



Administrative Report

H.12., File # 26-0836

Meeting Date: 7/21/2026

To: MAYOR AND CITY COUNCIL

From: JOY A. FORD, CITY ATTORNEY
STEPHANIE JOHNSON, QUALITY OF LIFE PROSECUTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2607-056, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A FISCAL YEAR 2026-2027 BUDGET MODIFICATION TO APPROPRIATE \$198,126 IN PERMANENT LOCAL HOUSING ALLOCATION FUNDS FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT TO THE INTERGOVERNMENTAL GRANT FUND

EXECUTIVE SUMMARY

The City Attorney's Office applied for Permanent Local Housing Allocation (PLHA) funds to help cover operational costs for the Redondo Beach Pallet Shelter. On December 13, 2022, City Council held a public hearing and adopted the City's Five-Year PLHA Plan and a resolution to apply for the grant. On February 15, 2023, the California Department of Housing and Community Development (HCD) awarded the City \$557,962 for the pallet shelter for calendar years 2019, 2020, and 2021. On June 13, 2023, the City entered into an agreement with HCD to accept the award. On January 13, 2026, City Council held a public hearing and adopted a resolution authorizing the application for PLHA allocations for calendar years 2022 and 2023, as well as authorizing the City Manager to execute all related agreements and documents. On July 7, 2026, HCD and the City entered into a Standard Agreement - Amendment for funding in the amount of \$198,126. The PLHA funds need to be allocated to the City's Budget, so staff recommends approving the budget modification resolution.

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. The majority of the revenues collected began to be distributed to local jurisdictions through the PLHA Program funding allocation 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	\$130,830	Received

2020	\$203,351	Received
2021	\$223,781	Received
2022	\$112,160	Pending
2023	\$85,966	Pending

On October 17, 2023, City Council adopted Resolution No. CC-2310-107 authorizing a 2023-2024 budget modification to appropriate \$557,962 in PLHA funds for calendar years 2019-2021. Request for funds applications will be submitted to HCD in order to receive funding for calendar years 2022-2023, totaling \$198,126.

Currently, all PLHA Program funding is allocated to the Redondo Beach Pallet Shelter. In December of 2020, Redondo Beach placed fifteen (15) people from 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 twenty (20). Currently, all twenty (20) units are occupied, three residents are employed, and a waitlist exists for entry into the Pallet Shelter units. To date, seventy-eight (78) people who have stayed at the Pallet Shelter have been permanently housed, and there are plans to expand.

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.

Staff recommends that City Council approve the budget resolution allocating \$198,126 for calendar years 2022 and 2023.

COORDINATION

The City Attorney's Office coordinated with the City Manager's Office in preparation of this report.

FISCAL IMPACT

HCD awarded the City \$198,125 for calendar years 2022 and 2023. This funding will be used for operational costs associated with the Redondo Beach Pallet Shelter.

Submitted by:

Joy A. Ford, City Attorney

ATTACHMENTS

- Resolution CC 2607-056 Permanent Local Housing Allocation Program Plan for 2022 - 2023 Allocations
- Standard Agreement-Amendment