



**City of St. Helena
Special City Council Meeting
Tuesday, September 16, 2025 @ 6:30 PM
Fire Station Training Room - Enter from
Railroad Avenue**

**Remote Participation from: Gaylord Pacific
Resort, Room 19081, 1000 H St.,
Chula Vista, CA**

PLEASE NOTE: Any person who wishes to speak regarding an item on the agenda or make a comment under the "Oral Communication" portion of the agenda may do so, but please observe the time limit of four minutes.

Public comment for City Council meetings will be accepted via email to publiccomment@cityofsthelena.gov. All public comments must be received three hours prior to the meeting. All other public comments received after the deadline will be attached to the item the next business day or soon thereafter. Public comments will not be read out loud but will be publicly available and attached to the on-line City Council agenda.

The schedule of upcoming meetings and published meeting agendas can be found on the City of St. Helena website at <https://sthelena.civicweb.net/portal/>.

Page

1. CALL TO ORDER
2. ROLL CALL
Mayor: Paul Dohring, Vice Mayor: Michelle Deasy City Council Members:
Aaron Barak, Kate Spadarotto, Billy Summers
3. ADOPTION OF THE AGENDA
4. PUBLIC COMMENT:
Under California law, public comments at special meetings are limited to subjects on the agenda only. Therefore public comment will take place during consideration of the item. Each person's comments shall be limited to 4 minutes.
5. NEW BUSINESS:

- 5.1. Fiscal Stability, Sale of City Properties and Revitalization

3 - 152

CEQA Determination: Not a CEQA project

Prepared By: Maya DeRosa, Community Development Director

Recommendation:

Receive staff report and provide direction to staff on next steps relative to the sale of city properties to generate revenue and build housing.

[Staff Report - Fiscal Stability, Sale of City Properties and Revitalization - Pdf](#)

[Presentation](#)

[Public Comment.Elaine de Man](#)

[Public Comment.Terry and Susan McWilliams](#)

[Public Comment.Ross Allen and Julie Bolander](#)

[Public Comment.Michelle Covell \(1\)](#)

[Public Comment.Michelle Covell \(2\)](#)

6. ADJOURNMENT

The next Regular City Council meeting is scheduled for September 23, 2025 at 6:00 p.m.

This agenda was posted at City Hall, 1088 College Avenue, and at the St. Helena Fire Station Training Room, 1500 Main St., St. Helena, California on September 12, 2025.

Erika Opp, Administrative Analyst

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call the City Clerk's Office (707) 967-2792. Notification 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this Agenda, after the posting of the Agenda, will be available for public review in the City Clerk's Office located at 1088 College Avenue, St. Helena, California, during normal business hours and by appointment. In addition, such writings or documents will be made available on the City's web site at <https://sthelena.civicweb.net> and will be available for public review at the respective meeting.



Agenda Report to the City Council

Agenda Section: NEW BUSINESS:

Department: Planning

DATE:	September 16, 2025
FROM:	Maya DeRosa, Community Development Director
SUBJECT:	Fiscal Stability, Sale of City Properties and Revitalization
RECOMMENDED ACTION:	Receive staff report and provide direction to staff on next steps relative to the sale of city properties to generate revenue and build housing.
PREVIOUS COUNCIL ACTION:	In November 2023, the City Council declared 1480 Main Street and 1572-1574 Railroad Avenue as surplus properties.
STATEMENT OF THE PURPOSE:	The staff report and study session will provide an opportunity to review recent history related to the sale of city-owned properties, explore policy alternatives, and engage with city leadership. While the discussion will focus on the sale of city properties and enable the City Council to receive input from the community, staff will also provide context on how these efforts can support fiscal stability and contribute to broader city revitalization goals.
FINANCIAL IMPACT:	None.

BACKGROUND:

The city has long considered sale of city assets to generate revenue and also to produce housing. For example, the August 2018 report of the St. Helena Asset Planning Engagement (SHAPE) committee identified the prospect of selling city assets as a possible way in which to generate revenue. Also, in response to the August 2021 Council Adopted SH Business Recovery Strategy, the City Council held a special workshop in November 2021 to advance a policy discussion on the higher and better use of city assets. Following that meeting, no immediate actions were taken, but community input was received, and the City Council was provided with information about the Surplus Lands Act (SLA) process.

In November 2023, following several months of planning, the City Council declared two properties, one on Main Street and the other on Railroad Avenue—as surplus. On January 22, 2024, the City launched the sale process by inviting purchase offers for affordable housing projects on the two sites, as mandated by the state Surplus Land Act. The City received one proposal; however, negotiations did not lead to a sale.

By June 2024, the City had obtained approval from the state Housing and Community Development Department (HCD) to sell the properties for other types of development.

The City then initiated a new Request for Qualifications (RFQ) process in October 2024, which attracted seven proposals for the two sites. After a second round of evaluations, the process resulted in the City pursuing negotiations with a developer for both properties.

While some of the decisions regarding the sale of the city properties have occurred at city council meetings, several decisions have been made in closed session, and the process has been handled by staff along with assistance from the City Attorney's Office and an outside consultant. Despite information regarding the various steps in the process being made available widely through the city's newsletter and the St. Helena Staff, the City Council believes that a public discussion has not occurred and that the city would benefit from such a community discussion. Therefore, at the August 22, 2025 meeting, the City Council directed staff to schedule a study session on the sale of city properties so that there can be a public discussion about the efficacy about the sale the two properties.

It should be noted that the previous City Council thoughtfully chose to not include the Adams Street site as a surplus property. This is because there has been much prior contention in the community over the possible development of this vineyard parcel. In fact, in 2019, the City Council chose to not sell the property despite receiving an offer of approximately \$22 million.

The last City Council did however choose to include the Adams St. site (as well as the two other sites that have been declared as surplus) within the planning area of the Downtown Specific Plan (DSP) (Attachment 1) as they all offer very attractive redevelopment and investment opportunities to help revitalize the community. The DSP is further discussed in this report.

DISCUSSION:

As noted earlier, a robust public discussion about the sale of city assets is warranted despite this process having begun in August 2021. This staff report provides a summary regarding land use information for the City properties, housing assumptions, revenue generation, and process information regarding the surplus lands act.

The community (on September 16, 2025), will have the opportunity to provide input and ask questions regarding the proposed sale of the two city properties. Since there has been considerable discussion in the community about the Adams Street site, it is envisioned that the pros and cons of selling that site instead of the Main Street site will also receive public comment. As a result, information regarding all three sites are provided below.

The three sites are:

- Old City Hall (1480 Main Street);
- temporary City Hall (1572 -1574 Railroad Avenue); and the
- Adams Street parcel.

Attachment 2 provides a matrix of some of the property use options for each site.

1480 Main Street (Old City Hall)

This downtown site is 1.3 acres in size with desirable frontage on Main Street and currently includes the Fire Station, former City Hall building and Police Station. (Removing the Fire Station from the parcel area nets a redevelopment site of 0.76 acres) In late 2019, there was significant smoke damage to the building from equipment failure. The City Administration determined it was cost prohibitive to have the building remediated and subsequently the City offices were moved across the street to 1572 Railroad Avenue as discussions regarding a new City Hall facility were underway.

The Old City Hall site is designated Mixed Use (MU) in both the General Plan and zoning. The MU zoning designation allows for a variety of commercial oriented businesses with residential on upper stories.

The purpose statement for the MU zone in Section 17.17.010 of the municipal code is as follows:

Mixed—Use (MU). The MU zone is intended to provide areas for a mix of medium and high-density residential unit types and commercial retail, office, restaurant, and open space uses. The zone supports both vertical and horizontal residential mixed-use development. Residential densities are from twelve (12) to twenty (20) dwelling units per acre. This zone implements the mixed-use general plan land use designation.

In evaluating potential uses that would have beneficial economic impacts to the City, the site has been previously identified as a possible northern business anchor to the downtown, with conceptual non-governmental uses including a hotel, retail/business incubation center, museum, and mixed-use project including housing.

With the allowed density of up to 20 units per acre, the Mixed-Use designation could result in up to 15 residential units in conjunction with a commercial use.

SHAPE

The St. Helena Asset Planning Engagement (SHAPE) committee report identified two potential recommendations for the Main Street site:

- 1.) Leave City Hall where it is but tear down and completely rebuild with a 2-3 story building; OR
- 2.) Tie between 'Move City Hall to the Library' and 'Rebuild City Hall on Adams Street'.

For the options under number 2, the City Hall property would be considered for building of a cultural/civic community building or for a lease to a developer/tenant that is consistent with the site location once City staff had moved.

1572-1574 Railroad Avenue

This 0.93 acre site is located near the downtown on Railroad Avenue between Adams Street and Fulton Avenue. Currently there are three buildings on the site including the Parks and Recreation offices, an accessory building for recreational activities, and a vacant modular building which was a temporary City hall.

The existing General Plan and zoning designations are High Density Residential (HR). The purpose statement for the HR zone in Section 17.16.010 of the Municipal Code is as follows:

High Density Residential (HR). The HR zone is intended to provide for multifamily residential units, group quarters and compatible uses. Residential densities are from 16.1 to twenty-eight (28) dwelling units per acre. This zone implements the high density residential general plan land use designation.

Additionally, in September 2015 as part of a CBDG grant, a consultant prepared a Feasibility Analysis and Comparison report which studied a number of parcels in the City both publicly and privately owned, including this site at 1572 Railroad Avenue. The goal of the report was to identify the feasibility of developing affordable housing. The site was studied as a future multi-family housing site with alternate tax credit scenarios resulting in a 20-unit rental project (Attachment 3 , Table A-5 and A-6). It still remains an ideal site for affordable housing and the rezoning in 2024 to High Density Residential (HR) allows up to 28 units per acre. Without applying any density bonus provisions, this would amount to approximately 26 units on the site.

There appears to be broad consensus that the site should be developed for housing and the site is included as an Opportunity Site in the City's adopted and certified Housing Element. The previous City Council strategically chose to sell this site in conjunction with the Main Street site in order to both generate revenue as well as develop housing in the city. The City's current negotiations with the finalist developer does include the development of housing on that site.

Adams Street parcel (APN 009-150-006)

The 5.6 acre site is located at the northeast corner of Library Lane and Adams Avenue and currently exists mainly as an active vineyard and also includes the Library building. It was purchased by the City in 2000, and at the time it was envisioned that the Property might be used for city serving facilities, such as a community center, facilities for nonprofit organizations, a library expansion, parkland and open space. In the 25 years since the City purchased the Property, the City has made efforts to identify the most appropriate use for the site. These efforts included a community visioning and consensus-building process in 2008-2009 and resulted in an "Adams Street Property

Visioning Design Portfolio” which included a project vision statement, design recommendations, and the envisioned land use plan with feasibility analysis. It was a graphically oriented document intended to serve as a guiding framework for development of the Property .

The community discussion resulted in a variety of potential land uses that would come from development of the site. Specifically, these uses and facilities included:

- Community Center
- Additional Library Facilities
- Event Center
- Police Station
- Housing including onsite affordable and/or workforce housing
- Retail Store Fronts
- Public Spaces
- City Hall (approximately 15,000 square feet)

On June 21, 2016, the City released an RFP soliciting proposals to develop this site and also the 1480 Main Street site. The City received three proposals to develop this property (one for Main Street). However, as stated in the Background section of this staff report, community push back regarding hotel development resulted in the City terminating the plans to develop the City properties.

The St. Helena Asset Planning Engagement (SHAPE) committee report identified two potential recommendations for the Adams Street site:

- 1) Cultural/Events Center; OR
- 2) Multi-Use (plaza, open space, cultural/events center, etc.)

Over the past year there has been renewed community interest in the potential redevelopment of the Adams site for hotel and housing uses instead of the 1480 Main Street.

The two other properties (Main Street and Railroad Avenue) have gone through the Surplus Land Act (SLA). If the City chooses to also surplus the Adams Street property, it too will need to go through the SLA process (6-9 months.) Please refer to the attached memo prepared in 2021 from the City Attorney regarding the Surplus Land Act (Attachment 4).

Potential Revenue

The sale of the City properties would provide revenue into the General Fund. Assuming that the future uses include the generation of TOT from a hotel on one of the sites, the revenue estimates are noted below:

1480 Main Street: \$5 Million Sale and \$2 Million Revenue Annually

Adams Street Parcel: \$25+ Million Sale and \$4 Million Revenue Annually

Other properties and potential impacts of sale:

Lyman Park

The sale of the old city hall site on Main Street authorized by the City Council in 2023, assumed that boundaries of Lyman Park would remain as currently configured. However, staff is aware of suggestions in the community to change the shape of the park and potentially use portions of the park for different purposes. To provide clarity, the City Attorney's Office was asked to provide an analysis of the deed restrictions and governing state laws.

Lyman Park was partially donated to the City in 1923 subject to certain conditions including that the City "shall dedicate and use the entire property for park purposes, including its use for games, concerts and recreation." Based on discussions with the City Attorney, the staff believes this continues to be a valid deed restriction. There is case law upholding similar deed restrictions placed on property donated to public agencies. However, there is no single definition of "park purposes" under State law. The Courts have allowed many uses to be included in furtherance of "park purposes", but they generally make that determination on a case-by-case basis.

If the City decides to introduce new uses onto the Lyman Park site, we will have to evaluate each use to determine whether they are consistent with "park purposes." Additionally, the City did receive a grant from the State Department of Parks and Recreation to make improvements to Lyman Park, contingent on the City confirming that Lyman Park would be used for park purposes in perpetuity. If the City is going to introduce new uses to Lyman Park, a discussion with the State to confirm they agree those uses are consistent with "park purposes" would be warranted.

Relocation of Parks and Recreation

Regarding the Railroad Avenue property, it should be noted that once sold, the Parks and Recreation office currently located at the site will need to be relocated to another site.

Permanent City Hall

If the City chooses to stay the course and sell all three sites (Main Street, Adams and Railroad Ave), the City will need to identify another location for its permanent City Hall.

Permanently situating the City Hall at the current rented space on College Avenue will depend upon the decision of the Napa Valley College (NVC) Board of Directors.

Regional Housing Needs Allocation (RHNA) and Housing Element Considerations

All three City owned sites are included as Housing Opportunity sites in the adopted 6th Cycle Housing Element. The assumed housing development estimated for each site is as follows:

1480 Main Street: 6 Lower Income Units
 1572-1574 Railroad Avenue: 20 Lower Income Units
 Adams Street Parcel: 31 Lower Income Units

Downtown Specific Plan (DSP)

The DSP is relevant to the discussion of the sale of City properties as all three of the City sites are included in the planning area as noted earlier in this report. The purpose of the DSP is to guide public and private investment to ensure that future development and infrastructure projects help realize the community's goals and visions for the future of Downtown.

In October of 2024, the City held the first community workshop for the DSP to receive public comment on how key sites in the planning area should be redeveloped, which included the three City owned properties. The workshop had robust public attendance and various groups reported out on the visioning which is included in the workshop summary posted on the DSP website and viewable here:

<https://www.dropbox.com/scl/fi/p5witnnjmwq5mny581hgh/Workshop-Summary-121624.pdf?rlkey=iibgg2tjelh6klkc17vusfn2w&e=1&st=ncqnyntu&dl=0>

The DSP is currently on hold until the City Council provides direction on what preferred land uses should be planned and studied for these three key sites in the DSP planning area.

ENVIRONMENTAL REVIEW: Not a CEQA project.

GOAL:

Goal 1: Strengthen Financial Sustainability
 Goal 4: Provide Effective Community Information & Opportunities for Engagement
 Goal 5: Enhance Quality of Life

DOCUMENTS ATTACHMENTS:

[Attachment 1-DSP Planning Area](#)

[Attachment 2-City Property CC Workshop Matrix of use options 9-16-2025](#)

[Attachment 3-Final Report - 2015 Feasibility Analysis and Site Comparison Study - St Helena](#)

[Attachment 4-St. Helena- Memo re Surplus Land Act Procedure](#)

Figure I-2: St Helena Downtown Planning Area



City Council Special Meeting September 16, 2025 -Surplus Properties

Matrix of Property Use Options

Property	Current General Plan	Current Zoning	Current Use	Lot Size	Possible Alternative Uses	Max Number of Potential Units*	Sell or Hold
Old City Hall 1480 Main St	Mixed Use (MU)	Mixed Use (MU)	Vacant-smoke damage	0.76 acres (without Fire Dept)	1 Hotel 2 Community Center 3 Mixed use retail and housing above	15	Sell or hold?
1572 Railroad Ave	High Density Residential (HR)	High Density Residential (HR)	Parks and Recreation facility and community meeting room	.93 acres	1. Affordable Housing	26	Donate land to affordable housing developer?
Adams St Parcel	Central Business (CB)	Central Business (CB)	Library and vineyard	5.6 acres	1. Resort hotel 2. Housing 3. City Hall	Housing Element assumption: 31 (lower income)	Sell or hold?

*Does not include additional density bonus unit potential

Feasibility Analysis and Comparison of Sites for New Affordable Housing Development

Final Report

Submitted to

The City of St. Helena

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September 2015

This report was funded through Community Development Block Grant (CDBG): 12-CDBG-8416

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Executive Summary

The City of St. Helena commenced a Site Assessment study in February 2015 in order to identify a strategy to expand the supply of affordable housing in St. Helena. The consulting team of Vernazza Wolfe Associates Inc., Mikiten Architecture and Community Economics was retained by the City to conduct this study.

This study consists of a report and detailed appendices that provide site specific information, site plans, and financing scenarios that should provide practical assistance to the City. The appendices provide useful resource information for the site or sites to be selected by the City for further evaluation.

The six sites identified by the City include the following: Adams Street site (5.6 acres owned by the City); City Hall/Police Station (1.7 acres); two private houses and lots at 644 and 684 McCorkle Avenue (684 is owned by the City), Scout Hall (.05 acre site with structure owned by the City), and the Teen Center (a .93 acre site owned by the City). All sites are zoned for residential uses, do not contain environmental sensitivities, and are within the urban service boundary for all utilities.

There are major differences among these sites in terms of size, potential risks, and the amount of time it could take to develop new housing.

- The Scout Hall site was eliminated from further assessment due to its small size.
- All sites, with the exception of Adams Street, will require demolition of existing structures. If the City moves forward with sites that have existing structures, it needs to obtain the services of a cost estimator that can estimate the demolition costs. These costs are not included in the development cost scenarios.
- The number of units that can be constructed is a factor to consider. If there is a choice, it is better to select a site that can accommodate a larger number of units. Projects that provide more units are more favorably viewed by outside funding sources. And, the timeline for a smaller project is not that much different than the timeline for a larger project. (A larger project has the advantage of providing more affordable units.)
- In addition, if the City provides one or more of the sites it currently owns, it is necessary to develop more accurate land cost estimates. There are two components to these costs:
 1. The first are land costs to be determined by an appraiser.

2. The second component of land costs are the costs to the City of relocating existing city uses. The costs to relocate existing uses, particularly City Hall and the Police Station cannot be included in project financing, but are still real costs that the City will face.

Risks

Project risk can be assessed in a variety of ways. Factors to consider include site control (including the availability of the site), whether a project sponsor would be interested, financial competitiveness given the size of the project (larger projects are viewed more favorably), the amount of time a project could take from start to finish, and whether there are unknowns, regarding costs and site control. The sources of funding vary in terms of their competitiveness and availability.

In order to maximize the competitiveness for financing, this study has assumed that the rental projects would serve households that are very low-income and below. Table ES-1 presents the percentage of units by income level, the incomes these income levels represent, and the gross rents that could be charged. To simplify the presentation, these calculations include only a household size of four persons.

ES-1: Example of Incomes and Rents Used in Rental Housing Financing Scenarios

Affordability Assumptions - All Rental Scenarios	Percentage of Units in Project	Income 4-Person Household	Affordable Gross Monthly Rent
Units Affordable to HH Earning 30% of Area Median Income	10%	\$26,200	\$655
Units Affordable to HH Earning 40% of Area Median Income	20%	\$34,440	\$861
Units Affordable to HH Earning 45% of Area Median Income	25%	\$38,745	\$969
Units Affordable to HH Earning 50% of Area Median Income	45%	\$43,650	\$1,091

Since all project scenarios indicate a significant funding gap, another important consideration is whether it would be possible to lower the costs through redesign and value engineering. This applies to both the rental and ownership projects. Often when a project does not “pencil out”, adjustments are made, possibly to unit sizes, finishes, amenities etc. This study did not consider alternative costs, but this is important for the next phase if St. Helena decides to move forward.

Site Ranking

Based on considerations of site availability and size, the Adams Street site stands out as the best possible site for rental housing among the six assessed in this study. However, the City has gone through two processes in the past to consider uses for this site, including obtaining proposals for affordable housing and then later conducting a visioning process for the site for potential mixed-use development. This site is still highly recommended, and perhaps it would be possible to design a project that could meet with public approval. Only a portion of the site (1.3 acres) is being recommended at this time, which may help it to gain public support.

The Teen Center site is ranked second for rental development, given that the after school programs operated by the Parks and Recreation Department do not need to be operating out of a public building, but could be relocated, if another location is feasible. Before seriously considering this site, the City needs to decide if there is an alternative location, or if the City would consider building a community center that could include these programs. The cost of building a new center (and the time to secure funds) would greatly reduce the attractiveness of the Teen Center site for affordable housing.

Finally, the last ranked site is the City Hall/Police Station site. There is the need to procure funds and identify an alternative location on which to construct one or more buildings.

Since only one project is proposed for ownership housing (self-help housing on the McCorkle Avenue sites), this is also ranked highly, particularly considering that a local group has started project planning for the 684 McCorkle Avenue site. However, the City needs to undertake more investigation regarding the availability of the second proposed site (644 McCorkle Avenue) which is privately owned. Perhaps a smaller self-help project of only 9 units instead of 18 units could make the most sense at this time.

Table ES-2 compares the number of units, cost per unit, and the funding gaps associated with each development scenario and is presented in rank order (from most recommended to least recommended). Note: The difference in costs per unit related to the two tax credit funding options reflects additional funding costs that are required under the 4% scenarios. These costs impact other soft costs, such as bond issuance, soft cost contingency, and fees for a syndication consultant. Construction and land costs are assumed to be the same.

Table ES-2 Site Comparison Presented in Order of Greater to Lesser Potential

Sites (Presented in Order of Greater Potential to Lesser Potential)	Number of Units	Estimated Cost per Unit	Average Estimated Funding Gap Per Unit
<u>Adams Street (Rental)</u>			
9% Tax Credit	31	\$551,759	\$251,756
4% Tax Credit	31	\$583,446	\$388,346
<u>644 and 684 McCorkle Avenue (Ownership)</u>			
Design Option 1 (Detached Units)	18	\$485,002	\$322,657 (50% AMI)
			\$201,325 (up to 80% AMI)
Design Option 2 (Cluster housing in one- and two-story buildings)	18	\$443,047	\$280,701 (50% AMI)
			\$159,370 (up to 80% AMI)
<u>Teen Center</u>			
9% Tax Credit	20	\$572,681	\$319,937
4% Tax Credit	20	\$587,520	\$391,914
<u>City Hall</u>			
9% Tax Credit	46	\$532,795	\$211,156
4% Tax Credit	44	\$583,018	\$378,882

Next Steps

We recommend the following strategy for the City of St. Helena.

- First, the City needs to identify its top priorities for new affordable housing. Should it focus on rental housing, self-help ownership or both?
- Second, given these priorities, which sites seem to have the greatest potential?
- Three, what are the resources that the City can provide to a new development?
- Fourth, given that there are gaps between funding and development costs, what will the City do to assist a new development? For example, will the City consider providing 684 McCorkle Avenue to a project sponsor, possibly on a long term land lease or as a contribution to a project? Will the City provide its housing trust funds (\$900,000) to one or two projects?
- Finally, the City needs to consider if there are staff available to oversee this process. If not, what are the City's options?

Assuming that the City will consider contributions to a project (land, funds, or both), the next step would be to develop a Notice of Funding Availability (NOFA) and then send it out to

potential project sponsors. The NOFA should include the City's criteria for choosing a developer, including prior experience with similar developments and the population to be served.

Feasibility Analysis and Comparison of Sites for New Affordable Housing Development City of St. Helena

Introduction

The City of St. Helena is interested in encouraging development of additional affordable housing within its city limits. There are presently three affordable rental developments in St. Helena (affordable to low- and very low-income households) and two for-sale developments that sold price-restricted units to moderate-income households. In 2013, the City took the pro-active step of obtaining State Community Development Block Grant funding for a study designed to assess the feasibility of at least three sites as to their potential for development of new affordable housing affordable to households at 80% area median income (AMI) or below.

This report follows St. Helena's research design originally submitted to the State for this funding. The study consisted of three phases.

- (1) Using existing information undertake a preliminary site assessment of six sites provided by the City of St. Helena. If any sites were identified as being clearly infeasible, they were to be eliminated from future examination.
- (2) For the remaining sites, undertake a technical assessment of their suitability as future affordable housing sites and design site plans based on separate development programs for each site. These development programs were designed to support competitiveness under specified funding programs. In addition, this phase included preparation of detailed site plans that could be used in assessing financial feasibility.
- (3) Undertake a detailed financial feasibility analysis for each site plan. This analysis also includes risk factors and detailed financial information.

The final step is the presentation of a chart to the City that ranks each site according to its opportunity and potential for affordable housing, identifying any constraints that impact what can be built as well as the likelihood of overcoming potential risks.

