

DRAFT

For Public Review

City of Napa

Consolidated Annual Performance Evaluation Report (CAPER) 2021-2022

Submission to: U.S. Department of Housing and Urban Development
September 2022

Prepared by: City of Napa-Housing Division

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The Consolidated Annual Performance Evaluation Report ("CAPER") reports the City's success towards meeting the goals contained in the 2020-2025 Consolidated Plan and assesses the City's progress in carrying out priorities of assistance identified in the Annual Action Plan ("Annual Plan"). During 2021-22 program year, the City had an active HOME grant through the State of California. The City did not receive HOPWA or ESG funding.

In 2021-22, the City was allocated \$646,823 in entitlement funds and received \$84,062 in program income from revolving loan funds. In addition to annual entitlement funding, the City received a total of \$1,088,096 in CDBG CARES ("CARES") funds in 2021 with \$737,634 available for use in 2021-22.

During the 2021-22 program year, the City allocated \$316,095 in entitlement funds and \$67,250 in revolving loan repayments to Community Development activities. The City provided \$71,872 in funding for ADA updates to the Catholic Charities Rainbow House for emergency family shelter homeless services. The balance of the Community Development funding, \$311,473, was allocated to the Housing Rehabilitation Program.

Additional Community Development activities included residential rehabilitation projects completed through the Housing Rehabilitation Loan Program and Home Repair Grant Program. The City continued to operate the grant program which provides grants up to \$5,000 for low- and moderate-income households, loans and grants totaling \$338,985 were issued to assist 17 households. Of the \$338,985 allocated, a total of \$287,080 was paid out for 16 loans. There was no tenant occupied properties completed under the Housing Rehabilitation Loan and Grant programs. As required by the City's Voluntary Compliance Agreement with HUD, the City has actively marketed the housing rehabilitation programs to tenant occupied properties.

In the 2021-22 program year, four Public Service activities were funded: Abode Services' South Napa Homeless Shelter, NEWS' Domestic Violence Shelter Bilingual Counselor, Fair Housing Napa Valley, and Catholic Charities' Rainbow House. The Public Service expenditures were within the program regulation limitations. In addition, CDBG Administration was funded under the Planning and Administration category and was within the program regulation limitations.

In addition to entitlement funds, the City deployed a total of \$715,756 in CARES funding to public services. Public services included fair housing services, rental assistance, food and meal programs, safe shelter, and childcare subsidies. During the program year 2021-22, \$263,928 of the allocated CARES public service funds were expended. In addition to public services, \$92,864 in CARES funding was allocated to a microenterprise program. During the program year 2021-22, 15 businesses were awarded grants totaling \$67,864. The remaining CARES funding is expected to be fully expended by December 31, 2022.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Emergency shelter services	Homeless	CDBG: \$64,523	Homeless Person Overnight Shelter	Persons Assisted	1500	501	33%	294	301	102%
Fair housing activities	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$34,333	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	300	2,933	977%	60	1,485	2,475%
Housing rehabilitation	Affordable Housing Non-Homeless Special Needs	CDBG: \$ 0	Rental units rehabilitated	Household Housing Unit	0	18	N/A	2	0	0.00%
Housing rehabilitation	Affordable Housing Non-Homeless Special Needs	CDBG: \$287,080	Homeowner Housing Rehabilitated	Household Housing Unit	75	27	36%	8	16	187%
Non-profit capital improvement projects	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$ 0	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	0	0	0%	14	0	0.00%
Outreach/referral for racial/ethnic minority groups	Affordable Housing Homeless Non-Homeless Special Needs	CDBG: \$ 30,000	Homeless Person Overnight Shelter	Persons Assisted	250	416	166%	40	164	410%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

In the 2021-22 program year the City was allocated \$646,823 in CDBG entitlement funds. The City anticipated a receipt of \$28,100 in program income from CDBG revolving loan funds and received \$16,813 in program income for the revolving loan fund.

CDBG entitlement funding was provided to the follow public services:

- The South Napa Homeless Shelter expended \$54,523 in CDBG funds towards operation of the homeless shelter. The City provided additional funding for the homeless shelter from other funds as discussed in CR-25.
- NEWS expended \$30,000 in CDBG funds for bilingual counseling services for survivors of domestic violence and sexual assault.
- Catholic Charities of the Diocese of Santa Rosa (Catholic Charities) expended \$10,000 in CDBG funds for funding of operations at the Rainbow House homeless family shelter.
- Fair Housing Napa Valley expended \$34,333 in CDBG funds for fair housing services including landlord-tenant mediation and fair housing education and outreach. The City and Housing Authority provided additional funding for fair housing services from other funds as discussed in CR-25.

