



COUNTY OF HUMBOLDT

For the meeting of: 12/9/2025

File #: 25-1399

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

Authorize Signing and Submitting a Community Development Block Grant (CDBG) Application to the California Department of Housing and Community Development (HCD) for Funding Allocation from the 2025 Notice of Funding Availability (NOFA)

RECOMMENDATION(S):

That the Board of Supervisors:

Adopt the attached resolution (Attachment 1) to take the following actions:

1. Authorize application to HCD for the CDBG Program in the amount of \$3,600,000;
2. Authorize and direct 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 application to and participation in the CDBG Program, and recordable or nonrecordable contract documents, and any and all subsequent amendments thereto with the State of California for the purposes of the grant; and
3. Direct the Clerk of the Board to return one fully executed, certified copy of the signed resolution to the Planning and Building Department for submission to HCD.

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Housing for All

Strategic Plan Category: 4002 - Increase and prioritize housing development

DISCUSSION:

Executive Summary

The Board of Supervisors is being asked to authorize Planning and Building to apply to receive Community Development Block Grant funds. HDC has issued a Notice of Funding Availability (NOFA) for Community Development Block Grant funds with a maximum combined award a jurisdiction may request is \$3,600,000. The application may include only one Program, only one Project, plus a Planning activity. Each of the components is related to enabling housing and is described as follows:

Program \$1,500,000

Continuation of a longstanding and successful Owner-Occupied Rehabilitation (OOR) deferred loan program that funds major home repairs for low- and moderate- income households. The OOR program has helped scores of mostly seniors stay in their own homes, but in safe, healthful conditions. This program preserves existing housing stock in the community and is

administered by the Planning and Building Housing and Grants Division.

Project \$1,800,000 (\$3.3 million reduced by \$1.5 million above)

The proposed project is intersection, traffic signal and Central Avenue Frontage improvements for the We Are Up development in McKinleyville. This is a project that will provide affordable housing and reducing the burden of frontage improvements will help minimize construction costs of these units. This project will be shovel ready at the time of application. We Are Up would be a subrecipient grantee of the Planning and Building Department.

Planning \$300,000

Fund a comprehensive study of the Humboldt Community Services District (HCSD) infrastructure to identify and evaluate the water and wastewater system improvements necessary to support potential subdivision and development along the Walnut Drive corridor between Cutten and Ridgewood, both individually and cumulatively. HCSD would be a subrecipient grantee of the Planning and Building Department. This has been an issue for the North McKay Development and poses challenges for the other properties in this corridor that have land use and zoning, but do not have adequate utility infrastructure. The objective is to clear hurdles to residential development.

SOURCE OF FUNDING:

Special Revenue Fund (3613551).

FINANCIAL IMPACT PLANNING AND BUILDING PROPOSAL:

<i>Expenditures (3613551)</i>	FY26-27 Projected*	FY27-28 Projected*	FY28-29 Projected*
Budgeted Expenses	\$1,000,000	\$1,600,000	\$1,000,000
Additional Appropriation Requested	-	-	-
Total Expenditures	\$1,000,000	\$1,600,000	\$1,000,000

<i>Funding Sources</i>	FY26-27 Projected*	FY27-28 Projected*	FY28-29 Projected*
General Fund	\$	\$	\$
State/Federal Funds	\$1,000,000	\$1,600,000	\$1,000,000
Fees/Other	-	-	-
Use of Fund Balance	-	-	-
Contingencies	-	-	-
Total Funding Sources	\$1,000,000	\$1,600,000	\$1,000,000

*Projected amounts are estimates and are subject to change. If the Airport option is selected, all amounts will be reduced.

Narrative of Financial Impact:

The total grant amount requested is \$3,600,000 for a period beginning in the 2026-27 fiscal year and continuing 2 years and nine months. Activities related to the grant will be budgeted in 3613551. This grant is applicable to the Board's grant policy, and a pre-grant questionnaire has been reviewed by the County Administrative Office. The grant budget includes 3% (approx. \$108,000) plus \$100,000 for program administration, 0% for indirect costs and 7% for general administration. CDBG reimburses staff costs at level 1, salary only. The remainder of staff costs will be budgeted in 1100282 from the general fund. The general administration costs associated with the \$300,000 planning grant is \$21,000. This leaves \$279,000 for the actual work. The Program Administration will be applied to Planning and Building.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

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The Board could choose not to pursue the CDBG funds. However, this is not recommended as there is demand for preservation of existing housing stock as well as the addition of housing units in Humboldt County. We Are Up will provide housing for seniors, students, and people with disabilities. HCSD has the potential to provide services to multiple new subdivision developments, with a data-driven plan.

ATTACHMENTS:

Attachment 1 - Resolution of the Governing Body

PREVIOUS ACTION/REFERRAL:

Meeting of: N/A

File No.: N/A