Economic & Planning Systems, Inc.
The Economics of Land Use

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Memorandum

To: North Davis Land Company, LLC

From: David Zehnder, Tom Martens, Peter Cheng, and Nate Jakobs, Economic & Planning Systems

Subject: Davis Village Farms Economic and Demographic Profile, and Fiscal Impact Analysis Peer Review; EPS #242151

Date: August 5, 2025

The Village Farms project proposed for the City of Davis is a multi-phase development that will include a variety of uses with a focus on housing. The housing will cover a range of housing types from higher end single-family residences to high-density affordable units. This memo provides some background on the potential effects that the Village Farms project will have on the City of Davis economy and population demography. It also provides discussion points related to a peer review of the *Fiscal Impact Analysis* done by BAE Urban Economics. The analytical findings in this memo use many of the same assumptions as the BAE report, with some additional analysis.

Economic and Demographic Profile: Project Effects

Property Tax Base

The Village Farms project will expand the property tax base for the City of Davis. The estimated valuation for the housing units will total about $1.24 billion.[1] The selling prices for the medium- and low-density residential units will range from $740,000 to $1.3 million. Property tax for the residential units will come from the 1.0% base property tax, in addition to bonds passed by voter initiative. Other taxes will be paid to school districts and other special districts. (**Table A-1**)

The expanded property tax base would add new revenue for essential public services that depend on property tax revenues.

[1] The assessed valuation assumption comes from the BAE Urban Economics *Village Farms Fiscal Impact Analysis*. This is based on valuation of $1.3 million for the low density residential units and $740,000 for the medium density units. The affordable units are exempt from property tax. The report also assumes that the high density residential units will be rentals.

Socioeconomic Characteristics

Davis has an average household income of $128,000, similar to that of the countywide average of $122,000.[2]. (**Table A-2**) However, Davis has a significantly higher proportion of renter-occupied housing (56.5%) than the county overall (41.3%). (**Table A-3**)

Almost half of the housing stock in Davis is comprised of single-family detached units, with only about 15 percent of the total units considered medium-density housing (single family attached or duplex units). (**Table A-4**) Nearly two-thirds of the proposed Village Farms housing units will be medium-density, helping to fill a critical market gap.

School District Enrollment

A combination of declining birth rates and housing unaffordability has placed serious strain on DJUSD enrollment. Not enough housing has been built in Davis, and prices are too high for families to locate in the city. As reported by the Davis Vanguard on April 10th, 2025, DJUSD Superintendent Matt Best explained, "The pipeline has slowed. And without new housing to attract young families, we're heading into a prolonged decline."

Best and Chief Strategy Officer Maria Clayton stated that without new housing in Davis, the school district may see school closures, staffing cuts, and reduced programming. "We're not here to advocate for a particular project or type of housing, but we are here to make the consequences of inaction clear. The connection between housing and schools isn't just abstract—it's immediate, it's financial, and it's human."

The Village Farms project will expand school enrollment in Davis. Based on a school enrollment study from Davis Demographics MGT, the Village Farms development will increase school enrollment by 701 students, which would boost the District's enrollment (currently about 8,300 students) by over 8 percent.

Retail Support

The new housing for Village Farms will add retail spending support for existing retail stores in Davis and create potential for new retail store attraction.

Retail spending as a percentage of income will vary depending on the incomes for the new residents. For existing Davis households, their overall retail spending power is approximately $859 million, which translates to average per capita household spending on retail goods of about $13,500. This reflects household spending on retail goods including non-taxable items, such as groceries and prescription drugs. (**Table A-5**)

Based on proposed housing unit costs and the qualifying incomes needed for those housing units, the Village Farms development will increase the available retail spending potential by about $74 million, with about $56 million on taxable retail goods. Based on the City's

[2] Median income in Davis is $87,000 versus $89,000 countywide.

consultant's estimate of $400 average sales per square foot of retail space, the new retail spending can potentially support about 185,000 square feet of retail space. (**Table A-6**)

The initial phases of the project development will likely result in sales growth for existing retail stores, particularly those located close to the Village Farms site.

Retailers in the Oakshade Center (including Nugget and CVS, along with about a dozen inline shops and two outparcels) are positioned to benefit immediately from increased household spending as new units in the project are occupied. Other existing nearby retail will also benefit.

Figure 1 illustrates the locations of several nearby retail destinations, along with driving distance from the center of Village Farms. Convenience oriented purchases, such as groceries and personal/household sundries will typically be purchased within about 2 miles of home, with larger shopping destinations drawing household spending from several miles. New retail spending will not necessarily immediately result in new retail business attraction, but it will strengthen the Davis retail market overall by supporting increased sales volumes at existing retailers and reducing vacancies for existing retail spaces.

As additional units come online and household retail spending in the area grows, retail sales captured by nearby retailers will continue to grow. Growth in retail sales will begin to support increased rents for retail space, which will in turn support the development of additional retail space.[3] In particular, the Cannery, with approximately 30,000 square feet of planned retail space actively being marketed adjacent to the project, is well positioned to support retail spending from new households in Village Farms.

