Economic &
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Real Estate Economics
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ADMINISTRATIVE DRAFT REPORT

INTERSTATE-80 CORRIDOR SMART GROWTH MARKET STUDY

Prepared for:

Metropolitan Transit Commission

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I. INTRODUCTION AND SUMMARY OF FINDINGS

EPS has been retained by Metropolitan Transportation Commission (MTC) to evaluate the long-term market and economic conditions and trends affecting the type and amount of real estate development along the Interstate 80 (I-80) Corridor. The study focuses on existing and projected market demand in the urban and urbanizing areas along 1-80 in Solano, Yolo, Placer, and Sacramento counties. A particular emphasis is placed on the long-term potential for higher density and transit-accessible land uses.

STUDY BACKGROUND

Recognizing the self-fulfilling prophecy of trends-based forecasts and the drawbacks of disjointed local land use policy, both the Association of Bay Area Governments (ABAG) and the Sacramento Area Association of Governments (SACOG) have been building region-wide smart growth visions. Both agencies based their current projections on these smart growth scenarios. However, the increasing interdependence between the San Francisco Bay Area and the Sacramento region necessitates that these visions be closely coordinated.

To coordinate the smart growth strategies and growth forecast of the two regions, the MTC, in coordination with Sacramento Area Council of Governments (SACOG), Association of Bay Area Governments (ABAG), and the Solano Transportation Authority (STA), is conducting an interregional planning project to analyze the impact of smart growth strategies within the jurisdiction along I-80 in the area also referred to as "the Capitol Corridor".

The primary goals of the planning project are to (1) reconcile the two regions' demographic forecasts and smart growth visions, with particular emphasis on their underlying assumptions; (2) conduct a "reality check" of these projections and visions by comparing them with the build-out capacity of local general plans and the predicted future market supply and demand for infill and transit-oriented development (TOD); (3) evaluate future alternative land uses by systematically modeling their impacts on transportation, air quality, and goods movement; and (4) clearly delineate the policy implications of the study findings.

KEY PURPOSE AND ASSUMPTIONS

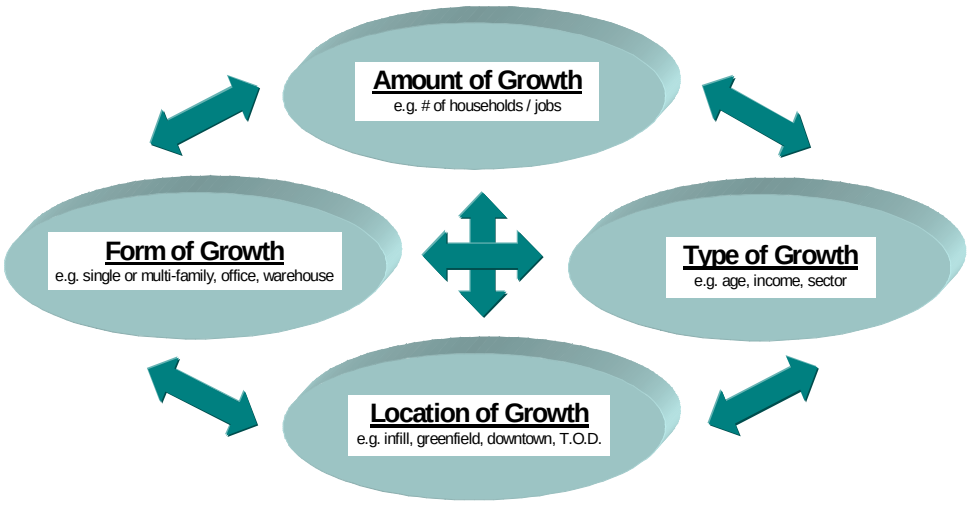
This market study will serve as a technical tool that will help evaluate the market reality of the various projections and underlying assumptions of the smart growth strategies. In addition, this study will help formulate and evaluate potential land use alternatives and their impact on transportation, air quality and goods movement. In particular, this market analysis considers various demographic and economic trends relevant to smart growth potential (i.e., higher density residential and commercial development) in the

region. The study focuses on a number of key cities along the I-80 corridor and estimates the likely density of future development by land use type.

Figure 1.1 shows the primary economic and demographic variables that will play a key role in this study. Since both ABAG and SACOG provide official growth projections at the City and County level, this analysis takes the amount of growth as largely a given, focusing on the other three variables. Most specifically, this analysis focuses on the form of growth (e.g., single-family versus multifamily units or office versus or warehouse or industrial space) and the location of growth (e.g., whether it occurs as in-fill, as "greenfield development", in downtowns, near transit stations, etc). A number of variable related to the type of growth (e.g., growth in specific employment sectors or the age, ethnicity, and income of new households) are also projected by ABAG and SACOG and will be treated as an important input to this study. [1]

However, it should be noted that all of the variables shown in **Figure 1.1** are interdependent. For example, the form of growth is related to both the amount of growth and its location. Higher density development is generally more likely to occur as in-fill development within existing urban areas. The amount of growth, in turn will be influenced by local land use policies, that is, the amount of land made available in each jurisdiction for various type of development (e.g., in-fill, greenfield, high-density, etc.). Because of the interdependence of these variables, the analysis provided herein will also serve as a "reality check" on the ABAG and SACOG projections regarding the amount of growth.

Figure 1.1: Growth Variables



[1] ABAG Projections 2005 numbers are applied in this report with the exception of the total population, household population, households, and total jobs categories, already updated in the ABAG 2007 draft.

REPORT ORGANIZATION

Following this introductory chapter and summary of finding below**, Chapter II** provides an overview defines high density development for the purposes of this analysis and described the key market dynamics affecting its viability. **Chapters III** through **VI** provide in depth individual market demand high-density development in Solano, Sacramento, Yolo and Placer Counties, respectively. **Appendices A** through **D** provides further detail on key cities in each county.

SUMMARY OF FINDINGS

GENERAL FINDINGS

With a few notable exceptions (e.g., Sacramento and Davis,) a significant amount of high density development has not yet materialized in the cities along the I-80 Corridor. Over the last several decades the region as historically served as a "spill-over" market for households seeking single-family homes and for land intensive employment sectors. However, emerging market forces, and to some extent local planning policies, suggest that high density development may be poised to take hold on a broader scale along the Corridor. The key interrelated factors supporting this trend include demographic patterns, expanding employment, growth pressures, and maturing urban amenities, as summarized below:

- **Demographic trends**: Expanding population growth, especially among demographic groups that typically occupy higher density housing, suggests that demand for this type of development may receive a greater level of market acceptance in the future. Most notably, there appears to be a gradual but material increase in the concentration of young adults, seniors, and new families in need of housing options other than large, expensive single-family homes.

- **Employment growth**: The historical role of the I-80 Corridor as a market for companies seeking expansive tracts of land and low cost labor is gradually giving way to increasing property values and cost of living for workers. In addition, industry sectors such as high-technology, business services, healthcare, and other White Collar professions are finding the Corridor more attractive due to its growing labor force as well as its proximity to the vibrant San Francisco Bay Area economy and/or the State Capitol.

- **Growth Pressures**: Expanding market demand combined with reduced land supply as a result of local growth controls, environmental considerations, transportation bottlenecks, and natural barriers, have reduced the availability, accessibility and affordability of land in most of the prime I-80 Corridor urban areas. For example, although strong housing appreciation has occurred

throughout most of the US, the relative lack in the affordability of a single family home has increased twice as fast for residents along the I-80 Corridor compared to the national average. Such growth pressures are simultaneously improving the economic and financial performance of higher-density development while creating a deterrent to more land intensive uses.

- **Urban Amenities**: A number of cities along are beginning to develop the type of urban amenities that typical consumers of high-density products (both residential and employment uses) seek when making decisions about where to locate, expand, or invest. These evolving urban amenities, including cultural, nightlife and other recreational options, educational opportunities, and public transit accessibility, are themselves being influenced by the changing socio-economic conditions along I-80 and its linkage to an increasingly interdependent, "bi-regional" economy.

COUNTY-BY-COUNTY FINDINGS

Solano County

Given their strategic location, the I-80 Corridor cities in Solano County are increasingly affected by a "bi-regional" economy, with growth pressures emanating from both the San Francisco and Sacramento urban areas. Although these pressures have intensified the demand and value for residential and commercial land, with a few notable exceptions, development patterns in the County have remained predominantly suburban over the last 20 years despite a County policy limiting growth to incorporated areas. However, in recent years both the market and policy environment in most of Solano County I-80 cities appears to suggest increased potential for higher density development, in varying degrees, as summarized below:

- **Vallejo**: As the largest and most built-out City in Solano County, as well as the most closely linked to the San Francisco Bay Area (including daily ferry service from downtown), Vallejo is well positioned to attract higher-density development in the years to come. Both Mare Island and the City's historic downtown offer a number of in-fill redevelopment opportunities, many with waterfront views, which are actively being pursued by developers. From a market perspective, the key issues to overcome include a negative image related to crime and school quality as well as challenges related to redevelopment and property assembly, including potential community resistance to higher density development.

- **Fairfield**: Fairfield's role as growing employment center, currently the largest in Solano County, will provide opportunities for housing targeted toward young professionals, potentially stemming the significant level of out-commuting from the City. Higher density commercial and office uses, in turn, are likely to be supported by the new Amtrak station, continued redevelopment of the

downtown, and a shift in employment growth toward white collar professions. Given the significant level development potential within the City's sphere of influence (some yet to be annexed) supportive local land use policies will play a key role in the amount, type, and viability of higher density development.

- **Suisun City**: Suisun City's downtown waterfront setting and existing regional rail station provides an optimal opportunity for higher density transit oriented development. However, given the relatively limited amount of in-fill potential and the City's "small town" nature, the scale of any new high-density project(s) is likely to be modest relative to County growth.

- **Vacaville**: Vacaville's location and demographic character in many ways mirror Fairfield, although the City is perhaps more suburban in nature and appears to be less impacted by spill-over growth from the San Francisco Bay area. Although these differences do not bode will for higher-density development, the City has been surprisingly successful in recent years in promoting multifamily development.

- **Dixon**: Dixon's role as an over-flow market with strong linkages to Davis may provide some opportunities for higher density development associated with the University. However, the City's existing character as a predominantly single-family market (80 percent single-family units) combined with its auto-orientation and more expansive land supply will continue to challenge the market feasibility of high-density development.

Sacramento County

As the urban core and employment center of the region, the County of Sacramento already has a well established market for high-density development of all types, most of which have been well received by consumers. The county is served by various modes of public transportation and has the most extensive network of service in the region. Mixed-use development projects have been completed around some of the area's transit stations with apparent success. While the majority of new housing has been in single family homes, a number of small-lot, attached product and multifamily developments have met the need for more affordable housing. The changing demographic trends in the county, including an increase in the number of persons 55 and older could impact the future market for higher-density housing development.

- **City of Sacramento:** A number of developers are currently engaged in several significant higher density development projects, including mixed-use and multi-story, high density projects in Downtown Sacramento and the Railyards redevelopment project. The success of these market priced units will test the buyer demand for this housing product in coming years and will send an important signal to developers throughout the region about the viability of this product. Official employment and population projections for the City suggest a continuation of strong growth in the City and the current policy orientation

appears highly supportive of more compact development patterns linked to transit.

Yolo County

Although Yolo County has experienced significant growth over the past several years, the majority of population (85 percent) remains in the incorporated cities of West Sacramento, Woodland, Davis, and to a lesser extent Winters. Overall, the County remains a relatively rural agricultural area and most of the undeveloped land is zoned for that purpose. Davis currently has the largest concentration of County employment; however, if Woodland and West Sacramento's industrial and office sectors continue to expand as expected, a more equal distribution of jobs and building space will emerge. This, combined with a broader access to public transit through planned expansions of bus service to Davis and West Sacramento, will make all three cities more attractive for higher density development.

- **West Sacramento:** West Sacramento is rapidly transitioning from the industrial hub of the region to a community with a mix of housing types and attractive waterfront development. Employment in the city continues to grow and plans for major office development projects are underway. As waterfront development continues in West Sacramento and Downtown Sacramento, these areas will likely offer the best prospects for higher-density development in both residential and office in the region.

- **Davis:** The City continues to experience steady population growth, although policies are now in place requiring voter approval for major development projects. The presence of the UC Davis creates housing demands that are expected to become greater as enrollment continues to climb. While these issues may encourage higher-density development by reducing land supply, attached single family homes and mixed-use projects would likely be viewed more favorably by policy-makers than large multifamily projects.

- **Woodland:** Single family residential development has dominated the housing market in Woodland; however, growth controls, flood plain issues limiting land use, and increasing demand may make higher-density development a viable option in coming years. The City's proximity to Davis will also support the demand for higher density housing and office space.

Placer County

Placer County has experienced some of the most significant growth in recent years both in the region and State as a whole. The location of larger high tech companies combined with large scale housing developments have been the primary, interdependent contributors to this growth. A number of low density projects are currently in planning stages in the cities of Roseville, Rocklin, and Lincoln that will add tens of thousands of housing units. Affordability appears to be the most compelling reason for higher-

density development in the County and a number of multifamily and attached housing units have been constructed in the last few years. Office demand is also strong in these cities.

- **Roseville**: Official projections show the population and employment of Roseville, already the largest City in Placer County, nearly doubling by 2035. Although new housing development has historically catered to single family households, a mix of attached products is now being offered. Demand for office space is also strong and the first 10-story office building will be erected next year. Roseville has adopted growth management strategies that may influence the likelihood of higher density development in the future.

II. HIGH DENSITY DEVELOPMENT OVERVIEW

High density development can vary significantly by market. This Chapter defines high density land use for the purposes of this study and describes the key market factors relevant to this type of development. For higher density residential products this analysis focuses on small-lot single-family detached units, townhouses, condominiums and apartments. For higher density commercial products the analysis focuses primarily on multiple-story office space and pedestrian friendly retail.

It is important to note that in the very long term, fundamental changes in the economic or demographic structure of society, such as major changes in family structure, consumer preferences, and/or technology, may alter the nature of specific market segments drawn to high density development. Given the more speculative nature of these potential long-term shifts in market behavior, discussion provided herein is based on the trends observed in today's market and in the foreseeable future.

KEY FACTORS CAUSING DENSIFICATION

Increased development density generally results from the confluence of a variety of economic, market, and public policy related factors. This analysis has identified and evaluates the primary role of the following four inter-dependant contributors to increased development densification:

1. **Demographic Trends:** The type and amount of population growth in the Capital Corridor cities will play a significant role in the marketability of high density development. As described further below, certain types of households are generally more inclined to live in high density environments than others. All things being equal, an increasing population will generally result in increasing demand for higher density real estate products.

2. **Employment Trends:** All things being equal, strong employment growth in the Capital Corridor cities will also increase demand for higher density real estate products. As discussed further below, growth in particular employment sectors, most notably the service sector, high-technology, and white collar fields, are especially important to viability of high density work environments.

3. **Growth Pressures:** Growth pressures result from the interaction of market demand and market supply of land. If limited land is available for development relative to demand, the value of land increases, making high density development financially preferable to low-density development. Increasing real estate prices is the primary indicator of strong growth pressures and thus of the financial viability of higher density development.

4. **Urban Amenities:** Generally speaking, consumers who seek out high density development are also attracted by a milieu of other amenities that are generally associated with a vibrant urban environment. Such amenities might include the availability of cultural events, nightlife and entertainment venues, panoramic views (e.g., due to building height or proximity to a waterfront), access to public transit, and higher-education opportunities. Proximity to these urban amenities can increase land value, thereby making high density development financially viable.

HIGH DENSITY RESIDENTIAL DEVELOPMENT

DESCRIPTION

The definition of high density residential development is related to the market context in which it occurs. With a few notable exceptions, low to medium-density single-family residential development represent the predominant form along the I-80 Corridor. Consequently, the threshold for high density residential development in this corridor is lower than it would be in a highly populated metropolitan area such as San Francisco or Oakland.

For the purposes of this analysis, high-density development ranges from small-lot single-family detached units to a multi-story condominium or apartment project. Townhomes and other attached units are considered the middle of this range. This range can also be expressed in terms of units per acre, with the low end of this scale at about eight units per acre (small lot single-family) and the high end about 60 units per acre (multi-story residential complex). By way of example, **Figure 2.1** illustrates a residential development of about 40 units per acre which falls within the range of the type of project that could occur in the I-80 Corridor.

Figure 2.1: Typical High-Density Residential Space

With the exception of downtown Sacramento, a high rise apartment or condo tower (e.g., ten floors or above) is not considered a probable product type along the I-80 corridor within the time frame of this analysis. Generally speaking, this type of development is only feasible in very dense urban areas where land is in short supply relative to demand. In addition, six stories or above represent an important technical threshold which can substantially increase development costs because this is generally the point at which developers must switch from a wood frame to steel and concrete frame.

MARKET DYNAMICS

Housing demand is largely driven by consumer preferences which are strongly tied to the life-stage of households. Recent studies demonstrate national shifts in consumer preferences toward compact housing in mixed use neighborhoods around transit centers. Demand for compact living within a half-mile radius of a transit station is projected to double over the next 25 years.

High density residential development generally attracts the following groups: (1) young professionals and singles, (2) young families in the market for their first home, (3) empty nesters and new starts (e.g., divorcees), and (4) seniors and low-income households. Although these market segments are based on a variety of factors, age, household size, and income are the main indicators of their presence. A brief definition of these life stage groups is provided below. Subsequent sections make reference to the relative size and growth of the corresponding market segments in cities located along the I-80 corridor.

- **Young professionals and singles**: Young professionals, living alone or with housemates, as well as young couples, have filled many of the higher-end compact residential products in California cities. Given the higher pricing associated with such products, these young persons are often professionals with above average income for their age group. The appeal of these unit types is often linked to the urban amenities that are close to many successful development projects (including eating, drinking, and entertainment options) and short commute time associated with the proximity to work, often via walking or direct transit links.

- **Young first-home buyers**: Young families in the market for their first home often look for smaller and more compact residential development, primarily because of affordability and size. These families are often seeking a smaller home as a way to get into the market with eventual upgrade as the family grows. The biggest appeal of compact residential development for this group is affordability.

- **Empty nesters and new starters**: "Empty nesters" generally refers to parents who are still together, but whose children have left home. No longer needing the additional bedrooms and space, these couples will often move to higher-priced, higher density housing in safe pedestrian-friendly neighborhoods that offer easy access to cultural, entertainment, and eating and drinking amenities. "New starters" refers to individuals undergoing a major change in lifestyle due to a significant event such as a divorce or career change. They often seek high density housing due to affordability and lifestyle factors.

- **Seniors and low-income households**: Seniors often seek a safe and pedestrian-friendly community with public transportation access in quieter neighborhoods. They also prefer to live among similar age groups. Some senior projects also provide special amenities such as a 24-hour doorman, additional on-site staff to assist with daily needs, and even health care professionals. Affordable compact housing development also attracts households in lower income groups. Price is generally the most important determinant in attracting these households.

HIGH DENSITY RETAIL DEVELOPMENT

DESCRIPTION

High density retail development is typically characterized by pedestrian-friendly retail establishments that are well-integrated with nearby neighborhoods and often include a mix of land uses immediately nearby or as part of mixed-use buildings. A downtown setting with cluster of shopping, employment, and residential uses is a classic example of typical high-density retail environment. Because parking is generally provided off-site (e.g., on-street or structured) and shared among a number of tenants, the Floor Area Ratio (FAR) of individual buildings can be relatively high (i.e. between .8 and 1 for the ground floor alone and higher for mixed-use buildings).

High density retail stands in contrast to a shopping center or mall, typically anchored by a department store or large grocery, that caters to auto-traffic and usually feature large surface parking lots (FAR usually in the .25 -.35 range). By comparison, higher density retail tends to be characterized by numerous tenants that occupy relatively small floor plates (e.g., 1,000 to 5,000 square feet) rather than the large anchor / in-line tenant format of most shopping centers. **Figure 2.2** provides a typical example of a higher density, mixed-use retail product for the type that might develop in cities along the I-80 Corridor.

Figure 2.2: Typical High-Density Retail Space

MARKET DYNAMICS

Historically, high density retail located within a City's Central Business District represented the primary retail format in the US, containing most if not all of an area's high sales-volume tenants. These areas were often supplemented by smaller, neighborhood groceries and general merchandise stores (e.g., the "Five & Dime"). However, the emergence and ascendancy of the shopping mall starting in the early 1970s and the "Big-Box" and "Power Center" in the 1990s posed a serious threat to this traditional format, especially in smaller communities. For example, many downtowns, including a number along the I-80 Corridor, lost the high-volume retail tenants and costumers that were the essential to their existence, devolving into under-utilized and derelict locations.

Today, many of the older, higher-density retail districts have, or in the process of, re-positioning themselves in the market. A variety of strategies have been tried, with varying degrees of success, but several common themes and product types have emerged which provide important insight for the potential success, appropriate tenants, and market strategies for higher density retail along the I-80 Corridor. These themes, many of which overlap, are described below:

- **Historic, "main street" redevelopment**: Many older retail districts, especially downtowns, have capitalized on their historic, "main street" setting to create a more authentic and unique retail experience than available at a conventional shopping mall or "Power Center". This strategy is focused on enhancing the overall shopping experience of customers by offering a pedestrian friendly environment, attractive public space, in an outdoor setting. Since the goal is to focus more on experience than convenience, the tenant mix is often more related to leisure, recreation, and browsing (eating and drinking, novelty goods, etc),

rather everyday shopping needs. In Northern California, the downtowns of Livermore, Pleasanton, Sonoma, and even Old Town Sacramento contain elements of this approach.

- **Entertainment and tourism related retail**: A focus on tourism and entertainment is another niche often filled by older retail districts. Similar to the "main street" concept, this approach focuses on the retail experience rather than convenience, providing goods and services oriented toward leisure and luxury rather than daily needs. The presence of a popular tourist or visitor related attractions, such as event venues (e.g., a movie theater, concert hall), a unique dining experience, and sight-seeing or recreational activities, is key to the success of this approach. The retail districts in St Helena, Monterey, Half Moon Bay, and Sausalito provide prototypes for this strategy.

- **Expanded urban, mixed use districts**: A number of cities have increased market demand for higher density retail by fostering the development of a significant amount of residential, business, and institutional land uses in surrounding neighborhoods as well as providing a range of public services and infrastructure (e.g., transit station, streetscape improvements, and plazas). These complimentary land uses can have a catalytic impact, creating a critical mass of activity in an otherwise neglected retail district. Examples include downtown Santa Rosa, San Rafael, Oakland's Jack London Square, and downtown Davis.

- **Boutique and specialty retail**: Many redeveloping higher density districts succeed by providing a unique mix of small-scale "boutique" and specialty stores that offer niche goods, often with a distinctive local flavor such as "hip" clothing and other youth oriented products (e.g., skateboards, head-shops), cafes and local eateries (often ethnic), home décor boutiques, local arts and crafts, and other independent establishments providing both goods and services (e.g., spas). This retail strategy is by definition not formulaic and the actual tenant mix will differ depending on the location. In some settings this approach has ultimately succeeded in attracting national brand tenants (e.g., Banana Republic, Pottery Barn, Restoration Hardware, etc). The retail district of Fourth Street in Berkeley and downtown Walnut Creek provide successful examples.

- **Traditional, anchor-based retail**: In some cases, once struggling downtowns have succeeded in re-vitalizing themselves by targeting the same name brand anchor tenants whose departure led to their decline in first place. Such strategies have been most successful in more populated cities in which the downtowns, although struggling, never entirely lost their economic function as a center for business and commerce. Downtown Pleasant Hill is one example of this strategy. In Southern California, downtown Santa Barbara, which had been loosing market share as a result of more modern shopping malls on the periphery of City, successfully revitalized their downtown strip with a major redevelopment project that included Macy's and Nordstrom's as anchor tenants.

Which one or combination of the above approaches is most appropriate for the I-80 Corridor will depend on the market and economic context of specific locations. For example, the existence of an existing historic downtown or natural tourist draw may be required to successfully pursue the first two strategies. However, it is important to note that the themes and product types above do not only apply to historic or redeveloping downtowns but can be successfully integrated as part of entirely new projects. Specifically, higher-density retail development, as defined above, can be included as a component of a larger planned project or even developed as a stand-alone project in an in-fill setting.

Many new retail projects have attempted to capitalize on the "main-street" revival by building stand-alone projects that mimic the traditional downtown settings. These new projects often include mixed-use buildings with small, ground-floor retail floor plates along a two lane street accessible by both cars and pedestrians. Santana Row in San Jose and Bay Street in Emeryville are two successful examples of this type of project (both include ground floor retail, structured parking, and apartments or condos on the upper floors). Generally, this approach requires a favorable planning context and a motivated master developer who can centrally manage project implementation, tenanting, and on-going project operations (e.g., leasing, marketing, maintenance).

HIGH DENSITY WORKSPACE

DESCRIPTION

High density employment uses (excluding retail) primarily occupy office, institutional, and in some cases research and development (R&D) building space. They stand in contrast to industrial uses such as warehouse and manufacturing which tend to occupy low cost single-story buildings that offer easy access to trucks for loading and unloading, extensive on-site surface parking, and significant amount of space per employee (e.g., between 700 and 1,500 square feet per employee). In addition, industrial uses are often incompatible with high density development because they can generate significant truck traffic, noise, and industrial discharge, and other activities that may pose a public nuisance or safety risk.

For the purposes of this analysis higher density office, institutional, and R&D uses are defined a two to eight story buildings with shared parking and service by some form of mass transit. For market and technical feasibility factors similar to those facing residential towers, office towers not considered a probably product type in most of the I-80 Corridor cities in the time frame of this analysis (with exception of Sacramento). They include an FAR of about .4 to .6, and between 250 to 350 square feet per employee. A typical high-density office product for the Capitol Corridor market area is shown in **Figure 2.3** below.

Figure 2.3: Typical High-Density Workspace

MARKET SEGMENTS

The most common locations for high density office and R&D buildings are areas that combine convenient auto and public transit access, existing office uses and business service firms, and urban amenities such as retail and outdoor plazas. Users attracted to compact office and R&D buildings include primarily While Collar professions such as legal, financial and business services, high-technology (software, telecommunications, biotechnology), healthcare, real estate, and design, marketing and other creative services. Employment growth in these sectors is generally linked to a well educated workforce, local quality of life factors, and existing industry clusters.

III. SOLANO COUNTY

This Chapter evaluates the market factors affecting the feasibility of various types of high density development in Solano County focusing on the cities of Vallejo, Fairfield, Vacaville, Suisun City, and Dixon. The discussion looks at the County as a whole and the relative position of individual cities along the Corridor. More detailed description of the trends in each City is provided in **Appendix A**.

BACKGROUND AND OVERVIEW

Solano County is strategically located between major urban / employment centers in both the San Francisco and Sacramento areas (see **Figure 3.1**). Each of the five cities located along I-80 (Vallejo, Fairfield, Vacaville, Suisun City, and Dixon) are within a reasonable commute distance (within one hour by car, subject to traffic conditions) to both of these metropolitan areas. Moreover, since the I-80 represents the only interstate linking San Francisco to Sacramento, it serves as a critical transportation spine with important economic implications for the cities along it.

Historically, Solano County has served as primarily an agricultural region and over 80 percent of land still zoned for agricultural uses. In addition, military installations played an important role in the evolution of both Vallejo (Mare Island Naval Air Station) and Fairfield (Travis Air Force Base). With a total area of about 518 square miles, Solano County's Orderly Growth Law has been preserving county farmland by preventing rezoning of these lands and allowing new development only if annexed by a city. However, this law expires in 2010 and Measure J, an effort to extend it for 30 years, failed in the recent 2006 election.

Notwithstanding the County's agricultural heritage and growth control measures, over the last 25 years it has become increasingly linked to the major urban / employment centers in both the San Francisco and Sacramento areas. The availability and relative affordability of land combined with a favorable geographical location has spurred the development of "bedroom communities" for commuters working in either the Sacramento or San Francisco area (or both for dual commute households). Land intensive employment uses, such as warehouse, distribution, and manufacturing, have also migrated to the Corridor.

The Census 2000 journey-to-work data provides a good indication of the I-80 Corridor's linkage to employment centers outside the Solano County. As shown in **Table 1.1**, less than 58 percent of the market area employed residents worked in Solano County as of 2000. Over 36 percent worked in the other Bay Area Counties (with the majority in Alameda and Contra Costa) and five percent worked in the Sacramento area. Overall, the County's I-80 Corridor cities provide significantly more employed residents than jobs, (local jobs represent about 77 percent of employed residents).

Figure 3.1

Solano County I-80 Corridor

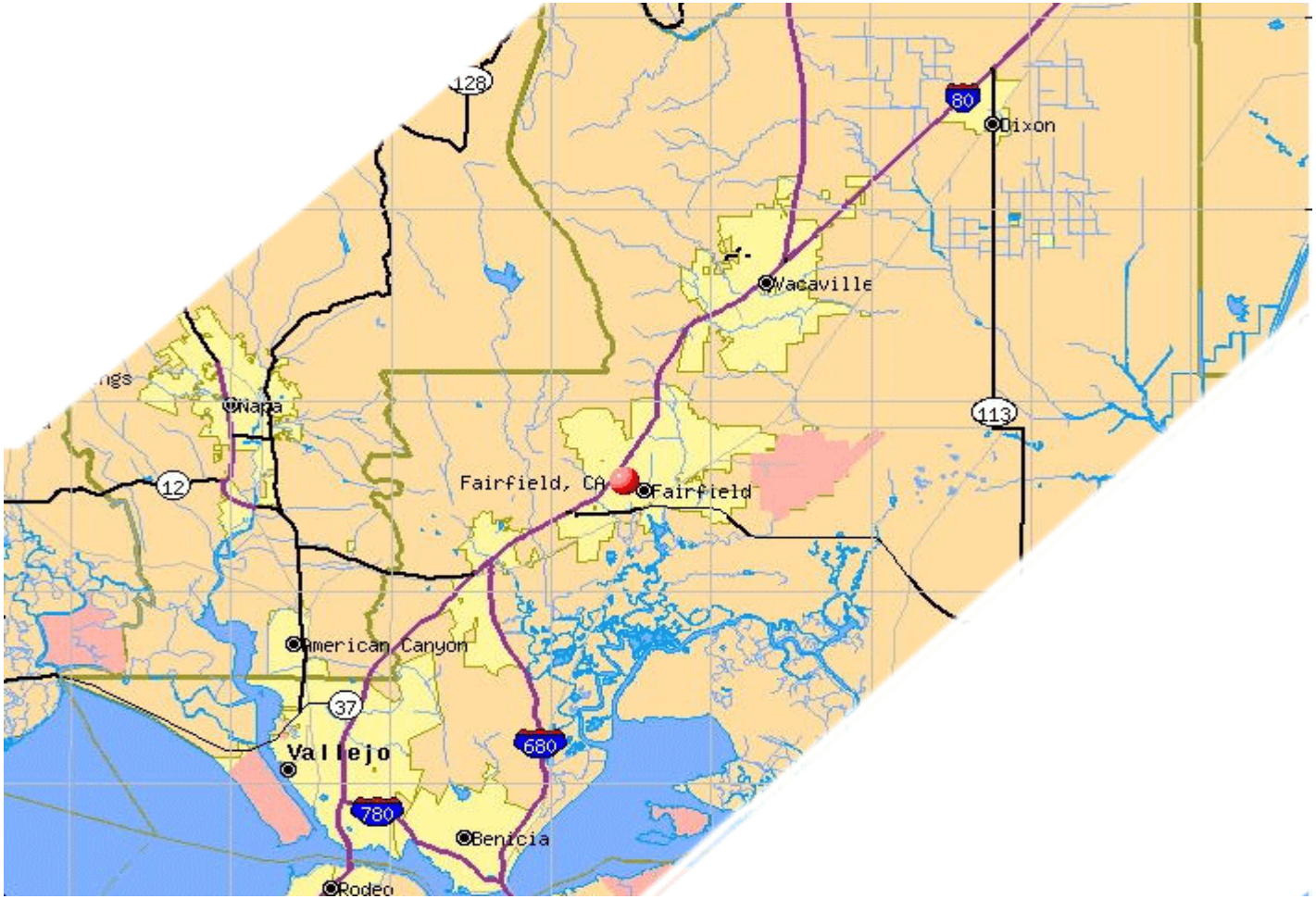


Table 1.1
I-80 Corridor Place of Work for Solano County
I-80 Corridor Market Analysis, EPS#16018

Location	Solano County Market Area Employment[1] (2000) #	%
Place of Work for Market Area Residents		
Solano County	86,274	57.8%
Bay Area[2]	54,582	36.5%
Sacramento Area[3]	7,310	4.9%
Other	1,207	0.8%
Market Area Total	149,373	100%
Total Market Area Jobs	114,690	77%

Sources: Census 2000, ABAG 2005 Projections, and Economic & Planning Systems, Inc.

[1] Includes residents' employment in key market area cities: Vallejo, Fairfield, Vacaville, Suis Suisun City, and Dixon.

[2] Includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, and Sonoma Counties.

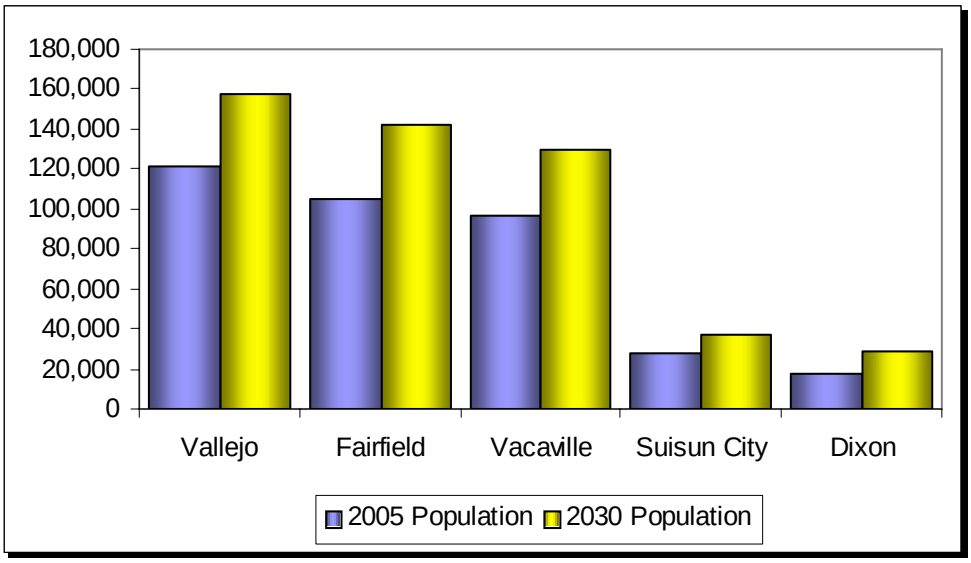
[3] Includes Placer, Sacramento, and Yolo Counties.

