

First 5 Humboldt – 902 E Street “Belonging Project”

Organization and Project Overview

First 5 Humboldt supports early childhood development throughout the county, with a focus on preventing Adverse Childhood Experiences and fostering community connection and a sense of belonging for young children and families. Through its supporting 501(c)(3) entity, the Humboldt Children and Families Foundation, First 5 Humboldt has acquired the property at 902 E Street in Eureka to create a permanent, family-centered home for its programs — referred to as the “Belonging Project.”

The property was purchased with the seller carrying financing for up to two years, and the Foundation is developing a capital campaign to complete the project with a blend of grants, donations, and financing. When complete, the site will include staff offices, dedicated space for play groups and community meetings, and a large sensory garden open to children and families during business hours and for events — modeling practices that promote belonging and community cohesion.

Facility Program

A feasibility study for the project describes the following intended uses at 902 E Street:

- Conversion of the existing two-story building to office and program space for First 5 Humboldt staff (approximately 10–12 staff).
- A new building for offices and public meeting space, including restrooms, storage, and a kitchenette, meeting building-code access requirements.
- Dedicated indoor and outdoor space for play groups — serving up to roughly 16 children plus parents and staff — and for enhanced case management and public workshops.
- A sensory garden and outdoor play spaces, along with required parking and landscaping.

Project Cost and Funding

A feasibility study conducted by First 5 estimates total development costs in the range of approximately \$2 million to \$3.5 million, with the most likely scenario near \$2.5 million. The project’s capital stack draws on multiple sources so as to minimize long-term debt and protect First 5 Humboldt’s operating sustainability:

Funding Source	Amount / Role
Vesper Foundation pledge	\$450,000–\$500,000
First 5 Humboldt sustainability reserves	Contribution to reduce debt
CDFI / community-focused financing	Construction and term financing
County of Humboldt loan	Not less than \$500,000

Note: The feasibility study references a range of county support figures. The amount presented for Board authorization in the accompanying staff report is the remaining unexpended ARPA Child Care Stabilization Fund balance, including interest earned — not less than \$500,000 — with the final amount confirmed by North Edge Financing prior to execution.

Proposed County Loan

Staff recommend authorizing a child care facility loan to First 5 Humboldt (through the Humboldt Children and Families Foundation) in an amount of not less than \$500,000, funded from the remaining

ARPA Child Care Stabilization Fund balance plus interest earned. The final amount may increase above \$500,000 depending on interest earned on the Fund (net of North Edge Financing's administrative and monitoring fee) and any additional savings from unspent balances in other child care projects. Because interest continues to accrue and North Edge Financing is finalizing the exact remaining balance, the loan is presented at "not less than \$500,000," with the final amount confirmed prior to execution and disbursement before the Dec. 31, 2026 federal ARPA expenditure deadline. The loan is proposed to be structured as a fully forgivable loan, secured by a lien on the 902 E Street property, and forgiven upon First 5 Humboldt's documentation that it has expended the full loan amount on the facility project. Disbursing the full remaining balance as a forgivable loan up front ensures the ARPA funds are fully expended by the deadline, while the lien and documentation requirements protect the county's interest until forgiveness conditions are met. Specific terms will be established in the loan agreement, subject to review and approval as to form by County Counsel.

Community Benefit

The Belonging Project provides First 5 Humboldt with stable, dedicated space for play groups, family programming, and community meetings that support the county's early-childhood and child care system. The facility strengthens a longstanding local partner serving young children and families countywide, and the county's loan enables completion of a community asset while meeting the ARPA expenditure requirement.