

City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Michael Kirn, Acting City Manager
DATE: December 15, 2015
SUBJECT: Consideration of a Request from Calistoga Affordable Housing for an Increase in Affordable Housing Funding to Support Rebuild Calistoga and Approving a Budget Adjustment in the Amount of \$5,000.

APPROVAL FOR FORWARDING:



Michael T. Kirn, Acting City Manager

1
2 **ISSUE:** Consideration of a Resolution approving \$5,000 in additional Affordable
3 Housing Funding for Calistoga Affordable Housing–Rebuild Calistoga Program and
4 approving a FY 15/16 Budget Adjustment in the Amount of \$5,000.
5

6 **RECOMMENDATION:** Adopt the Resolution.
7

8 **BACKGROUND:** The adopted FY 15/16 Budget includes \$15,000 (Fund No. 78-4615-
9 4402) – Affordable Housing Fund for Calistoga Affordable Housing-Rebuild Calistoga
10 Program. These funds provide much needed assistance for emergency and basic
11 repairs to Calistoga homes occupied by individuals on fixed or low incomes. The City
12 Council has provided similar Community Enrichment Grant funding to Calistoga
13 Affordable Housing–Rebuild Calistoga program over the past several fiscal years.
14

15 **DISCUSSION:** Calistoga Affordable Housing–Rebuild Calistoga program provides
16 assistance in the form of cash and volunteer efforts to make repairs and outdoor
17 landscape/yard cleanups to individuals’ homes who otherwise could afford these
18 repairs. This maintains quality of life for the individuals assisted and prevents yards
19 from becoming overgrown, unsightly and a potential fire hazard. In 2015 Calistoga
20 Affordable Housing has completed 55 basic home repairs and 27 outdoor yard cleanup
21 projects using 125 volunteers from Pacific Union College. (See Attachment 1, Calistoga
22 Affordable Housing–Rebuild Calistoga Report).
23

24 Calistoga Affordable Housing–Rebuild Calistoga indicates in late 2015 they modified
25 their business plan to only provide assistance for emergency repairs due to reduction in
26 donations and volunteers, and increased operational costs until such time as their
27 financial situation improves. Calistoga Affordable Housing–Rebuild Calistoga is
28 requesting an additional \$5,000 in FY 15/16 to continue their Rebuild Calistoga
29 program.

30
31 Fund No. 39 has sufficient fund balance available for the recommended Budget
32 Adjustment.

33
34 **CONSISTANCY WITH CITY COUNCIL GOALS AND OBJECTIVES:** The
35 recommended action supports the FY 2015/16 City Council Goal No. 7, Priority Project:
36 3) Support the “Rebuilding Calistoga” housing rehabilitation efforts by Calistoga
37 Affordable Housing.

38
39 **CEQA/NEPA COMPLIANCE:** The recommended action is not a Project as defined
40 under Section 15378(b)(4) of the CEQA Guidelines and as such is not subject to CEQA
41 review. The contemplated work by Rebuild Calistoga program is Categorically Exempt
42 from CEQA review pursuant to Section 15061 of the CEQA Guidelines, Class 1 –
43 Existing Facilities.

44
45 **FISCAL IMPACT:** There will be no impact to the General Fund if the recommended
46 resolution is approved. Appropriations in Fund No. 78-4615-4402 – Affordable Housing
47 Construction would be increased by \$5,000 derived from Community Development
48 Program fund balance transfer account 39-4700-4799 to Affordable Housing Fund
49 No.76-3299.

50
51 **ATTACHMENTS**

- 52 1. Calistoga Affordable Housing–Rebuild Calistoga 2015 Report
53 2. Resolution



CALISTOGA AFFORDABLE HOUSING

A Non-Profit Tax Exempt Corporation
1332 Lincoln Avenue
Calistoga, CA 94515

November 19, 2015

Mr. Richard Spittler
City Manager
1332 Washington St.
Calistoga, CA 94515

Dear Richard..

As I stated in our conversation, the recent earthquakes and fires have placed a large strain on funding sources for our county's non-profits. Rebuilding Calistoga has experienced good financial support from our City and large local foundations as well as many out of area sources such as the Gasser Foundation, Home Depot Foundation, AARP, DeLong Sweet Foundation, and Cabot Creamery of Vermont. However, all of these sources are quite dynamic in their funding policies and have a tendency to provide short term financial help to help spread the funds over a broader base of non profits.

