

STAFF REPORT



DATE: March 10, 2009

TO: City Council

FROM: Carol Poole, Planning Director

RE: Revised Public Review Draft of the City of St. Helena Housing Element Update including the Housing Needs Assessment with a Sites Inventory and Analysis and the Goals, Policies and Five Year Action Plan

The City Council reviewed the draft 2009 Housing Element and heard public comments at the February 10, 2009 meeting. The documents have been revised to reflect the comments made by the City Council. All documents were posted to the City of St. Helena website and the General Plan Update website on Friday, March 27.

The documents for review include:

1. The Housing Element Needs Assessment Draft dated 02/26/09. This document includes the Key Housing Opportunity Sites Inventory and Analysis (distributed separately).
2. The Goals, Policies and Five-Year Action Plan Draft dated 02/26/09 (distributed separately).
3. 2002 and 2009 Housing Policies Comparison Chart (attached to staff report).
4. The 2002 Housing Policies with 2008 update (attached to staff report).

The substantive revisions to the Housing Needs Assessment are as follows:

- Page v, Executive Summary. A change was made regarding the income necessary to purchase the median single-family home in St. Helena to accurately reflect the data reported in Table 19;
- Pages 3 and 111, Public Participation. Updated descriptions of public participation to include Planning Commission and City Council meeting;
- Pages 4 and 10, Review of Existing Housing Element. Changes were made to the discussion of the diversity of housing needs to acknowledge that the City of St. Helena implemented program 1A-5 from the 2002 Housing Needs Assessment;
- Page 28, Demographic and Economic Trends Summary. Summary now highlights information from page 25 regarding ratio of two jobs per employed residents;
- Page 54, Rental Housing. Updated to read "547 rental apartments";

- Page 55, Affordable Housing Complexes. Information about current waiting lists for units in affordable rental complexes added;
- Page 71, Farmworkers. Additional information regarding vacancy rates at the County's farm labor centers added;
- Page 87, Governmental Constraints. Information about agricultural land preservation policies and the purpose of the urban limit line added;
- Page 92, Water. Revised section with additional information about water supply in St. Helena added;
- Page 110, Sites Inventory. References deleted to the Mixed Density Overlay District and GMS exemptions for market rate units in projects with high proportions of affordable housing;
- Page 114 & Table 37, Sites Inventory. Ruston property added as new Site #8, numbering updated for Sites 9-16. Total acres and unit capacity updated throughout Sites Inventory Analysis;
- Appendix G. New tables with salary ranges for public employees in St. Helena and salaries for various occupational categories added.

The Goals, Policies and Five-Year Action Plan has been substantially revised and should be read in its entirety. The 2002 Housing Element document, provided for comparison purposes, includes an update of what has and has not been accomplished since it was adopted. The chart contained in the 2002 and 2009 Housing Policy Comparison document shows which policies were carried over from 2002, which were modified, and which ones are new.

CEQA ANALYSIS:

An initial study and environmental determination will be done in May /June, prior to adoption of the final Housing Element. CEQA analysis is not required for review and comment on the draft document.

SCHEDULE

The preparation of the Housing Element is on an expedited schedule to meet the requirements of the state. HCD requires that a final/approved Housing Element be presented to them by June 30, 2009. They also require 60 days to review and comment on the draft document before it is adopted by the City Council. The revised schedule is as follows:

- March 10, 2009: City Council reviews draft Housing Element and authorizes document to be forwarded to HCD.
- Mid March 2009: Draft Housing Element is submitted to HCD for 60 day review.
- Mid May 2009: Staff and consultants receive comments on draft from HCD.
- End of May: HEUSC discusses comments from HCD, changes and revisions. Staff prepares environmental documentation (Initial Study).

- June: Final Draft Housing Element Update is reviewed by the Planning Commission, recommends approval to City Council.
- June/July: Final Draft Housing Element Update presented to City Council for Adoption.
- June/July: Submit Adopted Housing Element to HCD. It is likely that we will miss the June 30, 2009 deadline.

RECOMMENDED CITY COUNCIL ACTION:

Review and discuss the City of St. Helena Housing Element Update. Authorize staff and consultant to forward to HCD for preliminary review.

Summary of Changes in the 2009 Draft Housing Element Policy Document from the 2002 Adopted Housing Element.

