



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 11/4/2020

Agenda Placement: 8A

Napa County Planning Commission Board Agenda Letter

TO: Napa County Planning Commission
FROM: Brian Bordona for David Morrison - Director
Planning, Building and Environmental Services
REPORT BY: John McDowell, Supervising Planner - 299-1354
SUBJECT: General Plan and Housing Element Status Report

RECOMMENDATION

GENERAL PLAN AND HOUSING ELEMENT STATUS REPORT - INFORMATIONAL ITEM

CEQA Status: Not applicable; no action is requested.

Staff Recommendation: Receive an informational presentation about the status of the General Plan and Housing Element, including the upcoming Housing Element Update for the Sixth Cycle (2023-2031) Regional Housing Needs Allocation required by the California Department of Housing and Community Development.

Staff Contact: John McDowell, (707) 299-1354 or john.mcdowell@countyofnapa.org

EXECUTIVE SUMMARY

Proposed Action:

This is a presentation and discussion item only; no action is requested.

Discussion:

The Napa County General Plan was comprehensively updated in June 2008 and the County's Housing Element was last updated in December 2014. The chapters or "elements" of the General Plan include goals, policies, and implementation tasks ("action items" and "programs") that collectively guide all land use decision making for unincorporated Napa County. In 2014, the Housing Element was certified by the California Housing and Community Development Department (HCD), and was required to meet a Regional Housing Needs Allocation (RHNA) of 180 total residential units for HCD's Fifth Cycle RHNA spanning from 2015 to 2023. Compliance was

achieved by designating 13 sites for future housing, generally located in Angwin, Moskowite Corner, Spanish Flat, and Napa Pipe.

In March of each year, Napa County submits an annual report regarding the status of the general plan and its implementation to HCD, and the Governor's Office of Planning and Research (OPR). The report contains a General Plan implementation status table and housing progress report, both attached herein. With the Fifth Cycle RHNA nearing its conclusion, focus is shifting toward development of a new Housing Element to comply with the Sixth Cycle (2023-2031) RHNA. In June, 2020 HCD assigned 441,176 housing units to the San Francisco Bay Area region. Allocation of those housing unit to the 9 counties and 101 cities within the region is performed by Association of Bay Area Governments (ABAG). On October 15, 2020, ABAG issued its draft allocation of housing units to counties and cities, with Napa County being assigned 792 new units for the Sixth Cycle.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

ENVIRONMENTAL IMPACT

Not applicable; no action is requested.

BACKGROUND AND DISCUSSION

GENERAL PLAN STATUS REPORT

Napa County's Fifth Cycle Housing Element runs from 2015 to 2023 (the 'planning period' is 2014-2022). During this period, the County has been assigned a RHNA of 180 total housing units divided among four income categories as follows: 51 very low income units; 30 low income units; 32 moderate income units; and 67 above moderate income units. HCD provides the Annual Progress Report (APR) form in an auto-populating, jurisdiction-specific spreadsheet. Attached to this report is a summary of the totals for this year.

In 2019, the County issued 23 building permits consisting of 13 primary dwellings, and 10 Accessory Dwelling Units (ADU's). Single Family Detached units, which are the primary or main dwelling, are reported in the 'above moderate' income category. Based on guidance from HCD, property owner surveys were conducted for all 10 ADU's building permits to reflect income categories for non-deed restricted units. Surveys of these accessory dwellings asked how units would be used (i.e. – rented separately from main home), as well as level of rent to be charged, if any. Units intended for use as independent residences where no rent, or below market rate rents are charged, qualify for non-deed restricted 'low' and 'very low' income units. As a result, of the 10 total ADU's issued this year, 1 qualifies as 'very low', 2 qualify as 'low', 4 qualify as 'moderate', and 3 qualify as 'above moderate'.

The County has met the RHNA goal in the above moderate category, and is making progress in the three lower income categories as follows:

- Above Moderate: 67 units assigned – 115 permits issued; 0 units remaining
- Moderate: 32 units assigned – 15 permits issued; 17 units remaining
- Low: 30 units assigned – 8 permits issued; 22 units remaining

- Very Low: 51 units assigned – 19 permits issued; 32 units remaining

These totals represent new dwelling units. Replacement dwellings do not count toward meeting RHNA, such as fire rebuild homes.

General Plan Implementation

The attached General Plan Implementation Table reports on status of the 76 action items that are separate from Housing Element programs. The majority of these action items are either completed, ongoing, or in progress. The Board’s direction on the Strategic Plan also furthers the goals and policies of the General Plan.

