



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 9/24/2013

Agenda Placement: 10B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Florin, Lawrance - Director
Housing and Intergovernmental Affairs

REPORT BY: Lawrance Florin, DIR HOUSING AND INTERGOVERNMENTAL AFFAIRS - 253-4621

SUBJECT: Approval of a Memorandum of Understanding between the City and County Regarding Development of the Napa Pipe Property

RECOMMENDATION

County Executive Officer, Director of Housing and Intergovernmental Affairs and the Director of Planning, Building and Environmental Services request authorization for the Chairman to sign a Memorandum of Understanding ("MOU") with the City of Napa relating to the development of the Napa Pipe Property.

EXECUTIVE SUMMARY

In January 2013 the Board of Supervisors designated two Board members, Supervisors Dodd and Caldwell, to a 2x2 committee to negotiate with two representatives of the City of Napa regarding the Napa Pipe project. The committee was to negotiate the terms under which the City and County would work together on the proposed Napa Pipe project.

On May 21, 2013 and June 4, 2013 the members of that committee reported back to the Board of Supervisors on the results of the discussions of the 2x2. The results were contained in a document that was called the "Conceptual Terms to be incorporated into an MOU between the City and County related to the Napa Pipe project." The conceptual terms outlined areas of agreement regarding tax revenue sharing, annexation, RHNA transfer agreements, the provision of municipal water to serve the project, affordable housing, traffic and planning and design issues. City and County staff have memorialized those conceptual terms in the attached MOU that is before the Board for approval.

PROCEDURAL REQUIREMENTS

1. Staff Reports
2. Public Comments

3. Motion, second, discussion vote on the item

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: General Rule. It can be seen with certainty that there is no possibility the proposed action may have a significant effect on the environment and therefore CEQA is not applicable. [See Guidelines For the Implementation of the California Environmental Quality Act, 14 CCR 15061(b)(3)]. The approval of the MOU commits both parties to work in good faith to negotiate future agreements and engage in certain processes, while preserving each agency's jurisdictional authority and discretion. While future decisions regarding the development applications listed in Section 2.2 and execution of future agreements listed in Section 2.3 may potentially have physical environmental effects warranting further CEQA review, it can be seen with a certainty that the approval of this MOU itself does not have a significant environmental effect.

BACKGROUND AND DISCUSSION

On January 15, 2013 the Napa County Board of Supervisors authorized the creation of a two by two committee to outline a process for collaboration with the City of Napa related to the Napa Pipe project. The committee was to develop principles under which the City and County would work together on future entitlements, annexation, municipal service delivery, and revenue sharing as it related to approval of a project on the Napa Pipe site by the Board of Supervisors. Supervisors Dodd and Caldwell were appointed to that committee.

On May 21, 2013 and June 4, 2013 the members of that committee reported back to the Board of Supervisors on the results of the committee's discussions. The results were contained in a document that was called "Conceptual Terms to be incorporated into an MOU between the City and County related to the Napa Pipe project." Those terms were then to be incorporated into a Memorandum of Understanding (MOU) between the City and County. The conceptual terms outlined areas of agreement regarding tax revenue sharing, annexation, RHNA transfer agreements, the provision of municipal water to serve the project, affordable housing, traffic and planning and design issues. Attached to this agenda is the MOU that memorializes these agreements.

Some of the key elements of the MOU include:

- The County will consult with the City and address the City's concerns in the project approvals, and in exchange the City will agree to provide water service to the project. The project approvals include:
 - Design Guidelines
 - Development Plan
 - Tentative Map
 - Development Agreement
- Concurrent with the review and consideration of these approval actions, the City will consider the following:
 - Rezoning of the property
 - Developer application to expand the City's Sphere of Influence
 - Placing a measure on the ballot to modify the City's RUL
 - Developer's application to have the city provide water service to the property
 - Conditioned upon approval of the RUL vote, annexation of the property in phases.

In addition the City and County will negotiate the following agreements that will be considered at the same time that the project approvals are considered for approval:

- An agreement regarding tax and revenue sharing. The tax and revenue sharing agreement shall establish the following:
 - The existing property tax sharing (as documented by County Resolution No. 80-31) shall apply
 - All other taxes generated at the Property, including but not limited to sales tax and transient occupancy tax, will be evenly split (50-50) between the City and County while the property is in the unincorporated County, and upon annexation to the City, those taxes will transfer 100% to the City.
- A Regional Housing Needs Allocation agreement that establishes the following:
 - The County will identify the Napa Pipe site in its 2014-2022 Housing Element and will issue building permits during the 2014-2022 housing cycle
 - Starting with the 2022-2030 Housing Element cycle, the City will accept 80% of the County's RHNA for each planning period for the life of County Measure P
- An agreement regarding any future changes to the development standards, zoning and planning requirements for the Property
- An agreement for the County to contract with a third party consultant for processing ministerial approvals such as plan review
- An agreement establishing a process for the joint or shared provision of municipal services.

The City will be considering approval of this MOU at its September 17th City Council meeting.

SUPPORTING DOCUMENTS

A . Napa Pipe MOU

CEO Recommendation: Approve

Reviewed By: Molly Rattigan