



Agenda Date: 11/7/2006  
Agenda Placement: 6T

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**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:** Modification of Loan Documents related to Farm Worker Camp Rehabilitation

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### **RECOMMENDATION**

County Executive Officer requests approval of and authorization for the Chair to sign a Junior Lienholders' Acknowledgement and Consent acknowledging subordination of the County of Napa's interests to the augmented State of California grant for improvements to two farm worker housing camps.

### **EXECUTIVE SUMMARY**

In August 2005, the County provided a \$500,000 loan to the Napa Valley Housing Authority (NVHA) to assist with the cost of renovating the Calistoga and Mondavi Farm Worker Housing Centers, both of which are owned and operated by NVHA on behalf of the County. The County's loan is secured by a Regulatory Agreement and a Deed of Trust. The loan is in a subordinate position behind similar State of California funding agreements for their \$1,066,650 grant to NVHA for the same purpose.

Due to increased renovation costs, the NVHA has applied for and has been granted additional funding from the State. In order to modify the State funding agreement to include the additional grant, the County must reiterate its subordinate lien position.

### **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**

In August 2005, the County provided a \$500,000 loan to the Napa Valley Housing Authority (NVHA) to assist with the cost of renovating the Calistoga and Mondavi Farm Worker Housing Centers, both of which are owned and operated by NVHA on behalf of the County. The County's loan is secured by a Regulatory Agreement and a Deed of Trust. The loan is in a subordinate position behind similar State of California funding agreements for their \$1,066,650 grant to NVHA for the same purpose.

Due to increased renovation costs, the NVHA has applied for and has been granted additional funding from the State. Pending discussion with the Napa County Farmworker Housing Oversight Committee, the Napa Valley Housing Authority Board of Directors and the Community Affordable Housing Advisory Board, it is anticipated that the County will be asked for an additional contribution towards these increased costs.

In order to accommodate the increased contribution to this Project, the grant agreement between the NVHA and the State must be modified. However, the State is requesting that the County provide express acknowledgement that its Junior Security interest is subordinate to the State's interest including the augmentation.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Karen Gratton