



Administrative Report

L.1., File # 25-1742

Meeting Date: 1/13/2026

To: MAYOR AND CITY COUNCIL

From: STEPHANIE JOHNSON, QUALITY OF LIFE PROSECUTOR JANE CHUNG, ASSISTANT TO THE CITY MANAGER

TITLE

PUBLIC HEARING TO CONSIDER AND ADOPT THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM PLAN FOR 2021-2023 ALLOCATIONS

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2601-003, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING THE APPLICATION AND ADOPTING THE PERMANENT LOCAL HOUSING ALLOCATION PROGRAM PLAN FOR 2021-2023 ALLOCATIONS

PROCEDURES:

- A. Open the Public Hearing, Take Testimony;
- B. Close the Public Hearing; and
- C. Adopt Resolution No. CC-2601-003

EXECUTIVE SUMMARY

The California Department of Housing and Community Development (HCD) released the 2024 Permanent Local Housing Allocation Program (PLHA Program) Notice of Funding Availability (NOFA) on October 15, 2024. The NOFA is for approximately \$320 million for calendar years 2022 and 2023 and remains open to eligible applications through June 30, 2027.

The PLHA Program grant is available to Community Development Block Grant (CDBG) entitlement jurisdictions to implement plans to address homelessness and expand the supply of affordable housing. The City of Redondo Beach is eligible to receive \$198,126 (CY 2022 \$112,160 and CY 2023 \$85,966) in PLHA Program funds, which is estimated based on the PLHA Program formula allocations. This application represents the final allocation of funds for the City's current five-year plan. Staff will present a new five-year plan during the 2026 calendar year cycle when new allocations are released.

BACKGROUND

In 2017, the California Legislature approved Senate Bill 2 (SB 2), also known as the Building Homes and Jobs Act, which established the Permanent Local Housing Allocation Program. This legislation created a permanent source of funding to address housing-related needs across the state. Revenue from the program was distributed to local jurisdictions through the PLHA Program funding allocation beginning in 2019.

In December 2022, the City Council adopted Resolution No. CC-2212-114 approving a five-year PLHA Program plan that dedicated funds to the Redondo Beach Pallet Shelter. The table below provides a breakdown of the allocation amount of PLHA Program funds and status by calendar year.

Calendar Year	Allocation Amount	Status
2019	\$130,930	Received
2020	\$203,351	Received
2021	\$223,781	Partially Received
2022	\$112,160	Pending
2023	\$85,966	Pending

Staff anticipates applying in February for the remaining PLHA Program Funds for CY 2021, totaling \$82,187.85.

The program is funded through recording fees on real estate transactions and, as a result, annual revenue fluctuates based on market activity. The amount of funding allocated during each calendar year is determined by the prior calendar year's real estate transactions by county. Due to current market conditions, the 2024 NOFA allocation reflects a reduction in real estate activity. As a result, the City is expected to receive approximately \$198,126 (\$112,160 from calendar year 2022 and \$85,966 from calendar year 2023). Initially, the City's total allocation for its five-year plan was estimated at \$784,980 (as of 2022), but this has since been revised to \$756,188. This application represents the final allocation of funds for the City's current five-year plan. Staff will present a new five-year plan during the 2026 calendar year cycle when new allocations are released.

Currently, all PLHA Program funding is allocated to the Redondo Beach Pallet Shelter. In December of 2020, Redondo Beach placed 15 people living on the streets into newly built tiny homes from the Pallet Company. In September of 2022, Redondo Beach added five units, bringing the total number of tiny homes to 20. Currently, all 20 units are occupied, three residents are employed, and a waitlist exists for entry into the Pallet Shelter units. To date, 78 people who have stayed at the Pallet Shelter have been permanently housed, and there are plans to expand the Pallet Shelter by up to 25 additional units.

The Redondo Beach Pallet Shelter was built, and operates, in partnership with the County of Los Angeles. The service provider that manages the shelter is Harbor Interfaith Services. The non-congregate setting makes residents feel safer than congregate shelters, particularly for women and the elderly.

The City must submit a PLHA Program application to receive the funding allocation, and the application must meet the following requirements:

- The City's Housing Element is in substantial compliance with State Housing Element Law.
- The City submitted its General Plan's Annual Progress Report to the HCD as required.
- The application requests funding for one or more eligible activities formally authorized by the City Council.
- PLHA Program funds distributed to program operations are free of conflicts of interest and accessible to the public.

- A five-year PLHA Program activity plan is approved and adopted by the City Council.

Staff recommends that the City Council conduct the noticed public hearing to review and consider the adoption of the PLHA Program Plan for 2021-2023 allocations and adopt Resolution No. CC-XXXX-XXX, thereby approving the PLHA Program Plan and authorizing the City Manager to execute any and all necessary documents.

COORDINATION

The City Attorney's Office and City Manager's Office prepared this report.

FISCAL IMPACT

If the application is accepted, the City will receive approximately \$198,126 to fund the Redondo Beach Pallet Shelter. The funding will cover roughly 20% of the current annual cost.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - CC-2601-003 Permanent Local Housing Allocation Program Plan for 2021 - 2023 Allocations
- 2024 PLHA Program Application