

SECTION G
REDEVELOPMENT
AGENCY



OVERVIEW

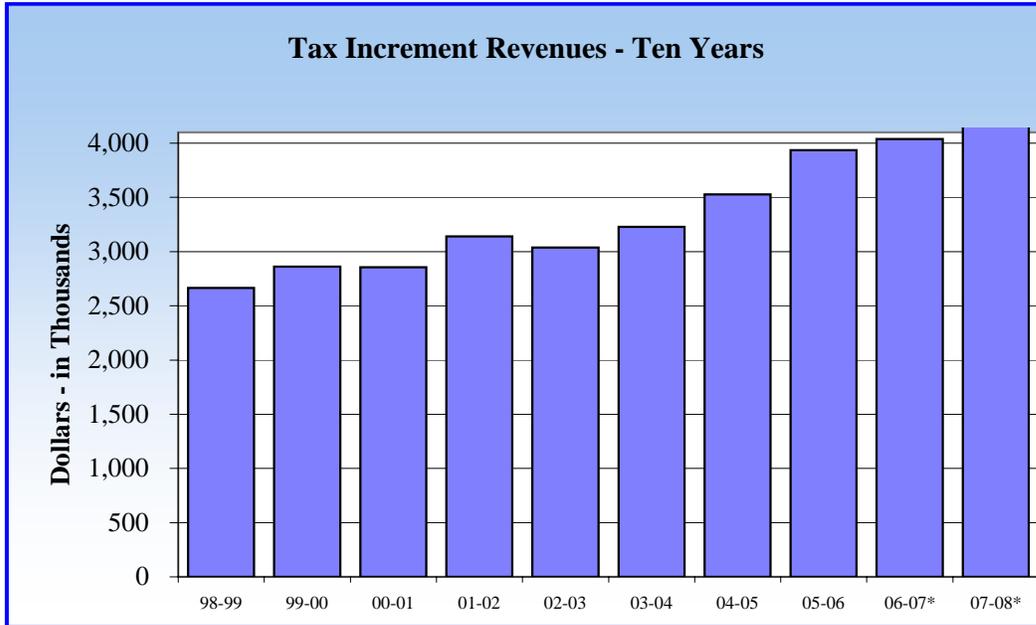
The Eureka Redevelopment Agency (Agency) budget is displayed in this document in several sections. Summaries for the Agency funds are included both in the “Recap of Funds” section beginning on page 28 and in the “Fund Summaries” section beginning on page 253. Revenues can be found in the “Revenues by Fund” section, beginning on page 275. Expenditures can be found in the “Expenditures by Fund” section, beginning on page 290. Capital and other project details are located in the “Capital Improvements and Special Projects Listing” (p. 311), and in the “Fund Projects” listing, beginning on page 327.

Operating programs funded by the Redevelopment Agency are presented in the Redevelopment and Housing Department and the details for those programs can be located under that department. These programs include Redevelopment Administration and Low and Moderate Income Housing.

In addition, the following materials are provided in this section:

- Historical tax increments by project area
- Summary of revenues by fund
- Summary of 2006-07 Program Goal and Objectives

Redevelopment Fund Trends



Fiscal Year	Merged Project Area
98-99	2,665,928
99-00	2,860,146
00-01	2,854,316
01-02	3,141,399
02-03	3,038,826
03-04	3,227,871
04-05	3,527,479
05-06	3,936,997
06-07*	4,038,031
07-08*	4,209,000

* Estimated

Note: Century III - Phase I, Phase II and Eureka Tomorrow project areas were combined into one "Merged Project Area".

Eureka Redevelopment Agency



REVENUES BY FUND

	2005-06 Actual	2006-07 Budget	2006-07 Estimated Actual	2007-08 Budget
Special Revenue:				
Low & Moderate Income Housing	\$ 774,381	\$ 788,750	\$ 849,453	\$ 850,000
*Debt Service:				
Merged Project Area	2,273,321	2,227,654	2,111,336	2,459,364
Capital Projects:				
Merged Project Area	2,266,219	2,767,650	2,252,747	2,846,307
Total	<u>\$5,313,921</u>	<u>\$5,784,054</u>	<u>\$5,213,536</u>	<u>\$6,155,671</u>



**EUREKA REDEVELOPMENT AGENCY
SUMMARY OF 2005-06
PROGRAM OBJECTIVES AND ACHIEVEMENTS**

The Eureka Redevelopment Agency is responsible for the implementation of all activities associated with the expenditure of Redevelopment tax increment and bond funds. The primary objective of the Agency is to undertake projects that will revitalize the project areas and improve the economic base of the community by facilitating both redevelopment and economic development activities. In order to leverage and fully maximize the impact of the Redevelopment Agency's limited tax increment monies, the Agency also applies for additional funding from both state and federal sources for housing and economic development activities. This summary does not separate achievements by funding source, but by projects, which are administered by the Agency. The following summary lists the 2005-06 program objectives for each of Redevelopment's major areas of responsibility and highlights the accomplishments completed towards those objectives.

