



AGENDA
October 10, 2017

SPECIAL CITY COUNCIL MEETING
5:30 p.m.
City Council Chambers
311 Vernon Street
Roseville, California

1. CALL TO ORDER

2. ROLL CALL

Vice Mayor: Bonnie Gore
Councilmember: Scott Alvord
Councilmember: Tim Herman
Councilmember: John Allard
Mayor: Susan Rohan

3. PLEDGE OF ALLEGIANCE

4. MEETING PROCEDURES

NOTICE TO THE PUBLIC

All Items on the agenda will be open for the public comment before final action is taken. Speakers are requested to restrict comments to the item as it appears on the agenda and stay within a five (5) - minute time limit. The Mayor has the discretion of limiting the total discussion time for an item.

5. PUBLIC COMMENTS

NOTICE TO THE PUBLIC

Persons may address the City Council on items not on this agenda. Please complete a "Speaker Information Card" and present it to the City Clerk prior to the start of the meeting. Speakers shall restrict their comments to issues that are within the subject jurisdiction of the City Council and limit their comments to three (3) minutes per person. The total time allocated for Public Comment is 25 minutes. The Brown Act, with certain exceptions, does not permit the City Council to discuss or take action on issues that are not listed on the agenda.

6. SPECIAL REQUESTS/REPORTS/PRESENTATION

6.1. Request for the City of Roseville to Participate in Greater Sacramento's Regional Reponse to Amazon H2Q RFP

Memo from Economic Development Manager Laura Matteoli and Economic Development Director Chris Robles recommending Council adopt RESOLUTION NO. 17-433 APPROVING A PARTNERSHIP WITH GREATER SACRAMENTO ECONOMIC COUNCIL FOR A REGIONAL RESPONSE TO THE AMAZON HQ2 REQUEST FOR PROPOSAL AND AUTHORIZING STAFF TO OFFER INCENTIVES. Staff proposes that the City participate with Greater Sacramento Economic Council to include two City of Roseville owned sites in their regional response to the Amazon HQ2 Request for Proposals; and Authorize City staff to offer the following incentives:1) free or reduced land costs; and 2) expedited permit, plan check and inspection processing timeframes.

CC #: 8810

File #: 0110

CONTACT: Laura Matteoli 916-774-5284 lmatteoli@roseville.ca.us

7. COUNCIL / STAFF / REPORTS/ COMMENTS

8. ADJOURNMENT



COUNCIL COMMUNICATION

CC #: 8810

File #: 0110

Title: Request for the City of Roseville to Participate in Greater Sacramento's Regional Reponse to Amazon H2Q RFP

Contact: Laura Matteoli 916-774-5284 lmatteoli@roseville.ca.us

Meeting Date: 10/10/2017

Item #: 6.1.

RECOMMENDATION TO COUNCIL

Staff requests that the City Council adopt a Resolution to:

- Partner with Greater Sacramento Economic Council (Greater Sacramento) to include two City of Roseville owned sites in their regional response to the Amazon HQ2 Request for Proposal (RFP); and
- Authorize City staff to offer the following incentives:
 - Free or reduced land costs.
 - Expedited permit, plan check and inspection processing timeframes.

BACKGROUND

Amazon issued a Request for Proposal ("RFP") for a second corporate headquarters (HQ2). Amazon is a publicly traded U.S. corporation and is a leading internet retailer and technology company. The Company presently maintains more than 380,000 employees at multiple facilities in North America and throughout the world. Due to the successful growth of the Company, it now requires a second corporate headquarters in North America.

Amazon's current headquarters is located in downtown Seattle, Washington. This urban campus employs tens of thousands of employees. Amazon estimates its investments in Seattle from 2010 through 2016 resulted in an additional \$38 billion to the city's economy - every dollar invested by Amazon in Seattle generated an additional \$1.4 for the city's economy overall.

In choosing the location for HQ2, Amazon has a preference for:

- Metropolitan areas with more than one million people
- A stable and business-friendly environment
- Urban or Suburban locations with the potential to attract and retain strong technical talent
- Communities that think big and creatively when considering location and real estate options

Roseville and the greater Sacramento area can well meet all of these requirements.

