

REVISED DRAFT

Urban Reserve Evaluation: Development Inventory and Land Need Forecast



City of Vacaville
Community Development Department
September 11, 2023

Introduction

[Chapter 14.04.040 \(Urban Reserve\) of the City of Vacaville Municipal Code](#) identifies the evaluation process that must be completed before considering the conversion of lands designated as Urban Reserve (UR) in the General Plan. This process must be completed in conjunction with the five-year update of the Municipal Service Review (“MSR”). The City’s existing MSR was adopted in 2017. The MSR update must be prepared, which triggers the requirement to evaluate and consider the conversion of Urban Reserve lands.

The evaluation process for converting Urban Reserve lands has three steps:

- Step 1. The City prepares a Development Inventory and Land Need Forecast to determine the amount and type of Urban Reserve land that could be eligible for conversion to urban land use designations.
- Step 2. The City evaluates alternatives of which Urban Reserve lands would best meet the needs identified in the Development Inventory and Land Need Forecast and selects for which Urban Reserve lands, if any, it wishes to initiate the General Plan amendment process.
- Step 3. The City Council considers General Plan map and text amendments to assign urban land use designations to the selected Urban Reserve lands.

On June 28, 2022, the City Council reviewed the initial draft of the Development Inventory and Land Needs Forecast (“Inventory”), as identified in Step 1 of the Urban Reserve conversion process, and directed staff to conduct additional public outreach, revise the report to incorporate feedback and additional data, and facilitate Planning Commission review before bringing the Inventory back to Council for further direction.

Staff held three informational meetings and two working sessions with Urban Reserve property owners and prospective developers as follows:

- Property Owner Meeting - August 11, 2022 (5 attendees)
- Developer Meeting – August 17, 2022 (11 attendees)
- Working Group Meeting #1 – August 31, 2022 (13 attendees)
- Working Group Meeting #2 – September 13, 2022 (10 attendees)
- Developer Meeting – September 20, 2023 (X attendees)

Staff posted the draft document on the City’s website on September 11, 2023 to provide a public review period before staff presents this document at a special meeting of the Planning Commission on October 3, 2023.

This report incorporates detailed building permit data from January 1, 2015 through June 30, 2023, edits that reflect input received during previous public outreach, and updates to previous data. This report also includes historical building permit data dating back to 1940.

Key Report Findings

- The Urban Reserve Inventory identifies a development capacity for 8,996 residential units broken down in the following tables found in Attachment A:
 - Table A1. Residential Projects Under Construction – 2,551 units
 - Table A2. Approved Residential Projects with Remaining Lots – 2,646 units
 - Table A3. Residential Projects Under Review – 1,597 units
 - Table A4. Vacant Residential Properties – 323 units
 - Table A5. Challenging Residential Sites – 300 units
 - Table A6. Housing Element Residential High Density Sites – 1,364 units
 - Table A7. Housing Element Downtown Core – 105 units
 - Table A8. Housing Element Mixed-Use Sites – 110 units
- The methodology for forecasting the amount of developable land needed to accommodate desired development over the upcoming 20-year period is not prescribed by the Urban Reserve ordinance. The City could forecast future growth based on the City’s average annual residential growth rate of 414 units over the past eight-year housing cycle (2015 to 2022). Under this “status quo” forecast method, the City would require adequate land to accommodate 8,280 new residential units over the next 20 years. However, utilizing data from recent past conditions may not provide the most accurate forecast of the City’s future annual residential growth rate given that historical data indicates that the City produced significantly more housing annually prior to 2015.

Similarly, future growth could be forecasted based on the City’s average annual residential growth rate by unit type. Based on an annual average of 328 single-family units and 86 multi-family units produced over the past eight-year housing cycle (2015 to 2022), the City would require adequate land to accommodate 6,560 new single-family units and 1,720 multi-family units over the next 20 years. This represents 79 percent single-family units and 21 percent multi-family units.

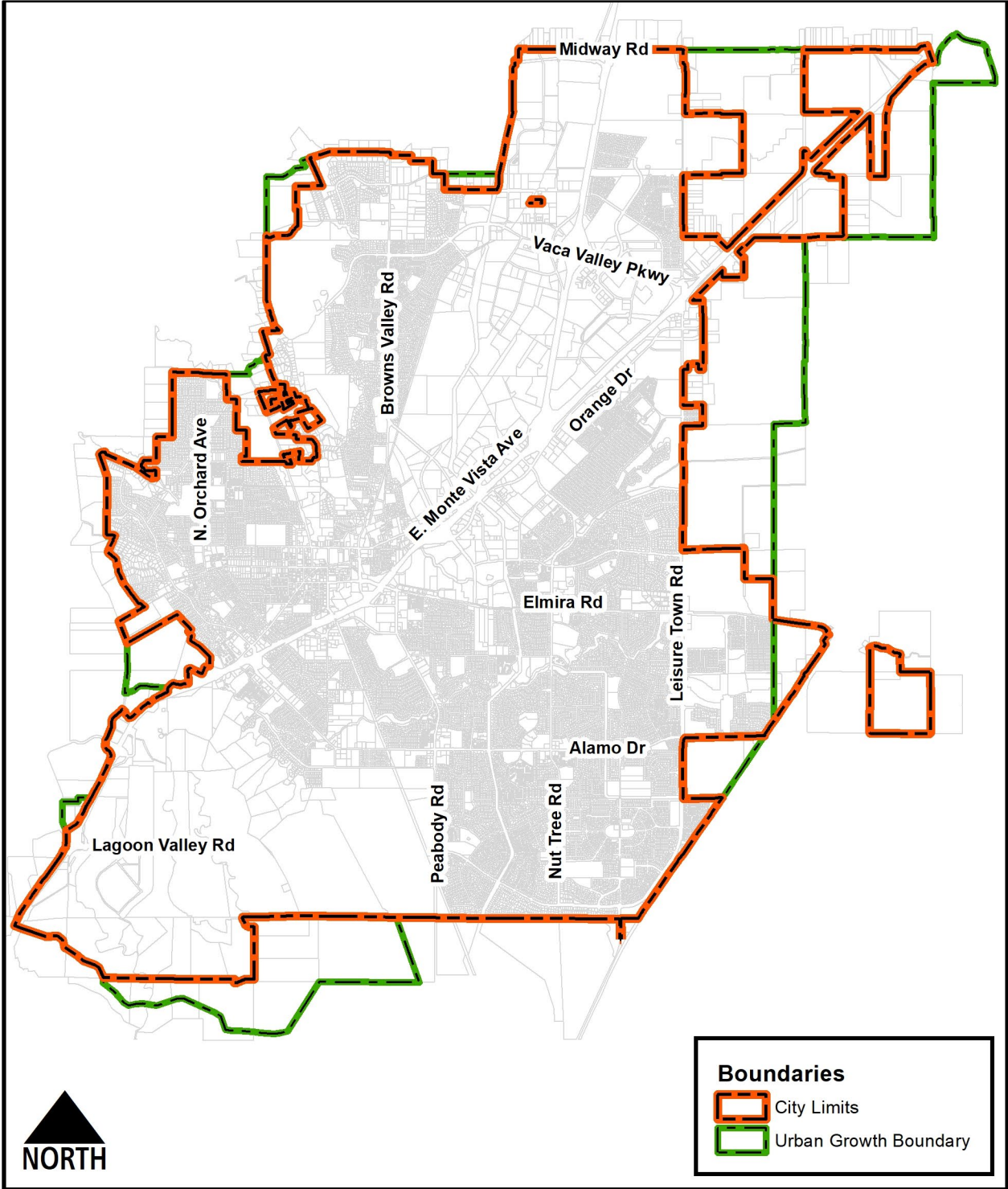
- “Status quo” forecasting would not be consistent with the Housing Element or Housing Strategy, which seeks to increase the amount of multifamily development in Vacaville through policy and zoning reform. Other forecast methods should be considered to ensure thoughtful growth planning.
- Under the premise that annual residential building permit activity will be generally consistent with the past eight years (average of 414 residential permits issued annually), the current land inventory supports 8,996 residential units which equates to a 21.7-year inventory of residential land. This exceeds the 20-year supply of residential inventory the City must retain per the Urban Reserve Ordinance.

Background

In 2008, the City adopted a 20-year Urban Growth Boundary (“UGB”), which totals 36 square miles in size as shown in Figure 1. The UGB was adopted by the City Council as a result of a voter signature-gathering process. Subsequently, the City Council voted to incorporate the UGB within the General Plan Land Use Element. The UGB and the City’s UGB policies can only be amended by the voters of Vacaville or by the City Council according to the procedures outlined in the policies listed under General Plan Goal LU-5 (Maintain the City’s Urban Growth

Boundary), which establishes required findings for such an amendment. Land outside the UGB cannot be annexed into the City or designated for anything other than agriculture, park, open space, public facility, or utility uses until March 1, 2028.

Figure 1. Vacaville Urban Growth Boundary



With the adoption of the Urban Growth Boundary in 2008, two new growth areas were established in areas predominantly used for agriculture: the East of Leisure Town Road Growth Area and the Northeast Growth Area (“Growth Areas”). These new growth areas are shown in Figure 2. The East of Leisure Town Road Growth Area is approximately 1,300 acres in size and is primarily designated for future residential growth. It is located east of Leisure Town Road, south of the unincorporated, rural Locke Paddon community and north of the New Alamo Creek Channel. The Northeast Growth Area is approximately 1,400 acres in size and is primarily designated as an economic development area. This area is generally located along both sides of Interstate 80, northeast of the Locke Paddon community, and south of Midway Road.

