MEMORANDUM
COUNTY EXECUTIVE OFFICE
ADMINISTRATION
County of Placer

TO: Honorable Board of Supervisors
FROM: David Boesch, County Executive Officer
By: Michele Kingsbury, Principal Management Analyst
DATE: July 12, 2016
SUBJECT: Agreement for Placer Ranch proposal and authorization to file applications

ACTION REQUESTED
1. Approve an Agreement for the Placer Ranch Proposal with Placer Ranch, Inc. and authorize the County Executive Officer or designee to execute.
2. Authorize the County Executive Officer or designee to execute and file applications and other related documents for the review and processing of the Placer Ranch Specific Plan.

BACKGROUND
On April 5, 2016, your Board directed staff to move forward with the processing of the proposed Placer Ranch Specific Plan concurrent with the Sunset Area Plan Update. The 2,213-acre Placer Ranch property is entirely within the boundaries of the Sunset Area Plan, located west of Highway 65 between the cities of Lincoln, Rocklin and Roseville. The Placer Ranch Specific Plan comprises over one-quarter of the land area of the larger Sunset Area Plan. The cornerstone of the proposed Placer Ranch Specific Plan is the inclusion of a satellite campus of the California State University, Sacramento. In taking this action, your Board recognized that the Placer Ranch is an integral component in the comprehensive planning of the Sunset Area. Inclusion of the specific plan in the Sunset Area plan update will allow for design of an overall land use plan that balances smart growth, job creation, comprehensive infrastructure planning and economic development, while infusing money into the local economy, all of which are public benefits for which the expenditure of public funds is proper.

To memorialize this direction and efforts underway to update technical studies and specific plan documents, while acknowledging the benefits the Placer Ranch Specific Plan proposal brings to the County, staff worked with the property owner representatives to develop an agreement, included as Attachment A to this report. Key provisions contained in the agreement include:

- Permissions to conduct technical studies and file applications for the Placer Ranch Specific Plan (Section 1.A)
- Rights of Entry Provisions for Consultants and Staff (Section 1.B)
- Provisions for the recouping of costs via a Specific Plan fee (Section 1.D)
- Dedication of Placer Parkway Phase I right of way (Section 2)
- Agreement Term: The initial term of this Agreement shall be twenty-four (24) months with the option to extend the Initial Term for a period of twelve (12) months by written amendment of this Agreement. During this timeframe, Placer Ranch, Inc. agrees the County’s application shall be exclusive and agrees not to apply or have an application filed on its behalf by another entity or jurisdiction during the term of this Agreement. (Section 4.F.)
The early dedication of the Placer Parkway Phase I right of way is a cornerstone of this Agreement. Approximately three (3) miles of the Placer Parkway project alignment lies within the PRSP. Placer Parkway is a critical project that will provide a new east/west roadway connection, alleviating congestion on both Highway 65 and I-80 and will enhance transportation connectivity and be an economic development catalyst for businesses to locate in the Sunset Area.

In support of the overall economic development efforts within the SIA and the critical piece that Placer Parkway plays with that success, Placer Ranch, Inc. (property owner) supports and agrees to dedicate approximately 21.4 acres of the Placer Parkway Phase I right of way. Placer Ranch, Inc. will dedicate the phase I right of way, no later than the receipt by the County of the Administrative Draft Environmental Impact Report for the Placer Ranch Specific Proposal or January 1, 2017, whichever occurs first. Dedication of the right of way will support the County’s current efforts to initiate construction of Placer Parkway Phase I in the 2018/2019 year with construction anticipated to be complete by 2020.

In a separate item on this Board’s agenda, staff is seeking authorization to enter into an consultant services agreement with Ascent Environmental, Inc. to perform environmental review services for the proposed Placer Ranch Specific Plan and Sunset Area Community Plan Update.

ENVIRONMENTAL IMPACT
The Agreement for the Placer Ranch Proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15306.

FISCAL IMPACT
There is no fiscal impact associated with the execution of this agreement. Funding for consultant work for this project is available in the County’s General Fund - FY 2016-17 Proposed Budget Community and Agency Support appropriation.

ATTACHMENTS
A. Agreement for Placer Ranch Proposal
AGREEMENT FOR
PLACER RANCH SPECIFIC PLAN PROPOSAL

This Agreement is made and entered into by and between the County of Placer ("County"), a political subdivision of the State of California and Placer Ranch, Inc., a California Corporation (referred to as "Owner") (County and Owner collectively, referred to as the "Parties").

