Coping with Napa Valley’s Success: The Way Forward... to 2050

Daniel Mufson, Ph.D.
Napa Vision 2050 Mission

Promote the Health, Welfare and Safety of our Community by Advocating for Responsible Planning to Ensure Sustainability of the Finite Resources of Napa County.
1950

NAPA VISION 2050
<table>
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<th>2016</th>
<th>Overview</th>
<th>Concerns</th>
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<td>● 500+ Wineries</td>
<td>● Water Supply</td>
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<td>● 690+ Grape Growers</td>
<td>● Traffic Congestion</td>
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<td>● 5000+ Hotel Rooms</td>
<td>● Climate Issues</td>
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<td>● A gazillion visitors and marketing events</td>
<td>● Workforce Housing</td>
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Heading to 2050

MANAGING CHANGE AND SUCCESS WILL BE ONGOING CHALLENGES

- ABAG projects Napa County will add over 27,000 new residents by 2040. Nearly half may come from outside California.
- Growth will bring a need for 5,600 new homes and over 12,000 new jobs...
- creating new pressures with regards to water availability, farmland protection, traffic, climate change, and habitat preservation.

(Sources: BayAreaOne Plan and State Department of Finance)

(Presentation to JOINT BOARD OF SUPERVISORS AND PLANNING COMMISSION SPECIAL MEETING, D. Morrison, March 10, 2015)
2050

- Average maximum temperature increase (2-4°C)
- Sea level rise by ≤ 2’ by 2050
- 100 year storm annually by 2050
- Loss of snowpack
- Premium winegrape regions could shrink by 60% by 2050

[Safeguarding California-Department of Natural Resources, October, 2015]
California Climate Issues

- 2013 was the driest year on record
- 2015 was the hottest year on record
- 2015 had the lowest snow pack on record
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Yet the County/Cities keep approving:
- New Homes (Napa Pipe, Watson Ranch);
- New Hotels & Resorts (Archer, Calistoga Hills);
- New Vineyards;
- New Wineries and
- Winery Expansions
Ag Apocalypse

- “The apocalyptic vision of wine communities is what is being debated.
- Taken to an endpoint, we all can lose what makes wine country worth visiting,
- and instead end up with unabated winery development, uncontrolled wine production,
- deforestation of the hillsides and open space
- to accommodate new vineyards, more hotels, more events, more expensive restaurants, fewer local serving businesses, traffic, noise pollution, …
- and the list goes on.”

(Rob McMillan, SVB On Wine, August 14, 2015)
Are We Balanced?
PERCEPTION VS. REALITY: WEALTH IN NAPA COUNTY

- Napa County, a region renowned for its wine and hospitality industries, is often characterized as a community abundant in resources and wealth.

- The reality is that over one in four residents—including 10,000 children—live below 200% of the poverty line.

- The cost of living in Napa County is high, with a family of four needing between $65,000 and $77,000 to meet their basic needs for food, shelter, childcare, and healthcare (Insight Center for Community Economic Development).

- Forty-three percent of families with children live below this threshold for self-sufficiency.

(Creating Community: Napa County Nonprofits at Work, 2016)
Among Latinos, 51% live below the self-sufficiency level.

There is a high academic achievement gap between children who are economically disadvantaged and children who are not. These inequities represent significant challenges that, left unaddressed, will undermine the overall strength of the Napa County community.

(Creating Community: Napa County Nonprofits at Work, 2016)
Are We Half Full or Half Empty?
Coping with Success:
Who is Benefiting? Who is Coping? Who is Not Coping?

**Winners**
- Wine Industry Revenues
- Tourism Industry Revenues
- TOT Government Revenues
- Property Taxes
- Sales Taxes
- Jobs

**Losers**
- Residents
  - > 25% Poverty
  - Jobs-low wages
  - Home prices up/little Affordable Housing
  - Quality of life
  - Health
- Environment
  - Air/GHG
  - Water
  - Trees/Watersheds
  - Traffic
A Tale of Two (Cities)
It was the best of times, it was the worst of times

- Napa is #1 in cancer rates in California
- 53,000 pounds of glyphosate used in 2015 (used 32,350 in 1999)
- Carcinogenic pesticides; Heavy Metals in Calistoga; Mercury in L. Berryessa; THM in L. Hennessey; Crystalline silica released at Syar Mine; traffic/diesel emissions
Coping in the Cities

- Calistoga: Water, Water Treatment, Traffic
- St. Helena: Financial issues; Second homes; Water Treatment; Traffic
- Yountville: $$ from TOT
- Napa: Parking, Downtown stores for locals almost gone; growth pressing on neighborhoods
- American Canyon: Water, Traffic
Our Future-If Not Managed

- Developing & expanding wineries
- Wineries increasing DTC Marketing
- More Visitors/Customers
- Tax $ used to promote more tourists
- More Hotels & Resorts
- More Low-Paying Jobs
- More Traffic
- Less Water
- Coordinated Government Leadership Missing in Action…
- The Cumulative Impacts are Not Sustainable
Forum to Promote Discussion and Cooperation

April 1, 2016
Forum: Understanding the Tourism-Based Economy

- The Social Impacts (Professor Mendlinger, Boston University)
- The Fiscal Impacts (E. Fodor, Fodor & Associates)
- The Environmental/Traffic Impacts (Professor Handley, UCDavis)
Social Impacts

- Who will control the valley’s destiny? Is it for residents or tourists?
- Second homes erode fabric of community.
- Tourism accelerates the polarization between the population and the very wealthy.

(Samuel Mendlinger)
“Polarization begins when businesses begin to cater to tourists and affluent locals at the expense of townsfolk.”
“Napa-Chic”

What to Wear

NAPA VISION 2050
5S of Tourism

- Sun
- Sand
- Surf
- Stoned
- Sex
Ibiza is running out of WATER as tourism chief admits the party island’s limited resources ‘cannot support’ boom

- Head of tourism department Vincent Torres worried over tourism boom
- Holidaymakers are heading to island avoiding other terror-hit destinations
- New tourist tax introduced to fund protection of islands’ natural resources
Yosemite Slammed: Record Crowds Make America’s National Parks Hard to Bear

Instead of tranquility, visitors find cramped shuttle buses, epic bathroom lines and new control efforts.
Economic Impacts

- Napa is a one-industry town. A vulnerable economy that’s over-reliant on a single industry. What’s the cost to the community?

- Too much tourism can overwhelm a community.

- Impact studies usually tout all the benefits of a development while fiscal impacts are often overlooked.

- (Eben Fodor)
Also Good for Locals!

● “For many locals, “we have a love-hate relationship with tourists,” he [Michael Gallagher] said. However, “to not appreciate tourism is an ignorant point of view. Tourists are what make Napa work. You can’t make it on locals alone.””

● “Napa shouldn’t take Napa for granted,” he added. “Whatever we do for tourists is also good for locals.”

● (Boom Times for Napa County Lodging, NVR, 6/17/16)
“Whatever we do for tourists is also good for locals” NOT!

- Water depletion
- Traffic congestion
- Air pollution
- Too many tasting rooms-no stores for locals
- High housing prices-move to ‘second homes’
- Low wage hospitality jobs
  - Long commutes
  - Can’t live in the community
“Tourism is a Devil’s Bargain”

● “Locales welcome tourism as an economic boon, only to find that it irrevocably changes them in unanticipated and uncontrollable ways.

● It’s local beneficiaries come from a small segment of the population.

● The embrace of tourism triggers an all-encompassing contest for the soul of a place.”

● (Hal Rothman, 1998)
Something’s Changed

- Diversion of interests within the community?
  - Napa-Chic or Napa-Real

- Change in the interpretation of the statutes?
  - “Acknowledge and Recognize” Permit Violations
  - Food Service in the AP
Vanity Playground

“In so many respects, Napa Valley has become a vanity playground for outsiders who want to be able to own a Cabernet winery.

And that’s the problem: the market for these types of wines is limited, and yet supply is constantly expanding, as more and more people with a little money come in and buy themselves a lifestyle.”

(Steve Heimoff, Cookie-Cutter Napa Cabs, 7/14/16)
“My belief is that tourists come to wine country because it is beautiful. Once they come to wine country, the winery itself benefits with direct sales. If wine country gets crowded and loses its charm — whether from locals or from tourists — we will be killing the goose that lays the golden egg, so the focus for all of these local issues should be on studies to get at the root of the problem.”

(Rob McMillan, State of the Wine Industry 2016, SVB Wine Division)
Are We Sharing the Commons?*

(*Land or resources belonging to or affecting the whole of a community.)
got water?

Watershed Protection
What are the Benefits of this Continued Growth to the “Locals”?

- Calistoga Hills Resort will cut over 8,000 trees, water usage
- 1300 Main Building will put additional stress on parking in residential neighborhood
- Bottle Rock
- Walt Ranch will cut 24,000 trees in City of Napa watershed, concern about public costs for water treatment
- Watson Ranch/Town Center in American Canyon will add unacceptable traffic to Highway 29
Are We Planning for Success?

- Is there a vision for the county? For the cities? The Region? Are they coordinated?
- Are we Balancing Growth with Protecting the Commons?
The Way Forward

● “When is enough, enough?” Evaluate the cumulative impacts of commercial, retail, housing, winery and resort development.

● This year’s presidential campaign has highlighted the economic divide in this country. Napa is no different. Our government needs to be responsive to the citizens (locals).

● Raise development fees to cover actual costs; don’t burden the locals with taxes.

● Establish watershed development protections.
The Way Forward (continued)

- Accelerate winery compliance program as recommended by APAC.
- Establish “Fast-Trak” system for visitation.
- Delay American Canyon warehouse logistics centers & Watson Ranch until infrastructure can support them.
- Build affordable housing on city/county surplus land.
And Establish a Moratorium on New & Expanding Wineries on Narrow Rural Roads

(Soda Canyon Road, July 26, 2016)
Yet only when “the economic and social costs of using up shared environmental resources are recognized with transparency and fully borne by those who incur them, not by other peoples or future generations”, can those actions be considered ethical.”

(Encyclical Letter, LAUDATO SI’, of Pope Francis, ON CARE FOR OUR COMMON HOME, 2015)