

APPENDIX C: JOBS-HOUSING BALANCE

This section investigates how the various Yolo County General Plan Update Alternatives may impact the balance of housing and employment opportunities for the County as a whole as well as for sub-geographies within the County. This analysis not only assesses the number of jobs as compared to the number of employed residents, but also the match between local housing costs and the anticipated incomes from local jobs.

A. Analytical Framework

For the purposes of this analysis, BAE has defined the jobs-housing balance as the ratio of the number of local jobs to the number of employed residents. This is a better measure than a calculation of jobs per housing unit since a typical household generally has more than one employed person. The analysis examines the jobs-housing balance for both the whole County (including the cities) and sub-areas within the unincorporated County. The Countywide (including the cities) analysis provides an overview of the jobs-housing balance in the County, as the cities tend to act as employment centers. The analysis of the sub-areas within the unincorporated County provides a more focused examination of the jobs-housing balance anticipated within the unincorporated County's communities.

In order to compare the number of jobs to the number of employed residents in Yolo County expected by General Plan buildout for each of the alternatives, BAE first calculated the average number of employed residents per household in Yolo County using 2000 Census household and employment data. This is the most current data available for employment by place of residence. The 2000 Census reported 59,400 households and 76,700 employed residents for Yolo County, resulting in an average of 1.3 employed residents per household in the County. Thus, providing 1.3 jobs per household could be considered a plausible goal for the County to achieve a jobs-housing balance, both Countywide and in sub-areas of the County.

BAE then determined the current ratio of jobs to employed residents for the incorporated cities, communities with the unincorporated County, and the

overall County. This was accomplished by using the SACOG 2005 household and employment projections from Tables 1 and 2 in the Market and Fiscal Considerations sections of the Alternatives Evaluation, as well as the average number of employed residents per household figure calculated above.

As reported in Table C-1, there are 1.2 jobs for each employed resident in the County.¹ In other words, there are more employment opportunities in the County than employed residents. This figure is not constant across all sub-geographies. For example, while West Sacramento has over two jobs per employed resident, communities within the unincorporated County have less than one job per employed resident.

Table C-2 then calculates the projected 2030 ratio of jobs to employed residents in Yolo County. Similar to Table C-1, calculations, these estimates use the SACOG 2030 household and employment projections from Tables 1 and 2 in the Market and Fiscal Considerations sections of the Analysis Evaluation, in addition to the average number of employed residents per household figure. SACOG projects that Yolo County's incorporated cities will grow by approximately 39,000 housing units by 2030, interviews with each of these jurisdictions confirmed their collective estimates of growth through 2032 to be in the range of 40,000 residential units.² By 2030, SACOG projects that the Countywide balance of jobs to employed residents will reach a ratio of 1.4 jobs per employed resident. However, the City of Winters and several of the unincorporated towns are still not projected to experience sufficient employment growth to provide enough jobs for their residents.

¹ According to the California Employment Development Department, in 2004 Yolo County employment in all industries equaled 96,500 while civilian employment was 86,900. These figures equate to a jobs to employed resident ratio of 1.1 for 2004. While this is slightly lower than the SACOG estimates, these figures confirm a greater number of jobs than employed residents in Yolo County.

² Design, Community & Environment; October 25, 2006.

Table C-1: Yolo County 2005 Ratio of Jobs to Employed Residents

	Jobs (a)	Households (a)	Average Employed		Total Employed	Jobs: Employed
			Residents per Household (b)	Residents		
Yolo County Total	109,855	68,907	1.3	89,579	1.23	
Davis (c)	38,878	24,885	1.3	32,351	1.20	
Winters	1,774	2,335	1.3	3,036	0.58	
Woodland	24,634	18,775	1.3	24,408	1.01	
West Sacramento	41,282	15,310	1.3	19,903	2.07	
Unincorporated County (c)	3,287	7,602	1.3	9,883	0.33	
Clarksburg	207	173	1.3	225	0.92	
Dunnigan	85	389	1.3	506	0.17	
Esparto	261	757	1.3	984	0.27	
Knight's Landing	106	371	1.3	482	0.22	
Madison	68	156	1.3	203	0.34	
Rest of Unincorporated County (d)	2,560	5,756	1.3	7,483	0.34	

Notes:

(a) Estimate is based on the SACOG aggregated minor zone projections for 2005 employment and households as Reported in Tables 1 and 2 of the Yolo County General PlanMarket and Fiscal Considerations report.