Summary of Existing Site Information

The first phase was to undertake an initial assessment of six sites identified by the City. These sites (in alphabetical order) included the Adams Street site (5.6 acres owned by the City); City Hall/Police Station (1.7 acres) ; two private houses and lots on 644 and 684 McCorkle Avenue

(684 is owned by the City), Scout Hall (.05 acre site owned by the City), and the Teen Center (a .93 acre site owned by the City). The results of this assessment are presented in Table 1.

Table 1: City of St. Helena Initial Affordable Housing Site Assessment

Site Name	City Hall	Scout Hall	Adams St.	Teen Center	684 McCorkle	644 McCorkle
Address	1480 Main St.	Railroad Ave	Adjacent to Library	Railroad Avenue	684 McCorkle	644 McCorkle
Size	1.7 acres	.05 acres	5.6 acres	.93 acres	.54 acres	.76 acres
Current Land Uses	City Hall including police station still in use.	Small, older building. Still used by Boy Scout Troop.	Vacant. Currently leased for small vineyard operations.	Building on site still in use.	Deep lot with at least two exiting residential structures.	Deep lot. Appears to have two houses on the lot with a long driveway.
Adjacent Land Uses	Low rise public buildings, including a new fire station. Surface parking lots.	Low rise public buildings. Older housing.	Public Library. Open fields. Older structures in distance.	Low rise public buildings. Communications tower on site. At-grade wine train crossing. Surface parking lots.	Residential with a variety of structures.	Residential with a variety of structures.
Topography	Level	Level	Level	Level	Appears to be level, but due to heavy vegetation in front of property, it is difficult to see the entire site.	Appears to be level – however, since the parcel is a deep one, it difficult to see behind the structures that face the street.

Site Name	City Hall	Scout Hall	Adams St.	Teen Center	684 McCorkle	644 McCorkle
Address	1480 Main St.	Railroad Ave	Adjacent to Library	Railroad Avenue	684 McCorkle	644 McCorkle
Zoning	PQP: Public and Quasi-Public Zoning. This zoning designation does not allow residential uses.	MR: Medium Density Residential Zoning	CB: Central Business District	BPO: Business and Professional Office District	HR: High Density Residential District	HR: High Density Residential District
Permitted MF Residential Uses	Operated by public/quasi public entities.	Duplex or triplex.	Residential units limited to upper floors.	Residential units limited to upper floors.	Multifamily (4+ units)	Multifamily (4+ units)
Setbacks	Determined in use permit process.	Regulations for small lots apply. Front: 15'-20'; Side: 5'-10'; exceptions possible.	No setbacks required.	Front: 20'; Side: 10'; Rear: 15'.	Front: 20'; Side: 10'; Rear: 20'.	Front: 20'; Side: 10'; Rear: 20'.
Height	Determined in use permit process.	30'	30' if adjacent to residential. 35' otherwise.	30'	30' for 1-4 units. 35' for 4+ units.	30' for 1-4 units. 35' for 4+ units.
Lot Coverage	Determined in use permit process.	45% max.	No standard.	15% of lot must be landscaped.	45% max.	45% max.
Floor Area Ratio	Determined in use permit process.	Determined by lot size in 17.40.070.	Max. 2.	No standard.	Determined by lot size in 17.40.070.	Determined by lot size in 17.40.070.
Density	No standard.	Min. 5.1 units per acre.	No standard.	No standard.	16.1+ units per acre.	16.1+ units per acre.

Site Name	City Hall	Scout Hall	Adams St.	Teen Center	684 McCorkle	644 McCorkle
Address	1480 Main St.	Railroad Ave	Adjacent to Library	Railroad Avenue	684 McCorkle	644 McCorkle
Flood Designation	None.	None.	None.	None.	None.	None.
Other Environmental Sensitivities	No known sensitivities.	No known sensitivities.	No known sensitivities.	No known sensitivities.	No known sensitivities.	No known sensitivities.
Building Width	No standard.	Max. 60% of lot width.	No standard.	No standard.	No standard.	No standard.
Parking	2 per unit for duplexes (one covered); 1.5 for studios & 1-bdrm (one covered); 2 per each larger unit (Section 17.1240.30)	2 per unit for duplexes (one covered); 1.5 for studios & 1-bdrm (one covered); 2 per each larger unit (Section 17.1240.30)	2 per unit for duplexes (one covered); 1.5 for studios & 1-bdrm (one covered); 2 per each larger unit (Section 17.1240.30)	2 per unit for duplexes (one covered); 1.5 for studios & 1-bdrm (one covered); 2 per each larger unit (Section 17.1240.30)	2 per unit for duplexes (one covered); 1.5 for studios & 1-bdrm (one covered); 2 per each larger unit (Section 17.1240.30)	2 per unit for duplexes (one covered); 1.5 for studios & 1-bdrm (one covered); 2 per each larger unit (Section 17.1240.30)
Service Connections	Within the urban service boundary for all utilities.	Within the urban service boundary for all utilities.	Within the urban service boundary for all utilities.	Within the urban service boundary for all utilities.	Within the urban service boundary for all utilities.	Within the urban service boundary for all utilities.
Notes		Regulations for small lots apply. (4,000 sq.ft. or less.)	Buildings limited to 10,000 sq.ft.			

On the positive side, all but one site (City Hall) are zoned for residential uses, do not contain environmental sensitivities, and are within the urban service boundary for all utilities. However, we expressed the following concerns about the feasibility and practicality of some of the sites. These include the following factors:

- Scott Hall –The site is too small to be a feasible housing development. While the zoning allows for medium density housing, the site size (.05 acres or about 2,200 SF) would not allow for a feasible affordable housing development.
- City Hall (and Police Station) Site – These are larger sites (which is a positive feature). However, it will be necessary to relocate the current public uses to another location and re-zone the site. In the case of the City Hall and the Police Station, it would be necessary to identify a site in St. Helena and secure funds and build new facilities before the existing structures are demolished and the site prepared for development. Given the importance of expanding the supply of affordable housing in St. Helena at present, identification of other sites that could be made available on a faster timeline should be considered.
- Teen Center – This Center is a city-operated facility which provides after-school programs for middle school students operated by Parks and Recreation. If this Center is used for an affordable housing development, an alternative site needs to be identified.¹

The City decided to eliminate Scott Hall from further study, but to continue with the remaining five sites.

Technical Review- Affordable Housing Sites

The next step was to conduct a technical review of the five remaining sites. In addition to the technical review that addressed conditions at the five sites, this review also provided a separate memo for each site that addressed specific site constraints, additional site information, and presents site plans for all options presented in this review. Site specific information including site plans are presented in an Appendix to this study.

Based on background information provided to the planning team by the City of St. Helena, none of the remaining five sites was eliminated due to issues of access, availability of public services, traffic impacts, zoning, or other environmental considerations.² These five sites are located east of Highway 29 in a developed area that is well-served by services. The Adams Street site is the most unique in that it is a large, vacant site and is located at the edge of the developed part of the

¹ One idea discussed in the City would be to include a new teen center as part of a new community center

² While the City Hall site would need to be rezoned so that residential uses are allowed, this requirement does not eliminate the site.

City. The other four sites have existing land uses that would need to be demolished in order for affordable housing to be built. There are additional constraints to developing on all five sites which are presented in individual memoranda. Finally, the amount of required parking (as specified in the local Zoning Code) is a major factor when determining the unit capacity for these sites.

The original goal of this site assessment study was to come up with two development concepts for affordable housing for each site. Since homeownership is costly and complicated for low- and very low-income households, the site plans for each site address rental housing, with two exceptions - the 644 and 684 McCorkle Avenue sites. Because a local housing advocacy group (Our Town) has proposed a self-help ownership project at 684 McCorkle Avenue, the consultants broadened the assessment to include both a rental and ownership site concept for the two McCorkle Avenue sites.

The remaining sites assume rental housing only. Two funding scenarios are assumed - Low-Income Housing Tax Credit (LIHTC) financing and USDA Rural Rental Housing Loan and Grant Programs (Sections 514, 515, and 516). The same site plans for the Teen Center and the Adams Street sites are consistent with requirements for both funding scenarios.

The site specific information presented was used to create site plans for each site and to provide information that could be used in the financial feasibility assessment.

Summary of Technical Information

Tables 2, 3, 4, and 5 provide technical information that is useful when assessing the five sites explored in this study.

- Table 2 provides a summary of the sites, including location, zoning, adjacent land uses, topography, and other background information.
- Table 3 provides a development summary for initial development options for each of the five sites.
- Table 4 provides a development summary for additional development options on three of the five sites (City Hall, 644 McCorkle Avenue and 684 McCorkle Avenue). Only one site plan is provided for the other two sites - the Teen Center and Adams Street. Any alternative plan would have reduced the number of units that could be planned for these two sites.³

³ Although the Adams Street site exceeds the 1.3 acres that were included in this site assessment, it is our understanding that additional land uses may be planned for this site in the future.

- Table 5 presents the program summary (unit and other requirements required by federal funding sources) that was used in the site plans for the five sites.
- Finally, Table 6 provides a brief comparison of the development options presented for the five sites. While information on the two McCorkle Avenue sites is presented separately on this table, the table also shows a combined project which would be the smallest of the four proposed. The City Hall and Adams Street sites are the only ones that could provide 30 or more units.

Table 2: Site Characteristics and Zoning Requirements

	City Hall	Adams St.	Teen Center	684 McCorkle Avenue	644 McCorkle Avenue
Address	1480 Main St.	Adjacent to Library	Railroad Avenue	684 McCorkle Avenue	644 McCorkle Avenue
Size	1.7 acres	5.6 acres	.93 acres	.54 acres	.76 acres
Current Land Uses	City Hall including police station still in use.	Vacant. Currently leased for small vineyard operations.	Building on site still in use.	Deep lot with at least two exiting residential structures.	Deep lot. Appears to have two houses on the lot with a long driveway.
Adjacent Land Uses	Low rise public buildings, including a new fire station. Surface parking lots.	Public Library. Open fields. Older structures in distance.	Low rise public buildings. Communications tower on site. At-grade wine train crossing. Surface parking lots.	Residential with a variety of structures.	Residential with a variety of structures.
Topography	Level	Level	Level	Appears to be level, but due to heavy vegetation in front of property, it is difficult to see the entire site.	Appears to be level – however, since the parcel is a deep one, it difficult to see behind the structures that face the street.
Zoning	PQP: Public and Quasi-Public Zoning. Rezoning is needed for residential use.	CB: Central Business District	BPO: Business and Professional Office District	HR: High Density Residential District	HR: High Density Residential District
Setbacks	Determined in Use Permit Process	No setbacks required.	Front: 20'	Front: 20'	Front: 20'
			Side: 10'	Side: 10'	Side: 10'

	City Hall	Adams St.	Teen Center	684 McCorkle Avenue	644 McCorkle Avenue
			Rear: 15'	Rear: 20'	Rear: 20'
Height	Determined in Use Permit Process	Height: 30' if adjacent to residential. 35' otherwise.	Height: 30'	Height: 30' for up to 4 units. 35' for more than 4 units.	Height: 30' for up to 4 units. 35' for more than 4 units.
Density	No standard.	No standard.	No standard.	Not less than 16.1 units per acre.	Not less than 16.1 units per acre.
Lot Coverage	No standard.	Building Footprint 10,000 sf max.	No standard.	45%	45%
Flood Designation	None	None	None	None	None
Landscaping Requirements	No standard.	No standard.	15% of lot must be landscaped.	No standard.	No standard.
Service Connections	No known obstacles.	No known obstacles.	No known obstacles.	No known obstacles.	No known obstacles.
Parking	All Districts				
	-2 per unit for duplexes, one covered, one not per Zoning Code 17.124.030.1				
	-1.5 for studios and one bedroom units, one covered per Zoning Code 17.124.030.2.a				
	-2 for each larger unit per Zoning Code 17.124.030.2.b				
Special Parking Considerations	Hammerhead required with driveways over 100' per Zoning Code 17.124.070.B.1 (CBC requires it at 150')				
	Tandem parking OK in residential districts per Zoning Code 17.124.050.D				

Table 3: Development Summary

	Adams St. (Adjacent to Library)	City Hall (1480 Main St.) – Option 1	684 McCorkle Avenue– Rental Option	644 McCorkle Avenue – Rental Option	Teen Center (Railroad Avenue)
Concept	Two 2-Story Buildings Large Shared Yard Covered Parking Under Building & Arbor	Four 2-Story Buildings Large Shared Yard Efficient Drive-Through Parking Covered Parking Under Building & Arbor	Single Building Two Stories Large Shared Yard Concentrated Parking	Single Building One Story Large Shared Yard Community/ Concentrated Parking	Single Building Large Shared Yard Two Parking Lots Covered Parking Under Building & Arbor
Site Area	56,802 sf (1.3 acres) of 243,936 sf (5.6 acres)	74,052 sf (1.7 acres)	23,522 sf (.54 acre)	33,106 sf (.76 acre)	40,511 sf (.93 acre)
Total Building Area (SF)	37,659	57,465	10,979	9,780	23,156
Lot Coverage (Buildings)	16,165 sf	28,855 sf	6,147 sf	9,780 sf	12,461 sf
	28%	39%	26%	30%	31%
Shared Yard	4,015 sf	6,023 sf	3,770 sf	3,87 sf	2,887 sf
Unit Count					
0-Studio	-	-	-	-	
1-Bedroom	12	12	-	-	4
2-Bedroom	4	12	7	9	6
3-Bedroom	11	14	2	-	8
4-Bedroom	4	6	-	-	2
Total Units	31	44	9	9	20
Parking Count					
Regular Spaces	56	78	18	18	36
H/C Spaces	2	4	1	1	2
Visitor Spaces	0	0	2	1	0
Total Parking	58 (53 required)	82 (82 required)	21 (18 required)	20 (18 required)	38 (38 required)

Source: Mikiten Architecture

Table 4: Development Summary (Options)

	684 McCorkle Avenue Ownership Housing - Option 1	644 McCorkle Avenue Ownership Housing - Option 1	684 McCorkle Avenue Ownership Housing - Option 2	644 McCorkle Avenue Ownership Housing - Option 2	City Hall - Option 2
Concept	Townhouse & Flat Mix One & Two Story Detached Small Private Yards Fire Truck Hammerhead One Garage + One driveway parking space	Townhouse & Flat Mix One & Two Story Detached Small Private Yards Fire Truck Hammerhead One Garage + One driveway parking space	Townhouse & Flat Mix One & Two Story Clusters Large Shared Yard Small Private Yards Concentrated Parking	Townhouse & Flat Mix One & Two Story Clusters Large Shared Yard Small Private Yards Concentrated Parking	Two 2-Story Buildings (2) Large Shared Yards Efficient Drive-Through Parking Covered Parking Under Arbor
Site Area	23,522 S.F. (0.54 acre)	33,106 S.F. (0.76 acre)	23,522 S.F. (0.54 acre)	33,106 S.F. (0.76 acre)	74,052 S.F. (1.7 acre)
Total Building Area	6,900	13,050	7,500	9,600	58,470
Lot Coverage (Buildings)	5300 sf	10100 sf	5750 sf	7,150 sf	29235 sf
	23%	31%	24%	22%	39%
Shared Yard	0 sf	0 sf	4850 sf	7,335 sf	7520 sf
Unit Count					
0-Studio	-	-	-	-	-
1-Bedroom	-	-	-	-	8
2-Bedroom	5	10	7	8	12
3-Bedroom	1	2	1	2	20
4-Bedroom	-	-	-	-	6
Total Units	6	12	8	10	46

	684 McCorkle Ave. Ownership Housing Option 1	644 McCorkle Ave. Ownership Housing Option 1	684 McCorkle Ownership Housing Option 2	644 McCorkle Ownership Housing Option 2	City Hall - Option 2
Parking Count					
Regular Spaces	12	24	14	19	84
H/C Spaces	0	0	1	1	5
Visitor Spaces	3	1	0	0	0
Total Parking	15 (12 required)	25 (24 required)	15 (16 required)	20 (20 required)	89 (88 required)

Source: Mikiten Architecture

Table 5: Program Summary Used in Site Plans

Site	Concept (Option)	Funding Source(s)	Target # of Units	Unit Mix	Requirements (See Notes)
644 and 684 McCorkle Avenue	1. Ownership Housing	Self Help Housing	18	Mostly 2 and 3 bdm units, no 4 bdm units	Group A
	2. Farmworker Rental	514 Farm Labor Housing Loan Program	Maximize	Unspecified	Group B
City Hall	1. Family Rental	Tax Credits	30 minimum for Tax Credits	30% 3 bdrm or larger	Group B
	2. Farmworker Rental	514 Farm Labor Housing Loan Program	Maximize	Unspecified	Group B
Adams Street	1. Family Rental	Tax Credits	30 minimum for Tax Credits	30% 3 bdrm or larger	Group B
	2. Farmworker Rental	514 Farm Labor Housing Loan Program	Maximize	Unspecified	Group B
Teen Center	1. Family Rental	Tax Credits	30 minimum for Tax Credits	30% 3 bdrm or larger	Group B
	2. Farmworker Rental	514 Farm Labor Housing Loan Program	Maximize	Unspecified	Group B

Sources: LIHTC Credit Requirements and USDA Rural Development Loans.

Notes to Table 5 (Program Summary)

Requirements: Group A (Low-Income Housing Tax Credit Financing)⁴

1 bdrm (size not stated, 1 bathroom
 2 bdrm 800-900 sq. ft., 1 bathroom
 3 bdrm 1,200 sq.ft, 1.5 bathrooms

Requirements: Group B - (Rural Development – USDA)

1 bdrm 500 sq.ft. Minimum
 2 bdrm 750 sq. ft. minimum
 3 bdrm 1,000 sq.ft. Minimum
 4 bdrm 1,200 sq.ft. Minimum (requires 2 bathrooms)

Additional Requirements for Group B

- Play space if over 20 units
- 600 sq.ft. Common space, for up to 30 units. Projects from 31 to 60 units - at least 1,000 sq.ft.
- Laundry Area

⁴ As of July 2015, TCAC has proposed a number of changes in its regulations. One change in particular could affect the site plans. The requirement that 30% of units should consist of three-bedrooms could be reduced to 25%. However, since this requirement has not yet changed (and since these plans have already been drawn up), the unit mix remains unchanged. Should these changes be adopted by TCAC, the result could be to reduce costs slightly if fewer three-bedroom units are included in the unit mix.

Table 6: Comparison of Development Options

Site Plan	Tenure	Total Units	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	No. of Stories	Parking	Yard Space
644 McCorkle Avenue	Rental	9		9			1 story building	20 spaces in one covered lot	3,787 sq. ft. (shared)
684 McCorkle Avenue	Rental	9		7	2		2 story building	21 spaces in one covered lot	3,770 sq.ft. (shared)
Combined Project		18		16	2				
644 McCorkle Avenue Option #1	Ownership	12		10	2		1 and 2 story, individual detached units	25 spaces (including one garage for each unit)	individual back yards
684 McCorkle Avenue Option #1	Ownership	6		5	1		1 and 2 story, individual detached units	15 spaces (including one garage for each unit)	individual back yards
Combined Project		18		15	3				
644 McCorkle Avenue Option #2	Ownership	10		8	2		1 and 2 story clusters	20 concentrated	Large shared yard and individual yards
684 McCorkle Avenue Option #2	Ownership	8		7	1		1 and 2 story clusters	15 concentrated	Large shared yard and individual yards
Combined Project		18		15	3				
Teen Center	Rental	20	4	6	8	2	2 story building	38 spaces in two covered parking areas	2,887 sq. ft. (shared)

Site Plan	Tenure	Total Units	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	No. of Stories	Parking	Yard Space
City Hall Option #1	Rental	44	12	12	14	6	4 - two story buildings	82 spaces in covered parking under building and under arbor	6,023 sq. ft. (shared)
City Hall Option #2	Rental	46	8	12	20	6	2 - two story buildings	89 covered spaces under arbor	2 shared yards totaling 7,520 sq. ft.
Adams Street	Rental	31	12	4	11	4	2 - two story buildings	58 spaces in covered parking under building and under arbor	4,015 sq. ft. (shared)

Sources: Mikiten Architecture and Vernazza Wolfe Associates Inc.

Financial Feasibility

Overview

Detailed development cost and funding pro formas were developed for each of the following site scenarios

- 644 and 684 McCorkle Avenue sites – Financing scenarios for three site design options are presented here - two ownership options and one rental option.
- City Hall site – Financing scenarios for two rental housing site plans are included.
- Adams Street site – Two financing scenarios for one rental housing site plan are included.
- Teen Center – Two financing scenarios for one rental housing site plan are included.

Therefore, there are a total of nine financing scenarios – all of which show significant funding gaps.

Another consideration is whether it would be possible to lower the costs through redesign and value engineering. This applies to both the rental and ownership projects. My impression is that there was no reworking to try to lower construction costs. Often when a project does not pencil out, adjustments are made (unit size, finishes, amenities etc.). My impression is that this did not happen because there was not time or budget to look at alternatives.

Background

There are common features to all financing scenarios. These include building costs, financing costs, City fees, and land cost assumptions. In an Appendix to this study, additional information is provided on how building and land costs were estimated for the financial analyses.

Building Costs are rapidly increasing in the San Francisco Bay Area. Contributing factors are increased building material costs, higher labor costs due to a shortage of labor and rising wages, and the high demand affording contractors higher profit margins than were not possible during the economic downturn. One *San Francisco Business Times* article from 11/21/2014 quoted Ken Rosen, formerly a professor of Real Estate Economics at the Haas School at UC Berkeley and currently CEO of the Rosen Consulting Group as saying, “Construction costs are skyrocketing. Some people tell me it’s a 15 to 20 percent annualized increase – big, big numbers.” Developers of affordable housing face the same high costs as market rate developers.

Financing Costs for affordable housing are based on overall development costs. It is important to note that, generally, reducing project costs by a dollar is as good as finding a dollar of gap funding. So, anything the City or a developer can do to bring costs down is also helpful in achieving financial feasibility.

City Fees – St. Helena, similar to other cities in the Bay Area, charges fees on new development to offset city costs (such as planning and building) as well as impact fees to offset increased demand for facilities and infrastructure improvements to offset impacts from growth. These fees include water, sewer and drainage, schools, public safety, parks, traffic mitigation, civic improvements and affordable housing impacts. Per unit fee costs vary depending on whether new residential development is multifamily or single family. For this study, we have assumed that single family residential fees apply to the ownership options on the McCorkle Avenue sites, and multifamily fees apply to the other project scenarios.

Fees significantly increase housing costs. For example, a per unit fee amount (including all fees) for rental units at the Adams Street site could average approximately \$52,000. Without the housing impact fee, this total drops by approximately \$8,000 to \$44,000 per unit. The costs presented in this study have not included a housing impact fee, given that the potential projects only provide affordable housing.

Land Costs are another significant cost for development. In the case of St. Helena's potential sites, four sites (all except Adams Street) require demolition of existing structures, and in the case of the City Hall site, concurrent development of a new city hall and police station. Whether the Teen Center needs to be replaced, or whether alternative locations can be identified for its current uses remains to be determined. Costs included for land in this study are only estimates at best. To determine actual site costs, including land and site demolition costs, it is necessary to hire a cost estimator. This could be the next step once a site is selected.

Rental Housing Financing Scenarios

Table 7 presents the rental housing financing options for the four potential rental projects - Teen Center, Adams Street, City Hall (two site plans) and one McCorkle Avenue project that combines the two McCorkle sites into one project. Per unit costs, including financing costs range from a low of approximately \$533,000 under the 46-unit City Hall site plan to a high of \$757,400 per unit at the combined McCorkle Avenue site. At this time, the cost estimates are too tentative to explain these differences. Potential factors that could explain these differences include (1) how land costs are estimated; (2) fixed costs that do not vary by project size; and (3) site features.

The McCorkle Avenue sites also show the highest level of funding gap per unit. More generally, the project financing scenarios that assume 4% Low Income Housing Tax Credit (LIHTC) financing also have higher funding gaps per unit. This reflects the more limited amount of tax equity that is available from the 4% LIHTC program.

Finally, the project options that show the lowest level of financing gap per unit are the Adams Street and City Hall sites, assuming the 9% LIHTC financing option. However, it would still be necessary to identify additional funding aside from LIHTC funds for both sites. In the case of the City Hall site, the gap would be \$9.7 million or \$211,160 per unit, and for Adams Street, the comparable gap figures would be \$7.8 million or \$252,000 per unit.

Table 7: Rental Housing Financing Options (4% and 9% Low Income Housing Tax Credit Program)

	644/684 McCorkle Avenue (4% Tax Credits)	Teen Center (9% Tax Credits)	Teen Center (4% Tax Credits)	Adams Street (9% Tax Credits)	Adams Street (4% Tax Credits)	City Hall (9% Tax Credits)	City Hall (4% Tax Credits)
Number of Units	18	20	20	31	31	46	44
Supportable Mortgage	\$135,500	\$218,200	\$218,200	\$273,200	\$273,200	\$457,800	\$446,700
Gap/Public Agency Soft Debt Needed	\$9,255,447	\$6,398,734	\$7,838,284	\$7,804,422	\$12,038,726	\$9,713,197	\$16,670,805
Gap/Public Agency Soft Debt Needed (Per Unit)	\$514,192	\$319,937	\$391,914	\$251,756	\$388,346	\$211,156	\$378,882
Tax Credit Equity (\$1.05/federal, \$.65 per State credit)	\$4,241,702	\$4,836,679	\$3,693,907	\$9,027,215	\$5,774,888	\$14,337,596	\$8,535,306
Total Development Costs	\$13,632,649	\$11,453,613	\$11,750,391	\$17,104,838	\$18,086,814	\$24,508,593	\$25,652,810
Total Development Costs Per Unit	\$757,369	\$572,681	\$587,520	\$551,769	\$583,446	\$532,795	\$583,018

Sources: Community Economics Inc. and Vernazza Wolfe Associates Inc.

