

2021-2029 Housing Element

City of Davis



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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), 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 five 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; and on June 15,

2021 to take public comment and discuss the City Council's comments on the Public Review Draft Housing Element.

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. 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 reducing 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. Programs 2.2.1 and 2.2.2 were 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: creating a centralized application that residents can use to apply for affordable housing, adopting policies to facilitate tiny homes, reducing or removing minimum parking requirements, 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.

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, upzoning 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.

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 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 110 very low-income units and 14 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.

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.	Continue
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>Continue and modify</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. 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.</p> <p>b. Evaluate whether the allowance of second units meets affordability goals including a survey to evaluate:</p> <ul style="list-style-type: none"> - occupancy of the credited accessory dwelling units. - information on households served. - information on rents charged in relation to unit size. 	<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
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.	a. Seek to meet these special housing needs through a combination of regulatory incentives, zoning standards, new housing construction programs, and supportive services programs	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. 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.	Continue and modify
19. Review new housing projects against the city-adopted Senior Housing Guidelines.	a. Implement developed criteria	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.	Continue
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.	a. Support efforts b. Encourage developers and offer letters of support	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.	Continue and modify

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
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.	a. Process applications, as required by law	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.	Continue and modify
22. Strive to achieve 200 units of first-floor accessible and fully accessible housing units.	a. Review all housing developments for consistency with accessibility and visitability requirements	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.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
23. Continue to facilitate ministerial second units and discretionary second units.	<ul style="list-style-type: none"> 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>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 and 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>	Continue and modify

<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</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			
25. Encourage use of Federal Tax Credits and other federal and state subsidy programs for production of low-income housing.	a. Provide letters of support	<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>	Continue
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.	a. Encourage use of available programs b. Promote and facilitate use of homebuyer education	<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>	Continue

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.	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
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.	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.	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.	Continue
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.	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.	Continue

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.	Continue
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
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.	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.	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.	Continue
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.	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.	a. Review Housing Element for progress in Implementation Plan and availability of adequate sites	Completed annually through this Annual Progress Report.	Continue

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
41. The City shall petition our state and national representatives for more affordable housing resources.	a. Track and state support (in writing) for bills that provide more affordable housing resources	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. 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. 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.	Continue
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.	a. Amend ordinance b. Incorporate into new projects	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.	Delete

2013-2021 Housing Element Program Actions	Objectives	Progress/Effectiveness	Appropriateness for 2021-2029 Housing Element
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.	a. Evaluate whether the Affordable Housing Ordinance is providing the desired number and types of affordable units	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.	Delete
Policy Category 7.3: Program to Promote Equal Housing Opportunities (Access)			
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.	a. Monitor the local needs (city and county) for emergency housing	<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>	Continue and modify

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
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.	Continue
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
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.	Continue

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.	Continue and modify
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.	Continue
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.	Continue
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.	Continue

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		
In 2019 Dollars (a)	\$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		
In 2019 Dollars (a)	\$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 2 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.

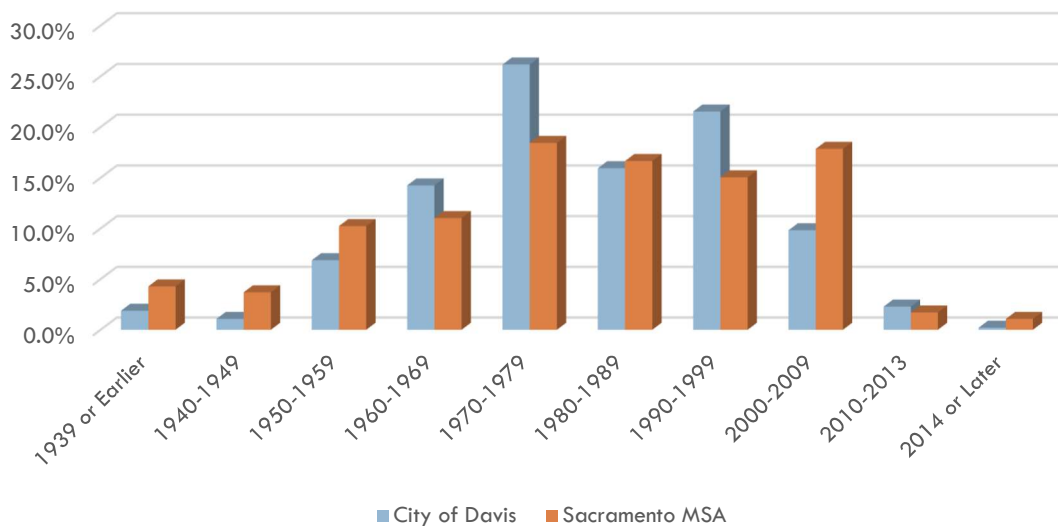
Table 24 shows that there are approximately 400 mobile home units in Davis. As noted in the introduction to this document, mobile home residents have requested that this Housing

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 (5.1.4) 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%

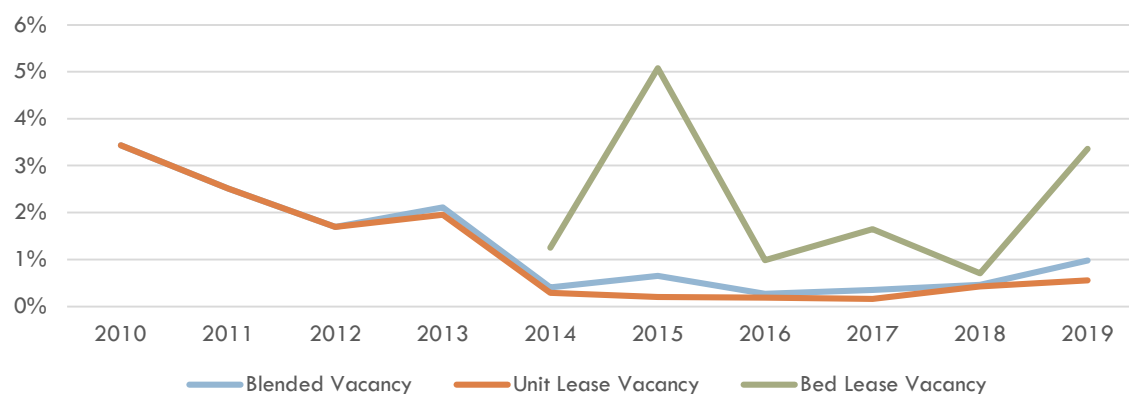
Sources: U.S. Census Bureau, 2010 Decennial Census, Table H4; American Community Survey, 2014-2018 five-year sample data, Table B01001; BAE, 2020.

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 Cemente Avent	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 unsuitable for Davis' non-student population. For this reason, these units are generally marketed toward students, but, consistent with Federal fair housing laws, they can be occupied 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 Student 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

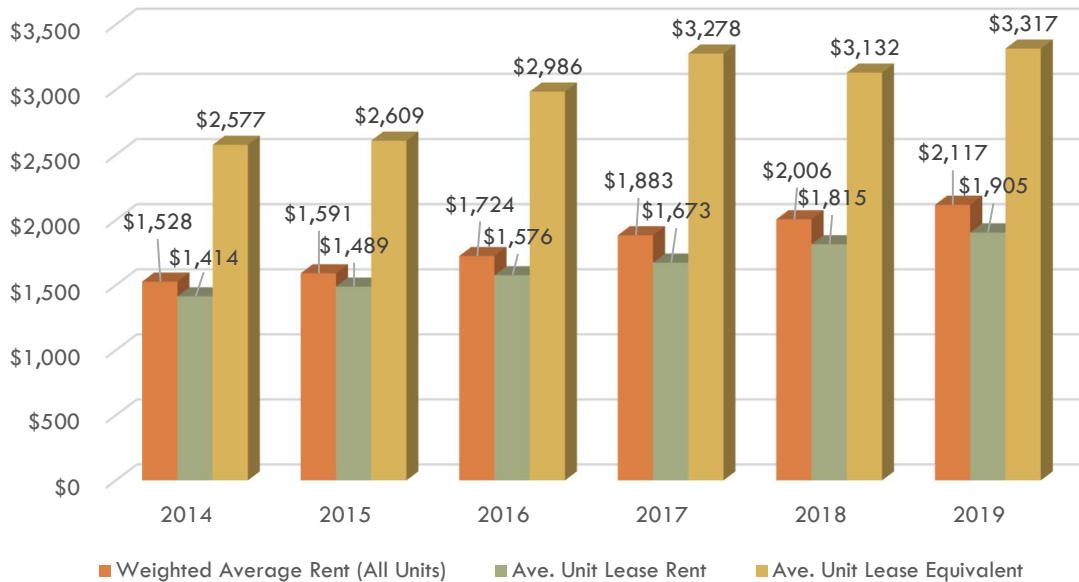
Unit Type (a)	City of Davis			
	Number of Units	Avg. Monthly Asking Rent	Per Unit/Bed Per Month	Vacancy Rate
Leased-By-The-Unit				
Studio	185	\$1,180	Per Unit Per Month	0.0%
1 Bedroom	2,273	\$1,430		1.0%
2 Bedroom	3,253	\$1,893		0.5%
3 Bedroom	1,062	\$2,529		0.0%
4+ Bedroom	434	\$3,265		0.0%
All Unit 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



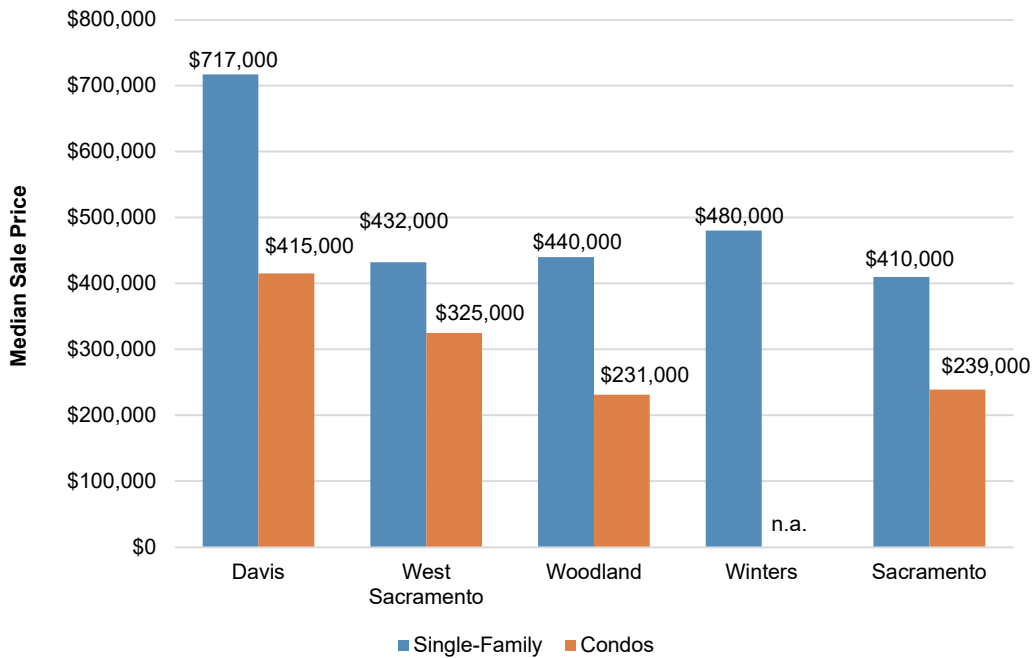
Sources: BAE, 2020.

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.

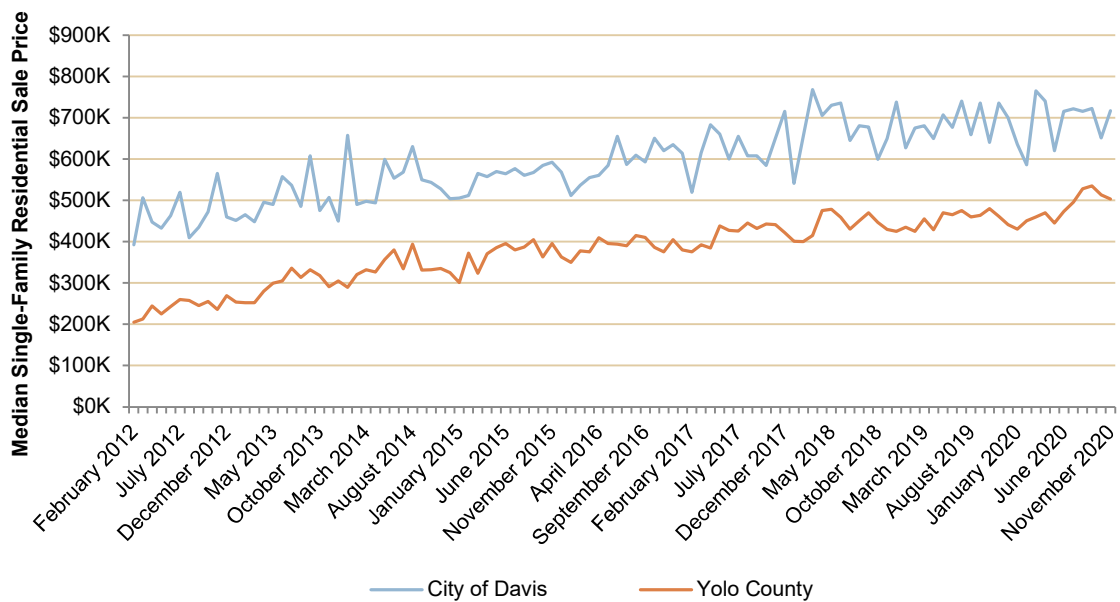
Long-term trends in home prices, as illustrated in Figure 6, indicate that the median single-family home sale price in Davis has historically been higher than for Yolo County as a whole. Overall, long-term trends in median home price increases in Davis and Yolo County are roughly comparable, indicating 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



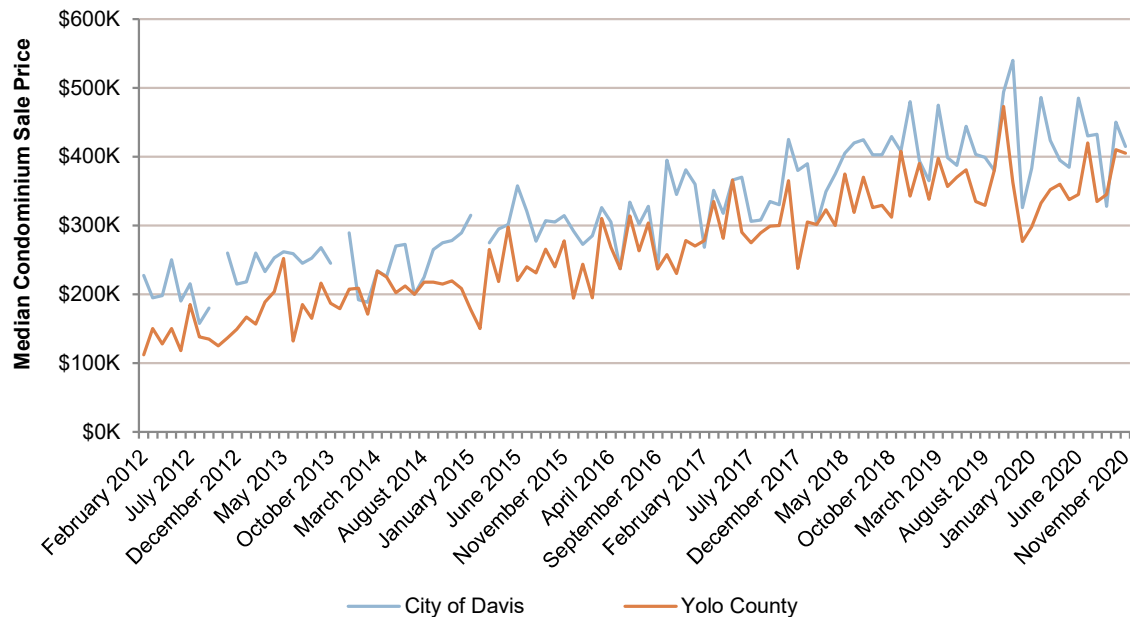
Sources: Redfin, 2020; BAE, 2020.

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>.

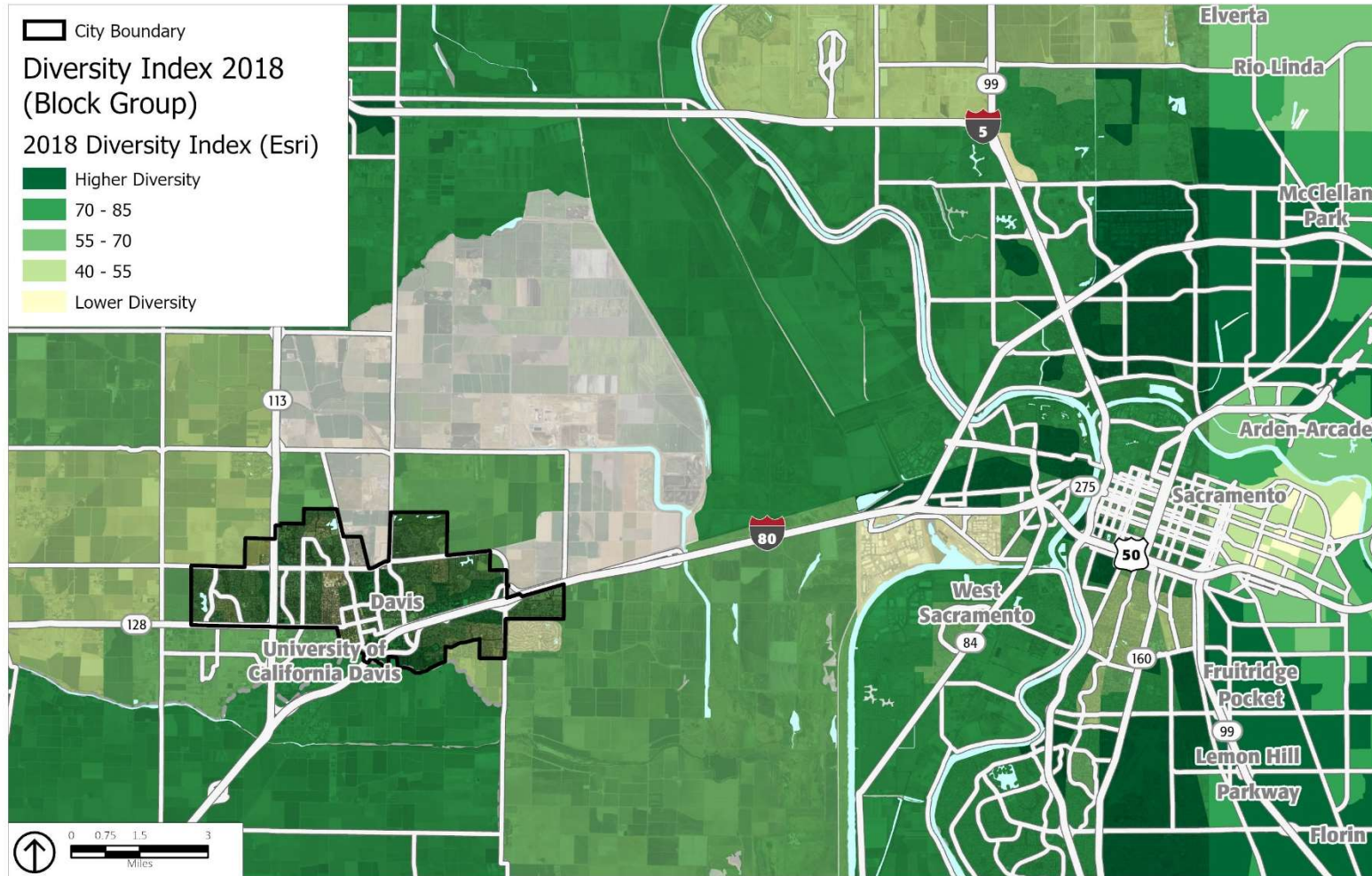
shown in Table 5, has provided fewer opportunities for new households and individuals to find homes in Davis. This Housing Element Update includes numerous programs to support the production of various types of affordable housing at all income levels, which could help to mitigate some of differences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

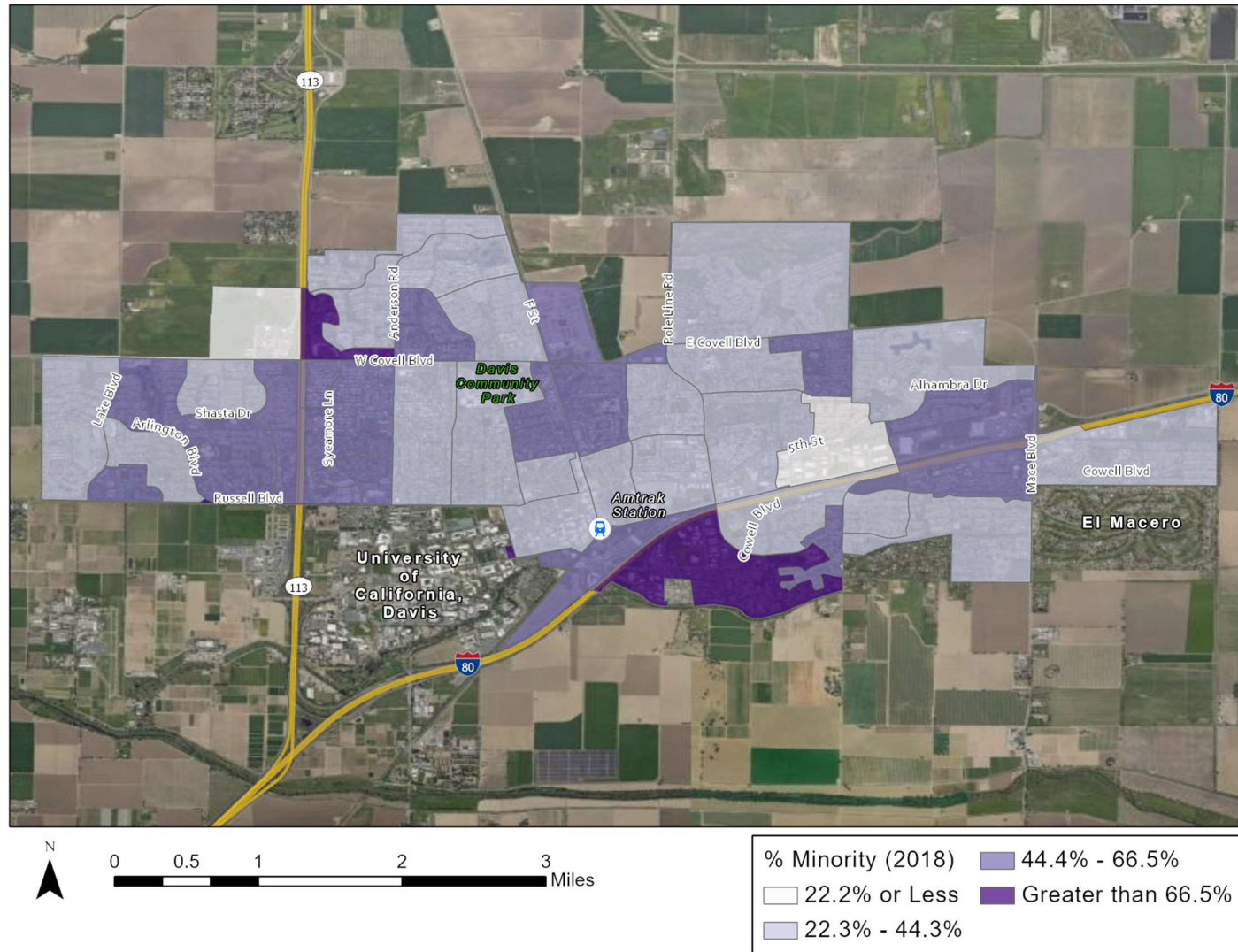
Racial and/or Ethnic Group	2010	2014-2018	Change
Non-Hispanic White	60.2	57.7	(2.45)
Black or African American alone	2.7	7.8	5.15
American Indian and Alaska Native alone	0.7	1.5	0.80
Asian alone	28.0	29.8	1.86
Native Hawaiian and Other Pacific Islander alone	0.3	1.6	1.28
Some other race alone	0.5	1.8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

