



2022 HOUSING OUTLOOK ST HELENA, CA JUNE 2022



WHAT DETERMINES HOUSING AFFORDABILITY?

“Area Median Income” (AMI)

- Determined by US Department of Housing and Urban Development (HUD)
- By county and household size

Napa County’s AMI is \$119,400 for a four-person household

- 80% to 120% of AMI is considered “moderate income”
- \$95,520-\$143,280 for 4-person household
- Below 80% AMI is considered “low income”

Federal and State funds are targeted for housing developments that serve those earning at or below 80% AMI

HOUSING COST BURDEN

- HUD defines “Housing Cost Burden” as a household paying more than 30% of their income on housing costs
- In Napa County, 78% of extremely low-income households are paying more than half of their income on housing costs, compared to just 3% of moderate-income households
 - Extremely low-income: four-person household earning at or below \$37,850 annually or \$3,154/month
- In St. Helena, nearly 38% of households are experiencing housing cost burden, with 16.1% of households spending the majority of their earnings on housing.

Sources: Napa County 2021 Affordable Housing Needs Report, California Housing Partnership; City of St. Helena Housing Element Update (2022)

NAPA COUNTY AFFORDABLE HOUSING NEEDS 2021

- Renters need to earn \$37.46/hour or \$6,493/month to afford the average monthly rent of \$1,948
- That's 2.7 times the state minimum wage of \$14.00/hour or \$2,427/month
- Napa county jobs and monthly wages sample:
 - Janitors and cleaners: \$2,919 (\$16.84/hour)
 - Farmworkers: \$3,153 (\$18.19/hour)
 - Retail salespersons: \$3,259 (\$18.80/hour)
 - Medical assistants: \$3,714 (\$21.43/hour)
 - Home health aides: \$3,973 (\$22.92/hour)

Source: Napa County 2021 Affordable Housing Needs Report, California Housing Partnership

ST HELENA 2021 MARKET ACTIVITY

- *Source: Multiple Listing Service*

City / Town	# Sales	Avg. Selling Price	20% Down Payment
Am. Canyon	133	\$ 679,197	\$ 135,839
Angwin	39	\$ 1,167,705	\$ 233,541
Calistoga	65	\$ 1,652,312	\$ 330,462
Napa	959	\$ 1,161,366	\$ 232,273
St Helena	102	\$ 2,725,711	\$ 545,142
Yountville	25	\$ 2,003,220	\$ 400,644

WHO CAN AFFORD TO BUY A HOME IN ST HELENA?

- Median home sale price in St. Helena today is \$2.5M (*Coldwell Banker, June 2022*)
- A median-priced home would require a \$500,000 down payment
- Monthly mortgage = \$13,000 (30-year fixed, 5.2% interest, w/taxes & insurance)
- A household would have to earn approximately \$500,000 annually to afford a median-priced home in St. Helena
- To afford the lowest priced home on today's active listings -- \$1,050,000 – a buyer would need a \$210,000 down payment and annual household earnings of around \$200,000 to make the \$5K+ monthly mortgage payment

ST HELENA'S AFFORDABLE HOUSING INVENTORY

218 Renter-Occupied Affordable Units

- 18% of total rental housing stock
- 85% serve low to very low-income households
- Remainder serves a range from very low- to above moderate-income households
- 25 of these were built in the last 20 years

41 Owner-Occupied Affordable Homes

- 3% of the total ownership housing stock
- 23 serve moderate-income households
- 18 serve low-income households (includes Brenkle Ct.)
- Excluding Brenkle Court, 3 were built in last 20 years

SOME OF THE EFFECTS

- As of 2018, 70% of St. Helena residents couldn't afford to purchase a home, and 36% couldn't afford to rent
- Between 2000 and 2015, St. Helena lost 437 families
- 75% of local workers are commuting from other areas
- These 4,000+ employees are engaged in their own communities, not ours
- Local businesses struggle to recruit and retain employees
- Negative impacts to local schools and enrollment
- Community is becoming one of commuters and vacationers

Source: City of St. Helena White Paper 2018



WHAT IS
OUR TOWN ST HELENA
DOING TO HELP SOLVE OUR
HOUSING CHALLENGES?





