



October 10, 2020

Dr. Michael Drake, President
University of California
Office of the President
1111 Franklin Street
Oakland, CA 94607

Dear University of California President Michael V. Drake and members of the Board of Regents:

Sacramento Investment Without Displacement (SIWD) is a coalition of neighborhood associations, union members and non-profit organizations representing tens of thousands of residents, families, union members, workers and students who are in fear of displacement and gentrification due to new developments in Sacramento county.

We are writing this letter to appeal to you and the Board of Regents to request that UC Davis and its developer Wexford Science and Technology commit to signing a *Community Benefits Agreement (CBA)* with our broad coalition. We believe that this project could bring great possibility and promise for the future of Oak Park and other nearby neighborhoods, the City of Sacramento and UC Davis Medical Center, if the benefits are shared widely and equity and inclusion are embraced as core values.

Before this project's Environmental Impact Report is approved, it is a moral imperative that the UC system consider our community coalition and the impacted community we represent. The leaders of our coalition are requesting a meaningful conversation with UC Davis and its developer to address inequities and unintended consequences of this project.

The Oak park community is mostly made up of people of color, low-income people and immigrants who have carried a heavy burden for generations in the history of the development of this region. Unfortunately, deep poverty, violence, inadequate affordable and safe housing, employment discrimination and the many subtle actions of hate have deeply wounded countless promising young and old souls alike. Residents have a list of concerns about how the

build-out and operation of Aggie Square will impact their neighborhoods. Please see)the attached?) list of concerns articulated by residents and the organizations that represent them.

Time is of the essence. Our concerns cannot be put on the back burner. Good faith assurances will not pacify nor protect our communities.

We have had a few meetings with representatives from both UC Davis and Wexford, but the outcome of those meetings has not led to a commitment to a CBA or any programs that will substantially prevent displacement of existing residents and small businesses. At your November UC Regents meeting, as you consider your actions related to phase one of Aggie Square, we ask that you require the UC Davis Administration to enter into a legally binding CBA with the impacted communities that are represented by Sacramento Investment Without Displacement.

Our everyday ordinary hard-working neighbors remain active civic leaders and trust that one day our democratic institutions will live out their full promise for everyone. As one of our local historians, William Burg states in his book **Sacramento Renaissance** “in the shadow of redevelopment, jazz musicians, funk artists and civil rights activists created a cultural renaissance.” Sacramento is going through one of its most significant transformations in many years, and the development of the **Aggie Square Project** will play a major role in changing the lives of brown and black people in Oak Park and surrounding neighborhoods.

We look forward to working with UC Davis representatives to develop creative strategies that will lead Aggie Square to become a more inclusive and equitable project. Below you will see the list of growing partners who have committed their resources to the well-being of all those historically marginalized in Sacramento county.

Sincerely,

- Sacramento Building Healthy Communities (the HUB)
- Sacramento ACT, Faith In Action Network
- Sacramento Housing Alliance
- Northern California Legal Services
- Sacramento Central Labor Council
- SEIU Local 1000
- Oak Park Neighborhood Association
- Tahoe Park Neighborhood Association
- Walk Sacramento
- United Latinos, Promoviendo Acción Cívica
- Environmental Council of Sacramento
- Organize Sacramento
- ACCE

cc: Chancellor May, U. C. Davis

UC Davis Medical Center Chief Executive Officer

Sacramento Bee

San Francisco Chronicle

Los Angeles Times

Davis Enterprise

Sacramento Investment Without Displacement

Aggie Square: Expected Neighborhood-Disrupting Impacts of UC Davis Med Center Expansion

