

## **Comments regarding the Housing Element update:**

### **1) Land use sites to consider for housing**

After hearing a Committee member's recommendation at the last Housing Element Committee meeting for the Shriners Property and the Signature property inside the Mace curve, I agree that both are very good sites to consider for future residential development. It is relevant to recognize that the Shriners property was in the Davis Sphere of Influence in the 2001 General Plan. Since the vast predominance of approved housing for the past few years has been student-oriented multi-family group housing (over 5,400 beds) there is a need for traditional housing for our workers and families. In particular, we need less expensive smaller homes on relatively small lots with yards particularly for residents with children. This would help to rebalance our City's demographics which has been negatively impacted by disproportionately approving an excessive amount of exclusionary multi-family housing (by design) for UCD students while not providing enough traditional housing for workers and families. If this demographic imbalance is not addressed, it will likely result in Davis losing more schools. However, how much and where this housing is located are critical details.

The Shriner's property is a good site particularly because it has a bicycle underpass under Covell Blvd. for safe bicycle connectivity. The Signature property would also be able to be connected to the bicycle pathway systems to and from Harper Junior High School and Korematsu Elementary School and beyond. This, and a number of other reasons, are why these two parcels make the most sense for residential development including: a) the fact that they have no flood plain issues, b) the location of these both of these sites have plenty of road capacity to handle traffic, and c) neither has land toxics issues, like some other parcels (i.e. Covell Village).

The Shriner's site also, is of a large enough size to allow a substantial number and variety of different sizes, types, and price ranges of housing units from multifamily to duplexes to single family units for workforce housing and for families who desire a yard for small children to recreate in.

At this point, the City does not have enough vacant parcels within the City to provide the 2,075 RHNA units assigned to Davis by SACOG. It is also legitimate to question this roughly *double* RHNA housing requirement of Davis from last time, given that the City essentially has little if any vacant parcels for residential development and needs to preserve what few commercial parcels it has left for revenue generation. Davis has consistently satisfied its RHNA fair share requirement historically, including providing more affordable housing (i.e. 25%-35% per multifamily project) than other communities. While more housing, including more affordable housing, is needed now, this total number of 2,075 RHNA units including over 40% affordable units, appears disproportionate for a city the small size of Davis with so little developable land left within the City.

### **2) Format of Housing Element Update Virtual meeting video on line for public input**

While I am very appreciative that the City Staff have invited public input on the Housing Element Update, however, the website for the interactive virtual meeting gives the false impression that the "Sphere of Influence" sites are the only options (with the exception of UCD) to choose from. I think it is important to emphasize in the narrative that these are just some options but that recommendations of other sites within or near the City can, and would be considered from the public input. Another problem is that the input submitted on line does not have an option for the sender to save a copy of their comments. This is also why I am submitting my comments by email and to make sure that these comments get though to City Staff.

### **3) Density and over-densification**

As the City has so little vacant land for residential at this point, it is important to not promote over-densification by trying to "shoe-horn" in too many units which are not compatible with their surroundings, and which create negative impacts. Furthermore, over-densification often results in other negative impacts such as not providing

enough parking. This subsequently results in the imposition of parking overflow on other nearby neighborhoods, and also contributing to traffic congestion.

We need to have more density within reason when planning new projects, but also being certain to not create significant negative impacts on existing neighborhoods. Over-densification is not the answer to providing more housing, and quite the contrary it just creates more problems. So, increasing the density of our housing needs to be done to a reasonable extent, which also avoids negative impacts and producing housing which is compatible and consistent with the surrounding neighborhoods. Increasing density to any extent can only be successful if there is a robust public transit system, which Davis currently does *not* have, nor is such a system likely in the foreseeable future. So, until that issue is corrected, the push for much higher densities cannot result in a positive outcome, and only becomes counter-productive.

#### **4) Adequate Parking and improving public transit in Davis**

With the need for more workforce and family-oriented housing, there will continue to be a need for adequate parking. Workers as well as families with children, typically need adequate parking for their cars to get to work in many cases (particularly if they work outside of Davis) and to meet the transportation needs of children.

For example, it is hard to understand why Davis, being the small City that it is, does not have a school bus system, which is greatly needed? This is a sustainability issue since having a robust school transportation system would significantly reduce weekday traffic and carbon emissions due to the need for thousands of Davis children to be transported on a weekday basis by parents, or other private means, to Davis' elementary, junior high, and high schools. Having a Davis school bus system would significantly reduce traffic and congestion, and reduce our carbon foot print.

Compounding this problem is the added issue of an existing inadequate bus system that is designed primarily for the needs of UCD students, not other Davis residents. As mentioned previously, this is a significant shortcoming that needs significant improvement. It is irresponsible that the institution of UCD has not helped fund the bus system historically, and instead has basically put this financial burden on its students and the City of Davis. There has been recent discussion about pursuing this issue with UCD but the UCD administration continues to drag its heels on helping to resolve this significant issue. Language in the Housing Element to resolve this problem is needed.

A popular, but impractical suggestion that less parking should be provided for even high-density housing is not logical and counter-productive. If you don't provide adequate parking, you simply push the parking needs on to surrounding neighborhoods.

#### **5) The City needs to resolve the serious issue of getting RHNA credit for over 1,500 mega-dorm units with more than 5,400 student beds approved in Davis, with recommendations for unit equivalency**

While it appears that the assumption is that the City will get full credit for the mega-dorm units, it is important this be confirmed with HCD. The City must continue pressing for a final agreement with HCD and SACOG for full and fair equivalency credit for more than 1,500 mega-dorm apartments providing over 5,400 student beds. It is unfortunate that this issue was not explored and negotiated earlier when it was brought up multiple times at Planning Commission and City Council meetings before each of the mega-dorms were approved, but it needs to be resolved now.

It makes *no* sense that mega-dorms, which are residential units, would not be considered one component of the community's housing. They contain people who live in these units, and these people have impacts of various types. **The approved 5,400 beds in the City need to be converted to a fair number of dwelling unit equivalents for RHNA credit from HCD.** Since the majority of the mega-dorm student housing projects have 4- and 5-bedroom apartments (i.e., and a significant number of which are double occupancy) the equivalency needs to be

dividing the total number of mega-dorm beds by 2.1. This is because 2.1 was the last California State Department of Finance (DOF) average number of residents in Davis multi-family housing.

The only other divisor to potentially be considered is 2.57 which is the most current California DOF average number of persons *per Davis household*. The City must not agree to settling for a worse-case scenario of getting credit for only 1,500 housing units or even worse yet, credit for less than 1,500 housing units. The City needs to receive credit for these units toward RHNA if the sites were available (zoned) during the current Housing Element period, OR if they received building permits or certificates of occupancies during the period (subject to confirming these kinds of credits for all kinds of units in the city).

The City should also argue that SACOG should write policies to require the UCD to provide far more on-campus student housing. This needs to begin with UCD, the largest UC, which has over 5,300 acres and a core campus which is more than 900 acres. Yet, UCD is not even providing 50% on-campus student housing like the other UCs. Meanwhile, UCD has made no progress to provide housing on-campus for the faculty and staff. This needs to be resolved; therefore, the City needs to pressure UCD to build the promised employee housing on-campus. In addition, SACOG needs to also apply pressure for UCD to provide *far* more on-campus housing, particularly since UCD is in Davis' Sphere of Influence.

UCD's negligence to provide enough on-campus student housing has resulted in forcing Davis' workforce and families out of the City. Further, UCD needs to significantly increase the pace of building the on-campus student beds that they have committed to and plan for far higher densities of student housing than they have. While the City has approved two 7-story student housing project and other student housing projects has high densities yield over 5,400 beds, UCD continues to plan and construct far lower density student housing projects yield far less students beds. Orchard Park has been closed for over 6-years and so this is a perfect opportunity for UCD to build *much* higher density housing than was originally planned. UCD needs to stop delaying progress on this needed student on-campus housing.

#### **6) Pre-applications are needed for large or potentially controversial projects**

Years ago, the Planning Commission initiated the concept of "pre-applications" for projects which can potentially be controversial or likely to be opposed. This includes infill projects within the City or projects needing annexation. This pre-application process needs to be re-initiated for any major project coming before the City, whether is it an infill project, or a project requiring annexation of land outside the City. Restarting this process would enable potential problematic issues to be ironed out early in the application process, particularly for projects headed for a Measure J/D vote. Further, the City's own infill guidelines document needs to be implemented.

#### **7) The 1% growth rate policy needs to be preserved**

The 1% growth rate maximum is important to preserve. This policy was put into effect for many reasons, and was initiated and strongly supported by the Davis community. One example of why it was initiated was the surge of housing in 1999 when almost 1,000 housing units were approved by City Council in *only one year*. The resulting negative impacts on the community were overwhelming fiscally, as well as on City services, infrastructure, traffic and circulation, and on the City's school system. Most importantly, it consumed a disproportionate amount of the available vacant land for residential developed in much too short a time span. The reality is that Davis is small city geographically, it has limited capacity of roads which simply can't be widened, and it is limited in its ability to rapidly deploy providing municipal services in response to rapid urban expansion. Therefore, we need to have a reasonable pace of residential development that is within our capacity to *not* overwhelm the City's services, infrastructure, traffic and circulation, and school systems.

Furthermore, eliminating our City's 1% growth rate policy is not necessary since the policy has exemptions for "exceptional" projects which are considered to be beneficial to the City. For instance, staff implemented this

exemption and considered some of the “mega-dorm” projects are “exceptional” providing “benefits” to the City, therefore they were exempted from the being counting in the annual growth average growth rate for housing.

A community-based General Plan should provide the guide for the community’s growth, including the amount, type, densities, locations, and timing of residential growth. Because of the lack of specific direction from the General Plan, but due to clear input from the public who strongly supported the 1% growth cap, the City Council studied and adopted the 1% residential growth guideline (later changed to a cap) to help deal with numerous infill and peripheral housing developer proposals. The Council needed a rationale to address the amount and timing of residential growth. The Council studied housing “needs” based on assumptions including local employment; UC Davis demands and supplies of housing for students, faculty and staff; and so-called “natural growth” (births over deaths). The Council adopted subsequent resolutions to address the needed types of residential growth.

Without a community-based General Plan or other approaches like the 1% guideline/cap, what rationale would the Council use for making decisions about residential growth?

- Arbitrary case-by-case decisions based on private developer proposals?
- How many beds / units should be provided by UC Davis on-campus and how many should be approved in the City and where?

How can the community residents and service providers (utilities, police, fire, schools) have any predictability or certainty about this growth?

#### **8) The Plescia report regarding multi-family affordable housing in Davis needs further review, analysis, and updating**

The Plescia report, needs to be given to the Finance and Budget Commission for it to review and we need to get that commission’s feedback on the analysis and conclusions contained in the document. It would seem appropriate to ask for review and feedback by the Social Services Commission as well. It would also be worth considering an independent review by BAE. The legitimacy of the conclusions of this report has been raised repeatedly since the report was released.

There is no good reason why the Finance and Budget commission was not allowed to review it. This needs to be done in order to determine if more than 15% of affordable housing can reasonably be required of new multi-family project proposals on larger parcels. The Plescia report claimed that 15% was the limit of what affordable housing could be required of larger projects, however this analysis did not get the thorough review by alternative sources to determine if this was not an under-estimate. Since the City has required as much as 25%-35% affordable housing for multi-family projects in the past, while the cost of housing construction has increased, it would be understandable that the requirement would be less than 35%, but not as low as 15%. The report was delayed from release by City Staff for almost a year (for which there still has not been any good explanation) and then was rushed through for approval just before a deadline. However, more review of it is needed now for this Housing Element given that over 40% of Davis’ RHNA requirement is for affordable housing.

#### **9) The City needs to focus on its need for housing for its workforce and families. *No more* 4- and 5- bedroom luxury “group housing” mega-dorm projects**

The City has approved an over-abundance of 4- and 5-bedrooms apartments of luxury “group housing” designed specifically for students, which are expensive and predominately rent-by-the-bed. This design does nothing to help the need for housing by our workforce and families. Another problem needing to be resolved is that, currently HCD will not commit to a definitive formula for converting 4- and 5-bedroom units to a specified number of conventional apartments. There is clearly *no* more need for these expensive, luxury group housing units, and the City of Davis should adopt an ordinance specifying that *no* further apartment projects of this type

will be approved. Another issue is that HCD apparently has concerns regarding giving Davis RHNA unit credit for these “group housing” mega-dorms. It is inexcusable that the City did not explore this issue from HCD before these mega-dorm projects were approved, because this issue was raised repeatedly at the Planning Commission and City Council public hearings for the mega-dorms. It is also a very legitimate reason to prohibit the building of any more mega-dorms, particularly since they are exclusionary by design. Mega-dorm group housing does not help to provide housing for our workforce and families, since it is not affordable to them, and do they (understandably) do not wish to live in group housing.

We need to have policies which prohibit luxury 4- and 5- bedroom group housing apartments, particularly with a bathroom provided for each bedroom. This bathroom per bedroom design is far more expensive to build and therefore essentially unaffordable luxury housing which is not of any help for meeting the housing needs of our workforce and families. Further, this design is not sustainable planning, because it invites more waste of water and energy. This is because the cost of water (as well as electricity) is included in the monthly rent per bed rental housing format, regardless of usage.

Therefore, language needs to be added to the Housing Element that all new multi-family, other than legally exempted categories (such as affordable housing and senior housing) must now be designed so that anyone can reside in these projects. The language also needs to state that the City will not allow the approval of any more exclusionary housing by design, such as the luxury group housing mega-dorms.

#### **10) Impact fees need to be directly related to the number of bedrooms in residential projects.**

**a) Residential project Impact fees need to be directly related to the number of bedrooms and beds (particularly if more than single occupancy per room).** The City needs to assess far more than it currently does for permitting 4- and 5- bedroom mega-dorm apartments. Assessing the same fee for a 4- or 5-bedroom apartment as assessed for a 1- or 2-bedroom apartment amounts to essentially being a subsidy for luxury student group housing mega-dorms. This issue needs to be resolved before more such projects are approved, particularly large projects such as those approved in recent years in the City.

#### **b) It is logical to also have impact fees related to the total square footage of the project.**

Impact fees should also be based on unit square footage. It makes no sense for the impact fee assessed by the City for a typical conventional two-bedroom apartment to be the same as the fee assessed for a much large 5-bedroom unit (which again also includes the square footage taken up by a bathroom attached to each bedroom in many cases).

#### **c) Like in lieu fees, it would seem logical to have an annual inflation factor built in, and/or have an annual re-evaluation of the fees to see if they need to be increased and by how much.**

Without an automatic escalator, in-lieu fees can over time become insufficient to provide the services associated with new development.

#### **11) UCD issues yet to be resolved**

a) It has become apparent that while UCD teaches sustainable planning, yet it does not practice it. This is evident by UCD’s gross negligence for over two decades to produce the amount of on-campus housing for its student and faculty and staff, which has imposed its impacts on the City of Davis and other surrounding communities. Further, the inadequate amount of new housing proposed by UCD is low density compared to what the other UCs are doing of building far higher density student housing.

Strong language needs to be added to the new Housing Element specifying that UCD shall use its best efforts to increase the speed of production and amount of student housing beyond the inadequate amount defined in its current LRDP. UCD also should commit to producing more on-campus housing for faculty and staff, instead of

expecting the housing needs created by its insatiable growth to be accommodated in Davis and surrounding communities. In addition, the 2018 MOU between the City and UCD did not require UCD to make up for failing to meet the housing goals established in the 2003 LRDP and the 2002 Board of Regents affordable student housing report. The MOU should be amended to obligate UCD to expeditiously make up for this lingering deficit. This was a disappointing outcome since UCD is within the Davis “Sphere of Influence”, yet the City did not use this leverage when negotiating the new UCD-City of Davis MOU to demand even more on-campus student housing to backfill two decades of UCD negligence to provide adequate student housing to keep pace with its accelerated growth.

b) It is also inexcusable that UCD has made no progress in producing on-campus faculty and staff housing; language regarding the need for it such housing should be included in the Housing Element. UCD has simply talked about the goal of producing on-campus faculty and staff housing for many years, yet continues to “kick the can down the road”. There were plans proposed for a faculty and staff housing project on campus, which apparently has been shelved for now. UCD needs to be pressured with language in our Housing Element to get this on-campus staff and faculty housing planned and built sooner than later and to stop the delays.

c) Language needs to be included in the new Housing Element that UCD build far more than the 48% on-campus housing (per its LRDP) since UCD will clearly exceed 39,000 students by the academic year 2030-2031. The other UCs, by comparison, are providing *at least* 50% on-campus student housing. UCD is the largest UC with over 5,300 acres and a 900-acre core campus, so they are fully capable to building far more and far higher density housing on campus. The new housing that UCD has proposed has been far too low in density yields far fewer units and beds than is possible, which is a waste of its land resources.

