

Permanent Local Housing Allocation (PLHA) Formula Allocation

2022 Application for New Applicants




**State of California
Governor, Gavin Newsom**

**Lourdes Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
Department of Housing and Community Development**

Program Design and Implementation, PLHA Program
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**Final Filing Date: October 31, 2022
at 4:00 P.M. PST**

Local Government Formula Allocation for New Applicants										Rev. 2/16/22
Eligible Applicant Type:		Nonentitlement.								
Local Government Recipient of PLHA Formula Allocation:		Clearlake								
2020 PLHA NOFA Formula Allocation Amount:		\$145,867		2020 NOFA Allowable Local Admin (5%):		\$7,293				
2021 PLHA NOFA Formula Allocation Amount:		\$208,993		2021 NOFA Allowable Local Admin (5%):		\$10,450				
2022 PLHA NOFA Formula Allocation Amount:		\$232,518		2022 NOFA Allowable Local Admin (5%):		\$11,626				
<p>Instructions: If the Local Government Recipient of the PLHA Formula Allocation delegated its PLHA formula allocation to a Local Housing Trust Fund or to another Local Government, the Applicant (for which information is required below) is the Local Housing Trust Fund or administering Local Government. The PLHA award will be made to the Applicant (upon meeting threshold requirements) and the Applicant is responsible for meeting all program requirements throughout the term of the Standard Agreement.</p> <p>The 302(c)(4) Plan template worksheet requires first choosing one or more of the Eligible Activities listed below. If "Yes" is clicked, the 302(c)(4) Plan worksheet opens a series of questions about what precise activities are planned. Some specific activities, such as providing downpayment assistance to lower-income households for acquisition of an affordable home, could be included under either Activity 2 or 9. Please only choose one of those Activities; don't list the downpayment assistance under both Activities.</p> <p>If the PLHA funds are used for the same Activity but for different Area Median Income (AMI) level, select the same Activity twice (or more times) and the different AMI level the Activity will serve. Please enter the percentage of funds allocated to the Activity in only the first Activity listing to avoid double counting the funding allocation.</p> <p>For each year (2019-2023), allocations must equal 100% annually including the allowable administrative costs of up to 5%.</p>										
Eligible Applicants §300										
<p>§300(a) and (b) Eligible Applicants for the Entitlement and Non-Entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC, Section §5306 and Non-entitlement local governments.</p>										
Applicant:		City of Clearlake								
Address:		14050 Olympic Drive								
City:	Clearlake	State:	CA	Zip:	95422	County:	Lake			
Auth Rep Name:	Alan Flora	Title:	City Manager	Auth Rep. Email:	aflora@clearlake.ca.us	Phone:	707-994-8201			
Address:	14050 Olympic Drive	City:	Clearlake	State:	CA	Zip Code:	95422			
Contact Name:	Kathy Wells	Title:	Finance Director	Contact Email:	kwells@clearlake.ca.us	Contact Phone:	707-994-8201			
Address:	14050 Olympic Drive	City:	Clearlake	State:	CA	Zip Code:	95422			
§300(d) Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds?										No
<p>§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)?</p> <p>A sample agreement can be found by double clicking on the icon to the right</p>										
File Name:	Application and Adopting the PLHA Plan (2019-2023 Allocations) Reso		Pursuant to section 302(c)(4) of the Guidelines, Applicant's PLHA Plan for 2019-2023 allocations is attached to this resolution, and Applicant certifies compliance with all public notice, comment, and hearing requirements in accordance with the Guidelines.				Yes	Uploaded to HCD?	Yes	
File Name:	App1 TIN							Uploaded to HCD?	Yes	
File Name:	Applicant Delegation Agreement		Legally binding agreement between Delegating and Administering Local Governments (sample provided—just click on icon in row 17, column AI)					Uploaded to HCD?		
Eligible Activities, §301										
§301(a) Eligible activities are limited to the following:										Included?
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.										<input checked="" type="checkbox"/> YES
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.										<input checked="" type="checkbox"/> YES
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.										<input type="checkbox"/> YES
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.										<input type="checkbox"/> YES
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.										<input type="checkbox"/> YES
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.										<input checked="" type="checkbox"/> YES
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.										<input type="checkbox"/> YES
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.										<input type="checkbox"/> YES
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.										<input type="checkbox"/> YES
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.										<input type="checkbox"/> YES
Threshold Requirements, §302										
§302(a) The Applicant's Housing Element and Delegating Local Government's Housing Element (if applicable) was/were adopted by the Local Government's governing body by the application submittal date subsequently determined to be in substantial compliance with state Housing Element Law pursuant to Government Code Section 65585.										Yes
§302(b) Applicant or Delegating Local Government has submitted the current or prior year's Annual Progress Report to the Department of Housing and Community Development pursuant to Government Code Section 65400.										Yes
§302(c)(2) Applicant certified in the Resolution submitted with this application that submission of the application was authorized by the governing board of the Applicant.										Yes
§302(c)(3) Applicant certified in the Resolution submitted with this application that, if the Local Government proposes allocation of funds for any activity to another entity, the Local government's selection process had no conflicts of interest and was accessible to the public.										Yes
§302(c)(4) Applicant certified in the Resolution submitted with this application that the application include a Plan in accordance with §302(c)(4)?										Yes
§302(c)(4)(D) Applicant certified in the Resolution submitted with this application that the Plan was authorized and adopted by resolution by the Local Government and that the public had an adequate opportunity to review and comment on its content.										Yes
§302(c)(5) Applicant certified in the Resolution submitted with this application that the Plan submitted is for a term of five years (2019-2023). Local Governments agree to inform the Department of changes made to the Plan in each succeeding year of the term of the Plan.										Yes
§302(c)(6) Applicant certified in the Resolution submitted with this application that it will ensure compliance with §302(c)(6) if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects.										Yes
§302(c)(7) Applicant certified in the Resolution submitted with this application that it will ensure that the PLHA assistance is in the form of a low-interest, deferred loan to the Sponsor of the Project, if funds are used for the development of an Affordable Rental Housing Development. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with the Local government-approved underwriting of the Project for a term of at least 55 years.										Yes
§302(c)(8) Has Applicant attached a program income reuse plan describing how repaid loans or accrued interest will be reused for eligible activities specified in Section 301?										Yes
File Name:	Reuse Plan		Program Income Reuse Plan describing how repaid loans or accrued interest will be used for eligible activities in Section 301.				Narrative uploaded to HCD?		No	
Administration										
Applicant agrees to adhere to §500, Accounting Records.										Yes
Applicant agrees to adhere to §501, Audits/Monitoring of Project Files.										Yes