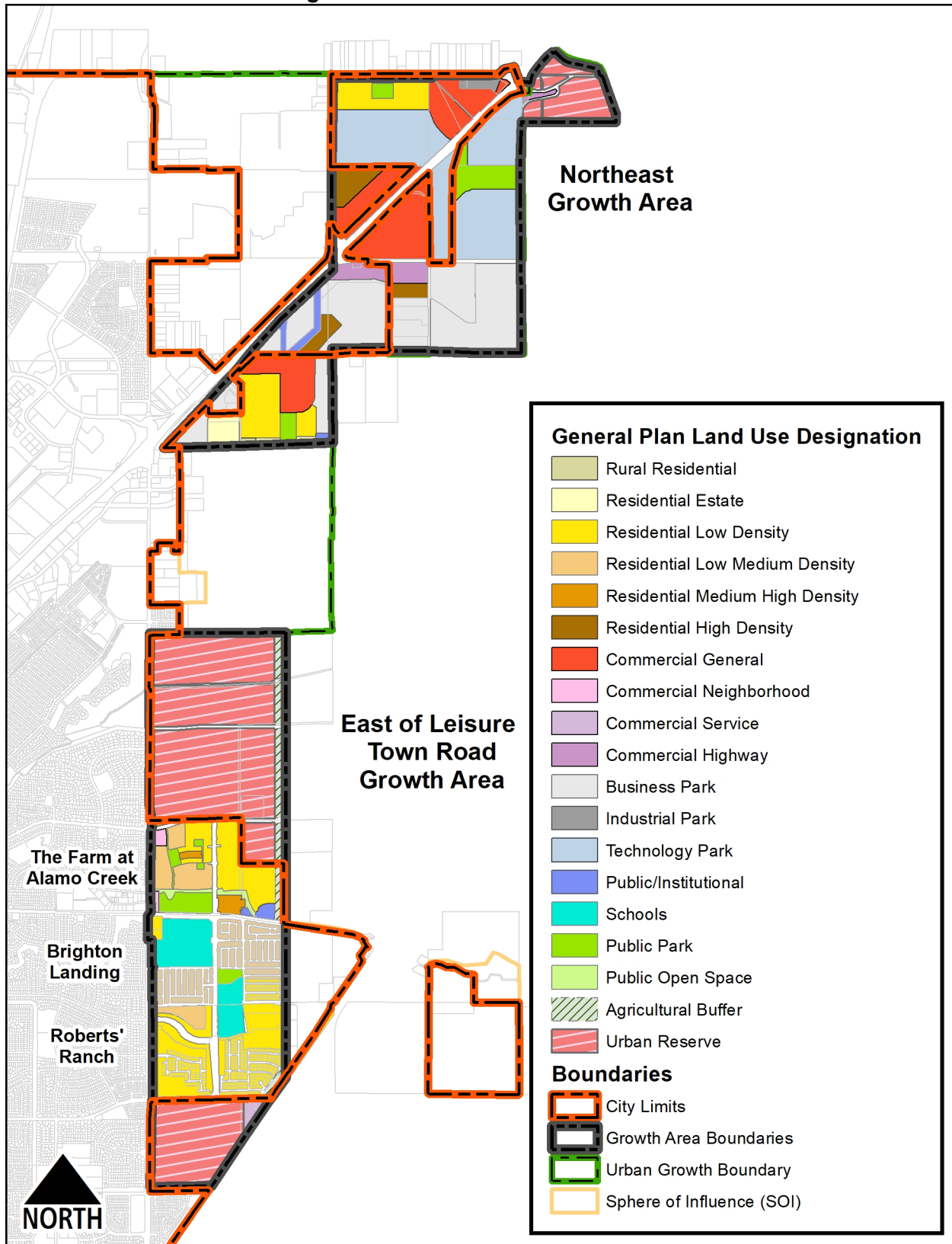
When the General Plan was updated in 2015, neither Growth Area was anticipated to fully develop during the General Plan’s 20-year planning horizon spanning from 2015 to 2035. As such, an Urban Reserve land use designation was applied to relatively large, contiguous geographic areas within the East of Leisure Town Road Growth Area, and to a small area within the Northeast Growth Area.

[The General Plan Land Use Element](#) (Page LU-23) defines the Urban Reserve land designation as:

This designation is applied to relatively large, contiguous, and undeveloped geographic areas where comprehensive planning must occur prior to urbanization. The purpose of assigning the Urban Reserve designation, rather than specific land use designations in the East of Leisure Town Road Growth Area, is to demonstrate that the City eventually expects urban development in these areas, while also allowing flexibility in planning for these uses in the future. This designation has also been applied to a small area within the Northeast Growth Area where existing uses have developed in the unincorporated County.

Lands designated as Urban Reserve within the Growth Areas will require comprehensive planning efforts including the preparation of a Specific Plan before being considered for annexation and future development. In addition, the conversion of Urban Reserve lands is subject to the evaluation process identified in [Chapter 14.04.040 \(Urban Reserve\) of the Municipal Code](#), as discussed in the staff report. In conjunction with a Specific Plan, a General Plan amendment will be necessary to establish specific General Plan land use designations for Urban Reserve lands. The same requirements apply to the Northeast Growth Area where approximately 83 acres of land is designated Urban Reserve. General Plan Goals, Policies, and Actions related to the Growth Area are provided in this report under “Relationship the General Plan.”

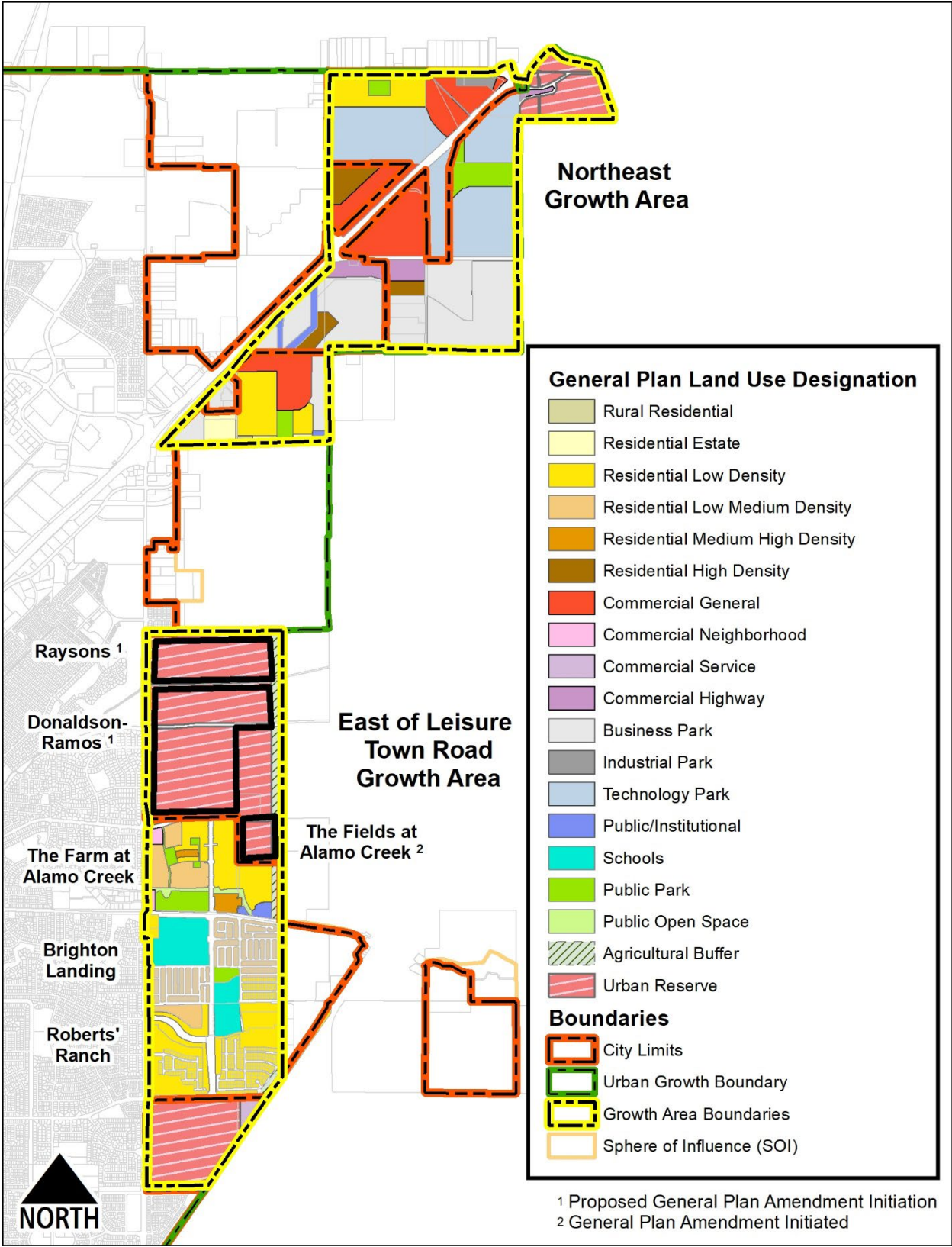
Figure 2. General Plan Growth Areas



Development Within the East of Leisure Town Road Growth Area

Since the adoption of the General Plan in 2015, properties in the East of Leisure Town Road Growth Area that were given residential land use designations have received their development entitlements. The location of these developments is identified in Figure 3. The Brighton Landing subdivision, located south of Elmira Road and consisting of 767 units, has been built out. The Roberts Ranch subdivision, located north of Fry Road and consisting of 785 units, is currently under construction. The Farm at Alamo Creek, located north of Elmira Road and consisting of 768 units, has received its development entitlements but has not progressed toward construction. The remaining properties located within the East of Leisure Town Growth area are designated as Urban Reserve.

Figure 3. Development Within the East of Leisure Town Road Growth Area



Urban Reserve Lands within the East of Leisure Town Road Growth (ELTR) Area

Between 2021 and 2023, the City has received three applications for General Plan Amendments (GPAs) for potential development sites identified as Urban Reserve within the East of Leisure Town Growth Area. The City Council must initiate the GPAs in order for these proposed projects to move forward into the formal development review process. Initiating a GPA does not approve or indicate a commitment from the City Council to approve the formal GPA request and associated applications. If a GPA initiation application is approved, the project may move forward with the preparation of a detailed analysis, environmental review analysis, and receive community input. To date, the City has received three GPA initiation requests for lands designated as Urban Reserve. These projects are described below and depicted in Figure 4.

The Fields at Alamo Creek (File Nos. 20-289 and 22-180)

In June 2021, the City Council voted to initiate a GPA for the Fields at Alamo Creek, a 33.6-acre property located immediately east of the Farm at Alamo Creek. This parcel was designated as Urban Reserve by the General Plan, and the property owner requested that a GPA be permitted to convert this land use designation to Residential Medium Density, which permits 8.1 to 14.0 units per acre and allows a range of 272 to 470 residential units. Submittal of this application, and the initiation of the GPA, occurred before the completion of the Urban Reserve evaluation process required by [Chapter 14.04.040 \(Urban Reserve\) of the Municipal Code](#). As of September 11, 2023, the project has been deemed complete and a Supplemental Environmental Impact Report is under preparation.