Whereas, Owner owns ±2,213 acres within the County Sunset Industrial Area ("SIA") as shown in Attachment 1 and commonly referred to as the Placer Ranch Specific Plan ("PRSP") and as further identified by Assessor Parcel Numbers 017-063-013; 017-063-042; 017-063-043; 017-020-018; 017-020-019; 017-063-004; 017-063-039, 017-063-040; 017-063-012; 017-063-045, and 017-063-046 ("the Site").

Whereas, in recognition of the importance to the County of the SIA as a major potential employment center and the passage of time since the SIA had last been updated, on November 18, 2014, the County initiated a comprehensive update to the SIA ("SIA Update").

Whereas, at the time of initiation, it was anticipated that the SIA Update would be analyzed at the program level of analysis pursuant to the California Environmental Quality Act ("CEQA").

Whereas, the County Board of Supervisors recognized that the PRSP is a significant catalyst to the provision of critical infrastructure and future job growth within the SIA and, as a result, on April 5, 2016, authorized and directed staff to incorporate the evaluation of the PRSP at a project level of analysis pursuant to CEQA as part of the SIA Update.

Whereas, the Board recognized a significant number of benefits to the County and its current and future residents to this innovative approach to processing the PRSP, including, but not limited to the reasons listed below.

The PRSP contains approximately three (3) miles of the Placer Parkway alignment.

The Placer Parkway project is a critical piece of infrastructure to the County that will provide a new east/west roadway, relieving traffic congestion on both Highway 65 and I-80, thereby enhancing transportation connectivity and economic development in the SIA and County.

The PRSP includes a 300+/ acre site to be dedicated to California State University Sacramento for a satellite campus that is expected ultimately to develop into an independent CSU campus employing 5,000 faculty and staff supporting 25,000 CSU students, with a Sierra College transfer center serving an additional 5,000 students ("Sac State Campus").

The Sac State Campus is also planned to include 3,000,000+/ square feet of academic and administrative space, student and faculty housing, a student center, parking structures, a library, gymnasium and recreation facilities, and a performing arts center.

At full build out, the Sacramento State satellite campus is to expend an annual operating budget of $393.8 million. The total annual recurring economic impact to the region is projected to be $530.2 million of new annual economic output, of which $423 million would accrue to Placer County; 5,733 new full-time jobs, of which 4,281 jobs would be in Placer County; $225.7 million of new labor income, of which $182.2 million would be
in Placer County; and $30.7 million in new indirect business taxes, of which $19.5 million would be in Placer County.

Whereas, the County Board of Supervisors took the extraordinary step of authorizing the County to process the PRSP through the application and environmental analysis stages with the understanding that if PRSP comes to fruition, a future Specific Plan fee would be established to reimburse the County for the costs of said processing. In doing so the Board recognized that the PRSP is an integral component in the comprehensive planning of the SIA and the inclusion of the PRSP into the SIA update will allow for design of an overall land use plan that balances smart growth, jobs creation, comprehensive infrastructure planning and economic development, while infusing money into the local economy, all of what are public benefits for which the expenditure of public funds is proper.

Whereas, it is understood by the Parties that nothing in this Agreement commits the Board of Supervisors and/or the County to a particular course of action as this is defined in the California Environmental Quality Act ("CEQA") and that any realization of the PRSP will first be subject to full environmental review.

Whereas, in order to proceed forward the Parties agree to provide for certain rights of entry to access the Site, to conduct feasibility and technical studies, and indemnification provisions for the County to take the lead in processing the PRSP application.

Whereas, to support the overall development efforts of the SIA and provide for an entry point for PRSP, the Owner has agreed to dedicate approximately 21.4 acres of right of way to the County for Phase I of Placer Parkway.

Whereas, neither the County nor the Owner would otherwise proceed forward with the PRSP application absent the assurances and obligations set forth in this Agreement.

Now, therefore, it is mutually agreed between County and Owner as follows:

1. **PROPOSED PLACER RANCH SPECIFIC PLAN APPLICATION**

   **A. OWNER’S AUTHORIZATION TO FILE APPLICATION**

   Owner hereby grants permission to the County of Placer to file an application for the PRSP, including preparation of all necessary planning documents, technical studies, land use entitlements and environmental review. Owner grants permission to the County of Placer to sign any and all agreements to process said PRSP, including any necessary EIR contracts.

   County agrees to consult with Owner during the application process and EIR analysis and verify with Owner any changes to the PRSP proposal as a result of said application or EIR process.

   Owner recognizes and agrees that the provision for the future Sac State Campus within the PRSP is a material consideration for the County to process the PRSP application.

