

City of Calistoga

7

Staff Report

TO: Honorable Mayor and City Council
FROM: Susan Sneddon, City Clerk
DATE: June 21, 2011
SUBJECT: Housing Services from the Housing Authority of the City of Napa

APPROVAL FOR FORWARDING:


Richard Spitler, City Manager

1 **ISSUE:** To consider a Resolution authorizing an agreement in the amount of \$30,000
2 with the Housing Authority of the City of Napa to provide affordable housing services.
3

4 **RECOMMENDATION:** Adopt Resolution.
5

6 **BACKGROUND:** The City of Calistoga has long received affordable housing
7 assistance and services from the Napa Valley Housing Authority (NVHA). This
8 organization has undergone considerable structural change in an effort to streamline its
9 activities in a more logical and efficient manner.
10

11 The Housing Authority of the City of Napa (HACN) wishes to continue to provide some
12 of these services Valley wide, and has given the various cities proposals to do so.
13 Attached is the listing of services and the cost associated with them for our community.
14 Again, staff is recommending renewal of HACN's contract for one year (the current
15 fiscal year).
16

17 **DISCUSSION:** Once again, Staff has evaluated the proposal from HACN and has
18 discussed the value of the services and the need for these efforts, and has concluded
19 that these services are necessary in order for the City to fulfill our obligations and goals
20 as outlined in the Housing Element of the General Plan regarding affordable housing. It
21 is necessary to collect data, evaluate and monitor the seventy-five (75) affordable
22 housing units, which exist in Calistoga to insure compliance with the terms of the
23 various agreements, and to perform the various other tasks necessary throughout the
24 year regarding compliance reporting and monitoring. Furthermore, Section 8 Housing
25 Services, which results in 25 participants from Calistoga, will continue to be provided by
26 HACN. City staff simply does not have the expertise for these tasks, and the City of

27 Napa staff has performed this service well over the many years. As presented, costs
28 associated with this monitoring program will be set at \$26,250.

29
30 In addition, other housing services to be provided by HACN will consist of income
31 verification and loan document preparation resulting from the City's Down Payment
32 Assistance Program and any subordination requests associated with existing deed
33 restricted for-sale affordable housing units. Costs associated with such housing
34 services will be billed at an hourly rate not to exceed a total of \$3,750. It should be
35 noted that some of the Down Payment Assistance Program processing services are
36 reimbursable and there is an annual monitoring fee imposed by the City within each
37 regulatory affordable housing agreement for reimbursement of such services. Given
38 this, the total potential cost for housing services by HACN will not exceed \$26,250 .

39
40 It should be noted that technical assistance with regards to input and advice regarding
41 development proposals, grant funding opportunities and program evaluation, and any
42 ongoing housing policy/program matters for the City of Calistoga will not be provided by
43 HACN. This technical assistance continues to be provided by City staff with assistance
44 from the City Attorney and other consultants, as determined necessary.

45
46 **FISCAL IMPACT:** The continuing contractual relationship with the City of Napa for
47 housing services is desired. As proposed, the contractual amount will not to exceed
48 \$30,000 and will come from the Affordable Housing Fund for housing professional
49 services.

50
51 **ATTACHMENTS:**
52 1. Draft Resolution
53 2. Proposed Agreement
54 3. Annual Report from the Housing Authority of the City of Napa