



# 2015 City of Napa: Local Economic Profile



# Table of Contents

---

1. Letter and Highlights
- 

## **Population and Demographics**

2. Population and Ethnicity Projection
  3. Household and Income Projection
- 

4. Employment
  5. Residential Real Estate & Construction
  6. Consumer Spending and Taxable Sales
  7. Education
- 

8. Methodology and Sources
9. Sponsors

# Napa City: Local Economic Profile

---

The Sonoma County Economic Development Board (EDB), in partnership with the City of Napa, and the Napa-Lake Workforce Investment Board, is pleased to present a collaborative project, the 2015 Napa City Local Economic Profile.

Highlights from this *Local Economic Profile* include:

- The city of Napa's seasonally unadjusted unemployment rate was 6.5% for the year of 2013, lower than the California average of 8.9% for the same year. Compared to the previous year, Napa's unemployment rate is down 1.7 points from 8.2%.
- Between 2010 and 2014, the median household income in Napa decreased by 9% to \$59,022. Looking into 2019, there is expected to be growth with the median household income rising to \$70,049, an increase of around 19% from 2014.
- Total employment in Napa city was 42,400 in 2013, which is up 3% from a previous year. Napa is following an increasing trend, where total employment is at a 13-year high, and still increasing every year.
- The median sales price of an existing home in the city of Napa in 2013 was \$450,000. This is a 25% increase in sales price compared to 2012. The price of homes has been increasing for the past 3 years in the city of Napa.

While every effort was made to ensure this report contained up-to-date information, certain data was unavailable at the time this report was released; thus, some figures may reflect years previous to 2014.

Thank you for your interest in the Economic Development Board's research. For additional information, questions, comments, or suggestions please contact us at (707) 565-7170 or visit [www.sonomaedb.org](http://www.sonomaedb.org). For other Napa city or chamber-specific questions, please visit [www.cityofnapa.org](http://www.cityofnapa.org) and/or [www.napachamber.org](http://www.napachamber.org)



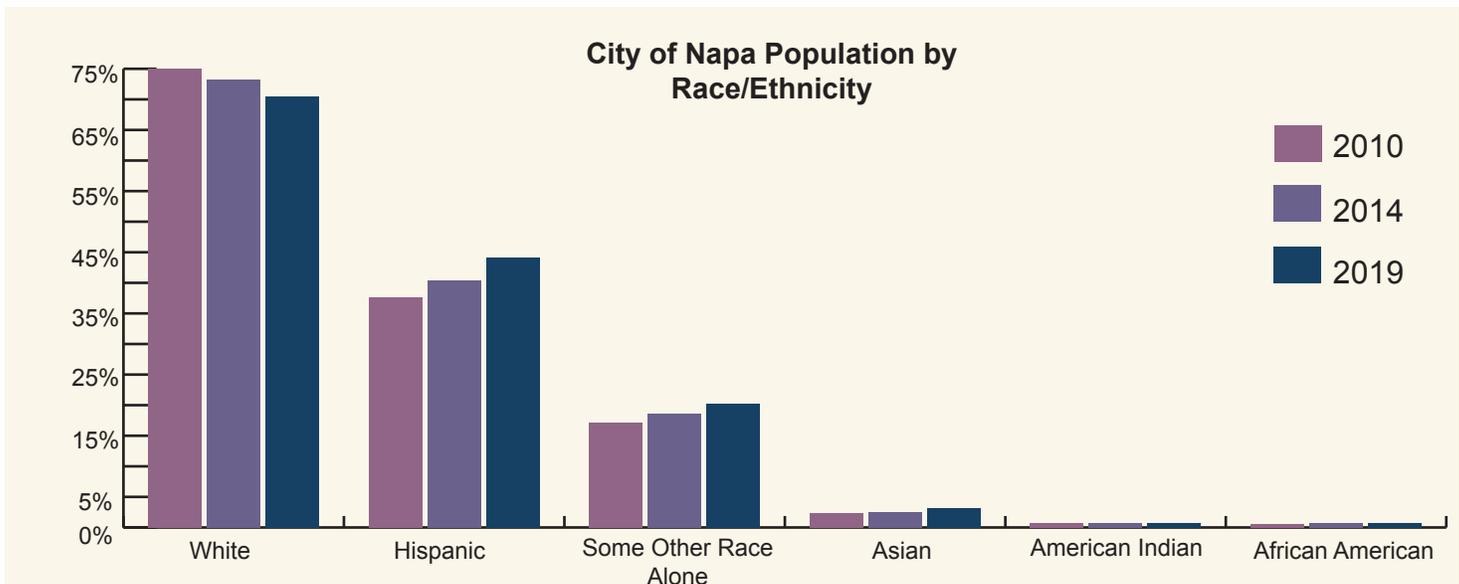
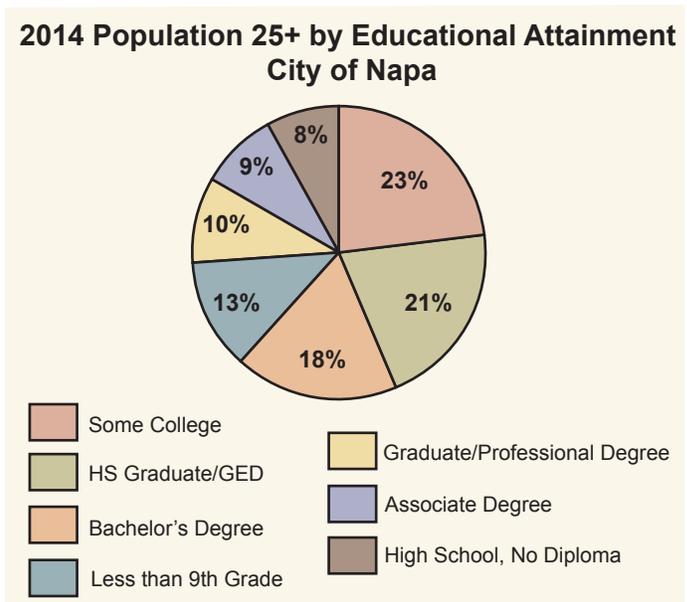
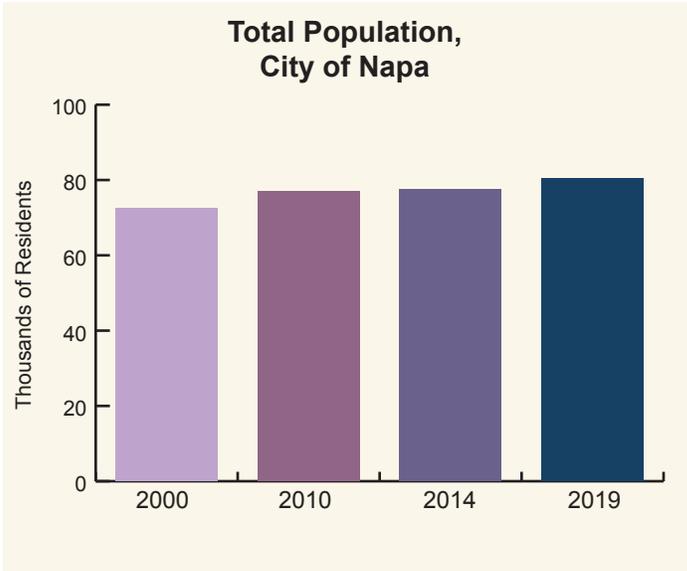
Ben Stone  
Executive Director  
Economic Development Board

