

Agenda Date: 8/8/2006 Agenda Placement: 10A

# NAPA COUNTY BOARD OF SUPERVISORS **Board Agenda Letter**

TO: Board of Supervisors

FROM: Britt Ferguson for Nancy Watt - County Executive Officer

County Executive Office

**REPORT BY:** Andrew Carey, Management Analyst, 253-4477

**SUBJECT:** Regional Housing Needs Legislation

## RECOMMENDATION

Discussion and possible action concerning any and all issues related to Regional Housing Needs Allocations.

#### **EXECUTIVE SUMMARY**

One of the Board's 2006 Legislative Goals is to "Support legislation that caps housing allocations to prime agricultural counties such as Napa and its cities to no more than required to accommodate internal job growth." The County's 2006 Legislative/Regulatory Platform identifies a number of options for addressing this issue, including sponsoring either Napa specific or more general legislation. On January 9th, the Board's Legislative Subcommittee voted to recommend that the County seek Napa specific legislation to accomplish the above goal. Draft legislation seeking to cap housing allocations for Napa County and its cities has been developed and shared with the County's cities.

On January 24, 2006, the Board directed staff to submit draft legislation to the State Legislature that would create special housing allocation provisions for Napa County and its cities limiting the housing allocation to Napa County and each city in the County to an annual housing allocation of 1% of existing housing stock. The intent is that this would be place holder legislation that could be modified as local discussion and analysis continues. The Board also expressed its intention to seek additional legislative advocacy resources to support such legislation.

It is anticipated there will be a need for additional discussions on this subject as the legislative process proceeds. Consequently, the Board has requested that this issue be made a standing discussion item in order to have an opportunity for public discussion of this important issue.

# **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**

Measure A, which was approved by Napa County's voters in 1980 and reauthorized by the Board in 2000, limits the number of residential building permits to 1% of the current population of the unincorporated area. Measure J, approved by the voters in 1990, prohibits the redesignation of any property designated "agricultural resource" or "agriculture, watershed and open space" in the General Plan to any other designation without a vote of the people. Currently, Measure A would limit the number of residential building permits the County could issue in any one year to 114.

Notwithstanding these local laws, State law requires the Department of Housing and Community Development (HCD) to periodically identify regional housing needs for each region of the state and designates the various regional councils of government as the agencies to allocate an appropriate share to each city and county in the region. The counties' share is for the unincorporated area. State law requires that this allocation include a "fair share" of anticipated regional housing growth to counties, independent of internal job growth or local jobs/housing ratio. In 1999, this process resulted in the Association of Bay Area Governments (ABAG) allocating approximately 263 housing units a year to unincorporated Napa County. This represented approximately 2.4% of the unincorporated area population at that time. The County met this obligation in large part through negotiating agreements with the cities of Napa and American Canyon to assume part of the County's housing needs allocation.

To address the problems associated with the State's regional housing needs allocation process, in 2004 Napa County supported AB 2158 which required that regional councils of government take a number of factors into consideration when establishing regional housing allocations, including the protection of environmental and agricultural resources, each jurisdiction's projected jobs and housing relationship and County policies to preserve prime agricultural land. This bill was approved by the legislature and signed by the Governor. It is unclear, however, how HCD and ABAG will implement the provisions of AB 2158 in determining future regional housing allocations, and it is expected that HCD will issue new regional housing allocations in the fall of 2006 for at least the next five year period.

Given the above, one of the Board's 2006 Legislative Goals is to "Support legislation that caps housing allocations to prime agricultural counties such as Napa and its cities to no more than that required to accommodate internal job growth." The Board's adopted 2006 Legislative/Regulatory Platform identifies a number of possible actions that may be necessary to support this goal, including sponsoring either Napa specific or more general legislation that would require the State and regional councils of government to eliminate any housing allocation beyond that indicated by the internal job growth rate in the counties, including cities in the counties.

At its meeting on January 9th, the Board's Legislative Subcommittee voted to recommend that the County initiate Napa specific legislation to accomplish the above goal. Draft legislation seeking to cap housing allocations for Napa County and its cities has been developed and shared with the County's cities.

On January 24, 2006, the Board directed staff to submit draft legislation to the State Legislature that would create special housing allocation provisions for Napa County and its cities limiting the housing allocation to Napa County and each city in the County to an annual housing allocation of 1% of existing housing stock. The intent is that this would be place holder legislation that could be modified as local discussion and analysis continues. The Board also expressed its intention to seek additional legislative advocacy resources to support such legislation.

It is anticipated there will be a need for additional discussions on this subject as the legislative process proceeds. Consequently, the Board has requested that this issue be made a standing discussion item in order to have an opportunity for public discussion of this important issue.

# SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Andrew Carey