



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/21/2010

Agenda Placement: 7M

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Florin, Lawrance - Director
Community and Intergovernmental Affairs Division

REPORT BY: Lawrance Florin, COM AND INTERGOV AFFAIRS MGR - 253-4621

SUBJECT: Amendment with Lesar Consultants to Evaluate Affordable Housing Funding Proposals

RECOMMENDATION

Community and Intergovernmental Affairs Manager requests approval of and authorization for the Chair to sign an agreement with Lesar Development Consultants for a maximum of \$45,000 for the term September 21, 2010 through June 30, 2011 for consulting preparation and evaluation services of Notice of Funding Availability documents for affordable housing projects.

EXECUTIVE SUMMARY

The County is seeking assistance from Lesar Development with the preparation of a Notice of Funding Availability (NOFA) for landowners wishing to build affordable farmworker housing on their property. The Housing Element adopted June 2009 states that the County will issue a NOFA for landowners seeking subsidies to build housing on their land for farmworkers. In addition, the Community and Intergovernmental Affairs Division of the County Executive Office released a NOFA for developers interested in building affordable housing. The deadline for submitting applications under this NOFA was August 19th. The County received five proposals in response to the NOFA. Each of these proposals is for a minimum of \$2 million. Lesar Development provided assistance to the County in preparation of this NOFA. Funds for this \$40,000 agreement will come from the Affordable Housing Fund.

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:	This item is discretionary in that there is no mandate to contract for this services. However, Lesar Development successfully prepared a joint NOFA for the County and City for new Affordable Housing construction and knowledge base necessary to evaluate responses and prepare a farmworker housing NOFA for the County.
Is the general fund affected?	No
Future fiscal impact:	None
Consequences if not approved:	If this item is not approved, the County will not be able to utilize Lesar Development to fulfill requirements in the Housing Element.
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

In June 2009 the County adopted a Housing Element of the General Plan. In this Housing Element there was a specific list of programs that the County committed to completing during the term of this element. Among the programs were:

1. The issuance of a Notice of Funding Availability (NOFA) for developers interested in building affordable housing. Funds for this NOFA would come from the County's Affordable Housing Fund.
2. The issuance of a NOFA for landowners who were interested in building affordable farmworker housing on their property.

In January 2010, Lesar Development was contracted to assist the County in preparation of the Notice of Funding Availability for developers interested in building affordable housing in the County. In June 2010 the Community and Intergovernmental Affairs Division issued the NOFA. In response to the issuance of this NOFA the County received five applications for funding. The five applications are all for projects located in the city of Napa. The projects range in size from 60 units to 150 units. The subsidy requested from the County's Affordable Housing Fund ranges from 2.5 million to 5 million. In order to evaluate these proposals the County is seeking assistance from Lesar Development. The size of these proposals requires that a full evaluation and due diligence be conducted on each of the projects and their sponsors. Lesar has provided assistance to over 24 communities throughout the state in evaluating development applications.

In addition to the NOFA that was issued in June, the Community and Intergovernmental Affairs is preparing a Notice of Funding Availability for landowners interested in building affordable housing for farmworkers on their own property. It is anticipated that this NOFA would provide up to \$50,000 of subsidy per unit of affordable farmworker housing that landowners are willing to build for their workers. It is anticipated that this NOFA would be issued by the end of September. CIA division is seeking assistance from Lesar Development in preparation of this NOFA.

Lesar Development Consultants is not a local vendor. There are no local vendors who either have the required expertise in underwriting affordable housing financing agreements or the background in preparing NOFA's for affordable housing that could be utilized. Additionally, Lesar was responsible for preparing the affordable housing NOFA for the County and City of Napa and has the expertise to evaluate the responses.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Molly Rattigan