

STAFF REPORT

DATE: October 1, 2013

TO: City Council

FROM: Mike Webb, Director of Community Development and Sustainability
Katherine Hess, Community Development Administrator

SUBJECT: City-University Mixed-Use Innovation District

Recommendation

Staff recommends that the City Council

1. Confirm the following City-specific goals for the efforts to plan the Nishi property and nearby UC Davis campus property as a mixed-use innovation district:
 - a. Jobs for Davis residents, space for Davis businesses, and furtherance of city-wide efforts to position Davis as an innovation hub;
 - b. High-density urban residential development near downtown and employment centers;
 - c. Improved appearance and function of the “front door” to Davis;
 - d. Support for downtown Davis by providing customers for businesses, hotels, arts, and entertainment; and
 - e. Revenue generation to support city services throughout the community.
2. Approve the attached budget adjustment re-allocating funds to the effort.

Council Goals

Actively partner with UC Davis, Yolo County and other regional partners on land use planning and economic development to define opportunities and remove constraints to future innovation business growth.

- Entitle the Downtown / University Mixed-Use Innovation District.

Fiscal Impact

The City’s share of the pre-application process was estimated at \$350,000, to be matched 1:1 with property owner contributions. Funds were allocated from fund balance that the former Redevelopment Agency had transferred to the City prior to its dissolution. The City’s ability to keep that fund balance has been questioned by the State Department of Finance. Staff is recommending funds be re-allocated from the General Fund for this effort. If the Agency’s fund balance is required to be transmitted to Yolo County for redistribution, the revenues that will be received by the City will be sufficient to cover this expense. In addition to the cost-sharing with the property owner for predevelopment of the Nishi property, many of the joint planning expenses are being shared with the UC Davis campus.

Background

In November 2012, the City Council approved a Pre-Development Cost Funding and Negotiation Agreement for the Nishi Property, with the goal of planning the site as a mix of university-related research park development complemented by high density urban housing. This followed the Council's action on the Business Plan land strategy to pursue (re)development of Downtown and Nishi/Gateway as a dynamic mixed-use innovation district and to initiate planning of the Nishi property as a mix of university-related research park development complemented by high density urban housing.

The pre-development concept was for the City to share predevelopment costs with the property owner. Costs are anticipated at \$350,000 for the City share and an equal amount from the property owner. Upon completion of the environmental review and successful Measure J/R approval, the City's contribution would be reimbursed by the Developer. Final structure of the real estate deal would be established through a Development Agreement. The Council directed an update at the time expenditures neared \$100,000.

Current Efforts

Representatives from the City, the campus, the property owner and the county have been working diligently to get to a starting point for community discussion on planning for the mixed-use innovation district. Over the past months, the steering committee has:

- Begun to identify opportunities for integrating Nishi planning efforts with campus planning efforts
- Developed a set of draft shared goals and entity-specific objectives for the effort (Attachment 2);
- Engaged traffic and archeological consultants for background investigation;
- Conducted preliminary engineering feasibility for a railroad undercrossing, and obtained conceptual approval from UPRR; and
- Engaged the planning and design firm of Perkins + Will to assist the steering committee to create some alternative scenarios as a starting point for a public "visioning" process for planning area, identify opportunities and constraints, and prepare conceptual draft site plan alternative scenarios for the combined properties. The focus of the site plan alternatives will be urban fabric, land uses, height, open space, connections to adjacent areas, neighborhood transitions, circulation, and sustainability. Perkins + Will has extensive experience in working with cities and universities in designing innovation districts in the Bay Area and around the world, including UCSF Mission Bay and East Baltimore / John Hopkins Life Sciences Park. Perkins + Will will be assisted by Economic and Planning Systems to ensure that what is designed will be financially viable and can be constructed. The site plans will create the framework as a starting point to begin an extensive stakeholder and community dialogue that will help formulate a preferred project plan.

Next Steps

The conceptual site plan alternatives are scheduled to be completed by the end of November.

Following that, staff anticipates an intensive public vetting effort, including:

- Stakeholder meetings, including adjacent property owners and the business community.
- Public workshops to evaluate the alternatives for consistency with community culture and character.
- Evaluation of fiscal, economic, and environmental aspects of land use options concurrently with the public review of alternatives.
- City Council identification of the preferred project to advance through refined site planning and formal applications.

Conclusion

While there are a variety of stakeholders who make up the steering community, each with their own objectives, there are common objectives which are robust. The City, the campus, the County, and the property owner are all committed to working collaboratively as we move forward. The enthusiasm and cooperation of the group has been a key driver in progress thus far. We will keep Council apprised as we approach next steps.

Attachments

1. Budget Adjustment
2. Shared goals and entity-specific objectives

F-928-20
07/90

TO: City Manager
VIA: Finance Director

CITY OF DAVIS
Request for Budget Adjustment
Fiscal Year 2013/14

Agenda Item: 05
City Council Meeting Date: 10/01/13

FROM: Community Development & Sustainability

Dept Head Michael Pelt 9/26/13
Signature and Date

I request the following budget adjustments:

A. Internal Transfers of Currently Appropriated Funds:

TRANSFERS FROM PROGRAM NAME	FUND NO.	DIV/ PROG.	ACTIVITY	ELEMENT/ OBJECT	AMOUNT (CR)	FUND
					\$ -	
					\$ -	
					\$ -	
					\$ -	
TOTAL					\$ -	

B. New Appropriation's Source of funding/Revised Revenue Change:

Unallocated Reserve	General Fund			001	\$ 350,000
Unallocated Reserve					
	FUND NO.	Fund Name DIV/PROG.	ACTIVITY	ELEM/OBJ	
New/Revised Revenue Account					\$ -
New/Revised Revenue Account					\$ -
	Revenue Account Number				
				TOTAL	\$ 350,000

C. Allocation of Internal Transfers and/or New Appropriations:

TRANSFERS TO PROGRAM NAME	FUND NO.	DIV/ PROG.	ACTIVITY	ELEMENT/ OBJECT	AMOUNT (DR)	FUND
Community Planning	001	3228	430	4550	\$ 350,000	001
					\$ -	
					\$ -	
					\$ -	
TOTAL					\$ 350,000	

D: Reason For Adjustment (Explain fully. Attach sheet if necessary. If new revenue, record a description on reverse side on Part VI.)
Funding in support of the City-University Mixed-use Innovatoion District

FINANCE DIRECTOR

CITY MANAGER

A. ☐ Funds have been appropriated & are available.

A. ☐ Approved
☐ Disapproved

B. ☐ Funds have been appropriated.
☒ Funds must be appropriated.

B. ☐ City Council appropriated funds.
☐ City Council informed of revised revenue estimate.

Kelly Smith
Signature and Date

Signature and Date

Date: 9/26/13 BA No. 033

Posted By: _____

ATTACHMENT 2

Goals and Objectives

Common goals:

- Support the city and campus sustainability plans
- Strengthen walkability and connectivity to the district
- Support campus initiatives
- Create an enlivened place where people are motivated to live and innovate
- Engage community/voters stakeholders through the collaborative process
- Address traffic challenges

Objectives by entity:

City of Davis:

- Revenues to support city services throughout the community
- High-density urban residential development near downtown and employment centers
- Jobs for Davis residents, space for Davis businesses, and furtherance of city-wide efforts to position Davis as an innovation hub
- Improved appearance and function of the "front door" to Davis
- Support for downtown Davis by providing customers for businesses, hotels, arts, and entertainment

University:

- Support space for UC Davis-related research adjacent to campus
- Provide housing for campus affiliates
- Space for specific campus programs
- Integrate planning area into future UC Davis land use planning

County:

Yolo County has an active interest in appropriate development consistent with the General Plan. Major initiatives and projects should be aligned with the Board adopted strategic goals, including:

- Advance Innovation
- Champion Job Creation and Economic Opportunities
- Collaborate to Maximize Success
- Enhance and Sustain the Safety Net
- Preserve and Ensure Safe and Crime Free Communities
- Preserve and Support Agriculture
- Protect Open Space and the Environment
- Provide Fiscally Sound, Dynamic and Responsive Services