DAVIS 2050
General Plan Update

Economic, Demographic, Real Estate and Fiscal Existing Conditions Report

FINAL DRAFT

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Davis
CALIFORNIA

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EXECUTIVE SUMMARY

This Economic, Demographic, Real Estate and Fiscal Existing Conditions Report provides an overview of the Davis economic environment and includes data and analysis regarding the demographic characteristics of the City's population, the structure of the Davis economy and both the residential and commercial real estate market conditions that will inform the 2050 General Plan Update. Fiscal background information includes an overview of the City's current General Fund budget structure, including key sources and uses of funds. It will also examine recent growth trends and anticipated growth within the city during the General Plan time horizon.

Key Findings and Implications

Key findings from the existing conditions and the resulting implications for the General Plan Update are as follows.

Demographic and Economic Findings and Implications

POPULATION AND HOUSEHOLDS

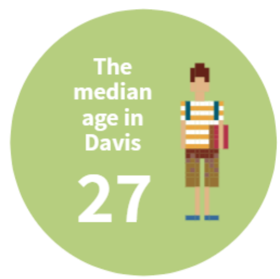
- **Davis is the most populous city in Yolo County, with an estimated 2023 population of 65,800 residents and 25,500 households.** Davis has experienced significant population growth (approximately 45 percent over the past 30 years) outpacing the State but behind the County overall. Since the adoption of the previous Davis General Plan in 2000, population growth in the City has slowed, with just nine percent growth in Davis compared to 31 percent growth in Yolo County.

Davis makes up **30%** of **Yolo County's** population.

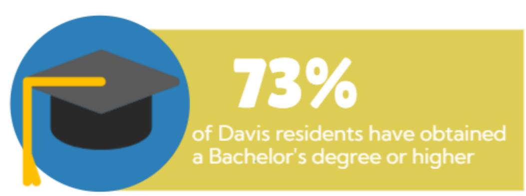
- **The influence of Davis extends beyond City boundaries to the broader Davis Community Area, which has a population of 81,000 residents and 28,900 households.** The Davis Community Area residents who live outside of city limits still seek goods, services and amenities within the city, and also contribute to the local economy through retail and services expenditures within the city.
- **Davis has a lower daytime population than its residential population and, in contrast, the Davis Community Area has a higher daytime population than residential population.** These patterns indicate that Davis has net commuter

outflows during the day while the Davis Community Area, which includes the UC Davis campus, has net commuter inflows.

- **The UC Davis campus has an affiliate population of approximately 47,900 people, including 36,500 students and 11,500 employees as of the 2023/24 academic year.** The overall campus population has grown by 3,100 people (seven percent) since the 2015/16 academic year, largely driven by increased undergraduate enrollment. Over time; however, fewer UC Davis students and employees are living within the City of Davis. Since the 2015/16 academic year, the number of UC Davis affiliates living off-campus in the City of Davis has decreased by approximately 5,300 people. This means that the University's affiliate population growth has not been driving City of Davis population growth in recent years.
- **Roughly half of UC Davis' core campus population lives off campus within the City of Davis, including a majority of graduate students and faculty.** In total, about 22,800 students and University employees live in the city, accounting for over one-third of its population and contributing significantly to local housing demand and economic activity.
- **Davis has a significantly younger population on average than the county or state, driven by its large student presence, but is also experiencing notable changes.** The share of residents under 18 has declined by nearly 20 percent since 2010, impacting school enrollment, while the senior population has grown by nearly 60 percent, signaling rising demand for housing and services geared towards seniors and shifting retail needs.

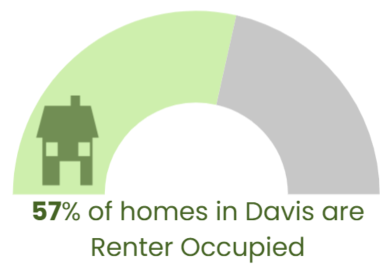


- **The population in Davis has become more racially and ethnically diverse since 2010, with a declining share of non-Hispanic White residents and growing non-Hispanic Asian and Hispanic/Latino populations.** Yolo County and California as a whole have followed generally similar demographic trends since 2010, with larger increases in non-Hispanic Asian residents and smaller increases in Hispanic/Latino residents. These demographic shifts point to a diverse and vibrant community and increasing demand for multicultural goods and services.
- **Davis residents have significantly higher educational attainment levels than those in the County or State.** Nearly three-quarters of residents over 25 hold a bachelor's degree or higher, compared to less than half of those in Yolo County and just over one-third statewide. The highly educated workforce in Davis is a strong asset for attracting specialized employers and also supports relatively high family household income levels.



HOUSING

- **Davis has higher shares of non-family households (e.g., groups of unrelated people sharing housing, such as groups of student roommates) and smaller households than the County or State. This is likely the result of the younger, student-oriented segment of the Davis population.** This data points to demand for diverse housing types, including smaller units for individuals and couples, as well as larger units (both multifamily and single-family) for families and non-family households.
- **Unlike the County and State, where more than half of households own their homes, the majority of households in Davis rent their homes, reflecting the city's higher share of multifamily housing.** While the number of vacant units in Davis has more than doubled since 2010, overall vacancy rates remain low and in line with regional trends. In more recent years. Production of housing on the UC Davis campus has helped to alleviate Davis' extremely low historical apartment vacancy rates.



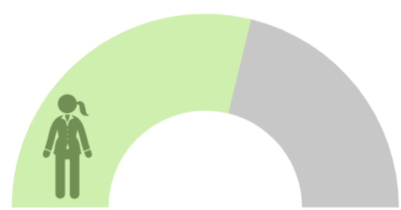
- **Although single-family homes make up the majority of Davis' housing stock, the city offers a more diverse mix of housing types than Yolo County or California, with a higher share of multifamily units.** Multifamily units make up 43 percent of the housing stock in Davis, compared to 32 percent in both Yolo County and California. The share of multifamily units in Davis is in line with San Luis Obispo (41 percent multifamily), a similar university-oriented city in an agricultural area. In Davis, multifamily development has grown faster than single-family construction since 2010, reflecting shifting housing needs within the City as well as limited land available for low-density housing development.

EMPLOYMENT

- **Employed Davis residents account for nearly one-third of Yolo County's labor force, with a consistently lower unemployment rate than the County.** Labor force growth in the city has been modest, aligning with its slower population growth relative to the broader county.

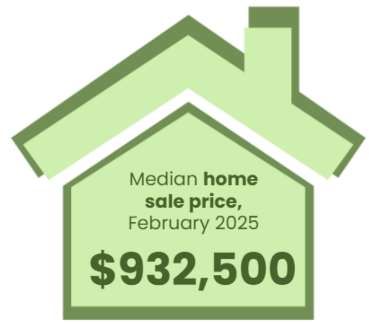
- **More than half of Davis residents are employed in three occupational sectors: Computer/Engineering/Science, Education/Library/Training and Service occupations, in part reflecting the presence of UC Davis.** The city has a highly educated workforce, positioning Davis as an attractive location for employers seeking highly educated and skilled workers.
- **Davis has a unique income profile due to its large student population, with a lower median household income than the County or State, but a significantly higher median family income.** This income profile may present challenges for retailers and service providers in balancing the needs of lower-income non-family households (e.g., groups of students sharing a housing unit) with those of affluent family households.

- **More than half of the total jobs in Davis are concentrated in three private-sector industries: Healthcare and Social Assistance, Accommodation and Food Services and Retail Trade.** These industries reflect the economic base of the City, with a large focus on retail and dining. This suggests a mismatch between local labor force characteristics and local employment opportunities. Attraction of employers in other industries that align with local residents' education and skills can be an opportunity to diversify the economic base while also creating more opportunities for local residents to work locally and reduce the number of people who commute out of the community for work.
- **More than half of Davis workers also live in the city.** Davis has more employed residents than available jobs, leading to significant out-commuting to elsewhere in Yolo County and beyond. To be most beneficial, expanding local employment opportunities would also require aligning new jobs with the skills and qualifications of the resident workforce.



Real Estate Market Findings and Implications

RESIDENTIAL MARKET



- **Davis has a reputation for a high quality of life within the Sacramento Region, which is reflected in the city's home sales prices.** The median single-family home sale price was $932,500 as of February 2025 and has been consistently several hundred thousand dollars above the median price in Yolo County overall for many years.
- **The city has a sizeable multifamily rental residential market, with over 40 percent of Yolo County's total multifamily rental residential units.** Apartments in Davis have higher average asking rents and lower vacancy rates than in Yolo County overall, indicating the strength of the local rental housing market.
- **Recent multifamily rental residential development has included both higher-end and affordable properties outside Downtown Core area.** As of the end of 2024, there is limited new multifamily rental residential construction underway. Since approval of the Downtown Davis Specific Plan in 2022, the City has approved applications for several multifamily projects in the downtown area and elsewhere in the city; however, information from project developers indicates that projects are being delayed due to difficulties in securing necessary financing.

RETAIL MARKET

- **Davis is an attractive retail location within Yolo County's retail market, with higher-than-average rents, lower vacancy rates and a significant share of the County's retail space.** The City has approximately 2.2 million square feet of retail space.
- **While recent development has been limited, a major new retail center, The Davis Collection, is currently under construction near the UC Davis campus.** The first stores in this development are set to open in mid-2025 and will represent the most significant new retail space in Davis in over a decade.
- **The city is a retail and dining destination within Yolo County.** Over $675 million in taxable sales were generated in Davis in 2024, 87 percent of which were in the Retail and Food Services categories.

- **While Davis is a popular market for dining and retail, it is likely too small to be able to support the full range of retail offerings for the Davis Community Area population.** Overall, the City has a sales leakage of 50 percent, indicating that half of expected resident spending is captured outside of Davis. This leakage amount may be under-stated, considering there are additional residents outside the City but within the Davis Community Area who represent additional retail demand potential for stores located in Davis.

OFFICE MARKET

- **Davis contains nearly one-third of Yolo County's total office space, with a market primarily composed of older Class B and C buildings.** The City has approximately 1.8 million square feet of office space.
- **Over the past five years, there has been 64,400 square feet of new office space built in Davis, representing roughly one-fifth of all new office development in Yolo County.** There is currently no office space under construction anywhere in the County.
- **The office vacancy rate in the city was 10.2 percent as of the end of 2024, the highest it has been in the past eight years.** Despite rising vacancy rates since 2021, office asking rents in Davis have continued to increase year over year.
- **The office market in Davis caters to businesses with higher-skill and higher-wage employees than the County overall, due to both the proximity to UC Davis and a highly educated population.** As a result, office space in Davis is able to command higher asking rents than in Yolo County as a whole. However, high-skill office work is correlated with the ability to work from home, and office-based Davis firms may be more likely to downsize to accommodate remote work.
- **The current office market conditions in Davis, with elevated vacancy and minimal development suggest that there is limited demand to support recruitment of new office businesses to Davis in the short term.** The potential for long-term increases in demand will likely depend on regional and national macro-economic trends as well as the ability to position new office space in Davis, which tends to be relatively expensive, to capture demand from those businesses that are most likely to find Davis a good fit, for the businesses as well as for their workforces. This would include businesses with large proportions of higher-end knowledge workers.

INDUSTRIAL AND FLEX MARKET

- **Davis is a relatively small industrial/flex market within Yolo County, with just three percent of the countywide inventory.** The city has approximately 1.5 million square feet of industrial/flex space.

- **Asking rents for industrial/flex space in Davis declined over the past year but remain significantly higher than the countywide average.** This difference is the city's limited supply and higher land costs compared to more affordable areas with more undeveloped land in Yolo County.
- **There is currently no new industrial or flex space under construction in the city.** Additionally, there has been limited new industrial/flex development within Davis over the past five years, with just three percent of countywide new deliveries.
- **Over the past eight years, the overall net absorption for industrial/flex space in Davis was slightly negative, indicating a stagnant market with limited new demand.** Many of these recently vacant industrial and flex spaces in Davis were previously leased by UC Davis-affiliated tenants, some of whom have moved operations elsewhere in the Sacramento or Bay Area regions.
- **As a relatively high-cost industrial/flex sub-market, Davis will only appeal to a limited pool of tenants needing this type of space.** This may include relatively small start-ups for which proximity to UC Davis is a priority, or businesses engaged in relatively high value-added activities for which building rents are a less significant consideration, similar to office-based businesses in Davis.

Fiscal Findings and Implications

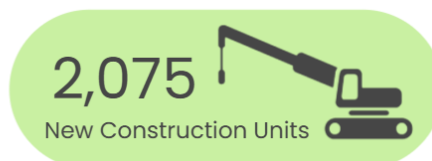
- **For FY 2024/25, the City projects General Fund expenditures of $84.0 million and revenues of $78.7 million.** The General Fund, which supports core Davis city services, is primarily funded by property-related taxes, sales taxes and fees.
- **The General Fund revenue deficit of $5.3 million for FY 2024/25 will require the City to draw from budget reserves.** Closing the ongoing structural budget deficit requires additional revenue, reductions in expenditures, or a combination of both. Measure Q, passed in November 2024, is projected to generate an additional $11 million in annual sales tax revenue which will help to address the structural budget deficit and give the City flexibility to fund enhanced services.
- **Over the past ten fiscal years, the total General Fund expenditures have increased by approximately $9.8 million, or 13 percent (adjusted for inflation).** General Fund expenditures peaked in FY 2023/24, at $86.5 million.
- **Public Safety (Police and Fire Departments) accounted for over half of the City of Davis's General Fund expenditures in the FY 2024/25 Adopted Budget.** This allocation underscores that the fiscal impact of new development will largely

hinge on its effect on public safety demand: extending existing resources to serve new development would support better fiscal outcomes, while requiring significant new public safety service expansions could strain the budget.

- **Over the past ten fiscal years, the total General Fund Revenues have increased by $6.9 million, or ten percent (adjusted for inflation).** General Fund revenues peaked in FY 2021/22, at $88.6 million, before decreasing over the following three years. Sales tax revenue is expected to increase over the coming years after Davis voters approved an additional one percent sales tax add-on in November 2024. If new retail development, such as The Davis Collection, can help to stem the city's retail leakage, this should be a net positive for the City's fiscal position.
- **Property tax revenue and sales tax revenue account for nearly two-thirds of the total General Fund Revenues in the FY 2024/25 Adopted Budget.** To maintain and improve municipal services as Davis continues to grow, the City needs to expand its property tax base and ensure that its retail sector remains robust.

Growth Projections and Implications

- **To meet the City's Housing Element goals, Davis is required to plan for at least 2,075 new housing units that are affordable to a range of income levels between 2021 and 2029.** These new housing units could accommodate approximately 5,125 new Davis residents.



- **To meet the affordability targets in the Housing Element, nearly half of the new units will need to be subsidized at below market rents.** The General Plan should prioritize multifamily housing to meet affordability needs.
- **According to SACOG projections, Davis is expected to experience slower growth for both employment and housing than Yolo County or Sacramento County between 2020 and 2050.** These projections reflect the City's limited land availability for residential and non-residential development compared to the broader region.
- **Between 2020 and 2040, the State Department of Finance projects that Yolo County will experience a significant increase in residents aged 65 and older and a decrease in those under the age of 18, reflecting existing aging trends seen in Davis.** These demographic shifts have broad implications for Davis's planning, including school enrollment, senior housing needs and changing demand for public services and retail goods and services.
- **As outlined in UC Davis' Long Range Development Plan, the University will have capacity for an additional 2,500 students and 3,000 employees by the 2030/31 academic year.** However, due to ongoing budget constraints that growth is unlikely to happen by 2030/31.

INTRODUCTION

Study Purpose

This Economic, Demographic, Real Estate and Fiscal Existing Conditions Report provides an overview of the Davis economic context in support of the Davis General Plan Update project. It includes data and analysis regarding the demographic characteristics of the Davis population and households and the structure of the Davis economy, and local residential and non-residential real estate market conditions. It also examines recent growth trends and anticipated population and employment growth within the city during the General Plan time horizon. Fiscal background information includes an overview of the City's current General Fund budget structure, including key sources and uses of funds and trends in revenues and costs over time.

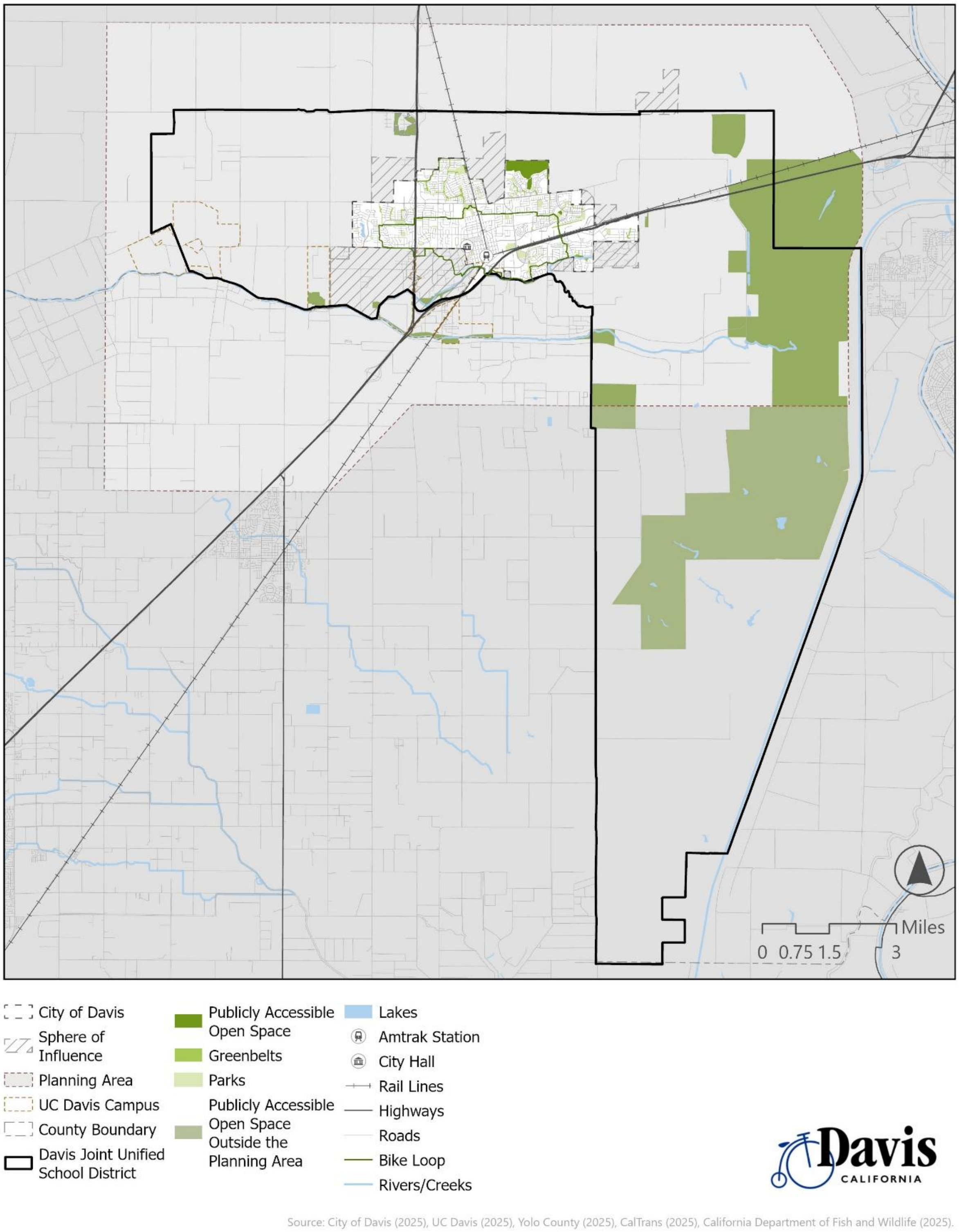
Data Sources

Data sources for this report include the American Community Survey, CoStar, California Employment Development Department, California Department of Tax and Fee Administration, Esri, City Budget documents and other sources that provide the information needed to develop a sound understanding of local economic and demographic conditions. To provide context for the City's demographic and economic characteristics, this report includes comparison data for Yolo County and California as a whole, for key data variables.