The Annual Plan allocated a combined \$383,345 including loan repayments, in funding for delivering a housing rehabilitation program administered by the City's Housing Division. The rehabilitation of single and multifamily homes is funded through a revolving loan program that was originally capitalized with CDBG funds. Five projects funded with loans were completed during the 2021-22 program year, and eight additional households received assistance under the grant program. The rehabilitation programs spent a total of \$287,080 on a total of 16 projects, including those approved but not completed in Program Year 2020-2021.

In addition, the City began work on ADA updates at Catholic Charities' Rainbow House. The projects include \$71,872 for the homeless family shelter component at Rainbow House. The project is expecting to be completed in the fall of 2022.

In addition to entitlement funds, the City utilized CARES funds to carry out goals identified in both the 2015 and 2020 Consolidated Plans. The City continues to monitor such and met the timeliness test on May 2, 2022.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG
White	2,309
Black or African American	98
Asian	41
American Indian or American Native	89
Native Hawaiian or Other Pacific Islander	11
Other Multi Racial	258
Total	2,806
Hispanic	1,199
Not Hispanic	1,609

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

Reflecting the fact that Hispanics form the largest minority in Napa’s population, some of the activities served a large number of Hispanic households. The U.S. Census estimates that 40% of the Napa population was Hispanic as of 2021. Fair Housing Napa Valley and NEWS served a greater percentage of Hispanics than is represented in the total Napa population.

In addition to beneficiaries assisted with annual CDBG entitlement funds noted above, CARES funding assisted 714 white, 16 Black/African American, 6 Asian, 20 American Indian/Alaska Native, 2 Native Hawaiian/Other Pacific Islander, and 83 Other/Multiracial. Of the 841 households served with CARES funding, 207 (or 25%), are Hispanic.

The City, in compliance with a Voluntary Compliance Agreement with HUD for the Housing Rehabilitation Program and in response to national attention on race and equality, is taking a deep dive into beneficiaries of housing and community development programs. Staff is continuing to monitor reporting from subrecipients and intends to work with each to ensure all programs are accessible and marketed to all demographics. For programs managed internally, such as the Housing Rehabilitation Loan and Grant program, staff is analyzing demographic data and marketing efforts to ensure equal access and strive for equitable participation.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	\$1,004,848	\$415,936
Other	public – federal, local, state	\$15.85 Million*	\$361,319*

Table 3 - Resources Made Available

*Unaudited, books not yet closed for FY 2021-22

Narrative

Many of the activities the City funded through CDBG required additional public and private resources, and CDBG funds were used to leverage these other funding sources. The City utilized CDBG funds for a range of activities during the 2021-22 program year, including housing rehabilitation, fair housing services, and emergency shelter operations, consistent with activities that the City has funded in recent years.

The City has an Affordable Housing Impact Fee Fund funded with development fees for residential and non-residential development. The Affordable Housing Impact Fee Fund ended the Fiscal Year 2021-22 with an unaudited fund balance of \$10.59 million, of which \$7.2 million was formally reserved for specific housing projects. In Fiscal Year 2021-22 the Affordable Housing Impact Fee Fund collected approximately \$2.8 million in developer fees.

In Fiscal Year 2018-19 the City implemented a 1% Transient Occupancy Tax (TOT) collected on visitor overnight stays to fund the development of affordable and workforce housing. As of the end of the Fiscal Year 2021-22, the fund had an unaudited fund balance of approximately \$5.26 million, with \$1.77 million being formally reserved for specific housing projects and \$2 million being earmarked for an affordable housing NOFA that was available January through June 2022. The TOT for Affordable and Workforce Housing revenues in the Fiscal Year 2021-22 were approximately \$2 million.

