



# City of Napa Consolidated Annual Performance Evaluation Report (CAPER) 2019-2020

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CR-05 - Goals and Outcomes .....	2
CR-10 - Racial and Ethnic composition of families assisted .....	7
CR-15 - Resources and Investments 91.520(a) .....	8
CR-20 - Affordable Housing 91.520(b) .....	11
CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c) .....	15
CR-30 - Public Housing 91.220(h); 91.320(j) .....	18
CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j).....	19
CR-40 - Monitoring 91.220 and 91.230.....	25
CR-45 - CDBG 91.520(c) .....	27

## **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 in meeting the goals contained in the Consolidated Plan and assesses the City's progress in carrying out priorities of assistance identified in Annual Action Plan ("Annual Plan").

As a Community Development Block Grant ("CDBG") entitlement community, the City of Napa is required to submit an annual CAPER. The City, while not a direct recipient of HOME funds, had an active HOME grant through the State of California. During this reporting period, the HOME grant provided mortgage assistance to four first time homebuyers. The City additionally had State of California CalHome grant program income. In the 2019-20 program year, the City assisted two homeowners with a loan for mortgage assistance with CalHome funds. The City did not receive HOPWA or ESG funding.

In 2019-20, the City was allocated \$589,203 in CDBG entitlement funds and received \$77,938 in program income from CDBG revolving loan funds.

During the 2019-20 program year, the City allocated \$338,557 in entitlement funds, plus \$77,938 in revolving loan repayments, to Community Development activities. The City initially provided funding for a sidewalk infill project in an eligible block group, but the City's Public Works Department later forfeited the award due to challenges with the project. The Community Development funding allocated within the year was fully allocated to the Housing Rehabilitation Program.

A number of prior year projects were carried into the 2019-20 program year. ADA updates at the Senior Center were underway in the spring of 2019 and were completed by June 30, 2020. However, the Department requested additional funding in the 2020-21 program year for unforeseen ADA items. The funding provided in the program year 2018-19 for ADA and HVAC updates at Catholic Charities' Rainbow House facility is still ongoing. The project has been delayed due to permitting, staff turnover and the Coronavirus pandemic. The project is now underway and is expected to be completed by Spring 2021.

Two prior year projects were completed in the 2019-20 program year. A project for insulation replacement at an affordable rental complex was completed which provided housing rehabilitation for 51 renter occupied households. In addition, the Stoddard West project, which developed 50 new units of rental housing, comprised of 49 affordable units and one unrestricted manager's unit, was completed and occupied in fall 2019.

Additional Community Development activities included residential rehabilitation projects completed through the Housing Rehabilitation Loan Program and Emergency Home Repair Grant Program. This

year, under the loan program, four owner-occupied single family residences were rehabilitated and one additional owner-occupied rehabilitation project began. None of the housing rehabilitation projects in this program year involved permanent displacement. The City continued to operate the grant program that provides grants up to \$5,000 for low- and moderate-income households. In the 2019-20 program year, a total of 12 single family residence grants were completed. Loans and grants totaling \$200,875 assisted a combined total of 16 households.

In the 2019-20 program year, four Public Service activities were funded: the Abode Services South Napa Homeless Shelter, the 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 the 2019-20 program year, CDBG Administration was funded under the Planning and Administration category. These expenditures were within the program regulation limitations.

