

Made the Rent

The Human Impact of Housing Affordability in High-Cost Communities

SEPTEMBER 2025



Living at our current home allows us to be closer to work and school, saving money on gas and additional transportation expenses. We're saving money, buying healthier food, and are finally able to set aside something for my child's education. Hemos podido darle mejor educación a nuestros hijos por las excelentes escuelas que tenemos cerca y disfrutamos la tranquilidad donde vivimos. The home is safer, more comfortable, and closer to work and school, which makes a big difference every day. Nos ha ayudado a tener un poco más para ahorrar, estar más cerca del trabajo y los mercados. Aparte para pagar deudas que se hacía muy difícil pagar antes. I will be able to afford a car payment and live close to work and also help to save on gas. Mejor calidad de vida. We can begin to save for our children's education if they decide to pursue a career at a university or college. I'm saving money to move to a cottage in Yountville. Estoy más cerca de la escuela de mi hija y de las tiendas donde compramos el mandado. I am able to live

near my family. I can live Independently and not live with others. Estar cerca de cosas que disfruto. Living in a space way bigger than a one bedroom house for three boys and our parents. It's helped so much. We've been able to live a little less check to check and be able to buy our daily needs and of course gifts for holidays. Poder pagar mis viles a tiempo. My kids are more happy

Q: Can you give us an example of how life has improved for you or your household since moving into affordably-priced housing?

with their own room and more space. Estoy menos estresado. We never really had the opportunity to save because there's always something. But without paying too much rent, I think we will be able to save each month. Las escuelas me han quedado cerca. I have lived here in Napa all my life and living here keeps me close to my family and friends which is healthy and keeps me happy.

Le he podido dar más tiempo de calidad a mi hija. Less stress, able to save for a rainy day. Estoy mas cerca de cosas y servicios que necesitamos y obvio hay mas recurso para lo que se ofrezca. We can manage better with my husband's income and can meet ends with all of our bills. Live peacefully in a safe environment. Estar cerca de mi trabajo. Having affordable rent has allowed me to make necessary repairs on my automobile. I was able to get my animals back. Más cerca de las escuelas de mis hijos. Since I get to live in the low-income housing, I will be able to afford a car payment and live close to work and also help to save on gas. I can't pay for more nice stuff but I'm happy. We have been able to give our children a better education because of the excellent schools we have nearby and we enjoy the tranquility where we live. I spend less on gasoline. Mis hijas en su infancia fueron muy felices aquí teniendo un lugar seguro donde jugar. Una vivienda estable.



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Foreword



Jen Klose
Executive Director,
Generation Housing

Housing is often treated as a unit-level problem, with each new home solving one household's struggle. But in truth, it is a foundational system that shapes nearly every aspect of our personal lives as well as how cities, counties, and regions link people through their transit, maintain their workforce, enroll students in their schools, and protect their environment. The housing system (or housing "market") is complex, consisting of a variety of housing types, built in different locations, available at different pricepoints, and their production, ownership, maintenance, and sale, lease, or rent is subject to local, state, and federal regulation. If follows, then, no simple fix is possible.

This report, commissioned by the Napa County Housing and Community Services department under the direction of the county's Board of Supervisors, attempts to examine one type of housing solution—Napa Valley's roughly 3,000 rent-restricted homes—on these terms. What problems do these homes solve for residents and how do they fit within a broader system of housing need? It finds that this type of housing, which we term "Affordable Housing," is uniquely equipped to solve a number of problems facing the Valley that few other types of homes are currently addressing at scale: from out-migration of key workforce sectors amidst declining low-cost options to displacement of low-income residents in high-amenity neighborhoods. As part of a system of low- and moderate-cost, subsidized and unsubsidized, short- and long-term rental housing, Affordable Housing fills surprising roles in helping maintain proximity to job markets and stabilize communities that, in the lives of our survey respondents, would be unavailable without commitments to deed-restricted housing from leaders.

At the same time, this report also points to the risks of asking one part of a system—Affordable Housing—to solve all its challenges. Rental relief, we find, is insufficient in high-cost-of-living markets; and while location, stability, and quality of home are trade-offs many residents are willing to make to continue struggling with their household budget, the demands placed on each Affordable Housing location to address all of these issues in one site ignores how other housing types must begin filling these gaps for the Valley's lower-earning residents. Without systemic relief, waitlists for single Affordable Housing units will continue to grow, cost burden will become a permanent entry ticket to Napa Valley, and family displacement will interrupt the education of thousands of current students and generally destabilize the community.

This report exemplifies a commitment to systems thinking by shining a light on all of the residential needs that a single type of housing is working to provide for Napa Valley residents. Yet it also reveals how we may ask too much of this policy solution in a region as high-cost as Napa Valley. It is a reminder that no single policy tool is sufficient on its own, and that true progress lies in understanding how housing systems work—where they succeed, where they fall short, and how they can be strengthened. It's encouraging to see Napa County address this complexity with both honesty and determination.

In partnership,

A handwritten signature in blue ink, appearing to be "Jen", written in a cursive style.

Introduction: Made the Rent

The Human Impact of Housing Affordability in High-Cost Communities

A Housing Affordability Crisis in Napa Valley

Napa Valley faces a deepening affordable housing crisis. With soaring housing costs and a strong economic demand for low- and moderate-wage labor, low-income residents increasingly struggle to stay in the region.¹ Housing cost burden rates remain historically high, particularly for extremely low-income (ELI) and very low-income (VLI) households.² Although subsidized Affordable Housing—such as units financed through the Low-Income Housing Tax Credit (LIHTC) program—provides crucial protection, the supply is far from sufficient. Nearly half of Napa’s ELI and VLI households

remain unserved by rent-restricted housing, exposing them to unstable rental markets—in terms of cost, quality, and the terms of rental agreements.³

As the gap between wages and housing costs widens, the challenge is no longer just to build more of one type of housing, but about understanding the role that Affordable Housing plays in a functional housing system.

Deed-restricted, income-based homes are doing more than capping rents—they are, in many cases, preserving access to job markets, supporting family stability, and allowing working residents to remain close to the communities, schools, and services they depend on.

These are roles that few other forms of housing currently fill. But our findings also point to the limits of relying on Affordable Housing alone to carry this burden. Affordability in high-cost markets cannot rest on one segment of the system. To build long-term resilience, other housing types must begin to take on more of this responsibility.

The Systemic Value of Rent-Restricted Affordable Housing in High Cost Regions

This report presents original research findings assembled by Generation Housing in a survey of residents of rent-restricted, income-based Affordable Housing in Napa Valley, primarily those in Low-Income Housing Tax Credit (LIHTC) homes. These units provide more than rent relief: they act as lifelines for stability, proximity to work, and predictable living environments. In the absence of these protections, many survey respondents reported they would not be able to remain in the region at all.



Still, even with capped rents, financial strain persists for many. Our respondents often described difficulty affording other essentials, highlighting that the true cost of living in Napa Valley exceeds what even subsidized rent levels can fully solve. This suggests that rental relief, while essential, is not sufficient in high-cost regions like Napa. Yet respondents were often willing to bear that continued strain for the sake of reduced commutes, safe and well-maintained housing, and consistent access to school districts and services.

These trade-offs speak to a deeper truth: that Affordable Housing is doing far more than reducing rent burdens. It is stepping in where a functional housing system has

fallen short of providing well-located, high-quality homes for low-income workers at scale. It is, in effect, serving as a workforce housing solution, a tool for climate action through reduced vehicle miles traveled, and a community stabilization strategy all in one. But expecting any one housing type to meet all of these needs is unsustainable.

These themes emerge through human-centered, qualitative survey responses that highlight the complex choices residents make when weighing the value of rent-restricted Affordable Housing against other options. Taken together, these responses reveal how much residents depend on a housing system to provide for multiple needs, from geographic proximity to job centers, and long-term rent stability in a sub-market prone to housing conversions, and unpredictable quality. Rather than viewing affordability solely through the lens of rent levels, we evaluate how Affordable Housing interacts with transportation networks, job centers, and local development patterns—and encourage policymakers to evaluate the housing system's success in terms of the metrics that emerge from respondents in our survey.

To unlock the full potential of rent-restricted, income-based units, policies must support affordable housing not just as a financial product, but as part of a holistic regional strategy that balances cost, equitable location, home quality, and sustainability. Our study's findings reinforce this need, and highlight the urgency of moving from isolated housing fixes to integrated housing solutions.

Survey Methodology

To assess these dynamics, Generation Housing conducted a targeted survey of residents in regulated, site-managed Affordable Housing across Napa Valley. Reaching nearly 280 residents from around Napa Valley, the survey focused on financial stress indicators (e.g. difficulty affording food, skipped medical care), quality-of-life factors (e.g. proximity to work and services, home quality), and overall perceptions of value and tradeoffs.⁴ Our sample reflects residents in income-restricted housing—particularly LIHTC units—but does not include those living in unsubsidized or informal low-cost affordable housing rentals. Our intent is to offer policymakers a more nuanced understanding of what Affordable Housing delivers in high-cost regions like Napa Valley, and how to more effectively scale its benefits while addressing its limitations.

Recommendations for a Flexible Affordable Housing Solution

This study reveals that the benefits of Affordable Housing to a high-cost region like Napa Valley extend well beyond financial relief for residents. As a powerful tool in the broader housing system, these homes have a unique role to play in workforce resiliency, displacement, climate action, school closures, and community stability. Elected officials, policymakers, and advocates must view these units—and help guide their placement—through these lenses. We must also prioritize a housing system that delivers on the broader benefits of Affordable Housing through as many means as possible, supporting housing that offers proximity to work and amenities, long-term rental stability, and strong communities. Based on our findings, we recommend:

1. Affordable Housing units continue to address the deficit in low-cost homes near low-wage job centers by ensuring residents who are currently in the workforce can maintain jobs without relocating or fear of becoming cost-burdened by housing payments.
2. A steady supply of affordable rent-restricted and unsubsidized rental and for-sale units for both low- and moderate-income residents to counteract the loss of low-cost market-based units to other forms of ownership in order to prevent displacement of Napa Valley's lower-earning households today and in the future through meaningful opportunities to rent and own.⁵
3. The strategic placement of Affordable Housing units near job centers, schools, and high-value amenities to reduce vehicle-based commuting and foster walkable low-income housing sites, ensuring Napa Valley maximizes Affordable Housing as a climate action tool.
4. Keeping economic activity and wages circulating within the community by leveraging Affordable Housing to maintain the low-wage workforce instead of exporting our wages and local tax base to neighboring counties.
5. Stabilizing public school enrollment by keeping families with school-age children in the region, which is essential for the enrollment rates of local public schools.



Glossary and Note on Usage of Terms

Low-income earners: In this study, “low-income earners” refers to households earning up to 60% of the Area Median Income (AMI), including those in the Very Low-income (31–50% AMI) and Extremely Low-income (under 30% AMI) tiers typically eligible for rent-restricted housing. In Napa Valley, this generally means annual incomes up to \$61,000 for a one-person household or \$88,000 for a four-person household (see California’s HCD limits below).

These households may earn income from jobs, government assistance (like TANF), Social Security, unemployment, or disability benefits. In Napa Valley, they often include farmworkers, home health aides, restaurant staff, retail workers, and entry-level teachers.⁶ However, as noted below, workers in several of these occupations, including many farmworkers and hospitality workers, earn closer to 60% AMI or more as a result of wages earned from

overtime hours and holding two or more jobs within their sector. As a result, very few farmworkers qualify for any government aid right now.

Affordable Housing and other low-cost housing:

In this report, Affordable Housing (capital “A”) refers to deed-restricted, income-based housing—usually built through programs like the Low-Income Housing Tax Credit (LIHTC)—with rents capped at 30% of a household’s income and typically kept affordable for decades.

We also use housing that is affordable (lowercase “a”) to describe market-rate units that are low-cost but not government-subsidized—often older, smaller, or less updated homes that still cost around 30% or less of a resident’s income.⁷ These “naturally affordable” units can be an important housing option, though they may lack formal protections. Both types are considered in this study when referring to where residents lived before moving into Affordable Housing.

