

STAFF REPORT

DATE: November 13, 2012

TO: City Council

FROM: Innovation Park Task Force
Ken Hiatt, Director, Dept. of Community Development and Sustainability
Katherine Hess, Community Development Administrator
Sarah Worley, Economic Development Coordinator

SUBJECT: Innovation Park Task Force - Recommendations

Recommendation

The Innovation Park Task Force recommends the City Council accept the Studio 30 Davis Innovation Center Final Report and adopt the attached resolution to:

1. Adopt a new fiscal model that accurately evaluates both the fiscal impacts and economic benefits of new innovation/research development for the community.
2. Pursue a “Dispersed Innovation Strategy” offering flexible space (scalability) supporting needs of growing and new businesses. A combined approach of near term close-in hub with mid-term, larger less constrained edge sites offer the best mix of University proximity and expansion capability for the City:
 - 1) Maximize Existing Inventory to increase development certainty, and flexibility.
 - 2) Review existing land use, zoning and tax structure with objectives of supporting retention and growth of innovation businesses and maximizing revenue opportunities.
 - 3) Near Term - The Gateway (Downtown Research & University Innovation District) option offers the best close/in location due to the proximity to University and property owner and University interest, and should be pursued as the City’s top innovation center priority.
 - 4) Mid-Term - The East and West “edge” sites offer viable options for location and size of larger innovation centers meeting needs of growing mid-sized companies, and should be continued to be explored as part of a mid-term Dispersed Innovation Strategy.
3. Initiate a community engagement process that incorporates the findings and recommendations of the Innovation Park Task Force and “City of Davis Innovation Center Study” and is aligned with other economic development public outreach efforts, to inform the community and solicit input on:
 - o Existing economic development efforts underway
 - o Community benefits of local growth of knowledge based jobs
 - o Innovation center options/components
 - o Proposed creation of new close/in and edge innovation centers as part of disbursed innovation center strategy
 - o Prioritizing implementation actions
 - o Branding and Marketing

4. Proactively partner with UC Davis, property owners, Yolo County, community business leaders and other regional partners to define opportunities and remove constraints to future innovation business growth, including:
 - Infrastructure needs
 - Financing
 - Investment interest
 - Increasing certainty in entitlement process
 - Maximizing net community benefits
 - Yolo County tax sharing agreements
 - Measure R process for agricultural land annexation
 - Opportunity costs of insufficient space

Council Goals for 2012-2014 (Draft)

Economic Development

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.

Streamline for certainty, consistency and efficiency on processes of build-outs and renovations.

- Encourage densification.
- Process streamlining for business approvals (wordsmith).

Support entrepreneurship and access to business support services to strengthen the entrepreneurial network and to provide opportunities for local business growth.

- Identify/develop/promote low cost incubator space to increase number of start-ups in Davis.
- Support the growth of Davis Roots, including providing them with a long-term lease.
- Work with UC Davis, SARTA, SEED Central and other industry partners to develop an Ag Innovation Center.
- Pursue dispersed innovation center strategy, including centers at the east and west edges of the City.
- Maximize benefits of existing inventory and increase supply of flexible business space.

Develop and implement a comprehensive economic development strategy.

- Initiate Community Engagement aligned with other economic development efforts.
- Market Davis as a desirable location for innovation, highlighting recent success stories.

Adopt new fiscal model addressing fiscal impacts and economic benefits of innovation/research development.

Working Draft Comprehensive Economic Development Strategy Priority Actions

Goal 1.1.2 Attract New Business

Action Step: Form a Task Force to explore research park options and space suitable for start-ups and medium sized businesses that are beyond the start-up phase within the city limits and areas immediately outside current city boundaries.

Fiscal Impact

The Innovation Park Task Force process has had no direct fiscal impacts other than expenditure of staff time and \$10,000 used to solicit technical assistance from UC Davis Extension's Land Use and Natural Resources Division through a new Professional Skills course, Studio 30. This assistance was sought to address some of the Task Force's initial technical questions summarized in this report. Future actions by the City with additional associated costs not yet determined include: additional community outreach about a possible innovation center; more detailed fiscal/economic impact analyses of alternative development scenarios; and additional steps to pursue a possible future innovation center.

Innovation Park Task Force Process part of Multi-Action Strategy

The creation and conclusions of the Innovation Park Task Force represent one part of an integrated, multi-action strategy to achieve community goals to support growth of technology companies aligned with UC Davis research strengths. The process has built upon previous City studies and other community efforts underway. These included the 2010 Business Park Land Strategy, the Working Draft of the Comprehensive Economic Development Strategy (CEDS) approved in July of 2011, prepared under direction of the Business and Economic Development Commission, the Nishi/Gateway Mixed Use Innovation District; the ad hoc business initiative "Designing a Sustainable and Innovative Davis Economy (DSIDE), UC Davis Request for Ideas for creation of an Innovation Center and the more recent Community Visioning process for a sustainable Davis economy.

The City Council created the Innovation Park Task Force as an outcome of the "Business Park Land Use Strategy" completed in October of 2010. This Study looked at the future, long term (2035) land supply needed to accommodate projected employment/business growth in Davis under alternate development scenarios. It also addressed the economic value of employment/business growth in the community. The Business Park Land Strategy included two important conclusions:

- *Despite the economic downturn, the existing supply of undeveloped land in the City would be insufficient to meet City's long term needs, particularly for businesses seeking larger sites for sale available for build-to-suit; and*
- *City would need to be proactive to ensure an adequate supply of space to support long term business growth.*

Council actions on the Business Park Land Strategy prioritized steps to be taken to provide a sufficient inventory to meet needs of growing businesses, including immediate and longer term actions. One action was creation of the Innovation Park Task Force, as noted below. Attachment 2 includes a more detailed summary of the Study's findings and additional strategic actions.

Business Park Land Strategy Longer Term Action

Maintain a steady supply of developable business park/industrial land.

Move forward to explore peripheral sites for future business park development to accommodate medium-scale (~150 employees) businesses. Appoint two City Councilmembers to form a Task Force with two representatives selected by the Planning Commission, and the Business and Economic Development Commission to return to the City Council with recommendations.

- i. Conduct business outreach and public discussion regarding community benefits and impacts of a peripheral business park;*
- ii. Evaluate peripheral opportunity sites, focusing on, Mace Ranch/I-80 and the Northwest quadrant as initial site options;*
- iii. Identify attributes of world-class next-generation university-related business park and how they would apply to a future business park in Davis;*
- iv. Return to City Council with summary of findings and recommendation on future peripheral business park.*

The Task Force's recommendations and UC Davis Extension's Studio 30 "Davis Innovation Center Study" report accomplish the majority of these tasks. Important steps remaining are more extensive business/community outreach and public discussion of community benefits and impacts of a possible innovation center. These could be incorporated into the community engagement planned as part of the pending "Community Visioning" effort or be part of a separate effort and included in the Task Force recommendations.