[3] Current retail rents in the area tend to range from about $2.25 to $2.50 per square foot per month. Retail rents, which are generally a function of spending potential, need to be closer to $4.00 per square foot per month to make construction of new leasable retail space feasible.

Figure 1. Primary Retail Destinations for Village Farms Residents

Housing Affordability Filtering Effect

High housing costs in Davis are principally the result of a supply and demand imbalance. Generally, any additional housing units in Davis can help move the market towards more of an equilibrium between supply and demand. The new housing can support greater overall housing affordability by allowing the older housing stock to situate at more affordable price points. Sale prices for existing homes in Davis average about $866,000 for single-family homes and $505,000 for townhouses. (**Tables A-7 to A-9**) These housing prices have not changed significantly since 2022. This implies that the relationship between supply and demand factors has remained relatively stable, indicating that the addition of housing units could potentially enhance housing affordability with the added supply.

The Village Farms housing segments are situated in areas with existing market gaps. The rank order of the Davis housing market segments shows where the Village Farms housing units fit in, based on pricing and density.

- **Village Farms Low-Density Single-Family Detached Units**: $1.3 million projected average selling price
- **Existing Davis Single-Family Detached Housing**: $866,000 average selling price (2025)
- **Village Farms Medium-Density Housing**: $740,000 projected average selling price
- **Existing Davis Townhouses**: $505,000 average selling price (2025)

- **Affordable Rental (Moderate Income threshold)**: $3,300monthly rent for new one-bedroom units
- **Affordable Rental (Low Income threshold)**: $2,000 monthly rent for two-person household
- **Affordable Rental (Very Low Income threshold)**: $1,300 monthly rent for two-person household

Addressing Labor Shortages

The City of Davis has a surplus of labor that extends into most industry sectors. (**Table A-10**) While this indicates significant out-commuting (particularly to the unincorporated county, where UC Davis is located), it also represents an opportunity for new startups and business expansion. Business location decisions are made by executives and high-level management occupations. The low-density residential units would serve the higher end of the market and attract more decision makers.

In addition, Yolo County has specific labor shortages in manufacturing, wholesale trade, transportation and warehousing, and hospitality. The medium- and high-density housing in particular would expand the housing options for workers in those industries experiencing labor shortages. Having a diversity of housing options in Davis will help ensure that the labor force can live closer to where they work and provide a place of residence for workers with jobs in Yolo County that might otherwise have to commute from outside of the county to their jobs.

Required Income to Purchase Housing

The housing proposed for Village Farms includes multiple options that run the full gamut of price points, and household incomes that can support those options. In particular, the range of units would potentially fill existing market gaps by providing additional housing options with medium-density units that are currently less represented in Davis than other types of housing and affordable to a larger cross-section of potential homebuyers. Tying the housing options to the range of income that would be needed to afford housing is important to connecting the local job base to the places where workers would live. For existing housing in Davis and the proposed housing for Village Farms: What range of incomes can afford housing?

The high-density housing units are the most affordable option in the Village Farms development. The Village Farms Fiscal Impact Analysis designates the high-density housing as rental units, with all units designated as affordable. The moderate income units would require an annual household income of about $130,500.[4] For the affordable units fall under the median Low Income for Yolo County, the affordable units would have an

[4] The income requirement is based on 30% of gross income applied towards housing cost.

average household income of about $81,000. The affordable units designated for Very Low Income households would require an annual income of about $50,000. (**Tables A-11 and A-12**)

The medium-density units represent a relatively affordable option, with a potential average selling price of $740,000 per unit. While this is higher than the $505,000 average selling price for existing townhouse units, the Village Farms units would be new and a lower priced alternative to the low-density residential units. These units would also prop up an underserved segment of the Davis housing market between the low-density single-family residences and the higher density multi-unit developments. The potential household income level for the medium-density units is about $168,000. For the single-family low-density units, the average potential selling price of $1.3 million would require a high household income of about $296,000.[5]

The average transaction price for existing low-density units in Davis is considerably lower, so the Village Farms low-density units would serve the higher end of the market. This does not account for any equity that a homebuyer brings into the housing transaction, which could reduce required annual household income needed.

Housing Affordability and Occupational Distribution

The incomes potentially represented with the Village Farms development cover a very diverse range of prospective households. Having a range of housing options allows the development to connect with the types of jobs that currently exist in Davis. At a broader level, housing is a key component of economic development. For Davis to be able to diversify and expand its economy, and make itself more resilient, both availability and affordability of housing is essential to ensuring that businesses can attract and retain the labor force that their operations require. Because of the diversity in the housing offerings, the Village Farms development can help address Davis economic development needs for the long-term.

Using the mean income for all of the different occupational job categories in Davis, a wide range of the current job base would be able to afford the housing proposed for Village Farms, particularly for two-earner households.

