



CITY OF NAPA

955 School Street
Napa, CA 94559
www.cityofnapa.org

MEETING MINUTES - Draft

CITY COUNCIL

Mayor Jill Techel
Vice Mayor Peter Mott
Councilmember Doris Gentry
Councilmember Jim Krider
Councilmember Scott Sedgley

Tuesday, May 15, 2018

3:30 PM

City Hall Council Chambers

3:30 PM Afternoon Session
6:30 PM Evening Session

3:30 P.M. AFTERNOON SESSION

1. CALL TO ORDER: 3:30 P.M.

1.A. Roll Call:

Present: 5 - Councilmember Gentry, Councilmember Krider, Councilmember Sedgley, Vice Mayor Mott, and Mayor Techel

2. AGENDA REVIEW AND SUPPLEMENTAL REPORTS:

City Clerk Roberts announced the following supplemental items received after City Council packet distribution:

Item 6.A.

- PowerPoint presentation by city staff.
- PowerPoint presentation by D. Augustine & Associates, Inc., consultant.

Item 6.B.

- PowerPoint presentation by city staff.
- Letter from Catherine Heywood, Visit Napa Valley, dated May 10, 2018.

Item 6.C.

- PowerPoint presentation by city staff.

3. SPECIAL PRESENTATIONS:

3.A. [1387-2018](#) Introduction of New City of Napa Employees

Newly hired employees introduced themselves and were welcomed by Mayor Techel and Councilmembers.

Receive introduction of new employees.

4. PUBLIC COMMENT:

James Hinton, resident, spoke about the benefits of using medicinal cannabis for veterinary care and urged support of Assembly Bill 2215.

Michael Bell, resident, asked that budget material be made available in local publications; Mayor Techel thanked Mr. Bell and noted that the "State of the City" was included in the City's most recent Recreation Guide. City Manager Parness added that budget information was also available on the City's Website under the "OpenGov" page.

Cindy Watter, resident and former City Councilmember, commented positively on the Oxbow Commons Park.

5. CONSENT CALENDAR:

Mayor Techel announced she would recuse from Items 5A and 5B due to her absence at the meetings; Vice Mayor Mott asked to pull Item 5D for discussion and announced that due to his ownership of property within 500 feet of the subject property, he would recuse from Item 5J.

Approval of the Consent Agenda

A motion was made by Vice Mayor Mott, seconded by Councilmember Krider, to approve the Consent Agenda as amended with the following changes: Item 5D pulled for discussion; Mayor Techel's abstention on Items 5A and 5B due to her absence at the meetings; and Vice Mayor Mott's recusal on Item 5J due to a conflict of interest caused by his ownership of property within 500 feet of the subject property. The motion carried by the following vote:

Aye: 5 - Gentry, Krider, Sedgley, Mott, and Techel

- 5.A.** [1392-2018](#) Special City Council Meeting Minutes
Approved the May 1, 2018 Special City Council Meeting Minutes.
- 5.B.** [1397-2018](#) Regular City Council Meeting Minutes
Approved the May 1, 2018 Regular City Council Meeting Minutes.
- 5.C.** [1389-2018](#) Update to City Fees and Charges for Services
Approved the second reading and final passage, and adopted Ordinance O2018-007 adopt an ordinance amending Napa Municipal Code Sections 3.04.040, 3.04.050, and 3.20.090, regarding the definitions of, and procedures for appealing, City taxes, assessments, fees and fines, and charges.
Enactment No: O2018-007
- 5.D.** [1388-2018](#) Escheatment of Unclaimed Funds
Vice Mayor Mott pulled the item, commented and asked for information about outreach efforts. Finance Director Cochran responded.
Adopted Resolution R2018-049 approving the escheatment of unclaimed funds

held by the City in accordance with government statutes.

