

2021-2029 Housing Element

City of Davis



Department of Community Development and Sustainability
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INTRODUCTION

This document constitutes the Housing Element of the City of Davis General Plan, which provides a roadmap for the City of Davis to address current and projected housing needs during the 2021-2029 Housing Element planning period. The City of Davis takes pride in being an inclusive, progressive community, and has long recognized the provision of a diverse range of housing opportunities as a key priority and obligation. Located just beyond the Solano County edge of the housing-constrained San Francisco Bay Area, and within the growing Sacramento metropolitan region, Davis is also home to one of the fastest-growing campuses of the University of California. Davis also has a long history of local land use policies seeking to manage growth, including enactment of Measure J in 2000 and its extension via Measure R by the voters in 2010 and via Measure D in 2020, limiting the conversion of agricultural land and open space outside of the City limits to urban uses without approval of the voters.

The dynamics of a community with a high quality of life, excellent schools, strong internal and external housing demand drivers, and a constrained land supply all create challenges to satisfying local housing demand and support relatively high market prices for rental and for-sale housing. This creates housing affordability challenges. Further, the dynamics of being a university town create a number of challenges for the City, including coordination of housing production to meet the needs of not only students, but faculty and staff and their unique housing needs while also ensuring provision of housing for families and workforce households.

The City of Davis has a particular interest in promoting affordable housing beyond the general requirements of State Housing Element law. With the exception of the past year, during which the rental housing market has been significantly impacted by the COVID-19 pandemic and the resulting pause in in-person education at UC Davis, the City of Davis has experienced a sustained rental residential vacancy rate of near zero, with limited for-sale housing construction outside of smaller infill residential projects. While the City has seen numerous significant multifamily rental projects constructed, planned, and approved (including on-campus projects as well as projects in the City itself) in the last several years in response to strong student housing demand, there has been limited new rental apartment construction specifically targeted to non-student households. This, combined with the generally high cost of the existing single-family for-sale housing stock, has led to concerns that as the City's existing homeowners age in place, the lack of housing suitable and affordable to families has been changing the community demographics, forcing increasing numbers of local workers to commute in from surrounding areas, and contributing to related community issues, such as declining school enrollment.

Housing Element Purpose and Requirements

State law requires that all cities and counties in California have a compliant Housing Element as part of their General Plan, and that all cities and counties regularly update the Housing Element. The purpose of the Housing Element is to provide a plan to meet the existing and projected housing needs of all segments of the population, including lower-income households and households and individuals with special housing needs. To achieve this objective, the Housing Element must analyze housing needs, evaluate factors that could potentially constrain housing production, and identify sites for new residential development. Each city and county in the State must submit their Housing Element to the California Department of Housing and Community Development (HCD) for review to ensure that it meets the minimum requirements under State Housing Element law. Most cities and counties, including Davis, are required to update their Housing Element every eight years. Davis' prior Housing Element Update covered the 2013-2021 period, while this Housing Element Update will cover the 2021-2029 period.

Regional Housing Needs Allocation

A key component of any Housing Element Update is identifying adequate sites to address the jurisdiction's Regional Housing Needs Allocation (RHNA). The RHNA is based on projected Statewide housing need for the eight-year Housing Element projection period as determined by HCD, which HCD distributes among the regions in the State. The regional housing need projections are distributed among income categories to account for needs among households at all income levels. For the purpose of determining the regional housing needs allocation, households are categorized as extremely low-income, very low-income, low-income, or moderate-income based on household size and how household income compares to the Area Median Income (AMI) for other households of the same size. Income limits for each household size and income group are established annually by HCD. Each regional council of governments then allocates the projected regional need to local jurisdictions within the region, requiring each jurisdiction to plan to meet the need for housing for households at all income levels.

The Sacramento Area Council of Governments (SACOG) is the regional council of governments that is responsible for determining the RHNA allocations for the six counties and 22 cities that it serves, including Davis, that make up the Sacramento Region. SACOG's plan is also required to include the Tahoe Basin portions that are within El Dorado and Placer counties, and the city of South Lake Tahoe. Each city and county is then required to produce a Housing Element that demonstrates the jurisdiction's ability to accommodate the housing need identified in its RHNA during the Housing Element planning period.

For the 2021-2029 Housing Element Update cycle, 40.7 percent of the RHNA for the SACOG region was for lower-income households. Therefore, SACOG's methodology for determining the lower-income RHNA for each city and county in the region started with a lower-income RHNA of 40.7 percent. SACOG then adjusted the lower-income RHNA for each city and county based on

three adjustment factors (Source: SACOG *Regional Housing Needs Plan, Cycle 6, March 2020*):

- 1) Regional income parity adjustment factor: jurisdictions with a higher than average proportion of lower-income households receive a downward adjustment in their lower-income RHNA, while jurisdictions with a lower than average proportion of lower-income households receive an upward adjustment in their lower-income RHNA.
- 2) Affirmatively furthering fair housing adjustment factor: jurisdictions with a higher than average proportion of units in high opportunity areas receive an upward adjustment of lower income RHNA units, while jurisdictions with a lower proportion of existing units in high opportunity areas receive a downward adjustment of lower income RHNA units.
- 3) Jobs/housing fit adjustment factor: jurisdictions with a higher than average ratio of low-wage workers to units affordable to low-wage workers receive an upward adjustment of lower income RHNA units, while jurisdictions with a lower than average ratio of low-wage workers to units affordable to low-wage workers receive a downward adjustment of lower income RHNA units.

For the 2021-2029 projection period covered in this Housing Element Update, the City of Davis is required to plan to accommodate the development of at least 2,075 housing units. Due to recent changes in State law that have led to an overall increase in RHNA requirements statewide, this is a significant increase from Davis' RHNA for the 2013-2021 projection period, during which the City was required to plan for 1,066 units. Davis' RHNA for the 2021-2029 projection period includes 580 units for very low-income households, 350 units for low-income households, 340 units for moderate-income households, and 805 units for above moderate-income households. This distribution by income level reflects a downward adjustment in Davis' RHNA based on the regional income parity adjustment factor and an upward adjustment based on the affirmatively furthering fair housing and job/housing fit adjustment factors. The degree of the impact of the upward adjustments outweighs the impact of the downward adjustment. Although the RHNA does not include allocations for extremely low-income households, Housing Element Law requires that jurisdictions estimate the need for housing units affordable to extremely low-income households and plan to accommodate this need. Cities and counties often assume that the extremely low-income need accounts for half of the very low-income need. The City's RHNA requirements for the 2021-2029 projection period are summarized in Table 1.

Table 1: City of Davis Regional Housing Needs Allocation, 2021-2029 Projection Period

Income Level	RHNA Requirement		Percent of Total
Extremely Low Income ($\leq 30\%$ AMI)	290		14.0%
Very Low Income ($> 30\%$ AMI, $\leq 50\%$ AMI)	290		14.0%
Low Income ($> 50\%$ AMI, $\leq 80\%$ AMI)	350		16.9%
Moderate Income ($> 80\%$ AMI, $\leq 120\%$ AMI)	340		16.4%
Above Moderate Income ($> 120\%$ AMI)	805		38.8%
Total	2,075		100.0%

Sources: SACOG, 2020; BAE, 2020.

To provide context for the income limits shown in the table above, Table 2 provides the 2020 income limits for households of various sizes in Yolo County. Note that these income limits reflect the maximum household income for each household size and income level. For example, a four-person household would be considered a low-income household if they have an annual household income ranging anywhere from \$46,251 (higher than the income limit for a four-person, very low-income households) to \$74,000 (the income limit for a four-person, low-income household).

Table 2: Annual Household Income Limits by Household Size, Yolo County, 2020

Income Level	Number of People in Household					
	One	Two	Three	Four	Five	Six
Extremely Low Income ($\leq 30\%$ AMI)	\$19,450	\$22,200	\$25,000	\$27,750	\$30,680	\$35,160
Very Low Income ($> 30\%$ AMI, $\leq 50\%$ AMI)	\$32,400	\$37,000	\$41,650	\$46,250	\$49,950	\$53,650
Low Income ($> 50\%$ AMI, $\leq 80\%$ AMI)	\$51,800	\$59,200	\$66,600	\$74,000	\$79,950	\$85,850
Median Income (=100% AMI)	\$64,750	\$74,000	\$83,250	\$92,500	\$99,900	\$107,300
Moderate Income ($> 80\%$ AMI, $\leq 120\%$ AMI)	\$77,700	\$88,800	\$99,900	\$111,000	\$119,900	\$128,750

Sources: HCD, 2020; BAE, 2020.

Community Participation

The preparation of the City of Davis 2021-2029 Housing Element Update included an extensive community engagement process to educate community members and decision makers on Housing Element requirements and objectives and to solicit feedback on housing needs and strategies to address the City's housing goals. Community engagement in 2020 proved to be exceptionally difficult due to the Covid-19 pandemic and mandatory stay-at-home orders. This resulted in the City and consultant team needing to pivot immediately from typical outreach and engagement methods and switch to a predominantly online and virtual engagement process. The City worked with Aim Consulting, who devised a Community Engagement Plan containing strategies adapted toward engaging as many people as possible through primarily virtual means. The Community Engagement Plan can be found in Appendix B.

Community Partners

As part of the outreach strategy, Aim Consulting and the City developed a list of more than 70 stakeholders or community partners. Aim made personal contacts on behalf of the City, either by phone or email, to each of the community partners to speak with them about the Housing Element and to share the information with their organizations through email newsletters, social media posts, updates on their websites, and other relevant means of communication appropriate for each individual organization.

The following community partners shared information on either the Housing Needs Workshop or the RHNA Virtual Workshop through their email, social media, newsletters, and/or posted physical fliers in their spaces: Davis Chamber of Commerce, Davis Community Meals and Housing, Downtown Davis Business Association, Fouts Homes, Homeless and Poverty Action Coalition (for Yolo County), House Sacramento, Lyon Real Estate, Mutual Housing California, Old East Davis Neighborhood Association, UC Davis Cal Fresh Office, UC Davis Campus Center for the Environment, United Way Woodland, Yolo County Health and Human Services, Yolo County Housing, and Yolo Housing Aging Alliance.

Email

In addition to direct contacts with community partners, Aim Consulting compiled a database of up to 1,500 community members who have participated in other land use projects in Davis, such as the Downtown Plan or Amtrak study, as well as another 190 people who signed up for updates on the Housing Element Update via the City's Housing Element Update webpage. A total of 14 email blasts were sent throughout the Housing Element Update process at various project milestones, notably for the workshops, Housing Element Committee Meetings, and when the public review draft was released for comment. Statistics on reach, open rates, etc., can be found in the Awareness Report for Public Outreach and Engagement found in Appendix B.

Throughout the entire Housing Element Update process, City staff received and responded to hundreds of emails and phone calls from interested citizens about the Housing Element. Many parties requested more information and provided suggestions and comments on the Housing Element and the process.

Social Media

Aim Consulting, on behalf of the City, also posted eight social media posts with graphics to build awareness about outreach activities on Facebook, Twitter, and Nextdoor. Several of the posts were shared by community members, further extending outreach. Statistics can be found in Awareness Report for Public Outreach and Engagement found in Appendix B.

An informational video for the RHNA virtual workshop was also posted on YouTube on March 9, 2021 and received 200 views. In addition, videos each of the public workshops, Housing Element Committee Meetings, and Housing Element Update workshops held at Planning Commission and City Council meetings are also available to view on the City's website and YouTube channel.

Media Coverage

In addition to social media, Aim Consulting drafted and distributed two media releases on behalf of the City to announce the Housing Needs Workshop and the RHNA Virtual Workshop. The media releases were sent to 21 media outlets, including both online and traditional print newspapers, TV stations, radio stations, a local magazine, and a freelance journalist. Three local papers, the Davis Vanguard, Davis Enterprise, and Daily Democrat, published articles on at least one of the workshops. The Davis Vanguard and Davis Enterprise also published several articles following the progress of the Housing Element. Capital Public Radio interviewed Sherri Metzker, Principal Planner for the City, for a news story on the Housing Element in March 2021.

Housing Element Committee

The Housing Element Committee (HEC) was established as a knowledgeable body that represented a diversity of interests in Davis to assist City staff by advising City staff and the consultant team on the housing needs and interests of the city. The HEC was made up of 10 members, including five representing four of the City's commissions with the greatest impact on housing issues (two from Planning Commission, one from Social Services Commission, one from Senior Citizen Commission, and one from Finance and Budget Commission), and five at-large members appointed by each of the City Council members. Each of the members, including the five appointed at-large members, were selected based on their experience, interest, and involvement, both professionally and personally, in housing issues. All HEC members included people who work or have worked in various relevant fields associated with housing, including: housing, mental health, and community advocacy groups and non-profits, HCD, UC Davis, rental property management, real estate development and sales, community planning, legislative review, and education.

The City Council tasked the HEC members with the following functions:

- **Provide comments and feedback.** To review the existing housing element and other documents, background information, and public input. To provide comments and feedback on (rather than prepare) the draft Housing Element for 2021-2029 to City staff and the project consultants with the goals of creating documents which are responsive to community goals and aspirations.
- **Provide recommendations.** To make recommendations to the Planning Commission and City Council at key project milestones.
- **Communicate information.** To communicate information about the project to others, provide status updates to the City Commission they serve on and encourage others to participate in the process.

The HEC met a total of four times during the process: on November 5, 2020; December 3, 2020; January 14, 2021; and May 20, 2021. At the first meeting, staff and the City's consultant provided an overview of Housing Element requirements and of recent legislative changes that resulted in needed changes to the Housing Element. The HEC also began discussing the known housing issues in Davis. The second meeting focused on reviewing the current policies and programs and discussing what should and should not change, as well as a discussion on the Social Services Commission's draft proposal on the Housing Trust Fund. The January 2021 meeting focused on discussion on affordable housing for seniors and mobile home parks based on comments from several residents of the Rancho Yolo Mobile Home Park, the Social Services Commission's draft proposal on the Housing Trust Fund, and constraints. The fourth and final meeting in May 2021 was focused on comments that the HEC members had, both individually and as a group, on the Public Review Draft Housing Element. The HEC also formally made and voted on 10 recommendations to the Planning Commission and City Council on the Housing Element and housing in general.

City Council and Commission Meetings

Staff provided informational presentations and updates to four of the City's commissions on the Housing Element Update: Planning Commission (September 23, 2020; January 27, 2021; and May 26, 2021; June 9, 2021; August 11, 2021; September 28, 2022; and November 8, 2023), Social Services Commission (September 21, 2020), Senior Citizen Commission (October 8, 2020 and July 8, 2021), and Finance and Budget Commission (October 20, 2020).

In addition to presentations to City commissions, staff presented to the City Council numerous times throughout the Housing Element Update process: August 2, 2020 to formally begin the public process and establish a contract for the consultant team; September 15, 2020 to establish the HEC; on October 6, 2020 to make appointments to the HEC; on October 27, 2020 to make new appointments to the HEC with the City Council's changes to its makeup; on June 15, 2021 to take public comment and discuss the City Council's comments on the Public Review Draft Housing Element; on August 31, 2021 to adopt the Housing Element Update

(Version 1); on January 31, 2023 to adopt Version 2 of the Housing Element Update; April 18, 2023 to discuss HCD's comments on Version 2 of the Housing Element Update and provide a status update; and on December 5, 2023 to adopt Version 3 of the Housing Element Update.

Housing Needs Assessment Workshop

The City hosted a public workshop on the Housing Element Update on November 14, 2020. Approximately 75 people attended the workshop, which was held virtually. Several members of the HEC attended as individuals. City staff and the consultant team did a presentation on an introduction of housing elements and their requirements for a general audience, as well as an overview of population, housing, and income characteristics in Davis. The project team provided some information on known housing issues in the city and then led a guided discussion with the participants.

Feedback from participants varied. Some provided resources and information on population characteristics, specifically information on the student population that is particularly difficult to derive from Census and other typical data sources. Some participants followed up by sending information to the project team. Other participants provided their thoughts on what the City could improve upon in terms of housing policy. Some discussed examples of what other cities have done to address issues. Many people wanted to discuss what kind of housing they want to see in their community, both for themselves and their neighbors. Several had questions about the Housing Element Update process.

Based on this feedback, the project team began crafting strategies for modifying existing housing programs and policies and incorporating many of the comments into the Housing Element. For participants who provided resources for data and information, the project team reviewed the information and determined what could be used in the analysis. City staff reported the results and provided an overview of the workshop at the next HEC meeting.

League of Women Voters Forum

In April 2020, City staff member Jessica Lynch participated in an online housing forum hosted by the Davis League of Women Voters. Other panelists included the Housing Manager from the City of Sacramento and the SACOG project manager of the RHNA methodology process. The key focus of the forum was to educate attendees on general housing issues, explain the SACOG RHNA methodology and the City's RHNA allocation, and to provide an overview of the Housing Element Update process. In addition to providing presentations, the panelists answered questions from the attendees and provided information on how to participate in Housing Element Update, which was scheduled to start in the following months. Many of the people who participated in that forum continued to be engaged in the Housing Element Update throughout the outreach process, including one who was appointed to the HEC.

RHNA Virtual Exercise

From March 9 to April 2, 2021, the City held a three-week virtual community workshop for the

Housing Element Update to engage with community in a discussion around strategies to provide equitable housing. The project team received responses from 116 participants.

Participants were asked to provide their thoughts and feedback on five possible rezone strategies to help the City find enough land to zone appropriately for high density housing that could be affordable to lower income households. The proposed rezoning strategies and results are presented below. A full summary of the results of the RHNA workshop summary can be found in Appendix C.

1. Business Park and Office Land: Redesignate and use vacant land designated for Business Park and Office uses to allow for high density housing (of at least 20 units per acre). Approximately 25 acres of land were identified and could provide approximately 500 multi-family rental housing units if fully developed for housing, or fewer units if only a portion of these sites were developed for housing.

Results: 21% Strongly Agreed, 24% Agreed, 23% Neutral, 17% Disagreed, and 15% Strongly Disagreed.

2. Commercial Land: Redesignate and use vacant land designated for Commercial to allow for high density housing (of at least 20 units per acre). Approximately 1.5 acres of land were identified and could provide approximately 30 multi-family rental housing units.

Results: 35% Strongly Agreed, 21% Agreed, 14% Neutral, 18% Disagreed, 12% Strongly Disagreed.

3. Downtown Davis Specific Plan: The Downtown Davis Specific Plan is expected for adoption in late 2021. The plan would encourage redevelopment of the Downtown and could provide capacity for an additional 100 lower income units between 2021 and 2029.

Results: 57% Strongly Agreed, 23% Agreed, 8% Neutral, 5% Disagreed, 7% Strongly Disagreed.

4. Residential Low-Density Land: Redesignate and use vacant land designated for Low Density uses to allow for high density housing (of at least 30 units per acre). Approximately 12 acres of land were identified and could provide approximately 230 lower income units.

Results: 32% Strongly Agreed, 30% Agreed, 13% Neutral, 15% Disagree, 10% Strongly Disagree.

5. Sphere of Influence: Annex vacant land within the sphere of influence into the city and designate the land for high density housing (at least 30 units per acre). The multi-family rental housing unity capacity within the sphere of influence is unknown and may not be able to meet the City's rezone obligation within the first three years of the Housing Element Planning Period (i.e., by May 2024). Annexations are often complex

but could be a long-term solution for providing additional multi-family rental housing units, in excess of those needed to meet the RHNA requirements, in order to ensure adequate capacity over the long term.

Results: 22% Strongly Agreed, 17% Agreed, 18% Neutral, 18% Disagreed, 25% Strongly Disagreed.

These results were considered when finalizing the proposed housing strategies and programs and incorporated throughout the Housing Element where appropriate. These results will also facilitate discussion with the City Council for them to consider how Davis should grow in the future to house all of its current and future residents of all income levels and situations.

Input Received and Responses to Input Received

Public engagement events for the Housing Element Update were well-attended and participants provided considerable input.

Housing Element Update Version 1. Leading up to the adoption of Housing Element Version 1 on August 31, 2021, input received during public engagement events included:

- Many participants expressed strong support for more housing, including more affordable housing. Participants highlighted many reasons for the need for more affordable housing, including welcoming diversity and creating a more inclusive community, providing housing opportunities for lower-income individuals that work in Davis and for those that have children that attend school in Davis but who are not able to afford to live in Davis, and reducing commute times and distances for students and people that work in Davis.
- Participants asked that the City ensure that housing sites included in the Housing Element are reasonably likely to be redeveloped.
- Some Participants expressed support for more affordable units in the Downtown area, rezoning land to allow for more residential units, more dense development and additional building height, small infill projects, housing to address the “missing middle” housing need, and a wide range of housing to address needs among various segments of the population.
- Several current and former UC Davis students expressed support for by-the-bed rental housing options that target the UC Davis student population.
- Some community members emphasized the need for more traditional, by-the-unit rental housing to serve the City’s non-student population and workforce and highlighted the significant number of student housing units in the City’s development pipeline. Some participants advocated for policies that would require new development to provide more studio, one-bedroom, and two-bedroom units to serve smaller households and non-student households.

- Some UC Davis students reported challenges in securing affordable units in Davis due to the City's limited rental housing inventory and asked for more affordable units near campus. Some encouraged the City to increase allowable building heights.
- Some community members advocated for UC Davis to take on more responsibility for housing UC Davis students, faculty, and staff on campus to reduce the demand for student, faculty, and staff housing within the City of Davis.
- Representatives from the UC Davis Community Relations office reported that UC Davis is currently in the process of planning and constructing a large number of units for student housing.
- Some community members expressed frustration that the recent citywide ballot initiative related to the Davis Innovation and Sustainability Campus (DISC) project failed and commented that Measure J limits the amount of developable land in Davis. Some stressed that the City needs to support higher-density projects in order to account for limits on land due to Measure J.
- Other community members expressed support for Measure J because it provides the community with the option to evaluate proposed projects in the City's sphere of influence.
- Participants advocated for the City to facilitate development in areas outside of City limits by taking the lead on annexation and rezoning efforts that would require a Measure J vote to facilitate development.
- Some participants expressed support for eliminating the one percent growth limit, while other suggested evaluating but not necessarily eliminating the cap.
- Some members of the community requested that the City take actions to reduce exposure to smoke in residential areas, including tobacco and smoke from fireplaces, as well as reducing exposure to dust blowers.
- Mobile home park residents and other participants requested that the City implement a zoning overlay for the City's mobile home parks to zone for mobile home park use, adopt rent stabilization for mobile homes, and/or purchase mobile home parks or facilitate resident purchase of mobile home parks.
- Some participants expressed concern about the impact that mobile home park rent stabilization would have on the operation of the mobile home parks and park owners' ability to make a reasonable return.
- Many participants emphasized a need to modify the City's Affordable Housing Ordinance. Some expressed that the inclusionary requirements should be increased, while others stressed the need to ensure that inclusionary requirements should not be so high as to disincentivize developments. Some commented that inclusionary requirements place an undue burden on new development and increase the cost of housing, and that the responsibility for providing affordable housing should be more equally distributed. Participants also discussed the need to consider to how impact fees factor into the ordinance.

- Some community members encouraged the City to consider facilitating multigenerational living and cohousing, as well as facilitating the conversion of space within seniors' homes to be used as separate units.
- Commenters noted the importance of accessibility features for seniors and persons with disabilities, both for those that need accessibility in their own homes and to make it possible for people with disabilities to visit others in their homes.
- Some participants commented that the City's impact fees add significant cost to new development.
- The Housing Element Committee and other participants emphasized the need for a robust permanent source of funding for the City's Housing Trust Fund, as well as the need to set priorities regarding how the fund would be used. The Housing Element Committee reviewed and supported a set of Housing Trust Fund recommendations that the City's Social Services Commission has prepared, which are included in this document for reference as Appendix A.
- Participants expressed support for incentives for projects that provide affordable housing.
- Participants showed some support for reducing or removing minimum parking requirements, while other expressed that parking is important.
- Some participants commented on a need for stronger renter protections, potentially including just cause eviction protections and/or rent stabilization.
- Many participants emphasized the need to streamline development and add certainty to the development process. Proponents suggested removing or reducing discretionary approvals for residential projects, enabling more by-right approvals, removing single-family zoning, removing as many regulations as possible, and streamlining projects that provide at least 15 percent of units as affordable.
- At the May 20, 2021 HEC meeting, the HEC recommended as a group 10 recommendations to the Planning Commission and City Council as potential actions to increase housing supply in Davis. These recommendations were posted on the Housing Element Update webpage, distributed to the decision makers for their consideration, and included in the staff reports for both the Planning Commission and City Council hearings.
- Additionally, the 10 HEC recommendations prompted dozens of email and oral comments from members of the public at the June 9, 2021 Planning Commission meeting and the June 15, 2021 City Council meeting. The public and decisionmakers overwhelmingly spoke in favor of the HEC recommendations to include the Social Services Commission's Housing Trust Fund draft proposal into the Housing Element in some way. As a result, that document has been included as Appendix A. There was also overwhelming support for the idea of creating oversight of the Housing Trust Fund. Program 2.7 was amended to strengthen the City's commitment to study and implement some of the concepts in the proposal.
- Public support for the remaining eight HEC recommendations, including the consideration of the removal of single-family zoning, potential amendments to

Measure J/R/D, and removal of the one percent growth cap policy, among others, were not viewed as favorably. Support for these concepts was more split, so these concepts were not added to the Final Draft Housing Element, though several members of the City Council agreed that many of these concepts should be studied to determine their potential impact.

- At both the Planning Commission and City Council meetings in June 2021, there was discussion that repealing the one percent growth cap would not do much to encourage new housing development, since affordable housing is already exempt from the policy and the policy rarely comes into play as not enough growth has occurred to trigger the policy in years. There was a sentiment at the City Council meeting that the policy is more symbolic, so there was no need to change it at this time, especially since it has been temporarily suspended by state legislation anyway.
- The Planning Commission in particular spoke at length about the consideration of student housing in the Housing Element. Overall, there was a sense that the City should be firmer in its coordination on student housing with UC Davis, even beyond the current efforts being undertaken as part of the City's Memorandum of Understanding (MOU) with UC Davis. The Planning Commission made it clear that future bed rental projects would receive little, if any, support from them, and that future housing projects, including affordable housing, should focus more on workforce and family housing.
- The Planning Commission also spoke about the RHNA equivalency methodology for bed rentals negotiated by the City with SACOG and HCD. Some members expressed that the methodology is overly complex and difficult to understand. However, since the methodology was negotiated between multiple parties for over a year, the City has opted to leave the methodology as currently accepted by HCD. Any proposals to change the methodology would need to be discussed and renegotiated with HCD and SACOG, but could potentially be done in the future.
- The Planning Commission also expressed disappointment that HCD did not accept an alternative methodology for counting large format multifamily housing containing multiple households toward the City's RHNA obligation, and cited this as a reason to not approve more student-oriented housing in the future.

This Housing Element Update includes programs that respond to many of the issues that were raised during the public outreach process. Some of these issues are addressed through components of the Housing Element that are necessary to comply with State Housing Element law, such as identifying sites for affordable housing, rezoning to provide sites to meet the City's RHNA, and ensuring that identified sites are reasonably likely to be developed with residential uses during the next eight years. In addition, this Housing Element evaluates the impact of Measure D, the City's one-percent growth cap, and other development standards to assess whether these policies have a negative impact on the City's ability to meet its housing goals. The Housing Element also includes programs that commit the City to undertake a

comprehensive update of the City's Affordable Housing Ordinance, evaluate funding sources for the City's Housing Trust Fund, evaluate options to provide protections for mobile home park residents, identify options for streamlining new development, and facilitate development of ADUs, among other programs.

It should be noted that participants in the community engagement process, including the Housing Element Committee, suggested that the City pursue some actions that were not included in the programs section of this document. These include, but are not limited to: eliminating single-family zoning, increasing renter protections, ensuring smoke-free residential environments, and publicizing fair housing issues through flyers or television advertisements or other means. While many of these programs could help to support the City's housing goals, the programs chapter does not address these actions due to either a lack of consensus from the Housing Element Committee on these topics or the need to prioritize the City's staff resources to implement other programs. However, the Davis City Council could consider future actions to address these topics, either through changes to this Housing Element during the adoption process or through separate future action.

The staff report for the August 31st, 2021 City Council meeting includes additional detailed information regarding public comments received and how public input was incorporated into the Housing Element Update. This staff report is attached as Appendix F.

Input from the Virtual RHNA Workshop. A summary of the responses received from the RHNA virtual workshop is provided in Appendix C. In addition to informing this Housing Element Update, responses received from the workshop will inform the rezoning process that the City will need to undertake following Housing Element adoption (see the Residential Sites Inventory and Local Resources chapter for additional information on the rezoning requirement). Overall, responses from the workshop indicate that the City could meet its rezoning obligation through strategies that received support from most participants. The most strongly supported strategies include the Downtown Davis Specific Plan, up zoning low-density residential land, and rezoning commercial land. In total, these three strategies could provide enough sites to address the City's current shortfall. In addition, some of the other strategies that were included in the workshop, such as rezoning business park and office land, received mixed support overall, though responses indicated stronger support for these strategies depending on the specific sites that would be selected for rezoning. More detailed responses received through this process will help to guide the upcoming rezone process.

Housing Element Update Versions 2 and 3. Leading up to the adoption of Housing Element Version 2 on January 31, 2023, and Version 3 on December 5, 2023, public input included:

- Comments highlighting the need for additional housing at various affordability levels and asking that the City make a commitment to build more housing, allow for additional density, and address the shortfall of capacity to meet the RHNA.

- Comments expressing that the Housing Element is not ambitious enough in terms of combating displacement, addressing homelessness, or addressing the climate emergency.
- Multiple comments calling for the reform or repeal of Measure J as well as comments that the Housing Element did not adequately analyze Measure J as a potential constraint to residential development.
- A comment stating that the Housing Element did not provide adequate information about parking reductions available to affordable housing developments or adequately analyze the effects of the planned development permit process and notice and public hearing requirements.
- A request for the Housing Element to include information on the number of requests for reasonable accommodation and the outcome of these requests as well as for changes to the City's reasonable accommodation procedure.
- A request that the Housing Element further evaluate the effect of allowing inclusionary requirements to be met by providing affordable bedrooms or beds rather than units.
- A request that the Housing Element include additional information about financial assistance that the City provides to affordable housing developments.
- Specific comments regarding requested changes to programs 1.2 (Rezone Program), 1.12 (Revise Reasonable Accommodation Procedure), 1.14 (Zoning for Large Group Homes), 2.4 (Affordable Housing Incentives), 2.5 (Voter Approval for Regulatory Relief), 2.15 (Affordable Housing Rezone Program), 2.24 (RHNA Credit for By-the-Bed Rentals), and 3.7 (Relocation Assistance for High-Risk Renters).
- Comments stating that the timelines for many Housing Element programs were outdated and needed to be revised.
- Comments that the City should pressure UC Davis to build more student housing and use their land for affordable housing.
- Comments from UC Davis students regarding the shortage of housing for students and asking about the status of the Nishi project.
- Comments expressing concern that the Nishi project would be reserved for students and asking that the City provide additional information on the steps for completing the Nishi project.
- Several comments noting that the developer for the University Commons development, which was then included as one of the planned and approved projects in the Housing Element, had decided not to move forward with the residential component of the project and therefore revisions to the Housing Element site inventory and rezone program were required.
- Comments stating that the City had failed to provide adequate notice regarding the availability of Version 2 of the Housing Element document for public review.

The Housing Element responds to many of the concerns and issues raised in these comments. On December 15, 2022, the City adopted the Downtown Davis Specific Plan, which significantly increased residential densities and development capacity in Downtown Davis.

This additional density is not accounted for in the Housing Element site inventory, meaning that it provides additional capacity in excess of the capacity shown in the site inventory and provides additional density above and beyond the actions that the City is taking to ensure sufficient capacity to meet the RHNA. In addition, the City is undertaking an ambitious rezone program that is anticipated to be adopted concurrent with the Housing Element Update. With this rezone program, the City will significantly exceed the capacity needed to meet the City's RHNA's requirements, even before accounting for the additional capacity created by the Downtown Davis Specific Plan. The Housing Element was revised to provide additional information and analysis on Measure J, parking requirements, reasonable accommodation requests, and other potential constraints and to add information about financial assistance that the City has provided to affordable housing projects. The Housing Element does not rely on projects that would require a Measure J vote to meet the RHNA and the additional capacity from the Downtown Davis Specific Plan and other rezoning actions is all within City limits and therefore would not be subject to a Measure J vote. To the extent that public comments called for specific changes to individual programs, these recommendations were considered and incorporated to the extent feasible. All programs were revised as necessary to update the timelines for implementation. The Housing Element programs include actions related to working with UC Davis to meet student housing needs. The Housing Element was also updated to provide additional information on the Nishi project and the development agreement for the project was revised to explicitly state that the project may not restrict leases to students only. The Housing Element site inventory was revised to remove the University Commons project and the analysis of adequate sites was revised accordingly. The City ensured that notice of the availability of the public review draft of was widely distributed, including to all parties that had expressed interest in receiving information about the Housing Element. In addition, the City held meetings with interested parties prior to the release of the public review draft.

Consistency with the General Plan

The City reviewed the policies of its current General Plan and determined the Housing Element is consistent with the most relevant goals and policies, notably Policies LU A.3, 21, 3.1, and Goal DIV 1. Policy LU A.3 requires a mix of housing types, densities, price points, and designs, which is a key component of the Housing Element. Goal LU 2 and Policy 2.1 call for guidelines for infill development: the Housing Element provides for some streamlining of infill development, which fulfills the intent of this policy and goal. Goal 3 and Policy 3.1 required integrated and efficient land use planning for all land use types, including housing. The Housing Element requires densities and mixes of housing types that enable the City to allow for the most efficient use of land possible. Lastly, Goal DIV 1 requires equal opportunity for all residents in employment, entrepreneurship, financing, and housing. Equal opportunity and access to housing for all people is a core component of the City's Housing Element.

Changes will eventually be needed in the General Plan for specific references to the Core Area Specific Plan, as the Housing Element is more closely aligned with the concepts of the

Downtown Davis Specific Plan, which is anticipated to be adopted in early 2022. Amendments will be made at that time.

If the City Council chooses to permanently eliminate the one percent growth cap or modify Measure J/R/D, as recommended by the HEC and some commenters, this would require a General Plan Amendment to much of the Growth Management section of the Land Use Element. As neither the growth cap nor Measure J/R/D are being modified through the Housing Element at this time, consistency with the General Plan remains.

Davis has already exceeded its buildout estimates in the current General Plan, and the Housing Element would add new residential zoned land that was not considered in the General Plan, so buildout estimates will need to be updated to include the 472-unit shortfall identified that will result in the need for at least 23.6 acres to be rezoned to accommodate the City's RHNA obligation.

Overall, the Housing Element is considered to be consistent with the General Plan, though if certain recommendations made by the HEC or by some of the comments on the Public Review Draft of the Housing Element are adopted by the City Council in the future, this will trigger future General Plan Amendments.

Organization of Housing Element

The remainder of this Housing Element consists of the following chapters:

- **Review of the 5th Cycle Housing Element.** A review of the prior (2013-2021) City of Davis Housing Element, including a summary of the results, an analysis of the City's progress toward achieving its adopted goals and objectives, and a determination of the extent to which programs from the prior Housing Element should be continued or removed.
- **Housing Needs Assessment.** This chapter analyzes demographic and socio-economic conditions, housing conditions, population projections, special needs groups, market trends, and other factors to evaluate current and future housing needs in Davis.
- **Residential Site Inventory and Local Resources.** This chapter identifies potential housing sites to accommodate the City's RHNA, analyzes their suitability and availability, and identifies the shortfall between existing site capacity and the City's RHNA requirements.
- **Constraints to Housing Production.** The constraints analysis addresses governmental constraints to housing development such as zoning, fees, development standards, and development review processes, as well as non-governmental constraints, such as high land and construction costs.
- **Housing Goals, Policies, and Programs.** This chapter provides a roadmap for addressing the City's housing needs, ensuring equal access to housing, reducing housing constraints, preserving existing housing opportunities, and promoting energy

conservation in housing. This chapter includes an implementation program with actions to achieve Davis' housing goals and quantified objectives to measure the City's progress.

- **Appendices**

REVIEW OF THE 5TH CYCLE HOUSING ELEMENT

This chapter documents the City’s achievements during the Fifth (2013-2021) Housing Element Cycle and the City’s progress toward implementing the programs identified in the Fifth Cycle Housing Element Update. Based in part on the City’s progress toward implementing the programs from the prior Housing Element Update, this chapter also includes an assessment of whether each program from the prior Housing Element should be removed, continued, or continued with modifications during the 2021-2029 Housing Element planning period.

Summary of Accomplishments

As of the end of 2020, the City of Davis had permitted a total of 1,483 residential units during the 2013-2021 Housing Element cycle, with more units in the development pipeline that will likely be permitted before the end of the 2013-2021 cycle. As shown in Table 3, the units permitted through 2020 include 138 very low-income units, 160 low-income units, 510 moderate-income units, and 675 above moderate-income units. This unit production exceeds the City’s RHNA for moderate-income and above moderate-income units during the 2013-2021 period and nearly meets the City’s RHNA for low-income units during this period, but falls short of the City’s RHNA for very low-income and low-income units during this period. As of the end of 2020, the City had a remaining shortfall of just 14 low-income units and 110 very low-income units compared to the 2013-2021 RHNA allocation. At least some of this shortfall will be addressed through projects that were permitted in 2020 and early 2021 but were not yet counted as permitted in the City’s Housing Element Annual Progress Reports through 2020.

Table 3: Housing Units Permitted in Davis, 2013-2019

Income Level	2013-2021 RHNA Allocation	Units Built or Permitted, 2013-2020 (a)	Shortfall between RHNA and Units Built or Permitted, through 2020
Very Low	248	138	110
Low	174	160	14
Moderate	198	510	N/A
Above Moderate	446	675	N/A
Total	1,066	1,483	124

Note:

(a) Progress shown includes units built or permitted from 2013 to 2020.

Sources: City of Davis 2019 Housing Element Annual Progress Report; City of Davis, 2021; BAE, 2021.

The City of Davis also accomplished significant achievements in facilitating housing production and encouraging a range of housing types during the 2013-2021 Housing Element Update cycle, including addressing special housing needs. Table 4 below shows each program from the 2013-2021 Housing Element along with the City’s accomplishments during this period. In

addition, the City initiated an update to the Core Area Specific Plan in 2017. The Downtown Davis Specific Plan is currently being prepared and will replace the Core Area Specific Plan and increase residential development opportunities in the City.

Table 4: Review of City of Davis 5th Cycle (2013-2021) Housing Element

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
Policy Category 7.1: Provide Adequate Sites			
1. Continue to give priority water and sewer services to units necessary to meet the City's RHNA for this planning period, with specific priority given to affordable housing units.	a. Ensure priority when processing required units for RHNA and affordable housing units	The City processes all applications as submitted and expedites projects that meet RHNA requirements to the extent feasible.	Delete and make this a policy rather than a program
2. Process applications for the highest ranked sites with the highest development potential for housing to meet local housing needs and remain under the City's 1% Growth Resolution, including development agreements that include adequate citizens' participation and City Council oversight in the planning implementation of the allocation processes.	a. Process applications	Applications for ranked sites are prioritized when they are submitted by property owners. In 2019, the City published a public review draft of the Downtown Davis Specific Plan (DDSP), which could accommodate up to 1,000 new housing units in the downtown area, which is identified as a "green light" priority area for affordable housing. The City is continuing to process the DDSP into 2021. Other high-ranked sites for which the City approved applications during the 5th Housing Element cycle include Cannery, Grande, Chiles Ranch, Creekside affordable apartments, Hackberry affordable ownership units, Oxford Circle, Nishi, and Villages at Willow Creek.	Continue and modify
3. Analyze the mechanism whereby existing and future mobile home sites can be made permanently affordable.	a. Analyze various models and policies, including Rancho Yolo grant research, make recommendation b. Review and take action	In 2018, the City Council approved Ordinance 2539 establishing procedures and standards for mobile home park closures and conversions, with the goal of encouraging the preservation of affordable housing. The City plans to address zoning for several sites with mobile homes to decrease the chance of conversion and displacement of residents; this is an ongoing effort.	Continue and modify

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>4. As part of proposed large housing developments, consider requiring a percentage of small residential lots and structures with related floor area ratio standards to contribute to the supply of affordable housing and to avoid overbuilding of lots.</p>	<p>a. Continue to consider policy beyond current requirement for a mix of housing types</p>	<p>The City promotes a variety of housing types and sizes on a variety of lot sizes to meet different needs. The DDSP is being developed to include a form based code for development of downtown properties that would provide for a variety of housing types and variability in the sizes and forms of structures. Several building permits were issued in 2019 and 2020 for housing within the Cannery, including single family homes on varying lot sizes and both attached and detached accessory dwelling units.</p>	<p>Delete – included as a policy rather than a program</p>
<p>5. Evaluate mechanism by which the City can encourage increased densities in Davis in order to facilitate greater affordability without sprawl. Study such dwellings as row houses, town houses, second-story apartments over businesses, impact of increased allowable densities, and second dwelling units. At a minimum, the study parameters should include analysis of the cost of construction impact on local infrastructure, impact to the city General Fund, affordability, proximity to shopping and services and consistency with neighborhood preservations standards as they relate to adaptive reuse, privacy, open space, building mass and scale and parking impact issues.</p>	<p>a. Continue to consider policy beyond current requirement for a mix of housing types</p>	<p>The City has completed this program through the adoption of a General Plan Update and as part of the background analysis for the DDSP. In 2016, the City increased the highest allowable residential density category in the General Plan from 30 to 60 units per acre (with density bonus). An additional category, Residential Very High Density, which allows up to 84 units per acre (with density bonus) was approved in 2018.</p> <p>In 2019, the City published the public review draft of the DDSP, which would allow for intensification of residential development in the downtown area, as well as adaptive reuse of existing buildings without the need for development of greenfield areas. One component of the plan includes a form based code and would allow for a variety of housing types, such as mixed use housing over retail or commercial, rowhouses, townhouses, and accessory dwelling units. Work on the DDSP is continuing into 2021.</p> <p>In addition, the City continues to evaluate the economics of project feasibility and the interplay of affordability requirements, sustainability expectations, and community enhancement as part of application review.</p>	<p>Delete</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>6. Strive to provide owner-occupied townhouses, small cottages, and condominiums in and near the core area and the neighborhood shopping centers geared to empty-nesters and singles and couples without children, in order to limit sprawl and provide lifestyle alternatives for those who do not need large suburban houses.</p>	<p>a. Consider additional steps to promote these types of development, particularly for potential housing sites that rank high on City list</p>	<p>The Mission Residences condominium project was completed in the Core Area in 2018. The City also published the Public Review Draft of the DDSP in Fall 2019. If approved, the plan would allow for as many as 1,000 new residential units of varying sizes and unit types in the downtown area and reduce demand for greenfield development at the edges of the city. Work on the DDSP is continuing into 2021.</p>	<p>Continue and modify</p>
<p>7. As directed by City Council, City staff will develop a report on the appropriateness and effectiveness of the suspended Middle Income Housing Ordinance.</p>	<p>a. Evaluate whether the requirement is a constraint on housing development</p>	<p>The Middle Income Housing Ordinance has remained suspended, though the City supported one housing project, the Grande project, that included a middle income product. The middle income housing in that project has been built out, but construction of the above market rate units in that project continued in 2019. The City is not supporting reinstating the ordinance at this time because qualifying projects would compete with market rate housing, based on 2019 housing prices. At this time, it is not seen as a helpful product, but the City will continue to monitor the housing market and reconsider reinstating the ordinance once the housing market would support it. The City will also consider addressing middle-income housing as part of an upcoming update to the City's Affordable Housing Ordinance.</p>	<p>Delete</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>8. The City of Davis will complete a comprehensive review of the following policies to evaluate the cumulative impact on residential development: the 1% Growth Resolution, Measure J, the Phased Allocation Ordinance and the Middle Income Housing Ordinance (currently suspended). The review will identify the cumulative impact of these separate policies, initiatives and ordinances on residential development and direction on any changes to address the identified regulatory barriers. The review will evaluate the City's ability to achieve the ultimate common goals established by these policies and ensure that there is no redundancy in the combination of their implementation. As issues are identified as part of this review the City will implement changes to mitigate and remove barriers, increase the transparency of these policies, and establish ways to streamline these policies and processing permit procedures to assist with the development of a variety of housing types to serve a range of income levels.</p>	<p>a. Evaluate whether the cumulative requirements are a constraint on housing development</p>	<p>No comprehensive formal review has been completed to evaluate these policies prior to the preparation of the 2021-2029 Housing Element Update. However, with the passage of SB 330, the City understands the importance of an evaluation of its growth management measures to ensure that they do not conflict with State law. The City's 2021-2029 Housing Element Update evaluates whether these policies serve a constraint to meeting the City's housing goals and includes related policies as appropriate.</p>	<p>Delete</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>9. The City will review the current Inclusionary Housing Ordinance to evaluate the 2013 changes to the ordinance, including the allowance of second units to fulfill affordable housing requirements. The City will also review recent court cases regarding inclusionary housing requirements to ensure compliance with state law.</p>	<p>a. Evaluate whether the requirement is a constraint on housing development. b. Evaluate whether the allowance of second units meets affordability goals including a survey to evaluate: - occupancy of the credited accessory dwelling units. - information on households served. - information on rents charged in relation to unit size.</p>	<p>The original review was completed, and affordable housing credit for accessory dwelling units was removed as an alternative in 2015. Since then, the City adopted interim affordable housing requirements for multifamily development and has extended those requirements multiple times, including in 2019. The current interim housing requirements were extended through November 2021. The City plans to use SB2 funds for an economic study to inform an upcoming ordinance update process and the 2021-2029 Housing Element includes a plan to undertake a comprehensive update to the City's Affordable Housing Ordinance.</p>	<p>Delete (replaced with new program that calls for a comprehensive update to the ordinance)</p>
<p>10. Amend the zoning for the University Flats sites within the Residential High-Density subareas of the Cannery site to require a minimum net density of 20 units per acre or greater. Alternatively, subject to the approval of the Cannery developer, the City shall amend the zoning in a subarea within the Cannery site where all the following criteria can be met: achieve a minimum net density of 20 units per acre or greater, accommodate at least 96 units, and the requirements of Government Code Section 65583.2(h).</p>	<p>a. Amend zoning code.</p>	<p>Completed. The Preliminary Planning Development was modified in 2016 to increase the allowed number of units from 96 to 120 on the combined parcels, for a density of 38.96 units per acre. Other revisions included increasing the allowed building height to 45 feet to 56 feet, and minor setback adjustments.</p>	<p>Delete</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>11. Superior planning and design shall be promoted through the following development expectations: A mixture of housing types and uses to the extent feasible. Ability to walk, bike and use transit for daily needs, services, and amenities. Design for energy efficiency and resource conservation. Local sense of place and social interaction promoted through well-designed public spaces. High quality design which is attractive and distinctive. Universal Design as a goal. (Resolution No. 11-077, 6/14/11)</p>	<p>a. Facilitate redevelopment and new development that considers these factors</p>	<p>These criteria are required for all projects in Davis and therefore evaluated as part of the normal application review process as applications are submitted. Consistency with the City's Affordable Housing Ordinance are also required and evaluated as part of all projects.</p>	<p>Delete</p>
<p>12. Work with the Housing Authority to provide Housing Choice Vouchers to small households with extremely low and very low incomes.</p>	<p>a. Support vouchers as a mechanism for providing affordable housing, including referrals of members of the public and individual projects. b. Program outreach and education to Section 8 owners and tenants. c. Maintain reciprocal communication with Yolo County Housing when either agency is made aware of the filing of opt-out notices by Section 8 tenants</p>	<p>In April 2020, the City recently received a Community Services Block Grant (CSBG) through Yolo County that will allow the continuation of the <i>Getting to Zero</i> voucher program in partnership with Yolo County Housing. The grant has been extended through calendar year 2021 with a total grant amount of approximately \$110,000. The City is working with Yolo County Housing to streamline the waitlist and ensure equity in the program.</p>	<p>Continue and modify</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
13. Streamline the permit-approval process to the extent feasible by offering pre-application meetings and concurrent review of applications.	a. Encourage the construction of housing to meet the needs of single persons and households with children with extremely low, very-low, and low incomes	This is an ongoing effort and part of the Planning department's work program. The Planning department is in the process of formalizing this process. However, this program language was also included in the 2013-2021 Housing Element as program 58, and therefore the 2021-2029 Housing Element Update has removed this program from this goal to avoid duplicates.	Delete
14. Adopt a Universal Access Ordinance for single-family housing units to implement the policies incorporated into the Housing Element, carrying out the City Council direction from Resolution 12-169.	a. Adoption of Universal Access Ordinance	Completed. Universal Access ordinance was adopted in 2015.	Delete
15. Evaluate the City's Universal Access Ordinance requirements after they have been applied to a variety of projects. Specifically, review the effectiveness of the policy targets and its categories of exemption, and determine if any modifications should be made.	a. Track development of visitable and accessible units b. Assess the policy for areas to improve, update as needed	Completed. Universal Access ordinance was adopted in 2015.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>16. Continue to work with UC Davis to provide housing for students. Support the provisions in the Memorandum of Understanding entered into by and between the City of Davis and UC Davis in 1989, including but not limited to the following:</p> <ol style="list-style-type: none"> 1. The goal and intention of UC Davis to provide on-campus housing for 25% of the current base student population and for 35% of the new student population. 2. The agreement that UC Davis' maximum and optimum three-term student population on the Davis campus is 26,000. <p>In addition, rely upon the University to provide on-campus student housing. Seek an update of the Memorandum of Understanding (MOU) including the percentage of student housing to be provided on campus.</p>	<p>a. Meet regularly with UC Davis staff to communicate on areas to collaborate</p>	<p>A Memorandum of Understanding between the City, Yolo County, and UC Davis was approved in 2018. Under the terms of that MOU, the University has committed to provide on-campus housing for 100% of the actual student population in excess of the baseline enrollment number of 33,825 students, as defined in the 2018 Long Range Development Plan EIR. The City continues to meet with UC Davis and Yolo County to discuss student housing.</p> <p>The City has also processed applications for multiple student-oriented housing projects, including the Davis Live, Lincoln 40, Sterling, and Nishi projects. The City issued building permits for the Lincoln 40 project (130 units totaling 708 beds, including 71 deed restricted beds) in December 2019. As of March 2021, the Sterling project (160 units, including 38 deed restricted units) was complete and occupied and the Davis Live project was under construction, and the Lincoln 40 project was nearing completion.</p>	<p>Continue and modify</p>
<p>17. Continue to explore programs to assist City staff, UC Davis staff and faculty, Yolo County staff, and school district staff to live in Davis. Continue to utilize local employee incentive system as a means of connecting local employees to local affordable and middle ownership opportunities.</p>	<ol style="list-style-type: none"> a. Apply Affordable Housing Ordinance b. Require use of Local Workforce Incentive System 	<p>The City continues to use a lottery system with local preference points for affordable housing for appropriate new projects located within the city. For example, the Grande project was located on property once owned by the Davis Joint Unified School District, so faculty were given first priority for moderate and middle income housing product. The City will continue supporting such projects in the future.</p>	<p>Continue and modify</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>18. Work with housing providers to meet the special housing needs of individuals with disabilities and developmental disabilities, extremely low, very low, and low incomes, large families, senior citizens, farmworkers and their families, female-headed households with children, and others with special needs. Develop a plan that assesses the need and identifies options for an affordable assisted living project.</p>	<p>a. Seek to meet these special housing needs through a combination of regulatory incentives, zoning standards, new housing construction programs, and supportive services programs</p>	<p>Construction of the Creekside Project continued in 2019 and is now completed. A certificate of occupancy has been issued. The Creekside Project provides 90 fully accessible units for extremely-low and very-low income individuals with onsite supportive services.</p> <p>In addition, the City opened a daytime respite center in February 2020, and the City Council asked staff to develop a plan for a sanctioned camping site. In 2019 and continuing into 2020, City staff also worked with the developer of the Sterling Project and with Mutual Housing California to finish financing and secure a tax credit for the project. That project will provide 38 family housing units for extremely-low and very-low income households. Construction began in Fall of 2020.</p>	<p>Continue and modify</p>
<p>19. Review new housing projects against the city-adopted Senior Housing Guidelines.</p>	<p>a. Implement developed criteria</p>	<p>The Senior Citizen Commission has reviewed project proposals as appropriate. 150 affordable rental units for seniors were approved in the Bretton Woods community in 2019.</p>	<p>Delete and convert to a policy rather than a program</p>
<p>20. Support efforts by the USDA Rural Housing Services and Yolo County Housing Authority to provide housing for farmworkers and their families by offering letters of support, attending meetings with developer and USDA, and offering funding priorities if needed.</p>	<p>a. Support efforts b. Encourage developers and offer letters of support</p>	<p>Ongoing. The City continues to support Yolo County in farmworker housing efforts and provide services, such as recreation services, that are utilized by farmworkers and their families living near Davis.</p>	<p>Continue and modify</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>21. Provide sites for at least 1,066 housing units during the current planning period, including at least 248 very low-income units, 174 low-income units, 198 moderate-income units, and 446 above moderate-income units.</p>	<p>a. Process applications, as required by law</p>	<p>As of the end of 2020, the City had issued building permits for a total of 1,483 housing units, including 138 very low income units, 160 low income units, 510 moderate income units, and 675 above moderate units during the 2013-2021 Housing Element cycle. The City still had a remaining RHNA of 110 very low income units and 14 low income units and had already met and exceeded its obligation for moderate and above moderate income units. The City continues to pursue and push forward projects with very low and low income units. The City also anticipates an increase in ADU development in 2020 and 2021 due to newly passed legislation, which will help the City meet its RHNA obligations.</p>	<p>Continue and modify</p>
<p>22. Strive to achieve 200 units of first-floor accessible and fully accessible housing units.</p>	<p>a. Review all housing developments for consistency with accessibility and visitability requirements</p>	<p>Completed. The City adopted a visitability ordinance and ensures that new projects meet ADA accessibility standards. During the 2013-2021 Housing Element period, the City required that all new homes in the Cannery project are fully accessible on the first floor, including both a bedroom and bathroom. 47 elevator-served or ground-floor accessible units are provided in Bartlett Commons (62 affordable units). Other accessible units are provided in Sterling (160 student-oriented rental units), Mission Villas (14 elevator-served condominiums), and Meridian (11 apartments, including 1 affordable unit). 29 single family building permits within the Cannery were issued in 2019, each of which was required to provide a fully accessible first floor. The Creekside project was approved as a fully accessible project with a total of 90 units.</p>	<p>Delete</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>23. Continue to facilitate ministerial second units and discretionary second units.</p>	<p>a. Expedite processing of second unit applications b. Provide education on developing second units c. Consider code changes to accommodate additional second units, include public workshops and noticing with any proposed changes d. Consider neighborhood plans that would further facilitate the development of second units</p>	<p>The City established an administrative review process for ADUs and revised provisions for Ministerial Accessory Dwelling Units in 2019 to conform with statutory changes. The City continues to process applications for both ministerial and discretionary ADUs. In 2019, the City processed 7 discretionary ADU entitlement permits and issued building permits for 32 ministerial ADUs. The City also applied for SB2 grant funding in 2019 to help fund an ADU Toolkit, which will assist the City in providing additional streamlining processes for ADUs.</p>	<p>Continue and modify</p>

<p>24. Continue to support existing transitional housing and emergency shelter options provided in the city, and consider opportunities to provide shelter for 5 to 10 additional households at risk of homelessness or currently homeless, potentially including: youth transitioning out of foster care homeless individuals post hospital care in need of shelter to accommodate physical recovery</p>	<p>a. Maintain existing levels of transitional and emergency shelter options b. Work with local housing and service providers to identify opportunities to provide shelter for local needs groups</p>	<p>The City has taken several actions in support of this program during the 2013-2021 period. The City as an ongoing partnership with Davis Community Meals and Housing to administer a Continuum of Care Supportive Housing Program grant to support a 10-bed transitional housing project. As of March 2021, the all-affordable housing development Mutual on 5th Street (the affordable housing component of the Sterling development) was under construction. This project, which included HOME funding and funding the city required of the market developer, will provide 38 units of very low and extremely low rental units for families, former foster youth, and other income qualified households. One of the target populations for this project is transitioning foster youth. The City also approved Paul's Place, which will begin construction in summer of 2021 and which will provide 18 units of permanent supportive housing, 10 beds for transitional housing, 4 emergency shelter beds, and a resource center and related facilities. This will replace a much smaller and outdated facility currently on the same site. Adjacent to the site, the City purchased a duplex in 2020, using affordable housing funds. Each unit will be used to house low incomes households who will be able to access services at Paul's Place. The City has also partnered with Heart of Davis (formerly the Interfaith Rotating Winter Shelter) to provide non-congregate shelter and services for up to 40 people. The goal is to move participants into permanent housing, whether through vouchers or other means. This program will be replaced by the Bridge program, led by Heart of Davis, once the Covid-related non-congregate shelter program concludes in July. The City's respite center opened in early 2020 and as of March 2021 was funded for at least one additional year. The respite center does not provide overnight shelter, but provides a safe space for unsheltered people to go during the day to take care of hygiene needs, receive basic services, and get connected to services. The City also has a California Emergency Solutions and Housing (CESH) grant to provide emergency housing services through hotel stays, and a</p>	<p>Continue and modify</p>
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2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
		<p>Homeless Emergency Aid Program (HEAP) grant to fund the Pathways to Employment program. This program works with individuals to help them gain meaningful job experience in order to move them into permanent housing.</p> <p>Since March 2016, the City has transitioned 21 households into permanent housing through the Getting to Zero program.</p> <p>The City will continue its aggressive pursuit of grant funding to support its network of homeless services and will continue to work with local providers to strengthen the programs serving unsheltered individuals.</p>	
Policy Category 7.2: Assist in Affordable Housing Development			
<p>25. Encourage use of Federal Tax Credits and other federal and state subsidy programs for production of low-income housing.</p>	<p>a. Provide letters of support</p>	<p>Support and financial resources were committed for Bartlett Commons and the City has provided letters of support for other proposed affordable housing developments upon request. The City acted as co-applicant with the Creekside developers for the Affordable Housing and Sustainable Communities Grant program. The City also worked with Mutual Housing California on the financing for the affordable project on 5th Street.</p> <p>The City continues to work with local affordable housing developers to promote the use of Federal Tax Credits and other similar programs. The City will continue to support applications from applicants requesting public funding and will act as a co-applicant for grant programs as needed.</p>	<p>Continue and modify</p>
<p>26. Encourage the use of all non-City available affordable housing incentive programs available to Davis residents for both new and existing housing by advertising the programs on the City website and in public meeting places.</p>	<p>a. Encourage use of available programs b. Promote and facilitate use of homebuyer education</p>	<p>This is an ongoing effort. The City posts information about affordable housing resources available on the City Manager's webpage at https://cityofdavis.org/city-hall/city-manager-s-office/housing-and-grants-management. City staff continues to work with the Social Services Commission to enhance and improve the information on affordable housing available on its website.</p>	<p>Continue and modify</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
27. Pursue means of securing additional housing affordable to extremely-low and low-income households and land for such housing including, but not limited to, land dedication, land exaction, and other private funding opportunities.	<ul style="list-style-type: none"> a. Look for new opportunities to provide affordable housing b. Partner with local affordable housing providers 	In 2019, the City approved the funding plan for the 3820 Chiles Road project, which requested to provide ongoing funding to the City's Housing Trust Fund on an annual basis, rather than providing a lump sum of affordable housing fees or inclusionary housing up front. This funding method will eventually result in more funding for affordable housing in the long-term. This is an example of an alternative funding method that could be used to decrease up-front costs.	Continue and modify
28. Create incentives to the development of affordable housing through measures such as flexible development standards that are compatible with the surrounding neighborhood. Most of the City's vacant sites are in the PD zone, which is meant to foster development flexibility. For non-PD sites, the City can consider parking reserves or waivers on development standards such as setbacks, lot coverages, and open space of up to 10 percent.	<ul style="list-style-type: none"> a. Process affordable housing projects under planned development zoning 	All recent residential developments, including projects with affordable housing components, have been zoned Planned Development, which allows for flexible development standards as required for this program. The Creekside and Mutual on 5th affordable housing projects, which continued through the development process in 2019, are located on land dedication sites.	Continue and modify
29. Use local resources to support programs in the city that assist in placing high-risk renters into affordable housing units.	<ul style="list-style-type: none"> a. List this objective as a critical need in future CDBG/HOME funding cycles 	The City set up a renter resources program accessible to all tenants that provides education and outreach on rental and affordable housing resources, as well as a rental inspection program. The City has also maintained its Getting to Zero Voucher Program that includes a damage mitigation fund that is intended to incentivize landlords to rent to high-risk tenants. The fund covers damage and repairs that may occur to units rented to high-risk tenants and provides supportive services, including landlord mediation to resolve conflicts before they escalate to eviction.	Delete
30. If new lands are added to the City's General Plan Area, identify, zone, and develop affordable housing sites early in the planning process.	<ul style="list-style-type: none"> a. Apply to projects in application 	An affordable housing parcel was identified in the zoning and Baseline Project Features for Bretton Woods (WDAAC) prior to voter approval of the project. Provisions for affordable beds were included as a requirement for the Nishi Residential Project prior to voter approval. City staff regularly works with applicants to identify strategies for affordable housing early and throughout the entitlement process for all major projects.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
31. Work to maintain continued affordability of existing affordable housing with expiring federal, state, or local subsidy programs by annually monitoring each at-risk project and working with owners to develop a plan for conservation of the units. This may include offering technical assistance in identifying alternative funding sources if original funding will expire.	a. Enforce affordability covenants and resale restrictions b. Provide technical assistance	The City continues to contract with Yolo County Housing to provide technical assistance and to annually monitor affordable housing developments with covenant restrictions. The City and Yolo County Housing are currently working to review and revamp the affordable ownership program and to improve the waitlist process to ensure equity.	Continue and modify
32. Assist residents who are displaced from subsidized housing in finding comparable accommodations.	a. Assist displaced residents	In 2018, the City secured a \$173,834 California Emergency Solutions and Housing grant to establish a flexible fund for emergency housing needs and housing stabilization. In 2019, the City continued to implement the program using the remaining grant funds. The funding is used as needed to provide temporary housing assistance and permanent housing navigation assistance to displaced residents. In 2020 and 2021, the City allocated approximately \$300,000 in HOME funds to be used for Tenant Based Rental Assistance as part of COVID mitigation, providing up to \$4000 in rent and rent related costs per eligible household.	Delete (added as an action item in a new Displacement Prevention program)
33. Establish a referral service to assist very low- and low-income households in identifying affordable housing in Davis and surrounding areas.	a. Create central application system for affordable rental housing units b. Maintain City affordable housing webpage	Affordable housing information is posted on the City's website at https://cityofdavis.org/city-hall/city-managers-office/housing-and-grants-management/affordable-housing-program/rental . Information here is maintained as updated as needed.	Continue and modify

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
34. Compile and maintain a list of vacant sites in Davis which are suitable for affordable housing development.	a. Maintain list on City affordable housing webpage	The 2013-2021 Housing Element includes a list and maps of suitable housing sites, including sites appropriate for affordable housing, and is posted on the City's website at https://www.cityofdavis.org/city-hall/community-development-and-sustainability/planning-and-zoning/housing-element-update-2013-2021 . The 2021-2029 Housing Element will include an updated list and maps.	Continue and modify
35. The City will encourage and facilitate development on underutilized sites listed in the sites inventory by providing assistance with site identification and entitlement processing, provide marketing materials for residential opportunity sites and provide technical assistance to interested developers; including technical assistance to acquire necessary funding, offering fee deferrals for affordable housing projects, and providing financial support when available. On an annual basis, the City will also organize special marketing events; workshops geared towards the development community and post the sites inventory on the City's webpage.	a. Facilitate and incentivize lot consolidation opportunities	This program is currently not funded, so this is only done on a case-by-case basis as opportunities arise. The City solicited ideas for the Pacifico affordable project when the property was foreclosed on and the City took over ownership. The City solicited ideas for rehabilitation projects, but this project stalled due to lack of funding. The City intends to resume its efforts on the rehabilitation of this property as funding and staffing allow.	Delete
36. Monitor creation and availability of affordable housing in particular on underutilized parcels on an annual basis. If monitoring shows that the percentage of affordable units available does not meet identified affordable housing needs, take further actions to encourage construction of affordable housing, such as increasing allowed densities, restructuring the Affordable Housing Ordinance, identifying additional sites, and/or revising or adding additional incentives for lot consolidation and mixed-use development.	a. Annual monitoring of new affordable housing units	The City continually monitors the creation and availability of affordable housing. In addition, the City has amended its Affordable Housing Ordinance several times during the reporting period to attempt to facilitate more affordable housing development while still having feasible housing projects. In 2019, the City was awarded SB 2 grant funds which are dedicated to the preparation of an economic analysis to help inform a revised and realistic Affordable Housing program. The City is committed to including this as a major program component of its next Housing Element and has taken steps toward revising its inclusionary housing requirements.	Continue and modify

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
37. Encourage and seek funding for shared housing for residents with low incomes, fixed incomes, and pensions.	<ul style="list-style-type: none"> a. Provide information and shared housing agreements b. Post opportunities for shared housing 	The City is looking to add additional tools to the Affordable Housing Ordinance that could potentially provide for funding for shared housing opportunities. The City is anticipating a comprehensive update to the Affordable Housing Ordinance to explore these types of opportunities.	Continue and modify
38. Maintain standards for the regulation of condominium conversion applications so that low-income households receive appropriate displacement protection or benefits.	<ul style="list-style-type: none"> a. Process applications under City's condo conversion ordinance 	The City's condominium conversion ordinance is still in effect and will continue to be administered as applications for condominium conversions are received.	Delete
39. Provide written handouts and work with developers to provide signs to disclose the locations of sites approved for future affordable housing development to low- and moderate income-persons. In written materials, disclose that affordable housing sites may be developed with affordable housing as envisioned in the General Plan.	<ul style="list-style-type: none"> a. Review and/or generate disclosure handouts 	The City continues to work on a sign program to disclose all pending development. This has not yet been completed.	Delete
40. The City shall review the Housing Element to determine (1) its progress toward meeting the goals of the Housing Element and any further actions needed to meet them before the end of the current Housing Element planning period; and (2) whether adequate sites will be available to meet the prospective identified needs for the next planning period and, if not, any actions needed during the remainder of the current planning period to make them available.	<ul style="list-style-type: none"> a. Review Housing Element for progress in Implementation Plan and availability of adequate sites 	Completed annually through this Annual Progress Report.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>41. The City shall petition our state and national representatives for more affordable housing resources.</p>	<p>a. Track and state support (in writing) for bills that provide more affordable housing resources</p>	<p>In late 2018, the City's Legislative Subcommittee developed a 2019 State Legislative Platform. One of the platform's advocacy items includes support for SB 5, which proposes to enable a portion of tax increment financing to go towards affordable housing.</p> <p>In 2019, the City Council unanimously endorsed (Assembly Constitutional Amendment 1 (ACA 1), which, if approved, would have provided greater flexibility to communities desiring to provide funds in support of affordable housing activities. While ACA 1 failed in the State Legislature, the City will continue to endorse similar legislation aimed at providing funding for affordable housing activities, as included in the City's 2019 State Legislative Platform.</p> <p>The City also worked with HCD in 2019 to advocate for an alternative methodology for counting by-the-bed and room rentals for the purpose of the City's share of the RHNA to reflect the City's unique needs for student-oriented housing.</p>	<p>Continue</p>
<p>42. Amend the Affordable Housing Ordinance to establish a more precise timeline for transfer of dedicated land and the award of dedicated land for development by nonprofits to promote neighborhood acceptance.</p>	<p>a. Amend ordinance b. Incorporate into new projects</p>	<p>The City has made several minor adjustments to its Affordable Housing Ordinance with the latest occurring in 2019. The City has determined that additional economic analysis is needed to ensure that the ordinance is feasible and able to be implemented. The City was awarded SB 2 grant funds in 2019, a portion of which will be used for this economic analysis. The City is planning an overhaul of its Affordable Housing Ordinance following the 2021-2029 Housing Element Update, which will address this program.</p>	<p>Delete</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
<p>43. The city shall review the Affordable Housing ordinance at least every five years to confirm its effectiveness. The next such review shall be scheduled no later than December 2016. The review shall evaluate number and types of affordable and market housing units constructed, the effectiveness of accessory dwelling unit pilot program in providing affordable housing, in-lieu fees generated and the purposes to which they are allocated, and consistency with other local policy objectives, including smart growth principles, accessibility, energy efficiency, etc. Robust public outreach shall be a required component of this review.</p>	<p>a. Evaluate whether the Affordable Housing Ordinance is providing the desired number and types of affordable units</p>	<p>The City has made several minor adjustments to its Affordable Housing Ordinance with the latest occurring in 2019. The City has determined that additional economic analysis is needed to ensure that the ordinance is feasible and able to be implemented. The City was awarded SB 2 grant funds in 2019, a portion of which will be used for this economic analysis. The City is planning an overhaul of its Affordable Housing Ordinance to coincide with the 2021-2029 Housing Element Update, which will address this program.</p>	<p>Delete</p>
<p>Policy Category 7.3: Program to Promote Equal Housing Opportunities (Access)</p>			
<p>44. Continue to monitor the number of persons seeking emergency shelter in Davis and Yolo County. Evaluate the resulting data to determine what facilities and social services are needed in Davis to cooperatively address the overall county needs of the identified population.</p>	<p>a. Monitor the local needs (city and county) for emergency housing</p>	<p>The City led efforts in Davis to complete a 2019 sheltered and unsheltered point-in-time count, as required by HUD. (In 2021, the count was deferred due to COVID-19.) In addition, the City approved its first ever Social Services Strategic Plan. Incorporating local data and resident input, the Plan proposed four strategies to address the community's greatest unmet needs.</p> <p>The City in partnership with Yolo County Health and Human Services Agency (HHSA) individually sheltered 72 persons (in 64 households) as part of Project Roomkey in 2020. The City also partnered with the Interfaith Rotating Winter Shelter (now Heart of Davis) in a non-congregate shelter program that can host between 25 and 40 individuals per night and the Davis Community Meals and Housing (DCMH) program for long term transitional shelter. The City also supports the Yolo County HHSA CalWORKS Rapid Rehousing Program for families with minor children and Empower Yolo, which provides a secret site shelter for individuals fleeing domestic violence, trafficking, and other related situations.</p> <p>Overall, in 2019, the City worked with Yolo County to provide a total of 643 year round beds, 55 seasonal beds, and 15 overflow/voucher beds.</p>	<p>Continue and modify</p>

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
45. Continue to participate in the Yolo County Ten-Year Plan to End Homelessness.	a. Participate in meetings and with financing for the 10-Year commission	This program was renamed the Executive Commission to Address Homelessness and meets monthly; the City is represented by an employee of the Police Department and one of the City Council members and is staffed by the Yolo County HHSA, rather than by Yolo Housing. It has a renewed mandate and role in setting community priorities for publicly administered funding sources to address homelessness in Yolo County.	Continue and modify
46. Serve at least 100 people annually with the City's Fair Housing Services by disseminating information about these services throughout the community.	a. Provide information related to California Housing Law	The City publishes fair housing information on its website and does not track the number of people accessing that information specifically. Over 150 individuals were served in 2019 through the City's fair housing line or at City Hall.	Continue and modify
47. Permanently maintain the affordability of required affordable rental units for very low-, low-, or moderate-income households.	a. Monitor affordability covenants and resale restrictions	The City contracts with Yolo County Housing to provide technical assistance and annual monitoring of affordable housing developments with covenant restrictions.	Delete – this program is covered in more specific detail through other programs
48. Work with residents and landlords/owners in the event of sharp rental increases or evictions of groups of tenants by landlords of rental properties with 40 or more units. Special attention shall be given to projects with potential for large-scale gentrification or displacement of Section 8 residents without appropriate relocation to other similar affordable units.	a. Assist residents with housing information	This is an ongoing effort. In 2019, the City became aware that the owners of the Suntime Apartments, which had a 40-year agreement to provide affordable housing, were considering converting to market rate apartments once the 40-year term is up. The City attempted to work with the property owner and Yolo County Housing to prevent the conversion, with Yolo County Housing trying to potentially acquire the site. While efforts to acquire the site were not successful, the affordability term was extended for an additional five years pursuant to Government Code Section 65863.11, subsection (i). This project remains at risk of conversion during the 6 th Housing Element Update cycle.	Continue and modify

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
49. Social Services Commission shall continue to monitor affordable housing programs supported by CDBG, HOME, and Housing Trust Fund identified for affordable housing and whether current needs of extremely low, very low, low and moderate-income households are being met. Currently produced annual reports will be amended to include information about the Housing Trust Fund including expenditures and income.	a. Maintain affordable housing in the Commission's scope and provide necessary information	The Social Services Commission continues to review all proposed affordable housing developments and major changes to existing affordable developments. This program is ongoing.	Continue and modify
50. Forward all existing and new affordable housing opt-out notices to Legal Services of Northern California in Woodland.	a. Forward opt-out notices	The City regularly refers people with housing issues or complaints to Legal Services of Northern California. During the 5 th Housing Element cycle, the City worked with LSNC to try to prevent the conversion of Suntree Apartments from affordable to market rate.	Delete - incorporated into a revised Affordable Housing Preservation program
51. In all cases of new subsidized affordable for-sale housing, except those cases in which the City determines that permanent affordability is infeasible, the housing shall be in or under the control of a housing land trust, a limited equity cooperative, fee simple ownership with permanent affordability requirements and significant city oversight, or other permanent affordability arrangements with significant city oversight. Also, should economic circumstances or state and federal subsidies dictate that permanent affordability requirement be released for a specific development project, then appropriate recapture mechanisms for the subsidies and owner occupancy for the longest period feasible shall be imposed. Specific findings for release of the permanent affordability requirement shall be established in the Affordable Housing Ordinance.	a. Develop all new ownership housing units with permanent resale restrictions to maintain long-term affordability.	Resale restrictions and right of first refusal were included for the for-sale affordable units in Berry Bridge (8 low/mod), Cassel Lane (5 low/mod), Grande (8 low/mod and 6 middle income), and Villages at Willow Creek (4 low/mod) developments.	Continue and modify
52. In all cases of new subsidized affordable rental housing, except in those cases in which the City Council determines that permanent affordability is infeasible, the city shall develop appropriate mechanisms to assure permanent affordability.	a. Record a permanent affordability covenant to the deed of all new affordable rental housing units	Affordable Housing covenants are recorded for the Bartlett Commons parcel and required for the Sterling Mutual Housing and Bretton Woods (WDAAC) affordable housing parcels.	Delete (combine with #51)

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
53. If the common-law Rule Against Perpetuities or any other provisions of state law prove to be an obstacle to implementation of a policy for permanent affordability and these actions, the City Council shall seek state legislation to amend or waive the provision that is the obstacle.	a. No state law has been an obstacle, but staff is working on connecting all available funds to permanently affordable units	There were no issues related to this program during the 5th Cycle Housing Element period.	Continue
Policy Category 7.4: Address Governmental Constraints			
54. Consider a more equitable tax structure for future proposed city parcel tax by basing tax on unit square footage so that smaller units pay proportionally lower tax.	a. Consider variation on tax structure	This program has been implemented in new development when a CFD or Mello Roos is proposed but the City is currently planning to pursue this strategy further.	Delete
55. Provide financial incentives to rental property owners on the condition of making individual units permanently affordable. Options for incentives include but are not limited to market-rate rehabilitation loans and fee waivers.	a. Offer incentives to owners of expiring affordable units b. Offer incentives to increase affordable housing stock	The City continually monitors at-risk affordable units and works on financial incentives on a case-by-case basis as funding is available.	Delete (duplicative of other existing programs)
56. Initiate a Zoning Ordinance amendment to add a section detailing allowing density bonuses for affordable housing in compliance with Government Code Section 65915 which would encourage density bonuses for residential projects in proximity to public facilities and services including bus stops.	a. Amend the zoning ordinance to comply with state density bonus law updates	Complete. Density bonus provisions were added to the Zoning Ordinance in 2008. A density bonus was granted to the Meridian complex in 2017, in accordance with the provisions of statute. The City has and continually maintains its density bonus program. The City has updated its density bonus program to ensure compliance with all applicable legislation.	Delete
57. Periodically review Zoning Ordinance performance standards and revise them as needed to ensure high environmental quality, streamlined processing where appropriate, and compliance with state standards.	a. Omnibus updates to the Zoning Ordinance	The draft Downtown Davis Specific Plan would address this program in the downtown area. The City published a public review draft of the plan in Fall 2019 and will continue work on it into 2021. In addition, in 2019, City staff processed an Omnibus Ordinance to "clean up" portions of the Zoning Ordinance to enhance processing.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
58. Streamline the permit-approval process to the extent feasible by offering pre-application meetings and concurrent review of applications.	a. Streamline permit approval process	The permit approval process is continuously being streamlined and refined. In 2019, Planning staff worked on formalizing the pre-application meeting process.	Continue and modify
59. Investigate a “one-stop” approval process for non-discretionary applications, which require actions from multiple departments. The purpose would be to avoid unnecessary and confusing processing steps.	a. Investigate the potential for such process	In 2019, Planning staff continued making improvements to its Development Review Team, which includes representatives from several City departments involved in the entitlement and building permit process. Planning staff provided training to other departments on the planning and conditioning process and now meets regularly with other departments to discuss their involvement and solve project issues as early in the development process as possible to avoid potential delays. Planning staff also developed a list of standardized conditions of approval in 2019 to further shorten processing times.	Delete – program completed
60. Encourage inter-organizational representation in the long-term planning efforts of each agency, especially in relationships between the City, UC Davis, Yolo County, surrounding cities and DJUSD.	a. Attend inter-organizational meetings and attend public hearings related to long-term planning, information decision-makers	The City, Yolo County, and UCD have executed a Memorandum of Understanding relating to university growth and other matters related to shared goals and principles. The MOU calls for an annual public meeting and at least two "2x2x2" meetings in the first year following execution. Through various 2x2 groups, the City Council has existing and standing meetings with UCD, Yolo County, DJUSD, and the Chamber of Commerce and other business organizations. In addition, the City is an active member of Yolo County's Continuum of Care, which is the local inter-organizational body leading system-level planning for efforts to end homelessness.	Continue
61. Develop a method for documenting, distributing, and maintaining interpretations of the municipal code, the General Plan, and program policies as each relate to development approval	a. Maintain Interpretations Binder at planning counter	This binder is maintained continuously and is available for public review at the planning counter during normal business hours.	Continue and modify

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
62. Continue outreach efforts to inform architects and builders of City standards and requirements.	a. Write articles for the City newsletter, provide updated information online, create and maintain user friendly handouts	This program is continuously maintained and is enhanced with postings on the City's website.	Delete
63. Consider expanding the use of third-party project reviewers and plan checkers to reduce permit processing time.	a. Reduce permit processing time	The City Building Department continues to use third-party reviewers as needed. This is an ongoing item that continues to be in process.	Continue and modify
Policy Category 7.5: Conserve and Improve Condition of Affordable Housing Stock			
64. Periodically conduct a survey of the condition of residential structures in Davis to identify any need for rehabilitation or replacement.	a. Conduct surveys with home retrofit program	The City performed monitoring activities and onsite visits at many of the City's residential developments to determine whether there were any physical rehabilitation or replacement needs, among other items. However, the City has not been able to conduct periodic surveys of the condition of residential structures due to a lack of resources for this activity.	Delete
65. Continue to require maintenance and preservation of the existing housing stock through the existing Resale/Retrofit Inspection Program and by requiring inspection of houses on resale.	a. Continue Resale/Retrofit Inspection Program	This is an ongoing program that will continue to be implemented. The City completed 539 resale inspections in 2019, ensuring proper maintenance of those units.	Delete - included as policy rather than a program
66. Encourage landlords to maintain all rental units in sound condition through City information, the resale program, and technical assistance and support. Affordable rental units shall be further maintained through regular City monitoring.	a. Provide information to local landlords b. Inspect a sample of affordable housing units	This is an ongoing effort. The City's Rental Resources program is a registration and inspection program for rental dwelling units to proactively address, mitigate, and prevent the health and safety risks and adverse secondary effects of substandard conditions. The City has the ability to conduct random compliance audits or inspect units upon complaint. The program also provides information on tenant rights and landlord obligations and ensures that existing units remain habitable.	Continue and modify
67. Continue to support the existing program at the Senior Center which assists senior homeowners in maintaining their homes by providing arrangements for volunteers to perform home maintenance services.	a. Continue support	The City continued to support this program in 2019.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
68. Upon the completion of infill-related studies and the adoption of infill and densification design guidelines and strategies, the Community Development Department shall make available a basic information sheet to inform interested parties that second or additional units are allowed in residential categories and the design guidelines affecting their construction and design.	a. Information sheet exists and will be continued to be disbursed	Informational handouts on ADUs were completed in 2019 and are now available to customers at the public counter. These handouts are now being updated to reflect the new ADU legislation passed in 2020. In addition, the City was awarded SB 2 funding, part of which is being used to develop an "ADU Toolkit" which is planned to include pre-approved ADU plans and will further streamline ADU development at lower costs. As of March 2021, the City was in the process of updating the ADU ordinance to match State law and was in the process of assembling an RFP to prepare pre-approved, plan-checked ADU plans.	Continue and modify
69. Provide financial assistance to ensure housing retrofit assistance for at least 10 elderly or disabled low-income households.	a. Provide funding to retrofit program	This program was discontinued due to a lack of qualified applicants. As of 2019, this has not changed.	Delete
70. Preserve at least 118 affordable housing units at risk of conversion to market.	a. Negotiate with owners and other potential funders with the objective to preserve affordable units	This is a continual effort by the City. The City takes all legal options available to keep units affordable. However, there are currently only four affordable units in Davis that are potentially at risk of conversion to market rate, and this program will be replaced by a program to determine whether these four units are at risk, and to pursue preservation options is needed and appropriate.	Delete
Policy Category 7.6: Energy Conservation			
71. Use subsidies, expedited permit processing, density bonuses or other incentives to support implementation of photovoltaic and other renewable energy technologies to provide a portion of the City's energy needs.	a. Identify potential incentives b. Review and identify most cost-effective incentives	Ordinance 2440 was adopted in 2014 to establish renewable energy requirements for single family dwellings and Ordinance 2459 was adopted in 2015 to implement building permit applications for photovoltaic installation. The City continues to support and promote the Cool Davis program, which connects homeowners with financial resources for making home improvements such as providing renewable energy sources to help reduce the City's greenhouse gas emissions.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
72. Offer incentives to developers for projects that result in energy savings of at least 20 percent when compared to the energy consumption that would occur under similar projects built to meet the minimum standards of the energy code.	a. Identify potential incentives b. Review and identify most cost-effective incentives	The City began the process of updating its Climate Action and Adaptation Plan (CAAP) in late 2020. The CAAP is anticipated to further explore these kinds of incentives and programs.	Delete (incorporated into new program that reflects the CAAP)
73. Provide incentives for retrofitting existing homes and businesses for improved energy efficiency. An example of a retrofit feature would be a passive solar device.	a. Identify potential incentives b. Review and identify most cost-effective incentives	The City began the process of updating its Climate Action and Adaptation Plan (CAAP) in late 2020. The CAAP is anticipated to further explore these kinds of incentives and programs.	Delete (incorporated into new program that reflects the CAAP)
74. Support the opportunity for efficient public transit by siting large apartment complexes on arterial streets, in the core and near neighborhood centers and the university.	a. Support appropriate projects that utilize existing transit and a close proximity to community services and shopping	The City processed and approved several major multifamily projects located along major arterial streets, in the core, or near neighborhood centers and the university during the planning period.	Continue
75. At least 80 percent of all residential lots in any proposed new development should be oriented so that buildings have their long axes within 22.5 degrees of east/west. Allow a developer not providing the required percentage to demonstrate that other site design, building design, or construction measures would provide similar opportunities for conserving energy.	a. Enforce lot orientation requirements	This is a site plan criterion that is and will continue to be used in all residential projects.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
76. Develop and implement energy-efficient design requirements that go beyond the state building standards for energy efficiency.	a. Identify potential requirements b. Review and adopt necessary requirements	The City began the process of updating its Climate Action and Adaptation Plan (CAAP) in late 2020. The CAAP is anticipated to include requirements for building efficiency standards. Also, worth noting is that the City Council adopted an ordinance declaring a climate emergency and accelerating the City's goal of reaching carbon neutralizing from 2050 to 2040, 10 years ahead of the State's goal.	Delete (incorporated into new program that reflects the CAAP)
77. Develop design guidelines for climate-oriented site planning, building design and landscape design to promote energy efficiency.	a. Identify design guidelines b. Review and adopt necessary guidelines	The City began the process of updating its Climate Action and Adaptation Plan (CAAP) in late 2020. The CAAP is anticipated to include design guidelines (or a similar program) to promote energy efficiency.	Delete (incorporated into new program that reflects the CAAP)
78. Energy-efficient landscaping and preservation of existing shade trees is encouraged on all building sites.	a. Encourage the landscaping and provide additional information to developers	This effort is ongoing and continued throughout the planning period.	Delete (incorporated into new program that reflects the CAAP)
79. Continue to enforce and support water conservation ordinances.	a. Enforce existing water conservation ordinances	This is an ongoing effort that continues to be in progress. The City will continue to keep the Municipal Code up-to-date with State-mandated water conservation regulations.	Continue
80. Explore incentives to retrofit water conserving plumbing in existing residences and businesses.	a. Identify potential incentives b. Review and identify most cost-effective incentives	In late 2020, the City started the process of updating its Climate Action and Adaptation Plan, which will identify these types of incentives.	Delete (incorporated into new program that reflects the CAAP)
81. Reduce the City's greenhouse gas emissions to 80 percent of 1990 levels or neutral no later than 2050.	a. Reduce greenhouse gas emissions	The City Council adopted an emergency resolution on March 5, 2019 committing to accelerate the City's goal of reaching carbon neutrality from 2050 to 2040. The City also started the process of updating its Climate Action and Adaptation Plan in late 2020, which will identify ways the City can reduce emissions.	Continue and modify

HOUSING NEEDS ASSESSMENT

California Housing Element law requires local governments to adequately plan for the existing and projected future housing needs of their residents, including their fair share of the regional housing needs allocation (RHNA). A complete and thorough analysis must include both a quantification and a descriptive analysis of the specific needs that currently exist and those that are reasonably anticipated within the community during the planning period, as well as the resources available to address those needs. The following section of the City of Davis 2021-2029 Housing Element summarizes information regarding existing and projected housing needs and is divided into six subsections pertaining to:

- Population and Household Characteristics
- Economic and Employment Characteristics
- Projected Household and Employment Growth
- Housing Stock Characteristics
- Housing Costs and Affordability
- Housing and Special Needs Populations

Data sources used in this section include the 2010 U.S. Census; 2014-2018 U.S. Census American Community Survey (ACS); the U.S. Department of Housing and Community Development (HUD) 2013-2017 Comprehensive Affordability Strategy (CHAS) data set; the California Department of Finance (DOF); the California Employment Development Department (EDD); and the US Census OnTheMap application and the Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics database, among other sources.

Population and Household Characteristics

Population and Household Trends

The City of Davis is the ninth largest City by population within the five-county region represented by the Sacramento Area Council of Governments (SACOG) and the 129th largest city in California. The California Department of Finance estimates that the City of Davis has a population of approximately 69,000 residents and approximately 26,000 households, as reported in Table 5. Between 2010 and 2020, Davis added approximately 3,600 residents and 1,400 households, yielding population and household growth rates of 5.4 percent and 5.8 percent, respectively. These growth rates are considerably lower than those of the Sacramento-Roseville-Folsom Metropolitan Statistical Area (“Sacramento MSA”) and the nearby cities of West Sacramento and Woodland. West Sacramento and Woodland, which are smaller cities than Davis by population, each added more residents and households than Davis over the past decade. Like the Sacramento MSA and nearby cities, Davis recorded slower population and household growth during the decade from 2010 through 2019 compared to the previous decade. This slowdown in growth was less pronounced in Davis

than in nearby cities, though, as Davis experienced comparatively low growth during the 2000-to-2009 decade as well.

Table 5: Population and Households, 2000, 2010 and 2020

Population and Households	2000	2010	2020	% Change, 2000-2010	% Change, 2010-2020
Population					
City of Davis	60,308	65,622	69,183	8.8%	5.4%
City of West Sacramento	31,615	48,744	54,328	54.2%	11.5%
City of Woodland	49,155	55,468	60,742	12.8%	9.5%
Sacramento MSA (a)	1,796,857	2,149,127	2,374,008	19.6%	10.5%
Households					
City of Davis	22,948	24,873	26,317	8.4%	5.8%
City of West Sacramento	11,404	17,421	19,287	52.8%	10.7%
City of Woodland	16,752	18,721	20,433	11.8%	9.1%
Sacramento MSA (a)	665,298	786,556	847,759	18.2%	7.8%

Note:

(a) The Sacramento-Roseville-Folsom Metropolitan Statistical Area ("Sacramento MSA") consists of El Dorado County, Placer County, Sacramento County, and Yolo County.

Sources: California Department of Finance, E-5 and E8 Population and Housing Estimates, 2000-2020; BAE, 2020.

Nearly 98 percent of Davis’s population reside in households, while the remaining two percent occupy group quarters (see Table 6). The Census Bureau defines a household as all of the people that occupy a housing unit, with a housing unit defined as a house, apartment, mobile home or trailer, group of rooms, or single room that is occupied or intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other persons in the building, and which have direct access from the outside of the building or through a common hall. Group quarters are places where people live or stay other than the usual house, apartment, or mobile home, and generally consist of institutional (for example, nursing homes, mental hospitals or wards, hospitals or wards for chronically ill patients, hospices, and prison wards) and noninstitutional (for example, college or university dormitories, military barracks, group homes, shelters, missions, and flophouses).¹ The Davis group quarters rate decreased by just over one percentage point from 2010, when the percent of the population living in group quarters was 3.2 percent. The group quarters rate is notably higher in Davis compared to the peer communities of West Sacramento and Woodland, as well as compared to the MSA, likely due to the inventory of student-oriented residential developments in Davis.

¹ Sources: <https://www.census.gov/programs-surveys/popest/about/glossary/housing.html>, <https://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html#:~:text=A%20household%20consists%20of%20all%20the%20people%20who%20occupy%20a%20housing%20unit.&text=A%20person%20living%20alone%20in,also%20counted%20as%20a%20household>.

Table 6: Household and Group Quarters Population, 2010 and 2020

Household and Group Quarters Population	2010		2020		% Change, 2010-2020
	Number	Percent	Number	Percent	
City of Davis	65,622	100.0%	69,183	100.0%	5.4%
Household Population	63,522	96.8%	67,716	97.9%	6.6%
Group Quarters Population	2,100	3.2%	1,467	2.1%	-30.1%
City of West Sacramento	48,744	100.0%	54,328	100.0%	11.5%
Household Population	48,406	99.3%	53,990	99.4%	11.5%
Group Quarters Population	338	0.7%	338	0.6%	0.0%
City of Woodland	55,468	100.0%	60,742	100.0%	9.5%
Household Population	54,483	98.2%	59,908	98.6%	10.0%
Group Quarters Population	985	1.8%	834	1.4%	-15.3%
Sacramento MSA	2,149,127	100.0%	2,374,008	100.0%	10.5%
Household Population	2,110,593	98.2%	2,332,238	98.2%	10.5%
Group Quarters Population	38,534	1.8%	41,770	1.8%	8.4%

Sources: California Department of Finance, E-5, 2020; BAE, 2020.

Average Household Size

The average household size in Davis is 2.57 persons. Davis has smaller households, on average, compared to West Sacramento, Woodland, and the Sacramento MSA overall. Between 2010 and 2020, the average household size increased in all four communities, though the increase recorded in Davis was less significant than in the MSA.

Table 7: Average Household Size, 2010-2020

Average Household Size	2010	2020
City of Davis	2.55	2.57
City of West Sacramento	2.78	2.80
City of Woodland	2.91	2.93
Sacramento MSA	2.68	2.75

Sources: California Department of Finance, E-5, 2020; BAE, 2020.

Age Distribution

Table 8 compares the age distribution in Davis and the Sacramento MSA in 2010 and compares to data from the 2014-2018 five-year American Community Survey (ACS). According to this data, Davis had a significantly larger proportion (33.7 percent) of residents between the ages of 18 and 24 than the MSA (9.6 percent), which was largely due to Davis' proximity to the UC Davis campus and the City's large student population. Relative to the Sacramento MSA, the City of Davis population featured a smaller share of both children under the age of 18, and persons age 55 and over. For example, children represented 15.2 percent of the total

population compared to 23.2 percent in region wide. Approximately 20.0 percent of the population in Davis was age 55 or over compared to 27.2 percent for the MSA on average. The relative proportion of the Davis population who were children decreased slightly since 2010, while the proportion who were age 55 and over increased somewhat, mostly among the over 65 population. Overall, the median age in Davis increased somewhat from 25.2 in 2010 to 25.9 during the 2014-2018 ACS sample period, an increase of 0.7 years. This was a smaller increase than in the Sacramento MSA, where the median age increased by 1.4 years over the same period.

Table 8: Age Distribution, 2010 and 2014-2018

Age Distribution	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Under 18	10,760	16.4%	10,315	15.2%	-4.1%
18-24	21,757	33.2%	22,921	33.7%	5.4%
25-34	8,528	13.0%	8,608	12.7%	0.9%
35-44	6,295	9.6%	6,406	9.4%	1.8%
45-54	6,807	10.4%	6,163	9.1%	-9.5%
55-64	5,878	9.0%	6,093	9.0%	3.7%
65-74	2,957	4.5%	3,885	5.7%	31.4%
75-84	1,716	2.6%	2,503	3.7%	45.9%
85 & Older	924	1.4%	1,094	1.6%	18.4%
Total, All Ages	65,622	100.0%	67,988	100.0%	3.6%
Median Age	25.2		25.9		
Sacramento MSA					
Under 18	534,944	24.9%	532,415	23.2%	-0.5%
18-24	221,947	10.3%	220,786	9.6%	-0.5%
25-34	291,231	13.6%	324,395	14.2%	11.4%
35-44	283,516	13.2%	291,942	12.7%	3.0%
45-54	311,051	14.5%	298,555	13.0%	-4.0%
55-64	248,030	11.5%	288,147	12.6%	16.2%
65-74	138,292	6.4%	195,811	8.5%	41.6%
75-84	83,707	3.9%	96,781	4.2%	15.6%
85 & Older	36,409	1.7%	42,906	1.9%	17.8%
Total, All Ages	2,149,127	100.0%	2,291,738	100.0%	6.6%
Median Age	35.9		37.3		

Sources: U.S. Census Bureau, 2010 Decennial Census, Table P12; American Community Survey, 2014-2018 five-year sample data, Table B01001; BAE, 2020.

Household Type

Table 9, below, similarly indicates that the City of Davis had a smaller proportion of family households compared to the MSA as a whole, with an approximately even split between family and non-family households during the 2014-2018 ACS survey period. However, the data indicate a notable increase in the number and proportion of two-person family households (15.2 percent increase in number and a 3.4 percentage point increase in share). This corresponds with decreases in the number and share of larger (i.e., more than two person) family and non-family households. By comparison, the MSA experienced an increase in the number and share of two- to four-person family households and single-person non-family households, with a decline in the number and proportion of larger non-family households.

Table 9: Household Type and Size, 2010 and 2014-2018

Household Type and Size	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Family Households	11,925	47.9%	12,301	50.0%	3.2%
2-Person	5,084	20.4%	5,859	23.8%	15.2%
3-Person	2,827	11.4%	2,675	10.9%	-5.4%
4-Person	2,730	11.0%	2,696	11.0%	-1.2%
5-or-More-Person	1,284	5.2%	1,071	4.4%	-16.6%
Non-Family Households	12,948	52.1%	12,296	50.0%	-5.0%
1-Person	5,952	23.9%	5,967	24.3%	0.3%
2-Person	3,157	12.7%	2,776	11.3%	-12.1%
3-Person	1,698	6.8%	1,281	5.2%	-24.6%
4-Person	1,370	5.5%	1,299	5.3%	-5.2%
5-or-More-Person	771	3.1%	973	4.0%	26.2%
Total Households	24,873	100.0%	24,597	100.0%	-1.1%
Sacramento MSA					
Family Households	526,337	66.8%	548,382	66.9%	4.2%
2-Person	202,746	25.7%	223,688	27.3%	10.3%
3-Person	118,726	15.1%	121,803	14.9%	2.6%
4-Person	107,764	13.7%	112,855	13.8%	4.7%
5-or-More-Person	97,101	12.3%	90,036	11.0%	-7.3%
Non-Family Households	261,330	33.2%	270,990	33.1%	3.7%
1-Person	195,673	24.8%	208,639	25.5%	6.6%
2-Person	50,308	6.4%	48,707	5.9%	-3.2%
3-Person	9,053	1.1%	7,831	1.0%	-13.5%
4-Person	4,074	0.5%	3,717	0.5%	-8.8%
5-or-More-Person	2,222	0.3%	2,096	0.3%	-5.7%
Total Households	787,667	100.0%	819,372	100.0%	4.0%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table P28; American Community Survey, 2014-2018 five-year sample data, Table B11016; BAE, 2020.

Household Tenure

Consistent with the comparatively high proportion of young adults living in the City of Davis, the City also exhibits an above average share of renter households, at 56.2 percent on average between 2014 and 2018, though that percentage was down marginally from 57.0 percent in 2010 (see Table 10). By comparison, an estimated 40 percent of all households region-wide were renters. Table 11 illustrates a modest increase in the number and proportion of smaller (i.e., one- and two-person) owner households and larger (i.e., four or more person) renter households. This latter trend likely corresponds with an increase in the inventory of rental housing that is leased on a per-bed basis, which often feature larger units. Similarly, the data

presented in Table 12 indicate a large increase in the number and proportion of renter households occupied by persons under the age of 24, with a more modest increase in the number and proportion of renter households with occupants between 35 and 44 years of age. The data also indicate a smaller increase in the number and proportion of renter householders age 60 and over.

Table 10: Households by Tenure, 2010 and 2014-2018

Household Tenure	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Owner Households	10,699	43.0%	10,781	43.8%	0.8%
Renter Households	14,174	57.0%	13,816	56.2%	-2.5%
Total Households	24,873	100.0%	24,597	100.0%	-1.1%
Sacramento MSA					
Owner Households	478,512	60.8%	491,785	60.0%	2.8%
Renter Households	309,155	39.2%	327,587	40.0%	6.0%
Total Households	787,667	100.0%	819,372	100.0%	4.0%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table H4; American Community Survey, 2014-2018 five-year sample data, Table B25014; BAE, 2020.

Table 11: Household Size by Tenure, 2010 and 2014-2018

Household Tenure	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Owner-Occupied	10,699	43.0%	10,781	43.8%	0.8%
1-Person Household	2,229	9.0%	2,251	9.2%	1.0%
2-Person Household	3,843	15.5%	4,249	17.3%	10.6%
3-Person Household	1,885	7.6%	1,749	7.1%	-7.2%
4-Person Household	1,933	7.8%	1,803	7.3%	-6.7%
5-or-More-Person Household	809	3.3%	729	3.0%	-9.9%
Renter-Occupied	14,174	57.0%	13,816	56.2%	-2.5%
1-Person Household	3,723	15.0%	3,716	15.1%	-0.2%
2-Person Household	4,398	17.7%	4,386	17.8%	-0.3%
3-Person Household	2,640	10.6%	2,207	9.0%	-16.4%
4-Person Household	2,167	8.7%	2,192	8.9%	1.2%
5-or-More-Person Household	1,246	5.0%	1,315	5.3%	5.5%
Total Households	24,873	100.0%	24,597	100.0%	-1.1%
Sacramento MSA					
Owner-Occupied	478,512	60.8%	491,785	60.0%	2.8%
1-Person Household	100,020	12.7%	106,038	12.9%	6.0%
2-Person Household	171,604	21.8%	180,790	22.1%	5.4%
3-Person Household	77,874	9.9%	77,993	9.5%	0.2%
4-Person Household	72,510	9.2%	73,070	8.9%	0.8%
5-or-More-Person Household	56,504	7.2%	53,894	6.6%	-4.6%
Renter-Occupied	309,155	39.2%	327,587	40.0%	6.0%
1-Person Household	95,653	12.1%	102,601	12.5%	7.3%
2-Person Household	81,450	10.3%	91,605	11.2%	12.5%
3-Person Household	49,905	6.3%	51,641	6.3%	3.5%
4-Person Household	39,328	5.0%	43,502	5.3%	10.6%
5-or-More-Person Household	42,819	5.4%	38,238	4.7%	-10.7%
Total Households	787,667	100.0%	819,372	100.0%	4.0%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table H16; American Community Survey, 2014-2018 five-year sample data, B25009; BAE, 2020.

Table 12: Age of Householder by Tenure, 2010 and 2014-2018

Age of Householder by Tenure	City of Davis					Sacramento MSA				
	2010		2014-2018		% Change, 2010 to 2014-18	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent		Number	Percent	Number	Percent	
Owner-Occupied	10,699	43.0%	10,781	43.8%	0.8%	478,512	60.8%	491,785	60.0%	2.8%
15-24	109	0.4%	132	0.5%	21.1%	4,447	0.6%	2,467	0.3%	-44.5%
25-34	543	2.2%	541	2.2%	-0.4%	43,906	5.6%	42,530	5.2%	-3.1%
35-44	1,695	6.8%	1,478	6.0%	-12.8%	83,324	10.6%	77,591	9.5%	-6.9%
45-54	2,793	11.2%	2,230	9.1%	-20.2%	115,850	14.7%	102,519	12.5%	-11.5%
55-59	1,519	6.1%	1,343	5.5%	-11.6%	55,752	7.1%	58,514	7.1%	5.0%
60-64	1,336	5.4%	1,439	5.9%	7.7%	51,149	6.5%	56,530	6.9%	10.5%
65-74	1,502	6.0%	2,138	8.7%	42.3%	66,120	8.4%	89,587	10.9%	35.5%
75-84	852	3.4%	1,081	4.4%	26.9%	42,343	5.4%	44,975	5.5%	6.2%
85 years & older	350	1.4%	399	1.6%	14.0%	15,621	2.0%	17,072	2.1%	9.3%
Renter-Occupied	14,174	57.0%	13,816	56.2%	-2.5%	309,155	39.2%	327,587	40.0%	6.0%
15-24	6,203	24.9%	8,153	33.1%	31.4%	35,273	4.5%	28,506	3.5%	-19.2%
25-34	3,525	14.2%	3,132	12.7%	-11.1%	80,745	10.3%	85,172	10.4%	5.5%
35-44	1,693	6.8%	2,058	8.4%	21.6%	62,865	8.0%	67,378	8.2%	7.2%
45-54	1,091	4.4%	1,083	4.4%	-0.7%	55,911	7.1%	56,417	6.9%	0.9%
55-59	418	1.7%	354	1.4%	-15.3%	20,989	2.7%	23,128	2.8%	10.2%
60-64	281	1.1%	301	1.2%	7.1%	15,806	2.0%	20,759	2.5%	31.3%
65-74	361	1.5%	385	1.6%	6.6%	17,720	2.2%	25,622	3.1%	44.6%
75-84	300	1.2%	488	2.0%	62.7%	11,892	1.5%	12,416	1.5%	4.4%
85 years & older	302	1.2%	352	1.4%	16.6%	7,954	1.0%	8,189	1.0%	3.0%
Total Households	24,873	100.0%	24,597	100.0%	-1.1%	787,667	100.0%	819,372	100.0%	4.0%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table H10; American Community Survey, 2014-2018 five-year sample data, B25007, BAE, 2020.

Race and Ethnicity

Table 13 shows residents of the City of Davis and the MSA by race and ethnicity. According to this data, racial and ethnic minority residents accounted for 44.3 percent of the total Davis population between 2014 and 2018, which was notably lower than for the MSA as a whole but a slight increase compared to 2010. The largest minority sub-populations in Davis include Asian residents (22.0 percent), Hispanic or Latino residents (13.9 percent), African American residents (2.2 percent), and persons of two or more races (5.5 percent). The Assessment of Fair Housing section of this Housing Needs Assessment chapter provides additional information regarding patterns of segregation and housing needs among racial and ethnic minority populations.

Table 13: Race and Ethnicity, 2010 and 2014-2018

Race and Ethnicity	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Hispanic or Latino	8,172	12.5%	9,430	13.9%	15.4%
Not Hispanic or Latino	57,450	87.5%	58,558	86.1%	1.9%
White	38,641	58.9%	37,871	55.7%	-2.0%
Black or African American	1,415	2.2%	1,502	2.2%	6.1%
American Indian and Alaska Native	166	0.3%	137	0.2%	-17.5%
Asian	14,213	21.7%	14,974	22.0%	5.4%
Native Hawaiian and Other Pacific Islander	120	0.2%	135	0.2%	12.5%
Some other race alone	181	0.3%	202	0.3%	11.6%
Two or more races	2,714	4.1%	3,737	5.5%	37.7%
Total	65,622	100.0%	67,988	100.0%	3.6%
Sacramento MSA					
Hispanic or Latino	433,734	20.2%	490,963	21.4%	13.2%
Not Hispanic or Latino	1,715,393	79.8%	1,800,775	78.6%	5.0%
White	1,197,389	55.7%	1,208,144	52.7%	0.9%
Black or African American	150,424	7.0%	156,518	6.8%	4.1%
American Indian and Alaska Native	12,606	0.6%	8,185	0.4%	-35.1%
Asian	250,690	11.7%	296,533	12.9%	18.3%
Native Hawaiian and Other Pacific Islander	14,874	0.7%	18,226	0.8%	22.5%
Some other race alone	4,782	0.2%	6,931	0.3%	44.9%
Two or more races	84,628	3.9%	106,238	4.6%	25.5%
Total	2,149,127	100.0%	2,291,738	100.0%	6.6%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table P9; American Community Survey, 2014-2018 five-year sample data, B03002, BAE, 2020.

Household Income Distribution

As reported in Table 14, the median household income in nominal dollars in the City of Davis during the 2014-2018 ACS survey period was \$67,436 compared to \$69,198 for the MSA. The comparatively low median income in the City is likely influenced by the relatively large concentration of student households. Students typically have lower incomes compared to the general population due to their younger age and in-progress educational status, but often also have under reported income due to the receipt of financial support from family members.

Table 14: Household Income Distribution, 2010 and 2014-2018

Household Income	2006-2010		2014-2018		% Change, 2006-10 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Less than \$14,999	3,648	15.1%	4,231	17.2%	16.0%
\$15,000 to \$24,999	2,347	9.7%	1,899	7.7%	-19.1%
\$25,000 to \$34,999	2,066	8.5%	1,566	6.4%	-24.2%
\$35,000 to \$49,999	2,473	10.2%	2,310	9.4%	-6.6%
\$50,000 to \$74,999	3,473	14.4%	3,287	13.4%	-5.4%
\$75,000 to \$99,999	2,708	11.2%	2,009	8.2%	-25.8%
\$100,000 to \$149,999	4,046	16.7%	3,442	14.0%	-14.9%
\$150,000 and Above	3,435	14.2%	5,853	23.8%	70.4%
Total Households	24,196	100.0%	24,597	100.0%	1.7%
Median Household Income	\$61,258		\$67,436		
<i>In 2019 Dollars (a)</i>	\$75,760		\$69,447		
Sacramento MSA					
Less than \$14,999	74,701	9.6%	81,524	9.9%	9.1%
\$15,000 to \$24,999	70,777	9.1%	65,548	8.0%	-7.4%
\$25,000 to \$34,999	74,071	9.6%	66,015	8.1%	-10.9%
\$35,000 to \$49,999	102,197	13.2%	90,139	11.0%	-11.8%
\$50,000 to \$74,999	145,988	18.8%	138,634	16.9%	-5.0%
\$75,000 to \$99,999	106,114	13.7%	105,407	12.9%	-0.7%
\$100,000 to \$149,999	119,997	15.5%	137,427	16.8%	14.5%
\$150,000 and Above	81,587	10.5%	134,678	16.4%	65.1%
Total Households	775,432	100.0%	819,372	100.0%	5.7%
Median Household Income	\$61,297		\$69,198		
<i>In 2019 Dollars (a)</i>	\$75,808		\$71,262		

Notes:

(a) The 2010 figures are adjusted to 2019 dollars using an inflation factor of 1.24, and the 2018 figures are adjusted using an inflation factor of 1.03. Inflation factors are based on the California Consumer Price Index published by the California Department of Industrial Relations.

Sources: U.S. Census Bureau, ACS 2006-2010 five-year and 2014-2018 five-year sample data, Tables B19001 and S1903; California Department of Industrial Relations, Consumer Price Index, 2020; BAE, 2020.

Compared to the MSA, the City of Davis has an above average concentration of households earning less than \$15,000 per year, which likely corresponds largely, though not entirely, with the City's large student population. The City also has an above average concentration of households earning \$150,000 or more. Notably, these are the only two income brackets that experienced a net increase in households between 2010 and the 2014-2018 ACS survey period, as reported in Table 14. More specifically, the City added 583 households earning less than \$15,000 per year and 2,418 households earning \$150,000 or more. The number of households in all other income brackets decreased over the same time period.

Corresponding with the changes in the household income distribution, described above, the median household income in Davis increased by roughly 11 percent between 2010 and the 2014-2018 ACS survey period. The median income in the MSA, by comparison, increased by nearly 13 percent in nominal dollars during the same period. The data also indicate that after accounting for inflation, the real purchasing power of a median income household in Davis decreased in real terms by approximately 7.4 percent, compared to 6.0 percent in the MSA.

Household Income Categories

Table 15 reports households by HUD defined income category based on household income as a percentage of the HUD Adjusted Median Family Income (HAMFI), while Figure 1 provides examples that illustrate the types of households that fall into each income category.

As shown in the table, 44.5 percent of all households in Davis qualify as lower income, meaning they have incomes equal to, or less than, 80 percent of the HAMFI. This includes 22.4 percent of households with extremely low-incomes (i.e., incomes less than or equal to 30 percent of HAMFI), 9.3 percent with very low-incomes (i.e., incomes greater than 30 but less than or equal to 50 percent of HAMFI), and 12.8 percent that are low-income (i.e., incomes greater than 50 but less than or equal to 80 percent of HAMFI).

The data indicate that lower-income households are disproportionately renters, accounting for 67.2 percent of all renter households, compared to 15.6 of owner households. Households with moderate-incomes (i.e., incomes greater than 80 and less than or equal to 120 percent of HAMFI) were also almost twice as likely to live in rental housing than to own their homes. By comparison, an estimated 74.0 percent of all owner households fall into the above moderate-income (i.e., greater than 120 percent of HAMFI) category. These data are consistent with Davis' large university student population, as many university students have low incomes and rent their homes.

Figure 1 provides illustrative examples of possible household configurations that correspond to households within each HUD defined income category. These examples provide a snapshot of potential occupations and household types and do not capture the full range of potential households in each income category.

Table 15: Households by Tenure and Income Level, 2013-2017

Household Income Categories	Renter Households		Owner Households		Total Households	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Extremely Low Income (<=30% HAMFI) (a)	4,930	35.8%	580	5.4%	5,510	22.4%
Very Low Income (>30%, <=50% HAMFI)	1,885	13.7%	395	3.7%	2,280	9.3%
Low Income (>50%, <=80% HAMFI)	2,435	17.7%	710	6.6%	3,145	12.8%
Lower Moderate Income (>80, <=100% HAMFI)	1,120	8.1%	600	5.6%	1,720	7.0%
Upper Moderate Income (>100%, <=120% HAMFI)	940	6.8%	524	4.9%	1,464	6.0%
Above Moderate Income (>=120% HAMFI)	2,465	17.9%	7,980	74.0%	10,445	42.5%
Total (b)	13,770	100.0%	10,785	100.0%	24,555	100.0%

Note:

(a) "HAMFI" is the HUD Area Median Family Income for Yolo County.

(b) Totals do not equal the sum of individual figures due to independent rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS); BAE, 2020.

Figure 1: Representative Households for Sacramento MSA, 2020

Moderate Income Household (80% - 120% of AMI)



Estimated Annual Income: \$104,584
 One parent is a full-time accountant, the other is a part time substitute teacher; they have one preschooler and one infant.