Solano County experienced its fastest growth between 1980 and 1990, adding 104,000 new residents, an average annual growth rate of 3.7 percent (about 45 percent increase in ten years). The growth declined significantly between 1990 and 2000, to an average annual rate of 1.6 percent, largely attributable to major military base realignment (the closure of Mare Island Naval Shipyards in Vallejo and consolidation of Travis Air Force Base in Fairfield). Population growth further decreased to 1.1 percent between 2000 and 2005 (see **Table 1.2**).

DEMOGRAPHIC ANALYSIS

According to the ABAG, Solano County is expected to experience the highest population growth rate out of the nine Bay Area counties, adding over 140,000 new residents and 64,500 new jobs over the next 25 years. ABAG projects the majority of the future growth would occur in Vallejo, Fairfield, and Vacaville, the three largest cities in the County (see **Figure 3.2).** All things being equal these strong growth trends bode well for higher density development. However, the amount, type, and precise location of this growth will depend on market conditions as well as implementation of local land use policies.

Figure 3.2: Population Growth (2005-2030)



Despite strong projected employment growth in Solano County, the historical representation of the population segments most attracted to high density residential development has been relatively modest, with a few exceptions. For example, large households with five or more people, a market segment that generally seeks lower density housing, experienced the most rapid growth in the County between 1990 and 2000. Moreover, children-age (19 and under) and the 35 to 54 age group population made up the majority of the County's population in 2000, indicating a large presence

Table 1.2
Historical Population and Housing Trends in Solano County, 1980-2005
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990			1990-2000			2000-2005			1980-2005		
					#	%/Yr	% Total	#	%/Yr	% Total	#	%/Yr	% Total	#	%/Yr	% Total
Population	235,203	339,471	399,026	421,657	104,268	3.7%	n/a	59,555	1.6%	n/a	22,631	1.1%	n/a	186,454	2.4%	n/a
Households	80,426	113,052	129,115	140,877	32,626	3.5%	n/a	16,063	1.3%	n/a	11,762	1.8%	n/a	60,451	2.3%	n/a
Persons/HH	2.92	2.88	2.99	2.88	-0.04	-0.1%	n/a	0.11	0.4%	n/a	-0.12	-0.8%	n/a	-0.05	-0.1%	n/a
Single Family Housing Units																
Detached	n/a	80,989	96,064	103,707	n/a	n/a	n/a	15,075	1.7%	88.1%	7,643	1.5%	76.4%	n/a	n/a	n/a
Attached	n/a	5,151	5,573	7,046	n/a	n/a	n/a	422	0.8%	2.5%	1,473	4.8%	14.7%	n/a	n/a	n/a
Subtotal	61,423	86,140	101,637	110,753	24,717	3.4%	70.9%	15,497	1.7%	90.6%	9,116	1.7%	91.1%	49,330	2.4%	80.3%
Multifamily Housing Units																
2 to 4 Units	n/a	9,827	10,247	10,517	n/a	n/a	n/a	420	0.4%	2.5%	270	0.5%	2.7%	n/a	n/a	n/a
5+ Units	n/a	18,538	19,776	20,355	n/a	n/a	n/a	1,238	0.6%	7.2%	579	0.6%	5.8%	n/a	n/a	n/a
Subtotal	19,360	28,365	30,023	30,872	9,005	3.9%	25.8%	1,658	0.6%	9.7%	849	0.6%	8.5%	11,512	1.9%	59.5%
Mobile Homes	3,487	4,631	4,587	4,626	1,144	2.9%	3.3%	-44	-0.1%	-0.3%	39	0.2%	0.4%	1,139	1.1%	32.7%
Total Units	84,270	119,136	136,247	146,251	34,866	3.5%	100%	17,111	1.4%	100%	10,004	1.4%	100%	61,981	2.2%	100%

Source: California Department of Finance; Economic & Planning Systems, Inc.

of families with children (see **Table 1.3**). These trends confirm the County's role as a lower cost bedroom community that serves Sacramento and the broader San Francisco Bay Area.

In addition, the population cohorts that tend to dominate the "young professionals and singles" market segment is the only age group to experience a decline between 1990 and 2000. While many families moved to Solano County, young singles and couples moved out. Retaining and growing this household type would depend heavily on the job market trends in the County as discussed further below.

A more positive indication of the viability of higher density residential has been the growth of small households and seniors. Smaller households accounted for over half of the growth between 1990 and 2000. The affordability of higher density residential development compared to single-family detached housing generally appeals to some of the smaller families, many of whom are first time homebuyers. In addition, as of 2000 about nine percent of the total population fell into the 65 and above age group (see **Table 1.3**). Although the current proportion of seniors is small, this age cohort experienced the second strongest growth rate between 1990 and 2000, second only to the 35 to 54 age group.

Figure 3.3 summarizes 2000 population distribution among key age groups in the five market area cities. Overall, Vallejo, Fairfield and Vacaville appear to have the most favorable demographics for high density living, with the highest proportion of young adults and seniors (representing slightly less than 40 percent of the population).

Figure 3.3: Demographic Breakdown by Age

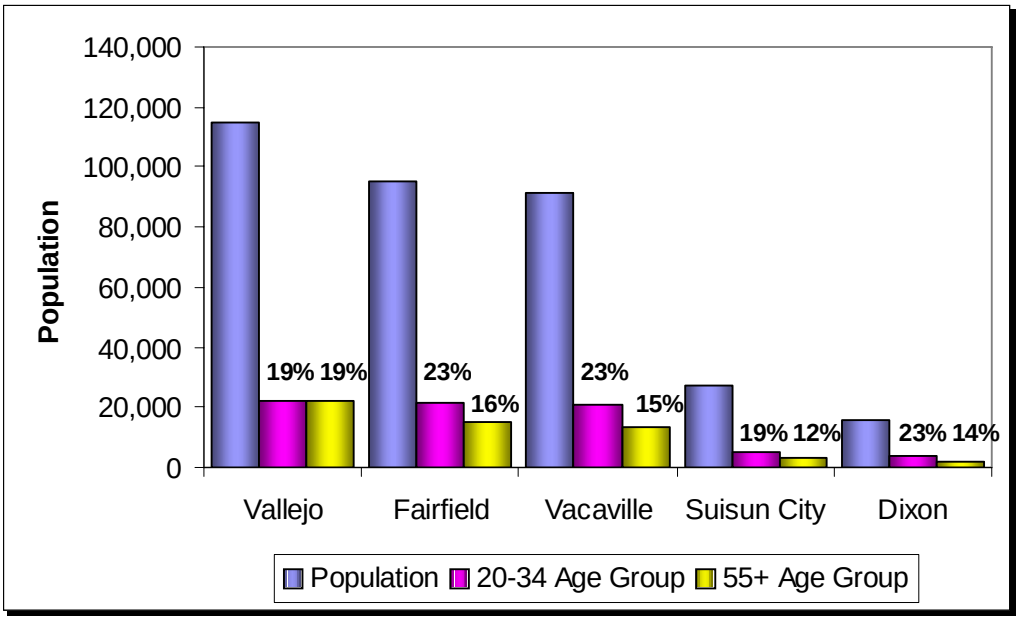


Table 1.3
Historical Housing Trends in Solano County, 1990-2000
I-80 Corridor Market Analysis, EPS#16018

Item	1990		2000		1990-2000		
	Number	% of Total	Number	% of Total	#	%	%/Year
Population	340,421	n/a	394,542	n/a	54,121	16%	1.5%
Population by Age Cohort							
19 and Under	106,933	31%	122,564	31%	15,631	15%	1.4%
20 to 34	90,883	27%	80,353	20%	(10,530)	-12%	-1.2%
35 to 54	92,097	27%	124,687	32%	32,590	35%	3.1%
55 to 64	22,629	7%	29,567	7%	6,938	31%	2.7%
65 and Over	27,879	8%	37,371	9%	9,492	34%	3.0%
Total	340,421	100%	394,542	100%	54,121	16%	1.5%
Households by Size							
1 to 2	55,129	49%	64,228	49%	9,099	17%	1.5%
3 to 4	42,306	37%	45,944	35%	3,638	9%	0.8%
5 and Over	16,202	14%	20,268	16%	4,066	25%	2.3%
Total	113,637	100%	130,440	100%	16,803	15%	1.4%
Household Type							
Family Household	86,962	77%	98,163	75%	11,201	13%	1.2%
Non-Familiy Household	26,675	23%	32,277	25%	5,602	21%	1.9%
Total	113,637	100%	130,440	100%	16,803	15%	1.4%
Units in Structure							
1 Unit Detached	80,917	68%	95,378	71%	14,461	18%	1.7%
1 Unit Attached	5,267	4%	6,597	5%	1,330	25%	2.3%
2 to 19 Units	21,032	18%	19,325	14%	(1,707)	-8%	-0.8%
20 to 49 Units	3,483	3%	2,480	2%	(1,003)	-29%	-3.3%
50 or More Units	3,093	3%	6,106	5%	3,013	97%	7.0%
Mobile Home & Other	5,741	5%	4,627	3%	(1,114)	-19%	-2.1%
Total	119,533	100%	134,513	100%	14,980	13%	1.2%
Tenure							
Owner Occupied	71,309	63%	84,997	65%	13,688	19%	1.8%
Renter Occupied	42,120	37%	45,406	35%	3,286	8%	0.8%
Total	113,429	100%	130,403	100%	16,974	15%	1.4%
Median HH Income (in 1999$$)	$53,378		$54,099		$721	1%	0.1%
Average HH Income (in 1999$$)	$59,499		$64,228		$4,729	8%	0.8%
Unemployment Rate	4.8%		4.5%		-0.3%	-5%	-0.6%

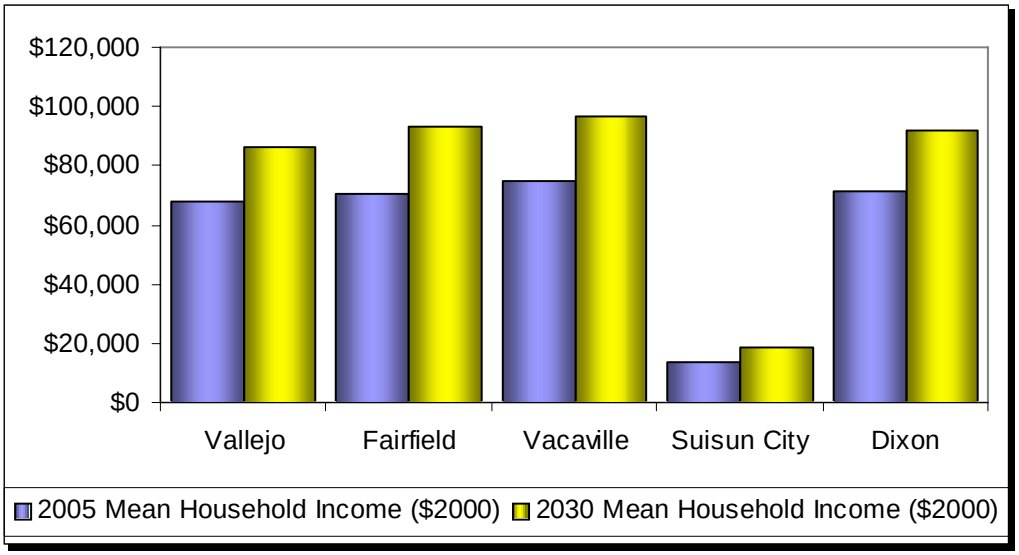
Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency betwe
Department of Finance and Census data.

Source: U.S. Census 1990 and 2000; Economic & Planning Systems, Inc.

While a household's life stage drives housing preference, income also plays an important role housing choices including ownership versus leasehold and house size. Median income in Solano County had little real growth between 1990 and 2000. However, average income grew by an annual average of 0.8 percent, which indicates a widening gap between higher and lower income brackets (see **Table 1.3**) which reflects a large proportion of workers commuting to higher paying jobs in other cities. Relatively speaking, Solano County had the lowest mean income of the nine Bay Area counties in 2005.

Figure 3.4 compares 2005 income to its projected 2030 values among the key county cities. According to ABAG Projections 2005, average household income is expected to grow at 1.1 percent a year, slightly above the historic rate. Although increase may slightly improve the County's relative position in the Bay Area, local residents will still need more affordable housing options, which is a potential niche for higher density development.

Figure 3.4: Mean Household Income Growth (2005-2030)



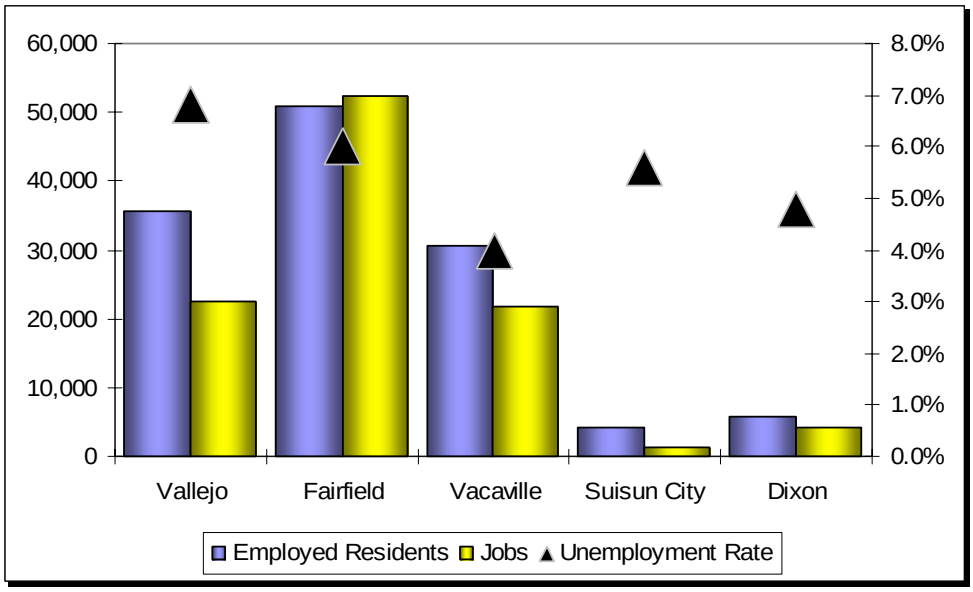
EMPLOYMENT TRENDS

Employment plays a major role in the choice of residence. Consumers tend to pay price premiums for shorter commutes and are often willing to sacrifice housing size for proximity to their workplace. As such, growth of various types of jobs is one of the most significant ingredients for densification. However, continued shortage of housing and its increasing cost in Solano County caused a worsening imbalance between jobs and housing and have lengthened commute time for many workers. Approximately 75 percent of the County's employed residents out-commute from their home town.

Employment and unemployment trends in the cities along the I-80 Corridor are summarized in **Figure 3.5** for 2005. ABAG reports a total of 150,500 jobs in Solano County in 2005, with approximately 78 percent of employment situated in Vallejo, Fairfield, and Vacaville. Service sector jobs account for the majority, especially health, education and recreational services, which made up approximately 36 percent of total employment.

Solano County experienced a relatively high unemployment rate in the mid 1990s, reaching as high as 8.2 percent in 1993. Although the unemployment rate improved significantly in the latter part of the 1990s, the economic contraction of the recent years caused increased unemployment, which reached up to 6.4 percent in 2003. Since then, the County showed signs of recovery, and the unemployment rate declined to 5.4 percent in 2005. The general trend is consistent with that of the San Francisco-Oakland-Fremont MSA, where unemployment peaked to 5.6 percent in 2003 and has decreased since.

Figure 3.5: Employment Summary (2005)



The current jobs-housing imbalance is expected to gradually reverse itself in the years to come, as jobs in the County are expected to grow by 1.4 percent annually over the next 25 years, outpacing the population and household growth (see **Table 1.4**). This projected growth rate is consistent with EDD's projection of job growth for Solano County between 2002 and 2012. The highest growth rate is projected in the financial and professional services; health, educational, and recreational services; and construction, information, and public administration sectors, all generally associated with higher density employment per square foot. Thus, further densification of workspace is likely in the years to come.

Table 1.4
Projected Growth for Solano County (2005-2030)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2030	2005-2015			2015-2030			2005-2030		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	421,657	488,400	562,900	66,743	16%	1.5%	74,500	15%	1.0%	141,243	33%	1.2%
Households	140,877	162,620	188,290	21,743	15%	1.4%	25,670	16%	1.0%	47,413	34%	1.2%
Persons/Household	2.99	2.90	2.90	-0.09	-3%	-0.3%	0.00	0%	0.0%	-0.09	-3%	-0.1%
Mean HH Income (in 2000$$)	$73,400	$82,700	$97,100	$9,300	13%	1.2%	$14,400	17%	1.1%	$23,700	32%	1.1%
Employed Residents	194,900	226,500	269,800	31,600	16%	1.5%	43,300	19%	1.2%	74,900	38%	1.3%
Jobs												
Ag & Natural Resources	2,035	1,986	1,983	-49	-2%	-0.2%	-3	0%	0.0%	-52	-3%	-0.1%
Manuf, Wholesale & Trans.	23,017	25,883	32,609	2,866	12%	1.2%	6,725	26%	1.6%	9,591	42%	1.4%
Retail	18,987	21,900	26,551	2,913	15%	1.4%	4,650	21%	1.3%	7,563	40%	1.4%
Financial & Prof. Service	21,782	25,172	31,356	3,390	16%	1.5%	6,184	25%	1.5%	9,574	44%	1.5%
Health, Ed. & Rec. Service	53,751	62,588	77,067	8,837	16%	1.5%	14,479	23%	1.4%	23,316	43%	1.5%
Other	30,947	36,310	45,435	5,363	17%	1.6%	9,125	25%	1.5%	14,489	47%	1.5%
Total	150,520	173,840	215,000	23,320	15%	1.5%	41,160	24%	1.4%	64,480	43%	1.4%
Jobs/Household	1.07	1.07	1.14	0.00	0%	0.0%	0.07	7%	0.4%	0.07	7%	0.3%
Jobs/Employed Resident	0.77	0.77	0.80	0.00	-1%	-0.1%	0.03	4%	0.3%	0.02	3%	0.1%

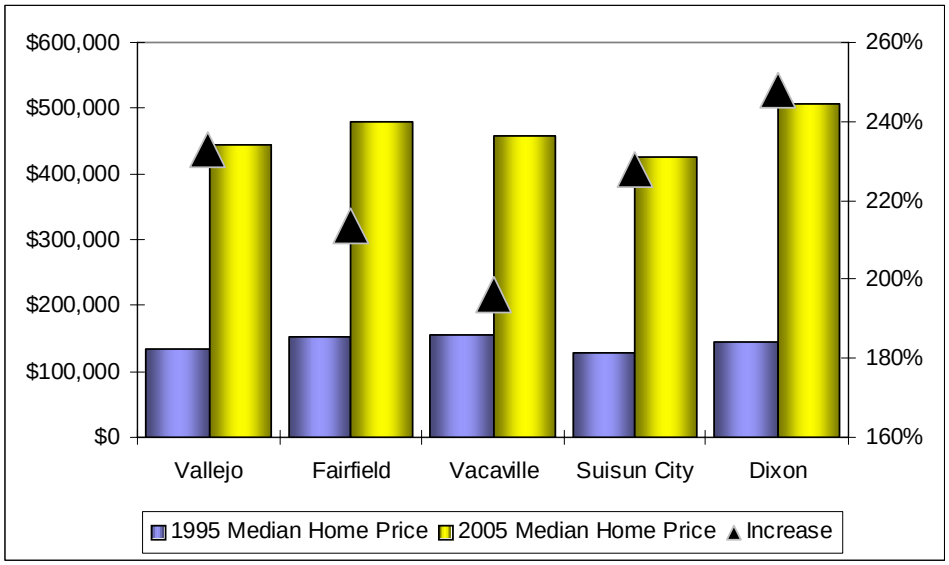
Source: ABAG Projections 2005 and 2007; Economic & Planning Systems, Inc.

GROWTH PRESSURES

As noted in the previous chapter, the amount of growth pressure in a particular region is an important determinant to the form of development that will occur. Relative market prices for various real estate products represent a primary indicator of growth pressure in a particular area. Consequently, this section evaluates real estate price and development trends in Solano County as a proxy for growth pressure.

Home buyers have traditionally been attracted to Solano County for the relatively affordable homes and accessibility to the urban amenities of the Bay Area and Sacramento. Fueled by low interest rates and the overall housing shortage in the Bay Area, the housing market has experienced a significant growth in sales activities and prices, especially in the past several years. However, in recent years home prices in Solano County have become increasingly comparable to other Bay Area markets. Median housing prices in Solano County experienced an average annual growth of 18.1 percent since 2000, compared to the moderate annual growth rate of 2.5 percent between 1990 and 2000 (see **Table 1.5** and **Figure 3.6**).

Figure 3.6: Median Household Income Growth (1995-2005)



In September 2006, the median home price in Solano County was $458,000, compared to the Bay Area's median of $611,000, according to Data Quick. Although the County's median housing price is still well below that of the Bay Area, the area's rapid housing

Table 1.5
Historical Housing Price and Sales Volume Trends in Solano County, 1995-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1995 (1)	2000 (1)	2005 (2)	1990-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)	396	602	933	52%	8.7%	55%	9.1%
Median Sales Price (3)	$147,583	$180,917	$470,000	23%	4.2%	160%	21.0%
Average Sales Price (3)	$156,869	$213,127	n/a	36%	6.3%	n/a	n/a
Average Size (Square Feet)	1,698	1,534	n/a	-10%	-2.0%	n/a	n/a
Average Sales Price per Square Foot	$92	$139	n/a	50%	8.5%	n/a	n/a

(1) RAND
(2) DataQuick
(3) The price reported here is for the fourth quarters for the respective years.

Source: RAND, DataQuick; Economic & Planning Systems, Inc.

appreciation over the past several years made homeownership opportunities less affordable. As shown in **Table 1.6**, the affordability gap in the key Solano County cities ranges from $135,456 to $225,304.

Table 1.6: Solano County Affordability Gap 2005

City	Mean Income	Affordable Home (1)	Median Home Value	Affordability Gap
Vallejo	$67,800	267,090	$445,000	$177,910
Fairfield	$70,400	277,332	$479,500	$202,168
Vacaville	$75,000	295,453	$459,250	$163,797
Suisun City	$73,500	289,544	$425,000	$135,456
Dixon	$71,000	279,696	$505,000	$225,304
Average	$71,540	$281,823	$462,750	$180,927

(1) Value is based on the assuption that 30% of income is required for the cost of buying a home, which inludes a 10% downpayment and a monthly mortgage payment on a 30-year term with 7% interest and 5% of the cost applied towards annual tax and insurance.

Although rapid housing appreciation has been a national phenomenon, when measured in terms of relative affordability, this trend has been particularly acute for the cities along I-80 Corridor. **Table 1.7** shows how median home prices in the I-80 Corridor market areas stack up against other areas in California and the U.S. in terms of affordability. As shown, for the Vallejo/Fairfield MSA, the median home price is about six times the average household income, compared to a multiplier of less than four for the entire U.S. Moreover, this multiplier has almost doubled since 1995 in the Vallejo/Fairfield MSA (a 91 percent increase) compared to a 48 percent increase nationwide. This disproportionate increase has been true throughout California (pushed up very steep prices in several San Francisco and Southern California sub-markets) and is indicative of inordinate pressure for increased supply.

A higher level of affordability may be achieved through higher-density development (e.g., higher density townhomes rather than single-family detached units), which generally appeal to entry level buyers and young professionals, a market segment priced out of the Bay Area's competitive housing market. In other words, the same factors that made Solano County attractive for new single-family residents over the last 20 years (e.g., price appreciation in inner Bay Area) may make it more attractive for higher density opportunities in the years to come.

Table 1.7: Average Home Availability Multiplier (1995-2006)

Location	Avg. Home Affordability Multiplier (1)		
	1995	2000	2006
U.S.	2.5	2.6	3.7
California	3.3	4.0	7.1
San Francisco/San Mateo/Redwood City	4.7	6.7	8.3
Vallejo/Fairfield	3.2	4.0	6.1
Sacramento/Arden/Arcade/Roseville	2.9	3.3	6.0

(1) This multiplier equals median home value divided by median income.

Sources: NAHB Housing Opportunities Index; Economic & Planning Systems, Inc.

COUNTY LAND DEMAND SCENARIOS

As part of this analysis, EPS tested the implications of various development density scenarios on the demand for land in Solano County. The goal of this analysis is to assess how the demand for land in the County relates to land availability within existing urban areas given various assumptions about future development patterns in the County. A more detailed evaluation of local land use policies and land supply along the I-80 Corridor is being conducted as part of a separate task. The analysis presented at this stage is designed to provide insight into the range of outcomes that are realistic given current market trends and their implications on development patterns in the County.

EPS developed baseline, medium-, and high-density development scenarios to evaluate the impact of various density outcomes on future land use. The baseline scenario is the most land intensive as the Capitol Corridor has historically consisted of low-density development. Medium and high density scenarios are based on the tightening of land policy and land appreciation, factors that generally increase the density of new development. Under each case, total demand from 2005 to 2030 is derived from the ABAG population and employment projections for each key city.

Each demand scenario relies on a different set of assumptions regarding the preponderance of various real estate proto-types and the corresponding density associated with each. The first set of assumptions includes the number of residential units per acre, square feet per employee, floor area ratio (F.A.R.) per net acre, net-to-gross ratio, and vacancy categories, shown in **Table 1.8**.

Table 1.8: Density and Vacancy Assumptions by Scenario

Assumptions	Scenarios		
	Baseline	Medium	High Density
Units / Net Acre			
Single Family	7.0	7.5	8.0
Multi-Family	20.0	24.0	27.0
Square foot / Employee			
Office / R&D	300	290	275
Retail	350	325	300
Warehouse / Industrial	1,000	900	800
F.A.R. per Net Acre			
Office / R&D	0.35	0.40	0.50
Retail	0.25	0.30	0.35
Warehouse / Industrial	0.35	0.35	0.35
Net-to-Gross Ratio (1)	0.75	0.78	0.80
Vacancy			
Residential	6%	6%	6%
Non-Residential	8%	8%	8%

(1) Refers to the total land relative to the public infrastructure such as roads, sidewalks, and other public r.o.w.
(2) Depends on each City's existing breakdown.

Source: Economic & Planning Systems, Inc.

A second set of assumptions allocates projected employment among four major uses: office/R&D, retail, industrial, and other. The "other" category includes jobs not traditionally associated with actual buildings, such as transportation or farming. It is assumed that these allocation ratios, shown in **Table 1.9**, will not vary by scenario.

Table 1.9: Building Type Allocation Assumptions

Employment Sector	Building Type			
	Office / R&D	Retail	Industrial	Other
Ag & Natural Resources	2%	3%	25%	70%
Manuf, Wholesale & Trans.	5%	0%	90%	5%
Retail	3%	92%	2%	3%
Financial & Prof. Service	95%	0%	0%	5%
Health, Ed. & Rec. Service	88%	2%	0%	10%
Other	55%	0%	5%	40%

A third set of assumptions deals with the residential product mix of single-family and multifamily ratios in each of the key market area cities. The baseline scenario has the same breakdown as the cities' historic ratio, while medium and high density scenarios reflect a more aggressive multifamily ratio. These assumptions are described in **Table 1.10**. Further descriptions of each city's dynamics and growth patterns are included in **Appendices A** through **D**.

Table 1.10: Residential Allocation by Scenario

	Scenarios					
	Baseline		Medium		High Density	
Item	Single family	Multi-family	Single family	Multi-family	Single family	Multi-family
Solano County						
Vallejo	76%	24%	70%	30%	50%	50%
Fairfield	76%	24%	70%	30%	50%	50%
Vacaville	76%	24%	70%	30%	50%	50%
Suisun City	87%	13%	80%	20%	70%	30%
Dixon	88%	12%	80%	20%	70%	30%

The land demand projections for the Solano County I-80 Corridor cities are presented in **Table 1.11** based on the assumptions described above. As shown, total land demand is projected to range from a high of 9,000 acres to a low of 5,800 acres, or from 13 to 9 percent of the existing land area of the I-80 Corridor cities in the County. In other words, these cities will need to make between 9 to 13 percent of the land within their existing urban boundaries available for new development over the next 25 years. Otherwise, development will need to be accommodated through annexation or in unincorporated areas.

Table 1.11: Solano County Land Demand by City (acres)

		Scenarios (2005-2030)					
		Baseline		Moderate		High	
City	Land Area	#	%	#	%	#	%
Vallejo	19,328	2,607	13%	2,177	11%	1,614	8%
Fairfield	24,128	2,805	12%	2,348	10%	1,755	7%
Vacaville	17,344	2,391	14%	2,007	12%	1,495	9%
Suisun City	2,624	580	22%	485	18%	396	15%
Dixon	4,224	811	19%	676	16%	553	13%
Total/Average	67,648	9,194	14%	7,693	11%	5,813	9%

Table 1.11 also suggests that the total difference in land demand between the high and low-density development scenario is relatively modest. Specifically, only about 3,200 more acres of land will be demanded under the high scenario than the low-density scenario over the next 25 years in Solano County, or about four percent of the existing urbanized areas of the five I-80 Corridor cities. This suggests that increasing development density will have a relatively modest impact on development patterns in the County. Rather the primary benefit of higher density in the County may be related to transit ridership rather than a reduction in Greenfield development or sprawl. While countywide trends are informative, the specific demographic and economic dynamics of the cities located along the I-80 corridor are evaluated individually in **Appendix A**.

IV. SACRAMENTO COUNTY

This section addresses the market factors that impact development trends in Sacramento County, focusing on the City of Sacramento. The population and housing projections developed by SACOG as part of the Blueprint process are utilized in this analysis, as well as subsequent chapters on Yolo and Placer Counties, and supplemented with additional data and analysis. The market support for higher density development is then analyzed based on demographic trends, development patterns, and other economic factors.

BACKGROUND AND OVERVIEW

Sacramento County is the urban core and employment center of the three-County Sacramento region. It also contains the largest City in the region, Sacramento which, as the State Capitol, is a focal point of commerce and government. A significant portion of employment is due directly or indirectly to government activities. However, during the 1990's, the County grew more slowly than the region as a whole. This slower growth rate can be partially attributed to the urban area's more mature level of development, as well as environmental constraints that prevented growth in some of the County's prime growth areas (e.g., North Natomas).

While the City and County of Sacramento continue to represent a majority of the region's population and employment, urban nodes are rapidly developing in other cities in the region, including Roseville, West Sacramento, Folsom, and Rancho Cordova. In addition, with growth in broader urban area the economy has become somewhat less reliant on government and other sectors have emerged in recent years that have diversified the employment base.

The City of Sacramento is by far the most urbanized along the I-80 Corridor from Solano County east, possessing a variety of "big city" amenities such as cultural and educational opportunities, a variety of nightlife venues, including an arena and professional sports team, and public infrastructure. Much of the County is linked by a developed public transportation system, which includes light rail, bus service, and connections to much of northern California and beyond via Amtrak. The recent extension of light rail to the Downtown inter-modal facility now allows for a more seamless transition between transportation modes.

The City is also in a period of rapid change due to significant population growth and a shift in demographic composition. Although the city has some of the most blighted areas in the region, there are major redevelopment projects currently underway that are improving many of these areas. Infill development continues to be a challenge to the development community due to the costs associated with land and improvements to an aging infrastructure in the more urbanized areas.

Sacramento's high growth over the last decade is partially attributed to the City's improving image, associated with school quality and crime. According to the www.psk12.com website that ranks school performance on a 200 to 1,000 scale, Sacramento high schools have improved drastically over the last several years. Sacramento City Unified District, a district that serves most of the Sacramento area, has raised its high school average from 581 in 1999 to 658 in 2005. According to RAND, the crime rate in Sacramento has decreased by 30 percent, from 11 per 1,000 in 1990 to 7.6 per 1,000 in 2000, although still slightly above the California average. Crime and school quality are important factors in attracting households with children.

DEMOGRAPHIC ANALYSIS

Sacramento County has continued to experience relatively strong population growth over the last 25 years. Between 1980 and 1990, population in the county grew by 258,000, an annual growth rate of 2.9 percent. During the 1990's, growth slowed to 1.6 percent annually. However, since 2000 the rate has averaged 2.2 percent annually. During this period the population in the City of Sacramento grew from roughly 370,000 in 1990 to over 456,000 in 2005, an increase of 86,000 residents (see **Table 2.1**). Much of this recent growth has been attributed to an in-migration of people seeking more affordable housing and lower cost of living compared to the coastal areas.

The most recent growth allocation data for local jurisdictions available from SACOG provides projections of population, housing, and employment to the year 2035. The county's projected population through this period is estimated at 1.9 million, a 42 percent increase, with an additional 230,000 households (see **Table 2.2**). This projection assumes a gradual decline from historical patterns as follows:

a. 1.9 percent between 2000 and 2010
b. 1.6 percent between 2010 and 2020
c. 1.3 percent between 2020 and 2030

In terms of household composition, the age and size of families will play an important role in the type of real estate products demanded. In terms of household size, there has been very little change in the allocation between 1990 and 2000, with smaller households (1-2 persons) maintaining a 58 percent share during this period. However, in the City of Sacramento average household size declined slightly by 2005. This would be reflective of the general trend in decreasing household size and the recent opportunities for smaller, higher density housing choices in the central city.