In May 2016 the City utilized the Affordable Housing Impact Fee Fund to repay the Street Improvement Fund for a surplus parcel to be developed as affordable housing. In Fiscal Year 2020-21, the City transferred the property to an affordable housing developer which developed a 51-unit rental housing development for low- and moderate-income families on the site. This project is complete and was occupied in the winter of 2022.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Not applicable			

Table 4 – Identify the geographic distribution and location of investments

Narrative

During the 2021-22 program year the City did not provide CDBG funding to any Target Areas.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City has a history of using CDBG funds to leverage General Fund revenue and other resources in order to fund fair housing services and emergency shelter operations. It leveraged City General Fund and County revenues for these services during the 2021-22 program year. Abode Services and Fair Housing Napa Valley received assistance from the City's General Fund to augment the services provided to the community. They received \$650,000 and \$100,000 respectively. The Housing Authority of the City of Napa also contributed \$34,333 of CDBG entitlement funding and \$50,000 of CDBG CARES funding to Fair Housing Napa Valley for fair housing services. The Napa County also contributes to the operation of the homeless shelter system and Fair Housing Napa Valley, and other cities in the county contribute to Fair Housing Napa Valley. The four public service activities combined leveraged a total of \$2.75 million in federal, State, local and philanthropic funds.

The City continued to utilize HOME and CalHome grants from the State of California to provide deferred homebuyer assistance loans to low- and moderate-income homebuyers and leveraged the loans with private mortgage loans and homebuyer down payments.

The City's Junior Accessory Dwelling Unit (JADU) program continues to create affordable rental units as discussed in CR-15. One of the junior unit projects completed in the 2021-22 program year were leveraged with owner contributions.

In addition to entitlement activities, CARES funding expended leveraged approximately \$1.6 million to carry out activities directly responding to the Coronavirus pandemic.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	10	15
Number of Special-Needs households to be provided affordable housing units	0	0
Total	10	0

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	10	15
Number of households supported through Acquisition of Existing Units	0	0
Total	10	0

Table 6– Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Accomplishments in Tables 5 and 6 are activities funded with annual CDBG entitlement funds. In addition, the City achieved the following utilizing CARES, State, and local funding:

- 39 households assisted with Tenant Based Rental Assistance. Of this number six households were homeless prior to assistance).
- Created two new affordable rental units through the Junior ADU program.
- Five households assisted with first time homebuyer loans.

The City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in 2020 and identifies the following as impediments to fair housing choice.

Napa has historically been one of the least affordable housing markets in the state and country. Napa County faced wildfires in 2017 and 2020 resulting in the loss of more than 2% of its housing stock. To date only 32% of the units lost have been rebuilt or are in the process of being rebuilt, leaving the County with a net housing loss of approximately 1.5%. The City has the largest housing inventory of all cities in the county, and displaced residents often seek housing in Napa. The strain on housing stock has displaced lower-income tenants.

The median home sales price reported by Realtor.com increased 9% to \$878,535 in June 2022. The price increase has been reported to be fueled by low-interest rates and the mobility of high wage earners in the evolved work-from-anywhere dynamics resulting from the Coronavirus pandemic. Napa area realtors have reported an influx of high wage earners transplanting to Napa, which is historically more affordable than other Bay Area locales. Low-income households struggle to compete with the buying power of higher income households. The high values have also enticed landlords to place rental units for sale, resulting in removal of rental units from the market.

Napa has historically had a low vacancy rate, an indicator of the strong demand for affordable rental housing. According to a vacancy rate survey conducted by the City in 2022, vacancy rates have continued to remain extremely low (1.7% in 2021 versus 2.0% in 2022). Average rents are higher than lower-income households can afford.

The cost and quality of renting can be a difficult burden for households on fixed incomes. Households with a disabled person often have reduced income, problems with the condition of the housing they can afford, as well as problems locating housing that can accommodate their disabilities.

Land use and zoning can limit development of affordable housing as well as its distribution throughout the community. Density maximums could be considered a limiting factor although affordable housing projects can receive density bonuses and concessions for zoning standards, such as parking standards. Barriers could exist that preclude group homes in certain neighborhoods because of the fact that beyond a certain size, they require a discretionary use permit which could result in neighborhood opposition. The City will continue to evaluate land use policy to alleviate the burden on affordable housing.

Latinos are the predominant minority group in the City, comprising 40% of residents. Recent estimates show 35% of all residents spoke a language other than English at home. Of those speaking another language at home, the majority speak Spanish. The City recently updated the Language Access Plan and will continue to evaluate limited English proficiency within the community and will seek to better reach those with language barriers.

The City has begun the process of updating the Housing Element to the General Plan and expects to adopt the updated Element in early 2023. City staff from various departments are involved in the effort and will collaborate on the furthering fair housing component of the effort.

Discuss how these outcomes will impact future annual action plans.

