



# HOUSING AUTHORITIES

## CITY OF EUREKA & COUNTY OF HUMBOLDT



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### AGENDA

#### REGULAR MEETING OF THE COUNTY OF HUMBOLDT HOUSING AUTHORITY BOARD OF COMMISSIONERS

DATE AND TIME  
Monday – July 11, 2022  
12:00pm

#### 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/81644758596?pwd=c1RjWXZsODFBcFV6TTdnQXUwK1NvQT09>

Meeting ID: 816 4475 8596

Passcode: 468494

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](mailto: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 483 (pages 3 - 6)  
Recommended Board Action: Accept and Adopt for Approval



The Housing Authorities are Equal Housing Opportunity Organizations



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:

(5a) Subsidy layering review for Providence Mother Bernard House (fka Humboldt Inn), HUD communication dated May 25, 2022; *informational only* (pages 10 - 11)

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 12)

(6c) HCV Utilization Reports (pages 13 - 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:

(pages 16 -20) (9a) Project Based Vouchers Approved for Permanent Supportive Housing; *informational only*  
(9b) Support for City of Eureka Housing Authority Repositioning Plan, Resolution 484  
Recommended Board Action: Accept and Adopt for Approval (pages 21 - 103)

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.

# County of Humboldt Housing Authority

Board of Commissioners Meeting

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July 11, 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, and state or local officials have imposed or recommended measures to promote social distancing.  
or

- 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 and 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.



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### 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. 483**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY OF HUMBOLDT 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 County of Humboldt 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 County of Humboldt 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 County of Humboldt 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

The Commissioners of the County of Humboldt Housing Authority met in a Regular Session on Monday, May 09, 2022, at 12:00 p.m. This Session was held via conference call and Zoom with the Commissioners due to the Covid-19 pandemic.

Chairperson Conner called the meeting to order at 12:11pm

(a) Roll call

Commissioners Present: Chairperson Conner, Commissioner Escarda, Commissioner Derooy, Commissioner Zondervan-Droz

Commissioners Absent: Vice Chairperson Fitzgerald

Staff Present: Churchill, Humphreys

Public Present: None

(b) Public Comment: None heard.

(c) Minutes of the Regular Session of April 11, 2022.

Motion to approve the minutes of the meeting of April 11, 2022, by Commissioner Derooy

Second – Commissioner Zondervan-Droz

AYES: Conner, Derooy, Escarda, Zondervan-Droz

NAYS: None

ABSTAIN: None

Chairperson Conner declared the motion carried and the April 11, 2022, minutes approved.

(d) Bills and Communications: None.

(e) Report of the Secretary:

(e1) Covid-19 Updates:

Secretary Churchill notes that we have no changes to report.

(e2) Occupancy and Leasing Report:

Secretary Churchill briefs the Commissioners on occupancy related to the City of Eureka Housing Authority properties.

(e3) HCV Utilization Reports:

Secretary Churchill briefs the Commissioners on the report, noting that the Tenant Services Department is pulling 50 applicants from our HCV waitlist and 50 applicants from the Mainstream and will be screening those applicants over the next four to six weeks. Secretary Churchill goes on to note 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:

Commissioner Zondervan-Droz comments that she has participated in Ethics training for commissioners and thought it was excellent.

(g) Unfinished Business: None.

(h) New Business:

(h1) Resolution 482: Brown Act, Remote Session Authorization

Recommended Board Action: Accept and Adopt for Approval

**RESOLUTION NO. 482**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY OF HUMBOLDT 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 County of Humboldt 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 County of Humboldt 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 County of Humboldt 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 482 by Commissioner Escarda.

Second - Commissioner Derooy

AYES: Conner, Derooy, Escarda, Zondervan-Droz

NAYS: None

ABSTAIN: None

Chairperson Conner declared the motion carried and the Resolution 482 approved.

- (h2) Project Based Vouchers (PBV) at 7<sup>th</sup> St. & Myrtle Ave. Senior Housing  
Informational only

Secretary Churchill updates the board that we now have approval to assist the 35 new construction units at 7<sup>th</sup> and Myrtle Ave. in Eureka for our senior clients. Those vouchers are expected to come online during the second half of 2023.

- (h3) Advancing Equity through Emergency Housing Vouchers (EHV) Community of Practice  
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, Mande McCullough, our Housing Supervisor, Christy Orsini and one Continuum of Care representative.

- (i) Closing Statements: None heard.

There being no further business to come before the Commissioners, the meeting was adjourned at 12:37p.m.

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Secretary

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Chairperson



## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING  
Office of Public Housing and Voucher Programs

MEMORANDUM FOR: Gerard Windt, Director, HUD Office Of Public Housing,  
Region IX

FROM: Danielle L. Bastarache, Deputy Assistant Secretary,  
Office of Public Housing and Voucher Programs, PE

SUBJECT: Subsidy Layering Review

The Housing Voucher Financial Management Division, Office of Housing Voucher Programs has completed a subsidy layering review for the project referenced below. Our review was based upon financial documentation submitted by the project owner and the Public Housing Authority (PHA), the Project-based Voucher regulations at 24 CFR part 983, and the Administrative Guidelines, Final Rule published in the Federal Register on February 28, 2020.

As a result of the review, we are authorizing the rents set by the housing authority, which are within the statutory limit. Should the total tenant payment for assisted families in the project result in housing assistance payments (HAP) that exceed the authorized per unit funding level, the PHA shall ensure that the appropriate adjustments are made in its voucher program so as not to exceed its available budget authority and program reserves (HUD-held and net restricted position) balance for the calendar year. The Field Office should advise the PHA that the renewal funding will be pursuant to the

FY 2022 Continuing Resolution, PL 117-86

PHA:	County of Humboldt Housing Authority	
PHA Code:	CA086	
Owner:	Providence Health & Services – Washington	

Project Details	
Project Name:	Providence Mother Bernard House
Project Address (city/state):	1140 4th Street, Eureka CA

Number of Project-Based Section 8 Units:	42	Total Number of Affordable Housing Units:	
Number of PBV RAD Vouchers:		Number of PBV VASH Vouchers:	

Construction Type	
<input checked="" type="checkbox"/> Rehabilitation	<input type="checkbox"/> New Construction

Population Served			
<input checked="" type="checkbox"/> Homeless	<input type="checkbox"/> Low Income Family	<input type="checkbox"/> Veteran	
<input type="checkbox"/> Senior	<input type="checkbox"/> Non-Elderly Disabled	<input checked="" type="checkbox"/> Supportive Services	
<input type="checkbox"/> Disabled			

Initial Year Gross Rents				
BR Size	No of Units	Contract Rent	Utility Allow	Gross Rent
0	39	\$741		\$741
1	3	\$862		\$862
2				\$0
3				\$0
4				\$0
5				\$0
6				\$0

Total Project-based Units: 42

The Field Office should advise the PHA of the Department's approval of subsidy layering for this property is contingent upon the PHA's meeting the Project-based Voucher regulatory requirements at 24 CFR 983, including the approval of any required waivers.

Should you have any questions, please email the Housing Voucher Financial Management Division at: [HCVFinancialManagementDivision@hud.gov](mailto:HCVFinancialManagementDivision@hud.gov) or contact the review analyst.

Review Analyst: Xu Fang  
 Phone:   
 Email: [xu.fang@hud.gov](mailto:xu.fang@hud.gov)

#### CERTIFICATION REGARDING THE AMOUNT OF HUD ASSISTANCE PROVIDED

Pursuant to regulations at 24 CFR 4.13, I certify that the assistance provided by the U.S. Department of Housing and Urban Development is not more than necessary to provide affordable housing after taking into account other assistance including low-income housing tax credits. This certification is based solely on the information submitted by the applicant and is conditioned on any additional instructions to the Field Office as set forth in this document.

5/25/2022

**X Steven Durham for**

Danielle L. Bastarache, DAS  
 Office of Public Housing & Voucher Programs  
 Signed by: STEVEN DURHAM

## Occupancy and Leasing Report 2022

### Housing Authorities of the City of Eureka and County of Humboldt

Program	Total Units Available		# Units Leased, 1st of Month				Wait List	
			Jan-22	Feb-22	Mar-22	Apr-22	May-22	End of Month
Eureka								
Public Housing	196	*	177	180	182	181	180	421
Eureka Family Housing	51		48	48	48	47	44	463
Eureka Senior Housing	22		20	20	20	20	21	161
	269		245	248	250	248	245	

#### Humboldt

<u>Tenant Based Vouchers</u>							
Housing Choice Vouchers	1137	866	860	864	860	861	1037
VASH Vouchers	73	23	23	23	26	26	N/A
Mainstream vouchers	75 ***	27	27	28	29	31	N/A
Emergency Housing Vouchers (EHV)	182	5	11	15	18	23	N/A ‡
<u>Project Based Vouchers</u>							
PBV-VASH - Bayview Heights (Eureka)	22 **	21	21	21	22	22	
PBV-HCV - Bayview Heights (Eureka)	3 **	-	-	-	3	3	
PBV-HCV - Sorrell Place (Arcata)	5 **	-	-	-	-		
PBV-HCV - Providence (Eureka)	42 †	-	-	-	-		
PBV-HCV - 7th & Myrtle Senior (Eureka)	35 †	-	-	-	-		

Total All Vouchers	<b>1574</b>	<b>942</b>	<b>942</b>	<b>951</b>	<b>958</b>	<b>966</b>
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Vouchers issued but not under contract, end of month (aka "Searching")	64
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\*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.



