



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 1/28/2020
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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: David Morrison - Director
Planning, Building and Environmental Services
REPORT BY: David Morrison, Director, Planning, Building & Environmental Servi - (707) 253-4805
SUBJECT: Fire Rebuild Presentation

RECOMMENDATION

Director of Planning, Building and Environmental Services (PBES) to provide an update on the status of the recovery effort from the 2017 Napa Fire Complex and the 2018 Steele Fire.

EXECUTIVE SUMMARY

The Director of the Planning, Building, and Environmental Services (PBES) Department to provide an update on the status of the recovery effort from the 2017 Napa Fire Complex and the 2018 Steele Fire.

PROCEDURAL REQUIREMENTS

No action required.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No
County Strategic Plan pillar addressed: Effective and Open Government

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

History

Between October 8 and October 31, the 2017 Napa Fire Complex burned more than 144,000 acres and devastated over 700 properties within Napa County. More than 1,200 structures were damaged or destroyed, including the total loss of 655 homes. The 2018 Steele Fire resulted in the total loss of an additional 8 homes. Hundreds of families continue to deal with the aftermath of these disasters.

On October 24, 2017, the Board of Supervisors adopted Resolution 2017-174 which added Section 12.B to the County Policy Manual. The new Policy Manual Section covered a wide range of fire recovery topics, including

- a. Local Emergency Declaration
- b. Building Codes and Ordinances
- c. California Environmental Quality Act (CEQA)
- d. Code Compliance
- e. Demolition and Debris Removal
- f. Erosion Control Permits
- g. Fees
- h. Legally Non-Conforming Uses
 - i. Rebuild Permit Priority
 - j. Roads and Streets Standards (RSS) Requirements
 - k. Set Back Requirements
 - l. Temporary Housing
- m. Temporary Utility Connections
- n. Temporary Uses
- o. Unpermitted Construction
- p. Use Permits
- q. Viewshed
- r. Water Supply
- s. Wastewater

On November 21, 2017, the Board of Supervisors adopted an urgency ordinance adding a new Chapter 8.80 to the County Code entitled "2017 Napa Fire Complex Disaster Recovery." The Ordinance established new processes to streamline the Building Permit review/approval process for owners of fire-damaged property. The main components of the ordinance include the following:

1. Create standards specific to the rebuilding of fire-damaged structures;
2. Establish an administrative review for the replacement of buildings and improvements on properties subject to the Viewshed Ordinance;
3. Establish an administrative review for the replacement of legal nonconforming buildings and improvements; and
4. Designate the Zoning Administrator as the decision maker when considering requested Exceptions to the Conservation Regulations.

On February 6, 2018, the Board of Supervisors directed staff to take the following actions regarding fee reductions for building permits related to properties damaged in the 2017 Napa Fire Complex. These actions were formally adopted through Resolution No. 2018-52, approved by the Board on May 8, 2018, which amended the County Policy Manual.

1. Direct PBES staff to prepare a resolution to reduce fees by 30% (more than 80% if housing and school development impact fees are included) for all building permits related to the repair and/or replacement of fire-damaged structures due to the 2017 fires, and return to the Board of Supervisors for consideration.
2. Direct CEO staff to approach non-profit groups (e.g., Rotary International, Rebuild Northbay Foundation, and/or Napa Valley Community Foundation) about the feasibility of paying an additional reduction of permit fees where the owner can demonstrate need.
3. Authorize the PBES Director to issue refunds equal to the fee reductions for all applicants of permits issued for fire-damaged properties since October 8, 2017.
4. Direct PBES staff to evaluate the potential to provide further fee reductions as financial incentives for new construction to exceed existing Fire Code requirements by voluntarily incorporating Fire Wise standards.
5. Direct Public Works staff to continue working with Marin Clean Energy and PG&E to provide financial incentives for owners who wish to voluntarily exceed existing energy conservation requirements in the Building Code (Title 24).
6. Direct PBES staff to work with consultants currently under contract to establish a modified scope of work and fee schedule that offers reduced plan check fees for fire-damaged properties, to provide further reductions to the applicant.

On August 14, 2018, the Board of Supervisors approved Resolution No. 2018-109, which amended the County Policy Manual to extend that same provisions to owners of fire-damaged properties in the Steele Fire, as were provided to fire-damaged property owners in the 2017 Napa Fire Complex. The Board also adopted Ordinance No. 1434, which retitled Chapter 8.80 of the County Code as "Disaster Recovery" and extended the same Code provisions to owners of fire-damaged properties in the Steele Fire as were provided to fire-damaged property owners in the 2017 Napa Fire Complex.