Low Income Household (50% - 80% AMI)



Estimated Annual Income: \$76,789
 One parent is a receptionist, the other is a medical assistant. They have a two preschoolers and an elementary-school child.

Very Low Income Household (50% - 80% AMI)



Estimated Annual Income: \$37,181
 One parent is a vet technician, the other is unemployed. They have a school-age child.

Extremely Low Income Household (Up to 30% AMI)



Estimated Annual Income: \$21,967
 Parent works as a part-time teaching assistant at a university. This person has one school-age child and one preschooler.

Sources: California EDD, Labor Market Info, 2020; BAE, 2020.

Economic and Employment Characteristics

Resident Employment by Industry

Davis has approximately 33,000 employed civilian residents age 16 or older. Nearly one-third of those employed residents work in the educational services sector, which includes universities (including UC Davis), community colleges, K-12 schools, trade and technical schools, and providers of educational support services. Residents employed in educational services are much more common in Davis than in the broader region, where they comprise fewer than ten percent of employed residents. Professional, scientific, and technical services is the second most prevalent industry of employment among Davis residents, accounting for 11.3 percent of employed residents. These residents work for employers that provide services in law, accounting, architecture and design, engineering, management consulting, scientific research and development, and public relations, among other areas. An additional 11 percent of Davis' employed residents work in the health care and social assistance industry. This is the most common industry of employment among MSA residents – employing 14 percent of the MSA's employed residents – and includes providers of health care (e.g., medical practices, hospitals, and care facilities) and supportive services (e.g., regional centers, food banks, and temporary shelters). Compared to the MSA, Davis has a comparatively low percentage of employed residents in the retail trade, public administration, and construction industries.

Table 16: Employed Residents by Industry, 2014-2018

Resident Employment by Industry	City of Davis		Sacramento MSA	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting	268	0.8%	11,438	1.1%
Mining, Quarrying, and Oil and Gas Extraction	46	0.1%	799	0.1%
Construction	482	1.5%	67,048	6.4%
Manufacturing	1,437	4.4%	60,387	5.8%
Wholesale Trade	310	1.0%	25,034	2.4%
Retail Trade	2,081	6.4%	114,375	11.0%
Transportation and Warehousing	664	2.0%	41,648	4.0%
Utilities	203	0.6%	11,475	1.1%
Information	543	1.7%	19,287	1.9%
Finance and Insurance, and Real Estate	711	2.2%	50,109	4.8%
Real Estate Rental and Leasing	650	2.0%	23,625	2.3%
Professional, Scientific, and Technical Svcs.	3,683	11.3%	74,671	7.2%
Management of Companies and Enterprises	0	0.0%	785	0.1%
Administrative, Waste & Remediation	444	1.4%	48,131	4.6%
Educational Services	10,718	32.9%	93,557	9.0%
Health Care and Social Assistance	3,417	10.5%	144,756	13.9%
Arts, Entertainment, and Recreation	871	2.7%	26,822	2.6%
Accommodation and Food Services	3,043	9.4%	75,121	7.2%
Other Services (exc. Public Administration)	807	2.5%	51,901	5.0%
Public Administration	2,152	6.6%	98,966	9.5%
Total Employed Residents	32,530	100.0%	1,039,935	100.0%

Note:

This table reflects the civilian employed population age 16 and older only.

Sources: U.S. Census Bureau, ACS 2014-2018 five-year sample data, Table S2403; BAE, 2020.

Workers

Table 17 reports jobs by industry in the City of Davis and the Sacramento MSA. These data represent jobs located in Davis, which may or may not be held by Davis residents. In contrast, the jobs shown in Table 16 above show the jobs held by Davis residents, which may or may not be located in Davis. The data indicate that Davis has an above average concentration of jobs in relatively highly skilled industry sectors, such as Information, Finance and Insurance, and Education, compared to the MSA (i.e., 54.5 percent of all jobs in Davis compared to 43.8 percent of all jobs in the MSA). The City also has an above average concentration of jobs in the lower wage service sectors, including Retail, Arts and Entertainment, and Accommodation and Food Services (i.e., 30.3 percent in Davis compared to 25.9 percent in the MSA). The City, conversely, has below average concentrations of jobs in industrial industry sectors, like Construction, Manufacturing, Wholesale Trade, and Transportation and Warehousing (12.2 percent in Davis compared to 20.6 percent in the MSA), as well as a below average

concentration in public sector industries (3.0 percent in Davis compared to 9.7 percent in the MSA).

Table 17: Workers by Industry for Workplace Geography, 2014-2018

Workers by Industry	City of Davis		Sacramento MSA	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	345	1.5%	12,350	1.2%
Construction	734	3.2%	64,528	6.4%
Manufacturing	840	3.7%	56,991	5.6%
Wholesale Trade	481	2.1%	24,527	2.4%
Retail Trade	2,079	9.2%	112,016	11.1%
Transportation and Warehousing, and Utilities	357	1.6%	50,328	5.0%
Information	360	1.6%	18,832	1.9%
Finance and Insurance, and Real Estate and Rental and Leasing	1,579	7.0%	73,010	7.2%
Professional, Scientific, and Management, and Administrative and Waste Management Svcs	3,253	14.4%	120,969	12.0%
Educational Services, and Health Care and Social Assistance	7,141	31.6%	230,120	22.7%
Arts, Entertainment, and Recreation, and Accommodation and Food Services	3,396	15.0%	99,565	9.8%
Other Services (exc. Public Administration)	1,368	6.0%	50,630	5.0%
Public Administration	673	3.0%	96,341	9.5%
Armed Forces	10	0.0%	1,357	0.1%
Total	22,616	100.0%	1,011,564	100.0%

Note:

This table reflects workers age 16 and older only. Data include all workers by reported place of work.

Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data, f; BAE, 2020.

Large Employers

Table 18 identifies the ten largest employers in the Davis area. With more than 24,600 employees, UC Davis is the largest employer not only in the immediate Davis area, but also within Yolo County more broadly. The remaining nine of the top ten employers in the Davis area generally include local government agencies, health care facilities, and grocery stores. Local government is the second largest sub-sector of large employers and is dominated by the Davis Joint Unified School District with 1,169 employees. Major local employers in the health care sector include the Sutter Davis Hospital with 511 employees, the Courtyard Healthcare Center with 153 employees, and the University Retirement Community with 158 employees. The three employers in the grocery sector all have similar employee totals, with Nugget Market employing 257 people, Safeway employing 195 people, and Davis Food Co-Op employing 123 people. It should be noted that the total number of jobs reported for each entity may include jobs that are located outside of Davis.

Table 18: Principal Employers, FY 2018-2019

Principal Employers	Number of Employees
UC Davis	24,629
Davis Joint Unified School District	1,169
Sutter Davis Hospital	511
City of Davis (a)	328
Unitrans	287
Nugget Market (b)	257
Safeway Stores (b)	195
University Retirement Community	158
Courtyard Healthcare Center	153
Davis Food Co-Op	123
Total, Top 10 Employers	27,810

Notes:

(a) Includes only full-time employees.

(b) Total employment from multiple locations, including some cases where employment includes jobs at a given entity that are located outside of the Davis jurisdictional boundary (e.g., UC Davis). Data on jobs located within Davis itself is not available from this source.

Sources: City of Davis Comprehensive Annual Financial Report, 2019; BAE, 2020.

Commute Trends

Table 19 identifies the number of people employed in the City of Davis and on the UC Davis main campus by place of residents according to the Longitudinal Employer-Household Dynamics (LEHD) data set from the U.S. Census Bureau. These data differ from the data shown in Table 17 because the LEHD data capture only those workers that are covered by State unemployment insurance, which excludes self-employed workers as well as some other types of workers. In addition, the LEHD data used in Table 19 and the ACS data used in Table 17 differ in their data collection methodologies and their methodologies for determining workplace location, which may lead to some differences in whether UC Davis employment is counted in the employment that is recorded within City limits. According to the LEHD data, 27.7 percent of those who work within the City of Davis also live within the City of Davis, while the remaining 72.3 percent commute from other cities to their jobs in Davis. Of those that commute from other cities, the largest proportion commutes from Sacramento, followed by Woodland. An estimated 17.5 percent of those employed on either the UC Davis main campus or the Sacramento satellite campus live within the City of Davis.

Table 19: Workers in the City of Davis and UC Davis by Place of Residence, 2017

Worker Place of Residence	City of Davis Workers (a)		Worker Place of Residence	UC Davis Workers (b)	
	Number	Percent		Number	Percent
Davis	4,197	27.7%	Sacramento	4,500	19.9%
Sacramento	1,570	10.3%	Davis	3,946	17.5%
Woodland	1,285	8.5%	Elk Grove	1,350	6.0%
West Sacramento	465	3.1%	Woodland	1,276	5.6%
Vacaville	402	2.6%	West Sacramento	634	2.8%
Dixon	343	2.3%	Arden-Arcade CDP	614	2.7%
Elk Grove	329	2.2%	Rancho Cordova	461	2.0%
San Jose	164	1.1%	Roseville	460	2.0%
Arden-Arcade CDP	163	1.1%	Folsom	376	1.7%
San Francisco	163	1.1%	Dixon	371	1.6%
All Other Places	6,097	40.2%	All Other Places	8,602	38.1%
Total Workers, Davis	15,178	100.0%	Total Workers, UC Davis	22,590	100.0%

Notes:

Worker estimates do not include uniformed military personnel, self-employed workers, and unpaid family workers.

(a) Reflects workers whose place of work is in the City of Davis.

(b) Includes workers on the main Davis campus and the Sacramento satellite campus.

Sources: Longitudinal Employer-Household Dynamics via OnTheMap, 2017; BAE, 2020.

Local Wages

Table 20 reports the number of workers by income in 2017 for workers living in the City of Davis or elsewhere. The data generally indicate that Davis workers that reside outside of the City tend to have somewhat higher incomes compared to those that live within the City of Davis. The higher proportion of low-wage workers that live and work in Davis may be due in part to UC Davis students that live in Davis and hold part-time jobs that are located in Davis, including lower-wage retail and service sector jobs. However, data on the extent to which this segment of the City’s workforce is comprised of students is not available.

Table 20: Worker Annual Earnings, 2017

Annual Earnings	City of Davis Workers					
	Residing in Davis		Residing Elsewhere		Total	
	Number	Percent	Number	Percent	Number	Percent
Less than \$15,000	1,558	37.1%	3,179	29.0%	4,737	31.2%
\$15,000 to \$39,999	1,235	29.4%	3,630	33.1%	4,865	32.1%
\$40,000 or more	1,404	33.5%	4,172	38.0%	5,576	36.7%
Total Workers	4,197	100.0%	10,981	100.0%	15,178	100.0%

Sources: Longitudinal Employer-Household Dynamics via OnTheMap, 2017; BAE, 2020.

Jobs/Housing Balance

Table 21 calculates the ratio of jobs to housing units during the 2006-2010 and 2014-2018 ACS survey periods for the City of Davis and the Sacramento MSA. This ratio is used as a standard benchmark to assess a community’s job to housing balance. Note that while the data comes from the ACS, the employment figures report workers by workplace geography, which is analogous to jobs and does not reflect the number of employed residents.

As reported in the table below, the jobs-to-housing ratio for the City of Davis equaled 1.0 on average between 2006 and 2011, but decreased modestly to 0.9 between 2014 and 2018. This is the result of a significant contraction in the number of jobs in the City of Davis, compared to a modest increase in the number of housing units. By comparison, the jobs-to-housing ratio for the MSA as a whole remained relatively constant at 1.1 in both periods, even though employment growth in the MSA significantly outpaced housing growth.

Table 21: Employment-to-Housing Ratios, 2006-2010 and 2014-2018

Population and Household Projections	2006-2010	2014-2018	Change, 2006-10 to 2014-18	
			Number	Percent
City of Davis				
Employment (a)	26,303	22,616	-3,687	-14.0%
Housing Units (a)	25,502	25,732	230	0.9%
Employment-to-Housing Ratio	1.0	0.9		
Sacramento MSA				
Employment (a)	929,018	1,011,564	82,546	8.9%
Housing Units (a)	861,862	896,341	34,479	4.0%
Employment-to-Housing Ratio	1.1	1.1		

Note:

(a) Employment and housing unit data are sourced from U.S. Census Bureau, American Community Survey.

Sources: U.S. Census Bureau, American Community Survey, 2006-2010 and 2014-2018 five-year sample data, B08526 and B25001, BAE, 2020.

Projected Household and Employment Growth

Population and Household Growth

According to regional population and household projections published by SACOG, the City of Davis is projected to add 5,748 new residents and 1,737 new households between 2020 and 2036, as reported in Table 22. This represents population growth of 8.1 percent, or 0.5 percent per year, and household growth of 6.5 percent, or 0.4 percent per year. SACOG projects that Davis will continue to grow at roughly one-third the rate of the broader region.

Table 22: Population and Household Projections, 2020-2036

Population and Household Projections	2020	2036	Change, 2020-36		
			Number	Percent	Annual Percent
Population					
City of Davis	71,136	76,884	5,748	8.1%	0.5%
Sacramento MSA	2,298,391	2,857,576	559,185	24.3%	1.4%
Households					
City of Davis	26,531	28,267	1,737	6.5%	0.4%
Sacramento MSA	887,602	1,107,544	219,942	24.8%	1.4%

Sources: Sacramento Council of Governments, 2016 Metropolitan Transportation Plan/Sustainable Communities Strategy; BAE 2020.

Employment Growth

Table 23 reports employment (i.e., jobs not employed residents) projections for Davis and the MSA from 2020 to 2036. SACOG indicates that they anticipate that Davis will add 2,746 net new jobs over the 16-year projection period, an increase of 16.0 percent and an annual average growth rate of 0.9 percent. This rate of growth would exceed the projected rate of growth in population and households in Davis (see Table 22). The SACOG projections show a more significant rate of employment growth in the overall region than in Davis, at 28 percent between 2020 and 2036.

Table 23: Employment Projections, 2020-2036

Employment Projections	2020	2036	2020-2036 Change		
			Number	Percent	Annual Percent
City of Davis	17,131	19,877	2,746	16.0%	0.9%
Sacramento MSA	976,707	1,250,973	274,266	28.1%	1.6%

Sources: Sacramento Council of Governments, 2016 Metropolitan Transportation Plan/Sustainable Communities Strategy; BAE 2020.

Housing Stock Characteristics

Units in Structure

As in most Central Valley communities, single-family homes account for more than half of the Davis housing stock. Nonetheless, the City also has a notably above average share of multifamily housing compared to the broader region. More specifically, single-family homes account for 56 percent of the Davis housing stock, compared to just under 74 percent throughout the region as a whole. Conversely, multifamily housing units represent 42 percent

of the housing stock, and a majority of the City’s new development pipeline, as is discussed in more detail below. Multifamily units account for only 23 percent of the regional housing stock.

Around 65 percent of the City’s existing multifamily housing stock is concentrated within smaller apartment projects with fewer than 20 units. Large properties with fifty or more units represent less than one-quarter of the total multifamily inventory, though the City has a considerable pipeline of new multifamily housing under development, most of which is characterized by large multifamily apartment projects with fifty or more units.

Table 24: Housing Units in Structure, 2006-2010 and 2014-2018

Units in Structure	2006-2010		2014-2018		% Change, 2006-10 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Single Family Detached	11,986	47.0%	12,162	47.3%	1.5%
Single Family Attached	2,205	8.6%	2,370	9.2%	7.5%
Multifamily 2-4 Units	3,120	12.2%	3,026	11.8%	-3.0%
Multifamily 5-19 Units	3,788	14.9%	3,951	15.4%	4.3%
Multifamily 20-49 Units	1,580	6.2%	1,405	5.5%	-11.1%
Multifamily 50+	2,343	9.2%	2,416	9.4%	3.1%
Mobile Home/Other (a)	480	1.9%	402	1.6%	-16.3%
Total Housing Units	25,502	100.0%	25,732	100.0%	0.9%
Single Family Housing Units	11,986	55.6%	12,162	56.5%	2.4%
Multifamily Housing Units	2,205	42.5%	2,370	42.0%	-0.3%
Sacramento MSA					
Single Family Detached	583,356	67.7%	613,196	68.4%	5.1%
Single Family Attached	44,723	5.2%	48,201	5.4%	7.8%
Multifamily 2-4 Units	64,665	7.5%	55,742	6.2%	-13.8%
Multifamily 5-19 Units	89,208	10.4%	87,929	9.8%	-1.4%
Multifamily 20-49 Units	20,499	2.4%	22,860	2.6%	11.5%
Multifamily 50+	33,005	3.8%	41,640	4.6%	26.2%
Mobile Home/Other (a)	26,406	3.1%	26,773	3.0%	1.4%
Total Housing Units	861,862	100.0%	896,341	100.0%	4.0%
Single Family Housing Units	628,079	72.9%	661,397	73.8%	5.3%
Multifamily Housing Units	207,377	24.1%	208,171	23.2%	0.4%

Note:

(a) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey, 2006-2010 five-year and 2014-2018 five-year sample data, Table B25024; BAE, 2020.

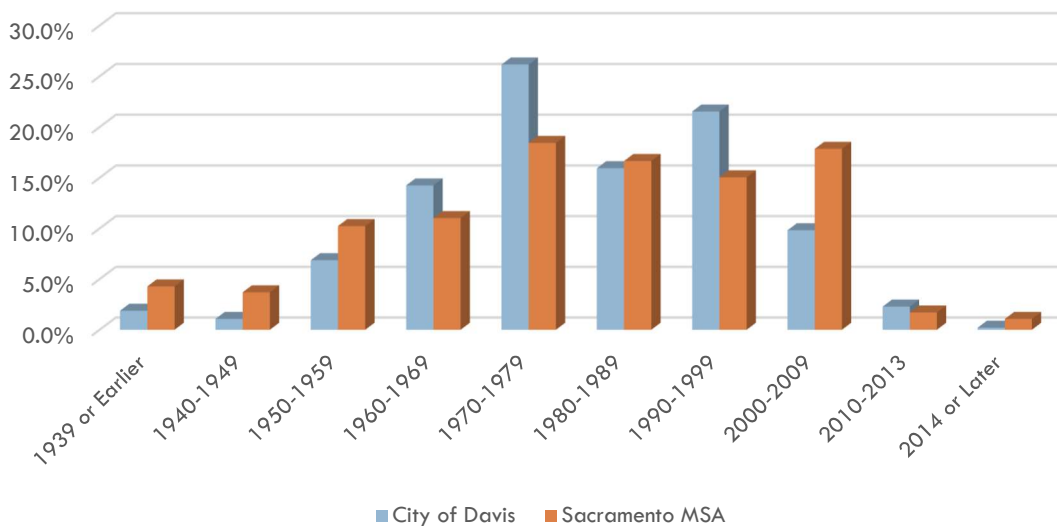
Table 24 shows that there are approximately 400 mobile home units in Davis. As noted in the introduction to this document, mobile home residents have requested that this Housing

Element include a program to implement additional protections for mobile home residents, and this topic was discussed during Housing Element Committee meetings. The Housing Goals, Policies, and Programs chapter of this document includes a program to address this need.

Year Built and Condition

ACS data collected between 2014-2018 indicate that the housing stock in Davis is slightly older on average than the age of the housing stock in the MSA more generally, due in part to a shortage of new construction in recent decades. As shown in Table 25 and illustrated in Figure 2, approximately half of all housing units in Davis were constructed prior to 1980, whereas 48 percent of all housing units in the MSA were constructed prior to 1980. Furthermore, the ACS data indicate that only 12 percent of Davis’s housing stock was constructed in 2000 or later, compared to 21 percent of the housing stock in the MSA, demonstrating that housing unit growth in the MSA has outpaced growth in Davis over the past two decades by a considerable margin. However, it should be noted that the ACS data does not capture more recent residential construction activity in Davis or the pending residential projects in the City’s development pipeline, which includes a substantial inventory of multifamily housing projects.

Figure 2: Housing Stock by Year Built, 2014-2018 ACS



Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data, Table B25034; BAE, 2020.

Table 25: Housing Units by Year Built, 2014-2018

Housing Unit Year Built	City of Davis		Sacramento MSA	
	Number	Percent	Number	Percent
1939 or Earlier	484	1.9%	38,345	4.3%
1940-1949	276	1.1%	33,167	3.7%
1950-1959	1,766	6.9%	91,760	10.2%
1960-1969	3,666	14.2%	98,797	11.0%
1970-1979	6,730	26.2%	165,227	18.4%
1980-1989	4,102	15.9%	149,312	16.7%
1990-1999	5,541	21.5%	134,856	15.0%
2000-2009	2,527	9.8%	160,024	17.9%
2010-2013	588	2.3%	15,303	1.7%
2014 or Later	52	0.2%	9,550	1.1%
Total Housing Units	25,732	100.0%	896,341	100.0%

Note: Due to the time period over which these data were collected (2014-2018), these figures do not include some of the more recently-constructed residential developments in Davis.

Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data, Table B25034; BAE, 2020.

The City of Davis most recently conducted a windshield survey to assess housing conditions in June 2008. The windshield survey included a sampling of 234 houses throughout central Davis, in areas where the oldest housing stock exists. The condition of housing was assessed by a survey of housing unit exteriors using five structural categories: foundation, roofing, siding, frontage/driveway, and windows. Based on the five categories listed above, each housing structure was rated as being in sound or dilapidated condition, or in need of minor, moderate, or substantial repairs.

The survey found that the vast majority of the housing surveyed was in sound condition or needed minor repair. There were about 21 homes (8 percent) that needed moderate to substantial repair. Typical structural defects observed included roofs in need of replacement, damaged siding, peeling paint, broken steps, cracked or uneven frontage, and dislodged roof gutters. Overall, the houses appeared to be structurally sound, but some were in need of maintenance and/ or cosmetic improvements. Based on this survey, staff estimated that a relatively small percentage of the City of Davis housing stock is in need of moderate or substantial repair.

Rather than perform sporadic housing conditions surveys as part of its Housing Element update process every eight years, the City continually monitors the condition of its housing stock largely through its rental inspection and resale inspection programs. As discussed in the City's 2020-2025 Consolidated Plan, the City periodically assists with rental rehabilitation of affordable housing projects. City assistance for these projects is based on availability of resources and in recognition of an affordable housing site's limited ability to raise funds in

more conventional ways. City staff regularly inspect affordable rental units for housing quality and maintenance. Due to the City's strong local rental housing market, market-rate rental housing projects are typically rehabilitated by the owner in an effort to stay competitive and maximize profits. Some rental housing units with deferred maintenance get referred to Fair Housing or Code Enforcement and are addressed through regulatory means.

Ownership housing rehabilitation is typically done by local owners either for resale or for personal gain during occupancy. Overall, staff has determined that the City's ownership housing stock appears well maintained. Any building code issues related to the owner-occupied housing stock are processed through Code Enforcement, which occurs on an occasional basis. Most Code Enforcement issues in ownership housing occur in renter-occupied units and relate to illegal conversions of housing to maximize a unit's renting potential due to strong demand for rental housing among the City's university student population.

This Housing Element includes a program that specifies that the City will conduct a housing conditions survey by September 2024 to assess the overall condition of housing in Davis. Depending on the findings from the survey, the City will then take action as appropriate and feasible to address any unmet needs for housing rehabilitation or repair.

Vacancy Rates

According to the 2014-2018 ACS, the residential vacancy rate in Davis averaged 4.4 percent during the survey period. Economists typically consider a gross vacancy rate of five to six percent to be a normal healthy rate of vacancy that does not constrain housing availability. A review of the detailed vacancy data indicate that only 1.3 percent of the housing stock was vacant and actually available for rent and that only 0.2 percent was vacant and available for sale. This subsequently represents an effective vacancy rate (i.e., the share of units that are available for occupancy) of only 1.5 percent, which is highly constrained. By comparison, the gross vacancy rate in the MSA over the same time period was 8.6 percent, with 1.6 percent of the housing stock being vacant and available for rent and 0.7 percent being vacant and available for sale, which is only 0.8 percentage points higher than the City of Davis figure.

Table 26: Housing Units by Vacancy Status, 2010 and 2014-2018

Unit Vacancy Status	2010		2014-2018		% Change, 2010 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Vacant Units	996	3.9%	1,135	4.4%	14.0%
For Rent	510	2.0%	340	1.3%	-33.3%
For Sale	94	0.4%	56	0.2%	-40.4%
Rented or Sold, Not Occupied	89	0.3%	306	1.2%	243.8%
For Seasonal, Recreational, or Occasional Use	172	0.7%	162	0.6%	-5.8%
For Migrant Workers	0	0.0%	0	0.0%	0.0%
Other	131	0.5%	271	1.1%	106.9%
Occupied Units	24,873	96.1%	24,597	95.6%	-1.1%
Total Housing Units	25,869	100.0%	25,732	100.0%	-0.5%
Sacramento MSA					
Vacant Units	84,126	9.6%	76,969	8.6%	-8.5%
For Rent	26,942	3.1%	14,073	1.6%	-47.8%
For Sale	12,010	1.4%	6,231	0.7%	-48.1%
Rented or Sold, Not Occupied	3,443	0.4%	6,182	0.7%	79.6%
For Seasonal, Recreational, or Occasional Use	27,508	3.2%	33,894	3.8%	23.2%
For Migrant Workers	144	0.0%	162	0.0%	12.5%
Other	14,079	1.6%	16,427	1.8%	16.7%
Occupied Units	787,667	90.4%	819,372	91.4%	4.0%
Total Housing Units	871,793	100.0%	896,341	100.0%	2.8%

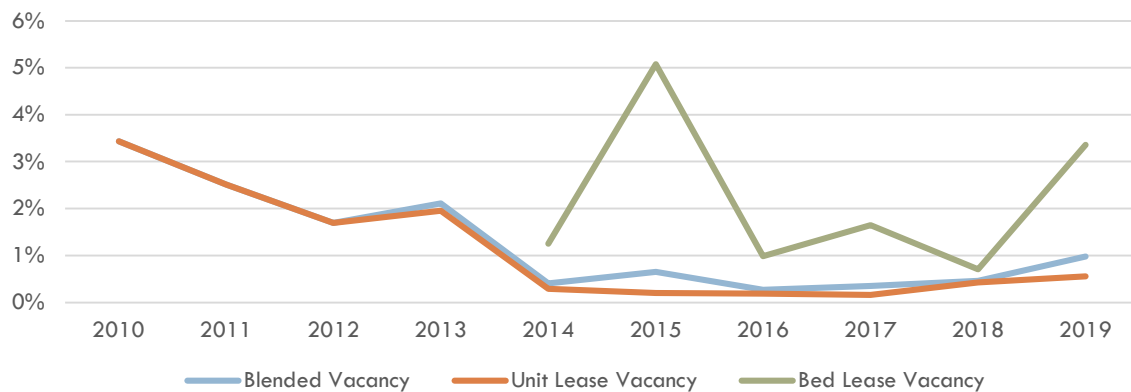
Sources: U.S. Census Bureau, 2010 Decennial Census, Table H4; American Community Survey, 2014-2018 five-year sample data, Table B01001; BAE, 2020.

While the ACS is the most common data source for residential vacancy data, UC Davis Student Housing commissions an annual *Vacancy and Rental Rate Survey* that provides more current estimates of rental housing availability in Davis and has done so since at least 1975.

Figure 3 illustrates rental housing vacancy trends in the City of Davis and on the UC Davis main campus between 2010 and 2019. The figure reports vacancy rates for two types of rental units, including “unit lease” apartments that are leased as a complete unit and “bed lease” apartments that are leased on a per-bed basis. The figure also provides a blended average of the two. The figure shows a blended rental vacancy rate of less than one percent from 2014 to 2019. The average effective vacancy rate for unit-leased apartments was between 0.2 and 0.6 percent during this period. Bed lease apartments, by comparison, show more erratic vacancy trends, which is mostly due to the master leasing of private market apartments by UC Davis Student Housing for use by students, among other factors, and do not reflect an oversupply of units relative to demand.

Preliminary data from the 2020 survey indicate that vacancy increased due to the ongoing Coronavirus pandemic to a combined 12.2 percent, which represents a vacancy rate of 8.4 percent among unit-leased apartments and a rate of 29.8 percent among bed-leased units. The exceptionally high vacancy rate among bed-leased units is due, at least in part, to limitations on the leasing of double-occupancy bedrooms due to health concerns.

Figure 3: Davis Rental Housing Vacancy, 2010-2019



Sources: UC Davis Apartment Vacancy and Rental Rate Survey; BAE, 2020.

Overcrowding

Housing analysts consider overcrowding in residential units to be a key indicator that households are experiencing economic hardship and are struggling to afford housing. One of the common tradeoffs that households make when experiencing economic hardship is to live in housing units that are smaller than would otherwise be ideal, or to band together with extended family or other individuals or households in order to better offset housing costs. HUD therefore tracks household size relative to the size of occupied housing units as an important metric for assessing economic stress and housing insecurity.

Table 27: Persons per Room by Tenure, 2006-2010 and 2014-2018

Persons per Room	2006-2010		2014-2018		% Change, 2006-10 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Owner-Occupied Units	10,828	44.8%	10,781	43.8%	-0.4%
1.00 Person per Room or Less	10,776	44.5%	10,689	43.5%	-0.8%
1.01 – 1.50 Persons per Room	52	0.2%	72	0.3%	38.5%
1.51 – 2.00 Persons per Room	0	0.0%	14	0.1%	n.a.
2.01 Persons per Room or More	0	0.0%	6	0.0%	n.a.
Renter-Occupied Units	13,368	55.2%	13,816	56.2%	3.4%
1.00 Person per Room or Less	12,865	53.2%	13,058	53.1%	1.5%
1.01 – 1.50 Persons per Room	341	1.4%	669	2.7%	96.2%
1.51 – 2.00 Persons per Room	109	0.5%	89	0.4%	-18.3%
2.01 Persons per Room or More	53	0.2%	0	0.0%	-100.0%
Total Occupied Units	24,196	100.0%	24,597	100.0%	1.7%
Sacramento MSA					
Owner-Occupied Units	486,536	62.7%	491,785	60.0%	1.1%
1.00 Person per Room or Less	476,646	61.5%	481,603	58.8%	1.0%
1.01 – 1.50 Persons per Room	7,853	1.0%	7,694	0.9%	-2.0%
1.51 – 2.00 Persons per Room	1,672	0.2%	1,797	0.2%	7.5%
2.01 Persons per Room or More	365	0.0%	691	0.1%	89.3%
Renter-Occupied Units	288,896	37.3%	327,587	40.0%	13.4%
1.00 Person per Room or Less	268,475	34.6%	302,941	37.0%	12.8%
1.01 – 1.50 Persons per Room	14,913	1.9%	17,765	2.2%	19.1%
1.51 – 2.00 Persons per Room	4,546	0.6%	5,597	0.7%	23.1%
2.01 Persons per Room or More	962	0.1%	1,284	0.2%	33.5%
Total Occupied Units	775,432	100.0%	819,372	100.0%	5.7%

Sources: U.S. Census Bureau, American Community Survey, 2006-2010 five-year and 2014-2018 five-year sample data, Table B25014; BAE, 2020.

Table 27 reports households by the number of persons per room, which includes bedrooms, as well as other rooms, like living rooms, but excludes kitchens and bathrooms which are considered un-inhabitable according to HUD. According to this data, between 2014 and 2018, an average of 3.5 percent of Davis households had more than one person per room, which is HUD’s definition for overcrowded conditions. This is compared to 4.5 percent regionwide. Renter households were significantly more likely to experience overcrowding compared to owner households. For example, 0.9 percent of owner households in Davis experienced overcrowding between 2014 and 2018, according to HUD Comprehensive Housing Affordability Strategy (CHAS) data, compared to 5.5 percent of renter households. Table 27 indicates that renter households regionwide had a higher rate of overcrowding compared to Davis at 7.5 percent.

Housing Problems

Table 28 indicates the number of households that are experiencing housing problems by type and severity.² Please note that the table reports households based on the most severe housing problem experienced by each responding household. Households, particularly at lower incomes, often experience more than one housing problem. Because the table shows each household only once, the data may underestimate the number of households experiencing less severe housing problems, as some of these households are likely captured in the totals for households with more severe housing problems. As reported in the table, renter households are more likely than owner households to experience housing problems. Lower-income households are also significantly more likely to experience housing problems regardless of tenure. Excessive and severe cost burden is the most prevalent housing problem for both renter and owner households and are the most severe housing problems that most households are likely to experience. The most severe housing problems, including living in substandard conditions and severe overcrowding, are relatively uncommon. Nonetheless, 1.7 percent of renter households are estimated to live in substandard conditions, while at least 5.8 percent of renter households and 3.1 percent of owner households are overcrowded.³

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² Table 24 reports households based on the most severe housing problem experienced by each responding household. Households, particularly at lower incomes, often experience more than one housing problem. Households with more than one housing problem would be shown in the data based on their most severe housing problem, with substandard housing considered to be the most severe housing problem, followed by severe overcrowding, overcrowding, severe housing cost burden, and housing cost burden, in that order.

³ The true number of households experiencing overcrowding may be higher than reported in Table 24 as some households experiencing overcrowding may be counted under the line item for substandard housing.

Table 28: Housing Problems by Tenure and Income Level, City of Davis, 2013-2017

Housing Problems in Order of Severity (a)	City of Davis									
	Extremely Low Income ≤30% HAMFI (b)		Very Low Income >30%, ≤50% HAMFI		Low Income >50%, ≤80% HAMFI		Lower Moderate Income >80, ≤100% HAMFI		All Households ≤ 100% HAMFI	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Households										
Substandard Housing (c)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Severely Overcrowded (d)	0	0.0%	15	3.8%	0	0.0%	0	0.0%	15	0.7%
Overcrowded (e)	20	3.4%	0	0.0%	25	3.5%	10	1.7%	55	2.4%
Severe Housing Cost Burden (f)	380	65.5%	150	38.0%	95	13.4%	95	15.8%	720	31.5%
Housing Cost Burden (g)	70	12.1%	80	20.3%	190	26.8%	175	29.2%	515	22.5%
Zero/Negative Income	65	11.2%	0	0.0%	0	0.0%	0	0.0%	65	2.8%
Subtotal, Owner Households with Housing Problems	535	92.2%	245	62.0%	310	43.7%	280	46.7%	1,370	60.0%
Total, Owner Households	580	100.0%	395	100.0%	710	100.0%	600	100.0%	2,285	100.0%
Renter-Occupied Households										
Substandard Housing (c)	80	1.6%	4	0.2%	65	2.7%	25	2.2%	174	1.7%
Severely Overcrowded (d)	45	0.9%	0	0.0%	15	0.6%	0	0.0%	60	0.6%
Overcrowded (e)	330	6.7%	110	5.8%	75	3.1%	25	2.2%	540	5.2%
Severe Housing Cost Burden (f)	3,275	66.4%	1,055	56.0%	525	21.6%	60	5.4%	4,915	47.4%
Housing Cost Burden (g)	130	2.6%	400	21.2%	1,155	47.4%	385	34.4%	2,070	20.0%
Zero/Negative Income	845	17.1%	0	0.0%	0	0.0%	0	0.0%	845	8.1%
Subtotal, Renter Households with Housing Problems	4,705	95.4%	1,569	83.2%	1,835	75.4%	495	44.2%	8,604	83.0%
Total, Renter Households	4,930	100.0%	1,885	100.0%	2,435	100.0%	1,120	100.0%	10,370	100.0%

Notes and sources are listed on the following page.

Notes:

- (a) Housing problems are listed from most severe to least severe, as ordered by HUD. Households may have multiple housing problems, but, for the purposes of this table, they are counted under their most severe housing problem.
- (b) "HAMFI" is the HUD Area Median Family Income for Yolo County.
- (c) Lacking complete plumbing or kitchen facilities, based on responses to the American Community Survey.
- (d) Greater than 1.5 persons per room, based on responses to the American Community Survey.
- (e) 1.01 to 1.5 persons per room, based on responses to the American Community Survey.
- (f) Housing costs greater than 50% of gross income, based on responses to the American Community Survey.
- (g) Housing costs greater than 30% but less than 50 % of gross income, based on responses to the American Community Survey.

Sources: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Table 29: Housing Problems by Tenure and Income Level, Sacramento MSA, 2013-2017

Housing Problems in Order of Severity (a)	Sacramento MSA									
	Extremely Low Income ≤30% HAMFI (b)		Very Low Income >30%, ≤50% HAMFI		Low Income >50%, ≤80% HAMFI		Lower Moderate Income >80, ≤100% HAMFI		All Households ≤ 100% HAMFI	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied Households										
Substandard Housing (c)	345	1.1%	179	0.5%	235	0.4%	120	0.3%	879	0.5%
Severely Overcrowded (d)	215	0.7%	420	1.1%	495	0.8%	170	0.4%	1,300	0.7%
Overcrowded (e)	600	1.8%	1,065	2.8%	1,880	2.9%	1,130	2.5%	4,675	2.6%
Severe Housing Cost Burden (f)	19,960	61.5%	14,840	38.7%	12,040	18.8%	3,415	7.4%	50,255	27.8%
Housing Cost Burden (g)	4,235	13.0%	9,115	23.8%	18,785	29.4%	13,320	28.9%	45,455	25.1%
Zero/Negative Income	3,390	10.4%	0	0.0%	0	0.0%	0	0.0%	3,390	1.9%
Subtotal, Owner Households with Housing Problems	28,745	88.5%	25,619	66.9%	33,435	52.3%	18,155	39.4%	105,954	58.6%
Total, Owner Households	32,465	100.0%	38,315	100.0%	63,960	100.0%	46,040	100.0%	180,780	100.0%
Renter-Occupied Households										
Substandard Housing (c)	2,625	3.2%	1,140	2.1%	1,330	2.0%	370	1.1%	5,465	2.3%
Severely Overcrowded (d)	2,010	2.5%	1,645	3.0%	1,150	1.8%	650	1.9%	5,455	2.3%
Overcrowded (e)	5,755	7.0%	3,675	6.6%	4,030	6.2%	1,325	3.9%	14,785	6.2%
Severe Housing Cost Burden (f)	49,795	60.8%	19,605	35.3%	5,840	8.9%	685	2.0%	75,925	32.1%
Housing Cost Burden (g)	6,400	7.8%	22,505	40.5%	28,685	43.9%	8,105	23.9%	65,695	27.7%
Zero/Negative Income	7,175	8.8%	0	0.0%	0	0.0%	0	0.0%	7,175	3.0%
Subtotal, Renter Households with Housing Problems	73,760	90.0%	48,570	87.5%	41,035	62.8%	11,135	32.8%	174,500	73.7%
Total, Renter Households	81,940	100.0%	55,520	100.0%	65,360	100.0%	33,950	100.0%	236,770	100.0%

Notes and sources are listed on the following page.

Notes:

- (a) Housing problems are listed from most severe to least severe, as ordered by HUD. Households may have multiple housing problems, but, for the purposes of this table, they are counted under their most severe housing problem.
- (b) "HAMFI" is the HUD Area Median Family Income for the county in which the household is located.
- (c) Lacking complete plumbing or kitchen facilities.
- (d) Greater than 1.5 persons per room.
- (e) 1.01 to 1.5 persons per room.
- (f) Housing costs greater than 50% of gross income.
- (g) Housing costs greater than 30% but less than 50 % of gross income.

Sources: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Affordable Housing Inventory and At-Risk Units

Table 30 documents the existing affordable housing inventory in Davis, as of August 2021. The table satisfies California Government Code section 65583 by providing “a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use, and total number of elderly and non-elderly units that could be lost from the locality’s low-income housing stock.” The table identifies a total of 56 residential developments with a total of 1,952 deed-restricted affordable housing units. This represents a 16 percent net increase compared to 2013, when the City identified 1,689 affordable units. Among the properties identified in Table 30 are 279 dedicated senior housing units, as well as an additional 297 that are set aside for occupancy by persons with disabilities, 125 that are most suitable for small households, and 10 that are single-room occupancy housing units targeted primarily towards the homeless community. Note that housing units may serve special needs persons in multiple categories.

Affordable For-Sale Opportunities

In addition to affordable rental units, the City of Davis has adopted policies to require affordable ownership options in all new ownership housing projects, with some policies aimed to target housing production for the City’s workforce. Of the 1,952 deed-restricted affordable housing units identified in Table 30, 1,826 are rental housing units and 126 are owner occupied housing units, including some units targeted to middle-income households. The affordable ownership units are resale restricted for occupancy by low- and moderate-income households. Most of the identified owner-occupied affordable housing units were privately subsidized in response to the City’s inclusionary housing policy.

At-Risk Affordable Units

California Government Code Section 65583 requires that housing elements identify all assisted rental housing units within the jurisdiction that are at risk of converting to market rate within ten years of the beginning of the Housing Element Planning period (i.e., within ten years of May 15, 2021 for Davis’ sixth Housing Element cycle). Typically, assisted units are potentially considered to be at risk of converting to market rate if they are subject to local affordability requirements that will soon expire, or if the affordable units were financed using sources that required affordability for a set period that will soon expire. However, units that are potentially at risk for these reasons may not actually be at risk of conversion, particularly in cases where the units are owned by a nonprofit or other entity that is dedicated to preserving the units as affordable housing.

As shown in Table 30, there are nine developments in Davis with deed-restricted units that are potentially at risk of conversion within the next ten years, with a total of 305 potentially at-risk affordable units. A total of 70 of these units are senior units, all of which are within the Davisville development. Of the projects that are potentially at risk, five developments with a combined total of 146 units, are owned and operated by either Community Housing Opportunities Corporation (CHOC) or Mutual Housing. Both of these entities are dedicated to

providing affordable housing, and therefore are unlikely to convert these developments to market rate. Nonetheless, these entities may need financial support to maintain these units over time. Three of the developments in Table 30, Olive Court, Rosa Parks, and Sojourner Truth, recently accepted funding that would extend the affordability of their units, and the City is working with Yolo County Housing to determine for how long. This Housing Element includes a program that specifies that the City will monitor all 305 units that are potentially at risk of conversion. This will include contacting the owners of each at-risk property attempting to work with the owners of each property to maintain affordability in the event that any owner intends to convert to market rate. These efforts will prioritize those developments that are not owned by entities that are dedicated to providing affordable housing, and are therefore more likely to convert. In addition, this Housing Element includes a program stating that the City will dedicate a staff person to receive any notices of intent to convert and will ensure that these notices are sent to entities that are qualified to acquire and manage the at-risk units.

Cost of Replacement or Preservation of At-Risk Units

California Government Code Section 65583 also requires that the Housing Element estimate the cost to replace any at-risk units as well as the cost to preserve these units. Information provided in low-income housing tax credit applications submitted to the California Tax Credit Allocation Committee (TCAC) suggests that the typical cost to construct an affordable unit (i.e., total development costs) in the Davis area is approximately \$433,000 per unit. Assuming that the units owned by CHOC and Mutual Housing are not at risk of conversion, this suggests a total cost of \$70.4 million to replace the remaining 159 units that are potentially at risk.

The cost to rehabilitate and preserve an affordable housing project is often somewhat lower than the cost of new construction but can be as high as or higher than new construction, particularly if the project must be acquired as part of the preservation effort. Among TCAC applications submitted in the first half of 2021 for proposed projects in Yolo and Sacramento Counties, two were for acquisition and rehabilitation projects. Among these two projects, one had total projected project costs totaling approximately \$221,000 per unit and the other had total projected project costs totaling approximately \$710,000 per unit. This suggests that the total cost to acquire and preserve the at-risk units may be similar to the cost of replacement. These preservation costs reflect costs associated with rehabilitating a 100 percent affordable housing development and may differ from the cost associated with providing landlord incentives to maintain affordability in an existing development where no rehabilitation is necessary.

Entities with Capacity to Acquire and Preserve At-Risk Units

Entities that have the legal and managerial capacity to acquire, preserve, and manage any at-risk affordable units in Davis include: Community Housing Opportunities Corporation (CHOC), New Hope Community Development Corporation, Sacramento-Yolo Mutual Housing and Association.

Table 30: Affordable Housing Inventory, March 2021

Apartment Complex	Address	Total Units	Affordable Units	Tenure	Type	Funding Source	Affordability End Date
Adobe at Evergreen	180 Shasta Drive	120	30	Rental	Family	Tax Credits	Permanent
Allegre Apartments	1659 Drew Circle	152	17	Rental	Family	221d4 NC/SR	Permanent
Arlington Farms Apartments	2900 Portage Bay West	138	28	Rental	Family	Project-based vouchers	Permanent
Alhambra	4500 Alhambra Drive	160	160	Rental	Family	Tax credits	2052
Bartlett Commons (Cannery)	900 Jacobsen Lane	62	62	Rental	Physical disability	HOME, HTF, Tax Credits	2069
Becerra Plaza	326 Becerra Way	21	20	Rental	Physical disability	202/811, HUD	2040
Berry Bridge Cottages	4100 Hackberry Plaza	8	8	Ownership	Family	HTF, Private	Permanent
Cal Aggie Christian Association	433 Russell Boulevard	10	10	Rental	Single-room occupancy	Private	Permanent
Cassel Lane	Cassel Lane	5	5	Ownership	Family	Private	Permanent
Cesar Chavez Plaza	1220 Olive Drive	53	53	Rental	Physical disability	RDA, MHP, Cal HFA, AHP, Tax Credits, City	Permanent
Cornucopia Cooperative	239 J Street	8	8	Rental	Small household; Student	RDA	Permanent
Creekside Apartments	2990 5 th Street	90	90	Rental	Disability, Homeless	AHSC, Tax Credits HUD, HCD	2072
DaVinci Court	1666 DaVinci Court	51	18	Rental	Family	Private	Permanent
Davisville	1221 Kennedy Place	70	70	Rental	Senior	223(f), HUD	2031
El Macero Village	4735 Cowell Boulevard	104	4	Rental	Family	Project-based vouchers	Unknown
Eleanor Roosevelt	675 Cantrill Drive	60	60	Rental	Physical disability; Senior	RDA, MHP, HOME, CDBG, Tax Credits, CFHA, City	Permanent
Ellington Apartments (also known as Cambridge Glen)	4849 El Cemonte Aven	125	25	Rental	Family	CHFA	2024
Fox Creek	1515 Valdora Street	36	36	Rental	Family	RDA, Tax Credits, HCD	2052
GAMAT homes	Various - West & South	20	20	Rental	Family	HTF	Permanent
Glacier Circle	2358 Glacier Circle	1	1	Rental	Senior	Private	Permanent
Grande Village	Grande Avenue	41	14	Ownership	Single Family	Private	Permanent
Heather Glen	2324 Shasta Drive	62	62	Rental	Family	RDA, Tax Credits	2021
Homestead Cooperative	2610 Grambling Court	21	21	Rental	Special needs, small households	HOME, City, Section 8	Permanent

Table 30: Affordable Housing Inventory, March 2021 (Continued)

Apartment Complex	Address	Total Units	Affordable Units	Tenure	Type	Funding Source	Affordability End Date
Mahogany Lane	Cottonwood (off Montgomery)	8	8	Ownership	Family	Private	Permanent
Moore Village	2444 Moore Boulevard	59	59	Rental	Family	CDBG, HOME, HTF, RDA, Tax Credits, CHFA	2059
Mutual Housing at 5 th Street	2050 5 th Street	38	37	Rental	Family	Tax Credits	2074
New Harmony	3030 Cowell Boulevard	69	69	Rental	Physical disability, family	RDA, HOME, Tax Credits, City	Permanent
Octave	1677 Drew Circle	152	17	Rental	Family	Private	Permanent
Olive Court	1414 Olive Drive	24	24	Rental	Family	City, CHFA	2028
Olympic Cottages	1707 Olympic Drive	30	30	Rental	Senior	Private	Permanent
Owendale	3023 Albany Avenue	45	45	Rental	Family	MHP, HOME, RDA, Tax Credits, HUD, HCD	2070
Pacifico Cooperative	1752 Drew Circle	96	96	Rental	Small household, student	City	Permanent
Parque Santiago	Messina and Serrano Terrace (off Ensenada)	5	5	Ownership	Family	Private	Permanent
Pinecrest	920 Cranbrook Court	40	40	Rental	Family	236, RDA	2044
Rosa Parks	1205 Fifth Street	10	10	Rental	Family	CHRP-R, CDBG, RDA, City	2021
Rosewood Park	616 Ohlone Street	24	24	Rental	Family	RDA, Tax Credits, HCD	2052
Shasta Point Retirement	1501 Shasta Drive	68	67	Rental	Senior	202 Capital Advance	2041
Sharps and Flats	1660 Drew Avenue	97	34	Rental	Family	Private	Permanent
Shepherds Close	728 B Street	1	1	Rental	Family	Private	Permanent
Sojourner Truth	1220 Fifth Street	14	14	Rental	Family	CHFA, CDBG, City	2019
Southfield Park Condos	Greene Terrace	60	60	Ownership	Family	Private	Permanent
Sterling Court	803, 805, 807, 809 10 th Street	4	4	Rental	Family	HTF	Permanent
Summerhouse	2525 East Eighth Street	15	12	Rental	Development disability	202 Direct Loan Converted to CAP Adv. w/PRAC	2033
Suntree Apartments	2033 F Street	95	60	Rental	Family	HUD	2025

Table 30: Affordable Housing Inventory, March 2021 (Continued)

Apartment Complex	Address	Total Units	Affordable Units	Tenure	Type	Funding Source	Affordability End Date
Terracina	1800 Moore Boulevard	70	69	Rental	Family	Tax credit	2054
Tremont Green	5663 Marden Street	36	36	Rental	Family	MHP, HOME, CDBG, RDA, Tax Credits	2058
Tuscany Villas	2526 East Eighth Street	30	30	Rental	Family	HCD Rental Housing Program	2048
Twin Pines (formerly called Northstar Apartments)	3333 F Street	36	36	Rental	Family	542(c) HFA Risk Sharing - NC/SR, City, CA HOME, Tax Credits	2028
University Retirement Community	1515 Shasta Drive	161	63	Rental	Senior	Private	Permanent
Verona	Cubre, Nido, Ramita, and Verona Terrace (off 5 th)	18	18	Ownership	Family	Private	Permanent
Villa Calabria	2537 East Eighth Street	6	6	Rental	Senior	HCD Rental Housing Program	Permanent
Villages at Willowcreek	Drummond & Cowell	35	4	Ownership	Family	Private	Permanent
Walnut Terrace	3101 Fifth Street	30	30	Rental	Senior	City, HOME, CDBG, RDA	2073
Willow Glen	310 Becerra Way	12	12	Rental	Senior	Tax Credit, HCD Rental Housing Program	Permanent
Willowbank Park	San Marino & Mace	31	4	Ownership	Family	Private	Permanent
Windmere I & II	3030-3100 Fifth Street	106	106	Rental	Family	CHFA, Tax Credits, CDBG, HOME, 542(c) - NC/SR	2073

Note: RDA = City Redevelopment Agency Funds; HTF = City Housing Trust Fund

Sources: City of Davis, 2021; BAE, 2021.

Potential Sources of Preservation Funding

State and federal funding sources that could be used to assist in the preservation of affordable units include Community Development Block Grant (CDBG) funds, HOME funds, Low-Income Housing Tax Credits, Section 8 Housing Choice Vouchers, Affordable Housing and Sustainable Communities (AHSC) Program funds, the Golden State Acquisition Fund, the Housing for a Healthy California Program, the Multifamily Housing Program, and Section 811 Project Rental Assistance. In addition, the City of Davis could use its Housing Trust Fund to assist with preservation efforts, particularly after identifying additional sources of funding for the Housing Trust Fund as discussed elsewhere in this Housing Element document.

Planned Development Pipeline

Table 31 identifies residential development projects that are proposed for development or under construction in Davis. The table includes 24 planned and proposed projects, including five that are proposed and undergoing planning review, 11 that have completed planning review and are pending construction, and eight that are under construction. The inventory includes a total of 3,341 units and more than 5,649 beds and/or bedrooms. Notable projects currently under construction include the rental component of The Cannery and Lincoln 40, among others.

Residential developments in the City's construction pipeline include a mix of single-family, townhouse, and apartment projects, with many but not all apartment projects targeting student populations. The significant number of student-oriented developments reflect strong developer interest in pursuing these types of projects in Davis to respond to significant rental housing demand among UC Davis students. Many UC Davis students that participated in the community engagement process for this Housing Element Update highlighted the importance of these student-oriented developments for providing a flexible option to address student housing needs. Other community members indicated a preference for more traditional rental housing in Davis to address housing needs among Davis families and members of the Davis workforce that are not students. Because many of the newer student-oriented developments rent by the bed rather than by the unit, these developments are generally less desirable for Davis' family households and some members of the non-student population. For this reason, these units are generally marketed toward students, but, consistent with Federal fair housing laws, they can be occupied by any person choosing to rent there.

Table 31: Planned Development Pipeline, December 2020 (Page 1 of 2)

Project Name	Address/Location	Residential Type	Target Population	Unit Type	Existing Units or Bedrooms	Total Beds/Rooms	Total Units
PROPOSED OR UNDERGOING PLANNING REVIEW							
Olive Drive Mixed-Use	East Olive Drive	Residential, Commercial	Workforce	1 Bedrooms	4 Units	47 Bedrooms	47
Plaza 2555 Apartments	2555 Research Park Drive	Apartments, Townhomes	Workforce	Studio, 1-5 Bedrooms	n.a.	499 Bedrooms	200
Theta Xi Fraternity	515 1 st Street	Fraternity Rebuild	Students	n.a.	38 Beds	35 Beds	n.a.
University Commons	Russell Boulevard Between Anderson and Sycamore	Mixed-Use Residential	Students	1-4 Bedrooms	n.a.	894 Beds	264
West Davis Active Adult	39660 W Covell Boulevard	Senior Apartments	Seniors		n.a.	n.a.	560 (150 Affordable)
Subtotal						More than 1,475 Beds/Bedrooms	1,071 Units
COMPLETED PLANNING REVIEW AND PENDING CONSTRUCTION							
3820 Chiles Road	3820 Chiles Road	Apartments	Workforce	Studio 1-3 Bedrooms	n.a.	361 Bedrooms	225 Units
Cannery Market Place	Cannery M-U District	Mixed-Use Residential	Workforce	Studio 1-2 Bedrooms	36 Units	101 Bedrooms	84 Units
Chiles Ranch Subdivision	2411 E 8 th Street	Single-Family	Families	n.a.	1 SFD	n.a.	96 Units
D Street Gardens	717 D Street	Single-Family	Families	n.a.	2 SFDs	n.a.	9 Units
Davis Live	525 Oxford Circle	Apartments	Students	3-4 Bedrooms	33 Bedrooms	440 Beds	71 Units
Nishi Apartment Housing	West Olive Drive	Apartments	Students	2-3 Bedrooms	n.a.	2,200 Bedrooms	700 Units
Paul's Place	1111 H Street	Homeless Services	Homeless	Studio, Dorm	12 Beds	28 Beds	18

Table 31: Planned Development Pipeline, December 2020 (Page 2 of 2)

Project Name	Address/Location	Residential Type	Target Population	Unit Type	Existing Units or Bedrooms	Total Beds/Rooms	Total Units
COMPLETED PLANNING REVIEW AND PENDING CONSTRUCTION, Cont.							
Research Park Mixed-Use	1770 Research Park	Mixed-Use Residential	Workforce	Studio, 1-2 Bedrooms	n.a.	192 Bedrooms	160
Trackside Center	901-919 3 rd Street	Mixed-Use Residential	Workforce	Studio, 1-2 Bedrooms	n.a.	47 Bedrooms	27 Units
University View Townhomes	335 Russell Boulevard	Townhomes	Ownership	Townhomes	3 Units	12 Bedrooms	4
Zelkova Court Subdivision	1021 5 th Street	Single-Family	Students	n.a.	1 SFD	n.a.	5 Units
Subtotal						More than 3,381 Beds/Bedrooms	1,399 Units
UNDER CONSTRUCTION							
216 W 8 th Street	216 W 8 th Street	Single-Family	Families	n.a.	1 SFD	n.a.	2 Units
525 Oak Avenue	525 Oak Avenue	Single-Family	Rental	n.a.	1 SFD	14 Bedrooms	4 Units
Cannery Subdivision	1111 E Covell	Single-Family	Families	n.a.	n.a.	n.a.	633 Units
Cassel Lane Subdivision	Cassel Lane	Single-Family	Families	n.a.	n.a.	n.a.	23 Units
Grande Subdivision	Grande Avenue	Single-Family	Families	n.a.	n.a.	n.a.	41 Units
Lincoln 40	East Olive Drive	Apartments	Students	2-5 Bedrooms	10 SFDs, 14 Units	708 Beds	130 Units
Mutual on 5 th	2100 5 th Street	Apartments	Families	1-3 Bedrooms	n.a.	71 Bedrooms	38 Units
UCD Emerson Hall Replacement	565 Oxford Circle	Dorms	Students	Dorms	n.a.	n.a.	n.a.
Subtotal						More than 793 Beds	871 Units
Total						More than 5,649 Beds/Bedrooms	3,341 Units

Housing Costs and Affordability

Rental Rates

Table 32 reports rental housing units, average monthly asking rents, and vacancy rates for rental housing units leased both by the unit and by the bed, based on data from the 2019 *Apartment Vacancy and Rental Rate Survey*. According to this data, the weighted average rent for apartment units in the broader Davis community was \$2,117 per month, including both bed-leased and unit-leased apartments. The average rent for unit-leased apartments was \$1,905 per month, while the average rent per bed in bed-leased units was \$1,001 per month. The weighted average rent for all units, as reported in Table 32, was notably higher than for unit-leased apartments alone because the average unit-equivalent rent for bed-leased apartments is significantly higher than for similarly sized unit-leased apartments.⁴ More specifically, the weighted average unit equivalent rent for bed-leased apartments was \$3,317 per month. This relative rent differential is also illustrated in Figure 4.

⁴ The unit-equivalent rent for a bed-leased apartment is equal to the per bed rent multiplied by the number of leasable beds per unit, accounting for average occupancy.

Table 32: Multifamily Rental Summary, City of Davis, 2019

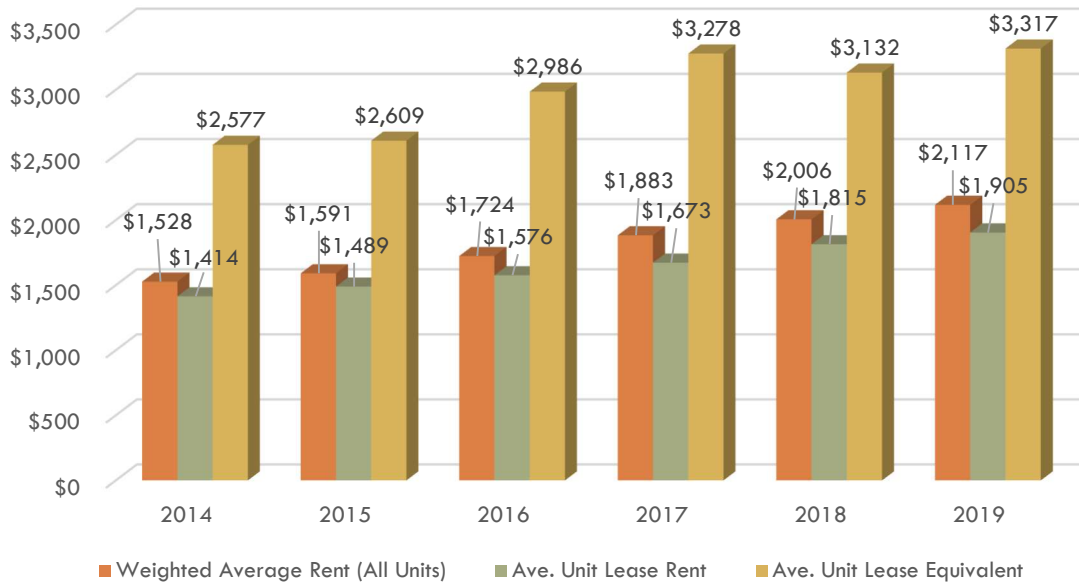
Unit Type (a)	City of Davis			
	Number of Units	Avg. Monthly Asking Rent	Per Unit/Bed Per Month	Vacancy Rate
Leased-By-The-Unit				
Studio	185	\$1,180	Per Unit Per Month	0.0%
1 Bedroom	2,273	\$1,430		1.0%
2 Bedroom	3,253	\$1,893		0.5%
3 Bedroom	1,062	\$2,529		0.0%
4+ Bedroom	434	\$3,265		0.0%
All Unit Types	7,207	\$1,905		0.6%
Leased-By-The-Bed				
Studio	1	n.a.	Per Bed Per Month	0.0%
1 Bedroom	194	\$1,344		4.4%
2 Bedroom	316	\$1,077		2.8%
3 Bedroom	231	\$1,033		3.3%
4+ Bedroom	526	\$937		3.4%
All Unit Types	7,207	\$1,001		3.4%
Weighted Averages				
Studio	186	\$1,174	Per Unit Equivalent Per Month	0.0%
1 Bedroom	2,467	\$1,455		1.3%
2 Bedroom	3,569	\$1,929		0.7%
3 Bedroom	1,293	\$2,731		0.6%
4+ Bedroom	960	\$3,865		1.9%
All Unit Types	8,475	\$2,117		1.0%

Note:

(a) Data captures units in multifamily properties with 20 units or more.

Sources: UC Davis; BAE, 2020.

Figure 4: Multifamily Rental Average Asking Rents, 2010 - 2019



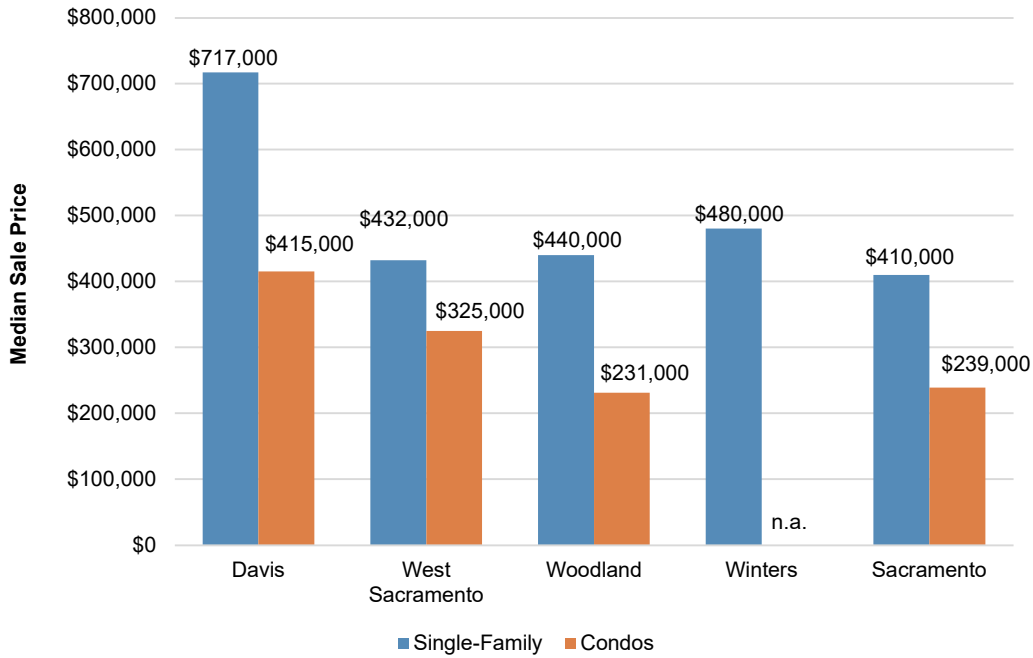
Sources: BAE, 2020.

For-Sale Prices

Figure 5 illustrates that Davis is the most expensive for-sale housing sub-markets in Yolo County, with a median sale price for a single-family home in November 2020 of \$717,000. The other peer communities shown in Figure 5, including West Sacramento, Woodland, Winters, and Sacramento, all had median sale prices for single-family homes in the \$400,000's. The median condominium sale prices in Davis was also notably higher than in the comparison jurisdictions at \$415,000 compared to in the \$200,000 to \$300,000 range in the four identified peer communities.

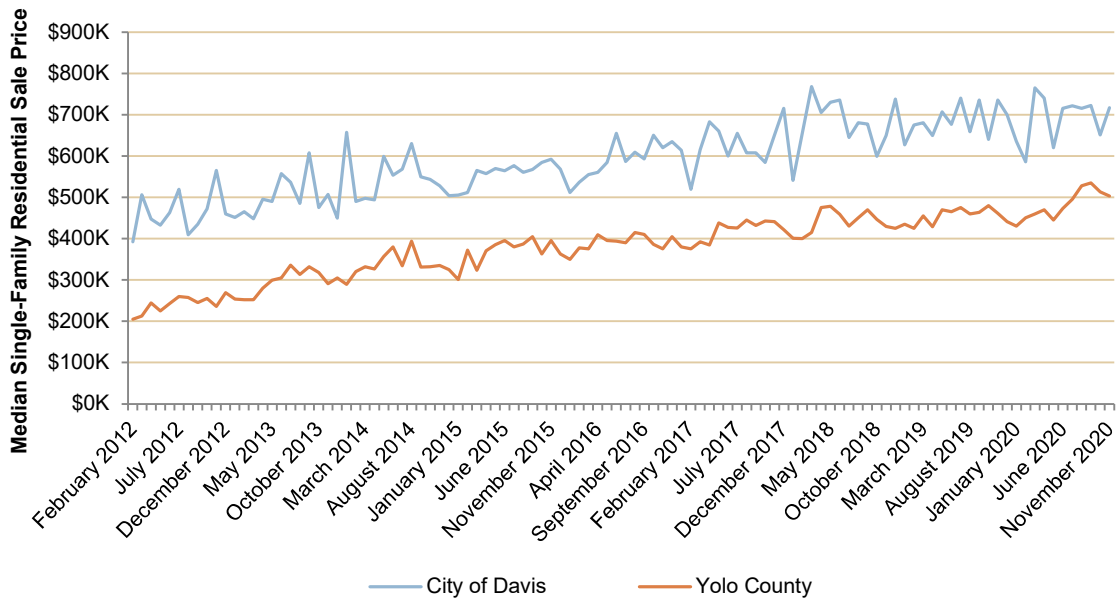
Long-term trends in home prices, as illustrated in Figure 6, indicate that the median single-family home sale price in Davis has historically been higher than for Yolo County as a whole. Overall, long-term trends in median home price increases in Davis and Yolo County are roughly comparable, indicating that while prices in Davis are notably higher, homes in Davis have appreciated at similar rates over the long-term compared to homes throughout Yolo County. While the data in the figure suggest that home sale prices in Davis tend to fluctuate more than in the County, these fluctuations are likely due to the small size of the Davis home sale market relative to the countywide market, which means that a relatively small number of sales can have a large impact on the median price in a given month.

Figure 5: Median Home Sale Prices, Selected Cities, November 2020



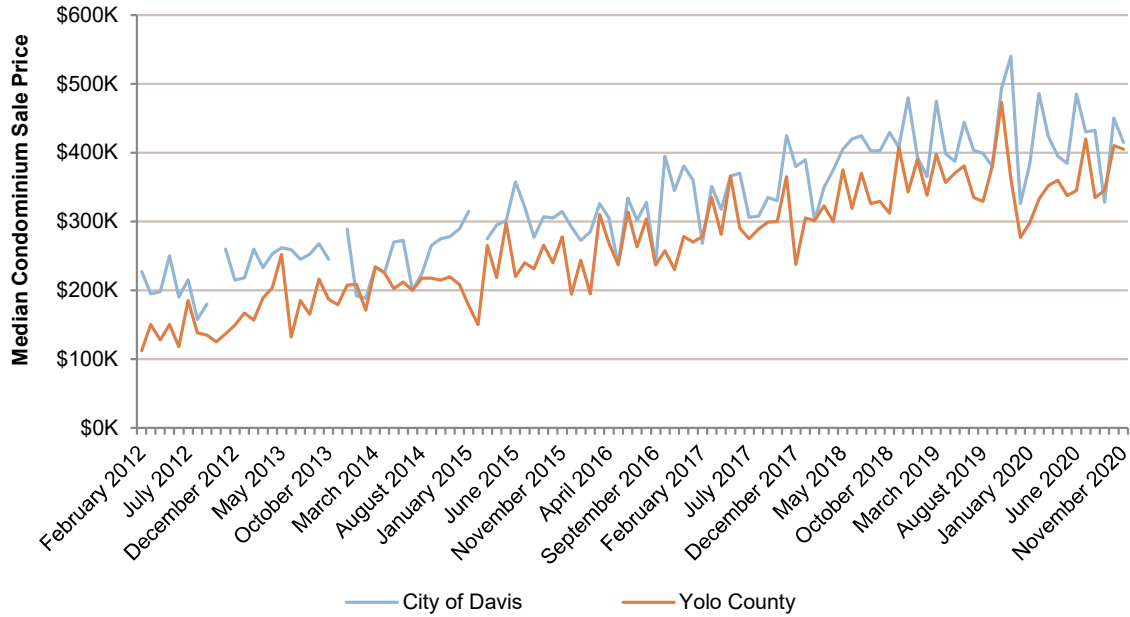
Sources: Redfin, 2020; BAE, 2020.

Figure 6: Median Single-Family Residence Sale Price, February 2012 – November 2020



Sources: Redfin, 2020; BAE, 2020.

Figure 7: Median Condominium Sale Price, February 2012 – November 2020



Note:
Gaps in the trendline are due to insufficient sales data in specific months.

Sources: Redfin, 2020; BAE, 2020.

Housing Cost Burden

Table 33 reports the number of households by income level and tenure by housing cost burden. A household is considered to have a moderate housing cost burden if housing expenses exceed 30 percent of income, and to have a severe cost burden when housing expenses exceed 50 percent of income. Particularly for lower-income households, having housing costs that exceed 30 percent of household income often means that households are unable to afford housing while also meeting other basic needs such as food and healthcare. There are well-documented and persistent relationships between income, tenure, and the likelihood of a household to experience a moderate or severe cost burden. Generally speaking, as household income decreases, housing costs typically account for an increasingly large share of a household’s monthly budget. Similarly, renter households are also consistently more likely to experience moderate and severe housing cost burdens, even across income levels.

The data provided in Table 33 illustrate the above trends, wherein 73 percent of households earning less than 80 percent of HAMFI are cost burdened, compared to 33 percent of households earning 80 to 120 percent of HAMFI and 23 percent of households earning

greater than 120 percent of HAMFI. The data also clearly illustrate that households in the lowest income brackets are considerably more likely to experience severe cost burdens compared to their higher income counterparts. While lower income households who own their homes are somewhat less likely to experience excessive cost burdens compared to renter households who are more readily subject to periodic rent increases, lower-income owner households are still more likely to experience an excessive housing cost burden compared to their higher income counterparts.

Table 33: Housing Cost Burden by Income Level and Tenure, 2013-2017

Housing Cost Burden by Income Level	City of Davis					
	Renter Households		Owner Households		Total Households	
	Number	Percent	Number	Percent	Number	Percent
Extremely Low Income (<=30% HAMFI) (a) (b)	4,930	100.0%	580	100.0%	5,510	100.0%
Minimal Cost Burden (c)	260	5.3%	45	7.8%	305	5.5%
Moderate Cost Burden (d)	130	2.6%	70	12.1%	200	3.6%
Severe Cost Burden (e)	3,590	72.9%	390	67.2%	3,980	72.3%
Zero/Negative Income	945	19.2%	75	12.9%	1,020	18.5%
Very Low Income (>30%, <=50% HAMFI) (b)	1,885	100.0%	395	100.0%	2,280	100.0%
Minimal Cost Burden (c)	315	16.7%	165	41.8%	480	21.0%
Moderate Cost Burden (d)	460	24.3%	80	20.3%	540	23.6%
Severe Cost Burden (e)	1,115	59.0%	150	38.0%	1,265	55.4%
Low Income (>50%, <=80% HAMFI) (b)	2,435	100.0%	710	100.0%	3,145	100.0%
Minimal Cost Burden (c)	705	28.9%	415	58.5%	1,120	35.6%
Moderate Cost Burden (d)	1,195	49.0%	190	26.8%	1,385	44.0%
Severe Cost Burden (e)	540	22.1%	105	14.8%	645	20.5%
Lower Moderate Income (>80%, <=100% HAMFI) (b)	1,120	100.0%	600	100.0%	1,720	100.0%
Minimal Cost Burden (c)	675	60.3%	320	53.3%	995	57.8%
Moderate Cost Burden (d)	385	34.4%	185	30.8%	570	33.1%
Severe Cost Burden (e)	60	5.4%	95	15.8%	155	9.0%
Upper Moderate Income (>100%, <=120% HAMFI) (b)	940	100.0%	524	100.0%	1,464	100.0%
Minimal Cost Burden (c)	720	77.4%	389	75.1%	1,109	76.6%
Moderate Cost Burden (d)	200	21.5%	105	20.3%	305	21.1%
Severe Cost Burden (e)	10	1.1%	24	4.6%	34	2.3%
Above Moderate Income (>=120% HAMFI) (b)	2,465	100.0%	7,980	100.0%	10,445	100.0%
Minimal Cost Burden (c)	2,365	95.6%	7,435	93.1%	9,800	93.7%
Moderate Cost Burden (d)	99	4.0%	540	6.8%	639	6.1%
Severe Cost Burden (e)	10	0.4%	14	0.2%	24	0.2%
Total Households (b)	13,770	100.0%	10,785	100.0%	24,555	100.0%
Minimal Cost Burden (c)	5,040	36.6%	8,769	81.3%	13,809	56.2%
Moderate Cost Burden (d)	2,469	17.9%	1,170	10.8%	3,639	14.8%
Severe Cost Burden (e)	5,325	38.6%	778	7.2%	6,103	24.8%
Zero/Negative Income	945	6.9%	75	0.7%	1,020	4.2%

Notes:

(a) "HAMFI" is the HUD Area Median Family Income for Yolo County.

(b) Totals do not equal the sum of individual figures due to independent rounding.

Notes and sources are continued on the following page

(c) Households with minimal housing cost burden spend up to 30 percent of their gross household income on housing expenses.

(d) Households with moderate housing cost burden spend more than 30 percent but less than or equal to 50 percent of their gross household income on housing expenses.

(e) Households with severe housing cost burden spend more than 50 percent of their gross household income on housing expenses.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Affordable Rental Rates

Table 34 reports the maximum rental rates that can be considered affordable to households at various income levels and compares those to 2019 weighted average rents as documented in the annual *Apartment Vacancy and Rental Rate Survey* (sponsored by UC Davis and prepared by BAE). According to this data, very low-income households can typically afford to pay a maximum of between \$746 and \$1,040 per month in rent and utilities, which is approximately \$492 to \$1,807 below the documented 2019 average rent within the Davis market, depending on unit size. Low-income households are similarly impacted by a relatively large difference between the rental rates that could be considered affordable and the reported market rents. While a one-person low-income household could afford an average priced studio unit in Davis, larger households would need to pay between \$127 and \$1,113 per month above what is considered affordable in order to secure an average priced rental unit in Davis. Many moderate-income households, by comparison, can likely afford market rate housing. However, due to the low vacancy rates in Davis, moderate-income renters may still face challenges in finding an appropriately-sized unit at an affordable rent that is available at the right time.

Table 34: Affordable and Market-Rate Rent Comparison, 2020

Affordable and Market-Rate Rent Comparison	City of Davis			
	Household (Unit) Size			
	1 Person (Studio)	2 Person (1 BR)	3 Person (2 BR)	4 Person (3 BR)
Average Market-Rate Rent (a)	\$1,174	\$1,455	\$1,929	\$2,731
Monthly Utility Costs (b)	\$64	\$76	\$92	\$116
Very Low Income Households (Income = 50% AMI)				
Household Income (c)	\$32,400	\$37,000	\$41,650	\$46,250
Max. Affordable Monthly Rent (d)	\$746.00	\$849	\$949	\$1,040
Amount Above (Below) Market-Rate Rent	(\$492)	(\$682)	(\$1,072)	(\$1,807)
Low Income Households (Income = 80% AMI)				
Household Income (c)	\$51,800	\$59,200	\$66,600	\$74,000
Max. Affordable Monthly Rent (d)	\$1,231	\$1,404	\$1,573	\$1,734
Amount Above (Below) Market-Rate Rent	(\$7)	(\$127)	(\$448)	(\$1,113)
Moderate Income Households (Income = 120% AMI)				
Household Income (c)	\$77,700	\$88,800	\$99,900	\$111,000
Max. Affordable Monthly Rent (d)	\$1,879	\$2,144	\$2,406	\$2,659
Amount Above (Below) Market-Rate Rent	\$641	\$613	\$385	(\$188)

Notes:

- (a) Average asking rent in multifamily properties with 20 or more units in the City of Davis during the second quarter of 2020.
- (b) Yolo County Housing Authority utility allowances for multifamily properties, garden units. Allowances assume gas cooking, heating, and water heating, as well as electricity for lights and appliances.
- (c) 2020 California Department of Housing and Community Development income limits for Yolo County.
- (d) Equal to 30% of gross monthly household income (the maximum amount that a household can spend on housing expenses without being considered cost-burdened), less monthly utility costs.

Sources: CoStar Group, 2020; California Department of Housing and Community Development, 2020; Yolo County Housing Authority; BAE, 2020.

Affordable Sale Prices

Table 35 and Table 36 identify the maximum affordable sale price for single-family and condominium units purchased with mortgages backed by the Federal Housing Administration (FHA), categorized by income level. The data generally indicate that most for-sale housing in Davis is likely out of reach of lower- and even moderate-income households. More specifically, the median single-family home price in November 2020 was \$717,000, while the maximum affordable home price for a four-person moderate-income household is \$478,679, indicating that most detached single family homes that are for sale in the Davis market are likely out of reach of even moderate-income households. Similarly, the median condominium sale price in November 2020 was \$432,250, which would similarly be unaffordable to most moderate-income households without resulting in an excessive housing cost burden. It should be noted

that Table 35 and Table 36 calculate the affordable sale price based on the income level that is at the top end of the range for each income group. Most households within each income category will have incomes that are somewhat lower than this maximum amount, and would therefore have a lower affordable home sale price than those indicated in the tables.

Table 35: Affordable For-Sale Single-Family Housing Prices with an FHA Mortgage, 2020

Maximum Affordable Home Sale Price	Household Size			
	1 Person	2 Person	3 Person	4 Person
Very Low Income Households (Income = 50% AMI)				
Household Income (a)	\$32,400	\$37,000	\$41,650	\$46,250
Max. Monthly Housing Budget (b)	\$810	\$925	\$1,041	\$1,156
Monthly Payments (b)	\$810	\$925	\$1,041	\$1,156
Principal and Interest	\$569	\$650	\$731	\$812
Homeowners Insurance	\$18	\$21	\$24	\$26
Property Taxes	\$127	\$145	\$163	\$181
Mortgage Insurance	\$96	\$109	\$123	\$136
One-Time Payments	\$7,250	\$8,279	\$9,317	\$10,347
Down Payment	\$4,890	\$5,585	\$6,285	\$6,979
Upfront Mortgage Insurance	\$2,360	\$2,695	\$3,032	\$3,367
Maximum Affordable Home Price	\$139,723	\$159,560	\$179,569	\$199,407
Low Income Households (Income = 80% AMI)				
Household Income (a)	\$51,800	\$59,200	\$66,600	\$74,000
Max. Monthly Housing Budget (b)	\$1,295	\$1,480	\$1,665	\$1,850
Monthly Payments (b)	\$1,295	\$1,480	\$1,665	\$1,850
Principal and Interest	\$910	\$1,040	\$1,170	\$1,300
Homeowners Insurance	\$29	\$34	\$38	\$42
Property Taxes	\$203	\$232	\$261	\$290
Mortgage Insurance	\$153	\$175	\$196	\$218
One-Time Payments	\$11,591	\$13,247	\$14,902	\$16,558
Down Payment	\$7,818	\$8,935	\$10,052	\$11,169
Upfront Mortgage Insurance	\$3,772	\$4,311	\$4,850	\$5,389
Maximum Affordable Home Price	\$223,384	\$255,296	\$287,208	\$319,120
Moderate Income Households (Income = 120% AMI)				
Household Income (a)	\$77,700	\$88,800	\$99,900	\$111,000
Max. Monthly Housing Budget (b)	\$1,943	\$2,220	\$2,498	\$2,775
Monthly Payments (b)	\$1,943	\$2,220	\$2,498	\$2,775
Principal and Interest	\$1,365	\$1,560	\$1,755	\$1,950
Homeowners Insurance	\$44	\$50	\$57	\$63
Property Taxes	\$305	\$348	\$392	\$435
Mortgage Insurance	\$229	\$262	\$295	\$327
One-Time Payments	\$17,391	\$19,870	\$22,358	\$24,837
Down Payment	\$11,731	\$13,403	\$15,081	\$16,754
Upfront Mortgage Insurance	\$5,660	\$6,467	\$7,277	\$8,084
Maximum Affordable Home Price	\$335,162	\$382,944	\$430,898	\$478,679

Assumptions, sources, and notes are on the following page.

Home Sale Cost Assumptions		
% of income for housing costs	30%	of gross annual income
Down payment (c)	3.50%	of home value
Annual interest rate (d)	3.01%	fixed
Loan term	30	years
Upfront mortgage insurance (e)	1.75%	of mortgage
Annual mortgage insurance (f)	0.85%	of mortgage
Annual homeowners insurance (g)	0.16%	of coverage amount
Annual property tax rate (h)	1.09%	of home value

Notes:

- (a) California Department of Housing and Community Development income limits for 2020.
- (b) Equal to 30% of gross monthly household income.
- (c) Minimum down payment required for an FHA loan.
- (d) The average of the average weekly rates for a 30-year fixed rate mortgage from June to September 17, 2020 per Freddie Mac.
- (e) The standard upfront mortgage insurance premium required for FHA loans.
- (f) The standard mortgage insurance premium requirement for FHA loans for homes selling for less than \$625,500 with a loan-to-value ratio greater than 95 percent.
- (g) Homeowners insurance estimates are based on an average of quoted insurance premiums provided by the California Department of Insurance for new homes in Davis. The amount of coverage is assumed to equal \$750,000.
- (h) Based on Yolo County Tax Rates by TRA report for 2019-2020.

Sources: California Department of Housing and Community Development, 2018; Freddie Mac, California Department of Insurance; BAE, 2020.

Table 36: Affordable For-Sale Condominium Housing Prices with an FHA Mortgage, 2020

Maximum Affordable Home Sale Price	Household Size			
	1 Person	2 Person	3 Person	4 Person
Very Low Income Households (Income = 50% AMI)				
Household Income (a)	\$32,400	\$37,000	\$41,650	\$46,250
Max. Monthly Housing Budget (b)	\$810	\$925	\$1,041	\$1,156
Monthly Payments (b)	\$810	\$925	\$1,041	\$1,156
Principal and Interest	\$312	\$395	\$478	\$561
Homeowners Insurance	\$37	\$37	\$37	\$37
Property Taxes	\$70	\$88	\$107	\$125
Mortgage Insurance	\$52	\$66	\$80	\$94
Homeowners' Association Fees	\$339	\$339	\$339	\$339
One-Time Payments	\$3,979	\$5,032	\$6,095	\$7,148
Down Payment	\$2,684	\$3,394	\$4,111	\$4,821
Upfront Mortgage Insurance	\$1,295	\$1,638	\$1,984	\$2,326
Maximum Affordable Home Price	\$76,682	\$96,981	\$117,456	\$137,755
Low Income Households (Income = 80% AMI)				
Household Income (a)	\$51,800	\$59,200	\$66,600	\$74,000
Max. Monthly Housing Budget (b)	\$1,295	\$1,480	\$1,665	\$1,850
Monthly Payments (b)	\$1,295	\$1,480	\$1,665	\$1,850
Principal and Interest	\$661	\$794	\$927	\$1,060
Homeowners Insurance	\$37	\$37	\$37	\$37
Property Taxes	\$148	\$177	\$207	\$237
Mortgage Insurance	\$111	\$133	\$156	\$178
Homeowners' Association Fees	\$339	\$339	\$339	\$339
One-Time Payments	\$8,421	\$10,115	\$11,809	\$13,504
Down Payment	\$5,680	\$6,823	\$7,966	\$9,109
Upfront Mortgage Insurance	\$2,741	\$3,292	\$3,844	\$4,395
Maximum Affordable Home Price	\$162,289	\$194,944	\$227,598	\$260,252
Moderate Income Households (Income = 120% AMI)				
Household Income (a)	\$77,700	\$88,800	\$99,900	\$111,000
Max. Monthly Housing Budget (b)	\$1,943	\$2,220	\$2,498	\$2,775
Monthly Payments (b)	\$1,943	\$2,220	\$2,498	\$2,775
Principal and Interest	\$1,127	\$1,326	\$1,526	\$1,725
Homeowners Insurance	\$37	\$37	\$37	\$37
Property Taxes	\$252	\$296	\$341	\$385
Mortgage Insurance	\$189	\$223	\$256	\$289
Homeowners' Association Fees	\$339	\$339	\$339	\$339
One-Time Payments	\$14,356	\$16,893	\$19,439	\$21,976
Down Payment	\$9,683	\$11,395	\$13,112	\$14,823
Upfront Mortgage Insurance	\$4,672	\$5,498	\$6,327	\$7,152
Maximum Affordable Home Price	\$276,668	\$325,561	\$374,630	\$423,524

Assumptions, sources, and notes are on the following page.

Home Sale Cost Assumptions		
% of income for housing costs	30%	of gross annual income
Down payment (c)	3.50%	of home value
Annual interest rate (d)	3.01%	fixed
Loan term	30	years
Upfront mortgage insurance (e)	1.75%	of mortgage
Annual mortgage insurance (f)	0.85%	of mortgage
Annual homeowners insurance (g)	\$37	monthly
Annual property tax rate (h)	1.09%	of home value
Homeowners' Association Fees (i)	\$339	monthly

Notes:

- (a) California Department of Housing and Community Development income limits for 2020.
- (b) Equal to 30% of gross monthly household income.
- (c) Minimum down payment required for an FHA loan.
- (d) The average of the average weekly rates for a 30-year fixed rate mortgage from June to September 17, 2020 per Freddie Mac.
- (e) The standard upfront mortgage insurance premium required for FHA loans.
- (f) The standard mortgage insurance premium requirement for FHA loans for homes selling for less than \$625,500 with a loan-to-value ratio greater than 95 percent.
- (g) Homeowners insurance estimates are based on an average quoted insurance premiums provided by the California Department of Insurance for condominiums in Davis, CA.
The amount of coverage is assumed to equal \$100,000.
- (h) Based on Yolo County Tax Rates by TRA report for 2019-2020.
- (i) Based on sample of condominiums sold in Sunnyvale between November 2019 - September 2020.

Sources: California Department of Housing and Community Development, 2018; Freddie Mac, California Department of Insurance; BAE, 2020.

Assessment of Fair Housing

With adoption of AB 686, all housing elements completed January 1, 2019 or later must include a program that promotes and affirmatively furthers fair housing throughout the community for all persons, regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, disability, or any other characteristics that are protected by the California Fair Employment and Housing Act (FEHA), Government code Section 65008, and all other applicable State and Federal fair housing and planning laws. Under state law, affirmatively furthering fair housing means “taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”⁵

The law also requires that all housing elements completed as of January 1, 2021 or later include an Assessment of Fair Housing (AFH) that is consistent with the core elements of the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule from July 2015. The following subsection summarizes key findings from the Assessment of Fair Housing, which was completed in accordance with current HCD guidance regarding the application of the new AB686 requirements, as well as a detailed reading of the California Government Code.⁶ Subsequent subsections provide additional data and summarize data presented elsewhere in this report to support an assessment of fair housing

The main sources of information for the following analysis are the regional *Analysis of Impediments (AI) to Fair Housing Choice* prepared in February 2020 by the Sacramento Valley Fair Housing Collaborative, the U.S. Census American Community Survey, and the HCD AFFH Data and Mapping Resources Tool. Preparation of the regional AI was a cooperative effort supported by the City of Davis and 15 other City and County governments throughout the greater Sacramento region. The regional AI was prepared with considerable community input and engagement, including a resident survey which received 3,388 responses, numerous focus groups with 80 total participants, community pop up events with 577 participants, and stakeholder focus group sessions with 35 participants reflecting fair housing stakeholder groups from throughout the region. In addition to reviewing key findings from the 2020 AI, the following assessment of fair housing also relies upon data from the 2014-2018 ACS, the California Department of Fair Employment and Housing (FEH), HUD Office of Fair Housing and Equal Opportunity (FHEO), the State Tax Credit Allocation Committee (TCAC), and the City of Davis.

⁵ California Government Code § 8899.5 (a)(1)

⁶ Olmstead, Z. (April 23, 2020). AB 686 Summary of Requirements in Housing Element Law Government Code Section 8899.50, 65583©(5), 65583(c)(10), 65583.2(a).

Fair Housing Enforcement and Outreach

Fair housing complaints can be used as an indicator to identify characteristics of households experiencing discrimination in housing. Pursuant to the California Fair Employment and Housing Act [Government Code Section 12921 (a)], the opportunity to seek, obtain, and hold housing cannot be determined by an individual's "race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, or any other basis prohibited by Section 51 of the Civil Code."

Fair housing issues that may arise in any jurisdiction include but are not limited to:

- housing design that makes a dwelling unit inaccessible to an individual with a disability;
- discrimination against an individual based on race, national origin, familial status, disability, religion, sex, or other characteristic when renting or selling a housing unit;
- and, disproportionate housing needs including cost burden, overcrowding, substandard housing, and risk of displacement.

City of Davis Fair Housing Services

Fair Housing Services provides assistance with monitoring and enforcing fair housing rights for Davis residents. The City does not provide mediation services, but it does provide resources on the City website and directs residents to appropriate agencies and resources for fair housing assistance. Services provided include:

- Fair Housing Resources to tenants and landlords. According to the City's Fair Housing Resources staff, most of the complaints that the City receives relate to housing quality issues and other landlord/tenant disputes unrelated to fair housing, while fair housing complaints are rare. Staff from Legal Services of Northern California (LSNC), which provides services to Davis residents with fair housing complaints, report that most complaints relate to discrimination based on disability and failing to make reasonable accommodations. Complaints related to discrimination on the basis of race or ethnicity are less common but are sometimes received. Other fair housing issues that LSNC has encountered include rental policies that exclude applicants with a criminal background and property owners demonstrating a preference for students rather than family households as tenants. When LSNC receives a fair housing complaint, they work with the tenant to resolve the issue with the landlord, or to report to the Department of Fair Employment and Housing as appropriate.
- Outreach and education through presentations and written information about Fair Housing Rights and Responsibilities.
- Intake of Housing Discrimination Complaints; referral to the State of California Department of Consumer Affairs and Department of Fair Employment & Housing. The California Department of Fair Employment and Housing dual-files fair housing cases with HUD's Region IX Office of Fair Housing and Equal Opportunity (FHEO), as part of the Fair Housing Assistance Program. HUD's FHEO reported that 13 housing

discrimination cases were filed by residents of Yolo County in 2019. City-level data is not available.

Integration and Segregation Patterns and Trends

Race and Ethnicity

As discussed above and shown in Table 13, Davis is less racially and ethnically diverse than the Sacramento MSA as a whole but has become slightly more diverse over the past several years. According to ACS data collected between 2014 and 2018, 44 percent of the City's population is comprised non-White residents, an increase from 41 percent in 2010. In the Sacramento MSA overall, 47 percent of the population is comprised of non-White residents according to 2014-2018 ACS data, an increase from 44 percent in 2010. Approximately half of the City's non-White population is comprised of individuals of Asian descent, which account for 22 percent of the City's population compared to 13 percent of the population in the Sacramento MSA. With the exception of the City's White and Asian population, Davis has comparatively small populations from all other racial and ethnic groups, which together comprise 22 percent of the population in Davis and 34 percent of the population in the MSA.

In part, the comparatively low proportion of non-White residents in Davis is likely attributable to historic patterns of racial and ethnic segregation. Similar to neighborhoods throughout much of the United States, many of the City's single-family neighborhoods that were constructed before the 1950s have a history of racially restrictive covenants that excluded any non-White people from living in these homes. During the same period, national redlining practices meant that the federal government and the private mortgage lending industry refused to approve mortgages in neighborhoods with non-White residents. The combined effect of racially restrictive covenants and redlining is often cited as a key factor that has contributed to the racial gaps in wealth accumulation in the United States that continue to persist today. Many of these covenants remained in effect until the passage of the national Fair Housing Act in 1968. Even after the passage of the Fair Housing Act, more covert discriminatory practices, such as real estate agents' "steering" of non-White potential homebuyers to areas outside of predominately White neighborhoods, continued to support existing patterns of segregation.⁷

While racially restrictive covenants are not at all unique to Davis, the City's high-cost housing market and slow pace of growth likely contribute to the continued differences between the City and County in terms of the racial and ethnic composition of the population. While neighboring communities provide a more affordable option for lower-income households seeking for-sale and ownership housing, the high cost of housing in Davis continues to serve a barrier for many low- and moderate-income households. Meanwhile, the slow pace of growth in Davis, as

⁷ Source: Keller, Rik. "Why is Davis So White? A Brief History of Housing Discrimination." Davisite, September 10, 2018, <https://www.davisite.org/2018/09/why-is-davis-so-white-a-brief-history-of-housing-discrimination.html>.

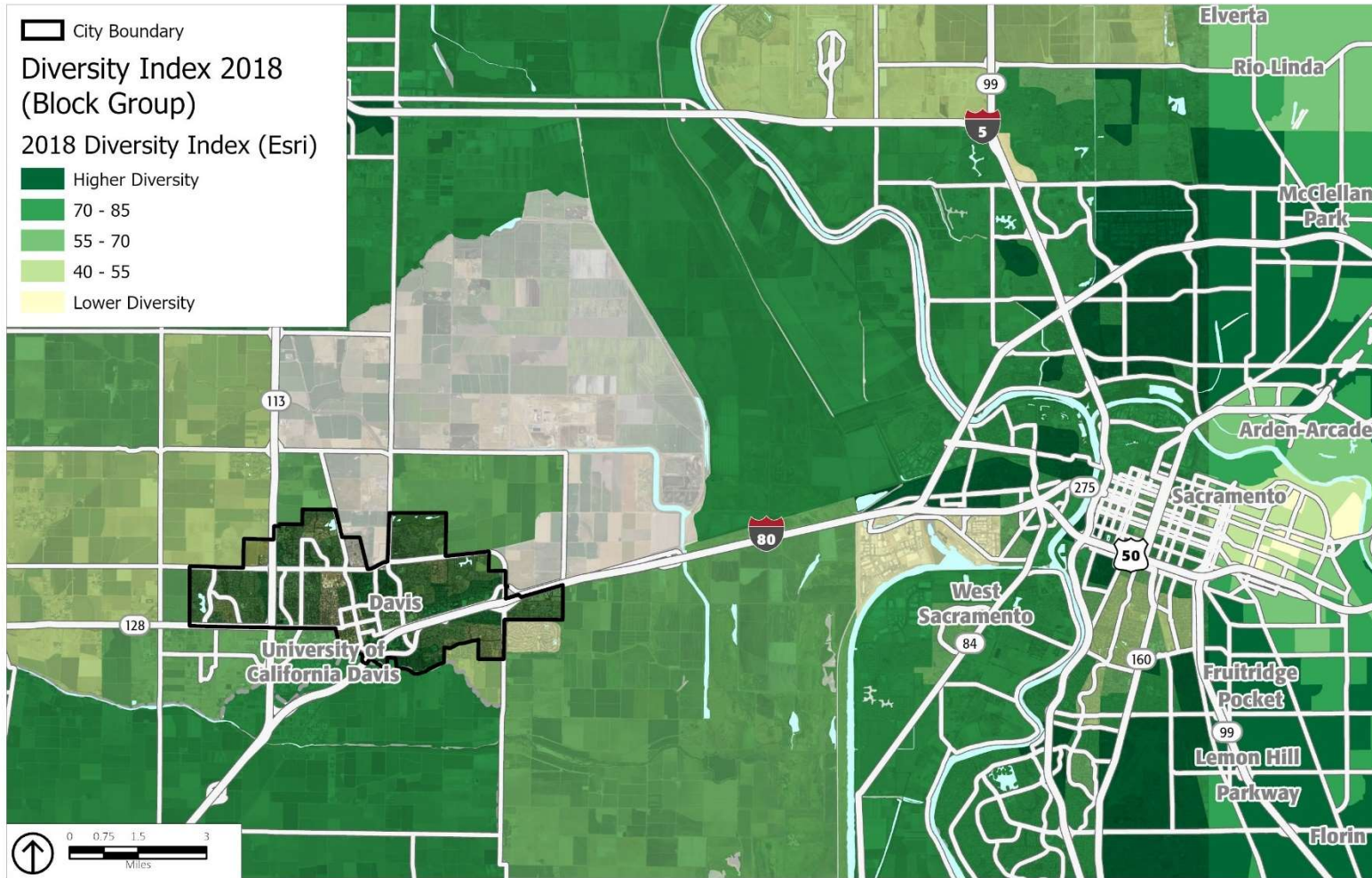
shown in Table 5, has provided fewer opportunities for new households and individuals to find homes in Davis. This Housing Element Update includes numerous programs to support the production of various types of affordable housing at all income levels, which could help to mitigate some of the differences in racial and ethnic diversity in Davis compared to the wider region.

The 2020 AI prepared by the Sacramento Valley Fair Housing Collaborative evaluated segregation in participating jurisdictions based on three types of residential settlement patterns, including patterns of racial and/or ethnic segregation; patterns of segregation of foreign-born and Limited English Proficiency (LEP) populations; and concentrations of housing and households by tenure in otherwise segregated or integrated areas. The analysis concluded that the Davis community features relatively low levels of racial and ethnic segregation, as evidenced by the data, as well as public input and stakeholder consultations.

Diversity Index

Figure 8 shows the diversity index score by Census Block Group in Davis and the surrounding region. The diversity index provides a summary of racial and ethnic diversity and measures the likelihood (expressed as a percent) that two people chosen at random from each area will belong to different racial or ethnic groups. The figure shows that most of Davis has a diversity index score between 40 and 85, meaning that there is a 40 to 85 percent chance that two residents from each Block Group will belong to different racial or ethnic groups, depending on the Block Group. There is one Block Group in Davis with a diversity index score category lower than 40, which is located in Central Davis. While a small area of Davis is that is north of West Covell Boulevard and east of Highway 113 is also in a Block Group with a diversity index score lower than 40, the majority of this Block Group is outside of Davis City limits and the portion within City limits does not include any residential development. Therefore, the diversity index for this Block Group reflects conditions outside of Davis City limits. None of the Block Groups in Davis have a diversity index score higher than 85. Compared to the wider region, Figure 8 shows that Davis generally has fewer areas with particularly low diversity index scores below 40 but also fewer areas with particularly high diversity index scores above 85. Taken together, these trends suggest that Davis is less diverse than the surrounding region, as noted above and shown in Table 13 and discussed above, but is potentially relatively diverse at the Block Group level given the overall level of diversity in the City.

Figure 8: Diversity Index Score, 2018



Dissimilarity Index

One of two key metrics recommended for use in fair housing analysis as part of the federal AFFH rule, the dissimilarity index measures the evenness with which two groups are distributed across the geographic units that make up a larger area, such as Block Groups within a city. The index ranges from zero to 100, with zero meaning no segregation, or spatial disparity, and 100 indicating complete segregation between the two groups. The index score can be interpreted as the percentage of one of the two groups that would have to move to produce an even distribution. An index score above 60 is considered high, while 30 to 60 is considered moderate, and below 30 is considered low.⁸

According to the 2020 regional AI, the Davis community shows relatively low dissimilarity index scores across all reported racial and ethnic groups. Table 37 provides updated data for 2010 and 2014-2018. According to this data, compared to non-Hispanic Whites, the dissimilarity index scores for all other racial and ethnic groups increased significantly in recent years. Asian residents represent the largest community of color in Davis. The dissimilarity index score for Asians compared to non-Hispanic Whites increased from 25.7 to 31.0, indicating a modest increase in geographic segregation or clustering. The dissimilarity index score for African Americans similarly increased from 22.0 to 58.7. The dissimilarity index scores for the remaining smaller racial and ethnic subpopulations increased more significantly, though the sample sizes were quite small. For example, the American Indian and Pacific Islanders dissimilarity index scores increase from around 32 to more than 80, though both of these populations represent fewer than 100 residents and less than one percent of the population. In these cases, a relatively small movement of people can result in a substantial change in the dissimilarity index scores.

Table 37: Dissimilarity Index Scores, 2010 and 2014-2018

Racial and/or Ethnic Group	2010	2014-2018
Black or African American alone	22.0	58.7
American Indian and Alaska Native alone	32.6	82.6
Asian alone	25.7	31.0
Native Hawaiian and Other Pacific Islander alone	32.8	81.5
Some other race alone	31.7	78.0
Two or more races	13.0	27.2
Hispanic or Latino	16.2	29.7

Sources: U.S. Census Bureau, 2010 Decennial Census, P9, ACS 2014-2018 five-year sample data, B03002; BAE, 2020.

⁸ Massey, D.S. and N.A. Denton. (1993). *American Apartheid: Segregation and the Making of the Underclass*. Cambridge, MA: Harvard University Press.

Isolation Index

The other key metric recommended under the federal AFFH rule is the Isolation Index, which compares a group's share of the overall population to the average share within a given Block Group. Ranging from 0 to 100, the isolation index represents the percentage of residents of a given race or ethnicity in a Block Group where the average resident of that group lives, correcting for the fact that this number increases mechanically with that group's share of the overall citywide population. Using Hispanic or Latino residents as an example, an aggregate isolation index of 40 indicates that the average Hispanic or Latino resident lives in a Block Group where the Hispanic or Latino share of the population exceeds the overall citywide average by roughly 40 percent. Isolation index values that equal close to zero indicate that members of that minority group live in relatively integrated neighborhoods.^{9 10}

Table 38 summarizes isolation index scores by racial and ethnic minority affiliation. The data indicate that most racial and ethnic subpopulations live in areas with relatively high degrees of racial and ethnic integration with the exception of non-Hispanic White, Asian, and Hispanic or Latino residents. Non-Hispanic Whites have the highest isolation index score, indicating that the average non-Hispanic White resident was likely to live in an area of Davis that was predominantly White, while the average Asian resident was more likely to live in a neighborhood with an above average share of Asian residents, and so on. The data also indicate that the isolation index score for non-Hispanic White residents decreased slightly from 2010, while the isolation index scores for all other racial and ethnic groups increased. This finding generally indicates that non-Hispanic White residents are living in progressively more integrated neighborhoods, while most residents of color are still fairly likely to live in integrated neighborhoods. There is some evidence to suggest that there was a modest increase in the clustering of people of similar racial and ethnic identity, as evidenced by the small increasing isolation index scores for all racial and ethnic minority groups.

⁹ HUD. (2013). *AFFH Data Documentation*. Available at: http://www.huduser.org/portal/publications/pdf/FR-5173-P-01_AFFH_data_documentation.pdf

¹⁰ Glaeser, E. and Vigdor, J. (2001). *Racial Segregation in the 2000 Census: Promising News*. Washington, DC: The Brookings Institution, Center on Urban and Metropolitan Policy. Available at: <http://www.brookings.edu/es/urban/census/glaeser.pdf>

Table 38: Isolation Index Scores, 2010 and 2014-2018

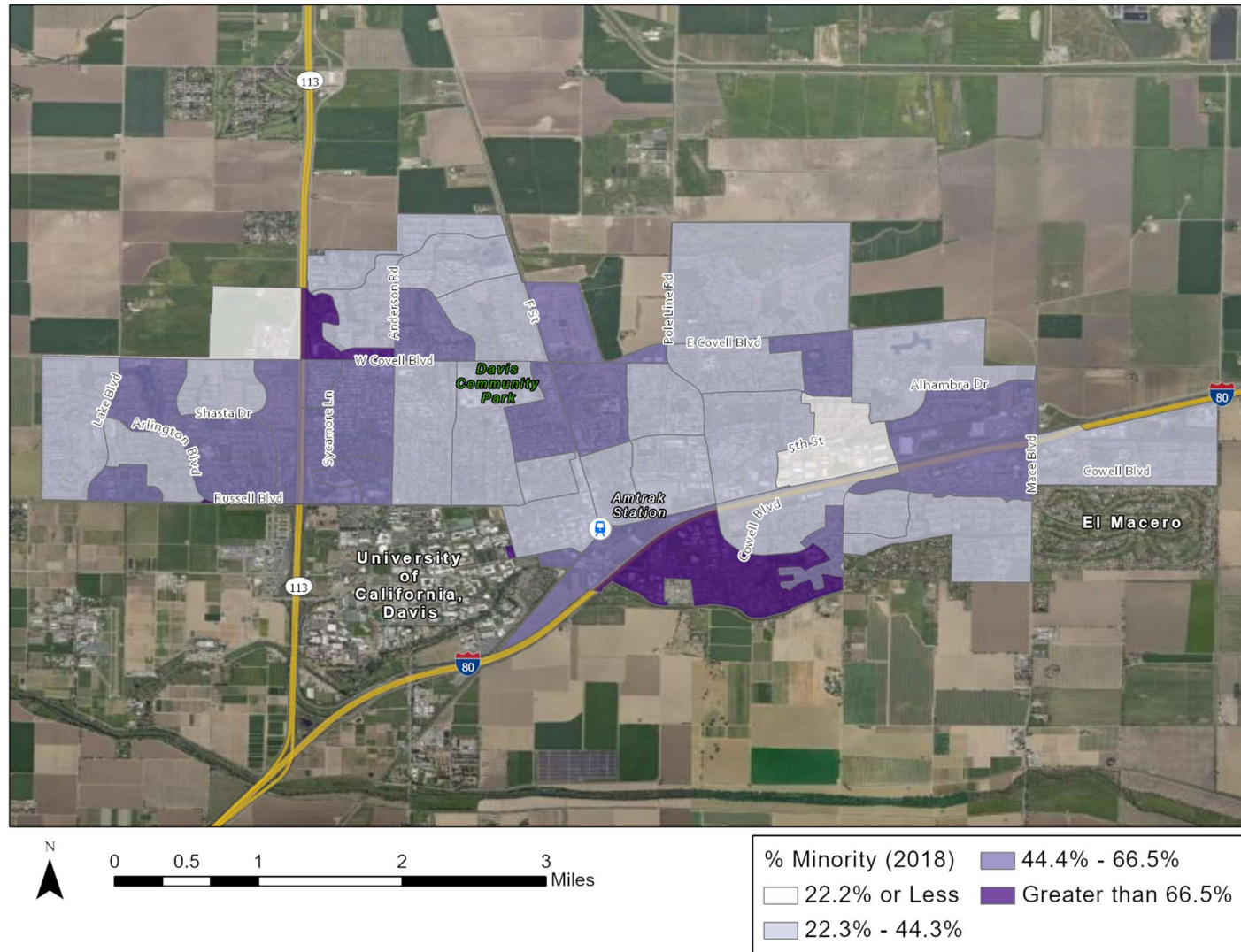
Racial and/or Ethnic Group	2010	2014-2018	Change
Non-Hispanic White	60.2	57.7	(2.45)
Black or African American alone	2.7	7.8	5.15
American Indian and Alaska Native alone	0.7	1.5	0.80
Asian alone	28.0	29.8	1.86
Native Hawaiian and Other Pacific Islander alone	0.3	1.6	1.28
Some other race alone	0.5	1.8	1.29
Two or more races	4.3	7.8	3.43
Hispanic or Latino	13.6	18.4	4.80

Source: Sacramento Housing Fair Housing Collaborative, 2020.

Geographic Distribution of Minority Residents

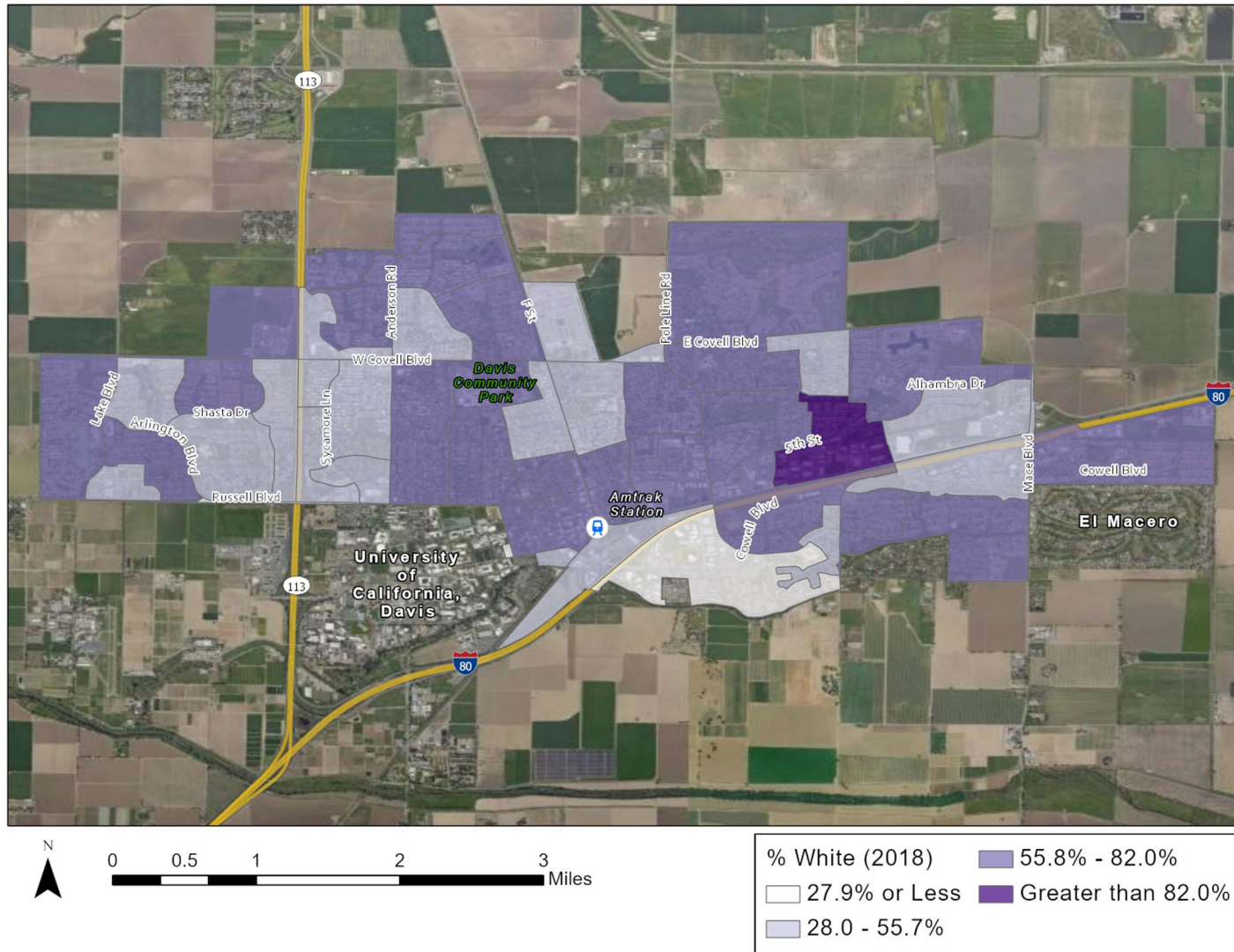
Figure 9 through Figure 12 below illustrate the geographic concentration of non-Hispanic White, Asian, and Hispanic or Latino residents by Census Block Group. The maps illustrate that most Block Groups within the City of Davis feature a relatively high percentage of non-Hispanic White residents, with one Block Group exceeding 82 percent. The Block Group with the lowest share of non-Hispanic White residents covers an area of South Davis along Cowell Boulevard, which features a large concentration of larger multifamily rental apartment complexes and which is popular with the student population. The Block Group also shows a relatively high proportion of Hispanic/Latino and Asian residents. Other Block Groups with relatively high proportions of Hispanic/Latino residents include Old East Davis, the Block Group immediately north of Interstate 80 at Mace Boulevard, and portions of West Davis along Arlington Boulevard and Russell Boulevard. Areas with relatively high proportions of Asian residents include those along the east side of Highway 113, and at the north end of F Street near the intersection with West Covell Boulevard. These areas also feature notable concentrations of large apartment complexes and are fairly popular with the UC Davis student population as a result.

