



City of Napa Consolidated Annual Performance Evaluation Report (CAPER) 2017-2018

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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 housing and social service 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").

The 2017-18 Annual Plan described actions to take place during the year to meet under-served needs, foster and maintain affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty-level families, develop an institutional structure, enhance fair housing choice within the community and enhance coordination between public and private housing and social service agencies.

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 eight first time homebuyers. The City additionally had an active State of California CalHome grant. In the 2017-18 program year, the City assisted two homeowners with loans for rehabilitation with CalHome funds. The City did not receive HOPWA or ESG funding.

In 2017-18, the City was allocated \$599,742 in CDBG entitlement funds and received \$109,819 in program income from CDBG revolving loan funds. In addition, the City received program income totaling \$35,480. This program income was derived from the sale of properties that were originally acquired with HUD funds.

During the 2017-18 program year, the City allocated \$411,039 in entitlement funds, plus \$109,819 in revolving loan repayments, to Community Development activities. The City provided additional funding to a prior year project for utility installation for a Habitat for Humanity sweat equity house. The project is substantially complete and it is expected to be occupied in the fall of 2018. Two other projects, ADA updates at the Senior Center and insulation replacement at an affordable rental complex, were funded but have not begun. Challenges with the rising cost of construction have delayed each, but both are expected to begin in late summer 2018.

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, five owner-occupied single family residences were rehabilitated and five additional owner-occupied rehabilitation projects 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 homeowners. In the 2017-18 program year, a total of 30 single family residence grants were completed. The loan and grant programs expended a total of \$499,120.

In the 2017-18 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 2017-18 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
Emergency shelter services	Homeless	CDBG: \$82,912	Homeless Person Overnight Shelter	Persons Assisted	425	859	202.12%	350	573	163.71%
Fair housing activities	Non-Housing Community Development	CDBG: \$17,558	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	225	4884	2,170.67%	45	1929	4,286.67%
Housing rehabilitation for families and seniors	Affordable Housing Non-Homeless Special Needs	CDBG: \$83,130	Rental units rehabilitated	Household Housing Unit	0	0	0.00%	51	0	0.00%
Housing rehabilitation for families and seniors	Affordable Housing Non-Homeless Special Needs	CDBG: \$308,587	Homeowner Housing Rehabilitated	Household Housing Unit	200	76	38.00%	25	35	140.00%

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%	0	0	0.00%
Outreach/referral for Latino/Hispanic residents	Homeless Non-Homeless Special Needs Victims of domestic violence	CDBG: \$34,140	Homeless Person Overnight Shelter	Persons Assisted	875	282	32.23%	75	104	138.67%

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 2017-18 program year the City was allocated \$599,742 in CDBG entitlement funds. The City anticipated a receipt of \$68,096 in program income from CDBG revolving loan funds and received \$109,819 in program income for the revolving loan fund. In addition, the City received \$35,480 in program income from the sale of properties originally acquired with HUD funds.

The South Napa Homeless Shelter received priority funding from the CDBG Program. A total of \$73,158 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 \$34,140 in CDBG funds was expended for NEWS. Funds were used for bilingual counseling services for victims of domestic violence.

A total of \$9,754 in CDBG funds was provided to Catholic Charities of the Diocese of Santa Rosa (Catholic Charities) for funding of a bilingual counselor at the Rainbow House transitional housing facility.

A total of \$17,556 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 \$308,587, 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 loans were completed during the 2017-18 program year and 30 individuals and families received assistance under the grant program. The rehabilitation programs spent a total of \$499,120.

In addition, the City funded a number of Community Development projects. The City provided additional funding to a prior year project for utility installation for a Habitat for Humanity sweat equity house. The project is substantially complete and it is expected to be occupied in the fall of 2018. Two other projects, ADA updates at the Senior Center and insulation replacement at an affordable rental complex, were funded but have not begun. Challenges with the rising cost of construction have delayed each, but both are expected to begin in late summer 2018.

The City failed to meet the timeliness test on May 2, 2017, but through an aggressive workplan the City was able to meet the timeliness test on May 2, 2018.

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	2,370
Black or African American	121
Asian	44
American Indian or American Native	93
Native Hawaiian or Other Pacific Islander	13
Total	2,641
Hispanic	1,176
Not Hispanic	1,465

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 2016. The NEWS Bilingual Counselor, South Napa Homeless Shelter, 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	CDBG	789,036	2,914,059
HOME	HOME		
HOPWA	HOPWA		
ESG	ESG		
Other	Other	5,000,000	1,458,962

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 2017-18 program year, including housing rehabilitation, fair housing services, and emergency shelter operations, consistent with activities that the City has funded in recent years. Approximately \$2.1 million in funding was carried forward from the previous year and expended on first time homebuyer and new affordable rental units projects.

