



A Tradition of Stewardship  
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Agenda Date: 3/22/2016

Agenda Placement: 60

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors

**FROM:** Lawrance Florin - Director  
Housing and Intergovernmental Affairs

**REPORT BY:** Carlos Solorio, Staff Services Analyst II - 707-253-4825

**SUBJECT:** Adoption of a Resolution Authorizing the California Statewide Communities Authority to form Community Facilities District within the Territorial Limits of Napa County

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### **RECOMMENDATION**

Director of Housing and Intergovernmental Affairs requests adoption of a resolution authorizing the California Statewide Communities Development Authority to form a Community Facilities District at Napa Pipe to fund an environmental remediation project within County limits and authorize staff to cooperate with the Authority and its consultants in connection therewith.

### **EXECUTIVE SUMMARY**

Napa Redevelopment Partners LLC, the developer of the project commonly known as Napa Pipe, is required to perform environmental remediation work on its project site. As a result, Napa Redevelopment Partners suggested the creation of a Community Facilities District (CFD) to obtain financing for the required environmental remediation work. County staff has determined that it is not in the County's best interests to have the County create and manage a CFD for that purpose. However, in consideration of the economic development that will be created by the project, staff recommends adopting the proposed resolution, as a participating member in the California Statewide Communities Development Authority, a joint powers agency, to consent to the Authority's formation of a CFD to finance the project's environmental remediation work, so that the Authority will manage the CFD and oversee the CFD's bond financing for such remediation. The County will have no liability or operational responsibility for the CFD or for the issuance or collection on the bond financing.

### **FISCAL IMPACT**

Is there a Fiscal Impact?                      No

**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**

The project being undertaken by Napa Redevelopment Partners, LLC, commonly known as the Napa Pipe Project, is required by law to perform environmental remediation work at the project site. In order to finance such environmental remediation, Napa Redevelopment Partners has proposed the creation of a Community Facilities District (CFD).

CFDs are authorized pursuant to Title 1, Division 7, Chapter 5 of the California Government Code. The California Statewide Communities Development Authority (Authority) is a California joint-exercise of powers authority lawfully created and operating pursuant to an agreement entered into as of June 1988 under the authority of California Government Code. The Joint Powers Agreement established the Authority as the agency authorized to issue tax-based bonds to finance projects within the territorial limits of its participants to promote economic development.

Napa County is a program participant in the Authority. In light of the potential economic and housing benefits to the County and its residents from the Napa Pipe Project, staff recommends that the County authorize and consent to the Authority's formation of a CFD within the County's territory to finance the project's environmental remediation measures. The proposed resolution, combined with the Authority's own resolution that will be adopted to form the CFD and which will reflect the Authority's agreement to the terms of the proposed County resolution, and with the Authority's Joint Powers Agreement, will together constitute a joint community facilities agreement between the County and the Authority. The agreement will authorize the Authority to undertake and conduct proceedings, in accordance with the terms of the agreement and the California Government Code, to form a CFD in the area identified by the resolution for the Napa Pipe Project site to fund the required environmental remediation work.

**SUPPORTING DOCUMENTS**

- A . CFD Resolution
- B . Exhibit A

CEO Recommendation: Approve

Reviewed By: Molly Rattigan