Ownership Housing Financing Scenarios

Two proposed project options on McCorkle Avenue assume self-help ownership construction and financing scenarios. Financing for self-help ownership programs is provided by the United States Department of Agriculture (USDA) Rural Development Section 502 Direct Loan Program. Under the 502 program, participants buy their lots before construction begins, which is different from other programs. These loans are based on the appraised value of each home. Furthermore the loans convert to permanent loans at the end of construction. There are no interest payments during construction. The interest accrued during construction is added to the original loan amount.

Table 8 presents the for-sale housing development costs for two Site Plans. Site Plan #1 consists of detached units, and Site Plan #2 consists of cluster housing in one- and two-story buildings. The construction costs have been adjusted downward to reflect cost offsets from the participation of future owners in building the units.

Table 8: Ownership Housing Development Costs (Site Plan 1 and 2)

	644/684 McCorkle Ave.	644/684 McCorkle Ave.
	Ownership Site Plan #1	Ownership Site Plan #2
Number of Units	18	18
USES OF FUNDS		
Land Acquisition	\$1,784,000	\$1,784,000
Construction	\$5,383,097	\$4,811,834
Construction Contingency	\$269,155	\$240,592
Architecture/Engineering & Consultants	\$484,479	\$433,065
Construction Loan Fees	\$53,831	\$48,118
Construction Loan Expenses	\$30,000	\$30,000
Construction Loan Interest	\$188,408	\$168,414
Planning, Building & Impact Fees	\$444,400	\$383,862
Soft Cost Contingency	\$72,672	\$64,960
Legal Construction	\$15,000	\$5,000
Audit	\$2,500	\$2,500
Market Study	\$2,500	\$2,500
TOTAL	\$8,730,041	\$7,974,845
Cost Per Unit	\$485,002	\$443,047

Sources: Community Economics and Vernazza Wolfe Associates Inc.

Qualified household incomes (very low- and low-income) are based on the income limits for the 502 program and are shown below in Tables 9 and 10 for four-person and six-person households.

Table 9: Two-Bedroom Unit Loan Amounts (Assumes Four-Person Household)

Affordability Level	Very Low-Income	Low-Income
Maximum income limit	\$43,650	\$70,550
Income for Determining Sale Price	\$43,650	\$70,550
% of Income for Housing	30%	30%
Income for Housing	\$13,095	\$21,165
Less Utilities and Repairs	2,316	2,316
Amount. To Support Mortgage and Pay Other Expenses (1)	\$10,779	\$18,849
Affordable Purchase Price	\$150,066	\$262,418

(1) Includes mortgage payment, property taxes, PMI and property insurance.

Loan Assumptions: Two-Bedroom House, Household Size of four persons, zero down payment, interest rate of 3.125%, and a loan term of 33 years.

Table 10: Three-Bedroom Unit Loan Amounts (Assumes Six-Person Household)

Affordability Level	Very Low- Income	Low-Income
Maximum income limit	\$50,650	\$81,850
Income for Determining Sale Price	\$50,650	\$81,850
% of Income for Housing	30%	30%
Income for Housing	\$15,195	\$24,555
Less Utilities and Repairs	2,652	2,652
Amount. To Support Mortgage etc.(1)	\$12,543	\$21,903
Affordable Purchase Price	\$174,625	\$304,936

(1) Includes mortgage payment, property taxes, PMI and property insurance.

Loan Assumptions: Three-Bedroom House, Household Size of six persons, zero down payment, interest rate of 3.125%, and a loan term of 33 years.

In the case of ownership housing, the gap is defined as the difference between the values of the mortgages that owners can take out under the 502 Program and the development costs (averaged for two- and three-bedroom units). This difference is presented in Table 11 for both site plans.⁵ This gap amount ranges from a low of \$159,370 (Site Plan #2 for low-income households) to a high of \$322,657 for Site Plan #1 for very low-income households. In order for either of these two project options to be feasible, it is necessary to identify additional funding sources. A brief discussion of these additional options is presented in the next section.

⁵ Because the calculations in this study do not distinguish among unit sizes (ones, twos, threes etc.), the ownership calculations area based on averaging the costs of the two- and three-bedroom units and averaging the affordable mortgage amounts for four- and six-person households.

Table 11: Difference between Development Costs and Permanent Financing

	Affordable Sales Prices (Mortgages) by Income Level ⁽¹⁾	
Number of Bedrooms	Very Low-Income	Low-Income
2	\$150,066	\$262,418
3	\$174,625	\$304,936
Average Sales Prices/ Mortgage Amounts	\$162,346	\$283,677
	Option 1 - Average Costs Per Unit	Option 2 - Average Costs Per Unit
McCorkle Avenue Average Cost per Unit	\$485,002	\$443,047
	Average Gap Per Unit	
	Very Low-Income	Low-Income
Option 1	\$322,657	\$201,325
Option 2	\$280,701	\$159,370

(1) Since the mortgages do not require a down payment, they are almost equivalent to the sales prices.

Source: Vernazza Wolfe Associates Inc.

Availability of Financing

A common theme running across all project funding scenarios is the size of the funding gap that still remains. While the City of St. Helena currently has a balance of \$900,000 in the Affordable Housing Trust Fund, this amount is insufficient to cover the remaining funding gaps on any project scenario. The following section lists and evaluates additional sources of funding.

Rental Housing Scenarios

The analysis assumes two likely financing options for the rental housing properties – 9% federal tax credits plus 30% State tax credits and 4% federal credits plus tax-exempt bonds with 13% State tax credits. These were selected because the tax credit programs are fully funded at levels that provide reasonable certainty of receiving an award.

The USDA Section 514 program and the State farm worker tax credit program are not included in the financing scenarios because funding levels for both are at such historically low levels that there is not a realistic certainty of receiving an award. The State farm worker tax credit is in nearly every respect identical to the regular State tax credit program, except that it is reserved for qualifying farm worker projects. The State farm worker credit receives an allocation of \$500,000 per year from the State budget. As a result, over time, the program can build up a considerable balance. Currently one farm worker project is likely to receive an allocation equal

to most of the existing balance of the program's allocation over several years. The resulting program balance is unlikely to provide sufficient credits to fully fund a farm worker project for several years. There is a proposal in the legislature to greatly expand the farm worker credit and to make it substantially more valuable but there is also great uncertainty whether it will pass and be signed by the Governor.

The federal tax credit program provides a 4% or 9% annual credit on the eligible basis for ten years, for which a corporate investor might currently pay anywhere from \$1.00 to \$1.15 per tax credit for projects of this size and location. We have assumed \$1.05 per credit to be somewhat conservative. The State tax credit provides either a 13% or 30% credit over four years for which investors will typically pay around \$.65 per dollar of tax credit.

While the 4% plus tax-exempt bonds program is generally not competitive, the 9% program is quite competitive. Applicants generally must achieve a perfect score within the scoring system and then successfully compete based on a tiebreaker score. This score is currently driven principally by the amount of public funds or donations committed to the project and by the amount of credits requested by the applicant – the fewer credits requested the better the score. This results in a more competitive application but a less feasible project. For this analysis we have assumed that the applicant would reduce its request for 9% credits sufficient to achieve a tiebreaker score of 60%, which was in the range of the lowest winning score in the last TCAC allocation cycle.

All of the scenarios presented assume that rents must be restricted at levels sufficiently low to garner full points in TCAC's competition. Any net income remaining after expenses and reserves are assumed to support some level of conventional bank mortgage.

The difference between the total development cost of each scenario and the sum of the supportably bank loan and the tax credit proceeds is the current funding gap. In California, where our funders generally value the lowest possible funding request, nonprofit developers must fill this gap by applying to other agencies providing grants and deferred payment loans. Unfortunately, in the past several years, nonprofit developers have lost two of the biggest providers of such funds in the State – local redevelopment agencies and the State Multifamily Housing Program (MHP). Redevelopment agencies were closed by the Brown administration, and MHP has allocated the last available funds for now.

Possible sources to fill rental housing gaps include the following: city and county funds, HOME and CDBG funds from either local or State sources, the Federal Home Loan Bank's Affordable Housing Program, the State Affordable Housing Sustainable Communities Program, and the

state Department of Housing and Community Development's Veteran's Housing and Homeless Prevention Program.

AB 35 (expansion of state low-income housing tax credit authorization) and AB 1335 (\$75 fee on real estate recorded documents) both currently in the State legislature, could provide substantial new funds for affordable housing and could certainly help make a major dent in the projected gaps. AB 35 appears likely to pass out of the legislature but there are questions about the Governor's willingness to sign. AB 1335 requires a 2/3 vote and faces a more uphill battle.

Ownership Housing Scenarios

It is very challenging to obtain adequate funding for the self-help ownership scenarios presented for the two McCorkle Avenue sites. The Section 502 loans proposed for permanent financing by individual homeowners will not be adequate to cover development costs. Therefore, costs will have to be cut or additional sources of funding will need to be identified by a project applicant. Also, for the self-help ownership, this study has assumed that the work done by the families may account for a larger percentage of the construction costs, 65% to 70%. Our estimate is conservative in that it does not credit more work to the families.

Possible funding sources in addition to the Section 502 loans for individual participants include the following:

- USDA, Mutual Self-Help Housing Technical Assistance Grant – Provides grants to qualified organizations to help them carry out the construction project. Eligible activities include technical and supervisory assistance to the participating families and recruit families and help them complete construction of their homes and help them complete loan applications. This is an important source of startup funds.
- Federal Home Loan Bank of San Francisco runs the Affordable Housing Program (AHP), which is competitive, for this region. There may be a priority for ownership projects. In the funding round this year, several self-help projects received \$20,000 per unit in grant funding that does not have to be repaid unless a participant sells the home.
- HUD Self-Help Homeownership Opportunity Program (SHOP) – This program provides grant funds that can only be used for land acquisition, infrastructure improvements and administrative costs. Grants cannot exceed \$15,000 per unit plus administrative costs. These funds may also be administered through the Housing Assistance Council (HAC).

- HCD Predevelopment Loan Program (PDLP) – This program provides loans for up to two years to fund start-up costs. Since the funds have to be repaid, they do not address the gap. The funds are provided through a revolving loan fund and are accessed through a NOFA. Interest of 3% simple interest is charged. The maximum loan is \$200,000 except for site purchase.

Project sponsors may also seek local funding from a city or county or from other local entities. It may be possible to get donations of materials from local suppliers or financial assistance from local civic groups or churches.

Risk Assessment

Project risk can be assessed in a variety of ways. Factors to be considered include site control (including the availability of the site), whether a project sponsor would be interested, financial competitiveness given the size of the project, the amount of time a project could take from start to finish, and whether there are unknowns, regarding costs and site control. Table 12 provides a comparative list of these risk factors for each development scenario. In addition to the risks summarized in Table 6, the ownership options face an additional risk factor. Specifically, there is the requirement for the sponsoring agency to identify 18 financially qualified families who are interested in working for approximately one year as part of a team to build the homes. Since it will take at least a year to complete these units, these families need to live in St. Helena or within close proximity in order to be available to work.

Since all project scenarios indicate a significant funding gap, another important consideration is whether it would be possible to lower the costs through redesign and value engineering. This applies to both the rental and ownership projects. Often when a project does not “pencil out”, adjustments are made, possibly to unit sizes, finishes, amenities etc. This study did not consider alternative costs, but this is important for the next phase if St. Helena decides to move forward.

Note: the 9% Low-Income Housing Tax Credit program is almost always more competitive than the 4% LIHTC Program. So all project scenarios that assume 9% Tax Credits are riskier than those that assume 4% Tax Credits.

Table 12: Site and Funding Option Comparisons

Size Name	Site Control	Demolition Required	Other Site Issues	Potential Sponsor Interest	Funding Likelihood	Unknowns	Time Required to Complete Project
Rental							
McCorkle Avenue	Partial	Yes	Necessary to Purchase One Site	Small Size is a Constraint	Limited	Limited risk, except for site control.	Assuming site can be purchased, should be reasonable time frame.
Teen Center - 9% Tax Credits	Yes	Yes	Necessary to Relocate Current Services	Small Size is a Constraint	Limited	Medium risk - cost to move uses	Reasonable, assuming services can be relocated.
Teen Center - 4% Tax Credits	Yes	Yes	Necessary to Relocate Current Services	Small Size is a Constraint	Limited	Medium risk - cost to move uses	Reasonable, assuming services can be relocated.
Adams Street - 9% Tax Credits	Yes	No	Vacant-City Owns	Strong (Over 30 Units)	Strongest	Few risks	Shortest, if community is supportive.
Adams Street - 4% Tax Credits	Yes	No	Vacant-City Owns	Strong (Over 30 Units)	Strong	Few risks	Shortest, if community is supportive.
City Hall - 9% Tax Credits	Yes	Yes	Necessary to Build New City Hall and Police Station and Rezone Site	Strong (Over 40 Units)	Strong	High cost to move uses	Five or more years, given need to build new facilities.
City Hall - 4% Tax Credits	Yes	Yes	Necessary to Build New City Hall and Police Station and Rezone Site.	Strong (Over 40 Units)	Strong	High cost to move uses	Five or more years, given need to build new facilities.
Ownership							
McCorkle Avenue Ownership #1	Partial	Yes	Necessary to Purchase One Site	Strong	Strong	Limited risk, except for site control.	Assuming site can be purchased, should be reasonable time frame.
McCorkle Avenue Ownership #2	Partial	Yes	Necessary to Purchase One site	Strong	Strong	Limited risk, except for site control.	Assuming site can be purchased, should be reasonable time frame.

Source: Vernazza Wolfe Associates Inc.

Feasibility Analysis and Comparison of Sites for New Affordable Housing in St. Helena

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3. Teen Center
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Rental and Ownership Housing

1. 644 and 684 McCorkle Avenue Rental Option
2. 644 and 684 McCorkle Avenue Ownership Option #1
3. 644 and 684 McCorkle Avenue Ownership Option #2

Land and Development Cost Information Used for Financing Options

Cost, Income, and Expense Information Used for Financial Assessments

Technical Review City Hall

In comparison to the other sites, use of the City Hall site could result in the construction of the greatest number of affordable rental housing units (over 40). Table 1 in the Technical Review provides information on zoning, existing land uses, and other site features and does not indicate any barriers to development on this site. Table 2 presents the two design options for the City Hall site. The site plan for Option #1 indicates that 44 units could be constructed, consisting of 24 one- and two-bedroom units, 14 three-bedroom units, and 6 four-bedroom units. Option #2 provides the same number of two-bedroom units (12), slightly fewer one-bedroom units (8 instead of 12), but more three-bedroom units (20), and the same number of four bedroom units (6). Both design options will work well for 9% LIHTC financing or USDA financing.

Site Constraints

The City Hall site requires the relocation of the City Hall and the Police Department. The costs to demolish the existing structures and build new facilities are outside the scope of this Study. However, in addition to considering demolition costs, the City would need to identify funds, a building site, and construct the replacement buildings in order to move forward with an affordable housing project on this site. This process could take five or more years to complete.

Site Information

The site is level with frontage on Main Street. It consists of 1.7 acres. As shown in Table 1, the zoning is PQP (Public and Quasi-Public Land Use) which does not allow residential development. Therefore, the site would need to be rezoned. For the purposes of this assessment study, we have assumed the same zoning requirements for multifamily residential that currently apply to the CBD area. Zoning requirements could include the following:

- Parking - (1.5 per unit for studios and one-bedrooms, and two spaces for each larger unit).
- 30 feet height limit, if adjacent to residential – 35 feet otherwise.
- There are no designated setbacks.
- There are no landscaping requirements

Site Plans

For the City Hall site, two site plans were prepared. The site plan for Option #1 indicates that the total building area would be 57,465 square feet, and the lot coverage of the buildings would be 39%. In addition to the units themselves, there would be 82 covered parking spaces and a shared yard. As mentioned above, this site plan accommodates the construction of 44 units, configured in 4 two-story buildings.

The site plan for Option #2 indicates a total building area that would be slightly larger at 58,470 square feet, and the lot coverage of the buildings would still be 39%. In addition to the units themselves, there would be 89 covered parking spaces (additional parking is required due to the additional two units). As mentioned above, this site plan accommodates the construction of 46 units, configured in 2 two-story buildings and provides for two shared yards. The combined size of these yards is approximately 7,520 sq. ft., slightly larger than the single shared yard in Option #1 (6,023 sq. ft.).









Technical Review Teen Center

The Teen Center site is located near Cit Hall. Table 1 (in the Technical Review) provides information on zoning, existing land uses, and other site features and does not indicate any barriers to development on this site. Table 2 presents the one design option for the Teen Center site – Twenty rental units – half are planned as one- and two-bedroom units, and half as three- and four-bedroom units. The required number of parking spaces is provided as covered parking.

Site Constraints

The Teen Center site would be a good location for affordable housing. However, it is necessary to demolish the existing structures on the site which are used by the Parks and Recreation Department for programs and locate alternative facilities for these city services. The cost to demolish these structures is outside the scope of this study. In addition, there is a cell phone tower on the site. However, according to city staff, this would not be a constraint, since the city would either fully convey the site, including the cell tower to the developer, who would then have the right to collect any fee payable from the communications company or alternatively, the tower could be excluded from the sale of the site. This is an element to be addressed, should the Teen Center site be selected for an affordable housing development.

Site Information

The site is an irregularly shaped quadrangle and is approximately .93 acres (40,511 square feet). It is a level site. As shown in Table 1, the zoning is BPO (Business and Professional Office District), which allows for multifamily housing, without a density designation. Zoning requirements include the following:

- Parking - (1.5 per unit for studios and one-bedrooms, and two spaces for each larger unit)
- 30 feet height limit
- Setbacks (20 feet front, 10 feet side, and 15 feet rear)
- 15% of lot must be landscaped

Site Plans

For the Teen Center, only one site plan was prepared covering the first and second floors. This plan indicates that the total building area would be slightly over 23,000 square feet, and the lot

coverage of the buildings would be 31%. In addition to the units themselves, there would be 38 covered parking spaces, a shared yard, and a laundry area.

Twenty units of rental housing are proposed for this site, consisting of the following units:

- 4 - one-bedroom units
- 6 - two-bedroom units
- 8 - three-bedroom units
- 2 - four-bedroom units

The units are proposed to be constructed in one two-story building, although a third floor could be added if an additional ten units were needed to be more competitive for the LIHTC program. A density bonus would be needed for these additional ten units.

*3rd Floor may be added to obtain (30) units for tax credit purposes. Density bonus required.

	Teen Center Railroad Avenue
Concept	• Single Building • Large Shared Yard • Two Parking Lots • Covered Parking Under Building & Arbor
Site Area	40,511 S.F. (0.93 acre)
Total Building Area	23,156
Lot Coverage (Buildings)	12461 sf 31%
Shared Yard	2,887 sf
Unit Count	
0-Studio	
1-Bedroom	4
2-Bedroom	6
3-Bedroom	8
4-Bedroom	2
Total Units	20
Parking Count	
Regular Spaces	36
H/C Spaces	2
Visitor Spaces	
Total Parking	38 (38 required)



PROJECT:
ST. HELENA COMPARISON SITES

DRAWING TITLE:
TEEN CENTER SITE - 1ST FLOOR

ARCHITECT:
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*3rd Floor may be added to obtain (30) units for tax credit purposes. Density bonus required.



PROJECT:
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TEEN CENTER SITE - 2ND FLOOR

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Technical Review Adams Street

The Adams Street Site is an excellent building site and is vacant. However, the City of St. Helena has already tried several times to plan for this site unsuccessfully.

- The first time was in 2009, when the City undertook a visioning process that considered several land uses, including retaining the existing vineyard, community open space, an expansion of the library, other civic/community uses, mixed use residential/commercial development, housing, and parking.
- The second time was in 2011, when the City issued an RFP seeking development proposals for affordable housing to be built on this site. According to a January 2012 staff report, none of the proposals that were received met the requirements of the RFP.
- The third time was in 2012, when a committee was formed to review a preferred land use scenario in an effort to develop a master plan for the site.

While a new library occupies a portion of the site, the remainder of the site is currently in agricultural use (vineyard).

Table 1 in the Technical Review provides information on zoning, existing land uses, and other site features and does not indicate any barriers to development on this site. Table 2 presents the one design option for the Adam Street site – 31 rental units – spanning unit sizes from one through four, with the majority proposed as one- and three-bedroom units. The required number of parking spaces are provided either as covered parking (under an arbor) or under the building.

Site Constraints

This site faces the fewest physical constraints. No buildings need to be demolished and not all the site would be needed for the proposed development. Of the 5.6 acres, only 1.3 acres would be needed, and so there would be room for other potential city uses, such as a relocation of the city hall and police station. The only “potential” constraint would be to gain community support for an affordable housing development at this location.

Site Information

The site is vacant, level, and currently leased as a vineyard operation. As shown in Table 1, the zoning is CB (Central Business District) which allows for multifamily housing.

Zoning requirements include the following:

- Parking - 1.5 per unit for studios and one-bedrooms, and two spaces for each larger unit

- 30 feet height limit, if adjacent to residential - 35 feet otherwise
- There are no designated setbacks.
- There are no landscaping requirements.

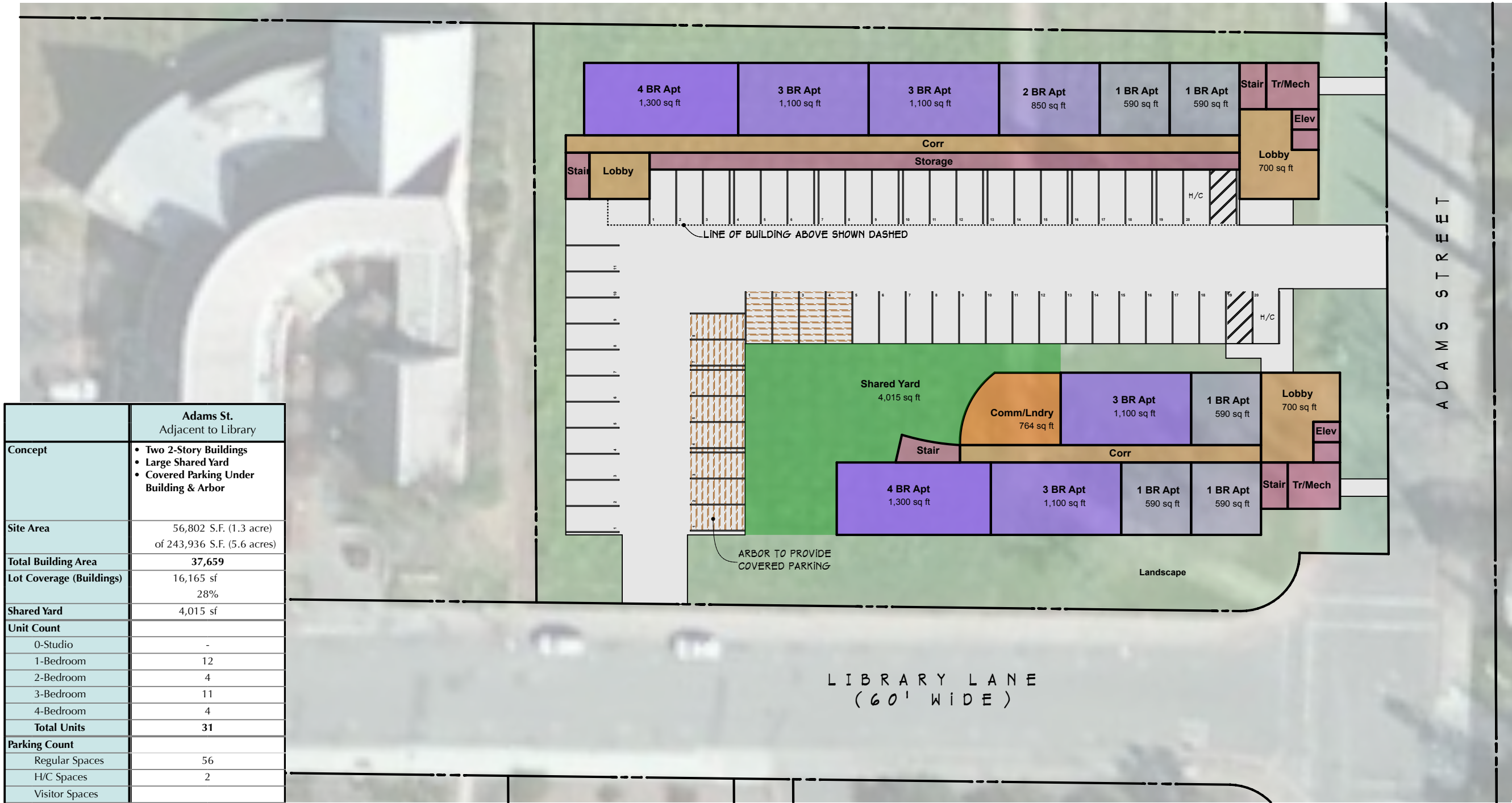
Site Plans

For the Adams Street site, only one site plan was prepared covering the first and second floors. This plan indicates that the total building area would be slightly over 37,660 square feet, and the lot coverage of the buildings would be 28%. In addition to the units themselves, there would be 58 covered parking spaces, a shared yard, and a laundry area.