**REDEVELOPMENT GENERAL ADMINISTRATION
(NON-HOUSING)**

PROGRAM OBJECTIVES:

- Assist in the elimination of economic and physical deficiencies, underutilization of property and other blighting factors.
- Focus limited Redevelopment monies, and invest in projects that will be self-sufficient, increase tax increment and create new employment opportunities.
- Strengthen and stimulate commercial activity in the area.
- Revitalize the Eureka waterfront and eliminate blighting influences.
- Assist in the elimination of blighting influences to improve and strengthen residential neighborhoods and supporting commercial areas.

PROGRAM ACHIEVEMENTS:

ADMINISTRATION

- ◆ ***2004-05 Annual Report of Financial Transactions***—prepared 2004-05 Annual Report with the Finance Department as required by California Redevelopment Law.
- ◆ ***2005-06 Statement of Indebtedness***—prepared the 2005-06 Statement of Indebtedness with the Finance Department as required by California Redevelopment Law.
- ◆ ***2006-07 Annual Budget***—prepared 2005-06, Annual Budget for Redevelopment Administration and Revolving Loan Fund Programs.



- ◆ **Youth Mural Program**—co-sponsored the “Youth Mural Program” with the Ink People.
- ◆ **Waterfront Photography Competition**—sponsored the 2006 Images of Water Photography Competition as recommended by the Local Coastal Program’s original implementation policies.
- ◆ **Redevelopment Plan Amendment**—Completed Redevelopment Plan Amendment. The amendment fiscally merges the three project areas into one allowing more flexibility on the use of tax increment for projects anywhere in the newly merged project area and corrects previous clerical errors.
- ◆ **Eureka Depot/Intermodal Center**—Funding from the 2004 Congressional Appropriations Bill has been earmarked for this project. Staff has been working to identify and prioritize project tasks, get the \$242,718 project programmed with the State and make application for funds through the regional Federal Transit Administration office for approval prior to September 30, 2006.
- ◆ **Halvorsen Park**—Assisted Old Town Rotary with their centennial project to improve the infrastructure of the Performing Arts Park by adding phone, cable and water access to the site as well as a new entry. A lot line adjustment was completed, the property transferred from the Agency to the City, and a new Agency note to the City was approved to reflect the value of the property transferred.
- ◆ **Community Media Center**—Identified and toured potential sites for a Community Media Center which could be used by government, non-profits and education to produce varied programs and services. Eureka City Schools committed that the Community Media Center be housed in the Industrial Arts Building when it is renovated. Selection of a site has enabled the program to move into the collaboration phase between the School Board and Humboldt Area Access Board.
- ◆ **Redwood Curtain Theatre**—Staff continues to work with Redwood Curtain Theatre to assist them in finding a new location. A site has been identified and they are working with the property owner to determine the extent of the building repairs and improvements needed.
- ◆ **Hydrogen Power Park**—Staff is working with the Schatz Energy Center group to identify potential sites for their project. The proposed project consists of a small to medium sized energy station in close proximity to energy consumers providing electricity, heat and vehicle fuel. The project would use landfill gas from the Cummings Road Landfill as feedstock to produce energy and hydrogen at the power park.
- ◆ **PLACEBO Relocation**—This Ink People program is seeking a new downtown location for their youth music and art program, previously located in Manila. A building was identified, but it was determined that the building did not meet Un-reinforced Masonry Standards and could not be occupied by any new tenant without a retrofit.



