HOUSING AUTHORITIES
CITY OF EUREKA & COUNTY OF HUMBOLDT

735 WEST EVERDING STREET, EUREKA CA 95503
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AGENDA
REGULAR MEETING OF THE CITY OF EUREKA HOUSING AUTHORITY
BOARD OF COMMISSIONERS

DATE AND TIME
Tuesday – June 21, 2022
7:30pm

LOCATION
Pursuant to Assembly Bill No.361 (Chapter 165,Statutes of 2021) approved by the Governor on September 16, 2021) codified at Government Code Section 54953 a local legislative body is authorized to hold public meetings remotely via teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when, among other requirements, a legislative body of a local agency holds a meeting during a proclaimed state emergency, and makes the public meeting accessible "via a call-in option or an internet-based service option" to all members of the public seeking to access and attend the meeting, offer public comment, and address the legislative body.

PUBLIC PARTICIPATION
Public access to this meeting is available as follows:

Join Zoom meeting:
https://us02web.zoom.us/j/86414372079?pwd=ZXNTRUNJTGN0RDlBcHdrWDllUzVIQT09

Meeting ID: 864 1437 2079
Passcode: 975234

Join Zoom meeting via phone: (669) 900-6833

Persons wishing to address the Board of Commissioners are asked to submit comments for the public speaking portion of the agenda as follows:

- Send an email with your comment(s) to heatherh@eurekahumboldtha.org prior to the Board of Commissioners meeting.
- Call and leave a message at (707) 443-4583 ext. 219.

When addressing the Board, on agenda items or business introduced by Commissioners, members of the public may speak for a maximum of five minutes per agenda item when the subject is before the Board.

1. Roll Call

2. Brown Act, Remote Session Authorization, Resolution 1961 (pages 3 - 6)
   Recommended Board Action: Accept and Adopt for Approval

3. Public Comment (Non-Agenda):
   This time is reserved for members of the public to address the Committee relative to matters of the County of Humboldt Housing Authority not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and twenty minutes in total.

4. Approve Minutes of the Board of Commissioners Meeting held May 09, 2022. (pages 7 - 9)

5. Bills and Communications: None

6. Report of the Secretary:
   The Report of the Secretary is intended to brief the Commission on items, issues, key dates, etc., that do not require specific action, and are not separate items on the Board of Commissioners Agenda.
   6a. Covid-19 Updates
   6b. Occupancy and Leasing Report (page 10)
   6c. HCV Utilization Reports (pages 11 - 15)

7. Reports of the Commissioners:
   This time is reserved for Commissioners to share any relevant news or Housing related endeavors undertaken by Commissioners.

8. Unfinished Business:
   This time is reserved for any business that has been carried over from previous meetings and/or discussions.

9. New Business:
   9a. Eureka Family Housing, Tenant Selection Plan update, Resolution 1962 (pages 16 - 42)
   Recommended Board Action: Accept and Adopt for Approval
   9b. City of Eureka Housing Authority Repositioning Plan, Resolution 1963 (pages 43 - 127)
   Recommended Board Action: Accept and Adopt for Approval

10. Closed Session – If needed.

11. Adjournment

* * * Note * * *

Documents related to this agenda are available on-line at:
https://eurekahumboldtha.org/governance/

Know Your RIGHTS Under The Ralph M. Brown Act: Government’s duty is to serve the public, reaching its decisions in full view of the public. The Board of Commissioners exists to conduct the business of its constituents. Deliberations are conducted before the people and are open for the people’s review.

City of Eureka Housing Authority

Board of Commissioners Meeting

June 21, 2022

Agenda Item 2

Memorandum

To: Commissioners
From: Cheryl Churchill, Executive Director
Subject: Brown Act, Meetings Held Virtually

I. Background and Issue

The purpose of this Memorandum is to provide an update and recommendations regarding the state of the Brown Act and the Executive Orders relaxing certain of its provisions due to the pandemic.

On September 15, 2021, the California Legislature passed two separate bills providing varying degrees of relief from the Brown Act. Each bill is discussed below and awaits the Governor's signature.

II. Discussion

A. Teleconferencing under the Brown Act.

The Brown Act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction.

The teleconferencing option under the Brown Act has long been underutilized because it is impractical.

B. Assembly Bill 361

Assembly Bill 361 passed both houses of the Legislature on September 15, 2021, and on September 16, 2021 was signed into law by the Governor. This Bill allows a public entity to conduct a meeting without complying with the teleconferencing requirements of the Brown Act under any of the following circumstances:

- The legislative body holds a meeting during a proclaimed state of emergency, <u>and</u> state or local officials have imposed or recommended measures to promote social distancing.
  <u>or</u>

- The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

- The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

A "state of emergency" means a state of emergency proclaimed by the Governor pursuant to Section 8625 of the California Emergency Services Act. The state of emergency proclaimed on March 4, 2020, by the Governor remains in effect.

If either of the above two circumstances is present, the legislative body may suspend the teleconferencing provisions under the Brown Act provided it complies with the following requirements: (Requirements not contained in the Executive Orders are shown in *italics* below.)

1. The legislative body shall give notice of the meeting and post agendas as otherwise required by the Brown Act, i.e., post 72 hours before regular meeting or 24 hours before special meeting.
2. The legislative body must allow members of the public to participate in the meeting and the agenda shall also give notice of the means by which members of the public may access the meeting and offer public comment.
3. *The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.*
4. The agenda shall identify and include an opportunity for all persons to attend via a call-in option and/or an internet-based service option.
5. *In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored.*
6. *If a public entity provides for a timed public comment period, the legislative body shall not close the public comment period until the time period has expired.*
7. *If a public entity does not provide a timed public comment period, it shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register with the video service provider.*
8. All votes shall be by roll call vote.

In addition to the above requirements, the legislative body must within 30-days after first utilizing the relaxed teleconferencing option under AB 361 <u>and</u> every 30 days thereafter so long as the option is utilized, make the following findings by resolution:

1. The legislative body has reconsidered the circumstances of the state of emergency.
2. That any of the following circumstances exist:
    a. The state of emergency continues to directly impact the ability of the members to meet safely in person.
    b. State or local officials continue to impose or recommend measures to promote social distancing.

III. Summary and Recommendation

AB 361 contains an urgency clause, meaning it became effective immediately upon approval by the Governor. Accordingly, the relaxed teleconferencing option became available starting October 1, 2021, after the Executive Order expired.

As of the date of this memorandum, the necessary circumstances exist allowing our public entity to take advantage of the relaxed teleconferencing options under AB 361. In particular, the state of emergency continues to exist, and the County Health Officer has imposed or recommended measures to promote social distancing.

Accordingly, the following is recommended:

1. Provide direction to staff whether there is a collective desire to continue using the relaxed teleconferencing option under AB 361. If so, approve a resolution allowing such practice.
2. Within 30-days of the first meeting in which the teleconferencing option is authorized under AB 361, the legislative body will need to make the findings described above if it desires to continue using the teleconference option.
3. For so long as the option is available and utilized by the legislative body, the legislative body will need to make the findings described above every 30 days.

STAFF RECOMMENDATION:

If the need to continue meetings remotely is acknowledged by the board and meets the requirements as noted above, approve a resolution allowing such practice to continue moving forward until such time as it is no longer necessary or no longer allowed.

RESOLUTION NO. 1961

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF EUREKA HOUSING AUTHORITY MAKING FINDINGS PURSUANT TO GOVERNMENT CODE SECTION 54953, AS AMENDED BY ASSEMBLY BILL 361, AND AUTHORIZING THE CONTINUED USE OF VIRTUAL MEETINGS

WHEREAS, as a result of the COVID-19 pandemic, the Governor issued Executive Order Nos. N-08-21, N-25-20 and N-29-20, which suspended certain provisions of the Ralph M. Brown Act to allow the City of Eureka Housing Authority Board of Commissioners to conduct public meetings without strict compliance with the teleconferencing provisions of the Brown Act;

WHEREAS, Assembly Bill 361, which was signed into law on September 17, 2021, amended Government Code section 54953, to provide relief from the teleconferencing provisions of the Brown Act under certain circumstances provided the City of Eureka Housing Authority Board of Commissioners makes certain findings;

WHEREAS, as a result of the COVID-19 pandemic, the Governor proclaimed a state of emergency on March 4, 2020, in accordance with the section 8625 of the California Emergency Services Act, and the state of emergency remains in effect;

WHEREAS, as a result of the COVID-19 pandemic, the Humboldt County Health Officer has imposed and has recommended measures to promote social distancing;

NOW, THEREFORE, the City of Eureka Housing Authority Board of Commissioners does hereby find and resolve as follows:

1. That the Board has reconsidered the circumstances of the previously declared and existing state of emergency arising from the COVID-19 pandemic;

2. That the state of emergency continues to directly impact the ability of the members of the Board to meet safely in person, and further that local officials continue to impose or recommend measures to promote social distancing;

3. That the Board and its subordinate Committees, Commissions, and Boards may continue to conduct public meetings in accordance with Government Code section 54953(e);

4. That the Board will reconsider the above findings within 30-days of this Resolution.

PASSED AND ADOPTED on the ________ day of _______ 2022 by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:
ATTEST:

___________________________	___________________________
Name	Name
___________________________	___________________________
Title	Title

MINUTES

MEETING OF THE CITY OF EUREKA HOUSING AUTHORITY
BOARD OF COMMISSIONERS

MONDAY, MAY 16, 2022

Chairperson Serotta declared a quorum present and called the meeting to order at 7:32pm.

A. Roll Call:

Present:	Chairperson Serotta, Vice Chairperson Konkler, Commissioner Escarda, Commissioner Raymond, Commissioner Byers
Absent:	
Staff:	Churchill, Humphreys
Public:	

B. Public Comment: None heard.

C. Minutes of the regular session of February 22, 2022 and April 18, 2022.

Motion to approve the minutes of the meeting of February 22, 2022 and April 18, 2022, made by Vice Chairperson Konkler.

Second – Commissioner Escarda

Secretary Churchill notes that due to attendance at the meetings of February 22, 2022 and April 18, 2022, it is necessary to complete two roll calls for approval of each meeting.

Roll call for approval of minutes of the February 22, 2022 meeting:

Ayes: Serotta, Escarda, Konkler, Byers,
Nays: None
Abstain: Raymond

Roll call for approval of minutes of the April 18, 2022 meeting:

Ayes: Serotta, Escarda, Konkler, Raymond
Nays: None
Abstain: Byers

Chairperson Serotta declared the motion carried to approve the minutes of February 22, 2022 and April 18, 2022.

D. Bills and Communication:

Approval of Unit Exception, HUD letter dated April 14, 2022
Secretary Churchill briefly goes over the letter explaining to the board that HUD has approved the unit exception for the Boys and Girls Club and the Eureka Police Annex on Prospect Street.

E. Report of the Secretary:

E1. Covid-19 Updates
Secretary Churchill updates the board stating that we now have a few employees out with Covid and they will be out for at least 10 days. Masking is required in the office

once again.

E2. Occupancy and Leasing Report
Secretary Churchill notes that we continue to work on our vacancy rates. A contributing factor has been tenants who are moving out with no notice. We continue to pull from the waitlist.

E3. HCV Utilization Reports
Secretary Churchill updates the board on this report. Secretary Churchill notes that for March 2022, we are just above 100% of budget utilization for the HCV program. For the Mainstream program, we are spending at over 152% of what we are being funded as we are still spending some of the reserves from last year and HUD is underfunding for that reason.

F. Reports of the Commissioners:
Vice Chairperson Konkler mentions that he attended the most recent Community Economic Resilience Consortium (CERC) meeting. Commissioner Escarda mentions that she too attended the CERC meeting.

G. Unfinished Business: None.

H. New Business:
H1. Resolution 1960: Brown Act, Remote Session Authorization
Recommended Board Action: Accept and Adopt for Approval

RESOLUTION NO. 1960

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF EUREKA HOUSING AUTHORITY MAKING FINDINGS PURSUANT TO GOVERNMENT CODE SECTION 54953, AS AMENDED BY ASSEMBLY BILL 361, AND AUTHORIZING THE CONTINUED USE OF VIRTUAL MEETINGS

WHEREAS, as a result of the COVID-19 pandemic, the Governor issued Executive Order Nos. N-08-21, N-25-20 and N-29-20, which suspended certain provisions of the Ralph M. Brown Act to allow the City of Eureka Housing Authority Board of Commissioners to conduct public meetings without strict compliance with the teleconferencing provisions of the Brown Act;

WHEREAS, Assembly Bill 361, which was signed into law on September 17, 2021, amended Government Code section 54953, to provide relief from the teleconferencing provisions of the Brown Act under certain circumstances provided the City of Eureka Housing Authority Board of Commissioners makes certain findings;

WHEREAS, as a result of the COVID-19 pandemic, the Governor proclaimed a state of emergency on March 4, 2020, in accordance with the section 8625 of the California Emergency Services Act, and the state of emergency remains in effect;

WHEREAS, as a result of the COVID-19 pandemic, the Humboldt County Health Officer has imposed and has recommended measures to promote social distancing;

NOW, THEREFORE, the City of Eureka Housing Authority Board of Commissioners does hereby find and resolve as follows:

1. That the Board has reconsidered the circumstances of the previously declared and existing state of emergency arising from the COVID-19 pandemic;

2. That the state of emergency continues to directly impact the ability of the members of the Board to meet safely in person, and further that local officials continue to impose or recommend measures to promote social distancing;

3. That the Board and its subordinate Committees, Commissions, and Boards may continue to conduct public meetings in accordance with Government Code section 54953(e);

4. That the Board will reconsider the above findings within 30-days of this Resolution.

Motion to approve the Resolution 1960 by Commissioner Escarda.

Second - Vice Chairperson Konkler

AYES: Serotta, Escarda, Konkler, Byers, Raymond
NAYS: None
ABSTAIN: None

Chairperson Serotta declared the motion carried and the Resolution 1960 approved.

H2. Advancing Equity through Emergency Housing Vouchers (EHV) Community of Practice Recommended Board Action: Informational only
Secretary Churchill apprises the board of the advancing equity community of practice noting that homebase is a national nonprofit agency that focuses on diversity and equity inclusion. Secretary Churchill goes on to note that we will be focusing on the EHV program to ensure we are not missing any populations of who can be assisted. Our group who will be working with a larger group, will include three housing authority representatives, Secretary Churchill, our EHV Specialist, Mandee McCullough, our Housing Supervisor, Christy Orsini and one Continuum of Care representative.

H3. Repositioning Updates
Recommended Board Action: Informational only; Ad-Hoc Committee meetings occurred April 26, 2022, May 3, 2022, and May 10, 2022 Secretary Churchill notes that the Ad Hoc Committee has meet and our consultant, Mike Andrews, was at the May 3, 2022 meeting. Secretary Churchill notes that Mike Andrews will be in the office next week to meet with members of both our City and County board members and answer questions.

I. Closing Comments: None heard.

J. Executive Session: Not needed.

There being no further business to come before the Commissioners, the meeting was adjourned at 8:05p.m.

______________________ Secretary

______________________ Chairperson

Occupancy and Leasing Report
2022

Housing Authorities of the City of Eureka and County of Humboldt

Program	Total Units Available		Jan-22	Feb-22	Mar-22	Apr-22	Wait List End of Month
			# Units Leased, 1st of Month				
Eureka							
Public Housing	196	*	177	180	182	181	468
Eureka Family Housing	51		48	48	48	47	474
Eureka Senior Housing	22		20	20	20	20	159
	269		**245**	**248**	**250**	**248**	
Humboldt							
Tenant Based Vouchers							
Housing Choice Vouchers	1137		866	860	864	860	1037
VASH Vouchers	73		23	23	23	26	N/A
Mainstream vouchers	75	***	27	27	28	29	N/A
Emergency Housing Vouchers (EHV)	182		5	11	15	18	N/A ‡
Project Based Vouchers							
PBV-VASH - Bayview Heights (Eureka)	22	**	21	21	21	22	
PBV-HCV - Bayview Heights (Eureka)	3	**	-	-	-	3	
PBV-HCV - Sorrell Place (Arcata)	5	**	-	-	-	-	
PBV-HCV - Providence (Eureka)	42	✦	-	-	-	-	
PBV-HCV - 7th & Myrtle Senior (Eureka)	35	✦	-	-	-	-	
Total All Vouchers	**1574**		**942**	**942**	**951**	**958**	

Vouchers issued but not under contract, end of month (aka "Searching")	64

*Total PH units is 198; 2 units are exempted for EPD use and Boys & Girls Club and are unavailable for tenant rental

**25 Project Based Vouchers at Bayview Heights Veteran's housing at 4th & C Street, Eureka; contract signed 6/30/2020.
5 Project Based HCV vouchers at Sorrell Place, extremely low income units at 7th & I Street, Arcata; effective 6/1/2022.

*** Mainstream vouchers were awarded December 2020. Funding and voucher issuance began April 2021.
25 Mainstream vouchers will be allocated via waitlist pulls; 50 will be via referral from CoC partners.

‡ No PHA waitlist for EHVs; all are issued based on referral from HHHC or HDVS. Referrals began Q4 2021.

✦HUD-approved PBVs; project expected to complete construction in 2023.

HOUSING AUTHORITY - COUNTY OF HUMBOLDT
Housing Choice Vouchers Only
For the month of April 2022

HAP (per VMS):	January	February	March	April	Total
HUD Budget Authority Income (HAP)	487,240.00	490,302.00	492,693.00	492,693.00	1,962,928.00
HUD Additional VO Funding					-
Less: HUD Recapture					-
Draw from HUD-held reserves					-
Other HAP income	209.00	279.00	289.00	117.00	894.00
HAP expenses	(491,122.00)	(489,495.00)	(495,675.00)	(489,372.00)	(1,965,664.00)
Surplus (Deficit)	(3,673.00)	1,086.00	(2,693.00)	3,438.00	(1,842.00)
% Total income utiliized	100.75%	99.78%	100.55%	99.30%	100.09%
% Budget Authority utilized	100.80%	99.84%	100.61%	99.33%	100.14%
# of Households Assisted	866	860	864	860	3,450
Average HAP Payment	567.12	569.18	573.70	569.04	569.76
ADMIN & OPERATIONS (per G/L):					
Administrative Fee income (HUD)	69,755.00	69,755.00	69,755.00	68,023.00	277,288.00
HUD Additional AF Funding			12,042.00		
Other Admin income	1,336.90	1,406.90	1,416.90	1,244.90	5,405.60
Port-in HAP income	1,820.00	1,820.00	1,820.00	1,820.00	7,280.00
Port-in HAP expense	(1,820.00)	(1,820.00)	(1,820.00)	(1,820.00)	(7,280.00)
Operating expenses	(62,590.66)	(57,222.10)	(62,223.09)	(64,272.61)	(246,308.46)
Surplus (Deficit)	8,501.24	13,939.80	20,990.81	4,995.29	36,385.14
Remaining HAP Cash	18,124.17	19,052.17	10,666.67	12,532.67	
Remaining Non-HAP Cash	385,078.79	409,050.32	425,906.83	432,217.87	
Total HCV Cash	403,202.96	428,102.49	436,573.50	444,750.54	
Cash Increase/(Decrease)	6,455.33	24,899.53	8,471.01	8,177.04	

HOUSING AUTHORITY - COUNTY OF HUMBOLDT
Mainstream Vouchers Only
For the month of April 2022

HAP:	January	February	March	April	Total
HUD Budget Authority Income (HAP)	7,833.00	12,284.00	15,469.00	15,469.00	51,055.00
HUD Additional VO Funding					-
Less: HUD Recapture					-
Draw from HUD-held reserves					-
Other HAP income					-
HAP expenses	(17,543.00)	(18,014.00)	(18,864.00)	(19,822.00)	(74,243.00)
Surplus (Deficit)	(9,710.00)	(5,730.00)	(3,395.00)	(4,353.00)	(23,188.00)
% Total income utiliized	223.96%	146.65%	121.95%	128.14%	145.42%
% Budget Authority utilized	223.96%	146.65%	121.95%	128.14%	145.42%
# of Households Assisted	27	27	28	29	111
Average HAP Payment	649.74	667.19	673.71	683.52	668.86
ADMIN & OPERATIONS (per G/L):					
Administrative Fee income (HUD)	55.00	55.00	55.00	647.00	812.00
HUD Additional AF Funding			1,453.00		1,453.00
Other Admin income					-
Port-in HAP income					-
Port-in HAP expense					-
Operating expenses	(1,575.17)	(1,067.93)	(1,291.34)	(1,300.91)	(5,235.35)
Surplus (Deficit)	(1,520.17)	(1,012.93)	216.66	(653.91)	(2,970.35)
Remaining HAP Cash	69,131.00	63,950.00	60,703.00	56,106.00	
Remaining Non-HAP Cash	(1,406.79)	(2,295.69)	(2,052.07)	(2,669.36)	
Total Mainstream Voucher Cash	67,724.21	61,654.31	58,650.93	53,436.64	
Cash Increase/(Decrease)	(12,190.79)	(6,069.90)	(3,003.38)	(5,214.29)	
	A	A	A	A	

A Cash decrease due to timing of HUD stopping MSV payments from July 2021-December 2021. Expecting cash to increase as payments continue this year.

HOUSING AUTHORITY - COUNTY OF HUMBOLDT
Emergency Housing Vouchers Only
For the month of April 2022

HAP:	January	February	March	April	Total
HUD Budget Authority Income (HAP)					-
HUD Additional VO Funding					
Less: HUD Recapture					
Draw from HUD-held reserves					
Other HAP income					
HAP expenses	(4,749.00)	(11,739.00)	(15,752.00)	(17,535.00)	(49,775.00)
Surplus (Deficit)	(4,749.00)	(11,739.00)	(15,752.00)	(17,535.00)	(49,775.00)
% Total income utiliized	0.00%	0.00%	0.00%	0.00%	0.00%
% Budget Authority utilized	0.00%	0.00%	0.00%	0.00%	0.00%
# of Households Assisted	5	11	15	18	
Average HAP Payment	949.80	1,067.18	1,050.13	974.17	
ADMIN & OPERATIONS (per G/L):					
Administrative Fee income (HUD)					-
HUD Additional AF Funding					
Other Admin income	6,939.97	13,451.28	11,274.91	12,862.43	44,528.59
Port-in HAP income					
Port-in HAP expense					
Operating expenses	(6,063.57)	(12,924.29)	(10,910.03)	(12,457.29)	(42,355.18)
Surplus (Deficit)	876.40	526.99	364.88	405.14	2,173.41
Remaining HAP Cash	512,371.00	500,567.00	485,216.00	467,681.00	
Remaining Non-HAP Cash	426,639.42	414,688.14	404,613.23	392,950.80	
Total Emergency Housing Voucher Cash	939,010.42	915,255.14	889,829.23	860,631.80	
Cash Increase/(Decrease)	(12,024.97)	(23,755.28) A	(25,425.91) A	(29,197.43) A	

A Cash decrease due to timing of HUD stopping EHV HAP and Admin Fee disbursements from December 2021-April 2022. Expecting cash to continue to decrease until disbursements continue.

HOUSING AUTHORITY - COUNTY OF HUMBOLDT
Housing Choice Vouchers Only
For the month of April 2022

Section 8 Program
County of Humboldt

Housing Assistance Payments

Month	Income	Expense**	% Expended
January	$ 487,449.00	$ (491,122.00)	100.75%
February	490,581.00	(489,495.00)	99.78%
March	492,982.00	(495,675.00)	100.55%
April	492,810.00	(489,372.00)	99.30%
Year to Date Total	**$ 1,963,822.00**	**$ (1,965,664.00)**	**100.09%**

Administrative and Operating Expenses

Month	Income	Expense	% Expended
January	$ 71,091.90	$ (62,590.66)	88.04%
February	71,161.90	(57,222.10)	80.41%
March	71,171.90	(62,223.09)	87.43%
April	69,267.90	(64,272.61)	92.79%
Year to Date Total	**$ 282,693.60**	**$ (246,308.46)**	**87.13%**

Households Served

Month	Number of Households Leased		Average Housing Assistance Payment
January	866		$ 567.12
February	860		569.18
March	864		573.70
April	860		569.04

** Note that prior month HAP expenses/counts are subject to revision based on periodic retroactive adjustments.

Housing Choice Vouchers	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	945	966	939	918	888	931	985	913	889	917	918	903	882	866	884	866
February	935	960	936	911	884	933	983	906	901	921	919	898	894	867	875	860
March	921	953	940	910	881	944	977	899	908	923	918	896	897	861	875	864
April	927	953	935	909	883	945	979	896	920	928	919	908	895	859	873	860
May	929	930	932	903	907	949	977	890	920	927	917	905	895	850	873	
June	929	911	935	895	892	944	976	890	922	930	914	898	892	853	868	
July	937	922	936	885	900	940	969	891	929	924	919	895	882	873	865	
August	969	923	931	880	902	938	962	891	929	923	917	888	879	872	864	
September	967	924	926	884	903	944	956	896	931	927	913	888	872	883	864	
October	971	937	923	880	898	953	946	897	918	934	906	888	866	888	862	
November	979	934	917	879	912	968	939	900	913	928	903	887	881	890	866	
December	995	940	919	885	922	973	927	890	910	925	902	882	877	887	857	
Average	**950**	**938**	**931**	**895**	**898**	**947**	**965**	**897**	**916**	**926**	**914**	**895**	**884**	**871**	**869**	**863**
UML's	11,404	11,253	11,169	10,739	10,772	11,362	11,576	10,759	10,990	11,107	10,965	10,736	10,612	10,449	10,426	3,450

Mainstream Vouchers															2021	2022
January																27
February																27
March																28
April																29
May																
June																
July																
August															4	
September															15	
October															18	
November															24	
December															27	
Average															**21**	**28**
UML's															88	111

Emergency Housing Vouchers															2021	2022
January																5
February																11
March																15
April																18
May																
June																
July																
August																
September																
October																
November																
December															4	
Average															**4**	**12**
UML's															4	49

Total All Voucher Programs	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	945	966	939	918	888	931	985	913	889	917	918	903	882	866	884	898
February	935	960	936	911	884	933	983	906	901	921	919	898	894	867	875	898
March	921	953	940	910	881	944	977	899	908	923	918	896	897	861	875	907
April	927	953	935	909	883	945	979	896	920	928	919	908	895	859	873	907
May	929	930	932	903	907	949	977	890	920	927	917	905	895	850	873	
June	929	911	935	895	892	944	976	890	922	930	914	898	892	853	868	
July	937	922	936	885	900	940	969	891	929	924	919	895	882	873	865	
August	969	923	931	880	902	938	962	891	929	923	917	888	879	872	868	
September	967	924	926	884	903	944	956	896	931	927	913	888	872	883	879	
October	971	937	923	880	898	953	946	897	918	934	906	888	866	888	880	
November	979	934	917	879	912	968	939	900	913	928	903	887	881	890	890	
December	995	940	919	885	922	973	927	890	910	925	902	882	877	887	888	
Average	**950**	**938**	**931**	**895**	**898**	**947**	**965**	**897**	**916**	**926**	**914**	**895**	**884**	**871**	**894**	**903**
UML's	11,404	11,253	11,169	10,739	10,772	11,362	11,576	10,759	10,990	11,107	10,965	10,736	10,612	10,449	10,518	3,610

City of Eureka Housing Authority

Board of Commissioners Meeting

June 21, 2022

Agenda Item 9a

Memorandum

To: Commissioners
From: Cheryl Churchill, Executive Director
Subject: Eureka Family Housing Tenant Selection Plan update

BACKGROUND AND HISTORY:

The Tenant Selection Plan is a document that establishes policies applied to all residents and applicants regarding tenant selection and ongoing occupancy in the Eureka Family Housing properties (1112 E Street, 735 P Street, and 615 West Hawthorne Street, in Eureka). These policies are established in compliance with HUD's Occupancy Handbook 4350.3, which applies to multifamily assisted properties.

