

SUPPLEMENTAL REPORTS & COMMUNICATIONS II
Office of the City Clerk

City Council of the City of Napa
Regular Meeting
December 4, 2018

FOR THE CITY COUNCIL OF THE CITY OF NAPA:

EVENING SESSION:

16. PUBLIC HEARINGS/APPEALS:

16.A. Vista Grove Subdivision, a Proposed 27 Lot Residential Subdivision on a 4.9 Acre Property Located at 4455 Linda Vista Avenue.

- Letter dated December 4, 2018 from Katherine Philippakis, Farella Braun + Martel LLP.
- Table 3-2 Street and Highway Classification System handout received December 4, 2018 from Brian Bowman.



December 4, 2018

*Supplemental
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Via Hand Delivery

Hon. Jill Techel
Napa City Council
955 School Street
Napa, CA 94559

Re: Subdivision located at 4455 Linda Vista in the City of Napa
(APNs 007-045-041 & -042 SFAP)

Dear Mayor Techel and Council Members:

Our office represents the owner of the Linda Vista property that is being considered for subdivision at this evening's hearing. This morning, I received a call from one of our team to say that the issue of affordable housing had been suddenly raised in relation to the project. I thought it would be helpful to outline some of the policies and circumstances that relate to the housing issue and why a concern about affordable housing here is misplaced.

As you know, the property is in an Affordable Housing Overlay District, as outlined in Section 17.36 of the City's Municipal Code. Among the goals of this Overlay District are the following:

- A. Provide a greater degree of housing affordability on identified key sites than would otherwise be required under inclusionary standards, given the limited amount of land available for future housing.
 - B. To maximize development opportunities on key housing sites by providing well-designed projects at the upper end of density ranges.
- (Section 17.36.010)

The Overlay District in this regard implements some of the policies of the City's 2015 Housing Element, including the goal to provide more varied housing types and choices to meet the needs of community members. Among the goals outlined in the Housing Element are the following:

- To have adaptable housing stock that "allows people to age in place." (p. 13)
- To balance housing and economic development so that "people who work here can live here." (p. 14)
- To have "lots of housing types and choices." (p. 15)

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- To create housing that will “fit-in with the character, quality, environmental constraints and resources of the community and its residential neighborhoods.” (p. 17)
- To promote lower cost homeownership. (p.19)
- To promote housing opportunities that meet the needs of the Napa workforce. (p.21)

Following the adoption of the City’s most recent Housing Element, the State of California enacted legislation that became effective this year giving cities more flexibility by allowing homeowners to build Accessory Dwelling Units as of right. The California Department of Housing and Community Development outlined the following benefits of ADUs:

- They provide a source of income for homeowners.
- They allow extended families to be near one another while maintaining privacy.
- They give flexibility to homeowners to share independent living areas, allowing seniors to age in place.
- They provide housing for couples, small families, friends, young people, and seniors.

Accessory Dwelling Units are permitted as of right in residential zoning districts, and they directly meet the needs outlined above. ADUs meet a slightly different, although sometimes overlapping, set of needs than more straightforward low- or very low-income affordable housing. Specifically, ADUs often provide housing for people in transition. This can include students, people entering the job market for the first time, those who are recently divorced or widowed, and those whose economic circumstances have suddenly changed.

ADUs are beneficial to both the primary homeowner and the ADU-dweller. In particular, they are of benefit in the following circumstances:

ADUs allow different generations of families to live together but apart. This can include young people, couples, or older family members who live in the ADU while a related family lives in the main residence. These situations may or may not be traditional “rentals” – sometimes rent is charged, but sometimes home-help is provided in exchange for a place to live, such as child care, home maintenance, or other services.

ADUs also allow people in changing economic circumstances to keep their homes. The owner of the main residence who is faced with economic constraints can rent the ADU, or move into the ADU and rent the main residence. This is beneficial both to the owner and the renter, and it gives flexibility for the homeowner to move back into their original dwelling unit if their circumstances stabilize.

Additionally, ADUs provide an income source that helps homeowners buy a home that they otherwise would not qualify for. A homeowner who might not otherwise be able to afford a home, may be able to qualify for a mortgage when taking into account the revenue stream from rental of the ADU. This is particularly beneficial to members of the workforce, or the “squeezed middle” who otherwise might not be able to buy a home in Napa.

