



MEMORANDUM
COMMUNITY DEVELOPMENT/RESOURCE AGENCY
PLANNING SERVICES DIVISION
County of Placer

TO: Board of Supervisors DATE: April 5, 2016

FROM: Michael J. Johnson, AICP
Agency Director

BY: Michele Kingsbury, Principal Planner

SUBJECT: Placer Ranch Specific Plan

ACTION REQUESTED

1. Provide direction on the proposed inclusion of the Placer Ranch Specific Plan into the Sunset Area Plan Update process and retention of consultants to complete planning and project-level environmental review documents for Placer Ranch.

BACKGROUND

The Placer Ranch project site is within the boundaries of the Sunset Area Plan but until late 2015, the project was being processed through the City of Roseville. That application was subsequently withdrawn in late 2015. Since the withdrawal of this application, the current owner of the Placer Ranch property and County staff have discussed opportunities to incorporate the processing of the Placer Ranch project entitlements into the current update of the Sunset Area Plan. To this end, County staff and Placer Ranch have been exploring the potential for having the County take the lead role in the processing of the Placer Ranch Specific Plan.

Placer Ranch has proposed the same land plan submitted to the City and has confirmed California State University's commitment to the placement of a CSU campus within the Placer Ranch property remains strong. Land uses would continue to be centered on a 300-acre site proposed to serve as a satellite campus of California State University, Sacramento, which could support up to 25,000 students and 5,000 faculty and staff along with a Sierra College transfer center that would serve an additional 5,000 students. The campus development could include a 3 million square foot academic and administrative space, student and faculty housing, a student center, parking structures, a library, gymnasium and recreation facilities, and a performing arts center.

The Placer Ranch project would also include a university village in the eastern portion of the plan area, directly adjacent to the campus. The university village comprises high-density residential, commercial, mixed use, and community commercial uses. Additional land uses within the 2000-acre project would include:

- Approximately 5,527 residential units in a mix of low, medium, and high densities: ultimately housing 13,841 residents;
- Approximately 318 acres (4.8 million square feet) of Commerce Park/Light Industrial land uses;
- Approximately 82.5 acres (1.1 million square feet) of Regional Commercial land uses; and
- Approximately 81 acres (1 million square feet) of Community Commercial and Mixed Use
- Approximately 16.4 acres of Business Professional
- Approximately 356 acres of Open Space

PROCESSING PROPOSAL

While California State University remains committed at the present time, the parties recognize that commitment can only be sustained with progress on development processing. Therefore, County staff is bringing to the Board a proposal to have the County process and front the costs of the land use entitlement and project-level California Environmental Quality Act (CEQA) review of the Placer Ranch

Specific Plan. With the Area Plan update underway with an anticipated program-level Environmental Impact Report (EIR), the Placer Ranch Specific Plan could be added to the “project description” and analyzed on a project-level basis – a common CEQA process. The County would process the Specific Plan to an entitlement stage similar to other specific plans in the County (for example the Riolo Vineyard Specific Plan). The County would implement a specific plan fee to reimburse the County for processing the Specific Plan, and impose the obligation to pay the fee on all future individual private development projects within the Placer Ranch Specific Plan. The amount of the fee would be based on the final costs of processing the specific plan to entitlement stage (including that portion of costs for the project-level CEQA review).

The Board recently adopted such a fee for the Regional University Specific Plan. Including the Placer Ranch Specific Plan and environmental review in the Sunset Industrial Area plan update is consistent with County policy and prior Board actions related to investment in economic development, environmental protection and permit streamlining. Programs such as the Placer County Conservation Plan, Placer Legacy, the Regional University Specific Plan Backbone Infrastructure and Federal Clean Water 404 permit partnership and other activities of Economic Development demonstrate the County’s prior commitment to investing in economic and environmental infrastructure and processes of Placer County.

There are economic and financial opportunities and constraints associated with the proposal.

Economic Development Opportunities

Due to its location and the proposed CSU campus, the Placer Ranch project is a gateway project for future development of the Sunset industrial area. The Placer Ranch area accounts for approximately 26.9 percent of the developable acreage in the Sunset Area; and, as such, has the potential to be a market catalyst (i.e. innovation hub) that could create momentum and development of other properties in the Sunset Area. As noted in the Sunset Area Market Analysis, it is expected that Placer Ranch could capture roughly 20 percent of the projected industrial/flex acreage and 80 percent of the office acreage in the land demand scenarios.

