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MEMORANDUM

To: Peter Dreier, Napa Valley Housing Authority
Jenny Gomez, Napa Valley Housing Authority
Karen Tiedemann, Goldfarb and Lipman

From: Kate E. Funk

Date: November 3, 2004

Subject: Demographic Information on Napa Residents and
Workers

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The following document summarizes demographic information on Napa County residents and workers for use in developing preference programs for affordable housing. The jurisdictions of Napa County have expressed an interest in looking into programs to give preference or priority to households that either already live or work in the local community. Since preference programs must stand up to scrutiny in light of fair housing laws, an understanding of the demographic profile of Napa residents and workers can help inform the design, implementation or administration of such programs.

All the data on existing conditions is drawn from the U.S. Census 2000. Information is presented for the five cities of Napa County, the unincorporated County area, and Napa County overall. Since a significant share of workers in Napa County live in Solano County, information is also provided for Solano County as a whole, and for Vallejo and Fairfield specifically.

The Census collects information from people by place of their residence and asks people about where they work. The Census then recomputes the information to provide tabulations on where workers in a jurisdiction live. Thus, we know about commute relationships, but the Census does not provide demographic information on workers by place of work per se. In

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other words, we know what share of workers in each Napa jurisdiction live in the various neighboring counties, but we do not have information on the age, household size, race or ethnicity of these workers. The best we can say is that if 20% of the workers come from Solano County, then 20% of the workers are likely to have a demographic profile similar to the residents of Solano County. Similarly, if we know a significant share of workers in American Canyon live in Vallejo, we can be mindful of the demographics of Vallejo in the design and implementation of a program that includes preferences for workers in American Canyon.

The Demographics of Napa Residents

Table 1 provides information on the residents of the various Napa jurisdictions and the County overall. The data cover the factors that could be relevant to housing - age composition, percent of households with children, and distribution by race and ethnicity.

Key findings of interest are:

Age

- The age distribution in Napa County does not vary significantly by jurisdiction, with the exception of Yountville, where residents are much older, on average. Whereas 24% of all Napa County residents are under 18 years old, in Yountville, only 11% of residents are under 18 years.
- In turn, while only 18% of Napa County residents are 62 years and older, in Yountville, almost half of the population (48%) is 62 years or older. The 1,200-bed veteran's home located in Yountville causes the skew as it accounts for about 40% of Yountville's total population.

Households with Children

- American Canyon's households are more likely to have children under 18 years old compared to Napa County as a whole, while Yountville's households are less likely. In Napa County, 34% of households contain children under 18 years old; in American Canyon, 44% of households do.

Race and Ethnicity

- American Canyon is significantly more racially diverse than other areas of Napa County. American Canyon's population is 59% white, while Napa County is 80% white. About 16% of American Canyon's population is Asian, while 7% is Black/African American. In comparison, 3% of Napa County is Asian, and 1% is Black/African American.

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- Calistoga has a larger Hispanic/Latino population relative to the rest of Napa County. Calistoga's population is 38% Hispanic/Latino, while Napa County overall is 24% Hispanic/Latino. Yountville's population is only 10% Hispanic/Latino.

Workers in Napa and Commute Relationships

Tables 2 through 5 provide information on workers in various Napa jurisdictions and where they commute from. If preferences are to be offered to workers, then the jurisdiction needs to be aware of its housing market area, which is a function of the extent to which its workers commute from other jurisdictions and the distances these workers are traveling. Finally, as explained in the introduction, we do not have demographic information on the workers per se, but must draw conclusions based on the demographics of where the workers now live.

Housing Market Area

A housing market area is loosely defined as the area from which a majority of those seeking housing will look for the housing. KMA consulted a number of texts and handbooks for a precise definition or one that might put forth precise percentages but found mostly general descriptions. For example the Urban Land Institute's (ULI) Residential Development Handbook has a section on market areas and market studies that contains language like the following: "Target market areas define the location where most logical demand for a contemplated housing project exists. Various factors are considered in delineating a target market area" and goes on to talk about commute times, price structure, physical barriers, and so forth. The ULI Handbook does define a primary target market area as "where the strongest potential demand is anticipated. Typically 50 to 75% of the buyers or renters for a given project come from the primary target market area."

Place of work is a major demand factor. Most people prefer to live near their place of work, all other factors being equal (price of housing, quality of schools, etc.). Multiple workers in the household working in dispersed locations does complicate the equation, but that aside, workers who now commute are a source of demand for local housing. For a range of public policy reasons, local jurisdictions want to facilitate local workers' ability to live in the local community.