PRIVATE DEVELOPMENT ACTIVITY

- ◆ **Eureka Inn**—Staff met with owners of the Eureka Inn to discuss how the Redevelopment Agency might be able to assist with efforts to re-open the historic property.
- ◆ **Schmidbauer Lumber**—Assisted with a short term lease on a Redevelopment property for the storage of logs, allowing Schmidbauer to stockpile enough inventory to operate during the winter months.
- ◆ **CalBIS RFP**—Staff responded to a CalBIS RFP for a manufacturing facility looking to site on a west coast port. Due to lack of rail service, the company shifted their attention to the Port of Stockton.
- ◆ **Request for Proposals**—The following Request for Proposals for the lease, purchase or development of Agency owned property was prepared by staff:
 - **Waterfront Commercial RFP**—Site is located across the street from the Wharfinger Building (Eureka Public Marina). Two proposals were received. The Center for Economic Development (CEED) submitted a proposal for an Environmental Technology Hostel. A group including Greg Pierson and Larry DeBeni submitted a proposal to construct a Hampton Inn. The hotel project was selected for this site and the CEED project is considering a portion of the Halvorsen site.
 - **Coastal Dependent Industrial RFP**—Site is located near Dock B. Two proposals were submitted. One proposal from David Schneider was for the development of boat and fishing storage, the other was from the Dunaway partnership and included a boat building manufacturer, dry stack storage and boat repair. The Redevelopment Advisory Board reviewed the projects and voted to reject both and issue a new RFP at a later date.
 - **1st and “C” Street Waterfront Commercial RFP**—Site is located at the foot of “C” Street. One proposal was received from Glenn Goldan and ReProp Investments, Inc. The proposed mixed use development, Seaport Village and Square, will be a private development of permanent residential, visitor serving residential, and visitor serving commercial. The project may also include some service commercial space and live/work space.
- ◆ **Disposition and Development Agreements (DDA)**
 - **First & C Street Property**—Staff provided the necessary information to comply with public records requests and documentation for a lawsuit originally filed by the Humboldt Taxpayers League and continued by a private citizen. The ERTN was discontinued at the Developer’s request.
 - **Eureka Pier (Fisherman’s Building)**— Staff provided the necessary information to comply with public records requests and documentation for a lawsuit originally filed by the Humboldt Taxpayers League and continued by a private citizen. Development activity has slowed down pending final resolution of the lawsuit.



- **7th & Myrtle Ave**—A Request for Proposals was postponed pending the completion of a lot line adjustment. Once complete, proposals will be requested.
- **Fisherman’s Work Area**—Staff continues to work with J.P. & Associates to finalize the terms for the purchase of Agency property.
- **Fisherman’s Fresh Seafood Retail Counter/Café**—Staff met several times with the prospective operators regarding development timeline, lease information and design.
- **Hidden View Apartments**—The Agency Board approved an Exclusive Right to Negotiate Agreement with developers Strombeck, Pierson and Neilson to purchase and develop vacant property currently owned by the Agency into an affordable housing project. The proposed project, terms and conditions, when complete, will be presented to the RAB for their recommendation to the Agency Board for their consideration.
- **Environmental Technology Hostel**—The Agency Board approved an Exclusive Right to Negotiate Agreement with the Center for Environmental Economic Development (CEED) for the development of an Environmental Technology Hostel on a portion of the Halvorsen Site.
- **Hampton Inn**—The Agency Board approved an Exclusive Right to Negotiate Agreement with Greg Pierson and Larry DeBeni for the development of a Hampton Inn adjacent to the Eureka Public Marina.
- **Waterfront RV Park**—The Agency Board approved an extension to the ERTN with CUE IV. This will enable them to continue with plans to develop the RV Park as part of a larger adjacent development.

◆ **Facade Improvement Program (co-administered with Eureka Main Street)**

- **Administration**—prepared and executed Facade Improvement Loan documents and disbursed funds when projects were completed for the following facades:

Completed

❖	Marcella’s 205 7 th Street	Total Project Cost: \$13,593 Agency Participation: \$6,797
❖	Native Sons of the Golden West 623 3 rd Street	Total Project Cost: \$19,600 Agency Participation: 7,500
❖	Eureka Central Residence 333 E Street	Total Project Cost: \$136,000 Agency Participation: \$30,000
❖	EMCO, Inc. 108 4 th Street	Total Project Cost: \$15,347 Agency Participation: \$7,673

Eureka Redevelopment Agency Summary



In Progress

❖	<i>Eureka Theatre</i> 612 F Street	Total Est. Agency Part: \$30,000
❖	<i>Brother's Building</i> 425 Snug Alley	Total Est. Agency Part: \$10,000
❖	<i>Solatube</i> 50 West 5 th Street	Total Est. Agency Part: \$30,000
❖	<i>Indian-West Emporium</i> 326 2 nd Street	Total Est. Agency Part: \$20,000
❖	<i>St. Bernard Church</i> 615 H Street	Total Est. Agency Part: \$40,000
❖	<i>Café Waterfront</i> 102 F Street	Total Est. Agency Part: \$ 7,500

