



COUNTY OF HUMBOLDT

AGENDA ITEM NO.  
**I 2**

For the meeting of: January 23, 2018

Date: November 14, 2017  
To: Board of Supervisors  
From: Amy S. Nilsen, County Administrative Officer *AN*  
Subject: Affordable Housing and Supplemental Budget (requires 4/5 vote)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive and review county-owned property options on pages two and three of this report for developing affordable low-income housing;
2. Supplement the budget for Contributions to Other Funds (1100-199) as follows (requires 4/5 vote);

|          |                 |                             |           |
|----------|-----------------|-----------------------------|-----------|
| Revenue: | 1100-199-710050 | Fund Balance Transfer       | \$100,000 |
| Expense: | 1100-199-3225   | Contribution City of Eureka | \$100,000 |

3. Provide additional direction as necessary.

SOURCE OF FUNDING:

General Fund

Prepared by Amy S. Nilsen

CAO Approval *[Signature]*

|         |                    |                      |                       |             |
|---------|--------------------|----------------------|-----------------------|-------------|
| REVIEW: | Auditor <u>MSM</u> | County Counsel _____ | Human Resources _____ | Other _____ |
|---------|--------------------|----------------------|-----------------------|-------------|

TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other \_\_\_\_\_

PREVIOUS ACTION/REFERRAL:

Board Order No. H-2; K-1

Meeting of: 9-5-2017; 4-28-2009

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT**  
Upon motion of Supervisor \_\_\_\_\_ Seconded by Supervisor \_\_\_\_\_

Ayes \_\_\_\_\_  
Nays \_\_\_\_\_  
Abstain \_\_\_\_\_  
Absent \_\_\_\_\_

**SEE ACTION SUMMARY**

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

**Kathy Hayes, Clerk of the Board**

## DISCUSSION:

On Sept. 5 your Board directed the County Administrative Office, Public Works, Planning and Building and the Department of Health and Human Services to explore options for developing affordable low income housing. This discussion centered around Pacific Gas and Electric's (PG&E) offer to donate seven construction trailers to the Betty Kwan Chinn Homeless Foundation (BKCHF). Since that time, BKCHF has approached representatives for both the City of Eureka and the county for a lot to place these trailers on.

It should be noted that the county does not currently operate affordable housing programs. In fact, California Constitution Article XXXIV, Public Housing Project Law, adopted in 1978, has provisions that do not allow a public body to develop low-rent housing without a majority of the qualified electors of the jurisdiction voting in favor of a development. The county has not had such an election. Affordable housing programs are offered through other agencies such as Arcata House Partnership.

The county does offer housing assistance programs through the Department of Health and Human Services and the Planning and Building Department through various programs such as the Community Development Block Grants (CDBG) and homebuyer and owner-occupied rehabilitation programs, and rental assistance through the California Work Opportunity and Responsibility to Kids (CalWORKS), United States Department of Housing and Urban Development, and General Relief programs.

The City of Eureka has currently placed the trailers at Hilfiker Lane, Eureka. This location is only temporary as it is in the coastal zone and would require an extensive permitting process to get these placed permanently.

At your Board's direction, and at the City of Eureka's request, county staff have reviewed county-owned land for this project, specifically near city centers and services, and out of the coastal zone. Parcels identified by staff include:

- The courthouse gravel lot, east of the correctional facility - This lot has been committed to the Community Corrections Resource Center (SB 863) project and the Superior Court has an ownership interest in the remaining portion of the lot. This property is close to public services and employment opportunities.
- APN 015-111-008 and 009 Lucas Street, Myrtle town - These parcels total 6.4 acres and zoned Apartment-Professional and Greenbelt-Open space. A Dec. 15, 2008 study titled "Lucas Street Affordable Housing Feasibility Study" discusses necessary steps that would need to be taken to develop this parcel for occupancy, which could take three to five years. The topography of these parcels is limiting with minimal developable land. The county has had four developers in past years explore this site for low-income housing. None were amenable to developing the site due to high development costs. This property is close to public services and employment opportunities.
- APN 015-231-031 Christensen Way, Eureka - This is a steep lot with a county drainage running through it. This property was paid for and is owned by the Roads Fund. There appears to be room for one or two units. This site would require frontage improvements (curb, gutter, sidewalk and driveway apron). A driveway would need to be developed; may need to relocate a utility pole down guy wire to construct a driveway. This parcel is zoned Residential One-Family/Gulch Greenway Open Space.

