



# State of Housing in St. Helena

Compiled by  
**Our Town St. Helena**  
Spring 2013

# Workers Vital to St. Helena

## Branches – \$100K

- Professional work force
- College or trade school education
- Positions with good salaries and benefits
- Would like to own a home here – can't afford it
- Mostly commuting

## Trunks – \$50K

- Skilled work force
- Some college and/or trade school
- Young and old, singles and married, seniors – great diversity
- Many commuting long distances so they can own a home
- Others living in rentals in town

## Roots – \$30K

- Unskilled work force
- Mostly employed in wine and hospitality industries
- here full time – not migrant work force
- Singles, couples and families
- Living in rentals in town or commuting long distances



# What St. Helenians Earn, Hourly

## ROOTS

Max. \$31,200 annual

- \$12 – farm laborer
- \$14 – bank teller
- \$14 – retail clerk
- \$14 – cook
- \$15 – hotel maid
- \$15 – nurses aid
- \$15 – gardener
- \$16 – receptionist
- \$16 winery workers



## TRUNKS

Max. \$50,000 annual

- \$17 – file clerk
- \$18 – EMT
- \$18 –City of St. Helena maintenance worker
- \$20 – hotel desk clerk
- \$20 – housekeeper
- \$20 – construction laborer
- \$21 – retail manager
- \$22 – auto mechanic
- \$24 – police dispatcher
- \$25 – postal clerk TRUNKS

Max. \$50,000 annual

- \$17 – file clerk
- \$18 – EMT
- \$18 –City of St. Helena maintenance worker
- \$20 – hotel desk clerk
- \$20 – housekeeper



## BRANCHES

Max. \$104,000 annual

- \$30 – human resource manager
- \$32 – restaurant manager
- \$32 – loan officer
- \$32 – paralegal
- \$34 – police sergeant
- \$35 – accountant
- \$45 – architect
- \$46 – dental hygienist
- \$46 – teacher
- \$48 – registered nurse

Sources: State of CA Employment Development Department, SHUSD School Accountability Report Card 2010–2011, City of St. Helena

# What Local Employees Can Afford to Rent or Buy in St. Helena

<i>Based on a family of four</i>	<b>ROOTS \$31K</b>	<b>TRUNKS \$50K</b>	<b>BRANCHES \$104K</b>
Rent @ 1/3 income	\$861	\$1389	\$2600
	2 bdrm/1 bath	2 bdrm/2 bath	3 bdrm/2 bath
Available in-town rentals	\$1200 to \$1500	\$1800 to \$2500	\$3000 to \$4000
Purchase price @ 1/3 monthly income		\$260,000	\$414,000
Lowest market rate SFD sold in St Helena in 2012		\$460,000	\$460,000
Current price of Magnolia Oaks two affordable for sale houses			\$469,000

- Affordable rents based on 1/3 of gross monthly salary
- Affordable purchase price based on 1/3 gross monthly salary, 4% 30-yr fixed loan, 1.25% property tax & .3% PMI
- Current SH market rate rentals based on Craigslist rentals survey and market knowledge
- Market rate sale prices based on MLS and excludes Vineyard Valle

# St. Helena gained an average of 9 households annually from 2000 to 2010

## Owner Occupied

- 1% Increase
- 2340 to 2401 in 10 years

## Renter Occupied

- 2% Increase
- 1048 to 1070 in 10 years

## Vacant

- 15% Increase
- 327 to 375 in 10 years

Source: US Census

# Most of growth in St. Helena is coming from second homes

**91**

- Increase in households in St. Helena 2000 to 2010



**48**

- Number of these households categorized as “vacant”



