



COUNTY OF HUMBOLDT

For the meeting of: 12/22/2022

File #: 22-1736

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Consent

SUBJECT:

A Resolution Authorizing the Submittal of a Regional Early Action Planning Grant Application to Establish a Regional Housing Trust Fund, a Regional Housing Catalyst Fund and to Conduct Regional Housing and Transportation Planning.

RECOMMENDATION(S):

That the Board of Supervisors:

1. Adopt the attached Resolution No. 22- ____:
 - a. Authorizing an application to be submitted to the Department of Housing and Community Development (HCD) for the Tribal and Rural Allocation of the Regional Early Action Planning Grant Program (REAP 2.0) for \$2,680,000; and
 - b. Authorizing and directing the Planning and Building Department Director to execute in the name of the County of Humboldt the application, the Standard Agreement, and all other documents required by HCD for participation in the REAP 2.0 Program, and any amendments.

SOURCE OF FUNDING:

The REAP 2.0 Program is funded in the amount of \$600 million from the State General Fund. California State Department of Housing and Community Development administers this program. All costs associated with the activities will be funded by the grant.

DISCUSSION:

The Regional Early Action Planning Grant program has three required goals:

1. Accelerating infill development that facilitates housing supply, choice, and affordability
2. Affirmatively Furthering Fair Housing (AFFH)
3. Reducing Vehicle Miles Traveled (VMT)

This item authorizes the Planning and Building Department Director to seek funding through this

program to meet these goals and implement a Regional Housing Catalyst Fund, a Regional Housing Trust Fund and to conduct housing and transportation planning.

Members of the County Administrative Office's Economic Development Division began outreach to members of the community shortly after the July 28, 2022, Notice of Funding Availability. Building upon this outreach effort and other existing efforts, Planning and Building staff coordinated with regional partners to complete a draft grant application to the REAP 2.0 program.

The overall goal of this collaboration is to combine together the efforts and resources of Humboldt County's seven cities and unincorporated communities to supplement and leverage the work we are all doing individually to attain goals that are out of reach acting independently.

More specifically, the funds are proposed to be used as follows:

1. Humboldt Housing Catalyst Fund: this fund would extend housing programs to all jurisdictions that want to participate. Priority actions include expanding the County's Accessory Dwelling Unit (ADU) and Owner-Occupied Rehabilitation (OOR) lending programs to all participating cities.

REAP 2.0 would provide operational funding and lending capital for the first three years of operation. Housing Catalyst Fund staff would seek additional capital through grant applications to the CalHome, HOME, Community Development Block Grant (CDBG), and Permanent Local Housing Allocation (PLHA) programs to continue this program into the future.

The fund will focus on housing but may participate in grant writing and administration for community development projects that seek to meet REAP 2.0 goals including but not limited to accessibility improvements, infrastructure to support affordable housing, reducing VMT in relation to new housing, and reducing housing-related Greenhouse Gas emissions. The Catalyst Fund would seek to be self-sustaining by the end of the three-year grant period, replenishing itself through new grant applications and loan repayments. This program fulfills a need among Humboldt's smaller cities that do not have staff capacity to apply for or operate these programs.

2. Humboldt County Regional Housing Trust Fund: the proposed grant application would create a regional housing trust fund to finance multifamily development projects that meet the stated goals of the REAP 2.0 program. Seed funding from the REAP 2.0 application would create an operational structure and guidelines for the fund that would seek 1:1 match funding through HCD's Regional Housing Trust Fund Program.

The REAP application would fund the staffing of the trust fund for the first three years. Staff would seek additional grants and funding for affordable housing development through the tax credit, PLHA and HOME programs to also continue this program into the future. Ongoing operational funding would come from PLHA and residual receipts from completed

developments.

3. Transit, Housing and Homelessness Planning: activities under this program may include:
 - a. Prohousing Designation Program application preparation and assistance for Housing Catalyst Fund participants.
 - b. Project-specific planning and technical assistance to reduce VMT associated with new housing development.
 - c. Planning activities to increase multimodal transportation utilization in housing opportunity zones.
 - d. Planning of new emergency shelters/navigation centers in areas and in forms that facilitate and encourage non-motorized transportation.
 - e. Integration of temporary shelter/campgrounds and other services for non-motorized travelers in trail and transportation planning.
 - f. Expanding Humboldt County's equity in housing programs, practices and resources.
 - g. Planning efforts to meet goals specified in the county's Climate Action plan in relation to housing.

Staff with the cities of Eureka, Arcata, Rio Dell and Blue Lake have all expressed interest in participating with the County in implementing the proposed REAP 2.0 grant programs. The Project also has the support of the Wiyot Tribe.

FINANCIAL IMPACT:

This action solicits grant funds in the amount of \$2,680,000 from the State of California Department of Housing and Community Development (HCD). This funding will be used to stabilize neighborhoods and increase availability of rental housing for lower income residents of Humboldt County. It will not affect the General Fund, because all costs associated with the activities will be paid for by the grant.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by building interjurisdictional and regional cooperation protecting vulnerable populations and creating opportunities for improved safety and health.

OTHER AGENCY INVOLVEMENT:

The California Department of Housing and Community Development will provide the funding and oversee implementation of the grant. All the incorporated cities will be invited to participate in implementing the grant-funded activities. The County Department of Health and Human Services will have a large role in the planning associated with navigation centers and emergency shelters.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to apply for these funds through this resolution. This is not recommended because there is a demand for additional housing in Humboldt County that is unmet through the

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existing siloed framework of the housing programs implemented by the County and cities.

ATTACHMENTS:

1. Board of Supervisors Resolution No. 22-_____

PREVIOUS ACTION/REFERRAL:

None.