From time to time, updates are required of our guiding documents in order to keep them in line with any changes in regulations or practice. The last update to the Plan was performed in 2016. The current draft updated Tenant Selection Plan has been made available on our website since May 17, 2022, and all program participants and applicants were notified that a draft Plan was available for review during the 30-day public comment. No comments were received regarding the draft updated Plan.

STAFF RECOMMENDATION:

Review draft updated Tenant Selection Plan and approve for adoption.

HOUSING AUTHORITIES
CITY OF EUREKA & COUNTY OF HUMBOLDT
735 WEST EVERDING STREET, EUREKA CA 95503
PHONE: (707) 443-4583 FAX: (707) 443-4762 TTY: (800) 651-5111
WWW. EUREKAHUMBOLDTHA.ORG

TENANT SELECTION PLAN FOR THE EUREKA FAMILY HOUSING PROPERTY

Management Agent: City of Eureka Housing Authority

Submitted to California Housing Finance Agency (CalHFA)
Updated May 2022

EUREKA HOUSING AUTHORITY
735 W. Everding Street, Eureka, CA 95503
Main Phone: 707.443.4583
Fax: 1.707.443.4762 (all 11 digits for fax)

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INTRODUCTION

The Eureka Housing Authority, a Public Housing Authority (PHA) has prepared this Tenant Selection Plan (TSP) in accordance with the multifamily housing regulations for Section 8 New Construction (project based) subsidized housing. The EFH tenant selection plan establishes a set of policies which are consistently applied to all residents and applicants regarding tenant selection and ongoing occupancy. This plan is designed to promote fairness and uniformity in tenant selection and efficiencies in the processes used by this agency in its operations of these properties. The procedures contained in this TSP have been established in compliance with the Department of Housing and Urban Development (HUD) Occupancy Handbook 4350.3, as amended, and all other applicable federal statutes and regulations.

These units are designated to serve a multi-family, mixed resident population. Qualifying economic income limits are low to moderate as published by HUD each year for Humboldt County.

All reasonable efforts will be made to offer reasonable accommodations as requested by applicants and participants with disabilities and/or Limited English Proficiency (LEP) during the application process, as well as during tenancy and for all processes. Staff-provided assistance will be available upon request for all services this agency offers. At any time, the applicant(s) may bring an individual(s) with them to help with any process, if desired.

AMENDING THE TENANT SELECTION PLAN

The PHA will review and update the TSP as needed to reflect changes in regulations, the PHA's operations, or when needed to ensure staff consistency in operations. The PHA will seek HUD approval on the TSP when required to do so.

This TSP will be made available for public viewing on the City of Eureka Housing Authority's website and at this agency's office during normal business hours. When an applicant or participant requests a printed copy of this agency's TSP, the PHA will provide copies to them at a charge equal to the current published rate under MGO 3.70.

NONDISCRIMINATION REQUIREMENTS

Equal Access Rule: The City of Eureka Housing Authority (CEHA) is an Equal Housing Opportunity Organizations and does not discriminate based on age, race, color, creed, national origin, gender, gender identity, genetic makeup, religious affiliation, sex, disability, physical or mental disability, HIV/AIDS, familial status (familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), marital status, citizenship, actual or perceived sexual orientation, or any other basis protected by federal, state or local law. [HUD Final Rule published February 3, 2012]

Family: Includes, but is not limited to, regardless of marital status, actual or perceived sexual orientation, or gender identity, the following: 1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or, 2) A group of persons residing together, and such group includes, but is not limited to: a) a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); b) an elderly family; c) a near-elderly family; d) a disabled family; e) a displaced family; and, f) the remaining member of a tenant family.

The PHA will not use any of these factors to take any of the actions listed below:

- Deny to any family the opportunity to apply to rent housing that is open for application, or deny to any qualified applicant the opportunity to participate in the EFH's housing program;
- Provide housing that is different from that provided to others;
- Subject anyone to segregation or disparate treatment;
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;
- Treat a person differently in determining eligibility or other requirements for admission;

- Steer an applicant or tenant toward or away from a particular area based on any of these factors;
- Deny anyone access to the same level of services;
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program;
- Discriminate in the provision of residential real estate transactions;
- Discriminate against someone because they are related to or associated with a member of a protected class;
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify the Eureka Housing Authority (EHA) either orally or in writing and the EHA will attempt to remedy discrimination complaints made against EFH. The EHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO). Form HUD-903.1 (1/02).

FAIR HOUSING AND EQUAL OPPORTUNITY REQUIREMENTS

It is this agency's policy to comply with Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights act of 1968, Executive Order (E.O.) 11063, Section 504 of the Rehabilitation Act of 1973, Fair Housing Act Amendments of 1988, E.O. 13166 and any legislation protecting the individual rights of applicants, residents, or staff which may subsequently be enacted.

It is the policy of this agency, pursuant to Section 504 of the Rehabilitation Act (if applicable) and the Federal Fair Housing Act to provide reasonable accommodations and modifications upon request to all applicants, residents, and employees with disabilities. Questions and inquiries regarding applicant treatment relative to Section 504 of the Rehabilitation Act of 1973, the Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, EO 11063, EO 13166 or the Fair Housing Act Amendments of 1988 should be addressed by mail to the following person: Eureka Housing Authority, 504 Coordinator, 735 W. Everding St. Eureka, CA 95503, (707) 443-4583. This person is not directly involved in the day-to-day decision-making process involving admitting applicants to the property

This agency will do due diligence to identify and eliminate situations or procedures which create a barrier to equal housing opportunity for all applicants or residents. In accordance with Section 504, the property will make reasonable accommodations for individuals with disabilities as well as for individuals with Limited English Proficiency (LEP).

The PHA will take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to the programs and services offered by this agency [24 CFR 8.6]:

- To meet the needs of persons with hearing impairments, the PHA will provide an e-mail address on all written communications.
- To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA staff, one-on-one assistance will be provided upon request.

- Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third-party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

LIMITED ENGLISH PROFICIENCY (LEP)
Management complies with EO 13166 in its efforts to improve access to all of its program activities for persons who, as a result of national origin, are limited in their English proficiency. The PHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered.

The PHA will take reasonable steps to ensure meaningful access to the information and services they provide for persons with Limited English Proficiency (LEP). Persons with LEP include those who are housing applicants and resident families, who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. In order to determine the level of access needed, the PHA will balance the following four factors:

1. The number or proportion of LEP persons eligible to be served or likely to be encountered by the PHA's housing program;
2. The frequency with which LEP persons come into contact with the programs offered within this agency's jurisdiction;
3. The nature and importance of the program, activity, or service provided by this agency; and
4. The resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on this agency.

The PHA will monitor contacts it has with the public, to assess language needs and decide what reasonable steps should be taken, if any. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits. Where feasible the PHA will pool resources with other agencies and standardize documents and encourage the use of qualified community volunteers. When LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the PHA. The interpreter may be a family member or friend.

The PHA will take the following steps when approaching the replacement of written text from one language into an equivalent written text in another language:

- Provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or
- If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the PHA may not translate vital written materials, but will provide written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

If it is determined that the PHA serves very few LEP persons, and has very limited resources, the PHA will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants, will be contacted for input into the process.

REASONABLE ACCOMMODATIONS
Under the Fair Housing Act, the PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the housing program. The PHA will ask all applicants and resident families if they require any type of accommodation, in writing, on intake applications, reexamination documents, and notices of adverse action by the PHA, by including the following language:

> *If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the Housing Authority at (707) 443-4583.*

Definition
A "reasonable accommodation" is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act] Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

Request for an Accommodation
An applicant or participant must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services. If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. The PHA will encourage the family to make its request in writing using a reasonable accommodation request form, and the reasonable accommodation request form must be submitted within 10 business days. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted. If an informal request is made by the family, the family must explain what type of accommodation is needed to the PHA within 10 business days.

Verification of Disability
The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances. See Exhibit 1, for the definition of a person with a disability under federal civil rights laws. Before providing an accommodation, it must be determined that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to programs and services.

If a person's disability is obvious or otherwise known, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

All information related to a person's disability will be treated in accordance with the PHA's confidentiality policies. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA may not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.

- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, this agency will dispose of it. In place of the information, it will be noted in the file that the disability and other requested information has been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

Approval/Denial of Request for a Reasonable Accommodation

Requests for accommodations will be assessed on a case-by-case basis and the PHA will approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA or fundamentally alter the nature of the PHA's operations.

After a request for an accommodation is presented, the PHA will acknowledge receipt of the request in writing within 10 business days. Once all necessary documentation has been received, the PHA will process and make its final decision on whether to grant or deny the reasonable accommodation request within a reasonably prompt period of time, taking into account the need for verifications and an interactive process. If the PHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the operations or otherwise does not meet applicable criteria of reasonableness), the PHA will invite the family to discuss whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the housing program and without imposing an undue financial or administrative burden.

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, or if the family fails to participate in the discussion, the PHA will notify the family, in writing, of its determination within a reasonable amount of time from the date of the most recent discussion or communication with the family. If the family disagrees with the decision to grant or deny a request for reasonable accommodation, the family may request an additional meeting as an appeal of the decision through an informal hearing (if applicable).

Reasonable Accommodation in Denial of Admission

If the family includes a person with disabilities, the PHA's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8. If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission, the PHA will ask for information to determine whether the behavior is related to the disability and whether an accommodation will alleviate the behavior. The family must make the reasonable accommodation request within 10 days from the date of the denial notice. Upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior, action, or non-action that is the basis of the proposed denial of admission. If a request for an accommodation has been made, the PHA will consider disability-related circumstances when deciding to admit or deny an applicant. The agency may provide an exception to PHA rules, policies, practices, or services, but will not lower or waive the essential eligibility requirements of the housing program, as doing so would alter the fundamental nature of the program. Even for a family that includes a person with disabilities, the PHA will not grant exceptions for the following:

- Individuals currently using controlled substances illegally;
- Individuals who abuse alcohol to the detriment of others;

- Convicted sexual offenders who are required to register under any state;
- Individuals who have been evicted from federally assisted housing due to drug-related criminal activity within the previous three years, unless a PHA approved rehabilitation program has been successfully completed.

Even with accommodation, the PHA is not required to admit the following:
- Individuals who are not "otherwise qualified" for the housing program.
- Individuals who would cause undue financial and administrative burdens, or would require a fundamental alteration in the nature of the housing program.
- Individuals whose request for accommodation is not necessary or will not be effective.

PRIVACY ACT REQUIREMENTS [24 CFR 5.212]
§5.212 Compliance with the Privacy Act and other requirements.
(a) *Compliance with the Privacy Act.* The collection, maintenance, use, and dissemination of SSNs, EINs, any information derived from SSNs and Employer Identification Numbers (EINs), and income information under this subpart shall be conducted, to the extent applicable, in compliance with the Privacy Act (5 U.S.C. 552a) and all other provisions of Federal, State, and local law.

It is the policy of this property to guard the privacy of individual's information in compliance with the Privacy Act of 1974. Therefore, neither the PHA nor its agents shall disclose any personal information contained in its records to any person or agency unless required by law, or unless the individual about whom information is requested shall give written consent to such disclosure.

Applicants and participants, including all adults in the household, are required to sign HUD-9887 and HUD-9887A consent forms. These forms incorporate the Federal Privacy Act Statement and describe how the information collected using the form may be used, and under what conditions HUD or the PHA may release information collected.

All applicant and participant information will be kept in a secure location and access will be limited to authorized PHA staff. The PHA staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action. Information may be released to appropriate federal, state, and local agencies when relevant, and to civil, criminal, or regulatory investigators and prosecutors. However, the information will not be otherwise disclosed or released unless that individual gives written authorization to do so.

This privacy policy in no way limits the PHA's ability to collect such information as it may need to determine eligibility, compute rent, or determine an applicant's suitability for tenancy or for continued occupancy for participants, this includes all adults in the household. Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained on disability status will be treated in a confidential manner.

VIOLENCE AGAINST WOMEN ACT (VAWA)

Overview
The Final Rule of Violence Against Women Reauthorization Act of 2013 (VAWA) protects applicants and residents who are victims of domestic violence, dating violence, stalking or sexual assault from being denied housing, evicted or terminated from housing assistance when the Adverse Factors leading to such denial, eviction or termination are the direct result of the domestic violence, dating violence, stalking, or sexual assault they have suffered.

Definitions [24 CFR 5.2003]
The term *bifurcate* means, with respect to an EFH program lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship;
- The type of relationship;
- The frequency of interaction between the persons involved in the relationship.

The term *domestic violence* includes felony or misdemeanor crimes of violence committed by:

- a current or former spouse or intimate partner of the victim
- by a person with whom the victim shares a child in common
- by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or
- by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

The term *affiliated individual* means, with respect to a person:

- A spouse, parent, brother, sister, or child of that person, or an individual to whom that person stands in the position or place of a parent or guardian; or
- Any individual, tenant, or lawful occupant living in the household of that person.

The term *sexual assault* means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

The term *stalking* means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

- Fear for the person's individual safety or the safety of others; or
- Suffer substantial emotional distress.

Notification [24 CFR 5.2005(a)]
EFH will post information regarding VAWA on its Web site. Information about VAWA will be included with housing application materials and in notices of denial of assistance.

EFH will provide all tenants with information about VAWA at the time of admission. Whenever EFH has reason to suspect that providing information about VAWA to a tenant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim.

Documentation [24 CFR 5.2007]
Any request for documentation of domestic violence, dating violence, or stalking will specify a deadline of 10 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline. The individual may satisfy EFH's requirements by providing any one of the following three forms of documentation:

1. A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, or Stalking), which must include the name of the perpetrator;
2. A federal, state, tribal, territorial, or local police report or court record;
3. Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incident in question are bona fide incidents of abuse. The victim must also sign the documentation.

If presented with conflicting certification documents (two or more HUD-5382 forms) from members of the same household, EFH will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(b)(2) or (3) and by following any HUD guidance on how such determinations should be made.

EFH has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence (i.e., without requiring formal documentation of abuse). If EFH accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, or stalking, EFH will document acceptance of the statement or evidence in the individual's file.

In order to deny relief for protection under VAWA, EFH must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 10 business days from the date of receipt, or such longer time as EFH may allow, EFH may deny relief for protection under VAWA.

Confidentiality [24 CFR 5.2007(b)]
All information provided to EFH regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that EFH:
1. May not enter the information into any shared database;
2. May not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work; and
3. May not provide the information to any other entity or individual, except to the extent that the disclosure is:
    a. requested or consented to by the individual in writing;
    b. required for use in an eviction proceeding; or
    c. otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, EFH will inform the victim before disclosure occurs so that safety risks can be identified and addressed. See Exhibit 1. For additional information or any questions regarding VAWA, please contact the housing authority's Community Liaison at 707.443.4583 ext. 211.

ELIGIBILITY REQUIREMENTS

Overview
The PHA is responsible for ensuring that every individual and family admitted to the housing program meets all program and project eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to

confirm eligibility and determine the level of the family's assistance [24 CFR 880.601(b)] to be eligible for multifamily housing developments covered under this tenant selection plan.

The applicant family must:
- Qualify as a family as defined by HUD and the PHA;
- Have income at or below HUD-specified income limits;
- Qualify on the basis of citizenship or the eligible immigrant status of family members;
- Provide social security number information for family members as required [PHA 2012-10 (HA);
- Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms;
- Qualify to reside in the unit based on income, rent or targeted restrictions for that unit;
- Provide information or access to allow the PHA to determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

Definitions *Family [24 CFR 5.403]*
To be eligible for admission, an applicant must qualify as a family. *Family* as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
- a single person, who may be elderly and/or disabled; or
- a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.

A family also includes two or more individuals who:
- are not related by blood, marriage, adoption, or other operation of law;
- intend to remain in a family relationship and share residency; and
- are currently living together in a family relationship under one roof or have a history as a family unit and can show evidence of a stable family relationship by:
  - demonstrating that they have lived together previously; or
  - demonstrating that each individual's income and other resources are shared and will be available to meet the needs of the family

Families who meet these criteria will not be awarded an extra bedroom. Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

Elderly Family [24 CFR 5.100, 5.403]
A family whose head or spouse or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

Disabled Family [24 CFR 5.403]
A family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

Person with Disabilities [24 CFR 5.403]

A person with disabilities for purposes of program eligibility:

(1) Means a person who:

(i) Has a disability, as defined in 42 U.S.C. 423;

A. Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or

B. In the case of an individual who has attained the age of 55 and is blind, inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he/she has previously engaged with some regularity and over a substantial period of time. For the purposes of this definition, the term blindness, as defined in section 416(i)(1) of this title, means central vision acuity of 20/200 or less in the better eye with use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for the purposes of this paragraph as having a central visual acuity of 20/200 or less.

SOCIAL SECURITY NUMBER (SSN) REQUIREMENTS

The regulation at 24 CFR 5.216 now requires that assistance applicants and tenants, excluding tenants age 62 and older as of January 31, 2010, whose initial determination of eligibility was begun prior to January 31, 2010, and those individuals who do not contend eligible immigration status, to disclose and provide verification of the complete and accurate SSN assigned to them. The requirement to disclose and provide verification of a SSN is no longer limited to those assistance applicants and tenants six years of age and older. HUD NOTICE: H 10-08. Issued: April 13, 2010.

In order to determine eligibility and offer a unit, HUD requires every household member, including live-in aides, foster children and fostered adults (unless the household is an Exception as noted in 1) to have a Social Security Number (SSN).

The family must provide (for management to copy) a valid Social Security card (SSC) issued by the Social Security Administration for each household member regardless of age:

- If the household member cannot produce his/her valid SSC, the following alternative document must be provided as documentation:
  - Original documentation from the SSA showing the missing SSC has been applied for. This document must show the name and SSN of the person and will be accepted until the SSC has been received by the family.
  - Documents that have been altered, mutilated or are not legible, or that appear to be forged, will be rejected.
  - In this case, management will explain the reason why the document is not acceptable and will request the submission of acceptable documentation within a reasonable time frame prior to a unit being offered.

After the electronic transmission of the Move-In certification, the SSN will be verified via the Enterprise Income Verification (EIV) computer matching program with the Social Security Administration and a copy of that verification will be retained in the tenant file.

(1) Exceptions:
   (a) Individuals who acknowledge that they are not entitled to housing assistance because they do not have eligible immigration status.
   (b) This is documented by the household member's Citizenship Declaration showing that the individual did not contest eligible immigration status. Mixed households with unassisted, ineligible noncitizens can be admitted with prorated assistance, even though the unassisted individuals do not have SSN documentation.
   (c) Household members who were age 62+ as of 1/31/10 AND whose initial determination of eligibility had already begun prior to 1/31/10.

(2) Timeframes for providing Social Security Numbers and documentation:
   (a) An applicant may not become a participant in the program unless the applicant submits the required SSN documentation to the PHA. The applicant must provide SSN documentation to the PHA within 60 days from the date on which the applicant certified that the documentation was not available.
   (b) If the owner has determined that the applicant is otherwise eligible for admission into the property and the only outstanding verification is that of the SSN, the applicant may retain his or her place on the waiting list for the 60-day period during which the applicant is trying to obtain documentation.
   (c) After 60 days, if the applicant has been unable to supply the required SSN documentation, the applicant should be determined ineligible and removed from the waiting list.

(3) Each family member must have U.S. citizenship, naturalization, and/or verified eligible immigration status, if under 62 years of age, to qualify for subsidy.

(4) A person claiming to be an eligible non-citizen who is under age 62, must sign a Verification Consent Form and present one of the following documents, along with the completed application before eligibility can be determined.
   (a) Form I-551, Alien Registration Receipt Card (for permanent resident status)
   (b) Form I-94, Arrival/Departure Record, with one of the following annotations: (i) "Admitted as refugee Pursuant to section 207", (ii) "Section 208" or "Asylum", (iii) "Section 243(b)" or "Deportation stayed by Attorney General", or (iv) "Paroled Pursuant to Sec. 212(v)(5) of the Immigration and Nationality Act (INA)".
   (c) If Form I-94 is not annotated, one of the following documents must be provided: (i) final court decision granting asylum, but only if no appeal is taken, (ii) Letter from a Department of Homeland Security (DHS) asylum officer granting asylum (if application was filed on/after 10/1/90), or from a DHS district director granting asylum (if application was filed before 10/1/90), (iii) Court decision granting withholding of deportation, or (iv) letter from a DHS asylum officer granting withholding of deportation (if application was filed on/after 10/1/90)
   (d) Form I-688, Temporary Resident Card, which must be annotated "Section 245A" or "Section 210"
   (e) Form I-688B, Employment Authorization Card, which must be annotated "Provision of Law 274a.12(11)" or "Provision of Law 274a.12."
   (f) Receipt issued by the DHS indicating that an application for issuance of a replacement document in one of the above-listed categories has been made and that the applicant's entitlement to the document has been verified
   (g) Form I-151, Alien Registration Receipt Card All persons claiming to be eligible non-citizens, who are under age 62, will have their citizenship eligibility status verified through the computerized SAVE System provided by the Department of Homeland Security (DHS).

(5) If secondary verification is necessary and is not provided within the SAVE System, immigration status will be verified using the paper process. A completed Document Verification Request, Form G-845S, and photocopies of the immigration documentation provided by the applicant will be mailed to the local immigration office to receive verification of the validity of the documents.

(6) Student Eligibility. An individual enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential must meet all of the following criteria to be eligible:
   (a) Be of legal contract age under state law,
   (b) Have established a household separate from parents or legal guardians for at least one year prior to application, or
   (c) Meet the U.S. Department of Education's definition of an independent student,
   (d) Not be claimed as a dependent by parents or legal guardians under IRS regulations, and
   (e) Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support, even if no assistance will be provided.

(7) The applicant must have previously demonstrated a housing history or an ability to pay rent and adhere to a lease. Applicants will not be rejected due to a lack of rental history, but may be rejected for a poor rental history.

APPLICATION INTAKE AND PROCESSING

It is the policy of this property to accept and process applications in accordance with applicable HUD Handbooks and regulations. Applications can be obtained in the office located at 735 W. Everding Street, Eureka, CA during regular business hours. All applications submitted must be complete with all requested/required documentation. If, due to a disability, an applicant is unable to complete an application, a third party can assist in the completion of the form. Every application must be completed and signed by the head of household and all additional household members 18 years of age or older. All of the members of the household must be listed on the application. Completed applications and all required documents can be returned to the office in person during regular business hours or mailed to the property address listed above.

- All applicants will be provided with HUD Form 92006, Supplement to the Application. This form gives applicant households the option of including contact information. Although the applicant is not required to provide another contact, the applicant must complete the form with printed name, address, telephone number, plus signature and date; then return the form along with the completed application.
- Upon determination that the application is completed, staff will add the date and time the application was received, followed by the initials of the person accepting the application. The applicant will be added to the waiting list(s), if applicable. All applications will be kept at the property or its file storage locations. If the application received is not fully complete (including any required documents) and/or is not signed/dated by all household members aged 18 years or older the applicant will be notified by letter that their application was found to be incomplete and given ten (10) business days to complete the application. The incomplete application will not be returned to the household. If after the allotted amount of time the application is still incomplete the family may reapply for any program(s) open for application.

Applicant Screening Process

Listed below are the criteria and methods used to review the household's application:

- EIV Existing Tenant Search. Owners/Agents (O/As) must use the Existing Tenant Search in the Enterprise Income Verification (EIV) system, a computerized database, as part of their screening criteria for new tenants and must include written policies for using the search in their Tenant Selection Plan. Use of the EIV Existing Tenant Search must be addressed in the O/A's Tenant Selection Plan. Use of all other EIV reports must be addressed in the O/A's policies and procedures. HUD NOTICE: H 10-08. Issued: April 13 2010.

- Current residence in other HUD assisted housing
  (1) Applicant households must disclose if any household member is currently receiving HUD housing assistance. Households are not permitted to receive assistance in multiple households for the same time period, or to receive assistance if more than one residence will be maintained.
  (2) HUD provides management with information about whether each applicant receives HUD
  (3) assistance and where that residence is located.
  (4) Management will use the EIV Existing Tenant Search report to identify household members who currently reside in HUD's Public and Indian Housing PIH), or Multifamily (MF) programs.
    (a) This report will be printed for each member of the applicant family when processing the applicant for admission, prior to offering a unit.
    (b) If any family member is currently living in another PIH/MF assisted unit, plans to vacate that unit will be discussed with the applicant. Move-Out/Move-In dates will be coordinated with management at the other assisted property to avoid HUD being billed for double subsidy.
    (c) Results of discussions with the applicant and/or other site will be recorded on the Existing Tenant Search.
    (d) For applicants who move into the property, the Existing Tenant Search report(s), along with all documentation, will be kept in the tenant file with the application for the term of tenancy plus three years. For applicants who do not move in, the report(s) and documentation will be retained with the application for three years.
- Applicants living in other HUD-assisted housing may apply to this property. However, the applicant must move out of the current property before HUD assistance can begin at this property. Special circumstances exist:
  - for minor children where both parents legally share 50% custody, and
  - for HUD-assisted household members in another property who are moving in order to establish a new household, when remaining family members will stay in the old unit.

- If any member of the applicant household fails to accurately disclose his/her rental status, the application may be denied based on "misrepresentation of information." After move-in, if any household member receives, or tries to receive, HUD housing assistance at another property while still living at this property, the household will be required to repay HUD for all overpaid assistance.

Criminal Background Check

(1) This property will prohibit admission of any household containing any member who was evicted in the last three years from federally assisted housing for drug-related criminal activity.
(2) Criminal history checks of convictions and outstanding warrants will be completed with a professional criminal and credit checking agency.
  (a) Conviction or adjudication other than acquittal of any household member for violent criminal activity will result in the rejection of the application.
  (b) Any household containing any member with past convictions, or with outstanding warrants due to drug-related criminal activity will be rejected.
  (c) Any conviction or adjudication other than acquittal within the past 5 (five) years which involved injury to a person or property will result in the application being rejected.

(d) Any conviction or adjudication other than acquittal for the passing of worthless checks, credit card fraud, theft from employer, embezzlement, forgery, welfare fraud, identity theft or worker's compensation fraud within the past 5 (five) years will result in the application being rejected.
(e) Any conviction or adjudication other than acquittal for the sale, distribution, or manufacture of any controlled or illegal substance, as well as any conviction or adjudication other than acquittal within the past 5 (five) years involving illegal use or possession of any controlled or illegal substance will result in the application being rejected.
(f) Any conviction or adjudication other than acquittal, for any sexual offense will result in the application being rejected.
(g) Any conviction or adjudication other than acquittal which involved bodily harm to a child will result in the application being rejected.

(3) If the determination is made by the management agent to deny admission to the applicant, the entity making the determination must:
(a) Notify the applicant of the proposed denial of admission.
(b) Provide the subject of the record and the applicant with a copy of the information the action is based upon.
(c) Provide the applicant with an opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency.

Sex Offender Registry Check

No member of the applicant family may be considered eligible if that person is listed on any state's sex offender registry.

Credit checks

Credit checks will be run for all applicants. Credit checks will be conducted by a third party. The third party will provide a credit report on all adult applicants at no cost to the applicant.

Applicants may be rejected for a poor credit history but cannot be rejected for lack of a credit history. All applicant rejections will be made in writing and will include specific reason(s) for the rejection. The rejected applicant has the right to respond, in writing, within 10 business days, to request a meeting to dispute the rejection. Persons with disabilities have the right to request reasonable accommodations to participate in the grievance process. Management will provide a written determination to the applicant within 5 (five) business days after all verification has been received by either applicant and/or third party.

Applicants may be rejected if any of the following credit information is found:
(a) Applicant currently has outstanding collections, regardless of type.
(b) Applicant has had more than one previous non-payment procedure in housing court during the past 3 (three) years. Applicant may be considered if applicant has proof of repayment of the debt or a repayment agreement that is in good standing with said creditor. Proof of repayment must be a statement of satisfaction from creditor, court, or other legal proof.
(c) Applicant has left owing any major utility provider, such as power, water, sewer and garbage.
(d) Credit shows a pattern of repeated insufficient funds.

