

STAFF REPORT

DATE: April 22 2014

TO: City Council

FROM: Rob White, Chief Innovation Officer
Sarah Worley, Economic Development Coordinator

SUBJECT: Final Innovation and Economic Vitality 2014-2016 Work Program and Request for Expressions of Interest in Developing Davis Innovation Center

Recommendation

1. Approve the Final Innovation and Economic Vitality 2014-2016 Work Program (Attachment 1), including 24 month Action Plan (Attachment 2) that includes specific performance benchmarks.
2. Review and comment on the proposed Request for Expressions of Interest (RFEI) in developing an Innovation Center on the east and, or west edge of the City, which reflects the adopted Innovation Park Task Force Findings (Attachment 3).
3. Direct staff to:
 - a. Incorporate comments and issue the Innovation Center RFEI for a 30 day period.
 - b. Return to Council in June 2014 to report on received submittals from the Innovation Center RFEI and recommend next steps.

Fiscal Impact

Adoption of the Final Innovation and Economic Vitality 2014-2016 Work Program will not result in any direct financial impacts. Current staff resources will continue to be used to implement innovation and economic vitality program functions. Any future expenditures necessary to achieve plan objectives will come from Innovation and Economic Vitality Program budgets or be subject to further Council review and approval.

Staff resources will be used to issue and assess the Innovation Center RFEI and continue to encourage landowners and interested parties to engage with the community and submit a project proposal. Non-staff related expenditures associated with establishing a potential Innovation Center will be subject to Council review. It is intended that costs incurred to approve and develop any future center will be borne by private sector partners, with public funding expenditures minimized.

Council Goals

- **FISCAL STABILITY:** *Ensure short- and long-term expenditures and revenues are equivalent, matching community resources to needs without reliance on growth.*
- **ECONOMIC DEVELOPMENT:** *Promote economic development consistent with our community values and niche as home of a world-class university.*

- **SUSTAINABILITY:** *Enact policies that strive to meet the needs of the present without compromising the ability of future generations to meet their own needs.*
- **DOWNTOWN DAVIS:** *Ensure downtown Davis remains the vibrant economic, cultural, and social center of the community.*
- **COMMUNITY STRENGTH AND EFFECTIVENESS:** *Create an environment at all levels of the City that encourages effective engagement and results in quality customer service delivery.*

“Achieving the Vision” through Focus on an Innovation Economy

The Draft Innovation and Economic Vitality Work Program (Work Program) was prepared to assess, assimilate and refine the economic development work program for the City. The primary drivers for the staff have been to: refine use of existing resources; leverage and strengthen strong local and regional partnerships to enhance services; increase networks for active collaboration; and identify opportunities for revenue enhancement and fiscal sustainability.

Continuing budget challenges make it even more imperative for the City to be proactive in diversifying its economy and generating new sources of revenue. To ensure that Davis approaches the next few years of potential economic growth as proactively as possible, the Innovation and Economic Vitality Work Program for 2012-2014 encompasses straightforward, outcomes-driven activities. These are specifically directed at building the innovation ecosystem in Davis aligned with its “triple bottom line” commitment to achieve economic, environmental and social sustainability.

The Work Program leverage’s Davis’s unique opportunity to be a “keystone” and facilitator in the regional innovation ecosystem. Working in partnership with our local and regional business partners will be most effective in helping to create an environment for business success, and remove barriers that impede our community’s economic vitality and quality of life. These efforts also bring awareness and investment to our community from external sources, enhancing the likelihood of continued national and global investment in research and growth in innovation companies.

The Work Program concentrates on the following five Focus Areas, each with specific activities and expected outcomes that achieve multiple City Council goals.

- Focus Area 1 - Facilitate Technology and Business Development**
- Focus Area 2 - Increased University Engagement**
- Focus Area 3 - Expand Support Network for Local Business**
- Focus Area 4 - Strategic Branding and Marketing**
- Focus Area 5 - Leadership**

The Council reviewed the Draft Work Program at its meeting on February 11, 2014. The Final Work Program and the companion Action Plan (Attachment 2) incorporate Council recommendations to: 1) move desired economic development actions forward; 2) establish specific metrics and performance benchmarks to track progress; and 3) identify actions the Council can take to assist staff’s work to achieve economic development goals.

The Work Program and Action Plan are meant to be living documents that will be assessed and updated regularly to reflect current conditions. Staff will return to Council on a 6-month basis to provide updates on the activities and measurements, as well as seek input on challenges that may be blocking achievement of the stated end result.

RFEI for Possible New Innovation Center

As part of Focus Area 1 of the Work Program, staff have been working consistently with the community and landowners on the creation of a potential Innovation Center in Davis. As a result of these discussions, several interested parties have expressed interest in developing an Innovation Center to help meet the City's objectives (in alignment with findings of the Innovation Park Task Force (IPTF) and UC Extension Studio 30 Davis Innovation Center Study Report, adopted by Council in 2012).

Due to this stated interest, staff are recommending that the Council issue an Innovation Center RFEI. An Innovation Center has been a high priority for Council as a means to help expand the economic base of the City and to create revenue streams that will fund community amenities and infrastructure.

The Innovation Center concept came as a result of the work done by the Innovation Park Task Force (IPTF), which in turn was an outcome of the 2010 Business Park Land Strategy that documented that the City did not have a long term supply of land available to serve needs of growing Davis businesses (especially in the research and technology sectors). The companion Studio 30 Davis Innovation Center Report was prepared to provide the IPTF with technical assistance relative to the attributes of a 21st Century Innovation Center aligned with community values and sustainability goals, what some have referred to as "Davis DNA".

The Task Force's core objective, clarified during the process, was to provide for the space needs of growing businesses e.g. retaining local companies and ensuring new business startups would locate in Davis throughout the various stages of their lifecycle. During its activities, the IPTF learned about the community's potential to support an innovation center, concluding:

- Davis has competitive advantage of proximity to university research and quality of life not found in other adjacent communities;
- Davis can play an important role attracting entrepreneurs and businesses to the region, supporting UC Davis tech transfer objectives;
- Remaining existing city sites and the desired mixed-use innovation district (in Downtown) will not be sufficient to meet needs of growing businesses; and
- Active support for transfer of university research to market applications and increased opportunities for local business growth are needed.

The City Council reconvened the IPTF in the fall of 2013 to further pursue a proposal for an Innovation Center on either the east or west edge of the City, as defined in the adopted "Dispersed Innovation Center Strategy." This Strategy includes a combination of "infill" redevelopment within the City suitable for startups and smaller companies as well as addition of land at the edge of the City suitable for larger companies with greater space needs. The proposed Downtown University Gateway District being actively discussed as a joint partnership project, is intended as a

mixed-use innovation district (in accordance with the Strategy), but has insufficient land area to meet the stated needs of growing companies.

Acknowledging continuing budget challenges and increasingly critical land needs of successful home grown companies (including FMC Schilling Robotics and Marrone Bio Innovations), there has been strong desire to initiate the recommended community outreach and public process for consideration of a new Davis Innovation Center. Property owners of the peripheral site options identified for consideration in the IPTF process have expressed interest in developing such a center, and indicated willingness to proceed, but have not yet submitted public applications to the City.

As an opportunity for the City to publically express its desire to continue to move forward on an Innovation Center proposal, staff recommends Council authorize issuance of a RFEI for development of a Davis Innovation Center. Based on previous finding of the Council, the continued work of the IPTF and community input received to date, staff have prepared a draft RFEI for Council's review and comment (Attachment 3).

Using an RFEI process as a way to gauge interest in the creation of an Innovation Center is a low-risk activity for the City. It allows the Council and the community to reinforce important community aspects that will be desirable in a proposal (specific densities, desired building forms, requirements for open space easements, etc.), while maintaining the City's arms-length engagement with potential development partnerships. Additionally, many of these desired characteristics have already been outlined during the IPTF process and the resultant findings by Council.

Staff recommend that Council direct staff to incorporate Council comments and issue the RFEI to assess interest for proposals on an Innovation Center.

This recommendation recognizes:

- 1) A desire to consider a variety of proposals representing the latest evolution of sustainable innovation center designs for the best fit for Davis;
- 2) The need for long term revenue generation plan to sustain the community's economic vitality and quality of life;
- 3) The requirement for a community vote, which is counterbalanced with a level of risk and capital expenditure required for the City's annexation of agricultural land (Measure J/R); and
- 4) The willingness of current property owners to consider joint development partnerships.

Additional information about the work and adopted findings of the Innovation Park Task Force and 2012 Studio 30 Davis Innovation Center Study Report are available on the City's website at: <http://city-council.cityofdavis.org/on-going-committees/innovation-park-task-force>

Attachments

1. Final Innovation and Economic Vitality 2014-2016 Work Program
2. 24-month Action Plan
3. Proposed Innovation Center RFEI

Innovation and Economic Vitality
Work Program
2014-2016

Achieving the Vision



FINAL

City of Davis

April 22, 2014

I. INTRODUCTION

The City has seen challenges in the local economy as we exit the Great Recession, as demonstrated by local job deficits, deflated property values and slower than expected rises in sales tax revenues. However, some encouraging opportunities have been identified with respect to increased growth in local agricultural technology (agtech), sustainable manufacturing and biomedical companies. Additionally, the Downtown and commercial vacancy rates for leasable space have dropped to levels that are approaching almost full capacity.

The City of Davis and UC Davis have evolved together sharing similar sustainability goals and values, community assets and attributes. Each is now poised to take deliberate, intentional steps to secure more sustainable futures. The City is a globally recognized leader in sustainability and is now presented with the opportunity to further demonstrate leadership in innovation, business growth, education and employment balanced with environmental, social and economic sustainability goals.

Reflective of this leadership, Davis technology companies themselves are receiving ongoing regional, national and global recognition as leaders of innovation and sustainability. (Marrone Bio Innovations, Arcadia Biosciences, Novozymes, DMG Mori Seiki, FMC/Schilling Robotics, Blue Oak Energy, Sierra Energy and more). As UC Davis has gained preeminence in interdisciplinary research in the areas of Agriculture, Food, Energy, Health, Environmental Sustainability, Water, Transportation and Communications, the City is experiencing a surge of opportunity to support the development of businesses created from this research.

Activities that support the development of economic vitality include regional leadership, support of UC Davis and other associated research institutions, specific focus on development of the innovation ecosystem to create brand awareness, support for entrepreneurs, and active development and recruitment of business growth opportunities.