(b) Based on 2000 Census household and employment data reported for Yolo County.

(c) Based on employment figures from UC Davis, the University employed 17,183 full-time employees and 10,633 part-time employees in the Fall of 2005. BAE treated all part-time employees as half-time employment, resulting in a total of 22,500 University employees for 2005. This figure was subtracted from the 2005 unincorporated County employment projections and added to the City of Davis.

(d) Data for the Rest of Unincorporated County are the difference between Unincorporated Yolo County projections and the sum of the projections for Clarksburg, Dunnigan, Esparto, Knight's Landing, and Madison.

Sources: SACOG, 2006; 2000 U.S. Census, 2006; UC Davis, 2006; BAE, 2006.

Table C-2: Projected Yolo County 2030 Ratio of Jobs to Employed Residents

	Jobs (a)		Average Employed Residents per Household (b)		Total Employed Residents		Jobs: Employed Residents	
	Jobs (a)	Households (a)	Average Employed Residents per Household (b)	Total Employed Residents	Total Employed Residents	Jobs: Employed Residents	Jobs: Employed Residents	
Yolo County Total	195,046	106,550	1.3	138,515	138,515	1.41	1.41	
Davis (c)	43,733	28,043	1.3	36,456	36,456	1.20	1.20	
Winters	3,580	4,808	1.3	6,250	6,250	0.57	0.57	
Woodland	43,758	28,039	1.3	36,451	36,451	1.20	1.20	
West Sacramento	87,506	34,801	1.3	45,241	45,241	1.93	1.93	
Unincorporated County (c)	16,468	10,860	1.3	14,117	14,117	1.17	1.17	
Clarksburg	521	181	1.3	235	235	2.22	2.22	
Dunnigan	287	1,915	1.3	2,489	2,489	0.12	0.12	
Esparto	459	1,206	1.3	1,568	1,568	0.29	0.29	
Knight's Landing	137	888	1.3	1,155	1,155	0.12	0.12	
Madison	110	273	1.3	355	355	0.31	0.31	
Rest of Unincorporated County (d)	14,955	6,397	1.3	8,316	8,316	1.80	1.80	

Notes:

(a) Estimates are based on the SACOG aggregated minor zone projections for 2030 employment and households as Reported in Tables 1 and 2 of the Yolo County General PlanMarket and Fiscal Considerations report.

(b) Based on 2000 Census household and employment data reported for Yolo County.

(c) Based on employment figures from UC Davis, the University employed 17,183 full-time employees and 10,633 part-time employees in the Fall of 2005. BAE treated all part-time employees as half-time employment, resulting in a total of 22,500 University employees for 2005. This figure was subtracted from the 2005-2030 unincorporated County employment projections and added to the City of Davis.

(d) Data for the Rest of Unincorporated County are the difference between Unincorporated Yolo County projections and the sum of the projections for Clarksburg, Dunnigan, Esparto, Knight's Landing, and Madison.

Sources: SACOG, 2006; 2000 U.S. Census, 2006; UC Davis, 2006; BAE, 2006.

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Using the current and projected jobs per employed resident estimates, the analysis then draws upon the findings in the Market Analysis section of this report to assess the likelihood of each alternative improving, keeping neutral, or worsening the jobs-housing balance in the County overall as well as in sub-geographies throughout the unincorporated County³.

While specifics regarding the type of housing within each alternative are currently unavailable, the analysis does investigate whether the supply of housing in each alternative will provide a range of market-rate housing options affordable for a range of household incomes. The income-housing balance analysis also provides a qualitative discussion of the likely salaries corresponding to the potential job-generating uses based on the findings in the Market Analysis. As part of this analysis, the report addresses the County's inclusionary housing requirements. As discussed in the Fiscal Analysis, Yolo County's Inclusionary Housing Ordinance requires ten percent of all new residential subdivision development in the unincorporated County to be affordable to low-income households and ten percent to moderate-income households. As reported in Table 3, based on the County average of three persons per household, a low-income household is defined as having income of \$43,550 or less annually and a moderate-income household is defined as income of \$65,280 or less annually. These income thresholds and the potential number of affordable housing units are both used to qualitatively assess whether the county's inclusionary housing requirements may adequately address possible gaps between the incomes generated by potential job-generating uses and new housing costs.