For the high-density housing (assuming that they are used as rental units), the average income needed to afford the moderate income units would be met by about 12.5% of the jobs currently in Davis.[6] For a dual-earner household (with each earner earning half of the

[5] This income requirement assumes a 6.5% interest rate, 30-year term, and 10% down payment with 30% of gross income applied towards housing costs. The Village Farms project description includes a proposed downpayment support of $75,000 for 50 medium-density units.

[6] The wage data comes from the occupational employment data for 2024Q4 (rolling four-quarter average), rank ordered at the six-digit Standard Occupation Classification code level. The annual wages represent the mean within each detailed occupational category.

income needed to afford the unit), the average income would be met by 40.4% of the jobs in Davis. (**Table A-12**)

The affordable units for a low-income household would require an annual income of about $81,000 for a two-person household. For a single-wage earner, about 34.5% of the jobs in Davis have an average wage high enough to afford the unit. For a dual-earner household, the average income would be met by 82.9% of the jobs in Davis. With two incomes, the high-density housing would be affordable by the majority of the wage earners working in Davis for the low- and very-low income affordable housing units.

For the medium-density housing (assuming that they are for homebuyers), about 3.3% of the jobs in Davis for a single-wage earner would have an average wage high enough to afford the units, and 29.9% for a dual-wage household. The average wage level for 16.2% of the jobs in Davis would be sufficient to afford an existing townhouse unit, while 50.2% of the jobs would make an existing average townhouse affordable in a dual-income household. This effectively provides the City a path toward capturing young professionals just out of school, who may wish to continue living in Davis.

Housing Affordability and Workforce Needs

The high-density housing in particular will help improve the competitiveness of Davis businesses by expanding on the housing options that are affordable to the labor force working in Davis. While there is a surplus of labor in Davis, the addition of medium-density housing would expand on the type of labor pool that can be recruited to Davis by adding new options in single-family attached and duplex housing. The medium-density housing segments are the less supplied part of the Davis residential market. The existing job base provides sufficient income for roughly 30 percent of dual-income earners in Davis. Creating options for workforce housing can also help with potentially attracting new businesses with higher wages. This would be concurrent with the high-density options for the Village Farms development that would be affordable to the majority of existing dual-income earners working in Davis.

Fiscal Impact Analysis Peer Review

EPS has conducted a peer review of the BAE Urban Economics Memorandum entitled "Village Farms Fiscal Impact Analysis", dated March 27, 2025. EPS reviewed a PDF version of the memo and has not conducted an internal audit of the MS Excel model used by BAE Urban Economics ("BAE"). As a follow-up, EPS is requesting an electronic version of the fiscal analysis in order to confirm and better understand certain assumptions and results. This additional follow-up notwithstanding, EPS finds the fiscal analysis to be credible and accurate, with key conclusions drawn from the peer review summarized below.

Major Conclusions

1. **Positive Net Fiscal Benefit is a Likely Outcome.** EPS concurs with the top-line results determined by BAE, in that the two scenarios depicting a pro rata fire station cost incidence for the project are fiscally positive.
2. **Fire Station Scenarios Should be Refined**. EPS finds that Scenario 1a over-allocates fire protection to the project and produces an unrealistic negative fiscal result. A more realistic analysis of fire protection costs involves a pro rata allocation of additional protection services to the project, also allocating a *de facto* existing deficiency to existing parts of the City north of Covell. Scenario 1a, in its current form, should be modified or removed from the analysis.
3. **Major Assumptions are Appropriately Conservative.** Throughout the study, major revenue sources are slightly understated, while cost allocations may be slightly overstated. For a fiscal analysis, this is typically an appropriate approach, given the potential for certain assumptions (e.g., inflation) to change in the foreseeable future. At the same time, an "upside" scenario could reasonably be constructed using plausible assumptions that would offer a more positive depiction of project fiscal results.

Fiscal Peer Review Discussion

Assessed Valuation. The analysis assumes $425/SF for medium density SFR; $480/SF for low density SFR. High density prototype currently assumed to be rental product valued at about $400K/unit. EPS had difficulty identifying market rate apartment rents, which are not given due to the model's methodology of assigning a per unit valuation of $400,000 without discussion of capitalization rates and how this may translate into rent levels for determining other assumptions, as discussed below.

There may be unrealized "upside" that could be captured through use of more assertive initial market values supporting the study's overall assessed value amount and growth, as the single family low density price points are below certain resales in neighboring Wildhorse and listing prices in the Cannery. At the same time, there may be an upper-end cap on pricing due to the limitations of the Davis local economy, namely a lack of professional/technical jobs despite the presence of a globally known research university. An "upside scenario" could capture slightly higher price points on SFR low density product and should be considered if additional fiscal modeling is sought.