Aye: 5 - Gentry, Krider, Sedgley, Mott, and Techel

Enactment No: R2018-049

- 5.E.** [1399-2018](#) Monthly Budget and Investment Statement
- Received and filed the Monthly Budget and Investment Statement as of March 31, 2018.**
- 5.F.** [1361-2018](#) Fiscal Year 2017/18 Third Quarter Report
- 1. Received the Third Quarter Report for Fiscal Year 2017/18.**
 - 2. Adopted Resolution R2018-050 approving Amendments to the Budget for the 2017/18 Fiscal Year.**
- Enactment No: R2018-050
- 5.G.** [1383-2018](#) Budget Adjustment to Materials Diversion Fund for FY2017/18
- Adopted Resolution R2018-051 authorizing adjustments to appropriations in the Solid Waste and Materials Diversion Fund for FY 2017/18 to account for an increase in revenue of \$1,200,000.**
- Enactment No: R2018-051
- 5.H.** [1333-2018](#) Citywide Landscape Maintenance Assessment District, Fiscal Year 2018-2019
- 1. Adopted Resolution R2018-052 to order the City Engineer to prepare and file the Preliminary Engineer's Report describing the improvements to be maintained by the Citywide Landscape Maintenance Assessment District for Fiscal Year 2018-2019, and determining that the actions authorized by this resolution are exempt from CEQA.**
 - 2. Adopted Resolution R2018-053 a resolution of intention to approve the Preliminary Engineer's Report, levy and collect assessments, and give notice of a Public Hearing to consider approval of the Citywide Landscape Maintenance Assessment District for Fiscal Year 2018-2019, and determining that the actions authorized by this resolution are exempt from CEQA.**
- Enactment No: R2018-052 R2018-053
- 5.I.** [1334-2018](#) Napa Valley Corporate Park Landscape and Lighting Assessment District, Fiscal Year 2018-2019
- 1. Adopted Resolution R2018-054 a resolution to order the City Engineer to prepare and file the Preliminary Engineer's Report describing the improvements to be maintained by the Annual and Supplemental Napa Valley Corporate Park Landscape and Lighting Assessment District for Fiscal Year 2018-2019, and determining that the actions authorized by this resolution are exempt from CEQA.**
 - 2. Adopted Resolution R2018-055 a resolution of intention to approve the Preliminary Engineer's Report, levy and collect assessments, and give notice of a Public Hearing to consider approval of the Annual and Supplemental Napa**

Valley Corporate Park Landscape and Lighting Assessment District for Fiscal Year 2018-2019, and determining that the actions authorized by this resolution are exempt from CEQA.

Enactment No: R2018-054 R2018-055

- 5.J.** [1396-2018](#) State Route 29 Northbound First Street Ramps and California Boulevard Roundabouts Project (ST14PW02); Amendment to the Cooperative Agreement between City and Caltrans (City Agreement No. C2015-157)

Authorized the City Manager to execute Amendment No. 1 to the Cooperative Agreement between the City and Caltrans (which amends the Funding Summary on Exhibit "A"), and determine that the actions authorized by this item were adequately analyzed by a previous CEQA action.

6. ADMINISTRATIVE REPORTS:

- 6.A.** [1311-2018](#) Napa Tourism Improvement District's Operating Policy Amendment; FY 2018-19 Budget and Work Plan; and Agreement for Services for Marketing, Advertising, Public Relations, Event Planning & Related Services.

Shari Cooper, Development Project Coordinator, provided a brief overview.

Catherine Heywood, Vice President of Visit Napa Valley, defined the Tourism Improvement District (TID) and Transient Occupancy Tax (TOT). She described the Visit Napa Valley's goals, operating policy, and work plan and expenditure details.

Lindsay Moore, with Augustine Ideas, reviewed industry trends, their FY 18/19 Work Plan objectives, their target audiences and the DoNapa Now campaign.

City Council discussion and questions continued.

James Hinton, resident, expressed concern regarding the TID and the budget for Visit Napa Valley.

A resident (name inaudible), made suggestions regarding affordable housing, employment, and the vacancies Downtown.

Lynn Bell, resident, voiced concern about the amount of money that goes to Visit Napa Valley and stated that the surface streets of Napa need repair.

Vice Mayor Mott commented positively on the target audience focus and strategies used by DoNapa. Mayor Techel stated there was a downturn after the fires, but the DoNapa group advanced their message, with good results. Councilmember Krider stated the City has come a long way but that competition still exists.

(1) Adopted Resolution R2018-056 amending the Operating Policy for the Napa Tourism Improvement District City of Napa Local Governing Committee;

(2) Adopted Resolution R2018-057 approving the Napa Tourism Improvement

District Local Governing Committee Budget and Work Plan for Fiscal Year 2018-19; and

(3) Approved an Agreement for Services with D. Augustine & Associates for Marketing, Advertising, Public Relations, Event Planning & Related Services in an amount not to exceed \$588,000, authorizing the City Manager to execute the contract on behalf of the City.

Enactment No: R2018-056 R2018-057

6.B. [1352-2018](#) 2018 Lodging Market Study and Related Economic Impact Analyses

Robin Schabes, Economic Development Manager provided information regarding the primary objectives of the study.

