



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

C-7

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

August 16, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

- 1) Authorize the expenditure of Workforce Housing Reward Program grant funds for general street improvements in the neighborhood surrounding Pacific Lights Apartments; and
- 2) Increase appropriation in the Fiscal Year 2006 budget of the Housing Development Fund (SR 135) in the Department of Community Development (CD) by \$227,098. (District 1)

DISCUSSION

On March 8, 2005, the City Council authorized the submission of an application to the California State Department of Housing and Community Development (DHCD) for funding under the 2004 Workforce Housing Reward Program (WHRP). The WHRP was designed to encourage the development of new housing affordable to lower-income households and to provide incentives to local governments for approving such housing projects. Eligible projects under WHRP were those that received final land approval and building permits in calendar year 2004.

The March 8, 2005 report to the City Council requesting approval for the WHRP application submission stated that, if the application were approved and grant funds were awarded, staff would return to City Council to request direction on the expenditure of the funds.

On June 30, 2005 (see attachment), the City of Long Beach was awarded a total grant of \$227,098, based on permits issued in 2004 for the construction of the 42-unit Pacific Lights Apartments, an affordable rental housing development at 1601 Pacific Avenue, in Council District 1. Under WHRP regulations, the \$227,098 award must be used for capital asset projects that benefit the community and add to the community's quality of life. These include projects related to safety, education, recreation and affordable housing. The funds must be encumbered within one year from the award date and expended within three years of that date.

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Staff recommends that the \$227,098 grant funds be used to help finance the cost of public improvements in the general vicinity of the Pacific Lights Apartments project. The improvements could include the replacement and reconstruction of sidewalks, curbs, gutters and alleys, as well as landscaping, lighting and street furniture to enhance the appearance of the neighborhood surrounding the new apartment project.

This letter was reviewed by Deputy City Attorney Everett Glenn on August 2, 2005, and Budget Management Officer David Wodynski on August 9, 2005.

TIMING CONSIDERATIONS

Council action is requested at the August 16, 2005, meeting in order to expedite the preparation of the grant agreement between the City and DHCD.

FISCAL IMPACT

Based on City Council's approval, a request for appropriation increase in the Fiscal Year 2006 budget of the Housing Development Fund (SR 135) in the Department of Community Development (CD) has been included in the recommended actions.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG BECK

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

CB:ES:ET:lh

Attachment: 6/30/05 Award Letter from DHCD