³ The analysis presented in this section of the report focuses on potential jobs associated with the land uses proposed in each of the General Plan alternatives. While the analysis includes some potential for industrial agriculture uses, it does not include jobs from other agricultural activities, agricultural tourism, or eco-tourism. These activities are not, generally, huge job-generators; however, they may have other positive local economic impacts.

B. Alternative 1

1. Countywide Jobs-Housing Balance

a. Jobs-Employed Residents balance

Based on the Market Analysis, it is likely that all 2,700 new residential units called for in unincorporated Yolo County will be absorbed over the next 25 years or so. However, beyond some industrial development and a few convenience retail outlets to serve the small communities as well as highway traffic, the county is not expected to experience much job-generating growth under Alternative 1. As a result, this alternative will probably result in more new housing units and employed residents than new local jobs by General Plan buildout. However, with only 2,700 new residential units, and a countywide (including the cities) projection of 1.4 jobs per employed resident by 2030, this Alternative would not have a significant impact on the countywide ratio of jobs to employed residents.

b. Income-Housing Balance

With fewer than 3,000 additional units, new residential development in unincorporated Yolo County will not be able to meet demand for a wide-range of housing products. New housing will most likely take the form of single-family detached units. Furthermore, with such a restricted supply, housing prices are likely to be high across the unincorporated area. High-cost housing does not meet the needs of the vast majority of county households. This is especially true under Alternative 1, as the greatest share of new employment would be in industrial manufacturing, warehousing, and/or distribution.

While Yolo County's Inclusionary Ordinance requires 20 percent of all new residential development to be affordable to low and moderate-income households, approximately 1,600 of these units would be located outside the unincorporated communities under this alternative. These units are assumed to primarily consist of scattered single-family homes and, as a result, would be exempt from county inclusionary housing requirements. Therefore, approximately 280 of the estimated 1,100 suburban housing units constructed under this alternative would be affordable housing units. This number of affordable housing units will likely be insufficient to address the discrepancy

between incomes from local jobs and housing prices countywide (including the cities).

2. Jobs Housing Balance by Sub-Areas in the Unincorporated County

a. Jobs-Employed Residents balance

With the exception of Dunnigan, all sub-geographies in the unincorporated county will probably experience greater growth in the number of employed residents than local jobs. While residential market demand will drive new housing developments, the increase in population for the various communities will remain insufficient to support much job-generating growth.

On the other hand, only 170 new housing units are called for in Dunnigan under this alternative. This compares to approximately 1.2 million square feet of industrial building that the Market Analysis concludes could be absorbed over the General Plan time-frame. This could result in more jobs than housing units in Dunnigan. However, industrial uses are attracted to areas with cheaper land so as to reduce the costs associated with the large building sizes. The large size of buildings correlates more to the equipment required for operations rather than a large employee headcount. On average, industrial uses tend to employ approximately one worker per 1,000 building square feet. Therefore, while a potential exists for a high proportion of jobs to housing units in Dunnigan under Alternative 1, it is a consequence of the small allocation of new housing units and not due to an exceptional high potential for job-generation in Dunnigan under this alternative.

b. Income-housing cost balance

As noted in the Countywide analysis above, the limited supply of housing called for in this alternative will most likely result in high housing prices. The industrial jobs will probably not provide employees with sufficient salaries for these high-priced housing products. Industrial uses choose locations not just based on the availability of low-cost land, but also on low labor costs. Furthermore, the jobs generated by local and highway-serving retail and lodging will be low-paying positions. It is possible that without the application of County inclusionary housing requirements to new projects, of the new em-

ployment opportunities anticipated in Alternative 1, only those employed in the office sector may find market-rate housing compatible with their household income. Even with County inclusionary housing requirements, an income-housing cost imbalance is anticipated throughout the unincorporated County. This is especially true for Dunnigan and Esparto, as there is potential for new industrial jobs but little opportunity for affordable housing due to the small amount of new residential development allocated to both communities under Alternative 1.

