



STAFF REPORT CONSENT

**ITEM NUMBER: 7.** 

# TITLE

2024 Annual Napa Airport Corporate Center Development Agreement Review

#### RECOMMENDATION

Adopt a Resolution finding that G3 Kelly Devlin LLC demonstrated "Good Faith Efforts" to comply with the Napa Airport Corporate Center Development Agreement obligations during Calendar Year 2024 (PL25-0012).

#### CONTACT

Brent Cooper, AICP, Community Development Director

### **BACKGROUND & ANALYSIS**

On August 4, 2020, the Council approved the Napa Airport Corporate Center (Project) Development Agreement (DA) with Napa Airport Corporate Center I, LLC (Ordinance No. 2020-03, Agreement 2020-08). The DA provides the Owner with a 5-year vested right to develop the "Project Approvals" for the following entitlements that accommodate up to 193,741 square feet as follows:

- 1. A Tentative Subdivision Map for subdivision of the Property into five lots, including public road rights-of-way;
- 2. Conditional Use Permits approving a Conditional Use Permit for Buildings A and B on Lots 1 and 2);
- 3. Conditional Use Permit and Design Permit for Building E on Lot 4;
- 4. Conditional Use Permit and Design Permit for Building G on Lot 5. These approvals allowed development of the Property with up to 261,541 square feet of industrial uses (warehouse, distribution, and/or E-commerce with accessory retail/office uses), and allowed the relaxation of certain lot size, front yard setbacks, and side yard landscaping requirements. The City conditioned the approval of the Project on the Owner's agreement to provide public infrastructure and other benefits to the City; and
- 5. On July 10, 2020, the Owner obtained approvals from the City for modifications of the Conditional Use Permit/Design Permit for Building E on Lot 4 and Building G on Lot 5, which increased the area of preserved wetlands on Lot 4 and Lot 5, reduced the square footage and building site coverage of Building E and Building G, adjusted parking and loading consistent with the revised buildings and reduced overall development on the Property from approximately 261,541 square feet to approximately 193,741 square feet.

6. On February 19, 2025, City staff approved Minor Modifications PL24-0016, PL24-0017, PL24-0023, and PL24-0024, which included refinements to site layout and parking, modernization of architectural designs, and slight increases to the square footage of Buildings E and G.

On June 12, 2023, G3 Kelly Devlin LLC ("G3") acquired the Napa Airport Corporate Center ("Property").

On August 5, 2025, the City Council extended the NACC Development Agreement an additional 5 years to September 3, 2030 (Ordinance 2025-03).

#### Standards of Review

An annual review of Development Agreements is required by State law and by Chapter 19.47 of the American Canyon Municipal Code. Accordingly, this report serves as the monitoring report for the 2024 calendar year.

The responsibility for demonstrating good faith compliance with the Development Agreement lies with the Owner. On October 1, 2025, the Owner submitted a letter to the City outlining the Project's entitlement status and progress made toward substantial compliance with the terms of the Development Agreement. A copy of this letter is included as Exhibit A to the Resolution is included in Attachment 1.

# **Development Agreement Public Benefits**

Section 3.3 of the Development Agreement describes substantial public benefits the city will receive from the NACC Project. A table explaining each public benefit and its status is included as Attachment 2.

# **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Economic Development and Vitality: "Attract and expand diverse business and employment opportunities."

## FISCAL IMPACT

The fiscal impacts of the Projects were addressed as part of the Tentative Parcel Map, Conditional Use Permits and Development Agreement.

### **ENVIRONMENTAL REVIEW**

The annual Development Agreement monitoring report is categorically exempt from California Environmental Quality Act (CEQA) in accordance with Government Code 15321 — Enforcement Actions by Regulatory Agencies (Class 21). Class 21 applies as an exemption because the annual Development Agreement monitoring report is intended to serve as a tool to enforce the Napa Airport Commerce Center Development Agreement.

# **COMMUNICATION**

Level 0: No Further Public Communication Needed

# **ATTACHMENTS:**

- 1. Resolution NACC DA Annual Report
- 2. Development Agreement Public Benefit Status