Building/Site Requirements: Amazon will consider greenfield sites, infill sites, existing buildings, or a combination for the Project. Amazon will prioritize certified or shovel-ready greenfield sites and infill opportunities with appropriate infrastructure and ability to meet the Project's timeline and development demands. The following is a summary of the HQ2 Project's ideal site and building requirements:

- Existing buildings of at least 500,000+ sq. ft.
- A greenfield site of approximately 100 acres certified or pad ready, with utility infrastructure in place.
- Other infill, existing buildings, including opportunities for renovation/redevelopment and greenfield sites, meeting the proximity and logistical requirements of the Project.

Jobs: Amazon indicated that they will hire as many as fifty thousand (50,000) new full-time employees with an average annual total compensation exceeding one hundred thousand dollars (\$100,000) over the next ten to fifteen years. Jobs will likely be broken down into the following categories: executive/management, engineering with a preference for software development engineers (SDE), legal, accounting, and administrative.

Capital Investment: The Project is estimated to be a \$5 billion capital investment in the selected city over the initial 15-17 years of the Project.

Building Phase	Estimated Capital Investment
Phase I Building (500,000 – 1,000,000 sf)	\$300,000,000 - \$600,000,000
Phase II Building (1,000,000 – 2,000,000 sf)	\$600,000,000 - \$1,260,000,000
Phase III Building (2,000,000 – 3,000,000 sf)	\$1,260,000,000 - \$1,985,000,000

Phase IV and beyond will grow organically. At full build-out, the campus or park may exceed 8 million square feet and over \$5 billion in total capital investment. Amazon will continue to invest in its facilities to ensure it offers a state-of-the-art workplace for its employees.

Sustainability: Amazon is committed to sustainability efforts. Amazon's buildings in it's current Seattle campus are sustainable and energy-efficient.

Connectivity: Ensuring optimal fiber connectivity is paramount at the HQ2 location.

Regional Response to RFP:

To help streamline the proposal process and to ensure delivery of a single, coordinated regional pitch, Greater Sacramento is working with a variety of partners to collect and execute all regional and state-level content for the Amazon RFP. It is expected that potential development sites from the following jurisdictions will be included in the regional response, see Attachment 1:

- El Dorado County
- Placer County
- Sacramento County
- City of Elk Grove
- City of Lincoln
- City of Roseville
- City of Sacramento
- City of West Sacramento

The Amazon HQ2 RFP was vague in its request for specific information. Therefore, Greater

Sacramento requested that each local jurisdiction submit basic site, building and utility information which they will include in their regional response. Greater Sacramento's regional response will include: 1) Capital and operating costs (tax structure); 2) Incentives offered by the state and local communities; 3) Incentive programs available for the project at state and local levels; 4) Regional labor force and educational attainment of the workforce; 5) Logistics including population centers, highway corridors, airports and travel times; 6) Cultural community fit for population diversity and fit; and 7) Community/quality of life relating to where employees will enjoy living and availability of recreational and educational opportunities.

City of Roseville's Opportunity Sites:

It is staff's intent to receive approval to participate with Greater Sacramento's regional response and include two City owned properties. This approval merely allows the City to participate in the regional response. Staff will bring forward any future considerations such as site specific terms, economic benefit associated with each site, for Council's consideration and determination of City's best interest at a later date. The sites are as follows:

Site 1: 290 Conference Center Drive. Please refer to Attachment 2 for more detailed site information and map of the conference center property.

The 290 Conference Center Drive site is 11 acres in size and is currently undeveloped and owned by the City of Roseville. The site has commercial/business professional land use and commercial zoning, and has utility and traffic capacity for up to 500,000 square feet of professional office development potential. Building height up to ten stories is permitted. The proposed project will require approval of a major project permit and subsequent environmental impact report.

This site would provide a high profile site adjacent to Highway 65 that would be suitable for executive offices and can accommodate Phase I of the Amazon HQ2 RFP.

