT has met its obligations to defend and indemnify such Party pursuant to this Section.
3. Survival. GCAHT's duty to defend, indemnify and hold harmless shall survive and continue in full force and effect after withdrawal of any Party from this Agreement, including as to the withdrawing Party, or termination of this Agreement for any reason with respect to any Claims that occurred before the date of such withdrawal or termination.

Section 10. Admission and Withdrawal of Parties.

- (a) Admission of New Parties. It is recognized that additional Parties other than the original Parties, may wish to join GCAHT. Any city within the Gateway Cities subregion may become a Party to GCAHT upon such terms and conditions as established by the Board of Directors. As a condition precedent to becoming a Party more than six months after the Effective Date, an eligible entity may thereafter become a Party to this Agreement; provided that (1) this Agreement is adopted by its governing body and (2) the eligible entity pays a late joining fee. The late joining fee shall be calculated by totaling the annual fee the eligible entity would have paid under this Agreement had it been a Party in all years prior and up until the Effective Date. Notwithstanding the foregoing, an eligible entity's late joining fee shall not exceed two times the amount of the applicable annual administrative fee existing at the time it becomes a Party. Payment shall be due within 30 days of receipt of an invoice from GCAHT.
- (b) Withdrawal from GCAHT. Parties may withdraw from GCAHT at any time upon their governing board's adoption of a resolution that so states the Party's intent to withdraw from GCAHT. The withdrawal of any Party, either voluntarily or involuntarily, unless otherwise provided by the Board of Directors, shall be conditioned as follows:

1. In the case of a voluntary withdrawal, written notice shall be given to GCAHT six months prior to the effective date of withdrawal; and
2. Unless otherwise provided by a unanimous vote of the Board of Directors, withdrawal shall result in the forfeiture of that Party's rights and claims relating to distribution of property and funds upon termination of GCAHT as set forth in Section 2 above. Withdrawn members shall not be entitled to any reimbursement of Fees.

Section 11. Notices.

- (a) Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid, to the persons and entities listed herein at the following addresses, or to such other address as may be designated to GCAHT on the Parties signature page for formal notice:

Section 12. Miscellaneous.

- (a) Section Headings. The section headings herein are for convenience only and are not to be construed as modifying or governing or in any manner affecting the scope, meaning or intent of the provisions or language of this Agreement.
- (b) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Agreement.
- (c) Laws Governing. This Agreement is made in the State of California under the Constitution and laws of such State and shall be construed and enforced in accordance with the laws of California.
- (d) Severability. Should any part, term, portion or provision of this Agreement, or the application thereof to any person or circumstance, be held to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual it shall be deemed severable, and the remainder of this Agreement or the application thereof to other persons or circumstances shall continue to constitute the Agreement the Parties intended to enter into in the first instance.
- (e) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Parties. No Party may assign any right or obligation hereunder without the written consent of a majority of the other Parties.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be executed and attested by their duly authorized officers as follows:

Gateway Cities
Affordable Housing Trust
Bylaws

Approved by the
Gateway Cities Affordable Housing Trust Board of Directors

On _____, 2023

Table of Contents

Part 1 – Introduction to the Gateway Cities Affordable Housing Trust	1
Establishment	1
GCAHT Guiding Vision and Mission	1
GCAHT Guiding Principles.....	1
Part 2 – Bylaws of the Gateway Cities Affordable Housing Trust.....	2
ARTICLE I - Name	2
ARTICLE II – Board of Directors	2
Section A: GCAHT Board of Directors	2
Section B: Selection of Advisory Board Members	3
Section C: Terms and Vacancies	3
ARTICLE III – Duties of Officers and Board Members	3
Section A: Duties of the Board of Director Members:	3
Section B: Formation of Subcommittees.....	4
ARTICLE IV – Meetings	4
Section A: Regular Meetings.....	4
Section B: Special Meetings	4
Section C: Voting on Project Funding	4
Section D: Voting on Amending GCAHT’s Bylaws, Principles, or Procedures	4
Section E: Minutes	4
Section F: Meeting Procedure.....	4
Section G: Location of Meetings.....	5
ARTICLE V – GCAHT Board Code of Conduct	5
Section A: Compliance with Policies.....	5
Section B: Conflicts of Interest	5
Section C: Confidentiality	5
Section D: Gifts or Honoraria.....	6
Section E: Harassment	6
Section F: Laws and Regulations.....	6