Ms. Sahlins, Managing Director of Cushman and Wakefield, briefed City Council on her past work with the City in 2007 and 2017. She stated that since 2007, Napa's occupancy rate has increased and many projects have carried over. She stated that hotel projects should consider a variety of different types and experiences, and may be developed in non-core locations depending upon the facility and expected room rates. She commented that it was unlikely that the proposed supply would be built as planned.

Ms. Hagar, Vice President of BAE Urban Economics, discussed economic impact findings, fiscal revenue impact findings, housing costs and labor availability findings. She stated unemployment in the general area was low, and that future workers will find commuting to work a challenge.

Ms. Schabes reviewed the key points and asked for Council input.

Chuck Shinnamon, resident, questioned whether more hotels were needed and suggested that more conversation.

Eve Kahn, resident and member of Napa Housing Coalition, stated home prices had increased and the affordable housing in the pipeline had already been earmarked. She urged further discussion.

James Hinton, resident, stated the Tourism Improvement District (TID) should be repealed, and the Transient Occupancy Tax (TOT) should be earmarked for affordable housing.

Cindy Watter, resident, warned that Napa may lose the charm it has by overbuilding. She suggested union scale wages, and the issues concerning illegal vacation rentals and the increase in weekend homes.

Grania Lindberg, resident, stated she was glad to see the excitement of Napa with tourism, but there are some negative consequences for residents. She stated the affordable housing units in the report are already committed.

Jim Beasley, resident and owner of the Beasley House Bed and Breakfast, spoke positively about what the TID provides to Napa Valley.

Mayor Techel stated City Council asked for the study and that this would be the beginning of a conversation regarding placement of hotels, branding, and housing requirements of future developers.

Council discussion ensued. Councilmember Sedgley stated he liked the direction; the City could strengthen the lodging policy and have applicants build the housing and find the solution.

Vice Mayor Mott posed questions about branding and the conference market, to which Ms. Sahlins responded.

Councilmember Gentry stated Napa had become a destination city; when developers build hotels they should build capacity for workers.

Councilmember Sedgley stated the livable wage should be increased.

Vice Mayor Mott discussed the possibility of a moratorium, and stated the City was about to embark on a General Plan update when this could be discussed further.

6.C. [1380-2018](#) Proposed Ballot Measure to Increase Transient Occupancy Tax to Fund Affordable and Workforce Housing

Lark Ferrell, Housing Manager, detailed the proposal by Visit Napa Valley for the each of the Napa County jurisdictions to prepare a Ballot Measure for the November election to increase the Transient Occupancy Tax (TOT) one percent for workforce and affordable housing. As it would be considered a Special Tax it would require a 2/3 voter approval. She provided a chart comparing assessments from various jurisdictions and stated the one percent was supportable. Ms. Ferrell stated the City's Housing Impact Fee Fund was capped at 80% median for low and very low income, but that Council may consider the gap for the "missing middle" in order to address the 61 to 120 percent median range.

City Council discussion ensued; Councilmember Gentry asked for clarification as to whether it would be the hotel visitors that would be taxed; Ms. Ferrell responded affirmatively.

Vice Mayor Mott stated he was interested in considering a Housing TID that could pay for housing.

Mayor Techel stated that there must be a return to source with each jurisdiction determining the right programs for their city. She recommended that Council approve the 120 percent of median income to fund the missing middle.

City Attorney stated the objective of the report was to receive as much direction from City Council as possible due to the tight timeline to draft the ordinance. Important factors to be addressed were the one percent tax, and whether City Council supports increasing the cap to 120 percent of median income.

Councilmember Sedgley posed various questions. Jennifer LaLiberte, consultant with Visit Napa Valley responded.

Further Council discussion continued.

Mayor Techel called for public comment.

James Hinton, resident, questioned how the funds would be used.

Joelle Gallagher stressed the importance of very being clear on verbiage and definitions in the Measure.

Ricky Hurtado, resident, voiced support of the Ballot Measure.

Jim Beasley, resident, stated workforce housing should be defined.

A motion was made by Councilmember Gentry, seconded by Vice Mayor Mott, to approve the staff recommendation on the proposal for the City ballot measure.

The motion carried by the following vote:

Aye: 5 - Gentry, Krider, Sedgley, Mott, and Techel

7. COMMENTS BY COUNCIL OR CITY MANAGER:

Mayor Techel announced that there would be a Community Conversation about the future of the General Plan at the Uptown Theatre Friday May 18th from 2:00 p.m. to 8:00 p.m.

Mayor Techel announced that there would be a Special City Council Meeting on May 21st at 5:00 p.m. to discuss the Civic Center project.