Key Findings About Workers

- Table 2 provides an historical overview of commute patterns to Napa County. The number and percent of Napa County workers who commute from outside of the County has increased significantly over the past 40 years. In 1960, only 6% of county workers lived outside of Napa; by 2000, 26% of county workers did. Many of the workers commuting into Napa County live in Solano or Sonoma counties, 14% and 5%,

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respectively. In addition, the number of workers commuting from Contra Costa County doubled over the 1990s, although it still represents less than 2% of Napa workers. No other county accounts for more than 1% of Napa workers.

- Table 3 presents the workers in the City of American Canyon and the City of Napa. We have aggregated the place of residence by county, so it can be seen that 55% of American Canyon workers come from various places within Napa County, while 35% come from Solano County, predominantly Vallejo. In the City of Napa, 75% of the workers live somewhere within Napa County, and only 15% come from Solano County.
- Table 4 summarizes the findings for the Up Valley cities of Yountville, St. Helena and Calistoga. In Yountville and St. Helena, 83% of the workers come from somewhere in Napa County. In Calistoga, the percent of workers who live in Napa County drops to 75% and Sonoma accounts for 15% (which is not surprising given the commute access).
- Table 5 presents the unincorporated area of Napa County. The percent of workers from somewhere in Napa is 72% with Solano accounting for another 14%. From the Table 3 data, we can assume that workers in the unincorporated area south of Napa city, particularly the Airport Industrial Area, look like a hybrid of American Canyon and Napa city, or say 65% from somewhere in Napa County and 25% Solano County.

Conclusions

In general, we believe that when 70% or more of the workers come from Napa County, the county represents the housing market area. Only in the cases of American Canyon and unincorporated Napa County south of the City of Napa do we have a housing market that includes workers who now live in Solano County to a significant degree. Thus, if these areas wish to implement a preference based on workers, the demographics of Solano County should be considered when designing a program that does not violate fair housing laws.

The workers in all other Napa jurisdictions tend to already live in Napa County somewhere (where demographic characteristics do not vary much from one place to another); therefore, housing preferences for local workers would be of less concern.

Solano County Demographics

In the demographics section (Table 1), we determined that the demographics of American Canyon differ from the rest of Napa County in that the city is more diverse, has more households with children, and is younger on average. As shown in Table 6, the demographics of Solano County are very similar to those of American Canyon. In Solano County, 45% of households have children under 18, compared to American Canyon's 44%. In general, the

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racial composition of Solano County is similar to American Canyon's, although Solano County has a slightly higher percentage of people identifying themselves as Black/African-American. The age profiles are also similar, although American Canyon does have a higher percentage of households with individuals 65 years or older (29% of American Canyon households versus 20% of Solano County households).

Additional Information

1. Place of Work for Napa County Residents

Appendix Tables A and B contain information regarding the places of work for Napa County resident workers. The key finding of these tables is that most (80%) resident workers of Napa County work somewhere within the County. Only 20% of resident workers work outside of the County. Again, American Canyon's resident workers differ from the rest of the County's in that they are much more likely to work outside of the County.

2. ABAG Projections

Appendix Table C summarizes ABAG's projections for total jobs by jurisdiction and for the County overall. Key findings are:

- The Association of Bay Area Governments (ABAG) projects that Napa County will experience strong job growth through 2015, with growth slowing afterwards. By 2030, ABAG projects that Napa County will have 22,000 new jobs, a 33% increase over the 2000 level.
- Most of the new growth will occur in Napa City, although American Canyon and the Unincorporated Areas will also see significant growth. ABAG projects that Napa City will gain 13,000 new jobs by 2030. American Canyon can expect 4,400 new jobs, which would double the current level. The Unincorporated Areas will see 3,700 new jobs, but will represent a declining share of all jobs in Napa County.