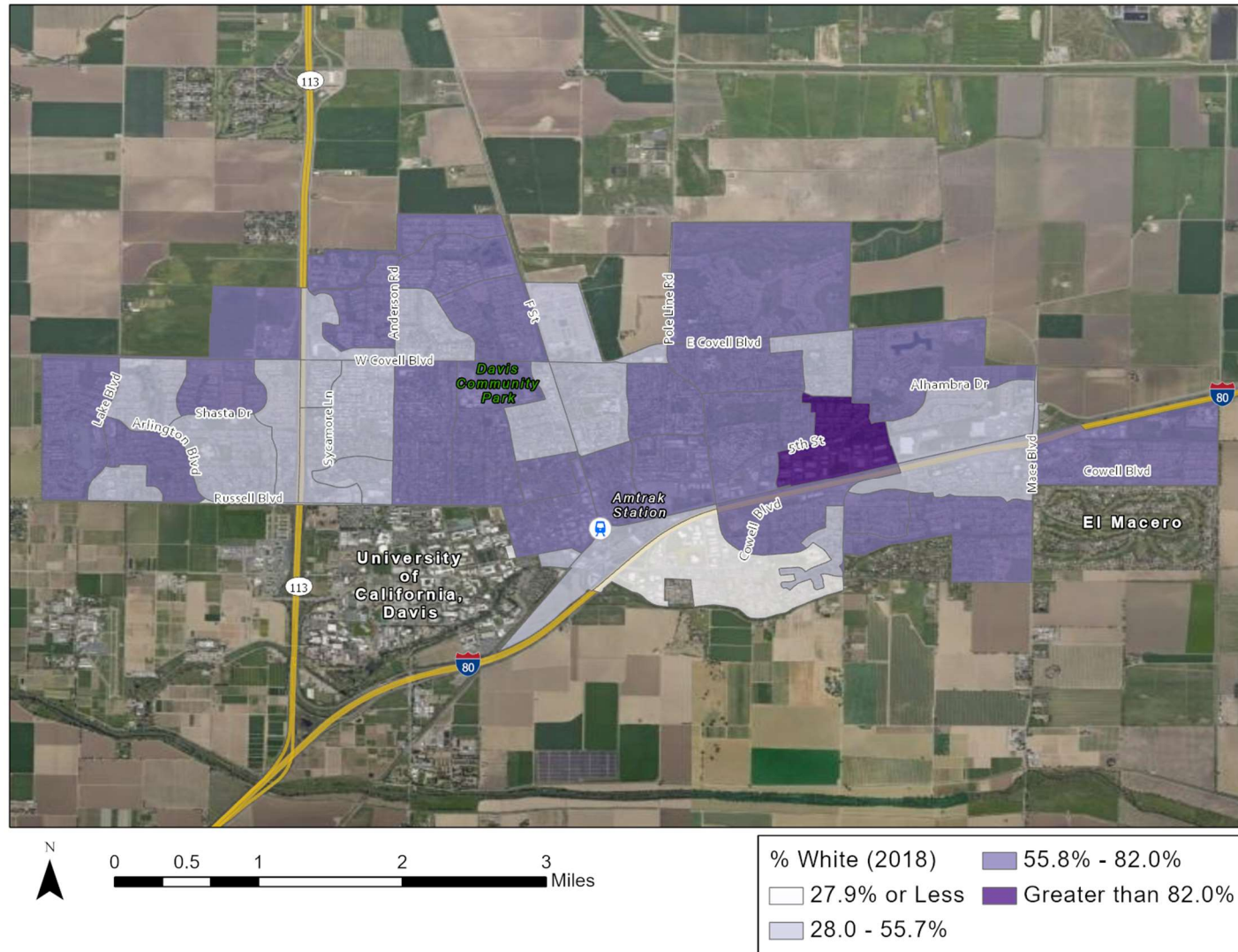
Figure 9 through Figure 12 below illustrate the geographic concentration of non-Hispanic White, Asian, and Hispanic or Latino residents by Census Block Group. The maps illustrate that most Block Groups within the City of Davis feature a relatively high percentage of non-Hispanic White residents, with 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



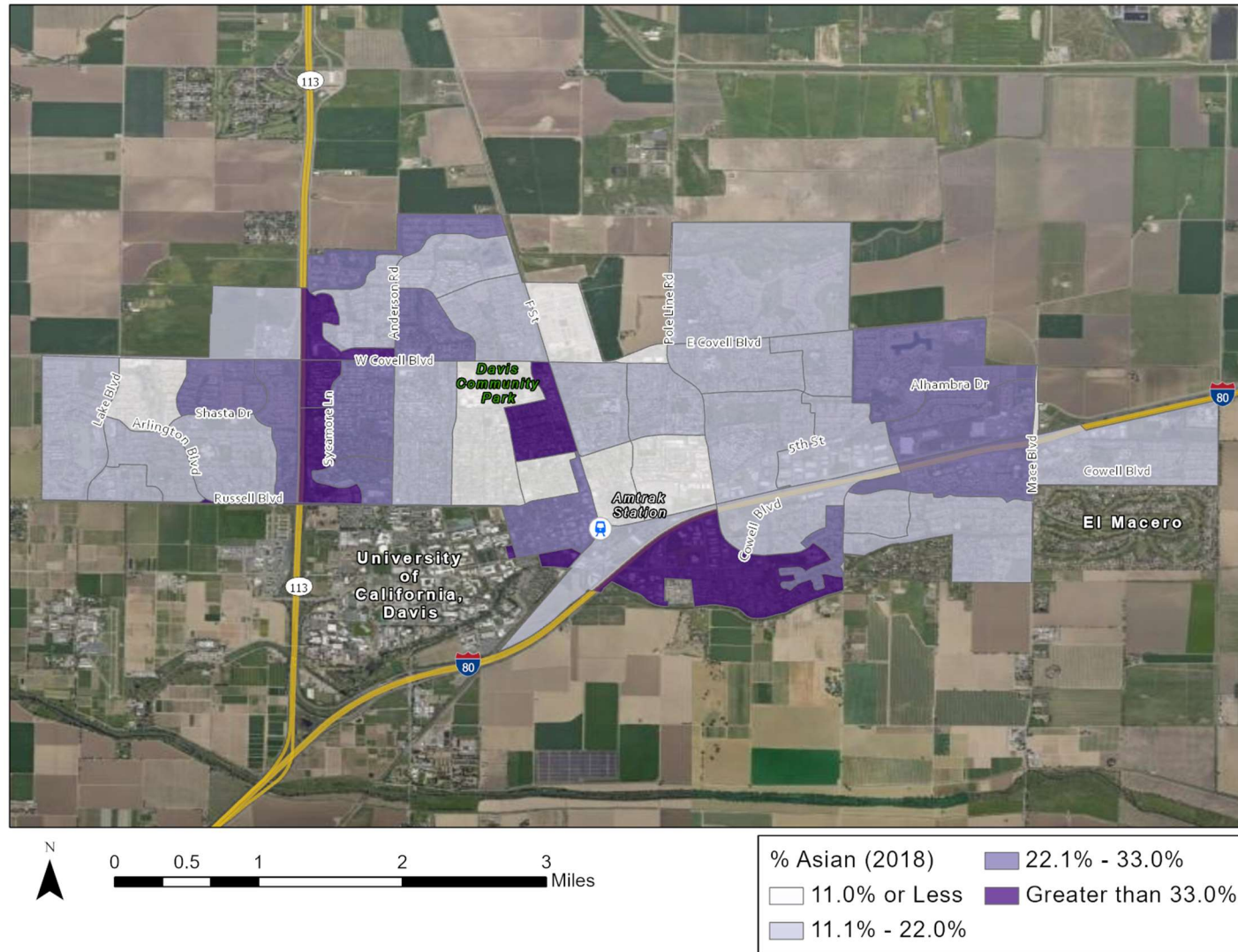
Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

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



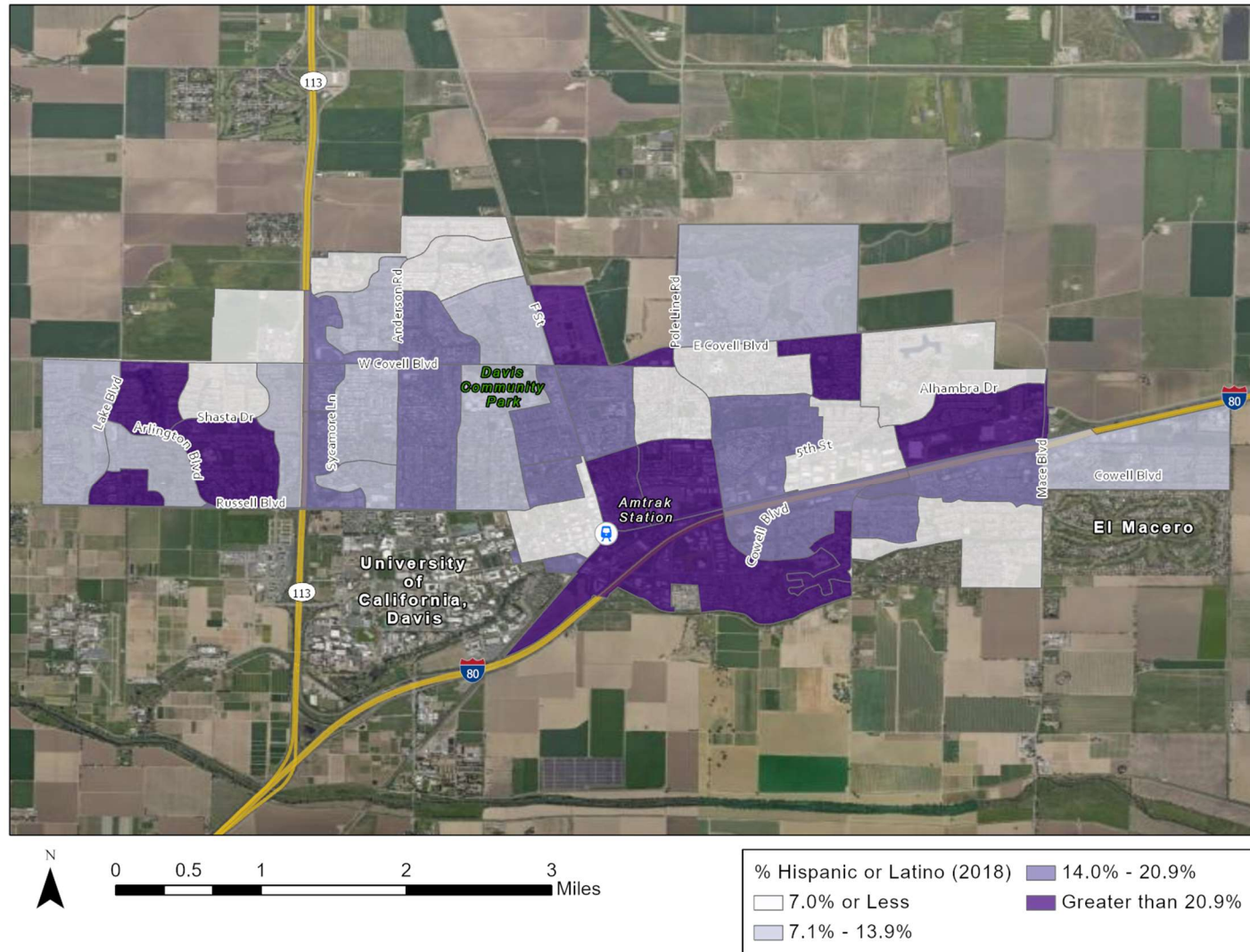
Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

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

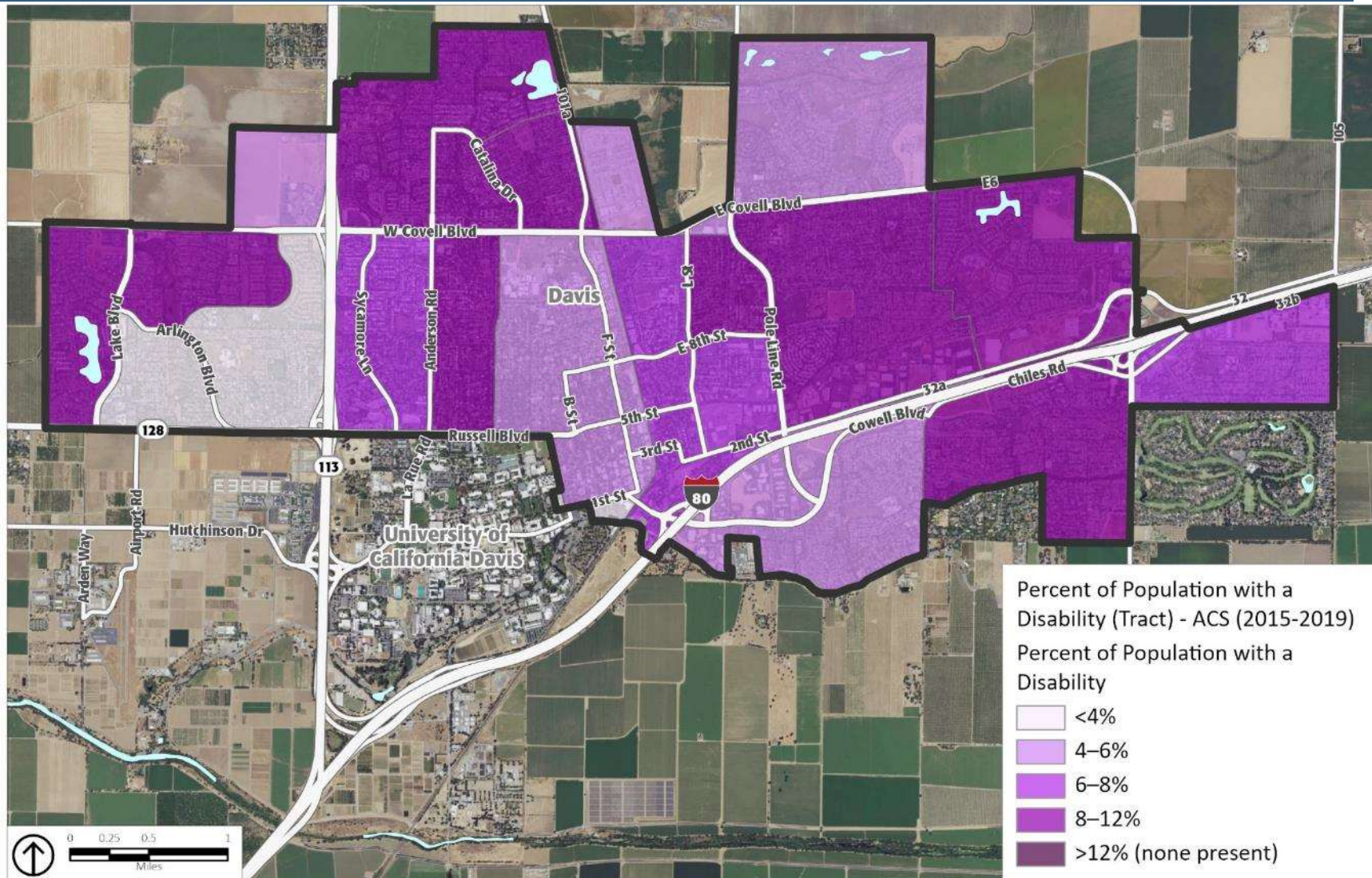


Sources: U.S. Census Bureau, American Community Survey, 2014-2018 five-year sample data; BAE, 2020.

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

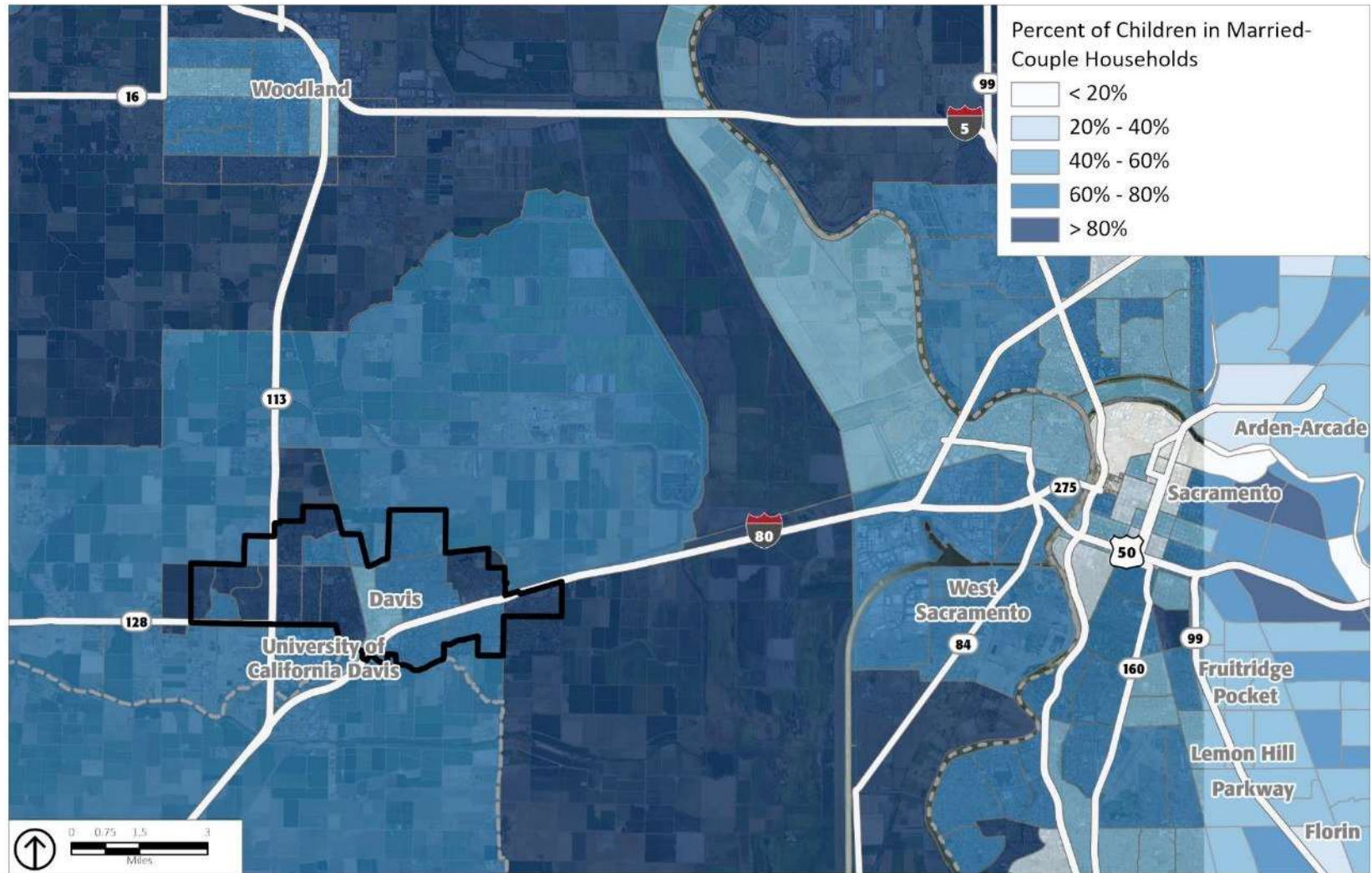
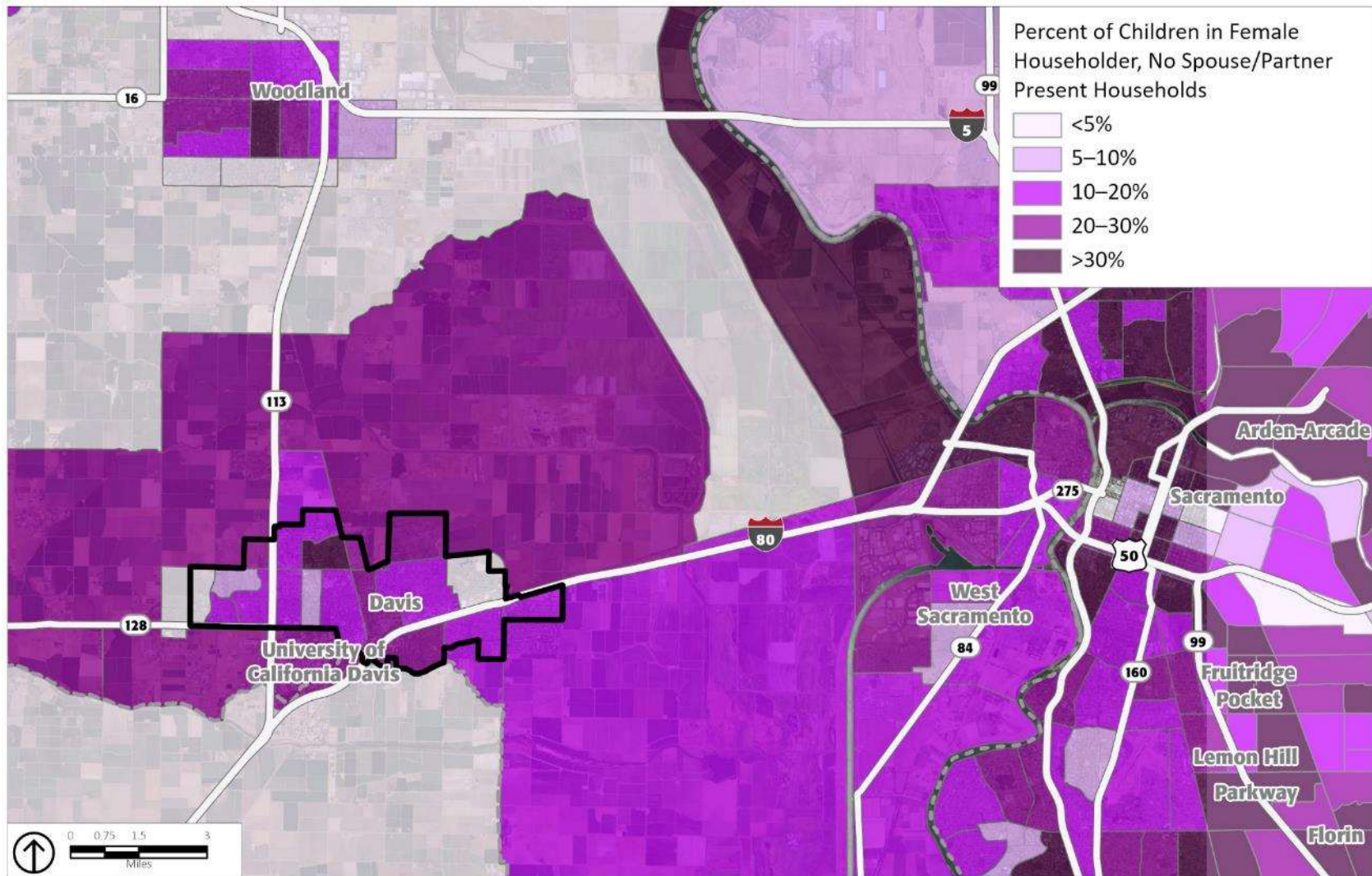


Figure 15: Percent of Children in Single-Female Headed Households, 2015-2019



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. The map 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. Households with lower incomes are generally in the central city close to the university.

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 outer areas of the city.

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.

