

STAFF REPORT

DATE: July 22, 2026

TO: General Plan Committee (GPC)

FROM: Sherri Metzker, Director, Community Development
Dara Dungworth, Principal Planner

SUBJECT: 2050 General Plan Update, General Plan Committee Meeting #1: Draft Preferred Land Use Alternative/Map

RECOMMENDATION

Staff recommends that the General Plan Committee:

1. Hold a public meeting regarding the General Plan Update (GPU);
2. Discuss feedback received on the draft land use concepts and provide direction for a Draft Preferred Land Use Alternative/Map; and
3. Receive public comment.

FISCAL IMPACTS

There is no fiscal impact to the City since this is only informational.

COUNCIL GOALS

All City Council goals will be addressed in the General Plan Update.

- Achieving Greater Fiscal Resilience
- Strengthening Climate Resilience
- Shoring Up the Housing Continuum
- Improving Social Services for Vulnerable Populations
- Maintaining High Quality Infrastructure and Services
- Stepping Up Economic Development Activities

BACKGROUND

City Council directed staff to begin an update to the current City of Davis General Plan (GPU) in 2025. The GPU will be a comprehensive update to the General Plan, which is the City's blueprint for future development in the city and will contain goals, policies, and implementation activities to guide the community through its next 20+ years. It builds on community strengths and assets, while tackling new and emerging challenges.

A key component of the General Plan Update process is to seek feedback and direction through the City's existing Commission system, in addition to the community at large.

Purpose of the General Plan Committee

The General Plan Committee (GPC) is a City Council appointed committee formed for the purpose of discussing cross-cutting policy topics with two active representatives from five City of Davis Commissions. The Planning Commission has three appointed members to create a committee of thirteen members. The GPC will work closely with the project Planning Team to consider the implications of different policy pathways related to land use, open space, mobility, environmental justice, etc. through the lens of their particular commission. The GPC will be a key forum for commissioners to engage across commissions during the GPU process.

Along with preparation, attendance, and active participation at GPC meetings, all GPC members will be expected to summarize General Plan policy discussions held at individual commissions to present to other GPC members at these meetings. GPC members will also be expected to brief their respective Commissions on GPC meetings, activities, and General Plan progress. GPC members will act as representatives of their respective commissions, sharing the views of their commission (not personal views) on a policy pathway.

The GPC's functions are:

1. Provide comments and feedback. To provide comments and feedback on cross-cutting policy topics with active representatives from six city commissions.
2. Provide recommendations. To make recommendations to the Planning Commission and City Council at key project milestones.
3. Communicate information.
 - a. Members will be expected to summarize General Plan policy discussions held at their individual commissions for other GPC members.
 - b. Members will be expected to brief their respective commissions on GPC meetings, activities and General Plan progress.
 - c. Members will be expected to act as representatives of their respective commissions, sharing the views of their commission (not only personal views) on a policy pathway.

General Plan Committee Establishment and Meeting #1

On July 22, 2026, the City will host its first General Plan Committee meeting. City Staff and the Consultant Team will present an update on the process and recent community engagement, share results from the recent community engagement on land use concepts and provide an overview of initial direction for a Draft Preferred Land Use Alternative/Map for committee review and input. The presentation is provided as Attachment 1.

The agenda and meeting format for this special meeting are similar to typical Planning or other Commission meetings. Each member of the GPC will sit on the dais; in the event there are more members than space on the dais, additional members will be seated at the "staff" tables facing the dais. The Commission staff liaisons and Planning staff members will be available to assist the Commissioners during the meeting. The audience seating will be available for members of the public. After the staff and/or

Consultant Team presentation, each member of the GPC will have an opportunity to provide their feedback, representing the views and opinions of their respective Commission. Time for public comment will be provided at the conclusion of the Commissions' feedback. Future meetings will be held in the evening on either the 2nd or 4th Wednesday of the month, utilizing the Planning Commission's reserved meeting times in the Community Chambers. Please note, the GPC meetings will be held periodically as needed on an ad hoc basis not monthly. The GPC will have a dedicated webpage for its duration, and agendas will be noticed and published similar to how the Planning and the advisory Commissions' agendas are. Meetings will be broadcast and recorded. The GPC will also have a committee group email address that the public can use to send the Committee, staff, and the Consultant Team correspondence and feedback.

GPU Process and Engagement

The GPU process is organized into five distinct phases: 1) listening and discovery, 2) land use and mobility plan development, 3) policy development and plan preparation, 4) public plan review and 5) final plan review and adoption. Each phase helps to organize technical analysis and to cluster community and Commission engagement activities. Engagement activities will be completed during every phase of the process.

