



Staff Reports

File #: 1964-2019, **Version:** 1

To: Honorable Mayor and Members of City Council
From: Vincent Smith, Community Development Director
Prepared By: Erin Morris, Planning Manager

TITLE:
Napa Pipe Project Update

RECOMMENDED ACTION:
Receive a status report regarding the Napa Pipe SB 235 Agreement and project.

DISCUSSION:

Background

On June 19, 2018, December 4, 2018, and June 18, 2019, the Council received updates on the Napa Pipe Project.

On June 19, 2018, Staff presented a series of proposed changes to the approved development project, which encompasses 154 acres located at 1025 Kaiser Road. Most of the site (111 acres) is within City limits after the 2016 annexation. Forty-three (43) acres along the Napa River, where all 945 housing units are currently approved, are still located in the unincorporated County and would remain in the County's land use jurisdiction until December 2022 unless early annexation is approved.

On December 4, 2018, Staff briefed the Council on a series of discussions between City and County staff about how to move the proposed modifications forward. City and County staff concluded that current State law does not allow sharing of credit for issuing building permits. Staff shared the potential for special legislation to allow the City to share credit with the County, and the Council expressed general support for the concept. If the legislation is approved, the County expressed a willingness to accept early annexation of the remaining 43 acres to allow the development modifications to proceed more efficiently.

On June 18, 2019, Staff briefed the Council on the progress associated with the Napa Pipe project. At that time, it was anticipated that SB 235 might be signed into law by August 2019, and that law would allow the City to share credit with the County for Napa Pipe building permits issued within the City. Staff shared that the developer filed applications for a revised Development Agreement and other development applications with the City on June 7, 2019, and initiated the annexation application with Napa LAFCO. Staff shared that the development review process had commenced, and that City and County staff met on June 17, 2019 to coordinate schedule and approach to the SB

235 agreement that would implement the legislation. It was anticipated that County staff would draft the agreement and that City and County staff would work collectively to develop draft terms for the agreement to bring to respective local legislative bodies in August for adoption.

On July 9, 2019, City and County staff met to discuss potential agreement terms. Because it seemed likely that SB 235 would not be finalized until August/ September, staff discussed developing terms collectively and then bringing an update to the Council and Board of Supervisors on August 20, 2019.

On August 6, 2019, the Council adopted a resolution authorizing the annexation of the remaining unincorporated acreage. Once the property is annexed to the City, all proposed changes to the project would be reviewed by one review authority (City) which will expedite the review process. County, City, and LAFCO staff have discussed that the annexation will not be scheduled for consideration until the City and County's SB 235 agreement is approved by both bodies and the Governor signs SB 235 into law.

During the months of July and August, City and County staff communicated several times and developed a working set of terms. On August 11, 2019, after several discussions between City and County staff, County staff expressed that they cannot commit to any terms without further input from the Board of Supervisors.

The purpose of this update is to share the draft agreement terms with the Council and seek input. The proposal developed by City staff is outlined in Attachment 1. At the meeting, staff will present the proposal and related considerations and seek Council direction.

FINANCIAL IMPACTS:

There are no immediate financial impacts resulting from the recommendations of this Agenda Report. The Developer is paying for staff and consultant costs associated with project review.

CEQA:

The Community Development Director has determined that the Recommended Action is not in-and-of itself a "Project" (pursuant to CEQA Guidelines Section 15378) since it does not result in a physical change in the environment. However, the Recommended Action is part of a larger "project" that will be subject to environmental review in accordance with CEQA at the earliest feasible time prior to approval consistent with CEQA Guidelines Sections 15004 and 15352. The larger "project" is a General Plan Amendment and Rezoning, along with revisions to the Napa Pipe Development Agreement and associated sub-agreements, Development Plan, Design Guidelines, and subdivision map.

DOCUMENTS ATTACHED:

ATCH 1 - Napa Pipe SB 235 Draft Proposal - City of Napa

NOTIFICATION:

Napa County and LAFCO were notified of this agenda item.