The City will continue to address the challenges of the housing market by making policy and budgetary changes. In the Fiscal Year 2020-21 the City secured funding through the State of California Permanent Local Housing Allocation Program, which will provide approximately \$300,000 annually in upcoming years for the development new accessory dwelling units and assisting homeless persons. The City is a recipient of \$2.89 million in CDBG Disaster Recovery (CDBG-DR) funding through the State of California. This funding is being utilized for the development of affordable multifamily housing. Additionally, the City received \$2.13 million in State CalHome Disaster Assistance funding which is being used to provide first time homebuyer assistance to low, moderate, and above moderate (earning up to 120% of area median) households, including those impacted by eligible 2017 or 2018 disasters.

This new funding is in addition to the existing Affordable Housing Impact Fee and 1% TOT for Affordable and Workforce Housing funds which are utilized for procurement of affordable and workforce housing within the City. The City will also continue to seek grants for first time homebuyer and rehabilitation programs, which benefit the low- and moderate-income population.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	10	0
Low-income	4	0
Moderate-income	1	0
Total	15	0

Table 7 – Number of Households Served

Narrative Information

As illustrated on the chart, the activities primarily assisted extremely low-income (0% to 30% of median family income) and low-income (31% to 50% of median family income) households. In addition to the persons served represented in Table 13, Fair Housing Napa Valley served 215 clients of above moderate income was unable to collect income data for an additional 252 clients. These 467 clients were reported as non-low/moderate income in IDIS accomplishments.

In addition to beneficiaries listed in Table 7, CARES funding assisted 604 extremely low-income, 159 low-income, 34 moderate-income, and 9 above moderate-income households. We were unable to collect data on 37 households. The 843 beneficiaries of CARES funding were assisted under 24 different activities including meal programs, sheltering, tenant based rental assistance, and economic development.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Through the Continuum of Care Application, the Housing Authority secured a one-year renewal of the Shelter Plus Care grant that provides rental assistance for at least eight households.

The City utilizes general funds to help fund the community's homeless system which includes homeless outreach, housing location and assistance, a day center, an adult homeless shelter, a family shelter, and a seasonal shelter which was operated year-round in program year 2021-22 due to the pandemic. During the 2021-22 program year, the City used \$54,523 in CDBG entitlement funds toward operation of the South Napa Homeless Shelter, \$30,000 for the NEWS domestic violence shelter, and \$10,000 to Catholic Charities for the Rainbow House homeless family shelter. This funding supported a total of 228 individuals who received emergency shelter at the homeless shelter, 164 domestic violence and sexual assault survivors and their children who received shelter and bilingual counseling, and 73 people who received shelter and services at Rainbow House. The City also provided \$650,000 in general funds to support operation of the homeless shelter system.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Housing Authority administers a limited homeless preference of four Project Based Vouchers which require referrals from a partnering homeless service agency; 56 Emergency Housing Vouchers serving homeless, recently homeless, survivors of domestic violence, dating violence, or stalking, or at risk of homelessness; 27 Veterans Administrative Support Housing (VASH) vouchers, 17 which are project based and ten that are tenant based, serving homeless veterans; 15 vouchers under the Mainstream Program to serve non elderly disabled persons who are homeless or at risk of homelessness; and the Shelter Plus Care Program which serves eight to ten persons, depending on funding levels, by providing rental assistance, in combination with supportive services from other sources, to assist homeless people with disabilities. The Housing Authority also has six dedicated project-based vouchers for homeless persons referred through the homeless coordinated entry system and six project-based vouchers for homeless families referred by the County's Child Welfare Division for a recently constructed and occupied 51-affordable rental project.

The Housing Authority has committed 38 project-based vouchers for homeless coordinated entry clients at a 70-unit rehabilitation and new construction project that is expected to be completed in late 2023. The City and Housing Authority have also partnered on providing fiscal resources and project based vouchers to a 54-unit Project Homekey motel conversion project that is expected to be completed in early 2023.

As the Coronavirus began to impact the Napa community in spring 2020, the community's homeless system quickly reacted to assist vulnerable homeless to social distance to prevent possible spread of the virus. Activities including procuring multiple sites where people can isolate safely such as hotels, reducing capacity in shelters, operating the seasonal winter shelter year-round, converting a re-entry facility to serve as additional shelter space for vulnerable persons, as well as enhanced outreach to individuals living on the street. The efforts have continued for the duration of the pandemic and the homeless partner agencies are taking the lessons learned from the efforts to immediately

shelter homeless and attempting to apply long term strategies.

