

# FREQUENTLY ASKED QUESTIONS

## Who is Visit Napa Valley (VNV)? What is its mission?

VNV is Napa County's official tourism marketing organization whose mission is to promote, protect and enhance the region's position as one of the world's premier wine, food, arts and wellness destinations.

VNV's marketing programs target consumers to build overnight stays during non-peak time periods including November – April (Cabernet Season) and mid-week, Sunday – Thursday nights.

Our region encompasses the entire Napa County and we work closely with each local jurisdiction.

## How is VNV funded?

Through the Napa Valley Tourism Improvement District (NVTID) which is a two percent self-assessment by lodging properties, and paid on lodging room nights by overnight visitors.

Through memberships paid by lodging and other partner organizations.

## Wouldn't the money from the NVTID be better used to fund other local government priorities?

The NVTID funds are self-assessed private funds, restricted to be used specifically for tourism marketing and enhancement. The NVTID funds cannot be targeted by local government for initiatives or projects.

75 percent of NVTID revenue supports VNV's sales and marketing efforts, and 25 percent of it returns to the local jurisdictions for local tourism enhancement efforts.

In 2018, over \$6.4 million in NVTID funds were collected.

## What is VNV's budget?

In 2018, VNV's total budget was approximately \$8 million, including partnership and other revenue sources. This is lower than many other world-class destinations. These funds are used to maintain Napa Valley's globally competitive position, which in turn generates significant economic benefits for each jurisdiction (transient occupancy tax or TOT, sale tax, property tax, and transfer tax).

## Napa Valley is known around the world – why do we need to invest more money into marketing our region?

Ongoing investment in VNV's marketing efforts is critical to ensure Napa Valley continues to reap the benefits of a strong, vibrant and strategically managed tourism economy.

## What is the difference between the Transient Occupancy Tax (TOT) and the Napa Valley Tourism Improvement District (TID)?

Each jurisdiction in Napa County levies a 12 percent TOT on visitor stays at lodging properties, which goes into the jurisdiction's respective General Fund budget. Spending of these funds is at the discretion of local elected officials.

Each jurisdiction collects an additional 2 percent assessment on visitor stays at lodging properties within their jurisdiction, with 75 percent funding VNV marketing programs and local jurisdiction tourism enhancements. Spending these funds is at the discretion of VNV Board of Directors. The jurisdictions retain 25 percent for local marketing efforts with oversight by local TID advisory committees.

In 2018, nearly \$53 million in TOT revenue was generated.

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## Isn't the tourism industry responsible for all of the traffic and crowding in the area?

VNV's marketing efforts aim to attract visitors during the off-peak season to reduce trips during peaks.

VNV works closely with agencies to support "car-free tourism" with shuttle buses, public transit solutions for employees, and alternative transportation modes to reduce traffic impacts.

Visitors to Napa Valley generate revenues that allow local governments to invest in infrastructure improvements and public safety.

## You say tourism creates and supports a lot of jobs, but aren't all tourism industry jobs low paying, entry-level positions?

Napa Valley's tourism industry is a leading employer and offers rewarding job opportunities for all skill levels and backgrounds.

Tourism in the region supported 15,872 jobs with an estimated payroll of \$492 million in 2018.

The majority of lodging jobs in Napa Valley offer benefit packages and retirement plans.

The tourism industry offers career ladders for entry-level employees similar to other industries.

The local tourism industry partners with the community college to provide hospitality training for employment advancement in the industry.

## Why should I support tourism – how does tourism directly benefit me?

Tourism provides economic, cultural, and civic benefits that improve the quality of life for all residents in Napa Valley.

Visitors to Napa County spent \$2.2 billion in 2018, which supported 15,872 local jobs and generated \$85.1 million in tax revenue for local governments in Napa County.

Tourism revenues allow local government to invest in services and programs that benefit all residents, including infrastructure improvements, civic amenities, and public safety.

Napa Valley's reputation as a premiere tourist destination creates demand for a diverse range of goods, services and cultural programs that are available for residents and visitors to enjoy.

Lodging property owners make significant investments in their properties to ensure they are in line with Napa Valley's world-class reputation. These investments result in increased property tax and TOT revenues for local projects that directly benefit residents.

Napa Valley's strong brand identity makes it an attractive place for an array of companies to locate including technology and manufacturing, resulting in quality employment opportunities for residents.

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## Why isn't the tourism industry contributing to solving the affordable housing crisis in Napa Valley?

The tourism industry generated more than \$85.1 million in revenue to fund essential services and programs throughout Napa County. Local elected leaders decide how much of those funds are used for affordable housing and other critical services.

VNV has worked closely with Napa County to designate funding sources generated by the tourism industry for affordable housing.

As a result, in 2018, the lodging industry supported the passage of a 1 percent addition to the TOT specifically designated for workforce housing. Approximately \$5 million will be collected for this fund annually.

## What is the tourism industry doing to give back to our community, aside from the revenue it generates?

The tourism industry pledged \$2.5 million to support the Napa Valley Vine Trail, a 47-mile-long walking and biking trail system that will benefit both residents and visitors.

Lodging businesses regularly support more than 80 local non-profits through direct contributions; room-night donations; and volunteer service time.

## Why are we trying to attract more tourists when Napa Valley is already so crowded?

VNV's objective is to increase tourism-related revenue through increased visitor spending and overnight stays in low occupancy periods.

From 2016 to 2018, the number of visitors to Napa Valley increased from 3.5 M to 3.9 M (8.9 percent), while visitor spending increased from \$1.9 B to \$2.2 B (15.9 percent) in 2018 during that same time period.

## Why should we support tourism development projects? Don't those projects destroy our region's beauty and charm?

Responsible growth and expansion are vital to the ongoing success of our community in Napa Valley.

Lodging properties generated more than \$53 M in TOT revenue in 2018. TOT Special Projects funds are allocated by Napa County to preserve and protect natural landscapes, parks and open spaces, as well as cultural arts programs and affordable housing.

Lodging can only be developed where zoning allows it and will not encroach into open spaces and protected areas.