The first step in updating the General Plan was to engage with the community to create a shared community vision and project outcomes, beginning in February 2025 and concluding in November 2025. Over the same time period, City Staff and the consultant team gathered feedback from the commissions and community members on the key strategies to bridge the gap between critical issues / opportunities and the project vision and outcomes. Many of these strategies centered on meeting future housing, job and amenity needs and laid the foundation for the land use concepts as described below.

Building on the vision, project outcomes, and key strategies described above, City Staff and the consultant team convened two working group meetings with the Planning Commission Subcommittee to discuss land use changes. Subcommittee members worked with the project team over three months to define and prepare draft land use concepts. These concepts incorporated strategies to encourage infill in Downtown, support reinvestment along transit corridors and neighborhood centers, encourage infill in existing lower density residential neighborhoods and consider implementation of an urban limit line beyond existing city limits as described below.

Key Project Outcomes, Key Issues and Strategies

During Phase One of the General Plan Update process, the Davis community, City commissions, and City Council helped to define the vision and key project outcomes for the GPU. Outcomes centered around a healthy and resilient community, community engagement, leadership, and General Plan preparation.

While nearly all of the outcomes touch on land use, the following, selected set of project outcomes are closely related to land use and guided development of the initial land use concepts. Attachment 2 includes the vision statement and all project outcomes.

- **Complete neighborhoods:** Sustain walkable neighborhoods with a mix of uses to maintain a healthy living environment, a connected community, and vibrant and resilient neighborhoods where people live, work and study.
- **Housing choice:** Provide for a range of housing types that meet housing needs for different income levels, stages of life, disadvantaged populations and generations through the lifespan of the General Plan across multiple Regional Housing Needs Allocations.
- **Jobs-housing match:** Increase the availability of affordable and workforce housing to support the regional economy and local businesses and to lower vehicle miles traveled.
- **Spaces for businesses to flourish:** Provide a continuum of commercial, research and development, and industrial spaces that meet the lifecycle needs of emerging and maturing home-grown businesses, those businesses interested in relocating or expanding in Davis.
- **Areas to meet housing, business and community needs:** Establish a long-term vision to meet future needs rather than relying on ad-hoc decision-making on individual projects to enable long-term planning for infrastructure and public facilities needed to provide the desired service levels for the existing community and the areas targeted for change.
- **Fiscal sustainability:** Maintain positive city revenues through multiple funding streams to continue provision of high-quality services.

During Phase One, the Davis community, City commissions, and technical analysis also helped to define key issues facing Davis now and anticipated into the future and the potential land use strategies to bridge the gap between the issues and project outcomes. The following highlights selected land use issues. Attachment 3 includes the full list of critical issues and strategies presented at the community workshop.

Community Report Issues Facing Davis	Strategies to Address
<i>Lack of affordable housing</i>	Higher density residential and mixed-use in/near Downtown and near high traffic corridors Areas for higher density infill housing around City boundaries Affordable housing on City-owned properties
<i>Limited variety of housing types</i>	Areas for medium-density residential throughout the City Higher-density residential and mixed-use in/near Downtown and near high traffic corridors Areas for higher density infill housing around City boundaries
<i>Jobs-housing mismatch resulting in out-commuting</i>	Intensified employment uses throughout the City Employment hubs within City limits Potential annexation for employment hubs outside City limits
<i>Fiscal / fiscal issues</i>	Intensified employment uses throughout the City Potential annexation for employment hubs outside City limits

<i>Needed Downtown revitalization</i>	Adjust height, density and/or expand Downtown boundary Amenities such as gardens, playgrounds, teen/adult play areas Downtown revitalization through events
<i>Limited areas for new Development within City limits</i>	Potential annexation for new housing and jobs growth outside City limits
<i>Need for public school enrollment</i>	Increase in allowed housing density within City limits Potential housing on school sites Potential housing growth outside City limit
<i>Agricultural boundaries and conservation easements</i>	Designate agricultural areas and high-value natural resource areas Open space for agricultural or habitat preservation and agricultural buffers in future development outside City limits Support voluntary conservation easements over agricultural lands

Land Use Concepts Presented in April 2026

The land use concepts presented three preliminary ideas for how Davis can meet future housing and jobs needs within City Limits and outside City Limits, by evolving the city's land use vision to help the community thrive. Each concept tested different patterns of land use through the implementation of the land use strategies, and then qualitatively evaluated against the project outcomes. These concepts allowed the community to weigh trade-offs and establish a direction for Davis' future physical form. Possible adjustments included changes in one or more of allowed land use, residential density, and non-residential intensity.

Please note that the purpose of these concepts was to modify, combine, and refine them into one Draft Preferred Land Use Alternative. It was not expected that one of the concepts presented would move forward as the Preferred Land Use Alternative without revision.

