



AGENDA SUMMARY EUREKA CITY COUNCIL

TITLE: Award Recommendation for BID # 2020-16: Affordable Housing Projects on City-owned Sites

DEPARTMENT: Development Services

PREPARED BY: Caitlin Castellano, Senior Planner

PRESENTED FOR: Action Information only Discussion

RECOMMENDATION

1. Declare Linc Housing the preferred proposer of the Affordable Housing on City-owned Sites RFP.
2. Authorize the City Manager to proceed with a development agreement.

FISCAL IMPACT

No Fiscal Impact Included in Budget Additional Appropriation

COUNCIL GOALS/STRATEGIC VISION

2040 General Plan's 2019-2027 Housing Element:

- IMP H-34: Affordable Housing on Publicly-owned Properties.

BACKGROUND

Staff prepared a comprehensive Request for Proposals (RFP) package to solicit affordable housing projects on three (3) City-owned parking lots pursuant to the 2019-2027 Housing Element Implementation Program *IMP H-34: Affordable Housing on Publicly-owned Properties*. The purpose of the RFP was to identify a developer with interest, resources, and experience to create affordable housing on each site, which would help the City achieve its Regional Housing Needs Allocation (RHNA) as required by the State Department of Housing and Community Development (HCD).

The draft RFP was presented to Council on July 7, 2020, and a public hearing was held to reduce or remove public parking at Site #2: 8th and G Streets (APN 001-155-005) since the lot had been purchased with funds from the City of Eureka's Parking Assessment District (PAD). Site #1: Sunny and Myrtle Avenues (APN 006-181-001) and Site #3: 6th and M Streets (APNs 001-233-006 and 001-233-007) were not acquired with PAD funds, and therefore, no public hearing was required for these lots. Following

public testimony and discussion amongst Council members and staff, the City Council adopted resolutions authorizing the reduction or removal of public parking at each site in an effort to ensure development of affordable housing occurs at these sites.

DISCUSSION

On September 14, 2020, the City received the three proposals in response to the RFP:

1. **Linc Housing, Long Beach, CA:** Development of all three sites for a total of 107 units:
 - a. Site #1: Sunny and Myrtle Avenues: 32 units comprised of 15 two-bedroom and 16 three-bedroom units for households earning 30-80% of the Area Median Income (AMI), and one (1) three-bedroom manager's unit.
 - b. Site #2: 8th and G Streets: 40 units comprised of 19 two-bedroom and 20 three-bedroom units for households earning 30-80% AMI, and one (1) three-bedroom manager's unit.
 - c. Site #3: 6th and M Streets: 35 units comprised of 16 two-bedroom and 18 three-bedroom units for households earning 30-55% AMI, and one (1) three-bedroom manager's unit.
2. **Monterey County Housing Authority Development Corporation (HDC):** Development of two sites for a total of 59 units:
 - a. Site #2: 8th and G Streets: 32 units of general low-income housing (Section 8 voucher holders, or households without a voucher) comprised of 16 studios, four (4) one-bedroom, eight (8) two-bedroom, and four (4) three-bedroom units; and,
 - b. Site #3: 6th and M Streets: 27 affordable housing for seniors, disabled families, and veterans comprised of 12 studios, six (6) one-bedroom, six (6) two-bedroom, and three (3) three-bedroom units.
3. **Providence Supportive Housing:** Development of one site: Site # 2: 8th and G Streets, into 64 units of supportive housing for seniors age 62 and older comprised of 48 studios and 16 one-bedroom units.

On September 30, 2020, the review panel, selected by the City Manager, met and reviewed the three proposals based on the evaluation selection criteria described in the RFP. The panel unanimously chose to recommend Linc Housing to the City Council. Linc Housing's experience and their response exceeded the other two responders as they addressed every RFP criterion, have a good history of other low-income housing development projects, provided evidence of significant financial capability, and included proposed design elevations for all three sites.

Upon approval by the City Council, the City Manager will proceed with the development agreement with Linc Housing.

REVIEWED AND APPROVED BY:

City Attorney
 City Clerk/Information Technology

- Community Services
- Development Services
- Finance
- Fire
- Human Resources
- Police
- Public Works

Attachments:

Attachment 1. Linc Housing RFP Response