the availability of funds, a contract will be executed so that NVHA can also utilize low interest loan programs from sources such as the U.S. Department of Agriculture Rural Development.

2. Affordability Policies

Policy 2a The County shall work to reduce the cost of housing to low, very low and moderate income households through available local, State, Federal, and private rental and homeownership assistance programs.

Policy 2b The County will encourage the construction of new affordable housing units within designated urban areas at a density that is commensurate with the availability of public or private water and sewer systems. These units shall be capable of purchase or rental by persons of low, very-low and/or moderate income as determined by applicable federal guidelines.

Policy 2c The County will continue to implement its inclusionary housing ordinance to promote development of a full range of housing types in the County and to require payment of an in-lieu fee for projects that do not construct the required housing .

Policy 2d The County will investigate housing opportunities for higher density housing within urban areas where high densities are not presently allowed. For such areas, an affordable housing overlay designation will be developed that provides specific and reasonable development standards and requires affordable housing as a significant project component. The affordable housing zone would require minimum density and affordability standards to be applied on a site specific basis to sites identified in Appendix H.

Policy 2e The County will continue its program of accumulating unused Category 4 building permits as part of its Housing Allocation Program so that these permits can be made available to developers of affordable units. The County will revise its Category 4 Growth Management System permit criteria to allow their use for housing units affordable to households at up to 120 percent of median income.

Policy 2f The County shall provide incentives for the use of accumulated Category 4 permits.

Policy 2g The County shall cooperate with the municipalities of Napa County in the use of fees derived from its inclusionary zoning ordinance and Housing Trust Fund to assist with the construction or rehabilitation of affordable housing units in suitable locations and at suitable densities.

Policy 2h The County shall encourage the provision of accessory, second units, such as Granny Units as described in Government Code section 68852.2, in suitable locations.

Policy 2i The County will seek to maximize the duration of the long-term affordability of these affordable housing units.