



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

February 1, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Consent to Resolution Authorizing the Amendment of the Bylaws of The Long Beach Housing Development Company (Citywide)

DISCUSSION

On June 1, 2004, the Long Beach City Council adopted a five-year Housing Action Plan (HAP) covering fiscal years 2005-2009. The HAP will serve as the framework for the allocation of the City's scarce resources for affordable housing. In the same action, the City Council also authorized The Long Beach Housing Development Company (LBHDC) to administer the HAP and to direct the expenditures of housing set-aside and HOME funds in accordance with the HAP. Attached for your reference is a copy of the June 1, 2004 staff report to City Council (Attachment #1).

While redevelopment housing set-aside and HOME funds are both currently administered by the Housing Services Bureau, the LBHDC's authority is presently limited to the expenditure of housing set-aside. Authority over the expenditure of HOME funds lies with the City Council and with the Neighborhood Preservation Loan Committee (NPLC), an advisory body composed of six members, five of them appointed by the Mayor and confirmed by the City Council and the sixth member being the City Treasurer. One of the NPLC members represents the Community Development Advisory Commission (CDAC).

In order for the LBHDC to administer the HAP, the following actions need to occur:

1. Amend the structures of the LBHDC and NPLC and combine the two boards, with all 14 existing members serving their current terms. Attached is a matrix showing the current membership of both boards (Attachment #2). The LBHDC is an 11-member board, with two vacancies; the NPLC has no vacancies but the City Treasurer did not feel continued participation on the merged boards as beneficial. The ultimate goal is to bring the membership back to 11 directors, through attrition. The requirement for one of the directors to be a CDAC representative will remain.
2. Amend the LBHDC Bylaws to incorporate the changes in structure and responsibility.

3. Disband the NPLC and appoint existing members to the LBHDC.

The proposed amendment of the LBHDC Bylaws was approved by the LBHDC Board at its meeting on August 18, 2004. Attached is a resolution of the LBHDC amending the Bylaws of the corporation (Attachment #3). However, the Bylaws can be amended only with the express written consent of the City of Long Beach, the sole member of the corporation.

This letter was reviewed by Deputy City Attorney Everett Glenn on January 18, 2005, and Budget Management Officer David Wodynski on January 21, 2005.

TIMING CONSIDERATIONS

City Council action is requested on February 1, 2005, to expedite the implementation of the HAP and the attendant activities and expenditures.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to consent, on behalf of the City, to an amendment of the Bylaws of the The Long Beach Housing Development Company (LBHDC) to increase the authorized number of directors from 11 to 14 in order to consolidate the activities and affairs of the LBHDC and the Neighborhood Preservation Loan Committee, and authorize the City Manager to consent to a subsequent reduction in the number of authorized directors from 14 to 11 as vacancies occur.

Respectfully submitted,



MELANIE S. FALLON

DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

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Attachments:

1. Copy of June 1, 2004 Staff Report to City Council
2. LBHDC / NPLC Board Member Composition
3. Resolution of the LBHDC Authorizing the Amendment of the Bylaws

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