



May 18, 2022

Christine Crawford  
Executive Officer, Yolo LAFCo  
625 Court Street  
Woodland, CA 95695

Dear Ms. Crawford:

The City of Davis is writing in support of the Sphere of Influence (“SOI”) Amendment submitted by the Davis Innovation and Sustainability Campus (“DiSC 2022”) applicant. The application proposes to incorporate the DiSC 2022 project site and the “Mace Triangle” into the City’s Sphere of Influence. This property is located to the east of the City’s current boundaries and is bordered by incorporated City land on two sides.

The desire and need for an innovation center in the City of Davis stretches back more than two decades. In 2010, the City formed an Innovation Park Task Force to identify “appropriate opportunities to create a place for primarily Davis-based research and technology companies to grow” and to create a “world-class next-generation university-related business park” in Davis that will both support and leverage the research occurring at UC Davis. In 2014, after years of analysis culminating in the UC Davis Studio 30 Report and the adoption of the recommendations of the City’s Innovation Park Task Force, the City Council determined that an innovation center was desirable to ensure economic vitality in Davis and subsequently issued a “Request for Expressions of Interest (RFEI).” The RFEI sought applications from willing landowners/private partners.

Four locations were identified by the City and Studio 30 Report as being appropriate for such an innovation center, including the proposed DiSC 2022 project site. To date, and importantly, the other three identified sites are no longer feasible for development – the western site was approved for a senior community (“Bretton Woods”), the Gateway site was approved for student housing (“Nishi Gateway”), and the 5<sup>th</sup> Street Corridor site (PG&E Corp Yard) does not have a willing property owner. As such, the proposed DiSC 2022 site remains the only feasible location for the City’s long-desired innovation center. The DiSC 2022 project has gone through different iterations over the years, aiming to satisfy the City’s greatest needs and desires. The project was originally introduced in 2014 as the “Mace Ranch Innovation Center (MRIC),” originating from the City’s RFEI. The DiSC 2022 project proposes a live/work campus environment, offering office, research and development, laboratory, prototyping, advanced manufacturing, housing,

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and recreational and open space uses. DiSC 2022 continues to meet the objectives of the Innovation Park Task Force, achieving those goals with a more “Davis-scaled” project and adjusted to meet the City’s present-day needs.

Among those needs is, as is apparent through the statewide housing shortage, is more housing to accommodate a diverse array of households. Under Housing Element law, the City of Davis is required to adopt a Housing Element that demonstrates, among other things, how the City can accommodate its assigned Regional Housing Needs Allocation (“RHNA”) for that cycle. The City’s Regional Housing Needs Allocation (“RHNA”) for the 2021-2029 cycle is as follows: 2,075 total housing units (580 very low-income units, 350 low-income units, 340 moderate-income units, and 805 above moderate-income units).

The DiSC 2022 project includes 460 housing units, both rental and for-sale, including 160 single-family units expected to be three-bedroom homes, and 300 multi-family units ranging from studios to two-bedroom. Notably, the project will include 85 affordable housing units, deed-restricted for very-low, low, and moderate-income households. As such, the DiSC 2022 project is consistent with the City’s need for additional housing opportunities and provides for a diverse array of housing types and does so at various affordability levels. Overall, the project presents a significant opportunity for the City to meet its state housing target.

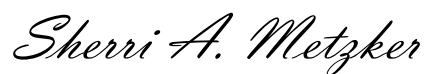
On February 15, 2022 the Davis City Council voted unanimously to approve the DiSC 2022 proposal, subject to voter ratification and is currently presented to the voters on the June 7<sup>th</sup> ballot as Measure H. On May 10, 2022 both the Yolo County Board of Supervisors and the Davis City Council each also unanimously approved a transportation/traffic implementation MOU between the County, the City, and the developer. Should the voters approve Measure H the City would follow suit with submitting an annexation proposal to LAFCo for consideration.

Again, given the City Council actions and the City’s long-held desire to pursue an innovation center the City of Davis is happy to support the Sphere of Influence Amendment before the Yolo County Local Agency Formation Commission (“Yolo LAFCo”). Please reach out if you have any questions or would like to discuss things further.

Sincerely,



Michael A. Webb  
City Manager



Sherri A. Metzker  
Interim Community Development Director