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

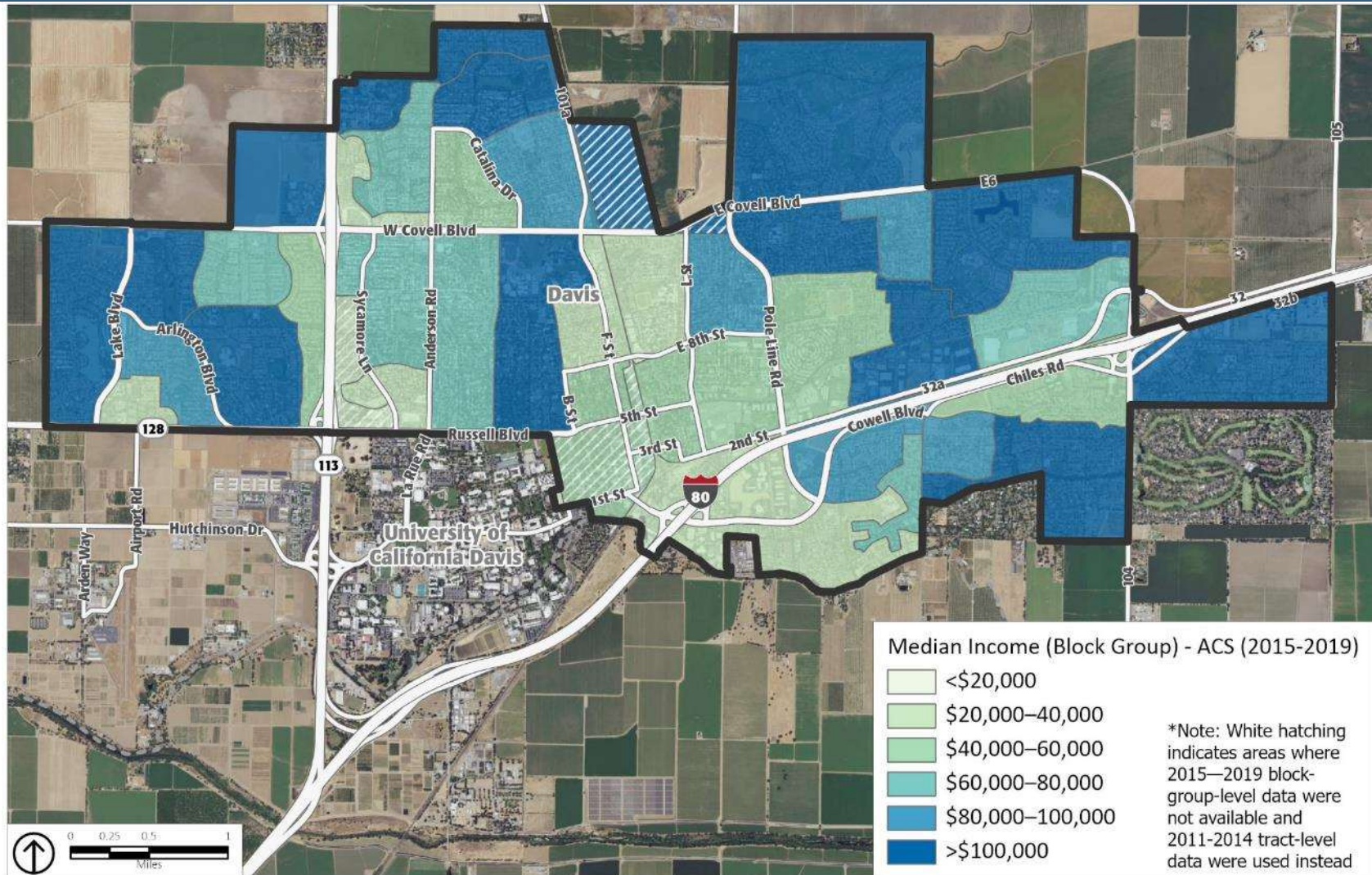


Figure 17: Percent of Low to Moderate Income Households by Census Tract, City of Davis, 2015-2019

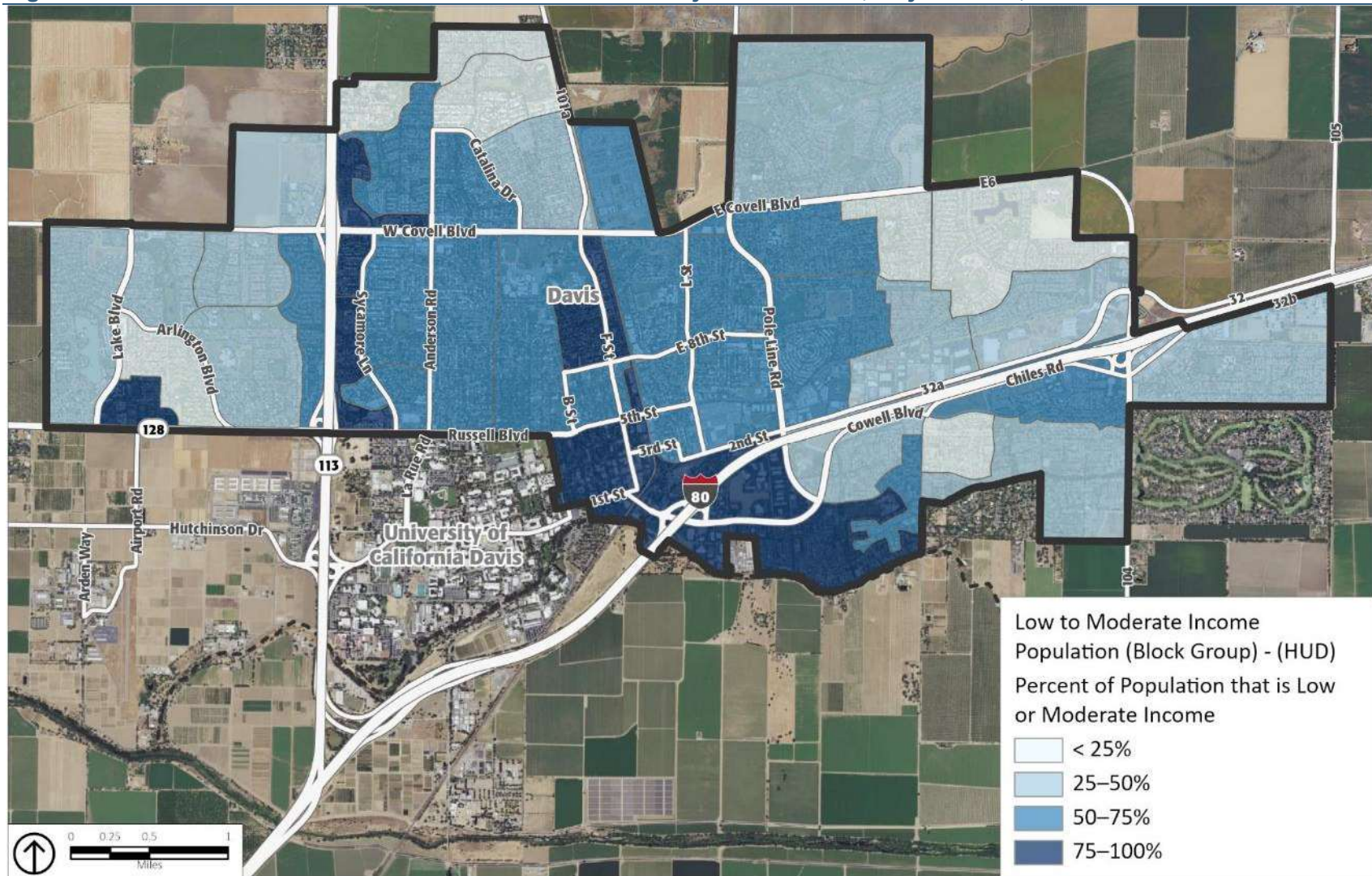
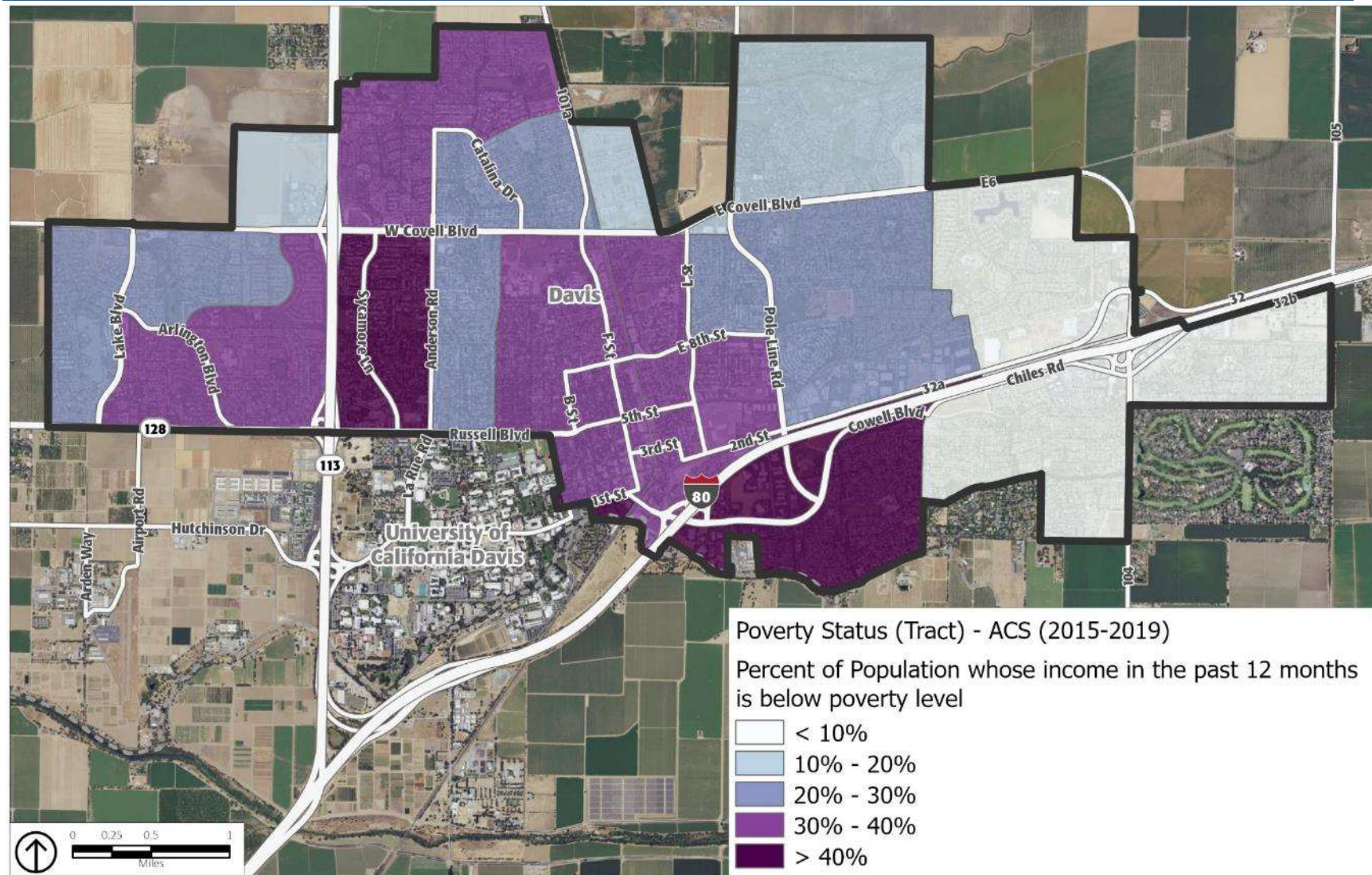


Figure 18: Poverty Status, City of Davis, 2015-2019



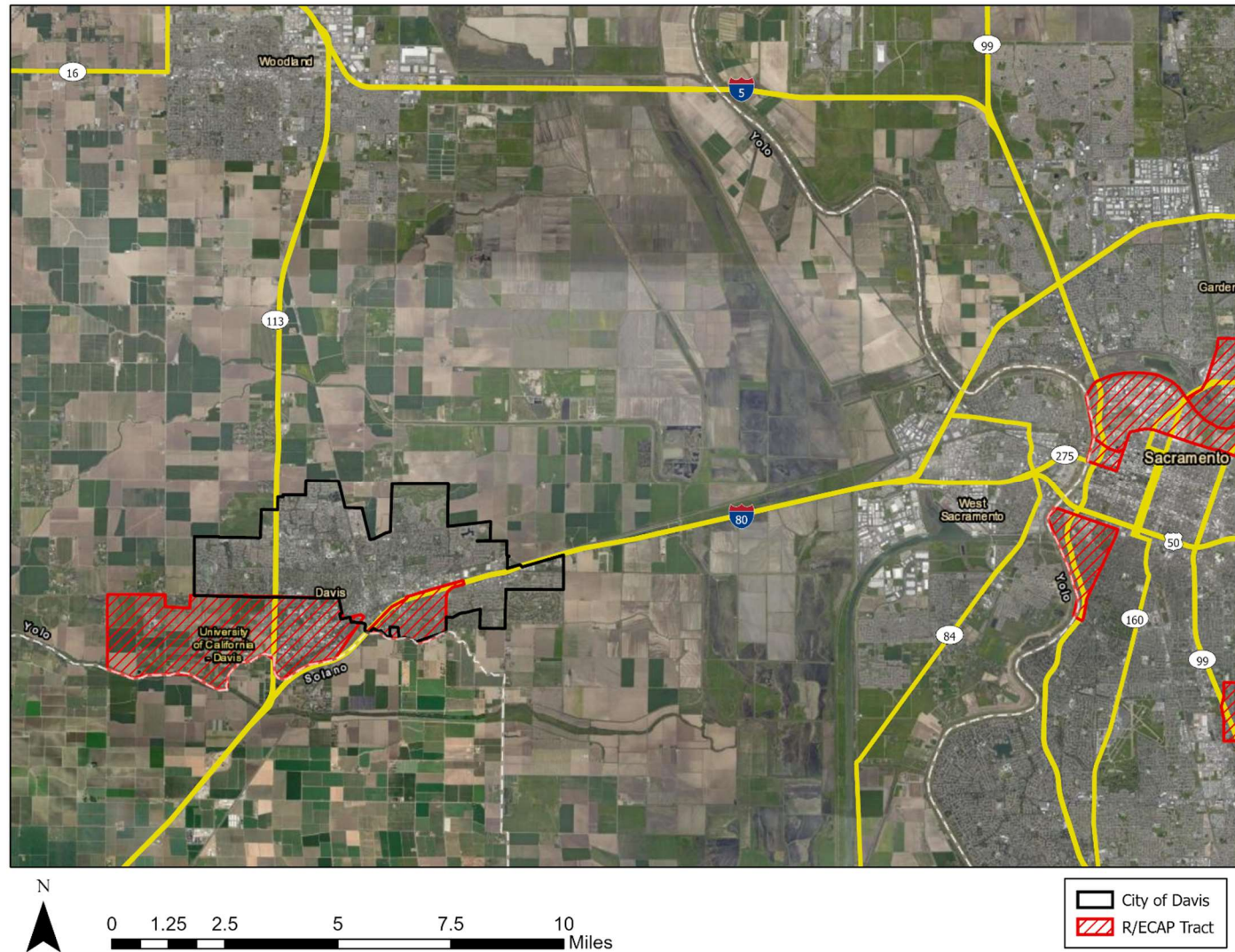
Racially and Ethnically Concentrated Areas of Poverty

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. Other R/ECAPs in the region are located in the City of Sacramento.

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

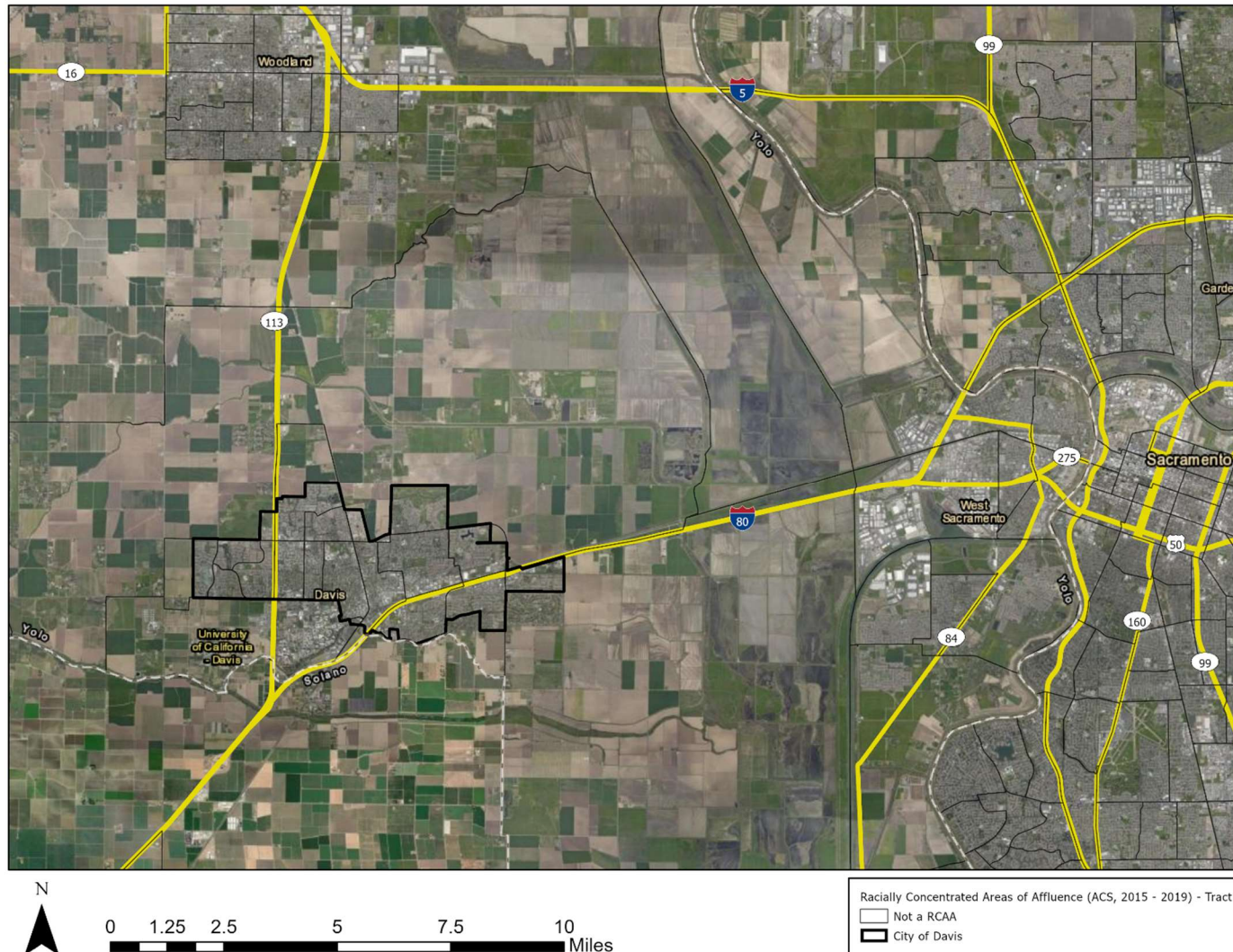
Racial/Ethnic Group	Below Poverty Line (a)			Total Population		Share in Poverty Minus Share of Total Population
	Number	Poverty Rate	Share of Total Pop. In Poverty	Number	Percent	
White	9,969	23.1%	50.8%	43,067	65.0%	-14.2%
Black or African American	716	46.7%	3.6%	1,532	2.3%	1.3%
American Indian and 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 R/EAs in Davis or the surrounding area.

Disparities in Access to Opportunity

HCD/TCAC Opportunity Areas

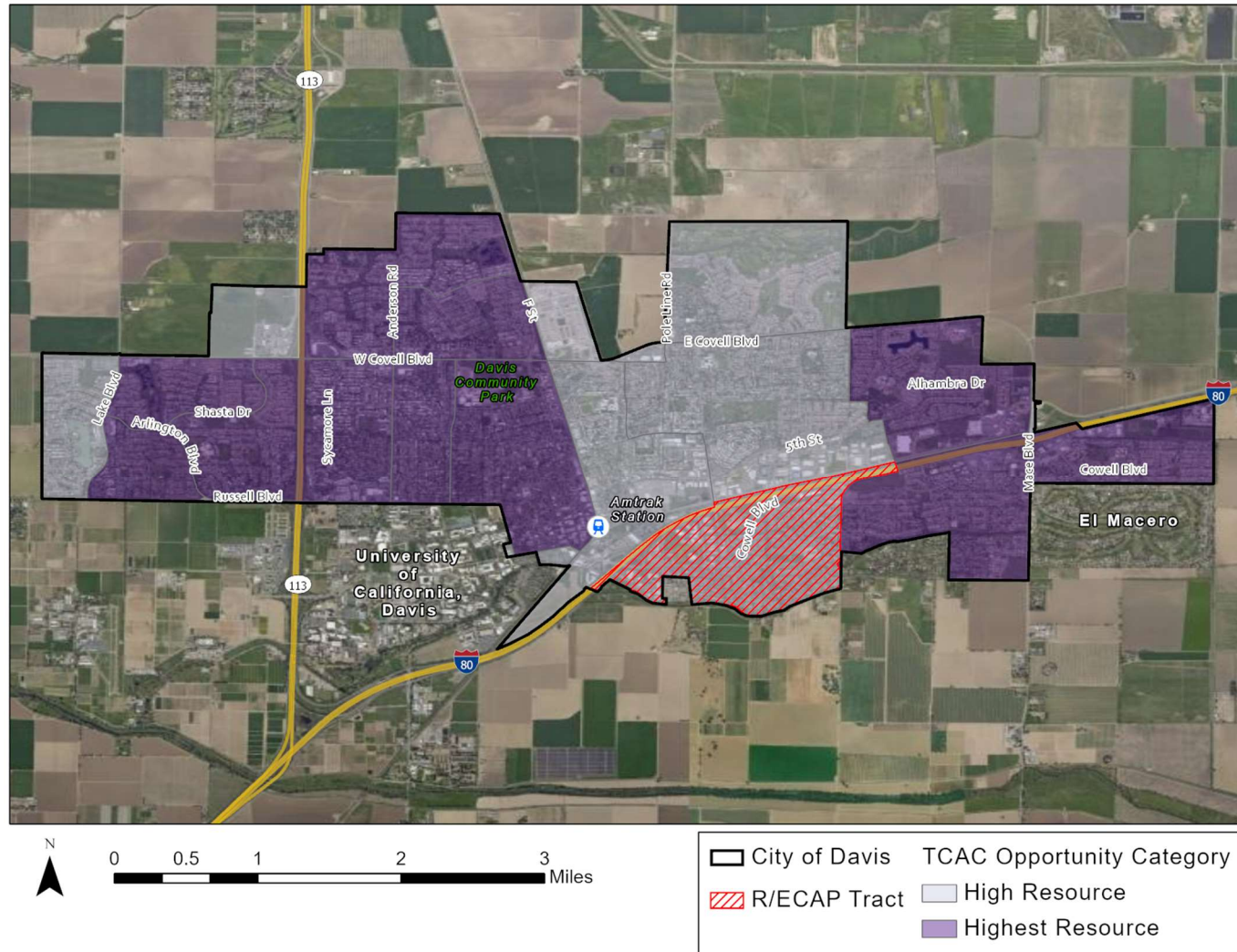
AB 686 requires the needs assessment to include an analysis of access to opportunities. To facilitate this assessment, among other uses, HCD and the State Tax Credit Allocation Committee (TCAC) convened an independent group of organizations and research institutions under the umbrella of the California 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

As illustrated in Figure 21, 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.

Compared to the rest of the Greater Sacramento region, Davis has higher opportunity areas and greater access to resources for its residents (see Figure 22).

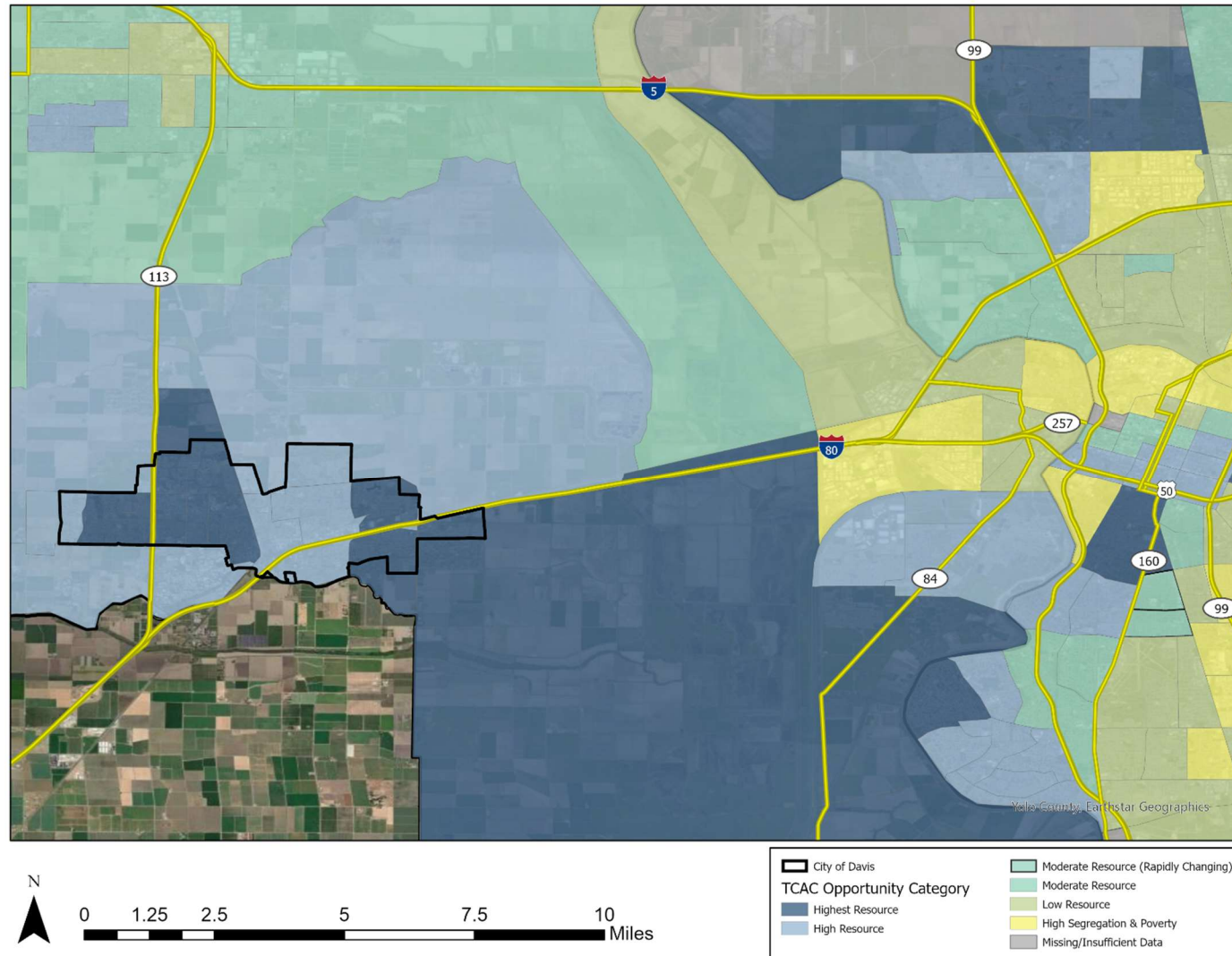
¹¹ California Fair Housing Task Force. December 2020. *Methodology for the 2021 TCAC/HCD Opportunity Map*. Available at: <https://www.treasurer.ca.gov/ctcac/opportunity/2021-hcd-methodology.pdf>

Figure 21: 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 22: 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 23, 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.

