



City of Napa Consolidated Annual Performance Evaluation Report (CAPER) 2018-2019 **DRAFT**

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EXHIBIT A

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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 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 two first time homebuyers. The City additionally had State of California CalHome grant program income. In the 2018-19 program year, the City assisted one homeowner with a loan for mortgage assistance and two homeowners with loans for rehabilitation with CalHome funds. The City did not receive HOPWA or ESG funding.

In 2018-19, the City was allocated \$617,176 in CDBG entitlement funds and received \$159,334 in program income from CDBG revolving loan funds.

During the 2018-19 program year, the City allocated \$500,730 in entitlement funds, plus \$159,334 in revolving loan repayments, to Community Development activities. The City provided funding for ADA and HVAC updates at Catholic Charities' Rainbow House facility. The project has been delayed due to required use permits and State Historic Preservation Office approvals.

A number of prior year projects were carried into the 2018-19 program year. The utility installation for a Habitat for Humanity sweat equity house was completed in the fall of 2018, and the home was occupied in December 2018. ADA updates at the Senior Center were underway in the spring of 2019 and were substantially completed by June 30, 2019. The Senior Center project is expected to be completed in August 2019. Insulation replacement at an affordable rental complex also began in the spring of 2019 and was substantially complete by June 30, 2019. The project is expected to be fully completed by 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, 12 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 homeowners. In the 2018-19 program year, a total of seven single family residence grants were completed. Four of the grants provided were

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to clients who received a loan within the same year. The loan and grant programs expended a total of \$333,221.

In the 2018-19 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 2018-19 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.

(continued on next page)

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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: \$70,447	Homeless Person Overnight Shelter	Persons Assisted	425	1163	273.65%	305	304	99.67%
Fair housing activities	Non-Housing Community Development	CDBG: \$14,920	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	225	6602	2,934.22%	60	1718	2,863.33%
Housing rehabilitation for families and seniors	Affordable Housing Non-Homeless Special Needs	CDBG: \$333,221	Homeowner Housing Rehabilitated	Household Housing Unit	200	91	45.50%	25	15	60.00%
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: \$29,010	Homeless Person Overnight Shelter	Persons Assisted	875	412	47.09%	75	130	173.33%

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

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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 2018-19 program year the City was allocated \$617,176 in CDBG entitlement funds. The City anticipated a receipt of \$65,518 in program income from CDBG revolving loan funds and received \$159,334 in program income for the revolving loan fund.

The South Napa Homeless Shelter received priority funding from the CDBG Program. A total of \$62,159 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 \$29,010 in CDBG funds was expended for NEWS. Funds were used for bilingual counseling services for victims of domestic violence.

A total of \$8,288 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 \$14,920 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 \$561,064, 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. Twelve loans were completed during the 2018-19 program year, and three additional individuals and families received assistance under the grant program. The rehabilitation programs spent a total of \$333,221.

In addition, the City funded two new Community Development projects and continued to make progress on three projects carried forward from the 2017-18 program year. The City provided new funding for ADA and HVAC updates at Catholic Charities' Rainbow House facility. The project has been delayed due to required use permits and State Historic Preservation Office approvals. The utility installation for a Habitat for Humanity sweat equity house was completed in the fall of 2018, and the home was occupied in December 2018. ADA updates at the Senior Center were underway in the spring of 2019 and were substantially completed by June 30, 2019. The Senior Center project is expected to be completed in August 2019. Insulation replacement at an affordable rental complex also began in the spring of 2019 and was substantially complete by June 30, 2019. The project is expected to be fully completed by fall

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2019.

The City continued to monitor timeliness and met the timeliness test on May 2, 2019.

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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	1,991
Black or African American	50
Asian	43
American Indian or American Native	61
Native Hawaiian or Other Pacific Islander	22
Total	2,167
Hispanic	1,056
Not Hispanic	1,111

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.

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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	817,174	825,469
Other	public - local	6,000,000	1,335,758

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 2018-19 program year, including housing rehabilitation, fair housing services, and emergency shelter operations, consistent with activities that the City has funded in recent years. Approximately \$200 thousand in funding was carried forward from the previous year and expended on rehabilitation of rental units and ADA updates to the Senior Center.

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 2018-19 with an unaudited fund balance of \$6.85 million with \$3 million being formally reserved for specific housing projects and an additional \$2 million being earmarked for projects. In Fiscal Year 2018-19 the Affordable Housing Impact Fee Fund collected approximately \$850 thousand in developer fees.

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 51-unit rental housing development for low- and moderate-income families. This project is entitled and is securing final funding. It is expected that this project will be under construction during the next program year. 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 was completed during the 2018-19 program year, and the home was occupied by a qualified family in December 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 2018-19 program year the City did not provide CDBG funding to any Target Areas.