   **B. RIGHT OF ENTRY**

   Owner gives permission to County staff, its consultants and other authorized personnel to
conduct site inspections and post public notification signs on the Site during the processing of the PRSP. Owner consents to the posting of its address and contact information and the address and contact information of all parties to this application on any website maintained by Placer County.

The County agrees to the following rules related to right of entry:

1. County’s entry onto the property shall be limited to the hours between 7:30 am and 5:30 pm.
2. County shall notify Owner in writing via electronic mailing a minimum of forty-eight (48) hours in advance of date to enter Site, including the reasons to enter site and the parties entering. If required by Owner, County shall also notify the tenant, Wildlands, Inc. of the need to enter the Site and work with tenant to ensure County’s work does not unreasonably interfere with tenant’s use of the Site.
3. County and its Contractor will leave gates as they are found and no trash or other evidence of field trash will be left on Owner’s Site.

C. RETENTION OF STATUS QUO OF PROPERTY AND APPLICATION PROCESSING

Owner agrees to not alter the physical condition of the Site during the processing of this application including but not limited to tree removal, structure demolition, altering and/or impacting streams, vernal pools or other waters of the U.S., taking of endangered or threatened species, impacts to habitat, grading or filling or any other activity that would alter the baseline conditions, as such is defined in the CEQA.

Owner agrees the County’s application shall be exclusive and agrees not to apply or have an application filed on its behalf by another entity or jurisdiction during the term of this Agreement.

D. COSTS

Pursuant to the terms of this Agreement, Owner shall be responsible for the reasonable costs associated with the PRSP applications for, including, but not limited to, the cost of preparing the applications, technical studies, PRSP, Design Guidelines and Development standards, staff time costs to process the application and review comments, and all other costs and time incurred by County and its agents or consultants to file and process the PRSP request. Recognizing the benefit to the SIA and the region that the PRSP will bring, including early dedication of the Phase I Placer Parkway right of way as described in Section I below, the Parties agree to negotiate in good faith the apportionment of costs that will be reimbursed to the County through the establishment of a “Placer Ranch Specific Plan Fee”. Owner agrees to cooperate with the preparation of all fee studies to support the adoption of this Specific Plan Fee.

Owner expressly acknowledges and agrees that County will process the PRSP through and including the hearing before the Board of Supervisors. Any processing of subsequent improvement plans, final maps, building or grading permits and other subsequent entitlements shall be at the sole cost of Owner or Owner’s successor in interest to part or the entire Site.

E. NO WARRANTIES
Nothing in this Agreement shall be construed to warrant or guarantee that County: will approve the PRSP or will ensure favorable terms and conditions, including but not limited to a particular land plan, a particular CEQA analysis or any other application or processing outcome for the PRSP. Additionally, County does not warrant or guarantee a particular time frame during which the PRSP will be processed, nor does it warrant or guarantee a particular hearing date schedule for consideration of the PRSP. Without waiving this provision, however, County agrees to process said application and CEQA analysis in good faith and in an expeditious process.

F. GOOD FAITH

Both parties hereby agree, in all instances, to proceed in good faith and with reasonable diligence to file an entitlement application for a Specific Plan on the Site and to provide each other an opportunity to review and comment on the application and processing of said entitlement(s), and to coordinate the processing of said entitlements.

G. NO LIMIT ON COUNTY’S DISCRETIONARY AUTHORITY

County’s role in the concurrent processing of the proposed PRSP with the SIA update does not in any way assume, imply or bind County or the Placer County Board of Supervisors to approval of the PRSP or any element of the PRSP, including, but not limited to, or subsequent entitlements on the Site. Nor does the County’s role in any way limit its role as lead agency under CEQA in the preparation of environmental review, including but not limited to the consideration of alternatives, for either the PRSP or SIA update.

H. DEVELOPMENT AGREEMENT

The PRSP entitlement process will include a request for a development agreement. The Parties acknowledge that neither a Planning Commission hearing nor Board of Supervisors hearing may occur to consider the PRSP until such time as a Development Agreement is negotiated and consented to by both Parties. Owner agrees that a Development Agreement as may be negotiated by the Parties, must be executed by Owner prior to consideration by the County hearing bodies of the PRSP proposal. The Owner and County agree to negotiate the development agreement in good faith in a timely and expeditious manner.