Top 5 Occupations by Volume	Annual Income	Monthly Income	Affordable Rent Needed
Farmworkers & Laborers	\$36,587	\$3,049	\$914
Home Health & Personal Care Aides	\$32,885	\$2,740	\$822
Waiters & Waitresses	\$34,154	\$2,846	\$853
Retail Salespersons	\$37,918	\$3,160	\$948
Registered Nurses	\$137,259	\$11,438	\$3,431

Data adapted from the U.S. Bureau of Labor Statistics. Note: the total incomes in this chart do not reflect real annual wages of some professions including farmworkers and several hospitality roles whose wages typically include earnings from overtime or holding two or more jobs within that sector.

Napa County (2025)	1-Person Household	2-Person Household	4-Person Household
Area Median Income	\$102,700	\$117,350	\$146,700
Extremely Low (<30% AMI)	\$33,700	\$38,500	\$48,100
Very Low (31–50% AMI)	\$56,100	\$64,100	\$80,150
Low (51–80% AMI)	\$89,750	\$102,550	\$128,150

Adapted from California Housing and Community Development

More than Rent Relief

How Location and Stability Define the Value of Affordable Housing in Napa Valley

Financial relief is one critical benefit for residents of deed-restricted Affordable Housing. But it's not the only, or even the most significant benefit, according to our respondents. We found some significant improvements in critical household spending among residents of Affordable Housing compared to ELI and VLI residents of the North Bay generally.⁸ For example, only 1 in 10 respondents say they skipped a medical appointment in the last year as a result of high rent costs, compared to nearly 4 in 10 ELI and VLI residents in the North Bay generally. Likewise, residents who spent less money on their Affordable Housing unit compared to their prior unit were nearly half as likely to experience financial stress from rent “often” or “always” as those whose rents had not changed.

Yet when narrowly construed, financial relief that affordable rents offer appears indirect and sometimes

insufficient for our respondents. **Nearly 9 in 10 residents of Napa Valley’s rent-restricted Affordable Housing units sometimes, often, or always experience financial stress because of the cost of their housing.**

And while 4 in 10 Affordable Housing households could cover the cost of their housing if they faced an unexpected payment of \$700, those rates hold steady for nearly all ELI and VLI residents of the North Bay among whom 60% say unexpected expenses are the largest sources of worry.

At first glance, this can appear like an underwhelming result. If the singular goal of rent caps is to bring rents to within ranges that HUD and other agencies deem affordable, shouldn’t financial relief be a clear outcome of housing that is affordable?

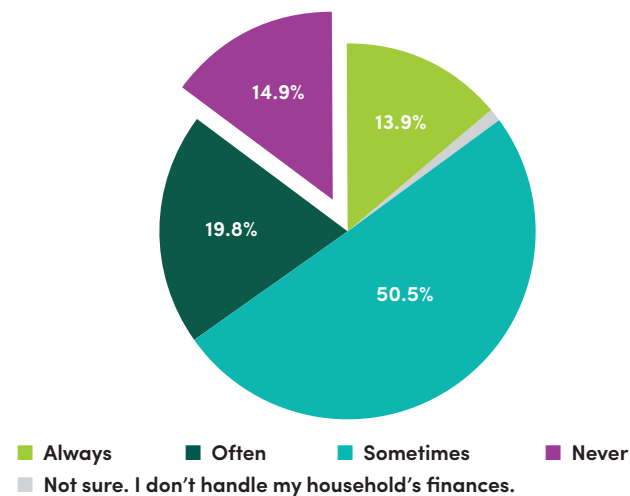


Figure 1. A Majority of Napa Valley’s Affordable Housing Residents Still Experience Regular Financial Stress from Paying Rent. Residents were asked how often the current cost of their housing caused them or other members of their household to be stressed about their household’s financial situation.

Since moving into affordably-priced housing, life has gotten a lot easier. We're saving money, buying healthier food, and are finally able to set aside something for my child's education. The home is safer, more comfortable, and closer to work and school, which makes a big difference every day.

RESIDENT TESTIMONY

Consistent with national research, we find that financial relief is an outcome for some residents of rent-restricted homes but not all, likely due to Napa Valley's uniquely high costs of living including child care, transportation, and grocery prices. Combined with housing costs that are rising at rates faster than wages in job sectors held by a vast majority of low-income residents, respondents to our survey reflect national and regional data "that more than 40 percent of LIHTC residents pay more than 30 percent of their income on housing."⁹ **We found that over the past year, 6 in 10 Napa Valley residents of Affordable Housing had considered taking some action to better afford their rent including taking a second job, relocating, asking for help paying rent, or using credit cards.**

These factors speak to the high cost of living for residents earning lower-wage jobs or fixed incomes in Napa Valley regardless of whether they are residents of Affordable Housing or not. Non-housing costs may minimize the role that lower and restricted rents can play in reducing overall financial stress. If lower income households have less left over at the end of the month than higher earners (even if both are paying the same percentage of their income towards rent), then lower earners are disproportionately stressed by high housing costs compared to their higher earning counterparts.

Yet concerns of financial hardship are not the full picture. Residents share additional positive benefits and widespread relief in their lives beyond financial relief as a result of living in these affordable homes.

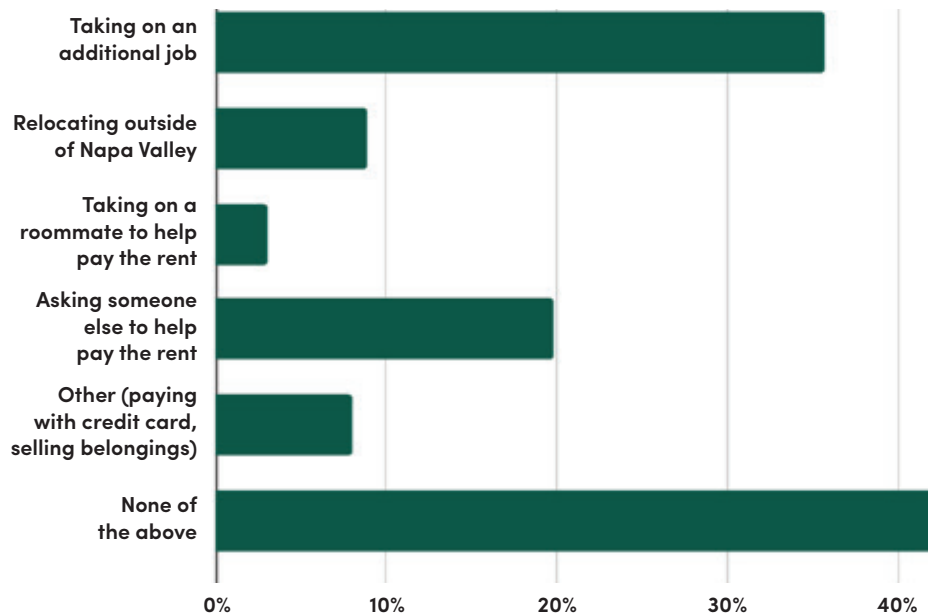


Figure 2. Residents of Napa Valley's Affordable Housing Have Considered the Following Actions to Help Afford Rent. Residents were asked whether they or a member of their household considered any of the following actions since moving into their current home in order to afford the rent and to mark all that applied.

First we saved to buy a car and we are still saving for a house but everything is very expensive here in Napa.

Translated from Spanish

We love it here and without rising cost of inflation it would be ideal but even then, it's getting really tight to manage bills without applying for relief in areas.

Each of my children has their own space and although the rent is a little high [and we have] difficulties paying, it is a very safe space.

Translated from Spanish

The UC Berkeley Turner Center for Housing Innovation's 2018 survey of affordable housing residents noted a secondary finding that many who reported paying more for their affordable home than their prior home still considered their new home to be essential to their stability, quality of life, and even their financial success.¹⁰ Why? Because affordability alone was recognized as a tradeoff rather than a fixed quality among some respondents. When tenants had lived in extremely low-cost market-rate units, many were in substandard conditions such as garages or in subdivided homes (or housing that has been divided into smaller units to fit more households into the same amount of space). As one of our respondents noted, "We used to live in a garage and now we live in an apartment." Thus, the additional rent to live in housing that is affordable came with additional benefits that justified the jump in rent and, we might conclude, some financial stress.

In this first section, we define these as non-monetary benefits (proximity to jobs and job opportunities; access to high-value amenities like healthcare, childcare, and school; and quality of housing) that all merit value to residents even when they come with added financial cost and stress. Rent-restricted homes whose prices are comparatively higher than low-cost market rate housing nonetheless may offer chances to remain near jobs, remain within familiar communities, and afford housing quality that is not guaranteed on the private market.

This framework allows us to reframe rent-restricted Affordable Housing benefits as a set of tradeoffs that residents weigh carefully. Here, proximity of homes to jobs and other amenities may mitigate slightly increased cost and subsequent financial stress. We can consider these benefits to be resiliency factors that make rent-restricted Affordable Housing units uniquely valuable and well-positioned to bring added benefits to Napa Valley. These benefits may be especially critical when taken in a context of rising housing costs, high job demand among lower-wage sectors, and significant displacement that has pushed out lower-wage residents. **In sum, affordable housing's affordability may not be its greatest benefit.**

In the following section, we show that access to rent-restricted Affordable Housing is benefitting low-income residents who are at greatest risk of displacement or even homelessness. Location may be the de facto driver of the value of housing that is affordable. We also show interactive effects in which location can reduce financial stress even when residents report paying more than they can regularly afford.

Living at our current home allows us to be closer to work and school, saving money on gas and additional transportation expenses. It also helped us not to be homeless and have good living conditions.

It has helped us to have a little more to save, to be closer to work and the markets. And also to pay debts that were very difficult to pay before.

Translated from Spanish

Location as Relief: Affordable Housing Near Jobs Supports Economic Resiliency

Location and quality of home should not necessarily be understood as factors separate from financial relief, but rather as closely connected to those goals. For example, if location helps a resident maintain their job, it might contribute directly to increased income and financial stability.

Our survey reveals a compelling connection between the location of rent-restricted Affordable Housing units and the well-being of its residents, particularly in relation to job proximity and financial stress. Over 8 in 10 respondents reported that their Affordable Housing unit allowed them to either move closer to their job, school, or family, or avoid moving farther away—highlighting location as a common benefit of Affordable Housing. This finding aligns with broader research showing that whereas most long-distance commuters (defined as commutes of 50 miles or more) accept longer travel distances in exchange for higher-wages and lower-cost housing, lower-wage workers do not enjoy this tradeoff and therefore depend

on the availability of affordable units in close proximity to their jobs.¹¹ In regions like Napa Valley, where in-county workforce residency is rapidly declining, the mismatch between affordable units and low-wage job centers becomes even more pronounced.

Critically, our survey shows that residents who moved closer to work experienced significantly lower rates of financial stress: **only 6% of those who moved closer reported always feeling financial stress, compared to nearly 100% of those who moved farther.** In fact, 70% of residents living closer to work said they felt financial stress “never” or only “sometimes,” pointing to job proximity as a meaningful buffer against financial strain. These findings reinforce the need to prioritize the preservation and production of rent-restricted Affordable Housing in job-rich areas, not only to reduce commute times and support employment retention, but also to alleviate the broader financial burdens of commuting faced by low-income households.

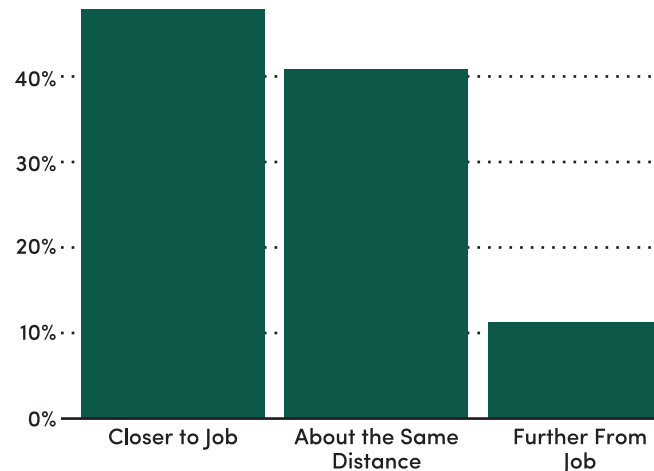


Figure 3. A Vast Majority of Residents Report that Their Affordable Home Allowed them to Move Closer to or Remain Close to Jobs. A vast majority (nearly 89%) of respondents indicated that their affordable home allowed them to either move closer to their job or avoid having to move farther away.