Task Force Process

The Task Force is made up of two representatives from the City Council, the Planning Commission and Economic Development Commission. Changes in make-up of the Commissions and Council have also resulted in changes on the Task Force over the course of its process. Beginning in February of 2011, the Task Force met monthly for over a year and a half. Steps the Task Force took to develop their conclusions and recommendations are outlined in the following sections:

- Refinement of Task Force Objective
- Further Community Outreach Proposed
- Steps in Process (From Review of Past Studies through Alternative Development Scenarios Evaluated)

Findings of the Task Force Process begin on page 9 of this report.

Refinement of Task Force Objective

The Task Force's core objective was clarified during the process. The original charge summarized was "to make a recommendation on how, where and whether the City should pursue construction of a future business/innovation park able to primarily accommodate space needs of medium sized companies (150 +/- employees) on land peripheral to existing City boundaries". The objective was to provide a readily available supply of larger sites for purchase and build-to-suit, or larger built spaces for lease not available

elsewhere in the City. Two peripheral sites were identified for initial consideration: the Mace-I-80 site (85 acres), and the Parlin site west and northwest of Sutter Hospital (137 acre portion of site). Knowledge and insights gained through research on Innovation Centers and recommendations from business representatives led the Task Force to broaden this original charge to *“address lifecycle needs of growing companies in an innovation plan within or peripheral to the city.”*

This small but important reframing of approach was based on two important factors. The first was clarifying that the objective of the effort was to **provide for the lifecycle space needs of growing businesses** e.g. allow growing businesses to remain or new businesses to locate in Davis at varying stages of their evolution. The second was the Task Force learned that innovation center/park models can: take a variety of forms and locations; include a blend of large and small business spaces and amenities, and industry sectors; be formed through aggregations of built urban spaces with a centralized hub; or be specially designed on undeveloped or redeveloped land. The Task Force broadened its evaluation to consider a larger range of alternative means to meet business space needs, including some internal redevelopment combined with peripheral land additions. This perspective was consistent with the Council’s actions taken as part of the Business Park Land Strategy, i.e. a combination of integrated approaches be taken to maintain sufficient inventory of space to support business growth, including maximizing use of existing land within the City. To reflect this shift in focus the Task Force dropped the term “Peripheral” from its name.

The terms “business park” or “innovation park” were replaced with the term “innovation center” in the final study report, because successful new facilities built to support innovation and technology companies are different from traditional business parks. They include a blended integration and range of differently sized flexible work spaces; business services; and recreational, entertainment and other lifestyle amenities. Two important components in new innovation centers are the ability to draw a critical mass of innovators and to provide ongoing opportunities for informal, interdisciplinary face-to-face interactions.

By completion of its process the Task Force objective became further simplified to:

Make recommendation to Council whether City should continue to pursue creating a new innovation center and how to go about it.

Further Community Outreach Proposed

The Innovation Park Task Force process held noticed monthly meetings open to the public with agendas, minutes and materials posted on the city’s website and distributed electronically to all requesting interested parties.

The need to offer multiple opportunities and mediums for public input about the concept of a Davis innovation park or center and its potential community cost/benefits was discussed multiple times during the Task Force process. The original Task Force work plan anticipated that community input about innovation parks/centers and any prototype project was to be part of forums sponsored by the ad hoc DSIDE group in collaboration with the City. These did not materialize. Over time there became a growing awareness

that single topic workshops or public meetings would be insufficient. Broader public outreach and dialog about options, opportunities and community priorities to maintain an adequate long term land supply to support growing businesses, particularly those aligned with university research strengths is needed. There is also a need to frame discussion of the subject within the broader context of: the Davis economy; the multiple economic development efforts underway and community commitments to sustainability. Further community engagement that reflects these elements is a part of the Task Force's recommended actions.

Steps in Process

The Innovation Park Task Force took the following steps to develop their conclusions and recommendations:

Review of Past Studies

The Task Force reviewed summaries of the following studies, provided as Attachment 3:

- **Business Park Land Strategy** (2010)
- **Economic Strategies Group ESG, Business Park Viability Study** - Cannery Park (2008)
- **Battelle Study** (2007) Analysis of trends in N. American Research Parks
- **1998 Business Park Study** - evaluation of three potential business park sites to include in General Plan, and compare to UC Davis sites.

Review of Innovation Park Elements - How they differ from traditional business parks.

The Task Force was provided:

- Excerpts of articles and reports identifying elements of successful innovation parks
- Matrix comparing elements of traditional business parks to those of newer innovation parks
- Draft Site Selection criteria for evaluation of alternatives

Technical Advice from Guest Speakers:

- Heads of local technology companies (biotech & cleantech) were invited as guest speakers so the Task Force members could learn about their experience and why they came to Davis; what they needed to support their next growth phase; and what the City should do to retain, attract, and support other technology companies.
- Business leaders, developers and commercial brokers working with many technology companies or prospective companies were invited as guest speakers - to learn what these companies were looking for, and actions the City should take to be better poised to meet their needs.

Site Visits to Bay Area Innovation Centers

Staff organized a site visit to the City of Emeryville and Wareham Development "EmeryStation" Life Science/Bio-technology Center, and San Francisco – Mission Bay Mixed-Use Innovation District, and QB3 Incubator. Task Force members heard presentations from the Economic Development Managers of Emeryville and Berkeley,

Mayor of Emeryville, Wareham Development Partner, Associate Director of the California Institute of Quantitative Bio-Sciences, and creator of the QB3 Mission Bay Incubator Network, and Mission Bay Capital, BioSF Director, and Director of Business Development for SF Office of Economic and Workforce Development. The Task Force learned about:

- Successful strategies and actions to support, retain and attract technology companies;
- “Best practices” in design of new technology facilities & incubators;
- Critical components of successful “innovation districts or parks;”
- Critical collaborative partners and their roles.

Technical Assistance from UC Davis Extension Studio 30

The initial phasing and timeline outlined for pursuing a possible new Innovation Center was estimated at approximately 6 years. The Task Force determined it was important to address some of their technical questions (originally identified for Phase 2), before conducting community outreach and making a recommendation to Council. These questions primarily focused on: 1) better defining features of innovation centers/parks appropriate for a Davis setting; 2) evaluating a broader range of site alternatives for their fit with community sustainability values; and 3) providing an initial assessment of net community benefit from different alternatives.

The Task Force chose to work with UC Davis Extension Land Use and Natural Resources Division’s new two-quarter “Studio 30” Professional Skills course to address these technical questions.

The Studio 30 concept uses professional consultants from the region along with UC Davis graduate and undergraduate students combining their resources to address a range of community planning projects. Fall quarter work in 2011 focused on further research and case studies of innovation parks throughout the country. Winter quarter work in 2012 focused on defining different development scenarios and conducting an initial assessment and evaluation of alternatives for their relative merit. Copies of Studio 30 work products shared with the Task Force were made available on the Task Force website and at the Department of Community Development and Sustainability.