**COUNTY OF HUMBOLDT HOUSING AUTHORITY**  
**All Voucher Programs**  
**Through May 31, 2022**

	January	February	March	April	May	Total
<b>Traditional HCV &amp; VASH (Includes PBVs)</b>						
HAP Income	\$ 487,449	\$ 490,581	\$ 492,982	\$ 492,810	\$ 492,002	\$ 2,455,824
HAP expenses	(491,882)	(489,328)	(494,790)	(489,372)	(495,897)	(2,461,269)
Surplus (Deficit)	<u>(4,433)</u>	<u>1,253</u>	<u>(1,808)</u>	<u>3,438</u>	<u>(3,896)</u>	<u>(5,446)</u>
% Total income utilized	100.91%	99.74%	100.37%	99.30%	100.79% <b>A</b>	100.22%
Administrative/Other Income	71,092	71,162	83,214	69,268	112,267	352,238
Operating expenses	(62,591)	(57,222)	(62,223)	(64,273)	(83,268)	(329,576)
Surplus (Deficit)	<u>8,501</u>	<u>13,940</u>	<u>20,991</u>	<u>4,995</u>	<u>29,000</u>	<u>22,662</u>
Remaining HAP Cash	18,124	19,052	10,667	12,533	12,110	
Remaining Non-HAP Cash	<u>385,079</u>	<u>409,050</u>	<u>425,907</u>	<u>432,218</u>	<u>464,707</u>	
Total HCV Cash	403,203	428,102	436,574	444,751	476,818	
Cash Increase/(Decrease)	6,455	24,900	8,471	8,177	32,067	
# of Households Assisted	866	858	863	860	861	4,308
Average HAP Payment	\$ 567.99	\$ 570.31	\$ 573.34	\$ 569.04	\$ 575.95	\$ 571.33
<b>Mainstream (disabled &amp; non-elderly)</b>						
HAP Income	\$ 7,833	\$ 12,284	\$ 15,469	\$ 15,469	\$ 15,469	\$ 66,524
HAP expenses	(17,543)	(18,014)	(18,864)	(19,822)	(21,360)	(95,603)
Surplus (Deficit)	<u>(9,710)</u>	<u>(5,730)</u>	<u>(3,395)</u>	<u>(4,353)</u>	<u>(5,891)</u>	<u>(29,079)</u>
% Total income utilized	223.96%	146.65%	121.95%	128.14%	138.08%	143.71%
Administrative/Other Income	55	55	1,508	647	6,011	8,276
Operating expenses	(1,575)	(1,068)	(1,291)	(1,301)	(2,763)	(7,998)
Surplus (Deficit)	<u>(1,520)</u>	<u>(1,013)</u>	<u>217</u>	<u>(654)</u>	<u>3,248</u>	<u>278</u>
Remaining HAP Cash	69,131	63,950	60,703	56,106	53,175	
Remaining Non-HAP Cash	<u>(1,407)</u>	<u>(2,296)</u>	<u>(2,052)</u>	<u>(2,669)</u>	<u>647</u>	
Total Mainstream Cash	67,724	61,654	58,651	53,437	53,822	
Cash Increase/(Decrease)	(12,191)	(6,070)	(3,003)	(5,214)	385 <b>B</b>	
# of Households Assisted	27	27	28	29	31	142
Average HAP Payment	\$ 649.74	\$ 667.19	\$ 673.71	\$ 683.52	\$ 689.03	\$ 673.26

**COUNTY OF HUMBOLDT HOUSING AUTHORITY**  
**All Voucher Programs**  
**Through May 31, 2022**

	January	February	March	April	May	Total
<b>Emergency Housing Vouchers (EHVs)</b>						
HAP Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HAP expenses	(4,749)	(11,739)	(15,752)	(17,535)	(24,957)	(74,732)
Surplus (Deficit)	(4,749)	(11,739)	(15,752)	(17,535)	(24,957)	(74,732)
% Total income utilized	N/A	N/A	N/A	N/A	N/A	N/A
Administrative/Other Income	6,940	13,451	11,275	12,862	18,644	63,173
Operating expenses	(6,064)	(12,924)	(10,910)	(12,457)	(18,645)	(61,001)
Surplus (Deficit)	876	527	365	405	(1)	2,172
Remaining HAP Cash	512,371	500,567	485,216	467,681	442,929	
Remaining Non-HAP Cash	426,639	414,688	404,613	392,951	374,709	
Total EHV Cash	939,010	915,255	889,829	860,632	817,638	
Cash Increase/(Decrease)	(12,025)	(23,755)	(25,426)	(29,197)	(42,993) C	
# of Households Assisted	5	11	15	18	23	72
Average HAP Payment	\$ 949.80	\$ 1,067.18	\$ 1,050.13	\$ 974.17	\$ 1,085.09	\$ 1,037.94
<b>Total All Voucher Programs</b>						
HAP Income	\$ 495,282	\$ 502,865	\$ 508,451	\$ 508,279	\$ 507,471	\$ 2,522,348
HAP expenses	(514,174)	(519,081)	(529,406)	(526,729)	(542,214)	(2,631,604)
Surplus (Deficit)	(18,892)	(16,216)	(20,955)	(18,450)	(34,744)	(109,257)
% Total income utilized	103.81%	103.22%	104.12%	103.63%	106.85%	104.33%
Administrative/Other Income	78,087	84,668	95,997	82,777	136,923	423,687
Operating expenses	(70,229)	(71,214)	(74,424)	(78,031)	(104,676)	(398,575)
Surplus (Deficit)	7,857	13,454	21,572	4,747	32,247	25,112
Remaining HAP Cash	599,626	583,569	556,586	536,320	508,214	
Remaining Non-HAP Cash	810,311	821,443	828,468	822,499	840,064	
Total Program Cash	1,409,938	1,405,012	1,385,054	1,358,819	1,348,278	
Cash Increase/(Decrease)	(17,760)	(4,926)	(19,958)	(26,235)	(10,541)	
# of Households Assisted	898	896	906	907	915	4,522
Average HAP Payment	\$ 572.58	\$ 579.33	\$ 584.33	\$ 580.74	\$ 592.58	\$ 581.96

**Notes**

- A** Spending above 100% indicates full utilization of monthly funding plus spending down of HUD-held reserves (which is encouraged/required by HUD).
- B** Cash decrease in Q1 & April due to timing of HUD stopping MSV payments from 7/2021-12/2021; expecting cash to increase as payments continue this year.
- C** Cash decrease due to timing of HUD stopping EHV HAP and Admin Fee disbursements from 12/2021-5/2022; expecting cash to continue to decrease as preliminary program funding is utilized per HUD program mandate. Once initial program funding gets below a certain level, HUD will initiate monthly funding again.

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Housing Choice Vouchers</b>										
January	985	913	889	917	918	903	882	866	884	866
February	983	906	901	921	919	898	894	867	875	858
March	977	899	908	923	918	896	897	861	875	863
April	979	896	920	928	919	908	895	859	873	860
May	977	890	920	927	917	905	895	850	873	861
June	976	890	922	930	914	898	892	853	868	
July	969	891	929	924	919	895	882	873	865	
August	962	891	929	923	917	888	879	872	864	
September	956	896	931	927	913	888	872	883	864	
October	946	897	918	934	906	888	866	888	862	
November	939	900	913	928	903	887	881	890	866	
December	927	890	910	925	902	882	877	887	857	
Average	<b>965</b>	<b>897</b>	<b>916</b>	<b>926</b>	<b>914</b>	<b>895</b>	<b>884</b>	<b>871</b>	<b>869</b>	<b>862</b>
UML's	11,576	10,759	10,990	11,107	10,965	10,736	10,612	10,449	10,426	4,308

Mainstream Vouchers									2021	2022
January									27	
February									27	
March									28	
April									29	
May									31	
June										
July										
August								4		
September								15		
October								18		
November								24		
December								27		
Average								21	28	
UML's								88	142	

Emergency Housing Vouchers								2021	2022
January									5
February									11
March									15
April									18
May									23
June									
July									
August									
September									
October									
November									
December								4	
Average								4	14
UML's								4	72

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Total ALL</b>										
January	985	913	889	917	918	903	882	866	884	898
February	983	906	901	921	919	898	894	867	875	896
March	977	899	908	923	918	896	897	861	875	906
April	979	896	920	928	919	908	895	859	873	907
May	977	890	920	927	917	905	895	850	873	915
June	976	890	922	930	914	898	892	853	868	
July	969	891	929	924	919	895	882	873	865	
August	962	891	929	923	917	888	879	872	868	
September	956	896	931	927	913	888	872	883	879	
October	946	897	918	934	906	888	866	888	880	
November	939	900	913	928	903	887	881	890	890	
December	927	890	910	925	902	882	877	887	888	
Average	<b>965</b>	<b>897</b>	<b>916</b>	<b>926</b>	<b>914</b>	<b>895</b>	<b>884</b>	<b>871</b>	<b>894</b>	<b>904</b>
UML's	11,576	10,759	10,990	11,107	10,965	10,736	10,612	10,449	10,518	4,522

# County of Humboldt Housing Authority

Board of Commissioners Meeting

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July 11, 2022

Agenda Item 9a

## Memorandum

To: Commissioners

From: Cheryl Churchill, Executive Director

Subject: Project Based Vouchers Approved for Permanent Supportive Housing

### BACKGROUND AND HISTORY:

The County of Humboldt Housing Authority desires to grow its voucher program both by addition of new programs and by increased utilization of currently allocated vouchers. One method of increasing utilization and promoting long-term unit affordability is allocating vouchers to specific projects, assisting those units with project-based vouchers (PBVs).

Providence – Washington submitted a proposal to California’s HomeKey program in 2020 and was approved for a grant of \$3,795,455 to purchase and renovate the Humboldt Inn at 1140 4<sup>th</sup> Street, with the intent to convert the hotel to permanent supportive housing. Part of making this effort financially feasible is attaching long-term assistance to each unit. To that end, the County of Humboldt Housing Authority was approached with a request for voucher support. Because this supports our goals of PBV program growth, supports County goals of addressing our homelessness issue, and is within our voucher allocation and budget, we requested approval from HUD to project-base 42 of our HCV vouchers. Authorization to do so was granted via the attached letter.

This will add 42 PBV units to the County of Humboldt Housing Authority’s offerings, and it will be all permanent supportive housing, meaning services are available for all residents. Construction and unit rehab is expected to be completed in 2023. Attached is summary information regarding this development.

### STAFF RECOMMENDATION:

None; informational only.

