



City of Napa Annual Plan 2023-2024 Draft

Submission to: U.S. Department of Housing and Urban Development
March 2023

Prepared by: City of Napa Community Development Department

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 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 2020-2025 Consolidated Plan period, which covers the 2023-2024 program year.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Napa has a number of affordable housing, homeless, and non-homeless community development needs, as identified in the Needs Assessment and Market Analysis as well as through the consultation and citizen participation processes. The City has identified 22 goals in the Consolidated Plan, most of which are not anticipated to receive CDBG funding during the five-year planning period:

1. Housing rehabilitation
2. Construction of new affordable rental units
3. Acquisition and rehabilitation of existing units
4. Rental assistance
5. Farmworker Housing
6. First time homebuyer assistance
7. Permanent supportive housing
8. Emergency shelter services
9. Outreach/referral for racial/ethnic minority groups
10. Fair housing activities
11. Services for youth transitioning from foster care
12. Non-profit capital improvement projects
13. In-fill sidewalks in low-income neighborhoods
14. Improvements to City facilities and parks
15. Affordable childcare facilities

16. Local business support
17. Green space expansion/improvement in areas of need
18. Improvement of access to parks and recreation facilities
19. Bicycle and pedestrian improvements
20. Expansion of programming at parks & recreation facilities
21. Physical/Mental/Behavioral health services
22. Flexible funding to prevent homelessness

The Consolidated Plan anticipates using CDBG entitlement funds to assist in achieving goals 1, 8, 9, 10, 12 and 14 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 many of the goals above relate to a significant need for additional affordable housing units of various types in Napa, the City does not anticipate receiving sufficient CDBG resources to leverage enough funding to address these needs. Instead, the City of Napa plans to use other funding sources, including the City's Housing Impact Fee Fund and One Percent Transient Occupancy Tax (TOT) for Affordable and Workforce Housing Fund, to address affordable housing needs.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Napa used CDBG funds to support a wide range of activities during the Fiscal Years 2020-2023. 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 is currently in the third year of the Consolidated Plan period and has therefore not yet prepared the third year CAPER. The following are highlights of the major accomplishments to date during the Fiscal Years 2020-2022 as well as the portion of Fiscal Year 2022-2023:

- Financial support of the South Napa Homeless Shelter operated by Abode Services;
- Funding of a bilingual counselor at NEWS domestic violence safe house;
- Funding of a portion of a case manager at Catholic Charities' Rainbow House Family Shelter;
- Funding to support Fair Housing Napa Valley in carrying out fair housing activities;
- Funding for roof replacement at Napa Valley Community Housing's affordable rental project, Oran Court;
- Funding for ADA updates at Catholic Charities Rainbow House Family Shelter;
- Rehabilitation of low-income owner occupied single family residences and low-income rental units;
- Administration of an Emergency Home Repair Program in the form of grants for low-income homeowners; and

- Allocated over \$1 million in CDBG CARES funding for emergency food, shelter, rental assistance, and small business assistance to respond to the impacts of the COVID-19 pandemic on the community.

The final accomplishments for activities funded with Fiscal Year 2022-2023 CDBG funds will be reported in the 2022-2023 Program Year CAPER.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

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 ("the Committee") has met and made recommendations and heard input from the community, the City holds two public meetings during the course of its program year. Together, the meetings 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.

2023-2024 Year Process

A public ad notifying the public of the availability of CDBG funds was published in the Napa Valley Register on January 13, 2023. E-mail notification was sent to an interest list that staff maintains which includes, but is not limited to, previous years' CDBG subrecipients, and Puertas Abiertas Community Resource Center. An announcement was also placed on the City's website.

The Committee held a public meeting to review grant applications and formulate funding recommendations on March 6, 2023. The public ad notifying the public of the CDBG Committee's meeting was published on January 13, 2023. 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 meeting on May 2, 2023 to receive public input and to direct staff to include the recommended Fiscal Year 2023-2024 CDBG funding in the City's budget process.

Notice of the public meeting and the availability of the Draft Annual Plan for the 30-day public comment period was published in the *Napa Valley Register* on April 5, 2023. Copies of the ads were posted at Spanish markets and laundromats. Notice of the Annual Plan was also published in English and Spanish on the City website. The Annual Plan was also posted on the City website which utilizes Google language translation providing translation of website information from English into more than one hundred languages, including Spanish.