PUBLIC WORKS PROJECTS**

- ◆ ***Fisherman's Terminal Project***—provided the major portion of the funding for the design and construction of docks from Coast Oyster Company to C Street. Project was completed in early 2006. The total project cost was \$6,437,000. The City received financial commitments from the following sources:

State Coastal Conservancy Grant	\$1,500,000.00
US Department of Commerce, Economic Development Division	500,000.00
State Department of Fish and Game, Wildlife Conservation Board	500,000.00
Redevelopment Tax Increment	3,170,000.00
US Department of Housing and Urban Development	200,000.00
Humboldt County Headwaters Fund	200,000.00
City Funds	366,917.00
TOTAL	\$6,436,917.00

** Sections 332255 and 33421.1 of the Health and Safety Code require the Redevelopment Agency and City Council to make certain findings prior to committing funds for the design and construction of public improvements. When projects are scheduled to proceed, findings will be presented to the Agency Board and Council for approval.



GRANT ACTIVITY (INCLUDES HOUSING)

- ◆ **Headwaters Grant Fund Application**—On November 1, 2004, staff submitted an application to the Headwaters Community Investment Fund on behalf of the Humboldt Fishermen’s Marketing Association and the City of Eureka for a grant in the amount of \$200,000. The requested funds were needed to assist with the completion of the Fisherman’s Terminal Project (dock and unloading area, including Eureka Boardwalk, Phase II).

The Headwaters Fund Board recommended a \$200,000 grant to the Humboldt County Board of Supervisors with approval of the application occurring on January 18, 2005. Council authorized the City Manager to execute a Headwaters Community Investment Fund Grant Agreement in the amount of \$200,000 on April 5, 2005. The Board of Supervisors approved the contract in June 2005.

- ◆ **Community Development Block Grant (CDBG) Public Hearing & Performance Reporting**—A public hearing was held on July 26th, 2005 to give citizens an opportunity to make comments in regards to CDBG activities including, but not limited to the following:

1. **Annual Grantee Performance Reports for CDBG Business Revolving Loan Account and Housing Revolving Loan Account**—Repaid funds available for business loans and residential rehabilitation loans.
2. **Annual Grantee Performance Reports for CDBG Grant 99-STBG-1357**—Acquisition and operation of a Multiple Assistance Center for the homeless.
3. **Annual Grantee Performance Reports for CDBG Grant 01-STBG-1581**—Construction and remodeling of a Multiple Assistance Center for the homeless.
4. **Annual Grantee Performance Reports for CDBG Grant 01-STBG-1818**—Operation of a Multiple Assistance Center and job training program for the homeless; acquisition and rehabilitation of a Veterans Transitional Housing facility and services; and a Lead Based Paint Evaluation and Mitigation Grant Program.

- ◆ **Other CDBG Grant Reporting**

- **The CDBG Annual Program Income (PI) Report (7/1/04 - 6/30/05)** –was prepared and submitted to the State on July 27, 2005. The report is a summary of the status of CDBG PI funds (i.e. accrued expenditures and the expenditures of funds received, as well as narrative accomplishments).
- **The CDBG Quarterly Program Income (PI) Report (7/1/05 - 9/30/05)** –was prepared and submitted to the State on October 25, 2005. The report is a summary of the status of CDBG PI funds for one quarter only.
- **The CDBG Quarterly Program Income (PI) Report (10/1/05 - 12/31/05)**—was prepared



and submitted to the State on January 27, 2006. The report is a summary of the status of CDBG PI funds for one quarter only.