These findings are notable given that in other California regions “only 4% of lower-wage workers work in areas where the number of affordable rentals exceeds the number of low wage jobs,” a trend that did not apply to medium-wage and higher-wage workers for whom cost-appropriate housing near their jobs was proportionately plentiful.¹²

Affordable housing is critical for the health and stability of the Napa workforce. Like many parts of California, we are facing a housing shortage in our community. It takes all of us—local organizations, builders, community members and government officials—working together to find unique solutions that spur development.

From reducing stress and commute times to allowing more time for exercise and community involvement, the health benefits of working and living in the same community are well known. In line with our vision, Health for a Better World, we are committed to supporting housing efforts that allow us to retain and attract top talent to our medical center while having a positive impact on the health of our workforce and our environment.

Dr. Amy Herold, CAO and CMO at Providence Queen of the Valley Medical Center

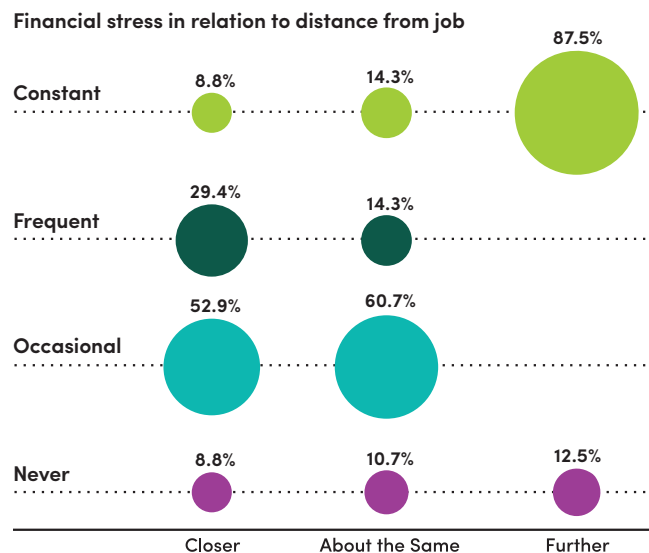
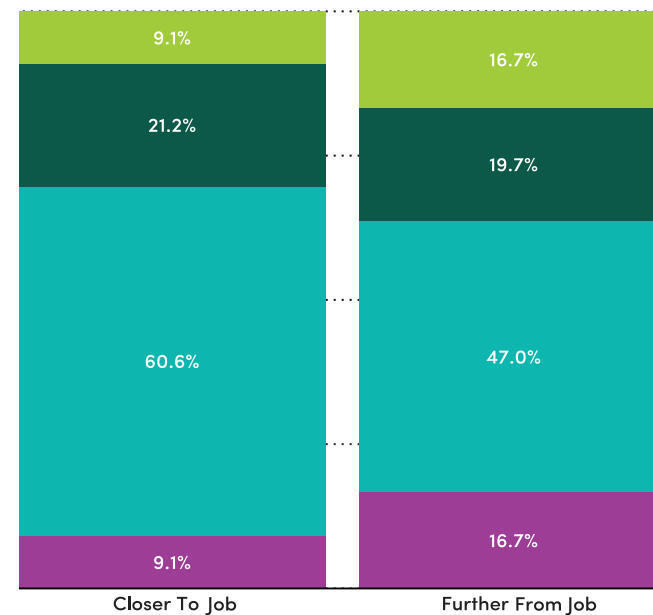


Figure 4. Living Closer to Jobs Helped with Financial Stress.

More importantly, we find that the location of affordable homes relative to the jobs held by residents may mitigate rates of financial stress experienced by residents. Nearly 9 in 10 residents who had moved farther from their job than their prior home reported experiencing stress related to household finances nearly constantly compared to only 14% of those who had stayed the same distance and only 9% of those who had moved closer to their work because of their new home.

Rates of stress skewed towards low and infrequent among those who had reported moving closer to their job or had maintained the same distance in their new home, across unit-type, expense level, and unit location. Sixty percent of residents who reported that rent-restricted Affordable Housing allowed them to move closer to their job said they experienced financial stress only “sometimes” or “never” while only 12% of those who had moved farther away reported similar levels of low stress. Some of the strongest correlation we see to lower financial stress was proximity of home to job.



Financial stress in relation to distance from job

■ Constant ■ Frequent ■ Occasional ■ None

Figure 5. Among Residents Who Said Location to Job Was a Benefit We See Mitigated Financial Stress. Only 9% of residents who had ranked greater proximity to their job as a benefit of their new affordable unit felt financial stress constantly, a seven percentage point decrease from those who did not rank this as a benefit. More residents who had ranked greater proximity to their job as a benefit of their new affordable unit (60%) felt only occasional financial stress than those who had not ranked this as a benefit at all (47%)

We can begin to save for our children's education if they decide to pursue a career at a university or college.

I'm saving money to move to a cottage in Yountville.

We are able to save a bit of money. We never really had the opportunity to save because there's always something. But [without] paying too much rent, I think we will be able to save each month.

Preventing Workforce and Resident Relocation Through Affordable Housing

Access to rent-restricted Affordable Housing benefits residents with proximity to more than just jobs, according to our respondents. Simply remaining in the community of their choice is a non-monetary benefit of their affordable home. This is especially true as lower-income households seek lower-cost housing well outside of city centers and commercial corridors. Since 2005, Napa Valley has lost 8,000 households making less than \$100,000.¹³

Rent-restricted Affordable Housing plays a key role in preserving community ties for low-income residents.

More than two-thirds of survey respondents—especially families with children—indicated they would have been

"very likely" or "somewhat likely" to move farther away

had they not secured their current home. This aligns with broader Generation Housing data showing that fears of displacement are common among extremely and very low-income households, especially those who do not live in housing that is affordable, with nearly half of ELI residents regularly worried about having to move.¹⁴ However, once in their new Affordable Housing unit, only 1 in 10 residents in our survey reported seriously considering relocation, a much lower rate than ELI and VLI residents generally (see Figure 8 on page 15).

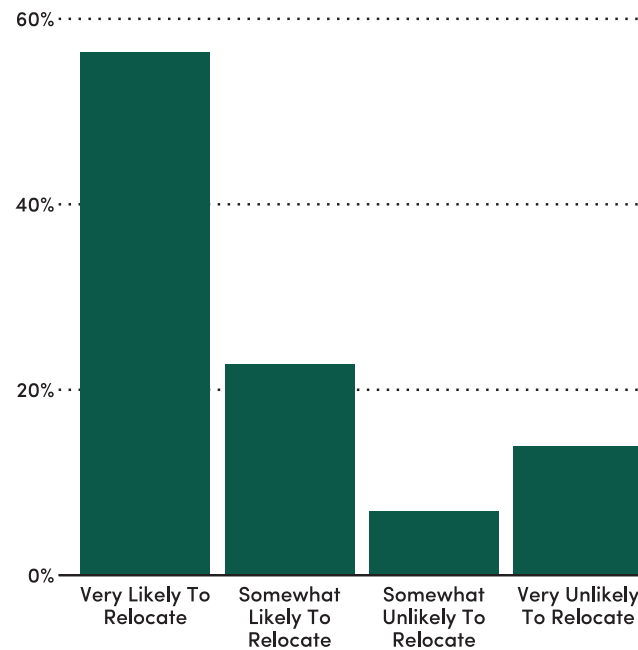


Figure 6. Without Access to their Current Home Most Residents Would Have Been "Very Likely" to Move Farther Away. Three in 4 respondents (75%) predicted they would be "very likely" or "somewhat likely" to have moved farther away if they had not been accepted into their current home. Additional examination showed that between half and two-thirds of those households most likely to move are families with children.

The demand for low-income housing has gone up 100% among our members but the percentage of units that are reserved for low-income residents is not keeping up with demand. We see many families who do not want to move from the Napa Valley because of the connections they have made here with doctors and school teachers. The tradeoffs that families make in order to make this work aren't just reflected in household budgets but in the steps families take, like driving kids to multiple schools, cutting extra goods like cable television, or going to food banks.

Members of On the Verge, a place-based leadership development program organized by On the Move (in conversation with our interviewer)

When faced with potential rent increases, residents were more likely to consider cutting expenses or finding additional income before moving, reinforcing our finding that location may be a tradeoff residents of Affordable Housing are willing to make for additional financial stress and further suggesting that Affordable Housing's ability to offer proximity to work and amenities may be its greatest benefit to respondents. In high-cost regions like Napa Valley, where housing pressures are acute and homelessness risk remains high, rent-restricted Affordable Housing offers one of the few remaining pathways for low-income households to live and remain in the communities where they work and belong.

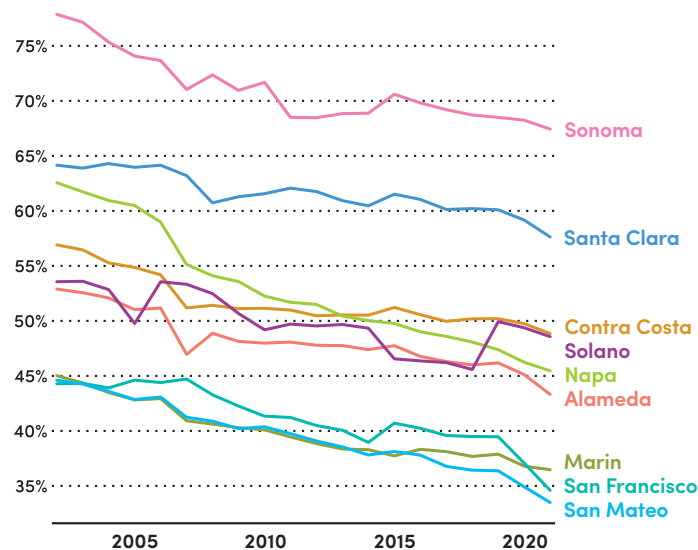


Figure 7. Decreasing Share of Workforce Residents Across All Job Sectors Live In-County, 2002-2021.¹⁵ Out-of-Valley healthcare employees grew in total from about 2,000 in 2010 to 6,000 today and now make up the majority of workers in that sector.¹⁶ Our findings suggest rent-restricted Affordable Housing may be a tool for preventing this relocation.

As we've noted in our Napa Valley Housing Needs Assessment report, Napa Valley has seen the largest drop in in-county workers—workers who live in the county they work in, as opposed to workers who do not live in the county they work in—among all Bay Area counties. This is most pronounced in fields with lower-wages including hospitality/accommodation and healthcare workers, who have seen the largest increase in employees living outside of the Valley since 2002.

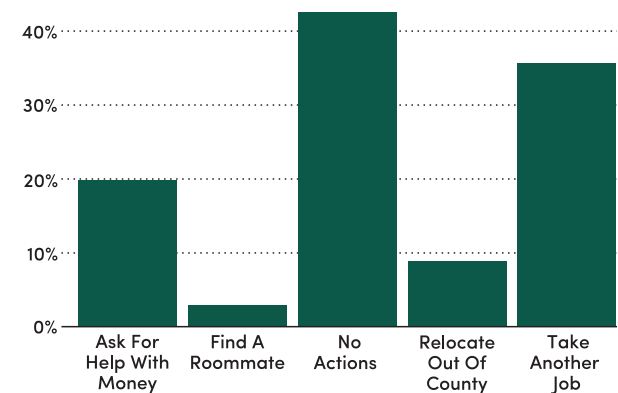


Figure 8. Very Few Residents of Affordable Housing Considered Moving from Their Current Home to Help Them Better Meet Rent. Fewer than 10% of rent-restricted Affordable Housing residents we surveyed had considered moving from their current home in the last year even when considering it as a way to reduce rental cost burden; more residents who had considered some action to ease cost burden favored other options first such as taking on another job (35%) or asking for help with rent (20%). Our data suggests that location may not be something residents are willing to sacrifice, even when it is among several options for reducing housing cost.