The thirty-one units of rental housing proposed for this site, include the following units:

- 12 - one-bedroom units
- 4 - two-bedroom units
- 11 - three-bedroom units
- 4 - four-bedroom units

The units are proposed to be constructed in two, two-story buildings.



	Adams St. Adjacent to Library
Concept	• Two 2-Story Buildings • Large Shared Yard • Covered Parking Under Building & Arbor
Site Area	56,802 S.F. (1.3 acre) of 243,936 S.F. (5.6 acres)
Total Building Area	37,659
Lot Coverage (Buildings)	16,165 sf 28%
Shared Yard	4,015 sf
Unit Count	
0-Studio	-
1-Bedroom	12
2-Bedroom	4
3-Bedroom	11
4-Bedroom	4
Total Units	31
Parking Count	
Regular Spaces	56
H/C Spaces	2
Visitor Spaces	
Total Parking	58 (53 required)

PROJECT:
ST. HELENA COMPARISON SITES

DRAWING TITLE:
ADAMS STREET SITE - 1ST FLOOR

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Technical Review 644 and 684 McCorkle Avenue

The two McCorkle Avenue sites - 644 McCorkle and 684 McCorkle – are treated as one site for the purpose of site planning, since it is necessary to combine them in order to create a large enough site for a viable project (either for an ownership development or for a rental housing development). Table 1 in the Technical Review provides information on zoning, existing land uses, and other site features and does not indicate any barriers to development on these sites. Table 2 in the Technical Review presents a rental housing design option for the two sites, and Table 3 in the Technical Review presents two ownership options for the two sites. Under all options, up to 18 rental units could be built or 18 ownership units.

- The rental option assumes that there would be 7-two-bedroom units and 11-three-bedroom units.
- Both ownership options indicate 15-two-bedroom units and 3-three-bedroom units.

Finally, two parking options (concentrated and garages) are proposed for the ownership options, while the rental option assumes concentrated parking only.

Site Constraints

There are several constraints to developing housing on these two parcels.

- One site is city-owned (684 McCorkle Avenue), but 644 McCorkle Avenue is not. So, it would be necessary for a developer (or the City) to purchase 644 McCorkle Avenue via a voluntary purchase.
- The current buildings on both McCorkle Avenue sites would need to be demolished. In assessing financial feasibility (to be provided to the City in a subsequent report), it will be possible to estimate a “proxy” cost measure for this land. However, the services of a cost estimator would be needed to estimate how much it would cost to demolish the existing structures on the two sites.
- Another potential constraint applies to the ownership scenario which assumes a self-help ownership project under the USDA 502 Program. Table M-1 presents information on maximum incomes under the USDA 502 Program to obtain subsidized mortgages and maximum mortgage amounts. Development costs are likely to exceed the affordable sales prices listed below, and therefore additional subsidies would need to be identified in order to bridge the gap between an affordable mortgage payment and the actual costs to be financed.

Table M-1: Affordable Sales Prices and Household Incomes under the USDA 502 Program

	Two-Bedroom House	Three-Bedroom House
Very Low-Income Households		
Affordable Sales Price	\$144,423	\$168,058
Maximum Income	\$43,650	\$50,650
Low-Income Households		
Affordable Sales Price	\$252,549	\$293,468
Maximum Income	\$70,550	\$81,850

Source: USDA Home Loan Program

Site Information

Both sites are deep, rectangular lots. There are at least two existing residential structures on each site. The sites appear to be level. Combined acreage is 1.3 acres. Because of the shape of these sites and limited street frontage, it was necessary to devote a portion of the site area under ownership Option #1 for fire truck access (referred to as “Fire Truck Hammerhead”) in the site plan for this option.

Zoning requirements include the following:

- Parking - two spaces for each unit, since all units are two or more bedrooms. While the rental option and ownership Option #1 exceeds this parking requirement, the ownership option #2 provides all but one of the required spaces.
- 35 feet height limit, since more than four units are proposed at each location.
- Setbacks (20 feet front, 10 feet side, and 20 feet rear)
- Lot coverage cannot exceed 45%

Site Plans

For the combined site, three site plans were prepared. Each is described below.

Rental Option:

This plan indicates that the total building area at 684 McCorkle would be 10,979 square feet and at 644 McCorkle, the building size would be 9,780 square feet for a combined total of

approximately 20,760 square feet for the two sites. Lot coverage at 684 McCorkle would be 26% and a little higher at 644 McCorkle at 30%. Additional features are as follows:

Eighteen units of rental housing are proposed for this site, consisting of the following units:

- 16 - two-bedroom units
- 2 - three-bedroom units

The units are proposed to be constructed in a one-story building (644 McCorkle Avenue) and in a two-story building (684 McCorkle Avenue).

Ownership Option #1:

This plan indicates that the total building area at 684 McCorkle would be 6,900 square feet and at 644 McCorkle, the building size would be 13,050 square feet for a combined total of approximately 19,950 square feet for the two sites. Lot coverage at 684 McCorkle would be 23% and a little higher at 644 McCorkle at 31%. Additional features are as follows:

Eighteen units of ownership housing are proposed for this site, consisting of the following units:

- 15 - two-bedroom units
- 3 - three-bedroom units

The units are proposed to be constructed as one and two story individual detached units. Individual back yards are also included in this site plan as well as garages.

Ownership Option #2:

This plan indicates that the total building area at 684 McCorkle would be 7,500 square feet and at 644 McCorkle, the building size would be approximately 9,600 square feet for a combined total of approximately 17,100 square feet for the two sites. Lot coverage at 684 McCorkle would be 24% and at 644 McCorkle, lot coverage would be 22%. Additional features are as follows:

Eighteen units of ownership housing are proposed for this site, consisting of the following units:

- 15 - two-bedroom units
- 3 - three-bedroom units

The units are proposed to be constructed in one and two story clusters. Individual back yards and a shared yard are also included in this site plan. Because Option #1 includes individual garages and single family detached units, lot coverage is slightly higher for Option #1 in comparison to Option #2.



	644 McCorkle - Rental 644 McCorkle
Concept	• Single Building • One Story • Large Shared Yard • Community/Laundry Room • Concentrated Parking
Site Area	33,106 S.F. (0.76 acre)
Total Building Area	9,780
Lot Coverage (Buildings)	9,780 sf 30%
Shared Yard	3,787 sf
Unit Count	
0-Studio	-
1-Bedroom	-
2-Bedroom	9
3-Bedroom	-
4-Bedroom	-
Total Units	9
Parking Count	
Regular Spaces	18
H/C Spaces	1
Visitor Spaces	1
Total Parking	20 (18 required)

PROJECT:
ST. HELENA
COMPARISON SITES

DRAWING TITLE:
644 MCCORKLE AVE - RENTAL OPTION

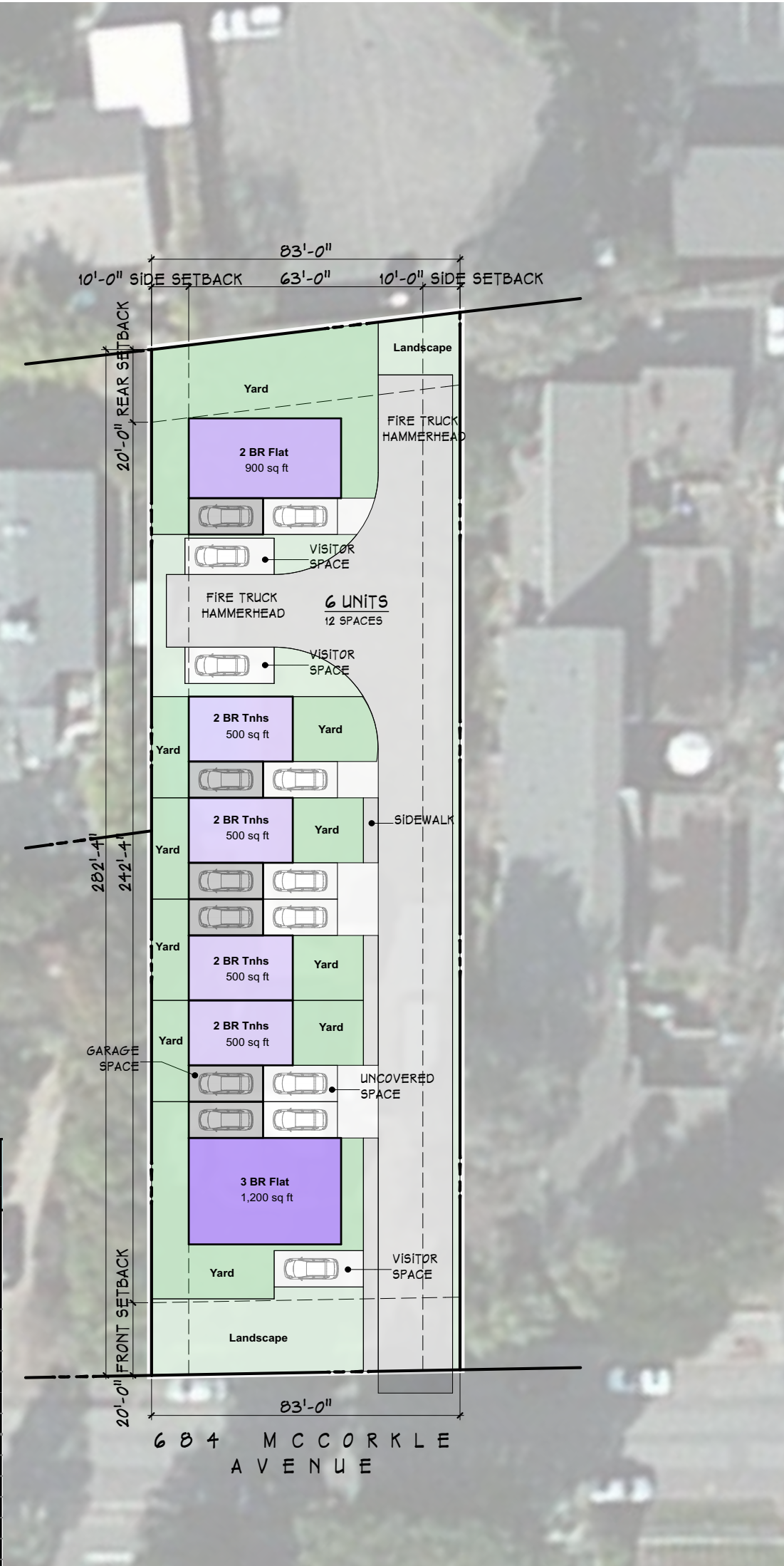
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	684 McCorkle Ownership Housing - Opt 1 684 McCorkle
Concept	• Townhouse & Flat Mix • One & Two Story Detached • Small Private Yards • Fire Truck Hammerhead • One Garage + One driveway parking space
Site Area	23,522 S.F. (0.54 acre)
Total Building Area	6,900
Lot Coverage (Buildings)	5300 sf 23%
Shared Yard	0 sf
Unit Count	
0-Studio	-
1-Bedroom	-
2-Bedroom	5
3-Bedroom	1
4-Bedroom	-
Total Units	6
Parking Count	
Regular Spaces	12
H/C Spaces	0
Visitor Spaces	3
Total Parking	15 (12 required)



PROJECT:
ST. HELENA
COMPARISON SITES

DRAWING TITLE:
684 MCCORKLE - OWNERSHIP OPTION 1

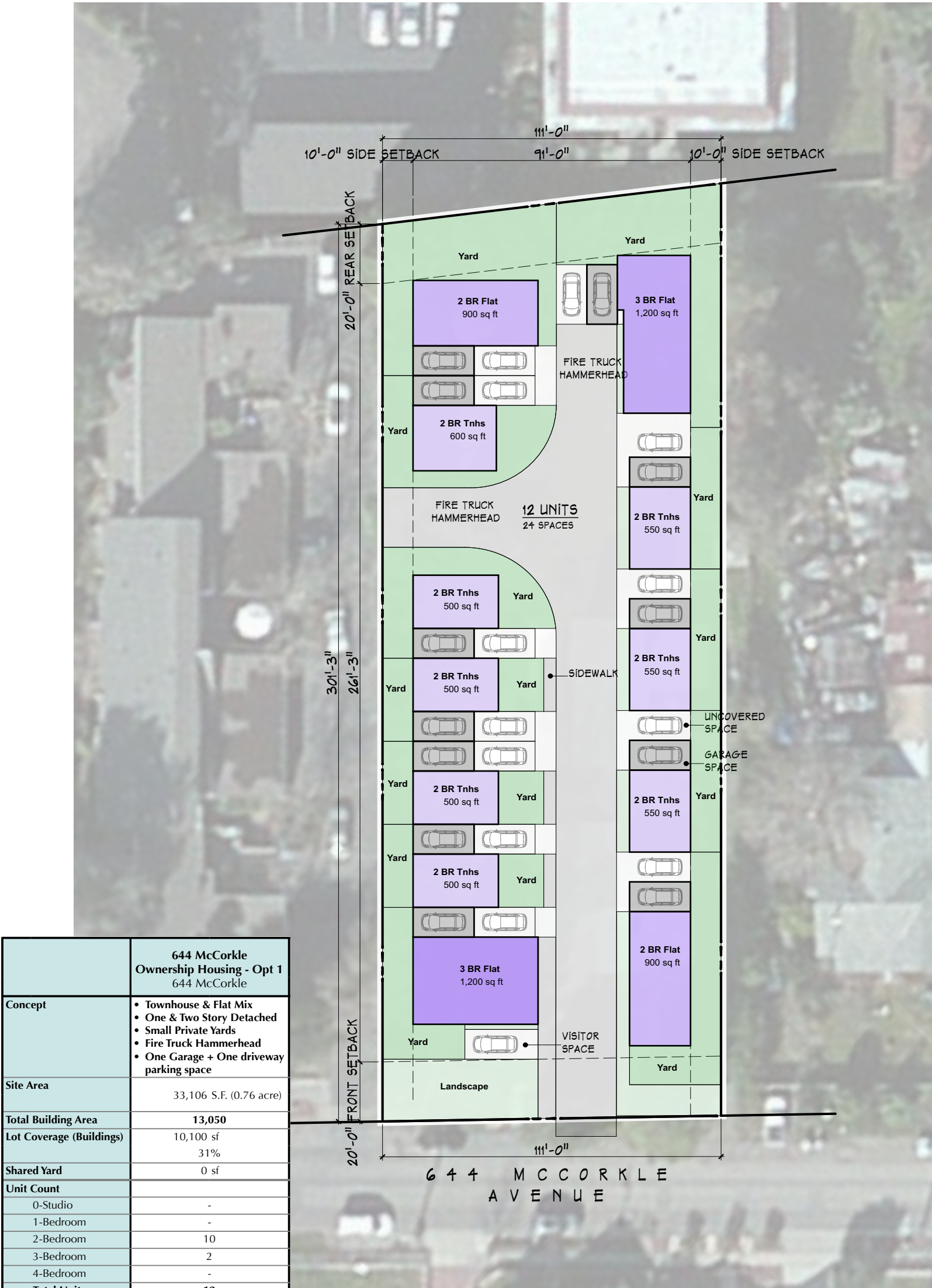
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	644 McCorkle Ownership Housing - Opt 1 644 McCorkle
Concept	• Townhouse & Flat Mix • One & Two Story Detached • Small Private Yards • Fire Truck Hammerhead • One Garage + One driveway parking space
Site Area	33,106 S.F. (0.76 acre)
Total Building Area	13,050
Lot Coverage (Buildings)	10,100 sf 31%
Shared Yard	0 sf
Unit Count	
0-Studio	-
1-Bedroom	-
2-Bedroom	10
3-Bedroom	2
4-Bedroom	-
Total Units	12
Parking Count	
Regular Spaces	24
H/C Spaces	0
Visitor Spaces	1
Total Parking	25 (24 required)

PROJECT:
ST. HELENA
COMPARISON SITES

DRAWING TITLE:
644 MCCORKLE SITE - OWNERSHIP
OPTION 1

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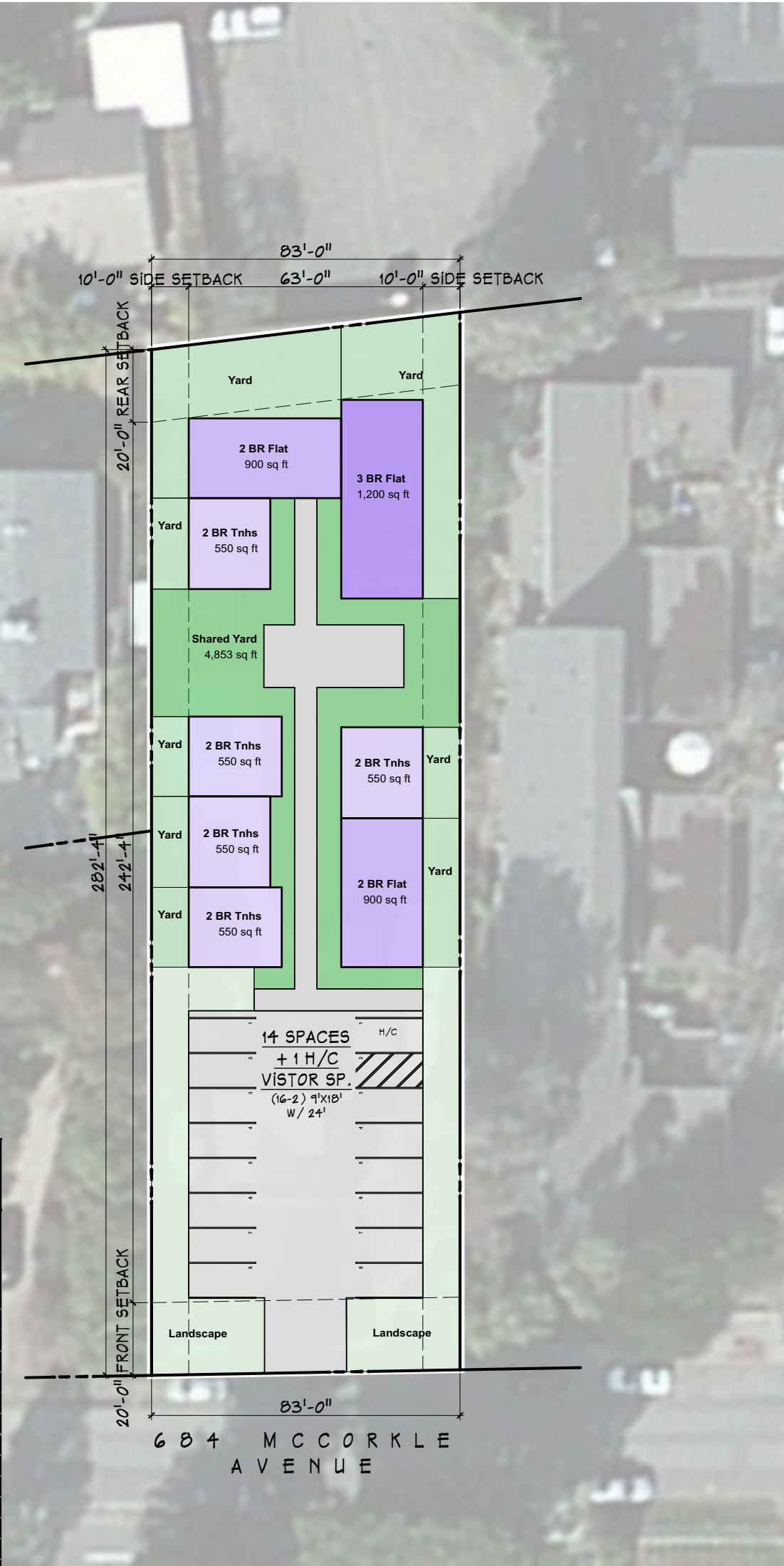
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	684 McCorkle Ownership Housing - Opt 2 684 McCorkle
Concept	• Townhouse & Flat Mix • One & Two Story Clusters • Large Shared Yard • Small Private Yards • Concentrated Parking
Site Area	23,522 S.F. (0.54 acre)
Total Building Area	7,500
Lot Coverage (Buildings)	5750 sf 24%
Shared Yard	4850 sf
Unit Count	
0-Studio	-
1-Bedroom	-
2-Bedroom	7
3-Bedroom	1
4-Bedroom	-
Total Units	8
Parking Count	
Regular Spaces	14
H/C Spaces	1
Visitor Spaces	0
Total Parking	15 (16 required)



PROJECT:
ST. HELENA
COMPARISON SITES

DRAWING TITLE:
684 MCCORKLE - OWNERSHIP OPT 2

SCALE: 1/32" = 1'-0" SHEET #: SK-13 DATE: 7/16/15

ARCHITECT:
MIKITTEN ARCHITECTURE
2415 Fifth Street
Berkeley • CA • 94710
510-540-7111
FAX 540-7117
www.MikittenArch.com

MIKITTEN
ARCHITECTURE

creative
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environmental
universal
inspirational
architecture



	644 McCorkle Ownership Housing - Opt 2 644 McCorkle
Concept	• Townhouse & Flat Mix • One & Two Story Clusters • Large Shared Yard • Small Private Yards • Concentrated Parking
Site Area	33,106 S.F. (0.76 acre)
Total Building Area	9,600
Lot Coverage (Buildings)	7,150 sf 22%
Shared Yard	7,335 sf
Unit Count	
0-Studio	-
1-Bedroom	-
2-Bedroom	8
3-Bedroom	2
4-Bedroom	-
Total Units	10
Parking Count	
Regular Spaces	19
H/C Spaces	1
Visitor Spaces	0
Total Parking	20 (20 required)

PROJECT:
ST. HELENA
COMPARISON SITES

DRAWING TITLE:
**644 MCCORKLE SITE - OWNERSHIP
OPT 2**

SCALE: 1/32" = 1'-0" SHEET #: SK-14 DATE: 7/16/15

ARCHITECT:
MIKITEN ARCHITECTURE
2415 Fifth Street
Berkeley • CA • 94710
510-540-7111
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Appendix

Land and Development Cost Information Used for Financing Options

Land Costs are an essential input to a financial feasibility analysis of new development and also one of the more difficult inputs to model, since land costs are influenced by a variety of factors, including location (determines desirability of site and zoning requirements), specific site characteristics (such as drainage and slope), and in the case of the St. Helena sites, demolition costs of existing structures (affects all sites with the exception of Adams Street).

Table A-1 presents the land costs used in this Study, and the sources for those costs. Costs for the larger sites were estimated using a land cost figure presented in the May 2015 St. Helena Housing Element (\$1,500,000 per acre). Current home values provided by Trulia were used in estimating land costs for the two McCorkle Avenue sites.

During the research for this study, we contacted several professionals to learn more about land and demolition costs. We learned that land, particularly in more desirable parts of St. Helena, is not readily available and almost always includes demolition of existing structures. Furthermore, there is no rule of thumb to estimate demolition costs. Therefore, these costs are not included in the land cost estimates. Therefore, it is likely that the overall development costs are under-stating true site costs.

Further complicating the situation in St. Helena is the need to relocate existing city services from two of the sites (Teen Center and City Hall/Police Station). While it may be possible to locate the Teen Center services to other buildings in St. Helena, the relocation of City Hall and the Police Station is more complicated, since it will be necessary to identify a site and funds to develop structure(s) to provide these needed municipal services. While the Adams Street site has been discussed as a possible relocation site, at this point, no decision has been reached.

Even if these costs were known, they could not be included on a pro forma provided to a housing funder. While the City will face higher costs if it selects the City Hall site, the City cannot expect repayment for these relocation costs from funding sources for affordable housing.

Table A-1: Estimates of Land Costs Used in Financial Feasibility Analysis

Site	Ownership	Price Estimates	Additional Price Considerations	Demolition Costs to Be Included	Development Site Size (in Acres)	Land Cost Estimates
City Hall	City	Based on HE land cost estimate of \$1.5 million per acre. (1)	Land price needs to include relocation of City Hall and Police Department.	Yes	1.7	\$2,550,000
Adams St.	City	Based on HE land cost estimate of \$1.5 million per acre. (1)	Price needs to be inflated to current dollars. \$3 million was original city purchase price.	No	1.3	\$1,950,000
Teen Center	City	Based on HE land cost estimate of \$1.5 million per acre. (1)	Value needs to consider relocation of services.	Yes	0.93	\$1,395,000
684 McCorkle	City	City paid \$600,000 in 2013. Used \$773,000 cost estimate (Trulia Website 6/21/2015)	None	Yes	0.54	\$773,000
644 McCorkle	Privately Owned	Used \$1,011,000 cost estimate (Trulia Website 6/21/2015)	Do we think the property is available for sale?	Yes	0.76	\$1,011,000

(1) Housing Element Needs Assessment City of St. Helena General Plan Update, May 26, 2015, page 95.
Source: Vernazza Wolfe Associates Inc.

Development Costs were easier to estimate, since development costs per square foot estimates are routinely used in pro forma analysis. Mikiten Architecture, creator of the site plans, provided the site plans to a contractor the firm routinely works with (Branagh Development). Based on these site plans, the site area, and site lay-out, Branagh provided estimates of construction costs for both developed space and the site area. VWA used these costs and the sizes of the units and site area surrounding the units to develop rental housing construction costs. (See Table A-2.)

