



# Low Income Program

Napa Sanitation District  
Board of Directors Meeting  
April 3, 2019



# Status of Current Program

Individual Applicants	121.0
<u>Affordable Housing</u>	<u>627.2</u>
<b>Total</b>	<b>748.2</b>
Total NapaSan Residential SSU	32,485
Participation Rate	2.3%



# Status of Current Program

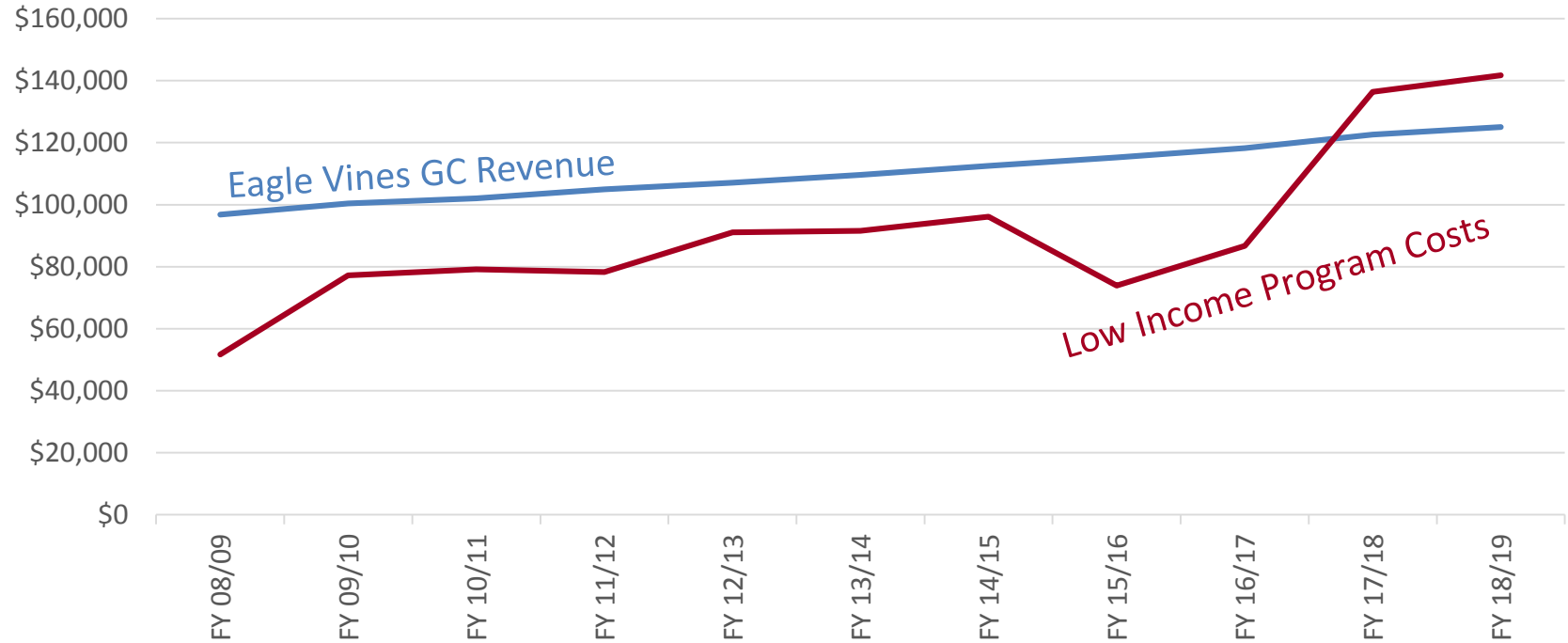
Current SSC Rate	\$676.38
<u>Low Income Rate</u>	<u>\$487.00</u>
<b>Difference</b>	<b>\$189.38</b>