Progress Foundation continues to operate Hartle Court, a 24-unit supportive housing project. All of the units are restricted to low-income persons. Six of the units are transitional housing for youth (18-24) who are aging out of the foster care system. The remaining 18 units are permanent housing for people with mental illness.

Catholic Charities continues to operate the Nightingale facility which provides respite care for homeless persons discharged from local hospitals. The clients receive continued access to medical care, case management, connection to other resources and support finding housing. Operational funding is provided by Queen of the Valley and St. Helena hospitals. OLE Health also assists with linking program participants to follow-up medical care.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The Napa County Continuum of Care received \$907,517 from the 2021 Continuum of Care Notice of Funding Availability (CoC) Competition, which is directed toward permanent supportive housing and transitional housing to address and prevent homelessness as part of the Super NOFA.

Under to CoC Competition, the Housing Authority received \$167,287 for the renewal of the 2021 Shelter Plus Care grant, which provided permanent supportive housing in the form of rental assistance and supportive services for at least eight chronically homeless disabled individuals and families. In addition, the County received CoC funding through the Home to Stay project. This project received \$77,816 from the CoC program to provide rapid re-housing rental assistance and crucial supportive services to individuals and families who are homeless and chronically homeless in Napa County. Home to Stay focuses on moving people from homelessness into housing and assisting them in obtaining employment, health and recovery services, and permanent housing. The Police Department, along with NEWS and Abode, provide the necessary supportive services for program participants, including helping them to develop and meet goals and budgets, providing transportation to medical, mental health, housing, and employment appointments, and assisting them in accessing mainstream benefits.

In addition, as previously discussed, Catholic Charities operates the Nightingale facility for persons discharged from local hospitals who would otherwise return to homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Napa's homeless system continues to operate as a low-barrier, housing-focused system. Abode Services took over

the operations of the system in July 2017. In advance of the system changes, the County hired a Homeless System Coordinator, which is jointly funded by the City and County. Additionally, the County secured a number of grants to expand mental health residential treatment capacity and implement mental health crisis stabilization and other grants which link housing to health care. The County also received a Whole Person Health grant that is offered through Medi-Cal and provides supportive housing services to chronically homeless and disabled homeless. The City, County and Abode Services have worked extensively together over the last five program years to implement low barrier shelters and a robust diversion system. Changes follow the housing first model which allows clients to transition from homelessness to housing with minimal barriers. Abode Services employs a number of housing navigators who work to house homeless clients. In addition to the housing first model, services have transitioned to a coordinated entry system which streamlines the process of providing housing for homeless with an emphasis on housing the most vulnerable households first. Clients receive assistance with obtaining and keeping housing. Once housed, clients are offered a variety of supportive services. All of the system changes are intended to move clients from homelessness to housing in the least possible amount of time.

In addition to Housing Authority, County and City projects, Buckelew Programs, an organization which focuses on assisting individuals with mental illness, addiction, and co-occurring disorders, received \$314,661 to provide permanent housing and supportive services in Napa County for formerly homeless adults who experience a mental illness. The supportive services are aimed at assisting individuals to learn life skills and successfully transition from homelessness. Skill building and support enables clients to increase self-sufficiency and ensure their ability to maintain housing in the community. Other supportive services help to address mental health issues through education on medication and symptom management, help eligible individuals to connect with mainstream benefits and other community support such as local foodbanks.

The County of Napa received additional grants for \$267,501 for permanent supportive housing. Additionally, the County received \$35,887 to continue its Homeless Management Information System to track and measure program outcomes as well as \$44,365 for coordinated assessment and planning grants that is intended to be used for the Homeless System Coordinator position.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

This section does not apply. Neither the City nor the Housing Authority owns any public housing as identified by HUD.

However, the Housing Authority has owned and operated the Laurel Manor Apartment complex for approximately 40 years. Laurel Manor provides 49 units of housing for low-income seniors. Property management is contracted to an independent property management company.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

This section does not apply. Neither the City nor the Housing Authority owns any public housing as identified by HUD.

Actions taken to provide assistance to troubled PHAs

This section does not apply. Neither the City nor the Housing Authority owns any public housing as identified by HUD.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The following policies were proposed to “remove and ameliorate” the negative effects of public policies, rules and regulations impacting the availability of affordable housing.

