



City of Napa Annual Plan (Draft) 2018-2019

Submission to: U.S. Department of Housing and Urban Development
July 2018

Prepared by: City of Napa Community Development Department

EXHIBIT A

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

As a CDBG entitlement jurisdiction, the City of Napa is required to prepare an Annual Action Plan each year that specifies how CDBG funds will be spent to accomplish housing and community development goals during the upcoming program year. The actions called for in the Annual Action Plan must coincide with goals and priorities that are identified in the City's Consolidated Plan. The Housing Division of the City of Napa Community Development Department oversees the implementation of the Consolidated Plan and subsequent Annual Action Plans. This document is the Fourth Year Annual Action Plan ("Annual Plan") for the 2015-2020 Consolidated Plan period, which covers the 2018-2019 program year.

2. Summarize the objectives and outcomes identified in the Plan

Napa has a number of affordable housing, homeless, and non-homeless community development needs, as identified in the Needs Assessment and Market Analysis of the Consolidated Plan as well as through the consultation and citizen participation processes. The City has identified 16 goals in the Consolidated Plan, most of which are not anticipated to receive CDBG funding during the five-year planning period:

1. Housing rehabilitation for families and senior
2. Construct new affordable rental units
3. Acquire and rehabilitate existing units
4. Provide rental assistance
5. Farmworker housing
6. First-time homebuyers
7. Permanent supportive housing
8. Emergency shelter services
9. Outreach/referral for Latino/Hispanic residents
10. Fair housing activities

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11. Services for children aging out of foster care
12. Non-profit capital improvement projects
13. In-fill sidewalks in low-income neighborhoods
14. ADA improvements to City facilities
15. Downtown revitalization
16. Affordable childcare facilities

The Consolidated Plan anticipated using CDBG funds to assist in achieving goals 1, 8, 9, 10, and 13 above, based on the level of need demonstrated by the analysis provided in the Consolidated Plan and the level of resources available to address each need. While goals 2 through 7 all relate to a significant need for additional affordable housing units of various types in Napa, the City's CDBG resources are not sufficient to leverage enough funding to address these needs. Instead, the City of Napa plans to use other funding sources, including the City's Housing Affordable Housing Impact Fee Fund, to address affordable housing needs.

3. Evaluation of past performance

The City of Napa used CDBG funds to support a wide range of activities during the Fiscal Years 2015-2016, 2016-2017 and 2017-2018. As a CDBG entitlement jurisdiction, the City of Napa is required to prepare an annual report known as the Consolidated Annual Performance and Evaluation Report (CAPER), which details the activities that the jurisdiction supported using CDBG funds during the prior fiscal year. Napa has not yet prepared the third-year CAPER. The following are highlights of the major accomplishments during the Fiscal Year 2015-2016 and 2016-2017 as well as the portion of the Fiscal Year 2017-2018:

- Financial support of the Samaritan Family Center operated by Community Action Napa Valley;
- Financial support of the South Napa Homeless Shelter;
- Funding of a bilingual counselor at NEWS domestic violence safe house;
- Funding of a portion of a case manager at Catholic Charities' Rainbow House;
- Funding to support Fair Housing Napa Valley in carrying out fair housing activities;
- Funding for an infill sidewalk project in the St. John's neighborhood and ADA modifications in other eligible census tracts;
- Non-profit capital improvements;
- Funding for utility installation in support of a first-time homebuyer project;
- Funding for land acquisition for a 50-unit affordable rental project;

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- Rehabilitation of low-income owner occupied single family residences and low-income rental units; and
- Administration of an Emergency Home Repair Program in the form of grants for low-income homeowners.

The final accomplishments funded with Fiscal Year 2017-18 CDBG funds will be reported in the Third Program Year CAPER.

4. Summary of Citizen Participation Process and consultation process

The City of Napa has adopted a Citizen Participation Plan that sets forth the procedures and guidelines to be followed by the City in providing for citizen participation in the Consolidated Plan process.

Process

In general, once the CDBG Citizen's Advisory Committee has met and made recommendations and heard input from the community, the City holds two public hearings during the course of its program year. Together, the hearings must address housing and community development needs, development of proposed activities, and review of program performance. In addition, the Consolidated Plan and/or Annual Plan, is published for a 30-day comment period. The City's Consolidated Annual Performance and Evaluation Report (CAPER) is published annually for a 15-day comment period.

All public hearings and meetings take place in the Council Chambers located at City Hall, 955 School Street, Napa, California, unless another location and/or time is publicized in advance.

2018-2019 Year Process

A public ad notifying the public of the availability of CDBG funds was published in the Napa Valley Register on December 1, 2017. Copies of the ads in English and Spanish were sent to the Napa City County Library for posting. In addition, e-mail notification was sent to an interest list that staff maintains which includes but is not limited to the previous year's CDBG subrecipients, and Puertas Abiertas Community Resource Center (in Spanish). The Coalition for Nonprofits published an announcement in its weekly e-newsletter. An announcement was also placed on the City's website.