MISSION & APPROACH

MISSION:

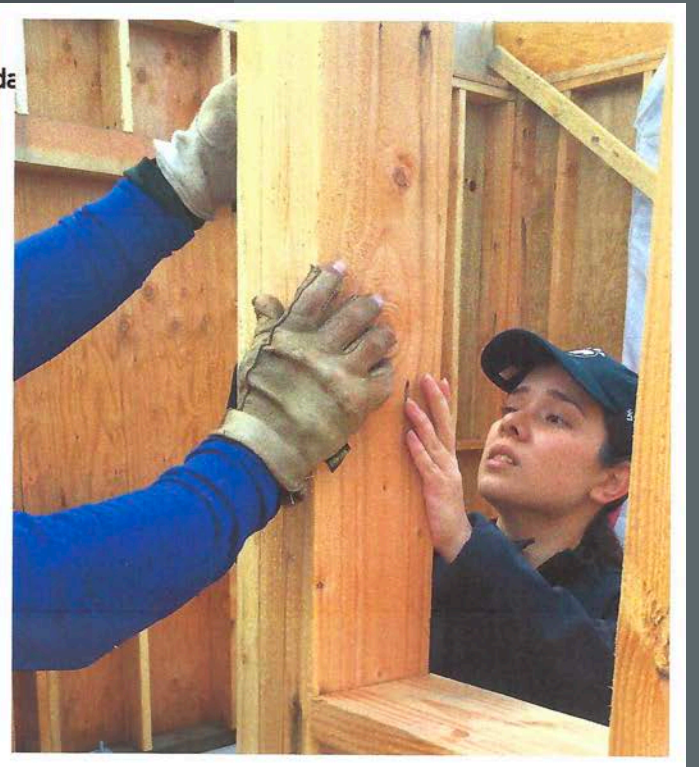
*To create housing that is affordable to people
who are vital to the community*

TWO-PRONGED APPROACH:

1. **Increase supply:** through development of new income-qualified units
2. **Preservation:** through purchasing and deed restricting at affordable rents

BRENKLE COURT: 8 OWNERSHIP HOMES

- OTSH purchased land from the City for \$1.00
- USDA loan to OTSH to develop the property
- USDA mortgages to homeowners; sweat equity for down payment
- Additional subsidy loans from City of St. Helena and Napa County
- 8 families have been building their homes for 3 years, will soon finish!
- 7 low-income, 1 very low-income, all local renters



POPE STREET WORKFORCE VILLAGE: 963 & 951 POPE STREET – 9 RENTAL UNITS

963 Pope Street

- Purchased property in 2019 through a charitable sale, with a loan from the City and a second loan from Rural California Assistance Corporation
- Late 2020: received City approvals for four new 2-bedroom, 1-bath apartments
- Deed restricted the existing 2-bedroom, 1-bath cottage for 55 years
- Assembling the financing to build

951 Pope Street

- Purchased property in October 2021 thanks to a generous gift
- Working on plans for submittal to the City, four units

