



ARCATA, CA

ROUND 1 AWARD: \$1,000,000



Overview: To expand housing supply and lower housing costs, HUD's Office of Community Planning and Development awarded **\$1 million to the City of Arcata**. This grant funding will be used to identify and remove barriers to affordable housing production and preservation.

Nearly 57% of residents in Arcata are rent burdened and 36% of residents are severely rent burdened. The City has taken considerable actions to advance housing supply through strategic planning, land use reform, and innovative pilot programs.

PRO Housing funding will enable Arcata to update local regulations, streamline land use polices and permitting procedures, and increase infill construction.

Restrictive Land Use and Permitting Policies

- The lack of residentially zoned land and limitations on density prevent the development of housing. Discretionary permitting procedures result in uncertainty and delays in development.

Aging Housing Stock

- Two-thirds of Arcata's housing stock is more than 40 years old. 48% of existing homes have potential lead abatement issues.

Geographic Barriers Due to Sea Level Rise / Flooding

- Developable land is limited due to environmental constraints. Surrounded by the ocean, a bay, marsh, and river, much of the terrain is at risk of flooding and the impacts of sea level rise.

LOCAL BARRIERS TO HOUSING IDENTIFIED BY ARCATA

RECENT ACTIONS TO BOOST HOUSING SUPPLY LOCALLY

The City of Arcata

- Increased housing production and streamlined housing development through updates to local regulations and land use policies — including flexibilities to encourage mixed use projects, gentle density increases, and the construction of Accessory Dwelling Units.
- Provided a grant to launch the Humboldt Community Land Trust to promote homeownership opportunities for low-income households. The City provides downpayment assistance to applicants with HOME Investment Partnership and Community Development Block Grant funding.
- Invested in housing opportunities for people experiencing homelessness through the creation of a Safe Parking Pilot Program and the conversion of hotels to affordable apartments.
- Adopted a stabilization ordinance to help preserve manufactured housing and maintain long-term affordability.





ANTICIPATED IMPACT OF PRO HOUSING FUNDING

as contemplated in grant application

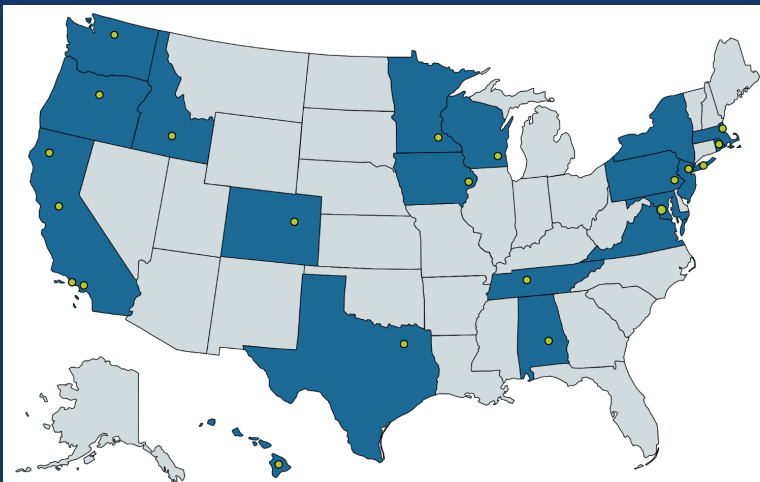
Update Local Land Use Policy

- The City of Arcata proposes to update its local land use policies to align with its General Plan 2024. Updates will include streamlining the planning review process, updating Commercial Mixed-Use designated areas to provide more flexibility to build new homes, improvements to environmental review procedures, and other updates to local codes.
- Through PRO Housing funding, the City will implement improvements to local procedures and permitting. Based on years of public engagement, the City believes these updates will have an immediate and permanent effect on increasing the rate of housing production.

Expand Opportunities for Infill Development

- To facilitate development in two areas that are designated “Infill Opportunity Zones,” the City will adopt new form-based code for the Valley West and Downtown neighborhoods.
- The form-based code approach will address barriers associated with discretionary permitting. The form-based code allows the public to be involved in design decisions before a specific project is identified. This approach also provides more certainty and predictability for developers.
- The City notes that infill development supports a greater access to amenities for residents and workers, as infill housing creates near homes within walking distance to jobs and mixed-use neighborhoods.

HUD AWARDED \$85 MILLION TO 21 APPLICANTS THROUGH ROUND 1 OF THE PRO HOUSING COMPETITION



- PRO Housing provides first-of-its-kind funding to identify and remove barriers to housing production and preservation.
- The competition prioritizes communities that demonstrate an acute need for affordable housing.
- Successful applications demonstrated local actions — such as updates to land use policies, developer incentives, financing, and innovative strategies — to address barriers and boost housing supply.

For more information on CPD's PRO Housing competition and a complete list of round 1 winners, please visit:
https://www.hud.gov/program_offices/comm_planning/pro_housing