I. RIGHT OF WAY

To support of the overall economic development efforts within the SIA, the Owner agrees to dedicate an Irrevocable Offer of Dedication in the form included as Attachment 2 for approximately 21.4 acres of the Placer Parkway Phase I Right of Way as depicted in Attachment 3. The Owner agrees to execute Offer to Dedicate for the right of way for Placer Parkway Phase I, no later than the receipt by the County of the Administrative Draft Environmental Impact Report for the Placer Ranch Specific Proposal or January 1, 2017, whichever occurs first. Failure of Owner to Offer for Dedication said right of way is a material breach of this Agreement and this Agreement shall terminate immediately and County will cease all actions to process project level entitlements for the PRSP.

3. DEFENSE AND INDEMNIFICATION FOR THIRD PARTY LAWSUITS

Owner shall defend, indemnify, and hold harmless County, its agents, officers, departments, offices, and employees from and against all claims, legal actions, damages, losses,
judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the PRSP, and any other related subsequent County determinations and actions based on PRSP, including, but not limited to, County's application for the PRSP and compliance with CEQA (collectively, "Indemnification Obligations").

Owner's Indemnification Obligations shall include but not be limited to reimbursement to County for County's staff charges and hard costs of assembling, review and/or certification of any administrative record; duplication and preparation of any administrative record if petitioner does not elect to prepare the same; County Counsel attorney time expended in defense of any lawsuit arising out of County's actions regarding the PRSP entitlement or compliance, miscellaneous copying, transcript or court costs incurred by County; the costs of any judgments or awards against County for damages, losses, costs or attorney's fees arising out of said lawsuits and all other usual and customary costs of defense. Owner's Indemnification Obligations shall also include the costs of any settlement to be paid to other parties.

Owner's Indemnification Obligations apply to any and all lawsuits or challenges growing out of the PRSP entitlement application, including lawsuits based on subsequent actions or alleged failure to take actions related to and arising out of said application. Owner agrees to execute a separate indemnification agreement in the event of litigation. Said indemnification agreement will include provisions related to defense, including but not limited to meet and confer provisions, and settlement obligations.

Owner's Indemnification Obligations are payable by way of reimbursement to County. County will invoice Owner on a monthly basis for its costs and expenses of defense. Full payment of each invoice shall be due and payable within thirty (30) days of receipt of said invoice. Failure to pay pursuant to the terms of the invoice shall be considered a breach of this Agreement. Invoicing shall commence within sixty (60) days of the commencement of litigation.

2. MISCELLANEOUS PROVISIONS

A. AMENDMENT

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the Parties. Any such amendment shall be in written form, executed with the same formalities as this Agreement, and attached to the original Agreement.

B. NO THIRD PARTY BENEFICIARIES

Owner's obligations under the Agreement do not inure to the benefit of any third party, including any other parties to any litigation involving the Specific Plan.

C. NOTICE

Any notice or communication regarding this Agreement, including change of address of either party during the term of this Agreement, which Owner or County shall be required or may desire to make, shall be in writing and may be personally served, or sent by prepaid first class mail to, the respective Parties as follows:
COUNTY OF PLACER:

Office of the County Counsel
175 Fulweiler Avenue
Auburn, CA 95603
Phone: (530) 889-4044
Fax: (530) 889-4069

Copy to:
Michele Kingsbury
Principal Management Analyst
County of Placer
175 Fulweiler Avenue
Auburn, CA 95603

OWNER:

Placer Ranch, Inc.
P.O. Box 3353
Rocklin, CA 95677
Attention: Holly Tiche, President

Copy to:
2121 Avenue of the Stars, Suite 3000
Los Angeles, CA 90067
Attention: Cindy S. Quane

D. WARRANTY OF AUTHORITY

Each individual signing this Agreement represents and warrants that he or she has the power and authority to bind the entity or individual on behalf of whom he or she is signing.

E. DEFAULT, REMEDIES, TERMINATION

1. Default

Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by either party to perform any term or provisions of this Agreement shall constitute a default. In the event of alleged default or breach of any term or condition of this Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) days' notice in writing specifying the nature of the alleged default and the manner in which said default may be satisfactorily cured during any such thirty (30) day period, the party charged shall not be considered in default for that period of time.

After notice and expiration of the thirty (30) day period, the other party to this Agreement at its option may institute legal proceedings pursuant to this Agreement or give notice of intent to terminate this Agreement. In the case of termination due to default by the Owner, County has the right to seek reimbursement of all costs expended by the County to process the PRSP up to and including the date of the notice of intent to terminate and may, at
County's sole discretion, immediately cease all processing of the PRSP. That processing can but need not include separating out the project from the program level portion of the EIR anticipated to be processed for the SIA update.

a. County Termination

Notwithstanding Section 2.H. of this Agreement, the County Board of Supervisors may terminate this Agreement without cause following thirty (30) days’ notice to Owner. If this Agreement is so terminated during the Specific Plan entitlement application processing, County agrees to transfer the PRSP application, including all studies, to Owner. The EIR documents and studies shall remain the property of the County.

b. Owner Termination

Furthermore, notwithstanding Section 2.H. of this Agreement, Owner may terminate this Agreement following thirty (30) days’ written notice to County. Owner shall reimburse the County in full all costs of processing the PRSP to date including the portion of the EIR costs allocated to the project level analysis. Until said costs are reimbursed in full, the County has the right to retain all studies, documents and materials related to the PRSP and EIR analyses.

F. APPLICABLE LAW

This Agreement is subject to the laws and jurisdiction of the State of California. In the event that any court action should be brought in conjunction with this Agreement, it shall be subject to interpretation under the laws of the State of California, and any legal proceedings shall be brought under the jurisdiction of the Superior Court of the County of Placer, State of California. The Parties each waive any change of venue rights that they may have. The Parties each waive any federal court removal and/or original jurisdiction rights that they may have.

G. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the Parties.

H. EFFECTIVE DATE AND TERM

This Agreement shall become effective upon the date of the last signature below (“Effective Date”). The initial term of this Agreement shall be twenty-four (24) months (“Initial Term”) calculated from the Effective Date. The Parties may extend the Initial Term for a period of twelve (12) months by written amendment of this Agreement.
NOW THEREFORE, PARTIES EXECUTE THIS AGREEMENT ON THE DATE WRITTEN BELOW:

COUNTY OF PLACER:

By: ___________________________ Dated: ___________________________
    David Boesch
    Placer County Executive Officer

PLACER RANCH, INC.

By: ___________________________ Dated: ___________________________
    Holly Tiche, President
    Its: ___________________________

Taxpayer’s Identification Number: [on file]

APPROVED AS TO FORM:

Placer County Counsel’s Office
Counsel for County

APPROVED AS TO FORM:

Counsel for Owner
Attachment 1

SITE
DATA DISCLAIMER:
The features on this map were prepared for geographic purposes only and are not intended to illustrate legal boundaries or supersede local ordinances. Official information concerning the features depicted on this map should be obtained from recorded documents and local governing agencies.
COUNTY OF PLACER

OFFER OF DEDICATION

HIGHWAY EASEMENT

For the receipt of one dollar ($1.00) or other good and valuable consideration,

the undersigned GRANTOR(S), hereby irrevocably offers for dedication to the County of Placer, State of California, an easement for road purposes and incidentals thereto, including the utility rights over, on, under and across all that real property situated in the County of Placer, State of California, bounded and described as follows:

(Any and all interest in the property conveyed by grantor to the County of Placer pursuant to this instrument runs with the land and is binding on the heirs, assigns and successors of the grantor.)

(See Attached Exhibits “A” & “B”)

GRANTOR(S)

Dated this ___ Day of __________, 20__ ,

Sign name

Trustee / Beneficiary

Print name and title

Recording Reference Number

Sign name
Print name and title

See following page for Acknowledgement
ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Placer

On ______ before me, ____________________________________________ (name, title), personally appeared __________________________ (name, title), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under the PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Seal)       Signature

CABILITIES CLAIMED BY SIGNEER

☐ INDIVIDUAL(S) SIGNING FOR ONESELF/THEMSELVES
☐ CORPORATE OFFICER(S)
        TITLE(S)
        COMPANY
☐ PARTNER(S)
        PARTNERSHIP
☐ ATTORNEY-IN-FACT
        PRINCIPAL(S)
☐ TRUSTEE(S)
        TRUST
☐ OTHER
        TITLE(S)

ENTITY(IES) REPRESENTATIVE

CONSENT TO RECORDATION:
The County of Placer hereby consents to the recordation of the Offer of Dedication attached hereto. The County does not accept said offer at this time, but reserves the right to do so in the future, pursuant to authority conferred by Ordinance 5152-B.

DATE       SIGN NAME

PRINT NAME AND TITLE

ACCEPTANCE (1): BY AUTHORIZED AGENT:
This is to certify that the interest in real property conveyed by the deed or grant deed dated ________________ , 20___, from ____________________________ (name, title), to the County of Placer, a government agency, is hereby accepted by the undersigned agent on behalf of the Board of Supervisors of the County of Placer pursuant to authority conferred by Ordinance 5152-B adopted on January 15, 2002, and the Grantee consents to the recordation thereof by it's duly authorized agent.

DATE       SIGN NAME

PRINT NAME AND TITLE