

January 13, 2020

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Davis City Council & Davis Planning Commission  
Downtown Davis Plan Advisory Committee

**Re: Review and Comments Regarding the Draft Downtown Davis Specific Plan**

To Whom It May Concern:

The purpose of this letter is to comment on the Downtown Davis Specific Plan and the related Form Based Zoning Document that is being considered for adoption. Clearly, a great deal of work and preparation and community engagement went into the process and creation of this proposed plan. I commend you and the various citizens and nearly 400 people who have made efforts in this planning discussion and for the quality of the draft report. There is much to digest and comment upon in over 400 pages within the two documents. I am submitting my comments to try and encourage streamlining this document and working to create a plan that will attract investment and innovation and a plan which is implementable. I have some “macro observations” as well as some comments on specific elements of the proposed plan.

As you know I participated, as my schedule permitted in a number of the workshops and charettes regarding the downtown planning during the last 3 years. Also, my partner Nahz Anvary and I met with a number of the consultants who worked on parts of the proposed plan to answer their questions and to provide real estate information and opinions.

Davis is my home and it is one of the places where we work as brokers, advisors, and occasionally as a developer and investor in commercial and investment real estate. I love our community and with my partner Nahz we are honored to work with many businesses, landlords, developers, and tenants, both private sector businesses and public institutions. I believe that most would agree that we have very collaborative professional relationships with the city staff as well as commissioners, council members, and members of the various city advisory committees. I have a longstanding appreciation for Davis downtown. I know many of the merchants, I shop and get services from many of them. I do a great deal of business in our downtown and also drink more than my fair share of coffee in our core area.

I believe that our downtown could be so much more and to do that it needs to be invigorated and catalyzed for change! I hoped that the proposed plan could help set that innovation and investment in motion. My “constructive suggestions” are made in an effort to encourage you to edit the plan. They are just my opinion being offered in an attempt to make the plan, simpler, more aspirational, timelier, and more implementable. I hope that you will see my comments as my reasonable and honest assessment of serious flaws in the plan.

Here are my major observations and recommendations:

1. The plan does not properly identify where we want our downtown to evolve to.

2. The plan lacks specific recommendations on what steps should be taken to make it implementable and specifically how to attract investment. What are the critical decisions and resources that would make this plan implementable?
3. The timing horizon of the plan is too long. The majority of this plan is forecast for a time horizon 10-20 years from now. More than 90% of the capital investment is forecast to be made in years 11-20 in the years 2030-2040.
4. It is my strong recommendation that you set up a process to “define success”.
  - a. Ask yourself this tough question. Is this a plan to create a new future in our downtown or is it to “create a pretty document” that is so loaded with various constituents’ wish lists that it is severely diluted as a real plan? I believe that it is more of the latter.
  - b. I would recommend if we as citizens of Davis want a healthy and dynamic downtown in the future that we develop an annual public reporting mechanism which is measurable. A plan that we evaluate annually, and which allows us to measure outcomes and compare results to goals. What are the goals and what was achieved? By doing this we can “celebrate success” while instituting a process for “course correction,” if necessary.
  - c. Set measurable objectives such as “Downtown Davis should see that 100 (or some other number) residential units are constructed in the downtown in the next two years.” Then we will build 100 additional units every 2 years thereafter that for the life of the plan. Clear goals with an easy report card to monitor success. We can change what we measure! Let’s build in a process for a frank annual assessment on what is holding us back from achieving success.
  - d. I am very concerned that the current plan has “given up” on retail development and retail re-development in our downtown. We have prioritized retail in the downtown for more than 50 years and we need to continue to see the downtown as a dynamic center for goods and services. Add to your measurements of success what the downtown vacancy rate is. What are our downtown’s measurable trends related to its health and prosperity? Clearly there will be business closures but are we measuring new business licenses in the downtown, new jobs, taxable sales and reporting that information? Let’s see the trends. Let’s benchmark our downtown investment with the progress in other downtown communities. How many new businesses have opened? Let’s set goals for retail and business formation in our downtown.
  - e. The amount of office forecast in this plan is “ridiculously excessive”. There is no way that the downtown will ever have 300,000 to 500,000 square feet of new offices built on the small parcels and fragmented ownership of our downtown.

Aspirations without implementation is little more than a wish list.

After 3 years of meetings, many excellent studies, a lot of work by the City Staff and hired consultants, including plenty of citizen participation, not to mention the expenditure of

hundreds of thousands of dollars, we need a downtown plan that does not just provide “catchy text” and “pretty graphics”. We need a plan that will not just gather dust on a shelf. We need an actionable vision which puts the Davis downtown on a path towards success and that has made a realistic assessment of what is achievable and what are our barriers to success.

In Chapter 1 of the proposed plan, the stated goal is for the downtown plan to enable Davis to evolve as a “regional center while maintaining its unique identity”.<sup>1</sup> Purportedly, the plan “includes tangible policies, guidelines, development standards, and implementation strategies”. “The Specific Plan has a planning horizon of 20 years, through 2040.”<sup>2</sup>

This Specific Plan has made important strides to identify often conflicting documents related to planning and redevelopment in our downtown. (Core Area Specific Plan, Davis Downtown and Traditional Residential Neighborhood Design Guidelines, Core Area Infill District, Mixed Use District Zoning, Core Area Combining District, and etc.)<sup>3</sup> The goal is to streamline review and approval and establish clear standards through the proposed Specific Plan and through the proposed Form Based Downton Zoning Code.

There remain “Other City Policies”; One Percent Growth Resolution, Phased Allocation Plan, and Affordable Housing Ordinance and Interpretations, that should be considered for streamlining in this Specific Plan and I will return to some ideas regarding those matters later in this response. <sup>4</sup>

The Core Area Specific Plan, Zoning and Land Use Designation proposes to create numerous new Zoning Districts.<sup>5</sup> It is also worth noting that The Current Zoning Map as presented in Figure 1.7 on Page 11 and the related Table 1B also on Page 11 indicates that the Geographical Area is 132.7 acres but if you eliminate the 40.6 acres that are Streets and the University Avenue Residential Overlay of 6.5 acres the total acreage for potential Development is =  $132.7 - (40.6 + 6.5) = 85.6$  Acres. <sup>6</sup>

The Specific Plan’s Focus and Organization is described as having the following areas of Focus.

- Sustainability as an underlying theme
- Design of the public realm; walkability, safety, & universal access.
- Streets as shared public assets
- Economic development that responds to a community vision
- Form-based approach to development standards. <sup>7</sup>

There are 10 distinct chapters to the plan

1. Purpose
2. Existing Conditions

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<sup>1</sup> Downtown Davis Specific Plan, Page 2

<sup>2</sup> Downtown Davis Specific Plan, Page 2

<sup>3</sup> Downtown Davis Specific Plan, Page 9 Figure 1.5

<sup>4</sup> Downtown Davis Specific Plan, Page 8

<sup>5</sup> Downtown Davis Specific Plan, Page 10

<sup>6</sup> Math by Gray from Table 1B, page 11

<sup>7</sup> Downtown Davis Specific Plan, Page 12

3. Vision
4. Built Environment
5. Historic Resources
6. Mobility and Parking
7. Infrastructure
8. Implementation
9. Glossary
10. Appendices <sup>8</sup>

The plan provides a good summary of the City of Davis' regional context <sup>9</sup>

- Population of 68,986 in 2017
- 6,281 Acres in City Limit
- 15 Miles West of Sacramento
- 50 Miles North-east of San Francisco
- Calendar Year 2017 Davis celebrated its centennial

Here is how the plan describes downtown Davis <sup>10</sup>

- 32 Block Area of approximately 132 acres.
- Houses approximately 2% of the City's population
- Houses about 17% of the City's jobs
- According to the 2015 Census data, only 14 workers live and work in downtown Davis!
- 506 housing units in downtown
- 90% of housing is renter occupied
- 1,083 residents in downtown about 1.3% of Davis planning area population
- 20% of citywide taxable sales in downtown
- 1.2 million square feet of non-residential uses
- 75% of downtown users are from Davis or UC Davis.
- There are 2,482 jobs in downtown; 17% of City of Davis and 6.2% of the Davis planning area jobs.

The context and the setting of the Davis downtown is well described. I believe what is missing from this plan is where we want to go, what we want to improve, and how we intend to encourage and facilitate those changes. We have identified over 100 things on our "wish list for downtown" but we have not identified how to attract investment, new businesses, new housing and innovation and dynamism.

The plan summarizes the following land use changes.

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<sup>8</sup> Downtown Davis Specific Plan, Pages 12-13

<sup>9</sup> Downtown Davis Specific Plan, Pages 16-17

<sup>10</sup> Downtown Davis Specific Plan, Pages 18-19

Retail. The downtown core has for fifty years been the first choice for retail in our community. This plan seems to “give up” on retail. This document says the existing should be maintained, with replacement as needed, and limited additions to supply.<sup>11</sup>

Office. This plan projects 312,000 to 582,000 square feet of new office space.<sup>12</sup> 312,000 square feet is larger than the entire supply at the University Research Park (formerly Interland) and 582,000 is more than the University Research Park and the Buzz Oates Office Buildings along 2nd and Cousteau combined. My hunch is that the office buildings at 5th and G and the McCormick Building at 4<sup>th</sup> and F which are the most significant office buildings in downtown in the past 25 years combined are less than 70,000 square feet. (5th and G Street was a major redevelopment project, which received significant redevelopment funding and which included a public sector tenant, the USDA, and a major theatre lessee.) In my opinion, there is a very limited market for office in the downtown core – small professional, commercial service and owner user office are more likely. Some office incorporated into mixed use residential will probably be achievable.

Residential. This plan estimates/forecasts in the next 20 years in downtown 86 to 209 units of may be feasible. <sup>13</sup> It further indicates that the “Davis Regional Fair Share” through 2040 would be 3,810 units. Come on Davis, we have to do better than this! We are forecasting less than 2-5% of our future housing being added to the core area. What kind of environmentally responsible planning is this?

Here are some suggestions for thought and inclusion into the plan.

#### Retail

- If we want our downtown core to remain the “retail center” of our community then we can’t give up on it. We need to encourage our retailers and our landlords to continue to evolve. We need to support and encourage retailers so that they evolve and innovate. That includes recognizing changing preferences and attitudes amongst consumers. Shoppers want brands that are socially responsible, socially conscious, and that align with their culture. They also want good selection, competition and fair prices.
- Making e-commerce and shipping faster and easier. What can we do to encourage and facilitate pick-up and delivery as well as the return of goods in our downtown? How can our downtown be better positioned to get competitively priced goods into the hands and homes of Davis residents and shoppers more quickly?
- Encourage and promote “experiential retail”. Consumers don’t just want products they want a more engaging experience. Rethinking bricks and mortar to facilitate “apps”, “pop-ups”, “improved mobile technologies” at the retail locations. 5G and the internet of things will dramatically impact retail and this plan doesn’t adequately focus on the future for retail. The plan doesn’t need to identify what companies or which retailers it

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<sup>11</sup> Figure 2.6 page 19

<sup>12</sup> Figure 2.6 page 19

<sup>13</sup> Figure 2.6 page 19

merely needs to set the stage to encourage and promote retail and to link customers to the retail opportunities.

- Moving residents and visitors along the major east west grid between the Amtrak Depot with its thousands of passengers and the University core campus with tens of thousands of students, faculty and staff should receive greater focus and encouragement. The recent effort on Third Street between A and B Street should continue and be seen as just a start to better link downtown with the core campus.
- This plan does not provide sufficient consideration and discussion of demographic impacts of the rapidly growing aging population combined with a growing college student population. We can and must have our downtown plan serve both cohorts.

## Office

We need a plan that sets forth realistic goals and objectives about workspace and office development. I believe that the staff and consultants need to realistically assess and forecast both office demand and constraints. The amount of square footage in this plan; let's just take a mid-point of 400,000 square feet and 4 to 6 employees per thousand square feet, that would bring 1600 to 2400 new employees to our downtown. That is equal to "doubling" the total number of employees currently working in all businesses in our downtown. That would be dynamic for sure but the probability of success I believe is between 0-1%. Let's set a goal of 5,000 to 10,000 square feet of office per year for 20 years.

Realistically, what is the "competitive advantage" that would make a user or a developer want to be in our downtown? Does the City of Davis and the Davis Joint Unified School District and other public agencies want to move from their current locations into the downtown—freeing up their sites along Russel Boulevard for redevelopment? That might bring 500 to 700 employees to the downtown. But I predict that isn't going to happen. But something of that magnitude is what is needed to meet 33% of the proposed plan's office goal. Former Congressman Fazio helped bring the USDA to Downtown Davis and the development community had a couple of competitive sites for that proposed use. What do we have in the core area that could provide a 100,000 of office space.? Nothing. Nada. Ain't going to happen.

I believe that there will be continuing demand for office, but on a totally different scale than what is in this plan. We recently were involved as brokers for new leases in the downtown with Mars Wrigley and Engage 3 great new companies in the downtown. Those two leases combined, probably the largest leases in the downtown in the past 20 years, amounted to less than 20,000 square feet combined.

Mixing in office with retail and residential is a very good idea. But the current mix and forecast is unrealistic!

## Residential

I don't believe that this plan establishes aspirational goals. If, as a community, we wanted 20%-25% of our future residential supply to be walkable mixed-use urban infill then why don't we describe and prepare a residential plan element that would encourage 750 to 950 units to be

constructed in the downtown? Set that as a goal. Then tie to the plan a vision, with a reduction in administrative burdens and possibly some incentives to make it happen. We can be so much more than a “suburb” as it comes to our housing. This could and should be done.

In short, mixed-use development refers to the layering of compatible land uses, public amenities and utilities together at various scales and intensities. I believe that this plan is an effort to address mixed-use but it doesn’t go far enough. **Mixed-use properties allow people to live, work, play and shop in a concentrated area – usually all within walking distance. We need to dramatically increase the amount of residential in our downtown – by doing that our downtown will thrive and evolve.** It is the preferred environmental alternative. We can do so much better than 100 units in the next 20 years!

I want to commend the City for your visioning process. It was very participatory, it included many workshops, focus groups, design workshops, questionnaires and now this comment period. It probably has gone on for too long and has become the latest effort to express what we want for our community and downtown. Six goals have emerged in this document. <sup>14</sup>

1. A memorable Identity for downtown that celebrates Davis’ unique culture.
2. Compact development that incorporates sustainable practices and infrastructure
3. A feasible, equitable development program that builds resilient economy and increases housing access and choice.
4. A sense of place reinforced with appropriate character, balance historical preservation and thoughtful transitions.
5. An active and inclusive public realm that promotes civic engagement and health
6. A safe, connected, multimodal network that uses innovative mobility and parking solutions

The guiding policies associated with each of these goals are broad, vague and in many cases loaded up with burdens that will make implementation difficult. My recommendation is to review these one by one and evaluate whether they are necessary and help to reduce regulatory burden and aid in implementation? Can and will the City or its downtown businesses or property owners invest in this plan to the extent that will achieve success? If not what can be done in this plan to attract new investment?

I believe that this plan should be thoroughly evaluated and enhanced for action and innovation. Reduce the regulatory conflicts and burdens. Here are a few specific parts of the plan that I want to draw to your attention.

1.7 Establish a sense of arrival into downtown through gateway elements. (Recommend eliminating.) Gateways and walls are so yesterday. Let’s create bridges and dynamism. Let activity and choice define our downtown.

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<sup>14</sup> Downtown Specific Plan 3.5 Goals and Guiding Policies pages 31-66

2.6 Provide leadership in sustainability through demonstration projects on City Property. (I encourage enhancing the public realm and noting the valuable attributes of our downtown and community ... but we don't need to spend public money on demonstration projects.)

Page 57. Last paragraph, before guiding policies, I recommend eliminating “...(T)he specific Plan recommends a strategy of requiring new development to comply with citywide development requirements to provide below-market rate units, as well as incentivizing the private sector to provide housing units that are affordable by design.” (This is an economic burden and it will thwart most if not all efforts at developing housing in the downtown. Let's add to the supply! Because they are downtown the housing is likely to be smaller and more affordable by design. Consider exempting from inclusionary affordable housing requirements any project with fewer than 100 residential units?)

3.9 Eliminate the requirement for any parking to be constructed with residential units in the downtown. Let market forces dictate parking. Make the downtown more walkable and less dependent on a car. Adding parking requirements will make the housing less affordable and more expensive.

3.10 Eliminate inclusionary housing requirements for all projects with fewer than 100 units.

Goal 4. One major aspect of the plan that I encourage re-consideration of is dividing the downtown and related planning guidelines into 6 distinct districts. (This is very similar to our current myriad of conflicting documents that govern and thwart innovation in the downtown.) This adds an unnecessary level of complexity. Streamline and simplify the zoning rules for the entire downtown. I believe that our downtown is small and compact. Reduce the planning complexity. What is the logic of different rules for “G Street, Heart of Downtown, South-west Downtown, Northwest Downtown and North G Street? (I am not recommending this for Old East Davis Neighborhood or for University Rice Lane Neighborhood). Do you really need height, set back, density, differences by neighborhood district within the downtown? In my opinion that this is unnecessary micro management of the plan.

4.3 Enhance and protect existing historic and cultural landmarks and resources. More on this and recommendations for clarity in this regard in later comments.

4.3 Map on Page 74. The regulating plan for downtown that labels in “minute detail”; “Corner Element Required” and “Shopfront Frontage Required” seems prescriptive and unlikely to receive architectural innovation and stymie investment. What is the compelling reason to layer on these requirements?