Access to Educational Opportunity

Figure 24 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 25 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 26).

Pollution levels tend to be relatively low throughout Davis. As shown in Figure 26, 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 western 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 23: Transportation Cost Index, Davis

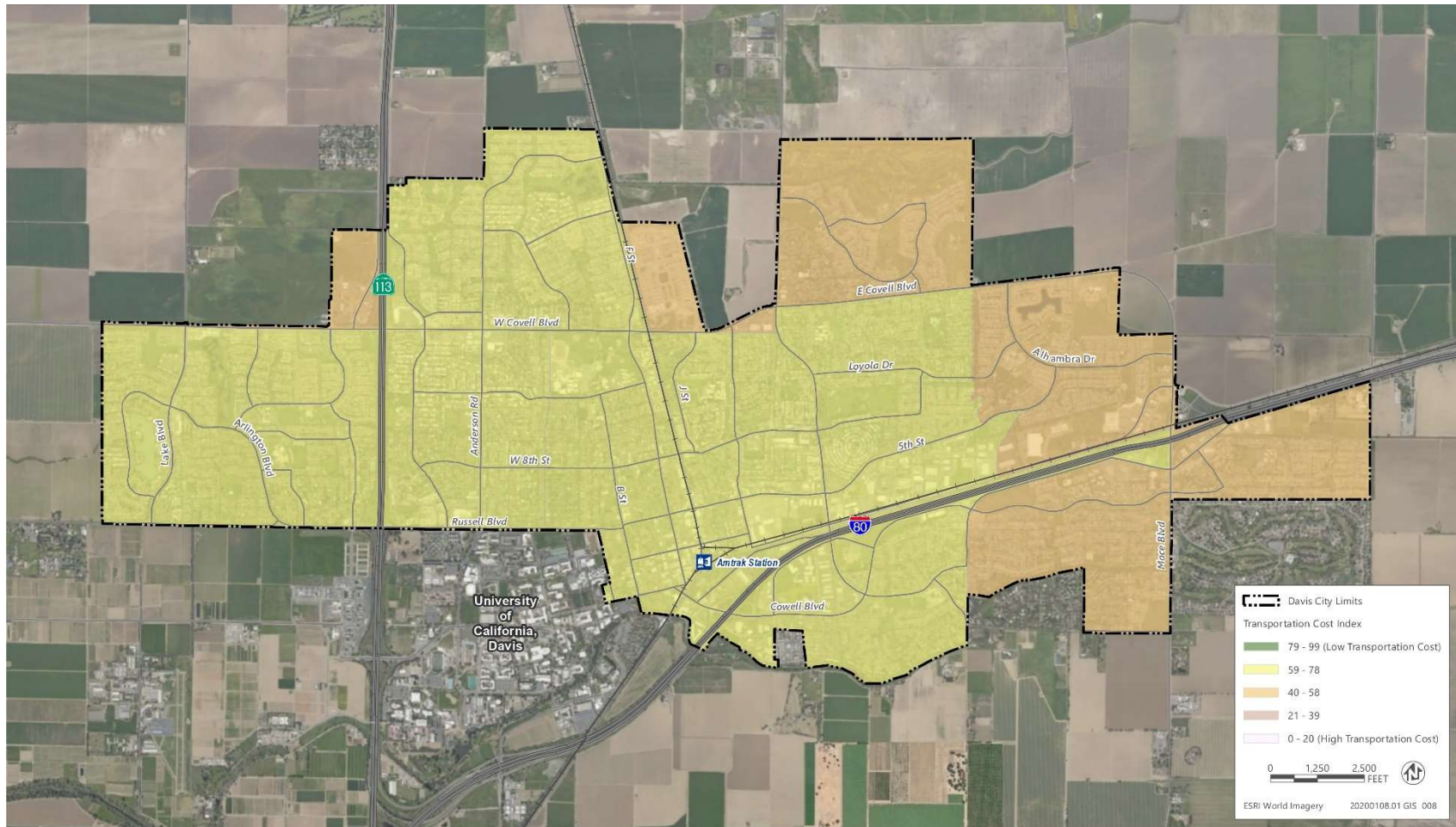
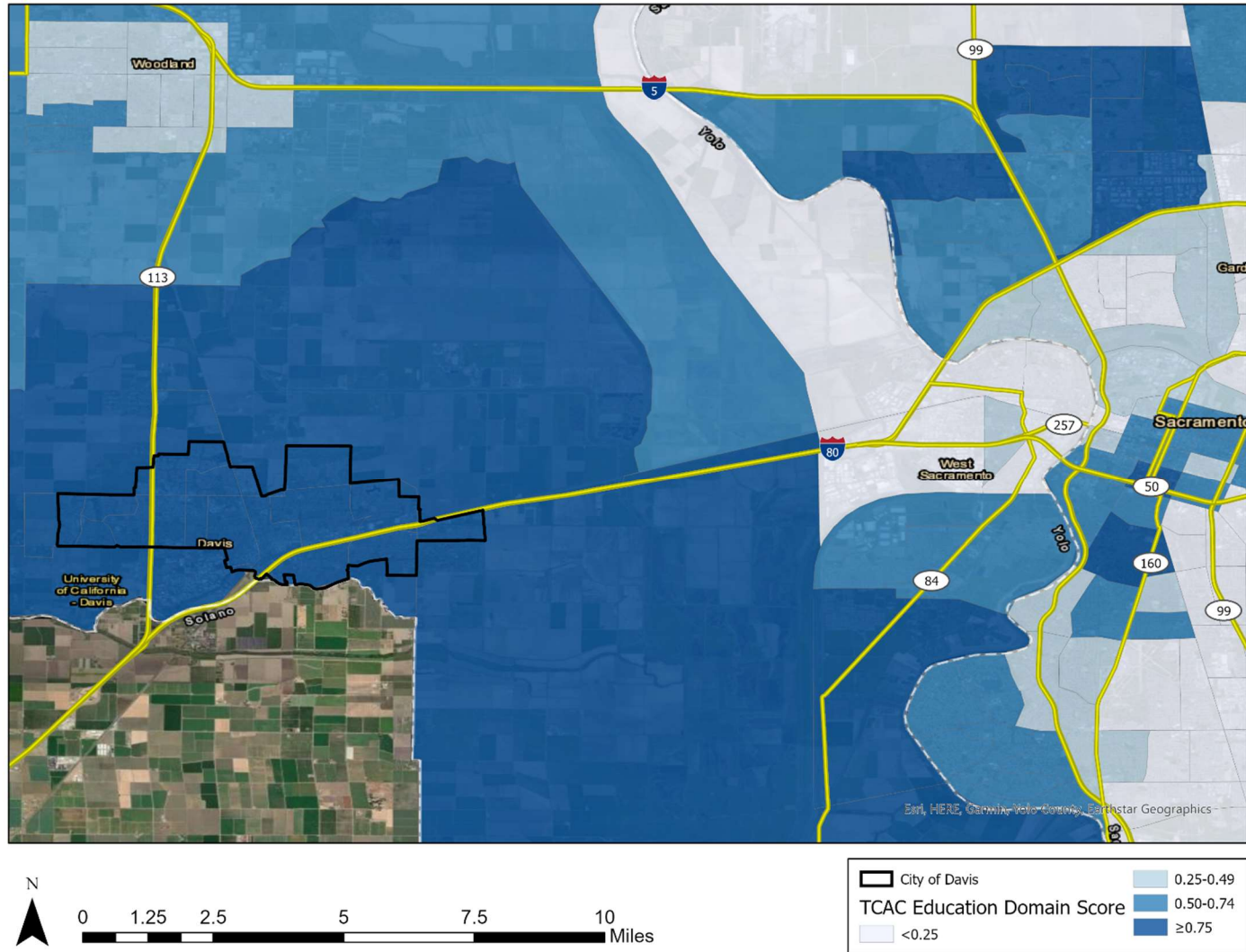


Figure 24: TCAC Opportunity Areas Education Score, 2021



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

Figure 25; Jobs Proximity Index, Davis, 2014-2017

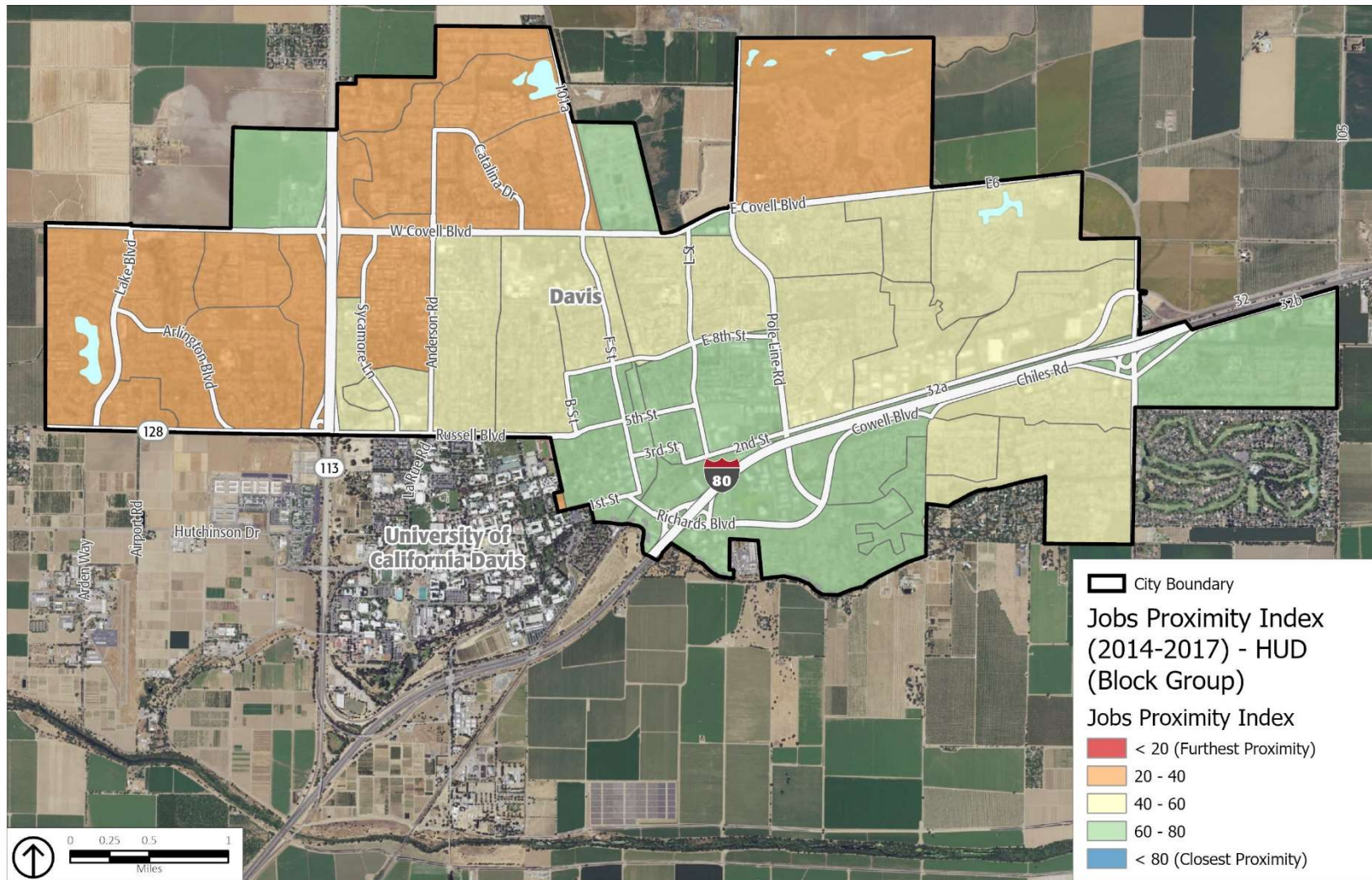
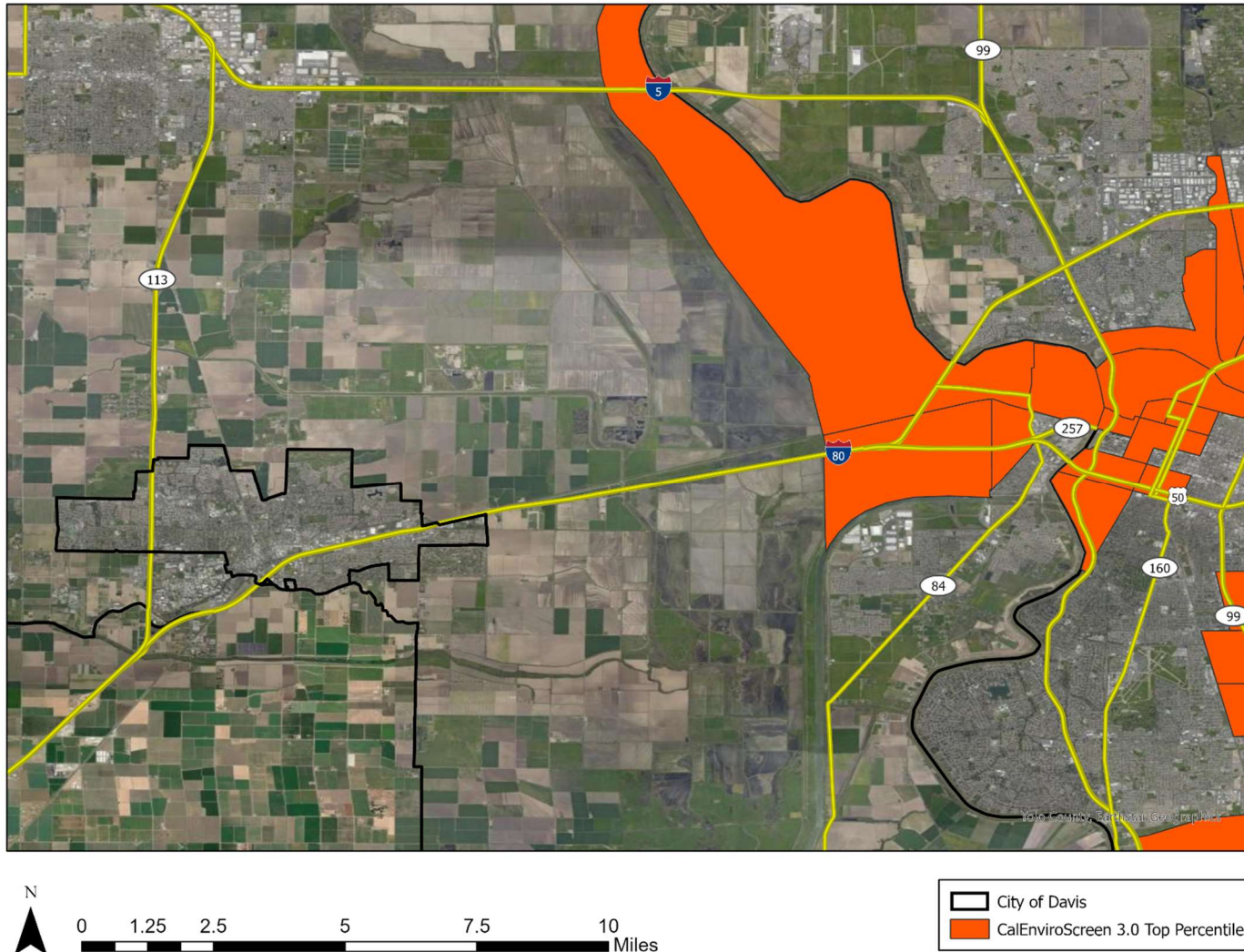


Figure 26: Areas of High Pollution



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 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%
Average Rate +10%	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 27 shows the trends of overpayment for renters in the city and Figure 28 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 27). As shown in Figure 28, 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 27: Overpayment by Renters, City of Davis, 2015-2019

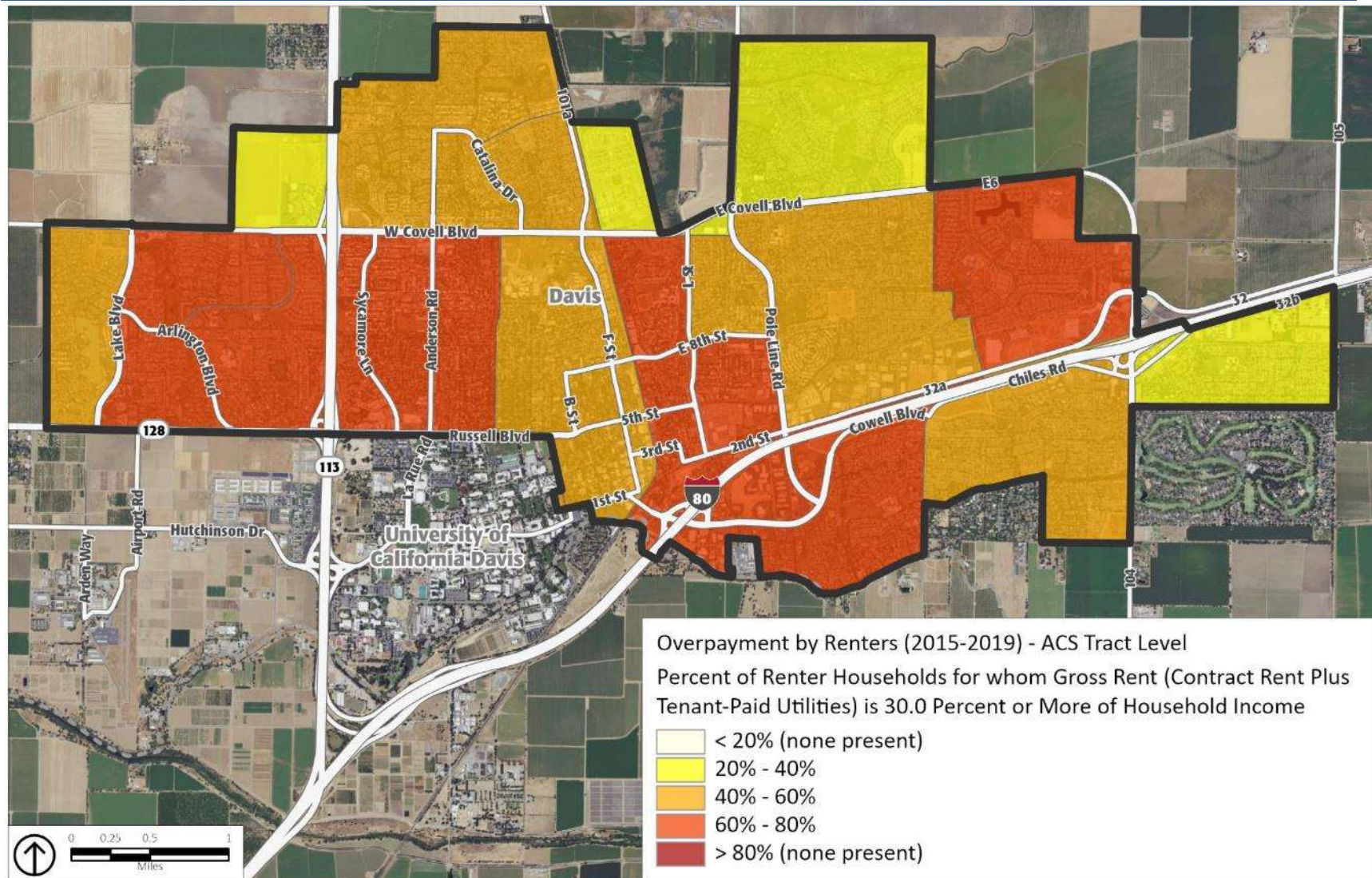
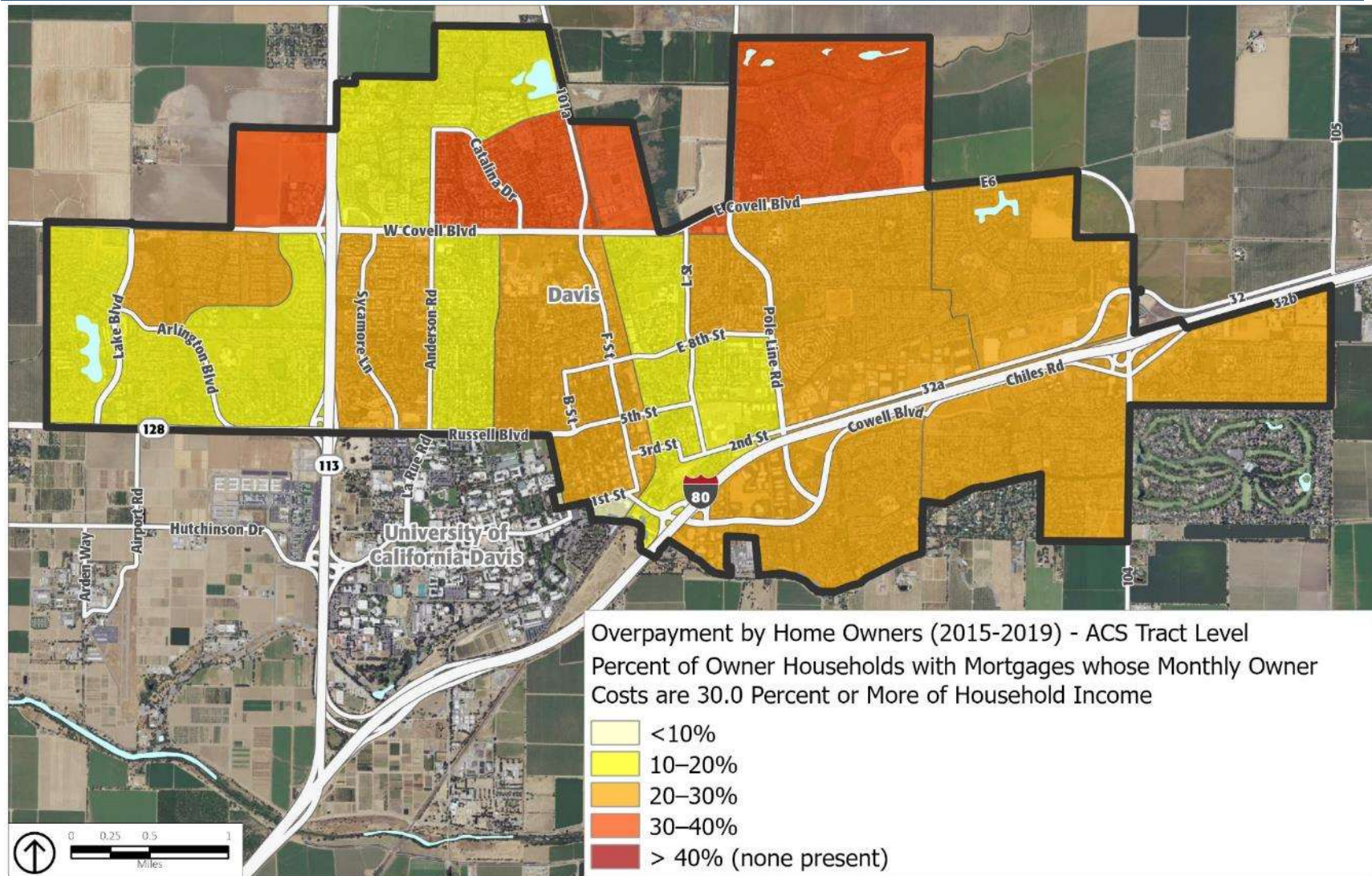


