

Long Range Property Management Plan

Submitted to:

Napa Redevelopment Successor Agency Oversight Board
and
State of California Department of Finance

Prepared by:

Successor Agency to the
Napa Community Redevelopment Agency

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**Long Range Property Management Plan
Successor Agency to the Napa Community Redevelopment Agency**

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Long Range Property Management Plan Successor Agency to the Napa Community Redevelopment Agency

SECTION 1. INTRODUCTION AND BACKGROUND

This document constitutes the Long-Range Property Management Plan (“the Plan”) of the Successor Agency to the Napa Community Redevelopment Agency (“Successor Agency”) and the Napa Redevelopment Successor Agency Oversight Board (“Oversight Board”), prepared in accordance with Health and Safety Code sections 34191.4(a) and 34191.5 (a). The Plan identifies real property assets (e.g. land, buildings, etc.) owned by the former Napa Community Redevelopment Agency (“NCRA”), and sets forth a strategy for the appropriate retention and disposition of such assets in accordance with the provisions of the law.

A successor agency must first receive a “Finding of Completion” from the California Department of Finance (“DOF”) before it can submit a Long Range Property Management Plan. The Successor Agency received a Finding of Completion on June 6, 2013, and has six months to submit an Oversight Board-approved Plan to DOF. This Plan was presented on September 17, 2013, to the Successor Agency (i.e., Napa City Council serving in its separate capacity as the governing board of the Successor Agency); and to the Oversight Board on October 2, 2013. Upon approval of the Plan by the Oversight Board, it will be transmitted to the California Department of Finance (“DOF”) for review and approval. The statute does not include a specific time frame by which DOF must render its approval or denial of the Plan.

This Plan aims to ensure that the disposition of the Successor Agency’s real property assets provides the best long-term economic benefit to the affected taxing entities. Such assurance is predicated on a well-functioning, economically vibrant central business district that continues to revitalize and generate increasing revenue over time.

NCRA Dissolution and Real Property Assets

NCRA was dissolved on February 1, 2012, pursuant to ABx1 26 (as amended by AB 1484). Prior to dissolution, NCRA owned 16 real property assets located in the Parkway Plaza Redevelopment Project Area. On February 1, 2012, those real property assets were transferred by law to the Successor Agency. Today, 15 of the assets continue to be held in trust by the Successor Agency, and one (Opera House Plaza at Napa Creek, a park) was transferred to the City under the “governmental purpose” exemption in California Health & Safety Code, Section 34181(a), as approved by the Oversight Board on February 27, 2013, and DOF on June 11, 2013. All but three of the properties (a building and adjacent driveway parcel, and a loading dock) either function as public parking facilities or public parks / open space, and have served these purposes for decades. Had statewide dissolution of redevelopment agencies not occurred, the Parkway Plaza Redevelopment Plan would have expired in December 2012, at which time NCRA would have transferred its parking and park properties to the City of Napa for continued operation and maintenance for the benefit of the project area and the public. NCRA staff was planning to seek direction from the NCRA Board regarding the disposition of the remaining assets (building and adjacent driveway and loading dock), which may have resulted in their sale.

In February 2013, the Oversight Board adopted a resolution directing the Successor Agency to transfer the Successor Agency-held public parking properties and one park to the City in accordance with Health and Safety Code Section 34181(a). This section of the statute allows the Oversight Board to “direct the

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successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset.” However, DOF denied the transfer of the public parking properties in a letter dated June 11, 2013. The letter implies that because “public parking facilities” is not explicitly cited as a governmental purpose property in the text of the statute – even though the list of examples is prefaced with ‘such as’ and therefore is illustrative and not exclusive --- DOF did not consider parking properties to be transferrable under the governmental purpose provision of the statute. The Successor Agency disagrees with DOF’s determination and communicated this disagreement in a letter dated June 19, 2013. As expressed in this letter, the Successor Agency contends that the remaining Successor Agency-held parking properties are most certainly governmental purpose assets. As further explained in this Plan, the parking properties were purchased with public funds; constructed with public funds, and in the case of the garages, with tax-exempt bond proceeds which contain specific limitations on their use; are maintained with assessment revenue on business licenses and City general fund dollars; are open to and used by the public; and serve as an important public purpose of minimizing circulation problems and resulting greenhouse gas emissions. Just like libraries, parks, public streets, and highways, they are open for use by the public, and operated and maintained by the municipality. These properties are located in Downtown Napa, which is the county seat and therefore government employees (City of Napa, Napa County, municipal courts, federal and state officials and staff) rely on the parking properties for their employees, jurors and customers. The parking properties are operated and maintained by the City of Napa, and similar to a library or a park, are provided to the public at no charge. The properties were acquired and improved with government funds for public benefit. The facilities do not generate revenue to offset their operation and maintenance costs.

A 1944 California Supreme Court case recognizes that public parking lots serve a public purpose:

Whittier v. Dixon 24 Cal 2d 644, 667 (1944)

“Respondent contends that public parking places are not public improvements. The Legislature, however, has expressly authorized the acquisition of parking places to serve the public, and the legislation is valid so long as it serves some public purpose. (*In re Smith*, 143 Cal. 368 [77 P. 180]; *County of Los Angeles v. Dodge*, 51 Cal.App. 492 [197 P. 403]; *Egan v. San Francisco*, 165 Cal. 576 [133 P. 294, Ann. Cas. 1915A 754]; *Larsen v. San Francisco*, 182 Cal. 1 [186 P. 757]; *Irish v. Hahn*, 208 Cal. 339 [281 P. 385, 66 A.L.R. 1382].) Just as public streets can be used for the parking of motor vehicles, property can be acquired for the same use. Moreover, public parking places relieve congestion and reduce traffic hazards and therefore serve a public purpose. They may be compared to municipal airports, which have been recognized as public improvements. (*Krenwinkle v. City of Los Angeles*, 4 Cal.2d 611 [51 P.2d 1098]; see 63 A.L.R. 777; 69 A.L.R. 325; 135 A.L.R. 755.)”

A common approach for cities when trying to create and maintain a vibrant and economically viable office and retail environment, particularly within older central business districts, is to consolidate parking in public structures and surface lots to remain competitive with other shopping and business centers. This removes the burden of providing parking in every development project, and promotes better design and land use, therefore creating pedestrian friendly environments. This consolidated

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approach prevents downtown from being “over-parked” because it takes into account peak parking usage of different users – retail store employees, office workers and their customers park primarily during the day, while restaurants, lodging and entertainment venues create more parking demand at night. The description below illustrates further how in Napa’s case the parking structures meet a vital governmental purpose.

Interestingly, DOF appropriately approved the Santa Barbara successor agency’s transfer of public parking assets to the city under the government purpose provision. The Napa successor agency’s real property assets and parking management system are extremely similar to the Santa Barbara successor agency and we encourage DOF to make a side-by-side comparison when reviewing this Plan.

Three Parking Structures

The Parkway Plaza Redevelopment Plan’s primary goal was to convert the downtown business district into a competitive, modern, attractive area. One of the stated objectives to accomplish this goal was “to provide for substantial parking” to support an expanding and thriving business and shopping area. To that end, in the late 1970s, the NCRA and the City of Napa’s Parking Authority assembled properties for the express purpose of constructing three public parking structures (and several surface parking lots) to serve the downtown shopping and commercial district. The properties for all of the structures were acquired through condemnation. Section 1240.010 of California eminent domain law states, “The power of eminent domain may be exercised to acquire property only for a public use.” The City Parking Authority was formed pursuant to California Streets & Highways Code Section 32650, which is part of the Parking Law of 1949. It is interesting to note that California Streets & Highways Code section 32501 (also part of the Parking Law of 1949) describes the supplying of parking facilities as a “public use” and a “governmental function.”

32501. The supplying of additional parking facilities and the performance of all undertakings incidental or advantageous thereto are public uses and purposes for which public money may be spent and private property acquired, and are governmental functions.

(See also California Streets & Highways Code Section 31506, which states that cities may improve property for parking purposes.)

Together these structures – the Clay Street, Pearl Street, and Second Street garages -- supply 877 parking spaces, or 64 percent of the off-street parking supply for downtown business, employees (including government employees), and customers. The parking structures (as well as surface parking lots) are a critical component of the shopping center’s function, as well as neighboring retail, governmental and commercial sectors. The loss of any of these properties would cause a severe parking shortage, which in turn would make the central business district a less attractive place to locate a business or invest in private property, most likely resulting in a reduction in downtown property values and tax revenue. A better scenario would be for all of the parking properties to remain in government use and control for the continued economic success of Downtown and long-term financial benefit of the taxing entities.

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The properties underlying one of the parking garages was acquired by the Parking Authority, and was later transferred to NCRA (Clay Street Garage); the other two properties were assembled by NCRA (Second Street and Pearl Street garages). While staff has been unable to confirm the source of funds for the purchase of the Pearl Street Garage property, the land beneath the Second Street Garage was purchased with federal Neighborhood Development Program (NDP) funds, and it is possible the same funding source was utilized for the Pearl Street garage property since the parcels were acquired in the early 1970s when NCRA's activities were primarily funded by NDP. The close-out agreement for the NDP funds requires that proceeds resulting from a sale of certain properties acquired with the NDP funds must revolve into the City's Community Development Block Grant (CDBG) Program, the Second Street Garage property being one of them as well as several surface parking lots. On July 19, 2013, Successor Agency staff received confirmation from the U. S. Department of Housing and Urban Development that there is no statute of limitations on this requirement and that proceeds resulting from a property sale would become CDBG program income.

The parking garages were developed by NCRA pursuant to a 1980 disposition and development agreement (DDA) between NCRA and a private developer. The DDA required the developer to build an 110,000-square-foot shopping center and NCRA to construct the three garages, which it did with tax-exempt tax allocation bonds issued in 1983. The bonds were issued specifically for this purpose, and their tax-exempt status of the bonds required their expenditure to be for a public use. Any member of the public who wishes to use the parking structures can do so. Pursuant to the DDA, upon completion of the garages in 1985, NCRA and the City entered into a Public Parking Maintenance Agreement whereby the City undertook ongoing maintenance, repair and operation of the parking garages. Operations and maintenance are partially funded through a Parking & Business Improvement Area, discussed below. The bond documents required the structures to remain in NCRA's ownership; otherwise it would have been reasonable for them to be City-owned assets.

Two of the parking structures – Pearl Street and Clay Street -- are subject to license agreements with private entities as described in more detail in Attachment 1.

Interdependent System of Parking Zoning Laws and Funding Mechanisms

In the early 1970s, the City Council established Downtown Parking and Business Improvement Area Benefit Zone 1, which requires an assessment on the annual business license tax of businesses located within the benefit zone boundary to fund maintenance of the downtown parking facilities. This revenue source is insufficient to cover the costs of maintenance and operations, which the City supplements with general fund dollars. This assessment district established a covenant between the private businesses and the City, that the businesses would agree to assess themselves to maintain the parking facilities that the City provides.

To encourage efficient use of land and good urban design, in 1980 the City Council established a "Parking Exempt District" in which new non-residential development is discouraged from building on-site parking; rather, parking for those uses is provided by the City in public parking structures and on surface parking lots. The boundary for the Parking Exempt District is contiguous with the boundary of the parking benefit zone. The Successor Agency's real property assets are all located within the Parking Exempt District. In 2005 the City Council expanded the Parking Exempt District and Benefit Zone 1 boundaries to incorporate 28 parcels. At that time the Council adopted a new parking impact fee which is charged on net-new commercial square footage to mitigate the parking demand created by new

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development. The fee is collected by the City in a special parking fund, and is to be utilized by the City to construct new parking facilities once sufficient funding has accumulated.

These zoning and financial mechanisms all work together to ensure a sufficient and well-managed and -maintained parking supply at no charge to the public so the downtown remains an economically competitive shopping district. For decades, the City has committed to the business and development community to provide public parking for the benefit of the central business district, and it is essential to allow that covenant to remain intact.

Surface Parking Lots

Another important component of the public parking system downtown is surface parking. The surface lots are conveniently located and accessible for shorter-term parking needs. The lots are limited to three-hour use to ensure turnover and customer convenience. Most of the surface parking lot parcels were acquired with federal NDP funds and are subject to the same loan close-out agreement described above; hence any proceeds resulting from the sale of these properties would become CDBG Program income. Several of the lots are adjacent to Napa Creek and have been reduced in size due to the recent construction of creek channel improvements by the U. S. Army Corps of Engineers as part of the Flood Protection Project. Those improvements were paid for with American Recovery & Reinvestment Act funds and completed in 2012. It would be highly difficult to develop any of the lots given the anticipated easements the Napa County Flood District intends to acquire for the flood protection improvements which will encumber the properties significantly. Some of the parcels are now largely in the creek channel, or have a culvert running beneath them. Furthermore, development near the creek would be subject to State resource agency review and approval. Based on recent experience, Department of Fish & Wildlife would require a minimum 20-foot setback from the top of bank for any hardscape or structure, along with mitigation measures, rendering these properties infeasible for development. Some of the lots (Lots G, G East and H) are encumbered by a non-exclusive easement in favor of Cole Napa MT, the owner of the Kohl's Department Store property, which includes several smaller retail spaces adjacent to Kohl's. This easement runs with Kohl's lease and expires in 2016, but includes three renewable five-year options, which, if exercised, would extend the lease to 2031. This license agreement requires the City to expand one of the lots (Lot G) if and when the transit terminal on Pearl Street is ever relocated – the transit terminal was in fact relocated in 2012, and the City has a contractual obligation to make the area available for parking, which will require demolishing above-ground transit-related structures and modifying the hardscape and landscape to enable parking there.

Based on a recent parking analysis for the Downtown Napa Specific Plan (May 2012) there is not any “excess” parking downtown to suggest that any of these lots are surplus and could be sold for development. The public parking supply has been promised to the private developers and businesses who have paid into the system, either through negotiated disposition and development agreements, parking impact fees, or business license assessments. To that end, the City would require any new development that displaces public parking in the Parking Exempt District -- whether on a surface lot or in a structure -- to pay for one-for-one replacement parking in a future structure as there are no available properties for new surface parking. With a parking replacement cost of approximately \$32,000 per space for structured parking, as there are no parcels that could accommodate new or expanded surface parking in the Parking Exempt District, this requirement would significantly devalue the properties. Attachment 2 provides a summary of estimated market value for the real property assets and illustrates this impact in the “Estimated Effective Net Value” column.

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Public Parking Supply and Demand and Public Necessity

The recently adopted Downtown Specific Plan identifies a need for 300-400 additional public parking spaces in the Parking Exempt District, which suggests the downtown will be close to reaching capacity in the existing parking facilities with anticipated new development. Removal of downtown public parking supply would have a negative economic impact on Downtown, which in turn may cause a decline in property values and tax revenues to the taxing entities.