The CDBG Committee held a public meeting to review grant applications and formulate the Committee's funding recommendations. The public meeting was held on January 22, 2018. The public ad notifying the public of the date, time and location of the CDBG Committee's meeting was published on December 1, 2017. The meeting agenda for the Committee meeting was posted outside City Hall and the Housing Division on the Friday before the scheduled meeting.

The City Council held a public hearing on June 5, 2018 to receive public input and to direct staff to include the recommended Fiscal Year 2018-2019 CDBG funding in the City's budget process.

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Notice of the public hearing and the availability of the Draft Annual Plan for the 30-day public comment period was published in the *Napa Valley Register* on June 16, 2018. Copies of the ads and Annual Plan were sent to the Napa City County Library for posting. The Annual Plan was also posted on the City website which has a language translation feature providing translation of website information from English into ten languages, including Spanish.

The agenda for the City Council meeting was posted outside City Hall on July x, 2018. The City Council held a public hearing to approve the Annual Plan on July 17, 2018. During the hearing, the City Council received (to be completed) comments.

5. Summary of public comments

During the CDBG Committee Meeting on January 22, 2018, there were no public comments. In addition, at the June 5, 2018 City Council meeting, there were no public comments. During the hearing on July 17, 2018 the City Council received (to be completed) public comments.

6. Summary of comments or views not accepted and the reasons for not accepting them

There were no comments that were not accepted. (to be completed)

7. Summary

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PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	NAPA	Housing Division, Community Development Dept

Table 1 – Responsible Agencies

Narrative (optional)

The City of Napa is the lead agency responsible for coordinating the development of the Consolidated Plan and associated Annual Plans. The City's Community Development Department and Housing Authority of the City of Napa (HACN) are the primary agencies within the City responsible for administering programs covered by the Annual Plan. The Community Development Department's Housing Division is responsible for the administration and implementation of the CDBG funds. The Housing Division also staffs the CDBG Citizen's Advisory Committee. Both the Housing Division and the HACN are responsible for the administration and implementation of housing and homeless assistance programs, as well as supporting new affordable housing developments in the City. The Community Development Department's Planning Division is responsible for the development and implementation of the City's long-range land use goals and policies (as contained in the City's State-required General Plan). The Planning Division is also responsible for development of the Housing Element of the General Plan, the State-required Element which outlines goals, policies, and programs to meet the City's needs for both affordable and market-rate housing.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The Annual Plan was developed with input from the City's CDBG Citizen's Advisory Committee and through the process of public meetings. This section describes the coordination, outreach, and public engagement processes utilized to develop the Annual Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City of Napa works closely and on an ongoing basis with local housing providers and service agencies; these agencies were consulted to formulate the Annual Plan. Organizations consulted on a regular basis include nonprofit affordable housing developers, homeless services providers, health and mental health service agencies, fair housing service providers, organizations that provide outreach and services to Spanish-speaking residents, organizations that provide services to elderly residents, and others. These organizations were encouraged to attend meetings related to the Annual Plan and provide comments on the draft plan.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Napa County Continuum of Care (CoC) is a broad-based countywide strategy to combat homelessness. Its geographic scope includes the City of Napa. The CoC Governing Board includes representatives from government and nonprofit social service agencies in Napa County. The Board is chaired by a representative from the Napa County Department of Health and Human Services. The CoC contracts with HomeBase, a nonprofit organization that coordinates the efforts of homeless service providers and prepares annual funding applications to HUD. The CoC includes committees and workgroups that focus on specific areas such as implementing a coordinated assessment and referral system, supporting efforts to strengthen economic self-sufficiency, ensuring compliance with federal requirements, and overseeing the administrations of the Homeless Management and Information System (HMIS).

The City of Napa engages in ongoing involvement and coordination with the Napa County CoC. Staff members from the Police Department and the Housing Authority of the City of Napa (HACN) both serve on the CoC Governing Board. Through these roles and ongoing contact and coordination with the agencies involved in the CoC, the City is actively involved in shaping CoC goals, policies, programs, and procedures. The Housing Authority of the City of Napa also provides funding to Napa County for a portion of the contract with HomeBase.

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Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Staff from the City of Napa's Police Department and the HACN serve on the Continuum of Care's Governing Board. These two staff members actively participate in developing funding policies, procedures, and priorities for the Continuum of Care and participate in ranking the Napa County Emergency Solutions Grant (ESG) applications in order of priority for State ESG Program funding.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

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Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	HOUSING AUTHORITY OF THE CITY OF NAPA
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Housing Authority of the City of Napa was consulted throughout the development of the Annual Plan. The anticipated outcomes included production and verification of data on recipients of Section 8 vouchers and people on the waiting list for Section 8 vouchers as well as input on housing needs and goals.
2	Agency/Group/Organization	Napa County Health and Human Services Agency
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization was invited to participate in public meetings and workshops. The anticipated outcome was input on the housing and non-housing needs of individuals and families that are homeless or at risk of homelessness as well as non-homeless special needs.