This rate of potential displacement compares favorably to the nearly 45% of ELI residents overall and 58% of VLI residents of the North Bay who were regularly worried about needing to move from their home due to rent increases.¹⁷

Affordable housing functions as a safety net for Napa Valley's lowest earning households, but less so in terms of monthly financial relief. Instead, rent-restricted Affordable Housing in Napa Valley provides some of the last remaining options for low-income households to live where they work,

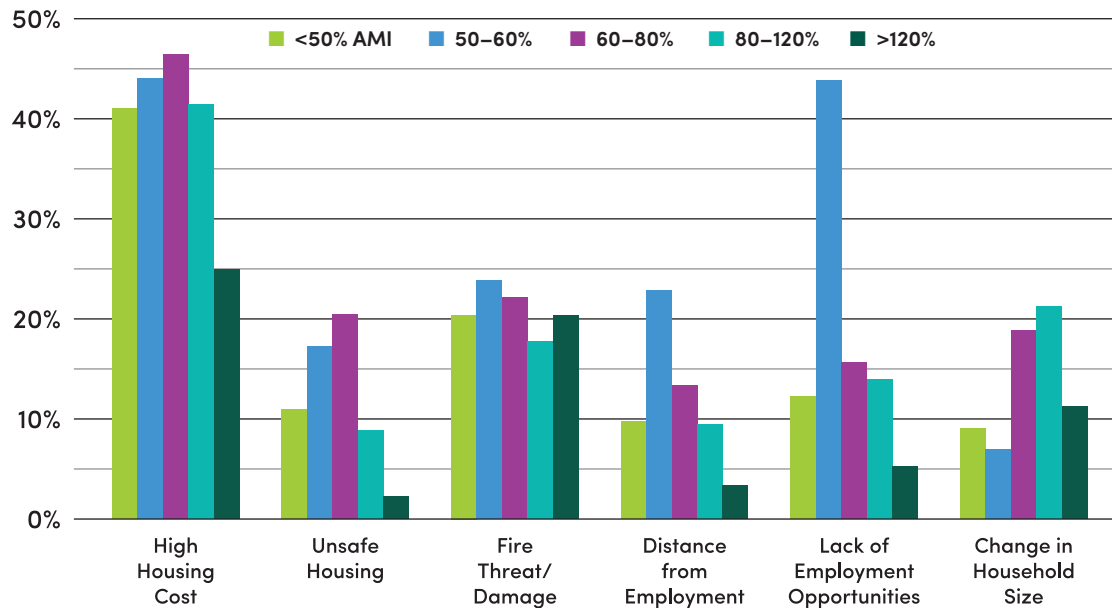


Figure 9. Affordable Housing Provides Greater Certainty in a Market Where High Housing Costs Are the Most Common Reason for Considering Relocating. This helps a population already at risk: The most common reason that North Bay's ELI and VLI residents cited for having to move was high housing costs, at higher response rate than unsafe housing, distance from job, or change in household size.¹⁶

attend school in the same district, and have family nearby. Without it low-income households would likely move elsewhere (out of Napa Valley) or have never been able to live where they do now.

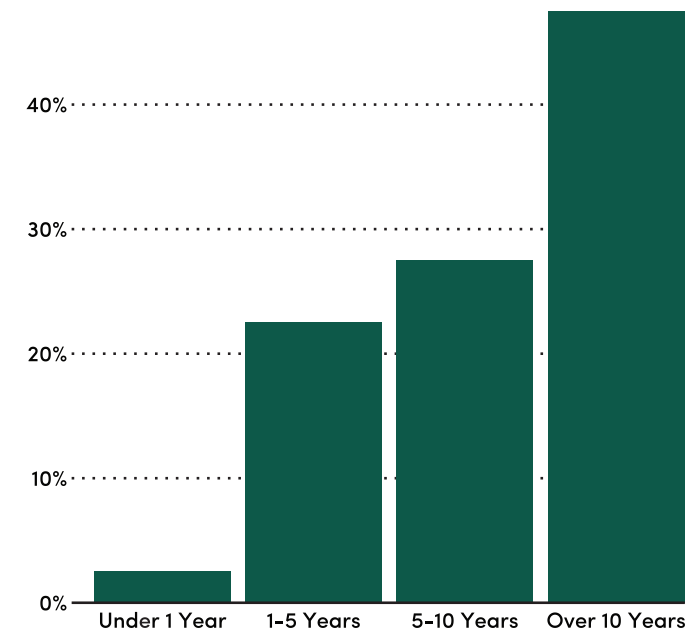


Figure 10. Half of Respondents in Affordable Housing Believe they Will Save for a Down Payment In 10 Years or Less. Two out of 10 residents of Affordable Housing believe they can afford to buy a home with savings from their current residence within 1-5 years while another 28% believe this can be done within 5-10 years. This marks a significant improvement in timeline to save among lower-earning households. Minimum wage earners may take up to 20 years to purchase a home in many areas, suggesting that rent-restricted Affordable Housing units can significantly shrink the timeline for its residents to save for a down payment.¹⁹

I can live independently and not live with others in possibly challenging living arrangements. I am disabled, so I don't have to worry about my slow and set ways imposing on others.

More space in my home and I was able to buy my car.

Translated from Spanish

I am closer to my daughter's school and the stores where we buy groceries."

Translated from Spanish

My kids are more happy with their own room and more space as we are a family of 5 and come from a 1-bedroom apartment.

Access to Amenities and Quality of Home Enhances Housing Outcomes

Rent-restricted Affordable Housing plays an important role in improving quality of life through better location and housing conditions. Residents who moved closer to amenities such as schools and child care, transit hubs, and shopping reported markedly lower stress levels: 62% experienced financial stress "never" or only "sometimes," compared to just 40% of those who moved farther away. **Most strikingly, the share of residents reporting constant stress dropped from nearly 25% to just 5% when they were able to move closer to key services and resources.**

Similarly, over 80% of residents who experienced improved housing quality or space reported lower stress levels, while 45% of those without such improvements continued to

feel stress often or always. These outcomes suggest that rent-restricted units, which are typically newer, better maintained, and subject to rigorous quality regulations, provide more than affordability. They also offer stability, dignity, and access to the resources that support the well-being of the residents. In contrast to naturally occurring housing that is affordable, which often are older or substandard homes, rent-restricted units such as those constructed under the LIHTC program serve as a safeguard against the erosion of non-restricted low-cost rentals, particularly in high-resource areas facing housing pressures that could lead to for-sale conversions. These units not only meet immediate housing needs but also act as a buffer against the broader loss of accessible, high-quality housing options for low-income families.

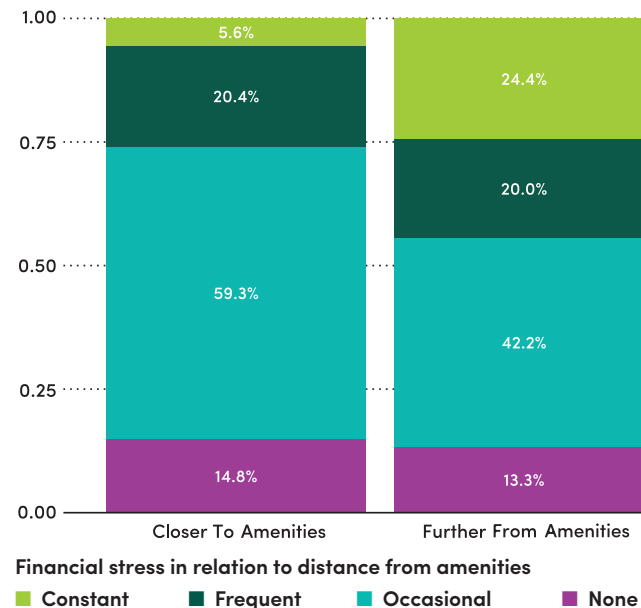


Figure 11. Proximity to Amenities Reduced Financial Stress. Seventy-five percent of residents who moved closer to amenities never or only occasionally felt stress versus 55% of those who had moved farther. Rates of feeling stress all the time dropped from nearly 25% to 5% when moving closer to amenities.

To get a sense of what proximity to amenities like schools means for respondents, consider one survey participant who noted that the move into an affordable home changed their and their family's schedule. "We lived in over 6 houses in 3 years and [my children] were already 1 hour away from their school. We came home at 10:00 at night every day and [my children] didn't get enough rest. Thanks to this home, they have changed their lives." (Translated from Spanish)

Overall super better. Living in just a space way bigger than a one bedroom house for 3 boys and our parents. It's helped so much... We've been able to live a little less check to check and be able to buy our daily needs and of course gifts for holidays.

The schools are close to me.
Translated from Spanish

I am closer to the things and services we need and obviously there are more resources for what is offered.
Translated from Spanish

First we saved to buy a car and we are still saving for a house but everything is very expensive here in Napa.
Translated from Spanish

Rent-restricted affordable homes may serve as a bulwark against long-term “decline in low-cost rental units... from rent increases, conversions of rental units to other forms of ownership, and building demolitions that have not been counteracted by construction of additional affordable units,” as their deed-restrictions typically span generations.²⁰ This is especially critical in high-amenity areas where market-rate conversion pressures are highest. Proximity to high-amenity areas for low-income residents may rank among rent-restricted Affordable Housing’s most valuable features, and thus one that residents consider as a worthy tradeoff for reducing financial stress.

We might also not be surprised to see quality noted among the benefits of rent-restricted units. Naturally-occurring housing that is affordable may offer rents that are

below-market rate because they are “older, smaller, [or] substandard in some way.”²¹ Although rent-restricted units such as those produced under LIHTC may offer less choice than the options available via rental assistance programs, which allows residents more control over the housing type they choose, LIHTC homes historically offer better management and must meet particular standards—both of which might contribute to the greater likelihood of people being more satisfied with their home and thus viewing it as a comparative tradeoff for slightly higher rents.

LIHTC units therefore have a unique role to play in elevating the quality of low-cost housing options and to serve as a protection against the loss of low-cost homes to market-rate conversions, especially in high-amenity regions in Napa Valley’s cities and towns.

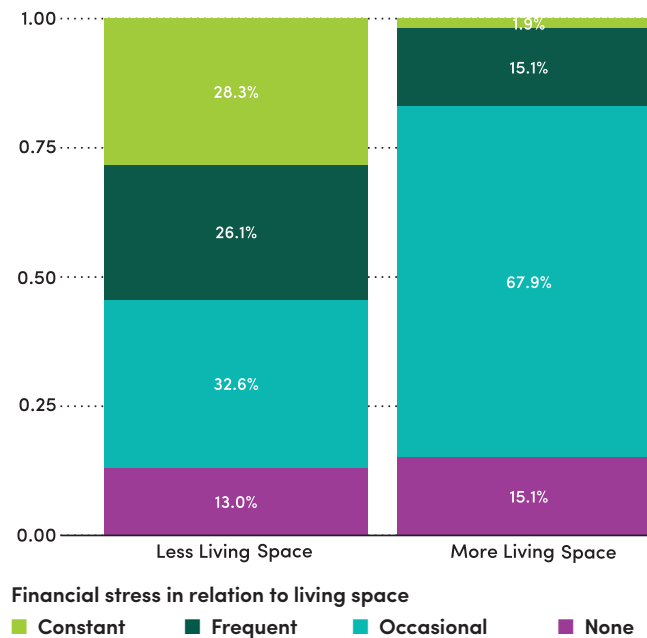


Figure 12. More Space in Current Home also Reduced Financial Stress. Nearly 4 in 5 residents (83%) whose rent-restricted Affordable Housing unit provided some improvement or upgrade to their space reported low (“no stress” or “occasional stress”) financial stress versus only 45% of those who had not seen an improvement in their space. Rates of feeling stress all the time (often or always) dropped from nearly 55% to 17% among residents who had seen an improvement in housing quality.

When Affordability Doesn't Mean Financial Relief

Why Financial Strain Persists in Affordable Housing

While Affordable Housing is often assumed to provide direct financial relief, our findings suggest that this benefit isn't always the primary outcome of residency in a rent-restricted unit. Occasionally, financial relief is an indirect outcome of other benefits. In fact, the clearest advantages reported by residents were non-monetary, rather than a sense of financial breathing room. As discussed in the introduction, we approached this research with a broad lens, looking beyond rent levels alone to assess the full

scope of value rent-restricted Affordable Housing may offer. Still, when it comes to reducing financial stress, our survey shows that residents of rent-restricted Affordable Housing experience challenges at rates comparable to low-income renters in general. For many, rent-restricted homes seem to enable basic survival—but not necessarily long-term stability or financial growth.