Studio 30 Davis Innovation Center Study Report

Summaries of Studio 30 findings and conclusions were presented to the Task Force in PowerPoint presentations, and progress reports were compiled into a Final “Davis Innovation Center Study” Report. The report has been formatted in a manner to be readily comprehended by the community in outreach forums; and contain sufficient data to enable preparation of a possible future economic impact analysis of alternative development scenarios. The scenarios are intended to provide the community with better information to assess and comment on the possible approaches to adding to the City’s business land supply. They will also provide data for further economic impact and feasibility analysis and net community benefits recommended as a next step (in Phase 2) should the Council continue to pursue consideration of a possible innovation center/park.

Following are the principal questions addressed by Studio 30 and actions taken to provide answers:

- What is an Innovation Center? (Survey of U.S. Innovation Centers)
- What should a Davis Innovation Center be? (In-depth case studies)
- What options/locations should be considered? (Alternate scenarios for close-in, or edge sites)
- How do options compare? (Evaluation/comparison of alternate options/prototypes of “close-in” and “edge” innovation centers)
- Fiscal impact and net community impacts of alternatives (Qualitative summaries provided, see section on Fiscal Impacts below).

Alternative Development Scenarios Evaluated

With guidance from Studio 30 and staff, the Task Force confirmed the recommendation to evaluate a combination of internal or “close-in” and “external” alternatives that could be combined into a “dispersed” innovation center plan. Specific development assumptions for size and mix of uses, built forms, floor area ratios, and employment projections were prepared for each alternative to better grasp what such a center would entail and allow better assessment of potential fiscal, economic and other impacts. These options were drawn from different development scenario combinations identified for initial evaluation. **These alternative development scenarios do not represent real projects, but were chosen to reflect a range of alternatives combining different assumptions for development/redevelopment on internal and external sites.**

Attachment 4 provides a schematic location map of these sites. Attachment 5 provides a summary of the four different development scenarios evaluated in the Studio 30 Report (pgs. 33-34).

The two “close-in” options evaluated included the “Gateway Site” and “5th Street Hub Site”. The Gateway (Nishi) Site includes development of a portion of the 44 acre Nishi parcel combined with redevelopment of some sites Downtown to create a Gateway Innovation Hub. The 5th Street Hub Site (33 acres) looks at redevelopment along the 5th Street corridor (including redevelopment of the PG & E property) as an alternate means of enhancing the Downtown, creating a 5th Street/Midtown Innovation Hub.

The “external site” options evaluated included the “West Davis Site” and “East Davis Site”. The “West” site (now 207 acres) includes the Parlin/Binning Ranch properties located west and northwest of Sutter Hospital, on the western edge of the City. The “East” site (now 185 acres) includes two parcels northeast of the Mace Blvd / I-80 intersection. The size of land area proposed for evaluation in these last two alternatives was expanded to be able to evaluate the possibility and relative merit of a single larger Innovation Center in these alternative locations and as well as possible smaller developments in both locations. This decision was based in part on the following factors:

- Findings from Studio 30 initial case study analysis showed that many of the successful innovation parks looked at were around 200 acres in size;
- Task Force did not want to arbitrarily define an optimal innovation center size but rather let the Studio 30 case study analyses of innovation parks and site characteristics inform their development of innovation center “prototypes” for the

different Davis settings. The Task Force also wished to be able to assess a fuller range of development intensities (e.g. what does a 50 acre, 75 or 150 acre center look like? Are there any minimum, maximum sizes critical to success?)

- Business representatives speaking to the Task Force recommended consideration of an innovation center larger than 100 acres to: provide shovel ready sites and allow for a possible expansion of such a center over time; not preclude ability to accommodate a larger business should the opportunity arise; increase economic feasibility by spreading cost of supporting infrastructure over a greater commercial base; not pursue lengthy and high risk Measure J/R process for relatively small land addition.

In conducting evaluation of the combined alternatives, Studio 30 compared the two “close-in internal” and “external” development options. As a result assessments of the different development options are presented individually in their Final report.

What the Task Force Learned:

Conclusions of research conducted by Studio 30 confirmed and expanded the Task Force’s initial findings about new innovation centers. Following is a listing of Task Force Findings with references to relevant Sections in the Studio 30 “Davis Innovation Center Study” Report where applicable.

1. **Davis is in an excellent position to support an Innovation Center.** (Davis has the amenities and characteristics of other cities that have successfully pursued innovation centers. See also Section 2.0 pgs. 3-15 of Studio 30 Report):
 - Proximity to University or Research Institute
 - Strong community identity
 - Vibrant downtown
 - Close to housing, recreation
 - Accessible to various transportation modes/major transportation hubs
 - Offer community amenities; excellent schools, recreation, culture and entertainment supporting active, healthy lifestyles
 - Community support for innovative knowledge based businesses
 - Highly skilled workforce
 - Growing base of technology companies and entrepreneurial networks
2. **A new fiscal model is needed to accurately evaluate both the fiscal impacts and economic benefits to the community.** (Studio 30 Report Section 2.4 pgs. 9-10)

The Task Force received a presentation from Finance Dept. staff providing an overview of the City’s current fiscal model and input assumptions. The understanding that the fiscal model was originally created to assess fiscal impacts of primarily residential projects with shorter build-out time frames contributed to many questions about its suitability for assessment of an innovation center that would be built out over a possible 20-year time frame. As a result the Task Force confirmed

the staff recommendation that the City adopt a new fiscal model that would also include assessment of how innovation companies affect the Davis economy, in addition to the fiscal impacts on the City.

Fiscal Model

- City fiscal model addresses costs of provision of public services on the general fund only, and does not incorporate broader benefits of economic multipliers addressed in economic impact models.
- Current fiscal model uses average costs based on dwelling unit equivalents rather than marginal costs of increment of new development.
- Projected property and sales taxes from new development and increased local purchases provide greatest proportion of new general fund revenue.
- Greatest factor affecting fiscal impacts is the assumed property tax rates and city share of increased property tax revenue, relative to the size and mix of land uses in a new innovation park that will be dependent on outcome of Yolo County tax sharing agreements.

Initial Assessment of Fiscal Impacts

- Increases in general fund revenues from increase in businesses that have high assessed property valuations and offer product point of sale.
- It is expected that safety services can be provided for locations considered for new innovation center(s) without need for new facilities.
- Cost recovery for development review and city inspections can be covered through fees.
- More accurate estimates of city service costs will require further evaluation of specific information about the type, mix and intensity of proposed uses.
- Potential costs not covered by projected increases in general fund revenues can be addressed through creation of an Infrastructure Facilities District or other mechanism.

Community Benefits (Studio 30 Report Section 2.3, pgs. 7-10):

- Retention and attraction of research related start-ups and innovation companies
- Increase in higher wage knowledge based jobs and local job opportunities
- Increased investment in community
- Increased sales tax and property taxes, including potential increased revenues Downtown
- Diversification of local job base, economy and demographics
- Economic multiplier effects
- Anticipated reduction in commuting and green-house gas emissions

3. To take advantage of business growth opportunities Davis should take proactive steps to (Studio 30 Report Section 3.0 pgs. 15-20):

- **Increase the Supply of Flexible Business Space**
Most remaining small, dispersed sites in the City are not adequate to meet needs of growing businesses and mid-sized companies. The Innovation Centers studied

averaged around 200 acres in size and offer a variety of parcel sizes and ownership opportunities, flexible use/size of space and lease terms; and physical and virtual business support services allowing successful businesses to remain as they grow.