February 25, 2009

2009 Goal/ Policy/ Action	Comparison to 2002 Housing Element
Goal 1	No Change
Policy 1.1	Same as Policy 1A
Policy 1.2	Same as Policy 1B
Policy 1.3	Same as Policy 1C
Policy 1.4	Slight Modification of Previous Program 6A-1
Policy 1.5	Same as Policy 1D
Policy 1.6	Same as Policy 1E
Action 1A	Updated Program 1A-1
Action 1B	Combines Updated Programs 1A-2 and 1A-3 with New Workforce Action
Action 1C	Updated Program 1A-4
Action 1D	New - to Comply with Government Code section 65589.7
Action 1E	New - Streamline Multifamily Permitting
Action 1F	New - Adams Street
Action 1G	New - Adams Street
Action 1H	Combines and Updates Programs 1B-1 through 1B-7
Action 1I	New - Flood Protection Project
Action 1J	Same as Program 1C-3
Action 1K	New - Affordable Housing Overlay Zone
Action 1L	New - Local Preference Policy
Action 1M	New - Workforce Housing
Action 1N	New - Second Unit Workforce Housing
Action 1O	Updated program 1D-1 to Include 'Green' Manufactured Homes
Action 1P	New - 'Green' Manufactured Housing
Action 1Q	Updated 1E-1 to Comply with State Law

2009 Goal/ Policy/ Action	Comparison to 2002 Housing Element
Goal 2	No Change
Policy 2.1	Same as Policy 2A
Policy 2.2	Slight Language Modification to Policy 2B
Policy 2.3	Same as Policy 2D
Policy 2.4	Slight Language Modification to Policy 2E
Policy 2.5	Same as Policy 2F
Policy 2.6	New - Balance of Housing Types
Action 2A	New- higher density incentives
Action 2B	New - facilitate higher density/discourage oversized homes
Action 2C	Update of Program 2B-2
Action 2D	New - Manufactured Housing
Action 2E	New- Subdivisions
Action 2F	New - Update General Plan
Action 2G	Combines and Updates Programs 2D-1 and 2D-3
Action 2H	New - Mixed Use and Live/Work
Action 2I	Same as Program 2E-1
Action 2J	Same as Program 2E-2
Action 2K	Same as Program 2E-3
Action 2L	Same as Program 2E-4
Action 2M	Update of Program 2E-5
Action 2N	Update of Program 2E-6
Action 2O	Same as Program 2F-1
Action 2P	Same as Programs 2F-2 and 2F-3
Action 2Q	New - Affordable Unit Infill Clusters
Goal 3	No Change
Policy 3.1	Update of Policy 3A to Include Market Rate Units
Policy 3.2	Same as Policy 3B
Action 3A	Update of Program 3A-1
Action 3B	Update of Program 3A-2
Action 3C	Update of Program 3A-3
Action 3D	New - Prohibit Conversion to Vacation Rentals
Action 3E	Same as program 3B-1

2009 Goal/ Policy/ Action	Comparison to 2002 Housing Element
Goal 4	No Change
Policy 4.1	Same as Policy 4A
Policy 4.2	Same as Policy 4B
Policy 4.3	Eliminate Homelessness from Policy 4C
Policy 4.4	Same as Policy 4D
Policy 4.5	New- Increase Housing Trust Fund Money
Action 4A	New - Review and Amend Inclusionary Ordinance
Action 4B	Same as Program 4A-4
Action 4C	Same as Program 4A-5
Action 4D	New - prioritize Housing Trust Funds for extremely low- income units
Action 4E	Same as Program 4B-1
Action 4F	Same as Program 4B-2
Action 4G	Same as Program 4B-3
Action 4H	Same as Program 4C-1
Action 4I	Updated 4C-2 to Comply with State Law
Action 4J	Modified Programs 4D-1 and 4D-2 to Require Unit Production
Action 4K	Same as Program 4D-3
Action 4L	New - Mediation
Action 4M	New- Use of Housing Trust Fund
Goal 5	No Change
Policy 5.1	Slight Modification to Policy 5A
Policy 5.2	Slight Modification to Policy 5B
Action 5A	New - Green Building Ordinance
Action 5B	Combines Programs 5A-1 and 5A-2
Action 5C	Same as Program 5A-3
Action 5D	Combines Programs 5B-1 and 5B-2
Action 5E	Same as Program 5B-3
Action 5F	Same as Program 5B-4
Action 5G	New - Bicycle and Pedestrian Amenities
Action 5H	New - Municipal Code Provisions for Water
Action 5I	New - Passive Heating and Cooling
Action 5J	New - On-site Alt. Wastewater
Action 5K	New - Local Contractors