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## *Project Description*

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The Providence Mother Bernard House (also known as “Providence Eureka House”) site is owned by Providence Health & Services – Washington (“Providence”). The site is located at 1140 Fourth Street in the City of Eureka in the County of Humboldt, California. The site currently consists of a motel called the Humboldt Inn that is operating as an interim shelter for people experiencing homelessness. Scheduled for June 2022, rehabilitation and construction will begin to convert the property into permanent supportive housing (PSH). While the building currently has 42 motel rooms, once the rehabilitation and construction are complete, there will be 49 total units including 42 permanent supportive housing units, 6 units for recuperative care, and 1 manager’s unit. Of the 42 PSH units, 39 will be studios and 3 will be one-bedroom units. The single manager’s unit will be a one-bedroom unit.

The unit sizes will vary depending on building location. In the newly constructed Building A, there will be a total of 6 recuperative care studios that will be an estimated 312 square feet in size. In rehabilitated Building B, there will be a total of 29 units: 25 studios ranging from 179 to 341 square feet in size; 3 one-bedroom units that will range from 302 square feet to 468 square feet in size, respectively; and 1 one-bedroom manager’s unit measuring 609 square feet. In rehabilitated Building C, there will be a total of 14 studios that will all be approximately 220 square feet in size.

In terms of accessibility, the rehabilitation and construction process will focus on barrier removal. Overall, the number of accessible units will increase from 2 existing accessible units to a total of 11 at the completion of rehabilitation and construction.

The permanent supportive housing residents will be referred using the Humboldt County Coordinated Entry System (CES). The CES is administered by members of the Humboldt Housing and Homeless Coalition, Humboldt County’s Continuum of Care. The residents may include individuals and couples.

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Unit subsidies will be provided via Project Based Vouchers administered by the County of Humboldt Housing Authority. This will provide rental assistance for 42 tenants who are homeless and who are high-cost utilizers of healthcare services with an income at or below 30% of the area median income. For the 6 recuperative care units, Providence St. Joseph Health Northern California Region has committed to a 15-year lease and will pay monthly payments for each of the six units with rents tied to Fair Market Rent levels set by HUD. The monthly lease payments are part of the operating funding sources.

Supportive Services will be available on-site for all tenants, who will be encouraged to participate. Participation is voluntary and not a requirement of tenancy or continued occupancy. The Lead Service Provider will work with tenants who choose to participate in Supportive Services to tailor an individualized plan based on goals set by each tenant. Individualized plans will remain flexible with regard to type and intensity of services and will focus on tenant engagement and housing retention. Supportive services will include assistance with Medi-Cal enrollment, case management, peer support, behavioral health care, primary care, benefits counseling and advocacy, basic housing retention skills, and substance use. In addition, if further services needed are only available off-site, the service provider will assist with transportation as needed.

The Providence-paid utilities are electricity, water, sewer, and trash.



## PROJECT DESCRIPTION

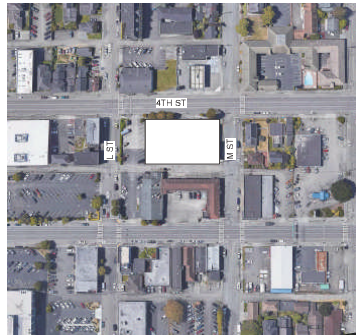
1140 4th Street includes the rehabilitation of two, two-story existing motel buildings and a new two-story building along 4th Street that will together provide a total of 48 affordable units, supportive service spaces and common amenities.

The site currently includes a parking lot that extends to 4th Street to the north and M Street to the east, and is bound by a metal security fence. The site redesign aims to create a sense of place and community that is both secure and welcoming for residents. The relationship to 4th Street will be redefined by reducing the front setback and locating the main building entrance on 4th. Common open spaces for residents will be carved out of the space between buildings, accomplished by demolishing the motel lobby and open carport, and relocating two of the existing exterior stairs. New and existing buildings will be woven together with a wood trellis, fence and screen that provide privacy, security, warmth and visual continuity throughout the site and street frontages.

The south facade of the new building reimagines 4th Street through movement, materiality and relationship to human scale and building program. A butterfly roof form creates a sense of movement along 4th Street. The two roof slopes come together at a low point that distinguishes the building entry, accessed by a ramp that is integrated with and screened by the trellis above. The lobby, emphasized by a two-story accent color, brings some transparency through the site as it connects to the courtyard at the south facade. The geometry of the roof form differentiates the building program along 4th Street through a material shift that occurs at the change in slope. The west side is clad in a warm accoya wood siding and a large storefront window highlights the community room. The accoya wraps to the west facade, where the community room spills out into an exterior gathering space, to be used for outdoor dining and barbecues. The east side of the building is clad in fiber cement siding, where office spaces and utility rooms feature a rhythmic window patterning. Materials and colors from the main facade wrap around to M Street, providing visual continuity on the secondary frontage.

The south facade relates to the existing motel buildings in its open corridor at the second story units, with wood columns that support a covered roof and exterior exit stairs. Each of the buildings overlook the courtyard amenity spaces, with a rich palette of planting materials, shade trees and gathering spaces. The stormwater treatment system is featured with a rain chain that is integrated with the butterfly roof. There is an opportunity for public art on the south and east side of the new building, which would create a focal point in the courtyard and highlight a special aspect of Eureka's identity or history.

## VICINITY MAP



## PROJECT DIRECTORY

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**JOINT TRENCH CONSULTANT**  
**Urban Design Consulting Engineers**  
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 San Francisco, CA 94107  
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 Contact: Jason Ling  
 Email: jasonling@urbandesignco.com

# 1140 4TH STREET | 100% DESIGN DEVELOPMENT

EUREKA, CA | 03/01/20 | PROVIDENCE SUPPORTIVE HOUSING





- ☐ **CIVIL ENGINEER**  
**SHN**  
812 W. WABASH AVENUE  
EUREKA, CA 95501
- ☐ **LANDSCAPE ARCHITECT**  
**JETT**  
2 THEATER SQUARE, STE 218  
ORINDA, CA 94563
- ☐ **STRUCTURAL ENGINEER**  
**MURPHY BURR CURRY**  
85 SECOND ST, STE 501  
SAN FRANCISCO, CA 94105
- ☐ **MEP ENGINEER**  
**FARD**  
309 LENNON LN #200  
WALNUT CREEK, CA 94598

[illegible]

Project:

1140 4TH STREET

1140 4TH STREET  
EUREKA, CA

Client



800 FIFTH AVENUE  
SUITE 1200  
SEATTLE, CA

## RENDERINGS

1998年 2010

SCALE: 1/8" = 1'-0"

A 0.03



# County of Humboldt Housing Authority

Board of Commissioners Meeting

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July 11, 2022

Agenda Item 9b

## Memorandum

To: Commissioners

From: Cheryl Churchill, Executive Director

Subject: Support for City of Eureka Housing Authority Repositioning Plan

### BACKGROUND AND HISTORY:

The City of Eureka Housing Authority, with assistance from Enterprise Community Partners and Mike Andrews of Structure PDX as lead consultant, have developed and approved a formal repositioning plan for Public Housing. The Plan and its components will be both a roadmap for the City of Eureka Housing Authority's future activity, as well as a marketing tool to pull in potential developers.

With the constant underfunding of traditional Public Housing ("PH"), HUD has encouraged PHAs to explore options to convert from the PH funding platform to a more stable and better funded subsidy such as the Section 8 program. The City of Eureka Housing Authority's plan anticipates converting the subsidy from PH to Section 8 for both existing PH units and redeveloped units that will replace current PH units. The end result for the City of Eureka Housing Authority is to modernize existing housing, increase unit availability, simplify HUD's reporting and administrative burden, and increase and stabilize ongoing revenues. For the County of Humboldt Housing Authority, this will mean an increase in new vouchers (up to 196 new vouchers for the existing PH units) as well as an anticipated increase in utilization of existing vouchers, as HCV holders may be eligible to rent and use their vouchers in the newly developed (future) housing.

The ability of the City of Eureka Housing Authority to implement this plan depends on the local voucher administrator, County of Humboldt Housing Authority, agreeing to administer the new vouchers. This increase in vouchers will happen incrementally over time, as units are converted, rehabilitated, and/or redeveloped.

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An increase in vouchers (i.e. new vouchers) as well as an increase in utilization of existing vouchers is consistent with the goals of the County of Humboldt Housing Authority. Specifically, the 5-year plan goals number one, “Maximize Voucher Utilization: The County of Humboldt Housing Authority makes every effort to utilize up to 100% of the Annual Contributions Contract, or more as allowed based on draws of HUD-held reserves” and number three, “Utilize Project Based Vouchers to Expand the Supply of Assisted Housing: The PHA’s Project Based Voucher (PBV) program will continue to seek opportunities to release further PBV’s to the community and partner with local agencies and/or developers to allocate PBV’s that increase affordable housing units in Humboldt County. The PHA may administer vouchers for the City of Eureka Housing Authority (“City”) should it be necessary in support of the City’s repositioning of its Public Housing stock and retaining or increasing affordable units.”

Financial impact: Note that for 2022, each additional voucher utilized as of the first day of any month earns the County of Humboldt Housing Authority \$92.96, per HUD’s published 2022 Administrative Fee rates. An additional 196 vouchers per month in 2022 would result in an increase of monthly administrative revenues of \$18,220. While an increase in vouchers may eventually require an additional staff person, the increase in fees earned is expected to cover any additional staff and operating expenses.

Note: The Repositioning Plan is a long and data-heavy document. Pages that highlight the critical foundation, direction, and intended outcomes of the Plan include:

- Pages 2-4 provide an executive summary of the plan;
- Pages 11-12 provide policy directives for implementation; and
- Pages 65-81 provide specific repositioning recommendations by site and an overview plan for implementation for the City of Eureka Housing Authority.

STAFF RECOMMENDATION:

Review repositioning plan for understanding; approve and adopt resolution supporting the City of Eureka Housing Authority’s Repositioning Plan.