- **Position City to Capture Greater Share of Local/Regional Business Growth**
With strategic marketing geared toward innovative high tech businesses and land available at reasonable costs, Davis could attract a greater percentage of the 1+ million square feet of the region's annual new office development per year (up to approx. 10 percent, or 100,000 sq. ft. /year). A 200 acre innovation center could accommodate such business growth over a long term 20+/- year period.
- **Provide Facilities and Services that Support Innovation**
A new innovation center will need a built environment and operations offering opportunities for ongoing formal and informal connections, shared work spaces, conference rooms, cafes, recreation, mixed-use, and flexible live-work lifestyles.
- **Maintain a Broad Innovation Focus & Leverage UC Davis Research**
Most innovation centers have a broad industry sector focus on a wide range of businesses and offer incubators/accelerators supporting a variety of start-up companies. As home of UC Davis, a global leader in Ag/Food, Bio/Life, Energy, Environmental Sciences and other research areas, a Davis innovation center can retain a broad focus and incorporate a business incubator that leverage UC Davis research.
- **Maintain Strong University Partnership**
Davis and the University will need to act in partnership to leverage and strengthen their geographic, institutional and social/cultural connections to support business growth.
- **Pursue Creative “Green” and Lifestyle Design**
Innovation centers promote environmentally conscious designs and active/healthy lifestyles. A new Davis innovation center should reflect community commitments to sustainable development and healthy living.
- **Brand and Market What Makes Davis Great**
Innovation centers have strong branding and marketing, with a distinct identity marketed to target clientele. Davis needs to tell a compelling story that allows people to identify with values and lifestyles of the community, university research strengths, its quality of life, and opportunities for innovation.
- **Seek Partners Experienced in Creating Successful Innovation Centers.**
Successful Innovation centers require specialized, professional innovation focused expertise in each phase of development and ongoing operational management. This type of expertise will be important in development of any innovation center model.

Task Force Conclusions:

Based upon what the Task Force learned about the community's potential to support an innovation center, the need for a new fiscal model, and the need for proactive steps, the Task Force made the following conclusions:

- Davis has competitive advantage of proximity to University research and quality of life not found in other adjacent communities. Davis can play an important role attracting entrepreneurs and businesses to the region, supporting UC Davis tech transfer objectives.
- Remaining existing city sites and a new mixed-use innovation district will not be sufficient to meet needs of growing businesses.
- To actively support transfer of University research to market applications, increased opportunities for local business growth are needed.

General Plan Compliance

Innovation Park Task Force recommendations are consistent with the excerpt goals and actions of Chapter 5: Economic and Business Development of the General Plan as shown in Attachment 6. The following are especially applicable:

Policy ED 3.1 Adopt policies that make Davis a more business-friendly community and eliminate unnecessary barriers to business.

Policy ED 3.2 Encourage new businesses to locate in Davis, targeting business which improve the city's fiscal base, are consistent with the City's values and identity, and match the employment skills of the population, such as those in the emerging technology and knowledge-based industries.

Action ED 3.2b Develop an industrial land use strategy that targets technology-oriented industrial and light industrial uses that contribute to the creation of jobs and the economic health of the community.

Action ED 3.2e Explore the establishment of a specialized zone or incubator facilities to target specific industries, for example, a high technology or life science zone.

Action ED 3.2f Study opportunities to designate lands for "green" technology, high technology and University related research uses within or adjacent to the City. Work closely with the local business community, community leaders and U.C. Davis officials in determining when and where such uses can best be accommodated in addition to the 25-acre enterprise site planned on the UC Davis campus. Preference should be given to sites that are viable economically and consistent with compact City form principles. As part of this study:

- Consider redesignating or rezoning land(s) within the City limits (as of January 1, 2001) from Industrial, Business Park or General Commercial to research-oriented Business Park uses (that is, uses which allow a wider range of high technology, research and development uses than a URRP and which are complementary to UC Davis);
- Encourage second floor and underground building construction to maximize the space available to accommodate URRP needs within the City limits;
- Key considerations in such redesignation or rezoning shall include the timing of these potential development(s) and impacts and demands caused by these potential developments on the City and the Davis community. Impacts to address include, but are not limited to: traffic, water, housing (for example, growth demand),

schools, effects on neighborhoods, and economics (for example, cost benefits and cost generation to the City); and

- Designation of a peripherally sited URRP shall only occur after:
 - a) It is determined that lands within the City limits would not meet the needs for “research-oriented” Business Park uses.
 - b) Specific guidelines for development projects on the periphery of the City are adopted.

Attachments:

1. Resolution Affirming Task Force Findings and Conclusions
2. Summary of Conclusions/Findings of Business Park Land Strategy and Council Actions 10/26/2010
3. Summary of Previous City Business Park Studies
4. Location Map of Four Alternate Development Scenarios Evaluated
5. Summary Table of Alternative Innovation Center Scenarios Evaluated
6. Excerpts from General Plan Chapter 5, Economic and Business Development Goals and Actions Task Force recommendations are consistent with.

References:

Available on city website

Studio 30 “Davis Innovation Center Study” Report, previously provided to City Council and available on City website and at Department of Community Development and Sustainability

RESOLUTION NO. 12-XXX, SERIES 2012

RESOLUTION CONFIRMING CONCLUSIONS OF INNOVATION PARK TASK FORCE AND “DAVIS INNOVATION CENTER STUDY” REPORT SUPPORTING A DISPERSED INNOVATION CENTER STRATEGY

WHEREAS, City Council two-year Economic Development (Draft) goals include goals to: promote economic development consistent with our community values and niche as home of a world class university; and to actively partner with UC Davis, Yolo County and other regional partners on land use planning to define opportunities and remove constraints to future innovation business growth; and

WHEREAS guiding principles for City economic development goals are to: cultivate a diversified economy, workforce and tax base; capitalize on the resources of a university town, including human capital, and promote appropriate partnerships with the private sector and university community; and

WHEREAS, to maintain a steady supply of developable business park/industrial land, City Council actions on the 2010 Business Park Land Strategy created an Innovation Park Task Force to consider whether and how the City should continue to pursue creation of a new innovation center; and identified this effort as a priority action of the Working Draft Comprehensive Economic Development Strategy approved in July of 2011; and

WHEREAS, The Innovation Park Task Force met monthly for over a year and a half and benefited from technical assistance from UC Davis Extension’s Studio 30 in defining what an innovation center should be in a Davis setting and considering alternative location options for such a center within or external to existing city boundaries; and

WHEREAS, the Innovation Park Task Force and Davis Innovation Center Study Final report prepared by Studio 30 conclude:

- Davis is in an excellent position to support an innovation center; Davis has competitive advantage of proximity to University research and quality of life not found in other adjacent communities; Davis can play an important role attracting entrepreneurs and businesses to the region, supporting UC Davis tech transfer objectives; and
- Remaining existing City sites and a new mixed-use innovation district will not be sufficient to meet needs of growing businesses; and
- To actively support transfer of University research to market applications increased opportunities for local business growth are needed; and
- A combined approach of a near-term close in innovation center with a midterm larger less constrained edge site offer the best mix of University proximity and expansion capability for the City.