Rental History

- If any household member was a previous resident at this property, the tenant file and/or archived information will be checked. If there is documentation that the tenant was notified of rules violations or lease violations, the application may be rejected. Previous landlords will be contacted to ask for comments regarding the applicant's rental history. Acceptable topics of discussion include but are not limited to: cooperation with recertification processes, compliance with the lease and house rules, housekeeping, determining if the applicant paid rent on time and/or left the property with any unpaid balances, damages beyond normal wear and tear, eviction(s), neighborhood complaints and unauthorized guests and/or pets.

(a) An applicant household will be rejected if any member of the household has left another HUD-assisted property owing overpaid HUD assistance, unpaid rent, or damages charges.
(b) An application may be rejected if the household has been evicted from a previous residence or has a history of lease violations within the past 5 (five) years.
(c) This property will reject a household in which any member is currently engaged in illegal use of drugs or which shows a pattern of illegal drug use that may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents.
(d) The property may reject a household in which any member shows a pattern of alcohol abuse that may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents. The screening standards must be based on behavior, not the condition of alcoholism or alcohol abuse.

Occupancy Standards

The PHA will assign one bedroom for each two persons within the household, except in the following circumstances:

- Persons of the opposite sex (other than spouses, and children under age 5) will not be required to share a bedroom.
- Persons of different generations will not be required to share a bedroom.
- Live-in aides will be allocated a bedroom. No additional bedrooms will be provided for the live-in aide's family.
- Single person families will be allocated a one bedroom.
- Foster children will be included in determining unit size only if they will be in the unit more than six months.

The PHA will reference the following standards in determining the appropriate unit bedroom size for a family:

BEDROOM SIZE	MINIMUM NUMBER OF PERSONS	MAXIMUM NUMBER OF PERSONS
1	1	3
2	2	5
3	3	7

Determination of Applicant Eligibility and Compliance with resident selection guidelines.

Application Acceptance and Rejection

Information needed to determine applicant eligibility will be obtained, verified and the determination of applicant eligibility performed, in accordance with HUD and property eligibility requirements. Eligible applicants will be placed on the waiting list(s), and will be promptly issued a preliminary notice of eligibility or a rejection notice, as appropriate. The property complies with applicant rejection requirements set forth in the HUD Handbook 4350.3. Management reserves the right to reject applicants for admission if it is determined that the applicant or any member of the household falls within any one or more of the following categories:

(1) Misrepresentation: Willful or serious misrepresentation in the application procedure or certification process for any government assisted dwelling unit.
(2) Records of Disturbance of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior: Includes documented instances of behavior or conduct which adversely affects the safety or

welfare of other persons by physical violence, gross negligence or irresponsibility which damages the equipment or premises in which the family resides; or which is disturbing or dangerous to neighbors or disrupts sound family and community life. An applicant's or any family member's behavior toward the property manager and other staff will be considered as indicative of future behavior toward neighbors. Physical or verbal abuse or threats by an applicant toward property staff will be noted in the file.

(3) Violent Behavior: Includes documented evidence of acts of violence or of any other conduct which would constitute a danger or disruption to the peaceful occupancy of neighbors.
(4) Non-Compliance with Rental Agreement: Includes evidence of any failure to comply with the terms of rental agreements at prior residences, such as failure to recertify as required, providing shelter to unauthorized persons, keeping unauthorized pets, or other acts in violation of rules and regulations.
(5) Owing Prior Landlords: Applicants who owe a balance to ***a*** present or prior landlord(s) ***may*** not be considered for admission until ***either the*** account is paid in full and***/or*** reasonable assurance is obtained that the contributing causes for nonpayment of rent or damages have changed sufficiently to enable the family to pay rent and other charges when due. Record(s) of eviction or termination of assistance from any assisted housing program regarding lease and/or program violations will be checked and determination of suitability made per HUD regulations.
(6) Ineligible Students: Applicant households whose members include an ineligible student who is enrolled in an institution of higher education as noted in Section 3.I (Program Eligibility Requirements/Student Eligibility).
(7) Unsanitary or Hazardous Housekeeping: Includes creating any health or safety hazard through acts of neglect, and/or causing or permitting any damage to, or misuse of premises and equipment; causing or permitting infestation, foul odors or other problems injurious to other persons' health, welfare or enjoyment of the premises; depositing garbage improperly; failing to reasonably and properly use all utilities, facilities, services, appliances and equipment within the dwelling unit, or failing to maintain them in a clean condition; or any other conduct or neglect which could result in health or safety problems or damage to the premises.
(8) Criminal Activity: Management has established a policy as defined in Section 5.B
(9) Social Security Number Documentation: Management has established a policy as defined in Section 3.B.1.

Any items which result in the denial of the applicant must be documented, and appropriate verification forms/letters placed in the applicant's file.

Applicants who require Reasonable Accommodations, including Live-In Aides

The Department of Justice ("DOJ") and the Department of Housing and Urban Development ("HUD") are jointly responsible for enforcing the federal Fair Housing Act;

(1) The Act prohibits discrimination in housing on the basis of race, color, religion, sex (including gender, gender identity, sexual orientation, and sexual harassment), national origin, familial status, and disability;
(2) One type of disability discrimination prohibited by the Act is the refusal to make reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford a person with a disability the equal opportunity to use and enjoy a dwelling;
(3) Joint Statement of HUD and DOJ. *May 17, 2004.*

A reasonable accommodation is a change, exception, or adjustment to a program, service, building, dwelling unit, or workplace that will allow a qualified person with a disability to fully participate in a program, take advantage of a service and/or live in a dwelling unit.

For reasonable accommodations to apply there are several requirements.

(1) First, the applicant must have a verifiable disability (mental or physical impairment that substantially limits one or more major life activities) as defined by HUD.
(2) Next, the disability must have a direct correlation to the accommodation being requested by the applicant. The applicant must request a reasonable accommodation in writing and provide the reason why there is a need for the accommodation.
(3) Finally, for the accommodation to be reasonable it cannot result in a financial or administrative burden to the property.

In some situations, even with reasonable accommodations, applicants with disabilities cannot meet essential program requirements. In these situations, the applicant is not eligible and the applicant will be rejected. Examples of such situations include cases where the applicant's behavior or performance in past housing caused a direct threat to the health or safety of persons or property; past history or other information that shows the applicant's inability to comply with the terms of the property's lease; or an objective determination that the applicant would require services from management that represent an alteration in the fundamental nature of the property's program. Reasonable accommodations may include changes in the method of administering policies, procedures, or services. In providing reasonable accommodations or performing structural modifications for otherwise qualified individuals with disabilities, the property is not required to:

(1) Make structural alterations that require the removal or altering of a load-bearing structure,
(2) Provide support services that are not already part of its housing programs,
(3) Take any action that would result in a fundamental alteration in the nature of the program or service, or
(4) Take any action that would result in an undue financial and administrative burden on the property, including structural impracticality as defined in the Uniform Federal Accessibility Standards (UFAS).

If the site is unable to make a reasonable accommodation due to a resulting financial burden, the applicant may, at his/her own expense, make the accommodation after structural approval by management. Management may require that the tenant remove the accommodation (or have it removed) upon vacating the unit.

Live-In Aides are considered to be a reasonable accommodation. Property management must obtain verification that the Live-In Aide is needed to provide necessary supportive services essential to the care and well-being of the individual and that there is a disability related need for the Live-In Aide. This verification will be obtained from the individual's physician, medical practitioner, psychiatrist ***or*** psychologist.

A. The Live-In Aide cannot stay in the unit as a remaining family member once the tenant who needs the services leaves the unit or dies. Live-In Aides who violate any of the property's House Rules will be subject to eviction. Live-In Aides must meet the same screening criteria prior to move-in as any other applicant with the exception of credit checks.

Waiting List Management
HUD regulatory preference is given to applicants who have been displaced by government action or by a presidentially declared disaster. Verification in the form of the government document describing the displacement will be required.

It is property policy to administer its waiting list as required by HUD handbooks and regulations.

Opening and Closing the Waiting List(s):
In order to maintain a balanced application pool, the property may restrict or suspend application taking and close the waiting list. Decisions about closing the waiting list will be determined based on the number of applications available for a particular unit size and the ability of the property to house an applicant in an appropriate apartment within a two-year period.

(1) Closing of a waiting list, as well as any restrictions on not accepting applications for a specific unit size, will be publicly announced. During the period when the waiting list is closed, the property will not maintain a list of individuals who wish to be notified when the waiting list is reopened.

(2) Reopening of the waiting list, as well as any restrictions on accepting applications, will be publicly announced. Notices will include information about where and when to apply, and will conform to the advertising and outreach practices described in the property's Affirmative Fair Housing Marketing Plan.

Updating the Waiting List:

(1) The property will also update the waiting list(s) annually to keep the applicant information current and to remove the names of those who are no longer interested in or no longer qualify for housing assistance, or whom this agency has lost contact with ***or*** whose mail has been returned by the United States Post Service (U.S.P.S) as undeliverable.
(2) An applicant review letter will be sent annually to each family on our wait list requesting confirmation of current information and/or updated information. This review must be returned to this agency either in person or by U.S.P.S. within the allotted amount of time specified on the letter. This agency will consider the postmark date as date received. Upon request, assistance will be provided to any applicant households with disabilities or LEP to enable them to meet this deadline.
(3) When applicants notify the property of changes in household composition, the waiting list information will be updated, and a determination will be made as to whether or not the household will need a different unit size. The household will keep its original application date and place on the waiting list in the event of this type of change.

Removal of Applications from the Waiting List:

The property will not remove an applicant's name from the Waiting List unless one of the following occurs:
(1) The applicant requests in writing that his/her name be removed.
(2) The applicant was informed in writing, of the requirement to advise the property of his/her continued interest in housing by a particular time, and failed to do so, even after being provided with reasonable accommodations in the event of a disability and corresponding request.
(3) The property attempted to contact the applicant in writing, but the letter was returned by the U.S. Postal Service as undeliverable.
(4) The applicant failed to attend two (2) scheduled screening appointments or reschedule prior to appointment dates.
(5) The property has notified the applicant, in writing, of its intention to remove the applicant's name because the applicant no longer qualifies for assisted housing.
(5) The applicant refused three offers of units for other than a medically related reason.
(6) The applicant accepted an offer of a unit but failed to move in on time, without good cause notice.
(7) The applicant household needs a different size unit due to a household composition change and the property has no units of that size.

Verification Requirements and Acceptable Forms of Verification

The property will obtain documentation/verification in compliance with requirements set forth in the HUD Handbook 4350.3. This includes but is not limited to, documentation provided by the applicant, verification forms completed and signed by third parties or reports of interviews, notes of telephone conversations with reliable sources, faxes, email or internet correspondence. At a minimum, each file notation will indicate the date and time of the conversation, source of the information, name and job title of the individual contacted, and a written summary of the information received, the use of HUD's EIV system and any other documentation deemed necessary to determine the level of eligibility of the applicant and any follow-up interviews have been performed.

A. When the above cannot be obtained, notarized affidavits from the household as allowed by HUD will be accepted.
B. Only verified information that is within 60 days of the move-in date may be used for verification. Verified information not subject to change (such as a person's date of birth) need not be re-verified.
C. Management staff will be the final judge of the credibility of any verification submitted by an applicant. If front-line staff considers documentation to be doubtful, it will be reviewed by management staff that will make a ruling about its acceptability. Management staff will continue to pursue credible documentation until it is obtained or the applicant is rejected for failing to produce it.

D. Sources of information to be checked may include, but are not limited to:
   (1) Present and former employers
   (2) Social workers, drug treatment centers, physician, clergy, DHHS
   (3) Law enforcement, parole officers, court records

E. Each file will be documented to show that property staff attempted to obtain independent written documentation before relying on a less acceptable form of verification.

Tenant Interview and Move-In Policies

As the applicant approaches the top of the waiting list, the applicant will be interviewed and given an explanation of the regulations and policies associated with the property. The interview shall be conducted in accordance with the HUD Handbook 4350.3 and topics will include, but are not limited to:

A. Statutory, HUD, state and local preferences, if any
B. That no HUD mandated form be altered in any way
C. The requirement for all household members age 18+ to sign a consent for Release of Information form
D. HUD required Citizenship Declaration forms will be collected for each household member
E. The requirement for all household members age 18+ to sign all HUD mandated forms
F. Proof of legal residence will be collected
G. HUD regulations require Annual and Interim certification to determine level of eligibility
H. The annual recertification consists of income, assets, expenses and family composition.
I. Tenants are required to notify management within 10 business days from the date of change regarding any time a previously unemployed adult in the household begins working, and/or if the household's income goes up $200/month or more.
J. Tenants are required to notify management when there is any change in household composition. The same screening criteria are used for all new household members as are required for new households (with the exception of credit checks for Live-In Aides).
K. Interim recertifications depend upon certain resident changes such as changes to household composition and/or changes in income, assets or expenses. Tenants may request an interim recertification due to a decrease in income or an increase in deductions. The property may also initiate an interim change when unreported changes are found.
L. Applicant's ability and willingness to comply with the terms of the property's lease and House Rules.
M. The applicant will pay the Security Deposit.
N. The applicant will pay the rent as set forth in the lease.
O. The applicant is responsible for turning on all utilities at time of lease up as required under the lease and will pay utilities per agreement.
P. Unit inspections. The applicant and management will inspect the apartment and sign the Move-In Inspection form either prior to Move-In or on Move-In day.

Q. Transfer policies
R. The applicant will be given a copy of the Lease, Move-In Certification (50059), Move-In Inspection form, House Rules, all other HUD-required forms and notices, and a receipt for the Security Deposit and rent paid.

Attempted Fraud
Any information provided by the applicant that verification proves to be untrue may be used to disqualify the applicant for admission on the basis of attempted fraud. The property considers false or incomplete information about the following to be grounds for rejecting an applicant:

(1) Income, assets and/or expenses
(2) Household composition
(3) Social Security Numbers
(4) Preferences and priorities
(5) Eligibility for allowances
(6) Previous residence history and/or criminal history
(7) Citizenship, naturalization, and/or eligible immigration status

If, during the course of processing an application, it becomes evident that an applicant has falsified or otherwise willfully misrepresented any facts about his/her current situation, criminal history, or behavior in a manner that would affect eligibility, priorities, application selection criteria qualification, allowances or rent, the application will be rejected.

During the course of processing an application, there may be errors in name spellings, dates of birth and other such data, resulting in inaccurate criminal, credit, or other screening. In these cases, screening may be re-done.

If these checks result in documentation of circumstances that would have caused an applicant to be rejected, the application will be rejected. If the applicant has already moved in, this evidence may be the cause of eviction proceedings.

Unintentional errors will not be used as a basis to reject applicants.

Offering an Apartment
When an apartment becomes available for occupancy, it will be offered to the applicant at the top of the waiting list for the apartment size.

A. If an applicant rejects an offer without good cause, the applicant is removed from the Eureka Family and Public Housing waiting lists. Any family placed in a unit size different than that defined in these Occupancy Standards must agree to transfer to an appropriate size unit when one becomes available, in accordance with the ***Transfer Policy and Lease Addendum.***
B. If mail sent to the address the applicant listed as his/her current address is returned by the U.S.P.S., the document will be kept on file and an attempt will be made to contact the applicant via other means. If the applicant cannot be contacted within 5 (five) working days by using the Supplement to the Application form 92006, the apartment will be offered to the next applicant on the waiting list. Attempts to contact the household will be documented in the applicant file. The applicant will be removed from the waiting list.
C. If the applicant is offered a unit in writing but fails to reply by the date noted on the offer letter, the applicant will be removed from the waiting list. The apartment will be offered to the next eligible applicant on the waiting list.
If an applicant fails to complete the lease process on the agreed date without notice, the application will be rejected, the applicant's name will be removed from the CalHFA waiting list and the apartment will be offered to the next household on the waiting list.

Priorities for Accessible or Adaptable Apartments
For apartments accessible to, or adaptable for, persons with mobility, visual, or hearing impairments, applicants with such need will have first priority as applicable for a particular apartment feature.

A. Current residents who require accessible/adaptable apartments shall be given priority over applicants requiring the same type (bedroom size) of apartment. If a tenant is transferred as a reasonable accommodation because of a household member's verified disability, the owner will pay the costs (not to include transfer of utilities or tenant elected services, such as cable etc.) associated with the transfer, unless doing so would be an undue financial/administrative burden.
B. When there are no residents or applicants who need the features of existing accessible units, persons without disabilities may move into those apartments. However, they must agree to move to an available apartment of the appropriate bedroom size with no such accessibility design features if an applicant or current resident requires that accessible unit.

Apartment Inspection
All apartments must undergo a move-in inspection by the owner/agent and the tenant the day of or prior to the day of move-in. A move-in inspection form will be completed, signed and dated by the tenant and owner/agent confirming that the unit is in decent, safe, and sanitary condition. After move-in, inspections will be completed at least annually by the owner/agent and inspections may also be conducted by HUD and/or the property's Contract Administrator.

Unit Transfer Policies
Residents will be placed on a transfer waiting list if they meet one of the following conditions:
(1) Unit transfer is needed based on the need for an accessible unit, as certified by a physician or other medical professional, as a reasonable accommodation for persons with verified disabilities
(2) Unit transfer is needed due to a change in family composition
(3) Current residents who meet any of the qualifications above may be given priority over applicants.

- Residents requesting transfers for the above reasons will be placed on a transfer list based on the apartment size requested.
- Residents with disabilities will be given priority for an apartment which has accessible features.
- Transfers should occur after the completion of the initial lease term (except those based on accessibility needs) and are limited to five days to move out of the current apartment and to move into the new apartment.
- When a household transfers to a new apartment, management will close out the existing deposit, deduct resident charges and determine a new security deposit based on the new TTP or program requirement.

Adding household members after move-in
- For a new household member, regardless of age, documentation must be provided regarding the SSN no later than the processing of the certification that adds the new person to the household.
- All adults, as well as any adjudicated minors who are the Head, Spouse or Co-Head in each applicant family must sign an Authorization for Release of Information (HUD 9887/9887A) prior to receiving assistance and annually thereafter.
- The unit for which the applicant will receive assistance must be the only residence of each household member.
- An applicant must agree to pay the rent required by the program under which the applicant will receive assistance.

- All applicants must complete a Citizenship Declaration. For any minor children 17 years of age and younger, the Declaration may be completed by the parent/guardian.

Remaining Family Members
In order to stay in the unit as a remaining family member if the Head of Household leaves the unit, a person must already be on the lease when the Head of Household leaves and must be of legal contract age under state law.

Pet Policy. (To review the entire pet policies please request a copy.)
The purpose of a pet policy is to establish clear guidelines for ownership of pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets.

Pets must be registered with the Housing Authority before they are brought onto the premises. Registration includes documentation signed by a licensed veterinarian or state/local authority that the pet has received all inoculations required by state or local law, and that the pet has no communicable disease(s) and is pest-free. This registration must be renewed annually and will be coordinated with the annual reexamination date. Pets will not be approved to reside in a unit until completion of the registration requirements.

Definition of "Common Household Pet"
Common household pet means a domesticated animal, such as a dog, cat, bird, or fish, that is traditionally recognized as an animal and is kept in the home for pleasure rather than commercial purposes.

The following animals are not permitted:
(1) Any animal whose adult weight will exceed 25 pounds
(2) Dogs of the Pit Bull, Rottweiler, Chow, or Boxer breeds
(3) Ferrets or other animals whose natural protective mechanisms pose a risk to small children of serious bites or lacerations
(4) Any animal not permitted under state or local law or code

- Pet owners must maintain pets responsibly, in accordance with Housing Authority policies, and in compliance with applicable state and local public health, animal control, and animal cruelty laws and regulations.
- Pet owners shall not alter their unit, patio, premises, or common areas to create an enclosure for any animal. Installation of pet doors is prohibited.
- Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt the peaceful enjoyment of their housing unit or premises. This includes, but is not limited to, loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.
- Each pet owner shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet. Each pet owner shall be responsible for appropriately training and caring for his/her pet to ensure that the pet is not a nuisance or danger to other residents and does not damage Housing Authority property. No animals may be tethered or chained inside or outside the dwelling unit at any time.
- All complaints of cruelty and all dog bites will be referred to animal control or an applicable agency for investigation and enforcement. If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the pet rules, written notice will be served. The notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

1. That the pet owner has 10 business days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation
2. That the pet owner is entitled to be accompanied by another person of his or her choice at the meeting
3. That the pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to remove the pet, or to terminate the pet owner's tenancy

If the pet owner and the Housing Authority are unable to resolve a violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the Housing Authority, the Housing Authority may serve notice to remove the pet. The notice will contain:

1. A brief statement of the factual basis for the Housing Authority's determination of the pet rule that has been violated
2. The requirement that the resident /pet owner must remove the pet within 30 calendar days of the notice
3. A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the responsible party designated by the pet owner. If the responsible party is unwilling or unable to care for the pet, or if the Housing Authority after reasonable efforts cannot contact the responsible party, the Housing Authority may contact the appropriate state or local agency and request the removal of the pet.

The Housing Authority will take all necessary steps to ensure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are immediately removed from the premises by referring the situation to the appropriate state or local entity authorized to remove such animals.

A. Pet owners are required to pay a pet deposit of $200 in addition to any other required deposits.
B. The Housing Authority will refund the pet deposit to the resident, less the costs of any damages caused by the pet to the dwelling unit, within 21 calendar days of move-out or removal of the pet from the unit.
C. A separate pet waste removal charge of a minimum $10.00 per occurrence will be assessed against pet owners who fail to remove pet waste.

CITY OF EUREKA HOUSING AUTHORITY

RESOLUTION NO. 1962

APPROVAL OF UPDATE TO THE TENANT SELECTION PLAN

WHEREAS, The City of Eureka Housing Authority, from time to time, reviews it's Tenant Selection Plan for any necessary updates; and

WHEREAS, The Tenant Selection Plan has been reviewed to ensure that it reflects current operating practices, program priorities, and HUD requirements; and

WHEREAS, The Tenant Selection Plan has been posted to the City of Eureka Housing Authority website for public comment through June 16, 2022; and

WHEREAS, There were no changes or corrections to the Tenant Selection Plan suggested;

NOW, THEREFORE, the City of Eureka Housing Authority Board of Commissioners does hereby approve the update to the Tenant Selection Plan.

PASSED AND ADOPTED on the ________ day of _______ 2022 by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:
ATTEST:

___________________________	___________________________
Name	Name
___________________________	___________________________
Title	Title

City of Eureka Housing Authority

Board of Commissioners Meeting

June 21, 2022

Agenda Item 9b

Memorandum

To: Commissioners
From: Cheryl Churchill, Executive Director
Subject: CEHA Repositioning Plan

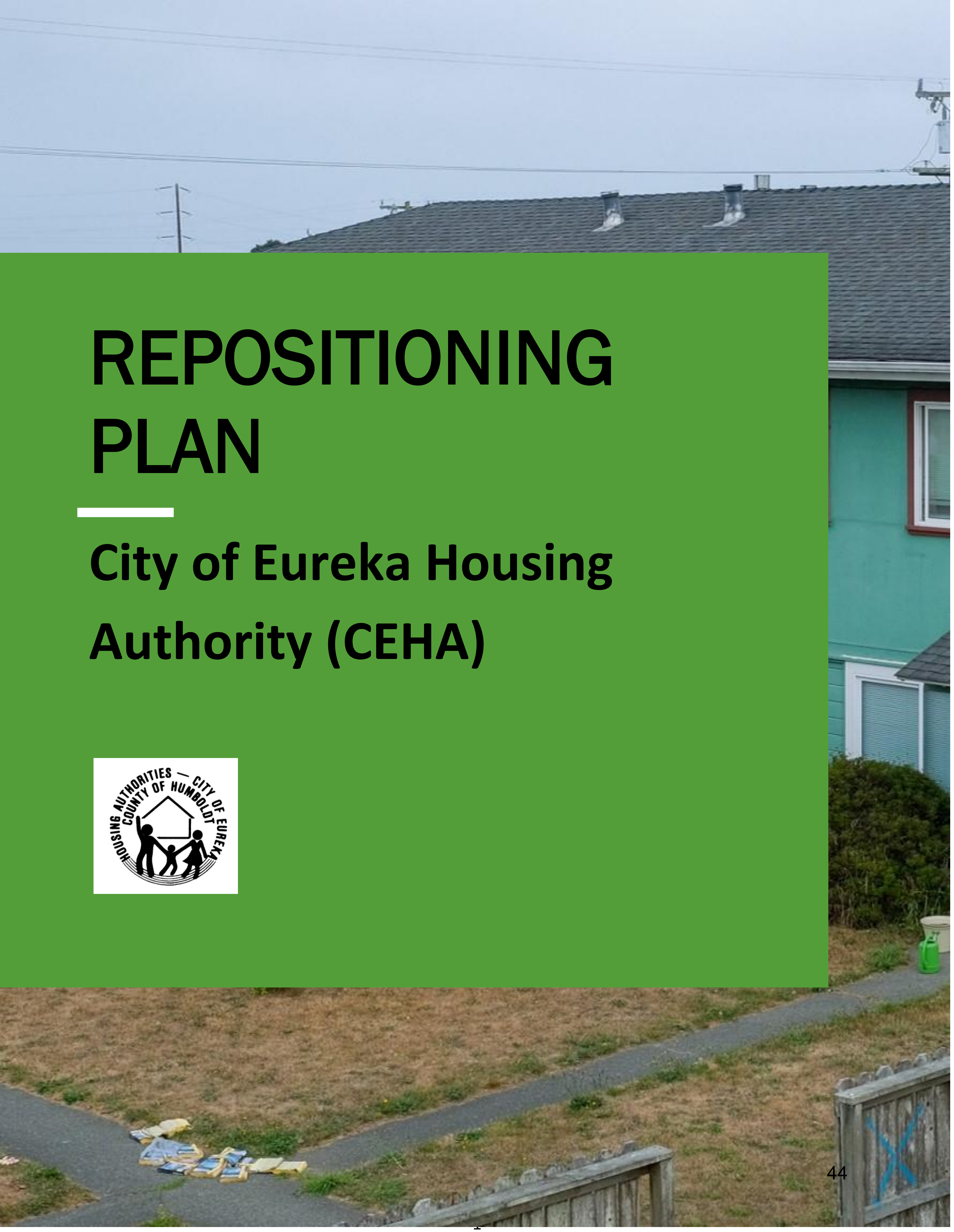
BACKGROUND AND HISTORY:

The City of Eureka Housing Authority (CEHA) has been working with consultants, including Enterprise Community Partners and Mike Andrews of Structure PDX as lead consultant, under a HUD Technical Assistance Contract, to develop a formal repositioning plan for Public Housing. The completed Plan and its components are intended to establish policy directives and be both a roadmap for the Housing Authority's future activity and a marketing tool to pull in potential developers.

The Plan has been developed as the result of an accumulation and analysis of data available from the PHA, public sources, public input forums, and input from a bi-agency ad-hoc committee to consider repositioning considerations. The recommendations therein are made based on HUD and housing trends, current indicators, and economic conditions. If any conditions change dramatically as the PHA moves forward, recommendations for action may change. As the PHA continues forward with repositioning for Public Housing, the board and community at large will have several more opportunities to provide input, review intended actions, and approve further decisions. The first step allowing the PHA to further pursue repositioning activities is approval of the Repositioning Plan.

STAFF RECOMMENDATION:

Review plan updates and adopt for approval.