Fire Station. There is no scenario that warrants VF carrying the entire operating cost of a full station as depicted in Scenario 1a. The most reasonable/equitable scenario is one in which there is recognition of the need to allocate costs to existing areas of the City. Scenarios 1b and 1c offer varying approaches to determining an appropriate pro rata allocation of costs to Village farms of a new station. It may be that an acceptable approach bridges the two scenarios by acknowledging the City will continue to pursue housing in deference to current RHNA obligations over a finite time frame with an estimate of the cost spread across prospective units, regardless of their location within the City.

Other Key Assumptions

- **Open Space Costs and Funding.** Plausible assumptions have been applied; in considering specific mechanisms, a Community Facilities District often has a number of advantages over an assessment (Lighting and Landscaping District), including more flexibility around allocation to specific land uses.

- **Employment Densities.** The BAE model indicates that commercial employment densities, used to estimate employment and “daytime population” as a cost multiplier, are “carried over from University Mall study”. Specific table notes indicate that a figure of 500 square feet per employee is used in this regard, which is consistent with industry standards for this use in current conditions.

- **Departmental Expenses.** BAE indicates that departmental expenses are projected into the future by assuming that 75 percent of costs identified in the most recent budget for the City General Fund are subject to the staffing and other resource demands associated with Village Farms, while 25 percent remain fixed. This is generally consistent with recent fiscal analyses of other residential projects in Davis and is within normal industry parameters.

- **Public Works Costs.** BAE identifies facilities that would be dedicated to the City and allocates appropriate metrics to estimate costs. For example, for road maintenance, public versus private maintenance responsibilities are identified and appropriately based on estimated lane miles to be publicly maintained. Subject costs appear to be well documented and of reasonable magnitude.

- **Other departmental cost adjustments.** Certain departments include adjustments for employee-based DUE equivalents, generally ranging from 25 percent to 36 percent upward adjustments. For example, Social Services and Housing employee-based DUEs are allocated operating costs 25 percent higher than the current average cost per DUE. Additional explanation of the reasoning for these adjustments should be requested.

- **Inflation.** Inflation is assumed to be 2.5% per annum, except departmental wages set at 4%. Given expected inflationary pressures, it may be reasonable to test model sensitivity to analyze the implications of higher inflation rates in coming years, say 3% per annum with a similar staff cost spread (as necessary and appropriate).

- **Absorption rate.** Absorption rates are generally described in the text and more specifically defined in model output, with specific assumptions shown in the detailed appendices. Low density residential is assigned an absorption rate of about 3.2 sales per month, while medium density product is assigned a sales rate of 6.3 units per month. In the experience of EPS, these are industry standard estimates of sales velocity.

- **Property Tax Sharing Assumption.** It is assumed that the City’s post-ERAF allocation of property tax to the project’s Tax Rate Areas (TRAs) will be identical to those arrived at for the under-construction Bretton Woods senior restricted project presently under development in West Davis, at 20.94% of 1%. Future model could explore a range of lower/higher outcomes as needed.

- **Turnover Assumptions.** While not explicitly identified in the memo text, turnover rates for Village Farms housing are 8.3 percent for SFR, 12.5% for MFR for-sale, and 5% for MFR rental and commercial uses. In general, assumed turnover rates hover around 10% for all types of uses in the experience of EPS, and these assumptions are generally consistent with that rule of thumb. In the current economic environment, there may be some fluidity in the market especially as related to the purchase and sales of apartment complexes, so an upside sensitivity analysis could contemplate a higher turnover rate accruing to MFR properties in aggregate.

- **Retail assumptions.** The BAE analysis is based on current per capita sales and appears to avoid double counting with on-site retail (30,000 SF). BAE assigns corresponding retail expenditures based on unit type. While the overall results of the retail sales projections appear to be of reasonable magnitude, EPS had difficulty tracking the numbers and requests an electronic model specifically for examining this section. Ideally, household retail spending projections would be based on the derived qualifying incomes associated with for-sale unit price points and assumed rental payments. EPS estimates project household taxable spending of about $58 million annually at buildout in 2025 dollars. BAE's approach reaches a similar level of household taxable spending by Year 13, incorporating 2.5 percent annual inflation. It appears their approach based on unit type rather than required household incomes understates the potential taxable sales from new residents.

- **TOT assumptions.** It is assumed that the project would have no impact on the growth and development of hotels and the associated fiscal benefits related to such projects, which can generate additional General Fund revenues in the hundreds of thousands of dollars to jurisdictions annually. While the Project does not include a hotel, it is generally recognized that additional population growth has a positive correlation with hotel room development. While the residential development at Village Farms may not "move the needle" on hotel room demand in isolation, it is possible that a cumulative effect generated by the totality of growth and development in Davis, including Village Farms, may contribute to demand for additional accommodations in the future.

- **Non-departmental transfers out.** Included in model. This reflects a budget line-item below the total cost of services. However, no costs are allocated to the project.

Overall Project Benefit to Current Homeowners

The Village Farms project will create a new residential community with housing opportunities for both new and existing residents of the City of Davis. Village Farms will address far-ranging needs in the community that will benefit existing Davis residents and homeowners.

