ORDINANCE NO. O2025-008

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
NAPA, STATE OF CALIFORNIA, APPROVING
PURSUANT TO A SECTION 15168 ANALYSIS AND
ADDENDUM TO THE DOWNTOWN NAPA SPECIFIC
PLAN PROGRAMMATIC ENVIRONMENTAL IMPACT
REPORT (SCH NO. 2010042043), AND
ALTERNATIVELY, TO THE CEQA GUIDELINES
SECTION 15332 CATEGORICAL EXEMPTION, A
DEVELOPMENT AGREEMENT PURSUANT TO
GOVERNMENT CODE SECTION 65864 ET SEQ. BY
AND BETWEEN THE CITY OF NAPA AND COOMBS
STREET LLC, AND AUTHORIZING THE CITY
MANAGER TO EXECUTE AND THE CITY CLERK TO
RECORD THE AGREEMENT

WHEREAS, on November 13, 2018, the City Council of the City of Napa adopted a resolution updating procedures for the consideration and approval of development agreements pursuant to California Government Code Sections 65864 et seq., and

WHEREAS, 3VG and Coombs Street LLC (the "Applicants") submitted an application for multiple entitlements (PL20-0135), including a Specific Plan amendment, a Planned Development Overlay District, a Tentative Parcel Map, and a Development Agreement (collectively, the "Project"), to provide for the development of a proposed mixed use project including commercial/retail uses, residential units and a hotel at 1106, 1116 and 1118 First Street (APN's 003-166-010, 003-166-013, 003-166-015, 003-166-016) and 1151 and 1199 Pearl Street (APN's: 003-166-008 & 003-166-011) and Dwight Murray Plaza (APN: 003-166-017) (the "Project Site"); and

WHEREAS, the proposed Development Agreement would be a contract by and between the City of Napa and Coombs Street LLC to govern the Applicant's development of the Project on the Project Site for a period of ten (10) years. A copy of the Development Agreement is attached hereto as Exhibit "A" and incorporated herein by reference; and

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA") and its implementing regulations (the "CEQA Guidelines"), the City prepared the First Street Napa II Project Addendum dated May 29, 2025 for the Project, to determine whether, under CEQA Guidelines section 15168, the Project's potential environmental effects are within the scope of the development program evaluated by the City in the certified Downtown Napa Specific Plan Programmatic Environmental Impact Report (SCH No. 2010042043) ("DNSP EIR"), whether there are Project-specific significant effects peculiar to the proposed Project or the

site, whether additional documentation is required and, in the alternative, whether the Project is an In-Fill Development Project that is exempt from any additional environmental review under Section 15332 of the CEQA Guidelines ("Section 15168 Analysis and Addendum"); the Section 15168 Analysis and Addendum, and the DNSP EIR are on file in the Office of the City Clerk and are incorporated herein by reference; and

WHEREAS, the Planning Commission of the City of Napa, State of California, held a duly noticed public hearing on the Project on June 5, 2025, and has recommended approval of the subject application; and

WHEREAS, on June 24, 2025, the City Council of the City of Napa held a duly-noticed public hearing on the Project and considered all information related to the Project as presented at the public meetings of the City Council identified herein, including any supporting reports by City Staff, and any information provided during public meetings.

WHEREAS, on June 24, 2025, the City Council approved Resolution R2025-079 finding, that, based on the whole record before it, including the Section 15168 Analysis and Addendum, the administrative record, and all other written and oral evidence, all environmental impacts of the Project are either less than significant or can be mitigated to a level of less than significant under the mitigation measures outlined in the Section 15168 Analysis and Addendum, Alternatively, the Council found that the Project is exempt from CEQA under CEQA Guidelines section 15332 and none of the exceptions in CEQA Guidelines section 15300.2 have application. The Council adopted the Section 15168 Analysis and Addendum and adopted the MMRP previously adopted for the DNSP EIR as it pertains to the Project.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Napa, State of California, as follows:

Section 1.   The City Council hereby finds that the recitals to this Ordinance, set forth above, are true and correct and provide basis for the City Council's adoption of this Ordinance.