# Population & Demographics

The population of Napa city in 2014 was 77,566, and according to Environmental Systems Research Institute (ESRI) projections, it is expected to rise about 4% to 80,455 by 2019. The population has increased nearly 6% since 2000.

In 2014, the population of those 25 and older, 21% of the city of Napa residents had a High School level education. Within the category of Some College, this consists of individuals who have taken some college courses, but did not receive a college degree. In 2014, about 18% of residents had obtained a Bachelor's Degree and around 10% had received a Graduate or Professional Degree.

A new trend we see moving into 2019 is the increase in the Hispanic population in Napa city. **Between 2010 and 2019 there is predicted to be a 6.5% increase.** Between 2010 and 2019 the White population will decline about 5%.



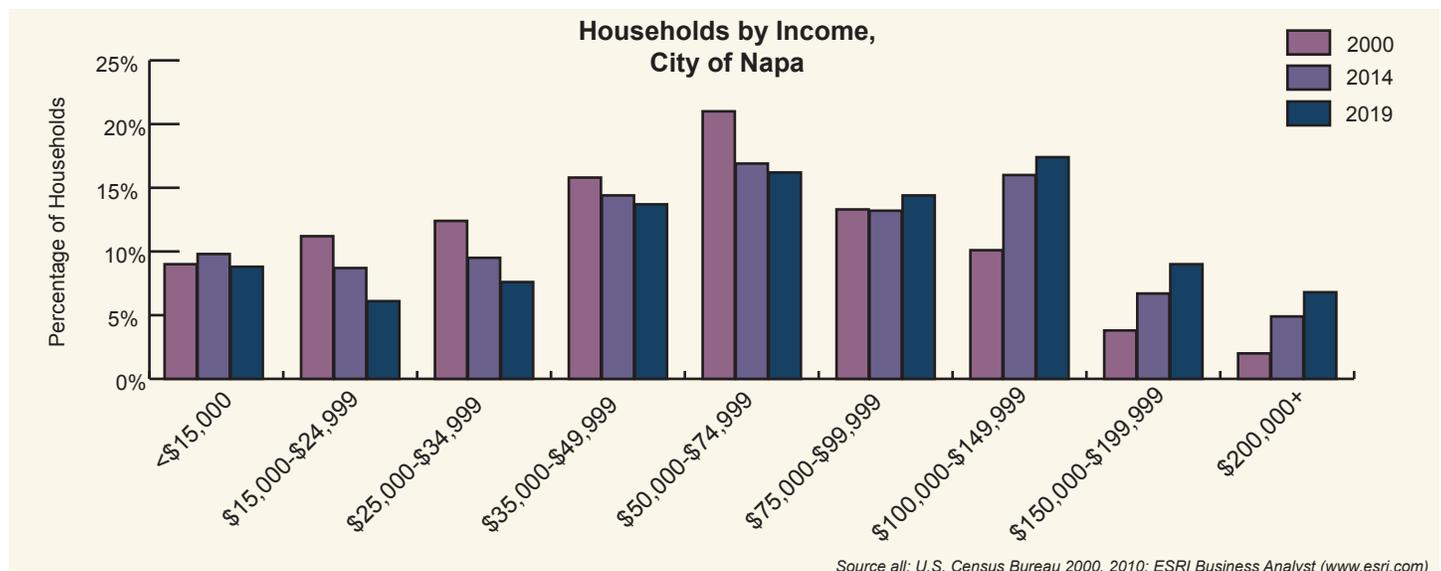
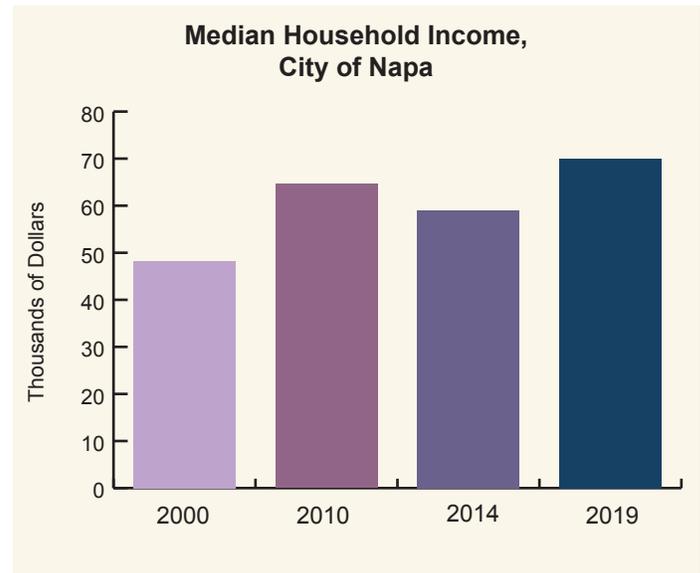
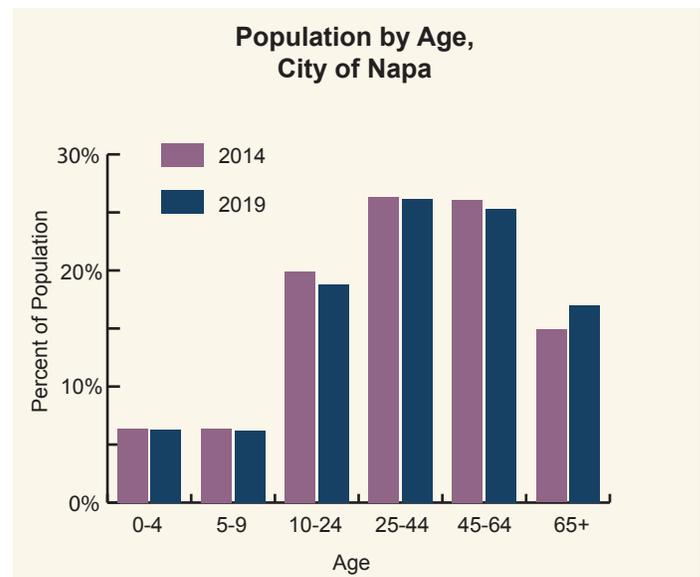
# Population & Demographics

The population by age in Napa city in 2014 and 2019 distributed widely, and according to Environmental Systems Research Institute (ESRI) projections, the 65 and older population is expected to increase the greatest amount by 2019. This is creating a decrease in individuals 45-64 between 2014 and 2019 due to the aging out of the population.

Between 2010 and 2014, the median household income in Napa decreased by 9% to \$59,022. Looking into 2019, there is expected to be growth with median income rising to \$70,049, an increase of around 19% from 2014.

As income in Napa rose between 2000 and 2014, the percentage of households earning less than \$35,000 was reduced by about 4 percentage points. The fastest growing income range was \$100,000-\$149,999, with the proportion increasing around 6 percentage points. This was followed by gains in the \$150,000-\$199,999 range.

A trend that remains consistent into 2019 is the shrinking percentage of households earning less than \$35,000. The proportion of Napa in this range will decrease by about 6 percentage points from 2014 to 2019. This trend, coupled with the increasing proportion of Napa residents earning over \$100,000, will result in further concentration of households in higher income tiers.