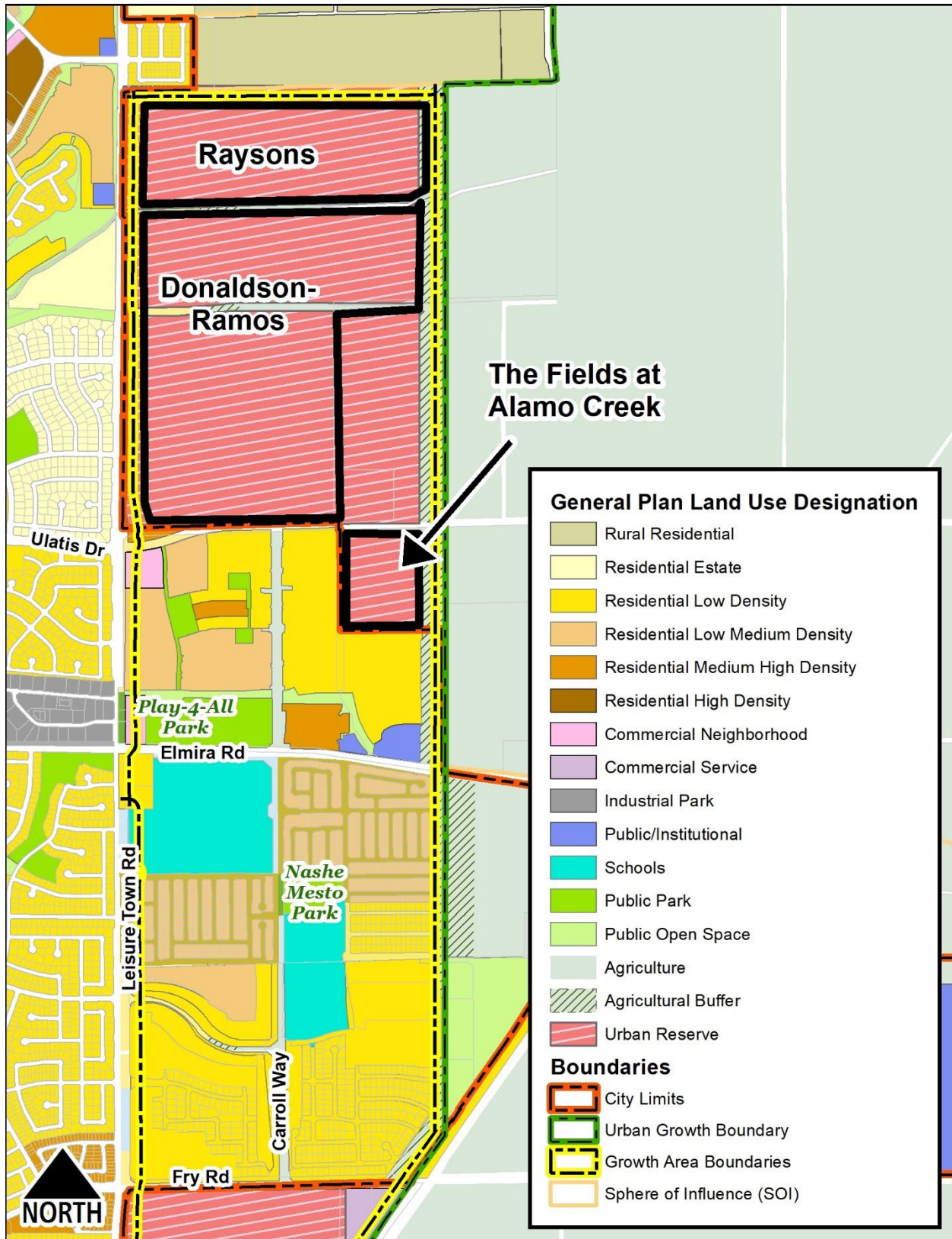
Raysons Development (File No. 23-059)

On April 26, 2023, the City received a request to initiate a GPA for a 165.55-acre site located within the East of Leisure Town Road Growth Area, north of Old Ulatis Creek and south of the Maplewood Subdivision and the unincorporated Locke Paddon residential area. This site is designated as Urban Reserve by the General Plan and the prospective developer has requested that a GPA be initiated to allow conversion from the Urban Reserve land use designation to various residential and public park designations. The conceptual development project includes approximately 1,000 residential units consisting of single-family detached homes and multi-family apartments, with approximately 6 to 10 acres of public parkland and a 300-foot agricultural buffer along the eastern boundary abutting agricultural uses in Solano County.

Donaldson-Ramos Development (File No. 23-062)

On April 28, 2023, the City received a request to initiate a GPA for a 254.3-acre site located within the East of Leisure Town Road Growth Area, north of Hawkins Road and south of Old Ulatis Creek. This site is designated as Urban Reserve by the General Plan, and the property owners and the prospective developer have requested that a GPA be initiated to allow conversion from the Urban Reserve land use designation to various development designations. The conceptual development project includes approximately 2,931 residential units consisting of single-family detached homes, townhomes and apartments, a 9-acre commercial and mixed-use site, a 12.6-acre site school site, 36.4 acres of parks and open spaces, and 14.1 acres of detention basins.

Figure 4. Urban Reserve Lands with Proposals within the ELTR Growth Area



Relationship to the General Plan

General Plan Goal LU-19 calls for the City to comprehensively plan for future development in the East of Leisure Town Road and Northeast Growth Areas. This goal is supported by the following policies and actions:

Goal LU-19	Comprehensively plan for future development in the East of Leisure Town Road and Northeast Growth Areas.
Policy LU-P19.1	Require a General Plan amendment to convert lands designated as Urban Reserve to other land use designations. Require all conversions to make the findings identified in an Urban Reserve Ordinance described in Action LU-A19.1, below.
Policy LU-P19.2	Prioritize development of residential land use in the East of Leisure Town Road Growth Area over future new residential uses in the Northeast Growth Area in the City's infrastructure planning and land use approval process.
Policy LU-P19.3	The City Municipal Service Review and Comprehensive Annexation Plan (MSR/CAP) shall serve as the City's growth management plan. The growth management plan shall include an urban growth strategy, infill strategy and agricultural preservation strategy. The MSR/CAP shall be updated every five years as mandated by State law.
Policy LU-P19.4	Identify all properties designated as Urban Reserve as long-term annexation areas in the City's Municipal Service Review and Comprehensive Annexation Area Plan. Long-term annexation areas are areas that will not be annexed to the City within the 5- to 10-year planning period of the most current Municipal Service Review and Comprehensive Annexation Plan.
Policy LU-P19.5	Evaluate General Plan amendment requests to convert lands designated as Urban Reserve to other land use designations no more often than every 5 years. Applications to amend the General Plan to convert Urban Reserve lands must be consistent with the City's Municipal Service Review and Comprehensive Annexation Plan Development and Land Needs Inventory.
Policy LU-P19.6	Prior to the approval of any subdivision applications in the East of Leisure Town Road or Northeast Growth Area, the developers shall assure that all required domestic water supply and distribution systems, wastewater collection and treatment facilities, stormwater management facilities, and roadway segment and intersection improvements will be incorporated into the final project plans.
Action LU-A19.1	Amend the Land Use and Development Code to establish an Urban Reserve ordinance. The ordinance shall include criteria necessary to support a General Plan amendment permitting the conversion of the land

designated as Urban Reserve to another land use designation. The criteria shall allow consideration of amendments needed to retain a 20-year supply of developable land within the Urban Growth Boundary or to replenish the supply of developable land reduced since General Plan adoption. These findings shall support the General Plan Vision Statement.

Action LU-A19.2 Update the City’s master infrastructure plans to identify the infrastructure requirements for the development of the East of Leisure Town Road and Northeast Growth Areas through the 2035 horizon year. The specific plans for these growth areas shall be consistent with the City’s infrastructure master plans.

Action LU-A19.3 As part of its regular Municipal Service Review and Comprehensive Annexation Plan updates, the City shall review and analyze the growth and population projections for the East of Leisure Town Road and Northeast Growth Areas in relation to the rest of the city to ensure an adequate, long-term supply of developable residential and nonresidential land, and to ensure the City can provide adequate infrastructure and facilities to serve the needs of these growth areas.

Relationship to the Housing Element

Since 1969, State law has required that all local governments (i.e., cities and counties) adequately plan to meet the housing needs of everyone in the community through the preparation and adoption of a Housing Element. The Housing Element is one of the seven mandated elements, or chapters, of the General Plan. Unlike other General Plan elements, the Housing Element is required to be updated every eight years and be certified to be consistent with Housing Element law (California Government Sections 65580-65589).

The Housing Element is largely based on the City’s Regional Housing Needs Allocation (“RHNA”). The RHNA is the amount of housing that the California Department of Housing and Community Development (HCD) and the Association of Bay Area of Governments (“ABAG”) have determined to be the City’s fair share to meet the housing needs of people at all income levels over an eight-year period from 2023 to 2031. The RHNA is required to meet the five statutory objectives summarized below:

1. Increase housing supply and mix of housing types, with the goal of improving housing affordability and equity in all cities and counties within the region; and
2. Promote infill development and socioeconomic equity; protect environmental and agricultural resources; encourage efficient development patterns; and achieve greenhouse gas reduction targets; and
3. Improve the intra-regional jobs-to-housing relationship, including the balance between low-wage jobs and affordable housing units for low-wage workers in each jurisdiction; and
4. Balance disproportionate household income distributions (more high-income allocation to lower-income areas, and vice-versa); and

5. Affirmatively further fair housing.

Regional Housing Needs Allocation (RHNA)

The City’s RHNA for the adopted 2023-2031 Housing Element (6th housing cycle) is significantly higher than the previous Housing Element that covered the 5th housing cycle (2015-2022). The 6th cycle RHNA is nearly two and a half times higher than the 5th housing cycle RHNA of 1,084 units. The increased RHNA, in addition to several housing sites having been constructed since 2015, required the City Council to implement General Plan and zoning amendments to provide enough sites capable of meeting the RHNA. These were approved concurrently with Housing Element adoption.