TABLE 1
 RESIDENT DEMOGRAPHICS: PROFILE OF NAPA COUNTY AND CITIES
 NAPA HOUSING PREFERENCE STUDY
 NAPA VALLEY HOUSING AUTHORITY

	Napa County		American Canyon		Napa City		Yountville		St. Helena		Callistoga		Unincorporated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Population	124,279	100%	9,774	100%	72,585	100%	2,916	100%	5,950	100%	5,190	100%	27,864	100%
Age														
Under 18	29,998	24%	2,776	28%	18,670	26%	325	11%	1,494	25%	1,208	23%	5,525	20%
62 and Over	22,019	18%	1,532	16%	11,590	16%	1,403	48%	1,165	20%	1,142	22%	5,187	19%
Households with Children Under 18 Years	15,606	34%	1,397	44%	9,671	36%	195	19%	777	33%	636	31%	2,930	11%
Households with Individuals 65 years and over	12,552	28%	918	29%	7,099	26%	388	37%	757	32%	727	36%	2,763	10%
Race														
White		80%		59%		80%		92%		82%		77%		78%
Black or African American		1%		7%		1%		1%		0%		0%		1%
Asian		3%		16%		2%		1%		1%		1%		3%
Other		12%		11%		14%		4%		14%		19%		13%
Two or More Races		4%		7%		4%		2%		3%		3%		4%
		100%		100%		100%		100%		100%		100%		100%
Ethnicity														
Hispanic/Latino		24%		18%		27%		10%		28%		38%		26%

Source: 2000 US Census; Keyser Marston

**TABLE 2
 WORKERS COMMUTING TO NAPA COUNTY
 NAPA HOUSING PREFERENCE STUDY
 NAPA VALLEY HOUSING AUTHORITY**

<u>County of Residence</u>	<u>1960</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
San Francisco	0	77	14	117	237
San Mateo	0	11	18	0	141
Santa Clara	0	75	74	34	161
Alameda	0	235	72	211	340
Contra Costa	0	253	343	453	1,094
Solano	1,000	2,958	2,846	5,492	8,256
Napa	17,000	20,295	31,808	37,464	44,341
Sonoma	0	470	1,238	2,026	3,030
Marin	0	115	104	189	380
Bay Area	18,000	24,489	36,517	45,986	57,960
Neighboring Counties			381	821	1,543
Other Locations*					352
Total Workers in Napa	18,000	24,489	36,898	46,807	59,875
Total Who Live Outside of Napa County	1,000	4,194	5,090	9,343	15,534
Percent of Napa Workers who Live Outside County	6%	17%	14%	20%	26%

* "Out-of-town" business persons who worked in the Bay Area during the Census reference week, March 2000.

Source: MTC County-to-County Commuting in the Bay Area, 1960-2000. Based on data from the US Census Bureau.

TABLE 3
 WORKERS IN SOUTHERN NAPA COUNTY CITIES BY PLACE OF RESIDENCE
 NAPA HOUSING PREFERENCE STUDY
 NAPA VALLEY HOUSING AUTHORITY

	<u>American Canyon</u>		<u>Napa City</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Total Workers	1,648		29,166	
Place of Residence				
American Canyon	400	24%	700	2%
Napa City	410	25%	17,000	58%
All Other Napa County	94	6%	4,115	14%
<i>Napa County</i>	<u>904</u>	<u>55%</u>	<u>21,815</u>	<u>75%</u>
Vallejo	335	20%	2,040	7%
Fairfield	80	5%	1,050	4%
Vacaville	75	5%	615	2%
All Other Solano County	79	5%	725	2%
<i>Solano County</i>	<u>569</u>	<u>35%</u>	<u>4,430</u>	<u>15%</u>
Sonoma County	53	3%	1,130	4%
All Other Counties	122	7%	1,791	6%

Notes:

(1) The data presented in these tables are from the US Census. The US Census rounds each entry to the nearest multiple of 5; 1-7 is rounded to 4 and 0 is kept 0. The US Census does not present these data for places with fewer than 2,500 residents.

TABLE 4
WORKERS IN NORTHERN NAPA COUNTY CITIES BY PLACE OF RESIDENCE
NAPA HOUSING PREFERENCE STUDY
NAPA VALLEY HOUSING AUTHORITY

Place of Residence	Yountville		St. Helena		Callistoga	
	Number	Percent	Number	Percent	Number	Percent
Total Workers	1,703		5,043		2,418	
Yountville	265	16%	85	2%	20	1%
St. Helena	70	4%	1,170	23%	80	3%
Callistoga	15	1%	245	5%	1,030	43%
Angwin	40	2%	165	3%	70	3%
(1) Total North Napa County	390	23%	1,665	33%	1,200	50%
Napa City	815	48%	1,410	28%	380	16%
American Canyon	15	1%	30	1%	10	0%
Total South Napa County	830	49%	1,440	29%	390	16%
(2) Unincorporated Napa County	190	11%	1,080	21%	235	10%
All of Napa County	1,410	83%	4,185	83%	1,825	75%
Solano County	228	13%	180	4%	39	2%
Sonoma County	39	2%	263	5%	354	15%
All Other Counties	26	2%	415	8%	200	8%