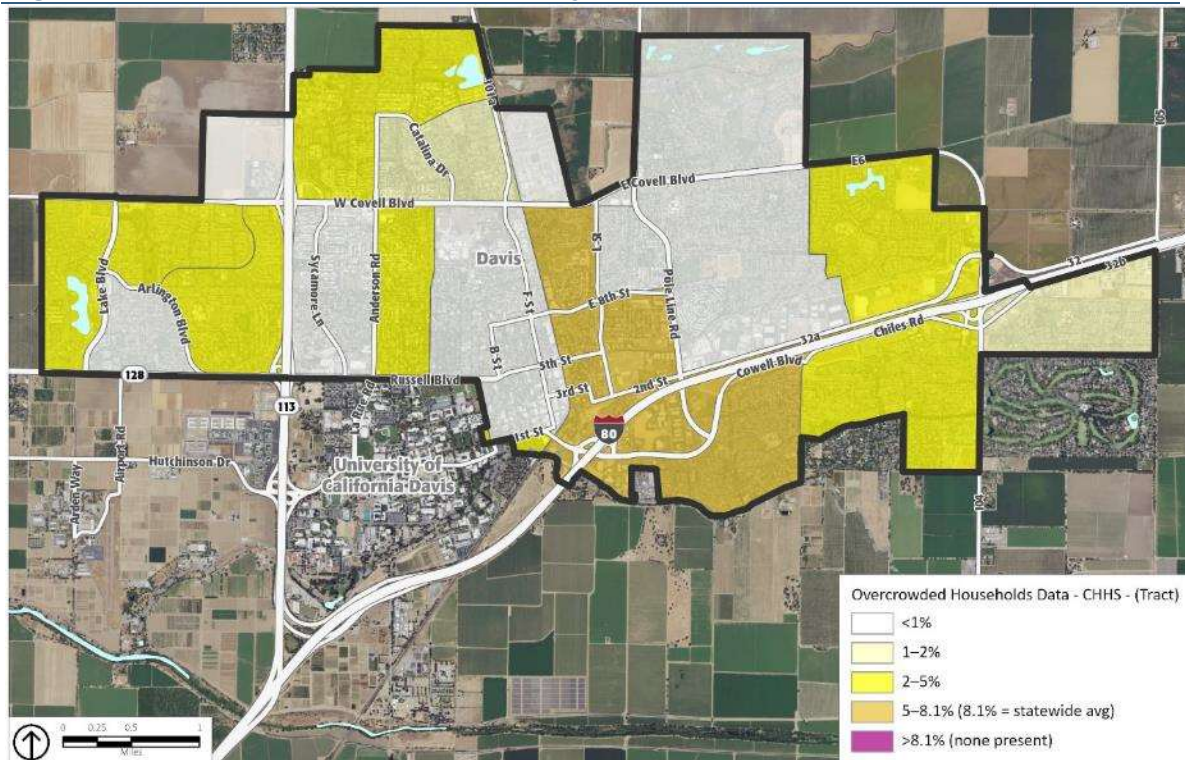
Figure 28: Overpayment by Homeowners, City of Davis, 2015-2019



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 29 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 29: 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 30: Displacement Experience and Reasons for Displacement

		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, Contributing Factors, Goals, and Actions

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
Davis' high-cost housing market provides limited opportunities for lower-income households to find housing in Davis that they can afford.	<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>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>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 high housing costs in Davis.</p>	Goal 1: Provide and maintain adequate sites for low- and moderate-income housing development <i>Actions: Programs 1.1.1, 1.1.2, 1.1.3</i>
		Goal 2: Prioritize affordable units and units that address underserved needs <i>Actions: Programs 1.1.4, 1.2.4, 2.2.2</i>
		Goal 3: Facilitate the production of affordable units <i>Actions: Programs 1.2.5, 1.5.4, 2.1.4, 2.1.6, 2.4.2, 2.5.1, 4.1.1, 4.1.8</i>
		Goal 4: Update the Affordable Housing Ordinance <i>Actions: Programs 2.1.1, 2.1.2</i>
		Goal 5: Fund and implement the Housing Trust Fund <i>Actions: Program 2.1.6, 2.2.1, 2.2.2</i>
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>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>	Goal 1: Provide and maintain adequate sites for residential development <i>Actions: Programs 1.1.1, 1.1.2, 1.1.3</i>
		Goal 2: Facilitate the production of housing, including for a variety of housing types <i>Actions: Programs 1.2.2, 1.2.3, 1.2.5, 1.2.6, 2.6.1, 4.1.2, 4.1.3, 4.1.4, 4.4.1</i>
		Goal 3: Address student housing need while balancing needs among non-student households <i>Actions: Programs 1.2.2, 1.2.3, 1.4.1</i>
		Goal 4: Facilitate ADU production <i>Actions: Programs 1.5.1, 1.5.2</i>

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: Facilitate the production of special needs housing <i>Actions: Programs 1.3.1, 1.3.3</i></p>
		<p>Goal 2: Remove constraints to housing for persons with disabilities <i>Actions: Programs 1.3.4, 1.3.5, 1.3.6</i></p>
		<p>Goal 3: Prevent, mitigate, and address fair housing complaints <i>Actions: Programs 3.1.1, 3.1.2</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: Fund and implement the Housing Trust Fund <i>Actions: Program 2.1.6, 2.2.1, 2.2.2</i></p>
		<p>Goal 2: Preserve affordable residential units <i>Actions: Programs 3.3.1, 5.2.1, 5.2.3, 5.2.6</i></p>
		<p>Goal 3: Maintain the existing housing stock <i>Actions: Programs 5.1.1, 5.1.3, 5.2.1</i></p>
		<p>Goal 3: Protect mobile home park residents from displacement <i>Actions: Program 5.2.4</i></p>
		<p>Goal 4: Protect renters from displacement <i>Actions: Programs 5.2.2, 5.2.5</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 4,645 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 47 percent among all households, including 51 percent among owner households and 36 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%	13,816	56.2%	-2.5%
15-24	6,203	24.9%	8,153	33.1%	31.4%
25-34	3,525	14.2%	3,132	12.7%	-11.1%
35-44	1,693	6.8%	2,058	8.4%	21.6%
45-54	1,091	4.4%	1,083	4.4%	-0.7%
55-59	418	1.7%	354	1.4%	-15.3%
60-64	281	1.1%	301	1.2%	7.1%
65-74	361	1.5%	385	1.6%	6.6%
75-84	300	1.2%	488	2.0%	62.7%
85 years & older	302	1.2%	352	1.4%	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. 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 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	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	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*.¹⁴

¹⁴ 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 further 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 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 assumes 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 Student 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.

Several 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. 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 RNHA 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 the moderate-income RHNA based on the analysis of market rate rents in other recently built multifamily developments. Projects that include market-rate single-family units are assumed to meet the above-moderate-income RHNA.

The Nishi Student 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, this rental housing could be rented to anyone interested in a more affordable rental option in the area. The rental model would be unlikely to appeal to families, but it could provide for some workforce housing, which, in addition to student housing, is also a great need in Davis.

The project is intended to use a by-the-bed rental model that would provide approximately 2,200 beds to house as many people within approximately 700 separate apartment units. Each apartment would be a fully-contained housing unit as defined by the U.S. Census Bureau

with living and eating facilities and direct access to the outside of the building that is separate from other units. This is similar to 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 to provide for flexibility and to provide greater affordability if one occupant chooses to leave. In the former example, the apartment shared by several occupants would count as a single unit, so it is logical that a single unit in the Nishi project would be counted the same way, with an alternative rental agreement structure. Though the project would house approximately 2,200 individuals, only the number of units (approximately 700 units) would be used toward satisfying the City's housing needs. Furthermore, occupancy of this project would free up rentals in other parts of the city.

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 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 annexation is expected to be completed by the end of 2022, and the project applicant intends to begin development in 2023.

As shown in Table 61, there are a total of 2,409 units in planned and approved projects including: 60 extremely low-income units, 203 very low-income units, 37 low-income units, 1,365 moderate-income units, and 744 above moderate-income units.

Table 61: Planned and Approved Projects, City of Davis, March 2021

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 Student Housing	1501 ARBORETUM TER	Residential Medium High Density	47.93 (27 acres designated residential)	036810008000	35	70		595		700	General Plan Amendment approved in 2018; Measure R/J/D vote passed in 2018; awaiting annexation anticipated in 2022.	Student housing – bed rentals. Affordable units are based on the percentage of beds designated for extremely low- and low-income rents. 2,200 total beds; 110 extremely low-income beds (5%), 220 very low-income (10%)
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 units
University Commons (Umall Redevelopment)	737-885 RUSSELL BLVD	Community Retail	8.16	034253007000			13	13	238	264	General Plan Amendment and Rezone approved in 2020	
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; Undergoing planning review of subdivision phases	
3820 Chiles Road Apartments	3820 CHILES ROAD	Residential High Density	7.50	069070022000				225		225	Approved in 2019	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				22	86	108	Approved in 2009; Pending construction	22 are deed restricted condos for households with incomes below 120% AMI
Trackside Center	901 3 RD STREET	Core Retail w/Offices	0.53	070324002000				27		27	Approved in 2017	
Plaza 2555 Apartments	2600 RESEARCH PARK DRIVE	Residential High Density	6.71	069530004000		10		190		200	Approved in 2020	Project provides includes 10 very low-income units
Research Park Mixed-Use	1800 RESEARCH PARK DRIVE	University-Related Research Park	4.98	069290001000 69290044000				160		160	Approved in 2020	Paying in-lieu fee for 8 very low-income units
University View Townhomes	335 RUSSELL BLVD	Residential Medium High Density	0.26	070051002000					4	4	Approved in 2020	For-sale units
Paul's Place	1111 H Street	Residential Medium High Density	0.26	070-144-003	18					18	Approved in 2020	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	23		47	In Planning Review	Requesting General Plan Amendment to Mixed Use

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				84		84	Approved in 2018	All moderate. On hold due to applicant request to possibly switch to all residential; 2018 application includes 84 market rate units
Zelkova Court	1021 5 th Street	Residential Medium Density	0.11	070-342-016				5		5	Approved in 2004; Pending construction	Duplexes
TOTAL					53	231	37	1,344	744	2,409		

Vacant and Underutilized Sites

Table 62, Figure 31, and Figure 32 shows 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 Figure 32). 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 a 2.21-acre site 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.

This site 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. 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 existing on the parcels. The upper stories could increase the number of housing units that could be accommodated within this site.

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. In addition, with the City's desire for this site to serve at the Downtown Plan's "catalyst project," the City is committed to streamlining and facilitating development of this project as possible. The housing element includes a program to facilitate lot consolidations to support affordable housing development on small parcels.

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 July 2021). The City has received interest from a developer regarding the redevelopment of this property and is currently working with the seller of the property. The developer has produced preliminary designs for a future mixed use building, which would include dozens of new apartment rental units. The developer is awaiting the completion of the Downtown Davis Specific Plan to finalize the sale and design for the property.

Based on the existing zoning and land use designation of the site as shown in the Core Area Specific Plan, 240 G Street could accommodate 17 lower-income units, as shown in Table 57. However, once the Downtown Davis Specific Plan is adopted, the designation of the property would change to Main Street Large, which would allow for buildings up to 5 stories in height, which would allow for many more units than currently allowed under the existing Core Retail Stores designation.

907 4th Street (East Transition Lots)

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 in particular is made up of the only parcels within the Downtown Plan Area that are located east of the railroad tracks, so projects here will require special consideration of their potential impacts on the Old East Davis neighborhood located just across the alley to the east. Because of this special circumstance, it would be most advantageous to consolidate smaller the smaller lots to ensure that the area can be developed consistently in a way that will transition most seamlessly into the Old East neighborhood; multiple developments on several smaller parcels could result in a hodge-podge of designs that would be less than ideal to the residents. For this reason, the City is in a position to strongly encourage and advocate for lot consolidation.

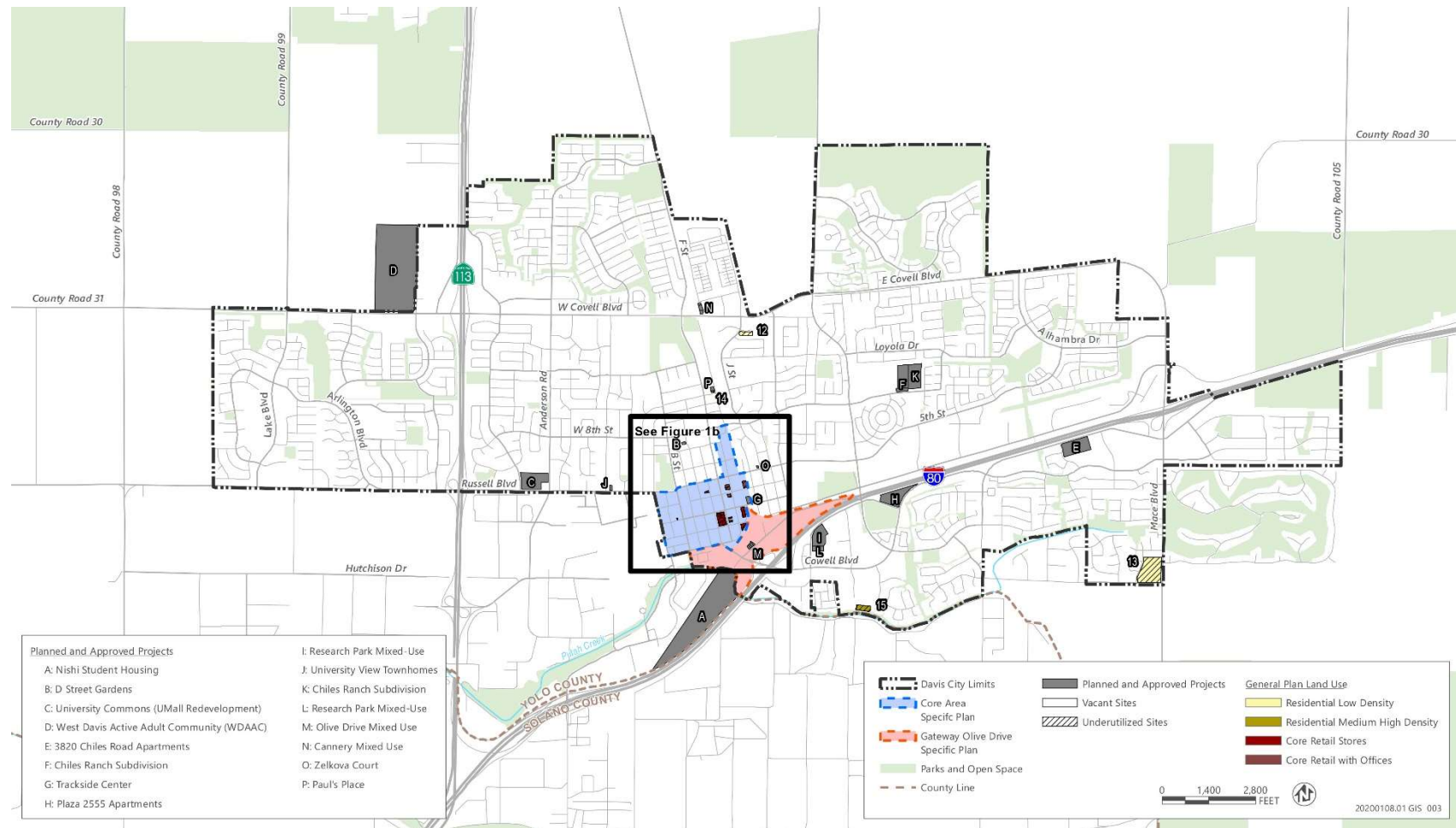
Though parcels are not vacant and there is a small building on the site, they are generally used only for occasional storage. If redeveloped, the site could provide for a more economically

strategic use than occasional storage. It would also be more visually appealing to the residences east of the alley.

Vacant and Underutilized Sites

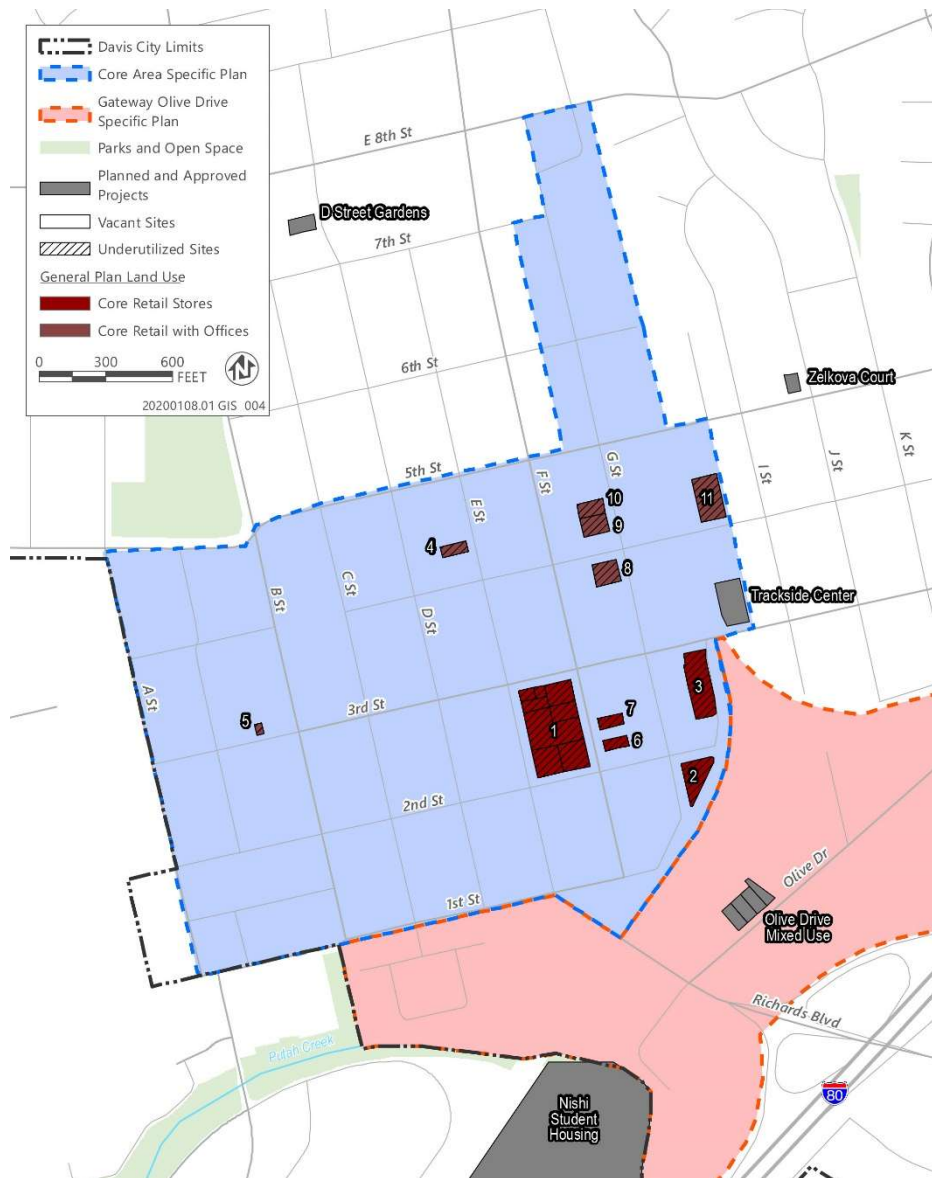
In total, the inventory identifies available capacity for 83 lower-income units, 38 moderate-income units, and 57 above moderate-income units.

Figure 31: Citywide Sites Inventory, Davis, March 2021



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

Figure 32: Core Area Sites Inventory, Davis, March 2021



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

Table 62: Vacant and Underutilized Sites, City of Davis, March 2021

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										
	Site #1 Subtotal	2.21											
2	802 2 ND STREET	0.40	070252006000	C-C	Core Retail Stores	30	24	Non-Vacant		10		Y	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	17			Y	Building is vacant. Previous Ace Hardware location. City in talks with developer, who is motivated to redevelop site and adjacent parking lot with mixed use building.
4	413 E STREET	0.14	070211012000		Core Retail with Offices	30	24	Vacant		3		Y	Previous Four One Three E Street Apartments project application was withdrawn
5	247 3 RD STREET	0.04	070073008000	PD 2-86B	Core Retail with Offices	15	15	Non-Vacant		1		Y	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		Y	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		Y	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		Y	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		Y	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		Y	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 Downton Davis Specific Plan as catalyst site (East Transition Lots)
12	1100 KENNEDY PLACE	1.01	070430002000	PD 11-82	Residential Low Density	2.4 - 4.79	4	Vacant			4	N	Vacant
13	1000 MONTGOMERY AVENUE	10.61	069100025000	PD 4-92A	Residential Low Density	2.4 - 4.79	5	Vacant			53	N	Vacant
14	1101 H STREET	0.15	070-144-004		Residential Medium High Density	20	18	Non-Vacant		2		Y	City purchased site – nonvacant; existing residential duplex, City providing transitional housing for homeless individuals and families. Included in City PHLA funding request.
TOTAL									83	38	57		

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 2,755 housing units, exceeding the total RHNA of 2,075 units. However, the City has a shortfall of 472 units for lower-income households (i.e., low- and very low-). The City has a surplus of 1,189 units for moderate-income households and a surplus of 11 units for above moderate-income households. The residential sites inventory is shown in Figure 33.

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	37	1,344	744	2,409
Vacant and Underutilized Sites	83		38	57	178
Accessory Dwelling Units	5	49	99	15	168
Total Capacity	458		1,481	816	2,755
Surplus (+) / Shortfall (-)	-472		+1,141	+11	

Source: Ascent 2021

Lower-Income RHNA Shortfall

As shown in Table 64, the City of Davis has a shortfall of 472 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 23.6 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 11.8 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 472 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 RHNA in order to provide a buffer of lower-income sites in the event that sites are lost from the lower-income sites inventory.

The City is considering various strategies to meet the rezone obligation including: implementing the Downtown Davis Specific Plan, rezoning of non-residential land (business park and office),

upzoning of non-residential designations that allow for residential uses, and annexing of unincorporated land. Candidate rezone sites are described in detail in Appendix E. The rezone strategies will be studied further by the City to consider development feasibility, infrastructure capacity, and proximity to services. Specific sites will be rezoned prior to May 15, 2024 to ensure the City meets the RHNA and the Housing Element remains in compliance with State law. Through this process the City may identify additional sites, not identified in this element.