**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
Construct new affordable rental units	Affordable Housing Homeless	CDBG: \$0	Rental units constructed	Household Housing Unit	0	49	N/A	0	49	N/A
Construct new affordable rental units	Affordable Housing Homeless	CDBG: \$0	Housing for Homeless added	Household Housing Unit	0	1	N/A	0	1	N/A
Emergency shelter services	Homeless Victims of domestic violence	CDBG: \$59,547	Homeless Person Overnight Shelter	Persons Assisted	425	1505	354.12%	305	342	112.13%
Fair housing activities	Non-Housing Community Development	CDBG: \$12,624	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	225	7942	3,529.78%	60	1340	2,233.33%
Housing rehabilitation for families and seniors	Affordable Housing Non-Homeless Special Needs	CDBG: \$0	Rental units rehabilitated	Household Housing Unit	0	51	N/A	0	51	N/A

Housing rehabilitation for families and seniors	Affordable Housing Non-Homeless Special Needs	CDBG: \$416,495	Homeowner Housing Rehabilitated	Household Housing Unit	200	107	53.50%	15	16	106.67%
In-fill sidewalks in low-income neighborhoods	Non-Housing Community Development	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	3750	5570	148.53%	293	0	0.00%
Outreach/referral for Latino/Hispanic residents	Homeless Non-Homeless Special Needs Victims of domestic violence	CDBG: \$24,546	Homeless Person Overnight Shelter	Persons Assisted	875	537	61.37%	75	125	166.67%

**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 2019-20 program year the City was allocated \$589,203 in CDBG entitlement funds. The City anticipated a receipt of \$57,001 in program income from CDBG revolving loan funds and received \$77,938 in program income for the revolving loan fund.

The South Napa Homeless Shelter received priority funding from the CDBG Program. A total of \$52,535 in CDBG funds was expended towards operation of the homeless shelter. The City provided additional funding for the homeless shelter from other funds. The funding provided by other sources is discussed in CR-25.

A total of \$24,546 in CDBG funds was expended for NEWS. Funds were used for bilingual counseling services for survivors of domestic violence.

A total of \$7,012 in CDBG funds was provided to Catholic Charities of the Diocese of Santa Rosa (Catholic Charities) for funding of operations at the Rainbow House homeless family shelter.

A total of \$12,624 in CDBG funds were provided to Fair Housing Napa Valley for fair housing services including landlord-tenant mediation and fair housing education and outreach.

The Annual Plan allocated a combined \$416,495, 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. Four projects funded with loans were completed during the 2019-20 program year, and 12 additional individuals and families received assistance under the grant program. The rehabilitation programs spent a total of \$366,085.

In addition, the City continued to make progress on four projects carried forward from the 2018-19 program year. Progress was made on a project at Catholic Charities' Rainbow House. The project includes ADA improvements for the homeless family shelter component and HVAC updates to the permanent supportive housing units at Rainbow House. The project is expected to be completed in the 2020-21 program year. ADA updates at the Senior Center were completed in the fall of 2019, but the Parks and Recreation Department requested additional funding in the 2020-21 program year for additional unforeseen ADA items. Insulation replacement at an affordable rental complex was completed as was the construction of Stoddard West which provided 50 new affordable rental units.

The City continued to monitor timeliness and met the timeliness test on May 2, 2020.

## 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	1,614
Black or African American	31
Asian	26
American Indian or American Native	21
Native Hawaiian or Other Pacific Islander	231
<b>Total</b>	<b>1,923</b>
Hispanic	900
Not Hispanic	1,023

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 Hispanics. The U.S. Census estimates that a total of 34% of the Napa population was Hispanic as of 2017. The NEWS Bilingual Counselor, Fair Housing, and Catholic Charities served a greater percentage of Hispanics than is represented in the total Napa population.



## 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	668,847	601,019
Other	public - local	9,179,085	3,434,143

Table 3 - Resources Made Available

### Narrative

Many of the activities that 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 2019-20 program year, including housing rehabilitation, fair housing services, and emergency shelter operations, consistent with activities that the City has funded in recent years. Approximately \$136,000 in funding was carried forward from the previous year and expended on rehabilitation of rental units, ADA updates to the Senior Center, and ADA and HVAC updates at Rainbow House, which includes a homeless family shelter and permanent supportive housing units.