2009 Goal/ Policy/ Action	Comparison to 2002 Housing Element
Goal 6	No Change
Policy 6.1	Same as Policy 6A
Action 6A	Same as Program 6A-2
Action 6B	Updated Program 6A-3

Policies and Programs in 2002 Adopted Housing Element Excluded in 2009 Draft Housing Element Policy Document:

Policy / Program	Reason Excluded
Program 1A-5	Completed
Program 1A-6	Completed
Program 1C-1	Completed
Program 1C-2	Completed
Program 2A-1	Completed
Program 2A-2	Completed
Program 2B-1	Completed
Policy 2C / Program 2C-1	Completed
Program 2D-4	Replaced with Action 2H
Program 3A-4	Program Outdated
Program 4A-1	Completed
Program 4A-2	Completed
Program 4A-3	Completed
Program 4C-3	Replaced with Action 1Q
Program 4C-4	Replaced with Action 1Q
Program 6A-1	Now Policy 1.4
Program 6A-4	Program Not Necessary

**City of St. Helena
2008 Progress Report**

The policies below are from the 2002 Housing Element. Progress on meeting the goal is explained in the underline narrative following each policy.

Policy 1 A

Ensure that the General Plan's Growth Management Policies Do Not Limit Our Ability to Meet Regional Housing Needs

1A-1 Amend the Growth Management System to exempt permits for regulated Affordable Units.

The Growth Management System exempts building permits for regulated affordable housing, pursuant to municipal code section 17.152.040.A.10. Other types of housing units that are exempt from the Residential Growth Management System include second units, replacement housing, houses that are moved to a new site, and guest houses.

1A-2 Continue to allow a maximum of 9 market rate units per year.

There is a new allocation for 9 building permits for market rate units each year.

1A-3 Provide for a process to give priority allocation of market rate permits to developers of projects that are affordable or are a mix of market rate and affordable units.

Building permits that remain unused at the end of the calendar year roll over into a special category of permits that are only available to the market rate housing component of a housing development project that is 40% (or more) affordable. The year 2008 started with 40 building permits in this special "rollover" category. Five (5) market rate building permits remained unused at the end of 2008 and rolled over into this category, making a total of forty (45) permits available in 2009. The Magnolia Oaks project, approved in November 2007, will use 27 of the 40 permits for their market rate houses. The 18 affordable housing units are exempt from the Growth Management System.

1A-4 Amend or delete General Plan Policy 2.6.10, which states: Maintain a cap on residential development of 2,850 total dwelling units citywide by the year 2010. The total number of dwelling units shall not be construed as a goal, but shall be an absolute maximum allowable number. If amended, the number should be consistent with the 2000 Census numbers and additional growth rate thereafter. (As of January 2000 there were 2,380 households in St. Helena and 2,707 housing units).

Policy 2.6.10 was amended to read:

"The 2002 Housing Element update stated that the prior General Plan Goal 2.6.10 should be amended to reflect the data of the Year 2000 Census. The 2000 Census found that the City had 2,707 total dwelling units. With a limitation of 9 building permits for market rate housing per year, issued over 10 years, the number of dwelling units will be approximately 2,800 by the year 2010, not including regulated affordable units, guest cottages, accessory dwelling units or second units. This number shall not be construed as a goal, but as a maximum number of units."

As of December 31, 2008, the City of St. Helena had approximately 2,540 housing units built or with issued building permits. This does not include 218 regulated affordable housing units (listed below) and approximately 30 guest cottages, accessory dwelling units or second units.

Woodbridge Village (50 units, rental)
Stonebridge (80 units, rental)
Hunts Grove (56 units, rental)
Wallis (20 units, ownership)
Marietta Townhouses (10 units, ownership)
Eagle & Rose (1 unit, rental)
Vintner's Court (1 unit, ownership)

1A-5 Revise the Growth Management Policies of the General Plan to recognize the different levels of impact of different types and sizes of housing units.

This has not been done. The Growth Management System allocates the number of residential building permits on a dwelling unit basis and does not make a distinction between the number of permits available for apartments, small houses or large houses. Affordable housing units and second units are exempt from the Growth Management System.

