



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/9/2014

Agenda Placement: 10B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Lawrance Florin - Director
Housing and Intergovernmental Affairs

REPORT BY: Nancy Johnson, Housing and Community Development Program Manager - 707-299-1352

SUBJECT: Affordable Housing Grant Program

RECOMMENDATION

Director of Housing and Intergovernmental Affairs requests direction and possible action on the following regarding the creation of a Grant Program to provide one time funding to nonprofit organizations to further existing projects and/or programs that support affordable housing.

1. Approve the Notice of Funding Availability (NOFA) in the amount of \$200,000, grant application and guidelines;
2. Authorize the solicitation and processing of applications; and
3. Authorize the Director of Housing and Intergovernmental Affairs to execute all agreements with recipients of grant funding.

EXECUTIVE SUMMARY

In the late 1980's and early 1990's, the County received two Community Development Block Grants (CDBG) to aid in the rehabilitation of houses for low income homeowners. Over the years the money was repaid as homeowners sold or refinanced their homes. Due to the date of the original loans, staff at the California Department of Housing and Community Development (HCD) have determined that the funds do not have to be utilized for their original purpose but do need to be used to enhance and support programs consistent with the CDBG program. Staff is recommending approval of a grant program that will utilize \$200,000 of the recaptured funds to help local nonprofits with projects or programs that further affordable housing for local residents who earn 80% or less of County Median Income. Grants will be a minimum of \$5,000 and a maximum of \$20,000. Staff will issue a Notice of Funding Availability and after applications are submitted, they will be rated and ranked by a panel consisting of representatives from the City of Napa Housing Authority, County Executive Office, Health and Human Services Agency and the Napa County Department of Planning, Building and Environmental Services. Recipients of funding will have 12 months to use the funding for projects and programs that meet the criteria and will complete a final

report to verify the funds were used appropriately.

PROCEDURAL REQUIREMENTS

1. Staff reports.
2. Public comments.
3. Motion, second, discussion and vote on the item.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Housing and Intergovernmental Affairs
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The older CDBG funds no longer have a restriction to be used for rehabilitation, but since they originated as funding for low income residents, staff is recommending that they be used to further affordable housing projects and programs.
Is the general fund affected?	No
Future fiscal impact:	This is anticipated to be a one-time only grant program.
Consequences if not approved:	The funding would remain in the account until such time as the Board chooses another program for their use.
Additional Information:	

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

The County was successful in two different CDBG grants in 1988 and 1990 to aid in the rehabilitation of homes for low income residents of Napa County. The program was completed and over the years the money was repaid either when the rehabilitated house was sold or the owner refinanced. The funds have remained in a non-operating Special Revenue Fund and HCD has confirmed that the monies may now be used for other programs generally consistent with their original intent. Staff is recommending that \$200,000 of those funds be used in a one time grant program for local nonprofits to aid in projects or programs that further the affordable housing goals of the County.

The proposed grants would be a minimum of \$5,000 and a maximum of \$20,000 and must be used within one year of receipt for projects and programs. Grants will be awarded based on applications that further goals and policies in the Housing Element. Once approved by the Board of Supervisors, a Notice of Funding Availability

(NOFA) will be released and potential applicants will have three weeks to submit an application. A review panel will rate and rank the applications and provide the Director of Housing and Intergovernmental Affairs with a list of rated applications. The review panel will include four staff members representing the City of Napa Housing Authority, County Executive Office, Health and Human Services Agency and Napa County Department of Planning, Building and Environmental Services. Applications selected for funding will be notified in a timely basis and funding agreements will be negotiated with the selected parties.

Napa County is fortunate to have many capable nonprofit organizations that work with low and very low income residents to ensure there is a safety net to prevent homelessness, make improvements on their existing home or programs that helps transition from supportive housing to independent living arrangements. The nonprofit sector has seen a decrease in funding since the recession and it is hoped that this grant program will help to either make up for lost funding or to provide the monies necessary to complete existing projects.

Attached are amended NOFA, Program Guidelines and Application that specify that funding will be allocated for applications that assist residents that earn 80% or less of County Median Income.

SUPPORTING DOCUMENTS

- A . Notice of Funding Availability
- B . Program Guidelines
- C . Grant Application

CEO Recommendation: Approve

Reviewed By: Molly Rattigan