

## STAFF REPORT

**DATE:** December 16, 2014

**TO:** City Council

**FROM:** Mike Webb, Community Development and Sustainability Director  
Heidi Tschudin, Contract Project Manager, Innovation Centers  
Sarah Worley, Deputy Innovation Officer

**SUBJECT:** Innovation Center Projects – Update, Task Force, Guiding Principles, and CEQA Alternatives

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### **Recommendation**

1. Receive update on the status of two innovation center applications; and
2. Direct staff to conclude the work of the Innovation Park Task Force; and
3. Approve the attached Resolution to accept the proposed final Guiding Principles and direct staff to utilize them in evaluating the merits of the innovation center applications. Conclude the City Council Subcommittee on Guiding Principles; and
4. Confirm the range of alternatives proposed by staff to be evaluated in the Innovation Center Environmental Impact Reports.

### **Fiscal Impact**

All staff and consultant time is funded through fees charged of the applicants. The applicants have paid all required deposits and relevant project charges are billed against these amounts.

### **History and Background on City Innovation Centers**

As reported to the Council in a staff report from February of this year, the City has spent many years working to assess and identify opportunities to strengthen economic development activities. Below is a partial list of relevant reports and studies. Attachment A, Background Reports and Studies, contains a complete list.

2001 -- City of Davis General Plan Update

October 2010 – The City released the Business Park Land Strategy to better understand the City’s long-term economic future and provide guidance for future decisions regarding community economic development goals for the 2010 to 2035 timeframe.

October 2010 – The City Council established the Innovation Park Task Force to explore peripheral sites for future business park development to accommodate medium-scale businesses. The Task Force was created by the Council as an outcome of the 2010 Business Park Land Strategy. The Task Force was comprised of six members – two Council members, two Planning Commissioners, and two representatives of the Business and Economic Development Commission. This committee held their last meeting in June 2014.

November 2012 – The City Council adopted the Studio 30 Davis Innovation Center Final Report and approved Resolution 12-174 which gave direction to: 1) adopt a new model for evaluating fiscal impacts and economic benefits of new innovation/research development; 2) pursue a “dispersed innovation strategy”; 3) undertake a community engagement process to pursue the recommendations of the Task Force and their report; and 4) proactively partner to promote innovation business growth.

February 2013 – The City Council adopted a resolution endorsing the Next Economy, Capital Region Prosperity Plan (2013 -2017) and authorizing the City Manager to align City economic development efforts to support implementation.

May 2014 -- The City issued a “Request for Expressions of Interest” (RFEI) from parties interested in developing Innovation Centers that would serve the Davis research and technology sectors and create a place for Davis technology companies to continue to grow. The purpose of the RFEI was to gauge market interest and alternative options to be considered by the City and its partner agencies.

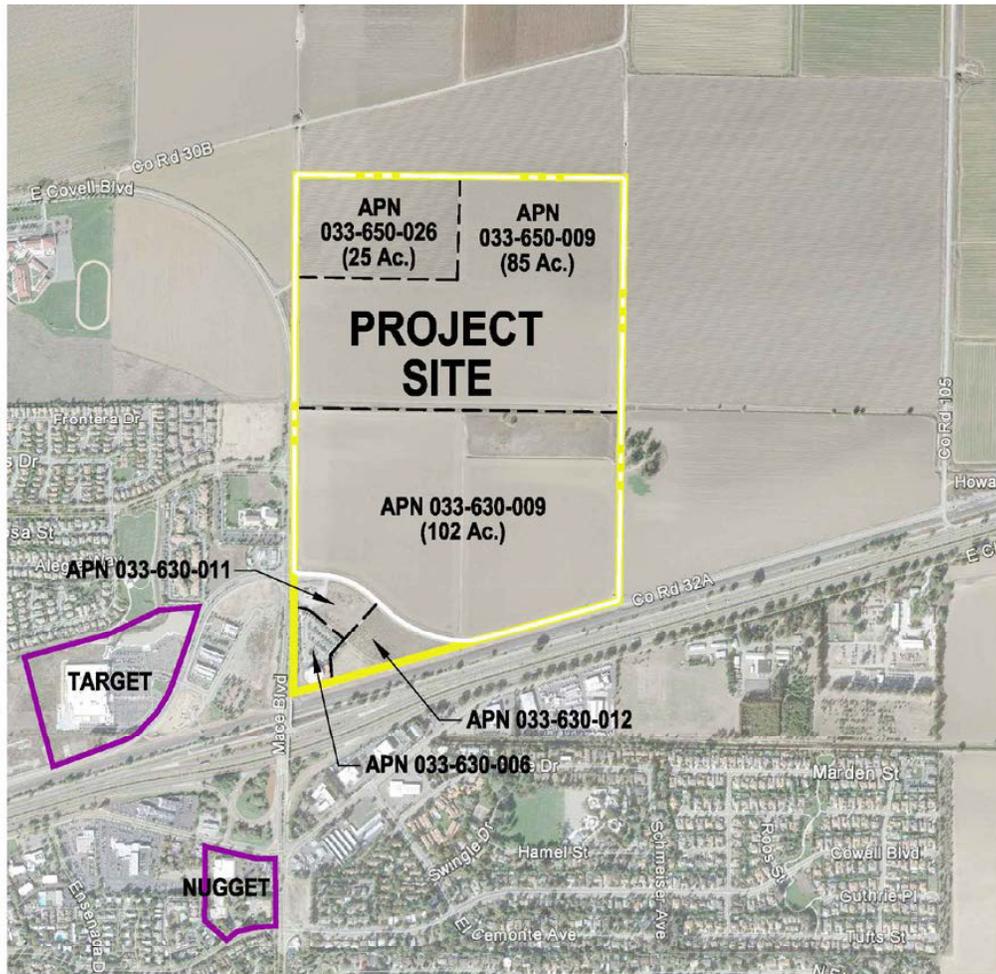
July 2014 – Innovation Office staff reported to the City Council on the results of the RFEI process. Three responses were received and two were invited to submit applications. The City Council appointed a two-member Council Innovation Center Subcommittee (Rochelle Swanson and Mayor Pro Tem Robb Davis) to provide additional guidance, initial policy direction, and Council updates during any project review process.

#### **Mace Ranch Innovation Center Application**

The Mace Ranch Innovation Center (MRIC) application was accepted for filing on September 15, 2014. The applicant is Dan Ramos of Ramco Enterprises, a West Sacramento land developer, partnered with The Buzz Oates Group of Companies, a Sacramento real estate firm.

The Notice of Preparation was issued November 7, 2014 and comments on the scope of the EIR will be received through December 8, 2014. A scoping meeting was held November 17, 2014. The EIR process is underway and the staff continues to work with the applicant to complete the application.

The application proposes pre-zoning and annexation of ±229 acres of land at the northeast corner of Mace Boulevard and County Road (CR) 32A, immediately adjacent to the City limits. Three parcels totaling ±17 acres (the City water tank/park and ride lot, Ikedas, and an agricultural parcel) at the corner would remain in existing uses. These properties are included as a part of the application for purposes of annexation only, in order to avoid the creation of a County island which is prohibited under state law governing annexations. The other ±212 acres would be developed as an innovation and technology center.



This application proposes 2,654,000 square feet (sf) of space on 137 acres allocated as shown below, with the remaining 75 acre proposed for open space:

- 1,510,000 sf Research; Office; Research and Development
- 884,000 sf Manufacturing; Research
- 160,000sf Hotel (150 rooms); Conference
- 100,000sf Ancillary Retail
- 2,654,000 sf TOTAL



The project will require the following approvals/actions from the City:

- Annexation into the municipal boundary of the City of Davis
- Amendment of LAFCO Sphere of Influence (SOI) and Municipal Services Review (MSR) for the City of Davis
- Amendment of the Davis General Plan to create a new land use designation and apply it to the Innovation Center, to apply Public/Semi-Public to the City water tank/park and ride lot, and to apply the General Commercial designation to the other two corner parcels
- Pre-zoning/Zoning to create new Preliminary Planned Development Zones and attach new zoning designations to the project site.
- Execution of a Development Agreement
- Approval of large lot Tentative Subdivision Map
- Site Plan/Architectural Review related to proposed Design Guidelines and Design Performance Standards
- Action by the City Council to call for an election and set the baseline features of the project
- Voter action on a ballot measure pursuant to the requirements of Measure R

### **City Owned Property Included in MRIC Application**

Two of the parcels included as a part of the MRIC application are owned by the City of Davis:

- APN 033-630-006 (3.4 acres) -- developed with a City water tank and park and ride lot (“water tank parcel”)
- APN 033-650-026 (25.3 acres) -- agricultural use (“25-acre parcel”)

As noted above, the City water tank parcel and the two other parcels adjoining it at the northeast corner of Mace Boulevard and CR 32A (owned by Ikeda and Bozorgchami), were included in the application at the direction of City staff in order to avoid the creation of a County island as a result of the proposed annexation. The Executive Director of the Yolo Local Area Formation Commission (LAFCO) has confirmed that annexation of the MRIC parcels would not be allowed unless the three parcels at the corner are included. The corner property owners have been contacted by City staff and have agreed to participate in the application for this purpose. City staff will prepare a Preliminary Planned Development for the corner properties, to include as a part of the MRIC project, which will allow the continuation of existing uses and provide flexibility for compatible future general commercial uses on the two privately held parcels. For the Draft EIR the two private parcels will be assumed to develop with approximately 142,000 sf of agricultural retail, restaurant, and office uses.