Site 2: Pan Handle - 6382 Phillip Road. Please refer to Attachment 3 for more detailed site information and map of the pan handle property.

The 6382 Phillip Road site is 160 acres in size and is currently undeveloped and owned by the City of Roseville. The site is zoned Public/Quasi-Public and has utility and traffic capacity to serve future development. Currently more than 1,080,000 square feet of professional office is allowed. The site could potentially accommodate much more development if higher density buildings (taller, larger floor plates) are considered. The property includes 10.25 acre buffer area along the future Placer Parkway (a planned six-lane facility which will connect Highway 65 in Placer County to Highway 99 in Sutter County), located immediately west of the site, and 19.74 acres of the site accommodates Pleasant Grove creek which traverses the site.

This site could accommodate future phases and potential build-out of the Amazon HQ2 campus.

Incentives:

Participation in Greater Sacramento's regional response to the Amazon HQ2 RFP is a unique opportunity that could potentially generate significant economic benefit and job creation to the City and region. Approval of this request allows the City to offer Amazon incentives, as noted below. These incentives are generalized at this time; any and all incentives, considerations and site

specific terms will be brought to the City Council for consideration and determination of City's best interest at a later date:

- Gift of land/reduced land costs - A gift of land and/or reduced land cost offer could be provided by establishing a market value of land and have the City structure a loan for the value of the land with the loan forgivable upon the project reaching a specified community investment and/or economic benefit in excess of the appraised land value. The estimated value of each land offer is:
 - 290 Conference Center Drive: Based on an appraisal conducted last year the value of the of 11 acres is \$4,791,600.00.
 - 6382 Phillip Road: The land value of 160 acres is estimated to be \$34,848,000.00. This land value is based upon staff's estimate of similar vacant land in the City.
- Expedited permit, plan check and inspection processing timeframes - Expedited processing timeframe offer would be to establish a comprehensive and concurrent development review, plan check and inspection process timeframe similar to what has been done for other priority projects (i.e. McKesson and FedEx projects). Timeframes would be set in accordance to Amazon's business needs.

FISCAL IMPACT

The Economic Development Department requests that the City Council approve a Resolution to allow the City to participate with Greater Sacramento in a regional response of potential development sites to the Amazon HQ2 RFP. This approval merely allows the City to participate in the regional response. Staff will bring forward any future considerations, such as site specific terms, economic benefit associated with each site, for the City Council's consideration and determination of City best interest at a later date.

ECONOMIC DEVELOPMENT / JOBS CREATED

The city's participation in greater Sacramento's regional response to Amazon's HQ2 RFP has the potential to generate significant economic benefit and job creation to the City of Roseville and/or region and indirectly Roseville. Specifically the Amazon HQ2 proposal has indicated that they will hire as many as fifty thousand (50,000) new full-time employees with an average annual total compensation exceeding one hundred thousand dollars (\$100,000) over the next ten to fifteen years. The capital investment associated with the HQ2 project could be over \$5 billion over the initial 15-17 years of the Project. Economic Development continues to look for opportunities to grow the City high quality of life through promoting our City through job creation, increased property and sales tax and increase private investment.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonable foreseeable indirect physical change in the environment (CEQA Guidelines §15061(b)(3)). Participation in greater Sacramento's regional response of potential development site's for Amazon's HQ2 RFP itself, does not include the potential for a significant effect and therefore is not subject to CEQA.

Respectfully Submitted,

Laura Matteoli, Economic Development Manager

Chris Robles, Economic Development Director



Rob Jensen, City Manager

ATTACHMENTS:

Description

Resolution No. 17-433

Amazon Sites

290 Conference Center Drive

6382 Phillip Road - Pan Handle

RESOLUTION NO. 17-433

APPROVING A PARTNERSHIP WITH GREATER SACRAMENTO ECONOMIC COUNCIL
FOR A REGIONAL RESPONSE TO THE AMAZON HQ2 REQUEST FOR PROPOSAL AND
AUTHORIZING STAFF TO OFFER INCENTIVES