Meanwhile, Davis has approved two 7-story student housing projects in Davis, yet UCD has not built any housing over 5-stories, and the majority are only 3- and 4- stories, and rarely 5 stories. UCD’s lack of sustainable planning is inexcusable and needs to be addressed in the City’s new Housing Element by including a policy of good sustainable planning requesting that far higher density housing needs to be built on campus. This would result in not only more housing, but would demonstrate a concrete commitment by UCD to sustainable planning principles. Simply put, UCD needs to practice what it teaches, *on its own campus*.

d) The City needs to add language in the Housing Element and argue that SACOG should write policies to require or at least advocate the UCD (and UCs) to provide far more on-campus student housing to reduce pressure on the UC host cities like Davis and their surrounding communities, which is significantly contributing to the housing shortages in these areas.

**12) Providing affordable housing should be pursued primarily via the dedicated land mechanism since it is the most efficient way to provide the most affordable housing which would remain affordable long-term.** It is also the best way to include the best affordable housing design features to make the project the best it can be.

**Furthermore, affordable housing in lieu fees need to be increased significantly, plus consider having an annual inflation factor built-in and/or an annual reevaluation of the fees to see if, and how much they need to be increased.**

**More specifics and the rationale regarding these points include:**

a) An important concept to understand, is that, since affordable housing on-site provided by the developer is costly, the far better approach is for projects with a parcel large enough, should be to encourage dedication of a portion of the property for affordable housing. Subsequently, other mechanisms, including affordable housing non-profit organizations would make proposals to compete for dedicated land sites, and the land site would be awarded to the proposal which is deemed the best of any competing non-profits.

This process would remove the financial burden of the affordable housing production from the developer and would allow the affordable housing non-profit organizations who are qualified to apply for public funding from various sources. This includes private, state and federal funding sources which have the funding to build the affordable housing project. This is also a way to build far more affordable units than developers can build. This is due to several factors including economy of scale, and the funding sources that affordable housing non-profits can access.

In short, we get far more “bang for our buck” to develop far more affordable units successfully with dedicated land for affordable housing. This is one of the most common and most successful ways, historically, by which Davis developed affordable housing on larger residential project proposals. A recent example is the West Davis Active Adult Community project (Bretton Woods), which will be building far more senior affordable units on its dedicated site than if the developer had to develop them.

**b) The City’s “in lieu” fees are outdated and far too low and need to be revaluated and increased.** Currently, the City’s in lieu fees are so low that they are an incentive for developers to cheaply buy their way out directly providing affordable housing cheaply. This issue has been raised in the past and the fees were modestly raised by the City, but not nearly to the extent that they should have been to match what it *actually* costs to produce an affordable unit.

**c) “Vertical mixed use” zoning’s current inadequate and ambiguous affordable housing policy needs a new fiscal analysis, to increase, and define a solidified requirement.** The vertical mixed use category exemption that allows developers to only provide 5% affordable housing is far too low and generous to developers of mixed-use projects. The percentage requirement should be increased. Worse yet, the current mixed-use provision is not a solid requirement but wishy-washy to say the least, *if it is even implemented*.

The City’s vertical mixed-use zoning category and needs to be analyzed by another consulting group to evaluate how much affordable housing would be feasible, or the range that feasibly can be required of a vertical mixed-use developer. Most, if not all, of the recent vertical mixed-use projects have applied or attempted to apply for an affordable housing exemption if they had a vertical mixed-use project, which would enable them to avoid providing any affordable housing. The City’s former municipal code allowed mixed-use projects to completely avoid the provision of affordable housing, with disastrous results. Vertical-mixed-use zonings need to have a solid requirement for affordable housing, and the percent of it required in a vertical mixed-use project must be re-evaluated.

The current 5% recommendation for mixed-use projects outside of the downtown (versus mixed-use projects in downtown Davis where land costs are much higher) appears to be too low and would do virtually nothing to help with the need to provide more affordable housing. Otherwise, developers will continue to evade the provisions of affordable housing in vertical mixed-use projects. Perhaps the requirement would be on a sliding scale depending on the size and density of the project, but it needs to be a requirement and have a solidified affordable housing requirement policy.

Thank you for the opportunity to give input to the Housing Element Update. If any questions please feel free to contact me.

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