



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/17/2019

Agenda Placement: 10A

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: Resolution to Nominate the South Napa Priority Production Area to the Association of Bay Area Governments

RECOMMENDATION

Director of Planning, Building and Environmental Services requests adoption of a resolution nominating the "South Napa Priority Production Area" to the Association of Bay Area Governments and Metropolitan Transportation Commission.

EXECUTIVE SUMMARY

On October 22, 2019, the Board of Supervisors confirmed the submittal of a joint Letter of Interest submitted by the County Director of Planning, Building and Environmental Services (PBES) and the City of American Canyon Community Development Director to the Metropolitan Transportation Commission/Association of Bay Area Governments (MTC/ABAG) regarding the establishment of a South Napa Priority Production Area (PPA). In order for the PPA to be identified in Plan Bay Area 2050, a resolution from each participating jurisdiction nominating the PPA must be submitted to MTC/ABAG by January 15, 2020.

PROCEDURAL REQUIREMENTS

1. Receive the staff report;
2. Hold the Public Hearing and receive public comments;
3. Motion, second, discussion, and vote on the proposed resolution.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?

No

County Strategic Plan pillar addressed:

Effective and Open Government: Increase intergovernmental cooperation between Napa County and the cities, town, and special districts.
Work with the cities, town, and special districts to align our collective strategic goals and actions.

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

Priority Production Areas

"Plan Bay Area 2050" is a long-range plan charting the course for the future of the course for the future of the nine-county San Francisco Bay Area Region. Plan Bay Area 2050 will focus on four key issues - the economy, the environment, housing, and transportation - and will identify a path to make the Bay Area more equitable for all residents and more resilient in the face of unexpected challenges. The 2050 Framework will guide the Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) planned regional growth patterns and investments.

To qualify as a PPA, the area must:

- | Be zoned for industrial use or have a high concentration of industrial activities such as production, advanced manufacturing, distribution, or related activities;
- | Be located more than 0.5 miles from a regional rail station;
- | Not overlap with a Priority Development Areas (PDA); and
- | Be within a jurisdiction that has a certified Housing Element.

The PPA program is still in its early stages of development. MTC/ABAG has indicated that the potential benefits of PPAs to local jurisdictions may include:

- | Identifying job centers in the region's long-range plan - Plan Bay Area 2050, which may help to position these areas for future planning and investment.
- | Depending on the success of the PPA pilot program, MTC/ABAG may work to identify funding opportunities and/or technical assistance to support planning and infrastructure for these areas.

MTC/ABAG may target One Bay Area Grants (OBAG) money into PPAs to invest transportation funds to preserve existing jobs and encourage new jobs near Priority Development Areas (PDAs). To date, MTC/ABAG has provided over \$9.5 million in OBAG funds to local Napa jurisdictions, including nearly \$2 million to the County for acquisition of the Soscol Headwaters Preserve and improvements on Silverado Trail.

General Plan and Strategic Plan Consistency

Staff believes that the requested action is consistent with the 2008 Napa County General Plan, based on the following policies.

- | Policy AG/LU-39: The County will plan for the reservation of sufficient industrial property to satisfy future demands for orderly growth and economic development of the County. Non-agriculturally oriented industry shall not be located on productive agricultural lands, but should be located in areas more suitable for industrial purposes.
- | Policy AG/LU-93: The County supports the continued concentration of industrial uses in the South County area as an alternative to the conversion of agricultural land for industrial use elsewhere in the county.
- | Policy E-5: The County shall periodically assess the demand for industrial land and determine appropriate strategies to ensure an adequate supply of industrially designated land to support the agricultural industry's need for warehousing and support functions without converting the county's farmland to accommodate these uses.

Staff believes that the requested action is consistent with the following in the Napa County Strategic Plan 2019-2022:

- | Pillar 5: Effective and Open Government
- | Goal 14: Increase intergovernmental cooperation between Napa County and the cities, town, and special districts.
- | Strategic Action E: Work with the cities, town, and special districts to align our collective strategic goals and actions.

Joint Letter of Interest with American Canyon

When an industrial area is shared by more than one jurisdiction, the PPA may be nominated jointly by all participating entities. County staff was contacted by City of American Canyon staff in mid-August about the prospect of a joint Letter of Interest focusing on the south county industrial area, including the Napa Valley Business Park. The deadline for submittal of the application was September 16, 2019. Development in the Napa Valley Business Park currently must address constraints by infrastructural limitations associated with water supplied by American Canyon, waste water treatment provided by Napa Sanitation, and needed transportation improvements on State Route 29. Additional funding from MTC/ABAG to the proposed PPA may help to address some of these concerns.

On September 9, 2019, the City of American Canyon Community Development Director and the County Director of PBES submitted a joint Letter of Interest regarding the establishment of a South Napa PPA. The form provided by MTC/ABAG for the Letter of Interest indicates that it may be signed by local planning directors or city managers/county executive officers. The area proposed for the PPA includes the Napa Valley Business Park, the industrial areas located within the City of American Canyon, and the properties designated in the County General Plan as potential industrial lands under Policy AG/LU-40, which states: "The properties known as the "Hess Vineyards" shall be designated Agriculture, Watershed & Open Space, but shall be considered for redesignation to an Industrial designation if Flosden/Newell Road is ever extended north of Green Island Road "through the property."

On October 22, 2019, the Board of Supervisors confirmed the PBES Director's Letter of Intent regarding the South Napa PPA. As a part of its consideration, the Board expressed concern about the potential impact that establishing the PPA may have on the County Regional Housing Needs Allocation (RHNA) from MTC/ABAG, and directed that

the City of Napa be consulted as 80 percent of any changes to future County RHNA will be met by the City of Napa under agreements associated with the Napa Pipe project.

Staff contacted MTC/ABAG regarding the issue of whether establishing a PPA would affect future RHNA numbers. On October 25, 2019, Gillian Adams (Principal Planner - Regional Housing Needs Allocations) for ABAG and staff person for the Housing Methodology Committee responded by stating: "I cannot think of a reason why adoption of a PPA would affect RHNA."

County staff also contacted Vin Smith, Community Development Director for the City of Napa, regarding this issue. He initially shared the concern that the PPA could affect future RHNA numbers that the City would be obligated to fulfill. In response, Jason Holley, American Canyon City Manager, indicated on December 9, 2019, that: "If ABAG changes its position to punish those involved in their (PPA) pilot program by increasing our RHNA allocation, then we would withdraw the LOI (Letter of Intent)." County staff concurred that the PPA proposal would be withdrawn if the PPA directly results in an increase in the RHNA. Mr. Smith indicated that would satisfy the City's concerns.

Recommendation

Staff recommends that the Board adopt the attached Resolution, nominating the South Napa PPA to the MTC/ABAG.

A similar resolution will be considered by the American Canyon City Council on December 17, 2019.

SUPPORTING DOCUMENTS

A . Attachment A - Draft Resolution

CEO Recommendation: Approve

Reviewed By: Leigh Sharp