COUNTY OF HUMBOLDT

For the meeting of: 2/7/2023

File #: 23-50

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Departmental

SUBJECT:
Abatement Costs for Upcoming Abatements in Budget Year 2022-2023

RECOMMENDATION(S):
That the Board of Supervisors:

1. Review the upcoming Code Enforcement nuisance abatement cases and anticipated costs, and establish priorities associated with county-led abatements for the remainder of the 2022-2023 fiscal year.
2. Discuss potential funding sources and direct staff, as necessary, to return to the Board with options to fund additional county-led abatements for the remainder of the 2022-2023 fiscal year.
3. Provide direction for the Planning and Building Department, as needed.

SOURCE OF FUNDING:
The initial funding for nuisance abatement comes from the General Fund, however, per Humboldt County Code section 351 *et seq.,* the abatement costs are recovered through assessment of costs against the property.

DISCUSSION:
Staff is recommending that your Board review and establish priorities for project-ready nuisance abatement cases along with their anticipated costs for the remainder of Fiscal Year 2022-23. Staff is also recommending your Board discuss options to fund county-led abatements that would increase FY 2022-23 expenditures in the Code Enforcement budget unit (1100-269).

The budgeted abatement costs for the remainder of the 2022-2023 budget year are not adequate to cover all of the projects ready for abatement.

The Board approved a $500,000 allocation to cover the costs of county-led abatements in 2022-2023. To date, none of the funds have been spent.

There are two major, but necessary, projects that will cause the costs to greatly exceed the budgeted

amount.

1. The demolition of the Green Valley Motel in Orick (APN 520-086-008) is estimated to be $515,000 and includes $270,000 for the asbestos abatement and demolition, and removal of the structures down to the foundations. This also includes demolition of the fire-damaged gas station on APN 520-086-009. This project alone exceeds the cost of the funding allocated for abatement for the year.

2. The recent earthquake damaged the Loleta Creamery Building in Loleta (APN 309-123-002) which has been red tagged. The bricks are loose and falling into the right-of-way on Loleta Drive. Demolition of this building is necessary to abate a hazard to public health and safety. Preliminary estimates include installation of one-way traffic control measures and the demolition and removal of the brick portions of the buildings. The estimate is $2.65 million dollars. There are several evolving sources of funding for this project. It is hoped that emergency funding may be available to reimburse partial or full abatement costs. The State Office of Emergency Services is in discussion about allocating funds to this, and the property owner does not want to lose the property and may want to pursue removal of the damaged building. The funds being requested may be needed to address the whole cost of abatement but may only be needed to address any work not covered by the state or the property owner.

There are other priority cases necessitating county abatements that would normally be within budget. But with the magnitude of the Green Valley Motel and Loleta Creamery demolitions it is uncertain whether these projects will have the funding to move forward. These abatement-ready cases include:

- Judy's Market demolition (APN 206-291-016). This is a fire-damaged market in the Carlotta area. The contractor has completed the asbestos/lead survey and is submitting an estimate. Estimated costs would be $50,000.
- 4181 Weiler Road, Eureka (APN 019-161-021). This is the site of dilapidated buildings, solid waste, unpermitted construction, junk vehicles and junkyard conditions. Estimated costs would be $30,000-$45,000.

There are other cases that are close to being project ready:

- 39811 Mattole Road, Honeydew (APN 107-241-017). This site requires restoration for development within a Streamside Management Area. Estimated costs would be $25,000.
- 3326 Montgomery Street, Eureka (APN 017-042-012). This site has dilapidated buildings, solids waste, junk vehicles and unsanitary conditions. Estimated costs would be $30,000-$45,000.
- 7218 Summit Ridge, Humboldt Hill (APN 306-291-018). This is the site of a previous county abatement where solid waste and junk vehicles are reappearing and accumulating. The estimated costs would be $25,000-$40,000.

The Planning and Building Department has had to put these abatements on hold until the funding issue can be addressed, and priorities established. The immediate threat to public safety caused by the

condition of the Loleta Creamery building requires the county to take some action. The Green Valley Motel must also be addressed, as the current condition creates an attractive nuisance. There are frequent trespassers who try to gain entry into the motel and the solid waste boarded-up inside the structures will eventually create another vector problem.

The costs involved with these abatements exceed the budgeted $500,000 for such activities. The likelihood of recouping the full abatement costs for the Green Valley Motel properties and the Loleta Creamery property are slim because the value of the properties after abatement will not equate or even come near the costs of the abatement (unless reimbursed by emergency funding).

FINANCIAL IMPACT:
The initial funding for county-led nuisance abatements comes from the General Fund. In Fiscal Year 2022-23 the Board allocated $500,000 for this purpose. Under usual circumstances Humboldt County Code section 351 *et seq.,* authorized the nuisance abatement costs to be assessed and recovered by placing the assessed costs on the Humboldt County Secured Tax Roll to be collected in the same manner as ordinary property taxes. In addition, the assessment is recorded as a lien against the property so in the event the property is sold, the county, as lienholder, would be reimbursed for costs incurred. For the Green Valley Motel and Loleta Creamery projects the same process would be followed, however, the likelihood of recovering the abatement costs would be slim since the value of the vacant properties would be less than the cost of the abatement.

In total, there is a need for $2.87 million in additional funding for the county-led nuisance abatement cases referenced in this report. The General Fund Contingencies budget unit (1100-990) currently has $1.3 million available. Therefore, staff would need to identify additional funding to complete all of the activities referenced in this report.

Expenses associated with activities to be funded would be recorded in the Code Enforcement budget unit (1100-269).

STRATEGIC FRAMEWORK:
This action supports your Board's Strategic Framework by enforcing laws and regulations to protect residentsenforcing laws and regulations to protect residents .

OTHER AGENCY INVOLVEMENT:
None

ALTERNATIVES TO STAFF RECOMMENDATIONS:
1. The Board could choose not to allocate additional funds for county-led abatements. However, this would result in the Green Valley Motel in Orick and the Loleta Creamery Building likely being unaddressed.
2. The Board could choose to partially allocate additional funds for county-led abatements. However, this would result in several cases overflowing into next fiscal year.

ATTACHMENTS:

None

PREVIOUS ACTION/REFERRAL:
Board Order No.: N/A
Meeting of: N/A
File No.: N/A