

SUPPLEMENTAL REPORTS & COMMUNICATIONS II
Office of the City Clerk

City Council of the City of Napa
Regular Meeting

February 18, 2020

FOR THE CITY COUNCIL OF THE CITY OF NAPA:

EVENING SESSION:

12. PUBLIC HEARINGS/APPEALS:

12.A. Westin Hotel Addition.

- Email dated February 14, 2020 from Charles Shinnamon.

From: Charles Shinnamon
Sent: Friday, February 14, 2020 5:22 PM
To: Tiffany Carranza <tcarranza@cityofnapa.org>
Cc: Erin Morris <emorris@cityofnapa.org>; Vincent Smith <vsmith@cityofnapa.org>; Joelle Gallagher <joelle@first5napa.org>
Subject: Westin Resort and Embassy Suites Expansions

[EXTERNAL]

Tiffany,

Enclosed, on behalf of Teresa Zimny and the Napa Housing Coalition, is a letter and related attachment regarding the proposed Westin Resort, which is on the Council agenda for this Tuesday.

Thank you for your consideration,

Chuck Shinnamon
Napa Housing Coalition

Charles W. Shinnamon, P.E.

Napa Housing Coalition

February 14, 2020

Napa City Council

Re: Proposed Westin Resort and Embassy Suites Expansions

Via Email

Dear Mayor Techel and Council Members,

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 Westin Resort and Embassy Suites expansions, with the Westin on your agenda for Tuesday. 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. Please note that these housing issues were addressed in writing to the Planning Commission for each of the hotel's hearings but we acknowledged that these issues are limited to the Council's purview.

We have addressed you and the Planning Commission in the past about the cumulative impacts of these projects. Similarly, we have addressed the County Board of Supervisors and the County Planning Commission about the ongoing production and visitation expansions of many wineries in the unincorporated area. One only needs to look at the County Planning Commission agendas to read how any given winery is increasing its employee count from its current five employees to twenty-five employees or its current three employees to ten employees. Each winery or hotel / B&B 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 is similar to ones you have seen in the past. We have tried to capture the housing impacts created by these two hotel/expansions in addition to hotels that have been built, under construction, or are in the pipeline. It is not our expertise to estimate the number of new employees needed in each situation; we are relying on the BAE Urban Economics report.

In the Westin's case, they assert that only seven (7) new employees will be needed as existing part-time employees will be able to increase to full-time. With all of the new facilities within the

expansion (32 rooms, restaurant, bar, spa, etc), that seems low but we will accept it. In the Embassy Suites case, their submitted Employee Study shows the need for only twelve (12) new employees.

Cumulatively, as seen on the enclosed spreadsheet, these two expansions will create the need for ten (10) new households, half of which would be in the “Affordable” range. If approved, each of these projects will pay a housing impact fee that theoretically “mitigates” its housing impacts. Using the City’s Impact Fee chart, the Westin will pay approximately \$287,000 and Embassy Suites will pay approximately \$262,000.

Put this into context, though. A new “affordable” apartment costs approximately \$500,000 and more. As such, each hotel is only paying for approximately one-half of an “Affordable” apartment although their actual impact is substantially higher.

So, what to do? In our opinion, neither of these hotel expansions should be approved until their respective owners propose significant solutions to the housing impacts they are creating.

Sincerely yours,

Teresa Zimny

Teresa Zimny, Co-Chair
Napa Housing Coalition

Westin Resort and Embassy Suites Expansions

Cumulative Housing Impacts

February 14, 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			
Four Seasons Calistoga				85		
Milliken Creek Inn Expansion	16					
Westin Expansion			32			
Cambria Hotel		98				
Rosewood Calistoga Hills				110		
Embassy Suites addition			54			
Franklin Stn. Post Office			163			
NV Wine Train Hotel			148			
Napa River Inn Expansion		26				
Trinitas		250				
Stanly Ranch				132		
492 Randolph B&B	9					
Senza Hotel Expansion			12			
Total Number of Rooms	42	374	737	399	1552	Total Rooms

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	8	21	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	221	553			
Luxury	200	399			
Range of employees needed	515	1085	264	556	new units

Westin Hotel, a full service hotel, proposes to add 32 rooms plus restaurant, bar, and spa. The BAE study suggests a

range of 0.30 to 0.75 employees per room with an average of 0.53.

The Westin expansion could normally expect a range of 3.5 to 9 new employees with a median of 17 new employees using the BAE proposed average.

The Westin management asserts that it will need only seven new employees as part-time workers will become full time.

Using the BAE estimate of one new household per 1.95 employees, Westin Hotel would generate the need for 3.6 new households (7/1.95), half of which would be in the Affordable range.

Embassy Suites, a full service hotel, proposes to add 54 rooms. The BAE study suggests a range of 0.30 to 0.75 employees per room with an average of 0.53.

The Embassy Suites expansion could normally expect a range of 16 to 41 new employees with a median of 29 new employees using the BAE proposed average.

However, Embassy Suites' Employee Study asserts only 12 new employees.

Using the BAE estimate of one new household per 1.95 employees, Embassy Suites would generate the need for 6.2 new households (12/1.95) half of which would be in the Affordable range.

Notes:

List of hotels comes from "Napa Valley Lodging Study" May 2018, pg. 46, prepared by Cushman & Wakefield and BAE Urban Economics.

Housing impact estimates come from the BAE Study, pages 140 to 144.

The only projects included are those that have been built, are under construction, or that have a high probability of approval and completion.