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 33 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 33 displays that the majority of low- and moderate-income sites are in areas with higher concentrations of low-moderate income households. Approximately 58 percent of low- and moderate-income units are located in block groups with 75-100 percent of households with low-moderate incomes. Comparatively, 20 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 23 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 34 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

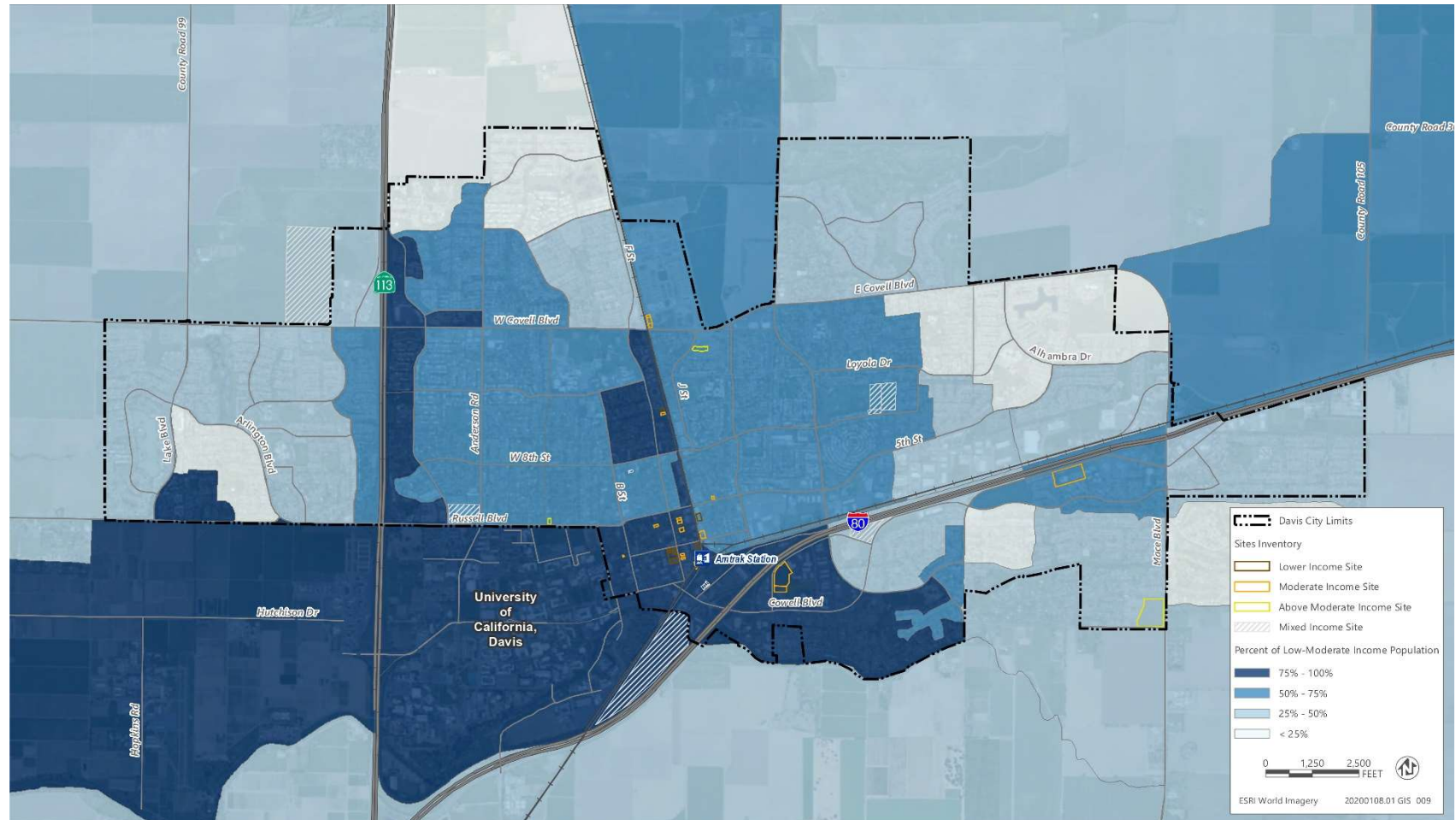
All parcels (or portions of parcels) identified in the inventory were reviewed to determine possible environmental constraints such as flood zones, and other possible constraints to development feasibility. As shown on Figure 4, Paul's Place, a planned and approved project, and one inventory site (APN 070-144-004; 1101 H Street) is located within the 100-year flood plain. However, the City anticipates a letter of map revision (LOMR) to be received for the sites from the Federal Emergency Management Agency. As such, these sites are not expected to be constrained by flood zones. In addition, the sites 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

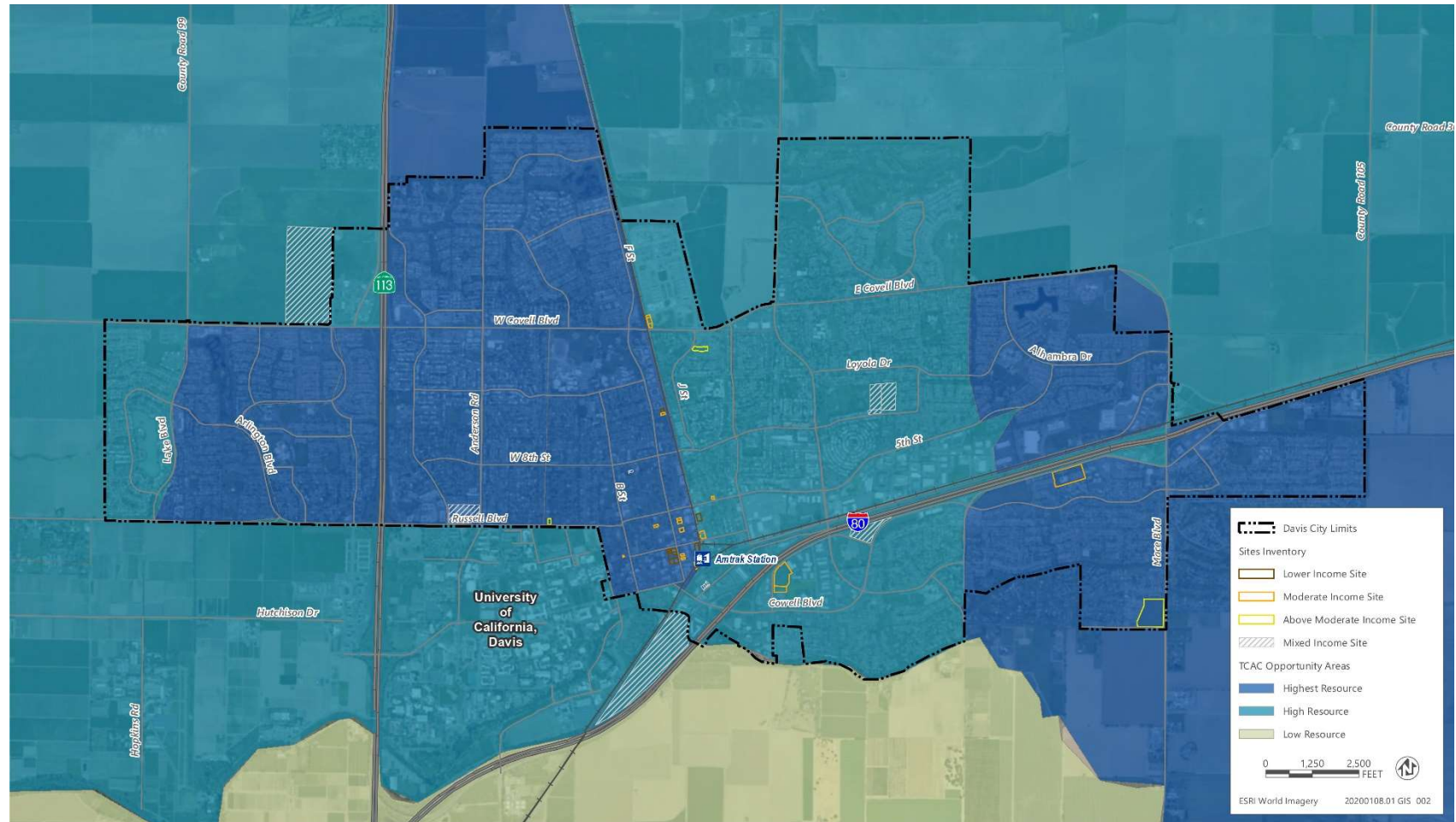
Adequate public facilities, services, and available public infrastructure capacity is needed to accommodate housing needs. The parcels included in the inventory have been analyzed and the City has determined these parcels do not have significant infrastructure constraints to hinder residential development, 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 33: Sites Inventory and Percent of Population with Low-Moderate Incomes, Davis



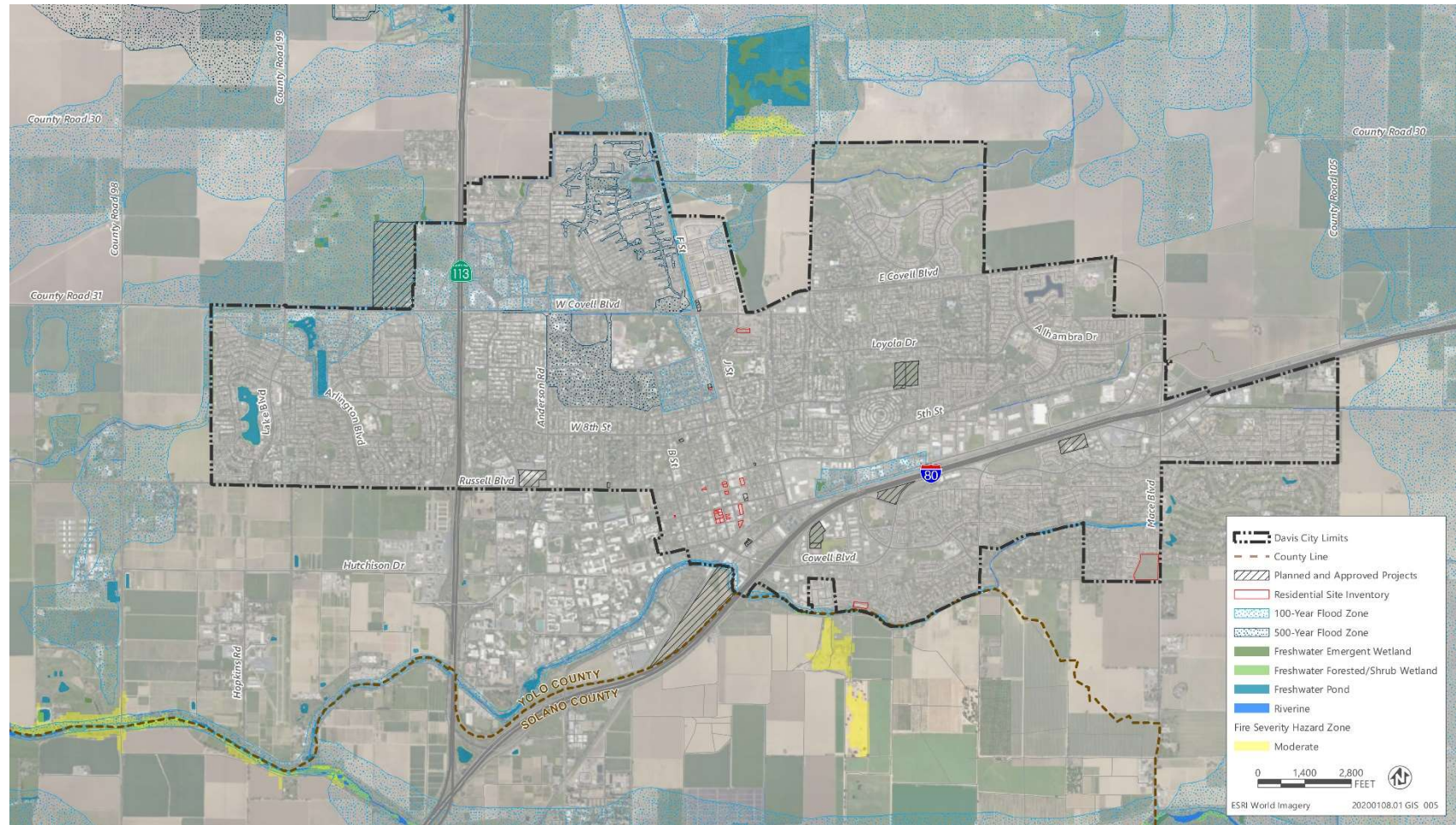
Sources: Data downloaded from the HCD AFFH Mapping Tool; Ascent, 2021.

Figure 34: Sites Inventory and TCAC/HCD Opportunity Areas, Davis



Sources: Data downloaded from the California Tax Credit Allocation Committee website in 2020; Ascent, 2021.

Figure 35: Environmental Constraints, Davis



Data downloaded from CalFIRE in 2007, FEMA in 2020, USFWS in 2020, and Yolo County in 2020; Ascent, 2021.

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 General Plan also identifies residential densities for projects that qualify for a city density bonus, pursuant to the City Affordable Housing Ordinance.

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. Planned development districts allow for deviations from the standards of conventional residential districts and are described in more detail below.

Planned Development District

The planned development district promotes and encourages innovative design, variety, and flexibility in housing types that would not otherwise be allowed in conventional districts. 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.

The planned development zoning does not 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.

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	-	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 the need for a General Plan Amendment and/or zoning amendment does not constrain development. In addition, although the planned development process is discretionary, it relies on objective standards and provides flexibility to accommodate a range of development typologies, which is helpful for infill projects.

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 (Ordinance No. 2008 or 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 city voters approved Measure R (Ordinance 2350) to extend the life of Measure J to December 2020. In 2020, voters approved Measure D which further extends 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. The Measure J project must also 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. The Measure J project would also be required to comply with the California Environmental Quality Act. Measure J exempts units needed to meet the RHNA and permits five acres of land to be designated for residential development to meet the RHNA. If necessary, to meet the RHNA, the City may designate more than five acres of land for residential development based on maximum multifamily densities.

Any proposal submitted to the voters through Measure J must first be approved by the City Council, after review by the Planning Commission. This process ensures that the proposal provides the required inclusionary units and complies with City General Plan policies in order to be approved by the City, prior to action by voters. Projects may undergo modification during the initial review process to ensure consistency with community goals, including affordable housing, before being submitted to the voters. The process envisions community outreach for proposed developments, which may include notification through the local newspaper, direct mails, neighborhood meetings, the City website, and local cable television.

Modifications to a voter approved Measure J project are permitted as long as they do not change base line features, such as open space, recreational amenities, design features and public facilities, and do not increase the number of residential dwelling units or the intensity of non-residential development.

The Measure J requirement contributes to the City’s managed growth system. Measure J encourages compatible infill development by explicitly excluding infill projects from the requirement for voter approval, which will provide needed housing, while protecting the region’s farmland. Encouragement of infill development leads to what can be more complicated projects that result in greater City and project resident benefits. For example, the increased reuse of sites leads to more occasions of brownfield clean-up of toxics or previous environmentally sensitive uses (e.g., gasoline stations), while connecting residents of the units to existing neighborhoods with shopping and transit opportunities. A focus on infill also promotes mixed-use development that maximizes site potential and creative use of vacant sites or buildings which can add a step or two of additional research or demolition. Results of

these projects lead to developments with increased community amenities (e.g., shopping, transit lines, open space, proximity to community services) and reinvestment into the character of surrounding existing neighborhoods.

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 measures 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 measures from the City or other jurisdictions, the cost is shared. If a Measure J project participates in a general election, the developer will share the cost of the elections. The costs of the 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.

Six development projects have gone through the Measure J process, four of which failed voter approval: Covell Village, Wildhorse Horse Ranch, the 2016 Nishi property proposal, and the Davis Innovation & Sustainability Campus (DISC); and two of which have passed voter approval: West Davis Active Adult Community and the 2018 Nishi property proposal. The most recent Measure J project, the DISC, proposed 850 medium- to high-density residential units, 153 units of which would have been designated as affordable.

While Measure J adds costs, extends processing times, and has been used to halt development projects that would convert agricultural land to urban development, it is only a constraint to meeting housing needs if the city lacks sufficient infill housing sites. As described in more detail in the Sites Inventory Section, there is not currently (2021) enough land designated for residential development to meet the sixth-cycle RHNA. All of the sites identified to meet the lower-income RHNA are non-vacant sites. Although, Measure J supports infill development, these sites are not sufficient to meet the lower-income RHNA. Even with the increased residential densities planned for the Downtown under the Draft Downtown Davis Specific Plan, the City will need to rezone additional sites to meet the RHNA. Had DISC passed, the City would have sufficient sites to meet the sixth-cycle RHNA upon adoption of the Downtown Davis Specific Plan and would not need to rezone additional sites. While Measure J does not fully prevent the City from redesignating agriculture, open space, or urban reserve

land for residential in order to meet the RHNA, Measure J does place limitations on the City's ability to rely on rezoning and annexations to meet the RHNA. In addition, the process to rezone and annex land can take a long time and the City only has three years to rezone land to meet the unaccommodated RHNA per State law.

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, the one percent growth cap was suspended until 2025, as indicated in Program 4.4.1. 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 2025, the City Council indicated that they would be open to examining it again at that time. Program 4.4.1 includes a provision for the City to consider repealing the one percent growth cap past the suspension through 2025 that is required by SB 330.

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. 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.

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

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 <ul style="list-style-type: none"> Not referred to Planning Commission (includes categorical exemption fee) Referred to Planning Commission 	\$1,663 \$4,791	Fixed Fee 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:		Fixed Fee

Non-historic unit:	\$2,498 per historic structure and \$2.53 per net new sq ft of new structure \$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. 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 36: 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 historically used planned development zoning to reduce the required parking for some projects or allow parking to be provided for within landscape reserves. 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.

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 these parking standards are not anticipated to address parking needs for a particular project, 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. These strategies have generally been effective in mitigating the need for parking while remaining more cost-effective than providing additional parking spaces.

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.

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 and includes policies and programs in the Housing Element to monitor and address constraints. The City has already adopted the following local efforts to remove potential governmental constraints that might 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.

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.

Goal 2: Affordable Housing. Provide housing that is affordable for lower-income households.

Goal 3: Fair Housing and Equal Opportunity. Affirmatively further fair housing and protect existing residents from displacement.

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.

Goal 5: Residential Conservation. Maintain and improve the condition of Davis' housing stock.

Goal 6: Energy Conservation. Promote energy conservation in residential buildings.

Implementation Program

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Goal 1: Housing Supply				
Policy 1.1. Maintain adequate sites to achieve Davis' RHNA goals for the 2021-2029 Planning Period.				
1.1.1. 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 accordance with the State No Net Loss Law.	a. Provide adequate sites for at least 2,075 housing units, including 930 lower-income units and 340 moderate-income units b. Annual monitoring of housing sites c. Rezone if needed to maintain sites	a, c. Community Development Department with action by Social Services Commission, Planning Commission, City Council b. Housing Staff	a. By May 15, 2024 b. Annually through Housing Element annual report to HCD c. As needed through 2029	a, b. Already budgeted staff time c. To be determined if needed

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
1.1.2. Rezone at least 23.6 acres to address the City's shortfall of 472 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.	a. Rezone at least 23.6 acres to accommodate at least an additional 472 lower-income units	a. Community Development Department with action by Social Services Commission, Planning Commission, City Council	By May 15, 2024	Already budgeted staff time
1.1.3. 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 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.	a. Work with DJUSD to explore the creation of housing on District property	a. Community Development Department	2025	Already budgeted staff time
1.1.4. 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	a. Community Development and Public Works Departments, with action by the Planning Commission and City Council	As applications are processed	Already budgeted staff time and planning application fees

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Policy 1.2: Facilitate the production of a variety of housing types that meet the housing needs of an economically and socially diverse Davis.				
1.2.1. As part of the upcoming General Plan Update, identify potential policies to adequately address the need for a balance between student-oriented development and housing for 'Davis' non-student population and adopt associated policies as appropriate.	a. Identify potential policies b. Adopt new policies as appropriate	a. Housing staff a. Community Development Department with action by Planning Commission, City Council	a. By 2025 b. By 2025	Already budgeted staff time
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.	a. Encourage a mix of housing types	a. Planning Division, with action by Planning Commission and City Council	As applications are processed	Already budgeted staff time
1.2.3. Through the adoption of the 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.	a. Adopt DDSP	a. Planning Division, with action by Planning Commission and City Council	2022	Already budgeted staff time and developer fees
1.2.4. Prioritize processing for applications for sites with the highest development potential for housing to meet local housing needs, particularly needs among extremely low- and very low-income households and other underserved populations and populations with special needs.	a. Approve enough applications to meet the City's lower-income RHNA need of 930 units.	a. Planning Division, with action by Planning Commission and City Council	As applications are received.	Already budgeted staff time and developer paid processing fees
1.2.5. Facilitate lot consolidation to support affordable housing on small parcels by offering reduced parking requirements, additional density bonuses, or other incentives.	a. Identify potential incentives b. Implement incentive program	a. Community Development Department with action by Planning Commission, City Council b. Community Development Department	a. By 2024 b. Ongoing after 2024	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
1.2.6. 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.	a. Evaluate relevant General Plan and zoning changes	a. Housing staff with action by City Council	a. 2025	Already budgeted staff time
Policy 1.3: Provide housing that accommodates a variety of housing needs, including for persons with disabilities, seniors, farmworkers, extremely low-income households.				
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.	a. Adopt regulatory incentives and zoning standards to facilitate the production of special needs housing	a. Housing staff with action by City Council	a. 2025	Already budgeted staff time
1.3.2. 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. Continue to participate on the Housing Authority Board of Directors and meet quarterly with a representative of the Housing Authority to discuss local projects.	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	a, b, and c. Planning Division and Housing Staff	Ongoing	Already budgeted staff time
1.3.3. Continue to support the incorporation of accessibility features in new residential development through continued implementation of ADA standards and the Universal Access Ordinance	a. Incorporate accessibility features in 100 percent of new non-exempt units as defined in the municipal code	a. Community Development	As applications are received	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
1.3.4. Review new housing projects against the City-adopted Senior Housing Guidelines.	a. Implement developed criteria	a. Housing staff and Planning Division with action by the Social Services Commission, Planning Commission, and City Council	As applications are received.	Already budgeted staff time and developer fees
1.3.5. 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.	a. Revise reasonable accommodation procedure	a. Community Development Department	a. June 2022	Already budgeted staff time
1.3.6. Support efforts by the USDA Rural Housing Services, Yolo County Housing Authority, and APOYolo 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.	a. Support efforts b. Encourage developers and offer letters of support	a. Housing staff and Planning Division, with action by the Social Services Commission, Planning Commission and City Council	As requested	Already budgeted staff time
1.3.7. 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	a. Revise the zoning code as necessary	a. Community Development Department	a. 2023	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Policy 1.4: Work with UC Davis to ensure the development of maximum student housing on campus including affordable housing.				
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. 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. Encourage UC Davis to provide on campus housing to more than 50% of the student population.	a. Meet regularly with UC Davis staff to discuss key issues and monitor compliance with the MOU b. Ensure that UC Davis provides on-campus housing for 100% of student population in excess of baseline enrollment of 33,825	a, b. City Manager's Office and City Council	a, b. Ongoing	a, b. Already budgeted staff time
Policy 1.5: Facilitate and monitor the production of Accessory Dwelling Units (ADUs)				
1.5.1. Continue to facilitate ADUs by expediting processing of second unit applications, providing education on developing second units, 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 areas of opportunity throughout Davis.	c. Permit 168 ADUs, including at least 54 that are affordable to lower-income households and 99 that are affordable to moderate-income households.	a. Community Development Department	Ongoing	Already budgeted staff time
1.5.2. Promote ADUs by 'assembling a set of pre-approved, pre-plan-checked ADU plans for use by interested parties.	a. Provide information on the 'City's website b. Create approved ADU plans c. Permit 168 ADUs, including at least 54 that are affordable to lower-income households and 99 that are affordable to moderate-income households.	A, b. Community Development Department c. Community Development Department	a, b. 2021, 2022 c. 2029	a. Already budgeted staff time b. SB 2 grant c. Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
1.5.3. 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.	a. Conduct survey every two years b. Rezone if needed to maintain adequate sites to meet unmet portion of RHNA	a. Housing staff a. Community Development Department with action by Social Services Commission, Planning Commission, City Council	a. Every two years through 2025 b. Within 12 months of determining that ADUs are not meeting lower-income need, if applicable	Already budgeted staff time or grant funds
1.5.4. Explore the use of federal, State, or local housing funds to incentivize the construction of new ADUs that are affordable to low-income households.	a. Identify funding sources to facilitate ADU affordability	a. Community Development Department	a. 2024	Already budgeted staff time
Goal 2: Housing Supply				
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.				
2.1.1. 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. As a part of the update process, the City will evaluate whether new policies increase affordable housing opportunities throughout the City to avoid over concentrations of affordable housing in any particular area of the City.	a. Conduct study to evaluate changes to the Affordable Housing Ordinance b. Adopt an updated Affordable Housing Ordinance	a. Planning Division b. Planning Division, with action by Social Services Commission, Planning Commission, and City Council	2022	SB 2 Funds, already budgeted staff time
2.1.2. As part of the update to the City's Affordable Housing Ordinance (Program 2.1.1) and consideration of priorities for the Housing Trust Fund (Program 2.2.1), evaluate the potential to dedicate funding for shared housing for residents with low incomes, fixed incomes and pensions.	a. Provide information and shared housing agreements b. Post opportunities for shared housing	a. and b. Housing staff and Senior Center staff	a. B. 2023	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
2.1.3. 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.	a. Process affordable housing projects under planned development zoning	a. Community Development Department, with actions by the Planning Commission and City Council	As applications are received.	Already budgeted staff time and planning processing fees
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.	a. 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 affordable housing requirements	a. Housing staff and Planning Division, with actions by the Social Services Commission, Planning Commission and City Council	As development applications are received.	Already budgeted staff time and planning processing fees
2.1.5. Unless Article 34 is repealed by the State, the City shall place a measure on the ballot in 2025, 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.	a. Place a ballot measure on the ballot	a. Housing and Planning Staff	By 2025	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
<p>2.1.6. Explore putting 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.) • Explore amending 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. • 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. 	<p>a. Explore putting a package of housing policy initiatives on the ballot b. Place a package of housing policy initiatives on the ballot as appropriate</p>	<p>a, b. Community Development Department, with action by City Council</p>	<p>a, b. By November 2022</p>	<p>a. Already budgeted staff time b. To be determined</p>
Policy 2.2: Actively fund affordable housing production and preservation to meet high-priority housing needs				
<p>2.2.1. 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, and establish a procedure for administering the Trust Fund. As a part of this process, consider the recommendations provided by the City's Social Services Commission, as shown in Appendix A.</p>	<p>a. Identify funding sources</p>	<p>a. Housing staff with actions by the Social Services Commission, Finance and Budget Commission, and City Council</p>	<p>2022</p>	<p>Already budgeted staff time</p>