WHEREAS, Amazon issued a Request for Proposal (RFP) for a second corporate headquarters (HQ2); and

WHEREAS, Roseville and the Greater Sacramento Economic Council (Greater Sacramento) can meet all the requirements of the RFP; and

WHEREAS, to help streamline the proposal process and to ensure delivery of a single, coordinated regional pitch, Greater Sacramento is working with a variety of partners to collect and execute all regional and state-level content for the Amazon RFP; and

WHEREAS, it is staff's intent to receive approval to participate with Greater Sacramento's regional response and include two City owned properties (290 Conference Center Drive and 6382 Phillip Road); and

WHEREAS, the City's participation in Greater Sacramento's regional response to Amazon's HQ2 RFP has the potential to generate significant economic benefit and job creation to the City of Roseville and/or region and indirectly Roseville; and

WHEREAS, staff is requesting that the City Council approve the partnership with Greater Sacramento to include two City of Roseville owned sites and authorize City staff to offer free or reduced land costs and expedited permit, plan check and inspection processing timeframes in response to the Amazon HQ2 RFP, subject to further negotiations and approval; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that the partnership with Greater Sacramento to include two City of Roseville owned sites is hereby approved; and

BE IT FURTHER RESOLVED that City staff is hereby authorized to offer free or reduced land costs and expedited permit, plan check and inspection processing timeframes in response to the Amazon HQ2 RFP on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this ____ day of _____, 20__, by the following vote on roll call:

AYES COUNCILMEMBERS:
NOES COUNCILMEMBERS:
ABSENT COUNCILMEMBERS:

ATTEST:

MAYOR

City Clerk



GREATER SACRAMENTO
ECONOMIC COUNCIL

Sites for Amazon Proposal

Below is a list of sites submitted for Amazon HQ2 from the surrounding communities for potential selection.

Sites	Jurisdiction
El Dorado Hills Business Park	El Dorado County
190 Acres - South side of Athens Avenue, Sunset Area, Unincorporated Placer: Thundervally Casino	Placer County
Metro Air Park	Sacramento County
Elk Grove - 100 Acres	Elk Grove
HWY 65 - 12 Bridges Road	Lincoln
65 - East of Galleria 290 Conference Center Drive	Roseville
Panhandle - 6382 Phillip Road (APN: 017-101-008)	Roseville
Railyards	Sacramento, City
Bridge District	West Sacramento
Easton Place - Aerojet Hazel to Aerojet Blvd	Sacramento County
Sleep Train Arena	Sacramento, City