It is because of these emerging and ongoing needs that the City of Davis is creating an Innovation and Economic Vitality Work Program. As we move forward as a community to create environmental, economic and social sustainability, it becomes increasingly important to capture our opportunities in the emerging regional innovation ecosystem and to focus our resources on the activities that are most likely to result in substantive outcomes. And in collaboration with our local, regional and global partners, the City of Davis will work to facilitate local business success that is balanced with the high quality of life.

II. ASSESSING THE FRAMEWORK

Many Davis community members form a large portion of UC Davis' faculty, researchers, staff, & students or are affiliated with the University as alumni or family of alumni. Davis residents and UC Davis graduates fill many leadership positions locally, in the region and at the State. The

intellectual capital, community values and quality of life in Davis are conducive to creating new technologies and innovations that can help solve significant global problems.

It is because of that shared history and objectives that it is important for the City to adopt a more progressive stance in support of the University. Very few communities have the opportunity to build their economies from the resource rich base presented by a globally recognized academic and research institution. Even fewer communities have the fortune of being the host for emerging technologies in sectors that impact the world by addressing critical global issues. Because of UC Davis' long and esteemed history in the pursuit of advancements in agriculture, veterinary science, bio-medicine and engineering, the community of Davis is now reaping the rewards of increased attention and positive branding.

Previous Work

The City has also spent many years working to capture some opportunities for success and economic growth. A number of studies, working groups and the Business and Economic Development Commission (BEDC) have all worked diligently to assess and identify opportunities to become stronger in economic development activities. Below is a list of some of the many reports and studies that have been created over the least 20 years that have informed or worked to shape economic development policy for Davis:

- 2013 - Sacramento Region Next Economy – Capital Region Prosperity Plan
- 2013 - UC Davis 2020 Initiative
- 2012 - Innovation Park Task Force Recommendations
- 2012 - Studio 30 “Davis Innovation Center Study” Report
- 2012 - Downtown University Gateway District MOU
- 2011 - Innovation through Collaboration: A Strategic Vision for a UC Davis Innovation Hub (*City of Davis response to UC Davis Request for Ideas for creation of an Innovation Center*)
- 2011 - UC Davis Innovation Hub Request for Matching UC Davis Research with Regional Economic Development
- 2011 - Working Draft of the Comprehensive Economic Development Strategy (CEDS)
- 2010 - Findings of the Designing a Sustainable Innovative Davis Economy (DSIDE) Community Forum
- 2010 – City of Davis Climate Action and Adaptation Plan (CAAP)
- 2010 - Business Park Land Strategy
- 2010 - Battelle/BIO State BioSciences Initiatives
- 2010 - UC Davis Blue Ribbon Committee Review of Technology Transfer and Commercialization
- 2010 - The Washington Advisory Group – External Review of Research at UC Davis
- 2009 - Davis Economic Health and Prosperity Report
- 2008 - Economic Strategies Group ESG, Business Park Viability Study - Cannery Park
- 2007 and 2001 – City of Davis General Plan Updates
- 2007 - Battelle Study Analysis of Trends in North American Research Parks

- 2006-2010 – Economic Development Strategic Goals
- 2004 - Sacramento Area Council of Governments (SACOG) Blueprint Transportation and Land Use Plan
- 2003 - University of California Davis Science and Technology Innovation Center Feasibility Study
- 1998 – Comparative Evaluation of Research Park Development Proposals for Potential Inclusion in the General Plan EIR
- 1994 – Northwest Study Area: Opportunities and Constraints Analysis
- 1992 – Business Development in Davis – Report of the Economic Development Task Force

As evidenced from the list of background documents above, it is possible to trace the work in economic development in Davis back several decades. Recent Council actions have also illuminated the need for additional focus on economic development as a way to increase revenues for the City. And the Davis business leaders have been proactive in partnering with the City to identify ways to enhance and invigorate the economic development activities in Davis. But probably the most significant development in advancing the City’s vision has been that economic development has become a primary focus of the City Manager’s Office.

Much of the groundwork has been laid over the last few decades in framing an economic development vision. As far back as the 1992 report titled “Business Development in Davis”, 1993 General Plan, , and later 2001 -2007 General Plan updates, several strategic activities were suggested to develop a strong economy leveraging university related research. Many of the activities listed as important to developing fiscal sustainability and the rationale for the efforts are still pertinent today.

Setting the Stage for Success

In March 2013, staff reorganization moved the Economic Development Coordinator position into the City Manager’s Office. Additionally, in partnership with the private sector, a new position of Chief Innovation Officer was specifically created to help the staff and community take advantage of unique opportunities to develop and enhance the innovation ecosystem in Davis.

Over the last year, it has become the primary mission of the Innovation and Economic Development staff resources to assess, assimilate and refine the economic development activities for the City. The primary drivers for the staff have been to refine use of existing resources, leverage and strengthen strong local and regional partnerships to enhance services, increase networks for active collaboration, and identify opportunities for revenue enhancement and fiscal sustainability.

Though the term ‘economic development’ is used broadly in this discussion, staff suggests that the City of Davis has a unique opportunity to develop a new work program to build an innovation economy that is outcomes-based and takes advantage of evolving discussions in municipal innovation and holistic economic vitality. Since this is new territory for many governments, best practices are the result of shared knowledge by emerging user groups that come from academic

and thought forums like the Kauffman Foundation, Brookings Institute, the Alliance for Innovation, International City/County Management Association, Next City, Harvard Leadership Institute, California Forward, the Governor’s Office of Business and Economic Development (GO-Biz), and Governing and GovTech Magazines.

Regional Collaboration

As home of UC Davis, the City has a unique and critical role in the region’s economic success. City Economic Development policies and proposed work plan directly align with implementation actions in the Next Economy - Capital Region Prosperity Plan. These actions include increased collaboration with regional partners, cross-sectorial partnerships, and unique approach to business support.

City staff and UC Davis were active partners in the collaborative regional process that created the Next Economy - Capital Region Prosperity Plan. This plan provides a “road map” to strategically align regional resources and efforts to improve our regional economy. The Next Economy plan builds off of the region’s competitive strengths, defines five overarching goals for regional execution and maps out a set of interlocking strategies and objectives to accelerate job and wealth creation”.

As stated in the Executive Summary (www.nexteconomycapitalregion.org), the “Next Economy poses a region-wide call to action: Mobilize private industry, government, academic and civic leadership to focus on a set of common strategies and actions to accelerate job creation and new investment in California’s Capital Region with the goals of supporting innovation and entrepreneurship, diversifying the regional economy, and improving the business climate for economic growth.”

Development of the Prosperity Plan involved Valley Vision, Sacramento Area Regional Technology Alliance (SARTA), Sacramento Area Commerce and Trade Organization (SACTO), Sacramento Metro Chamber, UC Davis, local and county governments, regional universities, businesses and non-profit organizations.

The focus of the Capital Region Prosperity Plans includes six Core Business Clusters:

- Advanced Manufacturing
- Agriculture & Food
- Clean Energy Technology
- Education & Knowledge Creation
- Information & Communications Technology
- Life Sciences & Health Services

The Next Economy Vision Statement is instructive as a way for the region to have set a common theme for regional prosperity. The Next Economy Vision Statement is:

Within five years, the Capitol Region will be widely regarded as a 1) Sought-after place for business growth, investment and entrepreneurship, 2) Desirable place for young professionals to live, study, work and play, and 3) Diverse economy renowned for its core business clusters and driven in large part by export activity.

A major achievement of the Next Economy plan was the development of five regional Goals, which cut across geographic and jurisdictional boundaries and unite the region in a common view. These Goals are:

1. Foster a strong innovation environment
2. Amplify the Region's global market transactions
3. Diversify the economy through growth and support of core business clusters
4. Grow and maintain a world-class talent base
5. Improve the regional business climate for economic growth

An Implementation Plan outlining strategic actions to be pursued was completed in 2013. All jurisdictions in the six counties forming the Sacramento Region (including Davis) have adopted resolutions of support and commitments to implement the plan.

Perhaps most importantly, the Next Economy Prosperity Plan was accepted by the federal agencies in December 2013 as the Regional Comprehensive Economic Development Strategy (CEDS). It was determined that the Next Economy plan meets the federal Economic Development Administration's (EDA) guidelines, and satisfies eligibility requirements for federal funding grants from U.S. EDA and other federal agencies. The Next Economy plan meeting the CEDS requirement will have one of its first applications as it will serve as the basis for the Yolo County and Cities of Davis, West Sacramento and Woodland's joint application for an EDA grant to identify economic development benefits resulting from the potential Yolo Freight Rail Relocation project.

Focus on an Innovation Economy

In preparing to create the City of Davis' Innovation and Economic Vitality Work Program, staff reviewed websites and documents from several sources. These include:

- Council on Competitiveness website
- Sustainable Economic Development – Bay Area Council, 2008
- The Innovation Driven Economic Development Model – Practical Guide for the Regional Innovation Broker, by Collaborative Economics for Bay Area Council Economic Institute, 2008
- Building on Innovation -The Significance of Anchor Institutions in a New Era of City Building, Urban Land Institute, 2013
- The Ahwahnee Principles for Economic Development -A Set of Principles for Building Prosperous and Livable Communities, Local Government Commission, 1997
- The New Urban Workplace, Spinnaker Strategies, 2010

These information sources, in conjunction with the Next Economy plan, help to act as a filter for current innovation and economic development best practices. It was with that lens that staff then began assimilating, cross-referencing and re-framing the economic development work program for the City of Davis.

Staff found it useful to use the infographic presented in Attachment 1 to demonstrate the connectivity that is required to foster and grow an innovation economy. It is evident that the four primary sectors of Ideas (research), Talent (workforce), Resources (capital and infrastructure) and Partners are what create an effective ecosystem. If any of the sectors are significantly lacking, then the connectivity is hampered.

Though much has been recently written and discussed about economic development, it is important to note that City and community leaders have been working diligently over the last few years to develop an economy that leverages unique opportunities. These activities have increasingly recognized the need to identify focused activities that can be accomplished with limited resources. With acknowledgement that active collaboration across the sectors is required to accomplish these activities, the focus of this discussion is from the perspective of actions the City needs to take.

There is no roadmap or time-tested set of actions that make up the development of an innovation economy, especially as it pertains to efforts by a municipality. So staff has had to work diligently to outline a roadmap that is pertinent to Davis and its community values. Specific actions taken by the City over the past year in enhancing the Davis ecosystem might best be described in the book by Victor Hwang *The Rainforest*, where he outlines the elements necessary to creating an innovation ecosystem that will lead to economic vitality:

- 1. Innovation comes not from the basic ingredients of economic production, but from the way that people interrelate to combine and share ideas, talent, and capital. The community that facilitates such relationships is a biological system we call a Rainforest. Its animating process is creative reassembly.*
- 2. Certain individuals and organizations we call “keystones” have the special ability to integrate disparate people, influencing them to act in ways that impact the entire system. They glue people together in the Rainforest.*
- 3. People do not connect easily. Social barriers - based on geography, social networks, language, culture, and distrust – create transaction costs that prevent people from finding each other and working together. Human beings are wired to distrust one another.*
- 4. A system can overcome barriers to human collaboration when people are motivated by extra-rational motivations, and when the transactions are less costly due to social norms we call the Rules of the Rainforest.*

5. *The Rainforest Recipe demonstrates how such systems are constructed, based on diversity, trust, motivations, and norms. Diversity is enhanced by mixing people from different social groups. Cultural behavior is learned through the Rainforest tools: real-world practice, role modeling, peer-to-peer interaction, social feedback loops, networks of trust, and making norms explicit through social contracts.*
6. *Capital must be designed as a service integrated into the Rainforest, not as an end in itself. It must be part of the social fabric, not distinct from it.*
7. *We measure the health of the Rainforest by watching the waves, not just the atoms or the overall ocean. The flow-form model - based on robust biological systems - emphasizes the velocity of ideas, capital, and talent flowing in the system. Lowering social barriers is like opening arteries to accelerate their flow.*

(The Rainforest, by Victor W. Hwang and Greg Howard, published by Regenwald, Los Altos Hills, May 2012)

Using these elements as a guide, City staff have been focused on the unique opportunity for Davis to be a “keystone” in the regional innovation ecosystem. By enhancing and developing partnerships and collaborations it is possible to leverage networks to induce activities that will more readily lead to sustainable economic vitality and quality of life.

Matching Our Goals

The current City Council Goals that are supported by work on innovation and economic development include:

- **FISCAL STABILITY:** *Ensure short- and long-term expenditures and revenues are equivalent, matching community resources to needs without reliance on growth.*
- **ECONOMIC DEVELOPMENT:** *Promote economic development consistent with our community values and niche as home of a world-class university.*
- **SUSTAINABILITY:** *Enact policies that strive to meet the needs of the present without compromising the ability of future generations to meet their own needs.*
- **DOWNTOWN DAVIS:** *Ensure downtown Davis remains the vibrant economic, cultural, and social center of the community.*
- **COMMUNITY STRENGTH AND EFFECTIVENESS:** *Create an environment at all levels of the City that encourages effective engagement and results in quality customer service delivery.*

While economic development activities are primarily outlined in the second goal above, the activities by staff engaged in innovation and economic development have impact on all of the listed goals by adding to the overall quality of life and economic vitality for the community. It is

proposed by staff that the City Council give staff direction in realigning the economic development goals set for 2012-2014 to encompass activities specifically directed at building the innovation ecosystem in Davis.

Additionally, staff suggest formally broadening the use of the term “Sustainability” in Davis to encompass the three-pronged approach of environmental, economic and social sustainability, which is in line with current Davis values, Commission recommendations and Council efforts. This terminology is now being used by federal and State agencies and has been adopted across California by business groups and economic development leaders.

III. WORK PROGRAM

Based on the concepts and goals outline above, staff recommends that Council adopt a work program for economic development that builds on the past studies and assessments and focuses on “Achieving the Vision” set forth by that work. To most effectively use City resources to conduct economic development activities, staff suggest concentrating on the following Focus Areas, noting that certain activities benefit multiple City Council Goals:

Focus Area 1 - Facilitate Technology and Business Development

- Advance the Development of an Innovation Park
- Enhance Downtown Reinvestment
- Encourage Densification
- Facilitate Development of a Hotel Conference Center
- Support Entrepreneurs and Startups
- Establish an Innovation Council
- Foster the Creative Class
- Encourage Buy Local

Focus Area 2 – Increased University Engagement

- Strengthen University/Community Partnerships (Joint sense of community)
- Support Research and Development
- Increase Access to STEAM (*science, technology, engineering, arts and agriculture, and math*) and Educational Opportunities
- Support UC Davis Technology Transfer Objectives

Focus Area 3 – Expand Support Network for Local Business

- Business Visitations
- Business Roundtables
- Broker and Landowner Outreach Meetings
- Support Business Service Organizations

Focus Area 4 – Strategic Branding and Marketing

- Targeted Media
- Event Participation
- Community and Regional Presentations
- Thought Leadership and Industry Articles
- Increased Social Media

Focus Area 5 - Regional Leadership

- Collaborate with Regional Organizations
- Expand Innovation Network
- Yolo Rail Realignment Partnership
- Yolo Broadband Consortium
- Policy Advocacy
- Innovation Policy Development

Each of these Focus Areas and activities is focused on the enhancement of Davis' quality of life objectives and requires a cross-departmental approach inside the City to achieve service delivery. Economic development staff is often tasked to initially lead programs and activities and as priorities shift, the appropriate City department is engaged for continued support and implementation as required. It has also become the norm for staff to work with local and regional governments and business organizations to help bring focus and additive resources to that implementation.

Economic development activities are cross-departmental by nature. Staff is requesting City Council reaffirm the suggested Focus Areas so that staff can further implement the 24-month work program in support of Council Goals and priorities. Staff seeks Council support for a focused, outcomes-directed economic development work program due to limited staffing and the need for maximum impact in support of revenue growth that leads to enhanced quality of life and economic vitality for the citizens of Davis.

Davis has also demonstrated new regional leadership by working collaboratively with regional partners and creating a focus on Davis that highlights its unique culture, quality of life, and human capital. Coordination with regional, state and federal legislators has also led to early recognition for Davis and has resulted in evolving roles as a leader in the advancement of innovation, economic development and technology.

More recently, Davis companies and organizations have been increasingly recognized by the media and regional business organizations for their efforts that have helped to build an innovation and knowledge-based economy. These include recognition of several local companies and their founders as businesses leaders of the year, key appointments of local leaders in positions of regional leadership, and continued recognition of UC Davis for ongoing global efforts in research and development.

To take advantage of Davis's unique position and regional leadership opportunities in building the innovation ecosystem, the City's economic development work program should be focused on the City's strengths as a facilitator working in partnership with our local and regional business partners. The municipal leadership role is likely most effective in helping to create an environment for business success by determining and removing barriers that don't serve a purpose for the common good. In that facilitator role, local government is most likely to be additive in achieving community-based goals by creating the framework from which an innovation economy can thrive.

The activities, desired outcomes, and measures of success for the proposed work program are discussed below for each Focus Area. Additionally, staff have outlined some examples of actions and successes over the last year in each of the Focus Areas, demonstrating the value of the suggested goal and the expected impact.

Based on direction from Council, staff finalized the proposed work program and 24-month action plan and returned to Council on April 22, 2014 for adoption. Staff will work on implementation and measurement of each Focus Area and activity over the next 24-month period. Staff will update Council on a regular 6-month basis, providing for constant implementation measurement and process improvement.

Focus Area 1 - Facilitate Technology and Business Development

To effectively facilitate the development of an innovation ecosystem, support of technology and knowledge-based businesses and the subsequent development of facilities for research, manufacturing, and education become pivotal to success. The activities below represent the City's proposed actions to support the development of these businesses and facilities.

- Advance the Development of an Innovation Park – Davis has seen a significant increase in the amount of technology businesses located in and around the City over the past few decades. Business associations like Sacramento Area Regional Technology Alliance (SARTA) and Innovate North State have identified close to 100 technology startups and businesses in the Davis area, with the primary sectors being made up of agtech, medtech, and sustainable manufacturing. Over the last five years, the amount of available commercial and industrial land and facilities available for business expansion has dropped significantly with the success of companies like DMG Mori Seiki, FMC Schilling Robotics and Marrone Bio Innovations.

Expansion plans by some companies have indicated the need for parcels that are 20 to 40 acres in size, but the largest available parcel in Davis is under 15 acres, and most are just a few acres. In the summer of 2013, one of Davis' homegrown companies announced that they will be moving to another jurisdiction, partly due to size and facility constraints on available land. The loss of Bayer Crop Sciences (formerly AgraQuest) marked a turning point in how Davis could realistically respond to opportunities for growth of local technology companies.

When companies move out of Davis, the community loses existing jobs and future job growth, further investment by that company in research and commercial facilities, and the resultant economic activity, including sales and property taxes. The community also loses the corporate leadership in local organizations and typical philanthropy that larger companies tend provide. Perhaps most problematic is that it also sends a strong message to the region and the greater Northern California area that Davis is unable to accommodate companies that might like to remain in, or relocate to our community.

Despite the low supply of land and facilities, some tech companies have been creative in meeting their need to develop facilities over the last few years. This includes the repurposing of space in the downtown for tech companies and startups as well as plans for development of smaller and medium sized commercial space within the downtown and along the 5th Street/Russell Boulevard areas. However, the repurposing of existing facilities in Davis to be suitable for research and development, high tech manufacturing and laboratory space can be more challenging than new construction due to development costs (e.g. the cost of building infrastructure to facilitate laboratory/tech use).

Davis continues to be an ideal location along a major transportation corridor, near significant academic and research facilities, and in relatively close proximity to the San Francisco Bay Area, which lends to its value proposition as a place to develop and grow high tech businesses. Because of this locational advantage, Davis and the Sacramento region are expected to experience a substantial amount of future development of high tech businesses and growth.

To support the growth of existing local companies, startups from the university and companies that are interested in moving to Davis due to the significant research and development cluster, the community has actively engaged in identifying appropriate areas within the City for the development of an innovation center for high tech corporate campuses, manufacturing facilities, and startups.

In November 2012, the Innovation Park Task Force and City Council identified and recommended a dispersed innovation park strategy, with four primary areas for consideration of increased growth to accommodate technology and research companies. These locations include:

1. East Innovation Park – the area of about 200 acres that is northeast of Interstate 80 and Mace Boulevard
2. University Downtown Gateway District (also referred to as Nishi) – the 44 acres south of UC Davis and west of downtown, bounded by the railroad tracks on the north and Interstate 80 on the south.
3. West Innovation Park – the area of about 200 acres to the north/northwest of Sutter Davis Hospital

4. Downtown – a collection of several larger parcels, including the City’s corporation yard, and redevelopment of smaller parcels throughout the downtown and along 5th Street/Russell Blvd, accomplished through increased density.