Ownership Costs Adjustments were needed to adjust construction costs provided by Branagh Development. These costs are based on the assumption that a construction company or contractor undertakes the actual construction work. However, the self-help ownership model assessed in this study is based on future owners completing a considerable amount of the construction. Because actual construction costs would be lower, in order to adjust the construction costs, VWA contacted several agencies who operate self-help programs to ask their opinions of how to adjust costs. Consequently, the adjusted construction cost figures presented in Table A-3 present one option for reducing the construction costs to account for self-help labor. Each self-help project operates differently, and so it would be optimal to engage the services of a cost estimator experienced with self-help programs to develop more accurate cost figures.

The adjustment was in two steps: (1) Assume that 66% of total construction costs are labor (and 34% are materials and other costs). (2) Assume that future owners handle 50% of the construction work. Therefore the labor component of total costs is discounted by 50%.¹ This process can be expressed as follows:

Adjusted Costs = 50% of 66% of total costs (representing the portion of labor costs that will still be paid for) plus 34% of total construction costs (which represents costs of materials, etc.)

Total Development Costs for both rental and ownership project options were calculated, based on construction costs. Community Economics Inc. estimated related costs (based on construction costs), such as construction contingencies and soft costs. Finally the permit and impact fee costs included in this analysis (excluding housing impact fees) were provided by St. Helena planning staff based on the site plans and site sizes. These total costs were used in the rental and ownership housing financing scenarios.

¹ For the self-help ownership the work done by the families may account for a larger percentage of the construction costs, possibly 65% to 70%. Our estimate is conservative in that it does not credit more work to the families.

Table A-2: Estimated Building and Site Costs for Potential Affordable Housing Developments (St. Helena)

	Building Size (SF)	# of Units	Cost per SF (Building Area)	Pervious Surface	Cost per SF	Impervious Surface	Cost per SF	Total Costs	Total Cost Per Unit	Cost per SF of Building Area, Including Site Costs (but Excluding Land)
Rental Buildings										
644 McCorkle	9,780	9	\$265	14,354	\$34	8,773	\$50	\$3,518,386	\$390,932	\$360
684 McCorkle	10,979	9	\$324	10,914	\$36	6,461	\$52	\$4,286,072	\$476,230	\$390
City Hall Option #1	57,465	44	\$215	14,248	\$30	30,949	\$42	\$14,082,273	\$320,052	\$245
City Hall Option #2	58,470	46	\$215	12,155	\$30	32,662	\$42	\$14,307,504	\$311,033	\$245
Teen Center	23,156	20	\$248	13,875	\$33	14,175	\$45	\$6,838,438	\$341,922	\$295
Adams St.	37,659	31	\$240	21,295	\$31	19,931	\$42	\$10,535,407	\$339,852	\$280
Ownership Buildings										
644 McCorkle Option #1	13,050	12	\$315	12,055	\$34	10,951	\$50	\$5,068,170	\$422,348	\$388
684 McCorkle Option #1	6,900	6	\$315	8,220	\$34	10,002	\$50	\$2,953,080	\$492,180	\$428
644 McCorkle Option #2	9,600	10	\$315	15,721	\$34	10,235	\$50	\$4,070,264	\$407,064	\$424
684 McCorkle Option #2	7,500	8	\$315	10,721	\$34	7,051	\$50	\$3,079,564	\$384,946	\$411

Sources: Branagh Construction, Mikiten Architecture, and Vernazza Wolfe Associates Inc.

Table A-3: For-Sale Housing Costs Adjusted for Self-Help Savings (644 and 684 McCorkle Avenue)

	Building Size (SF)	# of Units	Total Project Unadjusted Costs	Total Unadjusted Cost Per Unit	Labor (Assumed to be 66% of Total Construction Costs)	Self-Help Labor (Saves 50% of Total Labor Costs)	Materials and Other Costs (34% of Total Unadjusted Costs)	Total Project Adjusted Construction Costs Per Unit	Total Project Adjusted Costs
Site Plan Option #1- Single Family Units									
644 McCorkle Ave. Option #1	13,050	12	\$5,068,170	\$422,348	\$278,749	\$139,375	\$143,598	\$282,973	\$3,395,674
684 McCorkle Ave. Option #1	6,900	6	\$2,953,080	\$492,180	\$327,792	\$163,896	\$167,341	\$331,237	\$1,987,423
Both Sites			\$8,021,250						\$5,383,097
Site Plan Option #2 – Cluster Units									
644 McCorkle Ave. Option #2	9,600	10	\$4,070,264	\$407,026	\$271,080	\$135,540	\$138,389	\$273,929	\$2,739,288
684 McCorkle Ave. Option #2	7,500	8	\$3,079,564	\$384,946	\$256,374	\$128,187	\$130,881	\$259,068	\$2,072,547
Both Sites			\$7,149,828						\$4,811,834

Sources: Branagh Construction, Mikiten Architecture, and Vernazza Wolfe Associates Inc.

Cost, Income, and Expense Information Used for Financial Assessments

The estimated rental housing and ownership development costs used for the financial analysis are presented in the tables below (Tables A-4 through Table A-11). Also included in these tables are estimates of income and expenses, based on indices that are routinely used in this work. The rental incomes (and sales prices) are based on federal program requirements for the targeted income groups – very low- and low-income households.

As I do not know whether or not you want to mention the fact that it might be possible to lower the costs through redesign and value engineering. This applies to both the rental and ownership projects. My impression is that there was no reworking to try to lower construction costs. Often when a project does not pencil out, adjustments are made (unit size, finishes, amenities etc.). My impression is that this did not happen because there was not time or budget to look at alternatives.

Table A-4
644 and 684 McCorkle Avenue – 18 Unit Rental Project Option (4% Tax Credits)

USES OF FUNDS

Land Acquisition	\$1,784,000
Construction	\$7,785,219
Construction Contingency	\$389,261
Architecture/Engineering & Consultants	\$700,670
Construction Loan Fees	\$65,292
Bond Issuance Costs	\$130,584
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$201,861
Permanent Loan Fees	\$1,355
Planning, Building & Impact Fees	\$578,528
Soft Cost Contingency	\$275,685
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$50,000
Audit	\$7,500
TCAC Fees	\$12,608
Market Study	\$4,500
Capitalized Operating Reserves	\$36,068
Developer Fee	\$1,524,518
TOTAL	\$13,632,649
<i>Tax Credit Eligible Basis</i>	<i>\$10,087,281</i>

INCOME & EXPENSES

Total Number of Units	18
Annual Stabilized Gross Income	\$153,288
Vacancy Loss	-\$7,664
Expected Gross Income	\$145,624
Operating Expenses	\$127,800
Reserves	\$7,200
Annual Debt Service	\$9,271
Annual Cash Flow	\$1,352

Table A-5
Teen Center – 20 Unit Rental Project Option (9% Tax Credits)

USES OF FUNDS

Land Acquisition	\$1,395,000
Construction	\$6,365,530
Construction Contingency	\$318,277
Architecture/Engineering & Consultants	\$509,242
Construction Loan Fees	\$29,920
Bond Issuance Costs	
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$92,503
Permanent Loan Fees	\$2,182
Planning, Building & Impact Fees	\$988,677
Soft Cost Contingency	\$266,404
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$40,000
Audit	\$7,500
TCAC Fees	\$16,501
Market Study	\$4,500
Capitalized Operating Reserves	\$41,217
Developer Fee	\$1,291,160
 TOTAL	 \$11,453,613
<i>Eligible Basis</i>	<i>\$4,922,828</i>

INCOME & EXPENSES

Total Units	20
Annual Stabilized Gross Income	\$175,896
Vacancy Loss	-\$8,795
Expected Gross Income	\$167,101
Operating Expenses	\$142,000
Reserves	\$8,000
Debt Service	\$14,867
Cash Flow	\$2,234

Table A-6
Teen Center – 20 Unit Rental Project Option (4% Tax Credits)

USES OF FUNDS

Land Acquisition	\$1,395,000
Construction	\$6,365,530
Construction Contingency	\$318,277
Architecture/Engineering & Consultants	\$509,242
Construction Loan Fees	\$55,988
Bond Issuance Costs	\$111,975
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$173,095
Permanent Loan Fees	\$2,182
Planning, Building & Impact Fees	\$988,677
Soft Cost Contingency	\$300,176
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$50,000
Audit	\$7,500
TCAC Fees	\$13,011
Market Study	\$4,500
Capitalized Operating Reserves	\$41,217
Developer Fee	\$1,329,021
 TOTAL	 \$11,750,391
<i>Eligible Basis</i>	<i>\$8,784,558</i>

INCOME & EXPENSES

Total Units	20
Annual Stabilized Gross Income	\$175,896
Vacancy Loss	-\$8,795
Expected Gross Income	\$167,101
Operating Expenses	\$142,000
Reserves	\$8,000
Debt Service	\$14,867
Cash Flow	\$2,234

Table A-7
City Hall – 46 Unit Rental Project Option (9% Tax Credits)

USES OF FUNDS

Land Acquisition	\$2,550,000
Construction	\$15,229,371
Construction Contingency	\$761,469
Architecture/Engineering & Consultants	\$1,218,350
Construction Loan Fees	\$111,457
Bond Issuance Costs	
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$344,588
Permanent Loan Fees	\$4,578
Planning, Building & Impact Fees	\$2,034,667
Soft Cost Contingency	\$583,527
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$40,000
Audit	\$7,500
TCAC Fees	\$39,539
Market Study	\$4,500
Capitalized Operating Reserves	\$94,048
Developer Fee (1)	\$1,400,000
 TOTAL	 \$24,508,593
<i>Eligible Basis</i>	<i>\$14,592,973</i>

INCOME & EXPENSES

Total Units	46
Annual Stabilized Gross Income	\$400,920
Vacancy Loss	-\$20,046
Expected Gross Income	\$380,874
Operating Expenses	\$326,600
Reserves	\$18,400
Debt Service	\$31,192
Cash Flow	\$4,682

(1) Per TCAC, the developer fee is the lesser of 15% of basis or \$1.4 million for 9% projects and \$2.5 million for 4% projects.

Table A-8
City Hall – 44 Unit Rental Project Option (4% Tax Credits)

USES OF FUNDS

Land Acquisition	\$2,550,000
Construction	\$14,989,445
Construction Contingency	\$749,472
Architecture/Engineering & Consultants	\$1,199,156
Construction Loan Fees	\$125,664
Bond Issuance Costs	\$251,328
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$388,511
Permanent Loan Fees	\$4,467
Planning, Building & Impact Fees	\$2,008,456
Soft Cost Contingency	\$622,668
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$50,000
Audit	\$7,500
TCAC Fees	\$26,535
Market Study	\$4,500
Capitalized Operating Reserves	\$90,109
Developer Fee(1)	\$2,500,000
 TOTAL	 \$25,652,810
<i>Eligible Basis</i>	<i>\$20,297,992</i>

INCOME & EXPENSES

Total Units	44
Annual Stabilized Gross Income	\$384,216
Vacancy Loss	-\$19,211
Expected Gross Income	\$365,005
Operating Expenses	\$312,400
Reserves	\$17,600
Debt Service	\$30,436
Cash Flow	\$4,569

(1) Per TCAC, the developer fee is the lesser of 15% of basis or \$1.4 million for 9% projects and \$2.5 million for 4% projects.

Table A-9
Adams Street – 31 Unit Rental Project Option (9% Tax Credits)

USES OF FUNDS

Land Acquisition	\$1,950,000
Construction	\$10,178,748
Construction Contingency	\$508,937
Architecture/Engineering & Consultants	\$814,300
Construction Loan Fees	\$64,786
Bond Issuance Costs	
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$200,295
Permanent Loan Fees	\$2,732
Planning, Building & Impact Fees	\$1,366,916
Soft Cost Contingency	\$391,875
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$40,000
Audit	\$7,500
TCAC Fees	\$26,471
Market Study	\$4,500
Capitalized Operating Reserves	\$62,779
Developer Fee (1)	\$1,400,000
 TOTAL	 \$17,104,838
<i>Eligible Basis</i>	<i>\$9,188,006</i>

INCOME & EXPENSES

Total Units	31
Annual Stabilized Gross Income	\$267,276
Vacancy Loss	-\$13,364
Expected Gross Income	\$253,912
Operating Expenses	\$220,100
Reserves	\$12,400
Debt Service	\$18,614
Cash Flow	\$2,798

(1) Per TCAC, the developer fee is the lesser of 15% of basis or \$1.4 million for 9% projects and \$2.5 million for 4% projects.

Table A-10
Adams Street – 31 Unit Rental Project Option (4% Tax Credits)

USES OF FUNDS

Land Acquisition	\$1,950,000
Construction	\$10,178,748
Construction Contingency	\$508,937
Architecture/Engineering & Consultants	\$814,300
Construction Loan Fees	\$86,259
Bond Issuance Costs	\$172,517
Construction Loan Expenses	\$30,000
Construction Loan Interest	\$266,683
Permanent Loan Fees	\$2,732
Planning, Building & Impact Fees	\$1,366,916
Soft Cost Contingency	\$431,327
Legal Construction	\$5,000
Legal Syndication	\$45,000
Legal Permanent	\$5,000
Syndication Consultant	\$50,000
Audit	\$7,500
TCAC Fees	\$19,105
Market Study	\$4,500
Capitalized Operating Reserves	\$62,779
Developer Fee (1)	\$2,079,513
 TOTAL	 \$18,086,814
<i>Eligible Basis</i>	<i>\$13,733,385</i>

INCOME & EXPENSES

Total Units	31
Annual Stabilized Gross Income	\$267,276
Vacancy Loss	-\$13,364
Expected Gross Income	\$253,912
Operating Expenses	\$220,100
Reserves	\$12,400
Debt Service	\$18,614
Cash Flow	\$2,798

(1) Per TCAC, the developer fee is the lesser of 15% of basis or \$1.4 million for 9% projects and \$2.5 million for 4% projects.

The estimated adjusted total ownership development costs are presented in the Table A-11 below.

**Table A-11:
644 and 684 McCorkle Avenue – 18 Unit Ownership Project Options**

	644/684 McCorkle Ave.	644/684 McCorkle Ave.
	Ownership Site Plan #1	Ownership Site Plan #2
Construction Loan Required	\$8,730,041	\$7,974,845
Number of Units	18	18
USES OF FUNDS		
Land Acquisition	\$1,784,000	\$1,784,000
Adjusted Project Construction Costs	\$5,383,097	\$4,811,834
Construction Contingency	\$269,155	\$240,592
Architecture/Engineering & Consultants	\$484,479	\$433,065
Construction Loan Fees	\$53,831	\$48,118
Construction Loan Expenses	\$30,000	\$30,000
Construction Loan Interest	\$188,408	\$168,414
Planning, Building & Impact Fees	\$444,400	\$383,862
Soft Cost Contingency	\$72,672	\$64,960
Legal Construction	\$15,000	\$5,000
Audit	\$2,500	\$2,500
Market Study	\$2,500	\$2,500
TOTAL	\$8,730,041	\$7,974,845
Cost Per Unit	\$485,002	\$443,047

Sources: Vernazza Wolfe Associates Inc. and Community Economics



To: Mark Prestwich, City Manager
Maya DeRosa, Planning & Building Director
City of St. Helena

From: Ethan Walsh, City Attorney

Date: November 8, 2021

Re: Surplus Land Act / Procedure Required for Disposition of City-Owned Property

I. BACKGROUND AND ISSUE

This memo outlines the procedure for disposing City-owned real property in light of the changes to the Surplus Land Act, Government Code¹ section 54220, *et seq.* (the “SLA”) made by Assembly Bill 1486 (“AB 1486”). The bulk of SLA changes made by AB 1486 became effective on January 1, 2020, with certain penalty and reporting obligations to the California Department of Housing and Community Development (“HCD”) becoming effective as of January 1, 2021. The intent of AB 1486 was to address the housing crisis in the State by essentially granting affordable housing developers a “right of first refusal” on most land disposed of by a local agency. AB 1486 promotes the development of affordable housing by, among other things, (i) expanding the definition of “local agency” and “surplus land”; (ii) limiting the ability of local agencies dispose of land for non-housing uses before complying with the SLA; and (iii) giving HCD enforcement powers.

The SLA requires that prior to disposition of real property no longer necessary for the “agency’s use,” the City Council must declare that land surplus in open session, and then take a series of steps that includes giving affordable housing developers and other designated public entities the first opportunity to negotiate with the City on the sale of that surplus land. The changes to the SLA – expanding the definition of “surplus land” and restricting the definition as to what constitutes a disposition for the “agency’s use” – have the practical effect of forcing local agencies to consider application of the SLA to far more transactions than in the past, when the SLA and its disposition procedures typically only came into play when the City had truly “surplus” land it no longer needed and wanted to dispose of, as opposed to a voluntary sale for a specific purpose that may have arisen but the agency had not necessarily considered the property to be “surplus” or “extra” in the traditional sense. In other words, under the newly amended SLA, the procedures must be completed before the City may execute a real property disposition agreement for any other purpose besides a disposition for the “agency’s use.”

II. THE SURPLUS LAND ACT AS AMENDED

AB 1486’s amendments to the SLA are intended to address California’s shortage of affordable housing. (*See* § 54220(a).) Whenever a local agency sells or leases its surplus

¹ All references to code sections shall be to the California Government Code unless otherwise specified.



property, the Surplus Land Act requires that the agency prioritize affordable housing and other vital state purposes. (§§ 54220(a) and 54222.)

A. Is the Land or Disposition Necessary for an Agency's Use?

The first step in determining if the SLA applies is to determine if the land and its disposition are necessary for the “agency’s use.” For purposes of the SLA, “agency’s use” is defined both by what it is (*i.e.*, § 54221(c)(1)) and by what it is not (*i.e.*, § 54221(c)(2).)

<u>Examples of Non-Agency Use</u> <u>Subject to SLA:</u>	<u>Examples of “Agency’s Use”</u> <u>NOT subject to SLA:</u>
• Economic Development: “Property disposed of for the sole purpose of investment or generation of revenue shall not be considered necessary for the agency’s use.” • Commercial or industrial uses or activities • Nongovernmental retail, entertainment, or office development	• Land planned to be used pursuant to a “written plan” adopted by the City Council “for agency work or operations.” • Utility sites • Watershed property • Land being used for conservation purposes • Land for demonstration, exhibition, or educational purposes related to greenhouse gas emissions • Buffer sites near sensitive governmental uses.

B. Is the Land or Disposition Exempt from the SLA?

There are eleven (11) categories of “exempt surplus land” that are exempted from some but not all of the requirements of the SLA. (See §§ 54221(f)(1)(A)-(K) and 54222.3.) Some of the categories constituting “exempt surplus land” include certain income-restricted affordable housing projects, real property that is subject to “valid legal restrictions” (not of the local agency) that prohibit housing on the site (General Plan or Zoning Ordinance designations precluding housing do not apply), real property constituting a former street, right-of-way or easement conveyed to an adjacent property owner, and public agency to agency transfers.

C. Resolution Declaring Land Surplus; Notice of Availability; Notice of Interest



Once a property is determined by staff to be non-exempt surplus land, a resolution declaring the land surplus and no longer necessary for the agency's use must be adopted by the City Council in a regular meeting's open session. In connection with this resolution, the best practice is to have the City Council approve the form of Notice of Availability and authorize staff to do whatever is necessary to comply with the SLA and complete its procedures.

Once declared to be "surplus land," the disposing agency must offer to sell or lease that property to certain designated entities for specified uses, including affordable housing, parks and recreation and school uses, by transmitting via email or certified mail the Notice of Availability that includes the location and description of the surplus property. (§ 54222.)

The designated entities who must receive notice for affordable housing uses include "local public entities" within whose jurisdiction the surplus land is located, and "housing sponsors" that have notified HCD of their interest in surplus land. (See § 54222; Health & Safety Code §§ 50074, 50079.) After issuing the Notices of Availability, if the disposing agency receives a qualified Notice of Interest under the SLA within 60 days, the disposing agency and the party who submitted the Notice of Interest must enter into "good faith" negotiations for a period of at least 90 days – unless, before that time expires, an agreement is reached with respect to disposition. (§§ 54223 and 54227.) "Good faith" negotiations require that the local agency not disallow residential use or otherwise insist on terms that would have an adverse effect on the viability of affordable housing, and are to be focused on mutually satisfactory sales price and terms for the surplus property.

At the end of the process, whether the local disposing agency has reached a deal with an entity who submitted a Notice of Interest or an entity outside of the SLA process, the agency must, under the SLA and prior to agreeing to the terms for the disposition of surplus land with any entity, provide specified information about its disposition process to HCD. (§ 54230.5(b)(1).) This includes both a copy of the Notice of Availability and a summary of any negotiation and restrictions to be recorded on the surplus property (after any negotiations have concluded).

HCD has 30 days post-negotiation and prior to when the local agency intends to enter into a binding agreement to dispose of the surplus property to review that information, and submit written findings to the disposing agency if HCD determines the proposed disposition will violate the SLA. (§ 54230.5(b)(1).) Violations are subject to monetary penalties or enforcement action. (*Id.*) If the local agency receives a notice of non-compliance from HCD, the local agency has 60 days to cure the alleged SLA violation or provide a written response, after which HCD may impose the penalties described herein. (§ 54230.5(b)(2)(E).)

If the local agency and interested party cannot agree following good faith negotiations on price and terms, or if no interested party responds to the Notice of Availability for surplus land, the local agency may proceed with lawful disposition of the property. However, the SLA does contemplate, that if "10 or more residential units are developed on the property, not less than 15



percent of the total number of residential units developed” are to be sold or rented at an affordable housing cost, with a covenant term of 55-years for rental housing and 45-years for owned units, respectively. (§ 54233.) The SLA requires those affordability measures be contained in a covenant or restriction recorded against the surplus land prior to any land use entitlement for the project that contemplates housing.²

III. PENALTIES FOR FAILURE TO COMPLY WITH THE SLA

While HCD cannot invalidate the sale of City-owned property for City’s failure to comply with the SLA (§ 54230.6), HCD can subject a local agency to penalties for noncompliance. Specifically, for a first violation of the SLA, HCD can require that 30% of the sales price be deposited into a local housing trust, and 50% for any subsequent violation. (§ 54230.5.)

² HCD has taken the position that regardless of whether the property is ultimately sold for non-residential purposes, the 15% affordability covenant must be recorded on the property’s title. See “Sample Covenant/Restriction” at <https://www.hcd.ca.gov/community-development/public-lands-for-affordable-housing-development.shtml>

Sale of City Properties



City of St. Helena
Special City Council Meeting
September 16, 2025
6:30 pm

AGENDA

- Staff presentation
- Oliver Caldwell presentation
- Public comment
- City Council discussion and feedback



Properties Overview

1572-1574
Railroad Avenue

1480 Main Street

Adams Street
Parcel

Carnegie Building
Head Start Building
Signorelli Barn

Relevant Planning Processes: DOWNTOWN SPECIFIC PLAN (DSP)

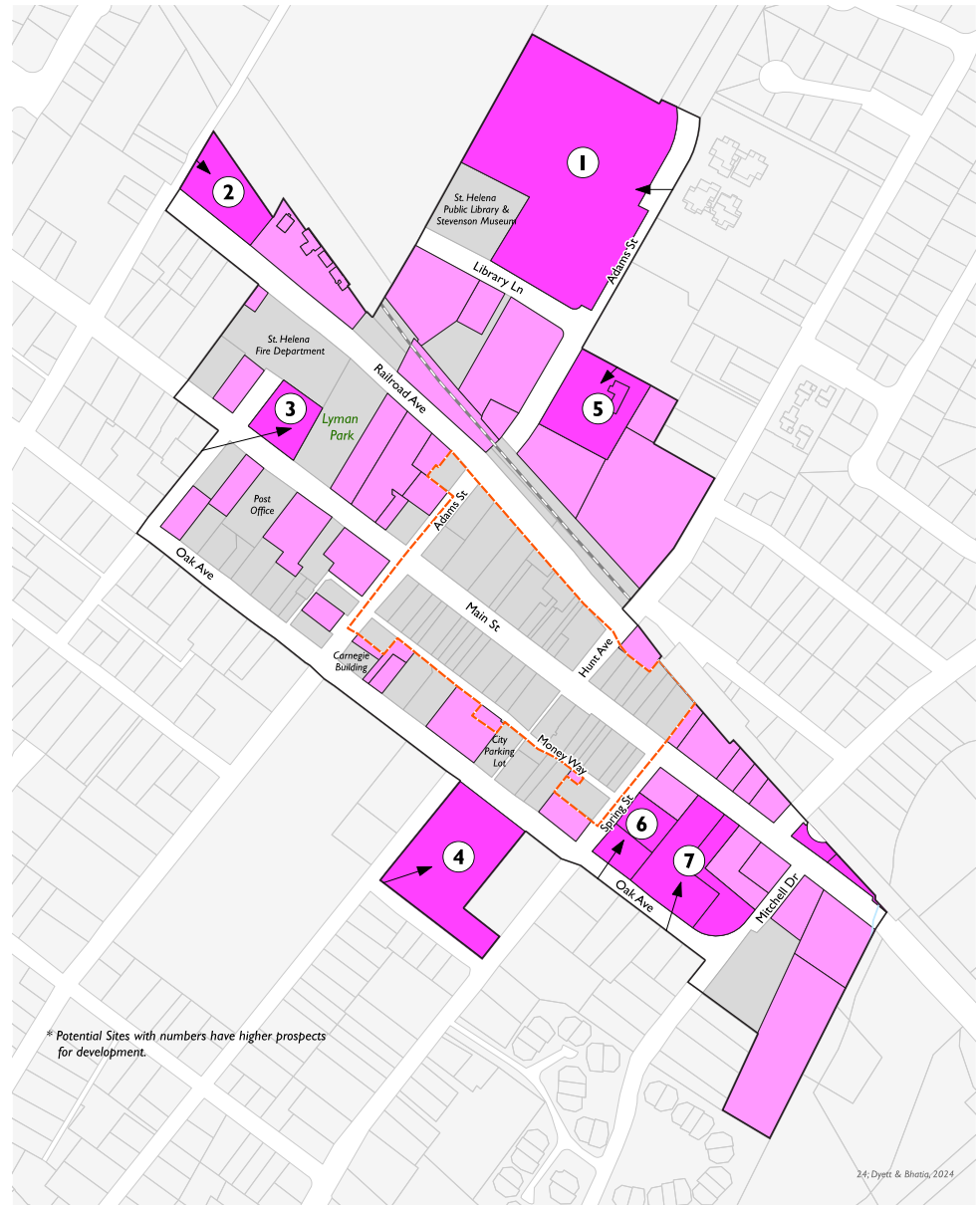
Synthesize land use planning with :

- Parking
- Transportation
- Infrastructure
- Urban design
- Public realm beautification
- Implementation Plan for how we pay for the improvements
- Streamlined CEQA review process new development.