Amazon Sites RFI
290 Conference Center Drive

Overview

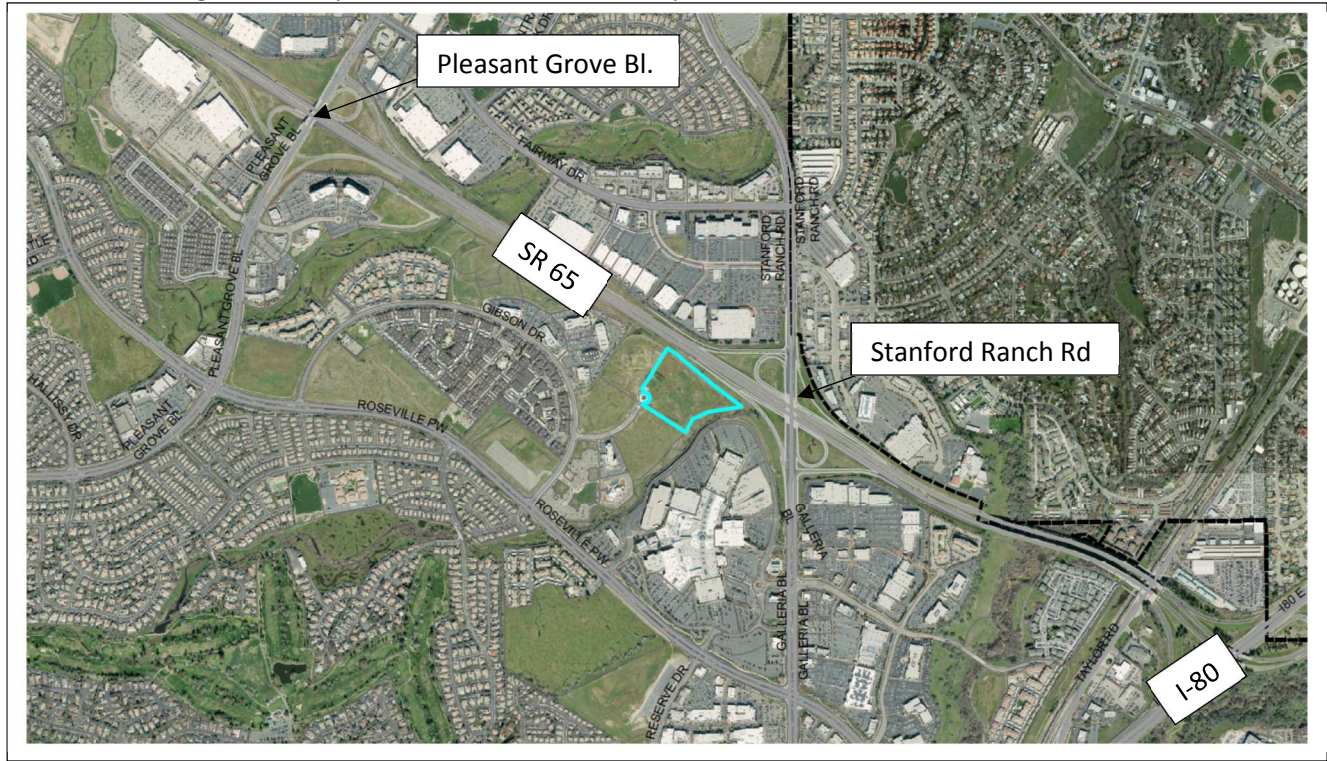
The 290 Conference Center Drive site is 11 acres in size and is currently undeveloped. The site has commercial/business professional land use and commercial zoning, and has utility and traffic capacity for up to 500,000 square feet of professional office development potential. Building height up to ten stories is permitted. The proposed project will require approval of a major project permit and subsequent environmental impact report. Entitlements are approved at the Planning Commission level unless appealed to the City Council.

A. Basic Site Data and Attributes:

1. Address: 290 Conference Center Drive, Roseville CA, 95678
2. APN: 363-011-086
3. Zoning: Community Commercial / Special Area Overlay. Professional office and retail are permitted uses (maximum 60% retail).
4. Neighboring land uses: Community Commercial / Business Professional. Site is bordered by commercial retail, restaurants, hotel, and event center to the south, a 2.5 million square feet of regional retail to the east, upscale health club (under construction), professional office, and high density housing to the west.
5. Size in acres: 11 acres
6. Shape of site: Mostly rectangular with irregular eastern boundary adjacent to open space / creek.
7. Potential for expansion: Two privately owned undeveloped parcels (7 and 8 acres, respectively) border the site to the south for an additional estimated 260,000 square feet of potential office space.
8. Geotechnical status: South Placer area is classified as a low severity earthquake zone. No active faults are known to exist within the County. The project site is considered to have low seismic risk with respect to faulting, ground shaking, seismically related ground failure and liquefaction. Subsurface soils (below 2 feet) are a mix of cemented, volcanic mudflow breccia, conglomerate, minor silt and sand. No groundwater was encountered at maximum auger depth of 39 feet. Nearest recorded groundwater depths range from 48 to 108 feet (source: DWR, wells 387755N1212753W001 and 387755N1212753W002). Please see the attached geotechnical study for more information.
9. Bearing capacities: To be determined by qualified geotechnical engineer. Foundations for the previously approved hotel tower on this site were designed using allowable capacities of 6,700 psf for dead loads, 10,000 psf for dead plus live, and 13,300 psf for dead plus live plus seismic.
10. Special incentive zone: None.
11. Ownership: Public (City of Roseville)

B. Maps and Photography

1. Site - regional transportation routes and access points



2. Utilities Map: see attached.
3. Aerial photography: see attached.
4. Topographic map: see attached
5. Flood plain map: see attached.

