



Local Agency Formation Commission of Napa County
Subdivision of the State of California

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We Manage Local Government Boundaries, Evaluate Municipal Services, and Protect Agriculture

Agenda Item 5d (Consent/Information)

TO: Local Agency Formation Commission
PREPARED BY: Brendon Freeman, Executive Officer
MEETING DATE: June 4, 2018
SUBJECT: Countywide Housing Update

BACKGROUND

At its strategic planning workshops on March 6, 2017, and May 1, 2017, the Commission provided direction to staff to return with informational updates relating to housing needs and current activities for each local land use authority. This information will support the Commission's future decision making as it relates to encouraging logical and orderly growth and development throughout Napa County.

State law recognizes the vital role local governments play in the supply and affordability of housing. Each local government in California is required to adopt a Housing Element as part of its General Plan that shows how the community plans to meet the existing and projected housing needs of people at all income levels. Government Code Section 65400 mandates that certain cities and all 58 counties submit an annual report on the status of the General Plan and progress in its implementation to their legislative bodies, the Governor's Office of Planning and Research and the Housing and Community Development by April 1 of each year. Only charter cities are exempt from the requirement to prepare Annual Progress Reports unless the charter stipulates otherwise (Government Code Section 65700).

Regional Housing Need Allocation

The Regional Housing Need Allocation (RHNA) is the state-mandated process to identify the total number of housing units by affordability level that each jurisdiction must accommodate in its General Plan Housing Element. As part of this process, the California Department of Housing and Community Development (HCD) identifies the total housing need for the San Francisco Bay Area for an eight-year period. The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) develop a methodology to distribute this need to local governments consistent with Sustainable Communities Strategies. Once a local government has received its final RHNA, it must revise its Housing Element to demonstrate how it plans to accommodate its portion of the region's housing need.

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Councilmember, Town of Yountville

Scott Sedgley, Commissioner
Councilmember, City of Napa

Kenneth Leary, Alternate Commissioner
Councilmember, City of American Canyon

Brad Wagenknecht, Vice Chair
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County of Napa Supervisor, 2nd District

Gregory Rodeno, Commissioner
Representative of the General Public

Vacant, Alternate Commissioner
Representative of the General Public

Brendon Freeman
Executive Officer

Certain actions related to RHNA are required of the local land use authorities, and certain other actions are strictly advisory. Specifically, jurisdictions are required to zone a sufficient amount of land to accommodate their respective RHNA totals. However, it is only advised that each of these agencies issue housing permits to accommodate their respective RHNA totals.

For the Bay Area, the "projection period", or the time period for which the Regional Housing Need is calculated, is 2014 to 2022. The "planning period", or the timeframe between the due date for one Housing Element and the due date for the next Housing Element, is 2015 to 2023.

Cost of Housing

The median price for a home in Napa County was \$625,000 in 2017 according to a report compiled by Bay Area Real Estate Information Services, Inc. Average monthly rents in Napa County are approximately \$2,000 for a one bedroom apartment and \$2,400 for a two bedroom apartment. The cost of housing is expected to increase as demand continues to grow.

Median Household Income

The United States Census Bureau reports the annual median household income for Napa County residents was \$74,609 as of July 1, 2016. The steadily increasing cost of housing places additional pressure on households earning less than the median.

October 2017 Fires

The October 2017 Northern California wildfires burned nearly 100,000 acres and destroyed approximately 650 homes in Napa County, representing approximately five percent of the total housing stock and exacerbating an existing housing shortage.

Senate Bill 35

Senate Bill (SB) 35 was signed by the Governor in 2017 and created a streamlined, ministerial approval process for infill developments in localities that have failed to meet their RHNA numbers.¹

¹ When jurisdictions have insufficient progress toward their Above Moderate income RHNA and/or have not submitted the most recent Annual Progress Report, these jurisdictions are subject to SB 35 streamlining for proposed developments with at least 10% affordability (applies to the County of Napa according to HCD). When jurisdictions have insufficient progress toward their Very Low and Low income RHNA, but have made sufficient progress toward their Above Moderate income RHNA, these jurisdictions are subject to SB 35 streamlining for proposed developments with at least 50% affordability (applies to the City of American Canyon, City of Calistoga, City of Napa, City of St. Helena, and Town of Yountville according to HCD).

SUMMARY

This report is presented for information purposes only. No formal action will be taken as part of this item. Each city and county is required submit an Annual Housing Element Progress Report to HCD by April 1. These reports provide updates on each jurisdiction's 2015-2023 RHNA and total number of housing permits issued during the current planning period. The following tables summarize the 2015-2023 RHNA and permits issued from 2015 through 2017 at each income level for the six local land use authorities.

County of Napa

	Very Low	Low	Moderate	Above Moderate	Total
RHNA (2015-2023)	51	30	32	67	180
Permits Issued (2015-2017)	0	1	37	39	77

City of American Canyon

	Very Low	Low	Moderate	Above Moderate	Total
RHNA (2015-2023)	116	54	58	164	392
Permits Issued (2015-2017)	49	29	141	0	219

City of Calistoga

	Very Low	Low	Moderate	Above Moderate	Total
RHNA (2015-2023)	6	2	4	15	27
Permits Issued (2015-2017)	23	7	3	30	63

City of Napa

	Very Low	Low	Moderate	Above Moderate	Accessory Dwelling Units	Total
RHNA (2015-2023)	185	106	141	403	0	835
Permits Issued (2015-2017)	0	7	2	248	23	280

City of St. Helena

	Very Low	Low	Moderate	Above Moderate	Total
RHNA (2015-2023)	8	5	5	13	31
Permits Issued (2015-2017)	0	8	0	21	29

Town of Yountville

	Very Low	Low	Moderate	Above Moderate	Total
RHNA (2015-2023)	4	2	3	8	17
Permits Issued (2015-2017)	1	1	9	14	25

ATTACHMENTS

None