



Legislation Text

File #: 05-2402, **Version:** 1

Recommendation to receive and file request to consent, on behalf of the City, to an amendment of the Bylaws of the Long Beach Housing Development Company 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, on behalf of the City, to a subsequent reduction in the number of authorized directors from 14 to 11 as vacancies occur. (Citywide)

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 existing 14 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 vacancy but the City Treasurer expressed no interest in participating in the merged boards. The ultimate goal is to bring the membership back to 11 directors, through attrition. The requirement for one of the members 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 __, 2005.

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

There is no fiscal impact associated with the recommended action.

Approve recommendation.

MELANIE S. FALLON
DIRECTOR OF COMMUNITY DEVELOPMENT