As seen in other innovation hubs, the thoughtful planning for and mixing of commercial/industrial uses with residential uses can create a well-balanced community. The Sunset Area Market Analysis concluded that over the next 20 years, there will be a demand for 500 to 800 acres of industrial land in the Sunset Area. Accordingly, developing the Placer Ranch property with a university and an array of complementary land uses will be critical to the long-term success of the Sunset Area.

At full build out, the Sacramento State satellite campus is expected to serve 25,000 students (plus an additional 5,000 Sierra College students) and 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.
- \$30.7 million in new indirect business taxes, of which 19.5 million would be in Placer County.

The addition of a new university campus in Placer County will create substantial short- and long-term economic benefits, provide additional local tax revenues, and catalyze healthy economic growth in Placer County and the region.

Infrastructure and Financing Opportunities

The Placer Ranch property is critical as a key gateway to development of infrastructure (roadways, sewer lines, water lines) in the Sunset Plan Area. As the Board is aware, County staff – with the assistance of the County Treasurer-Tax Collector - has been pursuing options for the development of an Infrastructure Finance District (IFD) as a mechanism in funding the installation of needed backbone infrastructure to facilitate the development of the Sunset Area. The addition of the Placer Ranch project area would be beneficial to the establishment of a successful IFD.

Additionally, the Placer Ranch property includes three miles of the planned Placer Parkway. Through the incorporation of the Placer Ranch project into the Sunset Area Plan, the potential exists for the County to secure the needed Placer Parkway right-of-way sooner, thereby providing the opportunity to accelerate the westward extension of the Placer Parkway.

County Priorities for the Sunset Area

Staff's proposal is consistent with the priorities the Board has identified for the Sunset Area including:

- Ensuring the integrity of the Sunset Industrial Area as a regional job center that supports the tax base for Placer County.
- Recognizing the County's priority for updating the Sunset Industrial Area Plan to position the area in today's marketplace.
- Financial planning for critical backbone infrastructure to serve the entire Sunset Area.
- Continued planning and implementation of the Placer Parkway, improvements to Sunset Boulevard, Foothills Boulevard, and Fiddymont Road.
- Protecting the long-term viability of the County-operated West Placer Waste Management Authority's landfill and Materials Recovery Facility and associated operations.
- On-going coordination with the Placer County Water Agency on water supply and storage infrastructure for the Sunset Area, including Placer Ranch.

Cost Obligations and Fiscal Impact of Proposal

As discussed above, the proposal brought forward to the Board is for the County to front the costs of processing the Placer Ranch Specific Plan to a project-level entitlement. The County would implement a specific plan fee that would be imposed on each development within the Specific Plan area to reimburse the County for the costs of processing the plan. However, the reimbursement of these costs will not be realized in the near future and will be dependent on third-party investors/developers processing maps and moving development forward to construction. Until such time, the County will be carrying these costs.

Placer Ranch has provided to the County all of the technical studies that were prepared for the project when it was being processed through the City of Roseville. These technical studies (traffic, air quality, biological resources) represent an investment of more than \$1 million in studies. While some updates/modifications may be necessary, these technical studies can be incorporated into the Sunset Area Plan EIR analysis and provide a cost savings.

In considering the potential of incorporating the Placer Ranch project into the ongoing Sunset Area Plan Update, staff has developed preliminary estimates of the costs. These estimates are based on discussions with MacKay and Somps, the engineering firm that has been directly involved in the preparation of the Placer Ranch land use plan and technical studies, the County's Area Plan EIR consultant, and other consultants:

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| • Placer Ranch Land Use Plan/Specific Plan Preparation: | \$100,000 |
| • Completion of Technical Studies: | \$250,000 |
| • Incorporation of Project-Level EIR into the SIA Update: | \$350,000 |
| • Staff Time: | \$400,000 |

Should the Board provide direction to pursue inclusion of the Placer Ranch project into the Sunset Area Plan Update, staff would refine these numbers and return with proposed contract amendments and/or consultant contracts at the May 3, 2016 Board meeting.

RECOMMENDATION

Provide direction on the proposed inclusion of the Placer Ranch Specific Plan into the Sunset Area Plan Update process and retention of consultants to complete planning and project-level environmental review documents for Placer Ranch.

cc: David Boesch, County Executive Officer
Andy Heath, Assistant County Executive Office