- APN 300-262-007 Walnut Drive and Canyon Drive, Cutten - This site is heavily timbered and is currently being used for stockpiles. This property was paid for and is owned by the Roads Fund. Overhead utility lines run through or are adjacent to the site by Walnut Drive, likely can fit two units and possibly two more if cantilevered off of the slope. Staff would need to determine the offset from overhead utility lines to the units. This parcel is zoned Residential One-Family.
- APN 303-033-033 corner of Walnut Drive and North Ridge Drive – This site is mainly roadway and is zoned Residential One-Family. This site may be needed for a parking lot for the McKay Community Forest.
- APN 303-260-004 Beechwood Drive, Cutten - This is a steep lot with a county drainage running through it. This property was paid for and is owned by the Roads Fund. There appears to be a possible bench for one or two units. The site would require frontage improvements (curb, gutter, sidewalk, parking lane, and driveway apron). The site has a lot of fill on it; evidence of slope stability issues. Perhaps one unit could be placed close to the road. This parcel is zoned Residential One-Family/Gulch Greenway Open Space.

Whether your Board determines if county-owned property is appropriate for this community or not, BKCHF and the city are requesting a financial contribution to this project in the amount of \$100,000. Included in staff's recommendations is a General Fund contribution to the city to provide financial assistance with this project.

In addition, staff explored with the BKCHF the possibility of utilizing Rapid Re-Housing (RRH) dollars to provide rental assistance for a portion of the housing units. There are currently two RRH projects operating in Humboldt County through the Department of Health and Human Services (funded through the United States Department of Housing and Urban Development Continuum of Care) and Arcata House Partnership (funded through California Department of Housing and Community Development Emergency Solutions Grant). Both programs are tenant based rental assistance. This means that financial assistance is provided for an individual or family that meet eligibility requirements.

For an individual or family to be eligible for these funds they must be low or very low income and registered as a "priority population" in the coordinated entry system in Humboldt County. This can be accomplished by calling 2-1-1. They must also be considered chronically homeless which is defined as:

- Individual or head of household must be disabled and currently homeless or in a shelter;
- Been homeless for at least a one year in current episode or have four documented episodes of homelessness in the past three years that add up to one year. There are some exceptions for individuals coming from institutions such as a hospital, jail or prison if they were homeless when they entered these facilities;
- Homeless is defined as living on the street, camping or living in a place not meant for human habitation such as a car, abandoned building or bus station.

In addition, to be eligible for these dollars housing quality standards must be met as described in Attachment 1.

BKCHF has indicated to staff that pursuing compliance with RRH will limit the organization's ability to quickly transition the homeless to housing, and the requirement of documented homeless episodes prevents BKCHF from housing folks for whatever reason they are currently homeless.

On Jan. 26, 2016 in a joint meeting with the Eureka City Council, your Board received information from Focus Strategies on a housing first approach county-wide, strengthening and re-orienting the Mobile Intervention Services Team to focus on housing solutions; create direct and low barrier pathways to housing; and to use data systems to track progress. Then on March 1, 2016 your Board adopted a joint resolution with the City of Eureka for a Homeless Strategy and Implementation Plan and the Housing First model, as presented to your Board on Jan. 26, 2016 by Focus Strategies.

The BKCHF project fits within the scope of the Focus Strategies Housing First model by helping to create a range of housing opportunities that the homeless can access directly.

If your Board finds one or more of the properties mentioned in this staff report as an option for the trailers, your Board may also wish to seek input from the community surrounding any possible site.

Should your Board approve staff recommendation number two, staff will need to return to your Board with a contract between the county and City of Eureka for the funds.

In addition, if your Board does not find county property suitable for the permanent location of the trailer community, staff will need direction on whether to continue to provide assistance to the City of Eureka and BKCHF to identify additional properties for review with the goal of permitting and preparing a permanent site for the trailers.

#### FINANCIAL IMPACT:

There is a financial impact to the General Fund should your Board decide to allocate funds towards the PG&E trailer project. Several of the properties were paid for and owned by the Roads Fund. This means the General Fund would need to purchase the property from the Roads Fund. If your Board approves a recommendation to allocate \$100,000 to the City of Eureka to assist with this project, fund balance would need to be utilized, and will therefore be unavailable for other expenditures such as facility improvements in accordance with the Americans with Disabilities Act. However, the public benefit of providing housing for vulnerable populations may outweigh some of the county's other priorities.

This action supports the Board's Strategic Framework by creating opportunities for improved health and safety.

OTHER AGENCY INVOLVEMENT:       None.

#### ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could direct staff to appraise and sell the Lucas Street property. Proceeds from a property sale would typically go to the General Fund. Your Board could direct that a fixed portion of the proceeds from a sale of this property be allocated to an affordable housing project.