Table 1. 2023-2031 Regional Housing Needs Assessment (“RHNA”)

	Income Distribution (Based on a 4-Person Household)				Total RHNA
	Very Low	Low	Moderate	Above Moderate	
	(<50% AMI)	(51-80% AMI)	(81-120% AMI)	(>120% AMI)	
Household Income	< \$57,199	\$57,200 to \$91,499	\$91,500 to \$135,100	> \$135,100	
RHNA Units	677	404	409	1,105	2,595

Source: Department of Housing and Community Development, State Income Limits for Solano County 2023

The RHNA affordability categories are based on specific percentages of Solano County’s area median income (AMI) for four-person households. Larger and smaller household affordability levels are based on a sliding scale. The County AMI is subject to change on an annual basis as determined by the Department of Housing and Community Development (HCD). In 2021, when the City began preparing the 2023-2031 Housing Element Update, the Solano County AMI for a family of four was \$99,300. In 2022, the Solano County AMI for a family of four increased to \$108,700, and in 2023 the Solano County AMI for a family of four grew to \$112,600.

The General Plan identifies the East of Leisure Town Road Growth Area as primarily a residential growth area. While these lands are not needed to support the City’s RHNA requirement, these lands may provide an opportunity for the development of housing at different levels of density than traditional Vacaville neighborhoods with a focus on addressing the City’s need for “missing middle” housing including attached single family homes (duets, townhouses, rowhouses, etc.), single-family homes on small lots or in courtyard configurations, and medium-density housing (apartments and condominiums).

Housing Element Housing Sites Inventory

A Housing Sites Inventory was prepared to demonstrate the City’s capacity to meet its RHNA. The Inventory identifies sites that are available for development because they are appropriately zoned and are connected with the public services and facilities needed to facilitate and encourage the development of a variety of housing types for households of all income levels.

These sites will allow for the development of a variety of housing types that will meet the needs of all income groups, consistent with the City’s RHNA for the 2023-2031 planning period.

On June 27, 2023, the City Council approved the [2023-2031 Housing Element](#), which includes the Housing Sites Inventory in Chapter 4 (Page HE-79). The Housing Sites Inventory provides for 7,866 residential units as follows:

- Pipeline Projects – 5,623 Units
- Vacant Sites Suitability Zoned – 519 Units
- Vacant Sites with Increasing Allowable Density – 143 Units
- Vacant and Underutilized Sites Rezoning to RH – 1,405 Units
- Underutilized Sites Suitably Zoned – 110 Units
- Anticipated ADUs – 66 Units

These categories and unit counts do not correlate directly with the Urban Reserve Inventory found in Attachment A. The reason for this is the Housing Element was prepared according to Housing Element law, which requires the City to prepare a housing site inventory that demonstrates the City’s ability to provide housing at various affordability levels, and in some cases, such as for housing affordable to lower-income households, to provide housing sites in high resource areas. High resource areas typically include transit, schools, grocery stores, employment options, and social services. Due to these requirements, the Housing Element groups housing sites into specific categories that are not used in the Draft Development Inventory. However, all sites identified in the Housing Sites Inventory have been included in the Urban Reserve Inventory. This is demonstrated in Attachment A: Urban Reserve Development Inventory and Land Need Forecast.

Urban Reserve Ordinance

As previously mentioned, [Section 14.04.040.020 of the Urban Reserve Ordinance](#) identifies a three-step evaluation process that must be completed prior to considering the conversion of Urban Reserve lands. These steps are described in more detail in this section of the report.

Step 1. Development Inventory and Land Need Forecast

Section 14.04.040.030 of the Urban Reserve Ordinance identifies that the Development Inventory and Land Need Forecast (“Inventory”) shall include the following:

- A. An inventory of the amount of land that has been developed within the City since the previous Inventory or General Plan update;
- B. A current inventory of the amount of developable lands available within the City and within the sphere of influence by land use;
- C. A forecast of the amounts of developable land by land use type that may be needed to accommodate expected development within the City over the 10- and 20-year periods following the inventory; and
- D. A comparison of the inventory and the forecast, and a determination of the amount of land needed by land use type to retain a 20-year supply of developable land within the

City and sphere of influence or to replenish the supply of developable land within the City and sphere of influence reduced since General Plan adoption.

Step 2. Evaluation and Selection of Lands for Potential Conversion

The second step when considering whether to convert Urban Reserve lands is evaluating and selecting land for potential conversion based on the following factors identified in [Section 14.04.040.040 of the Urban Reserve Ordinance](#):

- A. The information from the Development Inventory and Land Needs Forecast. The amount of land converted shall not exceed:
 1. The amount of land of each land use type that has been developed citywide since adoption of the General Plan.
 2. The amount of each type of land that is needed to maintain a 20-year supply of that type of land within the City and sphere of influence.
 3. The Council may, however, convert additional land as necessary to convert entire parcels, to provide appropriately sized sites for the planned use, or to otherwise accommodate sound land use planning (for example, to accommodate infrastructure extensions or the creation of logical boundaries). The total amount of additional land so converted shall not exceed 10 percent of the greater of either Subsection A.(1) or (2) of this section.
- B. Which lands best meet the future needs of the City as identified in the Inventory.
- C. Which lands are projected to have either existing or near-term proposed transportation, water, wastewater, and stormwater utilities available within the 10-year period following the Inventory.
- D. Which lands are most likely to meet the Local Annexation Formation Commission (LAFCO) annexation criteria soonest.

Step 3. General Plan Amendment Process for Assigning Urban Land Use Designations to Urban Reserve Lands

[Section 14.04.040.040 of the Urban Reserve Ordinance](#) states:

- A. After the City Council has selected the Urban Reserve lands eligible for conversion to urban land designations, and initiated the General Plan Amendment process for these lands, the City Council may:
 1. Direct that staff proceed with preparing a specific proposal for amending the General Plan for new land use designations for the properties; or
 2. Authorize individual property owners or groups of owners to apply for such a General Plan amendment.

B. The General Plan amendment shall be processed as specified in [Chapter 14.04.030, Approval Process, of the Municipal Code](#).

C. The City Council is not obligated to approve any General Plan amendment proposal to convert Urban Reserve lands.

D. If the City Council chooses not to approve a General Plan amendment proposal to convert certain Urban Reserve lands, it may choose to initiate the General Plan amendment process for a like amount of other Urban Reserve lands following the process identified in Step 2, Evaluation and Selection of Land for Potential Conversion.

Housing References

The following section identifies housing resources that could be helpful to decision-makers as the City proceeds to evaluate and consider the conversion of Urban Reserve lands.

Housing Needs Data Report: Vacaville

In 2021, the Association of Bay Area Governments (“ABAG”) and the Metropolitan Transportation Authority (“MTC”), in partnership with Baird and Driskell Community Planning published the [Housing Needs Data Report: Vacaville](#) (“Housing Needs Report.”) This report was created in preparation for the Bay Area Housing Element 2023-2031 update cycle and contains a housing needs assessment and demographic information, such as population growth trends, employment trends, housing stock characteristics, and housing needs for special populations. This report also includes key housing-related findings.

City of Vacaville Housing Analysis and Strategy

The City of Vacaville (City) hired a consulting team consisting of Economic & Planning Systems, Inc. (“EPS”) and Placeworks to prepare a [housing analysis and strategy](#) (“Housing Strategy”) to address current and future housing needs in the City. Like the Housing Needs Report, the Housing Strategy report identifies existing socioeconomic and housing conditions, issues, and gaps in housing supply, assesses the City’s current policy, projects future housing needs, and offers recommendations and implementation strategies to ensure that the City can meet its housing needs over the long term. An important component of the Housing Strategy involved robust outreach to local developers and the community to identify desired housing types and perceived barriers to producing housing at the levels desired by the City or identified by the community as missing. The outreach process solicited feedback through multiple avenues to reach different segments of the population and to develop a thorough understanding of the housing issues. Overall, there were four well-attended virtual outreach events.

The strategies identified in the Housing Strategy have been included in the 2023-2031 Housing Element. Key findings of the Housing Strategy that are relevant to the Urban Reserve Evaluation, followed by staff analysis of how the findings relate to the effort, are summarized below:

- a. A major housing gap in the City is affordable and integrated housing types to serve students, young families, low-income families, individuals, seniors, empty nesters, farmworkers, the homeless, and people with disabilities.

Analysis: On June 27, 2023, the City Council approved Resolution 2023-059 adopting the 2023-2031 Housing Element and implementing Housing Element Implementation Program HE-18, Site Inventory Rezone Program, which increased the maximum density for the Residential High Density General Plan designation from 24.0 to 30.0 units per acre and redesignated 16 properties as Residential High Density. The increase in the number of Residential High Density sites and an increased maximum density of 30 units per acre provides additional opportunities for various housing types that are affordable to households of all incomes and abilities.

The approved Housing Sites Inventory (Housing Element Chapter 4 – Page HE-79) provides for 7,866 residential units as follows:

- Pipeline Projects – 5,623 Units
 - Vacant Sites Suitability Zoned – 519 Units
 - Vacant Sites with Increasing Allowable Density – 143 Units
 - Vacant and Underutilized Sites Rezoning to RH – 1,405 Units
 - Underutilized Sites Suitably Zoned – 110 Units
 - Anticipated ADUs – 66 Units
- b. There is a lack of smaller and attached housing types (termed “Missing Middle”) such as attached townhomes, condominiums, duplexes, fourplexes, and courtyard buildings, which tend to be more affordable by design than a single-family detached home and can provide both ownership and rental opportunities. The majority of Missing Middle housing types, such as duplex, fourplex, or courtyard buildings, tend to have two to eight units in a building or on a lot. Denser Missing Middle housing types, such as a multiplex, typically have up to 12 units per building. Conversions of existing housing stock, including historic homes, could serve as a Missing Middle housing type.

Analysis: These unit types can be accommodated in areas designated Residential Medium Density (8.1 to 14 du/ac), Residential Medium High Density (14.1 to 20 du/ac), and Commercial General. The recently approved Greentree Specific Plan is a mixed-use development with “Missing Middle” housing types. [The Downtown Specific Plan \(Chapter 9\)](#) also encourages and incentivizes the development of Middle Missing housing and high-density housing through the approval of the four development prototypes. These development prototypes include the neighborhood multiplex, townhomes/ rowhomes, apartments/ condominiums, and mixed-use development. These uses are subject to relaxed development standards and have been environmentally cleared.

