



COUNTY OF HUMBOLDT

For the meeting of: 5/12/2026

File #: 26-369

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

Authorize a Joint Participation Agreement with the City of Fortuna to Accept Delegation of a Permanent Local Housing Allocation (PLHA) Set-Aside, Designate the County as Applicant and Administrator, Approve Submission of the County's PLHA Application to the State, and Authorize Budgeting and Administration of any Awarded Funds.

RECOMMENDATION(S):

That the Board of Supervisors:

1. Authorize the Director of Planning and Building to execute the Joint Participation Agreement between County of Humboldt and City of Fortuna (Attachment 1), accepting delegation of Fortuna's PLHA allocation set-aside; and
2. Adopt the resolution (Attachment 2) to take the following actions:
 - a. Authorize submission of an application to the PLHA Program for the delegated funds in the amount of \$149,869 to be used for First Time Home Buyer loans; and
 - b. Authorize the Director of Planning and Building to execute, on behalf of the County of Humboldt, the PLHA application, standard agreement, and all related documents required for participation in the program, including any subsequent amendments with the State of California; and
3. Direct the Clerk of the Board to return one fully executed and certified copy of the Resolution to the Planning and Building Department for inclusion with the application.

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Housing for All

Strategic Plan Category: 4002 - Increase and prioritize housing development

DISCUSSION:

The City of Fortuna has offered to delegate its annual allocation of Permanent Local Housing Allocation (PLHA) funds to the county. If accepted, the county would then apply for the funds and administer the resulting award. This agenda item requests approval to accept the delegation, apply for, and use the funds.

Each year, the State of California allocates a portion of the Building Homes and Jobs Trust Fund through the PLHA Program to cities and counties. The allocation may be applied for and spent, delegated to another jurisdiction, or forfeited. To apply for and spend the allocation, the jurisdiction must have an approved 5-Year Plan and an executed standard agreement. The county of Humboldt has both of these, and the City of Fortuna has neither. Therefore, the city has elected to delegate the eligible portion of their allocation to the county.

The allocations eligible for delegation from the City of Fortuna are as follows. Five percent of these funds may be used for general administration costs, such as staff salaries and benefits.

\$82,242 for 2022

\$66,527 for 2023

\$148,951 in total

The Planning and Building Department currently has cash on hand of approximately \$70,550 for a First Time Home Buyer loan. This is not an adequate amount to effect purchase of a home. The department proposes adding the delegated funds to funds on hand ($\$148,951 + \$70,550 = \$219,501$), which is a sufficient amount to aid a First Time Home Buyer.

On Feb. 2, 2026, the Fortuna City Council adopted Resolution 2026-02 (Attachment 3) to approve the Joint Participation Agreement (Attachment 1), and to delegate their remaining PLHA allocations to the county. Additionally, there is a Memorandum of Understanding (MOU) (Attachment 4) in place between Humboldt County and Fortuna that was approved by your Board on Jan. 7, 2025, that allows the county to provide assistance in administering California Housing and Community Development (HCD) housing programs.

Pursuant to section C.1 of the MOU, which states, "COUNTY shall assist CITY with other HCD Programs if they are requested and agreed to in writing," staff recommends and requests agreement in writing by approval of the joint participation agreement and adoption of the draft resolution. The draft resolution is in the format required by HCD.

SOURCE OF FUNDING:

Special Revenue Fund 3590000

FINANCIAL IMPACT:

Expenditures (3590000)	FY25-26 Projected*	FY26-27 Projected*
Budgeted Expenses		\$219,501
Additional Appropriation Requested		
Total Expenditures		\$219,501

**Projected amounts are estimates and are subject to change.*

Funding Sources (3590000)	FY25-26 Projected*	FY26-27 Projected*
General Fund		
State/Federal Funds	\$148,951	
Fees/Other		
Use of Fund Balance		\$70,550
Contingencies		
Total Funding Sources	\$148,951	\$70,550

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:

The entire amount will be held in Special Revenue Fund 3590000 until such time it can be disbursed in the form of a mortgage loan via an escrow account. If awarded, staff will return with a supplemental budget. Up to 5% of the funds may be used to pay for staff salaries and benefits. The General Fund will supplement the cost of staff time above salaries and benefits. No new staff will be hired. No fixed assets will be purchased.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may elect to forgo the delegation of funds, in which case the funds will revert to the State’s Building Homes and Jobs Trust Fund. Staff does not recommend this choice because it would not optimize use of available resources.

ATTACHMENTS:

1. Joint Participation Agreement
2. Draft Resolution
3. Fortuna Resolution 2026-02
4. MOU Between Humboldt County and Fortuna

PREVIOUS ACTION/REFERRAL:

Meeting of: 01/07/2025

File #: 26-369

File No.: 25-23