Our main funding sources have been City of Calistoga, Auction Napa Valley (ANV), the Gasser Foundation, DeLong Sweet Foundation, and local banks. Three years ago, ANV stopped providing help to any housing programs choosing to concentrate on education, medical/health, and community health(?). In September, the Gasser Foundation notified CAH that for 2016 CAH would not be considered for any grants. The Gasser Foundation has become heavily involved with the recent Napa (city) housing issues resulting from the earthquake and many affordable housing units being recently purchased and converted to market rate rentals with the large amount of evictions of families who have resided in the units for 20-30 yrs. Gasser has two new housing projects underway with Napa Housing and have had mixed success in obtaining federal and state grants.

In 2015, CAH received excellent support with \$50,000 coming from Gasser, \$30,000 from ANV (part of a 3 yr. phase out grant program started in 2012), \$15,000 from Calistoga, and \$50,000 from Napa County. The majority of these funds were for specific CAH programs with \$30,000 being earmarked for Rebuilding Calistoga. For 2016 CAH is scheduled to receive \$10,000 from the Calistoga for Rebuilding Calistoga and \$20,000 matching grant for Lakewood Apt. driveway. CAH had planned to use funds from its current 8 unit development project in St. Helena but that project has been delayed and won't break ground until January 2016. The development fees due to CAH will assist us to continue operating starting 2017 but will not provide any cash for 2016.

Because of the current situation described above, CAH is requesting the City to increase the Rebuilding Calistoga grant of \$10,000 to \$20,000 (same as grants received in 2010-2013). We will continue our operating policy of completing as many repair requests as we have funds and volunteer and contractor help. We normally assist 70-90 homeowners and our average yearly budget has been around \$45,000.

2015 Rebuilding Calistoga Report:

- As of November 15, CAH has completed 55 basic home repairs including 27 Work Request by StopFalls Napa Valley. In addition we have also completed 27 outdoor landscape/yard cleanup projects using 125 PUC volunteer students.

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Fed. Tax I.D. 68-0472556

- For 2015 CAH fiscal year. CAH raised \$42,099 in grant and donations from local foundations, businesses, and individuals. (Gasser \$10,000, Napa County \$10,000, StopFalls \$2625, individuals \$825, City carryover from 2014-15 budget year \$8,649)
- Because of the projected 2016 need and the projected 2016 grant gap, CAH in September began to decrease the scope of the program by only approving emergency projects and postponing basic repair to the 2016 budget year in order to provide as much help for emergency and high priority repair needs in 2016. It is our desire to begin the 2016 RC program with \$5,000 cash on hand.
- The total amount of volunteers for 2015 is 177 including 22 from the Pride Family Winery.
- Even though CAH is actively involved with Napa Volunteer Center in Napa, there has been a decrease in the number of volunteers coming from the general population. The majority of Napa non-profits have reported a decrease in not only volunteers but also cash contributions. It has been reported that two of the main causes are the large decrease in funding because of the recent recession with the large increase in grant demands and the Napa Earthquake which has successfully attracted a large pool of volunteers even from the upper Napa valley cities. CAH has sought to attract volunteer groups from local wineries and resorts. Businesses such as Opus One, Pride Family Winery, Solage, Pacific Union College, Napa High School, and Sterling Winery are some of the sources of CAH's volunteer sources.
- In the later part of 2015, the City of Calistoga revised their inspection process/procedures for the 3 senior parks which have resulted in more repairs requests to avoid an eviction notice. These type of requests CAH has considered as emergencies and expects an increase in such repair requests in 2016. Also, the City's new permit program has doubled the costs of permits for mobile home park units.
- The 2016 Rebuilding Budget is currently set at \$37,500. This projection does include a \$20,000 grant from City of Calistoga and \$3,650 still to be raised by CAH. As with every year, CAH will only accept as many repair request as we have funds and volunteers. CAH projects to have 40-50 work requests for 2016.

