



Agenda Date: 4/3/2007
Agenda Placement: 6K

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Britt Ferguson for Nancy Watt - County Executive Officer
County Executive Office
REPORT BY: Maiko Klieman, MANAGEMENT ANALYST I , 707-253-4180
SUBJECT: Support Services Agreement between NCHA and Napa County

RECOMMENDATION

County Executive Officer requests approval of and authorization for the Chair to sign a Support Services Agreement with Napa County Housing Authority (NCHA) for the term April 3, 2007 through June 30, 2007 for certain administrative and support services.

EXECUTIVE SUMMARY

In the past NCHA has only operated through the Napa Valley Housing Authority (NVHA) Joint Powers Agreement (JPA) as one of its members. As such, it has no employees, budget or procedures to administer the operation of the farmworker housing camps. Therefore, in order for NCHA to take on that responsibility, Napa County will provide the necessary staffing to NCHA through this Support Services Agreement. The County will not charge NCHA for its service until July 1, 2007. However, setting this Support Services Agreement at this point is necessary to provide the legal authority for County staff to act on behalf of, and provide services to, NCHA. Staff will return to the Board at a later date for another Support Services Agreement effective July 1, 2007. That Support Services Agreement will set the rates for all the County staff providing the services to NCHA. NCHA will be charged for the actual cost incurred. Staff will also return to the Board with a Funding Agreement. Since NCHA does not have any source of funding for its administrative services at this point or for next fiscal year, the County through the Funding Agreement will finance NCHA for its administrative services. It is anticipated that the operating costs for the farm labor camps will be covered by the current sources of funding for those costs - rents from tenants and revenues from County Service Area (CSA) #4.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No

- What is the revenue source? County General Fund. The County will not charge NCHA for the services provided until July 1, 2007. However, the cost of County staff time between now and June 30, 2007 is estimated to be \$85,000. This estimate includes the cost of 1 full-time new employee with Housing expertise and a half-time new employee to provide clerical services. The estimate also includes the time spent on NCHA issues by existing County Staff.
- Is it Mandatory or Discretionary? Discretionary
- Discretionary Justification: Housing Authority of the City of Napa (HACN) has indicated that they do not have the expertise to provide the operational oversight and administrative support for the farmworker housing camps. Unless NCHA takes on this new responsibility, the operation of the farmworker housing camps could be in jeopardy. Since NCHA does not have any source of funding at this point, the operational cost will have to be paid out of County's General Fund.
- Is the general fund affected? Yes
- Future fiscal impact: Staff will return to the Board at a later date for another Support Services Agreement effective July 1, 2007. That Support Services Agreement will set the rates for all the County staff providing the services to NCHA. NCHA will be charged for the actual cost incurred. Staff will also return to the Board with a Funding Agreement. Since NCHA does not have any source of funding for its administrative services at this point or for next fiscal year, the County through the Funding Agreement will finance NCHA for its administrative services. It is anticipated that the operating costs for the farmworker housing camps will be covered by the current sources of funding for those costs - rents from tenants and revenues from County Service Area (CSA) #4.
- Consequences if not approved: HACN has indicated that they do not have the expertise to provide the operational oversight and administrative support for the farmworker housing camps. Unless NCHA takes on this new responsibility, the operation of the farmworker housing camps could be in jeopardy. Since NCHA does not have any source of funding at this point, the operational cost will have to be paid out of County's General Fund.
- 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 Napa Valley Housing Authority (NVHA) was formed through a Joint Powers Agreement (JPA) for Housing, dated as of April 21, 1987 by and among County of Napa, the Cities of Napa, Calistoga and St. Helena and the Town of Yountville. It was later discovered that, for technical reasons, the JPA for Housing needed to be between housing authorities, rather than the County and cities. To comply with that requirement, the Napa County Housing Authority (NCHA) was established on September 12, 1989 pursuant to the Housing Authorities Law, Chapter 1 (commencing with section 34200) of Part II Division 24 of the Health and Safety Code. NCHA's purpose is to