C. Reports and Studies

1. Wetlands report: A previous Clean Water Act Nationwide Permit 26 authorized fill of then-existing jurisdictional seasonal wetlands and vernal pools on the site in 1989. The wetlands were filled and mitigated and the property has since been regularly mowed and disked to prevent wetlands from re-establishing.
2. Phase 1 environmental report: see attached.
3. Soil boring reports: see attached.

D. Risks

1. Risk of flooding: the site is adjacent to, but not within the regulatory flood plain (see attached map). Furthermore, City improvement standards require commercial development to have a finished floor elevation no less than two feet above the City's 100-year flood elevation.
2. Frequency of major weather events within 50 miles: The site is not located in an area susceptible to tornadoes, hurricanes, tropical storms, major snowstorms, flooding, or seismic activity.
3. Endangered species: previous site surveys and records searches have not yielded evidence of endangered species or archeological remnants.

E. Utilities

1. Name of power provider: Roseville Electric (municipally owned electric utility)
2. Reliability data / outage information: see attached outage report for calendar year 2017 to date. Roseville Electric has some of the best reliability and outage response times in California.
3. Existing electric capacity: 10 megawatts
4. Source of power: 32% renewable. See attached power content label for details.

Attachments

Geotechnical Study

Utility Plans

Phase 1 ESA

Topography

Vicinity Map

2017 Aerial Photograph

Regulatory Flood Plain

Electric Outage & Reliability Data (systemwide data – not parcel specific)

Roseville Electric 2016 Power Content Label

Amazon Sites RFI

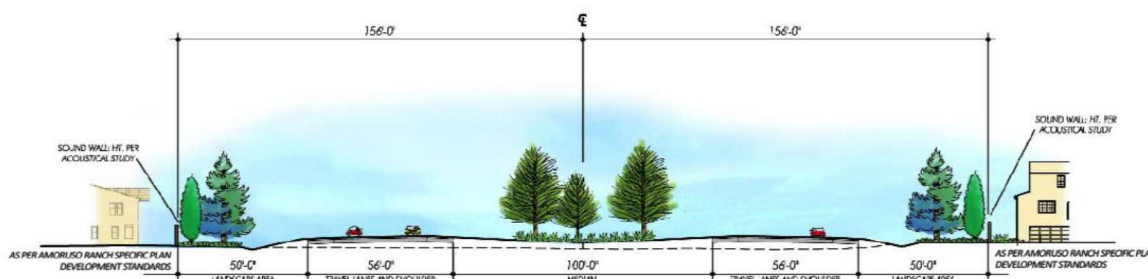
City of Roseville Panhandle Site Information

Overview

The Panhandle site is an approximately 130-acre greenfield vacant parcel, that is owned by the City of Roseville, located north of a planned six-lane arterial (extension of Blue Oaks Boulevard, west of Westbrook Boulevard, see attachment) and adjacent on two sides, to the planned six –lane regional Placer Parkway (see conceptual cross-section below). The proposed project will require approval of a rezoning and General Plan amendment for commercial/office uses, a major project permit and design review, and likely an environmental impact report (EIR). Entitlements would require review by the Planning Commission and City Council approval. Conceptual plans for a potential job center, which were contemplated prior to the great recession, assumed 1,080,000 square feet in a total of 18 two-story buildings.

A. Basic Site Data and Attributes:

1. **Address:** 6382 Phillips Road, Roseville CA, 95678
2. **APN:** 017-101-008-000
3. **Zoning:** Public/Quasi-Public. The P/QP designation is used to establish areas for municipal, governmental or public facilities.
4. **Neighboring land uses:** To the northwest is the Al Johnson Wildlife Area, part of a 1,700 acre site planned to accommodate the City's stormwater Regional Retention facility and potential recreation uses. To the west along the southern portion of the site are agricultural uses; to the east, immediately adjacent is the Creekview Specific Plan area, planned to accommodate 2,011 residential units; to the south along the southern edge of the Panhandle is the future extension of Blue Oaks Boulevard, and to the south the West Roseville Specific Plan approved in 2004, which is 65 percent built out, and includes 10,479 residential uses, parks, open space and commercial uses. A portion of the site would accommodate the future Placer Parkway, a planned regional facility, which would will connect Highway 65 in Placer County to highway 99 in Sutter County, providing an alternate highway to Interstate 80).



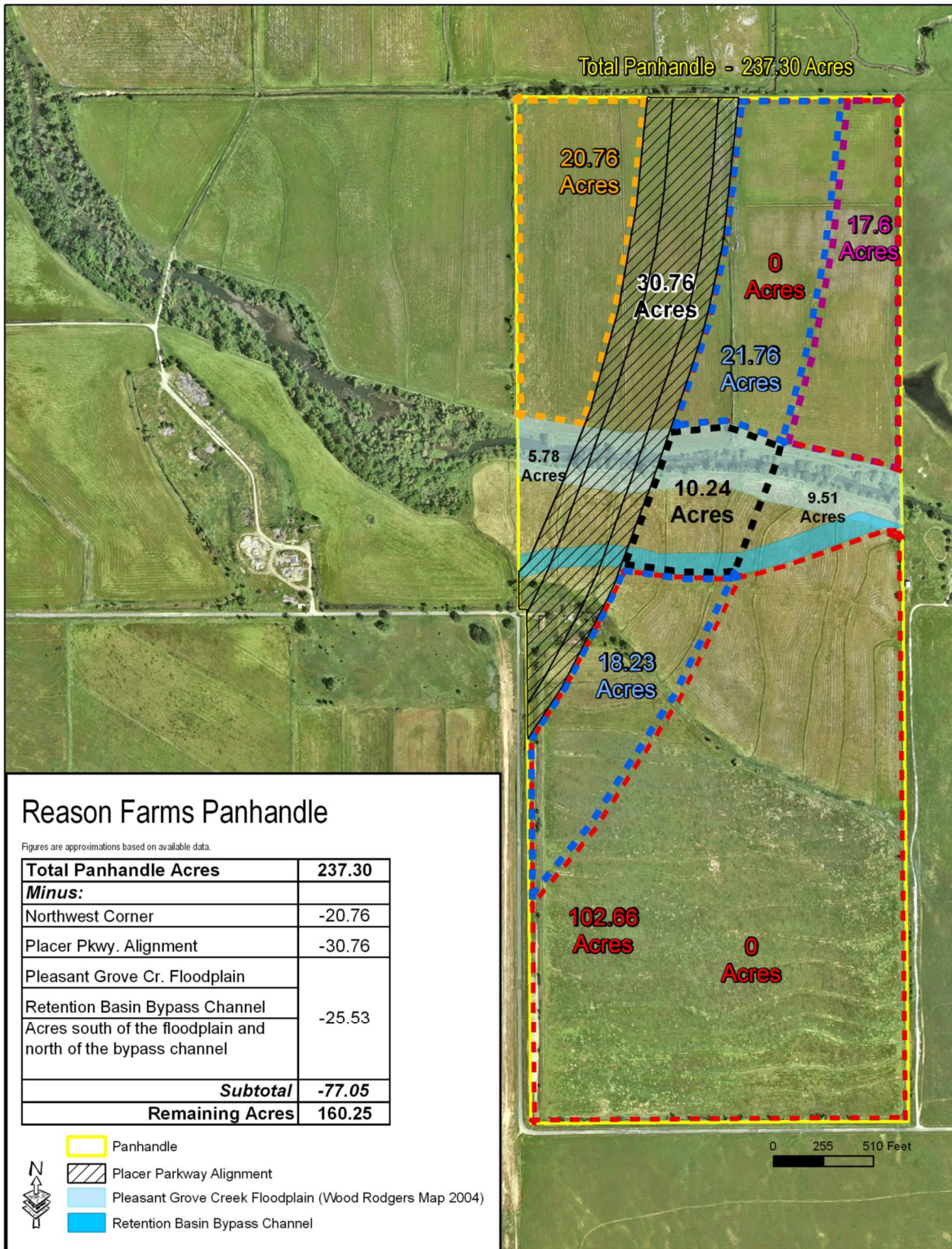
5. **Size in acres:** The entire parcel is 234 acres, which includes 19.74 acres of the site to accommodate Pleasant Grove Creek which traverses the site. The developable area is approximately 130 acres in size.
6. **Shape of site:** The parcel is rectangular.
7. **Potential for expansion:** The site is currently vacant. An analysis of the site was done in 2006 by the City of Roseville for a potential job center which assumed: Two story buildings totaling 1,080,000 square feet in a total of 18 buildings. However, the site could potentially