Identify any Agency Types not consulted and provide rationale for not consulting

All groups were either consulted or invited to participate. There was no decision to exclude any group.

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Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Napa County Health and Human Services	The Continuum of Care is a countywide strategy to combat homelessness, and therefore directly overlaps with the goals related to addressing homelessness that are included in the Strategic Plan.
City of Napa Housing Element	City of Napa	The Housing Element is a plan to meet City housing goals, including the creation and preservation of affordable housing in Napa, which is a primary goal outlined in the Strategic Plan.
City of Napa Analysis of Impediments	City of Napa	The AI presents information on fair housing choice in Napa, including the impacts that the high cost of housing has on fair housing choice. The goals of the Consolidated Plan include increasing access to affordable housing and supporting organizations that address issues related to housing discrimination.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The Housing Division was responsible for drafting the Annual Plan. In the development process, the Housing Division consulted with staff from the Housing Authority, Planning Division, Economic Development Division, Public Works Department, and Parks and Recreation Services Department. The Housing Division also regularly consults with a variety of staff from the Napa County Health and Human Services Agency.

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AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City of Napa has adopted a Citizen Participation Plan that sets forth the procedures and guidelines to be followed by the City in providing for citizen participation in the Consolidated Plan process.

CDBG Citizens' Committee

The City Council appoints residents to serve on the Citizens' Advisory Committee. Efforts are made to appoint residents who represent the interests of the business community, disabled, seniors, youth, minority groups, low-to-moderate income persons and others who represent those directly affected by the CDBG program.

The Advisory Committee is tasked with the following items:

- Promoting and encouraging a wide range of citizen participation and input in the development of the Consolidated Plan and Annual Plan;
- Receiving and reviewing information presented by citizens and public and private agencies on community and neighborhood needs;
- Reviewing information presented by City staff on community and neighborhood needs;
- Reviewing reports on project/program progress and proposed projects in the Consolidated Plan and Annual Plan and making recommendations to the City Council; and
- Making recommendations to the City Council on the allocation of CDBG funds in public service and community development activities in the Annual Plan, and on any substantial amendment to the Consolidated Plan and/or Annual Plan.

City Council

The City Council is responsible for:

- Holding public hearings to receive citizen's input and carrying out procedures established in the Citizen Participation Plan;
- Making the final determination about the priority of various community needs that will guide the Council when allocating CDBG funds and approving the submittal of application for HOME funds; and
- Reviewing the proposed Consolidated Plan and Annual Action Plan and approving the final documents.

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The Housing Division of the Community Development Department is tasked with preparing the Consolidated Plan and Annual Plan.

Process

In general, once the Advisory Committee has met and made recommendations and heard input from the community, the City holds two public hearings during the course of its program year. Together, the hearings must address housing and community development needs, development of proposed activities, and review of program performance. In addition, the Consolidated Plan and/or Annual Plan, is published for a 30-day comment period. The City's CAPER is published annually for a 15-day comment period.

All public hearings and meetings take place in the Council Chambers located at City Hall, 955 School Street, Napa, California, unless another location and/or time is publicized in advance.

Public Comments

The City encourages the submission of written comments by citizens regarding the Citizen Participation Plan, Consolidated Plan, One-Year Action Plan and CAPER. The comments may be submitted to the Housing Division or at any public hearing conducted by the City Council.

The City will respond to all written comments within fifteen (15) working days and state the reasons for the action taken on the proposal or view. All comments that were not accepted will be attached to the final plan, amendment or performance evaluation, along with the reasons why they were not accepted.

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities	On January 22, 2018 the City's CDBG Citizens' Advisory Committee held a meeting to discuss and recommend funding for the fiscal year 2018-2019. The meeting was publicly noticed.	None from the public.	Not applicable.	
2	Public Meeting	Non-targeted/broad community	On June 5, 2018 the City Council reviewed the recommend funding for the fiscal year 2018-2019. The meeting was publicly noticed.	None from the public.	Not applicable.	

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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	30-day Public Review Period	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community	Draft was available for public review for 30 days prior to adoption by City Council.	(to be completed)	(to be completed)	
4	Public Meeting	Non-targeted/broad community	On July 17, 2018 the City Council approved the Annual Action Plan. The meeting was publicly noticed.	(to be completed)	(to be completed)	

Table 4 – Citizen Participation Outreach

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Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

During the Fiscal Year 2018-2019, Napa will receive \$617,176 in CDBG funds, as shown in the table below. In addition to CDBG funds, other potential funding sources available to address housing and community development needs in Napa include the City of Napa Affordable Housing Impact Fee Fund, HOME funds, State and federal Low Income Housing Tax Credits, CalHome, Federal Home Loan Bank Affordable Housing Program, Napa County Housing Trust Fund, federal Continuum of Care funds, Emergency Solutions Grants, Mortgage Credit Certificates, and Section 8 Housing Choice Vouchers. Napa also contributes staff time and City General Fund revenue to support housing and community development activities.