1A-6 Address the impacts of other uses, too. The Growth Management policies of the General Plan focus specifically on limiting new housing to address concerns related to water use. The City should take action to address the impacts of other uses as well, including but not limited to:

- Restrict the number of permits issued for swimming pools.

The section of the City of St. Helena Municipal Code pertaining to Water Conservation and Use Guidelines was amended in March 2004. The number of toilet retrofits required to compensate for the water use of new development was revised to require the 5 retrofits for single family detached homes; 4 retrofits for condominiums, townhouses or duplexes; and 3.5 retrofits for apartments, mobile homes and guest houses or second units. Swimming pools require 1 to 3 retrofits, depending upon the pool size.

- Encourage or require drought-tolerant landscaping in both residential and commercial developments (new construction as well as rehabs/ re-landscaping).

Municipal Code Section 17.112.140 pertains to water efficient landscaping and applies to new construction, both residential and commercial.

- Place an annual cap on the amount of new commercial space, especially high-water consumption commercial uses.

This has not been done. The Growth Management System only applies to residential construction.

Policy1B

Focus on Key Opportunity Sites and Work with Property Owners and Developers to Facilitate Development of New Affordable Housing

1B-1 Facilitate mixed use housing development on the Adams Street property.

The General Plan Update Steering Committee, staff and consultants have hosted a series of community meetings to determine the use of the Adams Street property. The preferred alternative will be presented to and discussed by the City Council in early Spring 2009.

1B-2 Facilitate development on the Romero Property (Land Inventory site #28).

The Romero property has been on the market since December 2006. Staff has informed buyers of the 2002 Housing Element goals for this property of 120 housing units, including 34 affordable units. A non-profit housing developer has submitted a pre-application for 112 units including affordable, workforce and market rate units within various housing types.

1B-3 Explore opportunities created through the Flood Protection Project. (Land Inventory sites #30 & #31).

The implementation of the St. Helena flood control project has been slowed due to litigation and lack of funding. These properties cannot be developed until they are protected from floods.

1B-4 Facilitate mixed use development behind 'Taylor's Refresher.' (Land Inventory site #42).

Development of this property is hindered by flooding issues (it is adjacent to Sulphur Springs Creek), lack of sewer and only one ingress/egress point at an impacted intersection (Charter Oak / Main Street).

1B-5 Explore opportunities on the parcel behind the Bonita Motel. (Land Inventory sites #25 and #33).

The Magnolia Oaks development project was approved for site #33 in November 2007. The project has 45 housing units, including 18 affordable housing units. The application includes a lower housing density than originally projected for this property because reducing the density helped to preserve the many oak trees that are on the site.

Site #24 is currently developed to vineyard and the owners have expressed no interest in developing it.

1B-6 Highway 29 Specific Plan Area. (Land Inventory sites #32 and #45).

Site #32, the Beckstoffer property, is planted to vineyard and probably will not be developed into non-agricultural uses.

A development proposal for a portion of site #45, the Doumani property, was approved for hospital office development.

1B-7 Spring Street area sites (Land Inventory #20, #21, and #23)

Neither of the owners of sites #20 or #23 has expressed interest in developing the land to more intensive residential uses. A development of three market rate homes plus one second unit was approved for site #21 after the owner sold the property to a buyer who subdivided it into smaller parcels, thereby reducing the density required.

Ensure that Affordable Housing Gets Built

1C-1 Establish 'Inclusionary Zoning' for affordable housing.

In 2004, the City Council passed ordinance 2004-7, An Ordinance Adding Chapter 17.146 to the St. Helena Municipal Code Creating and Establishing a Housing Trust Fund, a Housing Impact Fee on Non-Residential Development, and an Inclusionary Housing Requirement or Inclusionary In-Lieu Fee Requirement for Residential Development Projects. The inclusionary housing requirement is for 20% affordable housing in residential developments of 5 units (or 5 lots) or more. The fees apply to residential developments of 4 or fewer units/lots and to non-residential development.

(See response below to Policy 4A).

1C-2 Remove conditional use requirements for multi-family developments.

Public hearings were held in 2004 to amend the two primary residential zoning districts, Medium Density Residential (MR) and High Density Residential (HR). The HR district was revised to allow as permitted uses multiple-family dwellings, apartments and dwelling groups containing four units or less consistent with the density requirements of the district. Multiple-family dwelling with more than five units remained a conditional use. The MR regulations were amended to allow attached duplex or triplex units or conversion of an existing single family dwelling to duplex or triplex as a conditional use. This district had previously only allowed single-family detached homes and condominiums.