Source all: U.S. Census Bureau 2000, 2010; ESRI Business Analyst (www.esri.com)

# Employment

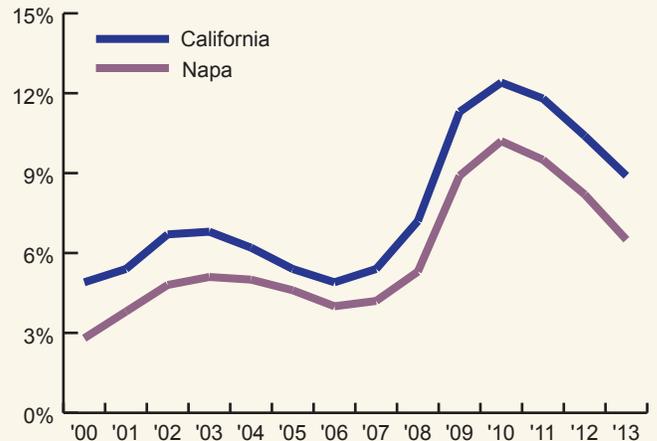
Napa City's seasonally unadjusted unemployment rate was 6.5% for the year of 2013, lower than the California average of 8.9% for the same year. Compared to the previous year, Napa's unemployment rate is down 1.7 points from 8.2%. Unemployment remains significantly lower in Napa city compared to its peak of 10.3% in 2010. Napa's unemployment rate also consistently remains below the California state average.

Total employment in Napa city was 42,400 in 2013, which is up 3% from the previous year. Napa is following an increasing trend, where total employment is at a 13-year high, and still increasing every year.

About 49% of Napa city's employed population is in the category of Services, which includes, education, health care, tourism, and legal services. The second-largest sector is Manufacturing. This shows a strong, high demand for tangible goods in the Napa area. The high manufacturing and construction numbers show that Napa city is producing these tangible goods, for example, wine, which is exported out of Napa County.

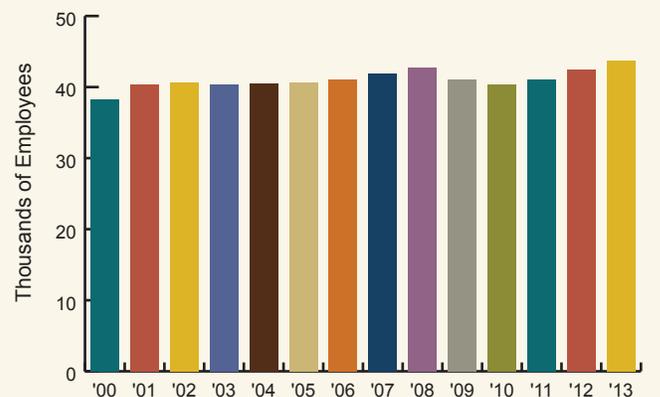
The largest industry employment growth projected for Napa County is in Mining, Logging, & Construction (35%), Administrative & Support Services (34%), and Transportation, Warehousing, & Utilities (33%). Projections are calculated by the California Employment Development Department (EDD). The increase translates to 900 additional jobs in Mining, Logging, & Construction, 1,100 in Administrative & Support Services, and 500 in Transportation, Warehousing, & Utilities over the ten-year period.

City of Napa Seasonally Unadjusted Unemployment Rate, 2000-2013



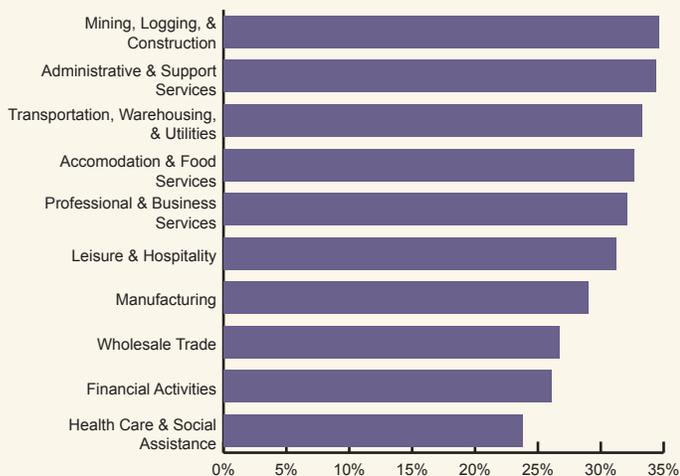
Source: California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov))