Potential Opportunity Sites

October 2024
DSP Workshop #1
Carnegie Building



Potential Opportunity Sites

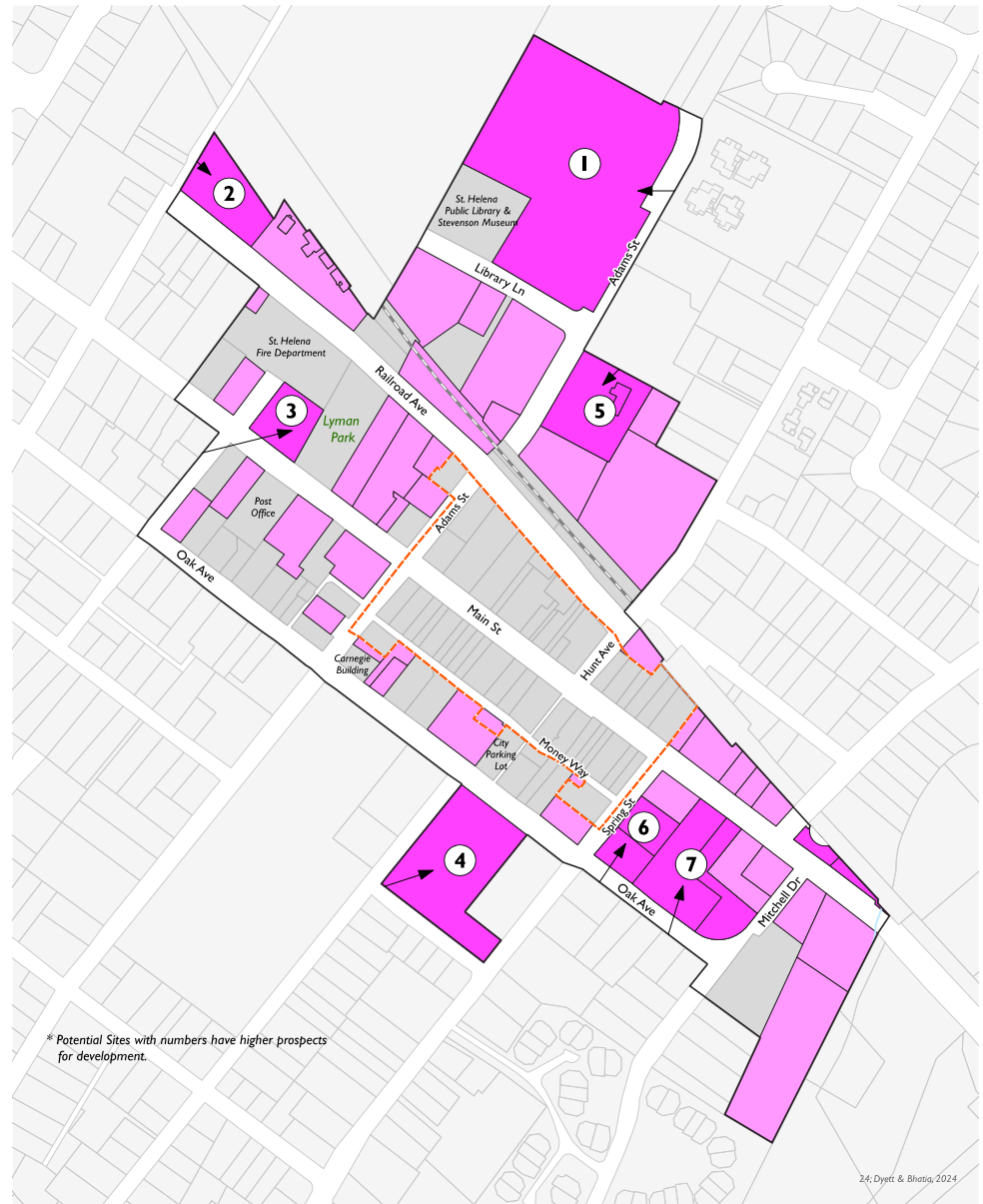
Summary of the Workshop feedback:

- **Site 1 ADAMS ST SITE:**

Affordable housing, amphitheater or other public use outdoor space, boutique hotel, senior housing, cultural or community center, and mixed retail and housing.

- **Site 2 (1572-1574 RAILROAD AVE).** Most participants were interested in housing at this site.

- **Site 3 (1480 Main Street).** Small hotel, retail, and a restaurant.



1572 – 1574
Railroad Ave

Designated
for Housing

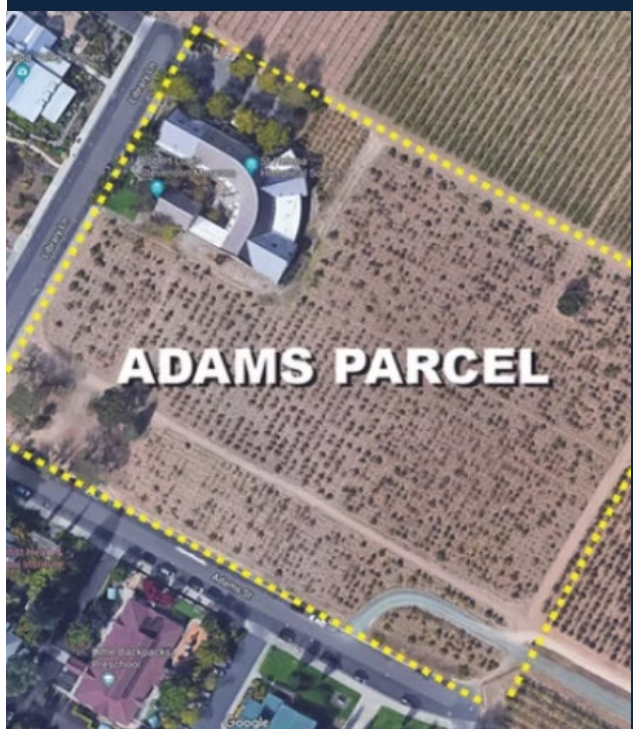


1480 Main Street

- Development would split lot to exclude Fire Dept. and leave Lyman Park in current configuration
- Previous proposal offered \$5 Million with an annual revenue of \$2 Million



Adams Street Parcel



- Surplus Land Act applies
- 5.6 acres - Library, vineyards, walking path
- Appraised at \$18 million
- Prior proposals bid \$22 million in 2018
- Could be sold with/without carve-out for Library and/or other uses.

Lyman Park Restrictions



- Lyman Park was partially donated to the City in 1923 subject to certain conditions including that the City “shall dedicate and use the entire property for park purposes, including its use for games, concerts and recreation.”
- Based on discussions with the City Attorney, the City does believe this continues to be a valid deed restriction. There is case law upholding similar deed restrictions placed on property donated to public agencies.

Lyman Park Restrictions



- However, there is no single definition of “park purposes” under State law. The Courts have allowed many uses to be included in furtherance of “park purposes”, but they generally make that determination on a case by case basis.
- If the City decides to introduce new uses onto the Lyman Park site, we will have to evaluation each use to determine whether they are consistent with “park purposes.”

Lyman Park Restrictions



- Additionally, the City did receive a grant from the State Department of Parks and Recreation to make improvements to Lyman Park, contingent on the City confirming that Lyman Park would be used for park purposes in perpetuity.
- If the City is going to introduce new uses to Lyman Park, we should also confer with the State to confirm they agree those uses are consistent with “park purposes.”

Other Items for Consideration

- Plan for a permanent City Hall
- Relocation of Parks and Recreation



Oliver Caldwell Presentation

www.LymanPark.org



Questions Discussion & Public Comment

Regards: Agenda Item 5.1, Sept. 15, 2025

I have read the staff report prepared by Maya DeRosa, and noted that the discussion is primarily about housing. However, I also noted the following statement (page 5), which seems to have been pulled from the sky of wishful thinking as there is no data or evidence to support the following claims:

Potential Revenue

The sale of the City properties would provide revenue into the General Fund. Assuming that the future uses include the generation of TOT from a hotel on one of the sites, the revenue estimates are noted below:

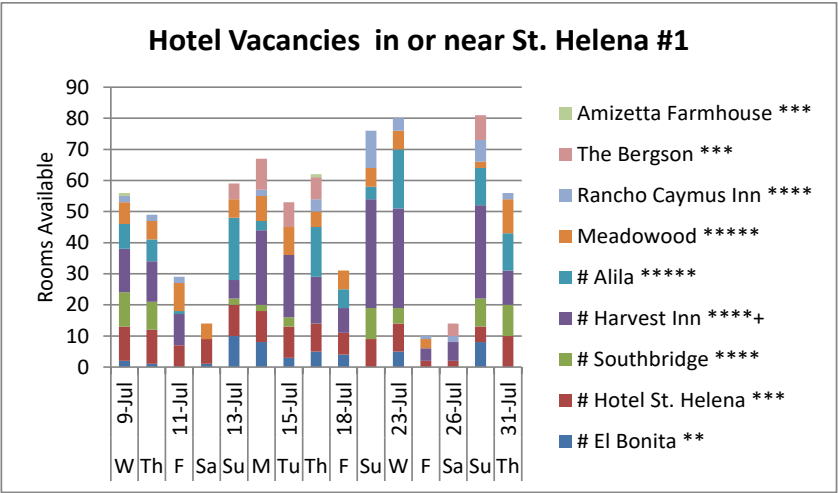
1480 Main Street: \$5 Million Sale and \$2 Million Revenue Annually

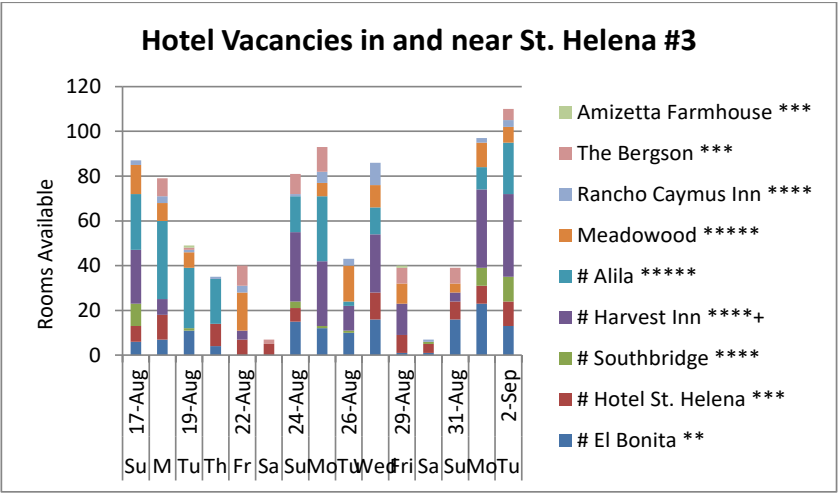
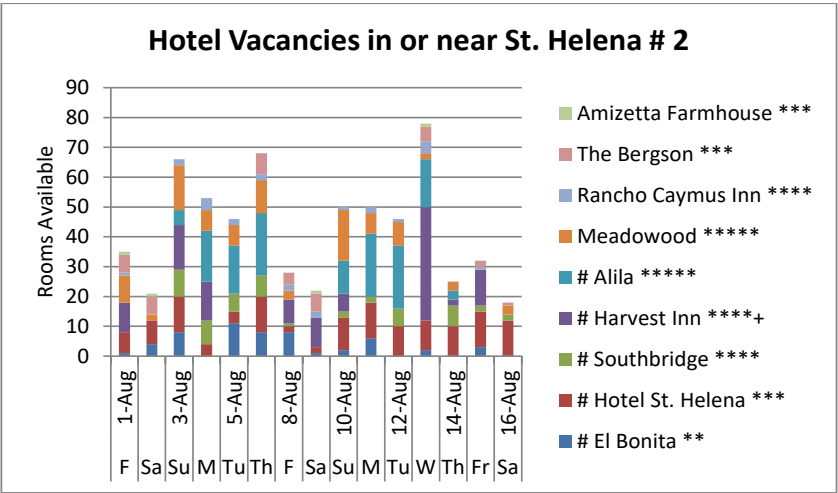
Adams Street Parcel: \$25+ Million Sale and \$4 Million Revenue Annually

One might read this and think this is the answer to all our financial problems. But what is lacking is any kind of supporting information for these assumptions, particularly in regard to TOT. Nor does it mention that any revenue from TOT, and probably even from the sale of either property to a hotel developer, will be years away. And what are these assumptions based on? How old is the information? As Tim Carl (*Napa Valley Features*) has pointed out time and again, the demand for hotels rooms in Napa County is on the wane: [Under the Hood: From Boom to Mature—Napa County Grapples with an Uncharted Future.](#)

As there was not any available reliable data on actual hotel occupancy, I collected data over a roughly two-month period this summer by visiting Expedia.com each evening and searching for room availability in and near downtown St. Helena. I did *not* include AirBnB or VRBO in my search or any other sites. I also did not include the many hotels and lodging opportunities in Calistoga except for three on the edge of town (including 2 5-Star resorts.) If anything, these graphs probably missed a number of other lodging opportunities available each evening. It should also be noted that I stopped collecting data before the re-visioned inn on Lodi Lane, [Le Petit Pali St. Helena](#), was starting to accept reservations.

The # in front of the hotel’s name indicates they are within city boundaries. The *’s after the name indicate how many stars they were given by Expedia. In order to keep the dates and day of the week readable, I have split the data into three charts:

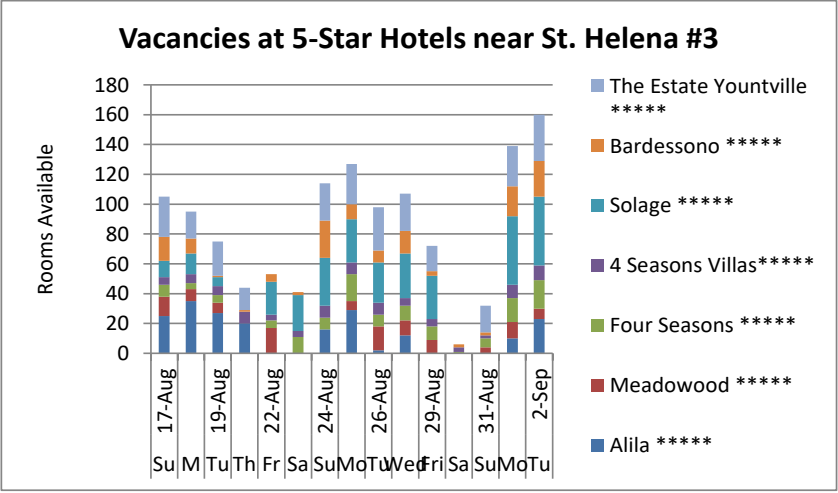
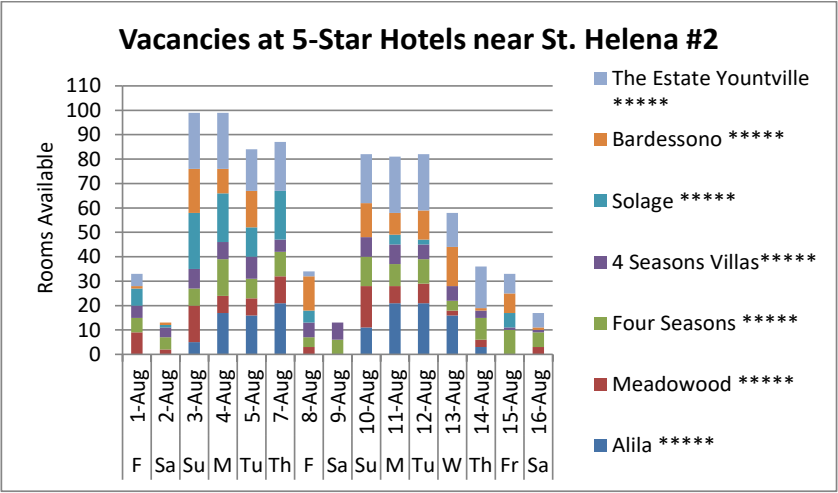
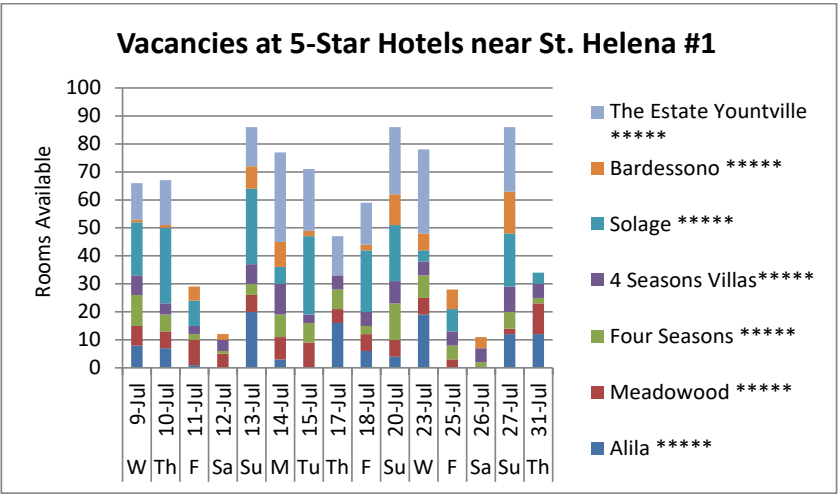




Other than a few summer Saturday nights, it would appear that people looking for places to stay in or near St. Helena, specifically, have quite a few options, including a number of price categories. **What this data tells me is that any new hotels added to this mix won't necessarily give us any more TOT, but will rather cannibalize the hotels and resorts (our local businesses) we already have...particularly the 3 - 4+ star resorts, especially during the non-peak times.**

Five-Star Resorts

There has also been a lot of talk about the “need” for another 5-Star resort in St. Helena. So, I also surveyed 6 5-Star resorts in and near St. Helena. And I surveyed the “Villas” at the Four Seasons separately as I think they also tell a story that could be relevant for St. Helena.



There are a couple of takeaways from this. Again, Saturday nights during the summer show the least availability. But, other than that, there are plenty of 5-star rooms available close enough to St. Helena for those who think a 5-Star Resort is both necessary and affordable. However, after a conversation with the Mayor of Calistoga, it turns out that the Four Seasons and Solage bring no business to their downtown, as most guests spend most of their time at the resort or other venues.

We would do much better to focus on annexing Meadowood and bringing it into the fold. We should also be looking at [Le Petit Pali St. Helena](#) on Lodi Lane for annexation, as both would be up and running and ready to provide TOT as soon (and if) annexation is approved.

The Villas at the Four Seasons & STR's

There appear to be nine personally owned 3 – 4 bedroom “Villas” at the Four Seasons Resort that are included in Expedia availability and rent for between \$5,543 to \$11,600 per night.

What this tells me is that **we should revisit our short-term rental ordinance**. We know there are a number of “abusers,” folks with very nice (and somewhat secluded homes) with pools that may be doing everything under the table and/or renting their homes for “one month” ... even if folks only stay a week or so. In either case, that is lost revenue to the city in terms of TOT and we should try to capture that, either with stronger enforcement or adjusting the ordinance so that it works for everyone.

The Four Seasons data tells us there are people looking for those kinds of options and willing to spend a significant amount of money. Could we encourage people with second homes, or high-end homes currently on the market, to get an STR license (even if it's temporary) so they can recoup some of their investments and get the city some instant TOT? Surely some of these homes are not in neighborhoods that might be impacted by a glut of STR's. And it does look like a way the city (and residents) could benefit from the second homes we already have and can't seem to do much of anything about.

It seems like this might require further study by a citizen's group. And I hope that will soon be on the agenda.

Elaine de Man
Sept. 15, 2025

From: susanmcwilliams@comcast.net
To: [Public Comment](#)
Cc: [Susan McWilliams](#)
Subject: City Council; Study Session
Date: Monday, September 15, 2025 1:11:13 PM

We are unable to attend this meeting but wish to express our objection to the city's apparent rush to sell the Adams property, which appears to be the goal of the "Save Lyman Park" proposal. Once this invaluable city asset is sold, it is gone forever. But our main concern is what appears to be the wholly unrealistic expectations of TOT revenue from a hotel, when hotel occupancy throughout the valley is not robust. Napa Valley has priced itself beyond the reach of the average consumer and interest in wine overall is declining. Is the city unaware of these facts?

We hope the meeting will present sound data-driven numbers on the "revenue potential of sites" rather than unverifiable wishful thinking that does not appear to have a basis in market trends. We trust this "study session" will not actually be a developer's marketing pitch.

Thank you.

Terry and Susan McWilliams

St. Helena

From: [Ross Allen](#)
To: [Public Comment](#)
Cc: [Susan McWilliams](#)
Subject: Re: City Council; Study Session
Date: Monday, September 15, 2025 1:40:29 PM

Hello. we completely agree with and support Susan and Terry McWilliams' concerns voiced below.

Thank you for your consideration.

- Ross Allen and Julie Bolander
Pratt Avenue, St. Helena.

On Sep 15, 2025, at 1:11 PM, susanmcwilliams@comcast.net wrote:

We are unable to attend this meeting but wish to express our objection to the city's apparent rush to sell the Adams property, which appears to be the goal of the "Save Lyman Park" proposal. Once this invaluable city asset is sold, it is gone forever. But our main concern is what appears to be the wholly unrealistic expectations of TOT revenue from a hotel, when hotel occupancy throughout the valley is not robust. Napa Valley has priced itself beyond the reach of the average consumer and interest in wine overall is declining. Is the city unaware of these facts?

We hope the meeting will present sound data-driven numbers on the "revenue potential of sites" rather than unverifiable wishful thinking that does not appear to have a basis in market trends. We trust this "study session" will not actually be a developer's marketing pitch.

Thank you.

Terry and Susan McWilliams
St. Helena

9.17.2025

Dear City Council and members of the community,

I've written a personal statement and included sketches of ideas for your consideration. I share this with deep passion for helping our community through a very trying time. My comments are sincere, and perhaps something here resonates with you—maybe even something you can't say out loud. I respect everyone serving the community and giving their time and energy to lifting St. Helena up. My heart is breaking for this town.

Sincerely,
Michelle Liu Covell

What are the problems we are trying to solve?

Is it just revenue?

That was the direction from the City Manager—it's a revenue problem.

The title "Special City Council – Study Session" implied this meeting would be different from the usual formal sessions.

The city website and flyer promised:

City Council Study Session | Sale of City Properties

You're invited to a City Council Study Session focused on **key strategies** to strengthen St. Helena's fiscal stability **while enhancing our community's quality of life**. Learn more about: **potential housing opportunities**, sale of city-owned properties, and the revenue potential of key sites. This is an **opportunity to understand the issues**, explore policy alternatives, and share your thoughts with City leadership.

But the "key strategies" discussed were only about selling properties—mostly to a hotel developer at high rates to avoid competing with existing hotels, without knowing the facts about the current real status of the financial situation of the town. (This is in no offense to Mr. Caldwell's ideas. I value that people are bringing ideas for conversation. And it is important that we do invite people's ideas.)

There was no presentation on how this would enhance quality of life.

There was no discussion of housing. When Spring Street was raised, it was dismissed as "not on the agenda."

Opportunity to Understand the Issues

Instead of clarity, we heard two conflicting narratives:

- 1- Staff's report: financial crisis, urgent need to sell city land.
- 2- Financial Committee: not a crisis, deficit overstated; yes, we need revenue and cost-cutting, but selling land should be a last resort. If we hadn't lost \$2M in interest income, the situation would be less dire. We need to open our eyes.

Study Session Expectations vs. Reality

"Study session" implied open dialogue—more than the 4-minute cap of a standard meeting. Instead, it was just another council meeting in a different room.

No public announcements invited presentations or extended input. This should be more clear in the future.

Staff's presentation covered sites, DPS, and Lyman Park history, but not the real budget deficit or revenue needs, and included a 10 year old 80 page report, without a summary of it's importance.

What I expected from Staff

I expected a session framed like this:

"Today we are here to openly discuss the struggles our town is facing, and to lean on our community's knowledge and expertise to guide St. Helena's future.

Why do we need to sell properties? Here are the problems (list). Here are the internal solutions we've studied (list), their effectiveness, and their limits.