1C-3 Fast-track housing developments that meet lower income and special housing needs.

Staff has given priority to projects that include affordable housing including the Magnolia Oaks project (18 affordable units proposed), the Grandview Hotel project (22 affordable units approved) and the Vintner's Court project (1 affordable home approved).

Policy 1D

Encourage Innovative Housing Types and Designs

1D-1 Encourage development of co-housing, cohousing, and other 'nontraditional' forms of housing.

There has been little interest by owners/developers in constructing non-traditional forms of housing in St. Helena. One developer explored the possibility of a live/work development in the Industrial zoning district, however there was concern about the appropriateness of the location for housing, particularly for families. Planning staff has supported the use of the PD: Planned Development overlay zone to assist developers in creating housing developments with higher densities than could be achieved with strict adherence to the development standards of the district.

Policy 1E

Address Emergency Shelter and Transitional Housing Requirements

1E-1 Allow emergency shelters and transitional housing facilities in appropriate locations.

Define 'emergency shelters' and 'transitional housing facilities' in the Zoning Ordinance and list

them as a conditional use in the Central Business, Service Commercial, Office, and Public/Quasi-Public zoning districts.
This has not been accomplished.

Policy 2A

Encourage Higher Density Development Where Appropriate.

2A-1 Increase the maximum density in ‘Medium Density Residential’ (MR) to 16 dwelling units per acre (DUA) net with a 25% density bonus up to 20 DUA for affordable projects.

2A-2 Increase the maximum density in ‘High Density Residential’ (HR) to 28 DUA net with a 25% density bonus of up to 35 DUA for affordable projects.

This General Plan and Zoning Ordinance Text amendment was approved in 2005. The density range for the MR district was increased to 5.1 – 16 dwelling units per acre (dua). HR was increased from 16.1 dua to 28 dua, or up to 35 dua with a 25% density bonus.

Also in 2005, Municipal Code Chapter 17.144, Affordable Housing, was added to the zoning ordinance to satisfy requirements of Government Code Section 65915 and the City’s Housing Element by specifying how the City shall provide density bonuses and other incentives or concessions for the construction of certain housing projects affordable to lower income, very low income, senior households, and for condominium and planned development projects for moderate income.

In December, 2007, the City Council approved a Zoning Ordinance Text Amendment to Chapter 17.32 LR: Low Density Residential; Chapter 17.40 MR: Medium Density Residential; and Chapter 17.44 HR: High Density Residential to revise the regulations to require housing density calculations to be based on gross parcel area instead of net parcel area.

2B-1 Establish minimum density requirements in the Zoning Ordinance.

The Planning Commission and City Council first adopted a policy to enforce minimum densities in 2003. The zoning ordinance was subsequently amended to include this regulation when a comprehensive zoning ordinance amendment to address housing policies was adopted in 2005.

2B-2 Establish policies to discourage or restrict rezoning of Higher Density Residential Properties to Lower Densities and/or nonresidential uses.

The General Plan and the zoning ordinance are consistent. Property cannot be rezoned to a lower density unless a General Plan Amendment is also approved. The City Council reviews potential General Plan Amendments twice per year. Before approving a General Plan Amendment or a zoning amendment, the Planning Commission and City Council must make the following finding:

“If, considering the reduction of residential density, ensure compliance with Government Code Section 65863 by either finding that the remaining sites identified in the housing element are

adequate to accommodate the city's share of the regional housing need or by identifying sufficient additional, adequate, and available sites with an equal or greater density so that there is no net loss in residential density."

Policy 2C

Make Sure Development Standards Do Not Constrain Development at the Zoned Densities

2C-1 Revise the Zoning Ordinance to address regulatory inconsistencies.

Amendments to the Medium Density Residential standards that could be considered to achieve higher densities without dramatically changing the visual characteristics of the district include:

- a) A Use Permit should be required for the development of one single family home on a parcel if that parcel could be legally divided into two or more parcels. The structure should be sized and sited so as not to preclude future development at the minimum density (5.1 units per acre) of the district.
- b) Allow the construction of duplexes or triplexes, but keep the FAR the same as that for single family homes.
- c) Allow the conversion of single family homes to multiple units if only minor modifications are made to the exterior of the structure.
- d) Allow "flag lots" to also be "small lots". The flag lot regulations currently require a minimum 7,000 square foot size.
- e) Allow density to be determined on a net acre (excluding roads) basis, not a gross acre basis.

