



## MEMORANDUM

**Date:** May 1, 2014

**TO:** Metropolitan Transportation Commission and Association of Bay Area Governments

**FROM:** Napa County Transportation and Planning Agency

**SUBJECT:** PDA Investment and Growth Strategy: May 2014 Update

### Overview:

The Napa County Priority Development Area Investment and Growth Strategy was completed in May 2013. On November 8, 2013 NCTPA staff joined other CMA staff in presenting an overview of their PDA IGS to the MTC Planning committee and ABAG Administrative Committee. The presentation was well received by the committees.

Since that time the PDAs of Napa County have been working on their individual PDA development strategies. The City of American Canyon received \$475,000 under the MTC Regional PDA Program to put towards its PDA Specific Plan. The City is currently working on retaining a consultant to assist with the specific plan which is scheduled to begin in spring 2014.

The City of Napa, which has a specific PDA plan, was awarded \$275,000 under the MTC Regional PDA Program to perform more specific PDA planning activities. The City will be using the funds to implement an infrastructure financing strategy, parking management strategy, and active transportation improvement project.

NCTPA kicked-off its 25-year Countywide Transportation Plan with a Board Retreat held on January 15, 2014. The countywide plan will establish transportation goals, objectives, and performance measure. A focus of the transportation plan will be to set project and program priorities over the next 25 years. This plan will also discuss how Napa will respond to new policies such as SB 375, which mandate reductions in greenhouse gas emissions and vehicle miles traveled.

NCTPA will also focus agency efforts on developing project specific plans and advocacy to bring greater attention to the County's (with focus on the PDAs) infrastructure needs and funding challenges. This will involve coordinating with federal, state, and regional partners to prioritize investments in the County's PDAs. NCTPA will stay abreast of funding and regulatory opportunities and identify financing mechanisms to support

sustainable development, and encourage a rich mix of affordable housing and employment to remove barriers to PDA development and growth.

The Countywide Plan update will include projects and other improvements for new and existing roadways, including highways, major arterials and local streets and roads. It will also include public transit, and facilities and programs to support cycling and walking. This Plan will contain an update to NCTPA’s Community Based Transportation Plan (CBTP) which specifically examines how our transportation system will meet the needs for disadvantaged communities.

This plan, scheduled for adoption in May/June 2015, will be complete around the time that MTC solicits new projects for the next Bay Area Regional Transportation Plan (RTP) update and will position Napa County to participate in that exercise based on the most up to date local consideration of Napa’s transportation vision, goals and priorities.

**American Canyon Update:**

The City of American Canyon expects to release a request for proposal (RFP) for a planning consultant to assist with the PDA specific plan by the end of March 2014. American Canyon will also be releasing its RFP for its Housing Element update by the end of April 2014.

Housing Element Policies

The City of American Canyon has the following PDA relevant policies and programs that encourage affordable housing:

Housing Element Policy/Program	Summary of progress in Implementation and Effectiveness
<p>Program 2.3.1 To ensure sufficient residential capacity is maintained to accommodate the RHNA need, the City will maintain a formal ongoing project-by-project evaluation for housing projects pursuant to Government Code Section 65863 (No-Net Loss) for its impact on housing supply for multiple income levels. Should an approval of commercial development result in a reduction of capacity within mixed use zones below the residential capacity needed to accommodate the remaining need for lower-income households, the City will identify and, if needed, zone sufficient sites to accommodate the shortfall.</p>	<p>No commercial developments have been proposed on land that would result in a reduction of capacity within mixed use zones below the residential capacity needed to accommodate the remaining need for lower-income households. No further action required by this program is necessary.</p>

<p>Program 2.3.2 Maintain City staffing or contracted services at levels that are adequate to ensure the continued prompt consideration of residential development applications.</p>	<p>The City has maintained staffing or contracted services at levels that are adequate to ensure the continued prompt consideration of residential development applications by hiring two contract planners to process residential projects.</p>
<p>Policy 2.4.1 Allow flexibility in the type of units developed on vacant, residentially designated properties in master-planned communities and other planned developments.</p>	<p>The zoning code provides flexibility in the type of units developed on vacant, residentially designated properties in the Watson Ranch master-planned communities by requiring a Specific Plan.</p>
<p>Policy 2.4.2 Require larger projects to include a mix of housing types.</p>	<p>The General Plan requires a variety of housing types including single family attached and detached townhouses, condominiums, mixed-use and apartments in the Town Center (Watson Ranch) project which is the largest un-built project in the City.</p>
<p>Program 2.10.1 To promote the development of affordable housing units, the City will promote housing opportunities and assist developers and property owners with the consolidation of lots and the construction of affordable housing through the following actions:</p> <ul style="list-style-type: none"> <li>a. Selling City owned land at a reduced cost to developers to build affordable housing through a Request for Proposals process.</li> </ul>	<p>This was accomplished with the Valley View affordable senior housing project in the PDA.</p>
<p>Program 2.10.2 Discourage proposals for residential down-zonings or reclassifications of residentially designated property to nonresidential uses that would impact the City’s potential to meet its Quantified Objectives for affordable housing. Any proposal must demonstrate adequate alternatives and methods that would help minimize and mitigate any loss in potential housing for multiple income groups.</p>	<p>No proposals for residential down-zonings or reclassifications of residentially designated property to nonresidential uses that would impact the City’s potential to meet its Quantified Objectives for affordable housing have been received during the reporting period.</p>

