



Staff Reports

File #: 115-2021, **Version:** 1

To: Honorable Mayor and Members of City Council
From: Vincent Smith, Community Development Director
Prepared By: Lark Ferrell, Housing Manager

TITLE:

Community Development Block Grant (CDBG) Program Annual Action Plan

RECOMMENDED ACTION:

Adopt a resolution approving the Community Development Block Grant (CDBG) Fiscal Year 2021-2022 Annual Action Plan (the "Annual Action Plan") and program budget, approving program certifications, and authorizing the City Manager to execute all documents.

DISCUSSION:

The CDBG Annual Action Plan identifies specifically how the City's CDBG funding shall be allocated for Fiscal Year 2021-2022. This must be prepared in accordance with the priorities identified in the City of Napa 2020-2025 Consolidated Plan.

The total available CDBG funding for Fiscal Year 2021-2022 is \$660,330. This includes \$637,430 in CDBG grant funds, and \$22,900, which is 20% of anticipated program income from the City's revolving loan fund. Based on recent HUD guidance, the City can utilize 20% of revolving loan fund repayments for its CDBG activities, with the remaining 80% remaining in the revolving loan fund to be used specifically for rehab loans and grants.

Under CDBG regulations, up to 20% of the City's CDBG grant plus the current year's program income that is not kept in a revolving loan fund, is available for planning and administration. No more than 15% of the CDBG grant and previous year's program income may be used on public service activities. The remaining funds must be spent on Community Development activities.

The CDBG Citizens' Advisory Committee reviewed and rated applications and made funding recommendations in March. The amount of funding requested by applicants exceeded available funding by over \$121,000, requiring the CDBG Citizens' Advisory Committee to make some difficult choices.

The following funding allocations have been incorporated into the City's Fiscal Year 2021-2022 Annual Action Plan and Program Budget:

- CDBG planning and administration: \$130,000

- Napa Emergency Women's Services for bilingual case manager (public service): \$30,000
- Fair Housing Napa Valley (public service): \$32,924
- Abode Services South Napa Homeless shelter services (public service): \$54,523
- Catholic Charities' Rainbow House Family Shelter services (public service): \$10,000
- Housing Rehabilitation Program (community development): \$333,011
- Catholic Charities Rainbow House Family Shelter ADA Accessibility Improvements (community development): \$69,872

FINANCIAL IMPACTS:

Approval of the City's Fiscal Year 2021-2022 Annual Action Plan and CDBG Program budget will commit \$660,330 to the activities described above. The CDBG Program budget has been incorporated into the City's budget for Fiscal Year 2021-2022. No General Funds are committed by this action.

CEQA:

The Community Development Director has determined that the Recommended Action described in this Agenda Report is not in-and-of-itself a "project" (pursuant to CEQA Guidelines Section 15378) since it does not result in a physical change in the environment. The individual activities and projects contemplated under the Consolidated and Annual Plans and CDBG Budget are either 1) not subject to CEQA pursuant to CEQA Guidelines Sections 15060(c), as they will not result in a direct or reasonably foreseeable indirect physical effect on the environment; or 2) exempt from CEQA pursuant to CEQA Guidelines Section 15301(c), which exempts the repair or minor alteration of existing private and public structures, streets, sidewalks and gutters.

DOCUMENTS ATTACHED:

ATCH 1 - Resolution adopting Annual Plan and CDBG Program Budget with Exhibits "A", "B", "C", "D", and "E"

EX A - Draft Annual Action Plan

EX B - CDBG Funding Chart

EX C - CDBG Certifications

EX D - SF424

EX E - SF424D

NOTIFICATION:

Notice announcing the availability of the Draft Annual Action Plan for a 30-day public review was published in the Napa Valley Register on April 2, 2021. Notice was also placed on the City's website and posted at Puertas Abiertas and at Hispanic markets and laundromats. Copies of the Draft Annual Action Plan were posted on the Housing Division website. Copies of this staff report were e-mailed to the CDBG Citizens' Advisory Committee and CDBG applicants.