- ***The CDBG Quarterly Program Income (PI) Report (1/1/06 - 3/31/06)***—was prepared and submitted to the State on April 25, 2006.
- ◆ ***2003 State HOME Owner Occupied Rehabilitation Grant (03-HOME-0651)***—Staff has contracted with Redwood Community Action Agency (RCAA) to administer the FY 2003-04 Grant for an Owner-occupied Loan Program. This grant will provide eligible low-income owner occupied households with an opportunity to repair health and safety and general deferred maintenance of their homes. To date, nine loans have been approved and two are in progress.
- ◆ ***First Time Homebuyer Program/RCAA HOME Grant (03-HOME-0677)***—RCAA received a \$399,931 First Time Homebuyer and Rehabilitation Program HOME Grant, to provide new homes to 6 eligible low-income participants. The City is providing the \$100,000 required cash match and RCAA is administering the program. To date, one loan application is in progress. Due to HOME regulation changes/restrictions, this program activity may no longer be feasible.
- ◆ ***CDBG Over-the- Counter (OTC) Economic Development Grant Allocation***— Due to litigation issues, staff is not intending at this time to submit an application for funding under the State CDBG Over-the-Counter (OTC) Economic Development Grant Allocation, for construction of C Street improvements and an adjacent piazza. Other funding sources are being considered.
- ◆ ***CDBG Planning and Technical Assistance Grant—GIS Project***— A CDBG Planning and Technical Assistance Grant for a Geospatial Data Compilation and Implementation project was approved on October 1, 2003. Phase I of the project is complete and will provide map products that will be available to City employees and the public. These colored maps will be available on either our internal network or online and will include a zoning map and a general plan map. The result will be a streamlined information gathering process. A 2005-2006 PTA application for Phase 2 of the GIS project has also been approved and currently underway.
- ◆ ***Northern California Indian Development Council, Inc. (NCIDC) Retrofit and Restoration of the Carson Block Building in the Old Town Historic District of Eureka.*** Work on a feasibility report, being funded by a CDBG 2004-2005 Planning and Technical Assistance Grant, for an ongoing project to retrofit and restore the Carson Block Building in the Old Town Historic District of Eureka. The report will include an economic impact analysis for a segment of the project—reconstruction of the Ingomar Theater and Opera Housing, formerly located in the building. A Professional Services Agreement with the NCIDC to prepare the feasibility study for the project was authorized by Council on October 5, 2004.
- ◆ ***North Coast Veterans Resource Center Project***—CDBG Program Income (PI) funds committed in Grant # 04-STBG-1959, to assist the Vietnam Veterans of California, Inc. in the funding of a Veterans Transitional Housing facility are being held by the City while the Veterans pursue a site for the development. The Fireside Motel property in Eureka is no longer available, but another site has



been chosen and the Veterans are in escrow for the purchase of that property. A Notice to Seller has been sent to the present owners, signed and returned to the City. The notice discloses the conditions under which CDBG funds may be used, including, but not limited to the purchase price, that the sale is voluntary, that a proper environmental review must be conducted under the National Environmental Policy Act (NEPA) of federal regulations, and that state and federal relocation laws will not be triggered, because the property is currently owner-occupied only.

The original site selected, the Fireside Motel, has been sold by the City. When escrow closes, the Veterans will be refunded their contribution to its purchase less one-half its share of cost for the Davenport litigation and attorney's fees.

- ◆ ***Humboldt Senior Resource Center (HSRC) New Alzheimer's Day Center.*** Work on the CDBG 2004/2005 Planning and Technical Assistance grant to assist the HSRC in preparing an historic report, CEQA/NEPA documents, and writing grant applications in support of their new Alzheimer's Day Center development is in progress. Alex Stillman has submitted a completed historic report on the existing property site. HSRC and City staff completed the writing of a CDBG Grant application request in the amount of \$650,000 for the new center, and have received notification of award. Planning and Technical Assistance grant funds are still being used by HSRC staff to write other grant applications. The firm of Winzler & Kelly Consulting Engineers is preparing the required CEQA/NEPA documents.

In July 2005, the City was notified of an award of 650,000 through the State Department of Housing and Community Development (HCD), to assist the HSRC in financing the construction of the New Alzheimer's Day Center in Eureka. A standard agreement with the State was fully executed on January 20, 2006. This means that the City would have approximately 90 days from the time of execution to satisfy Special Conditions of the agreement. Anticipating short delays in the completion of the environmental review record and the submittal of a funding commitment letter, staff submitted a request and received approval for a 90-day extension until July 20, 2006. At this time, the required State environmental review work on the National Environmental Protection Act (NEPA) has been completed and submitted. Other required environmental review (CEQA) and permitting is nearing completion. Release of funds from the state is expected prior to the July 20, 2006 special conditions deadline.