The table below summarizes each of the three land use concepts inside City Limits and the concept for areas outside current city limits that were presented at Commissionapalooza #2 (April 13, 2026) and Workshop #2 (April 30, 2026). Maps of these four land use concepts are provided as Attachment 4.

Concept	Description
Concept #1	Concept #1 explored infill development at higher intensity and higher concentration around key areas of the city. Opportunity sites and areas accommodated significant density with fewer land use changes on fewer parcels.

	This concept produced the highest number of housing units and the lowest number of jobs across the three concepts. Key components of Concept #1 included increasing heights and densities in Downtown Davis; changing select commercial and faith-based sites to high density residential or mixed-use; increasing intensity of select employment areas; increasing density on select low-density residential areas; and changing select DJUSD sites to allow high density residential.
Concept #2	Concept #2 distributed new growth across the city at lower intensities. Opportunity sites and areas accommodated medium density mixed-use with land use changes on more parcels. This concept produced the middle point of jobs, and the lowest number of housing units across the three concepts. Key components of Concept #2 included expanding the boundary of Downtown Davis; changing more non-residential sites, including along transit corridors (Covell Blvd, 5th Street, Cowell Blvd) to medium-high density residential or mixed-use; increasing intensity of all employment areas; and allowing a variety of housing types in all low-density residential areas.
Concept #3	Concept #3 focused on employment, providing the highest number of jobs of all three concepts, and the middle point of housing units. Key components of Concept #3 included increasing height, density, and expanding the Downtown area; changing the designation of select faith-based sites to allow high density residential; increasing intensity for all employment areas; and changing the designation of select DJUSD sites to allow high density residential.
Areas Outside City Limits	The concept for areas outside City Limits introduced an urban limit line ¹ , designated open space for Natural Resources Reserve and/or Agricultural Reserve Areas, and identified hubs for future residential and employment. A mix of residential types including low density single-family homes, medium, and high density residential with commercial, business park, and industrial employment uses were woven together with open space. The concept included proposed development projects, such as Village Farms, Willowgrove, and DiSC.

Phase Two Community Engagement – Land Use Concepts

The second phase of community engagement on the GPU began in Spring 2026 with Commissionapalooza #2, where six of the City's Commissions met (April 13, 2026) to review and provide input on three draft land use concepts. Shortly after, the second community workshop took place (April 30, 2026) with the community reviewing and

¹ An urban limit line is a planning tool that restricts development within a defined area to limit urban sprawl and preserve natural and agricultural resources. An urban limit line is not required by State law and is typically set by a jurisdiction's City Council or public vote. This boundary is often set for a specific period and does not directly control annexation.

providing feedback on the draft land use concepts. In addition, the City hosted three pop-up events (April 15, April 23, and May 15, 2026) to raise awareness for the second workshop and online survey and hosted an online survey (April 30-May 28, 2026) to solicit feedback on specific aspects of the three land use concepts. The consultant team provided overview presentations to three local community groups in May and June 2026 to solicit feedback on the three land use concepts and promote the online survey. Workshop and Community Survey Summaries are included as Attachments 5 and 6.

Feedback from these discussions is summarized below and synthesized into initial direction for a Draft Preferred Land Use Map (or updated General Plan Land Use Map) for the city. The Draft Preferred Land Use map with accompanying mobility networks will be shared for discussion during a series of community, commission, and Council discussions in fall 2026. Once completed, Staff and the consultant team will begin developing the complementary goals, policies, and implementation actions for the General Plan chapters or elements.

Phase Two Responses and Initial Draft Preferred Land Use Plan Direction

Workshop #2 and online survey #2 asked participants the same sixteen questions related to aspects of the three land use concepts, and the concept for areas outside City Limits. This feedback is summarized below, aggregating responses to the same questions across both events. City Staff and the consultant team utilized these responses in conjunction with technical analysis to define initial direction for the Draft Preferred Land Use Map, which is also summarized below. The Draft Preferred Land Use Map is provided as Attachment 7.

General

Community Feedback:

Several Commissioners provided general feedback which helped guide the initial direction recommended below. This included: working to meet a 3.5 RHNA target inside the city limit; ensuring the concepts meet other climate, transportation, housing and open space goals set by the City and State; consideration of the infrastructure and transportation costs as well as park and recreation facility needs/costs with new residents; and consideration of existing City surplus land.

Downtown

Community Feedback: In the Downtown area, respondents in the online survey and workshop were supportive of Concept 2; which explores increasing allowable building heights and densities in Downtown Davis, while maintaining the current footprint, and Concept 3; which explores both increasing the allowable building heights and densities in Downtown Davis and expanding the boundary of what is considered Downtown Davis. There was concern voiced about a blanket upzoning of the Downtown and more thoughtful consideration of areas with existing residential uses and adjacencies. Commissioners were supportive of infill development in general and Downtown intensification, with a focus on creating walkable mixed-use neighborhoods with safe and comfortable access to retail and services.

