

DOWNTOWN HOUSING EVALUATION

This memorandum evaluates the housing development potential for the downtown Vacaville area. It presents information on current housing market conditions, reports the results of interviews with knowledgeable local residential realtors, and discusses the suitability of downtown as a residential neighborhood. This memorandum suggests the types of housing (e.g. apartments, townhouses, condominiums, live-work, or mixed-use units) for sale or for rent that will likely enjoy demand over the General Plan Update time horizon. It also suggests downtown opportunity sites that could be targeted for housing development, based on the match between their site characteristics and the findings regarding downtown housing demand.

A. Downtown Vacaville Study Area

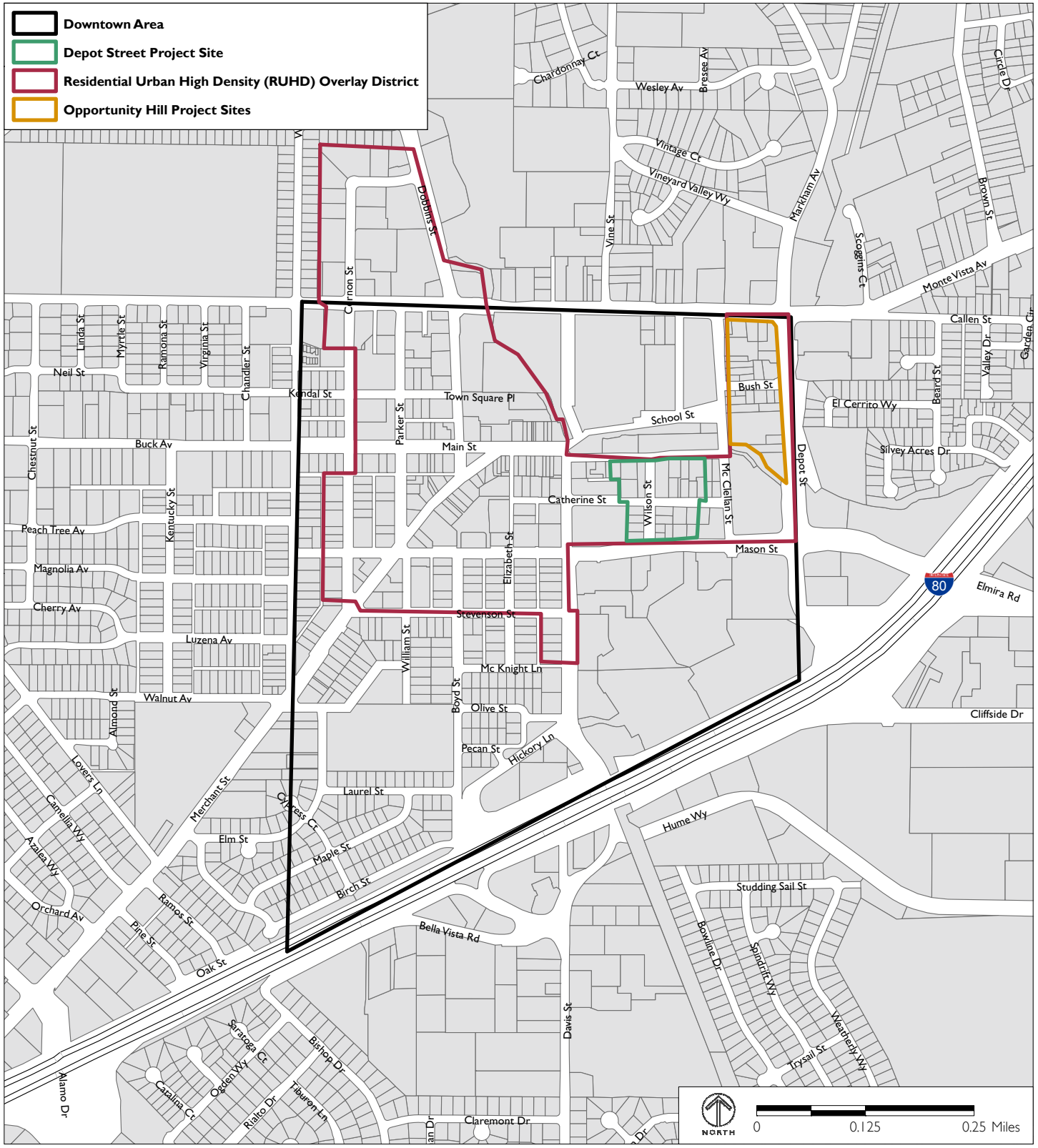
For the purposes of this study, downtown Vacaville is defined by the basic boundaries of Monte Vista Avenue to the north, Depot Street to the east, Interstate 80 to the south and West Street to the west. See Figure 1, which maps the downtown area and highlights the Residential Urban High Density (RUHD) Overlay District and the Opportunity Hill Project Areas.

B. Existing Conditions

1. Local Population

Table 1 shows that the population currently living in downtown Vacaville is relatively small compared to the population of Vacaville as a whole. In 2000 the population in downtown Vacaville represented only slightly more than 2 percent of the city's total population, with about 2,370 people. The downtown population decreased slightly, to about 2,300 persons, by 2009. In contrast, the City of Vacaville grew by about 8.8 percent over this period, from 88,625 persons to 96,450 persons.

The population of downtown Vacaville is small and represents just over 2 percent of the City's total population.



Source: City of Vacaville, Bay Area Economics.

FIGURE I
DOWNTOWN VACAVILLE

CITY OF VACAVILLE
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TABLE I **POPULATION AND HOUSEHOLD TRENDS, 2000-2009**

Downtown Vacaville ^a	2000	2009 (Est.)	% Change 2000-2009
Population	2,371	2,300	-3.0%
Households	895	875	-2.2%
Average Household Size	2.57	2.55	-0.8%
Household Type			
Families	587	577	-1.7%
<i>Percentage with children under 18 years</i>	<i>59.1%</i>	<i>59.1%</i>	
Non-Families	308	298	-3.2%
<i>Percentage with children under 18 years</i>	<i>2.3%</i>	<i>2.0%</i>	
Tenure			
Owner	48.5%	48.3%	
Renter	51.5%	51.7%	

^a Downtown Vacaville is defined as Census Block Groups 060952531011, 060952531012, and 060952532033.

Source: Claritas, 2010; BAE, 2010.

The types of households living in downtown Vacaville are distinct from households in the City of Vacaville as a whole. In downtown Vacaville, the average household size in both 2000 and 2009 was about 2.60, while in the city as a whole, the average household size was 2.83 in 2000 and 2.74 in 2009. In addition, in downtown Vacaville, 66 percent of total households were families and 34 percent were non-families in both 2000 and 2009. Meanwhile in the City of Vacaville, the percentage of family households was significantly higher, about 75 percent of all households.

Downtown Vacaville households were split almost evenly between owner and renter households, with owners at about 48 percent, and renters at 52 percent. By contrast, in the City of Vacaville, owner households are around 58 percent of total households and renter households are 42 percent of the total.

The median income of downtown Vacaville households (\$53,900) is significantly lower than that of the City of Vacaville (\$73,100).

Table 2 presents the median household income and income distribution for downtown Vacaville in 1999 and 2009. The median inflation-adjusted income was about \$55,250 in 1999 and \$53,900 in 2009 in downtown Vacaville. In 2009, the income distribution indicated that about 45 percent of households had income of less than \$50,000, about 27 percent of all households had incomes between \$50,000 and \$74,999, and the remaining approximately 29 percent had incomes greater than \$75,000. Overall, the citywide median 2009 household income in the City of Vacaville was significantly higher than the downtown median, at about \$73,100.