However, despite the wide range of potential resources to serve these needs, funding is not expected to be sufficient to address all needs identified in the Consolidated Plan. Funding shortages are consistently the most significant barrier to fully addressing Napa's housing and community development needs, and have recently become more acute as a result of the dissolution of redevelopment agencies in California.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	617,176	65,518	35,480	718,174	617,176	Expected amount for Fiscal Year 2018-2019 is the HUD published CDBG allocation. Expected amount for Year 5 is based on the Year 4 allocation.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Acquisition Housing						The City currently has approximately \$5 million in its Affordable Housing Impact Fee Fund, which is expected to be available and uncommitted at June 30, 2018. The City anticipates committing the full fund balance to one or more projects over the next year. The City estimates an additional \$1,090,000 in revenue to the Affordable Housing Impact Fee Fund in the remaining year of the Consolidated Plan period.
			5,000,000	0	0	5,000,000	1,090,000	

Table 5 - Expected Resources – Priority Table

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Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Many of the activities that the City intends to fund through CDBG will require additional public and private resources, and CDBG funds will be used to leverage these other funding sources. As discussed in AP-20, the City of Napa plans to use CDBG funds for a range of activities during the Fiscal Year 2018-2019, including housing rehabilitation, fair housing services, and emergency shelter operations, consistent with activities that the City has funded in recent years. 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 anticipates leveraging more City General Fund and County revenues for these services during the Fiscal Year 2018-2019. Housing rehabilitation loans and grants are not typically used to leverage other resources to fund individual projects, but instead provide a means for the residents to maintain existing housing resources, thereby greatly reducing the cost that would otherwise be associated with providing housing for the households that receive assistance through this activity.

The City also previously received CalHome grants to fund rehabilitation of mobile homes and first-time homebuyer assistance. Grant funds have been fully expended, however loans are frequently repaid allowing for program income to assist additional eligible households based on the need and the funds available.

In early 2016, the City received a \$1,000,000 HOME grant for first time homebuyer assistance. There are limited grant funds expected to be available in Fiscal Year 2018-2019. As with the CalHome funds, loans are frequently repaid and the resulting program income is utilized to assist additional eligible households. The program provides deferred homebuyer assistance loans to low-income homebuyers and are leveraged with private mortgage loans and homebuyer down payments.

The City of Napa plans to support affordable housing development, acquisition, and preservation activities during the Fiscal Year 2018-2019 using the City's Affordable Housing Impact Fee Fund and General Fund. Because affordable housing projects typically require several funding sources, these Affordable Housing Impact Fee Fund revenues help to leverage other sources of funding, including federal resources that are assembled by affordable housing developers.

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If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City recently acquired property on D Street to be used or a continuation of the Vine Trail. Not all the right-of-way acquired will be needed for the trail. The City is exploring the feasibility of the excess property being made available for affordable housing.

The City will continue to evaluate all properties before disposal.

Discussion

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing rehabilitation for families and seniors	2015	2020	Affordable Housing Non-Homeless Special Needs		Affordable Housing	CDBG: \$401,730	Homeowner Housing Rehabilitated: 25 Household Housing Unit
2	Emergency shelter services	2015	2020	Homeless		Homeless Services	CDBG: \$70,457	Homeless Person Overnight Shelter: 305 Persons Assisted
3	Outreach/referral for Latino/Hispanic residents	2015	2020	Homeless Non-Homeless Special Needs Victims of domestic violence		Homeless Services	CDBG: \$29,010	Homeless Person Overnight Shelter: 75 Persons Assisted
4	Fair housing activities	2015	2020	Non-Housing Community Development			CDBG: \$14,920	Public service activities for Low/Moderate Income Housing Benefit: 60 Households Assisted

Table 6 – Goals Summary

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Goal Descriptions

1	Goal Name	Housing rehabilitation for families and seniors
	Goal Description	Provide housing rehabilitation assistance to low-income homeowners and renters for maintenance, rehabilitation, and accessibility modifications.
2	Goal Name	Emergency shelter services
	Goal Description	Provide financial support toward operation of emergency shelters. The City of Napa has utilized CDBG funds to support the homeless shelter for many years, and this will continue during this period. In addition, the City of Napa will continue to utilize CDBG funds to support the Catholic Charities of the Diocese of Santa Rosa's Rainbow House transitional housing program.
3	Goal Name	Outreach/referral for Latino/Hispanic residents
	Goal Description	This goal is to provide a comfortable, safe service environment to reach and serve Latino/Hispanic residents, especially those with Spanish as their first language. To meet this goal, the City of Napa has and will continue to fund a bi-lingual counselor at NEWS, the domestic abuse shelter and service program.
4	Goal Name	Fair housing activities
	Goal Description	This goal pertains to outreach and group training on fair housing issues, as well as counseling on tenant/landlord issues to resolve disputes and prevent displacement. The City of Napa has utilized and plans to continue supporting Fair Housing Napa Valley to provide these services throughout the City during the 2018-2019 period.