City of Napa Seasonally Unadjusted Employment, 2000-2013



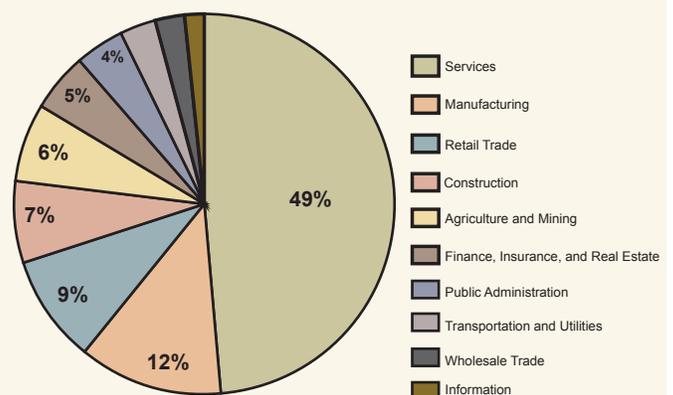
Source: California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov))

Industry Employment Projections 2010-2020  
Napa County



Source: California Employment Development Department ([www.edd.ca.gov](http://www.edd.ca.gov))

Napa City Employed Population 16+ by Industry, 2014



Source: ESRI Business Analyst projections ([www.esri.com](http://www.esri.com))

# Residential Real Estate & Construction

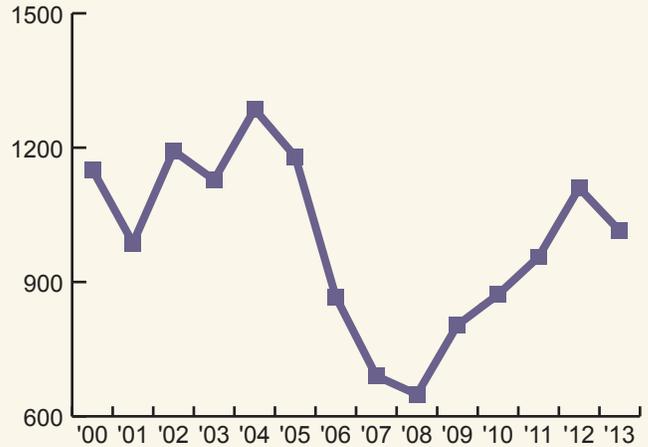
In 2013, the number of homes sold in Napa City dropped 9% from 2012 to 2013. The numbers have been steadily increasing since 2007, but this is the first drop in 6 years. Sales were down by 96 homes for a total of 1,014 sold in 2013. Due to a lack of inventory in the first few months of 2014, the number of homes sold in the first six months was 423, an 11% decrease from the previous year. The number of days on the market also decreased from 50 to 44.

Napa home prices continued to grow in the first few months of 2014, increasing the median sales price to \$510,000, 13% over the median of \$470,000 at the end of 2013. The median price per square foot increased 16% to \$325.

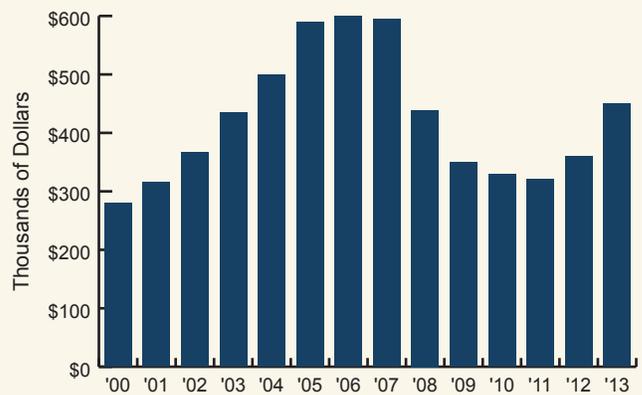
The average sales price of a home in Napa County for 2013 was \$615,527. This puts Napa at the higher end of the spectrum for homes in comparable counties. The average sales price for a home in Napa County is lower than the Marin County average by \$425,000. Napa County also has a higher sales price than Sonoma and Mendocino County, which have average sales prices of \$508,831 and \$310,197 respectively.

Napa County's commercial vacancy rates have been recovering steadily since peaks in 2010. The office vacancy rate decreased 1.8 percentage points to 8.9% from Q2 2014 to Q3 2014. The industrial vacancy rate has remained relatively stable for the past two years, with a sharp decrease in this past Q3 of 2014. From Q2 of 2014 to Q3 of 2014, the industrial vacancy rate has decreased by 1.5 percentage points for a rate of 5.7%.

Total Number of Houses Sold in Napa City, 2000-2013

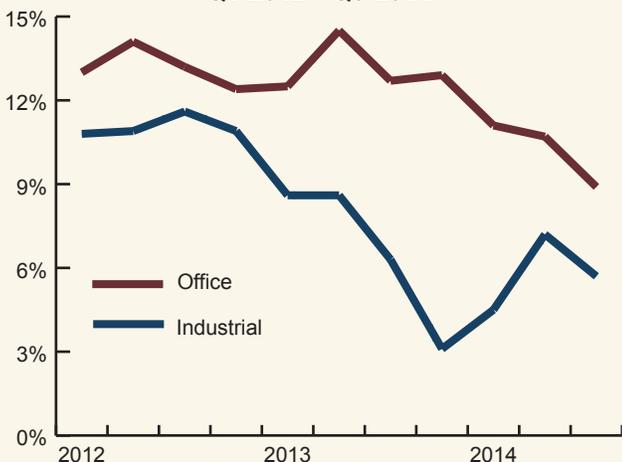


Median Sales Price of an Existing Home in Napa City, 2000-2013



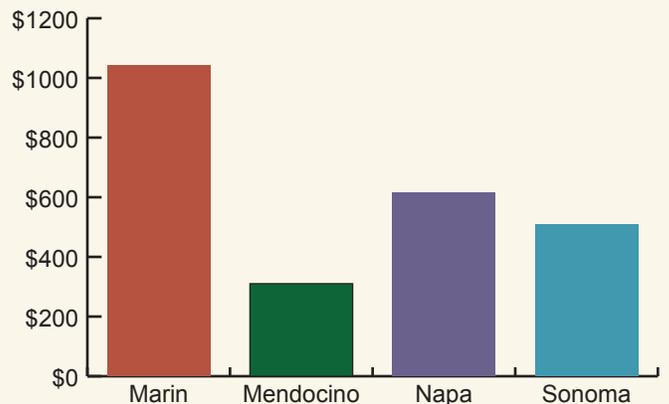
(Source: Coldwell Banker Brokers of the Valley Bi-Annual Report)

Napa County Commercial Property Vacancy Rate, Q1 2012 - Q3 2014



Source: Keegan & Coppin (keegancoppin.com)

Average Sales Price of an Existing Home by County, 2013

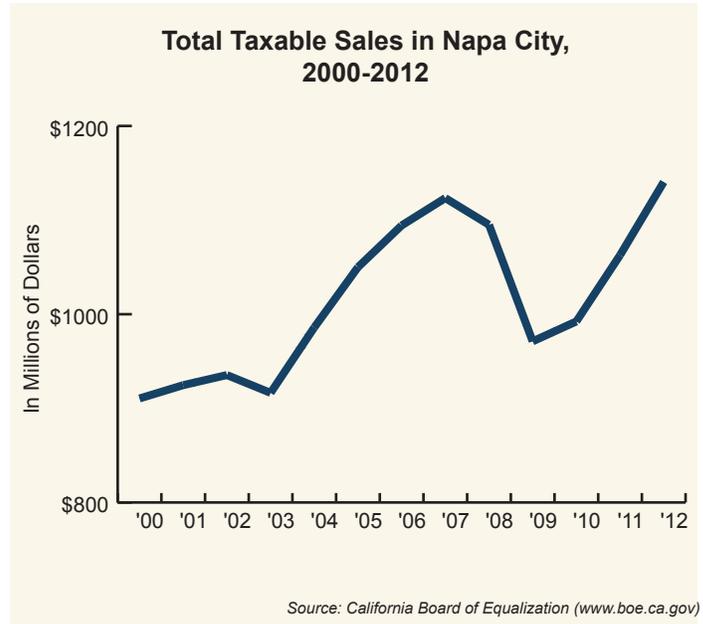


Source all: Bay Area Real Estate Information Services (www.bareis.com)

# Consumer Spending & Taxable Sales

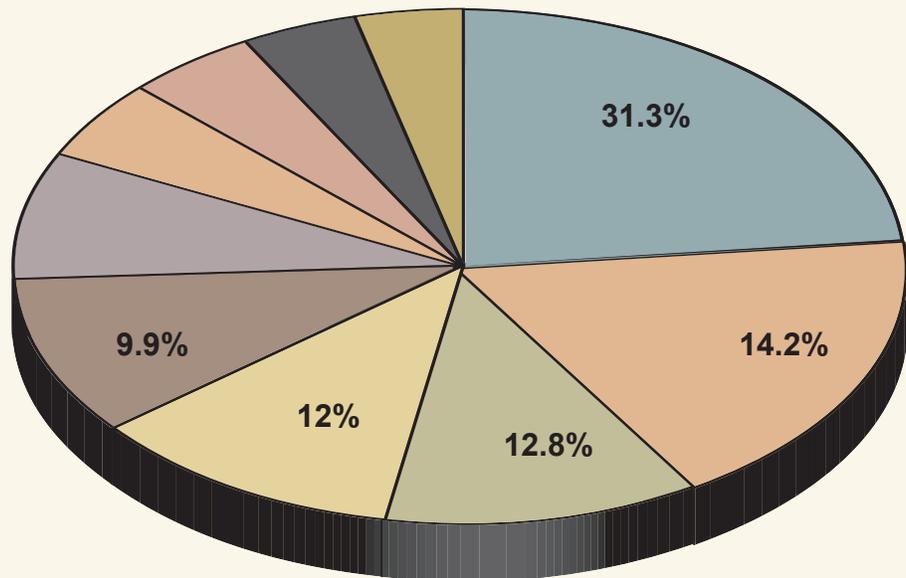
**Napa's taxable sales continue to show signs of rebounding since the economic recession.** After a decline in 2009, sales tax revenue has risen steadily and continued on its upward trend, gaining 7% from 2011 to 2012, and 8.3% from 2012 to 2013. Napa's largest retail sales tax category is Restaurants, providing 18% of its revenue, while the New Auto Sales and Retail Building Materials categories have shown strong increases in the past year as the market continues to recover.

**Compared to the national average, residents of Napa city spend more in housing, pensions and social security, healthcare, entertainment and recreation, and education.** Napa city's biggest purchases cover housing, transportation, and other.



**Average Amount Spent by Commodity in Napa City, 2014**

	Housing	\$24,263.44
	Transportation	\$11,003.92
	Other*	\$9,933.38
	Food	\$9,297.43
	Pensions and Social Security	\$7,630.10
	Healthcare	\$5,003.78
	Entertainment and Recreation	\$3,633.84
	Cash Contributions/Gifts	\$2,712.86
	Travel	\$2,194.03
	Education	\$1,755.86



\*The Other category includes Apparel and Services, Alcoholic Beverages, Household Operations, Housekeeping Supplies, Household furnishings and equipment, Life/Other Insurance, Miscellaneous, Personal Care Product and Services, and Smoking Products.

Source: ESRI Business Analyst ([www.esri.com](http://www.esri.com))

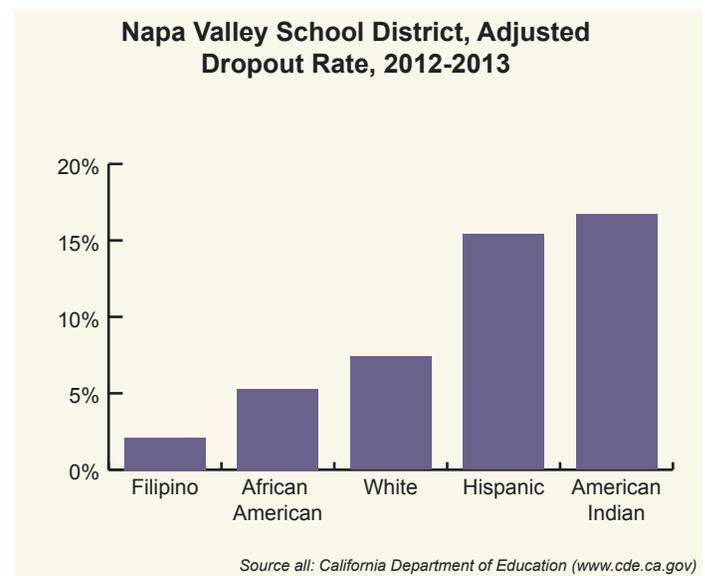
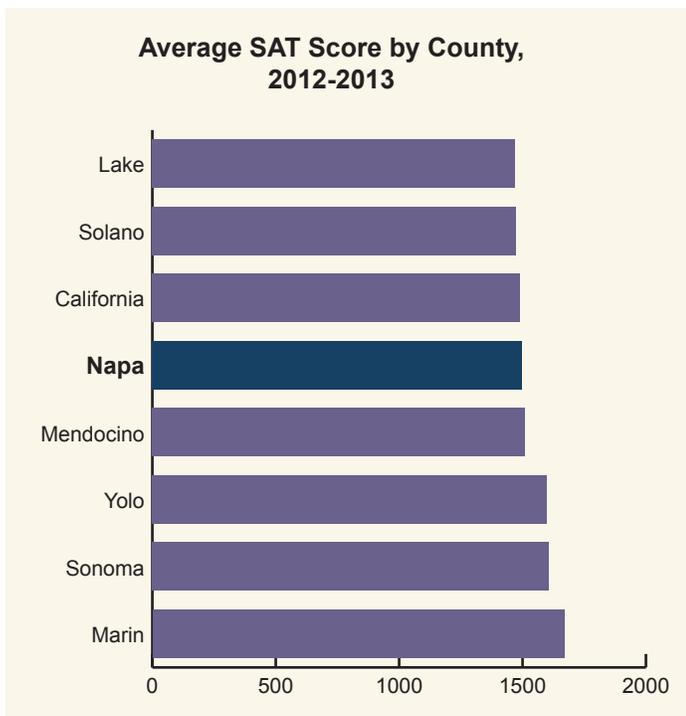
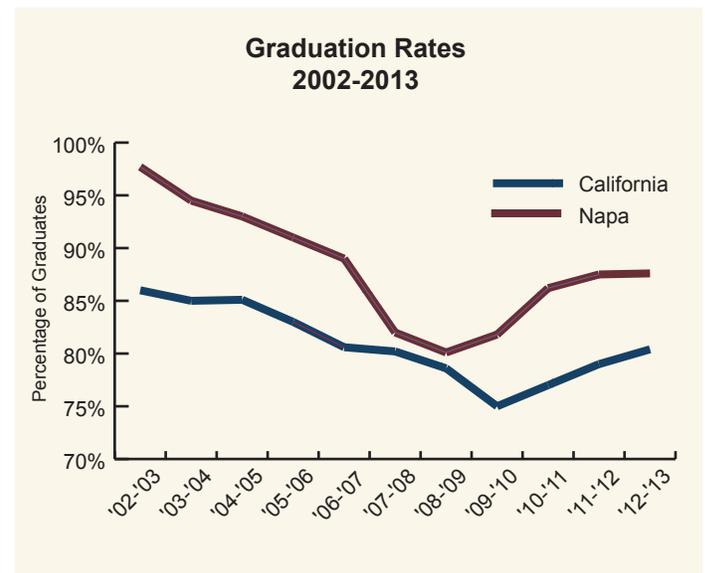
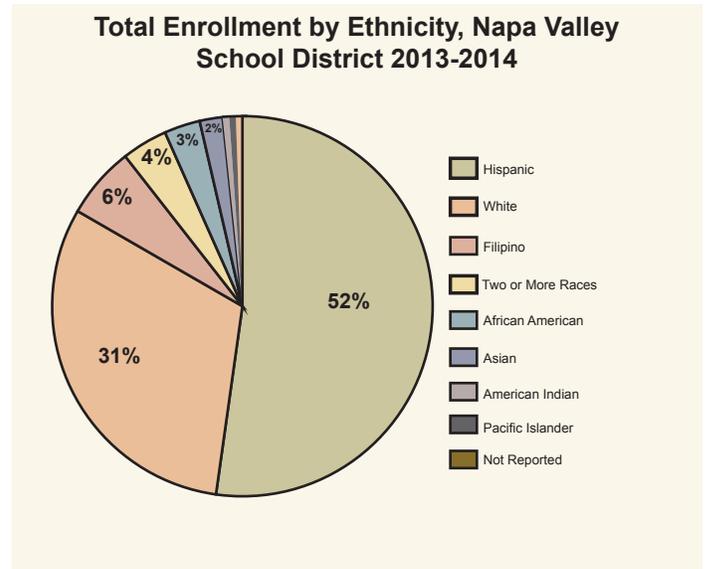
# Education

Nearly 52% of students enrolled in the Napa Valley School District are Hispanic, with Whites as the second largest group at 31%. Filipinos, a growing demographic group, make up about 6% of enrollment. African American, Asian, American Indian, and Pacific Islanders make up a total of around 10% of enrollment.

The high school graduation rate in the Napa Valley Unified School District has been increasing, for a total of 87.6% in the 2012-2013 school year. The graduation rate for the state of California was 80.4% in the same year. There has been a significant downward trend, as seven years ago the rate was 98% for the Napa Valley Unified School District.

The adjusted dropout rate for the Napa Valley School District was 10% for the 2012-2013 school year. American Indians made up 16.7% of that number, while Hispanics made up 15.4%. White, American Indian, and Filipino students had a dropout rate below 10% in the 2012-2013 school year.

Napa County ranked just above the California average SAT score with a number of 1498, compared to California with an average of 1489. Napa County ranks well among comparable counties, with Sonoma and Marin producing the highest average SAT scores of 1607 and 1669, respectively.



## Note on Data Sources

The *2015 Napa City Local Economic Profile* is a brief summary on various demographic, economic and social aspects of Napa city. Economic Development Board (EDB) research originates from information available from outside resources and previously published material. The *2015 Napa City Local Economic Profile* offers partial or composite representations of raw data and cites respective source data sets. For more information, please see the listed sources.

The *Local Economic Profile* does not provide complete in-depth analyses of all facets of the incorporated cities or the county. The EDB believes all data contained within this report to be accurate and the most current available, but does not guarantee its accuracy or completeness. Use of data from an outside source does not represent an endorsement of any product or service by the EDB, its members or affiliates.

The *2015 Napa City Local Economic Profile* was developed from national and local data sources. Interested readers are encouraged to contact data source agencies or organizations for further research. Readers are also invited to suggest for future reports by calling (707) 565-7170 or e-mailing [edb@sonoma-county.org](mailto:edb@sonoma-county.org).

## Sources

Bay Area Real Estate Information Services

California Board of Equalization

California Department of Education

California Employment Development Department

California Homebuilding Foundation

ESRI Business Analyst

Keegan and Coppin Company

U.S. Census Bureau

*With acknowledgement and appreciation to key local businesses that support economic development in Sonoma County*

**DIRECTOR**



*Pacific Gas and Electric Company*<sup>®</sup>

**EXECUTIVE**



**Bank of Marin**



**First Community Bank**

**SPONSOR**



ZAINER RINEHART CLARKE

CERTIFIED PUBLIC ACCOUNTANTS • APC  
 AN INDEPENDENT MEMBER OF DPK INTERNATIONAL

Giving Business More Reach