Housing Impact Fees (Inclusionary Housing)

As described in CR-15, the City has a Housing Impact Fee Ordinance that requires both residential and non-residential developers to either pay a fee on new development or provide an alternative equivalent. Fees collected go into the Impact Fee Fund to fund development of affordable housing.

Land Banking Program

The City of Napa has identified land banking sites that have the potential to be used for the development of new affordable housing projects. The two sites currently owned by the City and Housing Authority are currently not developable until future flood work is completed. One of the sites is approximately 5.37 acres and will be adjoined with 5.08 acres owned by Napa Valley Community Housing (NVCH), a local nonprofit housing developer. The other site could result in approximately 3.83 acres of affordable housing inventory.

In April 2020, the City transferred surplus property from excess right-of-way, through a Disposition, Development and Loan Agreement, to Satellite Affordable Housing Associates for development of the property as a 51-unit affordable rental project. The project was completed in winter 2021 and is fully occupied.

Housing Element, Vacant Sites, Zoning and Planning

The City adopted an updated Housing Element in March 2015 and has begun the process of updating the Housing Element for adoption in 2023. The current Housing Element carries forward and updates many programs from the prior Housing Element and includes added actions. One of the most notable changes was an increase in densities on several Multi Family zoned sites to 20+ units per acre, and an increase in *minimum* densities in most mixed use areas throughout the City from 10 to 20 units/acre.

The City’s condo conversion ordinance, originally adopted in 2003 and amended in 2005 and 2007, prevents the conversion of rental properties into for-sale condos if Napa’s vacancy rate is not greater than 5%. In March 2017, the City repealed its second unit ordinance and adopted a new accessory dwelling ordinance to comply with the changes to State law. This ordinance was later amended in April 2019 and in December 2019. In addition, in August 2018, the City amended its Affordable Housing Impact Fee Ordinance to include units that are 500 square feet or less within the definition of "affordable units" so that such units are not subject to the payment of affordable housing impact fees.

The City’s Zoning Ordinance has zoned all multi-family sites to a Multi Family District that does not require Use Permits; provides an Affordable Housing Overlay Zone on several sites throughout the city where higher densities

and greater affordability is required; includes height bonus provisions for Downtown residential mixed use projects; has Single Room Occupancy (SRO) standards that make it easier than in the past to construct SRO projects; provides for accessory second units throughout the City consistent with State law; requires a Use Permit to convert rental housing to condominiums or non-residential uses; and provides flexibility in residential parking standards. The City has also amended its requirements to allow multifamily projects of ten units or less to be approved at staff level and projects between 11 and 30 units to be approved by the Planning Commission instead of City Council.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

During the 2021-22 program year, the City's Housing Division continued to administer the First Time Homebuyer Down Payment Assistance Program, using grants from the State of California HOME program and CalHome Program. The Housing Division assisted five low- and moderate-income households purchase their first homes with deferred loans totaling \$658,700.

In December 2017 the City launched its Junior Unit Initiative Accessory Dwelling Unit (JADU) Program. The program, which was later updated to include conversion accessory dwelling units (ADUs), allows homeowners to create a JADU or a conversion ADU with technical assistance and a 0%, forgivable loan, and, for conversion ADUs, an additional 0% deferred loan, in exchange for renting either the primary or ADU as an affordable rental unit. The program has been well received by the community, and the City completed two additional projects in the 2021-22 program year. The City is currently assisting an additional seven clients with creating ADUs/JADUs. The program was originally funded by a general fund commitment from the City, which was suspended in the Fiscal Year 2020-21 due to economic impacts from the Coronavirus pandemic. The City is continuing the program with funding from the State's Permanent Local Housing Allocation program.

The City continued its work with local nonprofits and other agencies to facilitate activities and projects benefiting special-need populations, including the homeless, seniors and the disabled. Listed below is a description of some of the actions taken during this period:

- In the area of homelessness, the City continued to participate with the Housing Authority in the Continuum of Care and supported the community efforts to end chronic homelessness. In the 2021-22 program year, the City contributed both CDBG funds and City General Funds to Abode Services, through an Memorandum of Understanding with Napa County, for the operation of the homeless shelter system.
- The City works with various County agencies and community organizations to coordinate the provision of housing assistance and supportive services to assist in reducing the number of households below the poverty line through self-sufficiency programs, job training programs, and counseling programs.
- Of the fifteen owner-occupied homes rehabilitated through the CDBG-funded Rehabilitation Loan and Grant Program, ten homeowners are extremely low-income, four are low-income, and one is moderate-income. In addition, (quantity) are elderly homeowners and (quantity) are disabled.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Under the rehabilitation loan programs, all homes built before 1978 are tested for lead-based paint hazards. During the 2021-22 program year, there were no pre-1978 housing units rehabilitated which had paint disturbed.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The Housing Authority continues to support the Family Self-Sufficiency (FSS) Program, having repeatedly received grants from HUD for a FSS coordinator position.