Table 2.1
DOF Historical Demographic Trends in the City of Sacramento (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	275,741	369,365	405,963	456,441	93,624	3.0%		36,598	0.9%		50,478	2.4%		180,700	2.0%	
Households	112,859	144,444	147,115	170,812	31,585	2.5%		2,671	0.2%		23,697	3.0%		57,953	1.7%	
Persons/HH	2.39	2.50	2.70	2.60	0.11	0.5%		0.20	0.8%		(0.11)	-0.8%		0.21	0.3%	
Single Family Housing Units																
Detached	n/a	87,854	92,627	107,987	n/a	n/a	n/a	4,773	0.5%	86.9%	15,360	3.1%	69.5%	n/a	n/a	n/a
Attached	n/a	10,367	10,387	11,372	n/a	n/a	n/a	20	0.0%	0.4%	985	1.8%	4.5%	n/a	n/a	n/a
Subtotal	80,112	98,221	103,014	119,359	18,109	2.1%	60.2%	4,793	2.1%	87.2%	16,345	4.9%	74.0%	39,247	1.6%	68.1%
Multifamily Housing Units																
2 to 4 Units	n/a	14,623	14,447	15,903	n/a	n/a	n/a	(176)	0.0%	-3.2%	1,456	1.9%	6.6%	n/a	n/a	n/a
5+ Units	n/a	37,163	38,011	41,998	n/a	n/a	n/a	848	0.5%	15.4%	3,987	2.0%	18.0%	n/a	n/a	n/a
Subtotal	40,729	51,786	52,458	57,901	11,057	2.4%	36.8%	672	0.5%	12.2%	5,443	4.0%	24.6%	17,172	1.4%	29.8%
Mobile Homes	2,443	3,355	3,384	3,686	912	3.2%	3.0%	29	0.1%	0.5%	302	1.7%	1.4%	1,243	1.7%	2.2%
Total Units	123,284	153,362	158,856	180,946	30,078	2.2%	100%	5,494	0.5%	100%	22,090	2.6%	100%	57,662	1.5%	100%

"Sac1"

Source: California Department of Finance; EPS.

Table 2.2
Projected Growth in Sacramento County (2005-2035)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2035	2005-2015			2015-2035			2005-2035		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	1,361,637	1,539,049	1,933,026	177,412	13%	1.2%	393,976	26%	1.1%	571,388	42%	1.2%
Households	502,142	571,255	732,678	69,112	14%	1.3%	161,423	28%	1.3%	230,536	46%	1.3%
Persons/Household	2.71	2.69	2.64	(0.02)	-1%	-0.1%	(0.06)	-2%	-0.1%	(0.07)	-3%	-0.1%
Housing Units by Type												
Single Family	n/a	n/a	533,672	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (2-4 Units)	n/a	n/a	53,519	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (5+ Units)	n/a	n/a	184,049	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**505,731**	**n/a**	**771,240**	**n/a**	**n/a**	**n/a**	**0**	**n/a**	**n/a**	**265,509**	**53%**	**1.4%**
Jobs												
Retail	n/a	n/a	279,256	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Office	n/a	n/a	398,648	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical	n/a	n/a	72,356	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial	n/a	n/a	175,951	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
K-12 Education	n/a	n/a	31,091	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
College Education	n/a	n/a	18,335	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**678,503**	**n/a**	**975,637**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**297,134**	**44%**	**1.2%**
Jobs/Household	1.35	n/a	1.33	n/a	n/a	n/a	n/a	n/a	n/a	(0.02)	-1%	0.0%

"SacCounty3"

Source: SACOG

County-wide, larger households (5 and over) were the fastest growing segment, with 2.8 percent annual growth. This is also consistent with the larger number of detached homes versus multifamily and attached product. The population segment by age cohort also supports this finding, with children and 35 to 54 year olds making up nearly 60 percent of the population.

One population segment likely to support compact development in the county (young, single professionals) declined between 1990 and 2000, which may have been a result of stagnant job growth. However, the segments likely to represent empty-nesters and retirees (55 to 64; 65 and over) accounted for 19 percent of the population and showed strong growth during that period.

In terms of housing stock, the proportion of multifamily and attached units that would accommodate this growing population decreased in the overall share of all housing types as single-family detached homes accounted for a larger share of the housing stock. However, it is interesting to note that the sub-sector of structures of 50+ units grew during this period by 53 percent indicating a market demand for more affordable compact residential development (see **Table 2.3**).

During this period there was a significant shift in the number of owner occupied versus renter occupied households. The number of owner occupied households fell to 58 percent in 2000 from 92 percent in 1990, likely due to the declining affordability of homes in the region, as well as a shift in demographics and growth in available multifamily housing product.

As noted in the previous chapters, income also plays an important role housing choices including ownership versus leasehold and house size. The real median income in Sacramento County showed a decline of one percent between 1990 and 2000. However, the average household income increased by three percent during that period, indicating a growing disparity between higher and lower income brackets.

EMPLOYMENT TRENDS

Employment type and location impact housing decisions for most residents. As commute times continue to increase in the region, residents tend to look for a location that is convenient to their workplace that still offers the desired affordability and amenities. Within Sacramento County, the high concentration of employment in the central city offers the best opportunity for high density development.

The Sacramento region's strong economy has contributed to job growth in most sectors, particularly those closely related to housing development (construction and financial services). With the recent cooling of the housing market in the area, these sectors have seen declines. However, growth in government employment, leisure and hospitality,

Table 2.3
Historical Housing Trends in Sacramento County, 1990-2000
I-80 Corridor Market Analysis, EPS#16018

Item	1990 Number	1990 % of Total	2000 Number	2000 % of Total	1990-2000 #	1990-2000 %	1990-2000 %/Year
Population	1,041,219		1,223,499		182,280	18%	1.6%
Population by Age Cohort							
19 and Under	300,802	29%	360,511	30%	59,709	20%	1.8%
20 to 34	281,760	27%	260,655	21%	(21,105)	-7%	-0.8%
35 to 54	268,107	26%	364,469	30%	96,362	36%	3.1%
55 to 64	80,876	8%	93,988	8%	13,112	16%	1.5%
65 and Over	109,674	11%	135,503	11%	25,829	24%	2.1%
Total	**1,041,219**	**100%**	**1,215,126**	**100%**	**173,907**	**17%**	**1.6%**
Households by Size							
1 to 2	230,059	58%	264,216	58%	34,157	15%	1.4%
3 to 4	123,303	31%	134,559	30%	11,256	9%	0.9%
5 and Over	41,795	11%	54,827	12%	13,032	31%	2.8%
Total	**395,157**	**100%**	**453,602**	**100%**	**58,445**	**15%**	**1.4%**
Household Type							
Family Household	265,298	67%	299,738	66%	34,440	13%	1.2%
Non-Familiy Household	129,859	33%	154,103	34%	24,244	19%	1.7%
Total	**395,157**	**100%**	**453,841**	**100%**	**58,684**	**15%**	**1.4%**
Units in Structure							
1 Unit Detached	247,887	59%	297,060	63%	49,173	20%	1.8%
1 Unit Attached	30,640	7%	32,246	7%	1,606	5%	0.5%
2 to 19 Units	77,869	19%	78,523	17%	654	1%	0.1%
20 to 49 Units	18,711	4%	14,081	3%	(4,630)	-25%	-2.8%
50 or More Units	24,430	6%	37,419	8%	12,989	53%	4.4%
Mobile Home & Other	18,037	4%	15,485	3%	(2,552)	-14%	-1.5%
Total	**417,574**	**100%**	**474,814**	**100%**	**57,240**	**14%**	**1.3%**
Tenure							
Owner Occupied	223,351	92%	263,811	58%	40,460	18%	1.7%
Renter Occupied	18,712	8%	189,791	42%	171,079	914%	26.1%
Total	**242,063**	**100%**	**453,602**	**100%**	**211,539**	**87%**	**6.5%**
Median HH Income (in 1999$$)	$44,076		$43,816		(260)	-1%	-0.1%
Average HH Income (in 1999$$)	$54,207		$56,076		$1,869	3%	0.3%
Unemployment Rate	6.2%		6.6%		0.5%	8%	0.7%

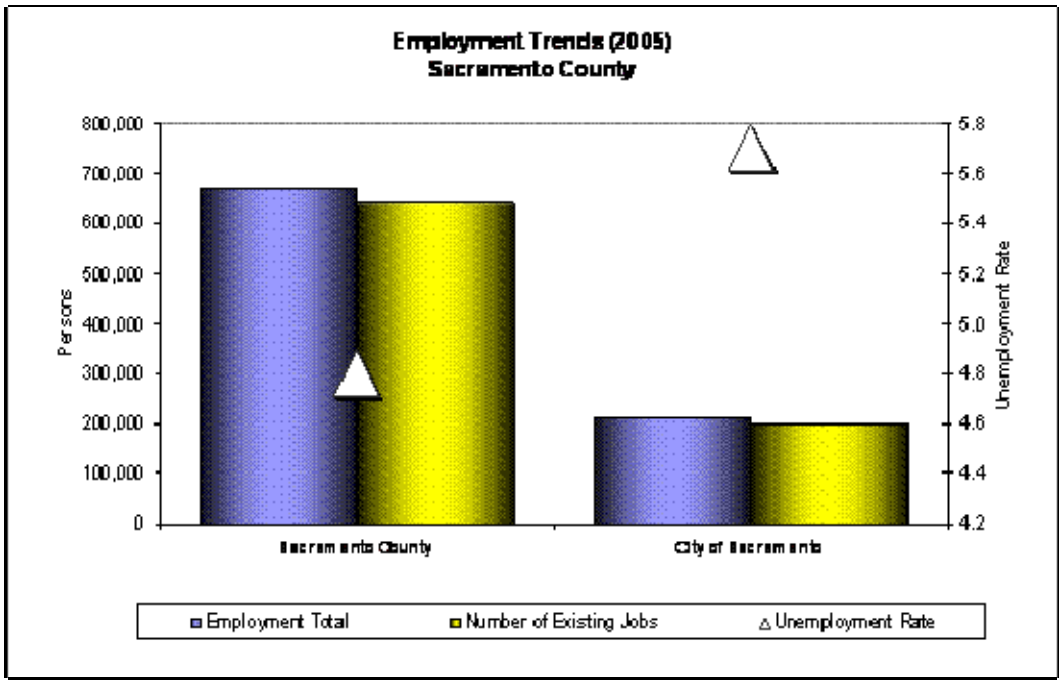
"SacCounty4"

Source: U.S. Census 1990 and 2000

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency betwe
Department of Finance and Census data.

and professional services have largely offset these losses. Between 2005 and 2006, the Sacramento MSA, which includes Sacramento, Yolo, and Placer Counties, saw a net increase of 13,300 jobs.[2] Sacramento County has seen declining unemployment since 1995, at which time the annual average was 6.8 percent compared to 4.4 percent as of November 2006.

Figure 4.1: Employment Summary (2005)



According to SACOG, employment is expected to grow in the County by 44 percent, or by over 250,000 jobs, between 2005 and 2035. Moreover, the County is expected to maintain a majority of the region's total employment at 59 percent. Approximately 22 percent of the County's job growth is expected to occur in Downtown Sacramento, or an increase of approximately 50,000 jobs. SACOG projects that by 2035, 47 percent of the jobs will be in the office sector, generally associated with high density workspace.

These projections, combined with existing concentrations of employment and shifting demographics effecting market demand have likely provided impetus to developers in undertaking some of the most high density housing projects the region has seen to date, as discussed further below.

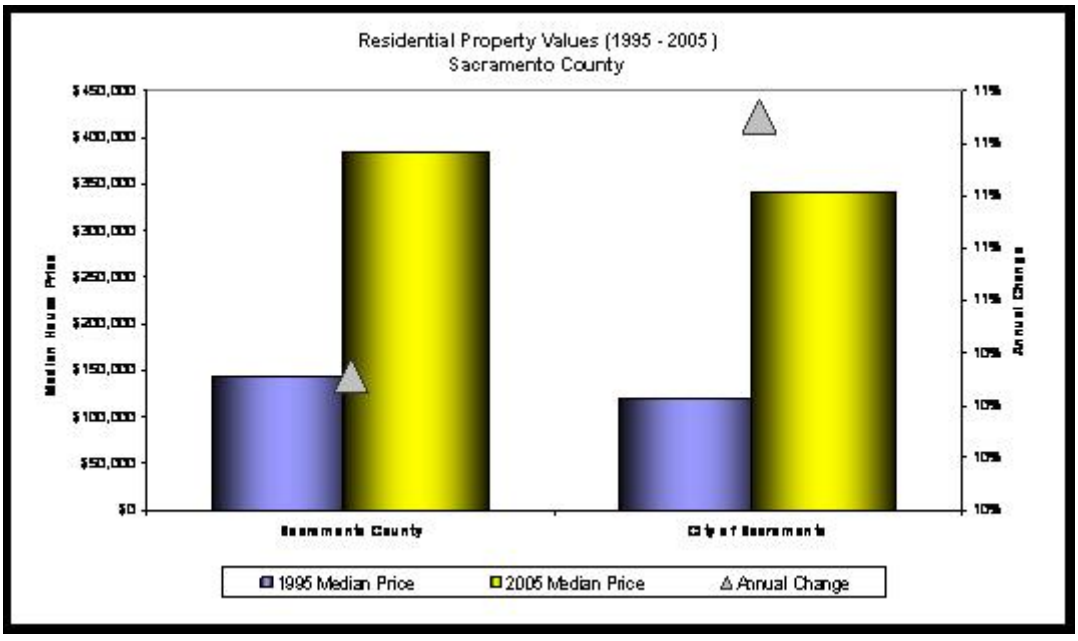
[2] California Employment Development Department, Labor Market Information Division, December 22, 2006

GROWTH PRESSURES

Regional growth pressures result from the interaction of both market supply and demand which in term are affected by demographic and employment changes as well as local planning policies. Growth pressure trends are best reflected by changes in real estate prices through time. Although growth pressures affect prices for all real estate products, this section focuses on the residential market since this data is most readily available and new homes represent the largest consumer of land.

Overall, the housing market in the County continues to show significant overall growth as the increasing population drives demand. Attractive interest rates continue to fuel this market; however, affordability has declined making it difficult for first-time home buyers and lower income residents to achieve home ownership. The median sale price for new homes was $469,000 in 2005 with an average annual growth rate of 16.5 percent since 2000. Meanwhile, the annual growth rate between 1990 and 2000 was a mere 2.8 percent. Increasing construction costs and land values will continue to drive up costs for new home construction. By comparison, the median sale price for all homes was $385,000 in 2005, with an annual growth of 19 percent from 2000 to 2005 (see **Table 2.4**).

Figure 4.2: Residential Property Values (1995-2005)



The City of Sacramento continues to attract a large number of home buyers, with approximately 3,400 homes purchased monthly in 2005. The median sale price of new homes was $422,000 in 2005, an increase of 89 percent from 2000. The median for all homes sold in 2005 was $340,000, up from just $138,000 in 2000, an increase

Table 2.4
Historical Housing Price and Sales Volume Trends in Sacramento County, 1990-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1990	2000	2005	1990-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)							
New Homes Only	760	449	774	-41%	-5.1%	72%	11.5%
All Homes	2,334	2,234	3,031	-4%	-0.4%	36%	6.3%
Median Sales Price [1]							
New Homes Only	$165,000	$218,500	$469,000	32%	2.8%	115%	16.5%
All Homes	$140,000	$161,000	$385,000	15%	1.4%	139%	19.0%
Resale Median Sales Price/Sq. Ft. [2]	$96	$104	$249	8%	0.8%	140%	19.1%

"SacCounty5"

Source: DataQuick Information Systems

[1] The price reported here is for the fourth quarters for the respective years.
[2] This information is not available for new homes.

of 146 percent. The annual growth rate for all homes sold between 2000 and 2005 was 19.8 percent, a huge increase over the 1.1 percent annual growth rate between 1990 and 2000. (see **Table 2.5**)

The affordable housing climate that has drawn a wide variety of households to the Region is disappearing. **Table 1.7** shows the relative affordability of Sacramento compared to the State. In general, the households in the County earning the median household income cannot afford to purchase a new home at the average sale price. Although the region is still more affordable compared to the Bay area and the State, the region's degree of affordability has decreased substantially over the past three years. As of 2005, only 21 percent of area residents were considered able to purchase a home. As noted in the previous chapter, rapid housing appreciation has been a national phenomenon, but when measured in terms of relative affordability, this trend has been particularly acute for the cities along I-80 Corridor.

The county has seen a number of significant higher density development projects recently, including mixed-use and high rise, high density projects in Downtown Sacramento and the Railyards redevelopment project. The Railyards project alone will create approximately 10,000 new housing units in an area that will include retail, office, and entertainment attractions. The newest major housing development project for the city is Delta Shores, which will include new homes, retail uses, and open space. These areas are now offering higher density housing choices, including small lot and attached products.

Overall, the development of more compact housing with lower purchase prices are being well received by a growing number of households in the region. The success of these market priced units will test the buyer demand for this housing product in coming years and will send an important signal to developers about the viability of this product. Nevertheless, the majority of housing growth continues to be outside the existing urban boundaries and focused on single-family detached homes. These areas include North Natomas, South Sacramento County, and Rancho Cordova.

COUNTY LAND DEMAND SCENARIOS

As mentioned above, EPS performed a land demand analysis in the key market area cities to demonstrate the implications of various assumptions about future development patterns on land availability. The analysis presented for Sacramento County highlights the City of Sacramento and is designed to provide insight into the range of outcomes that are realistic based on current market trends and their implications on development patterns in the County.

Table 2.5
I-80 Corridor Market Analysis, EPS#16018
Historical Housing Price and Sales Volume Trends in the City of Sacramento 1990-2005 (in Constant $$)

Item	1990	2000	2005	1990-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)							
New Homes Only	267	153	240	-43%	-5.4%	57%	9.4%
All Homes	1,194	1,078	1,442	-10%	-1.0%	34%	6.0%
Median Sales Price [1]							
New Homes Only	$143,000	$223,500	$422,000	56%	4.6%	89%	13.6%
All Homes	$124,000	$138,000	$340,000	11%	1.1%	146%	19.8%
Resale Median Sales Price/Sq. Ft. [2]	$91	$97	$249	7%	0.7%	156%	20.7%

"Sac4"

Source: DataQuick Information Systems

[1] The price reported here is for the fourth quarters for the respective years.
[2] This information is not available for new homes.

EPS established three development density scenarios: baseline, medium, and high density applying various density outcomes to total population and employment growth from 2005 to 2035[3] based on the SACOG population and employment projections in Sacramento. Each demand scenario relies on a different set of assumptions regarding the preponderance of various real estate proto-types and the corresponding density associated with each. The first set of assumptions includes the number of residential units per acre, square feet per employee, floor area ratio (F.A.R.) per net acre, net-to-gross ratio, and vacancy categories, shown in **Table 2.6**.

Table 2.6: Density and Vacancy Assumptions by Scenario

	Scenarios		
Assumptions	Baseline	Medium	High Density
Units / Net Acre			
Single Family	7.0	7.5	8.0
Multi-Family	20.0	24.0	27.0
Square foot / Employee			
Office / R&D	300	290	275
Retail	350	325	300
Warehouse / Industrial	1,000	900	800
F.A.R. per Net Acre			
Office / R&D	0.35	0.40	0.50
Retail	0.25	0.30	0.35
Warehouse / Industrial	0.35	0.35	0.35
Net-to-Gross Ratio (1)	0.75	0.78	0.80
Vacancy			
Residential	6%	5%	4%
Non-Residential	8%	7%	6%

(1) Refers to the total land relative to the public infrastructure such as sidewalks, and other public r.o.w.
(2) Depends on each City's existing breakdown.

[3] ABAG data, used for Solano County and SACOG data, used for Sacramento, Yolo and Placer Counties contain different methodologies, which result in comparison inconsistencies, like the time horizon year.

A second set of assumptions allocates projected employment among four major uses: office/R&D, retail, industrial, and other. The "other" category includes jobs not traditionally associated with actual buildings, such as transportation or farming. It is assumed that these allocation ratios, shown in **Table 2.7**, will not vary by scenario.

Table 2.7: Building Type Allocation Assumptions

Category	Office / R&D/ Institutional	Retail	Industrial	Other
Retail	3%	92%	2%	3%
Office	95%	0%	0%	5%
Medical	70%	20%	5%	5%
Industrial	3%	1%	95%	1%
K-12 Education	20%	0%	80%	0%
College Education	20%	0%	80%	0%

A final set of assumptions deals with the residential product mix of single family and multifamily ratios in Sacramento. SACOG's projected ratio is represented by the medium density scenario, while baseline scenario includes a higher portion of single family housing between SACOG projections and DOF 2005 data as shown in **Table 2.8**. Further descriptions of Sacramento's dynamics and growth patterns are included in **Appendix B**.

Table 2.8: Residential Allocation by Scenario

	Scenarios					
	Baseline (1)		Medium (2)		High Density	
Item	Single family	Multi-family	Single family	Multi-family	Single family	Multi-family
Sacramento	67%	33%	60%	40%	50%	50%

The land demand projections for Sacramento are presented in **Table 2.9** based on the assumptions above. As shown, total land demand is projected to range from a high of 25,391 acres to a low of 16,730 acres, or from 41 to 27 percent of Sacramento's existing land area. In other words, the City will need to make between 27 and 41 percent of the land within its existing urban boundaries available for new development over the next 30 years. Otherwise, development will need to be accommodated through annexation or in unincorporated areas.

Table 2.9: Land Demand Scenarios

City	City Land Area	Scenarios (2005-2035)					
		Baseline		Moderate		High	
		acres	% of land area	acres	% of land area	acres	% of land area
Sacramento	62,208	25,391	41%	20,900	34%	16,730	27%

Table 2.9 suggests that SACOG's projected population and employment growth will consume a significant amount of land in the City but that the actual demand can vary considerably depending on the density of development. Specifically, about 8,660 more acres of land will be demanded under the high scenario than the low density scenario over the next 30 years in Sacramento, about 15 percent of the urbanized area in the City. This suggests that increasing development density will have a relatively high impact on development patterns in the City.

V. YOLO COUNTY

This chapter evaluates economic and demographic trends in Yolo County and their potential impact on future development patterns. Further detail on the cities of West Sacramento, Davis, and Woodland, is provided in **Appendix C**.

BACKGROUND AND OVERVIEW

Yolo County is home to over 187,000 people with nearly 85 percent of the population living in the four incorporated cities of Davis, West Sacramento, Woodland, and Winters. Two major interstates, rail lines, a deep water port, as well as its proximity to Sacramento International Airport, and smaller regional airports place it within a major transportation hub of the state. In addition, the presence of the University of California, Davis (UC Davis), represents an important competitive asset that attracts desirable population and employment sectors.

Notwithstanding the presence of the UC Davis and proximity to the California State Capital, Yolo County remains a relatively rural agricultural area (it is ranked 23rd in total value of production among California's 58 counties in 2004). The majority of undeveloped land in Yolo County is still zoned for that purpose. Apart from agriculture other major industries include warehousing and distribution, food processing, and research and development, particularly biotechnology.

Despite its rural character, Yolo County faces increasing development pressure from the rapidly growing metropolitan areas of Sacramento and the Bay Area, especially along the Interstate 80 corridor that links the two regions. The County is experiencing growth pressure internally as well, as the two largest employers, the University of California and the Cache Creek Casino, undergo significant expansion. Over the last two decades, the County's population growth has averaged about two percent annually.

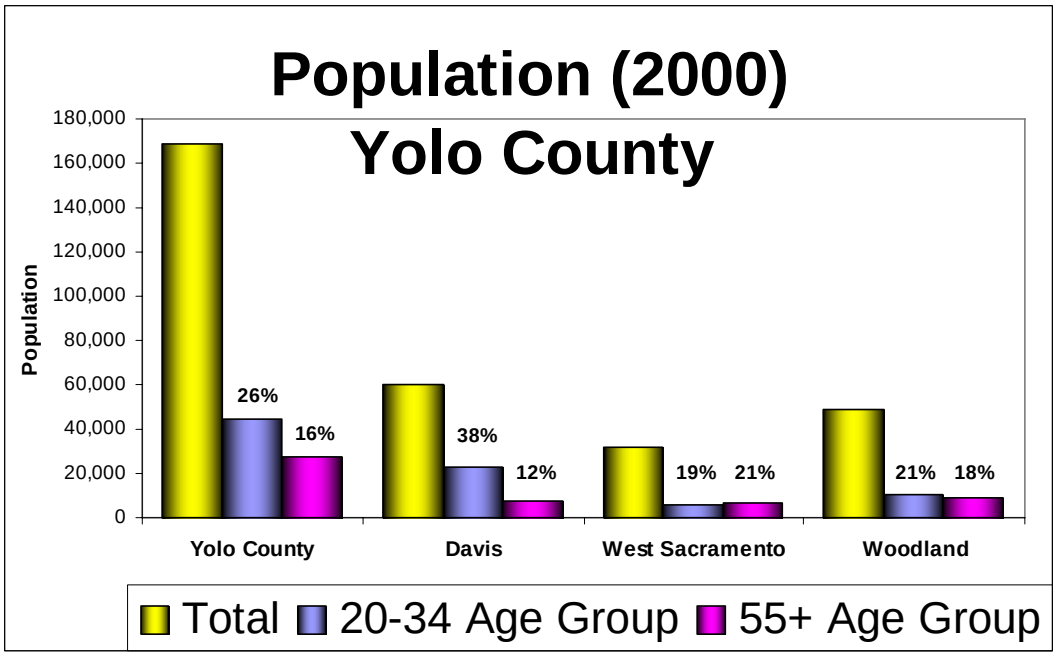
The County is watchful of development in the unincorporated areas, while the Cities of Davis and Woodland have adopted growth controls. West Sacramento has a considerably different approach to meeting this demand and has seen the addition of a large number of single and multifamily homes, as well as large commercial and industrial development projects.

DEMOGRAPHIC ANALYSIS

Between 1990 and 2005, 97 percent of population growth was accommodated by Davis, West Sacramento, and Woodland, the County's three largest cities. During that time, both Davis and West Sacramento have grown by 39 percent. According to SACOG's projections, Yolo County's population is expected to further grow by 40 percent between 2005 and 2035, or an additional 75,000 residents and 34,000 households. The majority of this growth is projected to be in single family residences (see Table 3.1).

The population grouped by age indicates a growing number of 35 to 54 year olds, increasing by over 12,500 between 1990 and 2000. The largest segment of the county population was 19 years and under, which increased by 27 percent or 11,000 persons during this period. Both of these segments would likely fall into larger household sizes and corresponds to the high percent of single family housing in the County.

Figure 5.1: Demographic Breakdown by Age



The distribution of households by size changed very little between 1990 and 2000. Households with one to two persons accounted for 55 percent of the total households in 2000. The group with the highest annual growth rate was households with five or more persons, to two person households and three to four person households.

A comparison of housing units by structure shows that single unit detached homes grew by 21 percent, accounting for 5,800 new homes in the county. There were over 3,400 new housing units added in projects with 50 or more units (e.g., apartment or condo complexes). The other sectors of multifamily housing show a decline during this period, except for one unit attached, which increased by approximately 1,100 units. There is a fairly even distribution between owner and renter occupied households in the county, which is likely impacted by the presence of UC Davis and the demand for rentals, as well as declining affordability and options for home ownership.

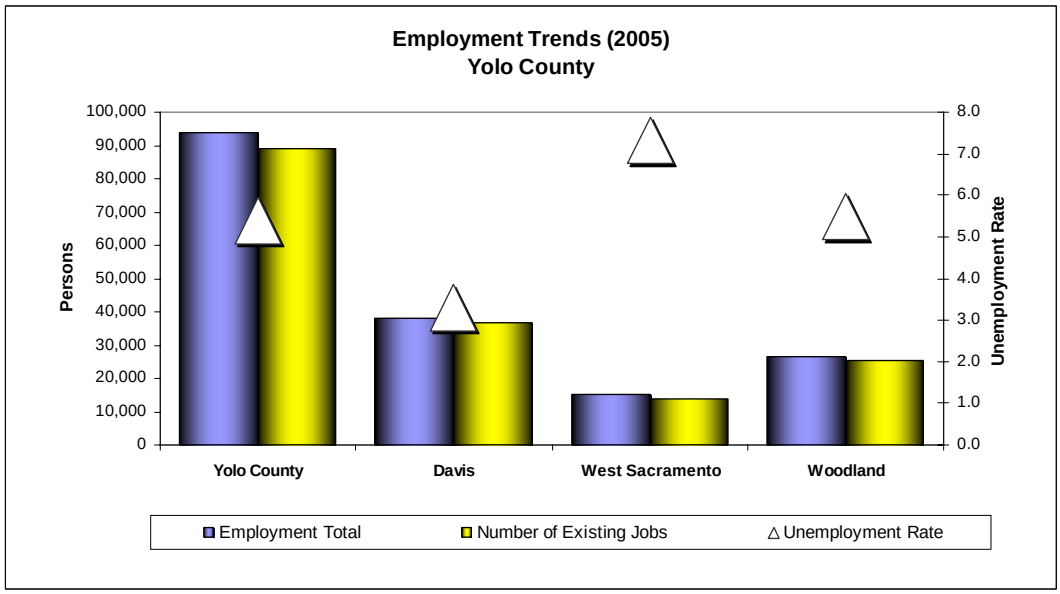
The median household income in Yolo County increased by only three percent between 1990 and 2000, at which time it was estimated to be $40,769 [4] (see **Table 3.2**).

EMPLOYMENT TRENDS

In Yolo County, the highest concentration of employment has historically been in Davis, primarily due to the presence of the university, followed closely by West Sacramento with its growing business and industrial sector. Between 2005 and 2035, considerable job growth is projected for Woodland as the population continues to increase and new business parks are developed.

The county-wide unemployment remained unchanged between 1990 and 2000, hovering around 7.1 percent during this period. Despite increases in population during this time, many residents were commuting outside the area to work. SACOG predicts that between 2005 and 2035, an additional 78,000 jobs will be created in the county. The largest sectors are projected to be retail with 43,000 jobs and office with 51,000 jobs. **(Table 3.1** and **Figure 5.2)**

Figure 5.2: Employment Summary (2005)



[4] Constant $1999.

GROWTH PRESSURES

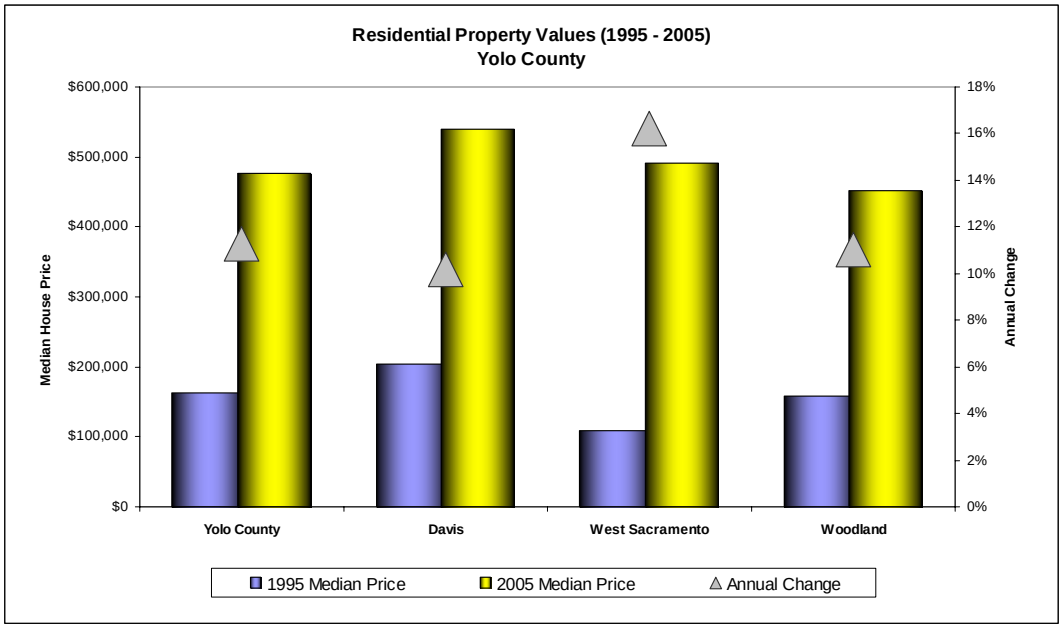
Yolo County has experienced significant growth in the past several years as the Sacramento PMSA continued to grow outward, especially in the number of new housing units in West Sacramento and Woodland. While Woodland and West Sacramento have also seen growth in the industrial and commercial employment sectors, Davis remains the employment center of the county due to the presence of the University of California, Davis. Growth restrictions in Davis and Woodland also created pressure for more development in the unincorporated areas.

Yolo County is currently in the process of a general plan update and recently received planning approval for a preferred land use alternative that includes a fairly conservative plan to accommodate new residential development in the unincorporated areas. Under this alternative, the majority of new residential development would occur around Dunnigan and edge city development around Davis. This land use alternative would generate 8,400 new housing units in the County and absorption of 1,050 acres during the build-out period of the updated general plan, to the year 2030.

As part of the general plan process, the County proposes to establish growth boundaries for each unincorporated community and control rural home site development by establishing specific criteria for approval. County elected officials have a long history of prioritizing quality of life and environmental amenities, including open space as well as both agriculture and wildlife habitat.

During the 1990's, home sales had remained relatively flat, but beginning in 2000 the number of sales rose significantly. Between 1990 and 2000, the median sale price of homes increased by 2.6 percent annually. There was a sharp increase in the median sale price for all homes between 2000 and 2005 (161 percent), or an average of 21 percent annually. By 2005, the median sale price for all homes had reached $476,500, with new homes at $535,000 (see **Table 3.3** and **Figure 4.3**).

Figure 5.3: Residential Property Values (1995-2005)



Despite increasing costs, the number of homes sold in the county continued to increase. In 2005, there were on average 315 homes sold each month. Overall, this strong demand for housing in the County has played out primarily in West Sacramento, Davis, and Woodland. The factors influencing growth in these sub-areas are discussed in more detail in **Appendix C**. Although the cities of Davis and Woodland have adopted various forms of growth controls, West Sacramento seems well positioned to absorb continued growth for some time to come.

Compact residential development is most likely to occur in the City of Davis in the form of student housing; however, West Sacramento and Woodland may also see an increased demand for compact development due to the proximity to Davis and as an affordable alternative to single family homes.

