

## Napa Housing Coalition

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March 3, 2020

Napa County Planning Commission

Re: Proposed Oak Knoll Hotel and Inn at The Abbey

Via Email

Dear Commissioners,

Housing. It seems like everyone is talking about housing. But, like the weather, sometimes it feels like we just can't seem to do anything about it or how to solve this important and vexing issue.

We are writing you about the proposed Oak Knoll Hotel and the Inn at The Abbey, with the Oak Knoll Hotel on your agenda for Wednesday. We are not particularly opposed to either project. But we are deeply concerned that we seem to continue to kick the can down the road hoping that, somehow, a solution will arrive that addresses the housing impacts created by these seemingly small projects.

We have addressed you, the Board of Supervisors, and the Napa City Council in the past about the cumulative impacts of hotel projects. Similarly, we have addressed you and the Board of Supervisors about the ongoing production and visitation expansions of many wineries in the unincorporated area. Each winery or hotel / B&B development and/or expansion taken on its own isn't any big deal. Similarly, new jobs in many other sectors in our local economy, whether in private industry or in the public sector, create the need for new housing. However, when we take a step back and start to add up these insignificant numbers, the unmitigated impacts start to become staggering. We are all well aware of the traffic inflows and outflows in the morning and evening commutes whether south of Napa or to the north on Highway 29 and Silverado Trail. We also see the significant increases in housing costs, which then add additional complexities of housing challenges and even homelessness in our community.

Attached is a spreadsheet that outlines estimates of housing needs created by "new" hotels throughout the valley. Some are finished and open, some are under construction, some are approved, and some are in process. It is not within our expertise to estimate the number of new employees needed in each situation. We are relying on two different reports prepared for the City of Napa, with specific references in the spreadsheet.

In the Oak Knoll's case, they assert that only thirty-three (33) employees will be needed to serve a fifty (50) room hotel and a one hundred (100) seat restaurant. These seem incredibly light to us but we will accept them for the sake of argument.

- BAE estimates 1 new household per 1.95 employees; half of those employees would be in the 80% median income range or lower.

- EPS (pg. 5.11-7) uses 0.7 new households per new employee and the report suggests that 90% of these households would be in the 80% median income range or lower.

Based on the above, the Oak Knoll Hotel would generate between seventeen (17) and twenty-three (23) new households with anywhere from nine (9) to twenty-one (21) of them with low, very low, and very low incomes.

We understand that the developers would be required to pay approximately \$313,000 to help fund affordable housing issues in our community. Put this into context, though. A new “affordable” apartment costs approximately \$500,000 and more. As such, this hotel is only paying for approximately three-fifths of one “Affordable” apartment although actual impact is dramatically higher.

So, what to do? In our opinion, the Oak Knoll Hotel should not be approved until such time as the developers present a real and credible proposal to address the very real and significant housing impacts they create.

Sincerely yours,

*Chuck Shinnamon*

Charles Shinnamon  
Napa Housing Coalition

Attachment

**Recent and Proposed NV Hotels - Housing Impacts**  
**Prepared by the Napa Housing Coalition - March 2020**

| Name                         | Type / Number of Rooms |             |            |                         |
|------------------------------|------------------------|-------------|------------|-------------------------|
|                              | B&B                    | Limit.Serv. | Full Serv. | Luxury                  |
| Archer Hotel                 |                        |             | 183        |                         |
| Los Alcobas                  |                        |             |            | 68                      |
| Mendez B&B                   | 3                      |             |            |                         |
| Finch House / Blackbird Inn  | 4                      |             |            |                         |
| Coombs B&B                   | 10                     |             |            |                         |
| Villagio Expansion           |                        |             |            | 1                       |
| Bardessono                   |                        |             |            | 3                       |
| Meritage Expansion           |                        |             | 145        |                         |
| Black Elk Inn                | 27                     |             |            |                         |
| Four Seasons Calistoga       |                        |             |            | 85                      |
| Milliken Creek Inn Expansion | 16                     |             |            |                         |
| 1929 B&B Inn                 | 7                      |             |            |                         |
| Westin Expansion             |                        |             | 32         |                         |
| Cambria Hotel                |                        | 98          |            |                         |
| Hodge Hotel                  | 10                     |             |            |                         |
| Eliza Mount Mansion          | 25                     |             |            |                         |
| Embassy Suites addition      |                        |             | 54         |                         |
| Franklin Stn. Post Office    |                        |             | 163        |                         |
| NV Wine Train Hotel          |                        |             | 148        |                         |
| Napa River Inn Expansion     |                        | 26          |            |                         |
| Trinitas                     |                        | 250         |            |                         |
| Ritz Carlton                 |                        |             |            | 351                     |
| <b>Oak Knoll Hotel</b>       |                        |             |            | <b>50</b>               |
| Inn at The Abbey             |                        |             |            | 79                      |
| Stanly Ranch                 |                        |             |            | 132                     |
| <b>Total Number of Rooms</b> | <b>102</b>             | <b>374</b>  | <b>725</b> | <b>769</b>              |
|                              |                        |             |            | <b>1970 Total Rooms</b> |

Employee / Housing Need Estimates are based upon statistics in the BAE Economics, "Napa Valley Lodging Study", City of Napa, May 2018

| Employee Estimate Range          |            |             | Housing Need Range - # of Units                                                                                                       |            |                  |
|----------------------------------|------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------|------------|------------------|
| Bed and Breakfasts               | 20         | 51          | BAE estimates one new household per 1.95 employees. Half should be "affordable" serving families earning 80% or less than the income. |            |                  |
| Limited Service                  | 86         | 112         |                                                                                                                                       |            |                  |
| Full Service                     | 218        | 544         |                                                                                                                                       |            |                  |
| Luxury                           | 385        | 769         |                                                                                                                                       |            |                  |
| <b>Range of employees needed</b> | <b>708</b> | <b>1476</b> | <b>363</b>                                                                                                                            | <b>757</b> | <b>new units</b> |

Employee / Housing Need Estimates are based upon statistics in Economic Planning Systems, "Draft EIR, Trinitas Mixed Use Project", January 2018

| Employee Estimate Range          |             |             | Housing Need Range - # of Units                                                                                                                                                 |             |                  |
|----------------------------------|-------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------|
| Bed and Breakfasts               | 102         | 102         | EPS estimates seven new households per ten employees. Per EPS, approximately 90% of these units should be "affordable: serving families earning 80% or less than median income. |             |                  |
| Limited Service                  | 374         | 374         |                                                                                                                                                                                 |             |                  |
| Full Service                     | 725         | 725         |                                                                                                                                                                                 |             |                  |
| Luxury                           | 769         | 769         |                                                                                                                                                                                 |             |                  |
| <b>Range of employees needed</b> | <b>1970</b> | <b>1970</b> | <b>1379</b>                                                                                                                                                                     | <b>1698</b> | <b>new units</b> |

**Notes:**

List of hotels comes from "Napa Valley Lodging Study" May 2018, pg. 46, prepared by Cushman & Wakefield and BAE Urban Economics.  
Employee estimates come from both the BAE Urban Economics Study and the Economics Planning Systems Study for the Trinitas Draft EIR.  
Oak Knoll Hotel would generate between seventeen (17) and twenty-three (23) new households with anywhere from nine (9) to twenty-one (21) of them with low, very low, and very low incomes.