

Work remains on affordable housing task force report

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Last spring's recommendations from a task force devoted to increasing the supply of affordable housing in Napa County are proving difficult to implement.

That was the upshot of a [presentation](#) before the Napa County Board of Supervisors on Tuesday that reviewed how the task force's recommendations fared recently. The recommendations focused on increasing revenue to supplant lost affordable housing dollars from state and federal sources, while making it easier for developers to build these projects in Napa Valley cities.

[The ultimate goal was to build 60 units](#) of housing annually, and the task force examined a variety of funding options for accomplishing this, including asking local industries and developers to pay higher taxes and fees.

Task force members continue to meet — although not as the complete group — and discuss that issue with developers and industries, said Nancy Johnson, the county's housing and community development program manager.

“I kind of think of affordable housing kind of like a Rubik's Cube,” Johnson said. “Sometimes you can get all the colors right on one side, and you think, ‘Alright, I did it!’ Then you turn it over and you find out there's a million ways you didn't do it on the other side.”

The task force examined ways the local wine, hotel and tourism, and other local industries could increase funding, believing they were responsible for driving the need for affordable housing among their lower-wage employees.

That could be done through an increase in a property tax assessment grapegrowers pay, which is currently \$10 per planted acre. But any increase would need the California Legislature's approval. Hotels could contribute more through an increase in the transient occupancy tax (TOT), which is levied on rented hotel rooms. A TOT increase would face a substantial hurdle because it needs two-thirds voter approval.

The task force stopped short of requesting that these be increased, however, leaving that to industry outreach to accomplish. It did call for establishing residential and commercial impact fees on developers in American Canyon and potentially increasing the commercial impact fee in the city of Napa and Napa County.

Napa County is almost finished with a study on the commercial fee increase, which will likely be brought to the Board of Supervisors in June, said Larry Florin, the director of the county's

Housing and Intergovernmental Affairs Department. That fee hasn't been increase in 10 years, and would require board approval to be hiked.

Florin said the low-hanging fruit could be making the process easier for developers to build affordable housing by loosening zoning restrictions in residential areas, allowing second units called "in-law" or "granny units, promoting higher-density residential building, and continuing to pay for workforce proximity housing, as the county has done in recent years. It's provided 40 prospective home buyers \$1.25 million in loans for down-payment assistance, which are repaid by the owner when the home is sold.

"Unsurprisingly, there's not a single solution," Florin said. "There are other issues inherent with affordable housing."

Father John Brenkle, a St. Helena resident, encouraged the county to look at funding larger projects, as it can save money with greater scale. The staff costs for a 10-unit project are the same as a 50-unit project, he said.

Mary Stephenson of the nonprofit housing group Our Town St. Helena said the problem is worsened by local governments' failure to build affordable housing in Napa County. She cited a 48-unit farmworker housing project in Calistoga that is breaking ground without funding from the city of Calistoga or the county, which could serve as a new model, she said.

"Everyone wants affordable housing, but we're not building any," Stephenson said. "We need to come up with a new paradigm. We're not getting the job done."

Stephenson said governments do need to provide funding to help preserve land for affordable housing. Too much existing affordable housing in Napa Valley is being lost to developers paying a top dollar, tearing it down, and building luxury housing in its stead, she said. This issue is particularly acute in Upvalley cities like St. Helena and Calistoga, she said.

"Take note of what's happening Upvalley," Stephenson said. "It's a small part of your overall county, but it's a big problem."

Doreen Johnson, executive director of Community Action Napa Valley, said homeless residents and families in Napa County have been hit hard by increased home prices and rental rates. Shelters are at capacity, Johnson said, leading some people to return to the streets if they can find housing.

"We are not low-income," Johnson said. "We are basically no-income. If they can't find housing, they go back to the street."

Supervisor Mark Luce, who sat on the affordable housing task force, said the issue won't provide easy answers.

"We'll just have to keep scratching our heads to figure this thing out," Luce said.