Section 2. The City Council hereby determines, based on, and consistent with, its actions in Resolution R2025-079, that the potential environmental effects of the actions authorized by this Ordinance were adequately identified, analyzed, and addressed in the DNSP EIR and that no further environmental review is required for the Project as documented in the Section 15168 Analysis and Addendum, and alternatively, that the Project is exempt from CEQA under CEQA Guidelines section 15332 and none of the exceptions in CEQA Guidelines section 15300.2 have application.. The City Council further directs staff to prepare, execute, and file a Notice of Determination, and, as to the CEQA Guidelines section 15332 categorical exemption, a Notice of Exemption with the County Clerk's office and the Office of Planning and Research within five (5) working days

of approval of this Ordinance.

Section 3. The City Council hereby finds that the provisions of the Development Agreement are consistent with the General Plan and Downtown Napa Specific Plan of the City of Napa and the Downtown Napa Specific Plan in that:

The Development Agreement will promote orderly growth and quality development in accordance with the goals and policies set forth in the General Plan; is compatible with the uses authorized in, and the regulations prescribed for, the district in which the Property is located; will promote the public convenience, general welfare, and good land use practice; will not be detrimental to the health, safety and general welfare; will not adversely affect the orderly development of the property or the preservation of property value; and, will promote and encourage the development of the Project by providing a greater degree of requisite certainty. Additionally, the Project would meet many of the goals of the Downtown Napa Specific Plan by redeveloping the area with a high-quality hotel and condominiums providing both economic benefit and housing opportunity in the downtown area, which several goals and policies of the General Plan and Specific Plan call for. In particular, the goals and policies identified in the corresponding staff report highlight this consistency.

Section 4. The City Council adopts and hereby approves the Development Agreement and authorizes the City Manager to execute said Agreement upon the adoption of this Ordinance.

Section 5: The City Clerk is hereby directed to record, with the Napa County Recorder, the Development Agreement within ten (10) days after the execution of the Development Agreement by the City Manager.

Section 6: Severability. If any section, sub-section, subdivision, paragraph, clause or phrase in this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, sub-section, subdivision, paragraph, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more sections, sub-sections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

Section 7: Effective Date. This Ordinance shall become effective thirty (30) days following adoption.

Section 8: Indemnification. To the fullest extent permitted by law, Applicant shall indemnify, defend with counsel of the City's choosing, and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages,

actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to (i) City's approval of the First Street Napa Phase II Project, including but not limited to, the approval of the zoning actions, discretionary permits, maps under the Subdivision Map Act, and/or the City's related determinations or actions under the California Environmental Quality Act, or any alleged failure to act as required by law, and (ii) Applicant's construction, operation, use, or related activity under the Project. This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by Applicant, City, and/or the parties initiating or bringing such proceeding. Applicant shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. Applicant shall pay to the City upon demand or, as applicable, to counsel of City's choosing, any amount owed pursuant to the indemnification requirements prescribed in this condition.

City of Napa, a municipal corporation

MAYOR: _____

ATTEST: _____
CITY CLERK OF THE CITY OF NAPA

STATE OF CALIFORNIA ⎱
COUNTY OF NAPA   ⎬ SS:
CITY OF NAPA   ⎰

     I, Tiffany Carranza, City Clerk of the City of Napa, do hereby certify that the foregoing Ordinance had its first reading and was introduced during the special meeting of the City Council on the 24th day of June, 2025, and had its second reading and was adopted and passed during the regular meeting of the City Council on the 15th day of July, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST: _____
Tiffany Carranza
City Clerk

Approved as to Form:

Christopher Diaz
Interim City Attorney

EXHIBIT A
Development Agreement

<mark>[Will be inserted for City Council meeting]</mark>