Financial relief remains elusive for so many residents because of the complexity of the conditions that shape household budget stress. Income levels vary widely within eligibility brackets as do the types and stability of income. Meanwhile, non-housing expenses—like childcare, transportation, healthcare, and food—remain high, especially in regions like Napa Valley.²² Even when housing is subsidized, its location relative to jobs, schools, and services can significantly affect a household's broader financial outlook. These intersecting factors help explain why Affordable Housing, while essential, doesn't always deliver the consistent financial cushion its name implies.

Affordable Housing serves a region's lowest-wage and income earners. In its last update in 2023, HUD classified 95% of households in any kind of subsidized housing as VLI and ELI earners—suggesting that residents are not just low-income earners but those earning the lowest wages in a given region.²³ Across these income categories, the median household income in California's LIHTC housing was found to be just above \$23,000 a year.²⁴





Capturing financial need across all housing and non-housing expenses depends on self-reporting from residents that can be complicated by the fact that residents identify “need” by subjective standards that can differ widely from one another. This survey sheds additional light on what many housing providers and government subsidy providers within the county have known for awhile: that need for housing assistance may be higher than residents of Affordable Housing typically acknowledge and thus typically ask for. For example, applicants to several county programs such as The Season for Sharing Program and the Stable Housing & Community Resilience Program, which respectively provide one-time and monthly grants to assist with rent and other housing costs, typically ask for less than they need. Whether due to the belief that others' needs are higher or a result of underestimating their own level of need, these findings exemplify how relying on self-reported need has drawbacks. Framing questions around the level of financial stress and worry may avoid these challenges by shedding light on the impact of housing cost on financial stress without asking residents to quantify need.

Consistent with research from the Turner Center, the slight majority of working-age LIHTC respondents were employed. Non-wage earning residents may receive income from the Temporary Assistance for Needy Families (TANF) program, general assistance, or emergency assistance payments and others; Social Security payments; insurance benefits; pensions; interest or dividends; and payments in lieu of salary like worker's compensation, severance, unemployment, or disability.

Yet it may be the structure of the LIHTC program, especially when compared to other types of housing subsidies and assistance, that inhibits its ability to support residents's financial security. Unlike programs where the cost of rent is tied directly to a household's specific income (typically capped at 30% of income), LIHTC uses a tiered structure based on Area Median Income (AMI). Units are priced at 30% of fixed AMI tiers regardless of a tenant's actual income. However, because AMI tiers are wide in scope, with a single tier ranging from \$80,000 to \$48,000 in annual income, this can result in rent levels that are over the 30% target for residents at the lower end of a given tier. For example, a three-person Very Low-Income (VLI) household in Napa Valley may qualify under the 50% AMI cap of \$72,150, allowing a unit to be priced at \$1,803/month. But if that household earns closer to the lower end of the tier—around \$44,000—they can only afford about \$1,100/month, creating a significant rent gap.

While LIHTC avoids penalizing income mobility—since rent doesn't increase as income increases—it also means that the lowest-income residents face higher rent burdens. In fact, the Turner Center found that around 40% of LIHTC tenants pay more than 30% of their income on rent, mirroring national trends. Still, it's important not to conflate LIHTC's benefits—like housing stability or protection from displacement—with financial relief. Instead, the security of staying in place, even without deep subsidies, offers meaningful support to low-income residents beyond traditional affordability measures.

At Community Action of Napa Valley, we've seen a significant increase in demand across all of our food access programs. Many of our clients are making impossible choices between rent and groceries—some skipping meals entirely to keep a roof over their heads. The rising cost of housing is directly impacting food security in our region and putting immense strain on local food pantries that are already stretched thin.

*Lisa DeRose-Hernandez,
Program Director at
Community Action
of Napa Valley*

The Gap in Relief: Financial Stress Persists Despite Affordable Housing

Contrary to expectations, many low-income residents in Napa Valley's rent-restricted Affordable Housing do not experience full financial relief from their housing costs. While housing that is affordable is often viewed as a stabilizing force for low-income households, **just under half of respondents reported that their rent “sometimes” or “never” left them with enough for other basic household needs.** Nearly 90% of residents experience financial stress

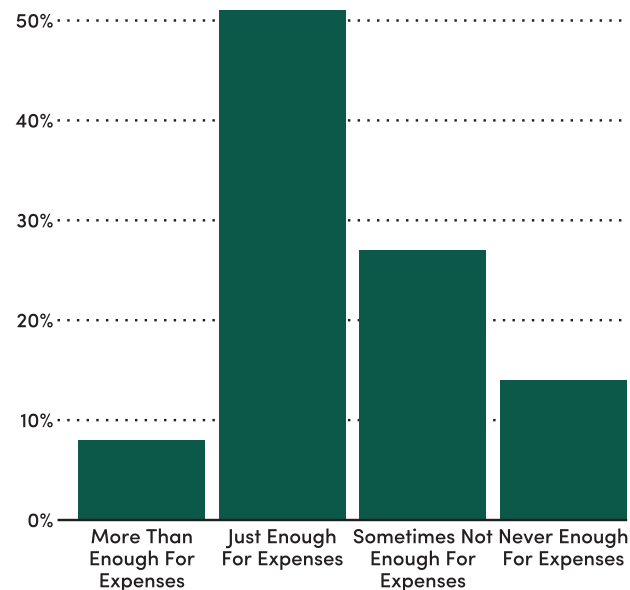


Figure 13. Housing Costs Rarely or Never Left Affordable Housing Residents with Sufficient Funds to Meet Household Needs. Just under half (43%) of our respondents revealed that their housing costs never or only sometimes left them with sufficient funds to meet household needs at the end of each month. A full 92% said they never had more than enough for other expenses after paying rent.

“sometimes,” “often,” or “always” due to housing costs—rates that closely mirror low-income residents who live in all housing types. Moreover, 70% of respondents said they had skipped paying a bill to afford rent, and over half had foregone meals or groceries—indicators of severe cost burden consistent with statewide trends.

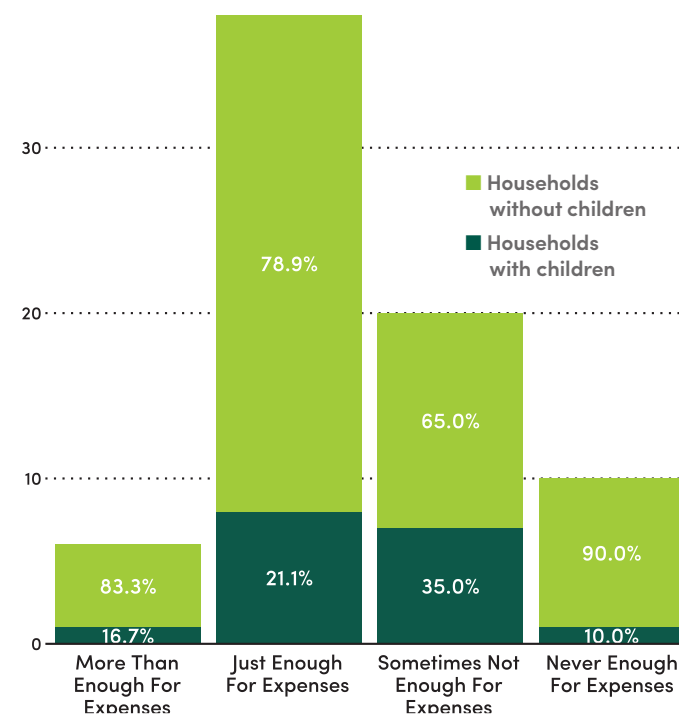


Figure 14. Many Households Who Regularly Reported Insufficient Funds Left to Cover Expenses Were Families. Of those households who sometimes didn't have enough leftover to meet other expenses, 1 in 3 were households with children under 18.

When asked about a modest rent increase of \$150, a majority said they would need to cut a major expense or take on additional work, with 1 in 4 indicating they would need to move. These findings suggest that Napa Valley's rent-restricted Affordable Housing, while offering critical stability, may fall short of delivering the baseline level of

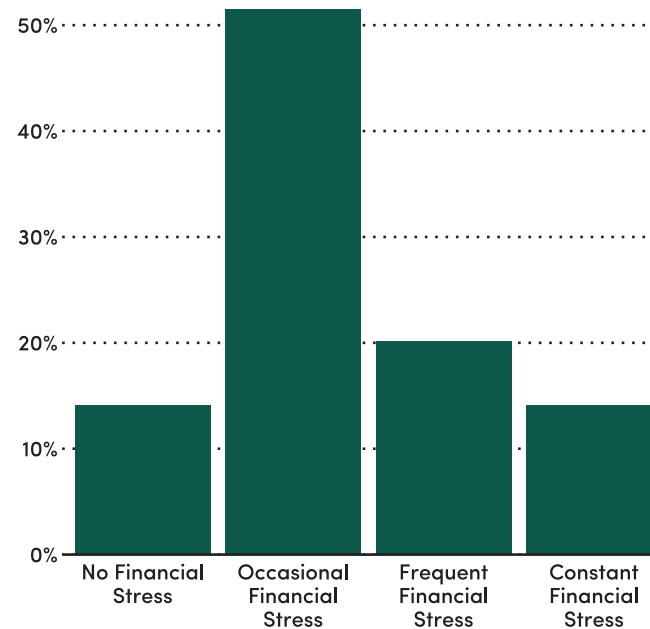


Figure 15. Financial Stress Due to Cost of Housing Remains High for Residents of Affordable Housing.

Nearly 9 in 10 of all low-income households in Napa Valley's rent-restricted Affordable Housing units reported being financially stressed constantly, frequently, or occasionally due to the cost of their housing.

financial relief that advocates and policymakers often assume it provides. Organizations such as Community Action of Napa Valley as well as other food banks and reduced-cost providers of essentials step in to offset household spending via increased access to low and no cost food in the Valley.

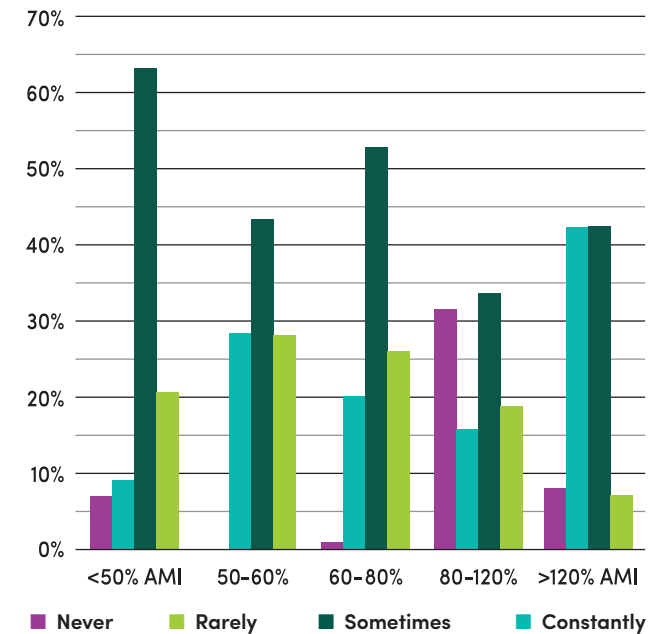


Figure 16. Low-Income Residents of Affordable Housing Experience Financial Stress from Rent at Rates Equal to Residents in Other Types of Housing.

These rates of financial stress due to cost of housing are not demonstrably lower than that of the general low-income population in Napa Valley regardless of the type of unit. Just over 80% of ELI and 69% of VLI residents reported experiencing financial stress from housing cost "sometimes" or "constantly."

“My apartment is not affordably-priced housing. [I’m] paying the same as my apartment in SoCal, so I have to keep working!

I can’t live without roommates.

I live check by check, [and so have] no savings.

It is not so affordable (\$1,400).