COUNTY LAND DEMAND SCENARIOS

As part of this analysis, EPS tested the implications of the three development density scenarios on Yolo County's land demand. The analysis presented at this stage is designed to provide insight into the range of realistic outcomes given current market trends and their implications on development patterns in the County. Similar methodology to the previous section is applied to Davis, West Sacramento and Woodland, the three key Yolo County cities. **Table 3.7** shows the breakdown assumptions between single family and multifamily uses.

Table 3.7: Residential Allocation by Scenario

Item	Scenarios					
	Baseline (1)		Medium (2)		High Density	
	Single family	Multi-family	Single family	Multi-family	Single family	Multi-family
Davis	60%	40%	60%	40%	50%	50%
West Sacramento	76%	24%	60%	40%	50%	50%
Woodland	75%	25%	75%	25%	65%	35%

The land demand projections for Davis, West Sacramento, and Woodland are presented in **Table 3.8** based on the assumptions above. Total land demand is projected to range from a high of 6,217 acres to a low of 4,337 acres, or from 31 to 22 percent of the existing land area of the I-80 Corridor cities in the County. In other words, these cities will need to make between 22 to 31 percent of the land within their existing urban boundaries available for new development over the next 30 years. Otherwise, development will need to be accommodated through annexation or in unincorporated areas.

Table 3.8: Land Demand Scenarios

City	City Land Area	Scenarios (2005-2035)					
		Baseline		Moderate		High	
		acres	% of land area	acres	% of land area	acres	% of land area
Davis	6,656	1,816	27%	1,543	23%	1,315	20%
West Sacramento	13,376	4,401	33%	3,452	26%	3,023	23%
Woodland	6,592	2,209	34%	1,914	29%	1,687	26%
Total/Average	26,624	8,426	32%	6,908	26%	6,025	23%

Table 3.8 also suggests that the total difference in land demand between the high and low density development scenario is relatively large. Specifically, 1,800 more acres of land will be demanded under the high scenario than the low density scenario over the next 30 years in Yolo County, about nine percent of the existing urbanized areas of the five I-80 Corridor cities. This suggests that increasing development density will have a relatively strong impact on development patterns in the County. While countywide trends are informative, the specific demographic and economic dynamics of Davis, West Sacramento, and Woodland are provided in detail in **Appendix C**.

VI. PLACER COUNTY

This chapter evaluates economic and demographic trends in Placer County and their potential impact on future development patterns. Further detail on the City of Roseville is provided in **Appendix D**.

BACKGROUND AND OVERVIEW

Placer County is likely the fastest transitioning county in the Sacramento region in terms of population and housing growth and a key component of the regional economy. The county, and in particular Roseville, has attracted some of the regions premier employers, including Hewlett-Packard and other tech-related businesses. The county's biggest challenge is to manage this growth efficiently to accommodate the every increasing population while maintaining the quality of life that attracts residents.

Based on its geographical/topographical characteristics, Placer County can be divided into three regions: the Valley (west portion), the Gold Country (central portion), and the High Country (east portion). The three regions have varying degrees of development. The Valley is the most urbanized of the three regions in terms of population and overall commercial development. The Gold Country and High Country have varying geographies from the Valley with the foothills to the Sierra Nevada Mountains providing recreational opportunities and open space.

The County's strong growth and development has, in large part, been attributed to the relocation of Hewlett-Packard from the Bay Area to Roseville in the beginning of the 1980s. The location of prominent businesses such as Hewlett Packard, Oracle, and Ace Hardware as well as expansions in its transportation infrastructure have helped to accelerate Placer County's economic growth and have developed into a demand for substantial expansion of commercial and residential space in the County.

DEMOGRAPHIC ANALYSIS

Placer County's population grew approximately 170 percent between the period 1980 and 2005, making it the fastest-growing county in the Sacramento Region and exceeding average growth rates of the Bay Area and California. In fact, the County ranked 25th in the U.S. Census Bureau's list of the "100 Fastest Growing U.S. Counties with 10,000 or more Population in 2004: April 1, 2000 to July 1, 2004." Placer County's total population currently accounts for about 14 percent of the entire Sacramento Region.

Between 1990 and 2000, the number of residents increased by 128 percent, reaching nearly 395,000 in the year 2000. During this period, the County added nearly 29,000 new households **(**see **Table 4.1).** Growth in Placer County and the City of Roseville has been

Table 4.1
Historical Housing Trends in Placer County, 1980-2006
I-80 Corridor Market Analysis, EPS#16018

Item	1990 Number	1990 % of Total	2000 Number	2000 % of Total	1990-2000 #	1990-2000 %	1990-2000 %/Year
Population	172,796		394,542		221,746	128%	8.6%
Population by Age Cohort							
19 and Under	49,572	29%	71,474	29%	21,902	44%	3.7%
20 to 34	36,269	21%	39,917	16%	3,648	10%	1.0%
35 to 54	51,693	30%	81,339	33%	29,646	57%	4.6%
55 to 64	26,924	16%	23,092	9%	(3,832)	-14%	-1.5%
65 and Over	8,338	5%	32,577	13%	24,239	291%	14.6%
Total	**172,796**	**100%**	**248,399**	**100%**	**75,603**	**44%**	**3.7%**
Households by Size							
1 to 2	35,800	56%	53,660	57%	17,860	50%	4.1%
3 to 4	22,323	35%	30,479	33%	8,156	37%	3.2%
5 and Over	6,379	10%	9,243	10%	2,864	45%	3.8%
Total	**64,502**	**100%**	**93,382**	**100%**	**28,880**	**45%**	**3.8%**
Household Type							
Family Household	48,450	75%	68,378	73%	11,201	23%	3.5%
Non-Familiy Household	16,052	25%	25,132	27%	5,602	35%	4.6%
Total	**64,502**	**100%**	**93,510**	**100%**	**16,803**	**26%**	**3.8%**
Units in Structure							
1 Unit Detached	56,949	73%	81,461	76%	24,512	43%	3.6%
1 Unit Attached	4,201	5%	4,135	4%	(66)	-2%	-0.2%
2 to 19 Units	8,648	11%	12,123	11%	3,475	40%	3.4%
20 to 49 Units	1,056	1%	904	1%	(152)	-14%	-1.5%
50 or More Units	1,240	2%	4,012	4%	2,772	224%	12.5%
Mobile Home & Other	5,785	7%	4,667	4%	(1,118)	-19%	-2.1%
Total	**77,879**	**100%**	**107,302**	**100%**	**29,423**	**38%**	**3.3%**
Tenure							
Owner Occupied	45,389	71%	68,368	73%	22,979	51%	4.2%
Renter Occupied	18,712	29%	25,014	27%	6,302	34%	2.9%
Total	**64,101**	**100%**	**93,382**	**100%**	**29,281**	**46%**	**3.8%**
Median HH Income (in 1999$$)	$51,315		$57,535		$6,220	12%	1.2%
Average HH Income (in 1999$$)	$46,161		$73,432		$27,271	59%	4.8%
Unemployment Rate	4.7%		4.0%		-0.7%	-15%	-1.6%

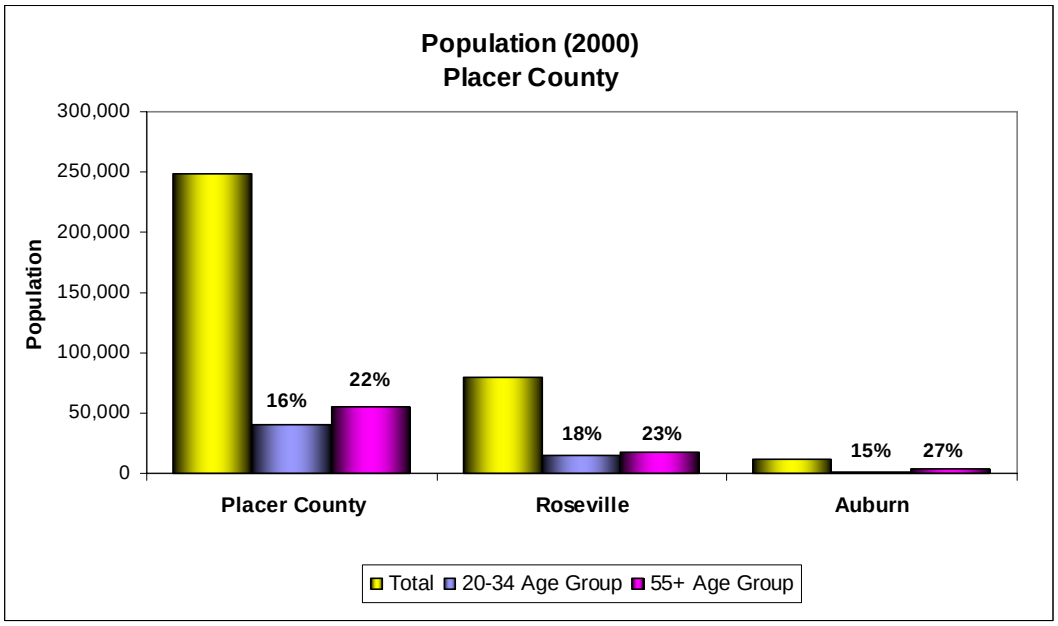
"Placer4"

Source: U.S. Census 1990 and 2000

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between Department of Finance and Census data.

attributed to employment opportunities that attracted a number of residents in the technology field, as well as an aggressive number of large housing developments beginning in the mid-1990s.

Figure 6.1: Population Summary (2000)



The population age cohorts that grew significantly during this time were the 35 to 54 year olds (57 percent) and the 65 and over group which increased by 291 percent. Beyond the nationwide trend of an aging population, the growth of retirees in the Placer County can likely be attributed to the development of several large age restricted communities in and around Roseville that attract residents from within and outside the region.

The median income for Placer County was at $51,000 in 1990 and increased to $57,500 by 2000, making it one of the most affluent areas in the region.[5]

SACOG predicts that the number of residents in the county will grow at 2.2 percent annually between 2005 and 2035, accounting for a 94 percent increase over 30 years (see **Table 4.2)**. The majority of this growth is projected for the cities of Roseville and Auburn. The number of households is projected to increase by 91 percent during this same period. These strong growth projections actually represent a slow-down in both relative and absolute terms from the period 1980 – 2005.

[5] Constant $1999.

Table 4.2
Projected Growth for Placer County (2005-2035)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2035	2005-2015			2015-2035			2005-2035		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	301,560	358,488	585,216	56,928	19%	1.7%	226,728	63%	2.5%	283,656	94%	2.2%
Households	113,762	141,461	217,838	27,700	24%	2.2%	76,377	54%	2.2%	104,076	91%	2.2%
Persons/Household	2.65	2.53	2.69	(0.12)	-4%	-0.4%	0.15	6%	0.3%	0.04	1%	0.0%
Housing Units by Type												
Single Family	na		172,663	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (2-4 Units)	na		14,445	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (5+ Units)	na		42,195	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**119,749**		**229,303**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**109,554**	**91%**	**2.2%**
Jobs												
Retail	n/a	n/a	78,402	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Office	n/a	n/a	84,832	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical	n/a	n/a	25,691	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial	n/a	n/a	44,044	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
K-12 Education	n/a	n/a	9,311	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
College Education	n/a	n/a	6,127	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**131,650**	**n/a**	**248,407**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**116,757**	**89%**	**2.1%**
Jobs/Household	1.16	n/a	1.14	n/a	n/a	n/a	n/a	n/a	n/a	(0.02)	-1%	0.0%

"Placer3"

Source: SACOG

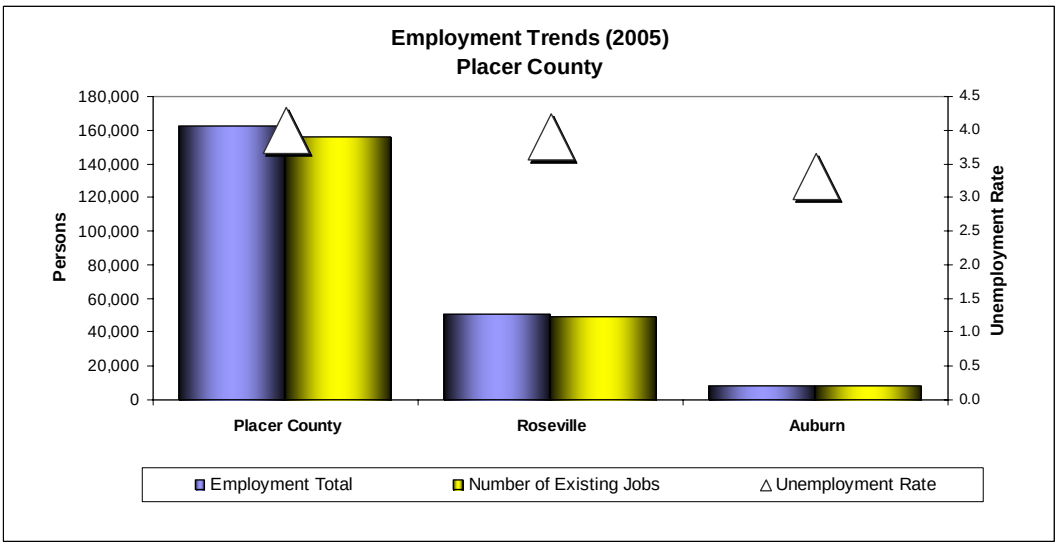
EMPLOYMENT TRENDS

Consistent with population growth, the number of jobs in Placer County more than doubled over the last ten-year period, to about 132,000 total jobs in 2005 (about 14 percent of all jobs in the Sacramento Region). The County's economy has also developed a rather diversified industry composition with impressive levels of job growth, and significant increases in retail sales generally outperforming comparative areas over the past several years.

During the period of 1980 to 2000, the county attracted a number of larger employers, such as Hewlett Packard, and a number of retail and service industries grew to support the increase in population. The financial services sector has also grown in this part of the region, with many title companies and financial institutions now located in Roseville.

SACOG predicts that the number of new jobs in the county will exceed 116,000 between 2005 and 2035, going from 131,650 in 2005 to over 248,000 in 2035. The sectors making up the majority of employment in the county are projected to be retail, office, and industrial, with medical professions also contributing a large percentage (see **Table 4.2** and **Figure 6.2**).

Figure 6.2: Employment Summary (2005)



Placer County has the most educated labor force in the market area. According to Census 2000, 28 percent of the County residents had a bachelor's degree or above, four percent above the average for the Sacramento-Yolo-Placer MSA average (see **Table 4.3**). This number is also higher than Solano County's population.

Table 4.3
Historical Housing Price and Sales Volume Trends in Placer County, 1990-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1990	2000	2005	1990-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)							
New Homes Only	131	310	364	136%	9.0%	18%	3.3%
All Homes	499	753	917	51%	4.2%	22%	4.0%
Median Sales Price [1]							
New Homes Only	$215,000	$275,000	$541,500	28%	2.5%	97%	14.5%
All Homes	$173,500	$250,000	$508,000	44%	3.7%	103%	15.2%
Resale Median Sales Price/Sq. Ft. [2]	$108	$137	$265	27%	2.4%	94%	14.1%

"Placer5"

Source: DataQuick Information Systems

[1] The price reported here is for the fourth quarters for the respective years.
[2] This information is not available for new homes.

GROWTH PRESSURES

Placer County is one of California's fastest growing counties and a key component of the Sacramento regional economy. However, the County is very diverse both in geographical/topographical characteristics and in terms of degrees of development. The southwest portion of the county is the highest growth area that includes the cities of Roseville, Rocklin, and Lincoln. The I-80 corridor is most impacted by this area and will be the focus of this analysis.

By percentage, the southwest portion of Placer County has a growth rate that is about the fastest of any area in California. And the cities of Roseville, Lincoln and Rocklin--and Placer County itself--are planning for numerous large developments with tens of thousands of housing units. This area of Placer County is faced with mounting traffic problems, air pollution and questions about water availability. Planned development in the unincorporated area of south Placer County is part of ongoing debates on the need to preserve open space.

Although the majority of the development in this part of the County has been single-family residential and big box commercial, both Roseville and Placer County have participated in the Blueprint process and are implementing smart growth principles in the planning process. As in other areas, the need for affordable housing is driving the development of attached product in the county, as well as a shift in the demographic makeup of the residents.

The median price of all homes went from $173,500 in 1990 to $508,000 in 2005, indicative of the disposable income and type of household growth in the county. The most significant change in home prices was seen during the period of 2000 to 2005, during which time the median sale price grew by 103 percent. The average number of all homes sold per month in 1990 was 499. That number grew to 917 by 2005 (see **Table 4.4**). Between 1990 and 2000, unemployment in the county fell significantly, going from 4.7 percent to 4.0 percent in 2000.

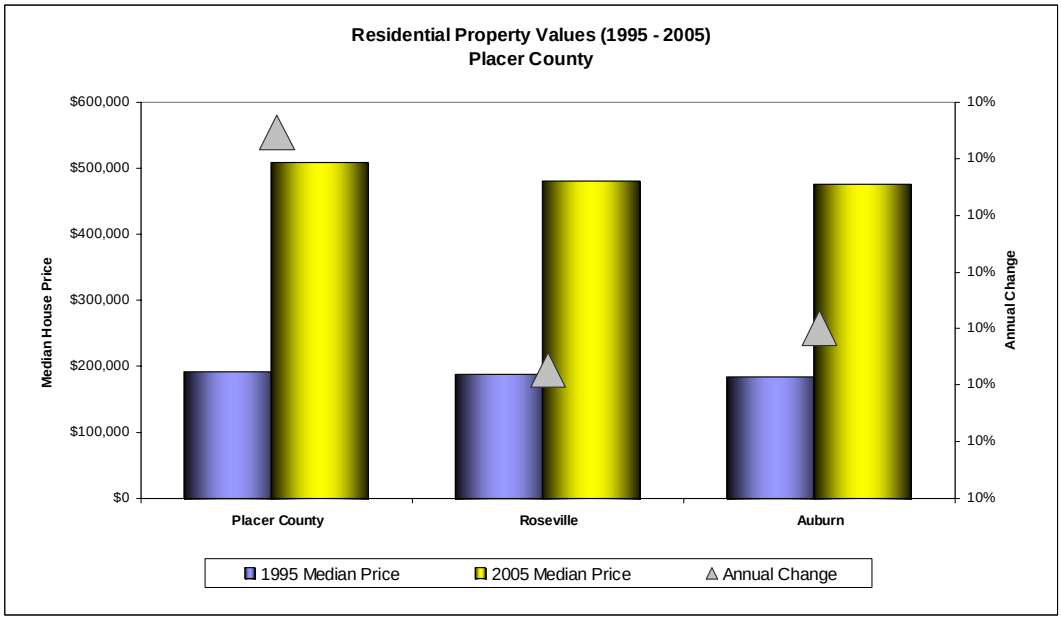
Table 4.4
Historical Population and Housing Trends in Placer County, 1980-2005
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	117,247	172,796	248,399	317,028	55,549	4.0%		75,603	3.7%		68,629	5.0%		199,781	4.1%	
Households	n/a	64,101	93,382	119,221	n/a	n/a		29,281	3.8%		25,839	5.0%		n/a	n/a	
Persons/HH	n/a	2.70	2.66	2.66	n/a	n/a		-0.04	-0.1%		0.00	0.0%		n/a	n/a	
Single Family Housing Units																
Detached	n/a	56,949	81,461	104,033	n/a	n/a	n/a	24,512	3.6%	83.3%	22,572	5.0%	72.9%	n/a	n/a	n/a
Attached	n/a	4,201	4,135	4,141	n/a	n/a	n/a	-66	-0.2%	-0.2%	6	0.0%	0.0%	n/a	n/a	n/a
Subtotal	**35,606**	**61,150**	**85,596**	**108,174**	**25,544**	**5.6%**	**81.5%**	**24,446**	**3.4%**	**83.1%**	**22,578**	**4.8%**	**72.9%**	**72,568**	**4.5%**	**79.1%**
All Other Units	**10,940**	**16,729**	**21,706**	**30,095**	**5,789**	**4.3%**	**18.5%**	**4,977**	**2.6%**	**16.9%**	**8,389**	**6.8%**	**27.1%**	**19,155**	**4.1%**	**20.9%**
Multifamily Housing Units																
2 to 4 Units	n/a	n/a	n/a	6,067	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5+ Units	n/a	n/a	n/a	15,867	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Subtotal	n/a	10,944	17,039	25,357	n/a	n/a	n/a	6,095	4.5%	20.7%	8,318	8.3%	26.9%	n/a	n/a	n/a
Mobile Homes	n/a	5,785	4,667	4,738	n/a	n/a	n/a	-1,118	-2.1%	-3.8%	71	0.3%	0.2%	n/a	n/a	n/a
Total Units	**46,546**	**77,879**	**107,302**	**138,269**	**31,333**	**5.3%**	**100%**	**29,423**	**3.3%**	**100%**	**30,967**	**5.2%**	**100%**	**91,723**	**4.5%**	**100%**

"Placer2"

Source: California Department of Finance; Census 1990 and 2000; Bureau of Labor Statistics; EPS.

Figure 6.3: Residential Property Values (1995-2005)



COUNTY LAND DEMAND SCENARIOS

As part of this analysis, EPS tested the implications of various development density scenarios on the demand for land in Placer County's two market area cities, Roseville and Auburn. The goal of this analysis is to assess how the demand for land relates to land availability within existing urban areas in the County given various assumptions about future development patterns. As described above, baseline, medium, and high density development scenarios evaluating the impact of various density outcomes on future land use are used. Under each case, total demand from 2005 to 2035 is derived from the SACOG population and employment projections for each key city.

The residential product mix of single family and multifamily ratio assumptions in each of the key market area cities is described in **Table 4.5**. Further descriptions of each city's dynamics and growth patterns are included in **Appendix D**.

Table 4.5: Residential Allocation by Scenario

Item	Scenarios					
	Baseline (1)		Medium (2)		High Density	
	Single family	Multi-family	Single family	Multi-family	Single family	Multi-family
Roseville	77%	23%	68%	32%	58%	42%
Auburn	86%	14%	86%	14%	76%	24%

The land demand projections for the Placer County I-80 Corridor cities are presented in **Table 4.6** based on the assumptions described above. As shown, total land demand is projected to range from a high of 13,225 acres to a low of 9,708 acres, or from 43 to 31 percent of the existing land area of the I-80 Corridor cities in the County. In other words, these cities will need to make between 31 to 43 percent of the land within their existing urban boundaries available for new development over the next 25 years. Otherwise, development will need to be accommodated through annexation or in unincorporated areas.

Table 4.6: Land Demand Scenarios

City	City Land Area	Scenarios (2005-2035)					
		Baseline		Moderate		High	
		acres	% of land area	acres	% of land area	acres	% of land area
Roseville	19,520	9,066	46%	7,405	38%	6,482	33%
Auburn	4,736	1,950	41%	1,712	36%	1,538	32%
Total/Average	24,256	11,016	45%	9,116	38%	8,020	33%

Table 4.6 also suggests that the total difference in land demand between the highest and the lowest density development scenario is large. Specifically, about 3,500 more acres of land will be demanded under the high scenario than the low density scenario over the next 30 years, or about 12 percent of the existing urbanized areas of the three I-80 Corridor cities. This suggests that increasing development density will have a strong impact on development patterns in the County. Specific demographic and economic dynamics of the cities located along the I-80 corridor are evaluated individually in **Appendix D**.

Economic &
Planning Systems

Real Estate Economics
Regional Economics
Public Finance
Land Use Policy

APPENDIX A

PROFILE OF SOLANO COUNTY I-80 CORRIDOR CITIES

APPENDIX A

VALLEJO

BACKGROUND AND OVERVIEW

Founded in 1851, Vallejo is the oldest and largest City in Solano County with a 2005 population of over 121,000. Located at the western end of the County adjacent to the San Pablo Bay, it is more closely linked to the inner San Francisco Bay Area than the other cities in the County. With a 140-year history of Mare Island's operation as a major naval base on the West Coast, Vallejo emerged as a major shipping and naval center. After a several year downturn due to the closure of Mare Island in the mid-1990s, Vallejo has re-emerged as a growing residential community with price appreciation and substantial new development.

Vallejo has the best linked transportation system in Solano County with ferry, bus, and train services as well as recently improved highways. The Baylink ferry provides a link between the downtown areas of Vallejo and San Francisco. Vallejo Transit is a bus system with 12 different routes within the City as well as outside, linking it to surrounding cities including El Cerrito, Fairfield, and Vacaville. AMTRAK railroad also runs through Vallejo, connecting it to 500 communities in 46 states. Finally, in addition to I-80, other State and Interstate highways provide direct access to important Bay Area destinations (Hwy. 29 to Napa, Hwy. 37 into Marin County, I-780 to I-680 and Eastern Contra Costa County).

Despite its strategic location and long history, property values in Vallejo have been tempered by image issues, especially related to crime and school quality. According to RAND, Vallejo had the most violent crimes out of all Solano County cities with 11.0 per 1,000 of population in 2000 (see **Figure 7.1**). However, this number drastically decreased over the last decade from 13.9 per 1,000 in 1990. With regard to public schools, the image may also be worse than the reality. According to www.psk12.com, a public school academic performance website, the five public high schools in Vallejo had an average rating of 606 on a 200 to 1,000 scale in 2005 (see **Figure 7.2**). This is a six percent improvement compared to the average score of 573 in 1999. For comparison, a 2005 average high school score for Solano County was 632 and the neighboring Marin County was 731, both have experienced a one percent decrease from their 1999 rankings. These figures imply that although Vallejo high schools are slightly below the county average, they showed improvement while others in the region have declined. Improving quality of public education and decreasing crime rate would rectify Vallejo's image.

DEMOGRAPHIC ANALYSIS

Vallejo's historic and projected population growth is below the County average, in part due its more constrained geography (water and mountains). Vallejo experienced a rapid population growth between 1980 and 1990, declined growth between 1990 and 2000,

and increased growth between 2000 and 2005. Low growth during the 1990s (an average annual growth rate of to 0.5 percent, compared to the County average of 1.6 percent) is partially associated with the closure of the Mare Island Naval Shipyard in the mid-1990s. Population growth began to pick up again in the late 1990s and the City grew by an annual rate of 1.1 percent between 2000 and 2005. Going forward, ABAG projects Vallejo to add 36,179 new residents between 2005 and 2030 with the annual growth rate of 1.1. This projected growth is still slightly below the County average (see **Table 5.1**).

Average household size is an important trend for high-density housing demand, as smaller households require less space. Currently, Vallejo has the smallest household size in the Solano County market area (see **Figure 7.3**). Although some household growth occurred between 1980 and 2000, the 2000 average was still well below the County's and it has declined even further after 2000 to an average of 2.88 person per household by 2005 (see **Table 5.2**).

Vallejo's growth by age group patterns closely resembled those of the County between 1990 and 2000. The 35 to 54 age group experienced the strongest growth, followed by the senior age group (see **Table 5.3).** The young professionals and singles market segment experienced a decline in population. Moreover, children-age (19 and under) and the 35 to 54 age group population made up the majority of the City's population in 2000, which indicates a large presence of families with children (see **Table 5.3**). At the same time, smaller households accounted for nearly half of the citywide growth between 1990 and 2000.

Median income in Vallejo experienced very little real growth between 1990 and 2000, similar to the overall income median of Solano County. However, average income grew by an annual average of 0.6 percent, indicating the widening gap between higher and lower income brackets (see **Table 5.3** and **Figure 7.4**). According to ABAG Projections 2005, average household income is expected to grow at about one percent per year, slightly higher than the historical rate. Future income patterns would depend on broader economic trends, as the majority of the labor force works outside the City.

EMPLOYMENT TRENDS

According to ABAG Projections 2007, there were over 35,700 jobs in Vallejo in 2005. The service industry is the largest employment sector, with health, education and recreational services jobs accounting for half of the total employment. Vallejo's major employers include Kaiser Permanente Medical Center (2,735 jobs), Vallejo Unified School District (2,160), Six Flags Marine World (1,660), and Kaiser Permanente Call Center (830 jobs).

Table 5.1
Projected Growth in the City of Vallejo (2004-2030)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2030	2005-2015			2015-2030			2005-2030		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	121,221	138,400	157,400	17,179	14%	1.3%	19,000	14%	0.9%	36,179	30%	1.1%
Households	41,286	46,950	53,590	5,664	14%	1.3%	6,640	14%	0.9%	12,304	30%	1.0%
Persons/Household	2.88	2.91	2.90	0.03	1%	0.1%	-0.01	0%	0.0%	0.02	1%	0.0%
Mean HH Income (in 2000$$)	$67,800	$76,300	$86,400	$8,500	13%	1.2%	$10,100	13%	0.8%	$18,600	27%	1.0%
Employed Residents	56,410	63,810	78,250	7,400	13%	1.2%	14,440	23%	1.4%	21,840	39%	1.3%
Jobs												
Ag & Natural Resources	353	350	372	-3	-1%	-0.1%	22	6%	0.4%	19	5%	0.2%
Manuf, Wholesale & Trans.	3,136	3,537	4,614	401	13%	1.2%	1,077	30%	1.8%	1,477	47%	1.6%
Retail	4,367	5,003	6,053	637	15%	1.4%	1,050	21%	1.3%	1,687	39%	1.3%
Financial & Prof. Service	4,871	5,609	7,007	738	15%	1.4%	1,398	25%	1.5%	2,136	44%	1.5%
Health, Ed. & Rec. Service	18,203	20,996	25,929	2,794	15%	1.4%	4,933	23%	1.4%	7,726	42%	1.4%
Other	4,790	5,675	7,026	884	18%	1.7%	1,351	24%	1.4%	2,235	47%	1.5%
Total	35,720	41,170	51,000	5,450	15%	1.4%	9,830	24%	1.4%	15,280	43%	1.4%
Jobs/Household	0.87	0.88	0.95	0.01	1%	0.1%	0.07	9%	0.5%	0.09	10%	0.4%
Jobs/Employed Resident	0.63	0.65	0.65	0.01	2%	0.2%	0.01	1%	0.1%	0.02	3%	0.1%

Source: California Department of Finance, ABAG Projections 2005 and 2007, Economic & Planning Systems, Inc.

Table 5.2
DOF Historical Demographic Trends in the City of Vallejo (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990			1990-2000			2000-2005			1980-2005		
					#	%/Yr	% Total	#	%/Yr	% Total	#	%/Yr	% Total	#	%/Yr	% Total
Population	80,303	109,199	114,715	121,221	28,896	3.1%	n/a	5,516	0.5%	n/a	6,506	1.1%	n/a	40,918	1.7%	n/a
Households	29,010	37,383	38,902	41,286	8,373	2.6%	n/a	1,519	0.4%	n/a	2,384	1.2%	n/a	12,276	1.4%	n/a
Persons/HH	2.68	2.85	2.92	2.88	0.17	0.6%	n/a	0.07	0.3%	n/a	-0.03	-0.2%	n/a	0.20	0.3%	n/a
Single Family Housing Units																
Detached	n/a	26,198	27,758	29,921	n/a	n/a	n/a	1,560	0.6%	77.7%	2,163	1.5%	203.7%	n/a	n/a	n/a
Attached	n/a	1,639	1,735	1,784	n/a	n/a	n/a	96	0.6%	4.8%	49	0.6%	4.6%	n/a	n/a	n/a
Subtotal	21,449	27,837	29,493	31,705	6,388	2.6%	66.7%	1,656	0.6%	82.4%	2,212	1.5%	208.3%	10,256	1.6%	81.0%
Multifamily Housing Units																
2 to 4 Units	n/a	4,136	4,150	3,921	n/a	n/a	n/a	14	0.0%	0.7%	-229	-1.1%	-21.6%	n/a	n/a	n/a
5+ Units	n/a	6,596	6,933	6,001	n/a	n/a	n/a	337	0.5%	16.8%	-932	-2.8%	-87.8%	n/a	n/a	n/a
Subtotal	7,923	10,732	11,083	9,922	2,809	3.1%	29.3%	351	0.3%	17.5%	-1,161	-2.2%	-109.3%	1,999	0.9%	15.8%
Mobile Homes	947	1,333	1,335	1,346	386	3.5%	4.0%	2	0.0%	0.1%	11	0.2%	1.0%	399	1.4%	3.2%
Total Units	30,319	39,902	41,911	42,973	9,583	2.8%	100%	2,009	0.5%	100%	1,062	0.5%	100%	12,654	1.4%	100%

Source: California Department of Finance; Economic & Planning Systems, Inc.

Table 5.3
Census Historical Demographic Trends in the City of Vallejo (1990-2000)
I-80 Corridor Market Analysis, EPS#16018

Item	1990 Number	1990 % of Total	2000 Number	2000 % of Total	1990-2000 #	1990-2000 %	1990-2000 %/Year
Population	109,199	n/a	116,351	n/a	7,152	7%	0.6%
Population by Age Cohort							
19 and Under	33,863	31%	35,183	30%	1,320	4%	0.4%
20 to 34	27,522	25%	22,453	19%	(5,069)	-18%	-2.0%
35 to 54	28,484	26%	36,366	31%	7,882	28%	2.5%
55 to 64	7,457	7%	9,304	8%	1,847	25%	2.2%
65 and Over	11,873	11%	13,045	11%	1,172	10%	0.9%
Total	109,199	100%	116,351	100%	7,152	7%	0.6%
Households by Size							
1 to 2	19,017	51%	20,024	51%	1,007	5%	0.5%
3 to 4	12,670	34%	12,916	33%	246	2%	0.2%
5 and Over	5,735	15%	6,652	17%	917	16%	1.5%
Total	37,422	100%	39,592	100%	2,170	6%	0.6%
Household Type							
Family	27,417	73%	28,438	72%	1,021	4%	0.4%
Non-Family	10,005	27%	11,154	28%	1,149	11%	1.1%
Total	37,422	100%	39,592	100%	2,170	6%	0.6%
Units in Structure							
1 Unit Detached	26,303	66%	28,337	69%	2,034	8%	0.7%
1 Unit Attached	1,706	4%	1,699	4%	(7)	0%	0.0%
2 to 19 Units	8,162	20%	6,830	17%	(1,332)	-16%	-1.8%
20 to 49 Units	903	2%	674	2%	(229)	-25%	-2.9%
50 or More Units	1,090	3%	2,277	6%	1,187	109%	7.6%
Mobile Home & Other	1,738	4%	1,344	3%	(394)	-23%	-2.5%
Total	39,902	100%	41,161	100%	1,259	3%	0.3%
Tenure							
Owner Occupied	23,132	62%	25,036	63%	1,904	8%	0.8%
Renter Occupied	14,251	38%	14,524	37%	273	2%	0.2%
Total	37,383	100%	39,560	100%	2,177	6%	0.6%
Median HH Income (in 1999$$)	$49,955		$50,030		75	0%	0.0%
Average HH Income (in 1999$$)	$55,612		$59,289		3,677	7%	0.6%
Unemployment Rate	5.3		5.7		0.4	8%	0.7%
Place of Work							
Vallejo	19,773	41%	14,580	29%	(5,193)	-26%	-3.0%
Rest of Solano County	4,114	9%	5,420	11%	1,306	32%	2.8%
Sacramento County	262	1%	300	1%	38	15%	1.4%
Placer County	10	0%	10	0%	0	0%	0.0%
Yolo County	82	0%	100	0%	18	22%	2.0%
Other	24,146	50%	29,676	59%	5,530	23%	2.1%
Total	48,387	100%	50,086	100%	1,699	4%	0.3%

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between Department of Finance and Census data.