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Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Napa has allocated CDBG funding to three projects during the 2018-2019 program year, as summarized below. Funding allocated to CDBG administration will provide support to City staff to administer and monitor grants and to prepare CDBG reporting documents. Housing rehabilitation will provide low- and moderate-income households in Napa with funding for accessibility modifications and needed repairs to single-family owner-occupied and multi-family tenant-occupied housing units. The public services project included in the table below encompasses fair housing services, operational support for the South Napa Homeless Shelter, a bilingual (Spanish/English) counselor at the NEWS domestic violence shelter, and a bilingual (Spanish/English) case manager at the Catholic Charities' Rainbow House transitional housing program.

Projects

#	Project Name
1	CDBG Administration
2	Public Services
3	Housing Rehabilitation
4	Unallocated Funds

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of Napa determined allocation priorities based on information presented in the Consolidated Plan, including information gained from the consultation and citizen participation processes, the needs assessment, and the market analysis. In addition, the City of Napa considered the level of resources available from the CDBG program and the potential to leverage those funds to carry out various activities as well as the availability of other funding sources to address various needs. The allocation priorities in the Annual Plan are consistent with the priorities outlined in the Consolidated Plan.

A shortage of funding is expected to constitute the primary obstacle to addressing underserved needs in Napa. As shown in the Strategic Plan, the City of Napa has identified 16 goals for the 2015-2020 Consolidated Plan planning period, but does not anticipate having the funding necessary to allocate resources toward each of these goals. However, the City continues to search for additional funding sources to support housing and community development goals and apply for funding as appropriate.

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AP-38 Project Summary

1	Project Name	CDBG Administration
	Target Area	
	Goals Supported	Housing rehabilitation for families and seniors Emergency shelter services Outreach/referral for Latino/Hispanic residents Fair housing activities
	Needs Addressed	
	Funding	CDBG: \$136,539
	Description	General management, oversight, monitoring, environmental review, accounting, and coordination of all CDBG programs.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Not Applicable.
	Location Description	Citywide.
	Planned Activities	See description.
2	Project Name	Public Services
	Target Area	
	Goals Supported	Emergency shelter services Outreach/referral for Latino/Hispanic residents Fair housing activities
	Needs Addressed	Homeless Services Community Development
	Funding	CDBG: \$114,387
	Description	All Public Services Approved for the 2018 Annual Action Plan Including: South Napa Homeless Shelter, NEWS, Fair Housing Napa Valley and Catholic Charities
	Target Date	6/30/2019

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	Estimate the number and type of families that will benefit from the proposed activities	60 persons to receive fair housing counseling and landlord/tenant mediation from Fair Housing Napa Valley. 280 individuals served at the South Napa Homeless Shelter 75 persons served by a bilingual counselor at the NEWS domestic violence shelter 25 families served at the Catholic Charities Rainbow House
	Location Description	Citywide.
	Planned Activities	Provide funding to Fair Housing Napa Valley for fair housing outreach, education, counseling, and landlord/tenant mediation. Provide operational support to South Napa Homeless Shelter. Provide funding for a bilingual counselor at the NEWS domestic violence shelter. Provide operational support to Catholic Charities for the Rainbow House.
3	Project Name	Housing Rehabilitation
	Target Area	
	Goals Supported	Housing rehabilitation for families and seniors
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$401,730
	Description	Rehabilitation of housing
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that this activity will benefit 25 families in single-family households with incomes at or below 80 percent of AMI. Households that will benefit from this activity are expected to include seniors, households in need of accessibility improvements, and other households in need of necessary home repairs.
	Location Description	Citywide.
	Planned Activities	See description.
4	Project Name	Unallocated Funds
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$65,518

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	Description	Unallocated revolving loan program income. The City does not allocate these funds until such time that the program income has been received.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide.
	Planned Activities	N/A

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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

To the extent that activities funded through CDBG serve a particular geographic area, these activities are located in lower-income Census Tract Block Groups, according to CDBG regulations (i.e. low/moderate income area benefit). During the Fiscal Year 2018-2019, there are currently no projects targeted to a geographic area.

In Fiscal Year 2018-2019 Napa plans to allocate funds to organizations that provide housing and services to low- and moderate-income persons, based on CDBG program regulations (low/moderate income limited clientele). This consists of funding allocated to facilities and organizations providing services to homeless individuals and victims of domestic violence, as well as to support fair housing activities.

Geographic Distribution

Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

See above.

Discussion

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Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

This section specifies goals for the number of households to be provided with affordable housing due to City of Napa CDBG expenditures within the Fiscal Year 2018-2019 by household type and type of activity. Per HUD guidelines, this section does not include the provision of emergency shelter, transitional shelter, or social services.