provide safe and sanitary dwelling conditions for persons of low income within the County of Napa, but, as a practical matter, NCHA has existed only on paper, as a means to facilitate the creation and operation of NVHA. The JPA has been amended from time to time (currently Eleventh Amendment) with the current parties/members being NCHA, the City of American Canyon and the Housing Authorities of the City of St. Helena, the City of Calistoga and the Town of Yountville. One of NVHA's primary function is to own and manage three farmworker housing camps in Napa County (Mondavi, Calistoga and River Ranch camps).

Pursuant to the terms of the JPA, NVHA may contract with any of its members and/or other individuals or entities. On November 13, 1995, NVHA entered into a Support Services Agreement with the Housing Authority of the City of Napa (HACN) for the provisions of certain administrative and support services, including the services of an Executive Director (HACN Agreement # 6844, NVHA Agreement # 33) . The responsibility of HACN under the terms of the Support Services Agreement included providing the administrative and support services for the operation of the farmworker housing camps.

In light of recent cost overrun for the construction of the Mondavi and Calistoga farmworker housing camps, County and HACN staff met to discuss the ongoing support services required by NVHA. With the renovation and construction of the the three farmworker housing camps the administrative requirements and skills needed to operate NVHA programs have expanded. HACN has indicated that they do not have the expertise to provide the operational oversight and administrative support for the farmworker housing camps. The current Support Services Agreement between NVHA and HACN is in affect until June 30, 2008 with a 90 days notice requirement to terminate the contract early. At March 12, 2007 NVHA Board meeting, County and HACN staff recommended that NVHA approve early termination of the HACN contract effective June 30, 2007. NVHA Board approved this request.

It was also recommended that NVHA enter into a contract with NCHA to provide the required support services and oversight of the farmworker housing camps operations. If NCHA assumes the overall responsibility previously operated by HACN, a number of changes will need to occur. In the past NCHA has only operated through the NVHA JPA as one of its members. As such, it has no employees, budget or procedure to administer the operation of the farmworker housing camps. Therefore, in order for NCHA to take on that responsibility, Napa County will provide the necessary staffing for NCHA through this Support Services Agreement. The plan is for NCHA to initially lease the three farmworker housing camps from NVHA, and eventually transfer the ownership to NCHA.

This Support Services Agreement establishes the initial administrative infrastructure for NCHA to start its operation. Under the terms of this agreement, until NCHA exercises its option to hire a Secretary/Executive Director directly, the Secretary of NCHA will be the County Executive Officer or his/her designee. The Secretary by State Law is the Executive Director of NCHA and is responsible for planning , organizing, coordinating and directing the operations of NCHA. The County Auditor-Controller and Treasurer-Tax Collector will serve as the NCHA Auditor-Controller and Treasurer-Tax Collector. Legal Counsel will be provided by the County's County Counsel office. In addition, any administrative, technical and other support services required will be provided by the County staff. This agreement also provides such services as Telecommunications, Mail and Information Technology. In addition, the agreement provides that NCHA will follow County purchasing and certain other rules.

As proposed, the County will not charge NCHA for its service until July 1, 2007. However, setting this Support Services Agreement at this point is necessary to provide the legal authority for County staff to act on behalf of, and provide services to, NCHA. Staff will return to the Board at a later date for another Support Services Agreement effective July 1, 2007. That Support Services Agreement will set the rates for all the County staff providing the services to NCHA. NCHA will be charged for the actual cost incurred. Staff will also return to the Board with a Funding Agreement. Since NCHA does not have any source of funding for its administrative services at this point or for next fiscal year, the County through the Funding Agreement will finance NCHA for its administrative services. It is anticipated that the operating costs for the farmworker housing camps will be covered by the current sources of funding for those costs - rents from tenants and revenues from County Service Area (CSA) #4.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Maiko Klieman