CAH is very appreciative of the support and help provided by the City of Calistoga. We are committed to providing assistance for our community's needs but we do need some additional financial help at this time.

Sincerely,



Larry Kromann
President

Calistoga Senior Parks Coalition, Chair
Calistoga Springs HOA Board, Chair
Area Agency on Aging(AAOA), board member
AAOA Marketing and Resources Committee, Chair
AAOA Finance Committee, member
StopFalls Napa Valley Steering Committee, member
Volunteer Center Napa Valley, steering committee member
HAPI Committee, member
Napa Valley Coalition of Non-profits, Housing Committee member

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Calistoga Affordable Housing, Inc.
Combined Balance Sheet
November 30, 2015

ASSETS

Current Assets		
BOW #0774 Projects	\$	3,652.90
Lakewood Op. Checking BW# 8343		19,304.32
Lakewood Op. CD, BW #6238		5,111.00
CAH Op. Checking BW#7329		6,192.68
Palisades Asset Bof W. #0782		7,408.49
Pope Street BW#2107		15,736.38
Lakewood Sec Deposits BW#2973		616.21
Lakewood Op. Reserve BW #3176		23,867.24
Lakewood Rep. Reserve BW #3135		2,477.72
Lakewood Rep. Reserve BW #6284		15,443.56
First Comm. Bank Acct# 6878		30,785.49
		130,595.99
Total Current Assets		130,595.99
Property and Equipment		
Furniture & Fixtures		8,886.17
Equipment		3,513.45
Building - LW		514,482.13
Building Improvements-LW		293,850.85
Land-LW		434,882.10
Accum. Depreciation-Equipment		(15,307.39)
Accum. Depreciation - Building		(230,458.18)
		1,009,849.13
Total Property and Equipment		1,009,849.13
Other Assets		
Rent/Sec Dep Copperfields		1,320.00
Deposit for Prop Mgt.		2,430.75
Bank Transfers from Lkwd -CAH		39,490.93
		43,241.68
Total Other Assets		43,241.68
Total Assets	\$	1,183,686.80

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	(36,869.41)
Accrued Vacation		231.00
Deferred Revenue		5,000.00
LW Sec Dep Reserve		7,225.00
		(24,413.41)
Total Current Liabilities		(24,413.41)
Long-Term Liabilities		
RCAC Loan Lakewood		613,245.57
Calistoga Loan Lakewood		93,512.27
First Comm. Bank Turley Loan		92,750.00
		799,507.84
Total Long-Term Liabilities		799,507.84
Total Liabilities		775,094.43
Capital		
Beginning Balance Equity		1,148,692.84
Retained Earnings		(695,981.86)

Unaudited - For Management Purposes Only

Calistoga Affordable Housing, Inc.
Combined Balance Sheet
November 30, 2015

Net Income	<u>(44,118.61)</u>	
Total Capital		<u>408,592.37</u>
Total Liabilities & Capital	\$	<u><u>1,183,686.80</u></u>

REBUILDING CALISTOGA

Income Statement
 Compared with Budget
 For the Ten Months Ending October 31, 2015