2. Downtown Neighborhood Amenities

Access to transit, parks, shopping, schools, entertainment, and other amenities are an important factor in making a neighborhood attractive for urban housing. Table 3 outlines some of the neighborhood amenities in downtown Vacaville, including grocery stores, bus stops, schools, parks, and libraries. The distances listed from downtown are from the intersection of Main Street and Merchant Street at the Vacaville Town Square.

Portions of the downtown area are well served by grocery stores. There are five grocery stores within 1 mile of downtown Vacaville ranging from Winco, a large grocery store, to more specialty grocers like County Square Market. These five grocers, however, are all located to the east of the downtown area, which leaves areas in the western portion of downtown with a commute of more than 1 mile to the grocery stores on the east, or to the Food Fair grocery store to the west.

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TABLE 2 **DOWNTOWN VACAVILLE HOUSEHOLD INCOME DISTRIBUTION, 2000-2009^A**

Household Income	1999 ^b		2009	
	Number	Percent	Number	Percent
Less than \$15,000	124	13.9%	81	9.3%
\$15,000 to \$24,999	94	10.5%	81	9.3%
\$25,000 to \$34,999	137	15.3%	91	10.4%
\$35,000 to \$49,999	195	21.8%	137	15.7%
\$50,000 to \$74,999	175	19.5%	234	26.7%
\$75,000 to \$99,999	101	11.3%	108	12.3%
\$100,000 to \$149,999	63	7.0%	115	13.1%
\$150,000 to \$249,999	6	0.7%	28	3.2%
\$250,000 to \$499,999	-	0.0%	-	0.0%
\$500,000 and over	-	0.0%	-	0.0%
Total	895		875	100.0%
Median Household Income	\$42,475		\$53,902	
Adjusted Median Household Income^c	\$55,254		\$53,902	

^a Downtown Vacaville is defined as Census Block Groups 060952531011, 060952531012, and 060952532033.

^b 1999 figures are based on Census 2000, Summary File 1 total household figures and Summary File 3 income distribution estimates.

^c The median household income is adjusted to represent 2009 dollars using the Consumer Price Index (CPI) for all urban consumers in the San Francisco CMSA.

Source: Claritas, 2009; BAE, 2010.

TABLE 3 **DOWNTOWN VACAVILLE NEIGHBORHOOD AMENITIES**

Name	Street Address	Distance from Downtown (Miles)^a
Grocery Stores		
Grocery Outlet	191 Depot St.	0.4
Lucky	777 East Monte Vista Ave.	0.4
County Square Market	136 Peabody Rd.	0.6
Winco	855 Davis St.	0.8
Food Fair	120 South Orchard Ave.	1.0
Bus Stops		
Vacaville City Coach Transit Center	Intersection of Cernon St. and Monte Vista Ave.	0.1
Fairfield and Suisun Transit (FAST), San Joaquin Motor	I-80 at Davis St.	0.5
Coach feeding the Capitol Corridor Amtrak Line	I-80 at Davis St.	0.5
Schools		
Vacaville High School	100 W. Monte Vista Ave.	0.3
Muzetta M. Thrower Education Center	100 McClellan St.	0.4
Buckingham Charter Magnet High School	188 Bella Vista Ave.	0.8
Hemlock Elementary	400 Hemlock St.	1.5
Alamo Elementary School	500 South Orchard Ave.	1.2
Jepson Middle School	580 Elder St.	1.5
Parks		
Andrews Park	South of Monte Vista St. and North of Main St.	0.1
Libraries		
Vacaville Public Library	1 Town Square	0.1
Entertainment/Recreation		
Brenden Theaters	531 Davis St.	0.3
Vacaville Ice Sports	551 Davis St.	0.3
Georgie Duke Sports Center	720 E. Monte Vista Ave.	0.4
Vacaville Art League & Gallery	718 E. Monte Vista Ave.	0.5
Vacaville Performing Arts Theater	1000 Ulatis Dr.	1.4

^a For the purposes of this table, the center point of Downtown Vacaville is the intersection of Main St. and Merchant St. at the Town Square.
Source: BAE, 2010.

In terms of public transportation, downtown is the most well-served area within the city, with the Vacaville City Coach transit station located downtown at the Downtown Transit Plaza at Cernon Street and East Monte Vista Avenue, offering routes throughout Vacaville. In October 2010, the City of Vacaville will open a Crosstown Transit Center at the corner of Ulatis Drive and Alison Drive, where buses originating from downtown connect with other buses to reach additional Vacaville locations.¹ In addition, the Interstate 80 Park and Ride Lot at Davis Street and Hickory Lane is where buses stop for Fairfield Suisun Transit and for the San Joaquin Motor Coach on the way to the Capital Corridor Amtrak commuter rail line.

The downtown area is served by elementary schools both to the northwest (Hemlock Elementary School) and to the southwest (Alamo Elementary School). Neither school is particularly close to downtown, especially for residents who live in the eastern portion of downtown. The nearest middle school is approximately 1½ miles northwest of the downtown area. Country High, an alternative High School, and Vacaville High School are both located within ½ mile of downtown.

The area is well served by both parks and libraries, given the presence of Andrews Park and the Vacaville Public Library in the downtown area. Andrews Park is close to 18 acres in size and is home to the Downtown Creekwalk and a playground.² Downtown Vacaville also provides quality entertainment and recreation facilities including Brendan Theaters, the Vacaville Ice Sports facility, and the Georgie Duke Sports Center. In addition, the Vacaville Performing Arts Theater, where local and national acts perform, is located 1.4 miles from downtown Vacaville. Figure 2 provides a map of neighborhood amenities.

¹ Personal Communication. Brian McLean, Transit Manager for the City of Vacaville. July 23, 2010.

² Community Services Department, City of Vacaville. http://www.cityofvacaville.com/departments/community_services/facility_rentals/parks.php. Accessed on April 27, 2010.

In addition, there are a wide range of activities in downtown Vacaville throughout the year. Some of the most popular on-going events include Creekwalk Concerts, performed Friday evenings in June, July, and August; the Farmers Market on Saturday mornings from May to October; and Town Square Entertainment on Wednesdays at lunchtime from May to September.³ There are also one-time events throughout the year, including an annual Blues festival, a songwriter competition, and an Art, Wine and Brew Fest, to name a few.

