

Staff Report: Prohousing Application
Background, Program Requirements, and Scoring of the Prohousing Application

Background:

In 2019, AB [101](#) established the Prohousing Designation Program (PDP) administered by the California Department of Housing and Community Development (HCD). The PDP creates incentives for jurisdictions that are compliant with housing laws, housing element requirements, and have enacted Prohousing local policies that go beyond existing law.

On June 7, 2021, HCD released the PDP Emergency Regulations and Jurisdictions were able to begin applying for the Prohousing Designation starting July 1, 2021. Applications are reviewed on a rolling basis.

In December 2022, HCD launched the Prohousing Incentive Pilot Program (PIP). The PIP is funded by Senate Bill 2 with the intended purpose to create and conserve affordable housing.

In addition to awards based on a Prohousing Designated jurisdiction's size, the PIP Program provides bonus award amounts based on a jurisdiction's Prohousing Designation application score. To be eligible for the PIP, jurisdictions must apply for a Prohousing Designation and currently HCD is on their fourth round of funding with a Notice of Funding Availability (NOFA) deadline of March 31, 2026.

In late 2025, a Notice of Funding Availability (NOFA) was issued for separate Prohousing Incentive Program (PIP) funds with an application due March 31, 2026. Of these funds, the County of Lake is eligible to apply for a base amount of at least \$250,000 and a bonus of up to \$500,000, for a total of \$750,000. Eligible uses include funding affordable housing and matching contributions to local/regional housing trust funds. Depending on involvement of the Cities of Lakeport and Clearlake, an additional base funding award of \$250,000 may be made available to provide matching funds in the Lake County Regional Housing Trust Fund (LCRHTF).

Program Requirements:

HCD's review and consideration for designating jurisdictions as Prohousing include the following policies, concepts, and standards that direct HCD's review and consideration of a Jurisdiction for a Prohousing Designation:

1. The Jurisdiction's accomplishment of integrated planning and development consistent with the state planning priorities set forth at Government Code section 65041.1 and/or the regional transportation plan adopted by the relevant transportation agency pursuant to Government Code sections 65080 and 65080.01.
2. The Jurisdiction may accomplish this outcome through various actions, including, but not limited to, the facilitation of Location Efficient Communities that reduce auto dependence and VMT, and that are consistent with climate change priorities (e.g., climate change adaptation and hazard mitigation).
3. The Jurisdiction's meaningful assistance to foster inclusive and equitable communities with adequate, affordable, and accessible housing and transportation infrastructure pursuant to Government Code section 8899.50.

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4. The Jurisdiction's collaboration with public entities to align policies and programs, and with private entities to implement policies and to leverage funding and other resources.
5. The Jurisdiction's compliance with established housing law and recent housing reform statutes (e.g., the Housing Accountability Act, the Streamlined Ministerial Approval Process (California Senate Bill 35 (2017)), and the Housing Crisis Act of 2019 (Stats. 2019, ch 654).

Scoring of the Prohousing Application:

The application will ascribe points using four scoring categories. Applicants shall demonstrate (through an adopted Housing Element, current Zoning Ordinance, or locally adopted policies) that they have enacted or proposed at least one policy that significantly contributes to the acceleration of housing production in each of the four categories. Prohousing Designation requires a total score of 30 points or more across all four categories:

1. Favorable Zoning and Land Use (21 possible points). Examples include allowing duplexes, triplexes, and fourplexes by right in single-unit dwelling zones, going beyond the State Density Bonus Law, going beyond the State law for Accessory Dwelling Units (ADUs), eliminating off-street parking requirements, and allowing residential land uses in non-residential zones.
2. Acceleration of Housing Production Timeframes (21 possible points). Examples include ministerial approval processes for a variety of housing types, streamlined environmental review processes, streamlined permitting processes, and reduced plan check times.
3. Reduction of Construction and Development Costs (12 possible points). Examples include deferred, reduced, or waived impact fees and pre-approved plans for ADUs and missing middle housing types.
4. Providing Financial Subsidies (20 possible points). Examples include participating with a local housing trust fund, offering surplus City-owned land for affordable housing development, and prioritization of local general funds for affordable housing.
5. Along with the four scoring categories are eight additional categories, enhancement factors (EF), which further bolster the program or policies that the jurisdiction is intending to implement. Of those eight categories, there are nine possible points available and HCD only allows one enhancement factor per subcategory point. However, the same enhancement factor can be used more than once provided that the justification for the enhancement factor is valid.