Translated from Spanish

RESIDENT TESTIMONY

These analyses may overlook the share of residents who did benefit from affordable homes. For example, 60% of respondents had not considered seeking a second job or asking for help with money and half of ELI and VLI residents are able to meet their needs nearly all the time (“just covers” or “more than enough”). Yet we would expect these benefits to be a baseline outcome for nearly all

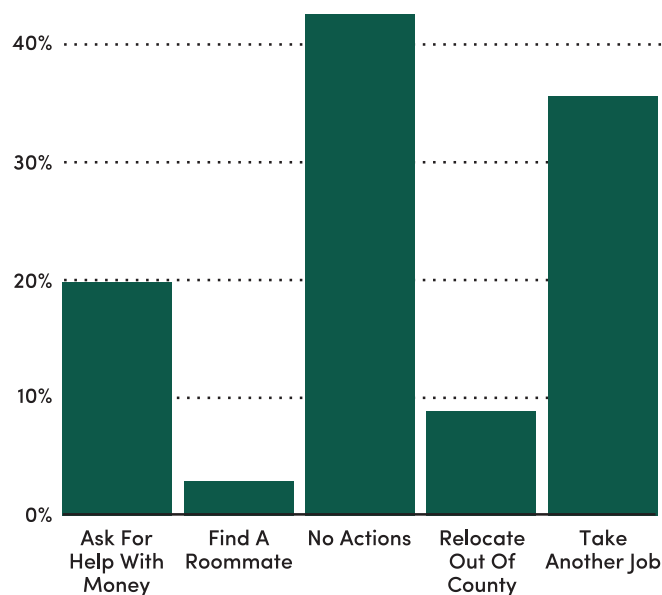


Figure 17. Most Residents Considered Some Form of Action to Better Afford the Rent. Six in 10 Napa Valley residents of Affordable Housing had considered taking some action to better afford their rent including taking a second job (35%), relocating (9%), asking for help paying rent (20%), or some combination of those.

residents of rent-restricted Affordable Housing, not merely half. To the extent that the goal of affordable housing is to provide reduced cost rents to help relieve financial stress that stems from high housing costs, we might expect the benefits to be more robust compared to low-income residents living in other kinds of homes.

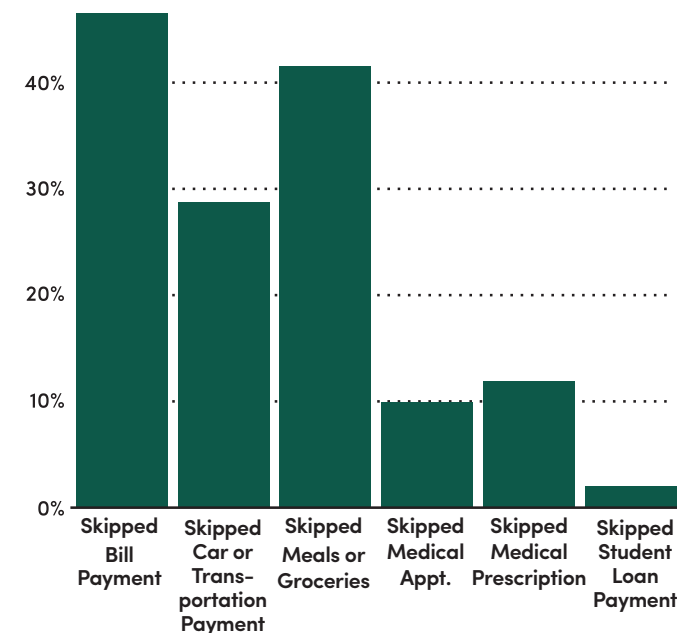


Figure 18. Napa Valley’s Affordable Housing Residents Skipped at Least One Major Payment in the Past Year to Be Able to Pay Rent. Nearly 5 in 10 households in Napa Valley’s rent-restricted Affordable Housing units who responded to our survey skipped paying a bill in the past year to be able to pay rent. Just under half reported skipping a meal or purchasing groceries (40%) and 1 in 3 reported skipping a car or transportation payment. These rates are close to the nearly 40% of all ELI and VLI residents across the North Bay who reported difficulty paying for food—the highest rates among any income group.

Narrow Gains: When Affordability Offers Only a Modest Buffer

Our research suggests that some low-income residents in Napa Valley's rent-restricted Affordable Housing experience benefits in a narrower set of conditions than expected. Roughly half of respondents said their current rent allows them to "just cover" or have money leftover after their monthly bills. This is a notable improvement compared to prior findings in Generation Housing's research in which

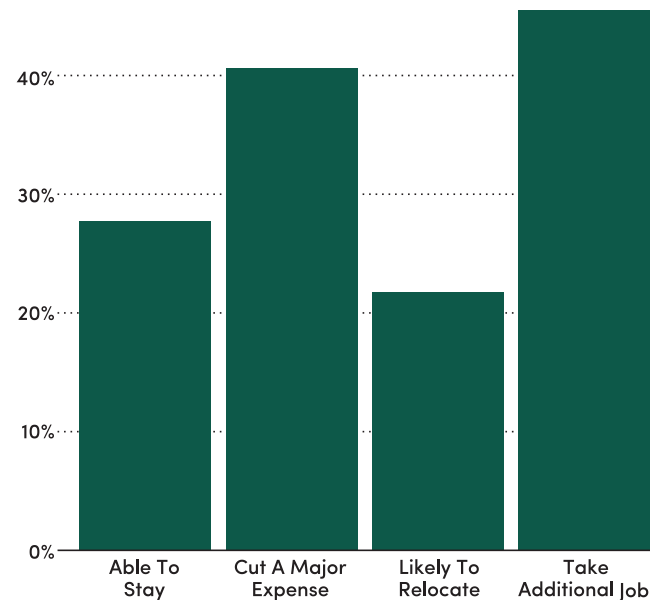


Figure 19. Half of All Residents Could Afford a Modest Increase in Rent Without Cutting Expenses. Just under half of all respondents living in rent-restricted Affordable Housing indicated that a \$150 per month increase in rent would likely require them to cut a major expense like child care or car payment (40%) or take on a second job (45%). The stability of residents' rent—and the relative insulation it provides against sharp increases in rent—is a critical factor of financial relief for many respondents.

ELI and VLI households from all housing types struggled to cover even basic costs like gas or phone bills. Yet in this survey, we found that 4 in 10 respondents living in Napa Valley's Affordable Housing reported they could absorb an unexpected \$700 expense without missing rent, and nearly half had never considered taking on a second job, asking for financial help, or seeking a roommate—suggesting a modest buffer for some.

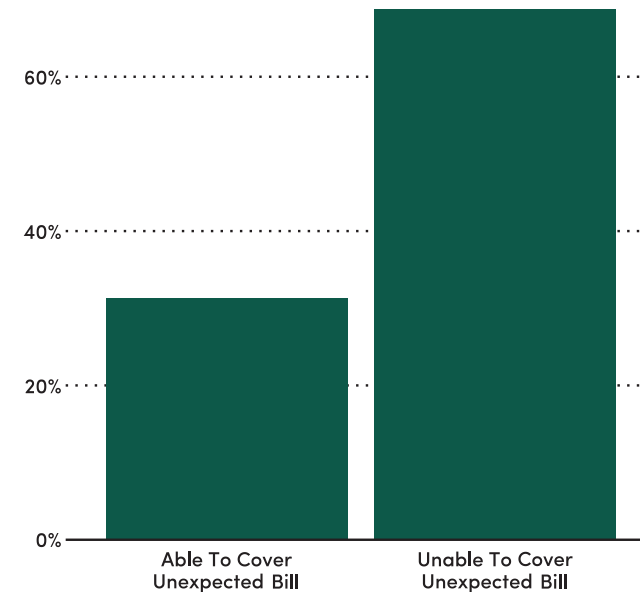


Figure 20. Some Residents Could Absorb an Unexpected Bill. Likewise, nearly 1 in 3 ELI and VLI residents of rent-restricted Affordable Housing could continue to pay their rent even if they faced an unexpected bill of \$700. This is a relatively large cushion of stability, and a critical protection in a region where one single unexpected expense is cited as a reason for falling behind on rent. Compare that rate to the nearly 50 and 60% of ELI and VLI residents, respectively, in the North Bay for whom unexpected expenses are the largest sources of worry.

I am a single mother of a 7.5 and 1 year old. I have struggled a lot since I am only able to work about 39 hours a week. So the fact that my rent is based off what I make... I don't over stress.

We can manage better with my husband's income and can meet ends with all of our bills.

Having affordable rent has allowed me to make necessary repairs on my automobile.

However, financial relief appears strongly tied to whether the new home actually lowered rent: only 44% of those who saw no cost savings reported having enough funds each month, compared to 55% of those who did—an 11-point difference. Similarly, the rate of experiencing financial stress “often” or “always” dropped from 69% to 45%.

among those who reported rent savings. These findings confirm that rent-restricted Affordable Housing can provide financial stability, but its success in easing financial stress depends significantly on whether it reduces rent relative to residents' prior housing situations.

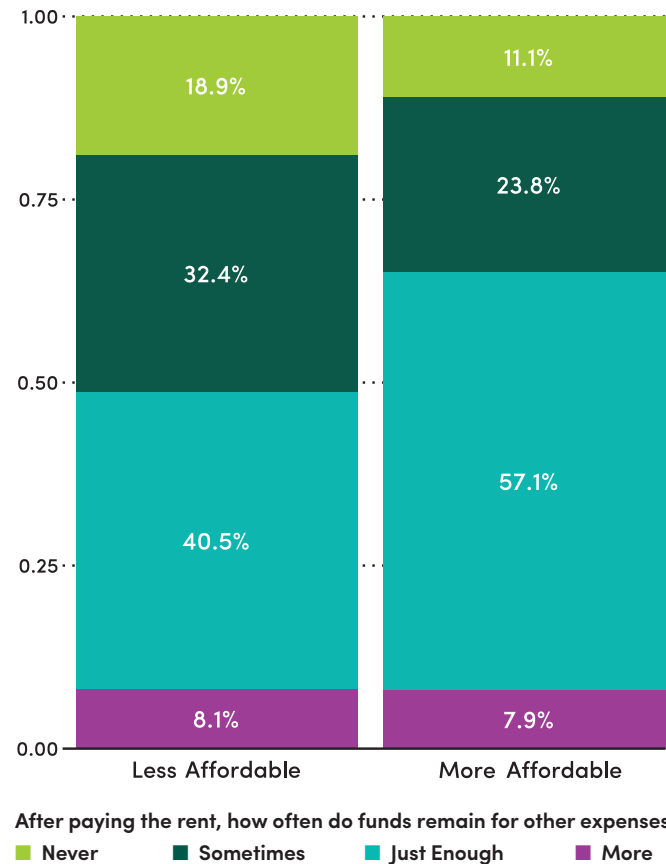


Figure 21. Most Benefits Went to Residents Who Paid Lower Rents in Their Current Home than Their Prior Home. Those who reported no rent savings since moving to their new home were only 48% likely to have “just enough” or “more than enough” funds left over each month to cover expense, compared to those who did experience savings, among whom 65% had “just enough” or “more than enough” funds left over each month.