Notes:
 (1) Does not include unincorporated areas, except Angwin where specified.
 (2) Except Angwin.
 The data presented in these tables are from the US Census. The US Census rounds each entry to the nearest multiple of 5; 1-7 is rounded to 4 and 0 is kept 0. The US Census does not present these data for places with fewer than 2,500 residents.

TABLE 5
WORKERS IN UNINCORPORATED NAPA COUNTY BY PLACE OF RESIDENCE
NAPA HOUSING PREFERENCE STUDY
NAPA VALLEY HOUSING AUTHORITY

	<u>Unincorporated Areas</u>	
	<u>Number</u>	<u>Percent</u>
Total Workers	19,716	
Place of Residence		
Yountville	215	1%
St. Helena	780	4%
Calistoga	490	2%
Angwin	1,315	7%
(1) <u>Total North Napa County</u>	<u>2,800</u>	<u>14%</u>
Napa City	6,555	33%
American Canyon	384	2%
<u>Total South Napa County</u>	<u>6,939</u>	<u>35%</u>
(2) Unincorporated Napa County	4,465	23%
<i>All of Napa County</i>	<i>14,204</i>	<i>72%</i>
Solano County	2,803	14%
Sonoma County	1,179	6%
All Other Counties	1,530	8%

Notes:

(1) Does not include unincorporated areas, except Angwin where specified.

(2) Except Angwin.

The data presented in these tables are from the US Census. The US Census rounds each entry to the nearest multiple of 5; 1-7 is rounded to 4 and 0 is kept 0.

**TABLE 6
RESIDENT DEMOGRAPHICS: PROFILE OF SOLANO COUNTY AND SELECTED CITIES
NAPA HOUSING PREFERENCE STUDY
NAPA VALLEY HOUSING AUTHORITY**

	Solano County		Fairfield		Vallejo	
	Number	Percent	Number	Percent	Number	Percent
Total Population	394,542	100%	96,178	100%	116,760	100%
Age						
Under 18	111,852	28%	28,659	30%	32,219	28%
62 and Over	44,779	11%	10,394	11%	15,392	13%
Households with Children						
Under 18 Years	58,196	45%	14,788	48%	16,771	42%
Households with Individuals						
65 years and over	26,293	20%	5,731	19%	9,384	24%
Race						
White		56%		56%		36%
Black or African American		15%		15%		24%
Asian		13%		11%		24%
Other		10%		11%		10%
Two or More Races		6%		7%		7%
		100%		100%		100%
Ethnicity						
Hispanic/Latino		18%		19%		16%

Source: 2000 US Census; Keyser Marston Associates, Inc.

APPENDIX TABLE A
 LOCATION OF JOBS FOR NAPA COUNTY RESIDENTS
 NAPA HOUSING PREFERENCE STUDY
 NAPA VALLEY HOUSING AUTHORITY

	Napa County	American Canyon	Napa City	Yountville	St. Helena	Calistoga	Unincorporated
Residents Who Work	57,393 100%	4,164 100%	33,743 100%	974 100%	2,748 100%	2,290 100%	13,474 100%
Residents who Live and Work in Same Place (1)	21,146 37%	421 10%	17,002 50%	263 27%	1,170 43%	1,028 45%	1,262 9%
Residents who Work Outside of Place of Residence, but within Napa County	23,195 40%	1,116 27%	9,573 28%	575 59%	1,232 45%	968 42%	9,731 72%
Residents who work outside of Napa County	12,820 22%	2,627 63%	7,051 21%	131 13%	305 11%	294 13%	2,412 18%

(1) For Napa County, this is the number of Napa County residents who live and work in the same town; people who live in one town and work in another town, even if they are both within Napa County, are not included. Also, this number does not include anyone who lives and works in an unincorporated area of Napa County except Angwin or Deer Park.

Source: U.S. Census 2000, Keyser Marston Associates.