Location and Site Context

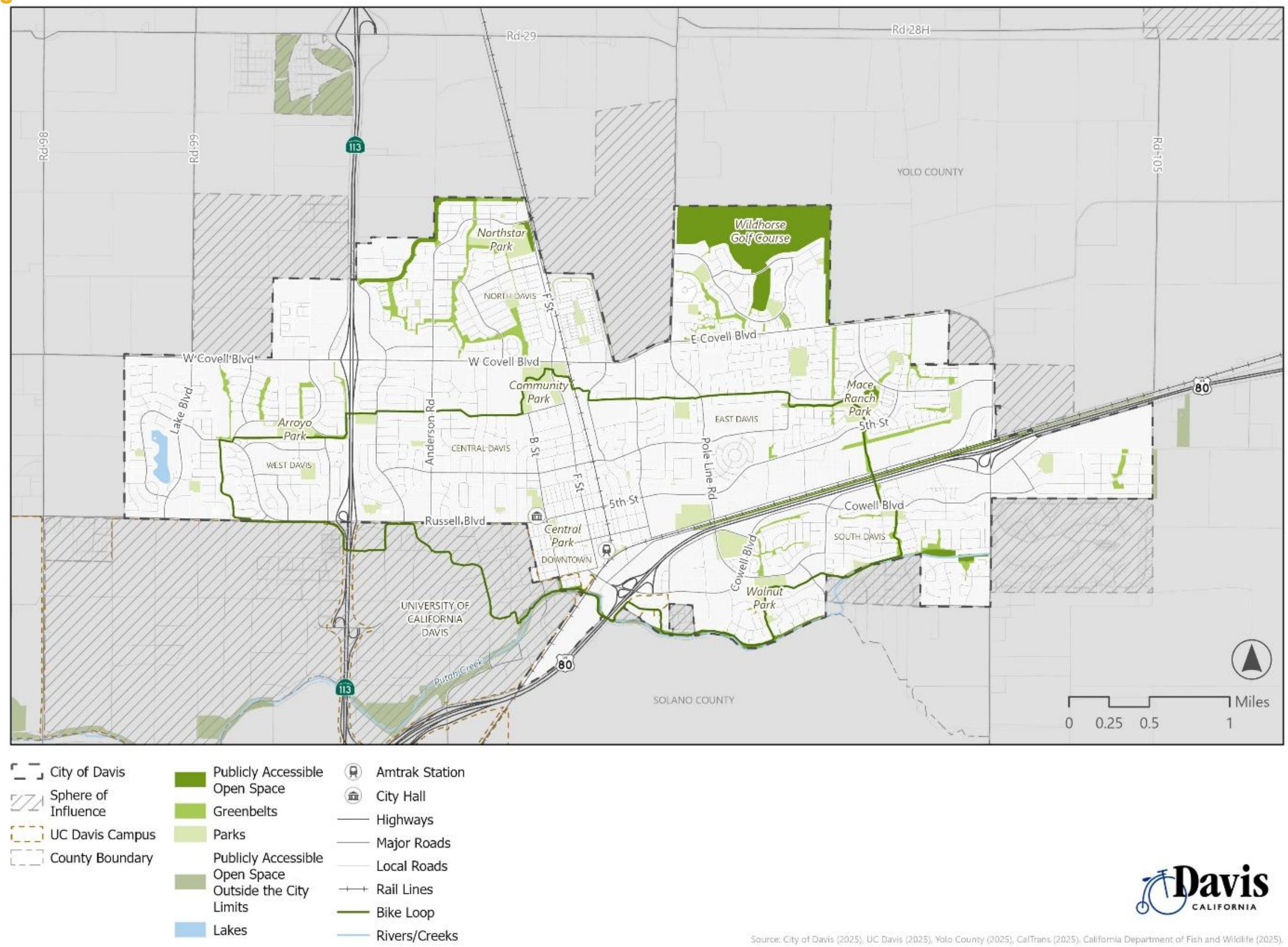
The City of Davis is located west of Sacramento in Yolo County, near the northeastern border of Solano County. Figure 1 and Figure 2 on the following pages provide maps of the City and the surrounding area. The City is connected to the Bay Area and Sacramento by Interstate 80 (I-80), which runs East/West through the community. State Route 113 (CA-113) runs through the western part of Davis from I-80, connecting Davis to the City of Woodland and Interstate 5 (I-5) to the north. The City's Amtrak station connects Davis to San Jose and Sacramento along the Capitol Corridor. Downtown Davis, in the central part of the City, is a local and regional dining and retail destination. Davis also contains smaller retail, office and industrial nodes throughout the City. The core part of the University of California, Davis (UC Davis) campus is adjacent to Downtown Davis and additional campus lands used for student housing and agricultural research extend west across CA-113. The UC Davis campus is not a part of the incorporated City of Davis.

Figure 1: City of Davis Subregional Context



Sources: City of Davis, UC Davis, Yolo County, CalTrans, California Department of Fish and Wildlife, SACOG, Raimi + Associates; BAE, 2025.

Figure 2: Local Context



Sources: City of Davis, UC Davis, Yolo County, CalTrans, California Department of Fish and Wildlife, Raimi + Associates; BAE, 2025

ECONOMIC AND DEMOGRAPHIC CONDITIONS

This section provides an overview of demographic and employment characteristics in the City of Davis with two benchmarks: Yolo County and the State of California as a whole. This section also provides some demographic characteristics for the University of California Davis student and worker population, as well as for the larger Davis Community Area, which includes developed unincorporated areas that are adjacent to or near the City of Davis, whose residents typically utilize stores, services and amenities located within the City of Davis. The demographic and economic data presented here are intended to help both stakeholders and decision-makers to gain an understanding of the local community characteristics and their implications for the General Plan Update. The analysis draws on data from the US Census Bureau, the California Employment Development Department and the University of California Davis.

Population and Household Trends

Population and Households

Davis is the most populous city in Yolo County, with approximately 65,800 residents as of 2023, according to American Community Survey estimates. As shown in Table 1, Davis residents make up 30 percent of Yolo County's 220,500 total residents. The City is home to 25,500 households, with an average household size of 2.47 persons per household. Davis' average household size is slightly smaller than that of the County or State, at 2.71 and 2.78, respectively. Over the past three decades, the population of Davis grew by approximately 45 percent, outpacing the rate of growth in California (33 percent) but growing slower than Yolo County overall (53 percent). However, since 2010 the population in Davis has remained relatively constant, with a slight decrease in population between 2020 and 2023. The statewide population similarly decreased slightly between 2020 and 2023, while the population of Yolo County as a whole grew marginally.

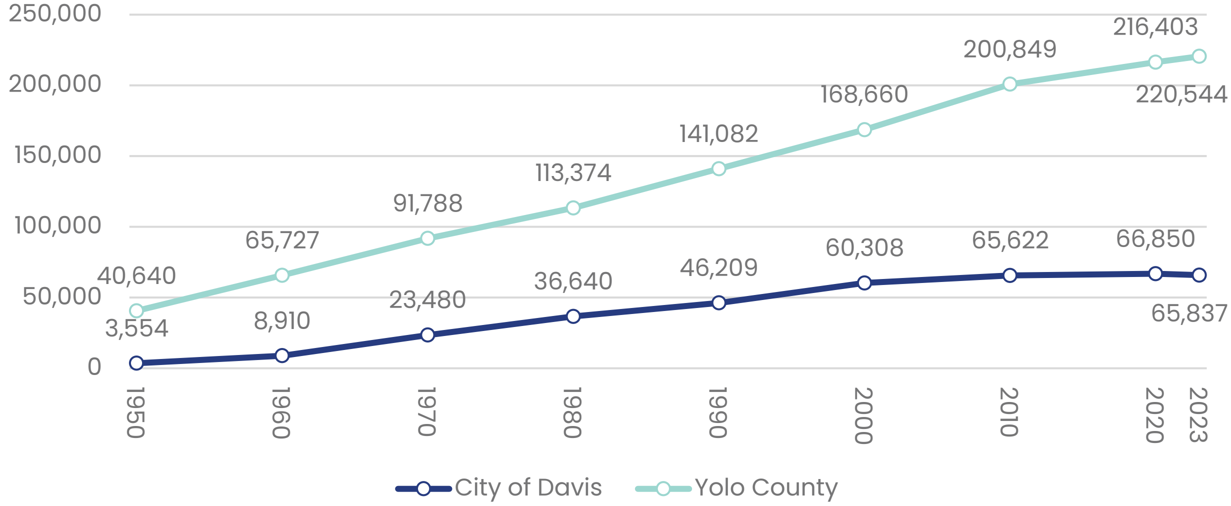
Table 1: Population and Household Trends, 1990 – 2023

	1990	2020	2023	Change, 1990-2020		Change, 2020-2023	
				Number	%	Number	%
Population							
City of Davis	46,209	66,850	65,837	20,641	44.7%	(1,013)	-1.5%
Yolo County	141,082	216,403	220,544	75,321	53.4%	4,141	1.9%
California	29,760,021	39,538,223	38,965,193	9,778,202	32.9%	(573,030)	-1.4%
Households							
City of Davis	17,926	25,667	25,542	7,741	43.2%	(125)	-0.5%
Yolo County	50,972	76,594	77,230	25,622	50.3%	636	0.8%
California	10,381,206	13,475,623	13,699,816	3,094,417	29.8%	224,193	1.7%
Average Household Size							
City of Davis	2.46	2.52	2.47				
Yolo County	2.63	2.71	2.71				
California	2.79	2.87	2.78				

Sources: U.S. Census Bureau, 1990 and 2000 Archives; Decennial Census 2010 Tables P5, P7, & H1; Decennial Census 2020, Tables P1, P17 & H3; American Community Survey 2023 one-year sample period, Tables B01003, B25002 & B25010; BAE, 2025.

Figure 3 presents the total population in the City of Davis and Yolo County between 1950 and 2023, according to data from the US Census Bureau. As shown, the population in Davis and Yolo County grew consistently between 1950 and 2000. However, Davis's population growth began to level off in 2000 while the countywide population continued to grow.

Figure 3: City of Davis and Yolo County Population, 1950-2023



Sources : US Census Bureau ; BAE, 2025.

Davis Community Area Population

The larger Davis Community Area, approximated using the Davis Joint Unified School District (DJUSD) boundaries, has roughly 81,000 residents and 28,900 households as of 2023. See Figure 1 for a map of the DJUSD boundaries. Approximately 15,200 residents and 3,400 households in the Davis Community Area live outside of the City of Davis, representing 18 percent of Community Area residents and 11 percent of Community Area households. This information shows that a considerable population lives just outside the city boundaries, but likely contributes a noticeable amount of demand for public services within the city, while also supporting economic activity within the city via spending in local establishments for retail goods and various services.

Table 2: Davis Joint Unified School District Population and Households, 2023

	2023
Davis Joint Unified School District	
Population	81,012
Households	28,903
Average Household Size	2.49

Sources: American Community Survey 2023 one-year sample period, Tables B01003, B25002 & B25010; BAE, 2025.

Daytime Population

Davis' daytime population is lower than its residential population, as shown in Table 3, with just 40 percent of the daytime population made up of workers. In comparison, the daytime population of the Davis Community Area is larger than the total residential population, with 52 percent of the daytime population made up of workers. These data suggest that the Davis Community Area, which includes the UC Davis campus, experiences net inflows of commuters versus the City of Davis, which experiences net outflows of commuters. Comparing a city's daytime and residential populations can be useful in making decisions related to transportation, infrastructure, and economic development. For example, for the City of Davis, this may suggest that retail recruitment should focus on those business types that cater to the shopping of local residents before or after work and on weekends, or that efforts be made to encourage the large daytime population at UC Davis to venture off campus to dine and shop in adjacent city areas, such as Downtown and the new Davis Collection shopping center.

Table 3: Daytime and Residential Population, 2025

	City of Davis	DJUSD
Population Category		
Daytime Resident Population	35,083	45,272
Daytime Worker Population	23,335	49,271
Total Daytime Population	***58,418***	***94,543***

Sources: Esri Business Analyst; BAE, 2025.

University of California, Davis Population

The student and employee populations affiliated with the University of California, Davis (UC Davis) make up a significant portion of the Davis community and have a strong presence within the city. As shown in

Table 4, as of the 2023/24 academic year (AY) the total campus affiliate population was approximately 47,900 people, including 36,500 students and 11,500 employees. Since the 2015/16 academic year, the overall campus population has grown by approximately 3,100 people (seven percent), largely driven by increased undergraduate enrollment. “Other” enrollment and faculty employment grew marginally over the past nine academic years, while “Other” employment at UC Davis decreased. The total campus population peaked during the 2019/20 academic year, at approximately 49,000 people, before declining slightly over the next several years. Campus officials cite statewide budgetary restrictions as a limiting factor for both enrollment and employment growth.

Table 4: UC Davis Student Population and On-Campus Population, AY 2015/16 – 2023/24

	Enrollment		Employment		Total
	Undergraduate	Other (a)	Faculty	Other (b)	
Academic Year					
AY 2015/16	26,867	5,796	1,638	10,543	**44,844**
AY 2016/17	27,896	5,929	1,721	10,644	**46,190**
AY 2017/18	28,636	6,098	1,789	10,842	**47,365**
AY 2018/19	29,303	6,257	1,814	11,034	**48,408**
AY 2019/20	29,555	6,484	2,034	10,883	**48,956**
AY 2020/21	29,560	6,578	2,170	10,383	**48,691**
AY 2021/22	30,285	6,161	1,881	9,859	**48,186**
AY 2022/23	30,216	6,466	1,695	8,295	**46,672**
AY 2023/24	30,446	6,007	1,735	9,720	**47,908**

Notes:
(a) "Other" enrollment is primarily graduate students, and a small number of other student types.
(b) "Other" employment is primarily staff, and a small number of other employee types.

Sources: University of California, Davis Longitudinal Population Data; BAE, 2025.

Table 5 below presents population characteristics for the UC Davis Census Designated Place (CDP)[1], which lies mostly within the DJUSD boundaries, based on the most recent five-year estimates from the American Community Survey. The CDP is home to approximately 8,200 residents, 85 percent of whom are between the ages of 18 and 24 and a median age of 19.5 years, consistent with the fact that the housing on the UC Davis campus is primarily used for student housing. UC Davis on-campus housing is guaranteed to all incoming freshmen students and transfer students under the age of 24, but not guaranteed beyond the first year of enrollment, which is consistent with these findings.

Given an estimated main campus enrollment of approximately 37,100, and information from UC Davis indicating that approximately 90 percent of students live on campus or in Davis, the modest population living within the UC Davis CDP indicates that a sizable portion of the UC Davis student body lives within the City of Davis.

The CDP population is primarily non-Hispanic Asian (37 percent) and non-Hispanic White (34 percent), with a slightly smaller Hispanic/Latino population (22 percent). As expected with a population primarily made up of undergraduate students, household and per capita incomes

[1] The CDP does not include the westernmost portions of the campus; however these are primary research facilities and do not include significant resident population.

are quite low.[2] Just under half of all CDP households have incomes less than $15,000 annually, with a median household income of $17,600 and a per capita income of $7,300.

Table 5: UC Davis CDP Population Characteristics, 2019–2023 Five-Year Estimates

	Number	Percent
Age Distribution		
Under 18	215	2.6%
18-24	6,918	84.8%
25-34	597	7.3%
35-44	309	3.8%
45-54	26	0.3%
55-64	93	1.1%
65 or older	0	0.0%
Total Population	***8,158***	***100.0%***
Median Age	***19.5***	
Race and Ethnicity		
Hispanic/Latino (a)	**1,759**	**21.6%**
Not Hispanic/Latino	**6,399**	**78.4%**
White	2,787	34.2%
Black/African American	95	1.2%
Native American	38	0.5%
Asian	2,991	36.7%
Native Hawaiian/Pacific Islander	0	0.0%
Other	26	0.3%
Two or More Races	462	5.7%
Total Population	***8,158***	***100.0%***
Household Income Distribution		
Less than $15,000	651	48.1%
$15,000-$24,999	163	12.0%

[2] Household incomes are self-reported by American Community Survey respondents. Depending on the interpretation of the question, reported income could include earned wages, monetary support from families, student loan proceeds, and/or other sources of income.

$25,000-$34,999	133	9.8%
$35,000-$49,999	102	7.5%
$50,000-$74,999	107	7.9%
$75,000-$99,999	95	7.0%
$100,000-$149,999	68	5.0%
$150,000-$199,999	6	0.4%
$200,000 or more	29	2.1%
Total Households	***1,354***	***100.0%***
Median HH Income	***$17,625***	
Per Capita Income	***$7,295***	
Notes: (a) Includes all races for those of Hispanic/Latino background.		

Sources: U.S. Census Bureau, American Community Survey 2019-2023 five-year sample data, Tables B01001, B01002, B03002, B19001, B19013 & B19301; BAE, 2025.

Table 6 presents the residential locations for the University's Davis campus population, according to the UC Davis Institute for Transportation Studies' annual campus travel survey. The survey data show that roughly one quarter of students and just one percent of staff report living on the UC Davis core campus. An additional 14 percent of students and 0.3 percent of employees report living in the University-owned West Village neighborhood development on the west side of Highway 113. Nearly half of the total campus population of 48,200 lives off campus within the City of Davis. However, this varies by population type: 48 percent of undergraduate students, 60 percent of graduate students, 60 percent of faculty and 32 percent of staff live off campus in the city. The approximately 22,800 students and employees who live in Davis make up over one third of the total city population, and require a variety of housing types, from studio apartments to large family homes. Although there are limited food service and retail options available on-campus, those students and employees who live on campus represent a significant source of demand for retail and food services establishments within the City of Davis.

The residential locations of the UC Davis campus population have changed significantly over time. While the overall affiliate population increased by approximately 1,900 people between AY 2015/16 and AY 2023/24, the affiliate population living off-campus in Davis decreased by approximately 5,300 people.[3] This change was largely driven by the student population shifting to University-owned housing, with approximately 38 percent of students living in UC Davis housing in AY 2023/24 compared to 28 percent in AY 2015/16. Over the past nine

[3] Based on the UC Davis Institute for Transportation Studies' annual campus travel surveys. The totals may not match other totals due to various population count methodologies.

academic years, UC Davis built approximately 6,300 new beds for students and has been able to accommodate a larger share of the undergraduate and graduate student population in University-owned housing. The share of employees, both faculty and staff, living in Davis has also decreased over time, from approximately 53 percent in AY 2015/16 to 37 percent in AY 2023/24. UC Davis employees have shifted to living outside of Davis, potentially due to increasing housing costs and limited supply within the city.

Table 6: UC Davis Campus Population by Residential Location, 2023-2024 Academic Year

Role	On Campus	West Village	Off Campus in Davis	Outside Davis	Estimated Population
Students					
All Students	**23.9%**	**14.2%**	**50.2%**	**11.7%**	**37,082**
Undergraduate	25.0%	16.4%	48.3%	10.3%	31,097
Graduate	18.1%	2.6%	60.4%	18.9%	5,985
Employees					
All Employees	**1.0%**	**0.3%**	**37.3%**	**61.5%**	**11,113**
Faculty	1.3%	0.0%	59.8%	38.8%	1,964
Staff	0.9%	0.3%	32.4%	66.4%	9,149
All Campus Population					
Overall	***18.6%***	***11.0%***	***47.3%***	***23.2%***	***100.0%***
Estimated Population	***8,979***	***5,283***	***22,774***	***11,159***	***48,195***

Sources: UC Davis Institute for Transportation Studies, 2023-2024 Campus Travel Survey; BAE, 2025.

Age Distribution

The population in the City of Davis is significantly younger than that of Yolo County or California overall, as is common in a city with a large student population. According to 2023 American Community estimates presented in

Table 7, the median age in Davis is 27.1 years, compared to 32.6 in the County and 38.2 in the State. The median age across all three geographies increased by two to three years between 2010 and 2023, indicating an aging population. As of 2023, nearly one in three Davis residents is between the ages of 18 and 24, compared to one in five Yolo County residents and just one in ten California residents. Davis has a comparatively smaller share of residents under the age of 18, at approximately 13 percent compared to 19 percent and 22 percent in the County and State, respectively. The share of residents under the age of 18 has declined approximately nine percent statewide, but Davis has seen an outsized impact: between 2010 and 2023 the share of residents under the age of 18 decreased by nearly 20 percent. This decrease in the population under 18 is consistent with the reported declining enrollment in the Davis Joint Unified School District over the past two decades, presenting operational and funding challenges for the District. At the other end of the age spectrum, the share of the population aged 65 or older has increased by nearly 50 percent statewide, and by nearly 60 percent in Davis. This aging population suggests increasing demand for senior services and medical services and declining demand for certain types of retail goods, such as children's clothing, toys, home furnishings and other products targeted to growing households.

Table 7: Age Distribution and Median Age, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Under 18	10,760	16.4%	8,663	13.2%	(2,097)	-19.5%
18-24	21,757	33.2%	20,675	31.4%	(1,082)	-5.0%
25-34	8,528	13.0%	10,490	15.9%	1,962	23.0%
35-44	6,295	9.6%	6,917	10.5%	622	9.9%
45-54	6,807	10.4%	5,022	7.6%	(1,785)	-26.2%
55-64	5,878	9.0%	5,240	8.0%	(638)	-10.9%
65 or older	5,597	8.5%	8,830	13.4%	3,233	57.8%
Total Population (a)	***65,622***	***100.0%***	***65,837***	***100.0%***	***215***	***0.3%***
Median Age	**25.2**		**27.1**			
Yolo County						
Under 18	45,631	22.7%	42,111	19.1%	(3,520)	-7.7%
18-24	38,377	19.1%	45,466	20.6%	7,089	18.5%
25-34	28,168	14.0%	28,721	13.0%	553	2.0%
35-44	23,913	11.9%	28,278	12.8%	4,365	18.3%
45-54	24,830	12.4%	23,682	10.7%	(1,148)	-4.6%
55-64	20,159	10.0%	21,798	9.9%	1,639	8.1%
65 or older	19,771	9.8%	30,488	13.8%	10,717	54.2%
Total Population (a)	***200,849***	***100.0%***	***220,544***	***100.0%***	***19,695***	***9.8%***
Median Age	**30.4**		**32.6**			
California						
Under 18	9,295,040	25.0%	8,437,329	21.7%	(857,711)	-9.2%

18-24	3,922,951	10.5%	3,558,215	9.1%	(364,736)	-9.3%
25-34	5,317,877	14.3%	5,670,629	14.6%	352,752	6.6%
35-44	5,182,710	13.9%	5,460,310	14.0%	277,600	5.4%
45-54	5,252,371	14.1%	4,846,002	12.4%	(406,369)	-7.7%
55-64	4,036,493	10.8%	4,680,789	12.0%	644,296	16.0%
65 or older	4,246,514	11.4%	6,311,919	16.2%	2,065,405	48.6%
Total Population (a)	***37,253,956***	***100.0%***	***38,965,193***	***100.0%***	***1,711,237***	***4.6%***
Median Age	**35.2**		**38.2**		**+3.0**	
Notes: (a) Totals may not match totals in other tables due to independent rounding.						

Sources: U.S. Census Bureau, Decennial Census 2010, Tables P12 & P13; American Community Survey 2023 one-year sample period, Tables B01001 & B01002; BAE, 2025.

Race and Ethnicity

In contrast to the countywide and statewide population, Davis has a larger share of non-Hispanic White and non-Hispanic Asian residents and a smaller share of Hispanic/Latino residents. As shown in

Table 8, between 2010 and 2023 Davis transitioned from a majority non-Hispanic White community to one where White residents are about half of the local population. Although Davis became more diverse over the 13 years, White residents make up significantly smaller proportions of the Yolo County population (42 percent) and California population (33 percent). Approximately 23 percent of Davis residents identify as non-Hispanic Asian, compared to just 16 percent in both Yolo County and California. Statewide, Hispanic/Latino residents make up approximately 40 percent of the population, compared to 16 percent of the population in Davis and 33 percent in Yolo County. However, between 2010 and 2023 the number of Hispanic/Latino Davis residents grew by approximately 28 percent, outpacing the rate of growth in Yolo County and California. Following statewide trends, the share of non-Hispanic White and non-Hispanic Black/African American residents decreased between 2010 and 2023, while the share of non-Hispanic Asian residents increased. The increasing racial and ethnic diversity in Davis suggests expanding demand for a range of goods and services catering to multicultural tastes.

Table 8: Race and Ethnicity, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Hispanic/Latino (a)	**8,172**	**12.5%**	**10,434**	**15.8%**	**2,262**	**27.7%**
Not Hispanic/Latino	**57,450**	**87.5%**	**55,403**	**84.2%**	**(2,047)**	**-3.6%**
White	38,641	58.9%	32,970	50.1%	(5,671)	-14.7%
Black/African American	1,415	2.2%	1,220	1.9%	(195)	-13.8%
Native American	166	0.3%	480	0.7%	314	189.2%
Asian	14,213	21.7%	15,413	23.4%	1,200	8.4%
Native Hawaiian/Pacific Islander	120	0.2%	27	0.0%	(93)	-77.5%
Other	181	0.3%	792	1.2%	611	337.6%
Two or More Races	2,714	4.1%	4,501	6.8%	1,787	65.8%
Total Population (b)	***65,622***	***100.0%***	***65,837***	***100.0%***	***215***	***0.3%***
Yolo County						
Hispanic/Latino (a)	**60,953**	**30.3%**	**73,642**	**33.4%**	**12,689**	**20.8%**
Not Hispanic/Latino	**139,896**	**69.7%**	**146,902**	**66.6%**	**7,006**	**5.0%**
White	100,240	49.9%	91,600	41.5%	(8,640)	-8.6%
Black/African American	4,752	2.4%	6,289	2.9%	1,537	32.3%
Native American	1,098	0.5%	885	0.4%	(213)	-19.4%
Asian	25,640	12.8%	34,446	15.6%	8,806	34.3%
Native Hawaiian/Pacific Islander	817	0.4%	159	0.1%	(658)	-80.5%
Other	443	0.2%	1,342	0.6%	899	202.9%

Two or More Races	6,906	3.4%	12,181	5.5%	5,275	76.4%
Total Population (b)	***200,849***	***100.0%***	***220,544***	***100.0%***	***19,695***	***9.8%***
California						
Hispanic/Latino (a)	**14,013,719**	**37.6%**	**15,760,437**	**40.4%**	**1,746,718**	**12.5%**
Not Hispanic/Latino	**23,240,237**	**62.4%**	**23,204,756**	**59.6%**	**(35,481)**	**-0.2%**
White	14,956,253	40.1%	12,962,645	33.3%	(1,993,608)	-13.3%
Black/African American	2,163,804	5.8%	2,004,832	5.1%	(158,972)	-7.3%
Native American	162,250	0.4%	102,548	0.3%	(59,702)	-36.8%
Asian	4,775,070	12.8%	6,042,726	15.5%	1,267,656	26.5%
Native Hawaiian/Pacific Islander	128,577	0.3%	133,436	0.3%	4,859	3.8%
Other	85,587	0.2%	259,508	0.7%	173,921	203.2%
Two or More Races	968,696	2.6%	1,699,061	4.4%	730,365	75.4%
Total Population (b)	***37,253,956***	***100.0%***	***38,965,193***	***100.0%***	***1,711,237***	***4.6%***

Notes:
(a) Includes all races for those of Hispanic/Latino background.
(b) Totals may not match totals in other tables due to independent rounding.

Sources: U.S. Census Bureau, Decennial Census 2010, Table P5; American Community Survey 2023 one-year sample period, Table B03002; BAE, 2025.

Educational Attainment

Davis residents over the age of 25 have significantly higher rates of educational attainment than those in Yolo County or California, as expected in a city with a major higher education institution. As shown in Table 9, 97 percent of Davis residents ages 25 and older are high school graduates, compared to 90 percent of those in Yolo County and 85 percent in California. The difference in attainment for higher education is even greater: nearly three quarters of Davis residents over the age of 25 have a bachelor's degree or higher, compared to less than half countywide and just over one third statewide. The educational attainment of the Davis population can be a strong economic development asset for the attraction of firms that seek a highly educated and skilled workforce.

Table 9: Educational Attainment, Population Aged 25+, 2023

	City of Davis		Yolo County		California	
	Number	Percent	Number	Percent	Number	Percent
Educational Attainment						
Less than 9th Grade	528	1.4%	6,725	5.1%	2,341,160	8.7%
9th to 12th Grade, No Diploma	728	2.0%	7,285	5.5%	1,753,074	6.5%
High School Graduate (incl. Equivalency)	2,895	7.9%	22,427	16.9%	5,505,182	20.4%
Some College, No Degree	3,580	9.8%	26,156	19.7%	5,142,978	19.1%
Associate’s Degree	2,202	6.0%	8,954	6.7%	2,116,930	7.8%
Bachelor's Degree	11,427	31.3%	30,965	23.3%	6,137,666	22.8%
Graduate/Professional Degree	15,139	41.5%	30,455	22.9%	3,972,659	14.7%
Total Population Age 25+	***36,499***	***100.0%***	***132,967***	***100.0%***	***26,969,649***	***100.0%***
Population 25+ High School Graduate (inc. Equivalency) or Higher (%)	**96.6%**		**89.5%**		**84.8%**	
Population 25+ with Bachelor's Degree or Higher (%)	**72.8%**		**46.2%**		**37.5%**	

Sources: U.S. Census Bureau, American Community Survey 2023 one-year sample period, Table S1501; BAE, 2025.

Housing Characteristics

Household Characteristics

Consistent with the overall younger population of Davis and the large number of student households living within Davis, the City has a larger share of non-family households than Yolo County or California. As shown in Table 10, approximately 54 percent of households in Davis are non-family households, compared to 39 percent of countywide households and 33 percent of statewide households. Between 2010 and 2023, across all three geographies the share of family households declined slightly, following national household trends.

Table 10: Households by Type, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Family Households	11,925	47.9%	11,789	46.2%	(136)	-1.1%
Non-Family Households	12,948	52.1%	13,753	53.8%	805	6.2%
Total Households (a)	***24,873***	***100.0%***	***25,542***	***100.0%***	***669***	***2.7%***
Yolo County						
Family Households	44,101	62.2%	47,094	61.0%	2,993	6.8%
Non-Family Households	26,771	37.8%	30,136	39.0%	3,365	12.6%
Total Households (a)	***70,872***	***100.0%***	***77,230***	***100.0%***	***6,358***	***9.0%***
California						
Family Households	8,642,473	68.7%	9,227,560	67.4%	585,087	6.8%
Non-Family Households	3,935,025	31.3%	4,472,256	32.6%	537,231	13.7%
Total Households (a)	***12,577,498***	***100.0%***	***13,699,816***	***100.0%***	***1,122,318***	***8.9%***

Note:
(a) Totals may not match totals in other tables due to independent rounding.

Sources: U.S. Census Bureau, Decennial Census 2010, Table P28; American Community Survey 2023 one-year sample period, Table B11001; BAE, 2025.

The average household size in Davis is smaller than that in Yolo County or California as a whole, consistent with the City's age distribution and household composition. As shown in Table 11, the average household size in Davis is 2.47 persons per household, compared to 2.71 in Yolo County and 2.78 in California. The average household size decreased slightly across all three geographies between 2010 and 2023. Two-person households are the most common household size statewide, including in Davis, where they comprise approximately 41 percent of all households. Notably, Davis has a smaller share of households with five or more people than the County or State, at seven percent compared to 11 percent in Yolo County and 13 percent in California. Generally, these data indicate that Davis households will demand a range of housing styles, from smaller apartments for single people living alone, couples, or roommates, to larger living units that can accommodate families or larger groups of unrelated people living together. For example, for the latter type of household, homebuilders might identify demand for homes with dual master suites or bedrooms with access to shared bathrooms.

Table 11: Households by Size, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**
City of Davis						
1-person household	5,952	23.9%	5,470	21.4%	(482)	-8.1%
2-person household	8,241	33.1%	10,435	40.9%	2,194	26.6%
3-person household	4,525	18.2%	4,518	17.7%	(7)	-0.2%
4-person household	4,100	16.5%	3,409	13.3%	(691)	-16.9%
5-person household	1,434	5.8%	1,330	5.2%	(104)	-7.3%
6-person household	467	1.9%	0	0.0%	(467)	-100.0%
7+ person household	154	0.6%	380	1.5%	226	146.8%
Total Households	***24,873***	***100.0%***	***25,542***	***100.0%***	***669***	***2.7%***

Avg. Household Size	**2.55**		**2.47**			
Yolo County						
1-person household	16,251	22.9%	18,207	23.6%	1,956	12.0%
2-person household	22,238	31.4%	26,170	33.9%	3,932	17.7%
3-person household	12,237	17.3%	13,004	16.8%	767	6.3%
4-person household	10,995	15.5%	11,676	15.1%	681	6.2%
5-person household	5,211	7.4%	4,900	6.3%	(311)	-6.0%
6-person household	2,311	3.3%	1,839	2.4%	(472)	-20.4%
7+ person household	1,629	2.3%	1,434	1.9%	(195)	-12.0%
Total Households	***70,872***	***100.0%***	***77,230***	***100.0%***	***6,358***	***9.0%***
Avg. Household Size	**2.74**		**2.71**			
California						
1-person household	2,929,442	23.3%	3,384,485	24.7%	455,043	15.5%
2-person household	3,653,802	29.1%	4,248,933	31.0%	595,131	16.3%
3-person household	2,043,812	16.2%	2,257,864	16.5%	214,052	10.5%
4-person household	1,883,451	15.0%	1,980,477	14.5%	97,026	5.2%
5-person household	1,040,408	8.3%	1,022,601	7.5%	(17,807)	-1.7%
6-person household	507,471	4.0%	454,347	3.3%	(53,124)	-10.5%
7+ person household	519,112	4.1%	351,109	2.6%	(168,003)	-32.4%

Total Households	***12,577,498***	***100.0%***	***13,699,816***	***100.0%***	***1,122,318***	***8.9%***
Avg. Household Size	**2.90**		**2.78**			

Sources: U.S. Census Bureau, Decennial Census 2010, Table H13; American Community Survey 2023 one-year sample data, Table B11016; BAE, 2025.

Housing Stock Characteristics

While the housing stock in Davis is primarily single-family homes, the City has a larger share of multifamily units than Yolo County or California overall. As shown in

Table 12, approximately 43 percent of the total housing units in Davis are in multifamily buildings, compared to 32 percent of housing units in both Yolo County and California. The share of multifamily units in Davis is in line with San Luis Obispo (41 percent multifamily), a similar university-oriented city in an agricultural area. Most of the multifamily units in Davis are in smaller buildings with three to 19 units, representing 67 percent of all multifamily units and 29 percent of the total housing units in the city. Davis also has a slightly larger share of single family attached housing units, or townhomes/rowhouses, than the County or State. As shown in

Table 13, between 2010 and 2023 the rate of growth in the number of multifamily units outpaced the rate of growth for single-family units statewide, including in Davis and Yolo County. These data show that compared to many other communities and California as a whole, Davis has a more diverse range of housing types; however, single-family detached housing units, by far, remain the most common type of housing unit available within the city.

Table 12: Housing Unit Characteristics, 2023

	City of Davis		Yolo County		California	
	Number	Percent	Number	Percent	Number	Percent
Type of Residence						
Single Family Detached	12,561	45.5%	47,292	56.5%	8,408,401	57.0%
Single Family Attached	2,476	9.0%	5,285	6.3%	1,117,901	7.6%
Multifamily 2 Units	399	1.4%	1,214	1.5%	349,757	2.4%
Multifamily 3-19 Units	8,091	29.3%	16,360	19.6%	2,342,722	15.9%
Multifamily 20-49 Units	1,563	5.7%	4,146	5.0%	765,241	5.2%
Multifamily 50+	1,936	7.0%	5,050	6.0%	1,255,112	8.5%
Mobile Home/Other (a)	582	2.1%	4,332	5.2%	523,393	3.5%
Total Housing Units	***27,608***	***100.0%***	***83,679***	***100.0%***	***14,762,527***	***100.0%***
Single Family Housing Units	**15,037**	**54.5%**	**52,577**	**62.8%**	**9,526,302**	**64.5%**
Multifamily Housing Units	**11,989**	**43.4%**	**26,770**	**32.0%**	**4,712,832**	**31.9%**

Note:
(a) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey 2023 one-year sample period, Table B25024; BAE, 2025.

Table 13: Housing Unit Trends, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Single Family Housing Units (a)	14,442	56.4%	15,037	54.5%	595	4.1%
Multifamily Housing Units	10,563	41.2%	11,989	43.4%	1,426	13.5%
Mobile Home/Other (b)	608	2.4%	582	2.1%	(26)	-4.3%
Total Housing Units	***25,613***	***100.0%***	***27,608***	***100.0%***	***1,995***	***7.8%***
Yolo County						
Single Family Housing Units (a)	49,063	65.3%	52,577	62.8%	3,514	7.2%
Multifamily Housing Units	22,268	29.7%	26,770	32.0%	4,502	20.2%
Mobile Home/Other (b)	3,764	5.0%	4,332	5.2%	568	15.1%
Total Housing Units	***75,095***	***100.0%***	***83,679***	***100.0%***	***8,584***	***11.4%***
California						
Single Family Housing Units (a)	8,892,430	65.0%	9,526,302	64.5%	633,872	7.1%
Multifamily Housing Units	4,250,315	31.1%	4,712,832	31.9%	462,517	10.9%
Mobile Home/Other (b)	540,231	3.9%	523,393	3.5%	(16,838)	-3.1%
Total Housing Units	***13,682,976***	***100.0%***	***14,762,527***	***100.0%***	***1,079,551***	***7.9%***

Note:
(a) Includes both attached and detached single family housing units.
(b) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey 2023 one-year sample period, Table B25024; BAE, 2025.

Housing Tenure

Unlike the households in the County and State, where more than half of households own their homes, the majority of households in Davis rent their homes. As shown in Table 14, approximately 56 percent of Davis households are renters, compared to 45 percent of Yolo County households and 44 percent of California households. These data are consistent with the higher concentration of multifamily housing units, which are more likely to be rental units, in Davis compared to the County and State. Homeownership rates remained relatively constant between 2010 and 2023, shifting slightly towards higher rates of owner households in both Davis and Yolo County.

Table 14: Housing Tenure, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**
City of Davis						
Owner-Occupied	10,699	43.0%	11,140	43.6%	441	4.1%
Renter-Occupied	14,174	57.0%	14,402	56.4%	228	1.6%
Total Occupied Housing Units	***24,873***	***100.0%***	***25,542***	***100.0%***	***669***	***2.7%***
Yolo County						
Owner-Occupied	37,416	52.8%	42,679	55.3%	5,263	14.1%
Renter-Occupied	33,456	47.2%	34,551	44.7%	1,095	3.3%
Total Occupied Housing Units	***70,872***	***100.0%***	***77,230***	***100.0%***	***6,358***	***9.0%***
California						
Owner-Occupied	7,035,371	55.9%	7,658,458	55.9%	623,087	8.9%
Renter-Occupied	5,542,127	44.1%	6,041,358	44.1%	499,231	9.0%
Total Occupied Housing Units	***12,577,498***	***100.0%***	***13,699,816***	***100.0%***	***1,122,318***	***8.9%***

Sources: U.S. Census Bureau, Decennial Census 2010, Table H16; American Community Survey 2023 one-year sample period, Table B25009; BAE, 2025.

As shown in Table 15, the residential vacancy rate in Davis is consistent with those of Yolo County and California as a whole. Between 2010 and 2023 the reported number of vacant units in the City more than doubled, but overall vacancy rates remain relatively low. The residential vacancy rate in Yolo County similarly increased between 2010 and 2023, while the vacancy rate statewide decreased slightly.

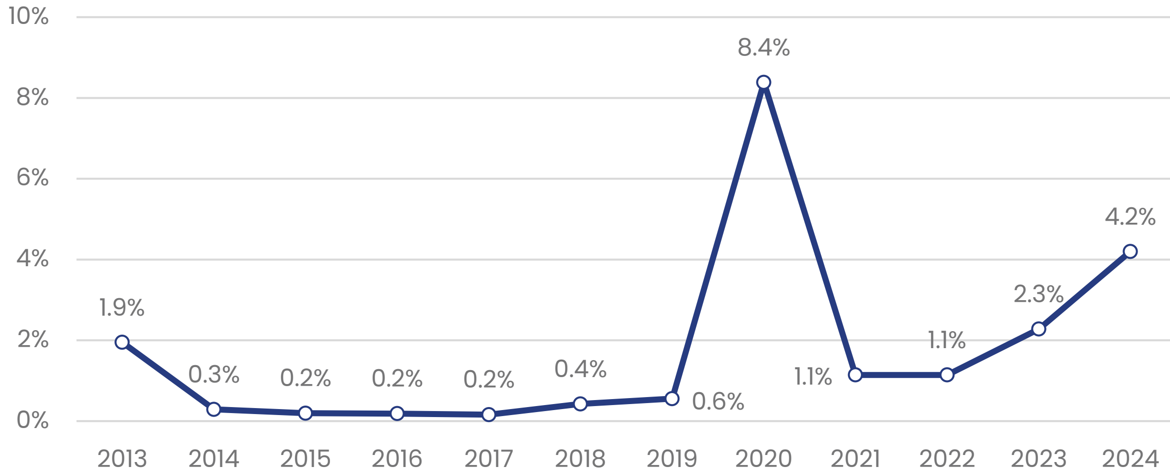
Table 15: Vacancy Status, 2010 and 2023

	2010		2023		Change, 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
City of Davis						
Occupied units	24,873	96.1%	25,542	92.5%	669	2.7%
Vacant units	996	3.9%	2,066	7.5%	1,070	107.4%
Total Housing Units	***25,869***	***100.0%***	***27,608***	***100.0%***	***1,739***	***6.7%***
Yolo County						
Occupied units	70,872	94.4%	77,230	92.3%	6,358	9.0%
Vacant units	4,182	5.6%	6,449	7.7%	2,267	54.2%
Total Housing Units	***75,054***	***100.0%***	***83,679***	***100.0%***	***8,625***	***11.5%***
California						
Occupied units	12,577,498	91.9%	13,699,816	92.8%	1,122,318	8.9%
Vacant units	1,102,583	8.1%	1,062,711	7.2%	(39,872)	-3.6%
Total Housing Units	***13,680,081***	***100.0%***	***14,762,527***	***100.0%***	***1,082,446***	***7.9%***

Sources: U.S. Census Bureau, Decennial Census 2010, Table H16; American Community Survey 2023 one-year sample period, Table B25002; BAE, 2025.

Since 2013, an annual Apartment Vacancy and Rental Rate Survey for UC Davis collects information on the characteristics of rental apartment units in the Davis community. The survey's objective is to provide information that will help inform planning decisions on campus and throughout the broader Davis area. One metric collected through the survey is an overall apartment vacancy rate, presented in Figure 4 below. Excluding the pandemic-induced peak of 8.4 percent vacancy in 2020, the reported apartment vacancy rate in Davis between 2013 and 2022 was extremely low, ranging from 0.2 percent to 1.9 percent, indicating a very competitive market for rental apartments in Davis. Additionally, because a large proportion of Davis' multifamily landlords offer leases coinciding with the UCD academic year, persons seeking rental apartments in Davis who are seeking housing outside of the traditional spring applications window for September occupancy may find very few options available for rent. A five percent vacancy rate is considered healthy for rental apartments by many housing experts. In 2023 and 2024, the vacancy rate climbed to 2.3 percent and 4.2 percent, respectively, indicating some loosening of the Davis apartment rental market; albeit with vacancy levels that are considered low.

Figure 4: UCD Apartment Vacancy Survey, 2019 to 2024



Sources: BAE 2025.

Employment, Income and Commute Trends

Resident Employment

As of 2024 approximately 33,600 local residents were considered to be in the labor force (i.e., employed or seeking employment) and an unemployment rate of 4.1 percent. As shown in

Table 16, the labor force in Davis makes up approximately 30 percent of the countywide labor force (111,000), consistent with Davis' overall share of the Yolo County population. The unemployment rate in Davis (4.1 percent) is lower than that of Yolo County overall (5.4 percent) and has consistently been lower than the countywide unemployment rate over the past eight years. The relatively low unemployment rate for Davis residents is likely attributable in large part to the exceptionally high educational attainment for the local population which is valued by employers. Between 2017 and 2024, the labor force in Davis increased by approximately two percent, compared to five percent growth in Yolo County overall. These data are consistent with the overall population growth rates in Davis and the County over the past decade.

Table 16: Labor Force and Unemployment Trends, 2017-2024

	City of Davis		Yolo County	
	Labor Force (a)	Unemployment Rate	Labor Force (a)	Unemployment Rate
Year				
2017	33,042	3.5%	105,350	5.2%
2018	33,292	2.8%	105,833	4.3%
2019	33,233	2.7%	105,692	4.2%
2020	31,875	5.7%	102,567	7.9%
2021	32,408	4.0%	102,092	6.0%
2022	32,867	2.9%	107,717	4.2%
2023	33,100	3.4%	109,283	4.8%
2024	33,608	4.1%	110,992	5.4%

Note:
(a) Totals may not match totals in other tables due to independent rounding and/or varying sources.

Sources: CA Employment Development Department; BAE, 2025.

Table 17 shows the occupation of employed residents in 2023. More than half of the employed Davis residents work in just three occupational sectors: Computer, Engineering and Science occupations (18 percent); Education, Library and Training occupations (17 percent) and Service occupations (17 percent). The relatively high concentration of employment in Computer/Engineering/Science and Education/Library/Training occupations aligns with UC Davis's status as a major research and education institution. And while Davis has a slightly smaller share of employed residents working in service occupations than Yolo County, service workers make up a significant portion of employed residents in Davis. These service-related occupations include food preparation and serving, healthcare support, personal care services and protective service occupations. Davis also has a notably smaller share of employed residents working in traditional blue-collar occupations, including construction, farming, production, moving and transportation occupations than Yolo County. The occupational profile of Davis residents suggests that local residents have relatively high levels of training, skills and education, which should be an asset to the city in seeking to attract new employers that require similar traits in their workforce.

Table 17: Employed Residents by Occupation, 2023

	City of Davis		Yolo County	
	Number	Percent	Number	Percent
Occupation				
Computer, Engineering and Science	6,350	17.6%	13,903	12.5%
Education, Library and Training	6,281	17.4%	11,686	10.5%
Service-Related	6,057	16.8%	21,473	19.3%
Sales and Office	4,338	12.0%	15,103	13.6%
Management, Business and Financial	4,217	11.7%	16,170	14.5%
Healthcare Practitioner and Technical	3,402	9.4%	7,129	6.4%
Legal, Community Service, Arts and Media	2,579	7.1%	7,760	7.0%
Production, Transportation and Material Moving	2,011	5.6%	10,414	9.4%
Natural Resources, Construction and Maintenance	880	2.4%	7,609	6.8%
Total Employed Residents (a)	***36,115***	***100.0%***	***111,247***	***100.0%***

Note:
(a) Totals may not match totals in other tables due to independent rounding and/or varying sources.

Sources: U.S. Census Bureau, American Community Survey 2023 one-year sample period, Table S2401; BAE, 2025.

Household Income

The large student population residing in Davis creates a unique income profile. While the median household income in Davis is slightly below that of Yolo County and California, the median family income is significantly higher in the City than the County or State. As shown in Table 18, the median household income in Davis is approximately $89,400, compared to $93,200 countywide and $95,500 statewide. However, the median family income in Davis is approximately $164,500, compared to $125,800 in Yolo County and $109,300 in California. The lower median household income in Davis is likely a result of the concentrated student population in the city with generally lower incomes. Nearly 20 percent of City of Davis households have an income of less than $15,000, compared to just 12 percent in the County and eight percent in the State. At the other end of the income spectrum, Davis has a relatively large population of affluent households, with 21 percent of households with annual incomes of

$200,000 or more. This income profile may present challenges for local retailers and service providers, who may struggle to cater to the needs of lower-income households while also appealing to the tastes of very affluent family households. While there are plenty of examples of local businesses that focus on students (e.g., coffee, tea and snack shops, fast-casual dining establishments), there are fewer examples of businesses catering to higher end demographics.

Table 18: Household Income Distribution, 2023

	City of Davis		Yolo County		California	
	Number	Percent	Number	Percent	Number	Percent
Income Category						
Less than $15,000	4,932	19.3%	9,485	12.3%	1,065,263	7.8%
$15,000-$24,999	562	2.2%	3,239	4.2%	706,020	5.2%
$25,000-$34,999	2,876	11.3%	5,717	7.4%	734,998	5.4%
$35,000-$49,999	1,290	5.1%	4,838	6.3%	1,121,799	8.2%
$50,000-$74,999	2,114	8.3%	9,875	12.8%	1,853,040	13.5%
$75,000-$99,999	2,552	10.0%	7,995	10.4%	1,630,978	11.9%
$100,000-$149,999	3,316	13.0%	14,870	19.3%	2,440,439	17.8%
$150,000-$199,999	2,466	9.7%	8,442	10.9%	1,535,002	11.2%
$200,000 or more	5,434	21.3%	12,769	16.5%	2,612,277	19.1%
Total Households (a)	***25,542***	***100%***	***77,230***	***100%***	***13,699,816***	***100%***
Median HH Income	**$89,386**		**$93,203**		**$95,521**	
Median Family Income	**$164,499**		**$125,804**		**$125,804**	
Per Capita Income	**$48,298**		**$42,724**		**$42,724**	
Note: (a) Totals may not match totals in other tables due to independent rounding.						

Sources: U.S. Census Bureau, American Community Survey 2023 one-year sample period, Tables B19001, B19013, B19113 & B19301; BAE, 2025.

Jobs by Industry

More than half of employment in Davis is concentrated in three private-sector industries: Healthcare and Social Assistance (21 percent), Accommodation and Food Services (18 percent) and Retail Trade (13 percent). These three industries make up a disproportionately large share of employment within the City compared to Yolo County, where they represent 24 percent of total employment (see Table 19). Countywide, public-sector (Local, State and Federal Government) employment makes up nearly one-third of total Yolo County employment. This estimate includes employment at UC Davis, one of the two largest employers in Yolo County. By comparison, public-sector employment makes up just 16 percent of employment in the City of Davis.

Between 2010 and the second quarter of 2024 the total employment in Davis grew by approximately 30 percent, or 3,500 jobs, outpacing the rate of job growth countywide. In both Davis and Yolo County, the industry that experienced the most growth, in terms of number of jobs, between 2010 and the second quarter of 2024 was Healthcare and Social Assistance, potentially reflective of the support needs of the aging population. The presence of Sutter Davis Hospital and other healthcare facilities and practitioners may also serve as an attractor for an expanding senior population in the future. Davis also experienced significant job growth in the Retail Trade and Accommodation and Food Services industries, consistent with the existing concentration of employment in these sectors.

Table 19: Local Jobs by Industry, 2010 and Q2 2024

	2010		Q2 2024		Change, 2010-Q2 2024	
	Number	Percent	Number	Percent	Number	Percent
City of Davis (a) (b)						
Private Sector						
Ag/Forestry/Fishing/Hunting, Mining & Utilities	70	0.6%	48	0.3%	(22)	-31.4%
Wholesale Trade, Transportation and Warehousing	120	1.0%	230	1.5%	110	91.7%
Retail Trade	1,534	13.0%	2,012	13.2%	478	31.2%
Construction	192	1.6%	225	1.5%	33	17.2%
Manufacturing	507	4.3%	439	2.9%	(68)	-13.4%
Information	206	1.7%	139	0.9%	(67)	-32.5%
Finance and Insurance	243	2.1%	218	1.4%	(25)	-10.3%
Real Estate and Rental and Leasing	518	4.4%	453	3.0%	(65)	-12.5%
Professional and Business Services	1,187	10.1%	1,430	9.4%	243	20.5%
Administrative and Waste Services	291	2.5%	230	1.5%	(61)	-21.0%
Educational Services	205	1.7%	376	2.5%	171	83.4%
Health Care and Social Assistance	1,991	16.9%	3,234	21.2%	1,243	62.4%
Arts, Entertainment and Recreation	228	1.9%	249	1.6%	21	9.2%
Accommodation and Food Services	1,812	15.3%	2,738	17.9%	926	51.1%
Other Services, except Public Administration	406	3.4%	493	3.2%	87	21.4%
Unclassified	63	0.5%	245	1.6%	182	288.9%

Government (c)	2,238	19.0%	2,507	16.4%	269	12.0%
***Total Employment** (d) (e)*	**11,810**	**100.0%**	**15,265**	**100.0%**	**3,455**	**29.3%**
Yolo County (a) (b)						
Private Sector						
Ag/Forestry/Fishing/Hunting and Mining	5,079	5.6%	5,209	4.7%	130	2.6%
Wholesale Trade, Transportation and Warehousing and Utilities	10,405	11.5%	14,007	12.6%	3,602	34.6%
Retail Trade	7,728	8.6%	7,886	7.1%	158	2.0%
Construction	3,449	3.8%	5,338	4.8%	1,889	54.8%
Manufacturing	5,052	5.6%	6,642	6.0%	1,590	31.5%
Information	1,008	1.1%	734	0.7%	(274)	-27.1%
Finance and Insurance	1,614	1.8%	912	0.8%	(702)	-43.5%
Real Estate and Rental and Leasing	1,284	1.4%	1,402	1.3%	118	9.2%
Professional and Business Services	4,576	5.1%	5,277	4.8%	701	15.3%
Administrative and Waste Services	2,219	2.5%	3,760	3.4%	1,541	69.4%
Educational Services	504	0.6%	759	0.7%	255	50.6%
Health Care and Social Assistance	6,311	7.0%	11,332	10.2%	5,021	79.6%
Arts, Entertainment and Recreation	881	1.0%	1,542	1.4%	661	75.0%
Accommodation and Food Services	5,392	6.0%	7,063	6.4%	1,671	31.0%
Other Services, except Public Administration	3,112	3.5%	2,492	2.2%	(620)	-19.9%
Unclassified	114	0.1%	25	0.0%	(89)	-78.4%
Government (c)	31,443	34.9%	36,411	32.9%	4,968	15.8%
Total Employment (d)	***90,171***	***100.0%***	***110,791***	***100.0%***	***20,620***	***22.9%***
Notes:						

(a) Universe consists of all wage and salary employment by place of work. Does not include self-employed persons not on payroll. Industry classification is not self-reported by individual workers.
(b) Some categories have been combined due to disclosure rules.
(c) Includes local, state and federal government employees.
(d) Totals may not match sum of parts due to independent rounding and data confidentiality.
(e) The estimate for total employment in Davis is different from the ACS estimate presented elsewhere in this report. As noted, the EDD employment estimate does not include self-employed persons. Additionally, the ACS estimate is based on survey data which could be subject to error in reporting by respondents, including employment at UC Davis considered as within the City of Davis, or other sampling errors.

Sources: Employment Development Department, Bureau of Labor Statistics; BAE 2025.

Commute Flow

The majority of those who work in Davis also live in the city. Approximately 58 percent of Davis' 24,400 workers live locally (see Table 20). Of employed city residents, as shown in Table 21, more than three quarters work within Yolo County, including 44 percent working locally. With more employed residents than jobs in the city, Davis experiences larger outflows of commuters each day than inflows and a significant proportion of Davis residents must commute outside of the city for work. While increasing the number of jobs locally might give local residents more employment choices, any change in the rate of out-commuting would depend on how well those new jobs matched the education, training and occupational characteristics of local residents who are currently employed outside of Davis.

Table 20: Davis Workers Commute Flow, 2019 – 2023 Five-Year Sample Period

	Workers in Davis	
	Number	**Percent**
Place of Residence		
Davis	14,080	57.6%
All Other Locations	10,358	42.4%
Total Working in City	***24,438***	***100.0%***
Note: Totals do not match totals in other tables due to varying sample periods.		

Sources: U.S. Census Bureau, American Community Survey 2019-2023 five-year sample period, Tables B08007, B08008 and B08604; BAE, 2023.

Table 21: Davis Employed Residents Commute Flow, 2019 – 2023 Five-Year Sample Period

	Employed Davis Residents	
	Number	**Percent**
Place of Work		
Yolo County	**24,370**	**57.6%**
Davis	14,080	43.9%
All Other Yolo County	10,290	32.1%
All Other Locations	**7,719**	**24.1%**
Total Employed Residents	***32,089***	***100.0%***
Note: Totals do not match totals in other tables due to varying sample periods.		

Sources: U.S. Census Bureau, American Community Survey 2019-2023 five-year sample period, Tables B08007, B08008 and B08604; BAE, 2023.

REAL ESTATE MARKET CONDITIONS

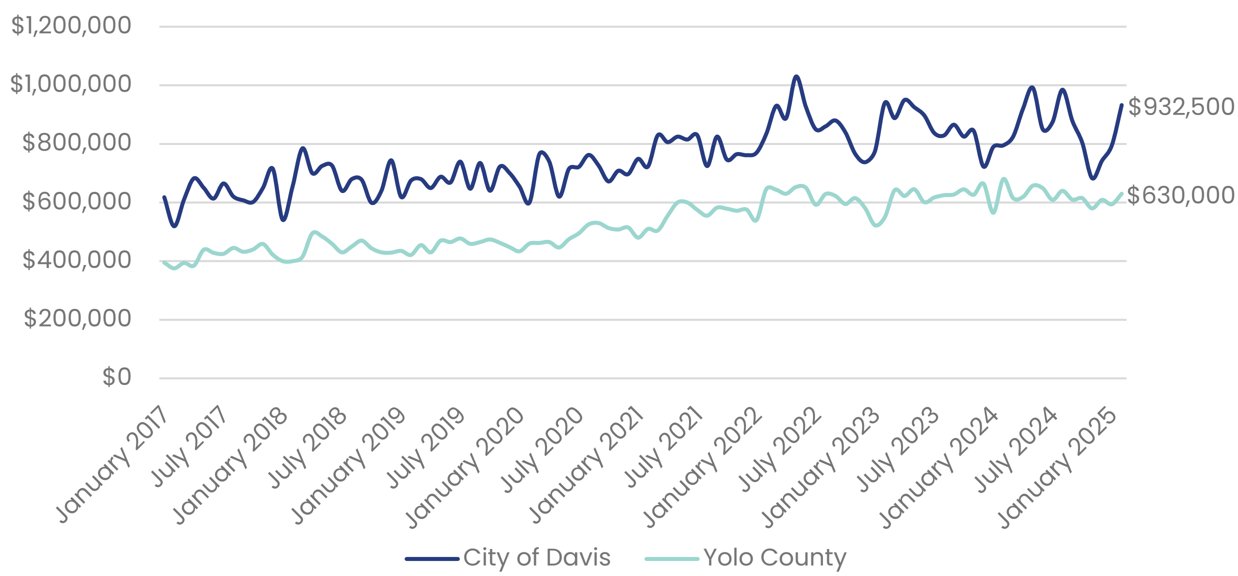
This section provides information on real estate market trends in Davis and Yolo County, including inventory characteristics, pricing trends, vacancy rates and net absorption. The information provided in this section provides insight into the current and potential future demand for future residential, retail, office and industrial development in the city.

For-Sale Residential Market Conditions

Single-Family For-Sale Residential Market

Over the past eight years the median home sale price in Davis has consistently been several hundred thousand dollars above that of Yolo County, as shown in Figure 5. As of January 2025, the median home sale price in the City was $932,500, compared to $630,000 countywide. Median sale prices in both Davis and Yolo County climbed between early 2017 and mid-2022, but have since leveled off (after accounting for seasonal variation). Cities and counties around California have seen similar trends due to interest rate increases in the last several years.

Figure 5: Median Home Sale Price, January 2017 to January 2025



Sources: Redfin Data Center; BAE, 2025.

Table 22 below presents the sale price distribution for single-family homes sold between March 2024 and March 2025, broken out by number of bedrooms. Over that time period, 289 single-family homes were sold, with a median sale price of $875,000 and an average sale price of $952,000. According to ListSource data, among single-family homes, condominiums and townhomes, single-family homes accounted for 86 percent of all sales during the year. Over 90 percent of single-family homes sold have three or more bedrooms, with a small share of two-bedroom homes and zero one-bedroom homes.

Table 22: Davis Single-Family Home Sale Price Distribution, March 2024 to March 2025

Sale Price Range	1 BR	2 BR	3 BR	4+ BR	Total	Percent of Total
Less than $200,000	0	0	2	0	2	0.7%
$200,000-$399,999	0	2	2	0	4	1.4%
$400,000-$599,999	0	4	12	1	17	5.9%
$600,000-$799,999	0	11	59	20	90	31.1%
$800,000-$999,999	0	3	32	36	71	24.6%
$1,000,000-1,399,999	0	3	21	47	71	24.6%
$1,400,000-$1,999,999	0	0	7	26	33	11.4%
$2,000,000 or more	0	0	0	1	1	0.3%
Total Units Sold	***0***	***23***	***135***	***131***	***289***	***100.0%***
Percent of Total	*0.0%*	*8.0%*	*46.7%*	*45.3%*	*100.0%*	-
Median Sale Price	n.a.	$645,000	$779,500	$1,065,000	$875,000	-
Average Sale Price	n.a.	$688,152	$837,922	$1,116,561	$952,306	-
Average Unit Size (SF)	n.a.	1,292	1,649	2,312	1,921	-
Median Price per SF	n.a.	$516	$527	$481	$499	-
Average Price per SF	n.a.	$553	$519	$488	$508	-
Note: Data reflect full and verified sales between March 2024 to March 2025.						

Sources: ListSource, 2025; BAE, 2025.

Condominiums and Townhomes Market

Table 23 below presents the sale price distribution for condominiums and townhouses sold between March 2024 and March 2025, broken out by number of bedrooms. Over that time period, 49 condominiums and townhouses sold in Davis, with a median sale price of $503,000 and an average sale price of $538,000. Nearly two-thirds of the condominiums and townhouses sold were two-bedroom units, with three-bedroom units making up an additional 31 percent of sales. There was only a single one-bedroom unit sold, and two units with four or more bedrooms sold. The median sale price of a condominium/townhouse was

43 percent less expensive than the median sale price of a single-family home (see Table 22 above), providing more affordable homeownership opportunities within the city.

Table 23: Davis Condominium/Townhouse Sale Price Distribution, March 2024 to March 2025

Sale Price Range	1 BR	2 BR	3 BR	4+ BR	Total	Percent of Total
Less than $200,000	0	0	0	0	0	0.0%
$200,000-$399,999	1	5	0	0	6	12.2%
$400,000-$599,999	0	21	10	1	32	65.3%
$600,000-$799,999	0	4	3	1	8	16.3%
$800,000-$999,999	0	1	0	0	1	2.0%
$1,000,000 or more	0	0	2	0	2	4.1%
Total Units Sold	***1***	***31***	***15***	***2***	***49***	***100.0%***
Percent of Total	*0.0%*	*8.0%*	*46.7%*	*45.3%*	*100.0%*	-
Median Sale Price	$382,000	$489,000	$530,000	$645,000	$503,000	-
Average Sale Price	$382,000	$490,065	$633,133	$645,000	$537,980	-
Average Unit Size (SF)	703	1,024	1,498	1,714	1,191	-
Median Price per SF	$543	$480	$418	$377	$446	-
Average Price per SF	$543	$479	$420	$377	$458	-
Note: Data reflect full and verified sales between March 2024 to March 2025.						

Sources: ListSource, 2025; BAE, 2025.

Multifamily Rental Residential Market Conditions

Davis has a sizeable multifamily rental residential market, containing 42 percent of Yolo County's total multifamily rental residential units. As shown in

Table 24, the city has 9,534 multifamily rental units across 235 properties. As of the fourth quarter of 2024, the average asking apartment rent in Davis was $2,187 per month, roughly 20 percent higher than the average asking rent countywide ($1,824). The multifamily rental vacancy rate within their database of Davis properties was 4.5 percent, roughly in line with the vacancy rate from the most recent (2024) UCD apartment survey and slightly below the countywide vacancy rate of 5.6 percent.

The multifamily rental housing stock in Davis is primarily composed of one-bedroom units (31 percent) and two-bedroom units (42 percent), roughly consistent with the distribution in Yolo County overall. Davis has a smaller share of its multifamily rental housing stock in studio units than the County (at seven percent and 13 percent, respectively), and a larger share of its housing stock in units with three or more bedrooms (at 20 percent and 12 percent, respectively). Consistent with the overall average rental rate figures, average asking rental rates for all unit sizes in Davis are several hundred dollars above the asking rates in Yolo County as a whole. Vacancy rates are lower for studio units and units with three or more bedrooms than they are for one- to two-bedroom units, potentially due to the limited supply of these unit sizes.

There have been 387 multifamily rental units built across three properties in the last five years in Davis, representing roughly one fifth of all multifamily rental units built in Yolo County. All three recently built properties are outside of the core of Davis, two in the western portion of the City and one in the northern portion of the City. One recently built property, the Davis Creekside Apartments (90 units) located at 2990 5th Street, is a rent-restricted affordable housing development. The other two recently built properties, the Celeste (225 units) located at 3820 Chiles Road and MarCo at the Cannery (72 units), are luxury developments with resort-style amenities targeted at the higher end of the rental market. Consistent with the existing unit mix in Davis, the majority of the recently built units are one-bedroom units (59 percent) and two-bedroom units (32 percent), with a small share of studios and three-bedroom units.

As of the end of 2024, there was one multifamily rental property under construction, the 160-unit Greenhaus Apartments located at 1720 Research Park Drive, with a mix of studios, one-bedroom units and two-bedroom units.[4] The under-construction units in Davis represent roughly half of all of the under-construction units in Yolo County.

Table 24: Multifamily Residential Market Overview, Q4 2024

City of Davis	Studio	1 BR	2BR	3BR	4+BR	All Unit Types (a)
Inventory, Q4 2024						
Inventory, Q4 2024 (units)	705	2,915	4,014	1,391	509	9,534
% of Units	7.4%	30.6%	42.1%	14.6%	5.3%	100.0%
Occupied Units	682	2,789	3,796	1,341	495	9,104
Vacant Units	23	126	218	50	14	430
Vacancy Rate	3.3%	4.3%	5.4%	3.6%	2.7%	4.5%
Avg. Asking Rents, Q4 2023 -Q4 2024						
Avg. Asking Rent, Q4 2023	$1,768	$1,709	$2,175	$2,637	$3,422	$2,156
Avg. Asking Rent, Q4 2024	$1,761	$1,742	$2,203	$2,685	$3,441	$2,187
% Change Q4 2023 - Q4 2024	-0.4%	1.9%	1.3%	1.8%	0.6%	1.4%
New Deliveries						
New Deliveries Q1 2020 - Q4 2024	16	229	125	17	0	387
% of Units	4.1%	59.2%	32.3%	4.4%	0.0%	100.0%
Under Construction						
Under Construction, Q4 2024	32	96	32	0	0	160
% of Units	20.0%	60.0%	20.0%	0.0%	0.0%	100.0%
Yolo County	**Studio**	**1 BR**	**2BR**	**3BR**	**4+BR**	**All Unit Types (a)**
Inventory, Q4 2024						

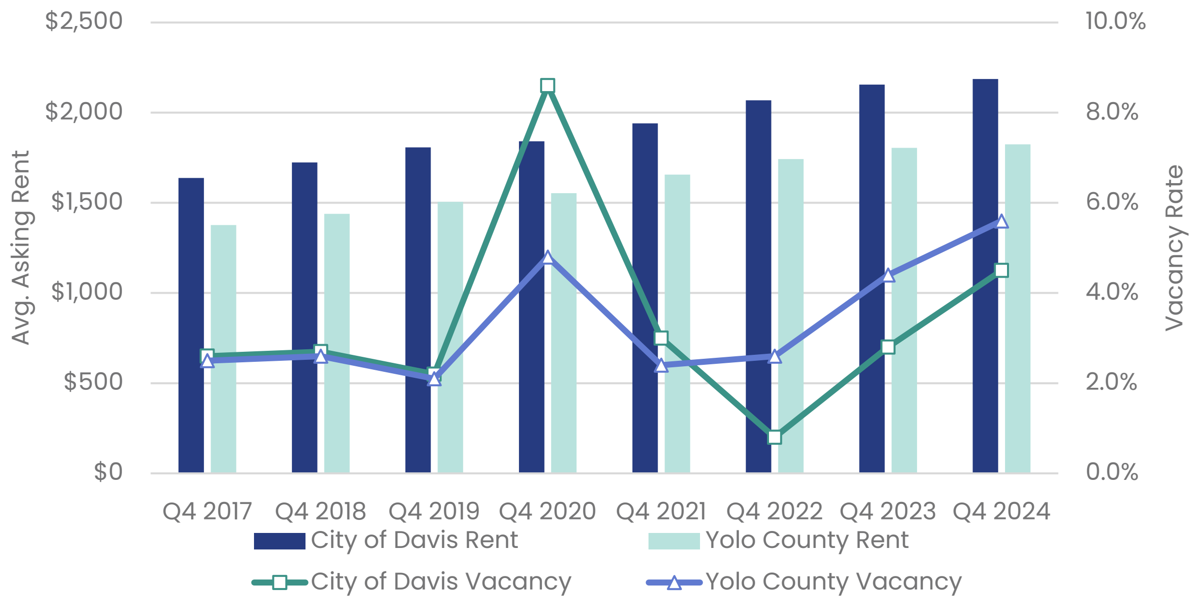
[4] As of the writing of this report (August 2025) the Greenhaus Apartments has completed construction and begun leasing. In addition, the Axis at Davis (2555 Research Park Drive) recently completed construction and is offering per-bed leases in two- and three-bedroom units.

Inventory, Q4 2024 (units)	2,914	7,899	8,921	2,163	635	22,532
% of Units	12.9%	35.1%	39.6%	9.6%	2.8%	100.0%
Occupied Units	2,746	7,478	8,347	2,068	621	21,260
Vacant Units	168	421	574	95	14	1,272
Vacancy Rate	5.8%	5.3%	6.4%	4.4%	2.2%	5.6%
Avg. Asking Rents, Q4 2023 -Q4 2024						
Avg. Asking Rent, Q1 2024	$1,485	$1,478	$1,930	$2,340	$2,966	$1,820
Avg. Asking Rent, Q4 2024	$1,501	$1,485	$1,923	$2,371	$2,995	$1,824
% Change Q1 2024 - Q4 2024	1.1%	0.5%	-0.4%	1.3%	1.0%	0.2%
New Deliveries						
New Deliveries Q1 2020 - Q4 2024	432	778	640	103	0	1,953
% of Units	22.1%	39.8%	32.8%	5.3%	0.0%	100.0%
Under Construction						
Under Construction, Q4 2024	70	190	72	0	0	332
% of Units	21.1%	57.2%	21.7%	0.0%	0.0%	100.0%
Note: (a) Unit totals may not add up to totals due to some units lacking classification by number of bedrooms.						

Sources: CoStar; BAE, 2025.

Figure 6 below presents the multifamily rental average asking rents and vacancy rates between the fourth quarter of 2017 and the fourth quarter of 2024 in the city and County. Rents have increased steadily over the past eight years in both Davis and Yolo County, with asking rents in Davis consistently higher than in the County. Between the fourth quarter of 2017 and the fourth quarter of 2024, the average asking rent in both Davis and Yolo County increased by approximately one third ($550 in Davis, $450 in Yolo County). Vacancy rates peaked in Davis in 2020 during the COVID-19 pandemic before declining in 2021 and 2022, and have since increased. Countywide, the vacancy rate as of the end of 2024 has surpassed the 2020 peak, potentially as a result of new deliveries over the past several years. With a relatively low vacancy rate, continued growth in demand will require new construction to avoid a return to exceptionally low vacancy rates, which creates conditions that can lead to significant rent increases and decreased choice for people who are in the market to secure an apartment for rent.

Figure 6: Multifamily Rental Rent and Vacancy Rate Trends, Q4 2017 – Q4 2024



Sources: CoStar; BAE, 2025.

Retail Market Conditions

Davis is an attractive retail location within Yolo County, with roughly a quarter of the total countywide retail space and higher average asking rents compared to the county as a whole. As shown in

Table 25, as of the end of 2024 Davis had nearly 2.2 million square feet of retail space according to CoStar data. The retail vacancy rate as of the fourth quarter of 2024 was 5.3 percent, slightly below the countywide vacancy rate of 5.8 percent. The average monthly triple-net asking rent for retail space in Davis was $2.32, commanding rents over 40 percent higher than the countywide average ($1.63 per square foot per month, triple-net). According to data tracked by CoStar, there has been limited retail development over the past five years in Davis, with just 7,300 square feet of new retail space compared to 95,600 in Yolo County. However, as of the end of 2024 there is nearly 100,000 square feet of new retail space under construction in the City, representing 80 percent of the total under construction retail in the County. The vast majority of the under-construction retail space is the Davis Collection shopping center on Russell Boulevard, across from the UCD campus. The first stores in this development are set to open in mid-2025.

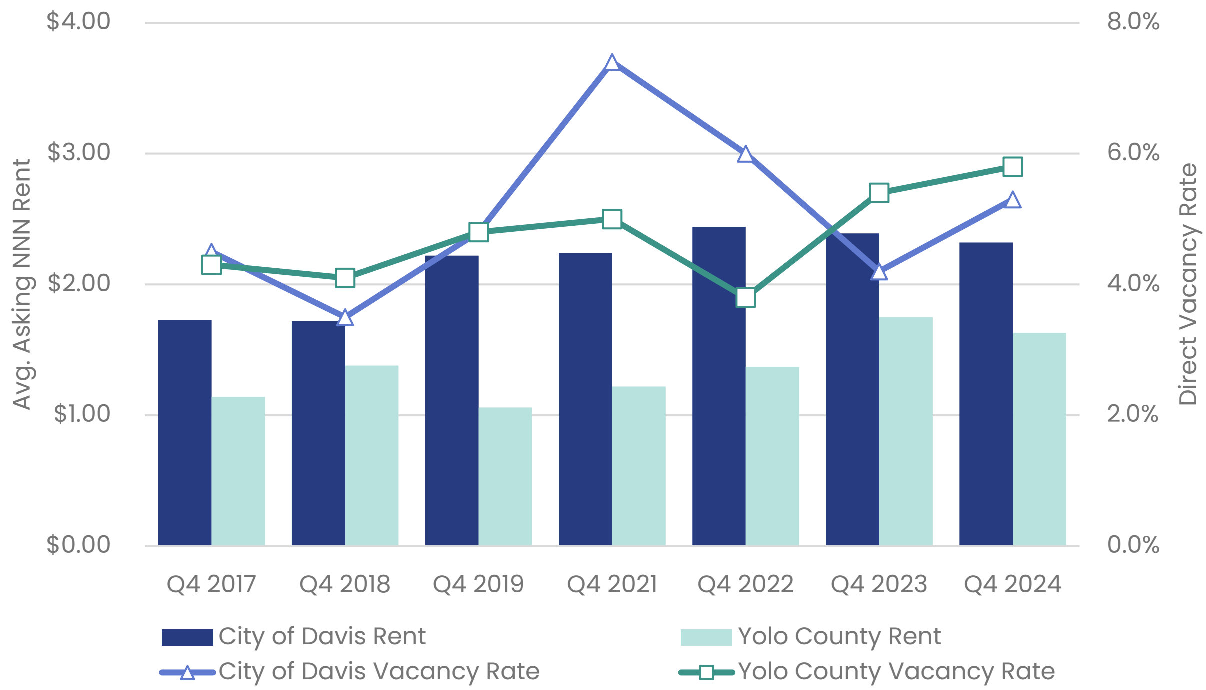
Table 25: Retail Market Overview, Q4 2024

	City of Davis	Yolo County
Inventory, Q4 2024		
Total Inventory (sf)	***2,183,021***	***9,185,207***
Occupied Stock (sf)	2,067,597	8,656,076
Vacant Stock (sf)	115,424	529,131
Vacancy Rate	5.3%	5.8%
Avg. Asking NNN Rent		
Avg. Asking Rent (psf), Q4 2023	$2.39	$1.75
Avg. Asking Rent (psf), Q4 2024	$2.32	$1.63
% Change Q4 2023 - Q4 2024	-2.9%	-6.9%
Net Absorption		
Net Absorption (sf), Q1 2020-Q4 2024	(96,273)	(99,849)
Net Absorption (sf), Q1 - Q4 2024	(19,659)	(27,155)
New Deliveries		
New Deliveries (sf), Q1 2020 - Q4 2024	7,289	95,569
Under Construction		
Under Construction (sf), Q4 2024	98,194	122,994

Sources: CoStar; BAE, 2025.

Figure 7 presents the retail average triple-net asking rents and vacancy rates in Davis and Yolo County between the fourth quarter of 2017 and the fourth quarter of 2024. Over the past eight years, the average asking rent in Davis has been consistently higher than the asking rent in Yolo County. However, over the same time period, average asking rents increased slightly more in Yolo County (43 percent) than in Davis (34 percent). The retail vacancy rate in Davis has fluctuated over the past eight years, surpassing the vacancy rate in Yolo County and peaking at 7.4 percent in the fourth quarter of 2021. The retail vacancy rate in Davis has since declined, and as of the end of 2024 is slightly below the countywide vacancy rate. Overall, retail vacancy rates have remained relatively low over the past eight years despite the pandemic.

Figure 7: Retail Rent and Vacancy Rate Trends, Q4 2017 - Q4 2024



Sources: CoStar; BAE, 2025.

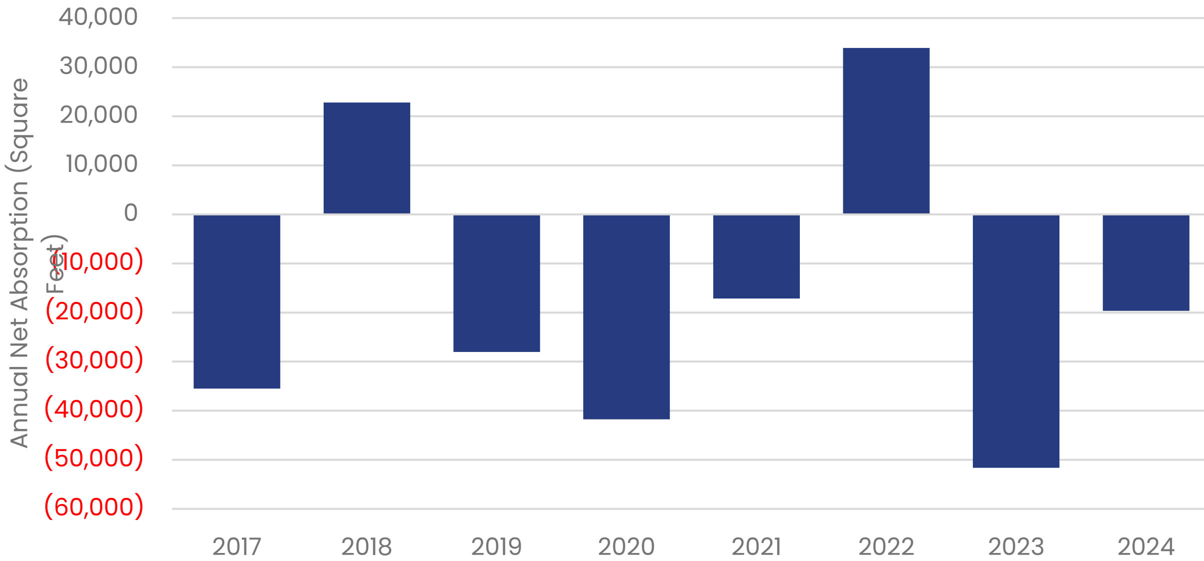
Figure 8 and Figure 9 present the annual retail net absorption between 2017 and 2024 in the City of Davis and Yolo County. Over the past eight years, the total net absorption in Davis was negative 137,000 square feet. During six of the eight years the city experienced negative absorption, with positive net absorption in 2018 and 2022. However, the recent negative net absorption in Davis may not be reflective of the local market conditions – several large retail locations including Rite-Aid and OfficeMax (both in the Oakshade Town Center in South Davis) closed due corporate downsizing efforts, rather than Davis-specific causes.[5] Between 2017 and 2024 Yolo County experienced net absorption patterns similar to Davis, supporting the conclusion that the local negative net absorption was likely driven by broader retail market conditions rather than factors specific to the Davis market.

Davis' negative net absorption of retail space over the last eight years is likely a combination of corporate decision-making largely unrelated to market conditions in Davis, the city's slight population decline over the last several years, and a pandemic-induced acceleration of the transition of online shopping. The latter limits the need for additional retail facilities to meet demand. The opening of the Davis Collection will add the most significant new retail space in Davis since the opening of the Target-anchored shopping center in East Davis in 2009. Davis

[5] As of August 2025, both of these retail spaces have new tenants: OfficeMax is being replaced by outdoor recreation retailer Sierra, and Rite-Aid is being replaced by a Planet Fitness gym. These new occupancies are not reflected in the 2024 data.