This last point was driven home to me at the Planning Commission hearing for this project a few weeks ago. In the audience for another agenda item was someone who works with a very important local non-profit organization but lives outside of Napa due to housing costs. After the hearing, she enthusiastically approached me for information about the project and asked if she could be notified when the project was coming to market. I could see that she was mentally 'running the numbers' to determine whether she and her family might be able to move back to Napa if she had the additional income from a rental unit. She is the type of community member who is served by a project such as this, and people like her are an important but often overlooked part of the community. We recognize the need to provide housing for workforce members like her, and we want to encourage it, but we have few policies or procedures to ensure that such housing is actually built. Here, we have such housing being proposed, and the project is worthy of being built.

There is an important place in this City for straightforward low- and very low-income affordable housing units. And there is also an important place for projects like this, which provide flexible, adaptive housing that matches the character of the neighborhood while still providing housing diversity. These are homes whose use can change as the families who live in them grow and change.

Forcing the ADU units to become dedicated affordable housing stock is counterproductive to the goals described here. If an ADU is deed restricted as affordable housing, a homeowner would not be able to move into the ADU unit and rent out her main residence. If an ADU is deed restricted, a family would not necessarily be able to rent out the unit to a child, or an in-law, who might not meet the income standards. If the ADUs are deed restricted, many of them may never be rented at all, and the homes may be purchased by people who use the ADU as a guest house or hobby studio, which would be absolutely antithetical to what we are trying to accomplish here.

The fact is that no mechanism currently exists in the City to deed restrict ADU units in a way that will guarantee they become part of the intended housing stock. If the City wants to restrict future ADUs for affordable housing uses only, then policies and procedures should be developed to allow for that restriction in a way that is fair, impartial, and achieves the desired goals. But for now, the ADU statute is a new law, and one that deserves to be given a chance as it was intended to be implemented: as an unrestricted permitted use that allows landowners to have a second unit as of right.

This is a project that, with great pains by the owner and her team, was designed to meet all of the City's regulations and development standards. It asks for no exceptions and no variances, which is unusual. It provides housing of a variety of moderate sizes that is consistent with what many community members need. And on top of that, the project provides the ADU units that introduce greater diversity of housing and greater flexibility for their use. I would

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encourage the Council to allow the project to go forward as it was intended.

Kind regards,

A handwritten signature in black ink, which appears to read 'Katherine Philippakis'. The signature is written in a cursive, flowing style.

Katherine Philippakis

KP:rj

Table 3-2 STREET AND HIGHWAY CLASSIFICATION SYSTEM					
Street Type	Function	Access	Right-of-way	Daily Volume	Discussion
Freeways	Provides for intra and inter-regional mobility	Restricted to arterials and freeways via interchanges	Varies - 220 feet is considered minimum	Up to 160,000	A portion of State Route 29 is the only freeway in the RUL.
State Highways	Provides for intra- and inter-regional mobility with direct access to abutting parcels	No restriction	Varies between urban and rural areas.	Varies	State highways in Napa include SR 12, 121, 221 and portions of SR 29. Access along these facilities may be limited.
Arterials Major/Minor	Collect and distribute traffic from freeways and to collector streets and vice versa	Optimum minimum distance between intersections is approximately ½ mile. Driveways to major traffic generators may be permitted within the ½ mile spacing.	In developing areas of the city, arterials will be constructed within 74- to 136-foot rights-of-way. Major arterials consist of four to six lanes and provide for a left-turn median. Minor arterials have two travel lanes.	Up to 40,000	Typical intersection spacing: ½ to 1 mile. Residential development along arterials generally requires larger than average setbacks and landscape buffering.
Collectors	Serve as connectors between local and arterial streets and provides direct access to parcels.	At major intersections, driveways on collector streets should be no closer than 50 feet to the intersection. Non-residential driveways and/or intersecting streets or collector streets should be no closer than 300 - 400 feet apart.	Collectors carry two lanes of traffic, usually without a left turn median, on rights-of-way between 60 and 84 feet.	Up to 12,000	Typical intersection spacing: ¼ mile. Collector streets with volumes in excess of 3,000 may impact adjoining residences, requiring mitigation. Collector street standards are normally used for access streets in industrial and office parks.
Local Streets	Provide access to parcels.	Access is not restricted.	Two lanes with right-of-way up to 56 feet.	Up to 5,000	Local streets constitute the largest part of the city's circulation system.