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 2017-18 with an unaudited fund balance of \$7.43 million with \$1.3 million being formally reserved for specific housing projects and an additional \$3 million being earmarked for projects. In Fiscal Year 2017-18 the Affordable Housing Impact Fee Fund collected approximately \$3.7 million in developer fees. In June 2016 the City Council increased the affordable housing impact fees. The increased developer fees, combined with a higher level of development, resulted in revenues that were significantly greater than the prior fiscal year's.

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 City then entered into a Disposition and Development Agreement with a developer for one parcel to be developed as a 50-unit rental housing development for low- and moderate-income families. This project is currently in the entitlement phase. In May 2016, the City also entered into a Purchase and Sale Agreement with Habitat for Humanity for the second parcel to be developed as a single family home to be sold to a low- or moderate-income family. The Habitat for Humanity project has been substantially completed and is expecting occupancy of the home in October 2018.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

Table 4 – Identify the geographic distribution and location of investments

Narrative

During the 2017-18 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, and leveraged City General Fund and County revenues for these services during the 2017-18 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 \$555,931 and \$77,354 respectively. The Housing Authority also contributed \$45,000 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.

In the 2017-18 program year, CalHome funds were utilized to assist two residents with rehabilitation, thereby increasing the total number of low- and moderate-income homeowners receiving housing rehabilitation assistance.

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 2017-18, the City provided CDBG funding to two affordable housing projects. The first project, the utility installation for a Habitat for Humanity sweat equity home, was leveraged with sponsor donations, local contributions, sweat equity and a loan from the County. The second project, a 50-unit affordable rental project, leveraged approximately \$19 million in mortgage loans, City and County loans, local philanthropic loans, and tax credits.

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	54	35
Number of Special-Needs households to be provided affordable housing units	22	0
Total	76	35

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	76	35
Number of households supported through Acquisition of Existing Units	0	0
Total	76	35

Table 6 – Number of Households Supported

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

A project which will rehabilitate 51 units has been delayed and is expected to begin in late summer 2018. This will delay reporting of the accomplishment to a future program year. In addition to a delayed project, the City has frequent barriers to assisting affordable units as discussed below.

The City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in 2015. 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 increasing from \$622,500 in June 2017 to \$648,900 in June 2018. 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 2018, vacancy rates have continued to remain extremely low (2% in 2017 versus 1% in 2018). Monthly rents in Napa also rose approximately 10% in the past year to \$2,793 per month.

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. The Housing Authority reports a closed Section 8 rental assistance waiting list with a seven year wait for a voucher.

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.

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 8% of all households are linguistically isolated (having no person over the age of 14 within a household that speaks English very well), while 32% 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 2018-19 the City has committed \$350,000 in general funds to be contributed to affordable housing. This is in addition to the Affordable Housing Impact Fee funding which is utilized for procurement of affordable 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	1,188	0
Low-income	562	0
Moderate-income	366	0
Total	2,116	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 7, Fair Housing Napa Valley served 226 clients of above moderate income and Fair Housing Napa Valley and NEWS were unable to collect income data for an additional 299 clients. These 525 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 2017-18 program year, the City used \$73,158 in CDBG funds toward operation of the South Napa Homeless Shelter, \$34,140 for the NEWS domestic violence shelter, and \$9,754 to Catholic Charities for the Rainbow House transitional housing facility. This funding supported a total of 526 individuals who received emergency shelter at the homeless shelter, 104 battered persons and their children who received shelter and bilingual counseling, and 47 people who received housing and services at Rainbow House. The City also provided \$555,931 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 15 Housing Choice Vouchers and 5 Project Based Vouchers which require referrals from a partnering homeless service agency. The Authority was able to secure 17 Veterans Administrative Support Housing Project Based vouchers during the past year. The Housing Authority continues to administer 30 vouchers from HUD under the Mainstream Program and 100 vouchers for Rental Assistance for Non-Elderly Persons with Disabilities.

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.

In April 2017, Catholic Charities opened 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 \$745,886 from the 2017 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.

The Housing Authority received a renewal of the 2017 Shelter Plus Care grant under the CoC Competition, which provided permanent supportive housing in the form of rental assistance and supportive services to homeless or potentially homeless individuals and families. The program was awarded \$127,225 and provided rental assistance for at least eight homeless individuals or families.