**53%**

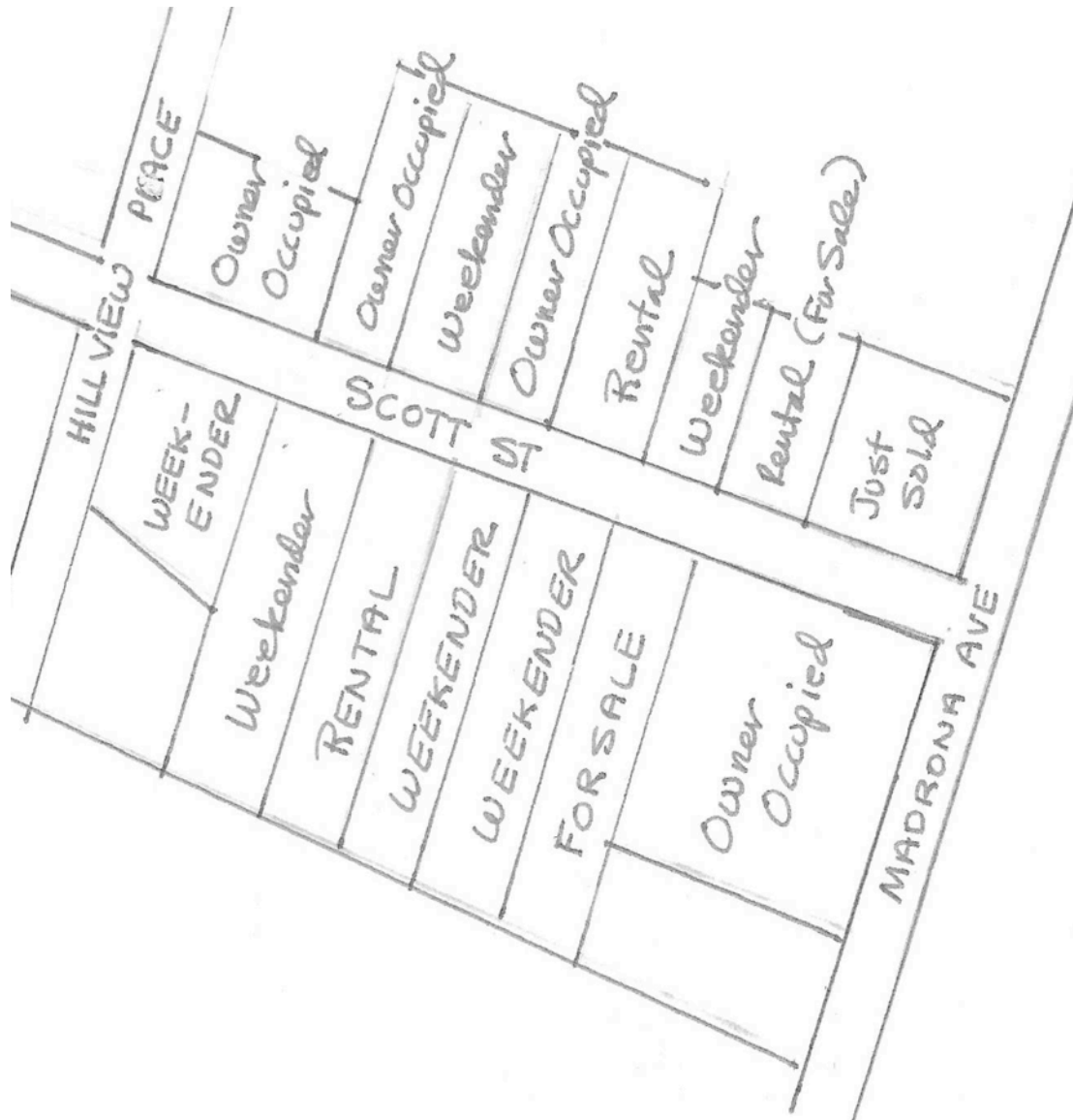
- Over half of new households are likely to be second homes

Source: US Census

# Many of the existing homes sales are to second home owners.

- Estimates run from 20% to 40% second homes among current single family dwellings.
- Real estate agents confirm that many of their sales are to weekenders.
- Unable to quantify actual percentage of loss residences, but lots of anecdotal information.

