

# Questions from December 1<sup>st</sup> Community Luncheon

## Topic: Innovation Center Proposals

Representatives: Diane Parro (City of Davis), Tim Ruff (Davis Nishi Gateway),  
Dan Ramos & Prakash Pinto (Mace Ranch Innovation Center)

### 1. Train Noise for Residents?

Nishi: There is a significant setback from the UPRR for buildings and the buildings will be constructed to mitigate the impacts. The train whistle that is blown at the current Arboretum crossing will go away when it is abandoned when the new UPRR crossing is built to UCD. This is a very urban- style setting and the presence of the train is a component to that. Certainly anyone working and living on Nishi will realize this and will make their decision accordingly based on their personal preferences such as living on the Arboretum, living without a car, or walking to work to avoid commuting which is much more annoying than the train. The EIR goes into great detail on this subject also.

### 2. The fiscal analysis shows an annual net fiscal cost for city services of about \$80,000. Has sensitivity analysis been done of this – how might it be altered? Is this a significant issue?

Nishi: The sensitivity analysis shows several ways that Nishi can be net fiscal positive which both the developer and City have committed to as an essential component of the project. There are much larger positive economic impacts annually in addition to general fund in the form of jobs, wages, and services that can be provided by existing businesses; especially in the downtown. Yes this is a very important issue.

### 3. Describe the UC Davis LRDP interaction with this plan.

Nishi: Campus is studying the road-bike-ped connection with their LRDP. They have a map showing the Nishi property connection in their LRDP open houses describing the collaborative effort. They will analyze the connection in their EIR and have set aside land for the roadway connection for these studies so the timing is good for coordination.

### 4. City: Some people believe that at least some of the innovation centers' business residents will be affiliated with UC Davis and therefore the city will not receive tax revenue from them. Is there truth to this?

Nishi: Nishi has committed to covering any losses from UC Davis leases as part of the commitment to net fiscal positive outlined above in question 2. This is one of the many tools outlined in the sensitivity analysis.

City: The tax status of UC Davis does allow for less taxation and this is nothing the City controls. This applies to other non-profit entities as well. The concern that this situation will result in lower tax revenue to the City because of UC Davis purchase or lease of property has been raised in connection to the innovation center projects and calculations for this are appropriately included in the EPS study. Some universities enter in to funding agreements with their host cities and although we do not have anything exactly like that between UC Davis and the City at this time, I do not rule out discussions about this or other collaborative measures. UC Davis and the City are good partners and as noted in the presentations the opportunity for innovation centers is directly tied to the presence of the university in our city. We expect to work closely together so that development benefits all of us.

5. MRIC: Name some of the companies you can attract.

MRIC: Other than Shilling Robotics' expressed interest in relocating to MRIC, it is too early to name individual companies because of the uncertainty of the entitlement process and the Measure R vote results. Once certainty is achieved MRIC owners will work closely with the City, Greater Sacramento and other groups to recruit quality, innovative employers looking to locate to the Sacramento area and more specifically wanting to collaborate with UCD and tech companies already located in Davis.

6. With R&D to Production to Market, this requires a workforce that is diverse in skill but also diverse in income. Will the housing options be viable for all these workers or do you expect a percentage of the workforce to reside in outlying communities?

Nishi: At the Nishi location there is a shortage of housing currently from commuters to the largest employer in Yolo County. However, the R & D space on Nishi is ideally suited for tech transfer adjacent to campus. There will be students living on Nishi who are really workers whose job it is to study and get a degree. There will be smaller ownership condos that tech workers could afford and apartments as well. There will inevitably be workers who live in other communities and these potential trips have been studied in the EIR.

MRIC: The housing component proposed in the MRIC mixed use alternative calls for a maximum of 850 units comprised. Based on a projection of approximately 5,800 employees, only a portion will live at the on-site housing. Because of the nature of the companies that could locate at MRIC one would expect the job opportunities attractive to young educated professional which would be the target residents of the project.

7. Does the Revenue Bond for DJUSD mean that the Bonds tied to our property taxes might be allowed to expire?

Nishi: These will revenue sources are in addition to existing ones. I am not sure when existing bonds on other properties expire.

8. Both Projects: What type of retail are you thinking of?

Nishi: Very limited to serve the residents and workers on site- perhaps 20,000sf. With Downtown adjacent we have the retail area in place for additional services. We do not want to compete with downtown retailers.

MRIC: Retail would consist of primarily ancillary support services for the expected employee base and potential residents at MRIC; with the idea of reducing the need for offsite trips. Possibly types include food spots, coffee houses, gym, cleaner drop-off, med clinic, ATMs, etc. Only 100,000 sq ft (less than 4% of project) is dedicated to retail uses.

9. What do you mean with "hotel" for the Nishi Gateway Project?

Nishi: Hotel is a conditional use that could provide additional revenue subject to additional studies by the City. A hotel is not necessary for net fiscal positive but it may be an ideal location for a hotel in the future.

10. Automobile parking is expensive to build and represents a significant opportunity cost where available land is constrained. Mechanized parking has emerged as a viable and affordable solution all over the world. Are you considering mechanized parking to optimize your land use for highest tax base?

Nishi: That's a good idea and there will be time to consider that in certain areas- particularly any surface parking areas. It's a good way to add parking if needed and make better use of the land.