Source: U.S. Census 1990 and 2000; Economic & Planning Systems, Inc.

Vallejo experienced a relatively high unemployment rate in the mid 1990s, reaching as high as 9.1 percent in 1993. Although the unemployment rate improved significantly in the latter part of the 1990s, it reached 7.9 percent in 2003. Since then, the City has been showing signs of recovery as the unemployment rate declined to 6.8 percent in 2005[6], still higher than the County average of 5.4 percent.

Vallejo has experienced the largest decline of its population working within its boundaries within Solano County. In 2000, only 20 percent of the City's employed residents worked within the City, compared to 41 percent in 1990. Out of 80 percent commuting outside the City in 2000, 60 percent commuted outside the County (see **Table 5.3**). Approximately 20 percent of employees commuted to Alameda and Contra Costa Counties. According to ABAG Projections 2005, only 24 percent of Solano County jobs were located in Vallejo in 2005, less than its population share of 29 percent. This phenomena is in part due to the City's closer proximity to Bay Area employment centers and its excellent transportation linkages, as noted above.

There are two major higher education institutions in the area that provide the influx of the educated labor force. The California Maritime Academy, located in Morrow Cove, is a part of the California State University system. Its students, many of whom are local residents, are able to obtain Bachelor's degrees in a variety of fields. Touro University, located on Mare Island, is an osteopathic medical college that plans further expansion in the near future. It provides the region with healthcare employees.

Vallejo has the most educated workforce in the Solano County market area. In 2000, 21 percent of Vallejo residents had a Bachelor's degree or above, although well below the greater Bay Area average of 37 percent (see **Table 5.4** and **Figure 7.5**). A more educated labor force is often associated with White Collar employment and less space per employee, such as office, R&D, and institutional uses.

Going forward, employment growth is expected to outpace population growth at 1.7 percent per year, according to ABAG. The bulk of this growth is projected to occur in the health, education, and recreational service sector (see **Table 5.2**). A growing employment base will gradually reverse the City's current jobs-housing imbalance and likely make the City more attractive to young professionals, a market segment disproportionately attracted to high-density development.

GROWTH PRESSURES

Vallejo's City limits are approaching a buildout, as most of its future growth is constrained by geography. Due to the City's waterfront along the western edge, the majority of the recent development occurred in the northeast section of the city, to the east of Interstate 80. East Vallejo begins on the east side of Interstate 80 and includes

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6 California Employment Development Department

Table 5.4
Vallejo Educational Attainment Trends
I-80 Corridor Market Analysis, EPS#16018

Educational Attainment	1990 #	1990 %	2000 #	2000 %	1990-2000 #	1990-2000 % Change
Vallejo						
No Diploma	12,834	19%	13,537	18%	703	5%
High School Graduate	17,606	26%	18,128	24%	522	3%
Some College/Associate Degree	24,035	36%	26,871	36%	2,836	12%
Bachelor's Degree	10,030	15%	12,144	16%	2,114	21%
Graduate/Professional Degree	2,915	4%	3,475	5%	560	19%
Total	67,420	100%	74,155	100%	n/a	n/a
San Francisco-Oakland-San Jose CMSA						
No Diploma	723,472	17%	765,661	16%	42,189	6%
High School Graduate	880,827	21%	841,070	18%	(39,757)	-5%
Some College/Associate Degree	1,293,000	31%	1,382,641	29%	89,641	7%
Bachelor's Degree	827,653	20%	1,104,451	23%	276,798	33%
Graduate/Professional Degree	465,899	11%	670,365	14%	204,466	44%
Total	4,190,851	100%	4,764,188	100%	n/a	n/a

Source: Census 1990 and 2000; Economic & Planning Systems, Inc.

manor neighborhoods such as Tennessee and Seffan Manor, Silverview, Skyview Terrace, Granada Hills, Greenmonte, Somerset Highlands, and the majority of Glen Cove.

Home buyers have been drawn to Vallejo for relatively affordable housing in a location that offers convenient access to the urban amenities of the inner Bay Area and the Wine Country. Daily ferry service linking Vallejo to San Francisco makes it a transportation hub of the North Bay. The historic waterfront downtown provides views, shopping and restaurant opportunities and creates a vibrant, small-town feel. Distinct Victorian-style homes in downtown have a regional appeal, attracting new residents. There has been a trend of San Francisco residents moving into downtown Vallejo.

Median housing prices in Vallejo experienced an annual growth of 21.3 percent per year since 2000 compared to the moderate annual growth rate of 4.9 percent from 1995 to 2000 (see **Table 5.5**). This housing appreciation is consistent with the broader appreciation in Solano County. By 2005, the median home price in Vallejo reached $445,000, slightly lower than Solano County's median of $470,000. Although Vallejo's median housing price is below the County's, rapid housing price growth over the past several years made home ownership opportunities in Vallejo more challenging to existing residents.

New neighborhoods include the Northgate neighborhood around Costco and the high-end Hiddenbrooke with its own golf course in the mountains between Vallejo and Fairfield. Both include a high density component.

Mare Island, no longer used by the Navy, is also undergoing redevelopment into an industrial, commercial and residential centerpiece for the city. The island encompasses a large supply of land, which is slated to include a variety of medium to higher-density residential, office, institutional, and industrial development.

Over the last 15 years the City's residential development has been increasingly focusing on single-family units. Between 1980 and 1990, single-family units represented 67 percent of the total new households added to the City. However, a share of new single-family development increased between 1990 and 2000 and even higher between 2000 and 2005. Conversely, multifamily units represented 29 percent of total new housing units between 1980 and 1990, 17 percent between 1990 and 2000, and the City appears to have even lost nearly 1,200 multifamily units between 2000 and 2005 (see **Table 5.1**). This decline was largely attributable to houses associated with closure of Mare Island as well as several redevelopment projects.

DOF reported that single-family detached units represented approximately 70 percent, single-family attached units represented four percent, and multifamily represented 23 percent of Vallejo's residential mix in 2005 (see **Table 5.1** and **Figure 7.6**). Given that the City has lost multifamily units in the past several years, it is likely that this product type would regain footing in the future and its growth would be restored to the long-term

Table 5.5
Historical Housing Price and Sales Volume Trends in the City of Vallejo, 1995-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1995 (1)	2000 (1)	2005 (2)	1995-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)	108	188	278	74%	11.7%	48%	8.1%
Median Sales Price (3)	$133,667	$169,500	$445,000	27%	4.9%	163%	21.3%
Average Sales Price (3)	$143,781	$220,198	n/a	53%	8.9%	n/a	n/a
Average Size (Square Feet)	1,488	1,336	n/a	-10%	-2.1%	n/a	n/a
Average Sales Price per Square Foot	$97	$165	n/a	71%	11.3%	n/a	n/a

(1) RAND
(2) DataQuick
(3) The price reported here is for the fourth quarters for the respective years.

Source: RAND, DataQuick; Economic & Planning Systems, Inc.

historical rate. Growth in smaller households, growth of the senior population age group, rapid housing appreciation in recent years, and major pipeline projects indicate gradually increasing demand for higher density housing. Downtown would be a likely location for such uses.

Office development outlook resembles that of the residential market. Currently, most of the office space in Vallejo is in the form of low-rise office parks. Historically, office demand and land constraint in Vallejo have not been tight enough to encourage higher density vertical office development. But given the potential for waterfront access and views, as well as transit accessibility, the downtown is also well-positioned to capture a share of the City's future job growth. Success will depend on the City's on-going revitalization efforts. Finally, Mare Island could also be a future employment center for the City, although access issues may inhibit density.

Most of the current retail development in Vallejo is low-density and requires auto access. Big box stores like Costco and soon-to-open Best Buy locate in low-density, easily accessible areas east of Interstate 80. The best potential for higher density retail exists in redevelopment efforts downtown as well as in the reuse of the County fairgrounds. Both of these locations will need to differentiate themselves in a market already supplied with a significant amount of convenience and auto-oriented retail.

PIPELINE PROJECTS AND SITES

There are six major developments in the City's pipeline, most of which indicate plans for higher-density single-family units (i.e., small-lot detached and attached units) as well as some multifamily units. Each project is briefly discussed below:

- **Downtown Redevelopment Waterfront Project**: The City is involved in several significant redevelopment projects in it downtown. One of the more significant includes roughly 92 acres along the Waterfront between the Mare Island Causeway to the north and Solano Avenue to the South. The Project would include 1,080 residential units and 562,000 square feet of retail and office space. There are also a number of in-fill parcels in the Downtown that the City is working to redevelop with Triad.

- **Solano County Fairgrounds Revitalization Project**: The project will be a public/private development that would continue to include fairground venues and related operations as well as private uses on its 157-acre property. The private uses may include retail, a concert venue, show and entertainment facilities, RV parking facilities, office park, sports facility and trade show space.

- **Northgate Development**: The project area is approximately 110 acres and located off of I-80 and Highway 37 intersection. The development will include 4.6 acres of professional office space, 24.7 acres of auto mall, 27 acre of

small-lot single-family units, 10.9 acres of neighborhood retail, 13.9 acres of senior housing, 2.6 acres of lodging facilities and 10 acres of Solano Community College facility.

- **Mare Island Early Transfer Parcel**: This is a 653-acre parcel located in the center of Mare Island. The plan for the project area includes mostly single-family and some multifamily residential (e.g., multi-story condominiums).

- **Mare Island North Light Industrial Area**: This project area has approximately 155 acre of development area. The property is zoned for workspace according to the Mare Island Specific Plan. However, the City is currently working with Lennar and Touro University to explore ways to integrate student non-academic support such as housing, commercial institutions, biomedical institutes, light industry and offices to the project.

FAIRFIELD

Located in the central part of Solano County, just north of the Interstate 80 and 680 interchange, Fairfield is the second largest city in the County with a population of 105,000 in 2005. It was incorporated in 1903 and has been a home to Travis Air Force Base for over 60 years. In addition to its association with Travis AFB, the City has evolved as an affordable and well regarded residential community as well as a local employment and retail hub. Currently it has a stable food-and-beverage industry (e.g., Jelly Bean and Anheuser-Busch), a growing healthcare cluster, County government offices, and the only traditional shopping mall in the County (Westfield Solano Mall).

Fairfield's public transit system consists of the 11-route bus system. In a joint effort to better serve local commuters, Fairfield and Vacaville have been developing a new AMTRAK station at the southeast corner of Peabody Road in northeast Fairfield, planned by 2010. The Capitol Corridor is an AMTRAK line between Sacramento and the Bay Area with the only present stop in Solano County located in Suisun City.

DEMOGRAPHIC ANALYSIS

For the most part demographic trends in Fairfield mirror those of the other County cities along the I-80 Corridor. The City experiences its highest growth between 1980 and 1990, growing by 35 percent. The City's annual growth slowed to 1.9 percent between 1990 and 2000, and to 2.0 percent between 2000 and 2005 (see **Table 6.1**). According to ABAG Projections 2007, Fairfield's growth rate is projected to decline to 1.2 percent between 2005 and 2030, consistent with the County average. During that time period, Fairfield will add approximately 37,000 new residents (see **Table 6.2**).

Distribution and growth by household size and age group are also consistent with the broader County trend. The 65 and over age group and five or more persons per household group experienced the largest annual growth in their respective categories between 1990 and 2000. However, both accounted only for a small portion of the total (see **Table 6.3**). Young professionals have been leaving the area as the 20 to 34 age cohort was the only group to experience a decline. The 35 to 54 and 19 and under age groups contributed to the majority of the population, indicating a strong presence of families with children. In 2000, 46 percent of households consisted of one to two people and the average household size has remained relatively stable at between 2.9 to 3.0 over the last 25 years (see **Table 6.1** and **Figure 7.3).**

Families have been attracted to the area in part due to ids strong schools and low crime rate. According to www.psk12.com, Fairfield high schools, Fairfield-Suisun Unified and Travis Unified school districts combined, exhibited an above average and improving performance. In 2005, an average Fairfield high school score was 654 on a 200 to 1,000 scale, 22 points higher than the County average (see **Figure 7.2**). High school rankings have grown since 1999. In 2000, RAND reported 5.6 violent crimes per 1,000

Table 6.1
DOF Historical Demographic Trends in the City of Fairfield (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	58,099	78,650	95,327	105,026	20,551	3.1%	n/a	16,677	1.9%	n/a	9,699	2.0%	n/a	46,927	2.4%	n/a
Households	18,406	26,074	31,126	34,270	7,668	3.5%	n/a	5,052	1.8%	n/a	3,144	1.9%	n/a	15,864	2.5%	n/a
Persons/HH	2.97	2.91	3.01	2.95	(0.1)	-0.2%	n/a	0.1	0.3%	n/a	(0.1)	-0.4%	n/a	(0.0)	0.0%	n/a
Housing Units by Type																
Single Family																
Detached	n/a	17,532	21,312	24,250	n/a	n/a	n/a	3,780	2.0%	73.4%	2,938	2.6%	72.3%	n/a	n/a	n/a
Attached	n/a	1,228	1,228	2,519	n/a	n/a	n/a	0	0.0%	0.0%	1,291	15.5%	31.8%	n/a	n/a	n/a
Subtotal	13,558	18,760	22,540	26,769	5,202	3.3%	64.4%	3,780	1.9%	73.4%	4,229	3.5%	104.0%	13,211	2.8%	76.4%
Multifamily																
2 to 4 Units	n/a	1,843	2,654	2,406	n/a	n/a	n/a	811	3.7%	15.7%	(248)	-1.9%	-6.1%	n/a	n/a	n/a
5+ Units	n/a	5,440	6,026	6,181	n/a	n/a	n/a	586	1.0%	11.4%	155	0.5%	3.8%	n/a	n/a	n/a
Subtotal	4,627	7,283	8,680	8,587	2,656	4.6%	32.9%	1,397	1.8%	27.1%	(93)	-0.2%	-2.3%	3,960	2.5%	22.9%
Mobile Homes	766	988	963	892	222	2.6%	2.7%	(25)	-0.3%	-0.5%	(71)	-1.5%	-1.7%	126	0.6%	0.7%
Total Units	18,951	27,031	32,183	36,248	8,080	3.6%	100%	5,152	1.8%	100%	4,065	2.4%	100%	17,297	2.6%	100%

Source: California Department of Finance City/County Population and Housing Estimates; Economic & Planning Systems, Inc.

Table 6.2
Projected Growth in the City of Fairfield (2005-2030)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2030	2005-2015			2015-2030			2005-2030		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	105,026	125,900	142,000	20,874	20%	1.8%	16,100	15%	0.8%	36,974	35%	1.2%
Households	34,270	40,760	46,190	6,490	19%	1.7%	5,430	16%	0.8%	11,920	35%	1.2%
Persons/Household	2.95	2.98	2.98	0.03	1%	0.1%	0.00	0%	0.0%	0.03	1%	0.0%
Mean HH Income (in 2000$$)	$70,400	$79,400	$93,100	$9,000	13%	1.2%	$13,700	19%	1.1%	22,700	32%	1.1%
Employed Residents	49,190	58,870	68,920	9,680	20%	1.8%	10,050	20%	1.1%	19,730	40%	1.4%
Jobs												
Ag & Natural Resources	234	227	237	-7	-3%	-0.3%	10	4%	0.3%	4	2%	0.1%
Manuf, Wholesale & Trans.	6,439	7,189	9,483	750	12%	1.1%	2,294	36%	1.9%	3,044	47%	1.6%
Retail	6,124	6,972	8,523	848	14%	1.3%	1,551	25%	1.3%	2,399	39%	1.3%
Financial & Prof. Service	7,485	8,550	10,837	1,065	14%	1.3%	2,287	31%	1.6%	3,352	45%	1.5%
Health, Ed. & Rec. Service	15,468	17,678	22,119	2,210	14%	1.3%	4,442	29%	1.5%	6,652	43%	1.4%
Other	14,990	17,595	22,090	2,605	17%	1.6%	4,495	30%	1.5%	7,099	47%	1.6%
Total	50,740	58,210	73,290	7,470	15%	1.4%	15,080	30%	1.5%	22,550	44%	1.5%
Jobs/Household	1.48	1.43	1.59	-0.05	-4%	-0.4%	0.16	11%	0.7%	0.11	7%	0.3%
Jobs/Employed Resident	1.03	0.99	1.06	-0.04	-4%	-0.4%	0.07	7%	0.5%	0.03	3%	0.1%

Source: California Department of Finance, ABAG Projections 2005 and 2007, Economic & Planning Systems, Inc.

Table 6.3
Census Historical Demographic Trends in the City of Fairfield (1990-2000)
I-80 Corridor Market Analysis, EPS#16018

Item	1990		2000		1990-2000		
	Number	% of Total	Number	% of Total	Number	%	%/Year
Population	77,211	n/a	96,168	n/a	18,957	25%	2.2%
Population by Age Cohort							
19 and Under	25,466	33%	31,619	33%	6,153	24%	2.2%
20 to 34	22,451	29%	21,645	23%	(806)	-4%	-0.4%
35 to 54	19,007	25%	27,766	29%	8,759	46%	3.9%
55 to 64	5,333	7%	6,331	7%	998	19%	1.7%
65 and Over	4,954	6%	8,807	9%	3,853	78%	5.9%
Total	77,211	100%	96,168	100%	18,957	25%	2.2%
Households by Size							
1 to 2	11,689	46%	14,448	47%	2,759	24%	2.1%
3 to 4	10,086	40%	11,486	37%	1,400	14%	1.3%
5 and Over	3,622	14%	5,025	16%	1,403	39%	3.3%
Total	25,397	100%	30,959	100%	5,562	22%	2.0%
Household Type							
Family	19,999	79%	24,187	78%	4,188	21%	1.9%
Non-Family	5,398	21%	6,772	22%	1,374	25%	2.3%
Total	25,397	100%	30,959	100%	5,562	22%	2.0%
Units in Structure							
1 Unit Detached	16,900	64%	21,336	67%	4,436	26%	2.4%
1 Unit Attached	1,206	5%	2,164	7%	958	79%	6.0%
2 to 19 Units	4,855	18%	4,934	15%	79	2%	0.2%
20 to 49 Units	1,495	6%	849	3%	(646)	-43%	-5.5%
50 or More Units	757	3%	1,668	5%	911	120%	8.2%
Mobile Home & Other	1,144	4%	916	3%	(228)	-20%	-2.2%
Total	26,357	100%	31,867	100%	5,510	21%	1.9%
Tenure							
Owner Occupied	14,300	56%	18,463	60%	4,163	29%	2.6%
Renter Occupied	11,125	44%	12,509	40%	1,384	12%	1.2%
Total	25,425	100%	30,972	100%	5,547	22%	2.0%
Median HH Income (in 1999$$)	$50,339		$51,151		812	2%	0.2%
Average HH Income (in 1999$$)	$55,338		$61,629		6,291	11%	1.1%
Unemployment Rate	5.3		5.0		(0.3)	-6%	-0.6%
Place of Work							
Fairfield	17,525	48%	19,095	45%	1,570	9%	0.9%
Rest of Solano County	8,238	23%	8,675	21%	437	5%	0.5%
Sacramento County	613	2%	955	2%	342	56%	4.5%
Placer County	147	0%	44	0%	(103)	-70%	-11.4%
Yolo County	6	0%	405	1%	399	6650%	#NUM!
Other	9,650	27%	12,951	31%	3,301	34%	3.0%
Total	36,179	100%	42,125	100%	5,946	16%	1.5%

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between

Source: U.S. Census 1990 and 2000; Economic & Planning Systems, Inc.

in Fairfield's population, a 43 percent decrease from the 1990 numbers (see **Figure 7.1**). The crime rate in Fairfield has been historically lower than the County and California average.

Between 1990 and 2000, average income in Fairfield grew by 1.1 percent a year, significantly higher than the median income of 0.2 percent (see **Table 6.3** and **Figure 7.4**). The growth comparison demonstrates the gap increase among higher and lower income brackets which is typical of an economy a significant portion of the workforce commutes to higher paying jobs outside the City. According to ABAG Projections 2005, average household income will continue to grow by 1.1 percent a year between 2005 and 2030.

EMPLOYMENT TRENDS

In 2005, ABAG estimated a total of 50,740 jobs in Fairfield. Health, education and recreational service jobs accounted for 30 percent of employment total, impacted by the presence of the 1,300-employee North Bay Medical Center. Fairfield's local economy is also dependent on the food-and-beverage industry with Jelly Belly Candy Company, an Anheuser-Busch brewery division, NRE World Bento, Guittard Chocolate, and Abbott Laboratories' Ross Products, a nutrition bar manufacturer. However, the largest employer is the 14,900-employee Travis Air Force Base. ABAG projects employment growth of 1.5 percent a year over the next 25 years, with the construction, information and public administration sector experiencing the highest growth (see **Table 6.2**).

Although the number of households working in the Bay Area, Napa and Sacramento Counties has grown, Fairfield still has the largest population portion working in the City. In 2000, 45 percent of Fairfield's employed residents worked there, compared to 48 percent in 1990. Of the 55 percent commuting outside of the City, the majority commuted outside the County (see **Table 6.3**). Approximately 16 percent commuted to Alameda and Contra Costa Counties, four percent commuted to San Francisco and San Mateo Counties, five percent commuted to Sacramento and Yolo Counties, and almost five percent commuted to Napa. Almost 34 percent of Solano County jobs were located in Fairfield in 2005, contributing to the highest jobs per employed resident ratio among the I-80 Corridor cities in the County.

In 2000, one out of five Fairfield residents had a Bachelor's degree or above, slightly below the Solano County average of 21 percent and much lower than the greater Bay Area average of 37 percent (see **Table 6.4** and **Figure 7.5**). Solano Community College, located in Fairfield, provides a gateway to higher education for local residents seeking a post-high school degree.

Table 6.4
Fairfield Educational Attainment Trends
I-80 Corridor Market Analysis, EPS#16018

Educational Attainment	1990 #	1990 %	2000 #	2000 %	1990-2000 #	1990-2000 % Change
Fairfield						
No Diploma	7,147	16%	8,451	15%	1,304	18%
High School Graduate	12,647	28%	13,890	25%	1,243	10%
Some College/Associate Degree	18,363	41%	22,647	40%	4,284	23%
Bachelor's Degree	4,904	11%	8,098	14%	3,194	65%
Graduate/Professional Degree	2,060	5%	3,426	6%	1,366	66%
Total	45,121	100%	56,512	100%	n/a	n/a
San Francisco-Oakland-San Jose CMSA						
No Diploma	723,472	17%	765,661	16%	42,189	6%
High School Graduate	880,827	21%	841,070	18%	(39,757)	-5%
Some College/Associate Degree	1,293,000	31%	1,382,641	29%	89,641	7%
Bachelor's Degree	827,653	20%	1,104,451	23%	276,798	33%
Graduate/Professional Degree	465,899	11%	670,365	14%	204,466	44%
Total	4,190,851	100%	4,764,188	100%	n/a	n/a

Source: Census 1990 and 2000; Economic & Planning Systems, Inc.

Fairfield's unemployment rate spiked to 9.0 percent in 1993 and improved significantly in the latter part of the 1990s. An economic recovery in recent years resulted in the unemployment decrease as low as 6.0 percent by 2005[7]. Historically, Fairfield's unemployment rate has been higher than the County average.

GROWTH PRESSURES

Like other cities in Solano County, once a relatively affordable alternative to the inner Bay Area for both residents and employers, Fairfield is becoming increasingly cost prohibitive to many of the economic sectors that led spurred its rapid growth in the 1980s. Historical development patterns, featuring typical suburban, land intensive products, were driven by the City's centralized location and relatively convenient commutes to employment centers in Alameda, Contra Costa, and Sacramento counties, areas facing growth pressures in their own right. Today, a significant amount of land adjacent to Fairfield is either protected from development or reserved to accommodate future growth, limiting the City's traditional expansion patterns.

Residential

Residential development in Fairfield has been historically focused on single-family housing. According to DOF, two-thirds of the total residential uses in 2005 were single-family detached, seven percent were single-family attached, and 24 percent were multifamily. Although Fairfield does have the highest portion of multifamily in Solano County (see **Table 6.1** and **Figure 7.6),** much of this was built prior to 1990 and was designed to serve working class families associated with Travis AFB.

Leading a County-wide trend, housing pressures have been particularly acute in Fairfield since 2000. Specifically, the median home price in Fairfield experienced an average growth of 22.3 percent per year since 2000, compared to the moderate annual growth rate of 2.7 percent between 1995 and 2000 (see **Table 6.5**). Neighboring Vacaville, historically known as a higher-priced community, had a lower price appreciation rate during these years. In 2005, Fairfield's median home price of $479,500 was above the County median.

With a few notable exceptions, until now the bulk of new housing growth has been single family. However, demographic trends such as the growth in smaller households, growth of the retiree age group, rapid housing appreciation in recent years, and strong employment suggest a market that is ripening for a higher density product. Areas like downtown, which provide "main street" pedestrian-friendly environment and public transportation access, have higher probability for successful mixed-use development, including higher density residential uses.

[7] California Employment Development Department

Table 6.5
Historical Housing Price and Sales Volume Trends in the City of Fairfield, 1995-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1995 (1)	2000 (1)	2005 (2)	1995-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)	88	130	209	48%	8.1%	61%	10.0%
Median Sales Price (3)	$152,958	$174,958	$479,500	14%	2.7%	174%	22.3%
Average Sales Price (3)	$162,011	$199,561	n/a	23%	4.3%	n/a	n/a
Average Size (Square Feet)	1,693	1,510	n/a	-11%	-2.3%	n/a	n/a
Average Sales Price per Square Foot	$96	$132	n/a	38%	6.7%	n/a	n/a

(1) RAND
(2) DataQuick
(3) The price reported here is for the fourth quarters for the respective years.

Source: RAND, DataQuick; Economic & Planning Systems, Inc.

Office, Industrial, and Commercial

Development trends for employment land uses mirror those in the residential sector. According to the Fairfield-Suisun City Chamber of Commerce, Fairfield experienced more than 350,000 square feet of new industrial and 260,000 square feet of commercial development over the last 20 years. An additional 5.4 million square feet of retail, office, and industrial space have been planned since 1995, with even further increase expected in the near future.

Like housing, Fairfield's office market has exhibited a strong performance in recent years. Colliers International 2006 Market Trends Report demonstrates growth in Fairfield's office market. As of 2006, office vacancy decreased to 2.9 percent from 5.5 percent a year ago and office park rents increased to the $6.00 to $8.00 per square foot range, compared to $4.50 per square foot and below a year ago. This suggests increasing pressure for high density employment uses in the City

The City Center Project Area is a recent office / institutional development in the downtown centered around the relocation of the County Government Center. A recently completed County Government Center includes a six-story, 300,000 square foot administrative structure with approximately 1,000 parking spaces and a public plaza at the corner of Texas and Jefferson Streets.

Despite this relatively dense project, most of the office space in Fairfield is in the form of low-rise, low-density office/industrial parks. Historically, office demand and land constraints have not been tight enough to encourage higher-density development. As employment growth shifts from the land-intensive industry clusters, such as manufacturing and industrial uses, to higher density uses such as service and institutional sectors, as suggested by ABAG projections, higher-density development will be more feasible.

The largest business and industrial areas in the City are located off Highway 12 and include Busch Corporate Center and Solano Business Park. Both offer office and industrial uses with a focus on manufacturing and food processing.

Cordelia, a fast growing development along I-80 on Fairfield's' western edge, represents one of the most important new growth areas in the City with a mix of residential, industrial, office and retail uses. The development on the south side of the freeway consists of large warehouse and distribution facilities and smaller flex/industrial spaces. The north side of the freeway consists of large campus style class "A" business parks, including Green Valley Technical Plaza, Green Valley Office Park, Green Valley Corporate Park, Fairfield Corporate Commons and Cordelia Villages. There is also a primary retail commercial area called Green Valley Crossing Neighborhood Shopping Center.

Most of the current retail development in Fairfield is low-density with larger retail situated along Interstate 80. Westfield Solano Mall has a strong retail presence,

attracting shoppers from locations beyond the County limits. However, similar to the residential and office segments, most of the Fairfield retail is a traditional auto-oriented format. Probably the best opportunities for higher-density retail exist in mixed use areas such as downtown, along the West Texas Street Corridor and at the future train station. North Texas Street is the key north-south link in the City's transportation network. The mixture of buildings in the area includes small strip centers, larger shopping centers, offices, retail, and auto sales and repair facilities. However, all of these areas will need to compete in a retail rich environment.

PIPELINE PROJECTS AND SITES

There are five major developments in the City's pipeline. They indicate a mixed outlook toward the City's future development patterns. Each project is briefly discussed below:

- **Train Station Specific Plan:** A plan for development of a new Capitol Corridor train station in the unincorporated part outside of northeast Fairfield. The station and surrounding development within approximately one-half mile would be annexed to the City and will include transit-supportive uses, including medium and high-density housing and office uses.

- **Sutter Fairfield Medical Campus:** The Sutter Fairfield Medical Campus is a beautiful new facility designed for the most advanced procedures and imaging while providing a healing environment with every detail, from its highly trained and dedicated staff to its light-filled architecture. The Campus is part of the Sutter Health family, one of the nation's leading not-for-profit networks of hospitals, doctors, nurses and other health care services.

- **Allen Witt Park:** The proposal involves a revitalization of this community park and adding commercial and residential development to the site and adjacent parcels. The Project is a joint effort of a public/private partnership and can provide Fairfield with a beautiful and safe park, additional recreation facilities, and housing.

- **Villages at Fairfield:** The proposal involves developing approximately 440 acres north of Air Base Parkway, between Clay Bank Road and Peabody Road. The project would include 2,400 housing units, consisting of a single-family, small-lot single-family, and multifamily mix, along with an elementary school, two neighborhood parks, and a neighborhood shopping center of approximately 111,000 square feet.

- **Mission Village Redevelopment:** One of the more important retail projects in Fairfield is the re-use of the 18-acre Mission Village Shopping Center for a Wal-Mart Supercenter. This in-fill site located on a critical intersection on

West Texas Street, will involve demolition of most of the existing center, and new construction of an approximately 185,000 square foot retail building and 16,000 square foot outdoor garden center.

VACAVILLE

Incorporated in 1892, Vacaville has evolved from a rural farm town into a suburban bedroom community with strong links to larger communities to the East and West. Located in the north central part of Solano County, at the Interstate 80 and 505 split just north of Fairfield, it is the third largest city in Solano County with 96,700 residents in 2005. In many ways, Vacaville's evolution has been similar to Fairfield, but the lack of a major military installation has resulted in bigger, and more up-scale housing stock. Vacaville's position at the approximate mid-point between Sacramento and inner Bay Area communities has also helped make it a competitive location for retail tourism (the Nut Tree) and wholesale distribution. Over time, these themes as been extended to higher value and volume uses such as the Premium Outlet Center and biotech manufacturing (Genentech).

The more upscale nature of Vacaville is reflected in its well regarded public schools and low crime. Vacaville Unified School district exhibited the strongest and improving high school performance with a 2005 high school average of 678 on a 200 to 1,000 scale (see **Figure 7.2**). This number is 24 points higher than Fairfield's and 46 points higher than the County's average. In addition, Vacaville's high school performance has improved by eight percent since 1999. According to RAND, there was a small increase in crime in Vacaville from 1990 to 2000. However, 3.9 violent crimes per 1,000 in population are well below the County average of 6.3 per 1,000 and the State average of 6.2 per 1,000 in 2000 (see **Figure 7.1**). School quality and safety mostly appeal to larger families looking for a safe environment to raise children.

DEMOGRAPHIC ANALYSIS

Although Vacaville's population growth has exceeded the County average over the last 25, it's relative position dropped slightly over the last five years, as shown in **Table 7.1**. Vacaville experienced the highest growth rate in the 1980s, with an annual rate of 5.1 percent between 1980 and 1990, second only to Suisun City in the County. The annual growth declined to 2.5 percent between 1990 and 2000, still a relatively healthy pace given County and regional trends. According to ABAG, population will grow at the annual rate of 1.2 percent between 2005 and 2030, consistent with the County average (see **Table 7.2**) adding over 32,400 new residents.

Children-age 19 and under and the 35 to 54 age groups made up the majority of the City's population in 2000, exemplifying the family-oriented nature of the City (see **Table 7.3**). Meanwhile, the 20 to 34 age cohort, which represents young professionals and singles, declined by nine percent between 1990 and 2000, mirroring the broader County trend. In terms of household size, the most rapid growth between 1990 and 2000 took place among the five or more people per household group, even though this market segment accounts for only 14 percent of the total households. Smaller, one to two-person households accounted for half of the total.