C. Alternative 2

1. Countywide Jobs-Housing Balance

a. Jobs-Employed Residents balance

The Market Analysis concluded that while it is possible for the unincorporated County to grow by the 5,500 new housing units called for under Alternative 2, this area will not experience much job-generating growth. Even with an increase of 2,800 new housing units over Alternative 1, the population concentration in unincorporated County communities will remain insufficient to support much new commercial development. Furthermore, the County can expect highway traffic to only support a limited amount of commercial development across all four alternatives. There is also a limit, unrelated to residential growth, as to how much industrial space a location can support. It is probable that Alternative 2 will result in more new employed residents as compared to new jobs in the unincorporated County. It is unlikely, though; that this imbalance would bring the Countywide (including the cities) jobs per employed resident below a one to one ratio.

b. Income-housing cost balance

Similar to the findings in Alternative 1, the restricted supply of new residential units under Alternative 2 will probably result in high housing costs throughout the County. Much of the new residential development will likely consist of single-family detached housing products, with a few multifamily or attached housing options in some of the unincorporated towns. Overall, the restricted supply of residential units will likely result in housing prices above

what most County households would be able to afford. Further exacerbating the situation, much of limited job growth under Alternative 2 will be in low paying employment sectors. Therefore, most of the households employed in these newly created positions will not be able to afford homes near their place of employment without the application of County inclusionary housing requirements on new developments.

Unlike Alternative 1, much of the new housing in Alternative 2 is concentrated in the unincorporated communities, likely increasing the number of new residential developments subject to inclusionary housing requirements. Nearly 1,000 new affordable housing units might be expected to be built under this alternative. However, even this number of units is not sufficient to meet affordable housing needs either within the unincorporated County or Countywide (including the cities).

2. Jobs Housing Balance by Sub-Areas in the Unincorporated County

a. Jobs-Employed Residents balance

With greater residential growth in Alternative 2 as compared to Alternative 1, all the unincorporated communities are likely to experience smaller ratios of jobs per employed resident. Each of the communities will remain insufficiently sized to support much commercial growth and the Market Analysis found that not much additional industrial growth could be expected with this alternative. Even in Dunnigan, the higher allocation of housing growth could result in a ratio of less than one job per employed resident in that area.

b. Income-housing cost balance

For all the unincorporated communities, new housing developments are anticipated to mostly consist of high-cost products. However in the communities of Dunnigan, Esparto and Knight's Landing, there may be some potential for more dense, attached housing products that could also have lower price-points. Still, the majority of new jobs in these areas will be in low-wage employment sectors such as retail and manufacturing. With limited Countywide (including the cities) housing options, all new local housing products may be unaffordable to these households without inclusionary housing measures.

Even with County inclusionary housing requirements and an increase in residential development in this alternative over Alternative 1, an income-housing cost imbalance is still anticipated in both Esparto in Dunnigan. This is due to an insufficient number of new affordable units as compared to the number of new jobs, especially in industrial employment. As other communities are not expected to experience much increase in job-generating uses, the supply of affordable housing units in those areas is likely to be sufficient for the small amount of new locally employed residents, though possibly not enough to meet existing local demand for affordable housing products.

D. Alternative 3

1. Countywide Jobs-Housing Balance

a. Jobs-Employed Residents balance

Alternative 3, with, 9,500 new housing units, calls for the greatest amount of residential growth of all four alternatives. The Market Analysis found that this amount of new housing could be absorbed over the General Plan timeframe. However, there remains a much smaller potential for job-generating growth over the same period of time. As a result of this disproportionate growth, it is highly likely that the ratio of jobs to employed residents Countywide (including the cities) will fall by 2030 as compared to current projections. However, due to the current 2030 projection of 1.4 jobs per employed resident, it is still possible that the County will have more jobs than employed persons at General Plan buildout.

b. Income-Housing Cost Balance

Unlike the previous two alternatives, this high level of residential growth called for in Alternative 3 allows for a greater range of housing products. Countywide (including the cities), it is plausible for the housing market to supply some more affordable housing options as compared to large-lot, single-family units. However, the growth in jobs resulting from this alternative will still primarily occur in low-wage sectors.