- **Public School Enrollment Stability.** Village Farms will help shore up declining enrollment numbers in the Davis Joint Union School District. Adding about 700 students to the district will help stabilize long-term enrollment numbers needed to keep schools open and adequately funded. In addition to benefitting current and future households with children enrolled in Davis schools, all homeowners will benefit, since the quality of the local schools is a key factor affecting the desirability of owning a home in Davis.

- **Retail Support and Growth Opportunities.** Village Farms will add $74 million of retail goods demand to the Davis market area. Additional spending support will benefit existing Davis homeowners by helping to grow sales for existing Davis retailers and keep them viable in an era where brick-and-mortar store sales have eroded due to competition from e-commerce. Over the long-term, the additional households at Village Farms can also create potential support for new retail development, such as the planned retail space at the Cannery, which would increase store choices and variety for all Davis residents.

- **Housing Variety and Mobility Opportunities.** Much of the housing proposed for Village Farms will add to affordable housing options in Davis and provide medium-density units that are not well represented in the community. This benefits existing homeowners by increasing the options for trading their current housing for units that might better meet their current needs. This might include owners of larger units that might want to downsize as children become adults and move out, or owners of smaller units looking to move into a larger unit.

- **Meeting Labor Force Needs.** The Village Farms development will address the housing needs for households in the moderate and other affordable income ranges. In addition, the medium-density units will help address the shortage of "missing middle" housing units in Davis. By adding to the variety of housing availability, the Village Farms development will help broaden the local labor force needed to support local employers in Davis. This in turn will help foster a more vibrant business climate in Davis, increasing opportunities for all Davis residents.

Next Steps

1. Obtain an electronic copy of the fiscal model (if available) to verify calculations.

2. Resolve fire station cost allocation.

3. Obtain clarification on the various employee-based DUE equivalent adjustments within certain City departments.

4. Discuss potential changes to the new household taxable sales methodology.

5. Determine if a new fiscal scenario with refined costs and revenues can/should be run “for the record”, with BAE and EPS collaboration on specific assumptions.

Appendix

Table A-1
Davis Village Farms
Economic and Market Assessment
Estimated Assessed Valuation

Income Level	Housing Cost Assumption	Number of Taxable Units	Total Valuation
Single Family (Low Density)			
Village Farms	$1,300,000	310	$403,000,000
Single Family (Medium Density)			
Village Farms	$740,000	1,130	$836,200,000
Multi-Family (High Density)			
Apartments (Affordable)	Non-taxable	360	$0
Total Project Residential Valuation		1,800	$1,239,200,000

Source: BAE Urban Economics; EPS.

Table A-2
Davis Village Farms
Economic and Market Assessment
Household Income by Range (2013 and 2023)

		City of Davis					Rest of Yolo County				
Item	**HCD Income Category [1]**	2013	%	2023	%	% Change	2013	%	2023	%	% Change
Income Range											
<$15,000	Acutely Low	4,177	16.1%	3,748	14.6%	(10.3%)	4,828	10.9%	4,529	8.9%	(6.2%)
$15,000 - $24,999	Extremely Low	2,698	10.4%	1,078	4.2%	(60.0%)	4,970	11.2%	2,677	5.3%	(46.1%)
$25,000 - $34,999	Extremely Low	2,361	9.1%	1,925	7.5%	(18.4%)	4,041	9.1%	3,133	6.2%	(22.5%)
$35,000 - $49,999	Extremely Low - Very Low	2,387	9.2%	1,694	6.6%	(29.0%)	6,688	15.0%	3,824	7.5%	(42.8%)
$50,000 - $74,999	Very Low - Low	3,113	12.0%	3,157	12.3%	1.4%	8,002	18.0%	7,726	15.2%	(3.5%)
$75,000 - $99,999	Low - Median - Moderate	2,724	10.5%	2,285	8.9%	(16.1%)	5,577	12.5%	5,993	11.8%	7.4%
$100,000 - $149,999	Median - Moderate - Above Moderate	3,917	15.1%	3,748	14.6%	(4.3%)	6,283	14.1%	9,741	19.1%	55.0%
$150,000 - $199,999	Above Moderate	2,309	8.9%	2,644	10.3%	14.5%	2,616	5.9%	5,557	10.9%	112.4%
$200,000+	Above Moderate	2,257	8.7%	5,416	21.1%	140.0%	1,472	3.3%	7,689	15.1%	422.5%
Total		**25,941**	**100.0%**	**25,669**	**100.0%**	**(1.0%)**	**44,476**	**100.0%**	**50,869**	**100.0%**	**14.4%**
Median Household Income [2]		$60,114		$87,421		45.4%	$55,918		$88,818		58.8%
Average Household Income [2]		$87,002		$127,802		46.9%	$77,162		$122,086		58.2%

Source: U.S. Census Bureau ACS 2013 and 2023 5-Year Estimates, Table S1901; EPS.

[1] HCD Income Category based on a household size of 2, see Table A-11.
[2] Median and average income for the County includes the City of Davis, while the rest of the table is non-Davis Yolo County.