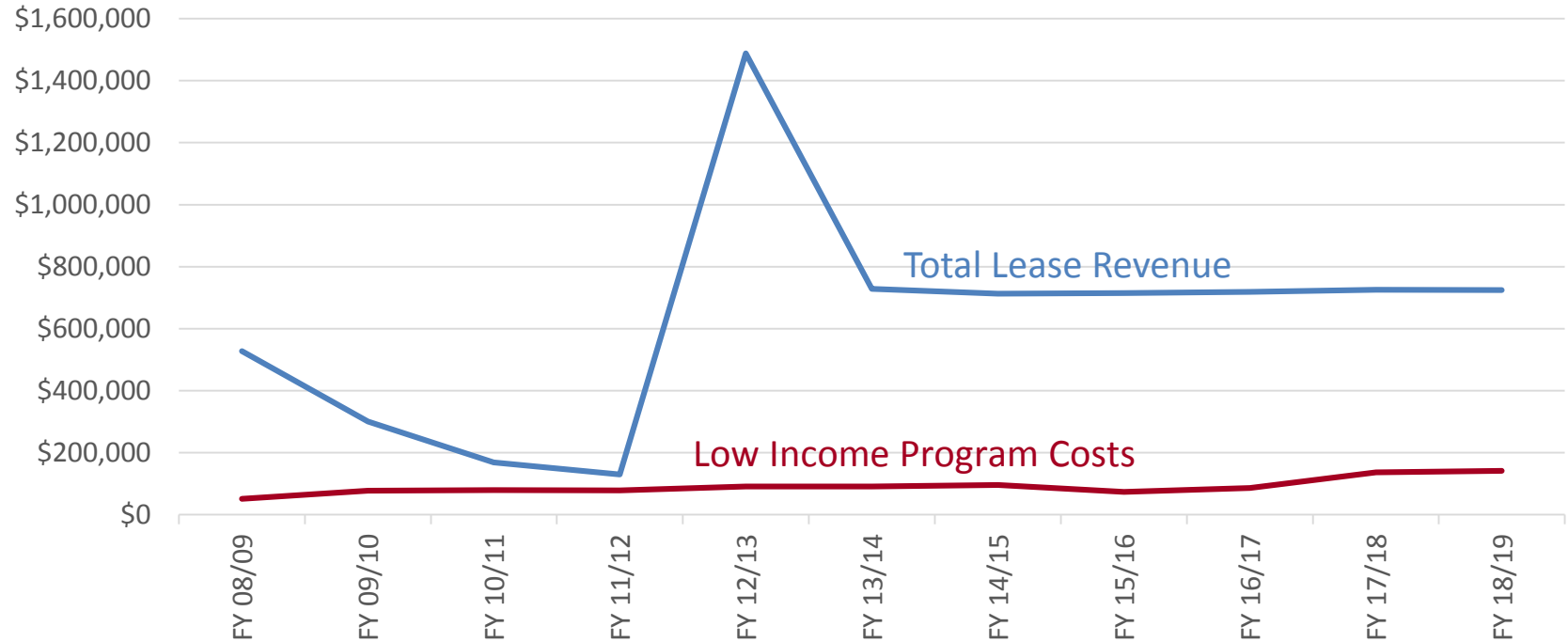
<u>Total Low Income SSUs</u>	<u>748.2</u>
<b>Program Cost</b>	<b>\$141,694</b>