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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 2018-19 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 \$75,000 respectively. The Housing Authority also contributed \$50,000 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 2018-19 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 2018-19, the City provided CDBG funding to one affordable housing project for rehabilitation work. The project leveraged capital funds from the affordable housing operator.

In addition to the affordable rental project, the City provided CDBG funding for ADA updates to the Senior Center. The CDBG funds were leveraged with approximately \$1.9 million in local general fund and park development fees as well as approximately \$395 thousand in State grant funds.

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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	25	15
Number of Special-Needs households to be provided affordable housing units	0	0
Total	25	15

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	25	15
Number of households supported through Acquisition of Existing Units	0	0
Total	25	15

Table 6 – Number of Households Supported

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

The City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in 2015 and is currently in the process of updating the AI. 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 \$648,900 in June 2018 to \$660,000 in June 2019. This continues to be unaffordable to a low-income household.

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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 2019, vacancy rates have continued to remain extremely low (1% in 2018 versus 2.3% in 2019). Average monthly rents in Napa reported by Zillow also rose approximately 4% in the past year to \$2,899 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 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 2019-20 the City has committed \$350,000 in general funds to be contributed

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to affordable housing. In addition, in 2018 a voter approved measure authorized a 1% transient occupancy tax (TOT) assessment on lodging revenues for affordable and workforce housing. The 1% TOT fund is expected to earn \$2 million in the Fiscal Year 2019-20. The City is also anticipating receipt of CDBG-DR funding in Fiscal Year 2019-20 which will be utilized for the development of affordable multifamily housing.

This new funding is in addition to the existing 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	949	0
Low-income	415	0
Moderate-income	359	0
Total	1,723	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 283 clients of above moderate income and was unable to collect income data for an additional 161 clients. These 444 clients were reported as non-low/moderate income in IDIS accomplishments.

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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 2018-19 program year, the City used \$62,159 in CDBG funds toward operation of the South Napa Homeless Shelter, \$29,010 for the NEWS domestic violence shelter, and \$8,288 to Catholic Charities for the Rainbow House transitional housing facility. This funding supported a total of 234 individuals who received emergency shelter at the homeless shelter, 130 battered persons and their children who received shelter and bilingual counseling, and 70 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 five 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; 11 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 8-10 persons depending on funding levels, which offers rental assistance in combination with supportive services from other sources, to assist homeless people 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

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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 \$718,075 from the 2018 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 2018 Shelter Plus Care grant, 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 \$124,183 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 \$161,611 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 continuing to align all

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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 two 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 \$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 \$122,902 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.

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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.

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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. 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.

The City has an executed Disposition, Development and Loan Agreement with Satellite Affordable Housing Associates to develop an excess property as a 51-unit affordable rental project. The project is fully entitled and is securing final funding before beginning construction. It is estimated the project will begin construction in the 2019-20 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. 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

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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 2018-19 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 three low- and moderate-income households purchase their first homes with deferred loans totaling \$324,600.

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 completed the first two projects in the 2018-19 program year. The City is currently assisting an additional 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 2018-19 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 fifteen homes rehabilitated through the CDBG Rehabilitation Loan Program, nine homeowners are extremely low-income, three are low-income and three are moderate-income. In addition, eleven are elderly homeowners and seven are disabled.

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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 2018-19 program year, there were no pre-1978 housing unit 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 2018-19 program year the FSS Program assisted 46 active participants, many of whom are attending school or are already employed. At June 30, 2019, \$189,109 was held in escrow for 31 families. During the reporting period, there were five graduating participants, and \$59,478 in escrow funds were distributed. Five 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 2018-19 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.

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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 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 and Manzanita Apartments projects. These projects, once completed, will provide a total of 101 new units for rental. The County provided funding to the Napa Courtyard project which, once completed, will provide 19 rental units.

Housing Rehabilitation

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

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 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, 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.

As previously discussed, the City and County have redesigned the community's homeless system which

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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 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 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 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.

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

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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 26, 2019 through September 17, 2019 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 August 26, 2019 in a noticed public meeting. **During the Committee meeting on August 26, 2019, two committee members expressed concern with the source utilized to report home sales and rental data in Section CR-20 and the impact of unaffordability on vulnerable subpopulations. There is no known independent source that regularly reports home sales and rental data by the geographic area of Napa city. This CAPER relies on industry provided data to report home sales and rental trends. The data reported was reviewed and is consistent with other data presented by**

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sites such as Trulia as well as local realtors. The impact of the housing market on vulnerable subpopulations will be evaluated in the Analysis of Impediments to Fair Housing Choice.

The City Council held a noticed public hearing on September 17, 2019 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 23, 2019. 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 17, 2019, City Council received (to be completed) public comments.

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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 2018-19 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.