- c. Mixed use development, which incorporates two or more compatible uses in the same general area (vertical) or within the same building (horizontal), is generally found in downtown or main street-type areas. This development can increase housing supply by providing more units at higher densities, as well as meet City and State goals of reducing vehicle miles driven and greenhouse gas emissions

while increasing walkable access to neighborhood retail outlets, services, and alternative modes of transportation.

Analysis: This development type can be accommodated downtown and on sites designated Mixed Use such as the Gaspare property located east of the Lucky's Shopping Center located on the northeast corner of Peabody Road and Alamo Drive. The recently completed Downtown Specific Plan, which included zoning changes to support plan implementation, created mixed-use and residential prototypes to help spur downtown development. The recently approved Greentree Specific Plan is a mixed-use development with "Missing Middle" housing types.

- d. Senior housing is needed due to the continued increase of the population aged 55+. This house must be designed for and affordable to the senior population, including helping those desiring to age in place, helping those who cannot afford to downsize, who may benefit from intergenerational housing (discussed below), income-producing accessory dwelling units or junior accessory dwelling units (ADU/JADU), or shared housing programs, and providing access to different levels of care and assistance as needed. Senior housing can be deed-restricted to seniors, and it can meet criteria for affordable housing, but it can also include market rate housing and housing that is oriented toward all ages but still fits the needs of seniors.

Analysis: Seniors have many different housing needs, depending on their age, level of income, current tenure status, cultural background, and health status. Seniors are defined as persons 65 years and older, and senior households are those households headed by a person 65 years and older. Senior households may need assistance with personal and financial affairs, networks of care to provide services and daily assistance, and even possible architectural design features that could accommodate disabilities that would help ensure continued independent living.

- e. According to the 2023-2031 Regional Housing Needs Assessment which is included as Appendix 2 of the draft 2023-2031 Housing Element, seniors represent approximately 14 percent of Vacaville's total population (8,052 residents). Of this population, 19.6 percent are overpaying for housing. To address the needs of Vacaville's senior population, the draft Housing Element contains a housing program requiring policies that encourage the development of housing appropriate for special needs groups including seniors in addition to young adults, young families, people with physical and developmental disabilities, and homeless people.

Analysis: Senior and special needs housing can occur in all residential and mixed-use land use designations. Typically, it is most successful when located near transit and social services. The adopted Housing Element includes a housing program that commits the City to encourage the provision of supportive services with new and rehabilitated affordable units, in particular multifamily units, including services such as childcare, healthcare, case management, English as a second language, and job training, nearby or as a component of the development.

- f. Intergenerational housing/neighborhoods include housing that is large and diverse enough to accommodate more than one generation. This may take the form of an

ADUs/JADUs (in-law unit, granny flat, etc.) or neighborhoods with a variety of housing types affordable to different income levels can help families provide housing for young adults and aging parents, help downsize, and stay in the same community.

Analysis: These unit types can be accommodated in all residential areas, but especially areas with lower and middle density designations such as Residential Low Density (3.1 to 5.0 du/ac), Residential Low Medium Density (5.1 to 8.0 du/ac), and Residential Medium Density (8.1 to 14 du/ac). The adopted Housing Element includes a Housing Program that commits the City to several actions that will promote the development of these uses. Some of the tasks include creating a resource program and services to help property owners who may be interested in constructing an ADU or JADU on their property, appointing a specific person to act as an ADU/JADU “ambassador” to work with local funding institutions to identify available funding programs for the construction of these units, creating educational brochures in English and Spanish, that explain the ADU/JADU process, and creating a user-friendly page on the City’s website to convey the incentives and resources available to support the construction of these units.

- g. Executive housing is needed to attract executive workers at both existing and future companies located in the City. Typically, executive housing is characterized by large custom-built homes with at least 4 bedrooms, high-quality finishes, and architectural detail, and situated on large lots offering privacy and, often, a premium location and/or view.

Analysis: These unit types can be accommodated in areas designated for lower density development, including Rural Residential (0.1 to 0.4 du/ac), Residential Estate (0.5 to 3.0 du/ac), Residential Low Density (3.1 to 5.0 du/ac), and Residential Low Medium Density (5.1 to 8.0 du/ac) The City is currently processing one development application for executive housing, McMurtry Creek Estates.

City of Vacaville Building Permits

The City issues building permits and monitors building permit activity through an online software program known as TRAKiT. This software also allows the City to prepare building permit reports based on various factors, including but not limited to, the type of building permit, issuance date, and location. The TRAKiT software was used to help prepare the Development Inventory and Land Need Forecast.

Analysis

This report represents Step 1, Development Inventory and Land Need Forecast (“Inventory”), of the Urban Reserve conversion evaluation. [Chapter 14.04.040, Urban Reserve, of the Municipal Code](#) requires the Development Inventory and Land Need Forecast to include the following:

- A. An inventory of the amount of land that has been developed within the City since the previous Inventory or General Plan update.

- B. A current inventory of the amount of developable lands available within the City and within the sphere of influence by land use.
- C. A forecast of the amounts of developable land by land use type that may be needed to accommodate expected development within the City over the 10- and 20-year periods following the Inventory.
- D. A comparison of the Inventory and the forecast, and a determination of the amount of land needed by land use type to retain a 20-year supply of developable land within the City and sphere of influence or to replenish the supply of developable land within the City and sphere of influence reduced since General Plan adoption.

This information is provided in the subsequent sections of this report.

Land Developed within the City since the 2015 General Plan Update

Table 2 summarizes the number of single-family residential (“SF”) permits and the number of multi-family (“MF”) permits issued during the 5th cycle of the Housing Element (January 1, 2015 to December 31, 2022). During this timeframe, 2,618 single-family residential permits were issued and permits for 691 multi-family were issued. This equates to an average development rate of 327 single-family residential and 86 multi-family units annually. A more detailed accounting of these units has been provided in Tables 3 and 4 and is accompanied by a location map identified as Figure 5.

**Table 2. Summary of Residential Permits Issued
5th Cycle Housing Element
January 1, 2015 thru December 31, 2022**

	2015	2016	2017	2018	2019	2020	2021	2022	Total	%
SF Units	367	336	275	196	376	418	374	276	2,618	79%
MF Units	56	0	15	24	1	245	220	120	691	21%
Annual Total	424	337	297	219	379	661	592	350	3,309	100%
Average Annual Residential Permits Issued									414	--

Source: City of Vacaville TRAKiT Building Permits

**Table 3. Single-Family Residential Permits Issued
5th Cycle Housing Element
January 1, 2015 thru December 31, 2022**

Subdivision Name	2015	2016	2017	2018	2019	2020	2021	2022
Ashton Place Unit				15	7	15		
Brighton Landing		41	153	127	138	180	125	
Burton Ranch			2					
Cheyenne at Browns Valley	52	46	18		35			
Farmstead						15	70	21
North Village Units 6 and 7	78	73	23	50	71	83	44	25
Parkside						26	24	
Southtown Phase 1	25	1						
Southtown Phase 1A	56	36	47					
Southtown Phase 1-2	43							
Southtown Phase 2 Sub PCL D Units 7		6						
Southtown Commons	95	86	32					
Sterling Chateau 4	12	22						
The Reserve at Browns Valley Phase 1	4	2						
The Reserve at Browns Valley Phase 2		21						
The Reserve at Browns Valley Phase 3							29	
Roberts Ranch						3	54	161
Vanden Estates					88	95	28	
Vanden Estates II					37			
Villages at Vanden Meadows								69
Custom Homes	2	2	2	4		1		
Annual Totals	367	336	275	196	376	418	374	276
Total Single-Family Permits								2,618
Percentage of Residential Permits Issued Overall								79%

Source: City of Vacaville TRAKIT Building Permits

**Table 4. Multi-Family Residential Permits Issued
5th Cycle Housing Element
January 1, 2015 thru December 31, 2022**

Project Name	2015	2016	2017	2018	2019	2020	2021	2022
Rocky Hill Veterans Housing			15	24				
Harbison Townhomes							160	
Bennett Hill Project	56							
Bennett Hill Rehabilitation Project	10							
Pony Express Senior Housing							60	
Strada 1200 Apartments						245		
Peabody Apartments								120
Misc. MF Unit					1			
Annual Totals	66	-	15	24	1	245	220	120
Total Multi-Family Units								691
Percentage of Residential Permits Issued Overall								21%