<p>Policy 2.11.1 Use federal, state, local and private funding assistance, to the extent that these opportunities exist, and are appropriate to American Canyon's needs, to encourage the development of affordable housing.</p>	<p>The City recently received a Community Development Block Grant (CDBG )funding for a low income housing rehabilitation program and Surface Transportation Program (STP) Federal Funds to develop a specific plan for the City's Priority Development Area which will include a significant amount of housing opportunities for lower income residents.</p>
<p>Program 2.11.1 Continue to partner with the City of Napa Housing Authority or similar entity to take advantage of administrative resources and receive a reasonable share of federal, state and private funding for housing. Housing Authority administered programs that City residents will continue to benefit from include the Rental Assistance and Section 8 Programs; programs in the foreseeable future may include CDBG funds.</p>	<p>The City is completing the second year of a two-year contract with the City of Napa Housing Authority to take advantage of administrative resources and receive a reasonable share of federal, state and private funding for housing. Housing Authority administered programs that City residents will continue to benefit from include the Rental Assistance and Section 8 Programs; programs in the foreseeable future may include CDBG funds.</p>
<p>Program 2.13.1 Require all residential projects of ten or more above moderate-income units to include affordable units.</p>	<p>The City is not currently able to require all residential projects of ten or more above moderate-income units to include affordable units because of the Palmer lawsuit that invalidated Inclusionary zoning ordinance programs. A new program that complies with Palmer is planned for the next year but is not yet in place.</p>

Development

Transportation: Transportation Projects underway or planned for in the American Canyon PDA include:

- Napa Junction Elementary Pedestrian Program which consists of installing sidewalks on Napa Junction Road which is adjacent to City Hall and the Napa Junction Elementary School. This project is currently under construction.
- Theresa Avenue Sidewalk Improvements Phase 3 consists of various sidewalk improvements along Theresa Avenue. This project will go out for bid in March 2014.
- Eucalyptus Drive Complete Street Improvements consist of extending Eucalyptus Drive 1,500 feet west of Hwy 29 and south from Los Altos to Rio del Mar. This project will extend the road and provide complete street areas for pedestrians (sidewalks and paths) and cyclist (class I and II bike facilities) into the American Canyon PDA at the intersection of Eucalyptus Dr. and Hwy 29 by realigning Eucalyptus Dr. from Theresa Rd. to intersect with Hwy 29. This project is

programmed through the Regional Transportation Improvement Program to receive construction funds in FY 18/19.

- The SR 29 Gateway Corridor Study will be complete in spring 2014 and provide a roadmap for future transportation infrastructure development along the Hwy 29 Corridor. The study will also address much needed bicycle and pedestrian infrastructure along the corridor.

Housing: Within the PDA the City has an application for 180 apartments at the north-east corner of Napa Junction Road/SR-29 and 120 apartments at the north-west corner of Silver Oak/American Canyon Road. The Planning Commission also approved 70 affordable senior housing apartments on Theresa Avenue.

**City of Napa Update:**

The City of Napa is actively working on reviewing their housing element policies and programs that support PDA development and is on target to complete its Housing Element update in fall 2014.

<b>2009 Housing Element Policy/Program Title Ref. # and Brief Description of Program</b>	<b>Summary of progress in Implementation and Effectiveness</b>
<p><b>1.B Future Land Use Planning.</b> Address long term housing needs through Specific Plans or other land use plan updates, targeting Downtown, major transportation corridors near services, large sites and sites identified for potential future change.</p>	<p><i>Objective met.</i> The Downtown Napa Specific Plan was adopted in June 2012 (O2012 4; related resolutions). This Plan addressed several of the potential future change sites identified in 2009 HE Figure 6.9, and identified sites for 500-600 units long term. The Plan also reduced Downtown residential parking standards.</p>
<p><b>1.F Market Analyses.</b> During Specific Plans &amp; similar planning efforts, analyze housing and job types, numbers and incomes and develop strategies to improve linkages between housing and employment development.</p>	<p><i>Objective being met.</i> The Downtown Specific Plan adopted in 2012 analyzed future jobs and housing potential to assure that there are substantial and varied housing opportunities as well as employment development planned for and permitted by the Downtown Plan.</p>
<p><b>1.I Housing Sites Study.</b> Complete housing sites analysis for surplus or potentially surplus institutional lands and follow-up actions, such as prioritizing sites for purchase.</p>	<p><i>Objective partly met.</i> A citywide Housing Sites Study of all institutional lands (city/non city) has not been completed. However, the City completed a review of its Downtown land assets in part to inform the 2009-2012 Downtown Specific Plan effort. Certain City owned sites are identified in the Downtown Plan and Housing Element as potential housing opportunity sites. County offices on First Street are also identified in the Downtown Plan as having potential for future</p>