Inclusion of the City 25-acre parcel was discussed at City Council meetings held in July and October 2014 as a part of Innovation Center agenda items. It is recognized that this 25-acre site has been the topic of discussion by the Open Space and Habitat Commission for possible future use as a community farm. The implications, including new and forgone opportunities, of including the 25-acre parcel as a part of the MRIC project will be fully explored and vetted as a part of the project analysis, including appropriate use of the property and mitigation. Ultimately, an agreement between the applicant and City will need to be reached regarding the disposition of this property.

It should be noted that the recently created 391 acre Leland Ranch Agricultural Conservation Easement borders the MRIC site to the north and east. This conservation easement, funded by a Natural Resource Conservation Service grant, creates a permanent agricultural area along this eastern edge of the City. The conservation easement, including the use restrictions associated with the easement, do not apply to the City owned 25-acre parcel.

### **Davis Innovation Center Application**

The Davis Innovation Center application was accepted for filing on November 3, 2014. The applicant is SKK Developments, a Sacramento real estate firm partnered with Hines Company, an international real estate investment firm.

The Notice of Preparation was issued November 20, 2014 and comments on the scope of the EIR will be received through December 22, 2014. A scoping meeting was held December 15, 2014. The EIR process is underway and the staff continues to work with the applicant to complete the application.

The application proposes pre-zoning and annexation of ±208 acres of land located in the northwest quadrant of Covell Boulevard and State Route 113, immediately adjacent to the City limits, for the purposes of developing an innovation and technology center.



This application proposes 4,000,000 square feet (sf) of space on 156 acres allocated as shown below, with the remaining 52 acres proposed for open space:

- 3,000,000 sf Technical Office; Laboratory
- 680,000 sf Research and Development; Assemble; Flex Space
- 200,000 sf Hotel (200 rooms); Exhibition; Visitor Center
- 120,000 sf Ancillary Retail
- 4,000,000 sf TOTAL



The project will require the following approvals/actions from the City<sup>1</sup>:

- Annexation into the municipal boundary of the City of Davis
- Amendment of the Davis General Plan to create a new land use designation and apply it to the project site
- Pre-zoning/Zoning to create a new Preliminary Planned Development Zone and attach a new zoning designation to the project site.
- Execution of a Development Agreement
- Site Plan/Architectural Review related to proposed Design Guidelines and Design Performance Standards
- Action by the City Council to call for an election and set the baseline features of the project
- Voter action on a ballot measure pursuant to the requirements of Measure R

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<sup>1</sup> The applicant is not currently requesting a tentative map to subdivide the property but subdivision will be required in the future to allow the proposed development to proceed.

**Summary of Both Applications**

The following table provides an overview of the two applications:

<b>Item</b>	<b>Mace Ranch Innovation Center</b>	<b>Davis Center</b>	<b>Innovation Center</b>	<b>Combined Totals</b>
Total Square Footage	2,654,000		4,000,000	6,654,000
Research; Office; R&D	1,510,000			1,510,000
Tech Office; Lab			3,000,000	3,000,000
Manufacturing; Research	884,000			884,000
R&D; Assembly; Flex			680,000	680,000
Ancillary Retail	100,000		120,000	220,000
Hotel/Conference	(150 rooms) 160,000 <sup>5</sup>	(200 rooms) 200,000		(350 rooms) 360,000
Total Acres	212		208	423
Open Space	75		52	127
Residential	0		0	0
Location	East area Mace Blvd/I-80	Northwest area Covell Blvd/SR 113		
In City SOI	No	Yes (20-year)		
Developer	Ramos; Oates; Bruner	SKK; Hines		
Project Manager	Dan Ramos (916) 919-1824	John Hodgson (916) 548-8554		

As summarized previously, the actions to solicit innovation center applications were the outcome of a number of City studies and processes addressing the City’s long term capacity to meet space needs of existing growing and new businesses. The multi-year work of the Innovation Park Task Force culminated in Council adoption of a “Dispersed Innovation Center Strategy,” a multi-pronged approach of which consideration of new innovation centers is one part. The Innovation Park Task Force (IPTF) was created by the Council as an outcome of the 2010 Business Park Land Strategy, and charged with exploring peripheral opportunity sites to accommodate medium-scale businesses, including Mace Ranch/I-80 and the Northwest quadrant as initial site options; and to identify attributes of world-class next-generation university-related business park and how they would apply to a future innovation center in Davis. With the acceptance of these applications and commencement of processing pursuant to California planning, zoning, and development laws, this brings to a logical conclusion the work of the Innovation Park Task Force.

*RECOMMENDATION #2: Staff recommends that the City Council direct staff to conclude the work of the Innovation Park Task Force.*

**Background on Guiding Principles for Community Evaluation of Proposed Innovation Centers**

Based on prior discussions of important guiding attributes for the innovation centers, the Council Innovation Center Subcommittee developed a set of “Guiding Principles” to better define community values and clarify community expectations for evaluating and guiding refinement of

proposed Innovation Centers. The principles provide a framework for community evaluation of the two projects. They will be used as one of several evaluation tools for assessment and comparison of the innovation center proposals. Other tools will include the EIR, technical reports, community outreach, General Plan policy consistency analysis, local regulatory consistency analysis, and Guiding Principles consistency analysis.

### **Summary of the Guiding Principles**

The proposed final principles are organized into eight areas or themes:

- 1) Density– This principle supports efficient use of land balanced with achieving the needs of tenants by encouraging the following:
  - a. Minimum floor area ratio (FAR) goal of 0.5
  - b. More intense use of the land
  - c. Mix of building types
  - d. Corporate headquarter buildings
  
- 2) Sustainability – This principle supports green design and the reduction of greenhouse gases by encouraging the following:
  - a. Integration of Low Impact Development principles into the project design
  - b. Street design that minimizes paved surfaces
  - c. Reduction of greenhouse gases
    - Reduction of vehicle trips
    - Support for alternative transportation modes
    - LEED/green building design
    - Net-zero energy production
    - Achieve 1990 emission levels
  - d. Bolster the goals of the Climate Adaptation and Action Plan
    - Minimum CalGreen Tier 1
    - Greater energy efficiency measure
    - Photovoltaic panels
    - Retrofit existing buildings
  - e. 2:1 mitigation for loss of agricultural land
    - Research fields in agricultural buffers
    - Design, maintenance and ownership of open space
  - f. Other sustainable practices including
    - LEED construction
    - Use of advanced building materials
    - Water conservation and recycling/reuse
    - Bio-based runoff treatment with conjunctive reuse
    - Parking and rooftop energy generation
    - Integration of habitat, drainage, and greenbelts
    - Maximize connectedness of open space
    - Urban forest; healthy trees

- 3) Transportation – This principle supports connectivity by encouraging the following:
  - a. Multi-modality
  - b. Alternative transit and shuttles
  - c. Mobility for bicycles, pedestrians, and alternative fuel vehicles
  - d. Connectivity for bicycle, pedestrian, and transit networks
  - e. Alternatives for vehicular parking
  - f. Bicycling sharing program; enhanced bicycle amenities
  
- 4) Work Environment – This principle supports creation of an engaged and inviting workplace by encouraging the following:
  - a. Creation of an inviting and active environment
  - b. LEED standards for healthy interior design and work environment
  - c. Provide ancillary retail to serve employees
  - d. Creative design and active outdoor spaces
  - e. Inspirational architecture
  - f. Preservation of scenic and habitat value
  - g. Flexible space
  - h. Cutting-edge amenities
  
- 5) Uses – The principle supports high aesthetic standards by encouraging the following:
  - a. Innovative design
  - b. Minimize warehouse uses
  - c. Mix of building forms
  - d. Flexible ownership opportunities
  - e. Mix of R&D related uses
  - f. Project-serving retail and recreational amenities
  - g. Ancillary hotel and conference space
  - h. Restrict distribution and heavy truck deliveries
  - i. Create research and technology jobs and revenue generating uses
  
- 6) Timing and Phasing – This principle requires the applicant to demonstrate sufficient resources to ensure completion of the project and supports flexible project phasing by encouraging the following:
  - a. Flexibility to meet market demand and adapt over time
  - b. Density, phasing, and job growth sensitive to community growth, mitigation requirements, and phasing of infrastructure
  - c. Flexibility in phasing to meet tenant needs
  
- 7) Fiscal Considerations and Net Community Benefits – This principle supports fiscal neutrality and economic benefit by encouraging the following:
  - a. Result in net community benefits (social and environmental)
  - b. The project should provide substantial surplus annual revenue (over costs), positive economic impacts, and citywide multipliers
  - c. Infrastructure and construction costs to be absorbed by the project
  - d. Create new jobs and tax revenue
  - e. Generate revenue through an assessment district and/or pay annual per-square foot charge
  - f. Fiscal considerations relevant to current industry standards

- 8) Collaborative Partnerships – This principle supports partnerships, new technology, and business development by encouraging the following:
- a. Create benefits and prosperity for the City, partner agencies, the community, and UCD
  - b. Support research and development
  - c. Increase access to related educational opportunities
  - d. Support technology transfer

**Commission Review of Draft Guiding Principles**

The Council Subcommittee requested that the draft principles be evaluated by the City Commissions identified below to receive feedback regarding proposed edits to the draft principles and proposed new principles. Each Committee was asked to focus their comments to topical areas within the purview of their committee.