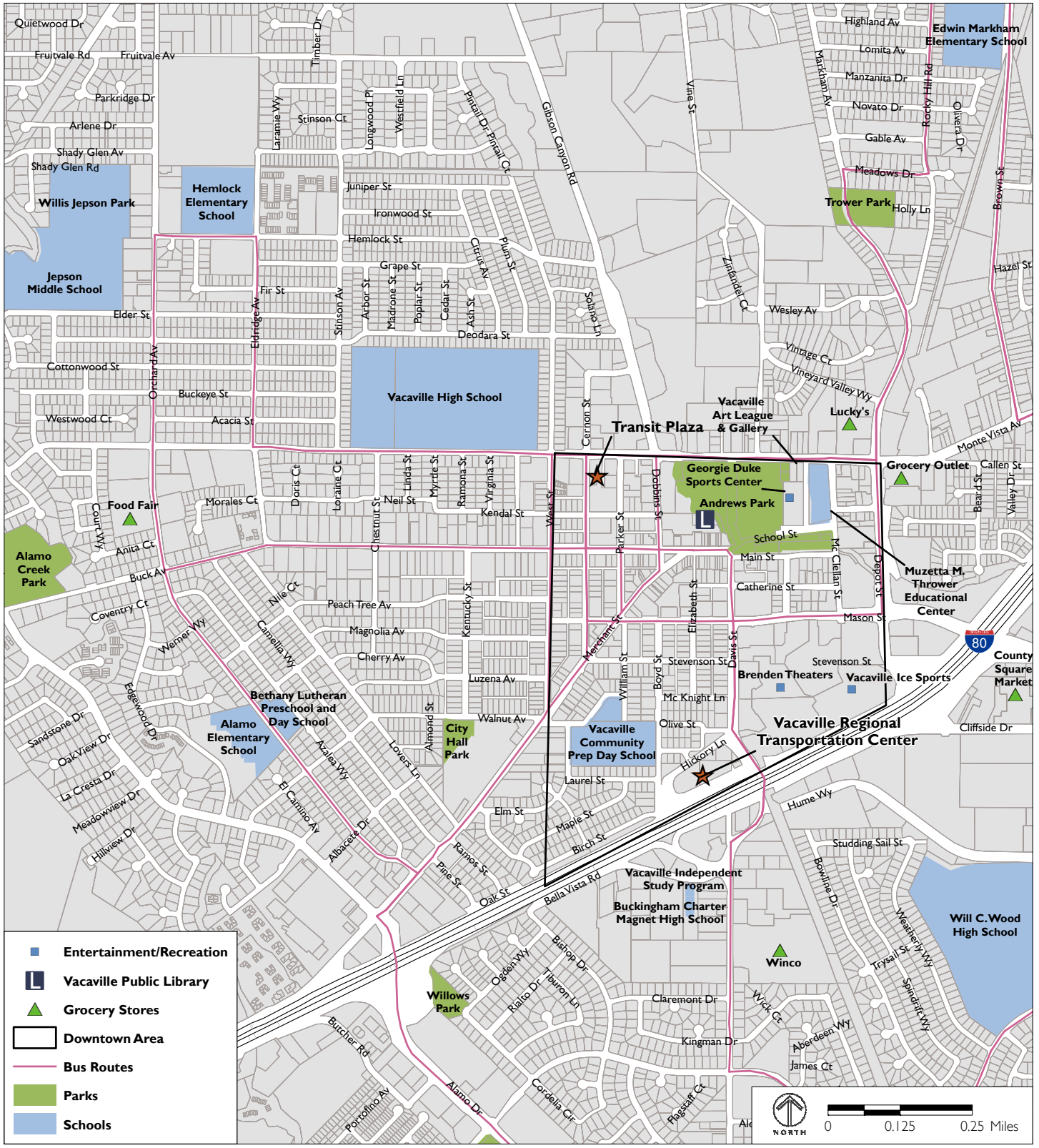
One of the main draws to downtown Vacaville is the proximity to retail, restaurants, and services. Downtown establishments are focused along Merchant and Main Streets.

One of the main draws to downtown Vacaville is the proximity to retail, restaurants, and services. Downtown establishments are focused along Merchant and Main Streets. The Downtown Vacaville Business Improvement District directory includes 427 businesses, which includes 24 restaurants, 23 doctors/dentists, 47 retail establishments, and numerous personal and business service providers. The restaurants include everything from fast food to sit down restaurants showcasing a range of cuisines. The retail establishments offer a range of goods like antiques, cigars, formal wear, athletic apparel, flowers, bicycles, and windows. Finally, the service providers include plumbers, cleaners, tattoo artists, engineers, photographers, and locksmiths.

3. Composition of Housing Stock

As discussed in further detail in the *Population, Housing and Employment Conditions and Trends Memorandum*, the housing stock in the City of Vacaville is comprised of 73 percent single-family units, 23 percent multi-family units and about 4 percent mobile homes as of 2009.

³ Downtown Vacaville Business Improvement District.
www.downtownvacaville.com. Accessed July 23, 2010.



Source: City of Vacaville, Bay Area Economics, Metropolitan Transportation Commission.

FIGURE 2
DOWNTOWN VACAVILLE AMENITIES

4. Rental Housing Market

Table 4 presents information on current conditions in the City of Vacaville rental housing market from RealFacts, Inc., a private vendor of apartment market data. Apartment complexes in Vacaville containing 100 or more units are included in this market data. While there are no complexes of this size currently in the downtown area, the data do provide an indication of the rental rates that would be applicable to downtown apartment developments under current conditions.

Table 4 includes data on 3,739 apartment units in Vacaville with an average size of 883 square feet and an average rent of \$1,126. The vast majority of these units are one-bedroom, one-bath, (about 32 percent of total units), or two-bedroom, two-bath (approximately 35 percent of total units). The average monthly rent for the one-bedroom, one-bath units is \$978 (\$1.39 per square foot), and for the two-bedroom, two-bath units the average is \$1,251 (\$1.22 per square foot).

In first quarter 2010, Vacaville apartment rents averaged \$1,126 per month compared to \$1,117 in Fairfield and \$1,051 in Vallejo, as reported by RealFacts, Inc.

The average rent for all unit types fell by 0.7 percent from 2006 to 2010. Gains in the rental rates from 2006 through 2009 were negated by a decrease of 3.3 percent from 2009 to 2010. All types of units, from studios to three-bedroom townhomes, experienced rent decreases from 2009 to 2010. Compared with Fairfield and Vallejo in first quarter 2010, Vacaville has the highest average rent at \$1,126. The average rent is \$1,117 in Fairfield and \$1,051 in Vallejo, as reported by RealFacts, Inc.

The average occupancy rate in Vacaville, which had been consistent at about 94.5 percent from 2006 through 2008, decreased slightly in 2009, and then fell to about 92 percent in 2010. Vacaville and Vallejo have slightly lower average apartment occupancy rates of about 92 percent, compared to 94 percent in Fairfield.

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TABLE 4 **CITY OF VACAVILLE RENTAL HOUSING MARKET, 1Q 2010^{a,b}**

Unit Type	Number	Percent of Mix	Average Sq.Ft.	Average Rent	Average Rent/Sq.Ft.
Current Market Data^a					
Studio	29	0.8%	477	\$820	\$1.72
Junior 1BR	40	1.1%	475	\$857	\$1.80
1 BR/1 BA	1,211	32.4%	706	\$978	\$1.39
2 BR/1 BA	792	21.2%	835	\$1,059	\$1.27
2 BR/1.5 BA	107	2.9%	911	\$1,204	\$1.32
2 BR/2 BA	1,298	34.7%	1,024	\$1,251	\$1.22
2 BR Townhouse	103	2.8%	1,047	\$1,032	\$0.99
3 BR/2 BA	111	3.0%	1,314	\$1,616	\$1.23
3BR Townhouse	48	1.3%	1,486	\$1,910	\$1.29
Totals	3,739	100%	883	\$1,126	\$1.28

Unit Type	2006	2009	2010	2006-2010 Change	2009-2010 Change
Average Rent History					
Studio	\$852	\$871	\$820	-3.8%	-5.9%
Junior 1BR	\$913	\$903	\$857	-6.1%	-5.1%
1 BR/1 BA	\$1,006	\$1,020	\$978	-2.8%	-4.1%
2 BR/1 BA	\$1,048	\$1,092	\$1,059	1.0%	-3.0%
2 BR/2 BA	\$1,252	\$1,290	\$1,250	-0.2%	-3.1%
2 BR Townhouse	\$1,042	\$1,150	\$1,032	-1.0%	-10.3%
3 BR/2 BA	\$1,706	\$1,630	\$1,616	-5.3%	-0.9%
3BR Townhouse	\$1,870	\$1,949	\$1,910	2.1%	-2.0%
Average, All Units	\$1,134	\$1,165	\$1,126	-0.7%	-3.3%

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TABLE 4 **CITY OF VACAVILLE RENTAL HOUSING MARKET, 1Q 2010**
(CONTINUED)

Year	Average Occupancy
2006	94.5%
2007	94.5%
2008	94.6%
2009	94.1%
2010, 1Q	91.9%

Year	Units Built ^c	Total Units	Occupied Units	Units Absorbed
Net Absorption				
2000	312	3,071	3,015	n.a.
2001	0	3,071	2,985	-30
2002	208	3,279	3,115	130
2003	148	3,427	3,190	75
2004	312	3,739	3,507	317
2005	0	3,739	3,484	-23
2006	0	3,739	3,533	49
2007	0	3,739	3,533	0
2008	0	3,739	3,537	4
2009	0	3,739	3,518	-19

^a Market Area defined as the following ZIP Codes: 95687 and 95688.