Amendments to the High Density Residential standards that could facilitate higher density infill development include the following:

- f) Allow development of single family homes in the High Density Residential district only by Use Permit. Houses should be sized and sited so as not to preclude future development at the minimum density of the district.
- g) Revise the Floor Area Ratio restrictions to accommodate reasonably sized units at all allowed density ranges.
- h) Allow smaller lot sizes to allow land divisions at maximum density.
- i) Allow multiple family dwellings of four units or less as a permitted use.
- j) Encourage use of the PD: Planned Development overlay zone to vary development standards to achieve higher densities.
- k) Allow "flag lots" to also be "small lots". The flag lot regulations currently require a minimum 7,000 square foot size.
- l) Allow density to be determined on a net acre (excluding roads) basis, not a gross acre basis.
- m) Allow an increase in the height limit to 35 feet for multi-family buildings.
- n) Review standards to provide parking on a per unit/parking space ratio that is variable depending upon the size of the residential units in a multi-family development.

Amendments to the zoning ordinance that addressed these goals were reviewed in public hearings in 2004 and approved in 2005.

Policy 2D

Be more aggressive in promoting mixed use developments.

2D-1 Promote both ‘vertical’ and ‘horizontal’ mixed use.

Planning staff encouraged the submittal of an application for a live/work mixed light industrial and residential development at a site in the Industrial district. The residential units were to be located over the light industrial uses to achieve a “vertical” mixed use. A PD: Planned Development overlay was to be used to modify the industrial development standards. The owner ultimately withdrew the project after doing market research on the feasibility of the project.

Staff also worked with another developer to plan a “horizontal” mixed use of offices and townhouses. The developer did not submit the project for planning review and processing.

2D-2 Allow residential uses on commercial properties, where appropriate, in excess of the established FAR.

2D-3 Allow/encourage ‘shared parking’ in mixed use developments.

These ideas were explored with the above mentioned projects.

2D-4 Identify specific sites or areas to ‘target’ mixed use development, providing incentives to facilitate such development in those areas.

This has not been accomplished.

Policy 2E

Be More Aggressive in Promoting Second Units

2E-1 Review and revise development standards pertaining to second units.

In compliance with state law, the zoning ordinance was amended to make second units permitted uses in all of the residential zoning districts, except in certain areas of the WW: Woodlands and Watershed district where environmental impacts may need to be mitigated. The maximum size of a second unit was increased from 600 sq. ft. to 850 sq. ft. to increase the likelihood of full time occupancy of the units, yet to keep them small enough so that rents will be in the moderate range.

2E-2 Provide financial incentives for second unit development. Incentives might include low interest loans, fee waivers, or a floor area bonus.

An incentive has been added to allow an increase in the floor area ratios permitted within residential districts if the site includes a second unit. The increase allows up to 400 sq. ft. of additional floor area.

2E-3 Target specific areas for second unit incentives. Encourage second units in the medium density areas near downtown.

Staff routinely encourages second units, especially when owners propose building a guest house. Guest houses (no kitchens) are conditional uses. The addition of a full kitchen creates a legal second unit.

2E-4 Provide public information regarding second units. Develop a guide for homeowners explaining the benefits and procedures for adding a second unit.
This has not been accomplished.

2E-5 Link incentives and development standard revisions to affordability provisions. Require use agreements as a condition of approval for second units to require that either the main house or the second unit is used as a rental unit that is affordable to moderate income persons.
As a permitted use, second units no longer have conditions of approval. Therefore, there is no readily available mechanism to regulate the rental price. However, Magnolia Oaks, a recently approved housing development project includes single family detached homes on small lots with second units located above the garages. The second units will be dedicated as rental units affordable to low and moderate income persons and regulated through the housing authority. The income from the second unit will allow a moderate income household to qualify for the mortgage.

2E-6 Consider an amnesty program for illegal second units.
This has been discussed; however we have not come to consensus as how to treat those illegal units that may have serious defects under either the zoning or building code.

Policy 2F

Allow conversion of Single Family Homes to Multi-Unit Dwellings

2F-1 Identify appropriate ‘target’ areas.

2F-2 Develop criteria and standards for conversions.

2F-3 Provide public information regarding conversions.