REPOSITIONING PLAN

City of Eureka Housing Authority (CEHA)

Executive Summary

Public housing authorities nationally have been working to reposition their traditional public housing units. This effort is motivated by several factors:

- Backlog of capital needs have outpaced the ability of public housing funding to keep pace;
- Operating revenue form public housing is uncertain year-to-year, and in many instances, less than other available options;
- Repositioning public housing can reduce or eliminate administrative requirements and generally ease burdens of operations; and
- Unmet need for affordable housing can be addressed by redeveloping and leveraging public housing assets to provide more housing.

Repositioning means to convert properties owned and operated by public housing authorities to a Section 8 platform. This change can bring more stable and increased revenue to properties. In addition to changing the subsidy type from public housing to Section 8, repositioning can also mean recapitalizing existing properties to address physical needs, or redeveloping sites to create a net increase in units. The outcome of repositioning can include the public housing authorities maintaining ownership and control of original properties.

The City of Eureka Housing Authority (CEHA) has set out to reposition its traditional public housing. This report provides a detailed analysis of CEHA existing condition and offers a repositioning recommendation that results in more households served and improves the physical and financial soundness of the portfolio.

CEHA is organized as a corporate and public body as defined by California law, to develop, own, and operate affordable housing. CEHA is governed by a volunteer Board of Commissioners. Relevant to CEHA's repositioning plan is the close operational arrangement with the County of Humboldt Housing Authority (CHHA) which administers a Housing Choice Voucher (Section 8) program. CEHA will work closely with CHHA throughout the implementation of this repositioning plan.

CEHA owns and operates 196 traditional public housing units across 12 separate properties. Among the households served, there are approximately 500 total residents. Median income of households is $17,604. Over half of the households served have incomes less than 30% of the area median income. CEHA provides a critical housing resource in the City of Eureka.

Buildings in the CEHA portfolio were constructed between 1952 and 1983. Given the age, expected capital needs and general maintenance needs exist. Additionally, due to changes in the zoning code, there are properties with capacity for more units on the same sites. This presents an opportunity to leverage CEHA's land resources for additional units.

An evaluation of physical, financial, and social information related to CEHA portfolio was completed to understand existing conditions and opportunities available. Details are provided in the body and attachment to this report. This quantitative analysis was used as a basis for recommendations. Additionally, CEHA sought input from community stakeholders with insight and direct experience with affordable housing in the City of Eureka.

Using information gained from analysis and community input, recommendations were developed based on the following 5 policy guidelines that provided priority and a basis for repositioning recommendations:

1. Continue to serve very low-income populations in these communities.
2. Increase the supply of affordable housing.
3. Maintain ownership or control of the properties.
4. Improve the physical and financial condition of the properties.
5. Partner to optimize public and private resources on behalf of the properties and our residents.

Based on this analysis, the recommendation is for CEHA to reposition the entire public housing portfolio. Implementation of this strategy would rely on a series of applications to the U.S. Department of Housing and Urban Development (HUD), seeking incremental approvals for the desired project plan. The table below outlines the recommendations.

Project Order	Name	Application Type	Strategy	Application No.	Project Type	Units Existing	Units Additional	Units Future
1	1645 C Street	Section 18	Scattered Site	1	Preservation	3	0	3
2	25-1	Section 18	Obsolescence	2	Redevelop Site	96	78	174
3	Prospect Avenue	Section 18	Obsolescence	3	Redevelop Site	10	6	16
4	C & Clark	Section 18	Obsolescence	4	Redevelop Site	16	42	58
5	Buhne/Union/Summer	Section 18	Obsolescence	5	Preservation & Rehab	13	0	13
6	Spring & Garland	Section 18	Obsolescence	6	Redevelop Site	12	6	18
7	1335 B	Section 18	Very Small	7	Preservation & Rehab	5	9	14
8	2523 Albee	Section 18	Very Small	7	Preservation & Rehab	4	0	4
9	510 W. Harris	Section 18	Very Small	7	Preservation & Rehab	5	0	5
10	330 Grant Street	Section 18	Very Small	7	Preservation & Rehab	5	0	5
11	Albee & Del Norte	Section 18	Very Small	7	Preservation & Rehab	8	0	8
12	131 West Del Norte	Section 18	Very Small	7	Preservation & Rehab	19	14	33
Total						196	154	350

Using HUD's Section 18 Disposition program over a series of seven applications, CEHA will be able to maximize the revenue available to the portfolio by utilizing options for net new Section 8 vouchers for each unit and carry out the desired physical redevelopment plans. Some of the properties do not need significant rehabilitation and/or do not offer an opportunity to increase units. These factors were used to determine which properties are best suited for Preservation or Redevelopment. Here, Preservation means to keep the existing building, convert the subsidy to Section 8, and complete a needed or desired rehabilitation. Redevelop means to relocate the existing residents, raze the buildings, and develop the property with new and more units than previously were on the site.

Two fundamental measurable outcomes from this recommendation are:

1. Number of housing units owned and controlled by CEHA will increase from 196 units to 350 units; and
2. The weighted average rent received per unit will increase from approximately $850 per month to $1,225 per month.

A strategic goal for this repositioning plan was to find a path that would allow CEHA to fully reposition using the Section 18 repositioning tool as opposed to other available tools. Section 18 is the only tool that provides a net new Section 8 voucher for each unit repositioned. Other tools provide an alternative subsidy, but the value is less. Achieving the new weighted average rent of $1,225 is only achievable with the Section 18 application type.

The high-level process for implementation is detailed in this plan. Generally, the HUD process will begin with compiling information needed to submit an application to HUD. The different strategy types (redevelopment versus preservation) listed above come with their own application requirements. Sequencing of the applications is important to the plan. Using the strategy called "Very Small" to convert units to voucher subsidy requires CEHA have 50 or fewer units remaining in its traditional public housing inventory at the time of these applications. Therefore, the prior projects must be completed in order to submit certain of these applications.

In addition to the HUD process, CEHA will implement a real estate strategy for each property. Properties involving preservation provide an opportunity for CEHA to complete the tasks needed and increase capacity. For properties involving redevelopment it is recommended CEHA seek a development partner.

CEHA is positioned to make changes to its public housing portfolio that will significantly increase the number of households served and improve the physical and financial position of the portfolio.

Section I: Introduction

Enterprise was tasked by HUD to develop an asset repositioning strategy that fully analyzes real estate assets inclusive of a market analysis, financial resources, resident needs, organizational structure, legal implications, capacity, potential partners, etc.

Technical Assistance was delivered remotely and on-site (as appropriate and in consideration of local COVID-19 precautions) in coordination with Housing Authority Staff, HUD Field Office Staff, and other technical assistance providers/consultants.

The City of Eureka Housing Authority (CEHA) is a small PHA located in Humboldt County in Northern California. The agency is comprised of two housing authorities: The City of Eureka Housing Authority (CEHA) and the County of Humboldt Housing Authority (CHHA). CEHA owns and operates several public housing properties in the City of Eureka and the County of Humboldt Housing Authority administers assistance through the Section 8 Housing Choice Voucher (HCV) program.

Enterprise will work with CEHA in a multi-year engagement to develop and implement a repositioning strategy that will ultimately lead to improving current properties and encourage the development of more affordable housing in the area.

The first element of the engagement included a portfolio analysis, site visit, goal and vision setting, and a community input meeting. Based on these initial efforts, Enterprise, in partnership with CEHA and Structure Development Advisors, has developed a repositioning plan.

Section II: Overview of the City of Eureka Housing Authority (CEHA)

HISTORY

The federal Public Housing program began as a part of the United States Housing Act of 1937 (the “Act”), specifically as a mechanism for incentivizing workers for public works projects and clearing slums. It wasn’t until the Housing Act of 1949 that Public Housing was expanded widespread across the country into the housing stock that we see today.

CEHA incorporated on August 6, 1946, a few years before the massive expansion in Public Housing under the Housing Act of 1949. CEHA is an independent agency, with operations separate from those of the City of Eureka. CEHA operated exclusively traditional Public Housing until the development of its first Low-Income Housing Tax Credit Project (LIHTC) in 2004. Currently the Housing Authority owns and operates several housing projects throughout the City of Eureka, including Eureka Family Housing, Eureka Senior Housing, and Public Housing Projects.

GOVERNANCE

CEHA and CHHA operate together as the Housing Authority of the City of Eureka and County of Humboldt, with two separate boards and one staff. The Board for the County of Humboldt Housing Authority is appointed by the Humboldt County Board of Supervisors. The Board for the City of Eureka Housing Authority is appointed by the mayor of the City of Eureka and confirmed by the City Council. There are currently five (5) Commissioners for the City of Eureka Housing Authority and five (5) Commissioners for the County of Humboldt Housing Authority.

The Eureka Housing Development Corporation (EHDC) also exists within the CEHA governing structure as a separate legal entity. EHDC remains a component of CEHA that has provided development support primarily to CEHA and collaborated with procured developers to do rehabilitation of affordable housing properties. CEHA envisions EHDC to be CEHA's representative on all development transactions, including repositioning.

AGENCY PROFILE

CEHA currently operates with a budget of $3,528,177 and 23 full time employees (FTEs). This budget and staff lend itself to the administration of 270 units owned and operated by the housing authority through a combination of public housing developments and tax-credit properties assisted with project-based vouchers. 198 of the units are traditional public housing units, with an additional 72 LIHTC units.

CEHA Resident Demographics

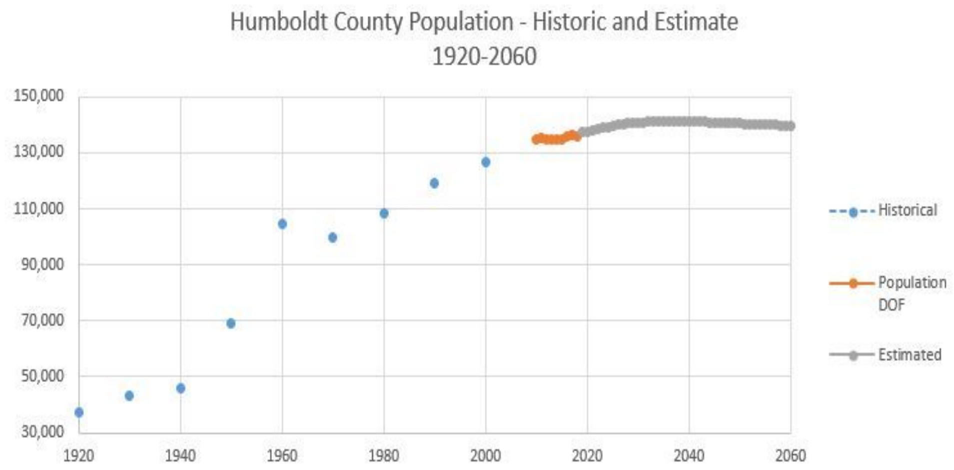
- *Residents 65 or older:* 72
- *Households with income of 30% AMI or lower:* 101
- *Households with income of 50% AMI:* 43
- *Households with income of 80% AMI:* 25
- *Over-income households:* 12
- *Disabled residents:* 140
- *Racial Demographics:*
    - *White:* 51.7%
    - *Black:* 8.4%
    - *Hispanic: 12.6%*
    - *American Indian Alaskan Native:* 12.1%
    - *Asian: 13%*
    - *Native Hawaiian/Pacific Islander: 2.2%*

Section III: Community Overview

For many years, Congress has failed to fully fund federal housing programs, including the Public Housing Capital Fund and Public Housing Operating Fund. Currently, public housing agencies (PHAs) are only receiving about 70 percent of the amount HUD has determined they need to responsibly administer the Public Housing program. This chronic underfunding has resulted in 250,000 public housing units being lost from the program, and more are disappearing each year.

Many years of insufficient program funding has created a backlog of public housing capital repair needs nationally estimated at $70 billion. Yet public housing remains a critical source of affordable, stable housing for more than 1.8 million U.S. residents — especially women, people of color, and people with disabilities. Currently, a worker making the local minimum wage can afford a one-bedroom apartment at fair market rent in just 5% of U.S. counties.

Since the creation of the Housing Authorities in 1946 (CEHA) and 1970 (CHHA), the demographics, population size, economy, and social fabric of Humboldt County has changed dramatically. However, the housing stock has not been changed or revitalized since the construction of CEHA's newest property in the 1980s.



Source: https://humboldtgov.org/2448/2019-

HOUSING MARKET CONDITIONS

As the funding for public housing has stagnated, housing prices and demand in the state of California have only increased, becoming inaccessible for the nearly 6 million renter households in the state. Currently, the Fair Market Rent (FMR) for a two-bedroom apartment in California is $2,030 and in order to afford this level of rent and utilities without paying more than 30% of income on housing, a household must earn $81,191, which would equate to an hourly wage of $39.03 an hour, assuming a 40-hour work week for 52 weeks of the year.[1]

Looking at these numbers in Humboldt County specifically we see that the Fair Market Rent (FMR) for a two-bedroom apartment is a little bit lower than the statewide estimate, at $1,113. In order to afford this level of rent and utilities within the 30% of income threshold, a household must earn $44,520 a year which equates to $21.40 an hour, assuming a 40-hour work week for 52 weeks of the year. According to the U.S. Census bureau, the average yearly income in Humboldt County is $25,114.

This leaves 6,154 low-income renter households in Humboldt County without access to an affordable home and 81% of extremely low-income households paying more than half of their income on housing costs, compared to just 5% of moderate-income households.

In addition to households experiencing extreme cost-burden, Humboldt County and the City of Eureka have a higher-than-average rate of homelessness relative to other regions of the State. Specifically, in December of 2019, the County counted 1,473 homeless people, over two and a half times the state average of 410 per 100,000 people, according to the U.S. Department of Housing and Urban Development.

HOUSING ELEMENT

California State law requires cities and counties to have housing elements as part of their general plans. The housing element identifies existing and projected housing needs and establishes goals, policies, standards and implementation measures for the preservation, improvement, and

[1] National Low-Income Housing Coalition 2021 Out of Reach Report: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/viewer.html?pdfurl=https%3A%2F%2Fnlihc.org%2Fsites%2Fdefault%2Ffiles%2Foor%2F2021%2FOut-of-Reach_2021.pdf&clen=11916493&chunk=true

development of housing in the unincorporated areas of the county. Both Humboldt County and the City of Eureka's Housing Elements were last updated in 2019. The planning horizon for this Element extends to 2027.

The Housing Element is designed to achieve the following objectives set forth in State law:

1. Identify adequate sites for a range of housing opportunities;
2. Assist in the development of adequate and affordable housing;
3. Address constraints to meeting the City's housing needs;
4. Conserve and improve the condition of housing; and
5. Promote housing opportunities for all persons.

In the City of Eureka, specifically, since annexation of new developable lands is not possible, and because the city is largely built-out with few undeveloped sites remaining inside the city limits, Eureka needs a new set of realistic strategies designed to overcome these challenges and to stimulate the creation of new housing units across the economic and social spectrum of the city.

This Housing Element opens a new chapter for Eureka. Through considerable analysis and community engagement, the city has developed six specific strategies to stimulate the creation of housing. These strategies are unique in that they are explicitly based on the City's existing context and designed specifically to stimulate new housing in Eureka. The six strategies are:

1. Maximize development potential of the few remaining vacant and underutilized sites;
2. Accessory Dwelling Units (ADUs);
3. Internal conversions;
4. Small-lot subdivisions and conservation subdivisions;
5. Geographically dispersed affordable housing through affordable-by-design incentives; and
6. Local density bonuses

State housing element law requires the County and other jurisdictions to meet their shares of the state prescribed regional housing need. The County does this by maintaining a residential land inventory sufficient to meet the assessed number of units (known as RHNA). The final housing allotments for Humboldt County are outlined in the chart below:

Jurisdiction	Very Low-Income Allocation	Low-Income Allocation	Moderate Income Allocation	Above Moderate-Income Allocation	Proposed Total RHNA Allocation
Arcata	142	95	111	262	610
Blue Lake	7	4	5	7	23
Eureka	231	147	172	402	952
Ferndale	9	5	6	13	33
Fortuna	73	46	51	120	290
Rio Dell	12	8	9	22	51
Trinidad	4	4	3	7	18
Unincorporated Area	351	223	256	583	1413
RHNA Targets	829	532	613	1416	3390

CEHA and CHHA work closely with the City and County governments and seek to develop a repositioning plan in order to contribute to the Housing Element implementation and stimulate new and improved housing in Eureka.

Section IV: Community Involvement

COMMUNITY INVOLVEMENT PLAN

Success in repositioning CEHA's public housing portfolio is more likely with involvement of residents and key stakeholders. CEHA recognizes repositioning is a choice in service of providing more and better affordable housing to families that are current residents and to families for decades to come. Involving residents and other key stakeholders is important for CEHA and the stakeholders.

For residents, communication is valuable on two levels. First, it provides CEHA a means to communicate how repositioning will impact current residents. Ensuring residents understand what repositioning means for their family is a priority for CEHA. Second, seeking residents' input of redevelopment options will benefit the future development. Input from current residents about future plans will provide meaningful actionable advice. Asking residents to be part of planning for their future communities will also create a stake in the new community.

Beyond residents, other stakeholders will also be involved in the process in a manner proportional to the repositioning plans. For example, properties that will be a large-scale physical redevelopment will involve immediate neighborhood. Properties that will only see a change in subsidy will likely not warrant such engagement.

During the implementation phase, CEHA will create a more specific resident and community outreach plan that is appropriate for each property. It will be a priority of CEHA's to communicate "early and often" with residents.

COMMUNITY INPUT MEETING SUMMARY

On November 11th, 2021, CEHA held its first Virtual Community Input Meeting to better understand what the community values and prioritizes as it relates to housing in Eureka and how CEHA can play a role in addressing the lack of affordable housing in the City of Eureka and Humboldt County through repositioning. The meeting was advertised to residents, advocates, City and County officials, developers, and other stakeholders through both an email listserv and direct flyer distribution to residents.

The content of the meeting covered background of the Housing Authority, current state of the Housing Authority, an overview of Repositioning, and 3 breakout rooms designed to facilitate discussion on the following topics:

- General thoughts about affordable housing in Eureka
- Concerns about affordable housing in Eureka
- Likes or dislikes about affordable housing in Eureka
- Future vision for affordable housing in Eureka
- Other suggestions

Poll questions were also dispersed throughout the meeting to identify more specific targets for housing in Eureka.

There were 27 unique attendees of the meeting, 2 of which were identified as residents. The overall sentiment amongst attendees was that although there is much to be done in terms of improving housing conditions and providing additional units for residents, people are hopeful and encouraged by the efforts of the City and County governments as well as the Housing Authorities.

To view a recording of the meeting, download a copy of the presentation, or look at the notes from the breakout discussion, follow this link (https://eurekahumboldtha.org/repositioning/).

Section V: CEHA Policy Guidelines & Directives for Repositioning

POLICY GUIDELINES FOR REPOSITIONING

1) Continue to serve very low-income populations in these communities.
2) Increase the supply of affordable housing.
3) Maintain ownership or control of the properties.
4) Improve the physical and financial condition of the properties.
5) Partner to optimize public and private resources on behalf of the properties and our residents.

DIVERSITY, EQUITY AND INCLUSION

CEHA believes that equity is critical to providing access to affordable housing for residents in Eureka. Explicitly valuing diversity, equity, and inclusion is imperative in our approach to creating and offering housing. CEHA recognizes the historical patterns that can create injustice and inequity in housing. Addressing these systematic social and economic patterns requires a broader and deeper organizational commitment.

CEHA is committed to understanding and addressing the patterns of inequity and injustice in our community. We have begun to create an organizational approach to diversity, equity, and inclusion. As our public housing repositioning is implemented, like other efforts, it will reflect our commitment to equity values.

POLICY DIRECTIVES:

Over the next several years, we will be taking the steps necessary to reposition public housing. These important policies will guide us as we undertake this complex and challenging initiative:

1) **Continue to serve low and very-low income populations**
   As rents increase and the demand for low and very-low income housing increases, CEHA will maintain its focus on serving this segment of the community.

2) **Protect existing residents**
   Existing residents who are still eligible for assistance will not lose housing because of this transition. When properties are razed and the land redeveloped, CEHA will offer the qualifying existing residents the right to return to the new development.

Development of new properties will provide for the need of current tenants in regard to unit bedroom sizes, and consider community need in determining unit sizing for any increase in unit count.

As relocation will be required for many tenants, CEHA will provide moving assistance.

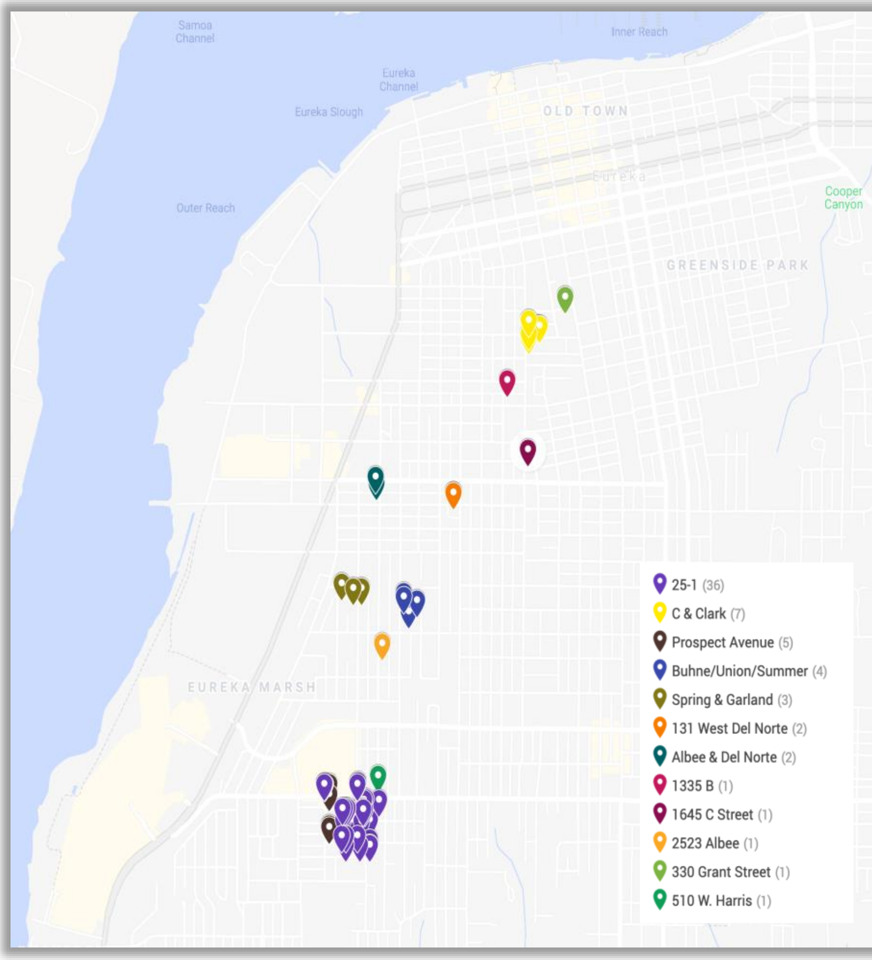
3) **Maintain ownership and/or control of properties**
CEHA will continue to be the landlord and have a controlling position in the real estate following the transition. While the entity owning the real estate may change, CEHA will be the exclusive or managing entity exercising control. This control is important to CEHA as matters related to long term affordability, decisions that impact access to housing, and healthy financial performance and physical condition are all factors critical to achieving our mission.

Additionally, CEHA will retain an option (or right of first refusal) to purchase the buildings and improvements at the end of the term of any and all partnerships, which will be codified in all contracts.

While a minimum affordability period of 30 years is required per HUD, CEHA prefers an extended length of preferably 50 years or longer.

4) **Outreach and community input is necessary**
Outreach will be conducted early and often to tenants and the neighborhood at large throughout the repositioning process, with specific attention paid to outreach to the BIPOC residents and community. We believe it is critical to receive input from all community groups and will provide opportunities and make every effort for peoples' voices to be heard.

Section VI: Portfolio Analysis



PORTFOLIO OVERVIEW

CEHA public housing portfolio is a reflection of two distinct periods of federal public housing development. The first occurred in the late 1940s to early 1960s and reflects the period of post-World War II era housing spurred by the Housing Act of 1949. The second occurred in the 1970s and 1980s and is reflective of smaller scale, scattered site projects.

Today, CEHA's portfolio includes 196 traditional public housing units in twelve properties. All units are in a single AMP (CA025000001). Nearly half of CEHA's apartments are within a single development constructed in the early 1950s. The other half were developed over the next three decades.

The properties are generally aligned along the western edge of Eureka's residential districts in land zoned R2 and R3. Buildings are either one or two stories with a wood frame structure. Construction type, site development and building condition reflect their age.

DOFA Year	Units
1952	96
1964	60
1982	21
1983	19

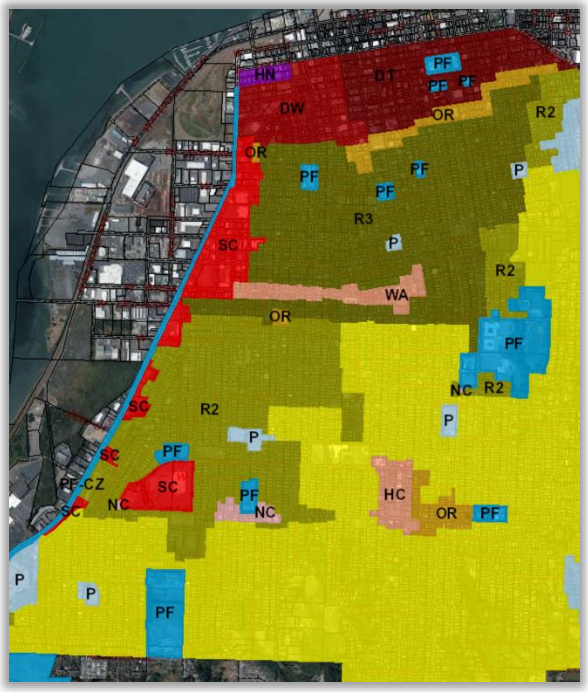
The portfolio consists of 1-, 2-, 3-, and 4-bedroom units. Units are both flats and townhouse style. Units exit directly outside.

Name	SRO	1BR	2BR	3BR	4BR	5BR	6BR	Total
25-1	0	24	42	22	8	0	0	96
Prospect Avenue	0	0	2	4	4	0	0	10
C & Clark	0	10	6	0	0	0	0	16
Buhne/Union/Summer	0	0	10	3	0	0	0	13
Spring & Garland	0	0	5	7	0	0	0	12
1335 B	0	0	3	2	0	0	0	5
2523 Albee	0	0	2	2	0	0	0	4
1645 C Street	0	0	2	1	0	0	0	3
510 W. Harris	0	0	4	1	0	0	0	5
330 Grant Street	0	0	4	1	0	0	0	5
Albee & Del Norte	0	0	4	4	0	0	0	8
131 West Del Norte	0	0	19	0	0	0	0	19
Total	0	34	103	47	12	0	0	196
Percent of Total	0%	17%	53%	24%	6%	0%	0%	100%

REGULATORY OVERVIEW OF PORTFOLIO

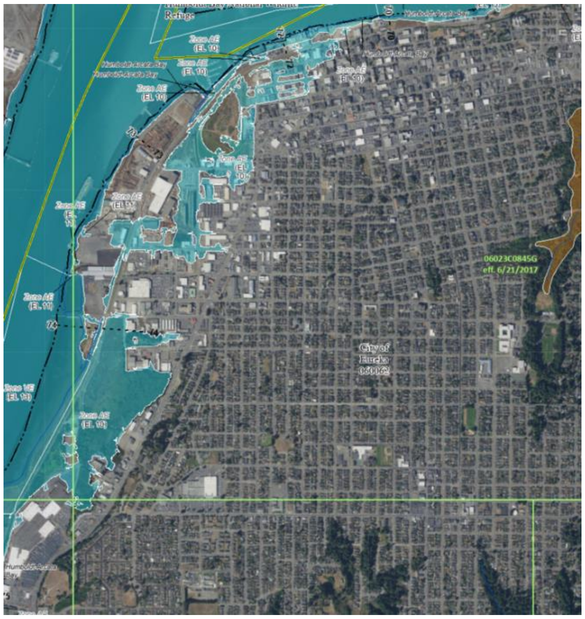
Zoning

CEHA properties are located in either R2 or R3 zones. Additional information about development capacity is contained in the property level analysis.



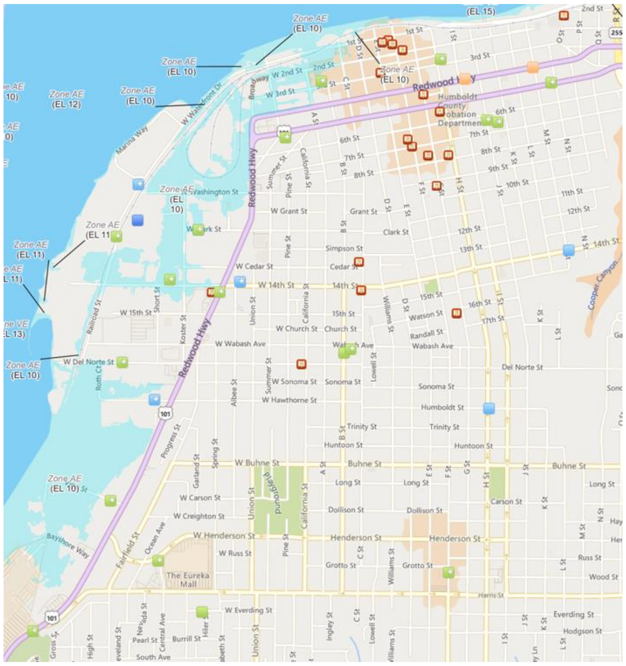
Flood Plain

No properties are in flood hazard areas.

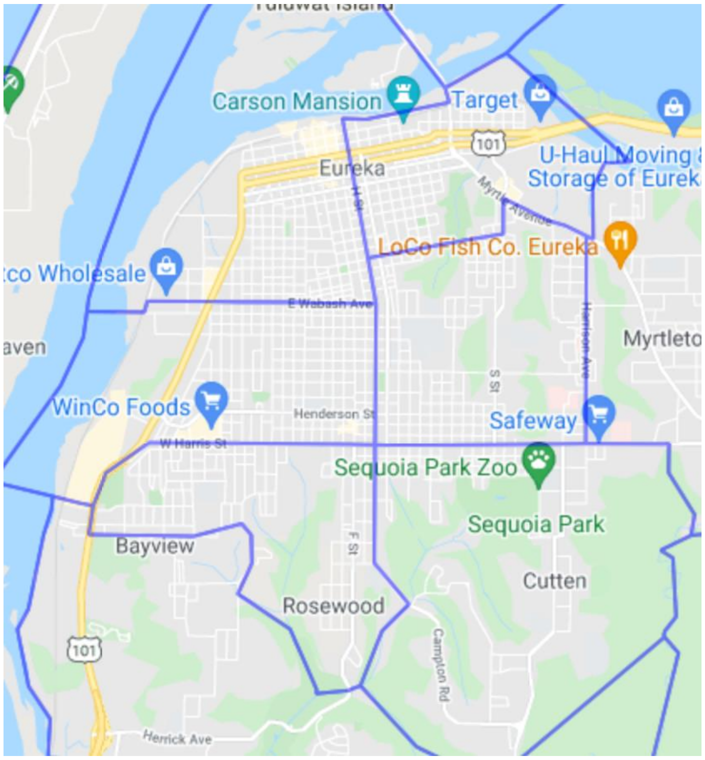


National Environmental Policy Act (NEPA), Part 58 Review

The Environmental Protection Agency (EPA) NEPAssist website did not reveal any hazardous elements likely to be discovered during a Part 58 Environmental Review.



Minority Concentration Census Tracts
There are no minority concentration census tracts in the City of Eureka.



PHA ANNUAL PLAN

CEHA's 5-Year and Annual Plan include an intent to explore repositioning and a desire to pursue RAD, Section 18 or Section 22 as methods for repositioning. The Annual Plan will need to be updated to include the specific repositioning tools intended for specific projects. Intended tools can be listed in the PHA plan narrative to allow for flexibility should a desired change present after the plan approval.

PORTFOLIO-LEVEL ANALYSIS

1) 25-1

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	10	24	$71.92	$597	$790	$869	$948	$1,185
2BRD	63	42	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	25	22	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	4	8	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		96	$71.92	$848	$1,151	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 3107 Prospect Avenue
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 70 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 343,688 sf / 7.89 acres
i. Zoning: R2
j. District: 14
k. APN: 009-074-001, 009-073-001, 009-075-001, 009-072-001

3) Physical description:

The building and property within 25-1 appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. 25-1 is largest of all CEHA properties, containing 39 residential buildings (two of which have non-residential uses), an administrative building and a maintenance building sited within five parcels on five separated city blocks.

Buildings are one- and two-story wood frame construction with gable roofs. Foundations are slab on grade. Water distribution and waste lines are contained within the poured slab foundation. Staff reports there is asbestos in the floor mastic and wall compound.

Due to the size of the development and site design, there is considerable landscaping and open space. Additionally, there is no intentional design to the system for trash disposal, which results in most tenants leaving their individual trash reception on the street week over week. Copious amount of fencing is used to define the edge or boundary of the site and create private or semi-private space within the site for residents. These design factors drive up landscape maintenance expense, contribute to nuisance activities within indefensible space, and result in negative public perception due to general appearance of the site.

The overall site is flat and lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $16,325,417 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
   Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for 25-1. Because 25-1 includes multiple building types as defined by HUD, the per unit amounts shown are weighted averages based on the mix of units and building types. The 2021 TDC for 25-1 is $30,620,517. At 57.14%, the Obsolescence threshold amount is $17,496,558.

Section 18 Analysis

Size	Override Unit	Units	2020 Limits HCC	TDC		Unit Dist - Blend RAD	Section 18	Total
0BRD	0	0	$121,118	$211,956		0	0	0
1BRD	10	24	$154,899	$271,074	*WAVG Bldg Type*	19	5	24.1
2BRD	63	42	$175,838	$307,716	*WAVG Bldg Type*	34	8	42
3BRD	25	22	$201,666	$352,915	*WAVG Bldg Type*	18	4	22
4BRD	4	8	$244,753	$428,318	*WAVG Bldg Type*	6	2	8
5BRD	0	0	$287,862	$503,758		0	0	0
6BRD	0	0	$311,468	$545,070		0	0	0
Total		96	$17,497,432	$30,620,507		77	19	96.1
						80%	20%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$17,496,558	or $182,256 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$5,249,230	or $54,679 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$10,498,459	or $109,359 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$15,747,689	or $164,038 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$15,747,689	or $164,038 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024, and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for 25-1 is projected to be $20,242,277 or 66.10% of the TDC.

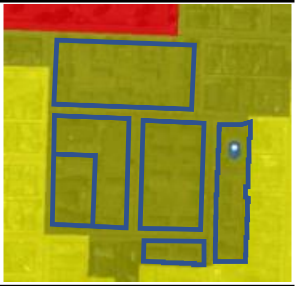
5) Development capacity analysis:
25-1 is entirely located in a Residential Medium (R2) Zone. R2 permits development density of 22 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically test fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

Since 25-1 and Prospect Avenue share a city block, this analysis combined these properties to consider future development capacity. In the aggregate, 25-1 and Prospect Avenue can yield approximately 83 additional housing units on the same land under a redevelopment scenario. Five of the six parcels possess demonstrably more unit capacity than exists. The smallest southerly lot, APN 009-076-001 could only yield one additional unit.

Total: 25-1 & Prospect Avenue

Size	%	#	NSF Target	Total NSF	GSF 0.75 Eff	# of Stories 3
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	186%	80	600 SF	48,000 SF	64,000 SF	
2BRD	216%	93	860 SF	79,980 SF	106,640 SF	
3BRD	37%	16	1,145 SF	18,320 SF	24,427 SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	440%	189	774 SF	146,300 SF	195,067 SF	65,022 SF



Information		
APN		
Zoning	R2	
District	14	
Acres	8.61	7.89
SF	375,052	343,688
Existing Units	106	

Standards		Calcs
Density	22 units/acre	189 units
FAR	1.00	375,052
Site Coverage	70%	262,536
Height	35 ft.	3 stories

Program			
0 BRD	0		
1 BRD	80		
2BRD	93		
3BRD	16		
4 BRD	0		
Total	189	Existing Units	106
		Net Change	83

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration of RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR for available to CEHA. Both RAD rents and FMRs figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	10	24	$71.92	$597	$790	$869	$948	$1,185
2BRD	63	42	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	25	22	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	4	8	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		96	$71.92	$848	$1,151	$1,266	$1,381	$1,726

FMR based rents for 25-1 are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 36% higher than RAD rents ($1,151 versus $848). This difference across 96 units for one year totals $348,862.

7) Discussion of development opportunity:
25-1 is the older and largest property in CEHA's portfolio. Capital needs are conservatively projected to be over $28.0M within the next several years. This amount exceeds the Obsolescence threshold criteria for Section 18 Disposition.

The original site plan contributes to high costs. Landscape and grounds maintenance is high due to the amount of open space. The ratio of units to buildings (106 units in 25-1 and Prospect within in 42 residential buildings) results in a high proportion of roof and exterior facades to maintain.

Current zoning allows for 22 units per acre. The current development is at 12 units per acre. An additional 83 units is achievable on this site.

Under a FMR based revenue scenario, the 106 residential units in 25-1 and Prospect Avenue would be approximately $404,203 higher per year than a RAD revenue scenario.

Buildings in 25-1 are greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings in 25-1 do not appear to have historic significance besides age.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	Yes	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$5,249,230	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$10,498,459	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$15,747,689	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	No	<= 50 units	Project exceeds 50 units.
Section 18			
Obsolescence	Conditional	$17,496,558	Project meets Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

2) Prospect Avenue

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2021	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$495	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$577	$790	$869	$948	$1,185
2BRD	103	2	$71.92	$744	$1,040	$1,144	$1,248	$1,560
3BRD	43	4	$71.92	$1,064	$1,508	$1,659	$1,810	$2,262
4BRD	8	4	$71.92	$1,270	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,270	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,270	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		10	$71.92	$1,083	$1,544	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 3229 Prospect Avenue
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 31,363 sf / 0.72 acres
i. Zoning: R2
j. District: 14
k. APN: 009-083-001, 009-083-002, 009-083-003

3) Physical description:

The building and property within Prospect Avenue appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. Prospect Avenue was construction adjacent and to be a part of 25-1. By appearance and operation, they function as a single site.

Prospect Avenue contains 3 residential buildings totaling 10 units. They are sited on three separate parcels on a city block also containing units from 25-1, the CEHA administrative office and maintenance facility.

Buildings are two story wood frame construction with a gable roof. Foundations are slab on grade. The buildings were constructed in 1964, making them 58 years old. This site includes off-street parking and a drive aisle shared with CEHA's maintenance facility.

The overall site is flat and lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

As with 25-1, but proportional to the size of this site, there is ample landscaping and open space. Unlike 25-1, the edge of Prospect Avenue includes a privacy fence. Backyards face the street and front doors are interior to the site off the central parking. This creates private space for residents, aids in management of the site, and lends to the site feeling disconnected from the neighborhood.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On-site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $2,413,529 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Prospect Avenue. The 2021 TDC is $3,662,404. At 57.14%, the Obsolescence threshold amount is $2,092,698.

Section 18 Analysis

Size	Override Unit	Units	HCC	TDC	Unit Dist - Blend RAD	Section 18	Total
0BRD	0	0	$104,865	$183,514	0	0	0
1BRD	34	0	$136,735	$239,286	0	0	0
2BRD	103	2	$165,504	$289,632	2	0	2
3BRD	43	4	$201,666	$352,915	3	1	4
4BRD	8	4	$238,783	$417,870	3	1	4
5BRD	0	0	$262,812	$459,920	0	0	0
6BRD	0	0	$285,060	$498,856	0	0	0
Total		10	$2,092,802	$3,662,404	8	2	10
					80%	20%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$2,092,698	or $209,270 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$627,841	or $62,784 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$1,255,681	or $125,568 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$1,883,522	or $188,352 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$1,883,522	or $188,352 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Prospect Avenue is projected to be $2,992,776 or 81.72% of the TDC.

5) Development capacity analysis:
Prospect Avenue is entirely located in a Residential Medium (R2) Zone. R2 permits development density of 22 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site.

This capacity analysis mathematically test fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

Since 25-1 and Prospect Avenue share a city block, this analysis combined these properties to consider future development capacity. In the aggregate, 25-1 and Prospect Avenue can yield approximately 83 additional housing units on the same land under a redevelopment scenario. Five of the six parcels possess demonstrably more unit capacity than exists. The smallest southerly lot, APN 009-076-001, could only yield one additional unit.

Total: 25-1 & Prospect Avenue

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	186%	80	600 SF	48,000 SF	64,000 SF	
2BRD	216%	93	860 SF	79,980 SF	106,640 SF	
3BRD	37%	16	1,145 SF	18,320 SF	24,427 SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	440%	189	774 SF	146,300 SF	195,067 SF	65,022 SF

Information		
APN		
Zoning	R2	
District	14	
Acres	8.61	7.89
SF	375,052	343,688
Existing Units	106	

Standards		Calcs
Density	22 units/acre	189 units
FAR	1.00	375,052
Site Coverage	70%	262,536
Height	35 ft.	3 stories

Program			
0 BRD	0		
1 BRD	80		
2BRD	93		
3BRD	16		
4 BRD	0		
Total	189	Existing Units	106
		Net Change	83

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration of RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR for available to CEHA. Both RAD rents and FMRs figures reflect the net revenue to a project.

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2021	100%	110%	120%	150%
0BRD	0	0	$71.92	$495	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$577	$790	$869	$948	$1,185
2BRD	103	2	$71.92	$744	$1,040	$1,144	$1,248	$1,560
3BRD	43	4	$71.92	$1,064	$1,508	$1,659	$1,810	$2,262
4BRD	8	4	$71.92	$1,270	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,270	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,270	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		10	$71.92	$1,083	$1,544	$1,266	$1,381	$1,726

FMR based rents for Prospect Avenue are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 43% higher than RAD rents ($1,544 versus $1,083). This difference across 10 units for one year totals $55,340.

7) Discussion of development opportunity:
Prospect Avenue was developed in the early 1960s and sits among the building and land part of 25-1. Capital needs are conservatively projected to be over $2.9M within the next several years. This amount exceeds the Obsolescence threshold criteria for Section 18 Disposition.

The site's connection with the larger 25-1 suggests planning for the two properties occur in tandem. Additionally, the CEHA's continuity of operations relates to planning for the Prospect Avenue.

Current zoning allows for 22 units per acres. The current development is at 13 units per acres. There is an additional 5 units available on these three parcels, and when considered as part of a larger with 25-1, development options become greater.

Under a FMR based revenue scenario, the 106 residential units in 25-1 and Prospect Avenue would be approximately $404,203 higher per year than a RAD revenue scenario.

Buildings in Prospect Avenue are greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings in Prospect Avenue do not appear to have historic significance besides age.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflects eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$627,841	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$1,255,681	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$1,883,522	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$2,092,698	Project meets Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

3) C & Clark

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	24	10	$71.92	$597	$790	$869	$948	$1,185
2BRD	99	6	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	47	0	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		16	$71.92	$662	$884	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 1115 C Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 43,996 sf / 1.01 acres
i. Zoning: R2
j. District: 14
k. APN: 004-163-001, 004-163-019.

3) Physical description:
The building and property within C & Clark are located on C Street between Clark Street and Hillsdale Street. The buildings and land exist on two parcels bisected by a public right of way alley. The alley runs the length of the block from C Street to E Street. Head in parking exists for the project off the alley.

The overall site is flat and lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available

There are seven buildings on the site containing 16 units. Buildings are generally oriented inward toward the centrally located parking and private outdoor space. Buildings appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing.

Buildings are one- and two-story wood frame construction with a gable roof. Foundation are slab on grade. The buildings were constructed in 1964 making them 58 years old.
In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $2,126,273 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Prospect Avenue. The 2021 TDC is $4,477,427. At 57.14%, the Obsolescence threshold amount is $2,558,402.

Section 18 Analysis

Size	Override Unit	Units	HCC	TDC		Unit Dist - Blend RAD	Section 18	Total
0BRD	0	0	$121,118	$211,956		0	0	0
1BRD	24	10	$156,551	$273,964	*WAVG Bldg Type*	8	2	10
2BRD	99	6	$165,504	$289,632	*WAVG Bldg Type*	5	1	6
3BRD	47	0	$223,042	$390,324		0	0	0
4BRD	12	0	$262,665	$459,663		0	0	0
5BRD	0	0	$287,862	$503,758		0	0	0
6BRD	0	0	$311,468	$545,070		0	0	0
Total		16	$2,558,530	$4,477,427		13	3	16
						81%	19%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$2,558,402	or $159,900 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$767,559	or $47,972 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$1,535,118	or $95,945 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$2,302,677	or $143,917 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$2,302,677	or $143,917 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Prospect Avenue is projected to be $2,636,579 or 58.89% of the TDC.

5) Development capacity analysis:
Prospect Avenue is entirely located in a Residential Medium (R2) Zone. R2 permits development density of 22 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

Since the two parcels that make up C & Clark are separated by a public right of way, they will likely be treated distinctly for entitlements. Given the underlying zoning and existing development, both parcels are underdeveloped. APN 004-163-001 has capacity for 12 units more than the current development. APN 004-163-019 has capacity for 10 more units than are currently developed.

Total: C & Clark

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	214%	30	600 SF	18,000 SF	24,000 SF	
2BRD	107%	15	860 SF	12,900 SF	17,200 SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	321%	45	687 SF	30,900 SF	41,200 SF	13,733 SF

Information	
APN	
Zoning	R2
District	14
Acres	1.01
SF	43,996
Existing Units	16

Standards		Calcs
Density	44 units/acre	44 units
FAR	1.00	43,996
Site Coverage	70%	30,797
Height	35 ft.	3 stories

Program			
0 BRD	0		
1 BRD	30		
2BRD	15		
3BRD	0		
4 BRD	0		
Total	45	Existing Units	16
		Net Change	29

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	2022 FMR-UA 110%	2022 FMR-UA 120%	2022 FMR-UA 150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	24	10	$71.92	$597	$790	$869	$948	$1,185
2BRD	99	6	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	47	0	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		16	$71.92	$662	$884	$1,266	$1,381	$1,726

FMR based rents for Prospect Avenue are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 34% higher than RAD rents ($884 versus $662). This difference across 16 units for one year totals $42,666.

7) Discussion of development opportunity:

C & Clark was developed in the early 1960s. The properties possess the wear and needs expected given the age of the buildings, construction type and use. Capital needs are conservatively projected to be over $2.6M within the next several years. This amount exceeds the Obsolescence threshold criteria for Section 18 Disposition.

The site encompasses an entire city block along C Street, approximately 315 ft curb to curb, bisected by a public alley asymmetrically on the block, creating two different frontage lengths.

Current zoning allows for 44 units per acre. The current development is at 16 units per acre. There is an additional 29 units available on these two parcels.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$767,559	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$1,535,118	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$2,302,677	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$2,558,402	Project meets Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

4) Buhne / Union / Summer

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	24	10	$71.92	$597	$790	$869	$948	$1,185
2BRD	102	3	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	47	0	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		13	$71.92	$637	$848	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 235 Union Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 33,541 sf / 0.77 acres
i. Zoning: R2
j. District: 14
k. APN: 009-131-011, 009-131-009.

3) Physical description:
Two parcels make up this irregular shaped property between Union Street and Summer Street along W Buhne. The otherwise full block property is interrupted by a single-family home on the corner of W Buhne Street and Union Street.

The western edge of the site rises quickly for approximately 10 feet and then the site levels. Parking is located in the center of the property, accessed by a driveway off Buhne. Based on the Humboldt County maps, it appears the drive may be in public ownership or a right of way dedication. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available

There are four buildings on the site containing 13 units. Buildings are generally oriented inward toward the centrally located parking or set back from the street. Buildings appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing.

Buildings are two story wood frame construction with a gable roof. Foundations are slab on grade. The buildings were constructed in 1964, making them 58 years old.
In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $3,195,600 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Prospect Avenue. The 2021 TDC is $3,261,751. At 57.14%, the Obsolescence threshold amount is $1,863,765.

Section 18 Analysis

	Override				Unit Dist - Blend		
Size	Unit	Units	HCC	TDC	RAD	Section 18	Total
0BRD	0	0	$104,865	$183,514	0	0	0
1BRD	24	10	$136,735	$239,286	8	2	10
2BRD	102	3	$165,504	$289,632	2	1	3
3BRD	47	0	$201,666	$352,915	0	0	0
4BRD	12	0	$238,783	$417,870	0	0	0
5BRD	0	0	$262,812	$459,920	0	0	0
6BRD	0	0	$285,060	$498,856	0	0	0
Total		13	$1,863,858	$3,261,751	10	3	13
					77%	23%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$1,863,765	or $143,367 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$559,157	or $43,012 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$1,118,315	or $86,024 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$1,677,472	or $129,036 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$1,677,472	or $129,036 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Prospect Avenue is projected to be $3,962,544 or 121.49% of the TDC.

5) Development capacity analysis:
Buhne / Union / Summer is entirely located in a Residential Medium (R2) Zone. R2 permits development density of 22 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

The two parcels that make up Buhne / Union / Summer are adjacent and appear to be adjoined by either a publicly owned right of way or a dedication. Given the underlying zoning and existing development, both parcels are underdeveloped. Together the two parcels have capacity for 4 units more than the current development.

Total: Buhne/Union/Summer

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	100%	9	600 SF	5,400 SF	7,200 SF	
2BRD	89%	8	860 SF	6,880 SF	9,173 SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	189%	17	722 SF	12,280 SF	16,373 SF	5,458 SF

Information	
APN	
Zoning	R2
District	14
Acres	0.77
SF	33,541
Existing Units	13

Standards		Calcs
Density	22 units/acre	17 units
FAR	1.00	33,541
Site Coverage	70%	23,479
Height	35 ft.	3 stories

Program			
0 BRD	0		
1 BRD	9		
2BRD	8		
3BRD	0		
4 BRD	0		
Total	17	Existing Units	13
			4

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR for available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	24	10	$71.92	$597	$790	$869	$948	$1,185
2BRD	99	6	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	47	0	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		16	$71.92	$662	$884	$1,266	$1,381	$1,726

FMR based rents for Buhne / Union / Summer are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 25% higher than RAD rents ($848 versus $637). This difference across 13 units for one year totals $32,931.

7) Discussion of development opportunity:

Buhne / Union / Summer was developed in the early 1960s. The buildings possess the wear and needs expected given the buildings age, construction type and use. Capital needs are conservatively projected to be over $3.9M within the next several years. This amount exceeds the Obsolescence threshold criteria for Section 18 Disposition.

The site is an irregular shape, primarily due to the single-family home at the corner of Union Street and W Buhne Street.

Current zoning allows for 17 units per acre. The current development is at 13 units per acre. There is an additional capacity of 4 units available on the property.

Under a FMR based revenue scenario, the 13 residential units in Buhne / Union / Summer would be approximately $32,931 higher per year than a RAD revenue scenario.

Buildings in Buhne / Union / Summer are greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings in Buhne / Union / Summer do not appear to have historic significance besides age.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflects eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$559,157	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$1,118,315	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$1,677,472	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$1,863,765	Project meets Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

5) Spring & Garland

1) Bedroom mix and rent table:

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	100	5	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	40	7	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		12	$71.92	$963	$1,313	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 2230 Spring Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 36,155 sf / 0.83 acres
i. Zoning: R2
j. District: 14
k. APN: 009-021-017, 009-021-003

3) Physical description:
The building and property within Spring & Garland appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The development exists on two parcels and fronts two parallel streets. The development has three distinct modules, two on Spring and one on Garland.

Buildings are two story wood frame construction with gable roofs. Foundations are slab on grade. The buildings function as two separate developments; the buildings on Spring and the buildings on Garland. Two on-site parking lots exist for all units. The site plan creates some space between the buildings that is functional and manageable, and other space interior for management and use by residents.

The overall site is flat and lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $3,004,071 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Spring and Garland. The 2021 TDC is $3,725,048. At 57.14%, the Obsolescence threshold amount is $2,239,067.

Section 18 Analysis

	Override				Unit Dist - Blend		
Size	Unit	Units	HCC	TDC	RAD	Section 18	Total
0BRD	0	0	$104,865	$183,514	0	0	0
1BRD	34	0	$136,735	$239,286	0	0	0
2BRD	100	5	$165,504	$289,632	4	1	5
3BRD	40	7	$201,666	$352,915	6	1	7
4BRD	12	0	$238,783	$417,870	0	0	0
5BRD	0	0	$262,812	$459,920	0	0	0
6BRD	0	0	$285,060	$498,856	0	0	0
Total		12	$2,239,179	$3,918,563	10	2	12
					83%	17%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$2,239,067	or $186,589 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$671,754	or $55,979 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$1,343,507	or $111,959 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$2,015,261	or $167,938 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$2,015,261	or $167,938 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA

Administration (2%), the gross capital needs for Spring and Garland is projected to be $3,725,048 or 95.06% of the TDC.

5) Development capacity analysis:
Spring & Garland is entirely located in a Residential Medium (R3) Zone. R3 permits development density of 44 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purposes of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

Spring & Garland can yield approximately 6 additional housing units on the same land under a redevelopment scenario.

Total: Spring & Garland

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	58%	7	600 SF	4,200 SF	5,600 SF	
2BRD	67%	8	860 SF	6,880 SF	9,173 SF	
3BRD	25%	3	1,145 SF	3,435 SF	4,580 SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	150%	18	806 SF	14,515 SF	19,353 SF	6,451 SF

Information	
APN	
Zoning	R2
District	14
Acres	0.83
SF	36,155
Existing Units	12

Standards		Calcs
Density	22 units/acre	18 units
FAR	1.00	36,155
Site Coverage	70%	25,308
Height	35 ft.	3 stories

Program			
0 BRD	0		
1 BRD	7		
2BRD	8		
3BRD	3		
4 BRD	0		
Total	18	Existing Units	12
			6

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration of RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	10	24	$71.92	$597	$790	$869	$948	$1,185
2BRD	63	42	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	25	22	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	4	8	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		96	$71.92	$848	$1,151	$1,266	$1,381	$1,726

FMR based rents for Spring & Garland are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 27% higher than RAD rents ($1,313 versus $963). This difference across 12 units for one year totals $50,370.

7) Discussion of development opportunity:
Spring & Garland are among the larger properties in CEHA's portfolio. Capital needs are conservatively projected to be over $3.7M within the next several years. This amount exceeds the Obsolescence threshold criteria for Section 18 Disposition.

The original site plan is challenging for operations and residents. Parking is disconnected from units. Open space is unintentional. The site operates as three adjoining small projects rather than a single development.

Current zoning allows for 4 units per acre. The current development is at 12 units per acre. An additional 6 units is achievable on this site.

Under a FMR based revenue scenario, the 12 residential units in Spring & Garland would earn approximately $50,370 more revenue per year than a RAD revenue scenario.

Buildings in Spring & Garland are greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings in Spring & Garland do not appear to have historic significance besides age.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$671,754	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$1,343,507	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$2,015,261	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	Yes		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$2,239,067	Project meets Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

6) 1335B

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	102	3	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	45	2	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		5	$71.92	$902	$1,227	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 1335B Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 13,504 sf / 0.31 acres
i. Zoning: R3
j. District: 14
k. APN: 004-114-007

3) Physical description:
The building and property at 1335 B appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The development occupies a full quarter block between B Street and C Street, 14th Street and Cedar Street.

The rowhouse style buildings are two story wood frame construction with gable roofs. Foundations are slab on grade. Parking for the building is serviced from an alley.

The overall site is flat and lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $706,607 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Spring and Garland. The 2021 TDC is $1,574,725. At 57.14%, the Obsolescence threshold amount is $899,798.

Section 18 Analysis

	Override				Unit Dist - Blend		
Size	Unit	Units	HCC	TDC	RAD	Section 18	Total
0BRD	0	0	$104,865	$183,514	0	0	0
1BRD	34	0	$136,735	$239,286	0	0	0
2BRD	102	3	$165,504	$289,632	2	1	3
3BRD	45	2	$201,666	$352,915	2	0	2
4BRD	12	0	$238,783	$417,870	0	0	0
5BRD	0	0	$262,812	$459,920	0	0	0
6BRD	0	0	$285,060	$498,856	0	0	0
Total		5	$899,843	$1,574,725	4	1	5
					80%	20%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$899,798	or $179,960 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$269,953	or $53,991 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$539,906	or $107,981 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$809,859	or $161,972 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$809,859	or $161,972 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Spring and Garland is projected to be $876,193 or 55.64% of the TDC. This projection is $23,605 short of meeting the obsolescence threshold criteria.

5) Development capacity analysis:
1335 B is entirely located in a Residential Medium (R3) Zone. R3 permits development density of 44 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically test fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

1335 B can yield approximately 9 additional housing units on the same land under a redevelopment scenario.

1335 B St.

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	43%	6	600 SF	3,600 SF	4,800 SF	
2BRD	57%	8	860 SF	6,880 SF	9,173 SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0		SF	SF	SF	
TOTALS	100%	14	749 SF	10,480 SF	13,973 SF	4,658 SF

Information	
APN	004-114-007
Zoning	R3
District	14
Acres	0.31
SF	13,504
Existing Units	5

Standards		Calcs
Density	44 units/acre	14 units
FAR	1.15	15,529
Site Coverage	80%	10,803
Height	35 ft.	3 stories

Program			
0 BRD	0	FAR	1.03
1 BRD	6	Stories	3
2BRD	8	Site Coverage	34%
3BRD	0		
4 BRD	0		
Total	14	Existing Units	5
		Net Change	9

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	102	3	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	45	2	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		5	$71.92	$902	$1,227	$1,266	$1,381	$1,726

FMR based rents for 1335 B are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 26% higher than RAD rents ($1,227 versus $902). This difference across 5 units for one-year totals $19,491.

7) Discussion of development opportunity:
1335 B is among the smaller properties in CEHA's portfolio by existing units and land size. Capital needs are conservatively projected to be at approximately $876K within the next several years. This amount is short of the Obsolescence threshold criteria for Section 18 Disposition by a manageable $23,605.

The site is square, served by an alley and on a corner. These dimensions, size, access and adjacencies are conducive to an efficient building design.

Current zoning allows for 44 units per acre. The current development is at 16 units per acre. An additional 9 units is achievable on this site.

Under a FMR based revenue scenario, the 5 residential units in 1335 B would earn approximately $19,491 more revenue per year than a RAD revenue scenario.

Buildings at 1335 B are greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings at 1335 B do not appear to have historic significance besides age.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflects eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$269,953	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$539,906	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$809,859	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	No	$899,798	Project does not meet Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

7) 2523 Albee

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	103	2	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	45	2	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		4	$71.92	$936	$1,274	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 2523 Albee Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 11,761 sf / 0.27 acres
i. Zoning: R2
j. District: 14
k. APN: 009-033-012

3) Physical description:
The building and property at 2523 Albee Street appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The property is located at the corner of Albee Street and W Carson Street.

The rowhouse style buildings are two story wood frame construction with gable roofs. Foundations are slab on grade. Parking for the building is serviced from an alley that bisects the block.

The site is square and level. The site lacks any natural features that would impact operations of development of site. Buildings are set back from the street frontage. A fence creates private space for residents and leaves a spacious area outside of the fence that is not clearly used by residents or intended for neighbors. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $601,654 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Spring and Garland. The 2021 TDC is $1,285,093. At 57.14%, the Obsolescence threshold amount is $734,302.

Section 18 Analysis

					16,246			
	Override					Unit Dist - Blend		
Size	Unit	Units	HCC	TDC		RAD	Section 18	Total
0BRD	0	0	$104,865	$183,514		0	0	0
1BRD	34	0	$136,735	$239,286		0	0	0
2BRD	103	2	$165,504	$289,632		2	1	2
3BRD	45	2	$201,666	$352,915		2	1	2
4BRD	12	0	$238,783	$417,870		0	0	0
5BRD	0	0	$262,812	$459,920		0	0	0
6BRD	0	0	$285,060	$498,856		0	0	0
Total		4	$734,339	$1,285,093		3	1	4
						75%	25%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$734,302	or $183,576 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$220,302	or $55,075 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$440,603	or $110,151 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$660,905	or $165,226 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$660,905	or $165,226 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for 2523 Albee Street is projected to be $748,051 or 58.05% of the TDC.

5) Development capacity analysis:
2523 Albee Street is entirely located in a Residential Medium (R2) Zone. R2 permits development density of 22 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically test fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

2523 Albee Street can yield approximately 2 additional housing units on the same land under a redevelopment scenario.

1645 C St

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	100%	5	600 SF	3,000 SF	4,000 SF	
2BRD	0%	0	860 SF	SF	SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	100%	5	600 SF	3,000 SF	4,000 SF	1,333 SF

Information	
APN	004-199-012
Zoning	R3
District	14
Acres	0.12
SF	5,227
Existing Units	3

Standards		Calcs
Density	44 units/acre	5 units
FAR	1.15	6,011
Site Coverage	80%	4,182
Height	35 ft.	3 stories

Program			
0 BRD	0	FAR	0.77
1 BRD	5	Stories	3
2BRD	0	Site Coverage	26%
3BRD	0		
4 BRD	0		
Total	5	Existing Units	3
		Net Change	2

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent	2022 FMR-UA			
				OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	103	2	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	45	2	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		4	$71.92	$936	$1,274	$1,266	$1,381	$1,726

FMR based rents for 2523 Albee are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 27% higher than RAD rents ($1,274 versus $936). This difference across 5 units for one year totals $16,246.

7) Discussion of development opportunity:
2523 Albee is among the smallest sites in CEHA portfolio. Based on the capital needs assessment, the property meets the threshold criteria for Obsolescence.

Existing setbacks, location and height of the perimeter fence, and placement of trees create a disconnect from the neighbors. The property feels physically and socially isolated from its neighborhood.

Current zoning allows for 22 units per acre. The current development is at 15 units per acre. Given the site size, only an additional 2 units are achievable on this site.

Under a FMR based revenue scenario, the 4 residential units in 2523 Albee would be approximately $16,246 more revenue per year than a RAD revenue scenario.

2523 Albee is greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings in Spring & Garland do not appear to have historic significance besides age.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflects eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$220,302	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$440,603	Project meets Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$660,905	Project meets Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$734,302	Project meets Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

8) 1645 C Street

1) Bedroom mix and rent table:

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	103	2	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	46	1	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		3	$71.92	$880	$1,196	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 1645 C Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 58 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 5,227 sf / 0.12 acres
i. Zoning: R3
j. District: 14
k. APN: 004-199-012

3) Physical description:
The building and property at 1645 C Street appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The lot is located mid-block and has frontage on both C Street and Lowell Street.

The rowhouse style buildings are two story wood frame construction with gable roofs. Foundations are slab on grade. Parking for the building is serviced from Lowell Street.

The site is 50 ft wide and 190 feet long. There is a slight rise off C Street and then the site flattens. The site lacks any natural features that would impact operations of development of site. Immediate adjacent uses are single family homes. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $81,578 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

1) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Spring and Garland. The 2021 TDC is $945,535. At 57.14%, the Obsolescence threshold amount is $540,278.

Section 18 Analysis

Size	Override Unit	Units	HCC	TDC	Unit Dist - Blend RAD	Unit Dist - Blend Section 18	Unit Dist - Blend Total
0BRD	0	0	$94,256	$164,949	0	0	0
1BRD	34	0	$128,610	$225,068	0	0	0
2BRD	103	2	$162,852	$284,992	1	1	2
3BRD	46	1	$214,601	$375,551	1	0	1
4BRD	12	0	$265,874	$465,279	0	0	0
5BRD	0	0	$299,528	$524,173	0	0	0
6BRD	0	0	$332,759	$582,328	0	0	0
Total		3	$540,305	$945,535	2	1	3
					67%	33%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$540,278	or $180,093 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$162,092	or $54,031 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$324,183	or $108,061 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$486,275	or $162,092 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$486,275	or $162,092 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for 1645 C Street is projected to be $101,157 or 10.70% of the TDC. An additional $439,122 in cost is needed to meet threshold.

2) Development capacity analysis:
   1645 C Street is entirely located in a Residential Medium (R3) Zone. R3 permits development density of 44 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

   For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

   1645 C Street can yield approximately 2 additional housing units on the same land under a redevelopment scenario.

1645 C St

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	100%	5	600 SF	3,000 SF	4,000 SF	
2BRD	0%	0	860 SF	SF	SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0		SF	SF	SF	
TOTALS	100%	5	600 SF	3,000 SF	4,000 SF	1,333 SF

Information	
APN	004-199-012
Zoning	R3
District	14
Acres	0.12
SF	5,227
Existing Units	3

Standards		Calcs
Density	44 units/acre	5 units
FAR	1.15	6,011
Site Coverage	80%	4,182
Height	35 ft.	3 stories

Program			
0 BRD	0	FAR	0.77
1 BRD	5	Stories	3
2BRD	0	Site Coverage	26%
3BRD	0		
4 BRD	0		
Total	5	Existing Units	3
		Net Change	2

3) Economic analysis:
   A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

   The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	103	2	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	46	1	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		3	$71.92	$880	$1,196	$1,266	$1,381	$1,726

FMR based rents for 1645 C Street are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 26% higher than RAD rents ($1,196 versus $880). This difference across 5 units for one-year totals $11,368.

4) Discussion of development opportunity:
1645 C Street is the smallest of CEHA's properties. At 3 units, the property is considered a "Scattered Site" by HUD's Section 18 Disposition criteria.

Capital needs for 1645 C Street are far below the threshold criteria for Obsolescence.

Physical development capacity of the site is limited by its size, shape, adjacencies and for being located mid-block with relatively short street frontages.

Existing setbacks, location and height of the perimeter fence, and placement of trees create a disconnect from the neighbors. The property feels physically and socially isolated from its neighborhood.

Current zoning allows for 44 units per acre. The current development is at 3 units per acre. Only an additional 2 units are achievable on this site.

Under a FMR based revenue scenario, the 3 residential units in 1645 C Street would be approximately $11,368 more revenue per year than a RAD revenue scenario.

1645 C Street is greater than 50 years old. This will cause a Section 106 review under the National Historic Preservation Act by California Office of Historic Preservation. The buildings in 1645 C Street do not appear to have historic significance besides age.

5) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$162,092	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$324,183	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$486,275	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$540,278	Project does not meet Threshold based on Bureau Vista report.
Scattered Site	Yes	<= 4 units / lot	Project is a "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

9) 510 W. Harris

1) Bedroom mix and rent table:

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	101	4	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	46	1	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		5	$71.92	$836	$1,134	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 510 West Harris
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 40 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 8,276 sf / 0.19 acres
i. Zoning: R2
j. District: 14
k. APN: 009-064-005

3) Physical description:
The building and property at 510 W Harris appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The property is located at the corner of W Harris Street and Albee Street. 25-1 is located two blocks to the west on W Harris Street.

The rowhouse style buildings are two story wood frame construction with gable roofs. Foundations are slab on grade. Parking for the building is serviced from an alley that bisects the block.

The site is rectangular with good street frontage, access, and visibility. The site is flat and lacks any natural features that would impact operations of development of site. Immediate adjacent uses are single family homes. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $123,401 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive..

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for 510 W. Harris. The 2021 TDC is $1,515,518 At 57.14%, the Obsolescence threshold amount is $865,967.

Section 18 Analysis 17,858

Size	Override Unit	Units	HCC	TDC	RAD (Unit Dist - Blend)	Section 18	Total
0BRD	0	0	$94,256	$164,949	0	0	0
1BRD	34	0	$128,610	$225,068	0	0	0
2BRD	101	4	$162,852	$284,992	3	1	4
3BRD	46	1	$214,601	$375,551	1	0	1
4BRD	12	0	$265,874	$465,279	0	0	0
5BRD	0	0	$299,528	$524,173	0	0	0
6BRD	0	0	$332,759	$582,328	0	0	0
Total		5	$866,010	$1,515,518	4	1	5
					80%	20%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$865,967	or $173,193 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$259,803	or $51,961 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$519,606	or $103,921 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$779,409	or $155,882 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$779,409	or $155,882 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for 510 W Harris is projected to be $153,017 or 10.10% of the TDC. An additional $712,950 in cost is needed to meet threshold.

5) Development capacity analysis:
510 W Harris is entirely located in a Residential Medium (R2) Zone. R2 permits development density of 22 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically test fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

510 W Harris is currently non-conforming with the existing zoning designation. This should not present a problem as the development was built under a prior code. There is no additional development capacity on the site

510 W Harris

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	100%	4	600 SF	2,400 SF	3,200 SF	
2BRD	0%	0	860 SF	SF	SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0		SF	SF	SF	
TOTALS	100%	4	600 SF	2,400 SF	3,200 SF	1,067 SF

Information	
APN	009-064-005
Zoning	R2
District	14
Acres	0.19
SF	8,276
Existing Units	5

Standards		Calcs
Density	22 units/acre	4 units
FAR	1.00	8,276
Site Coverage	70%	5,793
Height	35 ft.	3 stories

Program			
0 BRD	0	FAR	0.39
1 BRD	4	Stories	3
2BRD	0	Site Coverage	13%
3BRD	0		
4 BRD	0		
Total	4	Existing Units	5
		Net Change	-1

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	101	4	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	46	1	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		5	$71.92	$836	$1,134	$1,266	$1,381	$1,726

FMR based rents for 510 W Harris are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 26% higher than RAD rents ($1,134 versus $836). This difference across 5 units for one year totals $17,858.

7) Discussion of development opportunity:
510 W Harris is among the smallest of CEHA properties. Capital needs are conservatively projected at approximately $153K within the next several years. This amount is short of the Obsolescence threshold criteria for Section 18 Disposition by $712,950.

The property exceeds the current allowable development capacity of the site. No additional units could be developed on site.

Under a FMR based revenue scenario, the 5 residential units in 510 W Harris would be approximately $17,858 more revenue per year than a RAD revenue scenario.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$259,803	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$519,606	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$779,409	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$865,967	Project does not meet Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

10) 330 Grant Street

1) Bedroom mix and rent table:

Project	10	**Name**	330 Grant Street	**DOFA Date**	1982/04/30
AMP	CA025000001	**Bldg Type**	Walkup	**Year Built**	1970/01/01

Property Units & Rents

Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent OCAF'd 2022	2022 FMR-UA 100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	101	4	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	46	1	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		5	$71.92	$836	$1,134	$1,266	$1,381	$1,726

2) Building & Site Information
   a. Address: 330 Grant Street
   b. City/state/zip: Eureka, CA 95501
   c. Census Tract: 6023000100
   d. Building age: 40 years
   e. QCT: Yes
   f. Opportunity Zone: Yes
   g. Minority Census Tract: No
   h. Lot size: 7,841 sf / 0.18 acres
   i. Zoning: R2
   j. District: 14
   k. APN: 004-161-002

3) Physical description:
The building and property at 330 Grant Street appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The property is located on the corner of Grant Street and E Street.

The buildings consist of rowhouse and stacked flat units in a two-story wood frame construction with gable roofs. Foundations are slab on grade. Parking for the building is serviced from an alley off Grant Street. The building fronts on Grant Street. Private space is located behind the building.

The site is flat. The site lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $62,190 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for 330 Grant. The 2021 TDC is $1,515,518. At 57.14%, the Obsolescence threshold amount is $865,967.

Section 18 Analysis 17,858

Size	Override Unit	Units	HCC	TDC	Unit Dist - Blend RAD	Section 18	Total
0BRD	0	0	$94,256	$164,949	0	0	0
1BRD	34	0	$128,610	$225,068	0	0	0
2BRD	101	4	$162,852	$284,992	3	1	4
3BRD	46	1	$214,601	$375,551	1	0	1
4BRD	12	0	$265,874	$465,279	0	0	0
5BRD	0	0	$299,528	$524,173	0	0	0
6BRD	0	0	$332,759	$582,328	0	0	0
Total		5	$866,010	$1,515,518	4	1	5

Using the Bureau Veritas capital needs value through 2024 and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for 330 Grant Street is projected to be $71,116 or 5.09% of the TDC. An additional $788,851 in cost is needed to meet threshold.

5) Development capacity analysis:
330 Grant Street is entirely located in a Residential Medium (R3) Zone. R3 permits development density of 44 dwelling units per acre. Additional development standards including Floor Area

Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

330 Grant Street is currently non-conforming with the existing zoning designation. This should not present a problem as the development was built under a prior code. There is no additional development capacity on the site.

330 Grant Street

			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	100%	4	600 SF	2,400 SF	3,200 SF	
2BRD	0%	0	860 SF	SF	SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0		SF	SF	SF	
TOTALS	100%	4	600 SF	2,400 SF	3,200 SF	1,067 SF

Information	
APN	004-161-002
Zoning	R2
District	14
Acres	0.18
SF	7,841
Existing Units	5

Standards		Calcs
Density	22 units/acre	4 units
FAR	1.00	7,841
Site Coverage	70%	5,489
Height	35 ft.	3 stories

Program			
0 BRD	0	FAR	0.41
1 BRD	4	Stories	3
2BRD	0	Site Coverage	14%
3BRD	0		
4 BRD	0		
Total	4	Existing Units	5
		Net Change	-1

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR for available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	101	4	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	46	1	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		5	$71.92	$836	$1,134	$1,266	$1,381	$1,726

FMR based rents for 330 Grant Street are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 26% higher than RAD rents ($1,134 versus $836). This difference across 5 units for one year totals $17,858.

7) Discussion of development opportunity:
330 Grant Street is among the smallest of CEHA properties. Capital needs for 330 Grant Street are far below the threshold criteria for Obsolescence.

The building frontage on Grant Street is welcoming. The north side of the buildings facing the busier E Street includes a bank of gas and electric meters and no windows.

The property exceeds the current allowable development capacity of the site. No additional units could be developed on site.

Under a FMR based revenue scenario, the 5 residential units in 330 Grant Street would be approximately $17,858 more revenue per year than a RAD revenue scenario.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility..

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$259,803	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$519,606	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$779,409	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$865,967	Project does not meet Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

11) Albee & Del Norte

1) Bedroom mix and rent table:

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	101	4	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	43	4	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		8	$71.92	$936	$1,274	$1,266	$1,381	$1,726

2) Building & Site Information

a. Address: 514 W Del Norte Street
b. City/state/zip: Eureka, CA 95501
c. Census Tract: 6023000100
d. Building age: 40 years
e. QCT: Yes
f. Opportunity Zone: Yes
g. Minority Census Tract: No
h. Lot size: 13,068 sf / 0.30 acres
i. Zoning: R3
j. District: 14
k. APN: 004-052-006, 004-052-007

3) Physical description:
   The building and property at Albee & Del Norte appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The development occupies a full quarter block between W Wabash Avenue and W Del Norte, Spring Street and Albee Street. The block is bisected by an alley running east west.

   There are two bar shaped buildings, oriented north / south on the property. Parking for the building is serviced from an alley. Space between the buildings makes an outdoor courtyard for both buildings. Within the courtyard is a small laundry building (not in service), vertical circulation for the western building and access to parking. The courtyard is behind a 6-foot-tall privacy fence.

   The total property includes two parcels. It appears from county parcel maps that building footprints overlay lot lines.

   The overall site is flat and lacks any natural features that would impact operations of development of site. At the lot line there is a 3-foot-tall fence that creates semi-private space along W Del Norte Street and Albee Street. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

   In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $465,735 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
   Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Albee & Del Norte. The 2021 TDC is $2,551,625. At 57.14%, the Obsolescence threshold amount is $1,457,999.

Section 18 Analysis

	Override					Unit Dist - Blend		
Size	**Unit**	**Units**	**HCC**	**TDC**		**RAD**	**Section 18**	**Total**
0BRD	0	0	$121,118	$211,956		0	0	0
1BRD	34	0	$156,551	$273,964		0	0	0
2BRD	101	4	$162,852	$284,992	*WAVG Bldg Type*	3	1	4
3BRD	43	4	$201,666	$352,915	*WAVG Bldg Type*	3	1	4
4BRD	12	0	$262,665	$459,663		0	0	0
5BRD	0	0	$287,862	$503,758		0	0	0
6BRD	0	0	$311,468	$545,070		0	0	0
Total		8	$1,458,072	$2,551,625		6	2	8
						75%	25%	100%

TDC / HCC Thresholds

Obsolescence		57.14%	of TDC	$1,457,999	or $182,250 / U	0%	100%
Const Blend	> 30%	30.00%	of HCC	$437,421	or $54,678 / U	80%	20%
Const Blend	> 60%	60.00%	of HCC	$874,843	or $109,355 / U	60%	40%
Const Blend	> 90%	90.00%	of HCC	$1,312,264	or $164,033 / U	40%	60%
Const Blend	> 90% high $	90.00%	of HCC	$1,312,264	or $164,033 / U	20%	80%

Using the Bureau Veritas capital needs value through 2024, and applying the allowable load factors for General Conditions (5%), Buildings Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Albee & Del Norte is projected to be $557,551 or 22.63% of the TDC. This projection is $880,847 short of meeting the obsolescence threshold criteria.

5) Development capacity analysis:
Albee & Del Norte is entirely located in a Residential Medium (R3) Zone. R3 permits development density of 44 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

Combined, the property at Albee & Del Norte can yield 6 additional housing units on the same land under a redevelopment scenario.

Total: Alber & Del Norte						
			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	80%	8	600 SF	4,800 SF	6,400 SF	
2BRD	60%	6	860 SF	5,160 SF	6,880 SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0	0	SF	SF	SF	
TOTALS	140%	14	711 SF	9,960 SF	13,280 SF	4,427 SF

Information	
APN	
Zoning	R3
District	14
Acres	0.3
SF	13,068
Existing Units	12

Standards		Calcs
Density	22 units/acre	7 units
FAR	1.00	13,068
Site Coverage	70%	9,148
Height	35 ft.	3 stories

Program			
0 BRD	0		
1 BRD	8		
2BRD	6		
3BRD	0		
4 BRD	0		
Total	14	Existing Units	12
			2

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	101	4	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	43	4	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		8	$71.92	$936	$1,274	$1,266	$1,381	$1,726

FMR based rents for Albee & Del Norte are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 27% higher than RAD rents ($1,274 versus $936). This difference across 8 units for one year totals $32,492.

7) Discussion of development opportunity:
Albee & Del Norte is a moderate sized property in CEHA's portfolio. Capital needs are conservatively projected at approximately $577,511 within the next several years. This amount is short of the Obsolescence threshold criteria for Section 18 by $880,487.

The site is square, served by an alley and on a corner. These dimensions, size, access and adjacencies are conducive to an efficient building design.

Current zoning allows for 44 units per acre. The current development is at 27 units per acre. An additional 6 units is achievable on this site.

Under a FMR based revenue scenario, the 8 residential units in Albee & Del Norte would be approximately $32,492 more revenue per year than a RAD revenue scenario.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$437,421	Project meets Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$874,843	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$1,312,264	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$1,457,999	Project does not meet Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

12) 131 West Del Norte

1) Bedroom mix and rent table:

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	86	19	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	47	0	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		19	$71.92	$770	$1,040	$1,266	$1,381	$1,726

2) Building & Site Information
   a. Address: 131 W Del Norte Street
   b. City/state/zip: Eureka, CA 95501
   c. Census Tract: 6023000100
   d. Building age: 38 years
   e. QCT: Yes
   f. Opportunity Zone: Yes
   g. Minority Census Tract: No
   h. Lot size: 32,234 sf / 0.74 acres
   i. Zoning: R3
   j. District: 14
   k. APN: 004-084-006

3) Physical description:

The buildings and property at 131 W Del Norte appear to be in satisfactory condition for their age, original construction type, and historical funding trends in public housing. The development occupies a full half block between W Sonoma Street and W Del Norte, Pine Street and California Street. Based on aerial photos and site observations, it appears CEHA has granted an easement to the neighboring property for shared use of the existing drive isle and parking.

There are two buildings on the property. Parking for the building is interior to the site and accessed from a shared drive isle located on CEHA property. Buildings are oriented towards the parking area. Rears of the buildings are street facing. A combination of privacy fences and lower perimeter fences divide and separate the exterior space.

The overall site is flat and lacks any natural features that would impact operations of development of site. Water and sanitary service are available to the site. Information about the capacity of the system for additional conveyance or service is not available.

In 2020, CEHA contracted with Bureau Veritas (fka EMG) to complete a Physical Needs Assessment. On site investigation occurred from January 14 to 17, 2020, and the final report is dated August 5, 2020. The report is comprehensive in its scope of review. As of the final report, Bureau concluded needs totaling $500,017 through 2024. These costs do not appear to include general conditions, Builder Profit, Architectural or PHA Administrative Costs. Assuming correct, these costs would be additive.

4) Total Development Cost / Housing Construction Cost analysis:
Several HUD Repositioning tools rely upon Total Development Cost (TDC) or Housing Construction Cost (HCC) to determine eligibility. The tables below illustrate the TDC and HCC amounts for Albee & Del Norte. The 2021 TDC is $5,414,840. At 57.14%, the Obsolescence threshold amount is $3,094,040.

Section 18 Analysis					61,656			
	Override					Unit Dist - Blend		
Size	Unit	Units	HCC	TDC		RAD	Section 18	Total
0BRD	0	0	$94,256	$164,949		0	0	0
1BRD	34	0	$128,610	$225,068		0	0	0
2BRD	86	19	$162,852	$284,992		15	4	19
3BRD	47	0	$214,601	$375,551		0	0	0
4BRD	12	0	$265,874	$465,279		0	0	0
5BRD	0	0	$299,528	$524,173		0	0	0
6BRD	0	0	$332,759	$582,328		0	0	0
Total		19	$3,094,194	$5,414,840		15	4	19

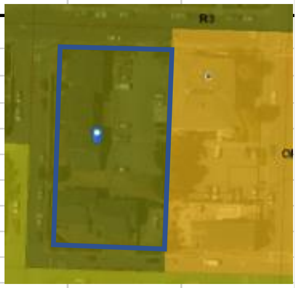
Using the Bureau Veritas capital needs value through 2024, and applying the allowable load factors for General Conditions (5%), Building Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Albee & Del Norte is projected to be $620,021 or 11.45% of the TDC. This projection is $2,474,018 short of meeting the obsolescence threshold criteria.

5) Development capacity analysis:
131 W Del Norte is entirely located in a Residential Medium (R3) Zone. R3 permits development density of 44 dwelling units per acre. Additional development standards including Floor Area Ratio (FAR), building height, and building setback further define the development capacity of a site.

For purpose of this repositioning plan, a development capacity analysis was completed to determine if the underlying zone would allow for more units than currently exist on the site. This capacity analysis mathematically tests fit units based on development standards. Gross Square Footage (GSF) was determined using a bedroom mix, unit square footage, and a building efficiency factor.

Combined, the property at 131 W Del Norte can yield 14 additional housing units on the same land under a redevelopment scenario.

131 West Del Norte						
			NSF		GSF	# of Stories
Size	%	#	Target	Total NSF	0.75 Eff	3
SRO	0%	0				
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	61%	20	600 SF	12,000 SF	16,000 SF	
2BRD	39%	13	860 SF	11,180 SF	14,907 SF	
3BRD	0%	0	1,145 SF	SF	SF	
4 BRD	0		SF	SF	SF	
TOTALS	100%	33	702 SF	23,180 SF	30,907 SF	10,302 SF



Information	
APN	004-084-006
Zoning	R3
District	14
Acres	0.74
SF	32,234
Existing Units	19

Standards		Calcs
Density	44 units/acre	33 units
FAR	1.15	37,070
Site Coverage	80%	25,788
Height	35 ft.	3 stories

Program			
0 BRD	0	FAR	0.96
1 BRD	20	Stories	3
2BRD	13	Site Coverage	32%
3BRD	0		
4 BRD	0		
Total	33	Existing Units	19
		Net Change	14

6) Economic analysis:
A fundamental consideration for public housing repositioning is how to maximize property revenue post conversion. The two bases for consideration are RAD rents and Fair Market Rents (FMR). RAD rents are available through a RAD repositioning. FMR is the basis for determining property revenue when using Section 18 Disposition.

The table below reflects a comparison of 2022 RAD rents and 2022 FMR for available to CEHA. Both RAD rents and FMR figures reflect the net revenue to a project.

Property Units & Rents

	Override	Existing		2020 RAD Rent	2022 FMR-UA			
Size	Unit	Units	Utility Allowance*	OCAF'd 2022	100%	110%	120%	150%
0BRD	0	0	$71.92	$512	$669	$736	$803	$1,004
1BRD	34	0	$71.92	$597	$790	$869	$948	$1,185
2BRD	86	19	$71.92	$770	$1,040	$1,144	$1,248	$1,560
3BRD	47	0	$71.92	$1,102	$1,508	$1,659	$1,810	$2,262
4BRD	12	0	$71.92	$1,315	$1,831	$2,014	$2,197	$2,747
5BRD	0	0	$71.92	$1,315	$2,117	$2,328	$2,540	$3,175
6BRD	0	0	$71.92	$1,315	$2,402	$2,642	$2,882	$3,603
Total / Weighted Ave		19	$71.92	$770	$1,040	$1,266	$1,381	$1,726

FMR based rents for 131 W Del Norte are significantly higher than RAD rents. FMR weighted average rents for the property bedroom mix are 26% higher than RAD rents ($1,040 versus $770). This difference across 19 units for one year totals $61,656.

7) Discussion of development opportunity:
131 W Del Norte is a moderate sized property in CEHA’s portfolio. Capital needs are conservatively projected at approximately $620,021 within the next several years. This amount is short of the Obsolescence threshold criteria for Section 18 by $2,474,018.

The site is square, served by an alley and on a corner. These dimensions, size, access and adjacencies are conducive to an efficient building design.

Current zoning allows for 44 units per acre. The current development is at 26 units per acre. An additional 14 units is achievable on this site.

Under a FMR based revenue scenario, the 19 residential units in 131 W Del Norte would be approximately $61,656 more revenue per year than a RAD revenue scenario.

8) Repositioning Tool Analysis:
HUD offers a variety of repositioning tools that convert traditional public housing to the Section 8 platform. These tools include RAD, RAD / Section 18 Blends, Section 18, and Section 22 Streamline Voluntary Conversion. Each tool has its own eligibility criteria and resulting rent structure post conversion to Section 8.

Identifying the optimal tool for CEHA begins with determining eligibility. The table below reflect eligibility by repositioning tool and option. Information in the 2020 physical needs assessment completed by Bureau Veritas is used to conclude conditional eligibility.

Public Housing Repositioning Tool: Option Eligibility

Type	Eligibility	Threshold	Note
RAD			
PBV	Yes	na	Available by right to PHA
PBRA	Yes	na	Available by right to PHA
PBRA Rent Boost	No	Located in OZ	Project is not in an Opportunity Zone
Streamline	No	50 units	Not less than 50 units
RAD / Section 18 Blends			
Const Blend > 30%	Conditional	$928,258	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 60%	Conditional	$1,856,517	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90%	Conditional	$2,784,775	Project does not meet Threshold based on Bureau Vista report.
Const Blend > 90% High Cost	No		Project is not in a HUD deteremied "high cost" area.
Small PHA	Conditional	<= 250 units	PHA must have 250 or fewer units remaining in PIC at time of application.
Very Small PHA	Conditional	<= 50 units	PHA must have 50 or fewer units remaining in PIC at time of application.
Section 18			
Obsolescence	Conditional	$3,094,040	Project does not meet Threshold based on Bureau Vista report.
Scattered Site	No	<= 4 units / lot	Project is not "scattered site."
Health & Safety	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Infeasible Opereations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
Section 22			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

Section VII: Repositioning Recommendations

CEHA provides housing opportunities to people in our community with a need for safe, decent, and affordable housing. For over 70 years, providing housing has been a foundation for our work. Today we own 270 units of housing throughout the city of Eureka that provide a reliably affordable home for families, seniors, and people with disabilities.

Nearly 200 of these homes operate as public housing at 12 properties. The buildings and the affordability they offer are important resources for the City of Eureka. Unfortunately, given waning federal support, mounting capital needs, and growing demand for affordable housing, the public housing program obstructs our ability to reinvest in these homes, meet the preservation challenges, and serve more families.

It is in the best interest of the residents and the properties they call home to pursue a transition from public housing to project-based Section 8 rental assistance for all CEHA's public housing properties. This transition will provide greater and more stable operating funding and will allow CEHA to access more sources of funding to enable us to continue providing affordable housing for years to come. This transition will also allow CEHA to leverage the creation of more housing on our existing land.

Based on the size, location, and condition of CEHA's public housing properties, the best option for CEHA and its real estate portfolio is to reposition all properties using Section 18 Disposition. Justification for Section 18 Disposition will vary by project.

The table below illustrates the order, type of Section 18 disposition, and plan for the existing real estate that allows CEHA to best serve the community.

Order	New AMP	New Name	Total AMP Units	On-Line AMP Units	Section 18 Dispo Type	Repo Units	Remaining Units	Rehab or Redevelop	Faircloth
							198		
1	CA025000001h	1645 C Street	3		Scattered Site	3	195	Rehab	198
2	CA025000001a	25-1	98		Obsolescence	98	97	Redevelop	198
3	CA025000001b	Prospect Avenue	10		Obsolescence	10	87	Redevelop	198
4	CA025000001c	C & Clark	16		Obsolescence	16	71	Redevelop	198
5	CA025000001d	Buhne/Union/Summer	13		Obsolescence	13	58	Rehab	198
6	CA025000001e	Spring & Garland	12		Obsolescence	12	46	Redevelop	198
7	CA025000001f	1335 B	5		Very Small	5	41	Redevelop	198
8	CA025000001g	2523 Albee	4		Very Small	4	37	Rehab	198
9	CA025000001i	510 W. Harris	5		Very Small	5	32	Rehab	198
10	CA025000001j	330 Grant Street	5		Very Small	5	27	Rehab	198
11	CA025000001k	Albee & Del Norte	8		Very Small	8	19	Rehab	198
12	CA025000001l	131 West Del Norte	19		Very Small	19	-	Redevelop	198

The remainder of this section will provide a summary of the property-specific recommendations and rationale. Information in each recommendation includes:

Project #: This indicates the order in which the repositioning should occur. Order of operations must follow HUD's repositioning threshold criteria rules for the type of tool. Within those rules, CEHA can manage the specific order repositioning occurs.

Current Units: Number of units that exist today.

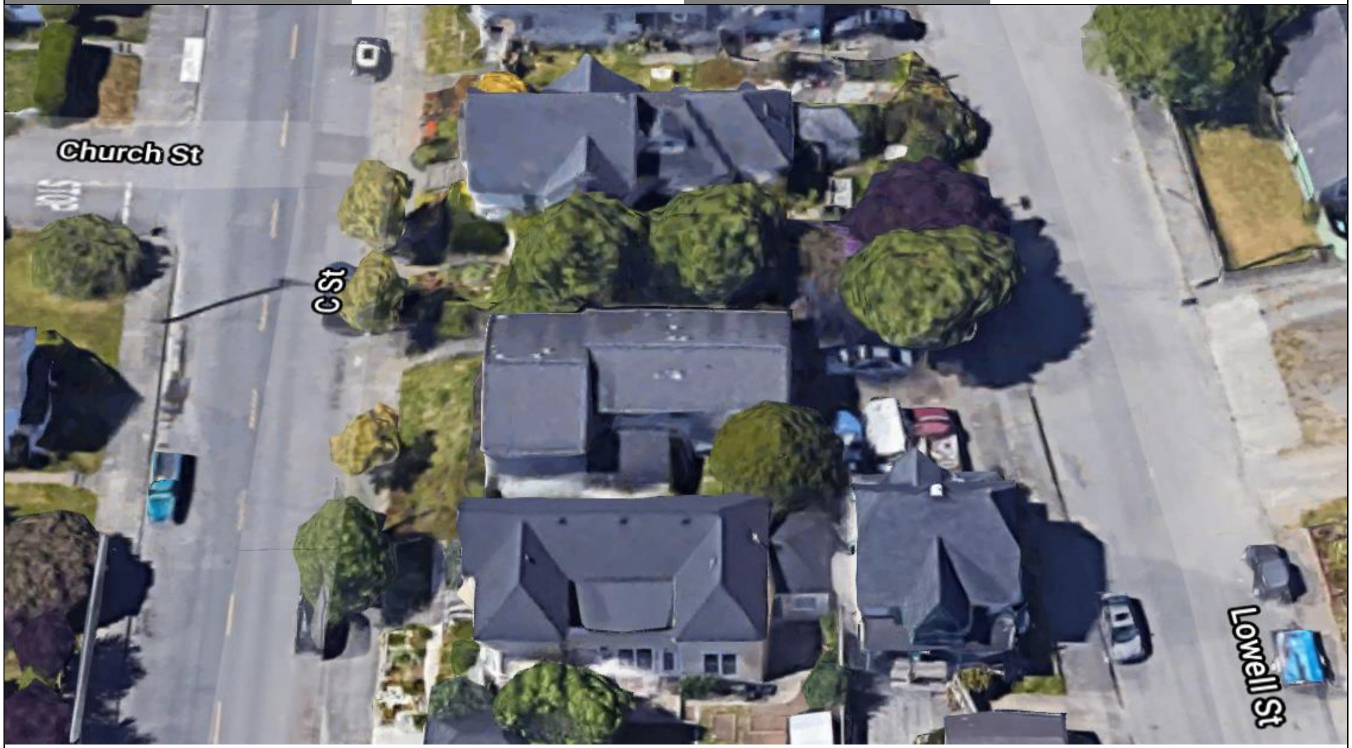
Future Units: Number of units allowable by current zoning. An analysis of development standards was not completed to determine impact on development capacity. Number of potential units will require on-going evaluation should the underlying zoning allow for more development (which is suspected) and higher development standards.

Section 18: This indicates the specific justification for Section 18 Disposition recommended based on PIH 2021-07 and 24 CFR part 970.

Real Estate Plan: Rehab is used to indicate recapitalization and preservation of the existing buildings. Redevelopment is used to indicate razing the existing buildings and constructing new units on site. Redevelopment is always used to provide more units than currently exist on site.

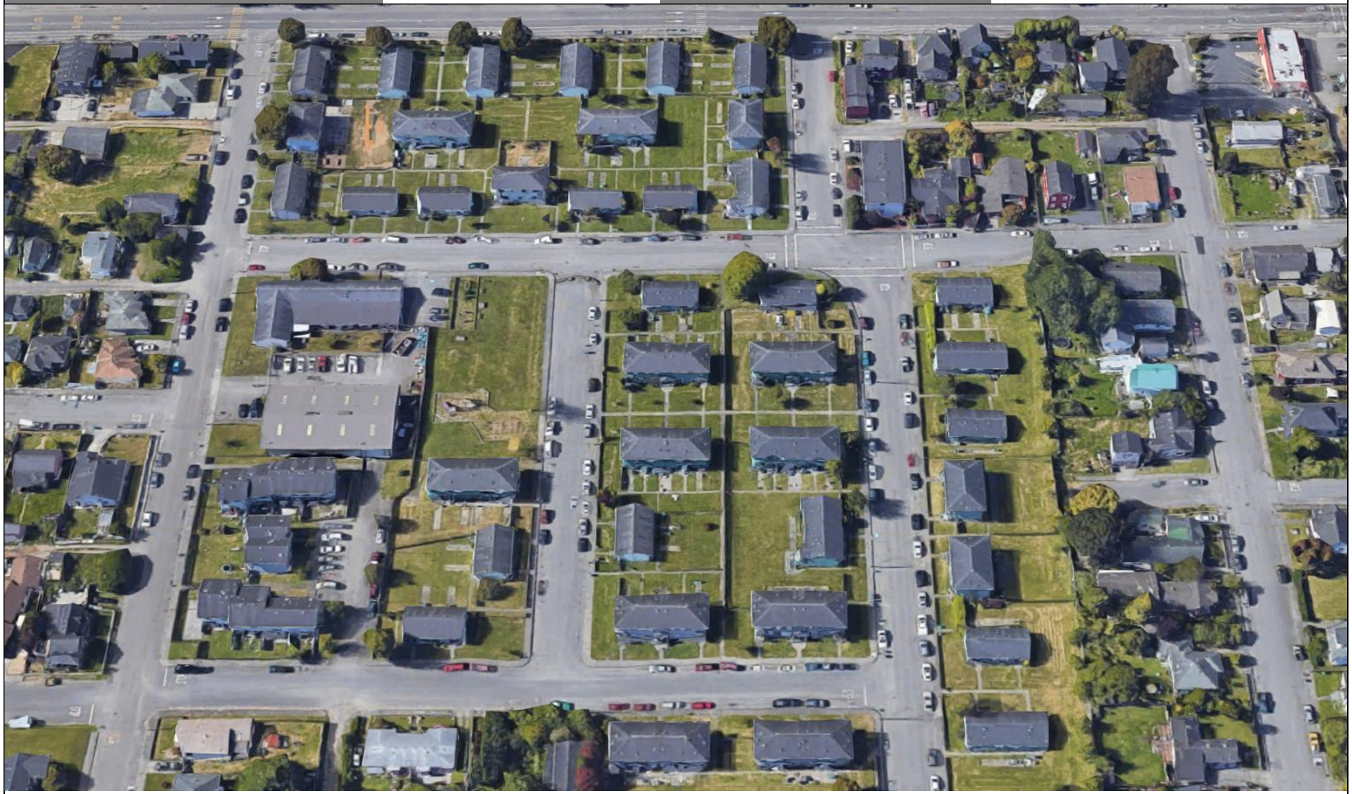
Approach: The real estate development strategy for CEHA to use for this project. In some cases, the implementation could involve bundling or combining two or more projects into a single financial phase.

Project #	1	Section 18:	Scattered Site
Name:	1645 C Street	Real Estate Plan:	Rehab
Current Units:	3	Future Units	3



Approach:	CEHA proceed with Section 18 Disposition. No developer partner is needed for this property.
Discussion:	Ideal project to be repositioned first. This change will increase revenue immediately.

Project #	2	Section 18:	Obsolescence
Name	25-1	Real Estate Plan:	Redevelop
Current Units:	96	Future Units	174



Approach:	CEHA should seek a developer partner early in the process to assist with developing a site-specific redevelopment plan for 25-1 and Prospect Avenue. These two properties should proceed together. Due to their scope, 25-1 and Prospect Avenue will have the longest development timelines. Starting on the developer selection and Section 18 application process early is recommended. Devising a phased redevelopment would ease the relocation process by creating destination housing for households in subsequent phases. Replicating the bedroom mixes of units to be replaced is necessary to create a relocation destination. Redevelopment of this site will use LIHTCs, debt and local / state development subsidy.

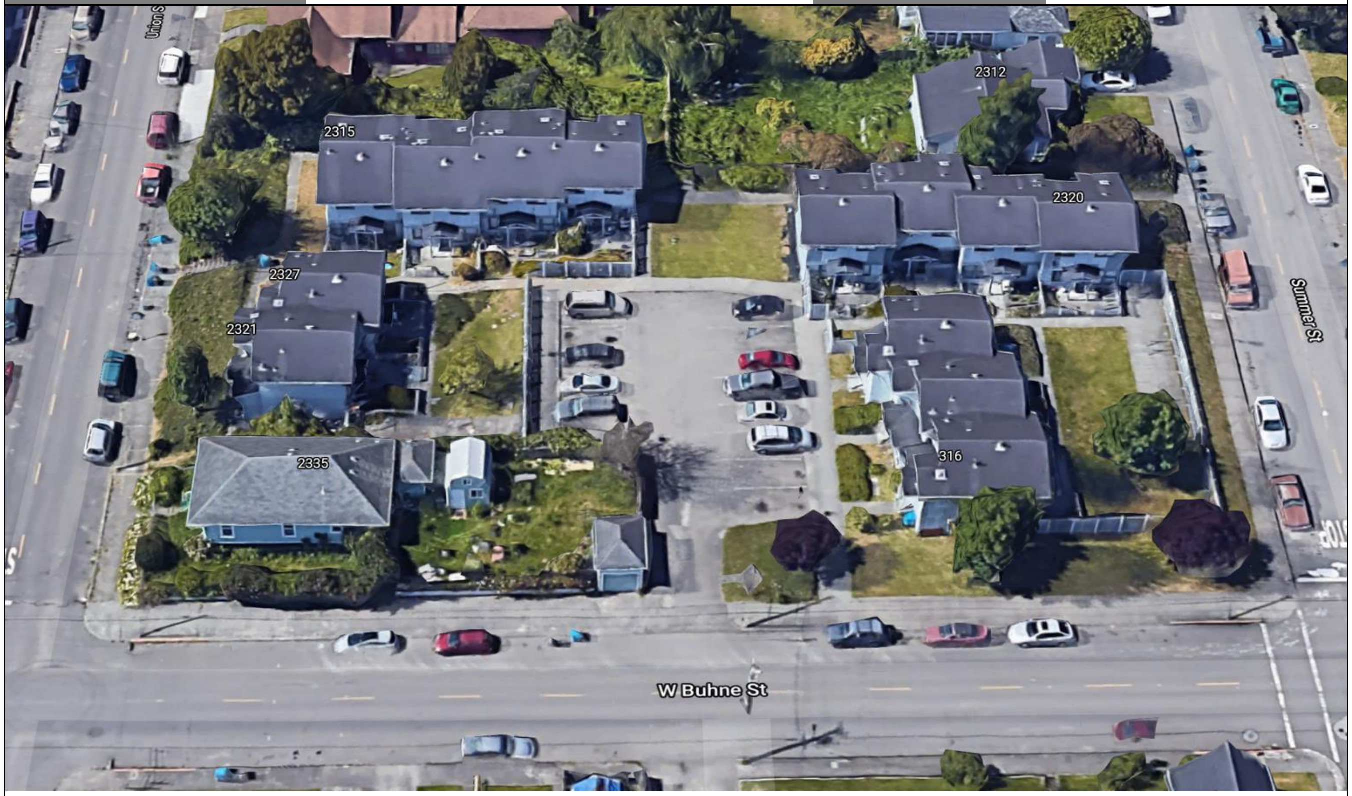
Project #	3	Section 18:	Obsolescence
Name	Prospect Avenue	Real Estate Plan:	Redevelop
Current Units:	10	Future Units	16

Approach:	CEHA should seek a developer partner early in the process to assist with developing a site-specific redevelopment plan for 25-1 and Prospect Avenue. These two properties should proceed together. Due to their scope, 25-1 and Prospect Avenue will have the longest development timelines. Starting on the developer selection and Section 18 application process early is recommended. Devising a phased redevelopment would ease the relocation process by create destination housing for households in subsequent phases. Replicating the bedroom mixes of units to be replaced is necessary to create a relocation destination. Redevelopment of this site will use LIHTCs, debt and local / state development subsidy.

Project #	4	Section 18:	Obsolescence
Name	C & Clark	Real Estate Plan:	Redevelop
Current Units:	16	Future Units	58

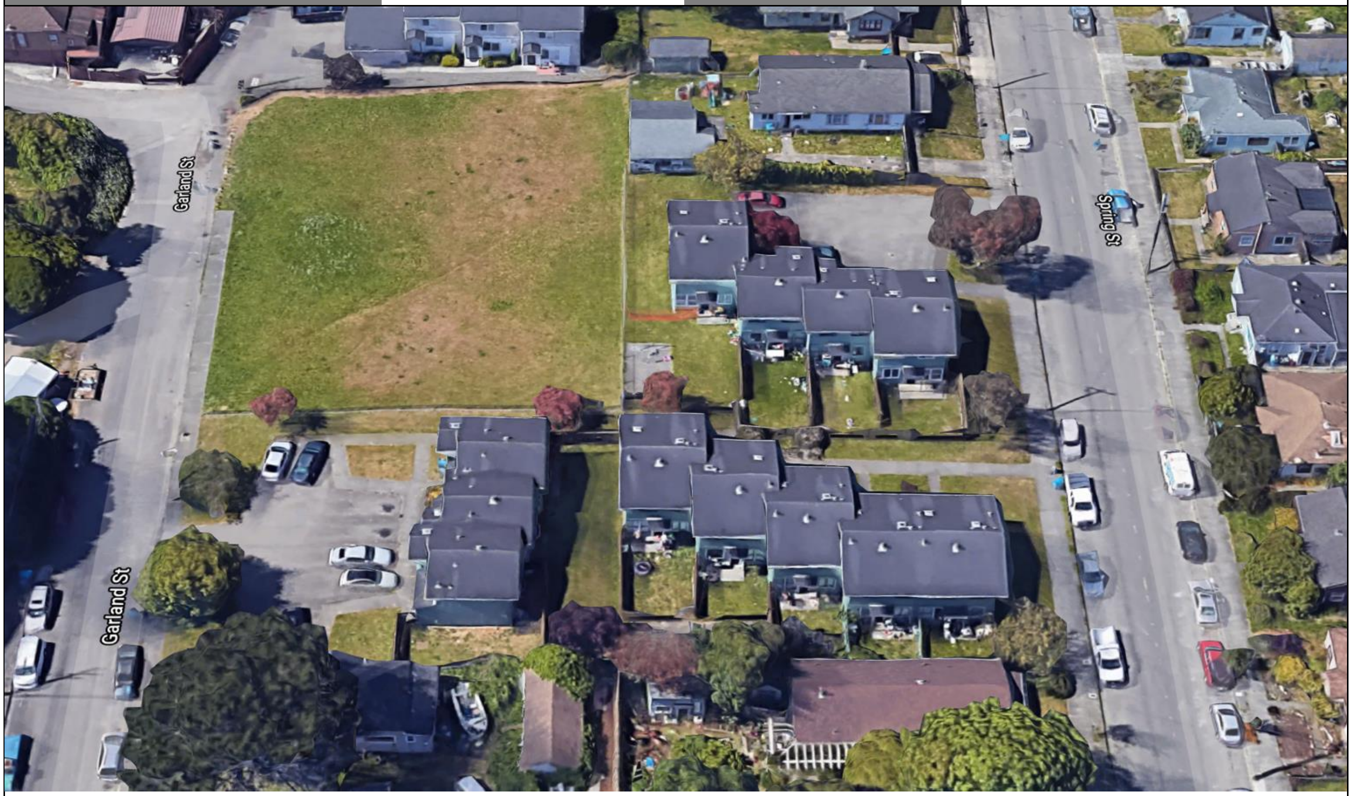
Approach:	CEHA should seek a developer partner to assist with redeveloping C & Clark. Consideration should be given to bundling C & Clark with other properties for efficiency and scale. Redevelopment of this site will use LIHTCs, debt and local / state development subsidy.

Project #	5	Section 18:	Obsolescence
Name	Buhne/Union/Summer	Real Estate Plan:	Rehab
Current Units:	13	Future Units	13



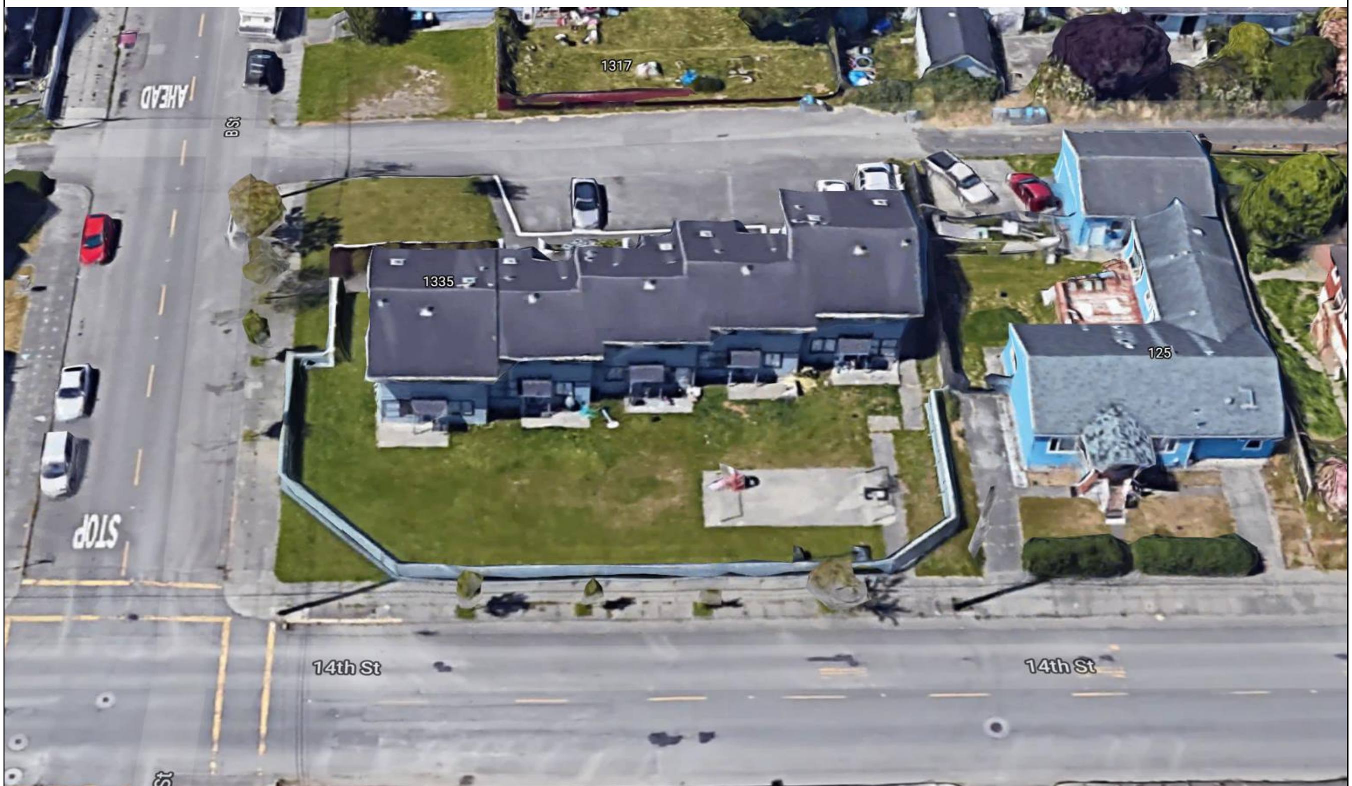
Approach:	CEHA should consider acting as the developer for the rehabilitation of Buhne/Union/Summer. The scale and scope of this project provides an opportunity for CEHA to expand its development capacity and retain fees. The size of this project, level of rehab needed, and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended. Recapitalization of Buhne/Union/Summer could be combined with any or all of the Very Small / Rehab properties in this plan.