^b Represents only those apartment complexes with 100 units or more.

^c According to the Real Facts database, which may not capture all apartment activity.

Sources: Real Facts, Inc., 2010; BAE, 2010.

According to RealFacts, Inc., no apartment complexes of greater than 100 units were constructed in the City of Vacaville from 2005 through 2009. In 2004, the construction of 312 units marked the last time new apartment units were built in Vacaville, and more than 312 units were absorbed in the Vacaville market that same year.

Since no large apartment complexes of 100 units or more currently exist in downtown Vacaville, Table 5 provides some supplementary rental information for apartments currently available for rent in downtown Vacaville. The four units identified as currently for-rent in downtown are each located within very small complexes of six units or less. The three units with two bedrooms are between about 900 and 1,190 square feet and rent for approximately \$800 to \$1,300 per month.

- ◆ The 894-square-foot two bedroom unit offered for rent at 400 Davis Street for \$1,295 is one of the units that commands a high rental rate. It is located at the entrance to downtown Vacaville, was remodeled in 2007, and it is in a mixed-use building above a commercial space. This unit includes two bathrooms, refrigerator, dishwasher, and washer/dryer.⁴
- ◆ The approximately 1,190-square-foot unit at 519 Boyd Street is also renting at a high rate of about \$1,300 a month. It is in a six-unit complex located in a mainly single-family residential neighborhood, in the western portion of downtown Vacaville. Built in 2006, the apartment contains a washer/dryer, balcony, and garage parking.
- ◆ The two-bedroom unit for rent at 506 Williams Street #2 is a 900-square-foot unit located south of Merchant Street in a residential neighborhood. It is a two-story unit of an unknown age and has a refrigerator and a washer hookup, and rents for \$900 a month.

⁴ Personal Communication. Summit Properties. April 19, 2010.

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TABLE 5 SELECTED CURRENTLY LEASING RENTAL HOUSING COMPLEXES IN DOWNTOWN VACAVILLE, APRIL 2010

Address	Year Built	Total Number of Units	Number of Bedrooms	Size (Sq. Ft.)	Monthly Rent	Comments
400 Davis Street #C	Remodeled 2007	1	2	894	\$1,295	Refrigerator, dishwasher, washer/dryer
506 Williams Street #2	unknown	4	2	900	\$800	Two story unit, refrigerator and washer hookups
519 Boyd Street	2006	6	2	1,190	\$1,313	Washer/dryer, balconies, garage parking
517 West Street #C	unknown	4	1	unknown	\$750	Separate living and family room

Sources: Respective owners and property managers, 2010; Loopnet.com, 2010; BAE, 2010.

- ◆ The one-bedroom unit rents for \$750 and is located at the edge of the downtown area along West Street in a four-unit complex. The unit contains a separate living room and dining room.

5. For-Sale Housing Market

Sales data for new, single-family homes sold in Vacaville over the last year are shown in Table 6. From April 1, 2009 through April 1, 2010, 39 of the homes sold in ZIP codes 95688 and 95687 were built in either 2008 or 2009, and thus are considered indicative of the value of newly constructed homes. The largest proportion of these homes, about 44 percent of the total units, sold for between \$300,000 and \$399,000. An additional approximately 28 percent sold for between \$200,000 and \$299,999, and 23 percent sold at prices ranging from \$400,000 to \$499,999. One unit sold for less than \$200,000 and another unit for between \$900,000 and \$999,999. The median sale price equaled about \$322,500, with an average of \$350,000, which equated to about \$150 per square foot.

The median sale price for single-family homes in Vacaville from 2009 to 2010 was about \$322,500, with an average of \$350,000, which equates to about \$150 per square foot.

For reference, the median sale price for all of Solano County was lower, at about \$208,500, but higher for the nine county Bay Area region, at \$354,000. These data are not strictly comparable to the Vacaville sales data presented above because the Solano County and Bay Area data include all homes sold in February 2010, and not just homes built in 2008 and 2009.

The sales prices of condominiums in Table 7 indicates that the average price per square foot for condominiums in Vacaville (\$92 per square foot) was significantly lower than the average price per square foot for single-family homes sold in Vacaville. There are a couple of reasons for this large discrepancy. First, no condominiums were sold over the last year that were built in either 2008 or 2009. The year built for the condominium sales recorded in Table 7 is between 1968 and 2001.

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TABLE 6 **NEW SINGLE-FAMILY RESIDENTIAL SALES, APRIL 1, 2009-
APRIL 1, 2010**

Sale Price Range		Number of Units	Percent of Total	
Up to	\$200,000	1	2.6%	
\$200,000 to	\$299,999	11	28.2%	
\$300,000 to	\$399,999	17	43.6%	
\$400,000 to	\$499,999	9	23.1%	
\$500,000 to	\$599,999	0	0.0%	
\$600,000 to	\$699,999	0	0.0%	
\$700,000 to	\$799,999	0	0.0%	
\$800,000 to	\$899,999	0	0.0%	
\$900,000	\$999,999	1	2.6%	
Total		39	100.0%	

	City of Vacaville ^a	Solano County ^b	Bay Area ^c
Median Sale Price	\$322,500	\$208,500	\$354,000
Avg. Sale Price	\$349,897		
Avg. Square Feet	2,267		
Avg. Price per SF	\$154		

^a Represents all full and verified sales of units from April 1, 2009 - April 1, 2010 of homes built in 2008 and 2009 in ZIP Codes 95688 and 95687.

^b Solano County data represents February 2010 sales data, collected from 450 single family and condominium sales reported by DQ News.

^c Bay Area data represents the nine Bay Area Counties February 2010 sales data collected from 4,987 and condominium sales reported by DQ News.

Sources: Dataquick, 2010; DQ News, 2010; BAE, 2010.

TABLE 7 **CONDOMINIUM SALES, APRIL 1, 2009- APRIL 1, 2010**

Sale Price Range		Number of Units	Percent of Total
Up to	\$99,999	84	63.2%
\$100,000 to	\$199,999	38	28.6%
\$200,000 to	\$299,999	11	8.3%
\$300,000 to	or more	0	0.0%
Total		133	100.0%

City of Vacaville ^a	
Median Sale Price	\$84,000
Avg. Sale Price	\$100,569
Avg. Square Feet	1,099
Avg. Price per SF	\$92

^a Represents all full and verified sales of units from April 1, 2009 - April 1, 2010 for ZIP codes 95688 and 95687. Note that there were no new condominiums sold over this period. The year built for these condominiums ranges from 1968 to 2001.
 Sources: Dataquick, 2010; DQ News, 2010; BAE, 2010.