**APPENDIX TABLE B
WORKING RESIDENTS: AVERAGE ONE-WAY COMMUTE TIMES, 2000 AND 1990
NAPA HOUSING PREFERENCE STUDY
NAPA VALLEY HOUSING AUTHORITY**

	Napa County	American Canyon	Napa City	Yountville	St. Helena	Calistoga	Unincorporated
2000							
Under 30 minutes	37,437 65%	2,152 52%	22,550 67%	695 71%	1,935 70%	1,668 73%	8,437 63%
30 to 44 minutes	8,614 15%	769 18%	5,236 16%	111 11%	363 13%	254 11%	1,881 14%
45 minutes or longer	8,427 15%	1,106 27%	4,774 14%	102 10%	229 8%	248 11%	1,968 15%
Worked at Home	2,915 5%	137 3%	1,183 4%	66 7%	221 8%	120 5%	1,188 9%
Total	57,393 100%	4,164 100%	33,743 100%	974 100%	2,748 100%	2,290 100%	13,474 100%
1990							
Under 30 minutes	35,698 69%	1,791 50%	20,511 71%	663 80%	1,805 78%	1,349 70%	9,579 69%
30 to 44 minutes	7,238 14%	664 19%	4,258 15%	70 8%	234 10%	240 12%	1,772 13%
45 minutes or longer	6,745 13%	1,054 30%	3,557 12%	88 11%	147 6%	237 12%	1,662 12%
Worked at Home	1,892 4%	55 2%	687 2%	11 1%	131 6%	106 5%	902 6%
Total	51,573 100%	3,564 100%	29,013 100%	832 100%	2,317 100%	1,932 100%	13,915 100%
1990-2000							
Overall Growth in Working Residents	11%	17%	16%	17%	19%	19%	-3%
Growth in Commutes Longer than 30 minutes	22%	9%	28%	35%	55%	5%	12%
Growth in Commutes Shorter Than 30 minutes	5%	20%	10%	5%	7%	24%	-12%
Growth in Working at Home	54%	149%	72%	500%	69%	13%	32%

Source: US Census, 2000. Keyser Marston Associates.

**APPENDIX TABLE C
 ABAG PROJECTIONS 2003: PROJECTED TOTAL JOBS BY JURISDICTION
 NAPA HOUSING PREFERENCE STUDY
 NAPA VALLEY HOUSING AUTHORITY**

Year	Napa County		American Canyon		Napa City		Yountville		St. Helena		Calistoga		Unincorporated	
	Number	County Share	Number	County Share	Number	County Share	Number	County Share	Number	County Share	Number	County Share	Number	County Share
2000	66,840	100%	4,220	6%	31,660	47%	2,420	4%	6,060	9%	3,040	5%	19,440	29%
2005	72,250	100%	5,160	7%	34,590	48%	2,450	3%	6,140	8%	3,280	5%	20,630	29%
2010	77,230	100%	6,660	9%	37,070	48%	2,490	3%	6,220	8%	3,310	4%	21,480	28%
2015	82,320	100%	7,530	9%	40,330	49%	2,580	3%	6,300	8%	3,390	4%	22,190	27%
2020	85,190	100%	7,990	9%	42,210	50%	2,620	3%	6,330	7%	3,430	4%	22,610	27%
2025	87,070	100%	8,290	10%	43,540	50%	2,630	3%	6,330	7%	3,440	4%	22,840	26%
2030	88,990	100%	8,590	10%	44,840	50%	2,650	3%	6,330	7%	3,460	4%	23,120	26%

Incremental Growth by Period

Period	Napa County		American Canyon		Napa City		Yountville		St. Helena		Calistoga		Unincorporated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2000 - 2005	5,410	8%	940	22%	2,930	9%	30	1%	80	1%	240	8%	1,190	6%
2005 - 2010	4,980	7%	1,500	29%	2,480	7%	40	2%	80	1%	30	1%	850	4%
2010 - 2015	5,090	7%	870	13%	3,260	9%	90	4%	80	1%	80	2%	710	3%
2015 - 2020	2,870	3%	460	6%	1,880	5%	40	2%	30	0%	40	1%	420	2%
2020 - 2025	1,880	2%	300	4%	1,330	3%	10	0%	-	0%	10	0%	230	1%
2025 - 2030	1,920	2%	300	4%	1,300	3%	20	1%	-	0%	20	1%	280	1%
2000 - 2030	22,150	33%	4,370	104%	13,180	42%	230	10%	270	4%	420	14%	3,680	19%

Source: ABAG Projections 2003