Each of these locations requires some degree of entitlement and environmental permitting. And aside from the downtown, the other three locations require a community vote (often referred to as a Measure J/R vote) to change from the current agricultural designation to an urbanized use, and then subsequent annexation and infrastructure development. These processes can sometimes be lengthy, expensive and present investment risk.

The property owners or representatives for each of the three areas outside of Davis’ current City boundary have expressed an interest in developing their parcels to meet the identified need and staff are working with each of them.

Perhaps the most robust process in place is that of the University Downtown Gateway District (Nishi) where representatives of the property owners, City of Davis, UC Davis, and Yolo County have been collaborating to explore options for development. This is an unprecedented effort and collaboration and is expected to result in a proposal for consideration by the City this year. A subsequent community vote will be held and if approved, development of the property could begin shortly thereafter.

The East Innovation Park property owners have expressed interest in submitting a proposal for consideration by the community. Additionally, representatives of the West Innovation Park land owners indicated publically that they also wish to put forward a proposal this year for consideration by the community.

Staff have been given feedback that each of these locations has distinct advantages to serve parts of the innovation ecosystem and are likely to not be competitors due to the ability to serve different sectors. Specifically, the University Downtown Gateway District would likely be focused on serving startups and small tech companies that are directly associated with the University. Whereas the East Innovation Park might be a suitable place for expansion of some of our sustainable manufacturing companies due to freeway visibility and agtech companies due to the surrounding agricultural conservation easement. And the West Innovation Park might be most suitable for the medtech or serving or uses due to the close proximity with the hospital and UC Davis School of Veterinary Medicine, Genome Center, BioMechanical Engineering programs, Energy Institute, etc.

To date, the Council, Commissions, staff and the community have invested considerable time and resources over many years in attempting to address the need for space for business growth. It is expected that staff and the Innovation Park Task Force will be collaborating over the next 24-month period with representatives of at least two of the three identified locations to craft community engagement and potential development proposals for an innovation park.

And it is expected that staff and the Innovation Park Task Force will be assessing and identifying land use opportunities across the downtown and working to address barriers for reuse and redevelopment opportunities.

- Enhance Downtown Reinvestment – Ensuring downtown Davis remains the vibrant economic, cultural, and social center of the community is a core community value and goal that can benefit from ongoing reinvestment. Continued public/private partnerships will continue progress been made in enhancing downtown. The City’s economic development staff will work with our partners to facilitate reinvestment projects, creating increased business space, new residential units, public art pieces, events, and unique dining, retail and entertainment proposals considered to enhance the downtown, and increase opportunities to attract visitors, employees and customers. This will include outreach for new investment and funding (including international investment), dissemination of information about local opportunities sites, and focused discussions with existing property owners about tenant and property improvements. Staff will work across departments to both engage the land owners and businesses and then identify potential solutions for consideration by the commissions and Council.
- Encourage Densification - Densification is a priority in the General Plan, but development projects face challenges on several fronts. The recommendations of the 2010 Business Park Land Use Strategy and 2012 Innovation Park Task Force Findings reiterate the need to “maximize the City’s existing land and building inventory to increase development certainty and flexibility. The Task Force also identified the need to review of the existing land use, zoning, and tax structure with objectives of supporting retention and growth of innovation businesses and maximizing revenue opportunities. A clearer, more straight-forward process has been the recommendation of studies and focus groups for many years.

City staff will work with our community partners, such as the Downtown Business Association and local business/property owners, to assist the City in identifying barriers to success, including basic analysis of zoning codes, policies and fees. Working with our Commissions and community groups, staff will create proposed changes for consideration by City Council. As part of this effort, City staff will also work with the Planning Commission to evaluate and identify competing policies to create a more streamlined process.

- Facilitate Development of Hotel and Conference Center - City staff and the owners of the University Park Inn continue to pursue a hotel conference facility on Richards Boulevard at Olive Drive. The envisioned project is about a 125-room hotel with a minimum 6,000 square foot conference facility, likely to be branded as an Embassy Suites. Prior to its dissolution, the Davis Redevelopment Agency contracted for environmental studies. A traffic analysis has been completed and air quality and greenhouse gas analyses have also been completed. Staff are committed to work with the land owner, the proposal team and the community to identify opportunities for creating a successful project that meets the needs of

the community and creates an amenity for Davis. Staff are expecting an application from the property owner by the end of February or early March.

- **Support Entrepreneurs and Startups** – Likely to be the most significant outcome from the City’s leadership is the development of an effective support network for entrepreneurs. A 2010 study by the Ewing Marion Kauffman Foundation, *The Importance of Start-ups in Job Creation and Job Destruction*, found that start-ups are primarily responsible for all net job creation in the US. Start-ups account for about 3 million new jobs annually in their first year of existence and those that make it to sustainability often have exponential growth rates. Because of this factor, the Bay Area Council (and other regional and federal economic development organizations) has concluded that support of start-ups and entrepreneurs by cities, counties, and regions is a more effective economic development strategy than traditional municipal competitiveness.

Collaborative approaches to developing a comprehensive innovation ecosystem have the ability to create entrepreneurial activity that leads to new business starts that grow a sustainable economic base and economic vitality.

Current activities by City staff to support the entrepreneur and start-ups includes local and regional efforts to facilitate network and resource connections through direct business outreach. Staff are also actively providing personal introductions and distributing information about local and regional innovation/entrepreneurial focused events. This helps to increase awareness about our local entrepreneurs and startup companies both on and off campus (e.g. staff assisted with the November 2013 Startup Weekend, co-hosted by Davis Roots and Hacker Lab with support from the City, UC Davis Child Center for Innovation and Entrepreneurship and SARTA, Royal Guest Hotels and Comcast). Broader actions include support of the national labs’ programs, and collaborative development of the innovation ecosystem with regional, state, and national economic development organizations. Staff is also working to develop entrepreneurial support facilities and academic and training programs with our regional partners that will establish Davis and the region as a leader in start-up activity.

Davis Roots - is a non-profit start-up business accelerator was founded to foster the formation and early development of new high-growth ventures in Davis. Davis Roots provides a first landing place for start-ups coming out of UC Davis or City, offering admission and support for approximately 8-10 companies per year. City support for Davis Roots includes a long term lease for use of the Hunt Boyer Mansion Downtown purposefully to invigorate the Downtown “start-up” culture. City staff provide additional support to Davis Roots and its member companies by participating in University “innovation” focused activities. Staff also assist in outreach and marketing of Davis Roots as a local and regional asset to prospective entrepreneurs and collaborative partners. City staff will continue to support Davis Roots ability to connect local ventures with local advisors, mentors, and potential investors. Capital Corridor Ventures has committed \$250,000 to the continued successful operations and administration of Davis Roots.

techDAVIS - is a business association comprised of current and former senior technology executives with close ties to UC Davis and/or the Davis community, as well as ex-officio members from the government, academic, and business services sectors. The association's goal is to help grow the innovation economy in Davis and the surrounding region, which began meeting as an informal entrepreneur focus group in March 2011. It was reorganized as a 501(c)(3) named techDAVIS in February 2013 and was cofounded by David Morris and Robert Medearis (founder of Silicon Valley Bank). techDAVIS holds a bi-monthly breakfast for the membership.

SARTA - SARTA is accelerating the growth and development of the technology sector in the Sacramento region. We are the nexus that links technology leaders, entrepreneurs, investors, service providers, community organizations, and educational institutions. SARTA not-for-profit 501(c)3 corporation founded in 2001, and focused on a nine-county region of Butte, El Dorado, Nevada, Placer, Sacramento, Solano, Sutter, Yolo and Yuba counties. Collaboration with SARTA brings regional and national focus to Davis by member companies and global corporations. SARTA also provides Davis with brand awareness as an innovation and research hub, specifically due to programs like the Ag Innovation Hub, a US EDA grant awarded to a partnership between SARTA and UC Davis.

Innovate North State – is a public/private partnership driven by CEOs of leading North State businesses and was established in early 2012 to create jobs in the region by specifically focusing resources on helping innovative growth companies succeed. The Innovate North State concept was seeded by NoRTEC, its development aided by a State Innovation Challenge Grant. The organization also serves as one of twelve California-designated iHubs, and is the only iHub focused on rural regions of California. Innovate North State's 5-Year Vision is to have the North State recognized as the most economically competitive rural region in the U.S. by 2017. The City of Davis is a member of the Board and the executive committee of Innovate North State and they have held several events in recent years in the Davis area.

Davis Makerspace – is a diverse group of builders, makers, hackers, and programmers located in downtown Davis. Their stated mission is a shared interest in science, technology, art, and what happens when those interests collide. They are focused on working with hardware and software, metal and wood to build robots, trebuchets and other inventions. Davis Makerspace is also focused on teaching and learning to enhance the innovation cycle.

Hacker Lab - is an award-winning, co-working makerspace in mid-town Sacramento that is pursuing an opportunity to create a similar space in downtown Davis. Described as a breeding ground for start-ups and entrepreneurs, Hacker Lab provides flexible workspace for entrepreneurs in an array of different technologies including computer software/hardware, design; business development; educational courses; startup mentorships; access to specialized equipment including 3-D printing. Their networking and innovation industry events, including "Hackathons" result in business and job creation. Providing a setting conducive to the open sharing of ideas, skills and new visions, Hacker Lab

founders are emerging as regional innovation leaders. The presence of UC Davis, intellectual capital and growing entrepreneurial Davis community members using the midtown location has drawn interest in establishing a Davis Hacker Lab. Staff has and will continue to assist in bringing this valuable business resource to Davis and strengthening collaborative relationships between Davis Roots, Davis Makerspace, Cooperative Art Studios and campus-based innovation incubators and entrepreneurial resources. Capital Corridor Ventures has committed \$200,000 in matching funds to help underwrite the costs of establishing a local Davis Hacker Lab.

- Foster the Creative Class - The City of Davis has experienced an increasing cluster of knowledge-based businesses over the last few decades. Due to its unique characteristics of hosting the University of California and a community rich with highly-educated citizens, Davis has the unique opportunity to focus on growing and attracting the creative class. As described by the author Richard Florida, the creative class represents over 40 million individuals who create for a living and includes engineers, scientist, educators, artists, and technologists. Similarly, the academic and workforce development sectors have described a focus on educating and training these individuals as the popularized STEAM movement, where STEAM refers to science, technology, engineering, arts and agriculture, and math.