The older age of some of the condominiums, combined with the fact that the condos built in 2001 (a total of seven condominiums located along Eastwood Drive in the Whispering Oaks development) all sold for \$70,000 or less, negatively impacted the average price per square foot. Overall, the condominiums sold in 2008 and 2009 were older units in small complexes with plain, utilitarian designs that showed signs of age and deferred maintenance, with minimal site landscaping and amenities. These values presumably would not be indicative of the potential sales prices of new, high-quality units that could be marketed in the downtown area. Thus, the low median sales price and average price per square foot for all condominiums recently sold in Vacaville do not indicate the lack of a market for new condominiums but, rather, that the market for new high quality condominiums is untested.

Projections from the Association of Bay Area Governments (ABAG) indicate that the rate of household growth will be about 0.5 percent from 2010 to 2030 in the City of Vacaville.⁵ While in 2010, the number of households was about 32,170, ABAG expects that this number will increase to 35,790 households by 2030. Additional housing units will be necessary for these households, and downtown Vacaville is one area where new housing could be developed.

6. Current Downtown Land Uses

This section describes the range of land uses and major activities in downtown Vacaville starting from the west side of downtown along West Street and moving east.

In the 10.62-acre Residential Urban High Density Overlay District, the Redevelopment Agency owns 4.62 acres, the City of Vacaville owns 1.12 acres, private entities own 4.20 acres, and community organizations own 0.68 acres.

The majority of West Street and Cernon Street are lined with single-family residential with an occasional small multifamily rental units that are either garden style apartments or larger homes divided into a few smaller units. At the intersections of both West Street and Cernon Street with Monte Vista Avenue and Merchant Street, commercial and civic uses, such as churches and auto repair shops, replace the residential units. Parker Street marks the beginning of the Historic Downtown area, as defined by the City's Historic Preservation Overlay zoning designation, and commercial uses become the dominant use with a very small number of second story residential units. The Historic Downtown continues until around the intersection of Davis and Main Streets. Directly south from Parker Street along Williams Street and farther south close to Interstate 80, the land uses are predominantly single-family residential, especially in the area surrounding the former Elm Elementary School, which now houses other uses for the Vacaville Unified School District. The remaining areas south and east of Davis Street are filled with large offices, a hotel, and retail establishments that cater to Interstate 80 traffic.

⁵ Association of Bay Area Governments Projection Data, 2009.

7. Depot Street and Opportunity Hill Project Sites

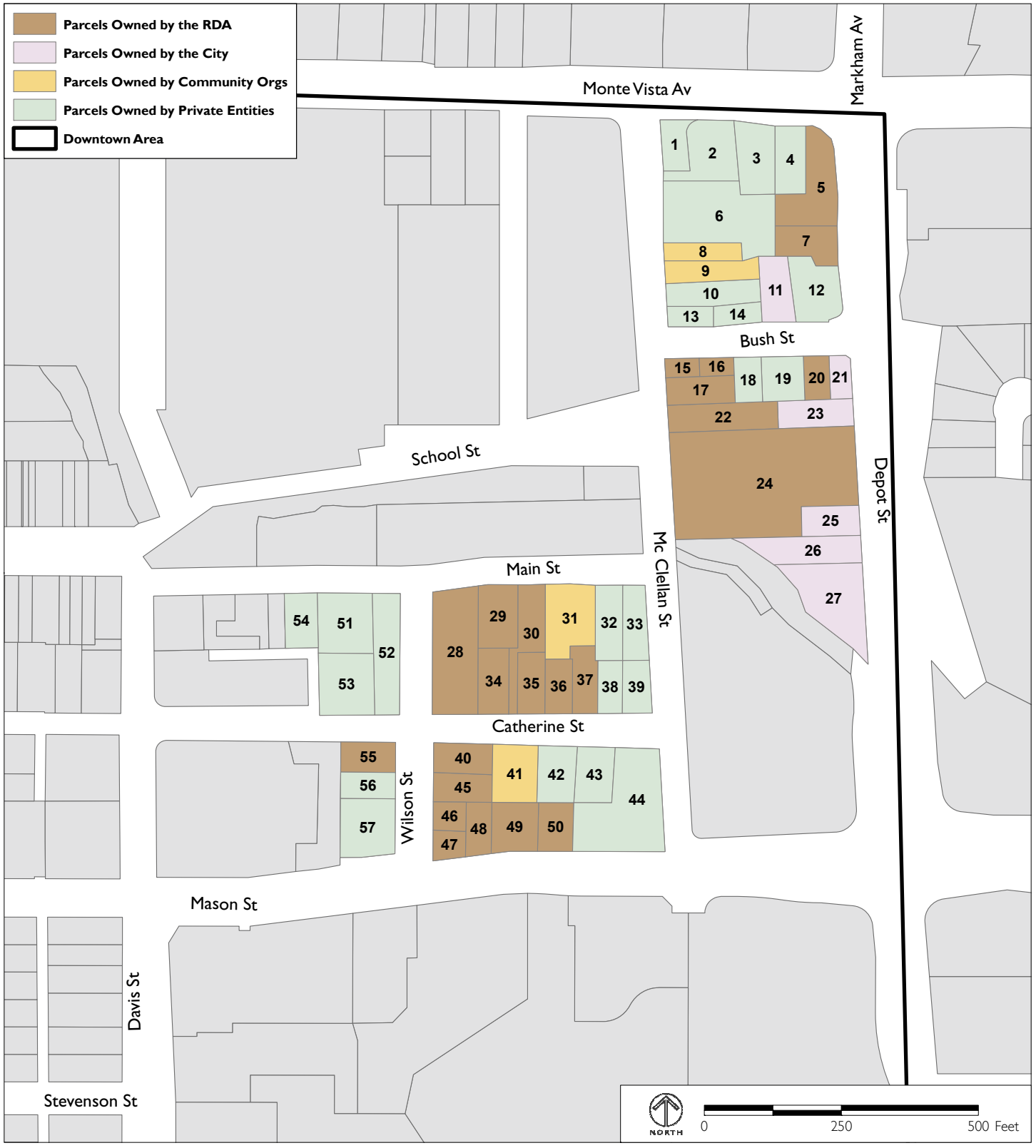
Nestled north of Mason Street all the way to Monte Vista Avenue are the Depot Street and Opportunity Hill Project Sites. With information provided in the City of Vacaville Housing Element, 2007-2014, Table 8 identifies the APN, acreage, and use of all of the parcels located within the Opportunity Hill Project Site and the Depot Street Project Site. The table categorizes the APNs by ownership. Figure 3 provides a map of the Opportunity Hill and Depot Street Project Sites, with the ownership of each of the parcels. The map and corresponding table provide a key number for each of the sites.

The City of Vacaville Redevelopment Agency and private entities own the largest portions of the 10.62-acre Residential Urban High Density Overlay District. The Redevelopment Agency owns 23 small parcels comprising 4.62 acres, and private entities own 4.20 acres spread over 23 parcels. The land owned by the Redevelopment Agency is mostly vacant, with the exception of two parcels with commercial buildings. The two buildings are on parcel number 5 (APN 0130-122-210), and on parcel number 7 (APN 0130-122-070) on Figure 3.

The Redevelopment Agency is also in the process of acquiring an additional parcel, map number 41 (APN 0130-206-120), once the homeless shelter currently on the property is relocated to another site.⁶ The timeline for this acquisition is contingent upon the rehabilitation and expansion of another site for the homeless shelter. The Redevelopment Agency expects to acquire the parcel in July 2012.⁷ All of these parcels are within the boundaries of the Vacaville Community Redevelopment Area.

⁶ Personal communication. Tyra Hays, Senior Planner, City of Vacaville Community Development Department, April 13, 2010.

⁷ Personal communication. Emily Cantu, Acting Housing & Redevelopment Manager, City of Vacaville Department of Housing and Redevelopment, April 20, 2010.



Note: See Table 8 for information on numbered parcels.

FIGURE 3
OPPORTUNITY HILL AND DEPOT STREET PROJECT SITE OWNERSHIP

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TABLE 8 OPPORTUNITY HILL AND DEPOT STREET PROJECT SITES

Map No.	APN	Acres	Use
City of Vacaville Redevelopment Agency			
7	0130-122-070	0.12	Commercial Building
5	0130-122-210	0.28	Commercial Building
22	0130-123-010	0.23	Vacant
17	0130-123-020	0.14	Vacant
15	0130-123-030	0.05	Vacant
16	0130-123-040	0.05	Vacant
20	0130-123-070	0.08	Vacant
24	0130-123-100	1.31	Vacant
28	0130-203-010	0.52	Vacant
29	0130-203-020	0.15	Vacant
30	0130-203-030	0.17	Vacant
37	0130-203-100	0.13	Vacant
36	0130-203-110	0.11	Vacant
35	0130-203-120	0.12	Vacant
34	0130-203-130	0.14	Vacant
55	0130-205-040	0.12	Vacant
40	0130-206-010	0.16	Vacant
50	0130-206-060	0.15	Vacant
48	0130-206-080	0.08	Vacant
47	0130-206-090	0.1	Vacant
46	0130-206-100	0.09	Vacant
45	0130-206-110	0.15	Vacant
49	0130-206-130	0.17	Vacant
<i>Subtotal Redevelopment Agency</i>		<i>4.62</i>	

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TABLE 8 **OPPORTUNITY HILL AND DEPOT STREET PROJECT SITES**
(CONTINUED)

Map No.	APN	Acres	Use
City of Vacaville			
11	0130-122-090	0.16	Vacant
21	0130-123-080	0.08	Vacant
23	0130-123-090	0.16	Vacant
25	0130-123-110	0.13	Vacant
26	0130-123-120	0.22	Vacant
27	0130-123-130	0.37	Vacant
<i>Subtotal City of Vacaville</i>		1.12	
Private Ownership			
1	0130-122-010	0.17	Spa
2	0130-122-020	0.24	3 Multi-family units
3	0130-122-030	0.22	Auto Repair Shop
4	0130-122-040	0.17	Single-family house
12	0130-122-080	0.21	Commercial
14	0130-122-100	0.04	Commercial
13	0130-122-110	0.1	Commercial
10	0130-122-120	0.16	Single-family house
6	0130-122-170	0.49	Single-family house
18	0130-123-050	0.09	Single-family house
19	0130-123-060	0.13	Single-family house
54	0130-202-050	unknown	Steel Fabrication Shop
51	0130-202-060	0.22	Vacant
52	0130-202-070	0.23	Vacant
53	0130-202-080	0.25	Vacant

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TABLE 8 **OPPORTUNITY HILL AND DEPOT STREET PROJECT SITES**
(CONTINUED)

Map No.	APN	Acres	Use
32	0130-203-060	0.14	Vacant
33	0130-203-070	0.14	Auto Repair Shop
39	0130-203-080	0.11	Saw and Tool Shop and Small Rescue Mission
38	0130-203-090	0.10	Single-family house
56	0130-203-050	0.12	Single-family house
57	0130-203-060	0.11	Single-family house
42	0130-203-030	0.14	Single-family house
43	0130-203-040	0.15	Single-family house
44	0130-203-050	0.47	United Glass and Window
<i>Subtotal Private Ownership</i>		<i>4.20</i>	
Community Organization			
31	0130-203-140	0.22	Church
41	0130-206-120	0.19	Homeless shelter (to be relocated)
9	0130-122-130	0.16	Church
8	0130-122-140	0.11	Church
<i>Subtotal Community Organization</i>		<i>0.68</i>	
Total Acreage in Residential Urban High Density Overlay District		10.62	Acres

Sources: Vacaville Housing Element, 2010; BAE, 2010.

The City of Vacaville also owns 1.12 acres within the area. All of the parcels are vacant.

The size of the parcels of land owned by private entities ranges from 0.04 to 0.49 acres. Only four of the 24 parcels are vacant, with ten additional parcels containing single-family homes, one parcel containing multi-family units, and the remaining nine parcels containing existing commercial uses. The four parcels along Monte Vista Avenue all appear to be actively in use (APNs 0103-122-010, 020, 030, and 040). Of the parcels owned by private entities that front McClellan Street (APNs 0130-122-170, 120, 110 and 100), map numbers 6 and 10 contain a single-family residences and map numbers 13 and 14 house Bygone Shoppe Antiques. The two parcels fronting Bush Street, map numbers 18 and 19 (APN 0130-123-010 and 0130-123-060), contain single-family homes. These two sites, which are surrounded by parcels owned by the Redevelopment Agency and the City, appear prime for acquisition by the City or Redevelopment Agency, which would give the City greater control over development in the area north of Ulatis Creek and south of Bush Street. While the Redevelopment Agency has tried to acquire these parcels, acquisition is not an option at this time.⁸ The parcels identified by map number 32, 33, 38, and 39 on the west side of McClellan Avenue (APNS 0130-203-060, 070, 080 and 090) contain a mix of uses. These four parcels include a small vacant lot, a residence, the Rescue Mission, and some light industrial uses, Motoring Specialists Inc., and Saw and Tool. Moving further south down McClellan, the parcel labeled map number 44 is home to Napa Auto Parts/Glass Shoppe, and 42 and 43 contain residences. All of the parcels along Wilson Street are either vacant or contain a single family home, as represented by map numbers 40, 52, 56, and 57 (APNs 0130-206-010, 0130-202-070, and 0130-205-050 and 060). Finally, map numbers 51, 53 and 54 house the former Opportunity House Thrift Store that is now closed, along with an active steel fabrication business (APNS 0130-202-050, 060, and 080).

⁸ Personal communication. Emily Cantu, Acting Housing & Redevelopment Manager, City of Vacaville Department of Housing and Redevelopment, April 20, 2010.

C. Regulatory Framework

This section summarizes existing local, State, and federal laws, policies, and regulations that apply to the development of housing in downtown Vacaville.

1. Federal Laws and Regulations

The City of Vacaville receives federal funding annually from the U.S. Department of Housing and Urban Development (HUD). The allocation of these funds, which includes Community Development Block Grants (CDBG), is controlled by the City of Vacaville Five-Year Consolidated Plan and corresponding Annual Action Plan. Any housing development in downtown Vacaville utilizing these or other HUD funds must follow the requirements outlined in the Consolidated Plan, Annual Action Plan, and other supporting documents.

2. State Laws and Regulations

Under State law, every jurisdiction must include a Housing Element as part of its General Plan. The Housing Element contains the City's programs and policies pertaining to affordable housing for all types of households within the community. The Housing Element also addresses the goals for meeting Vacaville's share of the regional housing need as determined by ABAG for a 7.5-year timeframe, from January 2007 through June 2014. While State Law is not specific as to how often a General Plan must undergo a comprehensive update, the law mandates a specific timeframe for the periodic comprehensive update to the Housing Element.

The City of Vacaville adopted the 2007-2014 Housing Element on April 27, 2010, and received certification from the California Department of Housing and Community Development (HCD) on July 21, 2010. The City's General Plan must comply, and be internally consistent, with the policies included in the Housing Element. One policy in the Housing Element particularly critical to the future of housing in downtown Vacaville is Policy H.1-I 14, which states in part, "Implement the Opportunity Hill Master Plan by identifying lands to be rezoned to a density greater than the maximum density of 36 units

per acre as currently permitted by the RUHD Overlay District.”⁹ The boundary of the RUHD Overlay District is shown on Figure 1.

The City of Vacaville has two Redevelopment Areas: the Interstate 505/Interstate 80 Redevelopment Area and the Vacaville Community Redevelopment Area (VCRA). The VCRA “includes the historic Downtown area of Vacaville and the land west of Putah South Canal and Interstate 80 north to Vaca Valley Parkway.”¹⁰ Any development that occurs within the Redevelopment Areas is subject to California Redevelopment Law. Under these laws, tax increment generated from development in the Redevelopment Areas is collected by the Redevelopment Agency. The tax increment must be used within the Redevelopment Areas and 20 percent must be set aside for the development and conservation of affordable housing within and/or outside the Redevelopment Areas.¹¹

3. Local Regulations and Policies

In addition to the federal and State regulations listed above, the development of downtown housing must correspond to the City of Vacaville’s General Plan and the Land Use and Development Code. Since the General Plan is in the process of being updated, the information and recommendations in this document will help shape changes to the existing General Plan that will be included in the General Plan Update.

The prime areas for housing within the larger downtown are included within the RUHD Overlay District. There are also additional housing opportunities outside the Overlay District on parcels zoned to allow residential development as a permitted or conditional use. Lands zoned General Commercial or

⁹ City of Vacaville Housing Element, Third Revision, April 2010.

¹⁰ Department of Vacaville Housing and Redevelopment Department. <http://www.ci.vacaville.ca.us/departments/housing&redevelopment/redevelopment/index.php>. Accessed on April 15, 2010.

¹¹ Personal communication. Emily Cantu, Acting Housing & Redevelopment Manager, City of Vacaville Department of Housing and Redevelopment, August 3, 2010.

Office Commercial could also potentially serve as additional housing sites with the approval of a Residential Overlay (RO) on these parcels.

D. Housing Target Sites

This section identifies sites within the downtown area where residential and/or mixed-use development would be appropriate.

1. Opportunity Hill Master Plan Area

The Opportunity Hill Master Plan Project sites in the *Opportunity Hill Master Plan and Design Guidelines, City of Vacaville, March 2008* still appear to be prime sites for new downtown residential development. Figure 1 delineates the Opportunity Hill Master Plan Project sites. One new site within the Opportunity Hill Master Plan Project Site that was not owned by the Redevelopment Agency in 2008 is the Opportunity House Homeless Shelter (APN 0130-206-120). As mentioned previously, the Redevelopment Agency is set to acquire the property in 2012. The additional parcels within the Opportunity Hill Master Plan area are all privately owned, and only one small lot is currently vacant, making these sites unavailable for high-density residential use in the short-term. Given the small lot sizes, it is likely that some consolidation of parcels would be necessary in order to provide sites large enough to encourage redevelopment.

Development of the Opportunity Hill Plan Master Plan Project sites along East Main Street in particular is extremely important for the future success of downtown Vacaville. Currently, the downtown abruptly ends at the intersection of Main Street and Wilson Street. Paraphrasing one local real estate broker, mixed-use development, including retail and restaurants on the first floor and residential on upper floors, would be a good addition to downtown by extending vitality and activity farther east along Main Street.¹² This could also help promote business on Main Street between Davis Street and Wilson

¹² Personal communication. Sherene Chandler, Broker, Chandler Properties, April 16, 2010.

Street, given that some of those spaces are currently vacant or underutilized. As described in greater detail by another local real estate broker, there are already a couple of mixed-use buildings with residential on the second story, including space above the Vasquez Deli and Debartolo & Co. Fine Jewelers, and it would be desirable to see additional buildings along Main Street and Catherine Street downtown where entrepreneurs could live above their businesses.¹³

2. Monte Vista Center

Along the north side of East Monte Vista Avenue, between Cernon Street and Dobbins Street, sits the Monte Vista Center. Current tenants of the center include CVS Pharmacy, Old Towne Furniture, Shock's Furniture, and 1st Pacific Credit Union. It is an older center without a grocery anchor, and could in the future serve as a site for a redevelopment project that could include housing. Current furniture retailer tenants could be relocated to alternative sites within Vacaville where they might develop better synergies with other complimentary tenants. Redevelopment of this property will be complicated by the presence of eight parcels on the site which have seven different owners.¹⁴ As this site is located within the Vacaville Community Redevelopment Area, the Redevelopment Agency may be able to assist with parcel assembly.

3. Vacaville Unified School District Properties

The Vacaville Unified School District (VUSD) currently owns two sites within the downtown Vacaville Area. Until recently, VUSD offices were located at 751 School Street. Since VUSD has moved to 401 Nut Tree Road, and is no longer utilizing this site, there has been interest in selling the prop-

¹³ Personal communication. Steve Kappel, President, Kappel and Kappel Realtors, Inc., April 28, 2010.

¹⁴ City of Vacaville Assessor's map and Dataquick.com. Accessed April 27, 2010.

erty for development.¹⁵ In order for this site to be redeveloped, the site would have to be rezoned from Community Facilities (CF) to another zoning designation.

VUSD could sell the land with or without entitlements. At present, VUSD has an application with the City of Vacaville for an abandonment of an easement on the property, but no decision has been made on the application.¹⁶ Whether the VUSD or the new owner takes the property through the entitlement process, VUSD's end goal for the site is to house high-density residential or mixed-use development so that VUSD can get the highest price for the land.

VUSD also owns an adjacent parcel, which contains the Muzetta M. Thrower Education Center, formerly Country High School, as well as a variety of other educational programs. VUSD is not interested in selling this site because it is an active school site, and there is currently no plan to move these school district functions to an alternative location.

4. Existing Municipal Parking Lots

The *2008-2009 Downtown Vacaville Parking Study* states that there is a sufficient amount of surface parking available and recommends changes to the operation of existing parking lots, but does not recommend the development of a parking structure in downtown Vacaville. If parking demand warrants the construction of a parking structure within the General Plan time horizon, this might create the opportunity to consolidate parking spaces in the new structure, and make some surface parking lots in the historic downtown and on the periphery available for mixed-use development containing residential uses. These parking lots are identified in Figure 4.

¹⁵ Personal communication. Leigh Coop, Facilities Director, Vacaville Unified School District, and John Aycock, Superintendent, Vacaville Unified School District. April 22, 2010.

¹⁶ Personal communication. Leigh Coop, Facilities Director, Vacaville Unified School District, and John Aycock, Superintendent, Vacaville Unified School District. April 22, 2010.

5. Additional Vacant Lots Shown in Figure 4

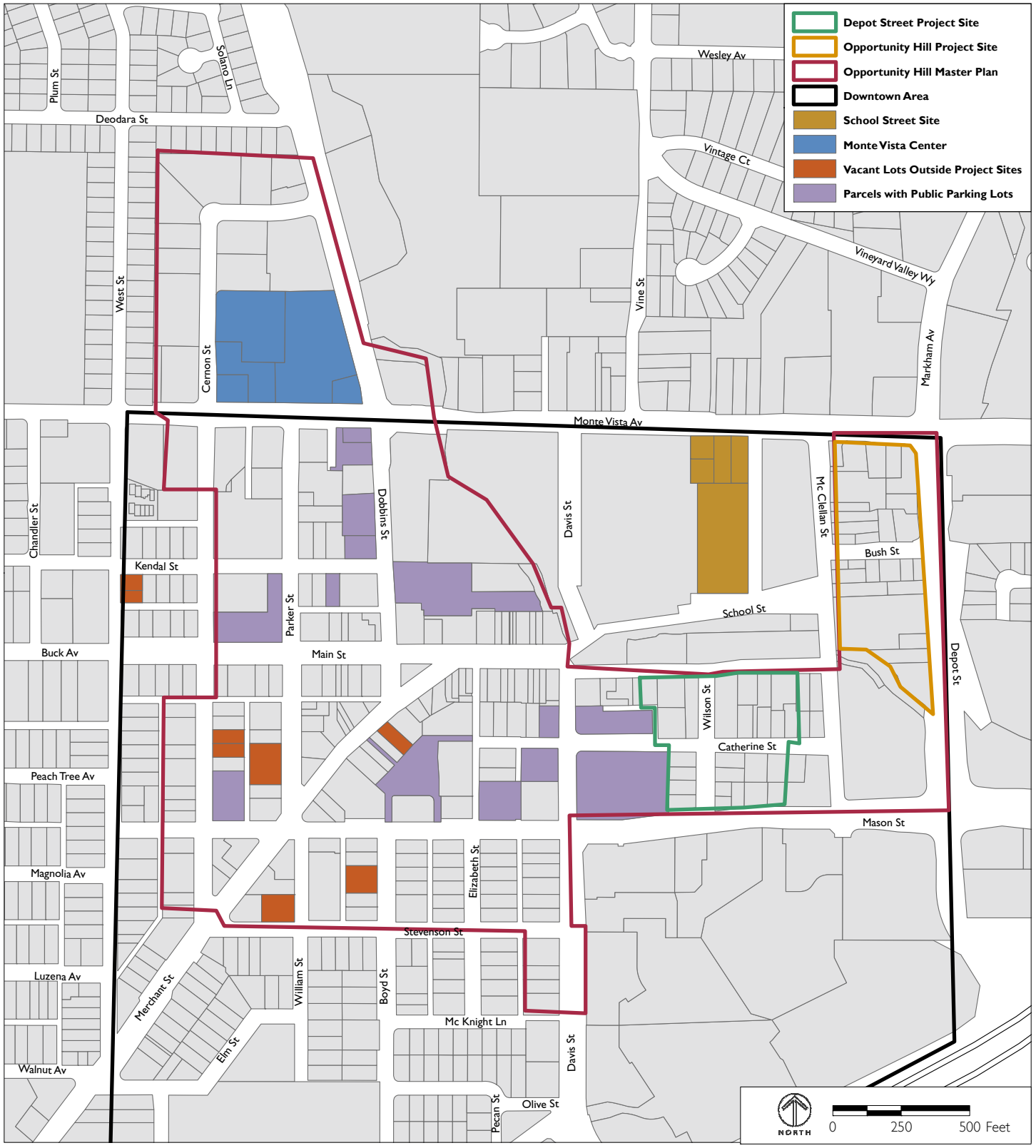
Figure 4 identifies a small number of additional vacant lots in downtown Vacaville. Each lot is relatively small in size and would yield a minimal number of units. It is an option, however, to examine these lots and possibly change their designations to allow high-density infill residential development, as many of these lots are within areas that now contain single-family residential units interspersed with multi-family development (either smaller garden style apartment complexes or larger homes divided into several units).

E. Conclusions

Demographic data on the residents in the downtown area indicate that downtown residents tend to differ from other residents in the City of Vacaville in a few key ways: downtown Vacaville households are smaller in size, downtown residents are more likely to live alone or with unrelated individuals, and a high percentage of downtown households rent their homes. These demographic trends are likely to continue among residents who chose to live downtown in the future. ABAG projects that the City of Vacaville will continue to grow over the next two decades, and the downtown Vacaville area is a good location for the growing population to live, especially small, non-family households that are seeking a more urban environment.

While only a very small number of apartments have been built in the last five years in the downtown area, the existing apartment units have experienced strong demand and command rental rates comparable to the rates in the City of Vacaville as a whole. Meanwhile, the number of new single-family homes and condominiums in the downtown area is minimal to nonexistent, and there are no planned or proposed residential projects in the downtown area at this time.¹⁷ The downtown for-sale housing market is untested.

¹⁷ Personal communication. City of Vacaville Staff. May 17, 2010.



Source: City of Vacaville, Bay Area Economics.

FIGURE 4
VACANT AND UNDERUTILIZED DOWNTOWN SITES

While the incomes of households in downtown Vacaville are currently below the City of Vacaville median, this may be indicative of the lack of new, high quality units available for sale or rent. Given the attractive amenities in downtown, there may be opportunities to attract new residents with a range of household incomes to downtown Vacaville if new high quality residential units are provided. These new units could include a mixture of for-sale and rental housing; however, downtown housing should be designed with an urban feel, distinct from the more suburban style housing available elsewhere within the city. This could include some rowhouses/townhomes in areas where compatibility with existing single-family housing stock is a concern. Elsewhere in the downtown where a mixed-use environment is appropriate, higher-density residential projects will be compatible.

F. Implications for the General Plan Update

The General Plan Update process should consider the following in order to address downtown housing development opportunities:

- ◆ Prioritize high density multi-family development by redesignating the following sites to a density greater than the maximum density of 36 units per acre currently permitted by the RUHD:
 - Depot Street Project Site
 - Opportunity Hill Project Site
 - Monte Vista Center
- ◆ If structured parking facilities are built downtown to meet the parking demand within the General Plan time horizon, land with existing municipal surface parking lots could instead be used for mixed use development.
- ◆ Target redevelopment loan funds to promote mixed use development at the Opportunity Hill Master Plan Project site.
 - Mixed-use development should conform to the design guidelines outlined in Chapter 6 of *Opportunity Hill Master Plan and Design Guidelines, City of Vacaville, March 2008*.

- ◆ Lands zoned General Commercial or Office Commercial could potentially serve as additional housing sites with the approval of a Residential Overlay (RO) on these parcels. However, these sites are not designated for residential development at this time. Consider changing or amending General Plan land use designations to allow for additional downtown housing as necessary. For example, consider changing the zoning designation for the Monte Vista Center from General Commercial (CG) to Residential High Density (RH). The site is already within the RUHD Overlay District.
- ◆ Promote higher intensity office uses in and around the downtown area so that new residents have the option of a walk or short commute to jobs.
- ◆ As recommended in the *2008-2009 Downtown Vacaville Parking Study*, the “City parking requirements for mixed-use developments should be reduced to require 1.7 spaces per unit (to avoid an overabundance of unused parking).”¹⁸
- ◆ Continue to position the downtown as an attractive area for urban housing and as a destination for residents of other Vacaville neighborhoods and surrounding communities. Encourage a variety of high quality restaurants and retail establishments in the downtown, and invest in upgraded and well-maintained public spaces.
- ◆ Consider amending the General Plan land use designation for the two properties owned by the VUSD to permit commercial and/or residential development.

¹⁸ Cynthia W. Johnson, Housing and Redevelopment Director. “Adoption of the 2008-2009 Downtown Parking Study,” April 27, 2010.

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