While Yolo County's Inclusionary Ordinance requires 20 percent of all new

residential development to be affordable to low and moderate-income households, approximately 1,600 of the potential new housing units would be located outside the unincorporated communities under this alternative and are assumed to primarily consist of scattered single-family homes and, as a result, would be exempt from County inclusionary housing requirements. Therefore, the 20 percent inclusionary housing requirement would apply to 7,900 of the 9,500 new homes proposed under this alternative that are estimated to be constructed under this alternative in developments that are more “suburban” in configuration. Consequently, approximately 1,600 of the new homes would be affordable housing units. Most of these units would be concentrated in Dunnigan, as they would be part of the new development projected for this town. This amount of affordable housing, though significant, will still probably be insufficient to completely address the discrepancy between incomes from local jobs and housing prices Countywide (including the cities).

2. Jobs Housing Balance by Sub-Areas in the Unincorporated County

a. Jobs-Employed Residents Balance

While Alternative 3 allocates 7,000 new residential units to Dunnigan, housing growth in other parts of the unincorporated County are held to the same levels as found in Alternative 1. Therefore the imbalance noted for all unincorporated communities other than Dunnigan under Alternative 1 still holds under Alternative 3. However, in Dunnigan the large increase in residential growth in Alternative 3 as compared to Alternative 1 will push this community towards a significantly greater amount of employed residents as compared to job opportunities. As noted in the Market Analysis, the job-generating potential in Dunnigan, even with this large of a community size, is still somewhat limited.

b. Income-Housing Cost Balance

With the exception of Dunnigan, all unincorporated communities will experience higher housing costs relative to the salary ranges from new local employment opportunities. While the large supply of housing units in Dunnigan could result in slightly lower prices in these markets, these price reductions will probably not be that significant as housing supply in each of these localities will still be limited. Within Dunnigan, the housing growth will

probably allow for the development of more residential products that cater to lower income brackets as compared to the other three alternatives, improving the balance between incomes from local jobs and local housing prices. Furthermore, approximately 1,400 of the 1,600 new affordable housing units would be built in Dunnigan under this alternative. Therefore, while an income-housing cost imbalance can be expected in most of the unincorporated communities under this alternative, Dunnigan is likely to experience a sufficient range of housing options to cater to locally employed households.

E. Alternative 4

1. Countywide Jobs-Housing Balance

a. Jobs-Employed Residents Balance

Alternative 4 combines 7,000 new housing units with the greatest amount of job-generating growth found in all four of the alternatives. With the addition of the Elkhorn, Spreckels, Near Winters AGI, and Yolo County Airport projects, this alternative could generate the greatest number of new employment opportunities. This however, depends on these sites capturing new businesses that otherwise would not have located in Yolo, as opposed to attracting businesses that would have located in Woodland, West Sacramento, or another location in Yolo County. Even with this additional job-generating potential, the residential growth still exceeds the likely employment growth under Alternative 4. However, since this alternative is likely to generate the greatest amount of employment of all four alternatives, Alternative 4 would probably result the smallest downward shift of the Countywide (including the cities) ratio of jobs to employed residents.

b. Income-Housing Cost Balance

With 7,000 new residential units across the County, Alternative 4 has the potential to provide some range of housing products at various price points. The potential new jobs under this alternative are still generally in the low-wage retail and industrial sectors. Thus the Countywide (including the cities) balance of potential incomes and housing prices is only somewhat alleviated under this alternative. In addition, County inclusionary housing require-

ments would result in approximately 1,200 new affordable housing units. However, as in Alternative 2, this number of affordable housing units is still not sufficient to meet affordable housing needs either within the unincorporated County or Countywide (including the cities).

2. Jobs Housing Balance by Sub-Areas in the Unincorporated County

a. Jobs-Employed Residents Balance

With greater residential growth than employment growth in all of the unincorporated towns, these localities will experience an imbalance of jobs to employed residents. This is especially true in Monument Hills where the residents of 450 new housing units will have no local employment opportunities. Furthermore, the Elkhorn project is somewhat removed from the County's existing cities and towns. Though, the proposed Winters Industrial site is near the City of Winters, Yolo County Airport is near Davis, and Spreckels is in close proximity to Woodland.

b. Income-Housing Cost Balance

With greater residential growth both Countywide (including the cities) and in many of the unincorporated communities as compared to the other three alternatives, Alternative 4 could result in some range of housing options with relatively lower prices. In several towns, including Dunnigan, Esparto, and Knight's Landing, the higher residential growth allocations may allow for the development of smaller, attached housing products. While these communities will primarily serve as bedroom communities to nearby employment centers such as Woodland and Vacaville, locally employed households may potentially find some nearby affordable, market-rate housing in each of these areas. As noted under Alternative 2, the majority of new jobs in these areas will still be in low-wage employment sectors such as retail and agriculture-related production and distribution while the vast majority of new local housing products will likely be detached, single-family units that remain unaffordable to these households. This could be alleviated by inclusionary housing requirements applied to new housing developments.