Applicant agrees to adhere to §502 , Cancellation/Termination.				Yes
Applicant agrees to adhere to §503 , Reporting.				Yes
Certifications				
On behalf of the entity identified below, I certify that: The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct and I possess the legal authority to submit this application on behalf of the entity identified in the signature block.				
Alan Flora		City Manager		
Authorized Representative Printed Name		Title	Signature	Date

§302(c)(4) Plan															Rev. 2/16/22
<p>§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.</p> <p>The funds will be used for infrastructure related to various projects; 1) the Hope Center, a transitional homeless housing facility in the City; Oak Valley Villas, an 80-unit affordable housing project; Clearlake Apartments an 80-unit affordable housing project; and/or Konocti Gardens, a 102-unit affordable housing project. Additionally, the City will begin property acquisition for housing projects. These projects will be a mix of affordable and workforce housing up to 120% AMI.</p>															
<p>§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).</p> <p>Individuals who are homeless or at risk of homelessness are some of our most vulnerable citizens. Emergency and transitional housing for these individuals will be a priority of this allocation. Projects will then be prioritized based on income level starting with extremely low/very low and moving up the income scale.</p>															
<p>§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.</p> <p>The City of Lakeport's Housing Element includes a program that aims to expand housing and resource opportunities for households with very low to moderate incomes. In particular, Housing Element Goal HP3, ensuring the availability of adequate housing for special needs groups including....homeless. This includes allowing emergency shelters and transitional housing to accommodate homeless housing needs.</p>															
<p>Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))</p>															
<p>§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.</p>															
<p>§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.</p> <p>The funds will be used for infrastructure related to various projects; 1) Konocti Gardens, and 102-unit affordable housing project; Oak Valley Villas, an 80-unit affordable housing project; Clearlake Apartments an 80-unit affordable housing project. In 2022 and 2023 the funding will be used for the second phase of Konocti Gardens (67 affordable units) or a yet undefined project.</p>															
<p>Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).</p>															
Funding Allocation Year	2020	2021	2022	2023											
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	70.0%	70.0%	45.0%	45.0%											
§302(c)(4)(E)(ii) Area Median Income Level Served	60%	60%	60%	60%											TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level Note: complete for years 2019, 2020, 2021 only	60%	130%	n/a	n/a											1.9
§302(c)(4)(E)(ii) Projected Number of Households Served	102	80	20	20											222
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity (55 years required for rental housing projects)	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	
<p>§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.</p>															

Konocti Gardens off site transportaion improvements - 12/23; Clearlake Apartments development costs - 12/23; Konocti Gardens Phase 2 - 12/24

§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental and Ownership Housing Activity.

Enter Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing **36%**

By the end of 2023 the City's affordable RHNA numbers will have been met for the 2027 cycle. The median and moderate numbers will still be beyond reach. The City intends to purchase and prepare for development various infill lots in the City that can be provided do complete workforce housing, therefore filling the RHNA goals.

Complete the table below for each proposed Affordable Rental and Ownership Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023										
Type of Affordable Housing Activity	Ownership: Development	Ownership: Development	Ownership: Development	Ownership: Development	Ownership: Development										
§302(c)(4)(E)(i) Percentage of Funds Allocated for Each Affordable Housing Activity	25%	25%	25%	50%	50%										
§302(c)(4)(E)(ii) Area Median Income Level Served	120%	120%	120%	120%	120%										TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level Note: complete for years 2019, 2020, 2021 only	3.60%	3.80%	4%	n/a	n/a										0.114
§302(c)(4)(E)(ii) Projected Number of Households Served	10	10	10	20	20										70
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	n/a	n/a	n/a	n/a	n/a										

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of each Affordable Rental and Ownership Housing project.

Porperty acquisition - 4-5 lots per year. Provide water/sewer hookups and any infrastructure deficit that is holding back development. Acquisiton complete by 12/23, infrastructure needs completed by 12/24.

§301(a)(6) Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.

Funds will be used to complete infrastructure at the Hope Center (a transitional housing facility opened in 2020). Costs associated with this project could include engineering/design and construction costs associated with public infrastructure such as curb, gutter, sidewalks, and street lighting.

Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019														
Type of Activity for Persons Experiencing or At Risk of Homelessness	Transitional Housing: New Construction														
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	68.60%														
§302(c)(4)(E)(ii) Area Median Income Level Served	30%														TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level Note: complete for years 2019, 2020, 2021 only	n/a														0
§302(c)(4)(E)(ii) Projected Number of Households Served	20														20
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	n/a														

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

1/31/23 - complete design/engineering 3/31/23 - begin construction 6/31/23 - construction complete