Table 7.1
DOF Historical Demographic Trends in the City of Vacaville (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	43,367	71,476	91,461	96,735	28,109	5.1%	n/a	19,985	2.5%	n/a	5,274	1.1%	n/a	53,368	3.3%	n/a
Households	14,530	22,623	27,498	31,151	8,093	4.5%	n/a	4,875	2.0%	n/a	3,653	2.5%	n/a	16,621	3.1%	n/a
Persons/HH	2.85	2.82	3.00	2.80	(0.02)	-0.1%	n/a	0	0.6%	n/a	(0.20)	-1.3%	n/a	(0.04)	-0.1%	n/a
Housing Units by Type																
Single Family																
Detached	n/a	16,078	20,957	22,000	n/a	n/a	n/a	4,879	2.7%	95.7%	1,043	1.0%	34.2%	n/a	n/a	n/a
Attached	n/a	873	896	1,036	n/a	n/a	n/a	23	0.3%	0.5%	140	2.9%	4.6%	n/a	n/a	n/a
Subtotal	11,374	16,951	21,853	23,036	5,577	4.1%	67.2%	4,902	2.6%	96.2%	1,183	1.1%	38.8%	11,662	2.9%	70.9%
Multifamily																
2 to 4 Units	n/a	1,809	1,819	2,143	n/a	n/a	n/a	10	0.1%	0.2%	324	3.3%	10.6%	n/a	n/a	n/a
5+ Units	n/a	3,727	3,913	5,318	n/a	n/a	n/a	186	0.5%	3.6%	1,405	6.3%	46.1%	n/a	n/a	n/a
Subtotal	3,106	5,536	5,732	7,461	2,430	5.9%	29.3%	196	0.3%	3.8%	1,729	5.4%	56.7%	4,355	3.6%	26.5%
Mobile Homes	878	1,169	1,169	1,308	291	2.9%	3.5%	0	0.0%	0.0%	139	2.3%	4.6%	430	1.6%	2.6%
Total Units	15,358	23,656	28,754	31,805	8,298	4.4%	100%	5,098	2.0%	100%	3,051	2.0%	100%	16,447	3.0%	100%

Source: California Department of Finance City/County Population and Housing Estimates; Economic & Planning Systems, Inc.

Table 7.2
Projected Growth in the City of Vacaville (2005-2030)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2030	2005-2015			2015-2030			2005-2030		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	96,735	112,600	129,200	15,865	16%	1.5%	16,600	17%	0.9%	32,465	34%	1.2%
Households	31,151	36,430	42,250	5,279	17%	1.6%	5,820	19%	1.0%	11,099	36%	1.2%
Persons/Household	2.80	2.83	2.83	0.03	1%	0.1%	0.00	0%	0.0%	0.03	1%	0.0%
Mean HH Income (in 2000$$)	$75,000	$84,500	$96,700	$9,500	13%	1.2%	$12,200	16%	0.9%	21,700	29%	1.0%
Employed Residents	43,620	50,030	57,450	6,410	15%	1.4%	7,420	17%	0.9%	13,830	32%	1.1%
Jobs												
Ag & Natural Resources	111	110	116	-1	-1%	-0.1%	5	5%	0.3%	4	4%	0.1%
Manuf, Wholesale & Trans.	4,644	5,344	6,853	699	15%	1.4%	1,510	33%	1.7%	2,209	48%	1.6%
Retail	4,827	5,645	6,709	818	17%	1.6%	1,064	22%	1.2%	1,882	39%	1.3%
Financial & Prof. Service	4,675	5,484	6,757	809	17%	1.6%	1,273	27%	1.4%	2,082	45%	1.5%
Health, Ed. & Rec. Service	10,614	12,475	15,179	1,861	18%	1.6%	2,704	25%	1.3%	4,565	43%	1.4%
Other	5,838	7,051	8,586	1,213	21%	1.9%	1,535	26%	1.3%	2,747	47%	1.6%
Total	30,710	36,110	44,200	5,400	18%	1.6%	8,090	26%	1.4%	13,490	44%	1.5%
Jobs/Household	0.99	0.99	1.05	0.01	1%	0.1%	0.05	6%	0.4%	0.06	6%	0.2%
Jobs/Employed Resident	0.70	0.72	0.77	0.02	3%	0.2%	0.05	7%	0.4%	0.07	9%	0.4%

Source: California Department of Finance, ABAG Projections 2005 and 2007, Economic & Planning Systems, Inc.

Table 7.3
Census Historical Demographic Trends in the City of Vacaville (1990-2000)
I-80 Corridor Market Analysis, EPS#16018

Item	1990 Number	1990 % of Total	2000 Number	2000 % of Total	1990-2000 #	1990-2000 %	1990-2000 %/Year
Population	71,479	n/a	88,644	n/a	17,165	24%	2.2%
Population by Age Cohort							
19 and Under	20,692	29%	25,969	29%	5,277	26%	2.3%
20 to 34	22,104	31%	20,151	23%	(1,953)	-9%	-0.9%
35 to 54	19,709	28%	29,391	33%	9,682	49%	4.1%
55 to 64	4,122	6%	5,854	7%	1,732	42%	3.6%
65 and Over	4,852	7%	7,279	8%	2,427	50%	4.1%
Total	71,479	100%	88,644	100%	17,165	24%	2.2%
Households by Size							
1 to 2	11,149	49%	14,019	50%	2,870	26%	2.3%
3 to 4	8,838	39%	10,267	37%	1,429	16%	1.5%
5 and Over	2,822	12%	3,802	14%	980	35%	3.0%
Total	22,809	100%	28,088	100%	5,279	23%	2.1%
Household Type							
Family	17,520	77%	21,083	75%	3,563	20%	1.9%
Non-Family	5,289	23%	7,005	25%	1,716	32%	2.8%
Total	22,809	100%	28,088	100%	5,279	23%	2.1%
Units in Structure							
1 Unit Detached	15,901	67%	20,411	71%	4,510	28%	2.5%
1 Unit Attached	891	4%	1,034	4%	143	16%	1.5%
2 to 19 Units	4,106	17%	4,130	14%	24	1%	0.1%
20 to 49 Units	516	2%	430	1%	(86)	-17%	-1.8%
50 or More Units	817	3%	1,363	5%	546	67%	5.3%
Mobile Home & Other	1,429	6%	1,307	5%	(122)	-9%	-0.9%
Total	23,660	100%	28,675	100%	5,015	21%	1.9%
Tenure							
Owner Occupied	14,590	64%	18,738	67%	4,148	28%	2.5%
Renter Occupied	8,037	36%	9,373	33%	1,336	17%	1.5%
Total	22,627	100%	28,111	100%	5,484	24%	2.2%
Median HH Income (in 1999$$)	$55,515		$57,667		2,152	4%	0.4%
Average HH Income (in 1999$$)	$60,148		$65,690		5,542	9%	0.9%
Unemployment Rate	3.9		3.3		(0.6)	-15%	-1.7%
Place of Work							
Vacaville	10,894	35%	13,145	34%	2,251	21%	1.9%
Rest of Solano County	12,173	39%	14,105	37%	1,932	16%	1.5%
Sacramento County	1,031	3%	1,659	4%	628	61%	4.9%
Placer County	23	0%	80	0%	57	248%	13.3%
Yolo County	722	2%	1,420	4%	698	97%	7.0%
Other	6,348	20%	7,695	20%	1,347	21%	1.9%
Total	31,191	100%	38,104	100%	6,913	22%	2.0%

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between

Source: U.S. Census 1990 and 2000; Economic & Planning Systems, Inc.

In 2000, educational attainment among Vacaville residents with a Bachelor's degree and above was slightly below the Solano County average of 21 percent in 2005 and even lower than the greater Bay Area average of 37 percent (see **Table 7.4** and **Figure 7.5**). However, Vacaville's mean household income of $75,000 was the highest out of the market area cities in the County in 2005 (see **Figure 7.4**). This irregularity suggests more high paying Blue Collar jobs relative to the County, as further supported by the City's employment base discussed below. However, average income in Vacaville grew by about twice the rate of median income between 1990 and 2000, a less pronounced indication of a widening gap between higher and lower income brackets (see **Table 7.3**) than the rest of the County and consistent with slightly less out-commuting. According to ABAG, average household income is expected to continue its growth at about one percent per year, slightly above historical growth.

EMPLOYMENT TRENDS

Vacaville's employment base is well diversified with major employers including the Albertson's Distribution Center (600 employees), Alza Pharmaceuticals (550 employees), Hines Nursery (380 employees), Travis Credit Union (370 employees), Kaiser Permanente (320 employees), Genentech (300 employees), and the State Prison. In addition, Travis Air Force Base, located in Fairfield, employs approximately 1,500 Vacaville residents as active duty personnel. Overall, there were 30,710 jobs in Vacaville in 2005 according to ABAG. The health, education and recreational services job sector accounted for over one-third of the total employment.

Like other cities in the Corridor, working in the community has posed a challenge for residents facing given the shortage of local jobs and discrepancy between wages and housing prices. There have been a growing number of households with employment split between the Bay Area, Yolo and Sacramento Counties. However, unlike most other Solano County cities, the proportion of Vacaville's employed residents working in other jurisdictions did not change significantly between 1990 and 2000, actually decreasing from 35 percent in 1990 to 34 percent in 2000. Out of 65 percent commuting outside the City, 25 percent commuted outside the County (see **Table 7.3**). Approximately 11 percent of employees commuted to Alameda and Contra Costa Counties, while four percent commuted to Sacramento and three percent to Yolo County. According to ABAG, only 20 percent of Solano County jobs were located in Vacaville in 2005, less than its population share of 23 percent.

Vacaville experienced the lowest unemployment out of all Solano County cities examined. Although its unemployment reached as high as 6.7 percent in 1993, it improved significantly since. The unemployment rate was as low as 4.0 percent in 2005[8], far below than the County average of 5.4 percent. Employment is expected

[8] California Employment Development Department

Table 7.4
Vacaville Educational Attainment Trends
I-80 Corridor Market Analysis, EPS#16018

Educational Attainment	1990 #	1990 %	2000 #	2000 %	1990-2000 #	1990-2000 % Change
Vacaville						
No Diploma	7,969	18%	9,169	16%	1,200	15%
High School Graduate	12,823	28%	14,668	26%	1,845	14%
Some College/Associate Degree	16,753	37%	22,168	39%	5,415	32%
Bachelor's Degree	5,322	12%	7,262	13%	1,940	36%
Graduate/Professional Degree	2,293	5%	3,821	7%	1,528	67%
Total	45,160	100%	57,088	100%	n/a	n/a
San Francisco-Oakland-San Jose CMSA						
No Diploma	723,472	17%	765,661	16%	42,189	6%
High School Graduate	880,827	21%	841,070	18%	(39,757)	-5%
Some College/Associate Degree	1,293,000	31%	1,382,641	29%	89,641	7%
Bachelor's Degree	827,653	20%	1,104,451	23%	276,798	33%
Graduate/Professional Degree	465,899	11%	670,365	14%	204,466	44%
Total	4,190,851	100%	4,764,188	100%	n/a	n/a

Source: Census 1990 and 2000; Economic & Planning Systems, Inc.

to remain growing at 1.5 percent a year. ABAG projects the majority of future growth stemming from the construction, information, and public administration sector (see **Table 7.2**).

GROWTH PRESSURES

According to a 2002 Greenbelt Alliance Report, Vacaville's land area grew by 24 percent in the 1990s. The annexations of North Village and Lower Lagoon Valley brought the City's total to 17,158 acres in 2000. The City's Vision Statement proposes annexation of over 4,000 additional acres to the City limits. If these planned annexations occur, Vacaville's land area would increase by 23 percent. Thus, Vacaville offers large development potential, surrounded by areas outside its limits with development and annexation possibilities. These include Upper Lagoon and Vaca Valleys west of Vacaville, lands along the eastern edge, northeast Vacaville, and Lower Lagoon Valley to the south.

Residential

Historically, Vacaville's housing prices were higher than Fairfield's (see **Table 7.5**). This is partially due to a slightly higher-end product targeting Vacaville's civilian population compared to smaller Fairfield homes built for Travis Air Force Base's military personnel. But median home price trends reversed in 2005, as Fairfield's median home price exceeded Vacaville's. Despite Vacaville's low unemployment, the price reversal is attributed to the increasing convenience factor of associated with Fairfield's relative proximity to the inner Bay Area. By 2005, the median home price in Vacaville reached $459,250, slightly lower than Solano County's median of $470,000. Although Vacaville's median housing price is below the County's, the City's has been affected by the rapid price appreciation along the Corridor. Overall, median housing prices in Vacaville experienced, on average, a 17.8 percent growth per year since 2000, compared to the moderate annual growth rate of 1.7 percent between 1990 and 2000 (see **Table 7.5**).

Despite slightly lower growth pressure than neighboring Fairfield, Vacaville has made surprising progress in providing infill housing.[9] Prior to 2000, the City's residential development was focused on single-family units, although multifamily development has increased since. Between 1980 and 1990, single-family units represented 67 percent of the total new households added to the City and 96 percent of the total between 1990 and 2000. Between 2000 and 2005, however, single-family development made up just 39 percent of the total. Conversely, multifamily growth increased to 57 percent between 2000 and 2005, suggesting a higher level of acceptance for higher-density product. The overall residential mix was 69 percent single family detached, three percent single-family attached, and 23 percent multifamily in 2005, according to the DOF (see **Table 7.1** and **Figure 7.6**). The multifamily distribution is slightly higher than the County average.

[9] Vacaville was praised in the 2002 Greenbelt Alliance Report for providing in-fill housing, especially for 884 apartments recently built on land previously zoned for commercial.

Table 7.5
Historical Housing Price and Sales Volume Trends in the City of Vacaville, 1995-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1995 (1)	2000 (1)	2005 (2)	1995-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)	110	151	176	37%	6.5%	17%	3.1%
Median Sales Price (3)	$155,167	$187,430	$459,250	21%	3.9%	145%	19.6%
Average Sales Price (3)	$163,000	$201,297	n/a	23%	4.3%	n/a	n/a
Average Size (Square Feet)	1,656	1,543	n/a	-7%	-1.4%	n/a	n/a
Average Sales Price per Square Foot	$98	$130	n/a	33%	5.8%	n/a	n/a

(1) RAND
(2) DataQuick
(3) The price reported here is for the fourth quarters for the respective years.

Source: RAND, DataQuick; Economic & Planning Systems, Inc.

Although the City has begun to tap its potential for mixed-use combinations for commercial and residential uses, it would need to improve its infrastructure, such as the public transportation system and street walkability to encourage broader trends of higher-density development in the future. Given that Vacaville is still dominated by low-density homes and lacks a strong job center, it is not likely that it would support a very high-density residential. However, growth in smaller households, growth of the senior population age group, rapid housing appreciation in recent years, and major pipeline projects indicate a preference shift toward higher-density living.

Office, Industrial, and Commercial

Vacaville employment uses are dominated by low-rise, low-density office/flex development, primarily located in a suburban business park setting. In addition, the City has had success attracting some warehouse, distribution, and manufacturing uses. However, employment trends have not led to significant higher-density office development. If Vacaville's employment in key sectors increase (i.e. pharmaceutical manufacturing and financial services) as expected, market forces will be more favorable to high-density development. Indeed, Vacaville's office trends improved in recent years. As of 2006, vacancy decreased to 11.5 percent, compared to 13.0 percent a year ago, according to Colliers International 2006 Market Trends Report. Office park rents increased to the $3.50 to $7.00 range per square foot, compared to $2.50 to $3.50 per square foot a year ago.

Most of the current retail development in Vacaville is the traditional low-density auto-oriented format. The City is probably best known for the Premium Outlets, a sprawling complex that attracts shoppers from a wide geographic area. Currently the only higher density retail district exists in and around Vacaville's small and historic downtown. Although additional higher-density retail may be supported in some mixed use areas, a broader compact retail trend is not likely.

PIPELINE PROJECTS AND SITES

There are four major developments in the City's pipeline, most of which indicate plans for higher-density development. Each project is briefly discussed below:

- **Nut Tree:** This project is a re-use of the historic Nut Tree site, a once popular roadside stop for travelers along I-80. It is an 80-acre mixed use development comprised of specialty retail, Class A office, hotel and multifamily residential components.

- **Lagoon Valley:** The proposed project site is located on the southwestern edge of Vacaville and encompasses 722 acres. The project is planned to include approximately 100 townhomes, 1,225 single-family units, 1,000,000 square feet of business park office space, 50,000 square feet of neighborhood retail space, and approximately 20 acres of new open space.

- **Kaiser Permanente Vacaville Medical Center:** The project broke ground in 2005 on a 166-bed medical center. Slated for occupancy in 2009, the development will include a 271,000-sf medical office building, an ER, eight labor and delivery rooms, expanded pharmacy and lab services, and parking for 2,300 cars. The project will bring the entire Vacaville campus, which currently consists of a 168,000 square foot medical office and clinic, to a total of 750,000 square feet upon completion.

- **Lincoln Corners Apartments:** This high-density affordable housing complex consists of 134-unit apartments at the corner of Monte Vista Avenue and Scoggins Court. It includes one, two, and three-bedroom units. Construction of the final phase is anticipated to complete by the end of the year.

SUISUN CITY

Suisun City is a relatively small residential enclave located along Highway 12, adjacent to Fairfield. Established in the 1850s as a focal point of commerce and transportation during California's Gold Rush, Suisun City is the only waterfront community in central Solano County. In 2005, the City had an estimated population of 27,700 people. Suisun City's economy, public transportation and education systems are closely linked to Fairfield's. However, the City currently has the only Capitol Corridor rail line station in Solano County. The Capitol Corridor rail is a 170-mile passenger train system connecting Sacramento and San Jose.

DEMOGRAPHIC AND EMPLOYMENT TRENDS

Although Suisun City experienced the highest growth out of all the market area cities in Solano County over the last 25 years, at an annual rate of 3.7 percent, this is primarily attributable to its relatively small size (see **Table 8.1)**. According to ABAG Projections 2007, Suisun City's growth will slow down between 2005 and 2030 with an average annual growth rate of 1.1 percent between 2005 and 2030 (see **Table 8.2**).

Demographic trends in Suisun City mirror those in the County as a whole with 35 to 54 and 19 and under age groups accounted for the majority of the population, making up 68 percent of the total. The three to four persons per households cohort made up the majority of all households in 2000, indicating a strong presence of families with children (see **Table 8.3**). Consistent with the broader County trend, the 20 to 34 year old age group declined between 1990 and 2000.The City's average household size of 3.23 in 2005 was the largest among the market area cities in Solano County (see **Table 8.1** and **Figure 7.3**).

The City has experienced a rise of educational attainment between 1990 and 2000, outperforming the average growth throughout the Bay Area (see **Figure 7.5**). The most significant increase has occurred within the some college/associate degree group. Suisun City experienced a 23 percent growth in this category, compared to the average growth of seven percent in the Bay Area as a whole. However, in 2000, Suisun City's population share with a bachelor's degree and above was only 17 percent, the lowest in the market area cities in Solano County (see **Table 8.4**).

Suisun City has the lowest crime rate in Solano County and one of the lowest in California. According to RAND, there were a total of 2.5 violent crimes per 1,000 in 2000 (see **Figure 7.1**). This number is 120 percent lower than Fairfield's average and 149 percent lower than the County average. According to www.psk12.com, Fairfield-Suisun Unified district high schools averaged a ranking of 654 in 2005, above the County average (see **Figure 7.2**).

Table 8.1
DOF Historical Demographic Trends in the City of Suisun City (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	11,087	22,704	27,247	27,716	11,617	7.4%	n/a	4,543	1.8%	n/a	469	0.3%	n/a	16,629	3.7%	n/a
Households	3,434	6,699	7,800	8,542	3,265	6.9%	n/a	1,101	1.5%	n/a	742	1.8%	n/a	5,108	3.7%	n/a
Persons/HH	3.23	3.39	3.49	3.23	0.16	0.5%	n/a	0.11	0.3%	n/a	(0.26)	-1.5%	n/a	0	0.0%	n/a
Housing Units by Type																
Single Family																
Detached	n/a	5,386	7,016	7,377	n/a	n/a	n/a	1,630	2.7%	141.1%	361	1.0%	69.2%	n/a	n/a	n/a
Attached	n/a	46	49	189	n/a	n/a	n/a	3	0.6%	0.3%	140	31.0%	26.8%	n/a	n/a	n/a
Subtotal	2,855	5,432	7,065	7,566	2,577	6.6%	76.2%	1,633	2.7%	141.4%	501	1.4%	96.0%	4,711	4.0%	93.1%
Multifamily																
2 to 4 Units	n/a	677	199	327	n/a	n/a	n/a	(478)	-11.5%	-41.4%	128	10.4%	24.5%	n/a	n/a	n/a
5+ Units	n/a	840	840	754	n/a	n/a	n/a	0	0.0%	0.0%	(86)	-2.1%	-16.5%	n/a	n/a	n/a
Subtotal	739	1,517	1,039	1,081	778	7.5%	23.0%	(478)	-3.7%	-41.4%	42	0.8%	8.0%	342	1.5%	6.8%
Mobile Homes	61	87	87	66	26	3.6%	1%	0	0.0%	0.0%	(21)	-5.4%	-4.0%	5	0.3%	0.1%
Total Units	3,655	7,036	8,191	8,713	3,381	6.8%	100%	1,155	1.5%	100%	522	1.2%	100%	5,058	3.5%	100%

Source: California Department of Finance City/County Population and Housing Estimates; Economic & Planning Systems, Inc.

Table 8.2
Projected Growth in the City of Suisun City (2005-2030)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2030	2005-2015			2015-2030			2005-2030		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	27,716	32,200	36,600	4,484	16%	1.5%	4,400	16%	0.9%	8,884	32%	1.1%
Households	8,542	9,780	11,170	1,238	14%	1.4%	1,390	16%	0.9%	2,628	31%	1.1%
Persons/Household	3.23	3.28	3.27	0.05	1%	0.1%	-0.01	0%	0.0%	0.03	1%	0.0%
Mean HH Income (in 2000$$)	$73,500	$79,000	$91,800	$5,500	7%	0.7%	$12,800	17%	1.0%	18,300	25%	0.9%
Employed Residents	13,600	15,760	18,610	2,160	16%	1.5%	2,850	21%	1.1%	5,010	37%	1.3%
Jobs												
Ag & Natural Resources	40	41	49	1	2%	0.2%	8	19%	1.2%	8	21%	0.8%
Manuf, Wholesale & Trans.	492	597	828	105	21%	2.0%	230	47%	2.2%	335	68%	2.1%
Retail	563	696	896	133	24%	2.1%	200	36%	1.7%	333	59%	1.9%
Financial & Prof. Service	603	753	1,003	150	25%	2.2%	250	42%	1.9%	400	66%	2.1%
Health, Ed. & Rec. Service	1,708	2,136	2,795	427	25%	2.3%	659	39%	1.8%	1,087	64%	2.0%
Other	673	867	1,139	194	29%	2.6%	272	40%	1.8%	466	69%	2.1%
Total	4,080	5,090	6,710	1,010	25%	2.2%	1,620	40%	1.9%	2,630	64%	2.0%
Jobs/Household	0.48	0.52	0.60	0.04	9%	0.9%	0.08	17%	1.0%	0.12	26%	0.9%
Jobs/Employed Resident	0.30	0.32	0.36	0.02	8%	0.7%	0.04	13%	0.7%	0.06	20%	0.7%

Source: California Department of Finance, ABAG Projections 2005 and 2007, Economic & Planning Systems, Inc.

Table 8.3
Census Historical Demographic Trends in the City of Suisun City (1990-2000)
I-80 Corridor Market Analysis, EPS#16018

Item	1990		2000		1990-2000		
	Number	% of Total	Number	% of Total	#	%	%/Year
Population	22,686	n/a	26,050	n/a	3,364	15%	1.4%
Population by Age Cohort							
19 and Under	9,006	40%	9,236	35%	230	3%	0.3%
20 to 34	5,968	26%	5,006	19%	(962)	-16%	-1.7%
35 to 54	5,963	26%	8,615	33%	2,652	44%	3.7%
55 to 64	971	4%	1,741	7%	770	79%	6.0%
65 and Over	778	3%	1,452	6%	674	87%	6.4%
Total	22,686	100%	26,050	100%	3,364	15%	1.4%
Households by Size							
1 to 2	2,258	34%	3,060	39%	802	36%	3.1%
3 to 4	2,918	44%	3,247	41%	329	11%	1.1%
5 and Over	1,469	22%	1,634	21%	165	11%	1.1%
Total	6,645	100%	7,941	100%	1,296	20%	1.8%
Household Type							
Family	5,680	85%	6,518	82%	838	15%	1.4%
Non-Family	965	15%	1,423	18%	458	47%	4.0%
Total	6,645	100%	7,941	100%	1,296	20%	1.8%
Units in Structure							
1 Unit Detached	5,378	77%	6,813	84%	1,435	27%	2.4%
1 Unit Attached	49	1%	189	2%	140	286%	14.5%
2 to 19 Units	1,252	18%	656	8%	(596)	-48%	-6.3%
20 to 49 Units	120	2%	114	1%	(6)	-5%	-0.5%
50 or More Units	99	1%	311	4%	212	214%	12.1%
Mobile Home & Other	131	2%	66	1%	(65)	-50%	-6.6%
Total	7,029	100%	8,149	100%	1,120	16%	1.5%
Tenure							
Owner Occupied	4,389	66%	5,882	74%	1,493	34%	3.0%
Renter Occupied	2,304	34%	2,107	26%	(197)	-9%	-0.9%
Total	6,693	100%	7,989	100%	1,296	19%	1.8%
Median HH Income (in 1999$$)	$55,769		$60,848		5,079	9%	0.9%
Average HH Income (in 1999$$)	$58,627		$66,301		7,673	13%	1.2%
Unemployment Rate	5.8		5.0		(0.8)	-14%	-1.5%
Place of Work							
Suisun	560	6%	935	8%	375	67%	5.3%
Rest of Solano County	5,070	53%	5,829	49%	759	15%	1.4%
Sacramento County	125	1%	276	2%	151	121%	8.2%
Placer County	15	0%	20	0%	5	33%	2.9%
Yolo County	64	1%	160	1%	96	150%	9.6%
Other	3,795	39%	4,569	39%	774	20%	1.9%
Total	9,629	100%	11,789	100%	2,160	22%	2.0%

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between

Source: U.S. Census 1990 and 2000; Economic & Planning Systems, Inc.

Table 8.4
Suisun City Educational Attainment Trends
I-80 Corridor Market Analysis, EPS#16018

Educational Attainment	1990 #	1990 %	2000 #	2000 %	1990-2000 #	1990-2000 % Change
Suisun City						
No Diploma	2,216	18%	2,192	14%	-24	-1%
High School Graduate	3,306	27%	3,884	26%	578	17%
Some College/Associate Degree	5,268	43%	6,487	43%	1,219	23%
Bachelor's Degree	1,202	10%	2,049	13%	847	70%
Graduate/Professional Degree	388	3%	575	4%	187	48%
Total	12,380	100%	15,187	100%	n/a	n/a
San Francisco-Oakland-San Jose CMSA						
No Diploma	723,472	17%	765,661	16%	42,189	6%
High School Graduate	880,827	21%	841,070	18%	(39,757)	-5%
Some College/Associate Degree	1,293,000	31%	1,382,641	29%	89,641	7%
Bachelor's Degree	827,653	20%	1,104,451	23%	276,798	33%
Graduate/Professional Degree	465,899	11%	670,365	14%	204,466	44%
Total	4,190,851	100%	4,764,188	100%	n/a	n/a

Source: Census 1990 and 2000; Economic & Planning Systems, Inc.

On the employment side, Suisun City is a relatively small player in the regional market with 4,080 jobs in 2005. The health, educational and recreational services category accounted for the largest employment portion with over 1,700 jobs. But Suisun City's employment is expected to grow by 2.0 percent annually, outpacing the population and household growth (**see Table 8.2**). The major portion of the employment growth will take place in the health, educational and recreational services sector.

Currently Suisun City has the lowest percentage of residents working in the City out of all the market area Cities. It also has the lowest jobs per employed resident ratio with approximately 30 percent. In 2000, eight percent of Suisun City's employed residents worked in the City, compared to just six percent in 1990. Approximately 43 percent commuted outside Solano County, with Contra Costa, Alameda, and Napa Counties as primary destinations of commute (see **Table 8.3**). These trends emphasize a commuting profile of the residents and employment shortage in the City.

GROWTH PRESSURES

Suisun City's traditional appeal has included a relatively affordable home supply in a small town setting with low crime rates, good schools, and major employment center access, Fairfield, San Francisco and Sacramento. However, the median home price in Suisun City grew by 19 percent over the last five years, reaching up to $425,000 by 2005 (see **Table 8.5)**. Suisun City's median home price was the lowest compared to the market area cities in Solano County in 2005.

A 10-year downtown revitalization effort, approved in 1990, resulted in a new town plaza and city hall; a waterfront park and promenade; a 150-berth marina; a theater; and new commercial space, including restaurants, offices, and stores. The old train depot has been converted into a commuter center with train and bus service to San Francisco, Oakland, and Sacramento. In addition, Victorian Harbor, a 300-unit single-family home community has been developed within walking distance of the train station and the waterfront.

According to DOF, 86.8 percent of the total residential uses in 2005 were single-family units, compared to the 75.7 percent average for Solano County (see **Table 8.1** and **Figure 7.6).** Single-family product is likely to continue dominating Suisun City's housing market due to historical preferences, growing household size, and the City's appeal to families. However, growth of the retiree age group, smaller households, and housing prices suggest that a limited amount of higher density development may be feasible in the future.

Table 8.5
Historical Housing Price and Sales Volume Trends in Suisun City, 1995-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1995 (1)	2000 (1)	2005 (2)	1995-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)	32	51	67	59%	9.8%	32%	5.7%
Median Sales Price (3)	$129,708	$178,312	$425,000	37%	6.6%	138%	19.0%
Average Sales Price (3)	$135,696	$201,406	n/a	48%	8.2%	n/a	n/a
Average Size (Square Feet)	1,468	1,470	n/a	0%	0.0%	n/a	n/a
Average Sales Price per Square Foot	$92	$137	n/a	48%	8.2%	n/a	n/a

(1) RAND
(2) San Francisco Chronicle Charts
(3) The price reported here is for the fourth quarters for the respective years.

Source: San Francisco Chronicle Charts; DataQuick; Economic & Planning Systems, Inc.

PIPELINE PROJECTS AND SITES

With the exception of the proposed Wal-Mart Supercenter, most of the pipeline projects in Suisun City are relatively small scale, consistent its small town setting. Several projects also demonstrate a trend toward higher-density as briefly discussed below:

- **Main Street West Project:** A waterfront redevelopment area that will be centered around Harbor Square, a 38,500 square foot state of the art business space, that will include 17,500 square feet of street level retail and 21,000 square feet of office and professional uses on the second floor. It is being developed by Main Street West Partners.

- **Suisun Seafood Store:** A retail development that will include a grocery store and inline retail. It is being developed by Rene Canlas.

- **McCoy Creek Mixed-Use Project:** Developed by Coastal Inland, the site is located along Highway 12. The project is under construction and will include a 6,818 square foot, four-unit, one-story office building, 10 live/work units, and 19 single-family homes.

- **Amberwood:** Located off Blossom Avenue, the project will include 28 single-family homes. It is being developed by Edenbridge, Inc.

- **Peterson Ranch:** The project includes 548 single-family units located on East Tabor Avenue and Bella Vista Drive by Travis Air Force Base. It is developed by Forecast Homes Inc.

- **Breezewood Village Apartments:** An 80-unit affordable apartment complex developed by Alpha III Development, Inc. located off of Worley Road.

- **Wal-Mart Super Center:** A retail development at the northwest corner of Walters and Highway 12 is currently in the EIR phase. This project is likely to range between 100,000 and 150,000 square feet in size.

DIXON

Dixon is a historic farming town founded in 1868 and located adjacent to the Yolo County line. With a population of 17,179 it is the smallest of the Solano County I-80 Corridor cities. Dixon's northern location in the County links its economy to the Sacramento Metropolitan Area more than other Solano County cities with a particularly important connection to the University town of Davis. The AMTRAK mainline between the Bay Area and Sacramento passes through Dixon. In 2006, the City finished its construction of a multi-modal train station near downtown, although it has not been utilized.

According to RAND, Dixon's crime rate was 3.9 per 1,000 in 2000, consistent with the historic average range of 2.1 to 4.2 per 1,000 over the last ten years (see **Figure 7.1**). Dixon's crime rate was well below the County and California average in 2000. According to www.psk12.com, Dixon Unified district high schools averaged a ranking of 483 in 2005, the lowest average out of all the market area cities in Solano County (see **Figure 7.2**). This score implies school underperformance.

Despite a relatively low school quality, there has been a rise in educational attainment between 1990 and 2000, as Dixon's population has experienced significant growth in some college/associate degree, bachelor's degree, and graduate/professional degree categories (see **Figure 7.5**). The graduate/professional degree category experienced an 83 percent growth, the highest out of all the market area cities in the County (see **Table 9.4**). This increase is likely due to the City's increasing linkage to neighboring Davis and the influx of faculty and staff seeking more affordable residential options. However, the share of the population with a bachelor's degree and above was 18 percent, below the County average.

DEMOGRAPHIC AND EMPLOYMENT TRENDS

Dixon's population base has experienced a 3.3 percent average annual growth between 1980 and 2005 (see **Table 9.1)**. The growth was particularly high between 1990 and 2000, averaging 4.1 percent a year. According to ABAG Projections 2007, Dixon's growth will continue at 2.1 percent annually between 2005 and 2030, increasing by 11,800 residents (see **Table 9.2**).

For the most part, Dixon's demographic trends are similar to the rest of the County. Large households with five or more people have experienced the highest growth in Dixon between 1990 and 2000, reflecting its role as lower cost single-family housing market. The age cohorts typically associated with families, 35 to 54 year olds and 19 and under, grew by 4.8 percent and 4.6 percent, respectively, the fastest growing population segment. However, Dixon is the only city in the Solano County market area to experience an increase of the 20 to 34 age cohort between 1990 and 2000 (see **Table 9.3**).