	residential mixed uses. Other surplus City sites are also included in the Housing Element sites list.
<p><b>2.A Added Multi Family Sites.</b> Complete sites study before Housing Element to identify other potential sites for multi-family use, or where increased densities may be appropriate.</p>	<p><i>Objective generally met.</i> The 2012 Downtown Plan conducted a sites analysis for that Plan area increasing the housing potential in the Downtown, and including higher densities in the Downtown Core. Higher minimum densities were also adopted citywide in the city's mixed use areas and on certain multi-family sites in 2009.</p> <p>Early analysis of sites for the 2015-2023 Housing Element update indicated that <i>added</i> sites are not needed to meet state standards, and that current densities are high enough to meet housing needs at all income levels (as evidenced by recent mixed income and lower income apartment approvals) and state criteria.</p>
<p><b>2009 Housing Element Policy/Program Title Ref. # and Brief Description of Program</b></p>	<p><b>Summary of progress in Implementation and Effectiveness</b></p>
<p><b>3.L Transportation Element Amendment.</b> City shall proposed stronger General Plan policy[ies] and program[s] to strengthen concurrency of new development with infrastructure, particularly streets.</p>	<p><i>Objective partly addressed.</i> The 2012 Downtown Specific Plan Implementation Chapter identifies measures to be taken to develop infrastructure improvement fees (and other approaches) to improve their coordination with new development. City has received PDA planning grant funds to complete such a program.</p> <p>The General Plan Transportation Element already contains policy to implement improvements to accommodate future development (T1.3, T1.5), and all Napa County jurisdictions passed a sales tax measure to improve funding for road maintenance beginning in 2018.</p>

<p><b>5.N Community Outreach</b> Increase community outreach and education by:</p> <p>c. Using Downtown Plan and others to create broad based visions that include housing opportunities;</p>	<p>The Downtown Plan conducted extensive community outreach – including a broad based committee, web surveys, “partner groups”, workshops, etc. in creating a vision for Downtown that includes substantial housing opportunities.</p>
<p><b>5.R Public/Private Partnerships</b> Encourage use of private resources to help meet identified housing needs.</p>	<p><i>Objectives met.</i> Housing impact fees collected from private development projects are being used to meet identified housing needs. Local non-profits (in particular the Vintners Association and Gasser Foundation) have provided significant funding towards meeting affordable housing needs. Further, private volunteers on committees, such as such as for the Downtown Specific Plan and Affordable Housing Task Force provide valuable assistance.</p>

Development

Transportation: Transportation projects underway or planned for in the City of Napa include:

- California Roundabouts consists of constructing roundabouts at the intersections of First Street and California Boulevard and Second Street and California to better manage traffic congestion. The Roundabouts are being funded by OBAG and RTIP funds and are scheduled to be constructed in FY 16-17.
- Silverado Trail Five-way intersection improvements will provide intersection geometry improvements, lane widening, travel lane reconfiguration, and signal modification. The Silverado Trail five-way intersection is programmed to receive RTIP funds for construction in FY 17-18.
- Saratoga Drive Extension has been recently complete to include access to the new housing development that includes 27 affordable units at the Anton Napa site.
- The California North/South Bike Lane project will provide class II bike lanes along California Boulevard between Pueblo Avenue and Permanente Way. This project fills a missing gap of continuous class II that connects to the Napa PDA. Construction on this project will begin in spring 2014.
- The Napa Bike Path Undercrossing will provide critical east-west bicycle and pedestrian access and safe crossing of SR 29. The project will also provide transportation connectivity to the Napa PDA. The Napa Undercrossing is currently in the design phase.

- The Tulocay Creek Bridge and Trail project was recently awarded construction funds to complete this critical link to the Vine Trail. The project will complete a portion of the class I path that parallels the Napa River from Third Street to the Napa College. This project travels right through the heart of Napa's PDA.

