

Memorandum

January 25, 2005

TO: City Council

FROM: Bill Emlen, Community Development Director
Katherine Hess, Community Development Administrator
Ken Hiatt, Economic Development Manager

SUBJECT: Covell Village Commercial – Recommended Changes

At a conceptual level, staff applauds the applicants' ambition to create a walkable village center. It helps give the project identity and enhances the sense of community. However, staff believes the amount and type of commercial uses should be adjusted to avoid compromising City goals to enhance the downtown and preserve existing neighborhood centers.

The following is a summary comparison of the proposed project to staff's recommended adjustments/clarifications to the commercial components of the project:

Land Use	Proposed Project	Recommendation
Retail	57,672 sq.ft. undefined 6,000 sq.ft. restaurant	51,000 sq.ft. max as delineated below: 45,000 sq.ft. max. retail, with 20,000 sq. ft. max Neighborhood serving (500-5,000 sq.ft. users) and remaining community serving retail users (10-15,000 sq.ft.) One full service restaurant not to exceed 6,000 sq.ft. Zoning should prohibit –specialty/boutique retail, apparel (except as community serving), cultural/entertainment uses, book stores
Office	43,300 sq.ft.	10,000 sq.ft. max -Replace office above retail at village center with residential townhouse/flats or commercial recreation
Gas Station	(1) at 3,600 sq.ft. (stand alone, with minimarket)	(1) at 3,600 sq.ft and 8 pumps max. – integrate station with village retail site or use new urbanism design to screen pumps with building
Hotel	38,655 sq.ft. 58 rooms – extended stay is the intent)	Eliminate and replace with residential, civic/quasi-public use, or athletic club.
Live Work	34 units (20 in Village Center plus 14 in multifamily area)	34 units – require to be constructed as individual for-sale units (on individual lots; additional rental units above encouraged)
Health Club	30,000 sq.ft.	Support as proposed at 30,000 sq.ft.

Basis for Recommendation

Retail

Staff recommendation does not significantly reduce the amount of retail proposed. Rather it limits the amount of neighborhood serving to no more than 20,000 square feet and allows the remaining retail to accommodate larger community serving retailers. This serves to prevent an over supply of neighborhood retail which might compromise this and other neighborhood centers. Furthermore, it prevents the potential for a concentration of smaller community serving retail uses that would otherwise locate downtown. It also encourages applicants to provide needed, larger format community serving retail.

Office

Staff's recommendation to reduce the office component to 10,000 square feet is based on the limited demand for additional office space in Davis. Significant undeveloped office land remains to be developed in Davis. Much of this land is under pressure to be converted to housing even though most of it is marginally suitable for residential use.

Additionally, the proposed office will directly compete with downtown redevelopment efforts as the proposed office space is similar to office space built and planned for downtown. 45,000 square feet may not sound like much but it is equivalent to all the office space constructed downtown in the past 5 years. Downtown mixed use development is so financially tenuous due to the land and construction costs that even the slightest vacancy factor could prevent a project from proceeding.

Alternatively, staff proposes the office space above the village center retail be converted to residential. This will preserve, and may even enhance, the urban design objectives for the village. It will also help to increase the overall density and housing variety in the project.

Gas Station

Staff supports the incorporation of a gas station in the project if limited to no more than 8 pumps and a 3,600 square foot store. It would enhance the project if the station were better integrated with the commercial village and not located immediately adjacent to residential.

Hotel

Staff recommends eliminating the hotel and replacing it with housing, a civic use (school district offices or fire station), or the proposed athletic club. No economic analysis has been submitted to support the viability of the hotel or quantify the potential impacts on the other hotels in Davis.

Live/Work

Staff support's the proposal for 34 units of live/work but recommend that they be constructed as for-sale units (on individual lots). Staff advises that the applicant should consult early with the Building Official to address building code requirements for multi-story live/work units.

Health Club

Support as proposed at 30,000.

Summary

Staff recommends that the Council consider the above changes as it looks at other refinements to the project land uses. These adjustments support existing city efforts to (re)develop existing commercial centers in town without compromising the urban village concept of the project.