Table 9.1
DOF Historical Demographic Trends in the City of Dixon (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	7,541	10,417	15,571	17,179	2,876	3.3%	n/a	5,154	4.1%	n/a	1,608	2.0%	n/a	9,638	3.3%	n/a
Households	2,426	3,413	4,989	5,455	987	3.5%	n/a	1,576	3.9%	n/a	466	1.8%	n/a	3,029	3.3%	n/a
Persons/HH	3.10	3.04	3.11	3.14	(0.06)	-0.2%	n/a	0.07	0.2%	n/a	0.03	0.2%	n/a	0.04	0.0%	n/a
Housing Units by Type																
Single Family																
Detached	n/a	2,656	4,264	4,628	n/a	n/a	n/a	1,608	4.8%	97.7%	364	1.7%	103.7%	n/a	n/a	n/a
Attached	n/a	185	186	213	n/a	n/a	n/a	1	0.1%	0.1%	27	2.7%	7.7%	n/a	n/a	n/a
Subtotal	2,157	2,841	4,450	4,841	684	2.8%	72.1%	1,609	4.6%	97.8%	391	1.7%	111.4%	2,684	3.3%	91.1%
Multifamily																
2 to 4 Units	n/a	268	305	378	n/a	n/a	n/a	37	1.3%	2.2%	73	4.4%	20.8%	n/a	n/a	n/a
5+ Units	n/a	417	417	256	n/a	n/a	n/a	0	0.0%	0.0%	(161)	-9.3%	-45.9%	n/a	n/a	n/a
Subtotal	437	685	722	634	248	4.6%	26.1%	37	0.5%	2.2%	(88)	-2.6%	-25.1%	197	1.5%	6.7%
Mobile Homes	21	38	38	86	17	6.1%	1.8%	0	0.0%	0.0%	48	17.7%	13.7%	65	5.8%	2.2%
Total Units	2,615	3,564	5,210	5,561	949	3.1%	100%	1,646	3.9%	100%	351	1.3%	100%	2,946	3.1%	100%

Source: California Department of Finance City/County Population and Housing Estimates; Economic & Planning Systems, Inc.

Table 9.2
Projected Growth in the City of Dixon (2005-2030)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2030	2005-2015			2015-2030			2005-2030		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	17,179	22,000	29,000	4,821	28%	2.5%	7,000	41%	1.9%	11,821	69%	2.1%
Households	5,455	6,950	9,200	1,495	27%	2.5%	2,250	41%	1.9%	3,745	69%	2.1%
Persons/Household	3.14	3.17	3.15	0.02	1%	0.1%	-0.01	0%	0.0%	0.01	0%	0.0%
Mean HH Income (in 2000$$)	$71,000	$80,100	$92,000	$9,100	13%	1.2%	$11,900	17%	0.9%	21,000	30%	1.0%
Employed Residents	7,890	10,110	13,030	2,220	28%	2.5%	2,920	37%	1.7%	5,140	65%	2.0%
Jobs												
Ag & Natural Resources	230	238	255	7	3%	0.3%	18	8%	0.5%	25	11%	0.4%
Manuf, Wholesale & Trans.	1,152	1,333	1,740	181	16%	1.5%	407	35%	1.8%	588	51%	1.7%
Retail	972	1,137	1,392	165	17%	1.6%	255	26%	1.4%	420	43%	1.4%
Financial & Prof. Service	811	961	1,206	149	18%	1.7%	245	30%	1.5%	395	49%	1.6%
Health, Ed. & Rec. Service	1,673	1,973	2,459	301	18%	1.7%	486	29%	1.5%	786	47%	1.6%
Other	1,002	1,209	1,508	207	21%	1.9%	299	30%	1.5%	506	51%	1.6%
Total	5,840	6,850	8,560	1,010	17%	1.6%	1,710	29%	1.5%	2,720	47%	1.5%
Jobs/Household	1.07	0.99	0.93	-0.08	-8%	-0.8%	-0.06	-5%	-0.4%	-0.14	-13%	-0.6%
Jobs/Employed Resident	0.74	0.68	0.66	-0.06	-8%	-0.9%	-0.02	-3%	-0.2%	-0.08	-11%	-0.5%

Source: California Department of Finance, ABAG Projections 2005 and 2007, Economic & Planning Systems, Inc.

Table 9.3
Census Historical Demographic Trends in the City of Dixon (1990-2000)
I-80 Corridor Market Analysis, EPS#16018

Item	1990		2000		1990-2000		
	Number	% of Total	Number	% of Total	#	%	%/Year
Population	10,401	n/a	16,089	n/a	5,688	55%	4.5%
Population by Age Cohort							
19 and Under	3,527	34%	5,545	34%	2,018	57%	4.6%
20 to 34	2,476	24%	3,627	23%	1,151	46%	3.9%
35 to 54	2,924	28%	4,693	29%	1,769	60%	4.8%
55 to 64	672	6%	1,052	7%	380	57%	4.6%
65 and Over	802	8%	1,172	7%	370	46%	3.9%
Total	10,401	100%	16,089	100%	5,688	55%	4.5%
Households by Size							
1 to 2	1,494	44%	2,085	41%	591	40%	3.4%
3 to 4	1,327	39%	2,068	41%	741	56%	4.5%
5 and Over	565	17%	949	19%	384	68%	5.3%
Total	3,386	100%	5,102	100%	1,716	51%	4.2%
Household Type							
Family	2,760	82%	4,235	83%	1,475	53%	4.4%
Non-Family	626	18%	867	17%	241	38%	3.3%
Total	3,386	100%	5,102	100%	1,716	51%	4.2%
Units in Structure							
1 Unit Detached	2,632	74%	4,229	82%	1,597	61%	4.9%
1 Unit Attached	169	5%	212	4%	43	25%	2.3%
2 to 19 Units	483	14%	558	11%	75	16%	1.5%
20 to 49 Units	143	4%	34	1%	(109)	-76%	-13.4%
50 or More Units	67	2%	28	1%	(39)	-58%	-8.4%
Mobile Home & Other	61	2%	86	2%	25	41%	3.5%
Total	3,555	100%	5,147	100%	1,592	45%	3.8%
Tenure							
Owner Occupied	2,263	66%	3,707	73%	1,444	64%	5.1%
Renter Occupied	1,141	34%	1,370	27%	229	20%	1.8%
Total	3,404	100%	5,077	100%	1,673	49%	4.1%
Median HH Income (in 1999$$)	$50,099		$54,472		4,373	9%	0.8%
Average HH Income (in 1999$$)	$58,234		$62,077		3,843	7%	0.6%
Unemployment Rate	n/a		4.8				
Place of Work							
Dixon	1,381	30%	2,010	28%	629	46%	3.8%
Rest of Solano County	1,447	31%	2,480	34%	1,033	71%	5.5%
Sacramento County	523	11%	877	12%	354	68%	5.3%
Placer County	n/a	n/a	69	1%	n/a	n/a	n/a
Yolo County	882	19%	935	13%	53	6%	0.6%
Other	439	9%	898	12%	459	105%	7.4%
Total	4,672	100%	7,269	100%	2,528	54%	4.5%

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between

Source: U.S. Census 1990 and 2000; Economic & Planning Systems, Inc.

Table 9.4
Dixon Educational Attainment Trends
I-80 Corridor Market Analysis, EPS#16018

Educational Attainment	1990		2000		1990-2000	
	#	%	#	%	#	%
Dixon						
No Diploma	1,442	23%	2,159	22%	717	50%
High School Graduate	1,653	26%	2,338	24%	685	41%
Some College/Associate Degree	2,010	32%	3,317	35%	1,307	65%
Bachelor's Degree	802	13%	1,186	12%	384	48%
Graduate/Professional Degree	332	5%	609	6%	277	83%
Total	6,239	100%	9,609	100%	n/a	n/a
San Francisco-Oakland-San Jose CMSA						
No Diploma	723,472	17%	765,661	16%	42,189	6%
High School Graduate	880,827	21%	841,070	18%	(39,757)	-5%
Some College/Associate Degree	1,293,000	31%	1,382,641	29%	89,641	7%
Bachelor's Degree	827,653	20%	1,104,451	23%	276,798	33%
Graduate/Professional Degree	465,899	11%	670,365	14%	204,466	44%
Total	4,190,851	100%	4,764,188	100%	n/a	n/a

Source: Census 1990 and 2000; Economic & Planning Systems, Inc.

There were 5,830 jobs in Dixon in 2005, according to ABAG, second only behind Suisun City in terms of fewest jobs. The health, educational and recreational services category accounted for the largest employment portion with 1,673 jobs. Jobs in the City are projected to further grow by 1.5 percent a year, less than the population and household growth (see **Table 9.2**). Most of the future job growth is expected to come from the health, educational and recreational services sector.

The largest employers in Dixon are Kragen Auto Works with 350 employees, Dixon Unified School District with 325 employees, Dixon Canning Corporation with 300 employees, and Gymboree, Inc. distribution center, Cardinal Health, and Superior Packing Company, with 200 employees each. In addition, Dixon's economy is impacted by the University of California, Davis, which employs many Dixon residents among its 18,000 employee base.

Similarly to the broader trend, the job and housing imbalance has worsened in Dixon. In 2000, 28 percent of employed residents worked in the City, compared to 30 percent in 1990. Approximately 38 percent commuted outside Solano County, with Yolo and Sacramento Counties as primary destinations (see **Table 9.3**). The highest portion of Dixon's residents worked within the County compared to all the market area cities in Solano County. Dixon's unemployment rate was 4.8 percent in 2005, second lowest to Vacaville's.

GROWTH PRESSURES

Dixon's urban landscape has been primarily driven by the outward spread of new single-family detached homes, a development category providing developers with the best investment return. Dixon has the largest single-family housing ratio relative to the rest of the Solano County market area cities. In 2005, DOF reported over 87 percent of Dixon's residential supply as single-family with multifamily virtually non-existent prior to 2001 (see **Table 9.1** and **Figure 7.6).** Single-family housing is likely to continue dominating Dixon's housing market. This trend clearly demonstrates a low-density living preference and suggests that densification pattern is not likely in the near future. In addition, Dixon's geographic location with the abundance of land around the City provides relatively easy annexation opportunities, demonstrated by several pipeline projects.

The median housing price in Dixon experienced the highest growth from Solano County market area cities since 2000, reaching $505,000 by 2005 (see **Table 9.5**). It is worth noting that this price might be skewed by Dixon's dominant single-family housing ratio, which inflates the median. By 2005, Dixon had the highest median price out of all the market area cities in Solano County, reflected by its proximity to Sacramento's growing job market and to Davis, located six miles east.

Table 9.5
Historical Housing Price and Sales Volume Trends in the City of Dixon, 1995-2005 (in Constant $$)
I-80 Corridor Market Analysis, EPS#16018

Item	1995 (1)	2000 (1)	2005 (2)	1995-2000		2000-2005	
				% Change	Ann. Growth	% Change	Ann. Growth
Home Sales (Monthly Average)	24	25	40	4%	0.8%	61%	10.0%
Median Sales Price (3)	$145,208	$180,917	$505,000	25%	4.5%	179%	22.8%
Average Sales Price (3)	$147,904	$192,671	n/a	30%	5.4%	n/a	n/a
Average Size (Square Feet)	1,533	1,534	n/a	0%	0.0%	n/a	n/a
Average Sales Price per Square Foot	$96	$126	n/a	30%	5.4%	n/a	n/a

(1) RAND
(2) DataQuick
(3) The price reported here is for the fourth quarters for the respective years.

Source: RAND, DataQuick; Economic & Planning Systems, Inc.

There is a relatively small amount of commercial, office, and industrial space in Dixon reflective a relatively week employment sector. The majority of existing employment uses is land intensive and is not likely to allow densification possibilities. Although the quality of the labor force has improved in recent years, other cities in the County are more likely to benefit from this trend due to a relatively small employment base and lack of a viable commercial district or job center or competitive infrastructure.

PIPELINE PROJECTS AND SITES

There are several developments in Dixon's pipeline. They three major projects are briefly described below:

- **Dixon Downs:** The Project will incorporate a state-of-the-art thoroughbred horse racing and training facility, entertainment, retail and office uses, and a hotel/conference center on 260-acre site located along Interstate 80 in the northeast portion of the City. It will be developed by Magna Corporation. The Project's final approval may depend on the special election vote, likely to occur in 2007.

- **Milk Farm:** The 60-acre site located along the Northern part of Interstate 80 on Currey Road will be developed and annexed to the City. The mixed-use project will include highway commercial, industrial, and agricultural uses situated around a five-acre lake.

- **Brookfield Project:** The Project located along South First Street involves construction of approximately 400 low- to medium-density single-family units, with lot sizes ranging from 1,600 to 4,000 square feet. In addition, a high-density 120-unit senior citizen complex is also planned.

Figure 7.1

Crime Rate (1990-2000)

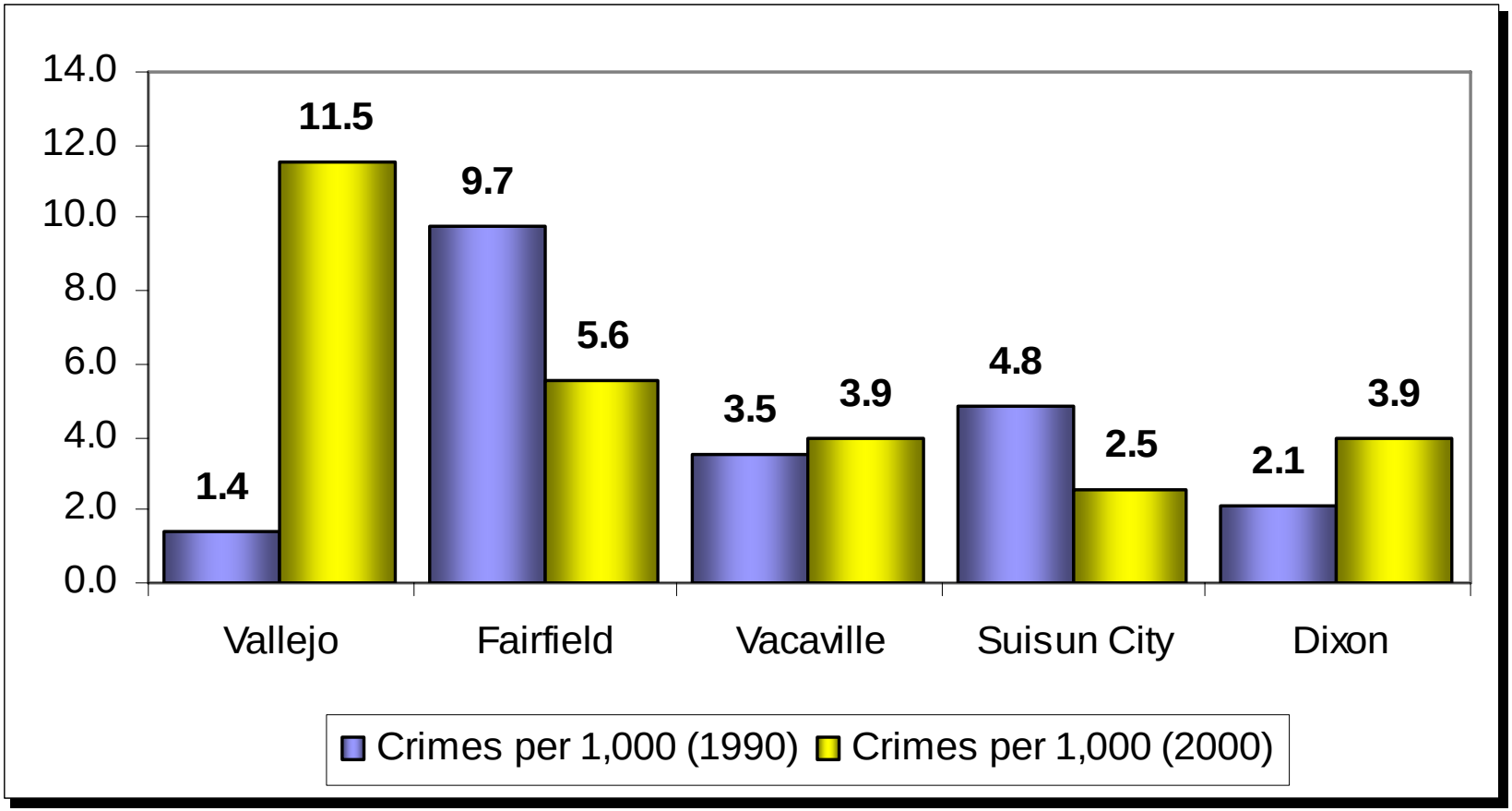


Figure 7.2

High School Ranking (1999-2005)

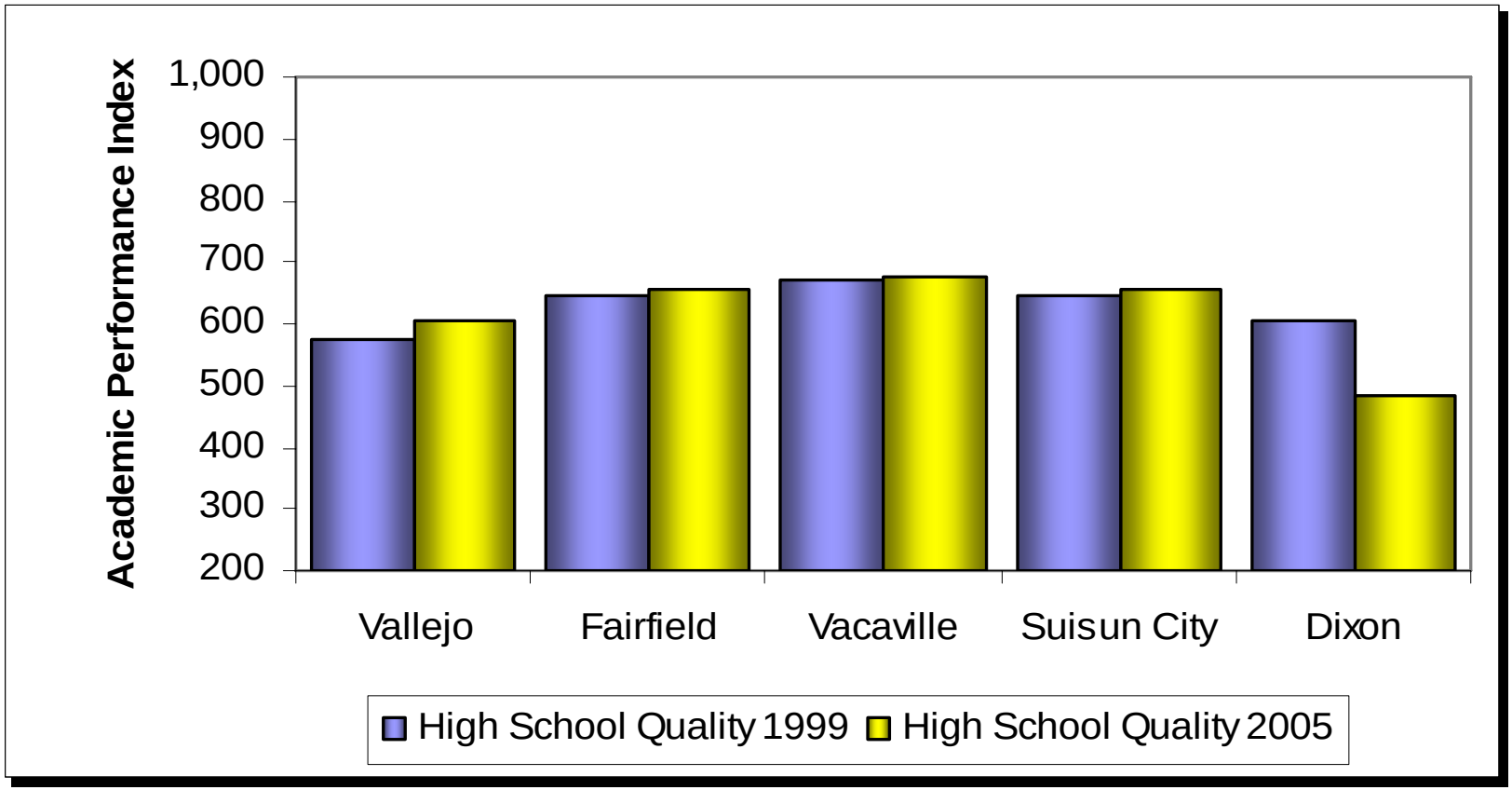


Figure 7.3

Housing and Household Size (2000)

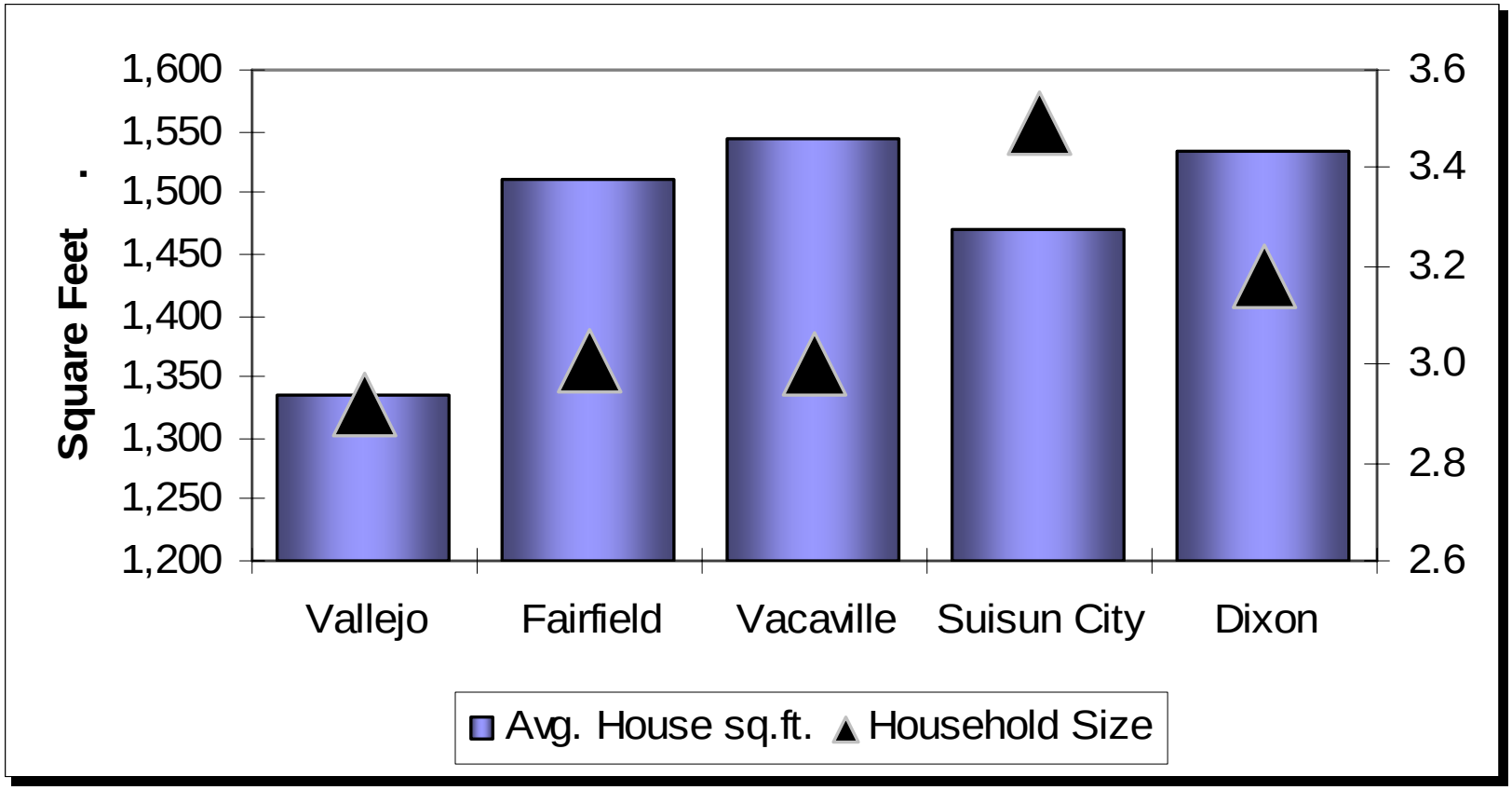


Figure 7.4

2005 Income Comparison ($2000)

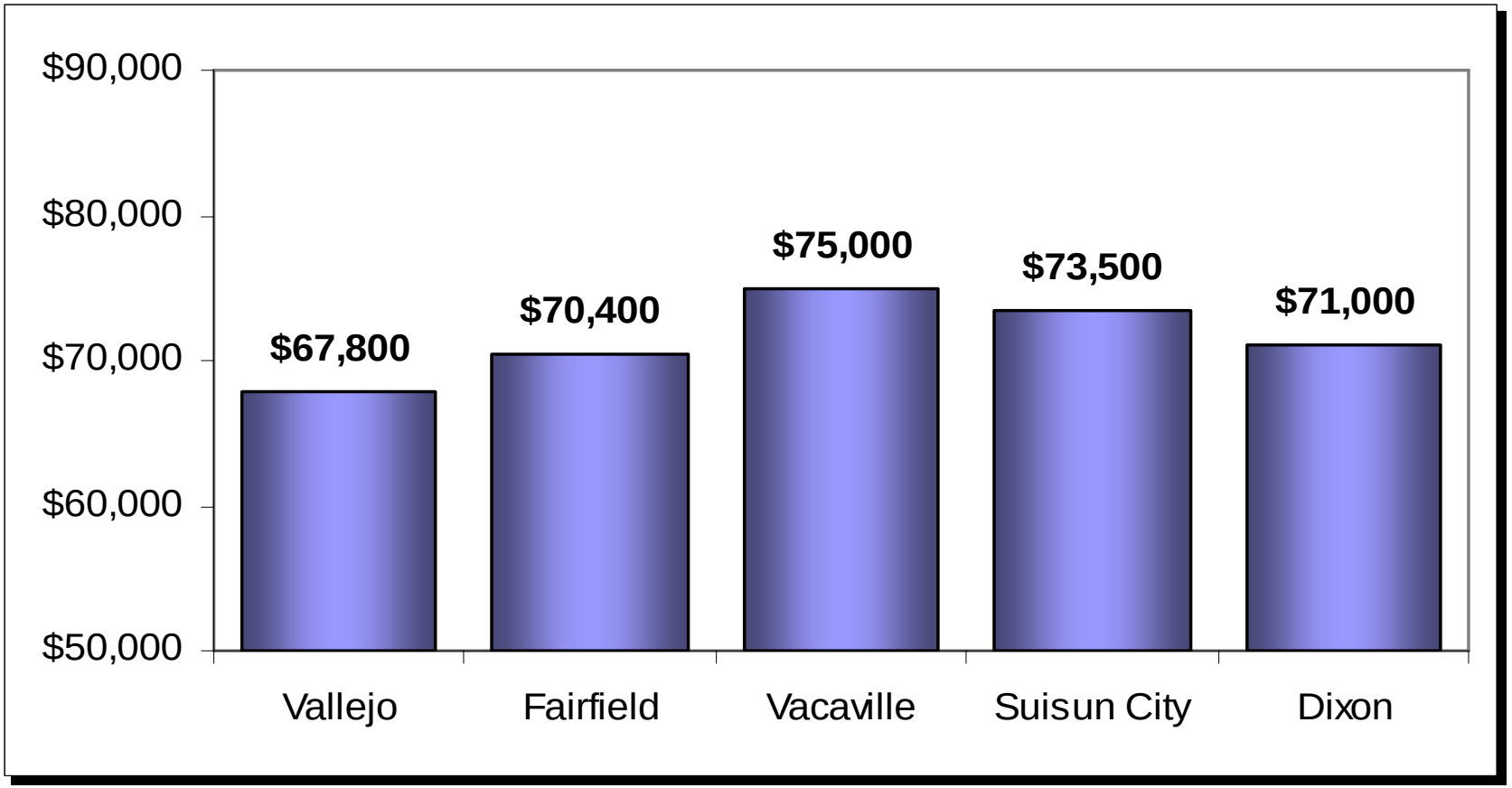


Figure 7.5

Educational Attainment (2000)

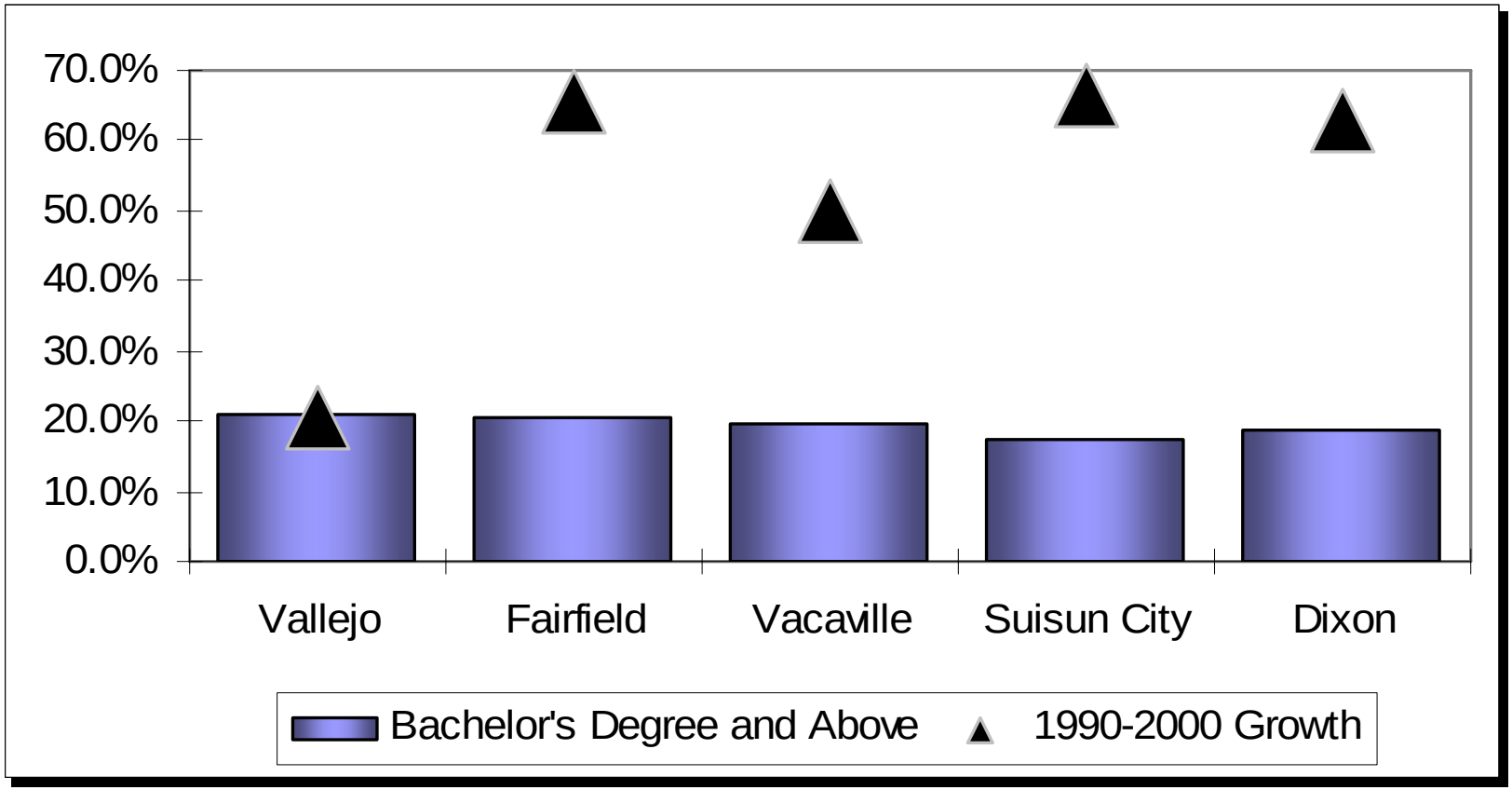
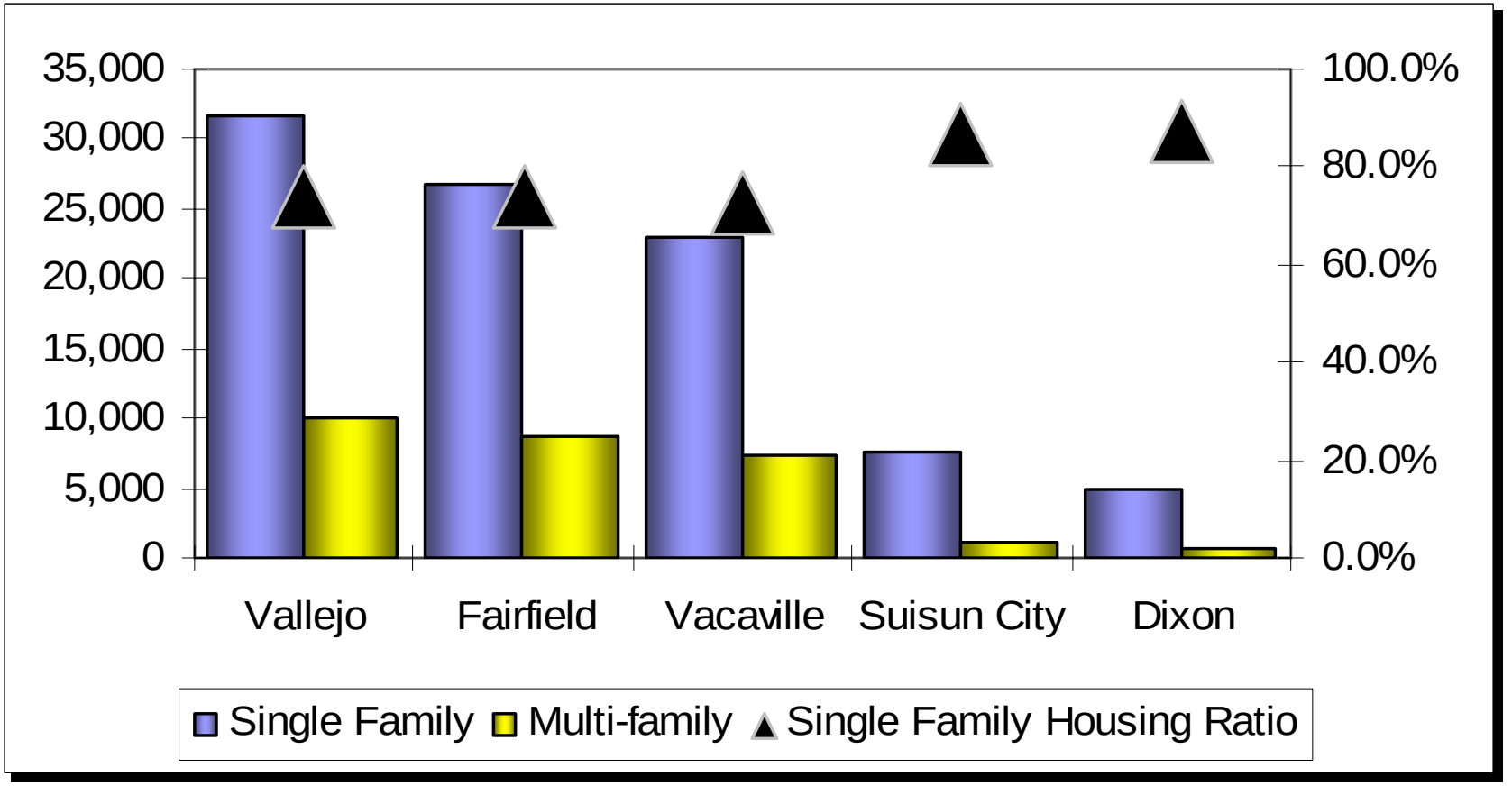


Figure 7.6

Single Family/Multi-Family Breakdown (2005)



Economic &
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APPENDIX B

PROFILE OF SACRAMENTO COUNTY KEY CITIES

APPENDIX B

CITY OF SACRAMENTO

The City of Sacramento is currently in the process of updating its General Plan, which will incorporate Smart Growth Principles. Preferred land use scenarios are now being reviewed that differ in terms of location of housing and jobs and greenfield vs. infill development. The City, as part of the General Plan Update process, has expressed a preference for accommodating a substantial share of anticipated regional housing growth over the 25 year time horizon of the General Plan. This growth will require intensifying uses and reusing sites with existing development. In the scenarios being considered, large districts of existing residential and mixed use development are given additional housing capacity.