#### ATTACHMENTS:

1. HUD and ESG Housing Standards

## Attachment I

### HUD Regulations that will apply to Best Chance RRH

CoC PSH and RRH must meet the same set of standards. These are the Section 8 standards.

#### 24 CFR 578.75

(a) State and local requirements.

(1) Housing and facilities constructed or rehabilitated with assistance under this part must meet State or local building codes, and in the absence of State or local building codes, the International Residential Code or International Building Code (as applicable to the type of structure) of the International Code Council.

(b) Housing quality standards. Housing leased with Continuum of Care program funds, or for which rental assistance payments are made with Continuum of Care program funds, must meet the applicable housing quality standards (HQS) under 24 CFR 982.401 of this title, except that 24 CFR 982.401(j) applies only to housing occupied by program participants receiving tenant-based rental assistance. For housing rehabilitated with funds under this part, the lead-based paint requirements in 24 CFR part 35, subparts A, B, J, and R apply. For housing that receives project-based or sponsor based rental assistance, 24 CFR part 35, subparts A, B, H, and R apply. For residential property for which funds under this part are used for acquisition, leasing, services, or operating costs, 24 CFR part 35, subparts A, B, K, and R apply.

(c) Suitable dwelling size. The dwelling unit must have at least one bedroom or living/sleeping room for each two persons.

(1) Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(2) If household composition changes during the term of assistance, recipients and subrecipients may relocate the household to a more appropriately sized unit. The household must still have access to appropriate supportive services.

#### 24 CFR 982.401 - Housing quality standards (HQS)

(b) Sanitary facilities -

(1) Performance requirements. The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

(2) Acceptability criteria.

(i) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

(ii) The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

(iii) The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

(iv) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

(c) Food preparation and refuse disposal -

(1) Performance requirement.

(i) The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

(ii) There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

(2) Acceptability criteria.

(i) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

(ii) The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

(iii) The dwelling unit must have space for the storage, preparation, and serving of food.

(iv) There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

(d)Space and security -

(1)Performance requirement. The dwelling unit must provide adequate space and security for the family.

(2)Acceptability criteria.

(i) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

(ii) The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(iii) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

(iv) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

(e)Thermal environment -

(1)Performance requirement. The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

(2)Acceptability criteria.

(i) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

(ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

(f)Illumination and electricity -

(1)Performance requirement. Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

(2)Acceptability criteria.

(i) There must be at least one window in the living room and in each sleeping room.

(ii) The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

(iii) The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

(g)Structure and materials -

(1)Performance requirement. The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

(2)Acceptability criteria.

(i) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

(ii) The roof must be structurally sound and weathertight.

(iii) The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

(iv) The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of

tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

(v) Elevators must be working and safe.

(h) Interior air quality -

(1) Performance requirement. The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

(2) Acceptability criteria.

(i) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

(ii) There must be adequate air circulation in the dwelling unit.

(iii) Bathroom areas must have one openable window or other adequate exhaust ventilation.

(iv) Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work.

(i) Water supply -

(1) Performance requirement. The water supply must be free from contamination.

(2) Acceptability criteria. The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

(j) Lead-based paint performance requirement. The Lead-Based Paint Poisoning Prevention Act ( 42 U.S.C. 4821- 4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 ( 42 U.S.C. 4851- 4856), and implementing regulations at part 35, subparts A, B, M, and R of this title apply to units assisted under this part.

(k) Access performance requirement. The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

(l) Site and Neighborhood -

(1) Performance requirement. The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

(2) Acceptability criteria. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

(m) Sanitary condition -

(1) Performance requirement. The dwelling unit and its equipment must be in sanitary condition.

(2) Acceptability criteria. The dwelling unit and its equipment must be free of vermin and rodent infestation.

(n) Smoke detectors performance requirement - (1) Except as provided in paragraph (n)(2) of this section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

## ESG Standards that will apply to AHP Keys for Success:

ESG Habitability Standards for Permanent Housing (there are another set of standards for emergency shelter):

24 CFR 576.403

(c) Minimum standards for permanent housing. The recipient or subrecipient cannot use ESG funds to help a program participant remain or move into housing that does not meet the minimum habitability standards provided in this paragraph (c). The recipient may also establish standards that exceed or add to these minimum standards.

(1) Structure and materials. The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.

(2) Space and security. Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.

(3) Interior air quality. Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.

(4) Water supply. The water supply must be free from contamination.

(5) Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

(6) Thermal environment. The housing must have any necessary heating/cooling facilities in proper operating condition.

(7) Illumination and electricity. The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.

(8) Food preparation. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(9) Sanitary conditions. The housing must be maintained in a sanitary condition.

(10) Fire safety.

(i) There must be a second means of exiting the building in the event of fire or other emergency.

(ii) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.

(iii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.