Initial Direction for the Draft Preferred Land Use Map: The revised Land Use Map combines Concepts #2 and #3 in the Downtown area. This includes increasing allowable heights and densities in some areas of Downtown while maintain large portions of lower density residential areas as is; Main Street Large and Main Street Medium Zones and introduces a new Mixed-Use High designation that allows up to 8-stories. In addition, the Downtown boundary is expanded west of the Olive Drive area and the commercial sites east of Downtown, which are designated as Mixed-Use.

Housing in Single Family Neighborhoods, School District Sites, and Faith-Based Lands

Community Feedback: Related to housing, respondents were supportive of Concept #2, which modestly increases the amount of housing allowed across all residential neighborhoods in the city, and Concept #3, which intensifies allowed housing on select DJUSD sites and allowed mixed-use on faith-based-owned lands. Several Commissioners supported increasing housing type diversity (e.g., duplex, triplex, ADU) and density in single family neighborhoods.

Initial Direction for the Draft Preferred Land Use Map: The revised Land Use Map combines Concepts #2 and #3 for housing across the city. These specific sites are places of worship and/or DJUSD-owned sites including Nugget Fields (DJUSD owned-site), Emerson Junior High School, Harper Junior High School, Davis Christian Assembly, and the Catholic Church of Sacramento. In addition, select neighborhood centers and transit corridors have increased residential density to allow mixed-use development. Single family neighborhoods increase allowed density from 5.99 to 7.5 du/ac, while other select sites have higher density.

Neighborhood Centers and Transit Corridors

Community Feedback: Respondents provided feedback on several questions related to neighborhood centers and transit corridors, about key features, and not specific concepts. Feedback favored mixed-use designations (jobs, housing, retail, and services together) for both neighborhood centers and transit corridors over other uses. Respondents supported building heights up to 4-6 stories for neighborhood centers and up to 5-8 stories along transit corridors, depending on the location. When asked about requiring housing in specific neighborhood centers and transit corridors, respondents were split whether projects should be allowed to move forward without required commercial space, if it makes housing easier to build.

Commissioners were supportive of infill development in general, with a focus on creating walkable mixed-use neighborhoods with safe and comfortable access to retail and services. This supported housing, transportation, and climate goals.

Initial Direction for the Preferred Map Use Map: The revised Land Use Map selects locations of neighborhood centers and transit corridors to increase density and apply new land use designations.

The following locations are identified as Neighborhood Mixed-Use High (55 du/ac density and up to 6 stories):

- Anderson Plaza
- E Covell Boulevard/F Street
- Rite Aid on Russel Boulevard/Anderson Road
- Cannery Mixed Use
- Oak Tree Plaza
- Fifth Street Plaza
- Oakshade Town Center

The following locations are identified as a new designation; Neighborhood Mixed-Use Medium (35 du/ac density and up to 4 stories):

- Davis Manor Center
- Westlake Plaza

The City's Corporation Yard is redesignated for Residential High Density.

Spaces for Businesses

Community Feedback: Respondents showed support for Concept #2 and #3, which increases allowed intensity on all jobs locations in Davis to increase local job productions. Support for annexation of new employment areas outside City Limits was also strong. Respondents showed support for additional areas to support business in the retail and services; small business offices; research and development; and healthcare industries, with less support for major job and revenue generators like hotels, industrial and large format offices.

Several Commissioners supported land use changes to encourage businesses to support City fiscal sustainability.

Initial Direction for the Draft Preferred Land Use Map: The revised Draft Land Use Map combines features from Concept #2 and Concept #3. All properties designated as Business Park and Industrial are intensified from 0.5 FAR to 1.0 FAR, with the goal of allowing and attracting a greater number of jobs in these areas. From Concept #3, selected locations increase up to 1.5 FAR, including:

- 2nd Street/Mace Blvd
- Davis Community Transit
- 5th St/Madson Pl
- Frontier Fertilizer (2nd Street)
- UCD Innovation Campus

Areas Outside City Limits

Community Feedback: Respondents were supportive of the various types of design guidelines to guide how future neighborhoods look and feel in potential annexation areas. Several Commissioners strongly supported design guidelines for areas outside of city limits.

Respondents were supportive of a mix of jobs, housing, amenities, and open spaces. Similar to the Spaces for Businesses, respondents were less supportive of hotels, general office, and industrial jobs in future development, and favored research and development, retail and commercial, technology, and agriculture jobs. However, a large contingent of respondents supported a variety of all jobs types in future development outside City Limits. Respondents were supportive of a variety of housing types in new development outside City Limits, with less support for single family homes over multifamily.