The agenda for the City Council meeting was posted outside City Hall on April x, 2023. On May 2, 2023, the City Council held a public meeting to approve the Annual Plan and directed staff to include public comments received through the 30 day public comment period in the submittal. During the hearing, the City Council received (to be completed) public comments.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

During the CDBG Committee meeting on March 6, 2023, there were no public comments. At the May 2, 2023 City Council meeting, there were (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.

7. Summary

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, City Manager's Office

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 City Manager's Office 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 City Manager's Office, 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(l)

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(l))

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. Staff support is provided by Napa County's Housing and Homeless Services Division. The CoC Governing Board includes representatives from government and nonprofit social service agencies in Napa County and includes a representative from the Housing Authority of the City of Napa (HACN). A staff member from the Police Department also serves on the Board. The CoC contracts with HomeBase, a nonprofit organization to coordinate the efforts of homeless service providers and prepare annual funding applications to HUD. The CoC includes committees and workgroups that focus on specific areas such as the coordinated assessment and referral system, ensuring compliance with federal requirements, and overseeing the administrations of the Homeless Management and Information System (HMIS).

Through its Board seats 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. HACN also provides funding to Napa County for a portion of the contract with HomeBase.

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

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 Housing and Homeless Services Division
	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 consulted during the development of the Annual Plan. 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.

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 Housing & Homeless Division	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. The Housing Element is prepared by the Planning Division and was recently updated. Housing staff participated in the Housing Element Update process.
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 has robust working relationships with several 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. This includes having a presence on the board of the Continuum of Care and participating in a working group which includes the homeless service provider, the County of Napa, the Police Department, Parks and Recreation Department, and other service providers on all things homeless. The intent of the group is to discuss and resolve issues of housing, encampment cleanups, sheltering, and outreach. The Housing Division also has a working relationship with the domestic violence/sexual assault survivor service provider which lends itself to regular conversation with the provider.

During the pandemic the Housing Division consulted COAD (Community Organizations Active in Disaster), which is a collaboration of non-profit providers, faith-based organizations, government agencies, and the private sector working to develop and enhance partnerships for communication, coordination, and collaboration during all phases of disaster. The original consultation with COAD was to

understand needs present in the community in strategy to deploy CARES funding, but the relationship has turned into an ongoing communication which has benefitted the Housing Division in strategizing offerings. In addition to the COAD relationship, the Housing Division has built a relationship with Napa Valley Community Foundation and Gasser Foundation, both philanthropic foundations in Napa who seek to serve the same clientele as the Housing Division.

The Housing Division has longstanding relationship with the City's Planning and Economic Development Divisions. Housing Division staff regularly collaborate with Planning and Economic Development. The City of Napa Housing Division also staffs and operates the Housing Authority of the City of Napa which lends itself to relationships with the US Veterans Affairs Department, homeless service providers, mental health service providers, landlords and property managers, and affordable housing providers.

Housing Division staff are part of collaborative groups working on local initiatives for innovative housing solutions with workforce groups and the local hospital. A portfolio of City affordable housing development loans and affordability covenants are managed by the Housing Division staff, which results in relationships with housing developers, property owners, and property managers.

Napa has historically been subject to disasters including flood, earthquake, and fires. The community, government entities, and providers are nationally known for their resiliency in the wake of disaster. The resiliency has been born from the strong collaborations between all agencies. To this end, the City regularly engages in efforts to recover from disasters and mitigate disasters.

These ongoing relationships and conversations inform the Housing Division in the strategy of deploying CDBG and other affordable housing and low-income targeted funds. The City does not directly consult these listed service providers in the preparation of the Annual Action Plan, but does invite participation from them in the preparation of the Analysis of Impediments, the Consolidated Plan, and other specialized efforts. The service providers and other non-profits are offered participation in the Annual Action Plan process by way of the offering to apply for funding or participation in the public comment process. However, in informing the building of the Annual Action Plan, ongoing relationships with the mentioned groups and providers allow the Housing Division to be in regular contact to understand evolving needs of the community in real time.

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' Advisory 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 meetings 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.

The Housing Division of the City Manager's Office is tasked with preparing the Consolidated Plan and Annual Plan.

Process

In general, once the Advisory Committee has met, heard input from the community, and made recommendations, the City holds two public meetings during the course of its program year. Together, the meetings 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.

Generally, all public 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 meeting 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.

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 March 6, 2023 the City's CDBG Citizens' Advisory Committee held a meeting to discuss and recommend funding for Fiscal Year 2023-2024. The meeting was publicly noticed.	None from the public	Not applicable	

EXHIBIT A

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)
2	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 concurrent to adoption by City Council.	(to be completed)	(to be completed)	
3	Public Meeting	Non-targeted/broad community	On May 2, 2023 the City Council approved the Annual Action Plan. The meeting was publicly noticed.	(to be completed)	(to be completed)	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

During the remaining portion of the five-year Consolidated Plan period, Napa anticipates receiving approximately \$1.4 million in CDBG funds, as shown in the table below. In addition to CDBG entitlement 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, One Percent TOT for Affordable and Workforce Housing, HOME funds, Section 8 HCVs, CDBG-DR funding for multifamily housing construction related to the 2017 wildfires, State Permanent Local Housing Allocation, and various other State and federal financing sources. Napa also contributes staff time and City General Fund revenue to support 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.

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	583,765	125,520	0	709,285	709,285	Expected amount for Year 4 from actual Fiscal Year 2023-2024 CDBG allocation, including estimated current year program income and total reprogrammed funds. Expected amount for Year 5 based on allocation and estimated program income for Year 4.

EXHIBIT A

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 - federal	Housing						The City has been allocated \$3.3M in CDBG-DR funds for multifamily housing that were awarded in the 2020-2021 Fiscal Year. These funds are being used to support the development of new affordable housing units. Funding has been utilized for development of two projects and are expected to be completed in the calendar year 2023.
			0	0	0	0	0	

EXHIBIT A

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 - state	Acquisition Housing Other	794,790	0	0	794,790	494,597	This funding source was created by legislation adopted by the State of California in 2017, providing formula and competitive grants to help cities and counties address housing needs. Expected amounts shown reflect the City's projected allocation from formula grants.

EXHIBIT A

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 Admin and Planning Housing Other						This fund was created in Fiscal Year 2018-2019 based on a voter approved measure which assesses a one percent transient occupancy tax on lodging revenues for Affordable and Workforce Housing. Approximately \$5.6M will be available, with \$3.8M being reserved for a future project, as of June 30, 2023.
			5,552,808	0	0	5,552,808	2,455,700	

EXHIBIT A

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 Other						The City currently expects approximately \$6.3M in its Affordable Housing Impact Fee Fund at June 30, 2023 and an additional \$1.4M in revenue to the fund during the 2023-2024 Fiscal Year. Approximately \$2M of this funding is reserved for loans. The City anticipates committing the full fund balance to multiple projects over the next year.
			6,326,520	0	0	6,326,520	1,356,000	

Table 5 - Expected Resources – Priority Table

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

The City operates a housing rehabilitation loan and grant program which is funded with CDBG, CalHome, and HOME funding. CDBG funds are typically allocated to the program annually, however CalHome and HOME funds are currently limited. In rare instances, the City will leverage the two funding sources

together, but generally this program does not leverage other resources to fund individual projects. Instead, the program provides 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 CalHome and HOME grant funds are also utilized for first-time homebuyer assistance. CalHome grant funds have been fully expended, and funding is limited to loan repayments. HOME grant funds are received competitively from the State of California. The State has temporarily suspended all first-time homebuyer activity under this funding source. The City has an active HOME grant intended to assist eligible low-income homebuyers, but is unable to access the funds. First-time homebuyer funding is 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 2023-2024 using the City's Affordable Housing Impact Fee Fund, One Percent TOT for Affordable and Workforce Housing Fund, and State Permanent Local Housing Allocation Fund. Because affordable housing projects typically require several funding sources, these Affordable Housing Impact Fee and One Percent TOT for Affordable and Workforce Housing Fund revenues help to leverage other sources of funding, including federal resources that are assembled by affordable housing developers. The One Percent TOT for Affordable and Workforce Housing is intended to be utilized for households earning up to 120% of area median income, so while not all funds will be utilized to assist HUD's target group, funding could assist low-income persons.

The City is currently providing CDBG-DR funding to two multifamily housing projects that will be primarily targeting homeless populations. The two projects, Heritage House/Valle Verde and Valley Lodge Apartments, will collectively provide 144 new rental units. The former project, Heritage House/Valle Verde, utilizes many funding sources including CDBG-DR, local funds, tax credit allocations, conventional mortgage, and State of California Housing and Community Development funds. The later project, Valley Lodge Apartments, is leveraging CDBG-DR, local funds, and State of California Housing and Community Development Project Homekey funds. Both projects are actively under construction and are expected to be completed in the early portion of the Fiscal Year 2023-2024.

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

The City currently owns property on D Street that will be used as a continuation of the Vine Trail. However, a portion of the right-of-way that the City acquired for the Vine Trail will not be needed for the trail. The City is exploring the feasibility of making the excess property available for affordable housing development.

The City has entered into a Purchase and Sale Agreement for a City owned parking lot on Clay Street. The parking lot was originally acquired with Neighborhood Development funds and closeout agreements require proceeds from a future sale of the property to return to the CDBG program. It is expected the final sale of the property will occur in a future program year, up to as late as 2035.

In early 2023, the City purchased an approximate 2.75 acre parcel with the intention of developing affordable housing on the site. The City is developing a plan to demolish the existing commercial building on the site and transfer the property to an affordable housing developer. It is expected that the property could be transferred as soon as Fiscal Year 2023-2024.

The City will continue to evaluate all City-owned properties before disposal.

Discussion

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	2020	2025	Affordable Housing Non-Homeless Special Needs		Affordable Housing	CDBG: \$467,945	Rental units rehabilitated: 2 Household Housing Unit Homeowner Housing Rehabilitated: 10 Household Housing Unit
3	Emergency shelter services	2020	2025	Homeless		Affordable Housing Homeless Services Community Development	CDBG: \$8,876	Homeless Person Overnight Shelter: 20 Persons Assisted
4	Outreach/referral for racial/ethnic minority grps	2020	2025	Affordable Housing Homeless Non-Homeless Special Needs		Affordable Housing Homeless Services Community Development	CDBG: \$65,714	Homeless Person Overnight Shelter: 40 Persons Assisted Other: 3965 Other
5	Fair housing activities	2020	2025	Non-Homeless Special Needs Non-Housing Community Development		Community Development	CDBG: \$45,000	Public service activities for Low/Moderate Income Housing Benefit: 60 Households Assisted

Table 6 – Goals Summary

Annual Action Plan
2023

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Goal Descriptions

1	Goal Name	Housing rehabilitation
	Goal Description	Provide housing rehabilitation assistance to low-income homeowners and renters for maintenance, rehabilitation, and accessibility modifications. This could include rehabilitation assistance for income qualified homeowners and renters, assistance for rehabilitation and maintenance projects at non-profit affordable housing developments, and accessibility modifications for low-income homeowners and renters, among other activities.
3	Goal Name	Emergency shelter services
	Goal Description	Provide financial support toward operation of emergency shelters. This goal is consistent with the City's recent use of CDBG funds to support the South Napa Shelter and Rainbow House.
4	Goal Name	Outreach/referral for racial/ethnic minority grps
	Goal Description	Ensure comprehensive outreach to and referral for racial and ethnic minority groups, including the City's sizable Latino/Hispanic population with limited English proficiency, to ensure that service providers are aware of needs among residents belonging to various racial and ethnic minority groups and that all eligible residents are able to access housing and community development programs and resources. The City of Napa has addressed this goal during prior Consolidated Plan planning periods in part by providing funding for fair housing services and for a Spanish-speaking counselor at NEWS and anticipates continuing this support during the 2020-2025 period.
5	Goal Name	Fair housing activities
	Goal Description	Support outreach and training on fair housing issues, as well as counseling on tenant/landlord issues to resolve disputes and prevent displacement. The City of Napa has addressed this goal during prior Consolidated Plan planning periods by supporting Fair Housing Napa Valley and anticipates continuing this support during the 2020-2025 planning period.

Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Napa has allocated CDBG funding to three projects during the 2023-2024 Fiscal Year, as summarized in Table 3 below. Funding allocated to CDBG administration will provide support to City staff to administer and monitor grants and to prepare CDBG reporting documents. The public services project included in the table below encompasses fair housing services, operational support for the Rainbow House Emergency Shelter, a bilingual (Spanish/English) counselor at NEWS Domestic Violence and Sexual Abuse Services, and outreach for the Hispanic community. Housing Rehabilitation will provide low- and moderate-income households in Napa with funding for accessibility modifications and needed repairs to housing units.

Projects

#	Project Name
1	CDBG Administration
2	Public Service
3	Housing Rehabilitation

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 as well as information staff learned regarding evolving community needs during the past year. In addition, the City 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 Fourth Year Annual Action 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 portion of the Consolidated Plan, the City of Napa has identified 22 goals for the 2020-2025 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.

AP-38 Project Summary

Project Summary Information

1	Project Name	CDBG Administration
	Target Area	
	Goals Supported	Housing rehabilitation Emergency shelter services Outreach/referral for racial/ethnic minority grps Fair housing activities
	Needs Addressed	Affordable Housing Homeless Services Community Development
	Funding	CDBG: \$121,750
	Description	General management, oversight, monitoring, environmental review, accounting, and coordination of all CDBG programs.
	Target Date	6/30/2024
	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 Service
	Target Area	
	Goals Supported	Emergency shelter services Outreach/referral for racial/ethnic minority grps Fair housing activities
	Needs Addressed	Homeless Services Community Development
	Funding	CDBG: \$119,590
	Description	All Public Services approved for the 2023 Annual Action Plan Including: Catholic Charities' Rainbow House Family Shelter, NEWS, Fair Housing Napa Valley, and Puertas Abiertas Community Resource Center
	Target Date	6/30/2024

EXHIBIT A

	Estimate the number and type of families that will benefit from the proposed activities	60 households to receive fair housing counseling and landlord/tenant mediation from Fair Housing Napa Valley. 20 families experiencing homelessness served at the Catholic Charities Rainbow House Family Shelter. 40 survivors of domestic violence and their families served by a bilingual counselor at the NEWS domestic violence shelter. 3,185 households with free referrals, educational programs, social services, immigration guidance, citizenship classes, senior support groups, and counseling survivors of domestic violence and their families through the Promotoras Program.
	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 Catholic Charities for the Rainbow House Family Shelter. Provide funding for a bilingual counselor at the NEWS domestic violence shelter. Provide funding for the Promotoras Program outreach through Puertas Abiertas Community Resource Center.
3	Project Name	Housing Rehabilitation
	Target Area	
	Goals Supported	Housing rehabilitation
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$467,945
	Description	Rehabilitation of housing. Funding includes \$342,425 of entitlement funds and \$125,520 of unreceived but expected revolving loan program income funds.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that this activity will benefit 12 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.

EXHIBIT A

	Planned Activities	Housing rehabilitation for low-income households.
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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

The City of Napa does not allocate CDBG funds based on geographic priority areas. To the extent that activities funded through CDBG serve a particular geographic area, these activities are located in lower-income Census Tracts, according to CDBG regulations (i.e. low/moderate income area benefit). In recent years, these types of activities have consisted of improvements to sidewalks and parks in low-income Census tracts. In addition, Napa allocates 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 has included 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

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 2023-2024 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 households with funding to complete needed home repairs and accessibility modifications, allowing these households to remain in their homes.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	12
Special-Needs	0
Total	12

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	12
Acquisition of Existing Units	0
Total	12

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

Discussion

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

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

Introduction

Napa participates in the Napa County Continuum of Care, which coordinates 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

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. Napa's one-year goals and projects specified in the Fourth Year Annual Action Plan support these efforts by providing operational support to the Catholic Charities' Rainbow House Family Shelter, which offers outreach, assessment, and referral to households experiencing homelessness. In addition, the Fourth Year Annual Action Plan includes funding for a Spanish-speaking counselor at the NEWS domestic violence shelter. The City continues to utilize General Fund money to support the South Napa 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 Catholic Charities' Rainbow House Family Shelter and NEWS domestic violence shelter, both of 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. Additionally, the City ensures that local policies facilitate the development of emergency and transitional housing. Furthermore, 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 Consolidated Plan planning period. The changes implemented to date include a new homeless shelter system operator, 24-hour services at the South Napa Shelter, a change of location for the family homeless shelter, enhanced case management, and easier access to services.

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

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, 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.

This Annual Plan allocates funding to the Catholic Charities' Rainbow House Family Shelter and NEWS domestic violence shelter, both of which provide services to assist individuals and households transition from homelessness 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, increase the number of homeless households leaving shelters for permanent housing, and increase households' ability to stay in their housing rather than becoming homeless.

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, One Percent TOT for Affordable and Workforce Housing, and other funding sources to provide financial support to affordable developments. In the Fiscal Year 2023-2024, the City expects occupancy on two new permanent supportive housing projects that will provide 98 units to low-income households placed through the County's Coordinated Entry System. Both projects require precise coordination between the developer, City, Housing Authority, County, funders, and service providers.

