



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 1/24/2017

Agenda Placement: 6F

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: JoAnn Melgar for Howard Himes - Director
Health & Human Services Operations

REPORT BY: JoAnn Melgar, Staff Services Analyst II - 707-253-4722

SUBJECT: Adoption of a Resolution to Apply for HOME grant funds

RECOMMENDATION

Director of Health and Human Services requests adoption of a resolution authorizing:

1. Submittal of an application to the California State Department of Housing and Community Development for funding under the HOME Investment Partnerships Program; and if selected,
2. Authorization for the Director of Health and Human Services or designee to execute a standard agreement, any amendments thereto, and any related documents necessary to participate in the HOME Investment Partnerships Program.

EXECUTIVE SUMMARY

The California Department of Housing and Community Development (HCD) is authorized to allocate HOME Investment Partnerships Program ("HOME") funds made available from the U.S. Department of Housing and Urban Development ("HUD").

On December 6, 2016, HCD issued a 2016 Notice of Funding Availability (NOFA) announcing the availability of funds under the HOME program. In response to the 2016 NOFA, the Napa County Health and Human Services Agency wishes to submit an application to HCD to participate in the HOME program and for an allocation of funds not to exceed \$500,000 for Tenant Based Rental Assistance, to be located and administered in the County of Napa. Program activities include rental assistance, security deposits, utility deposits and other HOME eligible activities for low-income households.

As part of the application process, HCD requires an authorizing resolution signed by the Board of Supervisors, prior to the February 2, 2017 application due date.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

HOME Investment Partnerships Program (HOME) permits participating jurisdictions (PJ) to create flexible programs that provide assistance to individual households to help them afford the housing costs of market-rate units. These programs are known as "tenant-based rental assistance," or TBRA. HOME TBRA programs differ from other types of HOME rental housing activities in three key ways:

1. Helps individual households, rather than subsidizing particular rental projects.
2. TBRA assistance moves with the tenant—if the household no longer wishes to rent a particular unit, the household may take its TBRA and move to another rental property.
3. The level of TBRA subsidy varies—the level of subsidy is based upon the income of the household, the particular unit the household selects, and the PJ's rent standard (rather than being tied to the PJ's high and low HOME rents).

There are many different types of TBRA programs, but the most common type provides payments to make up the difference between the amount a household can afford to pay for housing and the local rent standards. Other TBRA programs help tenants pay for costs associated with their housing, such as security and utility deposits.

As the County and partner agencies undergo systems change for homeless services, with a focus on permanently housing homeless households, rental subsidy resources will be critical to ensuring the success of these changes. HOME TBRA provides funds that can be used for rental assistance for up to two years per household, as well as security and utility deposits to ensure these households are able to secure housing. HOME TBRA funds adhere to a rent reasonableness standard as opposed to fair market rent, which increases the chances of locating market-rate units that are affordable for each household.

Funds must be committed within two years and must be spent down within five years. The County would be eligible to apply annually for more funds. There is no match requirement for the 2016 HOME NOFA.

SUPPORTING DOCUMENTS

A . HOMEFundsResolution

CEO Recommendation: Approve

Reviewed By: Bret Prebula