Source: City of Vacaville TRAKiT Building Permits

**Figure 5. Residential Permits Issued - 5th Cycle Housing Element
January 1, 2015 thru December 31, 2022**

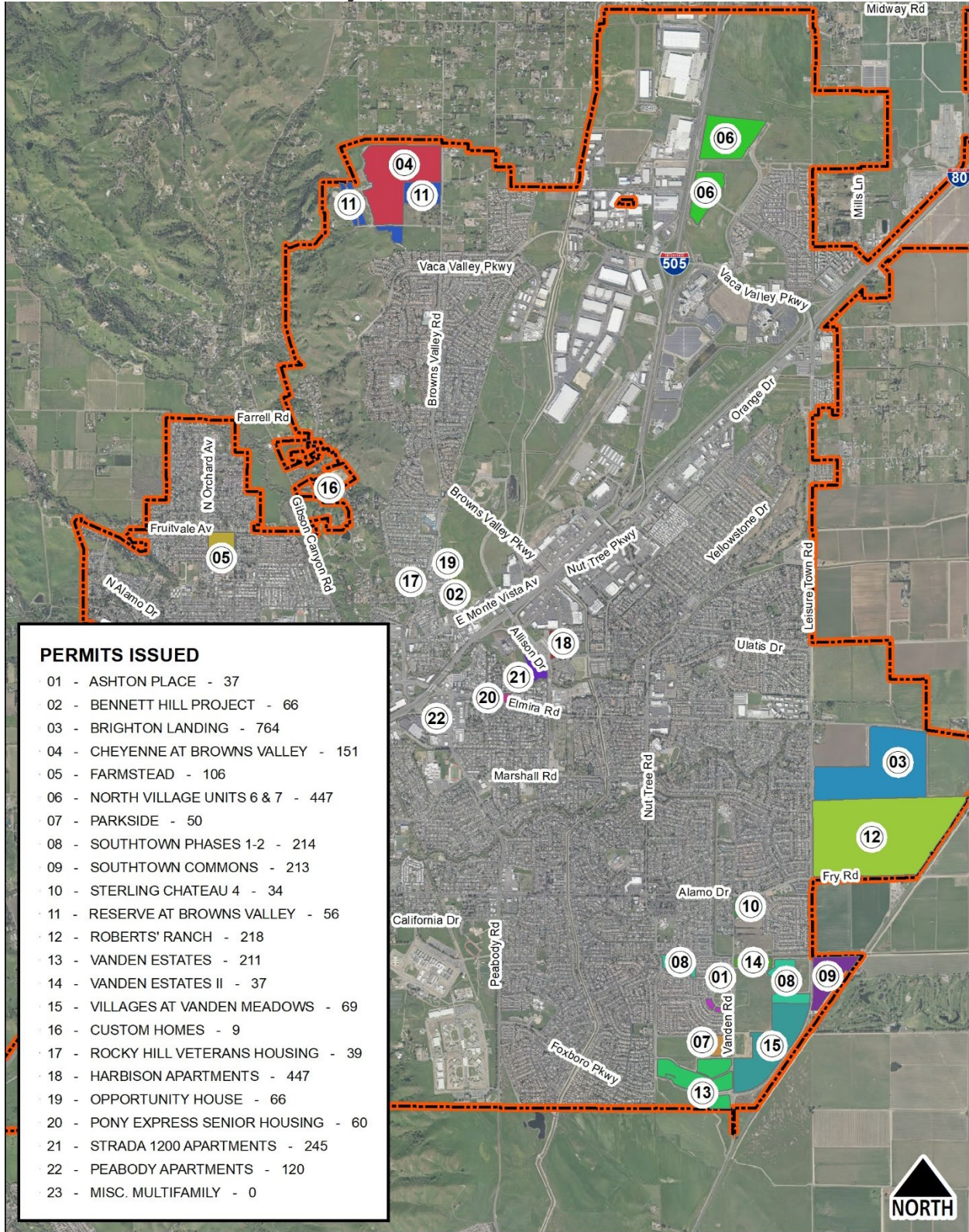


Table 5 summarizes the number of single-family residential (“SF”) permits and the number of multi-family (“MF”) permits issued during the current 6th cycle of the Housing Element (January 1, 2022 to December 31, 2031). Between January 1, 2023 and June 30, 2023, 164 single-family residential permits were issued and 236 multifamily permits were issued. A detailed accounting of these units has been provided in Table 5, and is accompanied by a location map identified as Figure 6

**Table 5. Summary of Residential Permits Issued
6th Cycle Housing Element
January 1, 2023 to December 31, 2031**

	2023*	2024	2025	2026	2027	2028	2029	2030	Total	%
SF Units	164	--	--	--	--	--	--	--	164	41
MF Units	236	--	--	--	--	--	--	--	236	59
Total to Date		--	--	--	--	--	--	--	400	
Average Annual Residential Permits Issued									--	--

Source: City of Vacaville TRAKiT Building Permits

Note: *Permits issued between January 1, 2023 thru June 30, 2023

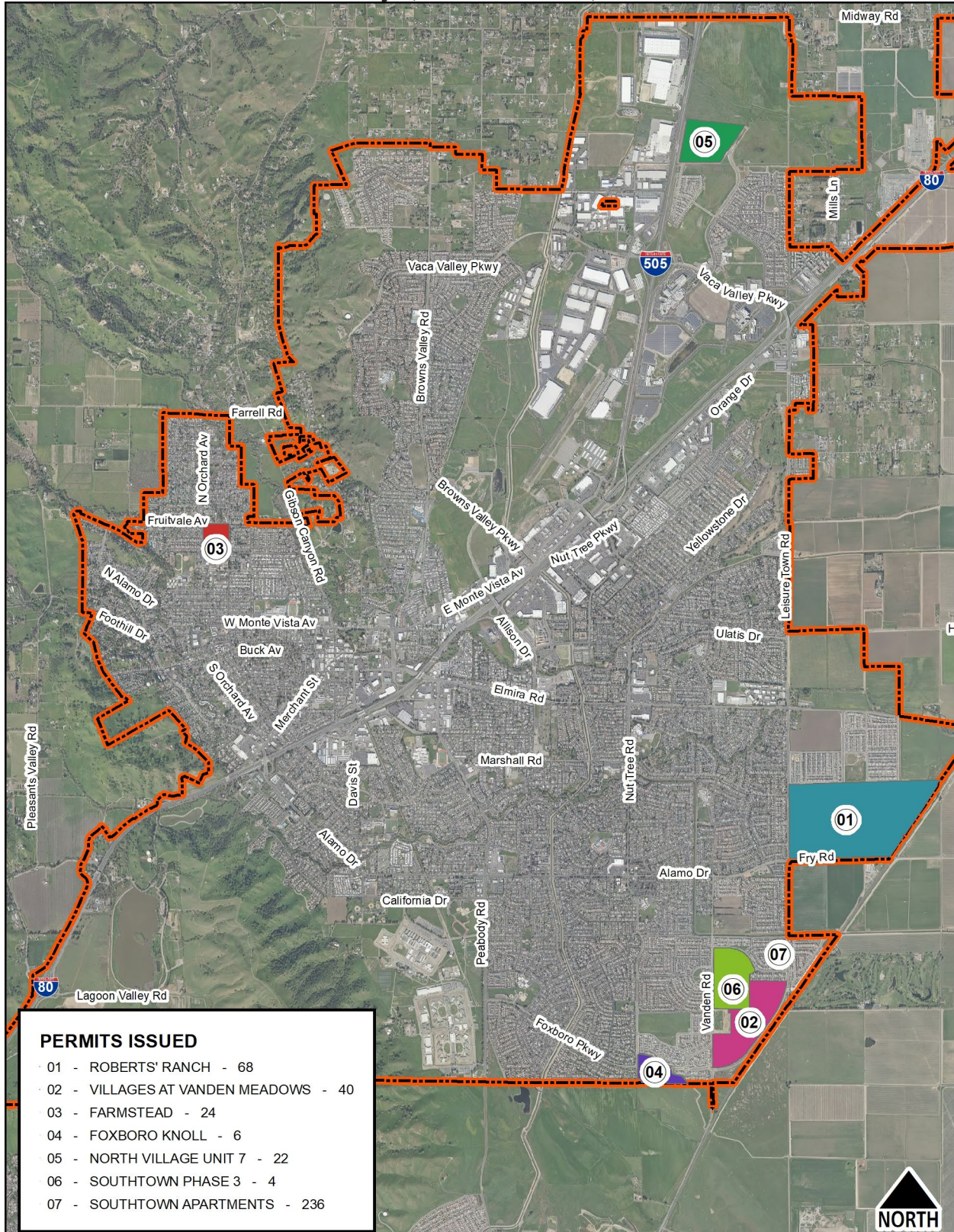
**Table 6. Residential Permits Issued
6th Cycle Housing Element
January 1, 2023 thru December 31, 2031**

Subdivision Name	2023 ¹	2024	2025	2026	2027	2028	2029	2030	
Roberts Ranch	68								
Villages at Vanden	40								
Farmstead	24								
Foxboro Knolls	6								
North Village	22								
Southtown Phase 3	4								
Leisure Town Apts. (Southtown Apts.)	236								
Annual Totals	400								
Total Multi-Family Units									
Percentage of Single-Family Residential Permits Issued									--

Source: City of Vacaville TRAKiT Building Permits

Note: *January 1, 2023 thru June 30, 2023

**Figure 6. Residential Permits Issued - 6th Cycle Housing Element
January 1, 2023 to June 30, 2023**



Inventory of Developable Land within the City's Sphere of Influence

The General Plan Land Use Map, which is part of the Land Use Element, graphically represents the City's vision for the future development of the city limits. It also identifies the city limit which is a boundary that encompasses the incorporated city and defines the properties that are subject to the City's jurisdiction, and the Sphere of Influence which is the area that the City expects to expand into in the future. Unincorporated land located within the East of Leisure Town Road Growth Area has been designated as Urban Reserve. This designation demonstrates the City's plan to annex this land sometime in the future, but before this land can be annexed and developed, it requires comprehensive planning and the preparation of a Specific Plan. In conjunction with a Specific Plan, a General Plan amendment will also be required to establish specific General Plan land use designations for each parcel of land. For these reasons, these properties were not included in the Inventory because they are not developable within the city at this time.

The General Plan Land Use Map identifies housing sites within areas of the Northeast Growth Area. However, before these properties can be annexed and developed, the General Plan requires that specific plans be prepared in this area to ensure that coordinated plans for land uses, public facilities, and public services are created for each area. It is also required that these Specific Plans be consistent with the City's updated infrastructure master plans. For these reasons, residential lands within the Northeast Growth Area were not included in the Inventory.

The City also has land within its sphere of influence located south of the city. This area has been identified as the Fairfield-Vacaville- Solano County Community Separator by the City's General Plan and can only be annexed into the city as open space. This area was not included in the Inventory because residential development is not permitted in this area.

There are small areas within the sphere of influence located on the west and northwest of the city. The two areas within the sphere of influence located west of the city may only be annexed as open space or as hillside Agriculture per the City's Urban Growth Boundary policies found under Goal 5 of the General Plan Land Use Element which reads, "Maintain the City's Urban Growth Boundary" (Page LU-29). For these reasons, these areas were not included in the Inventory.

The two areas within the sphere of influence north of the city contain steep hillsides which makes them challenging to develop. However, the City has received an annexation application for the Paranjpe property located within the Rice McMurtry Area. This application includes a proposal for a 20-lot residential subdivision and has been included in the Inventory. The other area known as the Gibson Canyon-Vine Street Area could be developed with residential units, but before this area could be developed, it would have to be annexed and costly infrastructure would have to be extended to the area. Given the low number of residential units this area would yield and the cost of extending infrastructure, it is not likely this area will develop any time soon. For these reasons, it was not included in the Inventory.

5.3 Inventory of Developable Lands

The Urban Reserve Ordinance requires the City to prepare a current inventory of developable lands available within the City and within the City's sphere of influence by land use. The term "developable land" generally refers to land that is appropriately zoned, and either has, or can be

provided, access to public utilities and services. The Urban Reserve Ordinance does not define “developable” land. To provide the broadest inventory of “developable land,” the following tables have been prepared and are available in Attachment A:

- Table A1. Residential Projects Under Review – 2,551 units
- Table A2. Approved Residential Projects with Remaining Lots – 2,646 units
- Table A3. Residential Projects Under Construction – 1,597 units
- Table A4. Vacant Residential Properties- 323 units
- Table A5. Challenging Residential Sites – 300 units
- Table A6. Housing Element Residential High Density Sites – 1,364 units
- Table A7. Housing Element Downtown Core – 105 units
- Table A8. Housing Element Mixed Use Sites – 110 units

Figure 7 illustrates the location of the sites shown in Tables A1 through A5. Figure 8 illustrates the location of the sites identified in the Housing Element (Tables A6 through A8) that were not shown in the original Urban Reserve Inventory tables shared with the developers’ group in 2022.

Figure 7. Land Inventory (Tables A1 through A5)

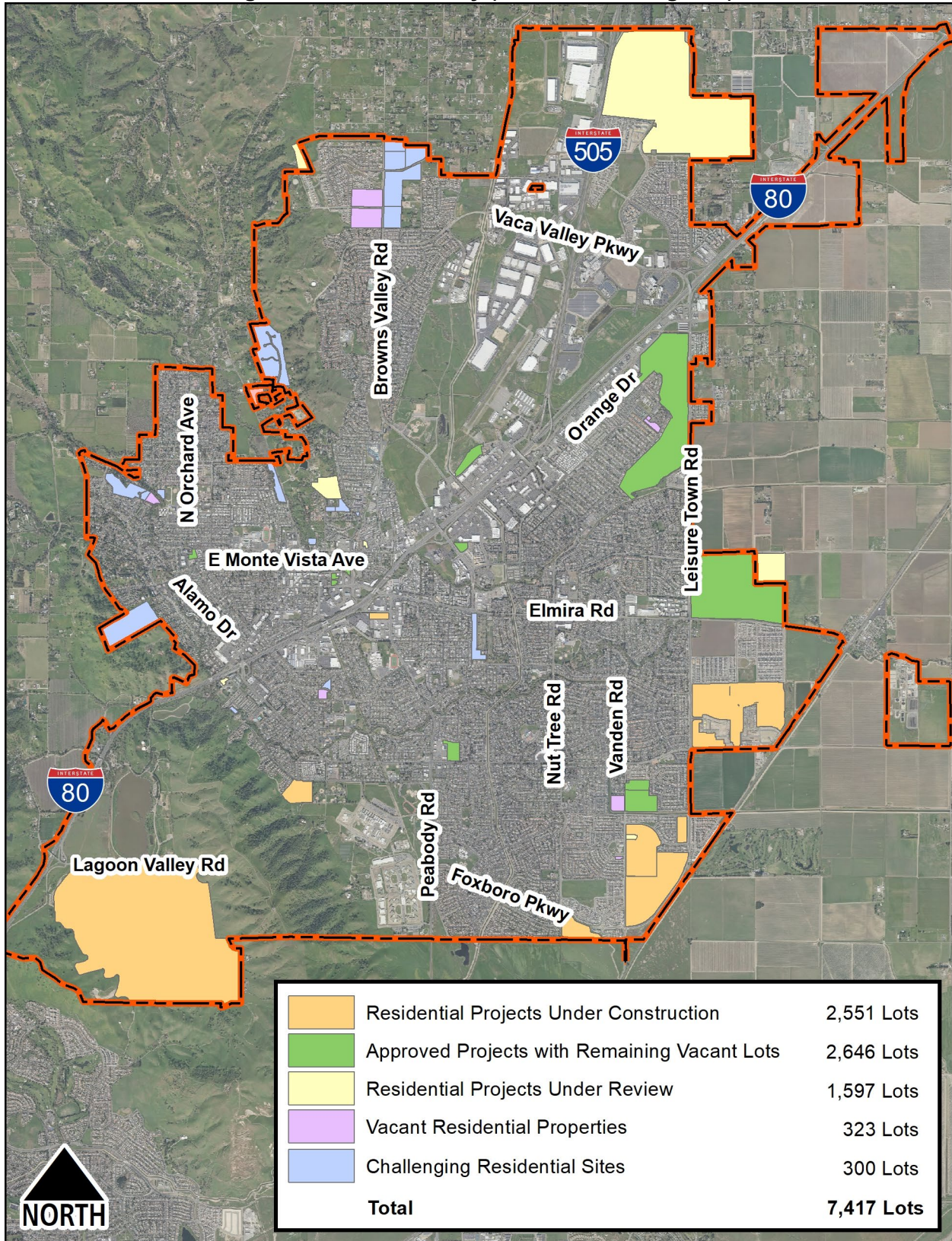
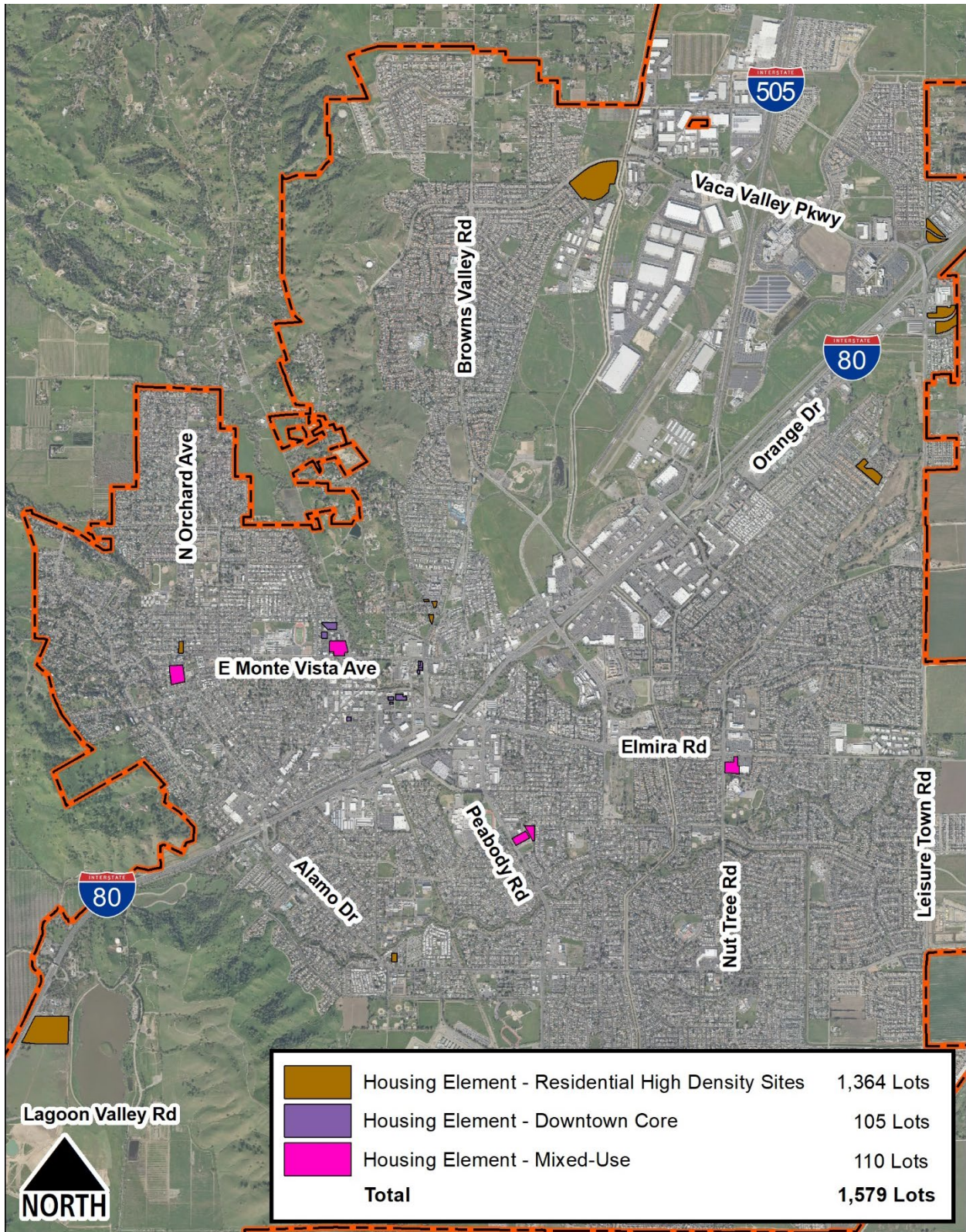


Figure 8. Land Inventory (Tables A6 through A8)



5.3 Forecast of Developable Lands Needed to Accommodate 10- to 20-Years of Development

Staff recommends that the inventory include all the identified residential categories except for residential projects currently under construction and nearing completion such as Farmstead. The recommendation results in an existing Inventory capable of supporting 8,996 housing units based on the current General Plan, Housing Element, and zoning designations.

5,197 of the 8,996 units the Inventory can support are located in projects under construction or in projects that have been approved but not yet built. Of the remaining 3,799 units in the Inventory, approximately 54 percent (2,067 units) are projected to develop as multi-family units. Because some of these units are located in the Downtown Core (105 units) and on mixed-use sites (110) it is not certain how many of these units will actually develop. The remaining 46 percent (1,732 units) are projected to be single family units.