These are our current revenue streams (\$X). Here are potential new ones (\$X). **Selling community land is our last resort.**

We rent City Hall and the police station, as well as Vintage Hall for meetings. We lack a civic center or plaza. The Finance Committee has reviewed the budget and we are working together to define the real deficit versus the wish list. Here is the transparent data for public review. Also, among the budget issues, here are other issues we are currently facing, water, housing, workforce housing, empty stores, empty second homes, closing businesses, expensive utilities, on and on. Please give us your input, so we can see the whole picture, and work together as some problems are often linked, and cannot be solved in a vacuum. And some solutions may have direct impact on one problem, and indirect impact on others. The great part of our town is the sense of community, and the strength in working together, and we value your thoughts, expertise, and knowledge of the history that many of you have from living here for so long. We can learn from our mistakes, in order to not repeat them, and it will give us a solid foundation to lift St. Helena. Thank you for being here, here's the mic, let's get into it for this study session."

That is what a true study session should be.

Narrow Framing of Solutions

The City has already designated Railroad and Main Street as surplus land. But what does "surplus" really mean? That should have been explained before proposing sales.

Meanwhile:

Hotels are already in the pipeline (Farmstead is moving forward, another on Adams Street at the Bank of America are under review). These will/could add TOT revenue soon.

TOT only matters if rooms fill. Studies and resident feedback suggest vacancies are already an issue.

Calistoga and Yountville earn more TOT, but why? Perhaps they offer more nightlife and family-friendly gathering spaces—not just hotels. When I plan a trip, I look at the amenities, can I walk and enjoy the night life? Most of the day, I'm exploring the overall place, but when I get back to the hotel, it's nice to walk into town and be able to eat, and hang out late into the night.

St. Helena is different. Our draw is community, schools, small-town charm, and agricultural roots. Chasing hotel revenue **alone** risks eroding what makes us unique. I'm not saying no hotels. But just not as the solution to all of the problems.

Quality of Life & Community Gaps

We don't have a true "night scene" or family-friendly gathering spots. At most, we have Gott's picnic area, Merryvale's music night, and Anna's.

Yet this town has incredible assets:

Excellent schools ("like private school")

Beloved events (Harvest Festival, 4th of July, Pet Pawrade, Italian Festival, Lyman Park concerts)

Natural beauty, historic homes, walkable neighborhoods

At the same time, we face:

- High cost of living (utilities, food, housing, gas)
- Workforce displacement (employees can't live here)
- Residents leaving for affordability
- Empty homes in pockets of town
- Businesses shutting down (Sunshine should be a wake-up call)

The problem isn't singular, and the solution isn't just binary.

Risks of Narrow Thinking

Selling land and relying on hotels is like a financial advisor saying: "Put all your retirement into one stock—it's the silver bullet!" That's reckless.

At the study session, someone pointed out no one younger than 45 was present (besides me). Working families simply couldn't attend. Many of us work all day, and then need to get food on the table, and night time routines, 6:30 to 8 is not a great time for many young families.

But we all share one clear common goal: make sure the next generation isn't left with a mess.

Damned if We Do, Damned if We Don't

We will be damned if we do:

- Make decisions without facts
- Act rashly out of fear
- Rely on "quick fixes"
- Put all our eggs in one basket

We will be damned if we don't:

- Ask tough questions
- Listen to those with real data, not personal gain
- Understand all problems, not just one in isolation
- Diversify revenue
- Consider why businesses close, or why people move away
- Do our homework and demand transparency
- Work together

A Balanced Path Forward

I am not against hotels or growth. And I know we definitely need change. But there is no one-size-fits-all solution. We are at a pivotal moment, and cynicism is rising because residents feel unheard.

We need to:

- Diversify revenue sources (events, rentals, community spaces)
- Reassess expenses and efficiencies
- Invest in civic assets (plaza, town square, community center)
- Explore workforce housing
- Rebuild trust through transparent, data-driven processes

My Contribution

I offer sketches of how Adams Street and the former City Hall could serve as civic and community hubs—plazas, amphitheaters, gardens, markets, playgrounds, cafés, event spaces. These could both generate revenue and strengthen quality of life.

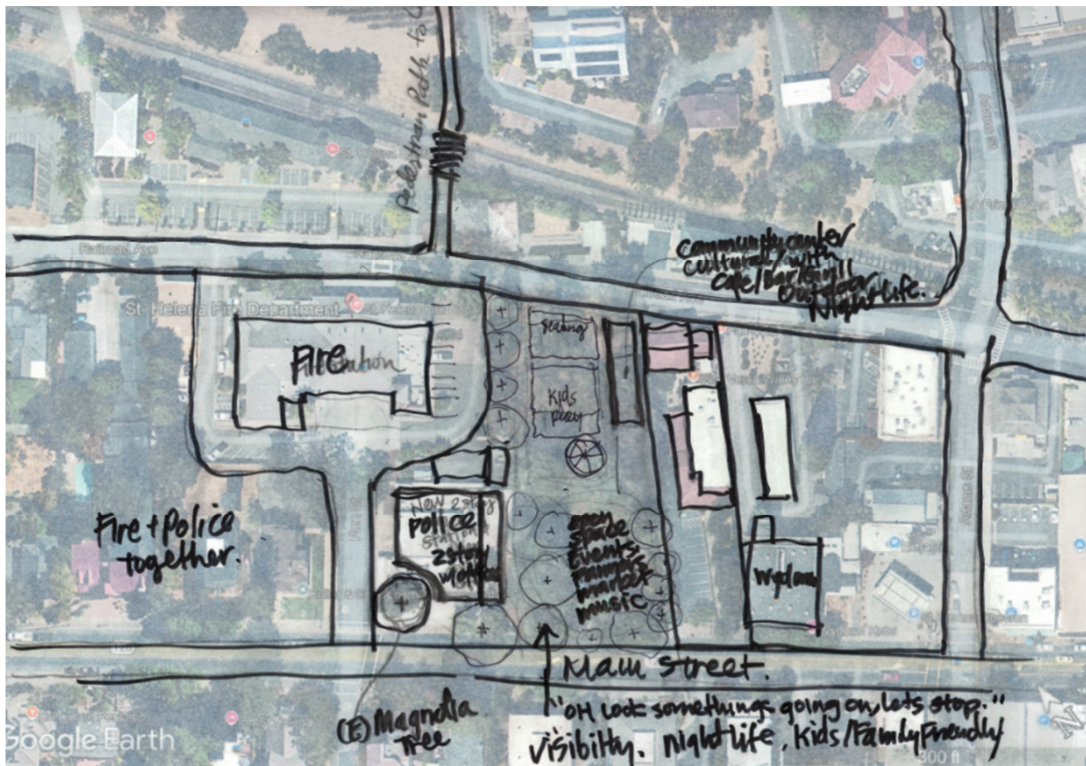
If, after full and transparent analysis, both staff and the Finance Committee agree we are in desperate financial straits, then we can discuss selling properties. But until then, **land sales should not be treated as the first or only option.**

I've spent significant time reviewing reports, talking with residents, and preparing ideas. They are not polished drawings, but they are sincere, community-focused concepts meant to spark discussion. And perhaps they show what we can potentially lose.

Here is that Adams Street parcel – city hall, plaza, town square, amphitheater, rest station for trail and vine trail bikers, community garden, kids park, potential sculpture garden, community center, dog park, farmers markets, café/bar/grille, night life, concerts, town hall events. All nestled to look over Mt St Helena as a community. Maybe we can rent the space for weddings and other events and make some revenue for the town. Create more social scene and reason for tourists to stay in the hotels over other hotels in other towns. Bring people out of their houses and gather and share, and feel that sense of community.



Here is the former City Hall parcel – tear down and rebuild a police station and perhaps a community center there overlooking the park. Save the magnolia tree, and honor its history with marking the entrance of the building. Create a building in the back for potential café/bar/grille, for bringing night life to the park, with good lighting, outdoor seating, kid friendly play structures more centered and away from streets. Keep the Lyman park event green space the way it is for continuing the music in the park, keeping it flexible space, perhaps for festivals, pop up crafts festivities, with music, invite local artists/crafts people to have pop up shops, every Thursday night, with open mic, and music. Keep the view from main street open for people to see the awesome activity and community night life, and want to stop and check it out. OH and maybe there could be a pedestrian bridge and path way to connect Lyman Park over to the Adams Street town square civic center. Arcade in the park night. Movie night in the park.



I know this is all wish list items, and will cost a significant amount of money. These are also just two sites. The Railroad site – if it is housing or if it is a hotel, that site is smaller, and definitely can't offer the town all of the amenities we need.

Again, these are quick sketches. I lack the time to do a more polished drawing, it is done for discussion.

Sincerely
Michelle Liu Covell



chapter seven
community design

7 community design



The Community Design Element contains policies and actions that guide the quality and character of St. Helena's built environment.

- 1 introduction
- 2 land use and growth management
- 3 economic sustainability
- 4 public facilities and services
- 5 circulation
- 6 historic resources
- 7 community design**
- 8 open space and conservation
- 9 public health, safety and noise
- 10 climate change
- 11 housing
- 12 parks and recreation
- 13 arts, culture and entertainment

7.1 Purpose of the Element

The Community Design Element presents a framework of policies and implementing actions that integrates directly with other General Plan elements in determining the quality and character of St. Helena's built environment. In particular, this Element relates to the Land Use and Growth Management Element by setting forth a vision for the form, character, and appearance of the community. It also correlates directly with the implementation of policies and actions included in the Circulation, Open Space and Conservation, Parks and Recreation, and Historic Resources elements. By respecting established neighborhoods and historic assets, this Element provides guidance to preserve St. Helena's distinct history and rural small-town character, while promoting new approaches to enhance future public and private development.

The Community Design Element includes the following sections.

- **7.2 Rural Community Character in St. Helena.** Identifies rural community character, architectural details and neighborhoods (p. 7-3).
- **7.3 Key Findings.** Identifies key findings based on an existing conditions analysis and extensive community outreach (p. 7-9).
- **7.4 Goals** Defines overarching goals to guide policies and implementing actions (p. 7-13).

7 community design

- **7.5 Policies and Implementing Actions.** Identifies policies and implementing actions to ensure high-quality, sustainable and community-oriented design and construction and protect community character (p. 7-15).

7.2 Rural Community Character in St. Helena

Community character can be defined in a number of ways but is often reflected in the physical form of the built environment and its relationship to the natural environment. A community's street pattern; the relationship of its buildings to streets; the location and design of its public spaces; and the architectural styles and landscape elements that characterize buildings, residences and open spaces are often collectively referred to as "community design."

Community design is a visual representation of the character of a place, which evolves over time based on the lifestyle preferences of its residents and the public and private decisions that shape the human landscape. Community design in St. Helena clearly embodies and celebrates the rural character of the city. It can be best understood by exploring its architectural typologies and details, the identity and character of its many neighborhoods, and its rich agricultural heritage.

AGRICULTURE, OPEN SPACE, PARKS, AND RECREATION

The rural feel and abundant open spaces in and around St. Helena are very important design elements that contribute to the overall character of the community. Parks, greenways, vineyards, and other spaces surround the city and are interspersed throughout its neighborhoods, providing space for recreation and passive activities, natural areas, plazas, flood conveyance, and agriculture. This



Downtown's historic character provides a sense of place for the City.

7 community design



Agricultural uses in and around the City contribute to its character.



network of open space provides a distinct connection to the City's agricultural heritage.

Agriculture and viticulture have influenced the nature of the surrounding landscape perhaps more than any other land use or economic activity. As a result, existing expanses of vineyards and agricultural lands — including “fingers” of green that reach into the urban environment — play a central role in maintaining the rural experience and a distinctly historic sense of place for City residents and visitors.

The City's Urban Limit Line is an instrumental policy tool for maintaining clear definition of the rural/urban edge and preserving the City's adjacent open spaces. Green spaces and vineyards within the Urban Limit Line also contribute to the rural environment, ensuring St. Helena's agrarian heritage remains elemental to the character of the City, both inside and surrounding the city. Parks and other open spaces also contribute to this effect.

GATEWAYS, EDGES, AND VIEWS

Gateways, edges, and views throughout St. Helena create a sense of the city's rural character. Public views of the surrounding hillsides, Mount St. Helena,

7 community design

vineyards, and older agricultural buildings provide valuable visual connections that strengthen the community's identity. Views are especially significant where agriculture is located along street edges.

Similarly, entries into the city provide important gateways that help establish St. Helena's sense of place. These gateways not only announce entry into the city, but also lend significance to the area. The northern gateway to the city from State Route 29, referred to as the "Tunnel of Elms," is attractive, with large, landmark trees lining the road. Historic winery structures and residences add character to this important city gateway. The southern entry is less pronounced, with service commercial uses, parking, and limited landscaping adjacent to the highway.

ARCHITECTURE AND URBAN DESIGN

The concentration of well-preserved buildings in downtown St. Helena is important in establishing the City's historic character. Many of the historic masonry and wooden structures built from stone, brick, and timber and located along Main Street between Spring and Adams streets, were constructed during the city's second major period of growth in the late 19th and early 20th centuries. European settlement of the Napa Valley during this period was fueled by the arrival of Italian and Swiss immigrants, many of whom were trained stonemasons and quarrymen. These early settlers skillfully carved Napa County's colorful volcanic rocks and used local timber to build barns, houses, fences and bridges. The architectural details of these structures, such as brick dentils, medallion insets, and window fenestration, lend character to the community just as do the materials from which they were constructed.

The character of St. Helena's residential neighborhoods is defined by a range of Pre-Prohibition-era housing styles. Multiple architectural typologies can be found along a single street, which contributes to neighborhood character. Common residential architectural typologies include American Queen Anne, American Craftsman, California Bungalow, and vernacular farm houses. Later



St. Helena's residential neighborhoods are often characterized by multiple architectural typologies along a single street.

7 community design

styles found in St. Helena include ranch-style homes and a variety of neo-eclectic architectural styles based on a combination of traditional shapes and details from different periods. Overlapping themes among both historic and modern homes include large, open-air porches supported by various interpretations of the basic column, and deeply overhanging eaves supported by exposed rafters or ornamental brackets.

Similar to many western cities, St. Helena's historic street pattern and layout is characterized by a traditional grid pattern, with variances that result from the intersection of railroad lines, creeks and regional roadways. As St. Helena grew during the latter part of the 20th Century, a modified street pattern developed with wide curvilinear streets, cul-de-sacs, and fewer bicycle and pedestrian connections. Future development presents an opportunity to enhance street, bicycle, and pedestrian connectivity, in part by using the city's historic grid street pattern.

RESIDENTIAL NEIGHBORHOODS

The community is composed of twenty-four residential neighborhoods surrounding St. Helena's historic downtown, as mapped by the General Plan Update Steering Committee (GPUSC) and shown on Figure 7.1. Each of these neighborhoods are distinct in identity, characterized by design elements such as their street patterns, architectural typologies, landscaping, and other attributes that support St. Helena's sense of place.

St. Helena's residential neighborhoods include single family units on large, rural lots; single family units on typical neighborhood lots; and attached medium-density units, including townhouses, condominiums, and apartments. Various residential architectural styles can be found throughout the city neighborhoods that include favorable design components, such as front porches, abundant landscaping, and façade articulation. Streets within residential neighborhoods are generally tree-lined, equipped with sidewalks, and narrow enough to be comfortable for pedestrians and bicycles. However, some streets, such as Starr Avenue, would benefit from a median, planting berm, dedicated bike paths,

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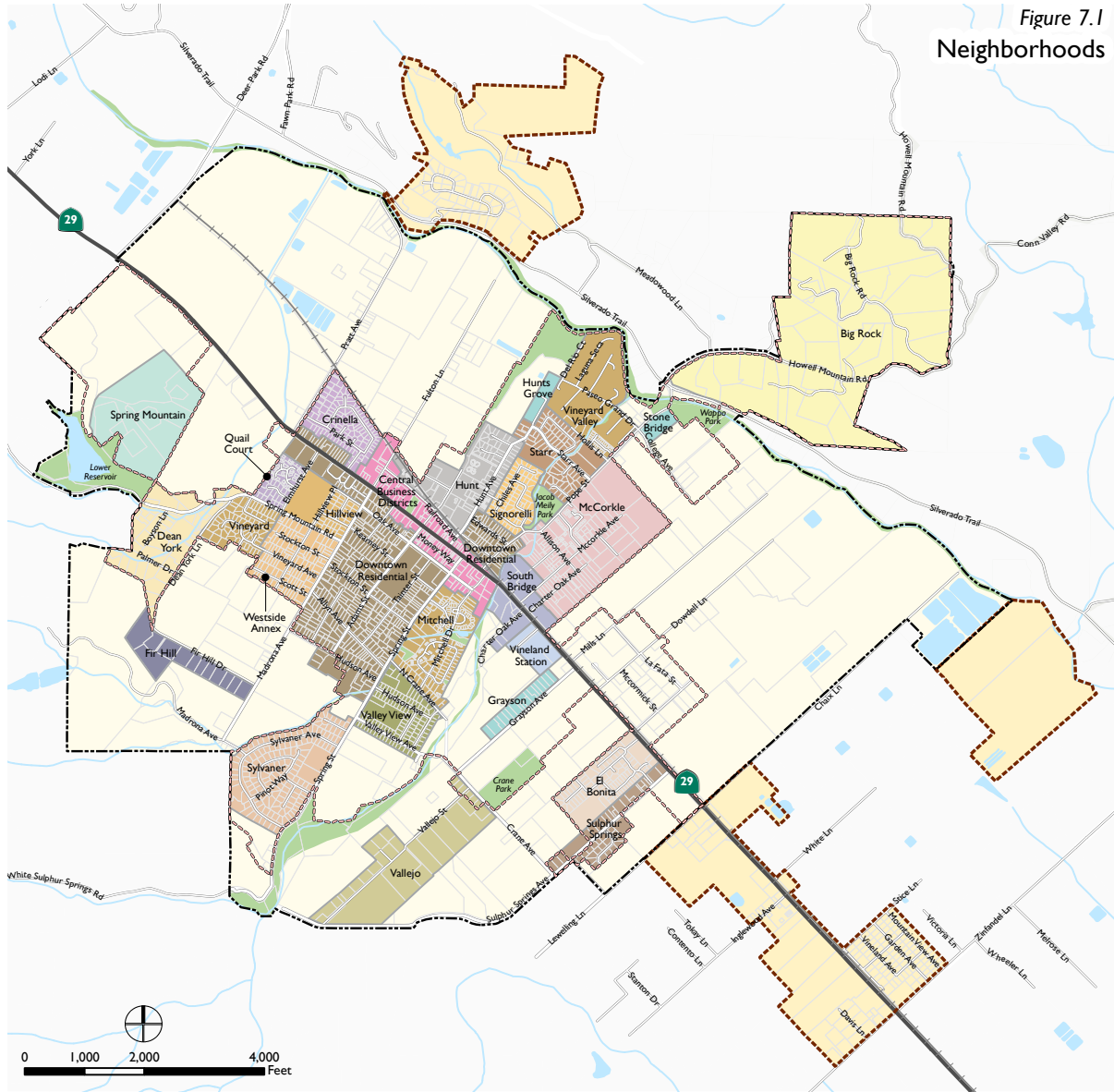
Residential neighborhoods possess unique identities and different types of architecture dating from various decades.

or other traffic calming strategies. Decorative fences are often used to establish the boundary between public and private spaces at the street level. These fences, more common in older neighborhoods, also create visual interest for pedestrians. Landscaping in the city's residential neighborhoods is also colorful and highly textured, which helps to further enhance the pedestrian experience.

Street patterns, an important component of the urban form that influence not only circulation and community access but also community layout and character, vary between neighborhoods in St. Helena. Neighborhood streets such as those in the Hillview and Westside Annex neighborhoods exhibit a traditional grid pattern, while the Big Rock, Fir Hill, and Vallejo neighborhoods have rural and semi-rural street patterns.

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Figure 7.1
Neighborhoods



Data Source: City of St. Helena, 2018; Napa County, 2018; Dyett & Bhatia, 2018

- Neighborhoods
- Urban Limit Line
- Study Areas
- City of St. Helena
- Railroads
- Parks and Open Space
- Water Features

GENERAL PLAN UPDATE
City of St. Helena

DYETT & BHATIA
Urban and Regional Planners

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COMMERCIAL AND INDUSTRIAL AREAS

Commercial and industrial areas are located along Main Street and adjacent streets. The Central Business District (CBD), centered on Main Street, serves as the city's downtown and provides a variety of uses for residents and visitors. The CBD is characterized by historic buildings, an active pedestrian environment, street trees, and other key defining streetscape elements, such as historic streetlights and special sidewalk treatments. Other commercial and industrial areas are located along Adams Street, Main Street south of Sulphur Creek, and the areas surrounding Dowdell Lane and Vintage Avenue. In these service areas commercial, office, and industrial land uses are less intense and often include on-site parking. Streets are typically two-lane and have minimal streetscape amenities.



Commercial and industrial buildings should be distinct with varying roof lines and articulated facades.

7.3 Key Findings

There are several challenges and opportunities facing St. Helena related to community design. The following key findings are based upon comprehensive existing conditions analysis and community input.

- St. Helena's built environment is characterized by a compact and historic downtown, tree-lined neighborhoods, breathtaking agricultural landscapes, and a distinctive, early 20th century small-town character. By effectively guiding the built form of any potential new construction, the City can ensure that St. Helena preserves its unique qualities.
- St. Helena incorporates approximately 3,000 acres of land, of which 1,500 acres are located within the boundaries of the Urban Limit Line (ULL). The ULL helps define the city's character by focusing evolution and change in the central core. Careful, context-sensitive development of areas within the ULL can help the city retain its historic and agricultural character while accommodating well thought out growth in coming decades in order to protect the agricultural uses and rural quality of both the city and surrounding areas.

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- St. Helena’s historic downtown is cherished by residents and draws visitors from around the world. The city’s Main Street features a variety of shopping and dining venues. Encouraging new commercial and mixed-use projects that complement the area’s existing sense of place can enhance Main Street’s character while creating uses to serve residents, visitors and businesses.
- St. Helena boasts a number of well-preserved older buildings along Main Street that help communicate the city’s character to those entering or passing through town, particularly from the north. Key landmark buildings include the Starr, Galleron, Ritchie, Oddfellows, and Pritchard buildings. Preserving these structures and ensuring that new development complements their landmark status can help St. Helena maintain its unique character.
- Design Review is an important tool the City can use to continue to promote, ensure, and encourage new homes or remodels that reflect the scale, proportion, and/or building materials that characterize the surrounding neighborhood. Following design guidelines and/or form-based codes for remodels and new construction can ensure that remodeled or new residences complement existing neighborhoods and contribute positively to St. Helena’s sense of place.
- Residential neighborhoods throughout the city possess unique identities and include types of architecture dating from various decades of the 20th Century and present day. Establishing a flexible set of design guidelines and/or form-based codes for specific areas can ensure that new development and remodels complement the distinct character of St. Helena’s existing neighborhoods, while allowing for design innovation to accommodate modern needs and tastes.
- St. Helena’s local character is strongly rooted in its agricultural heritage and location in the world-famous Napa Valley winemaking region. By highlighting the importance of key viewsheds and agricultural lands to the community’s overall design, the City can maintain a strong visual connection to the essential role of agriculture in St. Helena’s past and future.

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CONCEPTS, TRENDS AND IDEAS

Adams Street Property Visioning Project



TOP The site plan for the Adams Street Property includes key community objectives identified during the vision and land use alternatives processes.

BOTTOM The Adams Street property was identified as a good location for a farmer's market.

In conjunction with the City of St. Helena's General Plan Update planning process, the City initiated the Adams Street Property Visioning project in October of 2008. The process included several stakeholder interview sessions, consultation with the General Plan Update Steering Committee, and two community workshops. The Adams Street property is a catalytic site with the potential to meet a range of the community's needs, including open space, housing and retail.

Building on the community vision and informed by economic feasibility analysis, the Adams Street Property Visioning exercise provided overall vision and specific design direction, establishing a framework for guiding future public and private developments on the site, as well as public improvements, such as community open spaces and streetscape enhancements.

Design characteristics outlined in the project exemplify many of the Community Design Element's policies and implementing actions, including new community gathering spaces, preserving important views, green buildings and infrastructure, and an emphasis on bicycle and pedestrian connections.

Detailed site master planning will occur when a specific development proposal comes forth for the Adams Street property.

7 community design



St. Helena's downtown demonstrates its historic character and unique sense of place.

- High-quality and sustainable design is an important component of the overall community design for St. Helena. Incorporating sustainable design practices into site layout, building design, landscaping, and public infrastructure is key to supporting projects that use less energy and water and have a smaller environmental impact. In addition, high-quality design contributes significantly to overall community design. Supporting sound construction practices and the use of high-quality materials will ensure long-lasting, well-built structures.
- St. Helena's Main Street is State Route 29, a major north-south thoroughfare that runs through the Napa Valley. Residents consistently cite heavy traffic as one of the most pressing concerns facing the City and highlight a need to ensure that community design efforts reduce auto-related travel in favor of alternate transportation modes. Creating a community design framework that enhances St. Helena's human scale can ensure that the city remains a comfortable, safe, and convenient environment for pedestrians, bicyclists and transit riders.

7 community design



7.4 Goals

The goals of the Community Design Element are:

Respect St. Helena's Historic Character and Unique Sense of Place.

St. Helena is committed to enhancing and maintaining its existing community and agricultural character.

Promote a High-Quality and Sustainable Built Environment and Public Realm.

St. Helena is dedicated to maintaining an urban design framework that strengthens the physical form of the City by establishing a high standard of quality, context-sensitivity and ecological sustainability for the design, planning and construction of new and renovated structures, gateways, streets, public infrastructure, and public spaces.

Encourage Community Design throughout the City that Helps to Build Community.

Encourage Human Interaction and Support Non-Automobile Transportation.

St. Helena is committed to promoting community design that is human-scaled, comfortable, safe, and convenient for pedestrian, bicyclist, and transit use.

7 community design

Strengthen the City's Neighborhoods to Retain Desirable Characteristics

While Allowing for Smart Change and Evolution.

St. Helena recognizes the unique characteristics of individual neighborhoods and the potential for appropriate change within the context of a well-planned city. The City is committed to solving specific neighborhood problems and implementing neighborhood priorities to value enhance livability.



Green building and landscaping, such as green roofs and green stormwater infrastructure, should be incorporated into new development.

7 community design

7.5 Policies and Implementing Actions

A range of policies and implementing actions are outlined below and organized into the following topic areas:

1. High-Quality and Sustainable Design;
2. Commercial and Industrial Areas;
3. Residential Neighborhoods;
4. Open Space;
5. Gateways, Edges, and Views; and
6. Street Pattern and Layout.

The following policies and actions mandate, encourage, or allow certain initiatives to be pursued throughout the duration of the General Plan. Together, they serve as strategic directions for City staff and partners, highlighting where time and resources should be focused. As the city changes and evolves, the following policies and actions will help guide new public infrastructure and private development in achieving sustainable, high-quality design.



Buildings should utilize native landscaping, passive heating and cooling, and green roofs.

7 community design

topic area

1 HIGH-QUALITY AND SUSTAINABLE DESIGN

Policies

CD1.1 Ensure high-quality design and construction through a robust design review process.

CD1.2 Ensure the construction of sustainable buildings and landscaping in all public and private development projects.

CD1.3 Require construction and development practices that reduce energy demand through conservation and efficiency, such as the use of green building materials, site design to maximize passive heating and cooling and energy generation, on-site water reuse, water efficient landscaping, and use of low-flow appliances, among others.

(Also see the Climate Change Element, Topic Area 2)

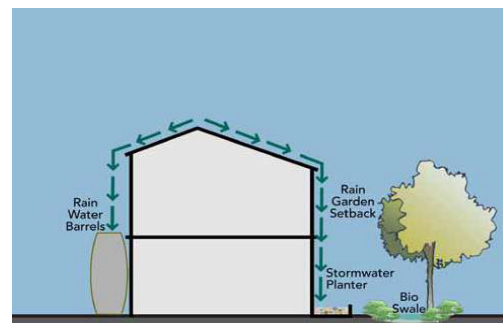
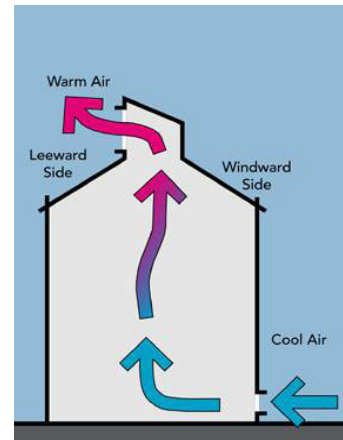
CD1.4 Strengthen water conservation measures for development or construction that result in significant reductions in local water use and the protection of local water resources.

CD1.5 Require stormwater management techniques that minimize surface water runoff in public and private developments. Utilize low impact development techniques such as bioswales and other best management practices to manage stormwater.

(Also see the Open Space and Conservation Element, Topic Area 3)

CD1.6 Encourage the adaptive reuse, rehabilitation, and retrofitting of historic buildings in which the original use is no longer feasible.

(Also see the Historic Resources Element, Topic Area 1)



Buildings should strengthen conservation measures and maximize passive heating and cooling.

7 community design

topic area

1 HIGH-QUALITY AND SUSTAINABLE DESIGN

CD1.7 Promote the application of sustainable building practices to the preservation of historic resources.

(Also see the Historic Resources Element, Topic Area 1)

CD1.8 Require, to the extent feasible, that all new development include underground utilities to minimize their negative visual impact. In addition, funding sources to underground electrical lines shall be sought so the undergrounding of existing overhead lines can occur over time.

Implementing Actions

CD1.A Continue to implement the existing design review process for new development and remodels throughout the city. Create additional tools, including design guidelines and/or form-based codes, to inform decision-making and ensure high-quality, sustainable design that is compatible with and enhances community character. Consider formation of historic design review committee and/or policies.

CD1.B Adopt a Green Building and Landscaping Ordinance that establishes green building and landscaping site design standards customized to meet the unique climatic context of the community. Landscaping standards should limit impervious paving and identify standards and incentives that encourage the use of locally-propagated native, low-water, drought-tolerant planting, and integrated pest management practices.

CD1.C Partner with third party agencies, such as PG&E, to encourage the inclusion of energy-efficient systems in remodels and retrofits of existing buildings and residences.

CD1.D Consider offering incentives for improving energy-efficiency in existing buildings.

7 community design

topic area

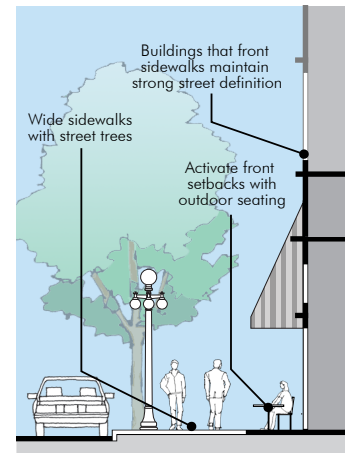
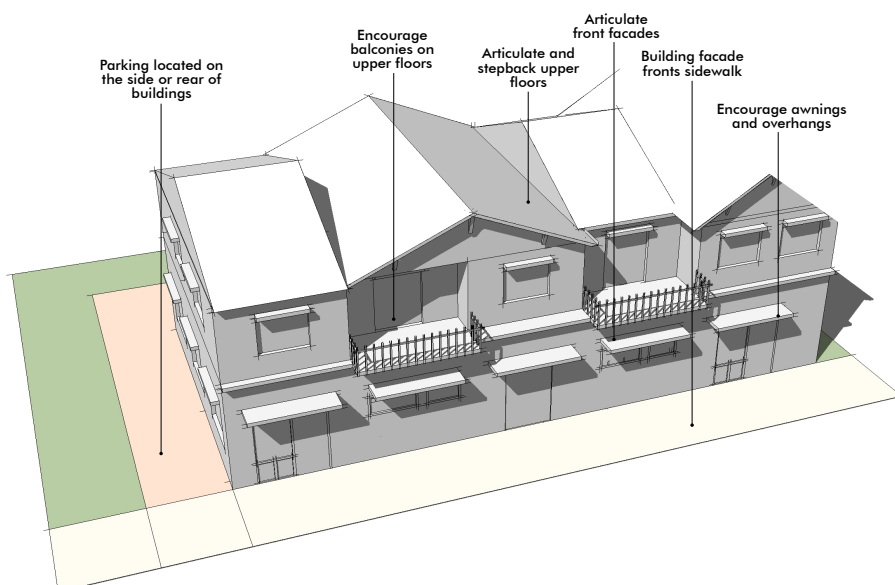
2 COMMERCIAL AND INDUSTRIAL AREAS

Policies

CD2.1 Maintain the character and identity of the downtown by emphasizing strong street definition, creating active front setbacks with outdoor seating, locating parking on the side and behind buildings, and maximizing entrances and transparency on building façades.

CD2.2 Within industrial and commercial areas outside downtown, maintain transitional zones as needed to protect public health and safety but allow flexible front setbacks while encouraging transparent and accessible front façades and parking on the sides and backs of buildings.

CD2.3 Encourage distinction within and between buildings by varying roof lines and articulating building façades.



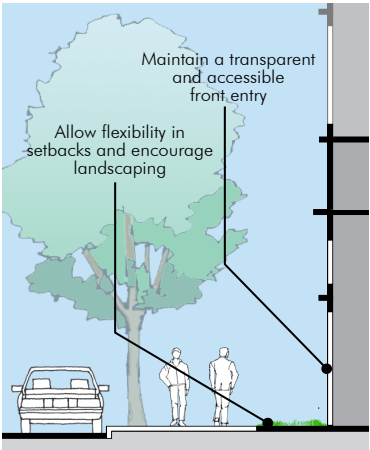
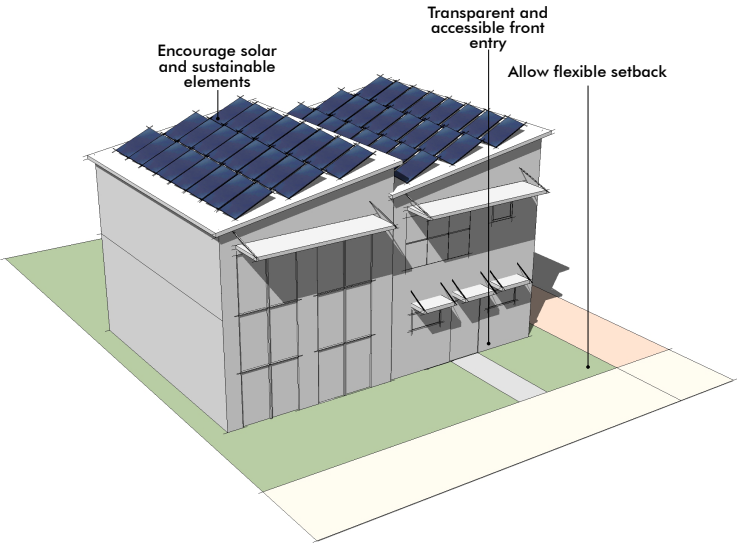
Central Business and Mixed-Use districts should emphasize strong street definition and active front setbacks with outdoor seating .

7 community design

topic area
2 COMMERCIAL AND INDUSTRIAL AREAS

CD2.4 Ensure active and complete streets within commercial districts by providing sidewalk amenities, such as landscape buffers, berms, street trees, street furniture, outdoor dining, public art, signage, and wayfinding.

CD2.5 Encourage property owners to improve façades and landscaping surrounding existing buildings through the implementation of beautification programs.



Industrial uses should allow flexible front setbacks while encouraging transparent and accessible front façades.

7 community design

topic area

2 COMMERCIAL AND INDUSTRIAL AREAS

Implementing Actions

CD2.A Develop and implement design guidelines and/or form-based codes, to provide oversight and guidance for new buildings and renovations.

(Also see the following elements: Land Use and Growth Management, Topic Area 3; and Economic Sustainability, Topic Area 3)

CD2.B Require street tree plantings along the commercial streets east of Main Street to reflect Main Street’s existing planting pattern, in order to provide visual continuity and to create a pleasant pedestrian environment.

CD2.C Install attractive and well-designed community amenities such as public restrooms, drinking fountains, benches, bicycle racks, and trash and recycling containers in commercial districts. Ensure that community amenities are designed and installed to complement surrounding businesses and support the pedestrian-orientation of the street.

CD2.D Require businesses and structures to be of a scale commensurate with existing older buildings in the CB and SC land use areas.

CD2.E Adopt and implement façade and landscape beautification programs to provide assistance to owners of existing commercial and industrial properties.

CD2.F Explore the need for additional programs, such as commercial façade improvement programs and traffic calming incentive programs.

(See also the Circulation Element for policies and implementing actions related to traffic calming).

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topic area

3 RESIDENTIAL NEIGHBORHOODS**Policies**

CD3.1 Limit building envelope sizes and require adequate side and rear setbacks to preserve the character of existing residential areas and to avoid over-built lots. Require future development to conform to the pattern and density of the neighboring areas. In order to complement existing town character and protect against incursion into vineyard agricultural areas.



CD3.2 Ensure that new residential designs contribute positively to existing neighborhoods by complementing character and incorporating design features, such as front porches, façade articulation and setbacks.



CD3.3 Encourage the use of landscaping and tree plantings as buffers between sidewalks and residential uses. Discourage the removal of existing trees and adopt more comprehensive tree preservation standards.

(See also the Open Space and Conservation Element for policies and implementing actions related to tree preservation).

New development and remodeling should conform to the pattern and character of neighboring homes.

CD3.4 Ensure safe bicycle and pedestrian-friendly character on all residential streets. Consider retrofitting existing wide residential streets, such as Starr Avenue, with landscaped medians, wide sidewalks, and adjacent Class I pedestrian and bicycle trails.

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topic area

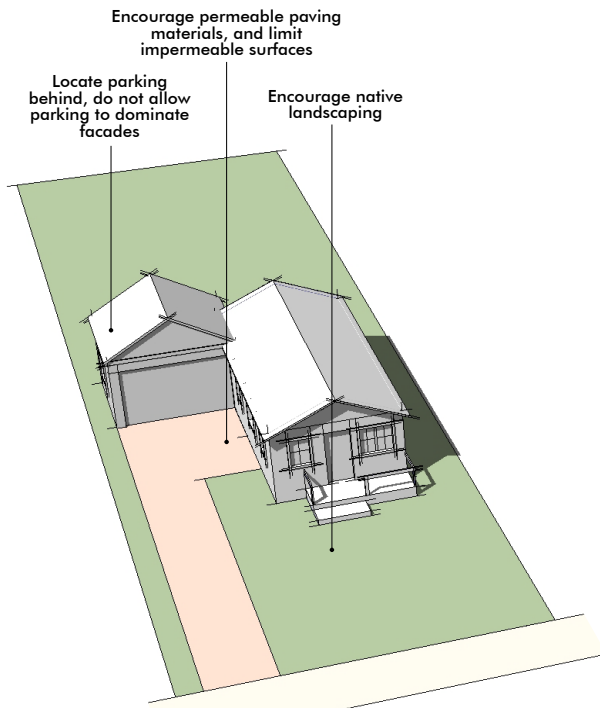
3 RESIDENTIAL NEIGHBORHOODS

Implementing Actions

CD3.A Develop and implement residential design guidelines and/or form-based codes, to provide oversight and guidance for new buildings and renovations.

(Also see the Land Use and Growth Management Element, Topic Area 2)

CD3.B Review the existing ordinance language limiting lot coverage/floor area ratio according to parcel size in residential areas in order to preserve neighborhood character, reduce adverse view and shade impacts on existing homes, improve groundwater infiltration, and avoid overbuilt conditions. At the same time, care needs to be taken that any ordinance revision does not impair the ability to build second units on existing lots where appropriate.

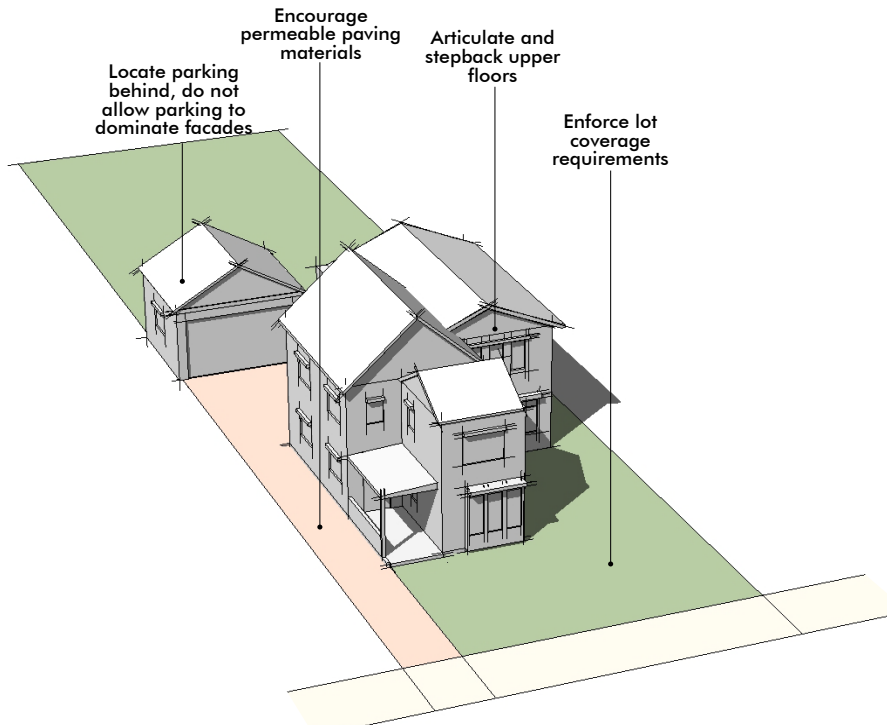


Low density residential.

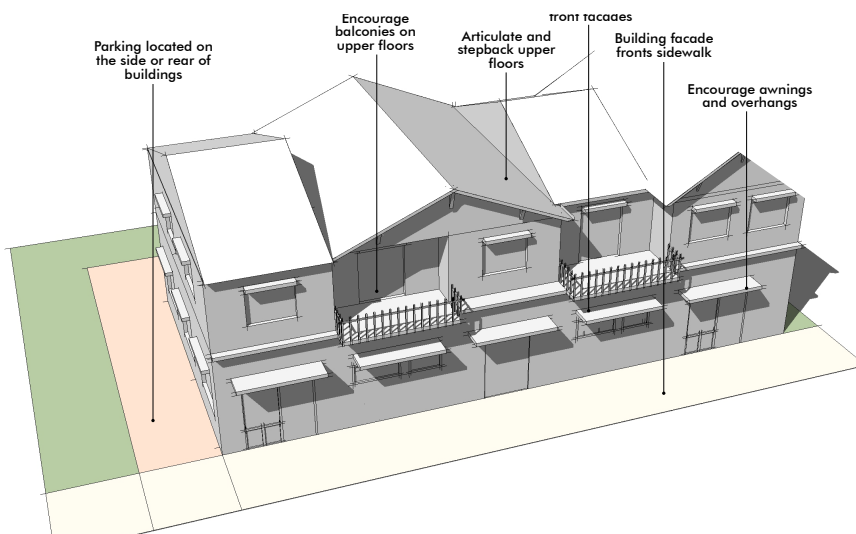
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topic area

3 RESIDENTIAL NEIGHBORHOODS



Medium density residential.



Higher density residential.

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topic area

3 RESIDENTIAL NEIGHBORHOODS

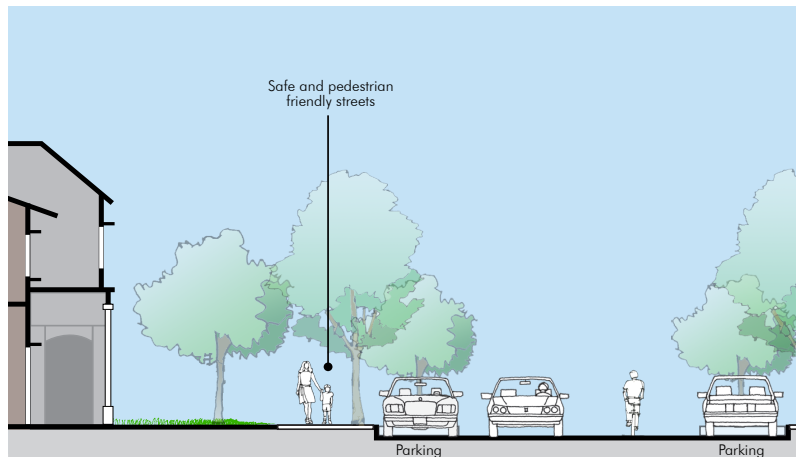
CD3.C Encourage the design and location of parking to minimize its appearance on front façades, locating it to the side or rear of the building, where feasible.

CD3.D Encourage property owners to install landscaping and tree plantings in front setbacks as a buffer between the sidewalk and residential uses.

CD3.E Require new development to include landscaping and street trees.

CD3.F Establish residential street guidelines that ensure a safe environment for families and children. Encourage traffic calming, street trees, wide sidewalks, and Class I or II bike lanes.

CD3.G Explore a reduction in parking requirements for residential uses that implement transportation demand management strategies, consistent with the parking management strategy articulated in the Circulation Element.



Encourage landscaping and street trees to create bicycle and pedestrian-friendly streets.

7 community design

topic area

4 OPEN SPACE**Policies**

CD4.1 Encourage the development of public spaces for formal and informal gatherings, such as plazas, seating and small performance areas.

CD4.2 Integrate open space, including parks, community gardens, natural areas, and agriculture into the community to strengthen the connection to St. Helena's agricultural heritage and provide a sense of openness.

CD4.3 Support agricultural and low-intensity uses beyond the Urban Limit Line.

(Also see the Land Use and Growth Management Element, Topic Area 1)

CD4.4 Integrate bicycle and pedestrian trails adjacent to open spaces to enhance connectivity throughout the city and the region.

(Also see the Parks and Recreation Element, Topic Area 6)



Plazas and community gardens are both examples of open space.

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topic area

4 OPEN SPACE

Implementing Actions

CD4.A Require private development to incorporate appropriate public open space into site designs.

(See also the Parks and Recreation and Open Space and Conservation elements provide additional goals, policies and actions related to open space).



Bicycle and pedestrian trails can be located adjacent to open spaces.

7 community design

topic area

5 GATEWAYS, EDGES AND VIEWS**Policies**

CD5.1 Preserve the visual and physical connection to agriculture by protecting views from streets, parks, and open spaces to vineyards, agriculture, and hillsides. Where new streets are extended adjacent to agriculture, encourage hillside, and vineyard views by maintaining agricultural activities at the road edge. Existing east and west entries should be maintained in their current appearance, protecting and improving views of vineyards and the surrounding hillsides wherever possible.

CD5.2 Use public streets or pathways to form the edge of developed areas, allowing views of open space from streets.

CD5.3 Ensure that key gateways into the City receive special, character-defining treatments and landscaping. Consider establishing landmark trees along the roads that serve as gateways to the City. New commercial development on Main Street south of the Sulphur Creek bridge should be carefully designed to provide an appropriate gateway in to the downtown area

CD5.4 Preserve and enhance the City's nighttime environment and quiet rural sounds of the night for residents and wildlife by limiting the negative effects of artificial lighting.



Visual and physical connections to agriculture and open space provide views and act as edges.

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topic area

5 GATEWAYS, EDGES AND VIEWS

Implementing Actions

CD5.A Working with CALTRANS, design and install a landscaping treatment for the northbound (State Route 29 from Chaix Lane north to Sulphur Creek) and westbound (from Silverado Trail west along Pope, and any future roadway segment from the Trail to downtown) gateways into the city. Consider a tunnel of trees similar to those located at the northern gateway.

CD5.B Adopt a dark sky ordinance to preserve the City's rural character by limiting the negative effects of light pollution on wildlife and community aesthetics. Develop lighting design guidelines for new development that mitigate light pollution while ensuring adequate nighttime security.

CD5.C New development shall not result in significant light, glare, and noise that could affect residents, visitors, and wildlife. Lighting shall be shielded to reduce glare and shall be cast downwards. Outdoor lighting shall occur primarily for the purpose of security and safety. Upcast lighting shall be discouraged to minimize impacts on wildlife and to retain the agricultural ambience of St. Helena. All lighting shall conform to the Lighting Zone 2 requirements of Title 24 of the California Building Code.

CD5.D The City shall encourage the undergrounding of any new electrical lines required to serve new development. In addition, funding sources to underground existing electrical lines shall be sought so that undergrounding of existing overhead electrical lines can occur over time.

CD5.E The City shall investigate the possibility of designating all or a portion of State Route 29 that passes through the City of St. Helena as a scenic highway under the State's scenic highway program.



A tunnel of trees provides a verdant gateway into the City.

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topic area

6 STREET PATTERN AND LAYOUT**Policies**

CD6.1 Ensure a connected circulation system that maximizes pedestrian and bicycle connectivity.

CD6.2 Promote the inclusion of bicycle and pedestrian trails and bicycle lanes throughout the City, as well as connections to regional trail systems, such as the Napa Valley Vine Trail.

(Also see the Parks and Recreation and Circulation elements for additional policies and implementing actions relating to bicycle and pedestrian trails and amenities.)

CD6.3 Require streetscape design that maximizes bicycle and pedestrian usage by providing safe and appropriately lit streets.



Streetscape design that promotes safety and connectivity for bicyclists and pedestrians.

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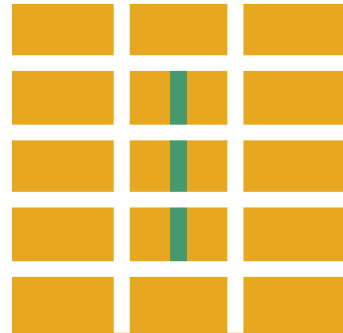
topic area

6 STREET PATTERN AND LAYOUT

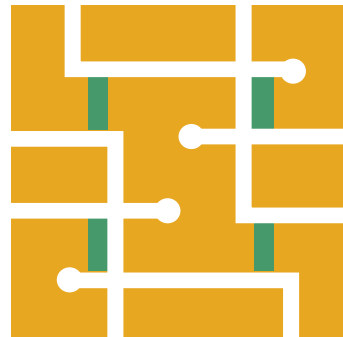
Implementing Actions

CD6.A Facilitate the safe and efficient flow of pedestrian, bicycle and vehicular traffic. Enhance and frame views of the hills and surrounding agricultural lands; and incorporate appropriate traffic calming features to support and complement the neighborhood environment.

(See also the Circulation Element for goals, policies and actions related to street connectivity).



Acceptable: Traditional connected street pattern.



Acceptable: Connected bicycle and pedestrian street pattern.



Not Preferred: Disconnected street pattern.