Vision Statement: The vision of Sacramento Investment Without Displacement is to have residents and representatives of community institutions highly engaged in the planning of major development projects in their neighborhoods and that these projects over time improve the health and build the assets of existing residents, increase economic and racial equity in the neighborhoods, and provide long term stability to these residents and community institutions. Our key strategy is to negotiate comprehensive Community Benefits Agreements (CBAs) with major project sponsors, developers and investors. The proposed Aggie Square project at UC Davis Medical Center has the potential to improve and protect residents' health, provide residents with access to good union jobs that pay a living-wage, improve the quality of our neighborhoods, and reduce existing inequities. The purpose of our proposed Aggie Square CBA is to ensure the above goals are met, and specifically that UC Davis and its investors and developers in Aggie Square commit to participating in mitigating the expected neighborhood-disrupting consequences in zip codes 95817, 95820 and 95824. These include:

1. **Community involvement:** While neighborhoods surrounding Aggie Square will be altered by the many thousands of new workers and students at Aggie Square (recent estimates as high as 25,000) and the flow of billions of dollars, the traditional avenues of resident involvement will be weakened, and those communities already on the fringes are likely to be further silenced. New, well-resourced residents who are employed at Aggie Square will have their voices and opinions amplified.
2. **Local hiring:** For Aggie Square to benefit and improve the health of existing neighborhood residents living in zip codes 95817, 95820 and 95824, those residents' incomes must increase and stabilize. With an expected 25,000 new employees and students at Aggie Square, it is inevitable that housing costs in these zip codes will escalate, and without increased incomes, existing residents will be forced out. The past expansion of UC Davis Med Center and other economic forces in the region have already resulted in gentrification in these zip codes and families have already been displaced. Many existing residents will find themselves without the competitive edge for new jobs created through the Aggie Square project. There will be a

need for support with applying for entry level jobs, mentoring, and related education to move up to higher paying positions or residents will lose out on these opportunities.

3. **Affordable Housing Access:** Sacramento already has a deficit of affordable housing, with tens of thousands of households seeking rental assistance or affordable housing. The City and County have few resources available to dedicate to affordable housing development. With an influx of new employees, students, and faculty at Aggie Square, there will be heightened competition for existing housing stock, and both rental and for-sale housing prices will escalate, particularly at the low end. Landlords will give preference to renters who they perceive have more stable income (more stable employers) and earned income (vs social security, TANF, disability). Race and class discrimination in housing will intensify. Home sales, on turnover, will see even more inventory turned over to speculators and to new employees from higher cost regions.

As competition for housing intensifies, low rent apartment complexes will undergo physical transformation and accompanying steep rent increases, forcing existing residents out of their homes and out of their neighborhoods.

As Aggie Square's corporate tenants move in, vacant land prices in the area will escalate and make land for affordable housing development infeasible.

4. **Access to Primary Care for MediCal Beneficiaries:** UC Davis Medical Center has the only public hospital in Sacramento County. UC Davis Health's most recent Community Health Assessment identifies access to quality primary care health services as the #1 need in the community. While Sacramento County has 424,000 MediCal managed care recipients, UC Davis only contracts for up to 5,000 of these. This alarmingly low cap on contracted MediCal patients makes it particularly challenging for residents in nearby neighborhoods to access convenient primary care. While Aggie Square's goal of becoming a model biotech center has the potential for innovating life saving health strategies and tools, without increasing access to its health care services to the most disadvantaged residents, it runs the risk of exacerbating existing local health inequities.
5. **Local business protections and support:** As Aggie Square corporate tenants move in and as they become successful, surrounding commercial land and lease costs will increase,

forcing existing neighborhood-serving businesses out. Furthermore, Aggie Square corporate tenants are likely to continue to use vendors with whom they are familiar, such as national vendors or vendors from their region of origin. These vendors may set up shop near Aggie Square when profitable to do so, taking business away from local vendors. Revenues from Aggie Square will not flow to existing neighborhood vendors, and these businesses will lay-off existing neighborhood employees and ultimately the businesses may fail.

Furthermore, as the build-out occurs at Aggie Square, there will be pressure to improve existing commercial corridors and upgrade commercial buildings, but existing businesses will not be financially able to satisfy upgrade requests or pay increased lease rates and will be forced out of business.