# Shrinking Housing Inventory



## Scott Street

Between Madrona & Hillview

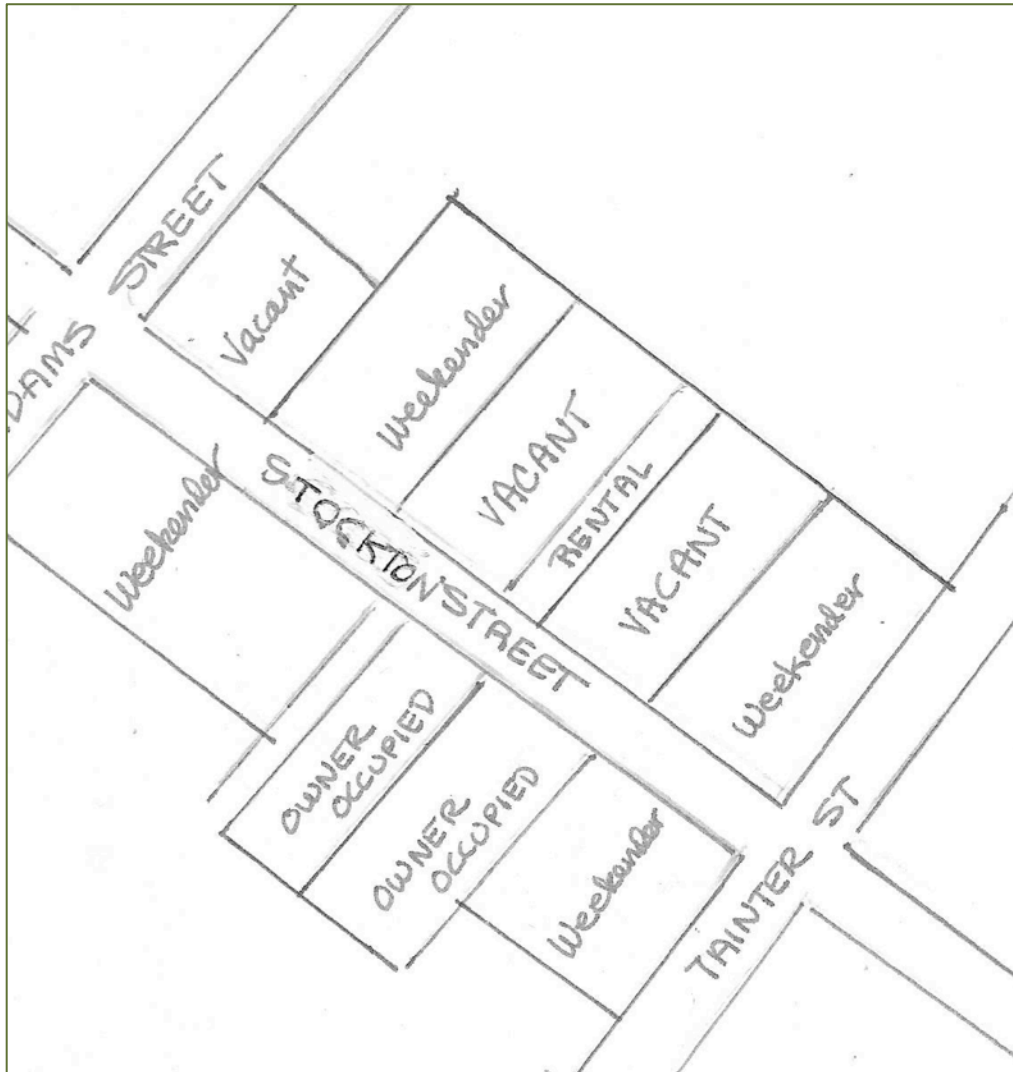
**40% Second Homes**

- 15 Housing Units
- 7 Full-Time Residents
- 6 Weekenders
- 2 Vacant \*

\*For sale or just sold



# Shrinking Housing Inventory



## Stockton Street

Between Tainter & Adams

**44% Second Homes**

- 10 Housing Units
- 2 Full-Time Residents
- 4 Weekenders
- 3 Vacant

\*For Sale or Just Sold

# Our workforce housing inventory is disappearing.

- Lots of the lost existing houses are smaller cottages.
  - The type of homes previously owned by middle class working residents.
  - This leaves no place for local workers to live.
- New Homes are also not going to locals.
  - Two of the seven completed market rates homes at Magnolia Oaks have been sold.
  - Both were purchased as second homes.

# Lack of Rentals in St. Helena

- St. Helena is also lacking in rental units.
  - This is true for both market rate and affordable apartments.
- Latino families are now competing with young hospitality workers for the market rate units available in town.
  - The proposed increase in hospitality ventures in town will intensify this challenge.
- Both Hunt's Grove and Stonebridge, our two affordable apartment complexes, have constant waiting lists.
- A periodic audit of Craigslist and the local newspapers' Classifieds reveal few if any rentals and virtually none <\$2000.
- Local multi-unit apartment owners state an average vacancy rate of < 3%.