Figure 9: Census Block Groups by Percent Minority, 2014-2018 ACS



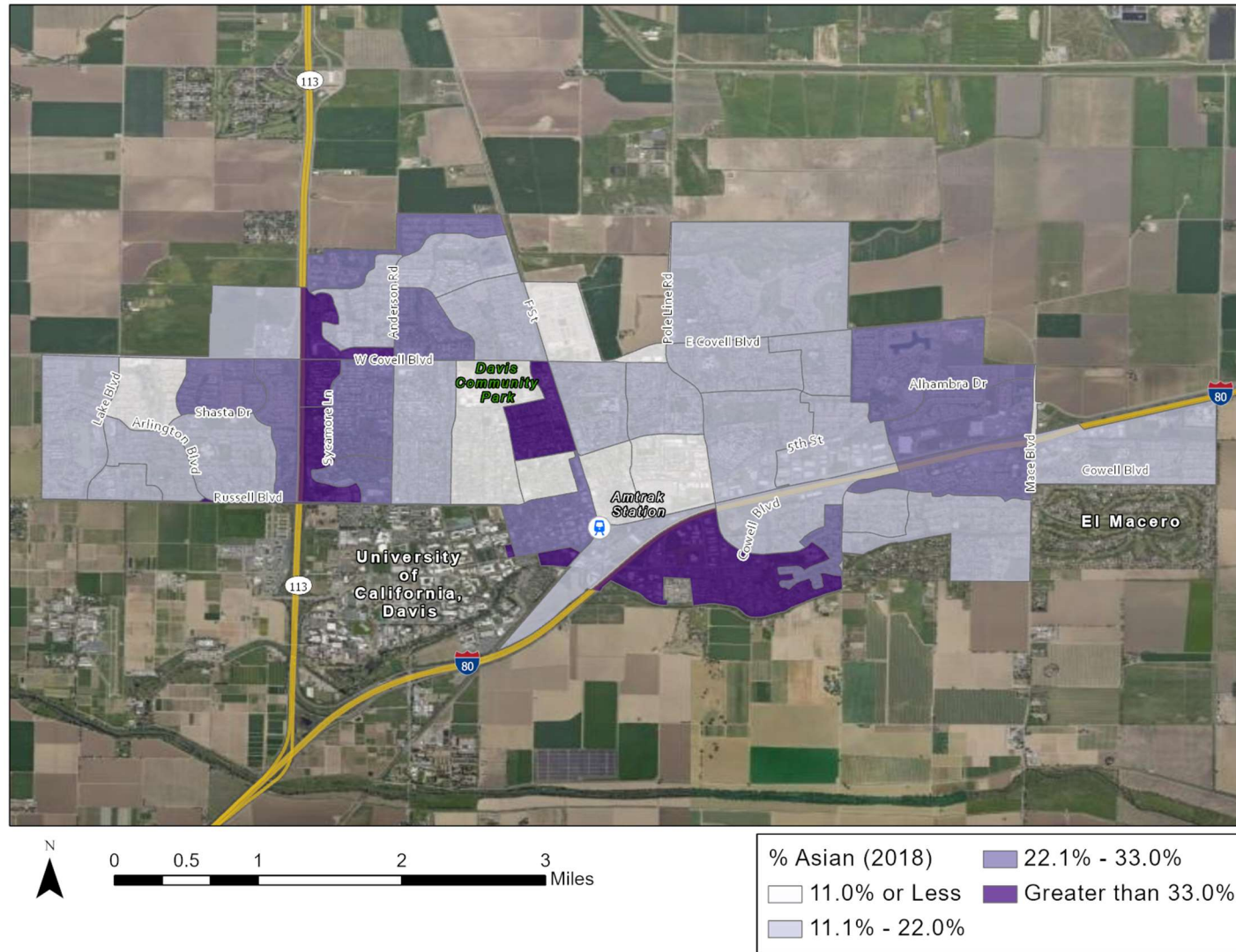
Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

Figure 10: Census Block Groups by Percent Non-Hispanic White, 2014-2018 ACS



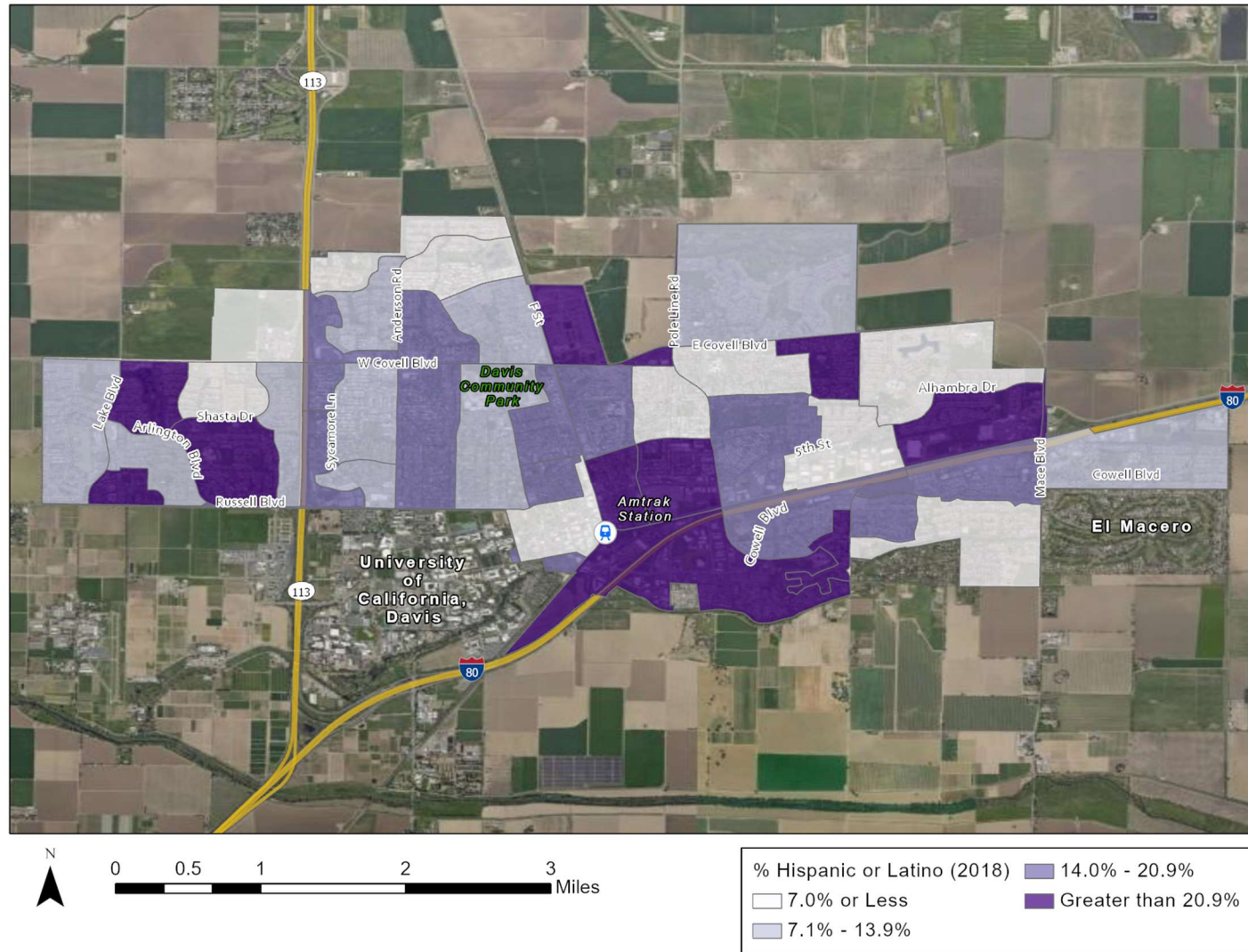
Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

Figure 11: Census Block Groups by Percent Asian, 2014-2018 ACS



Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

Figure 12: Census Block Groups by Percent Hispanic or Latino, 2014-2018 ACS

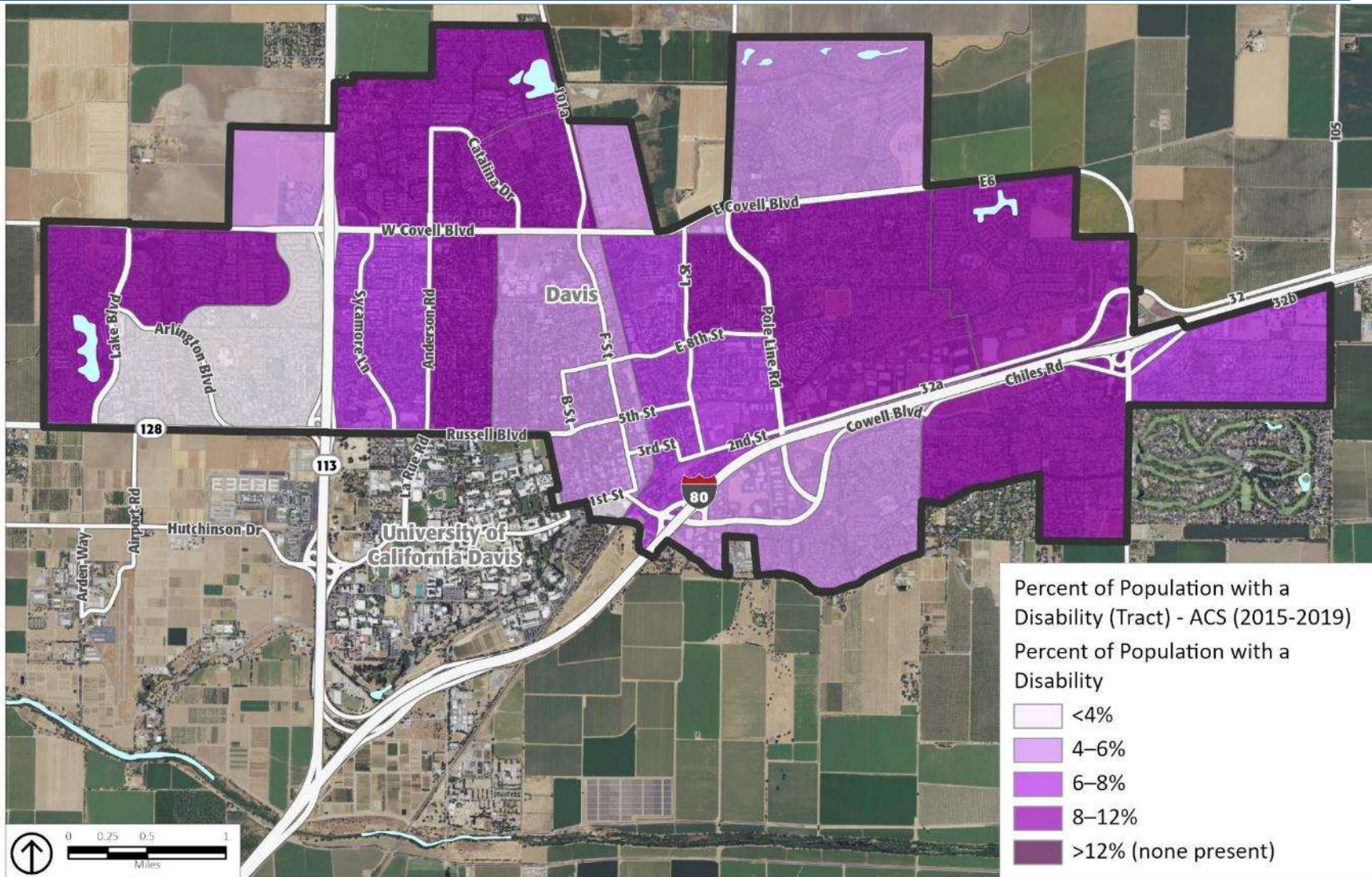


Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

Persons with a Disability

About 6.5 percent of Davis residents age five years and older had one or more disabilities during the 2014-2018 ACS data collection period (as shown in Table 52 of the Housing and Special Needs Populations section below). This is a substantially lower proportion of persons with a disability than in the MSA as a whole (11.7 percent). Figure 13 shows the percent of persons with a disability by census tract in the city using American Community Survey data from 2015-2019. Davis is similar to the rest of the county in that almost all of the county's census tracts have less than 10 percent of the population living with a disability. Although at a local level, the map reveals a slightly higher concentrations of residents with disabilities (8-12 percent) in the Northstar neighborhood near the Sutter Davis Hospital and in the eastern areas of the city.

Figure 13: Population with a Disability, City of Davis, 2015-2019



Familial Status

During the 2014-2018 ACS survey period, the City of Davis had a smaller proportion of family households (50 percent) compared to the MSA as a whole (67 percent). Figure 14 displays the percent of children in married couple households in Davis in comparison to the rest of the region. Davis census tracts have a generally high percentage of children in married couple households (more than 80 percent) in comparison to surrounding tracts. The area with the lowest population of children in married couple households is the tract between H Street and L Street.

Davis had a lower proportion of single parent households with children (5 percent) than the MSA average (9 percent) between 2014-2018 (see Table 50). According to this data, single-parent households in Davis were 78 percent female headed and 22 percent male headed. Figure 15 shows the regional distribution of the percent of children in female-headed households with no spouse present. The map indicates that 10-20 percent of children in most census tracts throughout the city live in single-female headed households. Although the low proportion of single parent households does not indicate a distinct fair housing issue, this could be a result of the limited supply of housing in Davis that is affordable for single-headed, one-income households with children. However, the low proportion of single-parent households with children in Davis is consistent with the low proportion of the Davis population that is under 18 (see Table 8) and the low proportion of Davis households that are family households (see Table 9), both of which are attributable to the City's large student population.

Figure 14: Percent of Children in Married-Couple Households, 2015-2019

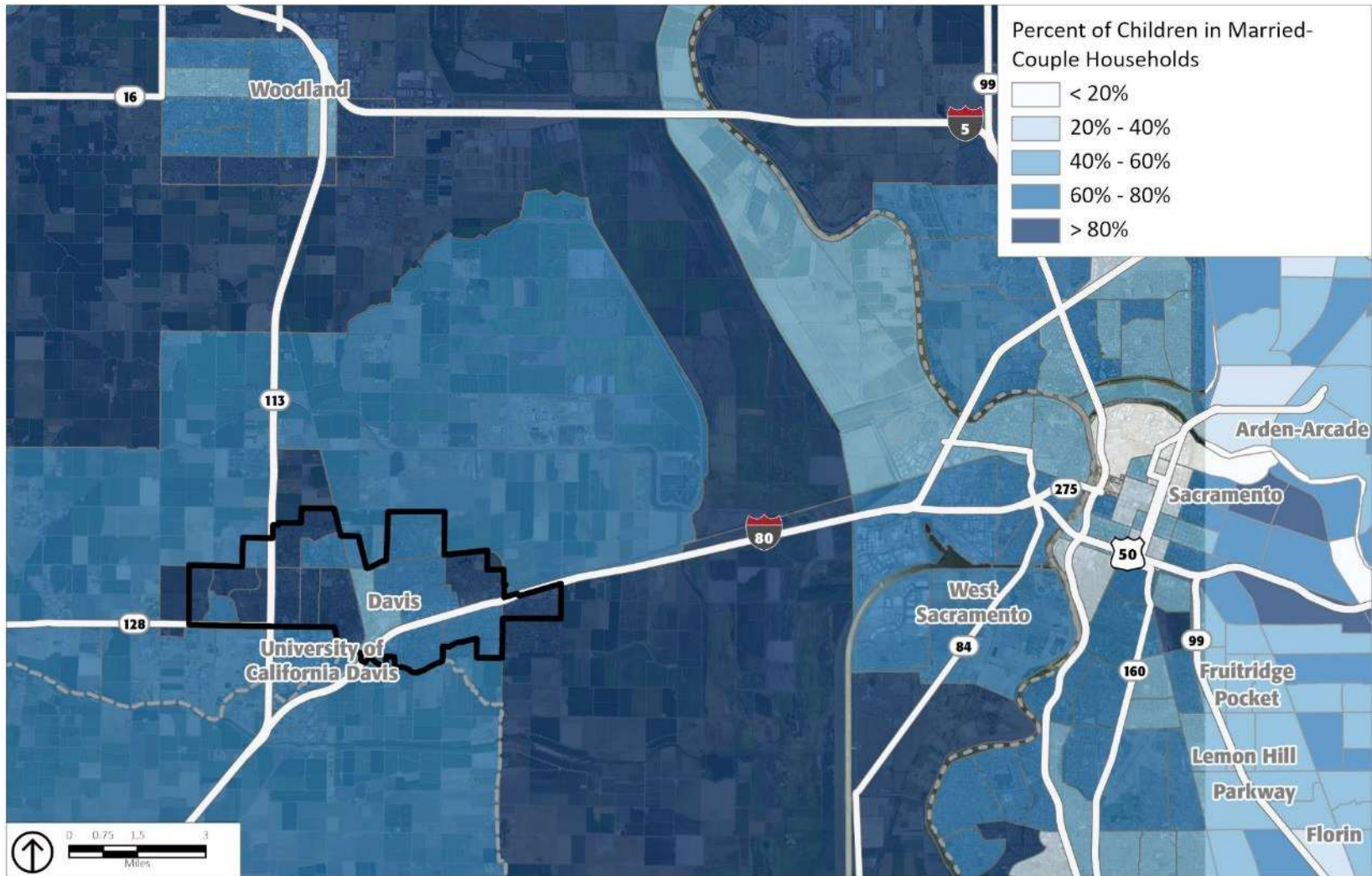
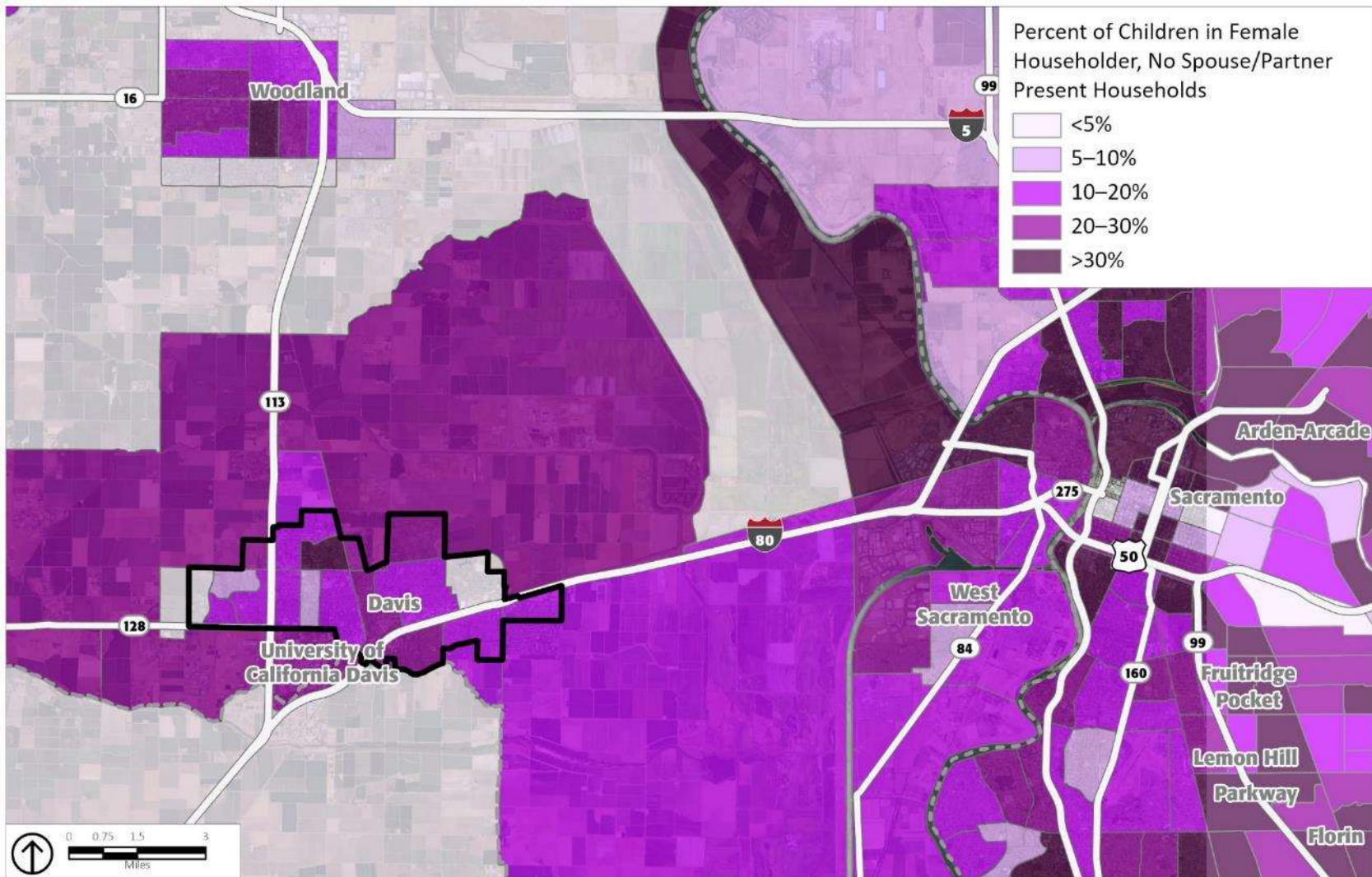


Figure 15: Percent of Children in Single-Female Headed Households, 2015-2019



Income

The City of Davis is a university town and is thus a desirable place to raise a family. Like many college towns, Davis has a mix of students with low to extremely low incomes and higher income families. As shown in Table 14, during the 2014-2018 ACS survey period Davis had a lower median household income (\$67,436) than the MSA (\$69,198). Approximately 25 percent of Davis households earned less than \$25,000 in 2018 while 31 percent of households earned more than \$100,000. Compared to 19 percent of households earning less than \$25,000 and 26 percent earning more than \$100,000 in the MSA, Davis is above average for households with lower and higher incomes indicating a need for a variety of housing types affordable to differing incomes.

Figure 16 below shows the geographic distribution of households by median household income by block groups in Davis. Similar data is also shown for the City of Davis and the surrounding region in Figures 21 and 22. Figure 16, specifically, shows a relatively equal distribution of income levels in the city. Households with the highest incomes live in the neighborhoods closest to the Davis Golf Course and the El Macero Country Club. The higher income areas generally represent those that have been more recently developed. These areas are generally characterized by relatively large detached single-family homes. Households with lower incomes are generally concentrated in Davis's more historical districts, including in the central city close to the university. These areas also typically include concentrations of older multifamily rental housing developments, which are popular with the resident student population. The presence of the student population is one factor that likely contributes to the lower median income in those areas, as well as the elevated concentration of minority households in these areas compared to the community as a whole.

Figure 17 further displays this information by showing the percentage of low to moderate income households by census tract. As displayed in the figure, tracts with the highest percentage of low and moderate income households are located in and around the central city while the lowest percentages (or households with higher incomes) are located in the more newly developed outlying areas of the city. In other words, the patterns shown in Figure 17 are similar to those illustrated in Figure 16.

As shown in Figure 18, which displays poverty status by census tract in the city, the areas with the highest percent of population (40 percent or more) with incomes below the poverty level are in the southern neighborhoods including Rose Creek and West Park, and adjacent to the university along Sycamore Lane. Poverty is generally distributed evenly throughout the city and not concentrated in any one area; however, Davis has higher rates of poverty than the surrounding region due largely to the large student population.

Figure 16: Distribution of Median Income by Block Group, City of Davis, 2015-2019

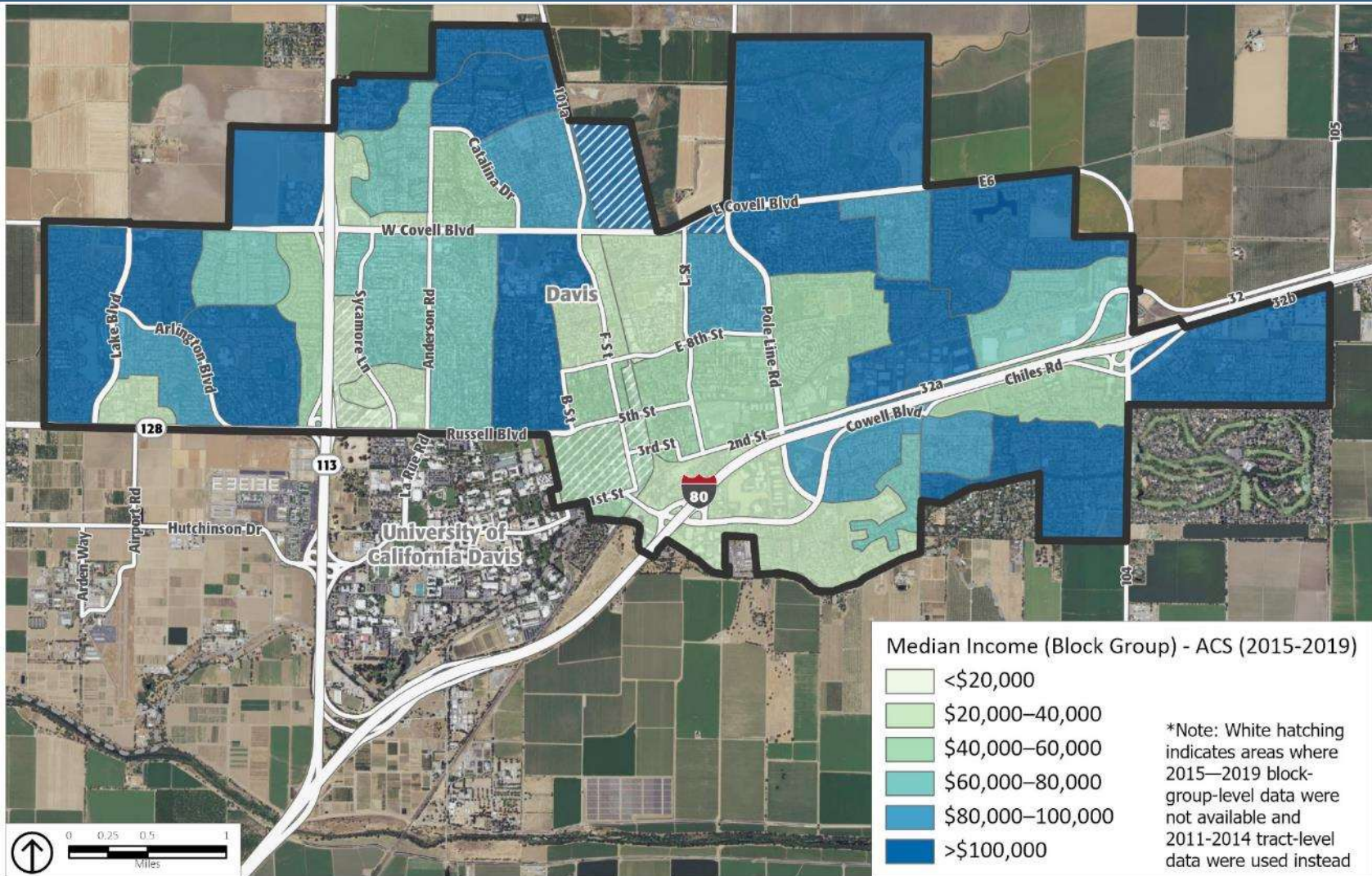


Figure 17: Percent of Low to Moderate Income Households by Census Tract, City of Davis, 2015-2019

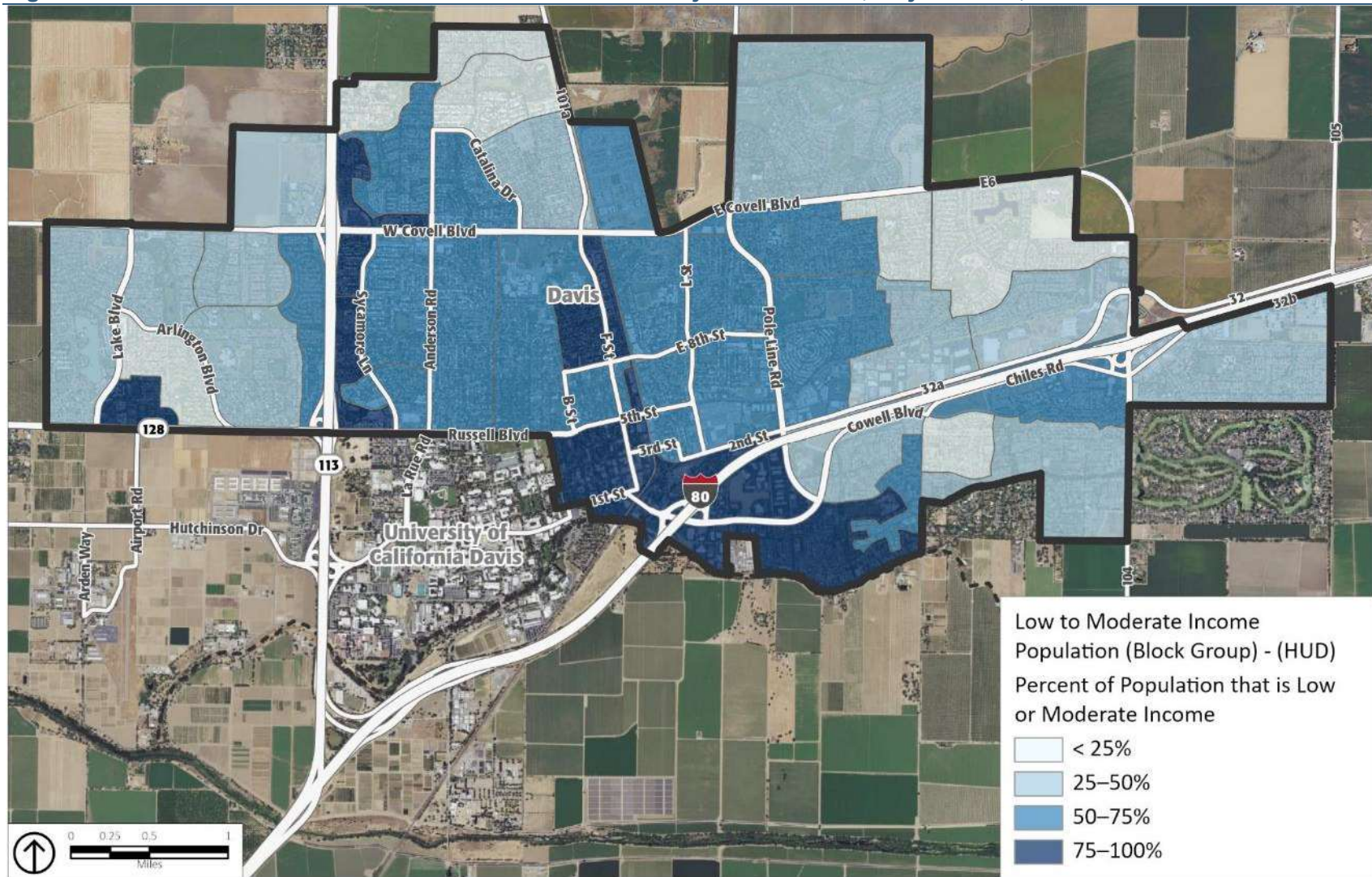
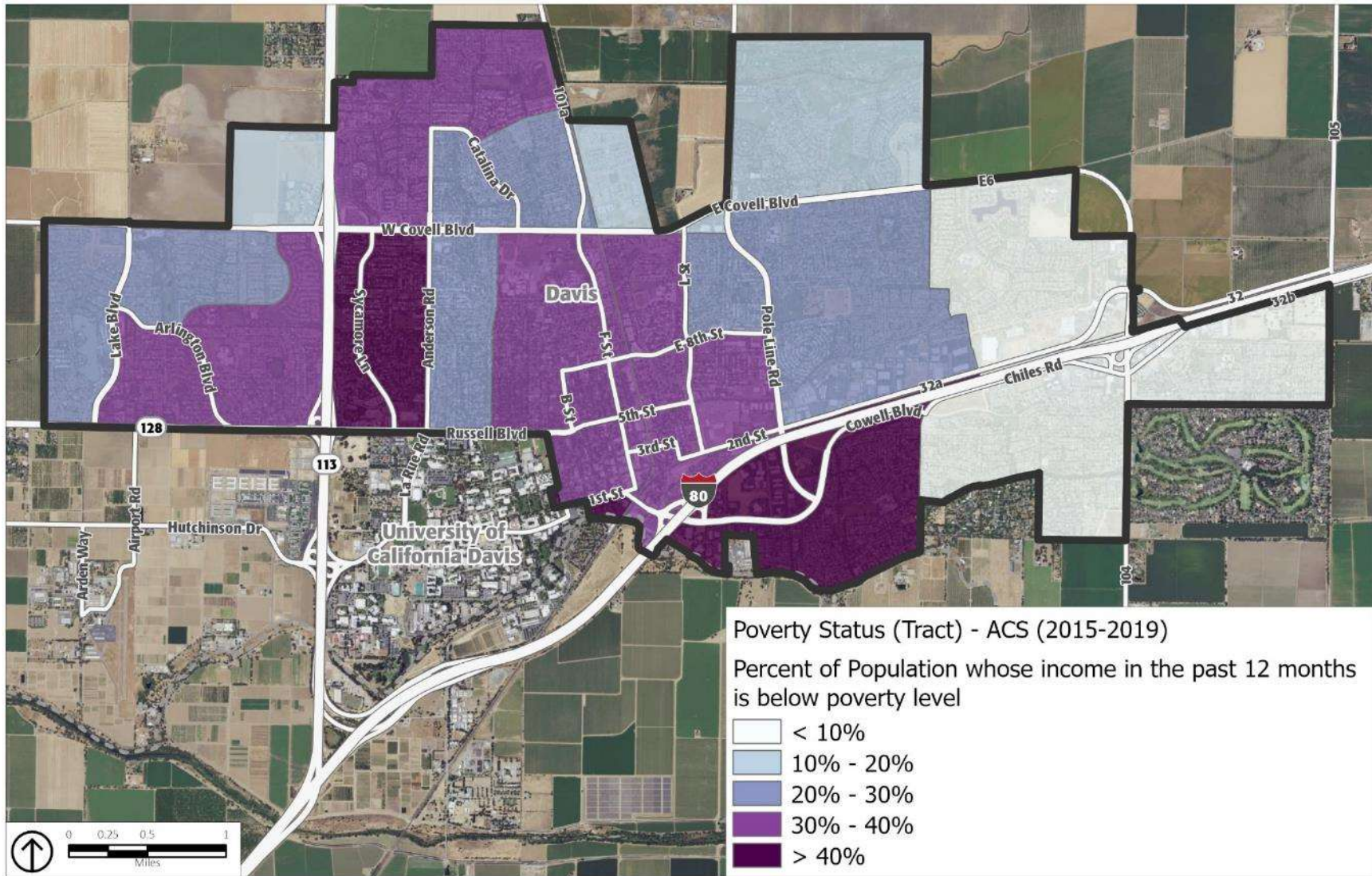


Figure 18: Poverty Status, City of Davis, 2015-2019



Racially and Ethnically Concentrated Areas of Poverty

To assist communities in identifying racially and ethnically concentrated areas of poverty (also known as RCAPs and ECAPs), HUD developed a definition that relies on a racial and ethnic concentration threshold, as well as a poverty test. The racial and ethnic concentration threshold requires that an RCAP or ECAP have a non-White population of 50 percent or more. The poverty test defines areas of “extreme poverty” as those where 40 percent or more of the population lives at or below the federal poverty line, or those where the poverty rate is three times the average poverty rate in the metropolitan area, whichever is less. Based on these criteria, there is one R/ECAP area located in Davis, which includes Census Tract 106.08 (see Figure 19). The area is located south of Interstate 80 along Cowell Boulevard and extends from the City limits in the south to Drummond Avenue in the east.

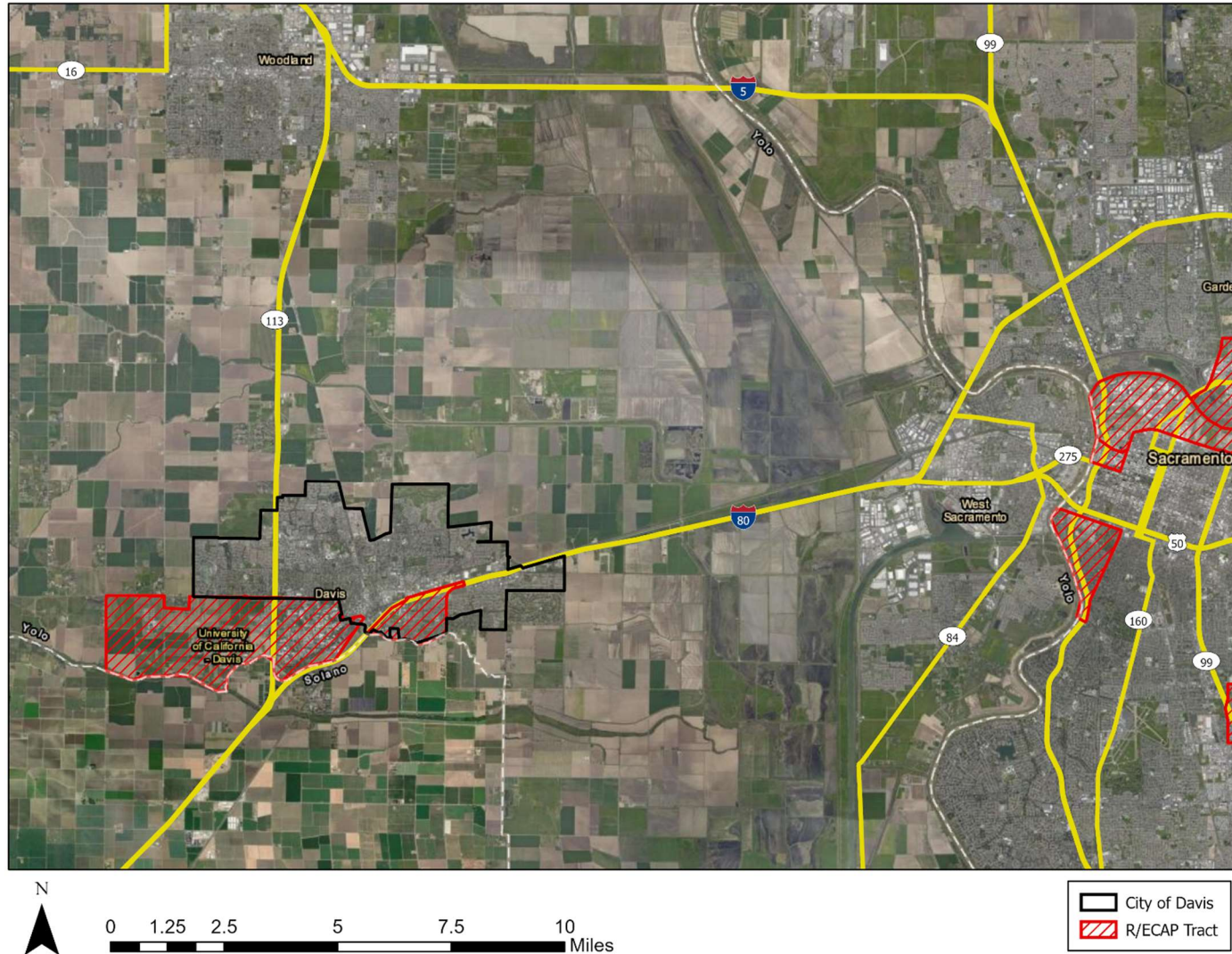
The R/ECAP that is located within Davis is likely attributable to the presence of a large student population in this Census Tract. This Census Tract includes an area that is popular with UC Davis students due to the presence of a number of large apartment complexes, resident amenities, and relative proximity to UC Davis. UC Davis students tend to be more racially and ethnically diverse than the population of Davis overall and, like most college student populations, tend to have low incomes. As a result, it is reasonable to expect that areas with large UC Davis student populations will also have large populations of non-White residents and residents with incomes below the poverty line. Notably, Figure 19 also shows that there is also a R/ECAP immediately outside of the Davis City limits in the Census Tract that overlaps with the UC Davis campus, likely due to the significant student population living on campus. As noted above, there are a significant number of student-oriented residential development projects existing and in the development pipeline in Davis to help address housing needs among the City’s student population. The City also continues to work with UC Davis to address housing needs among the student population, including the need for affordable student housing.

As shown in Figure 19, there is another R/ECAP located in unincorporated Yolo County to the southwest of the City of Davis, which corresponds with the main UC Davis campus. The likely determinants of R/ECAP status for this unincorporated area are likely similar to those described above regarding the presence of a large student population. Other R/ECAPs within the broader region are primarily concentrated in the City of Sacramento, specifically in the Downtown, the River District, and the Upper Land Park neighborhoods, as well as in unincorporated Sacramento County, east of Highway 99. The drivers of R/ECAP status for areas in Sacramento County are likely to be significantly different from those in Davis.

Table 39 reports the prevalence of poverty by race and ethnicity in the City of Davis between 2014 and 2018. The data indicate that most communities of color had poverty rates in excess of the citywide average of 29.6 percent. The poverty rates for African American, Asian, and members of “some other race” were between 12 and 17 percent higher than the citywide average, at more than 40 percent and were therefore disproportionately represented among

the impoverished population. Asian residents were particularly disproportionately represented, accounting for 34.4 percent of the impoverished population compared to 21.7 percent of the total citywide population. As with many of the other trends related to income and race and ethnicity, this trend is likely at least partly due to the City's large student population, which is more racially and ethnically diverse and lower income than the City as a whole.

Figure 19: Racially and/or Ethnically Concentrated Areas of Poverty (R/ECAPs), 2014-2018



Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

Table 39: Poverty by Race and Ethnicity, City of Davis, 2014-2018

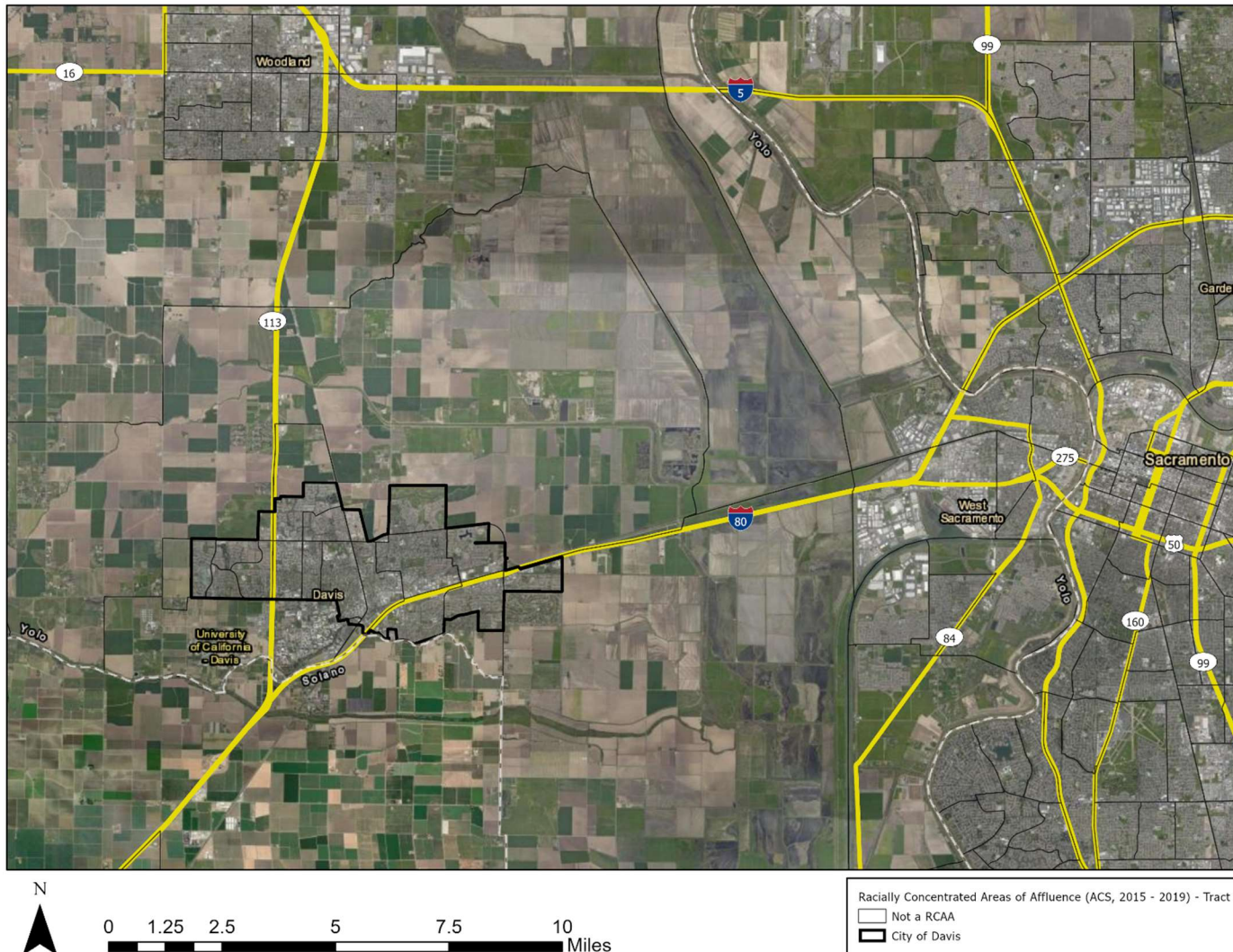
Racial/Ethnic Group	Below Poverty Line (a)			Total Population		Share in Poverty Minus Share of Total Population
	Number	Poverty Rate	Share of Total Pop. In Poverty	Number	Percent	
White	9,969	23.1%	50.8%	43,067	65.0%	-14.2%
Black or African American	716	46.7%	3.6%	1,532	2.3%	1.3%
American Indian and Alaska Native	51	37.2%	0.3%	137	0.2%	0.1%
Asian	6,739	47.0%	34.4%	14,347	21.7%	12.7%
Native Hawaiian and Pacific Islander	40	29.6%	0.2%	135	0.2%	0.0%
Some Other Race Alone	1,045	41.5%	5.3%	2,516	3.8%	1.5%
Two or More Races	1,057	23.4%	5.4%	4,514	6.8%	-1.4%
Total, All Races	19,617	29.6%	100.0%	66,248	100.0%	
Hispanic or Latino	3,418	37.5%	17.4%	9,106	13.7%	3.7%
Not Hispanic or Latino	16,199	28.3%	82.6%	57,142	86.3%	-3.7%
Total, All Ethnicities	19,617	29.6%	100.0%	66,248	100.0%	

Note:

(a) Includes only those for whom poverty status was determined.

Sources: U.S. Census Bureau, ACS 2018 five-year sample period, S1701; BAE, 2020.

Figure 20: Racially and/or Ethnically Concentrated Areas of Affluence



Sources: Data downloaded from the HCD AFFH Mapping Tool; BAE, 2021.

Racially and Ethnically Concentrated Areas of Affluence

Figure 20 shows racially and ethnically concentrated areas of affluence (R/EAs) in Davis and the surrounding region, based on data downloaded from HCD's AFFH mapping tool. As shown, there are no areas that meet the formal definition of an R/EAA in Davis or the surrounding area.

Figure 21 illustrates the distribution of Census Block Groups by median income as well as block groups with comparatively high concentrations of White Non-Hispanic residents. This data generally illustrates that the more newly developed parts of Davis, which are primarily located on the periphery of the City, have notably higher median incomes compared to the older neighborhoods in central Davis and along Highway 113. The higher income areas are generally characterized by detached single-family housing, while the comparatively lower-income areas contain higher concentrations of multifamily rental housing and student households. The higher income areas also feature higher concentrations of White Non-Hispanic residents compared to the older and lower income areas of the City.

Figure 22 illustrates similar data for the cities of Davis, Woodland, West Sacramento and Sacramento. The data generally indicate that Davis as a whole is relatively affluent compared to nearby jurisdictions and, on the whole, has higher concentrations of White Non-Hispanic residents, as illustrated by the areas with white hatch marks. Surrounding jurisdictions, like Woodland and West Sacramento, generally have fewer areas that fall into the highest median income category and fewer areas with high concentrations of White Non-Hispanic residents. While the City of Sacramento shows significant concentrations of higher-income block groups, which also correspond with high concentrations of White Non-Hispanic residents, such as the North Land Park and East Sacramento neighborhoods, these areas represent a relatively small portion of the total land area within the City of Sacramento.

Disparities in Access to Opportunity

HCD/TCAC Opportunity Areas

AB 686 requires the needs assessment to include an analysis of access to opportunities. To facilitate this assessment, among other uses, HCD and the State Tax Credit Allocation Committee (TCAC) convened an independent group of organizations and research institutions under the umbrella of the California Fair Housing Task Force, which produces an annual set of Opportunity Maps. The maps identify areas within every region of the state “whose characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families – particularly long-term outcomes for children.”¹¹

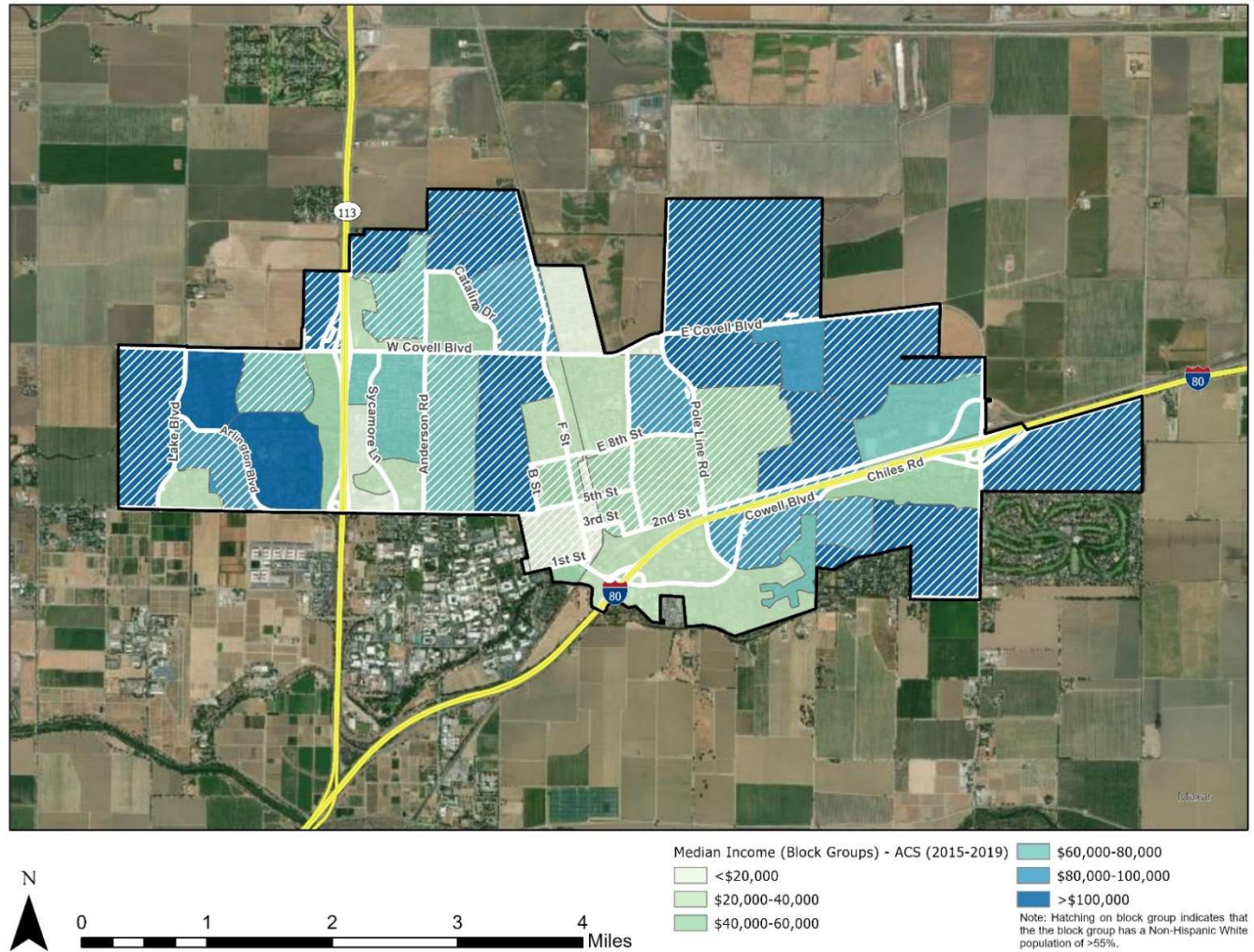
¹¹ California Fair Housing Task Force. December 2020. *Methodology for the 2021 TCAC/HCD Opportunity Map*. Available at: <https://www.treasurer.ca.gov/ctcac/opportunity/2021-hcd-methodology.pdf>

As illustrated in Figure 23, all tracts within the City of Davis are identified as being either High Resource or Highest Resource. This indicates that these Census Tracts are among the top 40 percent in the Capital Region for access to resources. More specifically, the Highest Resource areas include the Davis Downtown and the area north of Russell Boulevard between Lake Boulevard and F Street. The remaining Tracts, including the City's R/ECAP, are categorized as High Resource indicating high access to education and economic opportunities.

As discussed in more detail below, residents throughout the City of Davis have relatively high access to opportunity, including education, employment, transportation, and healthy environments. For example, the Davis Joint Unified School District (DJUSD) has some of the best ranked k-12 schools in California. While students are initially assigned to a school based on their address, families are able to transfer to the school of their choice upon request. Davis also offers many exceptional employment opportunities throughout the community, most notably with UC Davis and Sutter Davis Hospital, but also with local (e.g., the City of Davis) and state agencies, as well as a wide variety of private companies. Davis also hosts one of the best public transportation systems of any Central Valley community. Unitrans runs 19 routes throughout the community. UC Davis and DJUSD students ride free, with a one-way fare for the general public priced at only \$1.25. Paratransit is also available through Davis Community Transit (DCT). YoloBus and YoloBus Special (Paratransit) and YoloBus Your Ride (Microtransit) services are also available. The Davis community also offers a high level of environmental quality, with no areas of the City being noted as lacking in environmental quality. The community also features a robust network of public parks and natural areas, as well as an exceptional transportation network for walking and bicycling providing connectivity throughout the City of Davis and surrounding areas.

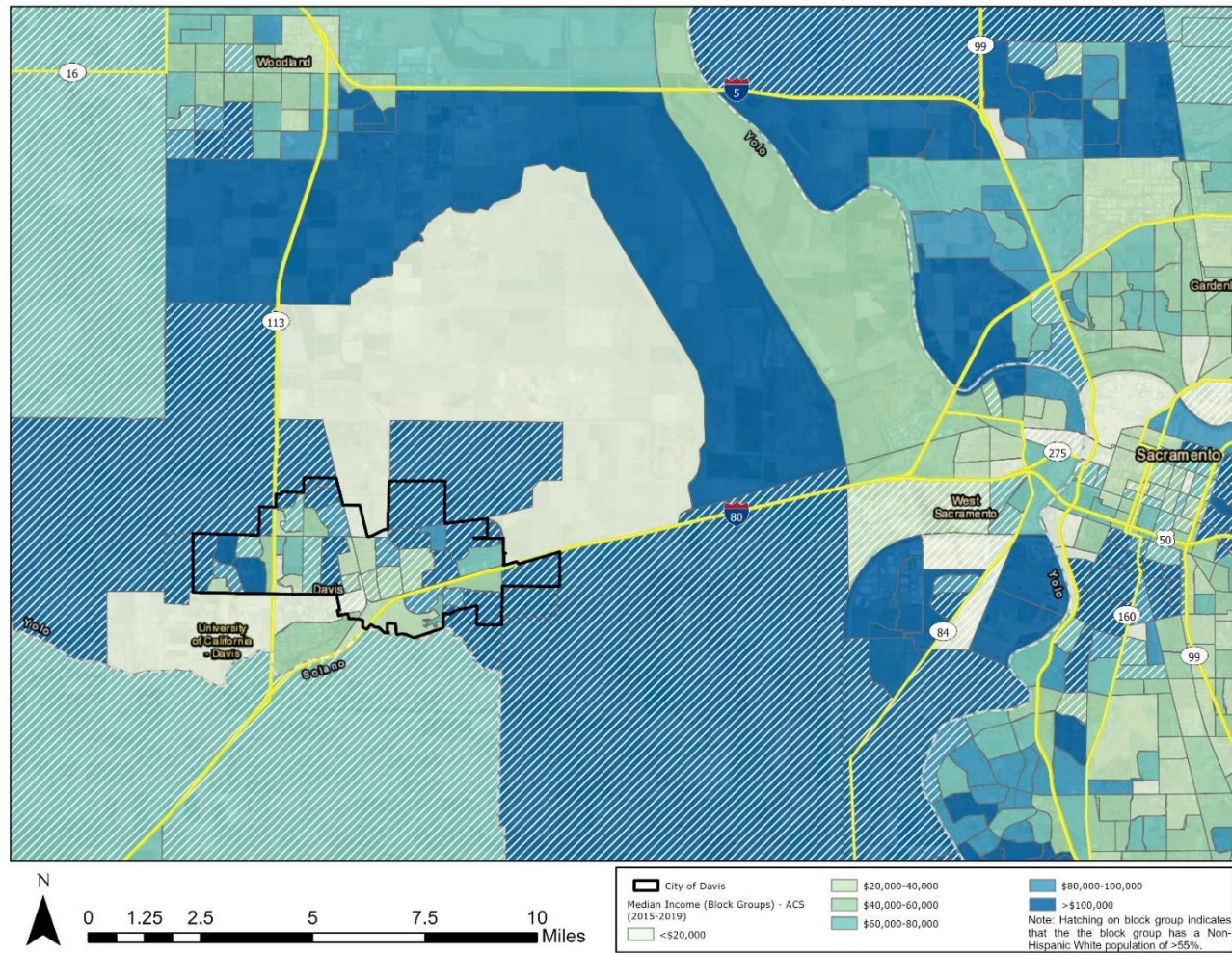
Compared to the rest of the Greater Sacramento region, Davis has higher opportunity areas and greater access to resources for its residents (see Figure 24).

Figure 21: Distribution of Median Income by Block Group and Percent Non-Hispanic White, City of Davis, 2015-2019



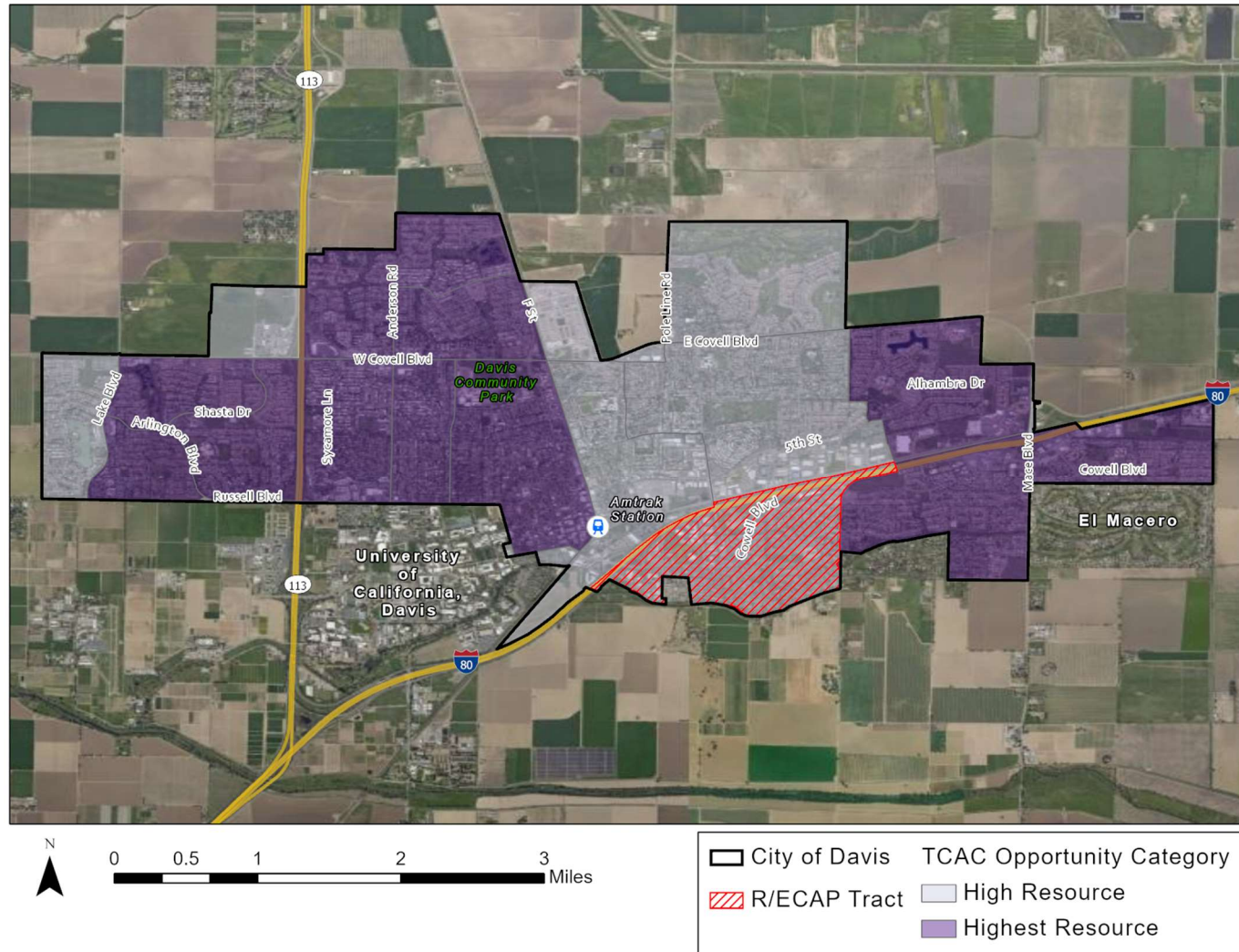
Sources: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data; BAE, 2020.

Figure 22: Distribution of Median Income by Block Group and Percent Non-Hispanic White, Davis and Surrounding Area, 2015-2019



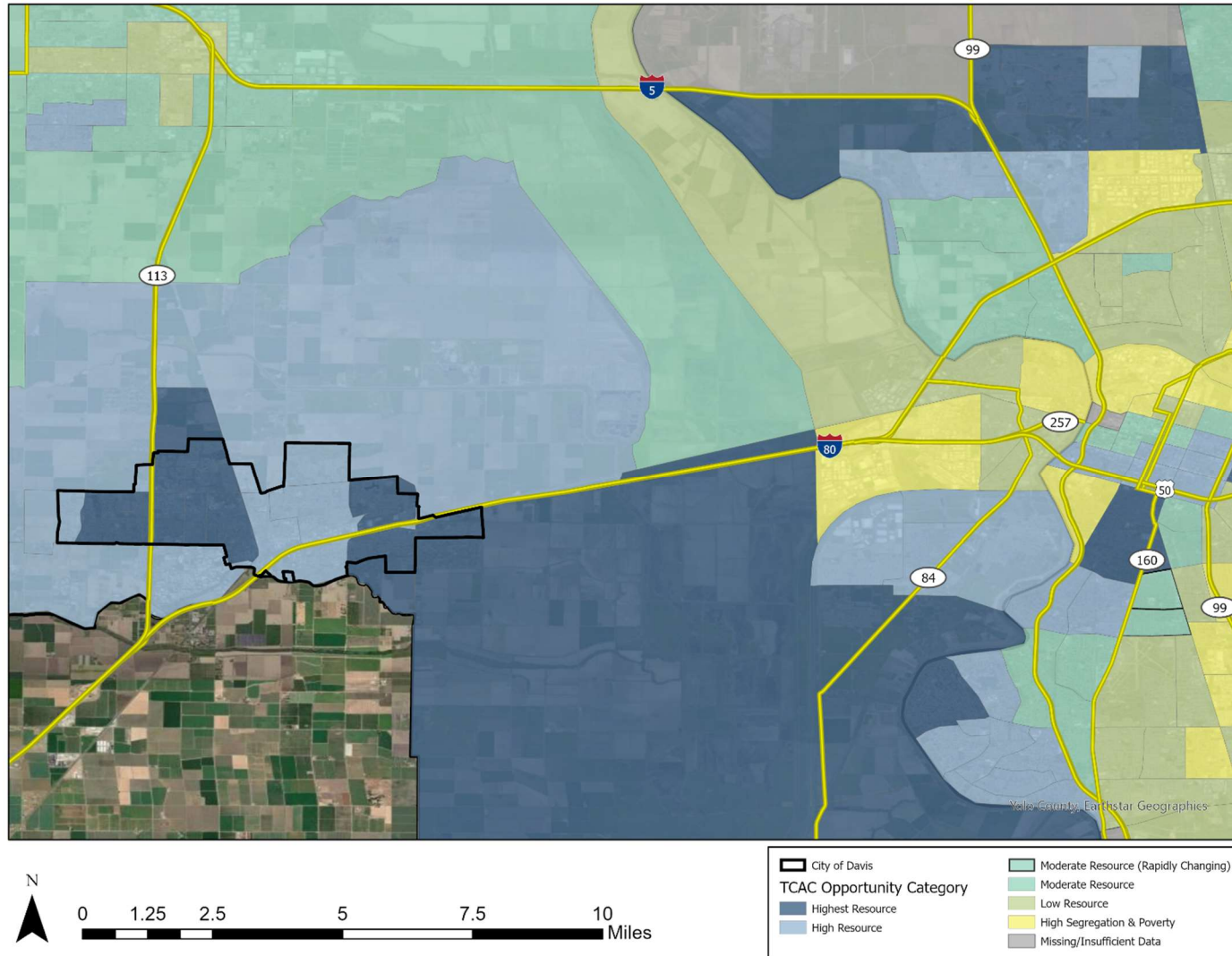
Sources: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data; BAE, 2020.

Figure 23: 2021 TCAC/HCD Opportunity Map by Census Tract, Davis



Sources: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

Figure 24: 2021 TCAC/HCD Opportunity Map by Census Tract, Davis and Surrounding Area



Sources: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2021.

Access to Transit

HUD has developed the Low Cost Transportation Index, which estimates the percentage of income that residents use to pay for transportation, measured at the census tract scale. The higher an area's index score, the lower the cost of transportation, which can be influenced by factors such as access to public transportation, housing density, and proximity of employment centers and other services.

Davis has an average score of 63, meaning it has lower transportation costs than 63 percent of the nation. In comparison, the average score for California is 66, while the average score for Yolo County is 62, meaning Davis has higher costs than the statewide average, but similar costs to the county average. As shown in Figure 25, the central and western parts of the city near UC Davis and Downtown have the highest index scores in the city (63-74), indicating lower transportation costs. Costs in these areas may be lower due to greater proximity to services and employment centers such as UC Davis, and better access to a variety of public transportation options through numerous bus routes and regional connections. In contrast, areas east of Mace Ranch Park, near Alhambra Drive, and north of East Covell Boulevard have moderate index scores (49-55), which are lower than the city average. These areas may have higher transportation costs because they are primarily low-density residential, and further away from employment centers. Additionally, some of these areas such as north of East Covell Boulevard and the area east of Drummond Avenue and south of Interstate 80 are part of larger census tracts that extend beyond the city limits, which can negatively impact the index score because they include rural areas in the analysis.

Furthermore, the City has a variety of transit options that provide service throughout Davis and serve as connections to the region. These services are (i) Unitrans, which provides the city with a fixed route service within city limits; (ii) YoloBus, which offers special charters between Davis, Woodland, West Sacramento, and Sacramento, connecting services to Sacramento, the Sacramento International Airport, Vacaville, and Fairfield, and YoloBus Special, which provides ADA transit service within Yolo County; (iii) Davis Community Transit, which offers origin to destination ADA transit service within Davis for eligible residents; (iv) Sacramento Regional Transit, which offers the Causeway Connection bus service between Davis and the UC Davis Medical Center in Sacramento; (v) Fairfield/Suisun Transit, which offers fixed route services between Davis and various points in Solano County; and (vi) Amtrak, which offers intercity rail service within California via a station in a central area of the City. This City of Davis also offers a robust transportation network that includes 63 miles of paved pathways, 102 miles of bike lanes, one miles of bicycle boulevards, a one-mile cycle track, 25 grade separated crossings, four overpasses, 21 underpasses, 4,300 bike racks, and eleven bike traffic signals, as well as dedicated bicycle and pedestrian navigational signage.

Access to Educational Opportunity

Figure 26 shows access to educational opportunity in Davis and the surrounding region according to the TCAC Opportunity Area Education Score, which measures characteristics that

lead to positive educational outcomes. As shown, the entirety of Davis has high education scores, measuring over 0.75 out of 1.0, indicating that all locations in the City provide access to high-quality educational opportunities. The figure also demonstrates that Davis has significantly higher education scores than much of the surrounding region.

Access to Employment Opportunities

Figure 27 shows the jobs proximity index for Census Block Groups in Davis, which quantifies the extent to which each area has access to jobs based on its distance from all job locations within its core-based statistical area (CBSA). The index weights larger employment centers more heavily. Higher the index values indicate higher access to employment opportunities for residents in a given neighborhood.

The figure demonstrates that there are several Census Block Groups in Davis with relatively low jobs proximity indexes between 20 and 40, though most have jobs proximity indexes between 40 and 80. None are in the lowest jobs proximity index category (lower than 20) or the highest category (higher than 80). The Block Groups in Davis with the lowest jobs proximity indexes are located in the eastern and northern portions of the City, which consist primarily of single-family homes but include some multifamily developments. The remainder of the City consists of areas with jobs proximity indexes between 40 and 80. A comparison to the maps provided above in this chapter show no consistent correlation between the jobs proximity index for a given Block Group and the proportion of non-White residents in that area (see Figure 9), meaning that areas with a high proportion of non-White residents and areas with low proportions of non-White residents each overlap with areas with high, medium, and low jobs proximity. Similarly, there is no clear correlation between the jobs proximity index and areas of Davis with high proportions of residents with disabilities (see Figure 13), single female-headed households (see Figure 15), low- and moderate-income households (see Figure 17), or households with incomes below the poverty line (see Figure 18). The one racially or ethnically concentrated area of poverty in Davis (see Figure 19) is located in an area with a jobs proximity index between 60 and 80, the highest score category for any area in Davis.

Environmental Quality

CalEnviroScreen provides a methodology to assist in identifying whether a local community is disproportionately impacted by pollution. For every Census tract in the state, CalEnviroScreen produces a score using various environmental, health, and socioeconomic information derived from government sources, with higher scores associated with a higher pollution burden. The original layer was developed by California's Office of Environmental Health Hazard Assessment (OEHHA), on behalf of the California Environmental Protection Agency (CalEPA) and released January 30, 2017. SACOG has taken this data and created a GIS layer showing tracts scoring in the highest 25 percent (i.e., worst scores for pollution) for the SACOG region (see Figure 28).

Pollution levels tend to be relatively low throughout Davis. As shown in Figure 28, none of the Census tracts covering Davis are in the worst 25 percent by this measure. Regionally, the

tracts that are in the highest 25 percent for pollution are concentrated in and near the Sacramento urban core and along the eastern edge of Yolo County, including in West Sacramento. These data indicate that there are no locations in Davis in which impacts from pollution are particularly severe.

Figure 25: Transportation Cost Index, Davis

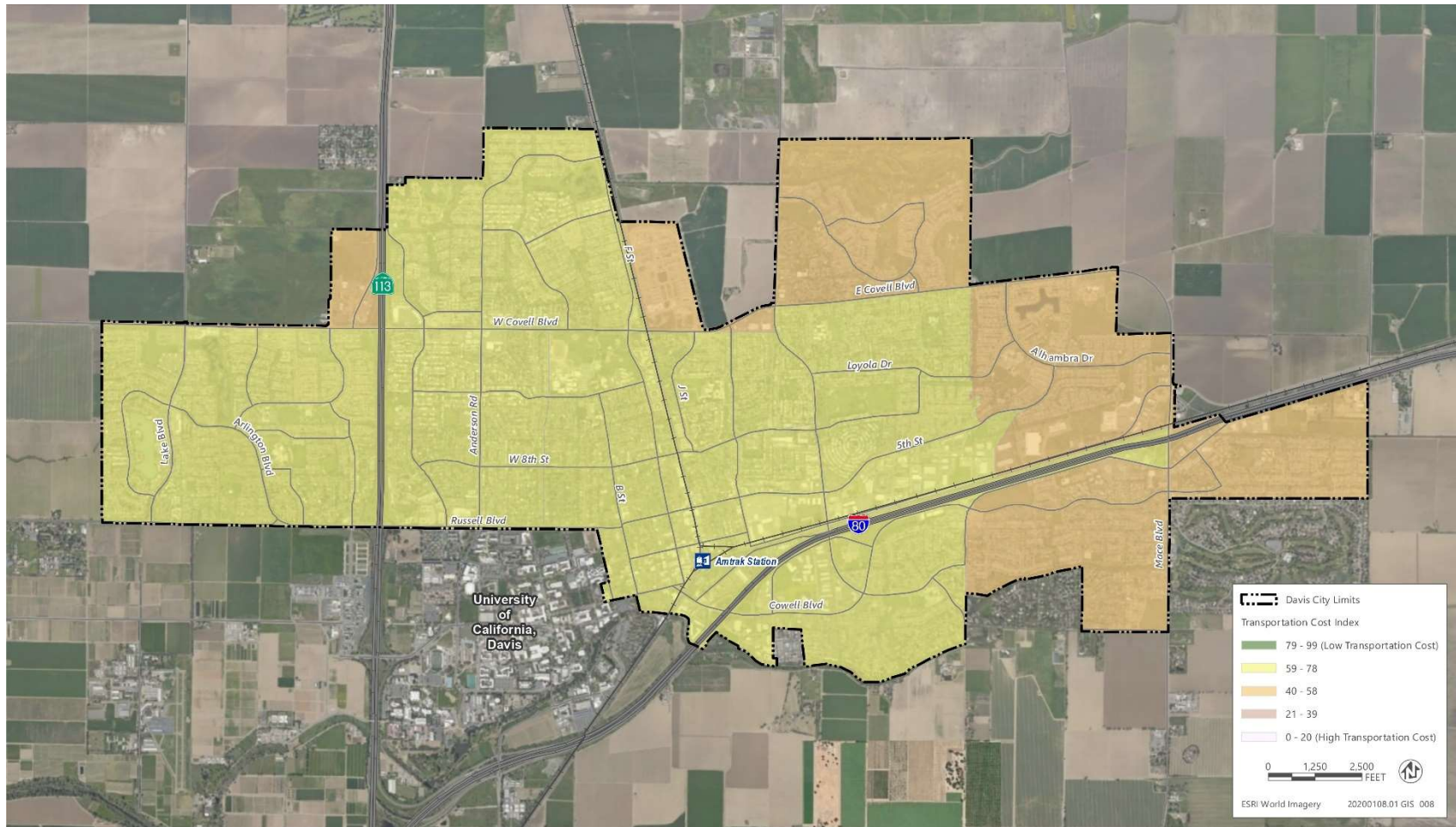
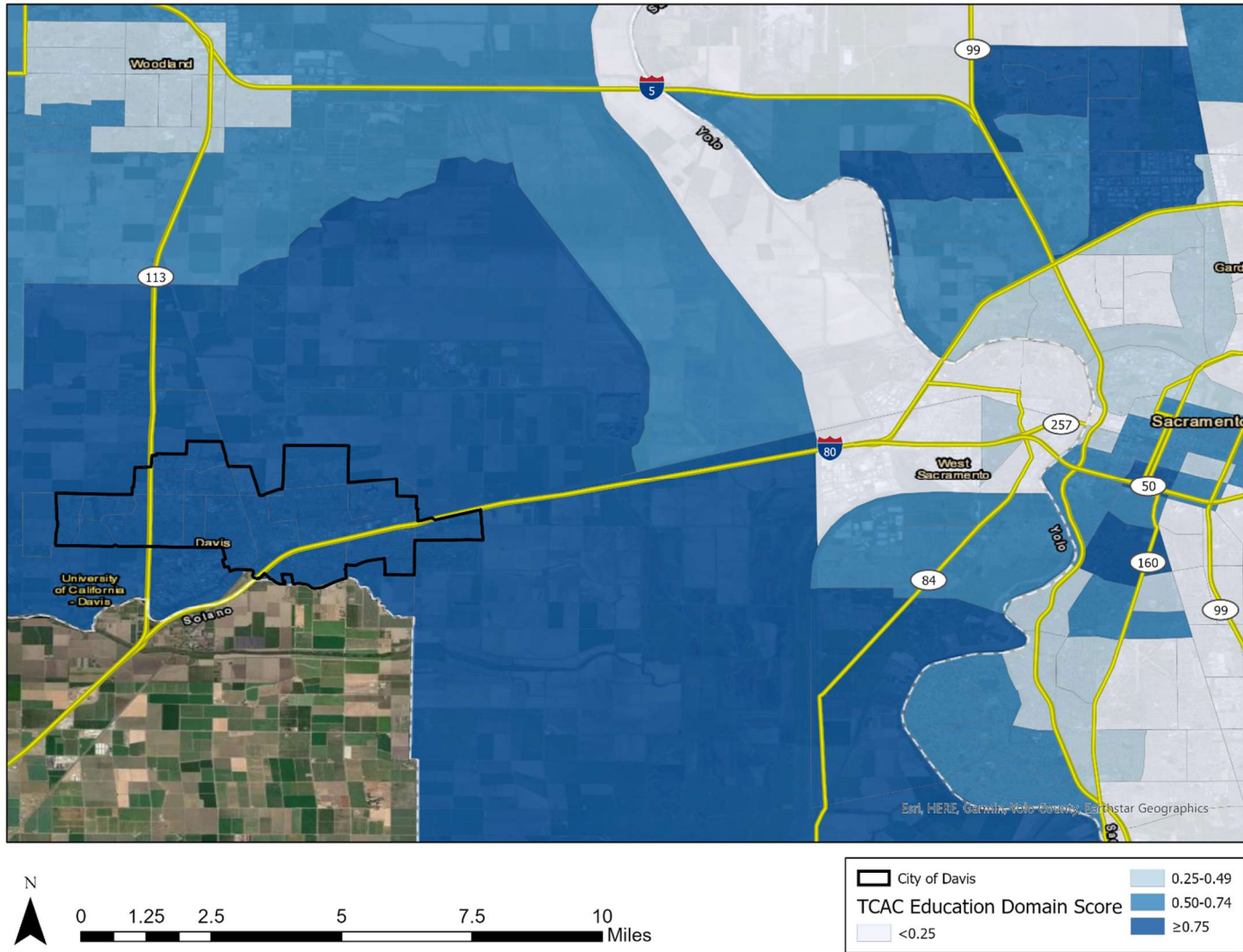


Figure 26: TCAC Opportunity Areas Education Score, 2021



Sources: Data downloaded from the HCD AFFH Mapping Tool; BAE, 2021.

Figure 27; Jobs Proximity Index, Davis, 2014-2017

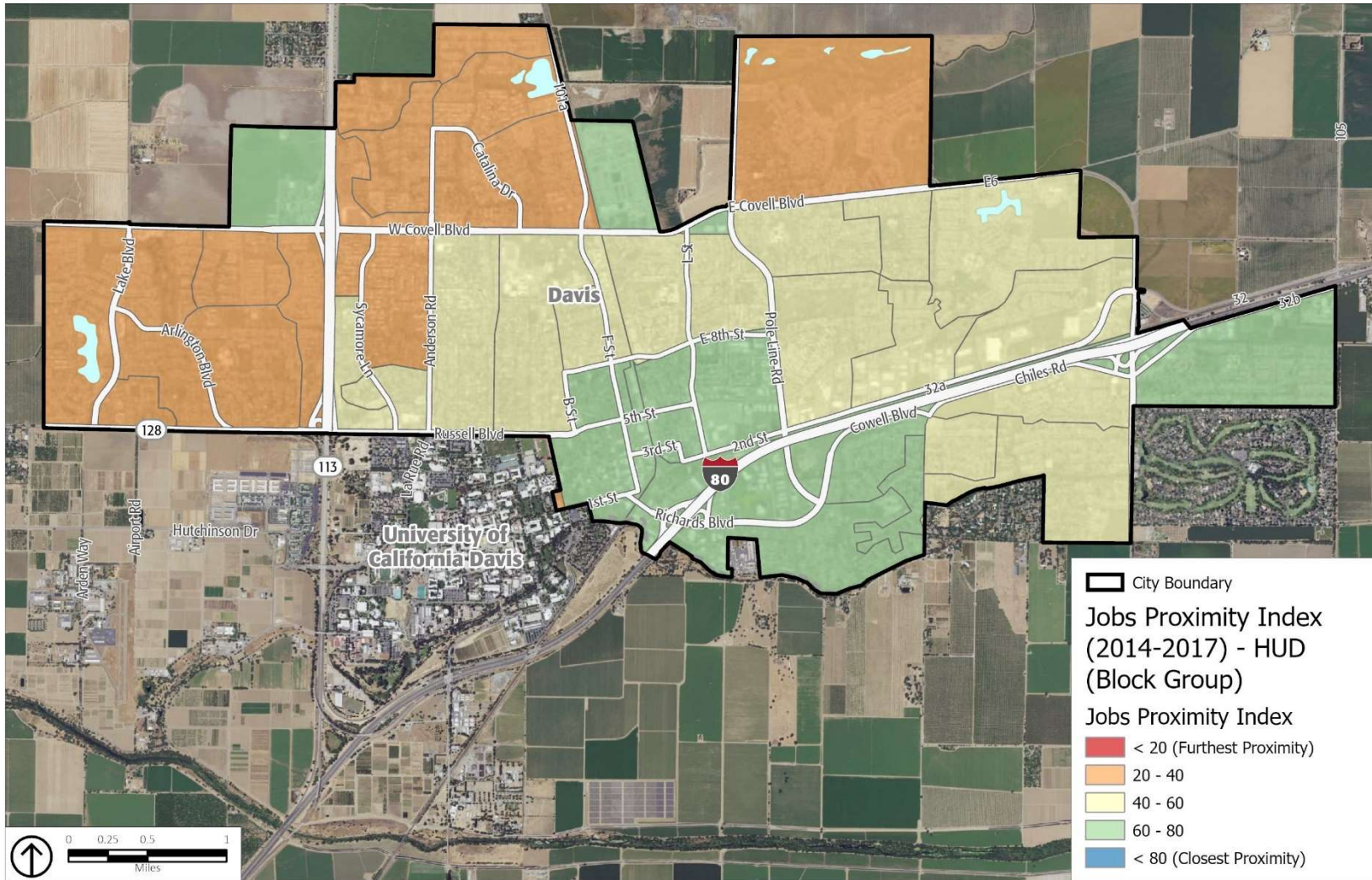
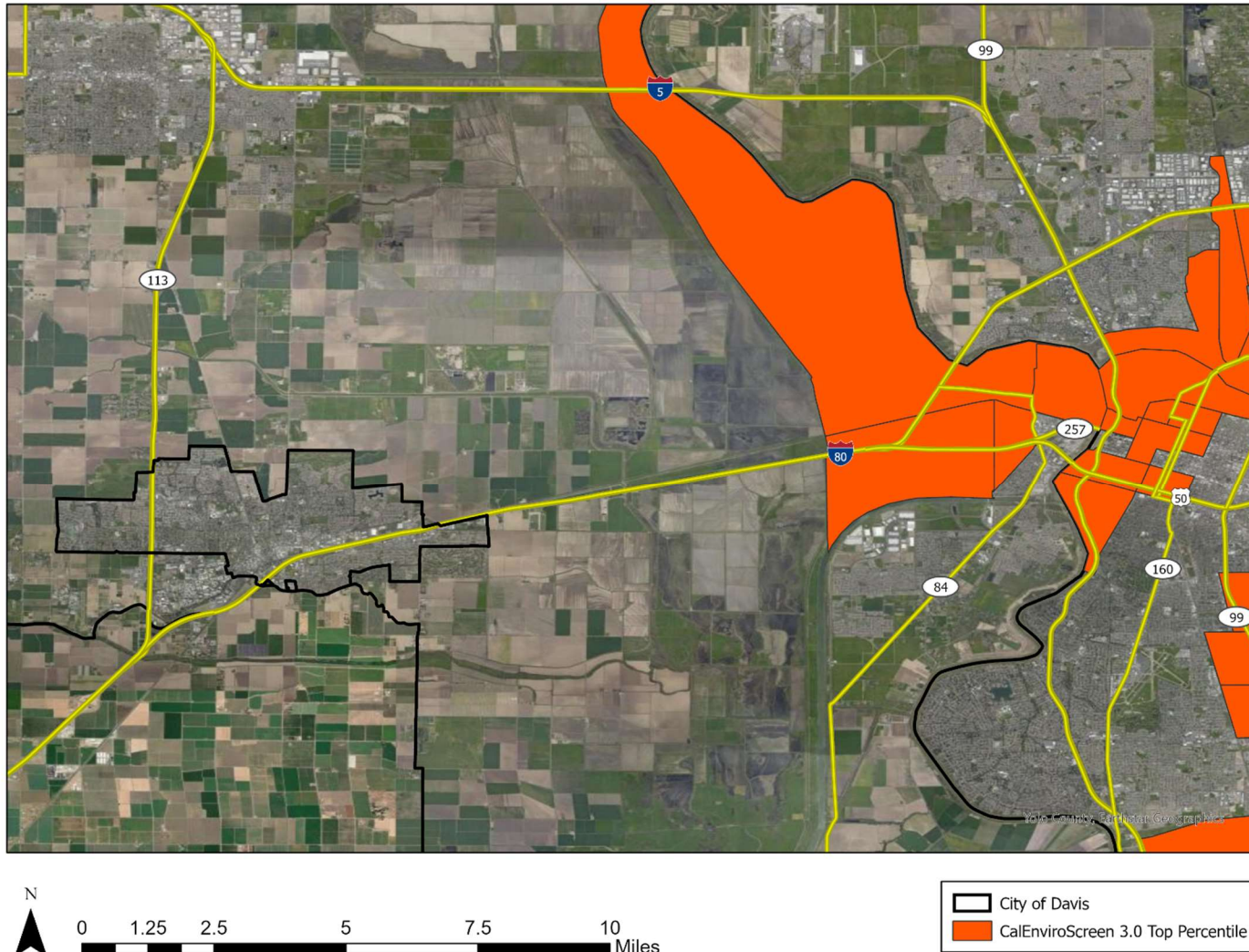


Figure 28: Areas of High Pollution



Sources: CalEnviroScreen Version 3; SACOG, (<https://data.sacog.org/datasets/SACOG::calenviroscreen-3-0-top-25-tracts/about>), BAE, 2021.

Disproportionate Housing Needs and Displacement Risk

The following subsection assesses the extent to which protected classes, particularly members of racial and ethnic minority groups, experience disproportionate housing needs and are at risk for displacement.

Minority Homeownership Rates

Rates of home ownership often vary widely by race and ethnicity, both within local jurisdictions and throughout larger regions. The regional AI identifies Davis as having the lowest Hispanic household homeownership rate in the region at 27 percent. The homeownership gaps between African American and non-Hispanic White, and Hispanic or Latino and non-Hispanic White residents were also among the region's largest. The regional AI also identified that while all minority groups throughout the region generally experience higher rates of mortgage loan denials than non-Hispanic White applicants for each loan purpose (i.e., home improvement, purchase, or refinance), there was very little difference in loan denial rates for Hispanic and non-Hispanic White loan applicants in Davis. Based on the available data, the Sacramento Valley Fair Housing Collaborative concluded that homeownership gaps in Davis "do not appear to be a factor of disparities in loan approvals and instead may be due to differences in economic readiness to buy a home." This finding is consistent with the racial and ethnic diversity of Davis' college student population, as college students are not typically in a position of economic readiness to buy a home. The relatively high prices associated with home sales in Davis may also play a role due to limited inventory and affordability constraints.

Prevalence of Housing Problems by Race and Ethnicity

Table 40 and Table 42 report the relative prevalence of housing problems among households with incomes equal to, or less than, the area median by race and ethnicity. Households of a given racial or ethnic heritage are considered to have a disproportionately greater need for housing assistance if they experience housing problems at a significantly greater rate (10 percentage points or more), than do households within the same income level as a whole, regardless of race or ethnicity. For example, 79.6 percent of all very low-income households (i.e., incomes between 30 and 50 percent of AMI) in Davis experienced at least one of the four housing problems between 2013 and 2017, as did 100 percent of very low-income African American households. In this case, very low-income African American households exhibited a disproportionately greater need for housing assistance that could help to eliminate their current housing problems. According to these data, African American, Asian, and American Indian households experienced housing problems at rates that, at some income levels, exceeded the citywide average by at least 10 percentage points. The results are similar for severe housing problems, with Asian, American Indian, and Hispanic households being disproportionately impacted. Note that the sample size is very small in most instances where the housing problems rate for a given subgroup is greater than the citywide average. For example, the ACS data estimated that there were ten low-income American Indian households in Davis, all of whom experienced housing problems. The 2020 regional AI also indicates that

non-family households have some of the highest rates of housing problems among the various Census designated household types, likely because of the presence of UC Davis and the large resident student population in Davis.

In contrast, there are relatively few racial and ethnic groups in the Sacramento MSA that are disproportionately impacted by housing problems or severe housing problems. As shown in Table 41, there are two racial and ethnic groups in in the MSA (Asian and Native Hawaiian and Pacific Islander) with a disproportionate prevalence of housing problems among some household income groups, compared to four racial and ethnic groups in Davis. Table 43 shows that there is one racial and ethnic group in the MSA with a disproportionate prevalence of severe housing problems, compared to four in Davis. These findings are consistent with the City’s large college student population, which is both more racially and ethnically diverse and lower-income than the City’s non-student population, as lower-income populations are more likely to experience high housing cost burden and other housing problems.

Table 40: Housing Problems Rate by Race/Ethnicity, City of Davis, 2013-2017

Racial/Ethnic Group	Percent of AMI				Total, up to 100% AMI
	0-30%	30-50%	50-80%	80-100%	
Non-Hispanic White	88.0%	82.1%	66.5%	45.2%	74.0%
Black or African American	68.9%	100%	0.0%	50.0%	69.9%
American Indian and Alaska Native	n.a.	0.0%	100%	n.a.	71.4%
Asian	67.2%	79.8%	70.3%	62.9%	69.1%
Native Hawaiian and Pacific Islander	28.6%	n.a.	54.5%	n.a.	49.3%
Hispanic or Latino	78.8%	64.4%	75.2%	33.3%	69.6%
Other (Including Two or More Races)	82.0%	100%	89.3%	4.8%	72.9%
Total, All Racial/Ethnic Groups	78.7%	79.6%	68.2%	45.3%	71.7%
<i>Average Rate +10%</i>	88.7%	89.6%	78.2%	55.3%	81.7%

Notes:

- (a) Housing problems include: Lack of complete kitchen; Lack of complete plumbing facility; More than one person per room; Cost burden greater than 30% of income.
- (b) Includes all households within incomes at or below 100% of area median income.
- (c) Figures may not sum to total due to rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Table 41: Housing Problems Rate by Race/Ethnicity, Sacramento MSA, 2013-2017

Racial/Ethnic Group	Percent of AMI				Total, Up to 100% AMI
	0-30%	30-50%	50-80%	80-100%	
Non-Hispanic White	79.4%	76.2%	56.3%	35.8%	62.0%
Black or African American	80.9%	88.4%	61.1%	44.7%	72.7%
American Indian and Alaska Native	74.6%	77.8%	58.1%	39.8%	64.8%
Asian	77.2%	72.8%	55.9%	53.4%	65.3%
Native Hawaiian and Pacific Islander	85.5%	90.3%	65.1%	27.1%	70.5%
Hispanic or Latino	84.9%	81.8%	57.8%	35.6%	66.7%
Other (Including Two or More Races)	85.4%	87.8%	67.5%	33.0%	72.1%
Total, All Racial/Ethnic Groups	80.4%	79.1%	57.6%	36.6%	64.6%
<i>Average Rate +10%</i>	90.4%	89.1%	67.6%	46.6%	74.6%

Notes:

(a) Housing problems include: Lack of complete kitchen; Lack of complete plumbing facility; More than one person per room; Cost burden greater than 30% of income.

(b) Includes all households within incomes at or below 100% of area median income.

(c) Figures may not sum to total due to rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Table 42: Severe Housing Problems Rate by Race/Ethnicity, City of Davis, 2013-2017

Racial/Ethnic Group	Percent of AMI				Total, up to 100% AMI
	0-30%	30-50%	50-80%	80-100%	
Non-Hispanic White	81.9%	58.8%	24.6%	10.0%	49.6%
Black or African American	62.2%	48.0%	0.0%	0.0%	48.2%
American Indian and Alaska Native	n.a.	0.0%	100%	n.a.	71.4%
Asian	66.9%	60.6%	27.1%	25.7%	54.4%
Native Hawaiian and Pacific Islander	28.6%	n.a.	0.0%	n.a.	5.8%
Hispanic or Latino	75.0%	57.5%	39.8%	11.9%	55.0%
Other (Including Two or More Races)	82.0%	100%	14.3%	0.0%	53.2%
Total, All Racial/Ethnic Groups	75.0%	58.6%	25.4%	12.8%	51.3%
<i>Average Rate +10%</i>	85.0%	68.6%	35.4%	22.8%	61.3%

Notes:

(a) Severe housing problems include: Lack of complete kitchen; Lack of complete plumbing facility; More than 1.5 persons per room; Cost burden greater than 50% of income.

(b) Includes all households within incomes at or below 100% of area median income.

(c) Figures may not sum to total due to rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Table 43: Severe Housing Problems Rate by Race/Ethnicity, Sacramento MSA, 2013-2017

Racial/Ethnic Group	Percent of AMI				Total, Up to 100% AMI
	0-30%	30-50%	50-80%	80-100%	
Non-Hispanic White	69.4%	43.4%	19.7%	8.4%	34.7%
Black or African American	73.0%	46.9%	16.8%	4.8%	44.1%
American Indian and Alaska Native	64.4%	49.9%	25.1%	14.0%	41.6%
Asian	64.5%	29.5%	23.3%	3.0%	33.4%
Native Hawaiian and Pacific Islander	78.6%	58.5%	24.5%	14.6%	45.0%
Hispanic or Latino	76.5%	46.0%	23.0%	14.8%	41.1%
Other (Including Two or More Races)	78.5%	53.4%	24.1%	5.5%	45.9%
Total, All Racial/Ethnic Groups	71.1%	45.4%	20.9%	9.8%	38.0%
<i>Average Rate +10%</i>	<i>81.1%</i>	<i>55.4%</i>	<i>30.9%</i>	<i>19.8%</i>	<i>48.0%</i>

Notes:

(a) Severe housing problems include: Lack of complete kitchen; Lack of complete plumbing facility; More than 1.5 persons per room; Cost burden greater than 50% of income.

(b) Includes all households within incomes at or below 100% of area median income.

(c) Figures may not sum to total due to rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Housing Cost Burden

As previously described, overpayment or cost-burdened is defined as households paying more than 30 percent of their gross income on housing related expenses, including rent or mortgage payments and utilities. As shown in Table 33, 40 percent of all households in Davis were cost-burdened during the 2013-2017 ACS survey period. This proportion was equal to the statewide average in California (40 percent); however, cost burden was significantly more severe for lower-income households in Davis. About 73 percent of lower-income households (earning less than 80 percent of the HAMFI) were cost-burdened in Davis, compared to just 33 percent of moderate and 23 percent of above moderate-income households.

Renters in Davis were significantly more burdened with overpayment compared to homeowners, with 57 percent of renters burdened by housing costs compared to 18 percent of owners. Figure 29 shows the trends of overpayment for renters in the city and Figure 30 shows the trends of overpayment for homeowners. The majority of renters throughout the city, anywhere between 40 and 80 percent of renters per census tract, were overpaying for housing in 2019 (see Figure 29). As shown in Figure 30, fewer homeowners are overpaying for housing throughout the city. In areas where homeownership opportunities exist, about 10 to 30

percent of homeowners were overpaying except in the northernmost neighborhoods of the city where 30 to 40 percent of homeowners were overpaying.

Homelessness by Race, Ethnicity, and Disability Status

As discussed in additional detail below in the section of this chapter that addresses special needs populations, homelessness disproportionately impacts persons with disabilities and much of the non-White population in Davis, which is similar to trends throughout Yolo County. As shown in Table 57 below, adults with physical illnesses or disabilities comprised 17 percent of the homeless population in Davis and 22 percent of the homeless population countywide, a significantly higher proportion than in the overall (housed and unhoused) population in the City and County. In Davis, the Black and African American, American Indian and Alaska Native, Hawaiian and Pacific Islander, and Hispanic and Latino populations in Davis are also disproportionately impacted by homelessness, as is the population of two or more races. Yolo County shows similar trends in homelessness by race and ethnicity, with the exception that the Hispanic and Latino population and the population of two or more races are not necessarily disproportionately impacted in the County overall.

Substandard Housing

As shown in Table 28 above, there are 174 households in Davis with incomes at or below 100 percent of AMI (no owner households and 1.7 percent of renter households in this income range) that live in substandard housing. This demonstrates a lower prevalence of households in substandard housing in Davis than in the Sacramento MSA overall, where 0.5 percent of owner households with incomes at or below 100 percent of AMI and 2.3 percent of renter households with incomes at or below 100 percent of AMI lives in substandard housing (see Table 29). Due to the small number of households living in substandard housing in Davis, it is not possible to reliably assess the extent to which substandard housing may disproportionately impact various groups, as the small sample size for these households means that any analysis of the characteristics of households in substandard housing would be subject to a significant margin of error.

Figure 29: Overpayment by Renters, City of Davis, 2015-2019

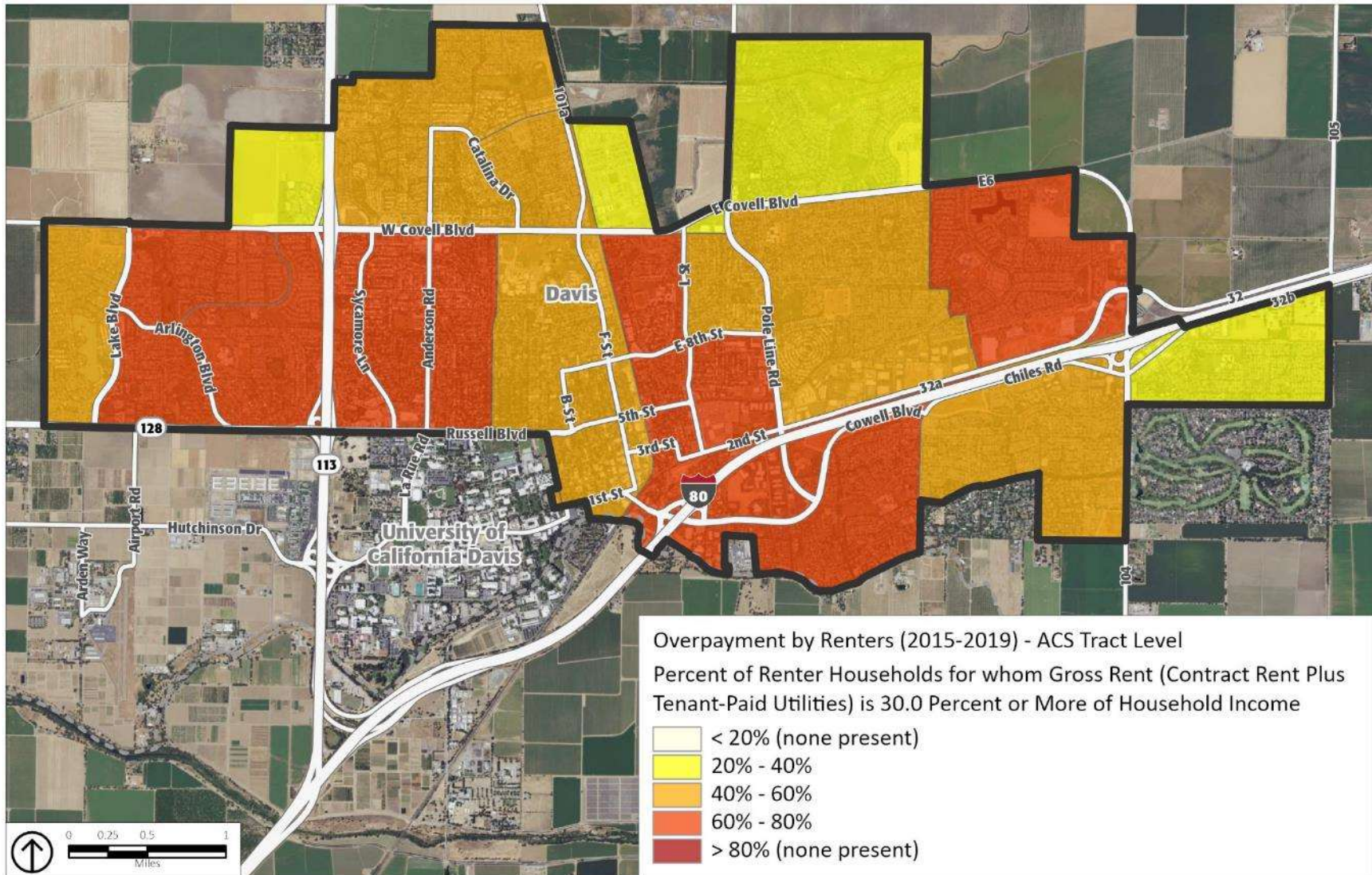
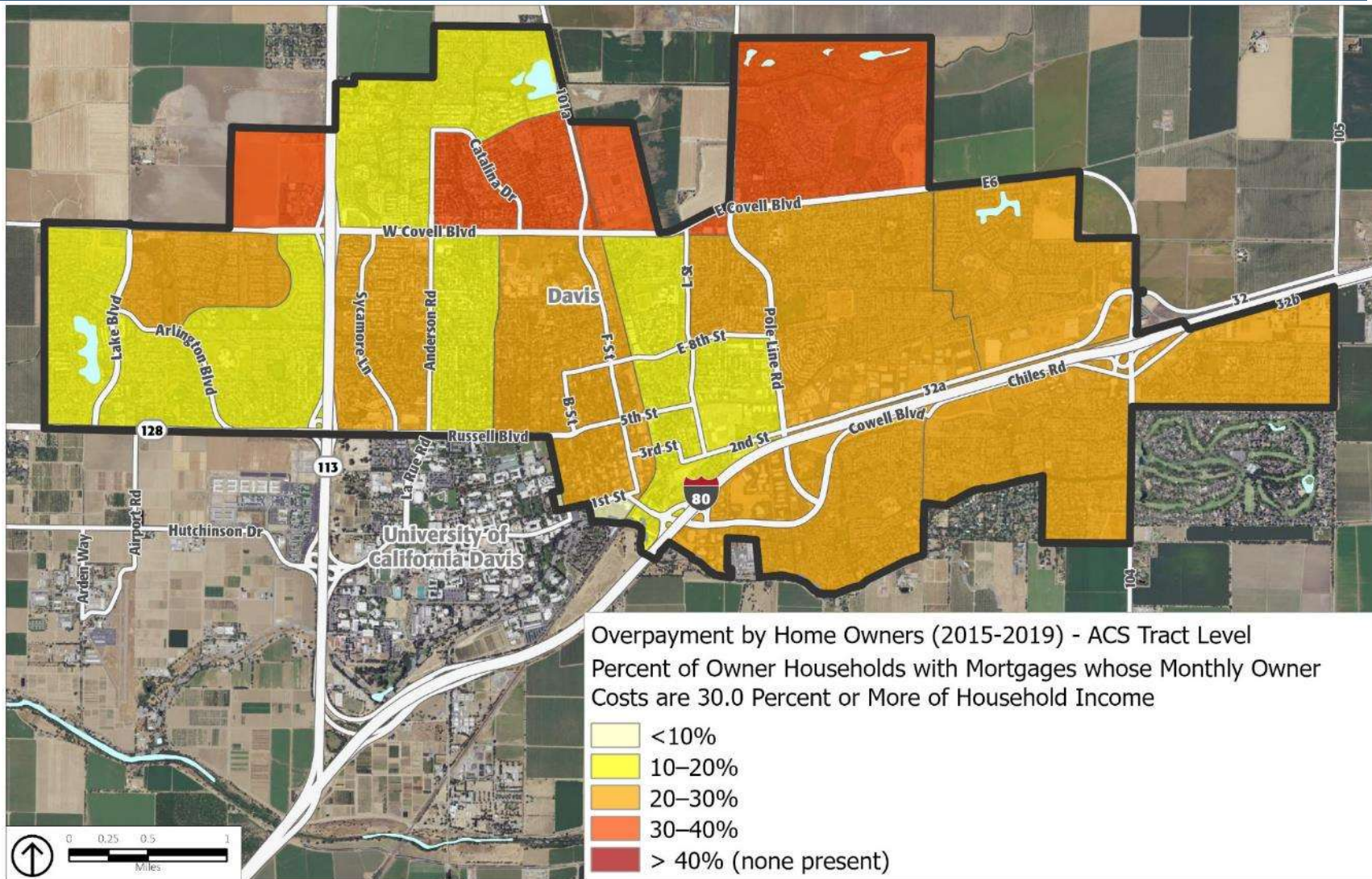


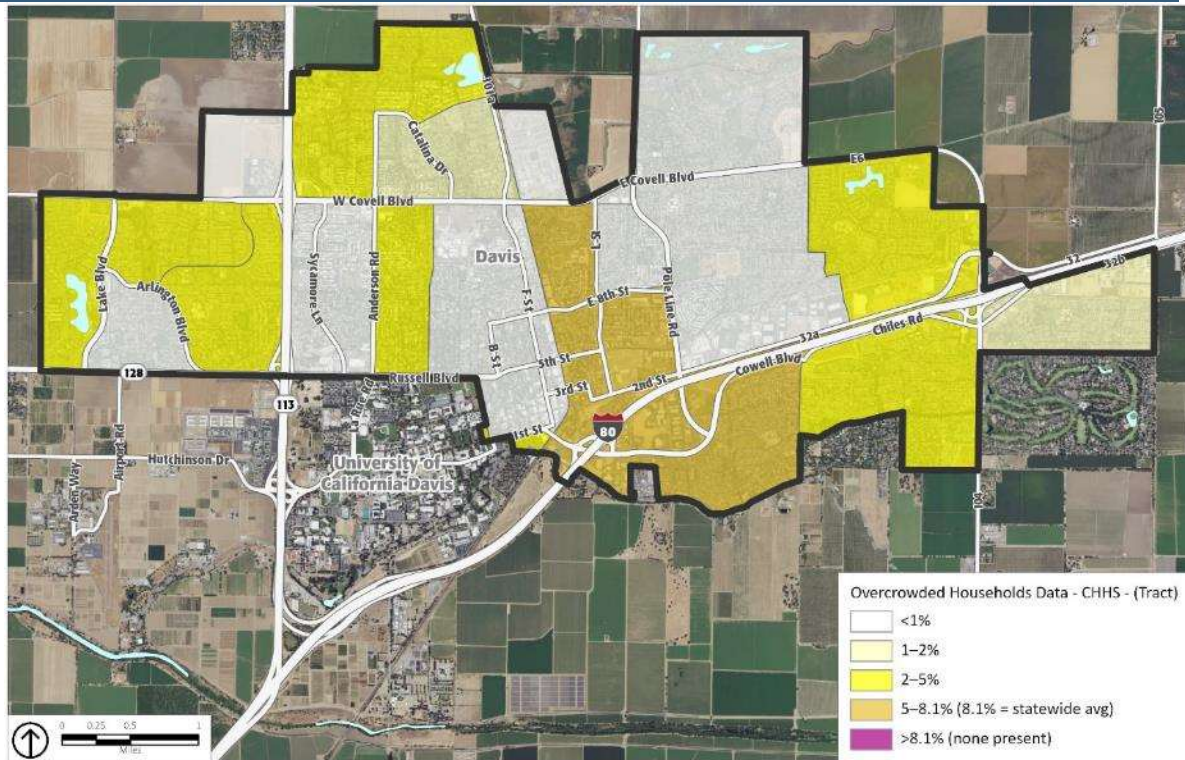
Figure 30: Overpayment by Homeowners, City of Davis, 2015-2019



Overcrowded Households

Overcrowding of residential units, in which there is more than one persons per room, can be a potential indicator that households are experiencing economic hardship and are struggling to afford housing. Figure 31 shows the trends of overcrowded households in the Davis by census tract and all tracts in the City are less than or equal to the statewide average of 8.2 percent.

Figure 31: Overcrowded Households, City of Davis



Resident Displacement

To assess resident displacement risk, the 2020 AI surveyed residents regarding their experience with displacement and sense of displacement risk. The survey results indicate that one in four survey respondents reported being displaced from a “housing situation” in the Sacramento Valley within the past five years. African American, Hispanic, and Native American respondents, as well as large families, households with children, and persons with disabilities all reportedly experienced higher rates of displacement compared to the average. The factors most frequently cited as contributing to displacement included rents that increased more than the respondent could afford, “personal reasons,” the landlord selling the property, and living in unsafe conditions. The reasons for displacement were reportedly consistent among the various resident categories. Within the Davis community specifically, 13 percent of survey respondents reported experiencing displacement within the last five years. Of those who experienced displacement, 28 percent indicated that the primary cause was that the landlord intended to sell the property, which was higher than the regional average of 15 percent.

Figure 32: Displacement Experience and Reasons for Displacement

	Percent Displaced	Reason for Displacement			
		Rent Increased More than I Could Pay	Personal Reasons	Landlord Selling Home	Was living in unsafe conditions*
Region	25%	25%	21%	15%	11%
Jurisdiction					
Citrus Heights	23%	26%	35%	9%	19%
Elk Grove	29%	20%	30%	17%	7%
Rancho Cordova	24%	34%	17%	10%	7%
Sacramento	33%	24%	21%	16%	12%
Sacramento County	28%	24%	20%	22%	11%
Rocklin	19%	-	-	-	-
Roseville	17%	31%	15%	12%	4%
Davis	13%	24%	14%	28%	0%
West Sacramento	20%	33%	19%	16%	14%
Woodland	13%	-	-	-	-
Tenure					
Homeowners	7%	23%	16%	15%	2%
Renters	30%	27%	16%	18%	10%
Precariously housed	56%	23%	29%	13%	14%

Note:

(a) Displacement did not necessarily occur within current community of residence. The respondents' current housing situation (i.e., homeowner) may be a different type of housing situation than when displacement occurred.

(b) The "*" refers to such conditions as domestic violence or assault, harassment, etc.

Source: Sacramento Housing Fair Housing Collaborative, 2020.

These findings suggest that sales of rental properties, a sign of private investment in the real estate market, is a key factor causing displacement in Davis. While the City is not able to prevent sales of private property, to the extent that any sales consist of conversion of affordable developments to market-rate, the City does try to work with property owners to maintain affordability. However, preventing such conversions is often costly, and the City currently has limited funds to support affordable housing preservation. This Housing Element includes a program to identify a robust source of funding for the City's Housing Trust Fund,

which could help in future preservation efforts. Aside from preserving affordable units, the City can help to mitigate the impacts of displacement due to property sales by facilitating the development of high-quality affordable housing that can serve those that might otherwise be displaced from Davis. Several of the programs included in this Housing Element Update help to support this goal.

As discussed in the introduction to this chapter, mobile home park residents that participated in the community engagement process for the Housing Element Update expressed a need to protect the City's existing mobile home parks to prevent displacement of mobile home residents. In high-cost housing markets such as Davis, mobile home park residents can be vulnerable to displacement. As housing costs increase within a given market, mobile home park owners may increase space rents, potentially making space rent unaffordable for existing residents. In addition, mobile home park owners may decide to redevelop mobile home parks to a more high-value use, removing the mobile home park altogether. Mobile home park residents that expressed the most concern regarding displacement during the Housing Element Update process were residents in a senior mobile home park, indicating that displacement of mobile home park residents would disproportionately impact the senior population. This Housing Element Update includes a program to evaluate and implement additional protections for mobile home park residents.

As discussed earlier, Table 33 reports households by income and housing cost burden. According to this data, there were an estimated 7,685 renter households in Davis who earned less than 120 percent of HAMFI and paid more than 30 percent of income for housing between 2013 and 2017. These households are more likely than others to experience displacement as a result of increasing housing costs. These households are also already cost burdened, meaning that it is more difficult for them to absorb any increases in rents. Owner households are generally less susceptible to housing displacement because owners typically have a fixed mortgage payment and property tax increases that are limited by Proposition 13. However, low-income owner households may yet experience displacement pressure if they lack the resources for upkeep and maintenance of the property or if they experience a reduction in income due to a job loss or other factors. The data in Table 33 indicate that there were an estimated 1,394 owner households with incomes at or below 120 percent of AMI and moderate or severe housing costs burden between 2013 and 2017. Potential displacement of lower-income owner households is, however, less likely to result from an increase in housing costs and more from a general increase in cost of living and/or lifecycle changes, such as age, family status, employment status, and/or disability.