REDEVELOPMENT AND HOUSING EDUCATION AND TRAINING

Staff attended the following education and training workshops:

- ◆ ***California Redevelopment Association Legal Issues Symposium***
- ◆ ***California Redevelopment Association Affordable Housing Conference***
- ◆ ***Goldfarb & Lipman "Affordable Housing" Educational Seminar***
- ◆ ***Humboldt County Affordable Housing Summit***
- ◆ ***Housing California 2005 Annual Conference***
- ◆ ***Humboldt County Workforce Investment Board (WIB) One-Stop System Planning Session***



- ◆ *CDBG and HOME Grant Economic Development Training*
- ◆ *Redevelopment Institute—Pro forma Analysis and Understanding the OPA/DDA Process*

ECONOMIC DEVELOPMENT

PROGRAM OBJECTIVES:

- Administer the Business Revolving Loan Program to encourage business start-ups and expansions within the City of Eureka.
- Market and administer the Eureka Enterprise Zone to the business and financial communities.
- Act as a City liaison with the business, financial, and economic development communities.
- Ensure compliance with all federal and state CDBG requirements and procedures.
- Be actively involved in the California Enterprise Zone Association to influence legislative changes to enhance the Zone's benefits to business.
- Maintain open communication with the Business, Transportation and Housing Agency to ensure inclusion in appropriate business location leads.
- Develop relationships with federal and state funding agencies as well as legislative representatives to assist the City in accessing financial and technical assistance.
- Complete Foreign Trade Zone implementation.
- Develop Business Retention and Expansion Visitation Program and conduct regularly scheduled visitations to Eureka companies with 10 or more employees.

PROGRAM ACHIEVEMENTS:

FOREIGN TRADE ZONE

- ◆ *Administration*—Staff continues to market the Foreign Trade Zone, conduct cost-benefit analyses for prospective companies to determine if using the Zone would be of benefit and is working to activate a site within the Zone.

REVOLVING BUSINESS LOAN PROGRAM

- ◆ *Administration*—continue to monitor open loans and market program to lending institutions and potential borrowers. All business loan recipients have completed their job creation requirement, except for a February 2005 loan to Table Bluff Brewing Company, Inc. At this time, staff has been notified by the business that the required net new FTE jobs have indeed been created, and that payroll reports will be submitted shortly for verification by the State.

ENTERPRISE ZONE PROGRAM

- ◆ *California Enterprise Zone Board (CAEZ)*



- **Annual Enterprise Zone Conference**—attended and moderated sessions at the 2005 CAEZ Annual Conference in Yuba City.
- **State Legislation**—actively supported/opposed legislation affecting Enterprise Zone incentives.
- ◆ **Eureka Enterprise Zone Activity**—2005 (based on a calendar year as required by the State Enterprise Zone Program)
 - **Employee Hiring Credit Vouchers Issued**—508

Staff issued 146 Employee Hiring Credit Vouchers to Eureka Enterprise Zone businesses between January 1st and March 31st of 2005. The grand total in 2005 was 508. A total of \$5,080 (Hiring Credit Application Fee is \$10 per application) was submitted to the State Housing and Community Development Department in 2005. Businesses located in the Enterprise Zone continue to learn about the program and take advantage of all the benefits.
 - **Business License Waivers Issued**—109
 - **Business Information Packets Distributed**—62
 - **Enterprise Zone Annual Report**—On May 18, 2005, the Eureka Enterprise Zone 2003/04 Annual Survey Report was completed and submitted to the Department of Housing and Community Development
 - **Business Outreach**—met with 12 businesses to determine what assistance the City can provide to assist with retention and/or expansion issues.

EUREKA MAIN STREET PROGRAM

- ◆ **Board of Directors**—City liaison serving on the Main Street Board of Directors and Economic Restructuring Committee.
- ◆ **Eureka Main Street Program Cumulative Results (9/92-12/05)**
 - **Net New Businesses**—159
 - **Net New Jobs**—802
 - **Ground Floor Vacancy Rate**—reduced from 14% (9/92) to less than 1% (12/05).
- ◆ **Upstate California Economic Development Commission—UCEDC**—The mission of UCEDC is to cooperatively market the region (Northern California from Sacramento to the Oregon border) to new and existing businesses in support of the regional effort to diversify the economy, increase

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employment, and enhance the quality of life.

- **Bi-Monthly Board Meetings**—attended bi-monthly board meetings.
- **Marketing Committee**—The UCEDC website is being updated. The group continues to send members to selected tradeshows which feature targeted business types.
- **Chief Financial Officer (CFO)**—re-elected CFO by the UCEDC Board of Directors.

- ◆ ***North Coast Small Business Development Center***—served as City representative on the North Coast Small Business Development Board of Directors. Attended bi-monthly meetings and co-sponsored business development workshops.
- ◆ ***Eureka Chamber of Commerce Business & Industry Committee***—Attended monthly meetings.
- ◆ ***Prosperity***--Attend Prosperity network meetings as required.