Table A-3
Davis Village Farms
Economic and Market Assessment
Housing Tenure (2023)

Item	Owner-Occupied		Renter-Occupied		Total
	Total	% of Total	Total	% of Total	
Jurisdiction					
City of Davis	11,280	43.5%	14,661	56.5%	25,941
Rest of Yolo County	29,766	58.7%	20,933	41.3%	50,699
City as % of County	38%		70%		

Source: U.S Census 2023 ACS 5-Year Estimates DP04; EPS.

Table A-4
Davis Village Farms
Economic and Market Assessment
Tenure by Units In Structure (2023)

	City of Davis			Rest of Yolo County		
Item	Owner-Occupied	Renter Occupied	Share Renter Occupied	Owner-Occupied	Renter Occupied	Share Renter Occupied
Unit Type						
Detached Single-Family	9,080	2,530	21.8%	26,058	7,014	21.2%
Attached Single-Family	1,453	1,716	54.1%	1,354	1,370	50.3%
Duplex	0	603	100.0%	64	931	93.6%
3 to 4 unit building	317	2,339	88.1%	98	1,766	94.7%
5 + unit building	164	7,418	97.8%	315	8,743	96.5%
Other	266	55	17.1%	1,877	1,109	37.1%
Total	**11,280**	**14,661**	**56.5%**	**29,766**	**20,933**	**41.3%**

Source: American Community Survey 2023 5-Year Estimates, Table B25032; EPS.

Table A-5
Davis Village Farms
Economic and Market Assessment
Retail Goods Spending by Existing Davis Households

Income Range	CES Mean Income [1]	Retail Goods Spending as % of Income [2]	Davis Households (2023) [3]	Household Retail Goods Spending	Retail Goods Spending Per HH
Less than $15,000	$7,265	186.8%	3,748	$50,852,189	$13,569
$15,000 to $29,999	$22,684	60.0%	2,041	$27,761,486	$13,604
$30,000 to $39,999	$34,918	52.9%	1,527	$28,238,351	$18,489
$40,000 to $49,999	$44,781	43.3%	1,129	$21,881,693	$19,374
$50,000 to $69,999	$59,346	38.6%	2,526	$57,927,376	$22,934
$70,000 to $99,999	$83,578	33.5%	2,916	$81,697,527	$28,017
$100,000 to $149,999	$121,816	28.8%	3,748	$131,532,114	$35,097
$150,000 to $199,999	$171,339	25.7%	2,644	$116,567,216	$44,089
$200,000 and more	$335,248	17.1%	5,416	$310,172,594	$57,268
Total			25,695	$826,630,545	$32,171
Adjusted Total [4]			26,694	$858,780,309	$32,171
Retail Inventory (SF) [5]				2,402,060	

Source: CoSar; BLS Consumer Expenditure Survey; U.S. Census Bureau ACS Table S1901; EPS.

[1] Mean Income within each income range comes from the Consumer Expenditure Survey.
[2] Retail goods represent consumer expenditure categories typically provided through retailers.
Retail goods can be sold through physical stores and e-commerce and other remote providers.
[3] Davis household income distribution comes from the 2023 American Community Survey.
[4] Adjusted total household count comes from the California Department of Finance 1/2025 estimate.
Retail spending includes both taxable and non-taxable goods.
Not all of the spending by Davis households will occur in the City of Davis.
[5] Retail inventory comes from CoStar and represents square feet of building space.

Table A-6
Davis Village Farms
Economic and Market Assessment
Retail Good Spending by Village Farms Households

Income Range	New Households	Mean Income [1]	Retail Goods Spending as % of Income	Retail Goods Spending Per HH	Retail Goods Spending	Taxable Retail Goods Spending as % of Income	Taxable Retail Goods Spending Per HH	Taxable Retail Goods Spending
Less than $15,000								
$15,000 to $29,999								
$30,000 to $39,999								
$40,000 to $49,999								
$50,000 to $69,999	140	$50,400	38.6%	$19,477	$2,726,760	27.5%	$13,877	$1,942,760
$70,000 to $99,999	140	$80,600	33.5%	$27,019	$3,782,620	25.3%	$20,368	$2,851,580
$100,000 to $149,999	80	$130,500	28.8%	$37,599	$3,007,919	22.2%	$28,983	$2,318,610
$150,000 to $199,999	1,130	$168,372	25.7%	$43,325	$48,957,772	20.1%	$33,844	$38,243,228
$200,000 and more	310	$295,808	17.1%	$50,531	$15,664,523	13.8%	$40,897	$12,678,122
Total	**1,800**			**$41,189**	**$74,139,595**			**$56,091,539**
Benchmark Sales per SF [2]					$400.00			
Supportable Retail Space From New Households					185,349			

Source: U.S. Census Bureau ACS 2013 and 2023 5-Year Estimates, Table S1901; BLS Consumer Expenditure Survey; EPS.