The City has an Affordable Housing Impact Fee Fund that developers pay through development fees. The Affordable Housing Impact Fee Fund ended the Fiscal Year 2019-20 with an unaudited fund balance of \$7.17 million, with \$2.2 million being formally reserved for specific housing projects and an additional \$2 million being earmarked for projects. In Fiscal Year 2019-20 the Affordable Housing Impact Fee Fund collected approximately \$896,000 in developer fees.

In Fiscal Year 2018-19 the City implemented a 1% Transient Occupancy Tax collected on visitor overnight stays. The intent of the fund is to develop affordable and workforce housing. As of the end of the Fiscal Year 2019-20, the fund had an unaudited fund balance of approximately \$2.3 million. The revenues received in the Fiscal Year 2019-20 were not as substantial as originally estimated because the Coronavirus pandemic had a significant impact on tourism in Napa.

In May 2016 the City utilized the Affordable Housing Impact Fee Fund to repay the Street Improvement Fund for two surplus parcels that will be developed as affordable housing. The first project, a Habitat for Humanity house was completed and occupied in the prior year. The second project is to be developed as a 51-unit rental housing development for low- and moderate-income families. This project is currently under construction and is expected to be occupied in late 2021 or early 2022.

**Identify the geographic distribution and location of investments**

<b>Target Area</b>	<b>Planned Percentage of Allocation</b>	<b>Actual Percentage of Allocation</b>	<b>Narrative Description</b>

**Table 4 – Identify the geographic distribution and location of investments**

**Narrative**

During the 2019-20 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 2019-20 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 \$611,054 and \$100,000 respectively. The Housing Authority also contributed \$25,000 to Fair Housing Napa Valley for fair housing services. In addition to City resources, the County 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 City also continued to utilize the HOME and CalHome grants to provide deferred homebuyer assistance loans to low- and moderate-income homebuyers and leveraged the loans with private mortgage loans and homebuyer down payments.

During the program year 2019-20, the City provided CDBG funding to Rainbow House for ADA updates to its family homeless shelter and HVAC installation in its permanent supportive housing units. The project leveraged funds from the County for additional facility updates.

The ADA updates to the Senior Center leveraged approximately \$1.9 million in local general funds and park development fees as well as approximately \$395,000 in State grant funds.

The Mayacamas project, which provided rehabilitation to a multifamily rental property, leveraged capital funds from the affordable housing operator.

The Stoddard West project, which was occupied in fall 2019, leveraged approximately \$23 million in local contributions, low-income housing tax credits, loans from the City and County Housing Trust Funds and conventional mortgage.

## 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	15	16
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>15</b>	<b>16</b>

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	49
Number of households supported through Rehab of Existing Units	15	67
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>15</b>	<b>116</b>

Table 6 – Number of Households Supported

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

Two projects funded in prior years were delayed and completed in the 2019-20 program year. The accomplishments are being reported in this CAPER which provides for large discrepancies between the one year goal and the actual outcomes.

The City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in January 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.

## Housing Affordability

Napa has historically been one of the least affordable housing markets in the state and country. Home prices continue to increase with the median sales price reported by Zillow increasing from \$660,000 in June 2019 to \$689,000 in June 2020. This continues to be unaffordable to a low-income household.

Napa has historically had a low vacancy rate, an indicator of the strong demand and need for affordable rental housing. According to a vacancy rate survey conducted by the City's Planning Division in August 2020, vacancy rates have continued to remain extremely low (2.3% in 2019 versus 1.4% in 2020).

Average rents are higher than lower-income households can afford. Lower-income households are very likely to pay more than 30% of gross income for housing. Managers of affordable rental complexes report 0% vacancy rates and long waiting lists.

In addition to historical affordability and vacancy challenges, the October 2017 wildfires in the Napa area exacerbated an already challenging housing market. The combined County of Napa lost approximately 1% of its housing stock to the wildfires. The lost housing has placed a higher burden on the already low vacancy rate and has pushed average rents higher. The strain has displaced lower-income tenants due to economic market factors.

