



<b>STAFF REPORT</b>	
<b>SUBJECT:</b> Consideration of Resolution Supporting the Application of Chelsea Investment for the Local Government Matching Grant (LGMG) Program for Development of Affordable Housing at 15837 18 <sup>th</sup> Avenue, Clearlake	<b>MEETING DATE:</b> Aug. 3, 2023
<b>SUBMITTED BY:</b> Alan D. Flora, City Manager	
<b>PURPOSE OF REPORT:</b> <input type="checkbox"/> Information only <input checked="" type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

**WHAT IS BEING ASKED OF THE CITY COUNCIL:**

The City Council is being asked to adopt Resolution 2023-35 Supporting Chelsea Investment’s application for Local Government Matching Grant funds.

**BACKGROUND/ DISCUSSION:**

Chelsea Investments was selected as the developer of affordable housing on formerly County-owned property (15837 18<sup>th</sup> Avenue, Clearlake) by the State of California. They have plans to develop 80-units of housing on the site. They are still working on their financing package and have applied for City funds available through the 2018 CDBG-DR-MHP program. The funding available still creates a deficit in the project. In early May the state released a new funding program focused on projects falling under the Governor’s Executive Order N-06-19, as this one is. The CDBG-DR funds would be treated as match under the LGMG program and would fill the required gap to fund the project.

In May of 2022 the Council adopted Resolution 2022-25 for the same purpose, and again in December 2022. The project was not successful in funding through the 2022 round, but HCD has modified some of the program requirements that should make this project more attractive in 2023. This updated resolution, includes changes consistent with the most recent program requirements.

**OPTIONS:**

1. Adopt Resolution 2023-35 and Authorize the Mayor to sign.
2. Provide Direction to Staff.

**FISCAL IMPACT:**

None     \$ Budgeted Item?     Yes     No

Budget Adjustment Needed?     Yes     No    If yes, amount of appropriation increase: \$

Affected fund(s):     General Fund     Measure P Fund     Measure V Fund     Other:

Comments: CDBG DR Funds and PLHA Grant Funds

**STRATEGIC PLAN IMPACT**

- Goal #1: Make Clearlake a Visibly Cleaner City
- Goal #2: Make Clearlake a Statistically Safer City
- Goal #3: Improve the Quality of Life in Clearlake with Improved Public Facilities
- Goal #4: Improve the Image of Clearlake
- Goal #5: Ensure Fiscal Sustainability of City
- Goal #6: Update Policies and Procedures to Current Government Standards
- Goal #7: Support Economic Development

**SUGGESTED MOTIONS:**

**Attachment:**

1. **Resolution 2023-35**