



# CITY OF CLEARLAKE

City Council

## STAFF REPORT

**SUBJECT:** Consideration of Adoption of Resolution 2022-61  
Authorizing the Application and Adopting the PLHA Plan  
for the Permanent Local Housing Allocation Program

**MEETING DATE:** Nov. 3, 2022

**SUBMITTED BY:** Alan D. Flora, City Manager

**PURPOSE OF REPORT:** ☐ Information only ☒ Discussion ☒ Action Item

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

The City Council is being asked to adopt the attached resolution approving the Permanent Local Housing Allocation (PLHA) plan and authorizing an application for funds.

### BACKGROUND/DISCUSSION:

In 2017, Governor Brown signed a 15-bill housing package aimed at addressing the state's housing shortage and high housing costs. Specifically, it included the Building Homes and Jobs Act (SB 2, 2017), which established a \$75 recording fee on real estate documents to increase the supply of affordable homes in California. Because the number of real estate transactions recorded in each county will vary from year to year, the revenues collected will fluctuate. The City of Clearlake is expected to receive approximately \$875,203 over the first five-year period (2019-2023),

Funding will help cities and counties:

- Increase the supply of housing for households at or below 60% of area median income
- Increase assistance to affordable owner-occupied workforce housing
- Assist persons experiencing or at risk of homelessness
- Facilitate housing affordability, particularly for lower- and moderate-income households
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation
- Ensure geographic equity in the distribution of the funds

The City must approve a plan and submit an application by November 30, 2022 in order to retain the 2019 funding allocation. If an application is not submitted the funding will be reallocated by HCD to other programs.

There are a number of housing programs in the works that could be supported by these funds, and which are included in the draft plan.

1. Completion of infrastructure (curb, gutter, sidewalk) at the Hope Center
2. Acquisition of additional property for workforce housing (up to 120% of AMI)
3. Support of the three affordable housing projects in various stages of development

- a. Oak Valley Villas – 80-units under construction
- b. Konocti Gardens - Phase 1/102-units under construction
- c. Clearlake Apartments – 80-units planning and financing
- d. Konocti Gardens – Phase 2/60+ units planning and financing

Staff recommend focusing on these initial projects and adding additional projects in future plans as they become identified.

**OPTIONS:**

1. Adopt Resolution 2022-61 Approving the PLHA Plan and Application
2. Provide alternative 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:

**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: Offer Resolution 2022-61- A Resolution of the City Council Authorizing the Application and Adopting the PLHA Plan for the Permanent Local Housing Allocation Program**

☒ **Attachments:**

1. PLHA NOFA
2. PLHA Plan – Clearlake
3. PLHA Resolution 2022-61