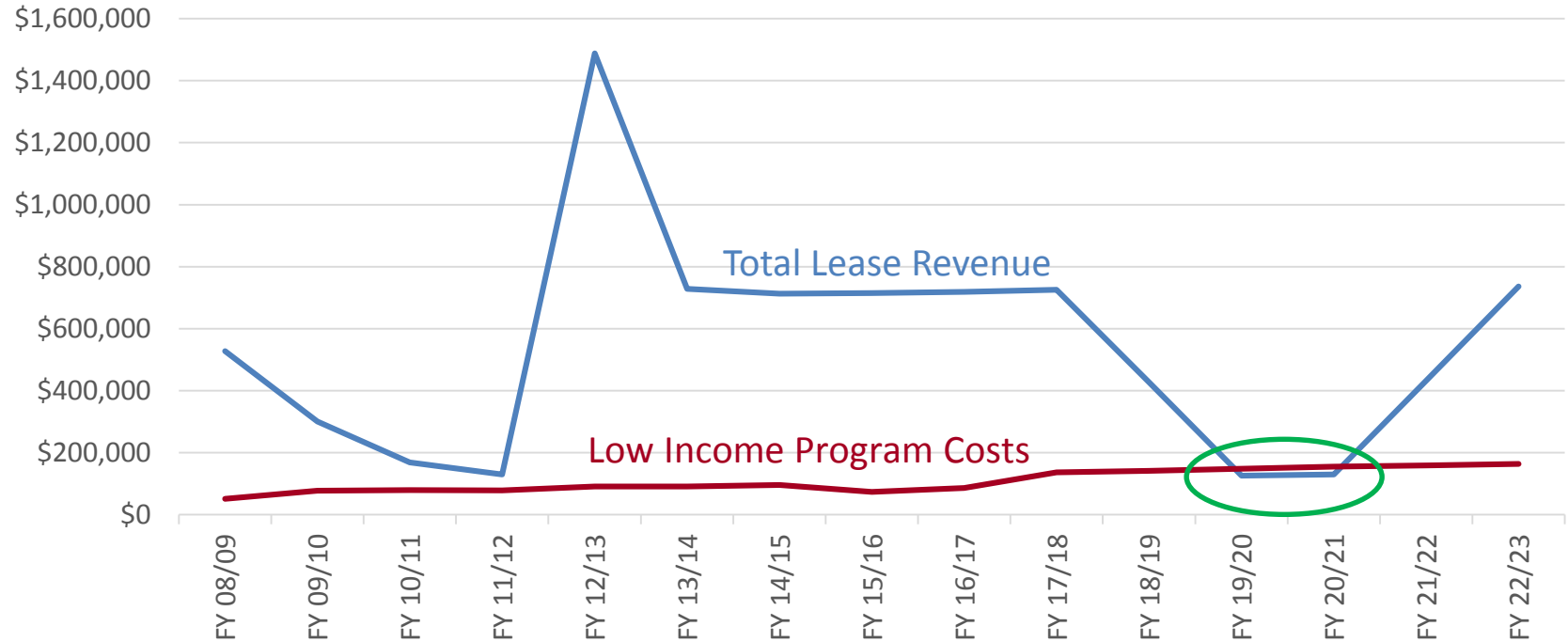
# Program Costs



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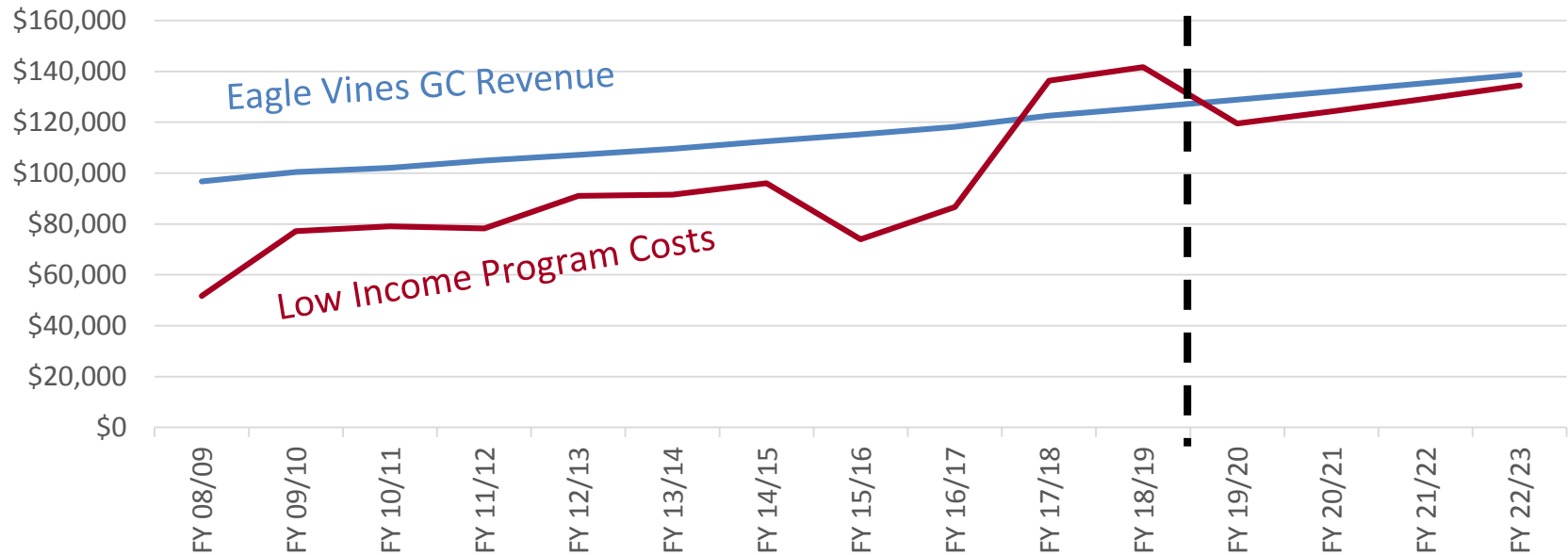


# Policy Options

- Option 1: Modify program so that its costs can be covered by Eagles Vines GC lease revenue
- Option 2: Assume success with development of new lease tenants in FY 2019/20
- Option 3: Reserve revenue collected in FY 2018/19 from Somky Lease for use in Low Income Program only



# Option 1a: Match LI Program to Eagle Vines Revenue: Reduce to 22% Discount







Option 1b:

Change eligibility requirements by lowering income eligibility limits

Not Feasible



# Program Eligibility - Individuals

- Own home and reside in home
- Household size
- Income limits
  - Tax returns submitted to NapaSan for verification
  - Subject to “interpretation” by NapaSan staff

# Program Eligibility - Individuals

Individual Households		
Household Size	NapaSan Income Limit	# Eligible
1	\$39,120	86
2	\$44,700	23
3	\$50,280	7
4	\$55,860	
5	\$60,360	3
6	\$64,800	
7	\$69,300	1
8+	\$73,740	1
Total		121

- \$22,500 reduction needed to match revenues and program expenses
- LI Program savings is \$198.86 per unit
- Need to reduce 113 units to balance



# Program Eligibility – Non-Profits

- Criteria established in Board Policy
- 501(c)(3) non-profit organization providing housing to low income renters
  - Must rent 85% or more of units
  - Household earnings of 60% or less of median family income (determined by Napa Housing Authority)
  - Applies only to those occupied units with qualifying families
- NapaSan criteria aligns with City of Napa criteria