The Fourth Year Action Plan allocates funding to provide households with affordable housing through housing rehabilitation, as discussed in sections AP-35 and AP-38. The City's housing rehabilitation activities provide low- and moderate-income homeowners with funding to complete needed home repairs and accessibility modifications, allowing these households to remain in their homes. The program primarily serves elderly households and households that include individuals with disabilities.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	25
Special-Needs	0
Total	25

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	25
Acquisition of Existing Units	0
Total	25

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

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AP-60 Public Housing – 91.220(h)

Introduction

This section is not applicable; the City of Napa does not own or operate any public housing units.

Actions planned during the next year to address the needs to public housing

This section is not applicable; the City of Napa does not own or operate any public housing units.

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

This section is not applicable; the City of Napa does not own or operate any public housing units.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

This section is not applicable; the City of Napa does not own or operate any public housing units.

Discussion

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AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Napa participates in the Napa County Continuum of Care, which seeks to coordinate housing and supportive services to assist homeless individuals and families in securing permanent housing. The City's Fourth Year Annual Action Plan supports the Continuum of Care's activities to address homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

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

As discussed in the Consolidated Plan, the City of Napa addresses homelessness on an ongoing basis in coordination with the Napa County Continuum of Care. As a part of these efforts, the City of Napa supports a variety of ongoing outreach activities, detailed in section MA-30 of the Consolidated Plan. Napa's one-year goals and projects specified in the Fourth Year Annual Action Plan support these efforts by providing operational support to the South Napa Homeless Shelter and Catholic Charities' Rainbow House, which both offer outreach, assessment, and referral to individuals and households experiencing homelessness. In addition, included in the Fourth Year Annual Action Plan is funding for a Spanish-speaking counselor at the NEWS domestic violence shelter.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Fourth Year Annual Action Plan allocates funding to provide support to the South Napa Homeless Shelter, the NEWS domestic violence shelter and the Catholic Charities' Rainbow House, which support the City's ongoing efforts to address emergency and transitional housing needs in Napa. The City of Napa also engages in ongoing activities to address the emergency shelter and transitional housing needs of homeless persons through participation in the Continuum of Care and by maintaining close networks with agencies that provide emergency and transitional housing to Napa residents (see section MA-30 of the Consolidated Plan). Additionally, the City ensures that local policies, as detailed in the City's Housing Element, facilitate the development of emergency and transitional housing. Additionally, the City, Housing Authority, and County have worked with outside consultants to redesign the community's homeless system in order to implement national best practices including a housing-focused approach. The changes to the system began implementation in Fiscal Year 2017-2018 and will continue to evolve over the Fiscal Year 2018-2019. The changes include a new homeless shelter system operator, 24-hour services at the South Napa Shelter, enhanced case management and easier access to services.

Helping homeless persons (especially chronically homeless individuals and families, families

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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

Along with the City of Napa, there are a number of agencies in and near Napa that provide assistance to help homeless persons make the transition to permanent housing and independent living, as detailed in section MA-30 of the Consolidated Plan. The City engages in ongoing coordination with these agencies, in part through participation in the Napa County Continuum of Care.

The Annual Plan allocates funding to the South Napa Homeless Shelter, NEWS domestic violence shelter and Catholic Charities Rainbow House, all of which provide services to assist homeless people transition to permanent housing. The City's ability to further support services for people transitioning from homelessness is somewhat limited by funding constraints, including the CDBG program's 15 percent cap on public services spending. However, as described above, the City, Housing Authority, and County have redesigned the community's housing and shelter system to shorten shelter stays and increase the number of homeless households leaving shelters for permanent housing.

In addition to services that are targeted specifically to households transitioning from homelessness, access to affordable housing is critical to help homeless individuals and families transition from homelessness. Although Napa's Fourth Year Annual Action Plan does not allocate CDBG funds to support the construction of new affordable units, the City uses its Affordable Housing Impact Fee Fund, General Fund and other funding sources to provide financial support to affordable developments. Napa also ensures that City ordinances and policies are designed to facilitate affordable housing production and remove constraints to the development of affordable housing. Programs to address the City's affordable housing needs are discussed in greater detail elsewhere in the Consolidated Plan and in the City's Housing Element.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The City implements a number of policies and programs to provide access to affordable housing, which is essential to prevent homelessness among at-risk households, as detailed elsewhere in the 2015-2020 Consolidated Plan and in the City's Housing Element. Ongoing actions that the City of Napa engages in to

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provide access to affordable housing include, but are not limited to:

- Operating the Section 8 Housing Choice Voucher program through the Housing Authority
- Providing rental assistance through the Housing Authority's Family Unification Program, which can be used by youth aging out of foster care and by families at-risk of losing their children due to lack of housing or risk of homelessness;
- Adopting land use and other regulations that support the development of affordable housing, emergency shelters, transitional housing, and permanent supportive housing; and
- Providing financial support for affordable housing activities.