As discussed above, Davis' non-White population is disproportionately likely to experience one or more housing problems (see Table 40 and Table 42) and to have lower incomes (see Table 39) than the population overall, making these groups disproportionately vulnerable to displacement. The higher displacement risk among non-White groups is reflected in the data on the City's homeless population (see Table 57), in which all racial and ethnic groups other

than White and Asian are disproportionately represented. The data on the homeless population also suggests that persons with disabilities tend to be particularly vulnerable to displacement (see Table 55). This is consistent with general trends that suggest that persons with disabilities tend to have lower than average incomes and that households with lower incomes have a higher prevalence of high housing cost burden, creating vulnerability to displacement.

Fair Housing Issues and, Contributing Factors

Table 44 below summarizes the fair housing issues and contributing factors identified in the preceding analysis and in following section on special housing needs, as well as goals and actions to affirmatively further fair housing. For action items, the table references programs from the implementation chapter of this Housing Element that will help to achieve each goal. The implementation chapter has additional information on each program, including specific program language, quantified objectives, timeframes, and responsible parties. The table focuses on the key programs address each contributing factor but may not include all programs that address each contributing factor.

Table 44: Fair Housing Issues, Contributing Factors, Goals, and Actions

Key Contributing Factors	Related Fair Housing Issues	Key Goals and Actions
<p>Davis' high-cost housing market provides limited opportunities for lower-income households to find housing in Davis that they can afford.</p>	<p>The high cost of housing in Davis disproportionately impacts non-White residents, who tend to have lower-incomes than White residents and therefore have a disproportionate need for affordable housing. As a result, non-White residents experience housing problems at higher rates than White residents, with high housing cost burden being the most common housing problem.</p>	<p>Goal 1: Provide an adequate supply of housing for people of all ages, incomes, lifestyles, and types of households, including households with special housing needs.</p> <p><i>Programs 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.14, 1.15, 1.16, 1.17, 1.18, 1.19</i></p>
	<p>Non-White populations in Davis are disproportionately impacted by housing need partly because of the large population of UC Davis students that live in Davis, as this population is more racially and ethnically diverse than the community as a whole and tends to have lower incomes. This suggests a need to consider housing needs among Davis' student community as well as the community at large in order to address disparate impacts caused by high housing costs, though some need among the student population may be overstated to the extent that financial support that some students receive from family or other sources may be unreported or underreported.</p>	<p>Goal 2: Provide housing that is affordable for lower-income households.</p> <p><i>Programs 2.1, 2.2, 2.4, 2.7, 2.8, 2.10, 2.12, 2.13, 2.14, 2.15, 2.17, 2.18, 2.19, 2.21, 2.22, 2.23</i></p> <p>Goal 3: Affirmatively further fair housing and protect existing residents from displacement.</p> <p><i>Programs 3.1, 3.2, 3.4, 3.5, 3.6, 3.7</i></p>
	<p>Many special needs populations and households that tend to have low incomes, such as persons with disabilities, seniors on fixed incomes, and single-parent households, are also disproportionately impacted by high housing costs in Davis.</p>	<p>Goal 4: Address City policies and practices that constrain the City's ability to provide housing for households at all income levels and for households with special housing needs.</p> <p><i>Programs 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.8</i></p>
		<p>Goal 5: Maintain and improve the conditions of Davis's housing stock.</p> <p><i>Programs 5.1, 5.2, 5.3 5.4</i></p>

Key Contributing Factors	Related Fair Housing Issues	Key Goals and Actions
<p>Limited historical growth in the local housing stock, coupled with ongoing demand growth from within the City of Davis and from UC Davis students, has resulted a severely constrained housing market with limited housing supply.</p>	<p>In part, the City’s constrained housing supply leads to fair housing issues because it contributes to high housing costs in the Davis, as well as fair housing issues that result from high housing costs, as discussed above in this table.</p> <p>In addition, the constrained housing supply in Davis, coupled with the high cost of housing, contributes to patterns of segregation and disparities in access to opportunity. Some areas of Davis have concentrations of various racial and ethnic groups, including one racially and ethnically concentrated area of poverty, though Davis generally has low levels of segregation and offers high access to opportunity citywide, including in areas with large non-White and/or lower-income populations. However, the constrained housing supply, coupled with high housing costs, makes it more difficult for lower-income households to find housing in Davis, which is primary factor that has led Davis to be less racially and ethnically diverse than the region. Because Davis provides higher access to opportunity but lower levels of diversity than the region overall, barriers to securing housing in Davis also create disparities in access to opportunity at the regional level.</p>	<p>Goal 1: Provide an adequate supply of housing for people of all ages, incomes, lifestyles, and types of households, including households with special housing needs.</p> <p><i>Programs 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.11, 1.12, 1.13, 1.14, 1.15, 1.16, 1.17, 1.18, 1.19</i></p> <p>Goal 2: Provide housing that is affordable for lower-income households.</p> <p><i>Programs 2.1, 2.2, 2.4, 2.5, 2.6, 2.7, 2.8, 2.10, 2.12, 2.13, 2.14, 2.15, 2.17, 2.18, 2.19, 2.21, 2.22, 2.23</i></p> <p>Goal 3: Affirmatively further fair housing and protect existing residents from displacement.</p> <p><i>Programs 3.1, 3.2, 3.3, 3.6, 3.7</i></p> <p>Goal 4: Address City policies and practices that constrain the City’s ability to provide housing for households at all income levels and for households with special housing needs.</p> <p><i>Programs 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8</i></p>

Key Contributing Factors	Related Fair Housing Issues	Key Goals and Actions
<p>There is a shortage of affordable and accessible housing for residents with disabilities as well as a lack of access to supportive services and a spectrum of housing options to enable individuals with disabilities, especially those with mental illness, to achieve and maintain stable long-term housing. Much of the naturally occurring affordable housing is older and is therefore less accessible, or not accessible, to persons with disabilities.</p>	<p>Access to affordable and accessible housing is key to ensuring access to fair housing for persons with disabilities. This includes accessible housing for seniors, who comprise a significant share of the population in Davis with one or more disabilities. The 2020 AI indicates that there are not enough mobility and sensory accessible units in Davis that are affordable to people living on Social Security Insurance (SSI) and/or Social Security Disability Insurance (SSDI). There is also a lack of understanding among property owners and managers about what “accessible” means within the context of the Americans with Disabilities Act (ADA). Local fair housing service providers report that the most common fair housing complaints in Davis relate to discrimination on the basis of disability and property owners’ failure or reluctance to make reasonable accommodations for persons with disabilities.</p> <p>However, Davis features innovative housing models that are less available or unavailable elsewhere in the region that provide important options for seniors, such as cooperative housing. Davis also has notably better transit accessibility, including for persons with disabilities, compared to the remainder of the region.</p>	<p>Goal 1: Provide an adequate supply of housing for people of all ages, incomes, lifestyles, and types of households, including households with special housing needs.</p> <p><i>Programs 1.9, 1.10, 1.11, 1.12, 1.14</i></p> <p>Goal 2: Provide housing that is affordable for lower-income households.</p> <p><i>Programs 2.2, 2.12, 2.14, 2.17, 2.18, 2.19, 2.20, 2.21, 2.22, 2.23</i></p> <p>Goal 3: Affirmatively further fair housing and protect existing residents from displacement.</p> <p><i>Programs 3.1, 3.2</i></p> <p>Goal 5: Maintain and improve the conditions of Davis’s housing stock.</p> <p><i>Programs 5.1, 5.2, 5.3, 5.4</i></p>
<p>The high cost of housing in Davis leads to a risk of displacement for many existing residents, particularly for lower-income households</p>	<p>As noted above, high housing costs in Davis have created a high housing cost burden for many Davis residents, particularly low-income renters, making households at risk of displacement. High housing cost burden, and the associated displacement risk, disproportionately impact non-White residents, residents with disabilities, and other residents with special needs that tend to have lower incomes. Households are also vulnerable to displacement to the extent that high housing costs and a strong real estate market create an incentive for property owners to convert deed-restricted affordable units to market rate, increase rents on market-rate rental properties and mobile home space rents, or convert mobile homes to other uses. Displacement due to these changes has a disparate impact on communities of color, seniors, people with disabilities, and other households that disproportionately rely on affordable units.</p>	<p>Goal 1: Provide an adequate supply of housing for people of all ages, incomes, lifestyles, and types of households, including households with special housing needs.</p> <p><i>Programs 1.10, 1.15</i></p> <p>Goal 2: Provide housing that is affordable for lower-income households.</p> <p><i>Programs 2.10, 2.12, 2.14</i></p> <p>Goal 3: Affirmatively further fair housing and protect existing residents from displacement.</p> <p><i>Programs 3.1, 3.2, 3.4, 3.5, 3.6, 3.7</i></p> <p>Goal 5: Maintain and improve the conditions of Davis’s housing stock.</p> <p><i>Programs 5.1, 5.2, 5.3, 5.4</i></p>

Housing and Special Needs Populations

California Government Code Section 65583 specifically requires an analysis of “any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter.” In addition, this Housing Element Update identifies single-person households; UC Davis student, faculty, and staff households; and families with single male heads of household as special needs populations. The following section provides an assessment of their general housing preferences and needs.

Elderly Households

Population Characteristics

According to the U.S. Census Bureau, there were an average of 7,482 people age 65 or over living in the City of Davis between 2014 and 2018. This represents an increase of 1,885 persons compared to 2010, a 34 percent increase. The Census Bureau also indicates, as reported in Table 45, that there were 4,843 households with a head of household who was age 65 years or over. Roughly 75 percent of those households (i.e., 3,618 households) owned their own homes, compared to 25 percent (1,225 households) who rented their homes. Compared to 2010, the number of households with an elderly householder increased by 32 percent among all households, including 34 percent among owner households and 27 percent among renter households. This makes the elderly one of the fastest growing demographic categories within the City of Davis.

Table 46 indicates that elderly headed households in Davis are notably less likely to experience moderate and severe cost burdens compared to the broader community. While 69.1 percent of all Davis households earning the median income or less were cost burdened (see Table 33 above) Table 46 indicates that 52.3 percent of elderly households were cost burdened. Elderly renter households with incomes up to 100 percent of AMI experience high housing cost burdens at a significantly lower rate than compared to the broader pool of households in the same income range. Table 33 indicates that 72.1 percent of renter households earning the median income or less were cost burdened, compared to 54.3 percent of elderly households as shown in Table 46. These trends are likely skewed by the high proportion of lower-income student renters with a high housing costs burden, rather than a particularly low rate of high housing cost burden among elderly renter households. Overall, the data shown in Table 46 indicate that, among elderly households in Davis with incomes up to 100 percent of AMI, more than one in two has a moderate or severe housing cost burden, whether the household rents or owns their home.

Table 45: Households by Age of Householder, 2010 and 2014-2018

Age Range	City of Davis				
	2010		2014-2018		% Change, 2010 to 2014-2018
	Number	Percent	Number	Percent	
Owner-Occupied	10,699	43.0%	10,781	43.8%	0.8%
15-24	109	0.4%	132	0.5%	21.1%
25-34	543	2.2%	541	2.2%	-0.4%
35-44	1,695	6.8%	1,478	6.0%	-12.8%
45-54	2,793	11.2%	2,230	9.1%	-20.2%
55-59	1,519	6.1%	1,343	5.5%	-11.6%
60-64	1,336	5.4%	1,439	5.9%	7.7%
65-74	1,502	6.0%	2,138	8.7%	42.3%
75-84	852	3.4%	1,081	4.4%	26.9%
85 years & older	350	1.4%	399	1.6%	14.0%
Renter-Occupied	14,174	57.0%	16,306	60.2%	15.5%
15-24	6,203	24.9%	8,153	30.1%	31.4%
25-34	3,525	14.2%	3,132	11.6%	-11.1%
35-44	1,693	6.8%	2,058	7.6%	21.6%
45-54	1,091	4.4%	1,083	4.0%	-0.7%
55-59	418	1.7%	354	1.3%	-15.3%
60-64	281	1.1%	301	1.1%	7.1%
65-74	361	1.5%	385	1.4%	6.6%
75-84	300	1.2%	488	1.8%	62.7%
85 years & older	302	1.2%	352	1.3%	16.6%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table H10; ACS 2018 five-year sample period, B25007; BAE, 2020.

Table 46: Housing Cost Burden by Tenure for Elderly Households with Incomes Below the Area Median, 2013-2017

Housing Cost Burden	Elderly Households with Incomes <= 100% HAMFI (a)					
	Renter Households		Owner Households		Total Households	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Minimal Cost Burden (b)	400	44.0%	615	49.2%	1,015	47.0%
Moderate Cost Burden (c)	270	29.7%	239	19.1%	509	23.6%
Severe Cost Burden (d)	224	24.6%	395	31.6%	619	28.7%
Zero/Negative Income	15	1.7%	0	0.0%	15	0.7%
Total Households (e)	905	100.0%	1,250	100.0%	2,155	100.0%

Notes:

(a) "HAMFI" is the HUD Area Median Family Income for Yolo County.

(b) Households with minimal housing cost burden spend up to 30 percent of their gross household income on housing expenses.

(c) Households with moderate housing cost burden spend more than 30 percent but less than or equal to 50 percent of their gross household income on housing expenses.

(d) Households with severe housing cost burden spend more than 50 percent of their gross household income on housing expenses.

(e) Totals do not equal the sum of individual figures due to independent rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Housing Preferences

While many elderly headed households, particularly those with greater wealth, are able to find housing products within the Davis market that meet their needs, other elderly households and particularly those with fewer resources may struggle to locate and secure adequate and affordable housing. Housing can be particularly difficult to secure when a household or elderly person require specific amenities that address the needs of older householders, such as accessibility improvements and certain locational amenities, such as proximity to a grocery store or healthcare services. Physical limitations resulting from the aging process can also lead to changing housing preferences and needs over time. For example, some elderly households are comfortable continuing to live in large single-family homes due to familiarity and low fixed housing costs, while others may seek to live in smaller housing units with fewer maintenance responsibilities. Downsizing to smaller accommodations can also help some elderly households free up assets that can be used to defray living expenses. Some elderly households may also exhibit preferences for homes without stairways or large yards. Elderly households often prefer locations with access to nearby amenities, such as grocery stores, drug stores, and healthcare facilities. Other housing needs for elderly households sometimes include assisted living arrangements that provide in-home care for persons no longer that are able to live independently. This can mean having a bedroom or second unit available within the home, or for the elderly person or household to move into an assisted living facility.

Single-Person Households

Population Characteristics

Single-person households are those that consist of one person who lives alone. According to Table 47, there were 5,967 single-person households in Davis on average between 2014 and 2018, which was almost unchanged from 2010. Of those, an estimated 37.7 percent were owner households and 62.3 percent were renter households.

Table 47: Household Size and Tenure, 2010 and 2014-2018

Household Size	City of Davis				
	2010		2014-2018		% Change, 2010 to 2014-2018
	Number	Percent	Number	Percent	
Owner-Occupied	10,699	43.0%	10,781	43.8%	0.8%
1-person Household	2,229	9.0%	2,251	9.2%	1.0%
2-person Household	3,843	15.5%	4,249	17.3%	10.6%
3-person Household	1,885	7.6%	1,749	7.1%	-7.2%
4-person Household	1,933	7.8%	1,803	7.3%	-6.7%
5-or-more-person Household	809	3.3%	729	3.0%	-9.9%
Renter-Occupied	14,174	57.0%	13,816	56.2%	-2.5%
1-person Household	3,723	15.0%	3,716	15.1%	-0.2%
2-person Household	4,398	17.7%	4,386	17.8%	-0.3%
3-person Household	2,640	10.6%	2,207	9.0%	-16.4%
4-person Household	2,167	8.7%	2,192	8.9%	1.2%
5-or-more-person Household	1,246	5.0%	1,315	5.3%	5.5%
Total Households	24,873	100.0%	24,597	100.0%	-1.1%

Sources: U.S. Census Bureau, 2010 Decennial Census, Table H16; American Community Survey, 2014-2018 five-year sample data, Table B25009; BAE, 2020.

Housing Preferences

Single-person households generally prefer or require smaller housing units. These single-earner households may face limited financial resources for housing costs, and as a result, could face higher housing cost burdens. As described under the Housing Costs and Affordability section, and detailed in Table 32, smaller apartments exhibit very low vacancy rates. The large number of UC Davis students contributes to the demand for such units. Similarly, the for-sale housing stock is largely dominated by larger multi-bedroom housing units, which often results in smaller households overconsuming housing (i.e., occupying housing units which are larger than needed) at a comparatively higher cost.

Large Family Households

Population Characteristics

A large family household consists of a head of household and four or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. According to the HUD CHAS data set, there was an average of 1,020 large family households in Davis between 2013 and 2017. Of those, 275 earned the median income or less. Among those lower-income large family households approximately 67.7 percent experienced excessive housing costs during the survey period, which is below the citywide average but is still likely a high proportion among non-student households. The data indicate that large family households who own their homes are significantly more likely than average to experience high housing cost burdens.

Housing Preferences

Large family households often require larger units to accommodate a larger number of family members without experiencing overcrowding. Families with sufficient incomes are generally able to find housing that meets their particular needs in the Davis market, recognizing that most for-sale properties in Davis are larger units with multiple bedrooms. However, large family households with more limited financial means often struggle to locate and secure adequate rental housing due to the small number of larger rental units, or are in a position to overpay for housing due to the need to secure a for-sale home that is large enough to suit their needs, often at significant expense. Several apartment communities in Davis do offer three- and four-bedroom affordable units, though more recently developed properties that have larger units are student oriented and often lease apartments by the bed rather than on a per-unit basis, and therefore are unsuitable for large families. The availability of duplexes and single-family homes for rent is not analyzed in this report, yet these properties offer another housing option for this special needs group in Davis. This latter housing option is also attractive to groups of university students, which can impact the rent amount and make such housing more difficult to obtain for large families.

Table 48: Housing Cost Burden by Tenure for Large Family Households with Incomes Below the Area Median, 2013-2017

Housing Cost Burden	Large Family Households with Incomes <= 100% HAMFI (a) (b)					
	Renter Households		Owner Households		Total Households	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Minimal Cost Burden (c)	80	36.5%	10	16.7%	90	32.3%
Moderate Cost Burden (d)	75	34.2%	25	41.7%	100	35.8%
Severe Cost Burden (e)	64	29.2%	25	41.7%	89	31.9%
Total Households (f)	220	100.0%	55	100.0%	275	100.0%

Notes:

- (a) HUD defines large family households as households with five or more individuals, at least two of whom are related.
- (b) "HAMFI" is the HUD Area Median Family Income for Yolo County.
- (c) Households with minimal housing cost burden spend up to 30 percent of their gross household income on housing expenses.
- (d) Households with moderate housing cost burden spend more than 30 percent but less than or equal to 50 percent of their gross household income on housing expenses.
- (e) Households with severe housing cost burden spend more than 50 percent of their gross household income on housing expenses.
- (f) Totals do not equal the sum of individual figures due to independent rounding.

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2020.

Student, Faculty, and Staff Households

Population Characteristics

Table 49 reports data originally published as part of the 2017 Davis State of the City report regarding the proportion of the UC Davis student body that resides on campus versus within the City of Davis. Based on figures from the UC Davis Office of Resource Management and Planning, there were 33,825 students enrolled with UC Davis during the 2016-2017 academic year. UC Davis estimated based on a survey of student resident locations that just over 2,700 enrolled students lived outside of the Davis area, with nearly 9,820 students living in on-campus housing, which left a total of roughly 21,300 UC Davis students living within the City of Davis, or around 63 percent of the student body. Assuming an average of 2.6 students per student household, based on data collected by UC Davis Student Housing, the table estimates that there were 8,193 student households in Davis during the 2016-2017 academic year. In addition, the table indicates that of the 12,365 faculty and staff that are employed by UC Davis, approximately 50 percent, or 6,183 persons lived in the City of Davis. Assuming 1.91 workers per household results in an estimated 3,242 faculty and staff households in Davis.

In September 2018, UC Davis, the City of Davis, and Yolo County reached an agreement regarding the growth assumptions and policies that have since become the basis for adoption

of the UC Davis Long Range Development Plan.¹² In a memorandum of understanding (MOU), UC Davis has committed to accommodating 100 percent of new enrollment growth in on-campus housing, with the anticipated addition of at least 15,000 new beds by fall 2023, including 10,500 beds by fall 2019 and 12,500 beds by fall 2021.¹³ UC Davis is in the process of delivering on these promises with buildout of the West Village area, with significant deliveries of new student oriented housing units in 2019, 2020, and planned for 2021.

Table 49: UC Davis Off-Campus Households, 2016-2017

Campus Population Category	Number
Students	
Student Population (a)	33,825
Less Students Living Outside the Davis Area (b)	-2,706
Less Students Housed On-Campus	-9,818
UCD Students Living in the City of Davis	21,301
Subtotal, UCD Student Households in Davis (c)	8,193
Faculty and Staff	
Faculty and Staff (d)	12,365
Less Faculty and Staff Living Outside the Davis Area (e)	-6,183
UCD Faculty and Staff Living in the City of Davis	6,183
Subtotal UCD Faculty and Staff Households in Davis (f)	3,242
Total UC Davis Households in the City of Davis	11,435

Notes:

- (a) Annual average for students representing fall-winter-spring quarter averages (or in the case of law students, fall-spring semester averages).
- (b) Approximately 92 percent of UC Davis students live in the Davis area, including the UC Davis Campus, according to City of Davis State of the City 2017 report.
- (c) Assumes 2.6 students per student household, according to City of Davis State of the City 2017 report.
- (d) Does not include student employees.
- (e) Approximately 50 percent of UCD faculty and staff households live in the City of Davis, according to City of Davis State of the City 2017 report.
- (f) Assumes 1.91 faculty and staff per household

Sources: UC Davis Office of Campus Planning, Long Range Development Plan Final Environmental Impact Report, 2018; City of Davis, UC Davis, Yolo County, Joint Annual Housing Report, 2019; City of Davis, State of the City, 2017; U.S. Census Bureau, American Community Survey, 2017 one-year sample period, B08202 and S2403; BAE, 2020.

Housing Preferences

Student households tend to seek out rental housing, as few have the incomes and accumulated savings needed to afford to purchase a home. This preference is a primary

¹² Available at: <https://campusplanning.ucdavis.edu/campus-planning/2018-ucdavis-lrddp>

¹³ UC Davis Staff. (September 25, 2018). *City of Davis, Yolo County and UC Davis Agree to Memorandum of Understanding on Partnership and Growth*. Available at: <https://www.ucdavis.edu/news/city-davis-yolo-county-and-uc-davis-agree-memorandum-understanding-partnership-and-growth/>

driver of rental housing demand in Davis, with consistent demand growth resulting from incremental increases in university enrollment, coupled with limited deliveries of new rental housing, resulting in extremely low levels of vacancy in the Davis rental market. For example, the annual UC Davis Student Housing sponsored Apartment Vacancy and Rental Rate Survey has consistently identified average vacancy rates of one percent or less for the last six years in a row, with vacancy increasing during the 2020 leasing season only in response to the Coronavirus pandemic and resulting remote learning policies. With the return of in-person classes in the fall of 2021, the typically low vacancy levels are expected to return.

It is generally quite difficult to assess the real value of student household incomes, recognizing that many students have little earned income and receive financial support in the form of student loans, grants and scholarships, and familial support. Also, many students do not have the same financial burdens as non-student households. For example, many students are covered under their parent's health insurance, meaning that they do not have to pay for coverage out of pocket. They also typically do not have to pay down student loan debt while enrolled in educational programs, and generally have lower costs overall compared to other households. However, many students that participated in the community engagement process for the Housing Element Update indicated that housing affordability is a key concern among this population, with many struggling to afford housing along with meeting other basic needs and some becoming homeless.

Beyond a desire for locations within a short commute to the UC Davis campus, faculty and staff households typically exhibit housing preferences similar to the general workforce population. The only dedicated faculty and staff housing in the Davis area is located in the West Village area of the UC Davis Campus, and includes the Aggie Village development. Located adjacent to both the university campus and downtown Davis, Aggie Village offers 21 single-family and 16 duplex units for faculty and staff households. Appreciation on Aggie Village ownership units is capped using either the faculty salary index or the Consumer Price Index, whichever is greater. Additional rental housing for faculty and staff is available throughout the West Village development, including in the Sol at West Village project. The university also offers a home loan program to help recruit and retain faculty and managers.

Single Female- and Male-Headed Households with Children

Population Characteristics

Single female- or male-headed households are family households with a female or male head of household and no spouse, and at least one member of the household who is under the age of 18. Table 50 estimates the number of single-parent households in 2006-2010 and 2014-2018 for both the City of Davis and the Sacramento MSA. According to this data, there were just over 1,200 households living in Davis who fit this description, or approximately five percent of households citywide. The number remained more or less the same across both time periods. Single-parent households in Davis are 78 percent female headed and 22

percent male headed. Single female-headed households were approximately twice as likely to rent than to own their homes, while single male-headed household were approximately evenly split between renters and homeowners.

Table 50: Households with Single Heads of Household and Children, 2006-2010 and 2014-2018

Single Householders with Children by Tenure	2006-2010		2014-2018		% Change, 2006-10 to 2014-18
	Number	Percent	Number	Percent	
City of Davis					
Owner-Occupied	496	2.0%	467	1.9%	-5.8%
Male Householder (a)	149	0.6%	136	0.6%	-8.7%
Female Householder (b)	347	1.4%	331	1.3%	-4.6%
Renter-Occupied	734	3.0%	750	3.0%	2.2%
Male Householder (a)	200	0.8%	131	0.5%	-34.5%
Female Householder (b)	534	2.2%	619	2.5%	15.9%
Total Households with Single Householder with Children	1,230	5.1%	1,217	4.9%	-1.1%
Total Households	24,196	100.0%	24,597	100.0%	1.7%
Sacramento MSA					
Owner-Occupied	27,165	3.5%	22,182	2.7%	-18.3%
Male Householder (a)	8,746	1.1%	8,468	1.0%	-3.2%
Female Householder (b)	18,419	2.4%	13,714	1.7%	-25.5%
Renter-Occupied	50,745	6.5%	50,502	6.2%	-0.5%
Male Householder (a)	11,406	1.5%	12,623	1.5%	10.7%
Female Householder (b)	39,339	5.1%	37,879	4.6%	-3.7%
Total Households with Single Householder with Children	77,910	10.0%	72,684	8.9%	-6.7%
Total Households	775,432	100.0%	819,372	100.0%	5.7%

Notes:

(a) Family household with male head of household, no spouse present, and one or more household members under the age of 18.

(b) Family household with female head of household, no spouse present, and one or more household members under the age of 18.

Sources: U.S. Census Bureau, American Community Survey, 2006-2010 five-year and 2014-2018 five-year sample data, B25115; BAE, 2020.

Housing Preferences

The data above indicate that while single-parent households are predominantly renters, single-female headed family households are twice as likely to rent compared to male-headed households. Single-parent households tend to experience higher housing cost burdens due to having only one adult income earner, coupled with greater child care needs. As a result, these households may exhibit higher demand for affordable housing options relative to the general

population. Ideally, their housing would provide a minimum of two bedrooms in order to provide separate spaces for parents and children. While no affordable apartment communities exclusively target single-parent households currently, many do offer two or more bedroom units. While this special needs population only constitutes five percent of all Davis households, the lower share as compared to the CMSA may stem from a lack of affordable options that meet the specific needs of this population.

People with Disabilities

Population Characteristics

California Housing Element law defines a disability to include “any physical or mental disability as defined in Government Code Section 12955.3,” which in turn refers to the definitions established in California Government Code Section 12926. Table 51 shows that during the 2014 and 2018 ACS data collection period, 6.5 percent of Davis residents age five years and older had one or more disabilities, a substantially lower proportion than in MSA as a whole (11.7 percent). The lower proportion of residents with disabilities in Davis may be due in part to the City’s high housing costs, as some adults with disabilities are unable to work or limited in their ability to work. As shown in Table 52, over half (53 percent) of all Davis residents age 18 to 64 with one or more disabilities is not in the labor force. This proportion is higher in the MSA overall, where 61 percent of the population with disabilities in this age range is not in the labor force.

The data indicate that Davis residents age 65 or over are more likely than residents in other age groups to have at least one disability, with ambulatory and hearing difficulties being the most common. Among persons of all ages in Davis with at least one disability, the most common disability types include ambulatory difficulty, cognitive difficulty, and hearing difficulty, with vision difficulty and self-care difficulty occurring much less often.

Housing Preferences

Due to the wide variation in disability types, and the deeply personal and unique nature of disabilities and associated adaptations, housing preferences and needs for persons with disabilities varies widely. Overall, households that include persons with disabilities disproportionately fall in the lower-income brackets and have higher housing cost burdens. In some cases, individuals with disabilities may incur costs associated with their disability, such as medical treatment of equipment to accommodate a disability, making it essential that the cost of housing leaves sufficient income for other needs. As a result, households that include persons with disabilities often have an acute need for affordable housing options. In addition, some persons with disabilities require additional services such as live-in care, social services, job training programs, or counseling to help them achieve independent living.

While specific figures are unavailable regarding the number of accessible housing units in Davis, at a minimum the City enforces Federal and State regulations such as the Fair Housing

Amendments Act of 1988 and the American with Disabilities Act (ADA). The City of Davis has also adopted a visit-ability policy that established a target that all new single-family residential units meet certain accessibility standards. Specifically, market rate and middle-income units must be visit-able, and affordable low- and moderate-income units must be first-floor accessible. The policy is geared toward requiring housing types that can accommodate persons with disabilities and promote aging in place. The new accessibility requirements apply to all new major single-family housing projects and even higher standards will be placed on affordable housing projects receiving City land or financial assistance.

Table 51: Civilian Non-Institutionalized Population with Disabilities, 2014-2018

Age Range and Disability Type	City of Davis		Sacramento MSA	
	Number	Percent	Number	Percent
Age Under 18 (a)	226	0.3%	18,457	0.8%
With a hearing difficulty	23	0.0%	2,788	0.1%
With a vision difficulty	51	0.1%	3,074	0.1%
With a cognitive difficulty	130	0.2%	12,812	0.6%
With an ambulatory difficulty	16	0.0%	1,765	0.1%
With a self-care difficulty	19	0.0%	3,886	0.2%
Age 18-34 (a)	892	1.3%	31,193	1.4%
With a hearing difficulty	120	0.2%	3,774	0.2%
With a vision difficulty	180	0.3%	5,333	0.2%
With a cognitive difficulty	616	0.9%	20,240	0.9%
With an ambulatory difficulty	97	0.1%	6,934	0.3%
With a self-care difficulty	120	0.2%	5,368	0.2%
With an independent living difficulty	264	0.4%	13,755	0.6%
Age 35-64 (a)	1,044	1.5%	100,502	4.4%
With a hearing difficulty	302	0.4%	20,979	0.9%
With a vision difficulty	80	0.1%	16,642	0.7%
With a cognitive difficulty	472	0.7%	38,791	1.7%
With an ambulatory difficulty	486	0.7%	52,744	2.3%
With a self-care difficulty	195	0.3%	19,315	0.9%
With an independent living difficulty	380	0.6%	37,292	1.6%
Age 65 and Over (a)	2,274	3.4%	116,260	5.1%
With a hearing difficulty	1,177	1.7%	48,736	2.1%
With a vision difficulty	292	0.4%	19,187	0.8%
With a cognitive difficulty	544	0.8%	32,469	1.4%
With an ambulatory difficulty	1,302	1.9%	72,027	3.2%
With a self-care difficulty	461	0.7%	30,365	1.3%
With an independent living difficulty	940	1.4%	54,815	2.4%
Total Disabled Population	4,436	6.5%	266,412	11.7%
Total Non-Institutionalized Population	67,743	100.0%	2,271,763	100.0%

Note:

(a) Disability types in each age cohort may not sum to the total of each corresponding age cohort as one person may have multiple disability types.

Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data, Table S1810; BAE, 2020.

Table 52: Persons with Disabilities by Labor Force and Employment Status, 2014-2018

Labor Force and Employment Status	City of Davis		Sacramento MSA	
	Number	Percent	Number	Percent
In Labor Force	914	47.2%	51,382	39.0%
Employed	795	41.1%	43,551	33.1%
Unemployed	119	6.1%	7,831	5.9%
Not in Labor Force	1,022	52.8%	80,313	61.0%
Total Population with Disabilities, Age 18-64	1,936	100.0%	131,695	100.0%
Total Non-Institutionalized Population, Age 18-64	50,099		1,409,354	

Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample period, Table C18120; BAE, 2020.

Consistent with California Building Code requirements, apartment complexes and high-density residential projects must include a percentage of accessible units. There are also affordable housing complexes that specifically aim to accommodate persons with disabilities by providing fully accessible units throughout the complex, such as the recently completed Creekside Apartments. In addition, a few communities specifically assist residents or households with mental or developmental disabilities. The large differential in the share of Davis’s population with disabilities as compared to the MSA suggests a possible need for more affordable housing geared toward the needs of this population in Davis.

Persons with Development Disabilities

Population Characteristics

Senate Bill (SB) 812 requires discussion of the needs of individuals with developmental disabilities. A developmental disability, as defined in Section 4512 of the Welfare and Institutions Code, is a disability that originates before an individual is 18 years old, which can be expected to continue indefinitely, and constitutes a substantial disability for the individual, including mental retardation, cerebral palsy, epilepsy, and autism. This includes disabling conditions closely related to mental retardation, or requiring treatment similar to that required for individuals with mental retardation, but does not include other handicapping conditions that are entirely physical in nature.¹⁴ Table 51 indicates that there were 266 persons with disabilities in Davis between 2014 and 2018 who were under the age of 18. The Census does not publish estimates of the number of persons with developmental disabilities specifically.

Many developmentally disabled persons can live and work independently in a conventional housing environment; although, more severely disabled individuals may require supportive

¹⁴ The City recognizes that the above section quotes statutory language that includes use of the term “mental retardation”, but wishes to express the City’s preference to use the term “intellectual disability” instead.

services, potentially in a group living environment. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are available. Because developmental disabilities appear during childhood, the first issue in supportive housing for persons with developmental disabilities is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The California Department of Developmental Services provides community-based services to individuals with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The City of Davis is serviced by the Alta California Regional Center in Sacramento, which provides a point of entry to services for people with developmental disabilities. The center is a private nonprofit community agency that contracts with local businesses to offer a wide range of services. As of year-end 2019, the Alta California Regional Center provided services to 25,000 people across ten counties.

Housing Preferences

The type of housing that is suitable for persons with development disabilities varies substantially based on the nature and extent of the disability. Because households that include people with developmental disabilities are disproportionately lower income, many persons with developmental disabilities need affordable housing options, such as affordable rental developments, inclusionary units, or Section 8 housing choice vouchers. Some individuals with developmental disabilities may be best served in housing with supportive services that can help them live independently or with licensed care. Design of accessibility modifications, proximity to services and transit, availability of group living opportunities, and affordability are some common considerations that are important for serving this need group. Incorporating “barrier-free” design in all new multi-family housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for residents with disabilities.

Farmworker Households

Population Characteristics

According to data from the USDA Census of Agriculture, Yolo County farm employment has decreased in recent years, with a significant decrease in seasonal farmworkers and essentially no change in the number of permanent farmworkers. As of 2017, there were a total of 4,506 farmworkers employed in Yolo County, a 13-percent reduction since 2012. While the number of permanent farmworkers grew by a minimal 0.7 percent during this period, the number of seasonal farmworkers decreased by 26 percent. This is consistent with broader trends in many communities, in which permanent workers have comprised a growing share of farmworker labor. The number of farmworkers employed in the Sacramento MSA also decreased between 2012 and 2017, though the percentage decrease (four percent) was lower than in Yolo County. Like Yolo County, the decrease in farmworker employment in the

broader MSA was attributable entirely to a decrease in seasonal farmworkers, which decreased by 12 percent while the number of permanent farmworkers in the MSA increased by eight percent.

While data detailing the number of farmworkers living in Davis is unavailable, an estimate can be approximated using the USDA 2017 estimates. Using the proportion of the population that the City of Davis represents within the MSA, 2.9 percent or 131 of these total estimated farmworkers may have resided in Davis in 2017. As shown in Table 16 above, an estimated 268 Davis residents work in the agriculture, forestry, fishing, and hunting industry. Workers included in this industry classification include workers in non-agricultural industries (i.e., forestry, fishing and hunting) as well as workers with jobs in agriculture that are not farmworkers specifically. This suggests that an estimate of 131 farmworkers living in Davis may generally provide a good indication of the size of Davis’ farmworker population.

Primary information from organizations serving this population illuminates some demographic trends. Currently, two migrant centers operate in Yolo County, offering seasonal housing to farmworker families. All centers are occupied, although the Davis Center had difficulties in the past due to exclusion of cannery workers. That was corrected when the federal definition of farmworker was amended through the last Farm Bill. Applicants must provide tax returns from the prior year that prove minimum earnings from agricultural work in the prior year.

Table 53: Farmworker Employment, 2012 & 2017

Farmworkers (a)	2012	2017	% Change
Yolo County	5,155	4,506	-12.6%
Permanent Workers (b)	2,581	2,600	0.7%
Seasonal Workers (c)	2,574	1,906	-26.0%
Sacramento MSA	12,689	12,182	-4.0%
Permanent Workers (b)	5,087	5,484	7.8%
Seasonal Workers (c)	7,602	6,698	-11.9%

Notes:

(a) Data are for total hired farm workers and includes paid family members. Data exclude contract laborers.

(b) Permanent workers are defined as workers employed 150 days or more.

(c) Seasonal workers are defined as those employed less than 150 days.

Sources: USDA Census of Agriculture, 2012 & 2017, Table 7; BAE, 2021.

Housing Preferences

Farmworkers tend to earn relatively low wages and therefore often need affordable housing. While farmworker housing has traditionally included temporary accommodations that provide beds in group living quarters, previous Housing Elements for the City have pointed to a demand for permanent housing in Davis by farmworkers and their families. This is consistent

with trends in many communities with large agricultural industries, in which farmworkers are increasingly establishing permanent homes that are suitable for themselves and their families in these communities, with a decrease in migrant workers that tend to live alone while traveling for work. As a result, farmworkers often seek out the same type of affordable housing as other lower-income households in these communities, including a preference for housing that is close to schools and other amenities in more urban areas.

Nonetheless, there is likely continued demand for affordable housing for single farmworkers without families as well as housing for migrant farmworker housing. As noted above, the two migrant housing centers in Yolo County are occupied, indicating demand for this housing type. Single migrant farmworkers without families are not eligible for these migrant housing centers, and therefore there is likely a need for farmworker housing to address housing needs among this group.

Persons Experiencing Homelessness

Population Characteristics

According to the 2019 Point-in-Time Count conducted by the Yolo County Homeless and Poverty Action Coalition, there were 190 homeless individuals living in Davis in 2019, including 114 unsheltered persons and 76 sheltered persons. The overall homeless rate in Davis is comparable to the countywide average at 21.4 persons per 10,000 residents and is lower than in West Sacramento and Woodland, which had rates of 32.8 and 22.8, respectively. The data indicate that overall homelessness in Yolo County increased by 42.7 percent between 2017 and 2019, while the number homeless individuals living in Davis increased by 30.1 percent. An estimated 13 percent of homeless individuals countywide were children under the age of 18. The data indicate that roughly one-third of homeless persons in Yolo County are females, with roughly one percent of homeless persons being pregnant at the time the survey was completed. An estimated five percent of homeless persons in the County were veterans and 18 percent were homeless as a result of having fled from domestic violence. Adults with physical illnesses or disabilities comprised 17 percent of the homeless population in Davis and 22 percent of the homeless population countywide, indicating that people with disabilities are disproportionately impacted by homelessness.

The data also show disproportionate impacts of homelessness among various race and ethnicity groups. As shown in Table 57, 62 percent of the homeless population in Davis and 69 percent of the homeless population in Yolo County is White. These proportions are approximately equivalent to the share of the City and County populations that are White. In both Davis and Yolo County overall, the share of the homeless population that is Black or African American, American Indian or Alaska Native, or Hawaiian or Pacific Islander is higher than the share that each of these races comprise in the population as a whole. In Davis, the homeless population also includes a disproportionately large share of persons of two or more races. In both the City and County, the homeless population includes a disproportionately

small share of persons of Asian descent. The homeless population in Davis also includes a disproportionately large share of persons of Hispanic or Latino ethnicity, while the homeless population in Yolo County overall is relatively similar to the County’s population in terms of the proportion of persons of Hispanic or Latino ethnicity. These data indicate that the Black and African American, American Indian and Alaska Native, Hawaiian and Pacific Islander, and Hispanic and Latino populations in Davis are disproportionately impacted by homelessness, as is the population of two or more races.

While this point-in-time count data provide some estimates of the size and scope of the homeless population in Davis and Yolo County, these figures likely underestimate the current need from persons at risk of homelessness, as many persons and families struggling with or at risk of homelessness are often in and out of shelters and/or jumping between short-term housing situations, such as living with relatives or friends, or “couch surfing.” According to the homeless count methodology used for the Yolo County Point-in-Time Count, a person is considered homeless only when they are observed living in places not meant for human habitation (e.g., a garage or tent), living in emergency shelter, or living in transitional housing for the homeless.

Table 54: Summary of the 2019 Point-in-Time Homeless Count, 2017 and 2019 Count by Location

Location	2017	2019	% Change
Davis	146	190	30.1%
West Sacramento	174	192	10.3%
Woodland	131	238	81.7%
Winters and Rural	8	35	337.5%
County Total	459	655	42.7%

Sources: Yolo County Homeless Point in Time Count, 2019; BAE, 2021.

Table 55: Summary of the 2019 Point-in-Time Homeless Count, Selected Population Characteristics

	Davis		Yolo County Total	
	Number	Percent of Total	Number	Percent of Total
Female	62	32.6%	225	34.4%
Male	120	63.2%	407	62.1%
Gender Nonconforming	1	0.5%	1	0.2%
Gender Unknown	7	3.7%	22	3.4%
Veterans	10	5.3%	35	5.3%
Adults with Developmental Disabilities	12	6.3%	67	10.2%
Adults with Physical Illnesses or Disabilities	33	17.4%	146	22.3%
Adults Formerly in Foster Care	31	16.3%	156	23.8%
Victims of Domestic Violence - Ever Experienced	31	16.3%	160	24.4%
Victims of Domestic Violence - Homeless Because Fleeing	26	13.7%	118	18.0%
Total Homeless Population	190	100.0%	655	100.0%

Sources: Yolo County Homeless Point in Time Count, 2019; BAE, 2021.

Table 56: Summary of the 2019 Point-in-Time Homeless Count, Sheltered and Unsheltered Count by Age

Age	Davis		Rest of Yolo County		Yolo County Total	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total
Sheltered						
Children (under 18)	23	30.3%	63	34.6%	86	33.3%
Young Adults (18-24)	4	5.3%	27	14.8%	31	12.0%
Adults (25-54)	33	43.4%	63	34.6%	96	37.2%
Older Adults (55+)	15	19.7%	27	14.8%	42	16.3%
Unknown	1	1.3%	2	1.1%	3	1.2%
Total Sheltered	76	100.0%	182	100.0%	258	100.0%
Unsheltered						
Children (under 18)	0	0.0%	0	0.0%	0	0.0%
Young Adults (18-24)	4	3.5%	11	3.9%	15	3.8%
Adults (25-54)	67	58.8%	180	63.6%	247	62.2%
Older Adults (55+)	31	27.2%	59	20.8%	90	22.7%
Unknown	12	10.5%	33	11.7%	45	11.3%
Total Unsheltered	114	100.0%	283	100.0%	397	100.0%
Total Homeless Population						
Children (under 18)	23	12.1%	63	13.5%	86	13.1%
Young Adults (18-24)	8	4.2%	38	8.2%	46	7.0%
Adults (25-54)	100	52.6%	243	52.3%	343	52.4%
Older Adults (55+)	46	24.2%	86	18.5%	132	20.2%
Unknown	13	6.8%	35	7.5%	48	7.3%
Total Homeless Population	190	100.0%	465	100.0%	655	100.0%

Sources: Yolo County Homeless Point in Time Count, 2019; BAE, 2021.

Table 57: Summary of the 2019 Point-in-Time Homeless Count by Race and Ethnicity

	# Homeless	% of Homeless Population (a)	Percent of Total Population (b)
City of Davis			
African American	17	12.8%	2.3%
Asian	9	6.8%	22.2%
American Indian/Alaska Native	7	5.3%	0.2%
Hawaiian/Pacific Islander	2	1.5%	0.2%
Multiple Races	15	11.3%	6.8%
White	83	62.4%	64.4%
Unknown	57	N/A	N/A
Total with Known Race	133		
Hispanic/Latino			
Hispanic/Latino	32	24.8%	13.9%
Non-Hispanic/Non-Latino	97	75.2%	86.1%
Unknown	61	N/A	N/A
Total with Known Ethnicity	129		
Yolo County			
African American	93	18.4%	2.7%
Asian	10	2.0%	13.8%
American Indian/Alaska Native	16	3.2%	0.6%
Hawaiian/Pacific Islander	12	2.4%	0.5%
Multiple Races	25	5.0%	6.4%
White	349	69.1%	67.8%
Unknown	150	N/A	
Total with Known Race	505		
Hispanic/Latino			
Hispanic/Latino	146	31.4%	31.5%
Non-Hispanic/Non-Latino	319	68.6%	68.5%
Unknown	190	N/A	N/A
Total with Known Ethnicity	465		

Notes:

(a) Percent of homeless population calculated based on the total population for whom the Point-in-Time Count reported race or ethnicity data (i.e., race or ethnicity was not "unknown").

(b) The percent of total City and County population data are not directly comparable to the percent of homeless population data because the ACS data used for the total population includes a "Some other race" category, which is not included in the categories shown in the Point-in-Time Count. In addition, the Point-in-Time Count includes an "Unknown" category, which is not included in the ACS data. Total population proportions differ from the figures shown in Table 13 due to differences in the presentation of race by Hispanic/Latino ethnicity.

Sources: Yolo County Homeless Point in Time Count, 2019; ACS, 2014-2018; BAE, 2021.

Housing Preferences

The circumstances surrounding homelessness vary widely by household, but often include economic hardship, alcohol or substance abuse, mental illness, and domestic violence, among other potential contributing factors. Housing preferences naturally differ depending on cause and the unique needs of the persons involved. Individuals with substance abuse problems may be averse to rules and regulations that often accompany some transitional housing options. Persons and families escaping domestic violence may seek more confidential transitional housing.

Similarly, the type of services demanded by each homeless subpopulation varies. There are several organizations currently offering transitional housing to the homeless population in Davis. Davis Community Meals operates a homeless shelter for men and women and transitional housing for families, as well as a resource center and day shelter between 8:00 am and 4:00 pm. The Sexual Assault and Domestic Violence Center also provides emergency shelter and transitional housing services to adults and children escaping domestic violence. In addition, the City recently approved development of Paul's Place, which will provide a resource center, a congregate facility with ten single residence bedrooms, as well as 18 micro-apartments that will be 300 square feet each. HEART of Davis (formerly known as the Interfaith Rotating Winter Shelter, or IRWS) was previously responsible for running the Davis Emergency Shelter Program (DESP), which provided cold weather shelter from November through March; however, that program ended on July 31, 2021, and there are currently no plans to restart this program. Instead, HEART began operations of a new Bridge program on August 1, 2021. This new program is a rapid rehousing program operating with 20 apartments and housing around 25 to 34 participants. This program is currently scheduled to end on July 31, 2022. While all of these organizations and facilities are able to provide shelter and services within the City, some connect to a larger regional network of organizations serving the homeless population throughout Yolo County.

A couple of developments in Davis provide permanent housing options for some of the subgroups at risk of experiencing homelessness, including fixed-income seniors, persons with physical or mental disabilities, and persons with substance abuse problems. The Homestead Cooperative is operated by the Yolo Community Care Continuum for individuals with mental illness. Nearly 20 of the one-bedroom units at Cesar Chavez Plaza are set aside for extremely low-income households with special needs, such as alcohol recovery and mental illness, and the 21 units at Eleanor Roosevelt Circle are targeted for extremely low-income seniors with physical or mental disabilities or substance abuse problems.

Yolo County and the cities of Davis, West Sacramento, Winters, and Woodland have maintained a countywide coalition on homelessness for nearly two decades and are cooperative supporters of the *Yolo County Plan to Address Homelessness*.¹⁵

¹⁵ Available at: <https://www.yolocounty.org/home/showpublisheddocument?id=58675>

RESIDENTIAL SITE INVENTORY AND LOCAL RESOURCES

Regional Housing Needs Allocation

The California Department of Housing and Community Development (HCD) determines state-wide projected housing needs and allocates new housing unit target numbers to regional councils of government (COGs). State law (California Government Code Section 65584) provides for COGs to then prepare and adopt plans that assign a “fair share” of the region’s housing construction need to each city and county. The Sacramento Area Council of Governments (SACOG) is the COG that determines fair-share portions of state allocations for the City of Davis. These allocations are contained in SACOG’s Regional Housing Needs Plan (RHNP).

The RHNP provides minimum fair share allocation targets, or basic housing construction needs, called the Regional Housing Needs Allocation (RHNA). The RHNA is divided into four income categories of housing affordability (i.e., very low, low, moderate, and above moderate). Cities and counties must prepare housing elements showing how they plan to accommodate their RHNA on available land that is appropriately zoned for residential development affordable to all income categories. While the City of Davis is obligated to ensure adequate land is zoned for housing, the City is not obligated to build any of the units or finance the construction.

The City of Davis was given a total RHNA of 2,075 dwelling units for the sixth cycle RHNA projection period, which starts on June 30, 2021 and ends on August 31, 2029. Table 58 shows the City’s sixth cycle RHNA.

Table 58: City of Davis RHNA (June 30, 2021 – August 31, 2029)

Income Category	Dwelling Units	Percent of Total
Very Low	580	28%
Low	350	17%
Moderate	340	16%
Above Moderate	805	39%
Total	2,075	100%

Source: SACOG 2021-2029 Regional Housing Needs Plan, March 2020.

Residential Sites Inventory

State law requires the City of Davis to demonstrate that sufficient land is zoned to provide housing capacity that is adequate to meet the RHNA for each income level within the projection period of June 30, 2021 through August 31, 2029. The residential sites inventory section includes an assessment of sites that have a planned or approved residential project that is expected to be issued building permits within the RHNA projection period, vacant land suitable and available for residential development, and non-vacant underutilized land suitable and available for redevelopment. This section also includes a projection of the number of accessory dwelling units (ADUs) expected to be built during the projection period. Finally, this section concludes with an assessment of the City's ability to meet the RHNA and whether the sites inventory meets the State's goal to affirmatively furthering fair housing.

Methodology

The Housing Element must identify specific sites or parcels that are appropriate and available for residential development. Land suitable for residential development includes:

- vacant sites with zoning that allows for residential development; and
- nonvacant, underutilized sites with zoning that allows for residential development and are capable of being developed at a higher density or with greater intensity.

Relationship Between Density and Income Categories

Density can be a critical factor in the development of affordable lower-income housing. Higher density development can lower per-unit land cost and facilitate construction in an economy of scale. The following assumptions were used to determine the inventoried income categories according to the maximum allowed density for each site:

- **Lower-Income Sites.** State law (Government Code Section 65583.2(c)(3)) establishes a "default density standard" for lower-income sites of 30 units per acre. This is the density that is "deemed appropriate" in State law to accommodate the lower-income RHNA. Sites with land use designations that allow for development at 30 units per acre are considered suitable to accommodate the lower-income RHNA.
- **Moderate-Income Sites.** Sites with a land use designation/zoning district that allow for multi-family development but have a maximum allowable density below 30 units per acre are considered suitable to accommodate the moderate-income RHNA. This assumption is supported by trends in recent market rate multifamily development. For example, the Lincoln40 project, constructed in 2019, was within the Residential Medium High Density designation and consisted of non-deed restricted units affordable to moderate-income households.
- **Above Moderate-Income Sites.** Sites with a land use designation/zoning district that only allows for single-family housing and limited attached housing are considered suitable to accommodate the above moderate-income RHNA.

Table 59 shows how the sites included in the inventory are classified into income categories based on the allowable densities of the applicable General Plan or Specific Plan land use designation. While there are three designations that are considered appropriate for lower-income housing based on allowable density ranges, there are no vacant or underutilized sites designated Residential – High Density in the inventory. The only areas with available sites that allow up to 30 units per acre are within the Core Area Specific Plan. The Core Retail Stores designation and Core Retail with Offices designation both allow residential development. The Core Retail Stores designation only allows residential on upper floors as part of a vertical mixed-use development that includes ground floor retail. The Core Retail with Offices designation allows standalone residential. Residential development within both designations is subject to the Multifamily land use designation standards in the Specific Plan, which allow densities of up to 30 units per acre in the Core Area east of B Street and densities in the range of 10-15 units per acre in most other areas of the Core Area. Other density ranges apply to specific parcels, none of which are included in the Housing Element sites inventory.

Table 59: Relation of Density to Inventoried Income Levels

Land Use Designation	Allowed Uses	Gross Density (units per gross acre)	Income Category
City of Davis General Plan			
Residential - Low Density	A mix of all types of housing including single-family, mobile homes, and multifamily units	2.40 - 4.79	Above Moderate
Residential - Medium Density		4.80 - 11.20	Above Moderate
Residential - Medium High Density		11.21 - 19.99	Moderate
Residential - High Density		20.00 - 39.99	Lower
Residential - Very High Density		40.00 - 56.00	Lower
Core Area Specific Plan			
Core Retail Stores	Retail uses at ground floor level with professional and administrative offices and residential units encouraged for upper stories in this zone within the Core Area. Cultural and entertainment uses are also permitted at ground floor level.	10 to 15 units per gross acre, except in that portion of the Core Area east of B Street where the maximum density is 30 units per net acre. On west side of B Street between 2 nd and 4 th Streets densities of 22 - 24 units per net acre are allowed.	Lower or Moderate ¹
Core Retail with Offices	Mixed retail and office uses with retail uses dominant at ground floor level and offices encouraged as tenants for upper stories. Uses need not be mixed on individual parcels. Apartments and owner occupied condominiums and town homes may be included and are encouraged as tenants for upper stories. Single-family, two-family and duplexes may also be included.		

¹ Sites at least 0.5 acres in size where the Core Area Specific Plan allows 30 units per acre are inventoried as lower-income sites and sites where the zoning allows 10-15 units per acre or 22-24 units per acre are inventoried as moderate-income.

Source: City of Davis, 2021

Site Size

Per State law, sites smaller than half an acre or larger than 10 acres are not considered adequate to accommodate lower-income housing need unless it can be demonstrated that sites of equivalent size were successfully developed during the prior planning period or other evidence is provided that the site can be developed as lower-income housing.

The residential sites inventory does not identify any individual sites smaller than half an acre or larger than 10 acres in the lower-income category. Individual sites that are smaller than half an acre have been identified as appropriate to accommodate moderate-income or above moderate-income housing need. However, the inventory does identify one site made up of several parcels smaller than half an acre in the lower-income category. As described in further detail below, it is anticipated that the parcels would be consolidated and would be developed as one site. This is consistent with the proposed development in the Public Draft Downtown Davis Specific Plan, scheduled for adoption in late 2021.

The City has approved several lot consolidations within the last planning period to facilitate housing development. For example, the Lincoln 40 Apartments project, which includes affordable deed-restricted units, was approved in March 2018 and is currently under construction. The project approval included consolidation of 11 parcels, most of which were smaller than 0.5 acres, into one parcel. The Olive Drive Mixed Use project is currently under planning review and proposes to redevelop and consolidate 4 parcels on a 0.56-acre site to provide 47 apartment units, including 13 deed-restricted affordable units. In addition, the housing element includes a program to facilitate lot consolidations at the E Street Plaza site to support affordable housing development.

Realistic Density Assumptions

In order to establish realistic density assumptions for the sites inventory, the proposed or built densities of recently approved projects were compared to the maximum allowable densities under each applicable land use designation to determine an average build out density. Recent residential development densities are shown in Table 60. The sites inventory uses the following assumptions to estimate realistic buildout capacity for the sites.

- **Lower-Income Sites.** The only available lower-income sites identified in the Housing Element sites inventory are within the Core Area Specific Plan within the Core Retail Stores and Core Retail with Offices land use designation. As discussed above, these land use designations allow for residential densities up to 30 units per acre for sites east of B Street. While the Core Retail Stores designation requires ground floor retail, the maximum density of 30 units per acre can still be achieved, and in fact exceeded with a density bonus. Considering land use regulations and development trends within the Core Retail Stores land use designation, the sites inventory conservatively assumes a realistic buildout density of 80 percent of the maximum allowable density,

or 24 units per acre. The City anticipates that adoption of the Downtown Plan will further increase possible densities, though the assumptions in Table 60 currently only assume densities possible under the existing Core Area Specific Plan.

- Moderate-Income Sites.** Moderate-income sites are identified in the Residential Medium High Density and Core Retail with Offices land use designations (where the density range is 10-15 units per acre). For sites designated Residential Medium High Density, the sites inventory assumes a realistic buildout density of 75 percent of the maximum allowable densities, or 15 units per acre. For sites designated Core Retail with Offices, a realistic buildout density of 15 units per acre is assumed based on recent developments. Sites smaller than a one-half acre designated Core Retail Stores or Core Retail with Offices where the allowed density is up to 30 units per acre, are inventoried as moderate-income and a realistic buildout density of 80 percent of the maximum allowable density, or 24 units per acre is assumed based on land use regulations and recent development trends.
- Above Moderate-Income Sites.** Above moderate-income units are identified in the Residential Low Density land use designation. The sites inventory assumes a realistic buildout density of 90 percent of the max densities, or four units per acre. This is consistent with recent residential projects.

Table 60: Densities of Recent Residential Projects

Land Use / Allowed Density	Project	Address	Acreage	Units	Density
Residential Low Density (2.4 – 4.79 du/ac)	Grande Subdivision	Grande Avenue	8.8	41	4.6
	Paso Fino Subdivision	2627 E. Covell Blvd.	1.1	6	6*
Residential Medium Density (4.8 – 11.2 du/ac)	Willowbank Park Subdivision	Blue Oak Place and Mace Blvd	3.1	26	8
	Verona Subdivision	5 th Street and Alhambra Dr	11.4	93	8
Residential Medium High Density (11.21 – 19.99 du/ac)	B Street Apartments	820/822 B Street	0.3	11	34*
	Berry Bridge Cottages	4100 Hackberry Pl.	1.1	8	7
	Nishi Apartment Housing	1501 Arboretum Ter	47.9	700	15
	University View Townhomes	335 Russell Blvd	0.3	4	15
	Bartlett Commons	900 Jacobsen Lane	1.7	62	36

	Paul's Place	1111 H Street	0.3	18	69*
Residential High Density (20 – 39.99 du/ac)	Creekside Apartments	2990 5 th Street	2.6	90	34
	Sterling 5 th St. Apartments	2100 5 th Street	5.0	160	32
	Mutual Housing at 5 th Street	2050 5 th Street	1.0	38	38
	3820 Chiles Road Apartments	3820 Chiles Road	7.5	225	30
Core Retail w/ Offices (30 max. du/ac)	213-217 C St Mixed Use Building	213-217 C Street	0.3	2	7
	Park Place Apartments	444 4 th Street	0.1	5	38*
	Trackside Center	901 3 rd Street	0.5	27	51**

* Project exceeds maximum allowable density.

** Densities up to 52 units per acre may be allowed on the property located at 901-919 3rd Street (Assessor's Parcel Number: 072-324-002) (40 units per acre including the associated railroad lease area portion of the project), subject to site-specific review and approval for stacked flat residential units, one- to two-bedroom units, or open space and plaza areas. Source: City of Davis, 2020.

Sites Identified in Previous Housing Elements

Per the statute (Government Code Section 65583.2(c)) a non-vacant site identified in the previous planning period and a vacant site that has been included in two or more previous consecutive planning periods cannot be used to accommodate the lower income RHNA unless the site is subject to a policy in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households.

Three sites included in the inventory for lower-income housing have been included in previous housing element planning periods. These sites are identified in Table 62. All three of these sites are included in the Downtown Davis Specific Plan and will meet the requirement under Section 65583.2(c) that they allow for the default density of 30 du/acre. In addition, the Housing Element includes a policy that commits the City to allowing residential use by right on these sites for housing developments in which at least 20 percent of the units are affordable to lower income households.

Nonvacant Sites

The inventory includes non-vacant sites with land use designations that allow for residential development. Most of the non-vacant sites are located in the downtown. The draft Downtown Specific Plan (anticipated for adoption in 2021) identifies dozens of underutilized sites that are anticipated to redevelop over the longer timeframe of the Specific Plan. One of the primary purposes for starting the Downtown Plan was to assist in streamlining the development process for properties located downtown. For the purpose of the Housing Element, City staff selectively identified the few sites that have the highest likelihood to redevelop during the eight-year timeframe of the Housing Element. In many cases, the City has been in talks with developers specifically looking to develop these sites once the

Downtown Plan has been adopted. These sites are some of the key sites identified in the draft Downtown Davis Specific Plan as catalyst sites. They include sites with vacant/abandoned buildings, sites where staff has had discussions with property owners or others interested in redevelopment, parcels with buildings that are old and in poor condition, or sites where City-owned property could be used to catalyze new development. Notes on individual sites are included in Table 62.

Most of the non-vacant sites included in the inventory are also within the Main Street-Large area of the Draft Specific Plan, where development of up to five or seven stories is proposed. If adopted, the Draft Specific Plan will create significant development potential in the downtown, and the capacity on the sites in the inventory will increase substantially.

The City encourages redevelopment of underutilized uses and infill development. Most development in the downtown consists of redeveloping existing structures for a mix of uses including housing. For example, the Trackside Center project, recently approved, is located on a 0.5-acre underutilized site and would redevelop an existing structure to provide 27 residential units. The Lincoln 40 Apartments project, currently under construction, redevelops a 6-acre site, a consolidation of 11 parcels, for student housing. In addition, Paul's Place was also recently approved to redevelop an existing facility in the downtown to provide 18 micro-units.

Approved Projects

There are several residential projects that have either been approved or are in the planning process and are expected to be built during the RHNA projection period (June 30, 2021, through August 31, 2029). Table 61 shows the inventory of planned and approved projects in the city. For each project, the table shows the name of the development, location, assessor parcel numbers, number of units by income, project status, and additional notes.

Only projects with deed-restricted affordable units are counted toward the lower-income RHNA. Projects that include market-rate multifamily are assumed to meet a mix of moderate-and above moderate-income RHNA (50/50 moderate/above moderate) based on the analysis that market rate rents in other recently built multifamily developments are generally affordable to moderate-income households. Projects that include market-rate single-family units or ownership condominiums are assumed to meet the above-moderate-income RHNA.

The Nishi Housing project is intended to provide housing to help address the City's long-standing low vacancy rates by providing by-the-bed rentals primarily marketed to UC Davis students, due to its proximity to UC Davis. However, consistent with federal fair housing laws, all units will be available for rent by anyone, with no preference given to students over members of the general public and the development agreement for the Nishi project includes clarifying language to explicitly state that the project may not restrict leases to students only. The rental model would be unlikely to appeal to families, but it could provide for some

workforce housing, which, in addition to student-oriented housing, is also a great need in Davis.

The project intends to use a by-the-bed leasing model that would provide approximately 2,200 beds to house as many people within approximately 700 separate apartment units. The project currently falls into a gray area within the Census definitions for housing units versus noninstitutionalized group quarters for college/university student housing. Each apartment would be a fully-contained housing unit with living and eating facilities and direct access to the outside of the building that is separate from other units, which aligns with the Census definition of a housing unit. However, the newly revised Census definition for noninstitutionalized group quarters also includes “apartment-style student housing” where “residents typically enter into ‘by the bed’ leases.” According to the California Department of Finance (DOF), the key factor providing differentiation between the two Census definitions is whether the unit is affiliated with an educational institution and/or reserved for use by students only (or if it provides a preference for students in the applications process), versus simply being student-oriented (i.e., designed to appeal to student as a segment of the market, but equally available for occupancy by the general public). The Nishi project is not affiliated with an educational institution, the units would not be reserved for students, nor would students be afforded any kind of preference in the application process compared to members of the general public. The by-the-bed leasing structure, in this context, is similar to the common practice of roommates sharing an apartment, where occupants would live together in a single unit under a single lease, but under this rental model each individual would have a separate lease. The by-the-bed leasing structure provides greater flexibility and improves housing security in that if one occupant leaves the remaining occupants cannot be held liable for the share of rent previously paid by the departing occupant.

The approved Development Agreement commits the project developer to providing a minimum of 15 percent of the beds to low income individuals: this equates to a total of 330 beds, 220 at the Very Low Income and 110 at the Extremely Low Income levels, or the equivalent of 105 units (70 Very Low Income and 35 Extremely Low Income). The Development Agreement is a legally binding agreement between the developer and the City, which has been approved by both the City Council and the developer, so the City is confident that this condition of affordability will be met, and that 105 units can be used to contribute toward the City’s lower income RHNA obligations. The income qualification process for the Very Low Income and Extremely Low Income beds/units would be no different than for any other income-restricted housing product.

The Nishi project site is currently located outside of the incorporated City, but it has been approved through the City’s Measure R/J/D process and has already been pre-zoned and is directly adjacent to adequately sized infrastructure that the project can connect to. Since the Measure R/J/D approval, the project applicant has been negotiating with the Union Pacific Railroad (UPRR) to gain final permission to build a railroad crossing to provide access to the

site. The applicant contacted the City in early 2021 to file an application to begin the next stage of the project, which includes applying for an annexation and final entitlements, including a large lot map and design review.

The application for annexation has since been submitted to the Yolo County Local Agency Formation Commission (LAFCo) and is expected to be acted upon by LAFCo before the end of 2023. Access to the site from the university is being coordinated between the UC Davis campus, the applicant, Union Pacific Railroad, and the City. The City expects to take the Nishi project to the Planning Commission for approval of the remaining design review, site plan, and final planned development entitlements after the annexation is complete, as the City cannot take this action until the annexation is complete and the site is within the City's jurisdiction. Assuming that the applicant continues to move the project forward expeditiously, the City anticipates that the project will be fully entitled and ready for construction by early 2024.

As shown in Table 61, there are a total of 2,133 units in planned and approved projects including: 53 extremely low-income units, 231 very low-income units, 24 low-income units, 668 moderate-income units, and 1,157 above moderate-income units.

Table 61: Planned and Approved Projects, City of Davis, September 2023

Name	Address	Land Use Designation	Acres	Assessor Parcel Number (APN)	Extremely Low-Income Units	Very Low-Income Units	Low-Income Units	Moderate - Income Units	Above Moderate - Income Units	Total Units	Project Status	Notes
Nishi Apartment Housing	1501 ARBORETUM TER	Residential Medium High Density	47.93 (27 acres designated residential)	036810008000	35	70		298	297	700	General Plan Amendment approved in 2018; Measure R/J/D vote passed in 2018; awaiting annexation. Annexation application has been submitted. Design review application has been submitted. Railroad overcrossing submitted to UPRR. All expected to be approved in 2023.	Apartment housing by the bed rentals. Affordable units are based on the percentage of beds designated for extremely low- and very low-income rents. 2,200 total beds; 110 extremely low-income beds (5%), 220 very low-income (10%). Market rate rental units/beds inventoried as 50/50 moderate/above moderate income.
D Street Gardens	717 D STREET	Residential Medium High Density	0.18	070152008000		1			6	7	Approved in 2020; Pending construction	2 existing single-family units located on project site; total of 9 single-family units
West Davis Active Adult Community (WDAAC) – also known as Bretton Woods	39660 WEST COVELL BLVD	Residential High Density; Residential Medium Density; Neighborhood Mixed Use	74.95	036060005000		150			410	560	General Plan Amendment and Annexation approved in 2018; Affordable Apartment project approved in 2023. Construction expected in 2024. Undergoing planning review of subdivision phases	150 unit affordable senior apartments and 410 single-story, single-family residences
The Celeste/ 3820 Chiles Road Apartments	3820 CHILES ROAD	Residential High Density	7.50	069070022000				112	113	225	Approved in 2019. Constructed in 2023.	Market rate multifamily apartments inventoried as 50/50 moderate/above moderate. No on-site affordable units; paying in-lieu fee
Chiles Ranch Subdivision	2411 EAST 8 TH STREET	Residential Medium Density	12.11	071020015000 071401002000 071401003000				12	84	96	Approved in 2009; Pending construction	The Development Agreement requires the construction of 12 moderate-income inclusionary 3-bedroom units within the development and the payment of in-lieu fees for eight (8) units. Remaining 84 units are market-rate multifamily.
Trackside Center	901 3 RD STREET	Core Retail w/Offices	0.53	070324002000				14	13	27	Approved in 2017	Pending construction
Plaza 2555 Apartments	2600 RESEARCH PARK DRIVE	Residential High Density	6.71	069530004000		10		95	95	200	Approved in 2020	Project includes 10 very low-income units. Project Under Construction.

Research Park Mixed-Use	1800 RESEARCH PARK DRIVE	University-Related Research Park	4.98	069290001000 69290044000				80	80	160	Approved in 2020	Paying in-lieu fee for 8 very low-income units. Project under construction.
University View Townhomes	335 RUSSELL BLVD	Residential Medium High Density	0.26	070051002000					4	4	Approved in 2020	For-sale units. Project under construction.
Paul's Place	1111 H Street	Residential Medium High Density	0.26	070-144-003	18					18	Approved in 2020. Project occupied in 2023.	Microunits meet the definition of a unit and provide permanent supportive housing
Olive Drive Mixed Use	1031 - 1047 Olive Drive	Commercial Service; Medium Density Residential (4.2-10du/ac)	0.56	070-260-004 070-260-005 070-260-006 070-260-007			24	12	11	47	Project approved in 2022.	Approved General Plan Amendment to Mixed Use. Building permits to be issued in 2023.
Cannery Mixed Use	1510 and 1515 Market Avenue	Neighborhood Mixed Use	15.1	035-510-016 035-510-017 035-510-018 035-510-021 035-510-022 035-510-023 035-510-024				42	42	84	Approved in 2018	84 market rate multifamily units. 72 units in apartment building currently (2023) under construction. Remaining 12 units in mixed use building not yet built.
Zelkova Court	1021 5 th Street	Residential Medium Density	0.11	070-342-016				3	2	5	Approved in 2004; Pending construction	Duplexes
TOTAL					53	231	24	668	1,157	2,133		

Vacant and Underutilized Sites

Table 62 and Figure 33 **Error! Reference source not found.** show the vacant and non-vacant sites identified in the inventory. A large portion of the sites are located in the downtown and are underutilized non-vacant sites (see **Error! Reference source not found.**). Existing uses are described in the table.

Only three sites identified were considered suitable to meet the lower-income RHNA. These sites are located in the downtown, within the Core Retail Stores and Core Retail with Offices land use designations of the Core Area Specific Plan. The City is currently preparing the Downtown Davis Specific Plan, a plan purposed to replace the Core Area Specific Plan and streamline the development process for properties located downtown. The downtown contains many non-vacant underutilized sites, as it was largely developed during times when land availability and costs were not the issues that they are today, and there was a strong preference for lower density urban development. Now, with land costs, environmental issues, and changes in preference to a more dense, urban form, many of the buildings and properties downtown are no longer utilized at their highest and best use. The City has been approached by dozens of property owners and developers expressing interest in redevelopment in the downtown area, but due to the outdated Core Area Specific Plan and the City's complex system of land use controls in the area, redevelopment efforts often turned out to be expensive and overly complicated. To address this, the City Council initiated the Downtown Davis Specific Plan to replace the Core Area Specific Plan and allow for a logical, streamlined development process, while allowing for greater density and intensity in the downtown. Once adopted, the Downtown Davis Specific Plan will reduce the amount of time, expenses and uncertainty normally currently encountered by redevelopment projects and the capacity on these sites would increase.

E Street Plaza

Site 1 shown in Table 57 (Vacant and Underutilized Sites), is envisioned as the future E Street Plaza or Davis Square in the Downtown Davis Specific Plan, which would be a primary catalyst project for the plan area. The site is anticipated to become a central gathering place and key focal point of the Downtown. When completed, the E Street Plaza could support two mixed use buildings, up to seven stories in height, surrounding a large public plaza area. The retail and restaurant components of these future buildings could support the same businesses that currently exist on the parcels. The upper stories could increase the number of housing units that could be accommodated within this site.

The site totals 2.21 acres and is made up of eight parcels ranging in size from 0.06 to 0.77 acre, with the largest site being a City-owned parking lot and public plaza. The seven remaining parcels range in size from 0.06 to 0.35 acre and are privately owned and occupied by several businesses, including primarily retail and restaurant uses, and a few small offices. Two of the parcels, fronting 2nd Street are under single ownership, making up approximately 0.7 acre. These parcels are directly adjacent to the City-owned parcel. The property owner has

expressed interest to the City in collaborating on redevelopment of the site as a residential mixed-use project.

The City recognizes that several of the parcels would need to be consolidated and brought under common ownership in order to take on a project of this magnitude, either as one or two new large parcels. In addition, even though the new E Street Plaza buildings could likely house all of the current businesses located within the eight existing parcels, it is likely that some would choose to move locations, and even those choosing to stay would need to be relocated at least temporarily to allow for redevelopment of the site. While bringing all of the parcels under single ownership, lot consolidation, and relocating businesses could prove a challenge, the streamlining processes in the Downtown Davis Specific Plan would help lessen costs and time associated with project approvals. As described under the Methodology above, the City has approved several lot consolidations within the last planning period to facilitate housing development, including the Lincoln 40 Apartments project which consisted of 11 parcels many less than 0.5 acre in size. The City also continues to see redevelopment of commercial uses, including the Trackside Center, Paul's Place, and University Commons projects, and anticipates that such trends will continue. In addition, with the City's desire for this site to serve as the Downtown Plan's "catalyst project," the City is committed to streamlining and facilitating development of this project as soon as possible. Adoption of the Downtown Specific Plan will support development of the site by: (1) increasing building heights and allowable density to improve development feasibility, (2) identify objective standards and staff-level application review, and (3) streamlining the environmental review process for higher intensity development (up to 7 stories). The housing element includes a program to facilitate lot consolidations to support affordable housing development on small parcels. The housing element also includes a program to facilitate residential redevelopment of the City-owned parking lot through a ground lease or similar mechanism.

240 G Street

Site 3 shown in Table 57, located at 240 G Street contains a vacant building that once housed Ace Hardware, which relocated to its current site at 815 Third Street. The site is currently unoccupied, contains no businesses with leases, and has been listed for sale (as of September 2023). In June 2023, the City received an SB 330 preliminary application from a developer for a vertical mixed-use development consisting of ground floor commercial, 6 live/work lofts, and 120 apartment units in five levels of residential.

Based on the previous zoning and land use designation of the site in the previously adopted Core Area Specific Plan, 240 G Street could accommodate 17 lower-income units. However, the table has been updated to reflect the actual proposed number of units in the preliminary application.

907 4th Street

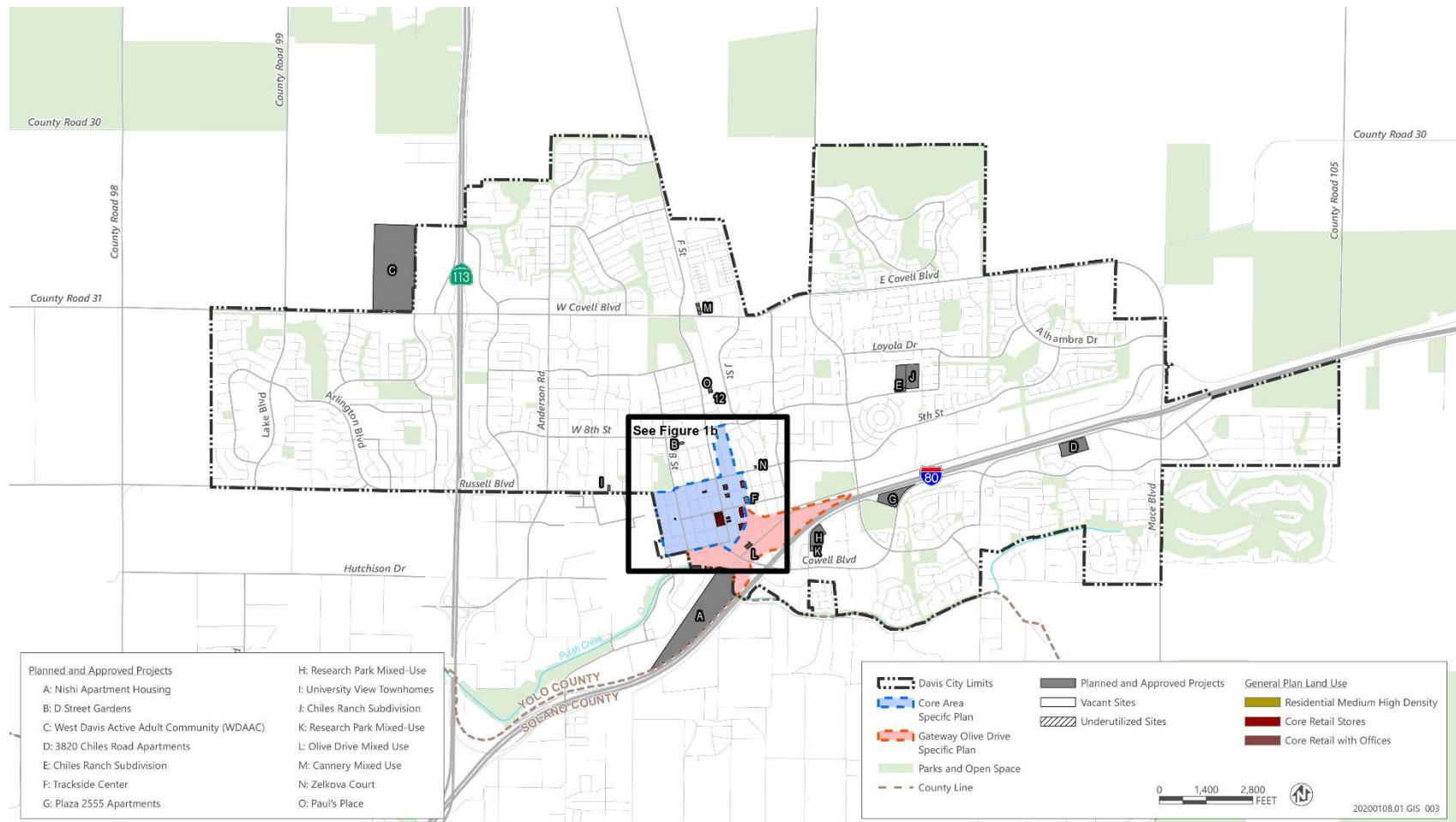
This site is identified in the Downtown Plan as a Designated Special Area, which are areas that get special consideration in the Plan due to their size, location, or importance to the overall implementation of the Plan. This site is one parcel located in the area known as the ‘East Transition Lots’, which includes the portion of the Downtown Plan Area that is located east of the railroad tracks. The site is non-vacant, but primarily consists of parking and outdoor storage area. There is a small building on the site that is generally used only for occasional storage. Due to the temporary nature of the existing use, the use is anticipated to be discontinued within the planning period. If redeveloped, the site could provide for a more economically strategic use than occasional storage. It would also be more visually appealing to the residences east of the alley. The site is located near services and employment uses and is within 0.3 mile of a major transit station.

Vacant and Underutilized Sites

In total, the inventory identifies available capacity (without rezoning) for 72 lower-income units, 104 moderate-income units, and 66 above moderate-income units.

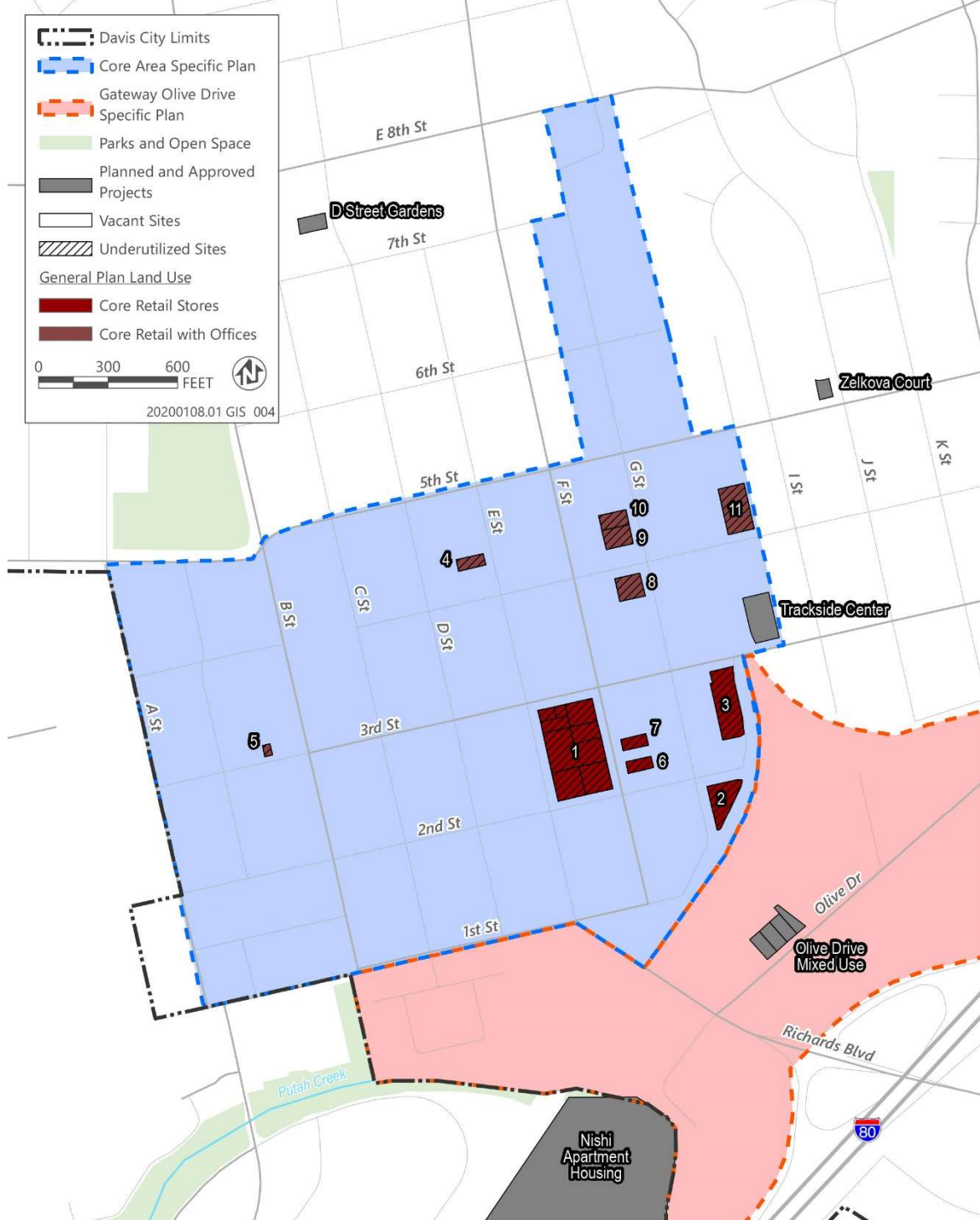
It should be noted that the capacity in Table 62 does not represent the significant increase in capacity in the Downtown area that was created with the Downtown Davis Specific Plan and Downtown Form Based Code, which were adopted in December 2022. Because the new zoning allowed under the Downtown Form Based Code was not in place at the start of the Housing Element planning period, the calculation of capacity to meet the RHNA is based on the previously adopted plan. As described later, the City had a shortfall of capacity to meet the lower-income RHNA at the start of the planning period, and the Downtown Davis Specific Plan sites are not counted as meeting the lower-income RHNA shortfall because they do not meet all of the criteria for sites accommodating a shortfall. However, as described in Appendix E, additional capacity on sites in the Downtown Specific Plan can be added into the sites inventory as needed to address potential no net loss issues during the planning period.

Figure 33: Citywide Sites Inventory, Davis, September 2023



Data downloaded from the City of Davis and SACOG in 2021; adapted by Ascent in 2023.

Figure 34: Core Area Sites Inventory, Davis, September 2023



Data downloaded from the City of Davis and SACOG in 2021; adapted by Ascent in 2023.

Table 62: Vacant and Underutilized Sites, City of Davis, September 2023

Site Number	Address	Acres	Assessor Parcel Number (APN)	Zoning	General Plan Land Use	Allowed Densities (units/acre)	Density Assumption (units/acre)	Vacant/Non-Vacant	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	AB 1397 Applies? (Y/N)	Existing Use/Notes
1	220 E STREET	0.77	070242004000	C-C	Core Retail Stores	30	24	Non-Vacant	53			Y	Downtown Davis Specific Plan Catalyst Site (E Street Plaza, or "Davis Square"). Existing uses on the site include a City-owned parking lot, restaurants, and retail space.
	217 F STREET	0.20	070242007000										
	232 E STREET	0.14	070242003000										
	239 F STREET	0.28	070242008000										
	609 2 ND STREET	0.35	070242005000										
	617 2 ND STREET	0.35	070242006000										
	604 3 RD STREET #2	0.08	070242001000										
	610 3 RD STREET	0.06	070242002000										
	<i>Site #1 Subtotal</i>	2.21											
2	802 2 ND STREET	0.40	070252006000	C-C	Core Retail Stores	30	24	Non-Vacant		10		N	Multiple retail uses, including nail salon, barber shop, café, and coffee shop. Staff has had preliminary discussions with an architect working on a design for a mixed use project.
3	240 G STREET	0.70	070252015000	C-C	Core Retail Stores	30	24	Non-Vacant	6	60	60	Y	Building is vacant. Previous Ace Hardware location. City has received SB 330 application for mixed use building that includes 126 residential units, including 6 deed-restricted lower-income inclusionary units (i.e., 5% inclusionary) and 120 market rate multifamily units. Market rate multifamily units are inventoried as 50/50 mod/above mod.
4	413 E STREET	0.14	070211012000		Core Retail with Offices	30	24	Vacant		9	6	N	Applicant has submitted apartment project with 15 dwelling units, including 3 deed-restricted moderate-income inclusionary units and 12 market rate multifamily units. The 12 market rate multifamily units are inventoried as 50/50 mod/above mod.
5	247 3 RD STREET	0.04	070073008000	PD 2-86B	Core Retail with Offices	15	15	Non-Vacant		1		N	Old house previously converted into a restaurant. Currently vacant. Could be repurposed for residential.
6	204 F STREET	0.13	070251005000	C-C	Core Retail Stores	30	24	Non-Vacant		3		N	Potential exists for conversion of upstairs office to residential uses. Retail uses anticipated to remain.
7	216 F STREET	0.13	070251003000	C-C	Core Retail Stores	30	24	Non-Vacant		3		N	Service commercial (shipping/fingerprint service). Building is old and in poor condition.
8	337 G STREET	0.26	070216005000	C-C	Core Retail with Offices	30	24	Non-Vacant		6		N	Fast food restaurant (Jack in the Box)
9	407 G STREET #1	0.23	070215010000	C-C	Core Retail with Offices	30	24	Non-Vacant		6		N	Multi-tenant retail (pet food supply, barber shop, etc.)
10	417 G STREET	0.18	070215012000	C-C	Core Retail with Offices	30	24	Non-Vacant		4		N	Vacant retail building
11	907 4 TH STREET	0.53	070321011000	M-U	Core Retail with Offices	30	24	Non-Vacant	13			Y	Storage lot and seasonal nursery. Identified in Downtown Davis Specific Plan as catalyst site (East Transition Lots)
12	1101 H STREET	0.15	070-144-004		Residential Medium High Density	20	18	Non-Vacant		2		N	City purchased site - nonvacant; existing residential duplex, City providing transitional housing for homeless individuals and families. Included in City PHLA funding request.
TOTAL									72	104	66		

Accessory Dwelling Units

An accessory dwelling unit (ADU) is an additional self-contained living unit, either attached to or detached from the primary residential unit on a single lot. It has cooking, eating, sleeping, and full sanitation facilities. ADUs can be an important source of affordable housing since they can be constructed relatively cheaply and have no associated land costs. In addition, they can provide housing for caretakers and farmworkers in rural and agricultural areas of the county. ADUs can also provide supplemental income to the homeowner, allowing the elderly to remain in their homes or moderate-income families to afford houses.

Government Code Section 65583.1 states that a city or county may include a reasonable projection of ADUs toward meeting a portion of the RHNA. The projection must consider the number of ADUs developed in the prior housing element planning period, whether or not the units are permitted by right, the need for ADUs in the community, the resources or incentives available for their development, and any other relevant factors.

In response to changes in State law that went into effect in 2018 making it easier and cheaper to build ADUs, the production of ADUs is anticipated to increase. From 2013 through 2017, the City permitted seven ADUs each year, on average. However, in 2018, the City reported 10 ADU permits and in 2019, the City reported 32 ADU permits. It is anticipated that the production of ADUs will continue to increase and the City is working to facilitate ADUs to increase housing availability. The City is currently updating its ADU ordinance to be consistent with State law. The revised ordinance is anticipated for adoption in May 2021. In addition, this housing element includes implementation programs to monitor and track the number and affordability of ADUs, promote ADUs through information and guidance on the City website, and prepare pre-approved plans for ADU construction.

Based on changes in State law, housing element implementation programs, and previous ADU production trends, it is assumed that the production of ADUs will continue to be at least at production levels experienced between 2018 and 2019, or an average production of 21 ADUs per year during the projection period. This results in a projection of 168 ADUs during the eight-year projection period.

To determine assumptions of ADU affordability in the Sacramento region, SACOG conducted a survey of existing ADU rents throughout the region in January and February 2020. SACOG concluded that 69 percent of ADUs were affordable to lower-income households in Yolo County. In order to provide an affordability distribution that is more tailored to the Davis housing market, the City's consultant, BAE Urban Economics, adjusted the ADU rent levels from the SACOG survey based on the difference in the average rent in Davis relative to the county where each ADU in the survey was located. For example, according to Costar the average residential rent in Davis is approximately 21 percent higher than the average in Sacramento County. Therefore, all of the surveyed rents for ADUs in Sacramento County were adjusted upward by 21 percent to estimate the rent for a similar ADU if located in Davis. Analogous adjustments were made for the

surveyed ADUs in each county in the SACOG region. BAE then redistributed the higher adjusted ADU rent estimates by affordability level based on Yolo County income limits, using the same methodology as was used in the SACOG survey. Unlike the SACOG survey, this adjusted analysis did not assume that 15 percent of ADUs will not be rented and will therefore be affordable to extremely low-income households. BAE concluded that 32 percent of ADUs were affordable to lower-income households in Davis, as shown in Table 63. Based on these assumptions, it is anticipated that of the total 168 ADUs anticipated in the projection period, 5 units to very low-income households, 49 units to low-income households, 99 units to moderate-income households; and 15 units to above moderate-income households. This Housing Element includes a program that ensures that the City will conduct a survey every two years to collect information on the use and affordability of new accessory dwelling units. If ADUs are determined to not be meeting a lower-income housing need by halfway through the projection period (2025) the City will ensure that other housing sites are available to accommodate the unmet portion of the lower-income RHNA. If sites are not available to accommodate the unmet portion of the lower-income RHNA, the City will rezone sites as necessary to accommodate the unmet need.

Table 63: Adjusted Affordability of ADUs in Davis

Income Category	Percent of Affordable Units
Extremely Low	0%
Very Low	3%
Low	29%
Moderate	59%
Above Moderate	9%

Source: SACOG, 2020.

Land Inventory Summary

Table 64 provides a summary of the total capacity for residential development in planned and approved projects, on vacant and underutilized sites with residential or mixed use zoning, and in the projection of future ADUs compared to the RHNA. The City of Davis has a total residential capacity of 2,543 housing units, exceeding the total RHNA of 2,075 units. However, the City has a shortfall of 496 units for lower-income households (i.e., low- and very low-). The City has a surplus of 531 units for moderate-income households and a surplus of 433 units for above moderate-income households. The residential sites inventory is shown in Figure 35.

Table 64: City of Davis 2021-2029 Housing Capacity

	Lower Income Units		Moderate-Income	Above Moderate-Income	Total
	Very Low	Low			
2021-2029 RHNA	580	350	340	805	2,075
	Combined "Lower" 930				
Planned and Approved Projects	284	24	668	1,157	2,133
Vacant and Underutilized Sites	72		104	66	242
Accessory Dwelling Units	5	49	99	15	168
Total Capacity	434		871	1,238	2,543
Surplus (+) / Shortfall (-)	-496		+531	+433	

Source: Ascent 2021

Lower-Income RHNA Shortfall

As shown in Table 64, the City of Davis has a shortfall of 496 units to accommodate its lower-income RHNA (930 units). Per State law, the City must rezone land within three years of the Housing Element adoption deadline that allows at least 30 units per acre with a minimum density of 20 units per acre. At a minimum density of 20 units per acre, the City is obligated to rezone at least 24.8 acres. The City could choose to rezone sites to Very High Density Residential, which has a higher minimum density of 40 units per acre, which would reduce the rezone obligation to 12.4 acres. The rezoned sites must allow projects with at least 20 percent affordable housing by-right, and at least 50 percent of the lower-income RHNA shortfall must be accommodated on parcels designated exclusively for residential uses. The Housing Element includes a program that describes the City’s rezone program.

The City’s obligation is to rezone sites to accommodate the unmet need of 496 lower-income units. However, the City is also obligated to maintain adequate sites throughout the RHNA projection period through a provision in State law called “no net loss.” If sites that are identified in the inventory as meeting the lower-income RHNA get built with market rate development, those sites are essentially lost from the lower-income sites inventory. State law mandates that the City identify a replacement site within 180 days. HCD recommends identifying additional capacity of 15-30 percent beyond the lower-income RHNA in order to create a buffer to deal with no-net-loss requirements. As discussed in Appendix E, the City plans to rezone significantly more sites than needed to meet the RHNA, which will provide a buffer of lower-income sites in the event that sites are lost from the lower-income sites inventory.

Affirmatively Furthering Fair Housing

The location of housing in relation to resources and opportunities is integral to addressing disparities in housing needs and opportunity and to fostering inclusive communities where all residents have access to opportunity. This is particularly important for lower-income households. By comparing the sites inventory to the fair housing indicators from the Assessment of Fair Housing section, this section analyzes whether the sites included in the 2021-2029 Housing Element sites inventory improve or exacerbate fair housing conditions including patterns of segregation and access to opportunity throughout the City.

Potential Effects on Integration and Segregation Trends

This evaluation uses the City's residential sites inventory to evaluate whether sites planned for future development could further impact patterns of residential segregation based on race and ethnicity and/or income. Although the 2020 Sacramento Valley Regional AI found the City had relatively low levels of segregation, analysis of U.S. Census data reveals some residential segregation in Davis between racial-ethnic minority groups and non-Hispanic White residents as well as between lower and higher income households. However, some of this segregation is due to the settlement patterns of the student population.

As shown earlier in Figure 9, the most diverse block groups are in South Davis along Cowell Boulevard, east of the UC Davis Campus. This area features larger multifamily rental apartment complexes and is popular with the diverse student population. While the inventory includes several lower-income housing units in this area, these units are targeted to meet the housing needs of the student population. The sites inventory will not have a meaningful impact on improving or exacerbating patterns of segregation in Davis.

To identify how the sites inventory could potentially impact trends of segregation based on income, Figure 35 shows the inventory over the percent of the population with low-moderate incomes. As described in the Assessment of Fair Housing, low-moderate income households also tend to comprise the neighborhoods in and around the central city, near the university. Figure 35 displays that the majority of low- and moderate-income sites are in areas with higher concentrations of low-moderate income households. Approximately 61 percent of low- and moderate-income units are located in block groups with 75-100 percent of households with low-moderate incomes. Comparatively, 22 percent of low- and moderate-income units will be located in areas with lower proportions (25-50 percent) of low- to moderate- income households and 17 percent of low- and moderate-income units will be in areas with 50-75 percent of households with low-moderate incomes. This is again due to the built out nature of Davis, lack of land available for higher density development throughout the city, and the predominance of low density and single-family zoning.

As the City continues to expand to meet housing needs, new affordable units will improve patterns of socioeconomic segregation. The City's inclusionary housing ordinance requires that new development provide affordable housing units. Both project sites for the Nishi Project and

the West Davis Active Adult Community (WDAAC) – also known as Bretton Woods – required annexation into City limits prior to development; however, Bretton Woods has since been incorporated and the Nishi Project has received permission for an upcoming annexation. WDAAC includes 150 units for very low-income households along with 410 above-moderate income units. It will provide more housing for lower income residents in the northwest areas of the city near the hospital which could mitigate patterns of segregation by income while also increasing the resources and opportunities available near the neighborhood, which was also found to have a higher concentration of residents with disabilities.

Potential Effects on Access to Opportunity

As described in the Assessment of Fair Housing, the California Tax Credit Allocation Committee (TCAC) and HCD prepared opportunity maps that identify resource areas. Areas of high or highest resource have increased access to public services, educational and employment opportunities, medical services, and other daily services (e.g., grocery, pharmacy).

Figure 36 shows housing sites identified in the inventory in relation to resource areas defined by the TCAC/HCD Opportunity Maps. All of the area within Davis City limits is classified as high or highest resource areas, therefore all of the sites in the inventory are within high or highest resource areas. By this metric, building lower-income housing on any site within Davis will serve to affirmatively further fair housing. Furthermore, as shown in Figure 9 and Figure 19, the sites that are included in the sites inventory are not located in racially or ethnically concentrated areas of poverty or areas with a disproportionate proportion of the City’s racial and ethnic minority populations.

Site Suitability Analysis

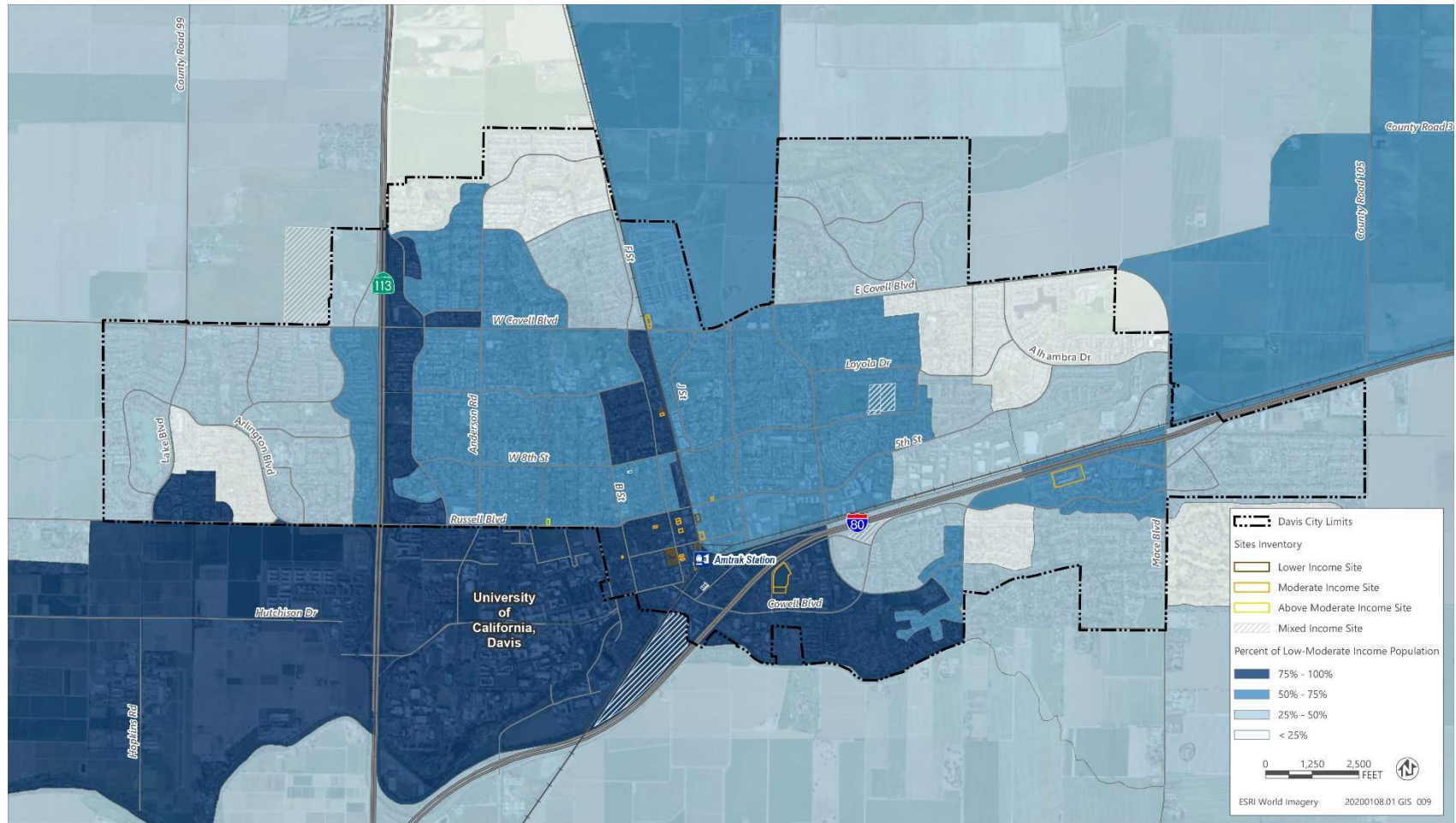
Environmental Constraints

All parcels (or portions of parcels) identified in the inventory were reviewed to determine possible environmental constraints such as flood zones, and other possible constraints to development feasibility. As shown in Figure 37, Paul’s Place, a planned and approved project, and one inventory site (APN 070-144-004; 1101 H Street) is shown as located within the 100-year flood plain. However, the City recently received a letter of map revision (LOMR) from the Federal Emergency Management Agency that remapped floodplains to reflect recent improvements to drainage and stormwater infrastructure. With the remapping, these sites are no longer constrained by flood zones. In addition, sites located within flood zones would address any applicable flooding constraints during the site design. The site design would be reviewed to ensure the first habitable floor is raised to one foot above the base flood elevation. While there is an added cost, flood constraints can be mitigated through design and all of the sites in the inventory have been deemed suitable for residential development.

Adequacy of Public Facilities, Services, and Infrastructure

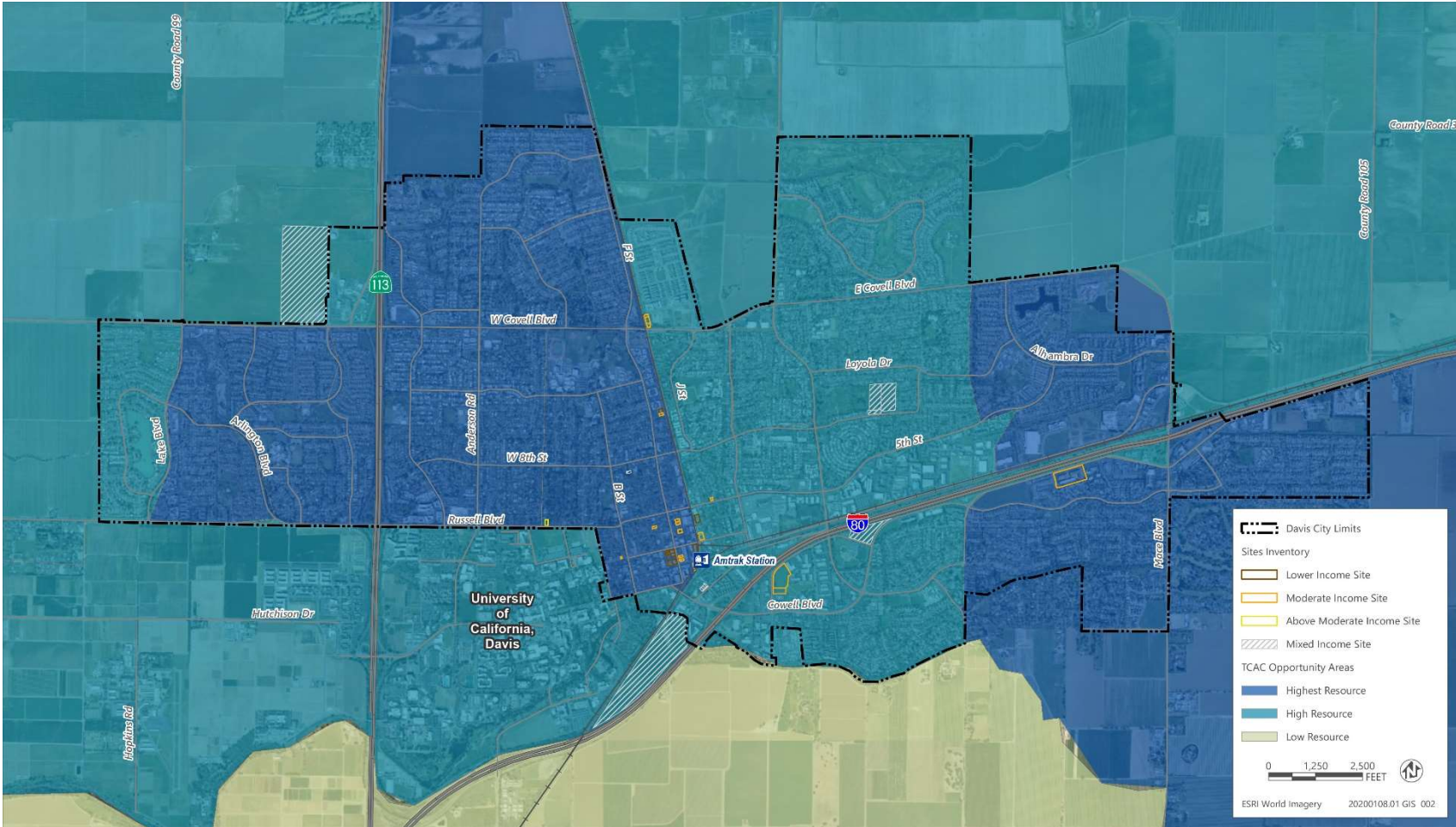
Adequate public facilities, services, and available public infrastructure capacity is needed to accommodate housing needs. The parcels included in the inventory have been analyzed and the City has determined these parcels do not have significant infrastructure constraints to hinder residential development, including the development of housing affordable to lower-income households. Public facilities, services, and infrastructure (including water, sewer, and dry utilities) either currently exist at the parcels included in the inventory or are reasonably near enough to permit development of the parcels within the planning period. All sites identified in the inventory are suitable for residential development.

Figure 35: Sites Inventory and Percent of Population with Low-Moderate Incomes, Davis



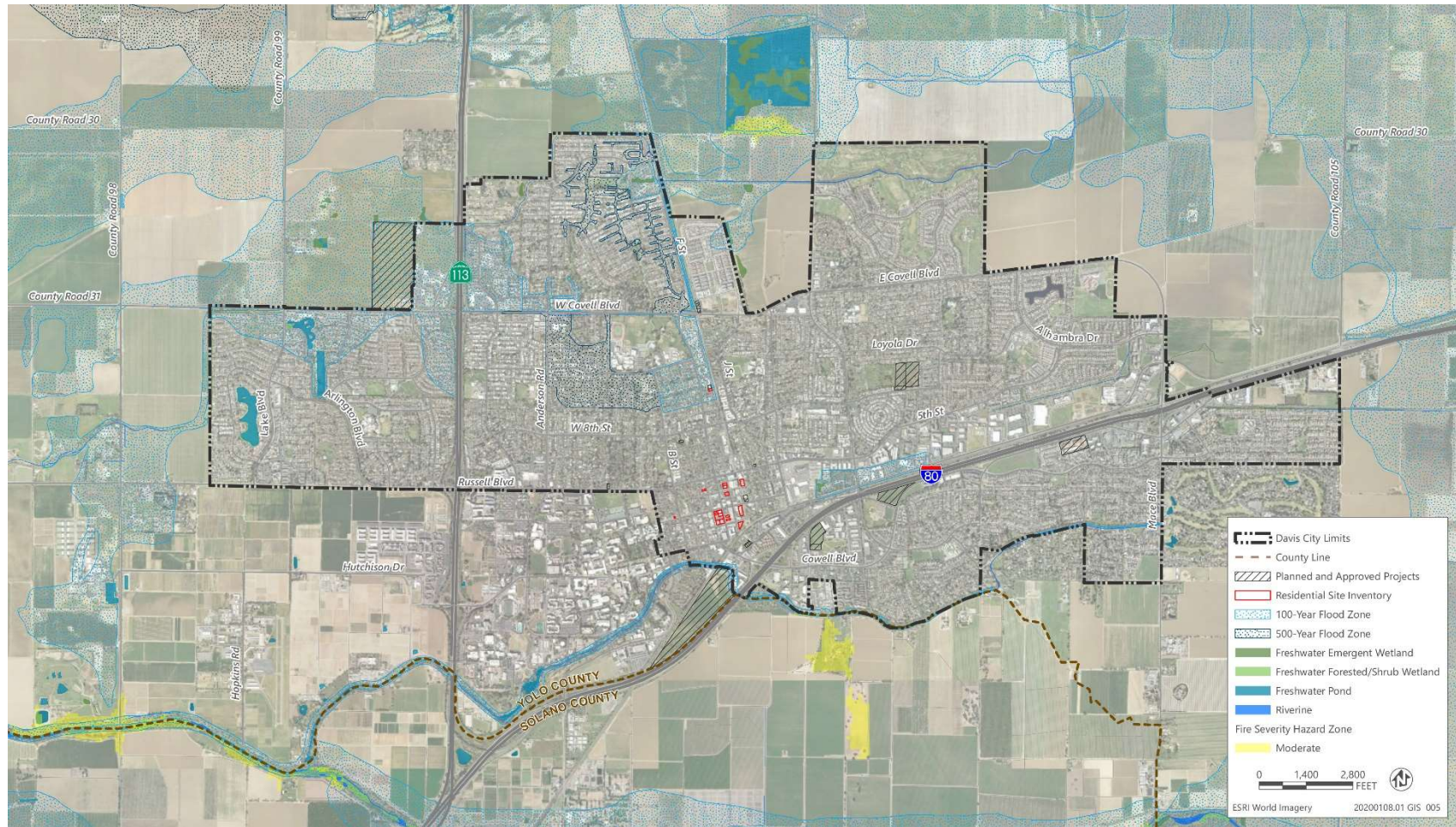
Sources: Data downloaded from the HCD AFFH Mapping Tool; Ascent, 2023.

Figure 36: Sites Inventory and TCAC/HCD Opportunity Areas, Davis



Sources: Data downloaded from the California Tax Credit Allocation Committee website in 2020; Ascent, 2023.

Figure 37: Environmental Constraints, Davis



Data downloaded from CalFIRE in 2007, FEMA in 2020, USFWS in 2020, and Yolo County in 2020; Ascent, 2023.

CONSTRAINTS TO HOUSING PRODUCTION

Governmental Constraints

City policies and regulations that affect residential development and housing affordability include land use controls, permit processing procedures and fees, development impact fees, on- and off-site infrastructure improvement requirements, and building codes and enforcement. This section describes these standards and assesses whether they constrain housing development in Davis.

Land Use Controls

The City's General Plan, Specific Plans, and Zoning Code guide development and set land use controls related to housing development. In addition, citizen voting rights on development of open space and agricultural lands (Measure J) and the City's One Percent Growth Policy determine residential development patterns.

General Plan

The City General Plan Land Use Element establishes residential land use designations that allow for a mix of housing types, including single-family, mobile homes, and multifamily units. Table 65 outlines the residential land use designations and applicable density in the General Plan, expressed as both gross and net density. The General Plan allows for a range of residential densities from 2.4 units per gross acre to 56 units per gross acre. The development standards, described below, (e.g., lot coverage, building height, setbacks) allow for development to build at these densities. The General Plan also identifies residential densities for projects that qualify for a city density bonus, pursuant to the City Affordable Housing Ordinance. Most projects qualify for the city density bonus because the City requires inclusionary housing.