The majority of respondents were supportive of the Urban Limit Line to focus future development and plan for the city's growth comprehensively, however, many respondents wanted to see the urban limit line boundary modified. Several Commissioners also recommended modifying the urban limit line in the northeast to exclude an area surrounded by protected open space.

Several Commissioner also mentioned considerations around flooding and flood protection outside City limits, the cost of infrastructure expansion and who would bear that cost, connecting the areas better and layering in an open space network.

Initial Direction for the Draft Preferred Land Use: The urban limit line boundary was modified to reduce the overall size and remove areas to the far northeast (north of DiSC), and southeast (El Macero and Old Willowbank). The mix of uses generally did not change from the previous phase, due to the desire to create complete neighborhoods, create new jobs, support DJUSD enrollment and offer a mix of uses and affordable housing options.

Summary of Estimated Projections

Anticipated growth from existing City policy (without the General Plan Update), including the 6th Cycle Housing Element, accessory dwelling units (ADUs), and pipeline projects, amounts to about 4,500 housing units and 500 – 1,000 jobs inside City limits. The draft preferred land use alternative is anticipated to produce 1,000 – 1,500 additional jobs and approximately 4,000 additional housing units inside City limits, as summarized in the table below.

The cumulative growth inside City limits is estimated at 1,500 – 2,500 jobs and 8,000 – 9,000 housing units. The cumulative housing growth number is above the minimum of 6,225 additional units but given early indications of potential increase in RHNA numbers, this number may not be adequate to meet the City's housing needs allocation to 2050.

The draft preferred land use alternative includes areas outside City limits to meet the City's housing and jobs needs. The cumulative growth from pipeline projects and the draft preferred land use alternative outside City limits is estimated at 14,000 – 14,500 total jobs and 10,000 – 11,000 total housing units.

Based on DJUSD's student yield factors², the total cumulative housing growth inside and outside City limits could result in a total of 2,000 – 2,800 potential new students in the district.

This cumulative growth will be analyzed further in the General Plan Environmental Impact Report in the next stage of the process.

Estimated Growth Projections – Draft Preferred Land Use Alternative

	Jobs	Housing Units	Population¹	Student Population²
Inside City Limits	1,500 – 2,500	8,000 - 9,000	18,000 – 20,000	500 - 800
Pipeline Projects ³	500 – 1,000	3,200		300
Remaining Housing Element sites and ADUs	N/A	1,300		<100
Revised Land Use Map	1,000 – 1,500	4,000		400
Outside City Limits⁴	14,000 – 14,500	10,000 – 11,000	22,000 – 25,000	1,500 – 2,000
Total	15,500 – 17,000	18,000 – 20,000	40,000 – 45,000	2,000 – 2,800

¹ Population based on an average household size of 2.47. UC Census Bureau ACS, 5-year estimate

² Student yield factors are based on the Davis Joint Unified School District's Student Population Forecast by Residence, School Year 2025/26 – 2035/36 Report

³ Includes approved projects and projects under review.

⁴ Totals include jobs, housing units and potential student population generated from new growth areas and the proposed Village Farms, Willowgrove and DiSC projects. Estimates are gross totals and do not exclude site specific development constraints.

Anticipated Housing Needs – Regional Housing Needs Allocation (RHNA) and Estimate Growth Projections

In 2021 for the 6th Cycle Housing Element, the City of Davis was assigned 2,075 housing units across different income levels and approximately twice the allocation from earlier Housing Element cycles. A challenge for City staff is anticipating what RHNA

² Davis Joint Unified School District's Student Population Forecast by Residence, School Year 2025/26 – 2035/36 Report

HCD will assign in future cycles, e.g., 2030, 2038, and 2046. Early indicators from SACOG are that the RHNA numbers will increase. Therefore, Staff recommends that the City plan for a minimum of what was assigned in 2021 for each of the cycles. All totaled, Staff recommends that the city plan for a minimum of 6,225 additional units beyond the previously assigned 6th Cycle RHNA's 2,075 units. This number could be reduced to 4,150 units if the City recommends delaying the planning for the third Housing Element cycle under this General Plan (which would occur in 2046).

While the City successfully identified sites to adequately accommodate the RHNA in 2021, the limited supply of vacant sites and few underutilized sites to recycle into housing made accommodating growth challenging. Future Housing Element cycles will require even more sites that are considered ready for development (e.g. vacant or under-developed). HCD will not count a developed site for the City's RHNA if the site is not likely to be redeveloped. HCD requires these sites to be realistic in development capacity and fall within certain density standards. Non-vacant sites require additional analysis to determine if they are appropriate to accommodate the city's RHNA.

The housing and job estimates associated with the revised Land Use Map use a similar methodology to approximate growth as the City's Housing Element Sites Inventory; however, General Plan growth projections and Housing Element methodology differ in several important ways. These include: 1) sites in a Housing Element must meet a higher likelihood of redevelopment within a shorter timeframe (8 years instead of 25) to demonstrate that RHNA can be accommodated; and 2) Housing Element sites must accommodate different income levels, and sites identified to accommodate lower income housing must meet specific criteria.

While the estimated housing projections within the City may exceed the anticipated housing need over multiple Housing Element cycles, the sites themselves may not meet the criteria established by HCD at the time of each cycle. Having a significant buffer in terms of sites will help the City show how the RHNA can be accommodated.

Land Use Map Considerations

Of all the elements of the General Plan, the Land Use Element is the most foundational. It designates the type, intensity, and general distribution of land uses (housing, commercial, industrial, open space, public, etc.) across the city, setting the vision and direction for meeting future housing, job, and amenity needs for the life of the General Plan, through 2050 for the Davis GPU. Land use provides an opportunity for the City and its citizens to determine the future physical development of the city.

Along with the land use vision for the community, the City must balance other objectives in the revision of the Land Use Element. These include State and local goals, such as producing housing, reducing greenhouse gas emissions, and conserving sensitive lands; the feasibility of new development; existing and future infrastructure capacity; the ability of the City to provide high-quality services; and fiscal sustainability.

Summarized below are some of the key considerations and limitations facing the City as they consider changes in land use for the Draft Preferred Land Use Alternative.

Limited Vacant Land and Redevelopment

Davis is 99 percent built out with only a handful of vacant sites within City limits. Given the limited availability of vacant land, the draft land use concepts explored different options for meeting Davis' future jobs needs through intensifying land uses to increase the amount of allowed housing and jobs within a given parcel. The revised Land Use Plan: 1) upzones select, likely redevelopment sites (e.g., in Downtown, along transit corridors, and in neighborhood centers) to higher densities to increase capacity; 2) continues to support incremental infill strategies like ADU and SB 9 investment in single family neighborhoods; and 3) considers increased intensities of employment lands.

The likelihood of redevelopment of an employment parcel is strongly influenced by the age and condition of the existing structure on that parcel. Most property owners are not in a position to tear down and reconstruct a slightly larger building in its place, unless there is significant financial upside. The current market has relatively tight margins to support redevelopment for employment buildings, especially when large structures are less than 30 years old, due to the costs of construction and tight lending market. For this reason, the revised Land Use Map is selective about applying higher intensity land use designations for industrial and employment buildings across Davis.

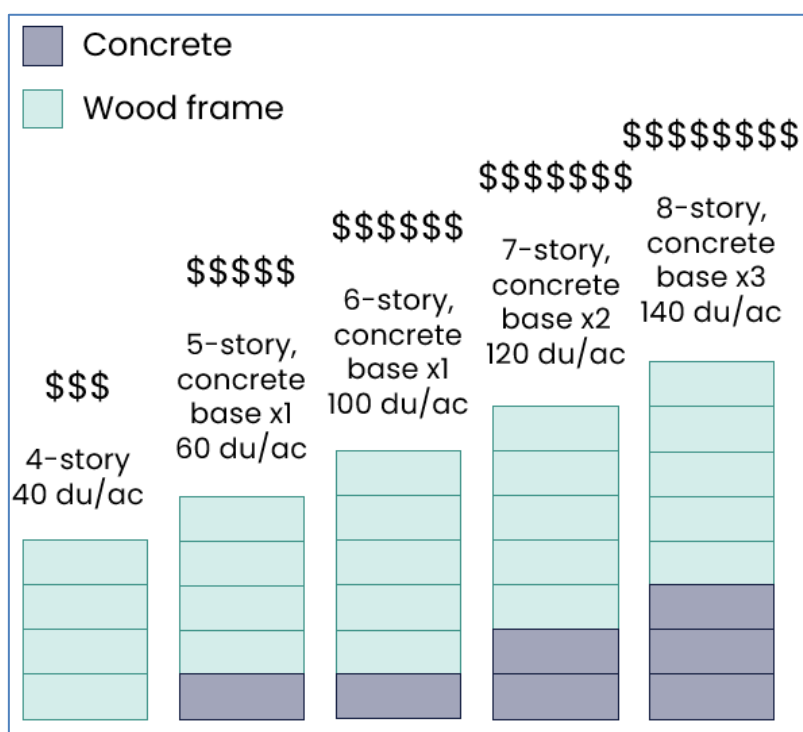
The limited supply land within city limits has been a reoccurring theme in the GPU community engagement, where community members, commissioners, and City Council suggested land use strategies that considered annexation of land outside the city limits to accommodate future housing and employment needs. This is consistent with the project outcome to identify areas to meet housing, business and community needs. While meeting jobs and housing needs were important, these comments also acknowledged the need to plan for growth comprehensively, define open space areas for habitat and agricultural preservation, establish design guidelines for new neighborhoods, and create a connected, multimodal mobility network.