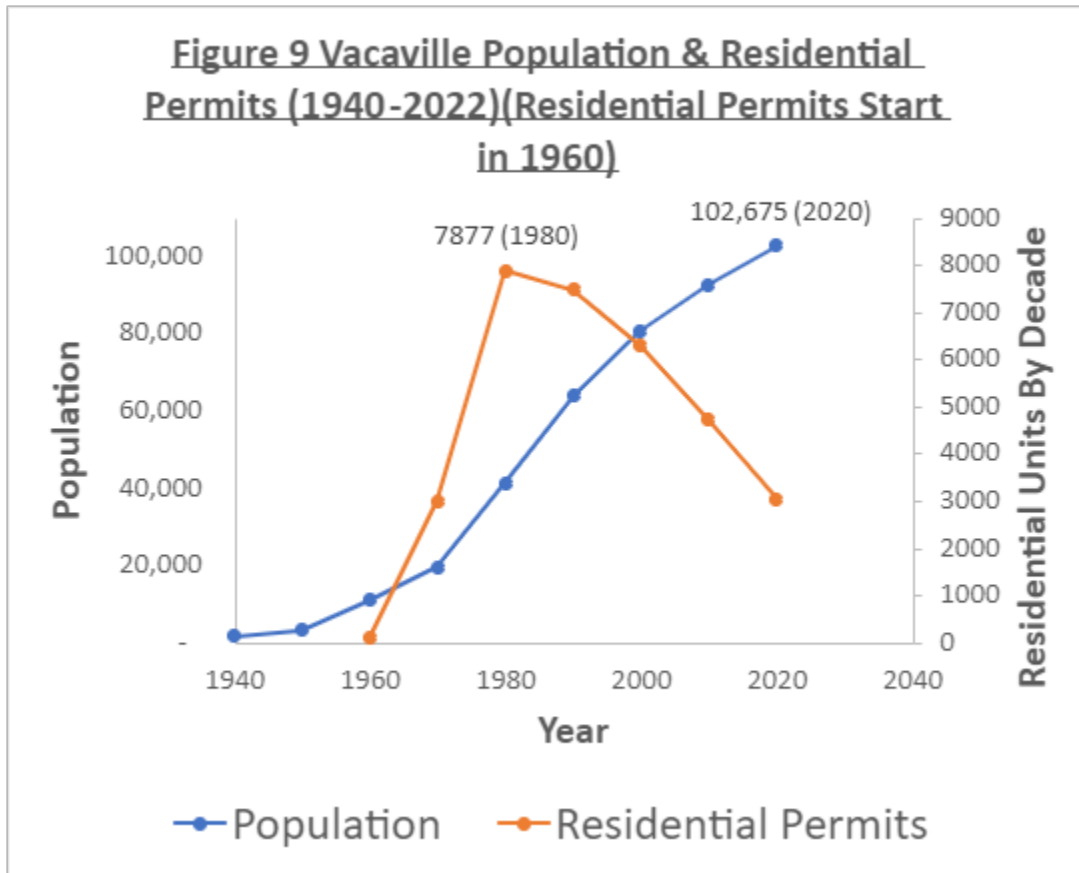
Between 2015 and 2022, the average residential development rate was 414 units annually. However, since the General Plan was adopted in 2015, the City has completed a series of initiatives that may spur greater development activity in upcoming years, particularly as interest rates stabilize. These include the following:

- In 2019, the City of Vacaville initiated the City's Biotechnology and Advanced Manufacturing Initiative. This economic development investment strategy capitalizes on Vacaville's strengths in life science and advanced manufacturing. Successful implementation of this strategy has the potential to grow the City's tax base, create jobs, and strengthen the local and regional economy.
- In July of 2021 the City announced that Agenesis Bio Inc. purchased 120-acres to build a biomanufacturing facility on approximately 72 acres. Several months later in January of 2022, the City announced that Polaris Pharmaceuticals purchased 15-acres to expand their existing operations in Vacaville and build a biomanufacturing facility.
- In December 2022, Axiom Point, a 375,000-square-foot state-of-the-art biomanufacturing campus in the Vaca Valley Business Park was approved. Axiom Point will be located on 22.4 acres in the Vaca Valley Business Park at the interchange of I-80 and I-505. The proposed campus will be delivered in two phases, the first comprising 252,000 square feet and the second comprising 123,000 square feet. Designed for maximum flexibility, the project is ideal for occupier needs including biomanufacturing, laboratory research and development, medical device manufacturing, food science, agricultural technology, and healthcare.
- The success of the City's Biotechnology and Advanced Manufacturing Initiative will result in hundreds, if not thousands, of new jobs with employed individuals seeking housing options within the city and nearby areas. Employees, management personnel, and company executive officers will be searching for housing they can afford, and the City of Vacaville prefers that they reside in Vacaville. High-earning professionals will likely be in the market for executive-style housing and will be contributing to the City's economic health. Middle management personnel are likely to be looking to traditional single-family homes to raise their families in, and lower wage earners are likely to be in the market for more affordable types of ownership

and rental housing. A healthy economy requires the City to provide a large variety of housing types at all price points.

- In August 2023, LG Chem purchased land from Agenus Bio to build a new facility in the City of Vacaville’s expanding life science campus in the Vaca Valley Business Park. LG Chem is a chemical company within a biotechnology business unit of LG Group, a South Korean conglomerate known mainly in the U.S. for its home appliances division. Biotechnology is one of three business units under LG Chem.
- In 2020 and again in 2023, the City suspended the implementation of the Planned Growth Ordinance (PGO). This ordinance, which was originally adopted in 1991 and revised in 2000, was intended to address rapid residential growth that occurred in the 1990s by setting forth an allocation process that limited the number of residential building permits issued each year.

While there is documentation that the PGO did not limit building permit activity because the annual allocation was sufficient to allow all requested building permits to move forward, the ordinance was suspended in 2019 because it conflicted with the Housing Accountability Act (SB 330). Members of the development community have suggested that the PGO affected builders’ confidence in their ability to pull permits to build housing in Vacaville. Following 1991, there was a steep reduction in building permit activity as documented in Figure 9 below.



- California homebuilding recessions occurred during the following periods¹:
 - The early 1980s – Due to interest rates spiking and erratic fiscal/tax policies
 - Beginning of the 1990s – Following the savings and loan crisis
 - Beginning in or before 2008 - Caused by the nation plunging into the Great Recession. The downward slope reflects the activity.
- In 2020, Senate Bill 8 (SB 8) was passed which extended the Housing Crisis Act of 2019 from 2025 to 2030. This resulted in cities not being allowed to enact zoning or land use regulations that act as a cap on the number of housing units that can be approved or constructed annually until 2030. As part of the Housing Element, the Department of Housing and Community Development (HCD) required that the City further suspend the PGO until January 1, 2034. On July 25, 2023, the City Council approved the suspension of the PGO until 2034.
- In 2022, the Council adopted a comprehensive update to the Development Impact Fee Program for the first time since 1992. This entailed identifying all infrastructure improvements (parks, streets, sewer, water, etc) needed to achieve build out in 2035, determining the cost of the improvements, and developing fees to be paid by private development projects that set at amounts that ensure that the City has adequate funds to complete necessary improvements. The new DIF schedule, which provided tiered fees for residential units based on unit size and type, went partially into effect on September 1, 2022, and the residential fees went fully into effect on July 1, 2023.
- In 2022, the Council directed staff to eliminate the Community Benefit Contribution requirement from all existing Development Agreements recognizing that the new DIF fees will fully cover the cost of necessary infrastructure to support new development.
- In 2022, the City completed a Housing Strategy (described above) with significant input from the community while the State-mandated Housing Element was developed concurrently with similar community input. The Strategy articulates bold goals and initiatives that support all kinds of housing development in Vacaville. Four work items that are underway in early 2023 include a fee deferral program, an update to Chapter 11.01 pertaining to the administration of the DIF program, fee incentives program targeting desirable housing types, and an exploration of an inclusionary housing ordinance that could generate affordable units, in lieu fees, or both to increase the City's affordable housing supply.

Methodology

The methodology for forecasting the amount of developable land needed to accommodate desired development over the upcoming 20-year period is not prescribed by the Urban Reserve ordinance. There are several options, including but not limited to the following:

¹ Henderson, A.R.(2021, February 22) *The 40-Year Decline in California's Housing Production*. Biasc.org. California Org. <https://biasc.org/wp-content/uploads/2021/02/The-40-Year-Decline-in-Californias-Housing-Production-02-22-2021-A.-Henderson-for-BIASC.pdf>

- The methodology for forecasting the amount of developable land needed to accommodate desired development over the upcoming 20-year period is not prescribed by the Urban Reserve ordinance. The City could forecast future growth based on the City’s average annual residential growth rate of 414 units over the past eight-year housing cycle (2015 to 2022). Under this “status quo” method, the City would require adequate land to accommodate 8,280 new residential units over the next 20 years. However, utilizing data from recent past conditions may not provide the most accurate forecast of the City’s future annual residential growth rate given that historical data indicates that the City produced significantly more housing annually prior to 2015 and that there is a Statewide housing crisis based on low housing production.
- Status quo forecasting, by unit type, could be used to forecast future growth. Based on an annual average of 328 single-family units and 86 multi-family units produced over the past eight-year housing cycle (2015 to 2022), the City would require adequate land to accommodate 6,560 new single-family units and 1,720 multi-family units over the next 20 years. This represents 79 percent single-family units and 21 percent multi-family units. However, the perpetuation of this residential unit type mix into the future would not be consistent with the Housing Element or Housing Strategy, which seeks to increase the amount of multifamily development in Vacaville through policy and zoning reform.
- The City could forecast annual residential growth of 497 residential units, representing a 20% increase over the average number of permits issued over the past eight years (2015-2022). This forecast, which recognizes that the City’s annual residential growth rate has the potential to increase due to changes in local land use policy and State law, would result in a requirement for adequate land to accommodate 9,780 new residential units over the next 20 years.
- The City could also forecast residential growth based on an increased multi-family unit percentage to meet the City housing gap as identified by the Housing Strategy and as required by the Housing Element. However, this approach would not be based on historical or recent housing production data.

Under the premise that annual residential building permit activity will be generally consistent with the past eight years (an average of 414 residential permits issued annually), the current land inventory supports 8,731 residential units which equates to a 21-year inventory of residential land. This exceeds the 20-year supply of residential inventory the City must retain per the Urban Reserve Ordinance. Under the premise that residential building permit activity may increase by 20 percent (an average of 497 residential permits issued annually), the current land inventory supports 8,731 residential units which equates to a 17.5-year inventory of residential land.

Comparison of Inventory and Forecast

- Under the premise that annual residential building permit activity will be generally consistent with the past eight years (average of 414 residential permits issued annually), the current land inventory supports 8,731 residential units which equates to a 21-year inventory of residential land. This exceeds the 20-year supply of residential inventory the City must retain per the Urban Reserve Ordinance.

Next Steps

The Draft Development Inventory and Land Need Forecast will be presented to the Planning Commission for their review and comment at a special Planning Commission meeting on October 3, 2023, and the Council shortly thereafter. Once the City Council accepts the Inventory, staff can be directed to complete Step 2 - Evaluation and Selection of Lands for Potential Conversion.

Attachments:

Attachment A – Urban Reserve Development Inventory and Land Need Forecast