



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

June 7, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Approve the Community Development Advisory Commission funding recommendations for the FY05 Nonprofit Assistance Program (NAP); and authorize the City Manager to execute and amend, as necessary, loan documents with various nonprofit organizations approved for FY05 NAP assistance in an estimated total amount of \$500,000. (Districts 1, 2, 3, 4, 6, 7, and 8)

DISCUSSION

For the last ten years, the City Council has authorized the Department of Community Development to provide forgivable, no-interest loans to property owners of nonprofit agencies providing public services to low-income Long Beach residents. In the current fiscal year (FY 05) the budgeted amount approved by the City Council was \$500,000 in an effort to assist more nonprofit agencies. The Nonprofit Assistance Program (NAP) is funded by federal Community Development Block Grant (CDBG) funds.

The NAP loans must be used solely for physical improvements to rehabilitate, reconfigure, convert, and/or improve the facilities of nonprofit agencies. The minimum loan amount is \$5,000 and the maximum loan amount is \$70,000. Loan recipients are required to participate financially in the rehabilitation by providing a cash match equal to five percent of the total amount determined to be necessary to make eligible improvements. Deeds of Trust securing the NAP loans are recorded against the property.

Thirteen (13) applications for funding were received. The Community Development Advisory Commission reviewed and ranked each application based on pre-established criteria.

The NAP selection criteria include:

- The proposed improvements will increase or significantly enhance services to low-income Long Beach residents.
- The funding will be used to comply with health, building, fire, safety, and/or zoning regulations, or to improve facility accessibility by meeting ADA requirements.

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- The nonprofit organization applying for NAP assistance has submitted all application information including organization history, audit information, verification of ability to meet the five percent match requirement, and documentation regarding the clients served.

At its May 18, 2005 meeting, the Community Development Advisory Commission recommended twelve (12) agencies for FY05 NAP funding totaling \$500,000. A summary of the applications received and the NAP funding recommendations is attached.

This item was reviewed by Deputy City Attorney Donna Gwin on May 20, 2005 and Budget Management Officer David Wodynski on May 24, 2005.

TIMING CONSIDERATIONS

Council action on this matter is not time critical.

FISCAL IMPACT

Sufficient CDBG funds to support the Nonprofit Assistance Program (NAP) are budgeted in the Community Development Grants Fund (SR 150) in the Department of Community Development (CD). There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation

Respectfully submitted,



CRAIG BECK
ACTING DIRECTOR OF COMMUNITY DEVELOPMENT

DJT/mcv

Attachment

APPROVED:



GERALD R. MILLER
CITY MANAGER