Table 65: General Plan Residential Densities

General Plan Land Use Designation	Gross Density (units per gross acre)	Net Density ¹ (units per net acre)	Gross Density with Bonus ²
Residential - Low Density	2.40 - 4.79	2.88 - 5.75	3.00 - 5.99
Residential - Medium Density	4.80 - 11.20	5.76 - 13.44	6.00 - 13.99
Residential - Medium High Density	11.21 - 19.99	13.45 - 23.99	14.00 - 24.99
Residential - High Density	20.00 - 39.99	24.00 - 47.99	25.00 - 49.99
Residential - Very High Density	40.00 - 56.00	48.00 - 67.20	50.00 - 70.00
Neighborhood Retail	Per FAR - 50 Percent, with an additional 15 percent allowed for the housing component of a mixed-use project. Such additional floor areas shall include any housing units allowable under an affordable housing bonus.		
Office	Per FAR - 50 Percent, with an additional 15 percent allowed for the housing component of a mixed-use project, subject to a limit of 150 housing units. The additional FAR allowed for housing does not apply to sites intended for non-residential uses only.		
Business Park	Per FAR - 50 Percent, with an additional 15 percent allowed for the housing component of a mixed-use project, subject to a limit of 150 housing units. Such additional floor areas shall include any housing units allowable under an affordable housing bonus. The additional FAR allowed for housing does not apply to sites intended for non-residential uses only.		
Community Retail	Per FAR - 50 Percent, with an additional 15 percent allowed for the housing component of a mixed-use project.		

Notes:

1 Assumed to be 120 percent of gross density.

2 Assumed to be 125 percent of normal general plan density.

Source: City of Davis, 2021

Consistent with General Plan policies regarding the protection of open spaces, particularly agricultural properties, and in accordance with smart growth principles, the City continues to promote appropriate densities that maximize opportunity for development of properties within the City while accounting for surrounding neighborhood character and sensitivity.

The City has experienced a steady increase in the number of multifamily projects approved during the last planning period. With the trends toward increased efficiency of land and energy, the City expects that it will continue to receive and to support applications for projects at increased densities. The City finds that density standards in the General Plan do not hinder the production of housing.

Specific Plans

A specific plan is used to further define the parameters of development within an area. There are three specific plans in the city: Core Area Specific Plan (adopted in 1996 and last amended in 2013), South Davis Specific Plan (adopted in 1987 and last amended in 1992), and Gateway/Olive Drive Specific Plan (adopted in 1996 and last amended in 2018). These

plans establish standards for development within the plan areas. As shown in Table 66, the plans allow residential densities consistent with the General Plan. The South Davis Specific Plan and the Gateway/Olive Drive Specific Plan do not allow densities that meet the default density standard for lower-income housing, or 30 units per acre. The Core Area Specific Plan does allow for densities of 30 units per acre in the multifamily designation.

The South Davis Specific Plan is built out and there are no sites in the plan area identified in the residential sites inventory. The Gateway/Olive Drive Specific Plan is largely built out; however, some development has continued, and the Olive Drive Mixed Use project is currently (2021) under planning review. The Core Area Specific Plan encompasses the downtown area and consist largely of underutilized sites. The City is currently preparing the Downtown Davis Specific Plan which would replace the Core Area Specific Plan. The Downtown Davis Specific Plan would introduce a form base code encouraging higher densities and redevelopment of the downtown. The Downtown Davis Specific Plan is anticipated for adoption in late 2021. The specific plans are not considered to be an impediment to availability and affordability of housing.

Table 66: Specific Plan Residential Densities

Land Use Designation	Allowed Density/Intensity	Allowed Housing Types
Core Area Specific Plan		
Low Density	2.5 – 4.2 units per gross acre	Attached and detached single-family units, mobile homes, duplexes, triplexes, and row houses of four or fewer units
Medium Density	4.2 – 10.0 units per gross acre	Single-family or multi-family
First Street Transitional District	None specified	Single-family and combined residential/office uses
B Street Transitional District	None specified	Higher density, compact/attached ownership residential units, live/work, single-family, two-family, condominium dwellings, and duplexes
University Avenue Residential Overlay District	12 units per gross acre	Single-family detached, single-family attached, duplexes, condominiums, townhouses
Multifamily	10 – 15 units per gross acre (east of B street – max 30 units per net acre)*	Apartment, condominium, town house, row house, 5 or more units in a structure
Core Retail Stores (Downtown Core)	3.0 Floor area ratio	Ground floor retail with offices and residential units on upper stories
Core Retail with Offices	Floor area ratio of 1:1.5 for mixed use	Retail, office, apartments, owner-occupied condominiums, and townhomes, single-family, two-family, and duplexes
Transitional Boundary	None specified	Commercial, office, and residential
South Davis Specific Plan		
Residential	Up to 15 units per gross acre	Single-family, cluster homes, apartments
Gateway/Olive Drive Specific Plan		
Residential Medium Density	4.2 -10.00 units per net acre	Single-family or multi-family
Residential High Density	10 – 15 units per net acre	Apartment, condominium, town house, other types with five or more units in a structure
Residential Medium High Density – Lincoln40	14.00 – 24.99 units per gross acre; 13.45 to 23.99 units per net acre without density bonus	Apartment, condominium, town house, other types with five or more units in a structure
East Olive Multiple Use – “Youmans” Property – Parcel A	Up to 15 du/acre (exclusive of density bonus)	Multi-family or live-work
East Olive Multiple Use – “Youmans” Property – Parcel B	Up to 24.66 du/acre	Multi-family or co-op housing
East Olive Multiple Use - Hickory Lane Properties	None specified	Mix of uses on each parcel containing two or more of the following: (a) multi-family; (b) restaurants; (c) professional and administrative offices; (d) retail uses.

* For multifamily uses (more than three units) in the area along 3rd Street between A Street and B Street, up to 30 units per net acre are allowed. For multifamily uses (more than three units) on the west side of B Street between 2nd and 4th Streets, densities ranging from up to 22-24 units per net acre are allowed for town or row homes. Densities up to 45 units per acre may be allowed on the properties located at 225 and 229 B Street.

Source: City of Davis, 2021

Zoning Code

Zoning regulations control development by establishing requirements related to height, density, lot area, yard setbacks, and minimum parking spaces. Site development standards are comparable to other community requirements and are necessary to ensure a quality living environment for all households and to protect the City's historic and natural resources. Table 67 shows the corresponding code for each zoning district. Table 68 shows the allowed residential uses per district. Table 69 outlines the residential development standards by zoning district. It should be noted that a significant portion of the City's residential districts are zoned as planned developments. These areas have been rezoned to planned development districts in response to development applications and to allow for deviations from the standards of conventional residential districts. Planned development districts are described in more detail below.

Planned Development District

Although the City applies conventional zoning districts with developments standards described in Tables 67 – 69, the City also provides zoning for planned development districts. The planned development district allows for deviations from the development standards of conventional zoning districts and promotes and encourages innovative design, variety, and flexibility in housing types that would not otherwise be allowed. It ensures the provision of open space as part of an overall development and provides a greater diversity in housing choices and standards based on the actual context of a project. The densities of planned development districts are required to be consistent with the General Plan. The minimum lot areas are often reduced from the minimum of the conventional district. In some planned development districts, lot sizes range from 3,500 to 15,000 square feet. Also, other zoning standards, such as building height, yard setbacks, lot width, open space, and parking requirements are reduced. These deviations from the City's development standards are made at the developer's request and in collaboration with the City. The City provides assistance to developers to help navigate the process and ensure the best outcomes for both the developer and the City.

Because the City applies conventional zoning districts with standards described in the Code and available to the public, and rezones to planned development district occur upon developer request, the City does not consider planned development zoning to hinder the production of housing. The City has effectively utilized this provision to integrate housing on difficult sites that might not even be possible in cities with more rigid zoning provisions. However, in cases where a site has previously been zoned as a planned development the standards are not readily available to the public online (the files must be retrieved at City Hall), which limits transparency for a new developer to consider redevelopment potential. As such, the housing element includes a program to provide planned development standards on the City website.

Table 67: Zoning District and Code Correspondence

Zoning District	Code
Residential One-Family District	R-1
Residential One- and Two-Family District	R-2
Residential One- and Two-Family Conservation District	R2-CD
Core Area Residential Infill District	C-I
Residential Restricted District	R-R
Residential One- and Two-Family and Mobile Home District	R2-MH
Residential Garden Apartment District	R-3
Residential High Density (R-HD)	R-HD
Residential Transitional	R-T
Interim Residential Conversion	RC
Central Commercial	C-C
Mixed Use	M-U

Source: City of Davis, 2021

Table 68: Residential Use Types By Zoning District

Residential Use Types	A	R-1	R-2	R2-CD	C-I	R-R	R-2-MH	R-3	R-HD	R-T	RC	C-C	MU	I
Ranch/Farm dwellings	PU	-	-	-	-		-	-	-	-	-	-	-	-
Single family dwelling	-	PU	PU	PU	PU	PU	PU	PU	PU	-	PU	-	PU	-
Group care home (<6 persons)	-	PU	PU	PU	PU	PU	PU	PU	PU	PU	PU	PU	PU	-
Group care home (>6 persons)	-	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	CU	-
Secondary dwelling units	-	PU	PU	PU	PU	PU	PU	PU	PU	-	PU	PU	PU	-
Two single family dwellings ¹	-	-	PU	PU	PU	-	PU	-	-	-	-	-	-	-
Duplex	-	-	PU	PU	PU	CU	PU	PU	PU	-	PU	-	PU	-
Multiple dwellings	-	-	CU	CU	CU	-	-	PU	PU	-	PU	-	PU	-
Cooperative housing*	-	-	-	-	-	CU	-	PU	PU	PU	PU	-	-	-
Mobilehome park	-	-	-	-	-	-	CU	-	-	-	-	-	-	-
Boarding house	-	-	-	-	-	-	-	CU	PU	-	PU	-	-	-
Emergency Shelter	-	CU	CU	CU	PU ² /CU ³	CU	CU	CU	CU	CU	CU	CU	CU	PU ² /CU ³
Transitional Housing*	-	PU	PU	PU	-	PU	-	PU	PU	PU	PU	PU	PU	-
Supportive Housing*	-	PU	PU	PU	-	PU	-	PU	PU	PU	PU	PU	PU	-
Single room occupancy*	-	-	-	-	CU	CU	-	-	CU	CU	CU	CU	CU	-
Factory-Built Housing/Mobile home*	-	PU	PU	PU	PU	PU	PU	-	-	-	-	-	-	-
Farmworker housing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

¹ Refers to lots which allow two detached single family homes

² 35 or fewer beds

³ More than 35 beds

“PU” refers to Permitted Uses and “CU” refers to Conditional Uses

*Per State law, these categories of housing are processed based on the type of units being proposed (single-family, multi-family, etc.). The unit type is what determines zoning that these categories could be provided within.

Source: City of Davis, 2021

Table 69: Residential Zoning Standards

Zoning District	Code	Allowed Uses	Minimum Lot Size in Square feet (sf)	Maximum Lot Coverage	Building Height
Residential One-Family District	R-1	Single-family dwellings	6,000 – 15,000 sf	40 percent	Two Stories or 30 Feet
Residential One- and Two-Family District	R-2	Up to two single family dwellings per lot; duplex	6,000 – 7,000 sf	40 percent	Two Stories or 30 Feet
Residential One- and Two-Family Conservation District	R2-CD	Up to two single family dwellings per lot; duplex	5,250 – 6,000 sf	40 percent	Two Stories or 30 Feet
Core Area Residential Infill District	C-I	Single-family dwellings; duplex; or two-family dwellings; multiple dwellings are allowed conditionally	5,500 sf	40 percent	Two Stories or 30 Feet
Residential Restricted District	R-R	Single-family dwellings	8,800 sf	40 percent	Two Stories or 30 Feet
Residential One- and Two-Family and Mobile Home District	R2-MH	Single-family dwellings; duplex; or two-family dwellings	N/A	N/A	N/A
Residential Garden Apartment District	R-3	Single-family dwellings; duplexes; multiple dwellings	7,500 sf	40 percent	Three Stories or 35 Feet
Residential High Density (R-HD)	R-HD	Single-family dwellings; duplexes; multiple dwellings	7,500 sf	50 percent	100 feet
Residential Transitional	R-T	Single-family dwellings; duplexes; multiple dwellings	7,500 sf	50 percent	100 feet
Interim Residential Conversion	RC	Single-family dwellings; duplexes; multiple dwellings	N/A	N/A	None
Central Commercial	C-C	Residential structures and apartments with densities up to those permitted in the R-HD district.	N/A	None	None
Mixed Use	M-U	Single-family dwellings; duplexes; multiple dwellings; and residential infill.	Lot areas in excess of 24,000 sf shall require conditional use permits.	50 percent ¹	Three Stories

Notes:

¹ Lot coverage for mixed use and residential structures is 50 percent. Lot coverage for commercial and office uses not combined with residential uses is 45 percent.

Source: City of Davis, 2021

Conclusion

While the General Plan allows for a range of residential densities up to 56 units per acre for multifamily and allows for residential as part of a mixed-use project in several non-residential designations, very little vacant land remains for residential development in Davis, particularly multifamily residential (see the Sites Inventory Section for more discussion of available land). Most projects are infill projects that require a General Plan Amendment and zoning amendment. While this could indicate that the General Plan and Zoning Code do not adequately facilitate residential development, this is largely a result of the nature of a built-out community, as opposed to a community with a large supply of undeveloped greenfield land that can be more comprehensively planned. Rezoning land with existing development can create legal non-conforming uses, so the action to rezone land is usually only taken once there is a proposed project. The City has experienced steady development of both residential and non-residential uses, indicating that the need for a General Plan Amendment and/or zoning amendment does not constrain development. In addition, although the planned development rezoning process is discretionary, it is initiated upon developer request to provide flexibility to accommodate a range of development typologies, which is helpful for infill projects. Alternatively, developers can avoid the planned development process by developing a site consistent with the objective standards of the base zoning district.

The City recognizes the complexities of development in a built-out community, like Davis, but is working to help streamline development to meet housing needs. The City met its 5th Cycle RHNA for above moderate-income and moderate-income housing and nearly met its 5th Cycle RHNA for lower-income housing. The Housing Element includes a program directing the City to rezone additional land to meet the 6th cycle RHNA where housing will be allowed by-right and the City is committed to meeting its fair share of future regional housing needs. The City plans to initiate a comprehensive General Plan Update that will bring clarity and simplicity to the City's planning and permitting processes and will help streamline development and minimize the cumulative impact on development cost through the use of objective standards. The City is also preparing the Downtown Davis Specific Plan replacing the Core Area Specific Plan. The new plan would establish a form-based code for the Downtown while providing flexibility in use types by creating a mixed-use district. By establishing clear objective standards, the plan will allow for ministerial review of all proposed development in the Downtown.

Compliance with State Density Bonus Law

A density bonus is the allocation of development rights that allows a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned. The legislature has made frequent changes to State density bonus law over the years, including AB 1763 (2019), which significantly increased density bonus provisions for 100 percent affordable projects.

The amount of density bonus a project can receive is based on a sliding scale that varies based on the type of housing and the percentage of affordable units. The maximum density

bonus is generally 35 percent, except recent changes to State law increased the maximum density bonus to 80 percent for projects that provide 100 percent affordable units.

Projects are also eligible for up to three incentives/concessions on a sliding scale based on the percentage of affordable units provided, except projects that provide 100 percent affordable units, which are eligible for up to four incentives/concessions.

Projects qualifying for a density bonus also qualify for reduced parking requirements, shown in Table 70. The reduced parking standards do not count as one of the incentives or concessions granted. In addition, parking requirements for projects located within a half mile of an accessible major transit stop or bus route are further reduced or eliminated depending on the type of affordable project.

Table 70: Maximum Allowable Parking Requirements for Density Bonus Projects

Number of Bedrooms	Number of On-Site Parking Spaces
0 to 1 bedroom	1
2 to 3 bedrooms	2
4 or more bedrooms	2 ½

Note: Parking requirements for projects located within a half mile of an accessible major transit stop or bus route are further reduced or eliminated depending on the type of affordable project.

Source: California Government Code Section 65915, 2021.

The City Affordable Housing Ordinance requires that most projects include the construction of on-site affordable housing units, making most projects eligible for City density bonuses. Per the Affordable Housing Ordinance, a one-for-one City density bonus is awarded for the construction of on-site affordable units and a 15 unit per net acre City density bonus is awarded for land dedication. As shown in Table 65, the highest density permitted by the General Plan is 56 units per gross acre. A maximum density of 70 units per gross acre is permitted with the City density bonus. Projects gain credit for additional units, or density bonuses, when they either build affordable or elderly housing units or dedicate land as a provision of affordable housing units. Density bonuses are provided by allowing one additional market rate unit for each affordable or elderly unit provided on-site or through affordable land dedication by the project.

In addition to the City density bonus provided under the City Affordable Housing Ordinance, the City's Zoning Code allows for deviations from the code in accordance with state density bonus law. However, the City's Zoning Code does not address recent changes to State density bonus law and the City density bonus provided under the City Affordable Housing Ordinance does not meet the State density bonus of 35 percent, or 80 percent for projects that provide 100 percent affordable units. The Housing Element includes a program to update the City's Zoning Code to comply with State density bonus law.

Growth Management Controls

Citizen's Right to Vote on Future Use of Open Space and Agricultural Lands (Measure J)

In 2000, a citizens-based ordinance (Measure J) was approved by the City's voters. The purpose of Measure J, also known as the Citizen's Right to Vote on Future Use of Open Space and Agricultural Lands (Ordinance No. 2008), was "to establish a mechanism for direct citizen participation in land use decisions affecting City policies for compact urban form, agricultural land preservation, and an adequate housing supply to meet City needs, by providing the people of the City of Davis the right to vote, without having to evoke referenda, on General Plan Land Use Map amendments that would convert any agricultural, open space, or urban reserve lands, as designated on the Land Use Map of the City of Davis General Plan, dated August 1, 1999, to an urban or urban reserve land use designation and on any development proposal on the Covell Center or Nishi properties."

Measure J was in effect from 2000 to 2010. In 2010, voters approved Measure R (Ordinance 2350) to extend the life of Measure J to December 2020. In 2020, voters approved Measure D (Ordinance 2581) to extend Measure J through December 31, 2030.

Measure J requires voter approval of any land use designation change from agricultural, open space, or urban reserve land use to an urban use designation. Any project subject to Measure J must meet policies and standards of the General Plan and Zoning Code, including features such as a neighborhood greenbelt, minimum open space, recreational facility (i.e., park land dedication), infrastructure standards, affordable housing, and a host of other features. Before going to the voters for approval, a project subject to Measure J would be required to comply with the California Environmental Quality Act. Any proposal submitted to the voters through Measure J must first be reviewed by the Planning Commission and approved by the City Council.

Measure J allows the City Council to approve deed-restricted affordable housing projects **without voter approval** if it makes certain findings (see §DMC 41.01.030(a)). For a residential development project to avoid voter approval, the City Council must find that:

1. The approval is necessary and required to meet the city's legal fair share housing requirement;
2. There is no other land already designated for urban use that can accommodate the City's legal fair share housing requirement; and
3. Not more than five acres per year in total area is designated under this exemption for residential development.

§DMC 41.01.030(e)(1)-(3). Thus, if necessary to meet the City's RHNA, the City theoretically may approve residential development on land designated as agriculture, agriculture reserve or urban reserve without sending those decisions to the voters. In practice, however, the City historically has not approved residential development on land that would be subject to Measure J without voter approval. As currently drafted, the findings required to be made by the City Council do not provide certainty that the housing development would be entitled or built more quickly or without additional legal expense.

In broad terms, the Measure J requirement contributes to the City's managed growth system and encourages compatible infill development by explicitly excluding infill projects from the requirement for voter approval. Infill development connects residents of the new units to existing neighborhoods with shopping, transit opportunities, parks, and community services. However, infill development inherently involves complications that greenfield development does not. For example, the reuse of sites with pre-existing structures or environmental hazards (e.g., gasoline stations) may require additional time and expense for demolition and environmental remediation. Encouraging infill development therefore, as compared to greenfield development, has the potential to add time and costs to the development process, including for residential development.

Measure J could potentially add costs to the development review process and extend the time for approval. However, it is possible that the time and cost associated with a Measure J election could be less than or equal to that of a potential referendum. It is speculative to conclude that election costs will adversely affect the cost or supply of new housing, given the other known factors that affect housing costs and supply. Given that the developers have knowledge of Measure J, it is reasonable to expect that the costs associated with Measure J would be factored into the purchase price of the agricultural land proposed for conversion to residential development. Had Measure J not been approved, and a new major residential project was proposed not requiring a referendum, then the argument of added costs and time would be legitimate. Any major project runs the risk of a referendum challenge, even if voter approval would not otherwise be required.

To provide some range of potential costs borne from an election process, Table 71 provides costs for past elections involving projects subject to Measure J, which range from \$25,105 to \$220,399. Potential election costs for a future Measure J project would depend on several variables, such as the type of election involved and how many other measures and jurisdictions are involved. In a special election that involves a Measure J project only, like Measure P shown below, the applicant would pay the full cost. If there are other ballot measures from the City or other jurisdictions, the cost is shared, reducing the cost borne by the developer. In relative terms, the costs of the election, especially if included with other ballot measures or on a general election, are minimal compared to other project costs (e.g., environmental review, planning processing and public outreach, public improvements, and fees).

Table 71: Sample Election Costs

Type of Measure	Date / Election Type	Cost	Election Outcome
Measure X – Covell Village Project	November 2005; Statewide Special/UDEL/School Election	\$47,667	Failed
Measure P – Wildhorse Horse Ranch	November 2009; Special Election	\$220,399	Failed
Measure A – Nishi Gateway	2016	\$39,731	Failed
Measure – West Davis Active Adult Community	2018	\$38,387	Passed
Measure J – Nishi Gateway	2018	\$32,287	Passed
Measure B – Davis Innovation & Sustainability Campus (DISC)	2020	\$25,105	Failed

Notes:

The type of election held has direct impact on the cost of the election. It would be speculative to state how much it will cost in the future for a Measure J project.

Source: City of Davis, 2021.

Since Measure J was first approved by the voters, six development projects have gone through the Measure J process. Four proposals failed voter approval (Covell Village, Wildhorse Horse Ranch, the 2016 Nishi property proposal, and the Davis Innovation & Sustainability Campus (DISC)), while two recent proposals were approved by the voters (West Davis Active Adult Community and the 2018 Nishi property proposal).

In the last five years, the voters have approved both Measure J projects that were residential-only projects. While the voters did not approve the most recent Measure J project in 2020 (the DISC), that project included substantial office, retail, and innovation (research & development) components (over 2.6 million square feet), in addition to the proposed 850 medium- to high-density residential units (153 of which would have been designated as affordable). Thus, while the voters may be hesitant to approve mixed-use or R&D projects through Measure J, the voters in recent years have approved both residential-only projects that were subject to a Measure J vote.

While Measure J adds costs, extends processing times, and has been used to halt development projects that would convert agricultural land to urban development in some instances, it is only a constraint to meeting the City’s housing needs if the City lacks sufficient

infill housing sites. As described in more detail in the Sites Inventory Section, there is not currently enough land designated for residential development to meet the sixth-cycle RHNA. The City will need to rezone additional sites to meet the RHNA, as described in the Sites Inventory Section and in Appendix E. That said, the City has identified sufficient rezone sites within its limits that are not currently designated as open space, agricultural, or urban reserve to meet the sixth-cycle RHNA, averting the need to rely on projects requiring a Measure J vote to meet this cycle's RHNA. As such, Measure J is not a constraint to the production of housing for purposes of the City's sixth-cycle RHNA. Nonetheless, the City acknowledges the challenges of utilizing the findings built into Measure J that would allow the City Council to bypass voter approval for the purpose of residential projects needed to meet the City's RHNA. As such, the Housing Element includes Program 2.6, which commits to asking the voters to amend the language in Measure J that exempts from its public vote requirements projects that provide affordable housing.

Phased Allocation

The General Plan Land Use Element requires that all developments, including those entering into development agreements, be subject to the Phased Housing Allocation Ordinance or a similar ordinance. Chapter 18.01 of the City Code outlines the City's Phased Allocation Ordinance and authorizes a phased allocation plan to accomplish the following goals:

1. Prevent premature development in the absence of necessary utilities and municipal services.
2. Coordinate city planning and land regulation in a manner consistent with the General Plan.
3. Facilitate and implement the realization of General Plan goals, which cannot be accomplished by zoning alone.
4. Provide significant incentives to developers to include very-low, low-, and moderate-income housing in their developments.
5. Prevent unplanned growth, which has no relationship to community needs and capabilities.

The phased allocation plan has a rolling five-year phasing period and requires the City to annually designate the number of units to be constructed for the fifth year and may also adjust the units designated for the first through fourth years. The number of units allocated must be based on General Plan and Specific Plan policy, the number of units approved and constructed in prior years, residential needs, infrastructure, financing plans, and open space policies. Individual projects must submit a phased allocation application and must receive approval prior to building permit issuance. However, multifamily rental projects, development within the core area, small urban parcels, and permanently low- and very low-income housing units are exempt from the requirements of the phased allocation ordinance.

The phased allocation ordinance, by its nature, is a constraint to housing production. However, it is not considered a constraint to lower-income housing production as the ordinance provides exemptions for affordable and multifamily rental developments. In

addition, several residential developments have received exceptions, as part of their development agreement. The City does not have any large new growth areas where substantial single family development would occur. The phased allocation ordinance has not resulted in any restrictions to residential development within the 2013-2021 planning cycle.

One Percent Growth Policy

The One Percent Growth Cap was established in 2008 by Resolution No. 08-019, though it was officially established as a growth guideline/parameter that limited growth in the city to one percent of the city's total housing units annually to 260 non-exempt "base units" (based on the number of housing units in the City based on the General Plan's 2010 estimate for the number of housing units within Davis). The number of "base units" can be adjusted as the number of housing units within the city increases. In addition, the resolution exempts several categories of housing that are not counted as part of the one percent growth limit, including: permanently affordable housing units for very low (including extremely low), low-, and moderate-income households; accessory dwelling units; and residential units within vertical mixed use buildings. The growth cap also allows for the City Council to have the ability to allow an infill project with extraordinary community benefits, even when it exceeds the one percent growth rate.

While the growth cap could potentially limit growth in Davis, building permit activity has rarely exceeded this threshold and the City has not had to deny any housing approvals because of the policy. As demonstrated in Table 72, building permit activity has only exceeded the 260 base units in 2016, 2018, and 2019. In 2016 and 2018, the number of exempt units brought the total number of units down to less than one percent growth. 2019 was the first year where the number of non-exempt units exceed 260 base units (308), but this was still within an allowable margin. It should be noted that the "base" unit number has not yet been updated with 2020 Census data on the number of housing units. For the 6th Housing Element Update cycle, a cap of one percent in growth would allow for 2,600 new housing units to be built, which exceeds the City's RHNA of 2,075 units.

Table 72: Total Building Permits, City of Davis, 2009-2020

Year	Total Units (base and exempt)	Deed-Restricted Affordable Units	Accessory Dwelling Units and Mixed-Use Units	Exempt Units
2020	66	38	15	53
2019	395	55	32	87
2018	368	90	16	106
2017	214	11	15	26
2016	266	66	17	83
2015	105	-	9	9
2014	13	4	3	7
2013	54	10	6	16
2012	188	12	1	13
2011	122	74	2	76
2010	21	-	3	3
2009	27	-	2	2

Source: City of Davis, 2021.

With the passage of SB 330 and SB 8, the one percent growth cap was suspended until 2030. The City Council indicated that with the temporary suspension of the one percent growth cap, the number of exemptions it allows, and the widespread support it has from the community, that there was no reason to suspend permanently at this time. However, if it does become a hindrance after 2030, the City Council indicated that they would be open to examining it again at that time. The Housing Element includes a program stating that the City will consider repealing the one percent growth cap past the suspension through 2030 that is required by SB 330 and SB 8.

Processing and Permit Procedures

As shown earlier, single family homes are a permitted use in any zone where they are allowed, and multifamily developments are a permitted use in several zones, but conditionally permitted in some zones. Site plan review is required for non-discretionary single-family projects and can be approved by City staff at the planning counter. Single-family projects must then secure a building permit, which takes approximately one to two weeks. Non-discretionary multifamily projects must provide public notice and allow for a ten-day public comment period prior to approval by the Community Development and Sustainability Director. In addition, multifamily development in most zoning districts must undergo design review, which takes approximately six weeks from receipt of a complete application.

Multifamily projects are generally submitted as part of a larger residential subdivision project and often require discretionary approvals, such as General Plan and Specific Plan amendments and rezoning applications. The types of discretionary applications processed include:

- Annexation,
- General Plan Amendments,
- Specific Plan and Amendments,
- Preliminary Planned Development, Rezoning and Preliminary Planned Development, or Zoning Code Amendments, and
- Phased Allocation or Development Agreement.

There are several variables that influence the length of processing time for a discretionary project. The factors include:

- the type of project proposed and its location;
- the time it takes the applicant to submit complete application materials;
- the number and nature of deviations requested from the conventional base zoning standards;
- the qualities of the proposed project, such as appealing and innovative design, and compatibility with existing surrounding uses and structures;
- the level of controversy associated with the project; and
- the number of entitlements requested.

It is not uncommon for a non-controversial discretionary application to be acted upon within three to four months of the applications' filing a complete application. However, when multiple entitlement applications are involved, the timing of discretionary review can vary depending on the level of public controversy. It should be further noted that often the developers enter into a development agreement with the city. This negotiated agreement may affect the length of time project processing will take before a final action is taken on it. It is also worth noting that even when a project involves multiple discretionary actions, the city attempts to process them concurrently in order to minimize processing times.

A large majority of multifamily projects approved by the City apply for a planned development permit. The planned development process consists of two parts. First, a preliminary planned development application that outlines the uses permitted and any conditional uses must receive City Council approval; and second, a final planned development application that outlines zoning standards, height limitations, parking requirements, and other requirements, must receive Planning Commission approval. The planned development applications typically require four to six months for processing, but timing varies with project complexity. Typically, this processing time includes environmental review of the project. Once a final planned development application is submitted, there is high predictability in the process, as projects are reviewed using the specified zoning standards as the basis for approval.

There is no separate permitting or planned development process for affordable housing. However, affordable housing sites are typically included in a larger project and are established at the time of approval of the planned development application for the larger project. Affordable housing must receive approval of the final planned development, which consists of a site plan and concurrent design review (if design review applies). The planned development zoning does not negatively affect affordable housing development as most affordable housing sites are already within a planned development zone and no additional layer of regulation is placed on the development of the actual affordable units.

Conditional Use Permits

Most new residential developments in Davis are in a planned development district and very few are subject to a conditional use permit. A conditional use permit is only required for uses listed as conditional and is typically only used in rare cases such as special situations in an office or industrial district. Conditional use permits must be approved by the Planning Commission, unless it is being processed concurrently with an application requiring City Council approval and would then require Planning Commission recommendation for approval by the City Council.

Design Review

The citywide design review section of the Zoning Code (40.31, Site Plan and Architectural Approval) applies to multi-family and commercial projects, but not to single family projects. Design review applications are processed administratively by City Staff, unless processed concurrently with a discretionary application. As required by Article 40.39 of the City Code, public notice must be provided to owners of property within 500 feet of the proposed site and a comment period must be provided. No public hearing is required unless there is substantive comment that an application should not be approved.

The ordinance identifies findings for approval that consider the objectives of the general plan, zoning regulations, design guidelines, suitability, character enhancement, compatibility with existing and anticipated developments, circulation, location, climate, and environmental conditions. In addition, the ordinance identifies principles to be followed including the principle that design review should not be so restrictive that development is stifled or that substantial additional expense is required.

The State Legislature has enacted several bills that require jurisdictions to adopt objective design standards. First, under the Housing Accountability Act, a housing development may only be denied or reduced in density if it is inconsistent with objective standards. Senate Bill (SB) 330, Housing Crisis Act of 2019, prohibits cities and counties from adopting standards that reduce residential development capacity and imposing or enforcing new design standards established on or after January 1, 2020, that are not objective design standards. Finally, SB 35, passed in 2017, requires jurisdictions that have failed to approve housing projects sufficient to meet their State-mandated RHNA to provide streamlined, ministerial entitlement

process for housing developments that incorporate affordable housing. Per SB 35, review, and approval of proposed projects with at least 50 percent affordability must be based on objective standards and cannot be based on subjective design guidelines.

The design review process currently (2020) outlined in the Zoning Code includes subjective language. The Housing Element includes a program to amend the Zoning Code to identify objective design standards.

Processing Time Limits

Table 72 below lists the current and typical development processing time limits for the City of Davis Planning Division. Development processing time limits are based on receipt of a complete application. Application processing delays often occur due to incomplete applications. A basic design review will take up to 1.5 months. Depending on the scope of the project, review time can vary greatly. For example, if a project is referred to the Planning Commission for approval, the timeline is extended by one to two months. Amendments to the Zoning Code require an additional two to six months of review time. The environmental review is typically conducted in conjunction with the planning process and is included in the timeframes estimated below.

Table 72: Processing Times

Application Type	Typical Development Processing Time Limits
Administrative	
Design Review	1.5 months
Minor Modification	1.5 months
Minor Improvement	1 day
Planning Commission	
Design Review	1 to 2 months
Minor Modification	1 to 2 months
Administrative	
Lot Line Adjustment/Merger/Tentative Parcel Map	1 to 2 months
Vacation of Easements	1 to 2 months
Tentative Subdivision Map	1 to 4 months
Conditional Use Permit	1 to 2 months
Variance	1 to 2 months
Final Planned Development	1 to 2 months
Revised Final Planned Development	1 to 2 months
Prezoning/Rezoning/Preliminary Planned Development	2 to 12 months
Zoning Code Amendment	2 to 6 months
Specific Plan Amendment	2 to 6 months
General Plan Amendment	2 to 12 months
Annexation	6 to 24 months
Environmental Documentation	Dependent on application type; prepared in conjunction with planning application review

Source: City of Davis, 2021

Senate Bill 35 Approval

SB 35 requires jurisdictions that have failed to meet their RHNA to provide streamlined, ministerial entitlement process for housing developments that incorporate affordable housing. Because the City has met its RHNA for above moderate-income housing in the Fifth Cycle (2013-2021) Housing Element but has not met its RHNA for lower-income housing, projects providing at least 50 percent lower-income housing that meet all objective standards are eligible for ministerial (i.e., staff-level) approval under SB 35. However, to be eligible projects must also meet a long list of other criteria, including prevailing wage requirements. As of March 2021, the City has not received any applications for SB 35 approval. The Housing Element includes a program to establish a process for SB 35 streamlining.

Senate Bill 330 Processing Procedures

SB 330, the Housing Crisis Act of 2019, established specific requirements and limitations on development application procedures. The bill allows a housing developer to submit a “preliminary application” to a local agency for a housing development project. Submittal of a preliminary application allows a developer to provide a specific subset of information on the proposed housing development before providing the full amount of information required by the local government for a housing development application. Submittal of the preliminary application secures the applicable development standards and fees adopted at that time. The project is considered vested and all fees and standards are frozen, unless the project changes substantially (by 20 percent or more of the residential unit count or square footage) or the applicant fails to timely submit a complete application as required by the Permit Streamlining Act.

Each jurisdiction may develop their own preliminary application form or may use the application form developed by HCD. In addition, the bill limits the application review process to 30 days, for projects less than 150 units, and 60 days, for projects greater than 150 units, and no more than five total public hearings, including planning commission, design review, and city council.

SB 330 also prohibits cities and counties from enacting a development policy, standard, or condition that would have the effect of: (A) changing the land use designation or zoning to a less intensive use or reducing the intensity of land use within an existing zoning district below what was allowed on January 1, 2018; (B) imposing or enforcing a moratorium on housing development; (C) imposing or enforcing new design standards established on or after January 1, 2020, that are not objective design standards; or (D) establishing or implementing certain limits on the number of permits issued or the population of the city or county.

In compliance with SB 330, the City accepts the use of the preliminary application form provided by HCD. In addition, the Housing Element includes a program to amend the Zoning Code to include objective standards that will provide more clarity and certainty for residential developments.

Fees and Exactions

Processing Fees

The City collects fees to cover the cost of building permits and planning and engineering services, as established by ordinances and resolutions adopted by the City Council. These fees include the cost of permit processing, plan checks, inspection of improvements, environmental review, and other necessary services. The fees are based on studies that analyze staff time and prevailing fees in the surrounding localities.

As required by State law, local permit processing fees do not exceed the estimated actual cost of processing the permit. Fees charged by the Community Development and Sustainability Department are estimated to account for 68.5 percent of its total support operations. The remaining operations support funds are derived as follows: 25 percent from the City of Davis General Fund, and 6.5 percent from construction tax, development impact fees, and grant funds. Table 73 below lists the current fees assessed with the processing of planning and building permit applications. There are two types of fees associated with planning applications: fixed/flat fees and deposit fees. Flat fees provide a standard cost for the processing of its corresponding application without regard to whether the actual project takes more time or less time to process. Deposit fees allows the City to refund projects that are less staff intensive than others and charge projects that require additional time based on the specifics of a project. City permit processing fees are posted on the City website.

Table 73: Planning/Building Permit Fee Schedule

Application/Fee Type	Fee Amount	Fee Type
Hourly Rates		
Technical Support	\$136	Per hour
Planner/Manager	\$183	Per hour
Principal Planner and Administrator	\$254	Per hour
Executive Management	\$300	Per hour
Design Review		
Administrative approvals–Outside Downtown and Traditional Residential Neighborhoods and Design Guidelines. Includes building additions, garage conversions and changes to existing site plans, but not new structures. (Includes categorical exemption fee.)	\$1,798	Fixed fee
Design Guideline areas–Tier II design reviews	\$4,221	Deposit
Design Guideline areas–Tier III design reviews	\$4,608	Deposit
Minor Improvements/Design Guideline areas–Tier I review project <u>not</u> requiring a categorical exemption	\$365	Fixed fee
Signs or projects requiring a categorical exemption	\$730	Fixed fee
Design Review (COA) of Historic Structures: <ul style="list-style-type: none"> • Not Categorically Exempt • Categorically Exempt projects 	\$2,053 No Fee	Deposit
New projects–all new buildings	\$3,480	Deposit
Planning Commission–Additional deposit for referral to Planning Commission	\$2,738	Deposit
Sign program (signs not consistent with sign guidelines or approved sign program)	\$1,597	Deposit
Environmental Review		
Categorical exemption	\$183	Fixed fee
Negative declaration (CA Fish & Wildlife fee may also apply)	\$4,042	Deposit
EIR Preparation	Full payment of cost estimate or contract + 20% administrative fee	
Yolo County–Notice of Determination filing fee	\$50	Fixed fee

California Department of Fish and Wildlife filing fees (updated annually) Negative & Mitigated Negative Declaration (2016)* EIR (2016)* *Includes \$50 Yolo County filing fee	\$2,480.25 \$3,445.25	Due at planning application submittal
Housing/Owner Occupancy		
Affordable Housing Plans Review	\$1,653	Deposit
Owner Occupancy Declaration Exemption	\$230 \$417	Fixed fee Fixed fee
Phased Allocation Plan	\$3,086	Deposit
Map Applications		
Tentative map (five or more parcels), vacation of right-of-way	\$7,073	Deposit
Other maps/ lot line adjustment/referred to subdivision committee	\$2,738	Deposit
Parking		
In-lieu parking space for all zoning districts, excluding Central Commercial (C-C) and Mixed Use (M-U)	\$8,000	Per space, Resolution No. 8343, adopted April 22, 1998
Central Commercial (C-C) and Mixed Use (M-U) zoning districts	\$4,000	Per space, Resolution No. 04-51, 2004 adopted February 17, 2004
In-lieu parking space for all zoning districts, excluding Central Commercial (C-C) and Mixed Use (M-U)	\$8,000	Per space, Resolution No. 8343, adopted April 22, 1998
Central Commercial (C-C) and Mixed Use (M-U) zoning districts	\$4,000	Per space, Resolution No. 04-51, 2004 adopted February 17, 2004
Zoning		
Conditional use permit:		
Minor (core area fast food)	\$1,826	Deposit
Major (all other)	\$5,476	Deposit
Administrative Use Permit	\$1,798	Fixed Fee
Final planned development & revised final planned development	\$5,590	Deposit
Minor modification		
• Not referred to Planning Commission (includes categorical exemption fee)	\$1,663	Fixed Fee
• Referred to Planning Commission	\$4,791	Deposit
Prezoning/Rezoning/Preliminary planned development	\$15,971	Deposit
Public convenience or necessity determination	\$3,024	Deposit
Temporary use permit:		
Not requiring mailing or environmental review	\$793	Fixed Fee
Requiring mailing (includes categorical exemption fee)	\$1,430	Fixed Fee
Variance	\$4,563	Deposit
Zoning letter/determination of permitted use	\$650	Fixed Fee
Zoning Code amendment	\$9,697	Deposit
Zoning verification (Planning Commission)	\$3,422	Deposit
Other Applications		

Annexations	\$25,000 Plus actual cost + 20%	Deposit
Appeals—A flat fixed fee to be paid by the appellant. Hours will be charged against the project; all costs in excess of the initial \$229 shall be paid by the applicant/developer	\$229	Fixed Fee
Core Area Specific Plan amendment cost recovery fee (see note 5) below) Historic unit:	\$2,498 per historic structure and \$2.53 per net new sq ft of new structure	Fixed Fee
Non-historic unit:	\$2.53 per net new sq ft of new structure	Fixed Fee
Demolition review: Staff Demolition Review (City Code Sec. 8.19). Includes approval of site management plan, public noticing and, if applicable, initial 30-day historic resource evaluation.	\$2,966	Deposit
Consultant (additional if necessary to process)	\$Cost + 20%	
Demolition review of potentially historic resources held over for HRMC and CC public hearings:	\$6,160	Deposit
Development agreement: Preparation/implementation	\$6,678	Deposit
Annual review	\$2,003	Deposit
Amendment	\$2,671	Deposit
General Plan Amendment	\$10,351	Deposit
Specific Plan Amendment	\$9,126	Deposit
Grading permit: Biological survey	\$1,075	Deposit
No survey required	\$483	Fixed fee
Long-range planning/community planning/General Plan update fee	.002 of building permit valuation	Charged at building permit on all permit types except demo permits
Parkland in-lieu (Quimby) fee (updated annual by Public Works)	\$10,761	Per unit (last updated May 2019)
Pre-application	\$3,116	Deposit
Pre-application meeting (One-hour meeting)	\$759	Fixed fee
Research	\$1,002	Deposit
Yolo County referrals (all projects)	\$3,940	Deposit
All other applications	\$1,045	Deposit
Plan Checking		
Site Plan Review (at building permit)	Actual hourly rate charged at building permit	

Source: City of Davis, 2021

Notes:

1. Projects may require review by other agencies. These agencies may impose a fee for this service.
2. If the deposit exceeds the final actual cost, the balance will be refunded to the applicant.
3. The Community Development Director may reduce deposits if deemed appropriate.
4. Refund policy:
 - Refund requests must be submitted in writing.
 - Fixed fee applications: A refund will not be granted if the project has been noticed for a public hearing. If the project has not been noticed for a public hearing, the refunded amount will be the original fee paid, less the cost of staff hours worked on the project, less a \$30 administrative processing fee.

- Withdrawn applications: If staff has not completed any work on the project, a refund of the original fee paid, less a \$30 administrative processing fee, will be made.
 - Deposit applications: Any unused deposit fee, after project completion, shall be entirely refunded.
5. Core Area Specific Plan Amendment cost recovery fees shall be increased each year by the CPI-U (San Francisco-Oakland-San Jose) Index, not to exceed 4%. Last updated with June 2019 index change.

Development Impact Fees

The City collects development impact fees to cover the cost burden of new developments, including infrastructure improvements, water and sewer connection fees, school fees, and park fees. The City's development impact fees are shown in Table 74. As shown in the table, City development fees range between \$14,878 and \$17,656 per unit for single-family development and range between \$10,427 and \$12,093 for multifamily development, dependent on the Mello Roos district. In addition, the City identifies fees specific to single family attached units and studio/one-bedroom units. These fees tend to be lower than the single family detached or multifamily development fees in the Mello Roos district. The City does not offer fee waivers but provides financial assistance to affordable housing developments that demonstrate the need for this assistance. The most common form of financial assistance that the City has provided is HOME or CDBG funding, with HOME funding being typical for new developments and CDBG being more common for rehabilitation of existing affordable units. These funds must be used for low-, very low- or extremely low-income units. Adelante, a 38-unit affordable complex on 5th Street, was a recent recipient of a \$430,000 HOME loan and Mercy Housing, which will build 150 affordable senior units in Bretton Woods, has been awarded approximately \$900,000 in HOME funding. Becerra Plaza and Mutual Housing are two recent recipients of CDBG funding to make improvements to their all-affordable complexes. In addition, the City has worked with project applicants to co-author Sustainable Communities and Affordable Housing grant applications and has directly applied for other grants, such as CSBG, CDBG, ESG, CESH, and HHAP, to provide supportive services at affordable supportive housing projects. In addition, the Housing Element includes a program that states that the City will identify and implement one or more sources of robust permanent funding for the City's Housing Trust Fund, which will provide another source of funding for affordable housing projects. City development impact fees are posted on the City website.

Water and sewer connection fees are identified in the City Code (Section 39.03.120 Service Connection Charges and Section 33.02.040 Connection Charges). Water service connections charges are \$17,271 for 1-inch pipe meters, typically used for single family units, and \$345,376 for 6-inch pipe meters, typically used for multifamily developments. Sewer connection charges are \$6,150 per single-family unit and \$3,320 per multifamily unit. In addition, a water meter permit fee of \$190 is required and a backflow preventor permit fee of \$307 is required. A construction tax fee of \$3.97 per square foot of single-family residential construction and \$3.46 per square foot of multifamily residential construction, including common areas, is also required.

In addition to the fees collected by the City, residential developments are also subject to the Davis Unified School District impact fee of \$2.97 per residential square foot and county impact fees. The Yolo County development impact fee is \$4,290 for new single-family units and \$3,180 for new multifamily units constructed in Davis. The fee is paid to the Yolo County Planning Department prior to issuance of building permit.

Table 74: Residential Development Impact Fees, City of Davis

Land Use	Roadways	Storm Sewer	Parks	Open Space	Public Safety	General Facilities	Total Fees
Base Fees Payable Outside of City Wide Mello-Roos Districts							
Single Family Detached	\$8,093	\$305	\$5,014	\$863	\$992	\$2,389	\$17,656
Single Family Attached	\$6,023	\$305	\$4,145	\$714	\$820	\$1,975	\$13,982
Studio/One Bedroom	\$3,047	\$85	\$3,277	\$564	\$700	\$1,249	\$8,922
Multi-family	\$4,942	\$85	\$3,827	\$659	\$757	\$1,823	\$12,093
East Davis Development Impact Fees After Mello-Roos Credits (CFD 1990-1)							
Single Family Detached	\$7,315	\$305	\$5,014	\$863	\$515	\$2,112	\$16,124
Single Family Attached	\$5,444	\$305	\$4,145	\$714	\$494	\$1,786	\$12,888
Studio/One Bedroom	\$2,754	\$85	\$3,277	\$564	\$399	\$1,088	\$8,167
Multi-family	\$4,467	\$85	\$3,827	\$659	\$479	\$1,662	\$11,179
East Davis/Mace Development Impact Fees After Mello-Roos Credits (CFD 1990-2)							
Single Family Detached	\$6,825	\$305	\$5,014	\$863	\$774	\$2,143	\$15,924
Single Family Attached	\$5,079	\$305	\$4,145	\$714	\$671	\$1,807	\$12,721
Studio/One Bedroom	\$2,570	\$85	\$3,277	\$564	\$562	\$1,106	\$8,164
Multi-family	\$4,167	\$85	\$3,827	\$659	\$630	\$1,680	\$11,048
North Central Davis Development Impact Fees After Mello-Roos Credits (CFD 1990-3)							
Single Family Detached	\$6,398	\$305	\$5,014	\$863	\$176	\$2,122	\$14,878
Single Family Attached	\$4,761	\$305	\$4,145	\$714	\$263	\$1,793	\$11,981
Studio/One Bedroom	\$2,409	\$85	\$3,277	\$564	\$186	\$1,094	\$7,615
Multi-family	\$3,906	\$85	\$3,827	\$659	\$282	\$1,668	\$10,427
South Davis Development Impact Fees After Mello-Roos Credits (CFD 1990-4)							
Single Family Detached	\$6,980	\$305	\$5,014	\$863	\$869	\$2,228	\$16,259
Single Family Attached	\$5,195	\$305	\$4,145	\$714	\$736	\$1,865	\$12,960
Studio/One Bedroom	\$2,628	\$85	\$3,277	\$564	\$622	\$1,156	\$8,332
Multi-family	\$4,262	\$85	\$3,827	\$659	\$685	\$1,730	\$11,248
West Davis Development Impact Fees After Mello-Roos Credits (CFD 1990-5)							
Single Family Detached	\$8,093	\$305	\$5,014	\$863	\$460	\$2,215	\$16,950
Single Family Attached	\$6,023	\$305	\$4,145	\$714	\$456	\$1,857	\$13,500
Studio/One Bedroom	\$3,047	\$85	\$3,277	\$564	\$364	\$1,148	\$8,485
Multi-family	\$4,942	\$85	\$3,827	\$659	\$447	\$1,722	\$11,682

Notes:

Source: City of Davis, 2021

Table 75 shows total development impact fees for a typical single-family and multifamily unit. For a typical 2,250 square-foot single-family unit outside of Mello Roos districts, the development fees collected by the City would be approximately \$50,500 and the development fees collected by other agencies (i.e., school district, County) would be approximately \$11,000, totaling \$61,500. For a typical 850 square-foot two-bedroom multifamily unit outside of Mello Roos districts, the development fees collected by the City would be approximately \$26,300 and the development fees collected by other agencies (i.e., school district, County) would be approximately \$5,700, totaling \$31,000. For a 50-unit multifamily development, total development impact fees would be approximately \$1.6 million.

Table 75: Total Residential Development Fees

Fee Type	Single Family Unit (2,250 sf)	Multifamily Unit (850 sf)
City Development Impact Fees	\$17,656.00	\$12,093
Water Connection Fee	\$17,271.00	\$6,907.52 ¹
Sewer Connection Fee	\$6,150.00	\$3,320
Water Meter Permit Fee	\$190	\$190
Backflow Preventor Permit Fee	\$307	\$307
Construction Tax	\$8,932.50	\$3,460 ²
Total City Development Fees	\$50,507	\$26,278
Davis Unified School District Fee	\$6,682.50	\$2,524.50
County Development Impact Fees	\$4,290.00	\$3,180
Total Other Agency Development Fees	\$10,973	\$5,705
Total Development Fees	\$61,479	\$31,982

Notes:

¹ Assumes a 6-inch water connection pipe for a 50-unit multifamily development. Total fee of \$345,376 divided by 50 units.

² Assumes 1,000 square feet per unit to include all common areas.

Source: City of Davis, 2021

As described in more detail below under Non-Governmental Constraints, as of the beginning of 2021, total development costs for residential projects in Davis were an estimated \$465,000 per single-family unit, \$485,000 per townhome unit, \$310,000 per lower-density multifamily rental unit, and \$355,000 per higher-density multifamily rental unit. This does not include the cost of land, but it does include hard construction costs as well the cost of financing, permits and other fees, architecture and design, and all other soft costs. Table 76 compares the typical development costs of housing units to the amount of fees for each type of unit.

Table 76: Fees as a Percent of Residential Development Costs

Housing Unit Type	Total Development Cost	Typical City Development Impact Fees	Other Agencies' Development Fees	Total Fees	Percentage of Development Cost for Fees
Single Family Detached (2,250 sf)	\$465,000	\$50,507	\$10,973	\$61,480	13.2%
Townhouse (2,250 sf)	\$485,000	\$50,507	\$10,973	\$61,480	12.7%
Multifamily (Lower Density, 850 sf)	\$310,000	\$26,278	\$5,705	\$31,983	10.3%
Multifamily (Higher Density, 850 sf)	\$355,000	\$26,278	\$5,705	\$31,983	9.0%

As shown in the table, a typical single family detached house would have the highest proportion of fees of each unit type, with fees making up approximately 13.2 percent of the total development cost of a unit before including land costs. Development fees for a typical single family attached home, such as a townhouse, make up approximately 12.7 percent of development costs before land, while fees for a multifamily unit would make up approximately 10.3 percent for a lower density apartment unit or 9.0 percent for a higher density apartment unit. Including land in the total development cost for each unit type would decrease the share of total costs that are attributable to fees.

In comparison to jurisdictions in the Sacramento region, development fees in the City are higher than average for single-family units and comparable to other jurisdictions for multifamily units. Table 77 below includes data from a development fee study prepared by SACOG in 2020 and shows how the City's development fees compare to the other SACOG jurisdictions that participated in the study. The table shows that the City's development fees for single family housing are some of the highest among jurisdictions that participated in the study, though fees in Rocklin and Rancho Cordova are similar. The City's fees per multifamily unit, on the other hand, are more affordable by comparison, with about half of the surveyed jurisdictions reporting higher fees per multifamily unit.

Moreover, the total fees shown for the City of Davis in the table below include the City's affordable housing in-lieu fees, which only apply to projects that do not provide affordable units per the City's requirements. The City uses its affordable housing fees to provide financial assistance to affordable housing developments, including funding for new affordable developments, paying for retrofits for seniors and low-income disabled persons, and funding for rental rehabilitation of affordable housing projects because traditional financing and funding can be prohibitively expensive. The City has also used its funding to purchase and rehabilitate properties to provide affordable housing for lower income households. As a result, a portion of the City's fees directly contribute to the City's affordable housing initiatives.

Table 77: Residential Development Fees, Jurisdictions in the SACOG Region

City or County	Typical Single Family Development Fees	Typical Multifamily Development Fees
Marysville	\$1,650	\$1,150
Yuba County, SYTIA	\$2,828	\$1,697
Yuba County, Plumas Lake	\$5,779	\$3,467
Yolo County	\$7,807	\$4,830
Sacramento	\$8,444	
Yuba County, TRLIA	\$11,625	\$11,625
Yuba County	\$15,174	\$8,070
Auburn	\$16,473	\$5,766
Loomis	\$16,909	\$11,021
Live Oak	\$21,447	\$12,430
Roseville	\$23,046	\$13,825
Sacramento County, South Sacramento	\$30,345	\$17,921
Sacramento County, Carmichael and Arden Arcade	\$32,553	\$17,258
Placer County	\$33,937	\$27,331
Folsom, North of US 50	\$38,855	\$22,280
Galt	\$39,988	\$33,313
Sacramento County, Infill	\$40,596	\$24,634
Folsom, South of US 50	\$40,899	\$30,958
Rocklin	\$46,136	\$31,169
Rancho Cordova	\$49,197	\$32,384
Davis (a)	\$51,500 (b)	\$19,400 (b)
Sacramento County, Antelope	\$70,494	\$50,411
Sacramento County, Florin Vineyard	\$75,157	\$53,483

Notes:

(a) It should be noted that SACOG’s Housing Fee Study inaccurately reported Davis’ affordable housing fees. The study reported that each new housing unit built requires a fee of \$75,000. However, the \$75,000 fee is an in-lieu fee provided per affordable unit that is not built onsite, not per unit in the development. Each development is responsible for providing 15 percent affordable housing onsite or the equivalent in in lieu fees. Not all projects pay in lieu fees.

(b) Only City development fees are reported: other agencies’ development fees (\$11,000 for single family and \$5,700 for multifamily) are not included in this table for comparison purposes since the City has no control over these fee rates.

Source: SACOG Development Fee Study, 2020; City of Davis, 2021.

Exactions

Typically, new housing projects are only required to pay and provide for development impact fees, processing fees, and any in-lieu affordable housing fees, described in more detail below. When a project requires a larger degree of entitlements, particularly annexation or a General Plan amendment, the City can consider and determine the merit for additional project exactions through a Development Agreement based on the unexpected change in land use

that was not previously planned for. Exactions that have been discussed in previous projects are typically associated with provisions for public safety services for the development, parks services and maintenance, and installation of a city well site. The City has not identified any instance when a project has been withdrawn or left incomplete due to the exactions negotiated within a Development Agreement. The City does not find these exactions to be an impact on housing development.

Codes and Enforcement

Building Codes mandated by the State of California and their enforcement are necessary to ensure safe housing conditions but can result in increased housing costs and impact the feasibility of rehabilitating older properties. The 2019 California Building Code (CBC), adopted by the State, became effective on January 1, 2020. The City has adopted the CBC by reference in Article 8.01 of the City Code. The City has adopted only minor administrative amendments to the building code and are consistent with the codes applied in other local jurisdictions in California. In addition, Article 8.20 encourages the use of renewable energy sources and requires a solar photovoltaic system be installed on all new single-family dwellings or duplexes. These renewable energy requirements result in higher upfront costs but result in cost-savings for the occupant and community benefits that outweigh the upfront cost. The City Building Code, as described in Chapter 8 of the City Code, does not negatively impact the construction of affordable housing.

The City of Davis requires submittal of a building permit application, with project plans, that is reviewed by plan check staff for consistency with the Building Code. Once the plans are approved and the permit is issued, inspections of the development at identified critical stages are required in order to ensure that the project is built consistent to the approved plans that reflect Building Code requirements. A final inspection of all projects is required to complete one last review of the project against the city-approved plans. Final sign-off after this inspection constitutes issuance of Certificate of Occupancy (when applicable) and record of city approval on the project (large or small) that was completed.

Upon the resale of housing units, representatives of the City's Building Division conduct an inspection to assess any noncompliance with building and zoning codes, including any work done to the housing unit without building permit issuance and final building inspection approval. Items identified in a resale inspection report are required to be addressed either by the existing owner selling the unit or by the future owner purchasing the unit. Buyer and seller are able to negotiate who will be responsible for addressing City-identified items. This program assists in providing full disclosure to buyers and ensures maintenance of the city's housing stock.

In addition to the resale inspection program described above, the City also has a code enforcement program. This program is based on complaints received by the City requiring any code violation throughout the City, including building and zoning codes. The Davis Police

Department's Code Enforcement Officer responds to complaints and takes the necessary steps to remedy instances where code violations are identified. This program promotes compliance with the City Code to ensure the health and safety of the community.

On- and Off-Site Improvements

The City of Davis, as is typical in most jurisdictions in the state, has various on- and off-site improvement requirements for residential developments. The City has established minimum standards required to assure orderly development similar to other urban settings. The chart shown below lists the street widths required by the City of Davis.

Figure 38: Street Width Requirements, City of Davis

B. HORIZONTAL ALIGNMENT REQUIREMENTS FOR STREETS

The following requirements shall be used in the design of the horizontal alignment of public and private street and bike paths.

1. Section Requirements

The geometric cross-section of the street shall conform to the General Plan and as otherwise approved by the City Council. Street sections and elevations shall be symmetrical about the street centerline. Non-symmetrical street sections require special approval by the City Engineer. Typical Street Sections are included within Appendix A.

Street Classification :	Major Arterial	Minor Arterial	Collector	Modified Local	Local	Cul-de-sac	Alley	Downtown Street
Right of Way (ROW) Width	102'-146'	75'	62'	50'	44'	38'	20'	80'
Roadway Width ²	70'-96'	42'-72'	34'-56'	34'-50'	34'-50'	27'	20'	50'
Median Width	16'	Varies	-	-	-	-	-	-
No. of Travel Lanes	4	2	2	2	2	2	-	2
Travel Lane No. 1 - Lane Width ¹	10'	10'	10'	10'	10'	10'	-	10'
Travel Lane No. 2 - Lane Width ¹	10.5'	-	-	-	-	-	-	-
Bike Lane (Class II) ¹	Yes	Yes	Yes	Yes	-	-	-	Yes
Bike Lane (Class III)	-	-	Yes	Yes	Yes	-	-	Yes
Bike Lane (Class IV)	Yes	Yes	Yes	-	-	-	-	-
Bike Lane (Class IV) Width (Min)	7'	7'	7'	-	-	-	-	-
Bike Lane (Class IV) Buffer Type	R or F	P, R or F	P, R or F	-	-	-	-	-
Bike Lane (Class II & IV) Buffer Width (Min)	3'	3'	3'	-	-	-	-	-
Bike Lane Width (Min)	7'	7'	7'	-	-	-	-	7'
Parking Lane Width (Max)	7'	7'	7'	7'	7'	7'	-	7'
Sidewalk Width (Min)	6'	6'	6'	6'	6'	6'	-	15'
Landscape Buffer (Min)	6'	6'	4'	-	-	-	-	-
Shared-Use Path?	Yes	Varies	-	-	-	-	-	-
Shared-Use Path Width	12'	12'	-	-	-	-	-	-
Left Turn Lanes Req'd?	Yes	Yes	Varies	Varies	-	-	-	Varies
Left Turn Lane Width	10'-11'	10'	10'	10'	-	-	-	10'
Right Turn Lane Width	11'	11'	-	-	-	-	-	-
Design Speed	40 mph	35 mph	30 mph	25 mph	25 mph	20 mph	5 mph	20 mph
Driveway & Street Access	Limited	Limited	Limited	Unlimited	Unlimited	Unlimited	XX	XX
								Yes (Inverted 'T')

- 1' Shoulder shall be included when travel lanes or bike lanes is adjacent to vertical face
 - Roadway width applies to new roadways. Existing roadway widths may vary
 - Standard buffer width shall be 3-ft. In constrained areas, buffer width may be reduced to 2-ft with approval from City Engineer
- P = Physical barrier for buffered bike lane (Class IV)
R = Raised or grade-separated barrier for buffered bike lane (Class IV)
F = Flexible barrier for buffered bike lane (Class IV)

The City has historically applied flexibility to the minimum standards in order to accommodate innovative residential projects or affordable housing projects as long as there are no public safety concerns. For instance, a local street right-of-way is a minimum of 50 feet. This width has been reduced in some cases to 36 feet or less in order to accommodate an affordable housing project or an innovative residential subdivision. It should be noted that planning values and traffic calming values have often been used as justification for such reductions. The General Plan includes level of service standards to address traffic congestion and facilitate infill development projects. These standards potentially reduce costs of mitigating traffic impacts when new development is approved.

The City believes that the on- and off-site standards do not constitute an unreasonable or unnecessary constraint on housing production. The provision of roadway, drainage, water and sewer and all underground utilities needed to deem a lot ready for residential development must be in place before the City accepts any public infrastructure and are not atypical of subdivision development in California. Also, no building permit will be issued for a lot that does not have infrastructure in place. The City does not approve subdivisions without adequate knowledge that there is sufficient public infrastructure capacity to accommodate the residential development.

Parking Standards

Parking standards vary by the number of bedrooms in the unit for both single-family and multifamily developments. The City has typically reduced the required parking for projects or allowed parking to be provided for within landscape reserves through the planned development zoning process. In addition, the City approved a Specific Plan and form based code for its Downtown Davis area which has no parking minimum, but does have a parking maximum. This was done in an effort to place less emphasis on parking space and more on providing additional dwelling units. Furthermore, with the adoption of AB 2097, effective as of January 1, 2023, public agencies are prohibited from imposing or enforcing minimum parking requirements on projects located within a one-half mile of a major transit stop. With Davis's robust transit system, much of the City is now exempt from minimum parking requirements due to AB 2097.

The parking requirements do not hinder the availability and affordability of housing. Often affordable multifamily projects have received parking reductions. Parking requirements are outlined in Article 40.25 of the City Code and are shown in Table 78. In addition, the City complies with parking reductions provided through the State Density Bonus program.

Table 78: Parking Requirements

Number of Bedrooms	Required Parking Spaces
Single Family Detached	
Four or fewer bedroom unit	1 covered, 1 uncovered
Five-bedroom unit	1 covered, 2 uncovered
Six-bedroom unit	4 spaces
Seven-bedroom unit	5 spaces
Duplex or Single Family Attached	
Three or fewer bedroom unit	1 covered, 1 uncovered
More than three-bedroom unit	1 additional space for each bedroom in excess of three
Multifamily Dwellings	
Efficiency Unit (Studio)	1 space
Two-bedroom unit	1.75 spaces
Three-bedroom or more unit	2 spaces

Source: Davis Municipal Code, 2021

In cases where parking standards are reduced and are not anticipated to address all parking needs for a particular project, the City has worked with developers to create reduced parking programs, such as shared parking, transit passes for residents, or car sharing spaces. Additional planning has included increased bike parking and shared bicycles, proximity to and promotion of bus options, and apartment parking permit requirements. These strategies have generally been effective in mitigating the need for parking while remaining more cost-effective than providing additional parking spaces. In recent planning efforts, the City has worked with developers to set parking maximums and provide shared parking. As part of the Draft Downtown Davis Specific Plan, the City proposes to eliminate parking requirements for new developments in the downtown.

Greenbelt and Open Space Policies

Land Use Element policies requiring the provision of greenbelts and other amenities may affect housing construction costs. This in turn could affect the home sales prices or rents. The City requires that 10 percent of the land in a residential subdivision be dedicated and improved as neighborhood greenbelt. The greenbelt requirements do not reduce the number of units that may be built on a given parcel of land. Although a portion of the land is required to be built as greenbelt rather than housing, the number of allowed units is determined by the gross acreage of the parcel, including the greenbelt area. The greenbelts will reduce the lot size per unit, however, which may either reduce the market value of the unit or decrease developer profit. Similarly, on-site open space and parking requirements for multi-family developments also act to reduce the amount of land available for building.

Neighborhood greenbelts, like other recreational amenities, add to the cost of producing housing. They also add to the value of housing by increasing the desirability of the unit and the surrounding neighborhood. One of the reasons people want to live in Davis is the availability of bike paths and neighborhood greenbelts. Neighborhood greenbelts, by providing an off-street transportation system, also encourage travel on foot and by bicycle, reducing automobile congestion and assisting in the preservation of air quality. Thus, the costs associated with the greenbelt and open spaces are necessary and do not significantly impede housing provision.

Affordable Housing Ordinance

The Affordable Housing Ordinance is outlined in Article 18.05 of the City Code. The ordinance was most recently amended in 2020 and is intended to provide affordable housing for local workers and meet the City's fair share of regional housing needs. The ordinance requires developers to submit an Affordable Housing Plan prior to or at the time of application for the first discretionary approval for a project. The Affordable Housing Plan must be reviewed by the Social Services Commission, and if no other planning entitlements for the project require Planning Commission or City Council hearing, a public hearing shall be held in which the Social Services Commission shall provide a motion of approval or denial of the plan. The ordinance is in compliance with Government Code Section 65589.8 by allowing developers to satisfy all or a portion of the inclusionary requirement by constructing rental housing at affordable monthly rents.

Affordable Housing Requirements for Ownership Housing

For residential ownership developments of more than five units the Affordable Housing Plan must meet the affordable housing obligation in accordance with the following:

- For projects comprised of market rate single-family detached ownership units on lots larger than 5,000 square feet in area, the developer must provide for a number of affordable housing units equivalent to 25 percent of the total units being developed, including the affordable units.
- For projects comprised of market rate single-family detached ownership units on lots smaller than 5,000 square feet in area, the developer must provide for a number of affordable housing units equivalent to 15 percent of the total units being developed, including the affordable units.
- For projects comprised of market rate single-family attached ownership units, the developer must provide for a number of affordable housing units equivalent to 10 percent of the total units being developed including the affordable units.
- For projects comprised of market rate stacked condominiums or ownership units within vertical mixed-use development, the developer must provide for a number of affordable housing units equivalent to five percent of the total units being developed including the affordable units.

- Residential ownership developments consisting of five to 200 units must provide units through one of the following methods:
 - On-site construction of affordable ownership or rental units;
 - Acquisition and recordation of permanent affordability restrictions on existing housing units within the city;
 - Provision of a land dedication site; and/or
 - Payment of in-lieu fees, if approved by the City Council.
- Residential ownership developments of 201 or more units must provide units through one of the following methods:
 - On-site construction of affordable ownership units
 - On-site construction of accessory dwelling units for rental to fulfill up to half of the requirement,
 - Payment of in-lieu fees for no more than 50 percent of the affordable housing obligation of the project, if approved by the City Council;
 - Provision of a land dedication site; and/or
 - On-site construction of affordable rental units, if the developer voluntarily requests to satisfy its requirements through this alternative.

The City also allows the developer to meet the City’s affordable housing requirement with an individualized program that is determined to generate an amount of affordability equal to or greater than the amount that would be generated under the standard affordability requirements.

If the affordable housing requirement is met through on-site construction of ownership units, the units must be affordable to moderate-income households with incomes ranging from 80 percent of AMI to 120 percent AMI. If the affordable housing requirement is met through on-site construction of rental units, the units must be affordable to low- and very low-income households.

On-site construction of affordable units for ownership developments must provide a mix of two- and three-bedroom units, with a minimum of 50 percent of the units as three-bedroom units. Smaller and larger size units can be provided depending on local housing needs and project character.

Payment of in-lieu fees are an alternative to on-site construction of affordable units and/or land dedication and must be approved by the City Council. The payments are determined according to the adopted fee schedule revised annually. As of March 2021, the housing in-lieu

fee is \$75,000 per unit. Discounts are given for vertical mixed-use projects and projects that include 75 percent stacked airspace condominiums.

Affordable Housing Requirements for Rental Housing

The Affordable Housing Ordinance contains the following standard requirements for rental housing developments:

- Residential rental developments consisting of five to 19 units are required to provide 25 percent of the total units as affordable, with 15 percent of the units affordable to low-income households and 10 percent affordable to very low-income households.
- Residential rental developments consisting of more than 20 units are required to provide 35 percent of the total units as affordable, with 25 percent of the units affordable to low-income households and 10 percent affordable to very low-income households.

Any development consisting of fewer than five units is exempt from the requirements of the Affordable Housing Ordinance. In addition, the City Council may approve waivers or adjustments to the requirements, if the developer demonstrates that there is no reasonable relationship between the impact of the development and the requirements of the ordinance.

The City adopted an interim ordinance that provides alternative rental affordable housing requirements. The ordinance specifies a requirement of 15 percent affordable units, bedrooms, or beds, targeting five percent of units as affordable to low-income households, five percent as affordable to very low-income households, and five percent as affordable to extremely low-income households, recognizing that the number of units, bedrooms, or beds may be adjusted up or down based on the income and rent levels proposed. The interim ordinance is in effect through November 30, 2021, at which time, the City is planning to conduct a study assessing affordable housing needs, the RHNA, and the economic feasibility of the affordable housing requirement. The interim ordinance is in compliance with AB 1505 which allows jurisdictions to apply inclusionary requirements on both for-sale and rental housing but requires an economic feasibility study be completed for any affordability requirement above 15 percent.

Conclusion

The City's standard 35 percent affordable housing requirement may be a constraint on the production of multifamily rental housing; However, the interim ordinance reduces the burden on multifamily developments. In recognition of this potential constraint, the City will be conducting an economic feasibility analysis and establishing new affordable housing requirements based on the findings of the analysis.

Middle Income Housing Ordinance

The Middle Income Housing Ordinance outlined in Article 18.06 of the City Code is intended to require for-sale residential developments to provide units affordable to middle income households. The City suspended the Middle Income Housing Ordinance in 2009 and has not continued this ordinance as of March 2021. Therefore, it presents no current constraints to housing production.

Article 34

Article 34 of the State Constitution requires local jurisdictions to obtain voter approval for specified “low rent” housing projects that involve certain types of public agency participation. Generally, a project is subject to Article 34 if more than 49 percent of its units will be rented to low-income persons. If a project is subject to Article 34, it will require an approval from the local electorate. This can constrain the production of affordable housing, since the process to seek ballot approval for affordable housing projects can be costly and time consuming, with no guarantee of success.

Local jurisdictions typically place a measure or referendum on the local ballot that seeks authority to develop a certain number of units during a given period of time. In 2004, the City held an Article 34 election and the voters approved the measure allowing public funds to be used to develop, construct, or acquire low rent housing with public funds in an amount that does not exceed 50 units annually, with any units not developed carrying over the next year’s allotment, except that the total allotment may never exceed 150 units, through 2025. As such, Article 34 authorization has not been a barrier to the production of housing.

The Right to Farm and Farmland Preservation Ordinance

The Right to Farm and Farmland Preservation Ordinance, adopted on November 15, 1995, establishes requirements to limit the circumstances under which agricultural operations are considered a nuisance, to provide notice of the City’s support of the preservation of agricultural land, and to require buffers between agricultural and nonagricultural lands to limit potential conflicts.

The Ordinance ensures farmland preservation by requiring developments that result in general plan or zoning changes or any other discretionary entitlement applications that would change the use of agricultural land to non-agricultural uses to mitigate for the loss of agricultural land. Agricultural mitigation is required to be adjacent to the proposed project and must be provided on a two to one replacement basis. The mitigation may include granting of a farmland conservation easement or similar conservation mechanism for lands not subjected to non-agricultural development or payment of a fee for purchase of farmland rights in another area. Mitigation lands must be within the Davis planning area. A portion of agricultural mitigation lands may be used for habitat mitigation.

Some have argued that this ordinance and the two to one agricultural mitigation requirements may impede housing development. It is anticipated that prospective developers would take into consideration this requirement in making offers for land to be developed that would be required to comply with the requirements. The City's agricultural mitigation policies reflect the public policy tension between housing and agricultural preservation. The adjacency requirement of the agricultural mitigation has not been found to be a constraint because the City continues to receive preliminary applications and proposals that allow for the inclusion of this mitigation onsite without objection from applicants.

Constraints on Housing for Persons with Disabilities (Reasonable Accommodation, Building Code, and Land Use Requirements)

The City could not identify any specific governmental constraints that hinder the provision of housing for persons with disabilities. With recent affordable housing projects, the City has partnered with local housing and supportive services organizations that specialize in providing housing and services to persons with varying types of disabilities. The City of Davis has affordable housing units for households with the following types of disabilities: physical, mental, developmental, and drug/alcohol dependency.

Consistent with State law, the Zoning Code defines "family" as "an individual or group of two or more persons occupying a dwelling and living together as a single housekeeping unit in which each resident has access to all parts of the dwelling and where the adult residents share expenses for food or rent." The second part of this definition, requiring that adult residents share expenses for food or rent in order to be considered a family could create a fair housing issue. Therefore, the housing element includes a program to review and revise the City's definition for family to comply with fair housing laws.

The City has adopted the 2019 California Building Code, including Title 24 regulations of the code concerning accessibility for persons with disabilities. In addition, the City has adopted a Reasonable Accommodations Ordinance to ensure housing for persons with disabilities can be provided. The City has also adopted a Universal Design Checklist (Article 18.09 of the City Code) and Universal Access Ordinance (Article 18.10 of the City Code) to inform buyers and owners of available universal design features, require components of accessibility in all new housing units, and to increase the development of housing that can accommodate the needs of all community members, regardless of their changing needs and abilities.

Universal Design Requirements

California Health and Safety Code Section 17959.6 requires single-family homebuilders to provide potential buyers or current owners with a list of specific universal design features, specifying the availability and cost of each feature. In 2008 the City adopted Article 18.09, Universal Design Checklist, to enact these requirements in an effort to inform buyers and owners of available universal design features with the objective of increasing the development

of housing that can accommodate the needs of all community members, regardless of their changing needs and abilities.

In 2015 the City adopted Article 18.01, Universal Access Ordinance, which requires all new single-family units and units not otherwise subject to multifamily building code requirements to include specific accessibility features, including low threshold entries, accessible routes, accessible bathrooms, accommodation for potential chairlift or elevator, accessible switches and fixtures, and other features. The ordinance does not apply to multifamily units, carriage units, accessory dwelling units, or projects in the Core Area of 15 units or fewer; however, the City encourages the incorporation of accessibility features in these units on a voluntary basis.

Reasonable Accommodation Ordinance

The City adopted a Reasonable Accommodation Ordinance in July 2008. The ordinance provides a structure for the processing of reasonable accommodations in the City. As stated in the ordinance “reasonable accommodation in the land use and zoning context means providing individuals with disabilities or developers of housing for people with disabilities, flexibility in the application of land use and zoning and building regulations, policies, practices and procedures, or even waiving certain requirements, when it is necessary to eliminate barriers to housing opportunities.” A request for a reasonable accommodation can be made by submitting the City of Davis Request for Reasonable Accommodation form to the Community Development and Sustainability Department. Requests for accommodation are reviewed by the Community Development and Sustainability Director if no discretionary approval is requested alongside the request for accommodation. The Community Development and Sustainability Director must issue a written decision within 45 days either granting the accommodation, granting with modifications, or denying the request.

In making a determination as to whether a requested accommodation is reasonable, the City must consider whether the accommodation:

1. Would impose an undue financial or administrative burden on the City; or
2. Would require a fundamental alteration in the nature of a City land use and zoning, building program or state or federal laws.

In making a finding as to whether to grant a reasonable accommodation, the following factors will be considered:

1. Whether the housing, which is the subject of the request for reasonable accommodation, will be occupied by an individual with disabilities protected under fair housing laws;
2. Whether the requested accommodation is necessary to make housing available to an individual with disabilities protected under the fair housing laws;
3. Potential impact on surrounding uses and residents;
4. Potential benefit that can be accomplished by the requested accommodation;
5. Physical attributes of the property and structures;

6. Alternative reasonable accommodations which may provide an equivalent level of benefit; and
7. Whether the requested alteration can be removed if the housing unit is not occupied by a person requiring the requested accommodation.

There is no fee for the reasonable accommodation request and a request for reasonable accommodation may be filed at any time that the accommodation may be necessary to ensure equal access to housing. A reasonable accommodation does not affect an individual's obligations to comply with other applicable regulations not at issue in the requested accommodation. If an individual needs assistance in making the request for reasonable accommodation, the City will provide assistance to ensure that the process is accessible.

The Community Development Director can impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with these findings. The City provides notice of the availability of reasonable accommodations as well as the application form at the public information counters in the Community Development Department and it is also posted on the City website.

The City has not received any recent formal requests for reasonable accommodations using the City's reasonable accommodation form. However, the City has processed requests for accessibility modifications for residential units. These have included requests for wheelchair ramps, which on average have been requested approximately once every six months. In these cases, the requests have been approved provided that the ramps comply with all building codes. In cases where a proposed ramp has not been in compliance with the building code (e.g., when the proposed ramp exceeded the allowable grade), the Building Department has worked with the applicant to modify the request to ensure that the proposed ramp is in compliance with the building code. Other common requests for accessibility modifications include requests for curbless showers, which are not subject to the City's reasonable accommodation procedure and are reviewed only through the City's plan check process.

Two of the City's reasonable accommodation findings are considered a constraint on housing for persons with disabilities. Finding 3 requires that the potential impact on surrounding uses and residents be considered. In addition, finding 7 requires that it be considered whether the requested alteration can be removed if the housing unit is not occupied by a person requiring the requested accommodation. The housing element includes a program to review and amend the zoning code to revise findings for reasonable accommodations to remove constraints to housing for persons with disabilities.

Efforts to Remove and Reduce Governmental Constraints

Even though the City has passed many regulations that could potentially constrain development of housing for a variety of income levels, the City diligently pursues funding for affordable projects and is very active in the development of housing for lower-income persons.

From 2013 through 2019, a total of 1,418 housing units were built in Davis, of which 217 were deed restricted units for lower-income housing and 43 were non-deed restricted units for lower-income housing. The City is below its target for meeting the lower-income RHNA of 422 units for the 2013-2021 planning period. Although affordable housing development was slow in the first portion of the planning period, economic recovery and improvements in the housing market have resulted in an increase in affordable housing development in recent years. The City has already met its allocated housing need for moderate- and above moderate-income housing for the 2013-2021 planning period.

The City recognizes the need to address constraints to housing, as well as the cumulative cost associated with City requirements, and includes policies and programs in the Housing Element to monitor and reduce constraints and associated costs. The City has already adopted the following local efforts to remove potential governmental constraints that might increase development costs and hinder housing availability and affordability:

- The City has exempted all affordable housing and multi-family projects from Phased Allocation Plan requirements under the City's growth management program.
- The City has granted density bonuses for provision of affordable housing and housing for seniors, consistent with State law.
- The City has adopted reduced affordable housing in-lieu fees and parking fees for downtown/Core Area mixed-use and ownership housing development.
- The City has adopted an interim ordinance reducing the affordable housing requirement for rental developments from 35 percent affordable units to 15 percent affordable units.
- The City has developed and implemented guidelines for infill development and offers fee reduction and reduced requirements for in-fill development comprised of mixed-use and/or condominium development.
- The City has suspended its Middle Income requirements and modified its Affordable Housing Ordinance requirements based on recent housing market changes and affordable housing revenue reductions.
- The City has provided exemption categories for accessory dwelling units (second units), carriage units (units with living space over a private garage), and small projects (15 units or fewer) in the downtown/Core Area from the Universal Access requirements.

The 2021-2029 Housing Element acknowledges that while some governmental requirements and standards may not represent constraints in and of themselves, or represent justifiable impositions on new development, the cumulative impact of the City's governmental requirements and standards can add significant cost. The Housing Element therefore incorporates an assortment of policies and programs aimed at reducing the cumulative impact

of governmental requirements, standards, and processes on development. These actions are summarized under **Goal 4: Address Governmental Constraints** and include:

- **[Program 4.1]** Adopt a process for streamlining in accordance with SB 35, which requires the City to provide ministerial approvals for projects providing at least 50 percent lower-income housing units that meet all objective standards and other criteria.
- **[Program 4.2]** Implement a streamlined development review process above and beyond that required by SB 35.
- **[Program 4.3]** Adopt objective design standards in accordance with the Housing Accountability Act, SB 330, and SB 35.
- **[Program 4.4]** Expand the use of third-party project reviewers and plan checkers to reduce permit processing time.
- **[Program 4.5]** Provide standards for adopted planned development districts on the City website.
- **[Program 4.6]** Conduct proactive outreach to inform architects and builders of City standards and requirements and receive input on additional changes that may be needed to facilitate housing development.
- **[Program 4.7]** Coordinate inter-organizational representation in the long-term planning efforts of the City, UC Davis, Yolo county, surrounding cities, and the DJUSD.
- **[Program 4.8]** Prohibit enforcement of the City's one percent growth policy until at least January 1, 2030, consistent with SB 330 and SB 9.

Other policies and programs which will also help to reduce the cumulative impact of City impact of governmental requirements, standards, and processes include:

- **[Policy 1.8]** As part of the upcoming General Plan Update, strive to strike a balance between student-oriented development and housing for Davis' non-student population and to update the City's land use controls and planning framework to reduce and remove governmental constraints to housing development and preservation.
- **[Program 1.1]** Establish a no net loss program that requires the maintenance of an adequate inventory of sites to meet the City's RHNA allocation, including the identification and rezone of new sites in cases where existing sites build out below their estimated capacity.
- **[Programs 1.3, 1.5, and 1.6]** Adoption of the Downtown Davis Specific Plan which streamlines missing-middle and higher density housing development within the downtown core and increases infill housing potential in a high opportunity area with good access to amenities and transit.
- **[Program 1.9]** Prioritize the processing of applications that incorporate housing for special needs populations.

- **[Program 1.12]** Review and revise the City’s procedure for reasonable accommodations to remove constraints to housing for persons with disabilities.
- **[Program 1.14]** Review and amend the zoning code, as necessary, to ensure requirements for group homes of more than six persons are consistent with State law and fair housing requirements.
- **[Program 1.16]** Facilitate ADUs by expediting processing of ADU applications, providing education on developing ADUs on the City’s website and at the planning counter, encouraging ADUs in new subdivisions, and updating the City’s ADU ordinance.
- **[Program 1.17]** Accelerate production of ADUs by providing a complete set of approved construction drawings consisting of architectural renderings, structural, mechanical, plumbing, and electrical plans for three different sized ADUs.
- **[Program 2.1]** Conduct a comprehensive update of the Affordable Housing Ordinance. The process for updating the ordinance will include conducting a study to determine appropriate inclusionary proportions and affordability levels, analyze in-lieu fees and other alternatives to providing units on site, and evaluate other parameters of the ordinance as appropriate.
- **[Program 2.4]** Provide incentives to the development of affordable housing through measures such as parking reserves or waivers on development standards such as setbacks, lot coverages, and open space of up to 10 percent.
- **[Program 2.5]** Unless Article 34 is repealed by the State, place a measure on the ballot in 2024, prior to the expiration of the current measure, to seek voter approval that would grant the City general authority to support the development of affordable housing units.
- **[Program 2.6]** Put a package of housing policy initiatives on the ballot to, among other things, amend language already in Measure J/R/D that exempts from its public vote requirements projects that provide affordable housing or facilities needed for city services, or other changes to city ordinances that would help create affordable housing.
- **[Program 2.15]** Rezone sites that have been counted in previous housing element cycles, as identified in Table 62, to allow housing developments with at least 20 percent affordable housing by-right, consistent with objective design standards.
- **[Program 2.20]** Amend the parking standards for emergency shelters to require that emergency shelters only be required to provide sufficient parking to accommodate staff.
- **[Program 2.22]** Amend the Zoning Code to allow transitional and supportive housing in the Residential One- and Two-Family and Mobile Home (R-2-MH) and Core Area Infill (C-I) zoning districts and to permit the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, by right.

- **[Program 2.21]** Amend the Zoning Code to define and allow low barrier navigation centers to be a use by right in mixed-use zones and nonresidential zones permitting multifamily uses.
- **[Program 2.23]** Revise the Zoning Code to allow emergency shelters by right in an additional zone or zones.
- **[Program 3.3]** Update the definition of a “family” in the Zoning Code to comply with fair housing law and remove reference to “shared food or rent.”
- **[Program 4.6]** Conduct proactive outreach to inform architects and builders of City standards and requirements and to receive input on additional changes that may be needed to facilitate housing development and reduce the cumulative impact of City requirements on cost.

Non-Governmental Constraints to Housing

Non-governmental constraints are those factors limiting the availability of affordable housing over which local government has limited or no control. State law requires that the Housing Element contain an analysis of potential and actual non-governmental constraints upon the maintenance, improvement, or development of housing for all income levels. The non-governmental constraints analysis includes:

- Availability of construction financing
- Land costs
- Construction costs
- Requests to develop at lower densities
- Time between project approval and building permits

Availability of Construction Financing

The availability of financing is a critical factor that can influence the cost and supply of housing. There are generally two types of financing used in the housing market: (1) capital used for initial site preparation and construction; and (2) capital used to finance the purchase of units by homeowners and investors. Interest rates substantially impact home construction, purchase, and improvement costs. A small fluctuation in rates can make a dramatic difference in the annual income needed to qualify for a loan. While interest rates for development and construction are generally higher than interest rates for home purchase (i.e., mortgages), financing is generally available in the City for new construction, rehabilitation, and refinancing.

While financing is generally available for market-rate development, a shortage of local funding for affordable projects has been cited as a key impediment to the construction of affordable housing in Davis. During the community engagement process for the Housing Element Update, affordable housing advocates, community members, and members of the Housing

Element Committee emphasized the need to identify additional sources of revenue for the City's Housing Trust Fund. The Housing Element Committee discussed a range of potential funding sources as well as potential priorities for the use of Housing Trust Fund revenues. The Housing Element Committee also supported a set of recommendations for a Housing Trust Fund that the City's Social Services Commission has prepared, which are included in this document for reference as Appendix A. In response to these discussions, the implementation chapter of this Housing Element Update includes a program to identify one or more additional sources of funding for the City's Housing Trust Fund.

Land Costs

Typically, land costs account for the largest portion of housing development costs. The variable cost of land is influenced by many factors including: location, lot size, zoning, accessibility, availability of services, and existing infrastructure. While there are limited data on recent residential land sales in Davis, land costs for recently-proposed projects in Davis indicate that typical land sale price in the City are typically \$50,000 to \$60,000 per unit for multifamily rental projects, \$75,000 per unit or higher for townhome projects, and over \$100,000 per unit for single-family subdivisions. While these figures provide a general sense of the magnitude of land costs for various types of projects, it should be noted that land costs can vary substantially based on location, allowable density, and other factors.

Construction and Site Improvements Costs

The hard costs of construction are based on the cost of labor and materials, which vary depending on the type of development. Once a vacant parcel is purchased, the contractor is also required to make site improvements before constructing a building on the property. Site improvements can include connections to existing utility systems, rough grading, and installation of water and sewer lines. The cost variation for site improvements depends on the lot size, unit size, and type of residential dwelling. Other factors that can influence costs are the primary infrastructure needed for the site and roadway improvements.

According to a report on multifamily construction costs in California from the Turner Center, hard construction costs make up more than 60 percent of total development costs. The Turner Center study found that on average, construction costs were about \$222 per square foot in 2018 compared to \$177 in 2008-2009, representing a 25 percent increase. Costs have continued to increase since 2018. According to historical cost increases published by RS Means, hard construction costs for projects in the Sacramento region increased by 10 percent between 2018 and 2021, and by 28 percent between the start of the City's last Housing Element cycle (2013) and 2021. Several factors have caused the increased cost of materials, including global trade patterns and federal policy decisions, such as tariffs, as well as state and local regulations, such as building codes. The COVID-19 pandemic has also influenced the cost and availability of construction materials. Supply chain disruptions have resulted in project delays and increased costs due to a shortage of construction materials and equipment.

In addition, labor costs have also increased in recent years, as the labor pool has not kept pace with the increase in demand. Since the recession, California has seen a severe tightening in the construction labor market, especially for workers trained in specific construction trades. The lack of an available labor force drives up the cost of labor and leads to project delays as workers are either unavailable or lost to more profitable projects.

As of the beginning of 2021, total development costs for residential projects in Davis were an estimated \$465,000 per single-family unit, \$485,000 per townhome unit, \$310,000 per lower-density multifamily rental unit, and \$355,000 per higher-density multifamily rental unit, before accounting for land. These costs include hard construction costs as well the cost of financing, permits and other fees, architecture and design, and all other soft costs.

Requests for Housing Developments at Reduced Densities

State law requires the Housing Element to include an analysis of requests to develop housing at densities below those anticipated in the sites inventory. During the last Housing Element cycle, properties in the city have generally been developed at the allowed density. Several single-family developments have been approved at higher densities than anticipated, such as the Cannery project. In addition, the City has experienced an uptick in multifamily development.

Length of Time between Project Approval and Applications for Building Permits

State law requires an analysis of the length of time between receiving approval for housing development and submittal of an application for building permit. Time passed between project approval and applications for building permits for recent multifamily projects are shown in Table 79. On average up to two years pass between the approval of a housing development application and submittal of an application for building permits. The length of time passed is dependent on a number of factors, including funding constraints, time needed to finalize project design, and time needed to construct infrastructure improvements.

Table 79: Length of Time Between Project Approval and Building Permit Application Submittal

Project	Date of Project Approval	Date of Building Permit Application Submittal	Time Lapsed (approximately)
Creekside	6/14/16	5/8/18	2 years
Sterling	4/18/17	4/14/19	2 years
Lincoln 40	3/13/18	4/18/19	1 year
Davis Live	8/28/18	10/29/19	1 year
Bretton Woods Affordable Multifamily	11/6/18	n/a	2+ years
Cannery Market Center	12/13/18	n/a	2+ years

Notes:

Source: City of Davis, 2021

Zoning for a Variety of Housing Types

State Housing Element law (Government Code Section 65583(c)(1) and 65583.2(c)) requires that local governments analyze the availability of provisions that will “facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobile-homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing.” The City of Davis Zoning Code, consistent with the General Plan, has provisions for a variety of residential use types by zoning districts and the following analysis explains how the City facilitates these housing types consistent with State law requirements.

Multifamily Rental Housing

As shown in Table 68 above, the Zoning Code allows for multifamily development, or multiple dwellings, as a permitted use in the Residential Garden Apartment (R-3), Residential High Density Apartment (R-HD), Interim Residential Conversion (RC), and Mixed Use (M-U) zoning districts and as a conditional use in the Residential One- and Two-Family (R-2), Residential One- and Two-Family Conservation (R2-CD), and Core Area Infill (C-I) zoning districts. Duplexes are also allowed as a permitted use in the Residential One- and Two-Family (R-2), Residential One- and Two-Family Conservation (R2-CD), Core Area Infill (C-I), Residential One- and Two-Family and Mobile Home (R-2-MH), Residential Garden Apartment (R-3), Residential High Density Apartment (R-HD), Interim Residential Conversion (RC) and Mixed Use (M-U) zoning districts, and as a conditional use in the Residential Restricted (R-R) zoning district. City regulations make no distinction between rental and ownership housing.

Emergency Shelters

State Housing Element law (California Government Code Sections 65582, 65583, and 65589.5) requires local jurisdictions to identify a zone or zones where emergency shelters are allowed as a permitted use without a conditional use permit. The identified zone or zones

must have sufficient capacity to accommodate the jurisdiction's identified need for emergency shelter and must be suitable (i.e., contain compatible uses) for an emergency shelter, which is considered a residential use. The law also requires permit procedures and development and management standards for emergency shelters to be objective and encourage and facilitate the development of emergency shelters. Emergency shelters must only be subject to the same development and management standards that apply to other residential or commercial uses within the identified zone, with some exceptions.

Assembly Bill 139, passed in 2019, revised State Housing Element Law by requiring that emergency shelters only be required to provide sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone. In addition, Assembly Bill 101, passed in 2019, requires that a low barrier navigation center be a use allowed by right in mixed-use zones and nonresidential zones permitting multifamily uses if it meets specified requirements.

As shown in Table 68 on page 171 above, emergency shelters with 35 beds or fewer are allowed by right in the Core Area Infill (C-I) and Industrial (I) districts. Emergency shelters with more than 35 beds are conditionally allowed in the Core Area Infill (C-I) and Industrial (I) districts. In addition, emergency shelters, regardless of size, are conditionally allowed in the Residential One-Family (R-1), Residential One- and Two-Family (R-2), Residential One- and Two-Family Conservation (R2-CD), Residential Restricted (R-R), Residential One- and Two-Family and Mobile Home (R-2-MH), Residential Garden Apartment (R-3), Residential High Density Apartment (R-HD), Interim Residential Conversion (RC), Residential Transitional (R-T), and Central Commercial (C-C) districts.

All emergency shelters are required to comply with the performance standards found in Zoning Code Article 40.24. The review and approval of a conditional use permit (CUP) takes from four to eight weeks. Requests for CUPs by shelters are not treated any differently from other CUP applications processed. The process involves the filing of a complete application, the staff review and report writing for the Planning Commission review, and determination on the application. Decisions of the Planning Commission may be appealed to the City Council. Thus far, CUPs for current and former locations of the Davis Community Meals shelter were approved in the Core Area Infill (C-I), Mixed Use (M-U), and Residential Garden Apartments (R-3) zoning districts.

Prior to the coronavirus pandemic experienced in 2020, the Interfaith Rotating Winter Shelter provided seasonally emergency shelter for 25 to 40 persons, dependent on the shelter location, from November to March. Due to public health restrictions during the coronavirus pandemic, the winter shelter switched to a non-congregate model for the 2020-2021 season and the Interfaith Rotating Winter Shelter was renamed HEART of Davis. In 2021, the HEART of Davis, in partnership with the City, established the Davis Emergency Shelter Program, which

provided emergency and transitional housing in apartments for up to 40 individuals vulnerable to COVID-19 and experiencing or at risk of experiencing homelessness. The Davis Emergency Shelter Program ended on July 31, 2021 and is not planned to be continued.

Davis Community Meals and Housing provides individuals experiencing or at risk of experiencing homelessness with housing, food, and services. Davis Community Meals and Housing provides two emergency shelter programs, one of which is a year-round shelter with 2 beds and the second is made up of apartment rentals providing 8 beds.

Empower YOLO provides a variety of services, including emergency shelter, to individuals and families affected by domestic violence, sexual assault, human trafficking, and child abuse. The shelter is staffed 24 hours a day, 365 days a year, and provides 35 beds.

Homeless shelters and housing programs serving the Davis population experiencing or at risk of homelessness are listed in Table 80. A total of 45 emergency shelter beds are available in Davis through a combination of shelters and apartments.

Table 80: Emergency Homeless Shelter Beds, July 2021

Emergency Shelter	Location	Type	Capacity (beds)
Davis Community Meals and Housing	Davis	Year-Round Shelter	2
Davis Community Meals and Housing	Davis	Apartments	8
Empower YOLO	Davis	Year-Round Shelter	35
Total			45

Source: City of Davis, 2021

The City must determine its ability to meet year-round emergency shelter needs based on the most recent point in time homeless count. The emergency shelter need must be met by existing shelters located in the City and by providing sufficient land for additional shelters to meet any remaining need. The most recent point in time homeless count, conducted on January 22, 2019, identified 190 individuals experiencing homelessness in the city, including 76 sheltered individuals and 114 unsheltered individuals.

Based on the most recent point in time homeless count of 190 individuals and existing shelter capacity for approximately 45 individuals, a need for 145 shelter beds remains. Based on the City’s limitation of 35 beds on shelters that are permitted by right, it is estimated that five sites would be necessary to accommodate the City’s remaining need for 145 emergency shelter beds.

There is approximately 70 acres of land zoned for Industrial or Core Area Infill in the city. While there are no vacant sites designated for Industrial or Core Area Infill, there are several underutilized sites within the Industrial designation that could potentially provide emergency shelter. Emergency shelters are rarely built as new construction on vacant sites. More often, existing buildings are converted to emergency shelters. The City is collaborating with various property owners and developers to provide additional emergency shelter bed capacity in Davis. However, considering the limited supply of land readily available for emergency shelter development by right, the Housing Element includes a program to revise the Zoning Code to allow emergency shelters by right in an additional zone or zones to ensure the City can meet the remaining need for emergency shelter. The program also directs the City to review and revise the 35-bed capacity limitation, as needed, to ensure the City's emergency shelter need can be met.

With the exception of the parking standards set forth in the Zoning Code, the City's standards for emergency shelter facilities comply with the allowances made for standards set forth under Government Code Section 65583(a)(4)(A). The Housing Element includes a program to amend the parking standards for emergency shelters to comply with Government Code 65583.

The City's Zoning Code does not address the new State law requirement related to low barrier navigation centers; however, one low barrier navigation center currently (2020) exists in the city. The New Pathways House provides a low barrier shelter option for four individuals through its partnership between Yolo County Health and Human Services, the city of Davis, Yolo Community Care Continuum, and Yolo County Housing. The Housing Element includes a program to amend the Zoning Code to allow low barrier navigation centers to be a use by right in mixed-use zones and nonresidential zones permitting multifamily uses if specified requirements in compliance with Government Code Section 65662 are met.

Transitional and Supportive Housing

Government Code Section 65583(c)(3) states that "transitional housing and supportive housing shall be considered a residential use of property, and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone."

In compliance with State law, the City's Zoning Code defines "transitional housing" and "supportive housing" as follows:

- ***Transitional housing.*** *Transitional housing and transitional housing development mean rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.*
- ***Supportive housing.*** *Housing with no limit on length of stay, that is occupied by the target population and that is linked to on-site or off-site services that assist the supportive*

housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Transitional and supportive housing are residential uses, permitted in all zones allowing residential uses, except the Residential One- and Two-Family and Mobile Home (R-2-MH) and Core Area Infill (C-I) zoning districts. Transitional and supportive housing are subject to the same development standards of the residential districts.

The Davis Community Meals Transitional and Bridge Housing program currently (2020) provides 14 transitional housing beds at its location at 1111 H Street. Permanent supportive housing is provided by Davis Community Meals at the Cesar Chavez Plaza location (1220 Olive Drive) and the newly opened Creekside location. The Cesar Chavez Plaza location is a 52-unit complex with 19 special needs apartments. The Creekside location has 90 units, 10 of which are two-bedroom units serving families.

Assembly Bill 2162, passed in 2018, requires that jurisdictions provide a “by right” process and expedited review for supportive housing. The approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, must be allowed without a conditional use permit or other discretionary review.

The Housing Element includes a program to amend the Zoning Code to allow transitional and supportive housing in the Residential One- and Two-Family and Mobile Home (R-2-MH) and Core Area Infill (C-I) zoning districts and to permit the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, by right.

Group Homes

State law requires that State-licensed group homes of six or fewer residents be regulated in the same manner as single-family residences for zoning purposes. The City of Davis Zoning Code allows group homes with six or fewer residents by right in all zones that permit single-family dwellings consistent with State law. Group homes with more than six residents are permitted in all zones allowing residential development as a conditional use. The housing element includes a program to review and amend the zoning code, as necessary, to ensure requirements for group homes of more than six persons are consistent with State law and fair housing requirements.

Single Room Occupancy Units

Single-room occupancy (SRO) units are defined by the City Code as “a multi-unit housing project for a single person that typically consists of single rooms and shared bath, and may include a shared common kitchen and activity area. SROs may be restricted to seniors or be available to persons of all ages.” SRO units are conditionally permitted in the Core Area Infill

(C-I), Residential Restricted (R-R), Residential High Density Apartment (R-HD), Residential Transitional (R-T), Interim Residential Conversion (RC), Central Commercial (C-C), Mixed Use (M-U), and all planned development zones of a similar nature. Lower parking requirements within the City Zoning Code promote smaller units, including SROs.

Accessory Dwelling Units

To encourage establishment of accessory dwelling units (ADUs) on existing developed lots, State law requires cities and counties to either adopt an ordinance based on standards set out in the law allowing ADUs in residentially-zoned areas, or where no ordinance has been adopted, to allow ADUs on lots zoned for single family or multifamily use that contain an existing single family unit subject to ministerial (i.e., staff level) approval (“by right”) if they meet standards set out by law. Local governments are precluded from totally prohibiting ADUs in residentially-zoned areas unless they make specific findings (Government Code, Section 65852.2).

Several bills have added further requirements for local governments related to ADU ordinances (AB 2299, SB 1069, AB 494, SB 229, AB 68, AB 881, AB 587, SB 13, AB 671, and AB 670). The 2016 and 2017 updates to State law included changes pertaining to the allowed size of ADUs, permitting ADUs by-right in at least some areas of a jurisdiction, and parking requirements related to ADUs. More recent bills reduce the time to review and approve ADU applications to 60 days and remove lot size requirements and replacement parking space requirements. AB 68 allows an ADU and a junior ADU to be built on a single-family lot, if certain conditions are met. The State has also removed owner-occupancy requirements for ADUs and created a tiered fee structure that charges ADUs based on their size and location and prohibits fees on units less than 750 square feet. AB 671 requires local governments to include in housing elements plans to incentivize and encourage affordable ADU rentals and requires the State to develop a list of state grants and financial incentives for affordable ADUs. In addition, AB 670 makes any governing document, such as a homeowners’ association Covenants, Conditions, and Restrictions, void and unenforceable to the extent that it prohibits, or effectively prohibits, the construction or use of ADUs or junior ADUs.

The City’s current (2020) Zoning Code allows for two types of ADUs (referred to in the City Code as second units): ministerial and discretionary. Ministerial second units must conform to the primary dwelling unit setbacks; if detached be greater than 15 feet in height and be no larger than 10 percent the size of the lot on which the unit is located or 800 square feet, whichever is less; and the units can be either renter- or owner- occupied. Discretionary second units are those that are larger than the maximum allowed for a ministerial unit or if the second unit conflicts with other planning conditions related to lot coverage and floor area ratio maximums for the lot. The City is committed to processing permits for larger second units within four to eight weeks. Permit approval is subject to a planning staff level review of the plot and building plans to ensure compliance with height restrictions, setbacks, maximum floor

area, and parking requirements. Building plans are then processed for building permit issuance.

The City is currently conducting an update to the Accessory Dwelling Unit Ordinance to comply with recent changes in State law. The revised ordinance is anticipated for adoption in May 2021 and would be effective in June 2021. The amended ADU ordinance would allow ADUs by right anywhere residential development is allowed, if the ADU meets the following requirements, consistent with State law:

- 800 square feet or less;
- 16 feet tall or less; and
- Has side and rear yard setbacks no greater than four feet.

The new ordinance would consider, approve, and permit ADUs ministerially and would establish development standards, such as maximum size, height limits, and setbacks, consistent with State requirements. In addition, application review and processing times and impact fees would be consistent with new state law.

Housing for Farmworkers

Caretaker and employee housing (including farmworker housing) is permanent or temporary housing that is secondary or accessory to the primary use of the property. Such dwellings are used for housing a caretaker employed on the site of a nonresidential use where a caretaker is needed for security purposes, or to provide twenty-four-hour care or monitoring, or where work is located at remote locations.

The provisions of Section 17020 (et seq.) of the California Health and Safety Code relating to employee housing and labor camps supersede any ordinance or regulations enacted by local governments. Such housing is allowed in all jurisdictions in California pursuant to the regulations set forth in Section 17020. Section 17021.5(b) states, for example:

“Any employee housing providing accommodations for six or fewer employees shall be deemed a single family structure with a residential land use designation for the purposes of this section. For the purpose of all local ordinances, employee housing shall not be included within the definition of a boarding house, rooming house, hotel, dormitory, or other similar term that implies that the employee housing is a business run for profit or differs in any other way from a family dwelling. No conditional use permit, zoning variance, or other zoning clearance shall be required of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone.”

A single-family unit housing employees would be treated like any other single-family unit. There are no provisions in the City Code to restrict employee housing for six or fewer employees. California Health and Safety Code Section 17021.6, concerning farmworker housing, states that:

“Any employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household, shall not be deemed a use that implies that the employee housing is an activity that differs in any other way from an agricultural use. No conditional use permit, zoning variance, or other discretionary zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone.”

While there is no housing type specifically designated for farmworkers, the Agriculture (A) zoning district allows for ranch and farm dwellings appurtenant to a principal agricultural use. The City allows employee housing, including housing for farmworkers, consistent with Health and Safety Code Section (HSC) 17021.5 and 17021.6. In addition, the City Code offers a wide range of housing types that help to address the housing need of agricultural workers. Such housing types include: multifamily, single-room occupancy, manufactured housing, and second units. The City of Davis also works with Yolo County to accommodate seasonal agricultural workers at the Davis Migrant Center just south of city limits (refer to the Housing Needs Assessment Section).

Factory-Built Housing and Mobile Homes

Consistent with State law, factory-built homes are permitted in any residential district where single-family units are permitted, and are subject to the same zoning requirements and planning application processes as single-family residential houses. Existing single family lots would not trigger planning review aside from an administrative site plan check, even if developed with factory-built housing, as long as they met the standards of Section 40.26.380 of the Zoning Code. This section states the standard residential development standards, requires a permanent foundation (as required by State law), and includes neighborhood design consistency. A new subdivision that provided new lots and units would be subject to planning application, regardless of the type of housing being provided. Mobile homes parks are allowed as a conditional use under the R-2-MH zoning district in the City Code.

HOUSING GOALS, POLICIES, AND PROGRAMS

This chapter presents Davis' goals and policies for the 2021-2029 Housing Element planning period as well as an implementation program to support these goals and policies. The goals, policies, and programs outlined below are based on findings from the needs analysis, constraints analysis, and sites inventory presented in prior chapters of this report, as well as input received from the Housing Element Committee, stakeholders, and community members during the Housing Element process. The programs below provide a comprehensive strategy for addressing State requirements and advancing the City's housing objectives, while remaining tailored to be achievable within the Housing Element planning period, given City financial and staffing resources. As a result, the programs below prioritize actions that are necessary to meet the requirements of State law, actions that are anticipated to have the most significant impact on addressing housing needs, actions that are ongoing or require limited new resources, and actions that were most strongly supported by the Housing Element committee and others that participated in the community engagement process. The policies and programs described in this chapter address six overarching goals:

Goal 1: Housing Supply. Provide an adequate supply of housing for people of all ages, incomes, lifestyles, and types of households, including for households with special housing needs.

Policy 1.1. Maintain adequate sites to achieve Davis' RHNA goals for the 2021-2029 Planning Period.

Policy 1.2: Facilitate the production of a variety of housing types that meet the housing needs of an economically and socially diverse Davis.

Policy 1.3: Provide housing that accommodates a variety of housing needs, including for persons with disabilities, seniors, farmworkers, extremely low-income households.

Policy 1.4: Work with UC Davis to ensure the development of maximum student housing on campus including affordable housing.

Policy 1.5: Facilitate and monitor the production of Accessory Dwelling Units (ADUs)

Policy 1.6. Continue to give priority water and sewer services to units necessary to meet the City's RHNA for this planning period, with specific priority given to affordable housing units.

Policy 1.7. As part of proposed large housing developments, encourage a range of housing types including small residential lots and other smaller unit types to facilitate the creation of more inclusive communities.

Policy 1.8: As part of the upcoming General Plan Update, strive to strike a balance between student-oriented development and housing for Davis' non-student population and to update the City's land use controls and planning framework to reduce and remove governmental constraints to housing development and preservation.

Goal 2: Affordable Housing. Provide housing that is affordable for lower-income households.

Policy 2.1: Meet the projected local need for housing affordable to extremely low-, very low-, low-, and moderate-income households according to Davis' eight-year fair share of regional housing needs.

Policy 2.2: Actively fund affordable housing production and preservation to meet high-priority housing needs

Policy 2.3. Leverage available resources to facilitate the production of affordable housing and to assist lower-income households with securing and maintaining housing

Policy 2.4. Assist with increasing awareness of affordable housing opportunities and provide access to information regarding affordable housing opportunities

Policy 2.5: Allow by-right housing on previously identified housing sites for projects with at least 20 percent affordable housing

Policy 2.6: Provide housing for Davis' workforce, including but not limited to teachers, UC Davis faculty and staff, retail and service workers, healthcare workers, and City employees

Policy 2.7: Address the housing needs of those who are homeless, transitioning out of homelessness, and at risk of homelessness

Policy 2.8: Ensure that the City receives appropriate RHNA credit for by-the-bed rental developments

Policy 2.9: Ensure that new residential development on lands added to the City's General Plan Area include affordable housing that meets or exceeds the City's requirements

Goal 3: Fair Housing and Equal Opportunity. Affirmatively further fair housing and protect existing residents from displacement.

Policy 3.1: Affirmatively further fair housing opportunities for all persons regardless of race, color, religion, sex, national origin, familial status, disability, age, marital status, sexual orientation, source of income, and receipt of Section 8 or other subsidized rental program

Policy 3.2: Strive to ensure that all new subsidized affordable housing and the land on which it is located remain affordable for the longest feasible time with the recapture of local subsidies.

Policy 3.3: Facilitate the production of housing for low-income households and special needs households in all parts of Davis and near amenities and transportation.

Policy 3.4: Review new housing projects against the City's adopted Senior Housing Guidelines.

Policy 3.5: Provide assistance to minimize displacement of vulnerable residents, including vulnerable populations, such as low-income households, the elderly, and persons with disabilities.

Goal 4: Address Governmental Constraints. Address City policies and practices that constrain the City’s ability to provide housing for households at all income levels and for households with special housing needs.

Policy 4.1: Facilitate the production of housing for households at all income levels by streamlining the development process.

Policy 4.2: Ensure that developers have access to information on standards for residential development in Davis

Policy 4.3: Coordinate with other agencies on long-term planning efforts

Policy 4.4: Suspend enforcement of the one percent growth policy as required by State law

Policy 4.5. Streamline the permit-approval process to the extent feasible by offering pre-application meetings and concurrent review of applications.

Policy 4.6. Continue to offer a “one-stop” approval process for non-discretionary applications that require actions from multiple departments.

Policy 4.7. Continue to use the City’s Development Review Team, which includes representatives from several City departments involved in the entitlement and building process, to discuss and solve project issues early in the development process.

Goal 5: Residential Conservation. Maintain and improve the condition of Davis’ housing stock.

Policy 5.1: Ensure that existing housing stock is maintained in sound condition and up to code requirements

Policy 5.2: Protect lower income households from displacement and maintain existing affordable housing stock by preserving existing housing units that serve lower income households

Policy 5.3. Continue to require maintenance and preservation of the existing housing stock through the existing Resale/Retrofit Inspection Program and by requiring inspection of houses on resale.

Policy 5.4. Continue enforcement of the existing condominium conversion ordinance so that low-income households receive appropriate displacement protection or benefits.

Goal 6: Energy Conservation. Promote energy conservation in residential buildings.