In addition to ongoing activities, the City of Napa uses available funding sources to provide financial support to assist in the development of new affordable housing developments, including developments for at-risk populations or populations with special needs.

Many extremely low-income and special needs households may require specific services to avoid becoming homeless. Sections MA-30 and MA-35 of the Consolidated Plan detail services available to households in Napa that are at risk of becoming homeless. In addition, the Fourth Year Annual Action Plan allocates funding to support fair housing activities, which can assist in preventing wrongful evictions and discriminatory housing practices that could result in homelessness. A shortage of funding constitutes the primary barrier to helping low-income individuals and families to avoid becoming homeless.

Discussion

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AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

In accordance with State law, the City of Napa adopted an updated Housing Element in 2015 that details how the jurisdiction will plan for affordable housing, including an analysis of public policies that serve as barriers to affordable housing and specific actions that the City will take to remove any barriers. The City's 2015 Housing Element found that City policies generally support affordable housing production rather than serve as a constraint (see Section MA-40 of the Consolidated Plan). Nonetheless, the Housing Element includes actions that the City will take to further support affordable housing through City policies, as discussed below.

Actions it planned 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

The Housing Element Update contains the following programs to remove barriers to the provision of new and rehabilitated affordable housing:

- Identification of 60 sites to meet Napa's Regional Housing Need Allocation (RHNA) goal of 835 new units for the planning period (which includes 432 units for extremely low to moderate income households). The Housing Element indicates these 60 sites have a combined development capacity of over 3,000 housing units.
- Adoption of a Downtown Specific Plan (2012), which designated numerous additional mixed-use sites that allow for multifamily housing.
- Recent revisions to the City's parking regulations.
- Recommended expansion of the City's Affordable Housing Overlay Zone, although the Housing Element considers this zoning tool to be usable only for ownership housing due to a recent court ruling (Palmer) that prohibits inclusionary housing requirements for market-rate rental projects.
- Adoption of a new Accessory Dwelling Unit Ordinance to encourage development of additional Accessory Dwellings

Numerous additional policies and programs in the City of Napa's updated Housing Element will work together to reduce barriers to affordable housing and further facilitate affordable housing production. For further information see <http://www.cityofnapa.org/262/Housing-Element>.

Discussion:

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AP-85 Other Actions – 91.220(k)

Introduction:

The City of Napa uses a number of strategies to address the affordable housing, homeless, and community development needs identified in the Consolidated Plan. This section provides an overview of the City's ongoing activities and planned future actions to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, and enhance coordination between housing providers and social service agencies.

Actions planned to address obstacles to meeting underserved needs

As discussed in section AP-35 above, a shortage of funding for affordable housing, homeless services, and community development activities is the primary obstacle to meeting underserved needs in Napa. The City of Napa actively pursues federal, State, local, and private funding sources to address underserved needs, and will continue to explore new and existing funding sources during the planning period and in subsequent years.

Actions planned to foster and maintain affordable housing

The City of Napa has a number of policies already in place and additional planned actions to foster and maintain affordable housing during the Fiscal Year 2018-2019 as well as in subsequent years. Ongoing and planned future actions to support the development and preservation of affordable housing are detailed in the City's 2015-2023 Housing Element and throughout the 2015-2020 Consolidated Plan. These actions include, but are not limited to:

- Identification of sites for affordable housing, including sites zoned to densities sufficient to make affordable housing development feasible;
- Providing Section 8 Housing Choice Vouchers to low-income households through the Housing Authority;
- Efforts to ensure that City zoning regulations and other policies support the development of affordable and special needs housing;
- Collecting impact fees for market-rate residential and nonresidential development, which accrues to the City's Affordable Housing Impact Fee Fund to support future affordable housing activities;
- Monitoring properties with affordability restrictions to determine when restrictions are set to expire and working with property owners to maintain affordability;
- Implementation of the City's Condominium Conversion Ordinance, which prevents the conversion of rental units when there is a shortage of rental housing; and
- Providing financial support to the development and preservation of affordable housing and

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housing for households with special needs.

While Napa does not plan to use CDBG funds to support the construction of new affordable housing units during the Fiscal Year 2018-2019, the City does intend to use other available resources to support the development of affordable housing.

The City has reserved approximately \$1,500,000 from the City's Affordable Housing Impact Fee Fund for two affordable housing developments, which is expected to be disbursed after June 30, 2018, and has an additional \$5 million in the Affordable Housing Impact Fee Fund that is available to support additional affordable housing projects after June 30, 2018. As additional revenues accrue to the Affordable Housing Impact Fee Fund from City fees and other sources, the City will make these funds available to support affordable housing activities, including new construction and preservation, on an ongoing basis. The City is currently preparing to offer a RFP for affordable housing projects to compete to receive loans from the Affordable Housing Impact Fee Fund.