In addition, the City Police Department received CoC funding through the Home to Stay project administered by the County. This project received \$163,669 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 now 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

The City and County recently redesigned the community's homeless system and are in the process of transitioning all services to align 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, who 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 has 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 program year to implement low barrier shelters and a robust diversion system. Changes are intended to 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 that have worked to house homeless clients. In addition to the housing first model, services have transitioned to a coordinated entry system 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 their 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 \$254,438 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 \$124,714 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. Lastly, the County received \$20,839 in planning funds.

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; the rest of Laurel Manor's operations are managed by the Housing Authority.

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 commercial developers to either pay a fee on new development or provide an alternative equivalent, such as providing units on site. 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 City currently owns 5.10 acres of property on Shoreline Drive. Once the property can be developed, it is estimated that 75% of the site will be available for development of affordable housing.

In addition, the Housing Authority currently owns a 5.37 acre parcel located on Lincoln Avenue. This parcel adjoins another 5.08 acre parcel that is owned by Napa Valley Community Housing (NVCH), a local nonprofit housing developer. The Housing Authority has entered into a Development Agreement with NVCH that will enable them to join the two parcels and develop an affordable housing project. Once the project can be developed, it is planned that the housing project has a potential of adding 264 to 313 units to the affordable housing inventory.

The City also owns a property located on the corner of Soscol and Old Soscol Avenues which was previously excess right-of-way. The City has an executed Disposition, Development and Loan Agreement with Satellite Affordable Housing Associates to develop the property as a 50-unit affordable rental project. The project is fully entitled, but the developer is working to secure the additional funding required to begin construction.

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 that occurred just prior to adoption of the 2009 Housing Element 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 that became effective on January 1, 2017. In addition, in August 2018, to further facilitate the development of accessory dwelling units, 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 2017-18 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 eight low- and moderate-income households purchase their first homes with deferred loans totaling \$996,000.

In December 2017 the City launched it's pilot Junior Accessory Dwelling Unit (JADU) program. The program allows homeowners to create a JADU with technical assistance and a 0%, forgivable loan in exchange for renting 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 is currently assisting the first five clients with creating ADUs/JADUs. The current funding source for the program is a general fund commitment from the City so it is unknown how long the program can be sustained.

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 2017-18 program year the City contributed both CDBG funds and City General Funds to Abode Services 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 five homes rehabilitated through the CDBG Rehabilitation Loan Program, one homeowner is extremely low-income, one is low-income and three are moderate-income. In addition, two are elderly homeowners.

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 2017-18 program year, there was one pre-1978 housing unit rehabilitated which had paint disturbed and was abated for lead based paint.

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 2017-18 program year the FSS Program assisted 63 active participants, many of whom are attending school or are already employed. At June 30, 2018, \$172,335 was held in escrow for 32 families. During the reporting period, there were nine graduating participants and \$79,449 in escrow funds were distributed. Three 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 2017-18 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 \$555,931 in funds in addition to its CDBG funding commitment to the homeless shelter system.

As discussed in CR-25, the City and County have begun redesigning the community's homeless system. The efforts will 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 nonprofits, other governmental agencies, businesses and the general public 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. In addition to providing CDBG funding, the City has provided funding from other sources and provided technical support for planning entitlements for the Stoddard West, Habitat for Humanity, and Manzanita Apartments projects. These projects, once completed, will provide a total of 101 new units for rental and one unit for ownership.

Housing Rehabilitation

The Housing Rehabilitation and Lead-Based Paint Remediation program helps households create healthy living environments for families that are low- and moderate-income households. Thirty-five single-family residences were rehabilitated in the 2017-18 program year.

Low Mod Job Activities

The City of Napa did not use any CDBG funds for low-mod job activities or any other 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 planning.

Homeless Shelters

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

The City, County, Gasser Foundation, and Catholic Charities are working in close coordination for Catholic Charities to convert a portion of their Rainbow House to the community's family homeless shelter.

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, in partnership with the Gasser Foundation, opened a medical respite care facility. The facility provides 10 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

The elimination of Redevelopment and 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 2015. 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 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.

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 August 27, 2018 through September 14, 2018 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 Napa City County Library and the Housing Division office of the City of Napa. The CDBG Advisory Committee reviewed the CAPER on August 27, 2018 in a noticed public meeting. The City Council held a noticed public hearing on September 18, 2018 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 24, 2018. Copies of the ads were sent to the Napa City County Library for posting. 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, 24 Hour Laundry on Old Sonoma Boulevard, Azteca Market, and La Morenita), and at Puertas Abiertas Community Resource Center.

At the public hearing on September 18, 2018, 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 2017-18 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.