On May 21, 2019, the Board of Supervisors approved Ordinance No. 1441 amending Chapter 8.80 to extend its provisions to owners of fire-damaged properties through December 31, 2022. The ordinance also incorporated several changes resulting from the adoption of the Water Quality and Tree Protection Ordinance (No. 1438).

On January 7, 2020 Supervisor Pedroza requested that an update and status report on the fire recovery be provided on a future regularly scheduled Board meeting.

Update

In the 27 months since the fire occurred, a great deal of progress has been accomplished, while at the same time much remains to be completed. All numbers cited below are current as of January 17, 2020 (the most current information at the time this report was prepared). Additional updates will be provided by staff at the Board meeting where available.

- | The Planning, Building, and Environmental Services (PBES) Department has received a total of 285 building permit applications to rebuild homes destroyed by the 2017 fire. This accounts for 43% of all homes lost in 2017 and 2018.
- | Of the 285 building permit applications, 196 have been issued, or 69% of all applications received thus far.
- | A total of 57 homes that were destroyed have been completed. This represents 8.6% of the homes that were lost.
- | The Board directed staff to make fire recovery a top priority, including expediting the processing of fire recovery building permits. For the 285 applications received to date, staff has reduced the processing time from 30 calendar days to 14 calendar days or less.
- | The average time to issue a building permit for fire recovery parcels has been 80 calendar days. The median time has been 57 calendar days.
- | Once a building permit has been issued for fire recovery, completion of construction has taken an average

of 319 days. The median time for completion of construction after the issuance of a fire recovery building permit has been 378 calendar days.

- | The total construction value of all fire-related building permits to date is \$305 million, or approximately 41% of the \$752 million in property value estimated by the County Assessor to have been lost in the 2017 and 2018 fires.
- | Fee waivers for all fire-related building permits to date have exceeded \$1.6 million, or 31% of the total fees charged.

A breakdown of residential fire rebuild permits received by Supervisorial District is as follows:

District	No. of Residential Permits Issued	No. of Residential Applications	No. of Residences Lost in 2017/18 Fires	Percent Recovered (Permits Issued)	No. of Permits (Final Approval)
1	2	3	3	67%	1
2	11	18	98	10%	3
3	13	19	62	21%	1
4	170	245	481	35%	52
5	0	0	19	0%	0
Total	196	285	663	30%	57

Future Outlook

It has been a little over two years since the 2017 fires occurred. There are three years until the urgency provisions expire on December 31, 2022. About 44% of the five year window has passed and 43% of the homes that were lost are completed or in the process of reconstruction. Approximately 41% of the property value lost during the fire is in the process of being recovered. So long as landowners maintain this rate of reconstruction, Napa County could see full recovery by the end of 2022.

However, there are hurdles that continue to hamper ongoing rebuilding efforts.

- | Based on early surveys of fire victims, approximately 4% of landowners did not have fire insurance.
- | As many as 50% of owners were underinsured. In other words, the settlement they received was insufficient to rebuild the home that existed prior to the fire.
- | Some landowners are only now receiving their insurance claim, as the settlement process has been more involved and protracted than expected.
- | The cost of construction has doubled or even tripled from 2017. A 2019 report by the British firm of Turner and Townsend indicated that while the cost of construction materials has increased, the cost of labor made the Bay Area the most expensive area in the world to develop. This is due to a booming economy, high housing demand, and the need to import construction workers from outside the region.
- | New State requirements regarding private road improvements and building codes increase the cost of new home construction.

Napa County received 187 residential fire rebuild permits in 2018; 98 were received in 2019. If the rate of application continues to halve each succeeding year, the number of homes rebuilt may only total 372 by the end of 2022.

Unincorporated Sonoma County lost 2,300 homes during the 2017 fires (another 409 homes burned during the 2019 Kincaide Fire.) Since October of 2017, Sonoma County has completed 1,237 homes, or about 54% of the homes that were destroyed. The bulk of rebuilding efforts have occurred in the Mark West and Coffey Park neighborhoods, which largely consist of subdivided lots with access to municipal utilities. In comparison, the largest concentration of home rebuilding in Napa County has occurred in the rural neighborhoods of Soda Canyon and Atlas Peak, where landowners rely on private wells, septic systems, and long driveways.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Leigh Sharp