HOUSING ELEMENT UPDATE

ABAG Methodology

ABAG is responsible for adopting a methodology for RHNA allocation and RHNA Plan for the projection period beginning June 30, 2022 and ending December 31, 2030. Pursuant to Gov. Code section 65584(d), the methodology to prepare ABAG’s RHNA plan must further the following objectives:

- (1) Increasing the housing supply and mix of housing types, tenure, and affordability
- (2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patters
- (3) Promoting an improved intraregional relationship between jobs and housing
- (4) Balancing disproportionate household income distributions
- (5) Affirmatively furthering fair housing

ABAG has established a Housing Methodology Committee (HMC) made up of elected officials, staff, stakeholders from agencies throughout the Bay Area region. The purpose of the HMC is to develop the methodology that will be used to determine RHNA allocations for each jurisdiction and sub-region within ABAG, consistent with Plan Bay Area 2050 and state legislation. The HMC has been meeting since October of 2019. Methodology developed by ABAG staff incorporates the following factors: Access to High Opportunity Areas (schools, parks, amenities, etc.); Divergence Index (variance from regional average in racial distribution); Job Proximity (by both auto and transit); Vehicle Miles Traveled (commuting); Jobs-Housing Balance; Jobs-Housing Fit (price of housing relative to local wages); Future Jobs; Transit Connectivity; and Natural Hazards. Based on methodology supported by a majority of the HMC members (25-10 vote), RHNA for all agencies within Napa County is as follows:

	Very Low	Low	Moderate	Above Moderate	Total
Unincorporated Napa	126	218	125	323	792
American Canyon	72	124	81	209	486
Calistoga	32	58	33	86	209
Napa	317	550	339	876	2,082
St. Helena	27	46	27	71	171
Yountville	12	20	12	32	76
				Total Units	3,816

In December, ABAG's General Assembly is expected to take final action adopting the housing allocations to

all member agencies.

Legislative Changes

In the past three years, extensive changes have been made to Housing Element law. There are two primary outcomes to the new legislation. It will be more challenging to identify sites that qualify for housing under the new criteria and it is required that sites for affordable housing be provided in high opportunity areas. Regarding the first change, the new requirements include that eligible sites relied upon in future Housing Elements must:

- | Have available water, sewer, and dry utilities, or must be in a program to have utilities extended to the site;
- | Not have been included in the prior two Housing Elements if not yet been developed, unless the zoning density is increased and by-right housing for low income is allowed;
- | Not be less than 0.5 acres, unless the jurisdiction can demonstrate the site is developable;
- | Not be larger than 10 acres, unless the jurisdiction can demonstrate the site is developable; and
- | Demonstrate that existing developed sites have additional residential capacity.

For the second outcome, Housing Elements must now:

- | Have a program that affirmatively furthers fair housing and that promotes housing opportunities throughout the community for protected classes; and
- | Identify specific sites throughout the community that further fair housing.

Preliminary Housing Site Analysis

In July 2019, ABAG performed an analysis of the sites referenced in the adopted Housing Elements for jurisdictions within the nine-county region. The analysis applied the standards included in current Housing Element requirements to determine how many of the existing housing sites could be carried over into the next housing cycle (2023-2031). The evaluation was not definitive, but was intended to give jurisdictions a general sense of changes that may be needed. Based on ABAG's preliminary analysis, only one site from the current Housing Element may be used in the updated Housing Element: Angwin - Site B located on the campus of Pacific Union College, which was estimated to provide the potential for 77 residential units.

County staff hired the firm of Environmental Science Associates (ESA) to evaluate sites in Napa County for possible suitability in the next Housing Element update. They concurred with ABAG that the Moskowitz Corner and Spanish Flat sites no longer would meet the current criteria to qualify for inclusion in the Housing Element. Napa Pipe has since been annexed to the City of Napa and is no longer available to count towards the County's RHNA share. Sites largely surrounded by the City of Napa (i.e., Pueblo Park, Imola, Old Sonoma Road) are also disqualified from consideration. ESA agrees that Site B in Angwin remains viable, but there are limited other potential housing sites in the unincorporated area, all of which require rezoning for more density, are already currently developed, or are zoned agricultural.

Napa Sub-region Housing Allocation Committee

Under State law, local jurisdictions have the ability to join together to form a sub-region for the purposes of RHNA allocation. Instead of RHNA being allocated to each individual jurisdiction, a RHNA allocation is made to the sub-region by ABAG, and the sub-region members may allocate the RHNA amongst themselves. Sub-regions must meet the same statutory requirements as the regional allocation, including determining methodology, holding public hearings, and appeals. The sub-regional allocation must also be consistent with the Bay Area's Sustainable Communities Strategy.

For the 2023-2031 Housing Element Cycle, there are three potential sub-regions within the Bay Area: San Mateo, Solano, and Napa. The Napa Sub-region would include the Cities of American Canyon and Napa, and the Town of Yountville. Discussions are ongoing between the agencies regarding finalizing formation of the Napa Sub-region.

The final RHNA allocation to the sub-region will occur in December 2020. Finalized sub-region RHNA allocations must be provided to ABAG for certification by December 2021. It should be noted that the Development Agreement with the City of Napa for the Napa Pipe Specific Plan requires that 80% of the County's RNHA allocation be transferred to the City of Napa's RHNA allocation for the 2022-2030 planning period. The County Housing Element Update must be completed and certified by HCD by January 2023. As the Housing Element Update process move forward, Planning Commission review will occur several times in 2021 and 2022, with the Planning Commission making a final recommendation to the Board of Supervisors prior to their final action.

SUPPORTING DOCUMENTS

- A . Regional Housing Needs Allocation Process Overview
- B . ABAG Regional Housing Needs Allocation Key Milestones
- C . General Plan Implementation Table 2019
- D . Housing Programs Implementation Table 2019
- E . HCD Annual Progress Report Summary 2019

Napa County Planning Commission: Approve

Reviewed By: Brian Bordona