WHEREAS, these conclusions support the Task Force and Studio 30 recommendations for the City to pursue a “Dispersed Innovation Center Strategy”.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Davis hereby resolves to:

Pursue a “Dispersed Innovation Strategy” offering flexible space (scalability) supporting needs of growing and new businesses. A combined approach of near term close-in hub with mid-term, larger less constrained edge sites offer the best mix of University proximity and expansion capability for the City:

- 1) Maximize Existing Inventory to increase development certainty, and flexibility.
- 2) Review existing land use, zoning and tax structure with objectives of supporting retention and growth of innovation businesses and maximizing revenue opportunities.
- 3) Near Term - The Gateway (Downtown Research & University Innovation District) option offers the best close/in location due to the proximity to University and property owner and University interest, and should be pursued as the City’s top innovation center priority.
- 4) Mid-Term - The East and West “edge” sites offer viable options for location and size of larger innovation centers meeting needs of growing mid-sized companies, and should be continued to be explored as part of a mid-term Dispersed Innovation Strategy.

PASSED AND ADOPTED by the City Council of the City of Davis on this 13th day of November, 2012 by the following vote:

AYES:

NOES:

Joseph F. Krovoza
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk

Council Actions on Business Park Land Strategy October 2010

1. **Accept report as informational, and its summary conclusions, and approve the work plan included as Attachment 1 as the revised decision framework as summarized below:**
 - a. Davis's proximity to UC Davis research, educated workforce, and high quality of life offer opportunities to increase growth of knowledge based businesses;
 - b. Knowledge based businesses provide substantial local economic value and good jobs aligned with workforce strengths;
 - c. Inventory of commercial space and land in Davis is limited and presents delivery challenges that can impede business growth;
 - d. Davis must be proactive to ensure an adequate supply of space (developable land, range of type and size of built space), to support long term business growth.
2. **Maximize use of existing vacant business park/industrial land and buildings:**

Immediate Actions

- a. Increase development certainty, consistency of development standards, streamlined development review process, and allow higher intensity of development; direct staff to revise Business Park, Office, and Industrial zones accordingly (e.g. higher floor area ratio, and lower/modified parking requirements).
- b. Limit use of existing improved sites and buildings in Business Park, Office and Industrial zones by uses unrelated to business/research park, office and industrial businesses.
- c. Direct staff to:
 - i. Work with existing property owners to collectively market vacant commercial and industrial properties.
 - ii. Identify and report back to Council on impediments to development of existing business park/industrial properties, and any recommended actions. Specifically consider development impact fees and water/sewer connection charges/rates.

3. **Maintain a steady supply of developable business park/industrial land.**

Immediate Actions

- a. Pursue (re)development of Downtown and Nishi/Gateway as a dynamic mixed-use innovation district.
 - i. Strengthen Downtown as the Innovation Hub, with support services including restaurants, hotels, conference space, and cultural uses.
 - ii. Initiate planning of the Nishi property as a mix of university-related research park development complemented by high density urban housing. Collaborate with UC Davis on circulation/access,

configuration of buildings and space, and solutions to other development challenges.

- iii. Re-vision Richards/Olive Drive as the entry to Downtown and the Nishi property, with enhanced aesthetics, signage, and bicycle/pedestrian access.

Longer Term

- b. Move forward to explore peripheral sites for future business park development to accommodate medium-scale (~150 employees) businesses. Appoint two City Councilmembers to form a Task Force with two representatives selected by the Planning Commission, and the Business and Economic Development Commission to return to the City Council with recommendations.
 - i. Conduct business outreach and public discussion regarding community benefits and impacts of a peripheral business park;
 - ii. Evaluate peripheral opportunity sites, focusing on, Mace Ranch/I-80 and the Northwest quadrant as initial site options;
 - iii. Identify attributes of world-class next-generation university-related business park and how they would apply to a future business park in Davis;
 - iv. Return to City Council with summary of findings and recommendation on future peripheral business park.
- 4. Direct staff to contact UC Davis regarding timing and details about issuance of its *Request for Ideas* and return to Council with recommended actions for response.**

SUMMARY OF FINDINGS FROM BUSINESS PARK STUDIES

Summary of Business Park Land Strategy - Study Conclusions

The BPLS evaluated the adequacy of Davis' existing vacant land supply to accommodate future business growth. A combination of factors resulted in the conclusion that Davis' land supply is limited in its ability to attract the type of business growth supported by existing economic development policies. The BPLS assumes a community desire exists to continue developing the Davis economy, particularly in knowledge-based industries such as life sciences, technology, and clean energy. Considering the types of companies that will be created in or attracted to Davis may be in various stages of development (startup, venture capital-backed, R&D branch office of larger companies, etc.), a need exists for a wide range of deliverable sites to develop that meet the needs of these businesses; sites that are currently undersupplied in Davis. Developing a new business park of some type - the composition and size of which remains undetermined - could be considered an appropriate response to address this deficiency. Recognizing this, the BPLS introduced a handful of potential sites external to the existing city boundary to consider development of a business park.

The BPLS study draws several summary conclusions:

1. **Davis's proximity to UC Davis research, educated workforce, and high quality of life offer opportunities to increase growth of knowledge based businesses.**
2. **Knowledge based businesses provide substantial local economic value and good jobs aligned with workforce strengths.**
3. **Inventory of commercial space and land in Davis is limited and presents delivery challenges that can impede business.**
 - Size, location and configuration of several parcels limit development feasibility.
 - Davis has relatively few high quality sites to which business attraction prospects can be directed.
 - The Housing Element update recently completed considers residential development for eight sites on over 101 commercially zoned acres (including ConAgra property). If these sites are approved for housing, Davis' commercial land supply is further reduced.
 - Much of Davis' existing inventory is not readily deliverable due to the following factors:
 - i. The ConAgra property lacks infrastructure and parcel sizes appropriate for the Davis market.

- ii. Only a small amount of business park-type land is currently actively marketed for sale. This limits immediate business growth potential for those needing ownership and build- to-suit development opportunities.
- iii. Many remaining parcels are owned by relatively few individuals, including a few by UC Davis, which may not be deliverable for private sector business. Current property owners influence the rate and extent of Davis' current and future business growth.

4. Davis must be proactive to ensure an adequate supply of space (developable land, range of type and size of built space), to support long term business growth.

All of these findings recognize the need for the City being proactive in leveraging its assets and competitive advantages and meeting the needs of existing and prospective businesses.

In June 2010, the BPLS was brought to the Planning Commission as an information item. The Planning Commission supported consideration of sites outside the City limits for possible business park development. This action was also supported by the Business and Economic Development Commission (BEDC). Further analysis was recommended to identify:

- Best practices in business park development and the extent to which they can apply to Davis
- Options for the type of business park appropriate for Davis (research park, business park, hybrid)
- Provide options for an appropriate range of uses
- Recommend appropriate amenities and aesthetic characteristics for a Davis business park

At the conclusion of the BPLS, Staff identified three types of businesses (and therefore business park/innovation parks) that are appropriate to be considered for Davis: local-serving offices and services, small start-ups and technology businesses and mid-size technology and manufacturing businesses.