Will serve very low- to moderate-income households



951

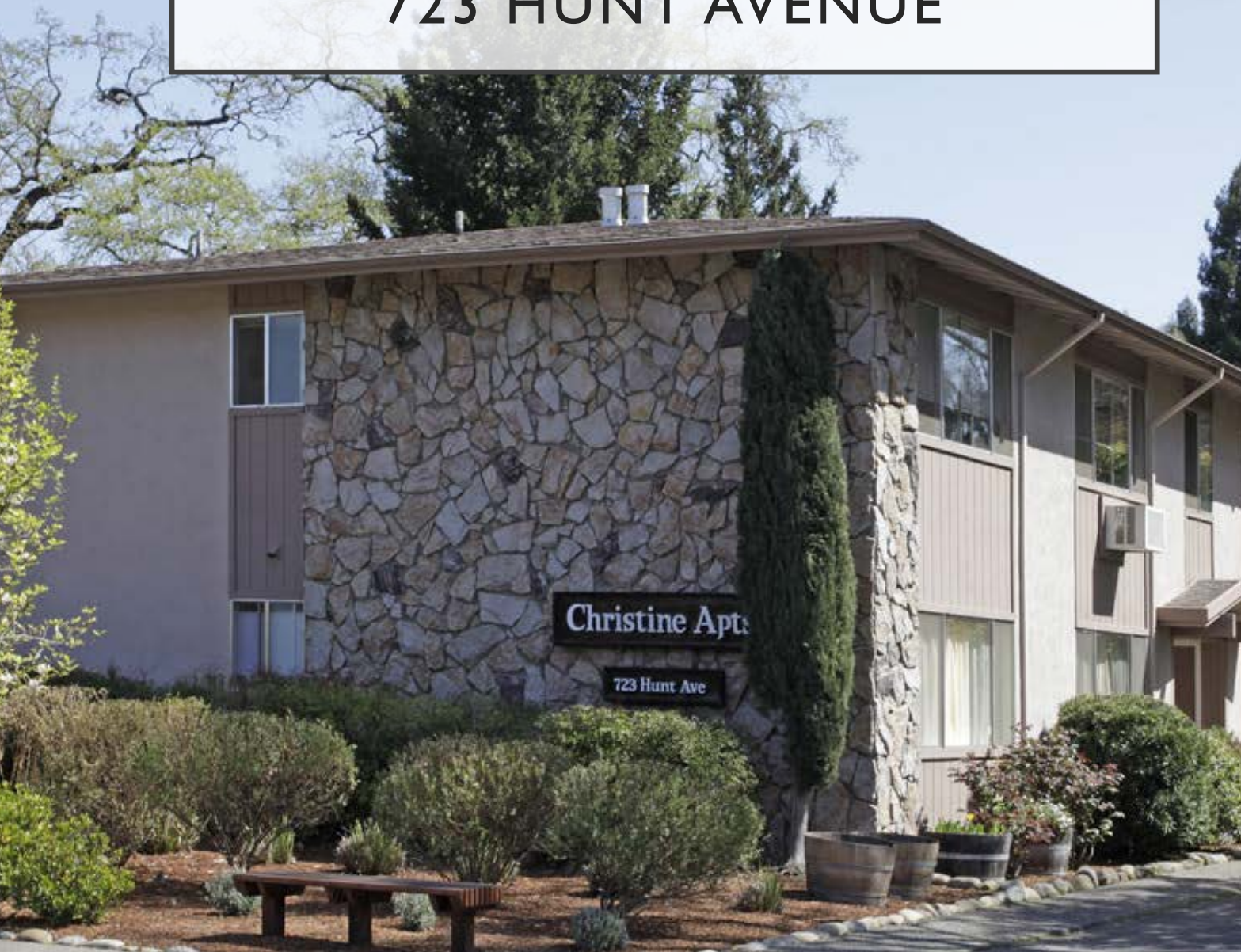


963

Early concept plan



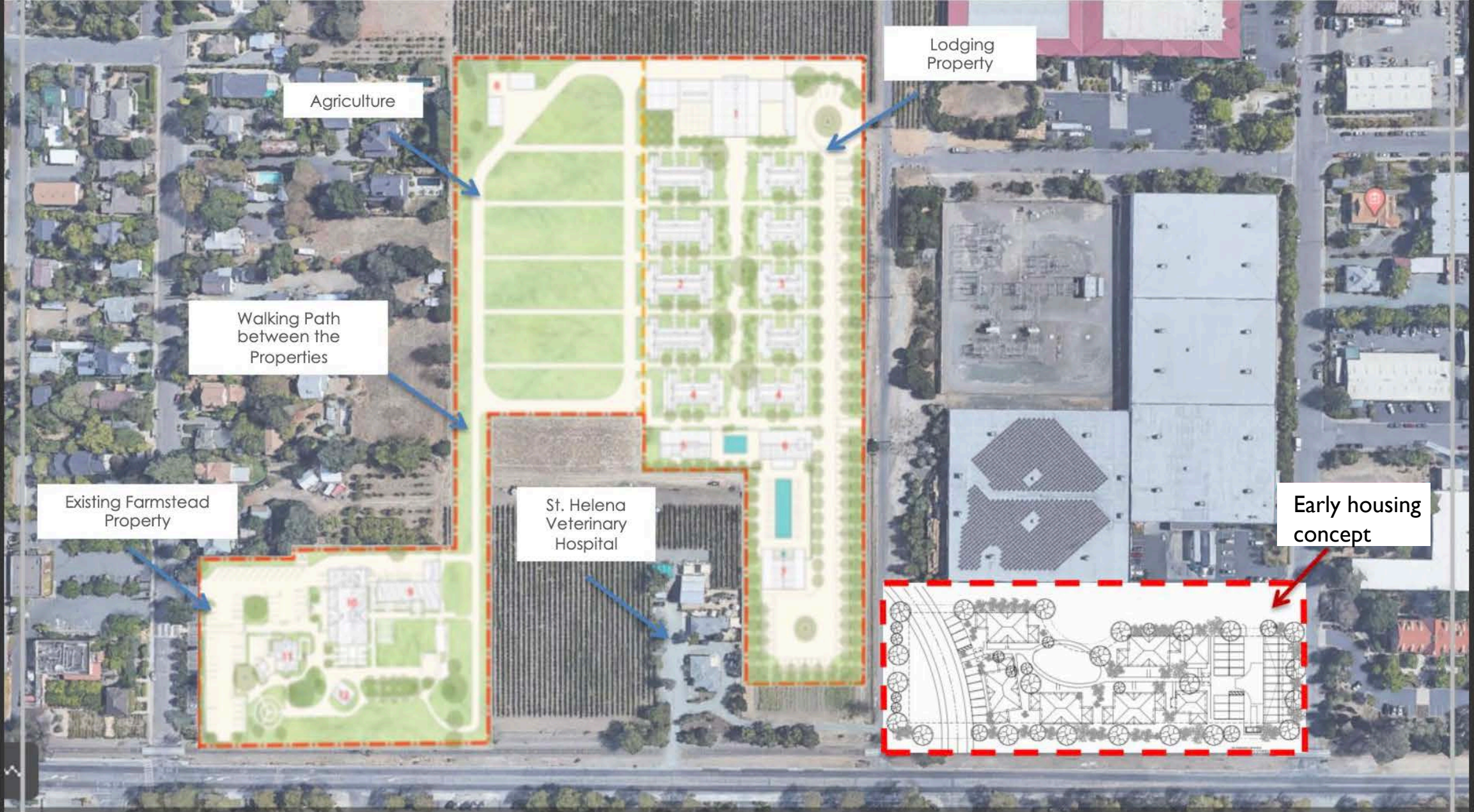
CHRISTINE APARTMENTS: 723 HUNT AVENUE



- OTSH purchased in June 2021
- Four 2BR, 1BA units
- Deed restricted for 55 years
- Funded by a Community Development Block Grant from the State, facilitated by the City
- No debt on property

PHELPS PROPERTY

- March 2022 – OTSH entered into Option to Purchase Agreement with Phelps Family
 - 1.75-acre parcel on Main Street across from the high school
 - Can support 35-50 apartments with parking and amenities
 - Partnering with Burbank Housing
 - Low-Income Housing Tax Credit financing will be targeted primary source
 - 60 percent Area Median Income or below
 - Must obtain entitlements and approved financing in order to acquire the site: 3 years
 - Charitable sale
 - To be purchased with developer impact fee funds paid by Farmstead Hotel developer



KEY CHALLENGES
TO BUILDING
AFFORDABLE
HOUSING

High costs of land and development

Regulatory requirements

Complex funding

Gap between development costs and income to cover debt

Scarcity of buildable sites

Opposition and legal challenges

WHAT CAN THE CITY DO?

This problem requires the City to be proactive!

- Create and implement a meaningful action plan
- Make housing a top budget priority
- Create and fund a Housing Manager staff position
- Create a Housing Committee
- Expand the Affordable Housing Trust Fund's revenue sources
- Create housing programs (down payment assistance; accessory dwelling units; etc.)
- Make its surplus properties available for housing development
- Ensure policies align with housing goals
- Incentivize private sector solutions, particularly for “missing middle”



WHAT CAN YOU DO?



BE AN ACTIVE HOUSING
ADVOCATE



PARTICIPATE IN PUBLIC
MEETINGS



SIGN UP FOR OTSH'S
NEWSLETTER
(WWW.OURTOWNSTHELENA.ORG)



JOIN OTSH'S BOARD
OR ADVISORY
COMMITTEE, OR
VOLUNTEER



DONATE TO OTSH

An aerial photograph of a small village nestled in a valley, surrounded by dense green forests. The village features several buildings, including a prominent church with a tall steeple. The scene is captured from a high angle, showing the layout of the settlement and its integration with the natural landscape. A semi-transparent white rectangular box is overlaid on the center of the image, containing the text.

**IT TRULY DOES TAKE A
VILLAGE!**