



## Staff Reports

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**File #:** 714-2017, **Version:** 1

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**To:** Honorable Mayor and Members of City Council

**From:** Rick Tooker, Community Development Director

**Prepared By:** Michael Walker, Senior Planner

**TITLE:**

2016 Annual Housing Element Progress Report

**RECOMMENDED ACTION:**

Accept the 2016 Annual Housing Element Progress report and direct staff to file the report with HCD.

**DISCUSSION:**

The City's General Plan helps to guide decision-making by residents, property owners, business interests, and elected and appointed officials about public and private land use and development that shape Napa's physical environment, including decisions relating to housing. As required by state law, an annual report must be submitted to the City Council, and ultimately be forwarded to the Governor's Office of Planning and Research and to the California Department of Housing and Community Development, identifying the progress made with various housing programs contained in the General Plan, including local efforts to remove governmental constraints to the maintenance, improvement and development of housing.

This 2016 Annual Housing Element Progress Report ("Report") identifies the actions undertaken by the City in the previous year to carry out the Housing Element's implementation programs. This is the second year of the 5<sup>th</sup> Cycle Housing Element, covering years 2015 through 2023.

### Housing Element Implementation

The City adopted an updated Housing Element in March 2015 in compliance with the revision cycle established by state law. The Housing Element identifies key housing goals, policies, quantified objectives and scheduled implementation programs aimed at preserving and enhancing residential neighborhoods, sustaining the community's character and environmental resources, and efficiently planning for the future use of remaining undeveloped or redeveloped properties so that they fulfill the City's fair share of the regional housing need. The implementation programs, as described in the Report, are intended to address these issues.

The City has made a concerted effort to follow through on the programs of the Housing Element and to further expand and more efficiently respond to its housing needs in coordination with other City goals. Actions taken by the City of Napa during 2016 to implement the Housing Element are summarized by the Housing Element Progress Report in Attachment 1. This summary includes

implementation of programs that are required on an ongoing basis, as well as those that are identified for implementation within the eight year term of the Housing Element.

Program accomplishments for the 2016 calendar year include:

- Adoption of updated accessory second unit standards. Under the new standards, 16 applications for ASUs were submitted
- Initiation of further amended Accessory Dwelling standards in response to new State laws.
- Affordable Housing Impact Fee Ordinance update approved by City Council in June, 2016.
- Forty new affordable units completed in spring 2016 (ribbon cutting in June, 2016).
- Assisted eight low-income first time home buyers with purchases (six single-family homes and two mobile homes).
- Rehabilitated 23 low- and very-low income owner-occupied units through the City's Owner Occupied Rehab Program.
- Construction began on eight affordable units as part of the mixed-income Napa Creek Village Project (six Low and two Median income units).
- CDBG funds were utilized to fund ADA improvements to sidewalks in low-income neighborhoods and for rehab of Rainbow House, which provides shelter for young mothers and their children.
- City funded existing emergency shelter operations and participated in the Continuum of Care program. City and County continued to work with national experts to re-design the homeless system to be a housing-focused system.
- Approved Development and Loan Agreement with Satellite Affordable Housing Associates for the development of 50 affordable rental units on excess right-of-way owned by the City.
- Transferred excess right-of-way to Habitat for Humanity for development of a single family home affordable to a low-income homebuyer.

### Permit Activity

The State Department of Housing and Community Development (HCD) requires that the City report on new residential Building Permits issued during each year within the Housing Element cycle by income level (see Table B in Attachment 1). The total number of Building Permits issued in 2016 for new residential units was 143, including six low-income and 2 moderate-income units as part of the Napa Creek Village apartment community, and 132 units in the above-moderate affordability category. Building permits were also issued for three Accessory Dwelling Units.

### Project Activity

In addition to the permit activity that is reported to HCD, Planning staff has also tracked activity for residential projects in 2016. Residential projects approved by the Planning Commission and/or City Council in 2016 have totaled 674 new residential units, including 563 multifamily units (11 affordable), 16 single-family dwellings, 87 single-family lots, and eight accessory dwelling units. Further, projects submitted in 2016 and under review total 115 new residential units, including 75 multifamily units, 14 single-family dwellings, eight single-family lots, and 18 accessory dwelling units (16 of which were submitted after the new Ordinance became effective).

### Actions in the Coming Year

The City will finalize the amendments to the Accessory Dwelling Unit Ordinance in response to the

new State laws. As required by the new laws, the Ordinance will be submitted to the State for review.

In the second half of 2017, staff will prepare and circulate an RFP to select a firm to complete the General Plan Update and associated EIR. Concurrently, a General Plan Committee will be formed to guide policy development and visioning. It is anticipated that the overall update will be a 2-to-3 year process.

**FINANCIAL IMPACTS:**

No direct financial impacts to the City have been identified with the recommended action to forward the 2016 Annual Housing Element Progress Report to HCD.

**CEQA:**

The Community Development Director has determined that the Recommended Action described in this Agenda Report is not subject to CEQA, pursuant to CEQA Guidelines Division 15061(b)(3).

**DOCUMENTS ATTACHED:**

Attachment 1 - 2016 Annual Housing Element Progress Report

**NOTIFICATION:**

Legal notices of report were published in the Napa Valley Register at least 10 days prior to the hearing date.