As shown in sections AP-35 and AP-38 above and in section SP-45 of the Consolidated Plan, the City plans to continue to use CDBG funds to support housing rehabilitation for low- and moderate-income households during the Fiscal Year 2018-2019 and in future years. This program helps to preserve existing units and allows low- and moderate-income households to remain in their homes.

Actions planned to reduce lead-based paint hazards

As discussed in section SP-65 of the Consolidated Plan, Napa operates a Lead Based Paint Abatement Program as part of the City's Rehabilitation Loan Program. The Fourth Year Annual Action Plan will continue to implement housing rehabilitation activities, as discussed in sections AP-35 and AP-38 above, and the Lead Based Paint Abatement Program will continue to be incorporated into City-funded housing rehabilitation activities. All low- and moderate-income residents of Napa are eligible for the program and lead based paint testing.

Actions to address lead-based paint programs are integrated into housing policies and procedures due to the incorporation of testing and remediation of lead hazards in the City's housing rehabilitation program and Section 8 Housing Choice Voucher program. The Housing Rehabilitation Specialist in charge of the Rehabilitation Loan Program is a certified as a lead-based paint inspector and risk assessor with the California Department of Public Health. The City also distributes information on lead-based paint to participants in the Section 8 Housing Choice Voucher program and Housing Rehabilitation Loan program. In addition, the City specifically prohibits contractors that participate in City housing programs from using lead-based paint in their work.

Actions planned to reduce the number of poverty-level families

The Annual Plan allocates funding for the South Napa Homeless Shelter, the NEWS domestic violence shelter and the Catholic Charities' Rainbow House, all of which provide shelter and services to families in

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crisis. Services provided at these facilities include counseling, assistance with finding employment, and other services to help families to exit from homelessness.

On an ongoing basis, the City of Napa addresses poverty more broadly both through City programs and in cooperation with other governmental agencies and local service organizations. The City's affordable housing policies, discussed in greater detail above, in the Consolidated Plan, and in the City's 2015-2023 Housing Element, assist in providing affordable housing to lower-income households. For many households with poverty-level incomes, affordable housing is a necessary first step in overcoming poverty because households experiencing high housing cost burden, overcrowding, or other unstable living environments are often unable to take steps to overcome poverty without first securing suitable affordable housing. Napa's ongoing economic development efforts help to stimulate economic expansion and job growth, potentially providing employment opportunities that will serve as a means for local households to earn incomes sufficient to overcome poverty.

In addition to programs and policies that are implemented by City agencies, the City of Napa addresses poverty through close coordination with governmental and nonprofit service agencies that provide permanent supportive housing or services that address barriers to overcoming poverty. Relevant services available through other governmental or non-profit agencies include job training, assistance with finding employment, low- or no-cost childcare, life skills training, mental health services, and drug and alcohol counseling, as detailed in sections MA-30 and MA-35 of the Consolidated Plan. The City and other agencies that serve low-income households and homeless individuals and families provide cross-referrals to ensure that residents are aware of all available services and potential housing opportunities.

Actions planned to develop institutional structure

The City of Napa engages in ongoing internal coordination and coordination with other agencies to address affordable housing, homeless, and community development needs in the City, and will continue this coordination during the Fiscal Year 2018-2019 and in subsequent years. The institutional structure that addresses these needs is described in detail in section SP-40 of the Consolidated Plan. Key agencies in the institutional structure include the City of Napa, the Housing Authority of the City of Napa, the Napa County Health and Human Services Department, affordable housing providers, homeless service providers, agencies that offer housing and supportive services to formerly homeless individuals and families and those at risk of homelessness, and other health and social service agencies.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Napa continues to participate in the Napa County Continuum of Care, which serves a critical role in coordinating services between public agencies, affordable housing providers, and social service agencies. Representatives from the Napa Police Department and the Housing Authority of the City of

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Napa plan to continue to serve on the Continuum of Care Governing Board to further these efforts.

In addition, on an ongoing basis the City of Napa works with affordable housing developers to construct and manage affordable housing in the City and with County agencies and nonprofit service providers to provide social services to residents. The City will continue to support these entities to achieve affordable housing, homeless services, and community development goals during the Fiscal Year 2018-2019.

Additionally, as described in AP-65, the City, County and Housing Authority have worked to redesign the community's homeless system to incorporate a housing focus and implement national best practices to shorten shelter stays and increase the number of households moving from homelessness into permanent housing.

Discussion:

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. The unique 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 Citizens' Advisory Committee in make 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 requirements. Problems or weaknesses are noted and City staff works with sub recipients to resolve the issues in a timely manner.

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Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	95.00%

Note on item #1: The City of Napa anticipates \$65,518 in program income from the Housing Rehabilitation Revolving Loan Fund, but all of these funds will go back into the Housing Rehabilitation Loan Fund and therefore have already been reprogrammed.