Enhancing Affordable Housing's Benefits to Napa Valley

Leveraging Affordable Housing for Economic and Community Stability

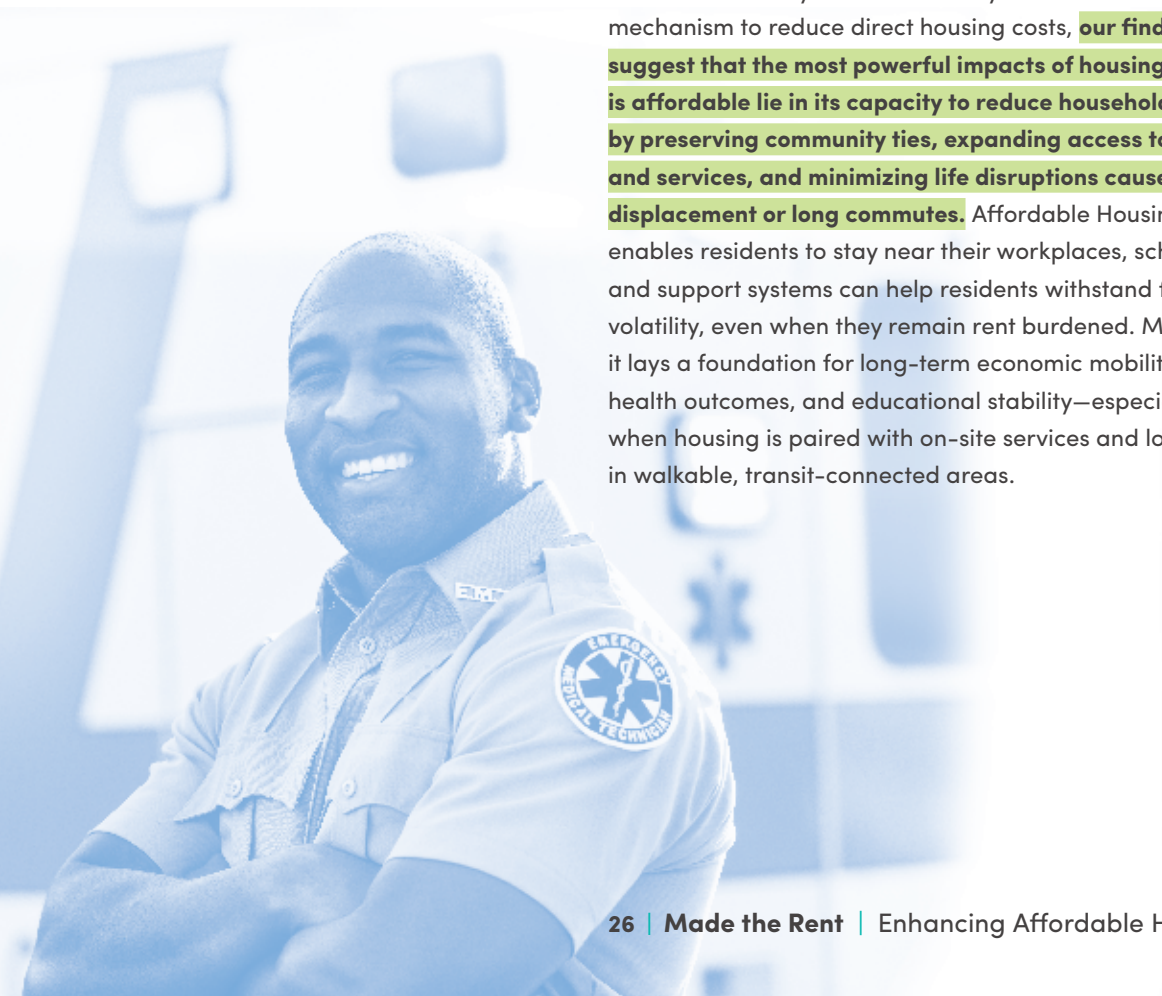
Affordable Housing in Napa Valley must, at its core, address the urgent need for deeply affordable options for the region's low-wage and lower-earning workforce. But the value of rent-restricted housing extends far beyond rent relief alone. When designed and located strategically, Affordable Housing serves as an investment in economic resilience, workforce stability, climate goals, educational outcomes, and community well-being. These broader benefits should be factored into how regional leaders plan, prioritize, and fund affordable housing development.

While affordability is often narrowly defined as a mechanism to reduce direct housing costs, **our findings suggest that the most powerful impacts of housing that is affordable lie in its capacity to reduce household stress by preserving community ties, expanding access to jobs and services, and minimizing life disruptions caused by displacement or long commutes.** Affordable Housing that enables residents to stay near their workplaces, schools, and support systems can help residents withstand financial volatility, even when they remain rent burdened. Moreover, it lays a foundation for long-term economic mobility, better health outcomes, and educational stability—especially when housing is paired with on-site services and located in walkable, transit-connected areas.

To maximize these returns, Napa Valley's housing strategy must align production of housing that is affordable with workforce retention, climate resilience, economic vitality, and school enrollment stabilization. This means prioritizing housing that is well-situated near job centers and transit, integrating services that enhance mental and physical health, and ensuring that families—particularly those with school-aged children—can remain rooted in the community. In short, Affordable Housing is not just a social safety net; it is an essential tool for building a more sustainable and equitable future for Napa Valley.

1. Strengthen the Local Workforce and Support Talent Retention In Growing Sectors by Focusing on Location as Well as the Cost Reduction Capacity of Affordable Housing: Affordable housing plays a critical role in sustaining Napa Valley's workforce, especially in sectors reliant on low- and moderate-income workers. As highlighted in Napa County's Housing Needs Assessment, the region increasingly depends on in-commuters from surrounding counties due to housing costs that outpace local wages.²⁵ This leads to mounting pressure on employers competing for talent in a constrained labor market.

Expanding affordable housing options near job centers can reduce commuting burdens and help attract and retain workers across essential industries. Affordable housing can play a unique role, among other low-cost housing options, in protecting the supply of longer-term rental options in job- and amenity-rich neighborhoods that tend to lose low-cost housing over time.



It has helped us to have a little more to save, to be closer to work and the markets. It has also helped us to pay debts that were very difficult to pay before.

Translated from Spanish

Being able to attend work and school without having to drive hours has become very valuable.

Research from the Urban Institute has shown that workers' proximity to jobs via options like affordable housing can improve employers' ability to attract and retain workers and improve stability among workers in sectors like accommodation and service that have inflexible work schedules. The Urban Institute found that proximity to work was so important that "64 percent of people who earn less than \$50,000 said they would consider a lateral employment move if it would shorten their commute."²⁶ The same *Transportation* study cited above found that "long commute distances increase the time and cost of employment... and increase employee turnover."²⁷

Housing doesn't just help residents secure jobs—it helps them expand the number of job options nearest to them and increase economic mobility. Our findings suggest that proximity to employment and amenities reduces financial stress, even when rents are not significantly lower, to the extent that they may help secure, diversify, and give residents' access to job opportunities nearby. Turner Center research confirms that predictable housing costs with no income-based penalties (as in LIHTC units) enable residents to invest in professional development, education, and job transitions without fear of displacement.²⁸

Affordable housing, in this way, serves as a platform for upward mobility rather than merely a stopgap. Growing income for low-earning residents may act as one lever to close the gap to housing affordability. Therefore it is increasingly important for employers in all industries to understand how the shortage of housing that is affordable directly impacts their workforce.

In high-cost regions especially, businesses should pair policy advocacy with direct investment in housing that is affordable. Doing so not only supports employee well-being but also serves as a strategic investment in workforce stability and long-term business performance.

One major Napa County industry has already demonstrated what public-private financing can yield for its employees. The Napa County Board of Supervisors, in conjunction with the Napa Valley Vintners, Napa Valley Grapegrowers, and the Napa County Farm Bureau, created and funded County Service Area No. 4 (CSA No. 4), which finances farmworker housing. Through a self-imposed annual assessment on vineyard acreage, this public-private partnership has generated over \$10 million since 2002 to maintain and operate three county-owned farmworker centers.

- 2. Reduce Displacement Through Greater Production of Affordable Housing and Focus on Affordable Housing's Capacity to Build Resiliency Through Additional Health/Mental Stress Programs:** A major insight of our survey of residents of rent-restricted Affordable Housing reveals that high quality, affordable housing that preserves location also maintains community, in turn reducing overall household financial stress. This occurs even when households report challenges making the rent. When low-income residents have multiple choices available to them in and around their current community, they have greater opportunity to remain close to family, faith communities, services, and familiar routines.

Our community faces a real challenge: farmworkers and hospitality staff can't find housing options their wages can afford. This isn't just about doing what's right—it's about protecting our economy. Agriculture drives the Napa Valley's success and supports thousands of local jobs. The people who work in our vineyards, farms, and hotels keep our region thriving. When these essential workers can afford to live here, our entire community benefits and stays strong.

Erica R. Sklar, President and CEO, and Marlene Santiago, Vice President of Resident Services, Napa Valley Community Housing

Currently their choices are restricted. According to the California Housing Partnership, declines in local and state funding have led to a drop in affordable home production since last year, with almost 9,000 fewer units produced.²⁹ At the same time that few are being added, many are pricing out of affordability. Reports have found that a share of the state's low-income housing units built through federal tax credits are "exempted from the state's rent cap... [and] Residents of some of those units have seen their rents soar."³⁰ All of this contributes to the decline of long-term neighborhood stability.

Communities that avoid constant turnover are more likely to be civically engaged, participate in mutual aid, and recover faster from climate disasters.

Flexible land use that incentivizes multifamily affordable housing through by-right approval or reduced impact fees can help close financing gaps, especially for LIHTC units.³¹ Finally, Napa Valley jurisdictions must consider use of publicly available land that can be offered at discounted rates to Affordable Housing.³² Each of these steps will allow local jurisdictions to achieve flexibility with how they choose to add to the stock of housing that is affordable.

Given the role that Affordable Housing plays in maintaining community resiliency, we also argue that the role of on-site service provision, case management, and mental health provision can be a crucial part of housing delivery. The Center on Budget and Policy Priorities argues that housing has a critical role—as both a site of service delivery and a source of community

stability—to foster health and wellness efforts. Local health and social service organizations can team up with housing providers to improve housing that is affordable, offer personalized support at home, and bring health programs directly to low-income communities.³³

3. Affordable Housing as Climate Action Tool:

Affordable housing that is located—whether centrally or decentrally—near a region's high-demand and labor intensive job sectors has the ability to densely house workforce residents and reduce vehicle miles traveled on commutes of over 50 miles. Centrally located housing that is affordable can reduce commutes at a greater impact than other forms of infill development given both the higher rate of public transit use by lower-income residents as well as the typical density of these types of homes.

Centrally located housing is a widely-recognized climate mitigation strategy as it reduces car dependence and total vehicle miles traveled (VMT). A report by the Turner Center on Bay Area driving patterns confirmed that "vehicle miles traveled (VMT) by residents of a neighborhood are higher at lower population density," meaning that regions with more or more densely located homes trigger less dependence on private vehicle usage in general.³⁴ Napa Valley will see less reduction in carbon emissions associated with vehicle usage if most of its newest housing is located on the outskirts of job centers and high-amenity neighborhoods.



If and when housing that is affordable must be located at farther distances, it must be paired with transportation options to reduce dependence on private vehicles. Not only are these sites on the outskirts of job centers but they are located in areas without public transportation access. The National League of Cities has shown that placing affordable housing near public transit hubs helps “lower-income individuals, Black or Hispanic communities, immigrants, and those under 50 who are most likely to rely on public transportation for mobility.”³⁵

At the same time that cities site homes where dense housing is possible, they must also allow for greater density where it isn’t already permitted— and do so at levels suitable for multifamily housing in particular. As elected officials weigh how to incentivize multifamily housing, they should consider the approval processes, minimum lot sizes, and height and parking requirements, all of which may dissuade affordable developers from certain infill sites.³⁶

Finally, centrally located housing that is affordable is also a disaster mitigation tool. Cities can leverage their power over financing and approval to “discourage developers from building in areas at high risk of floods, fires, and other hazards” where renters are already at a disadvantage when it comes to climate safety, according to the Urban Institute.³⁷ The strategic placement of Affordable Housing units near job centers, schools, and high-value amenities to reduce vehicle-based

commuting and foster walkable low-income housing sites, ensuring Napa Valley maximizes Affordable Housing as a climate action tool.

4. Amplify the Local Multiplier Effect and Keep Local Wages Circulating in Napa Valley: When low-income residents can afford to live where they work, they also spend locally. Our findings show that nearly all respondents spend money where they live. Thus, not only are they staying here, they are spending here. Every dollar that remains in Napa Valley, from groceries to gas to school supplies, supports local businesses and generates sales tax revenue. And in Affordable Housing, where residents are less likely to struggle to meet rent payments, the likelihood of spending money beyond the most basic needs grows. A study from the Joint Center for Housing Studies of Harvard University found that in 2011 “affordably housed families spent nearly five times as much on health care, a third more on food, and twice as much on retirement savings.”³⁸

Conversely, when workers are forced to live elsewhere, their income—and their spending—flows out of the county, meaning all those wages paid are spent elsewhere. Investment in rent-restricted Affordable Housing keeps economic activity anchored in Napa Valley and builds a more resilient and equitable local economy. For the economic engine of the Valley to be more self-perpetuating, keeping low-income residents in the Valley is a critical step.

I was able to get a car for my daughter to go to school and work and be closer to my husband's cancer treatment.