Addressing the longer term needs of mid-size technology and manufacturing businesses is the focus of the Task Force. These companies frequently prefer to be located with similar uses and separated from residential properties. Companies may prefer to rent or purchase their spaces. For some companies, freeway access or visibility is a priority. The Mace Boulevard / I-80 area and the Northwest Quadrant were recommended to be the first to be considered for additional development of this type of business park space.

Determining the form of business or innovation park best suited to Davis and best suited for the types of technology businesses and entrepreneurs that Davis wishes to attract will need to take into account that the standard "business park" of the past may not be

what they desire. Today's entrepreneurs and their employees seek vibrant locations with an array of restaurants, cultural amenities, business and personal services, collaboration space, and proximity to intellectual "engines" such as a university or larger technology company, Downtown or mixed-used areas that can provide these amenities.

Conclusions

Davis will need to be more proactive to assure it can be responsive to business growth "opportunities" and to prevent "missed opportunities" due to inaction. There is growing regional, national and global competition for the knowledge based businesses considered well suited and desirable for Davis. Maintaining an adequate supply of land and ensuring flexible, multi-sized building spaces are available for lease and ownership will allow Davis to leverage its competitive advantages and help to prevent loss of business growth opportunities to neighboring communities. UC Davis will continue to expand its prominence as a premier research institution. A key part of that effort will be to strengthen the connection between research and the application of emerging technologies. Recent communication from UC Davis about its "Request for Ideas" to develop an "Innovation Hub" and announcement regarding its re-vamped tech-transfer program further emphasizes the need for Davis to be proactive.

Summary of Prior Business Park Studies

There are three previous business park related studies prior to the Business Park Land Strategy that also provide background information relevant to consideration of potential business and innovation park land in Davis. The 2008 ESG Study, the 2007 Battelle Study and 1998 Business Park Study and staff report. The Business Park Study and the ESG Study evaluate Davis; the Battelle Study evaluates Research Parks in North America. Brief summaries are provided below. A study comparison matrix and expanded summaries of the three studies are also provided.

ESG Study Summary

Objective

The ESG study provided an analysis of the viability of business park development on all or a portion of the Cannery Park site located at 1111 East Covell Boulevard.

Background

The economic activity in Northern California is general moving east, making the Mid I-80 corridor a focus of increasing economic activity. The economy of Davis is distinguished from the adjacent areas by the presence of UC Davis and its resultant mix of economic activity, thus making Davis well suited to compete in the regional economy for life sciences and green tech/clean tech firms.

Findings

The Davis economy is intellectual capital based (research, high tech, specialized services, etc.) and supported by a workforce with high educational attainment rates, specialized skill sets, and technical expertise.

The Davis market competes with similar areas with leading edge research universities, high intellectual capital industries, and high quality of life locations throughout the world for knowledge based economic activity (research, bio-tech, green-tech, etc.) and workforce.

The Davis economy is dominated by UC Davis, which directly generates 2/5 of the City's total employment and nearly 50 percent of sales/ revenues. The size and steady growth of UC Davis assures a substantial measure of stability and prosperity in the local economy, and buffers the impacts of economic cycles.

Conclusion

Davis, like most desirable areas has high barriers of entry. Based on the 10 year historic and current supply of vacant parcels available for office and flex development would be absorbed in about 15 years. The Cannery Park site is in a strong competitive position to capture future business park demand, due to the existing balance of the current vacant inventory that could accommodate business park demand. Once Interland and Mace Ranch build out, the Cannery Park site will have no significant business park competition, given the existing land supply.

Battelle Study Summary

Objective

The Battelle Study provided an analysis of the characteristics and trends in North American research parks. The study presents what research park directors are looking for; provides input on development trends; and provides data that gives valuable insight into the economic impact of research parks.

Background

Research parks are emerging as strong sources of entrepreneurship, talent, and economic competitiveness for regions, states, and nations. In the US and Canada university research parks encompass more than 47,000 acres and approximately 124 million square feet of space. At full buildout it is anticipated that there will be more than 275 million square feet of space. University research parks employ hundreds of thousands of people as well as generate on average 2.57 jobs in the economy for every research park job.

Research parks are the key element in infrastructure supporting the growth of today's knowledge based-economy. By clustering researchers and companies, an environment that fosters collaboration and innovation is created.

Findings

The study drew the following key findings about university research parks:

- Today's research parks have become drivers of regional development.
- They are placing greater emphasis on supporting incubation and entrepreneurship to grow future tenant base.
- They are more likely to be targeted to a particular niche area.
- They are viewed more as an expression of commitment to economic development.
- Tenants are locating in university research parks to access a skilled workforce, including students.
- They foster university-industry relationships.
- More and more parks are mixing academic and industrial uses.
- They can spur urban revitalization.
- They can leverage the assets of non-university R&D organizations such as federal laboratories.
- Sustainable design principles are being emphasized.
- International partnerships are becoming more important.

The study identified the following challenges for university research parks:

- The business-higher education partnership is an evolving business model.
- A challenge for research parks will be to provide support services to ease the commercialization process.
- Cultural barriers between academia and business communities will need to be bridged in order to facilitate partnerships.
- The parks must have greater integration with the university.
- The need for capital will become greater as the research parks try to implement live-work-play models.
- Attracting the operations of foreign companies to retain the R&D operations of U.S. companies.
-

The study identified the following opportunities:

- Industry-university partnerships.
- Financing and support for commercializing intellectual property.
- Retention and attraction of talent.
- Speculative and surge space development
- Collaboration among firms and with other partners.
- Safety and security for technology development.
- Ongoing financial support in order to be economic development drivers
- Urban community revitalization via jobs created, development and support.
- Performance and accountability through continued monitoring of the impacts on the community and local economy.
- Value-added tenant services.

Conclusion

Research parks are creating environments that foster collaboration and innovation and leverage the talent and expertise of universities to technology based economic development.

1998 Business Park Study Summary

Objective

The purpose of the 1998 Business Park Study was to determine which, if any, of the three potential research/business park sites identified should be included in the General Plan EIR, and to compare and account for the identified UC Davis sites.

Findings

The conclusion of the study was based on the analysis of three separate independent economic consultants (HSG and BAE for this study; and ERA in 1995) examining many aspects of market potential. Even if we assume the highest end of an aggressive approach to business park development, the city still has an adequate land supply to accommodate future demand through year 2010 and likely beyond. Therefore, the study does not recommend adding any land for business park uses into the General Plan EIR.

Conclusion

Given the inventory of available vacant city land and the market absorption studies, there is no need to add any land to the General Plan at this time. The conclusion is predicated in part on an inventory of available land now in the city or in the General Plan based on information gathered by Planning Department and Economic Development staff members at that time. At the time of the study, roughly 250 acres of land could have been made readily available for business park uses without adding new land to the General Plan.