Previous economic development efforts have tangentially focused on these creative individuals. Staff now recommend that by focusing on growing the creative class and support of the STEAM elements as an important key to our City's current success that Davis will enhance the future of economic growth opportunities and support for our quality of life. Staff recommend that the City activities for supporting technology business development be specifically focused on these sectors and individuals to facilitate Davis' growth in economic vitality by developing and attracting the high value jobs and companies that are inherent to these sectors.

Positive outcomes from this focus include the development of an entire economy that supports the typical higher wage threshold of the creative class, including professional and administrative services, continued education, retail opportunities, commercial and industrial space requirements, and leisure needs. And through development of this economy, Davis will continue to enjoy and expand its high quality of life while robustly creating a multi-layered economy that provides for varied and wide-ranging opportunities across all educational and experience levels.

Many Davis residents are affiliated with UC Davis and have given our community the talented workforce and intellectual capital essential for innovation or "knowledge-based" businesses to grow. Our largest export is "intellectual capital" pouring out of UC Davis graduation programs each year, and the residents who leave each day to staff regional institutions and companies. By creating more local "knowledge based" jobs we can retain some of this talent and amplify the benefits these scientists, engineers, artists and others bring our local and regional economy, and critical skills and investments that support our civic organizations, educational programs, institutions and overall quality of life.

In development of the Creative Class, the City is helping to attract workers to the ecosystem, often referred to as workforce development. Workforce development has many different aspects that range from working with educational institutions to provide proper and effective training for increased job opportunities to reemployment activities when companies have to do layoffs. Working with regional partners such as the Yolo County Workforce Investment Board (WIB) and the Small Business development Center (SBDC), the City can help connect business to training resources. Services provided by these agencies include such things as resume writing, interview techniques, customer service training and more.

In “The New Urban Workplace”, Spinnaker Strategies describes the drivers that many in the Creative Class use in decision-making:

“The Best & Brightest - Talented young workers increasingly pick the city first and the job second. The new urban workplace has become a recruiting tool, something companies use to give themselves the edge in hiring the best and the brightest. When Google moved to Seattle and began hiring away Microsoft workers, Microsoft responded by opening offices in an urban center- downtown Bellevue, where there are more than 100 restaurants and bistros within walking distance. Expedia moved downtown as well, leaving behind an isolated suburban business park. This is not just a West Coast phenomena. American Eagle moved into central Pittsburgh after a national site search. In Atlanta, ATT moved into a midtown neighborhood after having been on the perimeter freeway. In Minneapolis, Target stayed downtown after employees staged a quiet revolt against a proposed move to a new complex in the farm fields. These companies have made talent attraction and retention part of their business strategy. People congregate in “scenes”. They want to live and work in the same place and gather their friends around them.

- Establish an Innovation Council – As a successor to the Business and Economic Development Commission, the City Manager and Chief Innovation Officer are proposing to establish a 20 to 25-member advisory body made up of local and regional organizations and individuals. The Innovation Council would meet every other month with the intent of using the broad knowledge of the Sacramento Region and Bay Area to inform the City on best practices and opportunities. The Innovation Council would be best served by gathering input from the chair or chief executive for the following organizations: Davis Chamber of Commerce, Downtown Business Association, Cool Davis, Sacramento Metro Chamber, techDAVIS, SARTA, Innovate North State, Davis Roots, Hacker Lab, Lawrence Livermore National Lab and USDA in Davis. The Council is also expected to include invitations to the UC Davis Dean of the Graduate School of Management, UC Davis Dean of the College of Engineering, UC Davis Office of Research Venture Catalyst representative, County of Yolo Supervisors covering Davis, the Yolo-Solano Farmbudsman, and the SACOG Rural Urban Connection Strategy manager. The remaining members would be community members and business owners that are involved in economic development, innovation and technology sectors.

- Encourage Buy Local - The City will continue to support the Chamber's Buy Local Campaign as well as work to facilitate and support the Chamber and Downtown Business Association in their efforts to bring awareness to the importance of local retailers to our community.

Focus Area 2 - Increased University Engagement

Working in close partnership with regional research institutions, including UC Davis at the administrative, college, dean, faculty, researcher, staff and student level to identify shared business opportunities, with focused support of small and emerging technology startups. Staff are interacting with UC Davis representatives continuously to create engagement and support for UC Davis and its objectives, including and supporting transfer of new UC Davis research technologies to market applications, and support growth of local and regional innovation based economies.

- Strengthen University/Community Partnerships (Our Joint Sense of Community) – maintain ongoing, multi-level communications between City staff and University administrative and academic representatives to continue to build awareness of shared issues and development of collaborative solutions. Leverage UC Davis research strengths as a community resource sharing expertise to inform the community. Strong collaborative partnerships between the City and University also demonstrate to a broader region the greater value and opportunities available in a collaborative solution oriented environment.

Working together helps build a sense of community. The work of UC Extension's Studio 30 provided valuable technical assistance to the Innovation Park Task Force. Other campus academics, including water engineers, the Energy Institute have provided expert technical analysis valuable to the City's discussion about water and waste water supply options, and efficacy of carbon reduction measurements. The more recent joint Downtown University Gateway District MOU and planning process to jointly develop the Nishi parcel and UC Davis's Solano Park is an excellent example of how working collaboratively has the opportunity to create significant mutual benefit.

- Support Research and Development – Staff are working with UC Davis representatives to strengthen regional and national policy supporting research and development activities beneficial for the City, UC Davis and region. The City continues to work collaboratively on formation of coordinated strategic advocacy on issues of concern to UC Davis.

It is important to become a strong collaborative partner to the University so that the City can become an external supporting voice for UC Davis in regional, state and federal policy objectives. To accomplish this, the City will continue to participate in the annual Metro Chamber Cap to Cap lobbying trip with University staff and ongoing joint dialogs with university and elected officials, other regional research institutions and collaborative groups.

- **Increase Access to STEAM and Educational Opportunities** - In order to develop a comprehensive innovation ecosystem, robust academic opportunities and workforce training activities are essential. Staff has begun working with the local and regional educational institutions to identify ways to increase the opportunities for student education in STEAM. As this effort evolves, staff is actively working to identify and support collaborative opportunities that support the advancement of the knowledge-based economy.

Some of these activities likely will include working with the local universities and the Davis school district to develop facilities that will serve local and regional youth and entrepreneurs. Working with local and regional education and innovation organizations to develop a systematic approach to STEAM activities, coordination with university academic programs in the Sacramento Region staff will support and advocate for workforce training activities, and facilitate sharing awareness of best practices.

- **Support UC Davis Technology Transfer Objectives** – The City plans to continue to facilitate connections between UC Faculty, researchers, students, local and regional entrepreneurs to expand awareness about Davis, UC Davis and other regional assets valuable to successful growth of “innovation” companies, and small or emerging technology startups.

By maintaining strong connections to the University innovation centers and business startup incubators/accelerators, the City can assist campus innovators to connect to the entrepreneurial communities to help them grow by facilitating increased access to resources and creating incentives to remain in Davis and the region. These include the many distinguished Research Institutes on campus, such as the Energy Institute, and the following centers focused on facilitating tech transfer:

Venture Catalyst, UC Davis Office of Research - The Office of Research has the responsibility to facilitate generation, dissemination and application of University research to address the needs of the region, state, nation and globe. They accomplish this through three primary units: Technology Management & Corporate relations (TMCR), Research Administration (RA), and Interdisciplinary Research & Strategic Initiatives (IRSI). TMCR is the management of university technology and facilitating efficient technology transfer through effective leveraging of internal and external resources. Venture Catalyst is a unit of TMCR.

Seed Central / Food Central Entrepreneurial Network - Seed Central is an initiative of the Seed Biotechnology Center at UC Davis and SeedQuest, joined by a growing number of companies and organizations in the global seed and food industry. Seed Central's purpose is to energize the seed industry cluster surrounding UC Davis and to “bring science to market faster”. This effort has expanded to include a focus on food and strengthening UC Davis researcher’s ties with food related industries, to foster growth of this sector. Participants include leaders from UC Davis and various agricultural, life science, and food-oriented programs on campus, as well as international research companies, and regional business and community representatives. The goal of Food Central, as well as its "sister" organization Seed Central, is “to grow and enhance world-class research and educational opportunities in food-

related studies at UC Davis, promote health as the ultimate goal of food development, and attract industry and investment involved in these activities to the region.” Three current projects include development of: a collaborative research lab with industry partners; “ScienceFinder” a new web based tool to identify research discoveries with potential market applications; and a “Proof-of-Concept”, de-risking entity. The efforts of Seed Central have: elevated the recognition of UC Davis and the Davis region as a hub of ag innovations; functioned as a catalyst for attraction of new companies and for local job growth; attract and provide venues for international and local researchers to meet; and facilitate employment of UC Davis students. City staff actively participate in Seed/Food central events, increasing connections with local and regional research companies and providing connections to others interested in this ag innovation sector. www.seedcentral.org

UC Davis World Food Center – aims to generate transformative knowledge and practical solutions to feed and nourish people locally and globally for decades to come. As the pre-eminent institution connecting visionary research and teaching with innovators, philanthropists, industry, and public and social leaders, we will drive economic, health, social, and environmental innovations in the world’s food system.

UC Davis is uniquely positioned for the task by virtue of its position as a global leader in agriculture and food science: we are ranked number one in agriculture research internationally. Among the top five universities in the U.S. in the number of international scholars, we have a strong track record of leveraging our achievements globally. UC Davis innovations and teaching have already changed the way the world produces food and protects our health and environment and is now poised to do much more.

UC Davis Department of Engineering, Engineering Translational Technology Center (ETTC) - is an on-campus technology incubator designed to help engineering faculty and students establish start-up companies - speed the transfer of high-impact, innovative ideas to the marketplace to meet society’s needs. The center offers opportunities to develop: market applications from transitional technology research; partnerships and collaborations with other groups on campus, like the UC Davis Center for Entrepreneurship administered by the Graduate School of Management; and serves as a conduit to campus and UC system-wide resources, government agencies, and the venture capital community. By maintaining close contact with the ETTC lead staff, and start-up companies city staff can share awareness of the asset this center offers the region and assist in helping these innovators be aware of other local and regional business resources and connections.

ETTC has been named as one of “Ten College Business Incubators We’re Most Excited About” by bestcollegesonline.com. ETTC appears on the list alongside Syracuse University’s Student Sandbox and Harvard’s Innovation Lab. <http://engineering.ucdavis.edu/ettc/>

Engineering Student Startup Center - is a dedicated on-campus space where entrepreneurial students can collaborate to pursue and make prototypes of new ideas and technology start-ups. By participating in ESSC events, City staff can connect these entrepreneurs to other

resources and the broader entrepreneurial and business networks, further facilitating tech transfer and talent retention.