HOUSING PROGRAMS

PROGRAM OBJECTIVES FOR 2005-2006

- Provide adequate sites and promote the development of new housing to accommodate Eureka’s fair share housing allocation for very low, low and moderate-income residents.
- Encourage the maintenance, improvement and rehabilitation of Eureka’s existing housing stock and residential neighborhoods.
- Insure the provision of quality housing opportunities for very low-income citizens.
- Assist in the elimination of substandard and deteriorated housing while preserving the neighborhood community.
- Increase, improve and preserve the community’s supply of very low or low-income housing.

PROGRAM ACHIEVEMENTS DURING 2005-2006

◆ *CDBG Housing Rehabilitation Program Income 1989, 1994 (Fund #271)*

➤ Housing Rehabilitation Completed:	1
➤ Housing Loans Monitored:	21
➤ Housing Loans Canceled:	0
➤ Housing Loans Declined:	0

◆ *Housing Rental Rehabilitation Program (Fund #281)*

➤ Housing Loans Processed:	0
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◆ *HUD Rental Rehab (Fund #285)*

➤ Rental Rehab Projects Monitored	1
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◆ *Low and Moderate Income Housing Program (Fund #290)*

➤ Owner Occupied Housing Rehabilitation Completed:	2
➤ Rental Rehabilitation Loans Completed:	0
➤ Rental Rehabilitation Loans Monitored:	12
➤ Non-Substantial Rehabilitation Loans Completed: (Paint-up Fix-up/Dumpster/Wheelchair Ramp)	62
➤ First Time Homebuyer Loans Approved:	10
➤ Housing Loans Monitored:	21
➤ Housing Loans Canceled:	1

◆ *Local Housing Program (#291)*



- Housing Rehabilitation Completed: 0
- Rental Rehabilitation Loans Monitored: 2
- Housing Loans Monitored: 16
- Housing Loans Canceled: 1
- Housing Loans Declined: 1

- ◆ **RCAA HOME Program Owner Occupied Housing Rehabilitation**
 - Housing Rehabilitation Loans Monitored: 23

- ◆ **RCAA HOME First Time Homebuyer Program**
 - First Time Homebuyer Loans Monitored: 8

- ◆ **Other Miscellaneous Loan Activities**
 - Subordinations: 1
 - Loan Payoffs Processed: 25
 - Loan Increases: 3
 - Loan Term Extension: 1
 - Loan Conversion (Deferred to Amortization): 2
 - Defaults/Foreclosures: 0

- ◆ **Community Development Block Grant)—Program Income (CDBG-PI) Funds:** Although only one CDBG-PI owner occupied loan was completed, five additional projects are in various stages of funding/construction.

- ◆ **First Time Homebuyers Program**—The First Time Homebuyer Program (FTHB) was not administered in 2004-5 as a result of increasing market prices and the low number of participants. In September 2005, the program was amended to allow up to \$120,000 in downpayment assistance and Umpqua Bank was selected as an administrator for the program. In April 2006, an Agreement was entered into with Umpqua Bank to administer the program with a budget of \$1.2 Million from the City’s Low and Moderate Income Housing fund for fiscal year 2005-2006. Since April, 5 escrows have been opened and the intent is to place 5 additional FTHB’s by June 30, 2006. The current maximum home purchase price is set at \$299,250.

- ◆ **Humboldt County Office of Education (HCOE) Sixth & Seventh Street Villas (Condominiums):** The HCOE requested City assistance in placing six low to moderate income households in their Sixth Street Villas located on Sixth Street, off Myrtle. The Final Parcel Map remains to be recorded to finalize the conversion to condominiums. There are currently four eligible homeowners who have opened escrow and two additional are pending. These condo purchases will be funded by the City’s Low and Moderate Income Housing Fund’s appropriated to the First Time Homebuyer. The HCOE has entered into an “Exclusive Right to Negotiate” with the City of Eureka to develop the Redevelopment Agency owned site between Sixth and Seventh Streets on Myrtle with an additional six condominiums. Again, the City anticipates placing six low to moderate income First Time

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Homebuyers upon completion.