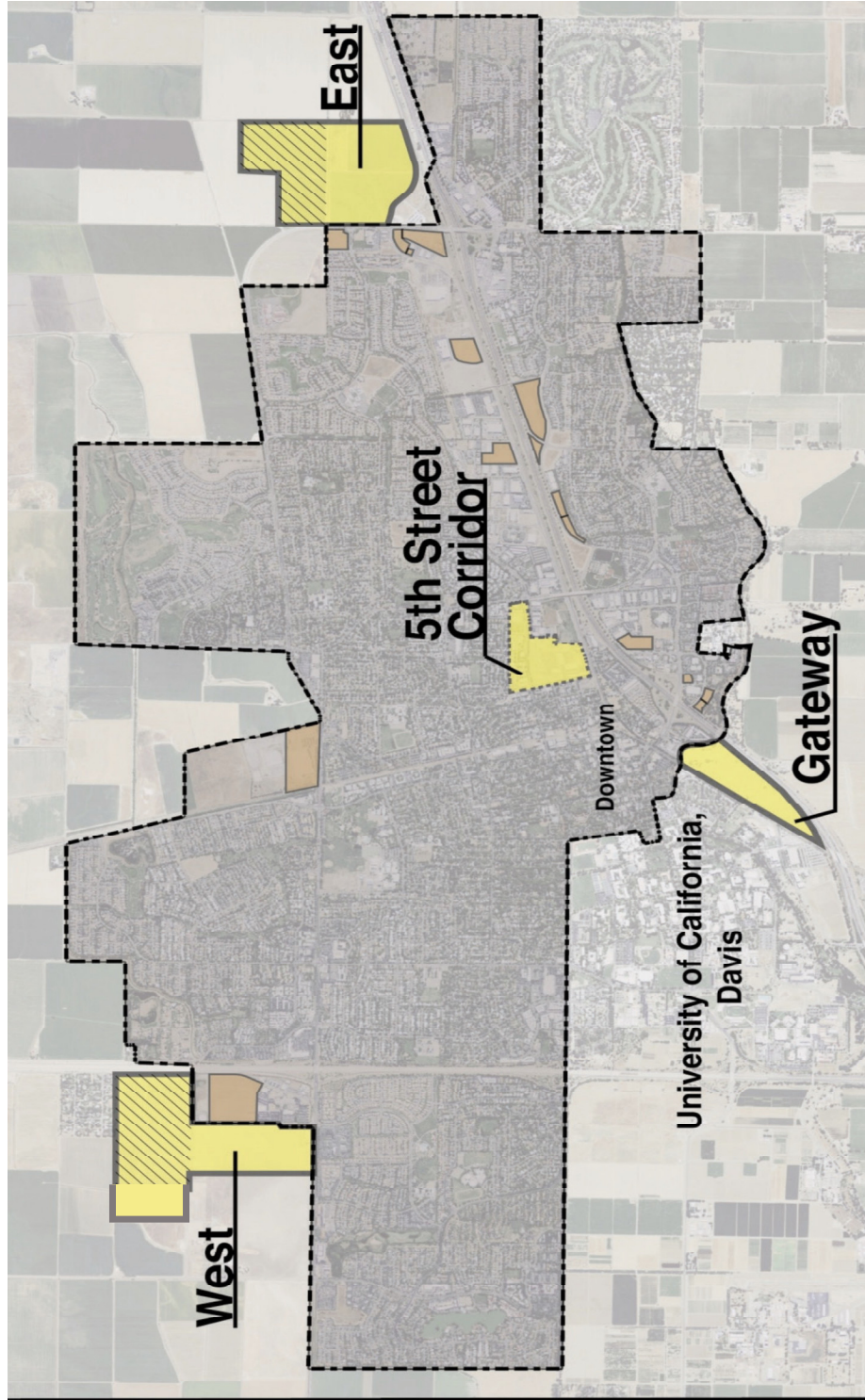
Business Park Study Matrix

	1998 Business Park Study and Staff Report	2007 Battelle Study	2008 ESG Study
Sites Evaluated	All vacant industrial, major office, light industrial and business park land. Outside the city sites: Oeste Ranch, Davis Technology Campus, Covell Center, and UC Davis Enterprise Reserve.	Research Parks throughout the United States and Canada. Information was gathered from 134 university research parks.	All vacant industrial, flex and office land. Cannery Park site.
Objective	Compare the three sites proposed for the General Plan and the UC Davis Enterprise Reserve sites to determine which if any should be incorporated into the Draft General Plan EIR.	Understand how research parks are changing and their role as drivers of economic development.	Determine the viability of business park development on the Cannery Park site.
Relevant Time Frame	10 years	N/A	5-10 years
Demand for Business Growth	Market demand for technology-related business park uses is 40-75 acres for 12 years, between 1998-2010.	Research Parks place greater emphasis on supporting incubation and entrepreneurship to grow their future tenant base.	Increasing employment at UC Davis and the growth of the intellectual technology industry indicates substantial growth.
Projected Employment	N/A	750 employees per park, and every research park job generates 2.5 additional jobs in the economy.	Approximately 1% annual job growth
Industry Sectors Best Suited	High technology based.	IT, drugs and pharmaceuticals, and scientific and engineering service providers	High intellectual capital industries, such as life sciences, green-tech, bio-tech, agro-tech, and clean-tech
Land Available	205 acres	N/A	138 acres
Years to Build Out	5-15 years	N/A	14-17 years
Absorption Rate	3-6 net acres per year	N/A	8 to 10 net acres per year
Candidate Properties for Expanding the Land Supply	Covell Center, Davis Technology Campus, Oeste Ranch, and Enterprise Reserves	N/A	Cannery Park site
Recommended Actions	To achieve successful levels of business park absorption will require a strong collaborative effort between University researchers and private industry, an effective technology commercialization program by the University, well-located available land and an effective city commitment to provide a competitive cost environment.	Create a business park environment that fosters collaboration and innovation and leverages the talent and expertise of universities to drive technology-based economic development (TBED).	Provide clear rules of development that are flexible enough to accommodate the needs of the business and tenant.

Business Park Study Matrix

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Sites Evaluated	All vacant industrial, major office, light industrial and business park land. Outside the city sites: Oeste Ranch, Davis Technology Campus, Covell Center, and UC Davis Enterprise Reserve.	Research Parks throughout the United States and Canada. Information was gathered from 134 university research parks.	All vacant industrial, flex and office land. Cannery Park site.
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Attachment 4



Potential Development Sites

Potential Development Scenarios

5th Street Hub Site

Land Use	Allocated Acres	Density FAR or DU/AC	Potential Yield	Building Type	Employees per SF (Pkg. Ratio)	Potential Jobs
Park/Plaza Space	3.0					
Office/R&D Start-ups	17.0	1.20	888,624 SF	3-4 story urban office	225	3,949
HDR	6.0	35	210 DU	3-4 story apartments		
Restaurant/Café	1.0	0.25	10,890 SF	ground floor	100	109
Support Comm. (Kinkos, FedEx, etc.)	1.0	0.25	10,890 SF	ground floor	100	109
Roads	5.0			(3,650 LF x 61)		
TOTAL	33.0		910,404 SF			4,167

Timing: No interest by Owners. Not likely to happen in the next 10 - 20 years.

