

MINUTES

MEETING OF THE BUSINESS AND ECONOMIC DEVELOPMENT COMMISSION Davis Joint Unified School District Administration Building East Conference Room, 526 B Street Monday October 27, 2008 7:00 PM

Commission Members: Anthony Costello (Chair), Robert Agee, Sydney Vergis, Tobin Richardson, Joe Hubran, Anissa Nachman (absent), Greg Phister (absent), Mark Braly (Planning Commission Liaison)

City Council Liaisons: Don Saylor, Ruth Asmundson (Alternate absent),

City Staff: Katherine Hess, Community Development Director
Sarah Worley, Economic Development Coordinator
Brian Abbanat, Economic Development Specialist

Amount of time for each item is approximate and subject to change.

Meeting called to order @ 7:09 p.m.

1. Oath of Office for new BEDC Commissioners

Commissioner Richardson sworn in @ 7:11 p.m.; Commissioner Hruban sworn in @ 7:19 p.m.

2. Determination of Quorum and Seating of Alternates

Quorum verified @ 7:08 p.m.

3. Approval of Agenda

Business of year award tabled until next meeting. Selection process delegated to a subcommittee. City staff directed to re-advertise the award due to insufficient nominations.

Motion made by Commissioner Costello, seconded by Commissioner Vergis. Motion passes unanimously @ 7:13 p.m. Absent: Nachman, Phister

4. Public Comment (5 min)

This is the time for the public to address the Commission on matters not listed on the agenda. Presentation time will be at the discretion of the Chairperson.

Jeanne Jones introduced a guest visitor from the United Nations exchange program. Commissioner Costello invited the guest to make a presentation to the BEDC on the exchange program.

5. Approval of Minutes
September 22, 2008

Commissioner Agee moved to approve minutes upon correction of correct attendance at last meeting. Commissioner Vergis seconded. Motion passes unanimously @ 7:17 p.m.

- 6. Staff Communication/Updates (5 min)**
- 7. BEDC Recommendation: Cannery Park Business Park Viability Study (45 min)**

Staff provided background information and context explaining why the Commission is asked to make a recommendation on the item. Staff provided an overview of policy issues regarding the study as well as development of the Lewis Property site.

Commissioner inquired about the nature of light industrial use in the City, how that relates to the University, and what opportunities exist on the site and in the City to encourage spin-offs. Discussion followed.

Commissioner noted a previous study conducted in the 1990s contradicted the conclusions of this most recent study. Jeanne Jones explained there has been significant development since 1998, which partially explains the difference.

City staff noted a growing recognition that there is not enough land to meet both economic development and residential goals. The BEDC role is to weigh in on what is best for the business community. The Davis workforce is attractive to employers.

Lewis Communities introduced their team and emphasized the approach has been to strive for a balance of uses. Discussed Lewis outreach efforts and that Cannery Park is pressure-neutral with respect to city needs for business park vs. residential land. Discussed practical realities of development with respect to infrastructure, and need to develop infrastructure at beginning of the project.

Public comment: asked if the project would be a LEED project. The response was the project would incorporate LEED elements.

Public Comment: the BEDC should consider the best use of the land for the community, not just business. Mentioned the Housing Element Steering Committee (HESC) unanimously voted that a non-residential (i.e. commercial) viability study was not needed by the committee. The discussion leading to this vote was that residential made the most sense for the Hunt-Wesson/Lewis site. Cannery Park reflects community-based planning through its evolution. It has reduced impacts compared with a business park. 2/3 housing 1/3 business park makes the most sense.

Lewis team member recited a letter from Alzada Knickerbocker which stated a 100 acre business park would have a profound negative impact on downtown. The additional services provided would be a threat.

Commissioner stated agreement with a mixed-use concept. The right proportion is the challenge. Recommended the Commission keep the discussion at the macro-level. Noted the property to the north between F Street and Pole Line will be developed at some point and to consider planning the two parcels jointly in a coordinated way. Raised the question whether the timing is right to develop this site now or as part of the next General Plan. Is this the right project, at the right place, at the right time?

Staff recited an absent Commissioner's comments in opposition to a mixed use project and in favor of retention of the property for development as a business park and revenue generating benefits rather than increased costs from residential development.

Staff noted that HESC priority sites could shift when evaluated against economic development/business park needs, which did not occur during that process.

Commissioner asked Lewis Communities when they purchased the site and if they were expecting to be able to rezone. Lewis representative stated they always expected the zoning would change. The question is whether the plan is right. Lewis has focused on outreach to ensure the plan is supported by the community.

