

EXHIBIT A



DRAFT City of Napa Annual Plan 2026-2027

Submission to: U.S. Department of Housing and Urban Development
June_____ 2026

Prepared by: City of Napa Housing Division

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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 Second Year Annual Action Plan ("Annual Plan") for the 2025-2030 Consolidated Plan period, which covers the 2026-2027 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.

The City of Napa has several affordable housing, homeless, and non-homeless community development needs, as identified in the Needs Assessment and Market Analysis drawn from various documents such as the Housing Element, the County of Napa Homeless Strategic Plan, as well as through the consultation and citizen participation processes. The 2023–2031 Housing Element of Napa's General Plan outlines strategies to meet the City's housing needs, emphasizing the development and preservation of affordable housing units. This includes initiatives such as housing rehabilitation, construction of new affordable rental units, and first-time homebuyer assistance, aligning with the goals of the Consolidated Plan.

The City of Napa maintains the 22 goals identified in the previous five-year Consolidated Plan in its 2025–2030 Consolidated Plan to address affordable housing, homelessness, and community development needs as they remain a high priority for the Napa community. While not all goals are anticipated to receive Community Development Block Grant (CDBG) funding during this period, the City leverages alternative resources such as funds from the Affordable Housing Impact Fee Fund and the 1% Transient Occupancy Tax (TOT) for Affordable and Workforce Housing Fund.

1. Housing rehabilitation

2. Construction of new affordable rental units

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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 City of Napa 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, assessment of community impact and the level of resources available to address each need

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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 2025 - 2026. As an 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 first year of the Consolidated Plan period and has therefore not yet prepared the first year CAPER. The following are highlights of the major accomplishments to date during the Fiscal Year 2024-2025.

In this time, CDBG supported:

- Housing Rehabilitation Loan and Emergency Home Repair Grant Programs operated by the City. Across the four years, the City assisted 46 households with grants and loans, including owner- and tenant-occupied single-family homes.
- Bilingual counseling for survivors of domestic violence at NEWS Domestic Violence and Sexual Assault Services.
- Fair housing services like landlord-tenant mediation and outreach through Fair Housing Napa Valley.
- On The Move's Neighborhood Initiative Program providing homeless prevention services.
- Latino and Hispanic outreach through Puertas Abiertas Community Resource Center.
- Shelter operations support for Catholic Charities providing critically needed shelter operations for the unhoused in the community.
- Emergency shelter operations and homeless outreach through Abode Services.
- Pandemic rapid response with CARES Act (CDBG-CV) Funds including:
- Development of new affordable housing with local and state sources. These include Valley Lodge (53 units) and Heritage House/Valle Verde (88 units).
- The Housing Authority of the City of Napa committed over 90 project-based vouchers for households, including many reserved for households exiting homelessness.

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

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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.

2026-2027 Year Process

A public ad notifying the public of the availability of CDBG funds was published in the Napa Valley Register on March 20, 2026. 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 April 27th, 2026. The public ad notifying the public of the CDBG Committee’s meeting was published on March 20, 2026. 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 June 16th, 2026 to receive public input and to direct staff to include the recommended Fiscal Year 2026-2027 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 May 14, 2026. 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 June 12th, 2026. On June 6th, 2026, 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 _____ public comments

5. Summary of public comments

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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 April 27th, 2026, there were no public comments. At the June 16th, 2026 City Council meeting, there were _____ 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

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

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

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

Agency Role	Name	Department/Agency
CDBG Administrator	NAPA	Housing Division, CRD Department

Table 1 – Responsible Agencies

Narrative (optional)

The City of Napa is the lead agency responsible for coordinating the development of the Consolidated Plan and associated Annual Plans. The City’s Community Resources and Development Department and Housing Authority of the City of Napa (HACN) are the primary agencies within the City responsible for administering programs covered by the Annual Plan. The Community Resources and Development Department 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 Resources and Development Department’s Planning Division is responsible for the development and implementation of the City’s long-range land use goals and policies (as contained in the City’s State-required General Plan). The Planning Division is also responsible for development of the Housing Element of the General Plan, the State-required Element which outlines goals, policies, and programs to meet the City’s needs for both affordable and market-rate housing.

Consolidated Plan Public Contact Information

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

1. Introduction

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

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

The City of Napa actively collaborates with public and assisted housing providers, as well as private and governmental health, mental health, and service providers, to enhance coordination and address the community's housing and service needs for low to moderate income residents.

Collaborative Efforts and Partnerships:

- **Napa County Continuum of Care (CoC):** The City participates in the Napa County CoC, a consortium of non-profit, faith-based, and government agencies that provide homeless services throughout Napa County. This collaboration ensures a coordinated approach to addressing homelessness and related services.
- **CDBG Citizen's Advisory Committee:** The City's Community Resources and Development Department Housing Division staffs the CDBG Citizen's Advisory Committee, facilitating community input and coordination on housing and community development needs.
- **Consultation with Service Providers:** The City regularly consults with nonprofit affordable housing developers, homeless services providers, health and mental health service agencies, fair housing service providers, and organizations that provide outreach and support services. These consultations inform the development of plans and ensure that programs are responsive to community needs.

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 collaborative that coordinates and delivers homeless services across the county, including within the City of Napa. The CoC is responsible for implementing the Strategic Plan to Address Homelessness and ensures alignment with federal resources and strategic goals.

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The CoC Governing Board includes representatives from local government and nonprofit service providers and is co-chaired by City of Napa Housing Division staff. Napa County contracts with a nonprofit organization for technical assistance, facilitates coordination among service providers, and prepares the CoC's annual funding applications to HUD.

The CoC operates through a committee structure and workgroups whose primary focus include:

- Coordinated entry and assessment
- Strengthening economic self-sufficiency
- Ensuring compliance with HUD and federal regulations
- Oversight and administration of the Homeless Management Information System (HMIS)

The City of Napa is actively engaged in coordination with the CoC. Staff from the City's Housing Division (representing the Housing Authority of the City of Napa) and Police Department serve on the CoC governing Board. Through these roles and regular coordination with the CoC partners, the City plays a key role in shaping goals, policies and program level strategies. Additionally, the City helps fund the County contract for technical assistance.

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

The City of Napa actively collaborates with the Continuum of Care (CoC) to inform the use of Emergency Solutions Grant (ESG) funds. This coordination ensures ESG investments align with local and regional priorities to prevent and end homelessness.

Staff from the City of Napa's Police Department and the Housing Authority of the City of Napa serves on the Continuum of Care's Governing Board. The representatives actively participate in shaping funding policies, procedures, and priorities for the CoC. They also play a critical role in evaluating and ranking the ESG applications in order of priority for State ESG Program funding.

The City also works with the CoC and its partners to develop performance standards and outcome measures for ESG funded programs. The City also contributes to the development and refinement of policies and procedures for the Homeless Management Information System (HMIS) to ensure compliance measures regarding data quality, privacy and reporting standards.

The City remains committed to ongoing coordination with the CoC to ensure ESG resources are effectively targeted and the homeless response system is strategically coordinated to maximize impact.

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

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Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	HOUSING AUTHORITY OF THE CITY OF NAPA
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	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, administered by City staff, played an active role throughout the development of the Consolidated Plan by providing critical data on Housing Choice Voucher (Section 8), insights on current housing needs, gaps in services, and strategies to address affordable housing challenges in the community.
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

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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.
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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 and Homeless Services 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.
2023-2031 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 portion of this Consolidated Plan.
City of Napa Analysis of Impediments	City of Napa	The AI presents information on fair housing choice in Napa, including the impacts that the high cost of housing has on fair housing choice. The goals of the Consolidated Plan include increasing access to affordable housing and supporting organizations that address issues related to housing discrimination.
Napa COC Strategic Plan to Address Homelessness	Napa County Housing and Homeless Services Division	The goals of the Strategic Plan to Address Homelessness align closely with the Con Plan goals by prioritizing homelessness prevention, expanding access to permanent supportive housing, and strengthening coordination among housing and service providers. Both work to promote housing stability and address the needs of vulnerable populations.

Table 3 – Other local / regional / federal planning efforts

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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 a 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.

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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.

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AP-12 Participation – 91.105, 91.200(c)

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

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

CDBG Citizens' 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.

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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.

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities	On April 27, 2026 the City's CDBG Citizen's Advisory Committee held a meeting to discuss and recommend funding for Fiscal Year 2024-2025. The meeting was publicly noticed.	No comments received	Not 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 30 days concurrent to the adoption by City Council	Insert Comments if received	If applicable	

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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
3	Public Meeting	Non-targeted/broad community	On June 16th, 2026, the City Council approved the Annual Action Plan. The meeting was publicly noticed.	Insert comments if received	If applicable	

Table 4 – Citizen Participation Outreach

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Expected Resources

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

Introduction

The City of Napa anticipates receiving approximately \$3 million in Community Development Block Grant (CDBG) entitlement funds from the U.S. Department of Housing and Urban Development (HUD), averaging an annual allocation of approximately \$600,000. These funds will be used to support a range of eligible housing, public services, and community development activities that benefit low- and moderate-income residents and neighborhoods.

In addition to CDBG, the City expects to leverage several other funding sources to address local housing and community development needs, including:

- Affordable Housing Impact Fee Fund – Generated from developer fees and dedicated to supporting affordable housing development and preservation.
- 1% Transient Occupancy Tax (TOT) for Affordable and Workforce Housing – A dedicated local revenue stream from lodging taxes used to support new affordable housing initiatives.
- Permanent Local Housing Allocation (PLHA) – State funding to support housing-related activities such as production, preservation, and supportive services.
- HOME Investment Partnerships Program (HOME) – Administered by the City of Napa Housing Division, to support affordable housing development and rehabilitation.
- Section 8 Housing Choice Vouchers (HCVs) – Administered by the Housing Authority of the City of Napa, providing rental assistance to extremely low-income households.
- General Fund Contributions – Staff time and discretionary funds used to support housing, homelessness services, and public infrastructure improvements.
- Other State and Federal Programs – Including potential grants from CalHFA, HCD, and other competitive sources, such as ESG, Homekey, or Low-Income Housing Tax Credits.

Despite this diverse range of funding mechanisms, insufficient funding levels remain a critical challenge. The identified needs for increased affordable housing production, homelessness response, and infrastructure upgrades exceeds available funding. Local agencies and partners continue to collaborate on maximizing leverage and aligning investments, but funding shortages continue to be the most

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significant barrier to fully meeting the housing and community development goals outlined in this Consolidated Plan.

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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	573,349.00	51,941.00	0.00	625,290.00	1,720,047.00	Expected allocation for FY 26/27, program income and estimate of the remaining amount for the Con Plan cycle.
Other	public - state	Housing	223,360.00	0.00	0.00	223,360.00	223,360.00	PLHA- This funding source was created by legislation adopted by the State of California in 2017 providing formula and competitive grant to help cities and counties address housing needs. Expected amounts shown reflect the City's projected allocation from formula grants.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Other	504,543.00	0.00	0.00	504,543.00	504,543.00	HHAP funding is a state allocation to support jurisdictions with homeless response efforts.
Other	public - local	Acquisition Admin and Planning Housing	1,150,000.00	0.00	0.00	1,150,000.00	3,450,000.00	This fund was created in FY 2018/19 based on a voter approved measure which assesses a one percent transient occupancy tax on lodging revenues and affordable and workforce housing. Approximately \$7.9 M is available as of April 22nd, 2026. Approximately \$264k of this funding is reserved.
Other	public - local	Admin and Planning	118,350.00	0.00	0.00	118,350.00	355,050.00	This fund is the primary fund responsible for the City's financial operations covering all administrative and operating expenses.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Housing	2,523,000.00	0.00	0.00	2,523,000.00	7,569,000.00	The City currently expects approximately \$883k during the 2026-2027 Fiscal Year. The Affordable Housing Impact Fee fund balance is \$8.9M as of April 22, 2026. Approximately \$4.8M of this funding is reserved for affordable housing projects

Table 5 - Expected Resources – Priority Table

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

Many of the activities that the City of Napa intends to fund through the Community Development Block Grant (CDBG) program require supplemental financing from other public and private sources. CDBG funds are allocated to leverage local, state, and federal resources to maximize the impact of investments in public infrastructure, affordable housing, housing rehabilitation, emergency shelter operations, and community services.

Over the five-year Consolidated Plan period, the City plans to use CDBG funds to fill funding gaps in projects that could also be supported by:

- Local sources- such as the City's Affordable Housing Impact Fee Fund and 1% TOT (Transient Occupancy Tax) for Affordable and Workforce Housing, which support development and preservation of housing for low- and moderate-income households;
- State funds- including the Permanent Local Housing Allocation (PLHA), Affordable Housing and Sustainable Communities (AHSC), Homekey, Prohousing Incentive Program (PIP), Homeless Housing And Prevention (HHAP), and program income from CalHome, used for affordable housing, homeless housing and prevention, emergency shelter operation, housing rehabilitation and first-time homebuyer assistance;
- Federal sources- such as the HOME Investment Partnerships Program, administered by the City of Napa Housing Division which supports affordable housing construction and acquisition;
- Private sector investments and nonprofit contributions- These funds are usually assembled by affordable housing developers for development projects with multiple funding layers.

For housing rehabilitation, the City operates a loan and grant program funded by both CDBG and CalHome program income. While these sources are not typically co-mingled at the project level, they are used concurrently to serve different households based on programmatic requirements. This allows the City to maximize the number of households served and reduce the long-term costs of housing maintenance and displacement.

Affordable housing development projects funded with CDBG often serve as a component of a larger funding mix, including federal Low-Income Housing Tax Credits (LIHTC), PLHA, HOME, and local gap financing from the Affordable Housing Impact Fee Fund. These projects frequently involve public-private partnerships, and CDBG funds are essential in acquisition, improving site readiness, infrastructure, or service access.

The 1% TOT is designed to support housing for households earning up to 120% of the Area Median

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Income (AMI). While this funding extends beyond HUD's CDBG income eligibility threshold, it is often used in mixed-income projects where CDBG can support low- and moderate-income units within a broader development.

The City does not currently receive federal grants with formal matching requirements under CDBG. However, the City's strategy emphasizes leveraging all available resources, and matching is met on a project-by-project basis through developer contributions, local funding, and layered financing when applicable.

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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 of Napa is actively utilizing its publicly owned assets to address housing needs. An example is the 2.75-acre parcel at 3875 Jefferson Street, acquired using the 1% Transient Occupancy Tax dedicated to Affordable and Workforce Housing. Through a competitive RFP process, the City is inviting proposals for affordable housing developments where at least 75% of the units serve households earning at or below 80% of AMI aligning with the Surplus Lands Act exemption requirements.

Additionally, the City and County are monitoring statewide legislative opportunities that could expand development capacity on publicly or institutionally owned land. For instance, the Affordable Housing on Faith and Higher Education Lands Act (SB 4) streamlines permitting and promotes by-right development of affordable housing on land owned by faith-based or nonprofit educational institutions, potentially enabling future collaborations at such sites.

Discussion

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Rehabilitation	2025	2030	Affordable Housing				Homeowner Housing Rehabilitated: 12 Household Housing Unit
2	Outreach/referral for racial/ethnic minority group	2025	2030	Affordable Housing Homeless Non-Homeless Special Needs				
3	Fair housing activities	2025	2030	Non-Homeless Special Needs Non-Housing Community Development				
4	Emergency shelter services	2025	2030	Homeless				

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Non-profit capital improvement projects	2025	2030	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development				
6	Affordable childcare facilities	2025	2030	Non-Housing Community Development				Public service activities other than Low/Moderate Income Housing Benefit: 20 Persons Assisted
7	Physical/Mental/Behavioral health services	2025	2030	Non-Housing Community Development				Public service activities other than Low/Moderate Income Housing Benefit: 20 Persons Assisted

Table 6 – Goals Summary

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.

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2	Goal Name	Outreach/referral for racial/ethnic minority group
	Goal Description	The City of Napa is committed to ensuring broad access to housing and community development resources for all residents, with focused outreach to racial and ethnic minority groups including Napa's large Latino/Hispanic population and individuals with limited English proficiency. The City works to ensure that service providers understand and respond to the diverse needs of all the community, and that eligible residents have access to information and available programs. In prior Consolidated Plan periods, the City supported this goal by funding fair housing services and a Spanish speaking counselor within a community based organization. The City continues this commitment to language access and looks to strengthen these efforts in the 2025-2030 period to further advance access and service delivery.
3	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 service providers that deliver fair housing and tenant/landlord mediation services. The City anticipates continued support of this goal during the 2025-2030 planning period.
4	Goal Name	Emergency shelter services
	Goal Description	Providing financial support toward operation of emergency shelters remains a critical priority to the community. This goal is consistent with the City's previous use of CDBG funds to support emergency shelter service providers.
5	Goal Name	Non-profit capital improvement projects
	Goal Description	Fund capital improvements at non-profit facilities, including but not limited to emergency shelters that serve homeless individuals and families in Napa.
6	Goal Name	Affordable childcare facilities
	Goal Description	

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7	Goal Name	Physical/Mental/Behavioral health services
	Goal Description	Support a range of health services, which could include physical health and/or mental/behavioral health. City support for these services would likely involve partnerships with nonprofit organizations or governmental agencies that provide these services.

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Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Napa has allocated CDBG funding to nine projects during the 2026-2027 Fiscal Year, as summarized in Table 3 below. Funding allocated to CDBG administration will provide support to the Greater Fair Housing Napa Valley to provide fair housing services to the community. The public services project included in the table below encompasses, operational support for the Rainbow House Emergency Shelter, case management for Share the Care, a bilingual (Spanish/English) counselor at NEWS Domestic Violence and Sexual Abuse Services, training staff at Salvation Army Culinary Training Academy, 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. Mentis will be completing Capital Improvements to two separate sites that provide housing to disabled individuals.

Projects

#	Project Name
1	Administration & Planning: FHNV
2	Public Service
3	Housing Rehabilitation
4	Non-Profit Capital Improvement Projects

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 Second 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 2025-2030 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

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as appropriate.

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AP-38 Project Summary Project Summary Information

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1	Project Name	Administration & Planning: FHNV
	Target Area	
	Goals Supported	Outreach/referral for racial/ethnic minority group Fair housing activities
	Needs Addressed	Affordable Housing Homeless Services
	Funding	:
	Description	This CDBG Planning and Administration project will fund fair housing services provided by Fair Housing Napa Valley, a qualified nonprofit fair housing agency. The project supports fair housing education, outreach, counseling, and complaint intake services that affirmatively further fair housing and address local fair housing priorities identified in the City's Consolidated Plan. Proposed accomplishments include fair housing outreach and education to residents, landlords, and housing providers; intake and counseling related to alleged housing discrimination; assistance and referral for individuals experiencing fair housing violations; and coordination with appropriate enforcement agencies as needed. Outreach efforts may include workshops, distribution of fair housing materials, and participation in community events. Services will be provided on a citywide basis to residents of the City and individuals seeking housing within the City's jurisdiction. The activity is expected to be carried out throughout the program year, with services provided on an ongoing basis through the end of the program year. The project addresses local priority needs related to fair housing choice, access to housing, and prevention of housing discrimination. The activity qualifies under the Low/Moderate Income Clientele (Presumed Benefit) national objective and benefits low- and moderate-income persons and members of protected classes by promoting equal access to housing opportunities within the City.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	
Location Description	Citywide	

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	Planned Activities	05J <ul style="list-style-type: none"> • Fair Housing education and outreach services • Workshops and distribution of fair housing materials • Intake, counseling, and referral and fair housing complaints • Coordination with state and federal fair housing enforcement agencies • Reporting and documentation of services provided
2	Project Name	Public Service
	Target Area	
	Goals Supported	Emergency shelter services Outreach/referral for racial/ethnic minority group Affordable childcare facilities Physical/Mental/Behavioral health services
	Needs Addressed	Homeless Services Community Development
	Funding	CDBG: \$170,000.00
	Description	To fund 6 public service activities. All Public Services approved for the 2026 Annual Action Plan including: Catholic Charities, NEWS, Puertas Abiertas, Share the Care, Salvation Army & Community Resources for Children (CRC).
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	25 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. 3,000 households receive free referrals to, education programs, social services, senior support groups, counseling survivors of domestic violence and their families through the Promotoras Program. 30 Families will receive improved childcare support for disabled children. 30 individuals will receive training through the Salvation Army of Napa Culinary Training Academy.
	Location Description	Citywide

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	Planned Activities	<p>Provide operational support to Catholic Charities Rainbow House Family Shelter.</p> <p>Provide funding for bilingual counselor at the NEWS domestic violence shelter.</p> <p>Provide funding for the Promotoras program outreach through Puertas Abiertas Community Resource Center.</p> <p>Provide funding to Community Resources for Children to supply educational materials for children with learning disabilities.</p> <p>Provide funding for counselor at the Salvation Army of Napa Culinary Training Academy.</p>
3	Project Name	Housing Rehabilitation
	Target Area	
	Goals Supported	Housing Rehabilitation
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$181,353.00
	Description	Rehabilitation of housing. Funding includes entitlement funds and unreceived but expected revolving loan program income funds.
	Target Date	6/30/2027
	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.
Planned Activities	Housing rehabilitation for low-income households. 14A	
4	Project Name	Non-Profit Capital Improvement Projects
	Target Area	
	Goals Supported	Housing Rehabilitation Non-profit capital improvement projects
	Needs Addressed	Community Development
	Funding	CDBG: \$130,000.00

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Description	Capital improvement projects for Non-Profit organizations. Approved in the 2026 Annual Action Plan are two projects for Mentis. One project is to improve accessibility to the Griggs Project for Transitional Housing to increase accessibility. The second project is to the Carolina Property to make code compliance repairs to a supportive living facility.
Target Date	6/30/2026
Estimate the number and type of families that will benefit from the proposed activities	It's estimated that 6 households will benefit at the transitional housing project. It's estimated that 5 households will benefit at the supportive living facility for those with mental illness.
Location Description	Mentis - Transitional Housing located on Griggs Lane. Mentis - Supportive Living Facility on Carolina Street.
Planned Activities	Accessibility improvements to transitional housing facility. Code compliance repairs and rehabilitation to Supportive Living Facility.

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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, child facilities, as well as to support fair housing activities.

Geographic Distribution

Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

See above.

Discussion

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Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

This section specifies goals for the number of households to be provided with affordable housing due to City of Napa CDBG expenditures within the Fiscal Year 2026-2027 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 Second 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

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AP-60 Public Housing – 91.220(h)

Introduction

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

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

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

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

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

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

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

Discussion

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

Introduction

The City of 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 Second 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 City-County Continuum of Care. As a part of these efforts, the City of Napa holds contracts for and seeks out funding to support a variety of street outreach, intervention, and prevention and diversion programs. Napa's one-year goals and projects specified in the Second 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 Second 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 leverage support for operational expenses of the South Napa Shelter and operates the North Napa Center as a secondary shelter through the Encampment Resolution Funding Grant.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Second 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 have continued to evolve into an operational model. 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, a new vision for the street outreach and intervention teams, the opening of a non-congregate homeless shelter, and consolidated and easier

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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 agencies 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' capacity to remain in their housing, focusing on prevention before homelessness occurs.

In addition to services that are tailored specifically for households transitioning from homelessness, access to affordable housing is critical in ensuring homeless individuals and families transition from homelessness. Although Napa's Second 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 2024-2025, the City completed one new permanent supportive housing project that provides 44 units to low-income households placed through the County's Coordinated Entry System. In Fiscal Year 2023-2024, a 54-unit permanent supportive housing project assisting low-income households became available for occupancy. Both projects require precise coordination between the developer, City, Housing Authority, County, funders, and service providers. In Fiscal Year 2024-2025, the City completed an additional housing project that provides 90-units to households.

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

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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.
- The City has launched a pilot diversion and prevention program to assist with stabilizing households to prevent homelessness and or reducing the amount of time a client experiences homelessness if they can be connected with stable housing resources.

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 First Year Annual Action Plan allocates funding to support fair housing activities, which can assist in preventing wrongful evictions and discriminatory housing practices that could result in homelessness. A shortage of funding constitutes the primary barrier to helping low-income individuals and families to avoid becoming homeless.

Discussion

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

Introduction:

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 been approved by the State of California Department of Housing and Community Development (see Section MA-40 of the Consolidated Plan). 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 reassess 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:

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AP-85 Other Actions – 91.220(k)

Introduction:

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 reassess 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.

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 2025-2026 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 2025-2035 Consolidated Plan. These actions include, but are not limited to:

Identification of sites for affordable housing, including sites zoned to densities sufficient to make

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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 2026-2027 Fiscal Year, the City does intend to use other available resources to support the development of affordable housing. The City expects to have approximately \$8.1 million in its Housing Impact Fee Fund by June 30, 2025, approximately \$7.1 million of which is reserved for loans to support affordable housing in Napa. The City also anticipates having approximately \$9.5 million available from its One Percent TOT for Affordable and Workforce Housing by June 30, 2025, approximately \$3.7 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.

The City's Housing Impact Fee revenues depend on Napa construction activity, while the One Percent TOT Fund funding from local hotels is affected by spending at local hotels, both of which are somewhat dependent on local economic activity. TOT funds were impacted by the COVID-19 pandemic and its economic effects on tourism and lodging. While construction may not be as affected in the near term, Napa can expect a decrease in construction activity due to ongoing economic volatility, reducing demand for new commercial space and market-rate residential units. Consequently, the City may collect less revenue than expected until economic conditions improve.

As shown throughout the Consolidated Plan, the City continues to apply CDBG funds to support housing rehabilitation for low- and moderate-income households during the 2025-2026 Fiscal Year and in future years. The City's Housing Rehabilitation Program helps to preserve existing units and allows low- and

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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 First 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 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 agencies provide 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.

The City of Napa addresses poverty through affordable housing policies and economic development efforts, aiming to provide stable living environments and job opportunities for low-income households.

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 and 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-cost or subsidized 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

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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 2026-2027 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 2026-2027.

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 subrecipients. All subrecipients are required to maintain documentation of clients benefiting from activities funded through the CDBG program. Subrecipients 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, race and ethnicity. The City also requires that the subrecipients 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 subrecipients 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

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applicable laws and regulations are being followed in addition to 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.

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Program Specific Requirements

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

Introduction: