

## City of Calistoga Staff Report

**TO:** Honorable Mayor and City Council  
**FROM:** Mike Kirn, Public Works Director  
 Lynn Goldberg, Planning & Building Director  
**DATE:** July 18, 2017  
**SUBJECT:** **Periodic Report on Growth Management System and Water/  
 Wastewater Availability**

### APPROVAL FOR FORWARDING



Dylan Feik, City Manager

1 **ISSUE:** Periodic report on Growth Management System Program allocations for the  
 2 2015–2019 program cycle and update on available water supply and wastewater  
 3 treatment capacity.

4 **RECOMMENDATIONS:** Accept report.

5 **BACKGROUND:** In 2005, the City Council established a Growth Management System  
 6 to regulate the rate of development within the city limits (Calistoga Municipal Code  
 7 Chapter 19.02). The System provides a program for allocating water supply and  
 8 wastewater treatment capacity set by the City's Resource Management System<sup>1</sup> (RMS).

9 An annual report to the City Council is required by the System to provide information on  
 10 currently available water supply and wastewater capacity, and allocations available  
 11 during the current five-year Growth Management System Program cycle (2015–2019).

#### 12 Allocations

- 13 • Overview of Allocation Process

14 The Resource Management System stipulates on an annual basis the amount of water  
 15 available for allocation through the City's Growth Management System (i.e., 20 acre-  
 16 feet). The Growth Management System establishes five-year cycles within which annual

<sup>1</sup> CMC Chapter 13.16

17 allocations are granted and measured. During a cycle, allocations awarded to new  
18 development cannot result in an annual population growth rate that would exceed  
19 1.35% (or 12 acre feet, whichever is more restrictive) or result in a non-residential water  
20 demand that would exceed an annual average of 8 acre feet.

21 Most new development projects require an “allocation” under Growth Management  
22 System program described above. Projects that are exempted from the allocation  
23 requirement include, but are not limited to, second dwelling units and development  
24 projects for which the City has entered into a development agreement.

25 It is important to note, however, that “exempted” projects are still subject to the  
26 population cap. Similarly, water and wastewater demand associated with exempted  
27 projects are not subject to annual allocation limitations of the Growth Management  
28 System program but are counted against the City’s total water and wastewater  
29 capacities under the RMS.

30 • Allowed Allocations for Current Five-Year Cycle

31 Residential and non-residential allocations allowed by the RMS for the current cycle  
32 (2015–2019) are as follows:

33	<u>Residential Allocations</u>	
34	Population as of January 1, 2015 <sup>2</sup> (A)	5,118 persons
35	Allowable annual 1.35% population growth rate (A x 1.35%)	69 persons/year
36	Years in cycle (B)	5 years
37	Allowable population increase (A x B = C)	345 persons
38	Average household size <sup>2</sup> (D)	2.56 persons/household
39	<b>Residential allocations (C/D)</b>	<b>135 units</b>
40	<u>Non-Residential Allocations</u>	
41	Annual available water supply <sup>3</sup> (E)	20 acre feet
42	Percentage available for non-residential <sup>4</sup> (F)	40%
43	Annual available water supply for non-residential uses (E x F = G)	8 acre feet
44	Years in cycle	5
45	<b>Non-residential allocations (G x 5)</b>	<b>40 acre feet</b>

46 As part of the 2016 annual report, staff advised the City Council that if currently-  
47 anticipated residential construction occurred, only 75 additional units could receive an  
48 allocation through 2019. This would represent a considerable constraint on the city’s  
49 ability to promote housing development and work towards a jobs-housing balance,  
50 consistent with the City Council’s objective of expanding housing opportunities,  
51 including workforce housing.

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<sup>2</sup> California Dept. of Finance Demographic Research Unit, City/County Population and Housing Estimates, 1/1/2017

<sup>3</sup> CMC 13.16.040.D

<sup>4</sup> CMC 13.16.040.E

52 The Growth Management System allows the City Council to increase the number of  
 53 available allocations by drawing from unused allocations in previous five-year cycles,  
 54 provided that the combined allocations do not result in a population growth rate of more  
 55 than 1.35 percent<sup>5</sup>. In September 2016, the Council authorized allocations to be drawn  
 56 from unused allocations in previous five-year cycles in an amount that do not result in a  
 57 population growth rate of more than 1.35 percent and made available for residential  
 58 development. This action had the effect of adding 237 allocations to the total available  
 59 allocations pool.

60 The City is halfway through its current five-year program cycle. Its annual population  
 61 growth during each of these years according to the State is as follows:

Year	Population	Growth Rate
2015	5,188	--
2016	5,226	.73 percent
2017	5,238	.23 percent

62 • Awarded Allocations - Residential

63 Residential allocations for 38 new dwellings have been granted since the beginning of  
 64 2015. An additional 21 units are exempt from the allocation requirement because they  
 65 are subject to a development agreement (i.e., Silver Rose) or are an accessory dwelling  
 66 unit.

67 The construction of these 59 units is not expected to cause the growth rate to exceed  
 68 the maximum 1.35 percent during the current five-year program cycle. The senior  
 69 apartments' average household size will be considerably lower than the 2.56  
 70 persons/household average that exists citywide. Additionally, many of the Silver Rose  
 71 homes will not likely be occupied by permanent residents.

72 **Building Permits Issued for New Residential Units since 1/1/15**

Address or Project	SFD	MFD	ADU	Issued
Projects subject to allocation requirement				
1809 Michael	1			2015
1706 Myrtle	1			2015
957 Petrified Forest	1			2015
1749 Emerald	1			2015
3000 W. Money	1			2016
2095 Mora	1			2016
1706 Foothill	1			2016
3005 W. Money	1			2016

<sup>5</sup> CMC 19.02.060 (F)

Senior Apartments		30		2017
Projects exempt from allocation requirement				
2070 Mora			1	2017
Silver Rose	20			2017

- Awarded Allocations – Non-Residential

73 Since the beginning of 2015, allocations totaling 1.868 acre-feet have been granted to  
 74 two non-residential projects (Francis House B&B and Wappo Guest Accommodations).  
 75 Therefore, the amount of water available for allocation over the remainder of the cycle is  
 76 38.132 acre-feet.

- Assessment of Available Water and Wastewater

78 Assessments of available water supply and wastewater treatment capacity can be found  
 79 in Attachments 1 and 2).

80 Total available water supply ranges from 215 to 446 afy, based on a firm water yield  
 81 supply of 90% reliability, which is a methodology accepted by the State Department of  
 82 Water Resources. In addition, drought conditions and actual allocations over the last  
 83 five years from the State Water Project delivered through the North Bay Aqueduct were  
 84 factored in.

85 Total available wastewater capacity is estimated at 165.1 acre-feet. The estimate takes  
 86 into account approved projects, paid allocations, standby accounts (customers with  
 87 meters but no usage) and obligations toward the two bottling operations that are  
 88 currently not using their entire baselines.

89 **CONSISTENCY WITH GOALS AND OBJECTIVES:** The continued implementation of  
 90 the Growth Management System is consistent with the following goal and objective  
 91 adopted by the City Council for FY 17-18:

92 *Goal 5, Objective 5:*

93 *Maintain Calistoga’s small town character through implementation of*  
 94 *General Plan goals and policies.*

95 The Land Use Element of the General Plan includes the following relevant objective and  
 96 policy:

97 *Objective LU-1.4 Develop and phase new housing at a rate that can be*  
 98 *absorbed by public infrastructure and in a manner that fits within*  
 99 *Calistoga’s small-town identity.*

100 *Policy P1. On average, Calistoga’s annual residential growth rate shall be*  
 101 *no more than 1.35% of the number of residents in Calistoga the previous*  
 102 *year.*

**ATTACHMENTS**

1. Estimated Water Availability
2. Estimated Wastewater Treatment Capacity
3. Potential Water Usage and Wastewater Generation