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Enhancement Factors (9 possible points) provide bonus points for strong programs.

1. The policy represents one element of a unified, multi-faceted strategy to promote multiple planning objectives, such as efficient land use, access to public transportation, housing affordable to Lower-Income Households, climate change solutions, and/or hazard mitigation.
2. Policies that promote development consistent with the state planning priorities pursuant to Government Code section 65041.1.
3. Policies that diversify planning and target community and economic development investments (housing and non-housing) toward place-based strategies for community revitalization and equitable quality of life in lower opportunity areas. Such areas include, but are not limited to, Low Resource and High Segregation & Poverty areas designated in the most recently updated TCAC/HCD Opportunity Maps, and disadvantaged communities pursuant to Health and Safety Code sections 39711 and 39715 (California Senate Bill 535 (2012)).
4. Policies that go beyond state law requirements in reducing displacement of Lower-Income Households and conserving existing housing stock that is affordable to Lower-Income Households.
5. Rezoning and other policies that support intensification of residential development in Location Efficient Communities.
6. Rezoning and other policies that result in a net gain of housing capacity while concurrently mitigating development impacts on or from Environmentally Sensitive or Hazardous Areas.
7. Zoning policies, including inclusionary housing policies, that increase housing choices and affordability, particularly for Lower-Income Households, in High Resource and Highest Resource areas, as designated in the most recently updated TCAC/HCD Opportunity Maps.
8. Other policies that involve meaningful assistance towards Affirmatively Furthering Fair Housing outside of those required pursuant to Government Code sections 65583, subdivision (c)(10), and 8899.50, including, but not limited to, outreach campaigns, updated zoning codes, and expanded access to financing support.

Application Process:

The Prohousing Designation application is submitted to HCD for review after the County engages in a public participation process that includes outreach and availability of the draft document for public comment.

The Prohousing Designation application will be posted for public review and will consist of:

Appendix 1: Formal resolution authorizing the County to apply for a Prohousing Designation

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Appendix 2: Proposed Policy Completion Schedule (for programs not yet completed)

Appendix 3: Self-Scoring Sheet and Sample Self-Scoring Sheet

Appendix 4: Examples of Prohousing Policies with Enhancement Factors

Appendix 5: Homeless Encampment Template

Appendix 6: Public Participation Checklist

Appendix 7: Additional Information and Supporting Documentation

HCD has 60 days from the time the application is submitted to issue preliminary findings to the County. The County has 15 days to provide a written response to HCD. HCD then has 60 days to issue a final determination of the designation as a Prohousing Jurisdiction. Should the Board approve this resolution, staff will prepare the application for the PDP and PIP Programs and submit it to the State for its initial determination.

Funding:

Eligible applicants must use award funds towards planning or implementation activities related to housing and community development limited to activities that conform with eligible uses pursuant to Health and Safety Code section 50470(b)(2)(D):

- The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, or rental housing that is affordable to extremely low-, very low-, low-, and moderate-income households, including necessary operating subsidies.
- Affordable rental and ownership housing that meets the needs of a growing workforce earning up to 120 percent of area median income, or 150 percent of area median income in high-cost areas.
- Matching portions of funds placed into local or regional housing trust funds.
- Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of Section 34176 of the Health and Safety Code.
- Capitalized reserves for services connected to the creation of new permanent supportive housing, including, but not limited to, developments funded through the Veterans Housing and Homelessness Prevention Bond Act of 2014.
- Assisting persons who are experiencing or at risk of homelessness, including providing rapid rehousing, rental assistance, navigation centers, emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.
- Accessibility modifications.
- Efforts to acquire and rehabilitate foreclosed or vacant homes.
- Homeownership opportunities, including, but not limited to, down payment assistance.

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- Fiscal incentives or matching funds to local agencies that approve new housing for extremely low, very low, low-, and moderate-income households.

Environmental Analysis:

Pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the workshop does not constitute a “project” as defined in CEQA Guidelines Section 15378 because it will not result in a direct or reasonably foreseeable indirect physical change in the environment. Accordingly, CEQA does not apply to this item, and no environmental review is required at this stage.