During the 2021-22 program year the FSS Program assisted 35 active participants, many of whom are attending school or are already employed. At June 30, 2022, \$289,715 was held in escrow for 22 families. During the reporting period, there were seven graduating participants, and \$88,864 in escrow funds were distributed. Ten participants are expected to graduate in the next fiscal year. FSS participants are assessed individually and, with their program specialist, jointly create service plans to meet their self-sufficiency goals. Program specialists and participants keep in regular contact to motivate progress toward those goals and to connect participants with existing community services and education that will help them meet their educational, financial, health and employment needs. Many of these partner service agencies are members of the Program Coordinating Committee, which helps coordinate and facilitate access for FSS participants to these services.

Workforce Napa, the local one-stop, provides employment services for FSS participants. The one-stop helps job and job advancement seekers identify career interests and skills, create resumes and improve job interview skills, get technical training for higher paying jobs, enter an apprenticeship program, internship or on the job training, improve English language skills, and develop a career plan. FSS partners with other existing service agencies to offer participants additional workshops on topics ranging from credit repair to home ownership to affordable nutrition.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

In the 2021-22 program year, the City participated with the Housing Authority and Napa County to eliminate gaps in institutional structures and to enhance coordination, especially in the areas of housing.

The City's Economic Development Division works in several areas to improve economic opportunity.

The City continues to participate with the Housing Authority in the Continuum of Care and supports the community's efforts to end chronic homelessness. The City provided \$650,000 in funds, in addition to its CDBG funding commitment, to the homeless shelter system.

As discussed in CR-25, the City and County have continued redesigning the community's homeless system. The efforts continue to bring government and social services together to provide one coordinated system that aligns the system with national best practices and moves towards a housing-focused homeless system.

The City's Housing Division historically has robust relationships with service providers, non-profits, affordable housing developers, and philanthropic organizations. During the Coronavirus pandemic, the City strengthened those relationships, particularly with non-profit service organizations. The City will continue to build and maintain relationships which will afford opportunities to collaborate and build better systems.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City has worked with partners from public and private sectors in addressing the challenges of stabilizing the

homeowner base within the community, improving the existing housing stock and improving the overall quality of life in neighborhoods in the City of Napa.

New Construction

The City has worked with the County and various non-profit organizations and affordable housing developers to construct new affordable housing. The City has provided funding from other sources and provided technical support for planning entitlements for the Heritage House/Valle Verde affordable housing project, which will include 24 affordable new rental units in addition to 65 affordable rental units created in a building which previously housed an assisted living facility as well as for Valley Lodge affordable housing project, which will include 54 affordable new rental units for coordinated entry clients and transitional age youth. These projects, once completed, will provide a total of 143 new units for rental.

Housing Rehabilitation

The Housing Rehabilitation program assisted fifteen low- and moderate-income families to create healthy living environments.

Low Mod Job Activities

The City of Napa did not use any CDBG entitlement funds for low-mod job or economic development activities, but did utilize CARES funds for such. The City continued a microenterprise program offering grants of up to \$5,000 to qualified businesses that were financially impacted by the Coronavirus pandemic. During the 2021-22 program year, the microenterprise program served fifteen businesses. The City's Economic Development Division provides additional outreach to the business community and acts as a liaison to business owners, retail and tourism marketing, private developers, and the Planning Division.

Homeless Shelters

The City assisted the homeless through the provision of CDBG and General Fund resources, through an Memorandum of Understanding with Napa County, to Abode Services for the homeless shelter system. The City also provides CDBG support for a bilingual counselor in the domestic violence shelter.

In the 2018-19 program year, various partners worked in close coordination for Catholic Charities to convert a portion of their Rainbow House to the community's family homeless shelter. Subsequently, in the 2019-20 program year, the same team worked to convert the remaining portions of Rainbow House to permanent supportive housing.

As previously discussed, the City and County have redesigned the community's homeless system which will enhance coordination between public and private providers.