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
2.2.2. Develop and define priorities for allocating City expenditures from the Housing Trust Fund. As part of this process, consider the recommendations provided by the City's Social Services Commission, as shown in Appendix A, as well as priorities that will distribute resources throughout the City and address disproportionate housing needs.	a. Establish funding priorities	a. Housing staff with actions by the Social Services Commission, Finance and Budget Commission, and City Council	2022	Already budgeted staff time
Policy 2.3. Leverage available resources to facilitate the production of affordable housing and to assist lower-income households with securing and maintaining housing				
2.3.1. Encourage use of Federal Tax Credits and other federal and state subsidy programs for production of low-income housing.	a. Provide letters of support	a. Housing staff	Ongoing	Already budgeted staff time
2.3.2. 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.	a. Provide and update information on City website	a. Housing staff b. Housing staff	Ongoing as programs change	Already budgeted staff time and grants like CalHOME that fund education
2.3.3. 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.	a. Look for new opportunities to provide affordable housing b. Partner with local affordable housing providers	a. Housing staff, City Council b. Housing staff, City Council	Ongoing as applications for development are submitted and annually with CDBG and HOME grant funding process	HOME, CDBG, Housing Trust Funds
2.3.4. Use local resources to support programs in the city that assist in placing high-risk renters into affordable housing units.	a. List this objective as a critical need in future CDBG/HOME funding cycles	a. Housing staff, with actions by the Social Services Commission and City Council	Annual funding cycle	Already budgeted staff time
2.3.5. Assist residents who are displaced from subsidized housing in finding comparable accommodations.	a. Assist displaced residents	a. Housing staff and other City staff as needed	As needed	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
2.3.6. The City shall petition our state and national representatives for more affordable housing resources.	a. Track and state support (in writing) for bills that provide more affordable housing resources	a. Housing staff, with action by the City Council	As related bills are processed in the legislature	Already budgeted staff time
Policy 2.4. Assist with increasing awareness of affordable housing opportunities and provide access to information regarding affordable housing opportunities				
2.4.1. 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.	a. Maintain City affordable housing webpage	a. Housing staff, working with Yolo County Housing, with assistance from Informational Systems staff	Ongoing	Already budgeted staff time
2.4.2. 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	a. Housing staff	Ongoing	Already budgeted staff time
2.4.3. Explore the possibility of starting a City sponsored, centralized application processing program for individuals to apply one time for all available affordable housing.	a. Explore creating a centralized application process b. Create a centralized application process if feasible	a, b. Housing Staff	a. 2023 b. 2024	a. Already budgeted staff time b. To be determined
Policy 2.5: Allow by-right housing on previously identified housing sites for projects with at least 20 percent affordable housing				
2.5.1. 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. Projects with less than 20 percent affordable housing may be approved through the typical approvals process, including discretionary approvals as applicable.	a. Rezone all 12 sites that were counted in previous housing element cycles	a. Community Development Department with action by the City Council	By May 15, 2024	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
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				
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.	a. Continue use of Local Workforce Incentive System b. Explore additional mechanisms to assist the workforce in securing affordable housing and adopt associated policies as appropriate	a. Housing staff b. Housing staff, with action by the Social Services Commission, Planning Commission, and City Council	a. Upon application for development with inclusionary requirements. b. 2025	Already budgeted staff time
Policy 2.7: Address the housing needs of those who are homeless, transitioning out of homelessness, and at risk of homelessness				
2.7.1. 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 and homeless individuals post hospital care in need of shelter to accommodate physical recovery.	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	a. Housing Team, Social Services Commission and City Council	Review as part of supportive Housing Program (SHP) applications and discussions with the Housing Authority	Already budgeted staff time Specific funding needs would be requested by individual projects.
2.7.2. 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 and to ensure that services address the disproportionate impacts of homelessness on various racial and ethnic minority groups and persons with disabilities.	a. Monitor the local needs (city and county) for emergency housing	a. Interagency county homeless task force, with Housing and Social Services staff	Ongoing	Already budgeted staff time
2.7.3. 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	a. Housing and Social Services staff, with actions by the Social Services Commission and City Council	Ongoing	Already budgeted staff time and through assistance from HOME

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
2.7.4. 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)	a. Amend parking requirements	a. Community Development Department with action by City Council	2025	Already budgeted staff time
2.7.5. 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, in accordance with AB 1010 (2019)	a. Amend zoning code	a. Community Development Department with action by City Council	2025	Already budgeted staff time
2.7.6. 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, in accordance with AB 2162 (2018)	a. Amend zoning code	a. Community Development Department with action by City Council	2025	Already budgeted staff time
2.7.7. 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 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.	a. Revise zoning code	a. Community Development Department with action by City Council	2025	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Policy 2.8: Ensure that the City receives appropriate RHNA credit for by-the-bed rental developments				
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 D of this Housing Element document.	a. Use conversion methodology	a. Housing Staff	Ongoing starting with 2021 APR	Already budgeted staff time
Goal 3: Fair Housing and Equal Opportunity				
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				
3.1.1. Provide information related to California Housing Law by disseminating information about these services throughout the community, including to underserved populations, through the City's Fair Housing Services.	a. Serve at least 100 people annually through the City's Fair Housing Services	a. City of Davis Fair Housing Services	Ongoing	CDBG funds
3.1.2. Continue to support the Yolo County Fair Housing annual regional fair housing conference to provide landlord education on fair housing issues	a. Support fair housing conference at least annually	a. City of Davis Fair Housing Services	Annually	CDBG funds
3.1.3. Review and revise the Zoning Code definition of "family" to ensure compliance with fair housing laws.	a. Revise definition of "family"	a. Community Development Department	a. by 2022	Already budgeted staff time
<i>Note: In addition to the programs listed under Policy 3.1, various programs that help to affirmatively further fair housing are included under many of the other goals and policies in this Implementation Plan. See Table 44 for more information on programs in this Housing Element Update that serve to affirmatively further fair housing.</i>				

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Policy 3.2 Maintain the scope of the Social Services Commission to include affordable housing				
3.2.1 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. The City will ensure that the Social Services Commission will include at least one member that is knowledgeable on housing.	a. Maintain affordable housing in the Commission's scope and provide necessary information	a. Housing and Social Services staff, the Social Services Commission and City Council	Ongoing	Already budgeted staff time
Policy 3.3: Strive to ensure that all new subsidized affordable housing and the land on which it is located remain affordable permanently. In a case in which that is infeasible, assure affordability for the longest feasible time and recapture of the local subsidies. Also, should economic circumstances or state and federal subsidies dictate that permanent affordability requirements 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.				
3.3.1. 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. Ensure permanent affordability for 100 percent of new deed-restricted affordable housing units.	a. Housing staff, with actions from the Social Services Commission, Planning Commission and City Council	As applications are submitted and new affordable housing is built.	Already budgeted staff time and developer fees

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
3.3.2. 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. Ensure permanent affordability for 100 percent of new deed-restricted affordable housing units.	a. Housing and Social Services staff	As legal challenges arise	Already budgeted staff time
Policy 3.4: Facilitate the production of housing for low-income households and special needs households in all parts of Davis and near amenities including neighborhood centers, shopping centers, public transportation, and/or parks and greenbelts.				
3.4.1. In implementing the rezone program described in Program 1.1.2, ensure that sites that are rezoned to accommodate lower-income housing are dispersed throughout Davis and are in locations that offer amenities and access to opportunity	a. Ensure distribution of housing sites	a. Community Development Department with action by Planning Commission and City Council	By May 15, 2024	Already budgeted staff time
Goal 4: Address Governmental Constraints				
Policy 4.1: Facilitate the production of housing for households at all income levels by streamlining the development process				
4.1.1. Evaluate options for streamlining the development review process and implement options that are determined to be feasible. Options to be considered can include, but would not necessarily 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. At a minimum, the City must 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 that meet all objective standards and other criteria.	a. Adopt a process for streamlining in accordance with SB 35 b. Evaluate and implement options for additional streamlining	a, b. Community Development Department, with action by Planning Commission and City Council	a. 2022 b. 2024	Already budgeted staff time
4.1.2. 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.	a. Evaluate a by-right approval process	a. Planning Division, with action by Planning Commission and City Council	2025	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
4.1.3. Adopt objective design standards in accordance with the Housing Accountability Act, SB 330, and SB 35.	a. Adopt objective design standards	a, b. Community Development Department, with action by Planning Commission and City Council	a. 2022	Already budgeted staff time
4.1.4. Streamline the permit-approval process to the extent feasible by offering pre-application meetings and concurrent review of applications.	a. Streamline permit approval process	a. Community Development Department	Implemented and in progress	Already budgeted staff time and planning and developer processing fees
4.1.5. Continue to offer a “one-stop” approval process for non-discretionary applications that require actions from multiple departments.	a. Reduce unnecessary steps in the approval process	a. Community Development Department, with all other Departments	Implemented and in progress	Already budgeted staff time
4.1.6. 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.	a. Reduce delays in the development process	a. Community Development Department, with all other Departments	Implemented and in progress	Already budgeted staff time
4.1.7. 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	a. All City Departments	Ongoing and as code changes occur	Already budgeted staff time
4.1.8. Consider expanding 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.	a. Reduce permit processing time	a. Community Development Department	Utilize as needed and/or requested by applicant	Already budgeted staff time and planning and building processing fees
4.1.9. 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	a. Community Development Department	Every 2-3 years	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Policy 4.2: Ensure that developers have access to information on standards for residential development in Davis				
4.2.1. Continue to maintain interpretations of the municipal code, the General Plan, and program policies as each relate to development approval	a. Maintain Interpretations Binder at planning counter.	a. Planning Division	Ongoing as interpretations occur.	Already budgeted staff time and planning processing fees
Policy 4.3: Coordinate with other agencies on long-term planning efforts				
4.3.1. 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	a. Community Development Department, Planning Commission and City Council	Ongoing	Already budgeted staff time
Policy 4.4: Suspend enforcement of the one-percent growth policy as required by State law				
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.	a. Prohibit enforcement until at least 2025 b. Evaluate permanent repeal	a. Community Development Department, with action by City Council b. Community Development Department, with action by Planning Commission and City Council	a. 2021 b. By 2025	Already budgeted staff time
Goal 5: Residential Conservation				
Policy 5.1: Ensure that existing housing stock is maintained in sound condition and up to code requirements.				
5.1.1. 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	a. Building Division	Upon home resale	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
5.1.2. 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. 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	a. Community Development Department and housing staff b. Community Development Department and housing staff	a. Ongoing b. Every 1 to 3 years	Already budgeted staff time
5.1.3. Continue to support the existing program at the Senior Center which assists senior home owners in maintaining their homes by providing arrangements for volunteers to perform home maintenance services.	a. Continue support	a. Housing and Social Services staff, with actions by the Social Services Commission and City Council	Ongoing	Already budgeted staff time and use of HOME or CDBG funds
5.1.4. 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.	a. Conduct Housing Conditions Survey b. Take actions to address conditions as appropriate and feasible based on survey results	a. Community Development Department and housing staff b. To be determined	a. By September 2024 b. To be determined	a. Already budgeted staff time b. To be determined

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Policy 5.2: Protect lower-income households from displacement and maintain the existing affordable housing stock by preserving existing housing units that serve lower-income households				
5.2.1. 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 contacting entities that are qualified to acquire and manage these units. City support to preserve affordability could include technical assistance in identifying alternative funding sources and qualified entities and/or providing City funds to preserve affordability, depending on the availability of resources.	a. Assess nine properties with units that are potentially at risk to determine risk of conversion b. Preserve affordability of 305 potentially at-risk units, as necessary	a. Housing Staff b. Community Development, with actions by City Council	a. 2021 for units with possible expiration dates of 2023 or earlier; 2023 for all other properties that are potentially at risk b. Prior to earliest possible expiration date for each property	a. Already budgeted staff time b. To be determined
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

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
5.2.4. Evaluate mechanisms to 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.	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> a. Housing staff b. Social Services Commission, Planning Commission and City Council 	2025	Already budgeted staff time
5.2.5. 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. Ensure that 100 percent of eligible households receive displacement benefits in the case of condominium conversions 	<ul style="list-style-type: none"> a. Housing staff 	As projects begin development	Already budgeted staff time and developer fees
5.2.6. Designate a specific City staff person to receive notices of potential conversions of affordable units to market rate. The designated staff person will be responsible for contacting qualifying entities when a notice is received in order to generate interest in acquiring the project to maintain affordability. The designated staff person will also identify developers that are not on HCD's qualified entities list, and that might be interested in preserving affordable housing, and encourage them to register as a qualified entity. In addition, the designated staff person will forward all notices to Legal Services of Northern California (LSNC) to assist with preservation efforts.	<ul style="list-style-type: none"> a. Designate staff person. b. Work with qualified entities and LSNC to preserve at-risk units 	<ul style="list-style-type: none"> a, b. Housing staff 	<ul style="list-style-type: none"> a. 2022 b. As units become at risk 	Already budgeted staff time

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
Goal 6: Energy Conservation				
Policy 6.1: Increase the use of energy-efficient materials and technology in new construction				
6.1.1. Continue to implement the City's Reach Code and require solar photovoltaic systems on all new single-family residential construction.	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	a, b, c. Building Department	Ongoing	Already budgeted staff time
6.1.2. As part of the City's Climate Action and Adaptation Plan (CAAP): <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. 	a. Complete and adopt the CAAP b. Implement the CAAP c. Reduce greenhouse gas emissions to 80% of 1990 levels or neutral	a, c. Community Development Department, with action from City Council b. Community Development Department	a. 2022 b. Ongoing after CAAP adoption c. 2040	Already budgeted staff time, identifying subsidy sources

Program Actions	Objectives	Responsible Agencies	Time Frame	Potential Funding
6.1.3. 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	a. Community Development with actions by the Planning Commission and City Council	Ongoing	Already budgeted staff time
6.1.4. Continue to enforce and support water conservation ordinances.	a. Enforce existing water conservation ordinances	a. Community Development and Public Works Departments	Ongoing	Already budgeted staff time
6.1.5. Reduce the City's greenhouse gas emissions to 80 percent of 1990 levels or neutral no later than 2040.	a. Reduce greenhouse gas emissions to 80% of 1990 levels or neutral	a. All City departments, commissions, and the City Council in collaboration with "Cool Davis" nonprofit organization	2040	Already budgeted staff time, identifying subsidy sources

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 at 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, congregate 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.

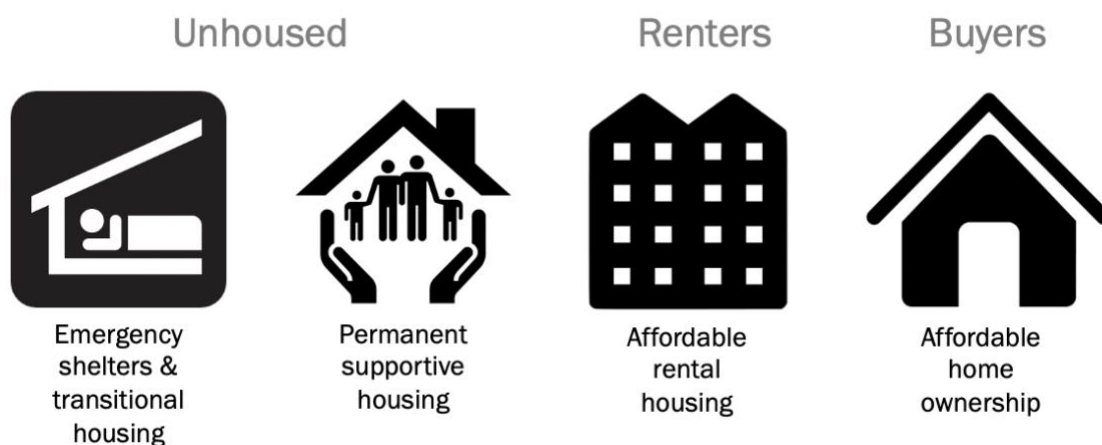
⁴ See https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB3 for the text of SB3.

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.legislature.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

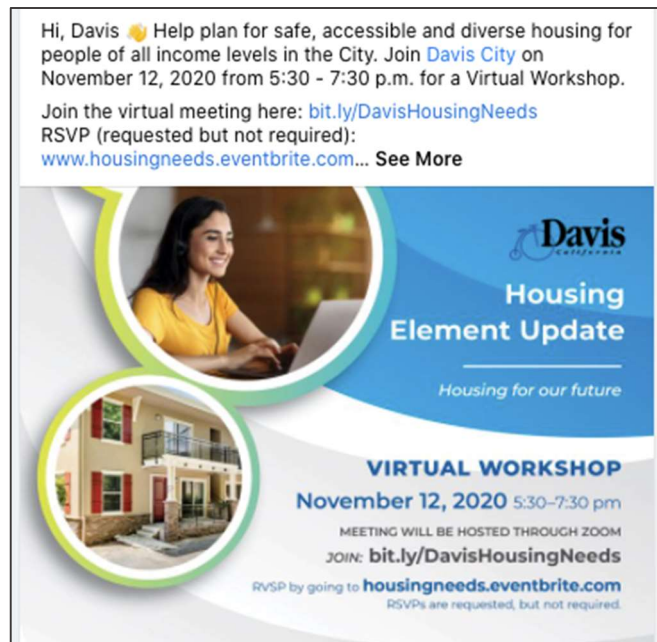
Social Media

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 Chicanx 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

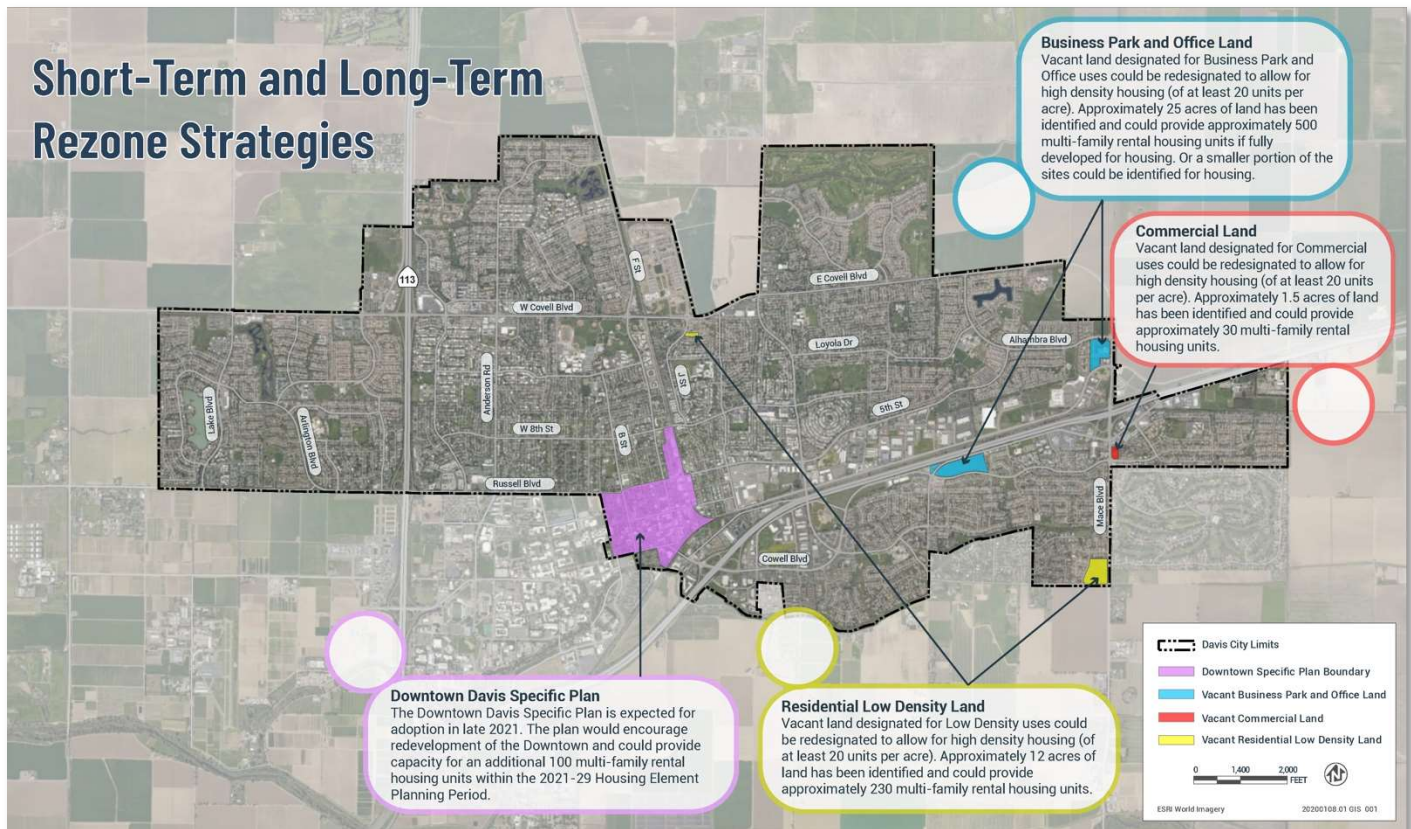
The proposed rezoning strategies are as follows:

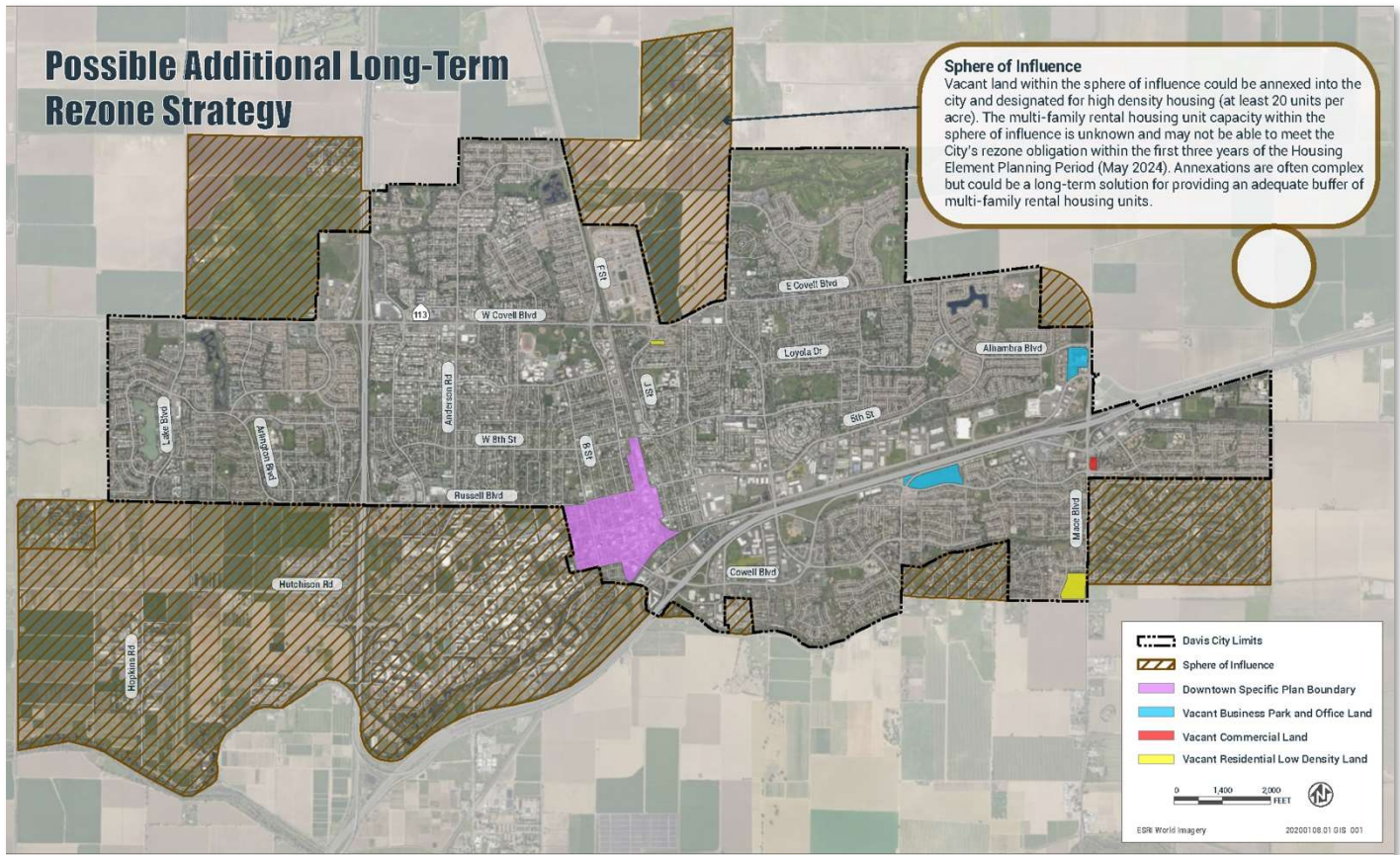
1. **Business Park and Office Land:** Redesignate and use vacant land designated for Business Park and Office uses to allow for high density housing (of at least 20 units per acre). Approximately 25 acres of land has been identified and could provide approximately 500 multi-family rental housing units 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 withing 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 Vangaurd](#)

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

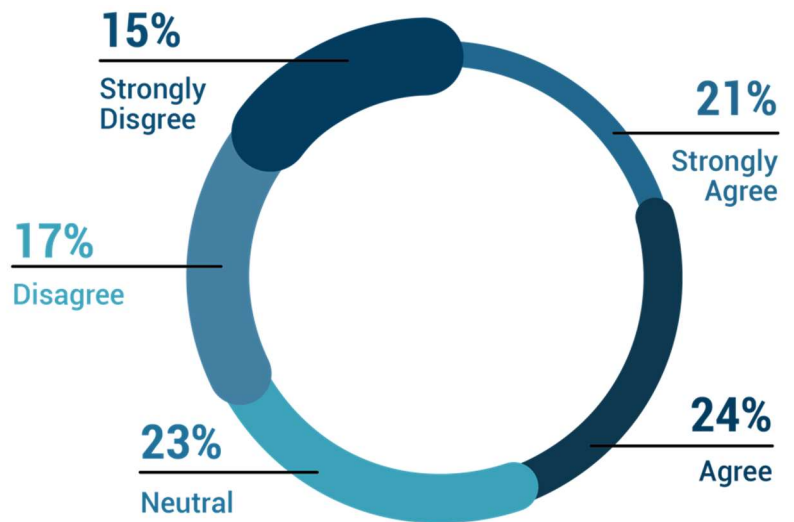
Below is a summary of community responses to the workshop, represented by graphs.

