

# CITY OF NAPA: DASHBOARD CITY COUNCIL PRESENTATION

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**NAPA, CA**

**APRIL 2024**

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# Core PCE Prices, 2007 to 2026 and beyond: Rates to Start Falling?



**To consider:**

When will rates fall and how far?

Will we “soft land”, and what does that look like?

Notes: FOMC projection is the median, range, and central tendency for Q4/Q4 percent changes, from the December 2023 meeting. Red dots indicate median projections. Core PCE Price Index excludes expenditures on gasoline and food services.

Source: Bureau of Economic Analysis & Board of Governors via Haver Analytics

# Federal Reserve Philadelphia

## Forecast, Survey of Professional Forecasters



These data are from February 2024

**Bottom Line:** jobs growth should begin to fade as consumption slows with continued interest rates levels and lower savings levels, recession less likely to be declared

### Real GDP (%)

### Unemployment Rate (%)

### Core PCE Inflation (%)

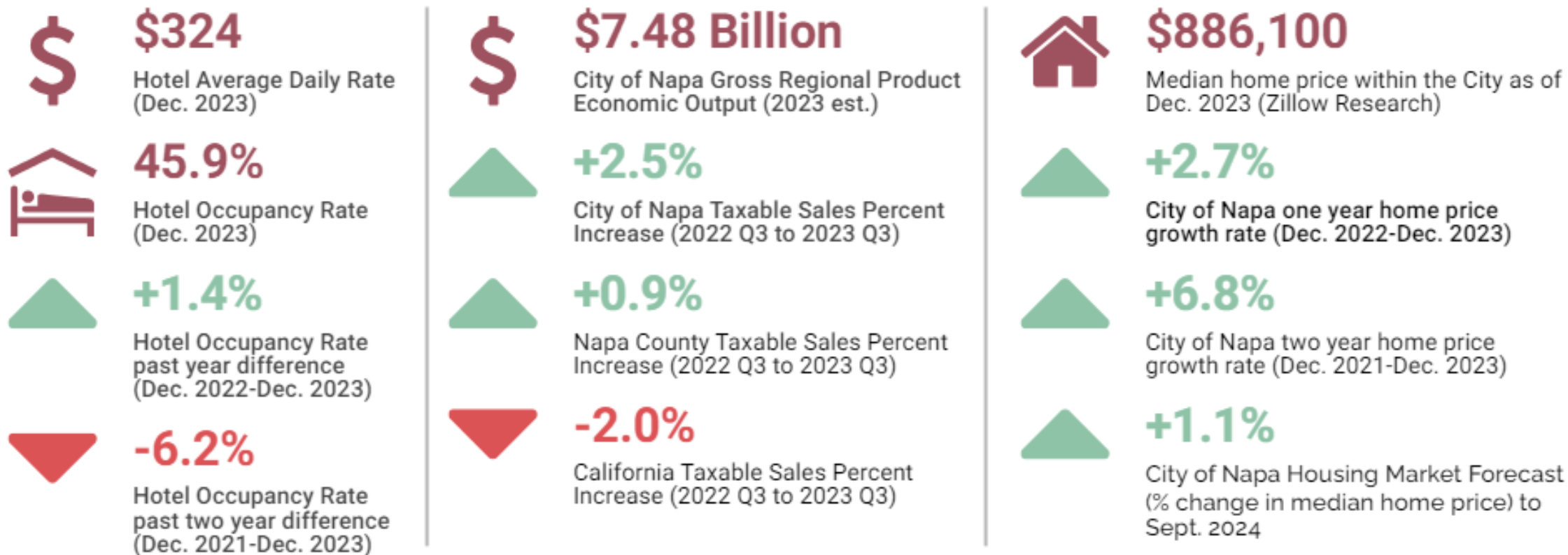
Annual data (projections based on annual-average levels):

	Real GDP (%)		Unemployment Rate (%)		Core PCE Inflation (%)	
	Previous	New	Previous	New	Previous	New
2024	1.7	2.4	4.1	3.9	2.4	2.1
2025	1.8	1.8	4.2	4.1	2.1	2.0
2026	2.1	2.2	4.0	4.1	N/A	2.0
2027	N/A	1.7	N/A	4.0	N/A	N/A

# Napa at a Glance: end of Q4 2023

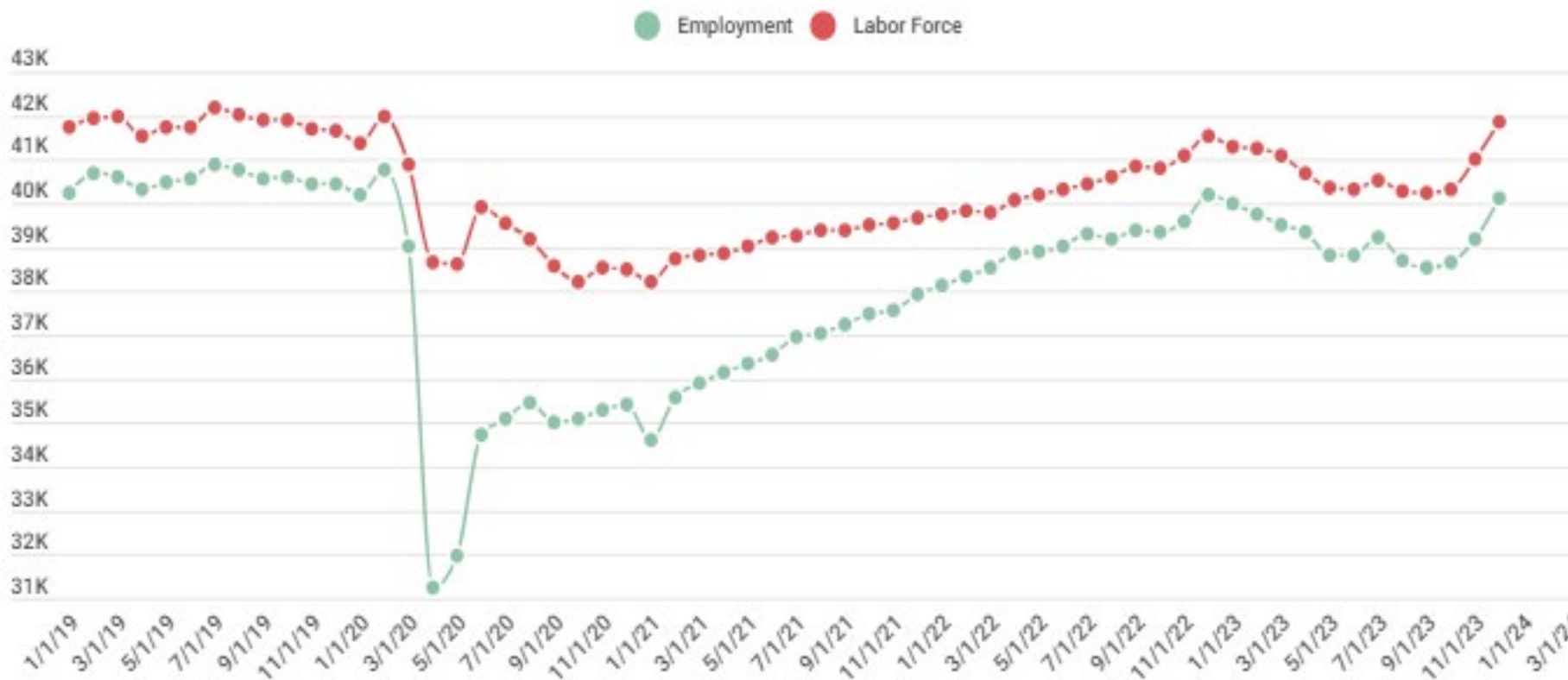


## The City's Economy at a Glance



# Labor Market: Napa Residents, Monthly Jan 2019 to Dec 2023

### Labor Force and Napa Residents Employed (2019-2023)



### Unemployment Rate

**4.1%**

12/1/2023

3.2%

12/1/2022

4.4%

12/1/2021

8.1%

12/1/2020

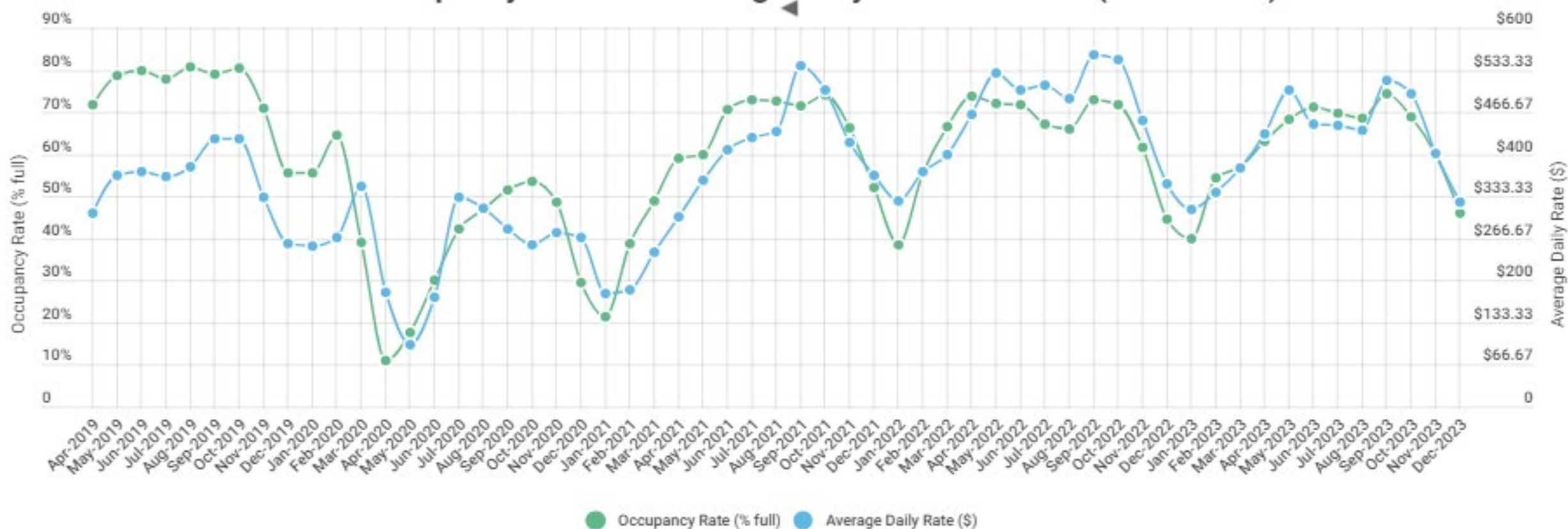
3.9%

12/1/2019

Source: California EDD and Bureau of Labor Statistics. Seasonally adjusted.

# Occupancy Rates and Average Daily Rates Napa, April 2019 to Dec 2023, Monthly

## Hotel Occupancy Rate and Average Daily Rate in Dollars (2019-2023)

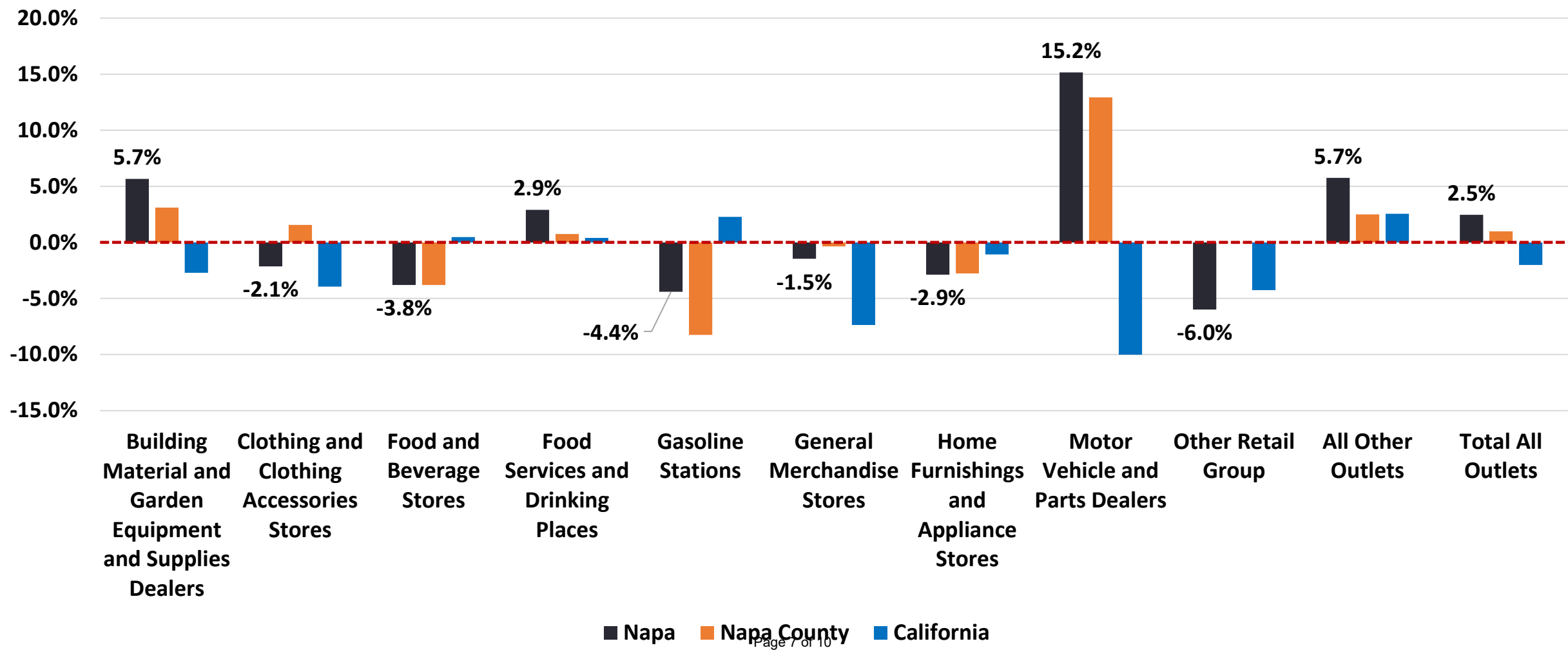


Source: Smith Travel Research

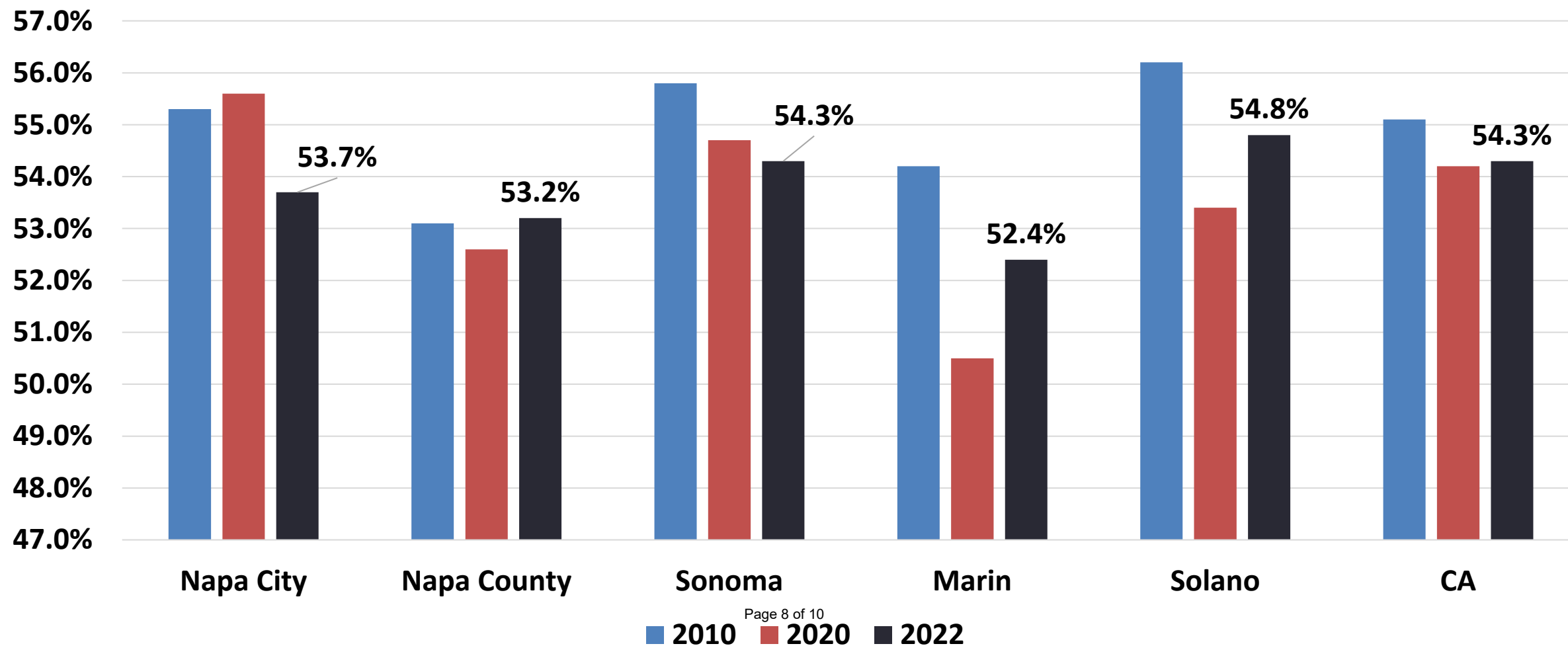


# Taxable Sales, % Change from Q3 2022 to Q3 2023

## Current Dollars, Napa, Napa County and California

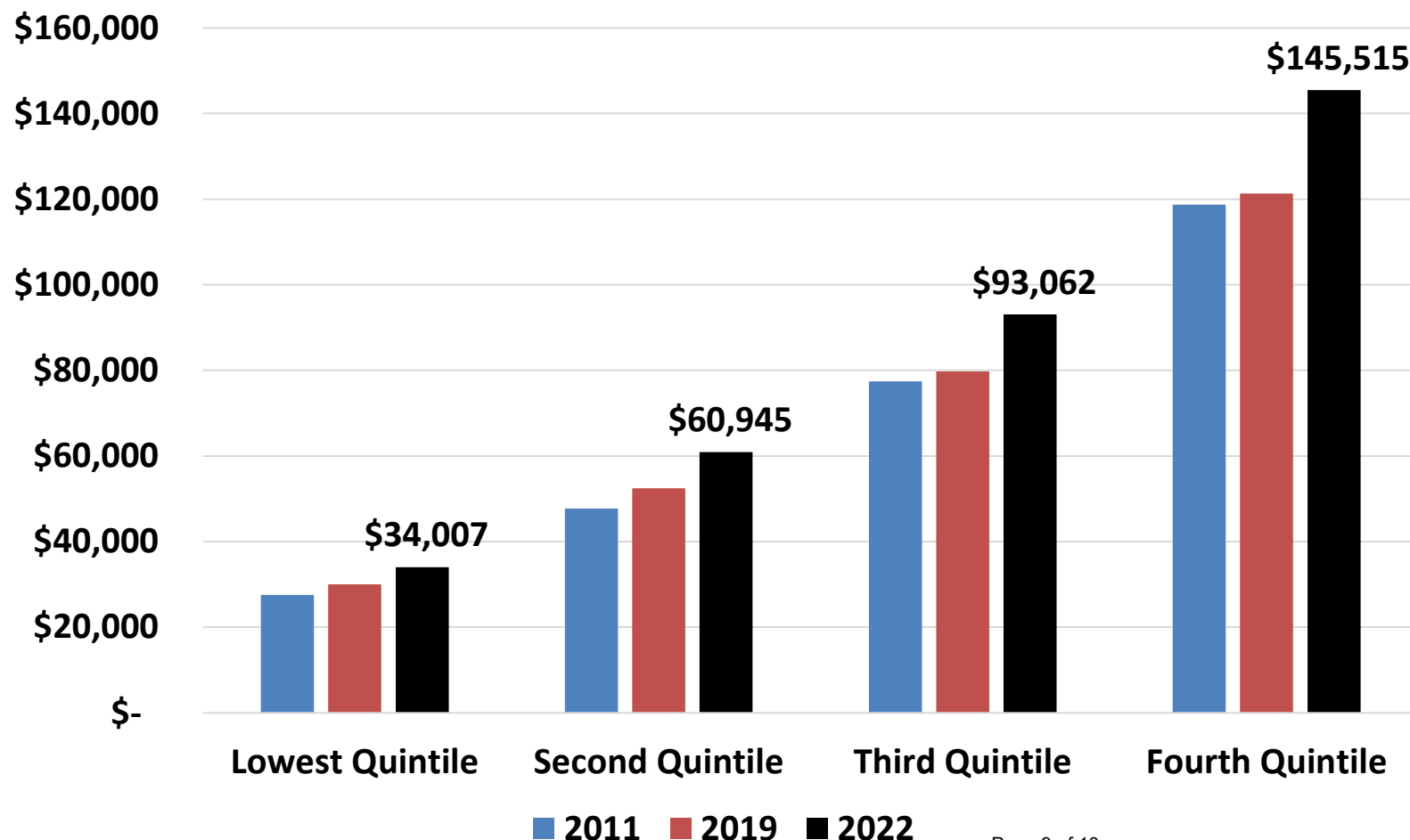


# Rental Housing Burden, % of Renters that Pay 30% or More of Monthly Income for Rent, 2010, 2020 and 2022, Current Dollars





# Income Quintiles: Threshold Income Levels, 5-Year Averages, 2011, 2019, 2022, 2011 Dollars



Median Household Income:

2011 = \$62,642

2019 = \$64,597

2022 = \$77,071

Living Wage 2023: \$46.17

MIT Living Wage Calculator  
Per Adult, Household with 2  
Adults and 2 Children

# City of Napa: Economic Development

- Elections to be the dominant theme in 2024, mixed with geopolitics
- Interest rate watch: expect some movement down by late summer, early fall
- Jobs: will there be any real changes?
- Housing: lower rates may affect demand somewhat, really about existing units coming up for sale
- Tourism: 2024 likely similar to 2023 given mix of headwinds and tailwinds