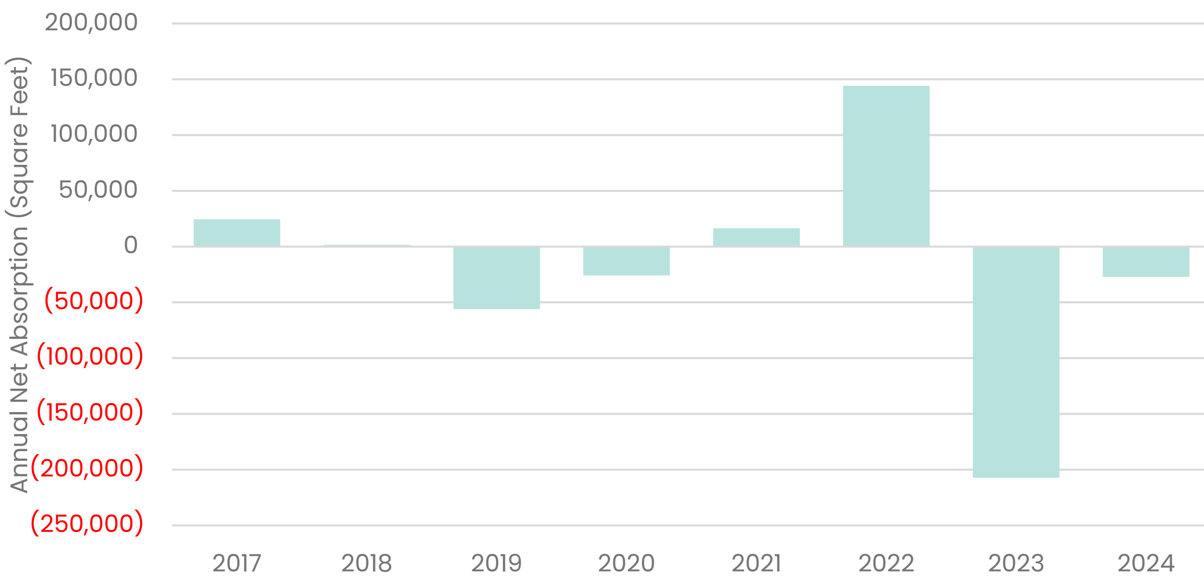
will not likely see substantial additional retail expansion until such time that there is substantial local population growth beyond current levels.

Figure 8: Retail Net Absorption Trends, City of Davis, 2017 – 2024



Sources: CoStar; BAE, 2025.

Figure 9: Retail Net Absorption Trends, Yolo County, 2017 – 2024



Sources: CoStar; BAE, 2025.

Taxable Sales and Retail Spending

Over $675 million in taxable sales were generated in Davis in 2024, representing 14 percent of the total $4.7 billion generated countywide. As shown in Table 26, roughly half of all local taxable sales were in just two categories: Food Services and Drinking Places (27 percent) and Motor Vehicles and Parts Dealers (22 percent). These findings are consistent with Davis's status as a dining and retail destination within Yolo County. Overall, Retail and Food Services made up 87 percent of total taxable sales in Davis, compared to just 60 percent countywide.

Table 26: Taxable Sales, 2024

	City of Davis		Yolo County (a)	
	Number (in 000s)	Percent	Number (in 000s)	Percent
Sales Category				
Motor Vehicle and Parts Dealers	$151,312	22.4%	$562,720	12.1%
Home Furnishings and Appliance Stores	$4,699	0.7%	$134,354	2.9%
Building Material and Garden Equipment and Supplies Dealers	$16,107	2.4%	$373,183	8.0%
Food and Beverage Stores	$56,129	8.3%	$152,722	3.3%
Gasoline Stations	$70,646	10.5%	$453,748	9.8%
Clothing and Clothing Accessories Stores	$16,874	2.5%	$57,413	1.2%
General Merchandise Stores	$44,647	6.6%	$359,089	7.7%
Food Services and Drinking Places	$179,043	26.5%	$452,401	9.7%
Other Retail Group	$48,143	7.1%	$240,542	5.2%
Subtotal - Retail and Food Services	*$587,601*	*87.0%*	*$2,786,172*	*59.9%*
All Other Outlets	$87,967	13.0%	$1,861,972	40.1%
Total Taxable Sales	***$675,568***	***100.0%***	***$4,648,144***	***100.0%***

Note:
(a) Yolo County taxable sales data do not include unallocated taxable sales within the County. Some firms, by the nature of their business, are not required to allocate local sales or use tax to specific local jurisdictions. Contractors and manufacturers generate most of the countywide unallocable transactions through construction work and making installations of manufactured products in the various counties.

Sources: State of California Board of Equalization; BAE, 2025.

Table 27 below presents retail leakage data for the City of Davis based on 2024 sales tax data. The retail leakage percentage is an indicator of the share of local residents' expenditures for a given category that are not captured locally in Davis, in comparison to Yolo County overall. A positive leakage percentage indicates that, on a per capita basis, Davis merchants are capturing sales that are a smaller amount of resident expenditures than would be expected, based on Yolo County per capita averages. Conversely, a negative leakage percentage, or a retail injection, indicates that Davis businesses are capturing more sales than would be expected based on Yolo County per capita averages. In reality, a portion of local residents' expenditures will always leak to establishments outside of the community due to shopping that occurs during travel, near out-of-town workplaces, or because desired products are not available locally; however, a positive leakage number indicates that an inordinate amount of local resident spending is leaking out of the community and a negative leakage amount indicates that the local retail sector is capturing more sales than would be expected, given the local population size.

Overall, the City has a sales leakage of 50 percent, indicating that across all sales categories 50 percent of Davis' expected resident spending is not captured by establishments in the City. Davis has particularly high levels of sales leakage in several retail categories: an 88 percent leakage in Home Furnishing and Appliance Stores, an 85 percent leakage in Building Materials and Garden Equipment and Supplies Dealers and a 58 percent leakage in General Merchandise Stores. These data are consistent with the inventory of retail establishments in the City, which does not include major retailers such as IKEA, Home Depot or Walmart. Davis has negative sales leakage, or a sales injection, in two retail categories: a 35 percent injection in Food Services and Drinking Places and a 25 percent injection in Food and Beverage Stores. Consistent with the overall taxable sales presented above, these data indicate that Davis is a regional destination for dining and drinking.

It is also notable that the per capita level of taxable sales in Davis attributed to "All Other Outlets" indicates an 84 percent leakage. This suggests that Davis has a significant lack of non-retail establishments that generate taxable sales. Much of the activity in this category is what is considered "business to business" sales. Examples of business to business sales include building material companies that sell their products directly to construction companies and manufacturers of capital equipment that sell directly to end-users. These types of establishments are often located in business and industrial parks or similar settings where they do not require convenient visibility and access to retail consumers. Davis' limited sales activity in this category may be related to the City's limited inventory of business park/industrial space. Business to business sales may also be recorded in office settings, where sales staff negotiate transactions with customers, with the taxable goods to be shipped from off-site facilities.

It is important to note that the retail leakage calculations do not factor in the potential demand for Davis retail establishments from residents who live outside the City of Davis but within the Davis Community Area. Aside from dining establishments and retail facilities located on the UC Davis main campus, there are little to no retail establishments located in the unincorporated part of the Davis Community Area. Although a sizable portion of the additional population in the unincorporated Davis Community Area is UC Davis students who likely have lower levels of disposable income for retail spending, the unincorporated Davis Community Area population in total is about 15,200 persons, or an additional 19 percent beyond the City of Davis population. Considering the potential demand from these additional nearby residents, the leakage and injection figures shown in Table 27 are likely understated and overstated, respectively.

Overall, the retail leakage assessment indicates that Davis supports a below-average amount of retail activity given the local population base; however, this is not unexpected. At a total Davis Community Area population of 81,000, the Davis market is likely too small to support a full range of retail offerings that would allow the City to more fully capture the local population's retail expenditures, such as luxury goods and certain specialty goods that appeal to only a limited demographic slice of the overall population and require much larger trade area populations. The fact that Davis is somewhat isolated from other concentrations of population (e.g., Yolo Causeway separating Davis from West Sacramento; farmlands separating Davis from Woodland and Dixon) that could potentially be attracted to local regional and destination-oriented shopping facilities also limits Davis' potential to capture additional retail demand. Finally, established retail nodes nearby in Woodland, Sacramento and Vacaville may discourage competing retail developments from coming to Davis, if suitable locations with regional freeway access were available.

Davis' retail leakage has important implications for the General Plan Update and the City's long-term fiscal sustainability, because retail leakage and injections strongly influence the generation of retail sales tax revenues to support the City budget. As will be discussed in the **Fiscal Conditions** chapter of this report, retail sales tax revenue is one of the most important sources of revenue to support local municipal services, such as public safety, park maintenance, recreation services and other local government functions.

Davis voters have authorized two local sales tax "add-on" levies that total to two percent of the local taxable sales, which are in addition to the standard one percent of local taxable sales that all California jurisdictions receive. This mitigates the negative impacts of the local leakage situation from the City revenue standpoint and means that if the City is able to increase the capture of retail expenditures locally, the City will reap outsize benefits due to the extra local sales tax generation. The opening of new retail establishments in the Davis Collection may prove to be a good example of this type of benefit, assuming that the center's new establishments will expand the capture of resident expenditures, rather than merely re-directing expenditures that are currently captured in other existing Davis establishments. Given the significant amount of existing retail leakage in Davis, the likelihood of "cannibalization" of sales from existing stores is lower than if Davis was already capturing retail sales at or above average levels.

Table 27: Davis Retail Leakage, 2024

	2024 Taxable Sales per Capita (a)		Davis Sales Leakage (c)
	City of Davis	Yolo County (b)	
Business Category			
Motor Vehicle and Parts Dealers	$2,326	$2,539	8%
Home Furnishings and Appliance Stores	$72	$606	88%
Building Material and Garden Equipment and Supplies Dealers	$248	$1,684	85%
Food and Beverage Stores	$863	$689	-25%
Gasoline Stations	$1,086	$2,047	47%
Clothing and Clothing Accessories Stores	$259	$259	0%
General Merchandise Stores	$686	$1,620	58%
Food Services and Drinking Places	$2,752	$2,041	-35%
Other Retail Group	$740	$1,085	32%
Subtotal - Retail and Food Services	*$9,033*	*$12,569*	*28%*
All Other Outlets	$1,352	$8,400	84%
Total	**$10,385**	**$20,969**	**50%**

Notes:
(a) Per capita sales calculated using population estimates for 2024 per the California Department of Finance:

City of Davis	65,054
Yolo County	221,666

(b) Yolo County taxable sales data do not include unallocated taxable sales within the County.
(b) Leakage is indicated by Davis per capita sales levels that are below the County per capita sales levels.

Sources: California Department of Tax and Fee Administration, California Department of Finance; BAE, 2025.

Office Market Conditions

Davis is a sizeable office market within Yolo County, with just under a third of the total countywide office space. As shown in Table 28, as of the fourth quarter of 2024 Davis had approximately 1.8 million square feet of office space. The office building stock in Davis is primarily comprised of older Class B and Class C office space. Just 12 percent of the office space in Davis is considered Class A. The reported vacancy rate for office space in Davis was 10.2 percent as of the end of 2024, slightly higher than the 8.7 percent in Yolo County. The average asking rent in Davis as of the fourth quarter of 2024 was $3.10 per square foot per month, roughly 14 percent higher than the countywide average asking rent of $2.72 per square foot per month.

Over the past five years, there has been 64,400 square feet of new office space built in Davis, representing roughly 20 percent of all new office development in Yolo County. There is no office space currently under construction anywhere in Yolo County. Coupled with elevated vacancy rates, the lack of new development activity suggests limited demand for additional office inventory in Davis. This finding may reflect persisting work from home trends or tenant preferences for locations elsewhere in the Sacramento or Bay Area regions. Local real estate experts noted that some UC Davis-affiliated companies that previously leased space in Davis have relocated outside of the city to be closer to tech and other industry hubs elsewhere in the Sacramento and Bay Area regions.

Table 28: Office Market Overview, Q4 2024

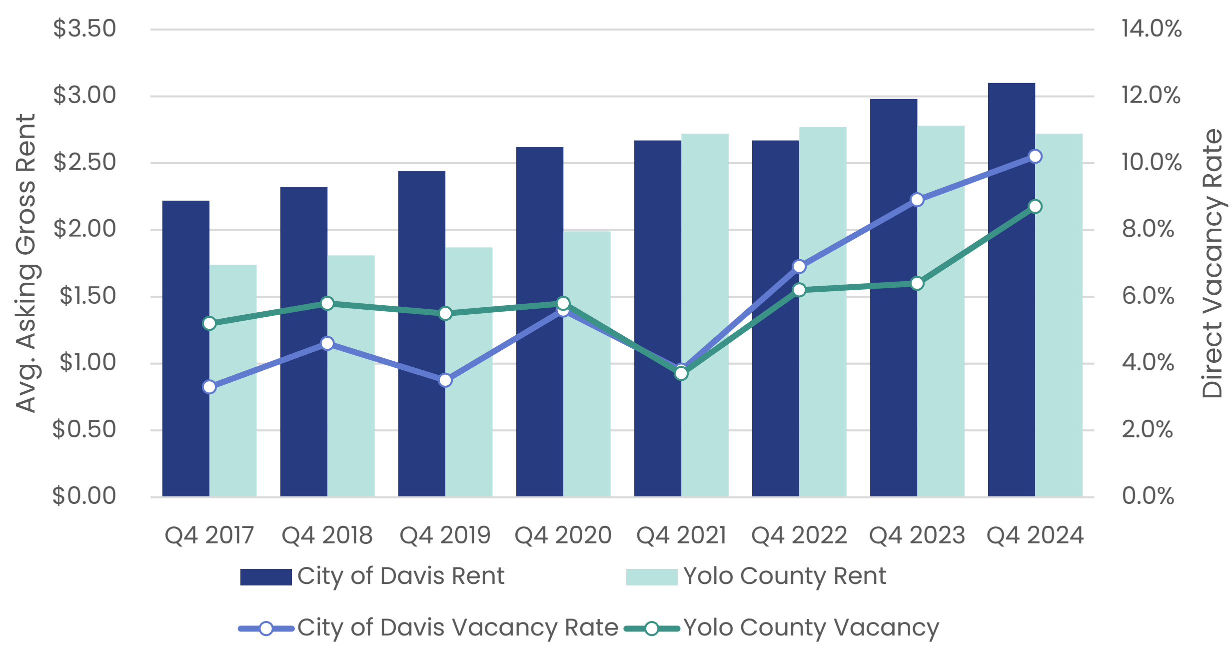
	City of Davis	Yolo County
Inventory, Q4 2024		
Total Inventory (sf)	***1,776,681***	***5,748,952***
Occupied Stock (sf)	1,596,211	5,249,880
Vacant Stock (sf)	180,470	499,072
Vacancy Rate	10.2%	8.7%
Building Class, Q4 2024		
Class A Office (sf)	207,941	1,021,152
Class B Office (sf)	837,790	2,663,773
Class C Office (sf)	723,639	2,061,663
Avg. Asking Office Gross Rent		
Avg. Asking Rent (psf), Q4 2023	$2.98	$2.78
Avg. Asking Rent (psf), Q4 2024	$3.10	$2.72
% Change Q4 2023 - Q4 2024	4.0%	-2.2%
Net Absorption		

Net Absorption (sf), Q1 2020-Q4 2024	(106,491)	72,007
Net Absorption (sf), Q1 - Q4 2024	(22,285)	125,691
New Deliveries		
New Deliveries (sf), Q1 2020 - Q4 2024	64,400	339,400
Under Construction		
Under Construction (sf), Q4 2024	0	0

Sources: CoStar; BAE, 2025.

Figure 10 presents the gross average asking rents and vacancy rates for office space in Davis and Yolo County between the fourth quarter of 2017 and the fourth quarter of 2024. Over the past eight years, the average asking rent in Davis has grown relatively consistently year-over-year, from $2.22 per square foot per month at the end of 2017 to $3.10 per square foot per month at the end of 2024. Between 2017 and 2020, the average asking rent in Davis was considerably higher than that in Yolo County overall. However, in 2021 and 2022 the average asking rents in Yolo County were comparable to those in Davis, with higher asking rents in Yolo County in the fourth quarters of 2021 and 2022, but Davis asking rents increased in 2023 and 2024 while Yolo County rents declined somewhat. Overall over the past eight years, average asking rents in Davis have increased by 40 percent, compared to 56 percent in Yolo County. Paradoxically, office vacancy rates in both Davis and Yolo County have climbed since 2021, after remaining relatively stable between 2017 and 2021.

Figure 10: Office Rent and Vacancy Rate Trends, Q4 2017 - Q4 2024



Sources: CoStar; BAE, 2025.

Figure 11 and Figure 12 present the annual office net absorption between 2017 and 2024 in the City of Davis and Yolo County. Over the past eight years, Davis experienced overall negative net absorption of 67,700 square feet of office space. The fact that Davis asking rents increased over the last two years while vacancy increased and net absorption was negative suggests that the increased asking rents were a function of the specific types of space that were available at a given time, rather than a function of the overall market supply/demand dynamics.

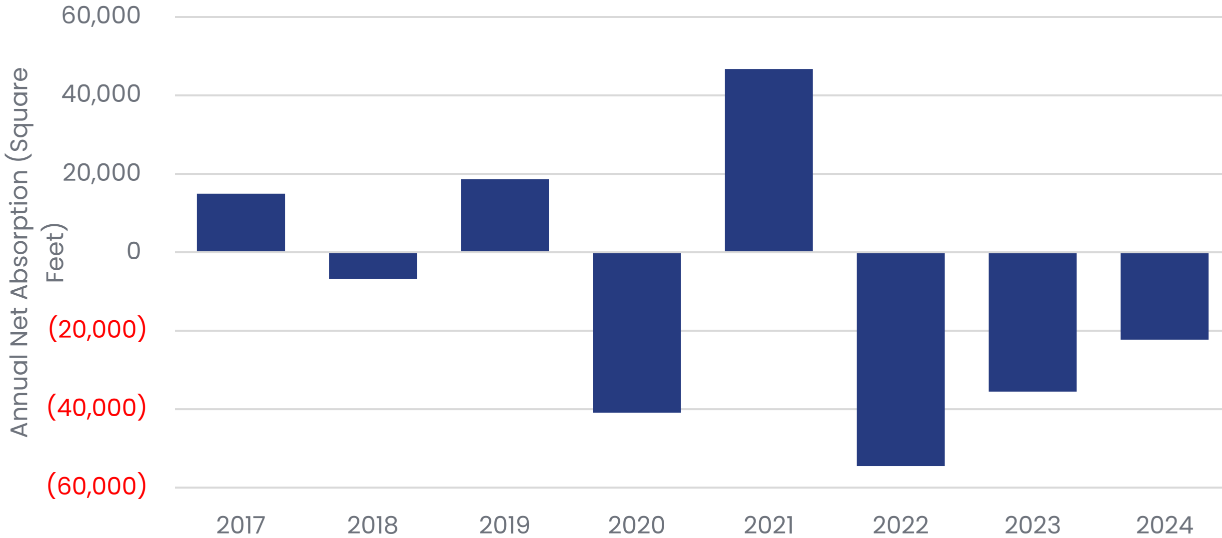
Over the same 2017 to 2024 time period, the countywide office net absorption was positive, at approximately 173,100. These data are indicative of an office market in Davis that has relatively high rents and limited new demand. High skill office work is also highly correlated with the ability to work from home; thus, office-based Davis firms may be more susceptible to office downsizing to accommodate remote work. This may be a factor in Davis' recent negative net office absorption. In addition, office-based companies are sensitive to the fact that their employees desire convenient access from home to work. Davis' high-cost housing market relative to the rest of Yolo County (and most of the rest of the Sacramento Region) can be a barrier to retaining and recruiting office-based businesses, particularly those office-based businesses that employ workers at lower wage levels (e.g., customer service representatives, telemarketers, or staff conducting "back office" administrative support functions). Davis is likely better able to compete for office-based businesses that have a predominance of higher-wage employees, such as those engaged in engineering, research and development; certain financial services; and other highly skilled "knowledge" workers. Within these types of businesses, those that find the availability of a pool of trained graduates from UC Davis' various technical and scientific majors and/or the availability of university-based researchers for collaboration will be especially attracted to Davis office spaces. Coincidentally, Davis' reputation for a high quality of life within the regional context is supportive of attracting knowledge workers and maintaining this image will be important to support local economic development goals.

Regardless, current conditions will limit the pool of potential office businesses that can be recruited to Davis. At a current vacancy rate of just over ten percent, there will be limited need for new office construction in the short term, and the potential for long-term increases in demand will likely depend on regional and national macro-economic trends as well as the ability to position new office space in Davis to capture demand from those businesses that are most likely to find Davis a good fit, for the businesses as well as for their workforces. One potential headwind facing the Davis office market in the near term noted by local office real estate brokers is decisions on off-campus office locations made by UC Davis. According to an informational web page published by the UC Davis office of Design and Construction Management, UC Davis will lease 60 percent of the current 1.2 million square foot Aggie Square development, the university's public-private partnership development in Sacramento at the UC Davis Medical Center campus.[6] This may create the impetus for the University to

[6] https://dcm.ucdavis.edu/news/sealing-deals-uc-davis-real-estate-services-team-makes-space-happen; accessed 5-21-2025.