Based on the amount of job-generating uses the Market Analysis estimates would be absorbed in the unincorporated communities, with County inclu-

sionary housing requirements, an income-housing cost balance may be achievable in many of these areas over the General Plan time-frame. The low market potential for job-generating uses in Madison and Knight's Landing makes it plausible that the amount of affordable housing required in these communities under this alternative may be sufficient for the few new locally employed residents, though possibly not sufficient to address existing unmet local demand for affordable housing products.

The relatively small amount of industrial acres allocated to Dunnigan in this alternative combined with low market potential for commercial uses makes it feasible that the number of affordable housing units that might be built in Dunnigan could meet the affordable housing needs of new locally employed residents. Again, this does not address any potential existing unmet local affordable housing needs.

Though Esparto is not projected to fully absorb the number of job-generating acres allocated to the community in Alternative 4, the number of affordable housing units that would be constructed in this community would likely be insufficient to meet the needs of residents employed in new local jobs generated under this alternative.

F. Dunnigan Hills Landowner Group Proposal

The Market Analysis found that the market potential for this development proposal does not differ significantly from the market potential of Alternative 3. Therefore, the analysis of the jobs-housing balance for Alternative 3 applies to this development pattern as well. Please see the discussion for Yolo under Alternative 3 for an analysis of the jobs-housing balance of this growth pattern.

G. City Edge Development

For the purposes of this analysis, development at the edge of the incorporated

cities is considered independent of the County General Plan Update and constant across all of the General Plan Update Alternatives. Of the 40,000 new housing units that the cities are projecting for 2032, their own estimates indicate that approximately 8,000 of those units would be build outside their current spheres of influence, which is considered city edge development.⁴

Overall, city edge development projected through 2032 does not greatly impact current estimates of the Countywide (including the cities) jobs-housing balance. Most likely, the number of jobs in these cities will exceed the number of employed residents. Therefore, even if growth in the unincorporated County is dominated by residential development, the Countywide (including the cities) ratio of jobs to employed residents could achieve a one-to-one balance.

The following section provides an analysis of how the incorporated cities' own estimates of residential growth within their current boundaries and at their edges may impact the local balance of jobs to employed residents.

1. Davis

By 2032, the City of Davis anticipates 6,700 new housing units, with 2,100 of those outside the City's current sphere of influence. SACOG only projects an increase of 3,200 housing units for Davis by 2030. The increase in residential growth for Davis will likely bring the balance of jobs to employed residents slightly lower than the current and projected 1.2 ratio. The City will still likely maintain a jobs to employed residents ratio above one.

2. West Sacramento

Of the 20,500 new housing units that the City of West Sacramento anticipates, only 2,500 are planned outside the City's current sphere of influence. These residential growth projections are fairly in line with the SACOG projections. Therefore, the projected 2030 ratio of jobs to employed residents remains at nearly two jobs for each employed resident in West Sacramento.

⁴Design, Community & Environment; October 25, 2006.

3. Winters

Winters estimates growing by 2,000 residential units by 2032. Of those new units, 850 are anticipated to be built outside the City's current sphere of influence. The City's projections are slightly lower than SACOG's estimate of 2,500 new housing units by 2030. Thus, the current and projected imbalance of 0.6 jobs per employed resident may rise, but will likely remain below a ratio of one job per employed resident.

4. Woodland

The City of Woodland expects to grow by 10,600 new residential units, with nearly 2,600 of those outside the City's current sphere of influence. This growth projection is approximately 1,000 units greater than SACOG's 2030 housing projection. This increase in housing growth will not significantly impact the current 2030 projection of 1.2 jobs per employed resident in Woodland.