Part 1 – Introduction to the Gateway Cities Affordable Housing Trust

Establishment

On January 4, 2023, the Gateway Cities Council of Governments approved the formation of the Gateway Cities Affordable Housing Trust (“GCAHT” or “Trust”). The Trust is a joint powers agency, which may do any of the following: (1) fund the planning and construction of affordable housing of all types and tenures for persons and families of extremely low-, very low-, low-, and moderate-income as defined in Section 50093 of the Health and Safety Code; (2) receive public and private financing and funds; and (3) authorize and issue bonds, certificates of participation, or any other debt instrument repayable from funds and financing received and pledged by the Trust. The Trust may consist of any of the cities within the Gateway Cities Council of Governments, which is a joint powers agency representing a subregion of Los Angeles County.

The GCAHT was established on _____, by the execution of the Joint Exercise of Powers Agreement (the “Agreement”) by and between the Cities of _____, _____, _____ (collectively, the “Cities”). These Bylaws were adopted by GCAHT’s Board of Directors and provide for the organization and administration of GCAHT. These Bylaws supplement the Agreement.

GCAHT Guiding Vision and Mission

A Steering Committee consisting of staff from various cities within the boundaries of the Trust along with individuals representing Los Angeles County, affordable financing, and affordable developers met on three separate occasions to discuss and recommend various governance, policy, and a guiding vision and mission as follows:

The vision of the Gateway Cities Affordable Housing Trust is to secure funding for the region that will increase the production of affordable housing and provide safe and quality homes for lower- and moderate-income individuals and families.

The mission of the Gateway Cities Affordable Housing Trust is to finance the development of affordable housing in the region and thereby increase the supply of housing to lower- and moderate-income individuals and families.

GCAHT Guiding Principles

The guiding principles of the GCAHT:

1. Implement the findings and declarations of the Agreement.
2. Provide funding based on principles of fiscal responsibility and demonstrated value to the taxpayer and funder.

3. Retain local control and the ability for local governments to use GCAHT funding for housing solutions when needed, or to participate within the region as a whole.
4. Demonstrate accountability and transparency for parties to the Agreement and the public.
5. Promote public-private partnerships, nonprofit collaborations, and community building to maximize sources of public and private funds, when available, and to efficiently accelerate housing for moderate-, low-, very low- and extremely low-income individuals and families.
6. Provide opportunities to strengthen local partnerships and increase capacity of local cities and agencies engaged in fulfilling housing goals.
7. Commit to innovation and best practices in financing, production, and service delivery in supportive housing.
8. Serve the region's needs geographically by (1) extremely low-, very low-, low-, and moderate-income, and supportive housing types and (2) population.
9. Foster collaborative planning to allow for project prioritization and establish a pipeline of projects.
10. Provide access to funding to ensure that the Gateway Cities subregion receives the maximum benefit for the resources provided.
11. Incorporate County's Coordinated Entry System in conjunction with the cities' locally driven protocols to ensure that the developed housing resources has appropriately targeted and prioritized eligible homeless populations for each project.

Part 2 – Bylaws of the Gateway Cities Affordable Housing Trust

ARTICLE I - Name

The name of this entity shall be the “Gateway Cities Affordable Housing Trust” or “GCAHT” in these Bylaws.

ARTICLE II – Board of Directors

Section A: GCAHT Board of Directors

1. All members of the Board of Directors must be from a city that is a party to the Agreement and shall be appointed as set forth in the Agreement.

2. Each of the nine (9) voting members of the Board of Directors of GCAHT shall be entitled to one (1) vote on the Board.

Section B: Selection of Advisory Board Members

An Advisory Board may be appointed by the Trust Board consisting of various government staff, persons with housing development, housing services, finance, and development expertise.

All Advisory Board members are entitled to attend all GCAHT regular and special meetings and to fully participate in such meetings but shall not constitute voting members of the Board.

Advisory Board members need not be elected officials.

Section C: Terms and Vacancies

1. Board of Directors: As set forth in the Agreement, terms of office for members of the Board of Directors shall generally be for two (2) years, subject to initial one (1) year terms for certain members as set forth in the Agreement. A Board of Director's seat shall be deemed vacant if he or she leaves elected office, or if his or her appointing body removes him or her. Upon a vacancy, the appointing body shall be notified and shall attempt to fill the vacancy within sixty (60) days of the vacancy occurring.
2. Advisory Board: Terms of office for members of the Advisory Board shall be for two (2) years. An Advisory Board member's seat shall automatically be deemed vacant if that member fails to attend three consecutive regular or special meetings. Upon a vacancy, the Trust Board shall be notified and shall attempt to fill the vacancy within sixty (60) days of the vacancy occurring.