# 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 from 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's 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	Additional	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 development 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 2007. 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 Authorities 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%*

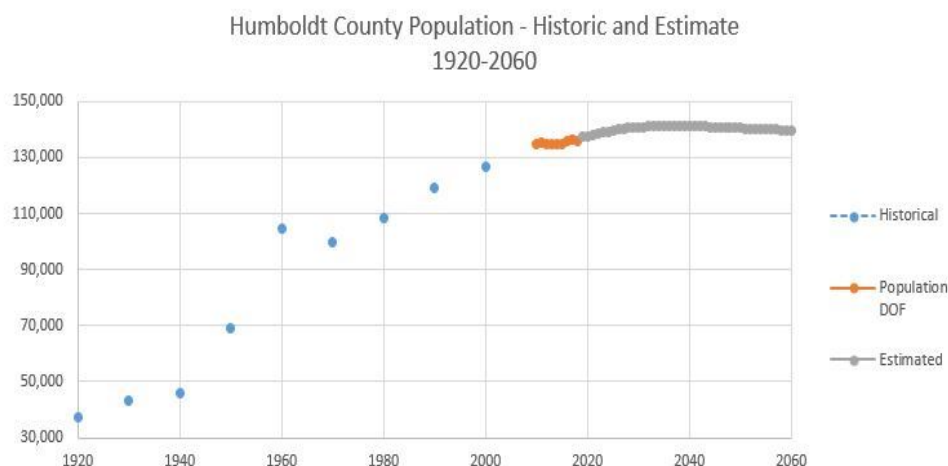
## Section III: Community Overview

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 have 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://humboldt.gov.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.<sup>1</sup>

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.

<sup>1</sup> National Low-Income Housing Coalition 2021 Out of Reach Report: [chrome-extension://efaidnbmninnibpcapjcgicfindmkaj/viewer.html?pdfurl=https%3A%2F%2Fnlhc.org%2Fsites%2Fdefault%2Ffiles%2Foor%2F2021%2FOut-of-Reach\\_2021.pdf&clen=11916493&chunk=true](chrome-extension://efaidnbmninnibpcapjcgicfindmkaj/viewer.html?pdfurl=https%3A%2F%2Fnlhc.org%2Fsites%2Fdefault%2Ffiles%2Foor%2F2021%2FOut-of-Reach_2021.pdf&clen=11916493&chunk=true)

## 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 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 following:

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 31



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 11<sup>th</sup>, 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: \(https://eurekahumboldtha.org/repositioning/\)](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 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 we will provide opportunities and make every effort for peoples' voices to be heard.

## Section VI: Portfolio Analysis

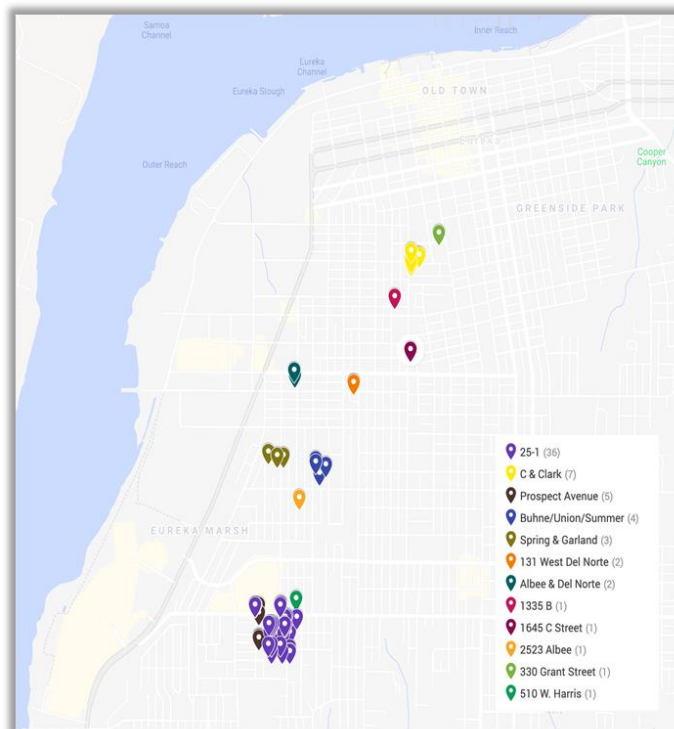
### PORTFOLIO OVERVIEW

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.

DOFA Year	Units
1952	96
1964	60
1971	21
1983	19





Buildings are either one or two stories with a wood frame structure. Construction type, site development and building condition reflect their age.

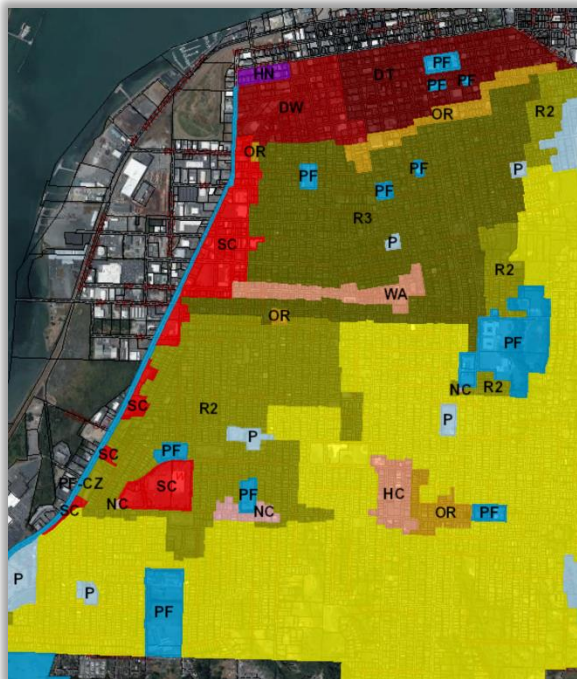
The portfolio consists of 1-, 2-, 3-, and 4-bedroom units. Units are both flats and townhouse style. Units exit directly outside.

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%

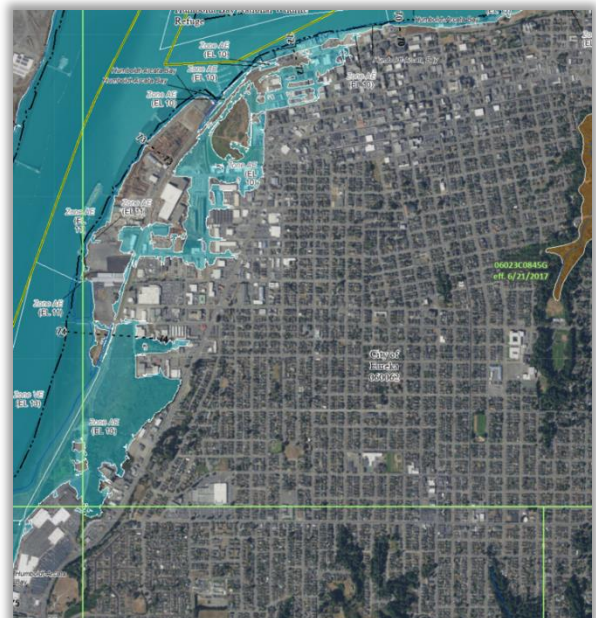
## REGULATORY OVERVIEW OF PORTFOLIO

### 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.







## 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		2022 FMR-UA			
				OCAF'd 2022	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 Avg		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 95503
- 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,  
009-076-001.

#### 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 Veritas 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 2020 TDC for 25-1 is \$30,620,517. At 57.14%, the Obsolescence threshold amount is \$17,496,558.

## Section 18 Analysis

Size	Override		2020 Limits		Unit Dist - Blend			
	Unit	Units	HCC	TDC	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	GSF		# of Stories
			Target	Total NSF	0.75 Eff	
0 BRD	0%	0	410 SF	SF	SF	
1 BRD	42%	80	600 SF	48,000 SF	64,000 SF	
2BRD	49%	93	860 SF	79,980 SF	106,640 SF	
3BRD	8%	16	1,145 SF	18,320 SF	24,427 SF	
4 BRD	0%	0	SF	SF	SF	
<b>TOTALS</b>	<b>100%</b>	<b>189</b>	<b>774 SF</b>	<b>146,300 SF</b>	<b>195,067 SF</b>	<b>65,022 SF</b>



Information	
APN	
Zoning	R2
District	14
Acres	8.61
SF	375,052
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	
<b>Total</b>	<b>189 Existing Units</b>	<b>106</b>
	<b>Net Change</b>	<b>83</b>

**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	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
<b>Total / Weighted Avg</b>		<b>96</b>		<b>\$71.92</b>	<b>\$848</b>	<b>\$1,151</b>	<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>

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 oldest 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 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$5,249,230	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$10,498,459	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$15,747,689	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$17,496,558	Project meets Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

## 2) Prospect Avenue

### 1) Bedroom mix and rent table:

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 Avg		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 95503
- 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 Veritas 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 2020 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**

Size	%	#	NSF	GSF	# of Stories
			Target	Total NSF 0.75 Eff	
0 BRD	0%	0	410 SF	SF	3
1 BRD	42%	80	600 SF	48,000 SF	
2BRD	49%	93	860 SF	79,980 SF	
3BRD	8%	16	1,145 SF	18,320 SF	
4 BRD	0%	0	SF	SF	
<b>TOTALS</b>	<b>100%</b>	<b>189</b>	<b>774 SF</b>	<b>146,300 SF</b>	<b>65,022 SF</b>



Information	
APN	
Zoning	R2
District	14
Acres	8.61
SF	375,052
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
<b>Total</b>	<b>189 Existing Units</b>
	<b>Net Change</b>
	<b>83</b>

## 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 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 Avg		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, CEHA's continuity of operations relates to planning for the Prospect Avenue site.

Current zoning allows for 22 units per acre. The current development is at 13 units per acre. There is an additional 5 units available on these three parcels, and when considered as part of a larger project 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 more revenue 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$627,841	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$1,255,681	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$1,883,522	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$2,092,698	Project meets Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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		2022 FMR-UA			
				OCAF'd 2022	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 Avg		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: R3
- 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. 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 Veritas 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 2020 TDC is \$4,477,427. At 57.14%, the Obsolescence threshold amount is \$2,558,402.