The housing market in St. Helena is for large single family detached homes. There has been little interest in dividing a large home into multiple housing units. Second units may be achieved by new construction, either attached or detached from the main residence, or by converting floor area within an existing structure. Similarly, duplexes and triplexes can be created from existing dwellings in the MR district by use permit. The City of St. Helena is rich in historic architecture and modifications to structures that are considered a historic resource is of concern.

Policy 3A

Protect the Existing Stock of Affordable Housing

3A-1 Restrict the conversion of rental units to condominiums.

In November 2006, the City of St. Helena received an application to convert a 10 unit apartment building to condominiums. The City Council ultimately denied this application because they could not make the following required finding “the proposed conversion will not displace a

significant percentage of low and moderate income tenants, senior citizen tenants or tenants with children, and will not remove a significant number of low and moderate income rental units from the city's housing stock at a time when no equivalent housing is readily available in the community."

3A-2 Charge an affordable housing impact fee whenever affordable units are converted to other uses.

In 2005 the City Council approved the conversion of a historic property that contained a mix of 40 different types of rental housing units, to use as a 35 room inn and 22 very low and low income studio housing units. Although market rate rental units will be lost in this conversion, the City will gain the renovation and restoration of a significant historic structure and will have 22 regulated affordable units available in perpetuity. In this situation where a General Plan Amendment was requested, the City did not believe that housing impact fee was appropriate mitigation, and instead, they required the provision of housing.

3A-3 Address the potential loss of assisted units.

A residential care facility in St. Helena closed in 2003 and the property was sold. The City did not have the funds to purchase the property, nor did a new operator for the facility come forward. The property was purchased by a culinary school and has been converted into dormitory use for students, thereby reducing their demand for housing elsewhere in the community.

3A-4 Support programs such as 'Christmas in April'

The City of St. Helena used to contribute funds annually to a program that targets one or two residential homes for cosmetic upgrades and renovation, however this program has ceased.

Policy 3B

Monitor Housing Conditions

3B-1 Review housing needs, conditions, achievements and challenges as part of the City's regular General Plan review.

This has not been accomplished.

Policy 4A

Develop permanent local sources of funding to support affordable housing

4A-1 Establish an Inclusionary Zoning Program with in-lieu fee payments.

4A-2 Levy an affordable housing impact fee for commercial development.

4A-3 Establish an Affordable Housing Trust Fund. Encourage voluntary donations.

The City Council passed ordinance 2004-7, An Ordinance Adding Chapter 17.146 to the St. Helena Municipal Code Creating and Establishing a Housing Trust Fund, a Housing Impact Fee on Non-Residential Development, an Inclusionary Housing Requirement or Inclusionary In-Lieu Fee Requirement for Residential Development Projects. The inclusionary housing requirement is for 20% affordable housing in residential developments of 5 or more units/lots. The fee for residential development of 4 or fewer units/lots is 2.5% of the valuation of construction.

4A-4 Generate Revenues for Affordable Housing through the Transient Occupancy Tax.

The City of St. Helena has other policies that limit the development of hotels, motels, and other transient occupancies or vacation rentals. These policies are in place to try to maintain a healthy balance between tourist serving and local serving uses. TOT flows into the General Revenue Fund where it is available for all city services and needs. There has been no interest in dedicating TOT for affordable housing only.

4A-5 Reduce, defer, or waive fees for affordable housing developments.

Municipal Code section 3.32.120 provides for fee adjustments for affordable housing and other projects. These are reviewed by the City Council on a case by case basis. In addition, incentives offered under Municipal Code Chapter 17.144, Affordable Housing, allows for concessions or incentives for affordable housing projects. These may include, but are not limited to a modification of zoning code requirements such as reductions in lot size, frontage requirements, setbacks, yards, parking, or open space or fencing requirements; height increases; or a modification of architectural design requirements.

4A-6 Establish a Real Estate Transfer Tax for Affordable Housing.

The City of St. Helena collects a real estate transfer tax, as provided for in Municipal Code Chapter 3.20, Real Property Transfer Tax. This tax was imposed many years ago and is at the rate of rate of twenty-seven and one-half cents for each five hundred dollars (\$500.00) or fractional part thereof, on any transaction exceeding \$100.00. The City Council has not discussed or explored the issue of increasing the tax and dedicating the funds to affordable housing.

Policy 4B

Aggressively Pursue and ‘Leverage’ State and Federal Housing Funds

4B-1 Pursue mortgage revenue bonds and/or mortgage credit certificates. Promote affordable homeownership opportunities for moderate and lower income households.