5.1 Establish a new public space and center for downtown. That is centrally located and programmatically different than Central Park. (My recommendation is to invest in the public realm but not necessarily as described and illustrated in the document with a new “interactive water feature” or a “different version of the E Street Plaza” but instead make public investment near or at the Farmer's market, and additional investment into the Bicycle Hall of Fame Facility, Hattie Webber, and along Third Street. Spending public funds to activate the connection and



leverage the Amtrak Depot would be a much better use of public money. Also spending public and private funds to better link Davis Commons and the UCD Arboretum to downtown would be a much better use of public dollars I believe.

Pages 106 & 107 related to University Avenue and Rice Lane. Apparently, a decision is being made to not allow change in this area of the downtown plan. In my opinion this is a big mistake. At a minimum the plan should encourage and consider additional and creative residential housing. There are a number of older, almost substandard apartments, and “boarding houses” that would be great sites for densification close to the campus. The recent public infrastructure improvements on Third Street between A and B Streets should also be leveraged to allow additional retail and office uses along Third Street I believe.

Page 115. Historic Preservation, I would encourage you to strike “Employ upper story step-backs for new construction two or more stories taller than adjacent resources.” This is the kind of language that will lead to uncertainty, confusion and future battles. If the Council believes that this is a needed requirement then pin-point where it is applicable and color code those sites where this rule would apply.

Page 123. Designating or consideration of designating the Hibbert Lumber Yard as a Historic Resources is a major blow to the potential development of significant residential or large-scale mixed-use office in the downtown...This should be quick evaluated and determined and hopefully not imposed.

Page 130 Conservation Overlay District ... In my opinion it is a mistake to add the Conservation Overlay District Requirement to the entire downtown. This will add to the burden, including uncertainty and cost. My recommendation is to identify in the plan the historic resources that are significant and which need to be preserved. Eliminate the district designation and the need for historic review on the balance of the plan.

Page 131 item #2. Please delete the following reference. “Discourage demolition of structures ....” Frequently, demolition is a necessary element of redevelopment and construction.

Page 169. Parking and Wayfinding. I believe that you are almost signaling a “public taking” of private property “by reserving additional public parking” at the Hibbert Lumber site. This is a large significant parcel for potential mixed -use development and it should not be encumbered with a public parking requirement. In the alternative the Plan should declare it a public realm site and the City should negotiate to acquire the site or take it by condemnation.

#### 8.1 Phasing Strategy.

This is one of my major objections of this proposed plan. This plan envisions a 20 year-time horizon – Phase 1 from 2020 -2030 and Phase 2 is 2030-2040. This plan envisions the majority of the activity to occur in the Second Phase. Of a total Capital Investment in the 20 years equal to \$59,520,000, less than 10% of the investment, \$5,090,000 is planned in the first decade of the plan. If we are measuring our commitment to this plan --- it is a plan focused upon very slow implantation and almost no change or activity for the first 10 years.

I believe that if we want to encourage change in our downtown, we should identify critical variables for early success, maybe including some incentives for success, and accelerate the time horizons. What is the incentive for new private sector investment in our downtown if the plan does not show results for 20 years and 90% of the results are 10-20 years out?

8.4 Implementation Actions for the Specific Plan. This plan and these purported actions do not identify anywhere how to attract private sector development in our downtown. The matrix on pages 211 through 224 fail to create a “call for action, for investment, for public-private partnerships.”. You combine this failure to identify why someone would want to invest in our downtown and weigh the public expenditures so that 90% of the funds are in 2030 and beyond, and this is going to be a document that sits on a shelf, gathers dust and becomes stale.

By my count there are 136 action items identified in the Implementation section of the plan. Not a single one identifies encouraging or attracting investment. Or how to go about and stimulate investment and innovation. This plan is full of calls for sustainability, for demonstration projects, creating public and private recreation spots, and etc. Mostly worthy goals. But if you don’t get new investment or encourage existing owners to re-invest in their properties, homes or businesses downtown then our downtown will be what it is now, and slowly decline from lack of investment, and we will miss a great opportunity.

Also, this plan purports to simplify and streamline – but in most regards it is substituting one new form-based code and multiple new downtown neighborhood requirements for the myriad of conflicting documents that have contributed to our paltry investment in the downtown for the last 20 years.

In summary, I believe that we can and should do better than this. I hope that my comments and observations will be received in the spirit with which they have been given, to make our great town an even better place to live, work, play and shop.

Respectfully submitted,



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