UC Davis Business Competitions – several business acceleration events are run by the Graduate School of Management Child Center for Innovation and Entrepreneurship, including the Little Bang and Big Bang business competitions, entrepreneurial academies and the Ag Tech Innovation Center.

UC Davis Department of Biomedical Engineering, TEAM (Translating Engineering Advances to Medicine) - is a significant resource to campus innovators and to non-campus innovators as work flow allows. The purpose of the center is to support tech-transfer by “speeding up the adoption and commercialization of new technologies through design aid and inexpensive rapid prototyping techniques”. City staff will continue to make local and regional companies and entrepreneurs aware of the availability of this tremendous resource and research and innovations it is supporting. <http://www.bme.ucdavis.edu/team/>

Focus Area 3 - Expand Support Network for Local Business

Because of the City’s unique innovation characteristics and the Davis community values, traditional economic development activities create small returns for significant resources. It has been clearly stated by the community that Davis residents primarily prefer local business over chains retailers and a vibrant downtown over a large, regional shopping center. Because of these community sentiments, conducting traditional economic development studies such as sales tax leakage reports (where it is determined what retail categories are under-represented in a community and therefore sales tax revenues are not being captured) are of little value. Though the information might be informative,

- **Business Visitations** – in collaboration with our local and regional partners, City staff have endeavored to meet with approximately 5 to 10 business owners a month. These meetings have taken on a range of forms, from the large, formal meetings at a business location to one-on-one meetings with a business owner or manager in an informal setting. The intent of the meetings is to ascertain business needs, successful interactions in City processes, identification of barriers to growth or continued operation, and future plans for the business.
- **Business Roundtables** – in working with our businesses, a common theme is the need for communication. Staff are proposing to begin holding several roundtables on a sector basis to hear from owners, managers and investors about business needs. Staff proposes to hold one roundtable per quarter.
- **Broker and Landowner Outreach Meetings** - Broker and landowner outreach meetings is an example of activities staff can use to assess the effectiveness of City programs. Topics that might be discussed at these meetings include development standards, barriers to success, fees related to development and the entitlement review process. Staff also markets

available commercial land or space; informs business prospects and facilitates meetings with property owners.

- **Support Business Service Organizations** - Other economic development activities currently being conducted include such tasks as: 1) facilitating small business workshops with our partners at the business service organizations like SBDC, SBA, Workforce Investment Board, the community college district, and SCORE, 2) continued partnership with the Chamber of Commerce and Davis Downtown Association, 3) reaching out to our top revenue-generating businesses in Davis, and 4) identifying other resources for businesses that are provided by external partners.

Employment Training Panel Funds - Staff outreach has assisted a number of local businesses in learning about opportunities for job training reimbursement through employment training funding available through the State’s Employment Training Panel. A number of City technology companies are benefiting from this program.

Workforce Development - The City is participating in the development of new Yolo County Workforce Investment Board strategy. The WIB is developing the strategy to create jobs, hire local residents, attract new or expand business, by covering costs of job training programs for specific workforce skills identified by local companies.

SCORE – City staff connect new start-up companies and businesses seeking business assistance with representatives from SCORE, (previously known as Service Corp of Retired Executives). SCORE is a nonprofit association that assists small businesses to grow and achieve their goals through education and mentorship. Their work is supported by the U.S. Small Business Administration (SBA), and volunteers that are able to provide services at no charge or at very low cost. SCORE provides: volunteer business “Mentors” who share their industry specific expertise; free, confidential business counseling in person or via email; free business tools, templates and tips online; and inexpensive or free local business workshops and webinars (online 24/7).

Focus Area 4 – Strategic Branding and Marketing

Davis is continuing to build a unique brand that includes innovation, technology, agriculture, a vibrant downtown, and extraordinary quality of life. To promote these aspects of Davis in a cohesive way, staff has identified several activities to demonstrate the unique characteristics of the City. These activities include:

- **Targeted Media** – Davis is taking an innovative approach to print and electronic media by linking the characteristics of innovation and technology in Davis to highlight the community’s character and sustainability values. Davis is developing branding efforts to create positive awareness of the City’s technology culture which has assisted in establishing Davis as a leader

in innovation. Staff continues to identify unique ways to brand Davis in the future using media.

- **Event Participation** – Participating in events that can promote the City of Davis to the Sacramento Region and the Bay Area helps to create awareness opportunities for broad saturation and reach out to non-traditional audiences. These include events held by local and regional partners.
- **Community and Regional Presentations** – City leadership and staff are increasingly involved with presentation opportunities to local and regional groups to describe the many positive aspects of Davis as a sustainable community and innovation-oriented city, which has resulted in some significant recent media coverage. Active branding of Davis as a leader in innovation and technology helps to create positive awareness and interest from businesses.
- **Thought Leadership and Industry Articles** – The City of Davis is becoming known as a leader in municipally led innovation. This is due to the significant, concentrated leadership on innovation initiatives and the early success in forming broad partnerships with research institutions, technology companies and business organizations around the state and nation. Because Davis is becoming recognized as a municipal leader in innovation, we have a unique position to highlight our success through articles and promotion. Staff has been actively pursuing opportunities for Davis’s success and leadership to be highlighted in write-ups by popular media, industry publications, academic papers, and policy documents. Examples of this activity include many recent articles about the emerging Davis technology sector, positive press about UC Davis, and staff-generated articles for the local and regional media, including the Davis Enterprise, Davis Vanguard, Sacramento Biz Journal, Sacramento Bee and Cal Aggie Student Newspaper.
- **Increased Social Media** – Utilizing the City’s existing social media platforms (City website, Davis Vanguard blog, Facebook, Twitter) and new ones as they evolve will be beneficial to the City in promoting awareness is what makes Davis distinctive. Using these platforms to increase awareness and update the community and those interested in Davis allows us to virtually connect with potential businesses, residents, and investors. It also helps to validate the positive aspects of our community in a very specific and directed manner. Staff has been proactive in the responsible use of these platforms and continues to explore ways to broaden the awareness of Davis’s unique business propositions, resources and quality of life.

Focus Area 5 - Regional Leadership

The continued identification of UC Davis as a leader in research and innovation has led to the significant attraction of technology and manufacturing companies, new investment by current businesses, and an increase in academic opportunities. And because it is the host city to this activity, Davis has long had the opportunity to be a regional thought leader and living laboratory, demonstrating how advances in sustainability, technology, and research can be applied rapidly to a community.

Though Davis geographically sits some distance from the Sacramento regional core, it continues to be the 'brain' to the region, producing extensive output for the regional innovation ecosystem and emerging knowledge-based economy.

Staff are engaged with the State of California, regional and statewide economic development organizations, and federal policymakers and agencies to support the development of programs and frameworks to develop effective support for the innovation ecosystem.

- Collaborate with Regional Organizations - As part of this regional leadership, the City has made a concerted effort to become part of the regional fabric by participating in the regional and Northern California organizations and taking leadership positions when appropriate. These include the Sacramento Metro Chamber, SARTA, Innovate North State, SACTO, California Network for Manufacturing Innovation-CNM, Valley Vision and the California-Chongqing Trade and Commerce Association.
- Expand Innovation Network - Other partners that Davis has been reaching out to in order to broaden its innovation network and strengthen relationships with local and regional research institutions include federal laboratories (Lawrence Livermore National Lab, Sandia National Labs, Lawrence Berkeley National Lab, USDA Agricultural Research Station in Albany, Naval Air Weapons Center in China Lake, NASA Ames in Mountain View) and universities and colleges (Sacramento State University, UC Berkeley, Stanford University, California State University [CSU] Chico, CSU East Bay, CSU Polytechnic San Luis Obispo, San Jose State University, Drexel University and University of Oklahoma).
- Yolo Rail Realignment Partnership – Davis is working in partnership with Yolo County and the cities of West Sacramento and Woodland to explore the potential for relocation of the rail lines in the downtowns of each city and realignment for a more effective regional goods movement. There are also opportunities for shared flood protection and water resource enhancements. The partnership is applying for a federal grant to study the economic benefits to the jurisdictions and the region.
- Yolo Broadband Consortium – Davis is working with the cities and County of Yolo to explore county-wide solutions to increased broadband delivery and capacity. This is a needed benefit for our businesses and residents alike.
- Policy Advocacy - City leadership and staff have been able to utilize their engagement with the State's innovation leadership and the Governor's Office of Business & Economic Development to assess, identify, and develop opportunities to influence policy at the regional, state and national levels that will support technology businesses and entrepreneurial development. Currently, Davis representatives are engaged in the Metro Chamber's annual Capital-to-Capital advocacy trip and City staff are the lead for 2014 Innovation Team. Additionally, City staff have been able to have input into policies at the

state and federal level that shape our emerging innovation economy. It is this policy leadership in the innovation economy that is catalyzing a positive brand association between Davis, innovation and technology and staff continues to identify ways to include Davis in active policy direction and support in this area.

- Innovation Policy Development – The City has enjoyed an opportunity to work with local, regional, state and national policymakers and agencies to support innovation through policy development. There are very few consortia in the nation that include such a robust interaction between local municipal agencies in the area of innovation, and staff in Davis have been recognized by the federal administration and regional innovation hub for their leadership in this area.

IV. CONCLUSION

The Davis community has seen substantial success in creating an identity that is unique in the greater Northern California region and staff are working diligently to develop a leadership position in the areas of innovation, municipal support of research institutions and support to businesses. As we continue to identify our economic development opportunities, it is important that we look to the growth of our local start-ups and entrepreneurs as a catalyst for economic vitality and the resulting quality of life that a stable and diversified economy can support. To ensure that Davis approaches the next few years of potential economic growth as proactively as possible, the sharpening of the economic development mission in to a straightforward and outcomes-driven work program that will become increasingly more important.

Staff is excited by the opportunities that Davis has enjoyed due to its increasing innovation leadership and awareness in the region, state and nationally and look forward to Council discussion and direction on the current and proposed economic development work program.

2014-2016 ACTION PLAN

Innovation and Economic Vitality Work Program, City of Davis

Updated: April 22, 2014

<p>FOCUS AREA 1 - Facilitate Technology and Business Development</p> <ul style="list-style-type: none"> • Advance the Development of an Innovation Park • Enhance Downtown Reinvestment • Encourage Densification • Facilitate Development of a Hotel Conference Center • Support Entrepreneurs and Startups 	<p>12 Month Tasks</p> <ol style="list-style-type: none"> 1. Issue a Request for Expressions of Interest (RFEI) for peripheral Innovation Center 2. Identify targeted location for an Innovation Center proposal 3. Continue to support the Downtown University Gateway District process 4. Continued community engagement through Innovation Park Task Force 1. Support CDSD & property owners in incentives/zoning flexibility 2. Identify blocking factors for reinvestment through owners/business input 1. Support CDSD & property owners in incentives/zoning flexibility 2. Identify blocking factors for mixed-use projects through owners/business input 1. Support proponents in approval of project 2. Assist in seeking financing opportunities 3. Identify creative ways to initiate a public-private partnership 	<p>24 Month Tasks</p> <ol style="list-style-type: none"> 1. Potential negotiation re: Innovation Center 2. Measure R/J vote for peripheral Innovation Center 3. Continued community engagement through Innovation Park Task Force 1. Community and business support for reinvestment activities 2. Council approval of refinements to City processes 1. Community and business support for mixed-use projects 2. Council approval of refinements to City processes 1. Entitlements issued 2. Continued City support in efficient process for construction 3. Construction started in mid-2015 	<p>Desired Outcomes</p> <ol style="list-style-type: none"> 1. Submittal of a peripheral Innovation Center proposal 2. Completion of Measure R/J process for peripheral Innovation Center 3. Significant progress on entitlements if peripheral Innovation Center is approved by voters 1. Increased project proposals for façade and facility improvements 2. Owner proposals for replacement of deteriorated buildings 1. Increased project proposals for new mixed-use 1. New hotel & conf. space 2. Increased no. and size of events 3. Increased number and variety of hotel rooms and meeting space 1. Davis recognized regionally/nationally as entrepreneur/startup center 2. Increased local, regional, national and global investment 	<p>Performance Measures</p> <ul style="list-style-type: none"> • Increased jobs • Businesses retained/attracted NOTE: this is a 5 to 10 year timeline • 3 to 5 new project proposals for façade and facility enhancement • 3 to 5 new project proposals for new mixed-use • Increase in new hospitality jobs (tbd) • Increase in number of regional/national events • > 50 room increase in room capacity throughout the City • Increase in overall TOT (tbd) • Increase in revenue to City (tbd) • > 5 new startups locating in Davis • Creation of 25+ new jobs (5 per company) • Attraction of 2+ mid-size tech companies to Davis
	<ol style="list-style-type: none"> 1. Support of Davis Roots 2. Establish Hacker Lab/makerspace in Davis 3. Development of techDAVIS 4. Engagement with Sacramento Entrepreneur Academy (SEA) 5. Continued engagement with SARTA 6. Continued engagement with GO-Biz 7. Continued engagement with Innovate North State 8. Continued engagement with CA Network for 	<ol style="list-style-type: none"> 1. Support of Davis Roots 2. Support of Hacker Lab/makerspace 3. Continued support of techDAVIS 4. Assist SEA in developing location/curriculum in Davis 5. Continued engagement with SARTA 6. Continued engagement with GO-Biz 7. Continued engagement with Innovate North State 8. Continued engagement with CA Network for 		

<ul style="list-style-type: none"> Establish an Innovation Council Foster the Creative Class Encourage Buy Local 	<p>Manufact'g Innovation</p> <ol style="list-style-type: none"> 1. Appoint members in May 2014 2. Define subjects requiring input 3. Create mtg schedule <ol style="list-style-type: none"> 1. Support/promote desired community amenities to targeted audiences <ol style="list-style-type: none"> 1. Support/promote Chamber and Davis Downtown Business Association Initiative 	<p>Manufact'g Innovation</p> <ol style="list-style-type: none"> 1. Continue mtgs <p>Use social, local and national media to brand Davis as a destination for Millennials and other creative class</p> <ol style="list-style-type: none"> 1. Assist in implementing campaign 2. Use local and social media to support efforts 	<p>Local and Regional input and perspective on areas of innovation, economic vitality, expanding networks, and investment</p> <p>Improved perception of Davis</p> <p>Increased purchase of retail good and commodities from local stores and vendors</p>	<p>Efficient mechanism of unfiltered input</p> <p>Increase in tech/innovation jobs due to increased workforce</p> <p>Increased sales tax revenue</p>
<p>FOCUS AREA 2 – Increased University Engagement</p> <ul style="list-style-type: none"> Strengthen University/Community Partnerships (Joint sense of community) Support Research and Development Increase Access to STEAM (science, technology, engineering, arts and agriculture, and math) and Educational Opportunities Support UC Davis Technology Transfer Objectives 	<p>12 Month Tasks</p> <ol style="list-style-type: none"> 1. Continue to develop relationships with administration and academic units at UC Davis 2. Work with UC Davis Graduate School of Management and School of Engineering to develop entrepreneur support <ol style="list-style-type: none"> 1. Meet with local universities and research institutions to determine ways to support their efforts in funding and investment locally 2. Outreach to research and development businesses that support local academic programs 3. Engage with Sac State and other local universities to increase support opportunities for startups <ol style="list-style-type: none"> 1. Engage local school district to identify ways for increased STEAM activities 2. Support existing student STEAM activities like the Citrus Robotics club <ol style="list-style-type: none"> 1. Work with UC Davis and local businesses to facilitate wet lab incubator creation in Davis – 2,000+ sq feet 2. Help find space & resources for startups 3. Support the Venture Catalyst activities 	<p>24 Month Tasks</p> <ol style="list-style-type: none"> 1. Continue to develop relationships with administration and academic units at UC Davis <ol style="list-style-type: none"> 1. Meet with local universities and research institutions to determine ways to support their efforts in funding and investment locally 2. Outreach to research and development businesses that support local academic programs 3. Engage with Sac State and other local universities to increase support opportunities for startups <ol style="list-style-type: none"> 1. Engage local school district to identify ways for increased STEAM activities 2. Support existing student STEAM activities like the Citrus Robotics club <ol style="list-style-type: none"> 1. Monitor success and continued support of wet lab incubator 2. Continue support of startups and new tech companies in locating space & resources 	<p>Desired Outcomes</p> <p>Collaboration and partnership</p> <p>Development of local research and development capacity</p> <p>A locally developed workforce and talent pool able to meet the needs of local and regional businesses and research institutions</p> <ul style="list-style-type: none"> Establish wet lab incubator in Davis Davis is desirable location for tech startups coming from UC Davis 	<p>Performance Measures</p> <p>Increase in no. of collaborative partnerships</p> <p>Increased funding and programs for local research and development</p> <p>Increased workforce and talent for local businesses</p> <ul style="list-style-type: none"> Effective and growing wet lab incubator program in Davis 3+ new startups locating in Davis as a result of UC Davis tech transfer

FOCUS AREA 3 – Expand Support Network for Local Business	12 Month Tasks	24 Month Tasks	Desired Outcomes	Performance Measures
<ul style="list-style-type: none"> Business Visitations 	<ol style="list-style-type: none"> Monthly staff visits with businesses Particular focus on tech businesses 	<ol style="list-style-type: none"> Monthly staff visits with businesses Particular focus on tech businesses 	<p>Clear understanding of business needs, blocking factors and opportunities for success</p>	<ul style="list-style-type: none"> 5 visits by staff per month 2 monthly surveys of business needs
<ul style="list-style-type: none"> Business Roundtables 	<ol style="list-style-type: none"> City hosts 2-3 industry specific roundtables 	<ol style="list-style-type: none"> City hosts 3-4 industry specific roundtables 	<p>Clear understanding of industry needs, blocking factors and opportunities for success</p>	<ul style="list-style-type: none"> Successful completion of roundtables Information gathered and reported back to departments and Council
<ul style="list-style-type: none"> Broker and Landowner Outreach Meetings 	<ol style="list-style-type: none"> Conduct meetings on an as needed basis to facilitate opportunities 	<ol style="list-style-type: none"> Conduct meetings on an as needed basis to facilitate opportunities 	<p>New business/development ventures</p>	<ul style="list-style-type: none"> Successful submission of project proposals Increased local facilities Continued low vacancy rates across all classes of buildings
<ul style="list-style-type: none"> Support Business Service Organizations 	<ol style="list-style-type: none"> Regular meetings and collaboration with business support orgs – Chamber, Downtown Business Association, Workforce Investment Board, SBDC, etc. 	<ol style="list-style-type: none"> Regular meetings and collaboration with business support orgs – Chamber, Downtown Business Association, Workforce Investment Board, SBDC, etc. Development of local Business Resource Guide in partnership with local orgs 	<p>Increased awareness by businesses of local business support resources</p>	<ul style="list-style-type: none"> Continued collaboration Increased awareness by business of resources Successful development of Business Resource Guide.
FOCUS AREA 4 – Strategic Branding and Marketing	12 Month Tasks	24 Month Tasks	Desired Outcomes	Performance Measures
<ul style="list-style-type: none"> Targeted Media 	<ol style="list-style-type: none"> Continued coverage in local and national media Use of social media to highlight City's efforts in economic development Continued articles in local media describing innovation and economic development efforts 	<ol style="list-style-type: none"> Continued coverage in local and national media Use of social media to highlight City's efforts in economic development Continued articles in local media describing innovation and economic development efforts 	<p>Positive branding for City of Davis efforts and activities</p>	<ul style="list-style-type: none"> Weekly positive coverage in media Increase of 25% in social media followers/likes
<ul style="list-style-type: none"> Event Participation 	<ol style="list-style-type: none"> Continued engagement in local events 	<ol style="list-style-type: none"> Continued engagement in local events 	<p>Engagement on local and regional initiatives</p>	<ul style="list-style-type: none"> Increased awareness of Davis economic development activities as benefit to region
<ul style="list-style-type: none"> Community and Regional Presentations 	<ol style="list-style-type: none"> Continue informational presentations to community groups on economic development and budget Develop regional presence as experts in innovation and economic development 	<ol style="list-style-type: none"> Continue informational presentations to community groups on economic development and budget Continue regional presence as experts in innovation and economic development 	<p>Community engagement and establishing expertise</p>	<ul style="list-style-type: none"> Increased awareness by community of economic development Engagement with region for innovation and economic development
<ul style="list-style-type: none"> Thought Leadership and Industry Articles 	<ol style="list-style-type: none"> Continued use of local media to define innovation and economic development Engagement with regional and national media 	<ol style="list-style-type: none"> Continued use of local media to define innovation and economic development Engagement with regional and national media 	<p>Industry engagement and establishing expertise</p>	<ul style="list-style-type: none"> Increased awareness of Davis efforts and successes Engagement as experts in