Parks and Open Space

In addition to parking structures and surface parking lots, the former redevelopment agency owned some properties that serve as City parks – Opera House Plaza at Napa Creek; Heritage Park; and the Brown Street creekside linear parkway which is wedged between two surface parking lots on one legal parcel. In addition to these designated parks, the Successor Agency holds an open space parcel with a pedestrian bridge spanning Napa Creek that was completed in 2008 as part of the federally constructed Flood Protection Project. Opera House Plaza (park) was approved by DOF for transfer to the City of Napa as a government purpose asset. The other two parks and the open space parcel will be proposed for the same disposition, as described in this Plan.

Building and Driveway Parcel, and Loading Dock Parcel

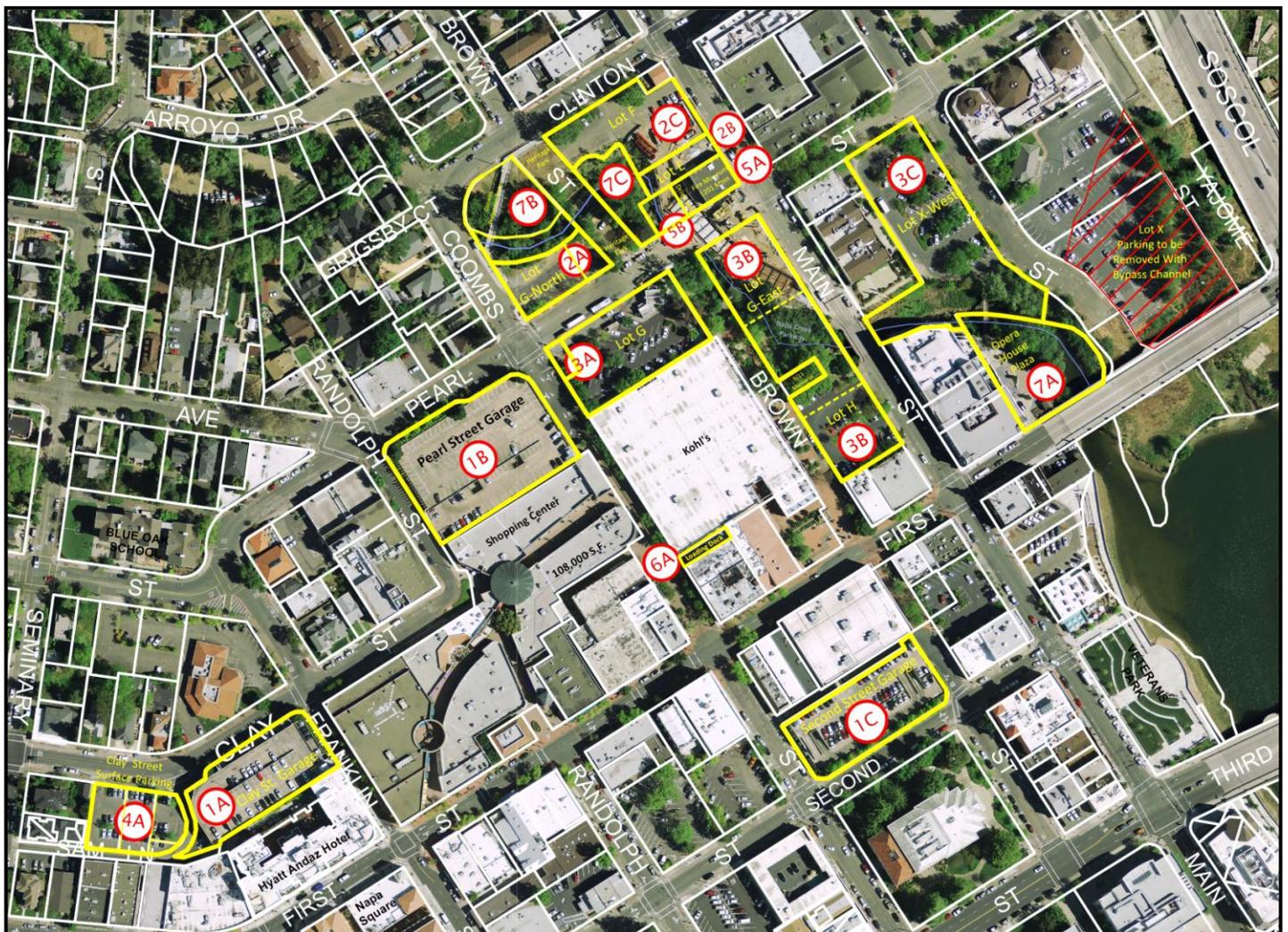
Three additional properties include a loading dock between two commercial buildings, and a building located at 1201 Main Street and the adjacent driveway parcel which only has market value if combined with the building. Because these properties clearly do not constitute “government purpose” properties, the Plan proposes their sale as discussed in the following sections.

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SECTION 2. SUMMARY OF REAL PROPERTY ASSETS AND PROPOSED DISPOSITION

This summary section provides a brief overview of the Successor Agency-held real property assets and proposed disposition of each asset. NCRA did not own affordable housing assets at the time of dissolution, therefore the Successor Agency-held real property assets are all used for non-residential purposes. Attachment 1 provides detailed property descriptions, visual illustrations, development constraints, and explanations for proposed disposition. The real property assets are shown on the aerial below (outlined in yellow) and listed on Table 1 on the following page.

Figure 1.



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The properties on Table 1 below are numbered to correspond with the map noted as Figure 1 on the previous page.

Table 1.

No.	APN	Property Address	Property Size		Existing Use
			Acres	SF	
1. Parking Structures					
1A	003-198-022	1401 Clay Street	0.70	30,492	Clay Street Garage
1B	003-164-017	1201 Pearl Street	1.19	51,836	Pearl Street Garage
1C	003-214-013	1100 Second Street	0.58	25,265	Second Street Garage
2. Surface Parking - Napa Creek Block					
2A	003-134-002	1118 Pearl Street	0.10	4,356	Parking Lot G North
2A	003-134-003	1150 Pearl Street	0.22	9,583	Parking Lot G North
2B	003-137-004	1219 Main Street	0.10	4,356	Parking Lot E
2C	003-137-008	1231 Main Street	0.53	23,087	Parking Lot F
3. Surface Parking - Parkway Plaza					
3A	003-166-008	1142 Coombs Street	0.04	1,742	Parking Lot G
3A	003-166-011	1115 Pearl Street	0.70	30,492	Parking Lot G
3B	003-167-020	1147 Main Street	1.20	52,272	Parking Lots G East & H/City Park
3C	003-172-009	1105 West Street	1.21	52,708	Parking Lot X West
4. Surface Parking - Clay Street					
4A	003-198-002	1523 Clay Street	0.16	6,970	Clay Street Surface Parking
4A	003-198-003	1513 Clay Street	0.13	5,663	Clay Street Surface Parking
4A	003-198-004	1511 Clay Street	0.05	2,178	Clay Street Surface Parking
4A	003-198-021	1501 Clay Street	0.01	436	Clay Street Surface Parking
5. Building & Driveway Access					
5A	003-137-005	1201 Main Street	0.15	6,534	Fire Fighters Museum
5B	003-137-006	NA	0.08	3,485	Napa Creek (portion); driveway
6. Loading Dock					
6A	003-166-015	NA	0.04	1,742	Kohl's Loading Dock @ Coombs Street Plaza
7. Parks and Open Space					
7A	003-172-001	NA	0.67	29,185	Opera House Plaza @ Napa Creek
7B	003-134-001	1241 Brown Street	0.33	14,375	Vacant lot with pedestrian bridge over creek
7C	003-137-007	1102 Pearl Street	0.28	12,197	Napa Creek channel/City park

Proposed Disposition Summary

The Plan sets forth a proposed strategy and plan for retention and disposition of the real property assets. Health & Safety Code section 34191.5(c)(2) requires that the Successor Agency designate the disposition of each of the former NCRA-owned real property assets by one of the following categories:

- retention of the property for government use;
- retention of property for future development;
- sale of the property; or
- use of the property to fulfill an enforceable obligation.

A. Retention of Real Property for Government Use

The Plan proposes that the properties listed below be transferred to and retained by the City of Napa (“City”) because such properties: 1) were originally acquired and improved by NCRA or the Parking Authority pursuant to the Parkway Plaza Redevelopment Plan; 2) have been continually dedicated for public use; 3) are necessary for the economic well-being of the downtown central business area; 4) are, in some cases, restricted by license agreements (enforceable obligations) or are expected to be encumbered by permanent easements to the Napa County Flood Control District in some cases; and 5) remain, in most cases, subject to NDP close-out covenants that require proceeds of property sales to be treated as CDBG program income. These properties are maintained by the City of Napa, and maintenance is partly funded by the Parking and Business Improvement Area assessment collected on business license in the Parking Exempt District. The Parking Exempt District aims to create a pedestrian friendly downtown by exempting private development from constructing parking on site and aggregating parking in public parking facilities. Private developers pay a parking impact fee for net new square footage on non-residential development which is held by the City to fund new parking structures.

- Properties 1A, 1B and 1C (Clay Street, Pearl Street and Second Street Parking Structures). These properties were assembled by NCRA or the Parking Authority under eminent domain and constructed with tax-exempt bonds pursuant to a disposition and development agreement; are operated and maintained by the City in accordance with the Public Parking Maintenance Agreement (1985) between the City and NCRA; are maintained with funds generated by a Parking & Business Improvement Area formed in the 1970s; and are critical for the operational and economic viability of the downtown business community and government offices located in the project area. The Pearl and Clay streets structures are restricted by license agreements with private entities (please refer to Attachment 1 for detailed description). The Second Street structure’s underlying parcels were acquired with federal funds under the Neighborhood Development Program, and the loan close-out agreement directs that any proceeds that result from a future sale of the property would revolve into the City’s Community Development Block Grant Program (also described in next section).
- Properties 2A, 2B, 2C (Surface Parking – Napa Creek Block). These properties were acquired and assembled by NCRA with federal Neighborhood Development Program (“NDP”) funds in the mid-1970s as part of its urban renewal efforts. The intent was to redevelop the block, however attempts to attract private investment in the early years failed to secure a project due to economic constraints. The properties are challenging given their small sizes and proximity to Napa Creek, which has been known to flood on a regular basis. They have served as public parking for the north part of Downtown since the 1970s. Most recently, this block was modified and improved with federal American Recovery and Reinvestment Act funds by the U. S. Army Corps of Engineers for the Napa River and Napa Creek Flood Protection Project. Several of the properties on this block were reduced in size as a result of creek widening, and will be largely encumbered by a future permanent channel, maintenance road and pipeline easements to be obtained by

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the Napa County Flood Control District, as illustrated in Attachment 1. Future development on these parcels would be challenging if not impossible given their small size, proximity to Napa Creek (which subjects them to large set-back requirements by the California Department of Fish & Wildlife and Regional Water Quality Control Board), and permanent easements. If these properties were ever to sell, the federal NDP Closeout Agreement specifies that “Proceeds from the sale of the remaining undisposed property acquired by the Agency shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.” The City of Napa’s Housing Authority would likely receive these proceeds for provision of affordable housing projects or infrastructure projects that support affordable housing, such as sidewalk improvements.

- Properties 3A, 3B and 3C (Surface Parking – Parkway Plaza). These properties are restricted by a license agreement with Cole MT Napa, the owner of retail space leased by Kohl’s Department Store and smaller retail tenants, located adjacent to the properties. Properties 3B and 3C were purchased with the federal NDP funds and therefore are subject to the same close-out agreement provisions described above. Because more parking is needed in this area, the City had intended to expand property 3A (Parking Lot G) to incorporate additional remnant property to the north that was a former bus transfer station. Property 3B is one legal parcel that contains two small surface parking lots (Lots G East and H), and a City-designated creekside parkway along the Brown Street right of way from First to Clinton streets. Napa Creek runs through the property, and a culvert runs down the middle of Lot G East. (Please see Attachment 1 for illustrations.)
- Property 4A (Surface Parking – Clay Street). NCRA purchased this surface parking lot with tax-exempt bond proceeds and converted it to public parking. The intent of the acquisition was to provide future ability to expand the Clay Street Garage since this lot is adjacent to the structure, and in the interim to provide additional public parking in this area to supplement parking spaces that were removed in the vicinity of Napa Creek by the Flood Protection Project. This property, comprised of four separate parcels, is approximately one-third of an acre and does not present a very viable development opportunity without being combined with adjacent privately owned property to the south, which would require assembly and willing sellers.
- Property 7A (Opera House Plaza at Napa Creek). Transfer of this property to the City has already occurred as approved by DOF under the “governmental purpose exemption” in its letter dated June 11, 2013.
- Properties 7B and 7C (Parks / Open Space). Property 7B is on the Napa Creek Block and is not developable because it contains a landing for a pedestrian bridge that spans Napa Creek, and will be almost entirely encumbered with a Napa Creek Flood Protection Project permanent channel improvement easement. The property should be transferred to the City for continued maintenance consistent with other creek-side open space properties in this area. Property 7C is a remnant of Heritage Park, a City-designated park that falls under the same category as Property 7A which DOF approved for transfer to the City in the DOF letter dated June 11, 2013. This park should be transferred to the City for continued operation

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and maintenance, and possible future expansion with surrounding open space properties along the creek as recommended by the recently adopted “Downtown Napa Specific Plan” (May 2012).

B. Sale of Real Property

The Plan proposes that the properties listed below be positioned for sale by the Successor Agency. These properties do not fall into the “governmental purpose” category nor are they restricted by third-party enforceable obligations. The proposed disposition plan objective is to sell the subject property for private development / use consistent with the existing City of Napa General Plan and zoning ordinance land use designations.

- Properties 5A and 5B (Building and Driveway).

It appears the intent of NCRA’s initial purchase of this property located at 1201 Main Street was to position it along with adjacent parcels for redevelopment through the federal Neighborhood Development Program. The property is adjacent to Napa Creek which had a frequent history of overflowing its banks and flooding nearby properties. Older records from the 1970s indicate NCRA decided not to sell the property in the hope that a flood control project would be approved and constructed to make the properties more viable for reuse. It did, however, attempt to lease 1201 Main Street for a commercial use in 1993 through a Request for Proposals process, which after good faith negotiations with a restaurant tenant failed to produce a lease. The following year the Agency entered into a month-to-month license agreement with the non-profit Napa City Firefighters Association, which allowed for a temporary museum rent-free.

In 1998 the Napa River / Napa Creek Flood Protection Project was approved, which called for extensive improvements to the creek that runs right through the block directly to the west of 1201 Main Street. The creek work included widening and terracing the banks, installation of a twin culvert and creation of a small bypass. This resulted in a reduction in size of nearby parcels, primarily parking lots and open space. The creek work was completed in 2012.

In keeping with the original intent of the purchase of the property, as well as the subsequent license, the property should be sold for an active, commercial use. The building is on the City’s Historic Resources Inventory and therefore should be appropriately restored and renovated to accommodate a modern-day use, as the property has not been sufficiently renovated in the last 40 years. The adjacent driveway parcel to the west provides direct access to the rear door of the property and should be included in the sale. However, if the building is not sold, the driveway should not be sold as it only has value if it is combined with the building. A sale would be subject to granting of property interests to the Napa County Flood Control District (permanent easements as generally depicted on Figure 3 in Attachment 1) that have not yet been finalized due to the dissolution of the redevelopment agency.