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 this document and in the City's Housing Element. Ongoing actions that the City of Napa engages in to provide access to affordable housing include, but are not limited to:

- Operating the Section 8 HCV program through the HACN;
- Providing rental assistance through the HACN 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, including using available funding sources to provide financial support to assist in the development of new affordable housing and housing 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, many of which are supported in part through coordination between the City and other organizations. In addition, the Third 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

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 this document and in the City's Housing Element. Ongoing actions that the City of Napa engages in to provide access to affordable housing include, but are not limited to:

- Operating the Section 8 HCV program through the HACN;
- Providing rental assistance through the HACN 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, including using available funding sources to provide financial support to assist in the development of new affordable housing and housing 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, many of which are supported in part through coordination between the City and other organizations. 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.

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

Introduction:

The City of Napa engages in ongoing efforts to ensure that local policies generally support the production of both market-rate and affordable housing and remove constraints to residential investment. In accordance with State law, the City of Napa adopted a Housing Element Update in early 2023 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 Housing Element has not been approved by the State of California Department of Housing and Community Development, however the 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 City of Napa's 2023-2031 Housing Element includes the following programs to remove barriers to the provision of new and rehabilitated affordable housing:

- Identification of 86 sites to meet Napa's Regional Housing Need Allocation (RHNA) goal of 2,669 new units for the planning period (which includes 1,806 units for extremely low to moderate income households). The Housing Element indicates these 86 sites have a combined development capacity of over 3,500 housing units (32% over RHNA).
- Adoption of the Napa 2040 General Plan, which designated numerous additional mixed-use sites that allow for multifamily housing.
- Increase in residential density allowances throughout the City to encourage residential development.
- Zoning and Municipal Code amendments to implement new mixed-use development standards outlined in the General Plan

Numerous additional policies and programs in the City of Napa's Housing Element work together to reduce barriers to affordable housing.

During the planning period of this plan, the City will re-assess potential barriers to affordable housing and strategies to address any barriers as part of the Housing Element Update for the 2032-2039 Housing

Element planning period.

Discussion:

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 2023-2024 Fiscal Year 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 2023-2031 Housing Element and throughout the 2020-2025 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 HCVs 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 and a One Percent TOT for Affordable and Workforce Housing, which the City uses 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 assistance to support the development and preservation of affordable

housing and 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 2023-2024 Fiscal Year, the City does intend to use other available resources to support the development of affordable housing. The City expects to have approximately \$6.3 million in its Housing Impact Fee Fund by June 30, 2023, approximately \$2 million of which is reserved for loans to support affordable housing in Napa. The City also anticipates having approximately \$5.6 million available from its One Percent TOT for Affordable and Workforce Housing by June 30, 2023, approximately \$3.8 million of which is reserved for loans to support affordable and workforce housing in Napa. As additional revenues accrue to the City from these and other sources, the City will make these funds available to support affordable housing activities, including new construction and preservation, on an ongoing basis.

It should be noted that the City's Housing Impact Fee revenues are dependent on construction activity in Napa, while funding from the One Percent TOT Fund depends on spending at local hotels, which means that both of these revenue sources are somewhat dependent on local economic activity. TOT funds were impacted by the COVID-19 pandemic and associated economic impacts due to widespread and precipitous drops in tourism and lodging stays. While construction activity may not be as heavily impacted in the near term, Napa can anticipate a decrease in construction activity to the extent that broad economic effects from the ongoing economic volatility reduce demand for new commercial space and market-rate residential units. Consequently, the City may collect less revenue from these sources than previously anticipated until economic conditions improve.

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 2023-2024 Fiscal Year and in future years. The City's Housing Rehabilitation 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 the HACN's Section 8 HCV program. The City's Housing Rehabilitation Supervisor, who oversees the Housing Rehabilitation Program, is a certified as lead-based paint inspectors and risk assessors with the California Department of Public Health. The City also distributes information on lead-

based paint to participants in the HACN's Section 8 HCV 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 Catholic Charities' Rainbow House Family Shelter and the NEWS domestic violence shelter, both of which provide shelter and services to families in 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 2023-2031 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 Fiscal Year 2023-2024 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 Housing and Homeless Services Division, 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 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 address affordable housing, homeless services, and community development goals during the Fiscal Year 2023-2024.

Additionally, as described in AP-65, the City, County and Housing Authority continue to work 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 making future funding decisions.

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

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.	80.00%

Note on item #1: The City of Napa anticipates \$125,520 in program income from the Housing Rehabilitation Revolving Loan Fund, but 80% of these funds will go back into the Housing Rehabilitation Loan Fund and 20% of these funds will be used for CDBG administration. Therefore, these funds have already been reprogrammed.