4B-2 Continue Section 8 rent subsidy certificates.

4B-3 Explore the possibility of establishing a fulltime, shared Housing Coordinator for the up-valley communities.

The City of St. Helena has a contract with the Housing Authority City of Napa to provide services related to affordable housing. There have been some informal discussions about the up-valley communities having a housing coordinator, but no formal actions.

Policy 4C

Address Farmworker Housing Needs and Homelessness.

4C-1 Collaborate with countywide efforts to address farmworker housing needs.

The City of St. Helena works through the Napa County Housing Authority to address farmworker housing needs. In 2004 Napa Valley vintners and grapegrowers voted to self impose a tax on vineyard land to collect funds for farmworker housing. Many of these vineyards are within the City of St. Helena. With the assistance of these funds, plus a Joe Serna Jr.

Farmworker Housing Funds the NVHA was able to build a new camp, the River Ranch Center, and substantially rehabilitate two farmworker camps, the Mondavi Farm Center and the Calistoga Farm Center.

4C-2 Establish seasonal farmworker housing as a conditional use in all zoning districts.

Farm labor housing for transient labor is allowed as a conditional use in the A-20: Twenty Acre Agriculture and W: Winery districts, which encompass nearly 1500 acres of agricultural land within the city limits. Seasonal farmworker housing is currently not allowed in other districts.

4C-3 Allow homeless shelters as a conditional use in the Central Business District, Service Commercial, Office, and Public/Quasi-Public zoning districts.

This has not been accomplished.

4C-4 Support the Housing Authority's ongoing efforts to address homelessness in the County.

The City of St. Helena supports this effort through membership and participation in the Napa County Housing Authority.

Policy 4D

Support Housing that Meets Special Needs, Including Senior Citizens and People with Disabilities.

4D-1 Encourage the development of housing that meets the needs of seniors and the inclusion of accessible units in all new development.

4D-2 Encourage the development of housing that meets the needs of seniors.

4D-3 Reasonable Accommodation. The City shall amend its Municipal code to provide individuals with disabilities reasonable accommodation in rules, policies, practices and procedures that may be necessary to ensure equal access to housing.

These goals have not been accomplished.

Policy 5A

Alternative Energy Sources

5A-1 Promote the use of solar energy.

5A-2 Promote the use alternative energy technologies.

5A-3 Provide public information on alternative energy technologies for residential developers, contractors, and property owners.

The City of St. Helena formed a Climate Protection Task Force in 2006. One recommendation that the task force has made to the City Council is to reduce building permit and inspection fees for the installation of solar energy systems. The Council passed a resolution waiving fees for photovoltaic installations in 2007.

The Planning and Building Department has had study sessions with the Planning Commission to draft a green building ordinance and will be taking an ordinance to public hearing in summer 2008.

Policy 5B
Encourage Energy Conservation

5B-1 Promote the energy conservation measures in all new and rehabilitated housing.

5B-2 Require cost-effective energy conservation measures in new housing to promote long-term affordability for occupants.

5B-3 Provide low-interest loans for implementation of energy conservation measures.

5B-4 Provide public information on energy conservation measures for homeowners, tenants, developers, contractors and property owners.

The City of St. Helena has not promoted energy conservation measures beyond those that are required in the Building Code, but will be addressed with the green building ordinance.

Policy 6A
Ensure equal housing opportunities for all residents of St. Helena.

6A-1 Support a jobs/housing balance by encouraging housing that provides for St. Helena's workforce.

There are 31 homes that are regulated for re-sale to moderate income families. The resale of the homes is restricted to qualifying families and the City of St. Helena works with Housing Authority City of Napa to oversee the resale process. In October 2005 the City Council adopted Resolution 2005-98, Approving a Local Preference Policy for Affordable Housing. This policy sets forth a process by which qualifying families are entered into a lottery for the homes that come up for resale. The lottery process allows for a weighted preference for persons who already live or work in St. Helena.

6A-2 Provide educational materials at City Hall, through the press and directly to interested parties to educate real estate professionals, property owners and tenants on their rights and responsibilities and the resources available to address fair housing issues.

6A-3 Identify a 'Fair Housing Officer' among the City staff.

6A-4 Document efforts at equal opportunity housing loans as part of annual Community Reinvestment Act from Savings and Loans.

Fair housing issues are handled through the Fair Housing Napa and Housing Authority City of Napa.