Section 18 Analysis

Size	Override		Units	HCC	TDC		Unit Dist - Blend		
	Unit						RAD	Section 18	Total
0BRD	0	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%), Builder 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:

C & Clark 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.

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**

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



Information	
APN	004-163-001
Zoning	R3
District	14
Acres	1.01
SF	43,996
Existing Units	12

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	
2 BRD	15	
3 BRD	0	
4 BRD	0	
<b>Total</b>	<b>45 Existing Units</b>	<b>12</b>
	<b>Net Change</b>	<b>33</b>

## 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	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	
<b>Total / Weighted Avg</b>		<b>16</b>	<b>\$71.92</b>	<b>\$662</b>	<b>\$884</b>	<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>	

FMR based rents for C & Clark 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$767,559	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$1,535,118	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$2,302,677	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$2,558,402	Project meets Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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

Property Units & Rents				2020 RAD Rent		2022 FMR-UA			
Size	Override Unit	Existing Units	Utility Allowance*	OCAF'd 2022	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 Avg		13	\$71.92	\$637	\$848	\$1,266	\$1,381	\$1,726	

##### 2) Building & Site Information

- a. Address: 2315 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 Veritas 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 Buhne/Union/Summer. The 2020 TDC is \$3,261,751. At 57.14%, the Obsolescence threshold amount is \$1,863,765.

Section 18 Analysis

Size	Override		Units	HCC	TDC	Unit Dist - Blend		
	Unit					RAD	Section 18	Total
0BRD	0	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%), Builder Profit (10%), Architectural (7%), and PHA Administration (2%), the gross capital needs for Buhne/Union/Summer 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 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.

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**

Size	%	#	NSF		GSF		# of Stories
			Target	Total NSF	0.75 Eff		
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		
<b>TOTALS</b>	<b>189%</b>	<b>17</b>	<b>722 SF</b>	<b>12,280 SF</b>	<b>16,373 SF</b>		<b>5,458 SF</b>



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
<b>Total</b>	<b>17 Existing Units</b>
	<b>13</b>
	<b>4</b>

#### 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	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	
<b>Total / Weighted Avg</b>		<b>13</b>	<b>\$71.92</b>	<b>\$637</b>	<b>\$848</b>	<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>	

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 at 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$559,157	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$1,118,315	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$1,677,472	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$1,863,765	Project meets Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

## 5) Spring & Garland

### 1) Bedroom mix and rent table:

Property Units & Rents

Property Units & Rents		Existing	2020 RAD Rent		2022 FMR-UA			
Size	Override 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 Avg		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 Veritas 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 2020 TDC is \$3,725,048. At 57.14%, the Obsolescence threshold amount is \$2,239,067.

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	0	
1BRD	34	0	\$136,735	\$239,286	0	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%), Builder 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 (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 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 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.

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

**Total: Spring & Garland**

Size	%	#	NSF		GSF	# of Stories
			Target	Total NSF	0.75 Eff	
SRO	0%	0				3
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	
<b>TOTALS</b>	<b>150%</b>	<b>18</b>	<b>806 SF</b>	<b>14,515 SF</b>	<b>19,353 SF</b>	<b>6,451 SF</b>



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
<b>Total</b>	<b>18 Existing Units</b>
	<b>6</b>

**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	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	
<b>Total / Weighted Avg</b>		<b>12</b>	<b>\$71.92</b>	<b>\$963</b>	<b>\$1,313</b>	<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>	

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 22 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 at 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$671,754	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$1,343,507	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$2,015,261	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	Yes		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$2,239,067	Project meets Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.

## 6) 1335 B

### 1) Bedroom mix and rent table:

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	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 Avg		5	\$71.92	\$902	\$1,227	\$1,266	\$1,381	\$1,726

### 2) Building & Site Information

- a. Address: 1335 B 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, 14<sup>th</sup> 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 Veritas 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 2020 TDC is \$1,574,725. At 57.14%, the Obsolescence threshold amount is \$899,798.

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	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%), Builder 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.**

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



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
2 BRD	8	Site Coverage	34%
3 BRD	0		
4 BRD	0		
<b>Total</b>	<b>14</b>	<b>Existing Units</b>	<b>5</b>
		<b>Net Change</b>	<b>9</b>

## 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	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	
<b>Total / Weighted Avg</b>		<b>5</b>	<b>\$71.92</b>	<b>\$902</b>	<b>\$1,227</b>	<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>	

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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$269,953	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$539,906	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$809,859	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	No	\$899,798	Project does not meet Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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		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 Avg		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 Veritas 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 2523 Albee. The 2020 TDC is \$1,285,093. At 57.14%, the Obsolescence threshold amount is \$734,302.

Section 18 Analysis						16,246		
Size	Override	Units	HCC	TDC	Unit Dist - Blend			
	Unit				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%), Builder 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.

**2523 Albee St**

Size	%	#	NSF		GSF		# of Stories
			Target	Total NSF	0.75 Eff		
SRO	0%	0					
0 BRD	0%	0	410 SF	SF	SF		
1 BRD	50%	3	600 SF	1,800 SF	2,400 SF		
2BRD	50%	3	860 SF	2,580 SF	3,440 SF		
3BRD	0%	0	1,145 SF	SF	SF		
4 BRD	0		SF	SF	SF		
<b>TOTALS</b>	<b>100%</b>	<b>6</b>	<b>730 SF</b>	<b>4,380 SF</b>	<b>5,840 SF</b>		<b>1,947 SF</b>



Information	
APN	009-033-012
Zoning	R2
District	14
Acres	0.27
SF	11,761
Existing Units	4
Units / Acre	15

Standards	Calcs
Density	22 units/acre 6 units
FAR	1.00 11,761
Site Coverage	70% 8,233
Height	35 ft. 3 stories

Program			
0 BRD	0	FAR	0.50
1 BRD	3	Stories	3
2BRD	3	Site Coverage	17%
3BRD	0		
4 BRD	0		
<b>Total</b>	<b>6</b>	<b>Existing Units</b>	<b>4</b>
		<b>Net Change</b>	<b>2</b>

## 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	
<b>Total / Weighted Avg</b>		<b>4</b>	<b>\$71.92</b>	<b>\$936</b>	<b>\$1,274</b>	<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>	

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's 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$220,302	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$440,603	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$660,905	Project meets Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$734,302	Project meets Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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 Avg		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: 51 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 Veritas 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.



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 1645 C Street. The 2020 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	Section 18	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%), Builder 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.


5) 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 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.

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

1645 C St						
Size	%	#	NSF		GSF	# of Stories
			Target	Total NSF	0.75 Eff	
SRO	0%	0				
0 BRD	0%	0	410 SF		SF	
1 BRD	100%	5	600 SF	3,000 SF	4,000 SF	
2BRD	0%	0	860 SF		SF	
3BRD	0%	0	1,145 SF		SF	
4 BRD	0	0	SF		SF	
TOTALS	100%	5	600 SF	3,000 SF	4,000 SF	1,333 SF



Information		Standards		Calcs	Program			
APN	004-199-012	Density	44 units/acre	5 units	0 BRD	0	FAR	0.77
Zoning	R3	FAR	1.15	6,011	1 BRD	5	Stories	3
District	14	Site Coverage	80%	4,182	2BRD	0	Site Coverage	26%
Acres	0.12	Height	35 ft.	3 stories	3BRD	0		
SF	5,227				4 BRD	0		
Existing Units	3				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	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 Avg		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 3 units for one-year totals \$11,368.

#### 7) 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 25 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 earn 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.

#### 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$162,092	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$324,183	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$486,275	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$540,278	Project does not meet Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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									
	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 Avg		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: 51 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 Veritas 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 2020 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
						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%), Builder 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 the obsolescence 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						
Size	%	#	NSF		GSF	# of Stories
			Target	Total NSF	0.75 Eff	
SRO	0%	0				
0 BRD	0%	0	410 SF		SF	
1 BRD	100%	4	600 SF	2,400 SF	3,200 SF	
2BRD	0%	0	860 SF		SF	
3BRD	0%	0	1,145 SF		SF	
4 BRD	0	0	SF		SF	
TOTALS	100%	4	600 SF	2,400 SF	3,200 SF	1,067 SF



Information		Standards		Calcs	Program			
APN	009-064-005	Density	22 units/acre	4 units	0 BRD	0	FAR	0.39
Zoning	R2	FAR	1.00	8,276	1 BRD	4	Stories	3
District	14	Site Coverage	70%	5,793	2BRD	0	Site Coverage	13%
Acres	0.19	Height	35 ft.	3 stories	3BRD	0		
SF	8,276				4 BRD	0		
Existing Units	5				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									
	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 Avg		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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$259,803	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$519,606	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$779,409	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$865,967	Project does not meet Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
SVC	Yes	<=250 units	CEHA has less than 250 units in PIC.



## 10) 330 Grant Street

### 1) Bedroom mix and rent table:

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	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 Avg		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: R3
- 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 Veritas 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 2020 TDC is \$1,515,518. At 57.14%, the Obsolescence threshold amount is \$865,967.