[1] Mean income based on 30% of income applied towards housing costs for Village Farms home purchasers and renters.
The distribution of average housing costs and supporting incomes is found in Table A-13.
[2] The benchmark retail sales per square foot comes from the *Davis Fiscal Impact Analysis*.

Table A-7
Davis Village Farms
Economic and Market Assessment
For-Sale SF Housing Market Summary (2012-2025 YTD)

Item		City of Davis					
		Homes Sold	% Change from Previous Year	Average of the Monthly Median Sale Price	% Change from Previous Year	Average Monthly Inventory	Average Days on Market
Year							
2012		427	-	$457,635	-	91	43
2013		434	1.6%	$488,802	6.8%	48	21
2014		409	(5.8%)	$544,405	11.4%	52	20
2015		454	11.0%	$550,538	1.1%	59	18
2016		479	5.5%	$574,442	4.3%	62	20
2017		427	(10.9%)	$629,425	9.6%	45	22
2018		394	(7.7%)	$676,042	7.4%	44	19
2019		381	(3.3%)	$680,354	0.6%	50	23
2020		381	0.0%	$698,479	2.7%	39	19
2021		416	9.2%	$783,250	12.1%	22	10
2022		335	(19.5%)	$859,438	9.7%	30	15
2023		289	(13.7%)	$858,313	(0.1%)	24	14
2024		271	(6.2%)	$846,521	(1.4%)	35	18
2025	[1]	132	-	$866,400	2.3%	51	21
Average/Total Change		**374**	**-**	**$679,574**	**89.3%**	**47**	**20**

Source: RedFin; EPS.

[1] Year-to-date for 2025 is through May 2025.

Table A-8
Davis Village Farms
Economic and Market Assessment
For-Sale Condiminium Housing Market Summary (2015-2024)

	City of Davis					
Item	**Homes Sold**	**% Change from Previous Year**	**Average of the Monthly Median Sale Price**	**% Change from Previous Year**	**Average Monthly Inventory**	**Average Days on Market**
Year						
2012	57	-	$211,064	-	13	89
2013	58	1.8%	$255,250	20.9%	10	37
2014	74	27.6%	$245,129	(4.0%)	13	27
2015	81	9.5%	$305,136	24.5%	13	41
2016	80	(1.2%)	$309,500	1.4%	9	31
2017	63	(21.3%)	$343,083	10.9%	4	12
2018	70	11.1%	$401,628	17.1%	12	15
2019	96	37.1%	$414,860	3.3%	16	32
2020	63	(34.4%)	$418,244	0.8%	14	32
2021	67	6.3%	$455,464	8.9%	9	36
2022	59	(11.9%)	$504,875	10.8%	6	23
2023	40	(32.2%)	$495,289	(1.9%)	6	31
2024	50	25.0%	$497,875	0.5%	9	34
2025 [1]	22	(56.0%)	$512,750	3.0%	14	29
Average/Total Change	**63**	**-**	**$383,582**	**142.9%**	**11**	**33**

Source: RedFin; EPS.

[1] Year-to-date for 2025 is through May 2025.

Table A-9
Davis Village Farms
Economic and Market Assessment
For-Sale Townhouse Housing Market Summary (2015-2024)

	City of Davis					
Item	**Homes Sold**	**% Change from Previous Year**	**Average of the Monthly Median Sale Price**	**% Change from Previous Year**	**Average Monthly Inventory**	**Average Days on Market**
Year						
2012	15	-	$410,000	-	95	79
2013	18	20.0%	$393,000	(4.1%)	108	53
2014	33	83.3%	$506,000	28.8%	124	25
2015	138	318.2%	$446,500	(11.8%)	117	34
2016	39	(71.7%)	$519,000	16.2%	109	51
2017	90	130.8%	$422,060	(18.7%)	79	29
2018	63	(30.0%)	$510,000	20.8%	56	41
2019	-	-	-	-	-	-
2020	52	-	$455,000	-	41	49
2021	296	469.2%	$483,946	6.4%	51	16
2022	217	(26.7%)	$515,313	6.5%	43	19
2023	148	(31.8%)	$573,332	11.3%	69	11
2024	173	16.9%	$533,560	(6.9%)	48	30
2025 [1]	23	(86.7%)	$505,000	(5.4%)	51	18
Average/Total Change	**100**	**-**	**$482,516**	**23.2%**	**76**	**35**

Source: RedFin; EPS.

[1] Year-to-date for 2025 is through May 2025.