In addition to inventory challenges presented by the fires in 2017, the Napa area experienced additional wildfires in August and September 2020, which caused additional housing inventory loss. The City of Napa has the largest housing inventory of all cities in the county, and displaced residents often seek housing in Napa. This was compounded by the Coronavirus pandemic and the strain of stay-at-home orders and unemployment.

## Special Needs Housing

The cost and quality of renting can be a difficult burden for disabled and elderly residents 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

Land use and zoning can limit development of affordable housing as well as its distribution throughout the community. Height limits can reduce the economic feasibility of affordable housing projects. Barriers could exist that preclude group homes in certain neighborhoods. The City has made progress in alleviating policy restrictions, as discussed in CR-35, and will continue to evaluate land use policy to alleviate the burden on affordable housing.

## Cultural and Language Barriers

Latinos are the predominant minority group in the City, comprising 34%. Recent census estimates show that 6% of all households are linguistically isolated (having no person over the age of 14 within a household that speaks English very well), while 36% of all residents spoke a language other than English at home. Of those speaking another language at home, the majority speak Spanish.

### **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 has 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 also anticipating receipt of CDBG Disaster Recovery (CDBG-DR) funding through the State of California in Fiscal Year 2020-21. This funding will be utilized for the development of affordable multifamily housing. Additionally, the City has secured \$2,130,000 in State CalHome Disaster Assistance funding which will be 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.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	924	0
Low-income	354	0
Moderate-income	289	0
<b>Total</b>	<b>1,567</b>	<b>0</b>

**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 7, Fair Housing Napa Valley and Mayacamas Village served a combined 190 clients of above moderate income and subrecipients were unable to collect income data

for an additional 166 clients. These 356 clients were reported as non-low/moderate income in IDIS accomplishments.

## **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 Veterans Home of Yountville continues to provide two beds on an expedited entry for homeless veterans. In exchange, Health and Human Services and the Veterans Home will provide case management to the veterans and assist them with finding permanent housing.

During the 2019-20 program year, the City used \$52,535 in CDBG funds toward operation of the South Napa Homeless Shelter, \$24,546 for the NEWS domestic violence shelter, and \$7,012 to Catholic Charities for the Rainbow House homeless family shelter. This funding supported a total of 274 individuals who received emergency shelter at the homeless shelter, 125 domestic violence survivors and their children who received shelter and bilingual counseling, and 68 people who received housing and services at Rainbow House. The City also provided \$611,054 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; 27 Veterans Administrative Support Housing (VASH) vouchers, 17 which are project based and 10 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.

As the Coronavirus began to impact the Napa community in spring 2020, the County and City quickly reacted by beginning to isolate vulnerable homeless in order 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.

Progress Foundation continues to operate Hartle Court, which is a 24-unit supportive housing project which was constructed through a number of funding sources including the Housing Authority, Napa



County, the State Department of Housing and Community Development, and the California Housing Finance Agency. 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. While the program is operated by Catholic Charities, capital funding for the project was provided by Gasser Foundation and 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 \$775,531 from the 2019 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 a renewal of the 2019 Shelter Plus Care grant, which provided permanent supportive housing in the form of rental assistance and supportive services to chronically homeless disabled individuals and families. The program was awarded \$133,111 and provided rental assistance for at least eight homeless individuals or families.

In addition, the County received CoC funding through the Home to Stay project. This project received \$169,195 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 redesigned homeless system continues to align all services with national best practices and move towards a housing-focused homeless system. City and County staff selected a new shelter and housing systems operator, Abode Services, which took over the operations of the system on July 1, 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 three 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 \$267,816 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 an additional grant for \$128,926 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 \$19,054 for coordinated assessment 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 of the City of Napa has owned and operated the Laurel Manor Apartment complex for over 35 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 continue 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. The sites comprise of a total of approximately 10.47 acres that will be adjoined with 5.08 acres owned by Napa Valley Community Housing (NVCH), a local nonprofit housing developer. It is planned that the three properties will result in approximately 14.28 acres of affordable housing inventory.