Project Nightingale

As discussed in CR-25, Catholic Charities operates a medical respite care facility. The facility provides ten beds for homeless who are recently released from the hospital but are too frail to recover on the street.

Performance Measurements and Outcomes

The City requires each sub recipient to identify quantifiable performance outcome measures for its projects. This helps determine the success of projects in creating change within the community over time. Detailed data is provided in individual project discussions regarding specific performance outcome measures as required by HUD. Included in this program year's reporting and monitoring, the City will be analyzing clients served and working with subrecipients

to assure equity in program design.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

As discussed in CR-20, the City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in early 2020. The AI identifies housing affordability, special needs housing, land use, zoning, lack of knowledge of fair housing rights, and cultural and language barriers as impediments to fair housing choice. The City will continue to evaluate impediments and the tools to overcome such impediments throughout the update of the Housing Element.

As discussed in CR-15 the City utilizes the Affordable Housing Impact Fee Fund and 1% TOT for Affordable and Workforce Housing Fund to assist in providing affordable housing for the community. Additionally, HOME and CalHome grants are utilized to provide first time homebuyer assistance to low- and moderate-income families.

In addition to assisting in procuring affordable housing, the City has made progress to alleviate policy restrictions and encourage the development of affordable housing. This is discussed in further detail in CR-35.

In the 2019-20 program year, the City committed \$2.2 million in Affordable Housing Impact fees for the Heritage House/Valle Verde affordable housing project. This project will include 33 permanent supportive housing units for chronically homeless and will include on-site supportive services to help these households remain successfully housed. In addition, in the 2021-22 program year, the City committed \$3 million in Affordable Housing Impact Fees for Valley Lodge and \$2 million in Affordable Housing Impact fees for Monarch Landing. These projects combined will create 124 number of new rental units.

The City and Housing Authority historically provides funding to Fair Housing Napa Valley to assist with fair housing issues.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Napa ensures compliance with programming and planning requirements in a number of ways, including performance monitoring, financial monitoring, Davis-Bacon compliance, Environmental Review compliance, and Section 504 compliance.

The City of Napa has standard procedures in place to monitor subrecipients. All sub recipients are required to maintain documentation on clients benefitting from activities funded through the CDBG program. Sub recipients remit Quarterly Performance reports to the City in which they certify that low- and moderate-income persons are being served. The Quarterly Performance Reports provide the number of persons served by income level and race and ethnicity. The City also requires that the subrecipients in public service set quantifiable goals for their unique services. These goals are also reported in the Quarterly Performance Report, and staff works with subrecipients when the goals are not achieved. The reporting of the levels of achievement also assists the CDBG Citizen's Advisory Committee in making future funding decisions.

In addition to self-reporting of programs funded by CDBG, City staff performs annual monitoring of subrecipients. Staff verifies that applicable laws and regulations are being followed as well as monitoring for performance, internal controls, and compliance with eligibility, environmental and wage requirements. Problems or weaknesses are noted and City staff works with subrecipients to resolve the issues in a timely manner.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

There was a public comment period from August 23, 2022 through September 6, 2022 which allowed individuals to review and comment on the draft CAPER. A copy of the CAPER was placed on the City's website and was available at the City's Housing Division office. The CDBG Citizens' Advisory Committee reviewed the CAPER on August 22, 2022 in a noticed public meeting.

The City Council held a noticed public meeting on September 6, 2022 to allow for public comments and approve the CAPER report for submission to HUD.

An ad was published in the *Napa Valley Register* announcing the availability of the CAPER for public review and comment on August 22, 2022. Announcements were also placed on the City of Napa's website.

In addition, notices in Spanish were placed at the local Spanish markets (La Tapatia, Azteca Market, and La Morenita), laundromats (24-Hour Laundry, Mi Familia Lavanderia on First Street, Mi Familia Lavanderia on Avon Street, Limpo Coin Laundry, and Family Wash and Dry), and at Puertas Abiertas Community Resource Center.

At the public meeting on September 6, 2022, City Council received (to be completed) public comments.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There were no changes in the program objectives for the 2021-22 program year. The City intends to strategically fund future projects based on community needs and ability to leverage resources.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Not applicable

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided: Not applicable.

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 8 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.					
Assisted residents to apply for, or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.					

Table 9 – Qualitative Efforts - Number of Activities by Program

Narrative

The City did not have any Section 3 projects in the 2021-22 program year.