# St Helena is Facing a Net Loss in Rentals Units thru 2016

		Source
<b>Total Units – 2011</b>	538	US Census, 2007-2011
New units thru 2012	0	City records
Lost units in 2013	48	Units eliminated from Grandview
<b>New Units:</b>		
Magnolia Oaks	16	2013
Turley	8	Projected 2015
Vineland Station	10	Projected 2016
<b>Total Projected Units</b>	<b>518</b>	
<b>NET LOSS</b>	<b>14</b>	In 2016

# Summary of Availability

- Our town is losing housing stock in many categories:
  - Middle class homes are being transformed into weekend houses at an alarming rate.
  - New housing stock is priced too high for local workers – including workers who make \$100K+.
  - Even with all the new apartments planned in the next three years, St. Helena will have 14 fewer apartments in 2016 than it does today.

# Employment to Resident Ratio

- The US Census calculates the following information for St Helena:
  - How many jobs there are in the city
  - How many residents are classified as workers
  - How many of those workers commute out of town to work
- This creates the Employment to Resident Ratio:
  - The number of additional workers needed in St. Helena each day to make up the work force
  - Note that this ratio is based just on jobs within the city limits and does not include the surrounding area.

# Employment to Resident Ratio



Source: 2010 US Census

# St. Helena Ratio Compared to Other Nearby Communities

Location	Ratio	Location	Ratio
St Helena	2.16	Sonoma	1.87
Healdsburg	1.28	Windsor	0.53
City of Napa	.91	Petaluma	.96

Note: City must have 2500 resident workers to qualify. Calistoga and Yountville do not meet the data requirements.

Source: 2010 US Census



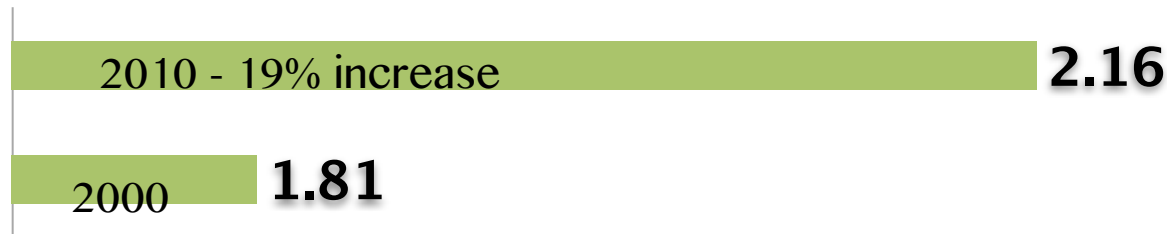
# St. Helena Ratio Compared to Other Resort Communities

Location	Ratio	Location	Ratio
St Helena	2.16	Palm Springs	1.55
Coronado	2.82	Laguna Beach	1.19
Carmel	2.77	Monterey	2.08

Source: 2010 US Census

# Employment to Resident Ratio

- There are over two jobs in St. Helena for every worker who lives in St. Helena.



- And this ratio is rising steadily – 19% increase in imbalance from 2000 to 2010.
  - Healdsburg’s ratio increased 15% to 1.28.
  - Sonoma, Windsor and Napa ratios increased 4% to 7%.
  - Petaluma actually decreased their ratio by 7%.

Source: US Census 2000 vs. 2010

# What This Means

- St. Helena's Employment to Resident Ratio is high and continues to grow.
- This imbalance indicates a shortage of housing
- The City wants to grow hospitality revenue.
  - At what point will lack of housing affect the quality of our customer service labor force?
  - When will the clog of commuting workers begin to discourage visitors to come up valley?

# Conclusion

- St Helena will never be able to house all of our workers
- But shouldn't we set worker/housing ratio goals?
  - Can we develop a plan to lower the 2.16 ratio?
  - Can we compute how new business development will affect this ratio in the future?
- Should we not have a workforce housing goal?