Policy 6.1: Increase the use of energy efficient materials and technology in new construction

Implementation Program

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
Goal 1: Housing Supply					
<p>1.1.. No Net Loss. Provide sites for at least 2,075 housing units during the current planning period, including at least 580 very low-income units, 350 low-income units, 340 moderate-income units, and 805 above moderate-income units. As the City approves residential projects on sites in the City’s sites inventory, evaluate whether the City continues to maintain adequate sites to accommodate its remaining RHNA. If approval of a project results in a reduction of remaining sites such that the City no longer has the capacity to accommodate its remaining RHNA, rezone enough sites to achieve adequate capacity within 180 days of the project approval, in line with the State No Net Loss Law.</p>	<p>a. Provide adequate sites for at least 2,075 housing units in high resource areas, including 930 lower-income units and 340 moderate-income units b. Annual monitoring of housing sites c. Rezone if needed to maintain sites</p>	<p>a, c. Community Development Department with action by Social Services Commission, Planning Commission, City Council b. Housing Staff</p>	<p>a. By May 15, 2024 b. Annually through Housing Element annual report to HCD c. As needed through 2029</p>	<p>a, b. Already budgeted staff time c. To be determined if needed</p>	<p>Policy 1.1</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.2. Rezone Program. Rezone at least 24.8 acres to address the City’s shortfall of 496 lower-income RHNA units, plus a buffer of at least an additional 140 lower-income units, by December 31, 2023. Special consideration should be given to the re-designation of commercially zoned sites to Mixed Use where the commercial facilities are typically constructed in a row of single story buildings with a large parking lot in front. Rezoned sites will permit owner-occupied and rental multifamily uses by right pursuant to Government Code section 65583.2(h) and (i) for developments in which 20 percent or more of the units are affordable to lower income households, and at least 50 percent of the lower-income RHNA shortfall will be accommodated on parcels designated exclusively for residential uses. Rezoned sites must allow for densities of at least 30 dwelling units per acre, with a minimum density of 20 dwelling units per acre, and have existing or planned water, sewer, and dry utilities. Ensure that sites that are rezoned to accommodate lower-income housing are dispersed throughout Davis and are in high resource areas that further fair housing, promote mobility, and offer access to educational, economic, and environmental opportunity.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	Rezone at least 24.8 acres to accommodate at least an additional 496 lower-income units in high resource/opportunity areas that facilitate mobility.	Community Development Department with action by Social Services Commission, Planning Commission, City Council	By December 31, 2023	Already budgeted staff time	Policy 1.1; Policy 3.3
<p>1.3. Downtown Davis Specific Plan Capacity. Adopt the Downtown Davis Specific Plan (DDSP) to increase infill housing potential downtown, a high resource area with access to opportunity and mobility. Following adoption, review the housing element sites inventory to identify increased capacity or new sites made feasible through the DDSP.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity; Place-based Strategies.</p>	a. Adopt the DDSP. b. Identify at least 100 units of new capacity in the housing element sites inventory in high resource/ opportunity areas that facilitate mobility.	Community Development Department	a. By 2022. b. By 2024.	Already budgeted staff time	Policy 1.1; Policy 1.2; Policy 3.3; Policy 4.1

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.4. School Surplus Land. Continue discussions with the Davis Joint Unified School District about the creation of housing on their headquarters site and start discussions with the District about the creation of housing on their surplus school property. Explore what steps are required to facilitate the development of housing on District-owned properties, understand the implications of such a land use change for school neighbors, and avoid conflicts with any long-term school district plans.</p>	<p>a. Initiate discussions with DJUSD. b. Identify potential DJUSD property that may be suitable for housing development. c. Identify at least one property suitable for affordable housing in a high resource area. d. Determine feasibility and constraints to development.</p>	<p>Community Development Department</p>	<p>a. Conduct an informal kickoff meeting with DJUSD by 2023 and continue quarterly as needed. b. by 2024 c. By 2024. c. By 2025.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.1</p>
<p>1.5. Downtown Missing Middle Housing. Through the adoption of the DDSP, provide opportunities for the development of townhouses, small cottages, and condominiums in and near the core area to limit sprawl and provide housing options for a wide range of current and future residents at a lower price point than a typical single-family home.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>a. Adopt the DDSP. b. Approve 100 units in the DDSP area, a high resource area, for moderate-income housing.</p>	<p>Planning Division, with action by Planning Commission and City Council</p>	<p>a. By 2022. b. By 2029</p>	<p>Already budgeted staff time and developer fees</p>	<p>Policy 1.2; Policy 2.6</p>
<p>1.6. E Street Plaza Redevelopment. Facilitate development of the E Street Plaza site, which is in a high resource area which provides access to opportunity and facilitates mobility, by adopting the DDSP, working with adjacent property owners on a coordinated development strategy, and providing a ground lease or similar mechanism for the City-owned parking lot.</p> <p>AFFH Program –Place-based Strategies.</p>	<p>a. Adopt the DDSP. b. Initiate discussions with adjacent property owners. c. Develop ground lease template. d. Facilitate the development of at least 60 residential units on the E Street Plaza site.</p>	<p>A. Community Development Department with action by Planning Commission, City Council b. Community Development Department</p>	<p>a. By 2022. b. By 2025. c. By 2026. d. By 2029.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.2; Policy 2.6</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.7. Lot Splits on Large Sites. Work with the owner of the larger rezone site to facilitate and expedite a lot split(s) to subdivide the parcel into developable sites, consistent with allowed densities. Provide similar facilitation as needed for future affordable housing projects.</p>	<p>a. Begin coordination with property owner of larger rezone site to facilitate lot split.</p>	<p>Community Development Department</p>	<p>a. By 2024.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.2; Policy 2.6</p>
<p>1.8. Tiny House Projects. Conduct community workshops to gauge community support and identify an appropriate General Plan land use designation and zone to allow for the construction and operation of a tiny house project.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>a. Conduct at least three public workshops. b. Amend land use code accordingly.</p>	<p>Housing staff with action by City Council</p>	<p>a. & b. By 2027</p>	<p>Already budgeted staff time</p>	<p>Policy 1.2; Policy 2.6</p>
<p>1.9. Prioritize Special Needs Housing Development. Prioritize processing of applications for housing developments that meet the needs of extremely low- and very low-income households and other underserved populations with special needs in high resource areas that provide access to opportunity and that facilitate mobility.</p> <p>AFFH Program – Access to Opportunity.</p>	<p>a. Establish procedures for prioritizing applications for qualifying developments. b. Approve 580 very low-and extremely low-income units in high resource areas that provide access to opportunity.</p>	<p>Planning Division, with action by Planning Commission and City Council</p>	<p>a. By 2024 b. By 2029.</p>	<p>Already budgeted staff time and developer paid processing fees</p>	<p>Policy 1.3; Policy 3.1; Policy 3.3</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.10. Housing Choice Vouchers. Work with the Housing Authority to provide Housing Choice Vouchers to households with extremely low and very low incomes, particularly households belonging to underserved populations, to the extent permissible by local, State, and federal law. To promote fair housing and housing mobility, work with the Housing Authority to create an incentive- program to encourage landlords to accept housing choice vouchers, particularly those located in high resource areas outside of areas of concentrated poverty, in areas with concentrated affluence, access to educational, economic, and environmental opportunity, and diverse mobility options. The City will also conduct an informational campaign to educate landlords about their obligation to accept vouchers under the law. Continue to participate on the Housing Authority Board of Directors and meet quarterly with a representative of the Housing Authority to discuss local projects.</p> <p>AFFH Program – Mobility; Opportunity.</p>	<p>a. Participate in quarterly meetings with the Housing Authority. b. Establish landlord incentives. c. Conduct informational campaign. c. 10 percent increase in housing choice voucher usage.</p>	<p>Planning Division and Housing Staff</p>	<p>a. Participate in quarterly meetings. b. By 2025. c. By 2025 d. By 2027</p>	<p>Already budgeted staff time</p>	<p>Policy 1.3; Policy 2.2; Policy 2.4; Policy 3.1; Policy 3.3</p>
<p>1.11. Residential Accessibility Features. Continue to require incorporation of accessibility features in new residential development through continued implementation of ADA standards and the Universal Access Ordinance.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>Incorporate accessibility features in 100 percent of new non-exempt units as defined in the municipal code</p>	<p>Community Development</p>	<p>As applications are received.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.3; Policy 3.1; Policy 3.3</p>
<p>1.12. Revise Reasonable Accommodations Procedure. Review and revise the City’s procedure for reasonable accommodations to remove constraints to housing for persons with disabilities. Revisions will include removing consideration of factors 3 (the potential impact on surrounding uses and residents) and 7 (whether the requested alteration can be removed if the housing unit is not occupied by a person requiring the requested accommodation) from the reasonable accommodation procedure.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>Review and revise reasonable accommodation procedure to ensure fair housing for all.</p>	<p>Community Development Department</p>	<p>By 2024.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.3; Policy 3.1; Policy 3.3</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.13. Farmworker Housing, Support efforts by the USDA Rural Housing Services, Yolo County Housing Authority, and APOYolo to obtain financial and technical assistance from federal and state sources to develop housing meeting the needs of farmworkers.</p> <p>AFFH Program – Place-based Strategies.</p>	<p>a. Proactively reach out to the Housing Authority annually regarding assistance needed for farmworkers. b. Support development of 30 units of permanent farmworker housing.</p>	<p>Housing staff and Planning Division, with action by the Social Services Commission, Planning Commission and City Council</p>	<p>a. Annually. b. By 2029.</p>	<p>HCD’s Office of migrant Services, the Joe Serna, Jr. Farmworker Housing Grant Program, the California Tax Credit-Allocation Committee’s Farmworker Housing Assistance Program, and the USDA Rural Development Program.</p>	<p>Policy 1.3; Policy 2.3; Policy 2.6; Policy 3.1; Policy 3.3</p>
<p>1.14. Zoning for Large Group Homes. Review and amend the zoning code, as necessary, to ensure requirements for group homes of more than six persons are consistent with State law and fair housing requirements.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>Review and revise the zoning code.</p>	<p>Community Development Department</p>	<p>By 2024</p>	<p>Already budgeted staff time</p>	<p>Policy 1.2; Policy 1.3; Policy 2.7; Policy 3.1; Policy 3.3</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.15. Collaborate with UC Davis on Student Housing. Continue to work with UC Davis to provide housing for students. Support the provisions in the Memorandum of Understanding entered into by and between the City of Davis and UC Davis in 2018, including but not limited to the University’s commitment to provide on-campus housing for 100% of the actual student population in excess of the baseline enrollment number of 33,825 students, as defined in the 2018 Long Range Development Plan EIR. Encourage UC Davis to seek state funding that is available to provide affordable student housing. Encourage UC Davis to maximize on campus housing by producing more high density housing. Further, encourage more efficient and sustainable land use, which would be achieved if future on campus student housing at UC Davis is a minimum of 7 stories in height, beginning with the Solano Park redevelopment project. Encourage UC Davis to provide on campus housing to more than 50% of the student population.</p> <p>AFFH Program – Place-Based Strategies.</p>	<p>a. Meet bi-annually with UC Davis staff to discuss key issues and monitor compliance with the MOU. b. Confirm that UC Davis provides on-campus housing for 100% of student population in excess of baseline enrollment of 33,825.</p>	<p>City Manager’s Office and City Council</p>	<p>a. Bi-annually b. Annually</p>	<p>Already budgeted staff time</p>	<p>Policy 1.4; Policy 1.8</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.16. Facilitate Production of ADUs. Continue to facilitate ADUs by expediting processing of ADU applications, providing education on developing ADUs on the City's website and at the planning counter, encouraging ADUs in new subdivisions, and updating the City's ADU ordinance as needed in accordance with State law, thereby supporting the creation of low- and moderate-income housing in a high resource area which provides access to opportunity and facilitates mobility.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>a. Establish procedures for expedited processing of ADU applications. b. Develop and upload educational materials regarding ADU development to City's website. c. Encourage incorporation of ADU's into new developments. d. Update the City's ADU ordinance. e. Permit 168 ADUs, including at least 54 that are affordable to lower-income households and 99 that are affordable to moderate-income households.</p>	Community Development Department	<p>a. By 2023. b. By 2023. c. As applications are received. d. By 2024. e. By 2029.</p>	Already budgeted staff time	Policy 1.2; Policy 1.5
<p>1.17. Pre-Approved Plans for ADUs. Accelerate production of ADUs by providing a complete set of construction drawings consisting of architectural renderings, structural, mechanical, plumbing, and electrical plans for three different sized ADUs. The plans will be pre-approved by all applicable City departments and permit ready, and will be accompanied by a clear process for how to utilize the materials to save time and applicant costs during pre-development.</p> <p>AFFH Program – Access to Opportunity.</p>	<p>a. Create three sets of pre-approved ADU plans and make them available online and at City Hall. b. At least one-third of ADUs will use the pre-approved plans as a starting point for pre-development.</p>	Community Development Department	<p>a. By 2023. b. By 2024 and Ongoing.</p>	<p>a. SB 2 grant b. Already budgeted staff time</p>	Policy 1.3; Policy 1.5; Policy 4.1; Policy 4.2

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>1.18. Conduct Survey of ADUs. Conduct a survey every two years to collect information on the use and affordability of new ADUs, including tenant income, relationship to the owner, and location within the City relative to access to opportunity. Halfway through the projection period (2025) if determined these units are not meeting a lower-income housing need, the City shall ensure other housing sites are available to accommodate the unmet portion of the lower-income RHNA.</p>	<p>a. Conduct survey every two years b. Rezone if needed to maintain adequate sites to meet unmet portion of RHNA.</p>	<p>a. Housing staff, b. Community Development Department with action by Social Services Commission, Planning Commission, City Council</p>	<p>a. Every two years through 2029. b. Within 12 months of determining that ADUs are not meeting lower-income need, if applicable.</p>	<p>Already budgeted staff time or grant funds</p>	<p>Policy 1.3; Policy 1.5; Policy 2.1</p>
<p>1.19. Secure Funds for ADU Affordability. Identify funding sources and community partners to develop and implement a financial assistance program that would provide loans and/or grants to encourage homeowners to construct an ADU with an agreement to charge rents affordable for lower income households or rent the ADU to Housing Choice Voucher participants. AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>a. Identify funding sources and community partners. b. Provide loans and/or grants to facilitate construction of 12 ADUs in high resource/opportunity areas</p>	<p>Community Development Department</p>	<p>a. By 2024. b. By 2029.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.3; Policy 1.5; Policy 2.1</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
Goal 2: Housing Supply					
<p>2.1. Update the Affordable Housing Ordinance. Conduct a comprehensive update to Davis' Affordable Housing Ordinance. The process for updating the ordinance will include conducting a study to determine appropriate inclusionary proportions and affordability levels, analyze in-lieu fees and other alternatives to providing units on site, and evaluate other parameters of the ordinance as appropriate, including identifying incentives such as fee waivers/deferrals, supplemental density bonus', and credit towards inclusionary housing obligations in exchange for providing units for special needs population. As a part of the update process, the City will evaluate whether new policies increase affordable housing opportunities throughout the City and in areas designated as high resource/opportunity and outside of areas of concentrated poverty to avoid over concentrations of affordable housing in any particular area of the City and to further resident mobility and fair housing.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>a. Conduct study to evaluate changes to the Affordable Housing Ordinance b. Adopt an updated Affordable Housing Ordinance</p>	<p>Planning Division, with action by Social Services Commission, Planning Commission, and City Council</p>	<p>a. & b. By 2023.</p>	<p>SB 2 Funds, already budgeted staff time</p>	<p>Policy 2.1; Policy 3.3; Policy 4.1; Policy 4.2</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.2. Dedicated Funding for Shared Housing. As part of the update to the City’s Affordable Housing Ordinance and/or consideration of priorities for the Housing Trust Fund, study the potential to prioritize trust fund monies for the preservation and expansion of shared housing opportunities for residents with low incomes, fixed incomes, and those living on pension proceeds and implement recommendations. Promote shared housing opportunities through information sharing and on the City’s website.</p> <p>AFFH Program – Access to Opportunity.</p>	<p>a. Provide information and shared housing agreements and post opportunities for shared housing on the City’s website. b. Complete a study of the potential to prioritize Housing Trust Fund monies to support preservation and development of shared housing opportunities. c. Implement recommendations from the shared housing study.</p>	<p>Housing staff and Senior Center staff</p>	<p>a. By 2025. b. By 2027. c. By 2029.</p>	<p>Already budgeted staff time</p>	<p>Policy 1.2; Policy 1.3; Policy 2.1; Policy 2.2; Policy 2.3; Policy 2.4</p>
<p>2.3 Social Services Commission. Social Services Commission shall continue to monitor affordable housing programs supported by CDBG, HOME, and Housing Trust Fund, and/or other potential funding sources, identified for affordable housing and whether current needs of extremely low, very low, low and moderate-income households are being met. Currently produced annual reports will be amended to include information about the Housing Trust Fund including expenditures and income.</p> <p>AFFH Program – Place-based Strategies.</p>	<p>A. Maintain affordable housing review in the Commission’s scope and provide necessary information. b. Social Services Commission will monitor affordable housing programs at least annually. c. Amend annual reports</p>	<p>a. Housing and Social Services staff, the Social Services Commission and City Council</p>	<p>a. By 2023 b. Annually c. Annually.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.1; Policy 2.2; Policy 2.3</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.4. Affordable Housing Incentives. Provide incentives for the development of affordable housing through measures such as parking reserves or waivers on development standards such as setbacks, lot coverages, and open space of up to 10 percent.</p> <p>AFFH Program – Access to Opportunity.</p>	Provide incentives for development of 350 lower-income housing units in high opportunity areas.	Community Development Department, with actions by the Planning Commission and City Council	By 2029.	Already budgeted staff time and planning processing fees	Policy 2.1; Policy 4.1
<p>2.5. Voter Approval for Regulatory Relief. Unless Article 34 is repealed by the State, the City shall place a measure on the ballot in 2024, prior to the expiration of the current measure, to seek voter approval that would grant the City general authority to support the development of affordable housing units that, at a minimum, would meet the lower-income RHNA.</p>	Place a measure on the ballot.	Housing and Planning Staff	By 2024.	Already budgeted staff time	Policy 2.1; Policy 4.1
<p>2.6. Housing Policy Ballot Initiatives. Put a package of housing policy initiatives on the ballot to:</p> <ul style="list-style-type: none"> • Enact a revenue measure, such as a property transfer tax, that could be used, in combination with other funding sources, to support programs to address housing and homelessness through our existing Housing Trust Fund. Citizen oversight of use of revenues would be provided in such a ballot measure. (If property transfer tax is chosen as a revenue measure, this would require voter approval for a tax hike and voter approval for the City of Davis to become a charter city empowered to impose such a tax.) • Amend language already in Measure J/R/D that exempts from its public vote requirements projects that provide affordable housing or facilities needed for city services, or other changes to city ordinances that would help create affordable housing. Any change to Measure J/R/D/ would require a public vote. <p>AFFH Program – Access to Opportunity.</p>	Place a package of housing policy initiatives on the ballot.	Community Development Department, with action by City Council	Intended to be on the ballot in November 2024 (but no later than November 2026).	Already budgeted staff time	Policy 2.1; Policy 2.2; Policy 2.3; Policy 4.1

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.7. Capitalization of the Housing Trust. Identify and implement one or more sources of robust permanent funding for the City’s Housing Trust Fund, establish and prioritize uses for these funds including procedures for administering the Trust Fund. As a part of this process, consider alignment with the recommendations provided by the City’s Social Services Commission, as shown in Appendix A.</p> <p>AFFH Program – Access to Opportunity.</p>	<p>a. Establish and prioritize uses of funds and administrative procedures. b. Identify and implement permanent funding sources.</p>	<p>a. Housing staff with actions by the Social Services Commission, Finance and Budget Commission, and City Council</p>	<p>a. By 2024. b. By 2025.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.1; Policy 2.2; Policy 2.3</p>
<p>2.8. Support Tax Credit Projects. Provide letters of support for projects using Federal Tax Credits and other federal and state subsidy programs for production of low-income housing in high resource areas that further fair housing and offer amenities and access to educational, economic, and environmental opportunity and diverse mobility options.</p> <p>AFFH Program – Housing Mobility.</p>	<p>Provide letters of support</p>	<p>Housing staff</p>	<p>Ongoing as applications for development are submitted.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.2; Policy 2.3; Policy 3.3</p>
<p>2.9. Advertisement of Non-City Incentives. Advertise all available non-City affordable housing incentive and assistance programs for both new and existing housing on the City website and in public meeting places.</p>	<p>Provide and update information on City website, at City Hall, and the public library.</p>	<p>Housing staff</p>	<p>Annually.</p>	<p>Already budgeted staff time and grants like CalHOME that fund education</p>	<p>Policy 2.3; Policy 2.4; Policy 4.2</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.10. Secure Land for Affordable Housing. Actively pursue opportunities to secure land for the development of extremely low, very low, and low-income housing, including through land dedication, exaction, and other private funding opportunities. The properties shall be in high resource areas that provide access to opportunity and facilitate mobility.</p> <p>AFFH Program – Access to Opportunity; Displacement Protection.</p>	<p>a. Secure two properties in high resource/opportunity areas that facilitate mobility for the development of affordable housing. b. Partner with local affordable housing providers to develop subject properties.</p>	<p>Housing staff, City Council</p>	<p>a. By 2025. b. By 2029.</p>	<p>HOME, CDBG, Housing Trust Funds</p>	<p>Policy 1.1; Policy 1.2; Policy 1.3; Policy 2.1; Policy 2.2; Policy 2.3; Policy 2.3; Policy 3.3;</p>
<p>2.11. Legislative Advocacy for Increased Resources. Petition state and national representatives for more affordable housing resources.</p>	<p>Track and state support (in writing) for bills that provide more affordable housing tools, resources.</p>	<p>Housing staff, with action by the City Council</p>	<p>As related bills are processed in the legislature.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.2; Policy 2.3</p>
<p>2.12. Public Inventory of Affordable Housing Options. Continue to provide information on the City’s website to assist very low- and low-income households in identifying affordable housing in Davis and surrounding areas.</p> <p>AFFH Program – Housing Mobility.</p>	<p>Maintain City affordable housing webpage.</p>	<p>a. Housing staff, working with Yolo County Housing, with assistance from Informational Systems staff</p>	<p>Ongoing.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.4; Policy 3.1; Policy 3.5; Policy 5.2</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.13. Published List of Affordable Housing Sites. Compile a list of vacant sites in Davis which are suitable for affordable housing development and publish, update, and maintain the list on the City’s website. Include a general assessment of the relative access to opportunity provided by each site.</p>	<p>a. Compile a list of vacant sites in Davis which are suitable for affordable housing development. b. Update and maintain list on City affordable housing webpage</p>	Housing staff	<p>a. By 2024. b. Annually.</p>	Already budgeted staff time	Policy 1.1; Policy 2.4; Policy 3.1; Policy 3.3; Policy 4.2
<p>2.14. Clearinghouse for Affordable Housing Applicants. Work towards creating a City sponsored, centralized application processing program for individuals to apply one time for all available affordable housing. Provide outreach to property managers of affordable housing developments to encourage and facilitate broad participation.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	<p>a. Create a centralized application process, if feasible. b. Provide outreach to property managers.</p>	Housing Staff	<p>a. By 2025 b. Annually.</p>	<p>a. Already budgeted staff time b. To be determined</p>	Policy 2.4; Policy 3.1; Policy 3.5; Policy 5.2
<p>2.15. Affordable Housing Rezone Program. Rezone sites that have been counted in previous housing element cycles, as identified in Table 62, to allow housing developments with at least 20 percent of the units affordable to lower income households through a by-right process, consistent with objective design standards. Projects with less than 20 percent affordable housing may be approved through the typical approvals process, including discretionary approvals as applicable.</p>	Rezone all three sites that were counted in previous housing element cycles.	Community Development Department with action by the City Council	by 2024.	Already budgeted staff time	Policy 1.1; Policy 2.1; Policy 2.5; Policy 4.1;
<p>2.16. Employee Incentive System. Expand the local employee incentive system to include rental developments, and continue to utilize local employee incentive system as a means of connecting local employees to local affordable and middle ownership opportunities.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity.</p>	Continue and Expand the Workforce Incentive System to include rental developments	Housing staff, with action by the Social Services Commission, Planning Commission, and City Council	By 2025.	Already budgeted staff time	Policy 2.6

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.17. Transitional and Emergency Shelter Operations. Continue to support existing transitional housing and emergency shelter options provided in the city and provide shelter for 5 to 10 additional households at risk of homelessness or currently homeless, potentially including youth transitioning out of foster care and homeless individuals post hospital care in need of shelter to accommodate physical recovery.</p> <p>AFFH Program – Access to Opportunity.</p>	<p>a. Maintain transitional housing and emergency shelter facilities sufficient to maintain existing levels of service with 76 sheltered persons. b. Work with local housing and service providers to provide shelter for 15 to 10 additional households.</p>	<p>Housing Team, Social Services Commission and City Council</p>	<p>a. Review annually as part of supportive Housing Program (SHP) applications and discussions with the Housing Authority b. By 2025.</p>	<p>Already budgeted staff time Specific funding needs would be requested by individual projects.</p>	<p>Policy 2.1; Policy 2.7; Policy 3.1; Policy 3.3</p>
<p>2.18. Transitional and Emergency Shelter Demand Monitoring. Continue to monitor the number of persons seeking emergency shelter in Davis and Yolo County. Evaluate the resulting data to determine what facilities and social services are needed in Davis, cooperatively address the overall county needs of the identified population, and ensure that services address the disproportionate impacts of homelessness on various racial and ethnic minority groups and persons with disabilities.</p>	<p>a. Monitor the local needs (city and county) for emergency housing. b. Evaluate and address additional service needs and address disproportionate impacts.</p>	<p>Interagency county homeless task force, with Housing and Social Services staff</p>	<p>a. & b. Annually.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.1; Policy 2.7; Policy 3.1; Policy 3.3</p>
<p>2.19. Ten-Year Homelessness Plan. Continue to participate in the Yolo County Continuum of Care.</p>	<p>a. Participate in monthly meetings. b. Provide funding of \$10,000 per year to support the Continuum of Care.</p>	<p>Housing and Social Services staff, with actions by the Social Services Commission and City Council</p>	<p>a. Monthly b. Annually</p>	<p>Already budgeted staff time and through assistance from HOME</p>	<p>Policy 2.1; Policy 2.7; Policy 3.1; Policy 3.3</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.20. Parking Standards for Emergency Shelters. Amend the parking standards for emergency shelters to require that emergency shelters only be required to provide sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same, in accordance with AB 139 (2019).</p> <p>AFFH Program – Access to Opportunity.</p>	Amend parking requirements.	Community Development Department with action by City Council	2024.	Already budgeted staff time	Policy 2.7; Policy 4.1
<p>2.21. Low Barrier Navigation Centers By-Right. Amend the Zoning Code to define and allow low barrier navigation centers to be a use by right in mixed-use zones and nonresidential zones permitting multifamily uses in high resource/opportunity areas if specified requirements in compliance with Government Code Section 65662 are met, in accordance with AB 1010 (2019).</p> <p>AFFH Program – Access to Opportunity.</p>	Amend zoning code	Community Development Department with action by City Council	By 2024.	Already budgeted staff time	Policy 2.7; Policy 4.1
<p>2.22. Zoning for Transitional and Supportive Housing. Amend the Zoning Code to allow transitional and supportive housing in the Residential One- and Two-Family and Mobile Home (R-2-MH) and Core Area Infill (C-I) zoning districts (which include high resource/ opportunity areas with diverse mobility options) and to permit the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater, by right, in accordance with AB 2162 (2018).</p> <p>AFFH Program – Access to Opportunity.</p>	Amend zoning code.	Community Development Department with action by City Council	By 2024.	Already budgeted staff time	Policy 2.7; Policy 4.1

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>2.23. Zoning for Emergency Shelters. To ensure the City can meet the remaining need for emergency shelter, revise the Zoning Code to allow emergency shelters by right in an additional zone or zones which correspond with high resource/opportunity areas and provide access to opportunity and diverse mobility options. As a part of this process, review and revise the 35-bed limit on emergency shelters that can be approved without a conditional use permit as needed to ensure that the City’s emergency shelter need can be met. Zones that are amended to allow emergency shelters by right will include sites with parcel sizes adequate to accommodate facilities of a size allowable by-right, redevelopment or reuse opportunities, proximity to services, and appropriate development standards to enable the development of sufficient emergency shelter space to meet the remaining need.</p> <p>AFFH Program – Access to Opportunity.</p>	Revise zoning code	Community Development Department with action by City Council	By 2025.	Already budgeted staff time	Policy 2.7; Policy 4.1
<p>2.24. RHNA Credit for By-The-Bed Rentals. Calculate the City’s RHNA credit for by-the-bed rental developments in accordance with the methodology that the City of Davis has submitted to HCD for conversion of affordable bed rentals into affordable RHNA credit. This methodology is detailed in Appendix D of this Housing Element document.</p>	Use conversion methodology.	Housing Staff	Ongoing starting with 2022 APR.	Already budgeted staff time	Policy 2.8
Goal 3: Fair Housing and Equal Opportunity					
<p>3.1. Fair Housing Services. Provide fair housing information and resources, outreach and education, intake of housing discrimination complaints, referrals to the California Department of Consumer Affairs and the Department of Fair Employment and Housing to the community, including to underserved populations, through the City’s Fair Housing Services department.</p> <p>AFFH Program – Housing Mobility; Displacement Protection.</p>	Serve at least 100 households annually through the City’s Fair Housing Services.	City of Davis Fair Housing Services	Annually.	CDBG funds	Policy 3.1

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>3.2. Regional Fair Housing Conference. Provide financial and/or in-kind support to the Yolo County Fair Housing annual regional fair housing conference to provide landlord education on fair housing issues.</p> <p>AFFH Program – Housing Mobility; Displacement Protection.</p>	<p>Provide financial and/or in-kind support for one fair housing conference annually as requested by Legal Services of Northern California.</p>	<p>City of Davis Fair Housing Services</p>	<p>Annually.</p>	<p>CDBG funds</p>	<p>Policy 3.1</p>
<p>3.3. The Definition of a “Family.” Update the definition of a “family” in the Zoning Code to comply with fair housing law and remove reference to “shared food or rent.”</p> <p>AFFH Program – Access to Opportunity; Displacement Protection.</p>	<p>Update the Zoning Code.</p>	<p>Community Development Department</p>	<p>By 2023.</p>	<p>Already budgeted staff time</p>	<p>Policy 3.1</p>
<p>3.4. Achieving Permanent Affordability. Require all new subsidized affordable for-sale housing, except where the City determines that permanent affordability is infeasible, to be in or under the control of a housing land trust, a limited equity cooperative, fee simple ownership with permanent affordability requirements and significant city oversight, or other permanent affordability arrangements with significant city oversight. Also, should economic circumstances or state and federal subsidies dictate that permanent affordability requirement be released for a specific development project, then appropriate recapture mechanisms for the subsidies and owner occupancy for the longest period feasible shall be imposed. Specific findings for release of the permanent affordability requirement shall be established in the Affordable Housing Ordinance.</p> <p>AFFH Program – Access to Opportunity; Displacement Protection.</p>	<p>a. Ensure permanent affordability for 100 percent of new deed-restricted affordable for-sale housing units, including at least 10 newly developed units. b. Establish recapture mechanisms for subsidies. c. Identify specific findings for release of permanent affordability requirement as part of the Affordable Housing Ordinance update.</p>	<p>Housing staff, with actions from the Social Services Commission, Planning Commission and City Council</p>	<p>a. & b. By 2029. c. 2025</p>	<p>Already budgeted staff time and developer fees</p>	<p>Policy 3.2; Policy 3.5; Policy 5.2</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>3.5. Legislative Fixes. If the common-law Rule Against Perpetuities or any other provisions of state law prove to be an obstacle to implementation of a policy for permanent affordability and these actions, the City Council shall seek state legislation to amend or waive the provision that is the obstacle.</p> <p>AFFH Program – Access to Opportunity; Displacement Protection.</p>	<p>Seek state legislation as needed to amend or waive obstacles.</p>	<p>Housing and Social Services staff</p>	<p>As legal challenges arise.</p>	<p>Already budgeted staff time</p>	<p>Policy 3.2;</p>
<p>3.6. Displacement Prevention. Survey properties with more than 40 units to identify sharp rental increases (greater than five percent per AB 1482) or evictions of groups of tenants by landlords and work with residents and landlords/owners to prevent displacement. Special attention shall be given to projects with potential for large-scale gentrification or displacement of Section 8 residents or other underserved populations without appropriate relocation to other similar affordable units located in high resource areas with access to opportunity and mobility options.</p> <p>AFFH Program – Displacement Protection.</p>	<p>a. Annually survey properties with more than 40 units and/or concentrations of Section 8 tenants to identify displacement risk b. Assist residents with housing information, assistance with filing complaints and referral to legal services.</p>	<p>Housing staff, with support from the Social Services Commission and City Council; Yolo County Housing.</p>	<p>a. Annually. b. As needed.</p>	<p>Already budgeted staff time</p>	<p>Policy 3.5; Policy 5.2</p>
<p>3.7. Relocation Assistance for High-Risk Renters. Use local resources to support programs that assist in placing high-risk renters into affordable housing units in high resource areas with access to amenities, diverse mobility options, and educational, economic, and environmental opportunity to prevent displacement and promote fair housing.</p> <p>AFFH Program –Displacement Protection.</p>	<p>a. List this objective as a critical need in future CDBG/HOME funding cycles b. Provide at least 12 referrals per year to affordable housing providers for placement of high-risk renters.</p>	<p>Housing staff, with actions by the Social Services Commission and City Council</p>	<p>a. Annual funding cycle b. Annually</p>	<p>Already budgeted staff time</p>	<p>Policy 2.2; Policy 2.3; Policy 2.7; Policy 3.1; Policy 3.5; Policy 5.1; Policy 5.2</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
Goal 4: Address Governmental Constraints					
<p>4.1. Implement SB 35. Adopt a process for streamlining in accordance with SB 35, which requires the City to provide ministerial approvals for projects providing at least 50 percent lower-income housing units that meet all objective standards and other criteria.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity; Displacement Protection.</p>	Adopt a process for streamlining in accordance with SB 35.	Community Development Department, with action by Planning Commission and City Council	By 2025.	Already budgeted staff time	Policy 4.1
<p>4.2. Additional Development Streamlining. Implement a streamlined development review process above and beyond that required by SB 35 and implement those deemed feasible. Options to be considered will include, but would not be limited to, by-right approvals and reduced standards of review for projects that meet defined criteria, as well as reducing the number of public hearings necessary to obtain approvals.</p> <p>AFFH Program – Housing Mobility; Access to Opportunity; Displacement Protection.</p>	Evaluate and implement options for additional streamlining	Community Development Department, with action by Planning Commission and City Council	By 2025.	Already budgeted staff time	Policy 4.1
<p>4.3. Objective Design Standards. Adopt objective design standards in accordance with the Housing Accountability Act, SB 330, and SB 35.</p> <p>AFFH Program – Access to Opportunity.</p>	Adopt objective design standards	Community Development Department, with action by Planning Commission and City Council	By 2025	Already budgeted staff time	Policy 4.1
<p>4.4. Third-Party Review and Plan Check. Expand the use of third-party project reviewers and plan checkers to reduce permit processing time, with priority given to housing for extremely low-income, very low-income, and special needs households.</p>	Expand the use of third-party project reviewers to reduce permit processing time, with priority given to affordable housing projects	Community Development Department	Utilize as needed and/or requested by applicant.	Already budgeted staff time and planning and building processing fees	Policy 4.1

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>4.5. Plan Development Standards. Provide standards for adopted planned development districts on the City website.</p>	Provide planned development standards on the City website.	Community Development Department	By 2023.	Already budgeted staff time	Policy 4.2
<p>4.6. Developer Outreach and Consultation. Conduct proactive outreach to inform architects and builders of City standards and requirements and to receive input on additional changes that may be needed to facilitate housing development.</p>	<p>a. Write articles for the City newsletter. b. Provide updated information online. c. Create and maintain user friendly handouts. d. Host annual developer roundtables.</p>	All City Departments.	<p>a. At least annually. b. Ongoing as code changes occur. c. Ongoing as code changes occur. d. Annually.</p>	Already budgeted staff time	Policy 4.2
<p>4.7. Inter-Organizational Coordination. Coordinate inter-organizational representation in the long-term planning efforts of each agency, especially in relationships between the City, UC Davis, Yolo County, surrounding cities and DJUSD.</p> <p>AFFH Program – Place-based Strategies.</p>	Attend inter-organizational meetings and attend public hearings related to long-term planning, information decision-makers.	Community Development Department, Planning Commission and City Council	Ongoing.	Already budgeted staff time	Policy 4.3
<p>4.8. Suspension of One Percent Growth Policy. Prohibit enforcement of the City’s one percent growth policy until at least January 1, 2030, consistent with SB 330 and SB 9, which prohibits certain limits on the number of building permits that a jurisdiction will issue (see the Constraints to Housing Production chapter for more information). Evaluate repealing the policy on a more permanent basis.</p>	<p>a. Prohibit enforcement until at least 2030. b. Evaluate permanent repeal.</p>	Community Development Department, with action by Planning Commission and City Council	<p>a. By 2022. b. By 2030.</p>	Already budgeted staff time	Policy 4.4

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
Goal 5: Residential Conservation					
<p>5.1. Rental Inspection Program. Monitor a sample of rental units annually and encourage landlords to maintain all rental units in sound condition through City information, the resale program, the Rental Resources program, and technical assistance and support. Coordinate with community groups to expand the landlord education and tenant rights education programs. Expand the Rental Property Inspection program to properties with more than 4 units, subject to a fee structure and financial feasibility study.</p> <p>AFFH Program – Place-based Strategies; Displacement Protection.</p>	<p>a. Inspect a sample of rental housing units. b. Provide information to local landlords. c. Expand the landlord and tenant education program. d. Prepare a fee study and expand the Rental Property Inspection program to properties with more than 4 units.</p>	Community Development Department and housing staff, Housing and Social Services	<p>a. Every 1 to 3 years. b. Annually. c. By 2025. d. By 2025.</p>	Already budgeted staff time	Policy 3.1; Policy 3.5; Policy 5.1; Policy 5.2
<p>5.2. Housing Conditions Survey. Conduct a housing conditions survey to assess the condition of Davis’ housing stock and consider actions to address housing conditions as appropriate based on the findings from the survey.</p> <p>AFFH Program – Place-based Strategies; Displacement Protection.</p>	<p>a. Conduct Housing Conditions Survey. b. Take actions to address conditions as appropriate and feasible based on survey results.</p>	Community Development Department and housing staff	<p>a. By September 2024. b. To be determined</p>	<p>a. Already budgeted staff time b. To be determined</p>	Policy 3.5; Policy 5.1; Policy 5.2

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>5.3. Affordable Housing Preservation. Annually update the inventory of affordable housing and mobile home park resources in Davis and confirm at-risk status. Contact the property owners of all nine properties in Davis with deed-restricted affordable units that are potentially at risk of conversion to market rate within the next 10 years to assess the risk of conversion. Prioritize properties with units that are at risk within the planning period and those that are not owned by entities that are dedicated to providing affordable housing. To the extent that units are determined to be at risk, work to preserve the affordability of these units, including discussing options with the property owner and designating a specific City staff person to receive notices and forward them to Legal Services of Northern California (LSNC). The designated person will contact entities that are qualified to acquire and manage these units and will also identify developers that are not on HCD’s qualified entities list who might be interested in preserving affordable housing, and will encourage them to register as a qualified entity. Provide technical assistance in identifying alternative funding sources and qualified entities and/or providing City funds to preserve affordability, depending on the availability of resources.</p> <p>AFFH Program – Place-based Strategies; Displacement Protection.</p>	<p>a. Compile and annually update the affordable housing inventory. b. Assess nine properties with units that are potentially at risk to determine risk of conversion. c. Designate staff person to receive notices and conduct outreach to qualified entities. d. Preserve affordability of 305 potentially at-risk units, as necessary.</p>	<p>a. Housing Staff b. Community Development, with actions by City Council</p>	<p>a. Annually. b. 2022 for units with possible expiration dates of 2023 or earlier; 2023 for all other properties that are potentially at risk (completed in 2022). c. By 2023. d. Prior to earliest possible expiration date for each property.</p>	<p>a. Already budgeted staff time b. To be determined</p>	<p>Policy 2.2; Policy 3.5; Policy 5.1; Policy 5.2</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>5.4. Mobile Home Park Preservation. Provide further protections for residents in mobile home parks to preserve mobile home parks and prevent displacement of residents. Strategies may include a mobile home park rent stabilization ordinance, a memorandum of understanding between mobile home park owners and the City, City subsidies for mobile home park residents, resident or City purchase of mobile home parks, and/or a zoning overlay to designate mobile home parks for mobile home park use.</p> <p>AFFH Program –Displacement Protection.</p>	<p>a. Analyze various models and policies related to space rent affordability; make recommendation. b. Analyze implementing a mobile home park zoning overlay for the City’s mobile home parks; make recommendation. c. Assist with the preservation of four mobile home parks.</p>	<p>Housing staff, Social Services Commission, Planning Commission and City Council</p>	<p>Adhere to recommendations by 2025.</p>	<p>Already budgeted staff time</p>	<p>Policy 2.2; Policy 3.5; Policy 5.1; Policy 5.2</p>
Goal 6: Energy Conservation					
<p>6.1. Reach Code and Photovoltaic. Continue to implement the City’s Reach Code and require solar photovoltaic systems on all new single- family residential construction.</p>	<p>a. Offset approximately 80 percent of electricity used on site for new non-residential and high-rise multi-family development. b. Include pre-wiring for Level 2 electric vehicle charging at new single-family developments and charging stations for new non-residential developments. c. Require solar photovoltaic systems on all new single-family residential construction.</p>	<p>a, b, c. Building Department</p>	<p>a. & b. By 2025. c. Ongoing.</p>	<p>Already budgeted staff time</p>	<p>Policy 6.1</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>6.2. Climate Action and Adaptation. As part of the City’s Climate Action and Adaptation Plan (CAAP):</p> <ul style="list-style-type: none"> • Explore incentives for projects that result in energy savings of at least 20 percent when compared to minimum standards • Evaluate incentives for retrofitting existing homes and businesses for improved energy efficiency. • Consider energy-efficient design requirements that go beyond the state building standards for energy efficiency • Develop design guidelines for climate-oriented site planning, building design and landscape design to promote energy efficiency. • Explore incentives to retrofit water conserving plumbing in existing residences and businesses. <p>AFFH Program – Place-based Strategies.</p>	<p>a. Complete and adopt the CAAP. b. Implement the CAAP. c. Reduce greenhouse gas emissions to 80% of 1990 levels or neutral.</p>	<p>Community Development Department, with action from City Council</p>	<p>a. By 2023. b. Ongoing after CAAP adoption. c. By 2040.</p>	<p>Already budgeted staff time, identifying subsidy sources</p>	<p>Policy 6.1</p>
<p>6.3. Transit Efficiency. Support the opportunity for efficient public transit by siting large apartment complexes on arterial streets, in the core and near neighborhood centers and the university.</p> <p>AFFH Program – Housing Mobility.</p>	<p>Support appropriate projects that utilize existing transit and a close proximity to community services and shopping.</p>	<p>Community Development with actions by the Planning Commission and City Council</p>	<p>Ongoing.</p>	<p>Already budgeted staff time</p>	<p>Policy 3.3; Policy 6.1</p>
<p>6.4. Water Conservation. Continue to enforce and support water conservation ordinances.</p>	<p>Enforce existing water conservation ordinances</p>	<p>Community Development and Public Works Departments</p>	<p>Ongoing.</p>	<p>Already budgeted staff time</p>	<p>Policy 6.1</p>

Program Description	Actions and Objectives	Responsible Agencies	Time Frame(s)	Potential Funding	Policy
<p>6.5. Greenhouse Gas Reductions. Reduce the City's greenhouse gas emissions to 80 percent of 1990 levels or neutral no later than 2040.</p>	<p>Reduce greenhouse gas emissions to 80% of 1990 levels or neutral.</p>	<p>All City departments, commissions, and the City Council in collaboration with "Cool Davis" nonprofit organization</p>	<p>By 2040.</p>	<p>Already budgeted staff time, identifying subsidy sources</p>	<p>Policy 6.1</p>

Quantified Objectives

Table 81 summarizes the quantified objectives for the construction, rehabilitation, and conservation of housing in the City of Davis for the 2021-2029 Housing Element period. The quantified objectives do not represent a ceiling on development, but rather set a goal for the jurisdiction to achieve based on needs, resources, and constraints.

The figures in Table 81 are based on the following:

- New Construction:** The objective for new construction is based on the City’s RHNA allocations for the 2021-2029 Housing Element Period. Although the RHNA does not include allocations for extremely low-income households, Housing Element Law requires that jurisdictions estimate the need for housing units affordable to extremely low-income households. The quantified objectives assume that half of the very low-income housing need consists of a need for housing to serve extremely low-income households.
- Rehabilitation:** The rehabilitation objective is based on the City’s 2020-2025 Consolidated Plan, which has a goal of rehabilitating 90 housing units during the five-year period, or 18 units per year. The numbers in this table were derived by multiplying an average of 18 units per year across the eight-year Housing Element period. The income levels shown are based on an assumption that 75 percent of rehabilitated units will serve extremely low-income and very low-income households and the remaining will serve low-income households.
- Preservation:** The preservation goal reflects a goal of preserving the four at-risk affordable units in the City’s affordable housing inventory. Due largely to the City’s requirement that affordable units typically remain affordable on a permanent basis, there are no other deed-restricted affordable units that are risk during this Housing Element cycle. It should be noted that additional affordable units will likely be preserved due to rehabilitation projects, the City’s condominium conversion ordinance, and policies that protect and preserve mobile home parks.

Table 81: Quantified Objectives, 2021-2029

Income Category	New Construction	Rehabilitation	Preservation
Extremely Low	290	54	0
Very Low	290	54	0
Low	350	36	4
Moderate	340	0	0
Above Moderate	805	0	0
All Income Categories	2,075	144	4

Sources: City of Davis; BAE, 2021.

APPENDIX A: HOUSING TRUST FUND STRATEGY RECOMMENDATIONS FROM THE SOCIAL SERVICES COMMISSION

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Housing Trust Fund Strategy

Recommendations of the Social Services Commission

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1. Introduction

This document, drawing on City of Davis staff reports, peer-reviewed academic literature, and case studies of best practices from other municipalities, proposes recommendations for systematizing the management and use of the City's Housing Trust Fund (HTF). We intend this report to be a living document, to be periodically updated by the Social Services Commission as the City's needs and resources change and the global knowledge base on the use of Housing Trust Funds grows.

Subsections 1.1-1.2 below provide an overview of the Housing Trust Fund. Section 2 presents general strategic recommendations for allocating HTF funds, including our conceptual framework—the continuum of housing needs in Davis—quantitative targets for addressing various types of needs, and a systematic allocation process. Section 3 offers recommendations for growing the Housing Trust Fund.

1.1. What is the Housing Trust Fund?

Housing Trust Funds (HTFs) are dedicated streams of funding, operated by political jurisdictions, public agencies, and nonprofit organizations, used to support the creation and provision of affordable housing. These funds generally receive predictable, ongoing revenues instead of being subject to annual appropriations processes. Dedicated funding services to insulate HTFs from competing with other budget priorities and make multi-year planning of affordable housing and related programs possible (Institute for Local Government 2007).

HTFs can be used for a variety of purposes. Larger funds directly finance the creation of projects and the building of affordable housing units. Smaller funds fill financing gaps, for example by assuring developers front-end or back-end funding that facilitates the securing of additional financing from other sources, or by providing loan guarantees. HTFs can also offer low-interest loans directly to developers and, especially in the case of housing-focused nonprofit developers, provide budget support for capacity building and administrative costs. HTFs also help individual homeowners, housing non-profits, and public agencies preserve and manage existing affordable housing. HTFs also can be used to provide down payment assistance, subsidize rent, and help with mortgage payments to prevent eviction and foreclosure. In some cases, HTF guidelines permit ancillary assistance, e.g., for transport and medical expenses, to families in need, in recognition that housing stability is affected by the ability to meet these other costs (Institute for Local Government 2007).

The City of Davis Housing Trust Fund, like all HTFs, operates under its own stipulated guidelines. The following text, reprinted from the July 15, 2019 Staff Report to the Social Services Commission (Stachowicz 2019), describes our HTF's guidelines and priorities:

The Housing Trust Fund is managed by the City and is used for **the rehabilitation, preservation and production of affordable housing**....When the City has provided money in the past to a specific affordable housing project, the funds have been the city's equity contribution to the project. In these cases, funds are

- a. not be used for administration or consulting services of the sponsor/non-profit.

b. [to] be used for the purposes of acquisition, rehabilitation, and/or construction of residential structures.

c. on a case by case basis, be used for the rehabilitation, construction, and/or expansion of integrally related facilities at the affordable housing site. Examples of the type of facilities to be considered: child care, congregating dining, laundry, multi-purpose.

In 2007, the City also clarified the following Affordable Housing Funding Priorities to assist with allocation of available Housing Trust Fund dollars:

- a. Projects with existing funding commitments and projects currently under construction.
- b. Existing projects within the City/Agency's affordable housing program with an urgent need for preservation, rehabilitation, and/or refinancing.
- c. Projects that will be constructed on existing and newly acquired land dedication sites.
- d. Projects that aid in the conversion of existing projects in the City/Agency's affordable housing program to permanent ownership by local, housing non-profits at the end of tax credit partnerships.
- e. Repayment of Inter-fund loans within the City/Agency's and housing bond repayment obligations of the agency.
- f. Projects that can exhibit a positive cost/benefit analysis compared with other projects existing and proposed and with affordable housing industry standards.
- g. Projects that provide new affordable housing units through the addition of new units to the City/Agency's housing stock.

The overall purpose of the HTF is to support the well-being of the City's residents. As Box 1 discusses, **proactive use of HTFs can mitigate much greater fiscal outlays in the long-term.**

Box 1: The Public Fiscal Impacts of Affordable Housing

In the long-run, HTFs are cost-saving measures for jurisdictions. Inadequate housing leads to unemployment, illness, and other costs that are borne by public housing. A study of Santa Clara County found that, over a six-year period, homelessness cost the county \$520 million in services (Flaming, Toros, and Burns 2015). Another report from North Carolina estimated that substandard housing led to direct health costs of \$13.4 million, with indirect costs another \$81.4 million—for children alone (Flaming, Toros, and Burns 2015; Chenoweth 2007). Housing low-income elderly people in nursing homes at state expense can cost twice as much than providing direct rental assistance and public social services (Institute for Local Government 2007). Investing in the housing market has downstream economic impacts on jobs and tax revenues.

1.2. What is the current status of the City of Davis HTF?

The City spent \$438,113 in 2018 from HTF funds. As of July 2019, **the City of Davis has approximately \$570,000 currently available in**

the Housing Trust Fund.

Existing sources of local revenue were summarized in the July 15, 2019 Staff Report to the Social Services Commission (Stachowicz 2019):

Currently, the Housing Trust Fund's sources of revenue are limited to loan repayments (varies), fees paid to the City when an affordable ownership property transfers hands (1% of the cost of the purchase price), annual net rent revenue from the rental GAMAT homes¹ (approximately \$150,000), and in-lieu fees² (\$75,000 per unit). A new source of funding comes with the recently approved agreement on the proposed development at 3820 Chiles. Rather than provide units this project will provide an ongoing annual payment equivalent to 1.65 percent of the total gross rental income, with a minimum payment of \$100,000, to the Housing Trust Fund. The annual amount is estimated to start at \$125,000. At this point, that is the only development to have proposed and been approved for this type of payment into the Housing Trust Fund.

At the state level, California Senate Bill 2 (SB2; the Permanent Local Housing Allocation Program), passed in 2019, imposes a \$75 charge on real estate transactions and provides 70% of the revenue to local jurisdictions to build or rehabilitate multifamily rental housing for low-income ($\leq 60\%$ of area median income) households, or to use on programs to assist people experiencing or at risk of homelessness.³ The State uses the same methodology as the Community Development Block Grant process to decide each jurisdiction's allocation; the City of Davis received **\$310,000 from SB2 funds for 2020**, (estimated future project on funds would be good to add here) to be used for developing accessory dwelling unit plans, creating a stormwater treatment plan for the Downtown Specific Plan, and doing financial modeling for specific development scenarios (Stachowicz 2019).

In addition, California Senate Bill 3 (SB3; the Veterans and Affordable Housing Bond Act of 2018) and the related Proposition 1 allows the State to borrow up to \$4 billion for affordable housing, with \$1.8 billion for multi-family rental projects, \$1 billion for veterans home loan assistance, \$450 million for housing near public transit, and \$450 million for down-payment assistance to low- and moderate-income families looking to buy a home (Stachowicz 2019).⁴

¹ The GAMAT homes are so named because they are located on Glacier Place, Albany Circle, Marden Street, Arena Drive, and Tufts Streets.

² The City of Davis' inclusionary housing program allows in-lieu fees to be paid as an alternative to direct construction of the required affordable housing (see Municipal Code Section 18.05.050 and 18.05.060). The City currently receives \$75,000 in in-lieu fees per affordable unit, a figure much lower than other California cities of comparable size (REF).

³ See https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB2 for the text of SB2.

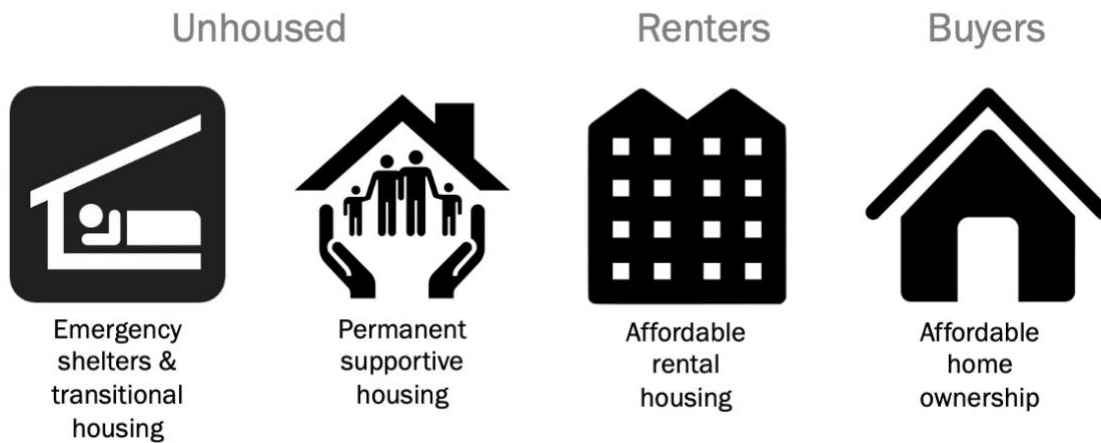
⁴ See https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB3 for the text of SB3.

2. Allocating HTF monies

2.1. The continuum of housing needs

The SSC recommends that the HTF be used to support three broad groups of needs within the Davis community : 1) the unhoused; 2) prospective/current renters; 3) prospective home buyers. Figure 1 below illustrates the overall continuum of housing needs. The housing trust fund is concerned with emergency shelters & transitional housing, permanent supportive housing, affordable rental housing, and affordable home ownership. These are families that fall into extremely low-income (ELI), very low-income (VLI), and moderate income categories, all of which are determined in comparison to the Area Median Income (AMI).⁵ The overall goal is to help Davis residents progress towards greater housing independence regardless of their income level.

Figure 1. The continuum of housing.



Although circumstances may dictate that the City focus on one or the other groups of these at a given point in time, in general we believe that **the City of Davis should strive to address the needs of different groups in the housing continuum simultaneously**. Unaddressed needs for any category reinforce vulnerabilities in other categories. For example, lack of available affordable rental housing may push people into homelessness. Lack of available affordable for-sale housing may trap families in debt, preventing investment in home ownership and reinforcing generations-old patterns of housing segregation by race and class (Rothstein 2017).

⁵ The Department of Housing and Urban Development (HUD) sets area-specific limits for each income category (extremely low, very low, low, moderate) and household size. For a 4-person household in 2020, the extremely low-income threshold in the Yolo County Metro Area is \$27,750; very low-income is \$46,250; and low is \$74,000. Details are available here:

<https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn>.

2.2. *Setting overarching targets*

As the City of Davis approaches the new Housing Element cycle, we believe that the Housing Trust Fund should be strategically guided by quantitative long-term targets that cover each of the groups in the continuum of housing needs. Such targets define in clear terms the mission of the HTF and of the City’s affordable housing program more generally. By assessing how a proposed use of HTF funds moves the City towards the chosen targets, the Social Services Commission can more systematically make allocation recommendations.

We suggest the following overarching long-term housing-related targets for the City of Davis:

- **Zero homelessness.** All people experiencing or at-risk of homelessness should have access to the material and psychosocial resources needed to obtain permanent housing, with supportive services as needed.
- **Zero unmet need for affordable housing.** People in all low- income categories (extremely low, very low, and low) should have access to affordable housing, as evaluated by the Regional Housing Needs Assessment.
- **Designation of 15% of new homes built each year in the City as deed-restricted for affordable ownership housing.** People of all backgrounds should have access to for-sale affordable housing. The 15% target takes into consideration the 5 to 25% for-sale affordable housing requirements currently specified in the City of Davis Municipal Code section 18.05.050 for new for-sale housing developments.⁶ Homeownership is the most effective way for families—including families that have been historically discriminated against on the basis of race—to build their asset base (Rothstein 2017).

We recognize that these targets are ambitious, but we believe that they represent attainable long-term goals that reflect the City of Davis’ commitment to a more inclusive, diverse, and healthier community.

⁶ Section 18.05.050(a)(1) reads, in part (emphasis added):

“(1) Affordable Housing Requirements, by Residential Product Type.

(A) For...market rate single-family detached ownership units on lots larger than five thousand square feet in area, the developer must provide for a number of affordable housing units equivalent to **twenty-five percent** of the total units being developed...

(B) For...market rate single-family detached ownership units on lots smaller than five thousand square feet in area, the developer must provide for a number of affordable housing units equivalent to **fifteen percent** of the total units being developed...

(C) For...market rate single-family attached ownership units, the developer must provide for a number of affordable housing units equivalent to **ten percent** of the total units being developed...

(D) For...market rate stacked condominiums or ownership units within vertical mixed-use development, the developer must provide for a number of affordable housing units equivalent to **five percent** of the total units being developed...

2.3. Systematizing the allocation process

Deciding how to allocate HTF funds from year to year is a difficult task. At any given point in time, political, fiscal, and health circumstances push certain housing issues to the forefront of the attention of the Social Services Commission. This may make maintaining a broad strategic direction difficult, and thus important needs may fall by the wayside.

To deal with these risks, we believe that the Social Services Commission should systematize its recommendations around allocation of HTF funds. We recommend the SSC develops its recommendations by viewing allocation as a three-stage iterative process:

1. In **Stage 1**, the total annual disbursement from the HTF should be determined and divided among the three groups in the continuum of housing needs.
 - We recommend that the total annual disbursement does not exceed the expected inflow to the Housing Trust Fund, thus maintaining the HTF balance. However, we anticipate that some years will necessitate drawing down the HTF, and other years will see an increase in the balance of the HTF.
 - We recommend that decision-makers *initially* assume an equal fraction (one-third) of the total inflow will be invested in each group of the continuum of need. For example, if the expected inflow for the coming year is \$300,000, then the starting point will be to assume \$100,000 of funds will be spent for unhoused programs, \$100,000 for affordable rentals and \$100,000 for the affordable for-sale market.
2. In **Stage 2**, the project/program needs of each general population group in the continuum of housing needs—the unhoused, renters, and buyers—should be considered separately, and each possible project/program idea prioritized.
 - These project/program ideas should be prioritized in light of their potential to advance the City towards the overarching targets listed in section 2.2. More generally, decision-makers should consider whether each project/program is necessary to build a strong foundation for affordable housing in Davis; viable in design, implementation, and management; feasible given the availability of funds in the HTF and other sources; and, when circumstances require, whether it addresses immediate threats to human well-being.
 - A simultaneous but separate consideration of the needs of each group ensures that no group is left out of consideration for HTF funding from the outset. For example, the highest priority for the unhoused might be emergency shelter capacity, followed by increased case management services; the highest priority for home buyers might be down payment assistance, followed by loans for home maintenance; and so on. At this stage, these priority lists can co-exist without being in direct competition with each other.
3. In **Stage 3**, final allocations to various program and project ideas should be determined.
 - Cost estimates to meet each priority need should first be discussed.
 - As overall affordable housing priorities are discussed, funds may be shifted from one group to another, e.g., when adequate investment in a single idea requires more than one-third of the available and usable HTF funds.

- Some investments may require more flexibility in use, and so a specified overall amount can be committed to a group without detailing its precise disbursal modality or date. For example, a given amount can be set aside in a year for down payments on purchase of affordable housing, even if those purchases are not underway at the time of finalizing the allocation strategy.

Again, this process is iterative; for example, as priorities emerge in Stage 2, the total disbursal amount and group-specific disbursal amounts chosen in Stage 1 may be reconsidered.

2.4. SSC Recommendations for HTF Priorities in 2021

To illustrate how the above process would work, the HTF subcommittee, in consultation with community experts and considering prior SSC input, has developed the following group-specific set of priorities for use of the HTF in the 2021 program year (Table 1). (Upon clarification of budget figures, we will also provide Stage 1 and Stage 3 recommendations, and revisit the Stage 2 priorities below).

Table 1. Sample prioritization of how the City of Davis Housing Trust Fund could be used to progress towards the overarching targets.

Priority rank	The unhoused	Prospective & current renters	Prospective buyers
1	Increasing emergency non-congregate shelter capacity	Rental assistance & emergency vouchers for those at eviction risk, especially extremely/very low income and undocumented families; motel vouchers if needed	Single online hub/navigation center for information on available for-sale or resale homes
2	Refurbishing existing structures for use as permanent supportive housing	Auxiliary assistance for low income families: security deposits/vouchers, utility costs, credit repair, moving costs	Down payment assistance program (3-5%), as well as vouchers for Homebuyer Education Class and Certification
3	Case management support for permanent supportive housing, either existing or planned	Economic self-sufficiency educational program	Silent note/loan for affordable home maintenance with possible 1) repayment through proceeds from sale; 2) forgiveness after 10 years; or 3) payment w/ long-

			term non-interest-bearing note
4	Community navigator force (see Goal 2(a) of 2019 Davis Three Year Plan to Address Homelessness)	Single online hub/navigation center for all affordable rental information, including vacancy status, wait lists, and pairing people up for shared housing (between potential housemates or owners/renters); single application for all affordable housing	Homebuyer Education Class as requirement to home purchase or wait list. Qualified list includes those with verified information; the ready-to-buy list requires homebuyer education prior to purchase agreement/COE
5		Development of shared housing database, made available through the online hub	City buyback of seller default on affordable homes New projects pay into an affordable housing endowment.

The subsections below discuss in detail how we arrived at each priority.

2.4.1. The unhoused

Priority 1: Emergency non-congregate shelter capacity

Much of Davis’ traditional homeless shelter capacity, including the Interfaith Rotating Winter Shelter (IRWS), is now offline due to COVID-19. It is no longer safe for the unhoused to be sheltered in conditions that necessitate close contact. Project Roomkey, a state-funded initiative that enabled the unhoused to stay in motels, ended June 30th. While COVID-positive and high-risk individuals are currently sheltered in non-congregate housing, the remainder of the unhoused population is now without emergency shelter. The federal government has made \$800,000 in funds available to Yolo County through the Emergency Solutions Grants-Coronavirus (ESG-CV) program. Decisions on grants will be made by the Homeless and Poverty Action Coalition (HPAC) in September; the City of Davis, potentially in collaboration with local non-profit organizations, is likely to receive funds from this source. In addition, the City and its county and nonprofit partners are currently in the process of implementing an apartment-based non-

congregate housing program. Remaining budgetary needs for non-congregate housing should be considered by the HTF.

Priority 2: Refurbishing existing structures for use as permanent supportive housing

With the opening of 44 units in Creekside, Davis has ~72 permanent supportive housing (PSH) units (43 in Cesar Chavez and 5 in Pacifico, though the latter are not currently operational). Given the Davis homeless population—at least 183 in the January 2019 point-in-time count, a number that likely underestimates the total number—more permanent supportive housing and rapid rehousing units will need to be identified or built. Considering the current unused status of the Pacifico Affordable Housing Development, an infusion of funds to refurbish the existing structures may allow Davis to quickly make permanent supportive housing units available.

Priority 3: Community navigators/health workers

Community health workers (CHWs) are a proven effective, often low-cost means of improving public health outcomes in at-risk populations (Perry, Zulliger, and Rogers 2014). Homelessness often (but not always) intersects with mental illness, past traumatic experiences, and substance abuse. Treatment programs for these issues exist at the city and county levels, but many unhoused people do not have information about how to access them. Enhancing the efforts of existing outreach services—especially the Homeless Outreach Services Coordinator—may ease these access issues. In addition, Goal 2(a) of the [2019 Davis 3-Year Strategy to Address Homelessness](#) has as a target 3 additional private/public staff and 30 trained volunteers for peer support over the next 3 years; this trained navigator force could be trained with CHW skills relevant to the unhoused. The existing skill base and enthusiasm for community voluntarism in Davis may also facilitate volunteer recruitment. A CHW program will likely have higher front-end costs for start-up, followed by lower ongoing operating costs. The ongoing Project Homekey is piloting a paid staff and volunteer community navigator force; the HTF could focus on expanding this program to expand volunteer training and expand the size of the volunteer force.

Priority 4: Case management support for permanent supportive housing

PSH residents should have access to the range of needed mental, physical, and behavioral health services. The HTF could help to support staffing and other costs for these required services, both in existing and upcoming PSH projects.

2.4.2. Prospective/current renters

Priority 1: Rental assistance for those at risk of eviction

In the current environment of COVID-19 and economic downturn, the top priority is to use HTF monies to assist people/families who are already housed but are at immediate risk of either losing their housing through eviction or may accumulate unpaid rental debt during the current eviction moratorium. A special focus should be on extremely low-income and very low-income families, as well as those in high-risk categories, including undocumented families.

Priority 2: Auxiliary assistance for low-income families

Beyond rent itself, renters have many other needs that require liquidity, including utility payments, bus passes, school supplies, etc. Other needs may include assistance with security deposits for people looking to rent, credit repair help, moving assistance, and help with finding

employment. While these needs are not directly housing costs, they all come from the same overall household budget, and would be very important to the maintenance of a rental household.

Priority 3: Economic self-sufficiency educational program

A self-sufficiency program would help bring and maintain families out of poverty. Participants in this self-sufficiency course would receive money management skills and financial literacy, including basic financial planning, credit counseling, budgeting, advice in dealing with credit card debt, ways to open checking and savings accounts, and guidance on building savings.

Priority 4: Online hub for affordable rental housing

The City would build on its [current affordable rental housing website](#) by offering a fully integrated, user-friendly portal containing all pertinent affordable housing rental information for Davis, including a means for people to easily submit applications online. Such a system would require the cooperation of property managers and owners; an outreach and education program benefit targeted to both renters and landlords can help disseminate the benefits of such a portal. The design of such a website could be accomplished inexpensively, perhaps as a graduate student project.

Priority 5: Development of a shared housing database

As our community implements housing strategies, we will face barriers for individuals trying to obtain and sustain housing in this high-rent environment. Shared housing is an option that can be offered to lessen the burden of rent, bills, food, and other costs. Shared housing can also provide social benefits. Shared housing is an important option for tenants who need or want the advantages and are willing to work out roommate agreements.⁷

2.4.3. Prospective buyers (for-sale markets)

Priority 1: Online hub for affordable for-sale housing

The City would build on its current affordable ownership program website by offering a fully integrated, user-friendly portal for affordable for-sale housing in Davis, including information on the loan and offer processes. Such a portal would clarify management of the program and buyer's lists (between the City of Davis, NeighborWorks, Yolo County Housing Authority, and builders/developers), how to be included on interest (new construction and resale interest, as well as how to migrate from one to the other), qualified, priority, waiting to be selected, and lottery lists, and the various types of for-sale housing available. An application form to be placed on an interest list, standardized for all users and circumstances, should also be available.

Priority 2: Down payment assistance program (DPA)

Down payments are likely to be barriers to affordability of for-sale housing. We suggest down payment assistance of 3-5% of the home sales price, in line with Federal Housing Authority

⁷ This priority is drawn from the forum presented in collaboration with CDSS, HCFC and HCD, the HUD, September 2020).

(FHA) requirements for a buyer's contribution to home purchase. Because resources for DPA may be limited, we suggest offering DPA to the same priority levels, and according to the same ticket procedures, indicated in the Davis Municipal Code's Incentive System (18.07.040). This section specifies the priority groups and number of tickets as: 1) *the local workforce*: four tickets to a household with an adult who is a member of the local workforce; 2) *persons with disabilities*: two tickets to a household with a head of household, spouse, domestic partner, or sole member who has a disability; 3) *seniors*: two tickets to a household with a head of household, spouse, domestic partner, or sole member who is a senior; 4) *general public*: one ticket to a household that does not fit into one of the other categories.

Priority 3: Silent note/loan for affordable home maintenance

Since the beginning of the Affordable Housing program in Davis, there has been no mechanism to help affordable homeowners make repairs, updates, or maintain their homes. With an equity cap on many of the AFH homes, it becomes difficult for a homeowner to recoup any maintenance or updating expenses. We recommend providing a silent note/loan for such costs. Loan funds could be used for various improvements, but are required to fall under the category of dealing with health and safety hazards (the top priority), property maintenance, functional obsolescence, energy efficiency, and removal of architectural barriers for the disabled (all examples seen in housing programs throughout the region). Common repairs permitted under this loan program may include but are not limited to: new roofs and gutters, insulation, central heating, remodeled kitchens and baths, electrical and plumbing upgrades, painting, ramps, grab bars, concrete or deck repair, and solar electric systems/rooftop solar. Repayment of the silent note/loan should be deferred until the earlier of: a) sale or transfer of the home; b) cash out refinance; c) payoff of the First Mortgage; d) recordation of a Third Mortgage; e) default of the First Mortgage; f) forgiven after 30 years.

Priority 4: Homebuyer education program

Homebuyer education should be offered through City of Davis recommended resources. Additionally, Homebuyer education should be a requirement of all applicants to the city Affordable Housing Program. This would help an individual purchasing an affordable home to learn about financial planning for the expenses and the benefits of homeownership, including maintenance costs, tax benefits, who to contact if financial issues are experienced, and the importance of budgeting and saving.

Priority 5: City buyback of foreclosed affordable homes

There are currently 131 homes in the city of Davis that have an affordable home deed restriction with an appreciation cap. This is a very low number (less than 0.5%) of affordable homes for a city that has approximately 22,948 housing units in all (City of Davis Department of Community Development and Sustainability 2017), and the City of Davis must protect this critical affordable housing stock. In 2019, a deed-restricted affordable home was foreclosed on and the city was unable to buy back the property, a tremendous loss for the City. Resources in the form of cash could be used to buy back foreclosed homes for resale as affordable properties—or even as a market rate home, with net proceeds given to the HTF. This is especially important in a time of recession when foreclosure numbers are likely to rise.

3. Building the Housing Trust Fund

Given the great deal of unmet affordable housing needs in Davis, increasing the size of the HTF is a priority. Almost all HTFs across the country are funded through developer impact fees or residential in-lieu fees, but a significant fraction also rely on a more diverse array of funding sources. We encourage the City to implement more forms of dedicated revenues for the HTF. Some examples of revenue sources used in California are listed below, categorized by near-term and medium-term possibilities, with the latter to be considered when the current health and economic situation improves.⁸

3.1. Near-term sources of revenue

- *Linkage/Development impact fees.* Development fees, used by at least 16 Californian cities,⁹ are among the most common sources of HTF revenue.¹⁰ Cities collect such fees to pay for the increased demand in public services imposed by new developments. Development impact fees vary greatly across cities. Fee schedules for the City of Davis [Planning Division](#) and [Building Division](#) are listed in the linked pages.
- *Real estate sales fees.* We recommend that any future housing developments would have a transaction fee charged each time there is a sale of the property, to be deposited into the HTF. The fees would be an endowment fee on transfer and lien.
- *Grants.* We recommend completing a comprehensive review of grants available for the Housing Trust Fund. We also recommend applying annually for matching funds from the State of California's [Local Housing Trust Fund \(LHTF\) program](#), which provides a dollar-to-dollar match to local HTFs. Applying thus entails identifying or developing a project that could go forward with 50% funding by the Davis HTF.
- *Sales of public land.* Revenue from sales of City- or school district-owned land could be dedicated in part to the HTF. We note also that Surplus Land Act AB 1486 stipulates that local agencies must send notices about available surplus land to the California Department of Housing and Community Development, to other local public entities, and affordable housing developers.¹¹ A list of these properties is essential information to support community efforts to grow affordable housing.

⁸ This section draws on the Sacramento Housing Alliance White Paper *Enhance and Expand the Housing Trust Funds in the City and County of Sacramento (Beaty 2017)*.

⁹ Berkeley, Citrus Heights, Cupertino, Elk Grove, Emeryville, Fremont, Menlo Park, Oakland, Oxnard, Palo Alto, Pasadena, Petaluma, Santa Monica, and West Hollywood.

¹⁰ City HTF revenue data comes from <https://housingtrustfundproject.org/wp-content/uploads/2019/11/City-htfund-revenue-sources-2019.pdf>

¹¹ See https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB1486 for the text of AB 1486.

- *Property tax surcharges.* Numerous small cities across the country—most notably a range of towns in Massachusetts have enacted property tax surcharges specifically to increasing housing for vulnerable and low-income individuals and families.
- *General Fund contributions.* The City could directly enhance the HTF by contributing General Fund monies.

3.2. *Medium-term sources of revenue*

- *Transient occupancy and tourist taxes.* Hotel, motel, AirBnb, and other transient occupancy taxes (TOTs) are natural fits for affordable housing funding. Five California cities (Anaheim, Long Beach, Mammoth Lakes, Oakland, and San Francisco) currently use transient occupancy taxes to fund their local housing trust funds.¹² Davis currently imposes a 12% transient occupancy tax; this tax was deferred due to COVID-19 for the first half of 2020. The TOT generated \$2.2m in 2019.¹³ A 1% increase in the TOT in that year (to 13%) would have generated an additional \$163,000 dollars. We suggest this modest increase could be used to bolster the HTF. Of the five cities listed above that use TOT to fund housing trust funds, Anaheim (15%), Oakland (14%), and San Francisco (14%) all have TOT rates above that of Davis.¹⁴ In addition, tourist taxes could be placed on rental cars, ride-sharing companies, and—in terms of economic growth—restaurant taxes, particularly on business above a determined threshold of gross sales.
- *Large business registration fees.* Businesses could be assessed a registration fee set according to the increased housing and social service requirements they are likely to require of the City; thus larger businesses might be assessed while smaller businesses might be exempt.
- *Sales taxes.* California has a base sales and use tax rate of 7.25% statewide, and local jurisdictions can add their own taxes over the base rate. The City of Davis sales tax is 8.25%; 502 cities in California, including Sacramento, Fairfield, and Vallejo, have a higher tax rate than Davis, with many jurisdictions in Los Angeles County setting sales tax rates between 9.5% and 10.25%. Even a small increase in the sales tax could generate significant revenue for the HTF. In the 2019-20 budget, the City expects to receive nearly \$14 million in sales and use taxes.¹⁵ A 0.75% increase in the sales tax rate, to 9.0%, would generate more than a million dollars in additional revenue.

¹² <https://housingtrustfundproject.org/wp-content/uploads/2019/11/City-htfund-revenue-sources-2019.pdf>

¹³ <https://www.cityofdavis.org/home/showdocument?id=14653>

¹⁴ https://sco.ca.gov/Files-ARD-Local/LocRep/2017-18_Cities_TOT.pdf

¹⁵ <http://documents.cityofdavis.org/Media/Default/Documents/PDF/Finance/2019-2021-Budget/Adopted-2021/01-Budget-Summary-Adopted-20-21.pdf>

- *Social services-focused parcel taxes and bond measures.* With increased public awareness of the seriousness of Davis’ affordable housing situation, ballot measures to enact new parcel taxes and/or bond measures to specifically finance the Housing Trust Fund may be possible. In the long-run, such large investments are necessary to fully assure that all needs on the housing continuum are met. To date, bond measures specifically for affordable housing have been adopted largely by major cities and counties (including Alameda and Santa Clara County); exploring the feasibility of such a measure for a mid-size town like Davis would be valuable.

3.3. Long term sources of revenue

- *New projects supporting affordable housing.* Other neighboring communities like North Natomas have agreed to allow an “endowment fee” on the deed of market rate homes. In North Natomas, under the “Charitable Housing Agreement,” with each transfer of sale the Buyer pays a fee to an entity that the developer, Lennar, established. The monies collected are for the sole purpose of supporting affordable housing (see Sacramento County Recording Book 20060511 Page 2496).
- *Private funds and gifts.* The HTF can be the benefactor of support from private sources as well as foundations. We recommend looking at the feasibility of partnering with private sector organizations to launch an affordable housing capital campaign. Private parties and community members have indicated interest in supporting efforts for housing and the HTF could serve as a repository and reporting function for their donations. Philanthropic organizations such as the Chan Zuckerberg Initiative and Gates Foundation are contributing large sums in the Bay Area to solve housing issues. In addition, community benefit agreements with the University of California-Davis and other private and public institutions based in the City could stipulate contributions to the Housing Trust Fund.

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APPENDIX B: AWARENESS REPORT FOR PUBLIC OUTREACH AND ENGAGEMENT

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City of Davis - Housing Element Update

Awareness Report for Public Outreach & Engagement

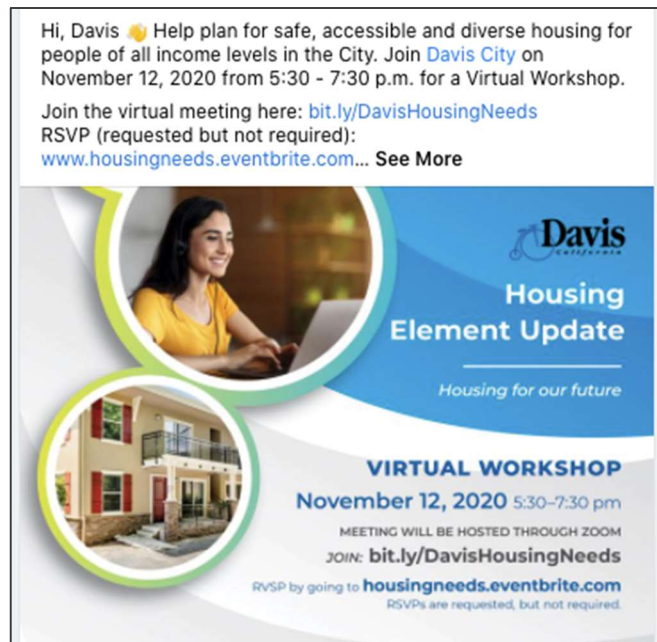
Social Media

Total social media posts: 8

AIM developed two social media graphics to help build awareness about outreach activities for the Housing Element Update (one for the Housing Needs workshop and one for the RHNA Workshop). The following social media analytics gathered from AIM's Facebook and Instagram includes reach, post engagement, and link clicks. **These graphics were also shared via the City of Davis' social media accounts including Facebook, Twitter and Nextdoor.**

Note: Reach refers to the total number of people who have viewed the social media advertisement. Post engagement includes all actions that people take involving ads while they are running. Post engagements can include actions such as reacting to, commenting on or sharing the ad, claiming an offer, viewing a photo or video, or clicking on a link. Social media posts were targeted to people living in the City of Davis.

- Boosted Post: [Housing Needs Virtual Workshop](#) (October 26, 2020)
 - Reach: 1,428
 - Engagements: 26
 - Likes: 4
 - Shares: 1
- Housing Needs Workshop: [City of Davis Post \(Facebook\)](#) (October 27, 2020)
 - 605 views
 - 6 Engagements
 - 3 Shares
- Housing Needs Workshop: [City of Davis Post \(Twitter\)](#) (October 27, 2020)
 - 558 Impressions
 - 9 Engagements
- Housing Needs Workshop: [City of Davis Post \(Nextdoor\)](#) (October 27, 2020)
 - 1,213 Impressions



- Boosted Post: [RHNA Virtual Community Workshop](#) (March 10, 2020)
 - Reach: 4,827
 - Engagements: 105
 - Link Clicks: 59
 - Likes: 5
 - Shares: 3

- RHNA Workshop: [City of Davis Post \(Facebook\)](#) (March 26, 2020)
 - 4 Shares

- RHNA Workshop: [City of Davis Post \(Twitter\)](#) (March 29, 2020)
 - 1 like

- RHNA Workshop: [City of Davis Post \(Nextdoor\)](#) (March 29, 2020)



Email Notification

Total email blasts sent: 14

To raise awareness about the Housing Element Update, the team sent fourteen e-mail blasts during the project. The email blasts were sent to a database of up to 1,500 community members who have participated in other Davis land use related projects including the Downtown Davis Plan, Davis Amtrak Study, and an additional 190 community members collected from the Davis Housing Element Update website.

Below shows the email distribution metrics (open rate connotes recipient open the email and click rate means recipient clicked the link to the workshop):

1. Housing Needs Workshop (10/1/20)
 - a. Sent: 59
 - b. Opens: 16 (33.3% open rate)
 - c. Clicks: 2 (12.5% click rate)

2. Housing Needs Workshop Postponement (10/8/20)
 - a. Sent: 59
 - b. Opens: 15 (31.9% open rate)
 - c. Clicks: 2 (13.3% click rate)

3. Housing Needs Workshop – New Date (10/26/20)
 - a. Sent: 1,433

- b. Opens: 400 (33% open rate)
 - c. Clicks: 38 (9.5% click rate)

- 4. Housing Needs Workshop – 1 week reminder (11/5/20)
 - a. Sent: 1,451
 - b. Opens: 390 (31.8% open rate)
 - c. Clicks: 33 (8.5% click rate)

- 5. Housing Needs Workshop (11/12/20)
 - a. Sent: 1,463
 - b. Opens: 375 (30.3% open rate)
 - c. Clicks: 54 (14.4% click rate)

- 6. Housing Element Committee Meeting #1 (12/1/20)
 - a. Sent: 145
 - b. Opens: 65 (49.2% open rate)
 - c. Clicks: 28 (43.1% click rate)

- 7. Housing Element Committee Meeting #2 (1/13/21)
 - a. Sent: 153
 - b. Opens: 89 (63.1% open rate)
 - c. Clicks: 28 (31.5% click rate)

- 8. RHNA Workshop (3/10/21)
 - a. Sent: 1,494
 - b. Opens: 430 (33.9% open rate)
 - c. Clicks: 75 (17.4% click rate)

- 9. RHNA Workshop Reminder (3/16/21)
 - a. Sent: 1,497
 - b. Opens: 409 (32.2% open rate)
 - c. Clicks: 73 (17.8% click rate)

- 10. RHNA Workshop Day Before Reminder (3/22/21)
 - a. Sent: 1,503
 - b. Opens: 374 (29.5% open rate)
 - c. Clicks: 74 (19.8% click rate)

- 11. Housing Element Public Review (5/3/21)
 - a. Sent: 172
 - b. Opens: 98 (57% open rate)
 - c. Clicks: 34 (34.7% click rate)

- 12. Housing Element Public Review Reminder #1 (5/17/21)
 - a. Sent: 185
 - b. Opens: 80 (44.2% open rate)
 - c. Clicks: 18 (22.5% click rate)

- 13. Housing Element Public Review Reminder #2 (5/24/21)
 - a. Sent: 192
 - b. Opens: 78 (40.8% open rate)
 - c. Clicks: 11 (14.1% click rate)

- 14. Housing Element Public Review Reminder #3 (6/15/21)
 - a. Sent: 194
 - b. Opens: 103 (54.2% open rate)
 - c. Clicks: 13 (12.6% click rate)

Media Coverage

AIM drafted and distributed two media releases, one for the Housing Needs workshop and one for the RHNA virtual workshop to the following media outlets:

ABC News 10	Davis Patch	New York Times
Capital Public Radio	Davis Vanguard	Sacramento Bee
CBS13	Dixon Tribune	Sacramento Business Journal
Daily Democrat	Fox 40	Sacramento News & Review News Desk
Davis Enterprise	Wendy Weitzel (freelance)	The Aggie
Davis High The Hub	KCRA	UC Davis Magazine
Davis Media Access	KDRT	Winters Express

Below is a summary of the media outlets that published articles:

Housing Needs Virtual Workshop	RHNA Virtual Workshop
Davis Vanguard	Daily Democrat
Davis Enterprise	Davis Enterprise
	Davis Vanguard

Community Partners

To build awareness about outreach for the Housing Element update, AIM made personal calls and email to representatives from the following community partner organizations and agencies. AIM asked them to share information about the workshop with their organization and the public through email newsletters, social media posts, website updates, or other communication links.

- Alhambra
- Asian American Association
- Astoria Vista Senior Care
- ASUCD
- ASUCD Community Housing Listing
- Campus Center for the Environment
- Center for Chicana and Latinx Academic Student Success
- Center for Land-Based Learning
- Citizens Who Care (for the elderly)
- Community Housing Opportunities Corporation
- Cool Davis
- Cross Cultural Center
- Davis Chamber of Commerce
- Davis Community Meals and Housing
- Davis Kiwani Club
- Davis Lions Club
- Davis Odd Fellows Lodge
- Davis RISE
- Davis Rotary Club
- Davis Sunset Rotary
- Davisville Apartments (Senior Housing)
- Downtown Davis Business Association
- Empower YOLO
- EOP
- Fouts Homes
- Friends of Adult Day Health Care
- Golden State Properties
- H.O.P.E. (homeless outreach through prevention and education)
- Housing Support Services
- Interfaith Rotating Winter Shelter
- International House Davis
- Islamic Center of Davis
- Lyon Real Estate
- MAK Design & Build
- Michael Mullen Construction
- Mutual Housing California
- Neighborhood Partners
- New Harmony Mutual Housing Community (Mutual Housing)
- Old East Davis Neighborhood Association
- Old North Davis Neighborhood Association.
- Owendale Mutual Housing Community (Mutual)
- Pacifico Cooperative (City-owned, YCH managed)
- Pine Tree Gardens
- Putah Creek Council
- Segundo Services Center
- Sequoia Associates
- Shasta Point Retirement
- Shores of Hope
- Sierra Club
- Soroptomist International of Davis Club
- Southeast Asians Furthering Education
- STEAC (Short Term Emergency Aid Committee)
- Team Davis
- The Cannery
- Turning Point
- UC Davis Cal Fresh Office
- UC Davis Environmental Club

- UC Davis Student Housing and Dining Services
- UCD Student Disability Center
- United Way Woodland
- University Avenue / Rice Lane Neighborhood
- Villa Calabria
- Volunteers of America Veteran Family Services
- Walnut terrace
- Windmere I & II and Walnut Terrace (CHOC)
- Yolo Adult Day Health Center
- Yolo Community Care Continuum
- Yolo County Health and Human Services
- Yolo County Housing
- Yolo County Realtors Association
- Yolo County Visitor's Bureau
- Yolo Healthy Aging Alliance

Below is a summary of the community partners who shared information in some way:

Housing Needs Virtual Workshop:

- Davis Community Meals and Housing
 - Email
- Fouts Homes
 - Email
- Homeless and Poverty Action Coalition (for Yolo County)
 - Shared through email with the coalition members
- Lyon Real Estates
 - Shared through social media and email to employees
- Old East Davis Neighborhood Association
 - Shared through e-mail with constituents
- UC Davis Cal Fresh Office
 - Sent in a listserv to students
- UC Davis Campus Center for the Environment
 - Shared on social media
- United Way Woodland
 - Shared through social media
- Yolo County Housing
 - Shared with an e-mail blast to partner organizations
 - Shared through social media
 - Posted physical flyers at residential bulletins

RHNA Virtual Workshop:

- Yolo County Housing
 - Website
- Yolo County Health and Human Services
 - E-Blast to members
- Mutual Housing California
 - Facebook / Twitter



July 30, 2021

- E-blast to Davis members
- Davis Chamber of Commerce
 - Facebook
 - E-blast to Chamber members
- Downtown Davis Business Association
 - Social Media
 - E-newsletter
- Yolo Healthy Aging Alliance
 - Advocacy committee-senior advocates - Listserv
 - Collaboration Committee-provider group - Listserv
 - General public - Listserv
- House Sacramento
 - Newsletter

YouTube

AIM produced and edited an [informational video for the RHNA Virtual Workshop](#) on March 9, 2021. The video received 200 views.

APPENDIX C: RHNA WORKSHOP RESPONSE SUMMARY

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Introduction

The City of Davis is preparing the [2021 – 2029 Housing Element Update](#) to evaluate current and future housing conditions and identify housing sites that will meet the community’s needs. Part of the Housing Element Update is completing the Regional Housing Needs Allocation, which is the number of units that each city must plan to accommodate within the next eight years as a requirement under State law. Early technical analysis completed for the Housing Element Update has identified enough sites to meet the requirements for single-family housing, accessory dwelling units (in-law units), small-scale rental buildings, and condominiums/townhouses. The analysis has also identified some of the sites needed to meet the requirements for medium and large multi-family rental housing developments. The City now needs to identify additional sites to accommodate at least 230 more multi-family rental units. To meet State requirements, these sites must allow 30 dwelling units or more per acre of land.



Example of Multi-Family Rental Housing
(32 dwelling units per acre)

From March 9 – April 2, 2021, the City of Davis implemented a three-week virtual community workshop for the 2021 – 2029 Housing Element Update to engage with community in a discussion around strategies to provide equitable housing. The project team received responses from 116 participants.

Methodology

The [virtual workshop page](#) included an informational video that explained the Housing Element Update, the Regional Housing Needs Allocation (RHNA) objectives and program, an explanation of the reason for the rezoning strategies to meet the RHNA requirement, and description of each strategy. Participants were asked to comment on the five proposed rezoning strategies and whether or not the City should pursue those strategies.



Informational project video thumbnail

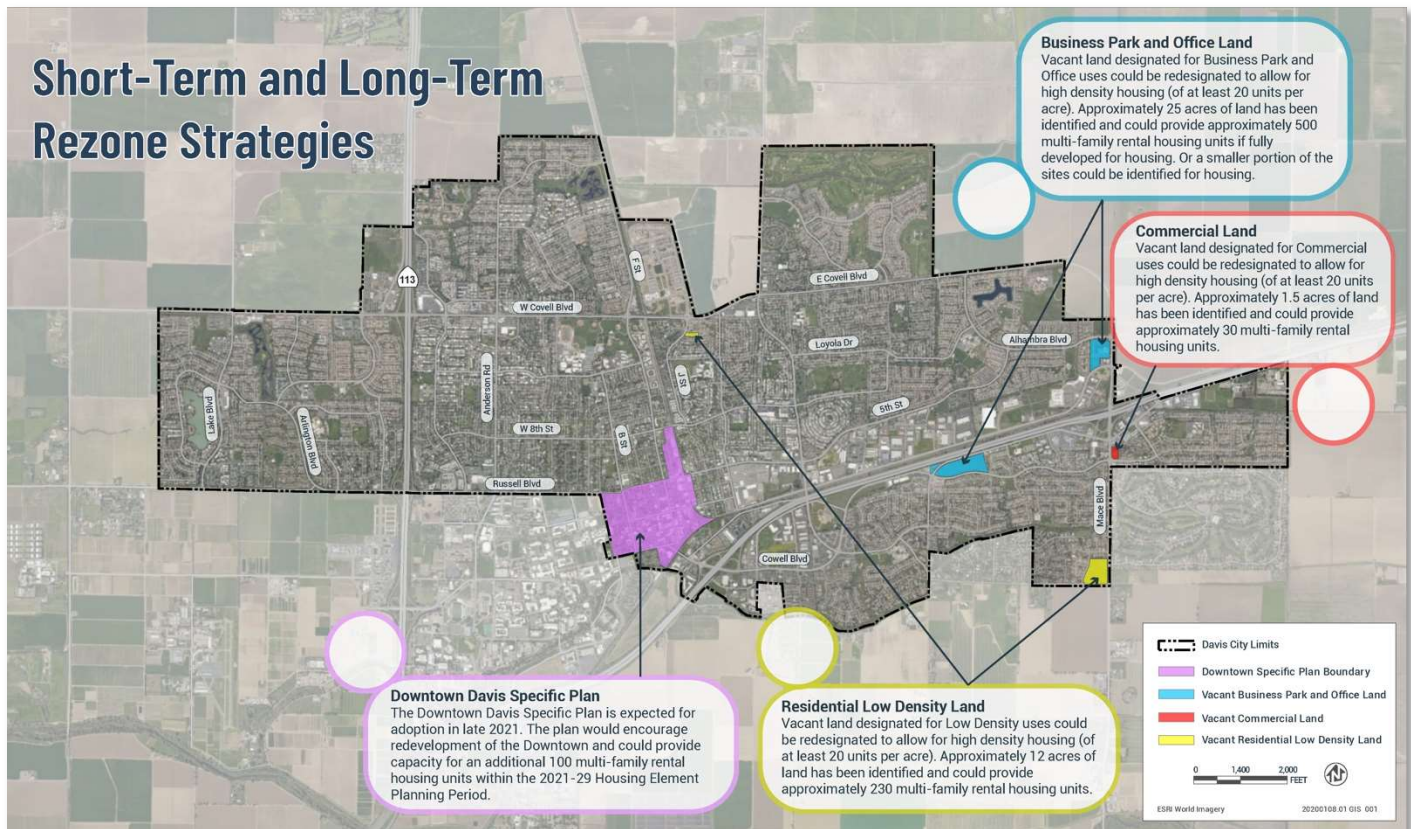
The proposed rezoning strategies are as follows:

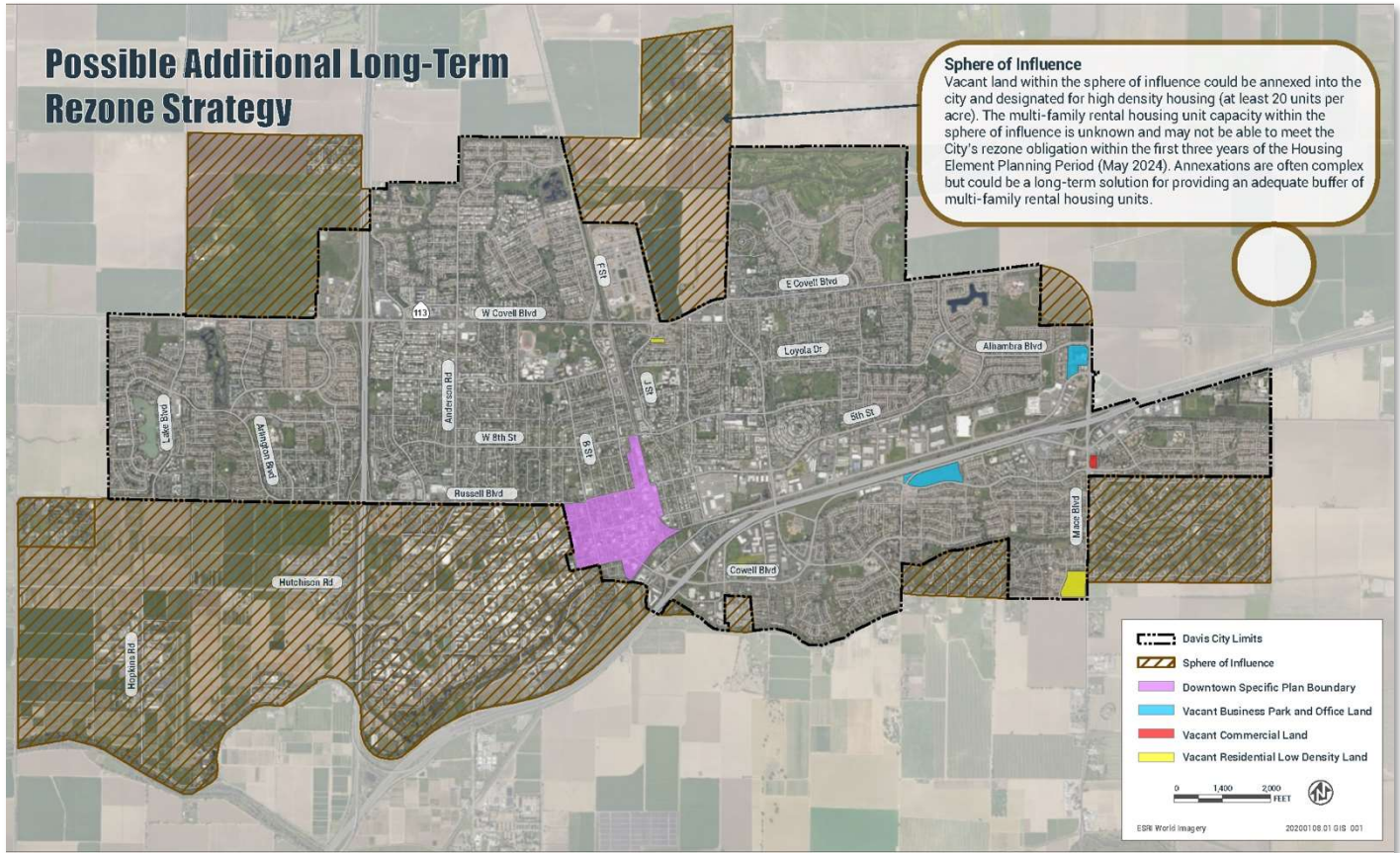
1. **Business Park and Office Land:** Redesignate and use vacant land designated for Business Park and Office uses to allow for high density housing (of at least 20 units per acre). Approximately 25 acres of land has been identified and could provide approximately 500 multi-family rental housing units if fully developed for housing. Or a smaller portion of the sites could be identified for housing.

2. Commercial Land: Redesignate and use vacant land designated for Commercial to allow for high density housing (of at least 20 units per acre). Approximately 1.5 acres of land has been identified and could provide approximately 30 multi-family rental housing units.
3. Residential Low-Density Land: Redesignate and use vacant land designated for Low Density uses to allow for high density housing (of at least 30 units per acre). Approximately 12 acres of land have been identified and could provide approximately 230 lower income units.
4. Downtown Davis Specific Plan: The Downtown Davis Specific Plan is expected for adoption in late 2021. The plan would encourage redevelopment of the Downtown and could provide capacity for an additional 100 lower income units within the 2021-29 Housing Element Planning Period.
5. Sphere of Influence: Annex vacant land within the sphere of influence into the city and designated for high density housing (at least 30 units per acre). The multi-family rental housing unit capacity within the sphere of influence is unknown and may not be able to meet the City's rezone obligation within the first three years of the Housing Element Planning Period (May 2024). Annexations are often complex but could be a long-term solution for providing an adequate buffer of multi-family rental housing units.

Rezoning Strategy Maps

Below are the rezoning strategy maps used in the Virtual Community Workshop.





Building Awareness

During the three-week outreach process, the project team implemented a public awareness campaign to increase community participation. To help spread the word about the virtual community workshop, the project team distributed an informational flier via email distribution and community partners, and implemented an earned media and social media campaign. Below is a summary of the outcomes and metrics garnered by the education and awareness campaign.

Community Partnerships

Community partners were identified and contacted to discuss the City of Davis' planning efforts for the Housing Element Update and its corresponding public outreach opportunity. These partners included representatives from affordable housing advocates, community service groups, disability advocates, business interests, environmental advocates, low-income populations, neighborhood associations, residential developers, senior housing, university students and underrepresented populations. As a result of this outreach, the following organizations shared information about the questionnaire with the public through social media or email:

- Yolo County Housing
- Yolo County Health and Human Services
- Mutual Housing California
- Davis Chamber of Commerce
- Downtown Davis Business Association
- Yolo Healthy Aging Alliance
- House Sacramento

Earned Media

In addition to partnering with local organizations, the project team sent a media release sharing information about the virtual community workshop to 20 local news outlets. As a result, the following media outlets published the media release:

- [Daily Democrat](#)
- [Davis Enterprise](#)
- [Davis Vanguard](#)

Social Media

The project team also shared information about the virtual community workshop through a targeted Facebook post. The following social media analytics include reach, post engagements, and link clicks. Reach refers to the total number of people who have viewed the social media advertisement. Post engagement includes all actions that people take involving ads while they are running. Post engagements can include actions such as reacting to, commenting on or sharing the ad, claiming an offer, viewing a photo or video, or clicking on a link. Below is a summary of the results:

- Post #1: (3/10/2021)
 - 4,748 impressions (views)
 - 67 engagements
 - 59 link clicks



Social media boosted post

The City of Davis also posted information about the virtual community workshop on Facebook, Twitter and NextDoor.

Digital Content Distribution

To raise awareness about this effort the team sent three e-blasts on March 10th, 16th, and 22nd to a database of 1,500 community members who have participated in other Davis land-use related projects and an additional 180 community members collected from the Davis Housing Element Update website. Below shows the email distribution metrics:

- [E-blast #1 \(Constant Contact\)](#)

- Sent: 1,268
- Opened: 429
- Click rate: 75
- E-blast #2 (Constant Contact)
 - Sent: 1272
 - Open rate: 398
 - Click rate: 73
- E-blast #3 (Constant Contact)
 - Sent: 1294
 - Open rate: 359
 - Click rate: 71

In addition to the e-blast, the team sent personal emails to all 94 participants from the Housing Needs Virtual Workshop conducted in November 2020.

Results

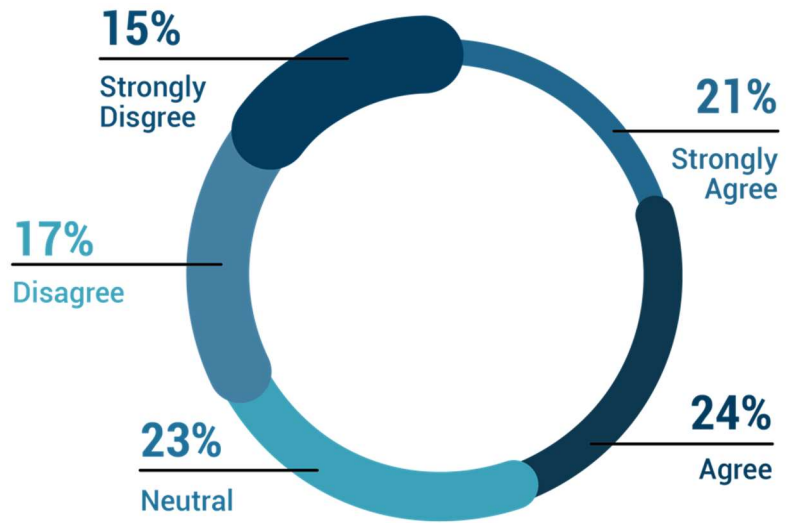
Below is a summary of community responses to the workshop, represented by graphs.

Strategy 1: Business Park and Office Land

Business Park and Office Land



Approximately **30 acres** of land identified
Could provide **600 low-income units**



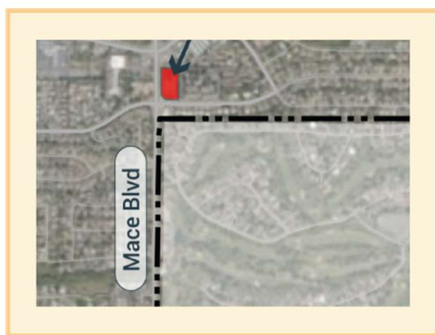
Participant’s opinions were split on the proposed strategy to rezone Business Park and Office Land, although responses were generally positive. Those who agreed that the City should pursue this strategy liked that the proposed sites would accommodate high-density housing well and be located close to commercial services such as groceries, greenbelt access, and public transit stops. Participants who supported this strategy also pointed out that many of the sites identified have been sitting vacant for long periods of time and need to be developed.

Proponents noted that the City already has a large volume of office space, and with more people working from home, it would make sense to rezone this land for high-density rental housing.

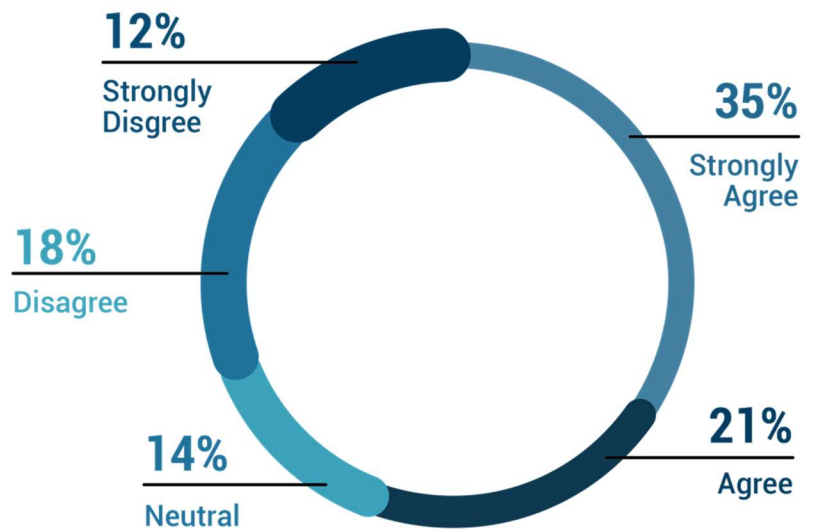
Many participants who were opposed to this strategy did not like that most of the sites identified are located close to the freeway, leading to health hazards and noise pollution in these areas. Some participants also noted that the locations are not very accessible and are located far from the center commercial core and downtown area of Davis. Some participants also felt that the City does not have enough office space and should not change the zoning designations in these areas.

Strategy 2: Commercial Land

Commercial Land



Approximately **1.5 acres** of land identified
Could provide **30 low-income units**



Responses to this proposed strategy were generally positive. Those who were proponents liked that the site identified is in close proximity to public transit stops, grocery and retail stores, and an elementary school. Participants also liked that this site is adjacent to other residential properties and felt that high-density housing at this site would fit in with the area. Participants who supported this strategy also expressed that the City should pursue all strategies to increase low-income housing opportunities. Some participants were also approved of the idea of implementing mixed-use development at this site. Although many people who showed support for this strategy also noted that the proposed site is small and might not supply enough housing units to make a difference.

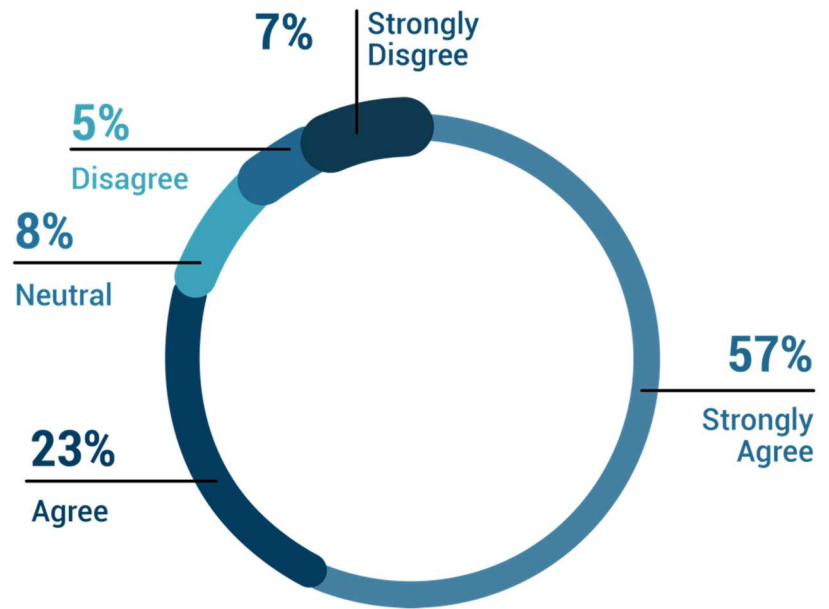
Those who were did not support this strategy expressed concern of a perceived shortage of commercial space within the City. They also expressed that this site is located close to the freeway, which could have health ramifications for future residents and that this site is located on the outskirts of the City, and is quite far from the downtown areas, which might discourage more economic development and public transit/active transportation use.

Strategy 3: Downtown Davis Specific Plan

Downtown Davis Specific Plan



Could provide an additional
100 low-income units



A significant number of participants responded positively to this strategy. Those who supported this strategy felt that higher density housing in downtown would help meet the needs of service workers who are employed there. Participants also like the proximity of transit stops and active transportation infrastructure to encourage a more walkable and bikeable community. Proponents also encouraged the City to ensure that multi-family rental housing in the downtown area is accessible for people of all ages and abilities and that there is enough parking for residents, employees, and visitors.

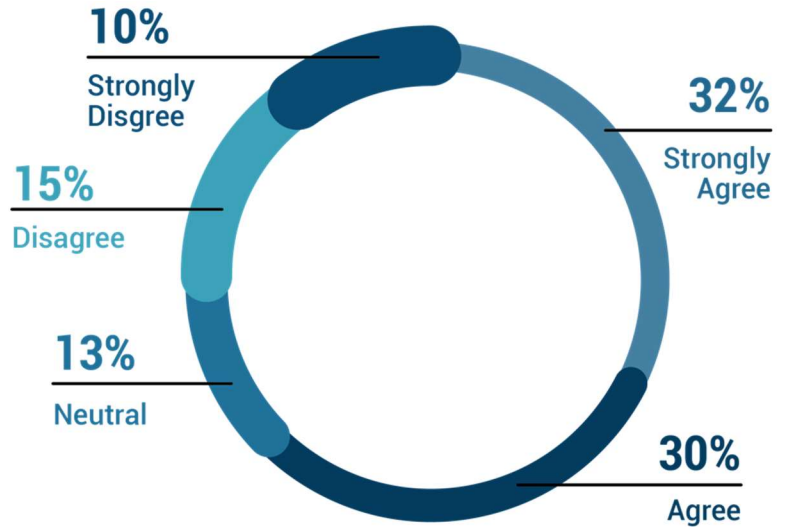
People who did not support this strategy showed concerns of increase in traffic congestion in downtown Davis and felt that building a denser downtown would make Davis feel like less of a small town. Some people also noted that the City should focus on creating more jobs in the downtown area to promote economic vitality rather than increasing the number of dwelling units.

Strategy 4: Residential Low-Density Land

Residential Low-Density Land



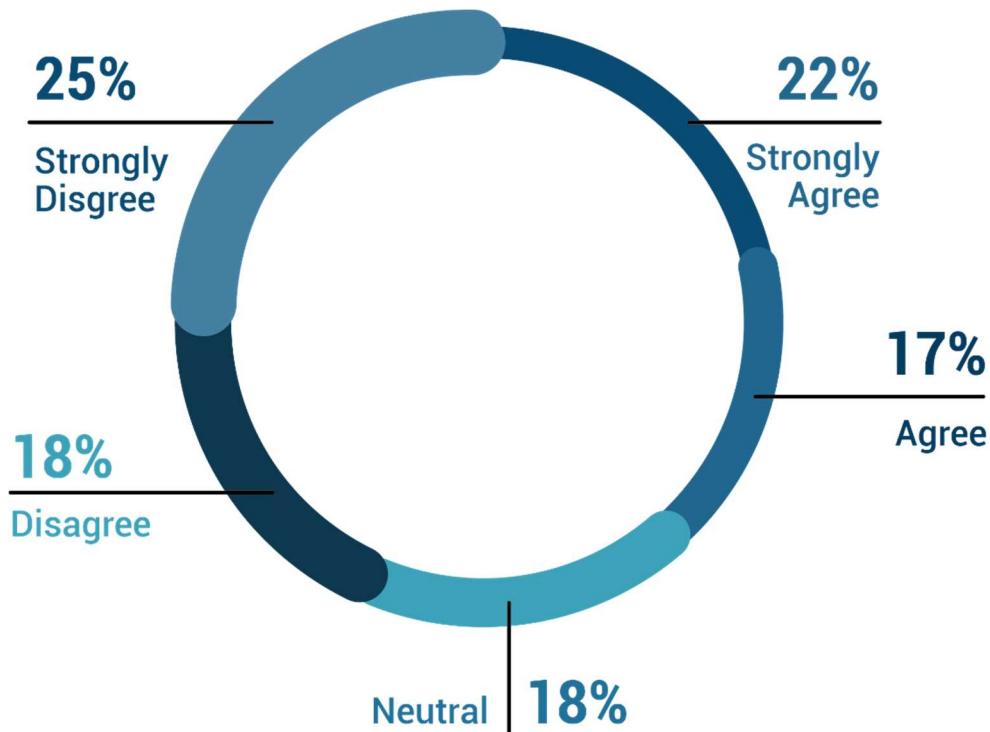
Approximately **12 acres** of land identified
Could provide **230 low-income units**



Participants generally responded positively to this proposed strategy. Respondents expressed that the site located near J Street was close enough to downtown, schools, grocery stores and public transportation. Many respondents were enthusiastic about rezoning both sites and felt that high-density housing would fit in well with the surrounding neighborhood. Respondents also pointed out that the need for low-income housing is too critical, and that any strategies to create affordable housing opportunities should be pursued.