- Property 6A (Loading Dock).

This parcel is a remnant of NCRA’s assembly of properties for the second phase of the Parkway Plaza shopping center development plan. The parcel serves as a loading dock for

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the Kohl's department store and is not subject to any license or use agreement between the Successor Agency or City and private property owner. The parcel also provides access to the northern ingress / egress of the private property to the south, and access to the roof for the building due east, which is currently owned by the Kohl's property owner. This parcel should be offered for purchase through a negotiated sale to the department store property owner, Cole MT Napa. A proposed condition of sale would be for the department store property owner to provide access rights to the property owner to the south so that continued pedestrian access will be guaranteed, and rights for the owner / tenant of the property due east to access the roof for maintenance purposes should the property ever change ownership.

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SECTION 3 – ESTIMATED VALUE & DISTRIBUTION OF PROCEEDS

Estimated Value of Identified Remaining Real Property Assets

Attachment 2 presents an estimated range of potential market value of the subject real property assets based on a preliminary review of real estate market conditions for the City of Napa. The estimated range of value is based on preliminary information obtained from: 1) reported commercial property (land) sales in Napa for the previous 24-month period; 2) recent commercial property (land) sale listings in Napa; and 3) discussions with certain commercial real estate brokers with a working knowledge of the Napa and Napa County real estate markets. The information presented in Attachment 2 is only intended to provide an “order-of-magnitude” estimate of potential values; and is not intended to present appraised market value or broker’s opinion of market value.

Attachment 2 presents preliminary information regarding an estimated “base property value” and an estimated “net property” value. The base property value was estimated using information from the sources cited above. Reported commercial property sales (from 2011 to 2013) and listing information were used for those properties (land) that were the closest to comparability to the remaining real property assets in terms of size, location, physical condition, redevelopment potential and other factors such as being located in the City’s Parking Exempt District. The resulting comparable value information (value per acre / value per square foot) was then adjusted to reflect the range in property sizes of the remaining real property assets.

In addition, a number of the remaining real property assets are encumbered by factors that affect the development potential of the property. The primary factors include property not being large enough in size to meet the City zoning standards for development, or property being encumbered with Napa Creek Flood Protection improvements and / or easements (drainage, pipeline, roadway, etc.). For these properties the initial estimated base property value is then adjusted by an estimated undevelopable site value loss factor.

Government Use Properties

Property Nos. 1A, 1B, 1C, 2A – 2B, 3A – 3C and 4A include existing parking structures or surface parking lots. If these properties currently used for public parking (governmental use) are ever sold for private development, the existing public parking spaces on these parcels would be eliminated, which in turn would negatively impact the economic viability of the Downtown and general Napa community. Therefore it would be incumbent on the City of Napa to require said private development to provide an equal amount of replacement public parking within the Downtown area, which can only be provided in multi-story parking structures due to scarce available land. The estimated value of these government use properties would have to be reduced by the estimated cost of replacement public parking. The estimated cost (including both demolition of existing improvements and parking replacement) to replace the existing 877 structured public parking spaces and 248 surface public parking spaces is approximately \$28.6 million and \$8.6 million, respectively. The total (approximately \$37.2 million) exceeds the estimated base value of the related real property assets (approximately \$18.6 million) by \$18.6 million overall.

Property 7B is open space with a pedestrian bridge spanning a creek, recently constructed by the U. S. Army Corps of Engineers. Property 7C and the small park between two parking lots on Property 3B are City-designated parks, and therefore should be transferred to the City as government purpose

Long Range Property Management Plan Successor Agency to the Napa Community Redevelopment Agency

properties. While Property 7B is not a City-designated park, it will remain as open space in perpetuity and can become a City-designated park that aligns with properties 3B and 7C as they are all situated along the Napa Creek channel.

Real Property Assets Recommended for Sale

The estimated value of Properties 5A and 5B which are proposed to be sold by the Successor Agency is approximately \$1.2 million, with the primary value attributable to the existing 3,960-square-foot building (1201 Main Street) located on Property 5A. Any value for the adjacent Property No. 5B (driveway) is only derived if the parcel is combined with Property 5A to the east in order to create a developable parcel that provides access and outdoor use in conjunction with the use of the existing building.

Property 6A is currently used as a loading dock area for the adjacent Kohl's department store. The estimated base property value is approximately \$122,000. However any disposition value for this parcel is likely to be low due to the fact that the parcel will need to continue to provide loading dock access for the adjacent department store, pedestrian access to the northern entrance/exit to the private property to the south and access to the roof of the property on the east through some form of an easement or use agreement. Therefore this factor will reduce the potential value and resulting disposition proceeds for the property.

The actual market value of these three properties (5A and 5B, and 6A) of course will ultimately be determined once the Successor Agency receives proposals / offers for these properties consistent with the process set forth in Section 4 of this Plan.

Distribution of Proceeds from Real Property Asset Disposition

Government Use Properties

The proposed disposition plan objective is to transfer all of the parking properties and parks/open space to the City of Napa for continued dedicated public parking and parks/open space, respectively. The public parking located on the subject properties is provided without charge to the public; therefore there is no current revenue received by the City from the operation / use of such public parking.

Property 1A, Clay Street Garage, is subject to a license agreement with the owner of Hyatt Andaz to allow valet parking of hotel guests on the top level of the structure. For this privilege, the Hyatt Andaz property owner pays an annual fee to pay for future replacement parking, currently to the Successor Agency. This revenue was intended to be collected and held by the City to help fund a future parking structure. The Successor Agency recommendation is for the real property to be transferred to the City and the license agreement assigned to the City upon transfer of the real property, with the revenue to be collected by the City for its originally intended purpose.

Since the proposed disposition plan objective is to transfer ownership of all of the assets used for public parking to the City for continued dedicated governmental purpose (public parking), there would be no proceeds from disposition of the real property assets. While the City has no plans to redevelop any of the properties, it is possible that the aging parking structures (Properties 1A, 1B and 1C), now 30 years old, will require replacement one day, or surface lots (Properties 2A – 2C, 3A – 3C, 4A) could be

**Long Range Property Management Plan
Successor Agency to the Napa Community Redevelopment Agency**

redeveloped in the longer term for other uses, subject to the incorporation or replacement of the public parking spaces they provide within the new project or in other locations. It is important for the City to maintain flexibility to manage its “government purpose” real property assets in a manner that is best for the economic viability of the Downtown and overall community. In any event, the requirement that a purchaser/developer would have to replace or incorporate the existing public parking within any new development is anticipated to have a very substantial negative impact on the value of these properties if they are ever sold for development.

Real Property Assets Recommended for Sale

The proceeds generated from the sale of Properties 5A and 5B (building and driveway) are subject to the Neighborhood Development Program loan close-out agreement, and are required by the U. S. Department of Housing and Urban Development to revolve into the City’s Community Development Block Grant program. While this is not a benefit to the taxing entities, the property would be returned to the property tax rolls and would provide future and ongoing revenue through property tax.

The proceeds generated from the sale of Property 6A (loading dock) would be remitted to the County Auditor-Controller and distributed among the taxing entities.

**Long Range Property Management Plan
Successor Agency to the Napa Community Redevelopment Agency**

**SECTION 4.
APPROACH AND PROCESS FOR SALE OF REAL PROPERTY ASSETS**

Properties 5A and 5B are proposed to be offered for sale together through a Request for Proposals and Offer (“RFPO”) process which is described below. For property 6A (loading dock), the Successor Agency will notify the adjacent property owners of the recommended negotiated sale to Cole MT Napa, with the requirement that access rights be granted to the adjacent properties to the south and east. Staff will meet with each party to ascertain their respective access needs in order to facilitate a sale that appropriately addresses them. If Cole MT Napa declines to purchase the property or the Successor Agency cannot reach a suitable agreement for sale, staff will return to the Oversight Board with a revised recommendation for the disposition of this property, which may include a negotiated sale to the other adjacent property owner that grants access rights to the other.

The proposed predevelopment activities outlined below are intended to better position properties 5A and 5B for successful acquisition and reuse, and enhance the potential value generated from the sale of such properties.

Predevelopment Activities

There are a number of predevelopment activities that the Successor Agency and Oversight Board may or may not decide to undertake in order to appropriately position the subject real property assets for disposition and private development. These potential activities could include:

- Preparing preliminary title reports to determine existing title conditions of the properties;
- Commissioning appraisal reports or broker price opinion to determine a potential market value of the properties;
- Preparing an initial environmental site assessment to determine if there are any potential environmental conditions in relation to the potential development of the properties;
- Developing information regarding the public infrastructure capacity (water, sewer, drainage, etc.); and
- Assembling records and factual information regarding the property to assist with due diligence, including historical surveys, zoning and General Plan information, survey data, easements and proposed easements, etc.

The decision to undertake such activities would be dependent in part on the availability of funding and whether these related disposition costs would be allowed by DOF as enforceable obligations under the ROPS.

1. Request for Proposals and Offers (RFPO) Proposal

The Successor Agency would prepare and issue a Request for Proposals and Offer (RFPO), and select a private development team(s) to acquire and restore / renovate Properties 5A and 5B consistent with the City of Napa General Plan and zoning ordinance and related development provisions. The intent of the RFPO process would be to select the most qualified business and development partner(s), and respective business offers that provide the highest and most certain economic value and return from the disposition of the subject real property assets.

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Subsequent to selection of a private developer(s) the Successor Agency should work mutually with the selected private developer(s) to negotiate the terms and conditions for disposition of the subject real property assets. These provisions should be negotiated during an exclusive negotiation period, and would be embodied in a purchase and sale agreement between the Successor Agency and selected private developer(s), to be approved by the Oversight Board.

2. Marketing and Outreach

The goal of a proposed marketing effort is to attract high-quality development and use on property 5A, consistent with the adopted City of Napa General Plan, zoning ordinance and Downtown Specific Plan. Written marketing information for the preliminary outreach effort should include a basic brochure that describes the characteristics of the property, the downtown area and City of Napa, general land use provisions, historic data, and any related information resulting from the predevelopment activities described in Section 4.1. above.

The primary focus of the Successor Agency's marketing efforts should be local and regional real estate development companies that have qualifications, experience and successful track records in development and operation of high-quality commercial and / or residential development. A preliminary outreach effort related to marketing the sites should include: 1) meeting with various real estate trade and business organizations; 2) distributing the subject Request for Proposals and Offers (RFPO) to identified real estate development companies, architects, engineers, other consultants; 2) posting the subject Request for Proposals and Offers (RFPO) information on the City of Napa web site; and 3) placing advertisements related to the subject Request for Proposal and Offers (RFPO) in the appropriate local and / or regional newspapers and publications.

3. Timeframe for Disposition

The Successor Agency would initiate the process for disposition of the subject properties in mid-2014, with the intent to conclude sales before the end of the calendar year or in early 2015.

ATTACHMENT 1

**PROPERTIES HELD BY THE SUCCESSOR AGENCY TO THE
NAPA COMMUNITY REDEVELOPMENT AGENCY**

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Three Public Parking Structures

Primary Goal of Parkway Plaza Redevelopment Plan: Public Parking

The Napa Community Redevelopment Agency (NCRA) established its first redevelopment project area, called Parkway Plaza, in the downtown core in 1969. The Parkway Plaza Redevelopment Plan main goal was to convert the downtown business district into a competitive, modern, attractive area. One of the stated primary objectives to accomplish this goal was “to provide for substantial parking” to support an expanding and thriving business and shopping area. To that end, in the late 1970s, the City of Napa Parking Authority and NCRA assembled properties for the express purpose of constructing three public parking structures to serve the downtown shopping and commercial district. The Parking Authority acquired the properties for the Pearl and Clay streets garages with parking revenue bonds; and NCRA acquired properties for the Second Street garage with U. S. Department of Housing and Urban Development Neighborhood Development Funds.

Shopping Center Disposition and Development Agreement

The properties were transferred to NCRA for development of the parking structures pursuant to a 1980 disposition and development agreement (DDA) with a private developer of a new downtown shopping center. The DDA required NCRA to construct the three garages, which it did with tax allocation bonds issued in 1983 (subsequently refunded by 1987 Series A tax allocation refunding bonds, tax exempt; remaining portion refunded by 1993 Series A tax allocation refunding bonds, tax exempt; remaining portion refunded by 2003 tax allocation bonds, Series A, still outstanding). Pursuant to the DDA, upon completion of the garages in 1985, NCRA and the City entered into a Public Parking Maintenance Agreement whereby the City undertook ongoing maintenance, repair and operation of the parking garages. (Operations and maintenance are partially funded through a Property & Business Improvement Area, discussed below.)

The Parkway Plaza Project Area was due for expiration in December of 2012, and NCRA would have transferred these real property assets to the City for continued public benefit. Together these structures – Clay Street, Pearl Street, and Second Street garages -- supply 877 parking spaces, or 64 percent of the off-street parking supply for downtown business, employees, and customers. The parking structures are a critical component of the shopping center’s function, as well as neighboring retail and commercial businesses.

Integrated System of Parking Zoning Laws and Funding Mechanisms in the Central Business District

The City employs various tools to create a system under which public parking structures and lots is an integral component. The public and local government each play an important part to make this system work.

Downtown Parking Exempt District

To enable efficient use of land and quality urban design, a “parking exempt” district was established in 1980, in which new non-residential development is not required to build on-site parking; rather, parking for those uses is provided in public parking structures and surface parking lots. Because the cost of development in the central business district is higher than outlying areas and land is scarce, the consolidation of parking in public facilities allows developers to maximize the use of their land for development, which creates a higher economic

return to the property owner, as well as to the City and other taxing entities through higher sales tax and property tax revenue.

Parking & Business Improvement Area, Benefit Zone 1

In 1987, the City established Downtown Parking & Business Improvement Area Benefit Zone 1, under California Streets & Highways Code, which levies an additional tax on the annual business license paid by businesses located within the Benefit Zone, to fund acquisition, construction and maintenance of parking facilities in the Benefit Zone. This revenue source is insufficient to cover the costs of maintenance and operations of the parking facilities (garages and surface lots), which the City supplements with general fund dollars. In 2005 the City Council expanded the Parking Exempt District and established an expanded the benefit zone -- the boundaries of which are congruous with the boundary of the expanded Parking Exempt District -- by adding "Benefit Zone 1 (2005)."

Parking Impact Fee

In conjunction with the expansion of the Parking Exempt District and Benefit Zone 1, the City Council established a parking impact fee in 2005 which is charged on net-new commercial square footage, and is collected by the City and held in a parking fund for the express purpose of constructing new parking facilities to respond to parking demand generated by new development. To date, the City has not collected enough funds to construct a new parking structure but is working toward accumulating sufficient funding to construct a 300- to 400-space parking structure on one of the properties held by the Successor Agency (discussed in more detail below).

These zoning and financing mechanisms all work together to ensure sufficient and a well-managed and well-maintained parking supply, at no charge to the public, so the downtown is an economically competitive shopping district and business district.