In spring 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 is currently under construction and is expected to be occupied in the 2021-22 program year.

### Housing Element, Vacant Sites, Zoning and Planning

The City adopted an updated Housing Element in March 2015. The 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.

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.

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

During the 2019-20 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 six low- and moderate-income households purchase their first homes with deferred loans totaling \$531,000.

In December 2017 the City launched it's pilot Junior Unit Initiative Accessory Dwelling Unit (JADU) Program. The program, which was later updated to include conversion ADUs, allows homeowners to create a Junior Accessory Dwelling Unit (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 one of the units as affordable. The program was updated in mid-2018 to allow for conversion of existing accessory structures to accessory dwelling units (ADU). The program has been well received by the community, and the City substantially completed one additional project in the 2020-21 program year. The City is currently assisting an additional twelve clients with creating ADUs/JADUs. The current funding source for the program is a general fund commitment from the City, which has been suspended as of Fiscal Year 2020-21 due to economic impacts from the Coronavirus pandemic. The City is intending to continue the program with recently secured Permanent Local Housing Allocation funds from the State of California.

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 2019-20 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 sixteen owner-occupied homes rehabilitated through the CDBG-funded Rehabilitation Loan

Program, eleven homeowners are extremely low-income and five are low-income. In addition, fourteen are elderly homeowners and five 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 2019-20 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 2019-20 program year the FSS Program assisted 52 active participants, many of whom are attending school or are already employed. At June 30, 2020, \$201,375 was held in escrow for 31 families. During the reporting period, there were six graduating participants, and \$105,433 in escrow funds were distributed. Seven 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 2019-20 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 and migrant 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 County's efforts to end chronic homelessness. The City provided \$611,054 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.

**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 Stoddard West project, which received CDBG, local City, and local County funding, was completed in the 2019-20 program year and provided 49 new affordable rental units. The County provided funding to the Napa Courtyard project which was completed within the 2019-20 program year and provided 19 new rental units. In addition to providing CDBG funding to Stoddard West, the City has provided funding from other sources and provided technical support for planning entitlements for the Stoddard West and Manzanita Apartments, which is currently under construction and will provide 49 affordable rental units, and 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. These projects, once completed, will provide a total of 101 new units for rental.

Housing Rehabilitation

The Housing Rehabilitation program assisted sixteen low- and moderate-income families to create healthy living environments. In addition, CDBG funds were used to make improvements to Maycamas Village which assisted 40 low and moderate-income families during the 2019-20 program year.

Low Mod Job Activities

The City of Napa did not use any CDBG funds for low-mod job or economic development activities. The City's Economic Development Division provides 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, the City, County, Gasser Foundation, Abode Services, and Catholic

Charities 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.

#### Barriers to Fulfilling Strategies

Reduced levels of federal funding for programs have resulted in program cuts and reductions at the local and state levels, negatively impacting City financing and funding sources for community non-profits.

### **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.

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.



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 sub recipients. 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 sub recipients in public service set quantifiable goals for their unique service. These goals are also reported on the Quarterly Performance Report and staff works with sub recipients 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 on-site monitoring of sub recipients. 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 sub recipients 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 November 19, 2020 through December 15, 2020 which allowed individuals to review and comment on the draft CAPER. A copy of the CAPER was placed on the City's website and copies were available at the City's Housing Division office. The CDBG Citizens' Advisory Committee reviewed the CAPER on November 23, 2020 in a noticed public meeting.

The City Council held a noticed public meeting on December 15, 2020 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 November 20, 2020. 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 Lanvanderia on Post Street, Limpo Coin Laundry, and Family Wash and Dry), and at Puertas Abiertas Community Resource Center.

At the public meeting on December 15, 2020, City Council received no 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 2019-20 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.**