Feasibility of Redevelopment

Development feasibility, in particular multi-story multifamily feasibility, is currently impacted by high construction and financing costs, making it difficult to achieve competitive financial returns and get projects started. Costs for labor and materials have escalated quickly in recent years, as have interest rates on construction loans. At the same time, achievable rents have escalated less quickly, and projects that may have been feasible a few years ago are not under current market conditions. Improvements to market conditions – including cost reductions and/or rent escalation – will enhance project feasibility, but it is not certain when such conditions will prevail.

Focusing on infill development in Davis particularly with the Downtown Specific Plan, the City increased densities and streamlined the development standards focused in places like Downtown to incentivize new housing production. Higher-density multifamily housing often requires more costly structural materials and stricter building codes (e.g.,

circulation and access and fire ratings). Residential projects change construction types as they increase in height, for example moving from three to five stories (wood frame), five to eight stories (concrete) and greater than eight (steel or mass timber frame).



Source: Cost estimates courtesy of Related Development

Construction costs increase as a project increases in height. Allowing more units in multifamily housing development allows for these additional costs to be spread across more units. New technology aimed at reducing construction costs is on the rise in the form of mass timber, which may make taller buildings in Downtown Davis a possibility in the future.

Increasing allowable height and density increases the theoretical development potential of a site, but it does not guarantee that housing will be built. Actual development depends on whether a project is financially feasible given land costs, construction costs, financing, rents or sales prices, regulatory requirements, and market conditions. Private property owners are not required to make any changes to their property, and typically only reconstruct buildings when the financial upside is significant, which can take years and/or may not fully materialize. The reality is that redevelopment typically yields a much lower number of residential units, and/or new jobs. In the Downtown Specific Plan, the City allowed up to seven stories as the tallest buildings allowed. Since adoption, however, the City has not seen applications for more than five stories. Likewise, UC Davis stayed at five stories or less with their new construction.

For Davis 2050, increasing height and density is key strategy to promoting infill development, but the development costs in the foreseeable future may result in housing development projects that do not achieve their maximum height and density.

Faith-based and Institutional Lands

Recent State legislation encourages streamlined processes for affordable and employee housing on public school sites, faith-based lands, and nonprofit colleges. For example, Senate Bill 1413, Assembly Bill 2295 and AB 3308 streamline the development of affordable and mixed-income housing for teachers and support staff of California's K-12 public schools on public land. Likewise, Senate Bill 4 provides a streamlined process for religious organizations and nonprofit colleges to develop affordable housing on their property.

The revised Land Use Map considers additional residential development capacity on selected faith-based and institutional lands. While these sites have the opportunity to build housing under State law, the revised Land Use Map considers going above and beyond those criteria requirements by designating that land as residential at higher densities to encourage the development of housing on underutilized or surplus land owned by those institutions. Like private property, school districts, churches and other institutions are not required to make any changes to their property.

Student Generation

According to the Davis Joint Unified School District staff, the school district needs approximately 8,600 students (district wide) to operate efficiently. In recent years, the total student yield for Davis is closer to 6,000 students and continues to decline. The share of residents under 18 has declined by nearly 20 percent since 2010, impacting school enrollment. During the same timeframe, the senior population has grown by nearly 60 percent, signaling rising demand for housing and services geared towards an aging population. Generally, older adults living longer and aging in place, younger adults' general uncertainty about their financial futures, many potential parents opting out of parenthood, and increasing housing costs are all contributing factors to declining school enrollment in Davis and elsewhere across the State and country.

Planning for current and future housing needs may contribute to greater student yield for the district. DJUSD estimates that a new home in a low-density neighborhood yields approximately 0.44 students per unit. Whereas a new home in townhome (0.12 students per unit) or multifamily apartment (0.05 students per unit) development will generate fewer students per unit.

The Draft Preferred Land Use Map will estimate the students generated by housing type and overall.

Utility Capacity

The Land Use Element focuses on the future growth and development of the city, while ensuring the provision of adequate infrastructure and utilities (e.g., sanitary sewer, potable water, stormwater and electricity). General plans, and in particular their

environmental analysis, assess the various utilities' current capacities and levels of service and their ability to handle the development that is planned.