- ◆ **City of Eureka Housing Rehabilitation Program Policies and Procedures Amendments**—In September 2005, the standard housing rehabilitation loan limit maximum was raised from \$25,000 to \$40,000 due to the increased costs of construction.
- ◆ **Local Fund**—In fiscal year 2005-2006, no owner occupied rehabilitation funds were appropriated. In December 2005, three borrowers came forward with a need for moderate income funding south of Buhne Street, and thus \$100,000 in additional funds was appropriated for owner occupied rehabilitation loans. One loan increase was approved, one was declined due to excessive income, and a final applicant declined participation.
- ◆ **College of the Redwoods Proposed Historic Restoration of 615 Myrtle Avenue**—The Redevelopment Agency and College of the Redwoods are planning a partnership to restore the vacant structure owned by the Redevelopment Agency at 615 Myrtle Avenue to its original historic significance. Negotiations are continuing.
- ◆ **Humboldt Housing & Homeless Coalition's Request for Consultant Services**— The Humboldt Housing & Homeless Coalition requested and was granted a one-time grant of \$4,000 from the City's Low and Moderate Income Housing Fund for consultant services to write the grant for the 2006 HUD Supportive Housing Program (SHP) funding.
- ◆ **Replacement Housing for 1925 California Street Alzheimer's Center**—The City's Replacement-Housing and Relocation Plan (approved by City Council at a Public Hearing on December 20, 2005) was approved by the State on February 21, 2006. The family displaced because of the proposed Alzheimer's Center was successfully relocated to a comparable rental unit in Eureka.
- ◆ **Paint Up/Fix Up Program**—The Housing Division budgeted \$110,000 to this program for Fiscal Year 2005-2006. The program provides grants of up to \$2,500 for qualified households, while assessing a backlog of grant applications. The program provides small grants for exterior repairs to low income homeowners and to landlords who rent to low income tenants. Fiscal year 2005-2006 is anticipated to provide 51 grants.
- ◆ **Dumpsters**—The City of Eureka in cooperation with Eureka City Garbage provides free dumpsters to neighborhoods upon request, based upon need. Eureka City Garbage provides 20 dumpsters, at no cost to the City every calendar year. This program is augmented by the City's budget of \$5,000 for additional dumpsters. To date, 11 dumpsters have been provided to the community at a cost of \$1,504.
- ◆ **Senior Home Repair Program**-In fiscal year 2005-2006, the Humboldt Senior Resource Center administered a Senior Home Repair Program. The program guidelines were amended to increase the scope of repairs and refine the administration of the program (allowing for advertising and administration fees). To date, 66 seniors have been assisted at a total cost of \$6,077.
- ◆ **Graffiti Clean Up Program**—The City of Eureka, in cooperation with Shafer's Ace Hardware is providing Graffiti Clean-up kits to those single family and multi-family residential property owners



whose properties have been a target of graffiti. To be eligible, the property must be located within the city limits of Eureka. The kits are available to eligible property owners at \$5 per kit. Each kit shall consist of one quart of latex paint, a free paint color match by Shafer's staff, a 2" paint brush, clean up cloth, drop cloth, stir stick, and wet paint sign.

- ◆ **Wheelchair Ramp Grant Program**—The City's Housing Advisory Board implemented the guidelines to allow up to \$1,500 as a grant to eligible homeowners within the City limits to assist with the construction of needed wheelchair ramp grants. To date, several applications have been mailed and none have been returned.
- ◆ **Multiple Assistance Center Project**—The Multiple Assistance Center (MAC) project involves the purchase and rehabilitation of a large building in Eureka for a homeless service and resource center. The project site is located at 139 Y Street in Eureka. The City purchased the site in February 2002 using CDBG grant funds. In 2001, the City was awarded a \$1 million loan from the State HOME program, and a \$500,000 State CDBG grant. Both funding opportunities are intended to assist with MAC construction funding.

The City will be assisting in the operations of the MAC Center with a \$50,000 per year contribution from the Low and Moderate Income Housing Fund to repay the State HOME Program's \$1 million loan.

The project involves a consortium of entities, including the City of Eureka, County of Humboldt, health care organizations, private non-profit agencies, and the religious community. The MAC project is providing on-site housing, job training and care of homeless persons and their families, and is intended to provide a more efficient and effective distribution of existing homeless services. The MAC accommodates approximately 75 persons.

Housing Advisory Board—The Board held 11 public meetings during the fiscal year 2005-2006 primarily working to administer the approximately \$1.2 million in Redevelopment Low and Moderate Income Housing funds and various other State Grant programs. Due to boardmember vacant positions, the Board amended the Bylaws to reduce Board membership from nine to seven members. Among the accomplishments, the HAB continues to upgrade the City's housing stock by providing low interest loans to low income residents through the Housing Rehabilitation loan program, monitoring the administration of the First Time Homebuyer Program, Senior Home Repair Program, Wheelchair Ramp Grant Program, the implementation of the Lead Hazard Evaluation and Reduction Program, general loan monitoring of its approximately 105 loan files, and other general business related to loan and grant implementation.