6. **Project Labor:** Our community has benefited from the secure, well-paid jobs and benefits provided to the State of California employees at UC Davis Med Center. With a shift to leasing space at the campus to private industry, we anticipate the growth in sub-living wage jobs with much lighter benefits. These are the jobs existing residents will find most accessible, and with low wages and lacking union or civil service protections, these residents will be living on the margins.
7. **Environmental protections:** With Aggie Square's tens of thousands of new inhabitants, we can expect lower air quality from increased car exhaust. New development on vacant lots also leads to increased noise, light and sound pollution and intensification of urban heat island effect. These environmental impacts have an adverse affect on human health, including heat-related deaths, respiratory issues, headaches, and heat stroke.
8. **Transit-oriented development:** Residents currently living adjacent to UC Davis continue to experience a high level of frustration related to traffic congestion and parking challenges. An increase in auto traffic will intensify parking issues and increase the number of dangerous streets and intersections, in addition to lowering air quality. New transit-oriented developments that serve higher income households will not necessarily increase the number of public transit users because higher-income residents of transit-oriented developments are much less likely to make use of adjacent public transit than lower income residents.

9. **Transportation:** Without provision of alternative transportation options or on-site housing for students, faculty, and staff, Aggie Square will increase traffic congestion in the community. This will have a direct impact on health and safety due to an increase in vehicle emissions and greater risk of traffic injuries and fatalities for people walking and biking. Additionally, lack of car-free transportation options limits access to Aggie Square for people who don't own a car or can't drive, such as low-income individuals, minors, older adults and people with disabilities.
10. **Youth development and education:** Sacramento City Unified School District is already suffering financial strain. Local youth programs are under-funded; youth lack dedicated, safe homework spaces and assistance; and summer and after-school job opportunities and paid internships are severely lacking. An influx of new Aggie Square employees could exacerbate existing inequities for youth as well-resourced, employed parents privately subsidize their childrens' education and after-school programs or remove their children from public schools, while existing youth living in zip codes 95817, 95820 and 95824 continue to struggle and public schools suffer further funding cuts..
11. **Housing demolitions:** When Aggie Square becomes successful, new, well-capitalized Aggie Square corporate tenants and UC Davis will have a need to expand further into the neighborhood--both buying vacant land and demolishing surrounding homes without replacement requirements--dislocating existing resident families and reducing the number of residential units.
12. **Food access:** The Oak Park neighborhood in zip code 95817 already lost this year its only full-service grocery store. Lacking anti-displacement protections, the Aggie Square build-out will further impact the ability of existing residents to access food they can afford. Gentrification impacts the entire food system by pricing out existing food production and retail economies. As gentrification takes hold, coffee shops, trendy restaurants, and supermarkets that target wealthier households move-in. These new businesses do not cater to the existing resident base, and may promote a cultural norm that is neither welcoming or comfortable for the residents who have resided in the area for decades. As rent prices increase, existing food businesses cannot afford to stay. This can cause a situation where

food is widely available, but not necessarily culturally appropriate and/or affordable for the residents who have historically resided in the area. Additionally, space that had been used for food processing or production is also priced out, as the demand for residential and commercial space grows.

13. **Local artists and community art access:** UC Davis and Aggie Square corporate tenants are likely to spend the bulk of their art budgets on art from nationally known artists or out-of-area artists with whom they are familiar. Local Sacramento artists will not benefit from this influx of capital and this importation of outside art work may devalue the work of local artists. Art that is brought in may not be culturally or physically accessible to existing residents. As existing resident households are displaced from neighborhoods due to escalating housing costs, communities will be disrupted and cultural infrastructure including art, art spaces, and institutions which pass on cultural knowledge and art to youth will be lost.

For more information, contact Sacramento Investment Without Displacement at
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