ATTACHMENT 2

RESOLUTION R2025-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NAPA, STATE OF CALIFORNIA, AUTHORIZING A RESERVATION OF AFFORDABLE HOUSING IMPACT FEE FUNDS IN THE AMOUNT OF $600,000 AS MATCH FOR THE HOMEKEY+ FOR THE ACQUISITION AND REHABILITATION OF 1415 FOURTH STREET AND 1443 DIVISION STREET IN NAPA, IF ALTERNATIVE FUNDS CANNOT BE IDENTIFED; AND DETERMINING THAT THE ACTIONS AUTHORIZED BY THIS RESOLUTION ARE EXEMPT FROM CEQA.

WHEREAS, there is a significant need for both the new development and preservation of affordable housing and workforce housing in Napa; and

WHEREAS, the State of California has released a Homekey+ Notice of Available Funding (NOFA) for the development or acquisition of housing units for permanent supportive housing under Proposition 1; and

WHEREAS, on February 4, 2025, the Napa City Council adopted a resolution authorizing the reservation of $2.5 million in Affordable Housing Funds to serve as match to a Homekey+ application to purchase and convert the properties at 1415 Fourth Street and 1443 Division Street to permanent supportive housing; and

WHEREAS, staff at the City of Napa have been working with the State of California, Housing and Community Development on the application process and have identified a possible funding gap of up to $600,000; and

WHEREAS, staff is working diligently to secure funds to close this gap; and

WHEREAS, an application cannot be submitted with Homekey+ without a balanced budget; and

WHEREAS, the City Council has considered all information related to this matter, as presented at the public meetings of the City Council identified herein, including any supporting reports by City staff, and any information provided during public meetings.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Napa, as follows:

1. The City Council hereby finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the City Council's adoption of this Resolution.

2. The City Council hereby determines that the actions authorized by this resolution are exempt from the requirements of CEQA pursuant to CEQA Guidelines Sections 15378 (government fiscal activities without any commitment to any specific project) and 15301 (minor alterations to existing structures involving negligible expansion of use). Both would apply on a separate and independent basis with 15378 applicable because this is a City financial activity with a plan to spend the funds to purchase the properties and 15301 is applicable to the extent that the funds are used to purchase and improve the properties with minor alterations.

3. The City Council hereby authroizes the reservation of up to an additional $600,000 in Affordable Housing Impact Fee funds to close any funding gap associated with a Homekey+ program, if State funds are received.

4. City of Napa staff shall continue to diligently pursue other funding opportunities to close any funding gaps.

5. Prior to completing budget actions to reserve these funds, staff shall return to the City Council with a budget action and full report on the results of the Homekey+ application, the actual amount required to close the gap, and a report on other funding sources pursued during the application review period.

6. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 28th day of April, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
Tiffany Carranza
City Clerk

Approved as to form:

_____
Christopher Diaz

Interim City Attorney