A brief discussion occurred regarding the costs of infrastructure and development. Lewis representative stated the business park and residential components could be developed concurrently. Stated site development would cost approximately \$30 million.

Public comment: referenced letters to the Davis Enterprise in support of the Cannery Park project. Two letters from neighbors stated opposition to a 100 acre business park and supporting the Cannery Park proposal. The third letter from the former chair of the BEDC was opposed a 100 acre business park because of potential impacts on downtown businesses. A 100 percent high tech business park was the least viable option according to the letter.

Commissioner noted the PD zoning presents difficulties as well, but rezonings and plan amendments with are allowable and not atypical means to allow change over time.

Lewis Communities representative agreed the PD zoning complicates the issue. Stated the property is a key, valuable site and the build-out timeframe for a high-tech business park isn't feasible. Also discussed access issues to the site. The question is, "what is the best use of the site?"

Commissioner questioned if the site was purchased with the intention for development of housing, and expressed concern with overloading of residential uses and need for revenue to meet services that additional residents demand.

Commissioner stated the commission must grapple with the viability of the project. Does the project meet the Commission and Community goals for economic viability of the community?

Commissioner noted themes for consideration by future bodies. One theme was business attraction; the Study validated the need for available buildings, especially if not affiliated with the university. Businesses come where there is land or buildings available. Another theme was community enhancement, providing housing for workers was in alignment with green development policies. The project was also in alignment with the HESC recommendations.

Discussion occurred regarding how to move forward with a recommendation. One way was to recommend the project go forward with evaluation of a range of alternatives in the EIR, with final action deferred. The question before the BEDC was how or whether to continue processing the application, and not mislead expectations for action on the project.

In raising the question about how the project met the strategic goals of the BEDC Commissioner made the following points:

- The project merits further consideration
- It is understood that the project is still in process,

- It is aligned with business attraction, the viability study does show that a business park is viable,
 - With housing for workers near jobs and shopping reflecting “green” development policies and aligned with community enhancement goals
 - Want to stay involved in process and project as EIR progresses
- When asked if this was a motion. Commissioner concurred it was a start.

Commissioner was not convinced putting up more houses will answer the questions we have for business development. Concerns expressed about ability to bring in light manufacturing businesses, loss of the tax base and revenue generating commercial properties. The City doesn’t have a lot of land to work with and is hesitant to give this land up in an uncertain future.

Commissioner stated it was not the job of the BEDC to endorse this as a final project.

Questions were raised as to whether there was a need to rezone the property and address the lack of clarity with the existing zoning, and what the options were for future BEDC review of the project.

Staff stated the plan would come back to BEDC for review regarding whether it meets Davis business needs. There would be a future role for this commission.

Action 1 (motion by Vergis; Seconded by Agee): Given a mixed use concept for the Cannery Park site aligns with BEDC business attraction and community enhancement goals and merits further consideration, the BEDC recommends the Planning Commission and City Council continue processing the application. BEDC also requests continued involvement in further project reviews throughout the application process.

*Aye: Costello, Agee, Vergis, Hruban,
Noe: Richardson
Absent: Nachman, Phister*

Council Member Saylor questioned the Commission’s action on the completeness of the Cannery Park Business Park Viability Study, and whether it concurred with the study conclusion that restricting uses to “high tech” was not considered a feasible option.

Action 2 (motion by Costello; seconded by Vergis): BEDC agrees the Cannery Park Business Park Viability Study was conducted with a sound methodology and is sufficient to inform the commission for the purposes of decision making.

*Passed unanimously
Absent: Nachman, Phister.*

BEDC members acknowledged the recognition that to be successful a business park had to allow a wide variety of uses.

Discussion closed @ 9:50 p.m.

- 8. Business of the Year Award Nominations (20 min)**
- 9. Subcommittee Reports**
 - Business Retention (5 min)

Commissioner Agee suggested a street fair/celebration similar to Celebrate UC Davis should occur every year in a similar location. The downtown location made a difference. It's a good partnership and opportunity to bring everyone together.

- Business Attraction

Commissioner Costello mentioned Golden Capital network efforts and the Angel Seminar on 11/13/08 and that all Commissioners were invited

- Community Enhancement

Staff shared information regarding Carousel stationery going out of business. Property owners are actively marketing the space.

- Work Plan and Data
 - Economic Indicators

Staff informed commissioners Doug Jensen, of MuniServices has been asked to give a report to this commission regarding Davis sales tax, economic health and economic indicators at the Nov. 24th meeting.

10. Adjourn

Meeting adjourned @ 10:05 p.m.