8. CLOSED SESSION:

City Attorney Barrett announced the Closed Session items.

8.A. [1403-2018](#)

CITY COUNCIL RECESS 6:06 p.m.

6:30 P.M. EVENING SESSION

9. CALL TO ORDER: 6:30 P.M.

9.A. Roll Call:

Present: 5 - Councilmember Gentry, Councilmember Krider, Councilmember Sedgley, Vice Mayor Mott, and Mayor Techel

10. PLEDGE OF ALLEGIANCE:

11. AGENDA REVIEW AND SUPPLEMENTAL REPORTS:

City Clerk Roberts announced the following supplemental reports:
Item 14 A: PowerPoint presentation by City staff.

12. REPORT ACTION TAKEN IN CLOSED SESSION:

City Attorney Barrett stated there was no reportable action from Closed Session.

13. PUBLIC COMMENT:

James Hinton, resident, voiced concerns regarding Visit Napa Valley.

Alan Galbreth, Mayor of St Helen, stated the St Helena City Council recently endorsed Measure C and urged voters to vote Yes on Measure C.

14. ADMINISTRATIVE REPORTS:**14.A. [1384-2018](#) Administrative Process for Regulating Installations of Small Cell Antennae**

Eric Whan, Deputy Public Works Director provided a brief description of small cell technology, why they are used, the various types of equipment, the process for the required encroachment permit, and various types of small cell wireless antennas used.

Mayor Techel called for public comment.

Sharon Parham, resident, spoke in opposition citing potential negative health consequences of the small cell technology.

Marla Tofle, resident, spoke in opposition and talked about health risks, and decreased property values.

Elizabeth McKinne, resident, spoke in opposition and asked how the location of the sites were chosen and advocated using fiber technology.

Lyn Marie DeVincent, resident, spoke in opposition and cited health hazards, microwave radiation emissions and Group 1 carcinogens.

Valerie Wolf, resident, suggested the need for a study session on the topic.

Raj Mather, with Hammett and Edison (consultant), stated the sites comply with FCC limits, asserted the facilities were low power, and energy with the antennae drops exponentially with distance.

Neil Watter, resident, voiced opposition stating the technology was unnecessary; he also expressed concern regarding the health hazards.

Jeff Mays, resident, asked that staff dialogue with Verizon to look for locations that were less impactful to residents.

Bruce Fenton, resident, stated the need was not demonstrated and suggested a design review.

James Hinton, resident, voiced opposition and stated the warnings from the World Health Organization should not be taken lightly.

Alison Gruber, resident, voiced strong opposition.

Council comments and questions ensued.

Dialogue included distance of emissions, notices, the health hazards, aesthetics, the fiber optic alternatives, and location options.

Mark Peters, with CBR Group representing Verizon, stated they worked with Verizon and Public Works to determine what addresses would be visually impacted and sent letters to over 250 homes in Napa. He stated they were somewhat limited regarding the aesthetics impact. He stated the technology used would be much smaller than a macro facility.

Councilmember Sedgley stated it seemed that many neighbors were asking for more time.

Mayor Techel stated she was pleased that staff had taken a proactive role and were actively working to solve issues.

Councilmember Krider stated the aesthetics were important to him and voiced concern regarding the proliferation of the sites.

Mr. Peters suggested that they could provide some shielding that would help to cover some cabling and stated that they were committed to doing the best they could.

Vice Mayor Mott asked about the flexibility of the proximity of the cells, to which Mr. Peters responded that there was some flexibility in terms of an approximate 500-foot radius. Vice Mayor Mott suggested looking at creative solutions.

Councilmember Sedgley stated he would like to see an opportunity for city residents to opt out if they had specific concerns. The consultant could then work within the 500-foot radius to find a solution. Mr. Peters stated the FCC sets specific standards and therefore they would work with staff on the matter.

Mayor Techel stated if citizens have a concern to contact the Public Works Department, who would take the information to determine if a solution could be found. She asked City Manager Parness to update the Council on the process.

15. COMMENTS BY COUNCIL OR CITY MANAGER:

Councilmember Sedgley again spoke in support for Yes on Measure C and invited fellow Councilmembers to join him. Mayor Techel stated the erosion control plan should be the focus.

Councilmember Gentry acknowledged National Police Week.

Mayor Techel announced that on May 18th there would be an "Urban Tech Talk" held at the Uptown Theatre.

16. ADJOURNMENT: 8:106 P.M.

Submitted by:

Dorothy Roberts, City Clerk