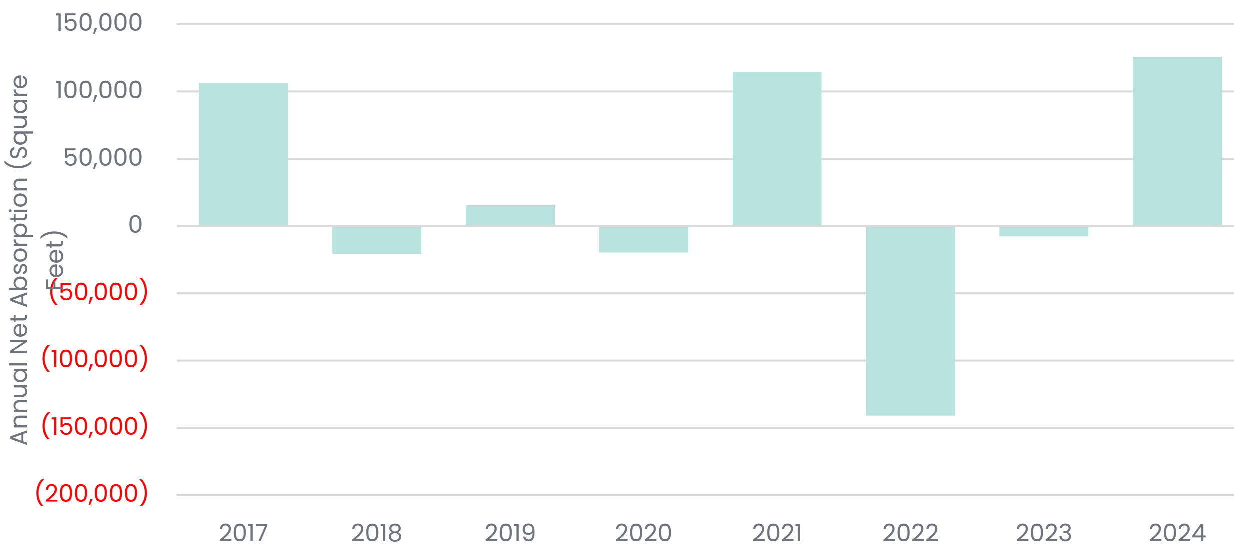
relocate some of its off-campus offices from the City of Davis to Sacramento, eroding office demand in Davis.

Figure 11: Office Net Absorption Trends, City of Davis, 2017 – 2024



Sources: CoStar; BAE, 2025.

Figure 12: Office Net Absorption Trends, Yolo County, 2017 – 2024



Sources: CoStar; BAE, 2025.

Industrial/Flex Market Conditions

Davis is a relatively small industrial/flex market within Yolo County, with just three percent of the countywide inventory. As mentioned previously, the limited amount of industrial/flex space in Davis may be a factor in Davis' relatively low taxable sales in the All Other (non-retail) Establishments category. As shown in Table 29, as of the fourth quarter of 2024 the City had 1.5 million square feet of industrial/flex space. The vacancy rate for industrial/flex space in Davis was 14.3 percent as of the end of 2024, compared to 7.7 percent in Yolo County. Roughly half of the vacant industrial space is in one property: 3808 Faraday Avenue, located along the 2nd Street corridor, in East Davis. The property was completed in 2024 and designed for a single-occupancy biotechnology or advanced manufacturing tenant but has not yet been leased.

The average asking rent for industrial/flex space in Davis was $1.60 per square foot per month during the fourth quarter of 2024, a 23 percent decrease year over year. However, the asking rent in Davis is still significantly more expensive than that in Yolo County as a whole, at $0.65 per square foot per month. Industrial and flex uses generally require large and undeveloped parcels and are often sited in less expensive markets within a region. This preference for lower-cost markets with more developable land is reflected in Davis's limited industrial/flex inventory.

Over the past five years, approximately 117,700 square feet of new industrial and flex space was built in Davis, representing approximately three percent of countywide industrial/flex development. As of the end of 2024, there is no new industrial or flex space under construction in Davis, and just 25,000 square feet under construction in Yolo County.

Table 29: Industrial/Flex Market Overview, Q4 2024

	City of Davis	Yolo County
Inventory, Q4 2024		
Total Inventory (sf)	***1,468,027***	***43,691,675***
Occupied Stock (sf)	1,257,998	40,308,462
Vacant Stock (sf)	210,029	3,383,213
Vacancy Rate	14.3%	7.7%
Building Class, Q4 2024		
Class A Industrial/Flex (sf)	378,770	13,060,123
Class B Industrial/Flex (sf)	537,862	14,191,442
Class C Industrial/Flex (sf)	551,395	16,314,673
Avg. Asking All Service Types Rent		
Avg. Asking Rent (psf), Q4 2023	$2.08	$0.72

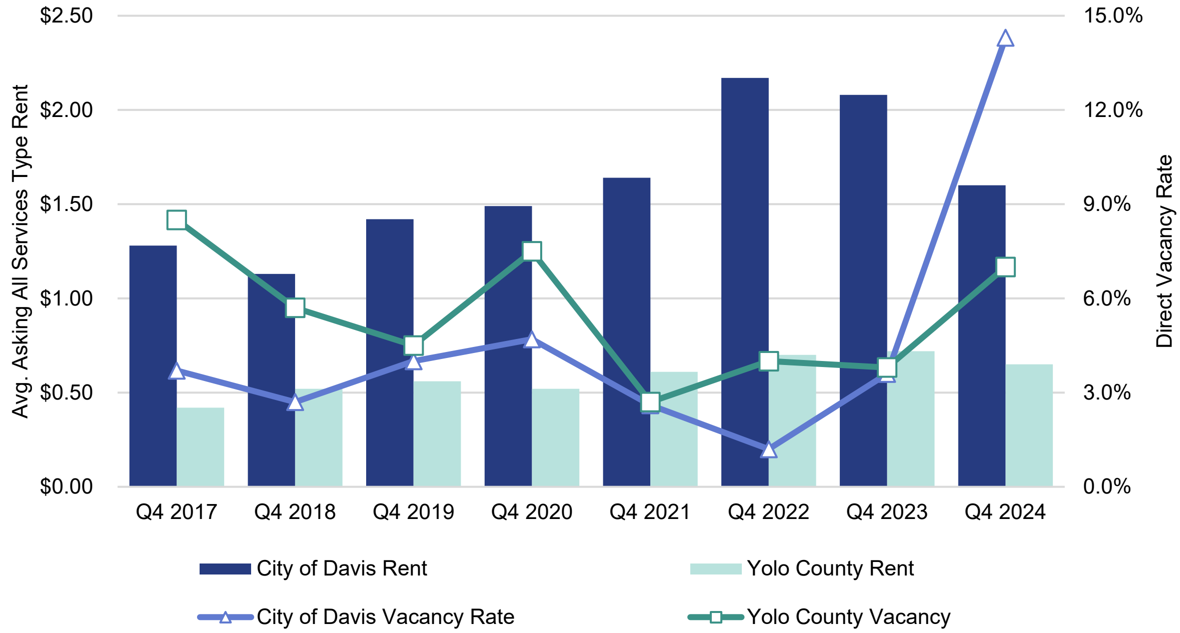
Avg. Asking Rent (psf), Q4 2024	$1.60	$0.65
% Change Q4 2023 - Q4 2024	-23.1%	-9.7%
Net Absorption		
Net Absorption (sf), Q1 2020-Q4 2024	(60,663)	1,973,197
Net Absorption (sf), Q1 - Q4 2024	(53,954)	(783,906)
New Deliveries		
New Deliveries (sf), Q1 2020 - Q4 2024	117,749	3,823,488
Under Construction		
Under Construction (sf), Q4 2024	0	25,000

Sources: CoStar; BAE, 2025.

Figure 13 presents the average asking rent and vacancy rates for industrial and flex space in Davis and Yolo County between the fourth quarter of 2017 and the fourth quarter of 2024. Over the past eight years, asking rents in Davis have been significantly higher than asking rents countywide, potentially as a result of biotechnology and agricultural science tenants seeking proximity to UC Davis. In the past, the low vacancy rates and elevated rents have been viewed as a signal that the Davis market is undersupplied with industrial and flex space. The City of Davis has considered a number of research-related business park concepts over the years, including multiple peripheral research options as part of the last General Plan Update as well as follow-up proposals during the intervening years, including two versions of the Davis Innovation and Sustainability Center (DISC) proposal on land just east of the current City limits, north of I-80 which were rejected when put on the ballot per the requirements of local Measure J/R which require majority approval of voters for conversion and annexation of non-urban lands for development.

However, between 2022 and 2024 the average asking rent has decreased year over year after increasing consistently between 2018 and 2022. Vacancy rates for flex and industrial space have also climbed dramatically over the past two years, from 1.2 percent at the end of 2022 to 14.3 percent at the end of 2024. The increased vacancy rate is partially driven by the newly built and unleased 3808 Faraday Avenue property, and not necessarily indicative of a major shift in demand, although it illustrates the challenge in attracting large tenants to Davis. Conversations with local real estate brokers indicate that the owner will likely begin to offer to subdivide the building, as a way to expand the pool of potential occupants.

Figure 13: Industrial/Flex Rent and Vacancy Rate Trends, Q4 2017 - Q4 2024

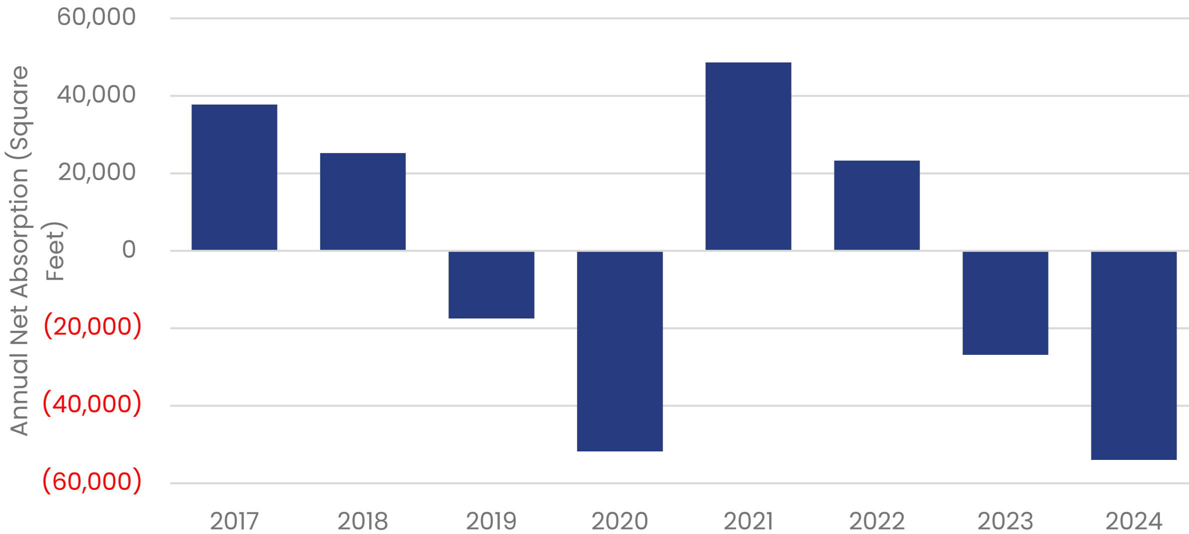


Sources: CoStar; BAE, 2025.

Figure 14 and Figure 15 present the annual net absorption for industrial and flex space in Davis and Yolo County between 2017 and 2024. The overall net absorption for industrial and flex space in Davis over the past eight years was slightly negative, at approximately 15,100 square feet. Over the same time period, the net absorption countywide was largely positive, at approximately 4.5 million square feet, with 4.7 million square feet of new deliveries. While Davis has a limited existing inventory of industrial and flex space in comparison to the countywide total, the overall net absorption data is indicative of a stagnant industrial market within the City that sees limited demand for additional space. Many of these industrial and flex spaces in Davis were previously leased by UC Davis-affiliated tenants, some of whom have moved operations elsewhere in the Sacramento or Bay Area regions.

As a relatively high-cost Industrial/Flex sub-market, Davis will only appeal to a limited pool of tenants needing this type of space. This may include relatively small start-ups for which proximity to UC Davis is a priority, or businesses engaged in relatively high value-added activities for which building rents are a less significant consideration. As with the Davis office sector, businesses with relatively highly paid employees are less likely to be discouraged by local workforce housing costs. Similarly, businesses that are more capital-intensive and less labor intensive (e.g, highly automated facilities) will find workforce considerations and building cost considerations less of a barrier to locating in Davis.

Figure 14: Industrial/Flex Net Absorption Trends, City of Davis, 2017 - 2024



Sources: CoStar; BAE, 2025.

Figure 15: Industrial/Flex Net Absorption Trends, Yolo County, 2017 – 2024

Sources: CoStar; BAE, 2025.

FISCAL CONDITIONS

The General Fund is the primary revenue source and operating fund for key city services such as police and fire protection and parks and recreation services, and is funded primarily through sales and property tax, motor-vehicle-in-lieu fees, the municipal service tax and by revenue generated from permits, fees and investment earnings. The adopted City Budget estimates General Fund expenditures to total $84.0 million in FY 2024/25, or 35.3 percent of the total $237.8 million operating budget,[7] while General Fund revenues are expected to total $78.7 million in FY 2024/25, or 30.7 percent of total $256.4 million expected revenue. These figures show that most of the City's operating expenditures are financed with funds that can only be used for specific authorized purposes and only slightly more than a third of the City's operating budget involves discretionary General Fund spending.

The FY 2024/25 General Fund expenditures and revenues result in a deficit of approximately $5.3 million for FY 2024/25, which is closed by drawing down the available General Fund balance, from $13.8 million in 2023/24 to an estimated $7.5 million in 2024/25. As noted in the Budget document, closing the ongoing structural budget deficit requires additional revenue, reductions in expenditures, or a combination of both. As discussed below, the recently approved Measure Q local sales tax measure will provide the City with additional revenue to address the structural budget deficit.

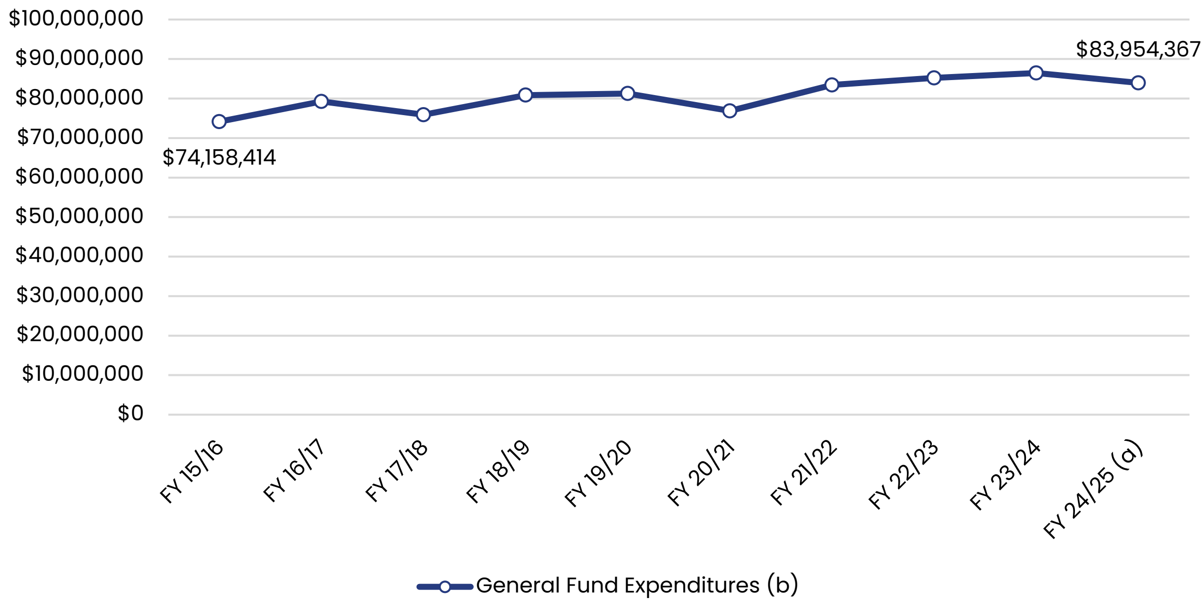
General Fund Expenditures

The total annual General Fund Expenditures for the City of Davis are $84.0 million for fiscal year 2024/25. As shown in Figure 16, over the past ten fiscal years the total general fund expenditures have increased by approximately $9.8 million (all expenditures adjusted to 2024$), or 13 percent. However, the 2024/25 General Fund expenditures decreased by $2.5 million from the previous fiscal year. Over the ten-year period, the General Fund Public Works expenditures have increased more than any other department, from $3.4 million to $10.7 million. This is mostly attributable to the re-assignment of park maintenance responsibilities from Parks and Community Services to the Public Works Utilities and Operations Department. Over the past ten fiscal years, several other departments saw significant increases in expenditures: Fire Department expenditures increased by $5.4 million (44 percent increase) and the City Manager's Office expenditures increased by $1.7 million (50 percent increase). Fire Department expenditure increases are due to a combination of increased salary and benefits expenses as well as an increase in departmental employees. During the time period, the City of Davis Fire Department shifted away from shared management with the UC Davis Fire Department and the City department's employee count increased from 42 to 48 full-time equivalents (FTE). In addition, salaried Division Chiefs were changed to Battalion Chiefs working shifts creating some new overtime costs. The City Manager's Office General Fund

[7] Enterprise operations, such as the City's water and sewer utilities, which are user-fee supported, comprise most of the remainder of the operating budget.

expenditure increases are primarily related to the consolidation of additional functions within the department, including Sustainability, Communications and Economic Development.

Figure 16: Davis General Fund Expenditures, FY 2015/16 to FY 2024/25



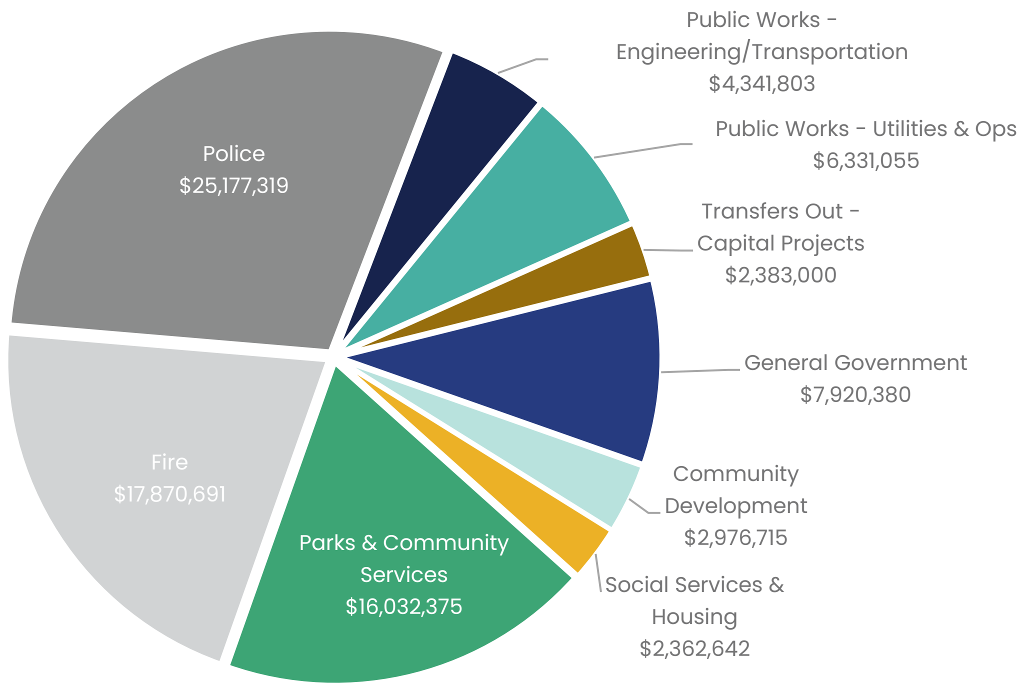
Notes:
(a) FY 24/25 expenditures show the most recent adopted budget. All other general fund expenditures show actual spending.
(b) Adjusted to 2024$ using the US Bureau of Labor Statistics Consumer Price Index for All Urban Consumers in California.