Those that are were not supportive of this strategy felt that there should not be any more high-density housing in South Davis. Many felt that both sites are too far from many key services like retail and grocery stores, walking and biking infrastructure, and commercial areas. Some participants worried this would encourage more people to drive their cars in an already congested area.

Strategy 5: Sphere of Influence



Those who agree with this strategy felt the City was growing enough to warrant expanding the City boundary. However, they noted that the City should pursue housing opportunities within City boundaries before annexing more land. Proponents encouraged the City to look at annexing more land near the downtown areas and near UC Davis.

Those who were not supportive of this strategy felt that there was no need to expand the City's boundaries, and annexation would lead to more urban sprawl and less farmland. Participants expressed their concern over annexing land to develop more multi-family housing that is far away from Davis' commercial and downtown core. This may lead to people walking and biking less, as they would need to use a car to access more services.

APPENDIX D: RHNA METHODOLOGY FOR AFFORDABLE BED RENTALS

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November 8, 2019

Mr. Greg Chew
Sacramento Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

RE: City of Davis Comments on Draft Regional Housing Needs Allocation Methodology

Dear Mr. Chew:

The City of Davis has reviewed the proposed Cycle 6 Draft Regional Housing Needs Allocation Methodology (“RHNA”) and offers the following comments specific to the 2,075 units proposed for allocation to the City of Davis.

The City has been making a concerted effort to provide additional housing opportunities at all affordability levels. The Davis City Council has approved a number of projects for construction of varying types with many units that by design provide for housing a greater number of residents than a typical dwelling unit. The City is seeing a shift in multifamily housing where rather than renting units, bedrooms and even beds are rented on an individual basis. This results in more people being housed in a unit and the composition of the units are often configured where units have a greater number of bedrooms than traditional multifamily units. The City respectfully requests the Sacramento Council of Governments (“SACOG”) and the California Department of Housing and Community Development (“HCD”) provide a prorated credit for multifamily units against the City of Davis RHNA recognizing that these units are providing housing for a greater population than traditional units.

By way of example, the 2010 Census found 2.55 persons per multifamily household whereas the average persons per household across three recently approved higher bedroom count multifamily projects is 4.68 persons per unit. These larger format units house more people and should be recognized at a higher ratio than a single unit. The City would appreciate an opportunity to engage in a discussion with SACOG to develop a mutually agreeable methodology and formula to recognize a fair and appropriate credit for these unique housing types. Here is an example of three recently approved relevant multifamily projects:

6-1

	Davis Live	Lincoln 40	Sterling
# of Units	71	130	160
# (%) of 1-bedroom units	0	0	22 (22/160) = 14%
# (%) of 2-bedroom units	0	17 (17 / 130) = 13%	30 (30/160) = 19%
# (%) of 3-bedroom units	1 (1 / 71 = 1%)	21 (21 / 130) = 16%	0
# (%) of 4-bedroom units	40 (40 / 71 = 56%)	84 (84 / 130) = 65%	82 (82/160) = 51%
# (%) of 5-bedroom units	30 (30 / 71 = 42%)	8 (8 / 130) = 6%	26 (26/160) = 16%
# of Bedrooms	313	473	540
# of Beds	440	708	540
Average Occupants per Unit*	6.2 AOU (71/440)	5.45 AOU (130/708)	3.38 AOU (160/540)

6-1
Cont.

In addition to consideration for larger format multifamily units being considered as greater than a single unit, City of Davis staff has been in discussions with SACOG and HCD staff regarding the development of a methodology for how to convert the City's deed-restricted affordable beds into affordable units that will count towards Davis' Regional Housing Needs Allocation (RHNA) obligation. . A memorandum delivered to HCD on October 21, 2019 outlining the request and methodology is included as an attachment.

6-2

The City of Davis appreciates consideration of our requests accounting for unique housing types and innovative approaches to providing affordable housing. Please contact me with any questions regarding this request.

Regards,



Ashley Feeney
Assistant City Manager

Attachment: Memorandum to California Department of Housing and Community Development dated October 21, 2019

Cc: Mike Webb, City Manager
Kelly Stachowicz, Assistant City Manager
Sherri Metzker, Principal Planner
Ginger Hashimoto, Management Analyst



MEMORANDUM

TO: Melinda Coy, Policy Specialist, California Department of Housing and Community Development
 Tom Brinkhuis, Policy Analyst, California Department of Housing and Community Development

FROM: Mike Webb, City Manger, City of Davis
 Kelly Stachowicz, Assistant City Manager, City of Davis
 Ashley Feeney, Assistant City Manager, City of Davis

CC: Greg Chew, Senior Planner, Sacramento Area Council of Governments
 Dov Kadin, Planner, Sacramento Area Council of Governments

DATE: October 21, 2019

RE: Conversion of Affordable Bed Rentals into Affordable Regional Needs Housing Allocation Unit Credit

BACKGROUND

In 2018, the City of Davis approved three housing projects, with a fourth currently under review, where the rental structure is by-the-bed. While rented by-the-bed, each unit will feature private bathrooms as well as a communal kitchen and living area. In addition, most units will come fully furnished with utilities included. As presented in the table below, each project included an affordable component comprised of deed-restricted beds ranging from low, very low, and extremely low-income levels.

Table 1: Summary of By-the-Bed Rental Projects with Deed-Restricted Affordable Beds

	Davis Live	Lincoln 40	Nishi
# of Units	71	130	700
# (%) of 2-bedroom units	0	17 (17 / 130) = 13%	TBD
# (%) of 3-bedroom units	1 (1 / 71 = 1%)	21 (21 / 130) = 16%	TBD
# (%) of 4-bedroom units	40 (40 / 71 = 56%)	84 (84 / 130) = 65%	0
# (%) of 5-bedroom units	30 (30 / 71 = 42%)	8 (8 / 130) = 6%	0
# of Bedrooms	313	473	TBD
# of Beds	440	708	2,200
# (%) of Affordable Beds*	66 (66/440 = 15%)	71 (71/708 = 10%)	330 (330/2,200 = 15%)
# (%) of Low Income Beds	22 (22/66 = 33%)	14 (14/71 = 20%)	0
# (%) of Very Low Income Beds	22 (22/66 = 33%)	57 (57/71 = 80%)	220 (220/330 = 67%)
# (%) of Extremely Low Income Beds	22 (22/66 = 33%)	0 (0%)	110 (110/330 = 33%)

*All affordable beds are deed restricted with no eligibility restrictions except for being income-qualified

PURPOSE

The purpose of this memorandum is to begin a dialogue between the City and the California Department of Housing and Community Development (HCD), with the goal of developing a mutually agreeable methodology for how to convert the City's deed-restricted affordable beds into affordable units that will count towards Davis' Regional Housing Needs Allocation (RHNA) obligation.

PROPOSED METHODOLOGY

Based on the Davis Live project, the City is proposing the below methodology, but looks forward to future discussions with HCD on how to refine the methodology. Please note, the City will use the term "City affordable" when referring to its deed-restricted affordable beds, but will use the term "statutory affordable" when referring to affordable RHNA unit credit.

1. Using HCD's 2019 income limits for Yolo County, calculate a monthly rent for each City affordable bed by:
 - a. Taking 30% of the 1-person household income limit at the low-, very low-, and extremely low-income levels
 - b. Dividing the amount by 12 months

Table 2: Monthly City Affordable Bed Rent

Affordable Bed Income Level	2019 Income Limit for 1-Person Household in Yolo County*	Monthly City Affordable Bed Rent** = 30% of the Income Limit/ 12 months
Low-Income Bed	\$49,250	\$1,231 = (\$49,250 x 30%) / 12
Very Low-Income Bed	\$30,800	\$770 = (\$30,800 x 30%) / 12
Extremely Low-Income Bed	\$18,450	\$461 = (\$18,450 x 30%) / 12

*Based on HCD's 2019 State Income Limits: <http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf>

**All bed rentals include utilities

2. Using the by-the-bed rental rates for UC Davis' West Village project, obtain a monthly market bed rent comparison by:
 - a. Adding the rental rates
 - b. Dividing the sum by the number of rates

Please note, the City calculated a separate average for single occupancy and double up occupancy to utilize in Steps 5a and 5b.

Table 3: Monthly Market Bed Rent Comparison

West Village Unit Type	Monthly West Village Bed Rent*
Single Occupancy 1-Bedroom Viridian A	\$2,205
Single Occupancy 1-Bedroom Viridian B	\$2,305
Single Occupancy 2-Bedroom Viridian C	\$1,415
Single Occupancy 2-Bedroom Viridian D	\$1,415
Single Occupancy 2-Bedroom Solstice A	\$1,315
Single Occupancy 2-Bedroom Ramble A	\$1,315
Single Occupancy 3-Bedroom Viridian E	\$1,185
Single Occupancy 3-Bedroom Solstice B	\$1,185
Single Occupancy 3-Bedroom Solstice C	\$1,170
Single Occupancy 3-Bedroom Ramble B	\$1,185
Single Occupancy 3-Bedroom Ramble C	\$1,185
Single Occupancy 4-Bedroom Solstice D	\$1,160
Single Occupancy 4-Bedroom Ramble D	\$1,160
Single Occupancy Average	\$1,400 = (\$18,200 / 13)
Double Up Occupancy A	\$865
Double Up Occupancy B	\$765
Double Up Occupancy Average	\$815 = (\$1,630 / 2)
Monthly Market Bed Rent Average	\$1,322 = (\$19,830 / 15)

*Based on UC Davis' West Village project rental rates as of May 2019, which rents by-the-bed and does not include utilities: <https://www.ucdaviswestvillage.com/floorplans>

3. Calculate a monthly City affordable bed subsidy for the Davis Live project by:
 - a. Subtracting the monthly market bed rent average (Step 2) from the monthly City affordable bed rent at each income level (Step 1)
 - b. Multiplying the results by the number of proposed beds at each income level (Table 1)
 - c. Adding the results to arrive at a monthly City affordable bed subsidy

Table 4: Monthly City Affordable Bed Subsidy

Affordable Bed Income Level	Monthly City Bed Affordable Subsidy = Average Monthly Market Bed Rent – Monthly City Affordable Bed Rent x # of Beds
Low-Income Bed	\$2,002 = (\$1,322 - \$1,231) x 22
Very Low-Income Bed	\$12,144 = (\$1,322 - \$770) x 22
Extremely Low-Income Bed	\$18,942 = (\$1,322 - \$461) x 22
Monthly City Affordable Bed Subsidy	\$33,088 = (\$2,002 + \$12,144 + \$18,942)

4. To compare Davis Live's monthly City affordable bed subsidy to what HCD considers affordable RHNA unit credit, use HCD's 2019 income limits for Yolo County to calculate a monthly statutory affordable unit rent for each unit type by:
 - a. Taking the income limit listed for the appropriate household size (based on the number of bedrooms plus one)
 - b. Multiplying the appropriate income limit by 30%
 - c. Dividing the result by 12 months

Table 5: Monthly Statutory Affordable Unit Rent

Affordable Unit Income Level	2019 Income Limit for X-Person Household in Yolo County*	Monthly Statutory Affordable Unit Rent = 2019 Income Limit for X-Person Household in Yolo County x 30% / 12 Months
Low-Income 3-Bedroom Unit	\$70,300 (4-person household)	\$1,758 = (\$70,300 x 30%) / 12
Low-Income 4-Bedroom Unit	\$75,950 (5-person household)	\$1,899 = (\$75,950 x 30%) / 12
Low-Income 5-Bedroom Unit	\$81,550 (6-person household)	\$2,039 = (\$81,550 x 30%) / 12

*Based on HCD's 2019 State Income Limits: <http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf>

5. Using the by-the-bed rental rates for UC Davis' West Village project, calculate a monthly statutory market unit rent comparison for each unit type by:
 - a. Multiplying the West Village average double up rent (from Step 2) for one bedroom in the unit by two
 - b. Multiplying the West Village average single occupancy rent (from Step 2) for the remainder of the bedrooms (number of bedrooms minus one to account for the double up bedroom from the calculation above)
 - c. Adding the results together to obtain a monthly market unit rent that is consistent with HCD's methodology of determining household size by taking the number of bedrooms in a unit plus one

Table 6: Monthly Statutory Market Unit Rent Comparison

Unit Type	West Village Double Up Bed Rent*	West Village Single Occupancy Bed Rent*	Monthly Market Unit Rent = West Village Double Up Bed Rent x 2 + West Village Single Occupancy Bed Rent x (# of Bedrooms - 1)
3-Bedroom Unit	\$815	\$1,400	\$4,430 = (\$815 x 2) + (\$1,400 x (3-1))
4-Bedroom Unit	\$815	\$1,400	\$5,830 = (\$815 x 2) + (\$1,400 x (4-1))
5-Bedroom Unit	\$815	\$1,400	\$7,230 (\$815 x 2) + (\$1,400 x (5-1))

*Based on UC Davis' West Village project rental rates as of May 2019, which rents by-the-bed: <https://www.ucdaviswestvillage.com/floorplans>

6. Obtain a monthly statutory affordable unit subsidy for Davis Live by:
 - a. Subtracting the monthly statutory market unit rent (Step 5) from the monthly statutory affordable unit rent (Step 4)
 - b. Multiplying the result by the percentage of proposed units (Table 1)
 - c. Adding the results to arrive at a monthly statutory affordable unit subsidy

Table 7: Monthly Statutory Affordable Unit Subsidy

Unit Type	Monthly Statutory Market Unit Rent	Monthly Statutory Affordable Unit Rent	Monthly Statutory Affordable Subsidy = (Monthly Statutory Market Unit Rent - Monthly Statutory Affordable Unit Rent) x % of Davis Live Bedrooms
3-Bedroom Unit	\$4,430	\$1,758	\$27 = (\$4,430 - \$1,758) x 1%
4-Bedroom Unit	\$5,830	\$1,899	\$2,201 = (\$5,830 - \$1,899) x 56%
5-Bedroom Unit	\$7,230	\$2,039	\$2,180 = (\$7,230 - \$2,039) x 42%
Monthly Statutory Affordable Unit Subsidy			\$4,408 = \$27 + \$2,201 + \$2,180

7. Obtain an affordable RHNA unit equivalency for Davis Live by:

- a. Dividing the monthly City affordable bed subsidy (Step 3) by the monthly statutory affordable unit subsidy (Step 6)

	Davis Live Affordable RHNA Unit Equivalency = Monthly City Affordable Bed Subsidy / Monthly Statutory Affordable Unit Subsidy
Davis Live Affordable RHNA Unit Equivalency	7.5 units = \$33,088 / \$4,408

APPENDIX E: CANDIDATE REZONE SITES

Regional Housing Needs Allocation

The California Department of Housing and Community Development (HCD) determines state-wide projected housing needs and allocates new housing unit target numbers to regional councils of government (COGs). COGs then prepare and adopt plans that assign a “fair share” of the region’s housing construction need to each city and county. The Sacramento Area Council of Governments (SACOG) is the COG that determines fair-share portions of state allocations for the City of Davis. These allocations are contained in SACOG’s Regional Housing Needs Plan (RHNP). The City of Davis was given a total regional housing needs allocation (RHNA) of 2,075 dwelling units for the sixth cycle RHNA projection period, which starts on June 30, 2021 and ends on August 31, 2029. Table E-1 shows the City’s sixth cycle RHNA by income category identified in the RHNP.

Table E-1: City of Davis RHNA (June 30, 2021 – August 31, 2029)

Income Category	Dwelling Units	Percent of Total
Very Low	580	28%
Low	350	17%
Moderate	340	16%
Above Moderate	805	39%
Total	2,075	100%

Source: SACOG 2021-2029 Regional Housing Needs Plan, March 2020.

Rezone Obligation

State law requires the City of Davis to demonstrate that sufficient land is zoned to provide housing capacity that is adequate to meet the RHNA for each income level within the projection period of June 30, 2021 through August 31, 2029. Per State law, where the Housing Element residential sites inventory does not identify adequate sites to meet the lower-income RHNA, the Housing Element must include a program to identify sites that can be developed for housing. The Housing Element should also include an inventory of potential sites suitable and available for rezoning.

The residential sites inventory included in the Housing Element identified a capacity shortfall of 496 units for lower-income households (i.e., low- and very low-), see Table 64 of the Housing Element. The Housing Element includes a program directing the City to rezone land within three years of the Housing Element adoption deadline that allows at least 30 units per acre with a minimum density of 20 units per acre. At a minimum density of 20 units per acre, the City is obligated to rezone at least 24.8 acres. However, the City could rezone the sites with a higher minimum density, which would reduce the acreage needed to meet the rezone

obligation. The rezoned sites must allow projects with at least 20 percent affordable housing by-right, and at least 50 percent of the lower-income RHNA shortfall must be accommodated on parcels designated exclusively for residential uses.

This document provides an inventory of sites being rezoned to meet the lower-income RHNA shortfall. Each site identified as a rezone site has available infrastructure and has no known environmental or site constraints that would hinder development of the sites at the number of housing units included in the inventory.

No Net Loss

The City's obligation is to rezone sites to accommodate the unmet need of 496 lower-income units. However, the City is also obligated to maintain adequate sites throughout the RHNA projection period through a provision in State law called "no net loss." If sites that are identified in the inventory as meeting the lower-income RHNA get built with market rate development, those sites are essentially lost from the lower-income sites inventory. State law mandates that the City identify a replacement site within 180 days. HCD recommends identifying additional capacity of 15-30 percent beyond the lower-income RHNA in order to create a buffer to deal with no-net-loss requirements. In studying the housing opportunity sites to rezone, the City may decide to rezone additional sites beyond those needed to meet the lower-income RHNA shortfall in order to provide a buffer of lower-income sites in the event that sites are lost from the lower-income sites inventory.

Rezone Sites

Table E-3 and Figure E-1 show the sites being rezoned to meet the lower-income shortfall. These sites are currently designated and zoned for non-residential uses or lower density residential uses and are being rezoned to allow multifamily residential at a minimum density of at least 20 units per acre.

As shown in Table E-2, the rezone sites are all located in highest or high resource areas defined by the TCAC/HCD Opportunity Maps and will thereby serve to affirmatively further fair housing. Sites 4, 5, 7, 10, and 11 are located within an area previously identified as a racially or ethnically concentrated area of poverty (R/ECAP) (see Figure 19). As described in the Assessment of Fair Housing included in the Housing Element, however, this previously identified R/ECAP is likely attributable to the presence of a large student population in this Census Tract, and more current data from 2019 does not show the presence of any R/ECAPs in Davis.

Development of affordable housing on the rezone sites will not lead to concentrations of lower-income households in Davis. Among existing housing units in Davis, 41 percent of all housing units are in areas with a low proportion (i.e., 50 percent or less) of low- and moderate-income households, while 17 percent are in areas with a high proportion of low- and moderate-income households (i.e., 75 percent or more). As shown in Table E-2, 39 percent of the housing unit

capacity on rezoned sites is located in areas with low proportion of low-moderate income households, while 16 percent is located in areas with a high proportion of low- and moderate-income households. Therefore, the distribution of the lower-income capacity provided by the rezone sites is similar to the overall distribution of existing housing units in Davis (i.e., with respect to the share of new units in areas with a higher proportion of low- and moderate-income households).

Furthermore, the capacity provided by the rezone sites does not fully reflect all of the anticipated low- and very low-income units expected to be built in the City during this planning period. Importantly, those figures do not account for the affordable units that are anticipated to be built throughout the City through ADU development. Additionally, as shown in the staff report from the December 5, 2023 meeting of the Davis City Council (see Appendix G), the City of Davis has a long-standing policy of requiring and providing affordable housing in development projects and subdivisions in all areas of the City, and as a result the City has existing affordable housing sites distributed throughout the City. As demonstrated in the staff report from the December 5, 2023 meeting, existing deed restricted affordable housing developments are distributed throughout the City (see page 06-9 of the staff report shown in Appendix G). Importantly, like existing projects with affordable housing pending and approved projects with affordable units are located throughout Davis. As a result, there are no existing concentrations of deed-restricted affordable housing units in Davis that would be exacerbated by the development of affordable units on the rezone sites or through the City’s site inventory as a whole.

Table E-2: AFFH Analysis of Candidate Rezone Sites, City of Davis, May 2021

HCD/TCAC Opportunity	Percent of Sites	Percent of Units
Highest Resource	27%	57%
High Resource	73%	43%
Proportion of Low-Moderate Income Households	Percent of Sites	Percent of Units
25 to 50 percent	55%	39%
50 to 75 percent	18%	45%
75 to 100 percent	27%	16%

Source: California Tax Credit Allocation Committee; HCD; U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; Ascent, 2022.

Each of the candidate rezone sites is located within the City limits and has access to infrastructure adequate to serve the site. In addition, because the sites are already designated for urban land uses (i.e., business park, office, residential) and are not agricultural, open space, or urban reserve land, the Citizen’s Right to Vote on Future Use of Open Space and Agricultural Lands (Measure J) would not apply, and voter approval would not be required to redesignate and rezone these sites for higher density residential uses.

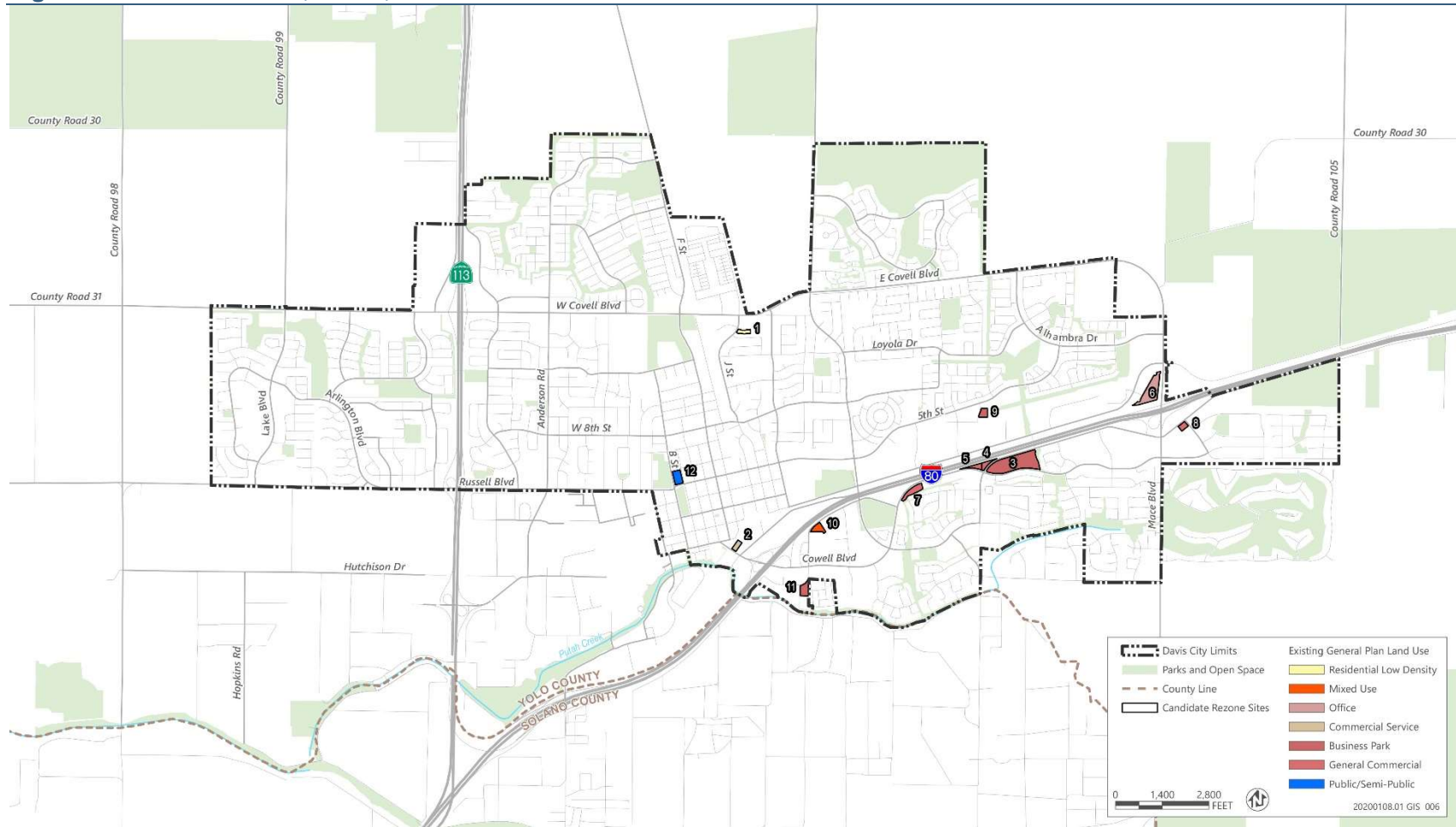
As shown in Table E-3, most of the rezone sites are vacant, and only two nonvacant sites are being counted in the capacity added to the Housing Element site inventory. The 1616 da Vinci Court site, which contains an unoccupied office building, was added to the rezone site list based on property owner interest to redevelop the site. The seven-acre site at 4600 Fermi Place includes a small existing building and unpaved parking; however, the majority of the site remains vacant and would be suitable for housing development. The Fermi Place site will be rezoned through the adoption of an overlay district for the site, whereas all other rezonings will occur through a standard rezoning. The City plans to create a high density overlay district to be included on the entire site to encourage the development of housing. All other sites being rezoned to accommodate the lower-income shortfall are vacant. Among the rezoned sites that are being counted in the Housing Element inventory, the vacant sites have capacity for 477 units, while nonvacant sites have capacity for 111 units.

One additional nonvacant site is being rezoned but is not being counted toward the capacity that will be added to the Housing Element inventory. The nonvacant site at 526 B Street is owned by the Davis Joint Unified School District and used as administrative offices. The School District has decided to relocate the office and is going through the process of deciding whether to surplus the site or negotiate a different arrangement. The capacity on this site is not being counted in the Housing Element inventory because the new designation for the site does not meet the density requirements for sites that are rezoned to address a shortfall in capacity.

One rezoned site, located at 3500 Chiles Road, is greater than 10 acres. However, the City is proposing to redesignate 10 acres of the parcel as HDR and the remainder as MHDR, creating two separate development opportunities on the site. Only the HDR-portion of the site is counted in the lower-income inventory. A lot split would be required on this site to facilitate appropriate parcel size for residential development (see Program 1.7).

In total, the rezone sites being added to the Housing Element inventory will provide capacity for 588 additional lower-income units at the minimum density of 20 or 24 units per acre, which exceeds the lower-income rezone obligation of 496 units.

Figure E-1: Rezone Sites, Davis, December 2023



Data downloaded from the City of Davis and SACOG in 2021; adapted by Ascent in 2021; updated in December 2023..

Table E-3: Rezone Sites, City of Davis, December 2023

Site Number	Address	Assessor Parcel Number (APN)	Existing General Plan Land Use	Existing Zoning	Proposed General Plan ³	Proposed Zoning ¹	Acres (Gross)	Estimated High-Density Development Potential	Potential Capacity ²	Included in prior Housing Element Sites Inventory?	Vacant / Nonvacant	Existing Use	Notes
1	1100 KENNEDY PLACE	070430002000	Residential Low Density	PD 11-82	HDR	PD (HD)	1.01	100%	24	No	Vacant		
2	1021 OLIVE DRIVE	070-260-022	Commercial Service	Gateway SP	Mixed Use	PD (HD Mixed)	1.09	75%	16	No	Vacant		City-owned surplus site. City has initiated RFP process.
3	3500 CHILES ROAD	069-530-024-000	Business Park	PD 6-87	HDR & MHDR	PD (HD)	14.56	68.7%	240	No	Vacant		Owner expressed interest in rezoning and developing for housing. Large site. City plans to rezone 10 acres (68.7%) as HDR and remaining 4.56 acres as MHDR; capacity only assumes 68.7 percent HDR portion of site area developed as lower-income residential. Site will require a lot split consistent with the zoning to facilitate appropriate parcel size.
4	3425 CHILES ROAD	069-530-025-000	Business Park	PD 6-87	HDR	PD (HD)	1.04	100%	24	No	Vacant		Owner expressed interest in rezoning and developing for housing.
5	3015 COWELL BLVD	069-530-007-000	Business Park	PD 12-87	HDR	PD (HD)	1.10	100%	26	No	Vacant		City-owned site.
6	4600 FERMI PLACE	071-425-001	Office	PD-4-88	Mixed Use	High Density Overlay District	6.98	50%	70	No	Nonvacant		City plans to create an overlay district for the entire site
7	2740 COWELL BLVD	069-530-029	General Commercial	PD 12-87	HDR	PD (HD)	2.47	100%	59	No	Vacant		Owner expressed interest in rezoning and developing for housing.
8	4920 CHILES ROAD	068-010-009	General Commercial	A-C	HDR	PD (HD)	1.00	100%	24	No	Vacant		Owner expressed interest in rezoning and developing for housing.
9	2932 SPAFFORD ST	071-403-002	Business Park	PD 5-94D	Mixed Use	PD (HD Mixed)	1.51	100%	30	No	Vacant		Owner expressed interest in rezoning and developing for housing.
10	1800 RESEARCH PARK DRIVE	069-290-081	Mixed Use	PD 3-84A	Mixed Use	PD (HD Mixed)	1.74	100%	34	No	Vacant		Owner expressed interest in rezoning and developing for housing.
11	1616 DA VINCI CT	069-060-024	Business Park	PD 6-76	Mixed Use	PD (HD Mixed)	2.06	100%	41	No	Nonvacant	Unoccupied office building	Contacted by property owner with interest in redeveloping the site with residential.
CAPACITY ADDED TO HOUSING ELEMENT INVENTORY							34.56		588				
Additional Sites Rezoned Not Added to Inventory⁴													
12	526 B STREET	070-017-001	Public/Semi-Public	R-2 CD	MHDR	PD (HD)	2.2	0%	0	No	Nonvacant	Existing Davis Joint Unified School District administrative offices.	The School District has decided to relocate the administrative offices and is going through the process of surplus the site. The site is being rezoned as MHDR. Although development under MHDR would produce units for the city, the designation does not meet density requirements and therefore cannot be counted toward the rezone obligation.

Notes:

¹ The City plans to create two new PD districts: a high-density residential district (PD-(HD) - density is determined by the General Plan) and a high-density mixed-used district (PD (HD Mixed Use) - minimum of 20 units per acre, no maximum density). In addition, the City plans to create a new overlay district. The new PD and overlay districts will include all of the applicable standards for sites that are rezoned to address a shortfall in sites to meet the RHNA, including a minimum density of 20 dwelling units per acre and a by-right approval process for projects in which at least 20 percent of units are affordable to lower-income households.

² Potential capacity is calculated based on an assumed minimum density of 24 units per acre in the PD (HD)/HDR sites and 20 units per acre on the PD (HD Mixed)/Mixed Use sites.

³ MHDR means Medium High Density Residential (net density range is 13.45 - 23.99 units per acre)

HDR means High Density Residential (net density range is 24 - 48 units per acre)

MU means Mixed Use (density for residential is defined by the zoning)

⁴Site 12 is being rezoned as MHDR and is not included in the Sixth Cycle Housing Element inventory because the MHDR designation does not meet density requirements for sites that are counted toward the rezone obligation.

Additional Potential Capacity for No Net Loss Buffer

In addition to the candidate rezone sites inventoried above, additional sites are available for housing development within the projection period, which can provide the City with a buffer of additional capacity to maintain the City's lower-income capacity and ensure no net loss requirements are met.

The City recently adopted the Downtown Davis Specific Plan, which replaced the City's existing Core Area Specific Plan and created significant additional residential capacity within the City's downtown area. The specific plan identifies catalyst or opportunity sites that would spur redevelopment in the area. Now that the plan has been adopted, the opportunity sites shown in Table E-4 and Figure E-2 can provide additional lower-income housing capacity. Some of the opportunity sites were previously identified in the residential sites inventory included in the Housing Element. Adoption of the specific plan further increases the residential capacity of those sites beyond the capacity assumed in the residential sites inventory. As the downtown redevelops through implementation of the specific plan, additional sites may also become available for residential development. However, due to the built-out nature of the downtown and the flexibility provided through the specific plan, it is difficult to determine which sites will be redeveloped during the projection period. The Housing Element includes the sites identified by the City as most likely to redevelop within the timeframe of the Housing Element, but as of 2023 developments are already being proposed on sites not identified in this Housing Element.

The specific plan implements a form-based code and does not allocate a specific unit count to sites within the specific plan area but rather identifies additional capacity based on possible build-out scenarios and the form-based code regulations. The following build-out capacity is assumed for each neighborhood area:

- Approximately 510 dwelling units in the Heart of Downtown Neighborhood;
- Approximately 170 units in the G Street Neighborhood; and
- Approximately 100 residential units in the North G Street Neighborhood.

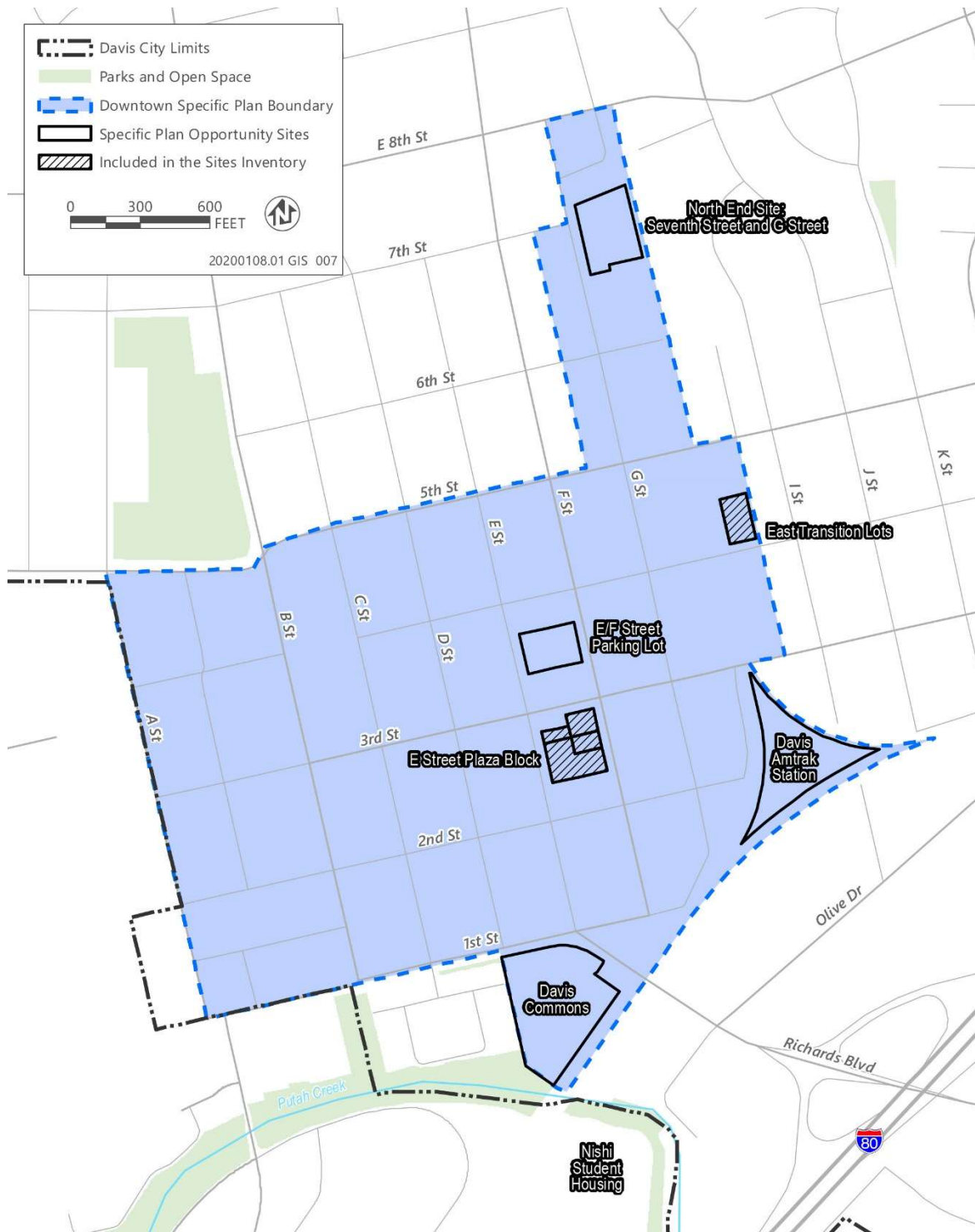
In addition to the capacity anticipated under the Downtown Davis Specific Plan, the City may annex additional lands to increase capacity for housing development. However, annexations can be challenging and take time. It is unsure if annexations would provide additional housing capacity during the projection period. However, if annexations do occur, the City could rely on any additional housing capacity to meet no net loss requirements.

Table E-4: Downtown Davis Specific Plan Opportunity Sites, City of Davis, May 2021

Site Name	Address	Assessor Parcel Number (APN)	General Plan Land Use Designation	Zoning	Acres	Downtown Neighborhood	Proposed Use	Number of Stories Proposed	Included in the Housing Element Sites Inventory?	Vacant / Nonvacant	Existing Use
Davis Commons	500 1ST STREET	070-580-043	Gateway SP - Retail	C-C	4.29	Heart of Downtown	Large-scale gateway	5	No	Nonvacant	Existing shopping center with excess parking
Davis Amtrak Station	840 2ND STREET	070-311-004	Public/Semi-Public	P-SP	2.88	Heart of Downtown	Infill and public space replace the parking lot	5	No	Nonvacant	Existing transit station with excess parking
E Street Plaza Block	220 E STREET	070-242-004	Core Retail Stores	C-C	0.77	Heart of Downtown	Davis Square - large central gathering place	7	Yes	Nonvacant	Existing parking lot
	217 F STREET	070-242-007	Core Retail Stores	C-C	0.20					Nonvacant	Existing restaurant and retail
	232 E STREET	070-242-003	Core Retail Stores	C-C	0.14					Nonvacant	Existing retail
	239 F STREET	070-242-008	Core Retail Stores	C-C	0.28					Nonvacant	Existing restaurant and retail
E/F Street Parking Lot	310 E Street	070-214-005	Core Retail with Offices	C-C	0.97	Heart of Downtown	Mixed use or high intensity residential	5	No	Nonvacant	Existing parking lot
East Transition Lots	907 4TH STREET	070-321-011	Core Retail with Offices	C-C	0.53	G Street	Clustered courtyard housing infill	3	Yes	Nonvacant	Existing retail/storage
North End Site: Seventh Street and G Street	630 G STREET	070-166-003	Service Commercial	PD-1480	1.67	North G Street	High intensity mixed use residential	4	No	Nonvacant	Existing neighborhood commercial center

Source: City of Davis, 2021

Figure E-2: Downtown Davis Specific Plan Opportunity Sites, Davis, May 2021



Data downloaded from the City of Davis and SACOG in 2021; adapted by Ascent in 2021.

APPENDIX F: AUGUST 31, 2021 CITY COUNCIL STAFF REPORT

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STAFF REPORT

DATE: August 31, 2021

TO: City Council

FROM: Ashley Feeney, Assistant City Manager
Sherri Metzker, Principal Planner
Jessica Lynch, Senior Planner

SUBJECT: 2021-2029 Housing Element

Recommendation

Staff and the Planning Commission recommend that the City Council;

1. Hold a public meeting; and
2. Approve the following; and

RESOLUTION OF THE CITY OF DAVIS CITY COUNCIL ADOPTING
NEGATIVE DECLARATION #4-21 AND UPDATED HOUSING ELEMENT OF
THE GENERAL PLAN FOR 2021-2029 AND TO DIRECT STAFF TO SUBMIT
THE UPDATED HOUSING ELEMENT TO THE STATE DEPARTMENT OF
HOUSING AND COMMUNITY DEVELOPMENT FOR STATE CERTIFICATION

3. Provide staff feedback and direction on any further edits the City Council may wish to see added to the Revised Final Draft Housing Element prior to submitting to the Department of Housing and Community Development.

There were a number of edits to the Draft Housing Element after the public review period that have been incorporated into the Revised Final Draft Housing Element in response to public comment, Planning Commission and City Council comments. Analysis on comments that were received can be found in the "Summary of Comments" section of this staff report. While several of these comments resulted in edits to the Draft Housing Element, others were addressed through potential edits or responded to with explanations. Staff brought these items before the Planning Commission for review as part of their recommendation on the Revised Final Draft Housing Element. The Planning Commission recommended approval of the Revised Final Draft Housing Element but has scheduled a meeting for September 22, 2021 to have further discussion of some of the policy considerations identified in the comment section.

Staff supports the Planning Commission having further discussion on a number of these items which could be addressed in standalone policies or grouped as a recommended future amendment to the Revised Final Draft Housing Element. There are however a number of comments that staff feels the City Council may wish to consider for potential inclusion in the Revised Final Draft Housing Element prior to submission to the Department of Housing and Community Development. Staff has proposed these

specific recommendations for further edits to be included in the Revised Final Draft Housing Element in the “Staff Recommendations for Final Draft Housing Element Policy Language” section of this report. The City Council may give direction to include some or all of these recommendations. Alternatively, the City Council may wish to consider all or some of these items as a future amendment to the Final 2021-2029 Housing Element after the Planning Commission holds their September 22, 2021 meeting.

In the “Summary of Comments” section, comments 1 through 21 reflect various new policies or suggested edits to policies already included in the Revised Final Draft Housing Element. Since the Planning Commission recommended adoption of the Revised Final Draft Housing Element as written and deferral of these policy discussions to a later date, staff suggests that the City Council consider listing these changes as, “potential future policies to be considered at a future date” and include them in an informational appendix to the Housing Element. If the City Council chooses this option, it would signal to HCD that the City intends to further discuss and consider some of the additional suggestions gathered during the public comment period. Further, if chosen, staff would prepare the attachment prior to submittal to HCD. As an appendix, the policies listed in the document would not be adopted nor implemented but would be considered and deliberated on by the Planning Commission at a future date.

Staff recommends the City Council adopt the Revised Final Draft Housing Element at the August 31, 2021 meeting as proposed or with City Council supported edits to allow the document to be finalized for submission to the Department of Housing and Community Development (HCD) prior to the September 12, 2021 statutory deadline.

NOTE: References to the Draft Housing Element are referring to the document published on May 3, 2021.

References to the Final Draft Housing Element are referring to the clean document (without edits shown) published August 2, 2021.

A Revised Final Draft Housing Element has been completed containing minor edits based on feedback from the Planning Commission. The Revised Final Draft Housing Element is provided in Attachment 1 (Clean Version) and Attachment 2 (Redline version). This is the document that staff is asking that the City Council adopt.

Once adopted by the City Council, the document will be finalized as the “Final 2021-2029 Housing Element,” which will be submitted to HCD.

Fiscal Impact

Preparation of this report, the IS/ND, and the associated final Housing Element are part of the Department of Community Development and Sustainability budget. All consultant costs are covered under the existing budget allocation.

Submission of the Final 2021-2029 Housing Element to HCD prior to the September 12, 2021 statutory deadline provides fiscal benefits as it allows the City to be recognized as being in compliance with HCD requirements. This is a prerequisite for many grant opportunities that provide key funding for a number of projects and affordable housing initiatives. The City has a history of success relative to pursuing grant funding opportunities and meeting this statutory deadline will allow the City to continue to pursue grant funding opportunities where compliance with HCD statutes is a funding requirement.

Council Goal(s)

Approval of this Revised Final Draft Housing Element will promote the City Council goal to Ensure a Safe, Healthy and Equitable Community.

Staff Recommendations for Final Draft Housing Element Policy Language

As discussed in the Commission Input section of the staff report below, the Planning Commission recommended approval of the Final Draft Housing Element Draft to the City Council and that it be submitted to HCD for certification but also scheduled a meeting on September 22, 2021 for further discussion and consideration of amendments to the Housing Element. Given the number of additional policy considerations, the Planning Commission wishes to have further discussion around these items and may ultimately make a recommendation for City Council consideration of an amendment to the Final 2021-2029 Housing Element to include additional policies after further discussion. Any future amendments to the adopted Final 2021-2029 Housing Element would follow the same process in which general plan amendments are considered and then would be forwarded to HCD. Staff is supportive of the Planning Commission approach which provides for submission of the Final 2021-2029 Housing Element prior to the September 12, 2021 statutory deadline while providing an opportunity to continue housing related policy discussions raised through the public outreach process. While there are a number of items that staff feels warrant further discussion before considering including policies in the Revised Final Draft Housing Element, there are three specific items that the City Council may wish to confirm support for inclusion which are identified as follows:

Note: These items inclusive of the reference numbers are being pulled from the "Summary of Comments" section of this staff report.

Comment 1

The Housing Trust Fund Strategy [draft proposal] should be added as an appendix to the Housing Element.

Several commenters, including the Housing Element Committee and the Planning Commission, are in support of a policy wherein the City would identify and implement more robust sources of funding for affordable housing to be put into the housing trust

fund. Therefore, staff has included the (Social Services Commission) Housing Trust Fund Strategy (draft proposal,) as Appendix A to the Revised Final Draft Housing Element. Additionally, Policy/Program 2.2.1 has been amended to further enhance the program language. Staff recommends inclusion of the amended language (as shown below) and as included in the Revised Final Draft Housing Element.

2.2.1. Identify and implement one or more sources of robust permanent funding for the [City's Housing Trust Fund](#) ~~and~~, establish and prioritize uses for these funds, [and establish a procedure for administering the Housing Trust Fund. As a part of this process, consider the recommendations provided by the City's Social Services Commission, as shown in Appendix A.](#)

There were a number of comments of support for this as part of the public outreach process. Including this policy in the Revised Final Draft Housing Element provides for a process to address the ideas included in the proposal and also includes the proposal for reference purposes as an Appendix to the Revised Final Draft Housing Element document. Staff is supportive of this and recommends inclusion.

Comment 14

Please add the Social Services Commission into the participation of the affordable housing ordinance process in item 2.1.1

Staff recommends to add Social Services Commission review to the policy for clarity, staff suggests, "Social Services Commission" be added to the Responsible Agencies column.

One of the Social Services Commission's purposes is to evaluate affordable housing proposals. Staff intends to have the Social Services Commission review and make a recommendation to the City Council in the adoption of the updated affordable housing ordinance. Staff is supportive of this clarification and recommends modifying the document accordingly to provide this clarification.

Comment 15

Consider adding the following policy:

Explore putting a putting a package of housing policy initiatives on the ballot to:

1. Enact a property transfer tax that could be used, in combination with other funding sources, to support programs to address housing and homelessness through our existing Housing Trust Fund. (This would require voter approval for a tax hike and voter approval for the City of Davis to become a charter city empowered to impose such a tax.)
2. Amend the language already in Measure J/R/D that exempts from its public vote requirements projects that provide affordable housing or facilities needed for City services.

3. Extend and expand, as long and as much as possible, the legal authority under Article 34 of the State Constitution for the City to develop public housing that would otherwise expire in 2025.

Staff has formulated the commenter's concepts into the language of a policy statement. This policy would ask the populace via a ballot measure to help define the methods the City could use to put together a series of tools to assist in the development of affordable housing. The Planning Commission also recommended that the Social Services Commission Housing Trust Fund proposal draft be a, "standalone program and not incorporated into Housing Element Program Action 2.2.1." The Planning Commission also specified that they would recommend setting a deadline of June 2022 for the development of the program so that it could be on the ballot for the November 2022 Gubernatorial Election. A successful ballot measure could provide a funding source for the Housing Trust Fund. Staff believes inclusion of this policy would address some of the ideas identified in the draft Housing Trust Fund proposal for potential affordable housing funding sources.

Commission Input

The Planning Commission met on August 11, 2021, to make their recommendation for the Final Draft Housing Element. The Final Draft Housing Element contained the edits that staff, in collaboration with HCD staff and Legal Services of Northern California, prepared for final adoption. The staff report contained several suggested policy amendments that could be added to the Housing Element, but are not required to receive certification by HCD. Staff recommended that the Planning Commission, at a minimum, adopt the Final Draft Housing Element as it had been drafted and if time permitted, work through the additional suggested policy amendments. Ultimately, the Planning Commission chose to recommend adoption of the Final Draft Housing Element with a few modifications, which have been incorporated into the Revised Final Draft Housing Element (Appendices 1 and 2). They further decided to consider the additional policy edits at their September 21, 2021 regular meeting. In that way, they could ensure that the City Council could adopt the Revised Final Draft Housing Element in time to submit it to HCD and preserve the City's 8 year renewal cycle, while giving themselves adequate opportunity to debate the merits of the suggested policy amendments in an acceptable timeframe.

Aside from the specific comments and questions from the Planning Commission contained in Attachment 3, (to which staff has provided responses) there was additional discussion pertaining to a select few issues which the Planning Commission ultimately made a recommendation. Below, those issues are elaborated upon further.

Nishi Project

Discussion among members of the Planning Commission included an expression of concern that the Residential Sites Inventory includes an estimate of 105 income-

restricted units (35 for Extremely Low Income and 70 for Very Low Income households) as part of the Nishi project. The concern is that the project's affordable housing plan states that the income restricted beds would only be available to students demonstrating financial need. However, the Nishi Affordable Housing Plan goes on to say that the income restricted beds would be rented in compliance with all applicable fair housing laws. Therefore, rental to only students would be a violation of those laws. Ultimately, the Planning Commission recommended the elimination of the Nishi project affordable housing from the Residential Sites Inventory.

Based on the professional experience of staff and the consultant team, the 105 income restricted units listed under the Nishi project in the Residential Sites Inventory meet HCD's criteria for inclusion on the inventory. Furthermore, the project team has consulted with HCD and as a result included additional information in the Revised Final Draft Housing Element that demonstrates that the zoning of the Nishi project and the assumption for these future units to be built are appropriate.

The City Council certainly has the option of accepting the recommendation of the Planning Commission to remove the Nishi units from the Residential Sites Inventory. However, it is important to understand the impact of doing so, as these units represent approximately 18 percent of the City's RHNA obligation for Very Low Income units for 2021-2029. As stated in the Revised Final Draft Housing Element, there is currently not enough appropriately zoned land to build enough lower income housing to meet the City's obligation of 580 Very Low Income units, and the City would need to find and rezone enough land (23.6 acres) to build 472 units. If the City Council chooses to remove the 105 income restricted units in the Nishi project voluntarily, this would increase the City's shortfall to 577 units and obligate the City to rezone 28.9 acres by May 15, 2024.

If the City Council votes to make this change to the document, text edits reflecting this change would also be required prior to sending the Final 2021-2029 Housing Element to HCD for certification.

Housing Trust Fund

The Planning Commission also recommended that the Social Services Commission Housing Trust Fund proposal draft be a, "standalone program and not incorporated into Housing Element Program Action 2.2.1." The Planning Commission also specified that they would recommend setting a deadline of June 2022 for the development of the program so that it could be on the ballot for the November 2022 Gubernatorial Election.

It is worth mentioning that both Housing Element Programs 2.2.1 and 2.2.2 were developed as a direct result of feedback from the public, the Housing Element Committee, the Planning Commission, and the City Council. The direction was to incorporate the Housing Trust Fund proposal into the Housing Element in a way that would obligate the City to take strong action to develop, fund, and implement such a

program. Both programs 2.2.1 and 2.2.2 are solely dedicated to the concept of development of the Housing Trust Fund, and as part of the Housing Element, the City will be required to report on progress on both programs each year as part of the Annual Progress Report. Separating the Housing Trust Fund program from the Housing Element programs would actually reduce this accountability by not requiring annual reporting to the State. Having two Housing Element programs for the Housing Trust Fund would not preclude the City from implementing, strengthening, or changing the program as necessary. Staff believes, there is no reason to remove the programs from the Housing Element, as having them documented in the Housing Element would not hinder the Housing Trust Fund in any way.

Comments on Process and Approval

There were other comments expressed by some members of the Planning Commission noting concerns with the process. Some of the noted concerns included, that the Housing Element does not go far enough or is not aggressive enough to aid in developing affordable housing in Davis. Some concerns with the adequacy of the community outreach efforts were voiced. A statement that the Housing Element and General Plan should have been done before the Downtown Plan. Another comment was that the process should have started years ago, and that the City should be held accountable, even if it means potentially losing funding and being put on a four-year housing element cycle. There were also comments by some Planning Commissioners about appreciating the level of work it took for staff to bring the document forward.

The Planning Commission also inquired what would happen if the City does not approve the Housing Element by September 12, 2021. It should be noted that since the last Housing Element was approved and certified in 2013, there have been major changes to housing regulations, housing element law, and the powers of HCD. The SACOG region is only the second region to be going through the housing element update process since the approval of these new laws. The process has been exacerbated with a lack of written HCD guidance and continually changing legislative interpretations, making this a difficult question to answer, since these new powers and responsibilities of HCD have yet to be put into practice. That being said, there are two issues at hand, compliance and cycle renewal length (4 yrs. vs. 8 yrs.)

If the City does not adopt the Housing Element within 120 days after the statutory deadline (September 12, 2021), the City of Davis will be moved from an eight-year cycle to a four-year update cycle, meaning the next Housing Element would be due in 2025 instead of 2029.

On this issue of compliance, technically, the City is already out of compliance because the City has not yet adopted a Housing Element for the 6th cycle and the deadline for adoption was May 15, 2021. This means that Davis is potentially subject to the various consequences of being out of compliance (e.g., not being able to access certain sources of funding). The 120-day period after the deadline is a grace period in terms of

avoiding the requirement to update on a four-year cycle, but is not a true grace period in terms of avoiding the consequences of noncompliance. Therefore, Davis will be out of compliance until the City adopts the Housing Element.

Comments on Optional Topics in Planning Commission Staff Report

Though the Planning Commission ultimately decided to continue the discussion of most of the suggested policy amendments (i.e., not required by HCD for certification) to their upcoming September 22, 2021 meeting, there were some comments made specifically on Comments 4, 8, 9, 18, and 49 of the Planning Commission staff report.

- Specifically, the Commissioner requested that the Housing Element replace the term “strip mall” with another term like “neighborhood commercial center.” This change has been made throughout the Revised Final Draft Housing Element.
- The Planning Commission also pointed out that action would still need to be taken soon on the Affordable Housing Ordinance, which is currently operating as an interim ordinance. It is the intent of staff to redirect focus toward this effort once the Housing Element is completed, and more specific information about that effort will be available soon.
- Other comments, which will need to be revisited at the September 22, 2021 Planning Commission meeting and beyond, called for a central application system for affordable senior housing and the desire for more pre-application processes and meetings.

Final Recommendation

The Planning Commission ultimately recommended approval of the Revised Final Housing Element Draft to the City Council and that it be submitted to HCD for certification with 5 aye votes, 1 no vote, and 1 absence.

D. Robertson moved, second by S. Streeter, to recommend that the City Council approve a resolution adopting the updated Housing Element of the General Plan for 2021-2029 and directing staff to submit the updated Housing Element (HE) to the State Department of Housing and Community Development (HCD) for state certification and set a date certain for additional discussion and consideration of amendments to the HE.

M. Weiss proposed a Friendly Amendment: to recommend City Council approval of a resolution adopting the updated Housing Element of the General Plan for 2021-2029 and directing staff to submit the updated Housing Element to the State Department of Housing and Community Development (HCD) for state certification and consider some additional suggestions for potential inclusion to the HE and set a date to return and have a discussion on additional amendments. Motion Withdrawn accepted by mover.

D. Rutherford proposed a Friendly Amendment: to recommend removal of the Nishi affordable housing component from the residential site inventory. Accepted by mover and second.

D. Rutherford proposed a second Friendly Amendment: The City should develop a Housing Trust Fund program that clearly identifies the needs of the community that will be addressed, the programs that will be funded by the Housing Trust Fund (HTF), how the Housing Trust Fund will be administered, and to develop an oversight committee to ensure that the Housing Trust Fund funds are being used to meet the affordable housing needs of the community. It should be a standalone program action and not incorporated in to program action 2.2.1. In addition, the city should devise a ballot measure to procure funds for the HTF and set the deadline of June 2022 or by the deadline to submit measures for the November 2022 Gubernatorial Election. Accepted by mover and second.

D. Robertson Friendly Amendment: That staff schedule the return of further discussion and consideration of amendments to the Housing Element on September 22. Accepted by second.

M. Weiss Friendly Amendment: recommend the addition of comment 14 - add the Social Services Commission into the participation of the affordable housing ordinance process in item 2.1.1 and the Social Services Commission to the Responsible Agencies column. Not accepted by mover or second.

Motion passed by the following vote:

AYES: Robertson, Shandy, Streeter, Weiss, Essex

NOES: Rutherford

ABSENT: Rowe

Planning Commission Staff Report

Henceforth, the balance of this staff report is the same as the one presented to the Planning Commission on August 11, 2021. Any modifications made based on information received since August 11 will be marked as **bold underline** for additions and **~~bold strikethrough~~** for deletions.

Commission and Committee Input

To date, there have been four public meetings regarding the Draft Housing Element. The Housing Element Committee met on May 20, 2021 while the Planning Commission met on May 26, 2021, and again on June 9, 2021. The City Council held a public meeting on June 15, 2021. During the course of each of those meetings, the public

provided testimony on the Draft Housing Element document. In addition, the Housing Element Committee provided a list of recommendations (Shown below).

The Planning Commission met on June 9, 2021 and made the following recommendations as a commission.

1. To support the inclusion of Recommendations 1 and 2 from the Housing Element Commission list of recommendations (To include the Social Services Housing Trust Fund document as an appendix to the Housing Element and to establish a Housing Trust Fund program and an Oversight Committee.)
2. To recommend stronger language for Policy 1.4.1 to put additional pressure on UCD to provide on campus housing. The Planning Commission did not suggest any specific language.

The 10 recommendations for the Housing Element Committee are as follows;

Recommendation 1

That the Housing Trust Fund draft [proposal] that was presented at the last meeting and voted on unanimously by the Social Services Commission be added as an appendix to the Housing Element.

Recommendation 2

The City should develop a Housing Trust Fund program that clearly identifies the needs of the community that will be addressed, the programs that will be funded by the Housing Trust Fund, how the Housing Trust Fund will be administered, and to develop an oversight committee to ensure that the Housing Trust Fund funds are being used to meet the affordable housing needs of the community.

Recommendation 3

Regarding Policy 4.1, explore removing R-1 (Single Family) zoning from the Zoning Ordinance to allow for more flexibility to develop more dense housing and multifamily housing throughout the city.

Recommendation 4

Explore removing parking requirements from residential development within the city.

Recommendation 5

To have the City of Davis ensure the accuracy of ADU affordability levels reported in the 6th cycle Housing Element by examining the current market rents for reasonably comparable rental properties to determine the average price per square foot in the City of Davis.

As a Committee, the Housing Element Committee wants to communicate to the City Council that they are not necessarily happy with the SACOG ADU affordability study as it pertains to the affordability of ADUs in Davis. They request that as soon as it is practicable that the City carry out a survey to determine if there is better ADU affordability data available.

Recommendation 6

Recommend that the City repeal the 1% growth rate cap.

Recommendation 7

Explore rezoning strip malls from commercial property to mixed use property in this upcoming housing element to allow housing.

Recommendation 8

Explore including a by-right approval process for housing projects which meet the current affordable housing ordinance as is and current zoning standards at the time of application.

Recommendation 9

Consider placing a measure on the ballot that would exempt the Wildhorse Ranch and the Mace under the Curve properties from the requirement of having to subsequently be approved by a Measure D vote.

Recommendation 10

The Housing Element Committee supports a higher target for the projected number of housing units that we as a community want to provide in the next housing cycle, and we should use the 2,075 [RHNA] as a floor rather than an aspirational ceiling or target.

Consistent themes generated from the received public comments are expanded upon further in the Summary of Comments section of this staff report.

Background

The Housing Element Committee was a specially appointed committee, created by the City Council, and charged with the responsibility to review the existing Housing Element and other related documents, background information, and receive public input. The Committee also provided comments and feedback to City staff and the project consultants on the draft 2021-2029 Housing Element with the goal of creating a document which is responsive to community goals and aspirations. The Housing Element Committee was also charged with providing information about the project to others within and interested in the community, provide status updates to the City Commission they serve on, and to encourage others to participate in the process. At their final meeting, the Housing Element Committee made several recommendations to the Planning Commission and City Council (see list above.)

The City of Davis Department of Community Development and Sustainability released the Draft 2021-2029 Housing Element for public review to both the California Department of Housing and Community Development (HCD) and interested members of the public on May 3, 2021. The City asked all interested parties to provide comments on the draft document to assist the City in completing its effort to develop a housing policy framework for the next eight years.

The public review period for the Draft Housing Element 2021-2029 ran for a period of 60 days from May 3 to July 1, 2021. The City held a total of four public workshops by the conclusion of the expiration period to collect public comments on the draft document. These meetings included those held by the Housing Element Committee, Planning Commission, and City Council. The purpose of these workshops was to give members of the public the opportunity to provide oral public comments. The workshops were held at the following dates and times:

- Housing Element Committee: Thursday, May 20 at 6:00 pm
- Planning Commission: Wednesday, May 26, 2021 at 7:00 pm
- Planning Commission: Wednesday, June 9, 2021 at 7:00 pm
- City Council: Tuesday, June 15, 2021 at 6:30 pm

The City has also accepted written comments.

The Draft Housing Element was submitted to the State Department of Housing and Community Development (HCD) on May 3, 2021. HCD sent its comments to the City on July 1, 2021. Since that time, City staff and its consultant team have been reviewing the comments and making the changes as necessary in order to ensure that the Final Draft Housing Element can ultimately be adopted by the City Council and certified by HCD.

Upon City Council adoption, the Housing Element will be sent to HCD for certification, after which the certification process will be complete. However, the Housing Element can be amended as appropriate up to four times per year, since it is part of the General Plan. Each year, the City is required to assess its progress toward meeting the goals and implementing the programs contained within the Housing Element through the Annual Progress Report (APR) process, which is submitted to HCD and the Governor's Office of Planning Review. Following approval of the Housing Element by HCD, the City will proceed with the programs and necessary actions as defined in the certified document.

The purpose of the General Plan is to guide land use planning decisions. In essence, the General Plan is a "constitution for development," the foundation upon which all land use decisions in a City or county are to be based. It expresses community development goals and embodies public policy relative to the distribution of future land use, both public and private. The General Plan contains seven required elements, one of which is Housing. The term "element" refers to the topics that California law requires to be

covered in a General Plan (Gov. Code § 65302). The Housing Element implements the declaration of State law that, “the availability of housing is a matter of vital Statewide importance and the attainment of decent housing and a suitable living environment for all Californians is a priority of the highest order” (Gov. § Code 65580). Provisions in the Housing Element are more specific and directive than other elements, and contain detailed guidance and reviews. The law also provides the Department of Housing and Community Development (HCD) with unique authority over the Housing Element.

Housing Element updates must be consistent with other General Plan elements, including the land use element and diagrams. Integrating considerations of General Plan goals and policies through the Housing Element and each update may improve efficiency by ensuring consistency. Additionally, incorporating a holistic view of the document will allow the Housing Element to compliment other elements in addressing challenges such as climate change mitigation and adaptation, and working towards other local goals.

Local governments have the responsibility to adopt programs that implement the policies, goals and objectives of the Housing Element through their vested powers, particularly over land use and development controls, regulatory concessions and incentives, and the utilization of financial resources. Programs are the specific action steps the locality will take to implement its policies and achieve its goals and objectives. Programs must include a specific period for implementation to have a beneficial impact toward the goals and objectives during the planning period. Programs must also identify the agencies or officials responsible for implementation. Effective program descriptions also include immediate, short-term and long-term action steps, proposed measurable outcomes, objectives or performance measures, and specific funding sources, where appropriate (Gov. Code §65583(c)).

There are several terms used when developing a General Plan. They are as follows:

Development Policy	a General Plan Statement that guides action, including goals and objectives, principles, policies, standards, and plan proposals
Diagram	a graphic expression of a General Plan’s development policies, particularly its plan proposals, which must be consistent with the General Plan text (Gov Code § 65300.5)
Goal	a general expression of community values and direction, expressed as ends (not actions)
Objective	a specified end, condition, or State that is a measurable intermediate step toward attaining a goal.

Policy	a specific Statement that guides decision-making and helps implement a General Plan’s vision
Standards	A rule or measure establishing a level of quality or quantity that must be complied with or satisfied
Implementation Measure	an action, procedure, program, or technique that carries out General Plan policy. Each policy should have at least one corresponding implementation measure.

It is worth noting that the Housing Element is not an ordinance. It does not set any development standards and it does not rezone any properties mentioned within it. Instead, as a part of the General Plan, the Housing Element is a policy document. It sets the framework for what the City sets out to accomplish during the life cycle of the Housing Element. For example, one of the requirements of the Housing Element is to identify a list of properties that could conceivably be developed with housing between 2021 and 2029 to meet the City’s share of the Regional Housing Needs Allocation (RHNA). It does not ensure the units will be built, however. The RHNA is set through a State-mandated process by the Sacramento Area Council of Governments (SACOG) to ensure that cities and counties are planning for the development of enough housing to accommodate all economic segments of the community. The City of Davis does not determine the RHNA numbers, rather, the numbers are developed by the State of California and assigned to individual jurisdictions through SACOG. The list of available properties is referred to as the Residential Sites Inventory. Some listed properties are already zoned appropriately for housing while others would require a rezone. The City does not currently contain enough vacant land appropriately zoned for the development of the housing necessary to meet the City’s estimated housing needs for the period between 2021 and 2029. In order to address this issue, the Housing Element includes a program that requires the City to rezone enough land to meet this need within three years of the adoption of the Housing Element (by 2024.) Inclusion on this list does not necessarily mean that an identified property will be rezoned or developed. Properties contained on this list may change as properties are developed with other land uses or become no longer appropriate for housing development, or as other properties not listed are developed with or zoned for housing. Progress on the rezone efforts will be monitored through the City’s Annual Progress Reports which must be sent to the State of California each year.

The intent of soliciting comments from the public is to get a general sense from the community of common themes across comments and to ensure that the Housing Element reflects the community’s overall concerns. The State Department of Housing and Community Development (HCD) has also reviewed the Draft Housing Element to ensure that the draft document includes all of the regulatory requirements of State law.

All changes required by HCD and State requirements have been incorporated into the Final Housing Element and are shown in tracked changes. Those changes may differ from some of the sentiments and opinions expressed in some of the public comments.

As noted above, the public comment period closed on July 1, 2021. Copies of the actual public comments and questions have been posted to the City's Housing Element Update webpage. The public comments have been summarized and addressed as part of this staff report to be used in consideration of additional amendments to the Final Draft Housing Element. Not all comments will be incorporated into the Final Draft Housing Element.

Summary of Comments

There are a number of common-themed comments and/or questions that have been made by various members of the public, the Housing Element Committee members, the Planning Commission, and the City Council. Some suggestions have not been included in the Final Draft Housing Element and some suggestions have already been listed as recommended policies in the Final Draft Housing Element. The decision makers may determine what additional suggestions they feel should be included or removed from the final version.

Each summarized comment has been assigned a number. The assigned comment number and the comment itself is shown bolded. If a new policy is suggested, Staff has provided recommended language that the decision makers can use to determine whether or not to include said language should be included in the Final Draft Housing Element. If the comment addresses a potential correction to the document, staff will address whether the correction is necessary or not. Staff recommends that the decision makers review each suggestion and determine if the additional language is warranted for inclusion.

Analysis

Housing Trust Fund

Comment 1

The Housing Trust Fund Strategy [draft proposal] should be added as an appendix to the Housing Element.

Several commenters, including the Housing Element Committee and the Planning Commission, are in support of a policy wherein the City would identify and implement more robust sources of funding for affordable housing to be put into the housing trust fund. Therefore, staff has included the (Social Services Commission) Housing Trust Fund Strategy (draft proposal,) as Appendix A to the Final Draft Housing Element. Additionally, Policy/Program 2.2.1 has been amended to further enhance the program

language. Staff is recommending inclusion of the amended language (as shown below) and as included in the Final Draft Housing Element.

2.2.1. Identify and implement one or more sources of robust permanent funding for the [City's Housing Trust Fund](#) ~~and~~, establish and prioritize uses for these funds, [and establish a procedure for administering the Housing Trust Fund. As a part of this process, consider the recommendations provided by the City's Social Services Commission, as shown in Appendix A.](#)

There were suggested revenue sources within the public comments. One was the use of resale inspection fees. These fees are currently structured to pay for the cost of performing the service and go into the Building Fund. There is no surplus associated with this revenue source and no other purpose was identified for the monies at the time it was created.

Commenters also suggested that the City create a funding source for down payment assistance. This concept could be included in the Housing Trust Fund Strategy. Therefore, staff has not included it specifically within any policy or program.

Comment 2

The City should develop a Housing Trust Fund program that clearly identifies the needs of the community that will be addressed, the programs that will be funded by the Housing Trust Fund, how the Housing Trust Fund will be administered, and to develop an oversight committee to ensure that the Housing Trust Fund funds are being used to meet the affordable housing needs of the community.

Comment 2 is in essence, part 2 to comment 1. Therefore, as described under Comment 1, Policy 2.2.1. has been amended to address this comment. The details of the recommendation were left out of the recommended policy language to give the City Council maximum flexibility when establishing how the Housing Trust Fund will be administered.

Comment 3

The City and county are currently working to review and revamp the affordable ownership program to improve the waitlist process and ensure equity? Can this be added to the HTF set of priorities? If added to the Housing Element, how is the HTF document amended before adoption?

The decision makers can declare that the priorities in the Housing Trust Fund shall be amended to reflect the request, by a separate motion and vote, prior to adoption of the Housing Element. Once the Housing Element is adopted, the only way the draft HTF document can be amended is through the same public hearing process used for a general plan amendment.

Comment 4

Please provide assistance for homes that might need fixing up including assistance to those who purchase a house needing repairs.

If the decision makers wish to add the exploration of such a program, staff recommends adding the program to the Housing Trust Fund, as shown in Appendix A of the Final Draft Housing Element.

Additional Policy Considerations

Comment 5

Consider adding the following policy:

Explore removing R-1 (Single Family) zoning from the Zoning Ordinance to allow for more flexibility to develop more dense housing and multifamily housing throughout the city.

There are a number of commenters on both sides of this recommendation, including the Housing Element Committee. There are factors that decision makers should consider in deciding whether to keep this policy and put it in the Final Draft Housing Element.

1. The State of California has already passed mandatory legislation requiring cities to approve certain accessory dwelling units by right. Therefore, a homeowner can already have up to two accessory units (an ADU and JADU) on their property, effectively making the single family dwelling a 3 unit dwelling. Of course, certain criteria must be met. Nevertheless, it is already possible.
2. Single family residential can be built at many densities. The City of Davis smallest lot size allowed under the zoning ordinance is 6000 square feet. After removing the necessary land for road improvements, etc., 1 acre of land can yield somewhere between 3 and 4 units per acre of single detached housing with 6000 square foot lots. The larger the individual lots, the less yield there is. In other cities (and under some Planned Developments in Davis) where smaller lots have been permitted for detached housing, the yield can be increased to about 7 to 9 dwelling units per acre. So, if the general plan were amended to allow greater densities, the yields could be increased.
3. There is not a great deal of available land to subdivide to achieve high densities. Therefore, the net effect would be limited.
4. The city's existing General Plan Land Use categories go up as high as 70 dwelling units per acre. At the existing permitted densities, density is already maximized.
5. This item may be appropriate to explore as part of the General Plan update rather than as an implementation measure in the Housing Element. If supported during the General Plan update process, the Housing Element could be amended accordingly with adoption of an updated General Plan.

Comment 6

Consider adding the following policy:

Explore removing parking requirements from residential development within the city.

Like Comment 3, there are a number of commenters on both sides of this recommendation, including the Housing Element Committee. It is a well demonstrated fact that the addition of free parking does add to the cost of housing. The question of how much parking is “necessary” has been a part of the planning process for decades. The answer to the question of what is necessary is exacerbated by the requirements of every city being different from one another.

The City of Davis has begun an effort to move in the direction of not having a parking standard by not including one in its draft Downtown Specific Plan. Not requiring a parking standard means that the decision makers would leave the decision to include parking up to the developer but not allowing parking beyond a specified maximum. Of course, parking remains an issue for those with mobility issues. It may be best to determine if an amendment to the parking standards is appropriate after implementation of the Draft Downtown Specific Plan where it can be used as a test case.

Comment 7

Consider adding the following policy:

The City should consider a permanent repeal of the 1% growth cap ordinance.

Chapter 18.01 of the Davis Municipal Code, is often referred to as the 1% growth cap ordinance. The ordinance language is designed to permit measured growth of single family residential development (that does not include affordable units.) Policy 7.1.2 in the 2013-2021 Housing Element reads as follows:

Process applications for the highest ranked sites with the highest development potential for housing to meet local housing needs and remain under the City’s 1% Growth Resolution, including development agreements that include adequate citizens’ participation and City Council oversight in the planning implementation of the allocation processes.

Since adoption of the last housing element, the State has approved SB 330, which prohibits certain limits on the number of building permits that a jurisdiction will issue. SB 330 expires in 2025. At that time, the City will have to decide whether or not to keep Chapter 18.01 in the Davis Municipal Code. Additional discussion on this policy can be found beginning on page ~~230~~223 of the **Revised Final** Draft Housing Element. Proposed policy 4.4.1. includes the language for the 2021-2029 ~~Draft~~ Housing Element and reads as follows;

4.4.1. Prohibit enforcement of the City’s one percent growth policy until at least January 1, 2025, consistent with SB 330, which prohibits certain limits on the number of building permits that a jurisdiction will issue (see the Constraints to

Housing Production chapter for more information). Evaluate repealing the policy on a more permanent basis.

Therefore, the comment has been addressed. It should be noted that the Housing Element Committee supported this policy as well as some additional commenters. There are, however, many others who do not support repealing the law.

Comment 8

Consider adding the following policy:

Consider rezoning strip malls from a commercial designation to a mixed use designation.

This concept was recommended by the Housing Element Committee.

One of the primary functions of the Housing Element as required by State law, is to evaluate how many available sites there are in the City where affordable housing can be built and compare that the number to the RHNA numbers assigned by SACOG. If there is a shortfall, the City must rezone enough sites to meet its obligation. Policy 1.1.2. commits the City to rezone enough sites to meet the anticipated shortfall. Presently, the draft policy 1.1.2. reads as follows:

1.1.2. Rezone enough sites at least 23.6 acres to address the City's City's shortfall of 323472 lower-income RHNA units, plus a buffer of at least an additional 140 lower-income units, by May 15, 2024. Rezoned sites will permit owner-occupied and rental multifamily uses by right pursuant to Government Code section 65583.2(i) for developments in which 20 percent or more of the units are affordable to lower income households, and at least 50 percent of the lower-income RHNA shortfall will be accommodated on parcels designated exclusively for residential uses. Rezoned sites must allow for densities of at least 30 dwelling units per acre, with a minimum density of 20 dwelling units per acre, and have existing or planned water, sewer, and dry utilities.

Commercially designated sites could be added as a descriptor to the policy as drafted. Therefore, the draft policy could read like this:

*1.1.2. Rezone enough sites at least 23.6 acres to address the City's City's shortfall of 323472 lower-income RHNA units, plus a buffer of at least an additional 140 lower-income units, by May 15, 2024. **Special consideration should be given to the re-designation of commercially zoned sites to Mixed Use where the commercial facilities are typically constructed in a row of single story buildings with a large parking lot in front.** Rezoned sites will permit owner-occupied and rental multifamily uses by right pursuant to Government Code section 65583.2(i) for developments in which 20 percent or more of the units are affordable to lower income households, and at least 50 percent of the lower-income RHNA shortfall will be accommodated on parcels designated exclusively*

for residential uses. Rezoned sites must allow for densities of at least 30 dwelling units per acre, with a minimum density of 20 dwelling units per acre, [and have existing or planned water, sewer, and dry utilities.](#)

Comment 9

Consider adding the following policy:

Explore including a by-right approval process for housing projects which meet the affordable housing ordinance and zoning standards in effect at the time of application.

At this time, if a property is zoned R-3 or R-HD, it is likely that a project on the site would only need Architectural and Site Plan review (sometimes called design review.) If that is the case, design review can be performed by staff and is the closest process to by right in the city. The issues before the director would be limited to design (site layout, parking, landscaping, architecture etc.) However, most sites are zoned under a Planned Development and require approval of a Final Planned development along with the design review. Those entitlements require Planning Commission approval.

It should be noted that there is some disagreement on whether this policy should include the ability for projects to use in lieu fees or site dedication to meet the affordability requirement. Other commenters would prefer that this only apply to projects that provide on-site inclusionary housing. Those specifics could be examined at the time the entire issue is examined or could be included in the policy statement.

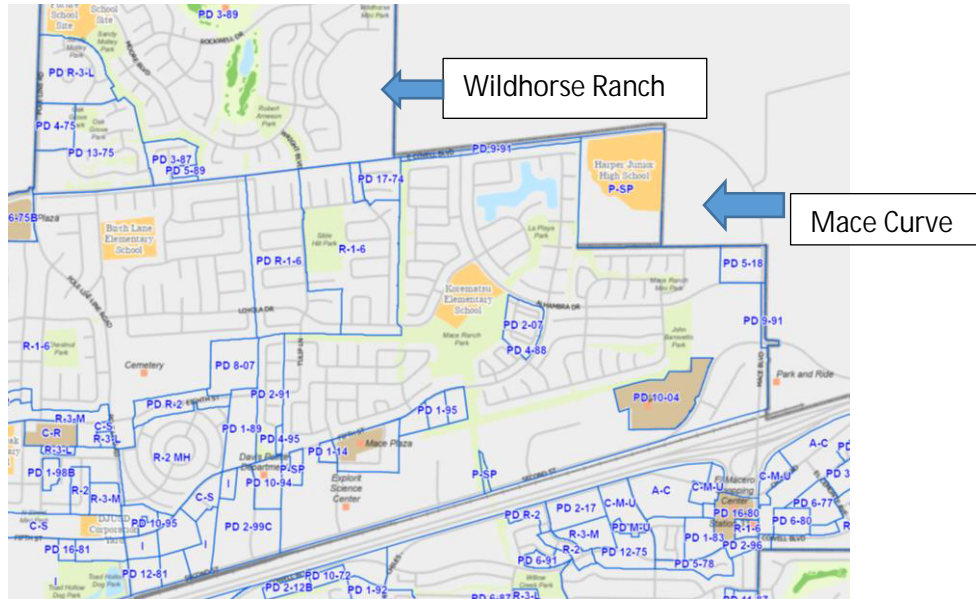
It should also be noted that the Affordable Housing Ordinance must also be updated as it is set to expire in November 2021. If it is determined that this policy should be included in the housing element, staff recommends that the time frame for completion would follow the update to the Affordable Housing Ordinance.

Comment 10

Consider adding the following policy:

Consider placing a measure on the ballot that would exempt the Wildhorse Ranch property and the Mace Curve property from the requirement of having to subsequently be approved by a Measure D vote.

The Housing Element Committee recommended this policy. Their intent is to remove one obstacle to developing housing because the City needs more land to develop a meaningful amount of housing. The Wildhorse Ranch property is within the City limits, but because it is zoned Agriculture, a vote by the electorate on the project approval is required prior to development. The Mace Curve property is under Yolo County jurisdiction. Therefore, prior to annexation any proposed project on the property would also be subject to a measure J/R/D vote by the electorate.



Comment 11

Consider adding the following policy-

Safe, Healthy Living. Promote housing designs and environments that improve safety and health of residents. Provide for restful sleep by establishing noise limits. Provide for toxin free clean air by phasing out all forms of residential smoke and avoiding unnecessary airborne dust. Design housing to discourage crime, for example locate outdoor bicycle parking in visible locations to discourage theft.

This policy was suggested by one commenter. It should be noted that the City already has a noise ordinance that addresses permitted noise levels. Bicycle parking is subject to the standards in the Bicycle parking standards contained in the Zoning Ordinance, chapter 40.25A. The City does not have a law to provide for toxin free clean air nor any realistic ability to phase out all forms of residential smoke and unnecessary airborne dust.

Comment 12

The commenter suggests a policy to allow tiny houses.

Many cities throughout the country are using the tiny house concept to build affordable housing. Frequently, the housing is operated as transitional, and can be a more affordable method for providing housing by using small housing footprints and often irregular “leftover” lots. If the decision makers decide to include this concept as a policy, staff recommends the following language,

Explore the inclusion of an appropriate general plan land use designation and zone to allow for the construction and operation of a tiny house project.

Comment 13

Consider adding the following goals:

- Residential project will be given priority over non-residential projects.
- Housing affordable to Lower income households will be given first priority.
- Allow flexible parking regulations for housing development, especially in the Downtown Core, including the possibility of flexible use of City parking facilities by downtown residents, where appropriate and reduced or no parking requirements where appropriate guarantees limit occupancies to persons without motor vehicles.

Staff has provided the suggested language as written by the commenter. It is assumed that by priority, it means processing and construction priority. While this can seem like a worthwhile endeavor, the nature of how projects are processed does not lend itself to this prioritization. For example, suppose a project with low income housing is submitted for entitlement approval at the same time as a non-residential project. And for discussion purposes, assume both projects need the same entitlements. If the developer of the low income project is not responsive, as sometimes happens, then should the developer of the non-residential project be held up? And if the non-residential project moves forward when the low income project finally responds, should the non-residential project be stopped while the affordable housing project is processed? These goals are extremely difficult to implement and not recommended.

The use of flexible parking standards is already included in the Downtown Davis Specific Plan and could be considered as part of the future General Plan update.

Comment 14

Please add the Social Services Commission into the participation of the affordable housing ordinance process in item 2.1.1

One of the Social Services Commission's purposes is to evaluate affordable housing proposals. ~~Therefore, their participation~~The Social Services Commission will review and make a recommendation to the City Council in the adoption of the updated affordable housing ordinance ~~is expected~~. If the decision makers wish to add their review to the policy for clarity, staff suggests, "Social Services Commission" be added to the Responsible Agencies column.

Comment 15

Consider adding the following policy:

Explore putting a putting a package of housing policy initiatives on the ballot to:

2. Enact a property transfer tax that could be used, in combination with other funding sources, to support programs to address

housing and homelessness through our existing Housing Trust Fund. (This would require voter approval for a tax hike and voter approval for the City of Davis to become a charter city empowered to impose such a tax.)

2. Amend the language already in Measure J/R/D that exempts from its public vote requirements projects that provide affordable housing or facilities needed for City services.
3. Extend and expand, as long and as much as possible, the legal authority under Article 34 of the State Constitution for the City to develop public housing that would otherwise expire in 2025.
4. Amend Measure J/R/D to modify the existing exceptions to create meaningful opportunities to meet our needs for affordable housing and to provide other City facilities that benefit our residents.

Staff has formulated the commenter's concepts into the language of a policy statement. This policy would ask the populace via a ballot measure to help define the methods the City could use to put together a series of tools to assist in the development of affordable housing. If this item was to go forward, staff would recommend deleting the fourth point as it is captured in point number two.

Comment 16

Consider adding the following policy:

Start discussions with the Davis Joint Unified School District about the creation of housing on their surplus school property and explore what steps are required to facilitate such an approach, understand the implications of such a land use change for school neighbors and avoid conflicts with any long term school district plans.

Having a detailed discussion with DJUSD decision makers could reveal ideas related to identification of and potential uses of surplus property.

Comment 17

Consider adding the following policy:

Explore the use of federal, state or local housing funds to incentivize the construction of new ADUs that are affordable to low income persons.

The City has received State funding for the preparation of "off the shelf" plans for an ADU. This policy could lead to a method to use those plans for providing affordable housing (via a restriction). The intent of the ADU grant was to provide readily available, low-cost plans for ADU construction. If the City were

to offer further incentives, a property owner may be willing to accept a deed restriction that the ADU be rented at specified affordable rates. This could be a program for exploration. A funding source would need to be identified for the potential financial incentives.

Comment 18

Senior Citizen Commission encourages the city to consider the need for more affordable senior housing and to develop and implement a city sponsored centralized application processing program to improve access to affordable housing for seniors. Also, they recommend consideration for the needs for special services (such as a social service coordinator.)

The need for more senior citizen housing is addressed under comment 41. Currently, there is no centralized location where a low income senior citizen can make one application for all available affordable housing. Therefore, seniors must apply at each affordable housing location. The Senior Services Commission believes a centralized application process would make it easier for seniors to obtain affordable housing. If the decision makers wish to add a program to implement this concept, staff recommends the following language;

Explore the possibility of starting a City sponsored, centralized application processing program for Seniors to apply one time for all available affordable housing.

Suggested Policy Amendments

Comment 19

Please ensure the accuracy of ADU affordability levels reported in the 6th cycle Housing Element by examining the current market rents for reasonably comparable rental properties to determine the average price per square foot in the City of Davis.

As the Housing Element Committee, we want to communicate to City Council that we are not necessarily happy with the SACOG ADU affordability as it pertains to the affordability of ADUs and request that as soon as its practicable that the City carry out a survey to determine if there is better ADU affordability data available.

Staff has re-reviewed the affordability criteria used in the SACOG study and adjusted the rents to more accurately reflect the higher Davis rents. In light of that change, program 1.5.2. has been amended to read as follows,

[1.5.2. Conduct a survey every two years to collect information on the use and affordability of new accessory dwelling units. Halfway through the projection period \(2025\) if determined these units are not meeting a lower-income housing need, the City shall ensure other housing sites are available to accommodate the unmet portion of the lower-income RHNA.](#)

By implementing this program, the City will ensure that the ADUs are meeting the affordability criteria. If it is found that the ADU rents are not affordable, then the City will commit to meeting the unmet need by rezoning other sites. Pages ~~207-208~~184-185 in the **Revised** Final Draft Housing Element provide further explanation on this issue.

Comment 20

Based upon the most recent point in time homeless count of 190 individuals and existing shelter capacity for approximately 45 individuals, a need for at least 145 shelter beds remains. Based upon the city's limitation of 35 beds in shelters that are permitted by right, it is estimated that four sites would be necessary to accommodate the city's remaining need for 145 emergency shelter beds.

Policy 2.7.7 has been revised to clarify the need for additional emergency shelter sites.

2.7.7. ~~Revise~~To ensure the City can meet the remaining need for emergency shelter, ~~revise~~ the Zoning Code to allow emergency shelters by right in an additional zone or zones. As a part of this process, review and revise the 35-bed limit on emergency shelters that can be approved without a conditional use permit as needed to ensure ~~the~~ City can meet the remaining need for emergency shelter that the City's emergency shelter need can be met. Zones that are amended to allow emergency shelters by right will include sites with adequate parcel sizes, redevelopment or reuse opportunities, proximity to services, and appropriate development standards to enable the development of sufficient emergency shelter space to meet the remaining need.

Comment 21

Zoning policies should be clarified that Emergency Shelters are allowed by right in any Planned Development zoning designation so long as the underlying General Plan designation is Industrial or Business Park.

Program Action 2.7.7. is stated in Comment 19 (shown above.)

Staff recommends that if the decision makers decide to include this clarification, the policy should be re-drafted as follows;

*2.7.7. ~~Revise~~To ensure the City can meet the remaining need for emergency shelter, ~~revise~~ the Zoning Code to allow emergency shelters by right in an additional zone or zones. **Clarification shall be added to allow emergency shelters not only in any zone chosen by the City, but in its corresponding Planned Development zones as well.** As a part of this process, review and revise the 35-bed limit on emergency shelters that can be approved without a conditional use permit as needed to ensure ~~the~~ City can meet the remaining need for emergency shelter that the City's emergency shelter need can be met. Zones that are amended to allow emergency shelters by right will include sites with adequate parcel sizes, redevelopment or reuse opportunities, proximity to services, and appropriate development standards to enable the development of sufficient emergency shelter space to meet the remaining need.*

Regional Housing Needs Allocation

Comment 22

The Housing Element Committee supports a higher target for the projected number of housing units that the community should provide in the next housing cycle, and the 2,075 [RHNA] would act as a floor rather than an aspirational ceiling or target. This recommendation is not asking for a change to housing element, but rather to convey the Housing Element Committee's support for more housing than the current RHNA requires of the City. The committee feels that going forward, the City needs to target more land to provide more housing units in the city.

There were supporters and dissenters regarding this suggestion. Dissenters suggested that the City should push back on RHNA numbers, like other cities have done. Staff believes that after reviewing the methodology for the region, there is not a compelling argument to push back on the assigned numbers for this cycle. SACOG assigned the RHNA numbers almost a year ago and they have been accepted by HCD. It would be difficult, if not impossible, to obtain a reprieve on that front.

There is further explanation on how RHNA numbers are determined and assigned on page ~~191468~~ of the **Revised** Final Draft Housing Element.

Comment 23

The city should focus on its need for workforce and family housing. No more 4 and 5 bedroom units should be permitted. But when they are, how does the city get RHNA credit for these large units.

How is the city receiving credit for the by the bed methodology?

Why use by the bed if it doesn't meet the federal definition of affordable housing?

Do we have any indication of what other university towns are doing in their efforts to align university growth pressures and RHNA numbers.

In response to direction from HCD, the methodology for calculating RHNA credit for by-the-bed rental projects is contained in Appendix C of the Final Draft Housing Element. By including it in the Housing Element, HCD has confirmed that it is accepting the methodology. Certification of the Housing Element will document that acceptance. Furthermore, policy program 2.8.1 will implement the program. It reads as follows:

2.8.1. Calculate the City's RHNA credit for by-the-bed rental developments in accordance with the methodology that the City of Davis has submitted to HCD for conversion of affordable bed rentals into affordable RHNA credit. This methodology is detailed in Appendix C of this Housing Element document.

By-the-bed rentals do not meet the federal definition of a housing unit, but they are located in apartment units that do meet the standard, with separate bathroom facilities and a separate entrance from other units. The methodology for RHNA credit for these bed rentals acknowledges that each bed is not, and should be, counted as a separate unit for RHNA purposes, but it establishes an equivalency.

In a meeting with City staff in December 2020, HCD staff confirmed that HCD would not accept any alternative methodology for calculating RHNA credit for larger format (i.e., 4 or 5+ bedroom) apartments.

Staff did review the general plans for three other university towns, San Luis Obispo, Merced, and Chico. These towns were chosen because, like Davis, they are stand-alone communities that are not part of a larger metro area. Each general plan expressed a concern for the growing student population and a lack of on campus housing. Each general plan also expressed a desire to continue to work with the university to address the housing needs.

Comment 24

At the end of 2020, the city had a remaining RHNA of 110 very low income units and 14 low income units and had exceeded its obligation for moderate and above moderate. Is this still an accurate accounting?

The end of the 5th Housing Element accounting was in June, 2021. No additional building permits were issued for low or very low income properties so the numbers remain accurate.

Comment 25

Is there a consideration in the numbers (shown on pages 57-59) of what will be happening at the university and what is stated in the LRDP?

The figures shown on pages 57 – 59 of the Draft Housing Element (pages ~~63-65~~62-64 of the **Revised** Final Draft Housing Element) come from the Sacramento Area Council of Governments. Considering that the data they use often comes from the State, it is unlikely that it is reflective of what is happening at the university and what is stated in the LRDP. Furthermore, the projections are informational. In any case, the city must meet its RHNA obligations regardless of what the university does.

Comment 26

The projects in Table 56 seem to be credited to previous RHNA numbers and the RHNA numbers we are discussing in this Housing Element. How is credit given for planning for and constructing affordable units?

The manner in which RHNA numbers are used can be confusing to those who are not a part of the regular planning effort. In its most simplified version, it works as follows:

1. The State of California gives the local Council of Governments (SACOG) a total amount of housing units which must be planned for within the General Plans of the jurisdictions making up the Council of Governments.
2. SACOG develops a methodology for dividing up the number of housing units among the jurisdictions. The methodology meets the criteria of the State. The assigned numbers are called Regional Housing Needs Allocation (RHNA.)
3. The City adopts its Housing Element which shows where it has available sites, already zoned, where housing can be built. If it does not have enough sites, it must rezone sites to meet its RHNA allocation. The city's obligation is to provide enough sites already zoned that can provide the number of units listed in the RHNA.
4. Every year, the city reports to the State Department of Housing and Community Development how many units of housing were built. Some housing will be built on sites previously zoned and included in the housing element and some will be entirely new sites not previously considered. Once a project is issued building permits, it is no longer an eligible site in the housing element. In other words, a unit is "counted" for RHNA purposes at the time of issuance of the building permit. Alternatively, if a site is zoned for housing, but the housing is not built within the timeframe of the housing element, the city may continue to count that site to meet its available sites inventory.

Comment 27

The methodology appearing in Appendix B (of the Draft Housing Element) is overly complicated, making it difficult and time consuming to calculate an equivalency of the number of beds in a "Megadorm" to conventional multi-family apartments. A far simpler formula would be much easier to apply. For example, "Megadorm" units comprised of one or two beds could equal one conventional unit. Units with three beds could equal 1.5 conventional units, "Megadorm" units comprised of 4 beds could equal 2 conventional units, and those with five beds could equal 2.5 conventional apartments.

City staff considered various approaches to this methodology. The various approaches were discussed with SACOG staff, and the staff of HCD on how best to address developing this formula. This is the formula that HCD has accepted. Staff, if directed, can work with HCD to refine it in future documents.

Candidate Rezone Sites

Comment 28

There are other sites to consider for housing, such as the Shriner's Property or the Signature Property. Why aren't those included?

Both the Shriner's property and the Signature property are located within the jurisdiction of Yolo County. Properties outside the city limits cannot be counted as available sites

toward the city's housing requirements unless they have been pre-zoned by the City. The chapter titled *Residential Site Inventory and Local Resources* gives an explanation as to why certain properties were considered and others not. Appendix B of the Final Draft Housing Element includes two maps that show the optional properties to include in the short term and long term rezone strategies. It is possible that the concept of adding additional sites outside of the city limits will be considered during the overall general plan update.

Comment 29

Why are candidate rezone sites not better distributed throughout the city?

House Sacramento recommends a 25% buffer of sites at all income categories.

Lots are being considered for rezoning to accommodate affordable housing but there is no plan or deadline to ensure that those same lots are developed for affordable housing. The plan should only include parcels whose owners have expressed real interest in investing in affordable housing and create an incentive plan to reward those land owners who proceed to build.

How will the shortfall be resolved and if not resolved, what are the consequences.

Rezoning does not imply the units will actually be built.

As stated earlier in this report, the city's assigned RHNA numbers come from the State of California via a SACOG distribution process. This cycle, SACOG assigned to the City of Davis, 2075 housing units. When the city prepares the Housing Element Update to address the new RHNA assignment, it must show where the available residential properties are located. If there are not enough available sites, the city must identify and rezone more sites within 3 years of adoption of the Housing Element. The sites identified to date are the candidate rezone sites to meet the shortfall.

This cycle, the State of California has made the selection of sites more stringent. All sites must be viable and "ready for development" meaning that if a city reports the inclusion of a site on its inventory, it must also show the reasonable likelihood of development. The sites selected, in the opinion of staff, have the most likelihood of development. If for some reason an adequate number of sites is not rezoned, then the city will be out of compliance with its General Plan, putting in jeopardy the ability to apply for grant funding and possibility the approval of other projects in the city.

It is true that simply rezoning a site does not mean units will actually be built. That is the reason why the city has an entire element designed to include policies that will further the production of housing. However, the City is not in the business of constructing housing. Therefore, it must rely on private developers to meet all of the requirements laid out by the city. And if the requirements are too burdensome, the affordable housing will not be built.

Comment 30

How are the 1000 units in the Downtown Specific Plan used in the RHNA calculations?

Why are Hibbert Lumber, Wild Horse Ranch and seldom used parks/open space not included in the candidate rezone sites?

Since the potential units included in the Downtown Specific plan are not permitted today (because adoption of the plan has not yet occurred) the potential for the units is counted as part of the Rezone Strategy. The potential units in the Draft Downtown Specific Plan cannot be counted toward the city's RHNA requirement until they are properly zoned. The Hibbert Lumber site is part of the rezone strategy. A further explanation can be found starting on page ~~191468~~, the Residential Site Inventory and Local Resources section of the Housing Element.

The Wild Horse Ranch site is zoned Agriculture and therefore would require a Measure J/R/D vote prior to development. Therefore, it does not meet the criteria set by the state for being "development ready."

The city has a general plan policy of providing 5 acres of parkland for every 1000 residents. Until the City can demonstrate it has excess parkland, it would be difficult to declare little used parkland as surplus.

Comment 31

Housing Policy 2.6 reads

Provide housing for the Davis workforce, including but not limited to teachers, UC Davis faculty and staff, retail and service workers, healthcare workers and city employees.

We recommend the addition of a program that would support the use of publicly owned land, including city and school district.

Possible City owned sites might include,

Anderson and F Street Property

The Park, bounded by King High School, the Sr Center and County Buildings

Fire Dept Building at 5th between D and E

West side of Corp Yard (Respite Center site)

All of the properties listed above are owned by the city of Davis, along with many others. Staff is unaware of any city owned parcel which could be deemed surplus, including those listed above. Furthermore, the City does not need a specific policy to address the use of publicly owned land for affordable housing. Under the Surplus Land Act, land deemed surplus by the city must first be made available for affordable housing. It is

likely that when the General Plan Update is performed, all publicly owned properties with another use will be evaluated for the potential use as affordable housing.

Comment 32

The commenter recommends the inclusion of sites that would be able to accommodate moderate income households throughout Davis. Increase the feasibility of Missing middle in neighborhoods that are exclusively single family.

ADUs are permitted by right in single family zones and are typically affordable to moderate income individuals. Additionally, the Housing Element does promote a mix of housing types in the City. The Inventory of Available sites includes sites affordable to those with a moderate income.

Comment 33

Remove inappropriate sites from possible development sites.

City should consider sites below .5 acres.

Remove unrealistic sites, such as E/F street sites...

Consider PGE Corp yard, DJUSD Admin building, City owned property.

There were several comments regarding the choice of sites the city has selected as possible development sites. The Legislature, unlike in any previous year, has dictated specific criteria that all potentially rezoned sites must meet. HCD will not accept any site under 0.5 acres. The E/F street site and its surrounding properties are part of the Downtown Davis Specific Plan. The City has control and ownership over the largest parcel and consideration will be given as to whether or not the property will be used as a cataly site for development in the Downtown Area.

Earlier this year, PG&E came to the city with a request for an entitlement for a new building on their corporation yard site at 5th and L Street. PG&E indicated to staff that they have no intention at this time of moving their corporation yard from Davis. They find that the location is very centralized to their northern California operations. Therefore, the PG&E site would not meet the Legislature's requirement for a property to be, "reasonably likely to develop."

Both the city and the School District have not indicated that their properties are surplus and available for development.

Comment 34

Cannery Marketplace (Table 56, page 154). It is noted that the project is on hold because the applicant is considering a revised project to replace the planned commercial development with residential units. This is a change that I strongly support. I recognize that many Cannery residents feel that the marketing literature for the Cannery "promised" a shopping center at the Cannery, but changes in retail buying habits make it increasingly doubtful that there will ever be sufficient demand for shopping, restaurants and related services at that site. (Plus, most of the contemplated shopping and related services are readily

available on the south side of Covell Boulevard at the Nugget shopping center.) I strongly suggest that the City should work with the developer to come up with a plan for affordable housing (either “Big A” and/or “Little a”) on the portion of the Cannery property abutting Covell Boulevard.

Because the applicant has a development agreement with the City, the City cannot unilaterally rezone the Cannery site without his agreement. Likewise, the applicant cannot request a rezone unless it is agreed to by the City.

Comment 35

How and why are the Nishi project and WDACC projects acceptable to count when there is no existing utility connection or infrastructure?

If WDACC is in the floodplain, how is the infrastructure to be funded?

How can Trackside be counted when it is in court?

Will Chiles Ranch subdivision ever be built?

The central question in all of these comments is how can the City take credit for projects that seem to have construction obstacles. Each one of the above referenced projects still plans to move forward. Granted, each one is in a different place in the approval process, but it is the expectation of the developer to construct. For example, staff has been in discussion recently with the Nishi developer. When the project was brought to the city, the developer knew and has accepted conditions of approval to extend the utilities onto the project site at the developer’s expense. The same is true of the WDACC project. When a project site is approved and the utilities are conditioned to be provided by the developer, it is acceptable to count the site as a viable site. It is worth noting that both sites are adjacent to existing utilities, which will enable them to connect.

It is also true that the WDACC site is in the floodplain. The developer plans to put additional fill on the site to raise it out of the floodplain. All expenses related to the work will be paid by the developer. The condition to do so has been agreed to by the developer.

The Trackside project is on appeal in a Yolo County court. Until the developer decides they no longer wants to defend the lawsuit and the courts have decided in favor of the plaintiff, the project remains viable.

The Chiles Ranch project was approved many years ago. However, a development agreement was also approved, which extended the time available to the developer to build. The City has received a very recent email from the developer stating that the project is still planned to move forward.

Comment 36

The housing element does not clearly identify which sites in previous housing elements and would either be not applicable towards the site analysis or subject to the mandatory rezoning as required by G.C. section 65583.2.c. (exactly as written)

The list of candidate sites for rezoning (Pg. 262 of Draft Housing Element) is incomplete.

The list of candidate rezone sites has been provided, circulated and commented upon.

The commenter elaborates in their letter that Site 1 on Table 57 (now Table 62 on page ~~206~~¹⁸³ of **Revised** Final Draft Housing Element) is made up of several parcels (some under 0.5 acres) under separate ownership. Furthermore, the commenter finds that to assume the site could be developed with 66 units does not seem to be realistic or appropriate.

These parcels are located within the area covered by the Draft Downtown Specific Plan and the largest of which is owned by the city. It is thought that the city owned parcel could be used as a catalyst site after the property is developed. Therefore, the city has reported the site as part of the Housing Element. The assumed density of the site has also been reduced to 53 units to provide a realistic capacity assumption.

Emergency Housing

Comment 37

Page 206 states that HEART of Davis organization has a 40 bed emergency shelter. This is an incorrect statement.

This statement has been corrected.

Comment 38

Please change Table 72 and the related calculations relative to the number of emergency beds provided by HEART of Davis.

Beginning on page ~~260~~²³⁷ of the **Revised** Final Draft Housing Element (now Table ~~808~~¹), there is a discussion of emergency shelters and the number of beds provided therein. The information contained there has been updated to remove Heart of Davis as a provider and to report that the number of emergency shelter beds needed in Davis has increased to 145 beds.

Comment 39

The following statement (on page 145 of the Draft Housing Element)

The interfaith Rotating Winter Shelter provides cold weather shelter to the Davis homeless population at different member congregations throughout the winter.

Should be changed to,

Interfaith Rotating Winter Shelter no longer exists and the new program, HEART of Davis, will not be running an emergency rotating winter shelter.

This change has been made to the document.

University of California / Davis

Comment 40

The city of Davis needs to pressure UCD to develop far more, and much higher density on-campus student housing than they have described for its continuing growth and to build the promised on campus faculty and staff housing. This is critical to relieve pressure seriously impacting Davis and surrounding cities. UCD is the largest UC campus with 5300 acres, including a 900 acre core campus and also needs to commit to building at least 50% on campus student housing like all the other UCs.

Encourage UCD to continue to develop on campus housing to meet existing and future needs and to lessen pressure on city housing supply and transportation systems.

Strengthen the role of on campus housing by encouraging UCD to require freshmen and sophomores to live on campus.

Encourage UCD to located fraternities and sororities on the University Campus. Until that is possible, they should be located in medium high and high density residential zones near the campus.

Encourage UCD to continue their plans to develop more faculty housing and to develop staff housing and provide programs for maintaining both, to lessen the pressure on city housing supply.

The Draft Housing Element contains the following policy relative to housing provided by the UCD.

1.4.1. Continue to work with UC Davis to provide housing for students. Support the provisions in the Memorandum of Understanding entered into by and between the City of Davis and UC Davis in 2018, including but not limited to the University's commitment to provide on-campus housing for 100% of the actual student population in excess of the baseline enrollment number of 33,825 students, as defined in the 2018 Long Range Development Plan EIR.

Many commenters believe that the City should put additional pressure on the University to provide more housing for students which in turn, should make more housing available

in the city for non-students. In 2018, the City entered into a Memorandum of Understanding with the UCD with regard to implementation of their Long Range Development Plan. Policy 1.4.1. is drafted to be compliant with the MOU. Attached is the January 2019 LRDP Housing Report (See Attachment 4). The information within is accurate except that the Shasta/Emerson project will be complete in 2021 instead of 2022. The City will continue to monitor the construction of the housing projects on campus to ensure compliance with the MOU.

Comment 41

The City of Davis needs to ask SACOG and HCD to pressure UCD to build far more and much higher density on campus housing on its enormous 5300 acre campus and a 900 acre core campus, for its students.

The Sacramento Area Council of Governments and the State Department of Housing and Community Development have no jurisdiction over the University of California at Davis. The University does not receive a Regional Housing Needs Allocation. The UCD Regents are responsible for the operations of the campus.

Senior Citizens

Comment 42

Senior Citizens Commission recommends that the Housing Element promote the design of housing specific to the needs of seniors.

The Draft Housing Element already contains two policies regarding the needs of seniors. They are:

1.3.1. As part of the upcoming General Plan Update, explore regulatory incentives and zoning standards to facilitate the production of housing to meet the special housing needs of individuals with disabilities and developmental disabilities, extremely low, very low, and low incomes, large families, senior citizens, farmworkers and their families, female-headed households with children, and others with special needs.

And policy 1.3.4. Review new housing projects against the City-adopted Senior Housing Guidelines.

Comment 43

Designate a section of the Housing Element to Seniors, specifically encouraging the development and funding of age restricted housing communities for all income levels of Davis residents.

Pages 146 through 148 of the **Revised** Final Draft Housing Element are specifically about the housing needs of seniors. It should also be noted that Davis has already approved an age restricted housing community for seniors at all income levels. It is called Bretton Woods and should begin construction by 2022.

Greenhouse Gas Reductions

Comment 44

Action 6.1.11 should be revised to include an interim 2030 goal of reducing GHG emissions to 40% of 1990 levels and also revise the 2030 goal to reach neutrality by 2040, not be an either 80% or neutrality by 2040.

Action 6.1.11 has now been renumbered to Action 6.1.5 and reads as follows:

Action 6.1.115. Reduce the City's greenhouse gas emissions to 80 percent of 1990 levels or neutral no later than 2040.

Staff does not recommend the changes as suggested by the commenter. Greenhouse Gas emission reductions belong in the Climate Action and Adaptation plan, which is under revision. When new policies are adopted, the Housing Element will be updated to reflect the current policy.

Comment 45

All new multifamily dwelling housing projects should be required to provide electric vehicle charging facilities for residents.

The REACH codes (which have been adopted by the City of Davis) already require the inclusion of EV charging stations in multifamily residential projects.

Comment 46

The commenter supports the inclusion of a policy of infill housing throughout the city as a means of facilitating a lower carbon lifestyle for all residents.

The city of Davis is creating a large plan for infill housing under the adoption of the Downtown Davis Specific Plan. The plan will allow for the development of 1000 dwelling units in a predominantly commercial area, close to the university and other places of employment in the city.

Comment 47

Eliminate all natural gas appliances in all new residential construction by 2025

Staff does not recommend the changes as suggested by the commenter. While the elimination of natural gas appliances will support the city's greenhouse gas reduction goals, the more appropriate place for such a policy is within the Climate Action and Adaptation Plan (CAAP.) In that way, all greenhouse gas reduction efforts can be evaluated simultaneously. After the CAAP is adopted, any necessary amendments can be made to the housing element. The City has also adopted REACH codes that provide a disincentive to build a home with natural gas appliances thereby promoting electrification.

Miscellaneous

Comment 48

On page 229 of the Draft Housing Element, there is a note that staff time has already been allocated to this project and a date is given of 2025. Is that the date that the topic will be discussed or the expected completion date of whatever action items are identified.

The commenter is referring to Program Action 5.2.5 which reads as follows:

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
5.2.2. Work with residents and landlords/owners in the event of sharp rental increases or evictions of groups of tenants by landlords of rental properties with 40 or more units. Special attention shall be given to projects with potential for large-scale gentrification or displacement of Section 8 residents or other underserved populations without appropriate relocation to other similar affordable units.	a. Assist residents with housing information	a. Housing staff, with support from the Social Services Commission and City Council	As needed	Already budgeted staff time
5.2.3. Forward all existing and new affordable housing opt-out notices to Legal Services of Northern California in Woodland.	a. Forward opt-out notices	a. Housing and Social Services staff	As notices are received	Already budgeted staff time
5.2.4. Work to maintain continued affordability of existing affordable housing with expiring federal, state, or local subsidy programs by annually monitoring each at-risk project and working with owners to develop a plan for conservation of the units. This may include offering technical assistance in identifying alternative funding sources if original funding will expire.	a. Enforce affordability covenants and resale restrictions b. Provide technical assistance	a and b. Housing staff, with support from the Social Services Commission and City Council	Annually and ongoing as needed	Already budgeted staff time
5.2.5. Evaluate mechanisms to provide further protections for residents in mobile home parks, potentially to include a mobile home park rent stabilization ordinance, a memorandum of understanding between mobile home park owners and the City, City subsidies for mobile home park residents, resident or City purchase of mobile home parks, and/or a zoning overlay to designate mobile home parks for mobile home park use.	a. Analyze various models and policies related to space rent affordability; make recommendation b. Analyze implementing a mobile home park zoning overlay for the City's mobile home parks; make recommendation c. Review and take action	a. Housing staff b. Social Services Commission, Planning Commission and City Council	2025	Already budgeted staff time

The reference to, “already budgeted staff time” means the task will likely be performed by City staff whose salaries are already included as part of the city budget. The reference to 2025 means that the expected timeframe to finish the task is the year 2025.

Comment 49

Why not restart the pre application process for projects headed for a measure D vote? Further, the city’s own infill guidelines document needs to be implemented.

In the past, the Planning Commission would hold a “pre-application” public meeting for those projects which were considered potentially controversial. As staff understands the process, this would be without the benefit of staff analysis and technical input, without CEQA analysis, and outside of a legally required public hearing. The commenter feels that this process should be brought back because potentially problematic issues could be ironed out early in the application process, particularly

those headed for a Measure J/R/D vote. Staff does not recommend requiring such a process but rather having the pre application process be voluntary as it has the potential to violate due process requirements. Furthermore, there is no assurance that satisfying the issues with one group will satisfy those of another. The entitlement approval process is designed to be a quasi-judicial one where the Planning Commission and City Council evaluate all information from the staff, the public and the applicant in an open and transparent setting. The City's infill guidelines, while available as a published document, were never formally adopted and therefore, cannot be required.

Comment 50

The Plescia Report needs to be given to the Finance and Budget Commission for it to review and we need to get their feedback on the analysis and conclusions in the document. The Finance and Budget Commission need to determine if more than 15% of affordable housing can reasonably be required of new multifamily projects on larger parcels. Vertical Mixed use needs a new analysis to increase requirement.

The Plescia Report was prepared for use in adopting new provisions in the Affordable Housing Ordinance. It is no longer necessary to spend time reviewing the document as a new, updated analysis will be prepared and reviewed as part of the update to the affordable housing ordinance.

Comment 51

Impact fees need to be directly related to the number of bedrooms in the project.

Can an inflation factor be applied or built in to the fees?

In lieu fees for affordable housing are too low.

If you must accept in lieu fees, make the fee comparable to the cost of the number of units demanded by the affordable housing ordinance for that development using a net present value calculation.

Is the current fee still acceptable.

Following the adoption of the housing element and the update to the Affordable Housing Ordinance, the City will undertake a fee study to determine the appropriate fee amounts.

Comment 52

Land dedication should be the primary method for providing affordable housing.

Land Dedication is not always the most viable method for compliance, especially if the original parcel is relatively small. Furthermore, the current Affordable Housing Ordinance has many methods for compliance, one of which is land dedication. The City has found that having a menu of options for compliance gives the city a greater chance

for providing affordable housing. While the city can always strive to do more, many cities do not come as close to meeting their assigned RHNA numbers as Davis has.

Comment 53

Housing Program Action 1.3.2 --Work with the Housing Authority to provide Housing Choice Vouchers to small households with extremely low and very low incomes.

Should be re written as follows;

Work with the Housing Authority to Provide Housing Choice Vouchers to qualifying households.

Based upon comments made by HCD, staff has redrafted program 1.3.2 as follows;

1.3.2. Work with the Housing Authority to provide Housing Choice Vouchers to ~~small~~ households with extremely low and very low incomes, particularly households belonging to underserved populations, to the extent permissible by local, State, and federal law. Continue to participate on the Housing Authority Board of Directors and meet quarterly with a representative of the Housing Authority to discuss local projects.