Public Parking Supply and Demand, and Public Necessity

The recently adopted Downtown Specific Plan identifies a need for 300-400 additional public parking spaces in the Parking Exempt District with anticipated new development, which suggests the downtown is approaching capacity in terms of sufficient public parking supply. Removal of any downtown public parking supply would have a potentially negative economic impact on Downtown, which in turn may cause a decline in property values and ultimately negatively impact property tax revenues to the taxing entities should this occur. Thus, the City's policy is that any new development that would displace existing public parking spaces, whether in parking structures or on surface parking lots, must either incorporate the same number of spaces into the project and make them available to the public, or pay a parking in-lieu fee equal to the cost of constructing replacement spaces in a future parking structure to the City as a mitigation, which is approximately \$32,000 per space. The City would utilize the in-lieu funds solely for design and construction of public parking structure(s) to meet current and projected demand.

Parking Structures' Governmental Purpose

All of the properties for the parking structures were acquired through eminent domain, a tool which cannot be used but for government purposes. The structures were financed through tax-exempt bonds, which again emphasizes their government purpose. They are maintained and operated by the

local government for the benefit of the public, much like a library or a park, and part of that maintenance is funded by a Parking & Business Improvement Area formed under California Streets and Highways Code. They are utilized by government employees, including employees of the City and County, as well as the State; and by civil and superior court officials and jurors who are doing the business of the government; as well as business owners and employees, and their customers. Centralized parking helps reduce traffic circulation and resulting greenhouse gas emissions by encouraging users to park once and walk. The parking supply downtown is approaching capacity, despite the recent addition of a County-owned parking structure, and the City is pursuing construction of a fifth downtown parking structure. In other words, none of the Successor Agency-owned parking properties can be considered “surplus” and removal of any one of them from the governmental purpose they serve will have a negative impact on the economic viability of Downtown, which in turn will have a negative impact on the taxing entities. The body of the Plan describes a section of California Streets & Highways Code and California Superior Court case law that indicate the provision of public parking is a government purpose.

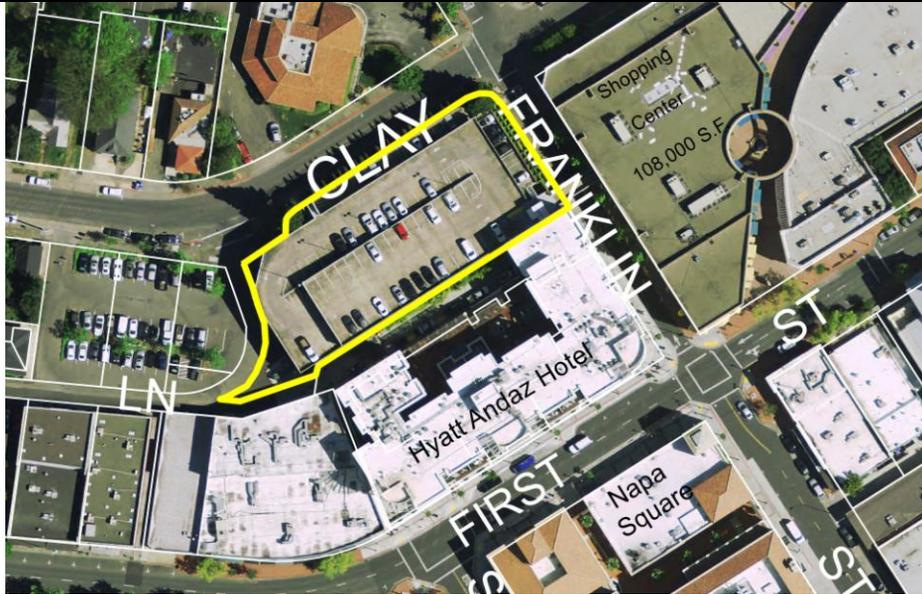
Specific information about each of the Successor Agency-owned parking structures is provided on the following pages.

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**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

1A. CLAY STREET GARAGE



1A. Clay Street Garage (continued)	
Address	1401 Clay Street
Assessor Parcel Number(s)	003-198-022
Current Use	Public Parking Garage
Lot Size	0.70 acre; 30,492 sq. ft.
Building Area	96,740 sq. ft.
Year Built	1984-85
Zoning	Downtown Mixed Use
History of Environmental Contamination	In 2006 petroleum contamination was encountered during foundation design borings for a hotel development to the south. Studies determined the Clay Street Garage property as the source of soil and ground water contamination; the property was once used as an automotive repair shop and gas station for JC Penney in the 1960s and 1970s. NCRA remediated the contamination, for which it received closure letter from Calif. Regional Water Quality Control Board on 2/17/12 (file no. 28-0355).
Date property was acquired	1977 for then-APNs 03-198-05, -06, -07 & -08 -- Parcels acquired through eminent domain 1985 for then-APNs 03-198-03, -04 & -21 – Parcels acquired by NCRA through negotiated purchase (these parcels are at the entrance of the parking structure, exterior to the garage itself, acquired to provide better circulation)
Value at the time of acquisition	\$_____ unable to locate acquisition file (3 parcels acquired by Parking Authority through eminent domain; property transferred to NCRA after garage was constructed) \$ 69,875 (NCRA acquired small property near garage entrance through negotiated purchase)
Purpose of acquisition	The property was purchased for public parking and improved circulation, pursuant to “Agreement Related to Acquisition and Improvement of Downtown Parking Facilities” (5/8/79), among NCRA, the Parking Authority of the City of Napa, and the City, to fulfill the “central objective” of the redevelopment plan “to renew the downtown area of the City and to provide for substantial parking.” The Parking Authority and City entered into another agreement with NCRA (6/26/79) to demolish the site and construct an interim paved public parking lot until a future parking garage was constructed.

1A. Clay Street Garage (continued)

Source of funds / restrictions

Acquisition: 3 parcels acquired by Parking Authority through condemnation; remaining parcels at garage entrance acquired by NCRA, presumably with tax increment funds.

Construction: Tax Allocation Bonds (1983 Series A, tax exempt; refunded by 1987 Series A tax allocation refunding bonds, tax exempt; refunded by 1993 Series A tax allocation refunding bonds, tax exempt; remaining portion refunded by 2003 tax allocation bonds, Series A)

Operations & Maintenance: O&M is performed by the City of Napa pursuant to “Public Parking Maintenance Agreement (1985),” and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.

Current estimated value

See Attachment 2

Lease, rental, or other revenues and contractual requirements for disposition of funds

License Agreement (9/15/2006) with hotel for use of top level of parking structure for valet parking of hotel guests; license revenue designated for construction of new parking facilities in the Parking Exempt District

Potential for transit oriented development

No – not in proximity to rail line; no commuter rail in Napa.

Potential for Successor Agency planning objectives

None – this parking structure must continue serving its governmental purpose.

Previous development proposals

N/A

Proposed Use or Disposition of Property and Explanation

Transfer to City of Napa and Retain for governmental purpose:

This public parking garage provides 296 spaces, which constitutes 15 percent of the off-street parking supply for downtown business, employees, and customers. The introduction to this section describes the history and essential benefit the public parking garages and lots provide to the public, and how the City’s parking policies, zoning and financing mechanisms work together as a system in conjunction with the public parking facilities to ensure an economically viable downtown. The mere fact that the underlying properties were acquired through eminent domain, and the tax-exempt bond financing that paid for the construction, illustrates the government purpose of this facility.

In 2006, NCRA entered into a license agreement with the developer of a hotel (now Hyatt Andaz), which allows the hotel operator to valet cars on the top level of the garage. For this privilege, the hotel pays an annual fee that is to be utilized by the City to construct additional parking in the Parking Exempt District. The premise for this agreement is that it is in the public’s interest to ensure the parking structure is utilized efficiently by locating hotel guests on the top level; otherwise hotel guests could park anywhere within the structure. Upon transferring this structure to the Successor Agency, the revenue generated by the License Agreement has been collected by the Successor Agency and distributed to the taxing entities, yet its contractual purpose is to provide new parking. The Successor Agency recommends the revenue transfer to the City with the real property asset so the funds can be utilized for the originally intended purpose.



**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

1B. PEARL STREET GARAGE



1B. Pearl Street Garage (continued)	
Address	No site address
Assessor Parcel Number(s)	003-164-017
Current Use	Public Parking Garage
Lot Size	1.19 acres / 51,386 sq. ft.
Building Area	144,900 sq. ft.
Year Built	1984-85
Zoning	Downtown Core Commercial
History of Environmental Contamination	None known
Date property was acquired	1971-72
Value at the time of acquisition	\$379,920 purchase price (acquired through eminent domain)
Purpose of acquisition	The property was purchased for the construction of a public parking garage (along with two other garages) to fulfill a primary goal of the Parkway Plaza redevelopment plan to make Downtown Napa a competitive shopping center.
Source of funds / restrictions	<p><u>Acquisition</u>: Federal Neighborhood Development Program; this property does not appear to be subject to the aforementioned close-out agreement because it was developed pursuant to the redevelopment plan and “workable program” under which the funds were applied; property was sold to Parking Authority in the 1970s, improved for public surface parking, and transferred back to NCRA after the parking garage was built.</p> <p><u>Construction</u>: Tax-exempt tax allocation bonds(1983 Series A, tax exempt; refunded by 1987 Series A tax allocation refunding bonds, tax exempt; refunded by 1993 Series A tax allocation refunding bonds, tax exempt; remaining portion refunded by 2003 tax allocation bonds, Series A)</p> <p><u>Operations & Maintenance</u>: O&M is performed by the City of Napa pursuant to “Public Parking Maintenance Agreement (1985),” and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.</p>
Current estimated value	See Attachment 2.

1B. Pearl Street Garage (continued)

Lease, rental, or other revenues and contractual requirements for disposition of funds

License Agreement with Cole MT Napa, the owner of property leased by Kohl’s Department Store and smaller retail tenants (see more discussion on next page). There is no fee charged for the license and no other revenue generated by this parking facility.

Potential for transit oriented development

No – not in proximity to rail line; no commuter rail in Napa.

Potential for Successor Agency planning objectives

None – this parking structure must remain serving its governmental purpose.

Previous development proposals

N/A

Proposed Use or Disposition of Property and Explanation**Transfer to City of Napa and Retain for governmental purpose:**

This public parking garage provides 405 parking spaces, which constitutes 20 percent of the off-street parking supply for downtown business, employees, and customers. Please refer to “Three Parking Structures” on pages 2-3 for an overview of the history and essential benefit the public parking garages and lots provide to the public, and how the City’s parking policies work together as a system in conjunction with the public parking facilities to ensure an economically viable downtown. The mere fact that the underlying properties were acquired through eminent domain, and the tax-exempt bond financing that paid for the construction, illustrates the government purpose of this facility.

The Pearl Street Garage is subject to a non-exclusive license agreement with Cole MT Napa, owner of property leased by Kohl’s Department store and surrounding smaller retail storefronts. The License provides a non-exclusive guarantee of a minimum of 317 public parking spaces in lots G, G East, and H and in the Pearl Street Garage; of those, 112 spaces are provided as surface stalls and the remaining 205 are in the Pearl Street Garage. The License remains in effect through the term of the department store lease which could be as late as July 31, 2031 if renewal options are exercised (lease is through July 31, 2016 plus three 5-year renewal options).

This parking structure is immediately adjacent to the shopping center discussed on page 2-3, which is the only shopping center in the downtown area. The center was acquired in 2012 and the new owner plans to embark on a major renovation of the 30-year-old shopping center with completion in late 2014. The owner also acquired some adjacent commercial / retail properties with the intention of redeveloping them to enhance the main retail corridor in downtown Napa. The plan includes a new 185-room boutique hotel to increase foot traffic in the area. Retaining the parking structures will be more critical than ever to ensure shoppers and hotel patrons have ample parking in convenient locations. The hotel developer will be required to pay a parking impact fee, which will help fund the City’s longer term parking needs. This project’s success is vital to the downtown area and will ensure enhanced revenue to the taxing entities.

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**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

1C. SECOND STREET GARAGE



1C. Second Street Garage (continued)	
Address	No site address
Assessor Parcel Number(s)	003-214-013
Current Use	Public Parking Garage
Lot Size	0.58 acre; 25,265 sq. ft.
Building Area	85,020 sq. ft.
Year Built	1984-85
Zoning	Downtown Core Commercial
History of Environmental Contamination	None known.
Date property was acquired	1972-1973
Value at the time of acquisition	\$778,395 purchase price (acquired through eminent domain)
Purpose of acquisition	The property was acquired for the construction of a public parking garage (along with two other garages) to fulfill a primary goal of the Parkway Plaza redevelopment plan to make Downtown Napa a competitive shopping center.
Source of funds / restrictions	<p><u>Acquisition:</u> HUD Neighborhood Development Program. The funding close-out agreement states “Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.”</p> <p><u>Construction:</u> Parkway Plaza Redevelopment Project tax allocation bonds (1983 Series A, tax exempt; refunded by 1987 Series A tax allocation refunding bonds, tax exempt; refunded by 1993 Series A tax allocation refunding bonds, tax exempt; remaining portion refunded by 2003 tax allocation bonds, Series A)</p> <p><u>Operations & Maintenance:</u> O&M is performed by the City of Napa pursuant to “Public Parking Maintenance Agreement (1985),” and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.</p>
Current estimated value	See Attachment 2.

1C. Second Street Garage (continued)	None.
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	The Plan’s recommendation is for the Second Street Garage to transfer to the City for continued ownership, operation and maintenance as public parking for the foreseeable future. However, in the long term, it is possible for this property to be redeveloped. The structure is adjacent to a large County-owned office building that may become surplus property in the future. The garage property could be combined with the office property for redevelopment that could incorporate replacement public parking on site. If the property redeveloped in the future, any net proceeds would be distributed among the taxing entities. However this is a concept that may or may not ever come to fruition, and the Successor Agency or City do not have an interest in making the property available for development unless there was an achievable plan for replacement parking.
Previous development proposals	N/A
Proposed Use or Disposition of Property and Explanation	
<p>Transfer to City of Napa and Retain for Governmental Purpose:</p> <p>This public parking garage provides 296 parking spaces, which constitutes 15 percent of the off-street parking supply for downtown business, employees, and customers. Please refer to “Three Parking Structures” on page 2 for an overview of the history and essential benefit the public parking garages and lots provide to the public, and how the City’s parking policies work together as a system in conjunction with the public parking facilities to ensure an economically viable downtown. The mere fact that the underlying properties were acquired through eminent domain, and the tax-exempt bond financing that paid for the construction, illustrates the government purpose of this facility.</p>	

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Surface Lots, Public Parking – Napa Creek Block

U. S. Department of Housing & Urban Development Neighborhood Development Program

In addition to parking garages, NCRA acquired, assembled, and improved a number of parcels for surface parking lots to provide public parking to meet anticipated demand. These surface lots are conveniently located near government offices and courts, as well as shopping and entertainment areas where public parking is greatly needed. The properties were acquired in the 1970s with loan proceeds from the U. S. Department of Housing & Urban Development under its Neighborhood Development Program (NDP). The NDP Close-out Agreement states that any proceeds that result from the sale of properties acquired with NDP funds must revolve into the federal Community Development Block Grant Program. In July 2013, Successor Agency staff contacted HUD staff to confirm that the requirement is still in place, and the response from HUD was “The closeout agreement follows the instruction of HCD Act where it governs the disposition of proceeds from Title I of Housing Act of 1949 assisted activities. Specifically, those proceeds are to be program income of the CDBG program.”

Document research suggests NCRA’s original intent was to position the block for sale and redevelopment, but it appears the plan to do so was put on hold in 1986 while the downtown shopping mall was being constructed out of concern of oversaturating the downtown with new retail space. In 1993 NCRA issued an RFP to lease the building at 1201 Main Street for a commercial use, but negotiations with a restaurant failed to reach execution. In the early 1990s, the building was leased to a non-profit Firefighter’s Museum as a temporary use. The museum is still there today but because of the dissolution of redevelopment agencies, is attempting to relocate its artifacts, equipment and operation. Most of the block has served as public surface parking for the north area of Downtown, and open space. The block has always been constrained by a creek running through it from southeast to northwest that flooded on a regular basis, and irregularly shaped, small parcels.

Parcel Size Reductions by Federally Funded Flood Protection Project at Napa Creek & Constraints to Development

Most of the Napa Creek Block parcels have reduced gross square footage as a result of the U. S. Army Corps of Engineers’ recently constructed improvements to Napa Creek as part of the Napa River/Napa Creek Flood Protection Project. These improvements were funded with \$15 million from the American Recovery and Reinvestment Act. Creek channel widening, bank terracing and installation of twin culverts resulted in a new parking configuration and reduced parking supply on these properties. A City park is now almost entirely in the creek channel, with only a remnant remaining (“Heritage Park” discussed later in this document under “Parks & Open Space”.) A significant portion of the property contains a pedestrian bridge spanning the creek that was built as part of the Flood Project. The Napa County Flood Control District intends to acquire a creek channel improvement easement and a pipeline easement (see Figure 3) which will greatly encumber most of the parcels. (Obtaining these needed easements has been deferred until the Long Range Property Management Plan is approved because of complications related to obtaining title and related insurance that have resulted from the dissolution of redevelopment agencies.) The Creek Block properties’ proximity to Napa Creek poses other potential restrictions on development; e.g., California Department of Fish & Game usually requires a 20-foot setback from the top of the creek bank for buildings, and would be subject to potential mitigation measures. All in all, the development potential of the Napa Creek Block properties appears to be minimal. In addition to fair market value for the land, a future developer would be required to pay the City for any displaced parking that would result from a new development at approximately \$32,000 per displaced space, which may render the development economically infeasible.

Fig. 1: The Creek Block parcels are identified below (during construction of creek improvements)

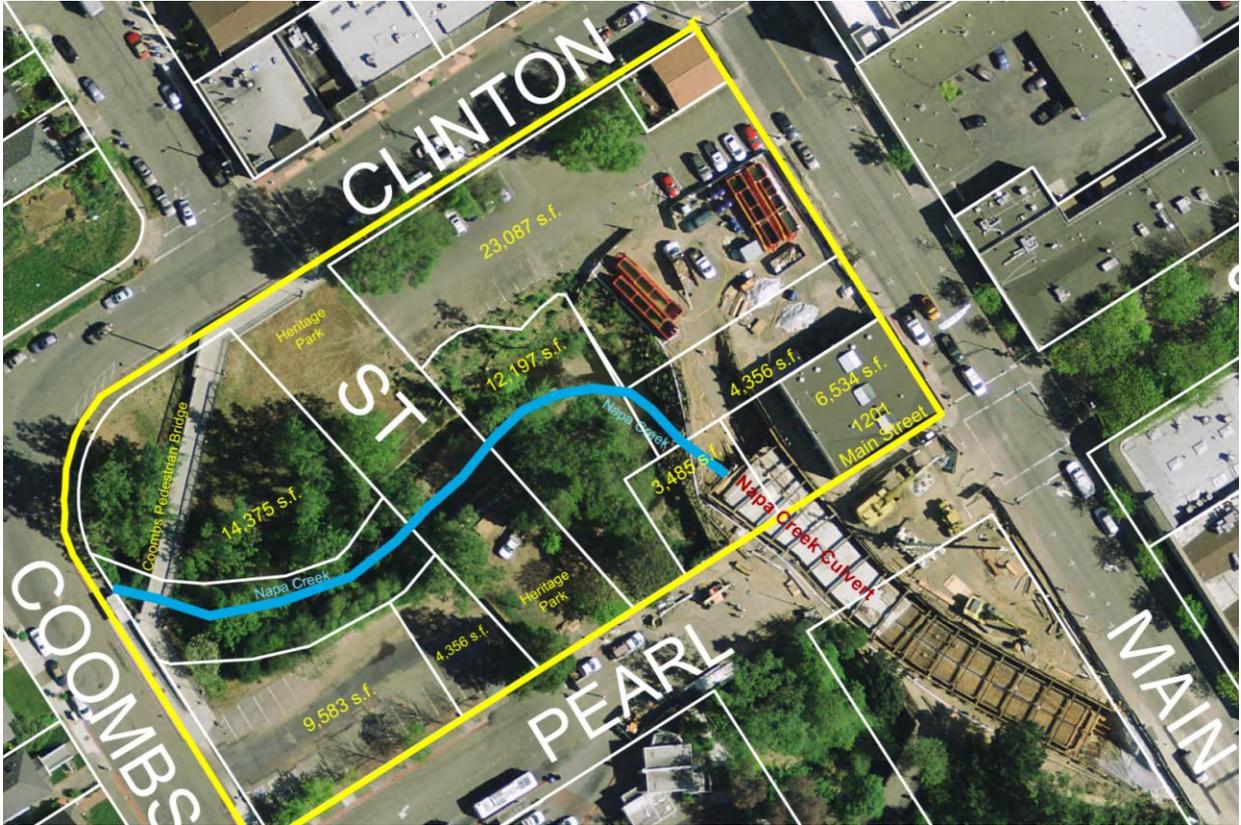


Fig. 2: The Google image below shows the reconfiguration of parcels due to creek channel widening



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**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

2A. PARKING LOT G NORTH



2A. Lot G North (continued)	
Address	1118 & 1150 Pearl Street
Assessor Parcel Number(s)	003-134-002 & -003
Current Use	Public parking surface lot
Lot Size	003-134-002: 0.10 acre, 4,356 sq. ft. 003-134-003: 0.22 acre, 9,583 sq. ft.
Building Area	N/A
Year Built	N/A
Zoning	Downtown Mixed Use
History of Environmental Contamination	None known
Date property was acquired by NCRA	1975-76
Value at the time of acquisition	003-134-002: \$30,000 purchase price 003-134-003: \$132,000 purchase price
Purpose of acquisition	The property was purchased in an effort to assemble a block of blighted properties for purposes of urban renewal. The intent was to dispose of the properties for new development but attempts failed to result in a viable project. The remainder of the block has been used for public parking and open space since the late 1970s.
Source of funds / restrictions	<u>Acquisition:</u> HUD Neighborhood Development Program. The funding close-out agreement states "Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506." <u>Construction:</u> Recent improvements were constructed as part of the Flood Protection Project with federal "American Recovery and Reinvestment Act of 2009" funds and a local contribution through local Sales Tax Measure A. <u>Operations & Maintenance:</u> O&M is performed by the City of Napa, and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.
Current estimated value	See Attachment 2.

2A. Lot G North (continued)

Lease, rental, or other revenues and contractual requirements for disposition of funds

N/A

Potential for transit oriented development

No – not in proximity to rail line; no commuter rail in Napa.

Potential for Successor Agency planning objectives

None. Retain for Governmental Purpose.

Previous development proposals

N/A

Proposed Use or Disposition of Property and Explanation**Transfer to City to Retain for Governmental Purpose:**

This public parking lot provides 26 public parking spaces for downtown business, employees, and customers. Lot G North has been reduced in size by the recently completed Napa Creek improvements as part of the Napa Flood Protection Project. The Napa County Flood District intends to acquire a channel improvement easement on the northern portion of the parcels, which is anticipated to encumber approximately 20 percent of the property. These parcels appear to be undevelopable due to their substandard size, future easement encumbrances and their proximity to Napa Creek, which poses other potential restrictions on development such as Department of Fish & Game setback requirements from the top of bank.

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**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

2B: LOT E



2B. Lot E (continued)	
Address	No site address
Assessor Parcel Number(s)	003-137-004
Current Use	Public parking surface lot
Lot Size	0.10 acre; 4,356 sq.ft. A pending pipeline easement for the Flood Protection Project reduces the unencumbered area to 2,583 sq. ft.; anything under 5,000 sq. ft. is substandard for development
Building Area	N/A
Year Built	N/A
Zoning	Downtown Core Commercial
History of Environmental Contamination	In 1924, an oil and gas station was located on this property and the adjacent Lot F. Two underground tanks were removed from Lots E & F in 1994, groundwater was monitored and monitoring wells were approved for removal by Napa County Environmental Health in 1994.
Acquisition, Valuation and Re-use Information	
Date property was acquired by NCRA	1976 (part of former APN 03-137-01 – Lot F & E combined; later split and re-numbered)
Value at the time of acquisition	\$224,400 for 31,200 sq. ft. parcel at time of purchase; \$7.19 per sq. ft.
Purpose of acquisition	The property purchase was part of an assembly a block of blighted properties. The intent was to dispose of the properties for new development but attempts failed to result in a viable project. The property has been used for public parking since the late 1970s.

2B. Lot E (continued)	
Source of funds / restrictions	<p><u>Acquisition</u>: HUD Neighborhood Development Program funds. The funding close-out agreement states “Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.”</p> <p><u>Construction</u>: The most recent improvements were constructed as part of the Flood Protection Project with federal “American Recovery and Reinvestment Act of 2009” funds and a local contribution through local Sales Tax Measure A.</p> <p><u>Operations & Maintenance</u>: O&M is performed by the City of Napa and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.</p>
Current estimated value	See Attachment 2.
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	None. Retain for Government Purpose.
Previous development proposals	N/A
Proposed Use or Disposition of Property and Explanation	
<p>Transfer to City of Napa for Retention for Governmental Purpose:</p> <p>This public parking lot provides 7 public parking spaces for downtown business, employees, and customers. The lot is adjacent to Lot F, and together they function as one contiguous parking lot. Lot E has been reduced in size by the recently completed Napa Creek improvements as part of the Napa Flood Protection Project. The Napa County Flood District intends to acquire a channel easement and pipeline easement on the western portion of the property, which are anticipated to encumber close to half of the parcel. The parcel is undevelopable due to its substandard size and future pipeline and channel easement encumbrances. Its proximity to Napa Creek poses other potential restrictions on development, such as Department of Fish & Game setback requirements from the top of bank.</p>	

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**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

2C. LOT F



Creek bank and channel



2C. Lot F (continued)	
Property Description	
Address	1231 Main Street
Assessor Parcel Number(s)	003-137-008
Current Use	Public parking surface lot
Lot Size	0.53 acre; 23,087 sq. ft. (unencumbered area = 12,008 sq. ft.)
Building Area	N/A
Year Built	N/A
Zoning	Downtown Core Commercial
History of Environmental Contamination	In 1924, an oil and gas station was located on this property and the adjacent Lot E. Two underground tanks were removed from Lots E & F in 1994, groundwater was monitored and monitoring wells were approved for removal by Napa County Environmental Health in 1994.
Acquisition, Valuation and Re-use Information	
Date property was acquired by NCRA	1976 (part of former APN 03-137-01 – Lot F & E combined; later split and re-numbered)
Value at the time of acquisition	\$224,400 for 31,200 sq. ft. parcel at time of purchase; \$7.19 per sq. ft.
Purpose of acquisition	The property was purchased in an effort to assemble a block of blighted properties for purposes of urban renewal. The intent was to dispose of the properties for new development but attempts failed to result in a viable project. The remainder of the block has been used for public parking and open space since the late 1970s.

2C. Lot F (continued)	
Source of funds / restrictions	<p><u>Acquisition</u>: U. S. Department of Housing and Urban Development Neighborhood Development Program funds. The funding close-out agreement states “Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.” This property is one of the parcels identified in the Closeout Agreement as undisposed property.</p> <p><u>Construction</u>: The most recent improvements were constructed as part of the Flood Protection Project with federal “American Recovery and Reinvestment Act of 2009” funds and a local contribution through local Sales Tax Measure A.</p> <p><u>Operations & Maintenance</u>: O&M is performed by the City of Napa and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.</p>
Current estimated value	See Attachment 2.
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	None. Retain for continued governmental purpose.
Previous development proposals	N/A
Proposed Use or Disposition of Property and Explanation	
<p>Transfer to City of Napa for Retention for Governmental Purpose:</p> <p>This public parking lot provides 21 public parking spaces for downtown business, employees, and customers. The lot is adjacent to Lot F, and together they function as one contiguous parking lot. Lot F has been reduced in size by the recently completed Napa Creek improvements as part of the Napa Flood Protection Project. The Napa County Flood District intends to acquire a channel improvement easement on the western portion of the property, which is anticipated to encumber close to half of the parcel. The parcel is undevelopable due to its substandard size and future easement encumbrance. Its proximity to Napa Creek poses other potential restrictions on development, such as Department of Fish & Game setback requirements from the top of bank.</p>	

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Surface Parking – Parkway Plaza

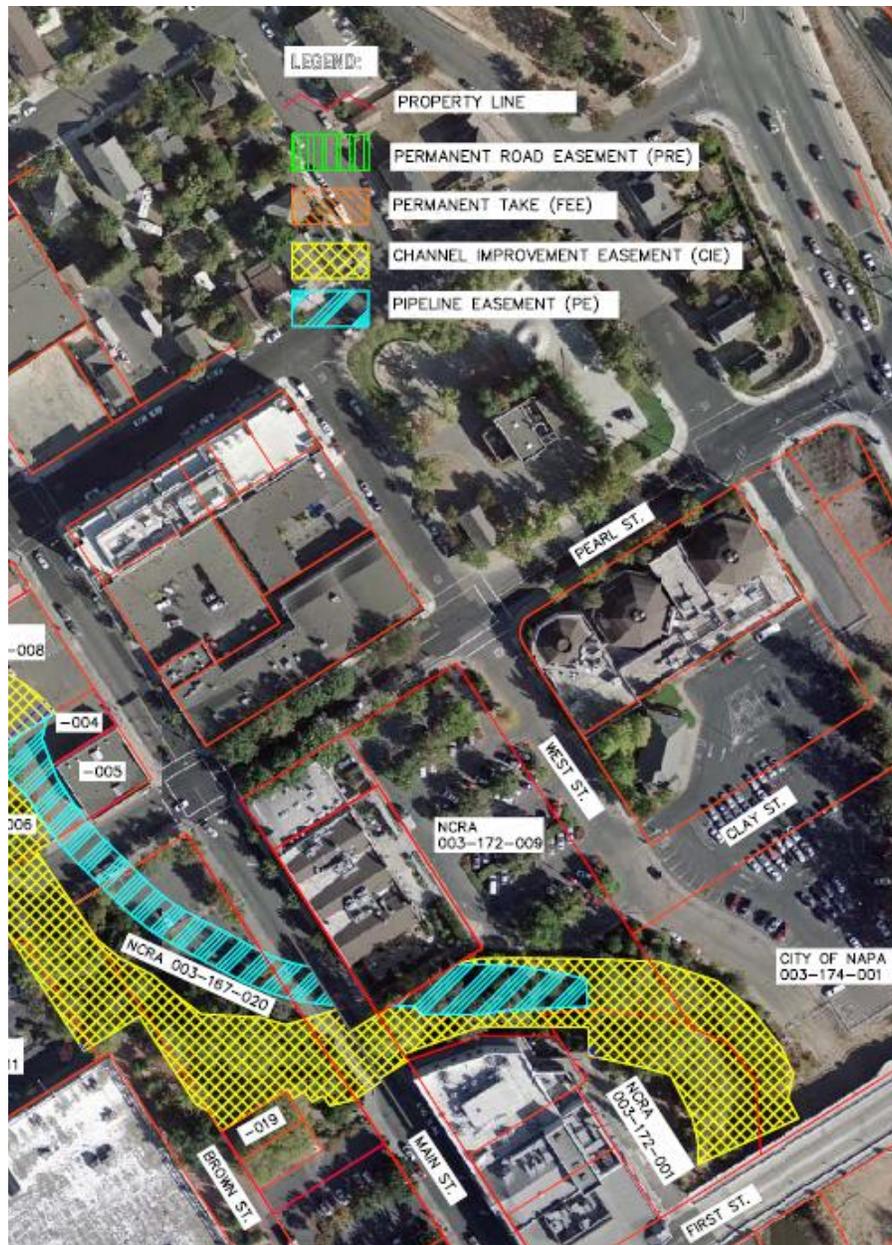
Pursuant to the Parkway Plaza Redevelopment Plan, NCRA acquired a number of properties for the purpose of creating permanent public parking on surface parking lots that were strategically located near the Parkway Plaza Mall (now Kohl's Department Store and smaller retail shops). The properties were acquired in the 1970s with loan proceeds from the U. S. Department of Housing & Urban Development under its Neighborhood Development Program (NDP). The NDP Close-out Agreement states that any proceeds that result from the sale of properties acquired with NDP funds must revolve into the federal Community Development Block Grant Program. In July 2013, Successor Agency staff contacted HUD staff to confirm that the requirement is still in place, and the response from HUD was "The closeout agreement follows the instruction of HCD Act where it governs the disposition of proceeds from Title I of Housing Act of 1949 assisted activities. Specifically, those proceeds are to be program income of the CDBG program."

The surface lots serve businesses and offices, including government employees, and retail and entertainment users on surrounding blocks, including several long-vacant historic buildings that have been restored and occupied with restaurants, retail and entertainment uses. As discussed throughout this document, the surface lots are paramount to the integrated parking system in Downtown Napa, and their sale or removal would create severe economic and operational hardship for businesses and government offices.

The Downtown Specific Plan (May 2012) indicates this area will soon need 300-400 additional public parking spaces to support demand that will be generated with anticipated development. This development is required to pay a parking impact fee for new parking demand it creates, and the City is charged with designing and building parking facilities to respond to the demand. To compound the parking needs in this area, the next phase of the Flood Protection Project will include construction of a river wet-dry bypass channel, causing the removal of approximately 120 surface parking spaces on a City-owned surface lot (Lot X). The environmental impact report for the Flood Project required the Flood District to pay the City for the lost parking spaces as a mitigation measure. The City is holding the funds until it has accumulated enough in parking impact fees, parking license revenue from the Clay Street garage (now being distributed to taxing entities) and other sources to construct a parking structure in the vicinity of the lost parking. The only viable location for a new structure is on Successor Agency-held Lot X West, and it is critical the lot be transferred to the City.

The surface lots surrounding Kohl's Department store are encumbered by a license agreement with Cole MT Napa as discussed on the following pages. The Flood Control District will also obtain channel improvement and pipeline easements that impact some of the lots (see Figure 4).

Figure 4: Parkway Plaza Surface Parking Lots – Napa County Flood Control District Permanent Takes

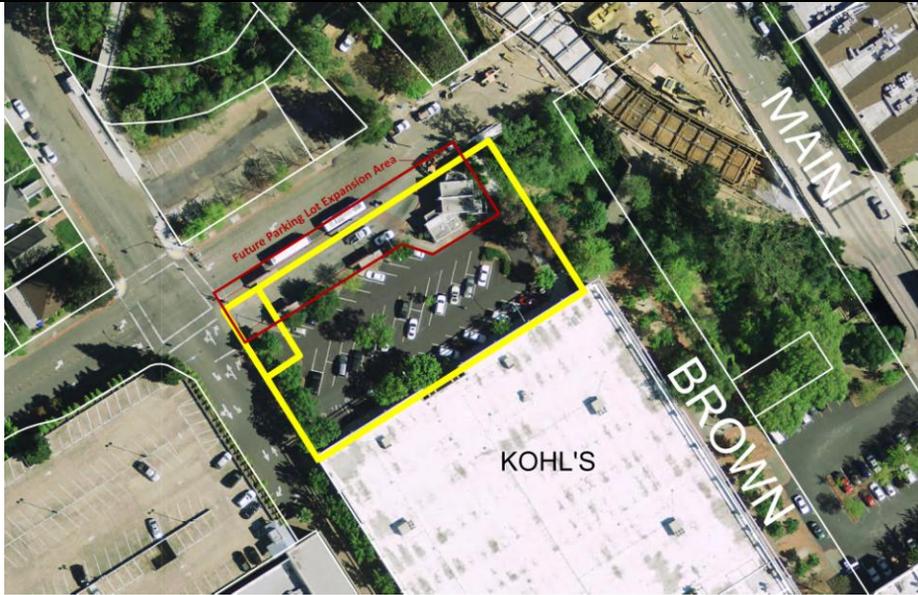




CITY of NAPA

**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

3A. Lot G



3A. Lot G (continued)	
Address	1142 Coombs Street
Assessor Parcel Number(s)	003-166-008 & -011
Current Use	Public parking surface lot
Lot Size	003-166-008: 0.04 acre; 1,742 sq. ft. 003-166-011: 0.70 acres; 30,492 sq. ft.
Building Area	N/A
Year Built	N/A
Zoning	Downtown Mixed Use
History of Environmental Contamination	None known
Acquisition, Valuation and Re-use Information	
Date property was acquired by NCRA	1971-73 At time of purchase parcel numbers / sizes were: APN 165-01: 10,500 sq. ft. APN 165-02: 2,600 sq. ft. APN 165-03: 12,250 sq. ft. APN 167-4: western portion of parcel +/- 6,884 sq. ft.
Value at the time of acquisition	\$333,777 purchase price
Purpose of acquisition	These properties, directly north of the then-new Mervyn's department store, were assembled as part of the redevelopment agency's urban renewal program to create a viable and competitive shopping district. Properties provided temporary and later permanent surface parking for downtown customers.
Source of funds / restrictions	<u>Acquisition</u> : HUD Neighborhood Development Program funds. The funding close-out agreement states "Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506." <u>Construction</u> : NCRA tax increment funds or federal Community Development Block Grant funds; if federal, there may be restrictions <u>Operations & Maintenance</u> : O&M is performed by the City of Napa and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.

3A. Lot G (continued)	
Current estimated value	See Attachment 2.
Lease, rental, or other revenues and contractual requirements for disposition of funds	This parcel is encumbered by a License Agreement with Cole MT Napa, the owner of property leased by Kohl's Department Store and smaller retail tenants. There is no fee charged for the license and no other revenue generated by this parking facility.
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	The City is planning to expand this surface parking lot to incorporate additional public parking at the northern edge of the property that was previously a bus transfer station (recently relocated). The above-ground transit improvements must first be demolished (ticket booth, benches and canopies, etc.).
Previous development proposals	N/A

Proposed Use or Disposition of Property and Explanation

Transfer to City of Napa for Retention for Continued Governmental Purpose:

This public parking lot provides 52 public parking spaces for downtown business, employees, and customers. The lot is subject to a non-exclusive license agreement with Cole MT Napa, owner of property leased by Kohl's Department store and surrounding smaller retail storefronts. The License provides a non-exclusive guarantee of a minimum of 317 public parking spaces in lots G, G East, and H and in the Pearl Street Garage. The License remains in effect as long as the department store lease is in place (through July 31, 2016 plus three 5-year renewal options).

A requirement of the license agreement is for City or former redevelopment agency to remove the vacated bus transfer station adjacent to this parking lot and expand the lot to add new parking spaces (area outlined in red below); with the dissolution of the redevelopment agency, the vacant station remains, causing an eyesore and attractive nuisance. The Successor Agency hopes to utilize bond funds to pay for the necessary improvements.



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CITY of NAPA

**Successor Agency to the Napa Community Redevelopment Agency
LONG RANGE PROPERTY MANAGEMENT PLAN**

3B. Lot G East / Lot H / Creekside Linear Park



Lot G East, left (looking southwest) and Lot H, right (looking southwest):
located on same parcel with creek and park running between them

3B. Lot G East, Lot H and Creekside Linear Park (continued)	
Property Description	
Address	No site address
Assessor Parcel Number(s)	003-167-020
Current Use	Public parking surface lots and linear park / open space
Lot Size	1.2 acres; 52,272 sq. ft. (1 legal parcel)
Building Area	N/A
Year Built	N/A
Zoning	Downtown Core Commercial
History of Environmental Contamination	In 1924, an oil and gas station was located across the street from this site (Lots E & F), so this lot was chosen for sampling based on its proximity to the former oil and gas station and the direction of groundwater flow. In 1993, shallow groundwater samples detected diesel. Two underground tanks were removed from Lots E & F in 1994, groundwater was monitored and monitoring wells were approved for removal by Napa County Environmental Health in 1994.
Acquisition, Valuation and Re-use Information	
Date property was acquired by NCRA	1972-73 At time of purchase, re-use parcel numbers were: 03-167-1: 15,450 sq. ft. (Lot H) 03-167-3: 11,650 sq. ft. (creek and parkway) 03-167-4: 27,300 sq. ft. (Lot G East and parkway, and part of Lot G) 03-167-5: 17,700 sq. ft. (Lot H and parkway)
Value at the time of acquisition	\$ 533,419 purchase price
Purpose of acquisition	These properties, directly east of the then-new Mervyn's department store, were assembled as part of the redevelopment agency's urban renewal program to create a viable and competitive shopping district. Parcels provided temporary parking and later permanent surface parking for downtown customers and a creekside linear parkway.

3B. Lot G East, Lot H and Creekside Linear Park (continued)

<p>Source of funds / restrictions</p>	<p><u>Acquisition:</u> U. S. Department of Housing and Urban Development Neighborhood Development Program funds. The funding close-out agreement states “Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.” This property is one of the parcels identified in the Closeout Agreement as undisposed property.</p> <p><u>Construction:</u></p> <p><u>Lot G East:</u> The most recent improvements were constructed as part of the Flood Protection Project with federal “American Recovery and Reinvestment Act of 2009” funds and a local contribution through local Sales Tax Measure A. A new creek bypass culvert runs directly under the property and the Flood District will acquire a pipeline easement on the property.</p> <p><u>Lot H:</u> Lot H was originally constructed by NCRA with either tax increment or federal Community Development Block Grant funding; if federally funded, there may be restrictions. The lot was recently modified and resurfaced as part of the 9/11 Memorial Garden (described below) with City general fund dollars.</p> <p><u>Open Space:</u> A portion of the parcel on the south bank of the creek and north of Lot H is a designated City park and is adjacent to the site of a new 9/11 Memorial Garden which incorporates 6 remnant steel beams from the former World Trade Center.</p> <p><u>Operations & Maintenance:</u> O&M is performed by the City of Napa and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.</p>
<p>Current estimated value</p>	<p>See Attachment 2.</p>
<p>Lease, rental, or other revenues and contractual requirements for disposition of funds</p>	<p>This parcel is encumbered by a License Agreement with Cole MT Napa, the owner of property leased by Kohl’s Department Store and smaller retail tenants. There is no fee charged for the license and no other revenue generated by this parking facility.</p>
<p>Potential for transit oriented development</p>	<p>No – not in proximity to rail line; no commuter rail in Napa.</p>
<p>Potential for Successor Agency planning objectives</p>	<p>None. Retain for continued government purpose.</p>

3B. Lot G East, Lot H and Creekside Linear Park (continued)

Previous development proposals

N/A

Proposed Use or Disposition of Property and Explanation

Transfer to City to Retain for Continued Governmental Purpose: These public parking lots provide 60 public parking spaces for downtown business, employees, and customers. The lots are subject to a non-exclusive license agreement with Cole MT Napa, owner of property leased by Kohl's Department store and surrounding smaller retail storefronts. The License provides a non-exclusive guarantee of a minimum of 317 public parking spaces in lots G, G East, and H and in the Pearl Street Garage. The License remains in effect as long as the department store lease is in place (through July 31, 2016 plus three 5-year renewal options). A portion of the parcel is a City-designated creekside linear parkway (Napa Municipal Code Section 12.32.10 designates N. Parkway Mall and Napa Creek, situated along and adjacent to the extension of Brown Street and Napa Creek from south of First Street to Clinton Street.)

3C. Lot X West (continued)	
Address	No site address
Assessor Parcel Number(s)	003-172-009
Current Use	Public Parking Surface Lot
Lot Size	1.21 acres; 52,708 sq. ft.
Building Area	N/A
Year Built	N/A
Zoning	Downtown Mixed Use
History of Environmental Contamination	None known
Date property was acquired by NCRA	1976
Value at the time of acquisition	\$8.50-\$18.50 per square foot for four parcels, which have since been reconfigured and subdivided; this lot comprises a portion of the originally acquired parcels, and remainder includes a block of buildings that are now on separate legal parcels.
Purpose of acquisition	The property was purchased for the construction of a public parking lot to fulfill a primary goal of the Parkway Plaza redevelopment plan to make Downtown Napa a competitive shopping center. The block of buildings located on the parcels was sold in 1997 through a disposition and development agreement and has been restored and seismically retrofitted for commercial and retail use. The surface parking serves these and other nearby commercial and entertainment facilities.
Source of funds / restrictions	<p><u>Acquisition</u>: HUD Neighborhood Development Program funds. The funding close-out agreement states "Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506."</p> <p><u>Construction</u>: The surface lot was constructed by NCRA with tax increment funds in 1981 for approximately \$150,000.</p> <p><u>Operations & Maintenance</u>: O&M is performed by the City of Napa and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.</p>

3C. Lot X West (continued)	
Current estimated value	See Attachment 2.
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	This surface lot has been identified by the City as the most viable location for a future public parking structure to replace parking that will be removed across the street when the Flood Protection bypass channel is constructed (est. completion 2015) and to address needed parking demand. The structure would be constructed by the City, partially with funds collected through the parking impact fee on new development in the Parking Exempt District and through the parking license agreement on the Clay Street Garage.
Previous development proposals	N/A
Proposed Use or Disposition of Property and Explanation	
<p>Transfer to City of Napa for Continued Governmental Purpose:</p> <p>This public parking lot provides 61 parking spaces for downtown business, employees, and customers. One of the primary goals of the Parkway Plaza Redevelopment Plan was to establish an economically viable retail and commercial district, and among the stated objectives was creation of public parking facilities</p> <p>The recently adopted Downtown Specific Plan identifies a need for 300-400 additional public parking spaces in the Parking Exempt District. This surface lot has been identified as a preferred location to construct a public parking garage, potentially in conjunction with redevelopment of nearby properties pursuant to a master plan; however no plans have been prepared and the City does not have the financial resources to construct a parking structure in the short term. The U. S. Army Corps of Engineers will construct a flood bypass channel that will result in the removal of approximately 125 public parking spaces from a City-owned parking lot across the street from this lot. To mitigate the parking loss, the Napa County Flood Control District provided \$3.6 million to the City to contribute to a future parking structure, which must be in the vicinity of the removed parking spaces. The City does not have any other properties located in the vicinity upon which a parking garage could be built. The estimated cost to construct a structure that will net 300-400 new spaces is \$12 million to \$15 million.</p>	

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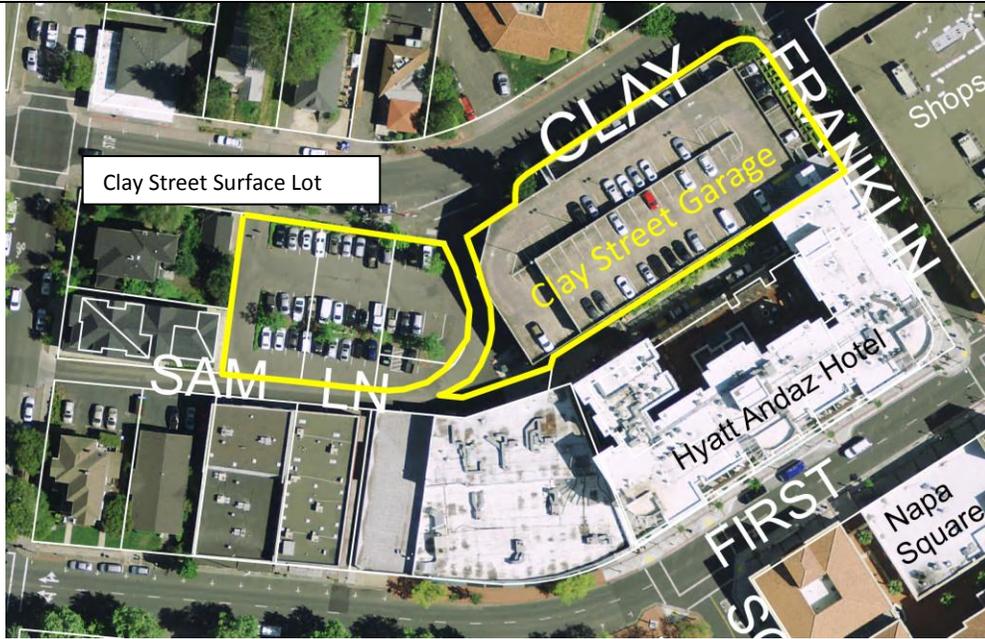
Surface Parking – Clay Street

Located adjacent to the Clay Street Garage, this property was purchased from a private party with the intention of providing surface parking until such time it could be incorporated into an expansion of the Clay Street Garage (Resolution A-1126). It was purchased in anticipation of the removal of a number of public parking spaces along Napa Creek as part of the Army Corps of Engineers improvements to provide flood protection. Adding these spaces to the public parking supply essentially replaced the lost spaces. Additionally, the Clay Street Garage was expected to reach its effective capacity once a nearby hotel opened and began utilizing the top level for hotel patrons pursuant to a license agreement. The property was purchased by NCRA with 2003 Series A Tax Allocation Bonds, pursuant to the bond documents, where a portion of the bond funds was targeted for public parking management.

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Successor Agency to the Napa Community Redevelopment Agency (NCRA)
LONG RANGE PROPERTY MANAGEMENT PLAN

4A. SURFACE PARKING -- CLAY STREET



4A. Surface Parking – Clay Street (continued)	
Address	1501, 1503, 1511 and 1523 Clay Street
Assessor Parcel Number(s)	003-198-002, -003 & -004; 003-198-021
Current Use	Public Parking, Surface Lot
Lot Size	0.35 acre; 15,246 sq. ft.
Building Area	N/A
Year Built	Likely in the 1980s at the time the adjacent parking structure was built
Zoning	Downtown Mixed Use
History of Environmental Contamination	In relation to the environmental remediation conducted by NCRA on the Clay Street Garage, soil bore and groundwater samples were taken from the surface parking lot and analyzed in 2009. Based on the findings of trace amounts of contaminants below their Environmental Screening Levels defined by the San Francisco Bay Regional Water Quality Control Board, no further action was recommended or taken.
Date property was acquired	2007
Value at the time of acquisition	\$1,020,000 purchase amount
Purpose of acquisition	To supplement the public parking supply / replace spaces lost in Lots E and F due to Flood Protection Project; long-term intent is to hold for future expansion / reconstruction of Clay Street Garage.
Source of funds / restrictions	<u>Acquisition</u> : Parkway Plaza 2003 Series A tax allocation bonds, tax exempt <u>Construction</u> : Tax increment funds 1985-86, lot was surfaced when Clay Street Garage was constructed as part of purchase agreement with private owner for parcel at the entrance of the parking structure (not definitive) <u>Operations & Maintenance</u> : O&M is performed by the City of Napa and is partially funded by a Property & Business Improvement Area Benefit Zone, where businesses located in the zone pay a surcharge on their business license renewal fee.
Current estimated value	See Attachment 2.
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A
Potential for transit oriented dev'ment	No – not in proximity to rail line; no commuter rail in Napa.

4A. Surface Parking – Clay Street (continued)

Potential for Successor Agency planning objectives	None – Retain for Government Purpose.
Previous development proposals	N/A

Proposed Use or Disposition of Property and Explanation

Retention by City of Napa for governmental use:

This public parking lot provides 36 parking spaces for downtown business, employees, and customers. One of the primary goals of the Parkway Plaza Redevelopment Plan was to establish an economically viable retail and commercial district, and among the stated objectives was creation of public parking facilities. As with other parking facilities downtown, the City performs ongoing maintenance, repair and operation of the parking lots.

At the time of acquisition of the Clay Street surface lot, the downtown recently lost approximately 40 public parking spaces due to construction of the Napa River Flood Protection Project, where creek and river-related improvements caused the removal of public parking. When the owner of this formerly private parking lot made it available for sale, NCRA acquired it to offset the parking loss and for potential future expansion of the Clay Street Garage.

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5 & 6. Building, Driveway and Loading Dock

Building located at 1201 Main Street and Driveway Parcel:

NCRA acquired this property along with most of the remainder of the Napa Creek Block (excepting an historic building at the northwest corner of First and Pearl streets). Utilizing federal Neighborhood Development Program funds, the intent was to ultimately make the property available for commercial use, either through a sale or a lease, however efforts to effectuate the building's re-use in the 1980s and 1990s were unsuccessful. In 1994, NCRA entered into a month-to-month license agreement with the Napa City Firefighters Association (a non-profit association) for the purpose of creating a temporary Fire Fighter's Museum. NCRA did not charge monthly compensation, but rather required the licensee to maintain the premises and maintain insurance. With the Parkway Plaza redevelopment project area due to sunset in December 2012, the staff was prepared to recommend to the NCRA Board selling the property through a competitive request for proposals process upon completion of the flood protection improvements to Napa Creek. The statewide dissolution of redevelopment agencies pre-empted this from happening.

The driveway parcel west of the building provides access to the back of the property, which has a large roll-up door. It seems appropriate, given the proximity to this primary building access and utility the driveway would provide to the building to include it in a future sale of the building.

Loading Dock:

This small, narrow parcel is wedged between two commercial properties, Kohl's Department Store to the north and a multi-tenant and partly vacant historic building to the south called The Gordon Building. The property's main use is as a loading dock for the department store, while a portion along the southern edge provides pedestrian access to the Gordon Building. Not much is known regarding how or when the property was acquired, but one logical explanation is NCRA assembled the parcels for the department store (originally a Mervyn's) and the loading dock was a left-over remnant that for unknown reasons was not conveyed to the department store owner. Kohl's installed a fence and gates across the western edge of the parcel to screen the loading dock from public view and to maintain access. Because this property is not operated or maintained by the City, the Plan's recommendation will be for the Successor Agency to negotiate the sale of the property to one of the adjacent owners with the provision that appropriate access and use rights will be granted to the other property owner.

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**Successor Agency to the Napa Community Redevelopment Agency (NCRA)
LONG RANGE PROPERTY MANAGEMENT PLAN**

5A & 5B. 1201 Main Street & Driveway Parcel



1201 Main Street



Driveway

5A & 5B. 1201 Main Street and Driveway Parcel (continued)**Property Description**

Address	1201 Main Street & driveway access to the west
Assessor Parcel Number(s)	03-137-005 & 03-137-006
Current Use	Fire Fighter's Museum & driveway access
Lot Size	0.14 acre; 6,000 sq. ft. (1201 Main Street) 0.08 acre; 3,485 sq. ft. – this parcel is anticipated to be 100 % encumbered with creek channel improvement and pipeline easements; most of it is now located in Napa Creek with recent Flood Protection Project creek widening improvements
Building Area	3,960 sq. ft.
Year Built	1935
Zoning	Downtown Core Commercial
History of Environmental Contamination	In 1924, an oil and gas station was located next to this property (on Lots E & F), though no contamination was found under the building or the driveway parcel. Two underground tanks were removed from Lots E & F in 1994, groundwater was monitored and monitoring wells were approved for removal by Napa County Environmental Health in 1994.

Acquisition, Valuation and Re-use Information

Date property was acquired by NCRA	1976
Value at the time of acquisition	1201 Main Street: \$110,880 purchase price (formerly APN 03-137-04) Driveway Parcel: \$15,500 (formerly APN 03-137-03; then 3,567 sq. ft.)
Purpose of acquisition	The property was purchased in an effort to assemble a block of blighted properties for purposes of urban renewal. The intent was to dispose of the properties for new development but attempts failed to result in a viable project. The remainder of the block has been used for public parking and open space since the late 1970s.
Source of funds / restrictions	<u>Acquisition</u> : HUD Neighborhood Development Program funds. The funding close-out agreement states "Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506." <u>Construction</u> : building was constructed by a private party

Current estimated value	See Attachment 2.
5A & 5B. 1201 Main Street and Driveway Parcel (continued)	
Lease, rental, or other revenues and contractual requirements for disposition of funds	The building is subject to a month-to-month license agreement, executed in 1994, with the nonprofit Napa City Firefighters Association for a temporary Firefighters Museum. No revenue is generated through the license.
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	The driveway provides access to the rear of the building at 1201 Main and the surrounding parking. The building has a large roll-up rear door so the driveway enhances the property’s functionality. To make the sale of 1201 Main Street more attractive to potential buyers, the driveway parcel should be included in the sale.
Previous development proposals	N/A
Proposed Use or Disposition of Property and Explanation	
<p>Sell Property:</p> <p>It appears the intent of NCRA’s initial purchase of this property was to position it along with adjacent parcels for redevelopment through the federal Neighborhood Development Program. The property is adjacent to Napa Creek which had a frequent history of overflowing its banks and flooding nearby properties. Older records from the 1970s indicate NCRA decided not to sell the property in the hope that a flood control project would be approved and constructed to make the properties more viable for reuse. Then in the 1980s it appears NCRA solicited proposals for the property (along with others in the area) but efforts did not produce an interested buyer. NCRA then affirmed its decision to hold the property until after flood protection to the creek was completed. NCRA attempted to lease 1201 Main Street for a commercial use in 1993 through a Request for Proposals process, which after good faith negotiations with a restaurant tenant failed to produce a lease. The following year the Agency entered into a month-to-month license agreement with the non-profit Napa City Firefighters Association, which allowed for a temporary museum rent-free.</p> <p>The building is on the City’s Historic Resources Inventory with a California Historic Resources Status Code of 5S3, meaning it appears to be eligible for listing or designation as a Local Landmark through survey evaluation. The building retains sufficient historic integrity as an excellent example of Art Deco details. With this rating, it would be extremely difficult under the California Environmental Quality Act to remove the building or intensify development on the site.</p> <p>In 1998 the Napa River / Napa Creek Flood Protection Project was approved, which called for extensive improvements to the creek that runs right through the block directly to the west of 1201 Main Street. The creek work included widening and terracing the banks, installation of a twin culvert and creation of a small bypass. This resulted in a reduction in size of nearby parcels, primarily parking lots and open space. The creek work was completed in 2012.</p> <p>In keeping with the original intent of the purchase of the property, as well as the subsequent license, the property should be sold for an active, commercial use. The building is on the City’s Historic Resources Inventory and therefore should be retained and appropriately restored and renovated to accommodate a modern-day use, as the property has not been sufficiently renovated in the last 40 years.</p>	

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**Successor Agency to the Napa Community Redevelopment Agency (NCRA)
LONG RANGE PROPERTY MANAGEMENT PLAN**

6A. Loading Dock Parcel



6A. Loading Dock Parcel (continued)	
Address	No site address
Assessor Parcel Number(s)	003-166-015
Current Use	Loading dock for Kohl's department store; access to north side of privately owned commercial property (Gordon Building)
Lot Size	0.04 acres; 1,742 sq. ft.
Building Area	N/A
Year Built	N/A
Zoning	Downtown Core Commercial
History of Environmental Contamination	None known
Date property was acquired by NCRA	1971; alley was a small sliver of a much larger parcel (166-4 at the time)
Value at the time of acquisition	\$ 2,700 (1973 estimated "disposition value" after NCRA assembled); no book value per NCRA asset listing
Purpose of acquisition	A remnant of assembly of parcels for "Parkway Plaza II" which included the construction of a Mervyn's department store (now Kohl's) and smaller surrounding retail spaces.
Source of funds / restrictions	Acquisition: Federal Neighborhood Development Program Construction: Assumption is private developer constructed loading dock improvements in conjunction with construction of Mervyn's
Current estimated value	See Attachment 2.
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A
Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	The Successor Agency wants to ensure the department store can retain a loading dock and the property owner to the south has legally guaranteed access to the northern ingress/egress of the building.
Previous development proposals	N/A

6A. Loading Dock Parcel (continued)

Proposed Use or Disposition of Property and Explanation

Sell Through a Negotiated Agreement with Adjacent Property Owner:

This parcel is a remnant from the redevelopment agency's assembly of properties for the second phase of the Parkway Plaza shopping center development plan. The parcel serves as a loading dock for the Kohl's department store and is not subject to any license or use agreement between the City and private property owner. The parcel also provides access to the northern entrance of the private property to the south. This parcel should be offered for purchase by the department store property owner (Cole Napa MT). A condition of sale would be for the department store property owner to provide an access easement to the property owner to the south so pedestrian access will be guaranteed.

