



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

I2

For the meeting of: November 7, 2017

Date: October 6, 2017
To: Board of Supervisors
From: Amy S. Nilsen, County Administrative Officer *ASN*
Subject: Affordable Housing and Supplemental Budget (requires 4/5 vote)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive and review options on page two 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. Direct Public Works to surplus the Lucas Street property (APN 015-111-008 and 009).

SOURCE OF FUNDING:

General Fund

Prepared by	Amy S. Nilsen	CAO Approval	<i>E. Shurtliff</i>
REVIEW:			
Auditor	County Counsel	Human Resources	Other
TYPE OF ITEM:			
<input type="checkbox"/> Consent			
<input checked="" type="checkbox"/> Departmental			
<input type="checkbox"/> Public Hearing			
<input type="checkbox"/> Other			
PREVIOUS ACTION/REFERRAL:			
Board Order No. <u>H-2; K-1</u>			
Meeting of: <u>9-5-2017; 4-28-2009</u>			

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 Chinn Day Center (BCDC). Since that time, BCDC 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. Affordable housing programs are offered through other agencies such as Arcata House Partnership. 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.

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) and General Relief programs.

County staff explored the option of donating land for the development of affordable housing. Staff reviewed county-owned vacant parcels near city centers and services. Parcels identified by staff include:

- Courthouse gravel lot – to be utilized for the Community Corrections Resource Center (SB 863)
- APN 015-111-008 and 009 vacant lot off of Lucas Street
- APN 015-231-031 vacant lot off Christensen Way and Harrison Avenue
- APN 300-262-007 wooded residential lots off of Walnut Drive and Canyon Drive
- APN 303-033-033 corner lot at Walnut Drive and North Ridge Drive (may need for McKay Community Forest)
- APN 303-260-004 lot off of Beechwood Drive
- APN 520-151-002 and 005 wooded lots off Highway 101 near Orick (former fish hatchery)
- Freshwater corners – needed for a future round-a-bout
- Ferndale Fair Grounds

Only one of these above options was a reasonable possibility for affordable housing; Lucas Street. This parcel is 6.4 acres and zoned Apartment-Professional and Greenbelt-Open space. However, a Dec. 15, 2008 study titled "Lucas Street Affordable Housing Feasibility Study" discusses the multiple parcels and the necessary steps that would need to be taken to develop these parcels for occupancy which could take three to five years. This time constraint is not conducive to the immediate need to place the PG&E trailers on a lot.

In consideration of the constraint described above, the City of Eureka has provided a lot within city limits for the trailers to be placed.

Therefore, staff is presenting additional options for your Board to consider as a way to contribute to this particular affordable housing project:

- Immediately allocate \$100,000 from the General Fund to this project. This is the preferred option as this provides the City of Eureka with financial assistance to use the PG&E trailers for an affordable housing option.
- Sell the Lucas Street property with a fixed portion of the proceeds being allocated to an affordable housing project. As noted above, the City of Eureka has provided a lot for the PG&E trailers, meaning the Lucas Street property would not be the site for these units.

Should your Board accept staff's recommendation, staff will need to return to your Board with a contract between the county and City of Eureka for the funds.

FINANCIAL IMPACT:

There is a financial impact to the General Fund should your Board decide to allocate funds towards the PG&E trailer project. Proceeds from a property sale would typically go to the General Fund. If your Board decides to allocate funds immediately, 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 liabilities.

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

OTHER AGENCY INVOLVEMENT: None.

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board's discretion.

ATTACHMENTS: