May 10th, 2017 Planning Commission Meeting

Staff presentation (17:13): Looking at the Core Area Specific Plan update we’re embarking on, to have a parking lot in this location, it’s almost like a placeholder use if you will…This is what staff took into consideration when it reviewed the project.

Applicant presentation (22:25): This investment now is a smaller scale. We think it’s a smart fiscal decision because it allows us the opportunity to build a larger building in the future without tearing down a very expensive, small building. I’m not sure when that will be, but it has to be the right timing and right economic environment.

Applicant presentation (23:53): We firmly support the city’s plan to support retail and commercial and mixed-use development in the community and we look forward to that coming. It’s been a little slow coming. I’d like to see it come quicker.

Commissioner Streeter comment (52:04): I was glad to hear your comment that this is like a placeholder and the applicant said as much. The extensive memo we got is looking at this as a final development, which it’s not.

Commissioner Rutherford question to applicant(54:34) My biggest concern about this, looking down the line here…I see this as a prime location, minimum of three stories, mixed use, lots of residential, office space. I guess my question to applicant is, why this now instead of thinking progressively and longer term? Given you can kind of see the writing on the wall where the Core Area Specific Plan is going to be headed…Had you considered 3 stories or higher?

Applicant response (55:30): We spent a little bit of time with developers looking at those kinds of options and at this time they don’t make financial sense to us. We are not developers. Residential requires onsite parking and that’s in conflict with a retail business…If you commit to residential parking like my neighbor’s building [the Chen Building]…they have four parking spaces there for their four units. And they are constantly having to push people out of those spaces just to protect their tenants upstairs. This is the conflict you get into with residential if you don’t have residential parking isolated either underground, or in some kind of protection area, then that resident becomes very frustrated because the space they are paying for is not available to them. And I think that is a development issue when you parcels, unless you have scale and size and can go to the depth to really provide for them onsite. If you have mixed use in a single family home, you have single family residence and commercial downstairs, you may have a driveway in the back where you can put the car, and you can put residential or offices upstairs, then it works. But in some of these other kind of mixed use, we are not a dense enough or a big enough city with enough multi-use parking where we can control as a city or we can lease where it currently makes sense to me…but my experience right now is it does not make sense.

Commissioner Rutherford question to applicant (57:00): And then as for allowing this use to go forward today then, what does that mean for long term?

Applicant response (57:10): Well, we’ve had a hardware store in downtown Davis for nearly 100 years. Do you want to have a hardware store in downtown? OK. If you want a hardware store in downtown, it may not be a multi-story building because it’s hard to build over an existing business. And to make the numbers work for a hardware store, you don’t see hardware stores unless they’re a multi-chain and can finance it over somebody else, going into brand new construction. Brand new construction is very, very expensive.

Commissioner Rutherford question to applicant (57:42): Going back to the question, do you anticipate this then being, you know, surface parking in perpetuity?

Applicant response (57:46): For a while, until and unless there’s alternative where we can put another hardware store that makes financial sense. I’ve looked at a number of the developments around town, and it’s very difficult. I think the goal of mixed use is a very good one, but it’s a very complicated one and I look forward to the discussion of the downtown and as we move forward with that.

Commissioner Rutherford comment (59:00): I’m afraid if we go into surface parking here, it’ll be much harder to get rid of down the road than if we leave as is and think about redeveloping once the Core Area Specific Plan is in place and see other potential uses being promoted.

Commissioner Rutherford comment (1:05:55): I’m still not ready for a motion. I want to dig a little deeper in to the transitional piece of it…I don’t know. I’m really looking forward to discussion on this.

Commissioner Robertson comment (1:08:04): But I do know that a mixed use there, that is also trying to be compatible with an existing use, like a hardware store, that is car oriented, those are incompatible. So in some ways, if you’re insisting that this be a mixed use site, you’re suggesting that Ace Hardware’s time has come. And honestly, I’m not prepared to do that…The mixed use there is incompatible with Ace Hardware.

Commissioner Boschken (1:11:05): Makes motion to approve project.

Commissioner Streeter (1:11:10): Seconds motion.

Roll Call (1:28:00): Project approval 4-1-1