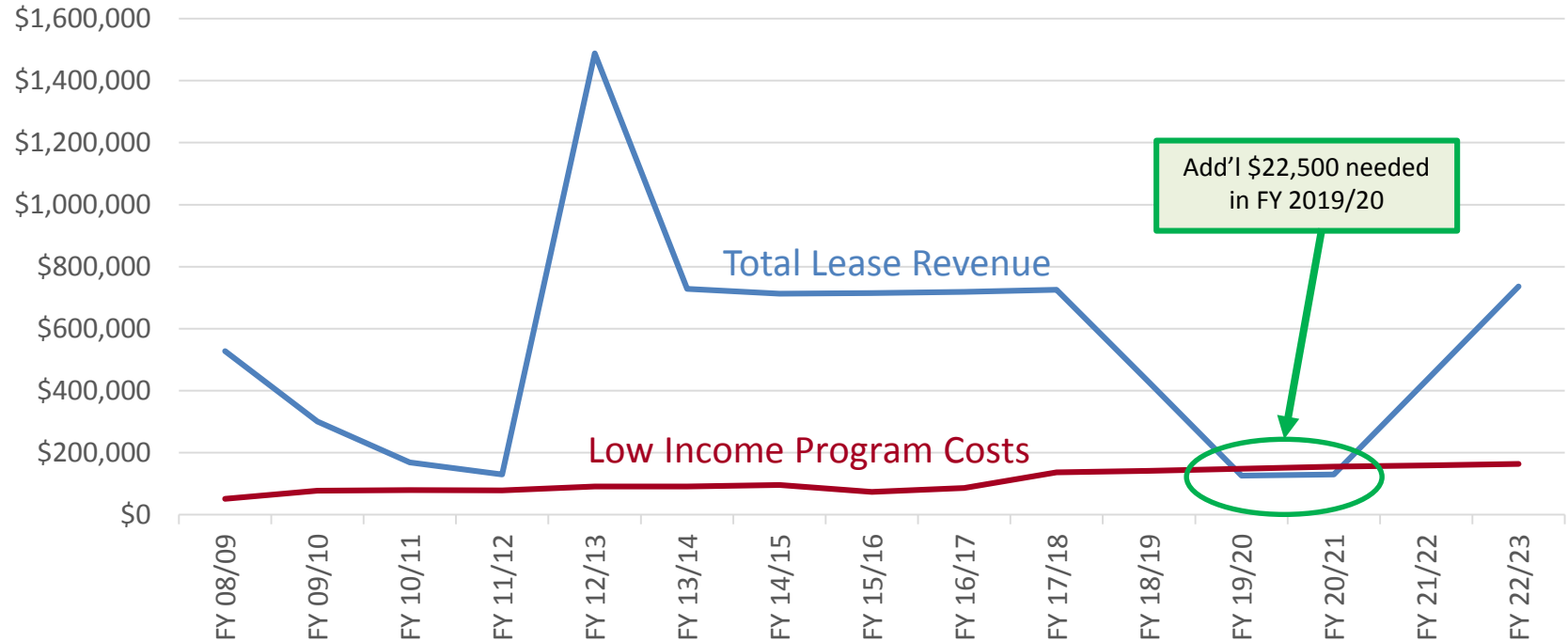


Option 2:

Assume success with development of new lease tenants in FY 2019/20



# Program Costs





### Option 3:

Reserve revenue collected in FY 2018/19 from Somky Lease for use in Low Income Program only

**FY 2018/19 Somky Revenue/Cash Received = \$300,000**

- Revenue could be reserved by passage of Resolution by NapaSan Board in current fiscal year.
- Unspent portion would be carried forward to future fiscal years.



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# Procedural Change

Proposal:

Allow enrollment in PG&E CARE program as qualification for NapaSan Low Income program



# Procedural Change

Household Size	NapaSan Income Limit	# Eligible	PG&E CARE Limit	# Eligible
1	\$39,120	86	\$32,480	70
2	\$44,700	23	\$32,480	14
3	\$50,280	7	\$40,840	5
4	\$55,860		\$49,200	
5	\$60,360	3	\$57,560	3
6	\$64,800		\$65,920	
7	\$69,300	1	\$74,280	1
8+	\$73,740	1	\$82,640	1
Total		121		94



# Benefits of Using CARE

- Reduce income verifications by NapaSan
  - Reduce staff time
  - Reduced risk (handling personal tax info)
  - Reduced “interpretation” issues
- Easier for Customer
  - Only 1 income verification instead of 2



# Potential Impacts

- Possible increase in eligible households enrolling
  - 88% of eligible households are enrolled in CARE
- Most likely scenario:
  - No change in enrollment numbers
    - Only home owners eligible
    - Saturated marketing and outreach already



# Policy Question

Should NapaSan use PGE CARE program enrollment as income verification for its Low Income Program?

In lieu of NapaSan income verification?

- or -

In addition to NapaSan income verification?