Although this property was acquired through the federal Neighborhood Development Program (NDP), it is not included on the list of parcels that are subject to the close-out agreement that requires sales proceeds to revolve to the City Community Development Block Grant program. It was not included on the list because the property was redeveloped pursuant to the "workable program" for which the NDP funds were applied.

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7. Parks and Open Space

There are three Successor Agency-owned properties in this category. Two are detailed on the following pages, and one is described on pages 41-43 because it is situated on the same legal parcel as surface parking lots G East and H.

Two of the open space / park properties described below – “Napa Creek Channel / Heritage Park Remnant” and “Open Space with Pedestrian Bridge over Napa Creek” – are part of the Napa Creek block, and were recently improved as part of the Flood Protection Project improvements to the creek, funded by the American Recovery & Reinvestment Act. The remnant of Heritage Park is a City-designated park, while the pedestrian bridge parcel is not. However, the pedestrian bridge parcel will be entirely encumbered by a flood channel easement to be acquired by the Flood District and cannot be developed for anything other than open space. The City believes this parcel can be incorporated into the linear creek park and designated as a park in the future.

The Successor Agency received approval from DOF to transfer one other park property -- Opera House Plaza at Napa Creek -- to the City as a government purpose property under Health & Safety Code Section 34179, which the Successor Agency has done and it is not further described in this attachment.

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**Successor Agency to the Napa Community Redevelopment Agency (NCRA)
LONG RANGE PROPERTY MANAGEMENT PLAN**

7B. Parks & Open Space – Open space with pedestrian bridge over Napa Creek



Parcel begins at edge of parking lot, includes creek bank. Photo on left is looking southwest; photo on right is looking northeast. Entire parcel will be encumbered with permanent channel easement.



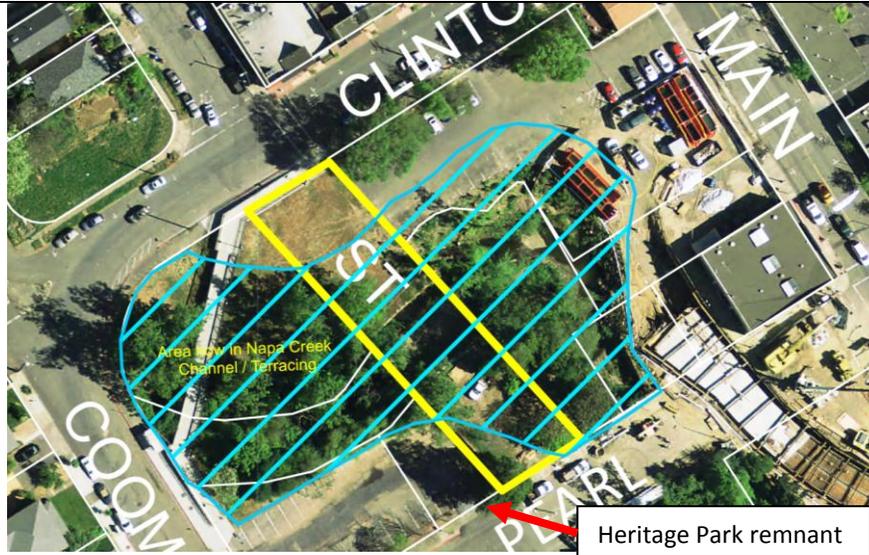
7B. Parks & Open Space – Vacant lot with pedestrian bridge over Napa Creek	
Address	1241 Brown Street
Assessor Parcel Number(s)	003-134-001
Current Use	Open space with pedestrian bridge over Napa Creek
Lot Size	0.33 acre; 14,375 sq. ft.
Building Area	N/A
Year Built	N/A
Zoning	Downtown Mixed Use
History of Environmental Contamination	None known
Date property was acquired by NCRA	1976
Value at the time of acquisition	\$82,500 purchase price
Purpose of acquisition	The property was purchased as part of an assembly of a block of blighted properties for purposes of urban renewal. The intent was to dispose of the properties for new development but attempts failed to result in a viable project. While not a designated park, the parcel has been utilized as open space since the late 1970s and will continue to in the future.
Source of funds / restrictions	<p><u>Acquisition:</u> HUD Neighborhood Development Program funds. The funding close-out agreement states “Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.”</p> <p><u>Construction:</u> The most recent improvements were constructed as part of the Flood Protection Project with federal “American Recovery and Reinvestment Act of 2009” funds and a local contribution through local Sales Tax Measure A.</p>
Current estimated value	N/A
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A

Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	None. Transfer to City for government use.
Previous development proposals	N/A
Proposed Use or Disposition of Property and Explanation	
<p>Retention by City of Napa for governmental use:</p> <p>The property is largely encumbered by a pedestrian bridge spanning the creek and an anticipated channel improvement easement for the Flood Protection Project. The property is not developable.</p>	

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**Successor Agency to the Napa Community Redevelopment Agency (NCRA)
LONG RANGE PROPERTY MANAGEMENT PLAN**

7C. Parks & Open Space – Napa Creek Channel & Heritage Park Remnant



7C. Parks & Open Space – Napa Creek Channel and Heritage Park Remnant	
Address	N/A
Assessor Parcel Number(s)	003-137-007
Current Use	Most of parcel is now in creek channel; remainder is remnant of Heritage Park
Lot Size	0.28 acre; 12,197 sq. ft.
Building Area	N/A
Year Built	N/A
Zoning	Downtown Mixed Use
History of Environmental Contamination	None known
Date property was acquired by NCRA	1975
Value at the time of acquisition	\$8,500 purchase price (formerly APN 003-137-002)
Purpose of acquisition	The property was purchased as part of the assembly of a block of blighted properties for purposes of urban renewal. The intent was to dispose of the properties for new development but attempts failed to result in a viable project. With its proximity to the creek, the property was improved and designated a City park with a pedestrian bridge crossing the creek. The bridge was removed from this location along with a large portion of the park as part of the recent Napa Creek flood protection improvements constructed by the U. S. Army Corps of Engineers.
Source of funds / restrictions	<u>Acquisition:</u> HUD Neighborhood Development Program. The funding close-out agreement states “Proceeds from the sale of the remaining undisposed property acquired by the Agency, as identified in the Closeout Agreement, shall be treated as program income to the City of Napa Community Development Block Grant Program under the provisions of 24 CFR 570.506.” <u>Construction:</u> Recent improvements were constructed as part of the Flood Protection Project with federal “American Recovery and Reinvestment Act of 2009” funds and a local contribution through local Sales Tax Measure A.
Current estimated value	N/A
Lease, rental, or other revenues and contractual requirements for disposition of funds	N/A

7C. Parks & Open Space – Napa Creek Channel and Heritage Park Remnant

Potential for transit oriented development	No – not in proximity to rail line; no commuter rail in Napa.
Potential for Successor Agency planning objectives	The remnant park presents an opportunity to landscape the site and retain it as a creekside overlook park, possibly with outdoor seating, a play structure, public art, or other improvements that the public can enjoy.
Previous development proposals	N/A

Proposed Use or Disposition of Property and Explanation

Retention by City of Napa for governmental use:
 The remnant remains a City park and therefore should be transferred to the City and retained for governmental use consistent with AB 1484. The City’s Downtown Specific Plan recommends developing a plan for incorporating surrounding open space for an expanded Heritage park / linear parkway to take advantage of the creekside setting.

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ATTACHMENT 2

**Napa Successor Agency
Real Property Assets**

SUMMARY OF ESTIMATED PROPERTY VALUE

Property Location and Information						Estimated Base Property Value					Estimated Net Property Value			
No.	APN	Property Address	Existing Use	Property Size		Value Per Acre	Value Per SF (1)	Estimated Property Value	Undevelopable Parcel Value Offset	Est. Base Property Value	Est. Pkg. Demo. Cost (3)	Estimated Net Value	Displaced Pkg. Replace. Cost (4)	Est. Effective Net Value
				Acres	SF									
Parking Structures														
1A	003-198-022	1401 Clay Street	Clay Street Garage (296 spaces)	0.70	30,492	\$ 2,831,400	\$ 65.00	\$ 1,981,980		\$ 1,981,980	\$ 162,700	\$ 1,819,280	\$ 9,472,000	\$ (7,652,720)
1B	003-164-017	1201 Pearl Street	Pearl Street Garage (403 spaces)	1.19	51,836	\$ 2,613,600	\$ 60.00	\$ 3,110,184		\$ 3,110,184	\$ 250,000	\$ 2,860,184	\$ 12,896,000	\$ (10,035,816)
1C	003-214-013	1100 Second Street	Second Street Garage (178 spaces)	0.58	25,265	\$ 2,831,400	\$ 65.00	\$ 1,642,212		\$ 1,642,212	\$ 154,000	\$ 1,488,212	\$ 5,696,000	\$ (4,207,788)
Surface Parking - Napa Creek Block														
2A	003-134-002	1118 Pearl Street	Parking Lot G North (26 spaces)	0.10	4,356	\$ 3,049,200	\$ 70.00	\$ 975,744		\$ 975,744	\$ 65,945	\$ 909,799	\$ 832,000	\$ 77,799
2A	003-134-003	1150 Pearl Street	Parking Lot G North	0.22	9,583									
2B	003-137-004	1219 Main Street	Parking Lot E (7 spaces)	0.10	4,356	\$ 3,049,200	\$ 70.00	\$ 304,920	\$304,920 (5)	\$ -	\$ 17,750	\$ (17,750)	\$ 224,000	\$ (241,750)
2C	003-137-008	1231 Main Street	Parking Lot F (21 spaces)	0.53	23,087	\$ 2,831,400	\$ 65.00	\$ 1,500,642	\$720,135 (6)	\$ 780,507	\$ 31,000	\$ 749,507	\$ 672,000	\$ 77,507
Surface Parking - Parkway Plaza														
3A	003-166-008	1142 Coombs Street	Parking Lot G (52 spaces)	0.04	1,742	\$ 2,831,400	\$ 65.00	\$ 2,095,236		\$ 2,095,236	\$ 64,470	\$ 2,030,766	\$ 1,664,000	\$ 366,766
3A	003-166-011	1115 Pearl Street	Parking Lot G	0.70	30,492									
3B	003-167-020	1147 Main Street	Parking Lots G East / H (61 spaces)	1.20	52,272	\$ 2,613,600	\$ 60.00	\$ 3,136,320	\$2,278,320 (7)	\$ 858,000	\$ 104,500	\$ 753,500	\$ 1,952,000	\$ (1,198,500)
3C	003-172-009	1105 West Street	Parking Lot X West (61 spaces)	1.21	52,708	\$ 2,613,600	\$ 60.00	\$ 3,162,456		\$ 3,162,456	\$ 105,400	\$ 3,057,056	\$ 1,952,000	\$ 1,105,056
Surface Parking - Clay Street														
4A	003-198-002	1523 Clay Street	Clay Street Surface Parking (36 spaces)	0.16	6,970	\$ 3,049,200	\$ 70.00	\$ 1,067,220		\$ 1,067,220	\$ 30,500	\$ 1,036,720	\$ 1,152,000	\$ (115,280)
4A	003-198-003	1513 Clay Street	Clay Street Surface Parking	0.13	5,663									
4A	003-198-004	1511 Clay Street	Clay Street Surface Parking	0.05	2,178									
4A	003-198-021	1501 Clay Street	Clay Street Surface Parking	0.01	436									
Building & Driveway Access														
5A	003-137-005	1201 Main Street	Fire Fighters Museum (6,000 SF)	0.15	6,534	NA	\$300.00 (2)	\$ 1,188,000		\$ 1,188,000	NA	\$ 1,188,000	NA	\$ 1,188,000
5B	003-137-006	NA	Napa Creek (portion); driveway	0.08	3,485	\$ 3,049,200	\$ 70.00	\$ 243,936	\$243,936 (8)	\$ -	NA	\$ -	NA	\$ -
Loading Dock														
6A	003-166-015	NA	Kohl's Loading Dock @ Coombs Street	0.04	1,742	\$ 3,049,200	\$ 70.00	\$ 121,968	\$121,968 (9)	\$ -	NA	\$ -	NA	\$ -
Parks and Open Space														
7A	003-172-001	NA	Opera House Plaza @ Napa Creek (10)	0.67	29,185	NA	NA	NA	NA	NA	NA	\$ -	NA	\$ -
7B	003-134-001	1241 Brown Street	Vacant lot with pedestrian bridge (11)	0.33	14,375	NA	NA	NA	NA	NA	NA	\$ -	NA	\$ -
7C	003-137-007	1102 Pearl Street	Napa Creek Channel (12)	0.28	12,197	NA	NA	NA	NA	NA	NA	\$ -	NA	\$ -
Total				8.19	356,756			\$ 20,530,818	\$ 3,669,279	\$ 16,861,539	\$ 986,265	\$ 15,875,274	\$ 36,512,000	\$ (20,636,726)

**Napa Successor Agency
Real Property Assets**

**SUMMARY OF ESTIMATED PROPERTY VALUE
(Continued)**

Footnotes:

- (1) Based on estimated market values of \$60.00 per square foot for parcels of 1.01 to 1.50 acres in size, \$70.00 per square foot for parcels of 0.51 to 1.00 acres in size and \$80.00 per square foot for parcels of 0.01 to 0.50 acres in size
- (2) Based on estimated market value of \$300.00 per square foot of building area (3,960 square feet)
- (3) Based on estimated demolition cost of \$2.00 per square foot of parking area (City of Napa)
- (4) Based on estimated replacement cost of \$32,000 per space of structured parking (City of Napa)
- (5) Property not developable because size does not meet minimum City of Napa zoning standard for development (5,000 square feet); pending Napa Creek Flood Protection Project pipeline easement reduces unencumbered area to +/- 2,583 square feet
- (6) Property is highly encumbered by permanent easements for the Napa Creek Flood Protection Project leaving only 12,008 square feet as the maximum area for development. However the difficulty in developing this portion of the property includes the odd configuration, proximity to an existing historic stone building, and the large setbacks from the top of the bank required due to proximity to the creek
- (7) There is a permanent creek channel easement and culvert running through the Lot G East parcel that makes the parcel undevelopable; and the area south of Lot G East is a creek and linear parkway making this portion of the site also undevelopable. Therefore the only developable area is Lot H (14,300 square feet)
- (8) Property to be grouped with adjacent Fire Museum Building parcel to the east in order to create developable parcel and provide for outdoor use of Fire Museum Building
- (9) Property not developable because size does not meet minimum City of Napa zoning standard for development (5,000 square feet); property provides service / loading access to adjacent privately owned commercial properties / buildings
- (10) Property designated as public park, used exclusively for public purposes, and subject to license agreement with Main Street Exchange Investors
- (11) Property encumbered by pedestrian bridge and creek terracing constructed as part of Napa Creek Flood Protection Project; remainder of property to be encumbered with channel easement thereby eliminating any opportunity for development on the property
- (12) Property is in the middle of a creek due to the Napa Creek Flood Protection Project improvements, with remainder to be encumbered by a pipeline easement thereby eliminating any opportunity for development on the property