	Current Month Actual	Year to Date Actual	Total Budget	Year to Date Variance
Revenues				
Community Contributions	\$ 0.00	\$ 825.17	1,000.00	(174.83)
Contributions-Home Depot	0.00	0.00	2,500.00	(2,500.00)
Contributions Bank of the West	0.00	0.00	2,500.00	(2,500.00)
Contributions Delong Seet Foun	0.00	0.00	1,000.00	(1,000.00)
Grants - Gasser	0.00	10,000.00	21,000.00	(11,000.00)
Grants - City	0.00	18,649.24	15,000.00	3,649.24
Napa County grant	0.00	10,000.00	0.00	10,000.00
Stop Falls Contract	0.00	2,625.00	4,000.00	(1,375.00)
Total Revenues	0.00	42,099.41	47,000.00	(4,900.59)
Cost of Sales	0.00	0.00	0.00	0.00
Total Cost of Sales	0.00	0.00	0.00	0.00
Gross Profit	0.00	42,099.41	47,000.00	(4,900.59)
Expenses				
Supplies - Office	0.00	0.00	100.00	(100.00)
Administrative Allowance	1,300.00	13,000.00	15,600.00	(2,600.00)
Advertising RC	0.00	1,517.37	500.00	1,017.37
Accounting/Audit	107.35	1,073.50	500.00	573.50
Professional Fees	0.00	0.00	50.00	(50.00)
Consulting	849.95	5,284.95	14,000.00	(8,715.05)
License, Permits & Fees	201.80	201.80	700.00	(498.20)
Insurance	149.80	1,498.00	1,300.00	198.00
StopFalls Contract	690.00	1,442.14	3,000.00	(1,557.86)
Supplies Expense	0.00	0.00	50.00	(50.00)
Garbage/Debris Hauling	206.00	385.50	250.00	135.50
Outside Services	0.00	270.00	0.00	270.00
Equipment Rental Expense	0.00	721.03	400.00	321.03
Repairs-Building	3,230.28	4,249.27	9,000.00	(4,750.73)
Repairs - Equipment	964.26	5,882.66	0.00	5,882.66
Printing Expense	0.00	0.00	50.00	(50.00)
Travel Expense	0.00	109.53	200.00	(90.47)
Meals	0.00	89.95	300.00	(210.05)
Misc.	0.00	0.00	1,000.00	(1,000.00)
Total Expenses	7,699.44	35,725.70	47,000.00	(11,274.30)

For Management Purposes Only

REBUILDING CALISTOGA				
Income Statement				
Compared with Budget				
For the Ten Months Ending October 31, 2015				
	Current Month	Year to Date	Total	Year to Date
	Actual	Actual	Budget	Variance
Net Income	\$ (7,699.44)	\$ 6,373.71	\$ 0.00	\$ 6,373.71

2016 CAH BUDGET REBUILDING CALISTOGA

	2014 Actuals (10 m 2014 Budget	2015 budget	2016 Budget	
Revenues				
Community Contributions	\$1,000.00	\$500.00	\$1,000.00	
Contributions-Home Depot	\$10,496.24	\$0.00	\$1,000.00	\$0.00
Contributions-Bank of the West	\$1,000.00	\$2,500.00	\$1,000.00	\$5,000.00
Contributions-Delong Sweet Found.	\$0.00	\$1,000.00	\$0.00	\$3,000.00
Contributions AARP/Cabot Creamery	\$0.00	\$0.00	\$0.00	\$0.00
Grants-ANV (phase out final 2014	\$5,000.00	\$5,000.00		\$0.00
Grants-Gasser	\$30,000.00	\$25,000.00	\$20,000.00	\$0.00
Grant -WestAmerica		\$1,000.00	\$1,000.00	\$1,000.00
Grants-City	\$0.00	\$10,000.00	\$15,000.00	\$20,000.00
Misc. Income (county CDBG grant)	\$0.00	\$1,000.00	\$10,000.00	
StopFalls Contract		\$2,000.00	\$4,000.00	\$2,700.00
GAP projection,still to raise				\$5,650.00
Total Revenue	\$47,496.24	\$48,000.00	\$53,000.00	\$37,350.00
Expenses				
Supplies-Office	\$0.00	\$100.00	\$100.00	\$100.00
CAH overhead admin. expense	\$13,000.00	\$15,600.00	\$15,600.00	\$15,600.00
Advertising/PR	\$284.16	\$500.00	\$500.00	\$1,500.00
Accounting/audit	-\$264.02	\$2,640.00	\$500.00	\$1,500.00
Professional fees	\$1,129.45	\$1,000.00	\$50.00	
Consulting (paid contractor/handyman)	\$18,655.00	\$12,000.00	\$17,000.00	\$7,000.00
License. Permits, & fees	\$0.00	\$800.00	\$700.00	\$1,500.00
Insurance	\$409.44	\$700.00	\$1,300.00	\$300.00
StopFalls Contract	\$0.00	\$2,000.00	\$4,000.00	\$1,700.00
Supplies Expense	\$342.96	\$500.00	\$50.00	\$0.00
HD Gift Card Expense	\$9,085.23	\$8,000.00	\$0.00	\$0.00
Garbage-Debris Hauling	\$47.75	\$300.00	\$250.00	\$400.00
Postage and Shipping Expense	\$0.00	\$40.00	\$0.00	\$0.00
Equipment Rental Expense	\$70.41	\$300.00	\$400.00	\$700.00
Repairs-Building(materials)	\$953.94	\$1,000.00	\$11,000.00	\$6,000.00
Printing Expense	\$0.00	\$300.00	\$50.00	\$50.00
Travel Expense	\$121.50	\$100.00	\$200.00	\$200.00
Meals -volunteer/celebration Event	\$265.69	\$300.00	\$300.00	\$300.00
Management Expense	\$0.00	\$0.00	\$0.00	
Misc.	\$56.75	\$820.00	\$1,000.00	\$500.00
Total Expense	\$44,158.26	\$47,000.00	\$53,000.00	\$37,350.00
Net Income	\$3,257.98		\$0.00	

