



Agenda Date: 10/10/2006  
Agenda Placement: 60

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

---

**TO:** Board of Supervisors  
**FROM:** Howard Siegel for Nancy Watt - County Executive Officer  
Community Partnership Program  
**REPORT BY:** Howard Siegel, Community Partnership Manager, 253-4621  
**SUBJECT:** Agreement with Napa Valley Housing Authority

---

### **RECOMMENDATION**

County Executive Officer requests approval of and authorization for the Chair to sign an agreement with the Napa Valley Housing Authority (NVHA) for a maximum of \$35,000 for the term October 10, 2006 through June 30, 2007 for administration of the County's Affordable Housing Fund and for services provided by the Greater Napa Fair Housing Center.

### **EXECUTIVE SUMMARY**

In 1993, the County established an Affordable Housing Trust Fund in order to facilitate the development of affordable housing throughout the County. NVHA provided services for the administration of the trust fund via the County's contribution to the Joint Powers Agreement that governs the NVHA. In 2004, a separate agreement was executed to cover these administrative services as a separate and distinct activity at a cost of \$30,000 annually.

Today's proposed action would increase that amount to \$35,000, with the additional \$5,000 passed through to the Greater Napa Fair Housing Center (GNFHC) for fair housing and tenant/landlord mediation services via the amendment of an existing contract between NVHA and GNFHC. The proposed agreement will be approved by the NVHA at their November 13, 2006 meeting.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Affordable Housing
Is it Mandatory or Discretionary?	Discretionary

---

Discretionary Justification:	NVHA is staffed appropriately to manage this process, which would otherwise have to be managed by County staff. The proposed increase in funding from \$30,000 to \$35,000 is intended to be passed through to the GNFHC to help defray the costs of providing services in the unincorporated area. Funding is available in Affordable Housing Trust Fund, which currently has an unobligated balance of nearly \$5 million.
Is the general fund affected?	No
Future fiscal impact:	Both the annual expense of \$30,000 for administrative services and the \$5,000 for the GNFHC is expected to continue in future years.
Consequences if not approved:	The County would not be able to provide the level of administration required to fulfill its agreements related to the recent settlement of housing litigation without increasing existing staffing levels.
Additional Information:	

### **ENVIRONMENTAL IMPACT**

There is no Environmental Impact for this item.

### **BACKGROUND AND DISCUSSION**

In 1987, the County joined the cities of St. Helena and Calistoga, and the Town of Yountville in forming the Napa Valley Housing Authority (NVHA), as memorialized by a Joint Powers Agreement (JPA). The City of American Canyon also became a member shortly after its incorporation. Each member has always paid an annual contribution to maintain this entity and to provide staff support.

In 1993, the County established an Affordable Housing Trust Fund in order to facilitate the development of affordable housing throughout the County. At the same time, the County arranged for NVHA staff to take over the administration of the Affordable Housing Trust Fund. NVHA had provided these administrative services with an annual cost to the County of \$20,000, with costs for the administration of the trust fund being included in the County's contribution to Joint Powers Agreement that governs the NVHA.

In 2004, however, because administration of the County's Affordable Housing Trust Fund is a separate and distinct activity, an administrative decision was made to contract directly with NVHA for these particular services with an annual cost increase to \$30,000 being approved by the Board at that time, reflecting the increased level of effort required as a result of the County's recently settled housing litigation and revised Housing Element. Approval of the proposed agreement continues funding for administrative services provided by the NVHA at the same funding level.

Until recently, a County-appointed Advisory Board has met on a monthly basis in order to make recommendations to the Board of Supervisors as to how these funds should be expended. In 2003, a new 10-member Board was formed, known as the Community Affordable Housing Advisory Board (CAHAB). This Board includes representation from the County (2 members of the Board of Supervisors), the Cities of St. Helena and Napa, the Town of Yountville, and two "at-large" members from the community. Their job is to solicit and evaluate proposals, typically from non-profit housing developers, to utilize a portion of these funds to produce affordable housing units. They then make recommendations to the various legislative bodies, including your Board, for final funding decisions. The CAHAB, which meets every two months, is also supported by the staff of the NVHA.

The Greater Napa Fair Housing Center (GNFHC), established in 2004, replaced the Napa County Rental Information and Mediation Service (NCRIMS) as the non-profit agency providing fair housing assistance and counseling as well as tenant/landlord mediation services to Napa County property owners and residents. NVHA has an existing agreement with GNFHC to provide services throughout the County, including the unincorporated area. However, the County's only funding to this agency has been as a portion of the \$11,000 that NVHA provides from its member jurisdictions (County portion is about \$2,200). Given the recent City of Napa CDBG program cuts (\$10,000) to GNFHC and the fact that the cost of services provided to unincorporated area residents far exceeds the \$2,200 being spent by the County, staff recommends providing the GNFHC an additional \$5,000 annually which is included in the proposed agreement. The NVHA Board of Directors is expected to approve a concomitant amendment to their existing agreement with GNFHC to reflect this financial arrangement at their meeting on November 13, 2006.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Karen Gratton