Section 18 Analysis

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%), Builder 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 zoning 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**

Size	%	#	NSF		GSF	# of Stories
			Target	Total NSF		
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	0	SF	SF	SF	
<b>TOTALS</b>	<b>100%</b>	<b>4</b>	<b>600 SF</b>	<b>2,400 SF</b>	<b>3,200 SF</b>	<b>1,067 SF</b>



Information	
APN	004-161-002
Zoning	R3
District	14
Acres	0.18
SF	7,841
Existing Units	5
	28

Standards	Calcs	
Density	44 units/acre	8 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 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	100%	2022 FMR-UA			
0BRD	0	0	\$71.92	\$512	\$669	110%	120%	150%	
1BRD	34	0	\$71.92	\$597	\$790	\$736	\$803	\$1,004	
2BRD	101	4	\$71.92	\$770	\$1,040	\$869	\$948	\$1,185	
3BRD	46	1	\$71.92	\$1,102	\$1,508	\$1,144	\$1,248	\$1,560	
4BRD	12	0	\$71.92	\$1,315	\$1,831	\$1,659	\$1,810	\$2,262	
5BRD	0	0	\$71.92	\$1,315	\$2,117	\$2,014	\$2,197	\$2,747	
6BRD	0	0	\$71.92	\$1,315	\$2,402	\$2,328	\$2,540	\$3,175	
Total / Weighted Avg			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 building 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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$259,803	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$519,606	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$779,409	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$865,967	Project does not meet Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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									
Size	Override Unit	Existing Units	Utility Allowance*	2020 RAD Rent 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 Avg		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 Veritas 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 2020 TDC is \$2,551,625. At 57.14%, the Obsolescence threshold amount is \$1,457,999.

Section 18 Analysis

Size	Override		Units	HCC	TDC	Unit Dist - Blend		
	Unit					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	3	1	4
3BRD	43		4	\$201,666	\$352,915	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%), Builder 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 zoning 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.



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

**Total: Albee & Del Norte**

Size	%	#	NSF		GSF		# of Stories
			Target	Total NSF	0.75 Eff		
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		
<b>TOTALS</b>	<b>140%</b>	<b>14</b>	<b>711 SF</b>	<b>9,960 SF</b>	<b>13,280 SF</b>		<b>4,427 SF</b>



Information	
APN	
Zoning	R3
District	14
Acres	0.3
SF	13,068
Existing Units	8
	26.66666667

Standards		Calcs
Density	44 units/acre	13 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	
<b>Total</b>	<b>13 Existing Units</b>	<b>8</b>
		<b>5</b>

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	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	
<b>Total / Weighted Avg</b>		<b>8</b>	<b>\$71.92</b>	<b>\$936</b>	<b>\$1,274</b>		<b>\$1,266</b>	<b>\$1,381</b>	<b>\$1,726</b>	

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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$437,421	Project meets Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$874,843	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$1,312,264	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$1,457,999	Project does not meet Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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 Avg		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 aisle and parking.

There are two buildings on the property. Parking for the building is interior to the site and accessed from a shared drive aisle 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 Veritas 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 2020 TDC is \$5,414,840. At 57.14%, the Obsolescence threshold amount is \$3,094,040.

Section 18 Analysis						61,656		
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	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	

Using the Bureau Veritas capital needs value through 2024, and applying the allowable load factors for General Conditions (5%), Builder 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 zoning 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.

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						
Size	%	#	NSF		GSF	# of Stories
			Target	Total NSF	0.75 Eff	
SRO	0%	0				
0 BRD	0%	0	410 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	
4 BRD	0	0	SF	SF	SF	
TOTALS	100%	33	702 SF	23,180 SF	30,907 SF	10,302 SF



Information		Standards		Calcs	Program			
APN	004-084-006	Density	44 units/acre	33 units	0 BRD	0	FAR	0.96
Zoning	R3	FAR	1.15	37,070	1 BRD	20	Stories	3
District	14	Site Coverage	80%	25,788	2BRD	13	Site Coverage	32%
Acres	0.74	Height	35 ft.	3 stories	3BRD	0		
SF	32,234				4 BRD	0		
Existing Units	19				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 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 Avg		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 Streamlined 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
<b>RAD</b>			
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
<b>RAD / Section 18 Blends</b>			
Const Blend > 30%	Conditional	\$928,258	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 60%	Conditional	\$1,856,517	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90%	Conditional	\$2,784,775	Project does not meet Threshold based on Bureau Veritas report.
Const Blend > 90% High Cost	No		Project is not in a HUD determined "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.
<b>Section 18</b>			
Obsolescence	Conditional	\$3,094,040	Project does not meet Threshold based on Bureau Veritas 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 Operations	Conditional	Situational	Meets criteria in 24 CFR 970.17(a) and Notice 2021-07
<b>Section 22</b>			
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

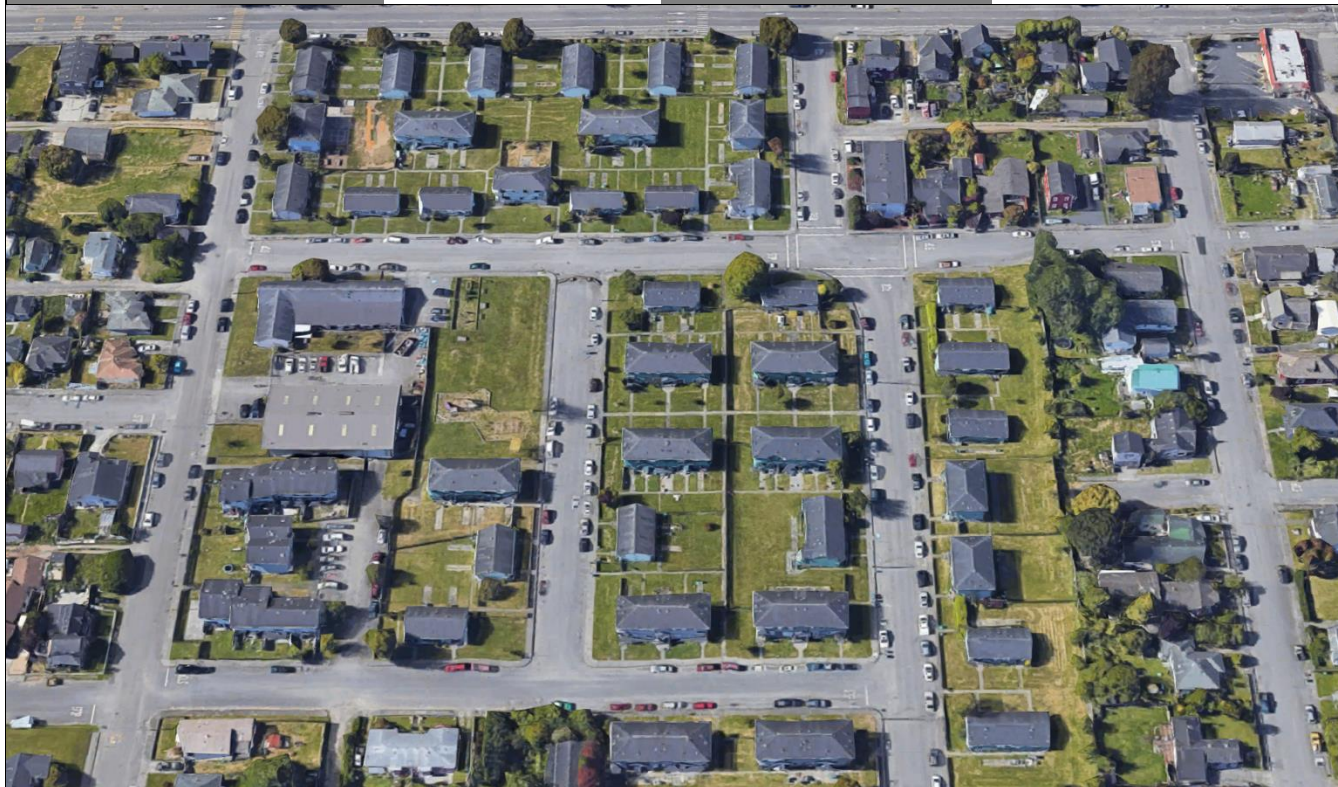
The remainder of this section will provide a summary of the property-specific recommendations and rationale. Information in each recommendation includes:

- 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 should 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 state/local development subsidy.

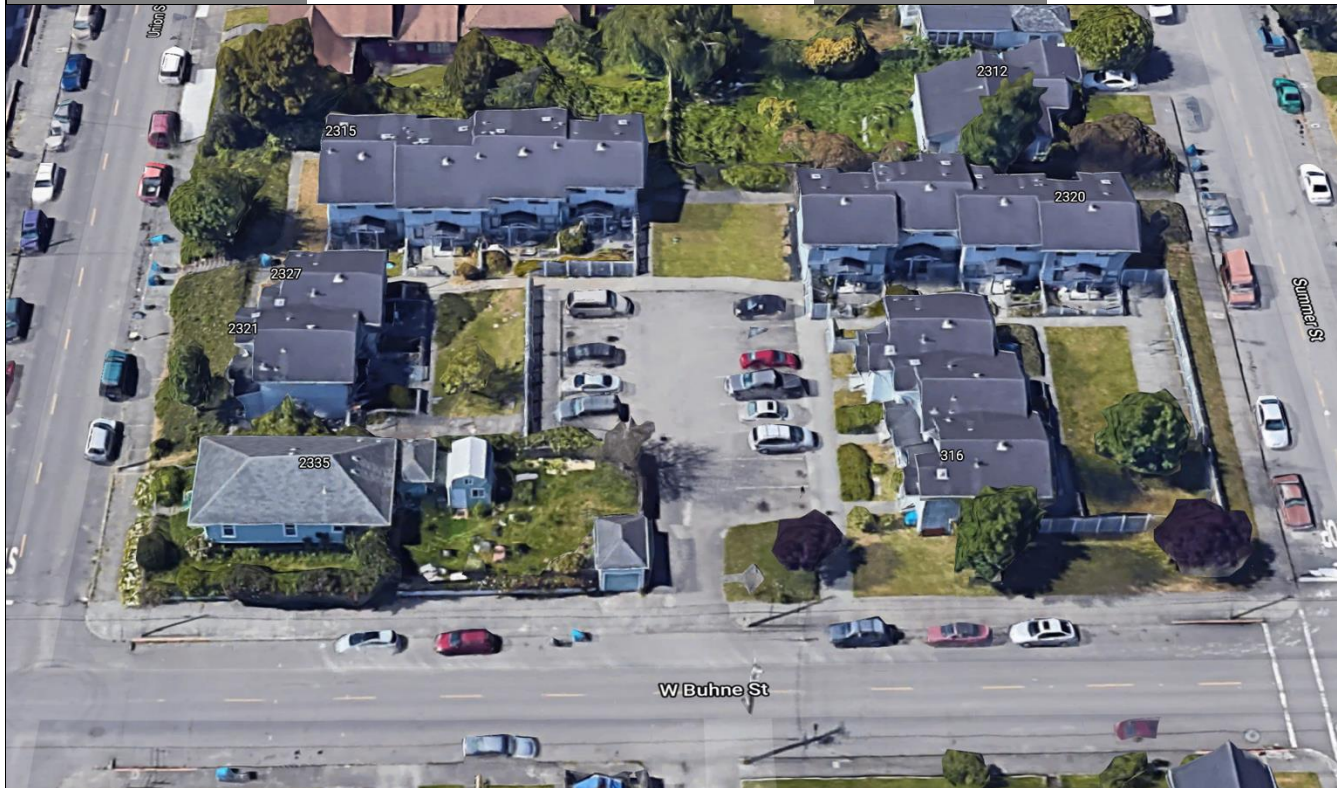


Project #	3	Section 18:	Obsolescence
Name	Prospect Avenue	Real Estate Plan:	Redevelop
Current Units:	10	Future Units	16
Approach:	<p>CEHA should seek a developer partner early in the process to assist with developing a site-specific redevelopment plan for 25-1 and Prospect Avenue. These two properties should proceed together.</p> <p>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.</p> <p>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.</p> <p>Redevelopment of this site will use LIHTCs, debt, and state/local development subsidy.</p>		

Project #	4	Section 18:	Obsolescence
Name	C & Clark	Real Estate Plan:	Redevelop
Current Units:	16	Future Units	58
			
Approach:	<p>CEHA should seek a developer partner to assist with redeveloping C &amp; Clark. Consideration should be given to bundling C &amp; Clark with other properties for efficiency and scale.</p> <p>Redevelopment of this site will use LIHTCs, debt, and state/local development subsidy.</p>		



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.

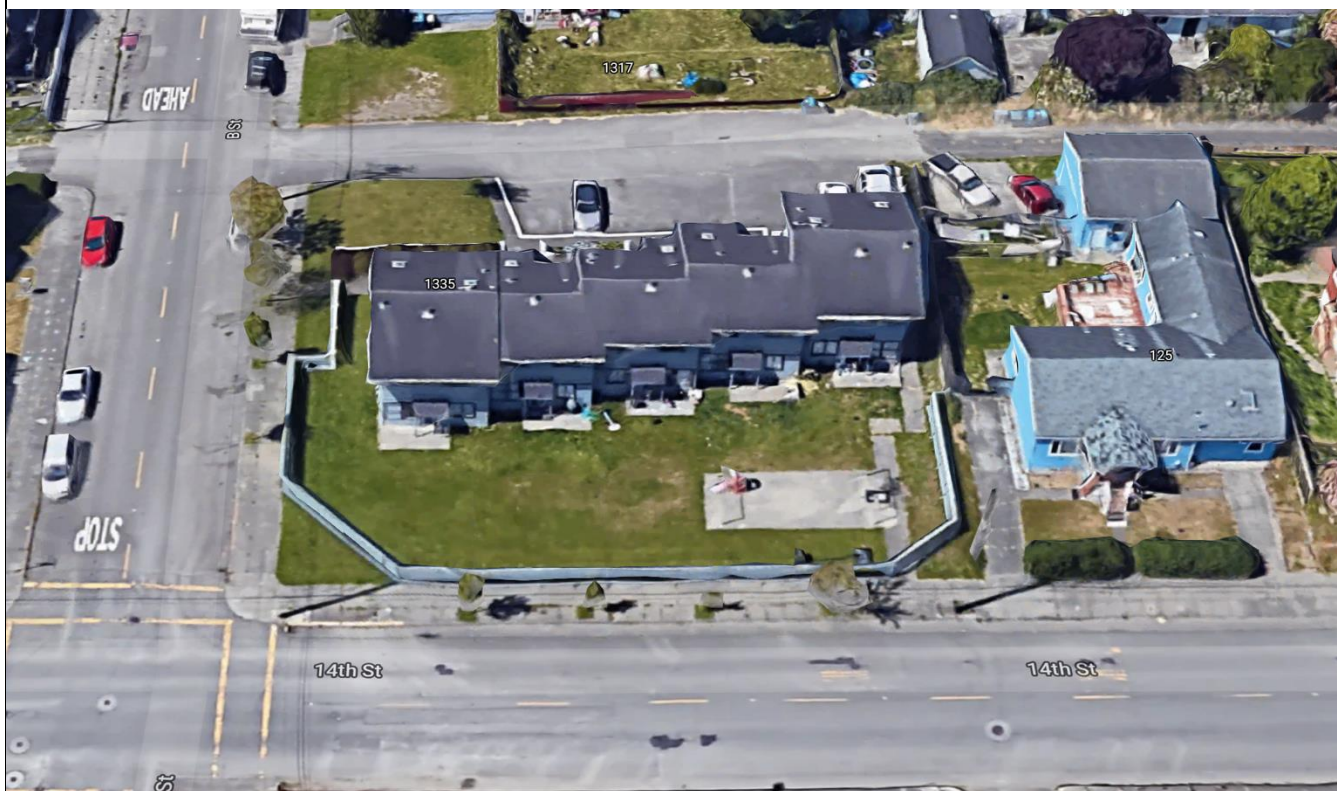
The size of this project, level of rehab needed, and development subsidy available in California should allow for recapitalization with debt and development subsidy only. Low Income Housing Tax Credits are not recommended.

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



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.

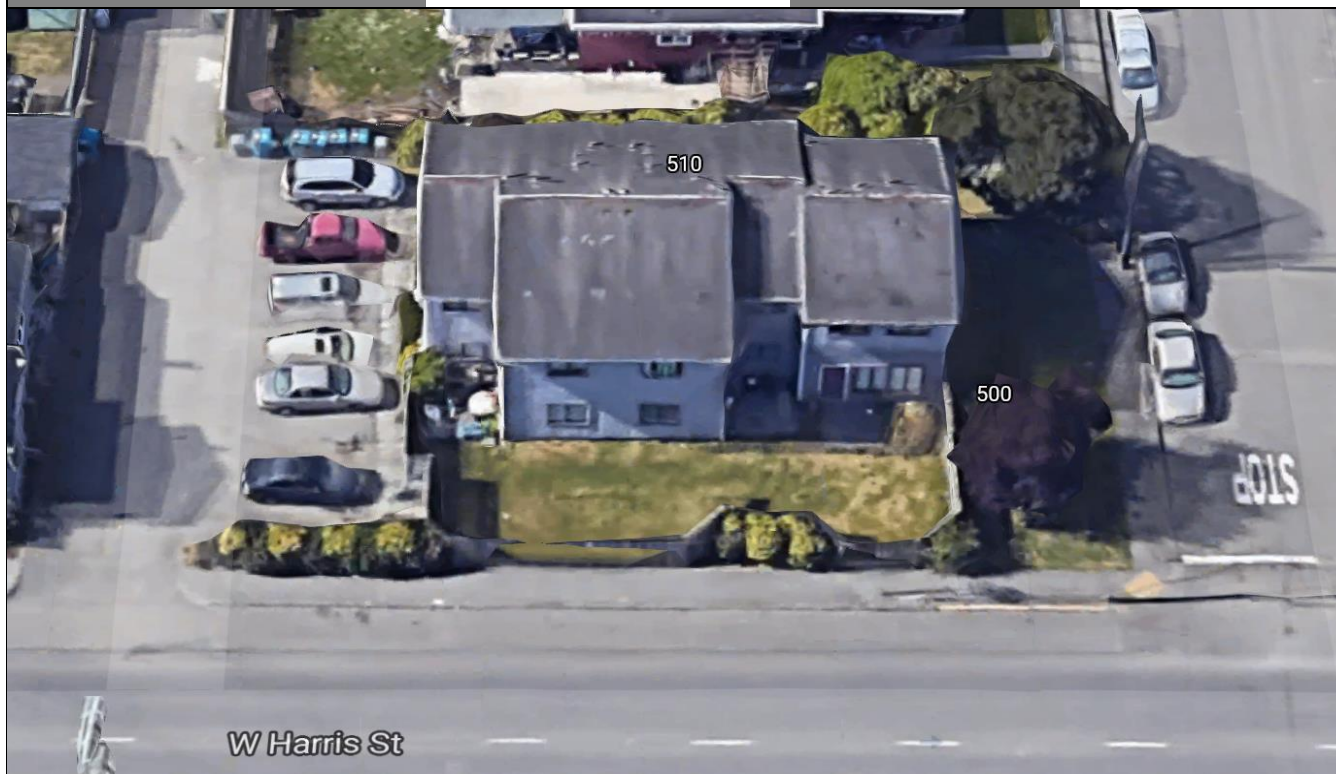


Project #	8	Section 18:	Very Small
Name	2523 Albee	Real Estate Plan:	Rehab
Current Units:	4	Future Units	4

Approach:	<p>CEHA should act as the developer for repositioning 2523 Albee. The project scale and scope are ideal for CEHA to expand development capacity.</p> <p>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.</p> <p>Recapitalization of 2523 Albee can be combined with any of the Very Small / Rehab properties in this plan.</p> <p>Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.</p>
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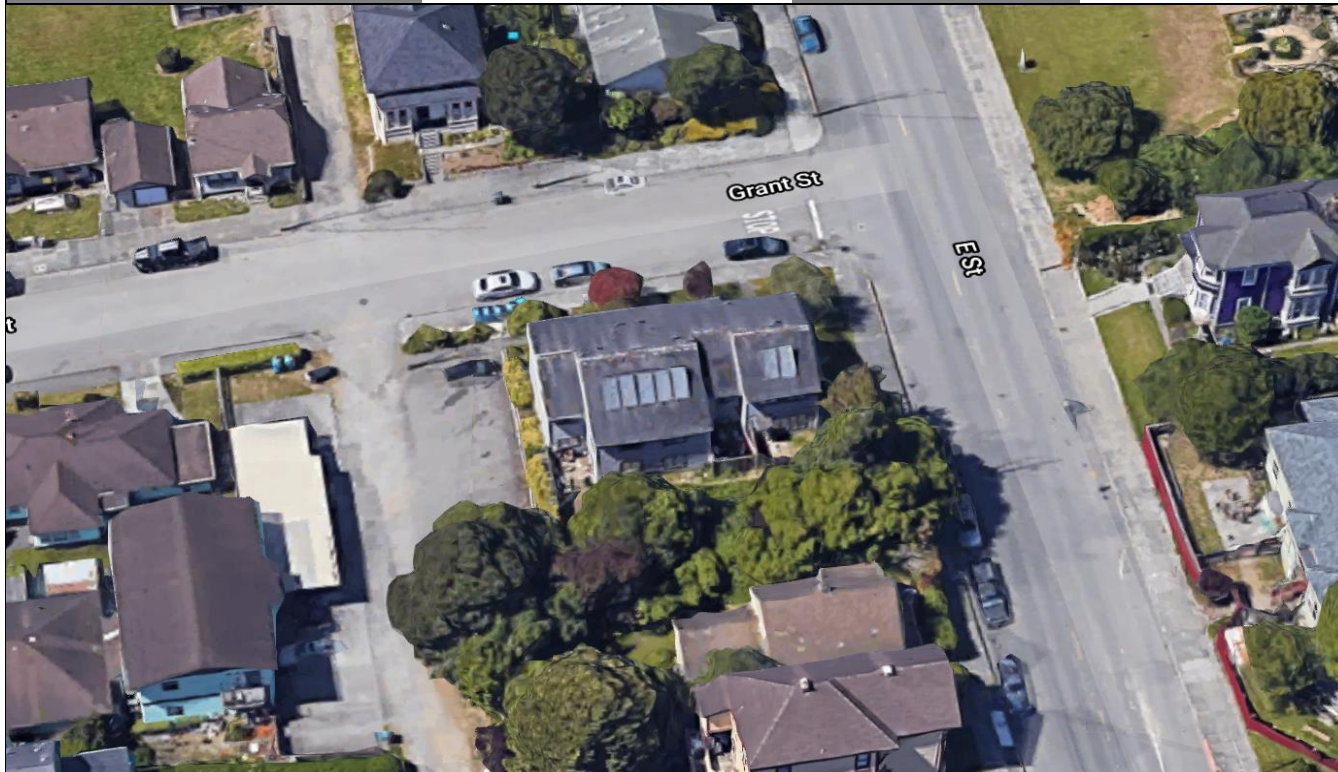
Project #	9	Section 18:	Very Small
Name	510 W Harris	Real Estate Plan:	Rehab
Current Units:	5	Future Units	5



Approach:	<p>CEHA should act as the developer for repositioning 510 W Harris. The project scale and scope are ideal for CEHA to expand development capacity.</p> <p>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.</p> <p>Recapitalization of 510 W Harris can be combined with any of the Very Small / Rehab properties in this plan.</p> <p>Eligibility for Very Small will occur once CEHA's public housing inventory in PIC is at or below 50 units.</p>
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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:	<p>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.</p> <p>Redevelopment of this site will use LIHTCs, debt, and state/local development subsidy.</p> <p>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.</p>
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## 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 Qualifications (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:

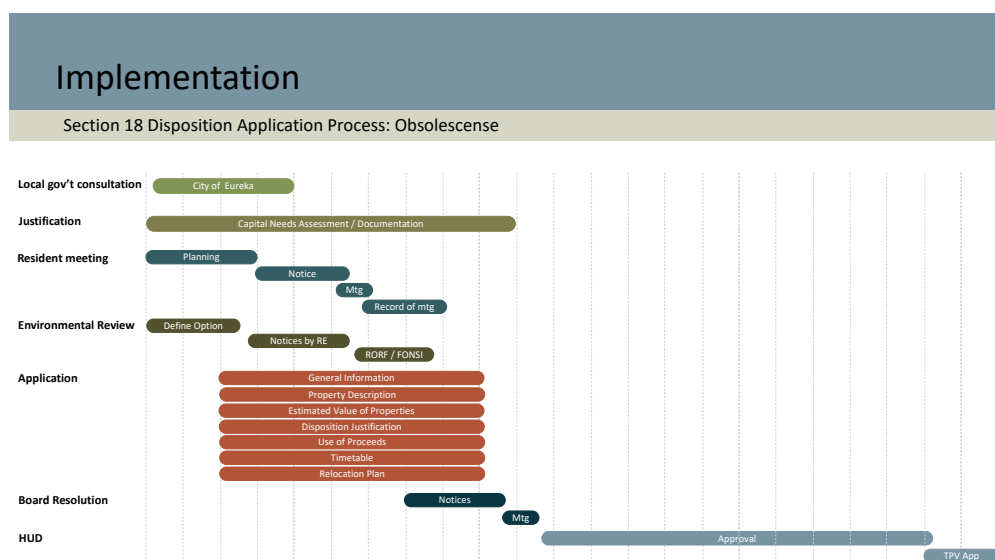
Repositioning of CEHA portfolio assumes the use of Section 18 Disposition with the following three separate justifications: 1) Scattered Site, 2) Obsolescence, and 3) Very Small PHA.

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:

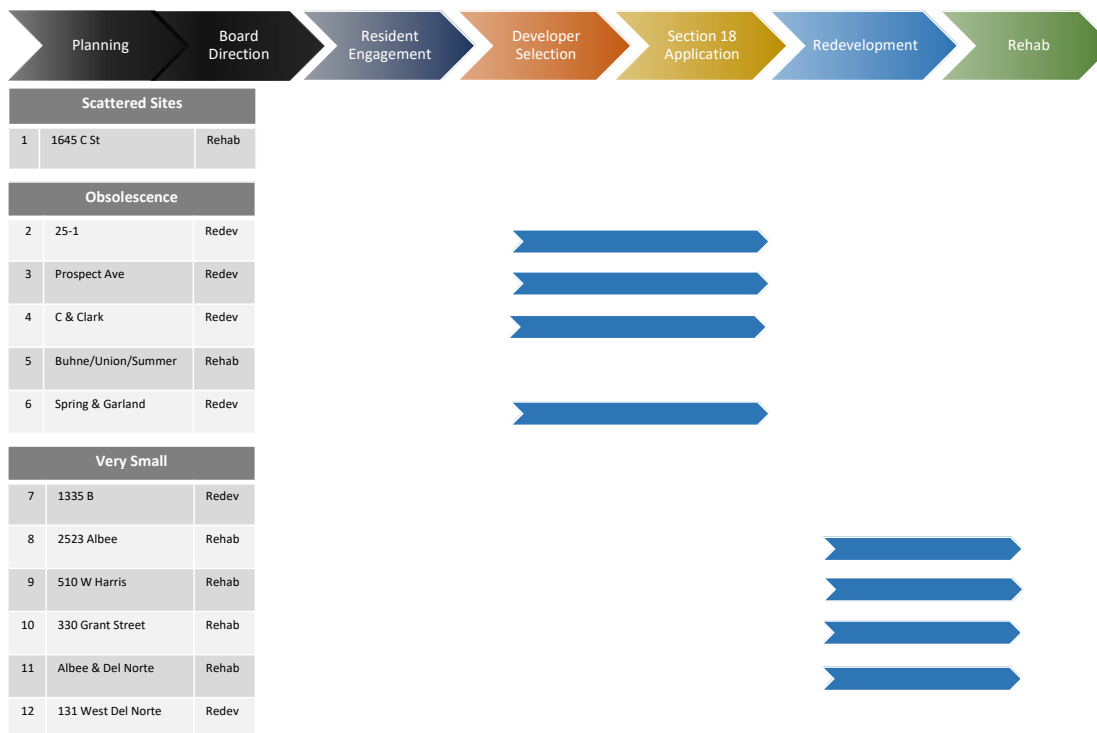
Flowing from the resident and community engagement, developer selection and Section 18 application work, is further defining and managing the real estate development / project management tasks. Generally, this work will involve: 1) finance, 2) design, 3) construction, 4) HUD process, 5) relocation, and 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



**RESOLUTION NO. 484**

**A RESOLUTION OF SUPPORT  
ENDORISING THE CITY OF EUREKA HOUSING AUTHORITY'S REPOSITIONING PLAN**

WHEREAS, officials of the County of Humboldt Housing Authority consider access to and availability of affordable housing programs to be of utmost importance to the region; and

WHEREAS, a subset of the County of Humboldt Housing Authority and City of Eureka Housing Authority Board members met as an ad-hoc committee to review the City of Eureka Housing Authority's Repositioning Plan for Public Housing to gain an understanding of various requirements and expected outcomes of the Plan; and

WHEREAS, the City of Eureka Housing Authority Board of Commissioners has approved that agency's "Repositioning Plan" on June 21, 2022, which endeavors to increase the number of affordable housing units in Humboldt County; and

WHEREAS, the Plan will result in a change of subsidy from a HUD Annual Contributions Contract for Operating Subsidy and Capital Funds to a unit-based subsidy in the form of Project Based Vouchers for rehabilitated or replacement units; and

WHEREAS, the County of Humboldt Housing Authority is the local agency that administers HUD's voucher assistance program, including but not limited to Housing Choice Vouchers and Project Based Vouchers for Humboldt County; and

WHEREAS, the County of Humboldt Housing Authority has established the goal of increasing voucher utilization and growing the voucher program, goals that would be supported by the City of Eureka Housing Authority's repositioning efforts;

NOW, THEREFORE, BE IT RESOLVED that the County of Humboldt Housing Authority Board of Commissioners hereby supports the City of Eureka Housing Authority's Repositioning Plan, and will provide support in the form of administration of new Tenant Protection Vouchers or Project Based Vouchers and/or additional Housing Choice Vouchers related to the Plan when available and needed for the duration of the project.

PASSED AND ADOPTED on the \_\_\_\_\_ day of \_\_\_\_\_ 2022 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title