Gateway (Nishi) Site

Land Use	Allocated Acres	Density FAR or DU/AC	Potential Yield	Building Type	Employees per SF (Pkg. Ratio)	Potential Jobs
Ag Mitigation/Open Space	12.0			at south tip, balance off-site		
Office/R&D/Labs	17.0	0.60	444,312 SF	2-4 story buildings	275	1,616
HDR	10.0	35	350 DU	3-4 story apartments		
Restaurant/Café	0.5	0.20	4,356 SF	ground floor	100	44
Support Comm (Kinkos, FedEx, etc.)	0.5	0.20	4,356 SF	ground floor	100	44
Roads	4.0			(surface parking or 1 level deck)		
TOTAL	44.0		453,024 SF			1,703

Timing: Very costly site access issues. Could start in 5 years with UCD support. Small number of buildings. 10 year build-out.

Table 5.1-Potential Development Scenarios

West Davis Site

Land Use	Allocated Acres	Density FAR or DU/AC	Potential Yield	Building Type	Employees per SF (Pkg. Ratio)	Potential Jobs
Ag Mitigation	70.0			(pay fee for balance off-site)		
Ag Buffer	15.4			(assume green space)		
Open Space/Park	2.0			(central green space)		
Office/Bio-Health-Ag,	53.0	0.40	923,472 SF	1-3 story office	250	3,694
R&D/Flex Space/Ag-Bio-Health	53.0	0.40	923,472 SF	1-2 story flex bldg.	350	2,638
Lodging	4.0	0.35	60,984 SF	120 rm hotel	400	152
Support Comm.(Kinkos, Drug, etc.)	2.0	0.25	21,780 SF	ground or stand alone	200	109
Restaurant/Café	1.0	0.20	8,712 SF	2 restaurants	200	44
Roads	6.6			(4,700 LF x 61' ROW)		
TOTAL	207.0		1,938,420 SF			6,637

96,921 sf/yr

Timing: If Measure R approval is granted, could start in 5 years. 20 year build-out =

East Davis Site

Land Use	Allocated Acres	Density FAR or DU/AC	Potential Yield	Building Type	Employees per SF (Pkg. Ratio)	Potential Jobs
Ag Mitigation				(pay fee for off-site)		
Ag Buffer	21.0			(assume green space)		
Open Space/Det. Basin/Park	14.0			(basin + green space)		
Office/Ag-Food-Tech	65.0	0.40	1,132,560 SF	1-3 story office	250	4,530
R&D/Flex Space/Ag-Food-Tech	65.0	0.40	1,132,560 SF	1-2 story flex bldg.	350	3,236
Lodging	5.0	0.35	76,230 SF	160 rm hotel	400	191
Support Comm. (Kinkos, FedEx, etc.)	2.0	0.25	21,780 SF	ground or stand alone	200	109
Restaurant/Café	2.0	0.20	17,424 SF	4 restaurants	100	174
Roads	11.0			(7,000 LF x 61'+ ROW)		
TOTAL	185.0		2,380,554 SF			8,240

95,222 sf/yr

Timing: If Measure R approval is granted, start in 5 years. 25 year build-out =

Table 5.2-Potential Development Scenarios



The Innovation Park Task Force process and recommendations are consistent with the following General Plan, Chapter 5: Economic and Business Development, Goals, Policies and Actions

Goal ED 1. Maintain and enhance the Core Area as a vibrant, healthy downtown that serves as the city’s social , cultural and entertainment center and primary, but not exclusive, retail and business district.

Policy ED 2.1 Promote Davis as a destination for visitors with interests in eco-tourism, university/academic events and conferences, athletic events, culture and arts, and downtown shopping.

Action ED 2.1b Work with DCVB to develop a marketing campaign that will encourage people to visit Davis.

Goal ED 3. Retain existing businesses and encourage new ones as means to increase higher paying jobs, create greater job diversification, and create a more balanced economy for all economic segments of the community, while also maintaining the City's fiscal and environmental integrity.

Policy ED 3.1 Adopt policies that make Davis a more business-friendly community and eliminate unnecessary barriers to business.

Action ED 3.1c Evaluate Davis' competitive strengths and weaknesses within the trade area.

Policy ED 3.2 Encourage new businesses to locate in Davis, targeting business which improve the city’s fiscal base, are consistent with the City's values and identity, and match the employment skills of the population, such as those in the emerging technology and knowledge-based industries.

Action ED 3.2b Develop an industrial land use strategy that targets technology-oriented industrial and light industrial uses that contribute to the creation of jobs and the economic health of the community.

Action ED 3.2c Recruit a task force of University and private sector contacts to define methods for attracting high technology firms.

Action ED 3.2d Market the Davis community and its assets, such as Davis' high educational standards, to targeted businesses.

Action ED 3.2e Explore the establishment of a specialized zone or incubator facilities to target specific industries, for example, a high technology or life science zone.

Action ED 3.2f Study opportunities to designate lands for “green” technology, high technology and University related research uses within or adjacent to the City. Work closely with the local business community, community leaders and U.C. Davis officials in determining when and where such uses can best be accommodated in addition to the 25-acre enterprise site planned on the UC Davis campus. Preference should be given to sites that are viable economically and consistent with compact City form principles. As part of this study:

- Consider redesignating or rezoning land(s) within the City limits (as of January 1, 2001) from Industrial, Business Park or General Commercial to research-oriented Business Park uses (that is, uses which allow a wider range of high technology, research and development uses than a URRP and which are complementary to UC Davis);

- Encourage second floor and underground building construction to maximize the space available to accommodate URRP needs within the City limits;
- Key considerations in such redesignation or rezoning shall include the timing of these potential development(s) and impacts and demands caused by these potential developments on the City and the Davis community. Impacts to address include, but are not limited to: traffic, water, housing (for example, growth demand), schools, effects on neighborhoods, and economics (for example, cost benefits and cost generation to the City); and
- Designation of a peripherally sited URRP shall only occur after:
 - a) It is determined that lands within the City limits would not meet the needs for “research-oriented” Business Park uses.
 - b) Specific guidelines for development projects on the periphery of the City are adopted.

Action ED 3.2g Maintain a database of available land for commercial and light industrial development.

Action ED 3.2h Maintain "packaged parcels" ready for issuance of building permits to targeted enterprises. These packaged parcels shall be zoned and have undergone environmental review, thereby streamlining the approval process and enabling Davis to compete with other locations for targeted enterprises.

Action ED 3.2i Clarify and simplify regulations and processing of development applications.

Action ED 3.2k Develop, implement and manage a comprehensive and coordinated program to communicate the city's economic development efforts and to promote the improved business opportunities in the community.

Action ED 3.2l Continue to implement an attraction program aimed at targeted retail stores and other businesses.

Action ED 3.2n Work as a member of local and regional economic development corporations on cooperative projects that will encourage business expansion and attraction in Davis.