Project #	6	Section 18:	Obsolescence
Name	Spring & Garland	Real Estate Plan:	Redevelop
Current Units:	12	Future Units	18



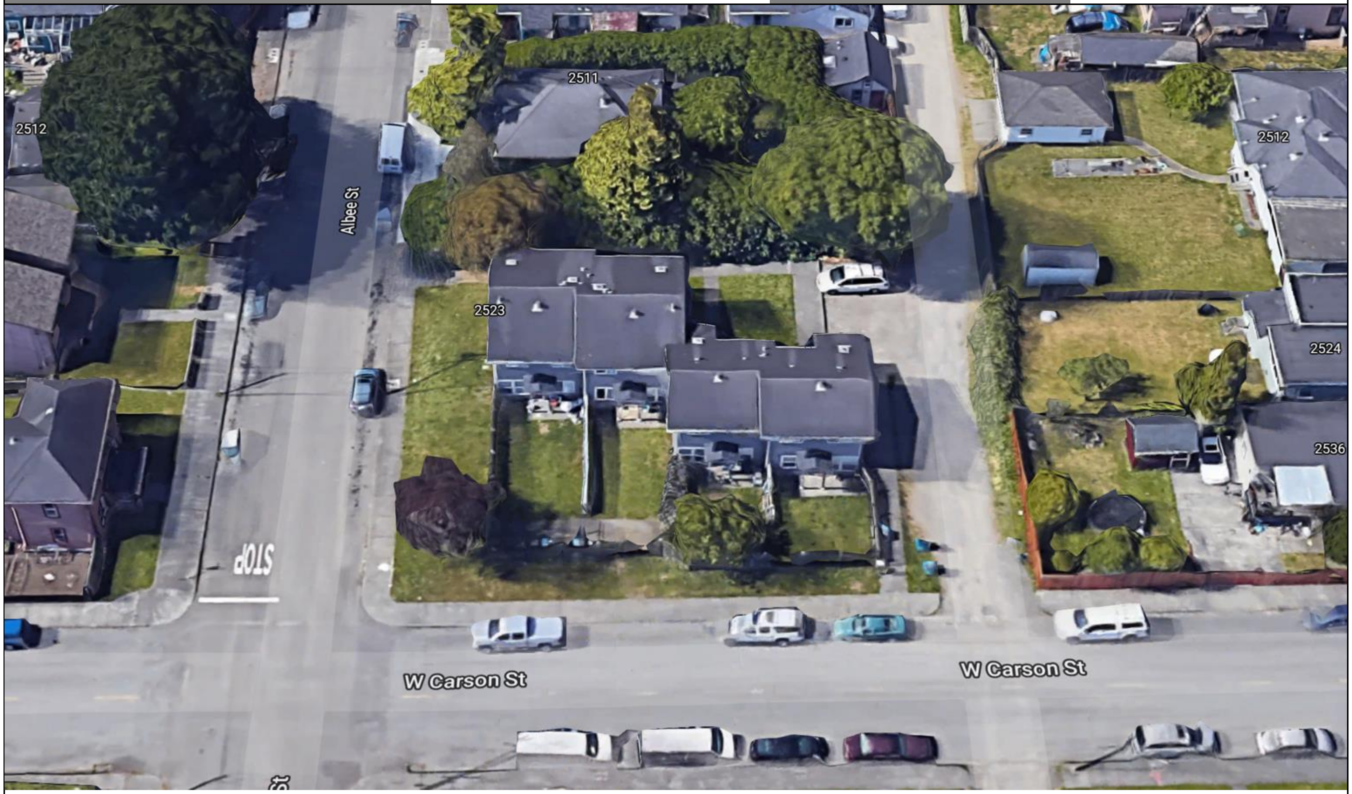
Approach:	CEHA should seek a developer partner to assist with redeveloping Spring & Garland. Consideration should be given to bundling Spring & Garland with other properties for efficiency and scale. Redevelopment of this site will use LIHTCs, debt and local / state development subsidy.

Project #	7	Section 18:	Very Small
Name	1335 B	Real Estate Plan:	Redevelop
Current Units:	9	Future Units	14



Approach:	CEHA should act as the developer for repositioning 1335 B. The project scale and scope are ideal for CEHA to expand development capacity. The size of this project, level of rehab needed, and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended. Recapitalization of 1335 B can be combined with any of the Very Small / Rehab properties in this plan. Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.

Project #	8	Section 18:	Very Small
Name	2523 Albee	Real Estate Plan:	Rehab
Current Units:	4	Future Units	4

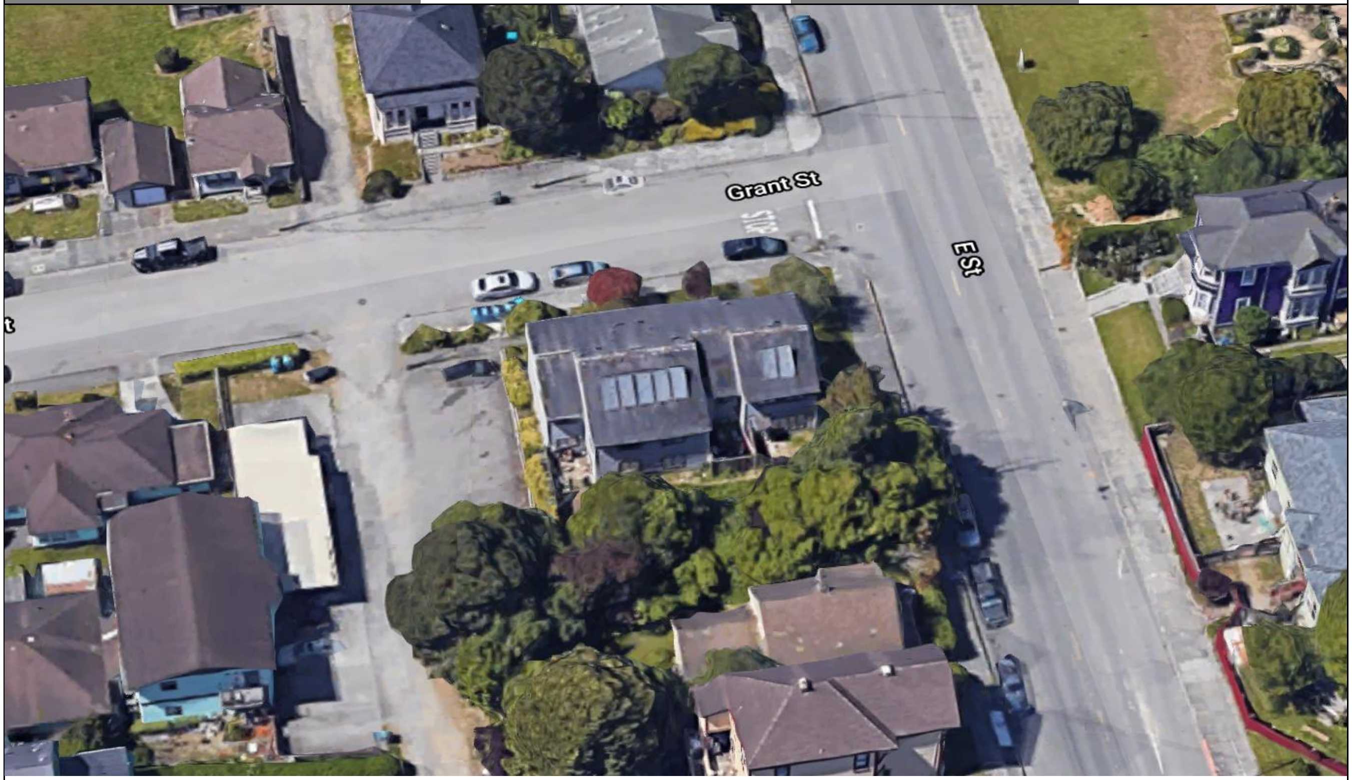


Approach:	CEHA should act as the developer for repositioning 2523 Albee. The project scale and scope are ideal for CEHA to expand development capacity. The size of this project, level of rehab needed, and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended. Recapitalization of 2523 Albee can be combined with any of the Very Small / Rehab properties in this plan. Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.

Project #	9	Section 18:	Very Small
Name	510 W Harris	Real Estate Plan:	Rehab
Current Units:	5	Future Units	5

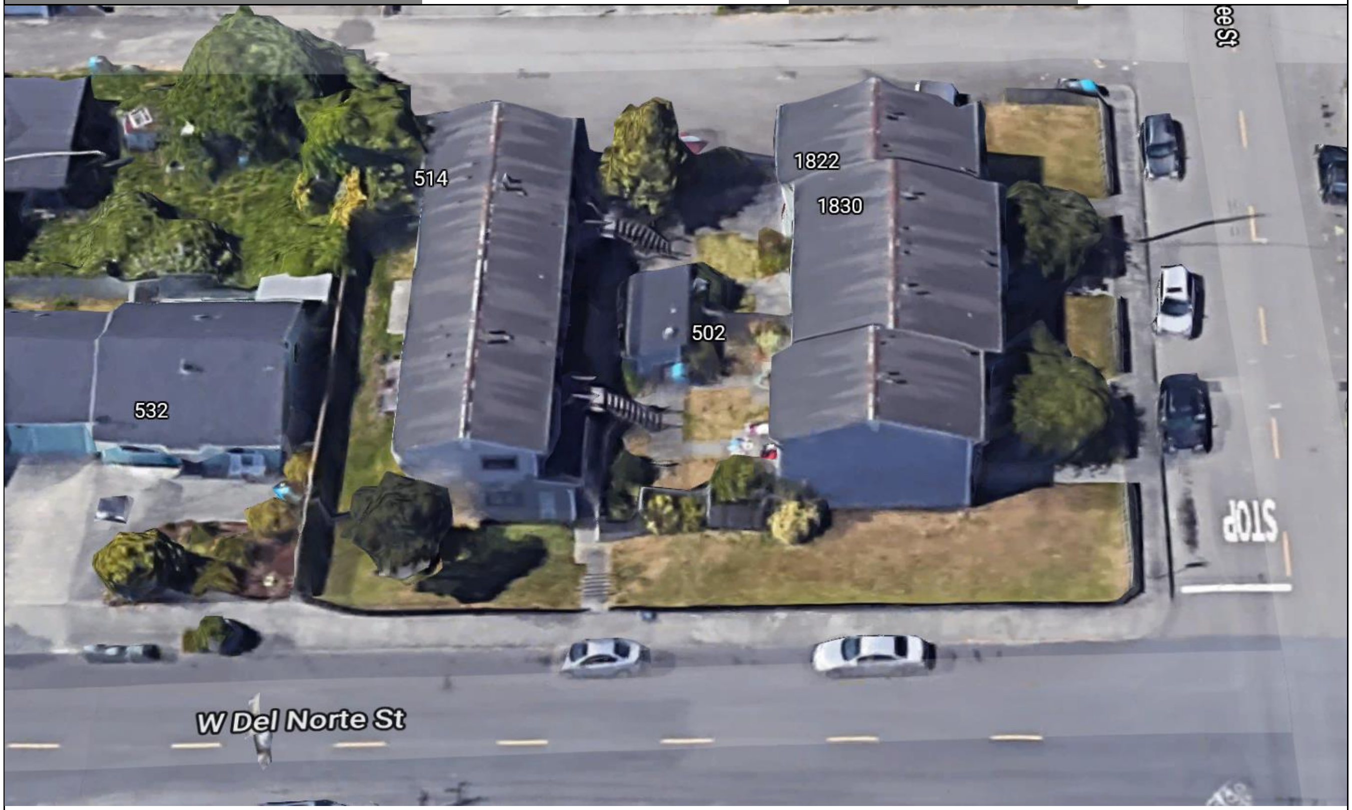
Approach:	CEHA should act as the developer for repositioning 510 W Harris. The project scale and scope are ideal for CEHA to expand development capacity. The size of this project, level of rehab needed and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended. Recapitalization of 510 W Harris can be combined with any of the Very Small / Rehab properties in this plan. Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.

Project #	10	Section 18:	Very Small
Name	330 Grant Street	Real Estate Plan:	Rehab
Current Units:	5	Future Units	5



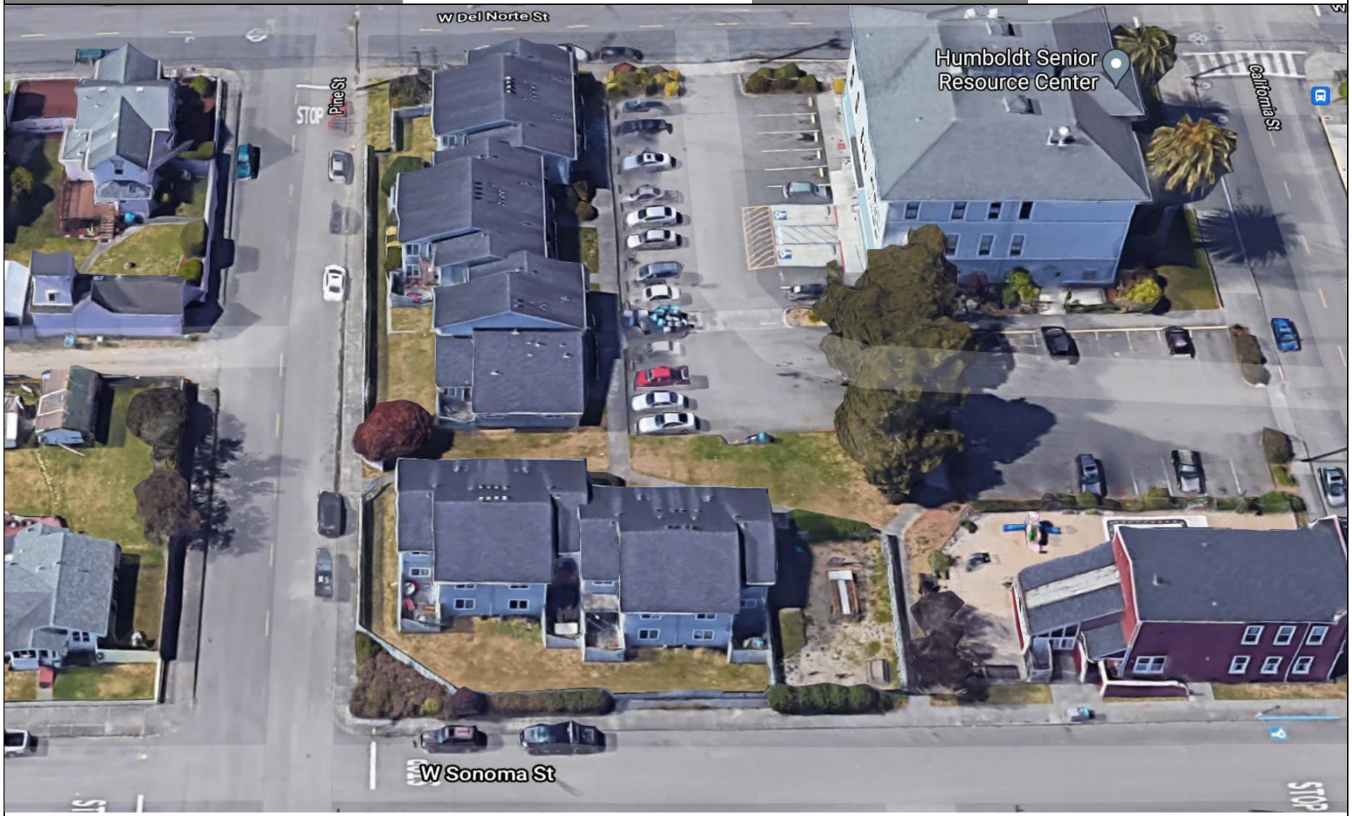
Approach:	CEHA should act as the developer for repositioning 330 Grant Street. The project scale and scope are ideal for CEHA to expand development capacity. The size of this project, level of rehab needed and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended. Recapitalization of 510 W Harris can be combined with any of the Very Small / Rehab properties in this plan. Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.

Project #	11	Section 18:	Very Small
Name	Albee & Del Norte	Real Estate Plan:	Rehab
Current Units:	8	Future Units	8



Approach:	CEHA should act as the developer for repositioning Albee & Del Norte. The project scale and scope are ideal for CEHA to expand development capacity. The size of this project, level of rehab needed and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended. Recapitalization of Albee & Del Norte can be combined with any of the Very Small / Rehab properties in this plan. Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.

Project #	12	Section 18:	Very Small
Name	131 West Del Norte	Real Estate Plan:	Redevelop
Current Units:	19	Future Units	44



Approach:	CEHA should seek a developer partner to assist with redeveloping 131 West Del Norte. Consideration should be given to bundling 131 West Del Norte with other properties for efficiency and scale. Redevelopment of this site will use LIHTCs, debt and local / state development subsidy. 131 West Del Norte is the only Redevelopment site that does not rely on Obsolescence for Section 18 Disposition justification. This is because the previously complete capital needs assessment did not return sufficient costs to meet the Obsolescence threshold. Therefore, this project was planned later in the sequence to use the Very Small justification.

Section VIII: Implementation Plan

Repositioning of CEHA's public housing portfolio is a multi-year, multi-phase endeavor. Preparation of this plan involved analysis of existing conditions and development of recommendations. Having established what repositioning outcomes are in CEHA's best interest, this section will frame the implementation of the preferred plan. This section will address how to proceed.

Organizational Commitment to Repositioning

Repositioning public housing is a choice that will change long established patterns and practices for CEHA. Given the importance of this decision to CEHA, its residents, and the community generally, it is important to clearly articulate the reasons for repositioning and to establish clear policy objectives that will guide the organization through implementation.

Included in this plan are justifications for repositioning. The plan explains why repositioning will best serve the affordable housing needs of Eureka and CEHA. To guide the implementation, also included in the plan are four policy directives created to guide decision making processes.

To establish these policies, CEHA's board of commissioners should adopt this plan, resolve that these policy directives shall guide CEHA's implementation, and instruct the organization to begin implementation.

NEXT STEP: Board resolution accepting the plan and instructing implementation to begin.

Community and Resident Engagement Plan

Work with residents and community stakeholders was part of the planning effort resulting in this plan. Following the board direction, CEHA should create a communication strategy appropriate to support implementation. This plan should include communication strategies and tools to provide information to residents and stakeholders, and to receive information that will seek to inform the development process.

NEXT STEP: Create a communications plan for residents and community stakeholders.

Developer Selection

Redevelopment of some properties should be done in partnership with a developer selected by CEHA. Selection of the developer partner is foundational to successful implementation and achievement of CEHA's desired outcomes.

CEHA should use a qualification-based process to seek a developer partner. The Request for Qualification (RFQ) document should include CEHA's policies for repositioning and any other desired outcomes that will be the basis for a future partnership. Establishing clear expectations with a future partner is critical to a successful joint venture. CEHA should communicate expectations in the RFQ.

Before drafting the RFQ seeking a developer, CEHA should define the process that will best serve implementation of this plan. Key questions to consider are:

- How many developer partners should be involved with implementation?
- What are the qualities and experiences CEHA wants in a developer partner?
- What roles does CEHA want to perform in the development process?
- What risks or obligations is CEHA willing to accept during the development process? Related, what financial benefits does CEHA want to receive as a result of the development?

NEXT STEP: Define real estate development qualification and deal terms important to include in the RFQ. Create and manage process to select developer partner.

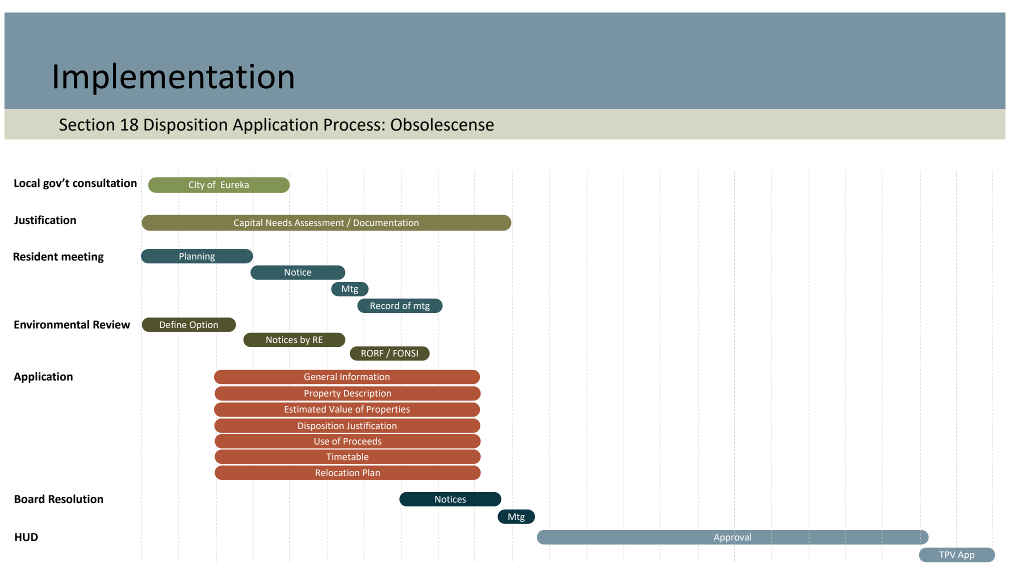
Section 18 Disposition Applications:

Repositioning of CEHA portfolio assumes the use of Section 18 Disposition with the following three separate justifications: 1) Scattered Site, 2) Obsolescence, and 3) Very Small PHA.

The order of applications is important to CEHA using Section 18 to reposition all properties. This can be achieved by using Scattered Site justification for 1645 C St and then Obsolescence for those properties that qualify until the portfolio is reduced to less than 50 units. Once the portfolio is at or below 50 units, CEHA can reposition the remaining properties by right. CEHA can manage the order and grouping of properties within HUD's repositioning qualifying terms.

Since all of CEHA's units are in a single AMP, Section 18 Disposition applications should be set up with a specific Application (DDA) number for each property. This will allow CEHA to incrementally dispose of properties within the portfolio while maintaining current public housing funding flow for the remaining properties.

There is an efficiency to submitting groups of Section 18 Disposition applications for properties by justification type. Timing requires that the Obsolescence properties occur first. Once these approvals are secured, the Small PHA justification is available by right.



Completing the Obsolescence justification will require assistance from third party consultants. Most important is a capital needs assessment provider. This is the most important and likely longest lead time application submittal.

NEXT STEP: Create a Workplan for developing a Section 18 Disposition application and begin the application process.

Real Estate Development / Project Management:

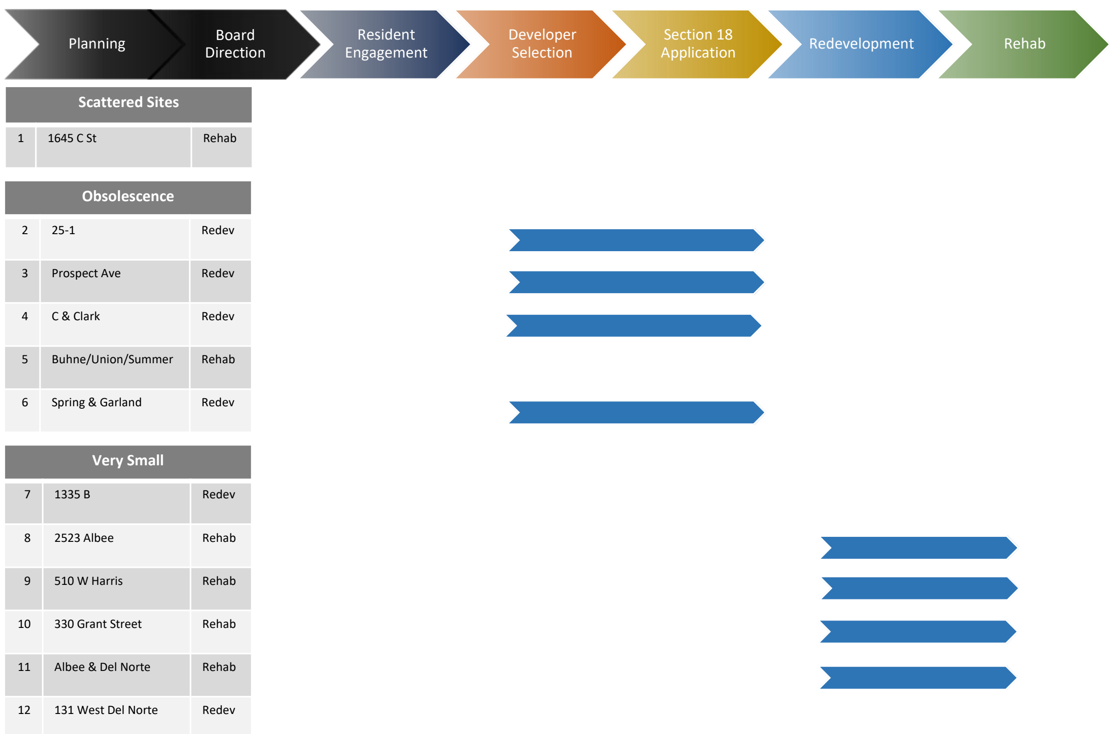
Flowing from the resident and community engagement, developer selection and Section 18 application work, is further defining and managing the real estate development / project management tasks. Generally, this work will involve: 1) finance, 2) design, 3) construction, 4) HUD process, 5) relocation, and 6) ownership and management. Specific details for each of these project elements will vary by property. Some will involve a developer partner, while others will be managed by only CEHA.

Defining how properties will be bundled together is necessary to commence the real estate development / project management tasks. Composition of each project is necessary to develop the work plan. This step may be iterative as more details are learned and applied.

Selection of the developer partner should be completed prior to settling on project bundling and phasing. Clarity brought to the project definition with a developer partner will then be the basis for information shared with residents and community stakeholders.

NEXT STEP: Work to create specific projects and phasing for real estate development and project management

Portfolio Repositioning Organization and Flow Chart



Scattered Sites		
1	1645 C St	Rehab
Obsolescence		
2	25-1	Redev
3	Prospect Ave	Redev
4	C & Clark	Redev
5	Buhne/Union/Summer	Rehab
6	Spring & Garland	Redev
Very Small		
7	1335 B	Redev
8	2523 Albee	Rehab
9	510 W Harris	Rehab
10	330 Grant Street	Rehab
11	Albee & Del Norte	Rehab
12	131 West Del Norte	Redev

CITY OF EUREKA HOUSING AUTHORITY

RESOLUTION 1963

REPOSITIONING PLAN

WHEREAS, the City of Eureka Housing Authority (Authority) faces many challenges with its public housing portfolio such as aging housing stock, underfunding by the US Department of Housing and Urban Development (HUD), and high demand for affordable housing; and

WHEREAS, the Authority contracted with EMG/Bureau Veritas to complete a Physical Needs Assessment (PNA) in 2020 regarding the status of the Public Housing units managed by the Authority; and

WHEREAS, the completed PNA report identified a backlog of repairs estimated at over $57 million over the next 20 years; and

WHEREAS, the estimated HUD Total Development Cost (value) for the same properties is approximately $51 million, indicating that the properties cannot be efficiently rehabilitated; and

WHEREAS, the Authority must continue to pursue innovative approaches to preserve its housing portfolio to address the growing demand for housing available to low- and very low-income individuals and families; and

WHEREAS, the Department of Housing and Urban Development (HUD) issued guidance under the Section 18 and Section 22 programs to provide greater efficiencies for Public Housing Agencies (PHAs) to address the growing backlog of unmet capital needs; and

WHEREAS, HUD has provided a Technical Assistance Contract to assist the Authority with developing a repositioning strategy; and

WHEREAS, a Repositioning Ad-Hoc Committee was formed and met on April 26, 2022, May 03, 2022, May 10, 2022, May 23, 2022 and June 02, 2022 to discuss and understand HUD requirements and repositioning strategy, and suggest policy input for the repositioning plan;

NOW, THEREFORE, BE IT RESOLVED that the Board does approve and adopt this Repositioning Plan,and directs the City of Eureka Housing Authority staff to move forward with steps to implement the Repositioning Plan for public housing, including but not limited to RAD, Section 18, and/or Section 22.

(Name)	(Name)	(Name)
Chairperson		
Title	Title	Title
Signature	Signature	Signature