Comment 54

Housing Program Action 2.1.3 states

Create incentives to the development of affordable housing through measures such as flexible development standards that are compatible with the surrounding neighborhood. The PD zone is meant to foster development flexibility. For non-PD sites, the city can consider parking reserves or waivers on development standards such as setbacks, lot coverages and open space of up to 10 percent.

It should be re written to state;

Create incentives to the development of affordable housing through measures such as flexible development standards. The PD zone is meant to foster development flexibility. For non-PD sites, the city can consider parking reserves or waivers on development standards such as setbacks, lot coverages and open space of up to 10 percent.

The commenter believes that the descriptor, “compatibility with the surrounding neighborhood” is vague and unnecessary.

Comment 55

Housing policy 3.1 reads;

Affirmatively furthering fair housing opportunities for all persons regardless of race, color religion, sex national origin familial status, disability, age, marital status, sexual orientation, source of income, and receipt of section 8 or other subsidized rental program.

The proposed action does not reflect national standards of AFFH. We recommend the development of program actions that would examine how existing city housing policies limit integration and contribute to segregation and then address those barriers.

Affirmatively furthering fair housing opportunities is a new area required to be addressed by the State. HCD provided commentary on how to comply with the requirements in their comment letter. Therefore, staff has rewritten portions of the Housing Element chapter entitled, *Assessment of Fair Housing* (beginning on page 9998 of the **Revised** Final Draft Housing Element.) Furthermore, policy 3.1.1. has been redrafted to read as follows:

3.1.1. ~~Serve at least 100 people annually with the City's Fair Housing Services~~Provide information related to California Housing Law by disseminating information about these services throughout the community through the City's Fair Housing Services.

Comment 56

There should be a review of previous housing element to describe the extent to which planned actions were accomplished and how the land inventory compared to actual development.

The review of the accomplishments of the 5th Cycle Housing Element (2013-2021) begins on page 1746 of the **Revised** Final Draft Housing Element.

Comment 57

There should be an assessment of the probability of inventoried land to be developed throughout the life of the element.

The chapter titled, *Residential Site Inventory and Local Resources*, gives an explanation of the available sites and how they meet the state requirements for likelihood of development. (See page 191468)

Comment 58

What is the potential fiscal impact of policy 5.2.7?

Policy 5.2.7 states,

5.2.7. Provide financial incentives to rental property owners with affordable units that are at risk of conversion to market-rate on the condition of making individual units permanently affordable, when appropriate.

When a project has had an affordable housing funding component included in the original project, such as funding from the government, there is frequently an expiration date to such arrangements. Those units are labeled, “at risk.” When the city becomes aware that a property is nearing the end of its agreement, the city will try to negotiate an extension of that agreement to preserve the units. Each circumstance is different depending on the needs of the property, the funds available to the city, and the general market for housing. The Housing Trust Fund program is a chance to set guidelines for such situations.

Comment 59

Web based virtual methods precluded participation from diverse minority populations and the underserved.

What was done to contact each of these organizations and people listed and keep them involved in the process? How is public outreach documented? How was Facebook used? How were media releases used? How did City share digital information with the project partners?

A complete description of how the various organizations and people listed were kept involved in the process is included **in Appendix B** ~~on pages 5 through 10~~ of the **Revised** Final Draft Housing Element.

Comment 60

Table 30 should include the expiration date of currently affordable housing projects.

Table 30 does show the expiration date of the affordability requirement in each project. It is in the final column. All updates have been entered accordingly.

Comment 61

**Use realistic build out densities, particularly in core area.
100% density in Core Retail unrealistic.**

Davis is assuming that every site listed in the site Inventory will be developed. HCD requires cities to account for the difference between a site’s nominal capacity and its realistic capacity. The Draft Housing Element assumes that they are equal.

In response to comments made by HCD and others relative to build out densities, staff reduced the build out density by 20% to 80% in the Downtown Specific Plan area, as well as for all Low Income and Moderate Income housing sites in the city. The assumed building density for all Above Moderate Income sites was reduced by 10% to 90% density as well. A full discussion of density assumptions is located on pages **192-196**~~171-173~~.

Comment 62

How do we create a more diverse community?

Habitat for Humanity recommends:

- **Reforming zoning to allow mixed income communities. Diversify the types of homes.**
- **Build and preserve affordable homes in communities of opportunity.**
- **Increase the mobility of families with vouchers.**

The City of Davis has already begun the process of reforming its zoning to allow mixed income communities. For many years, the City has promoted a diversified housing stock in its housing element. Furthermore, the entire City is considered a community of opportunity. Therefore, any affordable housing built in the city is a step forward. The Housing Element has many policies which promote these same concepts.

Comment 63

How does the city of Davis compare to other cities for the cost of a building permit?

Table 78 (in the Final Draft Housing Element) shows a fee comparison of the jurisdictions in the SACOG region. It should be noted that for Davis, SACOG misrepresented the in lieu affordable housing fees as part of the total fees reported in their fee study. This is inaccurate as not all projects pay in lieu fees. Table 78 provides accurate fee estimates for Davis.

Comment 64

How were the land values derived on page 212 (of the Draft Housing Element.)

Staff and the consultant used industry standard real estate data to estimate typical costs. This information is the best to which we have access.

Comment 65

Policy 2.6.1 needs to have a specific action.

Policy 2.6.1. reads as follows:

2.6.1. Explore programs to assist members of the City's workforce with securing housing in Davis, including but not limited to expanding the local employee incentive system to include rental developments, and continue to utilize local employee incentive system as a means of connecting local employees to local affordable and middle ownership opportunities.

Its action is to continue the use of the Local Workforce Incentive System. This program is required by all housing projects with an affordable component. In effect, the System is a point system given to prospective affordable housing tenants wherein persons who already live in Davis get extra points, persons who work in Davis get additional points, etc. In this way, the marketing is geared toward the local population, giving them a

greater likelihood of getting an affordable unit. Therefore, the Local Workforce Incentive program is the specific action.

Comment 66

What is the Universal Access Ordinance?

The Universal Access Ordinance is found in chapter 18.10 of the Davis Municipal Code. Under this code, all new single family and multifamily units not otherwise subject to building code requirements are subject to the requirements of this article shall, at minimum, include components of accessibility in the development of said units.

Corrections

Comment 67

The attached Census map shows 15,607 jobs in the city of Davis in 2018 rather than the 22,303 figure shown in the Draft Housing Element. The 2017 map shows 15,197. Is there an explanation?

The map referenced by the commenter is provided from *On the Map*, which primarily uses data on jobs that are covered by unemployment insurance to estimate the number of jobs in a given area. Because this source relies mostly on unemployment insurance records, it does not include those who are self-employed and it may be less accurate for counting some workers that are not covered by unemployment insurance (e.g., State employees), though *On the Map* has improved its methodology for counting these workers over time.

Comment 68

The sums on Table 56 appear to be slightly incorrect.

Table 56 is now Table 61. The totals have been adjusted.

Comment 69

The commenter suggests the following typographical corrections;

- 1. Typographical Corrections: There are just a few minor corrections needed. a. Page 6, "Public Review Period:" Change April to May because the HE was issued May 3.**
- b. Page 16, item 9, "Progress/Effectiveness" column, line 7: delete the word "are" between the words "requirements" and "were."**
- c. Page 20, item 18, "Progress/Effectiveness" column, line 4: insert the letter "s" in the word "provide."**
- d. Page 32, item 57, "Progress/Effectiveness" column, line 4: Change 2020 to 2021, because the City is still working on the Downtown Davis Specific Plan.**
- e. Page 81, 2nd paragraph, line 8: it appears a word is missing between the words "while" and "means;" probably the word "it" is needed.**

These corrections have been made.

Comment 70

In the Constraints Section, page 166, 2nd paragraph, last sentence: It states that “The City finds that density standards in the General Plan do not hinder the production of housing.”

What analytical process was used to reach this conclusion? In other words, what proof of this assertion exists? Absent documented evidence, this assertion could be challenged.

During the General Plan 2013-2021, the city was tasked with the production of 1066 housing units. During that time, 1483 housing units were built with 398 of them being affordable to Low or Very Low income persons. Most of those projects included a General Plan amendment to entitle the project, which was granted by the city. Furthermore, the city’s general plan residential land use categories top out at 50 to 70 dwelling units per acre, well over the default density standard of 30 units per acre for lower income housing used by HCD. The General Plan promotes a diversity of housing types, affordable to a variety of income types, and includes density ranges to make that possible. Therefore, the General Plan does not include density standards that hinder the production of housing.

Comment 71

Constraints Section, Specific Plan subsection, page 167, first paragraph: The document states that the South Davis Specific Plan and the Gateway/Olive Drive Specific Plan do not allow densities that meet the default density standard for lower-income housing, or 30 units per acre.

i. Why is this case; i.e., what is the rationale for these plans to not allow such densities?

ii. Consider examining whether these limits in the current specific plans warrant revision to allow such densities.

Both of these specific plans were adopted long before the default density standard for lower income housing was 30 dwelling units per acre. However, the city has approved the Lincoln 40 project at 22 units per acre and has a pending project within the Gateway/Olive Drive project proposed at well over 30 units per acre. The many of the candidate rezone sites are located with the South Davis Specific Plan and will be considered for increased density.

Comment 72

On the bottom of page 172, Table 64 – Residential Zoning Standards, Mixed Use,: It says that lots in excess of 24,000 SF shall require conditional use permits.

i. What is the rationale for this requirement?

- ii. Why is 24,000 SF the “magic number.”
- iii. Should the City consider revising or eliminating this limitation?

Staff did some research into the source of the 24,000 square foot number. Unfortunately, the code was adopted in the 1970s and there is no record for why it was chosen. However, the MU zone is located within the area of the Draft Downtown Davis Specific Plan. When the new plan is adopted, the existing provisions will be superseded. The Draft Downtown Davis Specific Plan is anticipated to be adopted in Q1 2022.

Comment 73

The HE states under Parking Standards, page 193 of the Draft Housing Element, that the current parking requirements do not hinder the availability and affordability of housing. Please explain the analytical methods used to reach this conclusion. What proof exists to substantiate this conclusion? Without concrete proof, how can this statement be made?

Table 30 includes a list of all of the affordable units in Davis, including the 398 built between 2013 and 2020. If parking were a hindrance to providing affordable housing, the units would not have been built. More specifically, the Creekside Apartments project provided a total of 50 parking spaces when the standard parking requirement for the 90-unit multi-family dwelling project under the City’s zoning would be 97 spaces. Under state law, the project was entitled to a lesser standard of .5 spaces per bedroom, or 50 spaces for 99 bedrooms. Another example where an affordable housing project was afforded flexible parking standards was the Bartlett Commons in the Cannery. That project was given a 10% reduction in the number of required stalls.

Comment 74

On page 201, under *Efforts to Remove and Reduce Governmental Constraints*, 4th bullet: The sentence references “reduced requirements for in-fill development comprised of mixed-use and/or condominium development.”

i. The City formerly had an affordable housing exemption for mixed-use development; i.e., the loophole that enabled the Nishi developer to exclude affordable housing from the first proposal (which failed on the 2016 ballot). Upon the recommendation of the Planning Commission in 2018, City Council abolished that exemption, meaning that since then, mixed-use projects must meet the requirements of the City’s Affordable Housing Ordinance. Therefore, how can the City offer “reduced requirements” for mixed use infill projects when in fact affordable housing requirements are fully applicable to mixed-use projects? Maybe I’m just missing something here, or else the statement needs clarification.

Under Chapter 18.05.050(a)(1)(D), for projects comprised of market rate stacked condominiums or ownership units within vertical mixed-use development, the developer must provide for a number of affordable housing units equivalent to five percent of the total units being developed including the affordable units. While this is not an

exemption, it does recognize the complexity and costs associated with vertical mixed-use development and is a reduced requirement relative to more standardized single-family housing types. The affordable requirement being at five percent is only applicable to vertical mixed-use ownership housing types at this time. After the Housing Element is adopted, the City will be pursuing an update of the inclusionary housing requirements for rental housing to update affordable requirements for rental vertical mixed-use projects among other rental housing types.

Comment 75

A number of UCD Employees: It appears there are 3 different numbers for UCD employees, but unless there is an explanation somewhere that I missed, there is no way to discern why such differences appear. The differences:

- i. Table 17 says 22,616 people work in Davis.
- ii. But, Table 18, the list of Principal Employers, has a total of 27,810 UCD employees, a difference of 5,194 workers. How can the top 10 employers have a total of 5,194 more employees than the total number of people working in Davis shown in Table 17? One explanation could be that the 24,629 UCD employees shown in Table 18 includes the Med Center in Sacramento, but I have not yet found a statement to this effect.
- iii. Table 19, page 56, shows that UCD has a total of 22,590 workers.

Table 17 shows total employment in Davis according to ACS data. This is all people who work in Davis, not just UCD employees.

Table 18 shows 27,810 total employees at the top ten employers in Davis (UCD and others), as reported in the City's CAFR. The table shows 24,629 UCD employees. The employment counts in the CAFR include total employment for entities located in Davis, some of which might be located outside of the Davis jurisdictional boundaries. We added a note to the revised document to clarify.

Table 19 shows the total number of workers, as reported by *OnTheMap*, at UC Davis (22,590), including both the Davis campus and the Sacramento satellite campus. There is a note in the table that states that both campuses are included.

The data in Table 18 are from the City's 2019 CAFR while the data in Table 19 are from 2017 (the most recent available when we pulled the data), which might explain at least some of the difference. The difference could also be due in part to differences in the methodology used for each source.

Environmental Determination

Staff recommends approval of a Negative Declaration and Initial Study in accordance with the requirements of the California Environmental Quality Act (CEQA), the State CEQA Guidelines, the City's procedures for the implementation of CEQA, and other applicable laws. The proposed project is found to have less than significant / no impacts. Therefore, no environmental impact report (EIR) will be prepared for the project.

The Initial Study and proposed Negative Declaration can be reviewed online at:

<https://www.cityofdavis.org/city-hall/community-development-and-sustainability/planning-and-zoning/housing-element-update-2021-2029>.

The IS/ND was published and circulated for public review for 30 day in July and August of 2021. One comment letter was received from the Central Valley Regional Water Quality Control Board that details the relevant water quality regulations that would apply to future development projects. None of the comments are relevant to the programs or policies within the Housing Element. No response is needed.

Attachments

1. Final Revised Draft Housing Element (Clean Version)

<https://www.cityofdavis.org/city-hall/community-development-and-sustainability/planning-and-zoning/housing-element-update-2021-2029>

2. Final Revised Draft Housing Element (Redline Version)

<https://www.cityofdavis.org/city-hall/community-development-and-sustainability/planning-and-zoning/housing-element-update-2021-2029>

3. Planning Commission Questions and Responses

4. UCD LRDP report (2019)

5. Housing Element Negative Declaration and Initial Study

<https://www.cityofdavis.org/city-hall/community-development-and-sustainability/planning-and-zoning/housing-element-update-2021-2029>

6. Resolution

Resources

City of Davis Housing Element Webpage:

<https://www.cityofdavis.org/city-hall/community-development-and-sustainability/planning-and-zoning/housing-element-update-2021-2029>

**ATTACHMENT 3
PLANNING COMMISSION QUESTIONS AND RESPONSES**

On August 11, 2021, the Planning Commission deliberated the proposed Housing Element. Prior to taking action, they posed a series of clarifying questions. Staff responded to the questions during the meeting, and have provided them here for information to the City Council.

The Planning Commission met on August 11, 2021 to discuss the Final Draft Housing Element and provided the following input. Specific comments from the Planning Commission are presented below, along with staff's response, if warranted. Further below is a description of the more general discussion items that may require City Council to weigh in on and discuss.

Why were Programs 35 and 39 from the prior Housing Element deleted and not carried forward in the update? The text in the Program/Effectiveness column on the table on page 32 for Program 35 says, "The City intends to resume its efforts on the rehabilitation of this property as funding and staffing allow." The text on page 33 for Program 39 says, "The City continues to work on a sign program to disclose all pending development. This has not yet been completed."

Program 35: According to the City's Housing Element Annual Progress Report (APR), this program is not funded. While the APR reports that the City is working on rehabilitation efforts for a specific property, efforts related to this specific property do not indicate an overall ability to implement this program. In addition, several components of this program are covered by other programs in the updated Housing Element. For example, the Housing Element identifies housing opportunity sites, and Program 2.4.2 says that the City will compile and maintain a list of vacant sites that are suitable for affordable housing development. Several programs associated with Policies 4.1 and 4.2 help to encourage and facilitate residential development by providing assistance with entitlement processing and other technical assistance as well as streamlining the review process.

Program 39: This program was not completed during the prior housing element cycle and does not have a strong relationship to facilitating affordable housing production or improving access to housing for those in need. This program was deleted in order to prioritize actions that will have a more significant impact.

Staff does not recommend a change to the text of the Revised Final Housing Element Draft based on this comment.

The document uses both 2018 and 2019 American Community Survey (ACS) data. If 2019 data was available, why use 2018 data? Why not update 2018 ACS data when 2019 ACS data became available.

The Housing Element used the most current data available at the time that the document was prepared. At the time that the majority of the Housing Element Needs Assessment chapter was prepared, the 2018 data were the most recent available from the ACS. This portion of the document was prepared early in the process to provide

data for public engagement events and meetings as well as to inform subsequent stages of the Housing Element preparation process. Shortly before the public review draft was released and after the majority of the Housing Needs Assessment had been prepared, the consultant team added some additional figures to the draft document based on information available through the HCD AFFH (Affirmatively Furthering Fair Housing) Data and Mapping Resources Tool in order to address evolving guidance from HCD on the requirements for the AFFH component of the needs assessment. By that time, the ACS had released 2019 data and these data were incorporated into the AFFH Mapping Resources Tool, and thus into the Housing Element document. The remainder of the document was not updated to include 2019 ACS data due to the additional time and budget that would be required to make this change. However, it is unlikely that updating the remaining data based on the 2019 ACS would have a meaningful impact on the findings from the Needs Assessment in such a way as to impact the programs portion of the Housing Element.

Staff does not recommend a change to the text of the Revised Final Housing Element Draft based on this comment.

On page 224 of the redline version of the Final Housing Element Draft, there is a reference to “current vehicle ownership standards.” This is not a transportation industry term.

Following discussion between Commissioner Shandy and Assistant City Manager Ash Feeney, they suggested the following wording change:

- In general, the parking requirements under this standard ~~do not provide~~ exceed adequate parking to meet current vehicle ownership standards.

This phrase was not intended to represent a specific industry term, but rather to describe current trends in vehicle ownership. The project team was able to research the use of this phrase and determined that it had originated in the previous (5th cycle) Housing Element. Page 5-7 of the 2013-2021 Housing Element stated:

“In general, the parking requirements under this standard do not provide adequate parking to meet current vehicle ownership standards. Instead of a typical vehicle ownership of one to two cars per household, there tend to be one vehicle per tenant in the many all-student households that occupy a majority of market rate rental housing units in Davis. The City has required alternative transportation plans in order to address this need. Additional planning has included increased bike parking and shared bicycles, proximity to and promotion of bus options, and apartment parking permit requirements.”

As shown, the intent of this language was to convey that due to the prevalence of students renting apartments, rather than a single household per apartment, the likelihood of there being enough cars for each apartment to exceed the number of parking spaces provided under this standard is greater. The project team determined that this was still relevant to the current Housing Element cycle. Therefore, the

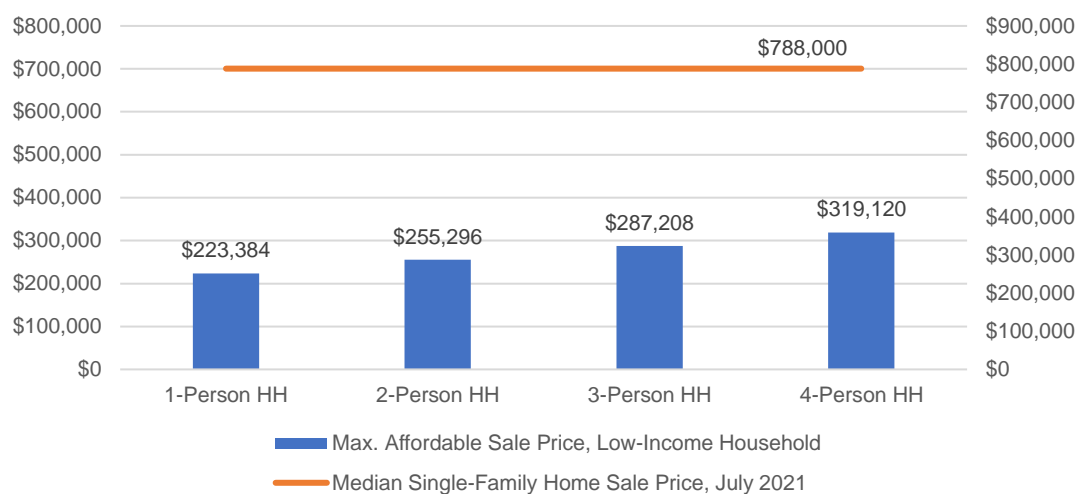
proposed edit discussed at the Planning Commission is inaccurate. Based on the To avoid potential confusion surrounding the use of the term “current vehicle standards,” the text of the Housing Element has been updated as follows:

In general, the parking requirements under this standard do not provide adequate parking to meet current vehicle ownership standards. In cases where these parking standards are not anticipated to address parking needs for a particular project, the City has required alternative non-vehicular transportation plans in order to address this need. Additional planning has included increased bike parking and shared bicycles, proximity to and promotion of bus options, and apartment parking permit requirements. These strategies have generally been effective in mitigating the need for parking while remaining more cost-effective than providing additional parking spaces.

The Housing Element does not focus on Low Income ownership opportunities. Why?

Providing homeownership opportunities for low-income households can be challenging due to the significant gap between market-rate home sale prices and the sale prices that low-income households can afford. Often the affordable sale price for a low-income household is lower than the cost to build a for-sale unit. The charts below show the affordable single-family home and condominium sale prices for low-income households of various sizes, along with the market-rate single-family home and condominium sale prices. Note that the affordable sale price for condominiums is lower than the affordable sale price for single-family homes because monthly costs for condominium ownership include HOA fees, which reduce the income that a household has available for mortgage payments.

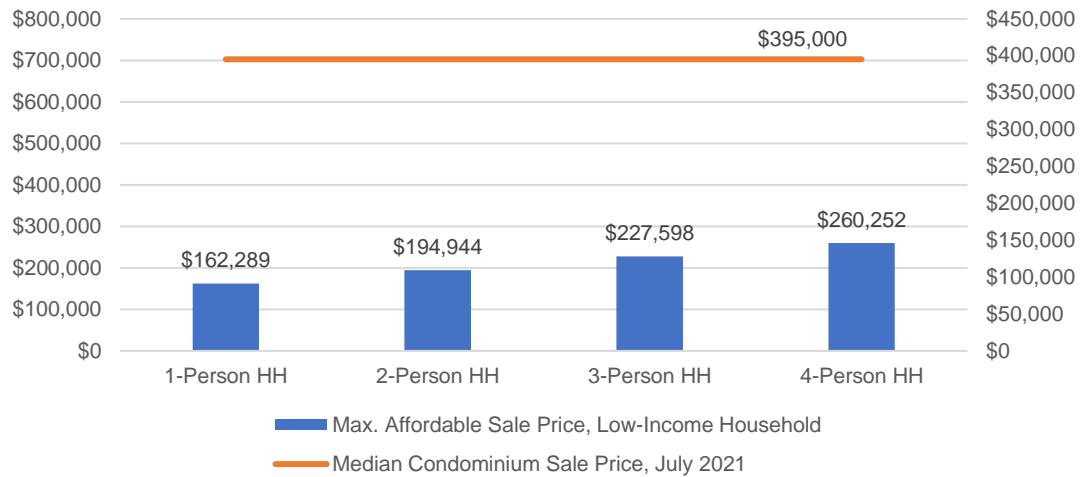
Figure 1: Affordable Single-Family Home Sale Price for a Low-Income Household and Market-Rate Single-Family Home Sale Price, Davis, 2021



Notes:

1. Household incomes based on 2021 HCD income limits for Yolo County.
2. Assumes an FHA loan with a 3.5 percent down payment plus upfront mortgage insurance equal to 1.75 percent of loan amount. Down payment ranges from \$7,818 for a one-person household to \$11,169 for a four-person household. Upfront mortgage insurances ranges from \$3,772 for a one-person household to \$5,389 for a four-person household.

Figure 2: Affordable Condominium Sale Price for a Low-Income Household and Market-Rate Condominium Home Sale Price, Davis, 2021



Notes:

1. Household incomes based on 2021 HCD income limits for Yolo County.
2. Assumes an FHA loan with a 3.5 percent down payment plus upfront mortgage insurance equal to 1.75 percent of loan amount. Down payment ranges from \$7,818 for a one-person household to \$11,169 for a four-person household. Upfront mortgage insurances ranges from \$3,772 for a one-person household to \$5,389 for a four-person household.
3. HOA fees estimated at \$339 per month.
4. The July 2021 median market-rate condominium sale price is based on only two sales during this period. In June 2021 there were nine condominium sales in Davis, with a substantially higher median sale price of \$525,000.

The Housing Element includes some programs that could facilitate the production of more affordable homeownership opportunities, though the extent to which these types of homeownership opportunities will be affordable to low-income households will depend on market conditions and the specifics of City development agreements with developers. These programs include:

- Program 1.2.2: As part of proposed large housing developments, encourage a range of housing types including small residential lots and other smaller unit types to facilitate the creation of more inclusive communities.

- Program 1.2.3. Through the adoption of the Downtown Davis Specific Plan (DDSP), provide opportunities for the development of owner-occupied townhouses, small cottages, and condominiums in and near the core area to limit sprawl and provide housing options for a wide range of current and future residents at a lower price point than a typical single-family home.
- Program 2.1.4. If new lands are added to the City's General Plan Area, identify, zone and develop affordable housing sites early in the planning process.

In addition to these programs, the City could facilitate low-income homeownership opportunities by providing down payment assistance to low-income buyers. However, the City does not currently have funds for such a program. This could be considered as a potential priority for use of the City's Housing Trust Fund (see Program 2.2.2).

The City could also facilitate low-income homeownership opportunities by implementing inclusionary requirements on new for-sale developments. This be included as part of the updated Affordable Housing Ordinance (see Program 2.1.1).

The City could also negotiate with developers of new subdivisions to provide low-income for-sale units as part of the development agreement process, potentially as an extension of Program 2.1.4.

It should be noted that providing homeownership opportunities for low-income households is often costly due to the significant gap between market-rate sale prices and the sale price that is affordable to a low-income household. Consideration of potential actions to facilitate low-income homeownership should include an evaluation of the total cost of such programs and the resulting number of households that would be served, compared to other approaches to address housing needs among various segments of the City's population.

The maps in the appendix showing the results of the RHNA virtual exercise are difficult to read.

Maps with a higher resolution have been added to Appendix C of the Revised Final Housing Element Draft.

The Extremely Low and Very Low Income affordable beds in the Nishi project should not be counted in the Housing Element's Residential Sites Inventory because the project's Affordable Housing Plan specifically states that the income restricted beds would be rented only to students.

The phrasing of this clause in the Affordable Housing Plan is unfortunate, as it does appear to convey that income restricted beds would only be available to students. However, the Affordable Housing Plan goes on to say that the income restricted beds would be rented in compliance with all applicable fair housing laws, and rental to only students would be a violation of those laws.

Staff believes that because the Affordable Housing Plan specifically states that all applicable fair housing laws will be followed that the income restricted beds and units in the Nishi project do indeed meet the intent of providing affordable housing to anyone needing it at the Extremely Low and Very Low Income levels. The income restricted beds would equate to an estimated 35 Extremely Low Income units and 70 Very Low Income units, for a total of 105 of the City's RHNA obligation to provide 580 Very Low Income units.¹ This represents approximately 18 percent of the City's obligation to provide land zoned for Very Low Income housing. Also, worth mentioning is that the zoning itself of Nishi still allows for the development of both Extremely Low and Very Low Income units. If these units are removed from the Residential Sites Inventory, the City will be obligated to increase the amount of land needing to be rezoned by May 15, 2024.

For this reason, staff recommends keeping the income restricted units in the Housing Element's Residential Sites Inventory.

However, if the City Council chooses to remove the income restricted units from the Residential Sites Inventory, the Lower Income unit inventory would be reduced by 105 units, which would increase the City's current shortfall of Lower Income units from 472 units to 577 units. This would also increase the City's rezone obligation from 23.6 acres to 28.9 acres based on the assumed realistic capacity assumptions. Text edits reflecting this change would also be required prior to sending the Final 2021-2029 Housing Element to HCD for certification.

Regarding Table 70 on page 202 of the Final Housing Element Draft, is there really a statewide standard for parking?

Staff clarified at the meeting that they believed this is a reference to the concessions permitted under the State Density Bonus law but that they would confirm and report back to the City Council. Following the Planning Commission hearing, the project team confirmed this and revised the title of Table 70 to "Maximum Allowable Parking Requirements for Density Bonus Projects" to clarify the information that is reflected in the table.

In the "Input Received" subsection in the redline version, there are no changes shown about changes made between the Public Review draft and the Final Draft based on public comments and feedback from the Planning Commission. Would like to see more information on the input from the Planning Commission in this subsection.

While the Community Participation section, beginning on page 5, of the Housing Element was rewritten between the releases of the Public Review Draft and the Final Draft of the Housing Element, changes were not made specifically to the "Input Received and Responses to Input Received" subsection. Additional language

¹ Note that the RHNA combines units for Extremely Low and Very Low Income units under the "Very Low Income" category.

describing the changes made in response to the Planning Commission's input at the June 15, 2021 meeting has been added to the Input Received subsection, beginning on page 10 of the Revised Final Draft Housing Element.



UC Davis 2018 LRDP:

Exceeding student enrollment housing needs

Access to housing is a significant challenge throughout the state of California and critical to supporting the strong sense of community cultivated by our university. To provide future students with easy access to academic resources and multiple options to live on campus, **UC Davis is pursuing the most ambitious student housing construction initiative in its history – one that even exceeds the university’s potential enrollment growth.**

This student-housing plan, which includes capacity for adding up to 9,050 beds of new campus housing, was included as part of the university’s 2018 Long Range Development Plan (LRDP) – a comprehensive, multi-year community engagement and planning effort – and approved by the UC Board of Regents at their July 19, 2018 meeting.

This document provides additional details and outlines the university’s timeframe for addressing this important section of the LRDP for our community.

By 2025, UC Davis will add up to 6,180 new beds – 118% of potential enrollment growth. UC Davis will add an additional 2,870 beds by 2030 and so realize in excess of 9,050 beds identified within the LRDP. Finally, the campus will continue to actively partner with the City to entitle the Nishi project which may accommodate an additional 2,000 students immediately adjacent to campus.

July 2018
(revised January 2019)

Committed Projects through 2025

Project	Type of housing	Bed increase	Opening	Notes
Tercero Phase IV	Residence Hall	500 beds	Fall 2017	Complete.
West Village Double-Up Expansion	Apartments	550 beds	Fall 2017 through Fall 2022	Approved and in-progress. Formal agreement with developer to expand beds in existing West Village neighborhood. Approximately 300 new double-up beds to be occupied in Fall 2019 and the remaining 250 beds to be filled in the next 1-3 years.
Webster and Emerson	Residence Hall	440 beds	Fall 2022	Approved and in-progress. Webster is opening fall 2019 with 400 beds (replacing 260 beds). Emerson will start construction in fall 2019 and will reopen in 2022 with 800 total beds (replacing 500 beds). Emerson was approved by the Regents in March 2018 (Budget, External Finance and Design pursuant to CEQA).
West Village	Apartments	3,290 beds	Fall 2020 through Fall 2021	Approved and in-progress. Regents approved Design pursuant to CEQA July 19, 2018 and delegated final finance and business terms to the President. Construction underway with 1,000 beds scheduled to complete for fall 2020 and an additional 2,290 beds completing in fall 2021.
Orchard Park	Apartments Student Family	up to 1,400 beds including 200 units for student families	Fall 2023	Information item to Regents in March 2018, financial feasibility and design in progress. Final bed counts and timing will be determined in 2019. <i>Note: student family units assumed to support at least one student per unit plus family members.</i>
TOTAL		6,180 beds		Exceeds potential enrollment growth of 5,175

Planned Projects through 2030

Project	Type of housing	Bed increase	Notes
Solano Gateway housing	Student Apartments	1,470 beds	Redevelopment of Solano Park Apartments to occur after Orchard Park is completed. The redevelopment of Environmental Horticulture may occur sooner
Segundo	Residence Halls	400 beds	Redevelopment of Regan Hall Complex to achieve higher density.
Segundo	Student Apartments	500 beds	Redevelopment of Cowell Building and adjacent parking lots as a mixed use residential program with office space and new dining commons.
Tercero 5	Residence Halls	200 beds	Infill development near new Tercero Dining Commons.
Core Campus Mixed Use	Student Apartments	300 beds	Integrate residential space into new academic and administrative development opportunities in the core campus.
West Village Faculty and Staff Housing	Single or multifamily homes	500 units	These numbers are not included in student housing numbers. Financial analysis in progress.
TOTAL		2,870 beds	

RESOLUTION NO. 21- SERIES 2021

RESOLUTION OF THE CITY OF DAVIS CITY COUNCIL TO ADOPT THE NEGATIVE DECLARATION #4-21 AND UPDATED HOUSING ELEMENT OF THE GENERAL PLAN FOR 2021-2029 AND DIRECT STAFF TO SUBMIT THE UPDATED HOUSING ELEMENT TO THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR STATE CERTIFICATION

WHEREAS, the City's Housing Element has been updated and includes current demographic and housing stock information as required by State Housing Law; and

WHEREAS, the City has identified an adequate list of housing sites to accommodate the amount, type and income levels required by the City's Regional Housing Needs Allocation; and

WHEREAS, the City has conducted an environmental review of the Housing Element, prepared Initial Study and Negative Declaration #4-21 and has determined that this update will not result in a significant effect on the environment; and

WHEREAS, the Element contains program actions to meet the goal to provide housing that is affordable for residents with low incomes and low-paying jobs, fixed incomes, and pensions; and to strive to meet the identified current and projected local need for housing and for housing affordable to extremely low-, very low-, low-, and moderate-income households including provision of Davis' eight-year fair share of regional housing needs; and

WHEREAS, the City will continue to diligently seek resources to create and conserve the supply of housing; and

WHEREAS, the City has submitted its draft Housing Element document to the State Department of Housing and Community Development (HCD) and has made changes and updates in response to HCD's questions and comments.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Davis that:

1. The City Council hereby certifies Negative Declaration # 4-21 that has been prepared for this update to the City's Housing Element as adequate under the California Environmental Quality Act. No significant impacts are identified and no mitigation is required;
2. The City Council adopts the updated 2021-2029 Housing Element, which includes changes in response to the State Department of Housing and Community Development (HCD)'s review of the document in accordance with state law;
3. The City Council directs staff to resubmit this updated Housing Element document for certification by HCD.

PASSED AND ADOPTED by the City Council for the City of Davis this _____ day of August 31, 2021, by the following vote:

AYES:

NOES:

Gloria Partida
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk

APPENDIX G: DECEMBER 5, 2023 CITY COUNCIL STAFF REPORT

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STAFF REPORT

DATE: December 5, 2023

TO: City Council

FROM: Sherri Metzker, Community Development Director
Eric Lee, Senior Planner

SUBJECT: Revised 2021-2029 Housing Element (Version 3) and Housing Rezoning Actions to Implement the 2021-2029 Housing Element

RECOMMENDATION

Staff recommends that the City Council hold a public hearing and approve the following:

1. Resolution Adopting Negative Declaration #03-22 (Attachment 2);
2. Resolution Adopting Revised 2021-2029 Housing Element (Version 3) (Attachment 3);
3. Resolution Amending the General Plan to Designate Sites as Residential High Density and Residential Medium High Density (Attachment 4);
 - *This incorporates the Planning Commission recommendation for 526 B Street to designate the entire site Residential Medium High Density.*
4. Resolution Amending the General Plan to Designate Sites as Mixed Use (Attachment 5);
5. Ordinance Rezoning Sites as PD 01-22 (HD) (Attachment 6);
6. Ordinance Rezoning Sites as PD 05-22 (HD Mixed) (Attachment 7);
7. Ordinance Establishing a High Density Overlay District (Attachment 8);
8. Ordinance Amending the Downtown Code for Ministerial Residential Developments and Amending the DTRN Overlay Map (Attachment 9);

City Council may also choose to incorporate the additional Planning Commission recommendations to develop design guidelines for 526 B Street and to remove 3425 Chiles Road and 3015 Cowell Boulevard from the site inventory and/or remove them from the resolution redesignating the two sites as Residential High Density and the ordinance rezoning the two sites as PD 01-22.

SUMMARY

This staff report presents a general overview and analysis of the revised 2021-2029 Housing Element and related housing sites rezone. The City of Davis has been working on an updated Housing Element for 2021-2029 cycle, with the current update serving as the 3rd version, which will be submitted to the California Department of Housing and Community Development (HCD) upon approval by the City Council. The current version was updated to address comments from HCD. The Housing Element also was updated to address comments from members of the public, including comments from Legal Services of Northern California and the Public Interest Law Project.

The current effort includes the rezoning by the City of a sufficient number of suitable sites that can accommodate the required amount of lower-income housing to meet the City's Regional Housing Needs Allocation (RHNA). The City's RHNA is assigned by the State to the region and then allocated to local jurisdictions by a regional planning body. The RHNA for the City of Davis for 2021-2029 includes a total of 2,075 housing units consisting of 580 very low-income units, 350 low-income units, 340 moderate-income units, and 805 above moderate-income units. The revised Housing Element (Version 3) identifies a current housing shortfall of 496 lower-income units.

On November 8, 2023, the Planning Commission considered the revised Housing Element (Version 3) and proposed housing rezone sites and voted to recommend City Council approval with adjustments related to the rezoning. The Planning Commission's recommendations are discussed in this staff report. It included designating the entire 526 B Street (Davis Joint Unified School District) site to Residential Medium High Density, which is incorporated into the recommendations above. The site is still included for rezoning and any housing developed would count towards the City's RHNA, but the site would no longer be claimed in the City's site inventory for the current purpose of identifying capacity for the City's Lower Income RHNA. The removal of 526 B Street from the site inventory would result in a reduction of 26 units in the lower income unit capacity currently described in Housing Element (Version 3). However, the capacity in the City's site inventory would still exceed its Lower Income RHNA shortfall even without this site. This staff report and attachments reflect the change to 526 B Street. Other changes recommended by the Planning Commission are discussed and are provided for City Council consideration, but have not been specifically incorporated into the attachments provided with this City Council staff report.

At this time, the City is proposing to rezone 16 sites to allow medium and high density housing. Thirteen of the rezone sites are identified on the City's site inventory to address the City's Lower Income RHNA shortfall. Of those 13 sites, 8 of the sites would be rezoned to only allow high density residential uses as the primary permitted use (with limited accessory and conditionally allowed uses) and 4 of the sites would be rezoned to allow high density residential uses-only or mixed use with high density residential required. One site would have an overlay district allowing high density residential uses in addition to the existing allowed uses (which do not allow residential). Altogether, the inventory of rezone sites would exceed the City's shortfall and provide a potential capacity of 698 units (**not** including the additional capacity on the three rezoned sites that would not be counted in the inventory).

The proposed rezoning includes development standards and requirements that would apply to the future residential projects to ensure minimum standards and adequate protections (including minimum density requirements). To facilitate the needed housing, the planning process for developments that are consistent with the zoning and development standards would be an administrative review. Additionally, as required by state law, certain residential projects meeting other criteria (including a 20 percent affordability requirement) would have non-discretionary ministerial review.

FISCAL IMPACTS

The cost of preparation of the document revisions was paid by SACOG. Additional city staff time was required to conduct the analysis for the housing rezone sites and prepare the related documents and staff reports.

COUNCIL GOAL(S)

This item relates to Council Goals:

1. Ensure a Safe, Healthy, Equitable Community
5. Enhance a Vibrant Downtown and Thriving Neighborhoods

BACKGROUND

On August 31, 2021, the City Council adopted Version 1 of the 2021-2029 Housing Element (Resolution 21-128). On September 10, 2021, the document was submitted to the HCD for their certification. HCD responded with a letter to the City of Davis on December 8, 2021, in which, HCD found that the housing element (as adopted) did not comply with State Housing Law (Article 10.6 of the California Government Code.). The project webpage with the document and related information is at: [\(Version 1\) Housing Element Update Webpage](#). A link to the document is below.

- Version 1 of the Housing Element is available online: [Final City of Davis Housing Element \(Adopted August 31, 2021\)](#).

In response, staff spent 2022 working with HCD on the proposed revisions to the adopted document including review by the Planning Commission. On January 31, 2023, the City Council adopted Version 2 of the 2021-2029 Housing Element (Resolution 23-008). On February 2, 2023, the document was submitted to HCD for their certification. The project webpage with the document and related information is at: [\(Version 2\) Housing Element Update Webpage](#). A link to the document is below.

- Version 2 of the Housing Element is available online: [Final City of Davis 2021-2029 Housing Element Version 2 \(adopted January 31, 2023\)](#).

HCD Comments on Housing Element Version 2

HCD provided a letter to the City dated April 3, 2023 that identified areas where HCD found that changes to the City's adopted Housing Element (Version 2) would be necessary to bring the document into compliance with state law (Attachment 11). Consequently, the City's Housing Element remained uncertified. The City received a

subsequent letter from HCD City dated August 31, 2023 which stated that Version 2 of the Housing Element (as adopted) did not comply with State Housing Law (Attachment 12). Additionally, HCD noted that it legally cannot find the Housing Element to substantially comply with state law until the city completed the necessary rezones (due to a specific provision of state law). The city provided a response letter to HCD on September 1, 2023 (Attachment 13).

The April 3, 2023 HCD letter identified three topic areas in their comments that needed to be addressed in a revised document. The three topic areas can be generally described as:

1. Outreach and public participation of different economic segments;
2. Updating the inventory of suitable land for residential development, identifying actions to make the sites available, undertaking a rezone of the sites for housing; and
3. Clarifying and refining the schedule of program actions for the City to implement the policies and to achieve the goals and objectives of the Housing Element.

In response to HCD's comments, the revised Housing Element Version 3 has been prepared and incorporates additional information and changes that address the comments. A detailed discussion of the HCD comments and City responses is provided in the Planning Commission staff report, which is included as Attachment 10.

Consequences of a Non-Compliant Housing Element

Jurisdictions that are determined to be non-compliant with respect to their Housing Element face a number of potential consequences. They include:

- Grant Funding. Ineligibility or delay in receiving certain state funds such as:
 - Permanent Local Housing Allocation Program
 - Local Housing Trust Fund Program
 - Infill Infrastructure Grant Program
 - SB 1 Caltrans Sustainable Communities Grants
 - Affordable Housing and Sustainable Communities Program
- Financial Penalties. State law provides for court-imposed penalties for persistent noncompliance, including financial penalties.
- "Builder's Remedy" Projects. Jurisdictions without a certified housing element are vulnerable to arguments from applicants that the City must process and approve housing applications without regard for Zoning and the General Plan.

REVISED HOUSING ELEMENT VERSION 3

Throughout 2023, staff and the city's consultants have been working on revisions to the housing element in response to HCD comments. Staff believes that the comments are adequately addressed in the revised housing element. Staff also has been analyzing sites and preparing documents and standards necessary to rezone the identified sites

for housing to meet the city's Regional Housing Needs Allocation (RHNA) as part of the implementation of the Housing Element. It is staff's expectation that with the changes and rezoned housing sites, HCD will be able to certify Version 3 of the 2021-2029 Housing Element. However, prior to re-submittal of the element to HCD, the revised Housing Element must be re-approved by the City of Davis.

The revised Housing Element Version 3 is available online. It is being provided as both a red-lined version which shows the changes from Version 2 and provided as a clean version with the changes incorporated. The project webpage with the document and related information is: [\(Version 3\) Housing Element Update | City of Davis, CA](#). Links to the documents are below.

- [REDLINE DRAFT Housing Element \(Version 3\) - Public Review Draft \(October 31, 2023\)](#)
- [DRAFT Housing Element \(Version 3\) - Public Review Draft \(October 31, 2023\)](#)

The Planning Commission reviewed the revised Housing Element Version 3 and did not identify any textual changes or additions as part of their recommendation to approve it; that said, Planning Commission's recommendations with respect to rezoning would, if adopted by City Council, require modifications to the Housing Elements sites inventory, as described in more detail below. It should be noted that the attached resolution adopting Housing Element Version 3 authorizes staff to make non-substantive changes and corrections to the document that may be necessary for internal consistency and to achieve HCD approval (Attachment 3). Any City Council changes to the document or necessary minor corrections will be incorporated.

PLANNING COMMISSION RECOMMENDATIONS

On November 8, 2023, the Planning Commission held a duly noticed public hearing to consider the revised document and the proposed housing rezone sites. Planning Commission questions and comments touched on city responses to HCD comments, additional information on public outreach, site selection, location concentration, and development feasibility. Commissioners also stressed the importance of getting a certified housing element. The discussion highlighted HCD density requirements and site criteria, the required capacity to meet the mandated number of lower income units, and the importance of including a buffer in the sites inventory. Commissioners expressed concern about some of the specific rezone sites and appropriateness of the proposed densities, given property owner interest and public comments.

Staff described the analysis that was conducted to test the feasibility of the sites, reiterated the site selection considerations and state criteria for inclusion, and noted the contact or discussions that had taken place with property owners or interested parties. Commissioner comments on the specific sites included:

- For the 4100 and 4120 Chiles Road, some commissioners were open to the overlay district request from the property owner (instead of a straight rezone), but there was no clear consensus.
- For 315 Mace Boulevard, commissioners noted that it was a good site for high density housing and should be rezoned. Although there was discussion about whether an overlay district would be more appropriate, the Commission ultimately agreed to leave this site in the sites inventory and rezoning program.
- For 3500 Chiles Road, Commissioners commented that it was a good site for high density housing and the proposed split designation of high density and medium high density was reasonable.
- For 3425 Chiles Road and 3015 Cowell Boulevard, some commissioners expressed concern about development feasibility and site or location issues.
 - *See the Planning Commission's recommendation below to remove the two sites.*
- For 1000 Montgomery Avenue and 2740 Cowell Boulevard, one comment noted that these locations were not close enough to services and amenities for potential residents.
- For 526 B Street, commissioners noted that it is a good site for high density housing, but also expressed concern about the surrounding residential neighborhood and the School District's request for the site to be designated as medium high density.
 - *As described below, the staff report recommendation to the Planning Commission was for a split designation on the site of high density and medium high density. Planning Commission recommended that the whole site be designated as medium high density.*

The Planning Commission approved the following recommendations for City Council:

- Adopt Negative Declaration #03-22 by a vote of 6 to 0.
- Adopt revised 2021-2029 Housing Element Version 3 by a vote of 5 to 1.
- Adopt the General Plan and Zoning amendments and the rezoning for the housing sites by a vote of 5 to 1, with the following adjustments:
 - Designate entire 526 B Street site (2.2 acres) as Residential Medium High Density and develop design standards for the site by a vote of 4 to 2.
 - Remove 3425 Chiles Road site (1.04 acres) and 3015 Cowell Boulevard site (1.1 acres) from the rezone list by a vote of 4 to 2.

The Planning Commission staff report (not including staff report attachments) is provided as Attachment 10.

LEGAL SERVICES OF NORTHERN CALIFORNIA COMMENTS

In addition to the comments from HCD, the City also received extensive correspondence and comment from Legal Services of Northern California (LSNC) and the Public Interest Law Project (PILP), which are included as Attachment 14. In incorporating revisions to the document, city staff was in contact with LSNC and PILP staff about their comments and concerns regarding the Housing Element. City staff

appreciates the input and collaboration of both of these groups. Attachment 15 to this staff report includes the City's detailed responses to the organizations' earlier comments from (prior to September 2023). In addition to direct correspondence and conversations with LSNC and PILP staff, city staff ensured that both organizations received notice of the public hearings.

The City also received a letter from LSNC dated November 8, 2023 on the date of the Planning Commission hearing (see Attachment 14c). In the letter, LSNC first thanked city staff for incorporating many of their previous comments and meeting to discuss the potential rezone sites. However, LSNC did express concerns that Housing Element Version 3 does not affirmatively further fair housing because it would overconcentrate multi-family affordable housing in the southeast section of the City. LSNC also stated that smaller sites with a capacity of 41 units or less were unlikely to attract affordable housing developers who would need larger parcels to secure financing. Finally, the letter requested that the City add programs to affirmatively further fair housing. Specifically, LSNC stated that the City should "commit to initiating a rezone or annexation that will increase affordable housing sites in the Northern and Western areas of the City or the City's sphere of influence." Separately, LSNC requested that the City require that all new ADUs "be deed restricted as affordable rentals for a minimum of 15 years."

The City is committed to providing affordable housing in the community. Although the City appreciates the input from LSNC throughout this process, the City believes that the 2021-2029 Housing Element **does** affirmatively further fair housing. Brief responses to the aforementioned LSNC concerns from November 8, 2023 are provided below.

Size of Rezone Sites

The rezone inventory sites were selected based on a number of factors, including but not limited to, vacancy status and availability, owner/developer interest, statutory site criteria, HCD guidance, and overall suitability from a planning perspective.

LSNC expressed concern that the City identified several smaller sites with a stated "capacity" of 41 units or less. State law restricts the identification of sites that are smaller than **half an acre** to accommodate a jurisdiction's Lower Income RHNA. The smallest site identified in the City's sites inventory is one acre. In addition, of the 13 total sites in the inventory to address the City's lower income RHNA shortfall, half of them (7 sites) exceed 2 acres. Additionally, two of the smaller sites - 3425 Chiles Road (1.04 acres) and 3015 Cowell Boulevard (1.1 acres) - are separate parcels but are adjacent to each other, which provides a potential opportunity to develop them as a single larger site. In short, the City complied with state law and did not include small sites in the sites inventory.

Moreover, the reference to a capacity of "41 units or less" is somewhat misleading. It is important to note that the estimated number of lower income units identified in the City's site inventory is a conservative estimate of the potential development capacity for a site. The estimate is based on the minimum required density, not the maximum allowable density, and in some instances the estimate is based on less than the full acreage of the

site (in an effort to make the estimates even more conservative and take into consideration site constraints). The actual **capacity** of the sites included in the sites inventory fits well within the number of units that would make these sites feasible for affordable housing financing.

In short, all of the proposed rezone sites meet the statutory criteria and HCD guidance, including the size criteria. The City has not relied on any sites smaller than an acre (let alone ½ acre) and has identified sites with a realistic capacity for development, estimating that capacity in a conservative manner.

Affordable Housing Sites Location and Concentration

The City of Davis has a long-time policy of requiring and providing affordable housing in development projects and subdivisions in all areas of the City. As a consequence, the City has affordable housing sites distributed throughout the City. Figure 1 below shows the distribution of **existing** affordable housing within the City, including both multifamily rental sites and single-family ownership units. The multifamily sites include developments consisting of all affordable units and sites that have affordable units mixed in with market rate units.

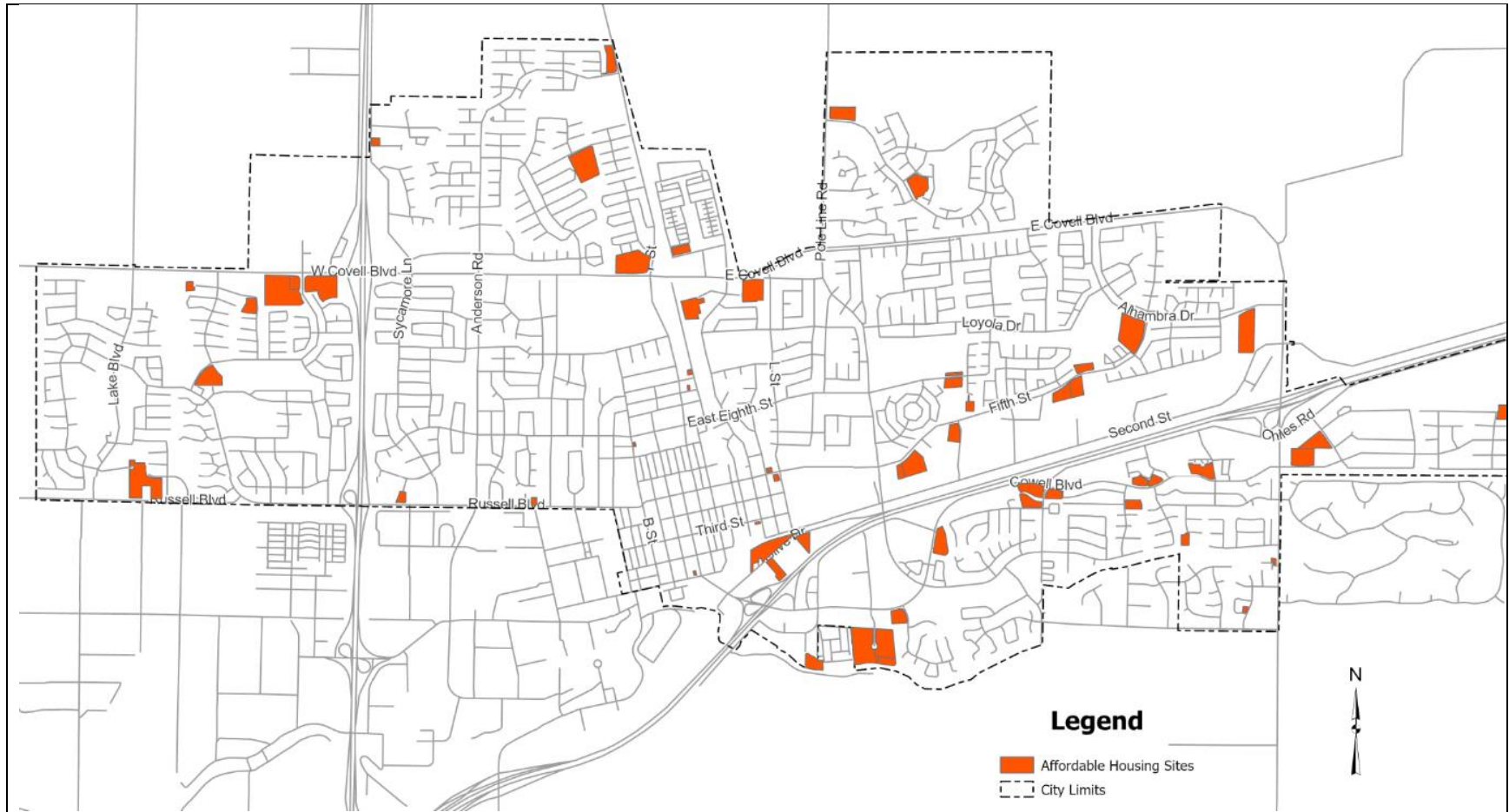


Figure 1. Affordable Housing (multifamily rental and single-family ownership units) within the City

Notably, Figure 1 does not show **approved** (but not yet constructed) projects that will provide additional affordable units, such as the Chiles Ranch Subdivision, 715 Pole Line Subdivision, Olive Drive Mixed Use, D Street Gardens, Nishi Housing, and Bretton Woods. Importantly, **all** of these sites with approved affordable units are located outside of Southeast Davis.

The City also is currently processing applications for several multi-family developments proposed in Downtown Davis and several peripheral housing projects, all of which would provide affordable units if approved and built and all of which are located outside of Southeast Davis. Figure 2 below identifies approved projects with affordable units in green, pending downtown projects in yellow, and pending peripheral projects in brown. It includes The Promenade (formerly Nishi) project, which is located adjacent to Downtown Davis and is shown in yellow, is being scheduled for its annexation hearing and is also undergoing additional required design review by the City.

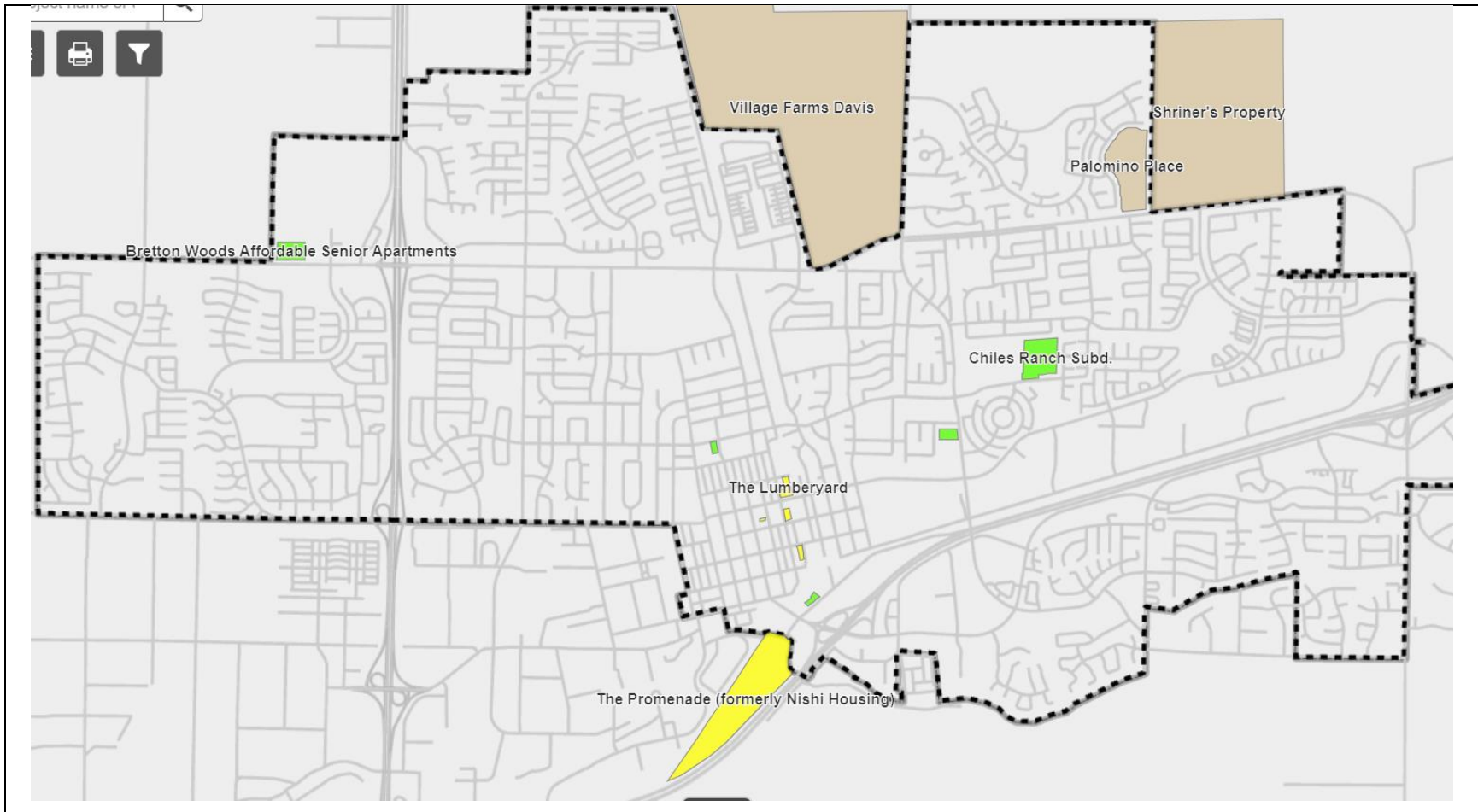


Figure 2. Residential Projects with Affordable Units - Approved or Pending Approval

Finally, staff notes that none of these maps geographically identify the naturally occurring affordable units that the City anticipates will be built through ADU development throughout the City.

As noted above, both existing and pending housing developments will continue to spread affordable housing throughout the City. The proposed rezone sites program must be considered in connection with the rest of the Housing Element programs, pending projects, and existing housing stock. Staff does not believe the rezone program will result in an overconcentration of lower income housing within southeast Davis (south of Interstate 80). In addition, the Housing Element itself contains a discussion of the rezone sites as they relate to the City's duty to affirmatively further fair housing. See, Housing Element Version 3 Redline, Exhibit E, p. 340-341.

With respect to the location of the rezone sites themselves, staff notes that of the 13 sites included in the sites inventory to address the City's Lower Income RHNA shortfall, 8 of the sites are located in the southeast part (south of Interstate 80) of the City. See Figure 3 (Proposed Housing Rezone Sites Map).

These sites are located in areas that are well-served by local transit and the City's off-street bicycle network. The sites also are near two neighborhood shopping centers (Oakshade Plaza and El Macero Shopping Center) and a number of other standalone retail and restaurant buildings. From these sites, schools and parks may be accessed easily by bicycle and on foot. All of these sites are appropriate for rezoning and will contribute to the development of high density housing in the City. As stated above, however, rezoning the proposed sites for high density housing will not overconcentrate affordable housing in the southeastern part of the City.



Figure 3. Proposed Housing Rezone Sites Map

Initiating Annexations

With respect to the suggestion that the City annex property to provide for additional housing opportunities, staff notes that the City is currently processing planning applications for a number of peripheral developments, none of which are included in the City's site inventory. These include the proposed Village Farms Project (1800 units) and the Shriners Project (1200 units). The City is also in receipt of another peripheral application that would not require annexation - Palomino Place (163 units) - which the City is currently reviewing for completeness. The City also has received two other pre-applications wherein the developer is seeking preliminary feedback on housing proposals. All of these proposals include an affordable housing component.

While the City is not counting any of these potential peripheral proposals toward its current RHNA cycle for planning purposes (largely because of statutory criteria and HCD guidance), the City is processing these applications expeditiously. The City considers both infill and peripheral opportunities for new housing development to be important, even if the Housing Element rezone sites do not include the peripheral sites as identified capacity toward the Lower Income RHNA (again, largely because of statutory criteria and HCD guidance). Finally, Implementation Program 2.5 in the Housing Element seeks to make peripheral opportunities more streamlined by proposing to amend the City's voter approval measure (J/R/D) to grant the City Council authority to approve affordable housing projects without voter approval.

Deed Restrictions for ADUs

With respect to the suggestion that the City require affordable deed restrictions for ADUs, staff does not believe that it would be practical or legally viable. The City strongly supports the construction of ADUs. They play an important role in diversifying the City's housing stock and can provide "naturally occurring" affordability, as discussed in the revised Housing Element Version 3. However, the City simply does not have the legal authority to mandate that new ADUs be deed restricted as affordable housing. As such, the City cannot accommodate LSNC's request regarding deed restrictions.

CITY HOUSING REZONE SITES

City’s Lower-Income RHNA Shortfall

Table 64 (thumbnail page 211 – redline version), which summarizes the City’s housing capacity, identifies a surplus of units for moderate-income and above moderate-income units. However, after accounting for expected units (434 units) from planned and approved projects, vacant and underutilized sites, and accessory dwelling units, there would still be a shortfall of 496 lower-income units necessary to accommodate the City’s total Lower-Income RHNA (930 units). Housing Element Table 64 is provided below as Table 1 of the staff report.

Table 1. Housing Element Table 64: City of Davis 2021-2029 Housing Capacity

	Lower Income Units		Moderate-Income	Above Moderate-Income	Total
	Very Low	Low			
2021-2029 RHNA	580	350	340	805	2,075
	Combined “Lower” 930				
Planned and Approved Projects	284	24	668	1,157	2,133
Vacant and Underutilized Sites	72		104	66	242
Accessory Dwelling Units	5	49	99	15	168
Total Capacity	434		871	1,238	2,543
Surplus (+) / Shortfall (-)	-496		+531	+433	

Per State law, the City must rezone land that allows at least 30 units per acre with a minimum density of 20 units per acre. Additionally, the rezoned sites must allow projects with at least 20 percent affordable housing to be approved through a by-right process, and at least 50 percent of the Lower-Income RHNA shortfall must be accommodated on parcels designated exclusively for residential uses (or else other requirements apply). To ensure that sites are a suitable size for development of lower income units, state criteria generally requires that the sites are between half an acre and 10 acres in size. The City’s sites are consistent with the above criteria.

The City is also obligated to maintain adequate sites throughout the RHNA projection period through a provision in State law called “no net loss.” If sites that are identified in the inventory as meeting the Lower-Income RHNA are developed with market rate development (and do not include the number of lower-income units identified in the inventory for the site), those sites are essentially “lost” from the lower-income sites inventory. If the City does not have capacity in its sites inventory to accommodate the City’s remaining unmet need at a specific income level, state law mandates that the City identify a replacement site within 180 days. HCD recommends identifying additional capacity of 15 to 30 percent beyond the Lower-Income RHNA in order to create a buffer to deal with no-net-loss requirements.

The City has updated its site inventory and identified additional sites to accommodate the (revised) shortfall of 496 lower income housing units. The City has analyzed and proposed the rezoning of 16 sites (13 of which are included in the inventory), which results in a unit capacity that **exceeds** the 496 dwelling unit shortfall by more than 200 units (40%). The inventory sites provide a potential capacity of 698 units, as shown below in Table 2 (Housing Rezone Sites and Development Potential for City's Lower Income Site Inventory).

The capacity calculation is based on the minimum density of 24 units per acre for sites proposed as Residential High Density, which is the minimum density for the category and also required in the PD Zoning. For sites proposed as Mixed Use, the calculation uses a minimum density of 20 units per acre, which is required for the sites in the PD Zoning or the Overlay Zoning. However, actual density of developments built on all of these sites could be higher than these minimums.

Additionally, half of the site located at 3500 Chiles Road (7.28 acres) which is proposed as Residential Medium High Density is not counted for the purposes of the Lower Income Site Inventory, but would provide additional potential capacity if developed. The two sites at 4100 and 4120 Chiles Road and the site at 526 B Street are likewise not included or counted in the site inventory, but would provide additional potential capacity, as shown below in Table 3 (Development Potential of Additional Rezone Sites not included in the Lower Income Site Inventory). Altogether, the City's proposed rezone sites provide an adequate capacity buffer with substantially more than the minimum needed.

Another way to consider the site inventory is based on acreage. At a minimum density of 20 units per acre, the City is obligated to rezone at least 24.8 acres to meet the shortfall. Under the current proposal, 30.88 acres would be rezoned for high density housing to meet the City's Lower-Income RHNA shortfall. This is conservative as many of the rezoned sites actually have a minimum density requirement of 24 units per acre. Table 2 below summarizes the 16 rezone sites and is updated to reflect the Planning Commission's recommended change to 526 B Street. Importantly, the proposed rezones specifically implement the Rezone Program called for in Housing Element Program 1.2 to rezone at least 24.8 acres to address the City's shortfall of 496 Lower-Income RHNA units, plus a buffer of at least an additional 140 lower-income units (Housing Element thumbnail page 280 – redline version).

With these zoning amendments (in addition to the housing unit production anticipated through projects that have been proposed and are not included in the City's inventory), the City believes it will have planned and zoned for far more than the required 2,075 dwelling units called for in our 6th Cycle RHNA, including for the allocated numbers at all income levels.

Table 2. Housing Rezone Sites and Development Potential (updated) for City’s Lower Income Site Inventory

	Address	Proposed General Plan	Proposed Zoning	Vacant/ Nonvacant	Estimated HD Development Potential	Rezone Acreage	Potential Capacity
1	1100 Kennedy Place	High Density	PD 01-22 (HD)	Vacant	100%	1.01	24
2	3500 Chiles Road	High Density & Medium High Density	PD 01-22 (HD)	Vacant	50%	14.56	174
3	3425 Chiles Road	High Density	PD 01-22 (HD)	Vacant	100%	1.04	24
4	3015 Cowell Blvd	High Density	PD 01-22 (HD)	Vacant	100%	1.1	26
5	1000 Montgomery	High Density	PD 01-22 (HD)	Vacant	100%	5.31	127
6	2740 Cowell Blvd	High Density	PD 01-22 (HD)	Vacant	100%	2.47	59
7	4920 Chiles Road	High Density	PD 01-22 (HD)	Vacant	100%	1.0	24
8	2932 Spafford St	Mixed Use	PD 05-22 (HD Mixed)	Vacant	100%	1.51	30
9	1800 Research Park	<i>Mixed Use (Existing)</i>	PD 05-22 (HD Mixed)	Vacant	100%	1.74	34
10	1021 Olive Drive	Mixed Use	PD 05-22 (HD Mixed)	Vacant	75%	1.09	16
11	315 Mace Blvd	High Density	PD 01-22 (HD)	Nonvacant	100%	2.07	49
12	4600 Fermi Place	Mixed Use	High Density Overlay District	Nonvacant	50%	6.98	70
13	1616 DaVinci Court	Mixed Use	PD 05-22 (HD Mixed)	Nonvacant	100%	2.06	41
Capacity Added to Housing Element Inventory						30.88*	698**

*Total potential acreage is calculated based on each site’s development potential percentage as High Density or Mixed Use, which differs from its total rezoned acreage.

**Potential capacity of each site is based on 24 units/acre for High Density GP sites and 20 units/acre for Mixed Use GP sites as a minimum. Actual capacity is higher. Medium High Density acreage is not calculated or included in this capacity calculation.

Table 3. Development Potential of Additional Rezone Sites (not included in the Lower Income Site Inventory)

	Address	Proposed General Plan	Proposed Zoning	Vacant/ Nonvacant	Estimated Development Potential	Rezone Acreage	Potential Capacity
14	4100 Chiles Road	Mixed Use	PD 05-22 (HD Mixed)	Nonvacant	100%	3.38	67
15	4120 Chiles Road	Mixed Use	PD 05-22 (HD Mixed)	Nonvacant	100%	1.33	26
16	526 B Street	Medium High Density*	PD 01-22 (HD)	Nonvacant	100%	2.2	44
Additional Potential Capacity						6.91	137**

*Proposed GP category for 526 B Street was changed to Medium High Density (MHD) per Planning Commission recommendation. However, it cannot be counted in the site inventory to demonstrate capacity for the City’s Lower Income RHNA because MHD does not allow for 30 units per acre (which is required by statute to show capacity for the Lower Income RHNA).

**Potential Capacity is based on 20 units/acre for Mixed Use and Medium High Density sites.

Site Selection

As part of the City's implementation of the Housing Element, the City is proposing to rezone 16 infill sites to accommodate needed high density housing as shown above in Figure 3 (Housing Rezone Sites) and summarized in Table 2 (Rezone Sites and Development Potential for City's Lower Income Site Inventory) and Table 3 (Development Potential of Additional Rezone Sites not included in Site Inventory).

Fifteen of the sites require an amendment to the General Plan to change their land use designation to Residential (9 sites) or Mixed Use (6 sites). One site (1800 Research Park Drive) is already designated Mixed Use and does not require an amendment. The 16 rezone sites detailed in Table E-3 (thumbnail page 359 – redline version) of Appendix E of the Housing Element were found to be suitable and sufficient to meet the City's RHNA obligations.

The majority of the sites are vacant. Six of the sites are non-vacant and are developed or partially developed. In evaluating the sites, staff considered the likelihood that the existing uses would be discontinued (based on age and condition of the buildings, vacancies, and developer interest). Staff also considered general site dimensions and compared them to existing apartments sites. In some cases, staff gauged the potential to accommodate the necessary density of the site by overlaying site plans of recently developed apartment projects onto the proposed site. In some instances, conceptual site plans of potential proposals were available for a site. In the case of the developed parcels, existing buildings provided a reference for a site layout and building footprint.

Additional Sites Considered But Rejected

Staff notes that there are other sites in the City which could potentially accommodate high density housing if rezoned and developed. However, they were not considered suitable for inclusion due to the State criteria or other reasons. Below are a few sites that were considered, but rejected.

Two vacant lots on Research Park Drive were reviewed, but rejected by staff because the lots are owned by UC Davis which has land use control over them. UC Davis does not have an intent or interest in developing them for residential purposes at this time. A portion of the Pole Line Baptist Church site at 770 Pole Line Road was briefly considered, but was rejected given the small size of the undeveloped area and lack of interest. The developed but unoccupied property at 501 Oak Avenue was also considered, but rejected because of the owner's desire to retain the ability for non-residential uses and the potential incompatibility with the surrounding residential area.

Additionally, the Frontier Fertilizer site located on Second Street west of the Target store is vacant and a sufficient size to meet state law requirements, but it does not have EPA environmental clearance and is not suitable for residential development. Progress has been made, but despite ongoing clean-up of the site, it is not certain whether residential development on this site will be feasible given the limitations on the site. Although it is possible that this site may be appropriate for housing in the future, it was not reasonable to include it in the current RHNA cycle.

GENERAL PLAN AMENDMENTS FOR HOUSING REZONE SITES

The attached resolutions for the required General Plan amendments would redesignate the proposed sites to Residential High Density or Mixed Use land uses for consistency with the proposed rezones and provide the minimum density levels required by the State.

Amendment to Residential High Density

Nine sites are proposed to be designated Residential High Density or Residential Medium High Density. Table 4 provides the current residential density categories from the City of Davis General Plan. As mentioned, to comply with State law the rezone of these Housing Element sites must have a minimum density of 20 units per acre, but must also allow for development at a density of at least 30 units per acre. Therefore, to comply with State law, the housing rezone sites must be designated under the City's Residential High Density (HDR) category (24 – 48 units/acre).

Table 4. General Plan Residential Density Categories

General Plan Residential Categories	Allowable Density (net density w/o density bonus)
Low Density	2.88 – 5.75
Medium Density	5.76 – 13.44
Medium High Density	13.45 – 23.99
High Density	24.00 – 48.00
Very High Density	48.00 – 67.20

For 3500 Chiles Road, half of the site (7.28 acres) is being recommended as Residential High Density and half of the site (7.28 acres) as Residential Medium High Density. This is due to the total lot size exceeding the State's requirement for a housing site of less than 10 acres and compatibility with neighboring development. As already discussed, for 526 B Street the Planning Commission's recommendation to designate the entire site Residential Medium High Density has been incorporated.

The Medium High Density category does not meet the statutory criteria with respect to minimum and maximum densities to be identified as available for Lower Income RHNA. Therefore, for 3500 Chiles Road only the High Density portion of the site is being counted towards meeting the City's RHNA obligation, even though the Medium High Density portion of the site could be developed and provide affordable housing. Similarly, potential units on 526 B Street also are not counted in the site inventory towards the City's Lower Income RHNA shortfall.

Staff believes that the proposed amendment is appropriate and necessary. The resolution redesignating the 9 sites to High Density and Medium High Density Residential is provided as Attachment 4.

Amendment to Mixed Use

State law allows for the residential units provided in a mixed use development to be counted. It is subject to certain requirements and limitations, such as limiting the

number of mixed use sites that can be used and also requiring minimum building square footage for the required residential uses. The minimum densities described above must also be observed. The City's Mixed Use (MU) designation does not establish a maximum density. The necessary provisions to comply with State law have been incorporated in the zoning document for the mixed use Planned Development (PD 05-22). Six of the rezone sites are proposed to be redesignated to Mixed Use.

The Mixed Use designation was chosen for the designated sites either because of owner interest or because of the surrounding or existing uses where it was determined that mixed use was compatible, and also to be able to accommodate some non-residential uses. Although the community has critical housing needs, the City also has employment, job-generating, and retail needs. The City also has an interest in encouraging mixed use development in certain places to implement the City goals related to transit-oriented development, economic development, and reduction of vehicle miles travelled. Nevertheless, the reliance on Mixed Use designated sites is limited and the focus is on the housing which is required under the proposed Mixed Use zoning (PD 05-22). Allowed development would include a residential-only project or a mixed use project with residential.

To ensure that the City can meet its RHNA obligations, the proposed housing rezone provides sufficient unit capacity on the residential-only (PD 01-22) sites even without the Mixed Use (PD 05-22) sites. The Mixed Use sites provide an additional buffer. Staff believes that the proposed amendment is appropriate and necessary. The resolution redesignating the 6 sites to Mixed Use is provided as Attachment 5.

ZONING AMENDMENTS FOR HOUSING REZONE SITES

The attached ordinances for the required Zoning amendments address the proposed Planned Developments (PD) for the high density residential-only PD, the high density mixed use PD, the overlay district, and additional required amendments. The proposed districts establish the allowable uses and development standards and also address minimum density requirements and the ministerial by-right process to ensure that the sites are developable and comply with State law.

Amendment for Planned Development 01-22 (High Density)

PD 01-22 is a high density residential zone that would be applied to a majority of the housing rezone sites (9 sites) and a majority of the overall acreage (21.28 acres out of the total 30.88 acres of the high density capacity inventory). PD 01-22 is based on the existing R-HD District (DMC Article 40.09). However, a planned development allows for flexibility and diversification from strict standards, which is necessary in order to accommodate the required density and type of housing on the array of rezone sites.

Allowed uses include multiple family dwellings and other related residential uses such as group care homes, cooperative housing, supportive and transitional housing. Single room occupancy (SRO) units are conditionally allowed. Single family dwellings and duplexes are prohibited. PD 01-22 includes development standards that are summarized below in Table 3. To facilitate the allowable housing, projects meeting the development standards of the PD would not require Final Planned Development approval, which entails a Planning Commission hearing. However, Design Review is still required to review the general site layout and improvements and building architecture, but would be processed administratively pursuant to Davis Municipal Code. The PD also addresses sites located within the South Davis Specific Plan. Staff believes that the allowed uses and standards in PD 01-22 are appropriate for the proposed sites and would be compatible with the surrounding areas. The ordinance establishing PD 01-22 is provided as Attachment 6.

Amendment for Planned Development 05-22 (High Density Mixed)

PD 05-22 allows for either high density residential development or high density mixed use development. Allowed residential uses are the same as in PD 01-22, however, a combination of residential and permitted non-residential uses is also allowed. The zoning provides for local employment and job-generating uses which are beneficial to the city. Limited locally-serving retail which is convenient for residents on-site or in the neighborhood is also permitted. However, the residential use is key and the PD includes a residential use requirement as well as minimum density requirements. Proposed development standards are the same as provided in PD 01-22. Likewise, projects consistent with the development standards would not require Final Planned Development approval by the Planning Commission, but would still require an administrative Design Review. The PD also addresses sites located within the Gateway Olive Drive Specific Plan and the South Davis Specific Plan.

Sites rezoned to PD 05-22 would have a General Plan land use designation of Mixed Use. As mentioned, the Mixed Use designation does not establish a maximum density.

It could result in substantially denser projects on those sites than the minimum 20 unit per acre requirement. The development standards such as lot coverage, floor area ratio, and other requirements control overall development, while still allowing for the density of development appropriate to support lower-income housing, as required by state law. Staff believes that the allowed uses and standards in PD 05-22 are appropriate for the proposed sites and would be compatible with the surrounding areas. The ordinance establishing PD 05-22 is provided as Attachment 7.

Development Standards

Proposed development standards for PD 01-22, PD 05-22, and the Overlay District are identical and are summarized in Table 5 below. The standards are based on the existing R-HD Zoning District (DMC Article 40.09). However, because the standards would apply to numerous sites with a range of lot sizes and shapes, adjustments were made to the development standards to ensure that necessary development and minimum density are feasible. Adjustments included reducing standards for useable open space, lot area per unit, and building heights and setbacks. At the required minimum densities, building heights are generally expected to be in the 3- and 4-story range.

Additionally, parking for residential uses have been eliminated, but would still be required for non-residential uses. While it is expected that most residential developments would still choose to provide some parking, the standards eliminate the minimum requirement which frees up space and financing for additional units and other uses on the site. Furthermore, the cost of developing parking can be prohibitive, particularly for affordable projects. The proposed parking standards establish a parking maximum for residential uses to avoid overparking.

Table 5. Summary of PD 01-22 and 05-22 Development Standards

Standard	Proposed Standards
Lot Area	7,500 sq. ft.
Lot Width	70 feet
Useable Open Space	<ul style="list-style-type: none"> • 100 s.f. per studio/1-bed unit; 150 s.f. per 2-bed unit; 50 s.f. per addtl. bdrm; or • 10%, whichever is less
Floor Area Ratio	2.0
Maximum Lot Coverage	50%
Building Setbacks	
Front	10 feet
Side Street	10 feet
Side	5 feet*
Rear	10 feet*
	*Additional setback if adjacent to single family

Lot Area per dwelling unit	<ul style="list-style-type: none"> • 500 sq. ft. per efficiency apt • 600 sq. ft. per 1-bdrm apt • 700 sq. ft. per 2-bdrm apt or more
Vehicle Parking	<p>No minimum parking for residential uses is required. If provided, the maximum parking for residential uses shall be as follows:</p> <ul style="list-style-type: none"> • 1 space per studio/1-bedroom unit • 1.75 spaces per 2-bedroom unit • 2 spaces per 3-bedroom or more unit <p>Parking for non-residential uses shall be provided per DMC 40.25.090.</p>
Bicycle Parking	Per DMC 40.25A.060
Maximum Building Height	60 feet
Parking Lot Shading	50%

Ministerial Review of Qualifying Residential Projects

PD 01-22 and PD 05-22 include a provision for ministerial review of qualifying residential projects as required by state law. A qualifying project is one in which at least 20 percent of the residential units are affordable to lower income levels. Qualifying projects may choose to be processed ministerially, which eliminates discretionary review. Nonetheless, projects will be subject to objective design standards and city staff will be developing design standards for adoption with the intention of bringing them forward before the end of the year. Adoption of Objective Design Standards is identified as Implementation Program 4.3 in the revised housing element.

Objective design standards are expected to be clear and measurable standards that do not involve subjective interpretation. The intent would be to provide unambiguous direction related to the site layout and design and may include standards that are typically addressed in standard conditions of approval and ordinance requirements. The design standards also could address issues such as noise from nearby uses provided that the standards are objective. The standards would also need to be balanced against the need for some flexibility and the variety of sites that exist.

Minimum Density Required

Both PD 01-22 and PD 05-22 include a provision requiring that the residential development provide a minimum density of 20 units per acre or the minimum required by the General Plan land use category, whichever is greater. For Residential Medium High Density sites, which has a range of 13.45 - 23.99 units per acre, and for Mixed Use sites, the minimum density required would be 20 units per acre. For Residential High Density sites, which have a range of 24.00 – 48.00 units per acre, the minimum density required would be 24 units per acre.

Amendment for High Density Overlay District

The 7-acre site at 4600 Fermi Place is proposed to be rezoned through the adoption of an overlay district for the site. The site at 4600 Fermi Place includes an existing building and unpaved parking; however, the majority of the site remains vacant and would be suitable for housing development. The proposed High Density Overlay District would be applied to the entire site to encourage the development of housing and added as a designation.

The existing zoning of the site is PD 4-88 (Light Industrial/Business Park) which allows a range of office uses, research, laboratories, light industrial manufacturing, and warehouse and distribution facilities. The existing zoning and related standards would remain in place. The overlay district would allow high density housing to be developed on the site, if proposed. The overlay district includes the same requirements and development standards as proposed in PD 01-22 (HD). The ordinance establishing the High Density Overlay District is provided as Attachment 8.

Amendment to DTRN Overlay District

526 B Street is located within the Old North Davis conservation district which is subject to the Downtown Davis and Traditional Residential Neighborhood (DTRN) Design Guidelines as required by the DTRN Overlay District (DMC Section 40.14A). The design guidelines for residential uses in the area only address detached single-family development, which would not be appropriate for the rezoned higher density site and an amendment to modify the boundaries of the DTRN Overlay District to remove 526 B Street from the design guideline area is necessary. The ordinance amending the DTRN Overlay District is provided as Attachment 9.

Amendment to Downtown Code for Ministerial Residential Projects

The City's Inventory of Vacant and Underutilized Sites (Table 62 on thumbnail page 208 – redline version) includes several downtown sites deemed suitable to meet the lower-income RHNA. The identified sites which are located in the downtown area and subject to the Downtown Form Based Code (Downtown Code) (DMC Article 40.13) are already appropriately zoned, meet the general size and density requirements, and are able to accommodate the identified RHNA housing. However, as described above, State law requires providing for ministerial review of qualifying residential developments in certain instances. Because these sites were identified in the 5th cycle Housing Element site inventory but did not develop with housing during that time, the City only can identify them as available for lower income housing again in the 6th cycle Housing Element if the City creates a by-right process applicable to these sites for projects that include 20 percent of the units as affordable to lower income households. The rezoning of the housing sites includes an amendment to add a provision to the Downtown Code for ministerial review of qualifying residential projects, which would be subject to objective design standards. This amendment implements Program 2.15 of the Housing Element. The ordinance amending the Downtown Code is provided as Attachment 9.

SPECIFIC SITE CONSIDERATIONS

This section addresses the particular considerations related to the proposed rezone of the specific sites. There were no Planning Commission changes or comments on the majority of the sites, including the following:

- Site 1. 1100 Kennedy Place
- Site 5. 1000 Montgomery Avenue
- Site 6. 2740 Cowell Boulevard
- Site 7. 4920 Chiles Road
- Site 8. 2932 Spafford Street
- Site 9. 1800 Research Park Drive
- Site 12. 4600 Fermi Place
- Site 13. 1616 DaVinci Court

Sites that had Planning Commission discussion or recommendations are addressed below.

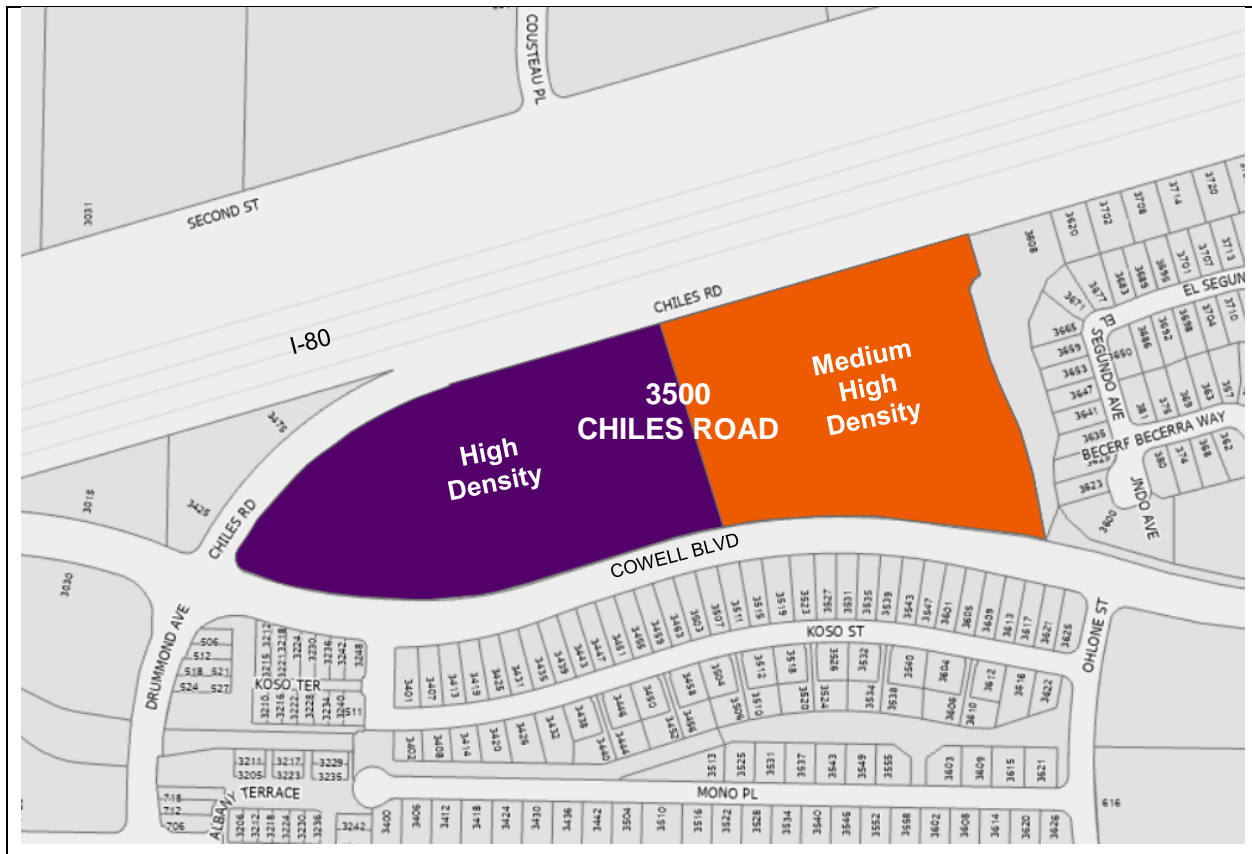


Figure 4. 3500 Chiles Road – Proposed Designation

Site 2. 3500 Chiles Road

3500 Chiles Road comprises a total of 14.56 acres. The western half of the site (7.28 acres) is proposed as Residential High Density and the eastern half (7.28 acres) as Residential Medium High Density. As mentioned, due to the large size of the site which

exceeds 10 acres total, only the Residential High Density portion of the site and potential units are included in the City's calculations for its RHNA obligations even though the entire site could be developed which would provide additional housing.

A representative of a potential developer of the site to the Planning Commission requested that the entire site be designated as Residential Medium High Density because the lower level density was more in line with the developer's concept for the site. The Planning Commission chose to leave the site split between high density and medium high density and no change was recommended. Staff feels the higher density designation would create more opportunities for housing and specifically affordable housing development at this site.

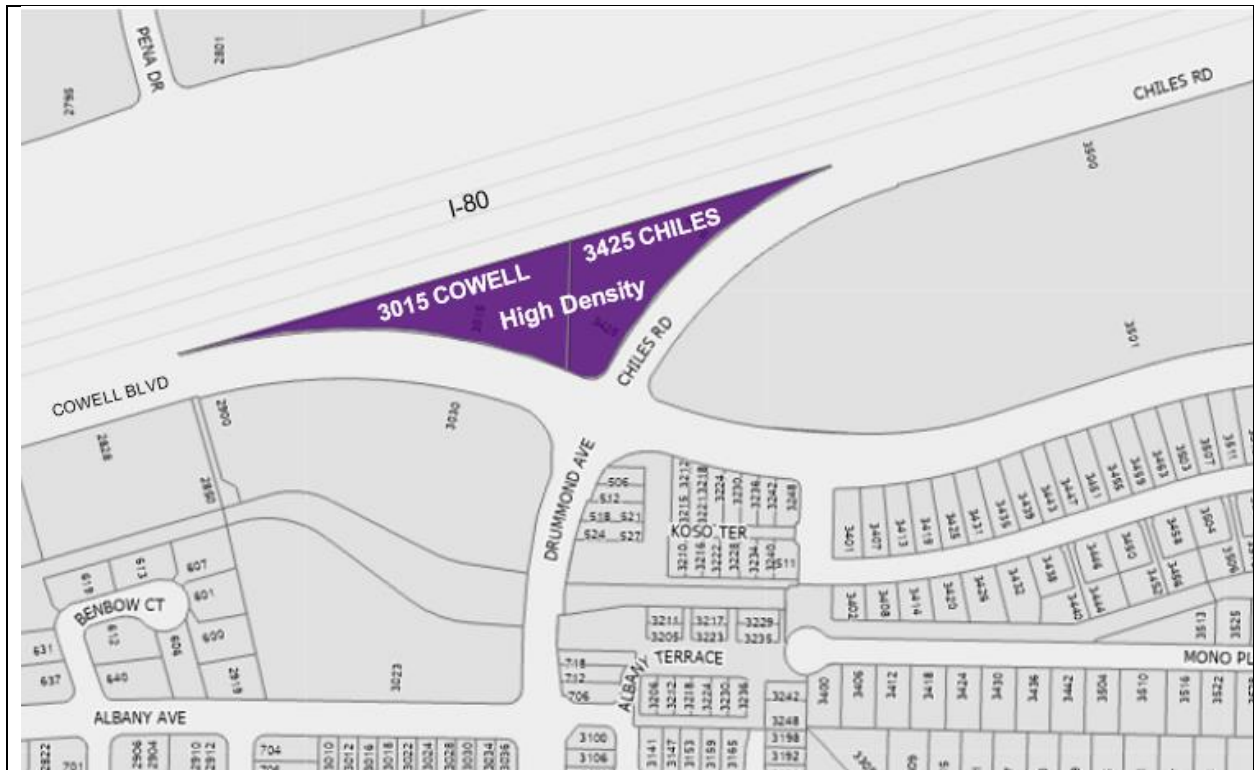


Figure 5. 3425 Chiles & 3015 Cowell – Proposed Designation

Sites 3 & 4. 3425 Chiles Road and 3015 Cowell Boulevard

3425 Chiles Road and 3015 Cowell Boulevard comprise 1.04 and 1.1 acres respectively and sit adjacent to each other. Prior to realignment of the roadway, Chiles Road ran along the northern portion of the two parcels. 3425 Chiles Road is a remnant piece of 3500 Chiles Road. 3015 Cowell Boulevard is owned by the City of Davis.

Both sites are proposed to be redesignated as Residential High Density and rezoned as PD 01-22 (High Density). At the minimum 24 units per acre for the high density category, the unit yield would be 24 units for 3425 Chiles Road and 26 units for 3015 Cowell Boulevards. Some members of the Planning Commission expressed concern about potential site challenges and the attractiveness and feasibility of the sites for

development. Their recommendation included removing the two sites from the rezone program and from the Housing Elements sites inventory.

If the two sites were removed and their 50 combined units eliminated, the City's site inventory still would be sufficient to meet the City's 496-unit shortfall with a buffer that would still exceed the shortfall by 152 units (30%). However, staff continues to support inclusion of the two sites in the rezone and believes that both sites can be developed with high density residential uses. Both sites are triangular and somewhat non-standard in shape. Even though there are easements to address on-site and a powerline running north-south between the two properties, both sites are vacant and meet state criteria for size. It is Staff's recommendation that the City owned parcel be brought to City Council to be declared surplus. Additionally, staff would suggest that the owner of the adjoining parcel be contacted to see if there is interest in developing or creating interest to develop by a 3rd party. Each parcel has the potential to be developed with building similar in size to the recently completed Paul's Place building. Access to each side of the parcel (if needed as parking would not be required) would be located as far as reasonably possible from the intersection of Chiles and Cowell Boulevards, in the portions of the property with limited space for construction of buildings.

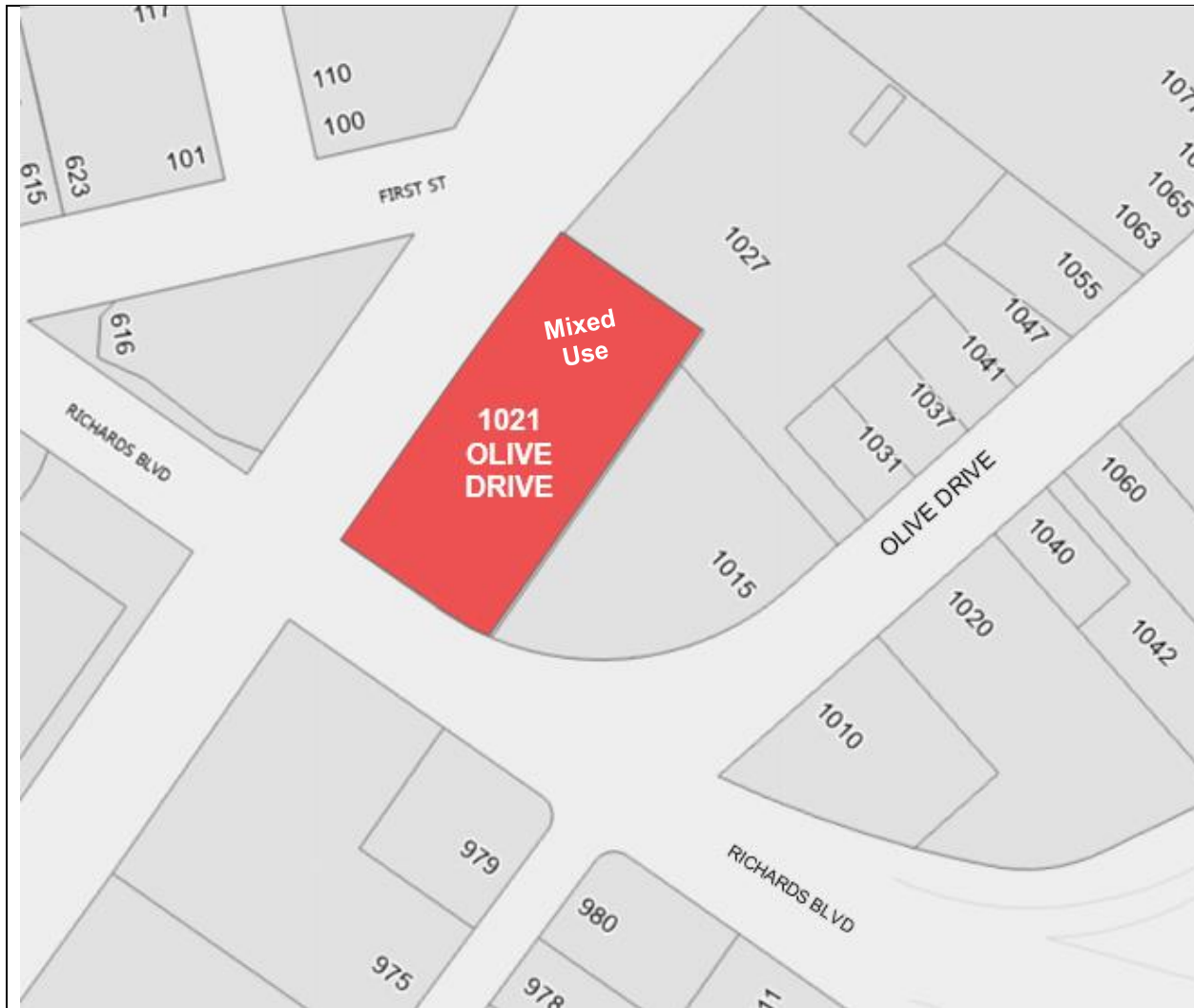


Figure 6. 1021 Olive Drive – Proposed Designation

Site 10. 1021 Olive Drive

1021 Olive Drive is a vacant parcel owned by the City, which is approximately 1.09 acres in size. City Council deemed this site to be surplus in 2022. Responses to the initial notice of availability did not result in a binding agreement with a developer, but the City Council recently directed staff to expand outreach to potential developers and has set the development of this site as a priority for the City. While Planning Commission acknowledged the potential access challenges for this site, they found it suitable for inclusion in the rezone and no change was recommended.

Staff believes this site is suitable and appropriate for new high density housing, especially given the proximity to transit, downtown Davis, shopping, and the recently approved project at 1031-1047 Olive Drive (known as the Olive Drive Mixed Use project).

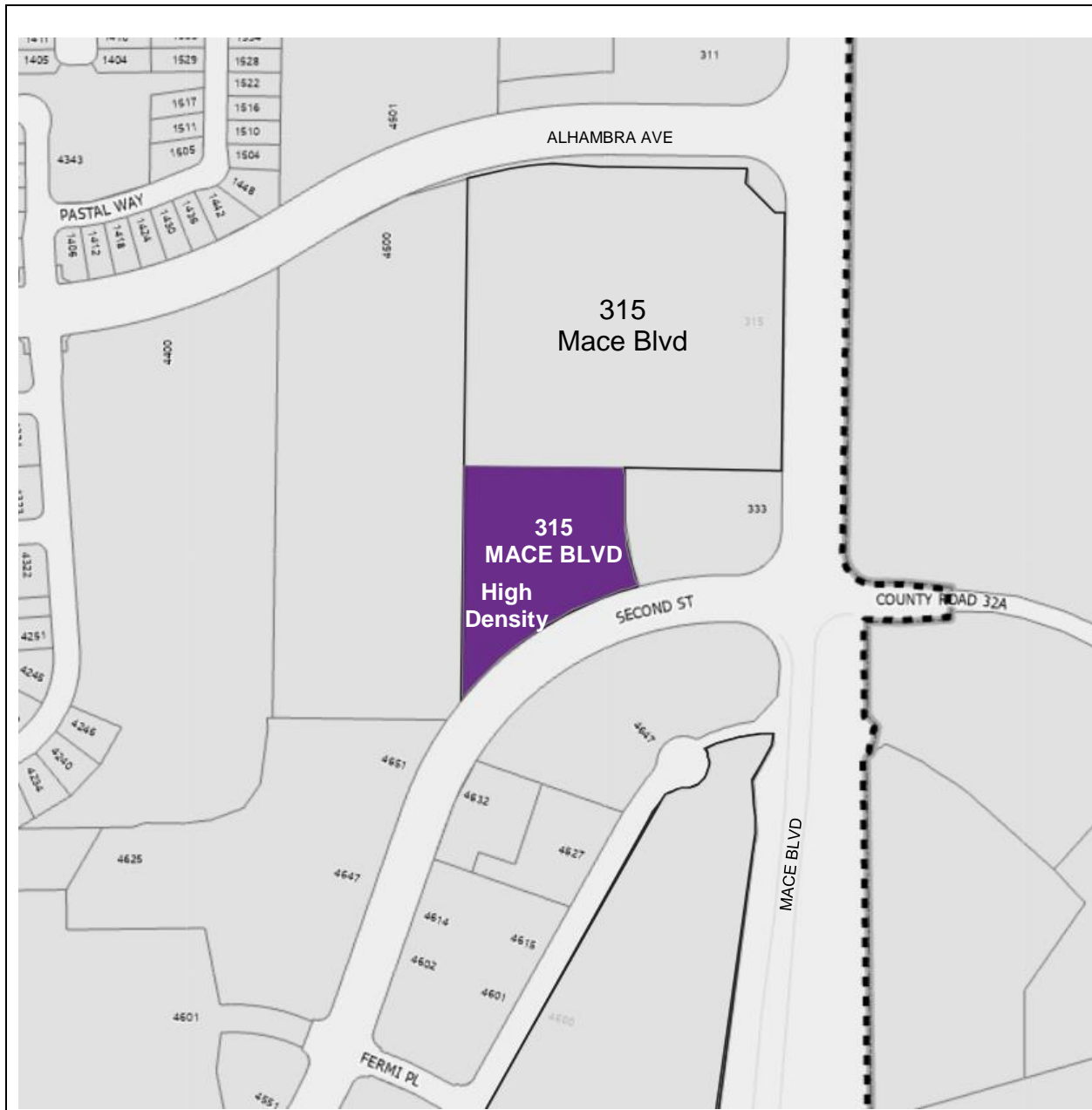


Figure 7. 315 Mace Blvd – Proposed Designation

Site 11. 315 Mace Boulevard (University Covenant Church)

315 Mace Boulevard comprises a total of 9.7 acres. It includes an existing church (University Covenant Church) and associated parking on the portion of the site located along Alhambra Avenue and Mace Boulevard. However, a large portion of the site comprising approximately 2.07 acres fronting on Second Street remains vacant and would be suitable for high density housing development. This 2.07-acre portion of the site is proposed to be rezoned for housing.

Comments to the Planning Commission from University Covenant Church (UCC) expressed concerns about the rezoning and requested that the site either be removed

from the rezoning or addressed with an overlay zone, which could preserve options for developing the site. The UCC letter to the Planning Commission stated that they did not have any intent to build housing themselves and were concerned about the effect the rezoning might have on the property's value. The site is currently is designated to allow office and laboratory uses. The UCC also stated that they have concerns about maintaining access from their site to 2nd Street. Overall, the Planning Commission felt that the site was a good site for high density housing and no change was recommended.

Staff believes that this site is an ideal site for high density housing development. The site is adjacent to existing multifamily housing, and it is large, vacant, and close to shopping (Target Center), parks (John Barovetto Park), schools (Korematsu Elementary and Harper Junior High). There is close access to bicycle paths from John Barovetto Park and transit options (including public transit options on the local Unitrans lines and regional Yolo Bus line at 2nd Street and Mace Boulevard, as well as the Mace park n ride lot). In addition, the UCC's site access concerns could be addressed through a site plan that ensures access to the UCC portion of the property along the eastern side of the property (thereby also creating a buffer between any new housing development on the site and the car wash and gas station to the east). Furthermore, staff believes with the low vacancy rate in Davis and the general need for housing in the State, the site has more immediate potential for development as residential. It is a well known fact that in the post pandemic economy, office space is widely available and not often under construction. The UCC site is large at almost 10 acres. With the loss of the 2 acres fronting on Second Street, the site would remain large enough for the current purpose, especially in comparison to the size of other religious institutional properties in Davis. Staff believes this site should be included in the Housing Element and that the City should work with the UCC to resolve their concerns and promote housing development on this site.



Figure 8. 4100 & 4120 Chiles Road – Proposed Designation

Sites 14 & 15. 4100 and 4120 Chiles Road (Days Inn and Kelly Moore Paint)

In earlier conversations with the owner, it was staff’s understanding that the owner of the property at 4100 and 4120 Chiles Road was interested in residential development. However, in recent conversations, the property owner expressed that he currently plans to continue with the existing hotel and commercial uses on the sites, does not have an intent to develop residential, and requested that the sites either be removed from the rezoning or be included in an overlay district to preserve the existing zoning and uses on the site.

Although the two sites at 4100 and 4120 Chiles Road are proposed for rezoning, their potential capacity is **not** currently included in the site inventory or unit capacity count for the site inventory. Therefore, removing the sites or changing the rezone action to impose an overlay zone would not have any direct effect on the site inventory capacity calculations or the City’s ability to comply with the State’s housing element requirements. Nonetheless, staff believes it is an appropriate site for high density housing, potentially in a mixed use setting. Overall, the Planning Commission felt that designating the property for mixed use and imposing the mixed use high density planned development was reasonable and no change was recommended.



Figure 9. 526 B Street – Proposed Designation

Site 16. 526 B Street (DJUSD Administrative Offices Site)

526 B Street comprises a total of 2.2 acres. The site is owned by the Davis Joint Unified School District and is currently used as administrative offices. The School District has decided to relocate their offices and intends to dispose of the property. Staff’s initial recommendation to the Planning Commission for the site was a split designation with the southern half of the site to be designated as Residential High Density (HD) and the northern half of the site to be designated as Residential Medium High Density (MHD), which is reflected in Table E-3 (Appendix E, Housing Element Version 3). Because only half of the site (1.1 acres) would have met the density requirements under Residential High Density, the potential Lower Income unit capacity claimed for the site was 26 units. The intent was to address potential compatibility concerns with the surrounding

neighborhood, while still promoting the development of medium to high density housing on the site.

However, DJUSD comments to the Planning Commission expressed their desire for the entire site to be designated Residential Medium High Density (MHD). The MHD designation allows for housing development with a minimum of approximately 13 dwelling units per acre and a maximum of approximately 24 dwelling units per acre. DJUSD has been working closely with their consulting team to determine what, in their view, would be the most appropriate designation for their site to maximize the site's value. DJUSD is interested in retaining flexibility for the housing product type (ownership and/or rental). DJUSD would like the density range to be in the 20 to 24 dwelling units per acre for the entire site (allowing a development of approximately 40 to 48 units on the site). Neighbors have expressed support for a lower density range. Designating half of the site as HD would not allow for the DJUSD's desired density because the HD requires a *minimum* of 24 dwelling units per acre. Residential Medium High Density is consistent with the proposed PD 01-22 (HD) zoning, which requires a minimum density of 20 units per acre. The Planning Commission agreed with the DJUSD's request and recommended that the City Council designate the entire site MHD (instead of designating half of the site as the higher density designation, HD). The recommendation has been incorporated in the attached documents.

As discussed previously, for the site to count toward the City's Lower Income RHNA, the designation must have a minimum of 20 dwelling units per acre and allow for 30 dwelling units per acre. Since MHD does not meet the density criteria, the site would have to be removed from the Housing Element's affordable sites inventory list. However, there are enough sites that the City will still meet its RHNA obligation without the DJUSD site, and the site, even with an MHD designation would still provide a valuable addition to the local housing inventory.

Additionally, this site was the subject of a 2008 City Housing Element Steering Committee report which evaluated potential infill housing opportunity sites. This process included significant community outreach, including to the Old North Neighborhood Association. This site was ranked the #1 opportunity site, with a recommended range of 40-60 units, which is consistent with the expected yield proposed under the MHD designation described above.

Design Standards

526 B Street is located within the Old North Davis neighborhood, which is a conservation district. It should be noted that the neighborhood is **not** a designated historic district. The purpose of the conservation district is to preserve the traditional character of the neighborhood, which is implemented through the DTRN Overlay District and the associated design guidelines. As mentioned above, the recommended actions include removing the site at 526 B Street from the DTRN Overlay District.

The Planning Commission action on 526 B Street also included a recommendation to develop design standards for the site in recognition of its location in the Old North Davis

neighborhood. While the recommended actions and associated zoning ordinances include a provision referencing objective design standards for qualifying residential projects, they do not currently call for specific design standards or design guidelines for 526 B Street. Should City Council find that specific design standards should be developed for this site, a provision can be incorporated or addressed in a separate action at a later date. It is not required as part of Housing Element Version 3 or the proposed rezone. Development of specific new design guidelines for the site would require an allocation of city time and resources for the effort and could also add processing and review requirements for a housing proposal on the site.

Irrespective of adopting specific design standards, general Design Review would be required of a housing project on the site with noticing of neighbors and a Planning Commission public hearing (the only exception being a project proposal that proposes high levels of affordable housing, which may qualify it for Design Review exemption under provisions of current State law).

ENVIRONMENTAL REVIEW

As part of the previous approval of Versions 1 and 2 of the 2021-2029 Housing Element, the City prepared and adopted Negative Declaration #04-21, which determined that the update will not result in a significant effect on the environment and that no further environmental review is required (Attachment 1). The updated Housing Element Version 3 contains minor updates and revisions and remains consistent with Negative Declaration #04-21.

The City also prepared Negative Declaration #03-22 (SCH: 2023100491) in accordance with the California Environmental Quality Act (CEQA), which evaluated the potential environmental impacts of updated Housing Element Version 3 and the rezone of housing sites for the related general plan amendment and rezoning (Attachment 2). It determined that it will not result in a significant effect on the environment, that no mitigation is required, and that no further environmental review is required. A 20-day public comment period on the Negative Declaration #03-22 was noticed in accordance with CEQA. The comment period closed on November 7, 2023. No public comments on the negative declaration were received at the time this staff report was prepared. A resolution adopting Negative Declaration #03-22 is included as Attachment 2.

PUBLIC NOTICING AND COMMENTS

The public hearing was noticed in accordance with City requirements. It included publishing a 1/8-page newspaper advertisement, mailings to proposed rezone sites, notification to interested parties and stakeholders, and posting on the City website. City staff also attended two Farmer's Markets to promote and provide information to interested members of the public. No City Council public comments were received at the time this staff report was prepared.

Legal Services of Northern California Comments

As discussed above, the City received previous comment letters from Legal Services of Northern California and the Public Interest Law Project, which are included as

Attachment 14. This staff report responds to LSNC's most recent (November 8, 2023) letter, and the City response letter (September 9, 2023) to prior communications is included as Attachment 15.

CONCLUSION

Staff believes that the necessary revisions have been made to the updated Housing Element Version 3 and that the amendments for the related housing sites rezone are appropriate and compliant with necessary requirements. Therefore, staff recommends that the City Council approve the attached resolutions and ordinances. The approval would also authorize staff to make minor corrections to the Housing Element Version 3 to ensure internal consistency and achieve HCD certification.

ATTACHMENTS

1. Resolution 21-128 and Initial Study/Negative Declaration #04-21, adopted August 31, 2021
2. Resolution Adopting Negative Declaration #03-22
 - a. Initial Study/Negative Declaration #03-22, October 2023
3. Resolution Adopting Revised 2021-2029 Housing Element (Version 3)
 - a. Housing Element (Version 3), October 2023
4. Resolution Amending the General Plan to Designate Sites as Residential High Density and Residential Medium High Density
5. Resolution Amending the General Plan to Designate Sites as Mixed Use
6. Ordinance Rezoning Sites as PD 01-22 (HD)
7. Ordinance Rezoning Sites as PD 05-22 (HD Mixed)
8. Ordinance Establishing a High Density Overlay District
9. Ordinance Amending the Downtown Code for Ministerial Residential Developments and Amending the DTRN Overlay Map
10. Planning Commission Staff Report, November 8, 2023
11. HCD Letter Initial HE V-2 Review, April 3, 2023
12. HCD Letter Non-Compliant HE V-2, August 31, 2023
13. City Letter to HCD, September 1, 2023
14. Legal Services of Northern California and Public Interest Law Project
 - a. LSNC and PILP Comment Letter, July 13, 2023
 - b. LSNC and PILP Comment Letter, August 25, 2023
 - c. LSNC Comment Letter, November 8, 2023
15. City Response Letter to Legal Services Letter, September 9, 2023