



City of Napa Consolidated Annual Performance Evaluation Report (CAPER) 2015-2016

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan.

91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The Consolidated Annual Performance Evaluation Report ("CAPER") reports the City's success in meeting the housing and social service goals contained in the Consolidated Plan. The CAPER also assesses the City's progress in carrying out priorities of assistance identified in Annual Action Plan ("Annual Plan"). The 2015-16 CAPER identifies the actions the City has taken and accomplishments made during the first year of the 2015-2020 Consolidated Plan.

The 2015-16 Annual Plan described actions to take place during the year to meet under-served needs, foster and maintain affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty-level families, develop an institutional structure, enhance fair housing choice within the community and enhance coordination between public and private housing and social service agencies.

As a Community Development Block Grant ("CDBG") entitlement community, the City of Napa is required to submit an annual CAPER. The City, while not a direct recipient of HOME funds, had two active HOME grants through the State of California. During this reporting period, the two HOME grants provided mortgage assistance to seven first time homebuyers. The City additionally had two active State of California CalHome grants. In the 2015-16 program year, the City assisted five first time homebuyers with CalHome funds and nine homeowners were provided loans for rehabilitation with CalHome funds. The City did not receive HOPWA or ESG funding.

In 2015-16, the City was allocated \$640,129 in CDBG entitlement funds and received \$95,498 in program income from CDBG revolving loan funds.

During the 2015-16 program year, the City allocated \$393,432 to Community Development activities. The installation of new sidewalks in the ABC streets neighborhood, funded by CDBG in 2013-14 and 2014-15, was completed in the 2015-16 program year. In addition, the sidewalk infill and ADA ramp project in the St. John's neighborhood, funded by CDBG in 2015-16, was substantially completed in the 2015-16 program year and is expected to be fully completed by fall 2016. The Infill and ADA Accessibility program spent a total of \$193,373, including utilizing prior year's allocations, to install ADA compliant ramps and to remove barriers in Low/Moderate census tract block groups.

Additional Community Development activities included residential rehabilitation projects completed through the Housing Rehabilitation Loan Program and Emergency Home Repair Grant Program. This year, under the loan program, one owner-occupied single family residence was rehabilitated and a second owner-occupied rehabilitation project started the previous year was completed. None of the

housing rehabilitation projects in this program year involved permanent displacement. The City continued to operate the grant program that provides grants up to \$5,000 for low- and moderate-income homeowners. In the 2015-16 program year, a total of 21 single family residence grants were completed. The loan and grant programs expended a total of \$148,375.

In the 2015-16 program year, three Public Service activities were funded: the Community Action Napa Valley (CANV) Samaritan Family Shelter, the Napa Emergency Women's Services Domestic Violence Shelter Bilingual Counselor, and Fair Housing Napa Valley. The Public Service expenditures were within the program regulation limitations.

In the 2015-16 program year, CDBG Administration was funded under the Planning and Administration category. These expenditures were within the program regulation limitations.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Emergency shelter services	Homeless	CDBG: \$76,338	Homeless Person Overnight Shelter	Persons Assisted	425	116	27.29%	85	116	136.47%
Fair housing activities	Non-Housing Community Development	CDBG: \$10,000	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	225	1716	762.67%	45	1716	3,813.33%
Housing rehabilitation for families and seniors	Affordable Housing Non-Homeless Special Needs	CDBG: \$293,432	Homeowner Housing Rehabilitated	Household Housing Unit	200	23	11.50%	40	23	57.50%
In-fill sidewalks in low-income neighborhoods	Non-Housing Community Development	CDBG: \$100,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	3750	5570	148.53%	750	5570	742.67%
Outreach/referral for Latino/Hispanic residents	Homeless Non-Homeless Special Needs Victims of domestic violence	CDBG: \$30,681	Homeless Person Overnight Shelter	Persons Assisted	875	78	8.91%	175	78	44.57%

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

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

In the 2015-16 program year the City was allocated \$640,129 in CDBG entitlement funds. The City anticipated a receipt of \$35,000 in program income from CDBG revolving loan funds and received \$95,498 in program income for the revolving loan fund.

The CANV Samaritan Family Shelter received priority funding from the CDBG Program. A total of \$76,338 in CDBG funds was expended towards operation of the CANV family shelter. The City provided additional funding for the homeless shelter from other funds. The funding provided by other sources is discussed in CR-25.

A total of \$30,681 in CDBG funds was expended for the Napa Emergency Women's Shelter (NEWS). Funds were used for bilingual counseling services for victims of domestic violence.

In addition to shelter funding, \$10,000 in CDBG funds were provided to Fair Housing Napa Valley for fair housing services including landlord-tenant mediation and fair housing education and outreach.

The City allocated \$100,000 for sidewalk and ADA ramp installations in the eligible neighborhoods. A total of \$193,373 was spent in the program year which installed 1,407 lineal feet of new sidewalk and 37 ADA ramps. This included the completion of the ABC streets neighborhood project which was awarded CDBG funding in 2013-14 and 2014-15.

The Annual Plan allocated \$293,432 in funding for delivering a housing rehabilitation program administered by the City's Housing Division. The rehabilitation of single and multifamily homes is funded through a revolving loan program that was originally capitalized with CDBG funds. Two loans, one of which began construction in the previous fiscal year, were completed during the 2015-16 program year. In addition to the loans delivered, 21 individuals and families received assistance under the grant program. The rehabilitation programs spent a total of \$148,375.

All activities as reported in the Annual Action Plan for the 2015-16 program year have now been completed with the exception of the Sidewalk Infill and ADA Accessibility project. This project was only partially funded with CDBG funds and is anticipated to be completed by fall 2016. The City has met all HUD timing requirements in its CDBG expenditures and IDIS reporting.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG
White	1,789
Black or African American	84
Asian	7
American Indian or American Native	18
Native Hawaiian or Other Pacific Islander	35
Total	1,933
Hispanic	1,004
Not Hispanic	929

Table 1 – Table of assistance to racial and ethnic populations by source of funds

Narrative

Reflecting the fact that Hispanics form the largest minority in Napa's population, some of the activities served a large number of Hispanics. The U.S. Census estimates that a total of 32% of the Napa population was Hispanic as of July 1, 2015. The NEWS Bilingual Counselor, CANV Homeless Family Shelter, and Fair Housing served a greater percentage of Hispanics than is represented in the total Napa population. Additionally, the Public Works Infill Sidewalk and ADA Project completed work in a low/mod census tract that is estimated as 78% Hispanic.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG		2,700,516	645,258
Other	City of Napa Housing Trust Fund	900,000	1,286,959

Table 2 – Resources Made Available

Narrative

Many of the activities that the City funded through CDBG required additional public and private resources, and CDBG funds were used to leverage these other funding sources. The City utilized CDBG funds for a range of activities during the 2015-16 program year, including housing rehabilitation, fair housing services, and emergency shelter operations, consistent with activities that the City has funded in recent years.

The City has an Affordable Housing Impact Fee Fund that developers pay through development fees. The Affordable Housing Impact Fee Fund ended the Fiscal Year 2015-16 with an unaudited fund balance of \$3.8 million with approximately \$400,000 being reserved for specific housing projects. In Fiscal Year 2015-16 the Affordable Housing Impact Fee Fund collected approximately \$788,000 in developer paid fees. In June 2016 the City Council took action to increase the affordable housing impact fees. The impact to the fund from the increased fees is unknown at this time.

In May 2016 the City utilized the Affordable Housing Impact Fee Fund to repay the Street Improvement Fund for two surplus parcels that will be developed as affordable housing. The City then entered into a Disposition and Development Agreement with a developer for one parcel to be developed as a 48-unit rental housing development for low- and moderate-income families. The City entered into a Purchase and Sale Agreement with Habitat for Humanity for the second parcel to be developed as a single family home to be sold to a low- or moderate-income family. Both projects will include long term affordability restrictions.

Identify the geographic distribution and location of investments

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

Table 3 – Identify the geographic distribution and location of investments

Narrative

During the 2015-16 program year the City did not provide CDBG funding to any Target Areas. The only benefit to a particular geographic area was the funding of ADA ramps and sidewalk improvements in the 200503 Blk 2 area. This project qualifies for CDBG funding through the low/mod area benefit.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City has a history of using CDBG funds to leverage General Fund revenue and other resources in order to fund fair housing services and emergency shelter operations, and leveraged City General Fund and County revenues for these services during the 2015-16 program year.

The sidewalk and ADA ramp project funded under the community development category was provided \$100,000 in CDBG funding. This was in addition to \$392,338 of local general fund money. Without the CDBG assistance, the project would have had a narrow scope of work and the benefit to the neighborhood would have been greatly reduced.

CANV and Fair Housing Napa Valley also received assistance from the City's General Fund to augment the services provided to the community. They received \$371,325 and \$10,000 respectively. The Housing Authority's Local Housing Fund also contributed \$45,000 to Fair Housing Napa Valley for fair housing services.

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. In the 2015-16 program year, CalHome funds were utilized to assist nine residents with rehabilitation, thereby increasing the total number of clients receiving rehabilitation assistance.

The City also continued to utilize the HOME and CalHome grants to provide deferred homebuyer assistance loans to low- and moderate-income homebuyers and leveraged the loans with private mortgage loans and homebuyer down payments.

There are several City-owned parcels that are in the process of being utilized to meet needs identified in the Consolidated Plan. These include the Fire Museum parcel in downtown, and several small parcels that are in the process of being developed for affordable housing.

Fire Museum

The City of Napa's Successor Agency to the Napa Community Redevelopment Agency received approval of its Long Range Property Management Plan (LRPMP) by the State of California Department of Finance (DOF) as part of the redevelopment agency dissolution process. One site in the LRPMP, located at 1201 Main Street, was acquired by the Redevelopment Agency in the late 1970s using HUD Neighborhood Development Program (NDP) loan funds. The NDP Loan Close-out Agreement between HUD and Napa Community Redevelopment Agency states that any proceeds that result from the sale of properties acquired with NDP funds must revolve into the local Community Development Block Grant Program as program income. One of the two parcels that comprise the site has been sold, and the CDBG fund

received the associated program income as of July 1, 2016. The second parcel is currently in contract and is expected to close escrow in late 2016 after completion of due diligence. Upon close of escrow of the second parcel, the proceeds from the sale will be transferred to the CDBG fund. The City intends to utilize the CDBG program income in the 2016-17 program year to further the goals of the CDBG program.

Remnant Parcels

As stated in the narrative of resources available, the City currently owns two remnant parcels that have been identified as suitable for affordable housing. The City is currently in contract to sell both of those parcels to affordable housing developers. Once completed, both developments will carry long term affordability restrictions. The City will continue to pursue the potential for affordable housing development on available City owned parcels.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	4	0
Number of Special-Needs households to be provided affordable housing units	36	40
Total	40	40

Table 4 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	40	32
Number of households supported through Acquisition of Existing Units	0	0
Total	40	32

Table 5 – Number of Households Supported

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

The City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in 2015. The AI identifies housing affordability, special needs housing, land use, zoning, lack of knowledge of fair housing rights, and cultural and language barriers as impediments to fair housing choice.

Housing Affordability

Napa has historically been one of the least affordable housing markets in the state and country. Home prices have rebounded to pre-recession levels. The median sales price increased from \$504,000 in June 2015 to \$563,000 in June 2016. This continues to be well above the price a low-income household can

afford. Additionally, stricter lender requirements for a minimum down payment, credit score, and the increased monthly cost of mortgage insurance all present obstacles for buyers.

Napa has historically had a low vacancy rate, an indicator of the strong demand and need for affordable rental housing. According to a vacancy rate survey conducted by the City's Planning Division in August 2016, vacancy rates have continued to remain extremely low. The vacancy rate for complexes with 50 or more units decreased slightly from 1.9% in July 2015 to 1.8% in July 2016. Monthly rents in Napa also rose approximately 3% in the past year.

Average rents are higher than low income households can afford. Low-income households are very likely to pay more than 30% of gross income to afford market rents in Napa. Managers of affordable rental complexes report 0% vacancy rates and long waiting lists. The Housing Authority reports a six year wait list for Section 8 rental assistance.

Special Needs Housing

The cost and quality of renting can be a difficult burden for disabled and elderly residents on fixed incomes. Households with a disabled person often have reduced income, problems with the condition of the housing that they can afford, as well as problems locating housing that can accommodate their disability.

Land Use and Zoning

Land use and zoning can limit development of affordable housing as well as its distribution throughout the community. Height limits can reduce the economic feasibility of affordable housing projects. Barriers could exist that preclude group homes in certain neighborhoods. The City has made progress in alleviating policy restrictions by amending the second unit ordinance as discussed in CR-35. Additional policy revisions are proposed for late 2016 that include reducing the threshold of review approvals based on the number of units in a proposed project and streamlining the process for preconstruction review.

Cultural and Language Barriers

Latinos are the predominant minority group in the City, comprising 32%. Recent census estimates show that 14% of all households are linguistically isolated (having no person over the age of 14 within a household that speaks English very well), while 27% of all residents spoke a language other than English at home. Of those speaking a language other than English at home, the majority speak Spanish.

Discuss how these outcomes will impact future annual action plans.

The City will continue to address the challenges of the housing market by making policy and budgetary changes. In the Fiscal Year 2016-17 the City has committed \$350,000 in general fund money to be contributed to affordable housing. This is in addition to the Affordable Housing Impact Fee Fund, and

remnant Redevelopment Low/Mod Funds, all of which are utilized for procurement of affordable housing within the City. With the approved increase to the Affordable Housing Impact Fee, the City anticipates additional funds to be contributed to affordable housing projects. The City will also continue to seek grants for first time homebuyer and rehabilitation programs which benefit the low- and moderate-income population.

With the unprecedented program income to the CDBG Fund expected in the 2016-17 program year from the sale of the Fire Museum property, the City will have a unique opportunity to allocate significant one-time funding to the program. With the high cost of housing and development of affordable housing, the City will prevalently publicize the available funds and encourage all eligible applicants to apply for funding.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	391	0
Low-income	759	0
Moderate-income	342	0
Total	1,492	0

Table 6 – Number of Persons Served

Narrative Information

As illustrated on the chart, the activities primarily assisted very low-income (0% to 30% of median family income) and low-income (31% to 50% of median family income) households, with the majority being low-income. In addition to the persons served represented in Table 7, Fair Housing Napa Valley was unable to collect income data for an additional 441 clients. These 441 clients were reported as non-low/moderate income in IDIS accomplishments. The Sidewalk Infill and ADA Accessibility Program projects are both located in census tracts in which 51% or more of the population is low-income.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

Through the Continuum of Care Application, the Housing Authority secured a one-year renewal of the Shelter Plus Care grant that provides rental assistance for at least eight households.

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

During the 2015-16 program year, the City used \$76,338 in CDBG funds toward operation of the Samaritan Family Shelter. The City also provided \$30,681 the Napa Emergency Women's Shelter. This funding provides temporary shelter for individuals and families, and a bilingual counselor for battered persons and their children. This funding supported a total of 116 individuals who received emergency shelter at the homeless family shelter and 78 battered persons and their children who received shelter and bilingual counseling. The City also provided \$371,325 in general fund monies to support operation of the homeless shelter system.

Addressing the emergency shelter and transitional housing needs of homeless persons

As in past years, additional incremental vouchers issued by HUD have been difficult to receive. The Housing Authority continues to administer 30 vouchers from HUD under the Mainstream Program. The Housing Authority also administers 100 vouchers for Rental Assistance for Non-Elderly Persons with Disabilities.

Progress Foundation continues to operate Hartle Court, which was completed in June 2012. Hartle Court is a 24-unit supportive housing project which was constructed through a number of funding sources including the Housing Authority, Napa County, the State Department of Housing and Community Development, and the California Housing Finance Agency. All of the units are restricted to low-income persons. Six of the units are transitional housing for foster youth (18-24) who are aging out of the foster care system. The remaining 18 units are permanent housing for people with mental illness.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that

address housing, health, social services, employment, education, or youth needs

The Napa City and County Continuum of Care received \$712,708 from the 2015 Continuum of Care Notice of Funding Availability (CoC) Competition, which is directed toward permanent supportive housing and transitional housing to address and prevent homelessness as part of the Super NOFA. This was a 15% increase in funding over the previous year.

The Housing Authority received a renewal of the 2015 Shelter Plus Care grant under the CoC Competition, which provided permanent supportive housing in the form of rental assistance and supportive services to homeless or potentially homeless individuals and families. The program was awarded \$119,287 and will provide rental assistance for at least eight homeless individuals or families.

In addition, the City Police Department received CoC funding through the Home to Stay project administered by HHSA. This project received \$157,363 from the CoC program to provide rapid re-housing rental assistance and crucial supportive services to individuals and families who are homeless and chronically homeless in Napa County. Home to Stay focuses on moving people from homelessness into housing and assisting them in obtaining employment, health and recovery services, and permanent housing. The Police Department, along with Napa Emergency Women's Services and CANV, provides the necessary supportive services for Home to Stay participants, including helping them to develop and meet their goals and budgets; providing transportation to medical, mental health, housing, and employment appointments; assisting them in accessing to mainstream benefits.

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

Aside from City projects, Buckelew Programs, an organization which focuses on assisting individuals with mental illness, addiction, and co-occurring disorders, received \$243,499 to provide permanent housing and supportive services in Napa County for formerly homeless adults who experience a mental illness. The supportive services are aimed at assisting individuals to learn life skills and successfully transition from homelessness. Skill building and support enable clients to increase self-sufficiency and ensure their ability to maintain housing in the community. Other supportive services help to address mental health issues through education on medication and symptom management, help eligible individuals to connect with mainstream benefits and other community support such as local foodbanks.

The County of Napa received an additional bonus grant for \$119,554 for permanent supportive housing. Finally, the County received \$35,887 to continue developing its Homeless Management Information System to track and measure program outcomes and \$18,064 in planning funds to improve CoC coordination and effectiveness. Additionally, the County received \$19,054 for coordinated assessment

that is intended to be used for a new Homeless System Coordinator position.

In addition to the programs described above, the City and County are in the process of redesigning the community's homeless system by bringing in national experts, Corporation for Supportive Housing (CSH) and National Alliance to End Homelessness (NAEH) to review the community's homeless system, make recommend changes to align the system with national best practices, and to move towards a housing-focused homeless system. City and County staff have already begun working together to implement several of these recommended changes to the homeless system. The County is in the process of issuing a Request for Proposals for a shelter operator and a flex pool operator which will formalize the expectations for the system change. The County is currently recruiting for a Homeless System Coordinator, which will be funded jointly by the City and County. Additionally, the County has secured a number of grants including grants, as described above, to expand mental health residential treatment capacity and implement mental health crisis stabilization and other grants which link housing to health care. The County has also applied for a Whole Person Health grant that is being offered through Medi-Cal and would provide supportive housing services to chronically homeless and disabled homeless.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

This section does not apply. Neither the City nor the Housing Authority owns any public housing as identified by HUD.

However, the Housing Authority of the City of Napa has owned and operated the Laurel Manor Apartment complex for 34 years. Laurel Manor provides 49 units of housing for low-income seniors. Property management is contracted to an independent property management company; the rest of Laurel Manor's operations are managed by the Housing Authority.

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

This section does not apply. Neither the City nor the Housing Authority owns any public housing as identified by HUD.

Actions taken to provide assistance to troubled PHAs

This section does not apply. Neither the City nor the Housing Authority owns any public housing as identified by HUD.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The following policies were proposed to “remove and ameliorate” the negative effects of public policies, rules and regulations impacting the availability of affordable housing.

Housing Impact Fees (Inclusionary Housing)

As described in CR-15, the City has a Housing Impact Fee Ordinance that requires both residential and commercial developers to either pay a fee on new development or provide an alternative equivalent, such as providing units on site. Fees collected go into the Impact Fee Fund to continue to fund development of affordable housing.

Land Banking Program

The City of Napa has identified land banking sites that have the potential to be used for the development of new affordable housing projects.

The City currently owns 5.10 acres of property on Shoreline Drive. This property will not be developable until future flood work is complete. Once this future flood work is complete, it is estimated that 75% of the site will be available for development of affordable housing.

In addition, the Housing Authority currently owns a 5.37 acre parcel located on Lincoln Avenue. This parcel adjoins another 5.08 acre parcel that is owned by Napa Valley Community Housing (NVCH), a local nonprofit housing developer. The Housing Authority has entered into a Development Agreement with NVCH that will enable them to join the two parcels and develop an affordable housing project. This can not occur until flood control improvements are completed. When the flood improvements are completed, allowing development of the site, it is planned that the housing project will consist of a mix of single family for sale housing and multi-family rental housing. The total project has a potential of adding 264 to 313 units to the affordable housing inventory.

Housing Element, Vacant Sites, Zoning and Planning

The City adopted an updated Housing Element update in March 2015. The Housing Element carries forward and updates many programs from the prior Housing Element and includes added actions. One of the most notable changes that occurred just prior to adoption of the 2009 Housing Element was an increase in densities on several Multi Family zoned sites to 20+ units per acre, and an increase in *minimum* densities in most mixed use areas throughout the City from 10 to 20 units/acre.

The City adopted changes to its second unit ordinance to facilitate the development of second units by allowing ministerial approval if certain standards were met. The Housing Element update recommended further changes to encourage second unit development, in particular recommending the elimination of owner occupancy requirements and/or easing of parking requirements.

The City's Zoning Ordinance has zoned all multi-family sites to a Multi Family District that does not require Use Permits; provides an Affordable Housing Overlay Zone on several sites throughout the city where higher densities and greater affordability is required; includes height bonus provisions for Downtown residential mixed use projects; has Single Room Occupancy (SRO) standards that make it easier than in the past to construct SRO projects; provides for accessory second units throughout the City consistent with State law; requires a Use Permit to convert rental housing to condominiums or non-residential uses; and provides flexibility in residential parking standards. The zoning ordinance was revised to provide more flexibility in finding locations for emergency shelters, transitional and supportive housing.

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

During the 2015-16 program year, the City's Housing Division continued to administer the First Time Homebuyer Down Payment Assistance Program using grants from the State of California HOME program and CalHome Program. The Housing Division assisted twelve low- and moderate-income households purchase their first homes with deferred loans totaling \$1,023,920.

The City continued its work with local nonprofits and other agencies to facilitate activities and projects benefiting special-need populations, including the homeless, seniors and the disabled. Listed below is a description of some of the actions taken during this period:

- In the area of homelessness, the City continued to participate with the Housing Authority in the Continuum of Care and supported the community efforts to end chronic homelessness. In the 2015-16 program year the City contributed both CDBG funds and City General Funds to CANV for the operation of its homeless shelter system.
- The City works with various County agencies and community organizations to coordinate the provision of housing assistance and supportive services to assist in reducing the number of households below the poverty line through self-sufficiency programs, job training programs, and counseling programs.
- Of the two homes rehabilitated through the CDBG Rehabilitation Loan Program, both are extremely low-income, both are disabled and one is occupied by elderly residents.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The Housing Rehabilitation Program Supervisor in charge of the rehabilitation loan and grant programs is a certified lead based paint inspector/risk assessor with the California Department of Public Health. Under the rehabilitation loan programs, all homes built before 1978 are tested. In addition,

contractors participating in the City housing programs must be trained and certified in the use of safe work practices involving lead-based paint.

During the 2015-16 program year, one pre-1978 housing unit was rehabilitated. The subject property was tested for lead-based paint and no lead hazards were found.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The Housing Authority continues to support the Family Self-Sufficiency (FSS) Program, having repeatedly received grants from HUD for two FSS coordinator positions.

During the 2015-16 program year the FSS Program assisted 79 active participants, many of whom are attending school or are already employed. At June 30, 2016, \$140,581 was held in escrow for 36 families. A significant decrease in the number of families with positive escrow balances was seen in the program year because the prior year had an unprecedented amount of participants graduate from the program. During the reporting period, there were 12 graduating participants and \$76,259 in escrow funds were distributed. Ten participants are expected to graduate in the next fiscal year.

FSS participants are assessed individually and, with their program specialist, jointly create service plans to meet their self-sufficiency goals. Program specialists and participants keep in regular contact to motivate progress toward those goals and to connect participants with existing community services and education that will help them meet their educational, financial, health and employment needs. Many of these partner service agencies are members of the Program Coordinating Committee, which helps coordinate and facilitate access for FSS participants to these services.

Workforce Napa, the local one-stop, provides employment services for FSS participants. The one-stop helps job and job advancement seekers identify career interests and skills, create resumes and improve job interview skills, get technical training for higher paying jobs, enter an apprenticeship program, internship or on the job training, improve English language skills, and develop a career plan. FSS partners with other existing service agencies to offer participants additional workshops on topics ranging from credit repair to home ownership to affordable nutrition.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

In the 2015-16 program year, the City participated with the Housing Authority and Napa County to eliminate gaps in institutional structures and to enhance coordination, especially in the areas of housing and migrant housing.

The City's Economic Development Division works in several areas to improve economic opportunity.

The City continues to participate with the Housing Authority in the Continuum of Care and supports the County's efforts to end chronic homelessness. The City provided \$371,325 in funds in addition to its

CDBG funding commitment to the homeless shelter system.

As discussed in CR-25, the City and County are in the process of redesigning the community's homeless system. The efforts will bring government and social services together to provide one coordinated system that aligns the system with national best practices and moves towards a housing-focused homeless system.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City has worked with nonprofits, other governmental agencies, businesses and the general public in addressing the challenges of stabilizing the homeowner base within the community, improving the existing housing stock and improving the overall quality of life in neighborhoods in the City of Napa.

New Construction

In 2010 the City of Napa and County of Napa jointly issued a Notice of Funding Availability (NOFA) for funding for construction of affordable housing developments. The final project awarded funding under this NOFA was completed and occupied in March 2016. This affordable housing development provides 40 rental units for low-income households, as shown in Table 2.

Housing Rehabilitation

The Housing Rehabilitation and Lead-Based Paint Remediation program helps households create healthy living environments for families that are low- and moderate-income households. Thirty two single-family residences were rehabilitated in the 2015-16 program year.

Low Mod Job Activities

The City of Napa did not use any CDBG funds for low-mod job activities or any other economic development activities. The City's Economic Development Division provides outreach to the business community and acts as a liaison to business owners, retail and tourism marketing, private developers and planning.

Homeless Shelters

The City is assisting the homeless through the provision of both CDBG and General Fund resources by providing funding to CANV for the homeless shelter system. A total of 408 persons benefited from these services. The City is also addressing the issue of a homeless shelter for battered persons through support of a bilingual counselor in the domestic violence shelter. Seventy eight persons received services through this program.

As previously discussed, the City and County are in the process of redesigning the community's

homeless system which will enhance coordination between public and private providers.

Project Nightingale

The Gasser Foundation, a local philanthropic organization, has acquired and is in the process of renovating a facility for medical respite care. The facility will provide 13 beds for those that have recently been discharged from a hospital and are at potential risk of homelessness with temporary on-site residential medical care. The project is a coordinated effort between the Gasser Foundation and the Catholic Charities of the Diocese of Santa Rosa. The organizations will work with local hospitals to receive patients who have been released from the hospital but are too frail to recover on the street.

Performance Measurements and Outcomes

The City requires each sub recipient to identify quantifiable performance outcome measures for its projects. This will help determine the success of projects in creating change within the community over time. Detailed data is provided in individual project discussions regarding specific performance outcome measures as required by HUD.

Barriers to Fulfilling Strategies

The state of the economy has had a negative impact on the City's ability to fulfill strategies, especially in the housing area. The prolonged economic downturn and the elimination of Redevelopment have resulted in budget cuts at the local and state levels, negatively impacting City financing and funding sources for community non-profits.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

As discussed in CR-20, the City of Napa adopted its Analysis of Impediments to Fair Housing Report (AI) in 2015. The AI identifies housing affordability, special needs housing, land use, zoning, lack of knowledge of fair housing rights, and cultural and language barriers as impediments to fair housing choice.

As discussed in CR-15 the City utilizes the Affordable Housing Impact Fee Fund to assist in providing affordable housing for the community. Additionally, HOME and CalHome grants are utilized to provide first time homebuyer assistance to low- and moderate-income families.

In addition to assisting in procuring affordable housing, the City has made progress to alleviate policy restrictions and encourage the development of affordable housing. This is discussed in further detail in CR-35.

The City and Housing Authority historically provides funding to Fair Housing Napa Valley to assist with

fair housing issues including landlord-tenant mediation services and education and outreach of fair housing laws. In the 2015-16 program year, the City provided additional funding to Fair Housing Napa Valley for technical assistance.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Napa ensures compliance with programming and planning requirements in a number of ways, including performance monitoring, financial monitoring, Davis-Bacon compliance and Environmental Review Compliance.

The City of Napa has standard procedures in place to monitor sub recipients. All sub recipients are required to maintain documentation on clients benefitting from activities funded through the CDBG program. Sub recipients remit Quarterly Performance reports to the City in which they certify that low- and moderate-income persons are being served. The Quarterly Performance Reports provide the number of persons served by income level and race and ethnicity. The City also requires that the sub recipients in public service set quantifiable goals for their unique service. These goals are also reported on the Quarterly Performance Report and staff works with sub recipients when the goals are not achieved. The reporting of the levels of achievement also assists the CDBG Citizen's Advisory Committee in making future funding decisions.

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

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

There was a public comment period from August 26, 2016 through September 16, 2016 which allowed individuals to review and comment on the draft CAPER. A copy of the CAPER was placed on the City's website and copies were available at the Napa City County Library and the Housing Division office of the City of Napa. The CDBG Advisory Committee reviewed the CAPER on August 29, 2016 in a noticed public meeting. The City Council held a noticed public hearing on September 20, 2016 to allow for public comments and approve the CAPER report for submission to HUD.

An ad was published in the *Napa Valley Register* announcing the availability of the CAPER for public review and comment on August 26, 2016. Copies of the ads were sent to the Napa City County Library for posting. Announcements were also placed on the City of Napa's website.

In addition, notices in Spanish were placed at the local Spanish Markets (La Tapatia and La Morenita), and at Puertas Abiertas Community Resource Center.

At the public hearing on September 20, 2016, City Council received (to be completed) public comments.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There were no changes in the Program Objectives for the 2015-16 program year.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.