

INTRODUCTION

A. PURPOSE

This final report to City Council for the proposed amendment to the Davis Redevelopment Plan (“Amendment”) has been prepared by the Redevelopment Agency of the City of Davis (“Agency”) pursuant to Section 33352 of the California Redevelopment Law (“CRL”)¹. The general purpose of this report is to provide the City Council of the City of Davis with information and documentation to be used in consideration of the Amendment and in making determinations necessary for its adoption.

B. BACKGROUND

Description of the Project Area

The boundaries of the Redevelopment Project Area (“Project Area”) were selected in 1987 based upon the presence of blight and the need for redevelopment assistance to revitalize the area. Specific factors included:

- Lands in need of revitalization requiring redevelopment assistance to ensure continued availability of goods, service, and jobs for Davis residents;
- Blight such as inadequate circulation improvements, insufficient parking, obsolete buildings and physically deteriorated structures;
- Inadequate access for South Davis and insufficient public and private sector funds to provide access improvements;
- Lands within the Project Area that had become a physical and economic burden on the City;
- Opportunities to rehabilitate properties and provide affordable housing;
- Desire to facilitate implementation of the goals and policies of the recently-adopted General Plan.

When the Project Area was established, it was subdivided into three distinct “Subareas,” shown in Map 1 on the following page. No changes are proposed to the Project Area through this Amendment. Since the adoption of the Redevelopment Plan in 1987, the Agency and private property owners have made significant investments in public and private projects in the Project Area. These improvements have contributed to substantive progress to alleviating blighting influences in portions of the Project Area, particularly in South Davis. Continued tax increment from the entire Project Area will be required to provide the funds necessary to alleviate the remaining blighting factors in the Project Area, particularly in the Olive Drive and the Core Areas.

The primary efforts identified in the 1987 Redevelopment Plan were improving access for South Davis and both public and private activities to enhance the downtown Core Area. The Redevelopment Plan included a list of eleven proposed public improvements. The following table shows the proposed projects, along with the status of each.

1. California Redevelopment Law (CRL) is defined in California Health and Safety Code Sections 33000 et.seq.

Table 1
1987 Redevelopment Plan Project Status

1987 Proposed Project	Status
Interstate 80 overcrossing improvements	Completed. The Pole Line overcrossing was opened 1996.
Fifth Street reconstruction and railroad underpass improvements	Completed. The City determined that an undercrossing would not be pursued on Fifth Street. Signal upgrades and railroad crossing surface improvements were completed in 1996.
Richards Boulevard underpass improvements	Underway. In 1997, the voters determined that the undercrossing should not be widened. As an alternative, the free right turn improvement was completed in 2001. The final leg of the bicycle connection from the Putah Creek Parkway to the UC Davis Arboretum is scheduled for completion in 2002.
Widening of Richards Boulevard at the I-80 overpass	Completed. Construction of the reconfiguration of the bridge over Interstate 80 was completed in FY 1993-94.
Widening of Mace Boulevard at the I-80 overpass	Completed. The changes to the overcrossing were completed in 2001.
Core Area Drainage Pond Improvements	Completed. The Core Area Pond improvements were completed in 1996.
Drainage collection system improvements	Completed. Improvements to the Core Area storm water collection system were completed in 1997.
Core Area signalization improvements	Partially completed. Signals were installed at First/D. Signals at First/B, Second/B, Second/F, and Fourth/F are still in the Capital Improvements Plan. Most are scheduled for 2008 or later.
Street lighting improvements	Completed
Core Area pedestrian amenity improvements	Underway. Intersection improvements have been completed at Second/G, Fourth/G, and Third/C. Future improvements are anticipated.
Core Area parking structure	Completed. The Agency provided financial assistance to gain public parking in structures at First/F and Fourth/G.

In addition to capital projects, the Agency provided substantial assistance to two private development projects in the downtown. The resulting mixed-commercial developments provide 587 publicly available structured parking spaces and a total of 11 cinema screens with approximately 2,000 seats. The Fifth and G project also provided 65,000 square feet of office space and 14,000 square feet of flexible office/retail space. Agency contributions for both projects included assistance in land acquisition, site clearing, and construction.

The Redevelopment Plan also anticipated commercial rehabilitation loans for privately-owned buildings and significant efforts toward improving and increasing the supply of affordable housing throughout Davis. These efforts have also been implemented.

The majority of the projects and programs anticipated in the Redevelopment Plan have been completed. Analysis of the Agency's projected tax flow revenues shows approximately \$3-4 million in uncommitted funds over the remaining life of the Redevelopment Plan. However, significant blight remains, as shown in Section 3 of this report. Funding to address the remaining blight requires an increase in the total amount of tax increments that may be collected by the Agency and approval of the Amendment

The Amendment was anticipated revisions to the Pass-Through Agreement between Yolo County, the City of Davis, and the Agency made in 2001. The revisions resolve a long-standing dispute over the pass-through calculations. They also extend the current provisions limiting the County's ability to approve urban development within the City's Planning Area. Should the County approve urban development over the objections of the Agency, the Agency has the ability to cease making pass-through payments. The provisions revising the Pass-Through Agreement go into effect only if certain amendments to the Redevelopment Plan are adopted prior to May 2003. The Amendment proposes to increase the total tax increment to \$350 million

C. REPORT ORGANIZATION

Section 33457.1 of the Community Redevelopment Law provides that, to the extent warranted, "the reports and information required by Section 33352 shall be prepared and made available to the public prior to the hearing on [the] amendment." Generally, subsections (a), (g), and (l) of Section 33352 are not applicable to this Amendment because the Amendment does not propose to add territory to the existing Project Area. These requirements were met as a part of the original adoption of the Redevelopment Plan and, therefore, need not be reestablished for this proposed Amendment.

The following sections of this Report to Council address the remaining applicable elements of Section 33352. The Report is divided into sections that generally correspond to the subdivisions contained in the CRL, which specify the required contents of the Preliminary Report as described in the following table:

Report Section	CRL Section No. and Subdivision
2	33352(b) A description of the physical and economic conditions existing in the project area.
3	33352(c) An implementation plan that describes specific goals and objectives of the agency.
4	33352(d) Explanation of why blight cannot be accomplished by private enterprise acting alone or by use of financing alternatives.
5	33352(e) A preliminary assessment of the proposed method of financing the redevelopment of the project area, including an assessment of the economic feasibility of the project and the reasons for including a provision for the division of taxes pursuant to Section 33670 in the redevelopment Plan.
6	33352(f) Method for relocation of families and persons to be temporarily or permanently displaced.
7	33352(h) Recommendation of the Planning Commission.
8	33352(i) Recommendation of the Project Area Committee.
9	33352(j) Planning Commission determination of General Plan consistency.
10	33352(k) California Environmental Quality Act analysis.
11	33352(m) Neighborhood Impact Report.
12	33352(n) Summary of consultation with affected taxing entities.