



HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS
Regional Transportation Planning Agency
Humboldt County Local Transportation Authority
Service Authority for Freeway Emergencies
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AGENDA ITEM 2a
HCAOG Board Meeting
November 16, 2023

DATE: November 8, 2023
TO: HCAOG Board of Directors
FROM: Beth Burks, Executive Director
SUBJECT: **Regional Housing Trust Fund**

STAFF REPORT

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Staff's Recommended Action:

1. Introduce the item as an action item;
2. Allow staff to present the item;
3. Receive public comment;
4. Discuss item and consider making the motion:
"I move that the HCAOG Board direct staff to participate in exploring the formation of a regional housing trust fund for Humboldt County, including the possibility of HCAOG administering the fund."

Staff Summary:

Housing Trust Funds are a tool that can hold funds in trust to be put towards developing affordable housing. Housing Trust Funds can occur at the local (individual jurisdiction) or regional (multi-jurisdiction) level. In Humboldt County, there has been interest in a regional housing trust fund for almost 20 years. Recently, Elizabeth Conner, former Executive Director of Humboldt Bay Housing Development Corporation [also known as, Housing Humboldt], completed a Regional Housing Trust Fund Feasibility Study for the Humboldt County Department of Health and Human Services and is currently working with the Redwood Region Economic Development Corporation on advancing the conversation regarding a Regional Housing Trust Fund. Ms. Conner conducted interviews with staff from the various jurisdictions, and local foundations, and led conversations with others wanting to see the trust fund developed.

During these discussions, HCAOG has been suggested as an organization that might be the ideal agency to act as the fund administrator. As momentum grows around the formation of a Regional Housing Trust Fund, HCAOG staff is seeking direction from the Board as to whether this is something staff should be involved in and if HCAOG should be considered as an entity that may be willing to administer the fund. Nothing about this motion would commit HCAOG to any action regarding administering the fund.

Part of the reason HCAOG has been suggested as an agency to administer the fund is the Joint Powers Agency (JPA) structure, and because HCAOG has increasingly been involved in housing discussions and forums throughout our region. Historically, HCAOG's role in housing has been limited to administering the Regional Housing Needs Allocation (RHNA) process. However, since 2020 we have been administering the Regional Early Action Planning Grants (REAP 1.0) which has caused HCAOG staff to become more proactively involved in housing related efforts at the regional level. Additionally, the Regional Transportation Plan, *VROOM 2022-2042* acknowledges the inextricable link between housing and transportation and the need to integrate transportation and housing policies if we are to achieve vehicle miles traveled and greenhouse gas reduction targets.

There are several unique benefits/funding opportunities of regional housing trust funds that make it timely to consider. Broadly, Regional Housing Trust Funds offer relative flexibility and can be tailored to address regional housing needs. Having a Housing Trust Fund will increase the amount the region can generate for housing purposes. For example, certain formula funding sources from the State such as the Permanent Local Housing Allocation (PLHA) can be deposited into housing trust funds, there are State programs that provide matching funds, and competitive programs that can add revenue to a housing trust fund. There are also many other sources of funds that can contribute to a Regional Housing Trust Fund such as philanthropic funds, in lieu fees, a percentage of Transient Occupancy Taxes (TOT) and short-term rental license fees.

Uniquely, in Humboldt County, it is also timely because a contribution to a housing trust fund or similar, is one of the terms the Offshore Wind Community Benefits Network (of which HCAOG is a member) has been including in their negotiations with offshore wind and port developers. Having a regional housing trust fund set up would aid in the request for this term to be satisfied.

As the region works toward developing the fund, the next steps will be to put together an implementation plan that will detail the key stakeholders, decision points, process, and costs of creating a Regional Housing Trust Fund. Once the plan is created, grant or philanthropic funding will be sought to carry it out. The implementation plan will essentially become the proposed project in a grant application.

If the Board is agreeable, HCAOG staff would participate as a stakeholder in the creation of the implementation plan and HCAOG could be identified as a potential administrator of the fund. Nothing at this point would force further action. If HCAOG was to be a key player in carrying out the implementation plan, staff time would be supported by grant funds and additional information and decision points would come before the Board.

Elizabeth Conner will be presenting at the Board meeting to give an overview of her ongoing work and the benefits and challenges of Regional Housing Trust Funds.