ARTICLE III – Duties of Officers and Board Members

Section A: Duties of the Board of Director Members:

1. Meet when called by the Chair to plan and coordinate the business and proposed activities of GCAHT;
2. Review and consider applications for project funding;
3. Review and consider GCAHT's financial information, including the Annual Financial Report, any related independent audit, and the GCAHT's annual budget; and
4. Serve on subcommittees or task forces when appropriate.

Section B: Formation of Subcommittees

The Board may create subcommittees or task forces to accomplish the goals and purposes of GCAHT.

ARTICLE IV – Meetings

Section A: Regular Meetings

Regular meetings of GCAHT's Board shall be held once every two (2) months, unless otherwise called by the Chair. Meeting notice, agenda, and public comment procedures shall comply with the provisions of the Ralph M Brown Act. The Clerk of the Board shall prepare meeting agendas and handle noticing requirements.

Section B: Special Meetings

Special meetings of GCAHT may be held at any time upon call of the Chair, provided that the special meetings' noticing, and agenda complies with the Ralph M. Brown Act.

Section C: Voting on Project Funding

As set forth in the Agreement, every act or decision done or made by a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. However, the Board should strive to attain a unanimous decision on all projects which receive funding from GCAHT.

Section D: Voting on Amending GCAHT's Bylaws, Principles, or Procedures

1. Amendments to GCAHT's Bylaws, Principles or Procedures shall be considered at a regular meeting and shall comply with the Ralph M. Brown Act.
2. An amendment to these Bylaws must be approved by a majority vote of the Board of Directors.

Section E: Minutes

The Clerk of the Board shall take minutes for GCAHT. A previous meeting's minutes shall be considered and approved at a subsequent meeting by a majority vote of the Board of Directors.

Section F: Meeting Procedure

The conduct of meetings shall be guided by Robert's Rules of Order (most recent published edition) where the question at issue is not determined by these Bylaws.

Section G: Location of Meetings

The Board must meet in publicly accessible places typical for hosting public meetings, such as Council Chambers or city community rooms.

ARTICLE V – GCAHT Board Code of Conduct

This GCAHT Board Code of Conduct represents GCAHT’s commitment to high standards of ethics, public service, collegiality, and transparency. The following standards should be regarded as minimum expectations for conduct. GCAHT Board Members will act in accordance with and maintain the highest standards of professional integrity, impartiality, diligence, creativity, and productivity. GCAHT will act in accordance with applicable federal, state, and local laws and regulations.

Section A: Compliance with Policies

Members of the Board of Directors and Advisory Board will conduct the GCAHT business in accordance with the Agreement, these Bylaws, and all adopted policies, including conflict of interest policies.

Section B: Conflicts of Interest

1. The Board of Directors may not have a conflict of interest as determined by the California Political Reform Act (the “Act”), inclusive of the Levine Act, California Government Code section 81000, et. seq., and the regulations promulgated to effectuate the Act. Nor shall the Board of Directors have a conflict of interest under California Government Code section 1090.
2. Members of the Board of Directors are required to file a Statement of Economic Interest (Form 700) in the disclosure category as designated on the GCAHT Conflict of Interest Code.

Section C: Confidentiality

Members of the Board of Directors and Advisory Board must maintain the highest standards of confidentiality regarding information obtained directly or indirectly through their involvement with the GCAHT. This includes but is not limited to information about applications for funding, GCAHT parties and their organizations and funded agencies. Members must also avoid inadvertent disclosure of confidential information through casual public discussion, which may be overheard or misinterpreted. Notwithstanding the foregoing, the GCAHT recognizes that excepting such confidential information which must be carefully preserved, the conduct of its business shall be open and transparent in accordance with the Ralph M. Brown Act and the California Public Records Act.

Section D: Gifts or Honoraria

It is not permissible for members of the Board of Directors and Advisory Board to offer or accept gifts, gratuities, excessive favors, or personal rewards intended to influence GCAHT decisions or activities.

Section E: Harassment

Harassment, interpreted as unwelcome conduct, comment, gesture, contact, or intimidating and offensive behavior likely to cause offense or humiliation, will not be tolerated and may result in disciplinary measures up to and including removal from GCAHT Board.

Section F: Laws and Regulations

GCAHT business will be conducted in a manner that reflects the highest standards and in accordance with all applicable federal, state, and local laws and regulations.