Translated from Spanish

I am closer to the things and services we need and obviously there are more resources for what is offered.

Translated from Spanish

Beyond the local multiplier effect, new affordable housing can grow the tax base. Since it is often built in areas that are underused, new development—whether mixed-use or mixed-income project—helps properties gain value, boosting the local tax base. This growth in tax revenue can then support further investment in the surrounding community.³⁹ The National Low Income Housing Coalition (NLIHC) estimates that every dollar spent on affordable housing stimulates the local economy by attracting both public and private investment, generating income through resident wages, and contributing to job creation and stability.⁴⁰

Keeping economic activity and wages circulating within the community by leveraging Affordable Housing to maintain the low-wage workforce instead of exporting our wages and local tax base to neighboring counties should be a key outcome of any new units.

5. Strengthening School Stability via Housing Affordability:

Housing helps keep families with school-age children in the region, which is essential for the stability of local public schools. Districts across California, including Napa County, have experienced enrollment declines tied to family displacement and rising housing costs. A stable student population supports school funding, staffing, and program continuity. Ensuring access to affordable family-sized homes directly supports local educational institutions and prevents the hollowing-out of community schools.

A growing body of evidence underscores the link between stable, affordable housing and improved educational outcomes for children.⁴¹ When families can access and maintain stable housing, it reduces

the frequency of disruptive residential and school moves which can significantly undermine children's academic achievement. Children who move frequently often experience stress, instructional interruptions, and weakened peer and teacher relationships. Affordable housing, particularly when located near schools, has been shown to reduce the number of disruptive moves, fostering greater educational continuity.

In high-cost regions like Napa Valley, these findings carry urgent relevance. School districts are experiencing declining enrollment as a direct result of families being priced out of the area. Reducing these out-migrations and improving continuity in the classroom will require housing-based solutions. Napa Valley's school districts will benefit from affordable housing options in neighborhoods with strong schools. And partnerships between school districts, housing authorities, and local nonprofits could strategically align housing placement with school access.

Finally, by addressing overcrowding and preventing homelessness—both of which disproportionately affect low-income residents in high-cost areas—Napa Valley can mitigate some of the hidden stressors that undermine children's ability to succeed in school. Targeted investments in housing that is affordable, particularly for families with young children or those at risk of displacement, would not only support better academic outcomes but also help stabilize the broader community.

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Appendix: Data Sources

UNITED STATES CENSUS BUREAU

The United States Census Bureau conducts censuses and surveys on the American people and economy, including the U.S. decennial census and the American Community Survey. We use data from the Census surveys and programs listed below.

American Community Survey (ACS):

The American Community Survey is a regular demographic survey of American households that began in 2005. We primarily use the 2018–2022 ACS 5-Year estimates, at both the county and jurisdictional level, but we also rely on ACS 1-Year estimates and ACS 5-Year estimates from earlier time periods.

Decennial Census: The U.S. decennial census is the constitutionally mandated census of all Americans conducted every decade, most recently in 2020. We use data from the 2000, 2010, and 2020 census.

Longitudinal Employer-Household Dynamics (LEHD): The Longitudinal Employer-Household Dynamics program collects detailed data on employers and employees at various geographic levels and across different job sectors. We specifically use LEHD Origin-Destination Employment Statistics data from 2002–2021 about jobs and workers located within Napa County.

Population Estimates Program:

The Population Estimates Program produces population and housing unit estimates for regions and jurisdictions of different sizes across the United States. We use decennial totals and intercensal estimates for population and housing units for the years 2010–2022.

SURVEY DESIGN & ADMINISTRATION

Made the Rent: The Human Impact of Housing Affordability in High-Cost Communities is centered around a housing survey designed by Generation Housing and released in April of 2025. The survey contains 15 questions about household finances, current and past unit characteristics including location, proximity to work and other amenities, and quality of home, and finally questions about capacity to afford rent.

The survey minimized demographic inquiries over concerns that questions about identity, rent payment, or income might deter some respondents from participating over fears that such information could jeopardize their eligibility and/or rent costs. Where possible, we supplement data on unit cost, average income, and household size through internal reports provided by Affordable Housing providers as well as state-level data on average income and rental payments of residents of Affordable Housing units. Since

data on residents does not distinguish between type of affordable housing unit, we further supplemented information on income and rental payments through surveys conducted by the UC Berkeley Turner Center for Housing Innovation (2018).

OUTREACH & ANALYSIS

The survey targets residents of Napa Valley’s nearly 3,000 deed-restricted LIHTC units. These units serve residents earning at or below 60% of the Area Median Income and are set aside for households in the Very Low-income (31–50% AMI) and Extremely Low-income (under 30% AMI) tiers typically eligible for rent-restricted housing. In Napa Valley, this generally means annual incomes up to \$61,000 for a one-person household or \$88,000 for a four-person household. Rental costs are capped at 30% of the upper-limit of these income tiers.

We relied on site managers of numerous LIHTC developments around the county to distribute surveys to their residents. Given this selection, this survey is limited to only a small portion of Napa Valley’s lower-earning residents whose incomes would make them eligible for Affordable Housing. The 170 respondents surveyed in this report have all secured access to deed-restricted LIHTC units. From our estimates, nearly double the number of residents currently living in these

units would be eligible but are not currently served. Instead, they may receive other forms of subsidy such as housing choice vouchers, occupy unsubsidized but affordably priced units on the market, or not live in affordable housing at all

Both an English version and a Spanish version of the survey were sent out and housing developments distributed the survey through their respective channels, often by means of e-mail blasts to their members, text alerts, fliers, and posts on social media. Paper surveys were also distributed to organizations. As an incentive and note of gratitude for their time, respondents were provided with a chance to win a \$50 Target gift card. Respondents were told the survey should take only 10 minutes to complete. The survey was released in April of 2025 and circulated until July of 2025. Outreach and data collection was also completed with the help of numerous community organizations based in Napa County.

Respondents represent residents of small and large Affordable Housing sites who are located in and outside of urban boundaries, and across multiple development & management companies. Respondents included both wage and non-wage earners, families and non-families, long- and short-term residents, and finally Napa Valley and non-Napa Valley workforce participants.

Appendix: Report Contributors

PRINCIPAL AUTHOR & POLICY ANALYST

Joshua Shipper, PhD

Director of Special Initiatives, Generation Housing

Joshua is a community-based, academic, and policy expert working to understand how each generation defines what equity looks like for them. After helping to identify solutions to the growing racial wealth gap and home financialization trends shaping communities like West Oakland prior to 2010, Joshua completed his PhD in Political Science at the University of Michigan, Ann Arbor in 2018. There he focused on American politics, race, and equity policy, contributing to survey and quantitative research on American attitudes shaping policies on wealth, taxation, and education. Applying those insights to politics and policy, Joshua taught political science courses in the Midwest while working to reform state funding for affordable housing with Wisconsin State Assemblywoman Francesca Hong.

He has most recently served as the Director of Data & Grants at the Committee on the Shelterless where he helped support evidence-based, housing-first solutions to homelessness in Sonoma County including through Project Homekey and CalAIM.

PRINCIPAL DATA ANALYST

Max Zhang

Research Manager, Generation Housing

Max is a specialist in demographic, municipal finance, and housing production data analysis. A recent graduate from the University of California, Berkeley, majoring in both Statistics and Economics, Max has worked on improving transparency and reproducibility in policy analysis with the Berkeley Initiative for Transparency in the Social Sciences and studied pandemic unemployment insurance and Proposition 13 tax revenue impacts at the Berkeley Institute for Young Americans. As a part of Generation Housing, Max is furthering a long-standing passion for effective, socially oriented policy by placing the power of modern data analysis tools in the hands of housing advocates.

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REPORT DESIGN

Studio B Creative

Studio B is a full service graphic design agency. They distill their clients' communications into beautiful succinct designs that get noticed and understood. Specializing in: integrated marketing campaigns blending branding, print, web, video and digital media. studioB-creative.com



Appendix: Acknowledgements

Report Commissioned by the Napa County Board of Supervisors:

Joelle Gallagher (District 1), Liz Alessio (District 2), Chair of the Board Anne Cottrell (District 3), Vice Chair Amber Manfree (District 4), Belia Ramos (District 5)

The Napa County Board of Supervisors, as part of its prioritization of the housing deficit within the county, sought to understand how Affordable Housing that serves Napa Valley's low-income residents functions as part of a broader housing system. Serving members of key workforce sectors like accommodation, wine industry, and health care; seniors and others on income assistance; families; and disabled residents, Affordable Housing, especially deed-restricted LIHTC housing, must meet many demands in its role as a housing stabilizer. Beyond financial relief, the Board sought to understand other ways Affordable Housing preserves workforce stability, counters displacement among low-income earners, and keeps families from having to relocate outside of school districts. Their goal is to use these findings to better promote and evaluate the benefits of Affordable Housing and to supplement the many needs Affordable Housing fills through a flexible and multi-faceted approach to housing.

Special Thank You to: This report would not have been possible without the guidance, leadership, and overall support of Jennifer Palmer, Director of Housing & Community Services with Napa County. Jennifer initiated and drove the effort to conduct the region's first qualitative assessment of this critical housing asset by delivering a human-centered survey that could go beyond the rent-to-income ratios of LIHTC units. As a testament to her human-centered approach to qualitative research, Jennifer identified non-monetary metrics of value including proximity to work, stability, and quality of home that many reports don't typically assess when it comes to Affordable Housing's benefits. These qualitative metrics, based on respondent feedback, helped us to understand ways that higher financial costs can be mitigated by other factors provided by housing, and that can become a focal point for local evaluation of where and how new housing of all types must be added and can contribute to the overall goal of affordable, quality, and stable housing.

Additional Support Provided by: This report received input from numerous stakeholders within the county on needs ranging from quantitative and qualitative data to logistical support conducting outreach. Without them, the assessment would not have been the rich document it is. Our initial survey design committee included: Ryan O'Connell, How To ADU; Judith Myers, Napa Housing Coalition Steering Committee; Tammy Smith, Board Treasurer at Napa Valley Community Housing; Isaiah Antoine, Director of Fundraising at Napa Valley Community Housing; Ricardo Mendez, Physician Assistant at CommuniCare+OLE and Selena Polston, Principal at Selena Polston Consulting.

Distribution of the survey was aided by Lauren Taylor, Director of Resident Services and Permanent Supportive Housing at Burbank Housing; Cristi Ritschel, LCSW, Vice President of Resident Services at Satellite Affordable Housing Associates; Anna Gwyn Simpson, Vice President of Resident Services at EAH Housing; Erica Roetman Sklar, President and CEO at Napa Valley Community Housing; Marlene Santiago, Vice President of Resident Services at Napa Valley Community Housing; Norma Chavez, Resident Services Coordinator at Napa Valley Community Housing; Gissell Mendez, Service Coordinator at Satellite Affordable Housing Associates; Jacob Rich, MPH, Resident Services Manager at Burbank Housing; Jessica Hughes, M.Ed, Resident Services Manager at Burbank Housing; and Caitlin Childs, Napa Valley Community Foundation.

OUR STORY

GENERATION HOUSING is an independent nonprofit organization created in the wake of the 2017 Sonoma Complex Fires to advocate for more diverse housing at all income levels in Sonoma County. Despite some policy advancements, there are still roadblocks and opposition to the development of much-needed housing. Generation Housing was incubated and is directed by cross-sector leaders representing healthcare, education, environment, and business who agree that a housing advocacy organization to promote housing policy and educate the public is a crucial missing component in our local housing development.

Generation Housing educates policymakers and the public about this critical intersectional relationship between housing and quality of life to increase public and political will for housing development, and to inspire and activate a counter voice to NIMBYism. Generation Housing rallies support for smart housing projects and helps to develop and champion solutions that reduce procedural and financial barriers to housing development.

Generation Housing's work is strategically guided by its Mission, Vision, and Guiding Principles, which include values of equity and environmental sustainability, and a commitment to cross-sector collaboration.

In 2024, the Napa County Board of Supervisors commissioned Generation Housing to produce the Napa Valley State of Housing and Housing Need Assessment reports, and Generation Housing is currently working with a Napa Valley steering committee to launch an embedded Napa Valley arm of the organization.





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