



## **Pope Street Workforce Housing – Background and Description**

10 Affordable Rental Apartments in the Heart of St. Helena

**Phase 1:** 963 Pope Street – 5 units    **Phase 2:** 951 Pope Street – 5 units

**Phase One - 963 Pope Street.** In 2019, OTSH purchased 963 Pope Street through a charitable sale with acquisition loans from Rural Community Assistance Corporation and the City of St. Helena. At the time of purchase, the 0.29-acre lot contained a 966-square-foot two-bedroom, one-bathroom house, which is now rent-restricted and occupied by a local worker and her young daughter. In 2020, OTSH obtained entitlements from the City of St. Helena for four additional 978-square-foot, two-bedroom, one-bathroom units, designed as stacked flats in two duplexes, to be located behind the existing house. The project is energy efficient and includes ample parking, bike storage, laundry facilities and a community area shaded by old-growth trees. The project is now permitted and shovel ready.

OTSH is working with Napa Valley Community Housing (NVCH) to assist with project management and financing services. In 2022, the two organizations entered into a Memorandum of Understanding which describes the parties' intent to form a partnership to complete the development and own, operate and manage the property as partners, contingent on successfully competing for federal and state funds and qualifying for favorable terms from private lenders. The State Department of Housing and Community Development will soon notify OTSH whether it will receive a loan under the HOME program; and news of a grant through federal appropriations is pending. Poppy Bank has executed a letter of intent to provide construction and permanent financing for the project. OTSH and NVCH are still working on pursuing other sources including local housing trust funds, with the goal of having the financing packaged soon. Grants and private donations are filling the gap.

**Phase Two – 951 Pope Street.** In 2021, the adjacent property at 951 Pope Street, formerly owned by Mabel Johnson and bequeathed to the St. Helena Hospital, was purchased by OTSH with a very generous private donation. The 0.17-acre property currently contains a vacant and dilapidated two-story duplex, a large garage and storage structures. OTSH has submitted a project application to the City of St. Helena for removal of the existing structures and approval of five new units comprised of a tri-plex and two accessory dwelling units. OTSH anticipates receiving entitlements by summer 2023.

By expanding the development to both parcels, OTSH will be able to double the unit count from 5 to 10, while still providing adequate parking and amenities and maintaining a scale that is appropriate for the neighborhood. Rather than go through the long process of applying for government funds, which requires rentals not to exceed prescribed low-income levels, OTSH will seek to finance Phase Two through conventional lending and donor sources that will allow for some units to be available for the “missing middle” – those who are overqualified for low-income housing but are not able to afford market rate rent in St. Helena.