	to highlight Davis successes	media to highlight Davis successes	innovation and economic development
<ul style="list-style-type: none"> Increased Social Media 	<ol style="list-style-type: none"> Establish Facebook presence using Innovate Davis to highlight local successes Establish Twitter presence to attract opportunities and awareness to Davis 	<ol style="list-style-type: none"> Continue Facebook presence using Innovate Davis to highlight local successes Continue Twitter presence to attract opportunities and awareness to Davis 	<ul style="list-style-type: none"> Increase of 25% in social media followers/likes
FOCUS AREA 5 – Regional Leadership	12 Month Tasks	24 Month Tasks	Performance Measures
<ul style="list-style-type: none"> Collaborate with Regional Organizations 	<ol style="list-style-type: none"> Ongoing participation with regional organizations (i.e. Metro Chamber, SARTA, SACTO, etc.) Identify new ways to engage regional orgs in innovation economy that supports Davis 	<ol style="list-style-type: none"> Ongoing participation with regional organizations (i.e. Metro Chamber, SARTA, SACTO, etc.) Continue to identify new ways to engage regional orgs in innovation economy that supports Davis 	<ul style="list-style-type: none"> Increased engagement with regional organizations Continued leadership in regional efforts (i.e. Next Economy, Cap to Cap)
<ul style="list-style-type: none"> Expand Innovation Network 	<ol style="list-style-type: none"> Continue collaboration with GO-Biz Continue engagement with 3 I-Hubs Continue co-hosting conferences and events in Davis (i.e. Innovate North State awards, NorCal Leadership Academy, SARTA AgStart event) 	<ol style="list-style-type: none"> Continue collaboration with GO-Biz Continue engagement with 3 I-Hubs Continue co-hosting conferences and events in Davis (i.e. Innovate North State awards, NorCal Leadership Academy, SARTA AgStart event) 	<ul style="list-style-type: none"> Continued leadership in regional efforts (i.e. Next Economy, Cap to Cap) Increased awareness of Davis efforts in innovation economy at the national and global level
<ul style="list-style-type: none"> Yolo Rail Realignment Partnership 	<ol style="list-style-type: none"> Submit request for US EDA Tech Assistance Planning Grant Continued meeting with cities/county task force Continued regional collaboration 	<ol style="list-style-type: none"> Identify funding sources to implement request for US EDA Tech Assistance Planning Grant Continued meeting with cities/county task force Continued regional collaboration 	<ul style="list-style-type: none"> Successful submittal and award of the US EDA grant Identification of ongoing funding for the project
<ul style="list-style-type: none"> Yolo Broadband Consortium 	<ol style="list-style-type: none"> Complete Strategy with Yolo County Partners Issue a Request for Expressions of Interest for broadband in Davis 	<ol style="list-style-type: none"> Continued work with Yolo County Partners on Strategy 	<ul style="list-style-type: none"> Completion of Strategy Identification of local opportunities
<ul style="list-style-type: none"> Policy Advocacy 	<ol style="list-style-type: none"> Work with local, state and federal officials to identify supportive policy of innovation economy Continued engagement with 3 I-Hub Boards Continued engagement with GO-Biz 	<ol style="list-style-type: none"> Continued work with local, state and federal officials to identify supportive policy of innovation economy Continued engagement with 3 I-Hub Boards Continued engagement with GO-Biz 	<ul style="list-style-type: none"> Engagement with academia, policymakers and the state and federal administration as experts in innovation activities
<ul style="list-style-type: none"> Innovation Policy Development 	<ol style="list-style-type: none"> Leadership of Innovation team for Metro Chamber Continued engagement with GO-Biz IHub programs Engagement with White House Office of Science and Technology Policy 	<ol style="list-style-type: none"> Continued leadership of Innovation team for Metro Chamber Continued engagement with GO-Biz IHub programs Continued engagement with White House Office of Science and Technology Policy 	<ul style="list-style-type: none"> Engagement with academia, policymakers and the state and federal administration as experts in innovation policy

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Request for Expressions of Interest (RFEI)
Davis Innovation Center

The City of Davis is requesting “expressions of interest” from parties interested in developing an Innovation Center that will serve the Davis research and technology sectors and create a place for Davis technology companies to continue to grow. This RFEI is intended to determine if there is sufficient market interest and alternative options that should be considered by the City. This RFEI may result in a more formal process, but it is currently intended to outline the community’s desires and gain insight in to the concepts for an Innovation Center.

In the event there is sufficient interest, the City may, but is not obligated to, initiate a request for proposal and a more formal selection process.

Interested parties should submit a letter response to the City that includes the following:

1. Statement of interest, including potential team members;
2. Relevant qualifications demonstrating previous successful projects;
3. General overview of financial ability to perform (and willingness to demonstrate to the City in a verifiable way that financial ability);
4. Statement of control (or ability to demonstrate control) of land;
5. General overview of the suggested schedule (timing) should a project be proposed (discuss in months from submittal of a proposal, not as absolute dates);
6. General overview of benefits to the community (financial, economic, infrastructure or otherwise);
7. Discuss concepts on ways that the “identified community character and desirable attributes” might be met (see list below); and
8. Provide one-page of graphics of building types, heights, character, and surroundings that closely demonstrate concepts of interest to the respondent(s).

Total length of the response should be no more than five (5) pages, double-sided with typeface not smaller than 8-point Arial. Submissions greater in length may be rejected or not reviewed.

The submissions will not be used for evaluation, ranking, or selection of respondents as a result of this RFEI. It will not be used to pre-qualify or screen respondents for a subsequent selection process, if any.

If subsequent selection opportunities are issued, the City is under no obligation to advise any respondent to this RFEI, although it is the City’s intent to notify all qualified respondents of any such plans.

Responses should be delivered by hand, regular mail, facsimile or email to the following location before June 2, 2014 at 5:00 PM:

City of Davis
23 Russell Blvd., Suite 1
Davis, CA 95616
Contact Person: Rob White, Chief Innovation Officer
rwhite@cityofdavis.org Office (530) 747-5803 Fax: (530) 757-5660

Following is additional information regarding the City of Davis, including:

- Identified Community Character and Desirable Attributes
- Information Relevant to an Innovation Center in Davis
- An overview of the City and area demographics

Identified Community Character and Desirable Attributes

The community of Davis has a long history of embracing its surroundings. This includes sustainability goals and protection of agriculture coupled with the dynamic setting created by a top-tier research university and the resultant technology development.

The City has spent many years in developing a vision of the character of its environment, embracing heavily the concepts of quality of life and sustainability. As such the following desirable attributes are derived from approved City planning documents, previous City Council findings and community engagement.

The following list is not comprehensive, but is meant to represent some of the high-level concepts that will be important to the community in considering an innovation center for Davis. Please address each concept below (which are in no particular order of importance) and include descriptions in the Response Letter on how a project proposal might address these attributes.

1. Ways to achieve a minimum 0.5 floor area ratio (FAR), with not less than 4 million square feet of commercial and research facilities across the innovation center;
2. Mix of building types and heights (likely to be one to five stories) – including potential for headquarter buildings;
3. Significant LEED/sustainability throughout the innovation center (building materials, storm water retention through bio swales, etc.);
4. Net-zero energy goals - Use of parking and rooftops for energy generation;
5. Integration of alternative transit (including pedestrian, bike and mass transit);
6. Engaged and inviting workplace (i.e. open spaces, gathering locations, shared facilities).
7. Unique parking concepts;
8. Warehouse uses auxiliary only to research and manufacturing;
9. Opportunities for densification over time (i.e. parking structures and new buildings);
10. Potential build out scenario and timing (based on previous experience);

11. Identified concept on how to meet Measure R/J requirements; and
12. Acknowledgement of communities current desire for no residential to be included.

Information Relevant to an Innovation Center in Davis

Significant community discussion and formal City Council engagement regarding the development of an Innovation Center in proximity to Davis has been in progress for several years. The City Council has set a policy direction of working with interested landowners and/or Innovation Center proponents to identify appropriate opportunities to create a place for primarily Davis-based research and technology companies to grow.

There is a significant catalogue of studies, reports and workshops that are documented and located on the City's website under the Innovation Park Task Force heading. This information is located at:

<http://city-council.cityofdavis.org/on-going-committees/innovation-park-task-force>

Respondents to the RFEI are encouraged to review this information as part of their assessment for a response.

City of Davis Overview and Area Demographics

Located in Yolo County in the Central Valley of northern California, the City of Davis offers a high quality of life to a population of approximately 66,000. Home to the University of California, Davis, the City is a unique university and residential community internationally known for its commitment to environmental awareness and implementing progressive and socially innovative programs. Situated at the hub of several highways, a nearby deep-water port, international airport and transcontinental rail lines, the area enjoys considerable location advantages. Interstate 80 and State Highway 113 run through Davis with the junction of these two major roadways located just outside town at UC Davis. Interstate 5 is 11 miles to the north and 13 miles to the east. The Interstate 505 junction is 14 miles west. Just minutes from the State Capitol and a few hours from Lake Tahoe, San Francisco Bay Area and the California coast, Davis offers excellent access for business and recreation.

Davis' greatest economic and social resource is its residents. Outstanding professional and technical skills, coupled with progressive and innovative thinking make the population a valuable regional asset. Davis residents boast the highest level of education in the state with more than 80% of Davis' adult population completing a minimum of one year of college training and more than 60% having attained at least a four-year college degree. The average family household income in Davis is \$133,640, while the average household income is \$89,640, reflecting the large number of student households (2013 ACS).

The highly ranked University of California, Davis has approximately 33,000 students, 100 undergraduate majors, 90 graduate programs, 4 colleges (Agricultural and Environmental

Sciences, Biological Sciences, Engineering, Letters and Science) and 6 professional schools (Education, Law, Management, Medicine, Veterinary Medicine, Nursing), more than any other UC campus. UC Davis is also home to numerous academically acclaimed research institutes and the newly established World Food Center. The growing technology sector in the community directly benefits from the ongoing research and intellectual capital generated by the University.

The City recognizes that the availability of high quality broadband fiber (gigabit and above) and other “next generation” communications services is an increasingly important factor for businesses and households in considering where to locate. Access to high quality broadband fiber and communications infrastructure is also important to government, schools and community institutions. The City desires to expand the availability of such infrastructure to serve to all households, businesses and institutions and public facilities throughout the City.