



**CITY OF LONG BEACH**  
DEPARTMENT OF COMMUNITY DEVELOPMENT

**R-23**

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

August 3, 2004

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

SUBJECT: Request for Authorization to Increase Appropriations in the Housing  
Authority Fund

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DISCUSSION

The Housing Authority provides housing assistance payments for 6,172 low-income families in Long Beach utilizing funds from the U.S. Department of Housing and Urban Development (HUD). Due to the significant rise in Long Beach housing costs, which have increased by approximately 15 percent over the last year, the current appropriations budgeted for this activity are insufficient to cover the remainder of the fiscal year. As a result, an appropriations increase is requested, fully offset by revenue from HUD and a \$2.9 million loan of non-General Fund Rental Rehabilitation Program (RRP) funds. The RRP loan was approved by City Council on July 6, 2004.

This letter was reviewed by Deputy City Attorney Lisa Malmsten and Budget Management Officer David Wodynski on July 21, 2004.

TIMING CONSIDERATIONS

City Council action is requested on August 3, 2004, to ensure rental assistance payments continue in a timely manner.

FISCAL IMPACT

The requested appropriations increase of \$16.5 million will be offset by additional revenue from HUD and a \$2.9 million loan of RRP funds.

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IT IS RECOMMENDED THAT THE CITY COUNCIL:

Increase appropriations in the Housing Authority Fund (SR 151) and in the Department of Community Development (CD) by \$16,500,000.

Respectfully submitted,



MELANIE S. FALLON  
DIRECTOR OF COMMUNITY DEVELOPMENT

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APPROVED:

  
GERALD R. MILLER  
CITY MANAGER