Infill and redevelopment projects generally have higher development costs due to infrastructure deficiencies, site preparation costs, and a higher construction costs for required densities. These higher development costs have the potential of changing the income groups of buyers able to afford new housing in City infill sites. While the exact impact of this cost premium will depend on the real estate market and a project's ability to shoulder these costs, there is a potential of infill costs preventing the City from growing to its projected population.

The City has a number of new growth areas that have absorbed much of the recent increase in households. Although these areas have primarily offered single family detached housing, construction costs and the need to provide more affordable housing have begun to have an impact. More small lot and attached housing is now being constructed in these areas.

- North Natomas Community Plan: This area is the largest new growth area of the City and has been the growth engine of the City for the past several years. The area is comprised of approximately 7,400 acres with an estimated 26,500 residential units at buildout, with a mixture of densities. The North Natomas plan calls for a new urban form integrating residential, commercial, industrial and civic uses interdependent on transit. North Natomas is characterized by:
    - Town Center, located in the heart of the community, serving as the center of activity. This community focal point is anchored by the Education Complex, the Regional Park, commercial centers, high-density residential and civic uses.
    - Regional Park located next to the Town Center serving the entire City of Sacramento. Neighborhood Parks built in each neighborhood providing joint use with schools.
    - Neighborhoods are designed with an elementary school as a focal point. Parks, transit, retail/commercial and civic uses are within close proximity. The intersection of three or four neighborhoods creates a village center with a

commercial center. The plan fosters the formation and participation of neighborhood associations.

- Employment Center development located along the light rail stations and the I-5 corridor. These centers are mixed use developments with primary employment generators and secondary support retail, industrial, and high density residential uses.
- Transit Oriented Development around future light rail stations.

- Natomas Joint Vision Area: This area is 28,055 acres north of North Natomas in the sphere of influence of the City. Development of this area will result in the construction of approximately 44,000 units over the next 50 years. The County of Sacramento has designated 17,864 acres (72 percent) of the land in this unincorporated area as Agricultural Cropland. Other designations include Public and Industrial designations with 3,509 acres (14 percent) and 2,013 acres (8 percent), respectively. Nearly 7,013 acres (28 percent) of the total study area is vacant.

- North Natomas Panhandle Area: is 1,448 acres east of the North Natomas Community Plan area and is also in the City's sphere of influence. Another 2,000 to 3,000 units are proposed in that area. The City of Sacramento is initiating the annexation of this area, which will require development of a master plan for the area that best integrates with existing development and maximizes the amenities of the area.

PIPELINE PROJECTS AND SITES

- Downtown: In 2005, there were approximately 25 development projects planned or under construction, including 780,000 square feet of office, 250,000 square feet of retail, over 2,500 residential units, and 500 hotel rooms. More significant projects include:
  - The Towers is a 53-story development currently under construction. It will include 804 ownership condominiums, 230-room InterContinental Hotel and 60,000 square feet of retail.
  - K Street Lofts is planned for over 300 ownership condominiums, 300,000 square feet of office, and 18,000 square feet of ground floor retail.
  - The Epic Tower will be a 50-story residential development that includes 354 ownership condominiums.
  - The Metropolitan is a planned 35-story mixed-use tower that will include 330 residential units and 35,000 square feet of retail.

- Delta Shores: This development is the City's last significant South Sacramento greenfield site. The area is comprised of 900 acres planned for a mix of residential and commercial uses. The residential component will include single family, medium density and attached for-sale products. The property has light rail access nearby and will incorporate transit supportive uses.

- Railyards Redevelopment: The development of the Railyards is a collaborative effort between the City of Sacramento and Thomas Enterprises. The Railyards Specific Plan provides for the development a new mixed use district in the heart of Sacramento. The 238 acres site is located just north of the Sacramento's central business district and east of the Sacramento River. It is recognized as the largest urban infill site in this region and presents Sacramento with a significant opportunity to accommodate future growth utilizing sustainable and smart growth principles. The Thomas Enterprises' proposal envisions a dynamic urban village that includes:
  - A mix of housing types and affordability ranges. The proposed plan could accommodate residential development between 7,534 and 11,805 at build out.
  - 1.3 million square feet of retail, 2.9 million square feet of office space, other uses such as a performing arts facility, hotels, restaurants, entertainment venues, open space and a placeholder for a downtown sports arena.
  - Adaptive re-use of the historic Union Pacific Central Shops for the future Railroad Technology Museum, public marketplace and other uses that complement the urban mixed-use in the Railyards.
  - The City's proposed Sacramento Inter-modal Facility, known as Sacramento Valley Station, a high priority regional transportation hub that will offer a variety of transportation choices such as passenger rail, light rail, bus service, bicycle, taxicabs and automobiles. The Railyards Specific Plan will provide the necessary residential critical mass for the City's Inter-modal facility.

- Docks Area: The Docks Area, part of the 2003 Riverfront Master Plan, is approximately 43 acres of mostly undeveloped land. It is defined on the north by Capitol Mall, on the east by the I-5 Freeway, on the south by Broadway and on the west by the Sacramento River. The Docks Area is a collection of parcels with great development potential. The goal of the Docks Area Project is to develop the area into a new riverfront mixed-use neighborhood, including the necessary infrastructure, street circulation, and bicycle and pedestrian access.

- Metro Airpark: Located in the county, Metro Air Park is a planned development, including a mix of industrial, office and high-tech buildings, and a 1,000 room hotel. Approximately 551 acres have been designated for light manufacturing and distribution space. The total site will target tenants such as large-footprint distribution centers and office-industrial combinations.

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APPENDIX C

PROFILE OF YOLO COUNTY KEY CITIES

APPENDIX C

DAVIS

COMMUNITY OVERVIEW

Although Davis's origins are as a farming community, today it is mostly known for its UC campus and contributions in biotechnology, medicine, and life science industries. As a college town characterized by low crime and excellent schools, Davis has evolved as one of the more upscale, family-oriented upscale communities the Sacramento region. According to RAND, Davis's rate of 4.2 violent crimes per 1,000 in population in 2000 was 31 percent below the California average. According to www.psk12.com, Davis high schools ranked at 831 in 2005 on a 200 to 1,000 scale, suggesting a relative strength of public education in Davis relative to surrounding communities.

Population in the City of Davis has steadily increased since 1980, reaching 64,400 in 2005 with the majority of this growth occurring between 1990 and 2000. Since that time, the city has adopted development approval processes to control the number of housing units and commercial development (see **Table 10.1**).

Nevertheless, SACOG predicts that the number of residents in Davis will increase by over 12,000 between 2005 and 2035, or an increase of 19 percent. Household growth during this period will be at 21 percent, or an additional 5,200 households in the city. Although single family housing will still dominate the housing type, there is projected to be nearly 10,000 units of multifamily housing in structures of five or more units in 2035.

The demographic composition of the City has not changed significantly since 1990. The 20 to 34 age cohort, which includes most university students, represents the majority of the population at 38 percent of the total. Persons 19 and under also maintain a large percentage at 27 percent. Those of the 35 to 54 cohort and the 19 and under group have changed the most between 1990 and 2000, indicating the majority of this growth in families with school age children and college age teens (see **Table 10.2**)

Household size is primarily in the 1 to 2 person category, at 51 percent for both 1990 and 2000. The smaller households grew at a lower rate between 1990 and 2000, with households with five or more residents increasing by 57 percent. This growth was reflective of the population growth attributed to families with children.

HOUSING AND EMPLOYMENT

According to SACOG, the number of new jobs projected for the city will total nearly 18,000 between 2005 and 2035, an increase of 109 percent with the education sector serving as the primary driver. In terms of building types, retail and office structures accommodate the majority of employment in the City. Unemployment in Davis dropped by over one percent between 1990 and 2000, decreasing to 4.4 percent.

Table 10.1
DOF Historical Demographic Trends in the City of Davis (1980-2005)
I-80 Corridor Market Analysis, EPS#16018

Item	1980	1990	2000	2005	1980-1990 #	1980-1990 %/Yr	1980-1990 % Total	1990-2000 #	1990-2000 %/Yr	1990-2000 % Total	2000-2005 #	2000-2005 %/Yr	2000-2005 % Total	1980-2005 #	1980-2005 %/Yr	1980-2005 % Total
Population	36,640	46,322	58,629	64,401	9,682	2.4%		12,307	2.4%		5,772	1.9%		27,761	2.3%	
Households	14,041	17,953	22,795	24,541	3,912	2.5%		4,842	2.4%		1,746	1.5%		10,500	2.3%	
Persons/HH	2.48	2.47	2.49	2.50	(0.02)	-0.1%		0.02	0.1%		0.01	0.1%		0.02	0.0%	
Single Family Housing Units																
Detached	n/a	7,498	10,716	11,442	n/a	n/a	n/a	3,218	3.6%	65.2%	726	1.3%	36.3%	n/a	n/a	n/a
Attached	n/a	2,025	2,224	2,387	n/a	n/a	n/a	199	0.9%	4.0%	163	1.4%	8.2%	n/a	n/a	n/a
Subtotal	7,818	9,523	12,940	13,829	1,705	2.0%	45.4%	3,417	2.0%	69.2%	889	2.7%	44.5%	6,011	2.3%	56.2%
Multifamily Housing Units																
2 to 4 Units	n/a	1,683	1,970	2,306	n/a	n/a	n/a	287	0.0%	5.8%	336	3.2%	16.8%	n/a	n/a	n/a
5+ Units	n/a	6,702	7,937	8,728	n/a	n/a	n/a	1,235	0.5%	25.0%	791	1.9%	39.6%	n/a	n/a	n/a
Subtotal	6,381	8,385	9,907	11,034	2,004	2.8%	53.4%	1,522	0.5%	30.8%	1,127	5.1%	56.4%	4,653	2.2%	43.5%
Mobile Homes	357	402	402	385	45	1.2%	1.2%	0	0.0%	0.0%	(17)	-0.9%	-0.9%	28	0.3%	0.3%
Total Units	14,556	18,310	23,249	25,248	3,754	2.3%	100%	4,939	0.5%	100%	1,999	1.7%	100%	10,692	2.2%	100%

"Dav1"

Source: California Department of Finance; EPS.

DRAFT

Table 10.2
Census Historical Demographic Trends in the City of Davis (1990-2000)
I-80 Corridor Market Analysis, EPS#16018

Item	1990 Number	1990 % of Total	2000 Number	2000 % of Total	1990-2000 #	1990-2000 %	1990-2000 %/Year
Population	46,209		60,341		14,132	31%	2.7%
Population by Age Cohort							
19 and Under	10,744	23%	16,044	27%	5,300	49%	4.1%
20 to 34	20,484	44%	22,748	38%	2,264	11%	1.1%
35 to 54	9,792	21%	14,478	24%	4,686	48%	4.0%
55 to 64	2,294	5%	3,175	5%	881	38%	3.3%
65 and Over	2,895	6%	3,896	6%	1,001	35%	3.0%
Total	**46,209**	**100%**	**60,341**	**100%**	**14,132**	**31%**	**2.7%**
Households by Size							
1 to 2	10,668	51%	13,551	51%	2,883	27%	2.4%
3 to 4	6,173	34%	7,604	33%	1,431	23%	2.1%
5 and Over	1,127	15%	1,772	17%	645	57%	4.6%
Total	**17,968**	**100%**	**22,927**	**100%**	**4,959**	**28%**	**2.5%**
Household Type							
Family	8,642	73%	11,345	72%	2,703	31%	2.8%
Non-Family	9,326	27%	11,614	28%	2,288	25%	2.2%
Total	**17,968**	**100%**	**22,959**	**100%**	**4,991**	**28%**	**2.5%**
Units in Structure							
1 Unit Detached	7,386	66%	10,575	69%	3,189	43%	3.7%
1 Unit Attached	1,944	4%	2,347	4%	403	21%	1.9%
2 to 19 Units	4,662	20%	4,679	17%	17	0%	0.0%
20 to 49 Units	1,287	2%	1,342	2%	55	4%	0.4%
50 or More Units	2,405	3%	4,283	6%	1,878	78%	5.9%
Mobile Home & Other	598	4%	385	3%	(213)	-36%	-4.3%
Total	**18,282**	**100%**	**23,611**	**100%**	**5,329**	**29%**	**2.6%**
Tenure							
Owner Occupied	7,309	62%	10,199	63%	2,890	40%	3.4%
Renter Occupied	10,617	38%	12,728	37%	2,111	20%	1.8%
Total	**17,926**	**100%**	**22,927**	**100%**	**5,001**	**28%**	**2.5%**
Median HH Income (in 1999$$)	$39,637		$42,454		$2,817	7%	0.7%
Average HH Income (in 1999$$)	$52,950		$59,606		$6,655	13%	1.2%
Unemployment Rate	5.4%		4.4%		-1.1%	-20%	-2.2%
Place of Work							
Davis	11,171	41%	11,660	29%	489	4%	0.4%
Rest of Yolo County	3,819	9%	9,180	11%	5,361	140%	9.2%
Sacramento County	6,314	1%	7,274	1%	960	15%	1.4%
Placer County	120	0%	305	0%	185	154%	9.8%
Solano County	823	0%	1,264	0%	441	54%	4.4%
Other	1,007	50%	1,402	59%	395	39%	3.4%
Total	**23,254**	**100%**	**31,085**	**100%**	**7,831**	**34%**	**2.9%**

"Dav3"

Source: U.S. Census 1990 and 2000

Note: Total population, household and unit numbers are slightly different from the previous tables due to the inconsistency between Department of Finance and Census data.

The median household income in Davis increased by seven percent between 1990 and 2000, reaching $42,400 by 2005. During this same period, the median sale price of all homes increased by 43 percent, with a median sale price of $265,000 in 2000. Between 2000 and 2005, prices increased dramatically by 103 percent, with a median sale price of $539,000 in 2005. Sale prices for new home sales increased at a higher rate (138 percent), with a median sale price of $741,500 in 2005. This price growth was likely attributable to not only the increase in market price experienced throughout the region during this time, but also due to the decreasing availability of housing in Davis resulting from growth controls.

DEVELOPMENT PATTERNS

The City of Davis is committed to the "small town" atmosphere and has a policy for slow, controlled growth. In 2000, voters in Davis approved Measure J which requires that development projects receive approval by the City Council and voters before moving forward. Although the measure was intended to give city voters a voice on growth decisions, it has also limited smaller annexation proposals. Most landowners will not engage in this process unless the development is large.

While several infill/reuse projects have added new apartments over the past few years, the number of single family homes in Davis remains at a fixed level. At the same time, the University of California-Davis continues to grow in terms of enrollment, faculty and staff, adding to the housing demand. Enrollment at the university, currently at 27,000, is expected to reach 32,000 by 2015. The choice of how the campus will accommodate the increase in student and faculty population will have a significant impact on interactions with the City and surrounding communities.

The university also exhibits a high demand for office space, such that virtually any new office or flex product in Davis is immediately leased by the university. The university is responsible for the success of several speculative, stand-alone flex buildings developed within the last five years in Davis.

PIPELINE PROJECTS AND SITES

Key future projects identified as part of this analysis include:

- Mace Ranch: A portion of Mace Ranch, located two and a half miles from the heart of UC Davis, is zoned for office, flex, R&D, or light industrial. Many individual parcels are approved for development, and, cumulatively, amount to over 150 acres. Most parcels are less than 20 acres, but several are larger than 50 acres. It is not known at this time exactly when these parcels will be developed.

- UC Davis Research Park: UC Davis will develop a research park south of I-80 and the I-113 North junction, with 5-6 two-story office buildings of 50,000-75,000 square feet each, consisting of wet labs and office space. Approximately half (240,000 square feet) is estimated to be used for office, though the actual mix of space will depend on tenant needs

- Interland University Research Park: Interland is a property development firm locating its headquarters and several other leasable buildings with Class A space of approximately 10,000 square feet in South Davis. Interland has approximately 10 remaining acres left to develop.

- Cannery Park: This project is a proposed master planned neighborhood of 100 acres within the northern city limits of the City of Davis. The property, formerly the location of the Hunt-Wesson tomato cannery, is north of Covell Boulevard and east of the Southern Pacific Railroad line and the F Street drainage channel. Cannery Park is proposed to provide a mix of single family homes, open space, a multi-purpose drainage system, a neighborhood park, linear parks, bikeways, offices, a public/semi-public land use area, and a small neighborhood-oriented retail/office use within a mixed use core area. 610 residential units are proposed.

WEST SACRAMENTO

OVERVIEW

West Sacramento has historically been viewed as the "blue-collar" area of the region. The Port of Sacramento and other industrial uses provided the majority of employment opportunities during the 1980's and 1990's. However, in recent years, a number of office and retail projects designed to support the increasing population has changed the employment profile of the City. Redevelopment along the waterfront and in areas previously used for industrial purposes has contributed to this emerging image. The City is also seeing a reversal of commute patterns due to creation of employment opportunities.

The population in West Sacramento has increased significantly in recent years and a number of new housing development projects have fueled the growth. In 1990 City population of 28,900 increased to over 40,000 by 2005. SACOG projects population growth to continue at an annual rate of 2.4, accounting for over 42,100 new residents between 2005 and 2035 (see **Table 11.1**)

In addition to strong population growth, SACOG estimates 30,700 new jobs will be created in the City of West Sacramento by the year 2035, with the office sector becoming the largest with over 29,000 jobs. Employment in retail is also projected to be strong. Supporting this trend, a number of significant office projects have recently been completed and are planned, including the new headquarters for the California State Teachers Retirement System.

Overall, West Sacramento appears well positioned to continue to attract a large residential population considering its proximity to Downtown Sacramento and the University of California Davis. Given the above, it would seem reasonable that the evolving population and employment growth would also support higher-density development in West Sacramento.

DEVELOPMENT PATTERNS

The City of West Sacramento recently began the process of updating its general plan. The current general plan does not discuss phasing of the growth, but it acknowledges that before 40,000 people can be located in the Southport area (the area south of the Deep Water Ship Channel), many major infrastructure improvements must be made. A key infrastructural improvement, the Palamidessi Bridge, has now been completed and the Southport area is currently being developed.

Table 11.1
Projected Growth in the City of West Sacramento (2005-2035)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2035	2005-2015			2015-2035			2005-2035		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	39,649	57,092	81,840	17,443	44%	3.7%	24,748	43%	1.8%	42,191	106%	2.4%
Households	14,374	21,403	31,857	7,028	49%	4.1%	10,454	49%	2.0%	17,483	122%	2.7%
Persons/Household	2.76	2.67	2.57	(0.09)	-3%	-0.3%	(0.10)	-4%	-0.2%	(0.19)	-7%	-0.2%
Housing Units by Type												
Single Family	n/a	n/a	20,119	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (2-4 Units)	n/a	n/a	2,898	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (5+ Units)	n/a	n/a	10,517	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**15,448**	**n/a**	**33,534**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**18,086**	**117%**	**2.6%**
Jobs												
Retail	n/a	n/a	15,916	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Office	n/a	n/a	29,417	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical	n/a	n/a	2,133	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial	n/a	n/a	12,482	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
K-12 Education	n/a	n/a	1,454	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
College Education	n/a	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**30,655**	**n/a**	**61,402**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**30,747**	**100%**	**2.3%**
Jobs/Household	2.13	n/a	1.93	n/a	n/a	n/a	n/a	n/a	n/a	(0.21)	-10%	-0.3%

"WSac2"

Source: SACOG

The City has attracted a number of large residential and commercial development projects in recent years. Redevelopment of waterfront properties has been aggressive and the City is becoming an employment node in the region. The City has also attracted a number of retail development projects, including the new IKEA store that opened in 2006.

The city has large single family residential tracts that compete with all other housing markets in the region, and a number of small scale attached housing products have been well received. West Sacramento's proximity, with good access to Downtown Sacramento and Davis, make it an affordable alternative to these areas. In 2005, there were approximately 10,500 single family units compared to 3,400 multifamily units in the City. SACOG predicts that by the year 2035 the number of multifamily housing units in the city will exceed 13,000. Several attached housing projects have already been completed and proposed in the City, including small lot attached units and loft condominiums.

PIPELINE PROJECTS AND SITES

EPS identified the following key pipeline projects as part of this analysis:

- Triangle Specific Plan: This area is a waterfront redevelopment project that encompasses 125 net developable acres bounded by the Sacramento River on the east, S.R. 275 on the north and U.S.50/Business 80 Capital City Freeway on the south. The fully entitled Triangle area is envisioned to develop as an extension of the downtown Sacramento core, predominantly with urban offices and residential uses. The first major development was the 14,500-seat Raley Field baseball stadium, home to the Triple AAA Sacramento River Cats baseball team, minor league affiliate of the Oakland Athletics. The Triangle area is zoned for five to seven million square feet of office, residential and commercial uses.

- Raley's Landing: This development consists of mixed uses consisting of residential, commercial, office, and open space features. At buildout, the project will feature 700-950 residential units; 845,000 gross square feet of office space; 86,000 square feet of commercial/retail uses; and possibly 100 to 300 hotel rooms with a 7,000 to 15,000 square foot conference center; with 4,268 to 4,852 on-site parking spaces to support the development. The project is generally bordered by G Street to the north, 3rd Street to the east, West Capitol Avenue to the south, and 5th Street to the west.

- Southport Area: The Southport Framework Plan which was adopted in May 1995 is the development master plan for the southern half of the City of West Sacramento. The area known as Southport is a 7,120 acre area bounded by the Deep Water Ship Channel on the north and west and the Sacramento River on the east and the City Limits on the south. At build out Southport will contain approximately 16,000 housing units, 1,720,000 square feet of commercial,

2,144,000 square feet of office/business park uses, 7,660,000 square feet of industrial uses, and 915 acres of parks and open space. A full range of housing types will be included in each village ranging from large executive homes to move up and starter homes, condominiums, and both market rate and affordable apartments.

- Southport Business Park: This is a 672-acre Planned Development area dedicated to industrial and business park uses. It is located in the northwest corner of Southport, bordered to the north and west by the Deep Water Ship Channel. In addition to the industrial and business park use, the project area includes limited high-density residential and commercial. A recreational area will provide a buffer between the industrial uses of Southport Business Park and the surrounding residential neighborhoods.

WOODLAND

OVERVIEW

Although not located directly on I-80, the City of Woodland is important to the Corridor because of its location ten minutes north of Davis and ten minutes west of the Sacramento International Airport. Although Woodland benefits from an historic, small-town image and as the Yolo County seat, its location along Interstate 5 and SR 113 has attracted Office/R&D and "flex" tenants, creating a strong identity as an industrial city. It is primarily known as a warehouse distribution hub in the region and Northern California. A number of Woodlands largest employers are in this sector, including distribution centers for Target, Walgreens, and Rite-Aid.

Woodland had a population of approximately 53,000 in 2005 and, according to SACOG projections, that number is expected to reach nearly 74,000 by 2035 (see **Table 12.1**). Single family residential development has historically dominated the housing market; however, the issues of growth controls and flood plain considerations may impact the future development of more compact product. Woodland's proximity to Davis and the university also make it an attractive and more affordable location for those commuting to for employment or education.

DEVELOPMENT PATTERNS

The City of Woodland adopted General Plan update in December, 2002 defines an urban limit line. This policy was motivated by concerns over development pressures, floodplains, preservation of prime agricultural land, preservation of town character, and efficient extension of infrastructure. This line encompasses all land to be considered for urban development within the time frame of the general plan (to 2020). The general plan encourages infill development and reuse of underutilized lands within the urban limit line. The general plan also envisions that a permanent urban limit line will protect agricultural land outside the city in perpetuity.

Located on I-5 and SR 113, with good access to I-80, Woodland is subject to major growth pressures. The City has successfully phased growth and physical expansion over the years, leaving only a limited amount of land for residential infill development. To accommodate projected growth over the long-term, Woodland must make additional land available for urban development, continue infill development, and encourage the re-use of underutilized lands. The floodplain issue must be addressed in order for the city to expand both residential and commercial/industrial development.

Table 12.1
Projected Growth in the City of Woodland (2005-2035)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2035	2005-2015			2015-2035			2005-2035		
				#	%	%/Yr	#	%	%/Yr	#	%	%/Yr
Population	53,480	62,509	73,901	9,029	17%	1.6%	11,392	18%	0.8%	20,421	38%	1.1%
Households	17,967	21,878	27,577	3,911	22%	2.0%	5,699	26%	1.2%	9,610	53%	1.4%
Persons/Household	2.98	2.86	2.68	(0.12)	-4%	-0.4%	(0.18)	-6%	-0.3%	(0.30)	-10%	-0.3%
Housing Units by Type												
Single Family	n/a	n/a	21,748	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (2-4 Units)	n/a	n/a	1,600	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (5+ Units)	n/a	n/a	5,680	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**17,961**	**n/a**	**29,028**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
Jobs												
Retail	n/a	n/a	13,011	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Office	n/a	n/a	11,140	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical	n/a	n/a	2,431	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial	n/a	n/a	8,488	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
K-12 Education	n/a	n/a	1,347	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
College Education	n/a	n/a	394	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**25,417**	**n/a**	**36,811**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**11,394**	**45%**	**1.2%**
Jobs/Household	1.41	n/a	1.33	n/a	n/a	n/a	n/a	n/a	n/a	(0.08)	-6%	-0.2%

"Wood2"

Source: SACOG; Economic & Planning Systems, Inc.

The City currently has a well developed industrial park in the northeast of the City. With close proximity to both I-5 and I-80, many of the region's warehousing and distribution operations are located here. Compact office development in Woodland may also be considered as the university's demand for space grows and the City of Davis is unable to accommodate this growth.

PIPELINE PROJECTS AND SITES

The following key pipeline projects have been identified as part of this analysis:

- Woodland Park Specific Plan Area: Woodland has a large industrial area with over 3 million square feet in the northeast area of the City. The City plans (but not in the near future) to look at this site for annexation and re-zoning, to include some office, but primarily industrial and commercial space.

- Springlake Specific Plan: The Spring Lake area covers 1,097 acres of land located primarily south of Gibson Road and east of State Route 113 at the City's southern edge. When completely built out, the Spring Lake Specific Plan area will include more than 4,000 housing units, neighborhood-serving commercial uses, schools, parks, and a full array of municipal services.

Economic &
Planning Systems
Real Estate Economics
Regional Economics
Public Finance
Land Use Policy

APPENDIX D

PROFILE OF PLACER COUNTY KEY CITIES

APPENDIX D

ROSEVILLE

OVERVIEW

In recent years, the City of Roseville has been one of the fastest growing cities in the region. The 2005 population for the City was at 104,000 and SACOG projects it will more than double by 2035 to nearly 213,000 (see **Table 13.1**). Although recent housing development has primarily been in single family homes, a number of attached and small lot products are emerging in Roseville. This is likely driven by affordability issues, as throughout the region, as well as the demand by those demographic segments most likely to seek this type of housing (young professionals and retirees).

As of 2005 there were approximately 65,000 jobs in Roseville, which is projected to reach 114,000 by 2035, more than keeping pace with population growth. However, the number of Roseville residents that both live and work in the City declined between 1990 and 2000, with more residents traveling to Sacramento County and beyond for employment. Roseville households have one of the highest median incomes in the region at over $57,000 in 2000 with the average household income closer to $70,000.

DEVELOPMENT PATTERNS

According to the City's 2020 General Plan, Roseville's planning area includes approximately 36.26 square miles of incorporated lands as well as an additional 6,698 acres, which make up the City's sphere of influence. As of the 2003 update to the City's General Plan, developed land in the City totaled over 9,600 acres that included 1,150 acres for commercial retail, 475 acres for office, 800 acres for industrial, 6,750 for single family residential, and 490 acres for multifamily residential. Like many cities in the region, Roseville has adopted growth management strategies that seek to preserve open space and limit development in the future.

The attractiveness of Roseville to new residents and move-up buyers is seen in the number of new housing units under construction and in the planning process. As the City endeavors to provide a more diverse housing mix, multifamily housing projects have been very successful in the City. The conversion of apartments to for-sale condominiums has met with positive market demand. New attached products are currently under construction or completed in many areas of the City, giving residents a more diverse choice of housing options.

As the population continues to grow, new retail and service related businesses have increased to meet this growing demand. Retail development in the Roseville and Rocklin areas near I-80 and Highway 65 continues to be strong. Today, Roseville is a retail hub for the region and has sales tax revenues that far outpace other cities on a per capita basis. Several new retail developments are in the pipeline, including a major

Table 13.1
Projected Growth in the City of Roseville (2005-2035)
I-80 Corridor Market Analysis, EPS#16018

Item	2005	2015	2035	2005-2015 #	2005-2015 %	2005-2015 %/Yr	2015-2035 #	2015-2035 %	2015-2035 %/Yr	2005-2035 #	2005-2035 %	2005-2035 %/Yr
Population	104,136	108,692	212,615	4,556	4%	0.4%	103,924	96%	3.4%	108,479	104%	2.4%
Households	40,411	43,976	80,603	3,565	9%	0.8%	36,627	83%	3.1%	40,192	99%	2.3%
Persons/Household	2.58	2.47	2.64	(0.11)	-4%	-0.4%	0.17	7%	0.3%	0.06	2%	0.1%
Housing Units by Type												
Single Family	n/a	n/a	57,735	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (2-4 Units)	n/a	n/a	7,622	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily (5+ Units)	n/a	n/a	19,488	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**42,538**	**n/a**	**84,845**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**42,307**	**99%**	**2.3%**
Jobs												
Retail	n/a	n/a	38,200	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Office	n/a	n/a	40,928	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical	n/a	n/a	16,098	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial	n/a	n/a	13,286	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
K-12 Education	n/a	n/a	3,395	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
College Education	n/a	n/a	2,027	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	**64,874**	**n/a**	**113,934**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**49,060**	**76%**	**1.9%**
Jobs/Household	1.61	n/a	1.41	n/a	n/a	n/a	n/a	n/a	n/a	(0.19)	-12%	-0.4%

"Rose2"

Source: SACOG; Economic & Planning Systems, Inc.

expansion to the Westfield Galleria Mall. Although retail development has primarily been big box and strip malls in the past, there are proposals for new "life-style" centers that are pedestrian friendly and offer an alternative shopping experience.

The City will see construction next year of its first 10-story office building. The nearby City of Rocklin is also attracting a large number of office projects.

PIPELINE PROJECTS AND SITES

The following key pipeline projects have been identified as part of this analysis:

- Placer Ranch Specific Plan: This area is located just north of the City of Roseville, within the Sunset Industrial Area sphere of influence. The total area is approximately 2,200 acres, with proposed residential that includes 288 acres of low density, 108 acres of medium density, and 56 acres of high density development. The residential development is expected to yield about 5,000 units, with 400 units in mixed use projects. The plan also includes commercial, business park, office, light industrial, schools, and open space.

- Sierra Vista Specific Plan: This area is located west of Roseville and totals over 2,100 acres. Residential land uses include 570 acres of low density, 570 acres of medium density, and 80 acres of high density housing. Approximately 10,600 units are proposed, including commercial and mixed uses. Nonresidential acreage will consist of commercial, business park, schools, parks, and open space.

- Placer Vineyards Specific Plan: project is a mixed-use master planned community with residential, employment, commercial, open space, recreational and public/quasi-public land uses. The plan, which has been slightly revised since the circulation of the Revised Draft EIR, will provide for 14,132 homes in a range of housing types, styles, and densities. At Plan build out, projected to occur over a 20 to 30-year time frame, Placer Vineyards will have a population of approximately 33,000 people, 434 acres of employment centers, 166 acres of retail commercial centers and approximately 920 acres of new parks and open space. The Environmental Impact Report for the project also includes a higher-density "Blueprint Alternative" intended to be consistent with the Blueprint Plan prepared by SACOG. The Blueprint Alternative Specific Plan provides for 21,631 homes in a range of housing types, styles, and densities. At Plan build out, projected to occur over a 20 to 30-year time frame, Placer Vineyards will have a population of approximately 49,400 people, 496 acres of employment centers, 165 acres of retail commercial centers and approximately 980 acres of new parks and open space.

- Whitney Ranch Specific Plan: Located in Rocklin, the area is approximately 1,700 acres of primarily low density residential. Approximately 100 acres are planned for medium to high density housing. The residential component is expected to yield over 4,000 units. The area also includes 450 acres of nonresidential development, including a business park, commercial, parks and open space.

- The Sunset Industrial Area: The area is comprised of 8,883 acres of land on the borders of Roseville, Rocklin and Lincoln. Placer County's intent with the area is to provide employment opportunities in the County. Placer County has been considering and planning development for the SIA since 1980, and updated its original land use plan in 1997.

- CSUS South Placer Campus: planned 260 acre campus in the south county will have up to 25,000 students at buildout. The plans also calls for 6,793 residential units, including campus-related housing; 776 acres of business park, light industrial, office and commercial uses; plus, 275 acres for parks, landscape corridors, open space, two new elementary schools and a new middle school.