- Natural Resources Commission -- This commission advises the City Council on preservation, management, and enhancement of the City's natural resources. They reviewed the principles on October 27, 2014
- Finance and Budget Commission – This commission advises the City Council on technical financing and budgeting issues. They reviewed the principles on November 3, 2014
- Open Space and Habitat Commission – This commission advises the City Council on open space issues, wildlife and habitat, agricultural land conservation, parks, trails, and environmental education. They reviewed the principles on November 3, 2014.
- Bicycling, Transportation, and Street Safety Commission – This commission advises the City Council on transportation, transit, bicycling, pedestrian circulation, street design, traffic operations, enforcement, safety, parking, and transportation infrastructure maintenance. They reviewed the principles on November 13, 2014.

At the request of the Council Subcommittee the Cool Davis coalition also reviewed the principles. Cool Davis is an active network of residents, community organizations, businesses and community institutions committed to implementing the City's Climate Action and Adaptation Plan. The Cool Davis Board of Directors reviewed the principles on November 13, 2014 and the general membership reviewed them on November 19, 2014.

**Council Subcommittee Recommended Final Guiding Principles**

Each of the Commissions provided important and thoughtful feedback which is summarized Attachment B, Compiled Commission Comments. In general the comments fit into several categories: new recommended principles, modifications to drafted principles, and other comments and feedback. The input from these commissions was reviewed and considered by Council Subcommittee and staff. Attachment C, Proposed Final Guiding Principles, provides a proposed final version of the Draft Guiding Principles as recommended by the Council Subcommittee and staff.

*RECOMMENDATION #3: Staff recommends that the City Council direct staff to utilize the proposed final Guiding Principles in evaluating the merits of the innovation center applications and conclude the City Council Subcommittee on Guiding Principles.*

**CEQA Requirements for Alternative Analysis**

The California Environmental Quality Act (CEQA) requires analysis of a range of reasonable alternatives to the project, or the location of the project, which would feasibly attain most of the projects basic objectives and avoid or substantially lessen the significant effects of the project. The range of alternatives is governed by the “rule of reason” which requires the EIR to set forth only those alternatives necessary to permit a reasoned choice (CEQA Guidelines Section 15126.6). The feasibility of an alternative may be determined based on a variety of factors, including but not limited to economic viability, availability of infrastructure, and plans or regulatory limitations (CEQA Guidelines 15126.6(f)(1)).

At this early stage in the process the staff believes that the following range of alternatives satisfies these criteria and is appropriate and necessary for meeting the requirements of CEQA and ensuring legal defensibility. These alternatives will evolve based on information that will be generated from the technical studies. They will be further defined as more information is known about the likely impact of the projects.

1. No Project Alternative – This alternative assumes that existing conditions/uses continue on the project sites. This alternative is required under State law. This alternative would be analyzed at a “comparative” level but there would be considerable detail available through the setting sections of the EIR.
2. Off-site Alternative – This alternative would assume development of the proposed project at an alternative site. The rationale for an off-site alternative generally is that it may avoid or substantially lessen the significant effects of the project. For the MRIC project the Off-Site Alternative would assume development only at the Davis Innovation Center site. For the Davis Innovation Center project the Off-Site Alternative would assume development only at the MRIC site. Because a full-scope EIR is being prepared for each project this means that the offsite alternatives analysis will be analyzed at a very detailed level referred to under CEQA as “equal weight” analysis.
3. Reduced Site Size – This alternative assumes the full intensity of development on a smaller site. The rational for this alternative generally is to test whether a more compact urban form would avoid or substantially lessen the significant effects of the project. For the MRIC this would assume development of up to 2,654,000 sf on the 102 acre Ramos parcel closest to Mace Boulevard and I-80. For the Davis Innovation Center this would assume development of up to 4,000,000 sf on the 75-acre parcel immediately west of the Sutter Hospital property. This alternative would be analyzed at a comparative level but with additional detail provided where possible.
4. Reduced Project – This alternative assumes 35 to 50 acres for short-term expansion of only one or two Davis businesses. It is assumes that this would include the Schilling Robotics expansion. The rational for this alternative is to examine the comparative level of impact associated with a small project that meets only short-term economic expansion needs. For the

MRIC this would assume development of the western one half of the Ramos parcel described in Alternative 3 totaling ±50 acres and assumes a maximum of 500,000 sf of research and development uses. For the Davis Innovation Center this would assume the southern one half of the 75-acre parcel described in Alternative 3 totaling ±35 acres and assumes a maximum 500,000 sf of research and development uses. This alternative would be analyzed at a comparative level but with additional detail provided where possible.

5. Mixed Use Alternative – This alternative assumes the introduction of a balance of high-density residential uses in both projects. The type of housing anticipated would be high density (over 30 du/ac), attached, multi-story live/work units designed specifically to house and support workers within the Innovation Center. It would include a mix of ownership and lease/rental units. Designs would incorporate green technology, high efficiency, compact form, with the latest technology and lifestyle features, and emphasis on low to no-vehicle use.

Housing was not recommended for inclusion in project(s) during the RFEI process, nor are the applicants proposing housing as part of their proposals. However, CEQA requires that the lead agency test alternatives that could reasonably reduce significant impacts of the project. Staff anticipates that the project EIRs may identify significant impacts related to vehicle miles traveled, and air quality and greenhouse gas emissions. As a result, staff has concluded that a mixed use alternative will likely be necessary to satisfy CEQA requirements. There is a growing field of study that demonstrates that mixed uses can lower the traffic, air quality, greenhouse gas, energy efficiency, and related impacts of separated land uses. This alternative will test the possibility that a mix of innovation center and residential uses will generate lowered amounts of regional traffic, vehicle miles traveled (VMT), and greenhouse gas emissions as compared to the business-only proposals.

During the review of the Guiding Principles with the various City Commissions, questions about the inclusion of a residential component were raised by the Bicycling, Transportation, and Street Safety Commission, the Natural Resources Commission, and Cool Davis.

For each application research is underway to estimate job generation. The mixed-use alternative for each project will assume the inclusion of enough high-density units to achieve a balance of jobs and housing. The exact ratio of jobs to homes that might achieve this is under evaluation. As an example however, if it is determined that one of the applications would generate 5,000 jobs and that a jobs/housing ratio of 1.5 jobs per unit was defensible, then the mixed use alternative for that project would assume the need for approximately 3,300 units. To the extent that these units are reasonably foreseeable within of near Davis, the number of units assumed for integration into the mixed-use alternative may be lowered accordingly.

*RECOMMENDATION #4: Staff recommends that the City Council confirm the range of alternatives proposed by staff to be evaluated in the Innovation Center EIRs.*

#### **Processing Schedule and Next Steps**

October/December 2014 – Staff and the applicants have been working to finalize the applications and to commence all necessary technical and other studies, including economics and market absorption. Staff has undertaken coordination with LAFCO regarding annexation to ensure that the needs of that agency are fully addressed during the City’s application review process. Annexation will require the negotiation of a Tax Sharing Agreement with the County – staff has

started this dialog and is in the process of engaging a consultant to undertake the necessary fiscal impact analysis to support the discussions. Staff is also developing a community outreach strategy to ensure community education, engagement, and involvement throughout the process.

January/February/March 2015 – During this time the technical and other studies will be completed and peer reviewed for use in the Environmental Impact Report (EIR) and later steps of the process. These include reports on the following: geotechnical, hazardous materials, title reports, infrastructure, flooding, visual simulations, biological resources, cultural resources, water supply, air quality and greenhouse gas emissions, noise, traffic, bicycle and pedestrian mobility, economic, and fiscal impacts.

June 2015 -- The Draft EIR for each of the applications is targeted for release in June of 2015. At that time the City will also release the various technical and other analyses described above. Public workshops and other community outreach will be held and comments will be solicited on both the Draft EIRs and the merits of the projects. City commissions will be asked to weigh in on the proposals. This will be an important period in the process as the information generated through the analysis process and outreach program will be used to work cooperatively with the applicants to refine and improve the proposals. It is anticipated that the Development Agreements and County Tax Sharing Agreement will be drafted at this point.

October 2015 -- The City will prepare and release responses to the comments received on the Draft EIRs during the period described above. City staff will complete an analysis of the merits of the project factoring information gleaned from the EIR, technical reports, community outreach, applicant input, General Plan policy consistency analysis, and Guiding Principles consistency analysis. More public outreach will occur during this period.

November/December 2015 – The projects will be presented to the Planning Commission and City Council for formal action. If approved, staff will undertake the steps necessary to place the proposals before the voters as part of a Measure R vote.

March 2016 – The projects will be placed on a ballot for action by the voters.

**Attachments**

- A – Background Reports and Studies
- B -- Compiled Commission Comments
- C – 1. Resolution Adopting Guiding Principles
- C – 2. Exhibit A: Proposed Final Guiding Principles

**ATTACHMENT A**  
**Innovation Center Background Reports and Studies**

The following is a partial list of relevant reports and studies:

1992 -- Business Development in Davis – Report of the Economic Development Task Force

1994 -- Northwest Study Area: Opportunities and Constraints Analysis

1998 -- Comparative Evaluation of Research Park Development Proposals for Potential Inclusion in the General Plan EIR

2001 -- City of Davis General Plan Update

2003 -- University of California Davis Science and Technology Innovation Center Feasibility Study

2006 -- Economic Development Strategic Goals

2007 -- Battelle Study Analysis of Trends in North American Research Parks

2008 -- Economic Strategies Group (ESG), Business Park Viability Study - Cannery Park

2009 -- Davis Economic Health and Prosperity Report

2010 -- The Washington Advisory Group – External Review of Research at UC Davis

2010 -- University of California Davis Blue Ribbon Committee Review of Technology Transfer and Commercialization

October 2010 – The City released the Business Park Land Strategy to better understand the City’s long-term economic future and provide guidance for future decisions regarding community economic development goals for the 2010 to 2035 timeframe.

October 2010 – The City Council established the Innovation Park Task Force to explore peripheral sites for future business park development to accommodate medium-scale businesses. The Task Force was created by the Council as an outcome of the 2010 Business Park Land Strategy. The Task Force was comprised of six members – two Council members, two Planning Commissioners, and two representatives of the Business and Economic Development Commission. This committee held their last meeting in June 2014.

July 2010 – The City adopted the City of Davis Climate Action and Adaptation Plan (CAAP)

2010 -- Findings of the Designing a Sustainable Innovative Davis Economy (DSIDE) Community Forum

July 2011 -- The City Council approved the Working Draft of the Comprehensive Economic Development Strategy (2011-2016) the goal of which is to create a shared vision for the community's economic future.

2011 – University of California Davis Innovation Hub Request for Matching UC Davis Research with Regional Economic Development

2011 -- Innovation through Collaboration: A Strategic Vision for a UC Davis Innovation Hub (City of Davis response to UC Davis Request for Ideas for Creation of an Innovation Center)

2012 -- Downtown University Gateway District Memorandum of Understanding

November 2012 – The City Council adopted the Studio 30 Davis Innovation Center Final Report and approved Resolution 12-174 which gave direction to: 1) adopt a new model for evaluating fiscal impacts and economic benefits of new innovation/research development; 2) pursue a “dispersed innovation strategy”; 3) undertake a community engagement process to pursue the recommendations of the Task Force and their report; and 4) proactively partner to promote innovation business growth.

February 2013 – The City Council adopted a resolution endorsing the Next Economy, Capital Region Prosperity Plan (2013 -2017) and authorizing the City Manager to align City economic development efforts to support implementation.

2013 – University of California Davis 2020 Initiative

February 2014 -- Innovation and Economic Vitality Work Program for 2014-2016

May 2014 -- The City issued a “Request for Expressions of Interest” (RFEI) from parties interested in developing Innovation Centers that would serve the Davis research and technology sectors and create a place for Davis technology companies to continue to grow. The purpose of the RFEI was to gauge market interest and alternative options to be considered by the City and its partner agencies.

July 2014 – Innovation Office staff reported to the City Council on the results of the RFEI process. Three responses were received and two were invited to submit applications. The City Council appointed a two-member Council Innovation Center Subcommittee (Rochelle Swanson and Mayor Pro Tem Robb Davis) to provide additional guidance, initial policy direction, and Council updates during any project review process.

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	New G. P.	Add to G.P. text	Covered by G.P.
<b>F&amp;BC</b>				
	Project objective should be to generate City revenue not cost.			#7
	Maximization of property tax and assessment district revenue should be an objective of the project, but not so far that project is infeasible (maximize assessment district revenue and property tax revenue on an ongoing basis, e.g. 2% per sq. ft. assessment district could generate millions for the city each year).			#7
	#7 Establish an assessment district with an assessment tax that generates guaranteed revenue, (in perpetuity), to address long term short fall and unfunded liabilities.		#7 X	#7
	Assessment district can be set on land value appreciation, following Measure R vote.			
	Need to take into account feasibility and risk factors in light of unknown economic conditions. Need to have robust economic modelling. <We will be looking at market absorption as part of economic & fiscal impact analysis.>			#7
	Maximize private sector use; offset loss of property tax. Issue of occupancy, e.g. if UC Davis occupies private sector space, city loses property tax revenue. Will there be a mechanism in place to offset payments?			#7
	Ensure ability of applicant to deliver projects; protect interests of center regionally; ensure success, minimize risk. What can be done make sure that before project breaks ground, it can be finished? What can the City do to assure execution of the project (e.g. vacancies in Elk Grove and Vacaville)? How can we address risk mitigation? This needs to be addressed/elaborated on in the Guiding Principles. < Fiscal analysis of the Projects is required, and will include infrastructure feasibility and financing guarantees. City is also requiring peer review.>		#6	
	UCD as a partner needs to be added into principles	X		
	#7, 3 <sup>rd</sup> bullet – Add “And T.O.T. Tax Revenue” from the hotel uses		#7 X	

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	New G. P.	Add to G.P. text	Covered by G.P.
NRC				
	Build in flexibility in phasing			#6
	What is the maximum FAR allowed? What is the maximum FAR ratio of Interland? < Avg. 0.28:1 FAR, but we are encouraging intensification of our light industrial areas to 0.5:1 >			#1
	Land Utilization – maximize efficient use of land, e.g. taller buildings with smaller foot prints, vs. shorter story structures with larger footprints.			#1
	Allow evolution of “good” “green” design			#2
	Contribute to energy efficiency in existing buildings			#2
	Incorporate alternative energy production as part of design; energy production on site.			#2
	Goal for projects to be net zero, push for net zero carbon emissions			#2
	As part of a future development agreement, if there is not sufficient nexus for further onsite required mitigation, could retrofit of schools or other public buildings be considered as an alternative to increasing marginal returns on investment within the centers themselves?			#2
	Add “transit lines” to Principle #3		#3 X	
	Seek partnership with UCD + other transit (Unitrans expansion)		#3 X	
	Connectivity with AMTRAK		#3 X	
	Emphasize connectivity as a key design feature			#3
	Issue of water use efficiency should be addressed as part of LEED building design criteria.		#2 X	
	Emphasize water recycling and reuse		#2 X	
	Emphasize LEED in P-4 (ex: daylight, fresh air – indoor air quality)		#4 X	
	Add childcare to ancillary amenities		#4 X #5 X	

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	New G. P.	Add to G.P. text	Covered by G.P.
<b>OS&amp;HC</b>				
	Net increase in habitat for species		#2 X	
	Minimize edge effects; need more than linear strips		#2 X	
	Natural and semi-natural landscapes – not parks; agriculture okay		#2 X	
	Get habitat value from roofs – solar or “green” roof			#2
	Don't fence off Open Space; keep open for community use; maximize community engagement; educational signage			#2
	Increase efficient use of Open Space; include pollinators; native species; drought tolerant plant species.		#2 X	
	Incorporate native landscaping that creates habitat value		#2 X	
	#7, Add environmental and social benefits (nonmonetary)		#7 X	
	Increase native, increase pollinator, scenic values, environmental, social, recreation, engagement of community into OS, public access and use		#2X #5X	
	Configuration of OS on site needs to be considered; less fragmentation		#2 X	
	Impacts to air and water; low impact development strategies		#2 X	#2
	Storm drainage conjunctive uses – habitat ← → wetland ← → water quality		#2 X	
OSH Chair				
	Across the project site, maximize achievement of open-space goals and reduce use of turf and manicured lawn space, while still maintaining a financially-viable project. Make a clear distinction between open-space areas and manicured lawn space. Open-space categories relevant to these sites are:		#2 X	
	Biological and Natural Resources - Protect and enhance wildlife habitat and populations of native species. This includes preferentially planting landscaping vegetation that is native to Yolo County, drought tolerant, and attracts native pollinators		#2 X	
	Scenic Resources: Maintain views of significant local and regional landmarks		#4 X	
	Reducing this edge exposure includes reducing: The length of edge overall for all on-site open-space areas, compared to their extent. These open-space areas should have high area to circumference ratios; that is, they should be more circular or square-shaped and less elongated or linear-shaped.		#2 X	
	The length of edge for open-space areas that are adjacent to, or sandwiched between, buildings, parking areas, roadways, and infrastructure. This includes those developed features that are located either on-site and on adjacent lands. An example would be to avoid establishing open space in a narrow strip between buildings and a major roadway.		#2 X	
	Maximize the extent of open-space areas on-site. This can be achieved by minimizing the land surface area used for			#1

ATTACHMENT B - COMPILED COMMISSION COMMENTS

	parking and manicured lawns and by concentrating buildings close together (high floor area ratio)			
	Maximize the adjacency, connectivity and proximity of open-space areas on-site with each other and with open-space on adjacent lands			X
	Use on-site storm water drainage to support natural habitat on-site or on adjacent lands		#2 X	
	Maximize groundwater recharge by providing surfaces that allow on-site ground percolation. This is valuable for off-site habitat and agriculture.		#2 X	
	Minimize conversion of on-site natural habitat and prime agricultural soils to urban development			X

Group	Comment/Questions	New G. P.	Add to G.P. text	Covered by G.P.
<b>BT&amp;SS</b>				
<b>#3</b>	Re: Alternative transit - make the priority focus walking, biking, etc. with less focus on vehicle traffic (make it friendly for people working there). Most critical are bike and ped. connections. Strike phrase "and balancing business needs for vehicular traffic."		#3 X	
	Shuttle – is it just to the center destination? It should be integrated into the entire system			#3
	<Shuttles can be part of integrated system, fixed route vs. point to point.>			
	Participate in citywide bike share program?		#3 X	
	Make sure in Plan that shared bike parking is convenient, safe and dry.		#3 X	
	Offer showers and lockers.		#3 X	

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	New G. P.	Add to G.P. text	Covered by G.P.
Cool Davis				
	b. If the Center is to be welcoming to tech and clean tech businesses, start-ups need to have access to trusted mentors or established business leaders in the clean sector. Early support/buy-in from City staff, the University and other regional institutions of higher education, and local businesses will be key to the success of any Innovation Center.		#4 #8 X	
	c. Build the Innovation Centers at a higher density than usual in the City. Much of the cost of a building is in the first two floors, with reduced cost for additional floors.			#1 X
	d. The use of mass transit is a key strategy to reduce greenhouse gas emissions (GHG) and vehicle miles traveled (VMT). Thus, part of the success of the Innovation Center will depend on convenient, timely, and efficient transportation within the City and connecting to regional cities.		#3 X	
	e. Each Innovation Center ideally will include a unique feature, such as a glow-in-the-dark bike path that winds through the Center ( <a href="http://www.bbc.co.uk/news/technology-30024883">http://www.bbc.co.uk/news/technology-30024883</a> ). Build bike paths that are greenways with trees and mixed uses, making them essentially, linear parks. Such features would encourage biking, make the Center attractive to those that work there, and draw visitors, too. See also, Principle #2 c and d.		#2 c & d X	#2 #3 X
	g. In order to maintain businesses on the cutting-edge of research and development, some consideration needs to be given on how “innovation” can be part of any Center in the years to come. For example, is it possible to accommodate emerging trends over time without penalizing the project with “process”? Development regulations may need to be flexible, but without compromising the city’s Climate Action and Adaption Plan (CAAP) goals and timeline for meeting those goals.			#2 X
	h. If an Innovation Center is to meet the required goals of the City’s CAAP there <i>may</i> be a need for a residential component to the Center. Any such residential component would need to be phased in along with the development of the Innovative Center in general, as the latter will likely be phased in over time. See Principle #3: Transportation “e” below. Important questions include “How can we make it possible for most of those who work in Davis to also live in Davis? And how can we make sure that those who are coming in from outside Davis have convenient, timely public transportation and safe bike paths?”		#3 X	
#1 General Density	a. While it may take a General Plan amendment, the development density of these Innovation Centers must be increased: The current General Plan includes a goal of at least 0.5 floor area ratio (FAR). However, any Innovation Center should have a floor area ratio of at least 1.0. (A FAR of 0.5 with typical two-story buildings like the PG&E and FMC Schilling Robotics buildings on the east side of Cousteau Place results in a lot coverage of just 25%. In typical business development, most of the remaining acreage is devoted to surface parking.)			#1 X

ATTACHMENT B - COMPILED COMMISSION COMMENTS

	<p>b. In our case here in Davis, 100% of the current Innovation Center proposals are on prime agricultural land. In Davis, we can and should do better than requiring a development pattern that only puts one quarter of the land taken from food production to other economic activities, and then wastes most of the remaining land parking empty vehicles.</p>		
<b>Parking</b>	<p>a. If the City is serious about meeting its Climate action goals to reduce GHG emissions, driving should be discouraged. The lessons from UC Davis' work to reduce the modal share of autos are important: limit car access to the central property, locate parking lots on the periphery or in garages, and institute paid parking.</p> <p>b. The parking requirement for business parks in the current City of Davis Zoning Code is problematic, in that it is based on employee count rather than building square footage. That approach can prevent businesses from adding jobs if no additional parking is available, or prevent a new business with numerous employees from locating in vacant space in an existing park. The one thing we know for certain about future employment density is that we cannot predict it accurately. Parking supply must be measured against building size, which is a known value.</p> <p>c. The current City of Davis Zoning Code standard of one parking space per 1.5 employees (2 spaces for every 3 employees) is too high. It limits the market for vehicle trip reduction primarily to that third employee who will not be provided a parking space.</p> <p>d. Studies have long shown that eliminating free parking is the best tool to bring people to alternatives like bicycling, transit, and carpooling.</p> <p>e. Reducing the parking supply to just 1 space per 3 employees, and charging for that privilege, will be a huge disincentive to drive and will promote alternatives.</p> <p>f. These guidelines should also build in incentives for underground parking, to promote increased density in the Innovation Centers.</p>	#3 X	#3 X
<b>#2 Sustain-ability</b>	<p>a. The project should incorporate design and planning principles consistent with the US Green Building Council's LEED for Neighborhood Development (<a href="http://www.usgbc.org/articles/getting-started-nd">http://www.usgbc.org/articles/getting-started-nd</a>) and set mandatory <i>minimum</i> standards such as LEED (Leadership in Energy &amp; Environmental Design, a nation program of the U. S. Green Building Council) Silver or the equivalent CA Green standards.</p>		#2 X
<b>Ag Land Conserv. / Open Space</b>	<p>c. In light of climate change and the impact of development on our land, each Innovation Center plan needs to include ways to increase biological diversity on the Center's grounds, which would be a win-win for those who would work in the Center, the City, and Nature. It is time to move beyond landscaping as usual, and Reconciliation Ecology shows us an effective way.</p> <p>f. While technical solutions are an important part of achieving carbon neutrality, it is important to incorporate natural systems, as well. Planting trees offers several benefits beyond carbon sequestration. Most buildings benefit from the shade trees provide and the resulting reduction of emissions. Large mature trees are preferred as they sequester more carbon and reduce GHG emissions at a far higher rate than smaller trees. If trees are carefully selected such that they will shade the sides, but not the roofs of taller buildings, those buildings may be used for rooftop solar panels and yield more greenhouse gas reduction.</p>	#2 X	#1 #2 X



ATTACHMENT B - COMPILED COMMISSION COMMENTS

	speed Internet, conference facilities, and office equipment. Regional employers such as state and regional agencies might finance these amenities through rental or subscription. The availability of such workspaces would reduce local and regional VMT and thus, GHG.		
	c. To entice small start-up businesses with limited budgets, the Center needs to provide convenient ways to share color printers, high-quality copiers, and other equipment. d. To help businesses grow, the Center needs to provide a video studio to assist businesses of all sizes with their media and marketing.		#4 X
	e. To facilitate a live – work - learn, sustainable lifestyle, the Center need to feature other workforce support structures and programs, such as, on-site childcare and health/fitness centers with employee showers to support active transportation that contributes to reduced VMT.		#4 #5 X

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Group	Comment/Questions	Other Notes & Comments
<b>F&amp;BC</b>		
	Desire to know what economic benefit can be expected.	X
	#7 Establish an assessment district with an assessment tax that generates guaranteed revenue, (in perpetuity), to address long term short fall and unfunded liabilities.	X
	Request a min. 30 day period to review fiscal/economic modelling results before making any Commission recommendation to Council.	X
	Report to Commission on scope of econ/fiscal analysis.	X
	Maximize private sector use; offset loss of property tax. Issue of occupancy, e.g. if UC Davis occupies private sector space, city loses property tax revenue. Will there be a mechanism in place to offset payments?	X
	Need to address impact of any new retail and hotels on existing businesses. <This will be addressed in Urban Decay section of Environmental Impact Report.>	X EIR
	For the Cumulative Impact Analysis, will there be a forum for a community discussion of impacts and benefits of the project – “what the community will look like with a combination of the projects?”	X
	Q - When will data about fiscal and economic impact of projects be available for review? <City embarking on development of the information now. Staff will be providing regular updates on the economic analysis and return in June.>	X
	Q- Will the Guiding Principles apply to Nishi? <Nishi Gateway has Sustainable Community’s grant with its own guidelines and process>	X
	Q- Will there be any scenario of if Measure R doesn’t pass community votes? <No>	X
	#6, Ensure collaboration between projects to maximize success as a whole	X
	Build on strengths of all applications to move all forward to critical mass	X

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	Other Notes & Comments
NRC		
	How do principles interact? How to reconcile differences in applying guidelines when there are areas of conflicts/trade-offs? <We recognize there will be tradeoffs.>	X
	Q- What is the timing for review of the plans, design guidelines etc., where are opportunities for public input? Does each phase come back through the process?	X
	Build in flexibility in phasing	
	Importance of defining project baseline features for Measure R vote	X
	Early identification of issues - Commissions should weigh in on what is important	X
	Disclosure of "agricultural experimentation; agricultural research; use of GMO's What kind of ag experimentation, ag research is proposed? (E.g. Davis community against possible GMO's & use of pesticides).	X
	Will there be any restrictions on ag use on adjoining Ag conservation land caused by innovation centers? <No>	X
	Need to address how these projects will impact climate adaptation goals	X EIR
	Need to look at vehicle miles travelled – adherence to latest state and SACOG standards is required for traffic mitigation.	X EIR
	Do good job with EIR	X
	Adequacy of capacity for water, sewer, aquifer, storm drainage. How much increased demand on water/wastewater/groundwater/storm water will projects have. How much capacity do we have? What is the maximum amount we want to allow to be used?	X EIR
	Restate boldly: change "strive" to absolutes	X
	Management of hazardous materials; toxics	X Fire Code
	Any focus on a specific industry sector proposed?	X
	GP #6 addresses opportunities for reevaluation – how much future possibility is there for reevaluation? <As much as we build in, allow for evolution of expectations and what process specific buildings go through.>	X

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	Other Notes & Comments
<b>OS&amp;HC</b>		
	Honoring use of OS \$/Measure O money (25 acres/Mace Ranch I.C.)	X
	390 acre easement/25 acres set aside/possible community farm site	X
	Concern RE: use of land for business park...process issue	X
	Work on community farm is done ; just needs land	X
	Don't let concept of community farm get lost	X
	Commission should be impartial on whether I.C. is desirable; no advocacy	X
	Definition of OS; quality; characteristics; commission design criteria for OS	X
	Maximize OS goals over and above mitigation	X
	Link Covell ditch to North Davis ditch (Davis West site)	X
	Campus idea – old fashioned; buildings surrounded by grass	X
	Agricultural buffer unnecessary along major roadways; consolidate it elsewhere	X
	Connect storm drain easement in Mace 390 to Mace Blvd; connectivity restoration in that channel	X
	#6, 2 <sup>nd</sup> bullet – If this means mitigate as you build, this is not supported	X
	Don't confuse relocation of 25 acre Measure O money with mitigation for that 25 acres	X
	Do I.C. applications present opportunities for community farms? <example: though development agreements, Commission could make suggestions>.	X
	Mace proposal needs to address the 25 acres	X
	Commission would like input on mitigation and OS issues; Use commission criteria to evaluate: agricultural mitigation, design of I.C., location of I.C. – “score sheet”	X
<b>OS&amp;HC Chair</b>		
	Use lands purchased with open-space funding to achieve open-space goals on those lands, or provide an equivalent alternate site with similar characteristics	X
	Agriculture: Keep high-quality agricultural land productive, economically viable, and sustainable over the long-term	X
	Educate and train community members about sustainable agricultural practices	X
	Provide community members with opportunity to participate in local agricultural production	X
	Urban Fringe: Provide a clear and adequate buffer and transition zone between urban and rural land uses	X
	Maintain and enhance scenic aesthetics of community gateways and entrances	X
	Configure the design of buildings, open-space, and parking areas on-site to: minimize edge exposure of on-site open-space areas. Elongated or linear open-space areas typically result in higher maintenance costs and lower long-term viability because of negative interactions with adjacent lands.	X

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	Other Notes & Comments
<b>BT&amp;SS</b>		
	Note that housing is not affordable in Davis (0% vacancy in rental property).	X
	Q- What is the possibility that there will be housing in the project? <Neither project proposes housing.>	X
	Q – How many employees will be generated?	X
	Q – Are projects in competition? <Both center applications plus Nishi Gateway are moving forward>	X
	Q - Provide idea of size of project. <Idea is to be flexible noting total square footage. Some idea of where greater density would be, general bldg. intensity/location, building heights. Projects are conceptual at this point.>	X
	Q – What size businesses will be recruited, large or many small?	X
	Q- How involved is the University? <Just getting started on working with UCD.>	X
<b># 2&amp;3</b>	There is an overlap between principles #2 & # 3. Not clear where assumptions for where people are coming from, e.g. Dixon, West Sac. Single car vehicles etc. Some businesses use TDM programs and carpooling. <Fehr and Peers are looking at best practices, number of jobs people in Davis have.>	X EIR
	Consider adding residential component in these projects, people who work there need a place to live. Offer opportunity for workers to live there, including those with disabilities. Even a small residential component could make a big difference.	X EIR
	Ancillary retail component – could have residences at the top, or make some of the units in the hotel leased for longer term residential uses.	X
<b>#3</b>	Need to think about future benefits and future neighborhoods when looking at connectivity.	X
	Q. What is specific analysis of residential units w/in 3-5 mile radius, is this being looked at?	X EIR
	Issue of connectivity – both projects are on edges of city, depending on which one gets built, the difference in distance or location can affect how many ride their bikes.	X
	Does Unitrans really meet needs of residents? E.g. meets needs of students and may now need to expand service to broader community.	X EIR
	Connectivity is a major issue getting across Covell, I -80, Mace Blvd. (e.g. from South Davis to Mace Blvd. (Use Pell’s bike bridge?))	X
	Nishi property has access issue.	X
	Consideration to encourage bicycle use by making parking more difficult/costly	X
	Make sure there is no free parking. <Employers could offer a parking cash out for employees who do not use parking>	X
	Consider all ways to incentivize bike and pedestrian use.	X
	Consider upgrades to 113/Covell Blvd. to increase safety. Issue of “No right on red” is not adhered to.	X EIR
	Offer “bicycle only” access to the Market Place bridge.	X
	Separate bicycle paths from emergency vehicle access.	X
	City has many existing problems to address before taking on new projects.	X

ATTACHMENT B - COMPILED COMMISSION COMMENTS

Group	Comment/Questions	Other Notes & Comments
Cool Davis General	<p>a. Earlier Innovation Center planning scenarios have included a Gateway Downtown Innovation District (as discussed in the Studio 30 report). The Nishi Gateway project and any other Innovation districts proposed for the City, whether or not located downtown, need to be included as projects subject to the adopted Guiding Principles for Davis Innovation Centers.</p> <p>f. The Principles and the City of Davis would benefit from the incorporation of the ten basic guidelines from the “One Planet Living” project. (<a href="http://www.oneplanetcommunities.org">www.oneplanetcommunities.org</a>).</p>	X
#1 General Density	<p>a. While it may take a General Plan amendment, the development density of these Innovation Centers must be increased: The current General Plan includes a goal of at least 0.5 floor area ratio (FAR). However, any Innovation Center should have a floor area ratio of at least 1.0. (A FAR of 0.5 with typical two-story buildings like the PG&amp;E and FMC Schilling Robotics buildings on the east side of Cousteau Place results in a lot coverage of just 25%. In typical business development, most of the remaining acreage is devoted to surface parking.)</p> <p>b. In our case here in Davis, 100% of the current Innovation Center proposals are on prime agricultural land. In Davis, we can and should do better than requiring a development pattern that only puts one quarter of the land taken from food production to other economic activities, and then wastes most of the remaining land parking empty vehicles.</p> <p>c. A low FAR means that if demand for business park space in Davis is high, the first park approved and built, will fill up quickly. That may trigger the approval of additional business parks on prime agricultural land at a faster rate that would be necessary if these developments are built to a higher minimum FAR.</p>	X EIR
#2 Sustain-ability	<p><b>Ensure opportunities to bolster the goals of the Climate Action and Adaptation Plan (CAAP). NOTE: This section is key to implementing the CAAP goals.</b></p> <p><b>b. Incorporate the City’s Goals for Greenhouse Gas (GHG) reduction:</b> <i>The City of Davis has a goal of reaching net zero GHG emissions as a community by 2050. The City also set a benchmark to achieve a reduction in GHG to 15% below 1990 levels by 2015. Any new development of housing or commercial space will raise the community GHG level in the near term. To demonstrate consistency with the city-wide Net Zero GHG goal, each project should be required to provide a full analysis of its lifetime GHG including: 1) GHG produced in construction and 2) a projection of ongoing operational GHG emissions. Projects should either plan to achieve net zero GHG emissions at the time they are built or include a plan for how the innovation center will reduce its emissions and/or offset those emissions to be net zero with specific benchmarks over time by 2050.</i></p>	X EIR and Market Absorption Analysis
Ag Land Conserv. / Open Space	<p>d. The California Legacy Project (<a href="http://www.calegacy.org/">www.calegacy.org/</a>) explains the concept of Reconciliation Ecology in its recent documentary, <i>Becoming California</i>. The film includes examples of Reconciliation Ecology projects that have been completed in California cities, such as Los Angeles and Santa Monica.</p>	X Consistency with existing CAAP, City GHG policies, and EIR

ATTACHMENT B - COMPILED COMMISSION COMMENTS

	<p>e. For more specific ideas and standards regarding low impact development, a comprehensive framework, which might be incorporated into guidelines, may be found at the Sustainable Sites Initiative website, <a href="http://www.sustainable-sites.org/">http://www.sustainable-sites.org/</a>.iii The Sustainable Sites Initiative seems to complement the implementation of Reconciliation Ecology.</p> <p>g. The guidelines need to require that Innovation Centers meet the Davis ordinance that specifies that parking lots be covered by at least 50% shade after 15 years. For maximum benefits, each tree needs sufficient soil and space in which to grow well. The use of structural soil, cantilevered sidewalks, and other urban best practices provide the maximum benefits for the growth of trees, especially larger species.</p> <p>h. Any Davis Innovation Center to be located at the edge of the city, will necessarily result in an urban/open space/Agricultural (ag) land interface. Therefore, <i>the landscaping within the project needs, as much as possible, to incorporate drought-tolerant vegetation, create healthy wildlife habitat, support pollinators, be ag-friendly, and provide connections or continuity with urban native plant landscaping and hedgerows and pollinator strips on adjacent and nearby open space and ag lands/working landscapes. Also, one or more water features, such as water flowing over boulders, would provide water for wildlife without standing water. Such features enhance ambiance for humans as well.</i></p>	<p>X</p> <p>X</p> <p>X</p>
<b>#3: Transportation</b>	<p>b. The Guidelines need to require specific best practice features for bicycle and pedestrian connectivity. All of the current Innovation Center proposals require access across busy corridors with high levels of high-speed traffic. Streets in that environment are barriers to safe and comfortable access by bicyclists, pedestrians, and transit users walking to and from bus stops. The Guidelines should be strengthened to include specific measures such as bike paths instead of bike lanes, and providing grade separated crossings instead of forcing cyclists through busy surface street intersections.</p> <p>d. Also, with regard to transportation, each Center proposal needs to address the issue of where employees might live, and the consequences of where they live. Regular travel surveys conducted for UC Davis indicate that the most important factor determining transportation choices for people travelling to UCD is whether or not they live in Davis. The UCD campus has excellent bike and transit connectivity and is able to achieve a non-auto mode share of 35% for employees destined for the campus (consistent with the goal in the City's Climate Action Plan). In part, the campus is able to achieve such a high non-auto share because almost 50% of its employees live in Davis. In addition, the campus charges parking fees, which transportation research shows very significantly motivates people to use alternative modes. See Attachment: "InnovationCenter_Mode_Split_based_on_UCD_travel_survey.xls."</p>	<p>X</p> <p>Transportation Element of General Plan</p> <p>X</p> <p>EIR</p>
<b>#5: Uses</b>	<p>a. Each Center needs to prioritize accommodating organizations and companies that contribute to cleaner, lower-carbon technologies and services and/or are committed to meeting the City's Climate Action and Adaption Plan (CAAP) goals.</p>	<p>X</p>
<b>#6 , #7</b>	<p>No comments.</p>	<p>X</p>

**RESOLUTION NO. 14-XXX, SERIES 2014**

**RESOLUTION ADOPTING GUIDING PRINCIPLES  
FOR DAVIS INNOVATION CENTER(S)**

WHEREAS, the City has spent many years working to assess and identify opportunities to strengthen economic development activities.; and

WHEREAS, the City released a Request for Expressions of Interest for an Innovation Park and has received two proposals; and

WHEREAS, the Council Innovation Center Subcommittee developed a set of “Guiding Principles” to better define community values and clarify community expectations for evaluating and guiding refinement of proposed Innovation Centers).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Davis hereby adopts the Guiding Principles as set forward in Exhibit A: Guiding Principles for Davis Innovation Center(s).

PASSED AND ADOPTED by the City Council of the City of Davis on this 16<sup>th</sup> day of December, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Daniel M Wolk  
Mayor

ATTEST:

Zoe S. Mirabile, CMC  
City Clerk

**Guiding Principles for  
Davis Innovation Center(s)  
Revised to incorporate Commission and Cool Davis Comments**

**Purpose** – establish a framework for evaluating proposed Innovation Centers. Commission reviews are not to make a determination of whether the project(s) should move forward, but to provide their specific subject matter expertise as it pertains to specific aspects of each proposed project.

The City requested and has received applications for two new Innovation Centers that will require Environmental Impact Reports, and a positive community vote prior to formal approval and annexation. In addition to established city policy and land use documents, (such as the Municipal Code, Zoning Ordinance and General Plan), the City Council created a Council subcommittee to provide direction for Community review of these proposed Innovation Centers. The City Council Innovation Center Subcommittee developed these “Guiding Principles,” with staff assistance, to better define community values and clarify community expectations for evaluating and guiding refinement of proposed Innovation Center concepts. These guidelines are to make more explicit specific thresholds for performance - what the community and its policy makers are looking for in any Davis innovation center. They are also to act as a framework and evaluation tool establishing up front transparent bench marks by which the community, Commissions, Council and project proponents can assess achievement of these community objectives.

At the appropriate time, applicants will be required to prepare detailed design guidelines for all aspects of the project (building forms, materials, detailing, greenbelts, open spaces, streets, pathways, etc.). These Guiding Principles are intended to inform project evaluation throughout the process and be implemented via the zoning and Development Agreement for the project(s). The Guiding Principles for the Innovation Center concepts include the following seven areas:

**Principle #1: Density**

Due to the relative scarcity of developable land in Davis, an innovation center should focus on guidelines to maximize density to accommodate long-term business growth while taking into account the specific needs of identified tenants within the specific project where applicable. The review process must be cautious to not impose unilateral requirements for the sake of achieving "Density."

Achieving preferred density would include:

- Goal of at least 0.5 floor area ratio (FAR), which is consistent with the General Plan and previous business park land strategies. Increased FAR will be encouraged, but will require change to the General Plan.
- Opportunities for densification over time (i.e. parking structures and new buildings).
- Building massing would include a mix of building types and heights to meet user needs, including potential for corporate headquarter buildings.

**Principle #2: Sustainability****Apply Low Impact Development Principles**

Concerted efforts to integrate Low Impact Development (LID) principles into the project design, with the intent of creating new and adaptive models and integrating these principles throughout all components of the project. Due to the scale of the proposed projects, there is an opportunity to explore concepts that have not been seen in project designs yet in Davis. These include the concepts of incorporating storm water drainage swale systems and to integrate “smart street” designs into the project to minimize paved surfacing/street sections. These concepts will continue to refine throughout the review process, and may require amendments to the current city standards.

**Ensure minimal greenhouse gas (GHG) impacts at the project level**

The applicants have been engaged with staff and other community resources, including receiving guidance from experts at UC Davis about the opportunities to minimize the carbon footprint of the proposed project. While no specific approach or goal has been established as of yet, the scale of the project site puts the applicant in a position to exceed current standards of greenhouse gas reductions and create new models for replication across the nation. While the City has established a greenhouse gas reduction policy, staff believes that it is important to begin articulating the specific goals of the project and Council expectations for energy/greenhouse gas reduction.

A combination of vehicle trip reduction via alternative transportation modes, building envelope efficiencies utilizing significant LEED/green building design, and energy production striving towards net-zero goals (on and off site) are expected to address GHG concerns. Retaining and creating jobs in Davis increasing employment opportunities for existing residents can be a means of significantly reducing vehicle trips, the single highest contributor to GHG. Reductions of GHG should also be an evolving goal that allows flexibility and adaptation over the project lifespan and as new building techniques and energy production technologies emerge.

**Explore opportunities to bolster the goals of the Climate Adaptation & Action Plan (CAAP)**

In addition to the policy requirement of meeting 1990 levels of greenhouse gas emissions, the project construction must also comply with the minimum city requirement of the CalGreen Tier 1 energy code for buildings. These requirements will certainly be met by the project and could be exceeded with integration of even more energy efficiency measures and installation of photovoltaic panels. The buildings in this project should be among the most energy efficient in the City.

However, making an already very energy efficient building even more efficient does eventually reach a point of diminishing marginal returns on investment. Encouraging the exploration of programs for retrofit of the existing building stock in Davis should be

considered as a means of achieving greater greenhouse gas reductions while providing a benefit to the greater community.

### **Ag Land Conservation/Open Space**

Each site will be required to mitigate with agricultural land on a 2 to 1 acre basis, as provided for in current ordinances and regulations. Agricultural conservation easements are a common tool to achieve the desired objectives. Additionally, discussions with Yolo County and the County Ag Commissioner will need to address the County's Ag buffer requirements and the potential opportunity for research fields within the Ag buffer, in addition to City standards for Ag buffers.

Careful consideration will need to be given to the design, maintenance and ownership of open space areas. Internal drainage, paseo, and pathway systems would likely be maintained by project. The potential budgetary impacts of any proposed City maintenance areas will be carefully evaluated in the fiscal analysis.

Other considerations would include:

- Significant LEED (or LEED equivalent) construction and practices throughout the innovation center.
- Use of advanced building materials.
- Water conservation, recycling and reuse.
- Storm water treatment and flow control through bio swales that allow conjunctive uses (habitat, wetland and water quality).
- Use of parking and rooftops for energy generation (and possible green roofs).
- Usable Open Space/Habitat opportunities overlapping with the drainage systems, including pathways systems throughout with public access and interpretive exhibits.
- Use of native species and drought tolerant landscaping that creates wildlife habitat value, such as native pollinators.
- Greenbelt spine(s) to interconnect the nearby neighborhoods.
- Maximize interconnectedness of open spaces and minimize open space with fragmented and linear edge effects.
- Integrate a robust urban forest for tree shade, aesthetics, carbon sequestration, and reduced heat island effects, while ensuring compatibility with PV systems.
- Utilize planting techniques to maximize successful growth of healthy trees over time (structural soils, cantilevered sidewalks, etc...)

### **Principle #3: Transportation**

#### **Bicycle/Pedestrian Connectivity**

In addition to the obvious vehicular connections of the site to the community, even more critical are the bicycle/pedestrian/transit connections that must be made in order to integrate this site as a truly multi-modal project.

Applicant should develop partnerships with the City, UC Davis Unitrans, Yolo County Transit and Amtrak to create a comprehensive multi-modal system and transportation plan with

safe, dynamic, well-planned automobile, bicycle, pedestrian, mass transit and emergency vehicle access connections.

Additional considerations would include:

- Integration of alternative transit (including pedestrian, bike and mass transit). Shuttles to key destinations, such as Downtown, should be explored.
- Design for ease of bicycle, pedestrian and alternative fuel vehicular access. Infrastructure to support the current and next generation of alternative fuels/electric vehicles is expected.
- Integration of bicycle, pedestrian and transit line networks to connect nearby neighborhoods to and through the site.
- Applicants should consider opportunities to create unique parking concepts and the exploration of alternative parking ratios, maximum parking standards, and alternatives to traditional surface parking fields (for vehicle trips that are generated, incentivize alternative fuel vehicles, underground parking and garages, explore options for incentives NOT to drive a vehicle, evaluate placement of parking to help shape behaviors).
- Participating in Bike Share programs with bike parking locations that are convenient, safe and dry.
- Provision of bicycle facilities that meet the demands of commuters AND visitors (convenient and secure parking, shower and locker facilities, bicycle work stations/repair shop, multi-use paths, etc...).

**Principle #4: Work Environment**

Project proposal should include elements of "work, live, play" that encourage an engaged and inviting workplace. Below are examples for consideration:

- An environment that is inviting and is active with activities and amenities on the evenings and weekends as well as work hours.
- Building designs incorporating LEED standards for healthy work environments (daylight, fresh air, good indoor air quality).
- Ancillary amenities that serve employees such as a café, coffee shop, restaurant, copy shop and fitness center, child care (as a few examples).
- Design elements that include dual use spaces, such as recreation or gathering spaces (like amphitheater seating).
- Implement shared facilities when possible (gym facilities, etc.). Should also explore integration of meeting spaces that serve business needs during the weekdays and community needs during the evening and weekends.
- Green paseos interconnecting buildings.
- Activate outdoor spaces by designing appropriately scaled buildings with architectural character, pedestrian amenities and informal gathering areas.
- Develop architectural, landscape, and hardscape aesthetic that is inspiring, preserves/increases scenic value and uses high-quality, low-maintenance materials, native species, wildlife habitat (pollinators, etc...).
- Small areas throughout the site that can integrate drainage swales and parklets.

- Have the ability to accommodate a range of desired work environments, flexible range of space, lease and ownership options reflecting an array of formal and informal work styles and settings; including flexible small co-working, incubator/accelerator spaces, meeting rooms, conference space, shared business support services and “cutting edge” business center amenities (teleconferencing etc.); specialized maker-spaces, research and development; manufacturing facilities, larger companies and corporate headquarters.

#### **Principle #5: Uses**

The applicant will need to initiate efforts to create and articulate a vision of the character or “aesthetic” and environmental quality that the project will strive to achieve. The project must reflect a character that is uniquely “Davis” while achieving very high aesthetic standards. Staff believes that this is of critical importance, to convey to the community what the character of the project will be. Ultimately, it is the responsibility of the City to ensure that this vision is translated to the construction of the project.

The following should be considered when assessing potential uses for the project:

- Warehouse uses auxiliary only to research and manufacturing
- Design and uses of the innovation center should be modeled after successful research centers, districts and parks across the U.S. and internationally, taking into account forward-thinking best practices.
- Create both lease and business ownership opportunities in a mix of building forms that range from single story advanced manufacturing facilities to multi-story office, research and development buildings and research labs.
- Explore ownership opportunities that maximize flexibility, such as grid condominiums and flex space.
- Mix of professional office, high-tech, R&D, industrial flex space, grow labs, commercial services, focused largely on expansion needs of research and technology development
- Some ancillary project-serving retail and services including gyms, childcare and recreational amenities.
- Hotel/conference spaces to serve the business needs of the center over time, provided they are compatible with other envisioned hotel/conference projects in Davis (such as the one proposed at Richards Blvd and I-80).
- Discourage distribution centers, call centers or large-scale food processing plants.
- Minimization and careful management of heavy truck deliveries.
- Goal is to focus on creation of research, technology and advanced manufacturing jobs, and revenue generating uses.

#### **Principle #6: Timing and Project Phasing**

The applicant will need to demonstrate sufficient resources to ensure completion of the projects and address potential build out scenarios and timing (based on previous experience).

- Proposed project phasing should meet with anticipated market demand for space and be adaptable to respond to changing market conditions over time.
- Building density, project phasing, and total job creation must consider community growth and CEQA mitigations, carefully accounting for the provision of appropriately scaled and timed infrastructure (water, sewer, roads, etc...).
- Phasing needs to be responsive to actual and potential tenants.

**Principle #7: Fiscal Consideration and Net Community Benefit**

Project should achieve fiscal neutrality with regard to city services and provide substantial surplus annual revenue and positive economic impacts/multipliers citywide, and net community benefits (including social and environmental).

- Project is expected to create net new annual revenue beyond project-based service costs.
- Infrastructure and direct costs (construction) of the project are expected to be absorbed into the project.
- Positive economic impacts are expected to include new job creation, property taxes, sales and use taxes, transient occupancy tax (TOT), fees and permits.
- Consideration needs to be made for positive fiscal impacts to County revenue.
- City and project proponent will balance fiscal project feasibility against revenue generation based on fiscal model and negotiated into the development agreement.
- Project should consider formation of an assessment district above and beyond standard taxes, mitigations and impact fees to create positive ongoing revenue generation for the City (an annual per square foot charge that is assessed to owners, for example).
- Fiscal considerations should reflect the current industry standards.

**Principle #8: Facilitate Collaborative Partnerships and Provide Opportunities for Increased University and Research Engagement**

The new innovation centers should facilitate technology and business development. The review and development process needs to reflect the PARTNERSHIP of the process. All partners -- community, City, County, Regional, and State government, UC Davis, Research Institutions, project proponents and innovative business partners should benefit and prosper together. The new innovation center facilities, operations and activities must:

- Strengthen University/community partnerships (Joint sense of community);
- Support research and development;
- Increase access to STEAM (science, technology, engineering, arts and agriculture, and math) and educational opportunities;
- Support UC Davis technology transfer objectives.
- Have programs/facilities to facilitate ongoing partnerships with the community and region (a fully integrated central system).