Housing: Within or in proximate access to the PDA the following housing projects are underway:

- Anton Napa located at 190 Silverado Trail consists of 134 multi-family apartment units – including 27 units affordable to lower income households. Construction on this project has recently been completed and certificate of occupancy has been issued. The project is now open for tenants.
- The Tulocay Village Apartments located on 467 Soscol Avenue consist of 483 multi-family apartment units. The application was submitted for required land use entitlements but no Planning Commission hearing date has been set. The City of Napa is seeking commitment from the developer to provide 10% of the units as affordable, approximately 48 units.
- Black Elk Mixed-Use project is located on 728 First Street is a three story mixed-use building with 5,500 square feet of retail on ground floor, 4,500 square feet of office on second floor, and 3 residential condominiums on third floor. The project includes a proposed sub-grade “tuck-under” structured parking below the ground floor. An application has been submitted for required land use entitlements and the Planning Commission is scheduled to review the project on March 6, 2014.

## **Next Steps:**

### Communities of Concern

In the coming year, one main area of focus for NCTPA will be defining Communities of Concern (COC) for Napa County. This will be crucial in securing future transportation funding for the Napa region. Language in the Active Transportation Program Guidelines states the following:

For a project to contribute toward the Disadvantaged Communities funding requirement, the project must clearly demonstrate a benefit to a community that meets any of the following criteria:

- The median household income is less than 80% of the statewide median based on the most current census tract level data from the American Community Survey. Data is available at <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>.
- An area identified as among the most disadvantaged 10% in the state according to latest versions of the California Communities Environmental Health Screening Tool (CalEnviroScreen) scores. Scores are available at <http://oehha.ca.gov/ej/ces11.html>.
- At least 75% of public school students in the project area are eligible to receive free or reduced price meals under the National School Lunch Program. Data is

available at <http://www.cde.ca.gov/ds/sd/sd/files/sp.asp>. Applicants using this measure must indicate how the project benefits the school students in the project area or, for projects not directly benefiting school students, explain why this measure is representative of the larger community.

It also appears that Communities of Concern will play a role in how Cap and Trade funds are distributed. MTC released a draft Cap and Trade funding framework which includes language that states, “All Investment Categories should include funding that benefits disadvantaged communities. The Communities are defined as MTC’s Communities of Concern.”

MTC/ABAG has not identified any COCs in Napa County. Currently MTC/ABAG determine Communities of Concern using eight specific factors. According to MTC/ABAG, COCs are defined as census tracts having concentrations of four or more factors listed below, or that have concentrations of both low-income and minority populations.<sup>1</sup>

Disadvantage Factor	% of Regional Population	Concentration Thresholds
1. Minority Population	53%	70%
2. Low Income (< 200% of Poverty) Population	23%	30%
3. Limited English Proficiency Population	9%	20%
4. Zero Vehicle Households	9%	10%
5. Seniors 75 and older	6%	10%
6. Population with a Disability	18%	25%
7. Single-Parent Families	14%	20%
8. Cost-burdened Renters	10%	15%

Even though MTC/ABAG do not recognize any COCs in Napa County, there are still pockets of disadvantage communities that should be acknowledged. A recent Stanford Study, *The California Poverty Measure: A New Look at the Social Safety Net*, ranked Napa County as having one of the highest poverty rates in California. This was based on a new methodology called the California Poverty Measure (CPM) which takes into account social safety net programs received by individuals in a county, and factors in housing costs. This new methodology placed Napa in the “high cost county” category and also gave Napa County the second highest CPM rate, only behind Los Angeles County. The Stanford Study also shows Napa having the largest threshold between the

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<sup>1</sup> Appendix A to Plan Bay Area Equity Analysis

Original Poverty Measure (OPM) and Stanford's poverty measure, the California Poverty Measure (CPM).<sup>2</sup>

Further analysis will need to be completed by NCTPA and the regional agencies to establish an acceptable COC measure to address the specific challenges of Napa County. NCTPA has already started this process.

### Countywide Plan

The next steps for the Countywide Plan are reaffirming the goals of the Countywide Plan with the NCTPA Board, creating the Citizen Advisory Committee (CAC), and preparing a projects and program inventory. The CAC will consist of a member from each jurisdiction in Napa County as well as other community stakeholders. NCTPA staff will be working on a series of Issue Papers over the coming months that will cover several different topics of the Countywide Plan, including land use and development which will include a PDA analysis. NCTPA will also be working on prioritizing transportation investments with the jurisdictions. This prioritized list of transportation projects should be complete by spring 2015 in time for the Bay Area RTP call for projects.

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<sup>2</sup> The California Poverty Measure: A Portrait of Poverty within California Counties and Demographic Groups; The Stanford Center of Poverty and Inequality  
[http://www.stanford.edu/group/scspi/poverty/cpm/CPMBrief\\_CPI.pdf](http://www.stanford.edu/group/scspi/poverty/cpm/CPMBrief_CPI.pdf)