Sources: Sources: City of Davis, FY 2018/2019, 2020/2021, 2022/2023 & 2024/2025 Budgets; US Bureau of Labor Statistics; BAE 2025.

Public safety, which includes the Police and Fire departments, accounts for over 50 percent of General Fund expenditures for fiscal year 2024/25 according to the adopted Budget (see Figure 17). Parks and Community Services makes up the third largest expenditure category, at 19 percent of total General Fund expenditures. All other categories – including Public Works, General Government, Community Development, Housing/Social Services and Capital Projects – make up the remaining 30 percent of General Fund expenditures.

The information on General Fund expenditures demonstrates that the fiscal impacts of new development that could be incorporated into the General Plan Update will depend to the largest extent on the demand it creates for Police and Fire services. If existing Police and Fire resources can be extended to provide services to new development without significantly increasing departmental costs, this will yield better fiscal outcomes. Conversely, if new development requires disproportionate increases in public safety services, this is more likely to create fiscal stress.

Figure 17: Davis General Fund Expenditures, 24/25 Fiscal Year

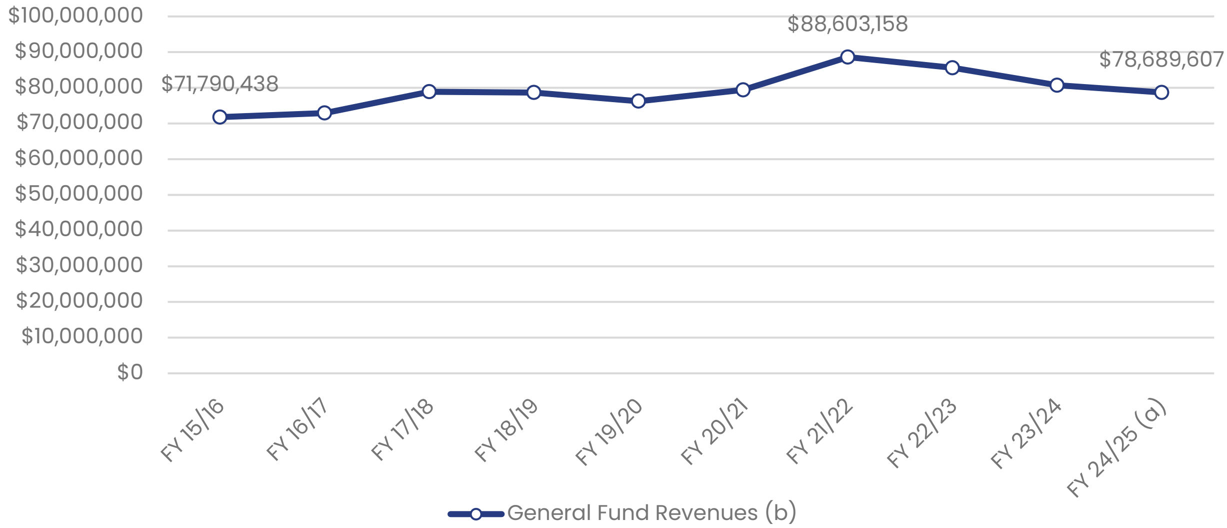


Sources: Sources: City of Davis, FY 2024/2025 Adopted Budget; BAE 2025.

General Fund Revenues

According to the adopted Budget for fiscal year 2024/25, the total annual General Fund Revenues for the City of Davis is $78.7 million. As shown in Figure 18, over the past ten fiscal years the total General Fund revenue increased by $6.9 million (all revenues adjusted to 2024$). Davis' General Fund revenues peaked in fiscal year 2021/22 at $88.6 million, before decreasing over the following three years. The primary drivers for the 2021/22 peak was an increase in sales tax revenue, program revenues and cannabis tax revenue. Similarly, the primary decreases in revenues since 2021/22 were in sales tax revenue and program revenues. However, sales tax revenue is expected to increase significantly going forward as a result of the recently approved one percent sales tax add-on. Measure Q, approved by Davis voters in November 2024, which is expected to generate an additional $11 million annually in sales tax revenue. While only in effect for a small part of FY 2024/25, beginning in April of 2025, this increased sales tax revenue, all else being equal, should allow the City to increase the General Fund reserve balance and/or allow the City flexibility to fund enhanced service levels while helping to address the structural budget deficit.

Figure 18: Davis General Fund Revenues, 2015/16 to 2024/25 Fiscal Year



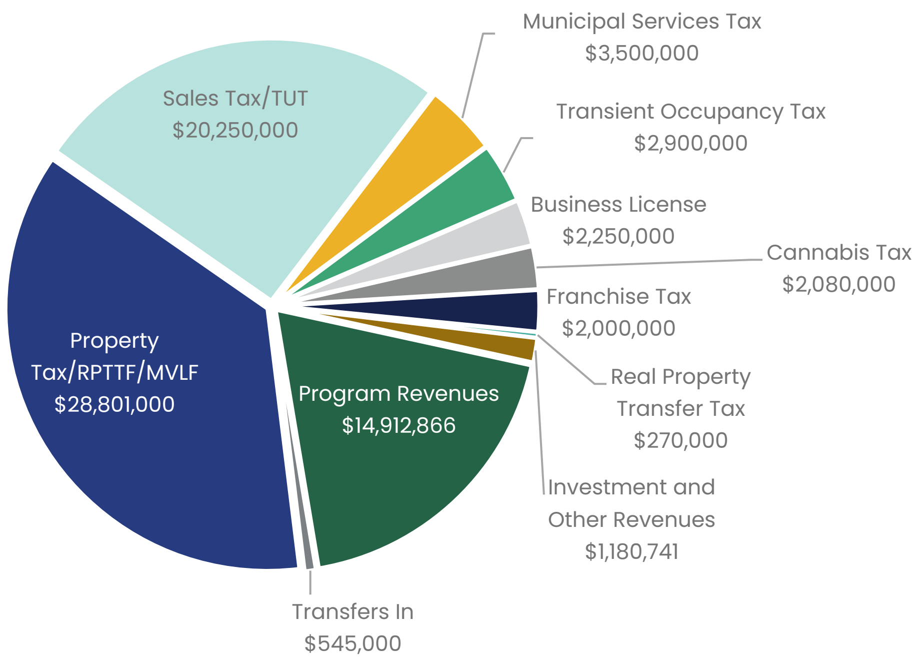
Notes:
(a) FY 24/25 revenues show the most recent adopted budget. All other general fund expenditures show actual spending.
(b) Adjusted to 2024$ using the US Bureau of Labor Statistics Consumer Price Index for All Urban Consumers in California.

Sources: Sources: City of Davis, FY 2018/2019, 2020/2021, 2022/2023 & 2024/2025 Budgets; US Bureau of Labor Statistics; BAE 2025.

The City is highly reliant on property taxes and sales tax to fund its municipal operations: these two revenue sources account for 62 percent of total general fund revenues for fiscal year 2024/25, according to the adopted Budget (see Figure 19). Program Revenues (including Planning Department fees, Fire Department inspection fees and other taxes) make up the third largest revenue source, at 19 percent of total general fund revenues. All other taxes and fees make up the remaining 19 percent of general fund revenues. To maintain and improve municipal services as Davis continues to grow, the City needs to expand its property tax base and ensure that its retail sector remains robust. The City's significant existing leakage indicates an opportunity to generate additional revenues by capturing more of local residents' taxable expenditures locally. The imminently opening new retail facilities at The Davis Collection should capitalize on this opportunity.

Given that Davis is mostly built out within the existing City limits, significant future growth other than infill projects will require annexation of currently unincorporated land for development. With this comes the need to negotiate with Yolo County for property tax sharing on annexed land. Given the City's dependence on property tax revenues as a major General Fund revenue source, fiscal viability for development on annexed lands, such as the currently proposed Village Farms development, will be dependent to a large degree on the City's ability to secure a sufficient share of future property tax revenues that the development would generate.

Figure 19: Davis General Fund Revenues, 24/25 Fiscal Year



Sources: Sources: City of Davis, FY 2024/2025 Adopted Budget; BAE 2025.

GROWTH PROJECTIONS

2021-2029 Housing Element

Table 30 and Table 31 summarize the City's Regional Housing Needs Allocation (RHNA) and Quantified Objectives for the 2021-2029 Housing Element cycle. Davis is required to plan to accommodate the development of at least 2,075 housing units during this time period. This allocation includes 290 units for extremely low-income households (14 percent), 290 units for very low-income households (14 percent), 350 units for low-income households (17 percent), 340 units for moderate-income households (16 percent) and 805 units for above moderate-income households (39 percent). With the 2023 average household size of 2.47 persons per household, the 2,075 new units could accommodate 5,125 new Davis residents, or a roughly eight percent increase from the current City population. The RHNA provides a rough indication of the affordability needs for new housing units, given prevailing income levels within local and regional households. Generally speaking, housing targeted for Extremely Low-, Very Low- and Low-Income households will need to be subsidized with below-market rate rents or sales prices if it is to be affordable to the targeted income groups. Some housing targeted for moderate-income households may also need some level of subsidy. It is generally expected that Above Moderate-Income households can afford market rate housing; however, the choices for households closer to the 120 percent of area median income limit may be limited to smaller and/or older housing units that are less expensive than typical newly constructed homes, particularly if they are interested in purchasing homes. The RHNA allocation indicates that about 45 percent of new housing demand will be for housing that almost certainly needs to be subsidized at below market rates and another 16.4 percent will be needed for moderate-income households who will need modestly priced market rate housing and/or might need some assistance with housing costs. This suggests that the General Plan Update should emphasize opportunities for the majority of new housing potential to be in the form of multifamily housing that tends to be more affordable by design than single-family housing and is also more compatible with the development and financing approaches typically utilized for below market rate housing production.

While the RHNA summarized in Table 30 indicates the City's obligation to provide land and supportive policies to accommodate new development during the planning period, Table 31 summarizes the City's assessment of how many new housing units it expects to be built during the same time period, plus additional units that can be preserved and/or rehabilitated. The Housing Element indicates that the City expects the full RHNA allocation of 2,075 new construction units to be built, plus an additional 148 housing units to be preserved or rehabilitated, as shown in Table 31. During the 2021-2029 projection period, the City plans to rehabilitate 154 units, or 18 units per year, that are affordable to Extremely Low-, Very Low- and Low-Income households. Additionally, the City plans to preserve four affordable units for Low-Income households. Per the Housing Element, due largely to the City's requirement that affordable units typically remain affordable on a permanent basis, there are no other deedrestricted affordable units that are at risk of conversion to market rates during this Housing Element cycle.

Table 30: City of Davis Regional Housing Needs Allocation, 2021-2029

	RHNA Allocation 2021-2029	Percent of Total
Income Group		
Extremely Low (≤ 30% AMI)	290	14.0%
Very Low (>30% AMI, ≤50% AMI)	290	14.0%
Low (>50% AMI, ≤80% AMI)	350	16.9%
Moderate (>80% AMI, ≤120% AMI)	340	16.4%
Above Moderate (>120% AMI)	805	38.8%
Total	***2,075***	***100.0%***

Sources: City of Davis, 2021-2029 Housing Element; BAE 2025.

Table 31: City of Davis Housing Element Quantified Objectives, 2021-2029

	New Construction	Rehabilitation	Preservation	Total Units
Income Group				
Extremely Low (≤ 30% AMI)	290	54	0	344
Very Low (>30% AMI, ≤50% AMI)	290	54	0	344
Low (>50% AMI, ≤80% AMI)	350	36	4	390
Moderate (>80% AMI, ≤120% AMI)	340	0	0	340
Above Moderate (>120% AMI)	805	0	0	805
Total Units	***2,075***	***144***	***4***	***2,223***

Sources: City of Davis, 2021-2029 Housing Element; BAE 2025.

Population and Household Projections

The Sacramento Council of Governments (SACOG) prepares projections for the number of jobs and housing units in counties and local jurisdictions in the six-county Sacramento Region, summarized in Table 32 below. The estimates include projected growth between 2020 and 2035, between 2020 and 2050 and Potential Buildout, which measures the reasonable maximum development capacity of the lands identified for housing production.

SACOG expects Davis to grow less rapidly than either Yolo County as a whole or Sacramento County, both in terms of employment and housing units. The City of Davis is projected to add 2,200 jobs between 2020 and 2050, representing nine percent growth overall. This employment growth rate is less than half the projected growth rates in Yolo County or Sacramento County, which SACOG expects to grow 25 percent and 20 percent, respectively. Between 2020 and 2050 SACOG expects Davis to add 4,300 new housing units, representing 16 percent growth overall. As with employment, the expected housing growth rate in Davis is significantly lower than in Yolo County overall or in Sacramento County, at 34 percent and 29 percent, respectively.

As a share of the total potential buildout, SACOG projects both Davis and Yolo County to achieve 20 percent of the total potential employment growth between 2020 and 2050. For total potential housing units, Davis is projected to achieve 86 percent of potential housing unit growth between 2020 and 2050, compared to 25 percent of potential growth achieved in Yolo County. This discrepancy reflects the limited developable land within Davis when compared to the County and the limited residential land availability in Davis versus the non-residential land availability and growth trends.

Table 32: SACOG Growth Projections, 2020-2050 and Potential Buildout

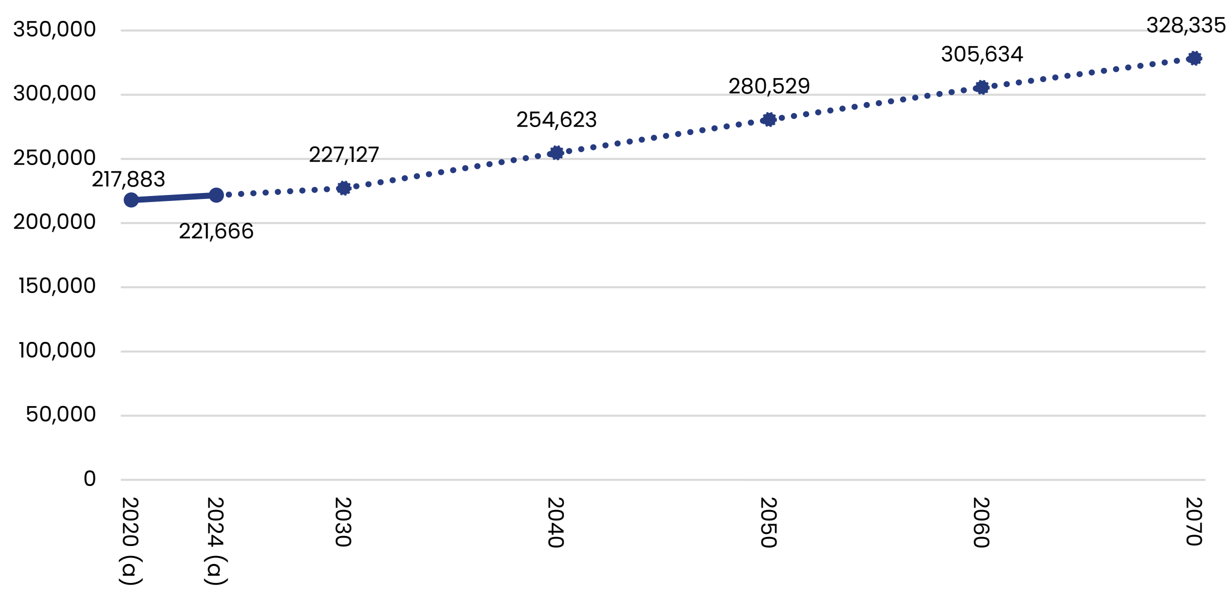
	Jobs	Housing Units
City of Davis		
Existing (2020)	24,050	27,340
2020-2035	25,150	30,420
2020-2050	26,250	31,640
Potential Buildout	35,520	32,360
Yolo County		
Existing (2020)	113,290	80,060
2020-2035	128,105	94,820
2020-2050	141,105	107,480
Potential Buildout	255,900	192,870
Sacramento County		

Existing (2020)	729,560	584,250
2020-2035	820,910	680,095
2020-2050	875,900	755,285
Potential Buildout	1,785,978	1,941,809

Sources: SACOG, Adopted Land Use Assumptions, 2024; BAE 2025.

The SACOG regional projections are based on a top-down regionwide growth model; while the jurisdiction-level projects consider the availability of land to accommodate residential and non-residential growth as well as regional policy objectives to encourage growth in a pattern that facilitates a reduction in greenhouse gas emissions, primarily via recued vehicle miles traveled (VMT). Thus, SACOG jurisdiction-level projections will tend to focus growth on areas with ample land available for development as well as good transit accessibility and a beneficial relationship between jobs and housing opportunities. In contrast, the State of California Department of Finance (DOF) makes long-term county level population forecasts that are less policy-driven and more market-driven. DOF projects the population of Yolo County will grow by just over 50 percent between 2020 and 2050, at an average annual growth rate of 0.8 percent, significantly more than the SACOG housing unit projection, for example. Figure 20 below presents the projected growth, including actual population estimates for 2020 and 2024. The rate of population growth is projected to increase starting in 2030, growing by an average of 25,000 residents per decade. The DOF projections suggest that Yolo County's potential long-term growth may be more robust than indicated by the SACOG projections. By extension, Davis underlying demand for residential growth may also be more robust than indicated by the SACOG projections, to the extent that forces of overall housing demand affect Davis in a manner similar to Yolo County.

Figure 20: Yolo County Population Projections, 2020 – 2070



Notes:

(a) CA Department of Finance actual estimates for 1/1/2020 and 1/1/2024.

Sources: CA Department of Finance; BAE, 2025.

The Department of Finance also reports population projections by age group, as shown in Table 33. Between 2020 and 2040 the share of residents under the age of 18 in Yolo County is expected to decrease by nearly 20 percent. This projection follows current age distribution trends – as presented earlier in this report, the share of Yolo County residents under the age of 18 decreased by eight percent between 2010 and 2023. The age group with the largest projected percentage growth is residents aged 65 and older, at 66 percent growth between 2020 and 2040. This projection also follows current aging trends – the share of Yolo County residents aged 65 and older grew by 54 percent between 2010 and 2023, as presented earlier in this report. The projections also show significant population growth in residents ages 25-34 (57 percent growth) and ages 35-44 (36 percent growth). The population in Davis has followed similar age demographic trends between 2010 and 2023, and the Yolo County projections suggest a continuing shift towards a decreased population under 18 and an increased population aged 65 and older in the city. This demographic shift has broad implications for the City of Davis and the General Plan Update, from lower school enrollment and increased demand for senior housing, to changing local retail preferences to serve older residents.

Table 33: Yolo County Population by Age Projections, 2020 and 2040

	2020		2040		Change, 2020-2040	
	Number	Percent	Number	Percent	Number	Percent
Age Distribution						
Under 18	48,256	22.1%	39,018	15.3%	(9,238)	-19.1%
18-24	42,659	19.6%	41,835	16.4%	(824)	-1.9%
25-34	29,227	13.4%	45,798	18.0%	16,571	56.7%
35-44	26,784	12.3%	36,441	14.3%	9,657	36.1%
45-54	22,719	10.4%	22,511	8.8%	(208)	-0.9%
55-64	21,628	9.9%	24,935	9.8%	3,307	15.3%
65 or older	26,610	12.2%	44,085	17.3%	17,475	65.7%
Total Population	***217,883***	***100%***	***254,623***	***100%***	***36,740***	***16.9%***

Sources: CA Department of Finance; BAE, 2025.

In 2018, UC Davis prepared a Long Range Development Plan (LRDP) that sets forth a land use framework to accommodate future enrollment and employment growth by the 2030/31 academic year. As shown in Table 34, the LRDP planned for a total campus population of 53,500, with capacity for an additional approximately 2,500 students and 3,000 employees compared to the 2023/24 academic year. If UC Davis reaches the total potential population as outlined in the LRDP, it would grow by 12 percent compared to the 2023/24 academic year. UC Davis officials noted that the campus population is not likely to reach the total potential population by the 2030/31 academic year due to ongoing statewide budget constraints.

Table 34: UC Davis Long Range Development Plan Total Potential Population

	2023-2024 Academic Year	LRDP Total Potential	Remaining Capacity
UC Davis Affiliate Population			
Students	36,453	39,000	2,547
Employees	11,455	14,500	3,045
Total	**47,908**	**53,500**	**5,592**

Sources: University of California, Davis; BAE, 2025.