**Important Stats from
HAPI Yountville Senior Summit, Sept. 25, 2015**

Greetings Council member:

Below is specific data from the HAPI Senior Summit Report presented in Yountville on September 25. I will be emailing you some of the presentation slides as backup for the following Calistoga specific report items that demonstrate the critical senior needs of Calistoga.

One of Calistoga's senior challenges is that the City isn't responsible for senior services, it is the county's responsibility. The county doesn't have adequate budgets for all of the senior needs and depends upon non-profits plus the Area Agency on Aging for the bulk of services

The sequester situation has greatly reduced federal funding (through Area Agency on Aging) and the non profits basically operate in the City of Napa with some outreach to the up valley. The Rianda House and Upvalley Family Centers carry the bulk of the load. During 2015 the county began work on establishing a senior hub in Calistoga, as well as provides more assistance for St. Helena. But the progress is very slow. The HAPI Survey (Mar. 2015) documents the growing service needs of senior county-wide. As you can see, Calistoga seniors in many ways mirror the rest of the county and in some cases like poverty and housing, there are significant differences.

Please note the high rate of returned surveys for Calistoga. This was a direct result of CAH and the Senior Parks Coalition work on obtaining 237 completed surveys (survey is 22 pgs)

- **Total population of Napa County is 136,484, (Calistoga 5,155)**
- **Napa County's median age was 39.7, in 2010; 4 years higher than the California state median and the third highest in the Bay Area (Calistoga median age 40)**
- **Calistoga Age breakdown:**
 - Senior Pop. N=701
 - 55-60 25%
 - 60-65 23.8%
 - 65-75 19.1%
 - 75-85 17.8%
 - 85 + 10%
- **County's city senior pop.**
 - 1,875 American Canyon
 - 946 Calistoga
 - 10,491 City of Napa
 - 1,121 St. Helena
 - 1,421 Yountville (w/VA)
- **Respondents by city**
 - 3% American Canyon
 - 23% Calistoga
 - 47% City of Napa
 - 2% Yountville
 - 18% St. Helena
 - 2% Angwin
 - 1% Deer Park
- **Napa County senior income levels**
 - 6% live below Federal Poverty Level
 - 15.4 % Calistoga senior below FPL

- Seniors cope by reducing meals per day- 48%, skip medications-18%, skip medical treatments-28%
- **Elderly Expense Index w/county**
 - \$2,054 monthly needed to meet living expenses
 - 25% of Calistoga seniors live below Elderly Expense Index
 - 19% of park senior seniors live only on S.S (Calistoga/State 2013 Senior Park Survey result)
- **Number of county seniors with 1 or more disabilities- 36%**
- **Where do seniors live:**
 - Own their own home 53% (Calistoga 52%)
 - Rent home 27% (Calistoga 8.4%)
 - Mobile home 13.4% (Calistoga 37.2%)
 - 1% in assisted living
 - 9.5% independent senior residential living
- **Connection to others**
 - 42% living married or with partner
 - 8% living with children
 - 42% live alone
- **85% have access to public transportation**
- **69% drive themselves**
- **17% living alone have problems with affordable housing**
- **20% have fallen within last 6 months**
- **30% have problems with depression**
- **80% of Calistoga seniors state they need senior housing. This was the #1 need expressed by county seniors**
- **#1 senior service gap throughout county is HOUSING especially in St. Helena, Napa, Calistoga, and American Canyon**