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.

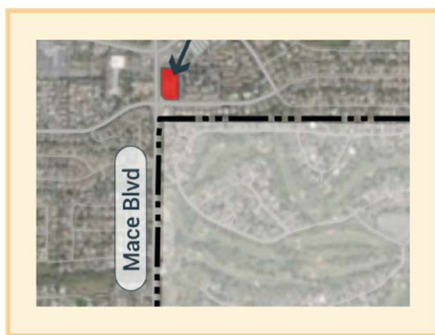


Proponents noted that the City already has a large volume of office space, and with more people working from home, it would make sense to rezone this land for high-density rental housing.

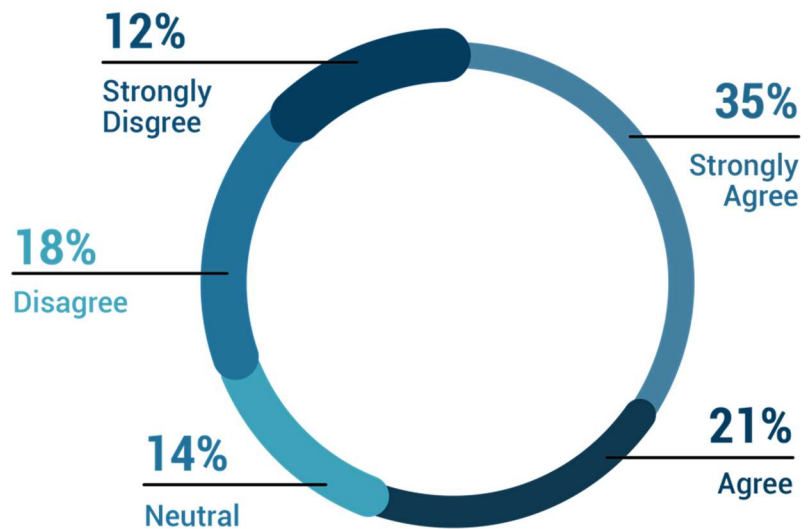
Many participants who were opposed to this strategy did not like that most of the sites identified are located close to the freeway, leading to health hazards and noise pollution in these areas. Some participants also noted that the locations are not very accessible and are located far from the center 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.

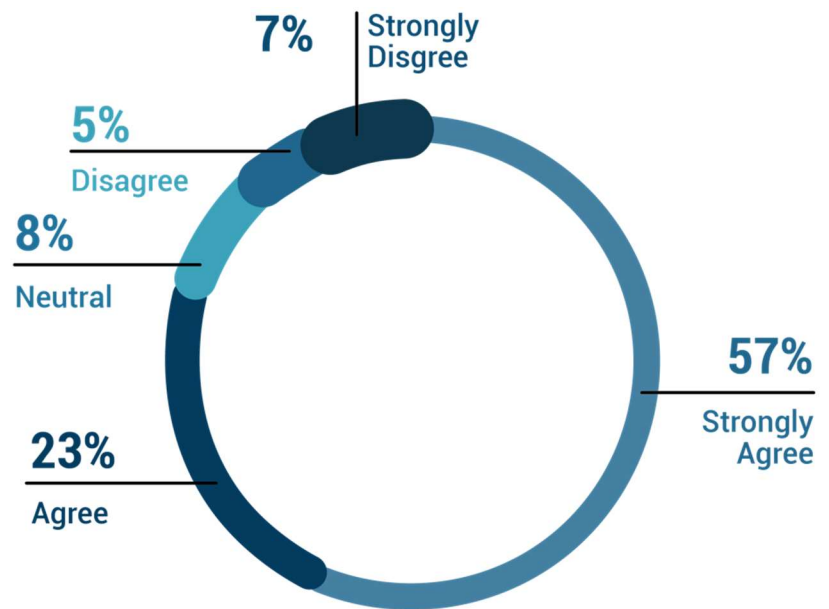


Strategy 3: Downtown Davis Specific Plan

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.

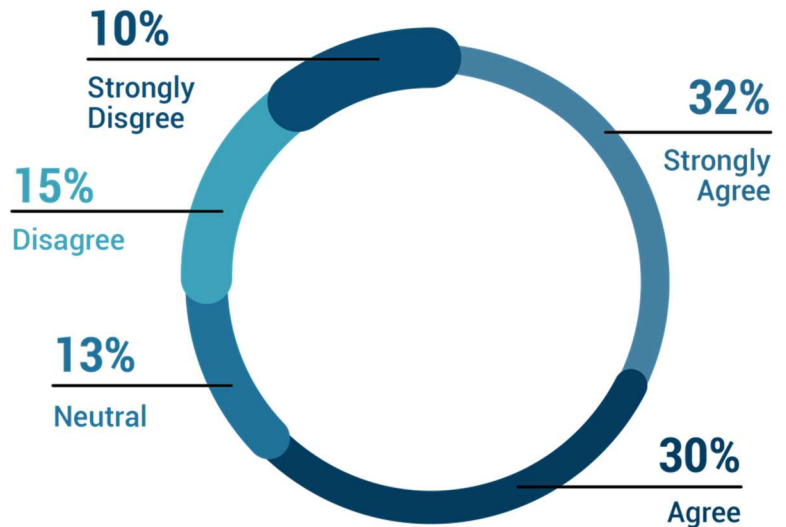
People who did not support this strategy showed concerns of increase in traffic congestion in downtown Davis and felt that building a denser downtown would make Davis feel like less of a small town. Some people also noted that the City should focus on creating more jobs in the downtown area to promote 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**

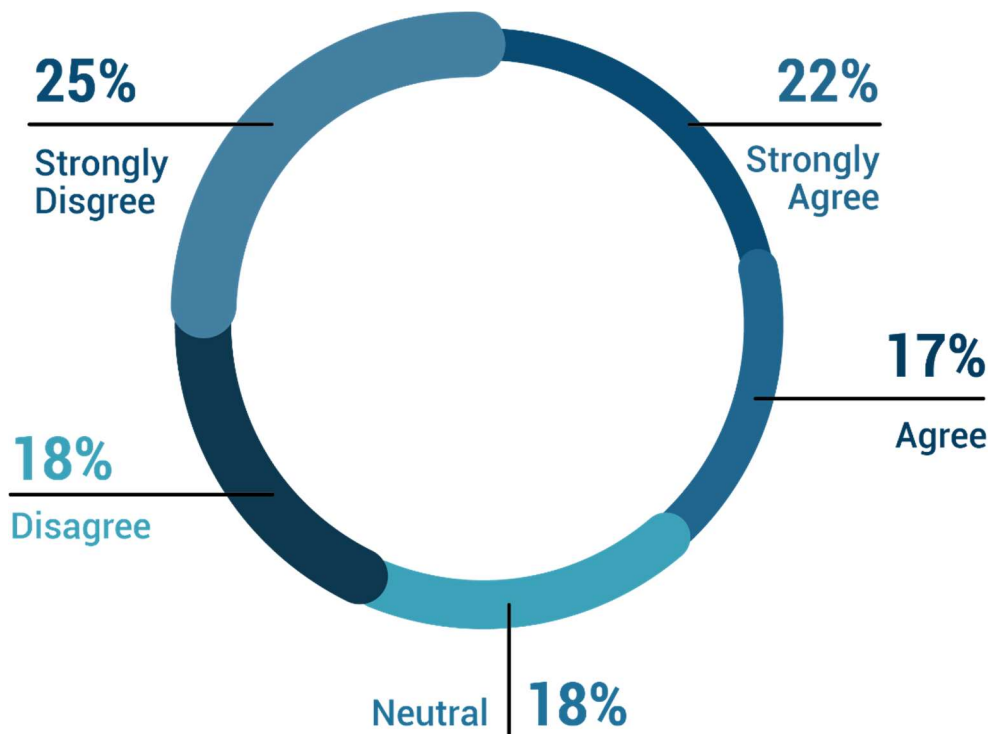


Participants generally responded positively to this proposed strategy. Respondents expressed that the site located near J Street was close enough to downtown, schools, grocery stores and public transportation. Many respondents were enthusiastic about rezoning both sites and felt that high-density housing 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 Manager, 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 D-1 shows the City’s sixth cycle RHNA by income category identified in the RHNP.

Table D-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 472 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 23.6 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.

This document provides an inventory of potential or candidate rezone sites. Each site identified as a candidate rezone site has available infrastructure and has no known environmental or site constraints that would hinder development of the sites for housing. Nothing in this document guarantees that the sites included in the list of candidate rezone sites will be rezoned. The candidate rezone sites will be studied further by the City to identify specific sites to be rezoned, considering development feasibility, infrastructure capacity, proximity to services, and appropriateness for housing. Specific sites will be rezoned prior to May 15, 2024 to ensure the City meets the RHNA and the Housing Element remains in compliance with State law. Through this process the City may identify additional sites, not identified in this document.

No Net Loss

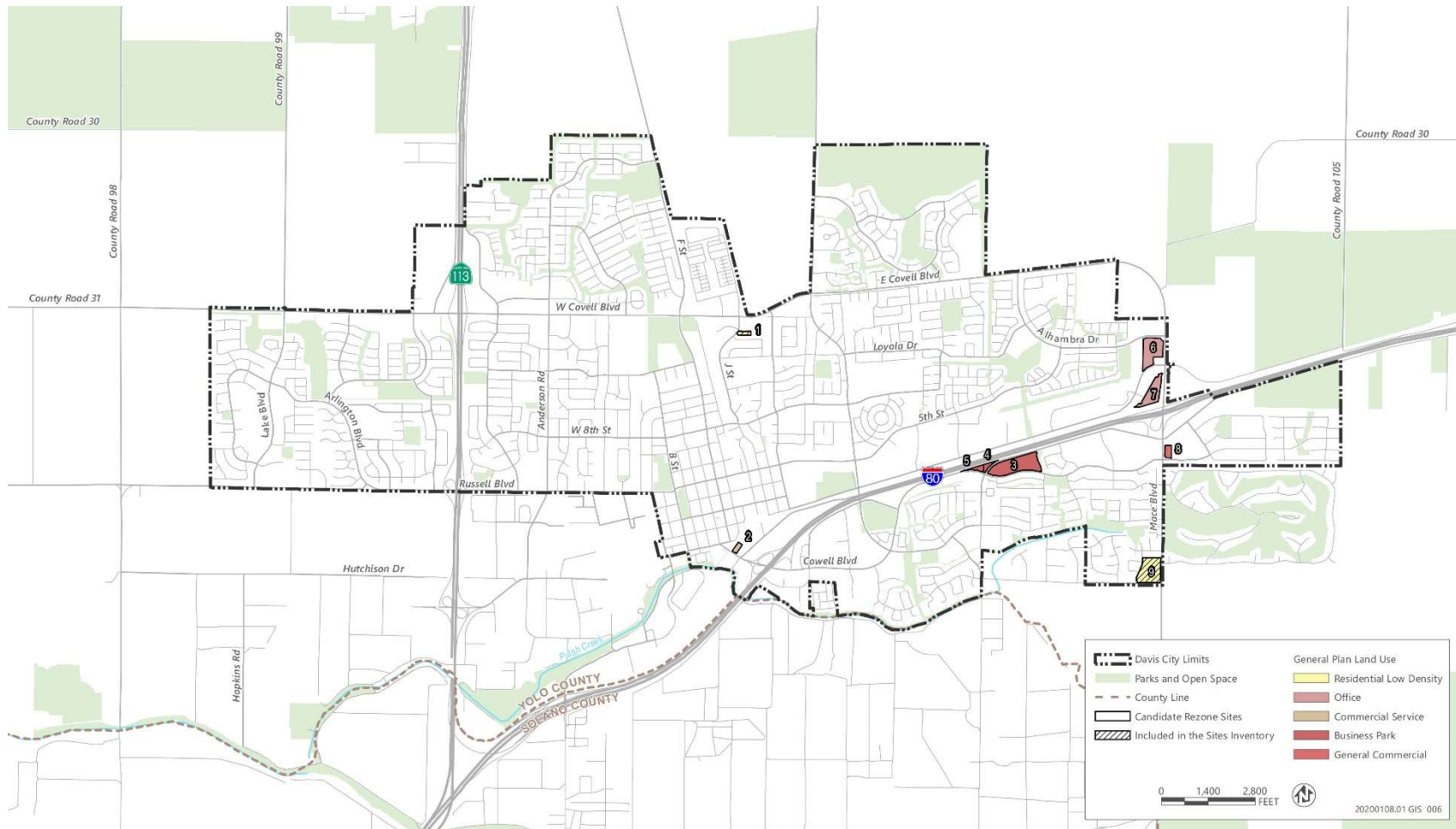
The City's obligation is to rezone sites to accommodate the unmet need of 472 lower-income units. However, the City is also obligated to maintain adequate sites throughout the RHNA projection period through a provision in State law called "no net loss." If sites that are identified in the inventory as 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.

Candidate Rezone Sites

Table D-2 and Figure D-1 show the candidate rezone sites. These sites are currently designated and zoned for non-residential uses or lower density residential uses and are being considered as candidate sites for a potential zoning change to allow multifamily residential at a minimum density of at least 20 units per acre. Two of the candidate rezone sites were previously identified in the residential sites inventory included in the Housing Element, as shown in the table below. Rezoning these sites would remove the capacity for above-moderate income households and would increase the residential capacity of those sites for lower-income households. Additionally, the increased lower-income capacity in these areas will help to mitigate the patterns of segregated residential settlement, as are described in the Assessment of Fair Housing. Since these areas signify relatively affluent neighborhoods in the city, the rezoned sites could increase diversity in the eastern city if rezoned for higher density development.

Each of the candidate rezone sites is located within the City limits and has access to infrastructure adequate to serve the site. As shown in the table, most of the candidate rezone sites are vacant; however, two nonvacant sites were identified. The 9.7-acre site at 315 Mace Boulevard includes an existing church and associated parking. However, half of the site remains vacant and would be suitable for housing development. The 7-acre site at 4800 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 assumed capacity of the nonvacant sites was reduced to account for existing development. In addition, one site located at 1000 Montgomery Avenue is larger than 10 acres. However, it is assumed that approximately 50 percent of the site would be rezoned to allow multifamily housing development and the remaining portion would be developed for lower-density housing per the current zoning. In total, the City identifies capacity for 560 additional lower-income units on the inventoried candidate rezone sites, which exceeds the lower-income rezone obligation of 472 units.

Figure D-1: Candidate Rezone Sites, Davis, May 2021



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

Table D-2: Candidate Rezone Sites, City of Davis, May 2021

Site Number	Address	Assessor Parcel Number (APN)	General Plan Land Use	Zoning	Acres	Estimated High-Density Development Potential	Potential Capacity ¹	Included in the Housing Element Sites Inventory?	Vacant / Nonvacant	Existing Use	Notes
1	1100 KENNEDY PLACE	070430002000	Residential Low Density	PD 11-82	1.01	100%	20	Yes	Vacant		
2	1021 OLIVE DRIVE	070-260-022	Commercial Service	Gateway SP	1.09	75%	16	No	Vacant		Access constraints; roadway improvements needed
3	3300 CHILES ROAD	069-530-024-000	Business Park	PD 6-87	14.56	50%	146	No	Vacant		Large site; capacity only assumes 50 percent of site area developed as residential. May require lot split to facilitate appropriate parcel size.
4	3425 CHILES ROAD	069-530-025-000	General Commercial	PD 6-87	1.04	100%	21	No	Vacant		
5	2950 CHILES ROAD	069-530-007-000	General Commercial	PD 12-87	1.10	100%	22	No	Vacant		
6	315 MACE BLVD	071-100-049-000	Office	PD 4-88	9.73	50%	97	No	Nonvacant	Existing church on 50% of site; remaining 50% is vacant.	
7	4600 FERMI PLACE	071-425-001	Office	PD-44	6.98	70%	98	No	Nonvacant	Existing building and parking area on 30% of site	
8	480 MACE BLVD	068021001000	General Commercial	A-C	1.71	100%	34	No	Vacant		
9	1000 MONTGOMERY AVENUE	069100025000	Residential Low Density	PD 4-92A	5.31 acres proposed for rezone (total site size 10.61 acres)	100%	106	Yes	Vacant		Assumes 50 percent of site would be rezoned for higher density residential and remaining portion would be developed as lower-density residential allowed under current land use designation.
TOTAL					47.84		560				

Notes:
¹ Potential capacity is calculated based on an assumed density of 20 units per acre.

Additional Potential Capacity for No Net Loss Buffer

In addition to the candidate rezone sites inventoried above, additional sites are anticipated to become available for housing development within the projection period. Additional sites would provide the City a buffer to maintain the City's lower-income capacity and ensure no net loss requirements are met.

The City is preparing the Downtown Davis Specific Plan, which would replace the City's existing Core Area Specific Plan and create additional residential capacity within the City's downtown area. The public draft of the Downtown Davis Specific Plan has been released and the City Council is anticipated to consider adoption of the specific plan in 2021. The specific plan identifies catalyst or opportunity sites that would spur redevelopment in the area. Once adopted, the opportunity sites shown in Table D-3 and Figure D-2 would 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 would further increase 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.

The specific plan would implement 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.

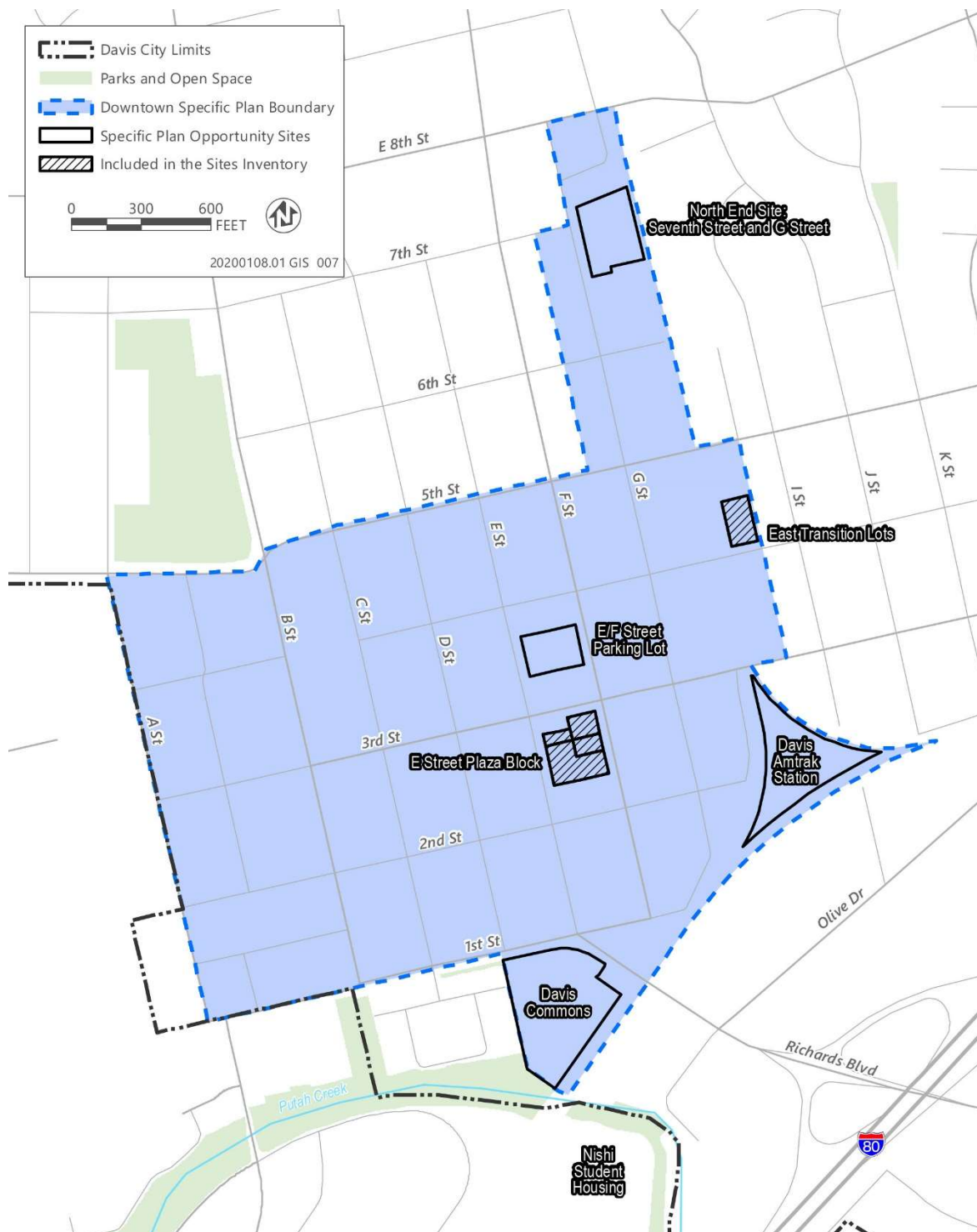
In addition to the capacity anticipated under the Downtown Davis Specific Plan, the City may annex additional lands to increase capacity for housing development. However, annexations can be challenging and take time. It is unsure if annexations would provide additional housing capacity during the projection period. However, if annexations do occur, the City could rely on any additional housing capacity to meet no net loss requirements.

Table D-3: 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 D-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.