accommodate more development if higher density buildings (taller, larger floorplates) are considered.

8. **Geotechnical status:** South Placer area is classified as a low severity earthquake zone. No active faults are known to exist within the County. The project site is considered to have low seismic risk with respect to faulting, ground shaking, seismically related ground failure and liquefaction. There are no known faults of Type "A" or "B" within 15 kilometers of the site. Subsurface soils (below 2 feet) are a mix of silty sand and sandy silt to two feet underlain by a layer of silty clay, commonly referred to as hardpan. Review of available ground water data indicates the permanent ground water elevation is present at depths greater than 90-feet. Please see the attached geotechnical study for more information.
9. **Bearing capacities:** To be determined by qualified geotechnical engineer
10. **Special incentive zone:** None.
11. **Ownership:** Public (City of Roseville)

B. Maps and Photography

1. **Site** - regional transportation routes and access points: see attachment
2. Additional information regarding site maps including topography can be found at:
<https://roseville.maps.arcgis.com/apps/webappviewer/index.html?id=2a67e5a4e1cc4f489868b6563589bf19>



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3. **Utilities:** No utilities are located on the site. However, the Creekview Specific Plan shows the potential for future connections for water, wastewater and recycled water to the site, along the eastern boundary.
4. **Aerial photography:** see above
5. **Topographic map:** see link to online maps above. The site is relatively flat, with gently rolling terrain.
6. **Flood plain map:** see attached.

C. Reports and Studies

1. **Wetlands report:** Contains marginal natural resources (no known wetlands/vernal pools, etc). However, given the clay soils a wetland delineation and potential federal 404 permits may be required.
2. **Phase 1 environmental report:** none completed
3. **Soil boring reports:** none completed

D. Risks

1. **Risk of flooding:** an approximately 20-acre portion of the site, adjacent to and containing Pleasant Grove Creek is within the regulatory flood plain (see floodplain conditions map attached). The City of Roseville has approved a flood improvement project which will include construction of a bypass channel and fill which will remove the 20 acres from the floodplain. In addition, the City's improvement standards require commercial development to have a finished floor elevation no less than two feet above the City's 100-year flood elevation. Adequate land to develop is outside the floodplain.
2. **Frequency of major weather events within 50 miles:** The site is not located in an area susceptible to tornadoes, hurricanes, tropical storms, major snowstorms, flooding, or seismic activity.
3. **Endangered species:** No known endangered species are present on the site. However, the site is currently vacant, with non-native grasslands. It likely provides foraging habitat for raptors such as Swainson's hawk and others.

E. Utilities

1. **Name of power provider:** Roseville Electric (municipally owned electric utility). The City's Roseville Energy Park, a natural gas fired power plant is located a half mile away to the southeast, south of Blue Oaks Boulevard. Natural gas lines are proximate to the site on Westbrook Boulevard, southeast of the site.
2. **Reliability data / outage information:** Roseville owns and operates its own electric utility. Electric service is highly reliable and at less cost than PG&E.
3. **Existing electric capacity:** No utilities are located on the site. However, the parcel is located near developed areas of the City, so utilities could be expanded to provide service to the site.
4. **Source of power:** Roseville Electric contracts.

Attachments:

1. Cross-section of future Blue Oaks Boulevard

2. Regional Vicinity Map
3. Floodplain Map Pre and Post floodplain improvements