The City of Davis does have excess capacity for its water supply, but not in its delivery system. The sanitary sewer system has excess capacity, but the total amount is limited. To understand if the additional development is beyond the capacity of the city's current utility systems, additional sanitary sewer, water, and treatment plant analysis may need to be completed to determine what, if any improvements, are needed, the cost of those improvements, and how those improvements would be financed. This includes what portion of those improvements would be attributable to new development through impact fees.

The General Plan environmental assessment will review the infrastructure capacity, including a water supply assessment and a wastewater capacity and wastewater treatment plant assessment.

Cost Burden of New Infrastructure

A key feasibility consideration is whether the City and proposed development can support the cost burden of new infrastructure, including utilities, streets, drainage and stormwater management, parks, and other necessary public improvements. State law allows jurisdictions in California to require that new development will pay for its impacts. This means that when new development is approved, the city must analyze which new roads, utility improvements, and facility impacts the project must mitigate. The cost of these improvements is then paid for by the developer.

Even if the General Plan permits additional height and density, development may not occur if the achievable rents or sales prices are insufficient to cover both building costs and the required infrastructure investments. Since the City relies on the private sector for construction of the city, it should consider what it will take to make reasonable, nexus-related requirements on each project.

Economic Benefit of the Plan

Fiscal impact analysis measures the impact new development will have on a city's budget. New homes and businesses create demand for city services (such as public safety, street maintenance, and parks and recreation services) but also provide increased property tax revenue, increased local sales tax collection (through new resident and/or employee spending and taxable sales at applicable businesses), and other local government revenue. By subtracting the projected costs from projected revenues, the net fiscal impact of buildout of the Davis 2050 General Plan on the City of Davis's General Fund will be estimated.

Each land use has a different set of costs and revenues. Uses like lodging, restaurants, retail and office typically generate significantly more revenue than they do expenses. This means, for example, that the city captures more revenue from Transient Occupancy Tax (TOT) and sales tax than they expend on services. Residential uses like single family and multifamily are more often a fiscal wash or a deficit, meaning the

services provided cost more than or equal to the revenues they generate from property taxes. Generally speaking, the higher the household's income, the more revenue it produces for the General Fund.

To help plan for a fiscally sustainable future, the City may plan for enough housing units to handle our estimated need, while also encouraging enough non-residential land uses. This may support a jobs-housing balance and enhance City revenues. While it is impossible to know exactly what those numbers would be, planning for a balanced future is good planning. Davis 2050 will evaluate the fiscal impacts from the Preferred Land Use Alternative/Map.

Topics for Continued Exploration

As part of the GPU process, City staff and the consultant team will continue to evaluate the revised Land Use Map. Key areas for continued exploration include:

- Engagement with property owners on their parcels and interest in land use change
- Potential effects of future development, growth and land use change on:
 - o Noise, emergency evacuation, public services, natural resources and open space
 - o City's infrastructure capacity for additional growth
 - o Traffic impacts (Vehicle Miles Traveled and Level of Service)
 - o Davis Joint Unified School District
- Flood protection

Questions for Commissioners

In the context of your Commission's role and responsibilities:

- Do you think the Draft Land Use Map provided achieves a balance of jobs and housing in the future? Do you have any specific recommended changes to the map?
- Do you think the City should consider expansion south of Willowbank along Mace Boulevard (Montgomery Avenue and Mace Boulevard)?
- Do you think the City should increase building intensity on specific business sites where newer buildings are less likely to redevelop in the short term?
- Should development projects along transit corridors and in neighborhood centers be allowed to move forward without required commercial space if that helps make housing easier to build?

Next Steps

Following feedback from the GPC, Planning Commission, and the reconvened City Council Subcommittee, the General Plan Team will refine the Draft Preferred Land Use Map in preparation for public review and input. In late summer/fall 2026, the City will host Community Workshop #3 and online Survey #3 to collect public input on the Draft Preferred Land Use direction. In Fall 2026, the City will host an additional GPC meeting to obtain additional feedback and ensure reconciliation between the Commissions' priorities and then present to Planning Commission and City Council the final Draft Preferred Land Use Map to seek final input and direction.

Once the Preferred Land Use Alternative is finalized, Staff and the consultant team will begin developing the complementary goals, policies, and implementation actions for the General Plan chapters or elements. In early 2027, the Team will conduct topic specific focus groups to discuss content for the General Plan elements.

COMMISSION INPUT

This item has not been discussed by any other City commission.

ATTACHMENTS

1. Alta (Raimi + Associates) Power Point Presentation
2. Vision Statement and Project Outcomes
3. Issues and Strategies to Address (Workshop #2 Board)
4. Land Use Concept Maps (presented in April 2026)
5. Workshop #2 Summary
6. Online Survey #2 Summary
7. Draft Preferred Land Use Alternative Map (new)