# Possible Goals for St. Helena

- Reduce and maintain our Employment to Resident Ratio at  $< 2.0$
- Maintain 60% of our current housing stock for full-time residents
- With a coordinated, cooperative long-term plan we can meet these goals

# Latino Population

## **Excerpts from the Profile of Immigrants in Napa Valley – May 2012**

- Prepared by the National Center on Immigrant Integration Policy
- Commissioned by the Community Fund Napa Valley
- Full report available at: [napavalleycf.org](http://napavalleycf.org)

## **Changing Immigrant Story**

- Most of the initial immigrants to Napa County were migrant workers who followed the crop cycle down the West Coast.
- The past two decades have seen a shift toward more permanent residency.
  - This has led to substantial growth in the size of Napa County's year-round Latino population.
  - Latino's have accounted for most of Napa County's population growth and XX% of St Helena's growth.

# Wine Industry

- The Pew Hispanic Center has estimated that nationally, unauthorized population peaked in 2007 and has dropped steadily since.
  - Mexican census data show declining migration to the US.
  - Reasons for slowing of immigrant population growth in Napa County include:
    - Recession
    - Expanded enforcement of immigration laws
    - Limited housing availability and high prices
    - Demographic and economic trends in Latin America
      - fewer children, improved education, improvement in labor market

# Wine Industry

## Napa Valley Trends

- Immigrants are one-third of county workers and three-quarters of agricultural workers
- Thus immigrants constitute high shares of workers in key sectors of the Napa Valley economy.
  - The vast majority of immigrant agricultural workers were employed in vineyards
  - Beverage production – mostly wineries – accounted for 54% of immigration manufacturing employment.
- Increased skilled nature of work in the vineyards and wineries has increased Latino immigrants' productivity and wages in the past two decades.



# Wine Industry

## **NVCF Recommendation:**

- Invest more in affordable housing, particularly in the Upvalley region, where housing is least available and most expensive.
- Developing more affordable housing will both lower housing hardship in immigrant families and cut down on commuting traffic.

# Hospitality in St. Helena

- OTSH conducted a survey of all hotels and restaurants in St. Helena this Spring.
  - See the appendix for a list of participating hotels and restaurants
- 8 hotels in St. Helena
  - Total of 322 rooms and 546 full time equivalent (FTE) employees
  - Includes Meadowood (99 rooms/420 FTEs)
- There are 1.7 employees per sleeping room.
  - This mirrors the national average.

# Hospitality in St. Helena

- The majority of the hospitality employees are Roots and Trunks.
  - in the low to moderate income range.
  - These are the income brackets that St Helena is losing existing housing stock.
- Just two approved hotels will add 300 employees.
  - Without incremental housing, these 300 employees will be commuting on Highway 29 and the Silverado Trail.
  - Along with the 4400 workers already on the road.

# Hospitality in St. Helena

- There are 30 restaurants in town of which 26 participating in the survey.
  - Total of 2669 seats and 713 FTEs
  - Includes Meadowood (185 seats/79 FTEs)
- This means 3.7 employees per restaurant seat
  - Difficult to determine average but SH seems higher than industry standard.
  - We decreased the ratio by 50% for our projections.

# Hospitality Employee Housing

- What ratio of housing for Roots and Trunks should be maintained in St Helena?
  - We can't expect to house all hospitality employees.
  - Should we set housing goals to correspond with commercial development goals?

# Approved Hotels

- Two new hotels have been approved
  - Grandview and Vineland Station

	<b>Total</b>	<b>Total FTE</b>	<b>FTE/Room</b>	<b>FTE/Seat</b>
Existing Rooms	322	546	1.7	
Existing Seats	2669	713		3.7
Subtotal		1259		
Planned Rooms	100	170	1.7	
Planned Seats	70	130		1.85
Subtotal		300		
<b>Projected by 2020</b>		<b>1558</b>	<b>24% Increase</b>	

# Types of Workers in St. Helena

Place of Employment	Number Workers	% All Workers
Private Company	1778	64%
Self-employed – Own incorporated business	135	4.8%
Self-employed – Own not incorporated business	408	14.6%
Private/Not-for-profit	135	4.8%
Local Government	211	7.5%
State Government	94	3.4%
Federal Government	16	0.6%
Unpaid Family Workers	20	0.7%

# Demographic

Older

Smaller Households

Empty  
Nesters

Mature  
Family

Larger  
Households

New  
Family

Singles

Younger



# Cheapest House in St Helena



- 1508 Spring
- 3/1
- Built in 1900
- 900 sq ft
- .14 acre lot
- Sold for \$460,100