Table A-10
Davis Village Farms
Economic and Market Assessment
Labor Surplus and Shortage by Industry

Industry Description	NAICS Code	City of Davis 2023 Jobs [1]	City of Davis 2023 Labor Force [2]	City of Davis Surplus Labor (Shortage)	Yolo County 2023 Jobs [1]	Yolo County 2023 Labor Force [2]	Yolo County Surplus Labor (Shortage)
Total - All Industries	**Total**	16,924	36,115	19,191	109,143	111,247	2,104
Agriculture, Forestry, Fishing and Hunting	**11**	63	342	279	5,039	2,196	(2,843)
Mining, Quarrying, and Oil and Gas Extraction	**21**	0	0	(0)	83	0	(83)
Utilities	**22**	164	451	287	910	1,245	335
Construction	**23**	313	1,147	834	5,215	5,535	320
Manufacturing	**31**	525	1,224	699	7,041	4,900	(2,141)
Wholesale Trade	**42**	208	521	313	4,875	1,595	(3,280)
Retail Trade	**44**	2,035	2,731	696	8,064	11,238	3,174
Transportation and Warehousing	**48**	307	569	262	10,915	4,815	(6,100)
Information	**51**	241	555	314	857	1,447	590
Finance and Insurance	**52**	306	1,144	838	905	3,057	2,152
Real Estate and Rental and Leasing	**53**	502	187	(315)	1,593	795	(798)
Professional, Scientific, and Technical Services	**54**	1,491	3,392	1,901	4,629	9,618	4,989
Management of Companies and Enterprises	**55**	279	0	(279)	1,078	66	(1,012)
Administrative and Support and Waste Management and Remediation Services	**56**	366	1,184	818	3,971	3,902	(69)
Educational Services	**61**	2,276	12,219	9,943	23,029	24,672	1,643
Health Care and Social Assistance	**62**	3,535	4,839	1,304	10,366	11,377	1,011
Arts, Entertainment, and Recreation	**71**	340	1,129	789	1,200	2,931	1,731
Accommodation and Food Services	**72**	2,680	2,297	(383)	9,046	7,557	(1,489)
Other Services (except Public Administration)	**81**	582	446	(136)	2,401	4,465	2,064
Public Administration	**92**	704	1,738	1,034	7,889	9,836	1,947

Source: JobsEQ (sourced from Quarterly Census of Employment and Wages) and US Census American Community Survey (2023 one-year sample); EPS.
Note: Figures may not sum because of rounding.
[1] The industry data is annualized, so the totals will differ from the occupational data that is only reported on a quarterly basis.
Jobs reflect the location of work.
[2] Labor force reflects the location of residence for employed workers.

Table A-11
Davis Village Farms
Economic and Market Assessment
Yolo County Income Limits (2025 in 2025$)

		Yolo County Income Limits Based on HH Size:		
Income Level	**% of AMI**	2	3 [1]	4
Extremely Low	≤ 30% AMI	$30,200	$34,000	$37,750
Very Low Income	>30% to ≤50% AMI	$50,400	$56,650	$62,950
Low Income	**>50% to ≤80% AMI**	**$80,600**	**$90,650**	**$100,700**
Median Income	>80% to ≤100% AMI	$108,700	$122,300	$125,900
Moderate Income	>100% AMI to ≤120% AMI	$130,500	$146,800	$163,100

limits

Source: United States Department of Housing and Urban Development 2025 Income Limits; State of California Department of Housing and Community Development, "2025 State Income Limits"; EPS.

[1] The average persons per household for the City of Davis is 2.37 per the 2025 DOF.

Table A-12
Davis Village Farms
Economic and Market Assessment
Housing Units, Cost Assumptions, and Qualification Thresholds

Income Level	Housing Cost Assumption	Total New Units	Qualifying Income (Single-Earner)	Qualifying Income (Dual-Earner)	Percentage of Jobs With Mean Wages Over Qualifying Income (Single-Earner)	Percentage of Jobs With Mean Wages Over Qualifying Income (Dual-Earner)
Single Family (Low Density)						
Village Farms	$1,300,000	310	$295,808	$147,904	0.3%	8.0%
Existing Single-Family Homes (2025 YTD)	$866,400		$197,145	$98,572	0.6%	20.9%
Single Family (Medium Density)						
Village Farms	$740,000	1,080	$168,383	$84,191	3.3%	29.9%
Village Farms (Downpayment Assisted) [1]	$740,000	50	$168,130	$84,065	3.3%	30.4%
Existing Townhouses (2025 YTD)	$505,000		$114,910	$57,455	16.2%	50.2%
Multi-Family (High Density)						
Apartments (Affordable - Very Low Inc.) [2]	$1,260	140	$50,400	$25,200	59.3%	100.0%
Apartments (Affordable - Low Inc.) [2]	$2,015	140	$80,600	$40,300	34.5%	82.9%
Apartments (Affordable - Moderate) [2]	$3,263	80	$130,500	$65,250	12.5%	40.4%
Interest Rate	6.5%					
Mortgage Term	30 Years					
Housing Cost as Percentage of Income	30.0%					

Source: CoStar; Apartments.com; United States Department of Housing and Urban Development 2025 Income Limits; State of California Department of Housing and Community Development, "2025 State Income Limits"; EPS.

[1] The downpayment assistance assumes that 50 units will have $75,000 applied towards the downpayment.
[2] Affordability Standards for 2-person HH based on Yolo County income limits (Table A-8)
Threshold based on 30% of income applied towards housing costs